



**Notice of Entry of Appearance
as Attorney or Accredited Representative**
Department of Homeland Security

DHS
Form G-28
OMB No. 1615-0105
Expires 02/29/2016

Part 1. Information About Attorney or Accredited Representative

Name and Address of Attorney or Accredited Representative

1.a. Family Name (Last Name)

1.b. Given Name (First Name)

1.c. Middle Name

2. Name of Law Firm or Recognized Organization

3. Name of Law Student or Law Graduate

4. State Bar Number

5.a. Street Number

5.b. Street Name

5.c. Apt. Stc. Flr.

5.d. City or Town

5.e. State S.f. Zip Code

5.g. Postal Code

5.h. Province

5.i. Country

6. Daytime Phone Number () -

7. E-Mail Address of Attorney or Accredited Representative

Part 2. Eligibility Information For Attorney or Accredited Representative

(Check applicable item(s) below)

1. I am an attorney eligible to practice law in, and a member in good standing of, the bar of the highest court(s) of the following State(s), possession(s), territory(ies), commonwealth(s), or the District of Columbia.

1.a.

1.b. I (choose one) am not am subject to any order of any court or administrative agency disbaring, suspending, enjoining, restraining, or otherwise restricting me in the practice of law. (If you are subject to any order(s), explain fully in the space below.)

1.b.1.

2. I am an accredited representative of the following qualified nonprofit religious, charitable, social service, or similar organization established in the United States, so recognized by the Department of Justice, Board of Immigration Appeals pursuant to 8 CFR 292.2. Provide the name of the organization and the expiration date of accreditation.

2.a. Name of Recognized Organization

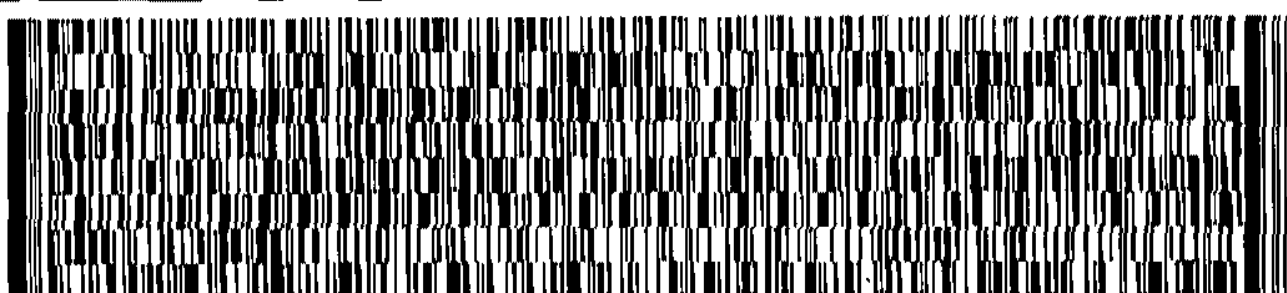
2.b. Date Accreditation expires (mm/dd/yyyy) ▶

3. I am associated with

3.a.

the attorney or accredited representative of record who previously filed Form G-28 in this case, and my appearance as an attorney or accredited representative is at his or her request. If you check this item, also complete number 1 (1.a. - 1.b.1.) or number 2 (2.a. - 2.b.) in Part 2 (whichever is appropriate).

4. I am a law student or law graduate working under the direct supervision of the attorney or accredited representative of record on this form in accordance with the requirements in 8 CFR 292.1(a)(2)(iv).

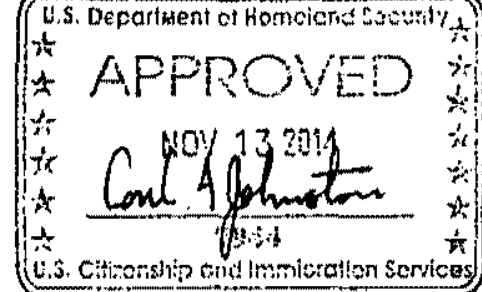


Department of Homeland Security
U.S. Citizenship and Immigration Services

Form I-924, Application for Regional Center
Under the Immigrant Investor Pilot Program

Do Not Write in This Block - for USCIS Use Only. (except G-28)

Action Block



RCW1417551786
egarcia2 1924 08/24/2014

G-28 attached

Attorney's State License No.
235047

Part 1. Information About Principal of the Regional Center

Name: Last CHAE First MIN Middle SEOK

C/O: DMC INVESTMENT HOLDINGS, LLC

Street Address/P.O. Box: 3100 E. IMPERIAL HWY

City: LYNWOOD (b)(6) State: CA Zip Code: 90262

Date of Birth (mm/dd/yyyy): [Redacted] Fax Number (include area code): (310) 631-1645 Telephone Number (include area code): (310) 631-6789

Web site address: N/A

Part 2. Application Type (Check one)

- a. Initial Application for Designation as a Regional Center
- b. Amendment to an approved Regional Center application. Note the previous application receipt number, if any (also attach the Regional Center's previous approval notice): W090DD740

Part 3. Information About the Regional Center

(Use a continuation sheet, if needed, to provide information for additional management companies/agencies, Regional Center principals, agents, individuals or entities who are or will be involved in the management, oversight, and administration of the regional center.)

A. Name of Regional Center: M&D Regional Center, LLC

Street Address/P.O. Box: 3100 East Imperial Highway

City: Lynwood State: CA Zip Code: 90262

Web site address: www.mdregionalcenter.com Fax Number (include area code): (714) 521-4256 Telephone Number (include area code): (714) 521-8858

Part 3. Information About the Regional Center (Continued)

B. Name of Managing Company/Agency: M + D Properties

Street Address/P.O. Box: 3100 East Imperial Highway

City: Lynwood	State: CA	Zip Code: 90262
Web site address: N/A	Fax Number (include area code): (714) 521-4256	Telephone Number (include area code): (714) 521-8858

C. Name of Other Agent: N/A

Street Address/P.O. Box:

City:	State:	Zip Code:
Web site address:	Fax Number (include area code):	Telephone Number (include area code):

D. Continuation, if needed, to provide information for additional management companies/agencies, regional center principals, agents, individuals or entities who are or will be involved in the management, oversight, and administration of the regional center.)

See attached documents submitted in support of this I-924 application

Part 3. Information About the Regional Center (Continued)

Note: If extra space is needed to complete any item, attach a continuation sheet, indicate the item number, and provide the response.

1a. Describe the structure, ownership and control of the regional center entity.

See attached documents submitted in support of this I-924 application

b. Date the Regional Center was established(mm/dd/yyyy): 03/17/2009 (Entity established);

c. Organization Structure for the Regional Center: 9/9/09 (Designation received)

- 1. Agency of a U.S. State or Territory (identify) _____
- 2. Corporation
- 3. Partnership (including Limited Partnership)
- 4. Limited Liability Company (LLC)
- 5. Other (Explain) _____

2. Has this regional center's designation ever been formally terminated by USCIS, or has the regional center ever filed a Form I-924 or regional center proposal or amendment that was denied?

- No Yes - Attach a copy of the adverse decision, with an explanation, the date of decision, and case number, if any.

3. Describe the geographic area of the regional center. Note: This area must be contiguous. Provide a map of the geographic area.

[Redacted]

[Redacted]

(b)(4)

4. Describe the regional center's administration, oversight, and management functions that are or will be in place to monitor all EB-5 capital investment activities and the allocation of the resulting jobs created or maintained under the sponsorship of the regional center.

[Redacted]

[Redacted]

Part 3. Information About the Regional Center (Continued)

5. Describe the past, current, and future promotional activities for the regional center. Include a description of the budget for this activity, along with evidence of the funds committed to the regional center for promotional activities. Submit a plan of operation for the regional center that addresses how EB-5 investors will be recruited, the method(s) by which the capital investment opportunities will be offered to the investors, and how they will subscribe or commit to the investment interest.

Please see attached memorandum and supporting documents detailing the past, current and future EB-5 promotional activities of M&D Regional Center. The Private Placement Memorandum and exhibits attached to the PPM provide details on how the investment opportunity of Plaza Mexico Residences, LLC will be offered to eligible investors and how investors can subscribe to become members in the new commercial enterprise.

(b)(4)

6. Describe whether and how the regional center is engaged in supporting a due diligence screening of its alien investor's lawful source of capital and the alien investor's ability to fully invest the requisite amount of capital. Also, describe the regional center's prospective plans in this regard if they differ from past practice.

(b)(4)

7. Identify each industry that has or will be the focus of EB-5 capital investments sponsored through the regional center.

<p>Industry Category Title: <div style="border: 1px solid black; padding: 2px; margin-bottom: 5px;">Construction - commercial</div> NAICS Code for the Industry Category: 2 3 6 2 2 0</p>	<p>Is the Form I-924 application supported by an economic analysis and underlying business plan for the determination of prospective EB-5 job creation through EB-5 investments in this industry category?</p> <p><input type="checkbox"/> No - Attach an explanation <input checked="" type="checkbox"/> Yes</p>
<p>Industry Category Title: <div style="border: 1px solid black; padding: 2px; margin-bottom: 5px;">Construction - Residential</div> NAICS Code for the Industry Category: 2 3 6 1 1 0</p>	<p>Is the Form I-924 application supported by an economic analysis and underlying business plan for the determination of prospective EB-5 job creation through EB-5 investments in this industry category?</p> <p><input type="checkbox"/> No - Attach an explanation <input checked="" type="checkbox"/> Yes</p>
<p>Industry Category Title: <div style="border: 1px solid black; padding: 2px; margin-bottom: 5px;">Real Estate (Leasing)</div> NAICS Code for the Industry Category: 0 0 0 5 3 1</p>	<p>Is the Form I-924 application supported by an economic analysis and underlying business plan for the determination of prospective EB-5 job creation through EB-5 investments in this industry category?</p> <p><input type="checkbox"/> No - Attach an explanation <input checked="" type="checkbox"/> Yes</p>

Part 3. Information About the Regional Center (Continued)

8a. Describe and document the current and/or prospective structure of ownership and control of the commercial entity(s) in which the EB-5 alien investors have or will make their capital investments.

Please see attached documents submitted in support of this I-924 application.

b. Date commercial enterprise established, if any (mm/dd/yyyy): 01/21/2014

c. Organization Structure for commercial enterprise:

- 1. Corporation
- 2. Partnership (including Limited Partnership)
- 3. Limited Liability Company (LLC)
- 4. Other (Explain) _____

d. Has or will the Regional Center or any of its principals or agents have an equity stake in the commercial enterprise?

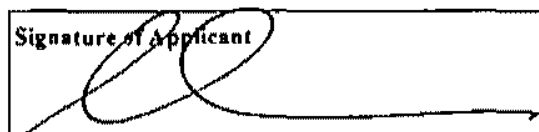
- No
- Yes - Attach an explanation and documentation that outlines when and under what circumstances these remittances will be paid.

e. Has or will the Regional Center or any of its principals or agents receive fees, profits, surcharges, or other like remittances through EB-5 capital investment activities from this commercial enterprise, beyond the minimum capital investment threshold required of the EB-5 alien entrepreneurs?

- No
- Yes - Attach an explanation and documentation that outlines when and under what circumstances these remittances will be paid.

Part 4. Applicant Signature *Read the information on penalties in the instructions before completing this section. If someone helped you prepare this petition, he or she must compete Part 5.*

I certify, under penalty of perjury under the laws of the United States of America, that this form and the evidence submitted with it are all true and correct. I authorize the release of any information from my records that U.S. Citizenship and Immigration Services needs to determine eligibility for the benefit being sought. I also certify that I have authority to act on behalf of the Regional Center.

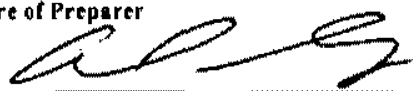
Signature of Applicant 	Daytime Phone Number (Area/Country Codes) (310) 631-6789	Date (mm/dd/yyyy) 6/13/14
Printed Name of Applicant Min Chae	E-Mail Address mc@mdproperties.com	
Relationship to the Regional Center Entity (Managing Member, President, CEO, etc.) Secretary		

Part 5. Signature of Person Preparing This Form, If Other Than Above (Sign Below)

I declare that I prepared this application using information provided by someone with authority to act on behalf of the Regional Center, and the answers and information provided by the Regional Center.

Attorney or Representative: In the event of a Request for Evidence (RFE), may the USCIS contact you by Fax or E-mail?

No Yes

Signature of Preparer 	Printed Name of Preparer Anibal Sanchez	Date (mm/dd/yyyy) 06/19/2014
Firm Name and Address Darren Silver & Associates, LLP 3699 Wilshire Blvd. Ste. 600, Los Angeles, CA 90010		
Daytime Phone Number (Area/Country Codes) (213) 384-1900	Fax Number (Area/Country Codes) (213) 384-8285	E-Mail Address asanchez@darrensilver.com

Addendum to Form I-924, Part 3.

Question 8 d. The Regional Center will be a Class A member of the new commercial enterprise, Plaza Mexico Residences, LLC

Question 8 e. The Regional Center may also charge an additional administration fee to each EB-5 investor in the new commercial enterprise. Note that the administration fee is completely separate from the subscription fee, and thus, no portion of any investor's minimum EB-5 investment capital will be used to pay these fees. Please see attached PPM and Operating Agreement



June 19, 2014

EXEMPLAR APPROVAL REQUESTED

Sent via Courier

U.S. Citizenship and Immigration Services
California Service Center
Attn: EB-5 Processing Unit
24000 Avila Rd., 2nd Floor
Laguna Niguel, CA 92677

RE: **Request for I-526 Exemplar Approval**

Regional Center: M&D Regional Center, LLC
New Commercial Enterprise: Plaza Mexico Residences, LLC

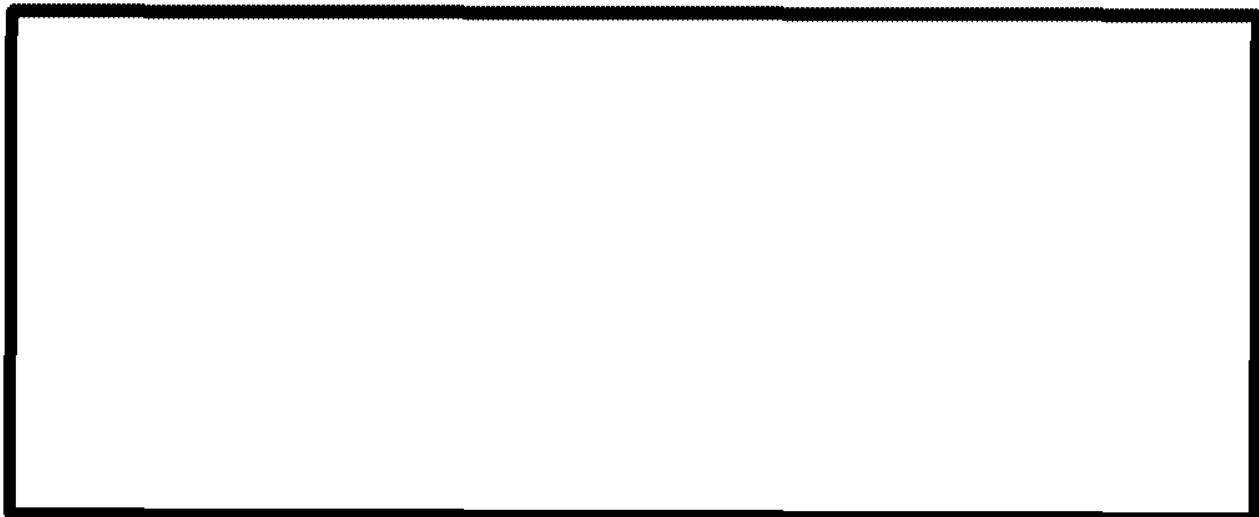
Dear Officer,

M&D Regional Center, LLC (hereinafter M&D) submits the following I-924 application requesting I-526 exemplar approval of a new mixed use project, and documents in support of the I-924 application. We respectfully request I-526 exemplar approval of the enclosed Form I-526 and the documents submitted in support of the exemplar petition.

Enclosed please find the following:

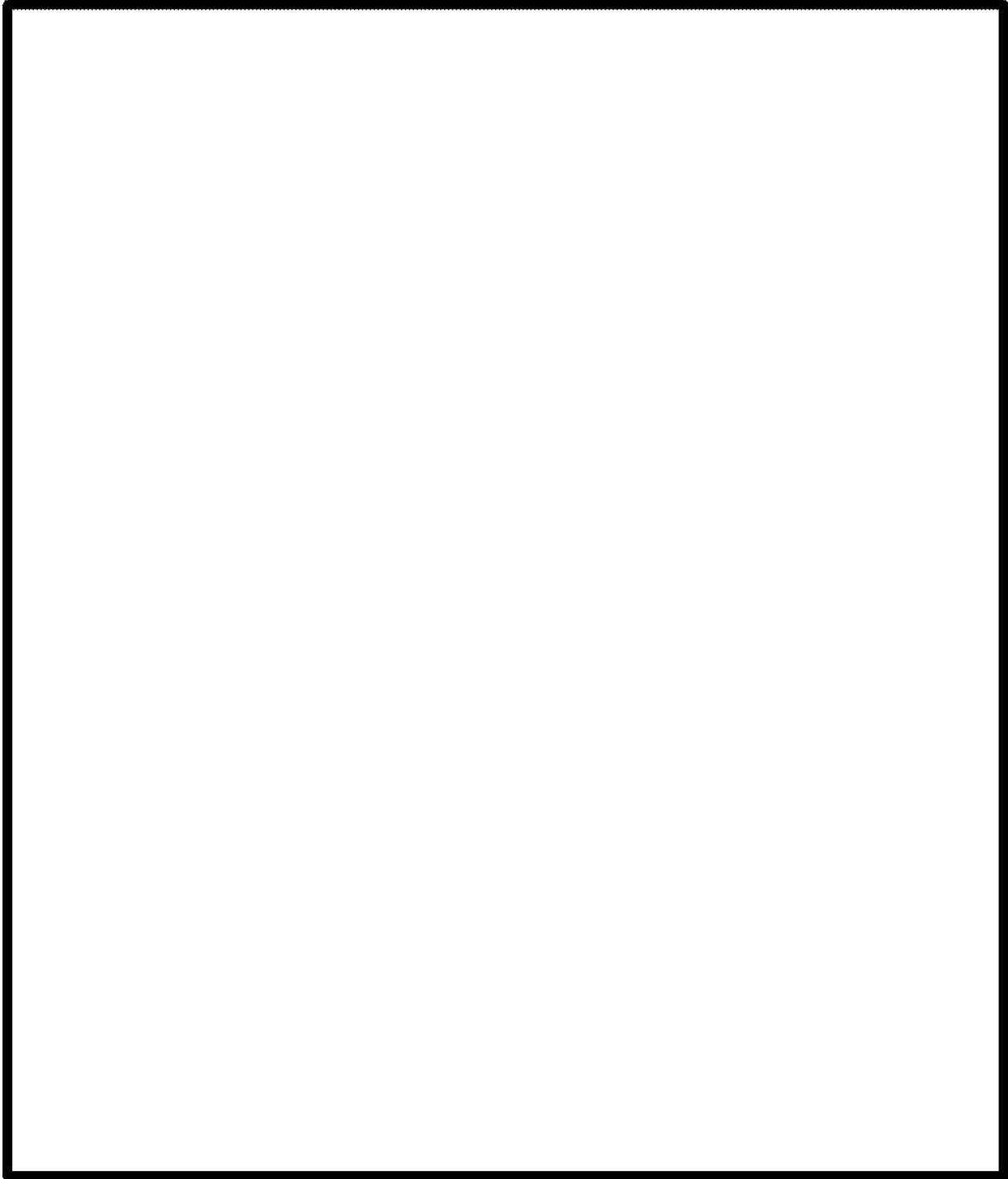
1. Notice of Entry of Appearance as Attorney or Representative, Form G-28
2. Filing fee of \$6,230
3. I-924 application for amendment of regional center designation and project approval
4. Exemplar form I-526 for the project
5. Exhibit List and supporting documents for the exemplar project

(b)(4)





1. Plaza Mexico Residences Project





III. Targeted Employment Area

The Project is located in the city of Lynwood, CA, a city whose unemployment rate exceeds 150% of the national average. See Exhibit. Through a letter dated May 1, 2014, the California Governor's Office of Business and Economic Development certified that the Project is located in the city of Lynwood, the totality of which has an unemployment rate of [redacted] and qualifies as a TEA. See Exhibit D. As all of the investment capital contributed by the investors will be used to finance the project, the funds will be used within a TEA.

IV. Employment Impacts

As noted in the business plan and offering documents, the NCE will raise up to [redacted] to finance the construction of the Plaza Mexico Residences project¹. See Exhibit E. A job impact and economic analysis of the project has been prepared by Performance Economics, LLC. The report utilizes the IMPLAN model to assess the employment and economic impact of the Project. See Exhibit F.

The construction phase of the Project is expected to take [redacted] to complete. Consequently, all construction related jobs may be counted for EB-5 purposes. Performance Economics has

¹ The Employment Impact report refers to the Project as the Plaza Mexico Expansion Phase I project

concluded that [redacted] jobs will be created as a result of the hard construction activity of the project. Performance Economics has further determined that [redacted] jobs will be created as a result of soft construction costs. In total [redacted] jobs will be created through construction activities alone, which is more than the [redacted] jobs needed for all [redacted] prospective investors to meet EB-5 job creation requirements.

In addition to the [redacted] construction related jobs, the Project will also create jobs through Residential and Retail Leasing. Performance Economics concludes that [redacted] jobs will be created through the leasing activities of the Project. Finally, additional jobs will be created through the retail and restaurant operations of the Project. The retail and restaurant operations of the Project will create [redacted] jobs.

In total, the Project is expected to create approximately [redacted] new jobs, the vast majority of which are construction related.

V. Management of the Enterprise

[redacted]

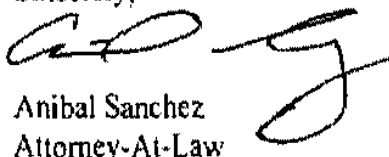
VI. Exemplar Approval through I-924 amendment (b)(4)

M&D is requesting specific project approval of the Plaza Mexico Residences project. As such, we are providing an exemplar Form I-526 and supporting documents detailing how the project meets EB-5 requirements. We request the approval letter amending the designation of the regional center include specific approval of this project, including the enclosed offering documents (all documents found in Exhibit "C" of this I-924 filing), business plan, and job impact report prepared by Performance Economics.

VII. Conclusion

We trust the evidence submitted is sufficient to demonstrate that the Plaza Mexico Residences, LLC project meets all EB-5 regulatory requirements. We respectfully request exemplar approval of the project and all documents submitted in support of the application. Thank you for your consideration.

Sincerely,


Anibal Sanchez
Attorney-At-Law

Enclosures

I-924 APPLICATION, M&D Regional Center
Plaza Mexico Residences, LLC

<u>Exhibit</u>	<u>Description</u>
A.	M&D Regional Center <ol style="list-style-type: none">1. USCIS Original Center Designation Letter dated September 9, 20092. Articles of Organization of M&D Regional Center
B.	Establishment of New Commercial Enterprise – Plaza Mexico Residences, LLC <ol style="list-style-type: none">1. Articles of Organization issued by the State of California2. Statement of Information3. IRS letter issuing EIN
C.	Offering Package - Placement of Capital "at risk" and Management of New Commercial Enterprise <ol style="list-style-type: none">1. Confidential Private Offering Memorandum dated May 16 2014<ol style="list-style-type: none">a) Subscription Agreementb) Operating Agreementc) Investment Representation Statementd) IRS Forms W-8BEN and W-9e) Form of Promissory Notef) Form of Guarantyg) Escrow and/or Trust Agreement2. Investor Suitability Questionnaire
D.	Targeted Employment Area (TEA) <ol style="list-style-type: none">1. Letter dated May 1, 2014 from California Governor's Office of Business and Economic Development confirming that the City of Lynwood has an unemployment rate of [REDACTED] and thus qualifies as a Targeted Employment Area.
(b)(4)	
E.	Description of the Project <ol style="list-style-type: none">1. Comprehensive I-526 Business Plan dated April 2014 and Exhibits A-F2. Project Construction Budget3. Disposition and Development Agreement between the City of Lynwood4. Support letter provided by the Mayor of Lynwood, CA confirming his support for the Plaza Mexico Expansion project,5. Documents outlining the Plaza Mexico Residences project6. Grant Deed of the Property where the Plaza Mexico Residences project will be located

I-924 APPLICATION, M&D Regional Center
Plaza Mexico Residences, LLC

7. Draft Term sheet between Plaza Mexico Residences, LLC and 3000 E. Imperial, LLC
 8. Organization Documents of 3000 E. Imperial, LLC, the Developer
- F. **Economic Analysis Showing Job Creation of Project**
1. Economic Report prepared by John Barrett of Performance Economics, LLC

EXEMPLAR FORM I-526

Do Not Write in This Block - For USCIS Use Only (Except G-28 Block Below)		
Classification _____	Action Block	Fee Receipt
Priority Date _____		To be completed by Attorney or Representative, if any <input type="checkbox"/> G-28 is attached Attorney's State License No. _____
Remarks:		

START HERE - Type or print in black ink.

Part 1. Information About You

Family Name	Given Name	Middle Name
Address - In Care of Name, if applicable		
Street Number and Name		Apt. Number
City	State or Province	Country
		Zip/Postal Code
Date of Birth (mm/dd/yyyy)	Country of Birth	Social Security Number (if any)
		A-Number (if any)

If you are in the United States, provide the following information:

Date of Arrival (mm/dd/yyyy)	I-94 Number	Passport Number
Travel Document Number	Expiration Date for Passport or Travel Document	Country of Issuance for Passport or Travel Document
Current Nonimmigrant Status	Date Current Status Expires (mm/dd/yyyy)	Daytime Telephone Number (with Area Code)

Part 2. Application Type (Check one)

- a. This petition is based on an investment in a commercial enterprise in a targeted employment area for which the required amount of capital invested has been adjusted downward.
- b. This petition is based on an investment in a commercial enterprise in an area for which the required amount of capital invested has been adjusted upward.
- c. This petition is based on an investment in a commercial enterprise that is not in either a targeted area or in an upward adjustment area.

Part 3. Information About Your Investment

Name of commercial enterprise in which funds are invested (Required Field - Do Not Leave Blank)

Plaza Mexico Residences, LLC

Street Address

3100 East Imperial Highway, Lynwood, CA 90262

Phone Number with Area Code

(310) 631-6789

Business organized as (corporation, partnership, etc.)

Limited Liability Company

RECEIVED: _____ RESUBMITTED: _____ RELOCATED: SENT _____ REC'D _____



Part 3. Information About Your Investment (Continued)

(b)(3)

Kind of business (e.g. furniture manufacturer) **Real Estate Development** Date established (mm/dd/yyyy) **01/21/2014** IRS Tax # **[Redacted]**

Date of your initial investment (mm/dd/yyyy) **[Redacted]** Amount of your initial investment (b)(4) **[Redacted]**

Your total capital investment in the enterprise to date \$ **[Redacted]** Percentage of the enterprise you own **[Redacted]**

If you are not the sole investor in the new commercial enterprise, list on separate paper the names of all other parties (natural and non-natural) who hold a percentage share of ownership of the new enterprise and indicate whether any of these parties is seeking classification as an alien entrepreneur. Include the name, percentage of ownership, and whether or not the person is seeking classification under section 203(b)(5). NOTE: A "natural" party would be an individual person, and a "non-natural" party would be an entity such as a corporation, consortium, investment group, partnership, etc.

If you indicated in Part 2 that the enterprise is in a targeted employment area or in an upward adjustment area, name the county and State: County **Los Angeles** State **CA**

Part 4. Additional Information About the Enterprise

Type of Enterprise (check one):

- New commercial enterprise resulting from the creation of a new business.
- New commercial enterprise resulting from the purchase of an existing business.
- New commercial enterprise resulting from a capital investment in an existing business.

Composition of the Petitioner's Investment:

Total amount in U.S. bank account \$ **0**

Total value of all assets purchased for use in the enterprise \$ **0**

Total value of all property transferred from abroad to the new enterprise \$ **0**

Total of all debt financing \$ **0**

Total stock purchases \$ **0**

Other (explain on separate paper) **[Redacted]**

Total (b)(4) **[Redacted]**

Income:

When you made the investment..... Gross \$ **See attached** Net \$ **[Redacted]**

Now..... Gross \$ **[Redacted]** Net \$ **[Redacted]**

Net worth:

When you made investment..... Gross \$ **[Redacted]** Now \$ **[Redacted]**



Part 5. Employment Creation Information

Number of full-time employees in the enterprise in U.S. (excluding you, your spouse, sons, and daughters)

When you made your initial investment? Now Difference

How many of these new jobs were created by your investment? How many additional new jobs will be created by your additional investment?

What is your position, office, or title with the new commercial enterprise?

Briefly describe your duties, activities, and responsibilities.

What is your salary? \$ What is the cost of your benefits? \$

Part 6. Processing Information

Check One:

The person named in Part 1 is now in the United States, and an application to adjust status to permanent resident will be filed if this petition is approved.

If the petition is approved and the person named in Part 1 wishes to apply for an immigrant visa abroad, complete the following for that person:

Country of nationality:

Country of current residence or, if now in the United States, last permanent residence abroad:

If you provided a United States address in Part 1, print the person's foreign address:

If the person's native alphabet is other than Roman letters, write the foreign address in the native alphabet:

Are you in deportation or removal proceedings? Yes (Explain on separate paper) No

Have you ever worked in the United States without permission? Yes (Explain on separate paper) No

Part 7. Signature *Read the information on penalties in the instructions before completing this section.*

I certify, under penalty of perjury under the laws of the United States of America, that this petition and the evidence submitted with it is all true and correct. I authorize the release of any information from my records that U.S. Citizenship and Immigration Services needs to determine eligibility for the benefit I am seeking.

Signature Date

Mobile Phone Number () - E-Mail Address

NOTE: If you do not completely fill out this form or fail to submit the required documents listed in the instructions, you may not be found eligible for the immigration benefit you are seeking and this petition may be denied.

Part 8. Signature of Person Preparing Form, If Other Than Above (Sign below)

I declare that I prepared this application at the request of the above person, and it is based on all information of which I have knowledge.

Signature Print Your Name Date

Firm Name Daytime phone # with area code

Address



Exhibit "A"

EXHIBIT "A1"



**U.S. Citizenship
and Immigration
Services**

September 9, 2009

Min Chae
C/O M&D Regional Center, LLC
M&D Regional Center
3100 E. Imperial Highway
Lynwood, California 90262

File No. W09000740

Application: Request for Designation as a Regional Center
Applicant(s): Min Chae

Re: M&D Regional Center

Pursuant to Section 610 of the Appropriations Act of 1993, on April 14, 2009, Min Chae submitted a proposal seeking approval and designation by U.S. Citizenship and Immigration Services (USCIS) of the M&D Regional Center.

Based on its review and analysis of your proposal, and of your response to the USCIS Request For Evidence, USCIS hereby designates M&D Regional Center as a Regional Center within the Immigrant Investor Pilot Program and approves the request as described below:

GEOGRAPHIC AREA:

The M&D Regional Center shall have a geographic scope which includes the entire counties of Orange, Los Angeles and San Bernardino, California.

FOCUS OF INVESTMENT ACTIVITY:

As depicted in the economic model, the general proposal and the economic analysis, the Regional Center will engage in the following economic activity: commercial and residential real estate project financing.

The Regional Center for EB-5 Immigrant purposes shall focus investments into new commercial enterprises in the following target industry economic cluster:

1. Mixed-Use Commercial and Residential Projects

If any investment opportunities arise that are beyond the scope of the approved industry clusters, then an amendment would be required to add that cluster.

Aliens seeking immigrant visas through the Immigrant Investor Pilot Program may file individual petitions with USCIS for these commercial enterprises located within the approved Regional Center area.

The geographic focus of this area may contain some High Unemployment Targeted Employment Areas (TEAs) as designated by the State of California as defined in 8 CFR 204.6(e). Therefore, the minimum capital investment threshold for any individual immigrant investment into an approved commercial enterprise throughout the Regional Center shall be not less than \$500,000, if the investment target is located within a TEA or \$1,000,000 if it is located outside of a TEA. No debt arrangement will be acceptable unless it is secured by assets owned by the alien entrepreneur. A full capital investment must be made and placed at risk.

EMPLOYMENT CREATION

Immigrant investors who file petitions for commercial enterprises located in the Regional Center area must fulfill all of the requirements set forth in 8 CFR 204.6, except that the petition need not show that the new commercial enterprises created ten new jobs indirectly as a result of the immigrant investor's investment. This determination has been established by way of USCIS' acceptance of the final economic analysis that is contained as part of the approved Regional Center proposal and its indirect job creation model and multipliers contained within the final approved Regional Center application package. Rather, the investor must show at the time of removal of conditions that they performed the activities described in the model and on which the approved methodology is based.

In addition, where job creation or preservation of existing jobs is claimed based on a multiplier rooted in underlying new "direct jobs", the immigrant investor's individual I-526 petition affiliated with your Regional Center, should include as supporting evidence:

- A comprehensive detailed business plan with supporting financial, marketing and related data and analysis providing a reasonable basis for projecting creation of any new direct jobs for "qualifying employees" to be achieved/realized within two years pursuant to 8 CFR 204.6(j)(4)(B).

An alien investor's I-829 petition to remove the conditions which was based on an I-526 petition approval that involved the creation of new direct jobs or the creation of new indirect jobs based on a multiplier tied to underlying new direct jobs needs to be properly supported by evidence of job creation. To support the full number of direct and indirect new jobs being claimed in connection with removal of conditions, the petition will need to be supported by probative evidence of the number of new direct full time (35 hours per week) jobs for qualified employees whose positions have been created as a result of the alien's investment. Such evidence may include copies of quarterly state employment tax reports, Forms W-2, Forms I-9, and any other pertinent employment records sufficient to demonstrate the number of qualified employees whose jobs were created directly.

Additional Guidelines for individual Immigrant Investors Visa Petition (I-526)

Each individual petition, in order to demonstrate that it is associated with the Regional Center, in conjunction with addressing all the requirements for an individual immigrant investor petition, shall also contain as supporting evidence relating to this Regional Center designation, the following:

1. A copy of this letter, the Regional Center approval and designation.

2. A copy of the USCIS approved Regional Center narrative proposal and business plan.
3. A copy of the job creation methodology required in 8 CFR 204.6(j)(4)(iii), as contained in the final Regional Center economic analysis which has been approved by USCIS, which reflects that investment by an individual immigrant investor will create not fewer than ten (10) full-time employment positions, either directly or indirectly, per immigrant investor.
4. A legally executed copy of the USCIS approved:
 - a. Confidential Private Placement Memorandum;
 - b. Subscription Agreement; and
 - c. Escrow Agreement

DESIGNEE'S RESPONSIBILITIES INHERENT IN CONDUCT OF THE REGIONAL CENTER:

The law, as reflected in the regulations at 8 CFR 204.6(m)(6), requires that an approved Regional Center in order to maintain the validity of its approval and designation must continue to meet the statutory requirements of the Immigrant Investor Pilot Program by serving the purpose of promoting economic growth, including increased export sales (where applicable), improved regional productivity, job creation, and increased domestic capital investment. Therefore, in order for USCIS to determine whether your Regional Center is in compliance with the above cited regulation, and in order to continue to operate as a USCIS approved and designated Regional Center, your administration, oversight, and management of your Regional Center shall be such as to monitor all investment activities under the sponsorship of your Regional Center and to maintain records, data and information on a quarterly basis in order to report to USCIS upon request the following year to date information for each Federal Fiscal Year¹, commencing with the initial year as follows:

1. Provide the principal authorized official and point of contact of the Regional Center responsible for the normal operation, management and administration of the Regional Center.
2. Be prepared to explain how you are administering the Regional Center and how you will be actively engaged in supporting a due diligence screening of its alien investors' lawful source of capital and the alien investor's ability to fully invest the requisite amount of capital.
3. Be prepared to explain the following:
 - a. How the Regional Center is actively engaged in the evaluation, oversight and follow up on any proposed commercial activities that will be utilized by alien investors.
 - b. How the Regional Center is actively engaged in the ongoing monitoring, evaluation, oversight and follow up on any investor commercial activity affiliated through the Regional Center that will be utilized by alien investors in order to create direct and/or indirect jobs through qualifying EB-5 capital investments into commercial enterprises within the Regional Center.

¹ A Federal Fiscal Year runs for twelve consecutive months from October 1st to September 30th.

4. Be prepared to provide:
 - a. the name, date of birth, petition receipt number, and alien registration number (if one has been assigned by USCIS) of each principal alien investor who has made an investment and has filed an EB-5/I-526 Petition with USCIS, specifying whether:
 - i. the petition was filed,
 - ii. was approved,
 - iii. denied, or
 - iv. withdrawn by the petitioner, together with the date(s) of such event.
 - b. The total number of visas represented in each case for the principal alien investor identified in 4.a. above, plus his/her dependents (spouse and children) for whom immigrant status is sought or has been granted.
 - c. The country of nationality of each alien investor who has made an investment and filed an EB-5/I-526 petition with USCIS.
 - d. The U.S. city and state of residence (or intended residence) of each alien investor who has made an investment and filed an EB-5/I-526 petition with USCIS.
 - e. For each alien investor listed in item 4.a., above, identify the following:
 - i. the date(s) of investment in the commercial enterprise;
 - ii. the amount(s) of investment in the commercial enterprise; and
 - iii. the date(s), nature, and amount(s) of any payment/remuneration/profit/return on investment made to the alien investor by the commercial enterprise and/or Regional Center from when the investment was initiated to the present.
5. Be prepared to identify/list each of the target industry categories of business activity within the geographic boundaries of your Regional Center that have:
 - a. received alien investors' capital, and in what aggregate amounts;
 - b. received non-EB-5 domestic capital that has been combined and invested together, specifying the separate aggregate amounts of the domestic investment capital;
 - c. of the total investor capital (alien and domestic) identified above in 5.a and 5.b. identify and list the following:
 - i. The name and address of each "direct" job creating commercial enterprise.
 - ii. The industry category for each indirect job creating investment activity.
6. Be prepared to provide:
 - a. The total aggregate number of approved EB-5 alien investor I-526 petitions per each Federal Fiscal Year to date made through your Regional Center.
 - b. The total aggregate number of approved EB-5 alien investor I-829 petitions per each Federal Fiscal Year to date through your Regional Center.
7. The total aggregate sum of EB-5 alien capital invested through your Regional Center for each Federal Fiscal Year to date since your approval and designation.

8. The combined total aggregate of "new" direct and/or indirect jobs created by EB-5 investors through your Regional Center for each Federal Fiscal Year to date since your approval and designation.
9. If applicable, the total aggregate of "preserved" or saved jobs by EB-5 alien investors into troubled businesses through your Regional Center for each Federal Fiscal Year to date since your approval and designation.
10. If for any given Federal Fiscal Year your Regional Center did or does not have investors to report, then provide:
 - a. a detailed written explanation for the inactivity,
 - b. a specific plan which specifies the budget, timelines, milestones and critical steps to:
 - i. actively promote your Regional Center program,
 - ii. identify and recruit legitimate and viable alien investors, and
 - iii. a strategy to invest into job creating enterprises and/or investment activities within the Regional Center.
11. Regarding your website, if any, please be prepared to provide a hard copy which represents fully what your Regional Center has posted on its website, as well as providing your web address. Additionally, please provide a packet containing all of your Regional Center's hard copy promotional materials such as brochures, flyers, press articles, advertisements, etc.
12. Finally, please be aware that it is incumbent on each USCIS approved and designated Regional Center, in order to remain in good standing, to notify the USCIS within 15 business days at USCIS.ImmigrantInvestorProgram@dhs.gov of any change of address or occurrence of any material change in:
 - the name and contact information of the responsible official and/or Point of Contact (POC) for the RC
 - the management and administration of the RC.
 - the RC structure,
 - the RC mailing address, web site address, email address, phone and fax number,
 - the scope of the RC operations and focus,
 - the RC business plan,
 - any new, reduced or expanded delegation of authority , MOU, agreement, contract, etc. with another party to represent or act on behalf of the RC,
 - the economic focus of the RC, or
 - any material change relating to your Regional Center's basis for its most recent designation and/or reaffirmation by USCIS.

M&D Regional Center

Page 6

If you have any questions concerning the Regional Center approval and designation under the Immigrant Investor Pilot Program, please contact the USCIS by Email at USCIS.ImmigrantInvestorProgram@dhs.gov.

Sincerely,



Christina Poulos
Director
California Service Center

cc: Carolyn S. Lee, Esq.

EXHIBIT "A2"



State of California
Secretary of State

LLC-1

File #

200907710048

LIMITED LIABILITY COMPANY
ARTICLES OF ORGANIZATION

ENDORSED - FILED
in the office of the Secretary of State
of the State of California

MAR 17 2009

A \$70.00 filing fee must accompany this form.

This Space For Filing Use Only

IMPORTANT - Read instructions before completing this form.

ENTITY NAME (End the name with the words "Limited Liability Company," or the abbreviations "LLC" or "L.L.C." The words "Limited" and "Company" may be abbreviated to "Ltd." and "Co.," respectively.)

1. NAME OF LIMITED LIABILITY COMPANY
M&D Regional Center, LLC

PURPOSE (The following statement is required by statute and should not be altered.)

2. THE PURPOSE OF THE LIMITED LIABILITY COMPANY IS TO ENGAGE IN ANY LAWFUL ACT OR ACTIVITY FOR WHICH A LIMITED LIABILITY COMPANY MAY BE ORGANIZED UNDER THE BEVERLY-KILLEA LIMITED LIABILITY COMPANY ACT.

INITIAL AGENT FOR SERVICE OF PROCESS (If the agent is an individual, the agent must reside in California and both items 3 and 4 must be completed. If the agent is a corporation, the agent must have on file with the California Secretary of State a certificate pursuant to Corporations Code section 1506 and item 3 must be completed (leave item 4 blank).)

3. NAME OF INITIAL AGENT FOR SERVICE OF PROCESS
John S.C. Lim

4. IF AN INDIVIDUAL, ADDRESS OF INITIAL AGENT FOR SERVICE OF PROCESS IN CALIFORNIA CITY STATE ZIP CODE
1055 West 7th Street, Suite 2800 Los Angeles CA 90017

MANAGEMENT (Check only one)

5. THE LIMITED LIABILITY COMPANY WILL BE MANAGED BY:

- ONE MANAGER
- MORE THAN ONE MANAGER
- ALL LIMITED LIABILITY COMPANY MEMBER(S)

ADDITIONAL INFORMATION

6. ADDITIONAL INFORMATION SET FORTH ON THE ATTACHED PAGES, IF ANY, IS INCORPORATED HEREIN BY THIS REFERENCE AND MADE A PART OF THIS CERTIFICATE.

EXECUTION

7. I DECLARE I AM THE PERSON WHO EXECUTED THIS INSTRUMENT, WHICH EXECUTION IS MY ACT AND DEED.

March 17, 2009
DATE

SIGNATURE OF ORGANIZER

Richard D. Kim
TYPE OR PRINT NAME OF ORGANIZER



Exhibit "B"

EXHIBIT "B1"

LLC-1 **Articles of Organization
of a Limited Liability Company (LLC)**

201402310083

To form a limited liability company in California, you can fill out this form, and submit for filing along with:

- A \$70 filing fee.
- A separate, non-refundable \$15 service fee also must be included, if you drop off the completed form.

Important! LLCs in California may have to pay a minimum \$800 yearly tax to the California Franchise Tax Board. For more information, go to <https://www.ftb.ca.gov>.

LLCs may not provide "professional services," as defined by California Corporations Code sections 13401(a) and 13401.3.

Note: Before submitting the completed form, you should consult with a private attorney for advice about your specific business needs.

FILED
Secretary of State
State of California

JAN 21 2014

1 CC

This Space For Office Use Only

For questions about this form, go to www.sos.ca.gov/business/befiling-tips.htm.

LLC Name (List the proposed LLC name exactly as it is to appear on the records of the California Secretary of State.)

① Plaza Mexico Residences, LLC

Proposed LLC Name

The name must include: LLC, L.L.C., Limited Liability Company, Limited Liability Co., Ltd. Liability Co. or Ltd. Liability Company; and may not include: bank, trust, trustee, incorporated, inc., corporation, or corp., insurer, or insurance company. For general entity name requirements and restrictions, go to www.sos.ca.gov/business/be/name-availability.htm.

Purpose

② The purpose of the limited liability company is to engage in any lawful act or activity for which a limited liability company may be organized under the California Revised Uniform Limited Liability Company Act.

LLC Addresses

③ a. 3100 East Imperial Highway Lynwood CA 90262
Initial Street Address of Designated Office in CA - Do not list a P.O. Box *City (no abbreviations)* *State Zip*

b. _____
Initial Mailing Address of LLC, if different from 3a *City (no abbreviations)* *State Zip*

Service of Process (List a California resident or a California registered corporate agent that agrees to be your initial agent to accept service of process in case your LLC is sued. You may list any adult who lives in California. You may not list an LLC as the agent. Do not list an address if the agent is a California registered corporate agent as the address for service of process is already on file.)


④ a. John Lim
Agent's Name

b. 1055 W. Seventh Street, Suite 2800 Los Angeles CA 90017
Agent's Street Address (if agent is not a corporation) - Do not list a P.O. Box *City (no abbreviations)* *State Zip*

Management (Check only one.)

- ⑤ The LLC will be managed by:
- One Manager More Than One Manager All Limited Liability Company Member(s)

This form must be signed by each organizer. If you need more space, attach extra pages that are 1-sided and on standard letter-sized paper (8 1/2" x 11"). All attachments are made part of these articles of organization.


Organizer - Sign here

Donald Chae
Print your name here

Make check/money order payable to: Secretary of State Upon filing, we will return one (1) uncertified copy of your filed document for free, and will certify the copy upon request and payment of a \$5 certification fee.	By Mail Secretary of State Business Entities, P.O. Box 944228 Sacramento, CA 94244-2280	Drop-Off Secretary of State 1500 11th Street, 3rd Floor Sacramento, CA 95814
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I hereby certify that the foregoing
transcript of _____ page(s)
is a full, true and correct copy of the
original record in the custody of the
California Secretary of State's office.

JAN 24 2014 *JS*

Date: _____

Debra Bowen
DEBRA BOWEN, Secretary of State

EXHIBIT "B2"



State of California
Secretary of State

L

STATEMENT OF INFORMATION
(Limited Liability Company)

Filing Fee \$20.00. If this is an amendment, see instructions: 116

IMPORTANT — READ INSTRUCTIONS BEFORE COMPLETING THIS FORM

FILED
Secretary of State
State of California
FEB 13 2014

This Space For Filing Use Only 26/20/14

1. LIMITED LIABILITY COMPANY NAME

Plaza Mexico Residences, LLC

File Number and State or Place of Organization

2. SECRETARY OF STATE FILE NUMBER 201402310083

3. STATE OR PLACE OF ORGANIZATION (If formed outside of California)

No Change Statement

4. If there have been any changes to the information contained in the last Statement of Information filed with the California Secretary of State, or no Statement of Information has been previously filed, this form must be completed in its entirety.

If there has been no change in any of the information contained in the last Statement of Information filed with the California Secretary of State, check the box and proceed to Item 15.

Complete Addresses for the Following (Do not abbreviate the name of the city. Items 5 and 7 cannot be P.O. Boxes.)

5. STREET ADDRESS OF PRINCIPAL OFFICE CITY STATE ZIP CODE
3100 East Imperial Highway Lynwood CA 90262

6. MAILING ADDRESS OF LLC, IF DIFFERENT THAN ITEM 5 CITY STATE ZIP CODE

7. STREET ADDRESS OF CALIFORNIA OFFICE CITY STATE ZIP CODE
3100 East Imperial Highway Lynwood CA 90262

Name and Complete Address of the Chief Executive Officer, if Any

8. NAME ADDRESS CITY STATE ZIP CODE

Name and Complete Address of Any Manager or Managers, or if None Have Been Appointed or Elected, Provide the Name and Address of Each Member (Attach additional pages, if necessary.)

9. NAME ADDRESS CITY STATE ZIP CODE
M&D Regional Center, LLC 3100 East Imperial Highway Lynwood CA 90262

10. NAME ADDRESS CITY STATE ZIP CODE

11. NAME ADDRESS CITY STATE ZIP CODE

Agent for Service of Process If the agent is an individual, the agent must reside in California and Item 13 must be completed with a California address. a P.O. Box is not acceptable. If the agent is a corporation, the agent must have on file with the California Secretary of State a certificate pursuant to California Corporations Code section 1505 and Item 13 must be left blank.

12. NAME OF AGENT FOR SERVICE OF PROCESS
John Lim

13. STREET ADDRESS OF AGENT FOR SERVICE OF PROCESS IN CALIFORNIA, IF AN INDIVIDUAL CITY STATE ZIP CODE
1055 West Seventh Street, Suite 2800 Los Angeles CA 90017

Type of Business

14. DESCRIBE THE TYPE OF BUSINESS OF THE LIMITED LIABILITY COMPANY
Investment

15. THE INFORMATION CONTAINED HEREIN, INCLUDING ANY ATTACHMENTS, IS TRUE AND CORRECT.

Feb. 3, 2014
DATE

Donald Chae
TYPE OR PRINT NAME OF PERSON COMPLETING THE FORM

Manager
TITLE

Donald Chae
SIGNATURE



I hereby certify that the foregoing
transcript of 7 page(s)
is a full, true and correct copy of the
original record in the custody of the
California Secretary of State's office.

FEB 20 2014

Date: RLH

Debra Bowen
DEBRA BOWEN, Secretary of State

EXHIBIT “3”



DEPARTMENT OF THE TREASURY
INTERNAL REVENUE SERVICE
CINCINNATI OH 45999-0023

Date of this notice: 02-07-2014

(b)(3)

Employer Identification Number:

Form: SS-4

Number of this notice: CP 575 G

PLAZA MEXICO RESIDENCES LLC
4 M&D REGIONAL CENTER LLC SOLE MBR
3100 E IMPERIAL HWY
LYNWOOD, CA 90262

For assistance you may call us at:
1-800-829-4933

IF YOU WRITE, ATTACH THE
STUB AT THE END OF THIS NOTICE.

(b)(3)

WE ASSIGNED YOU AN EMPLOYER IDENTIFICATION NUMBER

Thank you for applying for an Employer Identification Number (EIN). We assigned you EIN [REDACTED]. This EIN will identify you, your business accounts, tax returns, and documents, even if you have no employees. Please keep this notice in your permanent records.

When filing tax documents, payments, and related correspondence, it is very important that you use your EIN and complete name and address exactly as shown above. Any variation may cause a delay in processing, result in incorrect information in your account, or even cause you to be assigned more than one EIN. If the information is not correct as shown above, please make the correction using the attached tear off stub and return it to us.

A limited liability company (LLC) may file Form 8832, Entity Classification Election, and elect to be classified as an association taxable as a corporation. If the LLC is eligible to be treated as a corporation that meets certain tests and it will be electing S corporation status, it must timely file Form 2553, Election by a Small Business Corporation. The LLC will be treated as a corporation as of the effective date of the S corporation election and does not need to file Form 8832.

To obtain tax forms and publications, including those referenced in this notice, visit our Web site at www.irs.gov. If you do not have access to the Internet, call 1-800-829-3676 (TTY/TDD 1-800-829-4059) or visit your local IRS office.

IMPORTANT REMINDERS:

- * Keep a copy of this notice in your permanent records. This notice is issued only one time and the IRS will not be able to generate a duplicate copy for you. You may give a copy of this document to anyone asking for proof of your EIN.
- * Use this EIN and your name exactly as they appear at the top of this notice on all your federal tax forms.
- * Refer to this EIN on your tax-related correspondence and documents.

If you have questions about your EIN, you can call us at the phone number or write to us at the address shown at the top of this notice. If you write, please tear off the stub at the bottom of this notice and send it along with your letter. If you do not need to write us, do not complete and return the stub.

Your name control associated with this EIN is PLAZ. You will need to provide this information, along with your EIN, if you file your returns electronically.

Thank you for your cooperation.

Keep this part for your records.

CP 575 G (Rev. 7-2007)

Return this part with any correspondence so we may identify your account. Please correct any errors in your name or address.

CP 575 G

9999999999

Your Telephone Number Best Time to Call

DATE OF THIS NOTICE: 02-07-2014

EMPLOYER IDENTIFICATION NUMBER: [REDACTED]

FORM: SS-4

NOBOD

(b)(3)

INTERNAL REVENUE SERVICE
CINCINNATI OH 45999-0023
[Barcode]

PLAZA MEXICO RESIDENCES LLC
% M&D REGIONAL CENTER LLC SOLE MBR
3100 E IMPERIAL HWY
LYNWOOD, CA 90262

Exhibit "C"

EXHIBIT "C1"

CONFIDENTIAL PRIVATE PLACEMENT MEMORANDUM



PLAZA MEXICO RESIDENCES, LLC
a California limited liability company

(b)(4)



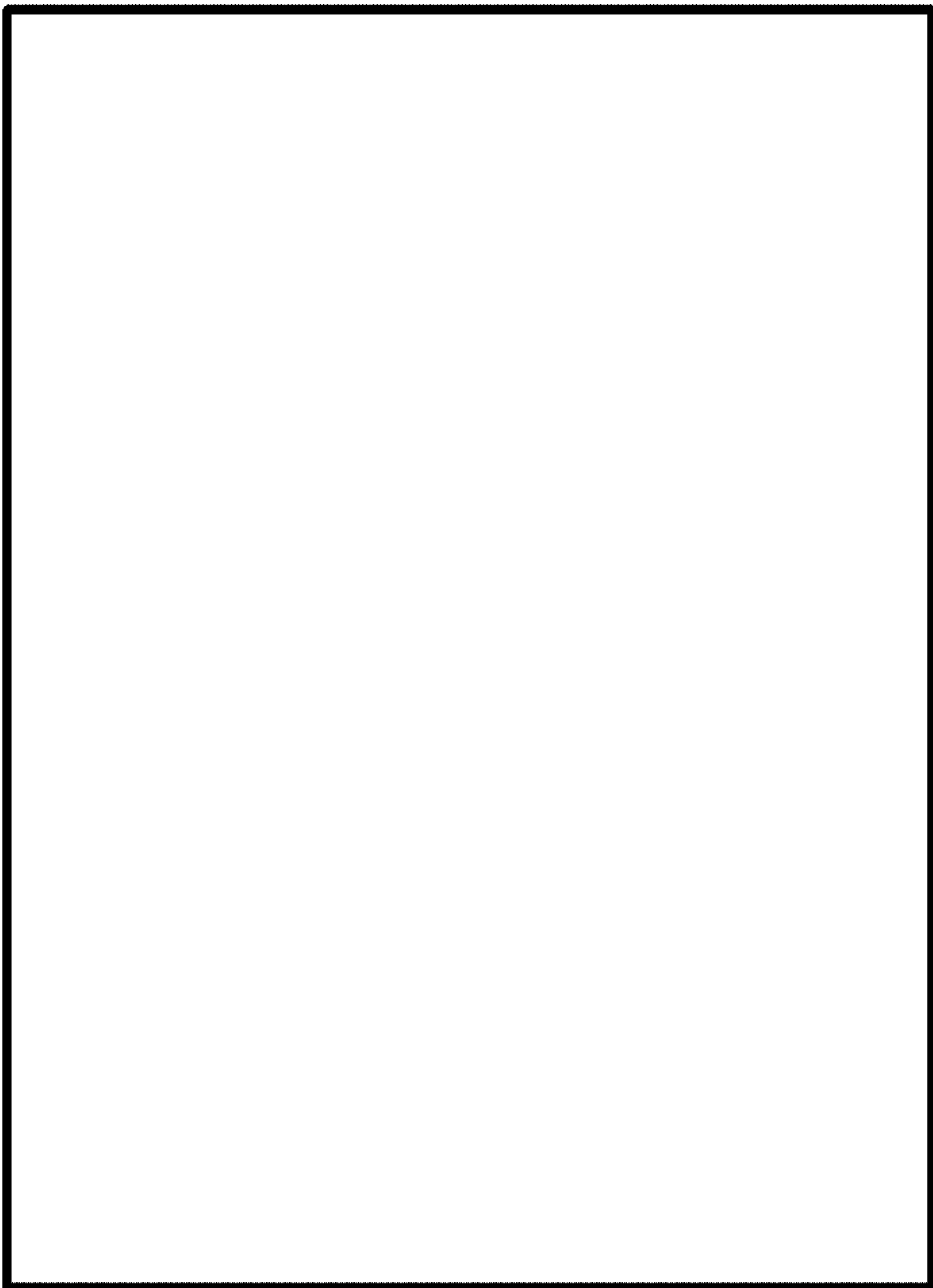
This Memorandum does not constitute an offer to sell, or a solicitation of an offer to purchase, any Unit by or to any person in any jurisdiction where such offer or solicitation would be unlawful.

May 16, 2014

CONFIDENTIAL

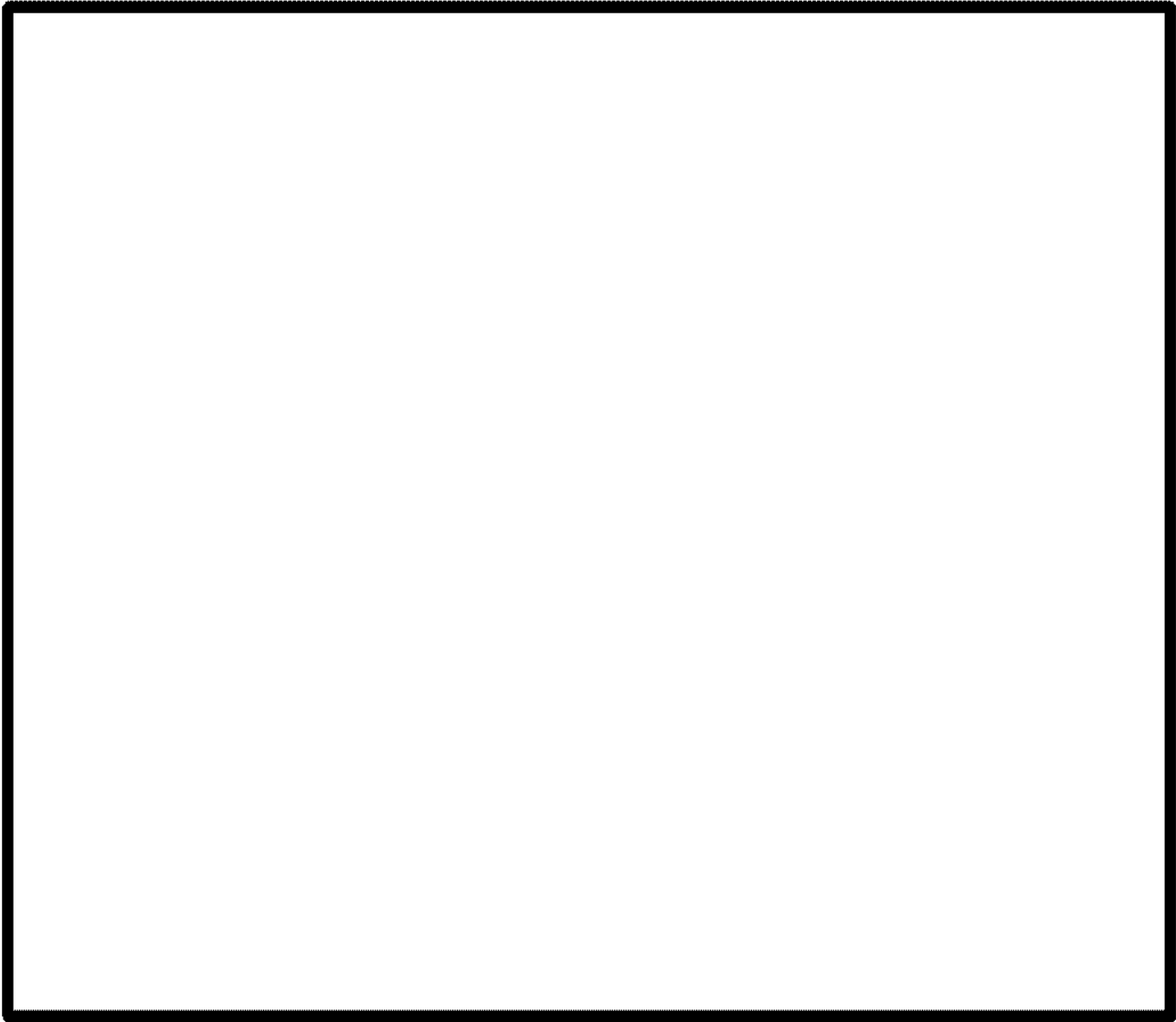
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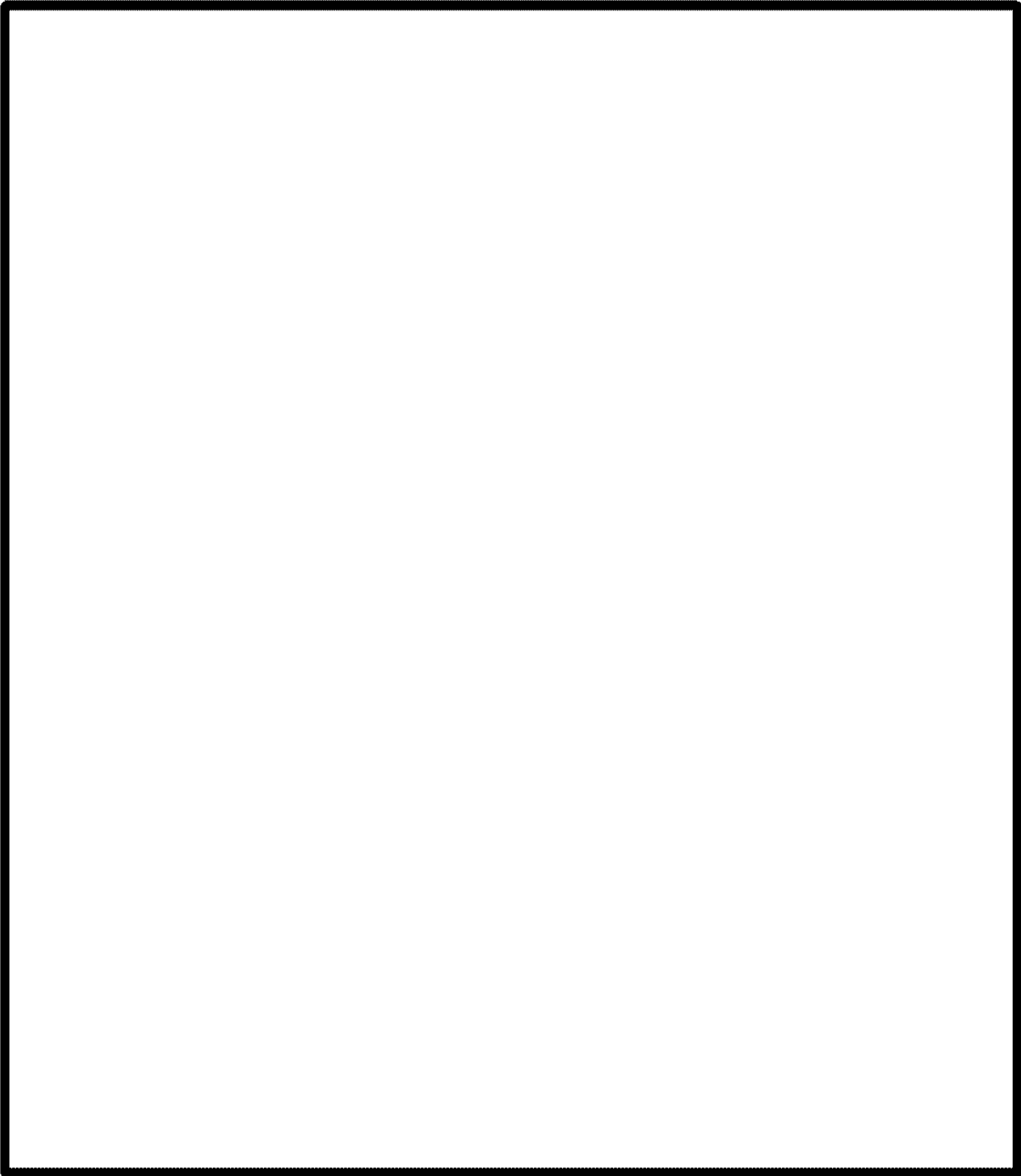


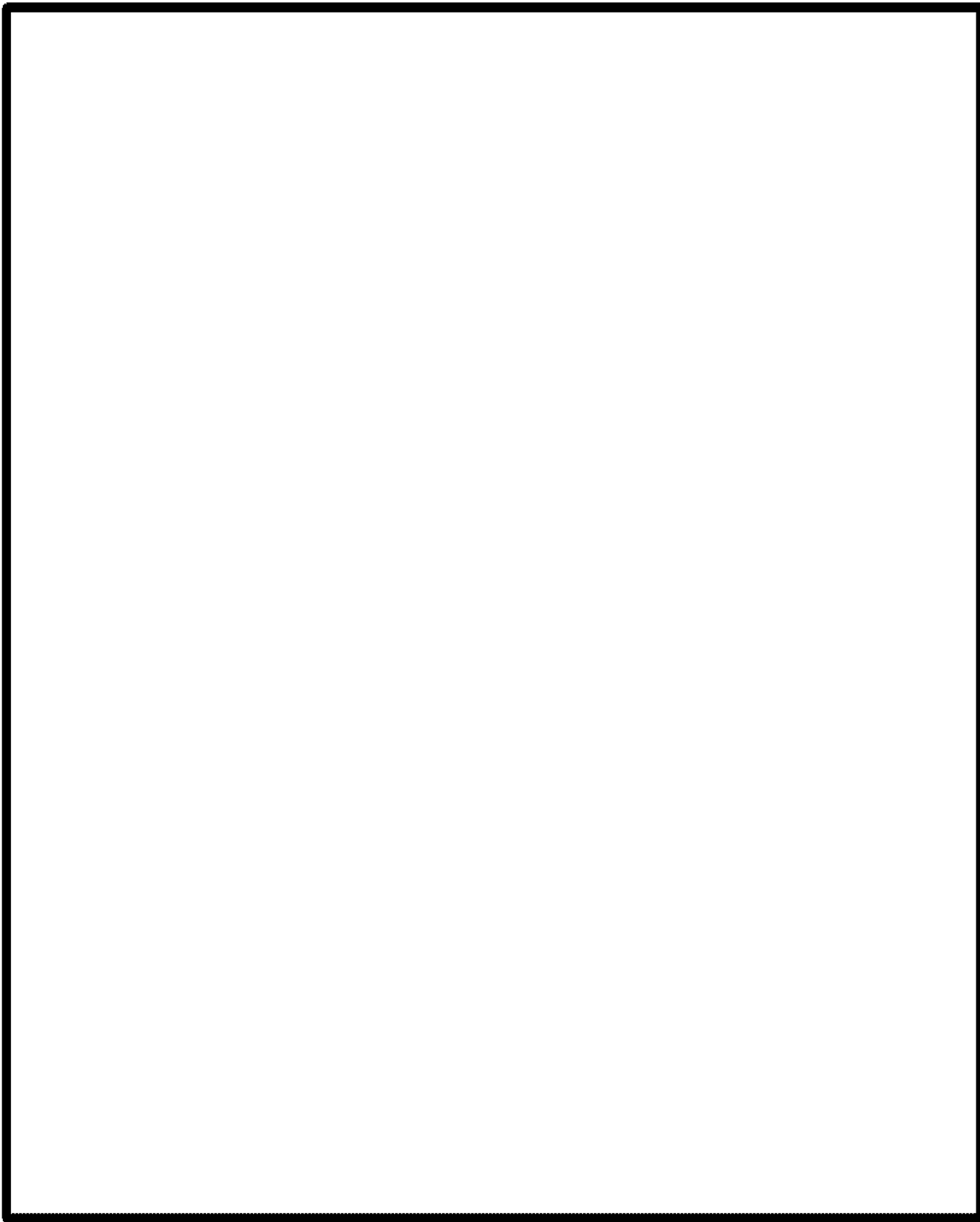


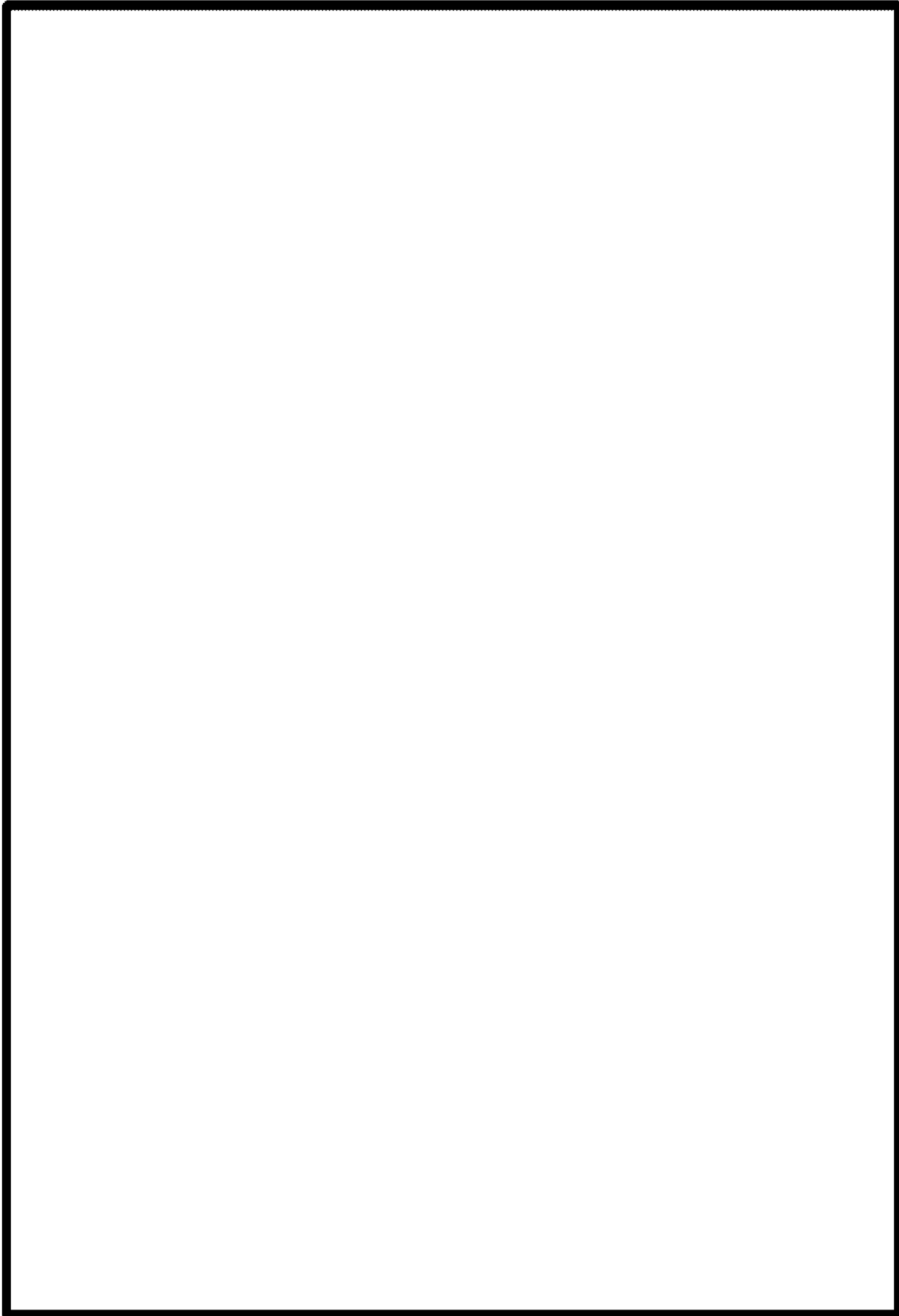


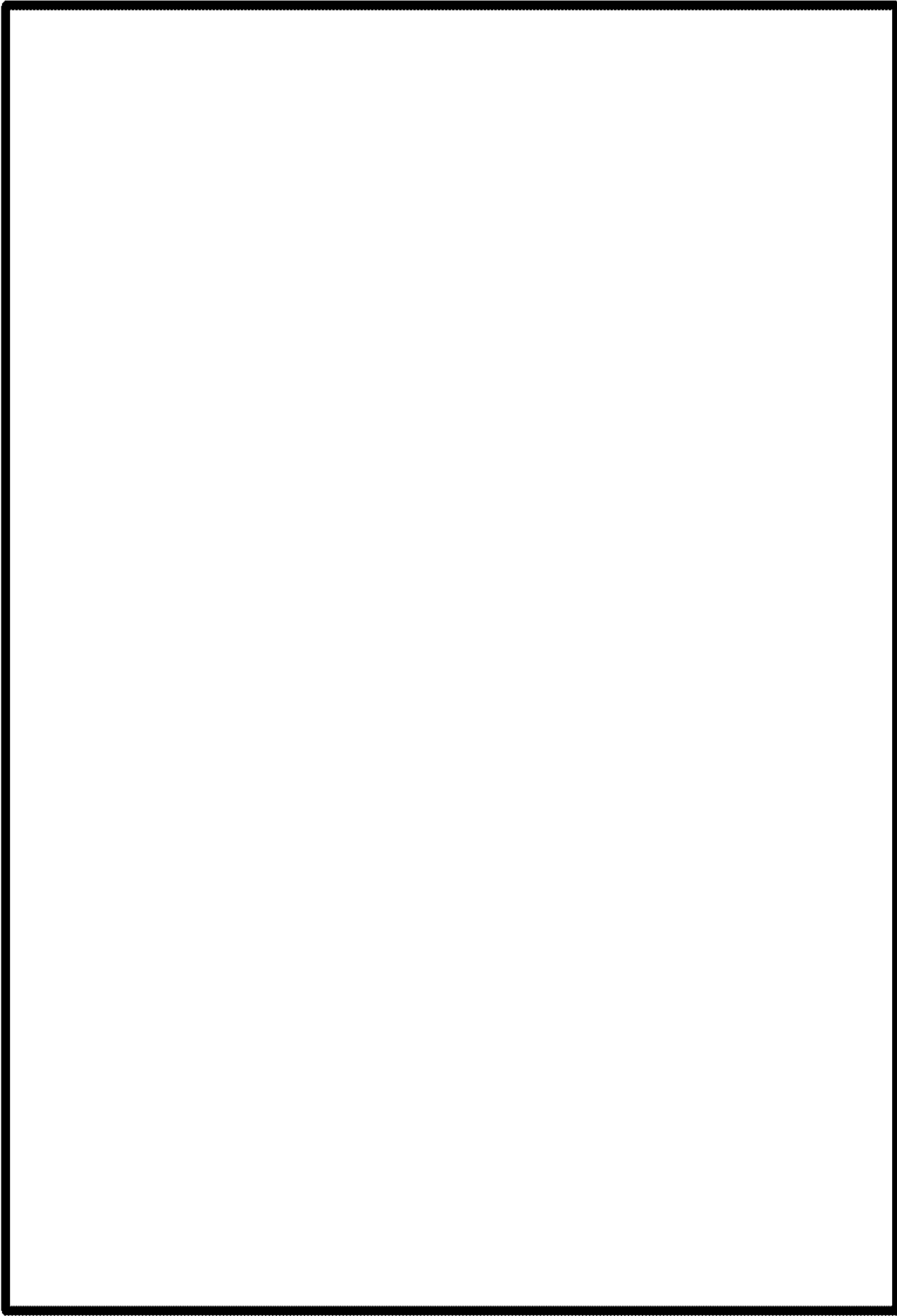
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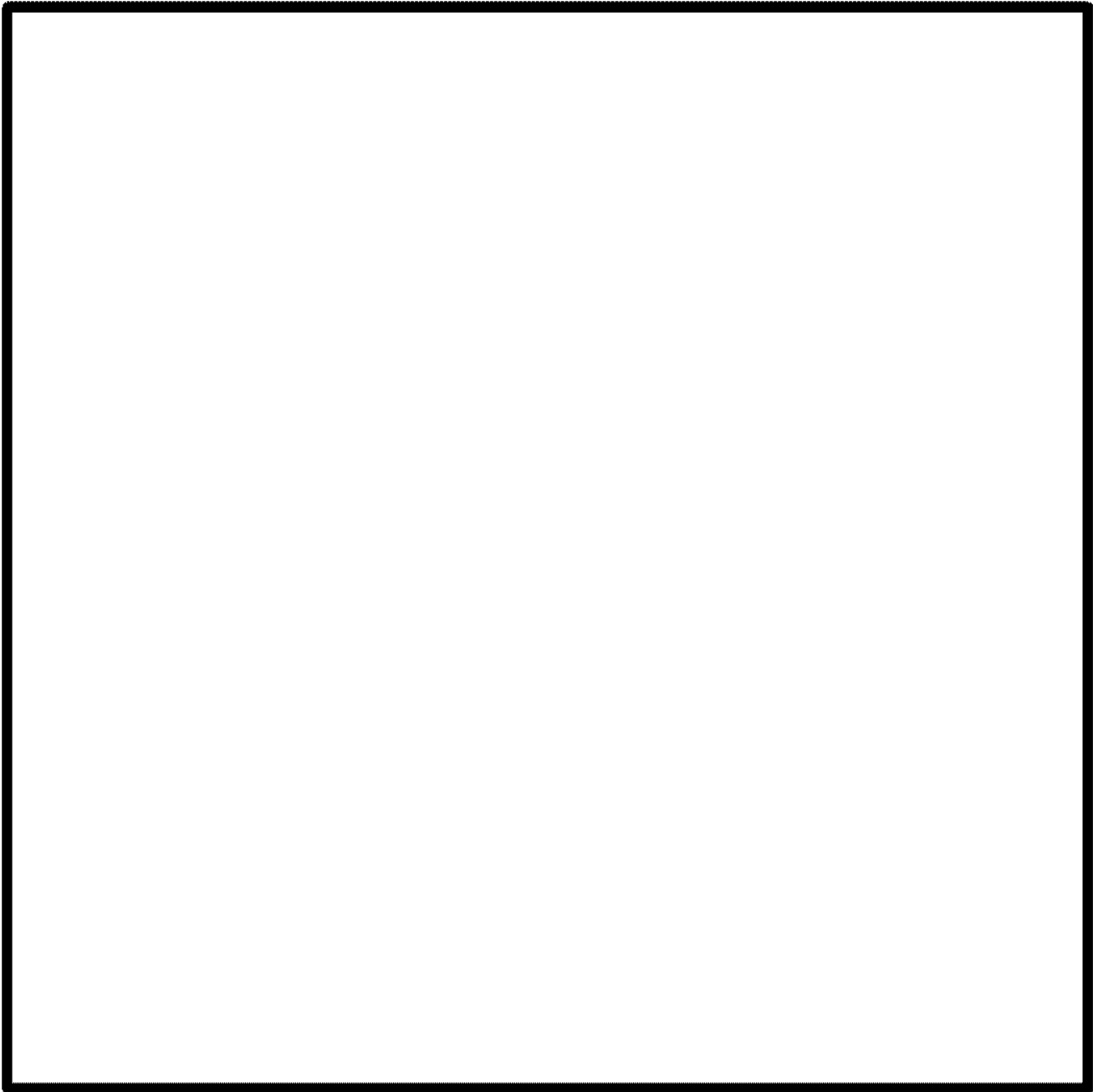


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EXHIBITS:

- Exhibit A SUBSCRIPTION AGREEMENT
- Exhibit B OPERATING AGREEMENT OF PLAZA MEXICO RESIDENCES, LLC
(including JOINDER AGREEMENT and SPOUSAL CONSENT IF
APPLICABLE)
- Exhibit C INVESTMENT REPRESENTATION STATEMENT
- Exhibit D IRS FORMS W-8BEN AND W-9
- Exhibit E FORM OF PROMISSORY NOTE
- Exhibit F FORM OF GUARANTY
- Exhibit G ESCROW AND/OR TRUST AGREEMENT

I. OFFERING SUMMARY

A. Investment Objectives

[Redacted content]

B. The Company, the Developer, and Manager

[Redacted content]

C. Description of the Property

[Redacted content]

[Redacted]

D. Description of the Project

[Redacted]

E. Job Creation

[Redacted]

F. Economic Projections of the Project

[Redacted]

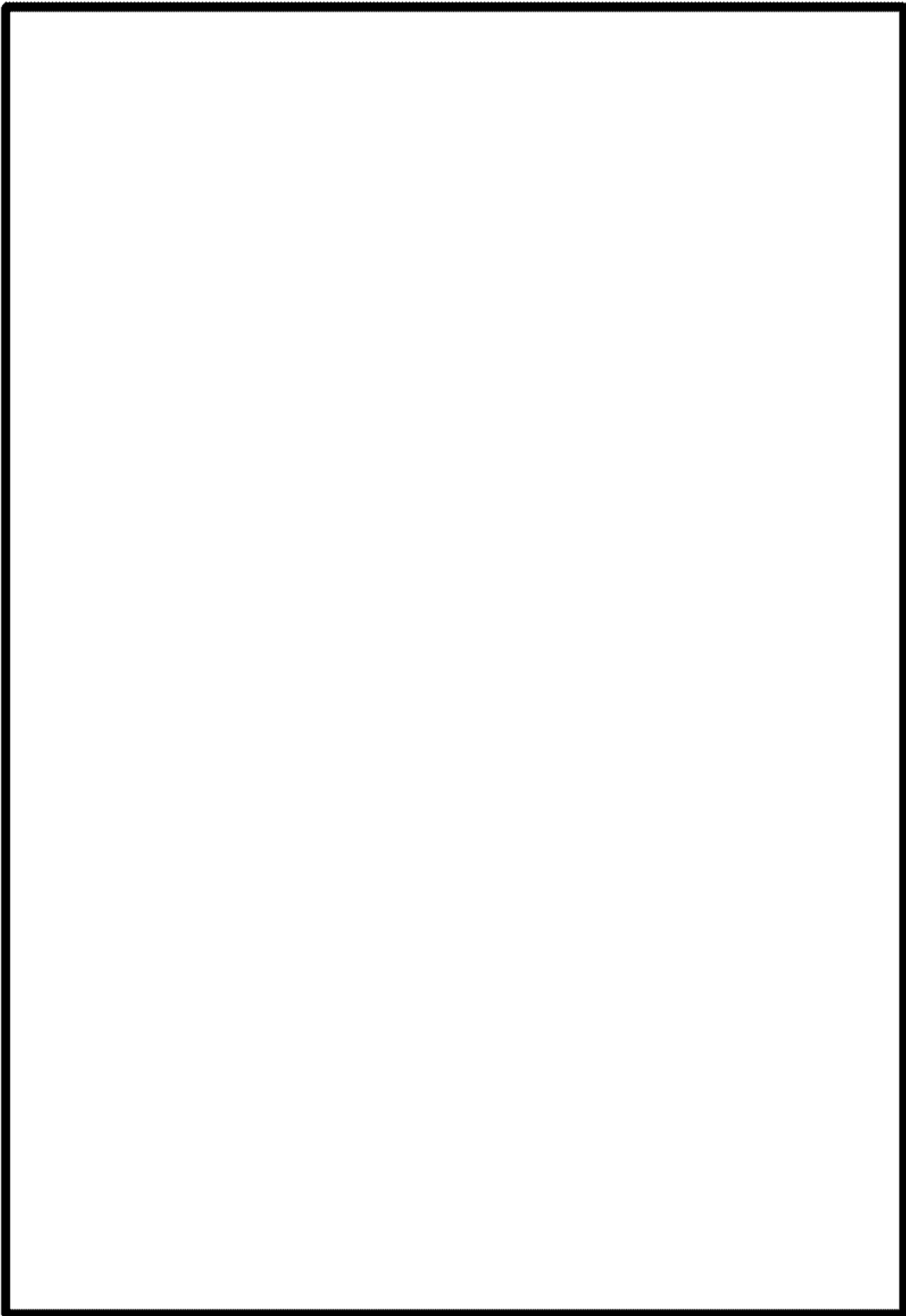


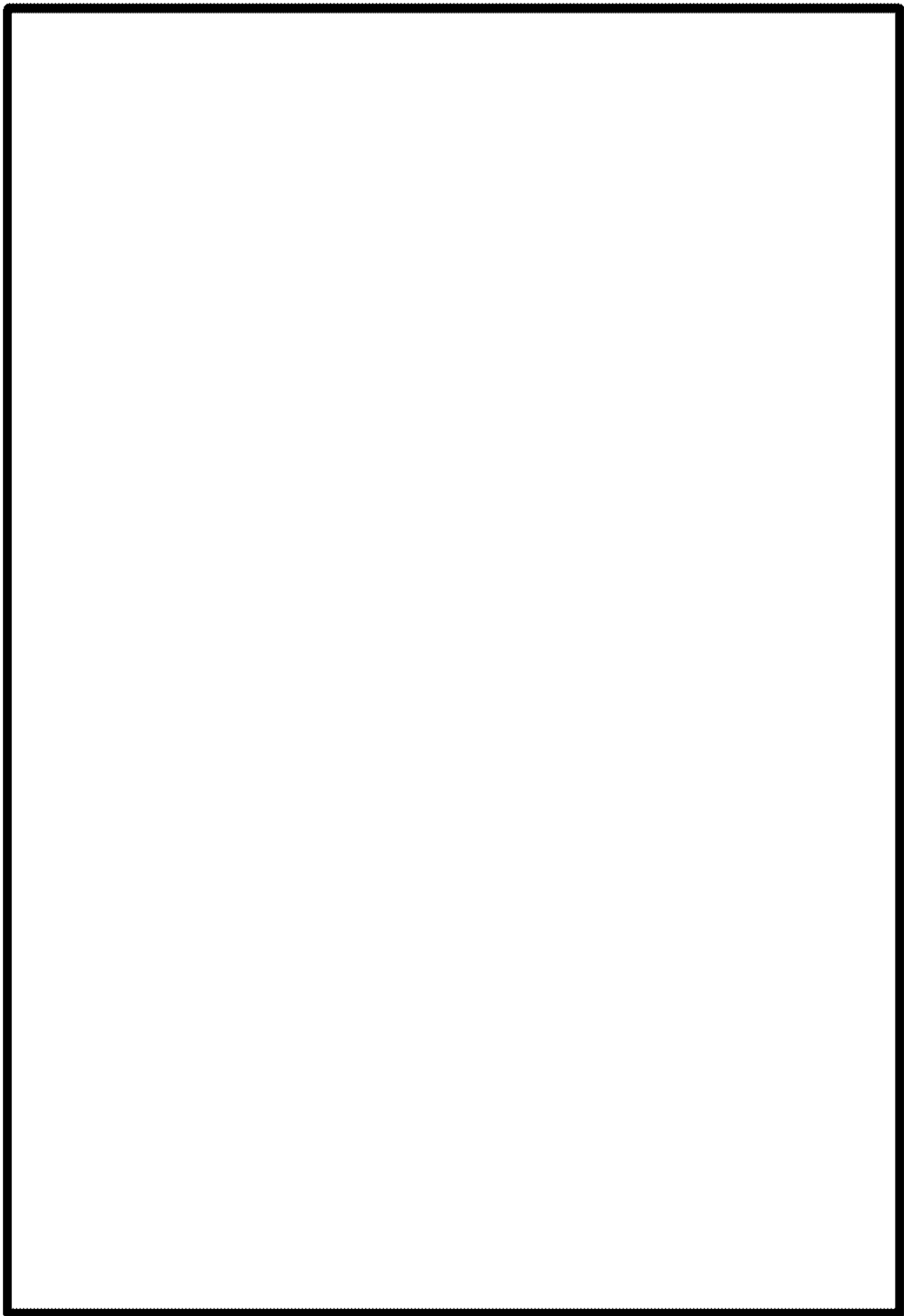
II. RISK FACTORS

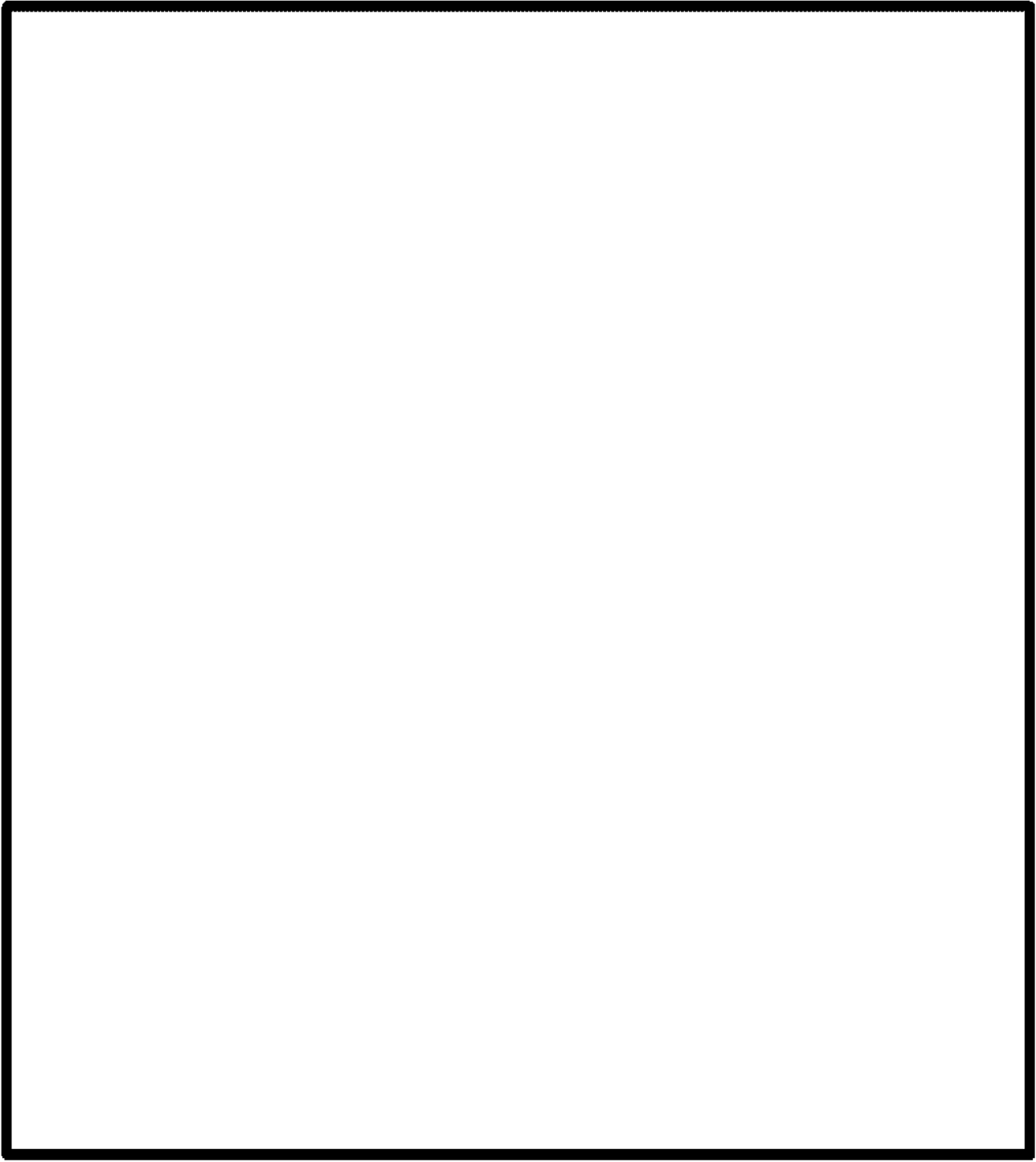


A. General Risks Relating to the EB-5 Program









B. Risks Relating to the Program





C. Risks of the Company's Class B Units



D. Risks of Return of Investment





E. Risks Relating to Other Lenders



F. Risks Relating to Senior Liens, Foreclosure and Rights of Creditors.





G. Retail and Residential Lease Up/Management





H. Risks Relating to the Viability and Marketability of the Project



I. Risks Relating to Environmental Issues





J. Risks Relating to Geology and Soils



K. Risks Relating to Financing Generally





L. Risks Relating to Limited Credit Markets



M. Risks Associated with Leverage



N. Risks Relating to Economic Projections



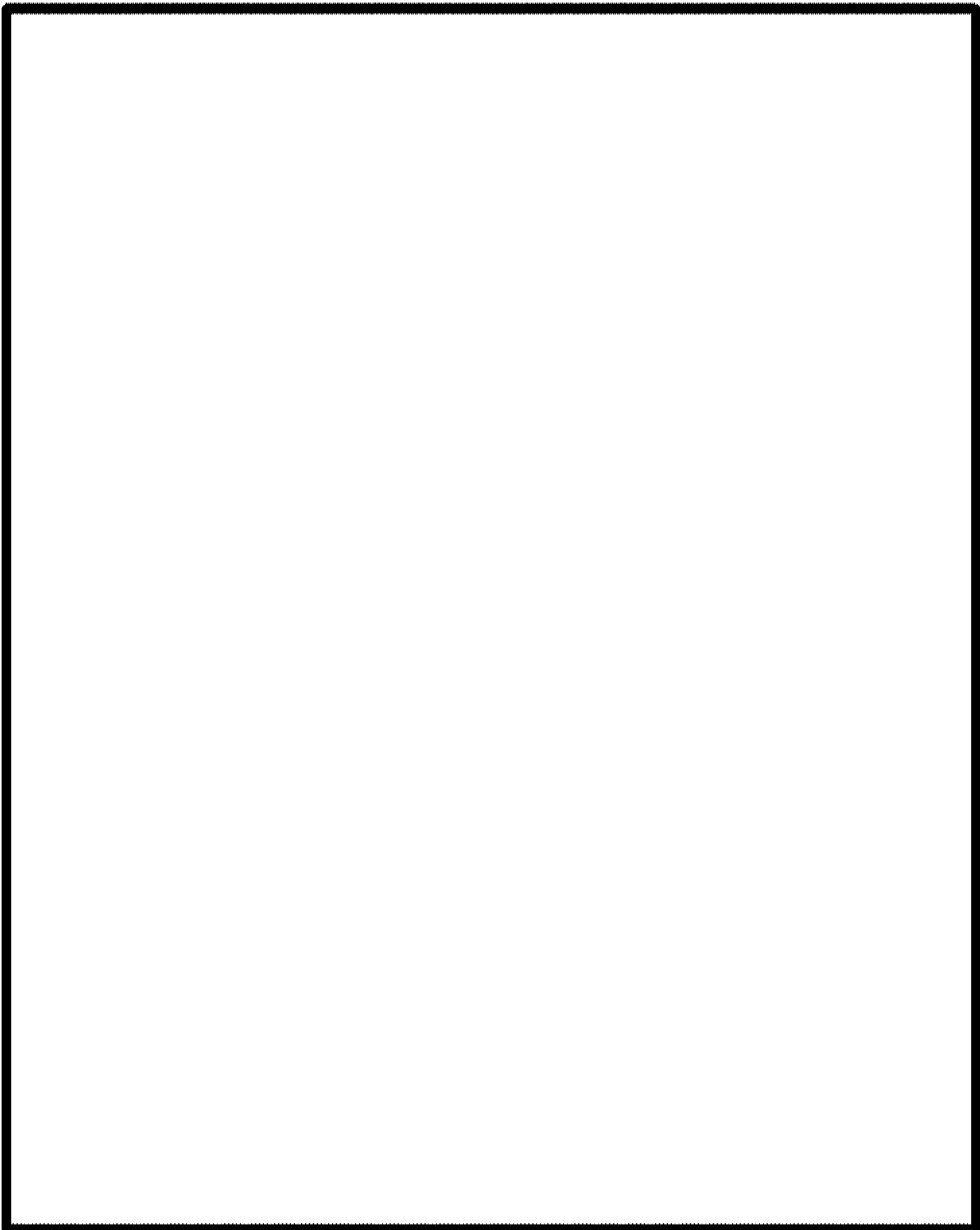


O. No Assurance of Distributions or Income; Delay in Repayment of Loans



P. Risk of Relying on Management and the Performance by Others





Q. Limited Capital Resources



[Redacted]

R. Limitations on Insurance

[Redacted]

S. Tax Risks

[Redacted]

T. Limited Transferability of the Class B Units

[Redacted]



U. Conflicts of Interest



V. Limited Operating History



W. Indemnification/Exculpation of Manager and Other Insiders



X. Availability of Securities Law Exemption





Y. Additional Risks



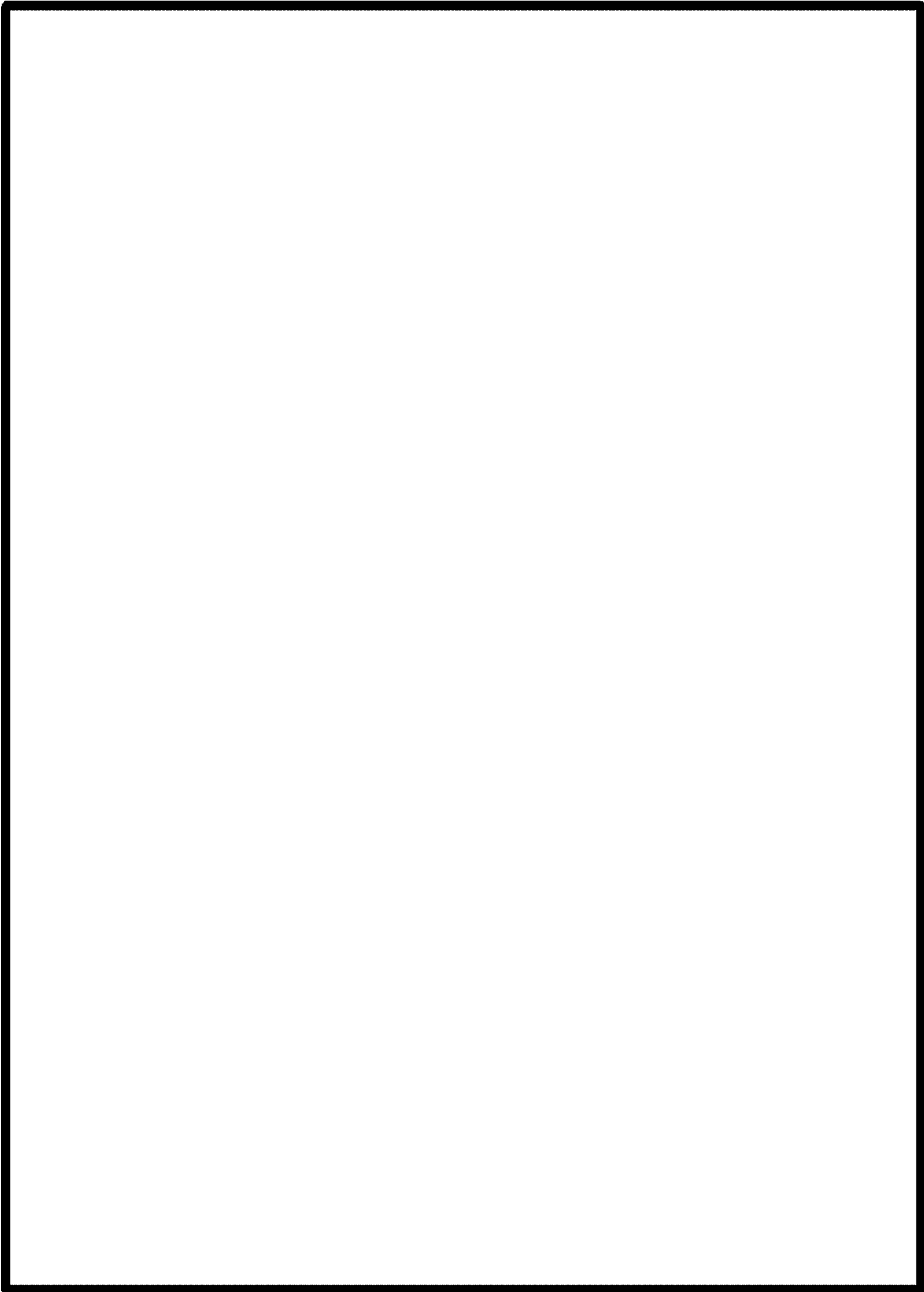
III. THE PROPERTY AND THE PROJECT

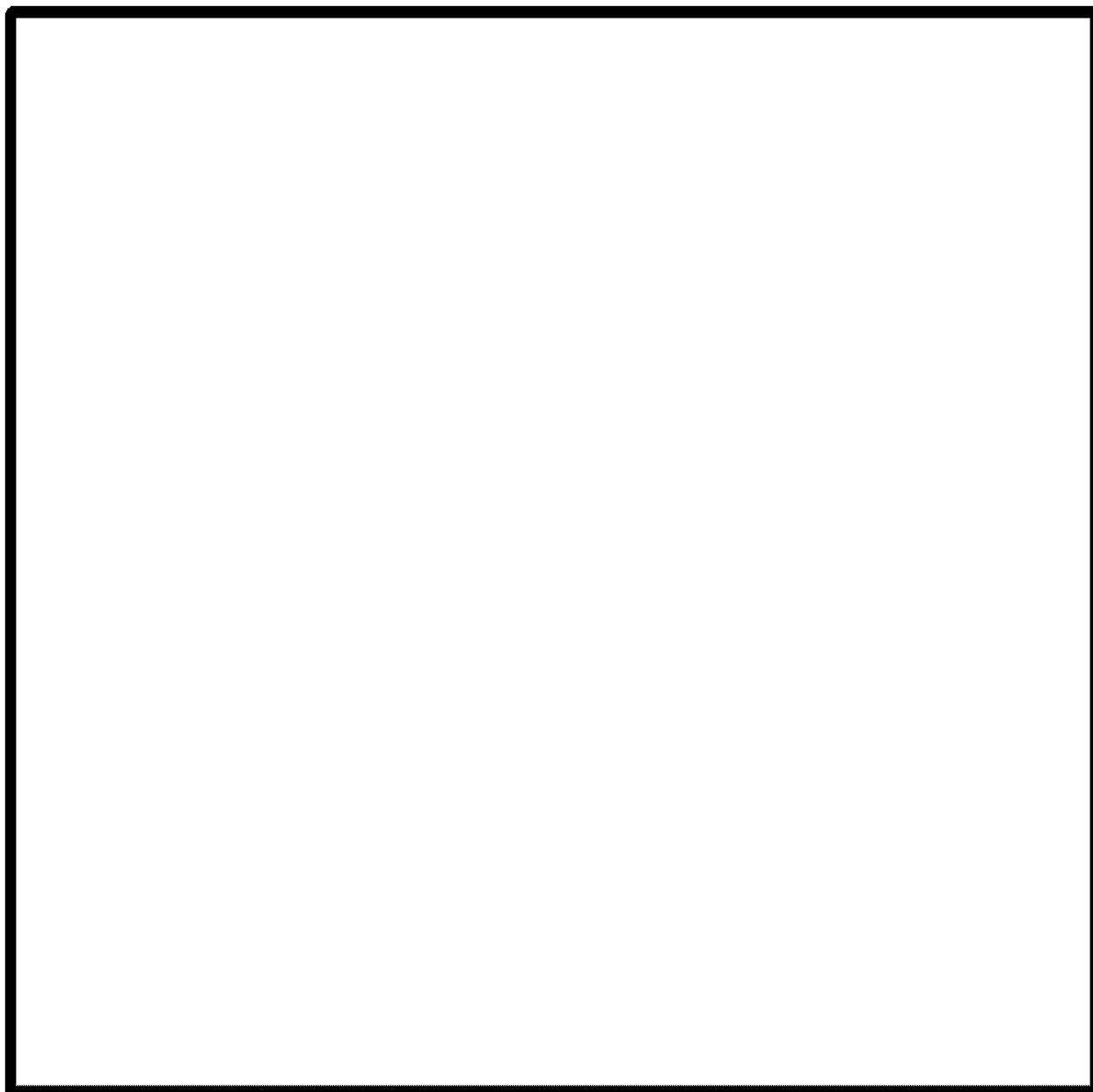


Plaza Mexico Residences Conceptual Rendering

A. Description of the Property and the Project







B. Job Creation





The following table summarizes the Project's job creation and subsequent economic output based on Performance Economic's IMPLAN analysis in May 2014:

<u>Sector</u>	<u>Job Creation</u>	<u>Economic Output</u>
[Redacted Table Content]		



C. Financing the Project

The following table describes the projected uses and sources of funds for the Project. Please note that the figures in the tables are based on preliminary projections and are subject to change.

Proposed Financing Structure ¹	Construction Budget/Uses of Funds
[Redacted Table Content]	

[Redacted Table Content]

D. Zoning and Land Use

[Redacted Table Content]

E. Architectural Plans and Specifications

[Redacted Table Content]

F. Economic Projections of the Project



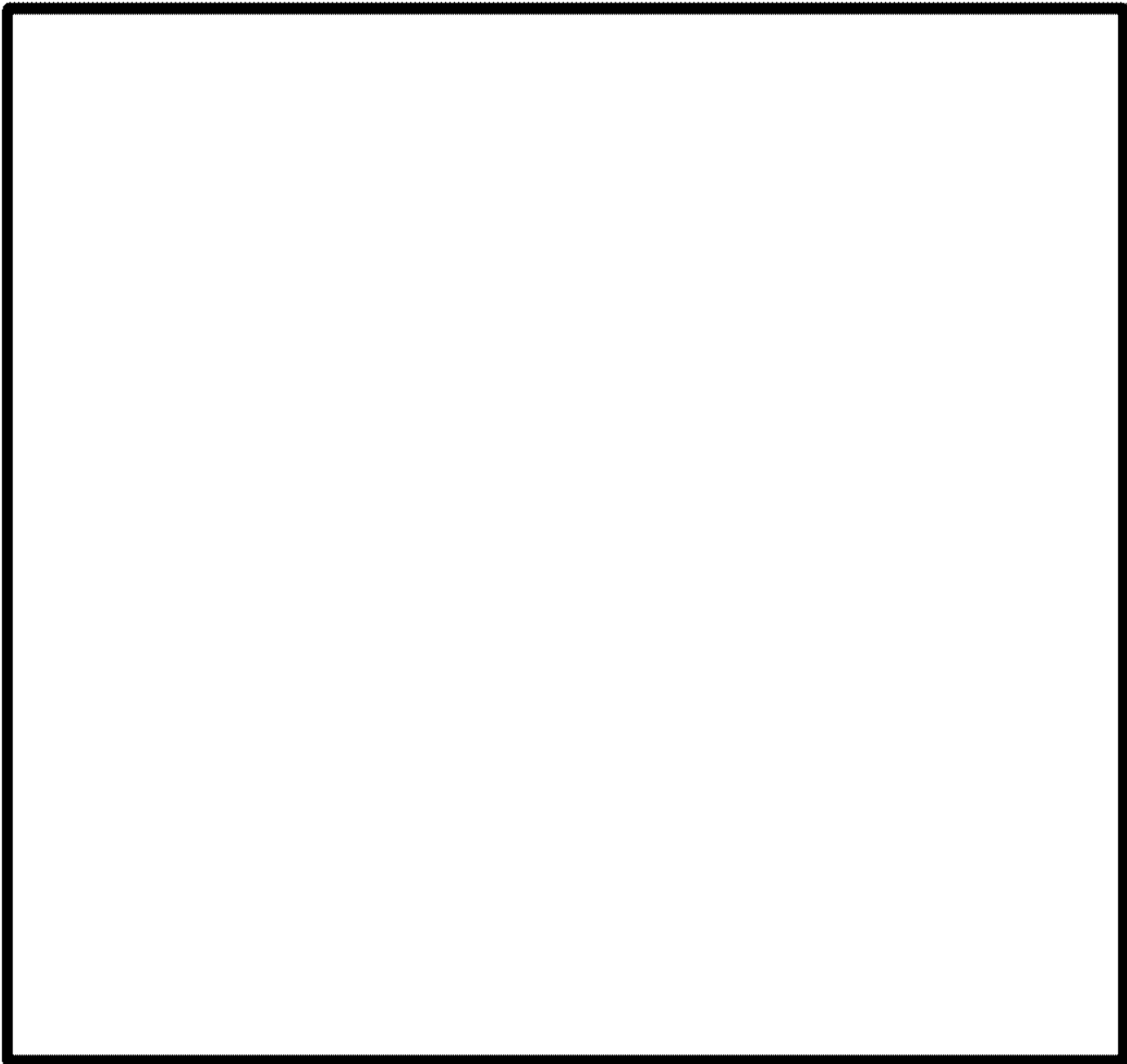
G. Development Schedule

The following table shows the projected timeline of the Project's development. The Developer currently expects to begin construction in the first half of 2015.

Plaza Mexico Residences Development Timeline - As of April 2014																					
Phase	2014				2015				2016				2017				2018				
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	
[Redacted content]																					

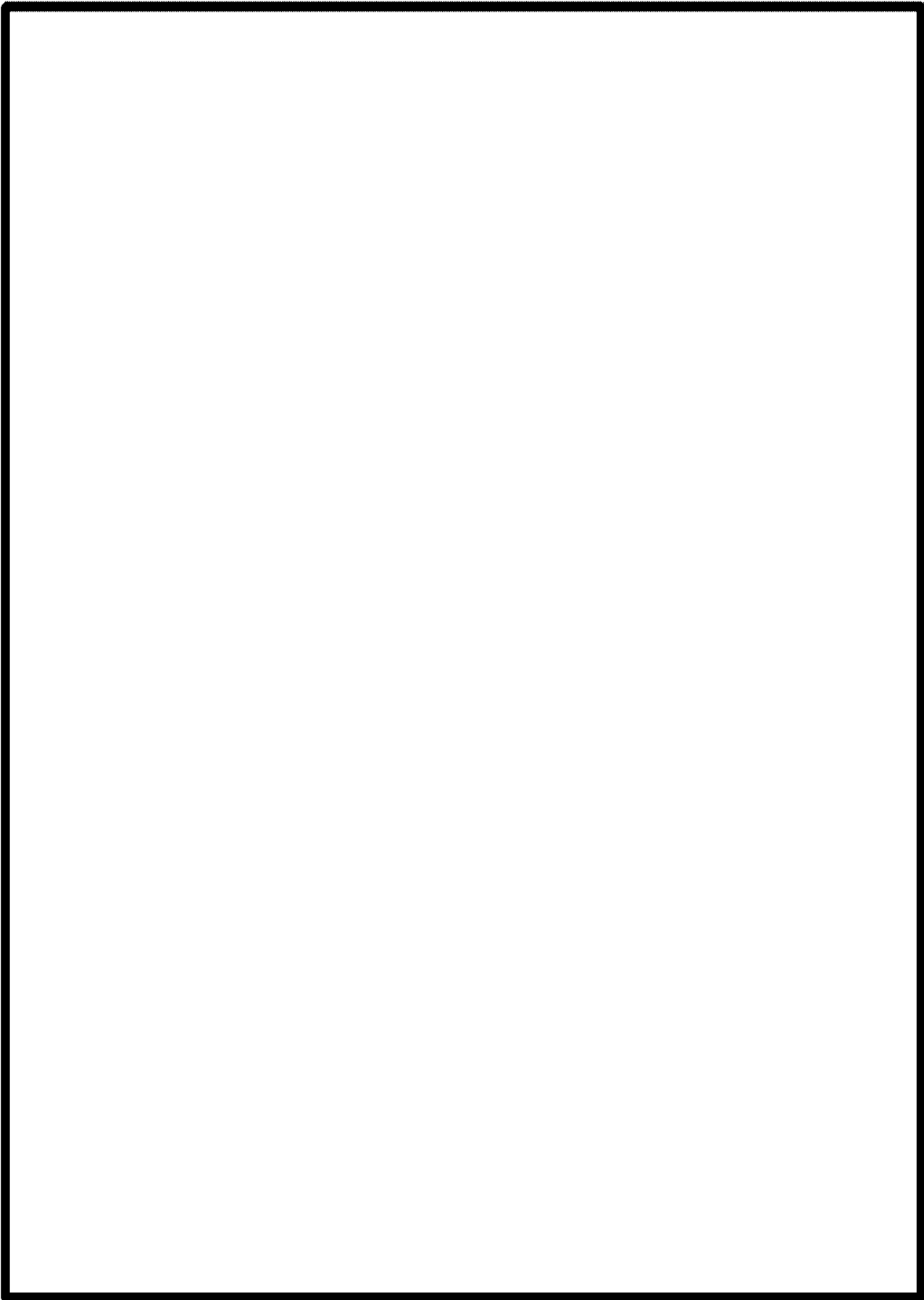
IV. WHO MAY INVEST





V. INVESTMENT OBJECTIVES AND STRATEGY

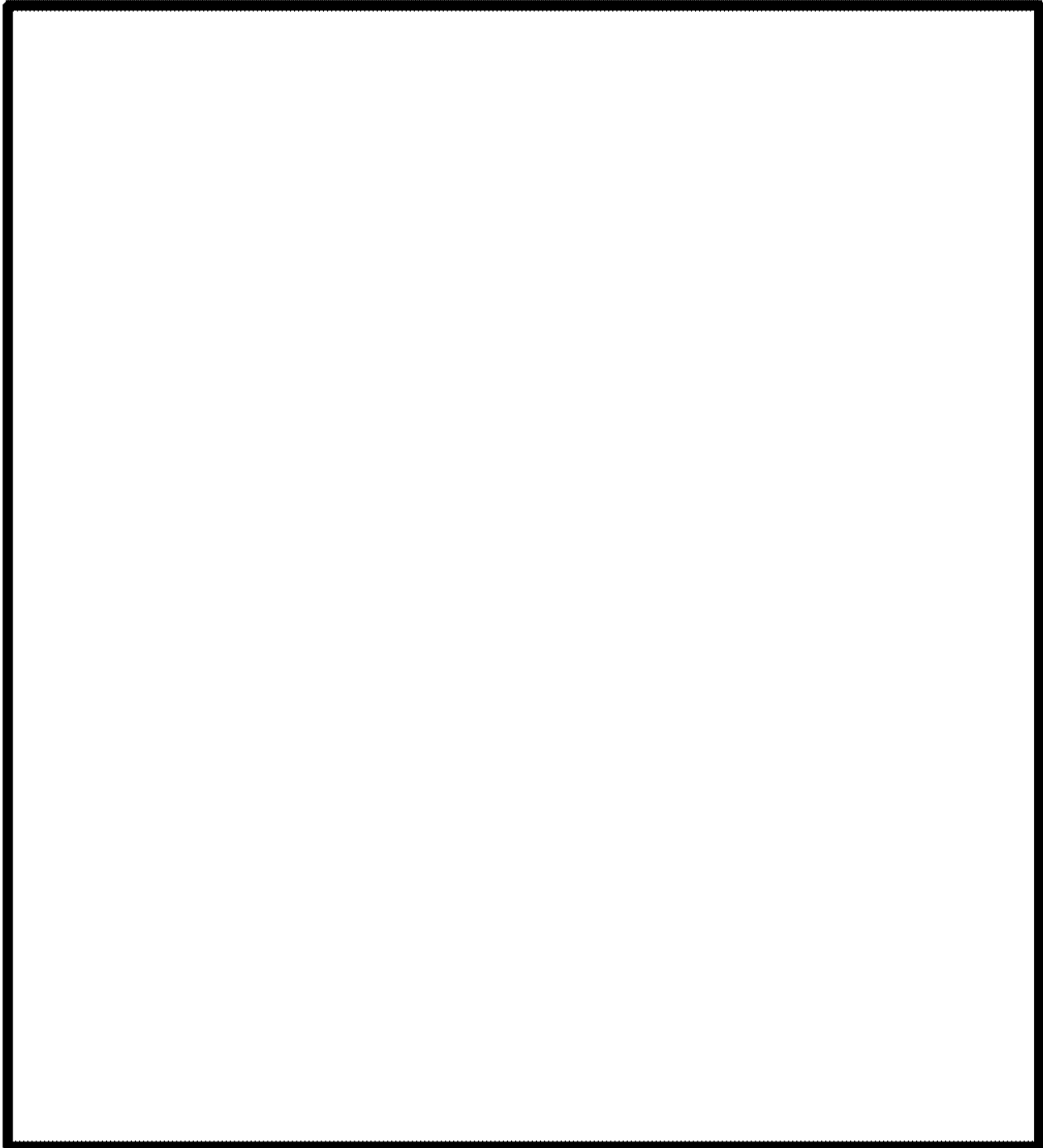






VI. TERMS OF THE OFFERING

A. General



B. Offering Termination Date



[Redacted]

C. Subscription Procedure

[Redacted]

D. Subscription Payment and Administration Fee

[Redacted]

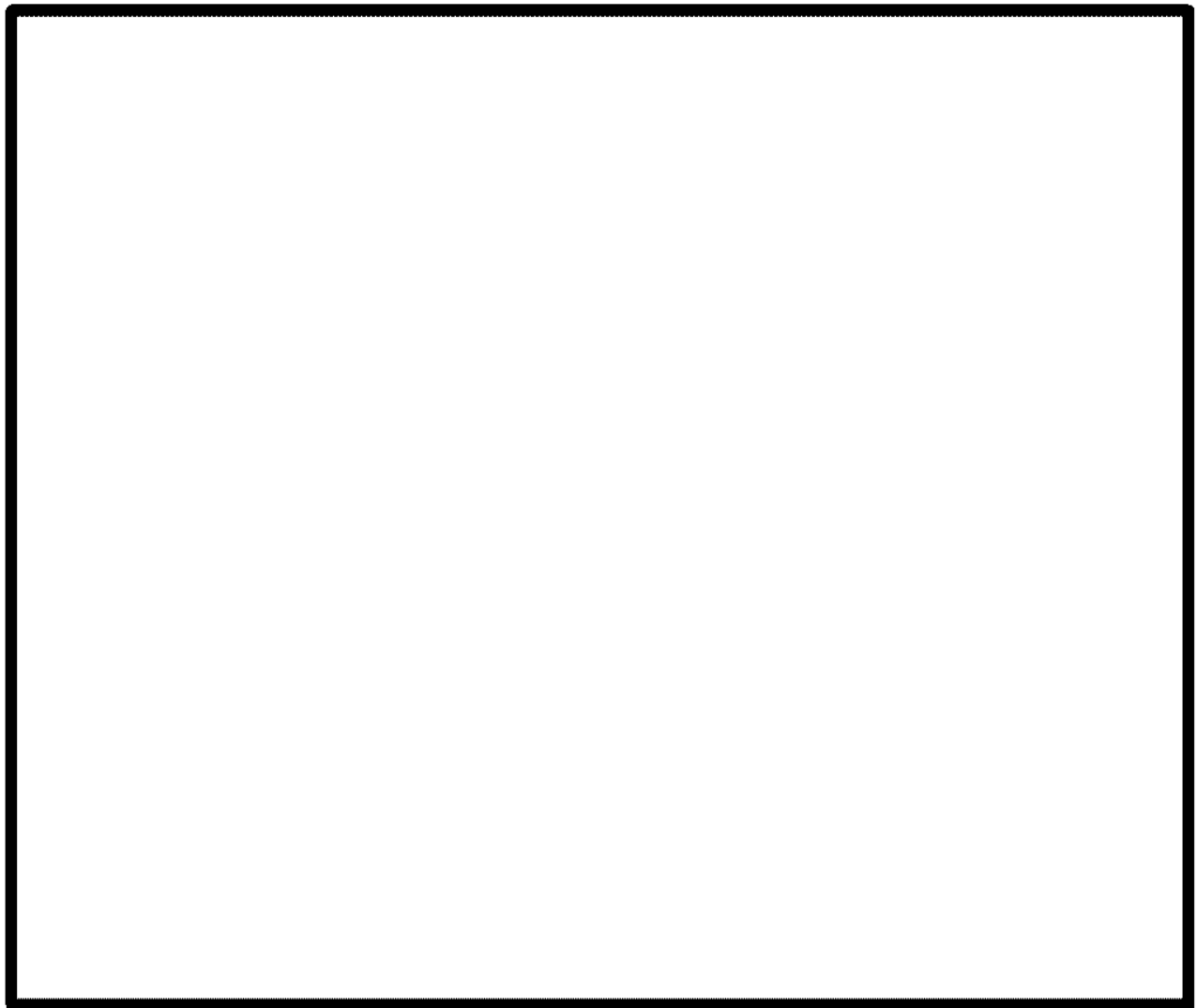
E. Minimum Investment Requirement

[Redacted]

(b)(4)



F. Evidence of Source of Funds



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H. Deposit of Subscription Funds and Conditions to Release

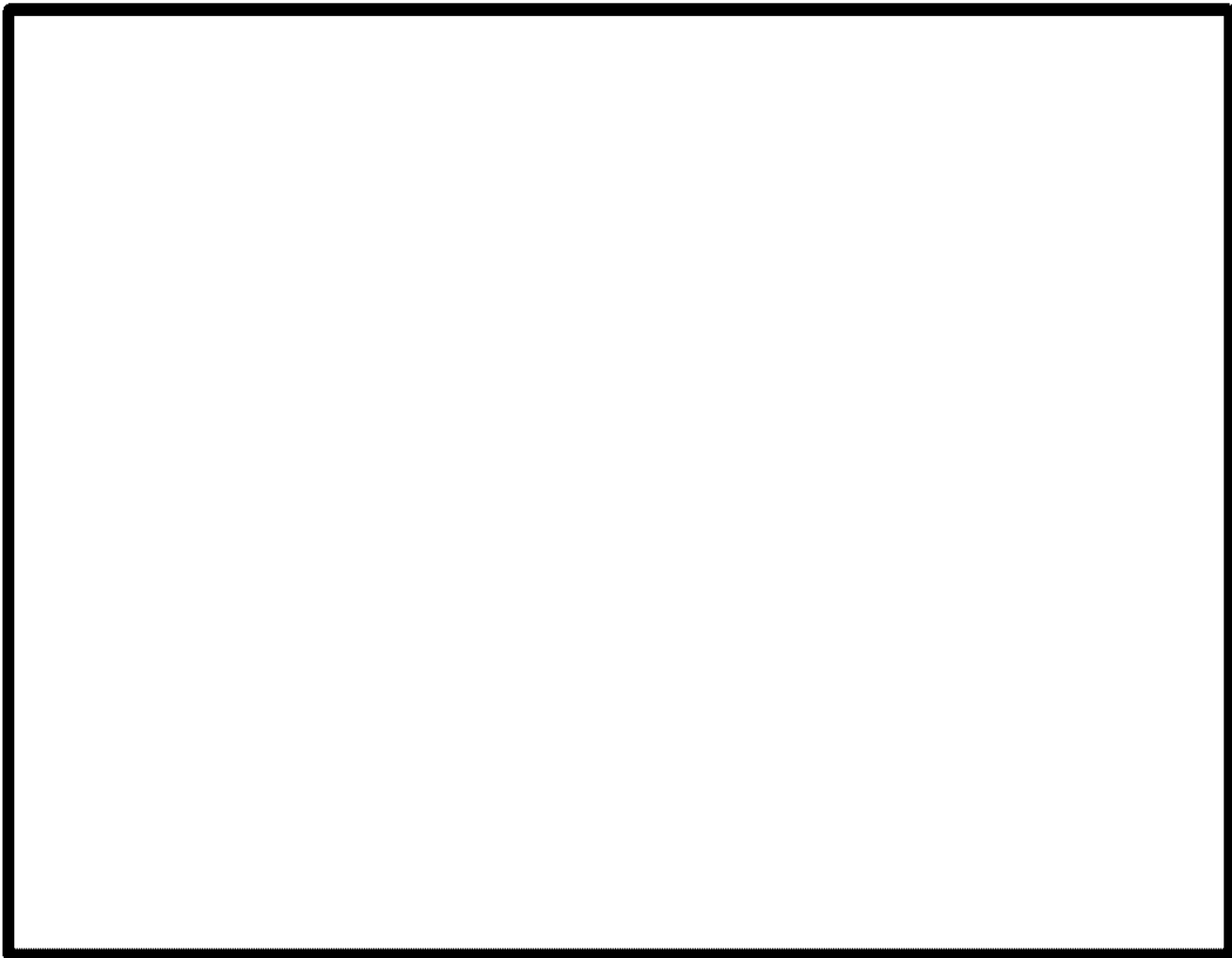


I. Closing of Purchase of Class B Units



J. Return of Subscription Purchase Price and Administration Fee





K. Immigration-Related Expenses



L. Program Locators





VII. THE COMPANY, THE DEVELOPER AND THE MANAGER

A. The Company



B. The Developer

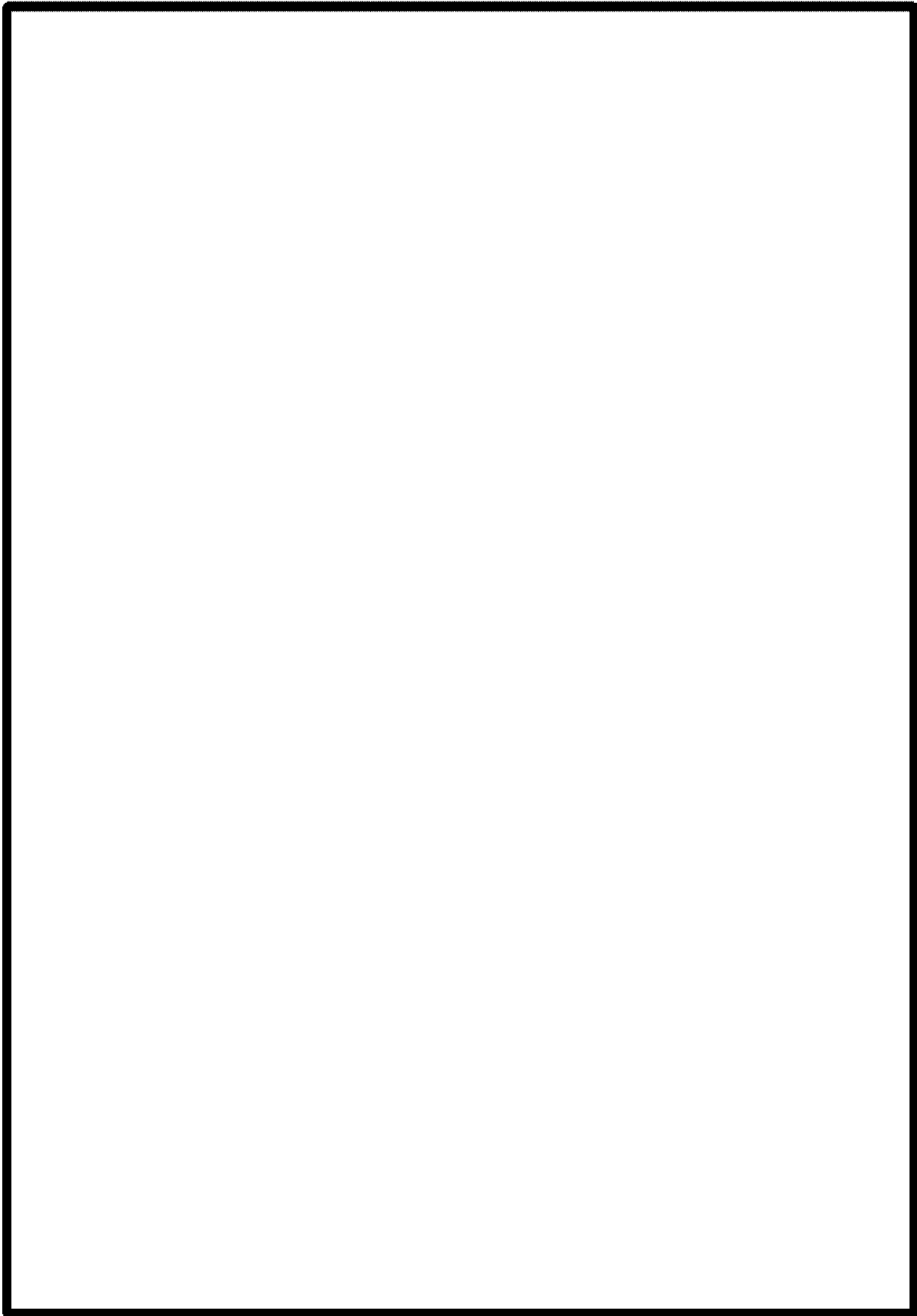


C. The Manager/Special Manager

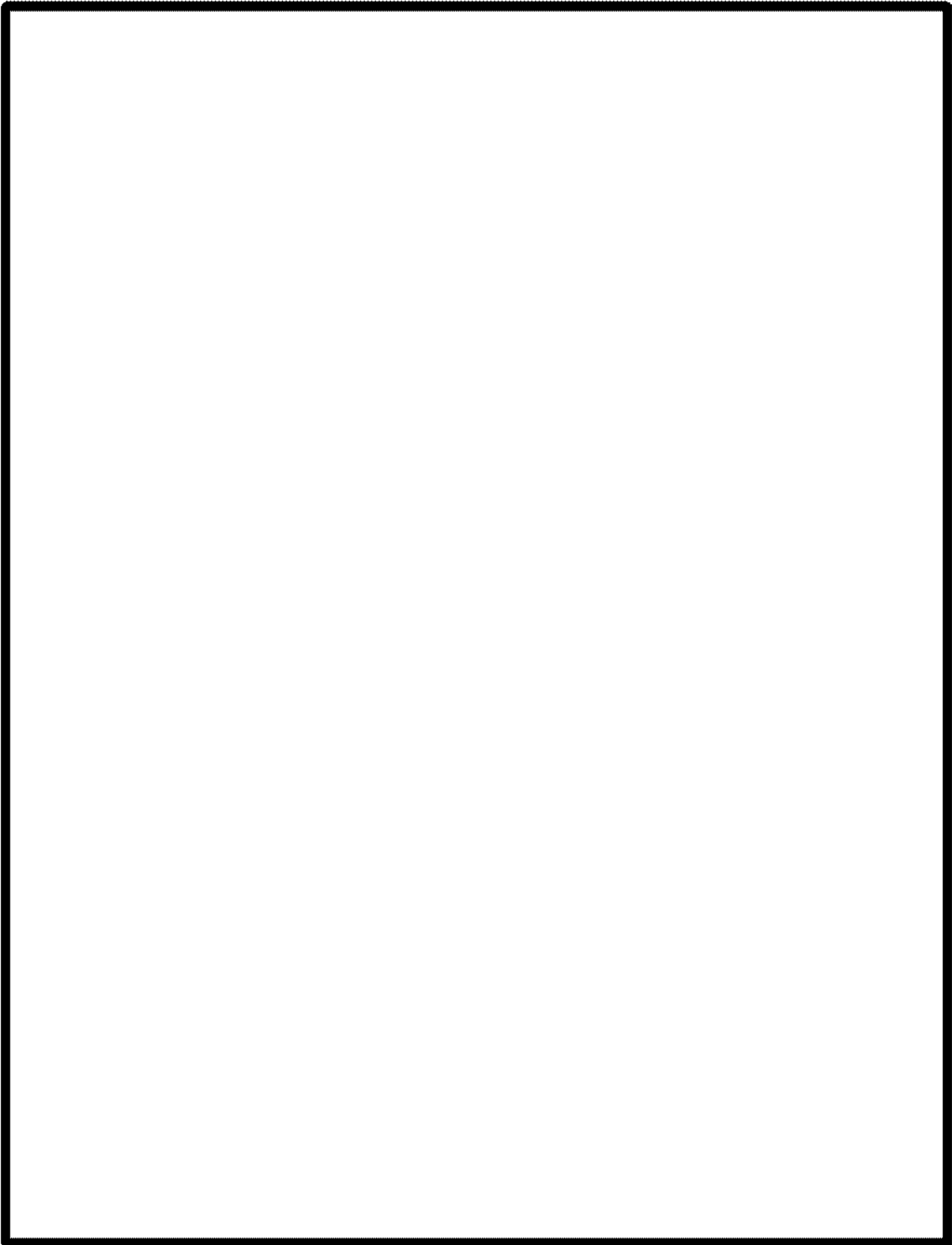


1. Manager - Regional Center - Background





2. Other Manager Projects - Plaza Mexico



VIII. SUMMARY OF THE OPERATING AGREEMENT



A. Purposes



B. Term



C. Capital Contributions





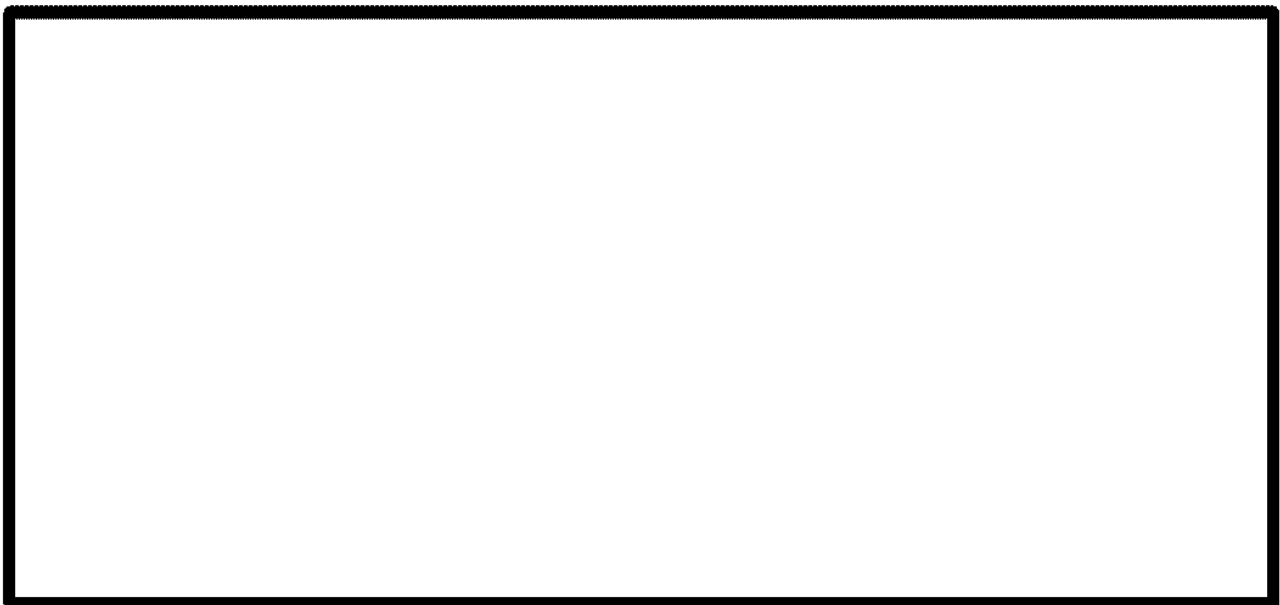
D. Expenses of the Company



E. Tax Classification



F. Distributions and Allocations





G. Management, Manager, and Officers



H. Special Manager



I. Voting and Approval Rights of Members





J. Liabilities of Members, Manager, and Officers

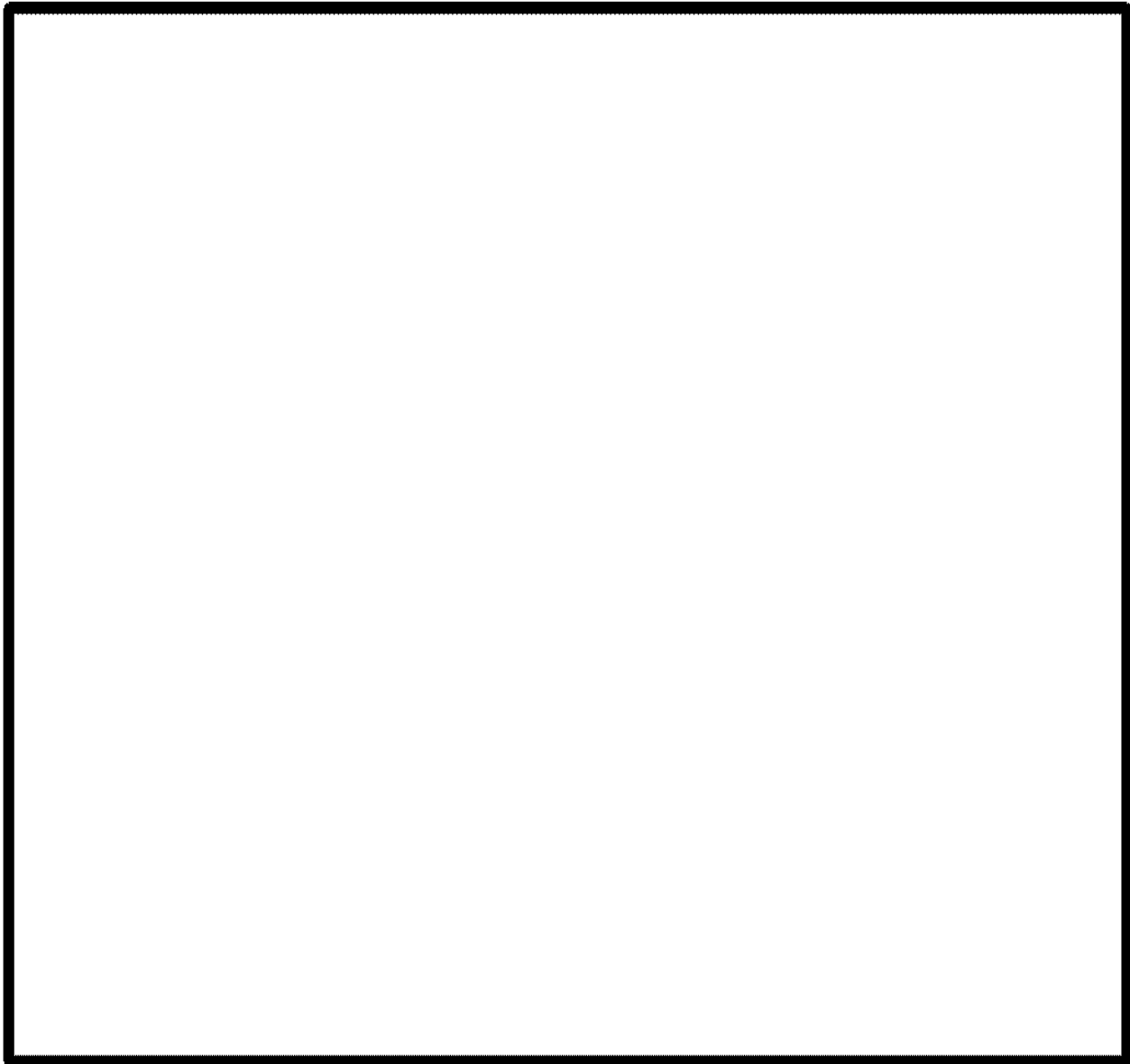


K. Transfer and Assignment of Membership Interest





L. Liquidation of Class B Units



[Redacted]

M. Remuneration to Members and Manager

[Redacted]

N. Competing Activities

[Redacted]

O. Accounting and Reporting

[Redacted]

P. Dissolution and Winding Up

[Redacted]



Q. Indemnification



IX. THE LOAN

A. General Terms



B. Guaranties



[Redacted]

C. Deed of Trust

[Redacted]

D. Use of Loan Proceeds

[Redacted]

X. COMPENSATION AND FEES

[Redacted]

XI. CONFLICTS OF INTEREST

A. Conflict Among the Company; the Developer and the Regional Center

[Redacted]

[Redacted]

B. Relationship Between the Regional Center and Developer

[Redacted]

C. Allocation of Manager's Time

[Redacted]

D. Company's Transactions with Related Parties

[Redacted]

E. Developer's Transactions with Related Parties

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XII. FIDUCIARY RESPONSIBILITY OF THE MANAGER



A. Exculpation

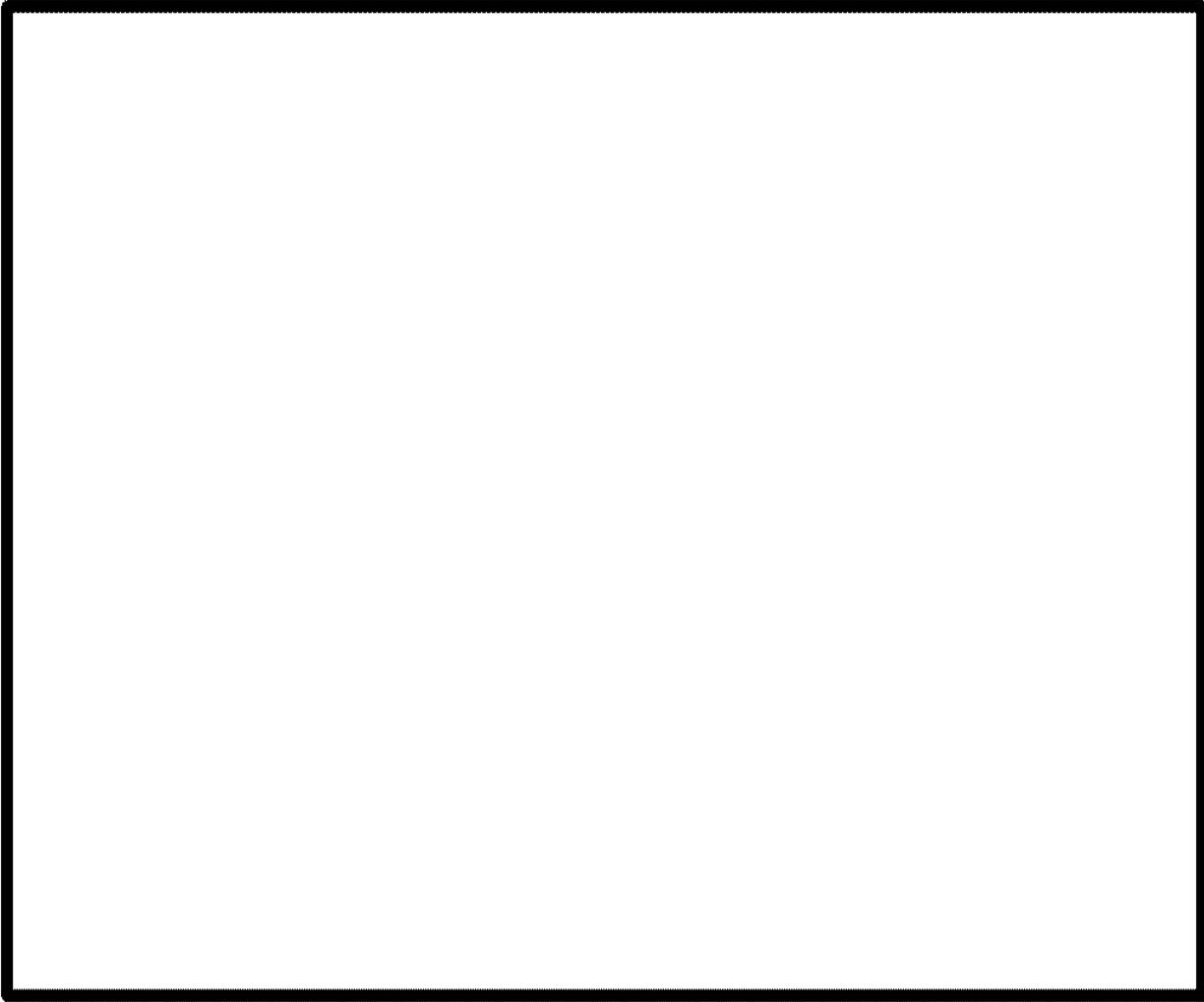


B. Indemnification



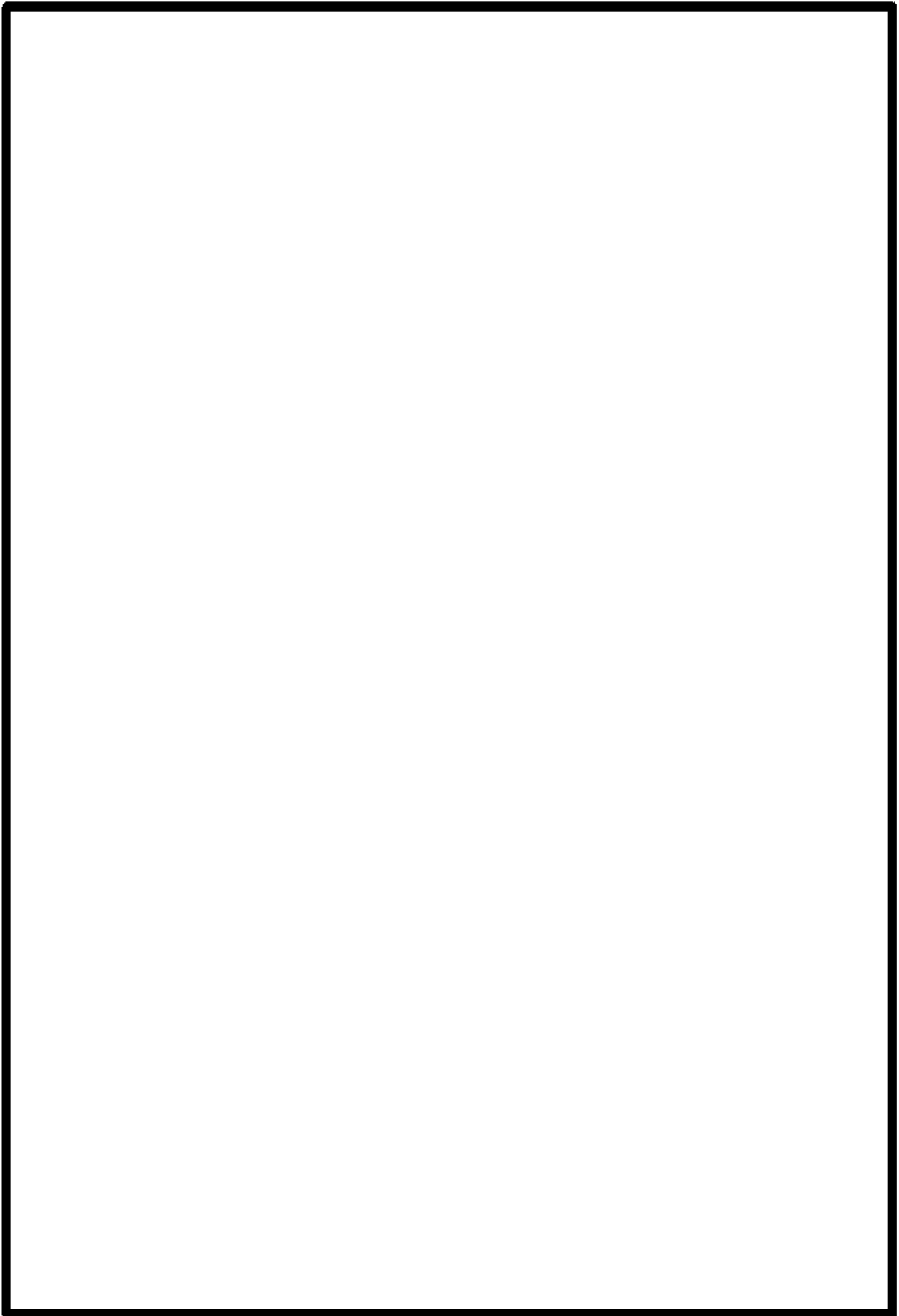
XIII. LEGAL PROCEEDINGS

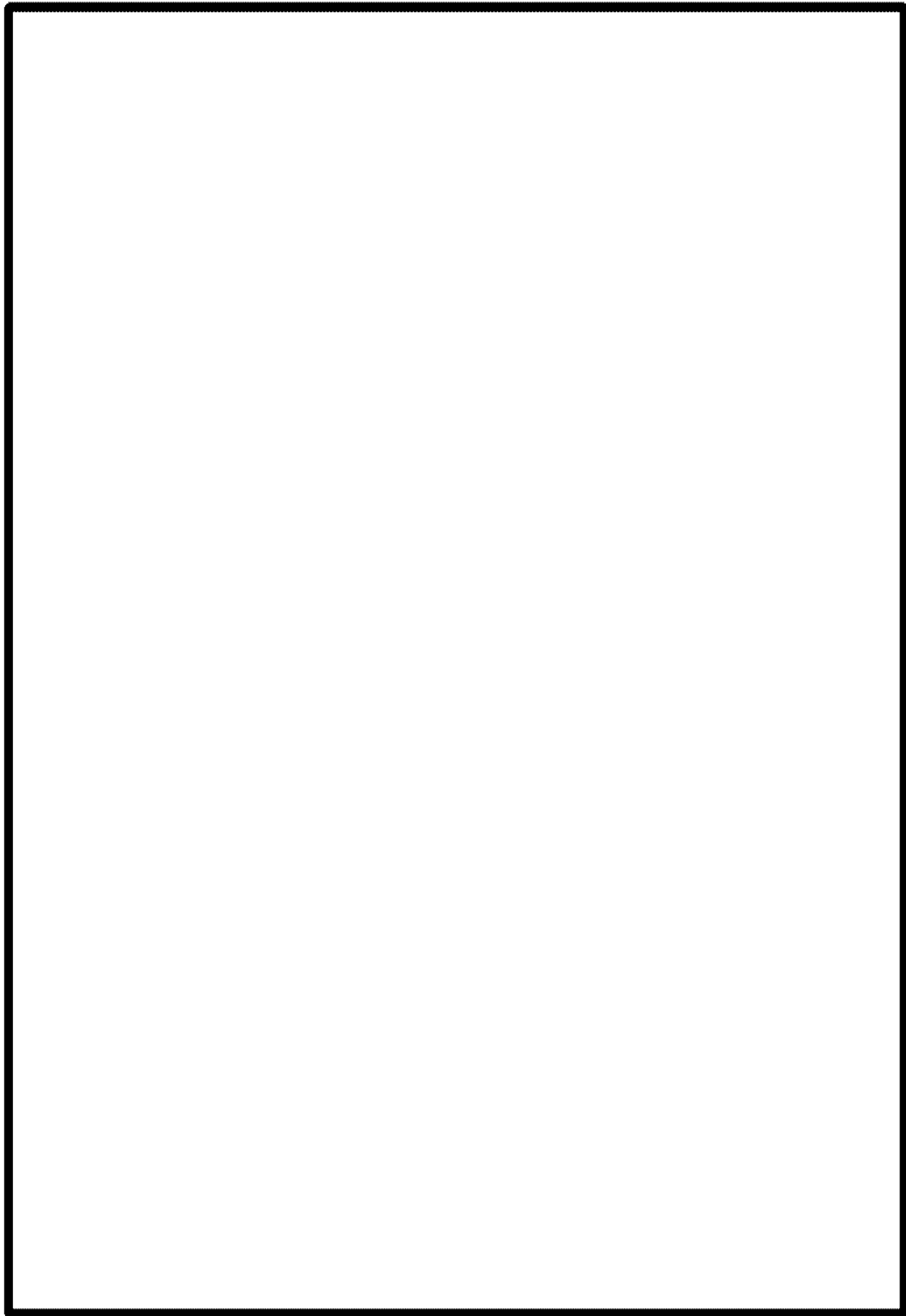




XIV. TAX CONSIDERATIONS

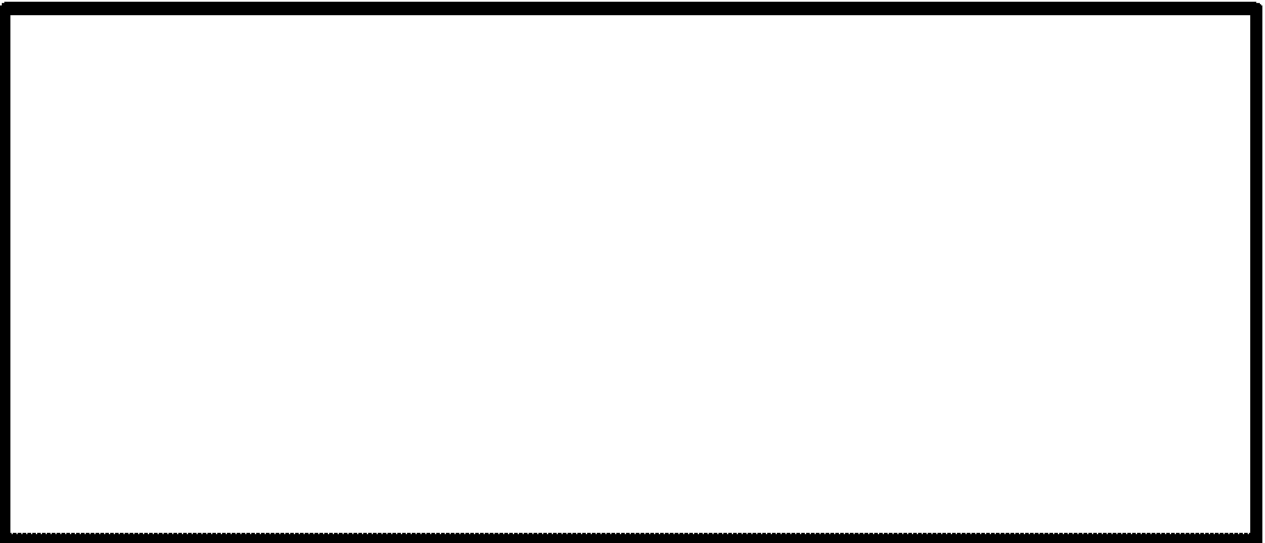


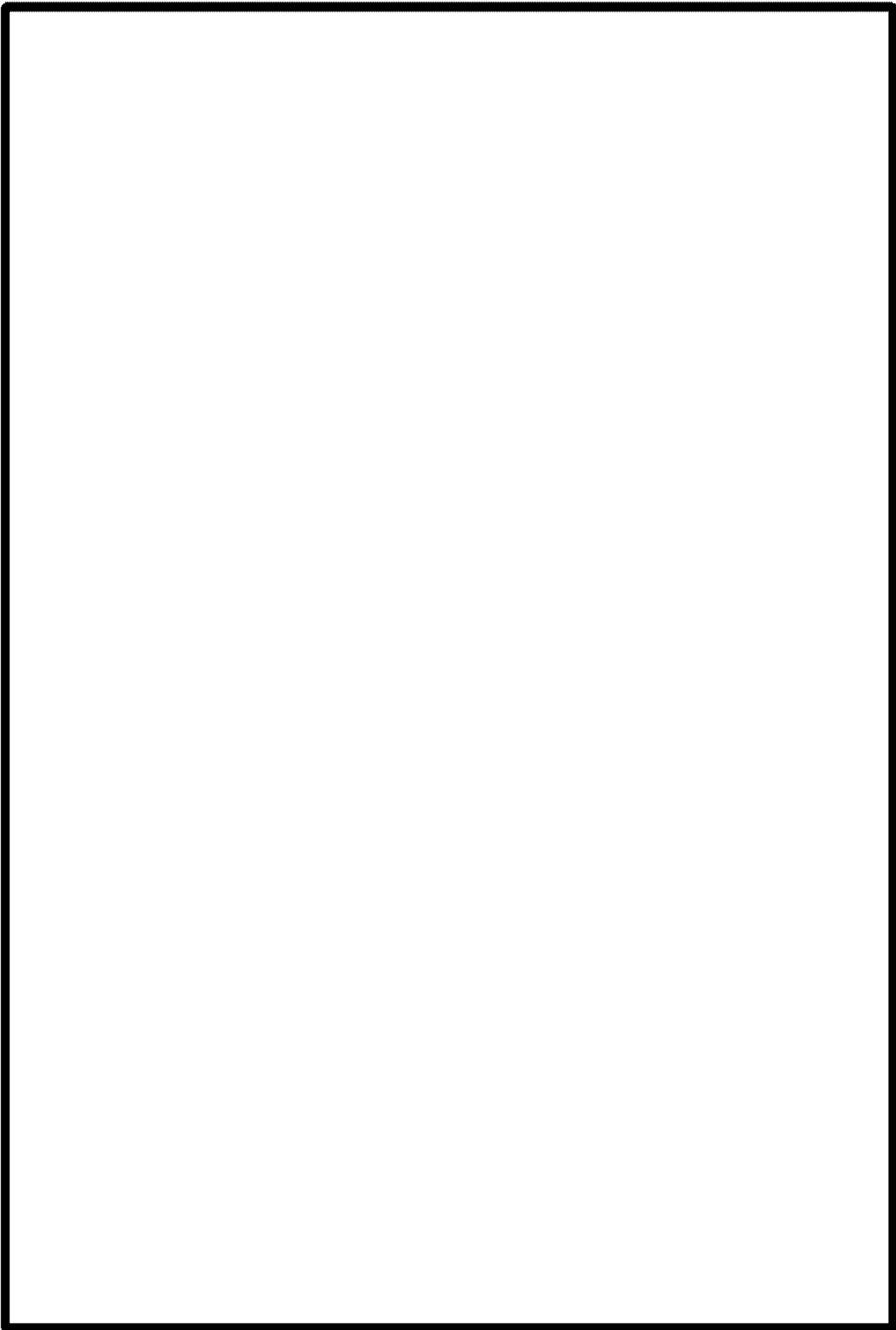






XV. PLAN OF DISTRIBUTION







XVI. ADDITIONAL INFORMATION



May 16, 2014
Lynwood, California

(b)(4)

EXHIBIT “C1.a”

SUBSCRIPTION AGREEMENT

Memorandum No. ____

Plaza Mexico Residences, LLC
3100 E. Imperial Highway
Lynwood, California 90262
Attention: Manager

(b)(4)



1. Subscription. Subject to the terms and conditions contained herein and in the



2. Acceptance of Subscription. The undersigned understands and agrees that this



(b)(4)



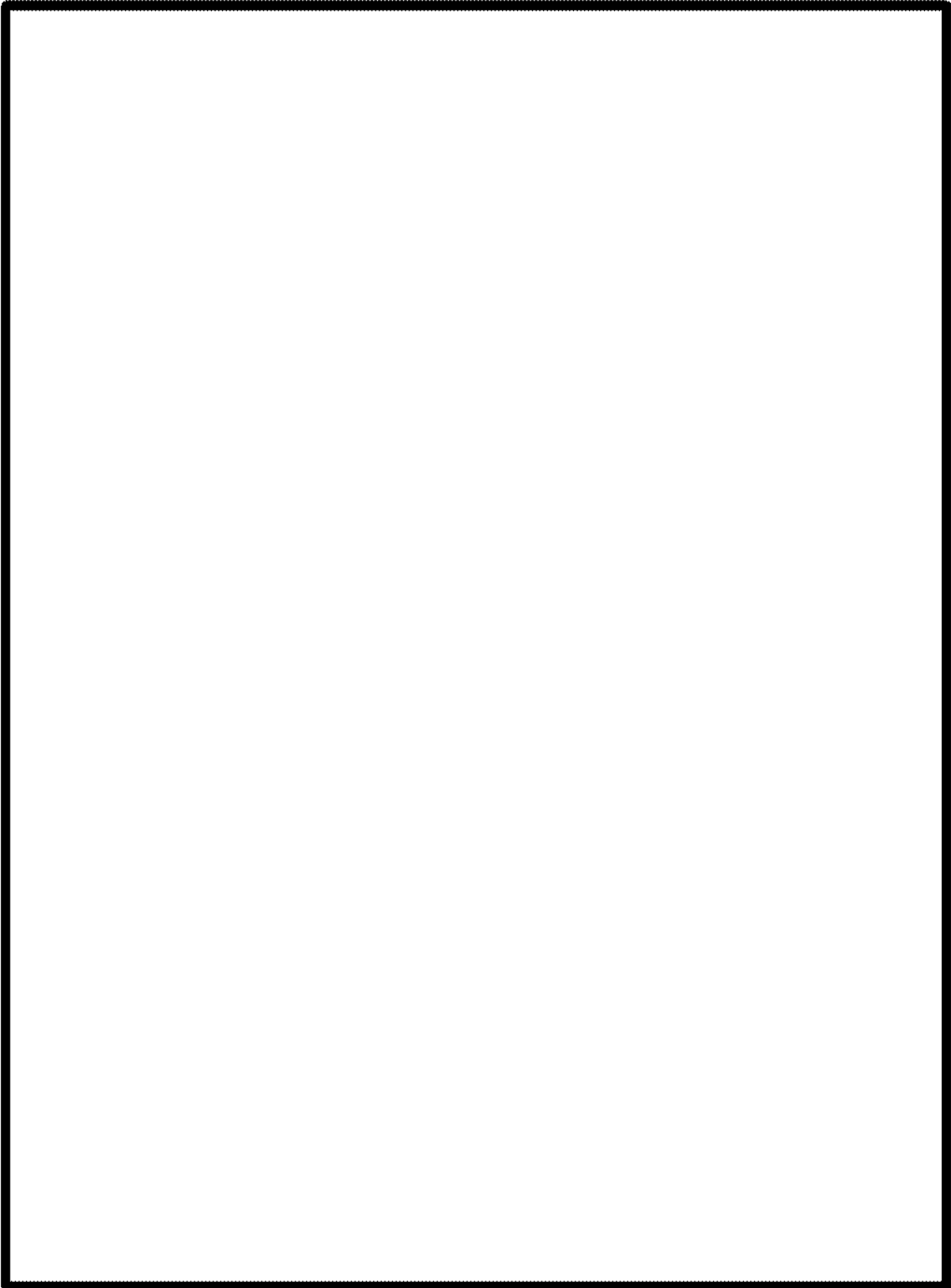
4. Return of Investment Amount and/or Administration Fee.

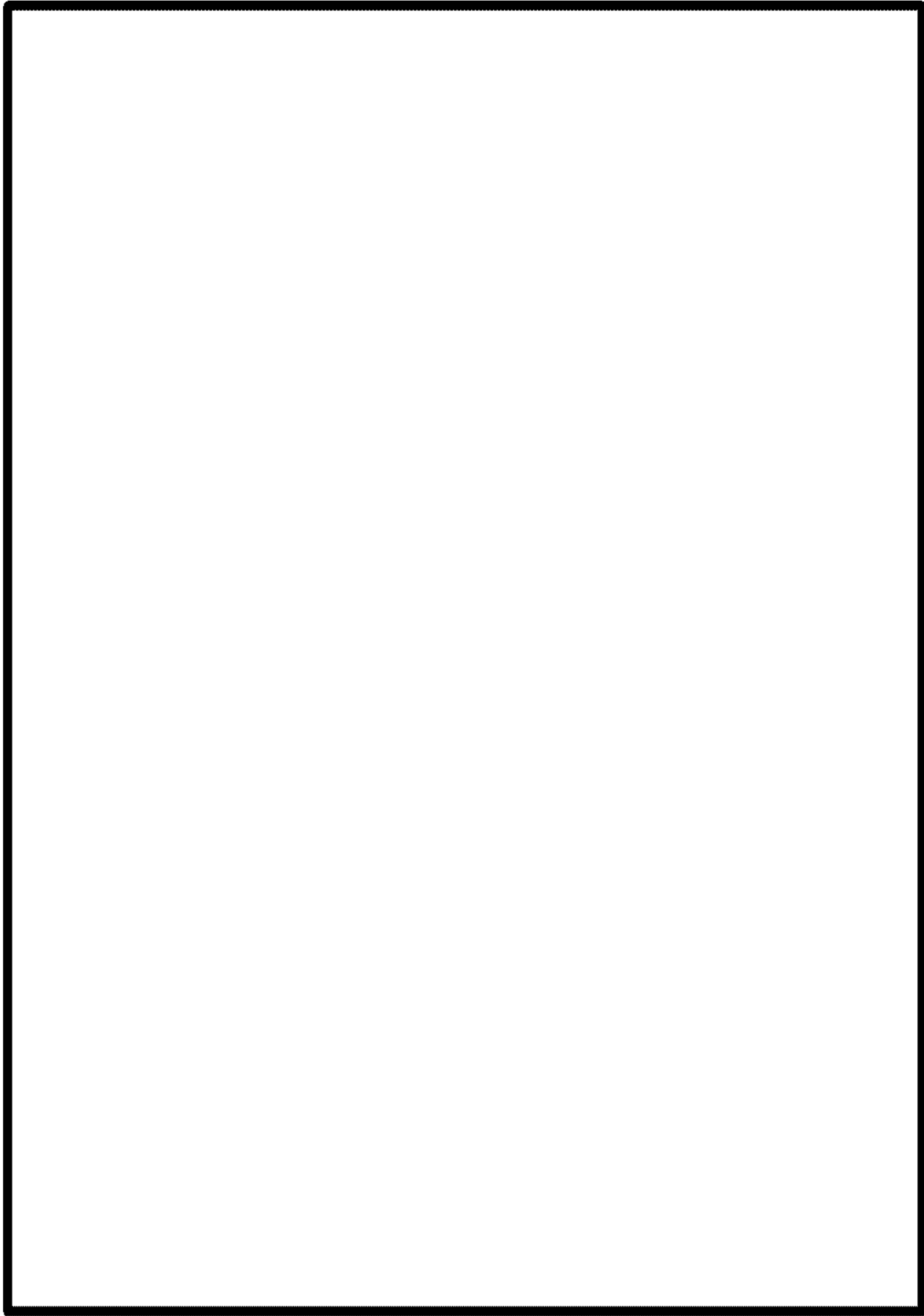


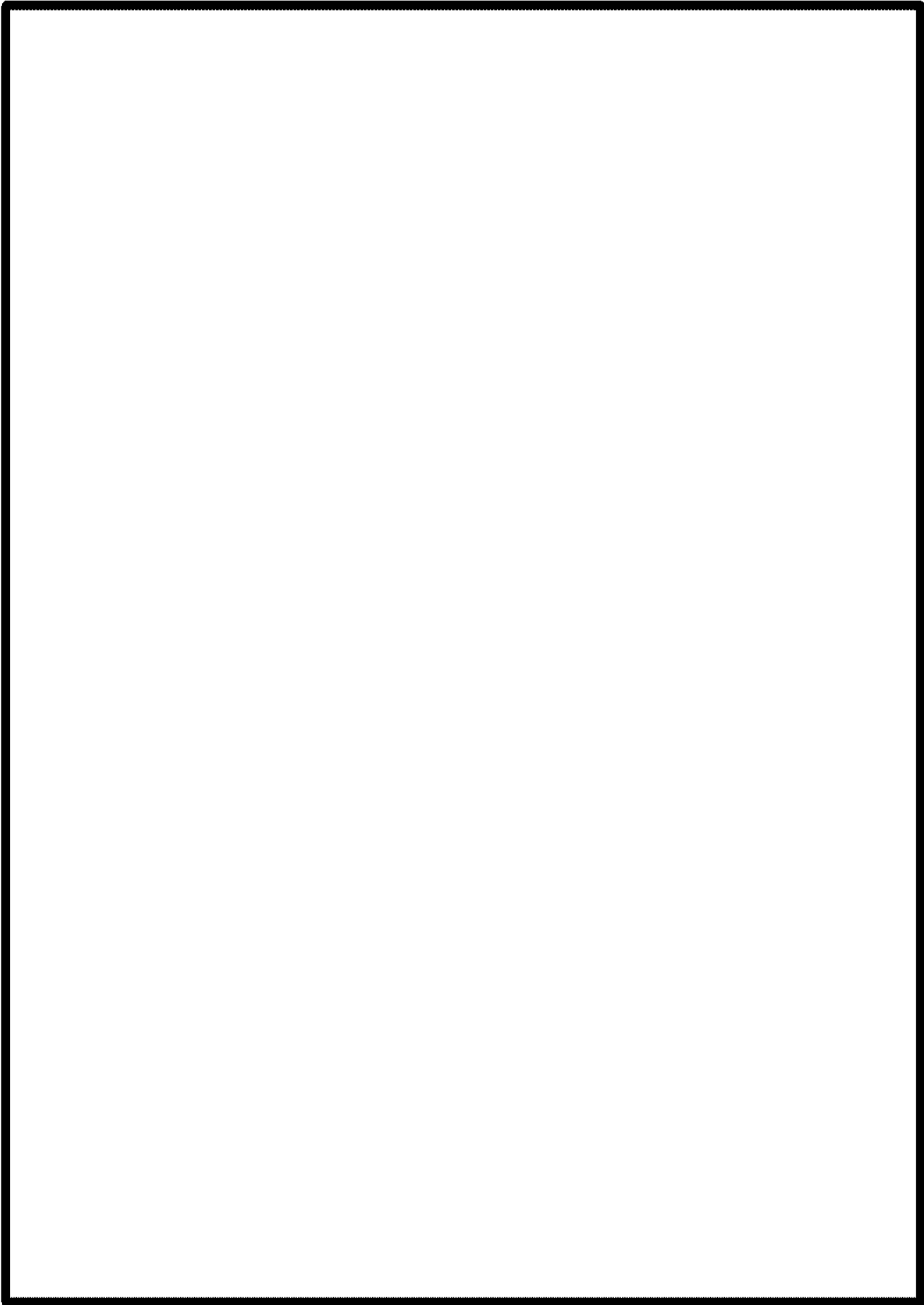
5. Revocation

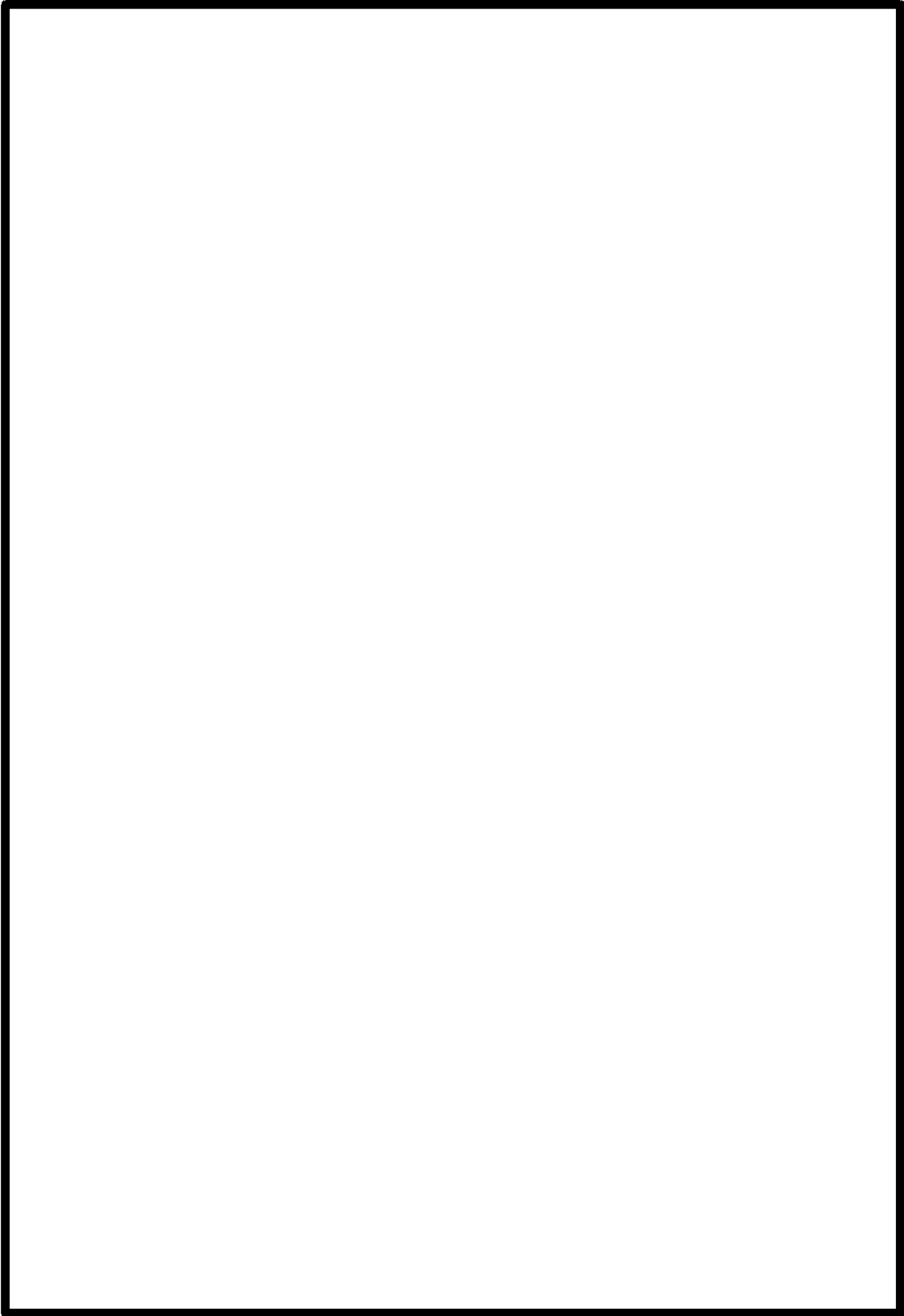


6. Representations, Warranties, Covenants and Acknowledgments of the Undersigned. The undersigned represents, warrants, covenants and acknowledges as follows:



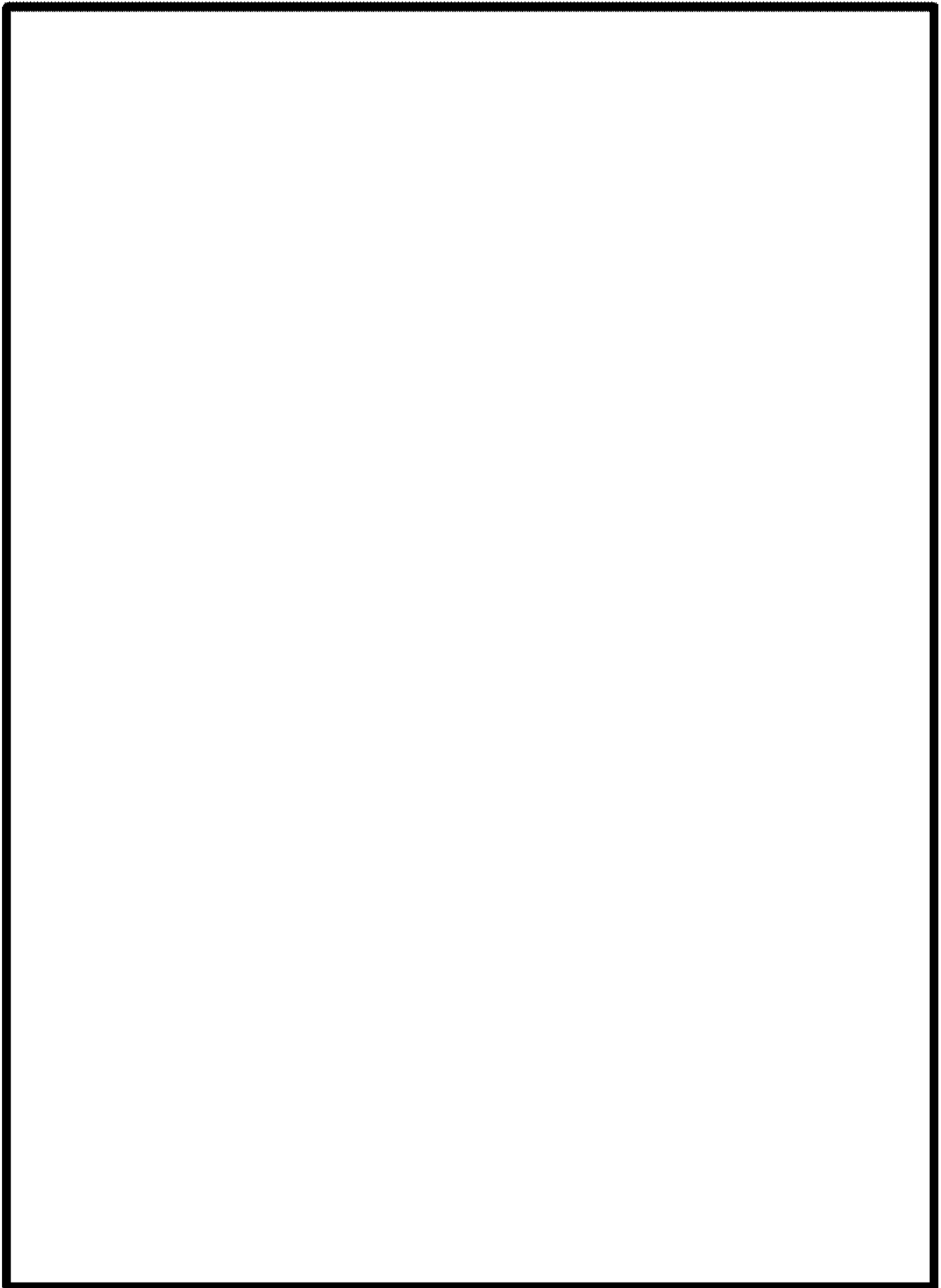






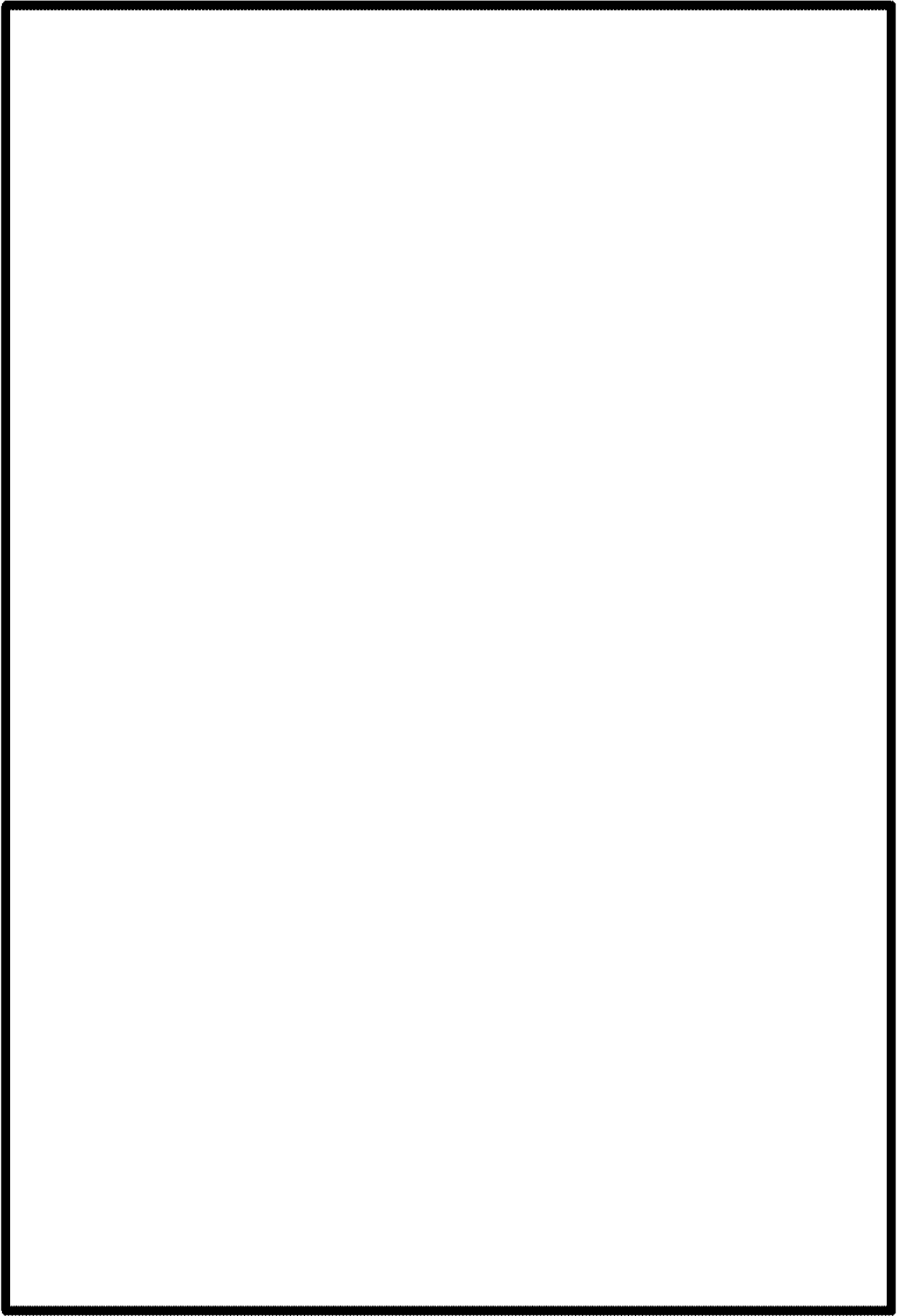


(b)(4)





(b)(4)



[Redacted]

7. Covenants of the Company.

[Redacted]

8. Covenants of Subscriber.

[Redacted]

9. Transferability.

[Redacted]

[Redacted]

11. Indemnification

[Redacted]

12. Admission as Member.

[Redacted]

13. Adoption of Operating Agreement.

[Redacted]

14. Non-Foreign Status.

[Redacted]



15. Miscellaneous.



[remainder of page intentionally left blank]

(b)(4)

IN WITNESS WHEREOF, the undersigned, the Company, and M&D, each intending to be legally bound hereby, have executed this Subscription Agreement as of the date set forth below.

Investor

Investor's Spouse (if any)

Signature

Signature

Print or Type Name

Print or Type Name

Social Security Number

Social Security Number

Country of Citizenship:

Country of Citizenship:

Executed at:

Executed at:

City

City

State

State

this ___ day of _____, 20__

this ___ day of _____, 20__

Current Mailing Address:

If known, address in U.S. where investor intends to reside after issuance of visa:

Country:

Telephone Number

Telephone Number

Facsimile Number

Facsimile Number

CHECK HERE ONLY IF INVESTOR CURRENTLY IS A "UNITED STATES PERSON" (I.E., INVESTOR IS A CITIZEN OR RESIDENT OF THE UNITED STATES FOR UNITED STATES INCOME TAX PURPOSES):

INVESTOR _____

INVESTOR'S SPOUSE (IF ANY) _____

M&D Regional Center, LLC signed for and on behalf of
itself and as Manager of Plaza Mexico Residences, LLC

Signature

Dated:

SCHEDULE A

TYPE OF OWNERSHIP
(Check One)

- Individual (One signature required)

- Community Property (One signature required if interest held in one name, i.e., managing spouse. Two signatures required if interest held in both names)

Please print here the exact name (registration) investor desires for securities.

Investment Amount

Number of Unit(s) Investment Amount
_____ Unit(s) multiply by U _____

(Subject to Minimum Investment Requirement)

(b)(4)

EXHIBIT "C1.b"

OPERATING AGREEMENT

FOR

PLAZA MEXICO RESIDENCES, LLC

A CALIFORNIA LIMITED LIABILITY COMPANY

DATED AS OF FEBRUARY 13, 2014

(b)(4)



FINAL

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OPERATING AGREEMENT
FOR
PLAZA MEXICO RESIDENCES, LLC
A CALIFORNIA LIMITED LIABILITY COMPANY



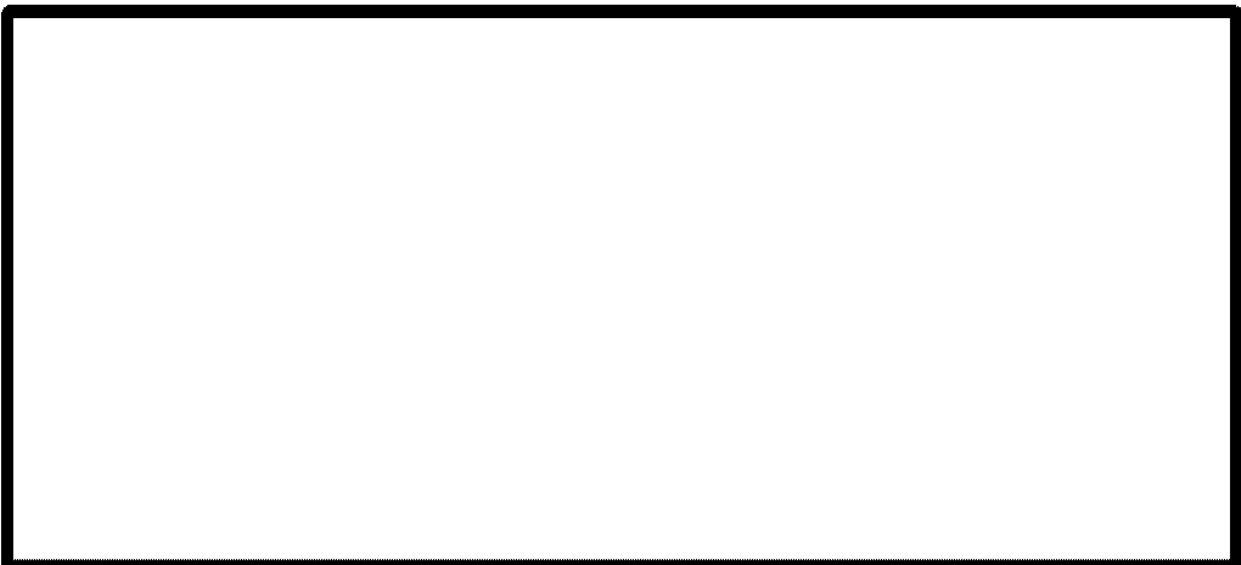
ARTICLE I

DEFINITIONS

When used in this Agreement, unless the context otherwise requires, the following terms shall have the meanings set forth below (all terms used in this Agreement that are not defined in this Article I shall have the meanings set forth elsewhere in this Agreement):

"Accrued Distribution" has the meaning set forth in Section 6.9.

"Act" means the California Revised Uniform Limited Liability Company Act, as set forth in Title 2.6 (commencing with Section 17701) of the Corporations Code of the State of California, as the same may be amended or superseded from time to time.





"Advisory Committee" has the meaning set forth in Section 5.1.3.



"Arbitration Service" has the meaning set forth in Section 10.9.

"Articles" means the Articles of Organization of the Company originally filed with the California Secretary of State on January 21, 2014.



[Redacted]

"Code" means the Internal Revenue Code of 1986, as amended from time to time, the provisions of succeeding law, and to the extent applicable, the Regulations.

"Company" has the meaning set forth in the preamble to this Agreement.

"Company Counsel" has the meaning set forth in Section 10.1.

"Company Minimum Gain" has the meaning ascribed to the term "Partnership Minimum Gain" in Regulations Section 1.704-2(d).

"Company Person" has the meaning set forth in Section 5.9.

[Redacted]

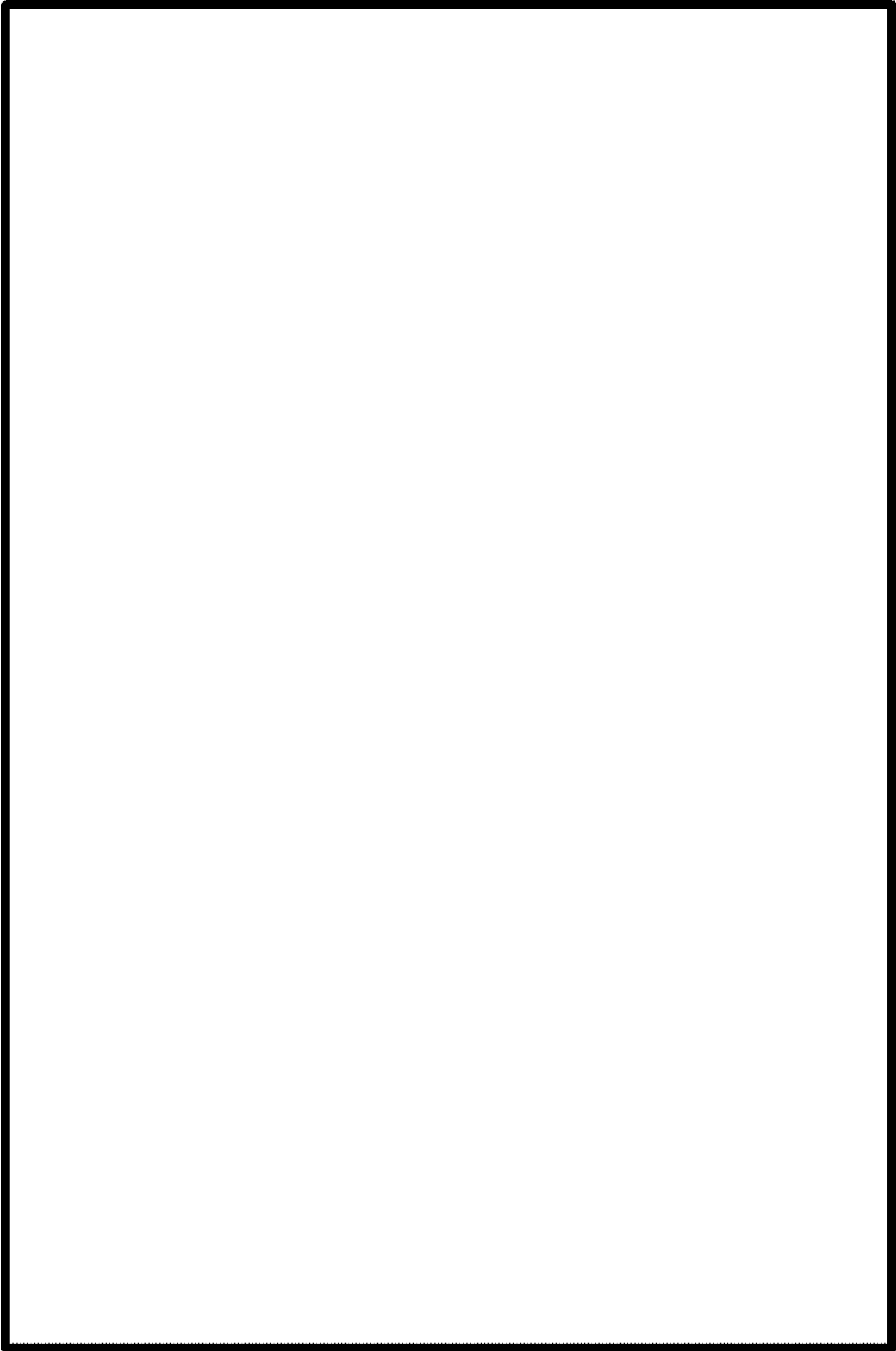
"EB-5 Program" means the EB-5 immigrant investor visa program of the Immigration and Nationality Act and the related regulations and standards adopted by the USCIS, as amended or superseded from time to time.

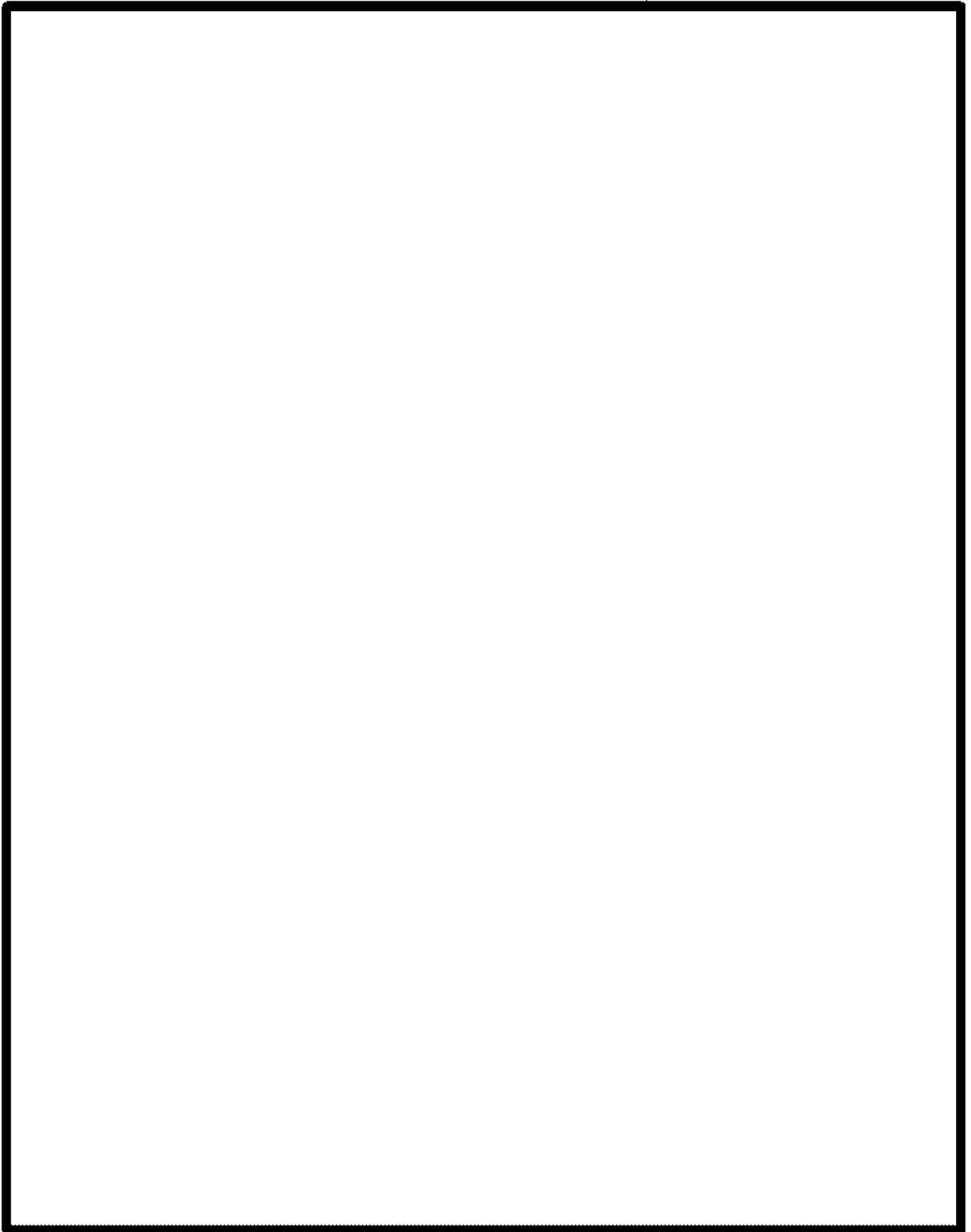
[Redacted]

"Form I-526" means the USCIS Form I-526 Immigrant Petition by Alien Entrepreneur, as amended or superseded from time to time.

"Form I-829" means the USCIS Form I-829 Petition by Entrepreneur to Remove Conditions, as amended or superseded from time to time.

[Redacted]





“Person” means any natural person, corporation, partnership, trust, voluntary association, limited liability company, joint venture, unincorporated organization, government (or any agency, instrumentality or political subdivision thereof) or other association or entity of any kind.



“Regulatory Allocations” has the meaning set forth in Section 6.4.

“Rules” has the meaning set forth in Section 10.1.

“Special Manager” has the meaning set forth in Section 5.2.4.

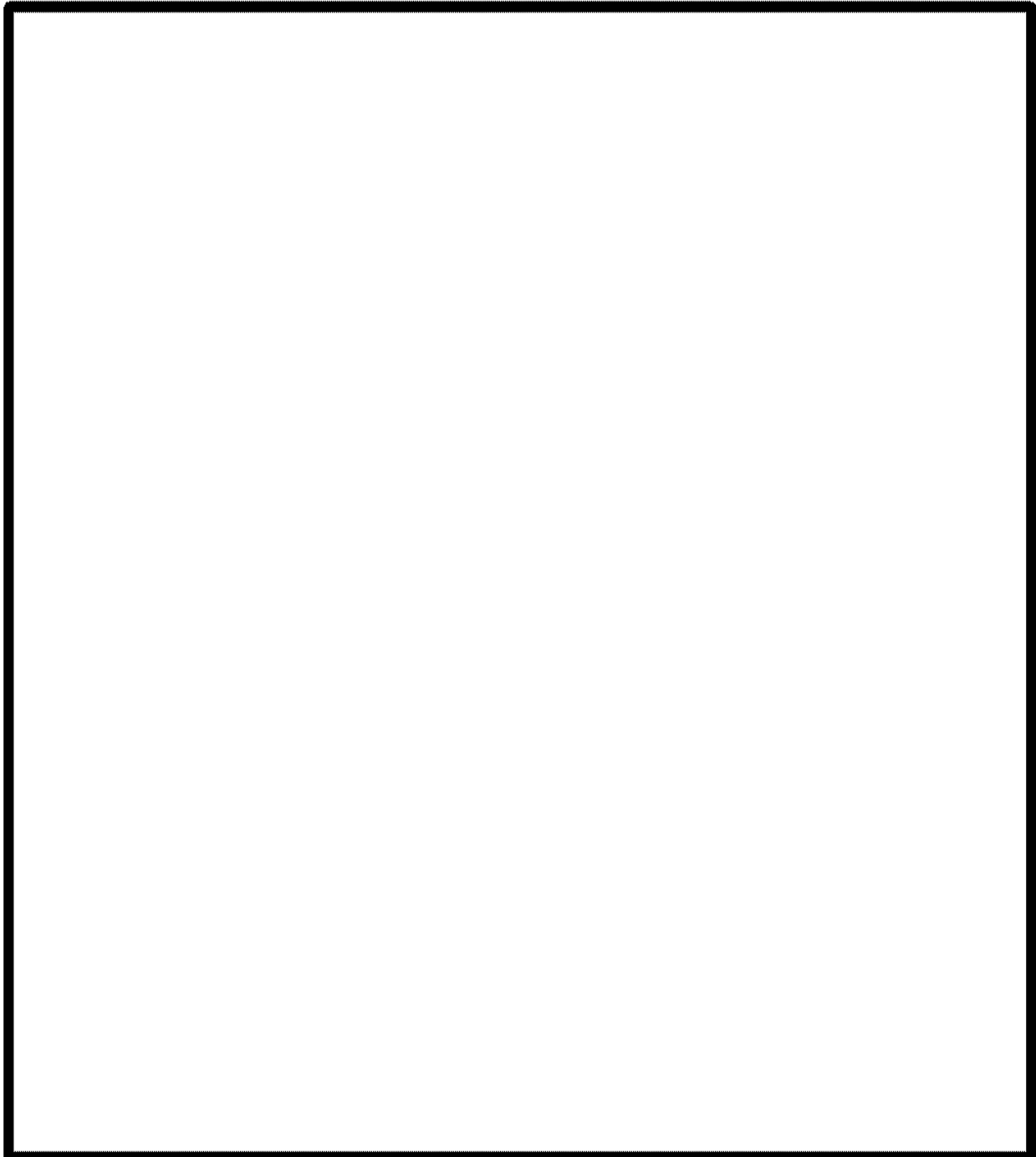


“USCIS” means the United States Citizenship and Immigration Services.

ARTICLE II

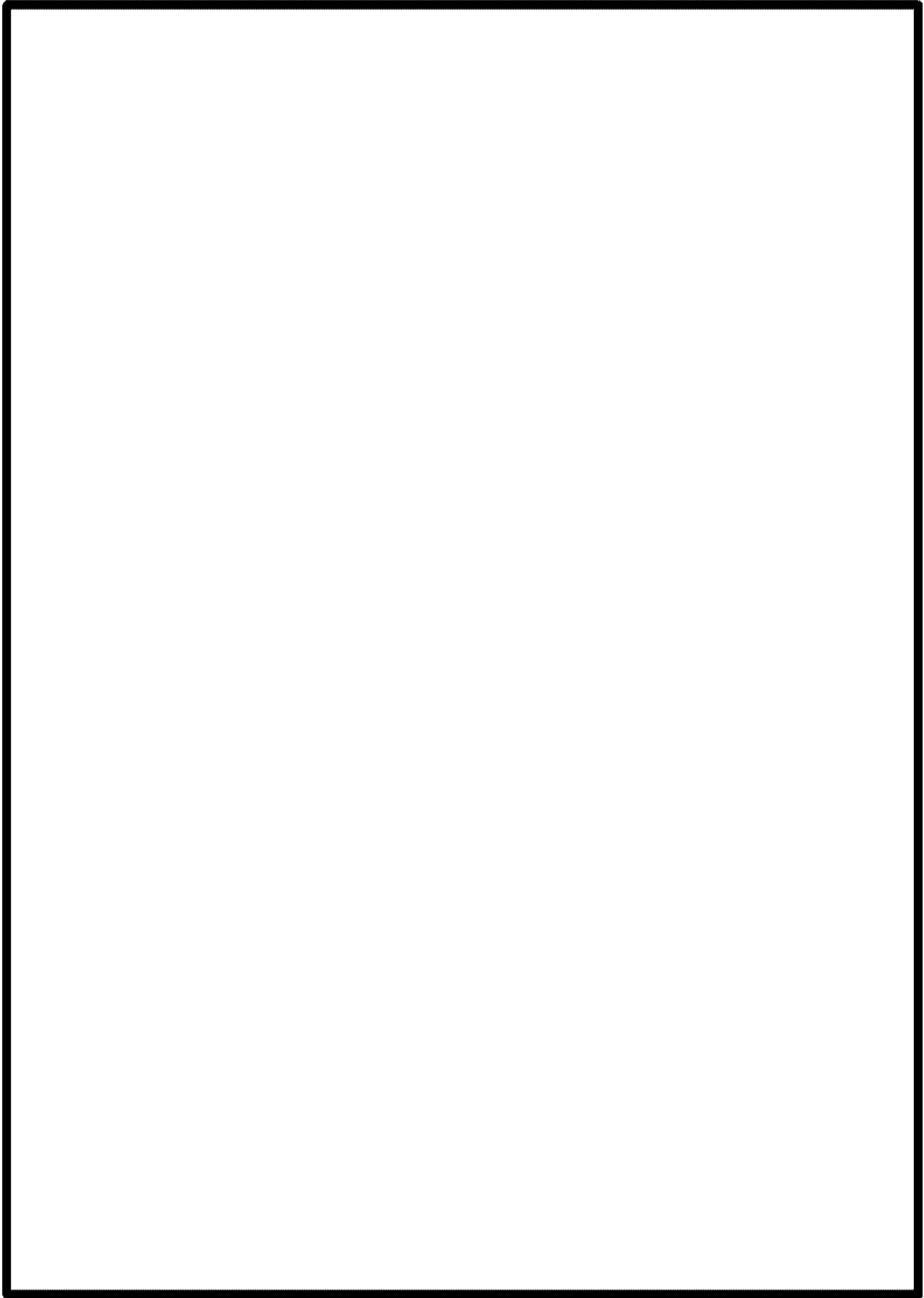
ORGANIZATIONAL MATTERS

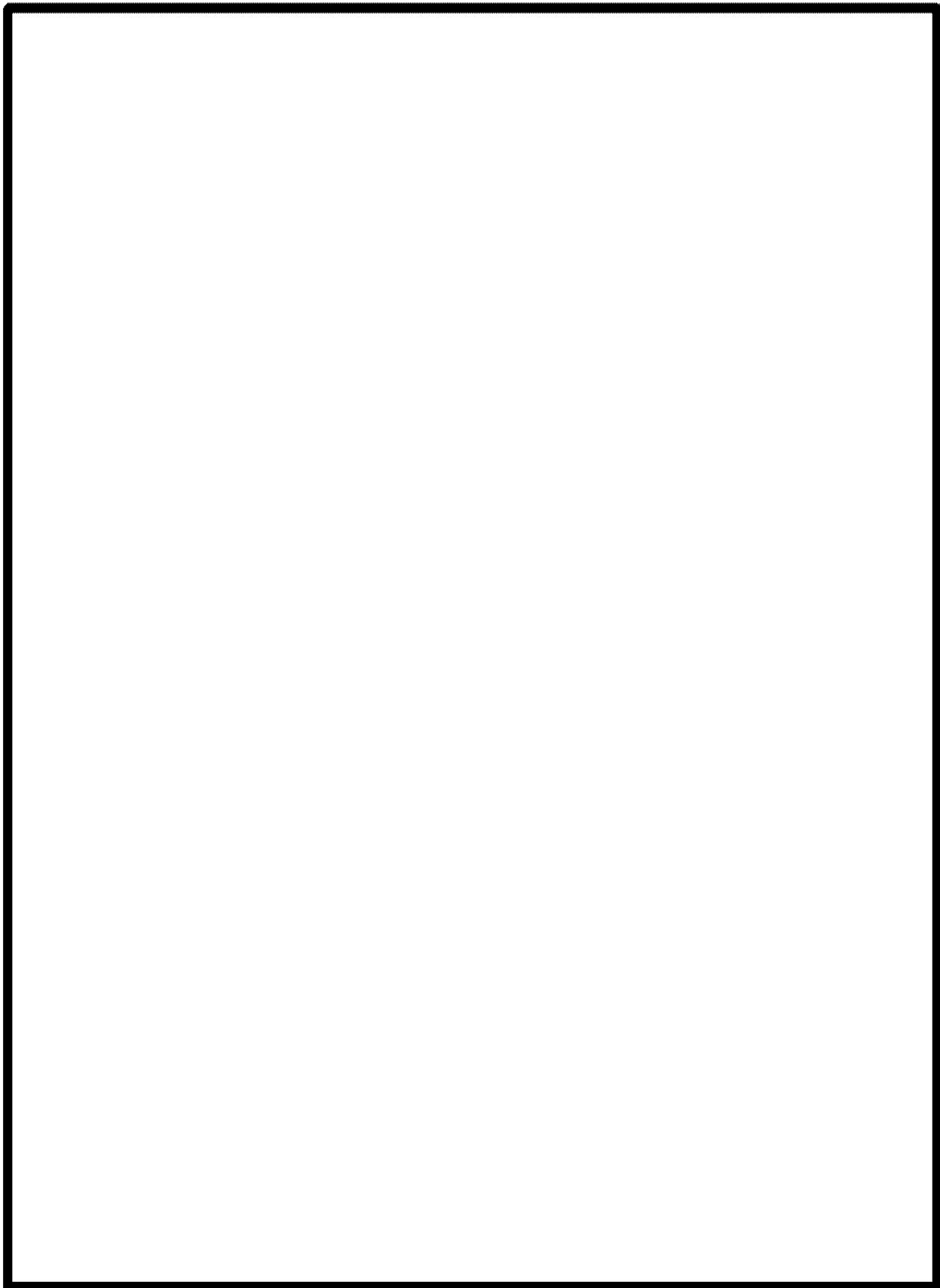




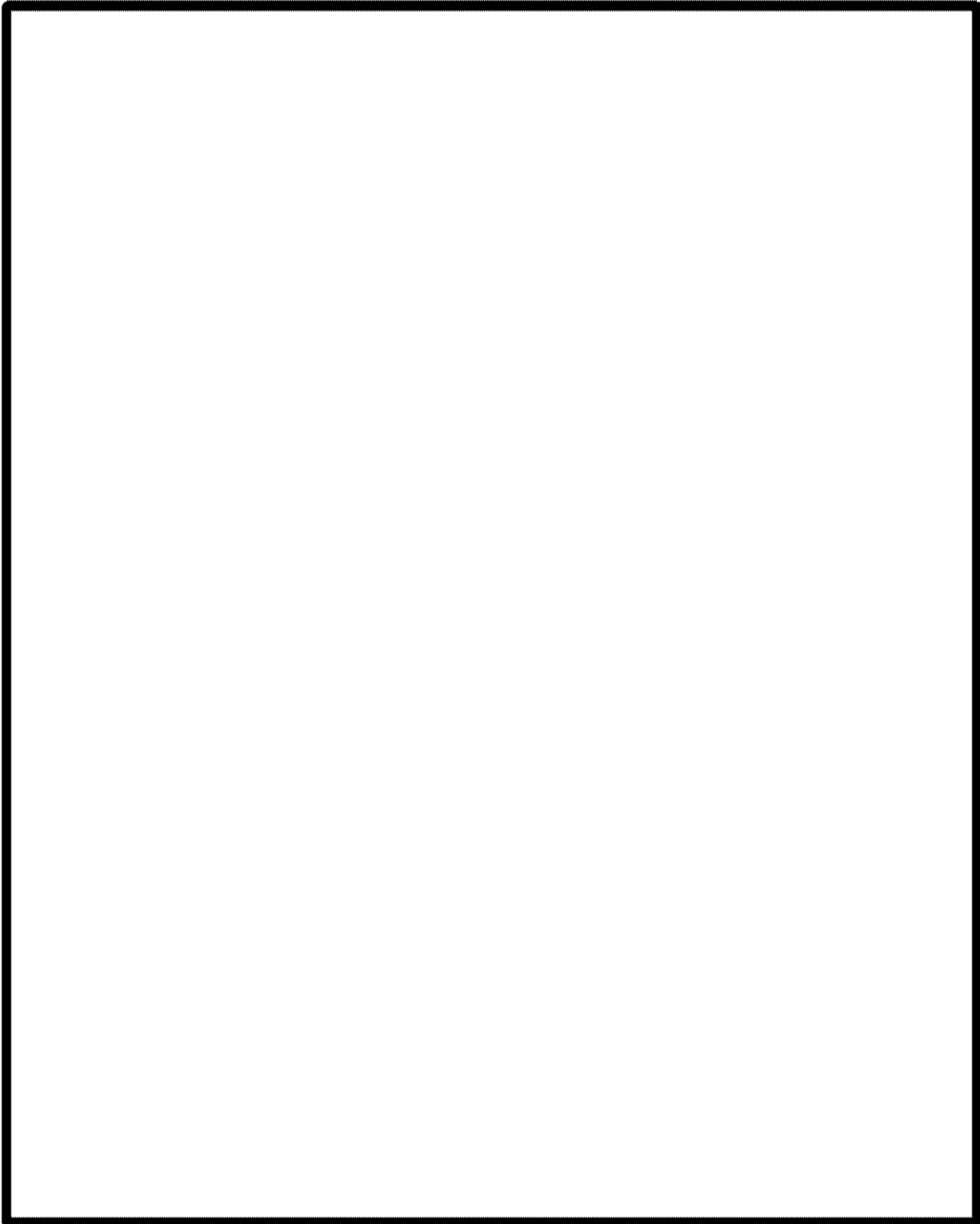
ARTICLE III
CAPITAL CONTRIBUTIONS

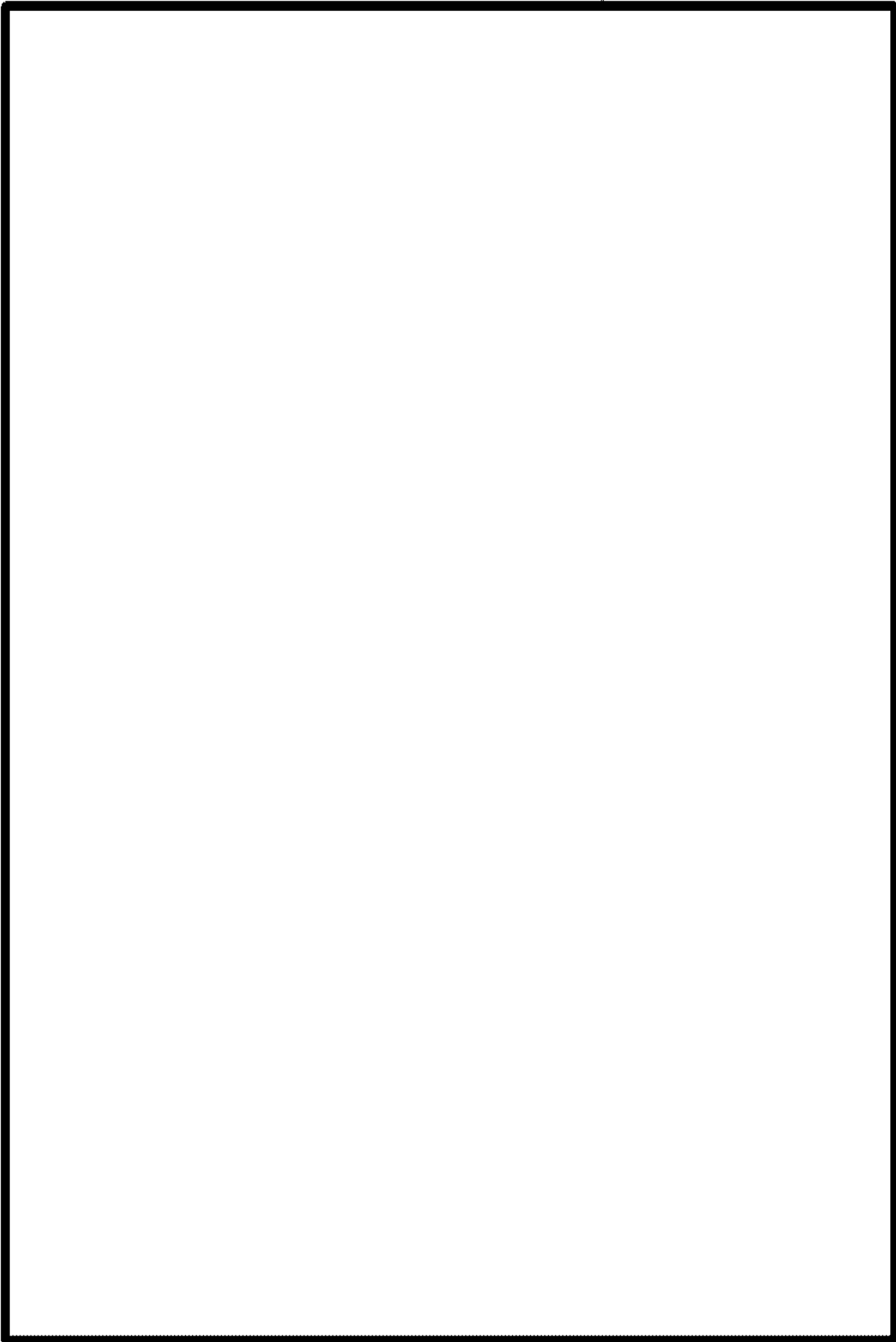






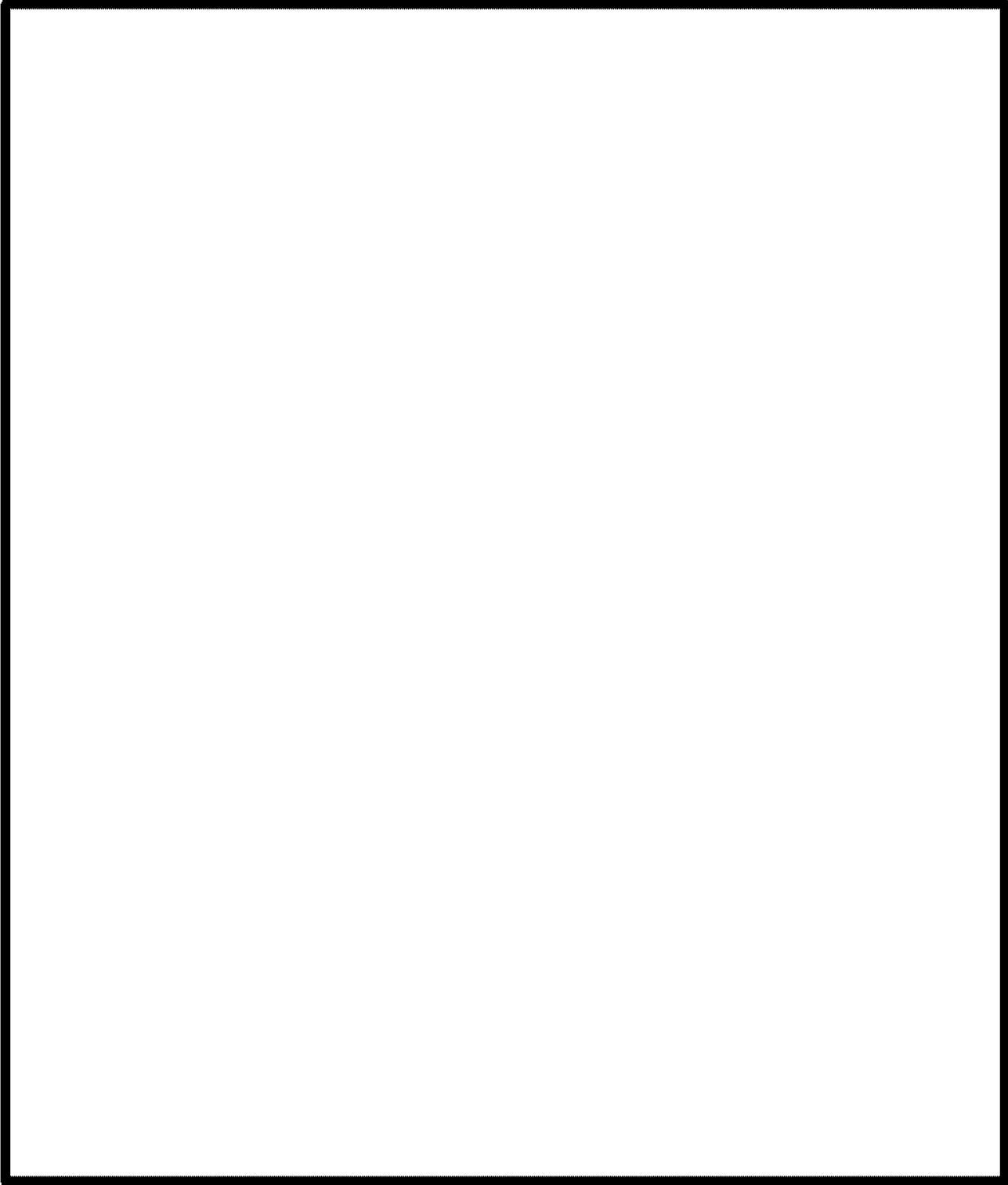
ARTICLE IV
MEMBERS

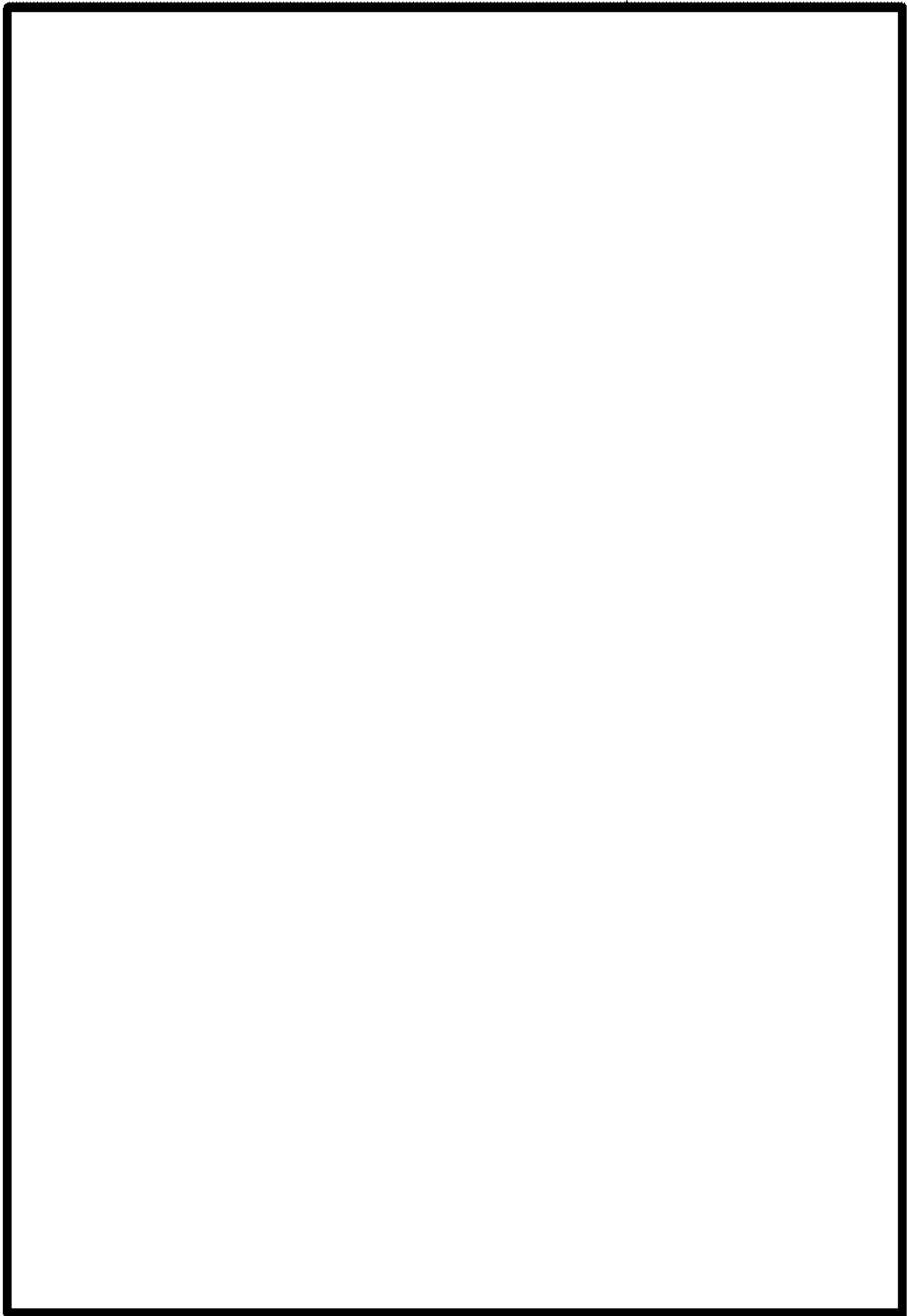


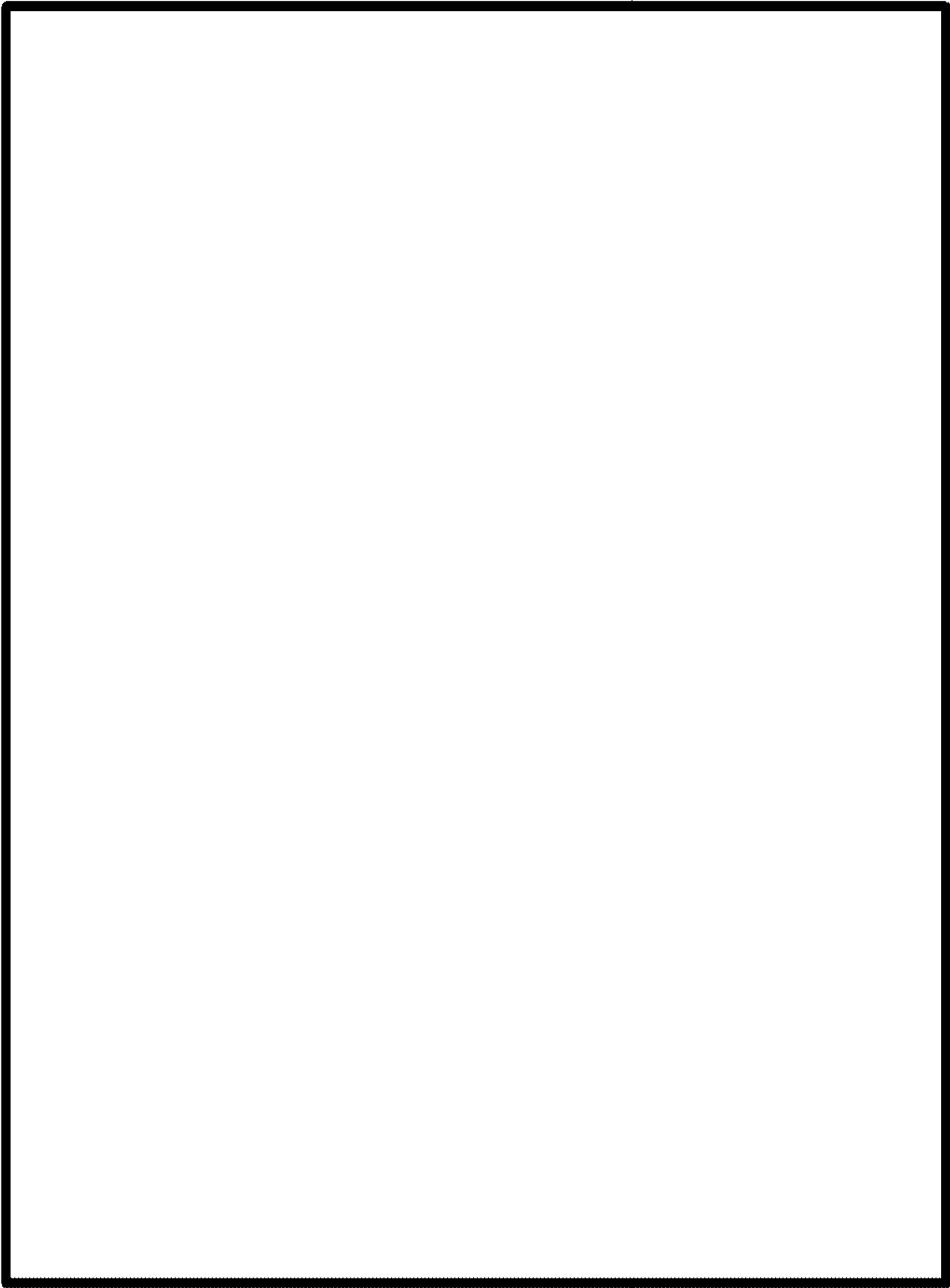


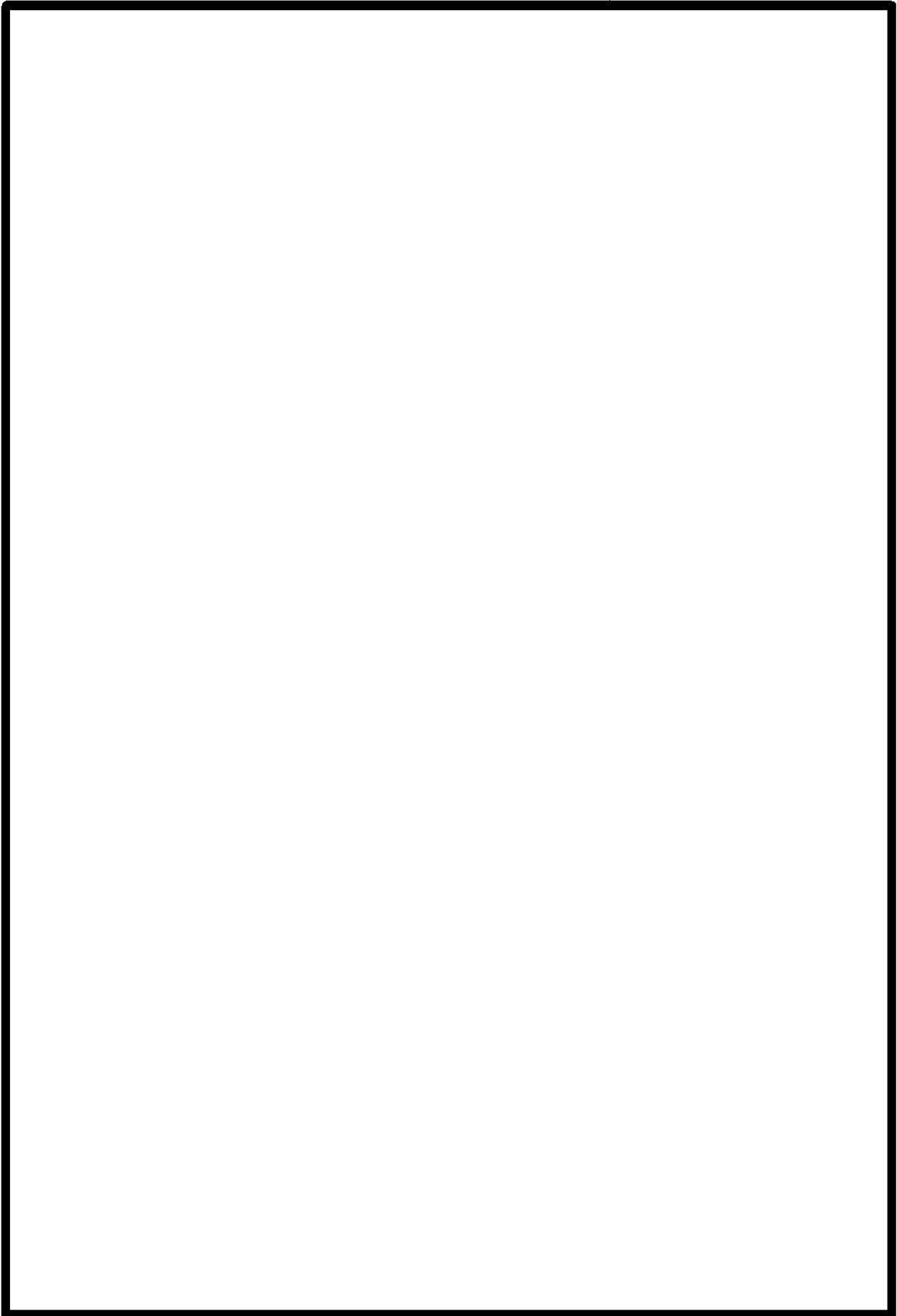


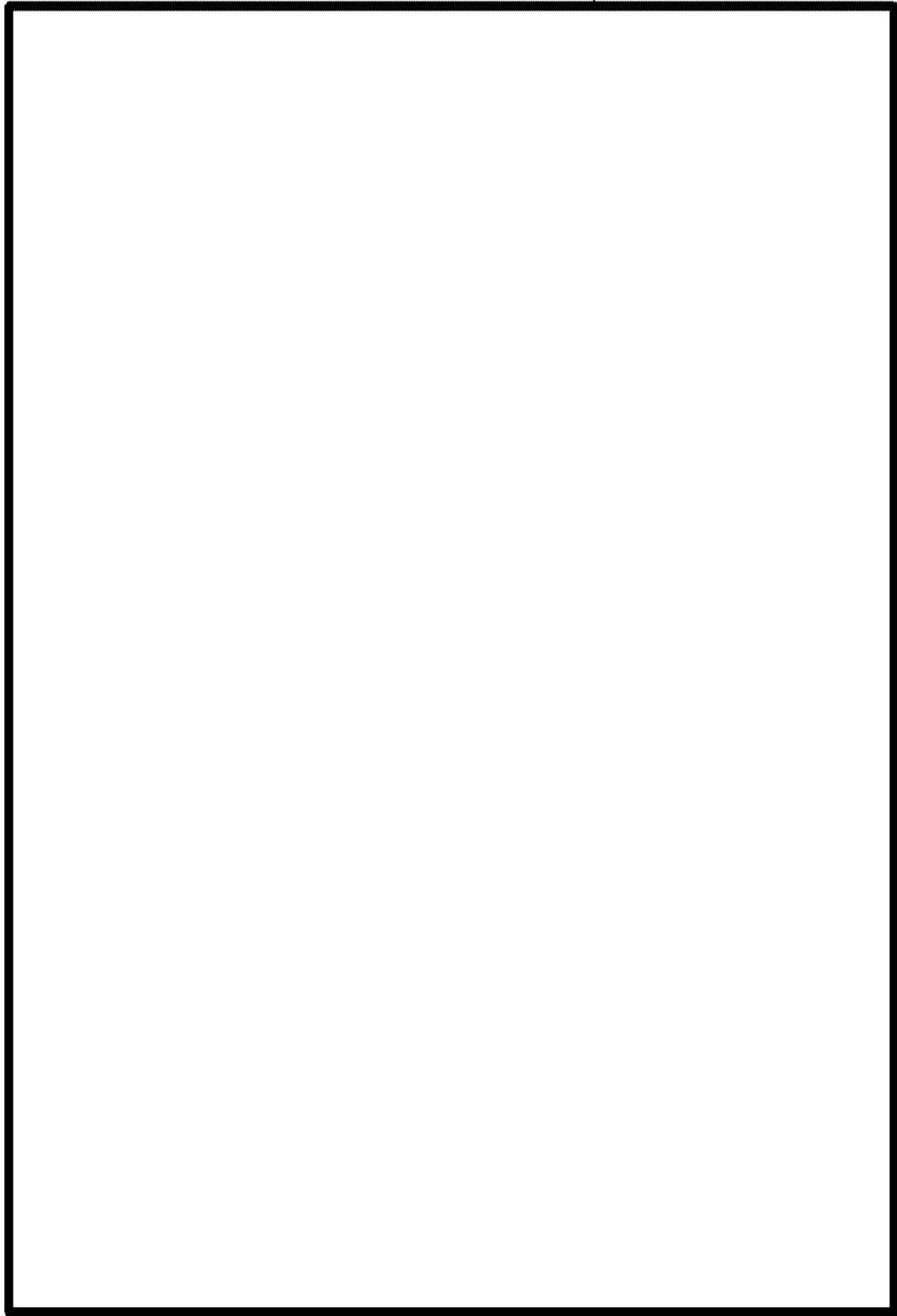
ARTICLE V
MANAGEMENT AND CONTROL OF THE COMPANY

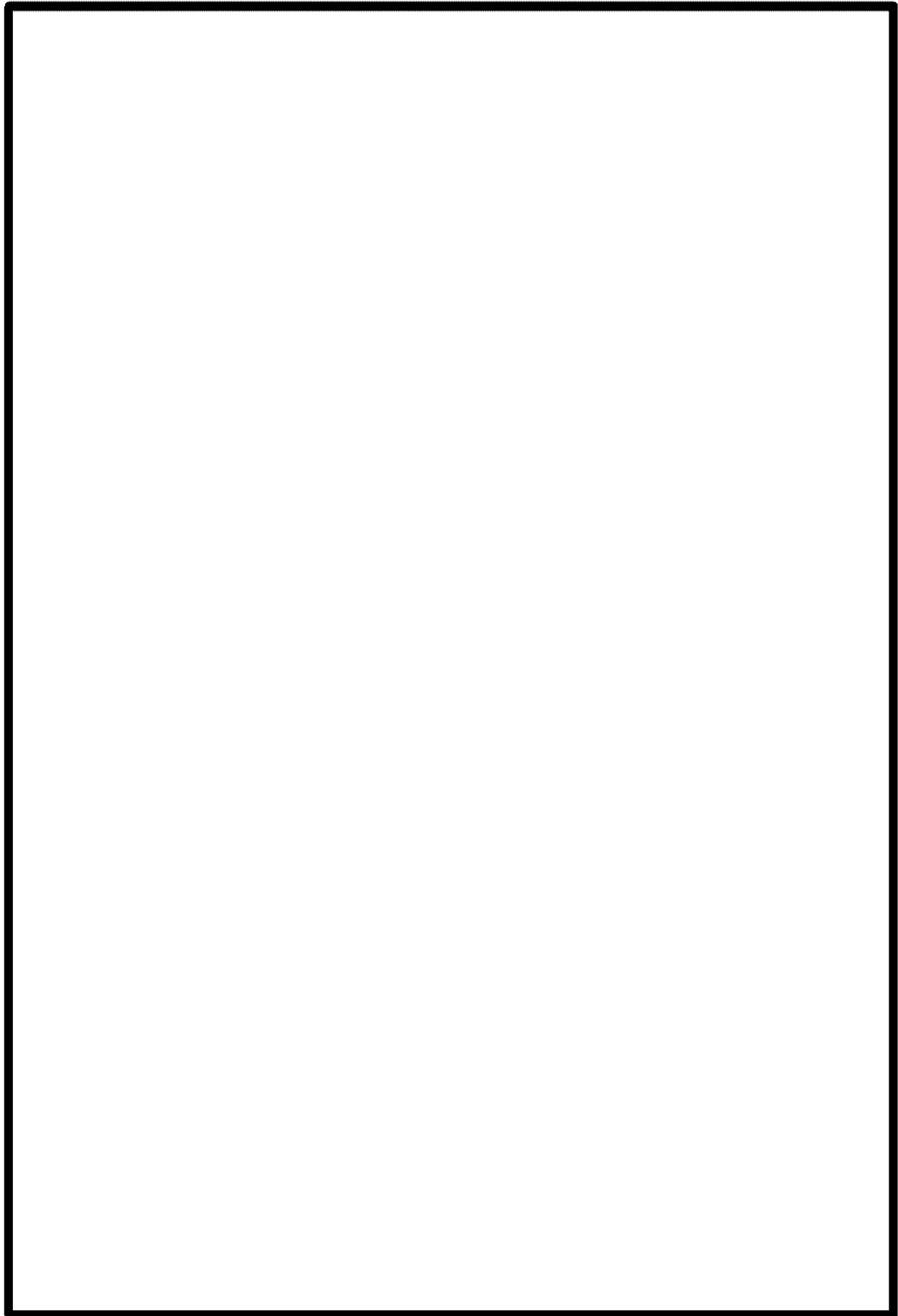


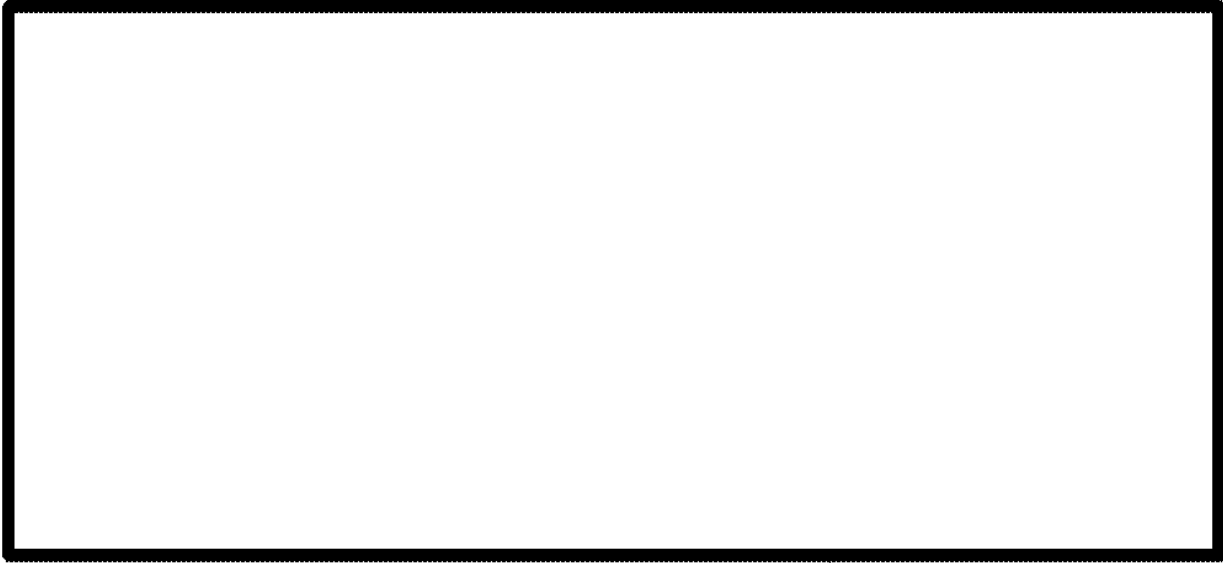






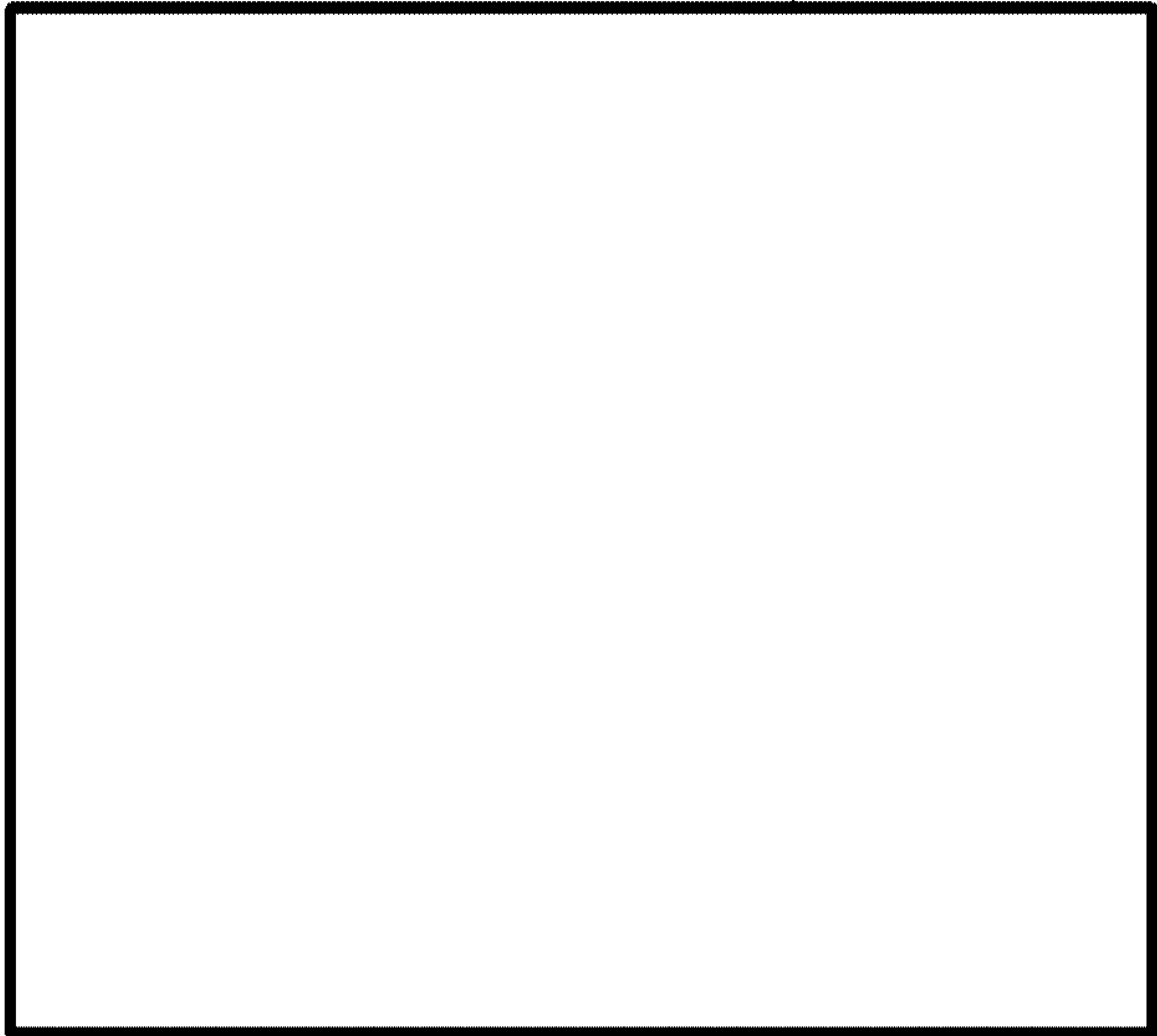


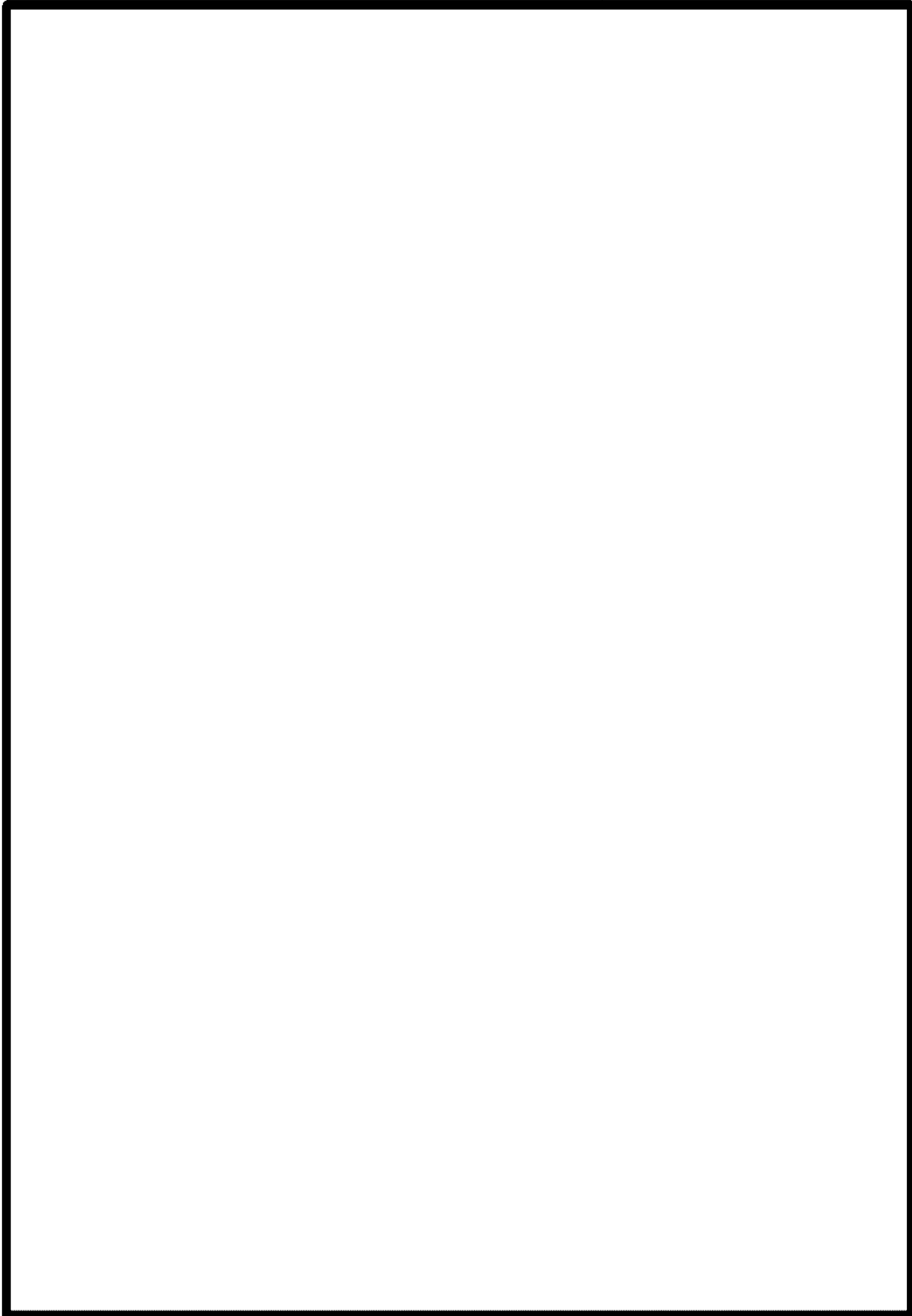


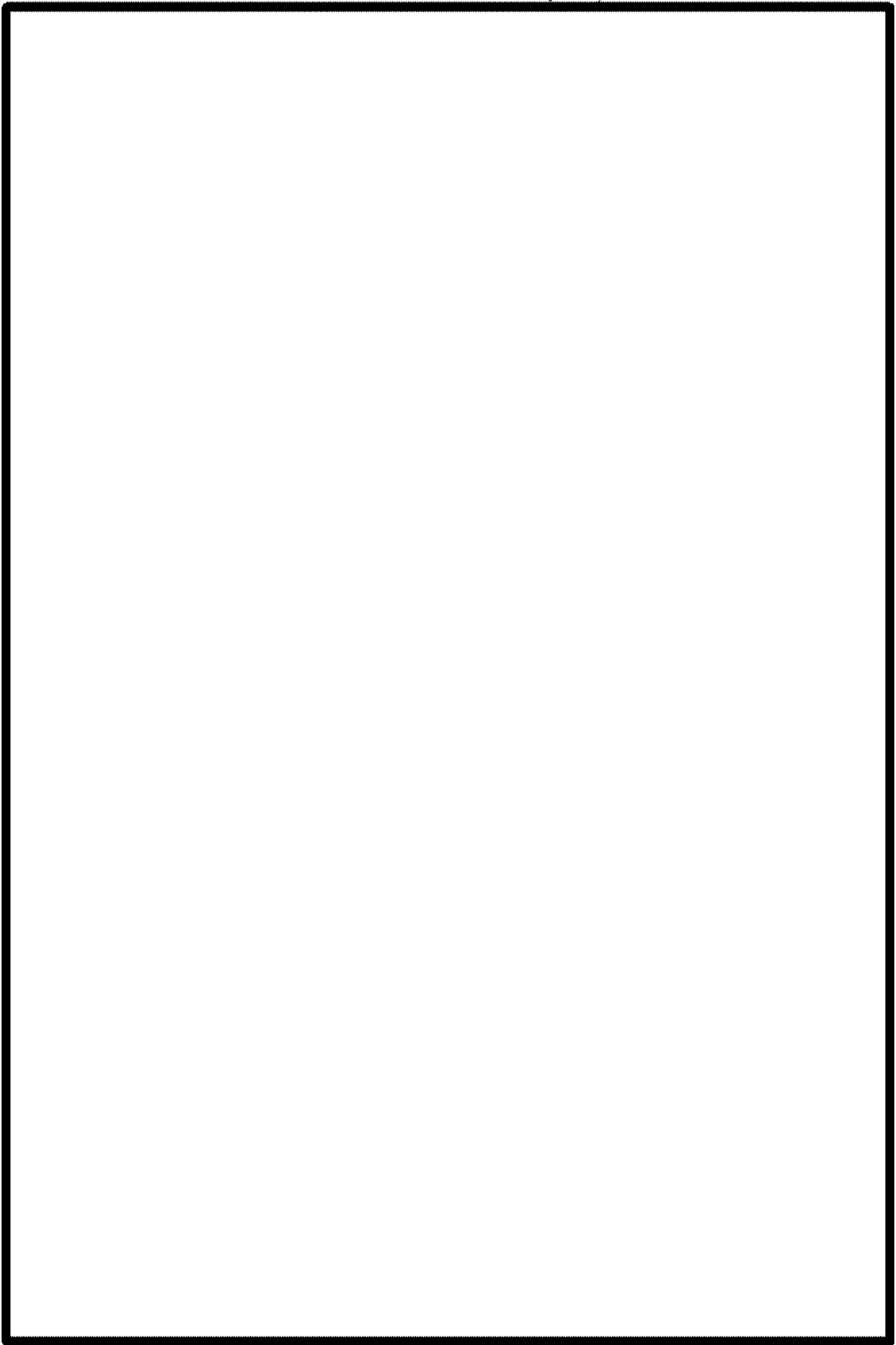


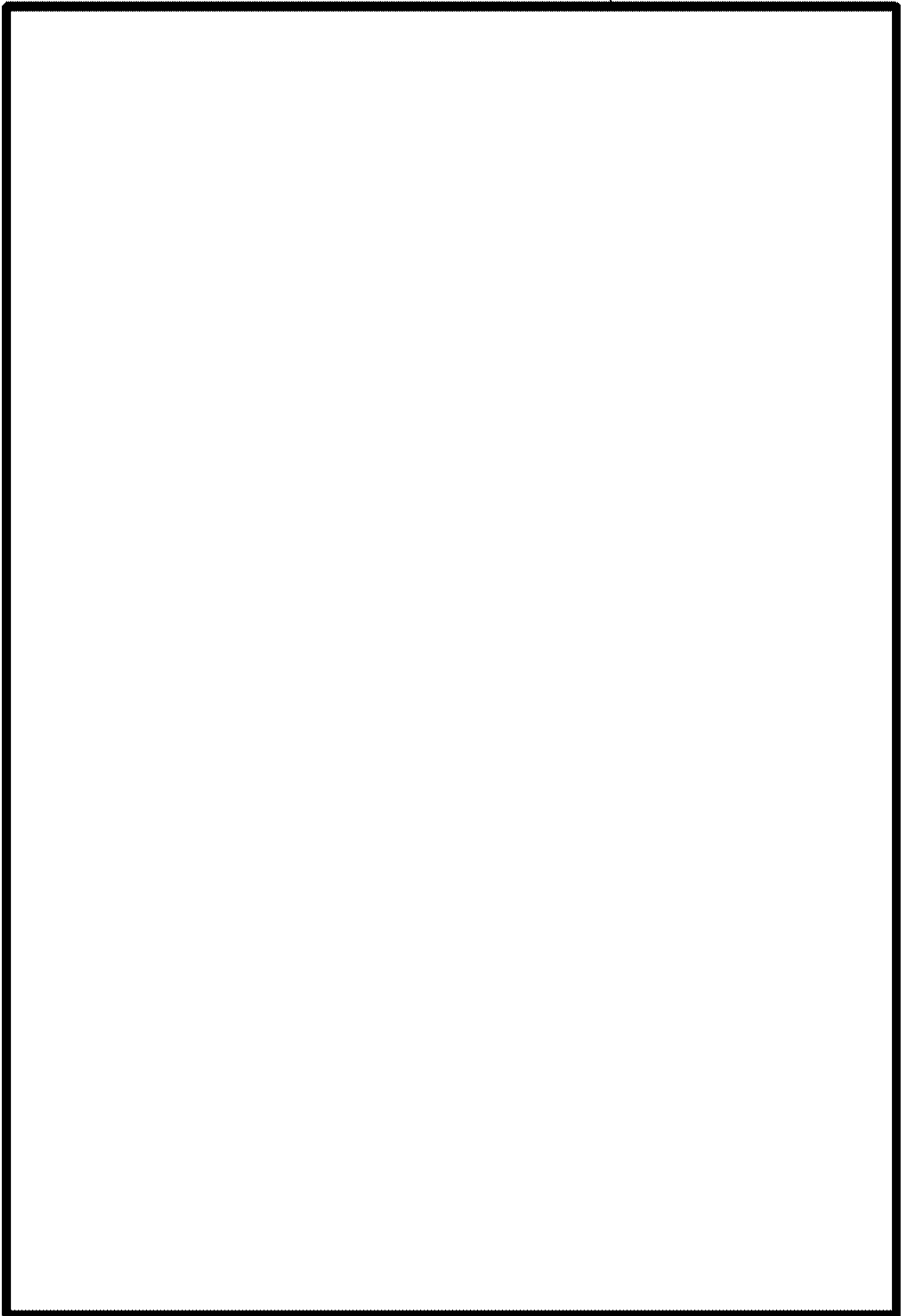
ARTICLE VI

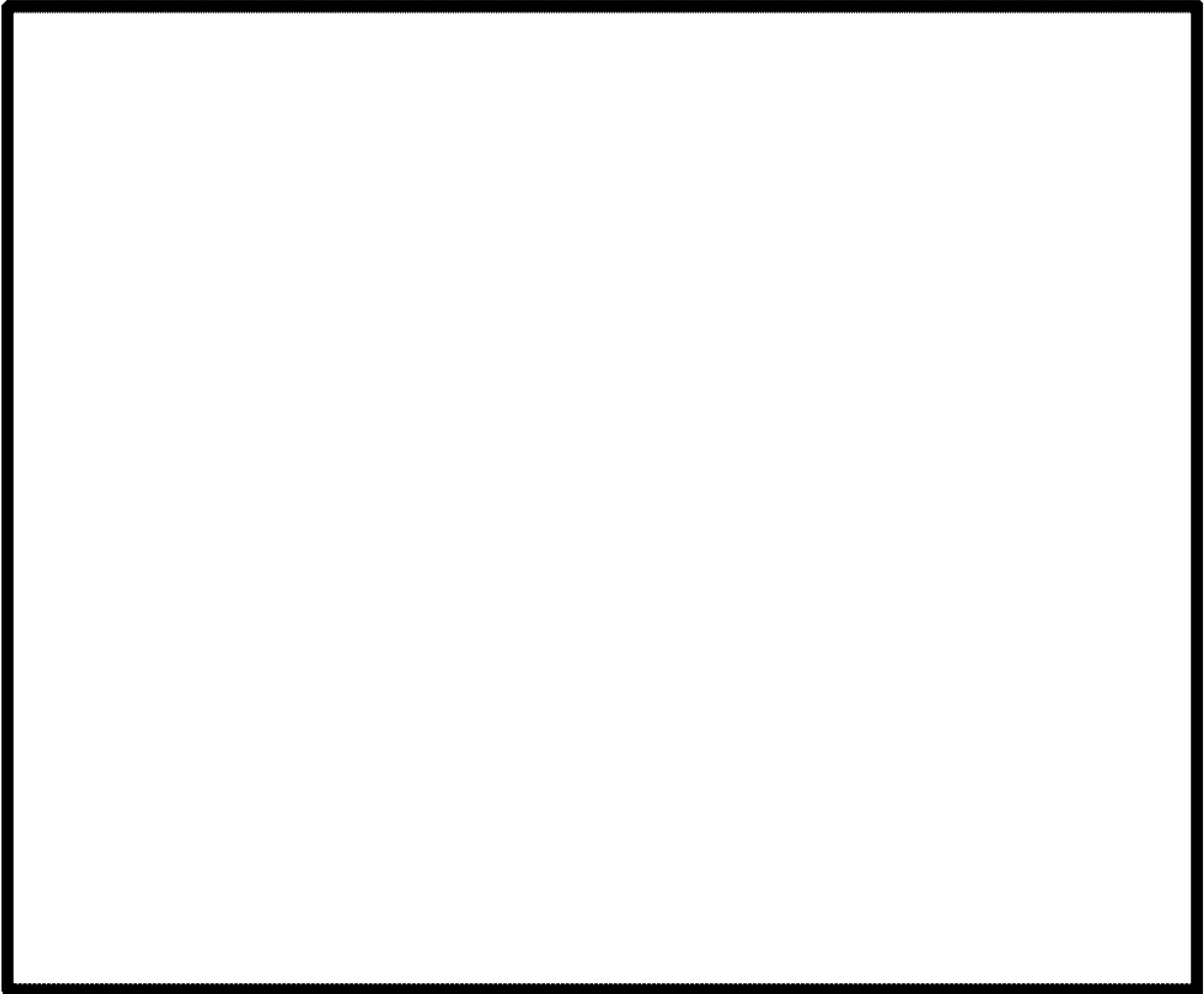
**ALLOCATIONS OF NET PROFITS AND NET LOSSES
AND DISTRIBUTIONS**







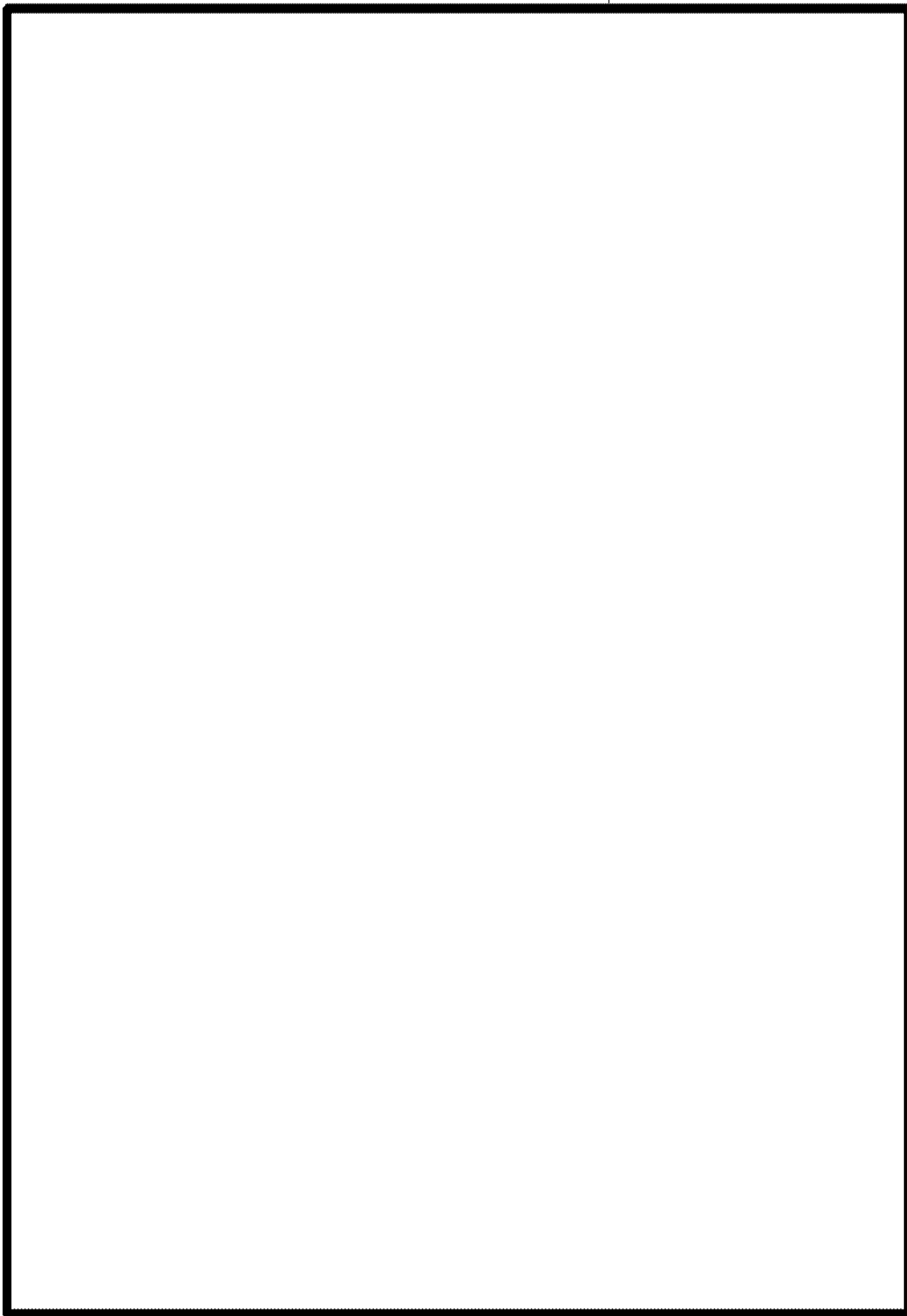




ARTICLE VII

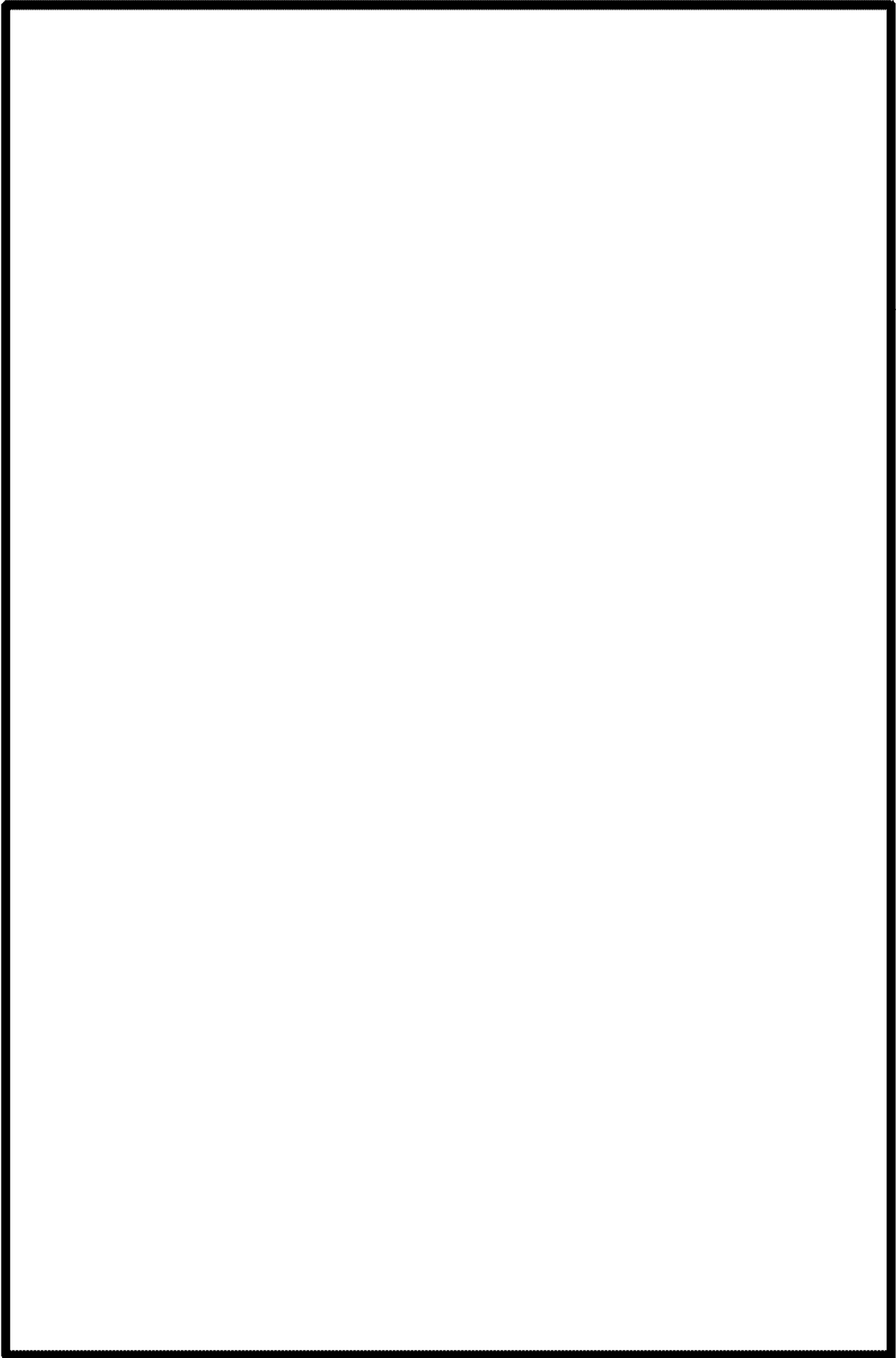
TRANSFER OF INTERESTS







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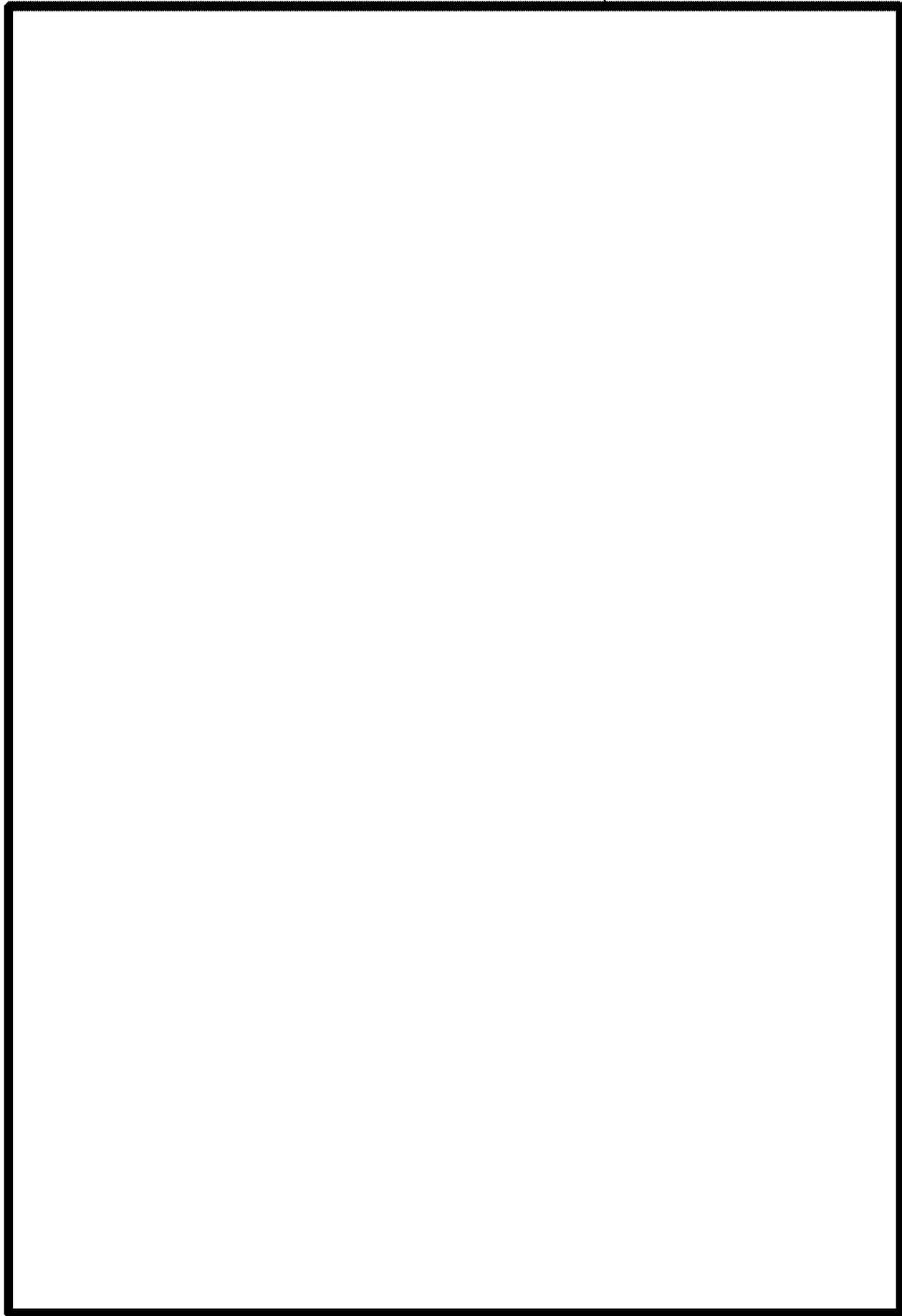


ARTICLE VIII

BOOKS AND RECORDS; ACCOUNTING; TAX MATTERS



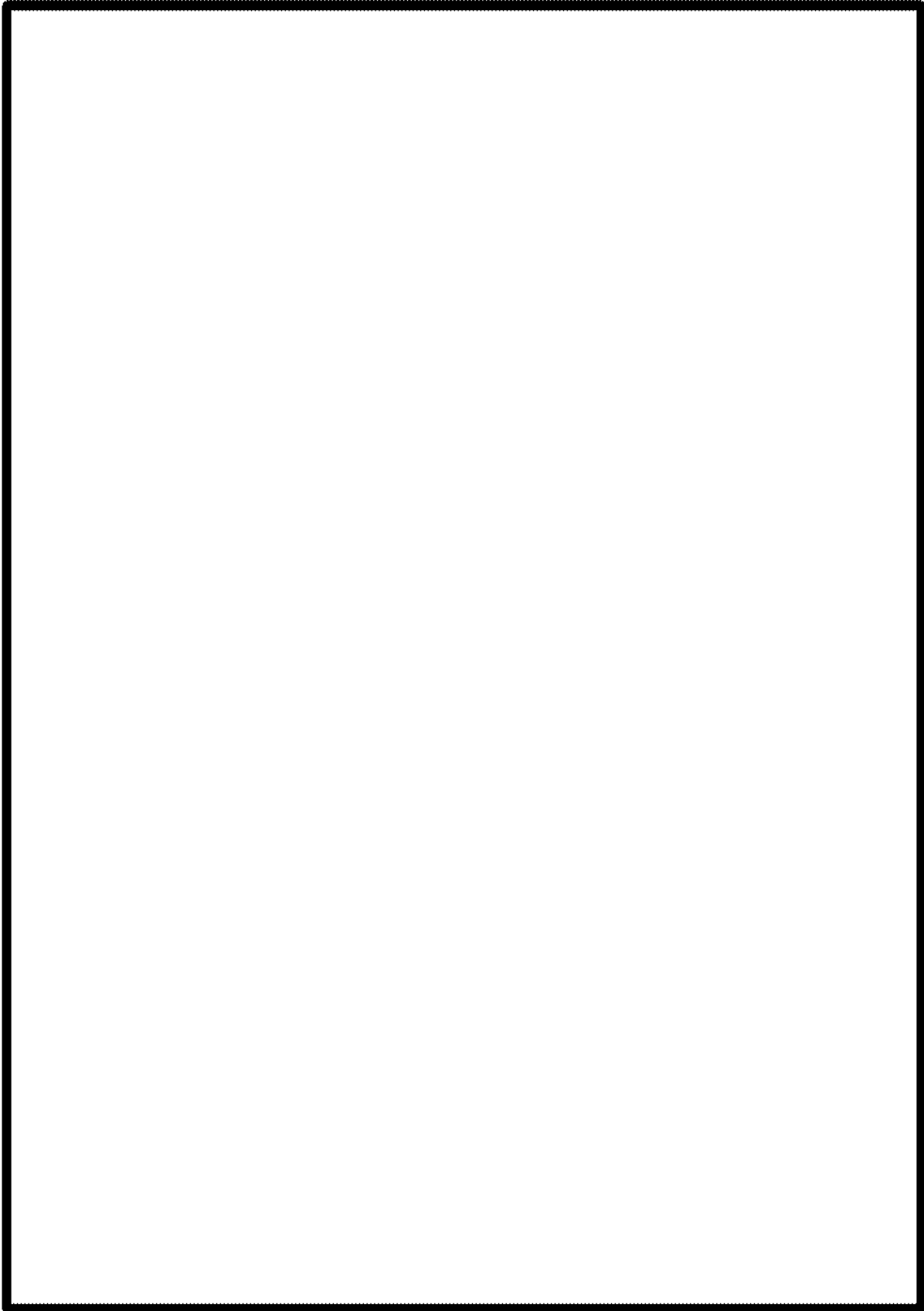
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ARTICLE IX

DISSOLUTION AND WINDING UP

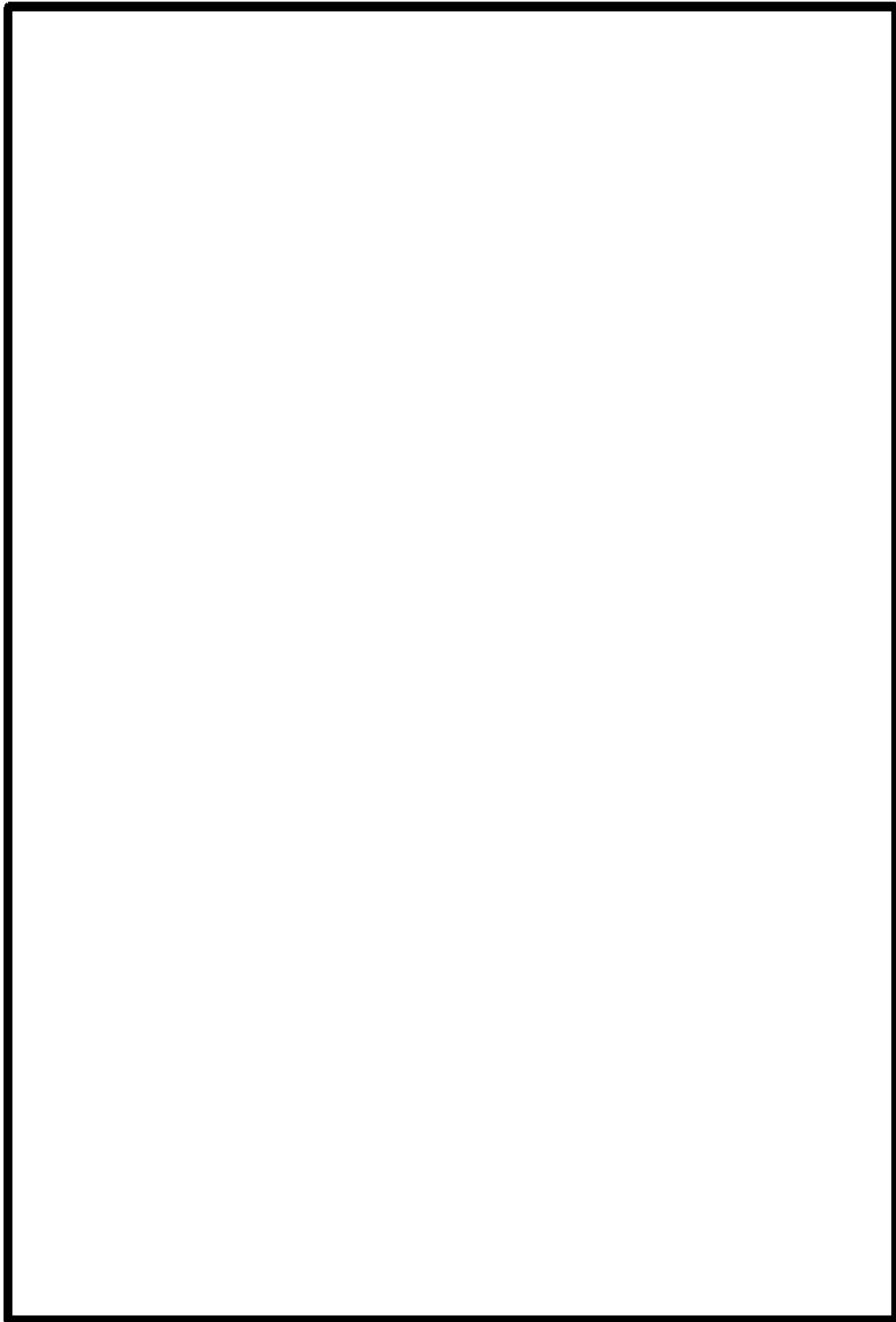


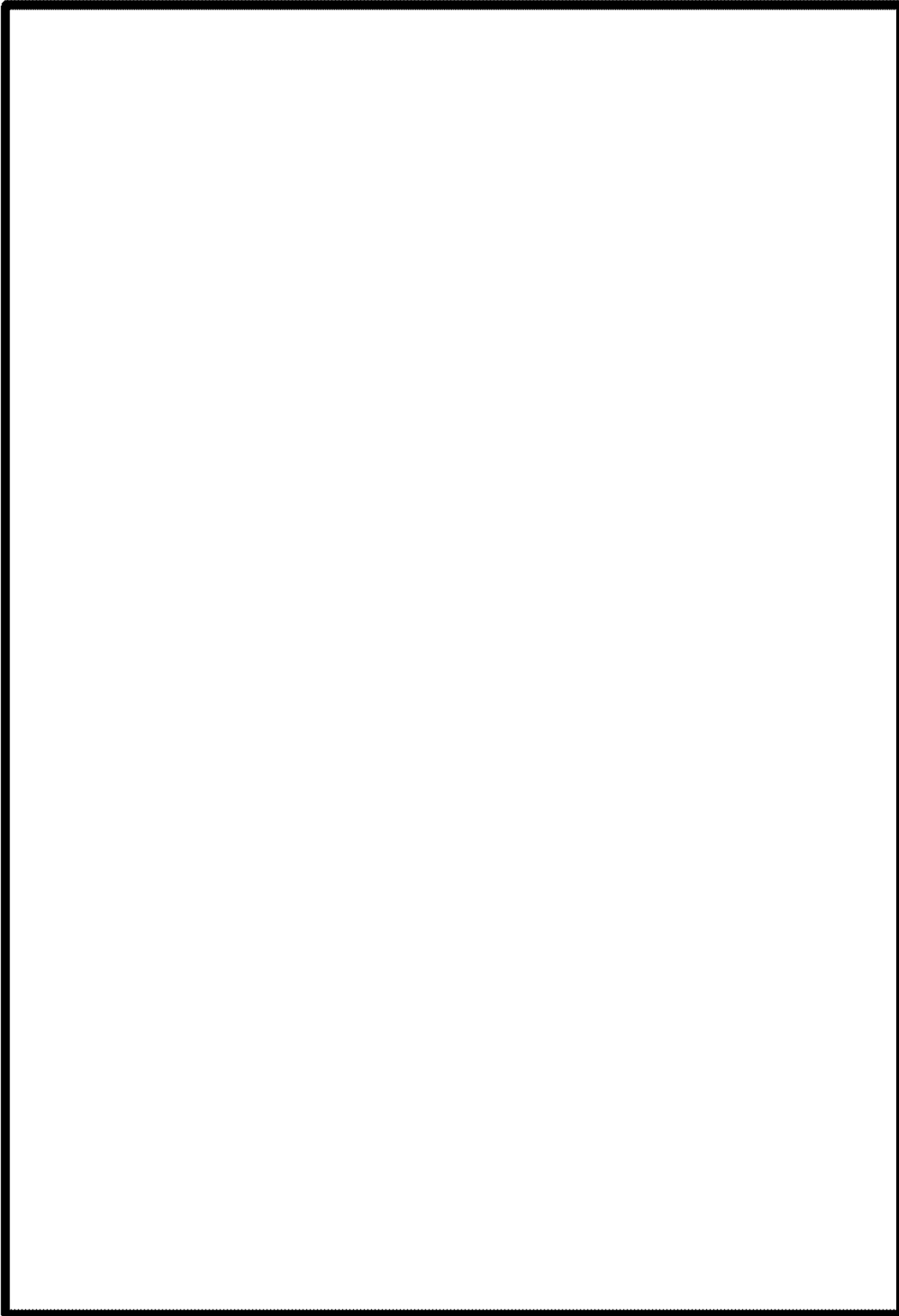


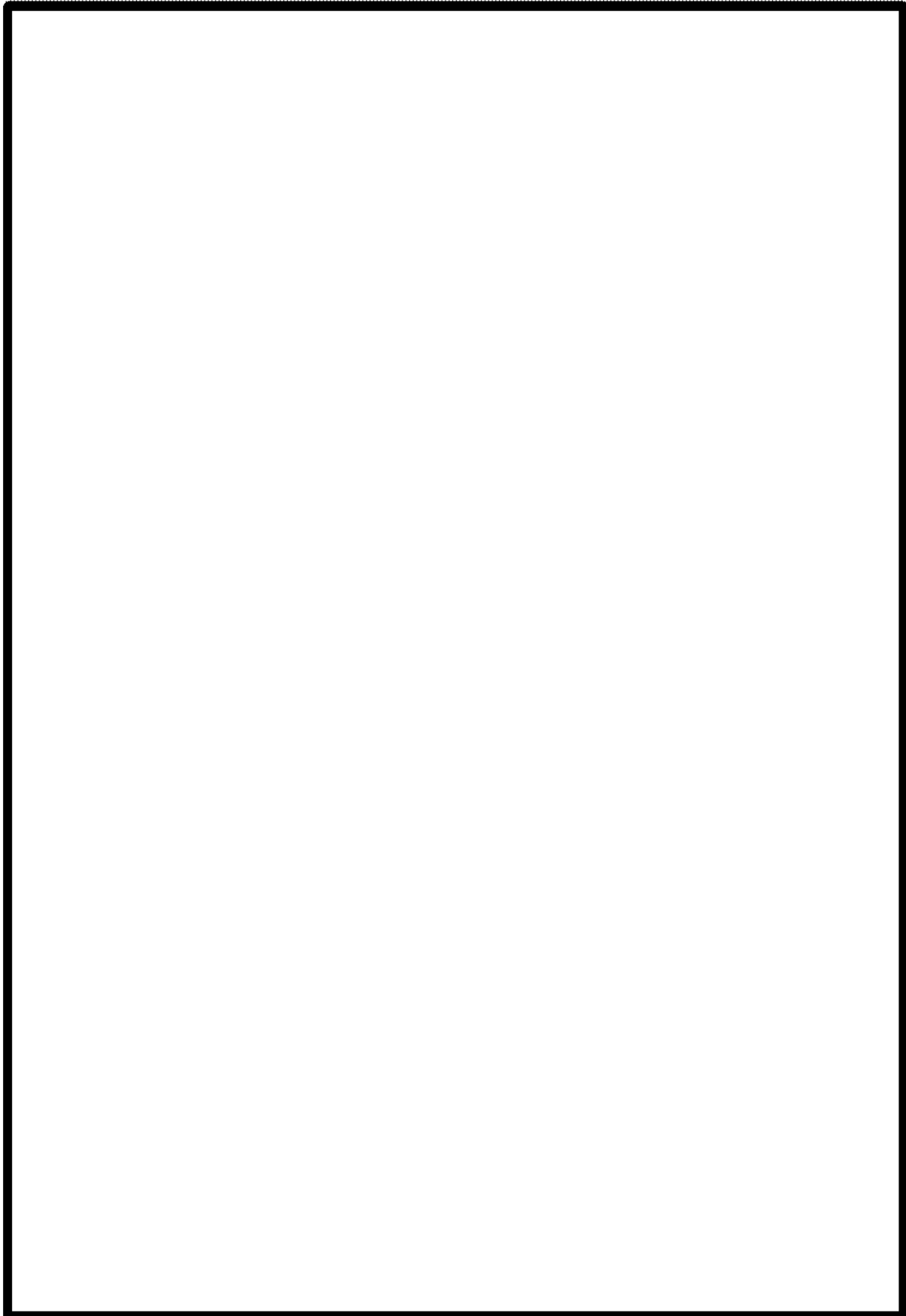
ARTICLE X

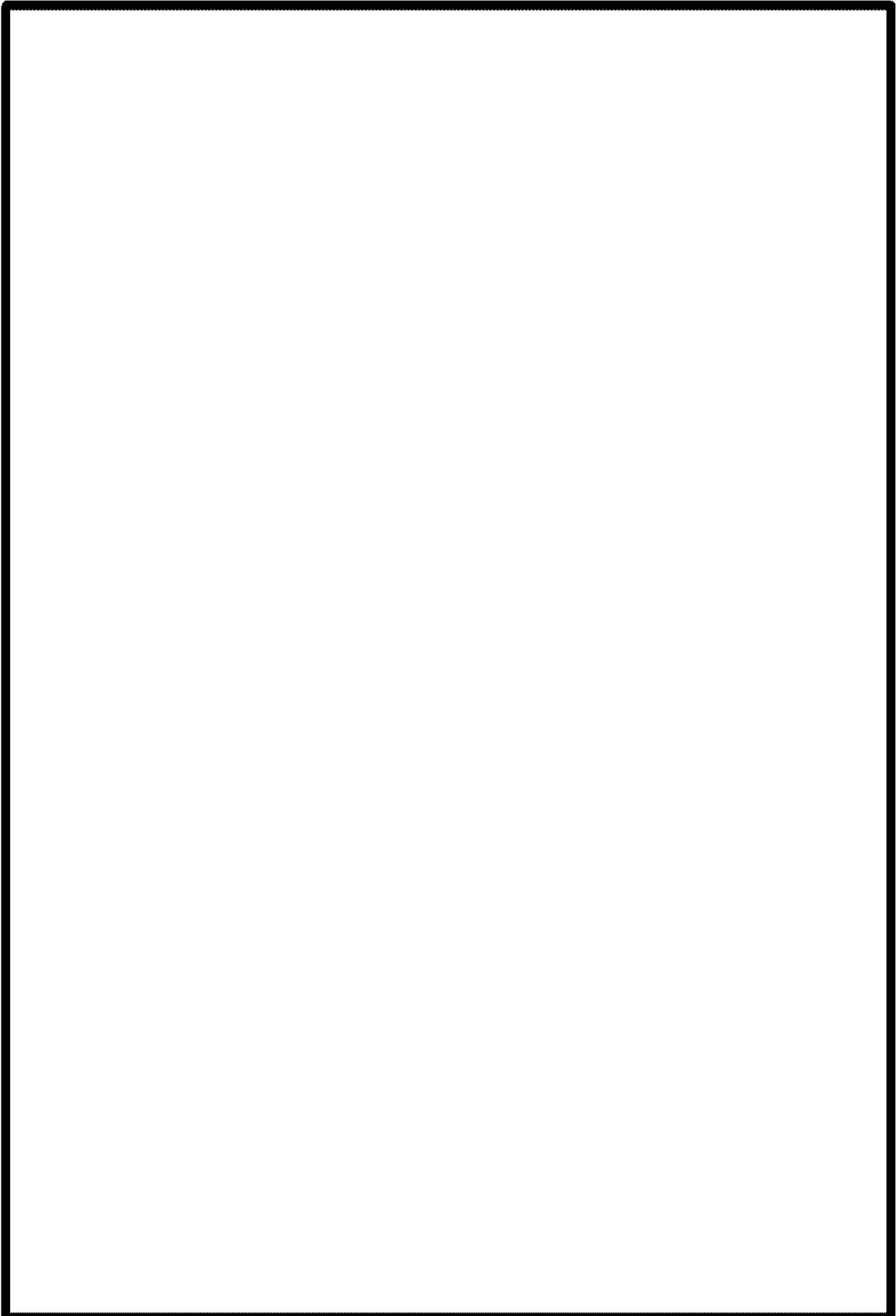
MISCELLANEOUS













IN WITNESS WHEREOF, Members have executed this Agreement, effective as of the date first written above.

CLASS A MEMBER:

M&D Regional Center, LLC

By: M + D Properties, its Manager

By: _____
Donald Chae, President

CLASS B MEMBERS:

[See Joinder Agreements]

The following entities hereby accept its appointment as Manager of the Company under and to the extent provided in Article V of this Agreement, and solely in such capacity as Manager hereby consent to and agree to be bound by the terms and conditions of this Agreement:

MANAGER:

M&D Regional Center, LLC

By: _____
Name:
Title:

EXHIBIT A

CAPITAL ACCOUNT AND PERCENTAGE INTERESTS

Member's Name and Address	Capital Account	Class A Units	Class B Units	Class A Percentage Interest	Class B Percentage Interest
(b)(4)					

(b)(4)

EXHIBIT B
SPOUSAL CONSENT



Date: _____

Signature

Print Name

(b)(4)

JOINDER AGREEMENT



Signed as of _____, 2014

Signature

Print Name

Acknowledged and accepted by:

Plaza Mexico Residences, LLC ("Company")

By: _____

Name:

Title:

Date signed:

M&D Regional Center, LLC, as the
Manager of the Company

By: _____

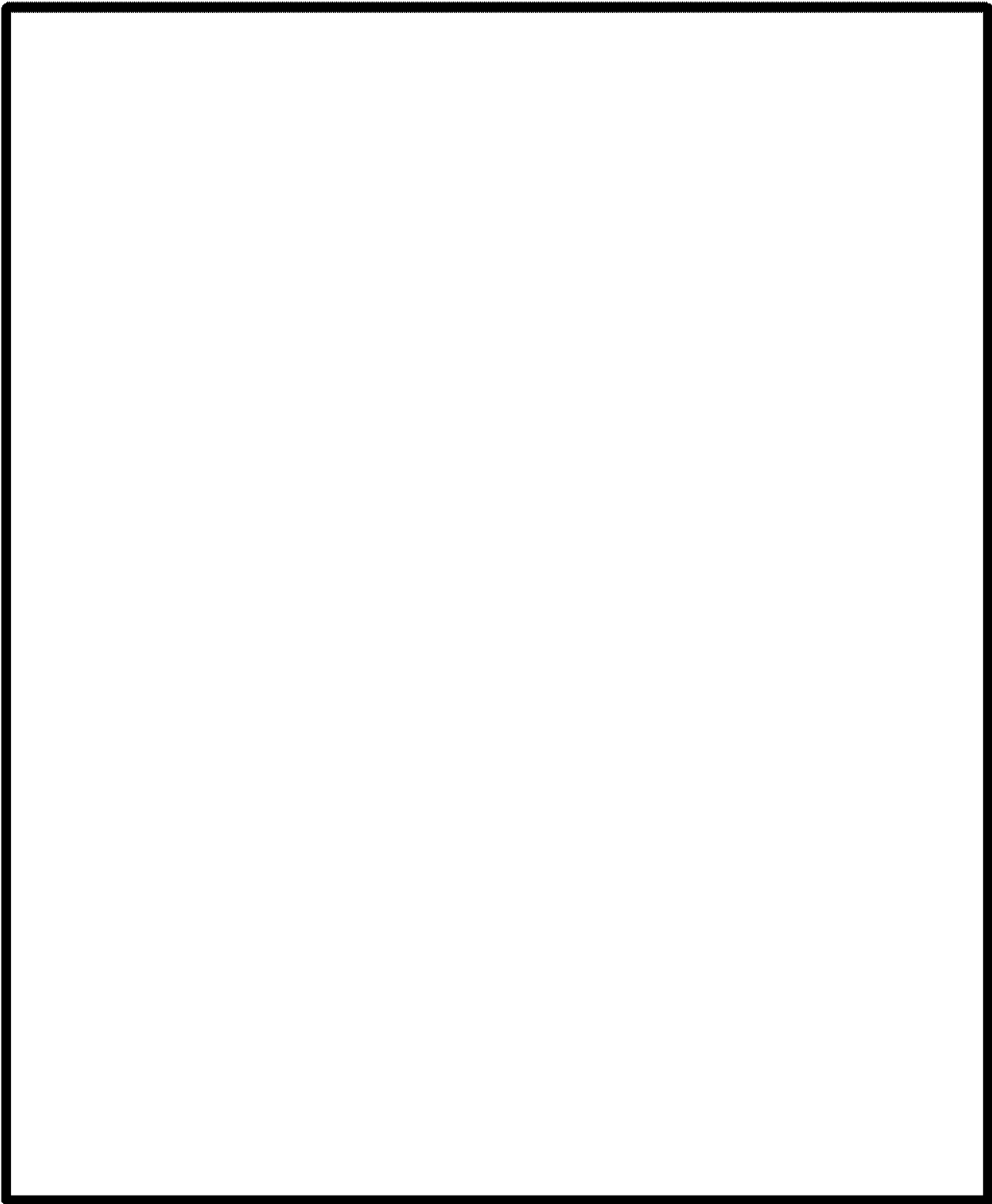
Name:

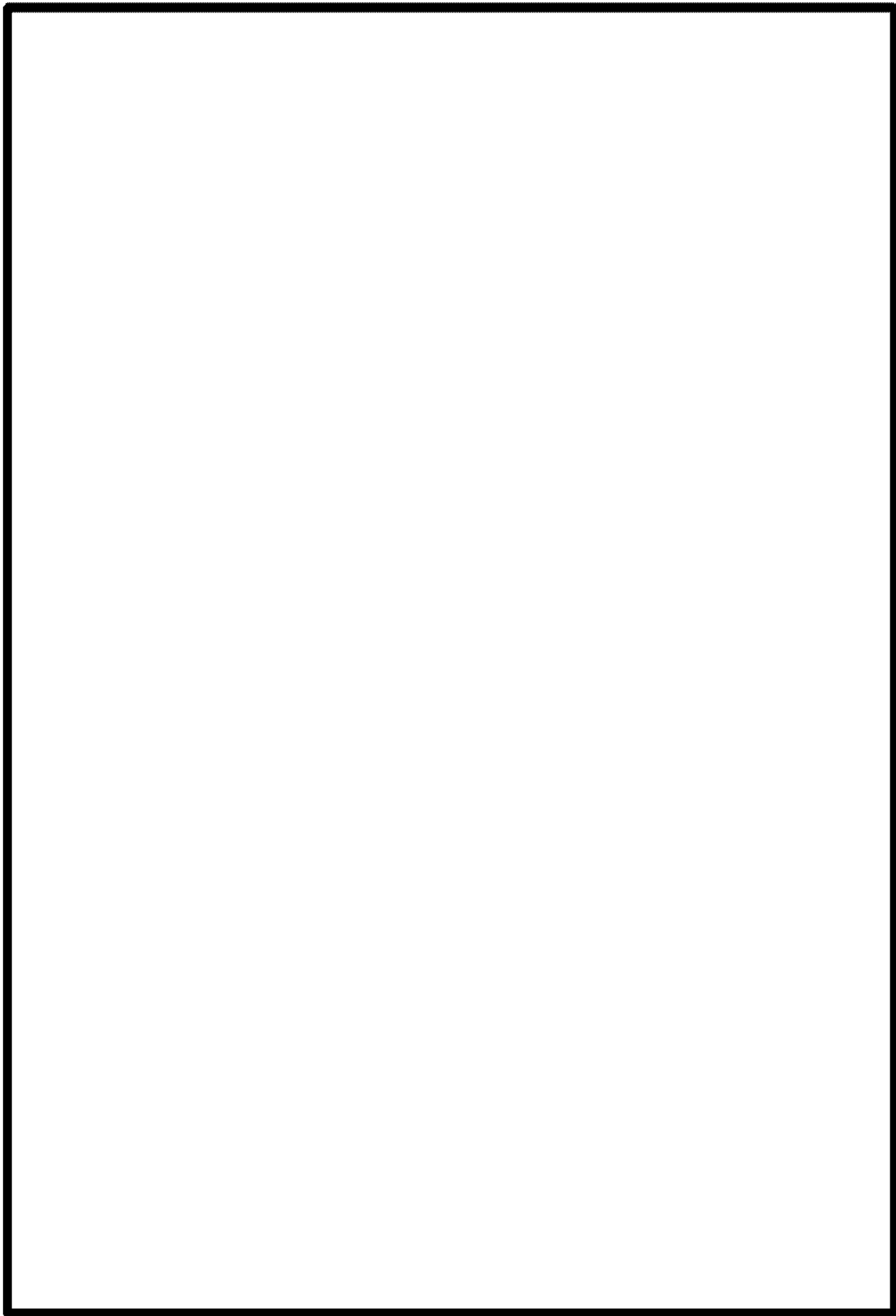
Title:

Date signed:

EXHIBIT "C1.c"

**PLAZA MEXICO RESIDENCES, LLC
INVESTMENT REPRESENTATION STATEMENT
BY NON-U.S. PERSON**







IN WITNESS WHEREOF, Subscriber has entered into and executed this Investment Representation Statement as of the date indicated below.

SUBSCRIBER: _____

By: _____

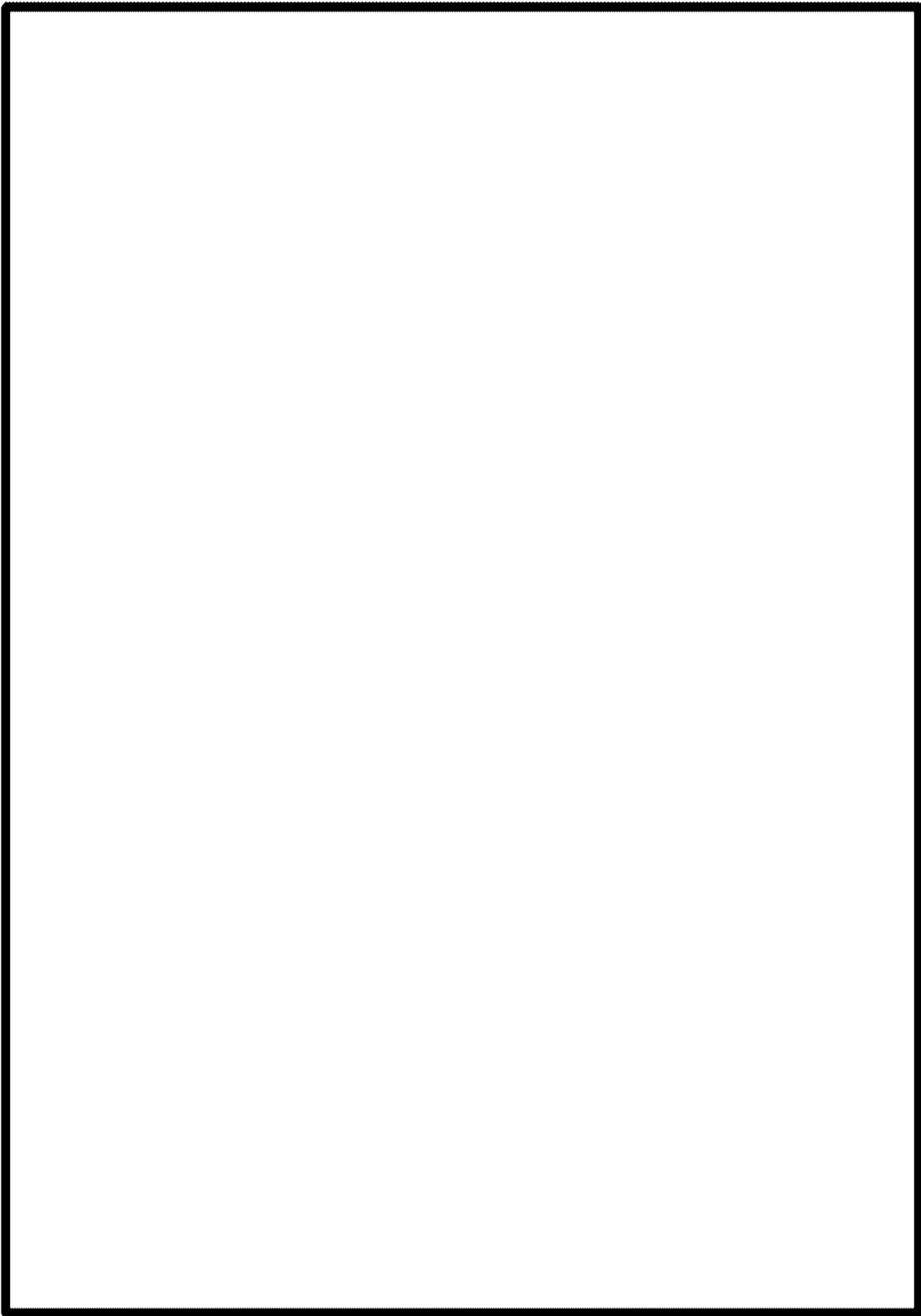
Name:

Title (if any):

Date Signed: _____

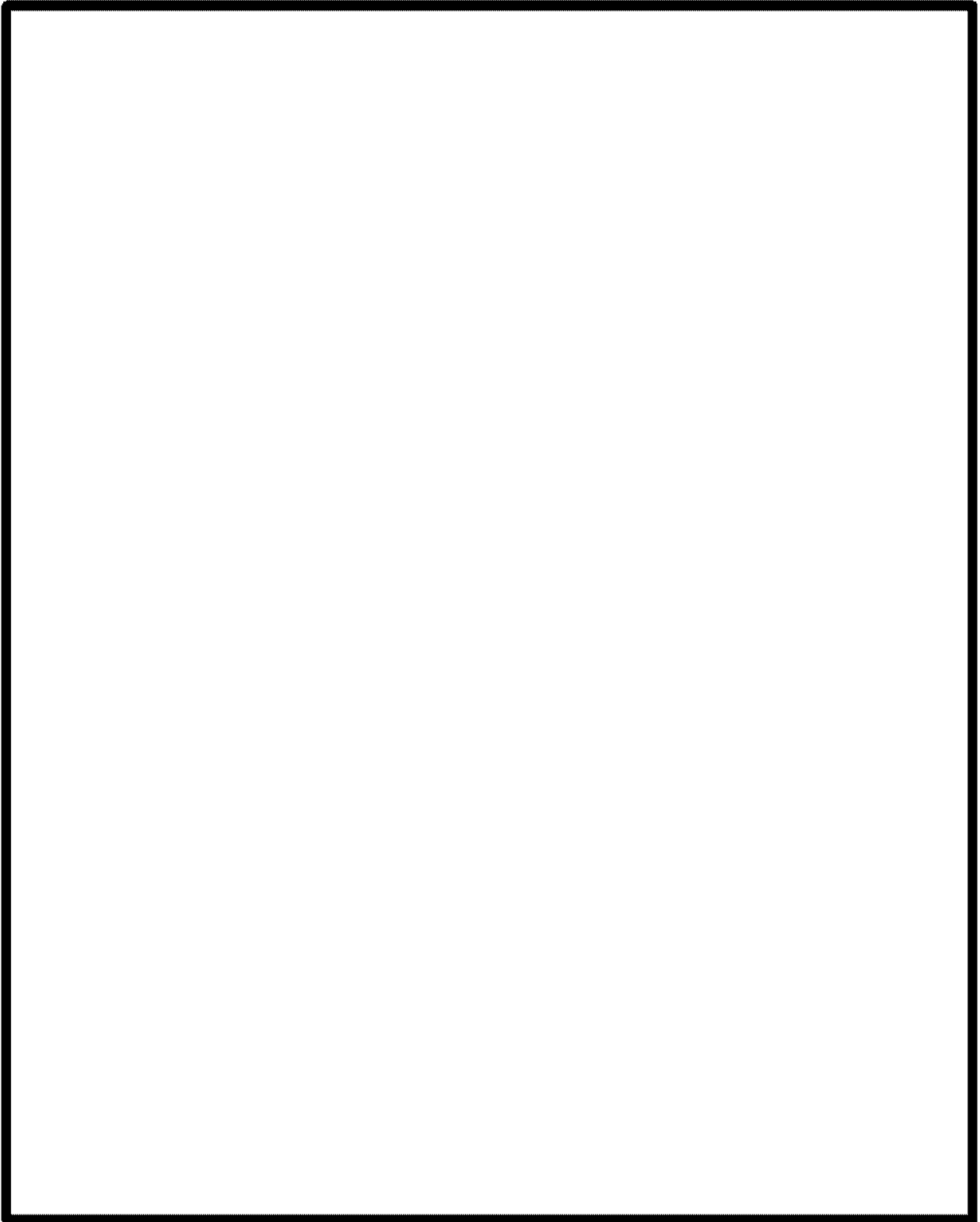
EXHIBIT A

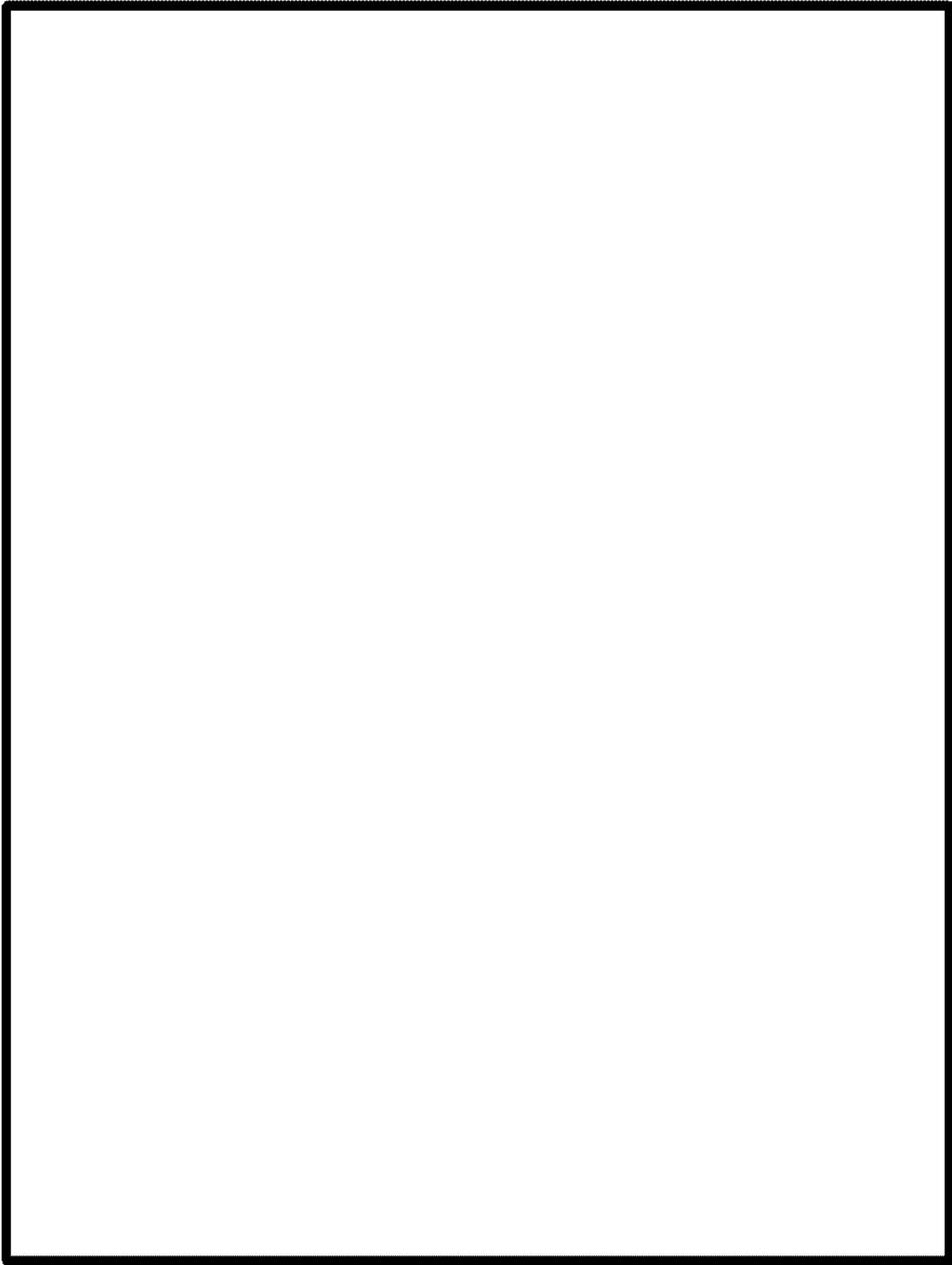
(b)(4)



(b)(4)

**PLAZA MEXICO RESIDENCES, LLC
INVESTMENT REPRESENTATION STATEMENT
BY U.S. PERSON**





IN WITNESS WHEREOF, Subscriber has entered into and executed this Investment Representation Statement as of the date indicated below.

SUBSCRIBER: _____

By: _____

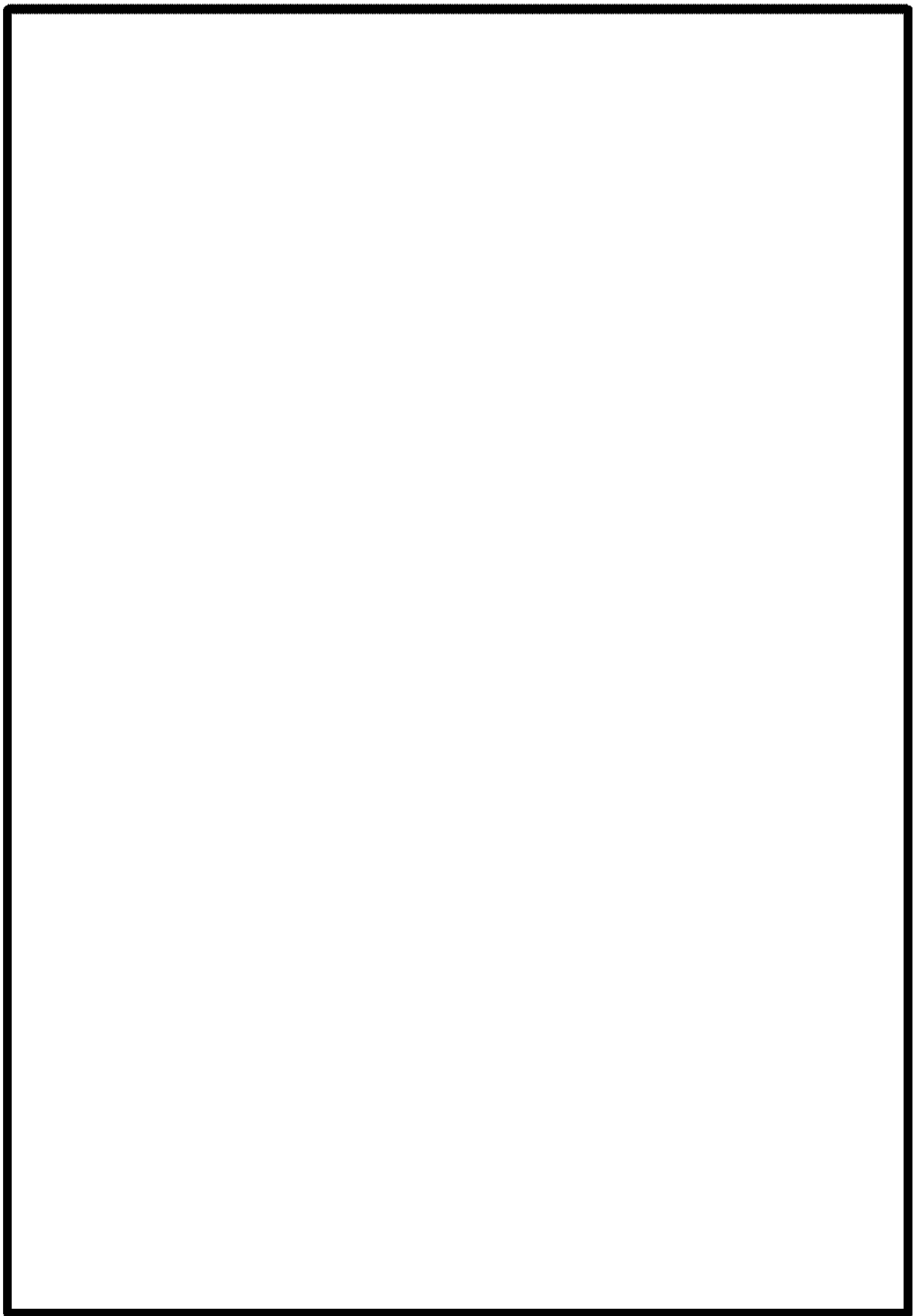
Name:

Title (if any):

Date Signed: _____

(b)(4)

EXHIBIT A



V1 May 22, 2014

A

EXHIBIT “C1.d”

Form **W-8BEN**

Certificate of Foreign Status of Beneficial Owner for United States Tax Withholding and Reporting (Individuals)

(Rev. February 2014)

▶ For use by individuals. Entities must use Form W-8BEN-E.

OMB No. 1545-1621

Department of the Treasury
Internal Revenue Service

▶ Information about Form W-8BEN and its separate instructions is at www.irs.gov/formw8ben.
▶ Give this form to the withholding agent or payer. Do not send to the IRS.

Do NOT use this form if:

Instead, use Form:

- You are NOT an individual W-8BEN-E
- You are a U.S. citizen or other U.S. person, including a resident alien individual W-9
- You are a beneficial owner claiming that income is effectively connected with the conduct of trade or business within the U.S. (other than personal services) W-8ECI
- You are a beneficial owner who is receiving compensation for personal services performed in the United States 8233 or W-4
- A person acting as an intermediary W-8IMY

Part I Identification of Beneficial Owner (see instructions)

1 Name of individual who is the beneficial owner	2 Country of citizenship
3 Permanent residence address (street, apt. or suite no., or rural route). Do not use a P.O. box or in-care-of address.	
City or town, state or province. Include postal code where appropriate.	Country
4 Mailing address (if different from above)	
City or town, state or province. Include postal code where appropriate.	Country
5 U.S. taxpayer identification number (SSN or ITIN), if required (see instructions)	6 Foreign tax identifying number (see instructions)
7 Reference number(s) (see instructions)	8 Date of birth (MM-DD-YYYY) (see instructions)

Part II Claim of Tax Treaty Benefits (for chapter 3 purposes only) (see instructions)

9 I certify that the beneficial owner is a resident of within the meaning of the income tax treaty between the United States and that country.

10 Special rates and conditions (if applicable—see instructions): The beneficial owner is claiming the provisions of Article of the treaty identified on line 9 above to claim a % rate of withholding on (specify type of income):

Explain the reasons the beneficial owner meets the terms of the treaty article;

Part III Certification

Under penalties of perjury, I declare that I have examined the information on this form and to the best of my knowledge and belief it is true, correct, and complete. I further certify under penalties of perjury that:

- I am the individual that is the beneficial owner (or am authorized to sign for the individual that is the beneficial owner) of all the income to which this form relates or am using this form to document myself as an individual that is an owner or account holder of a foreign financial institution.
- The person named on line 1 of this form is not a U.S. person.
- The income to which this form relates is:
 - (a) not effectively connected with the conduct of a trade or business in the United States,
 - (b) effectively connected but is not subject to tax under an applicable income tax treaty, or
 - (c) the partner's share of a partnership's effectively connected income.
- The person named on line 1 of this form is a resident of the treaty country listed on line 9 of the form (if any) within the meaning of the income tax treaty between the United States and that country, and
- For broker transactions or barter exchanges, the beneficial owner is an exempt foreign person as defined in the instructions.

Furthermore, I authorize this form to be provided to any withholding agent that has control, receipt, or custody of the income of which I am the beneficial owner or any withholding agent that can disburse or make payments of the income of which I am the beneficial owner. I agree that I will submit a new form within 30 days if any certification made on this form becomes incorrect.

Sign Here ▶

.....
Signature of beneficial owner (or individual authorized to sign for beneficial owner)

.....
Date (MM-DD-YYYY)

.....
Print name of signer

.....
Capacity in which acting (if form is not signed by beneficial owner)

For Paperwork Reduction Act Notice, see separate instructions.

Cat. No. 25047Z

Form **W-8BEN** (Rev. 2-2014)

Request for Taxpayer Identification Number and Certification

Give Form to the
 requester. Do not
 send to the IRS.

Print or type See Specific Instructions on page 2.	Name (as shown on your income tax return)	
	Business name/disregarded entity name, if different from above	
	Check appropriate box for federal tax classification: <input type="checkbox"/> Individual/sole proprietor <input type="checkbox"/> C Corporation <input type="checkbox"/> S Corporation <input type="checkbox"/> Partnership <input type="checkbox"/> Trust/estate <input type="checkbox"/> Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=partnership) ▶ _____ <input type="checkbox"/> Other (see instructions) ▶ _____	
	Exemptions (see instructions): Exempt payee code (if any) _____ Exemption from FATCA reporting code (if any) _____	
	Address (number, street, and apt. or suite no.)	Requester's name and address (optional)
City, state, and ZIP code		
List account number(s) here (optional)		

Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on the "Name" line to avoid backup withholding. For individuals, this is your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the Part I instructions on page 3. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN* on page 3.

Note. If the account is in more than one name, see the chart on page 4 for guidelines on whose number to enter.

Social security number												
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Employer identification number												
<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="border: 1px solid black; width: 25px; height: 25px;"></td> <td style="border: 1px solid black; width: 25px; height: 25px;"></td> <td style="border: 1px solid black; width: 25px; height: 25px;"></td> <td style="border: 1px solid black; width: 25px; height: 25px;"></td> <td style="border: 1px solid black; width: 25px; height: 25px;"></td> <td style="border: 1px solid black; width: 25px; height: 25px;"></td> <td style="border: 1px solid black; width: 25px; height: 25px;"></td> <td style="border: 1px solid black; width: 25px; height: 25px;"></td> <td style="border: 1px solid black; width: 25px; height: 25px;"></td> <td style="border: 1px solid black; width: 25px; height: 25px;"></td> <td style="border: 1px solid black; width: 25px; height: 25px;"></td> <td style="border: 1px solid black; width: 25px; height: 25px;"></td> </tr> </table>												

Part II Certification

Under penalties of perjury, I certify that:

1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me), and
2. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding, and
3. I am a U.S. citizen or other U.S. person (defined below), and
4. The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct.

Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions on page 3.

Sign Here	Signature of U.S. person ▶	Date ▶
------------------	----------------------------	--------

General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

Future developments. The IRS has created a page on www.irs.gov/w9 for information about Form W-9, at www.irs.gov/w9. Information about any future developments affecting Form W-9 (such as legislation enacted after we release it) will be posted on that page.

Purpose of Form

A person who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) to report, for example, income paid to you, payments made to you in settlement of payment card and third party network transactions, real estate transactions, mortgage interest you paid, acquisition or abandonment of secured property, cancellation of debt, or contributions you made to an IRA.

Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN to the person requesting it (the requester) and, when applicable, to:

1. Certify that the TIN you are giving is correct (or you are waiting for a number to be issued).
2. Certify that you are not subject to backup withholding, or
3. Claim exemption from backup withholding if you are a U.S. exempt payee. If applicable, you are also certifying that as a U.S. person, your allocable share of any partnership income from a U.S. trade or business is not subject to the

withholding tax on foreign partners' share of effectively connected income, and

4. Certify that FATCA code(s) entered on this form (if any) indicating that you are exempt from the FATCA reporting, is correct.

Note. If you are a U.S. person and a requester gives you a form other than Form W-9 to request your TIN, you must use the requester's form if it is substantially similar to this Form W-9.

Definition of a U.S. person. For federal tax purposes, you are considered a U.S. person if you are:

- An individual who is a U.S. citizen or U.S. resident alien,
- A partnership, corporation, company, or association created or organized in the United States or under the laws of the United States,
- An estate (other than a foreign estate), or
- A domestic trust (as defined in Regulations section 301.7701-7).

Special rules for partnerships. Partnerships that conduct a trade or business in the United States are generally required to pay a withholding tax under section 1446 on any foreign partners' share of effectively connected taxable income from such business. Further, in certain cases where a Form W-9 has not been received, the rules under section 1446 require a partnership to presume that a partner is a foreign person, and pay the section 1446 withholding tax. Therefore, if you are a U.S. person that is a partner in a partnership conducting a trade or business in the United States, provide Form W-9 to the partnership to establish your U.S. status and avoid section 1446 withholding on your share of partnership income.

In the cases below, the following person must give Form W-9 to the partnership for purposes of establishing its U.S. status and avoiding withholding on its allocable share of net income from the partnership conducting a trade or business in the United States:

- In the case of a disregarded entity with a U.S. owner, the U.S. owner of the disregarded entity and not the entity.
- In the case of a grantor trust with a U.S. grantor or other U.S. owner, generally, the U.S. grantor or other U.S. owner of the grantor trust and not the trust, and
- In the case of a U.S. trust (other than a grantor trust), the U.S. trust (other than a grantor trust) and not the beneficiaries of the trust.

Foreign person. If you are a foreign person or the U.S. branch of a foreign bank that has elected to be treated as a U.S. person, do not use Form W-9. Instead, use the appropriate Form W-8 or Form 8233 (see Publication 515, Withholding of Tax on Nonresident Aliens and Foreign Entities).

Nonresident alien who becomes a resident alien. Generally, only a nonresident alien individual may use the terms of a tax treaty to reduce or eliminate U.S. tax on certain types of income. However, most tax treaties contain a provision known as a "saving clause." Exceptions specified in the saving clause may permit an exemption from tax to continue for certain types of income even after the payee has otherwise become a U.S. resident alien for tax purposes.

If you are a U.S. resident alien who is relying on an exception contained in the saving clause of a tax treaty to claim an exemption from U.S. tax on certain types of income, you must attach a statement to Form W-9 that specifies the following five items:

1. The treaty country. Generally, this must be the same treaty under which you claimed exemption from tax as a nonresident alien.
2. The treaty article addressing the income.
3. The article number (or location) in the tax treaty that contains the saving clause and its exceptions.
4. The type and amount of income that qualifies for the exemption from tax.
5. Sufficient facts to justify the exemption from tax under the terms of the treaty article.

Example. Article 20 of the U.S.-China income tax treaty allows an exemption from tax for scholarship income received by a Chinese student temporarily present in the United States. Under U.S. law, this student will become a resident alien for tax purposes if his or her stay in the United States exceeds 5 calendar years. However, paragraph 2 of the first Protocol to the U.S.-China treaty (dated April 30, 1984) allows the provisions of Article 20 to continue to apply even after the Chinese student becomes a resident alien of the United States. A Chinese student who qualifies for this exception (under paragraph 2 of the first protocol) and is relying on this exception to claim an exemption from tax on his or her scholarship or fellowship income would attach to Form W-9 a statement that includes the information described above to support that exemption.

If you are a nonresident alien or a foreign entity, give the requester the appropriate completed Form W-8 or Form 8233.

What is backup withholding? Persons making certain payments to you must under certain conditions withhold and pay to the IRS a percentage of such payments. This is called "backup withholding." Payments that may be subject to backup withholding include interest, tax-exempt interest, dividends, broker and barter exchange transactions, rents, royalties, nonemployee pay, payments made in settlement of payment card and third party network transactions, and certain payments from fishing boat operators. Real estate transactions are not subject to backup withholding.

You will not be subject to backup withholding on payments you receive if you give the requester your correct TIN, make the proper certifications, and report all your taxable interest and dividends on your tax return.

Payments you receive will be subject to backup withholding if:

1. You do not furnish your TIN to the requester.
2. You do not certify your TIN when required (see the Part II instructions on page 3 for details).
3. The IRS tells the requester that you furnished an incorrect TIN.
4. The IRS tells you that you are subject to backup withholding because you did not report all your interest and dividends on your tax return (for reportable interest and dividends only), or
5. You do not certify to the requester that you are not subject to backup withholding under 4 above (for reportable interest and dividend accounts opened after 1983 only).

Certain payees and payments are exempt from backup withholding. See *Exempt payee code* on page 3 and the separate instructions for the Requester of Form W-9 for more information.

Also see *Special rules for partnerships* on page 1.

What is FATCA reporting? The Foreign Account Tax Compliance Act (FATCA) requires a participating foreign financial institution to report all United States account holders that are specified United States persons. Certain payees are exempt from FATCA reporting. See *Exemption from FATCA reporting code* on page 3 and the instructions for the Requester of Form W-9 for more information.

Updating Your Information

You must provide updated information to any person to whom you claimed to be an exempt payee if you are no longer an exempt payee and anticipate receiving reportable payments in the future from this person. For example, you may need to provide updated information if you are a C corporation that elects to be an S corporation, or if you no longer are tax exempt. In addition, you must furnish a new Form W-9 if the name or TIN changes for the account, for example, if the grantor of a grantor trust dies.

Penalties

Failure to furnish TIN. If you fail to furnish your correct TIN to a requester, you are subject to a penalty of \$50 for each such failure unless your failure is due to reasonable cause and not to willful neglect.

Civil penalty for false information with respect to withholding. If you make a false statement with no reasonable basis that results in no backup withholding, you are subject to a \$500 penalty.

Criminal penalty for falsifying information. Willfully falsifying certifications or affirmations may subject you to criminal penalties including fines and/or imprisonment.

Misuse of TINs. If the requester discloses or uses TINs in violation of federal law, the requester may be subject to civil and criminal penalties.

Specific Instructions

Name

If you are an individual, you must generally enter the name shown on your income tax return. However, if you have changed your last name, for instance, due to marriage without informing the Social Security Administration of the name change, enter your first name, the last name shown on your social security card, and your new last name.

If the account is in joint names, list first, and then circle, the name of the person or entity whose number you entered in Part I of the form.

Sole proprietor. Enter your individual name as shown on your income tax return on the "Name" line. You may enter your business, trade, or "doing business as (DBA)" name on the "Business name/disregarded entity name" line.

Partnership, C Corporation, or S Corporation. Enter the entity's name on the "Name" line and any business, trade, or "doing business as (DBA)" name on the "Business name/disregarded entity name" line.

Disregarded entity. For U.S. federal tax purposes, an entity that is disregarded as an entity separate from its owner is treated as a "disregarded entity." See Regulation section 301.7701-2(c)(2)(ii). Enter the owner's name on the "Name" line. The name of the entity entered on the "Name" line should never be a disregarded entity. The name on the "Business name" line must be the name shown on the income tax return on which the income should be reported. For example, if a foreign LLC that is treated as a disregarded entity for U.S. federal tax purposes has a single owner that is a U.S. person, the U.S. owner's name is required to be provided on the "Name" line. If the direct owner of the entity is also a disregarded entity, enter the first owner that is not disregarded for federal tax purposes. Enter the disregarded entity's name on the "Business name/disregarded entity name" line. If the owner of the disregarded entity is a foreign person, the owner must complete an appropriate Form W-8 instead of a Form W-9. This is the case even if the foreign person has a U.S. TIN.

Note. Check the appropriate box for the U.S. federal tax classification of the person whose name is entered on the "Name" line (Individual/sole proprietor, Partnership, C Corporation, S Corporation, Trust/estate).

Limited Liability Company (LLC). If the person identified on the "Name" line is an LLC, check the "Limited liability company" box only and enter the appropriate code for the U.S. federal tax classification in the space provided. If you are an LLC that is treated as a partnership for U.S. federal tax purposes, enter "P" for partnership. If you are an LLC that has filed a Form 8832 or a Form 2553 to be taxed as a corporation, enter "C" for C corporation or "S" for S corporation, as appropriate. If you are an LLC that is disregarded as an entity separate from its owner under Regulation section 301.7701-3 (except for employment and excise tax), do not check the LLC box unless the owner of the LLC (required to be identified on the "Name" line) is another LLC that is not disregarded for U.S. federal tax purposes. If the LLC is disregarded as an entity separate from its owner, enter the appropriate tax classification of the owner identified on the "Name" line.

Other entities. Enter your business name as shown on required U.S. federal tax documents on the "Name" line. This name should match the name shown on the charter or other legal document creating the entity. You may enter any business, trade, or DBA name on the "Business name/disregarded entity name" line.

Exemptions

If you are exempt from backup withholding and/or FATCA reporting, enter in the *Exemptions* box, any code(s) that may apply to you. See *Exempt payee code and Exemption from FATCA reporting code* on page 3.

Exempt payee code. Generally, individuals (including sole proprietors) are not exempt from backup withholding. Corporations are exempt from backup withholding for certain payments, such as interest and dividends. Corporations are not exempt from backup withholding for payments made in settlement of payment card or third party network transactions.

Note. If you are exempt from backup withholding, you should still complete this form to avoid possible erroneous backup withholding.

The following codes identify payees that are exempt from backup withholding:

- 1—An organization exempt from tax under section 501(a), any IRA, or a custodial account under section 403(b)(7) if the account satisfies the requirements of section 401(f)(2)
- 2—The United States or any of its agencies or instrumentalities
- 3—A state, the District of Columbia, a possession of the United States, or any of their political subdivisions or instrumentalities
- 4—A foreign government or any of its political subdivisions, agencies, or instrumentalities
- 5—A corporation
- 6—A dealer in securities or commodities required to register in the United States, the District of Columbia, or a possession of the United States
- 7—A futures commission merchant registered with the Commodity Futures Trading Commission
- 8—A real estate investment trust
- 9—An entity registered at all times during the tax year under the Investment Company Act of 1940
- 10—A common trust fund operated by a bank under section 584(a)
- 11—A financial institution
- 12—A middleman known in the investment community as a nominee or custodian
- 13—A trust exempt from tax under section 664 or described in section 4947

The following chart shows types of payments that may be exempt from backup withholding. The chart applies to the exempt payees listed above, 1 through 13.

IF the payment is for ...	THEN the payment is exempt for ...
Interest and dividend payments	All exempt payees except for 7
Broker transactions	Exempt payees 1 through 4 and 8 through 11 and all C corporations, S corporations must not enter an exempt payee code because they are exempt only for sales of noncovered securities acquired prior to 2012.
Barter exchange transactions and patronage dividends	Exempt payees 1 through 4
Payments over \$600 required to be reported and direct sales over \$5,000 ¹	Generally, exempt payees 1 through 5 ²
Payments made in settlement of payment card or third party network transactions	Exempt payees 1 through 4

¹ See Form 1099-MISC, Miscellaneous Income, and its instructions.

² However, the following payments made to a corporation and reportable on Form 1099-MISC are not exempt from backup withholding: medical and health care payments, attorneys' fees, gross proceeds paid to an attorney, and payments for services paid by a federal executive agency.

Exemption from FATCA reporting code. The following codes identify payees that are exempt from reporting under FATCA. These codes apply to persons submitting this form for accounts maintained outside of the United States by certain foreign financial institutions. Therefore, if you are only submitting this form for an account you hold in the United States, you may leave this field blank. Consult with the person requesting this form if you are uncertain if the financial institution is subject to these requirements.

- A—An organization exempt from tax under section 501(a) or any individual retirement plan as defined in section 7701(a)(37)
- B—The United States or any of its agencies or instrumentalities
- C—A state, the District of Columbia, a possession of the United States, or any of their political subdivisions or instrumentalities
- D—A corporation the stock of which is regularly traded on one or more established securities markets, as described in Reg. section 1.1472-1(c)(1)(i)
- E—A corporation that is a member of the same expanded affiliated group as a corporation described in Reg. section 1.1472-1(c)(1)(i)
- F—A dealer in securities, commodities, or derivative financial instruments (including notional principal contracts, futures, forwards, and options) that is registered as such under the laws of the United States or any state

- G—A real estate investment trust
- H—A regulated investment company as defined in section 851 or an entity registered at all times during the tax year under the Investment Company Act of 1940
- I—A common trust fund as defined in section 584(a)
- J—A bank as defined in section 581
- K—A broker
- L—A trust exempt from tax under section 664 or described in section 4947(a)(1)
- M—A tax exempt trust under a section 403(b) plan or section 457(g) plan

Part I. Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. If you are a resident alien and you do not have and are not eligible to get an SSN, your TIN is your IRS individual taxpayer identification number (ITIN). Enter it in the social security number box. If you do not have an ITIN, see *How to get a TIN* below.

If you are a sole proprietor and you have an EIN, you may enter either your SSN or EIN. However, the IRS prefers that you use your SSN.

If you are a single-member LLC that is disregarded as an entity separate from its owner (see *Limited Liability Company (LLC)* on page 2), enter the owner's SSN (or EIN, if the owner has one). Do not enter the disregarded entity's EIN. If the LLC is classified as a corporation or partnership, enter the entity's EIN.

Note. See the chart on page 4 for further clarification of name and TIN combinations.

How to get a TIN. If you do not have a TIN, apply for one immediately. To apply for an SSN, get Form SS-5, Application for a Social Security Card, from your local Social Security Administration office or get this form online at www.ssa.gov. You may also get this form by calling 1-800-772-1213. Use Form W-7, Application for IRS Individual Taxpayer Identification Number, to apply for an ITIN, or Form SS-4, Application for Employer Identification Number, to apply for an EIN. You can apply for an EIN online by accessing the IRS website at www.irs.gov/businesses and clicking on Employer Identification Number (EIN) under Starting a Business. You can get Forms W-7 and SS-4 from the IRS by visiting irs.gov or by calling 1-800-TAX-FORM (1-800-829-3676).

If you are asked to complete Form W-9 but do not have a TIN, apply for a TIN and write "Applied For" in the space for the TIN, sign and date the form, and give it to the requester. For interest and dividend payments, and certain payments made with respect to readily tradable instruments, generally you will have 60 days to get a TIN and give it to the requester before you are subject to backup withholding on payments. The 60-day rule does not apply to other types of payments. You will be subject to backup withholding on all such payments until you provide your TIN to the requester.

Note. Entering "Applied For" means that you have already applied for a TIN or that you intend to apply for one soon.

Caution: A disregarded U.S. entity that has a foreign owner must use the appropriate Form W-9.

Part II. Certification

To establish to the withholding agent that you are a U.S. person, or resident alien, sign Form W-9. You may be requested to sign by the withholding agent even if items 1, 4, or 5 below indicate otherwise.

For a joint account, only the person whose TIN is shown in Part I should sign (when required). In the case of a disregarded entity, the person identified on the "Name" line must sign. Exempt payees, see *Exempt payee code* earlier.

Signature requirements. Complete the certification as indicated in items 1 through 5 below.

1. Interest, dividend, and barter exchange accounts opened before 1984 and broker accounts considered active during 1983. You must give your correct TIN, but you do not have to sign the certification.
2. Interest, dividend, broker, and barter exchange accounts opened after 1983 and broker accounts considered inactive during 1983. You must sign the certification or backup withholding will apply. If you are subject to backup withholding and you are merely providing your correct TIN to the requester, you must cross out item 2 in the certification before signing the form.
3. Real estate transactions. You must sign the certification. You may cross out item 2 of the certification.
4. Other payments. You must give your correct TIN, but you do not have to sign the certification unless you have been notified that you have previously given an incorrect TIN. "Other payments" include payments made in the course of the requester's trade or business for rents, royalties, goods (other than bills for merchandise), medical and health care services (including payments to corporations), payments to a nonemployee for services, payments made in settlement of payment card and third party network transactions, payments to certain fishing boat crew members and fishermen, and gross proceeds paid to attorneys (including payments to corporations).
5. Mortgage interest paid by you, acquisition or abandonment of secured property, cancellation of debt, qualified tuition program payments (under section 529), IRA, Coverdell ESA, Archer MSA or HSA contributions or distributions, and pension distributions. You must give your correct TIN, but you do not have to sign the certification.

What Name and Number To Give the Requester

For this type of account:	Give name and SSN of:
1. Individual	The individual
2. Two or more individuals (joint account)	The actual owner of the account or, if combined funds, the first individual on the account ¹
3. Custodian account of a minor (Uniform Gift to Minors Act)	The minor ²
4. a. The usual revocable savings trust (grantor is also trustee) b. So-called trust account that is not a legal or valid trust under state law	The grantor-trustee ³ The actual owner ⁴
5. Sole proprietorship or disregarded entity owned by an individual	The owner ³
6. Grantor trust filing under Optional Form 1099 Filing Method 1 (see Regulation section 1.671-4(b)(2)(A))	The grantor ³
For this type of account:	Give name and EIN of:
7. Disregarded entity not owned by an individual	The owner
8. A valid trust, estate, or pension trust	Legal entity ⁴
9. Corporation or LLC electing corporate status on Form 8832 or Form 2553	The corporation
10. Association, club, religious, charitable, educational, or other tax-exempt organization	The organization
11. Partnership or multi-member LLC	The partnership
12. A broker or registered nominee	The broker or nominee
13. Account with the Department of Agriculture in the name of a public entity (such as a state or local government, school district, or prison) that receives agricultural program payments	The public entity
14. Grantor trust filing under the Form 1041 Filing Method or the Optional Form 1099 Filing Method 2 (see Regulation section 1.671-4(b)(2)(B))	The trust

¹ List first and circle the name of the person whose number you furnish. If only one person on a joint account has an SSN, that person's number must be furnished.

² Circle the minor's name and furnish the minor's SSN.

³ You must show your individual name and you may also enter your business or "DBA" name on the "Business name/disregarded entity" name line. You may use either your SSN or EIN (if you have one), but the IRS encourages you to use your SSN.

⁴ List first and circle the name of the trust, estate, or pension trust. (Do not furnish the TIN of the personal representative or trustee unless the legal entity itself is not designated in the account title.) Also see *Special rules for partnerships* on page 1.

*Note, Grantor also must provide a Form W-9 to trustee of trust.

Note. If no name is circled when more than one name is listed, the number will be considered to be that of the first name listed.

Secure Your Tax Records from Identity Theft

Identity theft occurs when someone uses your personal information such as your name, social security number (SSN), or other identifying information, without your permission, to commit fraud or other crimes. An identity thief may use your SSN to get a job or may file a tax return using your SSN to receive a refund.

To reduce your risk:

- Protect your SSN.
- Ensure your employer is protecting your SSN, and
- Be careful when choosing a tax preparer.

If your tax records are affected by identity theft and you receive a notice from the IRS, respond right away to the name and phone number printed on the IRS notice or letter.

If your tax records are not currently affected by identity theft but you think you are at risk due to a lost or stolen purse or wallet, questionable credit card activity or credit report, contact the IRS Identity Theft Hotline at 1-800-908-4490 or submit Form 14039.

For more information, see Publication 4535, Identity Theft Prevention and Victim Assistance.

Victims of identity theft who are experiencing economic harm or a system problem, or are seeking help in resolving tax problems that have not been resolved through normal channels, may be eligible for Taxpayer Advocate Service (TAS) assistance. You can reach TAS by calling the TAS toll-free case intake line at 1-877-777-4778 or TTY/TDD 1-800-829-4059.

Protect yourself from suspicious emails or phishing schemes. Phishing is the creation and use of email and websites designed to mimic legitimate business emails and websites. The most common act is sending an email to a user falsely claiming to be an established legitimate enterprise in an attempt to scam the user into surrendering private information that will be used for identity theft.

The IRS does not initiate contacts with taxpayers via emails. Also, the IRS does not request personal detailed information through email or ask taxpayers for the PIN numbers, passwords, or similar secret access information for their credit card, bank, or other financial accounts.

If you receive an unsolicited email claiming to be from the IRS, forward this message to phishing@irs.gov. You may also report misuse of the IRS name, logo, or other IRS property to the Treasury Inspector General for Tax Administration at 1-800-368-4484. You can forward suspicious emails to the Federal Trade Commission at: spam@uce.gov or contact them at www.ftc.gov/idtheft or 1-877-IDTHEFT (1-877-438-4338).

Visit IRS.gov to learn more about identity theft and how to reduce your risk.

Privacy Act Notice

Section 6109 of the Internal Revenue Code requires you to provide your correct TIN to persons (including federal agencies) who are required to file information returns with the IRS to report interest, dividends, or certain other income paid to you; mortgage interest you paid; the acquisition or abandonment of secured property; the cancellation of debt; or contributions you made to an IRA, Archer MSA, or HSA. The person collecting this form uses the information on the form to file information returns with the IRS, reporting the above information. Routine uses of this information include giving it to the Department of Justice for civil and criminal litigation and to cities, states, the District of Columbia, and U.S. commonwealths and possessions for use in administering their laws. The information also may be disclosed to other countries under a treaty, to federal and state agencies to enforce civil and criminal laws, or to federal law enforcement and intelligence agencies to combat terrorism. You must provide your TIN whether or not you are required to file a tax return. Under section 3-06, payers must generally withhold a percentage of taxable interest, dividend, and certain other payments to a payee who does not give a TIN to the payer. Certain penalties may also apply for providing false or fraudulent information.

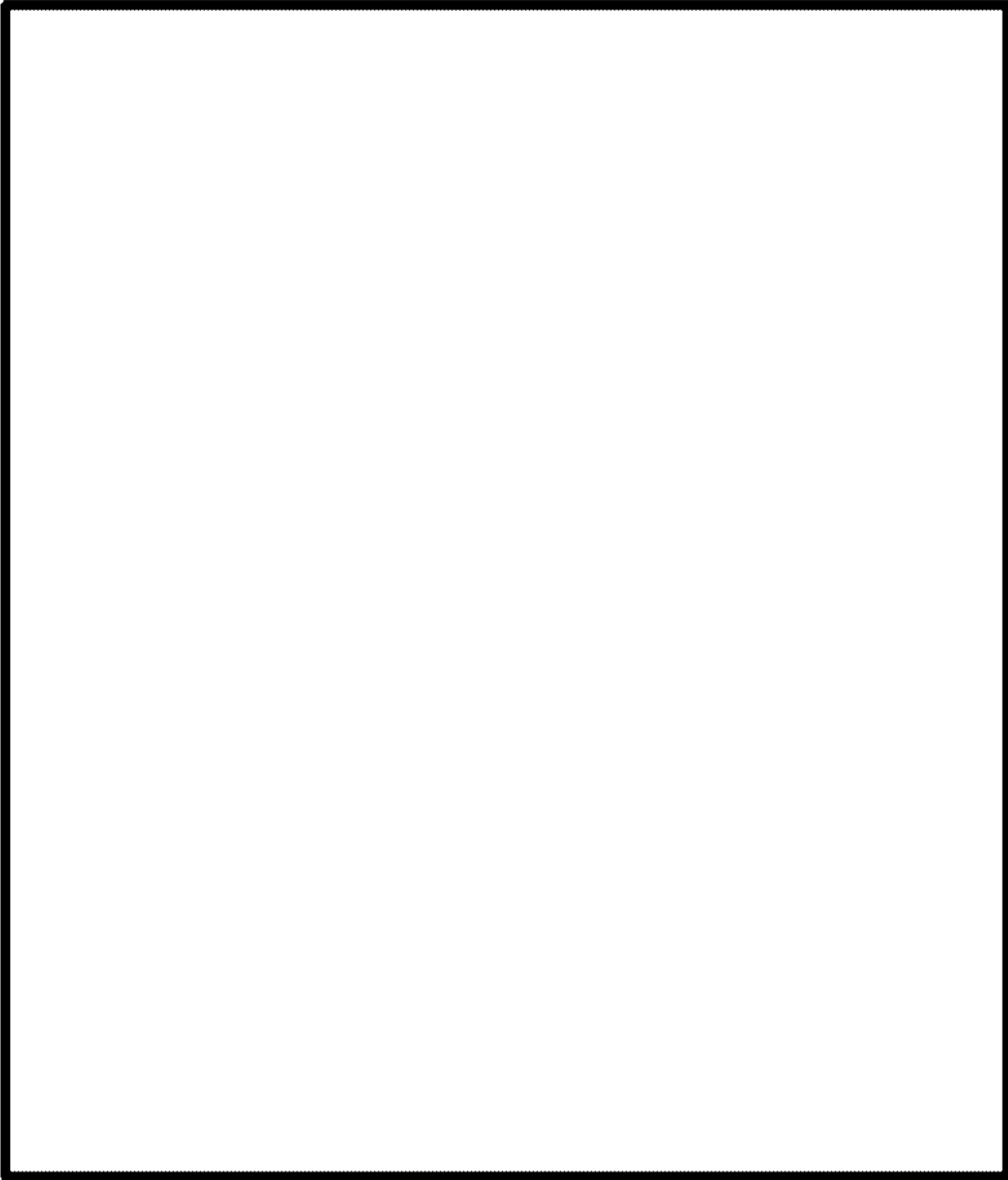
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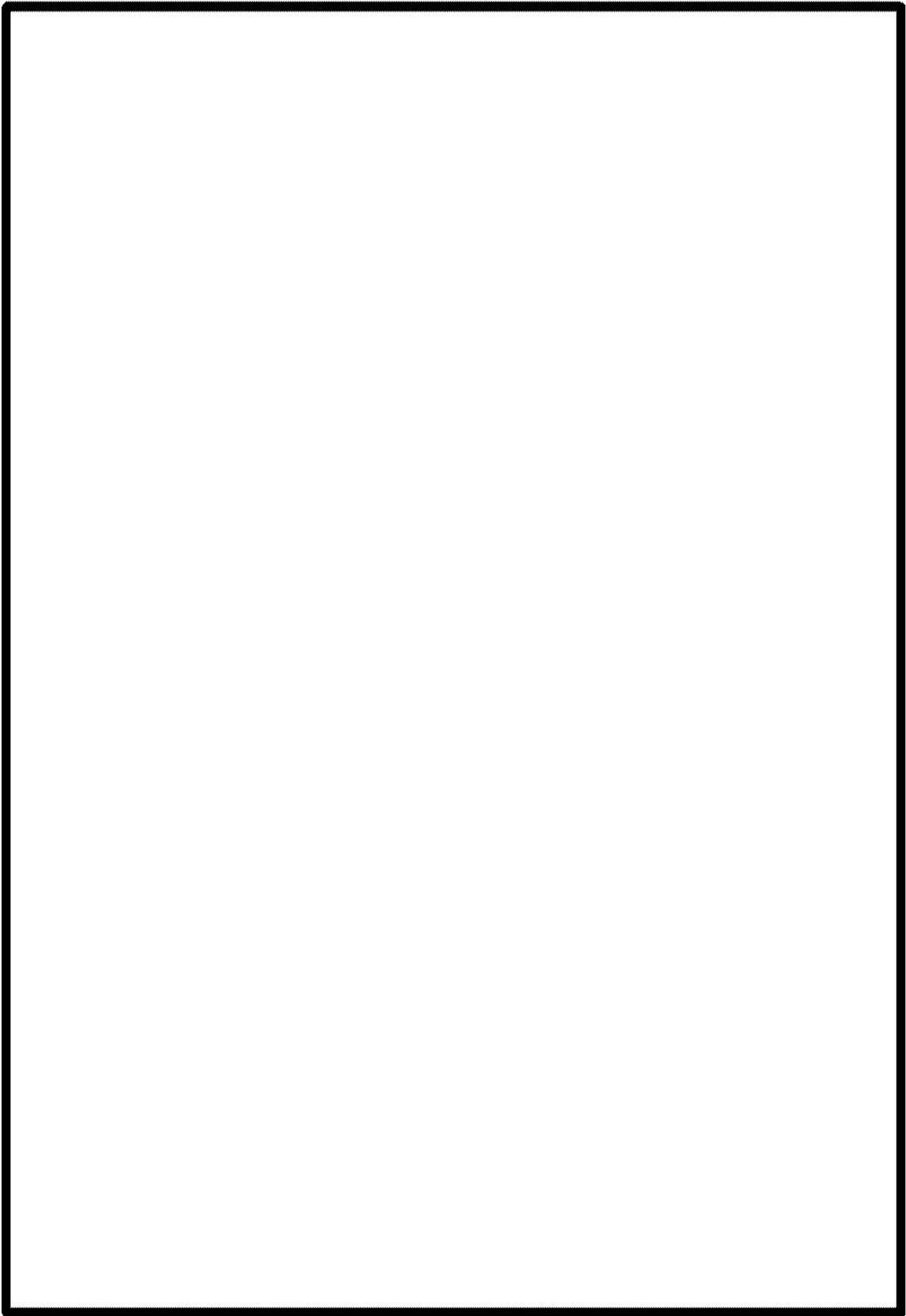
PROMISSORY NOTE
(Plaza Mexico Residences, LLC)

[Redacted]
_____, 2014

(b)(4)

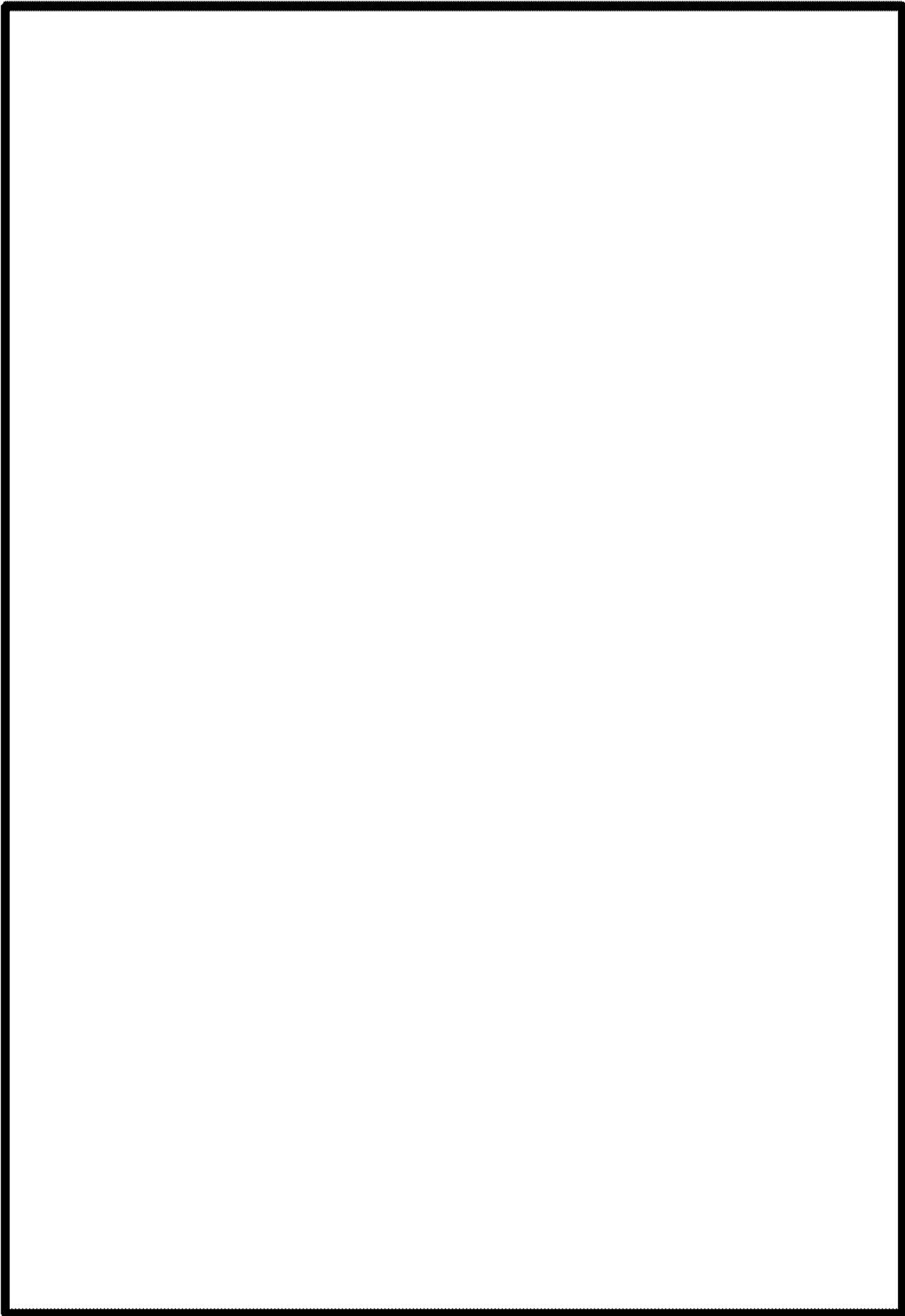
Lynwood, California

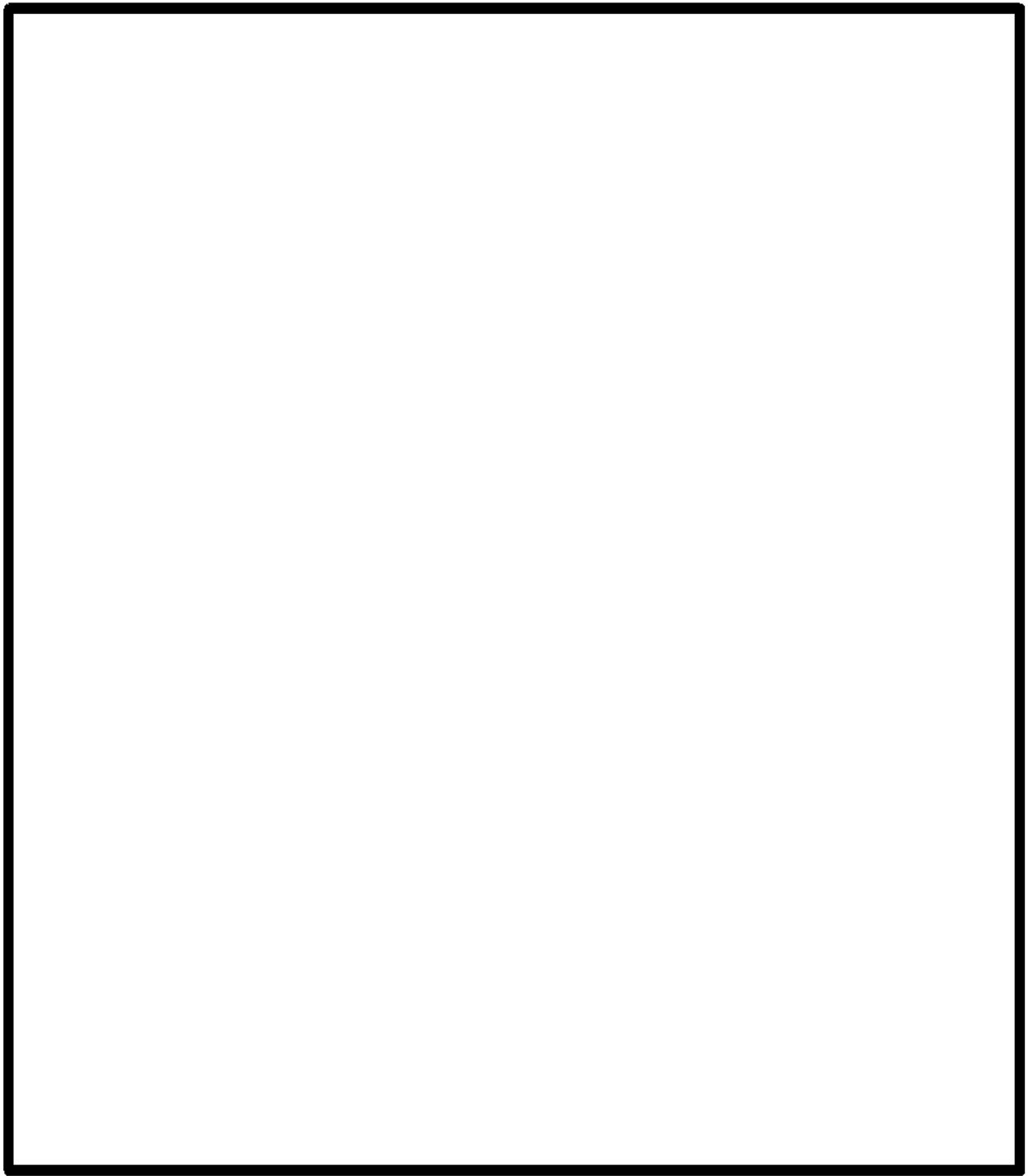






(b)(4)





[signature page follows]

IN WITNESS WHEREOF, Borrower has duly executed this Note as of the day and year first above written.

BORROWER:

3000 E. IMPERIAL, LLC,
a California limited liability company

By: _____
Name: _____
Title: _____

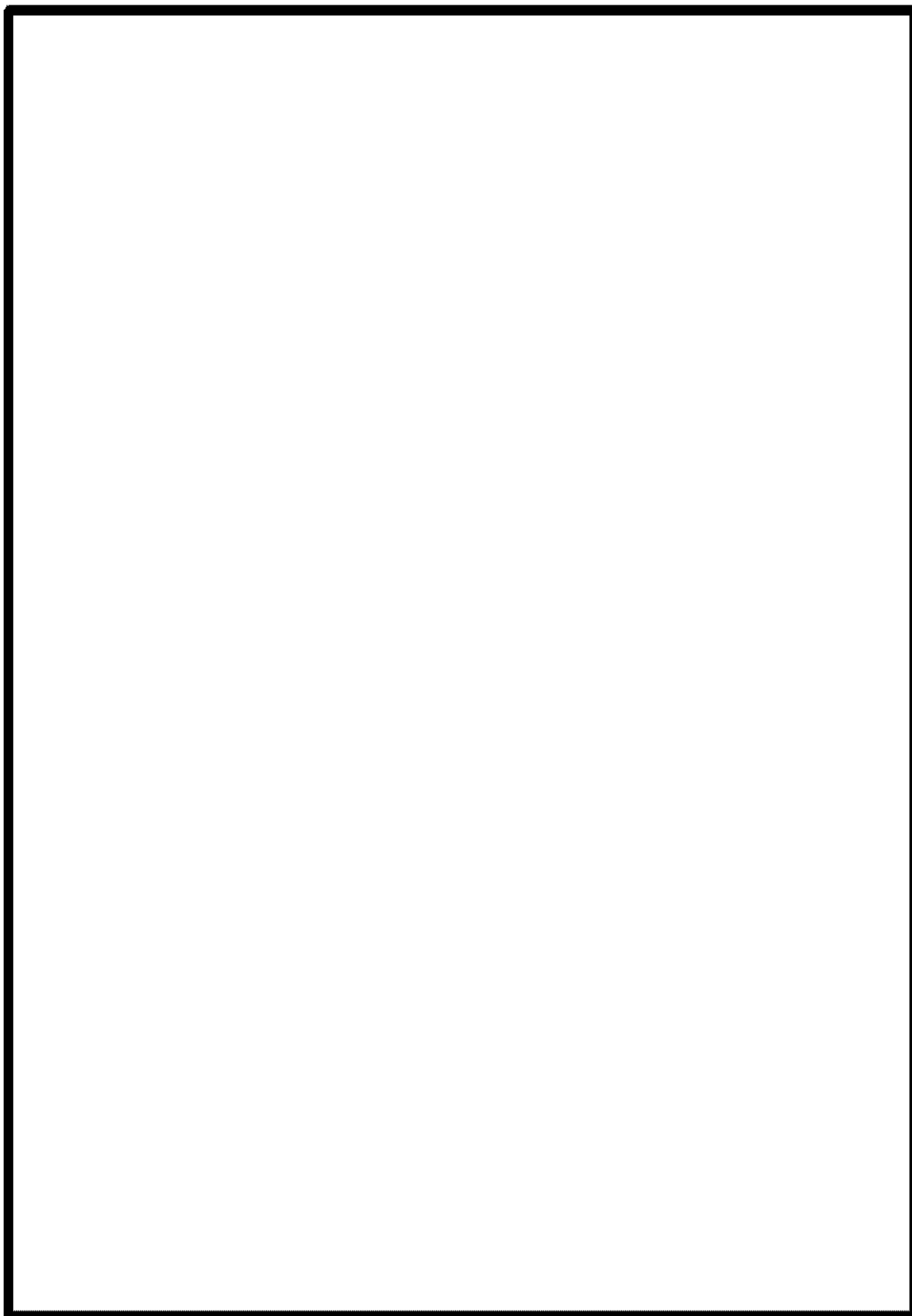
Borrower's Address:

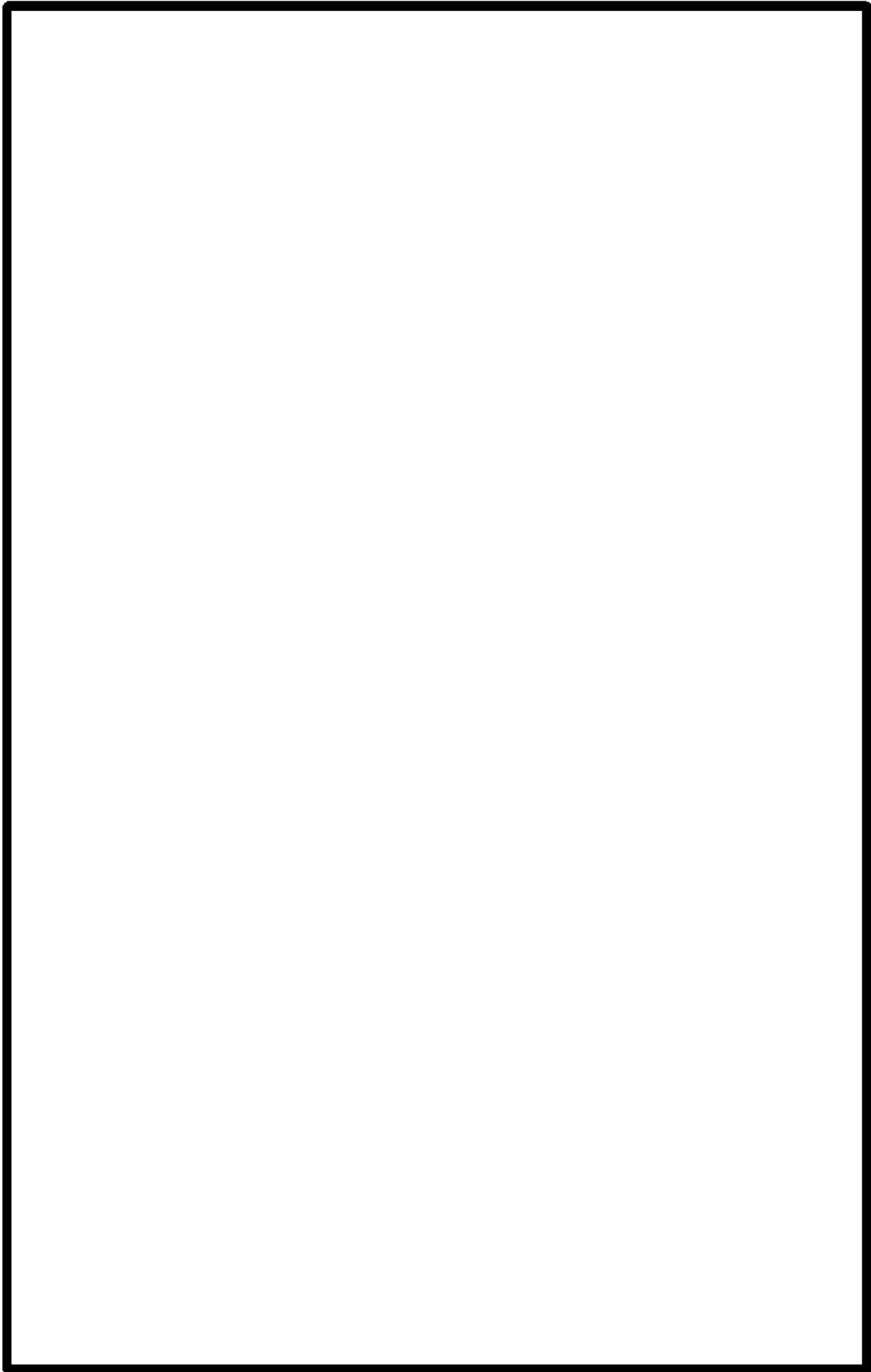
3100 E. Imperial Highway
Lynwood, California 90262
(phone) 310-631-6789
(fax) 310-631-1645

EXHIBIT "C1.f"

(b)(4)

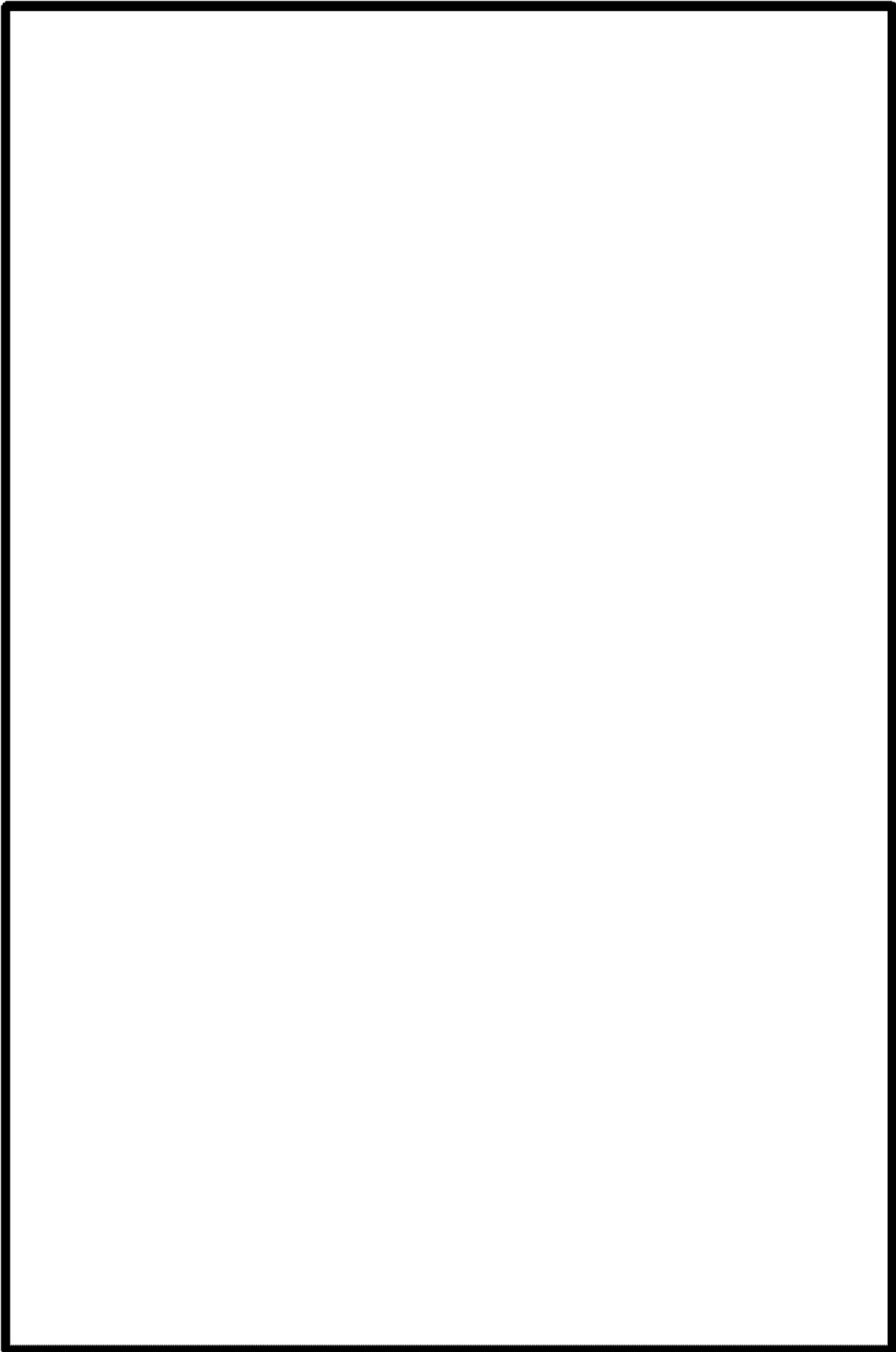
**GUARANTY
(PLAZA MEXICO RESIDENCES)**





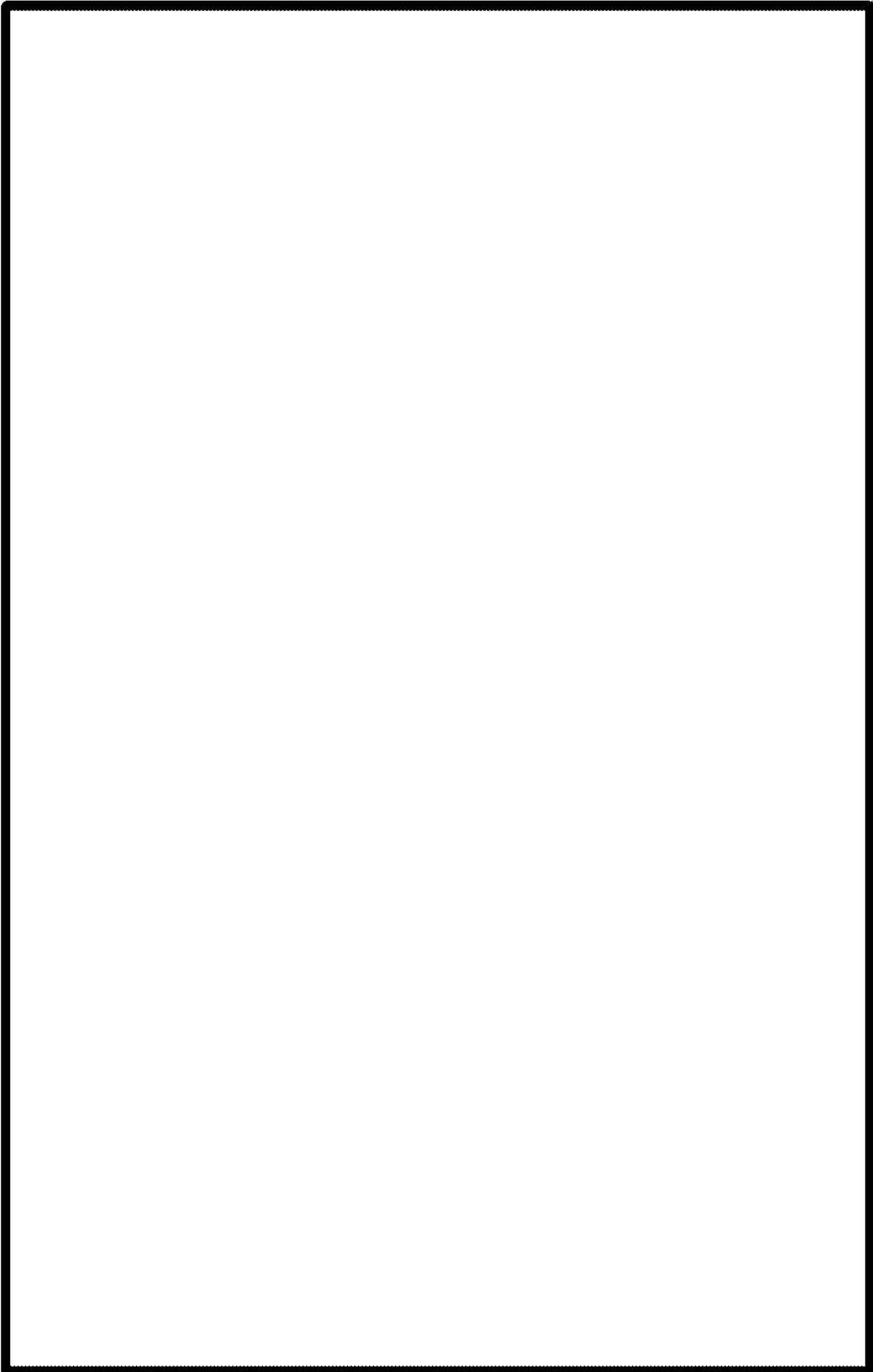


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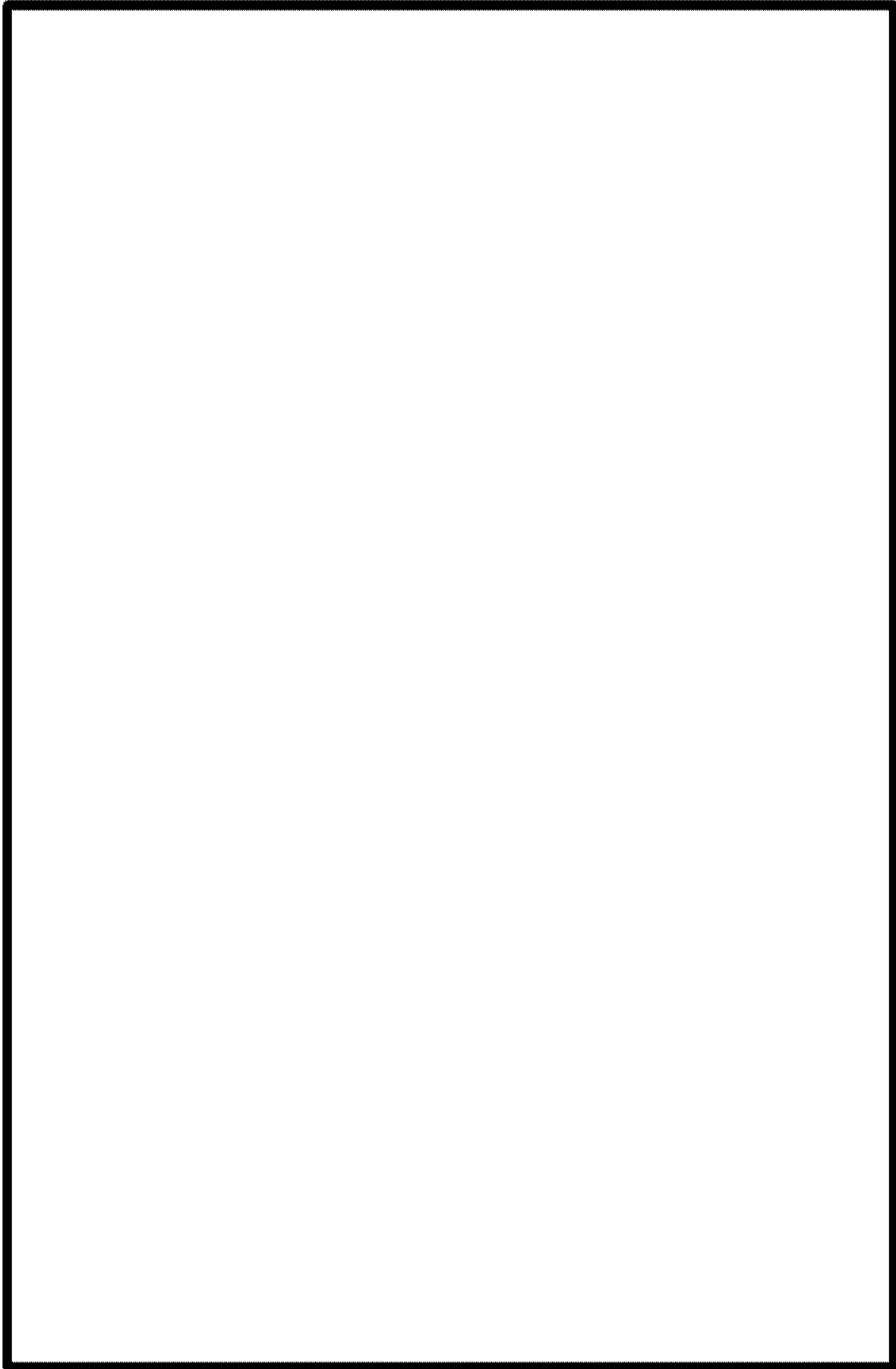


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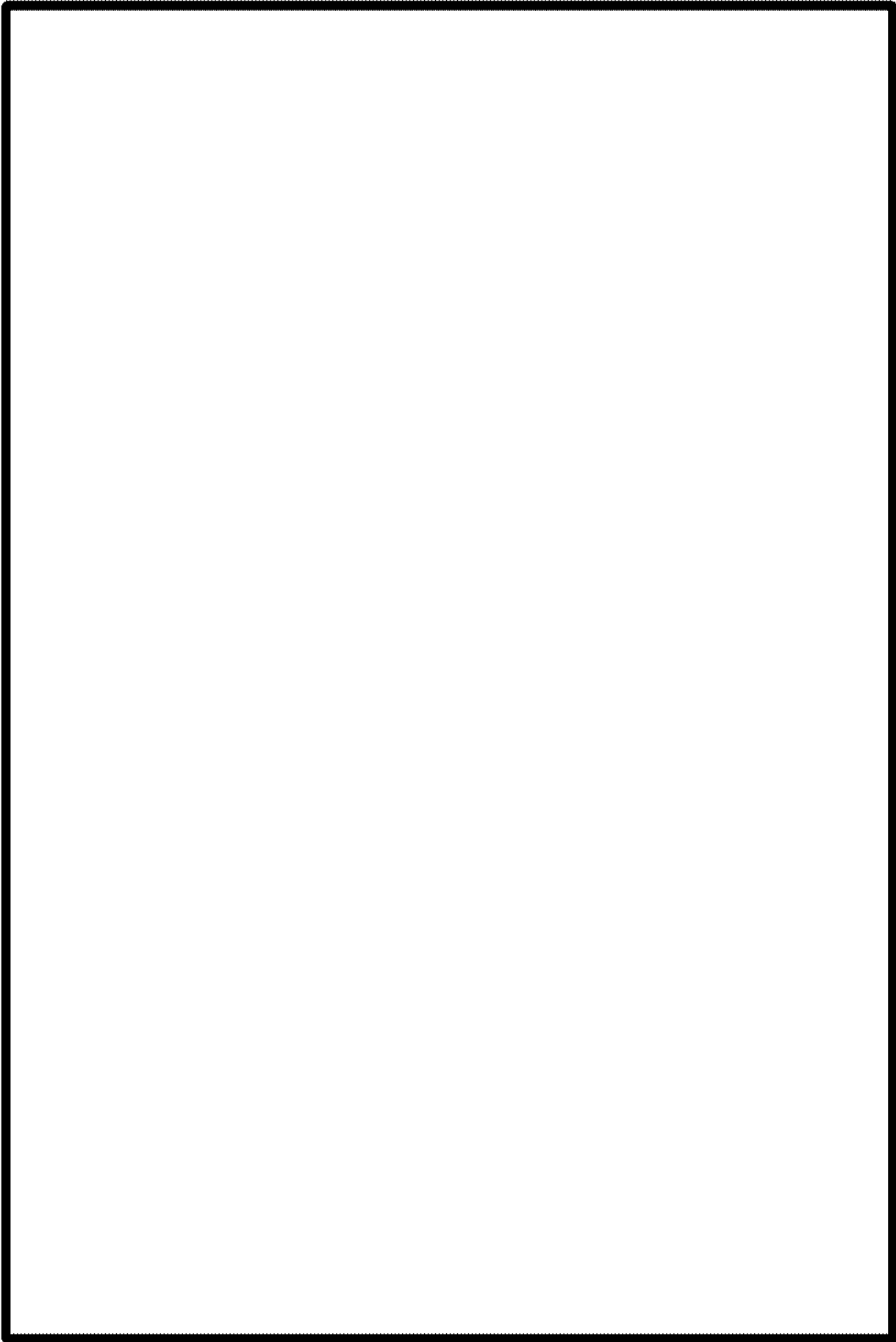


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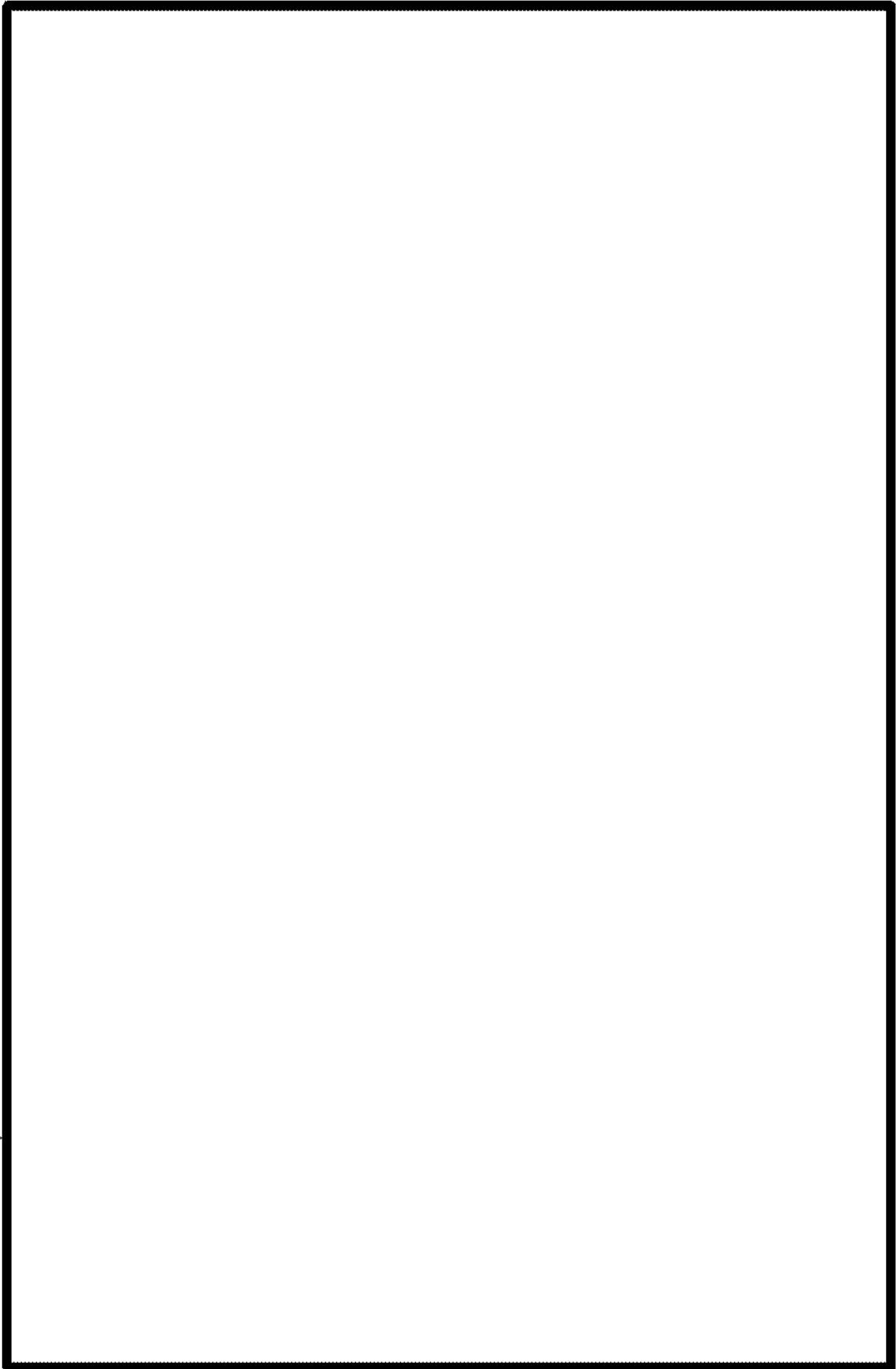


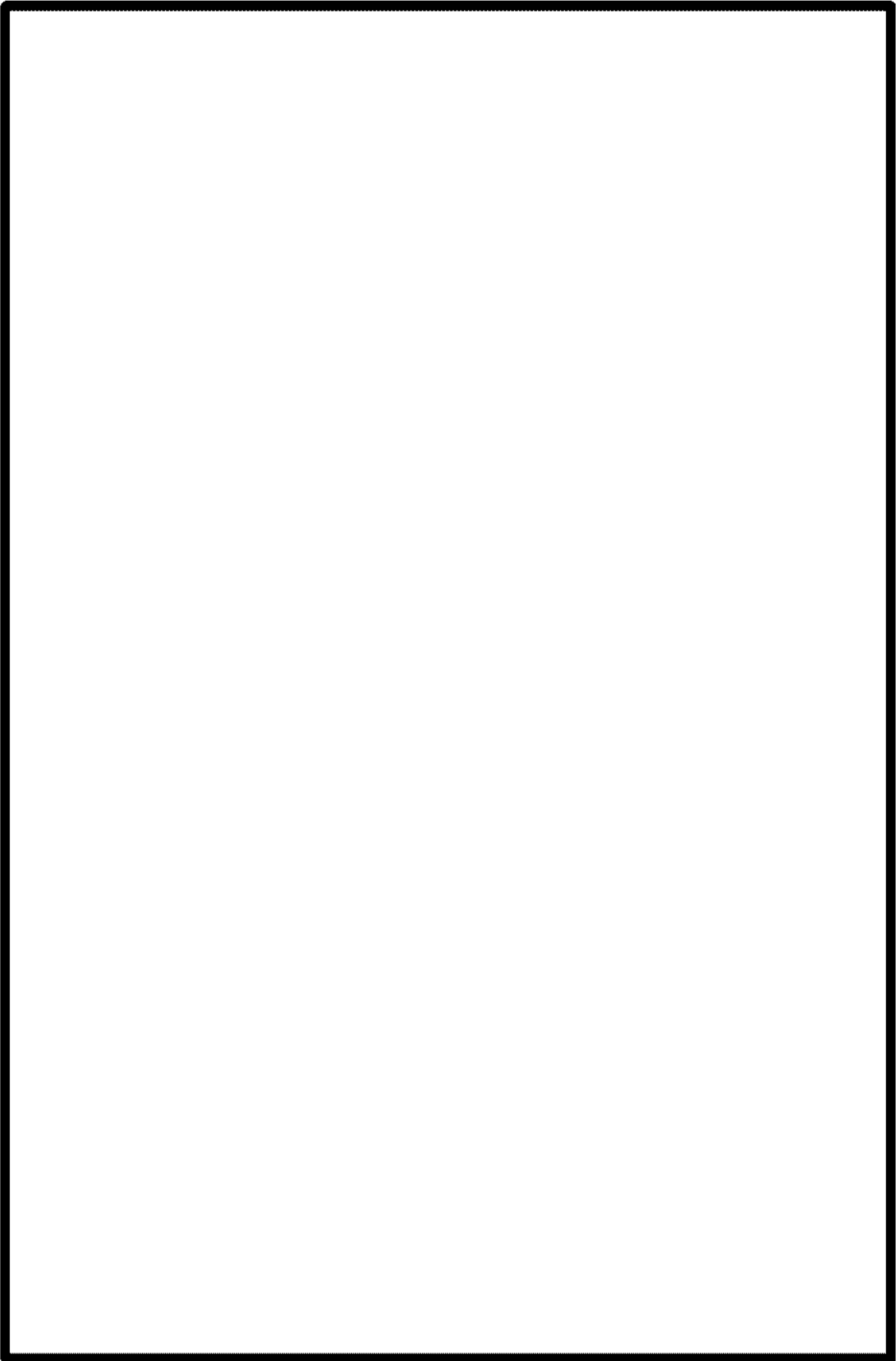
(b)(4)





(b)(4)





[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, each Guarantor has executed this Continuing Guaranty as of the day and year first above written.

GUARANTOR:

ISLT INVESTMENT, LLC,
a Delaware limited liability company

By: _____

Name: _____

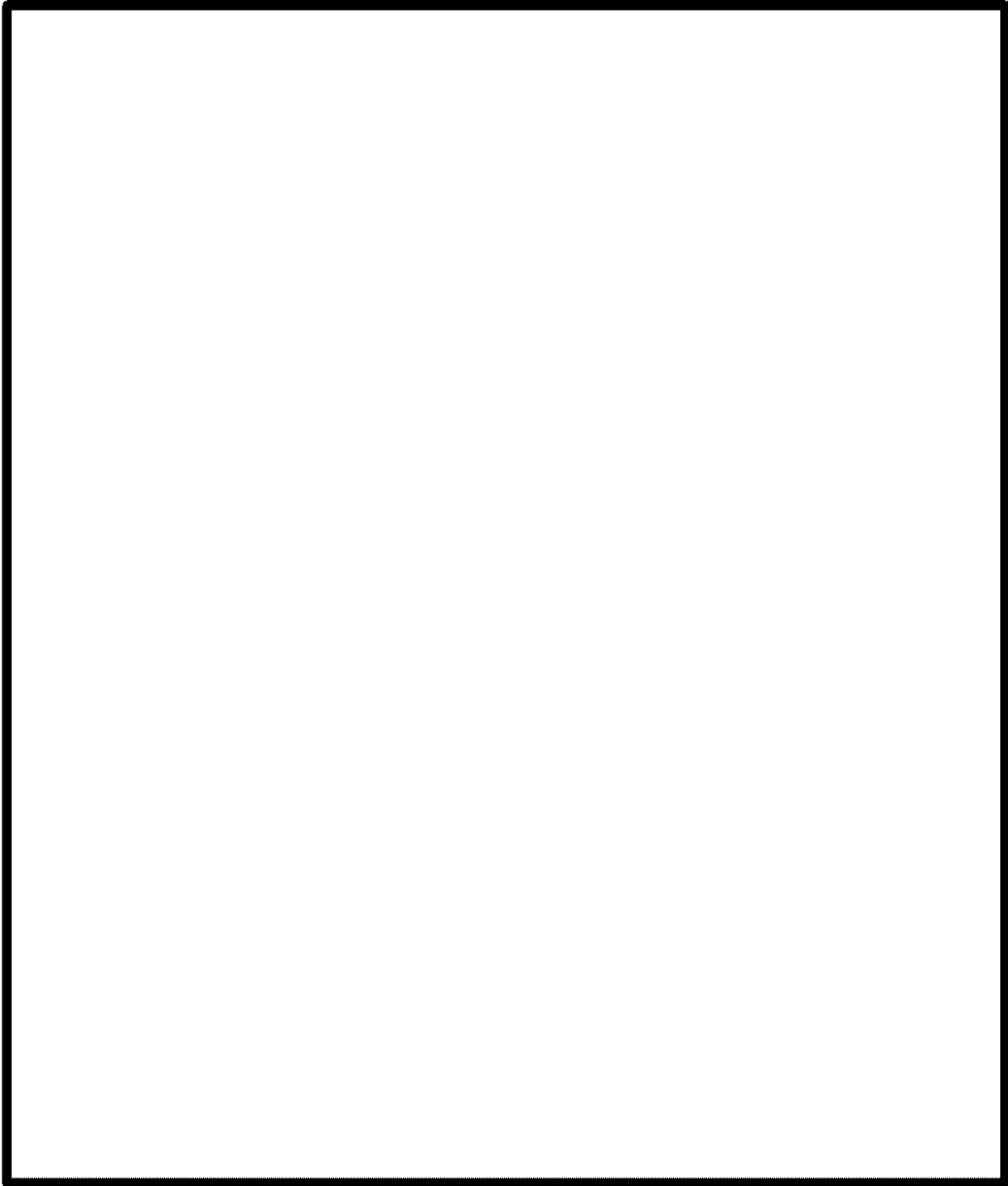
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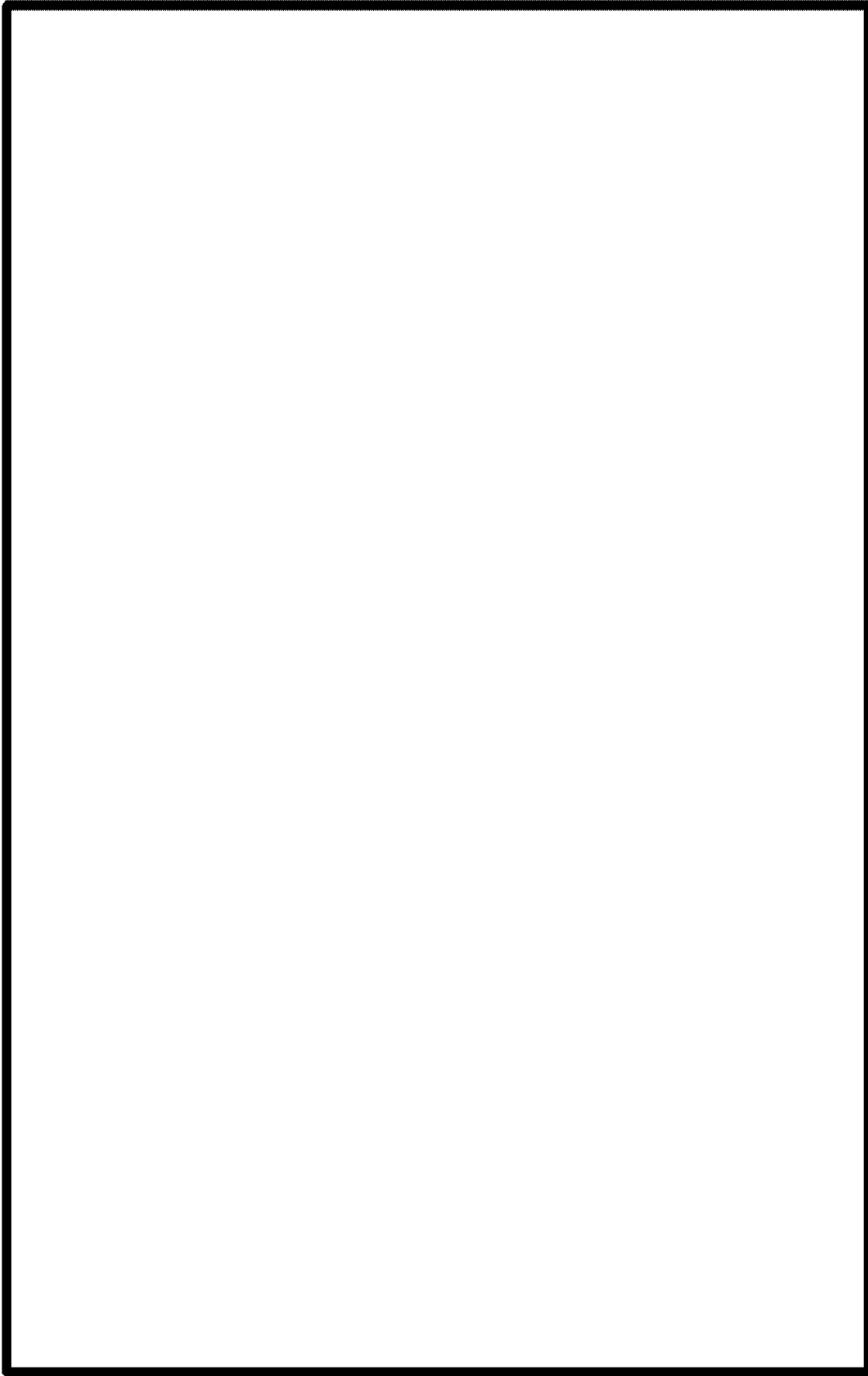
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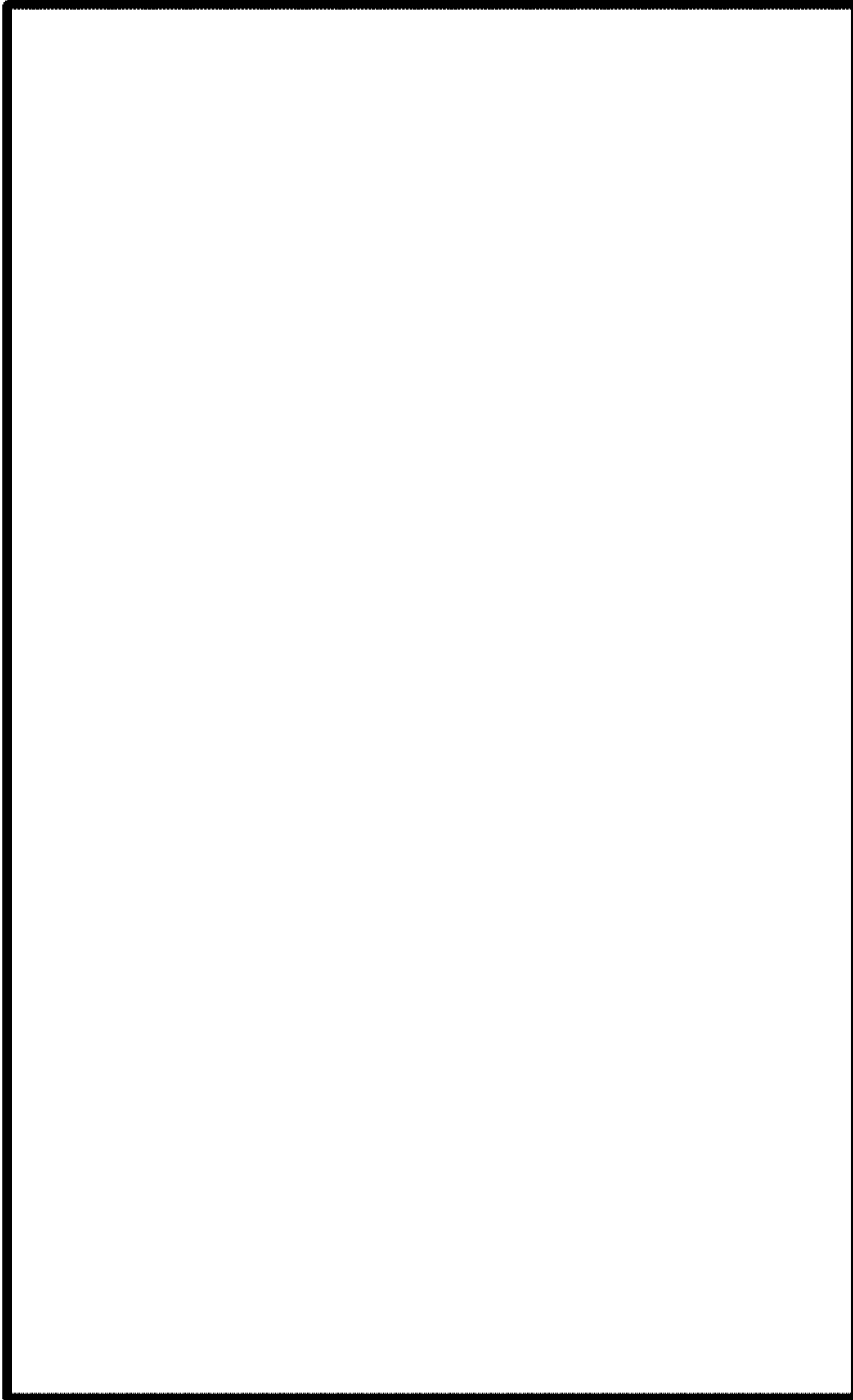
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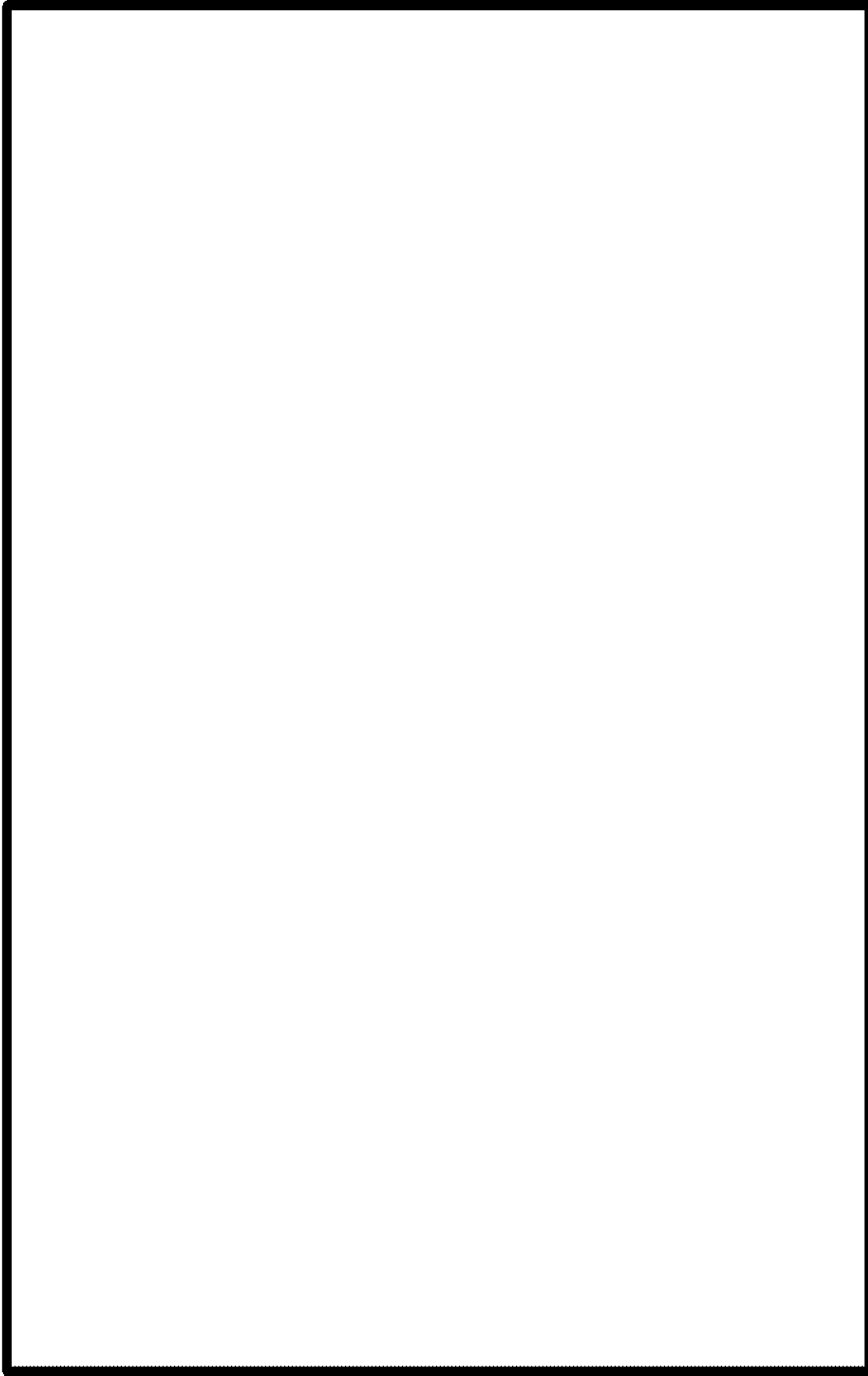
Date: _____, 2014
Escrow No.: _____

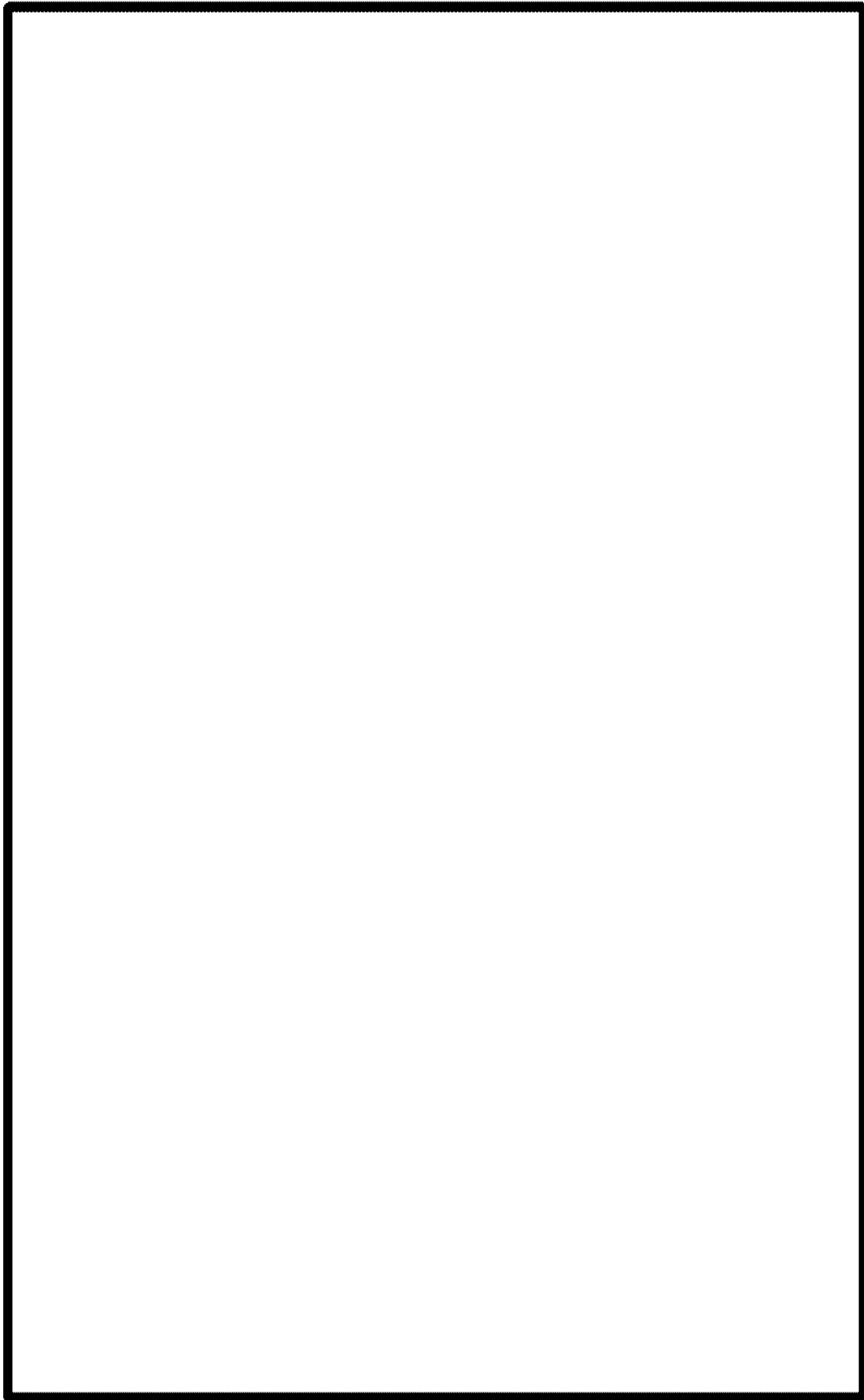
ESCROW AGREEMENT

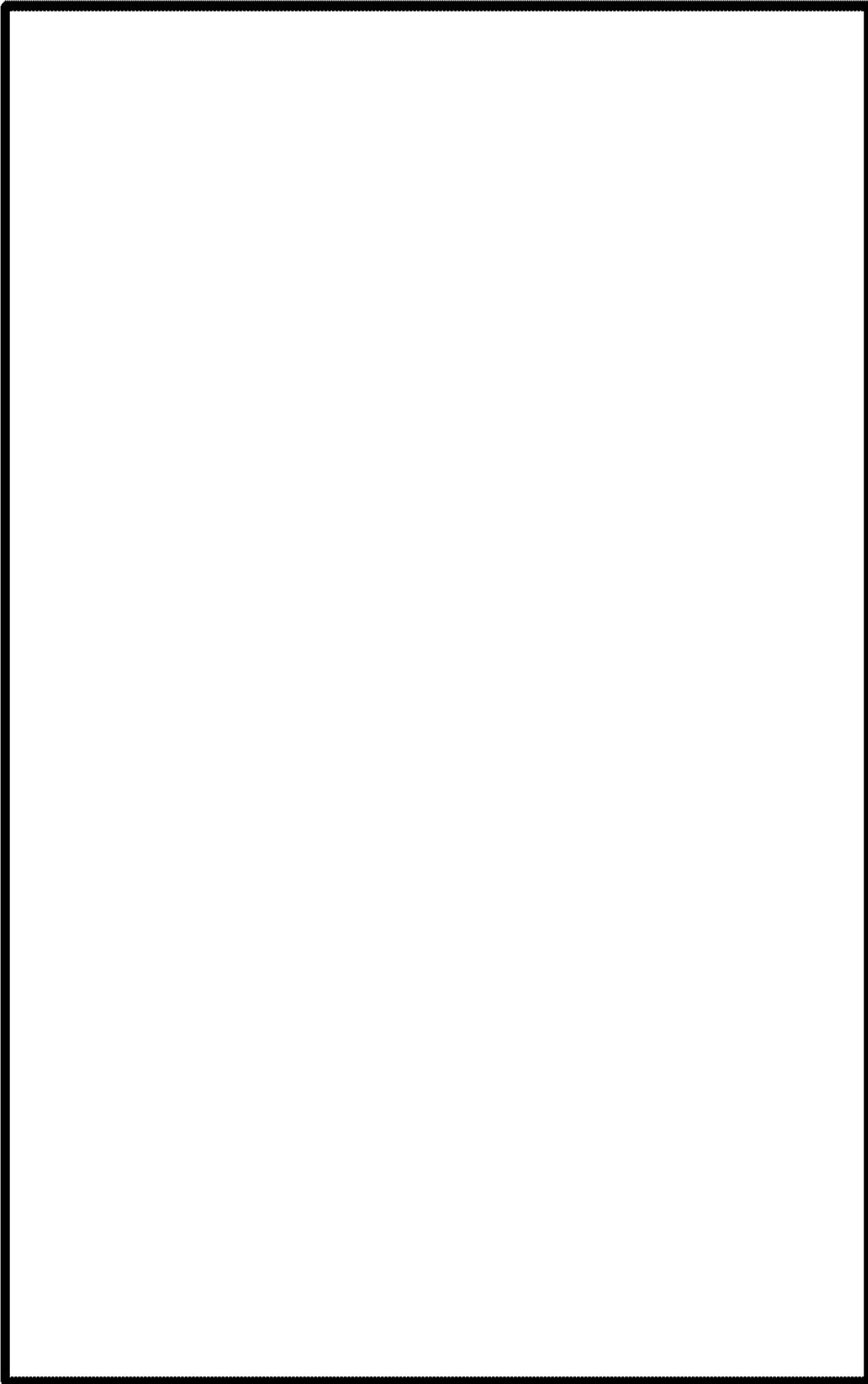


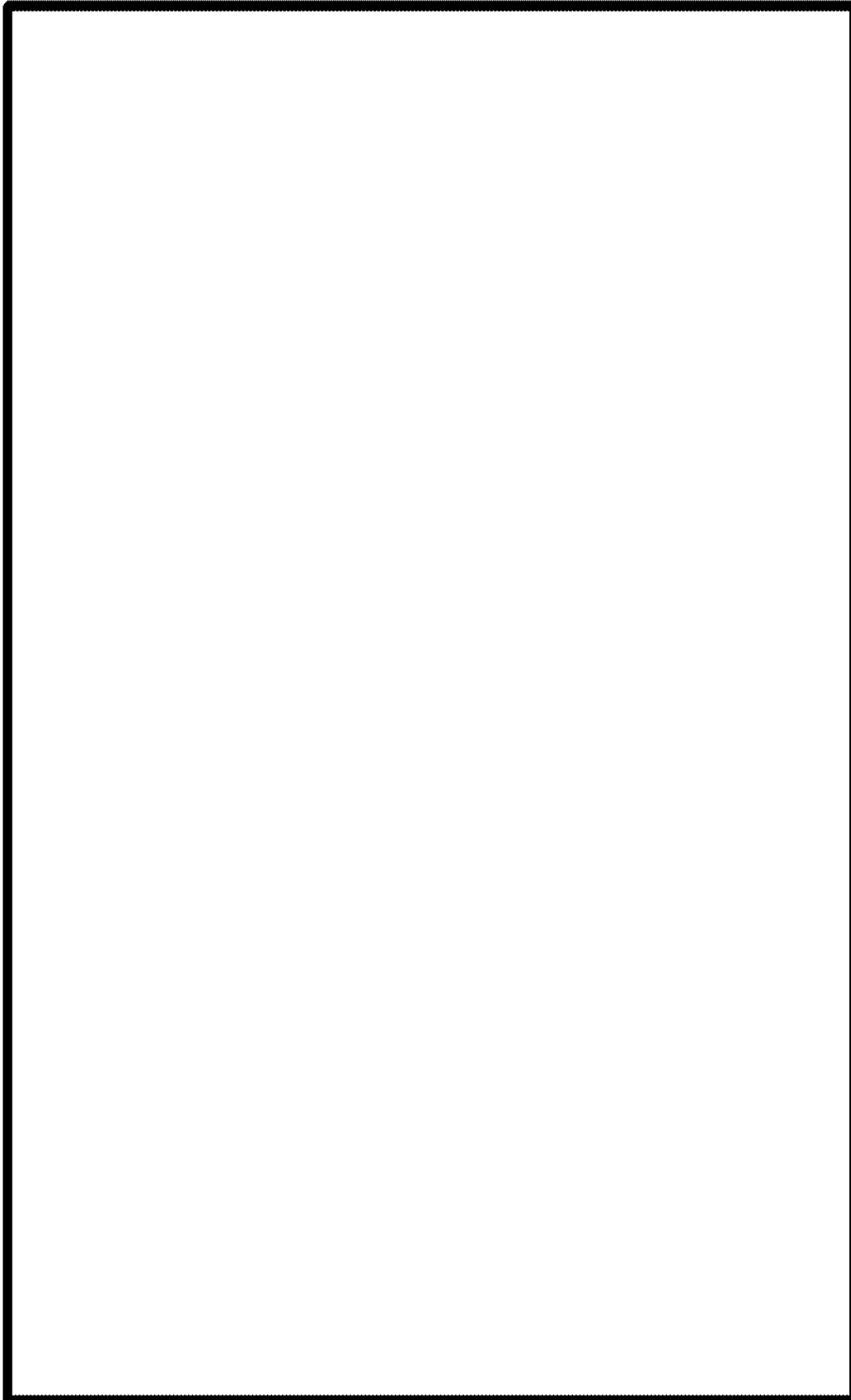


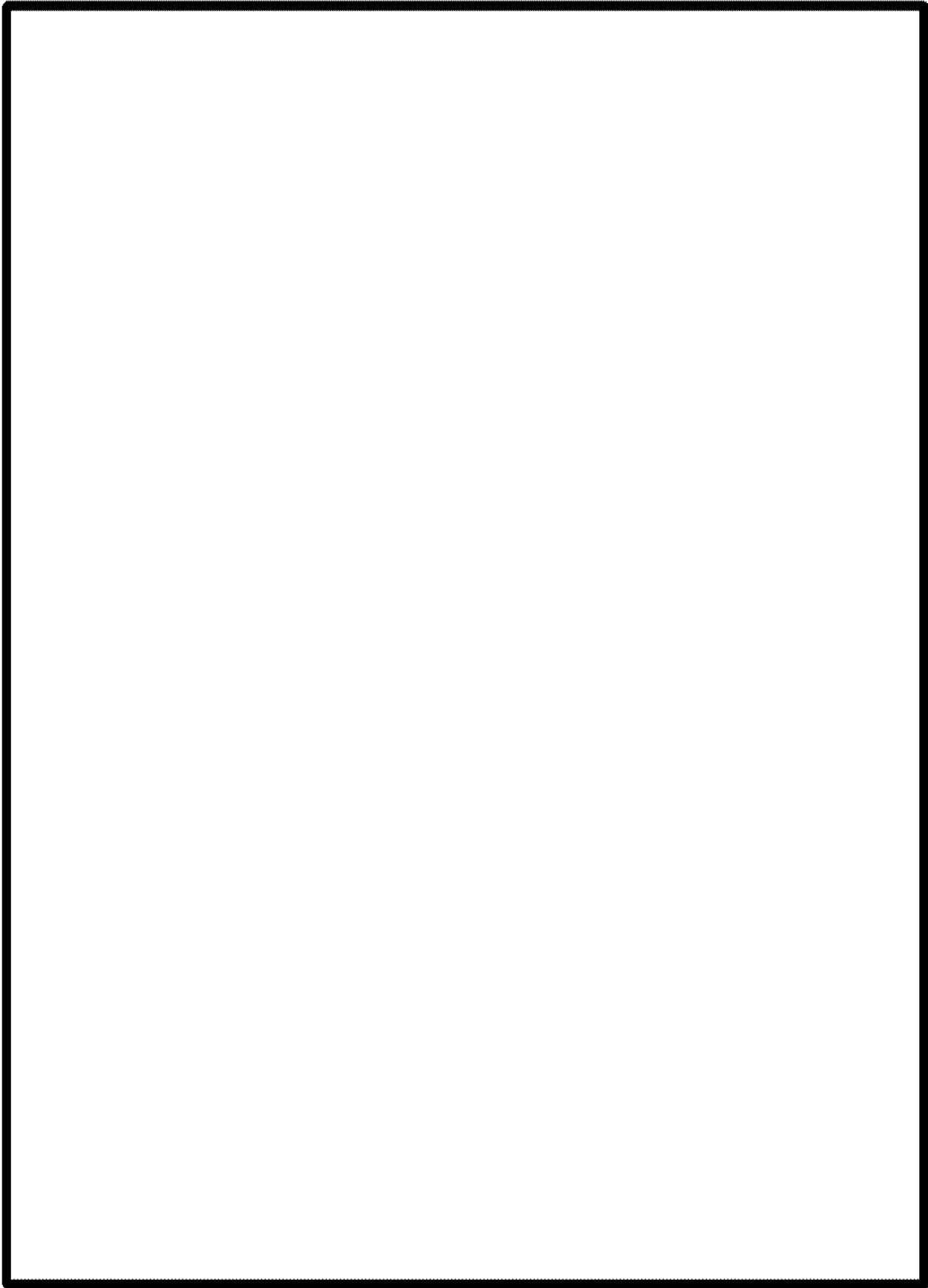


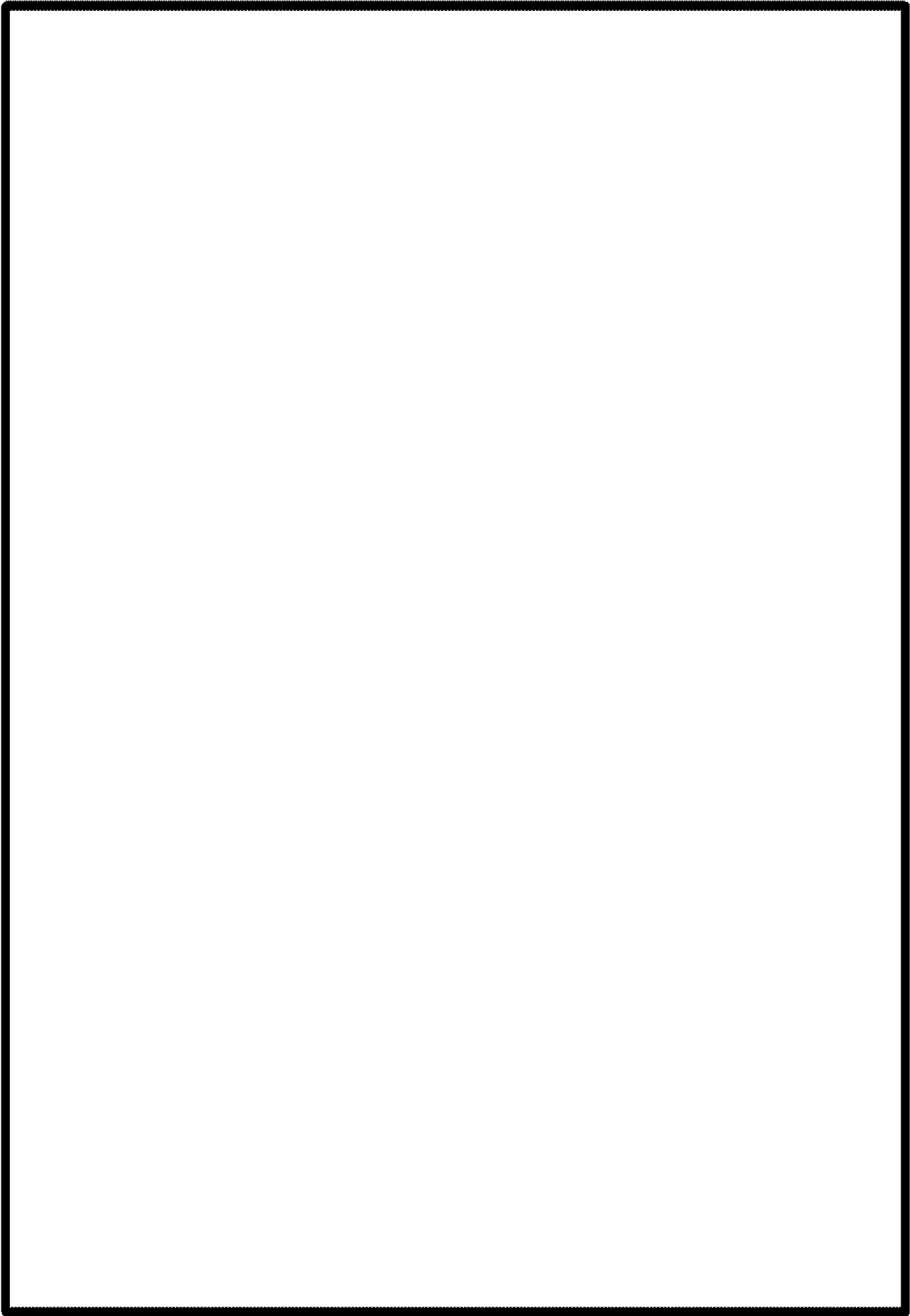


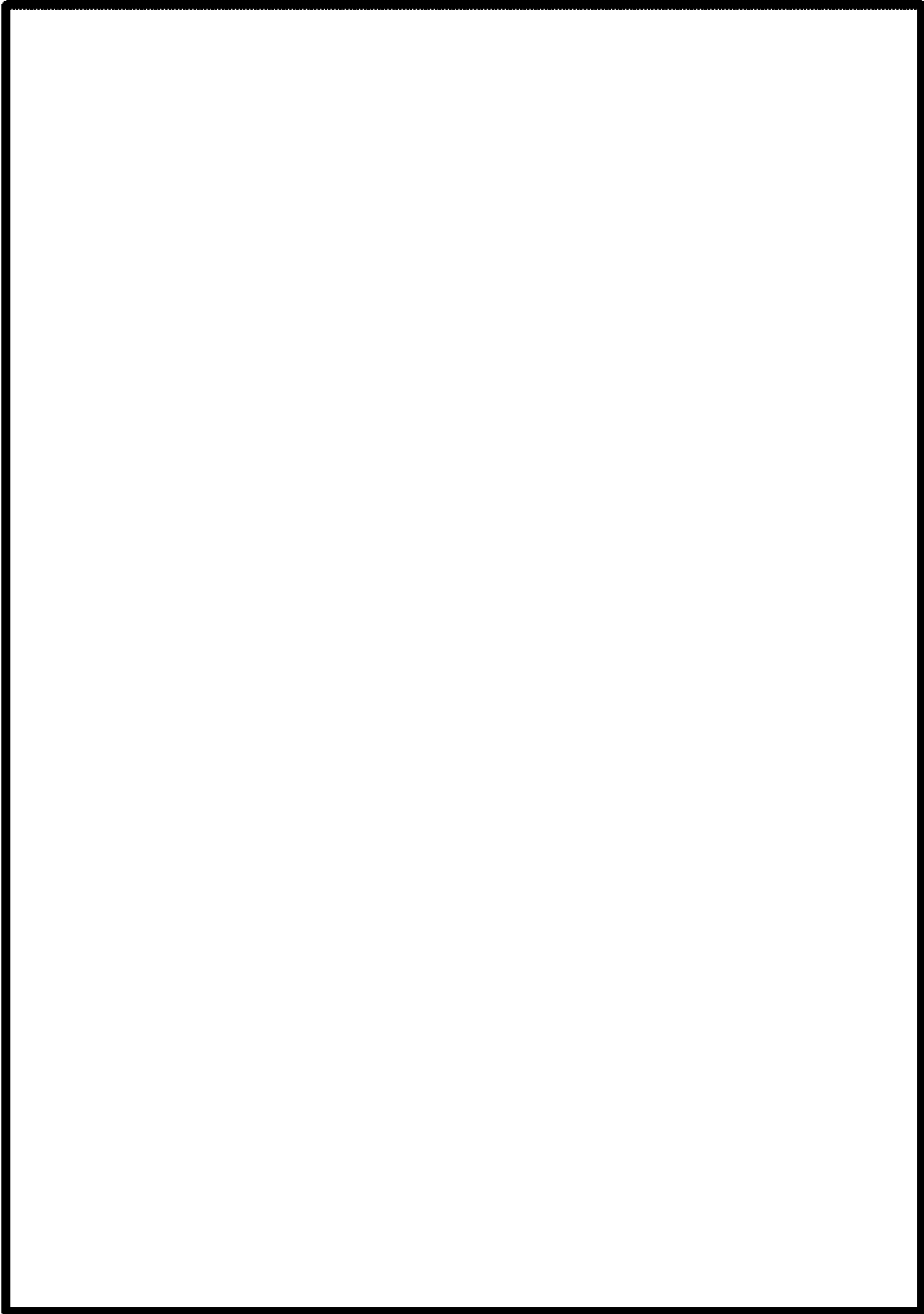


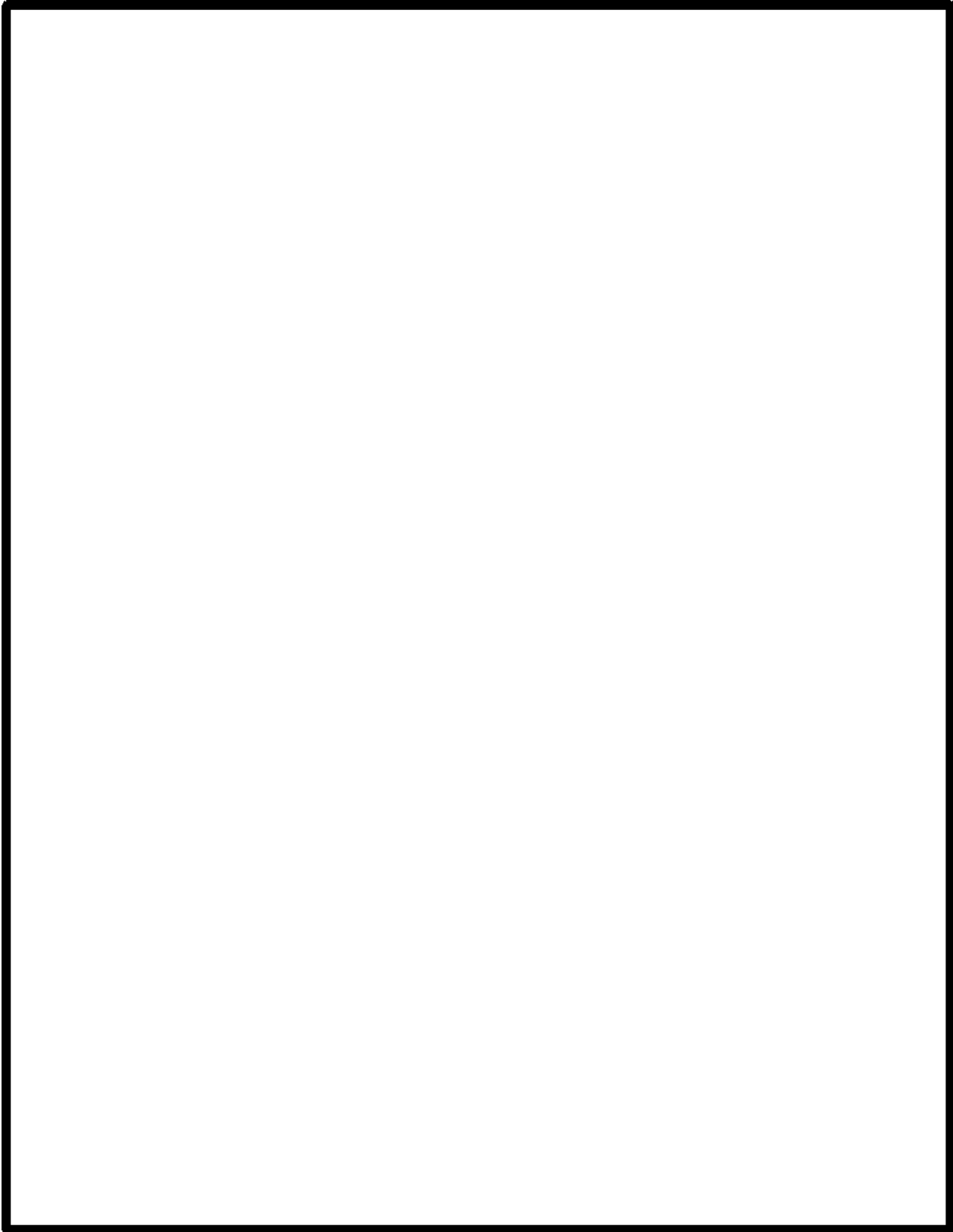












IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date set forth above.

PLAZA MEXICO RESIDENCES, LLC

By: M&D Regional Center, LLC

Its: Manager

Signature: _____

Printed Name: _____

TOWER ESCROW, INC.

Printed Name: Sunny Park

Its: Escrow Officer

Signature:

PREFERRED BANK

Printed Name: _____

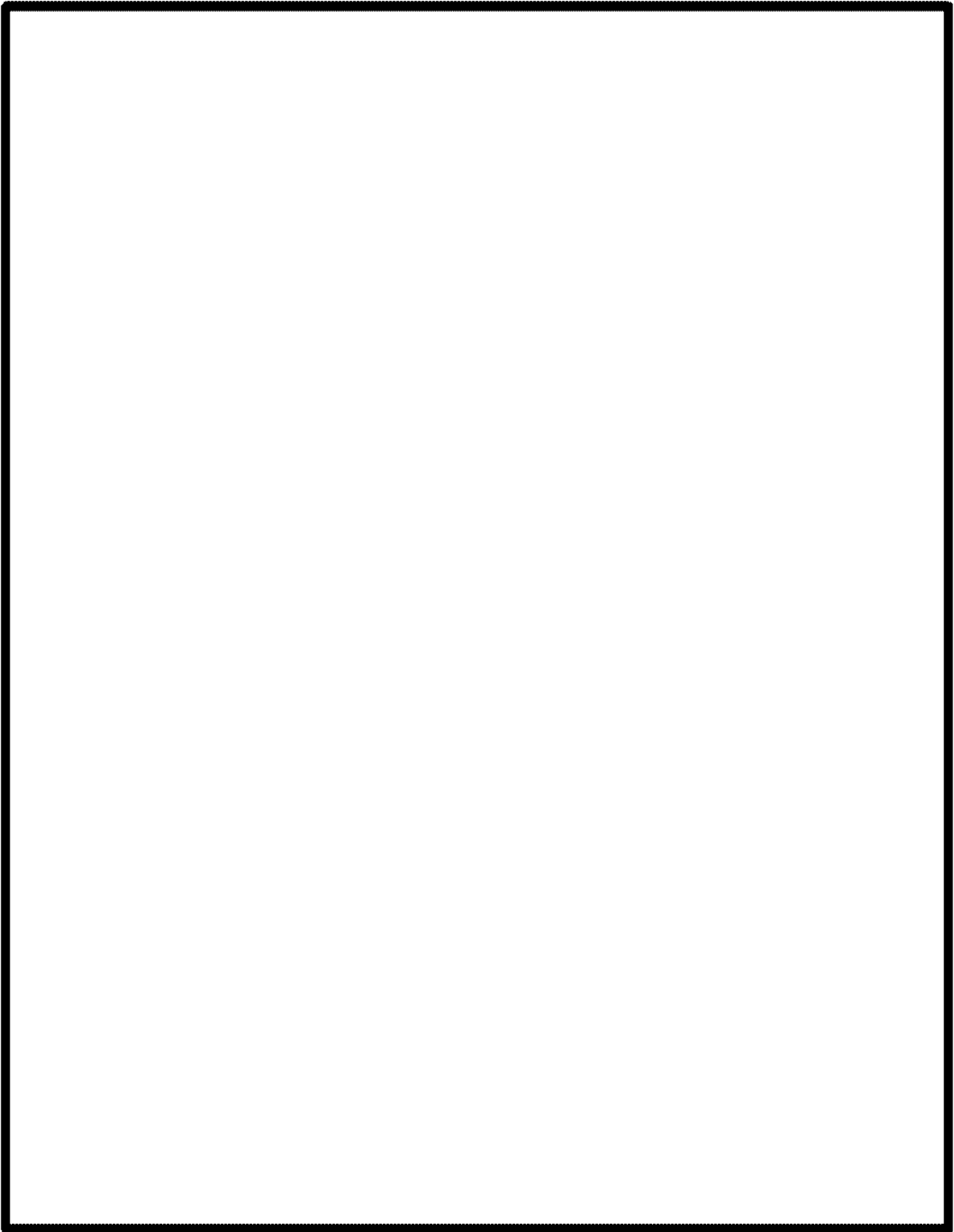
Its: _____

Signature: _____

(b)(4)

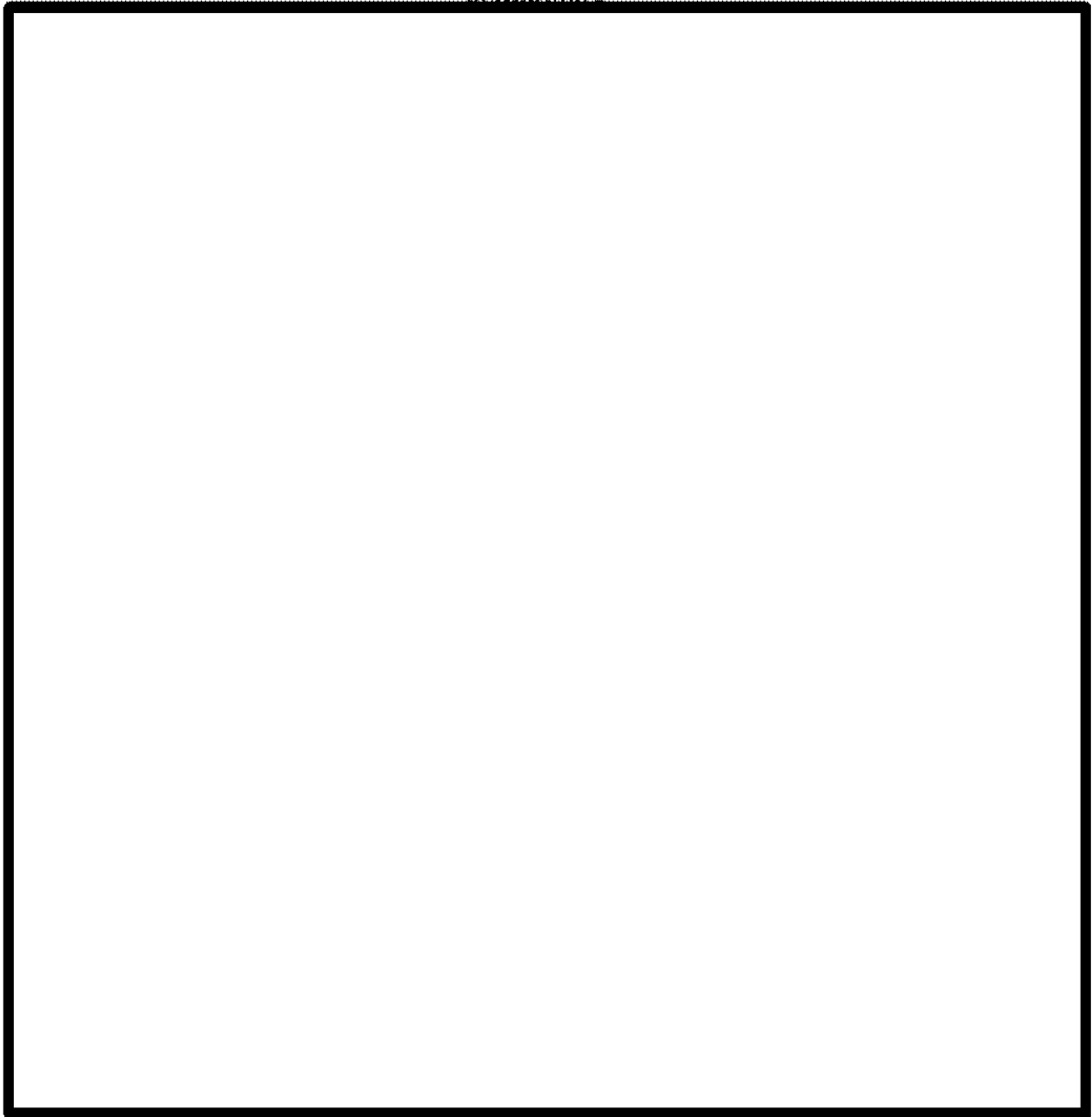
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SCHEDULE I

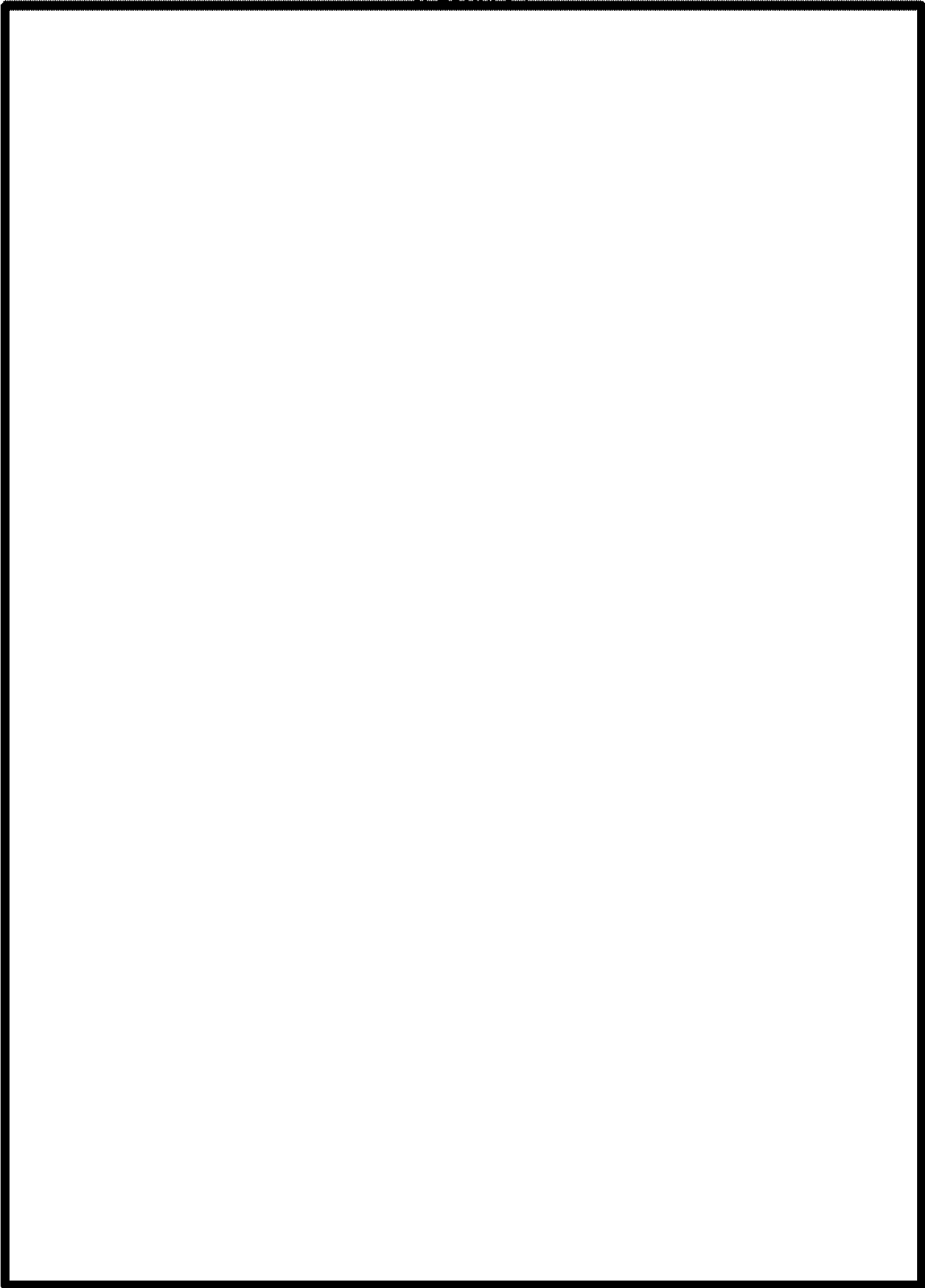


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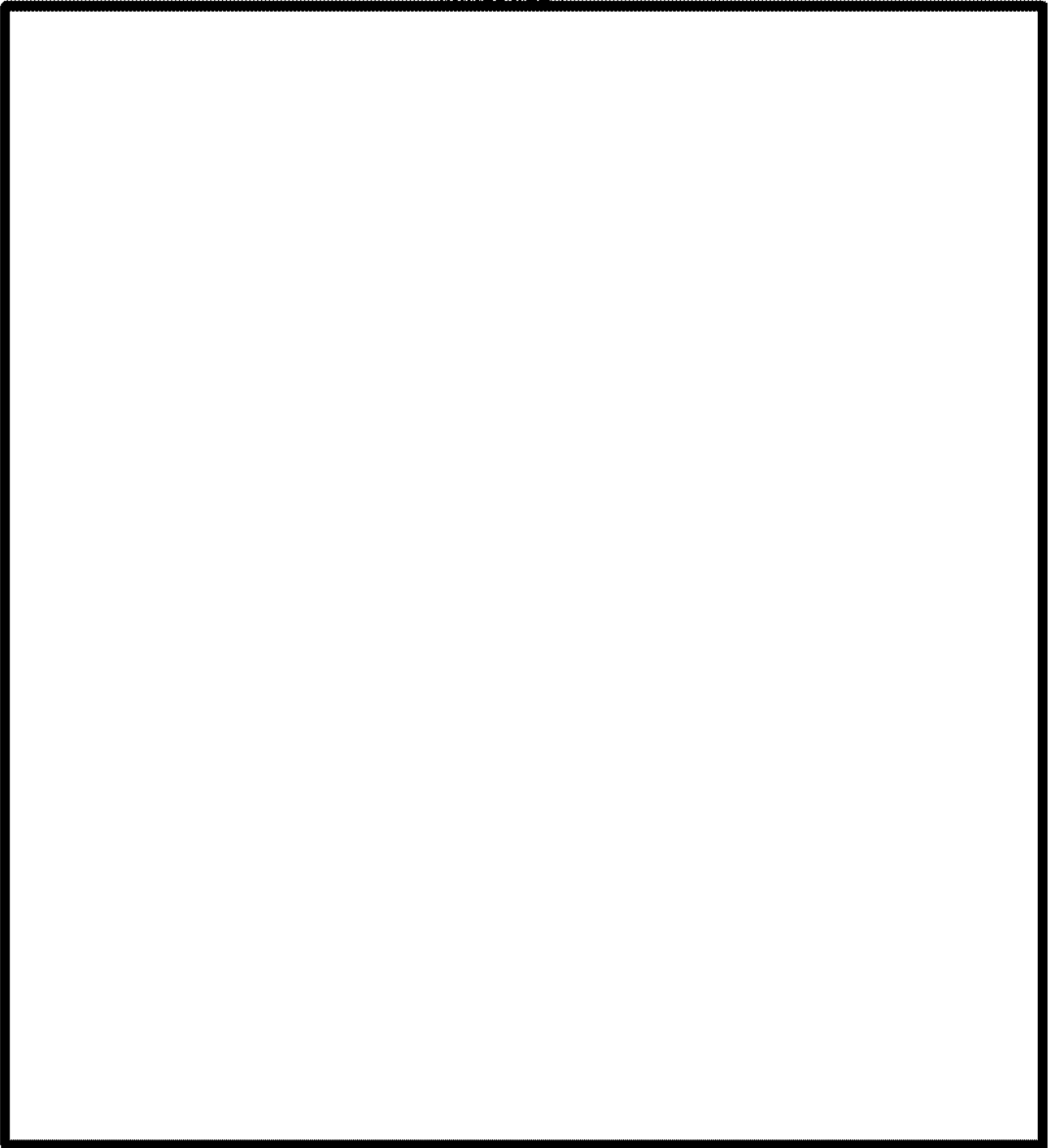
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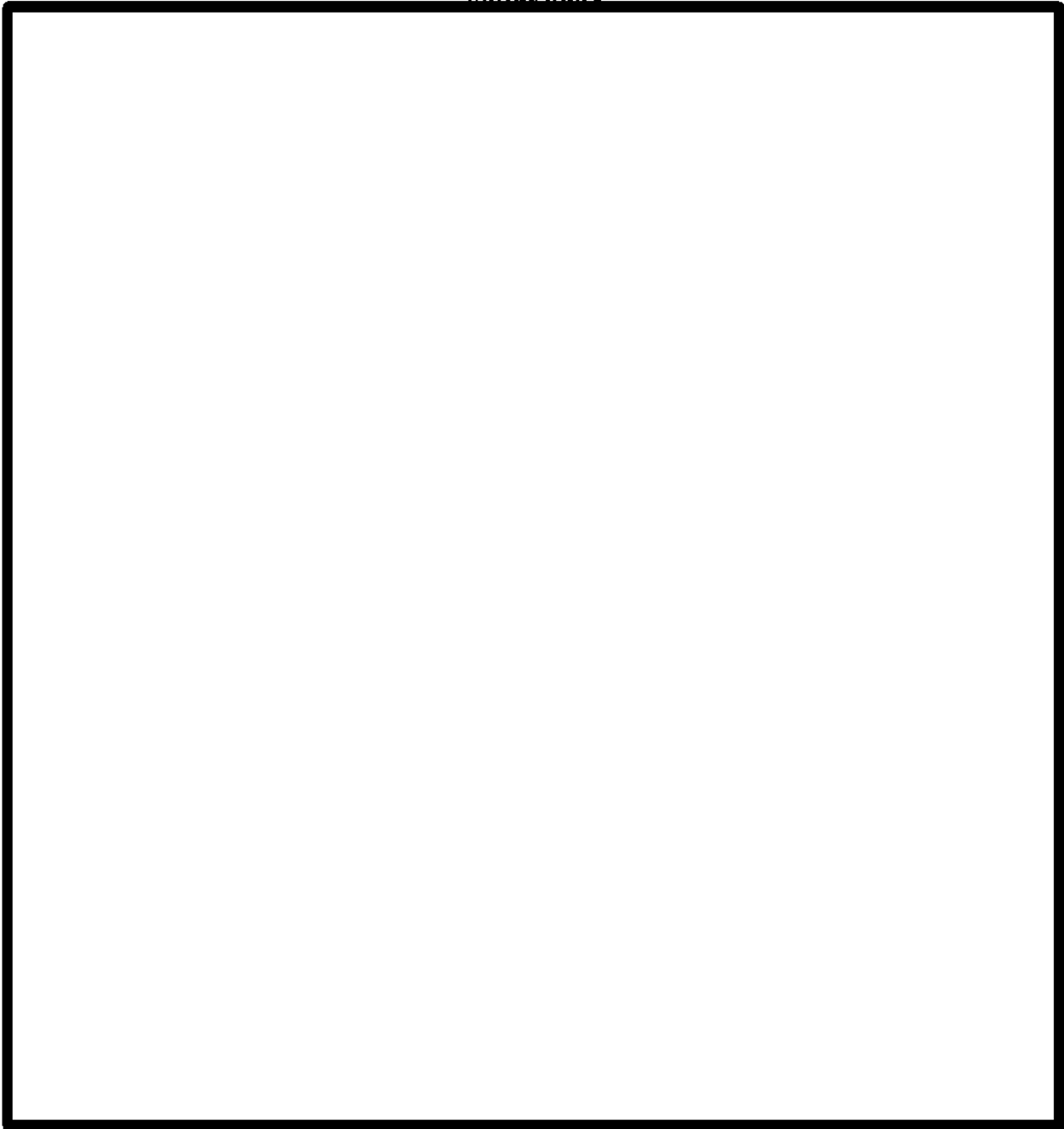
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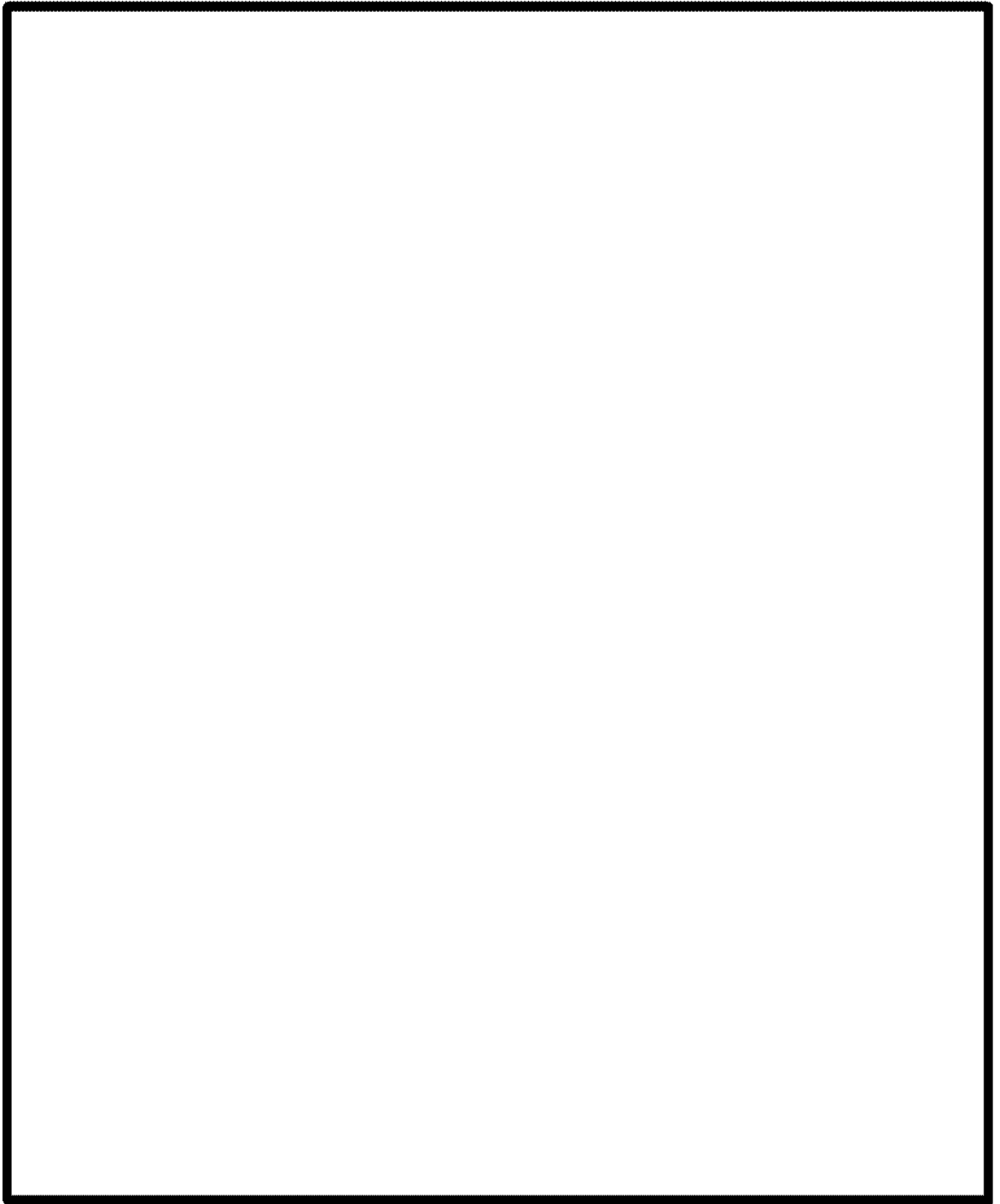
SCHEDULE 4



SCHEDULE 5



EB-5 INVESTOR ACKNOWLEDGEMENT OF ESCROW TERMS





CORPORATE CLIENT AGREEMENT

FOR USE BY CORPORATE OR OTHER ENTITY ACCOUNTS,
EXCLUDING: SOLE PROPRIETOR; NON-CORPORATE
TRUST AND ESTATE ACCOUNTS

Please read carefully, sign and return FIRM COPY
To: Oppenheimer & Co. Inc.
85 Broad Street
New York, NY 10004

In consideration of Oppenheimer & Co. Inc. ("Oppenheimer") opening or maintaining one or more accounts (each an "Account") for the undersigned (the "Client"), the Client agrees to the terms and conditions contained in this Agreement. The heading of each provision of this Agreement is for descriptive purposes only and shall not be deemed to modify or qualify any of the rights or obligations set forth in each such provision. For purposes of this Agreement, "securities and other property" means, but is not limited to, money, securities, deposits at a bank or other depository institution, financial instruments and commodities of every kind and nature and related contracts and options, except that the provisions of Paragraphs 32 and 33 herein (the arbitration clauses) shall not apply to commodities accounts. This definition includes securities or other property currently or hereafter held, carried or maintained by the Client for any purpose, in and for any of the Accounts now or hereafter opened, including any account in which the Client may have an interest and all other property usually and customarily dealt in by brokerage firms, benefits, claims, demands, rights and entitlements arising therefrom or attaching thereto, and all proceeds and distributions thereof.

1. APPLICABLE RULES AND REGULATIONS. This Agreement and its enforcement shall be governed by and construed in accordance with the laws of the State of New York without giving effect to the choice of law or conflicts of law provisions thereof. All transactions for Client's Account shall be subject to the regulations of all applicable federal, state and self-regulatory agencies, including, but not limited to, the U.S. Securities and Exchange Commission, the various securities and commodity exchanges, the Municipal Securities Rulemaking Board, the Financial Industry Regulatory Authority ("FINRA"), the Board of Governors of the Federal Reserve System, and the constitution, rules and customs of the exchange or market (and its clearing house, if any) where executed. Client agrees not to exceed the exercise limits and/or position limits set by the option exchanges, for Client's own Account, whether acting alone or in concert with others.

2. ENTIRE UNDERSTANDING AND ASSIGNMENT. This Agreement contains the entire understanding between the Client and Oppenheimer concerning the subject matter of this Agreement and supersedes any and all prior agreements between the parties concerning the subject matter herein. Client may not assign the rights and obligations hereunder without first obtaining the prior written consent of Oppenheimer.

3. SEVERABILITY. If any provision of this Agreement is held to be invalid, void or unenforceable by reason of any law, rule, administrative order or judicial decision, that determination shall not affect the validity of the remaining provisions of this Agreement.

4. WAIVER. Except as specifically permitted in this Agreement, no provision of this Agreement can be, nor be deemed to be, waived, altered, modified or amended unless such is agreed to in a writing signed by Oppenheimer and any failure by Oppenheimer to insist at any time upon strict compliance with this Agreement or with any of its terms shall not constitute or be considered a waiver by Oppenheimer of any of its rights.

5. DELIVERY OF SECURITIES. Without abrogating any of Oppenheimer's rights under any other portion of this Agreement and subject to any indebtedness of the Client to Oppenheimer, the Client may demand to receive physical delivery of fully-paid securities in his/her account. If physical certificates are not available, such security positions will be

electronically transferred to an account in the Client's name at the applicable transfer agent. Oppenheimer may, but shall not be obligated to, charge the Client for such activities.

6. LIENS. All securities and other property of the Client in any account in which the Client has an interest shall be subject to a lien for the discharge of any and all indebtedness or any other obligation of the Client to Oppenheimer. All securities and other property of the Client shall be held by Oppenheimer as security for the payment of any such obligations or indebtedness to Oppenheimer in any Account that the Client may have an interest, and Oppenheimer subject to applicable law may, at any time and without prior notice to the Client, use and/or transfer any or all securities and other property interchangeably in any Account(s) in which the Client has an interest. In enforcing such lien or security interest, Oppenheimer shall have the discretion to determine which property is to be sold and the order in which it is to be sold and shall have, in addition to all other rights and remedies available to it, all the rights and remedies available to a secured party under the New York Uniform Commercial Code, in effect from time to time.

7. PLEDGE OF SECURITIES AND OTHER PROPERTY. Within the limitations imposed by applicable laws, rules and regulations, all securities and other property of the Client may be pledged and repledged and hypothecated and rehypothecated by Oppenheimer from time to time, without notice to the Client, either separately or in common with such other securities and other property of other bona fide Clients of Oppenheimer, for any amount due to Oppenheimer in the Client's Account(s). Oppenheimer may do so without retaining in its possession, or under its control for delivery, a like amount of similar securities or other property. The Client's ability to exercise certain attendant rights of ownership with respect to such pledged or hypothecated securities, including, without limitation, the exercise of any voting rights, may be limited. Additionally, Client will be at risk of losing Client's qualified dividend status and consequently, any preferential tax rates on dividends.

8. INTEREST. Debit balances of the Account(s) of the Client shall be charged with interest in accordance with Oppenheimer's established custom, as disclosed to the Client pursuant to the provisions of Rule 10b-16 of the Securities Exchange Act of 1934. Attached to Client's copy of this agreement is the Disclosure Statement, which the Client should read and retain. By signing this Agreement, Client acknowledges that it has read the Disclosure Statement and understands the type, amount and manner of interest that will be charged on all debit balances.

9. MARGIN. When the Client purchases securities, the Client may pay for the securities in full or, in Oppenheimer's discretion, borrow from Oppenheimer part of the purchase price. If the Client chooses to borrow funds from Oppenheimer, the Client will need to open a margin account. The securities purchased are Oppenheimer's collateral for its loan of funds to the Client. If the securities in the Client's account decline in value, so does the value of the collateral supporting the loan, and as a result, Oppenheimer can, and sometimes must, take action, such as issue a margin call and/or sell securities or other assets in any of the Client's accounts held at Oppenheimer in order to maintain the required equity in the account relative to the value of the account and the amount borrowed. The Client agrees to maintain in all accounts with Oppenheimer such positions and margins as required by all applicable statutes, rules, regulations, procedures and custom, or as Oppenheimer deems necessary or advisable. The Client further agrees to promptly satisfy all margin and maintenance calls. It is the general policy of Oppenheimer to require margin Clients to maintain at least a 35% margin, although a higher margin percentage applies for certain securities (including stocks and corporate bonds trading at or below a specified price as determined from time to time by Oppenheimer, and put or call options), and a lower margin percentage applies for certain other securities (including Government and municipal securities and corporate bonds trading at or above a specified price as determined from time to time by Oppenheimer). Oppenheimer always reserves the right to require additional margin any time it deems this desirable. Margin calls can be satisfied by the deposit of additional securities and/or funds.

10. MARGIN RISK DISCLOSURES. IT IS POSSIBLE TO LOSE MORE FUNDS THAN ARE DEPOSITED IN A MARGIN ACCOUNT. A DECLINE IN THE VALUE OF SECURITIES THAT ARE PURCHASED IN THE CLIENT'S MARGIN ACCOUNT MAY REQUIRE THAT THE CLIENT DEPOSIT ADDITIONAL FUNDS INTO THE CLIENT'S MARGIN ACCOUNT IN ORDER TO AVOID THE FORCED SALE OF THOSE SECURITIES OR OTHER SECURITIES OR ASSETS IN THE CLIENT'S ACCOUNT. ALTHOUGH OPPENHEIMER MAY, IN CERTAIN LIMITED CIRCUMSTANCES, GRANT AN EXTENSION OF TIME TO MEET MARGIN REQUIREMENTS, THE CLIENT IS NOT ENTITLED TO ANY EXTENSION OF TIME AND UNDERSTANDS THAT IT DOES NOT HAVE ANY RIGHT TO SAME.

11. DISCLOSURES REGARDING LIQUIDATIONS AND COVERING POSITIONS. THE CLIENT SHOULD CLEARLY UNDERSTAND THAT, NOTWITHSTANDING A GENERAL POLICY OF GIVING CLIENTS NOTICE OF A MARGIN DEFICIENCY, OPPENHEIMER IS NOT OBLIGATED TO REQUEST ADDITIONAL MARGIN FROM THE CLIENT IN THE EVENT THE CLIENT'S ACCOUNT FALLS BELOW MINIMUM MAINTENANCE REQUIREMENTS. MORE IMPORTANTLY, THERE MAY WILL BE CIRCUMSTANCES WHERE OPPENHEIMER WILL LIQUIDATE SECURITIES AND/OR OTHER PROPERTY IN ANY OF THE CLIENT'S ACCOUNTS, IN ITS DISCRETION AND WITHOUT NOTICE TO THE CLIENT, TO ENSURE THAT MINIMUM MAINTENANCE REQUIREMENTS ARE SATISFIED. THE CLIENT WILL BE RESPONSIBLE FOR ANY DEBIT IN THE ACCOUNT AFTER A SALE TO MEET THE MINIMUM MAINTENANCE REQUIREMENTS. FURTHER, THE CLIENT UNDERSTANDS THAT THE CLIENT IS NOT ENTITLED TO CHOOSE WHICH SECURITIES OR ASSETS ARE LIQUIDATED OR SOLD TO MEET A MARGIN CALL.

12. LIQUIDATIONS AND COVERING POSITIONS. OPPENHEIMER SHALL HAVE THE RIGHT, IN ACCORDANCE WITH ITS GENERAL POLICIES REGARDING MARGIN MAINTENANCE REQUIREMENTS, WHICH ARE SUBJECT TO CHANGE IN ITS DISCRETION WITHOUT NOTICE TO CLIENT, TO: [1:] REQUIRE ADDITIONAL COLLATERAL OR [2:] TO LIQUIDATE ANY SECURITIES AND OTHER PROPERTY WHENEVER, IN OPPENHEIMER'S DISCRETION, OPPENHEIMER CONSIDERS IT NECESSARY FOR ITS PROTECTION INCLUDING, BUT NOT LIMITED TO: THE FAILURE OF THE CLIENT TO PROMPTLY MEET ANY CALL FOR ADDITIONAL COLLATERAL; THE FILING OF A PETITION IN BANKRUPTCY BY OR AGAINST THE CLIENT; THE APPOINTMENT OF A RECEIVER IS FILED BY OR AGAINST CLIENT; AN ATTACHMENT IS LEVIED AGAINST ANY ACCOUNT OF THE CLIENT OR IN WHICH THE CLIENT HAS AN INTEREST; OR THE CLIENT'S DEATH. IN SUCH EVENT, OPPENHEIMER IS AUTHORIZED TO SELL ANY AND ALL SECURITIES AND OTHER PROPERTY IN ANY ACCOUNT OF THE CLIENT, TO BUY ALL SECURITIES OR OTHER PROPERTY WHICH MAY BE SHORT IN SUCH ACCOUNT(S), TO CANCEL ANY OPEN ORDERS AND TO CLOSE ANY OR ALL OUTSTANDING CONTRACTS, ALL WITHOUT DEMAND FOR MARGIN OR ADDITIONAL MARGIN, OTHER NOTICE OF SALE OR PURCHASE, OR OTHER NOTICE OR ADVERTISEMENT, EACH OF WHICH IS EXPRESSLY WAIVED BY THE CLIENT. ANY SUCH SALES OR PURCHASES MAY BE MADE AT OPPENHEIMER'S DISCRETION ON ANY EXCHANGE OR OTHER MARKET WHERE SUCH BUSINESS IS USUALLY TRANSACTED OR AT PUBLIC AUCTION OR PRIVATE SALE, AND OPPENHEIMER MAY BE THE PURCHASER FOR OPPENHEIMER'S OWN ACCOUNT. IT IS UNDERSTOOD THAT A PRIOR DEMAND OR CALL, OR PRIOR NOTICE OF THE TIME AND PLACE OF SUCH SALE OR PURCHASE, SHALL NOT BE CONSIDERED A WAIVER OF OPPENHEIMER'S RIGHT TO SELL OR BUY WITHOUT DEMAND OR NOTICE AS HEREIN PROVIDED.

13. SATISFACTION OF INDEBTEDNESS. The Client agrees to satisfy, upon demand, any indebtedness, and to pay any debit balance remaining when the Client's Account is closed. Client Account(s) may not be closed without Oppenheimer first receiving all securities and other property for which the Account is short and all funds to pay in full for all securities and other property in which the Account(s) are long, including any interest charges accrued thereon.

14. TRANSACTIONS AND SETTLEMENTS. All orders for the purchase or sale of securities and other property will be authorized by the Client and executed with the understanding that an actual purchase or sale is intended and that it is the Client's intention and obligation in every case to deliver certificates or commodities to cover any and all sales or to pay for any purchase upon Oppenheimer's demand. If Oppenheimer makes a short sale of any securities and other property at the Client's direction or if the Client fails to deliver to Oppenheimer any securities and other property that Oppenheimer has sold at the Client's direction, Oppenheimer is authorized to borrow the securities and other property necessary to enable Oppenheimer to make delivery and the Client agrees to be responsible for any cost or loss Oppenheimer may incur, or the cost of obtaining the securities and other property if Oppenheimer is unable to borrow it. Oppenheimer is the Client's agent to complete all such transactions and is authorized to make advances and expend monies as are required.

15. SALES BY CLIENT. The Client understands and agrees that any order to sell "short" will be designated as such by the Client, and that Oppenheimer will mark the order as "short". A "short" sale means any sale of a security not owned by the seller or any sale that is consummated by delivery of a borrowed security. The Client agrees that all other sell orders will be for securities owned ("long"), at that time, by the Client. The designation on a sale order as "long" is a representation by the Client that the Client owns the security. By placing the order the Client affirms that he/she will deliver the securities on or before the settlement date. In the event of non-delivery, the Client agrees to settlement as described in Paragraph 14.

16. RESTRICTIONS ON TRADING. The Client understands that Oppenheimer may, in its sole discretion, prohibit or restrict trading of securities or substitution of securities in any of the Client's Account(s).

17. ORAL AUTHORIZATIONS. The Client agrees that Oppenheimer shall incur no liability in acting upon any oral instructions given to Oppenheimer concerning the Client's Account(s), provided such instructions reasonably appear to be genuine.

18. CREDIT INFORMATION AND INVESTIGATION. The Client authorizes Oppenheimer to obtain reports concerning the Client's credit standing and business conduct at Oppenheimer's discretion. Upon the Client's request, Oppenheimer will inform the Client whether it has obtained credit reports, and if it has, Oppenheimer will inform the Client of the name and address of the consumer reporting agency that furnished the reports to Oppenheimer.

19. OPPENHEIMER AS AGENT. The Client understands that Oppenheimer is acting as the Client's agent, unless Oppenheimer notifies the Client in writing before the settlement date for the transactions that Oppenheimer is acting as a dealer for its own account or as agent for some other person.

20. FEES. The Client understands that it may be subject to certain fees associated with the maintenance of the Client's Account(s). By signing this Agreement, the Client acknowledges that it has received, read and understands the Disclosure Statement accompanying this Agreement.

21. TEMPORARY INVESTMENT OF FREE CREDIT BALANCES; PRINCIPAL AND INTEREST PAYMENTS. If Client's Account is eligible, Client authorizes, but does not require, Oppenheimer to automatically invest on a periodic basis the free credit balances in Client's Account ("Sweep Transactions"), including interest and dividends paid to Client, in mutually selected money market funds or deposit accounts at certain banks or other depository institutions at which Oppenheimer maintains an omnibus account in the name of Oppenheimer as agent for its clients ("Advantage Bank Deposit Program"), or in the absence of an oral or written selection by Client, in either pre-selected money market funds or the Advantage Bank Deposit Program ("Cash Investment Options"). Client understands that Oppenheimer may terminate Client's automatic cash investment account if Client's Account becomes inactive for a period of 90 days and/or if the credit balance falls below a stated minimum balance. Oppenheimer is not required to remit interest or dividends to Client on a daily basis. Oppenheimer may redeem money market shares, or withdraw the amounts invested in the Advantage Bank Deposit Program, without



Office	Account Number	FA

PRIOR, ON OR SUBSEQUENT TO THE DATE HEREOF, SHALL BE DETERMINED BY ARBITRATION. ANY ARBITRATION UNDER THIS AGREEMENT SHALL BE CONDUCTED PURSUANT TO THE FEDERAL ARBITRATION ACT AND THE LAWS OF THE STATE OF NEW YORK, BEFORE FINRA AND IN ACCORDANCE WITH ITS RULES THEN IN FORCE. THE AWARD OF THE ARBITRATORS, OR OF THE MAJORITY OF THEM, SHALL BE FINAL, AND JUDGMENT UPON THE AWARD

RENDERED MAY BE ENTERED IN ANY COURT, STATE OR FEDERAL, HAVING JURISDICTION.

NO PERSON SHALL BRING A PUTATIVE OR CERTIFIED CLASS ACTION TO ARBITRATION, NOR SEEK TO ENFORCE ANY PRE-DISPUTE ARBITRATION AGREEMENT AGAINST ANY PERSON WHO HAS INITIATED IN COURT A PUTATIVE CLASS ACTION; WHO IS A MEMBER OF A PUTATIVE CLASS WHO HAS NOT OPTED OUT OF THE CLASS WITH RESPECT TO ANY CLAIMS ENCOMPASSED BY THE PUTATIVE CLASS ACTION UNTIL: (i) THE CLASS CERTIFICATION IS DENIED, (ii) THE CLASS IS DECERTIFIED, OR (iii) THE CLIENT IS EXCLUDED FROM THE CLASS BY THE COURT. SUCH FORBEARANCE TO ENFORCE AN AGREEMENT TO ARBITRATE SHALL NOT CONSTITUTE A WAIVER OF ANY RIGHTS UNDER THIS AGREEMENT EXCEPT TO THE EXTENT STATED HEREIN.

32. DISCLOSURES TO ISSUERS. Under Rule 14b - 1 (c) of the Securities Exchange Act of 1934, we are required to disclose to an issuer the name, address, and securities position of our Clients who are beneficial owners of that issuer's securities unless the Client objects. Therefore, unless Client indicates below that Client objects to the disclosure of such information, Client will be deemed to have waived any such objection.

Yes, I object to the disclosure of such information.

33. DISCLOSURES TO AFFILIATED AND NONAFFILIATED THIRD PARTIES. Under Regulation S-P, Oppenheimer is permitted to share personal information collected from Client in the course of its relationship with Client with affiliated and nonaffiliated parties under certain circumstances without Client's approval. If Client does not want his/her personal information shared outside of these permitted circumstances with nonaffiliated third parties without Client's prior notification, Client must indicate this preference by checking where indicated below.

Yes, I object to the disclosure of such information.

Further information on the circumstances under which such disclosures may be made may be found in Oppenheimer's Privacy Disclosure accompanying this Agreement.

Office	Account Number	FA



34. EMPLOYER IDENTIFICATION NUMBER AND CERTIFICATION - Please refer to the accompanying Instructions before completing.

Under penalties of perjury, Client hereby certifies that:

1. The number shown on this form is Client's correct Employer Identification Number ("EIN") (or Client is waiting for a number to be issued); and
2. Client is not subject to backup withholding because: (a) Client is exempt from backup withholding, or (b) Client has not been notified by the Internal Revenue Service (IRS) that Client is subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified Client that Client is no longer subject to backup withholding; and
3. Client is a U.S. entity (including a U.S. resident alien).

CERTIFICATION INSTRUCTIONS. Client must cross out item 2 above if Client has been notified by the IRS that Client is currently subject to backup withholding because Client has failed to report all interest and dividends on Client's tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, Client is not required to sign the Certification, but Client must provide Client's correct EIN. (See enclosed Instructions)

FOR THOSE EXEMPT FROM BACKUP WITHHOLDING (SEE ENCLOSED INSTRUCTIONS), PLEASE CHECK THE FOLLOWING BOX:

Client is exempt from backup withholding.

THE ABOVE INSTRUCTIONS PERTAIN TO PRIMARILY THOSE CLIENTS WITH U.S. EINs. NON-U.S. PERSONS AND/OR THOSE WHO ARE NOT ELIGIBLE FOR U.S. EINs MUST COMPLETE ONE OF THE FORMS LISTED IN THE ENCLOSED INSTRUCTIONS. A W-8 FORM WILL BE PROVIDED AS NECESSARY.

IF OPENING A CASH ACCOUNT:

BY SIGNING THIS AGREEMENT THE CLIENT ACKNOWLEDGES THAT CLIENT HAS RECEIVED A COPY OF THIS AGREEMENT AND HAS READ THIS AGREEMENT IN ITS ENTIRETY BEFORE SIGNING. THE CLIENT HAS ALSO RECEIVED AND READ THE DISCLOSURE STATEMENT, WHICH IS ATTACHED HERETO. THIS AGREEMENT CONTAINS A PRE-DISPUTE ARBITRATION CLAUSE AS SET FORTH IN PARAGRAPHS 30 AND 31 ON PAGE 3.

Name of Entity: _____

(X) _____
Authorized Signature Date

Name of Authorized Signatory: _____

Title of Authorized Signatory: _____
(President, Vice President, Treasurer, Secretary, General Partner or Managing Member)

(X) _____
Authorized Signature Date

Name of Authorized Signatory: _____

Title of Authorized Signatory: _____
(President, Vice President, Treasurer, Secretary, General Partner or Managing Member)

Client's EIN to be used by Oppenheimer is:

- C Corporation S Corporation Partnership
 Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=partnership) ▶ _____

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IF OPENING A MARGIN ACCOUNT:

BY SIGNING THIS AGREEMENT THE CLIENT ACKNOWLEDGES THAT:

1. THE SECURITIES IN THE CLIENT'S MARGIN ACCOUNT ARE UNENCUMBERED, FREELY PLEDGABLE, AND MAY BE LOANED TO OPPENHEIMER OR LOANED OUT TO OTHERS; AND
2. THE CLIENT HAS RECEIVED A COPY OF THIS AGREEMENT AND HAS READ THIS AGREEMENT IN ITS ENTIRETY BEFORE SIGNING. THE CLIENT HAS ALSO RECEIVED AND READ THE DISCLOSURE STATEMENT, WHICH IS ATTACHED HERETO. THIS AGREEMENT CONTAINS A PRE-DISPUTE ARBITRATION CLAUSE AS SET FORTH HEREIN IN PARAGRAPHS 30 AND 31 ON PAGE 3.

Name of Entity: _____

(X) _____
Authorized Signature Date

Name of Authorized Signatory: _____

Title of Authorized Signatory: _____
(President, Vice President, Treasurer, Secretary, General Partner or Managing Member)

(X) _____
Authorized Signature Date

Name of Authorized Signatory: _____

Title of Authorized Signatory: _____
(President, Vice President, Treasurer, Secretary, General Partner or Managing Member)

Client's EIN to be used by Oppenheimer is:

- C Corporation S Corporation Partnership
 Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=partnership) ▶ _____

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PLEASE COMPLETE, SIGN, DETACH, AND RETURN TO THE OFFICE SERVICING YOUR ACCOUNT

Office	Account Number	FA



CORPORATE OR OTHER ENTITY AUTHORIZATION AND RESOLUTIONS

The undersigned, in its capacity as Secretary (in the case of a corporation), General Partner (in the case of a partnership) or Managing Member (in the case of a limited liability company) of the Client hereby authorizes and empowers the following officers (in the case of a corporation, a minimum of two officers, including President, Vice President, Treasurer and Secretary, should be listed), general partners (in the case of a partnership, all general partners should be listed if more than one, all of whom shall be jointly and severally liable) or members (in the case of a limited liability company, all members must be listed, all of whom shall be jointly and severally liable) of the Client:

Name	Title	Name	Title

to establish and maintain one or more accounts with Oppenheimer & Co. Inc. ("Oppenheimer") for the purpose of investing in, purchasing, or otherwise selling, possessing, transferring, exchanging, or otherwise disposing of, or turning to account of, or realizing upon, and generally dealing in and with any and all forms of securities, including, without limitation, shares, stocks, bonds, debentures, notes, participation certifications, rights to subscribe, options, warrants, certificates of deposit, mortgages, evidences of indebtedness, commercial paper, certificates of indebtedness and certificates of interest of any and ever kind and nature whatsoever, secured or unsecured, whether represented by trust, participating and/or other certificates or otherwise; and

These individuals are authorized to open margin accounts and/or place orders for short sales, unless otherwise indicated below.

If a separate, commodity agreement is executed, these individuals are authorized to open a commodity account for all commodities and futures contracts, unless otherwise indicated below.

The fullest authority at all times with respect to any such commitment or with respect to any transaction deemed by any of the said officers, partners, members or agents to be proper in connection therewith is hereby conferred, including authority (without limiting the generality of the foregoing) to give written or oral instructions to Oppenheimer with respect to said transactions; to borrow money and securities and if transactions in commodities and/or future contracts in commodities from or through Oppenheimer, and to secure repayment thereof with the property of the Client; to bind and obligate the Client to and for the carrying out of any contract, arrangement, or transaction, which shall be entered into by any such officer, partner, member and/or agent for and on behalf of the Client with or through Oppenheimer; to pay in cash or by checks and/or drafts drawn upon the funds of the Client such sums as may be necessary in connection with any of the said accounts; to deliver securities, contracts and/or commodity futures to Oppenheimer; to order the transfer of delivery thereof to any other person whatsoever, and/or to order the transfer of record of any securities and/or contracts in order to pass title thereto; to direct the sale or exercise of any rights with respect to any securities; to sign for the Client all releases, powers of attorney and/or other documents in connection with any such account, and to agree to any terms or conditions to control any such account; to direct Oppenheimer to surrender any securities to the proper agent or party for the purpose of effecting any exchange or conversion, or for the purpose of deposit with any protective or similar committee, or otherwise; to accept delivery of any securities, contracts and/or commodity futures; to appoint any other person or persons to do any and all things which any of the said officers, members and/or agents is hereby empowered to do, and generally to do and take all action necessary in connection with the account, or considered desirable by such officer and/or agent with respect thereto.

This authorization and the resolutions set out herein shall be governed by the arbitration provision set out in Paragraphs 30 and 31 on Page 3 of the Client Agreement.

Oppenheimer may deal with any and all of the persons directly or indirectly by the foregoing resolution empowered, as though Oppenheimer was dealing with the Client directly.

The Secretary, General Partner or the Managing Member, as applicable, is authorized, empowered and directed to certify, under the seal of the Client, or otherwise, to the Oppenheimer: (i) a true copy of these resolutions; (ii) signature specimens of each and every person by these resolutions empowered; (iii) a certificate (which if required by Oppenheimer, shall be supported by an opinion of the general counsel of the Client or other counsel satisfactory to Oppenheimer) that the Client is duly organized and existing, that its charter empowers it to transact the business by these resolutions defined, and that no limitation has been imposed upon such powers by the By-Laws or otherwise.

That Oppenheimer may rely upon any certification given in accordance with these resolutions, as continuing fully effective unless and until Oppenheimer shall receive due written notice of a change in or the recession of the authority so evidenced, and that the dispatch or receipt of any other form of notice shall not constitute a waiver of this provision, nor shall the fact that any person hereby empowered ceases to be an officer or member of the Client or becomes an officer under some other title, in any way affects the powers hereby conferred. The failure to supply any specimen of signature shall not invalidate any transaction if the transaction is in accordance with the authority actually granted.

That in the event of any change in the office or powers of persons hereby empowered, the Secretary, General Partner or Managing Member shall certify such changes to Oppenheimer in writing in the manner provided herein above, which notification, when received, shall be adequate both to terminate the powers of the persons heretofore authorized, and to empower the persons thereby substituted.

That the foregoing resolutions and the certificates actually furnished to Oppenheimer by the Secretary, General Partner or Managing Member of the Client pursuant thereto, be and they hereby are made irrevocable until written notice of the revocation thereof shall have been received by Oppenheimer.



Office	Account Number	FA

Print Name

Title

Signature

_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
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_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

- By checking this box, the Individuals listed above are not authorized to open margin accounts on behalf of the Client and are not permitted to place orders for short sales.
- By checking this box, the Individuals listed above are not authorized to open commodity accounts on behalf of the Client.

NAME OF CLIENT: _____ DATE: _____

By: _____

Name: _____

Title (Secretary, General Partner or Managing Member): _____

SEAL

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PLEASE NOTE THAT THIS AGREEMENT SHOULD BE USED BY THE FOLLOWING ACCOUNTS:

- Partnership Accounts
- C Corporation Accounts
- S Corporation Accounts
- Limited Liability Company Accounts
- Corporate Retirement Accounts (PSP and Pension Funds)

HAVE YOU REMEMBERED TO PROVIDE OR COMPLETE THE FOLLOWING:

- Your Employer Identification Number?
- All signatures and Taxpayer Identification Number(s) if you are opening a multiple owner account?
- The correct Employer Identification Numbers(s) if you are opening a custodianship or trusteeship account?
- Signature(s) in the appropriate place at the bottom of Page 5 if you are opening a Margin Account?
- Your account number on top of Pages 4, 5, 6, and 7 if applicable?
- Your preference, to the extent applicable, in Paragraph 32 and 33 ("DISCLOSURES TO ISSUERS" and "DISCLOSURES TO AFFILIATED AND NONAFFILIATED THIRD PARTIES" respectively)?

FOR FURTHER INFORMATION, PLEASE CONTACT YOUR OPPENHEIMER & CO. INC. FINANCIAL ADVISOR, OR THE LOCAL BRANCH OFFICE SERVICING YOUR ACCOUNT.

INSTRUCTIONS – REQUEST FOR EMPLOYER IDENTIFICATION NUMBER AND CERTIFICATION

In compliance with federal regulations, Oppenheimer & Co. Inc. is required to obtain your employer identification number. For most individuals, this is your social security number. You should insert your employer identification number ("EIN") within the appropriate space(s) on Page 5 of the FIRM COPY of the Oppenheimer & Co. Inc. Client Agreement.

Note: Check the appropriate box on page 4 for the federal tax classification of the entity whose name is entered on the "Name" line.

Partnerships, C Corporation or S Corporation. Enter the entity's name on the "Name" line and any business, trade, or "doing business as (DBA) name" on the "Business name/disregarded entity name" line.

Limited Liability Company (LLC). If the person identified on the "Name" line is an LLC, check the "Limited liability company" box only and enter the appropriate code for the tax classification in the space provided. If you are an LLC that is treated as a partnership for federal tax purposes, enter "P" for partnership. If you are an LLC that has filed a Form 8832 or a Form 2553 to be taxed as a corporation, enter "C" for C corporation or "S" for S corporation. If you are an LLC that is disregarded as an entity separate from its owner under Regulation section 301.7701-3 (except for employment and excise tax), do not check the LLC box unless the owner of the LLC (required to be identified on the "Name" line) is another LLC that is not disregarded for federal tax purposes. If the LLC is disregarded as an entity separate from its owner, enter the appropriate tax classification of the owner identified on the "Name" line.

NOTE: These instructions pertain primarily to those entities with U.S. EINs. Non-U.S. persons and/or entities who are not eligible for U.S. EINs must complete one of the following forms, which will be sent to you:

- W-8BEN:** Certificate of Foreign Status of Beneficial Owner for U.S. Tax Withholding
- W-8ECI:** Certificate of Foreign Person's Claim for Exemption from Withholding of Income Effectively Connected with the Conduct of a Trade or Business in the U.S.
- W-8EXP:** Certificate of Foreign Government or Other Foreign Organization for U.S. Tax Withholding
- W-8IMY:** Certificate of Foreign Intermediary, Foreign Partnership or Certain U.S. Branches for U.S. Tax Withholding

INSTRUCTIONS AND GENERAL INFORMATION

- 1) **PROVIDING TINs – ALL PERSONS OR ENTITIES WHO OPEN OR MAINTAIN AN ACCOUNT WITH OPPENHEIMER & CO. INC. MUST PROVIDE AN EIN.** If you do not have a EIN, you should contact your local Social Security Administration Office immediately, and let us know as soon as possible thereafter when you have received your EIN.
- 2) **CERTIFICATION –** By executing the Oppenheimer & Co. Inc. Client Agreement, you certify that the EIN you have provided to us is your correct number and that you are not currently subject to back up withholding for any reason.
- 3) **BACKUP WITHHOLDING –** If you fail to provide us with your EIN, or if the IRS has previously notified you that you are subject to backup withholding, Oppenheimer & Co. Inc. must by law withhold and pay to the IRS 28% of interest, dividends and gross proceeds paid you.
- 4) **EXEMPTIONS FROM BACKUP WITHHOLDING AND REPORTING –** Our policy requires all account holders to provide us with certified EINs. The Internal Revenue Code grants exemptions from information reporting and backup withholding for certain types of payments received by certain types of account holders, which include but may not necessarily be limited to the following:
 - Corporations
 - Retirement or Pension/Profit Sharing Plan Accounts (subject to 1099 R and /or 5498 reporting instead)
 - U.S. Government or U.S. Government agency or instrumentality
 - A state, the District of Columbia, a possession of the U.S. or any subdivision or instrumentality thereof
 - An international organization or any agency or instrumentality thereof
 - A non -U.S. central bank of issue
 - A dealer in securities or commodities required to register in the U.S. or a possession of the U.S.
 - A futures commission merchant ("FCM") registered with the C.F.T.C.
 - A real estate investment trust
 - An entity registered at all times during the tax year under the Investment Company Act of 1940
 - A common trust fund operated by a bank under Section 584 (a)
 - A middleman known in the investment community as a nominee or custodian

Margin Account Disclosures

Dear Client:

Oppenheimer & Co. Inc. (Oppenheimer) is furnishing this document to you in order to provide some basic facts about purchasing securities on margin, and to alert you to the risks involved with trading securities in a margin account. Before trading stocks in a margin account, you should carefully review the margin agreement that accompanies this disclosure form. Consult your Financial Advisor regarding any questions or concerns you may have with your margin accounts.

When you purchase securities, you may pay for the securities in full or you may borrow from Oppenheimer part of the purchase price. If you choose to borrow funds from us, you will need to open a margin account. The securities purchased are the firm's collateral for our loan of funds to you. If the securities in your account decline in value, so does the value of the collateral supporting your loan, and as a result the firm can, and sometimes must, take action, such as issue a margin call, and/or sell securities or other assets in any of your accounts held at Oppenheimer, in order to maintain the required equity in the account relative to the value of the account and the amount borrowed.

It is important that you fully understand the risks involved in trading securities on margin. These risks include the following:

You can lose more funds than you deposit in the margin account.

A decline in the value of securities that are purchased in your margin account may require you to deposit additional funds into your Oppenheimer account in order to avoid the forced sale of those securities or other securities or assets in your account(s).

The firm can force the sale of securities or other assets in your account(s).

If the equity in your margin account falls below the maintenance margin requirements or the firm's higher "house" requirements, the firm can sell, at its sole discretion, securities or other assets in any of your accounts held at the firm to cover the margin deficiency. You also will be responsible for any short fall in the account after such a sale.

The firm can sell your securities or other assets without contacting you.

Some investors mistakenly believe that a firm must contact them for a margin call to be valid, and that the firm cannot liquidate securities or other assets in their accounts to meet the call unless the firm has contacted them first. This is not the case. Most firms will attempt to notify their customers of margin calls, but they are not required to do so. However, even if a firm has contacted a customer and provided a specific date by which the customer can meet a margin call, the firm can still take necessary steps to protect its financial interests, including immediately selling the securities without notice to the customer.

You are not entitled to choose which securities or other assets in your account(s) are liquidated or sold to meet a margin call.

Because the securities are collateral for the margin loan, the firm has the right to decide which securities to sell in order to protect its interest.

The firm can increase "house" maintenance margin requirements at any time and is not required to provide you advance written notice.

These changes in firm policy often take effect immediately and may result in the issuance of a maintenance margin call. Your failure to satisfy the call may cause Oppenheimer to liquidate securities in your account(s).

You are not entitled to an extension of time on a margin call.

While an extension of time to meet margin requirements may be available to customers under certain conditions, a customer does not have the right to an extension of time.

The firm may lend or hypothecate securities in your margin account(s).

If a debit balance exists in your margin account, the firm may, within the limitations imposed by applicable law, pledge, repledge, hypothecate or rehypothecate, securities in your margin account(s). In this event, your ability to exercise certain attendant rights of ownership with respect to such pledged or hypothecated securities, including, without limitation, the exercise of any voting rights, may be limited. Additionally, you will be at risk of losing your qualified dividend status and consequently, any preferential tax rates on dividends.

Disclosure Statement

Dear Client:

We wish to inform you of the terms and conditions under which interest charges will be applied to your accounts with us.

1. You will be charged interest on any credit extended to or maintained for you by Oppenheimer & Co. Inc. ("Oppenheimer", "we", "our" or "us") for the purpose of purchasing, carrying, or trading in any securities, or otherwise.

2. The annual rate of interest that you will be charged is set forth below and is based on your average debit balance for the period and our base lending rate ("Our Base Lending Rate"). Our Base Lending Rate is the rate quoted daily by Oppenheimer at our main office in New York. In determining Our Base Lending Rate, we consider the brokers' call rates posted by various money center banks that we select (which may vary from time to time), other representative brokers' call rates, such as the "Call money" rate published by the Wall Street Journal and the New York Times, other commercially recognized rates, such as "Prime rates," and the actual rate that we are charged when borrowing money. We use no mathematical formula in determining Our Base Lending Rate, although the rate will never exceed the highest of the rates described above, rounded to higher than $\frac{1}{2}$ of 1%.

AVERAGE DEBIT BALANCE	AMOUNT ADDED TO OUR BASE LENDING RATE
\$100,000 and above	$\frac{3}{2}$ %
\$75,000-\$99,999	1%
\$50,000-\$74,999	1 $\frac{1}{2}$ %
\$25,000-\$49,999	1 $\frac{3}{4}$ %
\$10,000-\$24,999	2 $\frac{1}{4}$ %
\$1-\$9,999	2 $\frac{3}{4}$ %

The rate that you will be charged is subject to change without notice in accordance with changes in Our Base Lending Rate or changes in your average debit balance. If the interest rate is increased for any other reason you will be given at least 30 days prior written notice.

3. Debit balances represent money loaned to you by Oppenheimer. When you purchase securities on margin you must pay the amount required by regulations of the Federal Reserve Board and the balance of the purchase price is loaned to you. This loaned portion creates the debit balance upon which interest is charged.

Each additional purchase adds to your debit balance, as do your interest charges and any other charge that maybe assessed to your account.

4. Any credit or debit balance in the cash account will be combined with the balance in the margin account for the purpose of computing interest. Only one net entry for interest will appear in the margin account. Interest charges will be made on any extension of credit even if it is not directly related to purchases in your margin account. Examples of such extensions of credit would include, but not be limited to, prepayments to you for securities sold and late payments received from you on purchases in your cash account. Interest charged shall be determined by the rate applied to your margin account.

5. Our interest period runs from the 16th day of the prior month to the 15th day of the current month. Interest is calculated on the average net daily debit balance, which includes any credit and debit balances in your cash and margin accounts during the interest period. The interest charge is determined by multiplying the average net daily debit balance by the rate of interest and by a fraction, the numerator of which is the number of days the debit balance existed and the denominator of which is three hundred sixty (360). Your monthly statement will show the average daily balance and the interest rate used to arrive at the amount of interest charged.

Any credit that appears on your statement due to short sales (including short sales against the box) is offset by a debit of like amount because Oppenheimer has to borrow the security in order to deliver to the buying broker. For the purpose of computing interest, the credit generated by any short sales against the box does not reduce your debit balance until the short position is covered.

If the security that you sold short (or sold short against the box) appreciates in market price over the selling price, interest may be charged on the appreciation in value. If the security that you sold short depreciates in market price, the debit balance is correspondingly reduced by the decrease in value. This practice is known as "marking-to-the-market". Daily closing prices are used to determine any appreciation or depreciation of the security sold short.

6. On all securities which Oppenheimer has or at any time may hold or carry for you in any account of yours (either individually or jointly with others), or which may be deposited with Oppenheimer for any purpose, including safekeeping, Oppenheimer as a pledgee has a general lien for the discharge of all your obligations to it, however arising and irrespective of the number of accounts you have with it.

Any securities in any of your accounts are collateral for any debit balance in your accounts with us. A lien is created by these debits to secure the amount of the money owed to Oppenheimer. This means that, in accordance with the terms of the margin and lending provisions of the Client Agreement, securities in your accounts can be sold to reduce or to liquidate entirely any debit balance in your account.

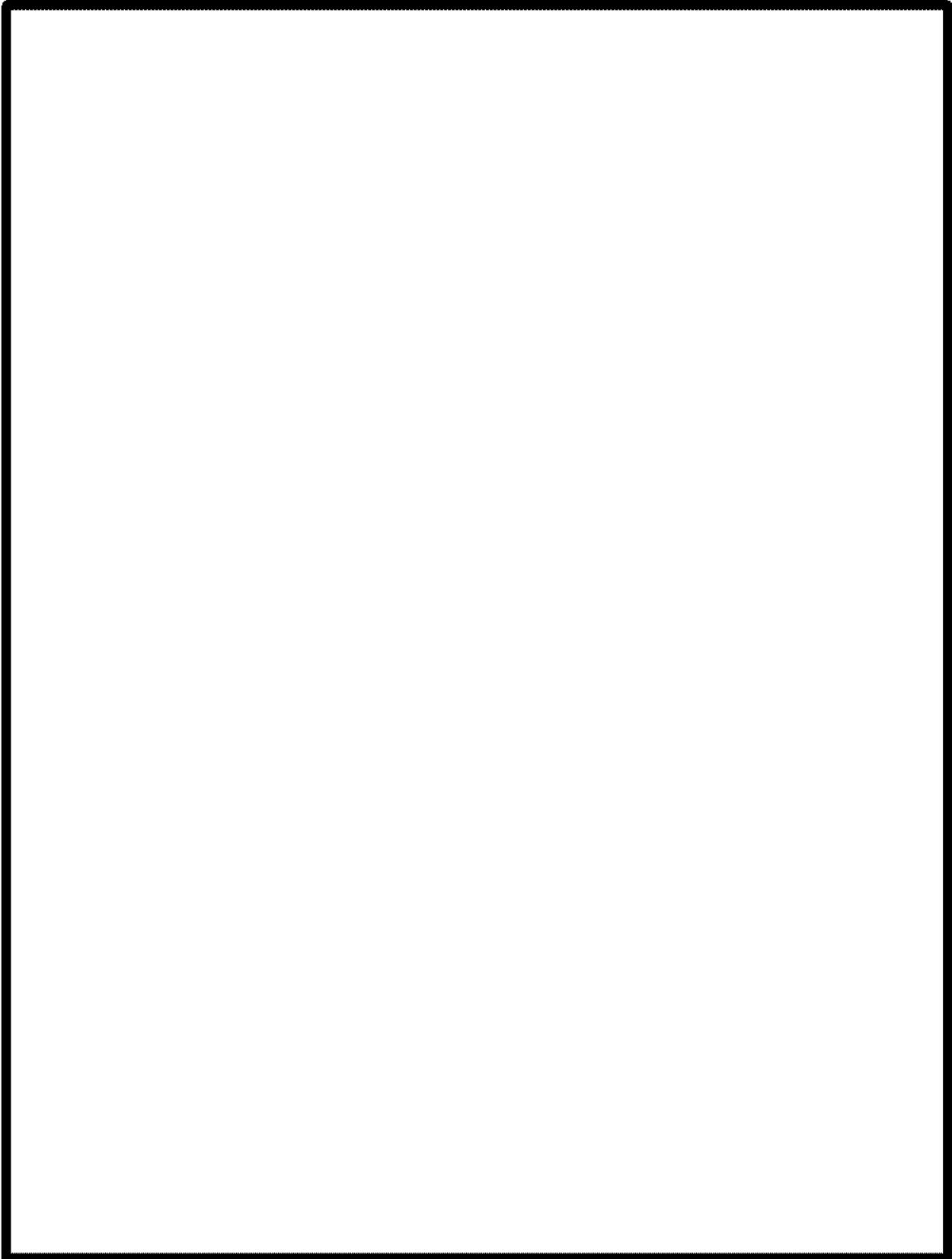
7. Oppenheimer may require you to deposit additional collateral in accordance with the rules and regulations of the Federal Reserve Board, the Financial Industry Regulatory Authority, the American Stock Exchange and any other regulatory agency to whose jurisdiction Oppenheimer is subject, and in addition, may require you to deposit such additional collateral as Oppenheimer, in its sole discretion, determines is needed as security for your obligations to Oppenheimer. If there is a decline in the market value of your securities, Oppenheimer may request that you deposit additional collateral in order to improve the margin in your account or accounts. It is the general policy of Oppenheimer to require margin customers to maintain at least a 35% margin, although a higher margin applies for certain securities (including stocks and corporate bonds trading at or below a specified price as determined from time to time by Oppenheimer, and put or call options), and a lower margin applies for certain other securities (including Government and municipal securities and corporate bonds trading at or above a specified price as determined from time to time by Oppenheimer). Oppenheimer always reserves the right to require additional margin any time it deems this desirable. Margin calls can be satisfied by the deposit of additional securities and/or funds. You are invited to ask your Financial Advisor for more detail about the above.

Oppenheimer & Co. Inc.
85 Broad Street
New York, NY 10004

EXHIBIT "C2"

(b)(4)

**M&D REGIONAL CENTER, LLC
CONFIDENTIAL INVESTOR SUITABILITY QUESTIONNAIRE**



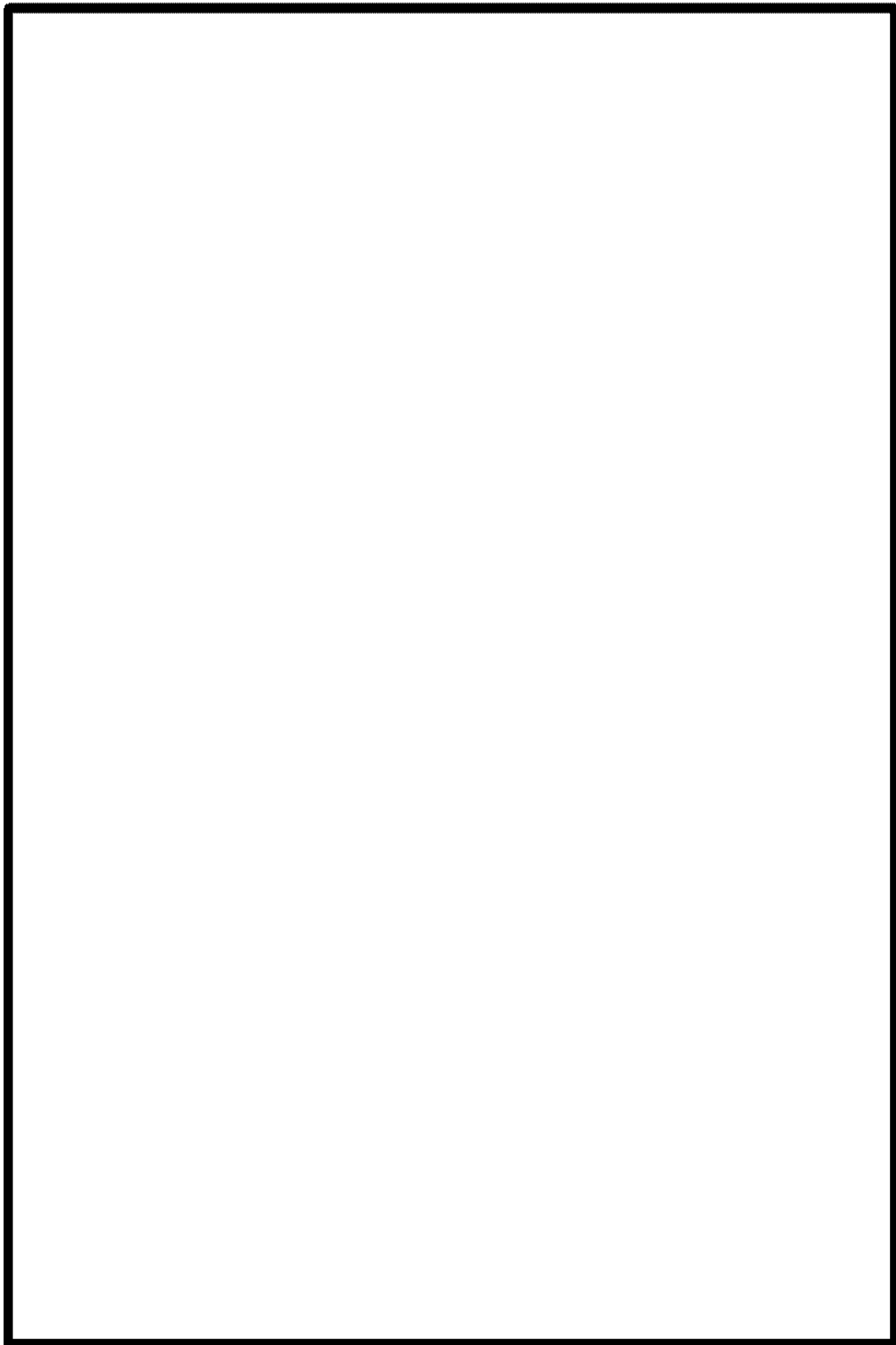
GENERAL INSTRUCTIONS

In completing each of the Sections of this Questionnaire, please provide as much detail as possible. Please provide the information for your spouse, if any. In responding to any of the requested information, please print legibly or type any responses and attach additional information on separate sheets if necessary.

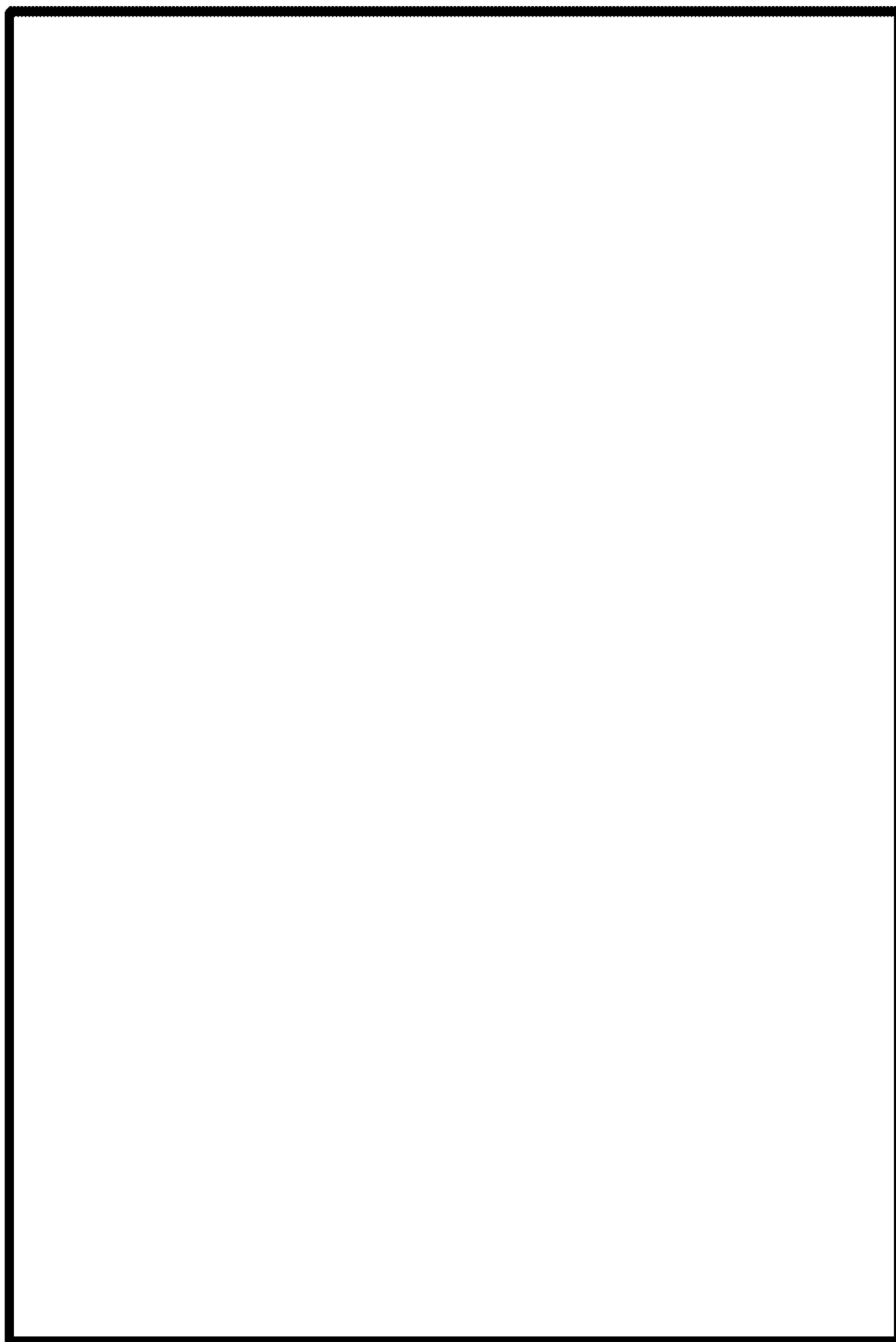
**SECTION ONE
INVESTOR INFORMATION**

[Empty response area for Section One: Investor Information]

(b)(4)



(b)(4)



(b)(4)

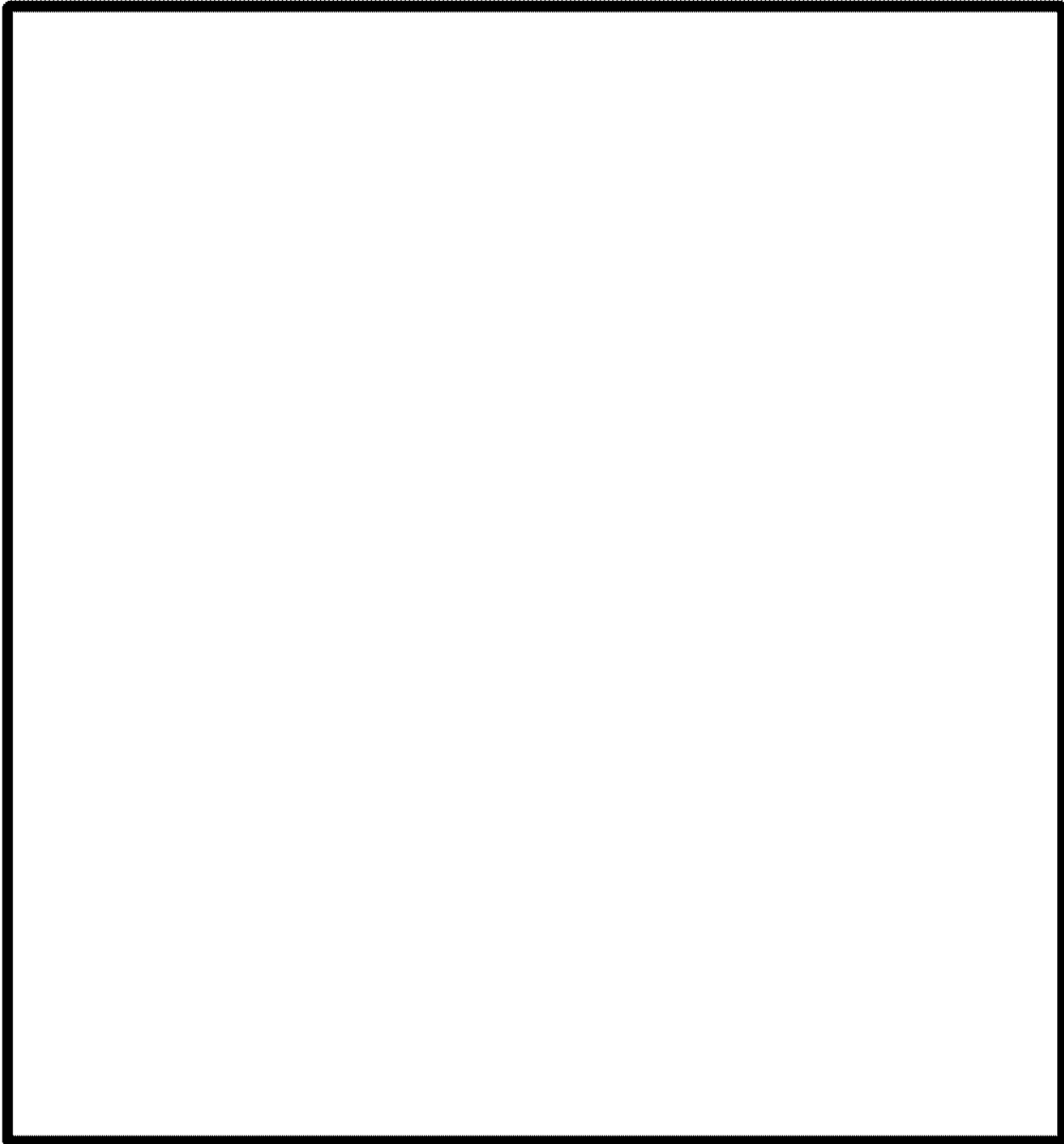
[Redacted]

**SECTION TWO
ACCREDITED INVESTOR**

[Redacted]

**SECTION FOUR
REPRESENTATIONS AND WARRANTIES**

[Redacted]



IN WITNESS WHEREOF, the undersigned has initialed the foregoing statements and executed this Questionnaire on _____, 20__.

INVESTOR

SPOUSE

SIGNATURE

SIGNATURE

PRINT NAME

PRINT NAME

Exhibit "D"

EXHIBIT "D1"



GOVERNOR'S OFFICE OF BUSINESS AND ECONOMIC DEVELOPMENT
STATE OF CALIFORNIA • OFFICE OF GOVERNOR EDMUND G. BROWN JR.

May 1, 2014

Department of Homeland Security
U.S. Citizenship and Immigration Services (USCIS)
California Service Center
24000 Avila Road, 2nd Floor
Laguna Niguel, CA 92677

To Whom It May Concern:

Section 204.6(i) of Title 8, Code of Federal Regulations (CFR) governing alien entrepreneur immigrant visa petitions under the USCIS administered EB-5 visa program authorizes the state government of any state of the United States to designate a particular geographic or political subdivision located within a metropolitan statistical area (MSA) or within a city or town having a population of 20,000 or more within such state as a high unemployment area if the area experienced an unemployment rate of at least 150 percent of the national average.

The designation and certification of high unemployment areas in the State of California under 8 CFR §204.6 paragraphs (i) and (j)(6)(ii) – including certification of high unemployment areas within any MSA or qualified area such as a census designated place (CDP) within an MSA – has been delegated to the Governor's Office of Business and Economic Development. Such certification is based on official estimated unemployment data provided by the Employment Development Department of this state.

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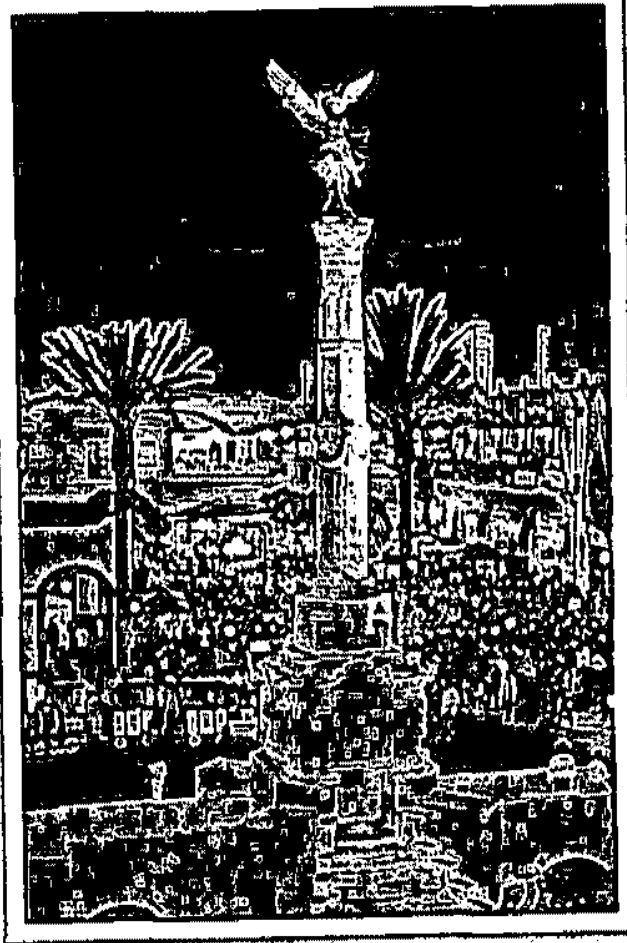
Sincerely,

Brian Peck
Deputy Director

Exhibit "E"

EXHIBIT "E1"

Plaza Mexico Residences



Comprehensive Business Plan May 2014

3100 E. Imperial Hwy.
Lynwood, CA 90262

Confidential

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1. Description

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1.1 Overview



Plaza Mexico



1.2 Overview of Existing Plaza Mexico

Plaza Mexico is a lifestyle shopping center located in Lynwood, California at the intersection of Long Beach Boulevard and Imperial Highway (SR-90), both of which are major commercial thoroughfares. This prime location is easily accessible by public and private transportation because Plaza Mexico is located on the Green Metro Line and is also directly on the I-105 and within two miles of the I-710 and five miles of the I-110, all of which are major freeways through Los Angeles and the surrounding areas. With approximately 450,000 square feet (approximately 42,000 square meters) of retail space over 48 acres of land, Plaza Mexico is the largest upscale project that caters to the Hispanic community in the United States of America. Because of the unique, upscale shopping environment together with the authentic Mexican cultural experience, Plaza Mexico draws patrons from all over the greater Los Angeles, San Bernardino, Riverside and Orange County areas.

Even amidst pressures imposed by the recent economic downturn, Plaza Mexico has maintained over 90% occupancy. Currently, Plaza Mexico is occupied by a mix of both national anchor and Hispanic-oriented tenants that include Children's Place, Verizon, Food 4 Less, Rite Aid, Curacao, Anna's Linens, Hometown Buffet, Chuck E. Cheese, Verizon Wireless, and a wide variety of restaurants and retailers of clothing, electronics, shoes, toys, jewelry, and furniture.

Additionally, Plaza Mexico has been very proud to welcome notable public figures such as former California State Governor Arnold Schwarzenegger, former U.S. Secretary of State and Presidential Candidate Hillary Clinton, former President of Mexico Vicente Fox, former Governor of the State of Mexico as well as current President of Mexico Enrique Peña Nieto, former Los Angeles Mayor Antonio Villaraigosa, and current Los Angeles Mayor Eric Garcetti to its events. Events such as these draw Latino consumers from throughout Los Angeles, Orange County, and beyond and have helped secure Plaza Mexico's reputation as the premiere destination in Southern California for Latino goods and entertainment.

What began as a defunct Montgomery Ward building in 1988 was redeveloped to take advantage of the rapidly growing local Latino population and its booming spending power. Over the course of the next two decades, additional parcels of land adjacent to the Montgomery Ward building were acquired and developed into the current Plaza Mexico. More information can be found at www.plazamexico.com.

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1.3 Project Background

Due to the overwhelming support of local government and the demand for additional retail and housing in the area, the Developer is developing Phase I of the expansion of Plaza Mexico. The expansion will transform Plaza Mexico into a one-stop destination for modern living, shopping, entertainment, and business.

The following chart provides a brief summary of Plaza Mexico Residences:

Plaza Mexico Residences	
Developer	
Description	
Location	
Zoning	
TEA Designation	The entire City of Lynwood qualifies as a TEA for 2014-2015.
Construction Commencement Date	
Projected Job Creation	

1 - For job creation projections for Plaza Mexico Residences, see the economic analysis by Performance Economics (May 2014). Ten or more jobs will be allocated to each EB-5 investor-petitioner for the purpose of qualifying for a U.S. Green Card under the EB-5 Program.





*Plaza Mexico Residences Conceptual Rendering
(subject to change)*



1.4 Development Objectives

The Plaza Mexico Expansion will be designed according to the following objectives:





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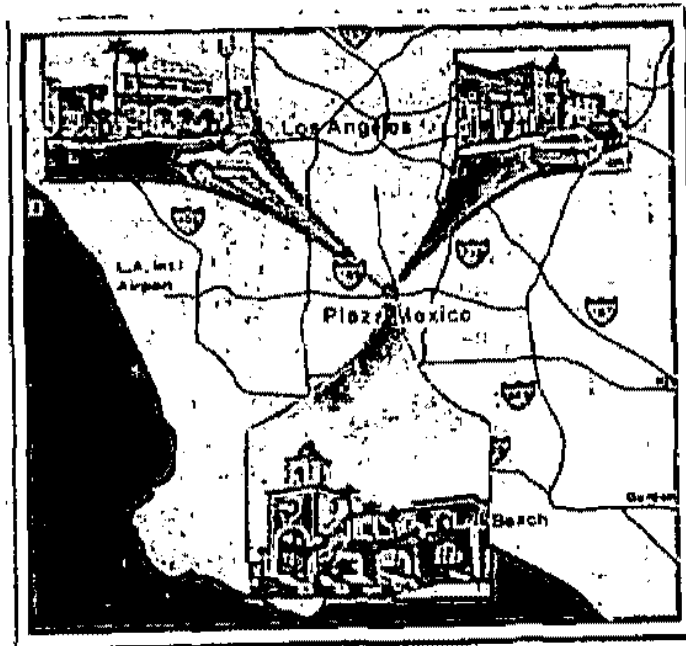
1.5 Location

Plaza Mexico is located in Lynwood, California at the intersection of Long Beach Boulevard and Imperial Highway (SR-90), which are both major commercial thoroughfares. More importantly, Plaza Mexico is also located on the Green Metro Line as well as directly on the I-105, within two miles of the I-710, and within five miles of the I-110.

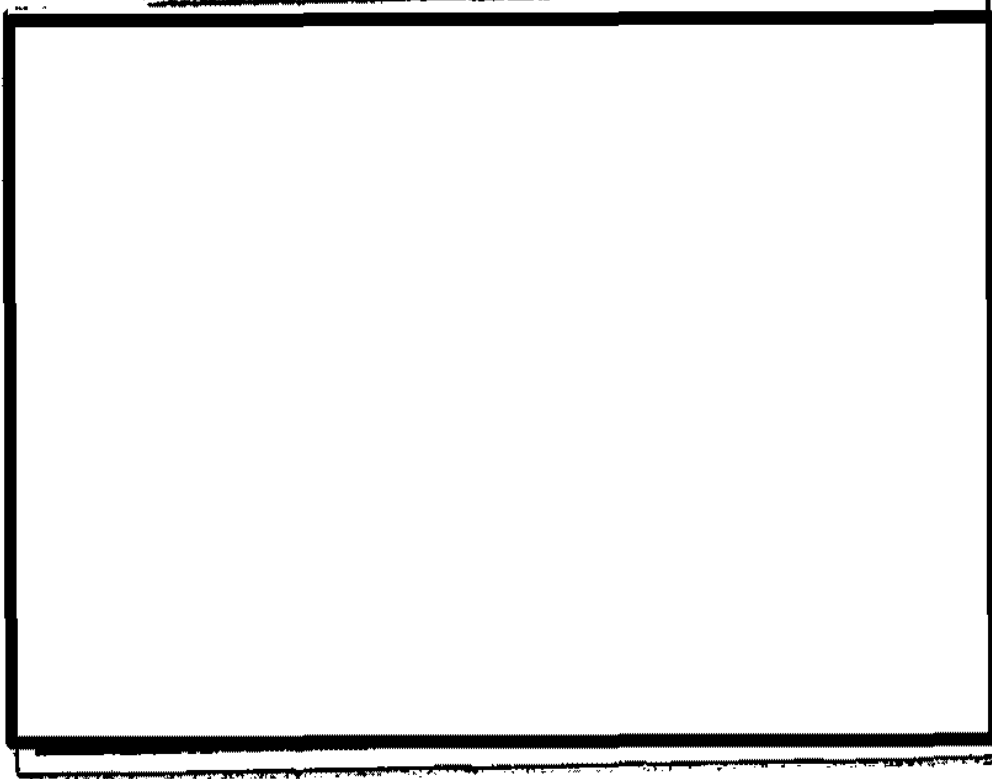


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Plaza Mexico Residences Site Context Map



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2. Market Analysis and Strategy (b)(4)

2.1 Regional Overview



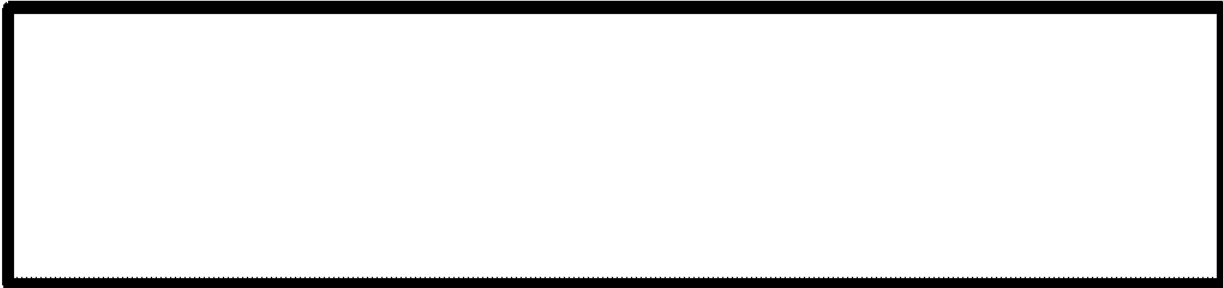
2.2 Southern California Demographics

State/County	2010		2020		2030		2040		2050		2060	
	Total (All race groups)	Hispanic or Latino	Total (All race groups)	Hispanic or Latino	Total (All race groups)	Hispanic or Latino	Total (All race groups)	Hispanic or Latino	Total (All race groups)	Hispanic or Latino	Total (All race groups)	Hispanic or Latino
(b)(4)												

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State/County	Numeric and Percent Change 2010 to 2060 by Race/Ethnicity			
	Total (All race/groups)		Hispanic or Latino	
	Numeric	Percent	Numeric	Percent
[Redacted]				

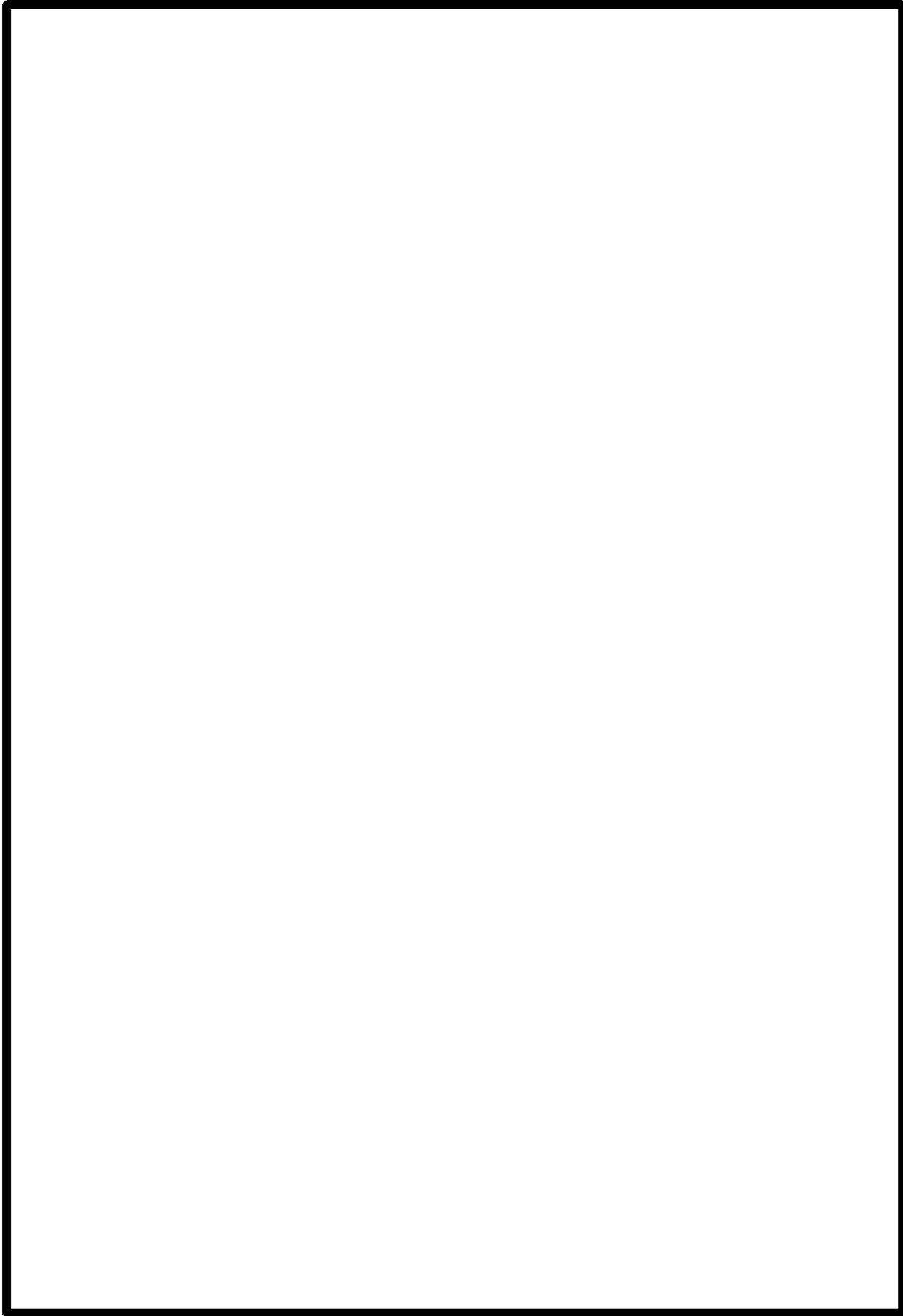
Source: California Department of Finance (See Exhibit A)
<http://www.dof.ca.gov/research/demographic/reports/projections/p-1/>
Report P-1 (Race): State and County Population Projections by Race/Ethnicity, 2010-2060 (by decade)



2.3 Market Analysis and Strategy

Market Segmentation:



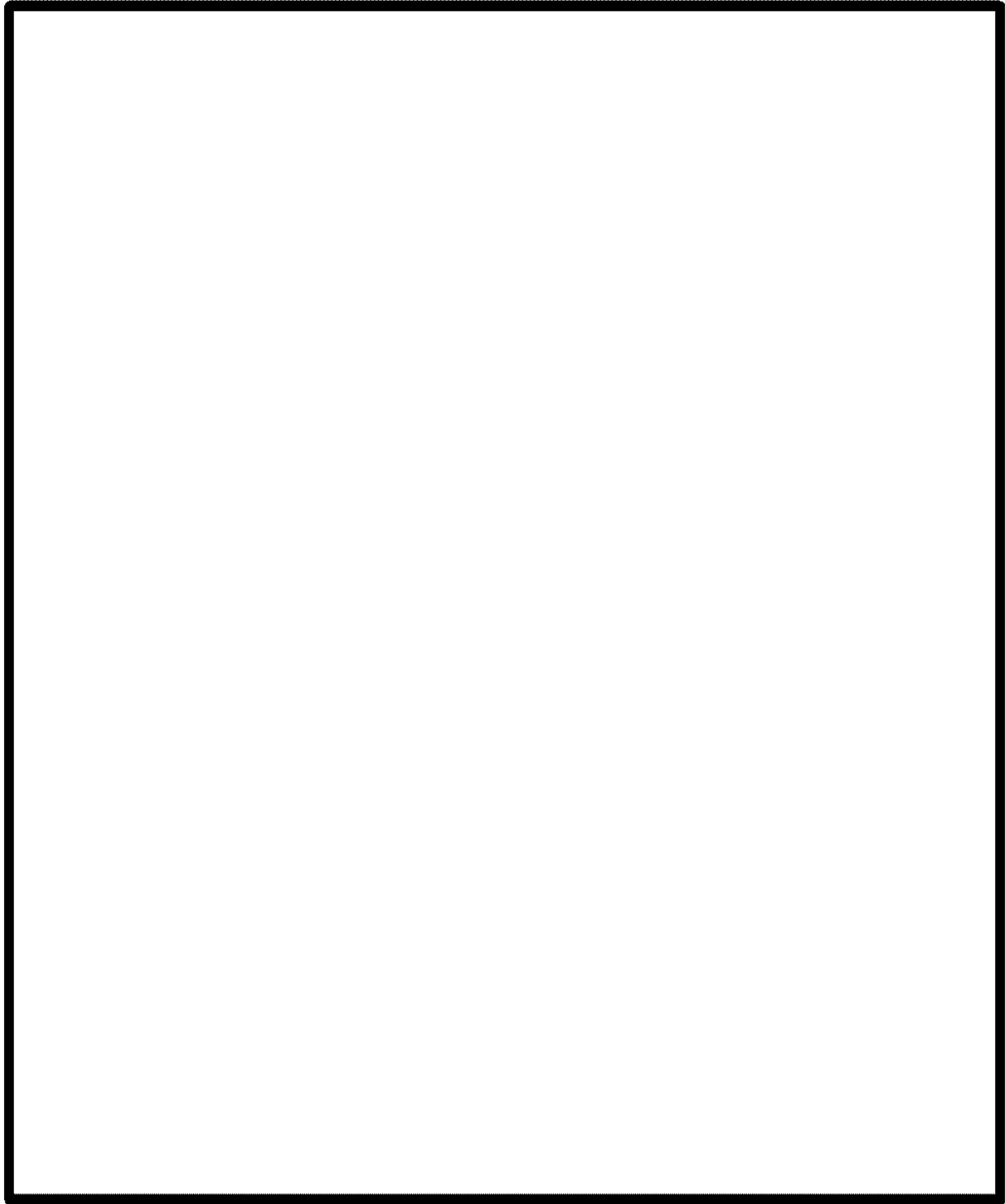




2.4 Building the future based upon previous success



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3. Development Process

3.1 Project Overview



3.2 Land Acquisition



3.3 Timeline

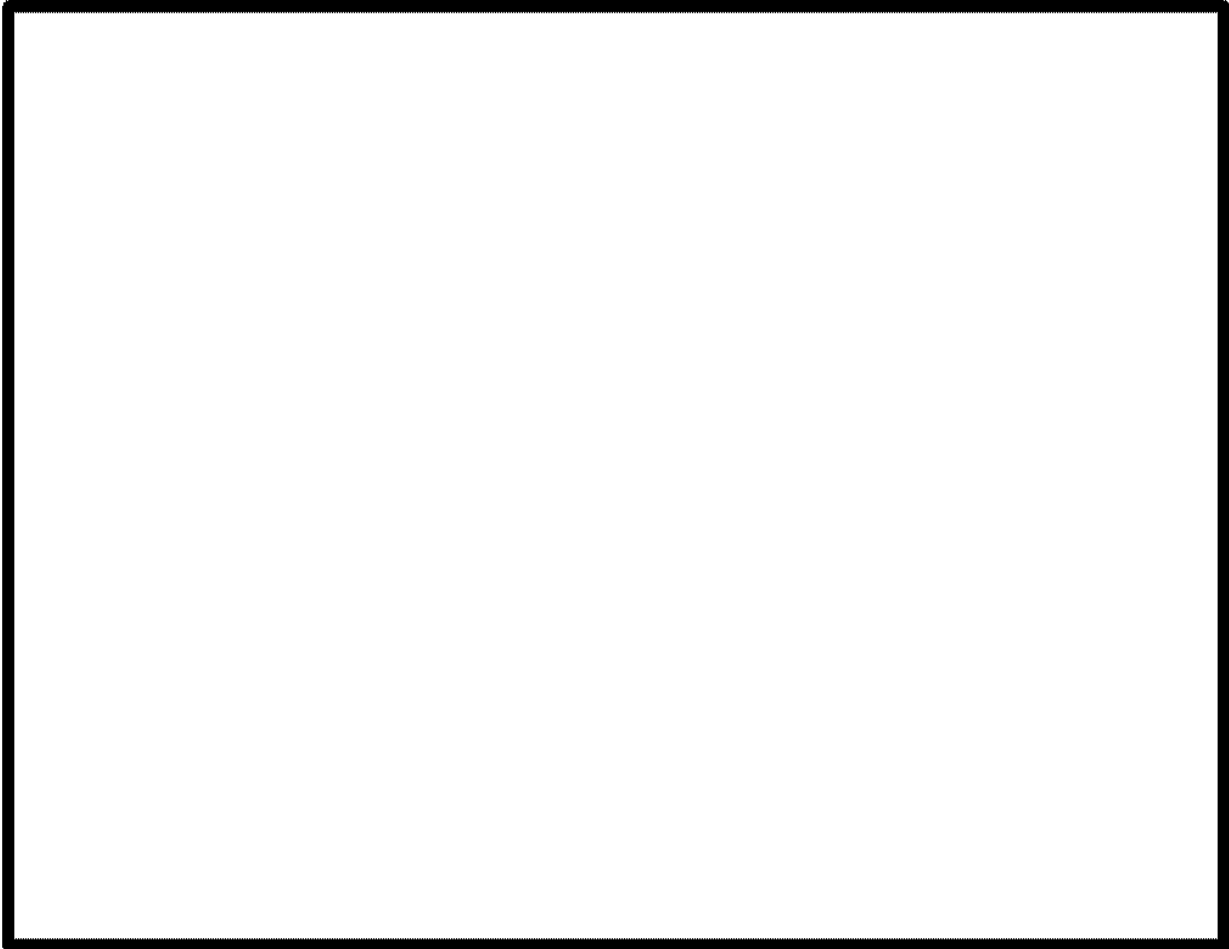


The following provides currently projected timetable for the completion of significant milestones in the development process.

Plaza Mexico Residences Development Timeline - As of April 2014																
Phase	2014			2015			2016			2017			2018			
	01	02	03	04	01	02	03	04	01	02	03	04	01	02	03	04
[Redacted Content]																

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4. Job Creation



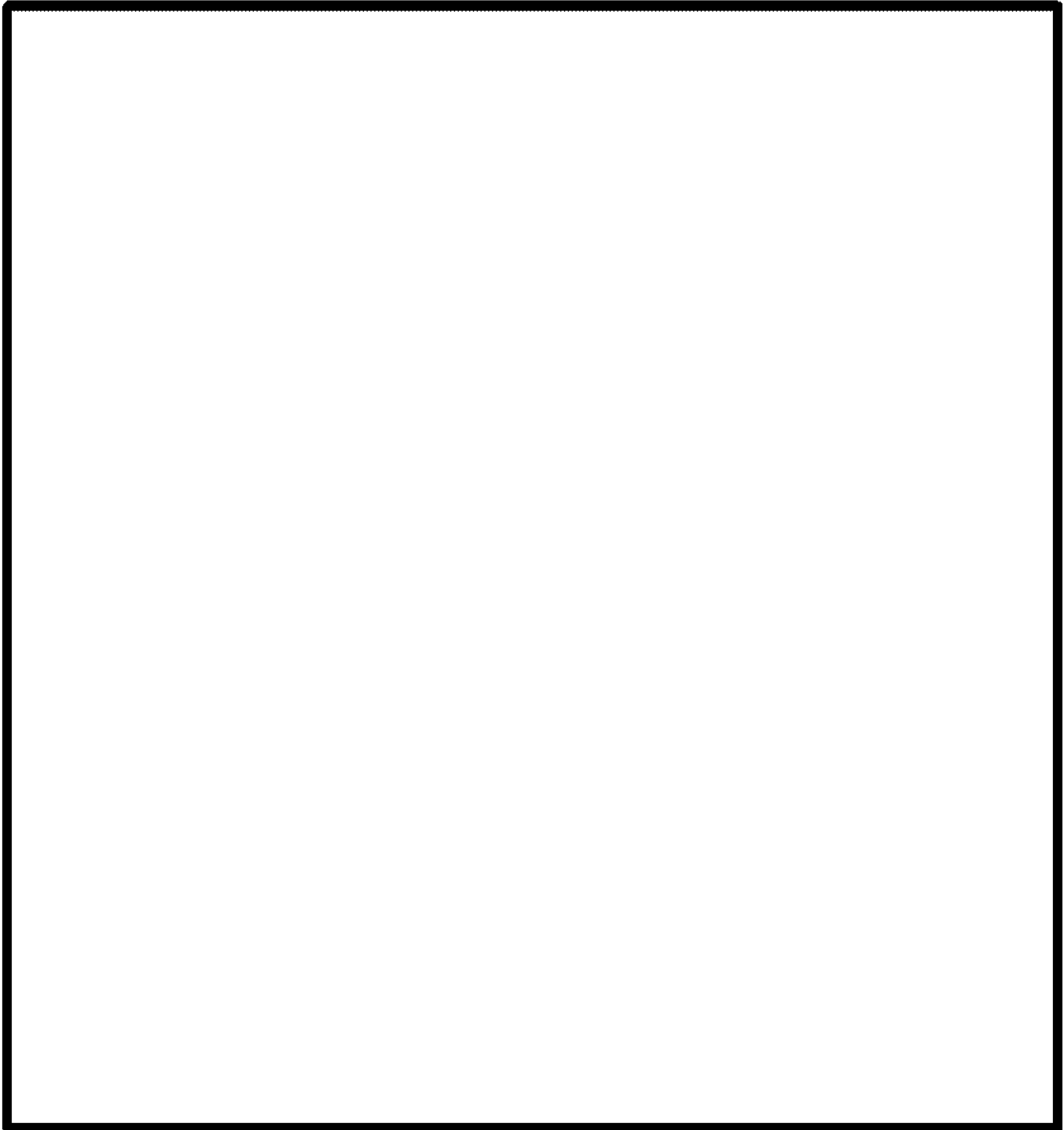
Sector	Job Creation	Economic Output
[Redacted]		

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5. Business Structure

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5.1 Organization



5.2 Key Personnel

This project is led by two brothers, Min Chae and Donald Chae, who each have more than 20 years of experience in real estate investment, development, and management. The Chae brothers beneficially own and manage all the entities in this project, including M&D Regional Center, LLC, 3100 E. Imperial, DMC Investment Holdings, and M+D Properties.

The brothers' and their companies' specialty is creating vibrant and thriving retail centers at previously under-performing locations, particularly in ethnically diverse areas. Such success is attributable to the Chaes' ability to make their centers an integral part of the surrounding local community, while providing a unique environment that attracts visitors from throughout the world.

The crowning achievement of the Chaes' real estate career thus far has been the Plaza Mexico shopping center (www.plazamexico.com). In the late 1980s, the Chae brothers correctly predicted the demographic shift in Southern California and pursued developments in burgeoning Hispanic markets, ultimately leading to the development of the Plaza Mexico shopping center. Plaza Mexico is a lifestyle shopping center located in Lynwood, California and situated along two major commercial thoroughfares and the Century Freeway (I-105). With approximately 450,000 square feet (41,807 square meters) of retail space over 48 acres of land, Plaza Mexico is the only property of this size catering to the Hispanic community of Southern California. Currently, Plaza Mexico is occupied by tenants that include Food 4 Less, Rite Aid, La Curacao, Anna's Linens, Hometown Buffet, Chuck E. Cheese, and a wide variety of restaurants and retailers of clothing, electronics, shoes, toys, jewelry, and furniture. In March 2007, in connection with a refinancing transaction, Plaza Mexico was appraised at approximately US\$

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6. Development Costs and Financing



**Plaza Mexico Residences
Financing (Projected)**



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7. Conclusion

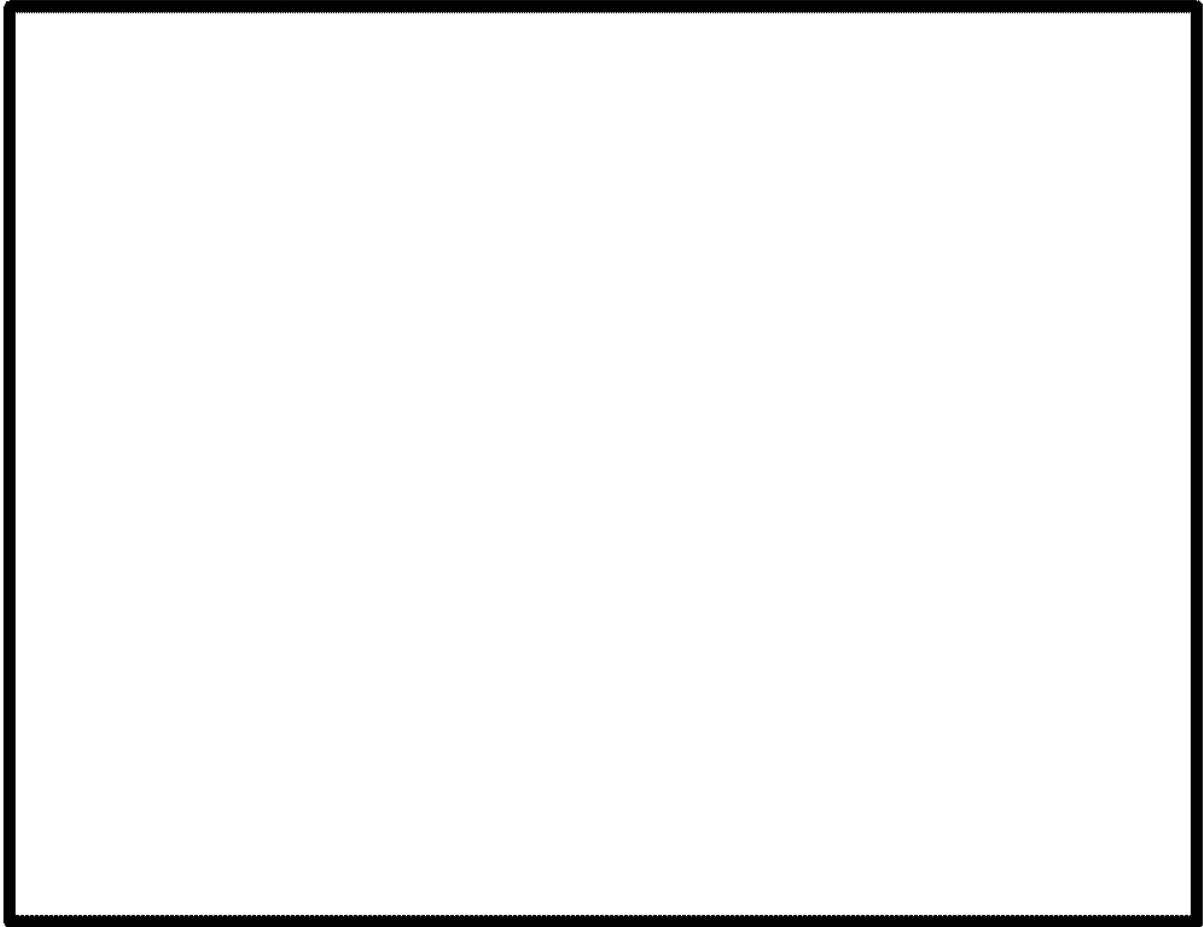


Exhibit A

California Department of Finance
State and County Population Projections by Race/Ethnicity

January 31, 2013

California Department of Finance
Demographic Research Unit

Report P-1 (Race/Ethnicity)
State and County Population Projections
by Race/Ethnicity
2010, 2020, 2030, 2040, 2050, and 2060 (as of July 1)

<u>Year</u>
<u>2010</u>
<u>2020</u>
<u>2030</u>
<u>2040</u>
<u>2050</u>
<u>2060</u>
<u>Numeric and Percent Change, 2010 to 2060</u>

For more information:

<http://www.dof.ca.gov/research/demographic/reports/projections/P-1/>

Data Prepared by:

Walter Schwarm
Demographic Research Unit
California Department of Finance
e-mail: Walter.Schwarm@dof.ca.gov
phone: 916-323-4086

Exhibit B

STDB Online Data of Plaza Mexico and Surrounding Area
January 16, 2014

DRAFT

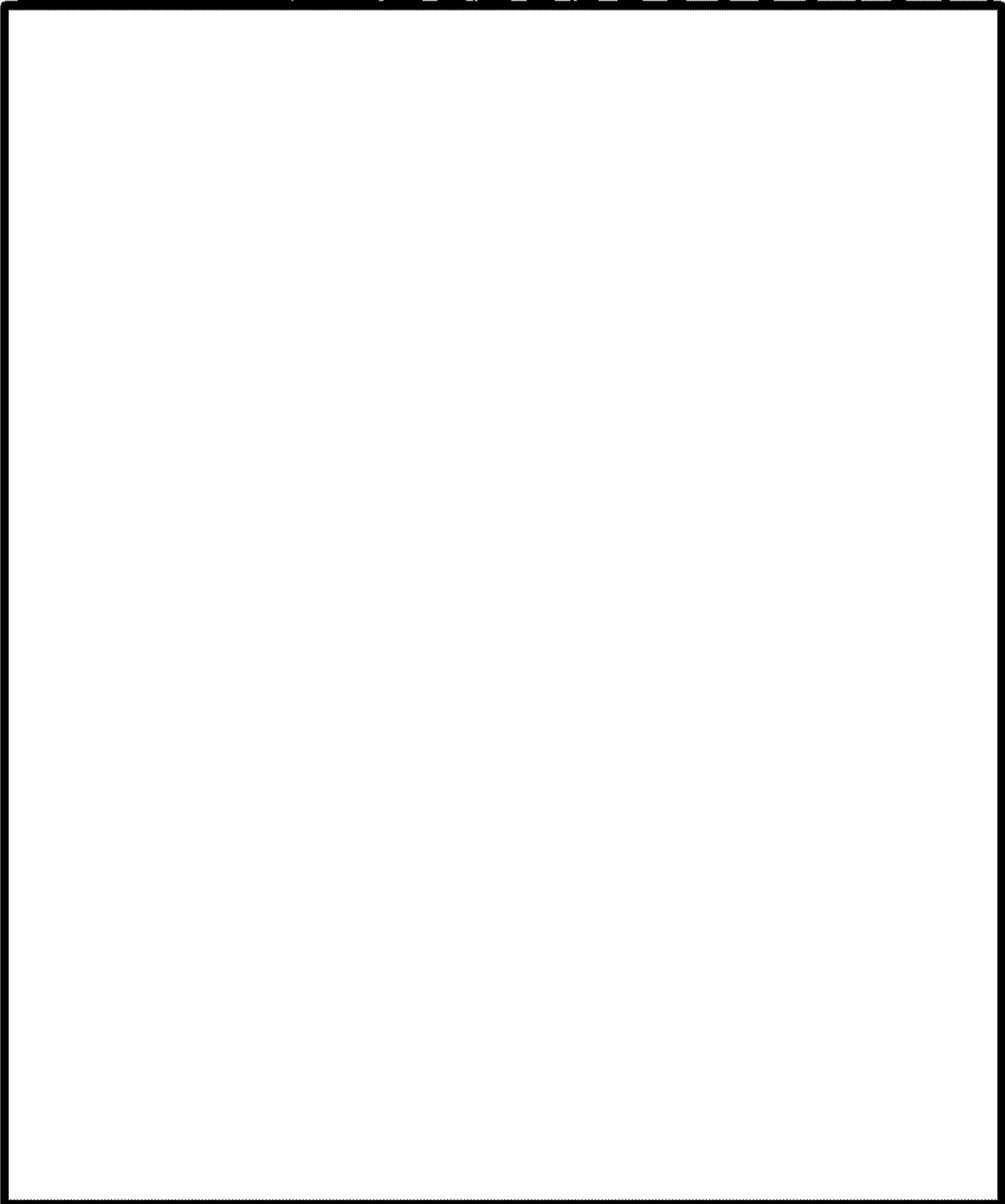


Lifestyle Report

(b)(4)

Plaza Mexico
3100 E Imperial Hwy, Lynwood, California, 90262,
Ring: 3 mile radius

Prepared by Justin Tsai
Latitude: 33.930393748
Longitude: -118.2159316



January 16, 2014



(b)(4)

Lifestyle Report

Plaza Mexico
3100 E Imperial Hwy, Lynwood, California, 90262,
Ring: 3 mile radius

Prepared by Justin Tsai
Latitude: 33.93393748
Longitude: -118.2159316

January 16, 2014

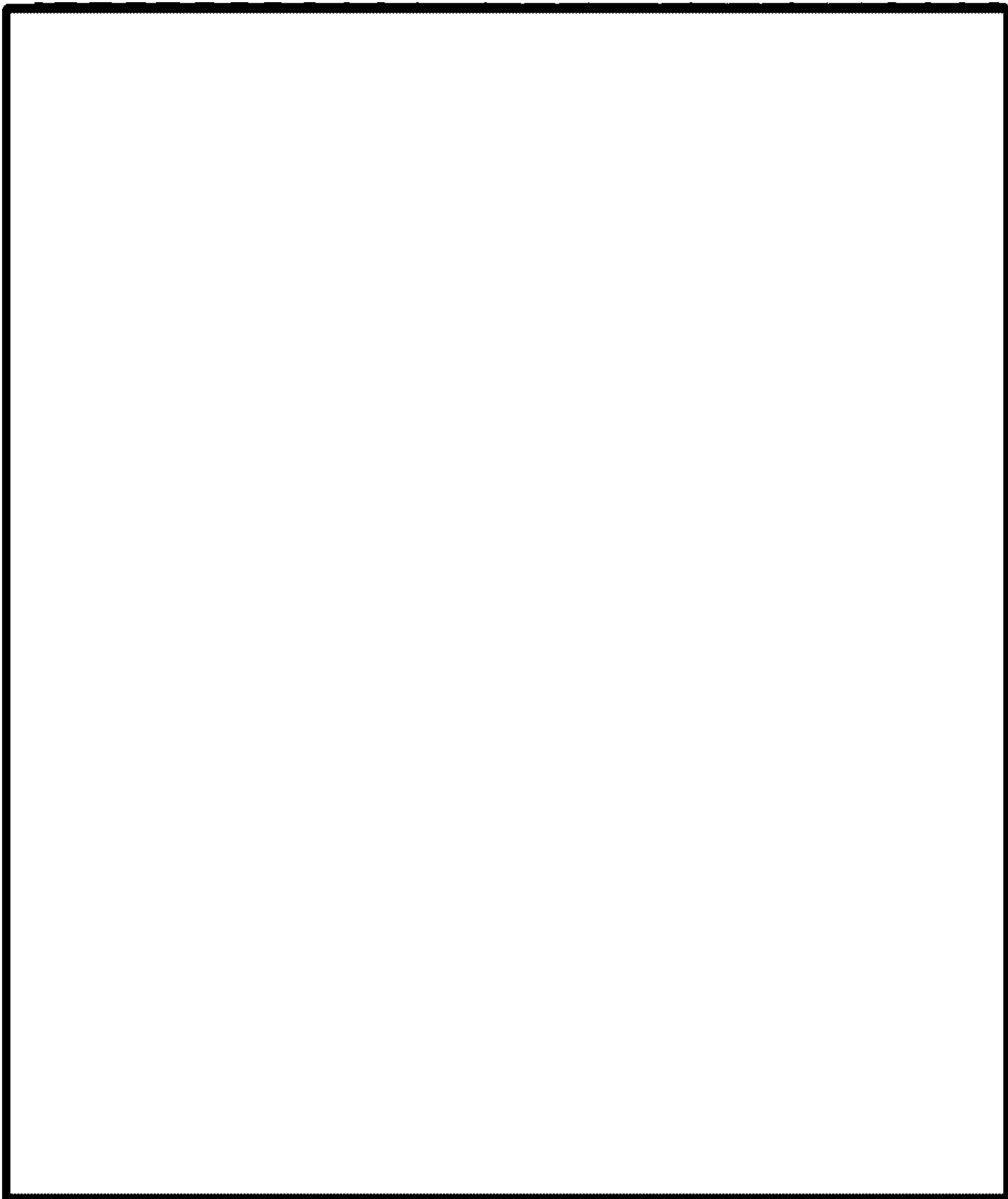


Lifestyle Report

(b)(4)

Plaza Mexico
3100 E Imperial Hwy, Lynwood, California, 90262,
Ring: 5 mile radius

Prepared by Justin Tsai
Latitude: 33.930392746
Longitude: -118.2159316



January 16, 2014

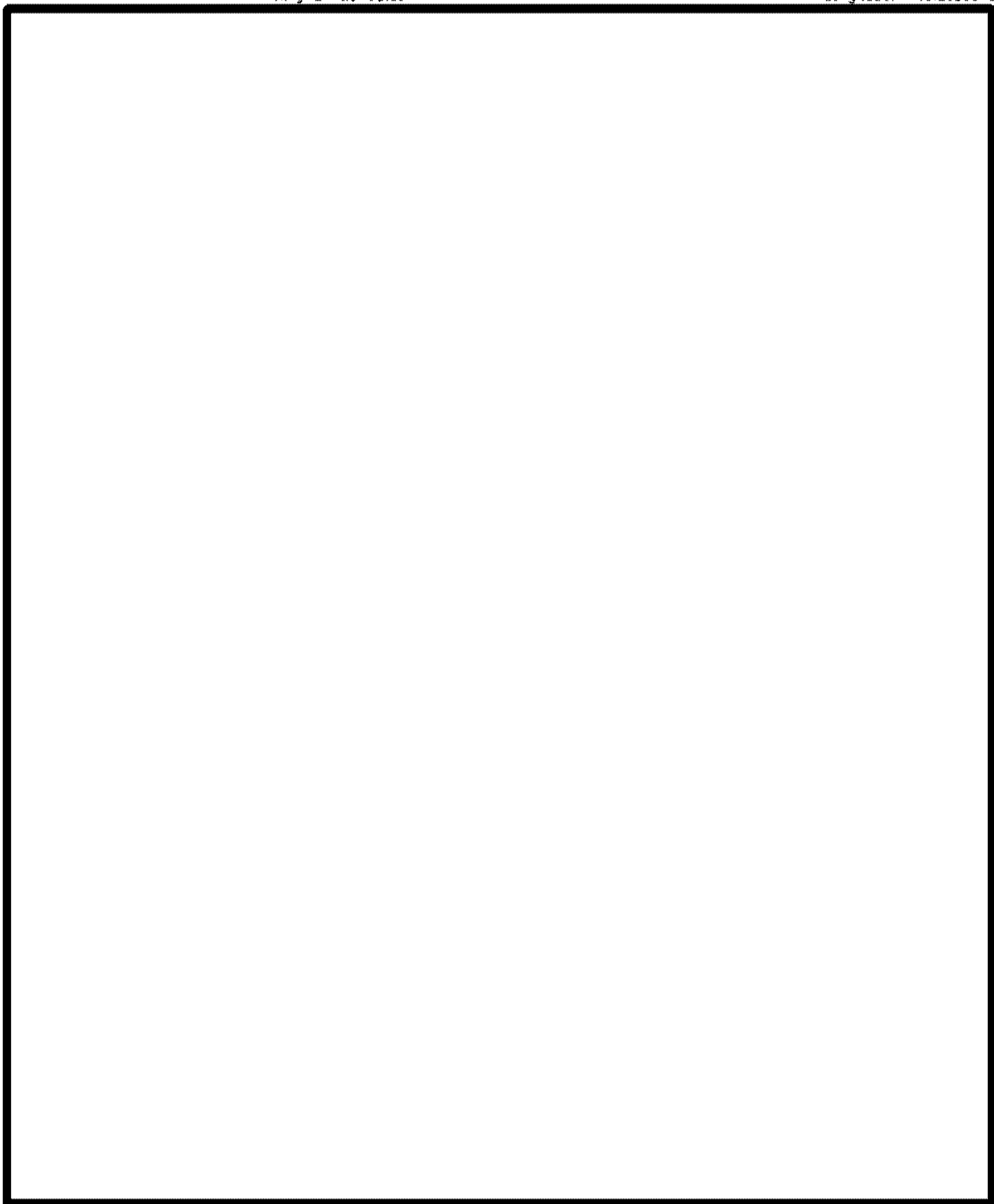


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Lifestyle Report

Plaza Mexico
3100 E Imperial Hwy, Lynwood, California, 90262,
Ring: 5 mile radius

Prepared by Justin Tsai
Latitude: 33.930393748
Longitude: -118.2199316



January 16, 2014

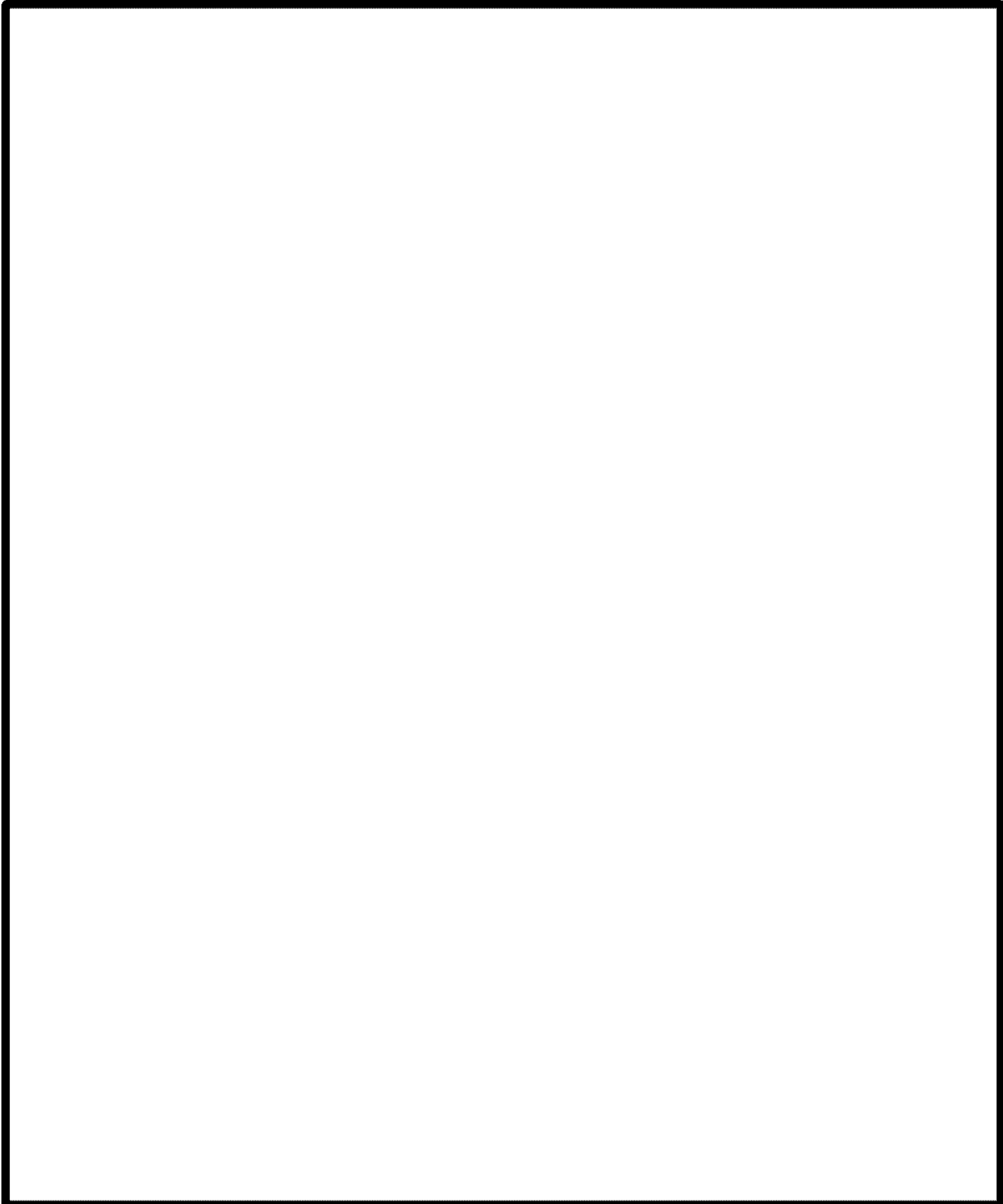


Lifestyle Report

(b)(4)

Plaza Mexico
3100 E Imperial Hwy, Lynwood, California, 90262,
Ring: 1 mile radius

Prepared by Justin Tsai
Latitude: 33.930393746
Longitude: -118.2159316



January 16, 2014



Lifestyle Report

Plaza Mexico
3100 E Imperial Hwy, Lynwood, California, 90262.
Ring: 1 mile radius

Prepared by Justin Tsai
Latitude: 33.930393748
Longitude: -118.2159316

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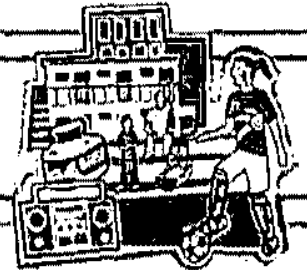
Source: Esri

January 16, 2014

Tapestry™ Segmentation

Esri's Tapestry™ Segmentation system divides U.S. residential areas into 65 distinctive segments based on socioeconomic and demographic characteristics to provide an accurate, detailed description of U.S. neighborhoods. Tapestry Segmentation can help you to identify your best markets, find the most profitable consumer types, tailor marketing messages to fit your audience, and define product and service preferences. Here's a brief description of a Tapestry segment.

58—NeWest Residents



Segment Code—58

LifeMode Summary Group—L8 Global Roots

Segment Name—NeWest Residents

Urbanization Summary Group—U2 Principal Urban Centers II

Demographic

Hispanic cultures dominate this family oriented segment; three-quarters of the population is Hispanic. With 4.1 people, the NeWest Residents segment household has the third largest family size of all the Tapestry segments. Families dominate this market. Children live in 54 percent of the households, in married-couple or single-parent families. Another 19 percent are married-couple families with no children living at home and other family types. The median age is 27.3 years. Dependent children are 36 percent of the population; more than one-third is younger than age 35. Approximately half of this young population is foreign born, more than half of whom have arrived in the United States in the last 10 years. Forty percent of the residents are white, 40 percent defined as other races, and 6 percent are multiracial populations. NeWest Residents is one of the most diverse of the Tapestry segments.

Socioeconomic

Most NeWest Residents are not only new to the U.S., they're also building their careers and starting their families. They arrived in the country with few funds but have begun to save their hard-earned dollars. Language is a significant barrier for many; this segment has the highest concentration of households who speak a language other than English. Nearly fifty percent of residents aged 25 years and older have not completed high school. Lack of education limits their employment options. Most employed residents work in service and skilled labor jobs. Higher-than-average proportions of employed residents work in the construction, manufacturing, accommodation/ food services, administrative services, other services, and agricultural industry sectors. Some households receive Supplemental Security Income or public assistance. The median household income for this segment is \$27,372.

Residential

Most NeWest Residents rent apartments in mid- or highrise buildings in major cities, chiefly in the West and South. California has the largest concentration of households, followed by Texas. The average gross rent is 15 percent below the U.S. level. Most housing units in these neighborhoods were built before 1980. Homeownership is at 17 percent and the median home value is \$134,324.

Preferences

Putting their children first, NeWest Residents lead a strong, family-oriented lifestyle that emphasizes buying groceries and baby and children's products. They usually buy only the essentials such as baby food, baby supplies, baby car seats, and children's clothing. They shop for groceries at Vons and Ralphs but will stop at local convenience stores for milk, juice drinks, and nonprescription drugs. To save money, they prepare meals from scratch at home; however, they still enjoy eating occasionally at fast-food restaurants such as Carl's Jr. and Del Taco. They pay with cash; few have or use credit cards. Because most of them rent, they don't garden or buy big-ticket furniture pieces. Few have Internet access; they own one TV set and don't consider cable TV a necessity. To help their children become more fluent in English, parents will buy word and sound games. In their free time, they read magazines. Soccer is part of their culture; they watch it on TV, play it, and attend matches. They listen to Hispanic radio.

For more information about Tapestry
call Esri at

1-800-447-9778

Send e-mail inquiries to
info@esri.com

Visit

esri.com/tapestry



Understanding our world.

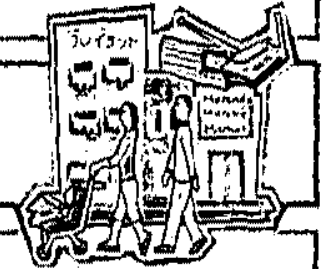
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ESRI-7
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Tapestry™ Segmentation

Esri's Tapestry™ Segmentation system divides U.S. residential areas into 65 distinctive segments based on socioeconomic and demographic characteristics to provide an accurate, detailed description of U.S. neighborhoods. Tapestry Segmentation can help you to identify your best markets, find the most profitable consumer types, tailor marketing messages to fit your audience, and define product and service preferences. Here's a brief description of a Tapestry segment.

35—International Marketplace



Segment Code—35

LifeMode Summary Group—L8 Global Roots

Segment Name—International Marketplace Urbanization Summary Group—U1 Principal Urban Centers I

Demographic

Located primarily in cities in "gateway" states on both U.S. coasts, *International Marketplace* neighborhoods are developing urban markets with a rich blend of cultures and household types. The population is young, with a median age of only 32.2 years. Approximately 70 percent of the households are families; 44 percent are married couples with children and single parents. The average family size is 3.7. *International Marketplace* is the second most diverse of the Tapestry segments. More than half of the total population is Hispanic; 11.6 percent is Asian, and 7 percent is of two or more races. A high proportion of immigrants, including recent arrivals, live in these neighborhoods.

Socioeconomic

A fifth of *International Marketplace* households has one or more persons who has difficulty speaking English. Residents who work have jobs in the manufacturing, retail trade, health care, and other services industry sectors. Eighty-two percent of the households earn income from wages; some receive Supplement Security Income or public assistance. The median household income is \$42,530. College and graduate school enrollment is similar to the U.S. average; educational attainment levels are below the U.S. level.

Residential

These densely settled, older urban neighborhoods are found in California and the northeast, around the largest U.S. cities such as New York City and Los Angeles. A typical family rents an apartment in an older, multiunit building; because renters are dominant, homeownership is only 30 percent. The median home value is \$286,750.

Preferences

Because family is a top priority, "home and hearth" products aren't important to these folks. They buy groceries, diapers, and children's clothes. They keep in touch with overseas relatives by long-distance calls or traveling to visit. They shop at Marshalls and Costco. Their favorite drug store is Rite Aid. They pop in to 7-Eleven or am/pm for quick purchases such as a gallon of milk.

They watch TV and listen to Hispanic, urban, and contemporary radio instead of reading newspapers and magazines. They drink domestic or imported beer. They show no brand preference between foreign or domestic cars.

For more information about Tapestry

call Esri at
1-800-447-9778

Send e-mail inquiries to
info@esri.com

Visit
esri.com/tapestry



Understanding our world.

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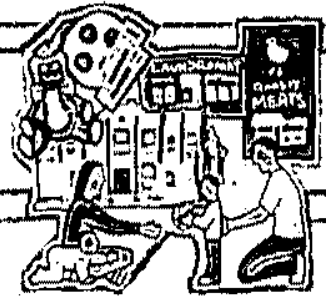
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ESRI 10/1/99

Tapestry™ Segmentation

Esri's Tapestry™ Segmentation system divides U.S. residential areas into 65 distinctive segments based on socioeconomic and demographic characteristics to provide an accurate, detailed description of U.S. neighborhoods. Tapestry Segmentation can help you to identify your best markets, find the most profitable consumer types, tailor marketing messages to fit your audience, and define product and service preferences. Here's a brief description of a Tapestry segment.

47—Las Casas

Segment Code—47 LifeMode Summary Group—L8 Global Roots
Segment Name—Las Casas Urbanization Summary Group—U2 Principal Urban Centers II



Demographic

Las Casas residents are the latest wave of western "pioneers." Nearly half were born outside the U.S.; 84 percent are Hispanic. Households are dominated by families, mainly married couples with children (42 percent) and single parent families (21 percent). The median age is 27.7 years; approximately 50 percent are younger than age 30. The average household size of 4.14 is the highest of the Tapestry segments.

Socioeconomic

The median household income of \$36,866 is low compared to the national median. Most households derive their income from wages and salaries; some receive Supplemental Security Income or public assistance income. The service and manufacturing industry sectors provide most of the jobs for these residents. Many work part-time. Educational attainment levels are much lower than national levels. Nearly 52 percent of the population aged 25-plus haven't graduated from high school; only 24 percent have attended college.

Residential

Las Casas neighborhoods are located primarily in California. Six in ten households rent. There is strong demand for housing in these neighborhoods; vacancy rates are lower than average. Housing is a mix of older apartment buildings, single-family dwellings, and townhomes. Most of the housing units were built before 1970. The median home value in these neighborhoods is \$212,069.

Preferences

The large size of Las Casas households limits their discretionary income. The presence of children influences their spending habits. They live modest lifestyles. Many drive older vehicles. This is a strong market for purchases of baby and children's products. They typically shop for groceries at Ralph's, Vons, and the am/pm convenience store. They eat fast food at Carl's Jr., Del Taco, or Jack in the Box. Improving or remodeling their homes isn't important to them.

Typically, households own one TV set and do not subscribe to cable. They watch daytime or sports programs on TV, particularly soccer and weight lifting. Hispanic radio is, by far, their favorite radio format; however, they also listen to variety and contemporary hit radio programs. They play soccer and baseball or go to the movies.

For more information about Tapestry

call Esri at
1-800-447-9778

Send e-mail inquiries to
info@esri.com

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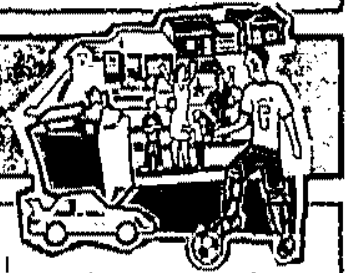
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040917
ESR 407/0202

Tapestry™ Segmentation

Esri's Tapestry™ Segmentation system divides U.S. residential areas into 65 distinctive segments based on socioeconomic and demographic characteristics to provide an accurate, detailed description of U.S. neighborhoods. Tapestry Segmentation can help you to identify your best markets, find the most profitable consumer types, tailor marketing messages to fit your audience, and define product and service preferences. Here's a brief description of a Tapestry segment.

21—Urban Villages



Segment Code—21

LifeMode Summary Group—L9 Family Portrait

Segment Name—Urban Villages

Urbanization Summary Group—U1 Principal Urban Centers I

Demographic

Urban Villages neighborhoods are multicultural enclaves of young families, unique to densely populated cities in "gateway" states, primarily California. The average family size of 4.1 people is the second largest in the Tapestry system. Household types are married couples with (approximately 40 percent) and without children, single parents, and other family types. The median age is 33 years. Population diversity is especially high; virtually every race and culture is represented in these communities. Asians comprise 11.2 percent of the total population. Sixty-one percent of the population is Hispanic, primarily of Mexican origin. Slightly more than one-third of the population is foreign born.

Socioeconomic

Thirty percent of *Urban Villages* residents aged 25 years or older have not completed high school; more than one-fourth are high school graduates, and two-fifths have attended college. Many households have two wage earners, most of whom work in the manufacturing, health care, retail trade, construction, and educational services industry sectors. The median household income is \$58,153.

Residential

Eighty-four percent of *Urban Villages* households are located in California. Most homes are older, single-family structures. Approximately two-thirds of the housing units were built before 1970. The homeownership rate is 68 percent and the median home value is \$253,463. Approximately 12 percent live in apartments. A typical household owns multiple vehicles; 27 percent own three or more.

Preferences

Family and home items are household budget priorities for *Urban Villages* residents. Because most of their housing is older, residents repaint and remodel bathrooms and replace carpeting and roofing. Many buy groceries and baby products. They shop for groceries at Ralphs and Vons. They vacation in Hawaii and Mexico.

Leisure time is a family affair; residents visit Sea World regularly. They also like to go to the movies, eat fast-food at Carl's Jr. and Del Taco, and visit family restaurants such as Denny's.

Urban Villages residents rent foreign films on DVD and listen to Hispanic, contemporary hit, and variety radio. Although most watch TV, sports programming is not as popular here as in other markets. They have recently bought iPods and giant-screen TVs.

For more information about Tapestry
call Esri at
1-800-447-9778

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info@esri.com

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GIS0247
ESRI 10/11/07

Exhibit C

Excerpt from
Marcus & Millichap 2014 National Apartment Report

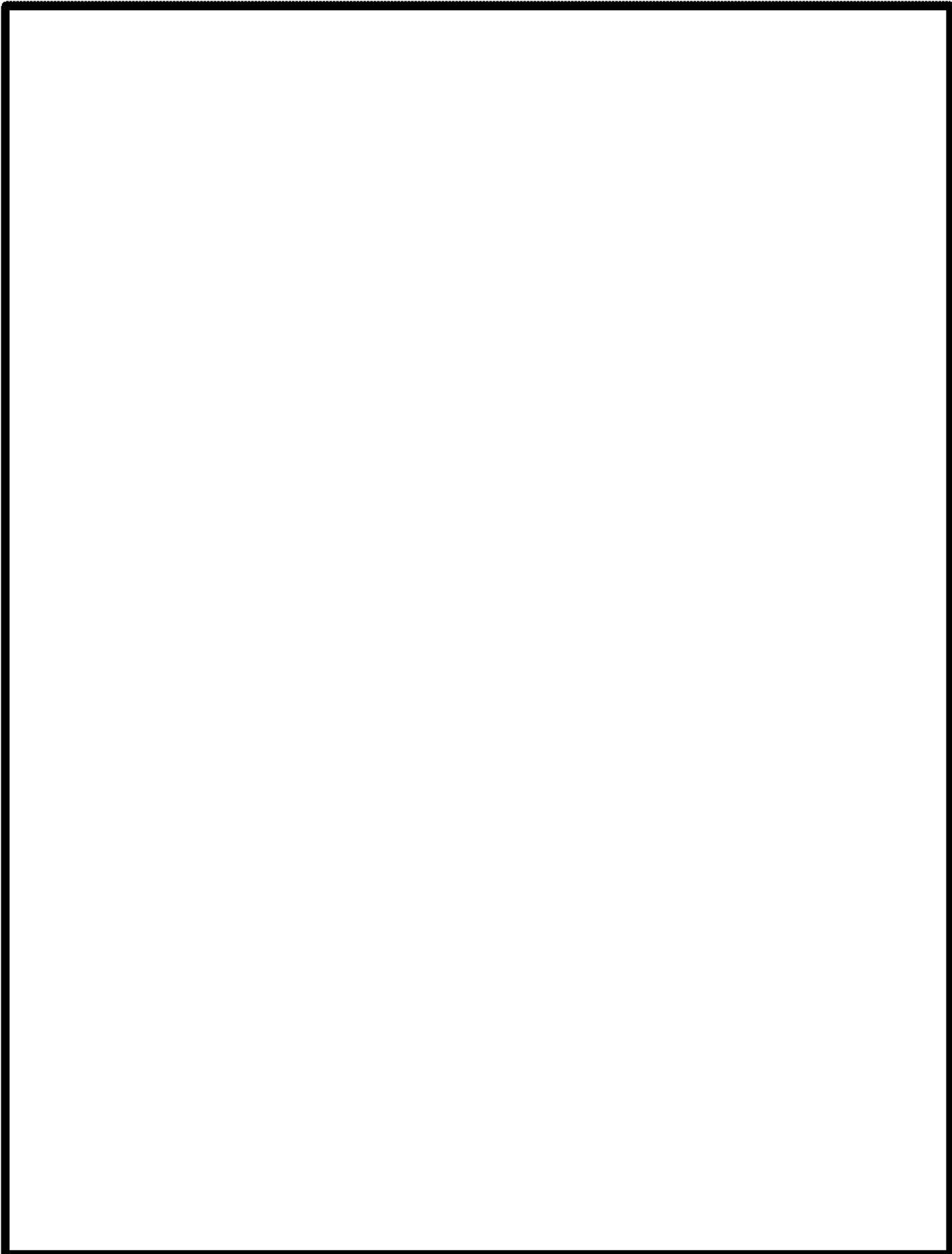


Exhibit D

STDB Online Traffic Count Map based on DataMetrix
November 22, 2013

Confidential



Executive Summary

(b)(4)

Plaza Mexico
3100 E Imperial Hwy, Lynwood, California, 90262,
Rings: 1, 3, 5 mile radii

Prepared by Justin Tsai
Latitude: 33.930393748
Longitude: -118.2159316

1 mile

3 miles

5 miles

Population



Median Age



Race and Ethnicity



Households



(b)(4)

Data Note: Income is expressed in current dollars

Source: U.S. Census Bureau, Census 2010 Summary File 1. Esri forecasts for 2013 and 2018. Esri converted Census 2000 data into 2010 geography.

January 16, 2014



Executive Summary

(b)(4)

Plaza Mexico
3100 E Imperial Hwy, Lynwood, California, 90262,
Rings: 1, 3, 5 mile radii

Prepared by Justin Tsai
Latitude: 33.930393748
Longitude: -118.2159316

1 mile

3 miles

5 miles

Median Household Income

Average Household Income

Per Capita Income

Households by Income

Housing

(b)(4)

Data Note: Income is expressed in current dollars

Source: U.S. Census Bureau, Census 2010 Summary File 1. Esri forecasts for 2013 and 2018. Esri converted Census 2000 data into 2010 geography.

January 16, 2014



Demographic and Income Profile

(b)(4)

Plaza Mexico
3100 E Imperial Hwy, Lynwood, California, 90262,
Ring: 1 mile radius

Prepared by Justin Tsai
Latitude: 33.930393748
Longitude: -118.2159316

Summary	Census 2010	2013	2018

Trends: 2013 - 2018 Annual Rate	Area	State	National

Households by Income	2013		2018	
	Number	Percent	Number	Percent

Population by Age	Census 2010		2013		2018	
	Number	Percent	Number	Percent	Number	Percent

Race and Ethnicity	Census 2010		2013		2018	
	Number	Percent	Number	Percent	Number	Percent

Data Note: Income is expressed in current dollars.

Source: U.S. Census Bureau, Census 2010 Summary File 1. Esri forecasts for 2013 and 2018.

January 16, 2014

(b)(4)

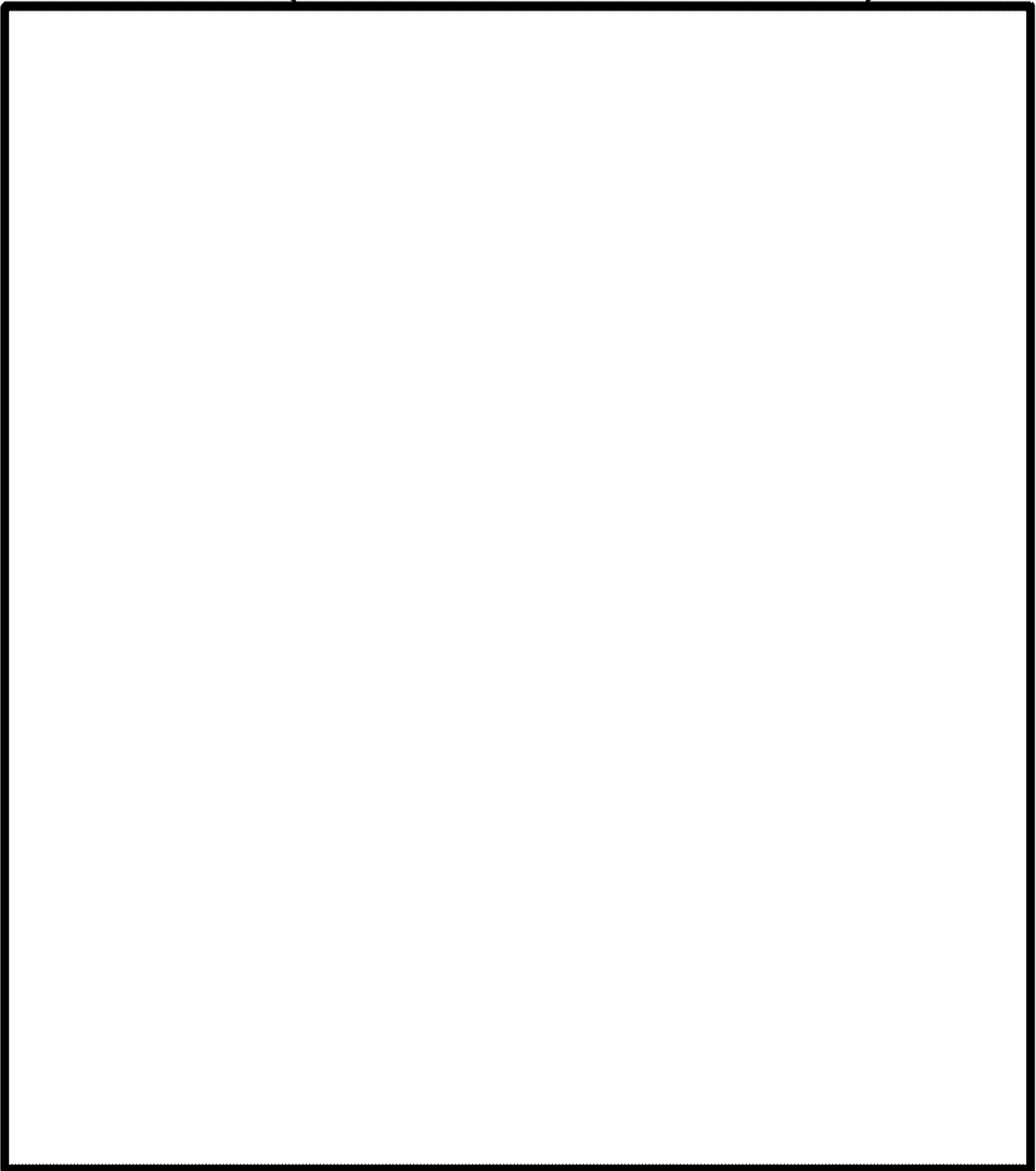


Demographic and Income Profile

(b)(4)

Plaza Mexico
3100 E Imperial Hwy, Lynwood, California, 90262,
Ring: 1 mile radius

Prepared by Justin Tsai
Latitude: 33.930393748
Longitude: -118.2159316



Source: U.S. Census Bureau, Census 2010 Summary File 1. Esri forecasts for 2013 and 2018.

January 16, 2014



Demographic and Income Profile

(b)(4)

Plaza Mexico
3100 E Imperial Hwy, Lynwood, California, 90262,
Ring: 3 mile radius

Prepared by Justin Tsai
Latitude: 33.930393746
Longitude: -118.2159316

Summary	Census 2010	2013	2018

Trends: 2013 - 2018 Annual Rate	Area	State	National

Households by Income	2013		2018	
	Number	Percent	Number	Percent

Population by Age	Census 2010		2013		2018	
	Number	Percent	Number	Percent	Number	Percent

Race and Ethnicity	Census 2010		2013		2018	
	Number	Percent	Number	Percent	Number	Percent

Data where income is expressed in different dollars.

Source: U.S. Census Bureau, Census 2010 Summary File 1. Esri forecasts for 2013 and 2018.

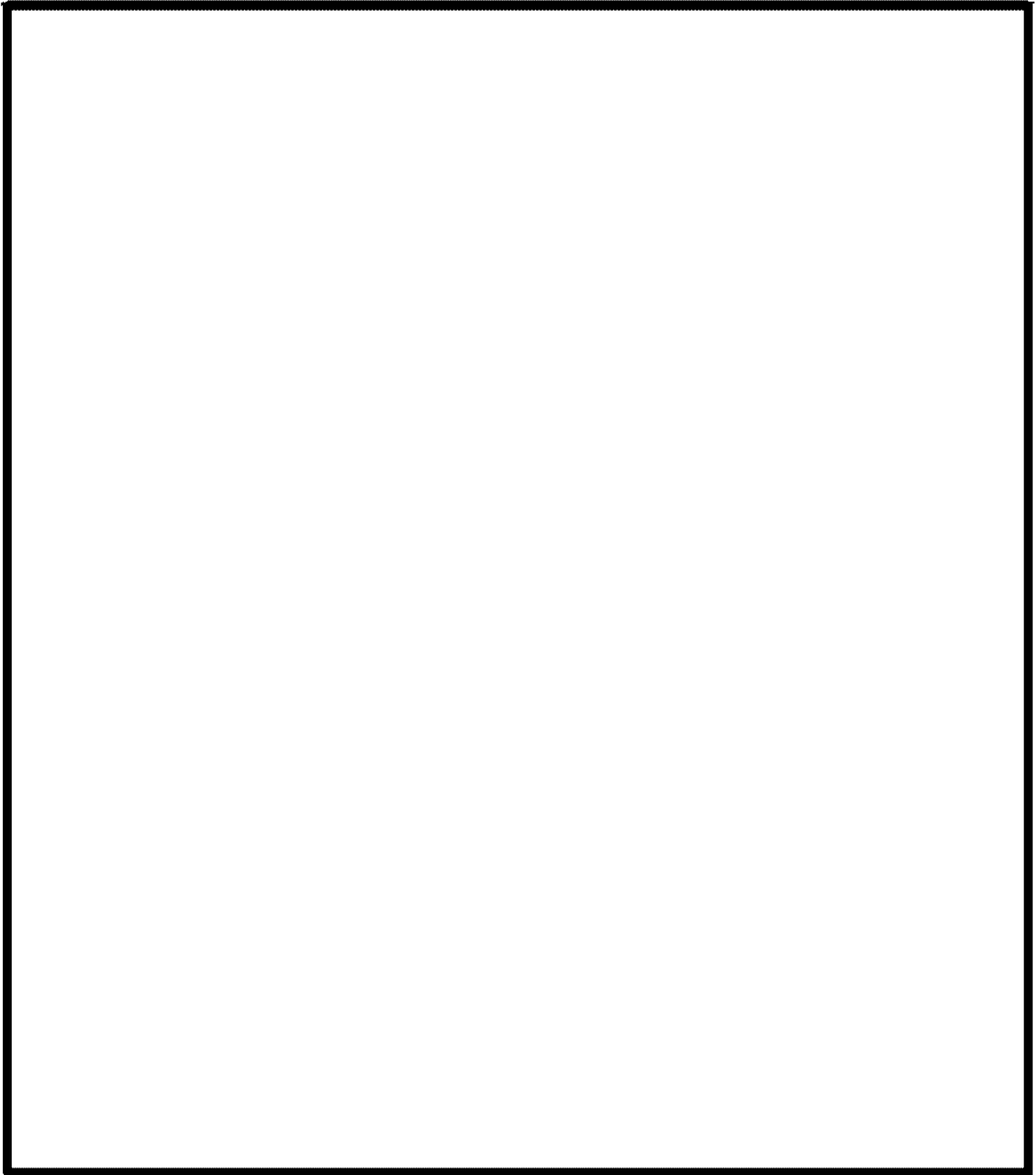


Demographic and Income Profile

(b)(4)

Plaza Mexico
3100 E Imperial Hwy, Lynwood, California, 90262,
Ring: 3 mile radius

Prepared by Justin Tsai
Latitude: 33.930393748
Longitude: -118.2159316



Source: U.S. Census Bureau, Census 2010 Summary File 1. Esri forecasts for 2013 and 2019.

January 16, 2014



Demographic and Income Profile

(b)(4)

Plaza Mexico
3100 E Imperial Hwy, Lynwood, California, 90262,
Ring: 5 mile radius

Prepared by Justin Tsai
Latitude: 33.930993748
Longitude: -118.2159316

Summary	Census 2010	2013	2018

Trends: 2013 - 2018 Annual Rate	Area	State	National

Households by Income	2013		2018	
	Number	Percent	Number	Percent

Population by Age	Census 2010		2013		2018	
	Number	Percent	Number	Percent	Number	Percent

Race and Ethnicity	Census 2010		2013		2018	
	Number	Percent	Number	Percent	Number	Percent

Data Note: Income is expressed in current dollars.
Source: U.S. Census Bureau, Census 2010 Summary File 1. Esri forecasts for 2013 and 2018.

January 16, 2014

(b)(4)

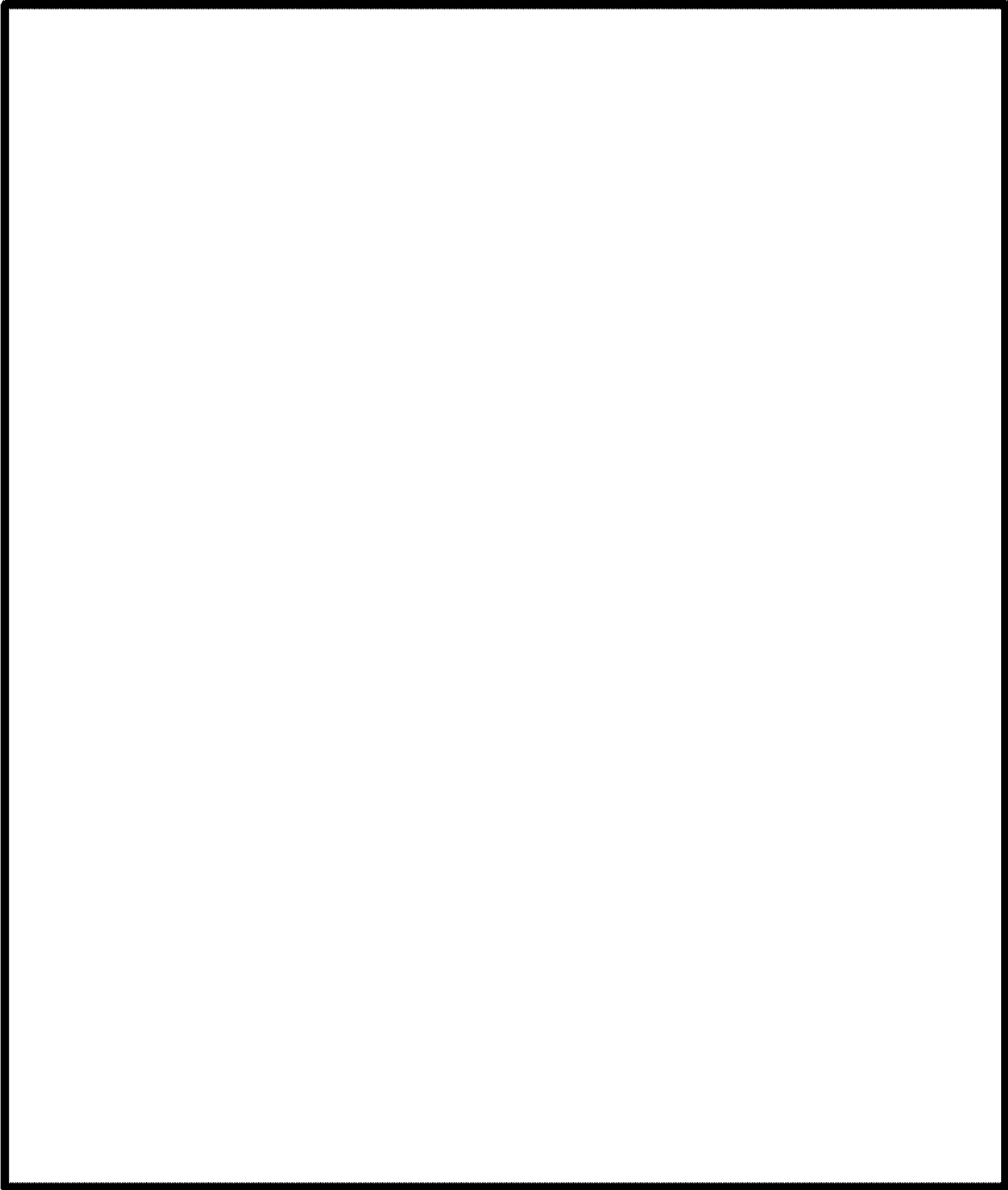


Demographic and Income Profile

(b)(4)

Plaza Mexico
3100 E Imperial Hwy, Lynwood, California, 90262,
Ring: 5 mile radius

Prepared by Justin Tsai
Latitude: 33.930393746
Longitude: -118.2159316



Source: U.S. Census Bureau, Census 2010 Summary File 1. Esti forecasts for 2013 and 2018.

January 15, 2014

Exhibit E

Plaza Mexico Expansion Proforma - Residential



M+D Properties

Confidential

Preliminary

Plaza Mexico Expansion Proforma - Residential

	1	2	3	4	5
\$ in thousands	2015	2016	2017	2018	2019

(b)(4)					
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M+D Properties
Preliminary

Confidential

Plaza Mexico Expansion Proforma - Retail

	1	2	3	4	5
\$ in thousands	2015	2016	2017	2018	2019

(b)(4)					
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0

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Exhibit E

Swinerton Builders Letter

Confidential



INNOVATION
INTEGRITY
EXPERIENCE

April 30, 2014

Plaza Mexico Residences, LLC
Attn: Donald Chae, Manager
3100 East Imperial Highway
Lynwood, CA 90262

RE: *Plaza Mexico Residences*
EB-5 – Construction Cost and Timeline Review

Mr. Chae,

Swinerton Builders ("Swinerton") has performed a third-party review of Plaza Mexico Residence's construction budget and schedule. Swinerton utilized its vast collective knowledge gained from its distinguished record of 125 years of construction work in the USA. In Southern California, Swinerton provides an annual average of \$500 million in comprehensive building services and has access to historical construction cost for our projects completed over the last 20 years in the greater Los Angeles area. A summary of our office's recent comparable projects is attached, along with a copy of our General Contractor's license.

In addition, Swinerton is intimately familiar with projects constructed by M+D Properties, the manager of Plaza Mexico Residences, as Swinerton is currently serving as Construction Manager for several of M+D Properties' other construction projects. As Construction Manager of these projects, Swinerton has provided preconstruction services, including developing progressive budgets, value engineering, scheduling, constructability and site utilization and logistics in addition to overseeing the installation of the infrastructure in the field.

Our review of the current budget and schedule for Plaza Mexico Residences included examining the scope of work, proposed construction budget, and construction timeline, and then compare the scope to our current market trending data and recently completed comparable scope.

(b)(4)





If you have any questions, or would like to further discuss any of these points, please feel free to contact me directly.

Sincerely,
Swinerton Builders

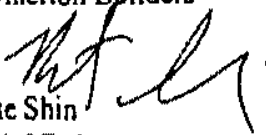

Pete Shin
Chief Estimator

EXHIBIT "E2"



Plaza Mexico Expansion - Construction budget

(b)(4)

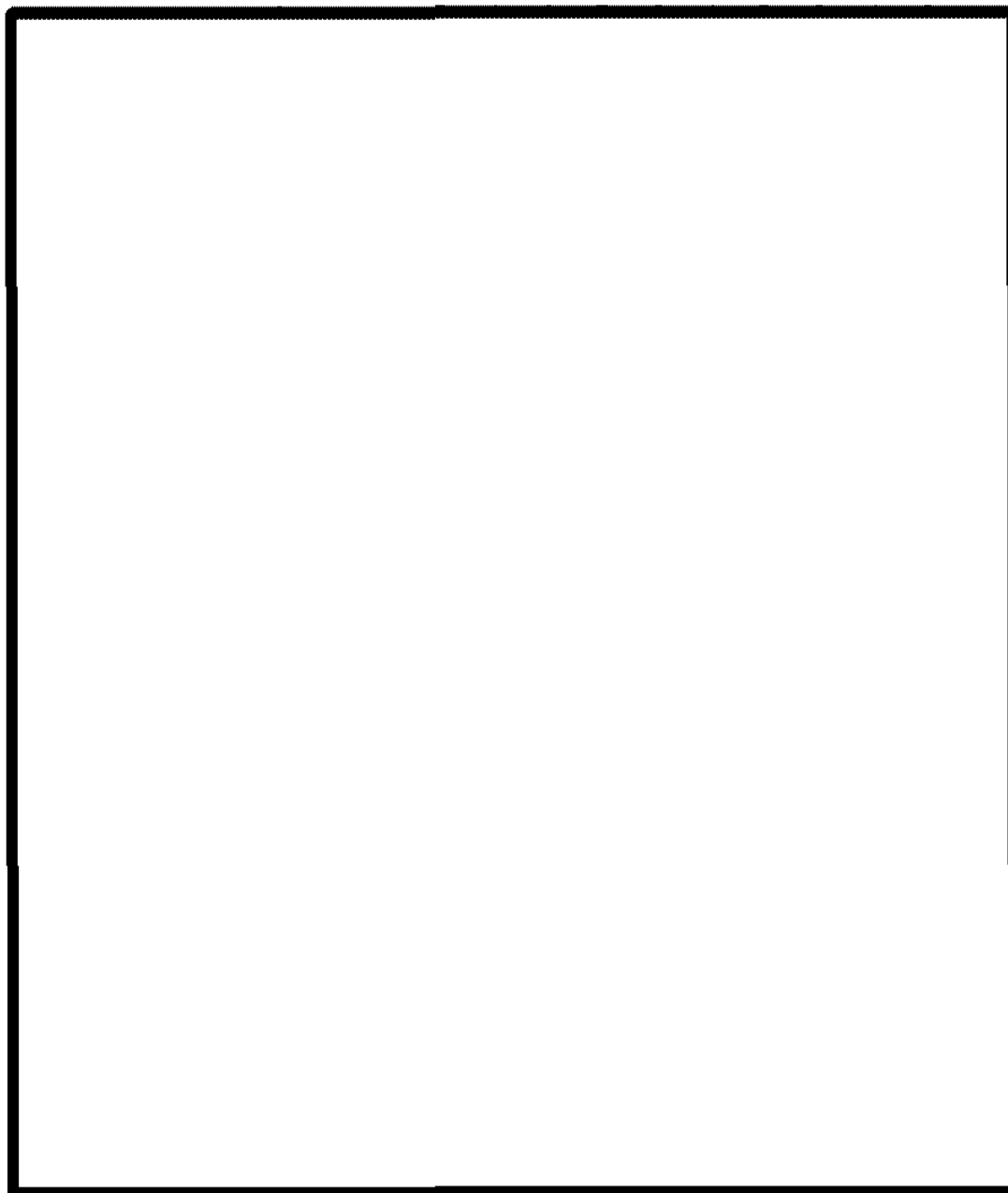


EXHIBIT "E3"

RESOLUTION NO. 2013.145

A JOINT RESOLUTION OF THE CITY OF LYNWOOD AND LYNWOOD PARKING AUTHORITY BOARD APPROVING THE DISPOSITION AND DEVELOPMENT AGREEMENT BETWEEN THE CITY OF LYNWOOD, LYNWOOD PARKING AUTHORITY AND 3000 E. IMPERIAL, LLC (PLAZA MEXICO)

WHEREAS, the Lynwood Parking Authority ("LPA") is a public entity established by the City Council by Resolution No. 2012.091, dated May 1, 2012, pursuant to California Streets and Highways Code sections 32650 et seq. and having all powers provided under Streets & Highways Code sections 32801 et seq.;

WHEREAS, the LPA finds that there is a significant parking deficiency in the area at and around 3100 E. Imperial Highway, Lynwood, owned and operated by 3000 E. Imperial, LLC ("Developer"), and which parking deficiency is an impediment to travelers, businesses and residents wishing to use commercial facilities along such location and surrounding areas on Long Beach Boulevard;

WHEREAS, to address such parking deficiency, the LPA desires to redevelop such area with appropriate parking facilities adequate to meet the current and anticipated vehicle parking needs in the area;

WHEREAS, the shopping center commonly known as Plaza Mexico, is located at 3100 E. Imperial Highway, Lynwood, and is situated at the corner of Long Beach Boulevard and Imperial Highway (the "Shopping Center");

WHEREAS, Developer wishes to expand the Shopping Center in what is anticipated to be done in phases, beginning with an initial "Phase I" on property owned by Developer, which consists of 4.28 acres of land located west of the Shopping Center and south of Imperial Highway, on the property that is bound by Imperial Highway, State Street, and the Century Freeway, along with a smaller section of land directly to the north and across Imperial Highway, both of which are owned by Developer ("Phase I Site");

WHEREAS, upon the completion of the development of the Phase I Site, Developer may continue the expansion of the Shopping Center through Future Phases, as defined below, which may include other parcels not currently owned by Developer, but located in the immediate vicinity of the Shopping Center ("Third Party Parcels");

WHEREAS, the City, LPA and Developer desire to enter into a Disposition and Development Agreement ("DDA") to analyze the steps required by Developer to expand the Shopping Center, as described above;

WHEREAS, the execution and approval of DDA is not intended to be the final step in 1) the acquisition of the Third Party Parcels; or 2) development of the

Project, but instead, is intended to memorialize the parties' understandings of how to evaluate and complete those steps necessary for Developer to obtain all Entitlements, Project Approvals, and Permits to develop the Project on the Site (as such terms are defined and described in the DDA), including amendments to the City's General Plan, Zoning Ordinance, and Specific Plan as required, as well as to acquire the Third Party Parcels, if necessary or applicable, all subject to separate compliance with the California Environmental Quality Act ("CEQA").

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF LYNWOOD AND THE LYNWOOD PARKING AUTHORITY, DO HEREBY FIND, DETERMINE, ORDER AND RESOLVE AS FOLLOWS:

Section 1. The above recitals are all true and correct and are hereby adopted as findings.

Section 2. The development of the Project will assist in addressing a significant parking deficiency in the area of the Site and generate tax revenue, and create jobs.

Section 3. The City Council and Lynwood Parking Authority Board hereby approve the DDA and the instruments referenced therein, a copy of which are on file in the office of the City Clerk, with the direction that the DDA be revised to reflect actual parking requirements in accordance with City requirements, as calculated by the Development Services Department.

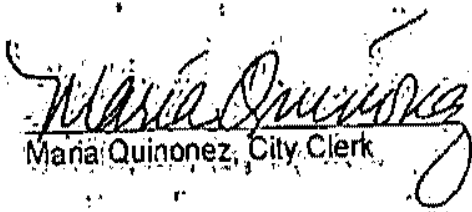
Section 4. The Mayor and City Manager and Lynwood Parking Authority Chair and Administrator are authorized and directed to take such actions and execute such documents as may be necessary to implement and effect this Resolution and the DDA on behalf of the City and Authority, subject to the approval of the form of same by the City Attorney/Authority Counsel.

Section 5. The City Clerk and Authority Secretary shall certify to the passage and adoption hereof.

PASSED, APPROVED and ADOPTED this 5th day of November, 2013.


Salvador Alatorre, Mayor


ATTEST:


Maria Quinonez, City Clerk

APPROVED AS TO FORM:


Fred Galante, City Attorney

APPROVED AS TO CONTENT:


Richard N. Warne,
Interim City Manager

STATE OF CALIFORNIA)
) §
COUNTY OF LOS ANGELES)

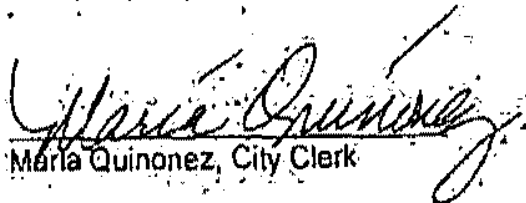
I, the undersigned City Clerk of the City of Lynwood, do hereby certify that the foregoing Resolution was passed and adopted by the City Council of the City of Lynwood at a special meeting held on the 5th day of November 2013.

AYES: COUNCIL MEMBERS CASTRO, SANTILLAN-BEAS, MORTON,
RODRIGUEZ AND ALATORRE

NOES: NONE

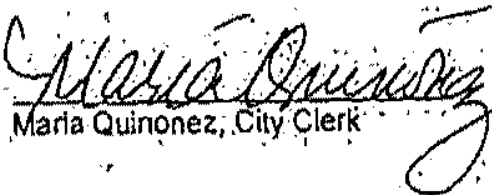
ABSENT: NONE

ABSTAIN: NONE


Maria Quinonez, City Clerk

STATE OF CALIFORNIA)
) §
COUNTY OF LOS ANGELES)

I, the undersigned City Clerk of the City of Lynwood, and Clerk of the City Council of said City, do hereby certify that the above and foregoing is a full, true and correct copy of Resolution No. 2013:145 on file in my office, and that said Resolution was adopted on the date and by the vote therein stated. Dated this 5th day of November 2013.


Maria Quinonez, City Clerk

DISPOSITION AND DEVELOPMENT AGREEMENT

THIS DISPOSITION AND DEVELOPMENT AGREEMENT ("Agreement" or "DDA") is entered into as of November 5, 2013 ("Effective Date") by and between the LYNWOOD PARKING AUTHORITY ("Authority") and CITY OF LYNWOOD ("City"), on the one hand, and 3000 E. IMPERIAL, LLC, a California limited liability company (or a permitted successor or assignee) ("Developer"), on the other hand. For and in consideration of the mutual covenants and promises set forth herein, the Parties agree as follows:

RECITALS

A. On December 29, 2011, the California State Supreme Court issued a ruling on the constitutional validity of two 2011 legislative budget trailer bills, ABX1 26 (Chapter 5, Statutes of 2011) and ABX1 27 (Chapter 6, Statutes of 2011), which resulted in the outright elimination of all 425 redevelopment agencies in the State of California. Subsequent legislation, AB 1484 (Chapter 26, Statutes of 2012), which was passed, signed, and enacted on June 28, 2012, made significant changes to the provisions of ABX1 26. As a result of ABX1 26, the former Lynwood Redevelopment Agency ("LRA") has been dissolved, leaving the City with few tools to implement the Redevelopment Plans adopted by the LRA for the revitalization of properties in the City.

B. The Authority recognizes that a significant impediment to revitalizing properties within the City is the lack of adequate parking facilities necessary to foster development. As such, the Authority wishes to enter into this Agreement to explore opportunities to address the lack of available parking in a critical area of the City.

C. The subject matter of this Agreement concerns the proposed expansion of the shopping center commonly known as Plaza Mexico, which is located at 3100 E. Imperial Highway, Lynwood, CA 90262, and is situated at the corner of Long Beach Boulevard and Imperial Highway (the "Shopping Center"). The expansion is anticipated to be done in phases, beginning with an initial "Phase I" on that certain real property shown on Attachment 1, owned by Developer, which consists of 4.28 acres of land located west of the Shopping Center and south of Imperial Highway, on the property that is bound by Imperial Highway, State Street, and the Century Freeway, along with a smaller section of land directly to the north and across Imperial Highway, both of which are currently owned by Developer (collectively, "Phase I Site"). Upon the completion of the development of the Phase I Site, as set forth below, Developer may continue the expansion of the Shopping Center through Future Phases, as defined below, which may include other parcels not currently owned by Developer, but located in the immediate vicinity of the Shopping Center (collectively, "Third Party Parcels"). The Phase I Site and Third Party Parcels shall collectively be referred to as the "Site," as depicted in the site plan as attached hereto as Attachment 1.

D. As further described in the Scope of Development at Attachment No. 4, Developer desires to develop the Phase I Site, as the initial step in the expansion of the Shopping Center. The Phase I Site shall be developed with approximately 74,000 square feet of retail space ("Retail Component"), approximately 392 residential units ("Residential Component") and a multi-level parking facility that is anticipated to consist of two (2) levels of parking (including

the ground level and roof top), containing approximately 542 parking stalls as necessary to comply with the City's applicable parking requirements ("Phase I Parking Facility"), which will be adequate to meet the current and anticipated vehicle parking needs of the Retail Component and Residential Component, while meeting the current and anticipated vehicle parking needs of the area. The Future Phases are only conceptual; at this time, and will depend on a number of factors, including, but not limited to, Developer's ability to acquire any and/or all of the Third Party Parcels, but may include the creation of: (i) a hotel, southwest of the current Shopping Center, that may contain retail space; (ii) a development with retail space, that may be located south of the current Shopping Center; (iii) a mixed-use (commercial and residential) building, which may be located to the north of the current Shopping Center; (iv) a shopping area with retail space, contemplated to be located to the east of the current Shopping Center; and (v) a shopping area with retail space, and possibly a movie theater, and is generally described at Attachment No. 4. When developed, if at all, each of the Future Phases, as described above, shall contain parking facilities and/or areas that will meet the parking needs in the area as well as the parking needs of the respective developed phases of the contemplated Future Phases. The parking associated with the Future Phases shall each be referred to herein individually, as "Future Parking Facility", and collectively, as "Future Parking Facilities." Together, the Phase I Site and Future Phases are referred to herein as the "Project". In addition to the parking requirements for the Phase I Site and Future Phases, Developer will provide all required landscaping and on and off-site public works improvements, all in accordance with applicable City regulations and standards.

E. The City, Authority and Developer desire to enter into this Agreement to analyze the steps required to analyze the entitlements required to approve development of the Phase I Site and the Future Phases of the Project pursuant to this Agreement, and the fulfillment generally of this Agreement are in the vital and best interests of the City and the health, safety, morals, and welfare of its residents, and in accord with the public purposes and provisions of applicable federal, state and local laws and requirements.

F. The parties acknowledge that the mutual execution and approval of this Agreement does not grant any rights to Developer to proceed with any phase of the Project. Nor is this Agreement intended to be the final step for the 1) desired Entitlements to be separately processed by Developer for any portion or phase of the Project, 2) possible acquisition of the Third Party Parcels; 3) possible transfer of one or more of the Third Party Parcels, if necessary; or 4) development of any phase (Phase I or Future Phases) of the Project. Instead, this Agreement is intended to memorialize the parties' understandings of how to evaluate and complete those steps necessary for Developer to obtain all Entitlements, Project Approvals, and Permits (as defined and described in Section 702) to develop any portion of the Project on the Site (including amendments to the City's General Plan, Zoning Ordinance, and Specific Plan as required) all subject to separate compliance with the California Environmental Quality Act ("CEQA").

1.1. (\$100) PURPOSE OF THE AGREEMENT.

A. (\$101) Purpose of the Agreement.

This Agreement and the Attachments hereto are intended to provide a plan for the City's and Authority's consideration of the necessary Entitlements, Project Approvals, and Permits for

Developer's development and construction of the Phase I Site and to address a significant parking deficiency in the general location of the Site by providing for the development of the Project thereon. The development of the Site pursuant to this Agreement, and the fulfillment generally of this Agreement, are in the vital and best interests of the City and the welfare of its residents, and in accordance with the public purposes and provisions of applicable federal, state and local laws and requirements.

Through this Agreement, the Developer, with any necessary assistance from the Authority, intends to outline the steps required to assemble the Site in phases, secure the necessary Project Approvals, and Permits for Developer to develop the Phase I Site (as set forth above), thereafter, relocate any occupants of the various parcels comprising the Third Party Parcels that may be included in the Project, transfer any Third Party Parcels acquired by the Authority to Developer, and have Developer construct the remaining Future Phases of the Project, subject to separate discretionary approvals by the City or Authority, as appropriate, and compliance with CEQA. The fair market appraised value of any Third Party Parcels shall be determined based on an appropriate appraisal report and the sale of any such parcels shall be accomplished following a separate approval process. The Authority and City desire to have Developer construct the Project at the Site to, among other things, address the lack of adequate parking to serve the various current or future uses at the Site and surrounding uses, including the nearby Metro Green Line rail station at Long Beach and the 105 Freeway. As a condition precedent to the Closing (as defined herein), Developer and Authority shall agree, in writing, that upon completion of construction of the Project by Developer, Developer shall allow, through an easement, transfer and lease-back or lease of that portion of the Site, comprising of the Future Parking Facilities, to be used by the public in conjunction with its tenant uses in the Project.

The Developer will be required to pay for any necessary additional street improvements or signage as reasonably determined by the City and Developer. Additionally, the entire Site will be encumbered by recorded covenants describing those Developer obligations to develop and maintain the Site.

2. (6200) DEFINITIONS:

The following terms as used in this Agreement shall have the meanings given unless expressly provided to the contrary:

A. (6201) Acquisition Costs.

The term "Acquisition Costs" shall mean those reasonable collective costs Authority may expend in acquiring any of the Third Party Parcels that may be acquired by the Authority to be included in the Project, including but not limited to, real estate purchase costs, attorneys fees, appraisal fees, environmental clean-up costs, relocation assistance payments, environmental testing fees and other consultants' fees, as will be further described in separate accounting and reports to be prepared by the Authority and considered by the Authority Board.

B. (§202) Agreement.

The term "Agreement" shall mean this Disposition and Development Agreement, including all attachments, which attachments are a part hereof and incorporated herein in their entirety, and all other documents incorporated herein by reference.

C. (§203) City.

The term "City" shall mean the City of Lynwood, a municipal corporation.

D. (§204) Closing or Close of Escrow.

The term "Closing" or "Close of Escrow" shall mean the closing of the Escrow relating only to the sale/transfer of any of the Third Party Parcels that Authority acquires through eminent domain that will be conveyed to Developer to be included in the Future Phases, which shall be performed by the Escrow Agent's distributing the funds and documents received through Escrow to the party entitled thereto, as provided herein, which closing shall occur on or before the date established in the Schedule of Performance but not before all portions of those Third Party Parcels acquired by the Authority through eminent domain have been prepared by the Authority for delivery to Developer.

E. (§ 205) Covenant Agreement.

The term "Covenant Agreement" shall refer to that certain Regulatory Agreement and Declaration of Covenants and Restrictions to be separately negotiated and executed by and between the Authority and Developer describing Developer's obligations to operate and maintain the Project, or any portion thereof, on the Site for a term of at least ten (10) years.

F. (§206) Days.

The term "days" shall mean calendar days and the statement of any time period herein shall be calendar days, and not working days, unless otherwise specified.

G. (§207) Deposit.

The term "Deposit" shall have the meaning set forth at Section 602.1 herein.

H. (§208) Effective Date.

The Effective Date of this Agreement shall occur on the date this Agreement is executed on behalf of Developer and Authority after public hearing and approval by Authority.

I. (§209) Enforced Delay.

The term "Enforced Delay" shall mean any delay described in Section 1003 caused without fault and beyond the reasonable control of a party, which delay shall justify an extension of time to perform as provided in Section 1003.

J. (§210) Escrow.

The term "Escrow" shall mean any escrow that may be established, if necessary, pursuant to this Agreement, for the conveyance of any of the contemplated Third Party Parcels acquired by the Authority, through eminent domain, which may be conveyed from the Authority to Developer for inclusion in any portion of the Future Phases.

K. (§211) Entitlements.

The term "Entitlements" shall mean any and all final, non-appealable approvals, authorizations and Entitlements relating to land use from governmental authorities with jurisdiction that Developer deems necessary or appropriate in order to develop and improve the Site with the Project, including those necessary to engage in the retail sale at the Site of beer, wine and/or liquor for off-premises consumption.

L. (§212) Escrow Agent.

The term "Escrow Agent" shall mean Lawyers Title Insurance Corporation, 801 S. Figueroa Street, Suite 870, Los Angeles, CA, 90017, with the escrow officer being Cheryl Greer who may be contacted at phone (213) 330-3080, fax (213) 330-2315.

M. (§213) Financing Plan.

The term "Financing Plan" shall have the meaning set forth at Section 601 herein.

N. (§214) Future Phases.

The term "Future Phases" shall have the meaning set forth at Attachment 4 herein. Each of the Future Phases, if developed, shall contain a Future Parking Facility, which facility shall be adequate to meet the current and anticipated vehicle parking needs for the Future Phase and the area, as such facilities are further described in the Scope of Development, attached hereto as Attachment No. 4.

O. (§215) Grant Deeds.

The term "Grant Deeds" shall refer to the multiple grant deeds substantially in the form attached hereto as Attachment No. 5 to effect the conveyance of any of the Third Party Parcels acquired by Authority through eminent domain, if applicable, from the Authority to Developer subject to the condition that Developer convey to Authority an easement, fee title, subject to a lease back or lease of, the portions of the Site comprising the Parking Facility or Facilities following completion of construction of the Project.

P. (§216) Phase I Parking Facility.

The term "Parking Facility" shall mean the multi-level parking facility contemplated to be constructed by Developer under this Agreement, which facility shall be adequate to meet the current and anticipated vehicle parking needs for the Retail Component and Residential Component of the Phase-I Site, as well as the vehicle parking needs in the area and is anticipated

to consist of 2 levels of parking for a total of approximately 542 parking stalls or as necessary to comply with the City's applicable parking requirements, as such facility is further described in the Scope of Development, attached hereto as Attachment No. 4.

Q. (4217) Permits:

The term "Permits" shall mean any and all permissions, permits, licenses and other indicia of governmental approvals as required from governmental authorities.

R. (4218) Phase I:

The term "Phase I" shall have the meaning set forth at Recital C above.

S. (4219) Phase I Site:

The term "Phase I Site" shall have the meaning set forth at Recital D above, as further described in Attachments 1 and 2.

T. (4220) Project:

The term "Project" shall mean any and all of the improvements to be constructed by Developer on the Phase I Site and, later, if applicable, on the Future Phases of the Project, as Third Party Parcels are acquired, if any, pursuant to this Agreement, including, but not limited to, construction of the buildings, glass and concrete work, landscaping, construction of parking areas, and related improvements. The Project is more particularly described in the Scope of Development, attached hereto as Attachment No. 4.

U. (4221) Project Approvals:

The term "Project Approvals" shall have the meaning set forth at Section 702.1 herein.

V. (4222) Release of Construction Covenants:

The term "Release of Construction Covenants" shall mean that document prepared in accordance with Section 7.14 of this Agreement, in substantially the form attached as Attachment No. 6, which shall evidence that the construction and development of the improvements required by this Agreement has been satisfactorily completed.

W. (4223) Relocation Plan:

The term "Relocation Plan" shall have the meaning set forth at Section 401.2 herein.

X. (4224) Schedule of Performance:

The term "Schedule of Performance" shall mean that certain Schedule of Performance attached hereto as Attachment No. 3.

Y. (§225) Site and Site Map.

The Project (including the Phase I Site and contemplated Third Party Parcels) shall be located upon that real property, hereinafter referred to as the "Site," as generally shown in the "Site Map" attached hereto as Attachment No. 1. The Site is an expansion of the Shopping Center and is generally bounded by E. Imperial Highway and Long Beach Boulevard in the City, County of Los Angeles, State of California.

Z. (§226) Third Party Parcels.

The term "Third Party Parcels" shall mean any of the parcels owned by private parties, and not the Authority, that may be included in Future Phases of the Project and as further defined in Recital C above.

AA. (§227) Title.

The term "Title" shall mean the fee interest to any portion of the Site acquired by or conveyed to Developer in good marketable condition.

BB. (§228) Title Company.

The term "Title Company" shall mean Lawyers Title Insurance Corporation, 801 S. Figueroa Street, Suite 870, Los Angeles, CA 90017, with the title officer being Cheryl Greer who may be contacted at (213) 330-2330.

3. (§300) PARTIES TO THE AGREEMENT.

A. (§301) Authority.

Authority is a public entity established by the City Council of the City by Resolution No. 2012.091, dated May 1, 2012, pursuant to California Streets and Highways Code sections 32650 et seq. and having all powers provided under Streets & Highways Code sections 32801 et seq.

B. (§302) City.

City is a municipal corporation located in the County of Los Angeles, State of California.

C. (§303) Developer.

1. Identification.

Developer is 3000 E. Imperial, LLC, a California limited liability company. The principal office of Developer for the purposes of this Agreement is located at 3100 E. Imperial Highway, Lynwood, California 90262. Developer warrants and represents to Authority and City that Developer is duly qualified to do business in good standing under the laws of the State of California and, as of the Effective Date, has all requisite power and authority to carry out Developer's business as now and whenever conducted and to enter into and perform Developer's obligations under this Agreement.

Except as may be expressly provided herein, all of the terms, covenants and conditions of this Agreement shall be binding on, and shall inure to the benefit of Developer, and the permitted successors, assigns and nominees of Developer. Wherever the term "Developer" is used herein, such term shall include any of its permitted successors and assigns, as herein provided.

2. Qualifications.

Subject to the provisions of Section 303, the qualifications and identity of Developer are of particular concern to Authority and City, and it is because of such qualifications and identity that Authority has entered into this Agreement with Developer. Authority and City have considered the Site location and characteristics, the public costs of development of the Site and return on investment, and the kinds of uses necessary to produce a successful multi-level public parking and retail and residential project of the type desired by the Authority and City. Based upon these considerations, the Authority and City have imposed those restrictions on transfer set forth in this Agreement.

D. (§ 304) Restrictions on Transfer.

1. Transfer Defined.

As used in this section, the term "transfer" shall include any assignment, hypothecation, mortgage, pledge, conveyance, or encumbrance of this Agreement, the Site, or the improvements thereon. A transfer shall also include the transfer to any person or group of persons acting in concert of more than fifty percent (50%) of the present ownership and/or control of Developer in the aggregate taking all transfers into account on a cumulative basis. In the event Developer or its successor is a corporation, limited liability company, or trust, such transfer shall refer to the transfer of the issued and outstanding capital stock of Developer, or of membership interests or of beneficial interests of such trust, as applicable; in the event that Developer is a limited or general partnership, such transfer shall refer to the transfer of more than percent (50%) of the limited or general partnership interest; in the event that Developer is a joint venture, such transfer shall refer to the transfer of more than twenty-five percent (25%) of the ownership and/or control of any such joint venture partner, taking all transfers into account on a cumulative basis.

The parties acknowledge that Developer may assign its construction and maintenance duties pursuant to this Agreement. Notwithstanding anything to the contrary contained herein, the parties acknowledge and agree that any such assignment of this type shall not constitute a "Transfer" for the purposes of this Section 304 or violate this Agreement.

2. Restrictions Prior to Completion.

Prior to issuance of the Release of Construction Covenants, Developer shall not transfer this Agreement or any of Developer's rights hereunder, or any interest in the Site or in the improvements thereon, directly or indirectly, voluntarily or by operation of law, without the prior written approval of Authority and if so purported to be transferred, the same shall be null and void. In considering whether it will grant approval to any assignment by Developer of its interest in the Site before the issuance of the Release of Construction Covenants, which assignment requires Authority approval, Authority shall consider factors such as (i) whether the completion of the Project is jeopardized; (ii) the financial strength and capability of the proposed

assignee to perform Developer's obligations hereunder; (iii) the proposed assignee's experience and expertise in the planning, financing, development, ownership, and operation of similar projects; and (iv) how the proposed assignee will have the ability to finance, own, operate and maintain a high quality multi-level public parking and retail facility in the City, similar to the Project in terms of reputation and amount of anticipated sales to be generated from the Site.

Subject to the Exceptions noted in Section 304.3 below, no attempted assignment or transfer of any of Developer's obligations hereunder shall be effective unless and until the successor party executes and delivers to Authority an assumption agreement in a form approved by Authority assuming such obligations. Upon execution and approval of an assumption agreement as provided for herein, the assignor/transferor shall be released and have no further obligations or liability under this Agreement with respect to the interest which is transferred.

3. Exceptions

Notwithstanding any other provision set forth in this Agreement to the contrary, the restrictions on transfer set forth in this Section 304 shall not apply, and Authority approval of a transfer shall not be required in connection with any of the following:

(a) Any mortgage, deed of trust, or other form of conveyance for financing or refinancing Developer's direct and indirect costs to finance the development of the Phase I Site and/or to acquire and develop any of the Third Party Parcels that may be included in the Site and Project thereon, as provided in Section 403, provided that Developer shall use reasonable commercial efforts to notify Authority in advance of any such mortgage, deed of trust, or other form of conveyance for financing pertaining to any Future Phases to be constructed in the Project, and further provided that the amount of indebtedness incurred in restructuring or refinancing shall not exceed the outstanding balance on the debt incurred to finance the direct and indirect costs to acquire and develop any of the Third Party Parcels that may be included in the Project and any additional sums (including reasonable costs incurred with respect to such restructuring or refinancing) to complete the same.

(b) The conveyance or dedication of any portion of the Site to the City or other appropriate governmental agency, or the granting of easements or permits to facilitate the development of the Site.

(c) A sale or transfer of ownership or control interests between members of the same family; or transfers to a trust, testamentary or otherwise, in which the beneficiaries consist solely of members of the trustor's family; or transfers to a corporation or partnership or other legal entity such as a limited liability company, in which the members of Developer constitute a majority interest.

of 51% or more of the proposed transferee.

(d) The conveyance by Developer to Authority of an easement, fee title subject to a lease back or lease of the portions of the Site comprising the Parking Facility or Facilities following completion of construction of the Project pursuant to Section 402.1(d).

(§ 400) ACQUISITION AND DISPOSITION OF THE SITE.

A. (§ 401) Acquisition of the Site.

1. Makeup of Site.

Developer acknowledges the Site, in its ultimate configuration, consists of the Phase I Site and Third Party Parcels, as such parcels are shown on the Site Map (which may be changed, modified, amended and/or reconfigured by Developer as it relates to the Third Party Parcels and Future Phases, as these items are conceptual and contingent on, among other things, the acquisition of any of the Third Party Parcels). The provisions of this Section 401 regarding acquisition of the Third Party Parcels or portions thereof shall be the process the parties shall follow, subject to and contingent upon a Relocation Plan and Financing Plan as approved by the Authority per Sections 401.2 and 601, respectively. The parties acknowledge and agree that, upon the completion of the development of the Phase I Site, Developer (if economically feasible for Developer) will initially pursue acquisition of the Third Party Parcels and the Authority will not be a participant, except where required and pursuant to the provisions below.

2. Prior Approval of Relocation Plan.

As a condition precedent to the Authority acquiring the Third Party Parcels, or portions thereof, which shall only occur, if at all, after the completion of the development of the Phase I Site, Authority shall cause to be prepared, with funding provided from the Deposit, a relocation plan in compliance with all applicable federal, state and local laws, including, but not limited to, the requirements of the Uniform Relocation Act and Section 104(d) of the Housing and Community Development Act ("Relocation Plan"). No acquisition or relocation activities by Authority shall occur until approval of such Relocation Plan by Authority. Developer may further fund an outreach/public relations program, as part of the Deposit, to be implemented by Authority, as reasonably approved by Developer, regarding relocation and benefits. Following completion of Phase I, if acquisition of any Third Party Parcel where relocation benefits apply, this Agreement shall expire twelve (12) months following the issuance of any Certificate of Completion for Phase I if Authority does not approve an acceptable Relocation Plan.

3. Negotiated Purchase.

After the completion of the development of the Phase I Site and within the times set forth in the Schedule of Performance, Developer may attempt to acquire the Third Party Parcels from the current owners thereof by negotiated purchase, provided, however, that nothing in this Agreement shall obligate Developer to acquire the Third Party Parcels or to pay more than the fair market value of the Third Party Parcels as may be determined by an appraisal obtained by

Developer (provided that Developer may at its option, but shall not be required to, pay the excess cost, if any, over such fair market value), nor to agree to any other, non-standard terms or conditions except as may be acceptable to Developer in its sole and absolute discretion, with the approval of Authority's Administrator or designee.

4. Condemnation.

Subject to the provisions of subsection 401.3 above and Developer's determination to go forward with the development of any of the Third Party Parcels to be included in any of the Future Phases, if, after and despite its best efforts to do so, Developer is unable to acquire the Third Party Parcels or any portion thereof by negotiated purchase and Developer, in its sole discretion, determines that it is interested in acquiring any of the Third Party Parcels to develop the Future Phases of the Site, Developer shall notify Authority, and Authority shall conduct the necessary analysis in order to determine, in its sole discretion, whether to attempt to acquire such parcels by exercise of its power of eminent domain and whether the acquisition of any particular parcel is legally warranted. Authority, in its sole discretion, shall have the right to obtain a bona fide appraisal from an appraiser satisfactory to Authority. The Authority has informed Developer that in connection with condemnation proceedings, a hearing is held to adopt a Resolution of Necessity. The Authority cannot legally commit itself to condemnation of property until after this hearing is held and the testimony given at the hearing has been considered. Accordingly, the Developer understands that the Authority is not obligated by this Agreement to actually acquire the Third Party Parcels or portion thereof, and the members of the Authority Board are free to exercise their discretion in any manner they see fit in the event the Authority considers condemnation. Further, Authority understands that nothing in this Agreement shall require Developer to purchase any of the Third Party Parcels or to develop the Third Party Parcels in the Future Phases contemplated herein. Nothing in this Agreement shall be deemed a prejudgment or commitment with respect to condemnation, or a guarantee that such condemnation will be undertaken. In the event Authority exercises its power of eminent domain to acquire the Third Party Parcels or portions thereof, Authority shall, subject to delays outside Authority's control, exercise reasonable diligence to complete the acquisition of the Third Party Parcels or portion thereof as soon as practicable after commencement of eminent domain proceedings. In the event Authority elects not to condemn the Third Party Parcels or portion thereof, Authority shall not have any liability of any kind to Developer despite the effect of such election on the Project, provided however that, in the event Authority elects not to condemn the Third Party Parcels after failure by Developer to independently acquire the Third Party Parcels, then Authority and Developer may pursue those options as described in Section 402.1.c. In the event this Agreement is terminated, as provided herein, and subject to the provisions of Section 406, 602, or 906, Authority shall cause the immediate return of the Deposit to Developer (or any remaining portion thereof) without further instruction.

5. Cost Exceeding Fair Market Value.

As further set forth in Subsections 401.2 and 401.3 above, Authority may determine the fair market value of the Third Party Parcels or portion thereof through its own appraisals or, in its discretion, may rely on appraisals secured by Developer. However, during the negotiation or condemnation process a price may be established that exceeds the fair market value as

determined by the Authority. In particular, eminent domain proceedings could result in an award of just compensation that exceeds the appraisal. In such event, either party may, at its option, but shall not be required to, pay the excess cost over such fair market value, and in such event Authority shall proceed with the acquisition of the applicable parcel.

B. (§402) Conveyance of Third Party Parcels.

In accordance with and subject to all the terms, covenants and conditions of this Agreement, if Authority acquires the Third Party Parcels or portion thereof pursuant to Developer's request and through eminent domain, Authority agrees to convey same to Developer, upon the terms and conditions hereinafter set forth. Developer acknowledges and agrees that Authority's approval of any of the Future Phases is expressly conditioned on Developer's acquisition of those Third Party Parcels to be included in the Future Phases to be developed, whether through conveyance by Authority or direct acquisition by Developer.

1. Conveyance of the Third Party Parcels to Developer upon Acquisition by Eminent Domain.

(a) Order of Prejudgment Possession. In the event that Authority exercises its power of eminent domain to acquire any of the Third Party Parcels that may be included in the Project, or any portion thereof, and provided Developer has approved in writing title, pursuant to Section 407 below, Authority shall, upon Developer's written request (which written request shall specifically state that Developer is prepared to take possession of the Third Party Parcels or portions thereof within sixty (60) days), exercise its reasonable diligence to obtain a judicial order or orders authorizing Authority to take possession of the Third Party Parcels or portions thereof prior to the formal order of condemnation (hereinafter "Order of Prejudgment Possession").

(b) Close of Escrow. Notwithstanding any other provision of this Agreement to the contrary, if at any time prior to Authority's final acquisition of the Third Party Parcels or portions thereof (upon the request and agreement of Developer), (i) Authority deposits the Grant Deeds and a copy of the Order of Prejudgment Possession for the Third Party Parcels or portions thereof into Escrow; (ii) Authority tenders possession of the Third Party Parcels or portions thereof to Developer; (iii) Authority is diligently proceeding with the eminent domain action seeking the rendering of a final judgment authorizing the taking; and (iv) the Title Company commits to issuing title insurance as provided herein; then, subject to the satisfaction or waiver of all the conditions specified in Section 405.1 or elsewhere in this Agreement, Developer shall accept such right of possession and proceed with development of the parcels conveyed to it by Authority. The date of such transfer of possession from Authority to Developer shall be treated as the "Close of Escrow" for all purposes herein. In such event, Authority shall exercise reasonable diligence and its best commercial efforts to conclude the eminent domain proceedings and obtain a final order of condemnation terminating all prior interests in the

Third Party Parcels or portions thereof.

(c) Termination: Upon completion of the development of the Phase I Site, if Developer elects to attempt to acquire any of the Third Party Parcels that may be included in the Project, but is unsuccessful, and Authority elects not to exercise its power of eminent domain to acquire all or any portion of those Third Party Parcels, Authority and Developer may elect either to terminate this Agreement or to amend the Site plan and to proceed with the development of the Site, without such portion of the Site, if and only if Authority and City approve such amended Site plan. If such amended Site plan is not approved by the Authority and City, Developer shall not proceed with the development of the remainder of the Site and this Agreement shall terminate, provided, however, this provision and the right to terminate the Agreement shall not affect Developer's rights and ability to develop the Phase I Site, as set forth herein.

(d) Transfer of Parking Facility to Authority: Developer acknowledges that upon completion of the Project, Developer shall transfer to Authority, at no cost to Authority, those portions of the Site comprising the Parking Facility or Facilities for public parking purposes, which transfer may be in the form of an easement, fee title subject to a lease back for the portions to be used by Developer to meet the parking needs of the Project or lease, or such other similar instrument as the parties negotiate, as shall be further delineated in the Covenant Agreement and each Grant Deed for the Third Party Parcels.

2. Purpose of Sale.

Developer agrees to develop the Site as a high quality, multi-level public parking, retail and residential facility as further described in the Scope of Development.

C. (§ 403) Acquisition and Development Costs.

1. Purchase Price and/or Acquisition Costs.

Upon Developer's interest in acquiring any of the Third Party Parcels that may be included in the Project, and upon the Authority acquiring any of those Third Party Parcels, Authority agrees to convey the Third Party Parcels or portion thereof (if acquired by Authority) to Developer for the applicable fair market value, which fair market value shall be based on valuations approved by Authority as set forth in Section 401.3 and 401.4. The fair market value secured for any such parcels shall individually be referred to herein as the "Purchase Price".

2. Developer's Construction and Development Costs.

Except as expressly set forth herein, including without limitation Section 602, Developer shall be responsible for all construction and development costs to construct the Project on the Site, including: grading and site preparation; demolition; building construction; site development and infrastructure; design; building permit and development fees; and financing. The Project is more particularly described in the Scope of Development.

3. Demolition of Improvements:

Following Project Approvals and the Close of Escrow all parcels comprising the Site, as defined in Section 702.1, and within the times set forth in the Schedule of Performance, Developer shall completely and adequately demolish all improvements located on the Site, in their entirety, and remove all trash, debris and materials of any kind so that the Site is in a clear, graded state and immediately suitable for development, as approved in writing by the City Manager of the City or his designee.

D. (§ 404) Escrow.

Escrow, which shall only be opened to convey any of the Third Party Parcels, acquired by Authority through eminent domain, to Developer, shall be opened within the time period described in the Schedule of Performance. This Agreement shall constitute the joint escrow instructions of Authority and Developer for the transfer of ownership of any of the Third Party Parcels acquired by Authority through eminent domain, and a duplicate original of this Agreement shall be delivered to the Escrow Agent upon the opening of Escrow. Escrow Agent is empowered to act under these instructions. Authority and Developer shall promptly prepare, execute, and deliver to the Escrow Agent such additional escrow instructions consistent with the terms herein as shall be reasonably necessary. No provision of any additional escrow instructions shall modify this document without specific written approval of the modification(s) by both Developer and Authority.

E. (§ 405) Conditions to Close of Escrow:

1. Developer's Conditions to Closing:

Developer's obligation to acquire the Third Party Parcels or any portion thereof and to Close of Escrow hereunder and construct any of the Future Phases of the Project shall, in addition to any other conditions set forth herein in favor of Developer, be conditional and contingent upon the satisfaction, or waiver by Developer, of each and all of the following conditions (collectively the "Developer's Conditions to Closing"), within the time set forth in the Schedule of Performance; provided the parties may proceed to Close of Escrow on any of the Third Party Parcels at separate times, in which case, the provisions of this Section 405 shall apply to each separate conveyance of such parcels:

(a) If Developer has not already acquired the Third Party Parcels and Developer requests that Authority assist in the acquisition of any of the Third Party Parcels, Authority shall acquire the Third Party Parcel (or an Order of Prejudgment Possession for same) either by negotiated purchase or through the exercise of its eminent domain powers pursuant to Sections 401 and/or 402 above.

(b) Developer and Authority shall have approved an easement, fee title subject to a lease back or lease of the portions of the Site comprising the Parking Facility of Facilities following completion of construction of the Project pursuant to Section 402.1(d).

(c) Title to any of the Third Party Parcels acquired by Authority shall be conveyed in a good condition subject only to those conditions and exceptions recited in the Grant Deeds and those exceptions to title approved pursuant to Section 407.

(d) Developer shall have obtained Authority's approval of Developer's financial capability to acquire any of the Third Party Parcels and to develop those parcels as part of the Project thereon, in accordance with Section 601.

(e) Developer shall have approved (or waived), in accordance with Section 501, the physical and environmental condition of any of the Third Party Parcels acquired by Authority that may be included in the Site.

(f) Authority shall have deposited into Escrow the executed Grant Deeds.

(g) Developer shall have received from the City all required Project Approvals, as described in Section 702.1, relating to the development of any Future Phases, subject to the City's duly approved conditions of approval.

(h) Authority shall have deposited into Escrow a certificate ("FIRPTA Certificate") relating to any of the Third Party Parcels to be transferred through Closing, in such form as may be required by the Internal Revenue Service pursuant to Section 1445 of the Internal Revenue Code.

(i) At the scheduled date for the Closing, Authority shall not be in default hereunder, nor shall there be any event or occurrence which with the passage of time, or giving of notice or both would constitute such a default by Authority.

Any waiver of the foregoing conditions must be express and in writing. In the event that Developer is not in default and either Authority fails to satisfy the foregoing conditions or Authority defaults in the performance of its obligations hereunder, Developer may terminate the Escrow without any liability to Developer.

2. Authority's Conditions to Closing.

Authority's obligation to deliver any of the Third Party Parcels it acquires that may be included in the Project or any portion thereof to Developer and to close Escrow hereunder shall, in addition to any other conditions set forth herein in favor of Authority, be conditional and contingent upon the satisfaction, or waiver by Authority of each and all of the following conditions (collectively, the "Authority's Conditions to Closing") within the time set forth in the Schedule of Performance; provided the parties may proceed to Close Escrow on any of the Third Party Parcels at separate times, in which case, the provisions of this Section 405 shall apply to each separate conveyance of such parcels:

(a) If Developer has not already acquired the Third Party Parcels and is still interested in developing any portion of the Future Phases and has requested that Authority pursue the acquisition of any of those Third Party

Parcels, through eminent domain, to be used for the development of any of the Future Phases, Authority shall have acquired the Third Party Parcels or portions thereof (or an Order of Prejudgment Possession for same) either by negotiated purchase or through exercise of its eminent domain powers, pursuant to Sections 401 and/or 402 above.

(b) Developer shall have provided Authority with satisfactory evidence of Developer's financial capability to acquire the Third Party Parcels and develop the Future Phases of the Project thereon, in accordance with Section 601.

(c) Authority shall have approved the Financing Plan pursuant to Section 602 below.

(d) Developer shall have deposited the Purchase Price for the Third Party Parcels into Escrow.

(e) Developer shall have deposited into Escrow its signature accepting the Grant Deeds containing the condition within each of the Grant Deeds requiring Developer to convey to the Authority the portions of the Site comprising the Parking Facility.

(f) Developer shall have received from the City all Project Approvals (including California Environmental Quality Act ("CEQA") compliance) as described in Section 702.1.

(g) Developer shall not have made a transfer in violation of Section 304.

(h) At the scheduled date for the Closing, Developer shall not be in default hereunder.

Any waiver of the foregoing conditions must be express and in writing. In the event that Authority is not in default and either Developer fails to satisfy Authority's foregoing conditions or Developer defaults in the performance of its obligations hereunder, Authority may terminate the Escrow without any liability to Developer.

F. (§ 406) Conveyance of Third Party Parcels.

1. Time for Conveyance of Third Party Parcels.

Escrow for any Third Party Parcel acquired by Authority, through eminent domain, shall close after satisfaction by Developer and Authority (or waiver by the benefited party) of all conditions to the close of Escrow, but not later than the date specified in the Schedule of Performance, unless extended by the mutual agreement of the parties or any Enforced Delay. Possession of the Third Party Parcels, as applicable, shall be delivered to Developer concurrently with the conveyance of fee title free of all tenancies, encumbrances, and occupants other than any title matters (including encumbrances) approved in accordance with Section 407.

2. Escrow Agent to Advise of Costs.

On or before the date set in the Schedule of Performance, the Escrow Agent shall advise Authority and Developer in writing of the fees, charges, and costs necessary to clear title and close Escrow, and of any documents which have not been provided by said party and which must be deposited in Escrow to permit timely Closing.

3. Deposits by Authority and Developer Prior to Closing.

On or before, but not later than 1:00 p.m. of the business day prior to the date set for Closing in the Schedule of Performance, Authority shall execute and deliver to the Escrow Agent a certificate ("Taxpayer ID Certificate") in such form as may be required by the IRS pursuant to Section 6045 of the Internal Revenue Code, or the regulations issued pursuant thereto, certifying as to the description of the Third Party Parcels to be conveyed to Developer, date of closing, gross price, if any, and taxpayer identification number for Developer and Authority. Prior to Closing, Developer and Authority shall cause to be delivered to the Escrow Agent such other items, instruments, and documents, and the parties shall take such further actions, as may be necessary or desirable in order to complete the Closing.

4. Recordation and Disbursement of Funds.

Upon the completion by Authority and Developer of the deliveries and actions specified in these Escrow instructions that are necessary for the Closing relating the any Third Party Parcels acquired by Authority, the Escrow Agent shall be authorized to buy, affix and cancel any documentary stamps and pay any transfer tax and recording fees, if required by law, and thereafter cause to be recorded in the appropriate records of Los Angeles County, California, the Grant Deed, and any other appropriate instruments delivered through this escrow, if necessary or proper to, and provided that the fee interest can vest in Developer in accordance with the terms and provisions herein. Promptly after Closing, the Escrow Agent shall cause the Title Company to deliver to Developer, with a copy to Authority, the Title Policy insuring any Third Party Parcel transferred to Developer upon closing, insuring title and conforming to the requirements of Section 407, and the Escrow Agent shall cause the Title Company to deliver copies of all recorded instruments to Developer and Authority. In addition, after deducting any sums specified in this Agreement, the Escrow Agent shall disburse funds to the party entitled thereto.

G. (§ 407) Title Matters.

1. Condition of Title.

At the Closing of Escrow on any of the Third Party Parcels acquired by Authority through eminent domain, as provided above, Authority shall convey to Developer fee simple merchantable title to the Third Party Parcels, or portion thereof, subject only to: (i) this Agreement, and the Grant Deed; (ii) current taxes, a lien not yet payable; (iii) quasi-public utility, public alley and public street easements of record; and (iv) covenants, conditions and restrictions and other encumbrances and title exceptions approved by Developer under this Section 407. Authority shall convey title pursuant to the Grant Deed in the form set forth in Attachment No. 5 hereto.

2. Exclusion of Oil, Gas, and Hydrocarbons as to Third Party Parcels.

As to any Third Party Parcels conveyed by Authority to Developer, title shall be conveyed subject to the exclusion therefrom to the extent now or hereafter validly excepted and reserved by the parties named in deeds, leases and other documents of record of all oil, gas, hydrocarbon substances and minerals of every kind and character lying more than five hundred feet (500') below the surface, together with the right to drill into, through, and to use and occupy all parts of the Third Party Parcels lying more than five hundred feet (500') below the surface thereof for any and all purposes incidental to the exploration for and production of oil, gas, hydrocarbon substances or minerals from the Third Party Parcels but without, however, any right to use either the surface of the Third Party Parcels or any portion thereof within five hundred feet (500') of the surface for any purpose or purposes whatsoever. Authority shall unconditionally indemnify Developer from any injury or property damage caused by Authority's exercise of its drilling rights as provided in this Section 407.

3. Authority Not to Encumber Parcels.

Authority warrants to Developer that it has not and will not, from the time of Developer's review of the preliminary title report until the Closing, transfer, sell, hypothecate, pledge, or otherwise encumber the Third Party Parcels to be transferred by Authority without express, written permission of Developer, which permission shall be given or withheld in Developer's sole and absolute discretion.

4. Approval of Title Exceptions.

Prior to the date specified in the Schedule of Performance, Developer shall obtain a preliminary title report for any Third Party Parcel to be conveyed to Developer by Authority, dated no earlier than the date of this Agreement, including copies of all documents referenced therein. Prior to the date specified in the Schedule of Performance, Developer shall deliver to Authority written notice, with a copy to Escrow Agent, specifying in detail any title exception disapproved. All monetary liens or encumbrances, whether or not specifically objected to, shall constitute disapproved exceptions. Prior to the date specified in the Schedule of Performance, Authority shall deliver written notice to Developer as to whether Authority will or will not cure the disapproved title exception(s). If Authority elects not to cure the disapproved title exception(s), Developer may 1) terminate the Escrow (in its sole and absolute discretion) but without any liability of Authority or to Developer, or 2) Developer may withdraw its earlier disapproval. If Authority so elects to cure the disapproved exceptions, Authority shall notify Developer of its election within the time specified in the Schedule of Performance and in such event the cure shall be completed on or before the Closing.

5. Title Policy.

At the Closing of Escrow on any of the Third Party Parcels acquired by Authority through eminent domain, as provided above, the Title Company shall furnish Developer with an ALTA Owner's Policy of Title Insurance (the "Title Policy") insuring Developer's fee interest, wherein the Title Company shall insure that title to the Third Party Parcels is vested in Developer, with no exception to such title which has not been approved or waived by Developer.

in accordance with this Agreement. The Title Policy shall also include any available additional or extended coverage or endorsements that Developer has reasonably requested. Authority shall pay only for that portion of the title insurance premium attributable to the premium required for standard coverage for a CLTA policy in the amount of provided in this Section and for any endorsements necessary to cure any disapproved title exceptions, and Developer shall pay for the premium for said additional or extended coverage, including but not limited to an ALTA policy, or special endorsements or survey.

H. (§ 408) Procedure in Event of Failure of Conditions(s) to Closing; Termination.

In the event one or more of the Developer's or Authority's Conditions to Closing per Section 405 above is not timely satisfied or waived by the benefited party, that party shall have the right to terminate the Escrow. In such event, the terminating party may, in writing, demand return of its money (including subject to the provisions of Section 602, any remaining balances of the initial Deposit), papers, or documents from the Escrow Agent and shall deliver a copy of such demand to the non-terminating party, which notice shall state the condition that has not been satisfied. No demand shall be recognized by the Escrow Agent until ten (10) days after the Escrow Agent shall have mailed copies of such demand to the non-terminating party, and if no objections are raised in writing to the terminating party and the Escrow Agent by the non-terminating party within the ten (10) day period, the Escrow Agent shall comply with the terminating party's request. In the event the non-terminating party timely objects, an additional thirty (30) day opportunity to cure or otherwise satisfy the unperformed conditions shall be provided and only if the unperformed condition remains unsatisfied at the end of said 30-day period shall the termination occur. Upon termination of Escrow, Escrow Agent shall immediately return all documents, instruments and monies to the party that deposited same (without any additional instructions from Authority or Developer). Also upon termination, except as otherwise specifically provided herein, each party shall bear its own costs incurred, including one-half of any Escrow cancellation charges, and neither Authority nor Developer shall have any further rights or obligations hereunder (except for any indemnity obligations of either party pursuant to the other provisions herein and obligations herein that specifically provide that they survive termination of this Agreement).

I. (§ 409) Costs of Escrow.

1. Allocation of Costs.

The Escrow Agent is authorized to allocate costs as follows: Authority shall pay the cost of the Title Policy, as provided above, while Developer shall pay premiums for any additional insurance, extended coverage or special endorsements. Authority shall pay the documentary transfer tax as well as all recording fees. Developer and Authority shall each pay one-half of all escrow and similar fees, provided that if one party defaults under this Agreement or cancels the escrow through no-fault of the other, the defaulting or canceling party shall pay all escrow fees and charges. Each party shall pay its own attorneys' fees.

2. Prorations and Adjustments.

Ad valorem taxes and assessments on the Third Party Parcels for the current year (if any) shall be prorated by the Escrow Agent as of the date of Closing with Authority responsible for those levied, assessed or imposed prior to Closing and Developer responsible for those after Closing. If the actual taxes are not known at the date of Closing, the proration shall be based upon the most current tax figures. When the actual taxes for the year of Closing become known, Developer and Authority shall, within thirty (30) days thereafter, re-prorate the taxes in cash between the parties.

3. Extraordinary Services of Escrow Agent.

It is understood that Escrow fees and charges contemplated by this Agreement incorporate only the ordinary services of the Escrow Agent as listed in these instructions. In the event that the Escrow Agent renders any service not provided for in this Agreement upon the written consent or request of both parties, or that the Escrow Agent is made a party to, or reasonably intervenes in, any litigation pertaining to this escrow or the subject matter thereof, then the Escrow Agent shall be reasonably compensated for such extraordinary services and reimbursed for all costs and expenses occasioned by such default, controversy or litigation.

4. Escrow Agent's Right to Retain Documents.

Escrow Agent shall have the right to retain all documents and/or other things of value at any time held by it hereunder until such compensation, fees, costs and expenses shall be paid.

J. (§ 410) Responsibility of Escrow Agent.

1. Deposit of Funds.

All funds received in Escrow shall be deposited by the Escrow Agent in a special escrow account with any state or national bank doing business in the State of California and may not be combined with other escrow funds of Escrow Agent or transferred to any other general escrow account or accounts.

2. Notices.

All communications from the Escrow Agent shall be directed to the addresses and in the manner provided in Section 1001 of this Agreement for notices, demands and communications between Authority and Developer.

3. Sufficiency of Documents.

The Escrow Agent is not to be concerned with the sufficiency, validity, correctness of form, or content of any document prepared outside of escrow and delivered to Escrow. The sole duty of the Escrow Agent is to accept such documents and follow Developer's and Authority's instructions for their use.

4. Exculpation of Escrow Agent.

The Escrow Agent shall in no case or event be liable for the failure of any of the Conditions to Closing of this escrow, or for forgeries or false impersonation, unless such liability or damage is the result of negligence or willful misconduct by the Escrow Agent.

5. Responsibilities in the Event of Controversies.

If any controversy documented in writing arises between Developer and Authority, or with any third party with respect to the subject matter of this Escrow or its terms or conditions, the Escrow Agent shall not be required to determine the same, to return any money, papers or documents, or take any action regarding any of the Third Party Parcels that are subjects of the Escrow, prior to settlement of the controversy by a final decision by an arbitrator, by a court of competent jurisdiction, or by written agreement of the parties to the controversy, as the case may be. The Escrow Agent shall be responsible for timely notifying Developer and Authority of the controversy. In the event of such a controversy, the Escrow Agent shall not be liable for interest or damage costs resulting from failure to timely close escrow or take any other action unless such controversy has been caused by the failure of the Escrow Agent to perform its responsibilities hereunder.

5. (§ 500) PHYSICAL AND ENVIRONMENTAL CONDITION OF THIRD PARTY PARCELS.

A. (§ 501) Developer's Approval of Physical and Environmental Condition of Third Party Parcels; Site Assessment and Remediation.

Prior to the Closing of Escrow on any of the Third Party Parcels acquired by Authority through eminent domain, as provided above, Developer and its employees, agents and contractors shall have the right to enter onto the Third Party Parcels, to conduct soils, engineering, or other tests and studies, to perform preliminary work or for any other purposes to carry out the terms of this Agreement. Developer shall indemnify, defend and hold Authority harmless from and against any claims, injuries or damages arising out of any such entry or activity as provided in Section 706, provided that such indemnity shall not apply to Developer's discovery of Hazardous Materials (as herein defined). Any such activity shall be undertaken only after securing any necessary permits from the appropriate governmental agencies. For the purposes of complying with this Section, Authority shall make the Third Party Parcels, or any portion thereof acquired by Authority, available to Developer in an "as-is" condition within 180 days from Developer completing its development of the Phase I Site.

Within 180 days of the Phase I Site being completely developed by Developer, Authority shall deliver to Developer copies of all documents in Authority's possession or control concerning the physical and/or environmental condition of the Third Party Parcels (the "Parcel Documents"). Authority represents and warrants that the persons who participated in making this Agreement on Authority's behalf have no actual knowledge, without any duty of investigation or inquiry, regarding physical defects or violations of Environmental Laws or threatened or pending claims affecting the Third Party Parcels, except as may be set forth in the Parcel Documents. Within the time set forth in the Schedule of Performance, Developer shall

notify Authority, whether Developer approves or disapproves the physical and/or environmental condition of the Third Party Parcels.

Developer shall be responsible for assessment and remediation of Third Party Parcels if a Phase II environmental assessment report recommends remediation of any Hazardous Materials and if Developer elects to so remediate such Hazardous Materials, such remediation shall be completed prior to Closing and become a condition precedent thereto; provided, however, Developer shall not be responsible to remediate Hazardous Materials that were brought onto or introduced to the Site by Authority or City or their respective contractors, agents, or employees.

B. (§ 502) Disclaimer of Warranties for Third Party Parcels.

Upon the Closing, Developer shall acquire the Third Party Parcels in their "AS-IS" condition and, except as otherwise set forth in this Agreement, shall be responsible for any defects in the Third Party Parcels, whether patent or latent, including, without limitation, the physical, environmental and geotechnical condition of the Third Party Parcels, and the existence of any contamination, Hazardous Materials, vaults, debris, pipelines, or other structures located on, under or about the Third Party Parcels, and Authority makes no other representation or warranty concerning the physical, environmental, geotechnical or other condition of the Third Party Parcels, the suitability of the Third Party Parcels for the Project, or the present use of the Third Party Parcels, and Authority specifically disclaims all representations or warranties of any nature concerning the Site made by it, the City and their respective employees, agents and representatives. The foregoing disclaimer includes, without limitation, topography, climate, air, water rights, utilities, soil, subsoil, existence of Hazardous Materials or similar substances, the purpose for which the Third Party Parcels are suited, or drainage. Authority makes no representation or warranty concerning the compaction of soil upon the Third Party Parcels, nor of the suitability of the soil for construction.

C. (§ 503) Hazardous Materials:

Subject to the provisions of Section 501, Developer understands and agrees that in the event Developer incurs any loss or liability concerning Hazardous Materials (as hereinafter defined) and/or underground storage tanks whether attributable to events occurring prior to or following the Closing of Escrow on any of the Third Party Parcels acquired by Authority through eminent domain, as provided above, then Developer may look to current or prior owners of any of the Third Party Parcels conveyed to Developer to be included in the Site, but in no event shall Developer look to Authority or City for any liability or indemnification regarding Hazardous Materials and/or underground storage tanks. Developer, and each of the entities constituting Developer, if any, from and after the Closing, hereby waives, releases, remises, acquits and forever discharges Authority, and City, their directors, officers, shareholders, employees, and agents, and their heirs, successors, personal representatives and assigns, of and from any and all Environmental Claims, Environmental Cleanup Liability and Environmental Compliance Costs, as those terms are defined below, and from any and all actions, suits, legal or administrative orders or proceedings, demands, actual damages, punitive damages, loss, costs, liabilities and expenses, which concern or in any way relate to the physical or environmental conditions of the Site, the existence of any Hazardous Material thereon, or the release or threatened release of Hazardous Materials therefrom, whether existing prior to, at or after the Closing. It is the

intention of the parties pursuant to this release that any and all responsibilities and obligations of Authority and City, and any and all rights, claims, rights of action, causes of action, demands or legal rights of any kind of Developer, its successors, assigns or any affiliated entity of Developer, against Authority or City arising by virtue of the physical or environmental condition of the Site, the existence of any Hazardous Materials thereon, or any release or threatened release of Hazardous Material therefrom, whether existing prior to, at or after the Closing, are by this release provision declared null and void and of no present or future force and effect as to the parties; provided, however, that no parties other than the Indemnified Parties (defined below) shall be deemed third party beneficiaries of such release. In connection therewith, Developer and each of the entities constituting Developer, expressly agree to waive any and all rights which said party may have with respect to such released claims under Section 1542 of the California Civil Code which provides as follows:

"A general release does not extend to claims which the creditor does not know or suspect to exist in his or her favor at the time of executing the release, which if known by him or her must have materially affected his settlement with the debtor."

Developer and each of the entities constituting Developer, shall, from and after the Closing, defend, indemnify and hold harmless Authority, City and their officers, directors, employees, agents and representatives (collectively, the "Indemnified Parties") from and against any and all Environmental Claims, Environmental Cleanup Liability, Environmental Compliance Costs, and any other claims, actions, suits, legal or administrative orders or proceedings, demands or other liabilities resulting at any time from the physical and/or environmental conditions of the Site after the Closing or from the existence of any Hazardous Materials or the release or threatened release of any Hazardous Materials of any kind whatsoever, in, on or under the Site occurring at any time after the Closing, including, but not limited to, all foreseeable and unforeseeable damages, fees, costs, losses and expenses, including any and all attorneys' fees and environmental consultant fees and investigation costs and expenses, directly or indirectly arising therefrom, and including fines and penalties of any nature whatsoever, assessed, levied or asserted against any Indemnified Parties to the extent that the fines and/or penalties are the result of a violation or an alleged violation of any Environmental Law. Developer further agrees that in the event Developer obtains, from former or present owners of any of the Third Party Parcels that have been conveyed to Developer to be included in the Site or any other persons or entities, releases from liability, indemnities, or other forms of hold harmless relating to the subject matter of this Section, Developer shall use reasonable efforts to obtain for Indemnified Parties the same releases, indemnities and other comparable provisions.

Notwithstanding anything to the contrary in this Section, Developer's limited release and indemnification of the Indemnified Parties from liability pursuant to this Section shall not extend to Hazardous Materials brought onto the Site by Indemnified Parties after the Close of Escrow. For purposes of this Section 503, the following terms shall have the following meanings:

"Environmental Claim" means any claim for personal injury, death, and/or property damage made, asserted or prosecuted by or on behalf of any third party.

including, without limitation, any governmental entity, relating to the Site or its operations and arising or alleged to arise from a violation or breach of any Environmental Law.

"Environmental Cleanup Liability" means any cost or expense of any nature whatsoever incurred to contain, remove, remedy, clean up, or abate any contamination or any Hazardous Materials on or under all or any part of the Site as required by Environmental Law to achieve Environmental Compliance, including the ground water thereunder, including, without limitation, (A) any direct costs or expenses for investigation, study, assessment, legal representation, cost recovery by governmental agencies, or ongoing monitoring in connection therewith and (B) any cost, expense, loss or damage incurred with respect to the Site or its operation as a result of actions or measures necessary to implement or effectuate any such containment, removal, remediation, treatment, cleanup or abatement.

"Environmental Compliance" means compliance with all applicable Environmental Laws in effect.

"Environmental Compliance Cost" means any cost or expense of any nature whatsoever necessary to enable the Site to comply with all applicable Environmental Laws in effect. "Environmental Compliance Cost" shall include all costs necessary to demonstrate that the Site is capable of such compliance.

"Environmental Law" means any federal, state or local statute, ordinance, rule, regulation, order, consent decree, judgment or common-law doctrine, and provisions and conditions of permits, licenses and other operating authorizations relating to (A) pollution or protection of the environment, including natural resources, (B) exposure of persons, including employees, to Hazardous Materials or other products, raw materials, chemicals or other substances, (C) protection of the public health or welfare from the effects of by-products, wastes, emissions, discharges or releases of chemical substances from industrial or commercial activities, or (D) regulation of the manufacture, use or introduction into commerce of chemical substances, including, without limitation, their manufacture, formulation, labeling, distribution, transportation, handling, storage and disposal.

"Hazardous Material" is defined to include any hazardous or toxic substance, material or waste which is or becomes regulated by any local governmental authority (other than the City or Authority), the State of California, or the United States Government. The term "Hazardous Material" includes, without limitation, any material or substance which is: (A) petroleum or oil or gas or any direct or derivate product or byproduct thereof; (B) defined as a "hazardous waste," "extremely hazardous waste" or "restricted hazardous waste" under Sections 25115, 25117 or 25122.7, or listed pursuant to Section 25140, of the California Health and Safety Code, Division 20, Chapter 6.5 (Hazardous Waste Control Law); (C) defined as a "hazardous substance" under Section 25316 of the California Health and Safety Code, Division 20, Chapter 6.8 (Carpenter-Presley-Tanner Hazardous Substance Account Act); (D) defined as a "hazardous material," "hazardous substance," or "hazardous waste" under Sections 25501(j) and (k) and 25501.1 of the California Health and Safety Code, Division 20, Chapter 6.95 (Hazardous Materials Release Response Plans and Inventory); (E) defined as a "hazardous substance" under Section 25281 of the California Health and Safety Code, Division 20, Chapter 6.7 (Underground Storage of Hazardous Substances); (F) "used oil" as defined under Section 25250.1 of the

California Health and Safety Code; (O) asbestos; (H) listed under Chapter 11 of Division 4.5 of Title 22 of the California Code of Regulations, or defined as hazardous or extremely hazardous pursuant to Chapter 10 of Division 4.5 of Title 22 of the California Code of Regulations; (I) defined as waste or a hazardous substance pursuant to the Porter-Cologne Act, Section 13050 of the California Water Code; (J) designated as a "toxic pollutant" pursuant to the Federal Water Pollution Control Act, 33 U.S.C. § 1317; (K) defined as a "hazardous waste" pursuant to the Federal Resource Conservation and Recovery Act, 42 U.S.C. § 6901 et seq. (42 U.S.C. § 6903); (L) defined as a "hazardous substance" pursuant to the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. § 9601 et seq. (42 U.S.C. § 9601); (M) defined as "Hazardous Material" pursuant to the Hazardous Materials Transportation Act, 49 U.S.C. § 5101 et seq.; or (N) defined as such or regulated by any "Superfund" or "Superfund" law, or any other federal, state or local law, statute, ordinance, code, rule, regulation, order or decree regulating, relating to, or imposing liability or standards of conduct concerning Hazardous Materials, and/or underground storage tanks, as now, or at any time hereafter, in effect.

Notwithstanding any other provision of this Agreement, Developer's release and indemnification as set forth in the provisions of this Section, as well as all provisions of this Section shall survive the termination of this Agreement and shall continue in perpetuity.

Notwithstanding anything to the contrary in this Section, Developer's limited release and indemnification of the Indemnified Parties from liability pursuant to this Section shall not extend to a failure to achieve Environmental Compliance with respect to Hazardous Materials brought onto the Site by the Indemnified Parties.

6. (§600) FINANCIAL CONDITIONS OF DEVELOPMENT.

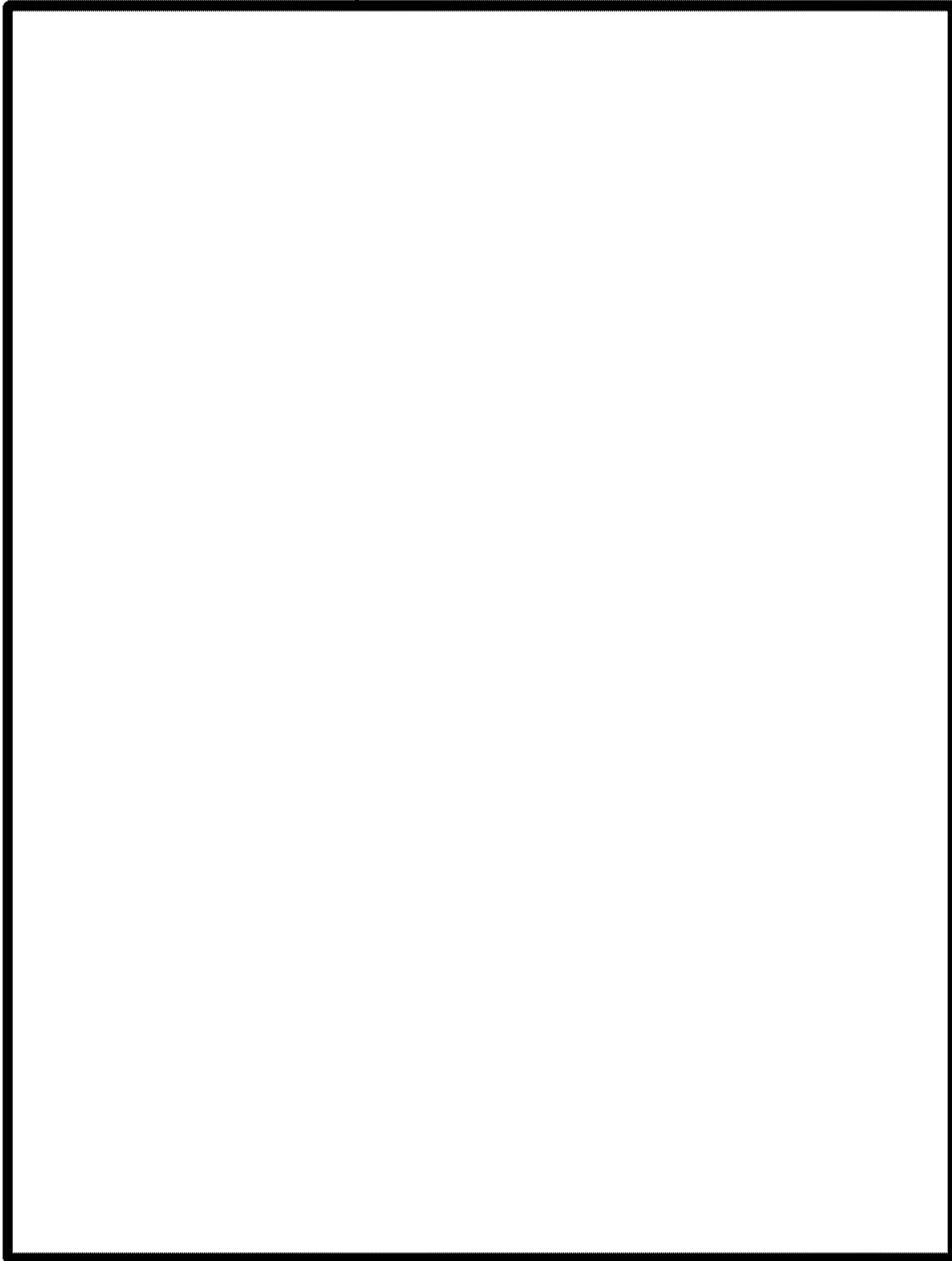
A. (§ 601) Developer's Financial Capability:



(b)(4)

(b)(4)

(B) (5) 602 Developer Deposit



4. Return of Deposit Upon Termination of Agreement.

Upon termination of this Agreement (including termination as a result of disapproval of the Project as contemplated in this Agreement), Authority shall have the right to retain that portion of the Deposit (including any interest accrued thereon) to reimburse its legal expenses and incidental costs related to the performance of its obligations under this Agreement incurred by Authority. The balance of the Deposit shall be returned to Developer and neither party shall have any further rights against or liability to the other under this Agreement.

7. (§ 700) DEVELOPMENT OF THE SITE.

A. (§ 701) Scope of Development.

The Scope of Development is a statement of Developer's present intent with respect to the development of the Site and is not legally binding. After the development of Phase I, the parties shall meet in good faith to determine the feasibility of acquiring Third-Party Parcels and the development of any of the Future Phases. Notwithstanding any other provision set forth in this Agreement to the contrary, in the event of any conflict between the narrative description of the Project in this Agreement (including the Scope of Development) and the approved plans and Project Approvals, as defined below, the approval plans and Project Approvals shall govern.

B. (§ 702) Development Plans, Final Building Plans, Environmental Review.

1. Proposed Development's Consistency With Plans and Codes.

Developer understands and hereby acknowledges that that the City's General Plan, Zoning Ordinance, and Specific Plan must be amended, subject to compliance with CEQA, to permit Developer's proposed development, and construction, operation, and use of the Site as provided in this Agreement, including without limitation the Scope of Development. City shall have the discretion to evaluate the Project pursuant to CEQA, separately for each Phase of the Project or together for all Phases; provided Developer provides City sufficient information of all Phases of the Project to allow City to perform a thorough and adequate analysis necessary to fully comply with CEQA. Additionally, Developer shall be required to secure those development approvals yet to be obtained, described below, and it is expressly understood by the parties hereto that Authority makes no representations or warranties with respect to approvals required by any governmental entity, including but not limited to, Authority or City. The approvals described in this Subsection 702.1 shall be referred to as the "Project Approvals", which term shall apply and refer to Phase I and any of the Future Phases separately. Nor does Authority make any representation or warranty that City will exercise its discretionary police power authority over the Project as to any of the Project Approvals, as further described below in any particular manner. Nothing in this Agreement shall be deemed to be a prejudgment or commitment with respect to such items or a guarantee that such approvals or permits will be issued within any particular time or with or without any particular conditions. Developer further acknowledges that this Agreement does not convey any Entitlement or Project Approval and any such Entitlements or Project Approvals require it to submit separate applications to the City and CEQA review and approval by the City to be considered in the City's discretion in accordance with applicable State law and City's codes.

2. Project Approvals Prior To and During Escrow.

Authority and City hereby authorize Developer to commence processing those Project Approvals, required for the Phase I Site upon the Effective Date, and, if applicable, to commence processing those Project Approvals for any Future Phases, to be constructed upon completion of Phase I, before the Closing. To this end, and at no cost to Authority, Authority shall cooperate and execute such documents as may be reasonably required for Developer to process and secure said Project Approvals, including without limitation, the commencement of the process with respect to a zoning change, provided that Developer shall not be authorized to complete the zoning change of the Third Party Parcels until after the Closing.

3. Evolution of Development Plan.

Concurrently with the approval of this Agreement, the Authority has reviewed the Developer's basic concept drawings, a copy of which are included as part of the Scope of Development at Attachment No. 4 herein ("Basic Concept Drawings"). On or before the dates set forth in the Schedule of Performance, Developer shall meet with Authority staff to discuss details of Phase I components, proposed uses, layout, site plans and designs of Phase I and Developer shall incorporate all reasonable suggestions by Authority staff. Thereafter, within the times set forth in the Schedule of Performance, Developer shall submit to the City preliminary, and thereafter final drawings and specifications for development of the Phase I Site in accordance with the Scope of Development and incorporating Authority staff's comments as provided herein, and all in accordance with the City's requirements. The term preliminary and final drawings shall be deemed to include site plans, building plans and elevations, grading plans (if applicable), landscaping plans, parking plans, signage, a description of structural, mechanical, and electrical systems, and all other plans, drawings and specifications for Phase I. Final drawings will be in sufficient detail to obtain a building permit. Said plans, drawings and specifications shall be consistent with the Scope of Development and the various development approvals referenced hereinabove, except as such items may be amended by City (if applicable) and by mutual consent of Authority and Developer. Plans (concept, preliminary and construction) shall be progressively more detailed and will be approved if a logical evolution of plans, drawings or specifications previously approved results. Developer shall submit to City plans in sufficient detail to obtain all discretionary land use approvals, including for site plan approval, conditional use permit, and other actions requiring Planning Commission approval. The process outlined in this Section 702.1 shall apply in the same manner as to the separate processing of any of the Future Phases to be included in the Project or portions thereof, pursuant to the Schedule of Performance.

4. Developer Efforts to Obtain Approvals.

Developer shall exercise commercially reasonable diligence to timely submit all documents and information necessary to obtain all Project Approvals for Phase I (and, if applicable, any of the Future Phases to be developed) from the City in a timely manner. Not by way of limitation of the foregoing, in developing and constructing the various phases of the Project, Developer shall comply with all applicable development standards in City's Municipal Code and shall comply with all building code, landscaping, signage, and parking requirements, except as may be permitted through approved variances and modifications.

5. Authority Assistance

Subject to Developer's compliance with (i) the applicable City and Authority development standards for the Site, and (ii) all applicable laws and regulations governing such matters as public hearings, site plan review and environmental review, Authority and City agree to provide reasonable assistance to Developer in the expeditious processing of Developer's submittals required under this Section in order that Developer can obtain a final City action on such matters within the time set forth in the Schedule of Performance. City or Authority's failure to provide Project Approvals within such time periods, after and despite Developer's reasonable efforts to submit the documents and information necessary to obtain the same, shall constitute an Enforced Delay under Section 1003.

6. CEQA

City and Developer shall be responsible for obtaining the approval of each phase of the Project (Phase I and then each Future Phase to be developed), as required by the California Environmental Quality Act ("CEQA"). Without limitation of the foregoing, Developer specifically acknowledges and agrees that the Developer shall satisfy all conditions necessary to ensure that the each phase of the Project, as developed, conforms to all applicable CEQA requirements. The Developer agrees to supply information and otherwise assist Authority, upon Authority's request, to determine the environmental impact of the proposed development and to allow Authority to prepare and process such environmental documents, if any, as may need to be completed for the development pursuant to the requirements of CEQA.

7. Disapproval

The Authority and/or City shall approve or disapprove any submittal made by Developer pursuant to this Section within thirty (30) days after such submittal. All submittals made by Developer will note the 30 day time limit, and specifically reference this Agreement and this Section. Any disapproval shall state in writing the reason for the disapproval and the changes which the Authority requests be made. Developer shall make the required changes and revisions (if commercially reasonable and within the general Scope of Development) and resubmit for approval as soon as is reasonably practicable but no more than thirty (30) days after the date of disapproval. Thereafter, Authority and/or City shall have an additional thirty (30) days for review of the resubmittal, but if the Authority and/or City disapprove the resubmittal, then the cycle shall repeat until the Authority and/or City's approval has been obtained. The foregoing time periods may be shortened if so specified in the Schedule of Performance.

C. (§ 703) Cost of Construction

Developer shall be responsible to construct the Project at its own cost.

D. (§ 704) No Financial Assistance Provided by Authority or City

This Agreement does not provide for any direct or indirect financial assistance to Developer that would make any part of the Project a "public work" "paid for in whole or in part out of public funds," as described in California Labor Code Section 1720, such that it would cause Developer to be required to pay prevailing wages for any aspect of the development.

Notwithstanding the foregoing, to the extent that Developer is required to pay prevailing wages for the Project (which is wholly against the parties' intent and understanding), Developer shall indemnify and hold Authority and City harmless from and against any all increase in construction costs, or other liability, loss, damage, costs, or expenses (including reasonable attorneys' fees and court costs) arising from or as a result of any action or determination that the Project is subject to payment of prevailing wages. Authority and City shall cooperate with Developer regarding any action by Developer hereunder challenging any determination that the Project is subject to the payment of prevailing wages, as parties have specifically intended that the Project not be a "public work." Notwithstanding the foregoing, Authority or City retain the right to settle or abandon the matter without the Developer's consent as to Authority's or City's liabilities or rights only, but should it do so, Authority or City shall waive the indemnification herein provided such waiver occurs prior to the issuance of any judgment in the matter.

E. (§ 705) Schedule of Performance; Progress Reports.

The Parties' present intent is to begin and complete all plans, reviews, construction and development specified in the Scope of Development within the times specified in the Schedule of Performance or such reasonable extensions of said dates as may be mutually approved in writing by the parties.

Once construction is commenced on Phase I, Developer shall use commercially reasonable efforts to pursue to completion the entire Phase I, as described in Attachment No. 4, without unnecessary delay, and shall not abandon any construction for more than sixty (60) consecutive days, except when due to an Enforced Delay. Upon completion of Phase I, Developer shall act in accordance with the Schedule of Performance as it relates to any of the Future Phases, but shall not be obligated to move forward with those Future Phases under the terms of this Agreement. Developer shall keep the Authority informed of the progress of construction and submit to the Authority written reports of the progress of the construction when, and in the form reasonably requested by the Authority which in no event shall be more often than once every thirty (30) days.

F. (§ 706) Indemnification During Demolition and Construction.

During the periods of demolition and construction on any of the phases of the Project (Phase I or any Future Phases of construction) and until such time as the Authority and/or City has issued a Release of Construction Covenants with respect to the construction of the improvements thereon, the Developer agrees to and shall indemnify and hold Authority and the City harmless from and against all liability, loss, damage, costs, or expenses (including reasonable attorneys' fees and court costs) arising from or as a result of the death of any person or any accident, injury, loss, or damage whatsoever caused to any person or to the property of any person which shall occur on any phase of the Project being constructed and which shall be directly caused by any acts done thereon or any gross negligence or willful misconduct of the Developer or its agents, servants, employees, or contractors. The Developer shall not be responsible for (and such indemnity shall not apply to) any acts, errors, or omissions of Authority or the City, or their respective agents, servants, employees, or contractors.

During the periods when Authority or City or their respective agents, servants, employees, or contractors are on any portion of the Site begin constructed, the City or Authority, respectively, agrees to and shall indemnify and hold the Developer harmless from and against all liability, loss, damage, costs, or expenses (including reasonable attorneys' fees and court costs) arising from or as a result of the death of any person or any accident, injury, loss, or damage whatsoever caused to any person or to the property of any person which shall occur on the portion of the Site begin constructed and which shall be directly caused by any acts done thereon or any gross negligence or willful misconduct of the Authority, or City or its agents, servants, employees, or contractors. Neither City nor Authority shall be responsible for (and such indemnity shall not apply to) any acts, errors, or omissions of the Developer or its agents, servants, employees, or contractors. Neither Authority nor City shall be responsible for any acts, errors, or omissions of Developer or their respective agents, servants, employees, or contractors.

G. (6707) Bodily Injury, Site Damage and Workers' Compensation Insurance.

1. Types of Insurance.

Prior to the entry of Developer on the Phase I Site or any Third Party Parcel included in the Site and the commencement of any construction by or on behalf of Developer, Developer shall procure and maintain, at its sole cost and expense, in a form and content satisfactory to Authority, during the entire term of such entry or construction, the following policies of insurance:

(a) Commercial General Liability Insurance. Developer shall keep or cause to be kept in force for the mutual benefit of Authority, City, and Developer comprehensive broad form commercial general liability insurance against claims and liability for personal injury or death arising from the use, occupancy, disuse or condition of any portion of the Site being constructed, improvements or adjoining areas or ways, affected by such use of the Site or for property damage, providing protection of at least Two Million Dollars (\$2,000,000.00) for bodily injury or death to any one person, at least One Million Dollars (\$1,000,000.00) for any one accident or occurrence, and at least One Million Dollars (\$1,000,000.00) for property damage.

(b) Builder's Risk Insurance. Developer shall procure and shall maintain in force "all risks" builder's risk insurance including vandalism and malicious mischief, covering improvements in place and all material and equipment at the job site furnished under contract, but excluding contractor's, subcontractor's, and construction manager's tools and equipment and property owned by contractor's or subcontractor's employees, with limits in accordance with subsection (a) above.

(c) Workers Compensation. Developer shall also furnish, or cause to be furnished to Authority, evidence reasonably satisfactory to it that any contractor with whom Developer has contracted for the performance of any work for which Developer is responsible hereunder carries workers' compensation insurance as required by law.

(d) Other Insurance. Developer may procure and maintain any insurance not required by this Agreement.

2. Insurance Policy Form, Content and Insurer.

All insurance required by express provisions hereof shall be carried only by responsible insurance companies licensed to do business by California, rated "A" or better in the most recent edition of Best Rating Guide, the Key Rating Guide or in the Federal Register, and only if they are of a financial category Class IX or better. All such policies shall contain language, to the extent obtainable, to the effect that (i) any loss shall be payable notwithstanding any act of negligence of Authority, City or Developer that might otherwise result in the forfeiture of the insurance, (ii) the insurer waives the right of subrogation against Authority/City and against Authority's/City's agents and representatives; (iii) the policies are primary and noncontributing with any insurance that may be carried by Authority/City; and (iv) the policies cannot be canceled or materially changed except after thirty (30) days' written notice by the insurer to Authority/City or Authority's/City's designated representative. Developer shall furnish Authority with copies of all such policies within thirty (30) days of receipt of them, or with certificates evidencing the insurance. Authority and City shall be named as additional insureds on all policies of insurance required to be procured by the terms of this Agreement.

3. Failure to Maintain Insurance and Proof of Compliance.

Developer shall deliver to Authority, in the manner required for notices, copies of certificates of all insurance policies required hereunder together with evidence reasonably satisfactory to Authority of payment required for procurement and maintenance of each policy within the following time limits:

For insurance required of Developer according to this Section 707, prior to entry of Developer on the Phase I Site and/or, thereafter, on any Third Party Parcel and the commencement of any construction by or on behalf of Developer.

For any renewal or replacement of a policy already in existence, at least ten (10) days before expiration or termination of the existing policy.

If Developer fails or refuses to procure or maintain insurance as required hereby or fails or refuses to furnish Authority with required proof that the insurance has been procured and is in force and paid for, such failure or refusal shall be a default hereunder, subject to the applicable cure period.

H. (§ 708) City and Other Governmental Agency Permits

Before commencement of construction or development of any buildings, structures, or other works of improvement upon the Site, which are Developer's responsibility under the Scope of Development, Developer shall at its own expense secure or cause to be secured any and all permits which may be required by City or any other governmental agency affected by such construction, development or work. The Developer shall not be obligated to close the Escrow or commence construction if any such permit is not issued despite good faith effort by Developer. If there is delay beyond the usual time for obtaining any such Permits due to no fault of Developer, the Schedule of Performance shall be extended for a reasonable amount of time to allow Developer to obtain such permit or permits. Except as may be specifically addressed in the approved Financial Plan, Developer shall pay all applicable City development and building fees as set forth in Section 702 of this Agreement and other legal, normal and customary fees and charges applicable to such permits and any fees or charges hereafter imposed by City which are standard for and uniformly applied to similar projects in the City, provided that nothing in this Agreement is intended as a waiver by Developer of its right to object to or challenge new or increased City fees imposed after the Effective Date.

I. (§ 709) Rights of Access

Representatives of the Authority shall have the reasonable right of access to the Phase I Site and/or any Third Party Parcels where Future Phases are being constructed without charges or fees; at any time during normal construction hours during the period of construction, for the purpose of assuring compliance with this Agreement, including but not limited to the inspection of the construction work being performed by or on behalf of Developer. Such representatives of Authority shall be those who are so identified in writing by the Administrator of Authority. Each such representative of Authority shall identify himself or herself at the job site office upon his or her entrance to that portion of the Site where construction is occurring, and shall provide Developer, or the construction superintendent or similar person in charge, a reasonable opportunity to have a representative accompany him or her during the inspection. Authority shall indemnify, defend, and hold Developer harmless from any injury or property damage caused or liability arising out of Authority's exercise of this right of access as provided in Section 706.

J. (§ 710) Applicable Laws

Developer shall carry out the construction of the improvements to be constructed by Developer in conformity with all applicable laws, including all applicable federal and state labor laws.

K. (§ 711) Anti-discrimination During Construction

Developer, for itself and its successors and assigns, agrees that in the construction of the improvements to be constructed by Developer, it shall not discriminate against any employee or applicant for employment because of race, color, creed, religion, sex, marital status, ancestry or national origin.

L. (§ 712) Taxes, Assessments, Encumbrances and Liens.

Upon Developer's acquisition of any Third Party Parcel, Developer shall pay, when due, all real estate taxes and assessments assessed or levied against the Third Party Parcels, if any. Until the date Developer is entitled to the issuance by Authority of a Release of Construction Covenants, Developer shall not place or allow to be placed thereon any mortgage, trust deed, encumbrance or lien (except mechanic's liens prior to suit to foreclose the same being filed) prohibited by this Agreement. Nothing herein contained shall be deemed to prohibit Developer from contesting the validity or amounts of any tax, assessment, encumbrance or lien, or to limit the remedies available to Developer in respect thereto.

M. (§ 713) Rights of Holders of Approved Security Interests in Site.

1. Definitions.

As used in this Section, the term "mortgage" shall mean a leasehold mortgage and include any mortgage, deed of trust, or other security interest, or sale and lease-back, or any other form of conveyance for financing. The term "holder" shall include the holder of any such mortgage, deed of trust, or other security interest, or the lessor under a lease-back, or the grantee under any other conveyance for financing.

2. No Encumbrances Except Mortgages to Finance the Project.

Notwithstanding the restrictions on transfer in Section 304, mortgages required for any reasonable method of financing Developer's acquisition of the Third Party Parcels and development of the Project are permitted before issuance of a Release of Construction Covenants but only for the purpose of securing loans of funds used or to be used for financing Developer's direct and indirect costs for acquisition of the Third Party Parcels, for the construction of improvements on the Phase I Site and/or Third Party Parcels acquired to be included in the Project, and for any other expenditures necessary and appropriate to develop the Site under this Agreement, or for restructuring or refinancing any of same, so long as the refinancing does not exceed the sum of the then-outstanding balance of the existing financing plus any applicable loan fees or refinancing costs plus any additional amounts that may be reasonably necessary to complete development of the Project. The Developer (or any entity permitted to acquire title under this Section) shall notify the Authority in advance of any additional mortgage, if the Developer or such entity proposes to enter into the same before issuance of the Release of Construction Covenants. The Developer or such entity shall not enter into any such additional conveyance for financing without first providing Authority with such notice. The Developer shall promptly notify the Authority of any mortgage, encumbrance, or lien that has been created or attached thereto prior to issuance of a Release of Construction Covenants, whether by voluntary act of the Developer or otherwise.

3. Developer's Breach Shall Not Defeat Mortgage Lien.

Developer's breach of any of the covenants or restrictions contained in this Agreement shall not defeat or render invalid the lien of any mortgage made in good faith and for value as to the Site, or any part thereof or interest therein, but unless otherwise provided herein, the terms, conditions, covenants, restrictions, easements, and reservations of this Agreement shall be

binding and effective against the holder of any such mortgage of the Site whose interest is acquired by foreclosure, trustee's sale or otherwise.

4. Holder Not Obligated to Construct or Complete Improvements.

The holder of any mortgage shall in no way be obligated by the provisions of this Agreement to construct or complete the improvements or to guarantee such construction or completion. Nothing in this Agreement shall be deemed or construed to permit or authorize any such holder to devote the Site or any portion thereof to any uses, or to construct any improvements thereon, other than those uses or improvements provided for or authorized by this Agreement.

5. Notice of Default to Mortgagee, Deed of Trust or Other Security Interest Holders.

Whenever Authority shall deliver any notice or demand to Developer with respect to any breach or default by Developer hereunder, Authority shall at the same time deliver a copy of such notice or demand to each holder of record of any mortgage who has previously made a written request to Authority therefor, or to the representative of such lender as may be identified in such a written request by the lender. No notice of default shall be effective as to the holder unless such notice is given.

6. Right to Cure.

Each holder (insofar as the rights of Authority are concerned) shall have the right, at its option, within ninety (90) days after the receipt of the notice, to:

- (a) Obtain possession, if necessary, and to commence and diligently pursue said cure until the same is completed; and
- (b) Add the cost of said cure to the security interest debt and the lien or obligation on its security interest;

provided that in the case of a default which cannot with diligence be remedied or cured within such ninety (90) day period, such holder shall have additional time as reasonably necessary to remedy or cure such default.

In the event there is more than one such holder, the right to cure or remedy a breach or default of Developer under this Section shall be exercised by the holder first in priority or as the holders may otherwise agree among themselves, but there shall be only one exercise of such right to cure and remedy a breach or default of Developer for each separate Developer breach or default under this Section.

No holder shall undertake or continue the construction or completion of the improvements (beyond the extent necessary to preserve or protect such holder's security interest) without first having expressly assumed Developer's obligations to Authority by written agreement reasonably satisfactory to Authority with respect to the Site or any portion thereof in which the holder has an interest. Additionally, the holder must agree to complete, in the manner

required by this Agreement, the improvements to which the lien or title of such holder relates. Any holder properly completing such improvements shall be entitled, upon written request made to Authority, to a Release of Construction Covenants from Authority.

7. Authority's Rights upon Failure of Holder to Complete Improvements.

In any case where one hundred eighty (180) days after default by Developer in completion of construction of improvements under this Agreement, the holder of any mortgage creating a lien or encumbrance upon the Site or improvements thereon has not exercised the option to continue and complete the construction as described in this Section or, if it has exercised such option and has not proceeded diligently with construction, Authority may, after ninety (90) days' notice to such holder and if such holder has not exercised such option to construct within said additional ninety (90) day period, purchase the mortgage upon 1) consent of such holder to such purchase and 2) payment to the holder of an amount equal to the sum of the following:

(a) The unpaid mortgage debt plus any accrued and unpaid interest (less all appropriate credits, including those resulting from collection and application of rentals and other income received during foreclosure proceedings, if any);

(b) All expenses incurred by the holder with respect to foreclosure, if any

(c) The net expenses (exclusive of general overhead), incurred by the holder as a direct result of the ownership or management of the Site, such as insurance premiums or real estate taxes, if any;

(d) The costs of any improvements made by such holder, if any; and

(e) An amount equivalent to the interest that would have accrued on the aggregate of such amounts had all such amounts become part of the mortgage debt and such debt had continued in existence to the date of payment by the Authority.

In the event that the holder does not exercise its option to construct afforded in this Section, and Authority elects not to purchase the mortgage of holder, upon written request by the holder to Authority, Authority agrees to use reasonable efforts to assist the holder selling the holder's interest to a qualified and responsible party or parties (as reasonably determined by Authority), who shall assume the obligations of making or completing the improvements required to be constructed by Developer, or such other improvements in their stead as shall be satisfactory to Authority. The proceeds of such a sale shall be applied first to the holder of those items specified in subparagraphs (a) through (e) hereinabove; and any balance remaining thereafter shall be applied as follows:

(f) First, to reimburse Authority, on its own behalf and on behalf of the City, for all costs and expenses actually and reasonably incurred by Authority with respect to such sale, including but not limited to payroll expenses, management expenses, legal expenses, and others;

(g) Second, to reimburse Authority, on its own behalf and on behalf of the City, for all payments made by Authority to discharge any other encumbrances or liens on any Third Party Parcels that are included in the Project or to discharge or prevent from attaching or being made any subsequent encumbrances or liens due to obligations, defaults, or acts of Developer, its successors or transferees;

(h) Third, any balance remaining thereafter shall be paid to Developer.

8. Right of Authority to Cure Mortgage, Deed of Trust or Other Security Interest Default.

In the event of a default or breach by Developer (or entity permitted to acquire title under this Section) of a mortgage prior to the issuance by Authority of a Release of Construction Covenants for the Site or portions thereof covered by said mortgage, and the holder of any such mortgage has not timely exercised its option to complete the development, Authority may cure the default prior to completion of any foreclosure. In such event, Authority shall be entitled to reimbursement from Developer or other entity of all costs and expenses incurred by Authority in curing the default, including legal costs and attorneys' fees, which right of reimbursement shall be secured by a lien upon the Site to the extent of such costs and disbursements. Any such lien shall be subject to:

(a) Any mortgage for financing permitted by this Agreement; and

(b) Any rights or interests provided in this Agreement for the protection of the holders of such mortgages for financing;

provided that nothing herein shall be deemed to impose upon Authority any affirmative obligations (by the payment of money, construction or otherwise) with respect to the Site in the event of its enforcement of its lien.

9. Right of the Authority to Satisfy Other Liens on any Third Party Parcels After Conveyance of Title.

After the conveyance of title in any Third Party Parcel and prior to the recordation of a Release of Construction Covenants for construction and development, and after the Developer has had a reasonable time to challenge, cure, or satisfy any liens or encumbrances on any Third Party Parcels included in the Project or any portion thereof, the Authority shall have the right to satisfy any such liens or encumbrances; provided, however, that nothing in this Agreement shall

require the Developer to pay or make provision for the payment of any tax, assessment, lien or charge so long as the Developer in good faith shall contest the validity or amount thereof, and so long as such delay in payment shall not subject the Third Party Parcel(s) or any portion thereof to forfeiture or sale.

10. Minor Amendments

Authority's Administrator shall be authorized to approve and execute minor non-substantive amendments to this Agreement as may be requested by Developer's lender in relation to the protection of such lender's security interest in any portion of the Site, without formal approval of the Authority Board of Directors.

N. (§ 714) Release of Construction Covenants

Upon the completion of all construction required to be completed by Developer on the Phase I Site and, thereafter, on the Future Phases, if any, and in no event later than the date on which the City allows occupancy (temporary or otherwise) of the completed building(s) on the Phase I Site (and/or any Future Phases) to occur, Authority and/or City shall furnish Developer with a Release of Construction Covenants in the form attached hereto as Attachment No. 6. The Release of Construction Covenants shall be executed and notarized so as to permit it to be recorded in the Office of the Recorder of Los Angeles County.

A Release of Construction Covenants shall be, and shall state that it constitutes, conclusive determination of satisfactory completion of the construction and development of the improvements required by this Agreement upon the Phase I Site (or, thereafter, any other Future Phase) and as of the date of issuance of the Release of Construction Covenants, of full compliance with the terms of this Agreement with respect to development of the Project. After issuance of a Release of Construction Covenants, the Authority and City shall not have any rights or remedies under this Agreement, except as otherwise set forth in the Grant Deed and Covenant Agreement.

Authority and City shall not unreasonably withhold the Release of Construction Covenants. If Authority or City refuses or fails to furnish a Release of Construction Covenants within thirty (30) days after written request from Developer, Authority and/or City shall provide a written statement of the reasons Authority or City refused or failed to furnish a Release of Construction Covenants. The statement shall also contain Authority's and City's opinion of the action Developer must take to obtain a Release of Construction Covenants. If the reason for such refusal is confined to the immediate availability of specific items or materials for landscaping, or other minor so-called "punch list" items, Authority will issue its Release of Construction Covenants upon the posting of a bond in an amount representing one hundred ten percent (110%) of the fair value of the work not yet completed or other assurance reasonably satisfactory to Authority or City.

A Release of Construction Covenants shall not constitute evidence of compliance with or satisfaction of any obligation of Developer to any holder of a mortgage, or any insurer of a mortgage securing money loaned to finance the improvements, or any part thereof. Such Release of Construction Covenants is not notice of completion as referred to in the California Civil Code.

Section 3093. Nothing herein shall prevent or affect Developer's right to obtain a certificate of occupancy from the City before the Release of Construction Covenants is issued.

O. (§ 715) - Estoppels.

At the request of Developer or any holder of a mortgage or deed of trust, Authority or City shall, from time to time and upon the request of such holder, timely execute and deliver to Developer or such holder a written statement that no default or breach exists (or would exist with the passage of time, or giving of notice or both) by Developer under this Agreement, if such be the fact, and certifying as to whether or not Developer has at the date of such certification complied with any obligation of Developer hereunder as to which Developer or such holder may inquire. The form of any estoppel letter shall be prepared by the holder or Developer and shall be at no cost to Authority or City and subject to the approval of Authority or City.

8. (§ 800) USES OF THE SITE.

A. (§ 801) Uses of the Site.

The Developer covenants and agrees for itself, its successors, its assigns that during construction and thereafter, the Developer, such successors and such assigns shall devote the Site to the Project and such other uses as (i) authorized in this Agreement and Covenant Agreement until at least ten (10) years from the Authority's issuance of the Release of Construction Covenants, (ii) approved by the Authority and authorized under the applicable provisions of the City's zoning ordinance, Lynwood General Plan and Specific Plan, as amended, and any approved amendment thereto, and (iii) subject to the restrictions contained in the Covenant Agreement and Grant Deed containing the condition within each Grant Deed requiring Developer to convey any Parking Facility pursuant to Section 402.1(d); provided that Developer reserves its rights to object to or challenge any amendments to the City's zoning ordinance affecting the Site that are adopted after the Effective Date which are inconsistent with the intent and objectives of this Agreement or the Scope of Development and Developer further reserves its right to argue that any such ordinance does not apply to it or the Site, (e.g., because of Developer's vested rights or rights to continue a non-conforming use or structure).

B. (§ 802) Obligation to Refrain from Discrimination.

There shall be no discrimination against, or segregation of, any persons, or group of persons, on account of race, color, creed, religion, sex, marital status, national origin or ancestry in the rental, sale, lease, sublease, transfer, use, occupancy, or enjoyment of the Site, or any portion thereof, nor shall Developer, or any person claiming under or through Developer, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees or vendees of the Site or any portion thereof. The nondiscrimination and nonsegregation covenants contained herein shall remain in effect in perpetuity.

C. (§ 803) Form of Nondiscrimination and Nonsegregation Clauses.

Developer shall refrain from restricting the rental, sale, or lease of any portion of the Site on the basis of race, color, creed, religion, sex, marital status, ancestry or national origin of any

person. All such deeds, leases or contracts shall contain or be subject to substantially the following nondiscrimination or nonsegregation clauses:

1. Deeds.

In Deeds the following language shall appear: "The grantee herein covenants by and for himself or herself, his or her heirs, executors, administrators, and assigns, and all persons claiming under or through them, that there shall be no discrimination against or segregation of any person or group of persons on account of race, color, creed, religion, sex, marital status, national origin or ancestry in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the land herein conveyed, nor shall the grantee, or any persons claiming under or through him or her, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees or vendees in the land herein conveyed. The foregoing covenants shall run with the land."

2. Leases.

In Leases the following language shall appear: "The lessee herein covenants by and for himself or herself, his or her heirs, executors, administrators and assigns, and all persons claiming under or through him or her, and this lease is made and accepted upon and subject to the following conditions: That there shall be no discrimination against or segregation of any person or group of persons on account of race, color, creed, religion, sex, marital status, national origin or ancestry in the leasing, subleasing, transferring, use, occupancy, tenure or enjoyment of the premises herein leased nor shall the lessee, or any person claiming under or through him or her, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, sublessees, subtenants or vendees in the premises herein leased."

3. Contracts.

Any contracts which Developer or Developer's heirs, executors, administrators, or assigns propose to enter into for the sale, transfer, or leasing of any portion of the Site shall contain a nondiscrimination and nonsegregation clause substantially as set forth in Section 803 and in this Section. Such clause shall bind the contracting party and subcontracting party or transferee under the instrument.

D. (§ 805) Maintenance of Improvements.

As shall be further provided in the Covenant Agreement or Grant Deed, Developer covenants and agrees for itself, its successors and assigns, and every successor in interest to the Site or any part thereof, that, after Authority's issuance of its Release of Construction Covenants the Developer shall be responsible for maintenance of all improvements that may exist on the Site from time to time, including without limitation buildings, parking lots, lighting, signs, and walls, in first-class condition and repair, and shall keep the Site free from any accumulation of debris or waste materials. The Developer shall also maintain all landscaping required pursuant to Developer's approved landscaping plan in a healthy condition, including replacement of any dead or diseased plants. The foregoing maintenance obligations shall run with the land and

thereby become the obligations of any transferee of the Site or any portion thereof. Developer's further obligations to maintain the Site, and Authority's remedies in the event of Developer's default in performing such obligations, shall be set forth in the Covenant Agreement or Grant Deed.

E. (§ 806) Effect of Covenants:

Authority is deemed a beneficiary of the terms and provisions of this Agreement and of the restrictions and covenants running with the land for and in its own right for the purposes of protecting the interests of the community in whose favor and for whose benefit the covenants running with the land have been provided. The covenants in favor of Authority shall run without regard to whether Authority has been, remains or is an owner of any land or interest therein in the Site. Authority shall have the right, if any of the covenants set forth in this Agreement which are provided for its benefit are breached, to exercise all rights and remedies and to maintain any actions or suits at law or in equity or other proper proceedings to enforce the curing of such breaches to which it may be entitled. With the exception of the City, no other person or entity shall have any right to enforce the terms of this Agreement under a theory of third party beneficiary or otherwise. The covenants running with the land and their duration shall be set forth in the Covenant Agreement or Grant Deed.

9. (§ 900) DEFAULTS, REMEDIES, TERM AND TERMINATION.

A. (§ 901) Defaults, Right to Cure and Waivers.

Subject to any Enforced Delay, failure or delay by either party to timely perform any covenant of this Agreement constitutes a default under this Agreement, but only if the party who so fails or delays does not commence to cure, correct or remedy such failure or delay within thirty (30) days after receipt of a notice specifying such failure or delay, and does not thereafter prosecute such cure, correction or remedy with diligence to completion; provided that if the default is an immediate danger to the health, safety and general welfare, then the injured party may specify a shorter period and require immediate action, as may be reasonable under the circumstances.

The injured party shall give written notice of default to the party in default, specifying the default complained of, by the injured party. Except as required to protect against further damages, the injured party may not institute proceedings against the party in default until thirty (30) days after giving such notice, except if a shorter time applies as specified above in this Section 901. Failure or delay in giving such notice shall not constitute a waiver of any default, nor shall it change the time of default.

Except as otherwise provided in this Agreement, waiver by either party of the performance of any covenant, condition, or promise shall not invalidate this Agreement, nor shall it be considered a waiver of any other covenant, condition, or promise. Waiver by either party of the time for performing any act shall not constitute a waiver of time for performing any other act or an identical act required to be performed at a later time. The delay or forbearance by either party in exercising any remedy or right as to any default shall not operate as a waiver of any default or of any rights or remedies or to deprive such party of its right to institute and maintain

any actions or proceedings which it may deem necessary to protect, assert, or enforce any such rights or remedies.

B. (§ 902) Legal Actions.

1. Institution of Legal Actions.

In addition to any other rights or remedies, and subject to the requirements of Section 901, either party may institute legal action to cure, correct or remedy any default, to recover damages (exclusive of punitive or consequential damages) for any default, or to obtain any other remedy consistent with the purpose of this Agreement. Legal actions must be instituted and maintained in the Superior Court of the County of Los Angeles, State of California, in any other appropriate court in that county.

2. Applicable Law and Forum.

The internal laws of the State of California shall govern the interpretation and enforcement of this Agreement without regard to conflict of law principles.

3. Acceptance of Service of Process.

In the event that any legal action is commenced by Developer against Authority, service of process on Authority shall be made by personal service upon the Authority Administrator or Secretary or in such other manner as may be provided by law. In the event that any legal action is commenced by Authority against Developer, service of process on Developer shall be made in such manner as may be provided by law and shall be valid whether made within or without the State of California.

C. (§ 903) Rights and Remedies are Cumulative.

Except as otherwise expressly stated in this Agreement, the rights and remedies of the parties are cumulative, and the exercise by either party of one or more of its rights or remedies shall not preclude the exercise by it, at the same or different times, of any other rights or remedies for the same default or any other default by the other party.

D. (§ 904) Specific Performance.

In addition to any other remedies permitted by this Agreement, if subsequent to the Closing either party defaults hereunder by failing to perform any of its obligations herein, the other party shall be entitled to seek the judicial remedy of specific performance. In this regard, Developer specifically acknowledges that Authority is entering into this Agreement for the purpose of assisting in the development of the Site and not for the purpose of enabling Developer to speculate with land. Notwithstanding any other provision set forth in this Agreement to the contrary, in no event shall Authority have a right prior to the Closing to seek specific performance or other equitable relief to compel Developer to close the Escrow or proceed with development of the Project.

E. (§ 905) Right of Reverter.

Except with regards to the Phase I Site and any other Third Party Parcel not acquired by Authority through eminent domain and then conveyed to Developer, subject to Developer's right to an extension of time to perform in the event of an Enforced Delay, Authority shall have the right, at its option, to reenter and take possession of any Third Party Parcel that was acquired by Authority through eminent domain and conveyed to Developer with all improvements thereon and to terminate and, for the Purchase Price (as reduced by any mortgage, deed of trust, or other security interests permitted by this Agreement; and any rights or interests provided in this Agreement for the protection of the holders of such mortgages, deeds of trust, or other security interests), re-vest in the Authority the estate conveyed to the Developer, if after Closing and prior to the recordation of the Release of Construction Covenants, the Developer (or his successors in interest) shall commit a material default by:

- (a) Failing to commence construction of on the Third Party Parcel, as required by this Agreement for a period of ninety (90) days after written notice to proceed from the Authority, unless an extension is granted (which shall not be unreasonably withheld); or
- (b) Abandoning or substantially suspending construction on the Third Party Parcel for a period of ninety (90) days after written notice of such abandonment or suspension from the Authority; or
- (c) Assigning this Agreement, or any rights herein, or transferring, or suffering any involuntary transfer of, the Third Party Parcel included in the Site, or any part thereof, in violation of this Agreement, if such violation shall not be cured within sixty (60) days after the date of receipt of written notice thereof by the Authority to the Developer.

The foregoing right to re-enter, repossess, terminate, and re-vest shall be a "Power of Termination" as defined in California Civil Code Section 885.010 and subordinate to and subject to and be limited by, and shall not defeat, render invalid, or limit:

- (a) Any mortgage, deed of trust, or other security interests permitted by this Agreement.
- (b) Any rights or interests provided in this Agreement for the protection of the holders of such mortgages, deeds of trust, or other security interests.

Upon the re-vesting in Authority of possession to any Third Party Parcel included in the Site, or any part thereof, as provided in this Section 905, Authority shall, pursuant to its responsibilities under state law, use its best efforts to reconvey the Third Party Parcel, or any part thereof, as soon and in such manner as Authority shall find feasible and consistent with the objectives of such law to a qualified and responsible party or parties (as reasonably determined

by Authority), who will assume the obligation of making or completing the development of the Third Party Parcel, or such other improvements in their stead, as shall be satisfactory to Authority and in accordance with the uses specified for the Third Party Parcel, or any part thereof.

The rights established in this Section are to be interpreted in light of the fact that Authority intends to sell any Third Party Parcel it acquires through eminent domain to Developer for development and not for speculation in undeveloped land.

F. (§ 906) Term.

(b)(4)

This Agreement shall be effective for [REDACTED] following the Effective Date and shall automatically terminate upon the expiration of such time if Developer has not secured all Entitlements and Project Approvals required to develop the Phase I Site, unless extended by the City and Authority pursuant to the authority described in the Schedule of Performance. No delay in such timeline shall be attributable to the City or Authority, unless Developer complies with the provisions of and as specifically authorized under Section 1003.

G. (§ 907) Attorney's Fees.

If either party to this Agreement is required to initiate or defend any action or proceeding in any way arising out of the parties' agreement to, or performance of this Agreement, or is made a party to any action or proceeding by the Escrow Agent or other third party, the prevailing party in such action or proceeding, in addition to any other relief which may be granted, whether legal or equitable, shall be entitled to reasonable attorney's fees from the other. As used herein, the "prevailing party" shall be the party determined as such by a court of law pursuant to the definition in Code of Civil Procedure Section 1032(a)(4), as it may be subsequently amended. Attorney's fees shall include attorney's fees on any appeal, and in addition a party entitled to attorney's fees shall be entitled to all other reasonable costs for investigating such action, taking depositions and discovery and all other necessary costs the court allows which are incurred in such litigation. All such fees shall be deemed to have accrued on commencement of such action and shall be enforceable whether or not such action is prosecuted to judgment.

10: (§ 1000) GENERAL PROVISIONS.

A. (§ 1001) Notices, Demands and Communications Between the Parties.

Except as expressly provided to the contrary herein, any notice, consent, report, demand, document or other such item to be given, delivered, furnished or received hereunder shall be deemed given, delivered, furnished, and received when given in writing and personally delivered to an authorized agent of the applicable party, or upon delivery by the United States Postal Service, first-class registered or certified mail, postage prepaid, return receipt requested, or by an "overnight courier" such as Federal Express, at the time of delivery shown upon such receipt; in either case, delivered to the address, addresses and persons as each party may from time to time by written notice designate to the other and who initially are:

If to Developer:

3000 E. Imperial, LLC, a California limited liability company

3100 E. Imperial Highway
Lynwood, California 90262
Attention: Donald Chae

If to Authority: Lynwood Parking Authority
11330 Bullis Road
Lynwood, CA 90262
Attention: Administrator

A copy to: TAFOYA & GARCIA, LLP
316 West 2nd Street, Suite 1000
Los Angeles, California 90012
Attn: David A. Garcia

B. (S 1002) Nonliability of City and Authority Officials and Employees; Conflicts of Interest; Commissions.

1. Personal Liability.

No member, official, employee, agent or contractor of City or Authority shall be personally liable to Developer in the event of any default or breach by Authority or for any amount which may become due to Developer or on any obligations under the terms of the Agreement. No member, official, employee, agent or contractor of Developer shall be personally liable to Authority in the event of any default or breach by Developer or for any amount which may become due to Authority or on any obligations under the terms of the Agreement; provided, it is understood that nothing in this Section 1002 is intended to limit Developer's liability.

2. Financial Interest.

No member, official, employee or agent of City or Authority shall have any financial interest, direct or indirect, in this Agreement, nor participate in any decision relating to this Agreement which is prohibited by law.

3. Commissions.

Authority has not retained any broker or finder or paid or given, and will not pay or give, any third person any money or other consideration for obtaining this Agreement. Authority shall not be liable for any real estate commissions, brokerage fees or finders' fees which may arise from this Agreement, and Developer agrees to hold Authority harmless from any claim by any broker, agent, or finder retained by Developer. Authority agrees to hold Developer harmless from any claim by any broker, agent, or finder retained by Authority.

C. (S 1003) Enforced Delay; Extension of Times of Performance.

Time is of the essence in the performance of this Agreement.

Notwithstanding the foregoing, in addition to specific provisions of this Agreement, performance by either party hereunder shall not be deemed to be in default where delays or defaults are due to war, insurrection, strikes, lock-outs, riots, floods, earthquakes, fires, casualties, supernatural causes, acts of the "public enemy", epidemics, quarantine restrictions, freight embargoes, lack of transportation, subsurface conditions on the Site and unknown soils, conditions, governmental restrictions or priority litigation; unusually severe weather; inability to secure necessary labor, materials or tools; delays of any contractor, subcontractor or supplier; acts of the other party; acts or the failure to act of a public or governmental agency or entity (except that acts or the failure to act of Authority shall not excuse performance by Authority); or any other causes beyond the reasonable control or without the fault of the party claiming an extension of time to perform. In the event of such a delay (herein "Enforced Delay"), the party delayed shall continue to exercise reasonable diligence to minimize the period of the delay. An extension of time for any such cause shall be limited to the period of the enforced delay, and shall commence to run from the time of the commencement of the cause, provided notice by the party claiming such extension is sent to the other party within ten (10) days of the commencement of the cause.

Times of performance under this Agreement may also be extended by mutual written agreement by Authority or City and Developer. The Administrator of Authority or City shall have the authority on behalf of Authority or City to approve extensions of time not to exceed a cumulative total of one hundred eighty (180) days with respect to the development of the Site.

D. (§ 1004) Books and Records.

1. Developer to Keep Records.

Developer shall prepare and maintain all books, records and reports necessary to substantiate Developer's compliance with the terms of this Agreement or reasonably required by the Authority.

2. Right to Inspect.

Either party shall have the right, upon not less than seventy-two (72) hours notice, at all reasonable times, to inspect the books and records of the other party pertaining to the Site, as pertinent to the purposes of this Agreement.

3. Ownership of Documents.

Copies of all drawings, specifications, reports, records, documents and other materials prepared by Developer, its employees, agents and subcontractors, in the performance of this Agreement, which documents are in the possession of Developer and are not confidential, proprietary, financial in nature or attorney client or attorney work product privileged documents shall be delivered to Authority upon request in the event of a termination of this Agreement, if such termination occurs due to a cause that is not a default by Authority or City, and in such event Developer shall have no claim for additional compensation as a result of the exercise by Authority of its rights hereunder. Developer makes no warranty or representation regarding the accuracy or sufficiency of such documents for any future use by Authority, and Developer shall have no liability therefor. Notwithstanding the foregoing, the Authority shall not have any right

to sell, license, convey or transfer the documents and materials to any third party, or to use the documents and materials for any other site.

E. (§ 1005) Assurances to Act in Good Faith; Approvals Not to Be Unreasonably Withheld.

Authority and Developer agree to execute all documents and instruments and to take all action, including, but not limited to, executing approvals, deposit of funds in addition to such funds as may be specifically provided for herein, and as may be required in order to consummate conveyance and development of the Site, or any portion thereof, as herein contemplated, and shall use their best efforts to accomplish the closing and subsequent development of the Site in accordance with the provisions hereof. Authority and Developer shall each diligently and in good faith pursue the satisfaction of any conditions or contingencies subject to their approval. In the event the approval of a party is required hereunder, such approval shall not be unreasonably withheld, delayed, or conditioned except as may be otherwise expressly set forth herein.

F. (§ 1006) Interpretation.

The terms of this Agreement shall be construed in accordance with the meaning of the language used and shall not be construed for or against either party by reason of the authorship of this Agreement or any other rule of construction which might otherwise apply. The Section headings are for purposes of convenience only, and shall not be construed to limit or extend the meaning of this Agreement. This Agreement includes all attachments attached hereto, which are by this reference incorporated in this Agreement in their entirety. This Agreement also includes the documents incorporated herein by reference, as though fully set forth herein.

G. (§ 1007) Entire Agreement, Waivers and Amendments.

This Agreement integrates all of the terms and conditions mentioned herein, or incidental hereto, and this Agreement supersedes all negotiations and previous agreements between the parties with respect to all or any part of the subject matter hereof, including, without limitation the MOU between Authority and Developer, dated September 3, 2012, as amended and extended. All waivers of the provisions of this Agreement, unless specified otherwise herein, must be in writing and signed by the appropriate authorities of Authority or Developer, as applicable, and all amendments hereto must be in writing and signed by the appropriate authorities of Authority and Developer.

H. (§ 1008) Severability.

In the event any term, covenant, condition, provision or agreement contained herein is held to be invalid, void or otherwise unenforceable, by any court of competent jurisdiction, such holding shall in no way affect the validity or enforceability of any other term, covenant, condition, provision or agreement contained herein.

I. (§ 1009) Time for Acceptance of Agreement by Authority.

This Agreement, when executed by Developer and delivered to Authority, must be authorized, executed and delivered by Authority, not later than the time set forth in the Schedule

of Performance of this instrument shall be void, except to the extent that Developer shall consent in writing to further extensions of time for the authorization, execution, and delivery of this Agreement. After execution by Developer, this Agreement shall be considered an irrevocable offer until ninety (90) days thereafter when such offer shall become void if Authority fails to authorize, execute and deliver the Agreement in accordance with this Section.

J. (81010) Execution.

This Agreement may be executed in counterparts, and signatures may be provided by copy, pdf or facsimile each of which shall be deemed to be an original, and such counterparts shall constitute one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement to be effective as of the date of execution by Authority.

"AUTHORITY":

LYNWOOD PARKING AUTHORITY

By: _____

Sarah M. Withers, City Manager

"CITY":

By: _____

ATTEST:

By: _____

Maria Guzman
Authority Secretary

APPROVED AS TO FORM:

TAFOYA & GARCIA, LLP

By: _____

Authority Counsel

"DEVELOPER":

3000 E. Imperial, LLC

By: _____

Name: _____

Title: _____

ATTACHMENT NO. 1
PLAZA MEXICO EXPANSION DDA
SITE MAP

01003/0026115/043.01

ATTACHMENT NO. 1
Page 1 of 2

PHASE I SITE MAP

0107900260151041,01

ATTACHMENT 1
Page 1 of 2

(b)(4)

PHASE 1
SITE MAP

ATTACHMENT NO. 2
PLAZA MEXICO EXPANSION DDA
LEGAL DESCRIPTION OF PHASE I SITE

(b)(4)



END OF LEGAL DESCRIPTION

0109100261131243.01

ATTACHMENT NO. 2
- Page 1 of 1 -

ATTACHMENT NO. 3
PLAZA MEXICO EXPANSION - DDA
SCHEDULE OF PERFORMANCE

(b)(4)

	<u>Item To Be Performed</u>	<u>Time For Performance</u>	<u>Agreement Reference</u>
1.			
2.			
3.			
4.			
5.			
6.			
7.			
8.			

(b)(4)

	<u>Item To Be Performed</u>	<u>Time For Performance</u>	<u>Agreement Reference</u>
9.			
10.			
11.			
12.			
13.			
14.			
15.			
16.			
17.			
18.			

(b)(4)

	<u>Item To Be Performed</u>	<u>Time For Performance</u>	<u>Agreement Reference</u>
19.			
20.			
21.			
22.			
23.			
24.			
25.			
26.			
27.			

(b)(4)

	<u>Item To Be Performed</u>	<u>Time For Performance</u>	<u>Agreement Reference</u>
	[REDACTED]		
28.			
29.			
30.			

(b)(4)



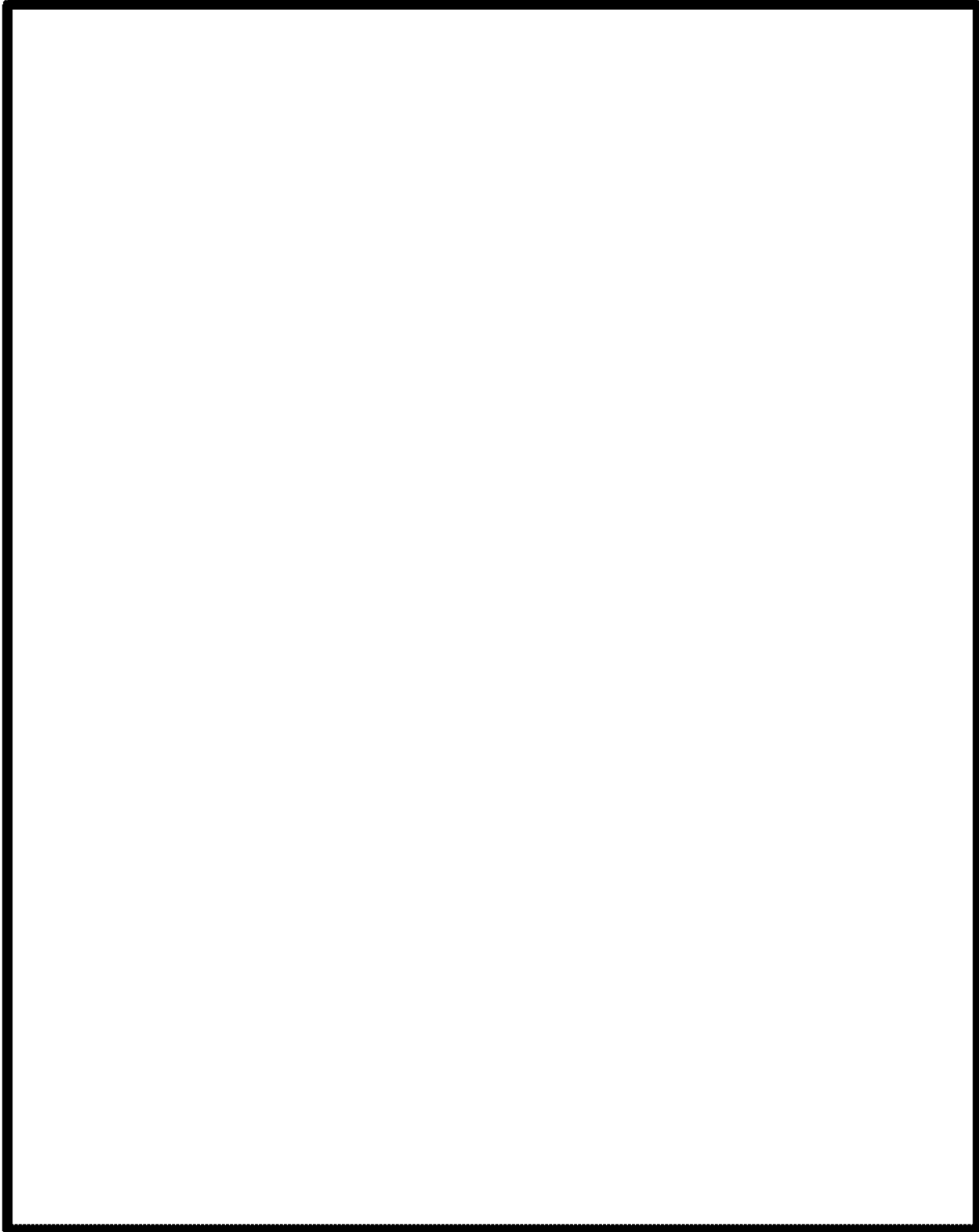
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ATTACHMENT NO. 3
Page 3 of 4

ATTACHMENT NO. 4
PLAZA MEXICO EXPANSION DDA

(b)(4)

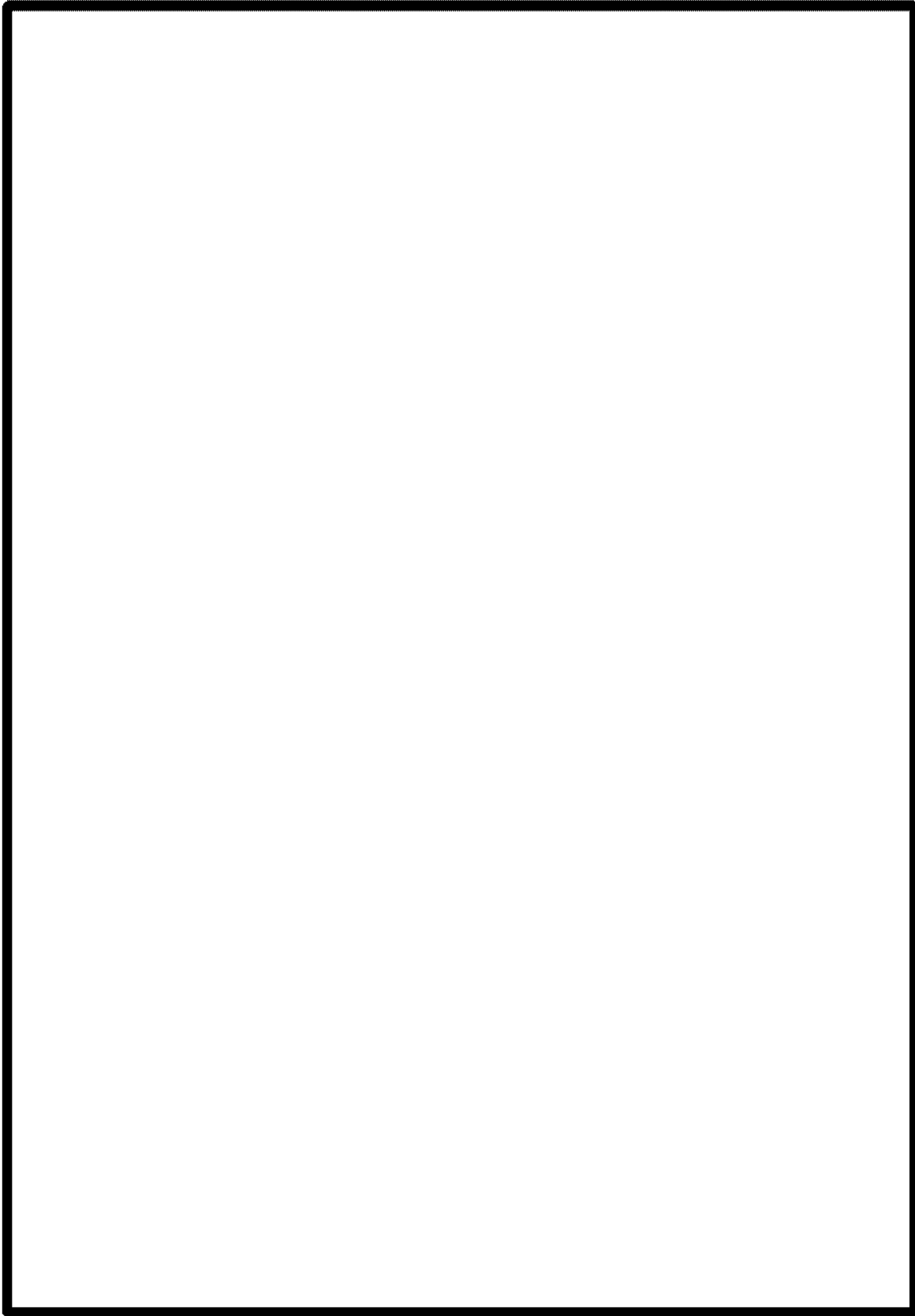
SCORE OF DEVELOPMENT



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ATTACHMENT NO. 4
Page 1 of 2

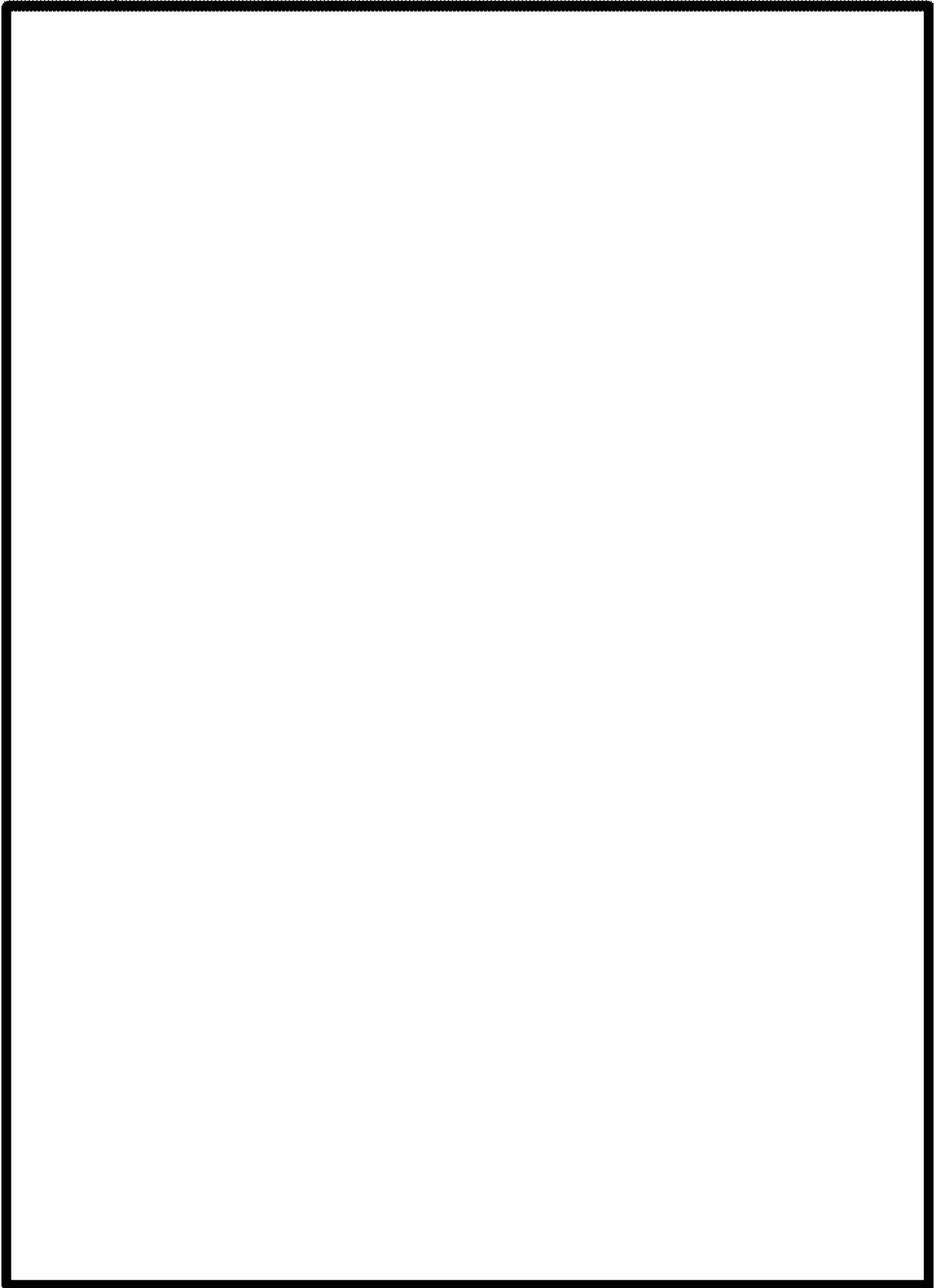
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ATTACHMENT 2
Page 7 of 8

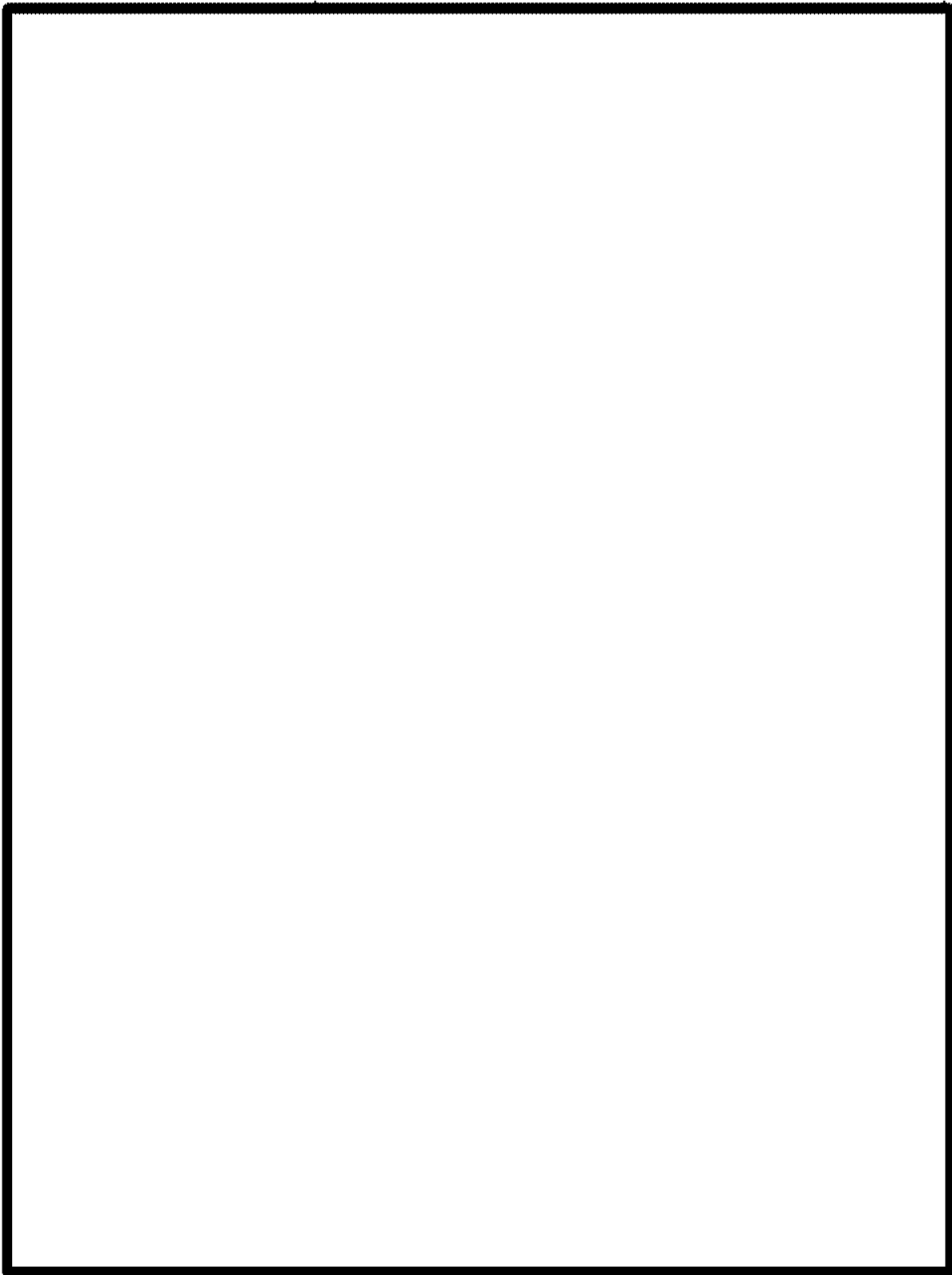
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ATTACHMENT NO. 3
Page 3 of 8

(b)(4)



ATTACHMENT NO. 5
PLAZA MEXICO EXPANSION DDA

GRANT DEED

FREE RECORDING REQUESTED BY
AND WHEN RECORDED MAIL TO:

LYNWOOD PARKING AUTHORITY
11330 Bullis Road
Lynwood, CA 90262
Attention: Executive Director

(Space Above This Line for Recorder's Office Use Only)
(Exempt from Recording Fee per Gov. Code § 6103)

GRANT DEED

FOR A VALUABLE CONSIDERATION, the receipt of which is hereby acknowledged, the _____ ("Grantor"), acting under the Parking Authority Law of the State of California, hereby grants to _____ ("Grantee") the real property, hereinafter referred to as the "Third Party Parcel," in the City of Lynwood, County of Los Angeles, State of California, as more particularly described in Exhibit "A" attached hereto and incorporated herein by this reference.

As conditions of this conveyance, Grantee covenants by and for itself and any successors-in-interest for the benefit of Grantor and the City of Lynwood, a municipal corporation, as follows:

1. Governing Documents. The Third Party Parcel is being conveyed pursuant to (i) the Disposition and Development Agreement (the "DDA") entered into by and between Grantor and Grantee and dated October __, 2013, and (ii) subject to the terms of the DDA, and this Deed. The DDA is a public record on file in the office of the City Clerk of the City of Lynwood, located at 11330 Bullis Road, Lynwood, CA 90262, and incorporated herein by this reference. Any capitalized terms not defined herein shall have the meanings ascribed to them in the DDA. Grantee covenants and agrees for itself and its successors and assigns to develop the Third Party Parcel, as that term is defined in the DDA of which the _____ Parcel is a part, in accordance with the DDA and thereafter to use, operate and maintain the _____ Parcel in accordance with the Covenant Agreement approved concurrently herewith and this Deed. The _____ Parcel is also conveyed subject to those matters of record set forth on Exhibit "B" attached hereto. In the event of any conflict between this Deed and the DDA, the provisions of the DDA shall control.

2. Term of Restriction. Grantee hereby covenants and agrees for itself, its successors, its assigns, and every successor-in-interest to the _____ Parcel that Grantee, such successors and such assigns, shall not develop, operate, maintain or use the Third Party Parcel in violation of the terms and conditions of the DDA, this Deed and the Covenant Agreement (unless expressly waived in writing by Grantor) beginning on the Effective Date of the DDA and

continuing until at least ten (10) years thereafter, as may be extended.

3. Right of Re-Entry Prior to Completion. Grantee covenants by and for itself and any successors-in-interest that Grantor shall have the right, at its option, to re-enter and take possession of the Third Party Parcel hereby conveyed, with all improvements thereon, and re-vest in Grantor the estate conveyed to the Grantee, if after Closing and prior to recordation of the Release of Construction Covenants, Grantee or successor-in-interest shall commit one of the defaults enumerated in Section 905 of the DDA. Pursuant to Section 905 of the DDA, Grantor's right to re-enter, repossess, terminate, and re-vest shall be subordinate to and subject to and be limited by, and shall not defeat, render invalid, or limit (1) any mortgage, deed of trust, or other security interests permitted by the DDA, or (2) any rights or interest provided in the DDA for the protection of holders of such mortgages, deeds of trust, or other security interests.

4. Reservation of Existing Streets. Grantor excepts and reserves any existing street, proposed street, or portion of any street or proposed street lying outside the boundaries of the Third Party Parcel which might otherwise pass with a conveyance of the Third Party Parcel.

5. Transfer Restrictions. Grantee covenants that prior to the recordation of the Release Construction Covenants, Grantee shall not transfer the DDA, the Third Party Parcel or any of its interests therein except as provided in Section 303 of the DDA.

6. Non-Discrimination. Grantee covenants that there shall be no discrimination against, or segregation of, any persons, or group of persons, on account of race, color, creed, religion, sex, marital status, age, ancestry, or national origin in the rental, sale, lease, sublease, transfer, use, occupancy, or enjoyment of the Third Party Parcel, or any portion thereof, nor shall Grantee, or any person claiming under or through Grantee, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use, or occupancy of tenants, lessees, subtenants, sublessees, or vendees of the Third Party Parcel or any portion thereof. The nondiscrimination and non-segregation covenants contained herein shall remain in effect throughout the term of the Covenant Agreement, as may be extended.

7. Form of Nondiscrimination Clauses in Agreements. Grantee shall refrain from restricting the rental, sale, or lease of any portion of the Third Party Parcel on the basis of race, color, creed, religion, sex, marital status, age, ancestry, or national origin of any person. All such deeds, leases, or contracts shall contain or be subject to substantially the following nondiscrimination or non-segregation clauses:

(a) Deeds: In deeds the following language shall appear: "The grantee herein covenants by and for itself, its heirs, executors, administrators, and assigns, and all persons claiming under or through them, that there shall be no discrimination against or segregation of any person or group of persons on account of race, color, creed, religion, sex, marital status, age, ancestry, or national origin in the sale, lease, rental, sublease, transfer, use, occupancy, tenure, or enjoyment of the land herein conveyed, nor shall the grantee itself, or any persons claiming under or through it, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use, or occupancy of tenants, lessees, subtenants, sublessees, or vendees in the land herein conveyed. The foregoing covenants shall run with the land."

(b) Leases: In leases the following language shall appear: "The lessee herein covenants by and for itself, its heirs, executors, administrators, successors, and assigns, and all persons claiming under or through them, and this lease is made and accepted upon and subject to the following conditions:

"That there shall be no discrimination against or segregation of any person or group of persons on account of race, color, creed, religion, sex, marital status, age, ancestry, or national origin in the leasing, subleasing, renting, transferring, use, occupancy, tenure, or enjoyment of the land herein leased nor shall the lessee itself, or any person claiming under or through it, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use, or occupancy of tenants, lessees, sublessees, subtenants, or vendees in the land herein leased."

(c) Contracts: In contracts pertaining to conveyance of the realty, the following language shall appear: "There shall be no discrimination against or segregation of any person or group of persons on account of race, color, creed, religion, sex, marital status, age, ancestry, or national origin in the sale, lease, rental, sublease, transfer, use, occupancy, tenure, or enjoyment of the land, nor shall the transferee itself, or any person claiming under or through it, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use, or occupancy of tenants, lessees, subtenants, sublessees, or vendees of the land."

The foregoing covenants shall remain in effect throughout the term of the Covenant Agreement, as may be extended.

8. Mortgage Protection: No violation or breach of the covenants, conditions, restrictions, provisions or limitations contained in this Deed shall defeat or render invalid or in any way impair the lien or charge of any mortgage, deed of trust or other financing or security instrument permitted by and approved by Grantor pursuant to the DDA; provided, however, that any successor of Grantee to the Third Party Parcel shall be bound by such remaining covenants, conditions, restrictions, limitations and provisions, whether such successor's title was acquired by foreclosure, deed in lieu of foreclosure, trustee's sale or otherwise. The foregoing shall limit any rights of holders of any mortgage, deed of trust, or other financing or security instrument set forth in the DDA.

9. Covenants to Run With the Land. The covenants contained in this Deed shall be construed as covenants running with the land and not as conditions which might result in forfeiture of title, and shall be binding upon Grantee, its heirs, successors and assigns to the Third Party Parcel, whether their interest shall be fee, easement, leasehold, beneficial or otherwise.

IN WITNESS WHEREOF, Grantor and Grantee have caused this instrument to be executed on their behalf by their respective officers or agents hereunto as of the date first above written.

"GRANTOR":

By: _____

Chair:

ATTEST:

Date: _____

By: _____
Agency Secretary

APPROVED AS TO FORM:

TAROYA & GARCIA, LLP

By: _____
Agency Counsel

CERTIFICATE OF ACCEPTANCE

This is to certify that the interest in real property conveyed by the _____ public body, corporate and politic, by the Grant Deed, is hereby accepted by the undersigned officer and agent of _____ consents to the recording of the Grant Deed.

Signed and dated at Lynwood, California on _____, 2013.

"GRANTEE"

By: _____

Name:

Title:

Date: _____

EXHIBIT "A" TO
ATTACHMENT NO. 5
PLAZA MEXICO EXPANSION DDA

DESCRIPTION OF THIRD PARTY PARCEL

ATTACHMENT NO. 6
PLAZA MEXICO EXPANSION, DDA

FREE RECORDING REQUESTED BY
AND WHEN RECORDED MAIL TO:

LYNWOOD PARKING AUTHORITY
11330 Bullis Road
Lynwood, CA 90262
Attention: Administrator

(Space Above This Line for Recorder's Office Use Only)

RELEASE OF CONSTRUCTION COVENANTS

WHEREAS, by that certain Disposition and Development Agreement ("Agreement"), dated May 7, 2013, by and between the LYNWOOD PARKING AUTHORITY ("Authority") and CITY OF LYNWOOD ("City"), on the one hand, and 3000 E. Imperial, LLC, a California limited liability company ("Developer"), Developer has agreed to develop a public parking/commercial project ("Project") on the Site (as such term is defined in the Agreement and described on Exhibit 'A' hereto); and

WHEREAS, as referenced in the Agreement, Authority shall furnish Developer with a Release of Construction Covenants upon completion of construction and development of Phase I (as defined in the Agreement) and any Future Phase (as defined in the Agreement) of the Project, which release shall be in such form as to permit it to be recorded in the Official Records of the County Recorder of the County of Los Angeles, California; and

WHEREAS, the Agreement provided for certain covenants to run with the land, which covenants were incorporated in the Deed and Covenant Agreement, as that term is defined in the Agreement; and

WHEREAS, this Release of Construction Covenants shall constitute a conclusive determination by Authority of the satisfactory completion by Developer of the construction and development required by the Agreement and of Developer's full compliance with the terms of the Agreement with respect to such construction and development, but not of the Deed or Covenant Agreement, the provisions of which shall continue to run with the land pursuant to their terms; and

WHEREAS, Authority has conclusively determined that the construction and development of Phase I (as defined in the Agreement) and any Future Phase (as defined in the Agreement) of the Project required by the Agreement has been satisfactorily completed by Developer in full compliance with the terms of the Agreement.

NOW, THEREFORE,

The improvements required to be constructed have been satisfactorily completed in accordance with the provisions of said Agreement.

2. This Release of Construction Covenants shall constitute a conclusive determination of satisfaction of the agreements and covenants contained in the Agreement with respect to the obligations of the Developer, and its successors and assigns, to construct the improvements and the dates for the beginning and completion thereof.

3. This Release of Construction Covenants shall not constitute evidence of Developer's compliance with the Deed, the provisions of which shall continue to run with the land.

4. This Release of Construction Covenants shall not constitute evidence of compliance with or satisfaction of any obligation of the Developer to any holder of a mortgage or any insurer of a mortgage, securing money loaned to finance the improvements or any part thereof.

5. This Release of Construction Covenants is not a Notice of Completion as referred to in California Civil Code Section 3093.

6. Except as stated herein, nothing contained in this instrument shall modify in any way any other provisions of the Agreement or any other provisions of the documents incorporated therein.

IN WITNESS WHEREOF, the Authority has executed this Release of Construction Covenants this _____ day of _____.

LYNWOOD PARKING AUTHORITY

By: _____

Chair

CITY:

By: _____

ATTEST:

Authority Secretary

APPROVED AS TO FORM:

TAFOYA & GARCIA, LLP

Authority Counsel

CONSENT TO RECORDATION

3000 E. IMPERIAL, LLC, a California limited liability company (or a permitted successor or assignee) the "Developer" defined herein and the owner of the fee title to the real property, legally described herein, hereby consents to the recordation of this Release of Construction Covenants against the real property legally described herein.

"DEVELOPER"

3000 E. IMPERIAL, LLC, a California limited liability company

By: _____

Name:

Title:

Date: _____

EXHIBIT "A"
TO ATTACHMENT NO. 6
PLAZA MEXICO EXPANSION, DDA

LEGAL DESCRIPTION OF THE THIRD PARTY PARCEL

THE LAND REFERRED TO HEREIN IS SITUATED IN THE STATE OF CALIFORNIA,
COUNTY OF LOS ANGELES, DESCRIBED AS FOLLOWS:

010020020101000101 A

ATTACHMENT NO. 6
Page 1 of 4

EXHIBIT "E4"



SALVADOR ALATORRE
Mayor

City of Lynwood

A City Meeting Challenges

City Hall • 11330 Bullis Road • Lynwood, CA 90262
(310) 603-0220 x 200 • Fax: (310) 764-4908
www.lynwood.ca.us • salatorre@lynwood.ca.us



OFFICE OF THE
CITY COUNCIL

July 31, 2013

Messrs. Donald Chae and Min Chae
M + D Properties
3100 East Imperial Highway
Lynwood, California 90262

RE: PLAZA MEXICO EXPANSION PROJECT

Dear Messrs. Chae:

As the Mayor for the City of Lynwood, I would like to express my enthusiastic support for M + D Properties' lifestyle shopping center, *Plaza Mexico*, as well as this development's upcoming Expansion Project. M + D Properties has been a great collaborator with the City, and we look forward to our ongoing relationship as M + D Properties and the City of Lynwood work to help foster the local economy.

I am pleased with the investment and commitment that M + D Properties and *Plaza Mexico* have provided our community thus far. The *Plaza Mexico Expansion Project* will bring even more growth and support to our City. This project is expected to meet the demand for more retail and residential space in the City of Lynwood. As such, we plan to present your proposal to the full City Council for approval to commit the City's senior staff to provide the time, energy, and resources to ensure the success of this project.

Since M + D Properties took over *Plaza Mexico* in the late 1980's, I have been pleased with the steadily increasing vitality of the development and the subsequently beneficial effects it has on our community. We look forward to great benefits coming from the entrepreneurial vision of M + D Properties and the *Plaza Mexico Expansion Project*. We hope that this growing development will help the local economy to grow and prosper.

Sincerely,

A handwritten signature in black ink, appearing to read "Salvador Alatorre".

Salvadore Alatorre
Mayor

EXHIBIT "E5"

PLAZA MEXICO
RESIDENCES



An authentic cultural experience

Plaza Mexico is the largest Latino-themed upscale development in the United States with over 400,000 square feet of retail, food, dining, and office space sprawling across 48 acres of land. Located in the City of Lynwood, California, directly in the heart of Los Angeles, Plaza Mexico is easily accessible from three major freeways due to its prime positioning. Plaza Mexico provides a unique, cultural shopping experience, featuring colonial architecture, lush landscaping, large fountains and large, open plazas.

A DEVELOPMENT STEEPED IN TRADITION

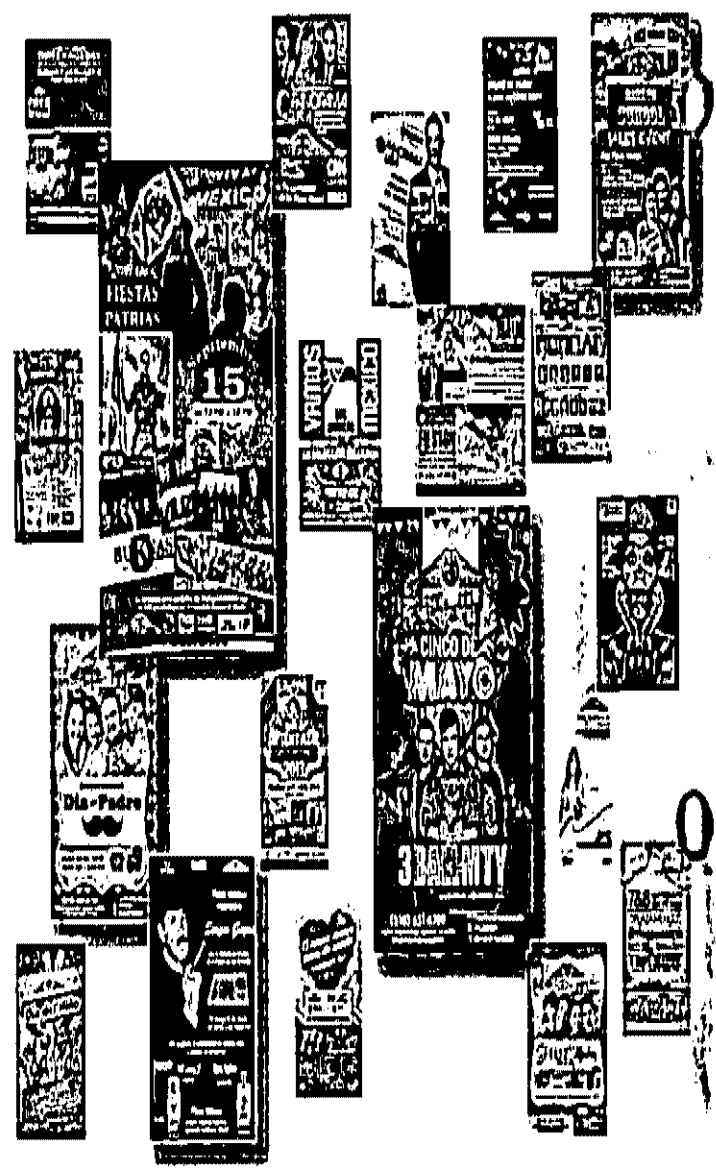
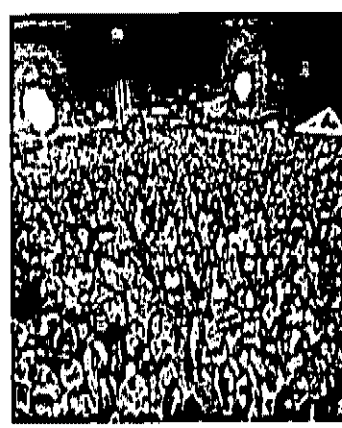


Since the 1990s, Plaza Mexico has fostered and supported Southern California's Latino population by showcasing the rich history and traditions of Mexico and Latin America. Plaza Mexico draws patrons from all over the greater Los Angeles, San Bernardino, Riverside and Orange Counties. Moreover, the purchasing power of Latinos continues to grow. In 2009, Latinos in the United States had a collective annual purchasing power of \$978 billion, the largest amount of all minority groups in the United States. Plaza Mexico is currently one of the most successful retail projects in Southern California and is home to tenants such as Food 4 Less, Rite-Aid, Children's Place, Stretchers, Curacao, Chuck E. Cheese's, and Anna's Linens.

Plaza Mexico embodies the multicultural experience that is Southern California by combining the traditional Hispanic shopping experience of marketplaces with the American shopping center experience, incorporating a mixture of both American and Hispanic retailers, and utilizing both the colonial architecture common to cities in Mexico as well as the Mediterranean style common to Los Angeles. This intricate mixture is an art that is truly understood by the Chae brothers and the same operates as their strongest instrument in turning mere dreams into realities in the real estate world.

THE HEART OF MEXICAN CULTURE

The most popular annual events at Plaza Mexico include Cinco de Mayo (May) and Fiestas Patrias (September), each of which command attendance at over 20,000 people. The dedicated events and public relations staff at Plaza Mexico also organizes numerous other events, often in conjunction with civic leaders, community groups, or media partners. A sampling of these events can be seen below.



1. Celebration of Olaya de Colores | 2. Celebration of Olaya de Mayo | 3. Fiesta and Parade

Above: Event Posters from Year 2013

THE POWER OF PLAZA MEXICO'S BRAND

Plaza Mexico is the central hub of Mexican culture in Los Angeles and frequently hosts famous celebrities and politicians.



VINCENTE FOX
Former President of Mexico

ANTONIO VILLARAIGOSA
Former Mayor of Los Angeles

HILLARY CLINTON
Former US Secretary of State

ARNOLD SCHWARZENEGGER
Former Governor of California



ANGELICA MARIA
Mexican-American Actress



EMILIO ESTEFAN
Grammy Award Winning Musician

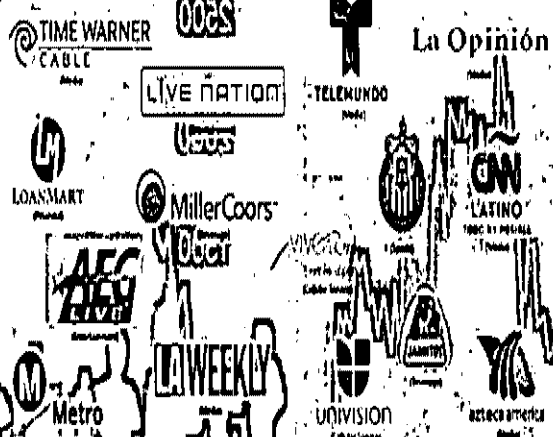


GLORIA TREVI
Mexican Singer



EVA LONGORIA
American Actress

Plaza Mexico has strategically partnered with both mainstream American and Hispanic media groups.



Plaza Mexico features a mixture of both mainstream American and Hispanic retailers.



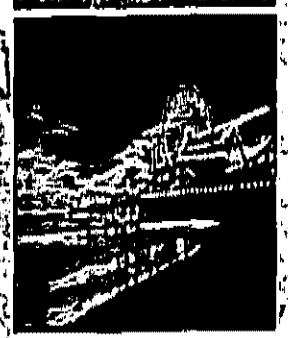
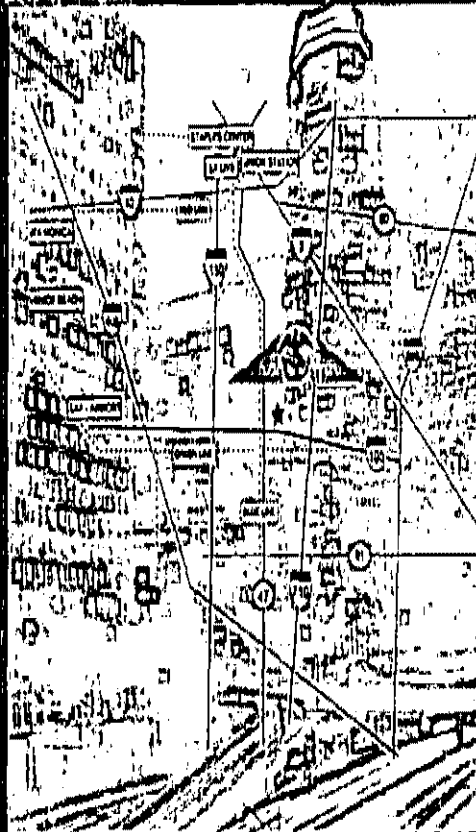
LOCATION IS EVERYTHING

Plaza Mexico is located at 3100 E. Imperial Highway in Lynwood, within walking distance from the Metro Green Line Long Beach Boulevard station.

Plaza Mexico is located in a bustling commercial area that is continuously developing. Our artfully designed LED freeway sign is easily visible while traveling on the 105 freeway, offering its 290,000 daily passersbyers a captivating view of our property.

Plaza Mexico is also very close to two major transportation arteries: the Harbor (I-110) and Long Beach (I-710) freeways. It is supported by California's public transportation - specifically the Green and Blue commuter metro rail lines - as well as an extensive bus service which is also an integral part to the various forms of public transportation servicing our tourist destination.

Multiple entrances to the property make Plaza Mexico directly accessible from well-known streets such as Imperial Highway, Long Beach Boulevard and State Street.



GROWING STRENGTH OF LATINO BUYING POWER

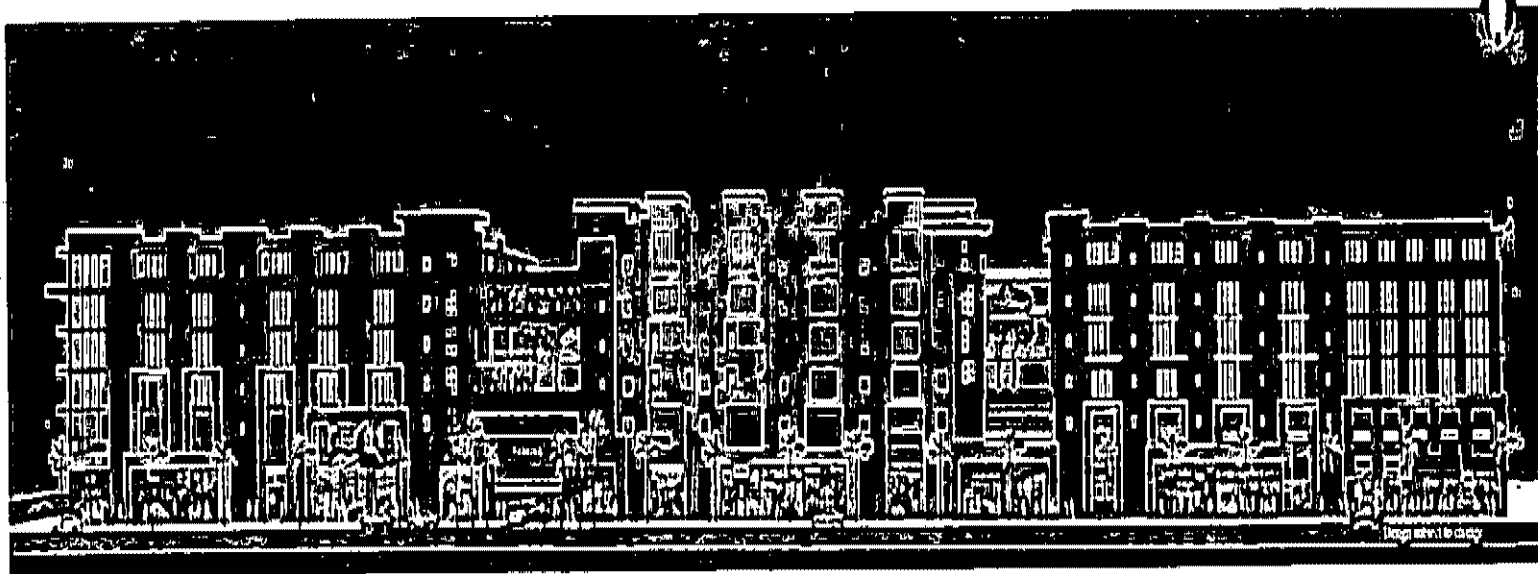




Due to the overwhelming support of local government and the steady demand for expanded retail opportunities, M-D Regional Center is offering you the Plaza Mexico Expansion Project. This project is designed to meet the continuing demand for retail and residential space in the City of Lynwood. The expansion will transform Plaza Mexico into a one-stop destination experience for modern living, shopping, entertainment, and business, all while staying true to its Latin tradition.

(b)(4)

PLAZA MEXICO RESIDENCES



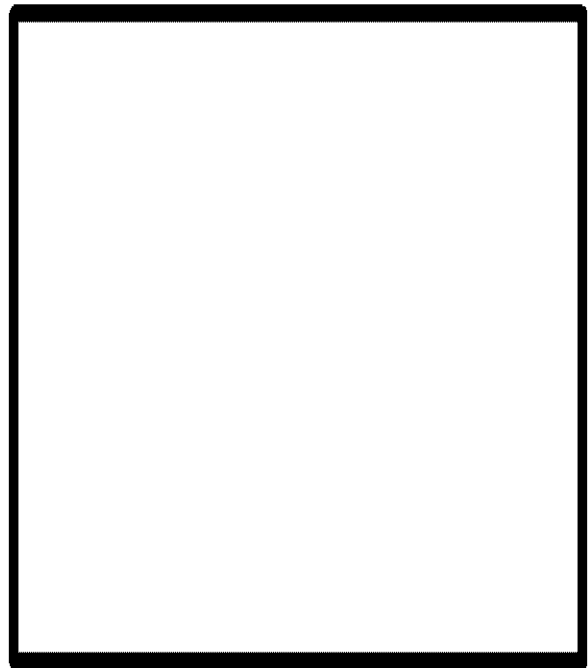
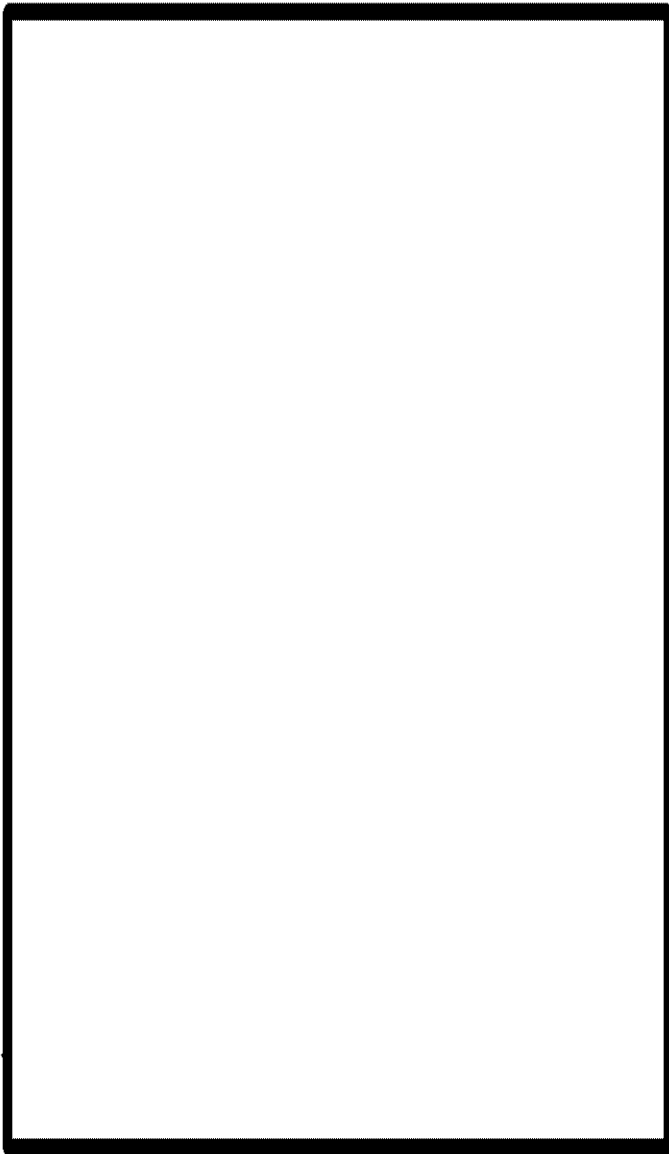
(b)(4)

DEVELOPMENT OBJECTIVES



(b)(4)

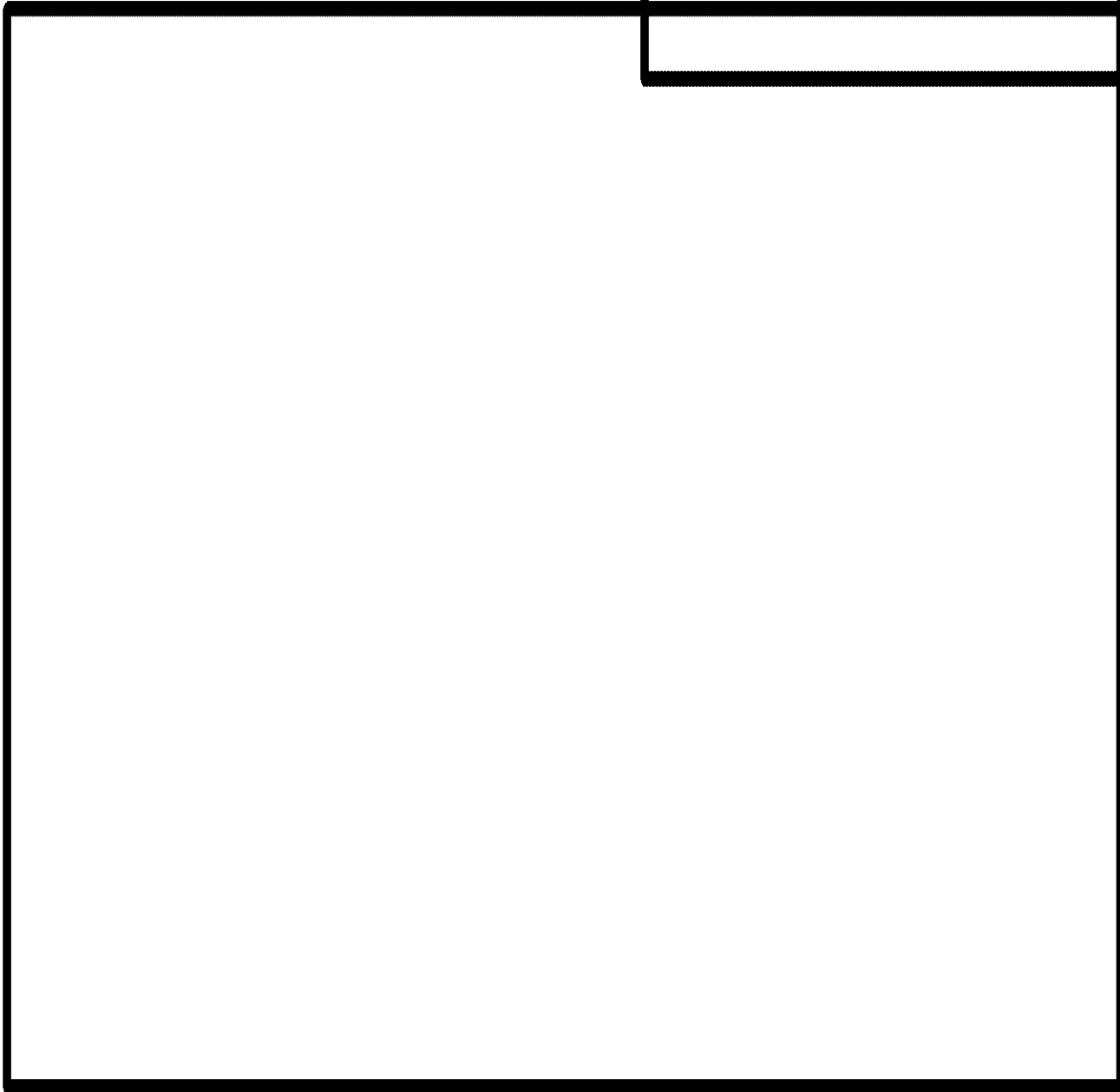
DESIGN SPECIFICATION
AND INSPIRATION



(b)(4)

(b)(4)

FLOOR PLANS



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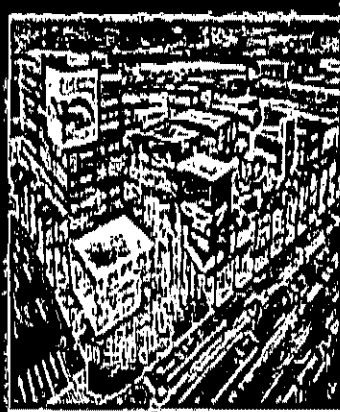
M+D PROPERTIES Overview

M+D is led by brothers Min Chae and Donald Chae, who each have more than 20 years of experience in real estate development, management and investment. The following is a partial list of M+D's past and ongoing real estate projects.



Plaza Mexico:

Plaza Mexico is an approximately 415,000-square-foot retail center on 48 acres in Lynwood, California. M+D Properties completed the original phase of development in 2002. The total development process took approximately four years to complete and cost approximately \$65 million. Now, plans to expand the center with additional retail space and a residential component are underway. Once completed, these plans for expansion will be valued at \$150 million.



The Source:

This approximately 12.8-acre, fully-entitled mixed-use project site is located in Orange County, California, at the intersection of two major freeways, the Santa Ana Freeway (I-5) and the Riverside Freeway (CA-91). It is situated in the City of Buena Park, near Knott's Berry Farm, Medieval Times, and Disneyland Parks & Resorts. The Source development includes, but is not limited to, the following: 400,000 square feet of retail space, 57,000 gross square feet of Class 'A' office space, 160-room hotel, 300 multi-family residential units, and a six-floor parking structure.



One West Green:

This newly redeveloped property in the historic district of Old Town Pasadena occupies approximately 40,000 square feet of land. This is a mixed-use development that offers more than 60,000 square feet of leasable space designated for retail, restaurant, and office use, as well as a subterranean parking garage.

DISCLAIMER

Information presented in this brochure is believed to be accurate but is not warranted. The projects described and depicted herein are based on current development plans, which are subject to change without notice. No offer to sell any security or real estate is made by this brochure. The information in this brochure is not an offer to sell or solicitation of an offer to buy interest in any investment for the provision of any investment management or advisory services. M+D Regional Center, LLC, does not offer or intend to offer securities. Any such offer or solicitation made by the issuer of those securities and/or affiliated licensed broker-dealers pursuant to exemptions from registration requirements set out in applicable securities laws and made only by means of delivery of confidential offering materials relating to a particular investment to qualified investors in those jurisdictions where permitted by law. This brochure is a summary only of certain important matters relating to M+D Regional Center, LLC, and is not intended to be used for your consideration in making an investment decision. Prospective investors should rely solely on the detailed information provided in the offering materials for that particular investment, and take note of the risk factors described therein.





M + D Properties
3100 E. Imperial Highway
Lynwood, CA 90262
(714) 521-8858



M&D Regional Center
3100 E. Imperial Highway
Lynwood, CA 90262
(714) 521-8858

www.mdregionalcenter.com



www.plazamexico.com



EXHIBIT "E6"

EXHIBIT "E6"

EXHIBIT "E6"

EXHIBIT "E6"

RECORDING REQUESTED BY:

11/30/06
20062650511

WHEN RECORDED MAIL TO:
3000 E. Imperial, LLC
3100 E. Imperial Highway
Lynwood, CA 90262
Attention: Donald Chae

COPY of Document Recorded
Has not been compared with original.
Original will be returned when
processing has been completed.
LOS ANGELES COUNTY REGISTRAR - RECORDER

MAIL TAX STATEMENTS TO:

Same as above

6170-020-012; 6169-003-017

GRANT DEED

THE UNDERSIGNED GRANTOR declares: DOCUMENTARY TRANSFER TAX IS NOT OF PUBLIC RECORD. R&T Code §11932

FOR VALUABLE CONSIDERATION, receipt of which is hereby acknowledged, LYNWOOD IMPERIAL LLC, a Delaware limited liability company, hereby GRANTS to 3000 E. IMPERIAL, LLC, a California limited liability company, the following described real property located in the City of Lynwood, County of Los Angeles, State of California:

See legal description attached hereto as Exhibit "A" and incorporated herein by this reference.

(Commonly known as 3000 East Imperial Highway, Lynwood, CA 90262)

APN: 6170-020-012 and 6169-003-017

IN WITNESS WHEREOF, Grantor has caused this Grant Deed to be executed as of the 30th day of November, 2006.

LYNWOOD IMPERIAL LLC, a Delaware limited liability company

By: [Signature]
Richard E. Gold
Its: Authorized Member

The notarial acknowledgment for the above signature appears on a separate sheet which is attached to this GRANT DEED and incorporated into it by reference.

STATE OF CALIFORNIA)
) ss.
COUNTY OF LOS ANGELES)

On Nov. 28, 2006, before me, Pamela S. Welton,
Notary Public, personally appeared **RICHARD E. GOLD**, personally known to me (or proved
to me on the basis of satisfactory evidence) to be the person(s) whose name(s) (s) are subscribed
to the within instrument and acknowledged to me that he/she/they executed the same in
his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the
person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

Pamela S. Welton
Notary Public

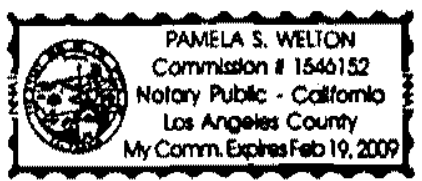


EXHIBIT "A"

LEGAL DESCRIPTION

PARCEL 1:

LOTS 20 TO 31 INCLUSIVE IN BLOCK 4 OF MODJESKA PARK, IN THE CITY OF LYNWOOD, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 9 PAGES 142 AND 143 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

PARCEL 2:

LOTS 2 TO 32 INCLUSIVE, LOTS 59 TO 64 INCLUSIVE, LOTS 67 TO 72 INCLUSIVE, AND LOTS 75 TO 80 INCLUSIVE IN BLOCK 5 OF MODJESKA PARK, IN THE CITY OF LYNWOOD, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 9 PAGES 142 AND 143 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

PARCEL 3:

LOTS 65, 66, 73 AND 74 IN BLOCK 5 OF MODJESKA PARK, IN THE CITY OF LYNWOOD, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 9 PAGES 142 AND 143 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPT FROM SAID LOTS 65, 66, 73 AND 74 OF THE NORTHERLY 30 FEET THEREOF.

ALSO EXCEPT THEREFROM AN UNDIVIDED ONE-HALF INTEREST IN AND TO THE OIL, MINERAL AND OTHER HYDROCARBON SUBSTANCES UNDER SAID LAND AS GRANTED TO CARL C. KANOWSKY BY DEED RECORDED FEBRUARY 18, 1970 IN BOOK D-4637 PAGE 86, OFFICIAL RECORDS.

APN: 6170-020-012 AND 6169-003-017

Document No. _____

Recorded on _____, 2006

STATEMENT OF TAX DUE AND REQUEST THAT TAX DECLARATION NOT BE MADE A PART OF THE PERMANENT RECORD IN THE OFFICE OF THE COUNTY RECORDER (PURSUANT TO SECTION 11932 OF THE CALIFORNIA REVENUE AND TAXATION CODE)

TO: Recorder

County of Los Angeles

Request is hereby made in accordance with the provisions of the Documentary Transfer Tax Act that the amount of the tax due not be shown on the original document which names:

Grantor: Lynwood Imperial LLC, a Delaware limited liability company

Grantee: 3000 E. Imperial, LLC, a California limited liability company

The property described in the accompanying document is located at 3000 E. Imperial Highway (APN 6169-003-017 and 6170-020-012), in the City of Lynwood, County of Los Angeles.

The amount of tax due on the accompanying document is \$2,860.00 (County of Los Angeles).

Computed on full value of property conveyed.
 Computed on full value, less liens and encumbrances remaining at the time of sale.

LYNWOOD IMPERIAL LLC, a Delaware limited liability company

By: _____

Richard E. Gold

Its: Authorized Member

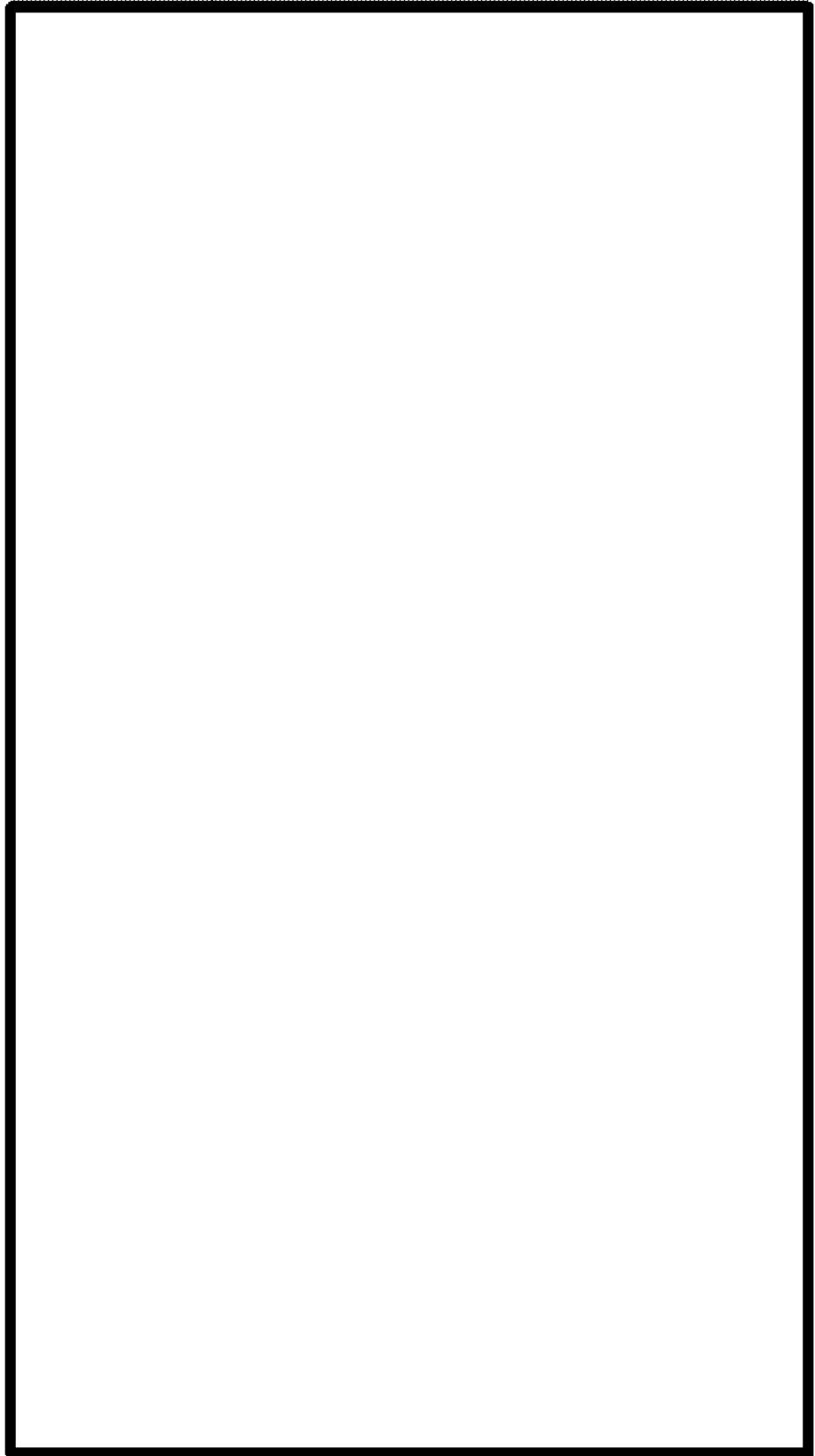
Note: After the permanent record is made, this form will be affixed to the conveying document and returned with it.

EXHIBIT "E7"

TERM SHEET FOR LOAN BY PLAZA MEXICO RESIDENCES, LLC
TO 3000 E. IMPERIAL, LLC

(b)(4)

1. Lender:
2. Borrower:
3. Project:
4. Loan Term:
5. Loan Amount:
6. Closing Date:
7. Interest Rate:
8. Commencement
of Construction:
9. Repayment:
10. Engagement of
Lender's
Counsel:
11. Prepayment:



12. Use of Proceeds:

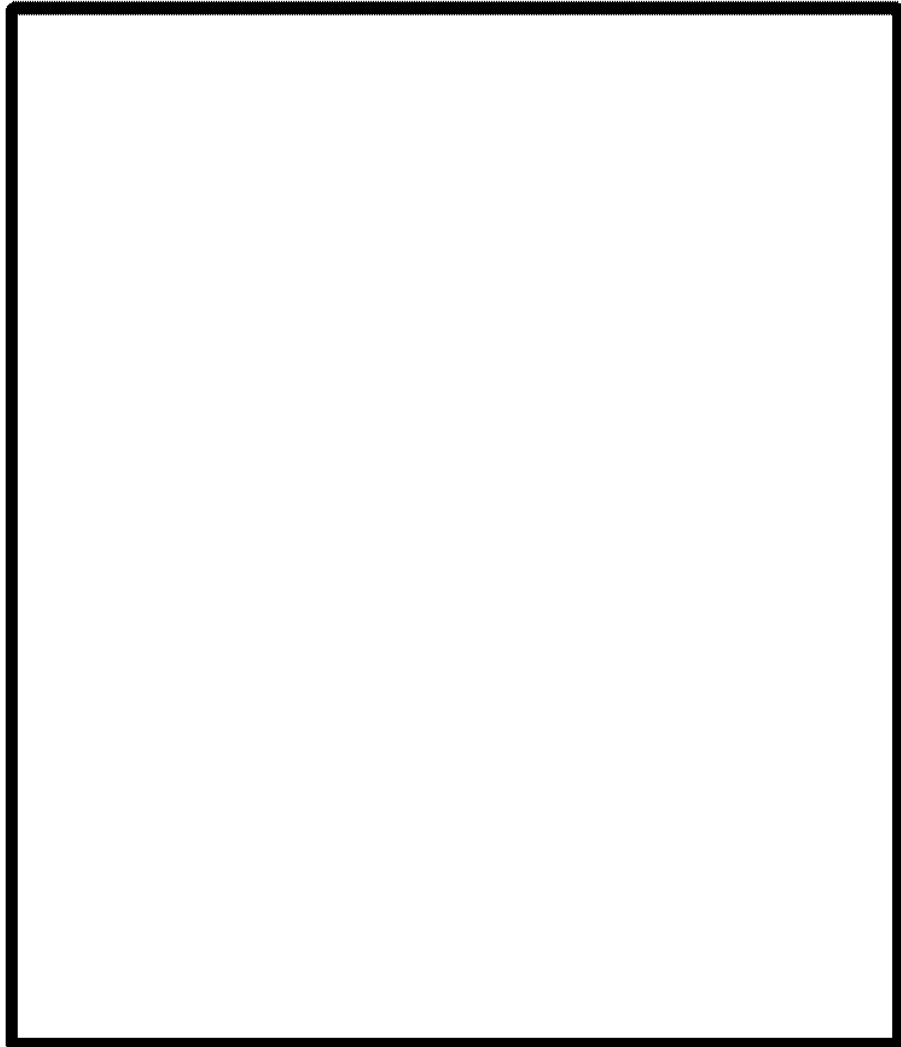
13. Deed of Trust:

14. Guaranties:

15. Representations,
Warranties and
Covenants:

16. Compliance with
EB-5 Program
Requirements:

17. Other Financing:





Reviewed and approved as of April [], 2014 by:

Borrower:

3000 E. IMPERIAL, LLC
a California limited liability company

By: M + D Properties
a California Corporation
its Manager

By:

Donald Chae, CEO

Lender:

PLAZA MEXICO RESIDENCES, LLC
a California limited liability company

By: M&D Regional Center, LLC
a California limited liability company
its Manager

By: M + D Properties
a California Corporation
its Manager

By:

Donald Chae, CEO

EXHIBIT "E8"



State of California
Secretary of State

LIMITED LIABILITY COMPANY
ARTICLES OF ORGANIZATION

File # 200632610106

ENDORSED - FILED
In the office of the Secretary of State
of the State of California

NOV 20 2006

A \$70.00 filing fee must accompany this form.

IMPORTANT - Read instructions before completing this form.

This Space For Filing Use Only

ENTITY NAME (Enter the name with the words "Limited Liability Company," "Ltd. Liability Co.," or the abbreviations "LLC" or "LLC.")

1. NAME OF LIMITED LIABILITY COMPANY

3000 E. Imperial, LLC

PURPOSE (The following statement is required by statute and may not be altered.)

2. THE PURPOSE OF THE LIMITED LIABILITY COMPANY IS TO ENGAGE IN ANY LAWFUL ACT OR ACTIVITY FOR WHICH A LIMITED LIABILITY COMPANY MAY BE ORGANIZED UNDER THE BEVERLY-KILLEA LIMITED LIABILITY COMPANY ACT.

INITIAL AGENT FOR SERVICE OF PROCESS (If the agent is an individual, the agent must reside in California and both items 3 and 4 must be completed. If the agent is a corporation, the agent must have on file with the California Secretary of State a certificate pursuant to Corporations Code section 1505 and item 3 must be completed (leave item 4 blank).)

3. NAME OF INITIAL AGENT FOR SERVICE OF PROCESS

John S.C. Lim, Esq.

4. IF AN INDIVIDUAL, ADDRESS OF INITIAL AGENT FOR SERVICE OF PROCESS IN CALIFORNIA CITY STATE ZIP CODE

1055 West Seventh Street, Suite 2800 Los Angeles CA 90017

MANAGEMENT (Check only one)

5. THE LIMITED LIABILITY COMPANY WILL BE MANAGED BY:

- ONE MANAGER
 MORE THAN ONE MANAGER
 ALL LIMITED LIABILITY COMPANY MEMBER(S)

ADDITIONAL INFORMATION

6. ADDITIONAL INFORMATION SET FORTH ON THE ATTACHED PAGES, IF ANY, IS INCORPORATED HEREIN BY THIS REFERENCE AND MADE A PART OF THIS CERTIFICATE.

EXECUTION

7. I DECLARE I AM THE PERSON WHO EXECUTED THIS INSTRUMENT, WHICH EXECUTION IS MY ACT AND DEED.

SIGNATURE OF ORGANIZER

November 17, 2006

DATE

Richard D. Kim

TYPE OR PRINT NAME OF ORGANIZER

RETURN TO (Enter the name and the address of the person or firm to whom a copy of the filed document should be returned.)

8. NAME [John S.C. Lim, Esq.]
FIRM [Lim, Ruger & Kim, LLP]
ADDRESS [1055 West Seventh Street, Suite 2800,]
CITY/STATE/ZIP [Los Angeles, California 90017]



**State of California
Secretary of State**

**STATEMENT OF INFORMATION
(Limited Liability Company)**

Filing Fee \$20.00. If amendment, see instructions.

IMPORTANT -- READ INSTRUCTIONS BEFORE COMPLETING THIS FORM

1. LIMITED LIABILITY COMPANY NAME (Please do not alter if name is preprinted.)

3000 E. Imperial, LLC

ENDORSED - FILED
In the office of the Secretary of State
of the State of California

DEC 05 2006

This Space For Filing Use Only

DUE DATE:			
FILE NUMBER AND STATE OR PLACE OF ORGANIZATION			
2. SECRETARY OF STATE FILE NUMBER 200832610106		3. STATE OR PLACE OF ORGANIZATION California	
COMPLETE ADDRESSES FOR THE FOLLOWING (Do not abbreviate the name of the city. Items 4 and 6 cannot be P.O. Boxes.)			
4. STREET ADDRESS OF PRINCIPAL EXECUTIVE OFFICE 3100 E. Imperial Hwy.		CITY AND STATE Lynwood, California	ZIP CODE 90282
5. CALIFORNIA OFFICE WHERE RECORDS ARE MAINTAINED (DOMESTIC ONLY) 3100 E. Imperial Hwy.		CITY Lynwood	STATE CA ZIP CODE 90282
NAME AND COMPLETE ADDRESS OF THE CHIEF EXECUTIVE OFFICER, IF ANY			
6. NAME	ADDRESS	CITY AND STATE	ZIP CODE
NAME AND COMPLETE ADDRESS OF ANY MANAGER OR MANAGERS, OR IF NONE HAVE BEEN APPOINTED OR ELECTED, PROVIDE THE NAME AND ADDRESS OF EACH MEMBER (Attach additional pages, if necessary.)			
7. NAME Min Chae	ADDRESS 3100 E. Imperial Hwy.	CITY AND STATE Lynwood, California	ZIP CODE 90282
8. NAME Donald Chae	ADDRESS 3100 E. Imperial Hwy.	CITY AND STATE Lynwood, California	ZIP CODE 90282
9. NAME	ADDRESS	CITY AND STATE	ZIP CODE
AGENT FOR SERVICE OF PROCESS (If the agent is an individual, the agent must reside in California and item 11 must be completed with a California address. If the agent is a corporation, the agent must have on file with the California Secretary of State a certificate pursuant to Corporations Code section 1506 and item 11 must be left blank.)			
10. NAME OF AGENT FOR SERVICE OF PROCESS John S.C. Lim			
11. ADDRESS OF AGENT FOR SERVICE OF PROCESS IN CALIFORNIA, IF AN INDIVIDUAL		CITY Los Angeles	STATE CA ZIP CODE 90017
TYPE OF BUSINESS			
12. DESCRIBE THE TYPE OF BUSINESS OF THE LIMITED LIABILITY COMPANY real estate			
13. THE INFORMATION CONTAINED HEREIN IS TRUE AND CORRECT.			
Donald Chae		Manager	12/5/2006
TYPE OR PRINT NAME OF PERSON COMPLETING THE FORM		SIGNATURE	TITLE
			DATE
LLC-12 (REV 07/2006)		APPROVED BY SECRETARY OF STATE	



State of California
Secretary of State

L

91

STATEMENT OF INFORMATION
(Limited Liability Company)

Filing Fee \$20.00. If this is an amendment, see Instructions.

IMPORTANT -- READ INSTRUCTIONS BEFORE COMPLETING THIS FORM

FILED
Secretary of State
State of California

FEB 08 2013

This Space For Filing Use Only

1. LIMITED LIABILITY COMPANY NAME

200632610106
3000 E. IMPERIAL, LLC
3100 E. IMPERIAL HWY
LYNWOOD CA 90262

File Number and State or Place of Organization

2. SECRETARY OF STATE FILE NUMBER

200632610106

3. STATE OR PLACE OF ORGANIZATION (If formed outside of California)

No Change Statement

4. If there have been any changes to the information contained in the last Statement of Information filed with the California Secretary of State, or no statement of information has been previously filed, this form must be completed in its entirety.

If there has been no change in any of the information contained in the last Statement of Information filed with the California Secretary of State, check the box and proceed to Item 15.

Complete Addresses for the Following (Do not abbreviate the name of the city. Items 5 and 7 cannot be P.O. Boxes.)

5. STREET ADDRESS OF PRINCIPAL EXECUTIVE OFFICE CITY STATE ZIP CODE

6. MAILING ADDRESS OF LLC, IF DIFFERENT THAN ITEM 5 CITY STATE ZIP CODE

7. CALIFORNIA OFFICE WHERE RECORDS ARE MAINTAINED (DOMESTIC ONLY) CITY STATE ZIP CODE
CA

Name and Complete Address of the Chief Executive Officer, if Any

8. NAME ADDRESS CITY STATE ZIP CODE

Name and Complete Address of Any Manager or Managers, or if None Have Been Appointed or Elected, Provide the Name and Address of Each Member (Attach additional pages, if necessary.)

9. NAME ADDRESS CITY STATE ZIP CODE

10. NAME ADDRESS CITY STATE ZIP CODE

11. NAME ADDRESS CITY STATE ZIP CODE

Agent for Service of Process If the agent is an individual, the agent must reside in California and Item 13 must be completed with a California address, a P.O. Box is not acceptable. If the agent is a corporation, the agent must have on file with the California Secretary of State a certificate pursuant to California Corporations Code section 1505 and Item 13 must be left blank.

12. NAME OF AGENT FOR SERVICE OF PROCESS

13. STREET ADDRESS OF AGENT FOR SERVICE OF PROCESS IN CALIFORNIA, IF AN INDIVIDUAL CITY STATE ZIP CODE
CA

Type of Business

14. DESCRIBE THE TYPE OF BUSINESS OF THE LIMITED LIABILITY COMPANY

15. THE INFORMATION CONTAINED HEREIN, INCLUDING ANY ATTACHMENTS, IS TRUE AND CORRECT.

10/31/2012

DONALD CHAE

PRESIDENT

DATE

TYPE OR PRINT NAME OF PERSON COMPLETING THE FORM

TITLE

SIGNATURE



I hereby certify that the foregoing transcript of _____ page(s) is a full, true and correct copy of the original record in the custody of the California Secretary of State's office.

JUN 22 2013

Date: _____ 



DEBRA BOWEN, Secretary of State

Exhibit “F”

EXHIBIT "F1"

May 2014

**Report on Direct, Indirect and Induced Employment
Impacts of the Plaza Mexico Expansion Phase 1
Project for the M&D Regional Center**

Prepared For:
M&D Regional Center
3100 East Imperial Highway
Lynwood, CA 90262

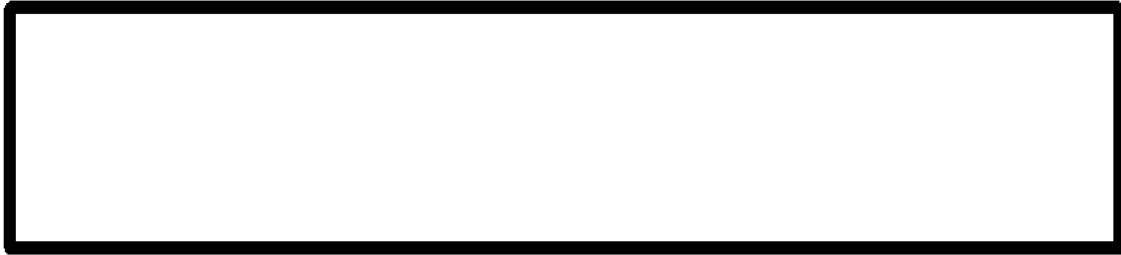
Prepared by:
Performance Economics LLC
Somerville, MA 02144
(617)-821-0415



Plaza Mexico Expansion Phase I

The Purpose of This Report

(b)(4)



General & Limiting Conditions

Every reasonable effort has been made to ensure that the data contained in this report are accurate as of the date of this study; however, factors exist that are outside the control of Performance Economics LLC and that may affect the estimates noted herein. This study is based on estimates, assumptions and other information developed by Performance Economics LLC through its own research, general modeling knowledge, and information provided by and consultations with the client and the client's representatives. No responsibility is assumed for inaccuracies in reporting by the client, the client's agent and representatives, or any other data source used in preparing or presenting this study.

This report is based on information that was current as of May 2014 and Performance Economics LLC has not undertaken any update of its research effort since such date.

Because future events and circumstances, many of which are not known as of the date of this study, may affect the estimates contained therein, no warranty or representation is made by Performance Economics LLC that any of the projected values or results contained in this study will actually be achieved.

Possession of this study does not carry with it the right of publication thereof or to use the name of "Performance Economics LLC" in any manner without first obtaining the prior written consent of Performance Economics LLC.

Plaza Mexico Expansion Phase I

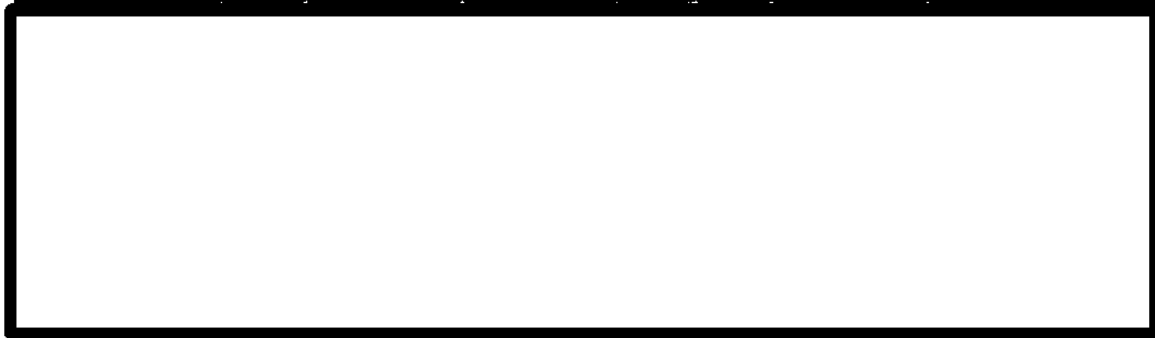
Executive Summary

Plaza Mexico Residences, LLC plans to raise [redacted] in EB-5 capital from [redacted] qualified foreign investors and lend it to 3000 E. Imperial, LLC as part of a [redacted] [redacted] development budget for the Plaza Mexico Expansion Phase I project. The project is located in Lynwood, CA which is a designated a TEA by the California Governor's Office of Business and Economic Development. This lowers the minimum investment threshold to \$500,000 for the foreign investors.

The project will include the following components:



Table E1. Total Economic Impacts of the Plaza Mexico Expansion Phase I Project



The project will create [redacted] jobs in the local economy. This will allow Plaza Mexico Residences, LLC to raise the desired [redacted] in EB-5 capital from [redacted] qualified foreign investors while maintaining a [redacted] premium above the minimum 1,000 jobs needed.

About Performance Economics

The economists of Performance Economics have worked in academia, the private sector and government. PE's staff has a profound understanding of the fundamentals of economic theory and over two decades of experience as economists.

Research Leader

John Barrett has over 20 years of experience as an economist. He has held positions in the public sector, academia and the private sector. Before co-founding Performance Economics, Mr. Barrett was a Regional Economist at the Bureau of Economic Analysis in the division that developed the RIMS II multiplier model. He has been a lecturer of undergraduate economics at Suffolk University in Boston and the Director of Research at the University's public policy think tank the Beacon Hill Institute. He was a Principal at IHS Global Insight, the world's leading economic forecasting and consulting firm. He was also Vice President of Strategic Analytics at Mullen Advertising in Boston. He is an expert on economic impact modeling; helping Fortune 500 companies determine their impact on the national economy and speaking frequently at national conferences on the subject. He has also worked with the European Commission on issues of competition, authoring several chapters in their annual industrial competitiveness report.

Mr. Barrett holds a Masters of Science in Economics from New Mexico State University and a Masters of Science in Finance from the Sawyer School of Management at Suffolk University.

Plaza Mexico Expansion Phase I

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Plaza Mexico Expansion Phase I

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Plaza Mexico Expansion Phase I

Introduction

Plaza Mexico is an existing lifestyle shopping center located in Lynwood, California. With approximately 450,000 square of retail space over 48 acres of land; Plaza Mexico is the largest upscale project that caters to the Hispanic community in the nation. Through the recent economic recession, Plaza Mexico maintained approximately 95% occupancy. Currently, Plaza Mexico is occupied by a mix of both national anchor and Hispanic-oriented tenants that include Children's Place, Verizon, Food 4 Less, Rite Aid, La Curacao, Anna's Linens, Hometown Buffet, Chuck E. Cheese, and a wide variety of restaurants and retailers of clothing, electronics, shoes, toys, jewelry, and furniture.

Additionally, Plaza Mexico has been very proud to welcome notable figures such as former California State Governor Arnold Schwarzenegger, former U.S. Secretary of State and Presidential Candidate Hillary Clinton, former President of Mexico Vicente Fox, and former Los Angeles Mayor Antonio Villaraigosa to its events. Events such as these draw Latino consumers from throughout Los Angeles, Orange County, and beyond and have helped secure Plaza Mexico's reputation as the premiere destination in Southern California for Latino goods and entertainment.

Building on this stellar track record and backed by support from the local government, M&D Regional Center will offer the Plaza Mexico Expansion Phase I project. The project will transform the existing Plaza Mexico into a one-stop destination for modern living, shopping, entertainment, and business.

Highlights of the project include:

- Extension of the successful existing Plaza Mexico shopping center, which already attracts visitors from throughout Southern California and around the world.
- Support from local officials that will ensure a smooth development process and coordination from local authorities.
- A developer that has proven their abilities by the successful creation and operation of the existing portion of Plaza Mexico. Continuity in the design phase

Plaza Mexico Expansion Phase I

to achieve the authentic Mexican architecture that will seamlessly tie-in with the existing Plaza Mexico buildings.

(b)(4)



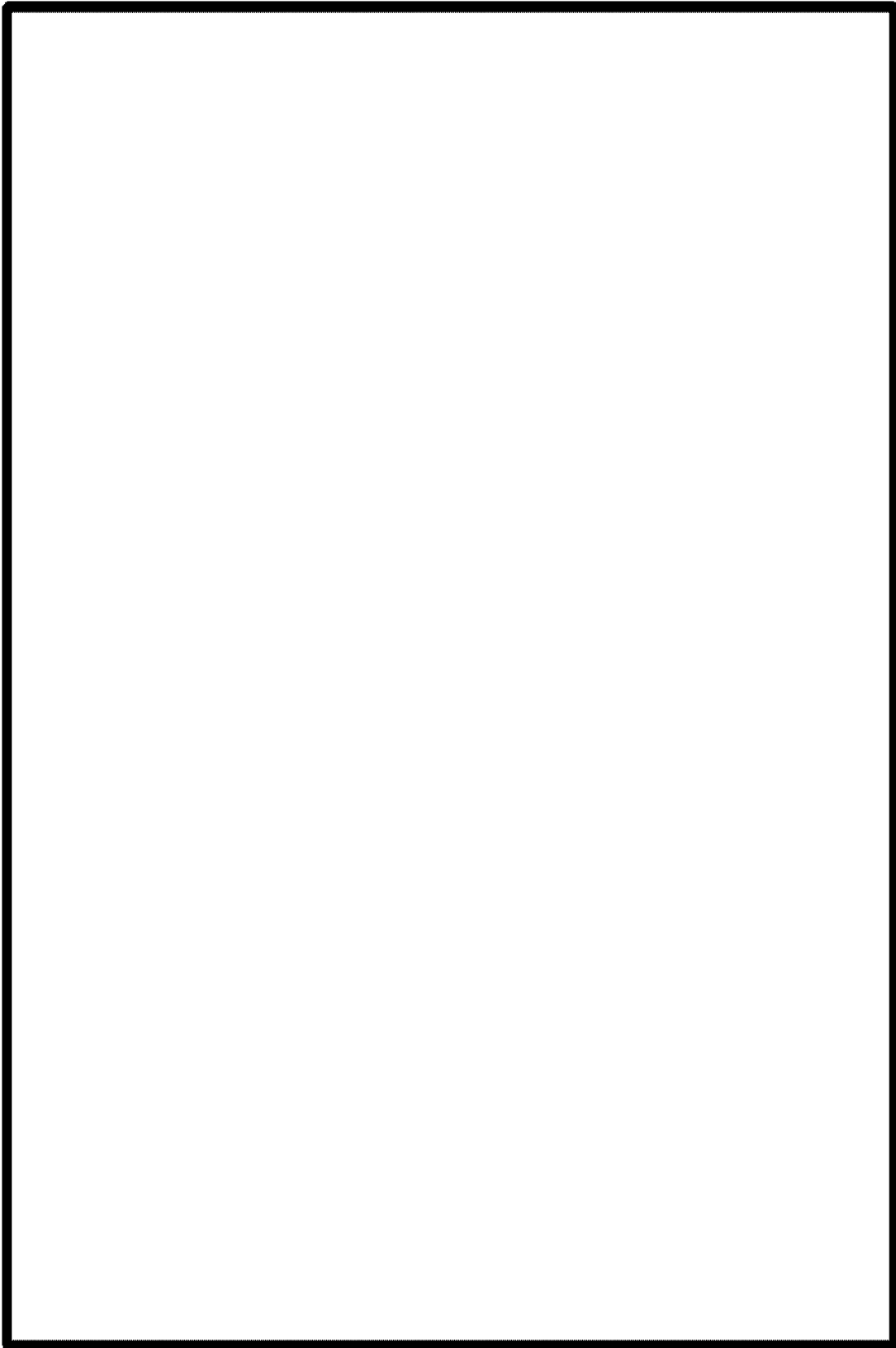
Region of Impact

The geographic region chosen for this economic impact study is a three county region occupying Los Angeles County (where the project will take place and part of the approved MD Regional Center), Orange County and San Bernardino County. All three counties are part of the approved MD Regional Center.

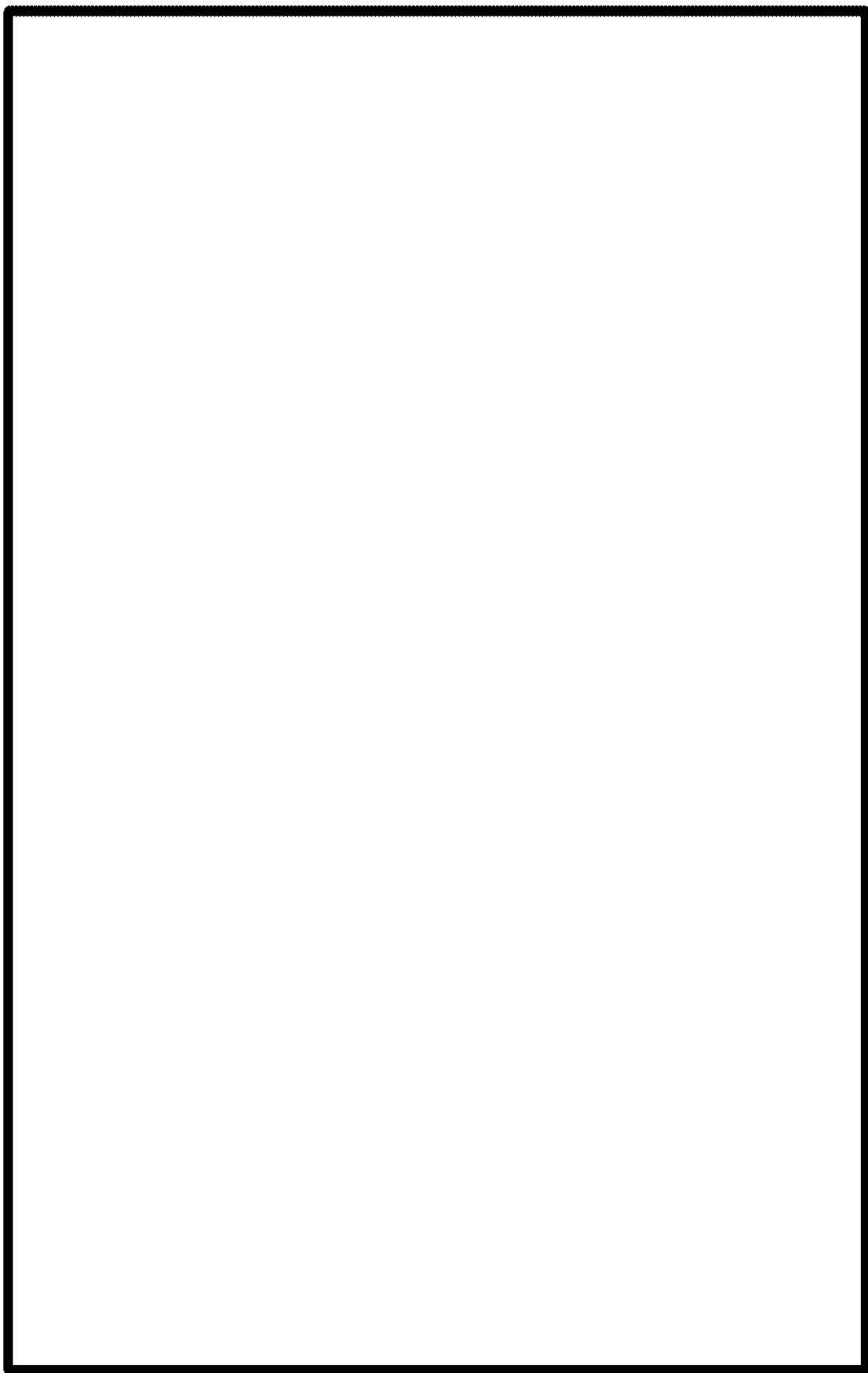
Figure 1. Region of Impact



Plaza Mexico Expansion Phase I



Plaza Mexico Expansion Phase I



Plaza Mexico Expansion Phase I



Table 1. Population Trends in the Study Region, California and the US

	Regional Center	Rest of California	US
2000			
2001			
2002			
2003			
2004			
2005			
2006			
2007			
2008			
2009			
2010			
2011			
2012			
2000-2012			

Source: U.S. Census Bureau

Figure 2 shows the annual growth rates for the three regions from 2000-2012.



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Plaza Mexico Expansion Phase I

Figure 2. Year-Over-Year Population Growth Rates



Source: Census Bureau, Performance Economics

Regional Workforce and Economy

Table 2 below displays workforce data for the Regional Center, the rest of California and the United States.

Table 2. Employment Comparison of Regional Center, Rest of California and the U.S.

Plaza Mexico Expansion Phase I



Sources: BLS Local Area Unemployment Statistics and Census 2011 American Community Survey 5 Year Estimates 2007-2011



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Plaza Mexico Expansion Phase I

Figure 3. Historical Unemployment Trend



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Source: Bureau of Labor Statistics Local Area Unemployment Statistics



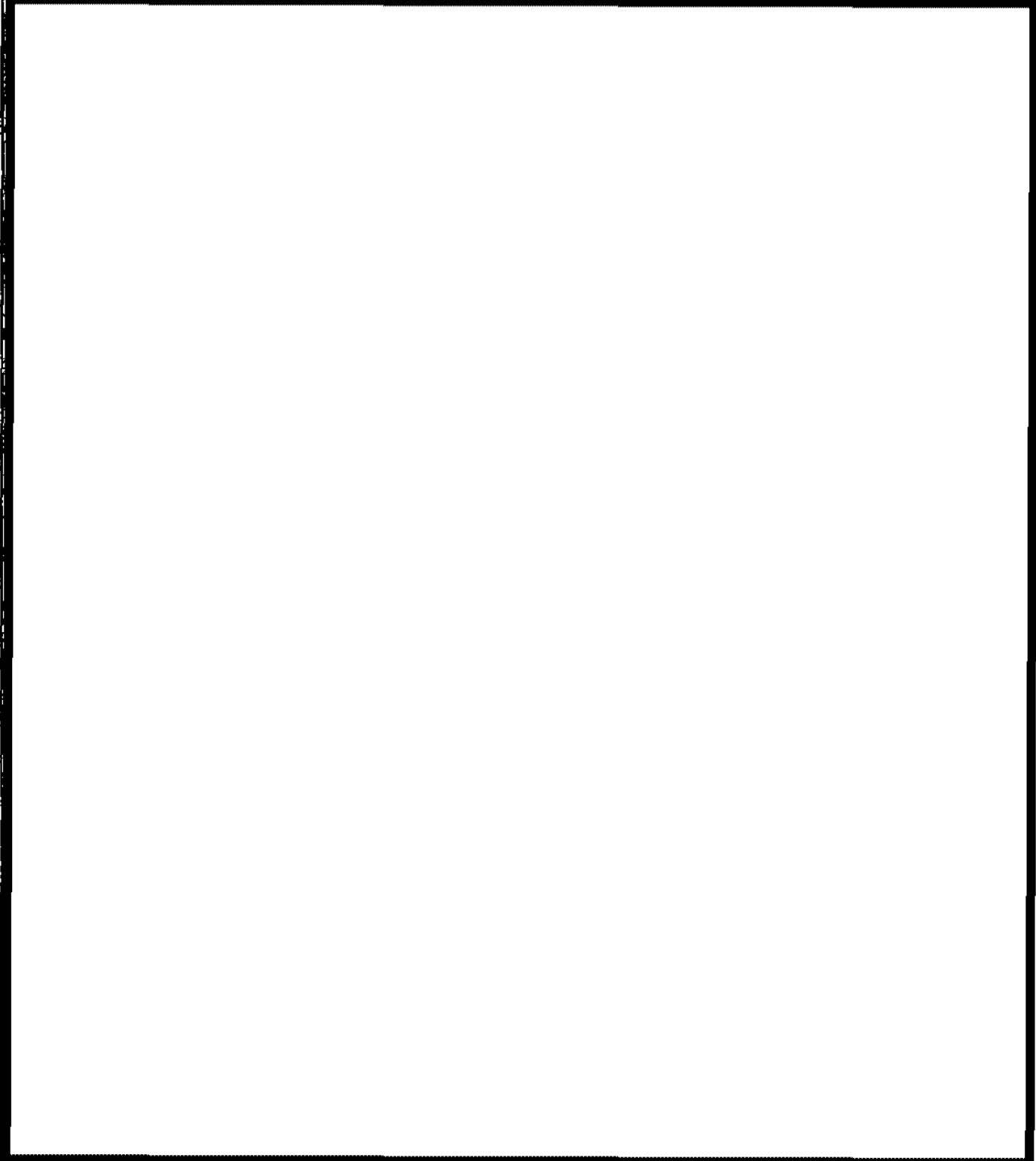
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Regional Earnings and Income

Table 3 below displays detailed data on the distribution of income and the level of workers' earnings for the three regions.

Plaza Mexico Expansion Phase I

Table 3. Earnings and Income Comparison of Regional Center, Rest of California and the U.S.

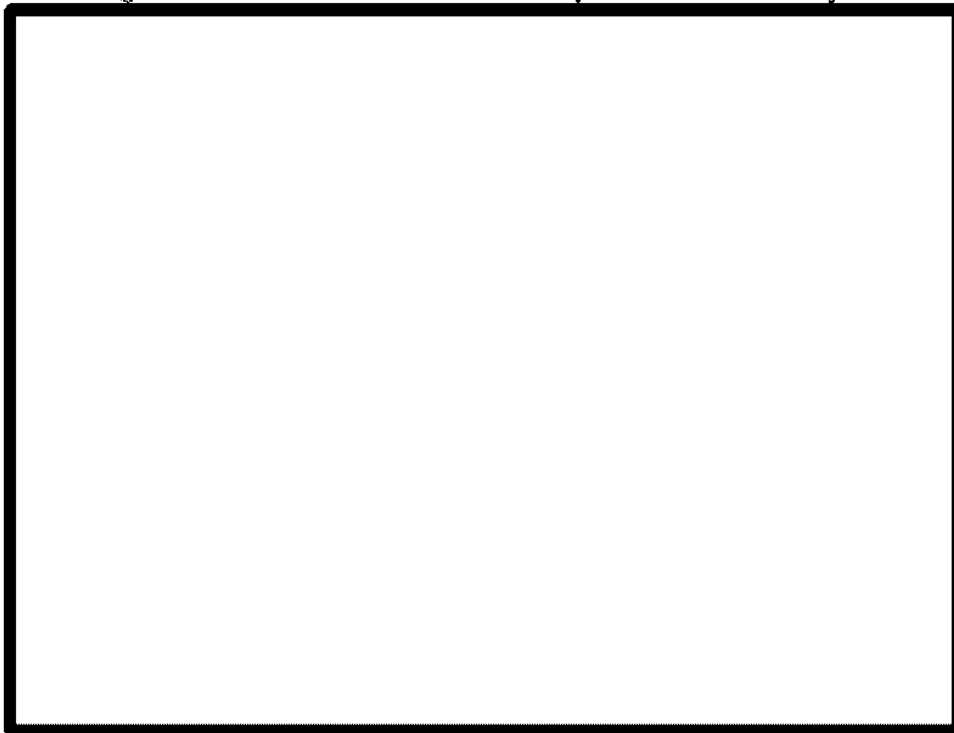


Source: 2011 American Community Survey 5 Year Estimates 2007-2011, Performance Economics. These percentages are the local estimate relative to the U.S. estimate.

Plaza Mexico Expansion Phase I

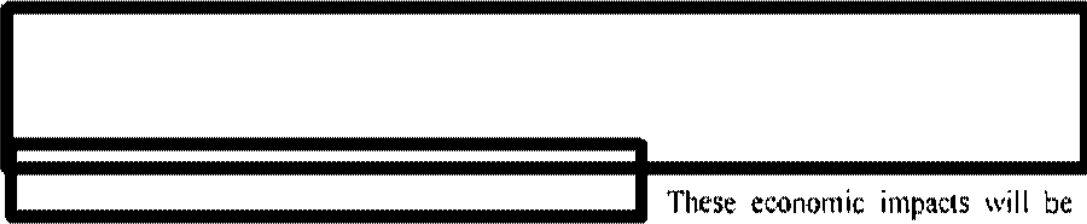


Figure 4. Location of Plaza Mexico Expansion Phase I Project



The project is located in a Targeted Employment Area certified by the California Governor's Office of Business and Economic Development. The project will have an estimated construction budget of [redacted] and the construction timeline is anticipated to take [redacted]

Plaza Mexico Expansion Phase I



These economic impacts will be estimated using the IMPLAN model. The next section gives an overview of the model and how it estimates economic impacts on a local economy.

Overview of the Economic Impact Model

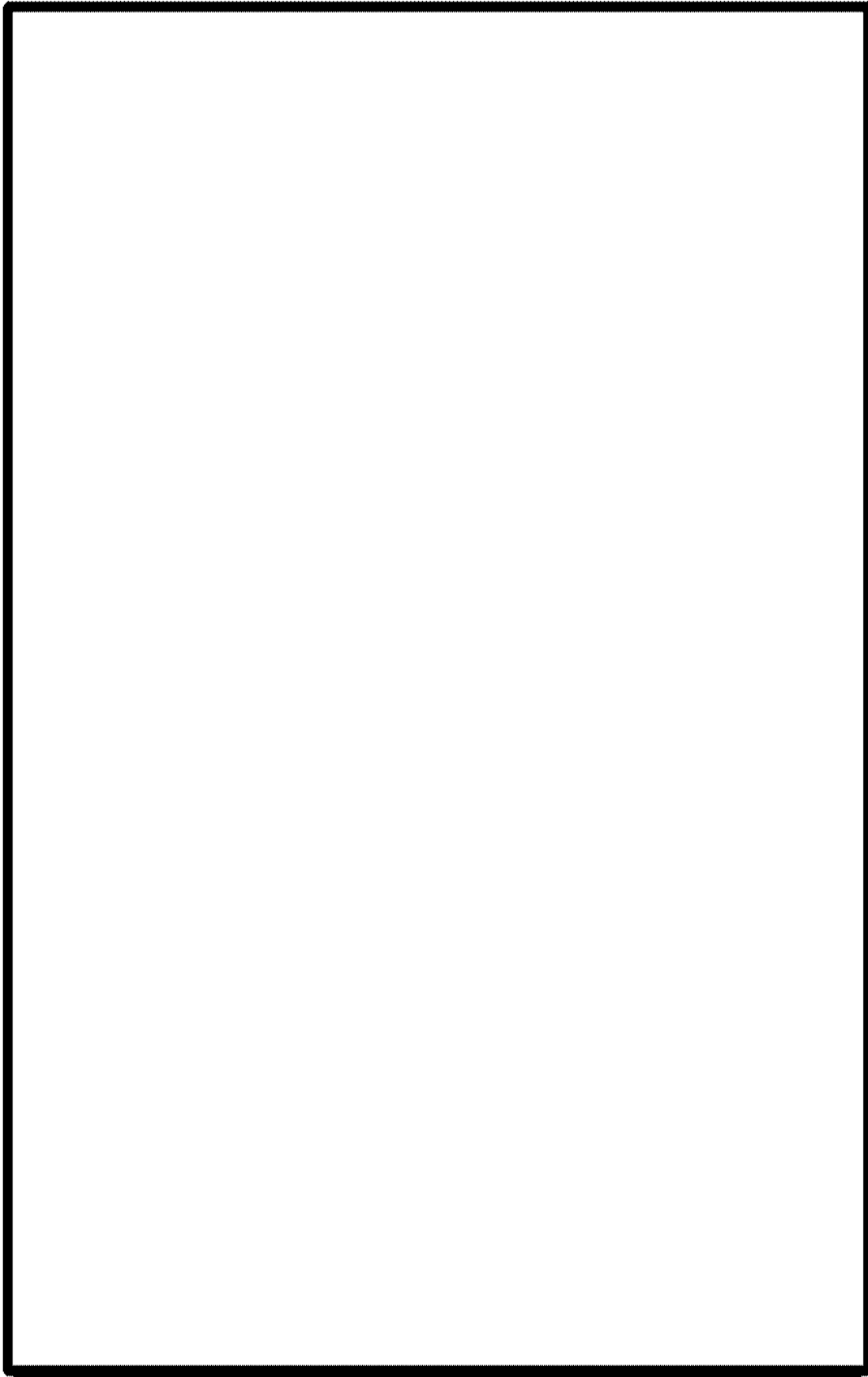
The IMPLAN modeling system is used to assess the impact of a change in final demand on a local economy. A positive change in final demand is new economic activity in a region, such as the building of a new sports stadium or the construction and operation of a new shopping center. A negative change in final demand arises from the closing of a manufacturing plant or the loss of regional spending due to the leakage of regional income from the rise in a federal tax rate.

An economic study begins with an appropriate region of impact. As stated earlier the region of impact for this study is the three county region containing Los Angeles County, Orange County and San Bernardino County. The model will trace the effects of the new project on this localized economy. There will be effects from the project outside the study area due to the "leakage" of resources, but these are not relevant for this report.

An economic impact analysis measures all the effects from a change in final demand in the local economy. Economies at every geographic level are made up of relationships between agents in the local economy. A change involving one agent in the economy will by necessity affect other agents in the economy through purchases of supplies, payment of wages and the expenditure of those wages. These exchanges will filter through the economy; an increase in production from one industry sector will require an increase in production from others.

³ A construction timeline is contained in the Appendix to this report.

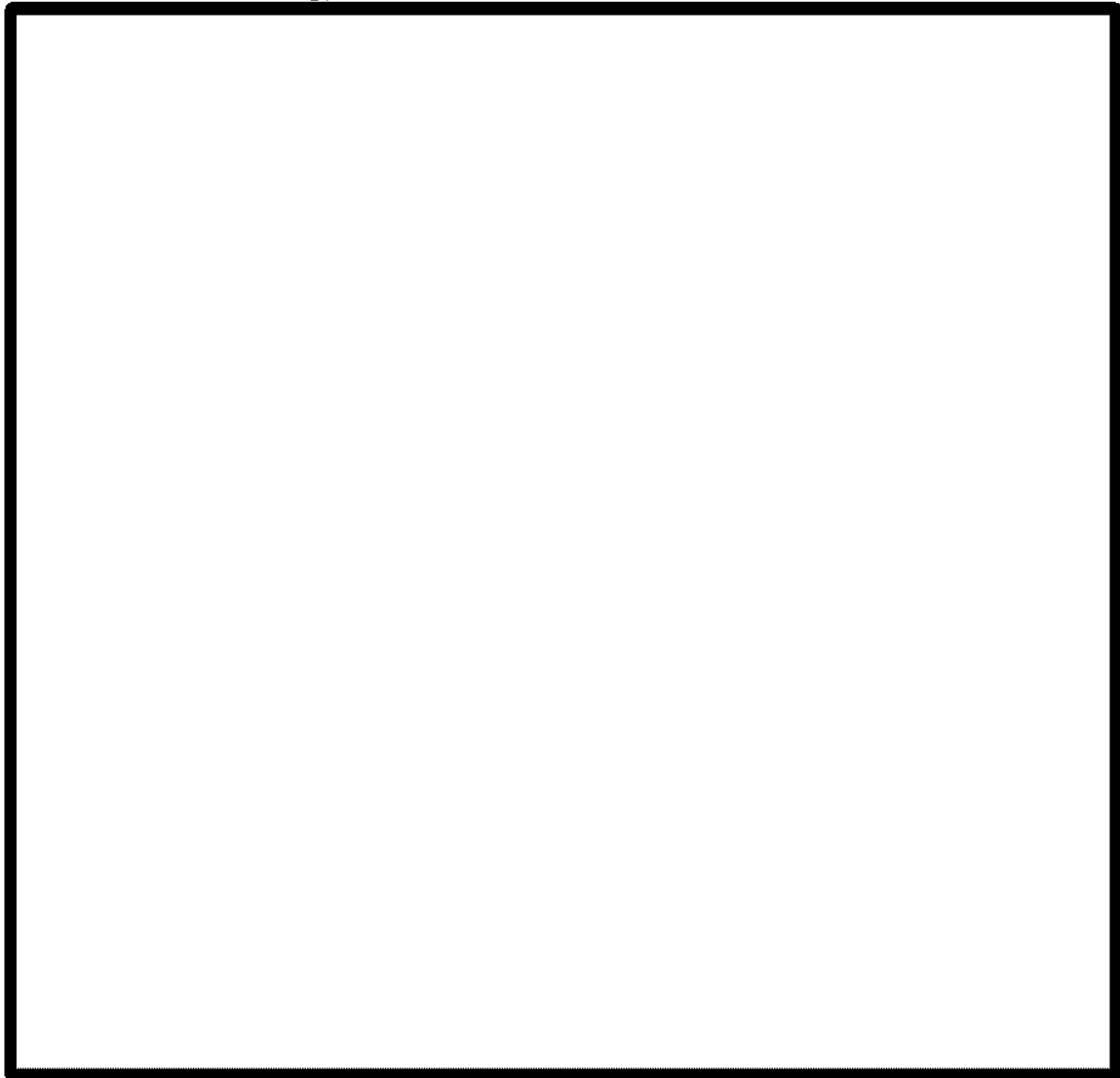
Plaza Mexico Expansion Phase I



Plaza Mexico Expansion Phase I



Detailed Methodology and Results



Plaza Mexico Expansion Phase I

land acquisition. The regional center has provided a project budget outlining the detailed costs of the project; it appears in Table 4 below.

Table 4. Plaza Mexico Expansion Phase I Project Development Budget

Source: Plaza Mexico Expansion Phase I Business Plan

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Plaza Mexico Expansion Phase I

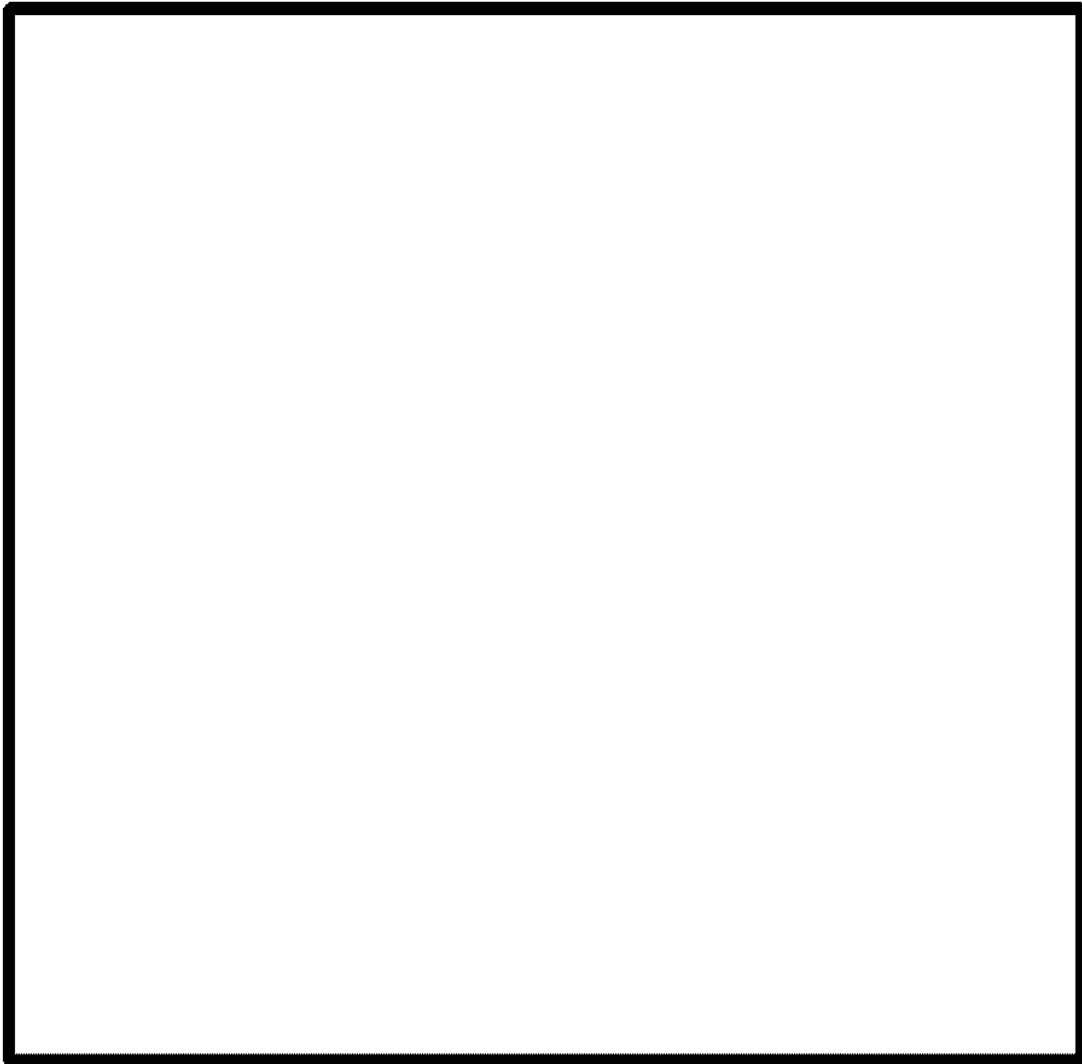


Table 5 below.

Table 5. IMPLAN Construction Multipliers

A table structure with a header row containing the text "Table 5. IMPLAN Construction Multipliers". The body of the table is empty, consisting of a large white rectangular area within a black border.

Source: Minnesota IMPLAN Group

(b)(4)

Plaza Mexico Expansion Phase I



outlined in Table 6 below.⁴

Table 6. Economic Impacts of the Hard Construction Activity of the Plaza Mexico Expansion Phase I Project

The content of Table 6 is redacted, shown as a large black rectangular area.

Source: IMPLAN, Performance Economics



⁴ A detailed accounting of the economic impact of the individual hard construction costs is contained in a table in the Appendix of this report.

Plaza Mexico Expansion Phase I

Table 7. IMPLAN Soft Cost Multipliers

A large rectangular area that has been completely redacted, leaving a blank white space within a black border.A smaller rectangular area that has been completely redacted, leaving a blank white space within a black border.

Table 8 below.³

Table 8. Economic Impacts of the Plaza Mexico Expansion Phase I Soft Costs

A rectangular area that has been completely redacted, leaving a blank white space within a black border.

Source: IMPLAN, Performance Economics

A large rectangular area that has been completely redacted, leaving a blank white space within a black border.

³ A detailed accounting of the economic impact by individual soft cost is contained in three tables in the Appendix to this report.

Plaza Mexico Expansion Phase I

Table 9. IMPLAN Real Estate Multipliers

Source: Minnesota IMPLAN Group

Table 10. Economic Impacts of the Plaza Mexico Expansion Phase I Real Estate Activities

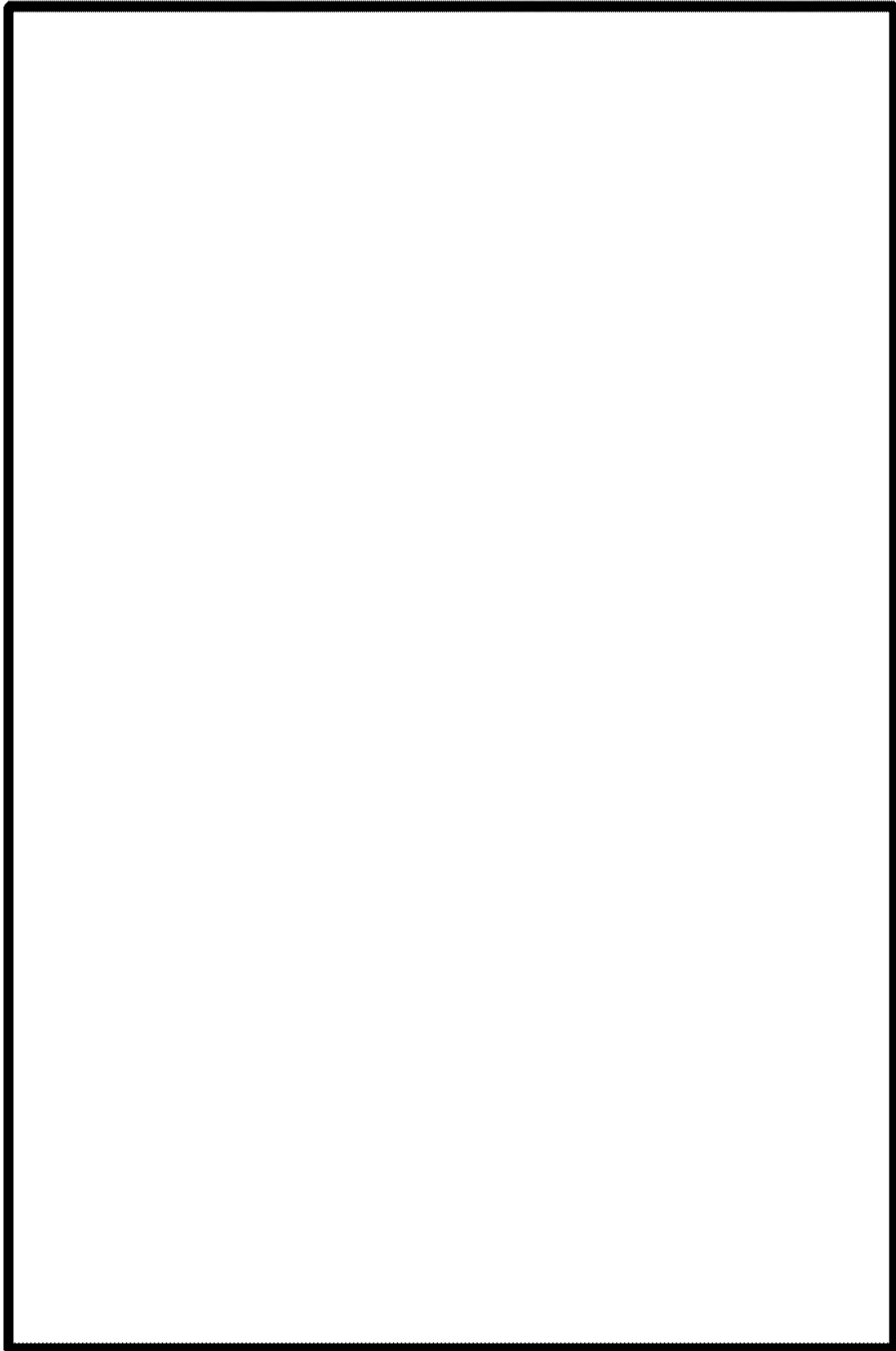
Source: IMPLAN Performance Economics

⁶ The detailed pro forma is contained in the Appendix of this report.

⁷ The leasing final demand used for modeling purposes is highlighted in the pro forma contained in the Appendix of this report.

⁸ A detailed accounting of the economic impact of the real estate activities is contained in three tables in the Appendix to this report.

Plaza Mexico Expansion Phase I



Plaza Mexico Expansion Phase I

(b)(4)

The IMPLAN sector employed to estimate the total impact of the retail activity is sector 329 which aligns with NAICS 452000 – General Merchandise. This is the broadest and most general retail sector and is the most appropriate without knowing the exact mix of tenants that will occupy the retail space. The restaurants of the project will fall into NAICS 7221 – Full service restaurants. IMPLAN sector 413 which aligns with NAICS 722 – Eating and Drinking Places is used to estimate the impact of the restaurant activity. The multipliers for both industries appear in Table 11 below.

Table 11. IMPLAN Retail and Restaurant Multipliers

(b)(4)

Source: Minnesota IMPLAN Group

Using the estimates of direct employees as inputs to the model produces the economic impacts in Table 12.¹⁰

⁹ The sources of the employees per sq. ft. are:

<http://www.sbcounty.gov/dpw/transportation/rdm/rdmprogram12.asp>

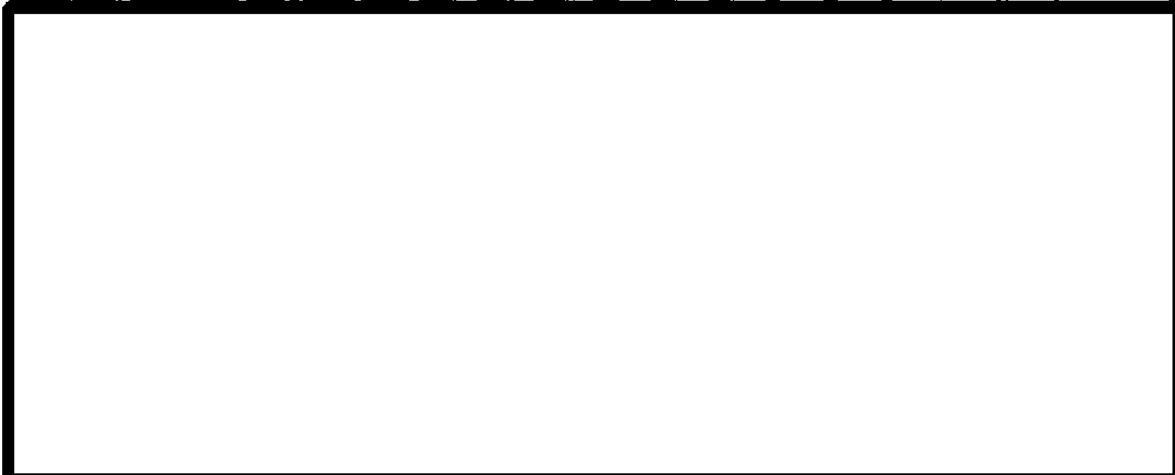
<http://www.usgbc.org/Docs/Archive/General/Docs4111.pdf>

<http://www.rctlma.org/genplan/content/appendix/appendix.html>

¹⁰ Detailed impacts for both the retail and restaurant activity appear in tables in the Appendix of this report.

Plaza Mexico Expansion Phase I

Table 12. Economic Impacts of the Plaza Mexico Expansion Phase I Retail and Restaurant Activities.



Source: IMPLAN Performance Economics



Conclusion



Plaza Mexico Expansion Phase I

Appendix

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Figure A1. Project Construction Timeline

Plaza Mexico Residences Development Timeline - As of April 2014																			
Phase	2014				2015				2016				2017				2018		
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3

Table A1. Detailed Economic Impacts of Plaza Mexico's Hard Construction Expenditures

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

Source: IMPLAN Performance Economics. Totals may not add due to rounding.

Table A2. Economic Impacts of the Parking Hard Construction Activity of the Plaza Mexico Expansion Phase I Project

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

Source: IMPLAN Performance Economics. Totals may not add due to rounding.

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Plaza Mexico Expansion Phase I

Table A3. Economic Impacts of the Retail Hard Construction Activity of the Plaza Mexico Expansion Phase I Project

--

Source: IMPLAN Performance Economics, Totals may not add due to rounding

Table A4. Economic Impacts of the Residential Hard Construction Activity of the Plaza Mexico Expansion Phase I Project

--

Source: IMPLAN Performance Economics, Totals may not add due to rounding

Table A5. Detailed Economic Impacts of Plaza Mexico's A&E Expenditures

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Source: IMPLAN Performance Economics, Totals may not add due to rounding

Plaza Mexico Expansion Phase I

Table A6. Detailed Economic Impacts of Plaza Mexico's Legal Expenditures



Source: IMPLAN Performance Economics. Totals may not add due to rounding.

Table A7. Detailed Economic Impacts of Plaza Mexico's Professional Consultant Expenditures



Source: IMPLAN Performance Economics. Totals may not add due to rounding.

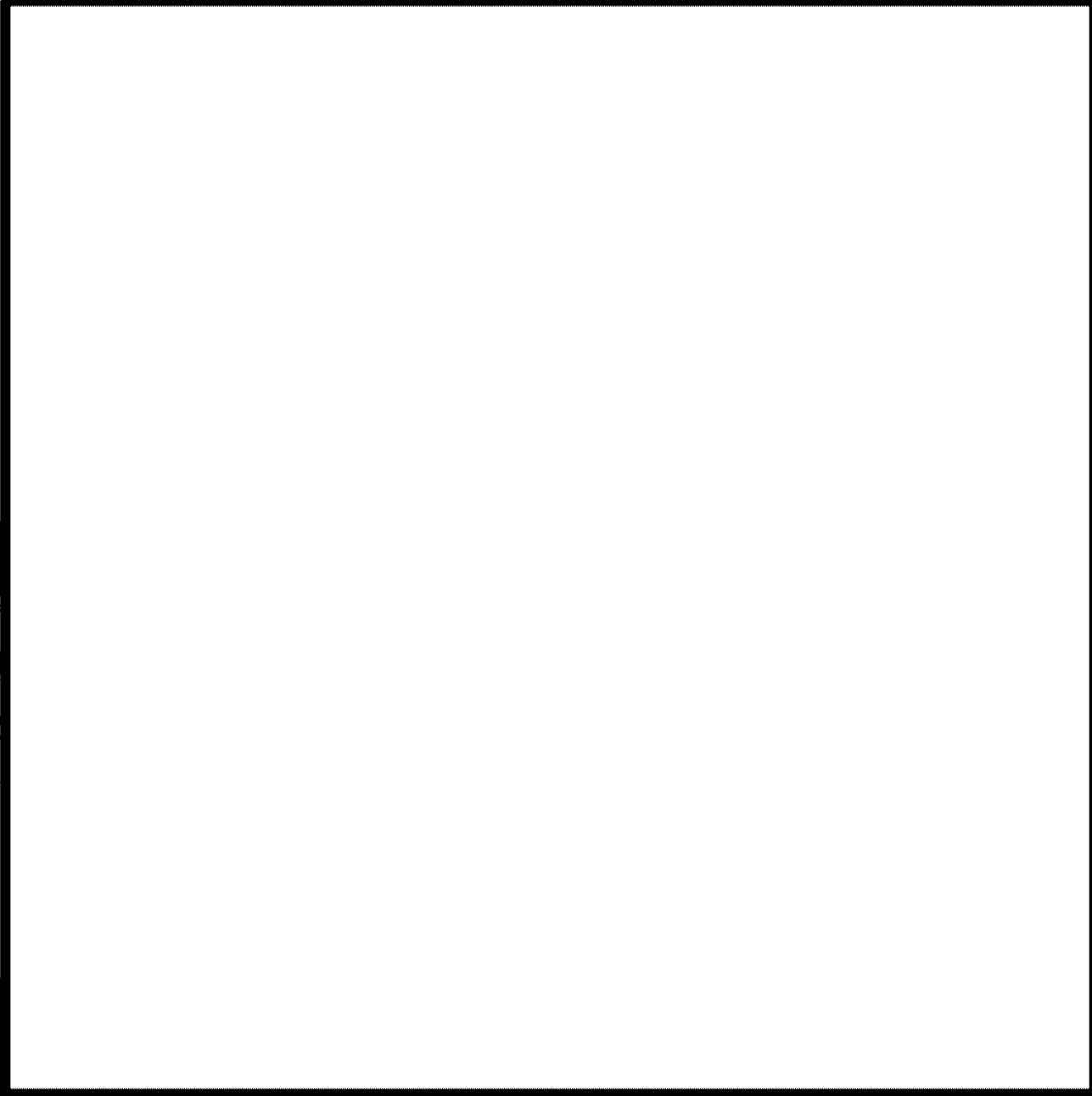
Table A8. Detailed Economic Impacts of Plaza Mexico's Real Estate Activities



Source: IMPLAN Performance Economics. Totals may not add due to rounding.

Plaza Mexico Expansion Phase I

Table A11. The Plaza Mexico Expansion Phase I Pro Forma



Source: Plaza Mexico Expansion Phase I Business Plan. Totals may not add due to rounding.

Plaza Mexico Expansion Phase I

Table A9. Detailed Economic Impacts of Plaza Mexico's Retail Activities

The table content is completely redacted with a white box.

Source: IMPLAN, Performance Economics. Totals may not add due to rounding.

Table A10. Detailed Economic Impacts of Plaza Mexico's Restaurant Activities

The table content is completely redacted with a white box.

Source: IMPLAN, Performance Economics. Totals may not add due to rounding.

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From: (213) 384-1900
Darren Silver
DARREN SILVER & ASSOCIATES, LLP
3000 WILSHIRE BLVD.
SUITE 600
LOS ANGELES, CA 90010

Origin ID: JBPA



Ship Date: 20 JUN 14
Act/Wgt: 5.0 LB
CAD: 3d10225/NET3480

Delivery Address Bar Code



GSC

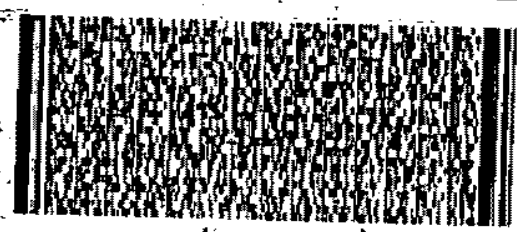
SHIP TO: (111) 111-1111 BILL SENDER
ATTN: EB 5 PROCESSING UNIT
USCIS CALIFORNIA SERVICE CENTER
24000 AVILA RD
2ND FLR.
LAGUNA NIGUEL, CA 92677

Ref # 1924
Invoice # ANEAL
PO #
Dept # PLAZA MEXICO

AM JUN 24 2014

STAMP #119

TUE - 24 JUN AA
** 2DAY **

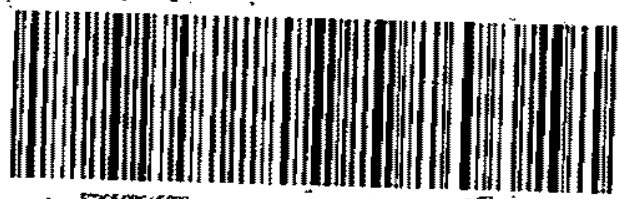


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2. Fold the printed page along the horizontal line.



U.S. Citizenship
and Immigration
Services

November 13, 2014
Min Chae
M&D Regional Center, LLC
3100 E Imperial Highway
Lynwood, CA 90262

Application: Form I-924, Application for Regional Center under the Immigrant Investor Pilot Program

Applicant(s): M&D Regional Center, LLC

Re: Initial Regional Center Designation
M&D Regional Center, LLC
RCW1417551786/ ID103191058

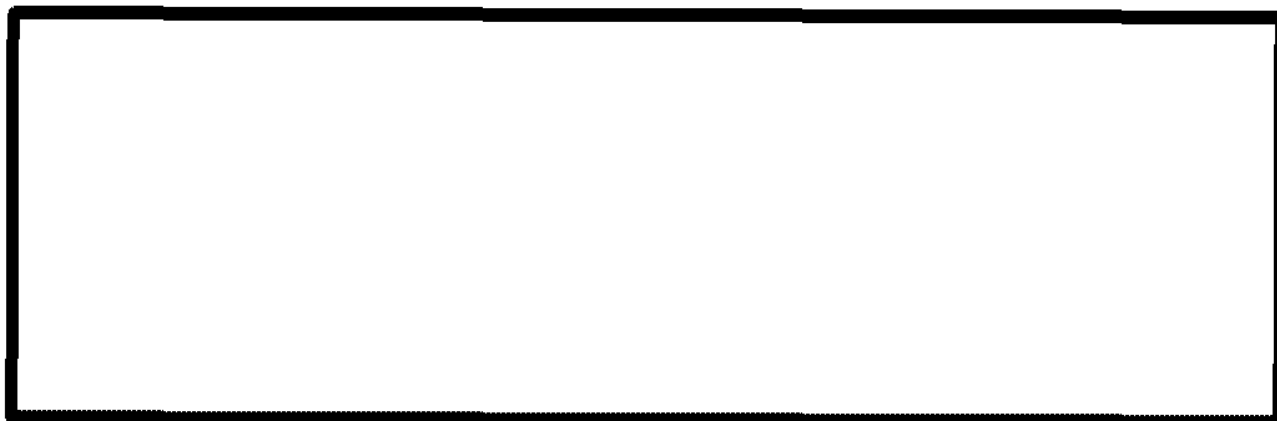
This notice is in reference to the Form I-924, Application for Regional Center under the Immigrant Investor Pilot Program that was filed by the applicant with the U.S. Citizenship and Immigration Services ("USCIS") on June 24, 2014. The Form I-924 application was filed to request approval of an amendment to a previously approved regional center designation under the Immigrant Investor Program. The Immigrant Investor Program was established under § 610 of the Department of Commerce, Justice and State, the Judiciary, and Related Agencies Appropriations Act of 1993 (Pub. L. 102-395, Oct. 6, 1992, 106 Stat. 1874).

In addition to the Form I-924, the applicant submitted a completed exemplar Form I-526, Immigrant Petition by Alien Entrepreneur, seeking USCIS review and approval of an actual project supported by a comprehensive business plan as contemplated in Matter of Ho, 22 I. & N. Dec. 206 (Assoc. Comm'r 1998).

I. Executive Summary of Adjudication

Effective the date of this notice, USCIS approves the Form I-924 request to amend M&D Regional Center, LLC's previously approved regional center designation to include the following project:

1. Effective the date of this notice, USCIS approves the Plaza Mexico Residences, LLC project based on the evidence submitted.



II. Procedural History

On September 9, 2009, USCIS approved M&D Regional Center, LLC (MDRC) for participation in the Immigrant Investor Program as a designated regional center with an approved geographical scope of the Counties of Los Angeles, Orange, San Bernardino in California. MDRC now seeks to amend its previously approved regional center designation to include an actual project that will be managed by Plaza Mexico Residences, LLC, an NCE established on January 21, 2014.

III. The Project

Effective the date of this notice, USCIS approves the applicant's request to include the following actual capital investment project supported by an exemplar Form I-526.

Project	Type of Project	Organization Documents	Date of Document
Plaza Mexico Residences, LLC Geographic Location: Lynwood, CA Investment: Loan	Exemplar Project	Confidential Private Offering Memorandum	Dated May 16, 2014
		Subscription Agreement	Submitted June 24, 2014
		Operating Agreement	Submitted June 24, 2014
		Investment Representation Statement	Submitted June 24, 2014
		IRS Forms W-8 BEN and W-9	Submitted June 24, 2014
		Form of Promissory Note	Submitted June 24, 2014
		Form of Guaranty	Submitted June 24, 2014
		Escrow and/or Trust Agreement	Submitted June 24, 2014
		Investor Suitability Questionnaire	Submitted June 24, 2014
		Business Plan	Submitted June 24, 2014

Note: If changes to this project and its supporting documents are found in subsequent Form I-526 or Form I-829 petitions, USCIS will review the supporting documents once more to ensure compliance with EB-5 program requirements.



A. Job Creation

The job creation methodology presented in the economic impact analysis and underlying business plan is found to be reasonable based on the following inputs, when applying the IMPLAN economic model:

Category	NAICS code	Eligible Spending (\$M)	Total Jobs
[Redacted Table Content]			

The approval of this Form I-924 application supported by an exemplar Form I-526 petition is based upon the assumptions and estimates used as inputs in the business plan for job creation. Please refer to the input and multiplier analysis table above. In addition to the [redacted] jobs accepted by USCIS, applicant also submitted evidence in support of an additional [redacted] jobs.



When an actual project is specifically named in this notice and the critical inputs remain materially unchanged, USCIS will give deference to the job creation methodology when adjudicating Forms I-526 associated with the named project. The same business plan and the same reasonable job creation methodology and projected inputs must be submitted when the individual investor's Form I-526 is filed in order to receive deference.

It will be the responsibility of the individual investor to demonstrate that the assumptions and estimates presented as inputs to the job creation methodology remain materially unchanged when he or she files a Form I-526. When filing Form I-829 for removal of conditional status, the individual investor has the burden of demonstrating that the assumptions and estimates presented as inputs to the job creation methodology have not materially changed and have been realized (or can be expected to be realized within a reasonable time).

If the job creation estimated in the business plan materially changes or will not be realized, then it will be the responsibility of the EB-5 investor to notify USCIS of an agreed upon methodology to allocate job creation among eligible investors.

IV. Guidelines for Filing Form I-526 Petitions Based on Plaza Mexico Residences, LLC project

Each individual petition, in order to demonstrate that it is affiliated with the M&D Regional Center, LLC in conjunction with addressing all the requirements for an individual immigrant investor petition, shall also contain the following:

1. A copy of this regional center approval notice and designation letter including all subsequent amendment approval letters (if applicable).
2. An economic impact analysis which reflects a job creation methodology required at 8 CFR § 204.6 (j)(4)(iii) and shows how the capital investment by an individual immigrant investor will create not fewer than ten (10) indirect jobs for each immigrant investor.
3. A comprehensive, detailed and credible business plan for an actual project that contains the factual details necessary to be in compliance with the requirements described in Matter of Ho, 22 I&N Dec. 206 (Assoc. Comm'r 1998).
4. Legally executed organizational documents of the commercial enterprise. The documents may be the same documents noted in Section III of this approval notice.

Note: If the project timeline has changed significantly from the original business plan, a narrative that explains the changes in the project timeline, along with a timeline that realistically reflects the status of the project should be submitted.

V. Designee's Responsibilities in the Operations of the Regional Center

As provided in 8 CFR § 204.6 (m)(6), to ensure that the regional center continues to meet the requirements of section 610(a) of the Appropriations Act, a regional center must provide USCIS with updated information to demonstrate the regional center is continuing to promote economic growth, improved regional productivity, job creation, and increased domestic capital investment in the approved geographic area. Such information must be submitted to USCIS on an annual basis or as otherwise requested by USCIS. The applicant must monitor all investment activities under the sponsorship of the regional center and to maintain records in order to provide the information required on the Form I-924A Supplement to Form I-924. Form I-924A, Supplement to Form I-924 Application is available in the "Forms" section on the USCIS website at www.uscis.gov.

Regional centers that remain designated for participation in the Immigrant Investor Program as of September 30th of a calendar year are required to file Form I-924A Supplement in that year. The Form I-924A Supplement with the required supporting documentation must be filed on or before December 29th of the same calendar year.

The failure to timely file a Form I-924A Supplement for each fiscal year in which the regional center has been designated for participation in the Immigrant Investor Program will result in the issuance of an intent to terminate the participation of the regional center in the Immigrant Investor Program, which may ultimately result in the termination of the designation of the regional center.

The regional center designation is non-transferable.

VI. Legal Notice

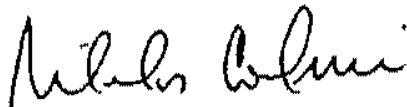
This approval and designation of a Regional Center under the Immigrant Investor Program does not constitute or imply an endorsement or recommendation by USCIS, the United States Government or any instrumentality thereof, of the investment opportunities, projects or other business activities related to or undertaken by such Regional Center. Except as expressly set forth in this approval and designation, USCIS has not reviewed any information provided in connection with or otherwise related to the Regional Center for compliance with relevant securities laws or any other laws unrelated to eligibility for designation as a Regional Center. Accordingly USCIS makes no determination or representation whatsoever regarding the compliance of either the Regional Center or associated New Commercial Enterprises with such laws.

Each Regional Center designated by USCIS must monitor and oversee all investment offerings and activities associated with, through or under the sponsorship of the Regional Center. The failure of an associated New Commercial Enterprise to comply with all laws, and regulations related to such investment offerings and activities may result in the issuance by USCIS of a notice of intent to terminate the Regional Center designation.

If the applicant has any questions concerning the regional center designation under the Immigrant Investor Program, please contact the USCIS by email at USCIS.ImmigrantInvestorProgram@uscis.dhs.gov.

M&D Regional Center, LLC
ID103191058
RCW1417551786
Page 6

Sincerely,



Nicholas Colucci
Chief, Immigrant Investor Program

cc: Anibal F. Sanchez
Darren Silver Associates, LLP
3699 Wilshire Boulevard, Suite 600
Los Angeles, CA 90010

(b)(4)

THE FACE OF THIS DOCUMENT HAS MICROPRINTING. DO NOT CASH IF MISSING. THE BACKGROUND WILL EXPOSE A HIDDEN VOID WHEN PHOTOCOPIED.

M & D Regional Center, LLC
3100 E. Imperial Hwy
Lynwood, CA 90262



Date
4/22/2014

Check No.

Check Amount



Pay to the order of:



U.S. Department of Homeland Security
USCIS-California Service Center
24000 Avila Road, 2nd Fl. Rm#2312
Laguna Niguel, CA 92677

[Handwritten Signature]



(b)(4)

C30056

REC'D CSC 14 JUN 24 20:26

RECEIPT NUMBER RCW1417551786		CASE TYPE 1924 Application for Regional Center Under the Immigrant Investor Pilot Program
RECEIVED DATE June 24, 2014	APPLICATION TYPE: B (AMENDMENT)	REGIONAL CENTER NAME M&D REGIONAL CENTER LLC
NOTICE DATE June 24, 2014	PAGE 1 of 1	REGIONAL CENTER ID ID1031910158
ANIBAL F SANCHEZ DARREN SILVER ASSOCIATES LLP RE: M&D REGIONAL CENTER LLC 3699 WILSHIRE BLVD STE 600 LOS ANGELES CA 90010		NOTICE-TYPE: Receipt Notice

Receipt Notice - This notice confirms that USCIS has accepted your "Application for Regional Center Under the Immigrant Investor Pilot Program" (Form I-924) for processing. This notice does not grant any immigration status or benefit. This notice does not grant any immigration status or benefit.

Processing Time - The current processing time for this type of case is estimated at 120 days. Unlike many other USCIS case types, verification or tracking of this case is not available on our website. We will notify you by mail when we make a decision on this case or if we need further evidence to establish your eligibility for the regional center designation.

Unique Identifier - In the top portion of this Notice, you will find a unique identifier that has been assigned to your Form I-924. Unlike a receipt number which changes with every filing, this unique identifier is permanently assigned to your approved or prospective regional center, and will be associated with any future request to amend the regional center. Please refer to your regional center's unique identifier as well as to the Form I-924 receipt number in all subsequent correspondence with USCIS regarding this application.

E-Mail Communication Regarding Your Pending Form I-924 Application - USCIS has established a direct e-mail communication tool to facilitate communication between USCIS and those applicants with pending Form I-924s. Form I-924 applicants may use the e-mail communication process to correspond with USCIS regarding pending Form I-924 applications, to include questions that may arise if USCIS issues a Request for Evidence (RFE) or a Notice of Intent to Deny (NOID). USCIS may also reach out to Form I-924 applicants via e-mail to informally ask for clarification on certain issues in order to facilitate USCIS' review, understanding, and adjudication of the Form I-924 application. USCIS may also e-mail a courtesy copy of the RFE or NOID to the e-mail address listed on the I-924 and, if applicable, to the e-mail address listed on the Form G-28 associated with the application.

Please use the following table to determine which email address has been assigned to your Form I-924.

If your unique identifier ends in the number,	Then please utilize this email address:
0, 1, or 2	CSC-EB5-RCID0-2@dhs.gov
3, 4, or 5	CSC-EB5-RCID3-5@dhs.gov
6 or 7	CSC-EB5-RCID6-7@dhs.gov
8 or 9	CSC-EB5-RCID8-9@dhs.gov

Example: If a regional center's unique identifier is ID00000000, then the regional center's Form I-924 has been assigned to email account CSC-EB5-RCID0-2@dhs.gov, as the unique identifier ends in "0".

E-Mail "Subject Line" Advisory - Please ensure that the subject line in your email correspondence contains the following information in this order: (1) Regional Center Unique Identifier; (2) Receipt Number; (3), Regional Center Name. Doing so will facilitate USCIS' timely handling of and response to your email correspondence.

E-mail Scope - This e-mail communication tool is to be used solely to facilitate communication between applicants with a pending Form I-924 and USCIS. The scope of the communication must relate to matters concerning the pending Form I-924. The direct e-mail communication initiative is not a forum for general policy and legal questions about adjudicative procedures or decisions, or for questions relating to either "Immigrant Petition by Alien Entrepreneur" (Form I-526), "Petition by Entrepreneur to Remove Conditions" (Form I-829), or any "Appeal or Motion" (Form I-290B). USCIS will not respond to e-mails received concerning issues unrelated to the currently pending Form I-924. For more information about how to make other EB-5 inquiries, visit the EB-5 Inquiries page on the USCIS website (www.uscis.gov). USCIS will not respond to e-mails received concerning issues unrelated to the currently pending Form I-924 via this email communication process.

General Questions - USCIS has a page entitled EB-5 Inquiries at www.uscis.gov that outlines how the public may make other inquiries on EB-5 related matters, to include inquiries that you may have after the Form I-924 has been adjudicated. This page clarifies the EB-5 inquiries that are appropriate to send to the general EB-5 mailbox (at uscis-immigrantinvestorprogram@dhs.gov), and other avenues that can be used to send questions or inquiries to USCIS that are not suitable for the general EB-5 mailbox.

Attorney Or Accredited Representative - If a valid Form G-28 is associated with the Form I-924, USCIS will need to have a viable Form G-28 e-mail address for the legal representative in order to use the e-mail process to correspond with the Form I-924 applicant. If a valid Form G-28 is associated with the Form I-924 applicant, but USCIS does not have a viable Form G-28 e-mail address, then one will need to be obtained prior to USCIS sending any out-going e-mail correspondence to the applicant which discuss issues related to the Form I-924. In such circumstance, the legal representative should provide an updated Form G-28 with a valid e-mail address by sending a pdf of a fully executed Form G-28 to the EB-5 mailbox at uscis-immigrantinvestorprogram@dhs.gov.

Please see the additional information on the back. You will be notified separately about any other cases you filed.

U.S. CITIZENSHIP & IMMIGRATION SVC
CALIFORNIA SERVICE CENTER
P.O. BOX 30111
LAGUNA NIGUEL, CA 92607-0111
Customer Service Telephone: (800) 375-5283



U.S. Department of Homeland Security
U.S. Citizenship and Immigration Services

Notice of Action

		Application/Petition REGIONAL CENTER PROPOSAL
Receipt # W09000740		
Notice Date June 19, 2009	Page 1 of 5	Regional Center M&D Regional Center

Carolyn S. Lee, Esq.
Miller Mayer LLP
202 East State Street, Suite 700
Ithaca, NY 14850

Request for Evidence

IMPORTANT: WHEN YOU HAVE COMPLIED WITH THE INSTRUCTIONS ON THIS FORM, RESUBMIT THIS NOTICE ON TOP OF ALL REQUESTED DOCUMENTS AND /OR INFORMATION TO THE ADDRESS BELOW. THIS OFFICE HAS RETAINED YOUR PETITION/APPLICATION WITH SUPPORTING DOCUMENTS.

THE INFORMATION REQUESTED BELOW MUST BE RECEIVED BY THIS OFFICE NO LATER THAN EIGHTY-FOUR (84) DAYS FROM THE DATE OF THIS NOTICE. IF YOU DO NOT PROVIDE THE REQUESTED DOCUMENTATION WITHIN THE TIME ALLOTTED, YOUR APPLICATION WILL BE CONSIDERED ABANDONED PURSUANT TO 8 C.F.R. 103.2(B)(13) AND, AS SUCH, WILL BE DENIED.

WS 24064/CSC3700 DIV III

RETURN THIS NOTICE ON TOP OF THE REQUESTED INFORMATION LISTED ON THE ATTACHED SHEET.

SEP 11 2009

Note: You are given until _____ in which to submit the information requested.

Pursuant to 8 C.F.R. 103.2(b)(11) failure to submit ALL evidence requested at one time may result in the denial of your application.

For non-US Postal Service
Attn: EB 5 RC Proposal
24000 Avilla Road, 2nd Floor
Laguna Niguel, CA 92677

You will be notified separately about any other applications or petitions you filed. Save a photocopy of this notice. Please enclose a copy of it if you write to us about this case, or if you file another application based on this decision. Our address is:

U.S. CITIZENSHIP AND IMMIGRATION SERVICES
CALIFORNIA SERVICE CENTER
Attn: EB 5 RC Proposal
P.O. BOX 10590
LAGUNA NIGUEL, CA 92607-0526



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M&D Regional Center LLC
W09000740
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What is the Immigrant Investor Pilot Program?

The Immigrant Investor Pilot Program ("Pilot Program") was created by Section 610 of Public Law 102-395 (October 6, 1992). This is different in certain ways from the basic EB-5 investor program.

The Pilot Program began in accordance with a Congressional mandate aimed at stimulating economic activity and creating jobs for U.S. workers, while simultaneously affording eligible aliens the opportunity to become lawful permanent residents. Through this innovative program, foreign investors are encouraged to invest funds in an economic unit known as a "Regional Center."

A Regional Center is defined as any economic unit, public or private, engaged in the promotion of economic growth, improved regional productivity, job creation and increased domestic capital investment.

8 CFR 204.6(m)(3) describes the specific evidence that must be submitted before consideration for eligibility for this benefit may proceed. After a review of your proposal in light of these requirements, the following information, evidence or clarification is needed to proceed.

The EB-5 program including the Regional Center or Pilot Program primarily focuses on job creation not general economic growth. Unlike other government programs which may deal in the general financial impact of investment dollars, this program is concerned with the specific impact of investment funds on creating new employment. In order to qualify as a Regional Center, the Regional Center Proposal must show the nexus between the Regional Center and job creation. It must also establish the specific activities relative to each category or industry for which the Center is requesting. Economical analyses and model which address the proposed activities are essential.

It is always best to start with a cover letter that acts as an executive summary followed by a table of contents of the various tabbed sections to follow.

Indirect Job Creation (8 CFR 204.6(m)(3)(ii)):

Public Law 107-273, enacted November 2, 2002, clearly states:

A regional center shall have jurisdiction over a limited geographic area, which shall be described in the proposal and consistent with the purpose of concentrating pooled investment in defined economic zones. The establishment of a regional center may be based on general predictions, contained in the proposal, concerning the kinds of commercial enterprises that will receive capital from aliens, the jobs will be created directly or indirectly as a result of such capital investments and other positive economic effects such capital investments will have.

8 CFR 204.6(m)(3)(ii) requires you to:

Provide in verifiable detail how jobs will be created indirectly;

Further, 8 C.F.R. 204.6(e) states, in pertinent part:

Employee means an individual who provides services or labor for the new commercial enterprise and who receives wages or other remuneration directly from the new commercial enterprise...This definition shall not include independent contractors.

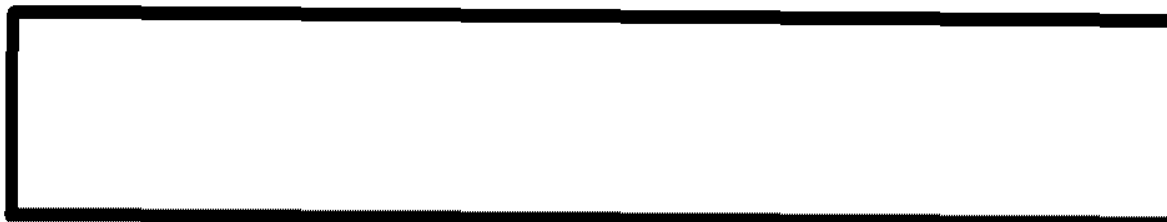
It is imperative to fully explain indirect job creation, as well as the direct and induced jobs, if any. The requirement of creating at least 10 new full-time (35 hours per week) jobs per each individual alien investor may be satisfied by showing that, as a result of the investment and the activities of the new enterprise, at least 10 jobs per alien investor will be created directly, indirectly or induced through an employment creation multiplier effect.

While you identified specific industries for job creation using the IMPLAN econometric model, the basis of this statistical model has not been presented. You have not provided the process and calculations on which the projections are made. Further, you have not shown how specific jobs (direct, indirect and induced) will be created in each industry cluster.

While relying on econometric models for indirect job creation, it is imperative that "direct jobs" will be real identifiable jobs supported by wage reports or I-9 forms. Otherwise, they must be explicitly identified as hypothetical in nature. Another method is to predict jobs based on the dollar amount invested in the overall project and this too must be clear. This distinction will be critical at the I-829 removal of condition stage of the immigration process.

Please submit an economic analysis that shows the process and calculations on which the projections are made for each of the industry clusters described in the business plan.

(b)(4)



Provide detailed answers to these questions and concerns, which should be supported by appropriate evidence. Generic statements will not be sufficient.

Regional Center's Operational Plan – Amount and Source of the Regional Center's Operational Capital (8 CFR 204.6(m)(3)(iii)):

A proposal must include a detailed statement regarding the amount and source of the capital that has been committed to the Regional Center, in addition to the description of the promotional efforts taken and planned by the Regional Center's sponsors. USCIS has interpreted the words, "amount and source of capital that has been committed to the Regional Center" to mean the capital sufficient to sustain the Regional Center distinct from immigrant investors' required capital investment in a new commercial enterprise within the Regional Center.

The detailed statement that is required to meet the regulatory requirement relating to the amount and source of capital committed to the Regional Center should include:

- the exact amount of funds that have been dedicated to the Regional Center to accomplish the goals of the Pilot Program;
- the source of such funds; and
- whether the amount is sufficient to sustain the Regional Center.

M&D Regional Center LLC

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None of the capital sustaining the Regional Center can come from immigrant investors' required threshold capital investment (as distinct from the new commercial enterprises' revenues). This separation of funds is necessary to enable the alien entrepreneur to qualify for the EB-5 immigrant investor classification.

Provide a budget for the exact amount of funds to be dedicated to the operation of the proposed regional center. Further, provide the source of funds and/or submit evidence to show what funds, if any, have been committed to the operation of the proposed regional center.

Regional Center's Operational Plan – Recruitment and Due Diligence (8 CFR 204.6(m)(3)(iii)):

For any individual alien investor who will be solicited by a Regional Center to invest the requisite capital into a Regional Center commercial activity, it will be incumbent on the Regional Center to engage in a due diligence process to establish that all sources of capital can be fully explained and clearly shown to have been lawfully obtained.

Submit evidence which addresses how investors will be recruited and how the Regional Center will conduct its due diligence to accommodate the requirement that all immigrant investor funds will be lawfully obtained and describe what measures will be taken by the Regional Center to ensure and validate this. Will the submission of certain financial documents be required of foreign investors or will the Regional Center, for example, utilize a professional investigating firm to vet a potential investor's source of funds? What are your plans in this regard?

The Business Approach and Structure of the Regional Center (Section 610 of Public Law 102-395):

The business aspects of the Regional Center must be fully explained as to its structure. This aspect of a proposal includes, but is not limited to, the following basic elements or samples of them as applicable to the business approach and structure to be used by the Regional Center:

- An overall Business Plan - mandatory
- Draft Operating Agreement
- Draft Partnership Agreement
- Draft Subscription Agreement
- Draft Escrow Agreements and Instructions, (one for capital and one for any service fees). Such agreements usually include an "out clause" in the event of an unsuccessful visa process as a marketing tool¹ but are not required.
- List of proposed reputable financial institutions to serve as the Escrow Agent(s).
- Draft of an Offering Letter, Memorandum, Confidential Private Placement Memorandum, or similar offering made in writing to an immigrant investor through the Regional Center.
- Draft Memorandum of Understanding, Interagency Agreement, Contract, Letter of Intent, Advisory Agreement, or similar agreement to be entered into with any other party, agency or organization to engage in activities on behalf of or in the name of the Regional Center.

¹ **NOTE: Under NO circumstances** may any agreement or document in support of an investor's I-526 petition offer or imply return or reimbursement of his/her capital investment should the subsequent I-829 Petition to Remove Conditions be denied by USCIS. The USCIS considers any such reimbursement provision within the period of an alien investor's conditional residence prohibited by precedent decision in Matter of Izumii.

M&D Regional Center LLC
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Submit the following evidence for M&D Regional Center:

- A Business Plan

Translations:

Any document containing a foreign language submitted to USCIS shall be accompanied by a full English translation that the translator has certified as complete and accurate, and by the translator's certification that he or she is competent to translate from the foreign language into English.

Copies:

Unless specifically required that an original document be filed with an application or petition, an ordinary legible photocopy may be submitted. Original documents submitted when not required will remain part of the record, even if the submission was not required.

MILLER MAYER, LLP

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Of Counsel
Stephen Yale-Loehr

RESPONSE TO REQUEST FOR EVIDENCE **EB-5 REGIONAL CENTER APPLICATION**

**SUBMISSION CONTAINS CONFIDENTIAL COMMERCIAL INFORMATION.
PER FOIA (5 U.S.C. § 552(b)(4)), SUBMITTER REQUESTS PREDISCLOSURE
NOTIFICATION PER PRESIDENTIAL EXECUTIVE ORDER
NO. 12,600, 52 Fed. Reg. 23781 (June 23, 1987)**

August 28, 2009

Via Federal Express

U.S. Citizenship and Immigration Services
California Service Center
Attn: EB-5 RC Proposals
24000 Avilla Road, 2nd Floor
Laguna Niguel, CA 92677

Re: W09000740 – M&D Regional Center Application

Dear Examiner:

This letter is a timely response to the June 19, 2009 Request for Evidence (RFE) issued in connection with the application for regional center designation (the "M&D Application") submitted by M&D Regional Center, LLC ("M&D"). The bolded section headings below correspond to the section headings in the RFE.

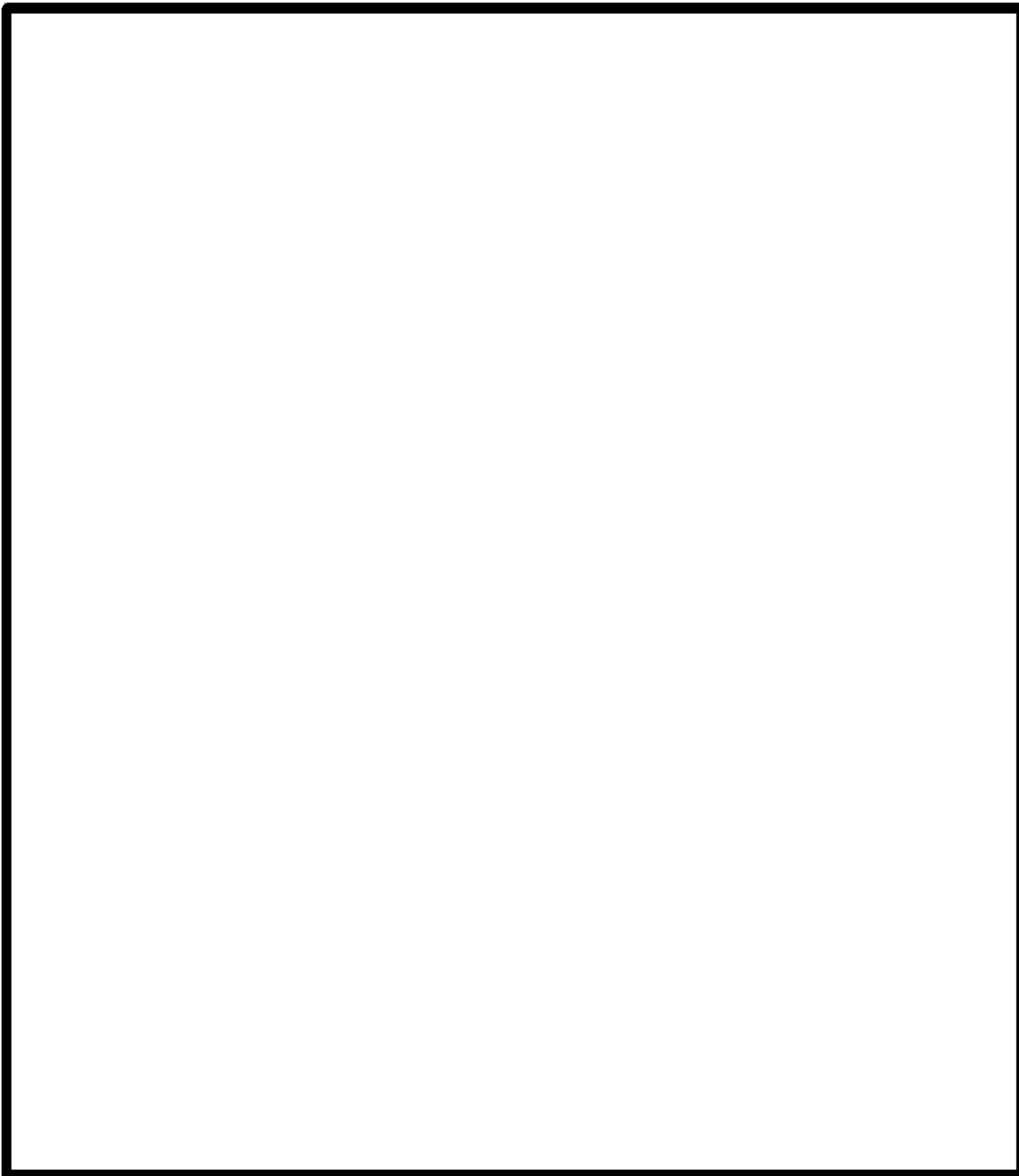
Please note that the Buena Park Project is located in Census Tract 110500 in Orange County, which has been designated by the California Business, Transportation, and Housing Agency (BTH) as a targeted employment area (TEA). Please see the July 8, 2009 letter from BTH attached at Exhibit 1, indicating that the Buena Park Project is in a TEA. Thus, EB-5 investors can invest there at a

RFE Reply: M&D Regional Center Application
August 28, 2009
Page 2 of 8

\$500,000 level. Also note that since the filing of the M&D Application, the developer of the Buena Park Project, 6940 Beach, LLC, has changed its name to The Source at Beach, LLC.

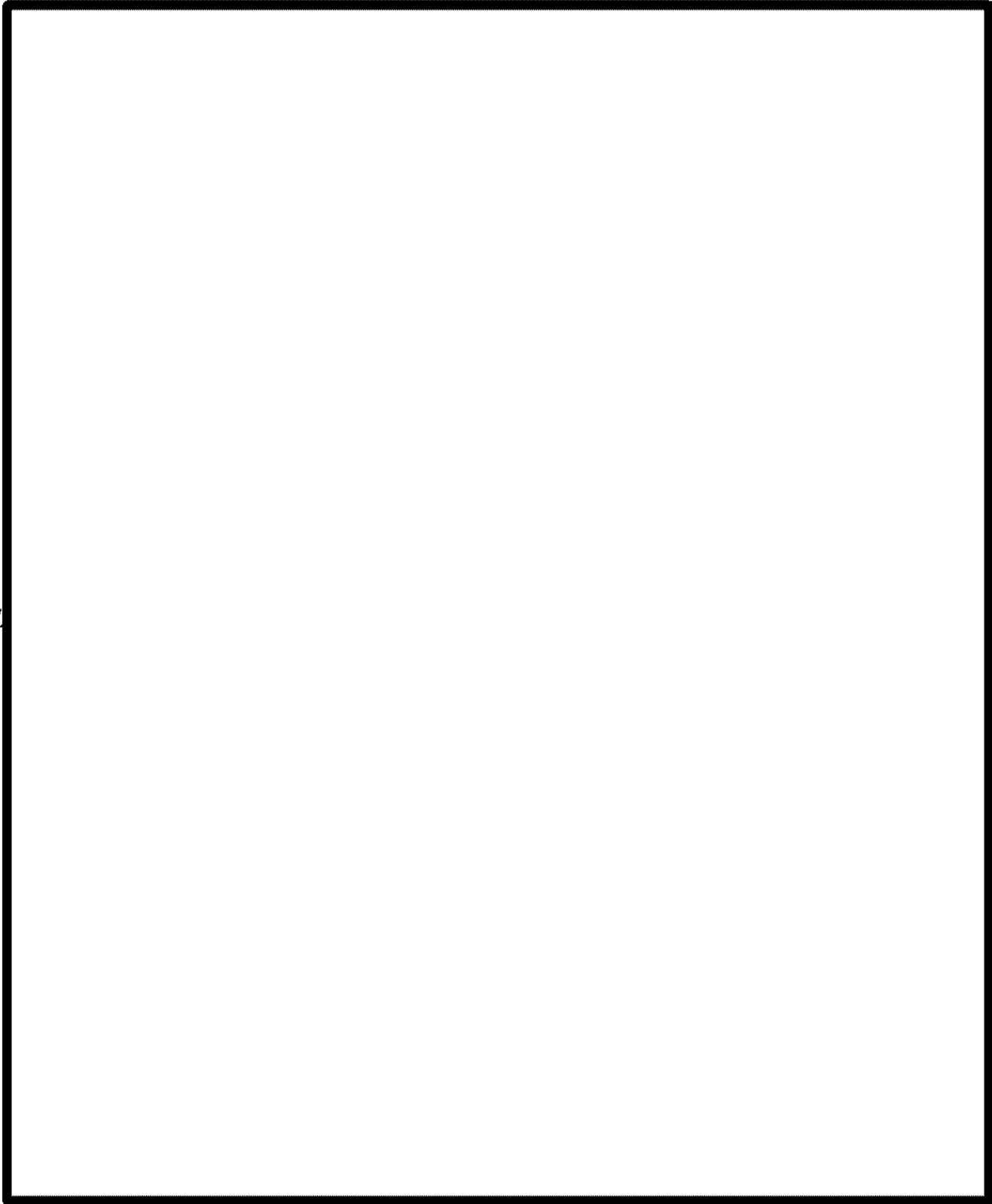
Indirect Job Creation (8 C.F.R. § 204.6(m)(3)(ii))

(b)(4)



RFE Reply: M&D Regional Center Application
August 28, 2009
Page 3 of 8

(b)(4)





Regional Center's Operational Plan – Amount and Source of the Regional Center's
Operational Capital (8 C.F.R. § 204.6(m)(3)(iii))



(b)(4)



Attached hereto as Exhibit 4 is a letter describing the expenses incurred by the applicant to date in seeking designation for the regional center. The following is a summary of those expenses:

Expense Description	Amount



(b)(4)

RFE Reply: M&D Regional Center Application
August 28, 2009
Page 6 of 8

(b)(4)



Regional Center's Operational Plan – Recruitment and Due Diligence (8 C.F.R. § 204.6(m)(3)(iii))



(b)(4)

(b)(4)



The Business Approach and Structure of the Regional Center (Section 610 of Public Law 102-395)



(b)(4)

RFE Reply: M&D Regional Center Application
August 28, 2009
Page 8 of 8

(b)(4)



Conclusion

The United States is suffering one of the most severe economic recessions in its history, with unemployment rates climbing to historic levels. As Congress intended, the EB-5 regional center program can have a significant and lasting impact in regions of the United States that desperately need an economic stimulus.

We therefore respectfully request that you adjudicate and approve this regional center application as quickly as possible. If you have any further questions, please send us a second request for evidence rather than denying this application.

Sincerely,

Carolyn S. Lee

CSL/SYL

Enclosures: As indicated on document index
Pc (w/ encl.): M&D Regional Center, LLC

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**M&D Regional Center (M&D RC)
Regional Center Application
August 28, 2009**

Response to Request for Evidence Exhibit Index

Exhibit Document

1. Letter from California Business, Transportation, and Housing Agency regarding TEA designation
2. Letter from Dr. Evans of Evans, Carroll & Associates, Inc.
3. Revised Private Placement Memorandum
4. Letter from DMC Investment Holdings, LLC
5. Budget
6. Revised Regional Center Administration and Operational Guidelines
7. Revised Investor Suitability Questionnaire
8. Regional Center Business Plan

STATE OF CALIFORNIA

ARNOLD SCHWARZENEGGER
Governor

DALE E. BONNER
Secretary

Department of Alcoholic Beverage Control
Department of Corporations
Department of Financial Institutions
California Highway Patrol
California Housing Finance Agency
Department of Housing & Community Development
Department of Managed Health Care
Department of Motor Vehicles



Office of the Patient Advocate
Department of Real Estate
Office of Real Estate Appraisers
Office of Traffic Safety
Department of Transportation
California Film Commission
California Office of Tourism
Infrastructure and Economic Development Bank

BUSINESS, TRANSPORTATION AND HOUSING AGENCY

July 8, 2009

Department of Homeland Security
U.S. Citizenship and Immigration Services (USCIS)
California Service Center
24000 Avila Road, 2nd Floor
Laguna Niguel, CA 92677

To Whom It May Concern:

On April 21, 2008, Governor Arnold Schwarzenegger delegated the authority to the Secretary of the Business, Transportation and Housing Agency to certify high unemployment areas that meet the qualifications for the Immigration Investor Program administered by the U.S. Citizenship and Immigration Service.

(b)(4) Title 8, Code of Federal Regulations section 204.6(e) defines a "high unemployment area" as one that is a particular geographic or political subdivision located within a metropolitan statistical area or within a city or town having a population of 20,000 or more within the state and has experienced an unemployment rate of at least 150% of the national average. The national average unemployment rate for 2008, as calculated by the U.S. Bureau of Labor Statistics, was 5.8%. The 2008 unemployment data for the State of California, as provided by the Labor Market Information Division within the California Employment Development Department (EDD), shows that the unemployment rate for Census Tract 110500 located in Orange County is [REDACTED]. This unemployment rate is greater than 150% of the national average. Since the Census Tract unemployment rate matches the regulatory criteria, it has been designated as high unemployment areas within the meaning of the law.

Therefore, I hereby certify that Census Tract 110500 located in Orange County is a "high unemployment area" and has been designated as such for the purposes of the Immigrant Investor Program.

Sincerely,


Dale E. Bonner

Secretary
Business, Transportation and Housing Agency

**Evans, Carroll & Associates, Inc. • 2785 N.W. 26th St.
Boca Raton, FL 33434 • 561-470-9035**

August 25, 2009

U.S. Citizenship and Immigration Services
California Service Center
Attention: EB-5 RC Proposal
24000 Avilla Road, 2nd Floor
Laguna Niguel, CA 92677

**Re: M&D Regional Center, LLC EB-5 Regional Center Application
(Receipt No. W09000740)**

Dear Examiner,

I have used the IMPLAN model in approximately 50 studies to determine the economic impact of EB-5 and similar programs. Until recently, this methodology has always been accepted by USCIS adjudicators. This letter attempts to explain in more detail how the IMPLAN model works, and why it is a valid approach for determining the economic impact for EB-5 regional centers. For your convenience, I also summarize in tabular form the conclusions I made in the economic report for the Buena Park Project described in the EB-5 Regional Center Application for M&D Regional Center, LLC, which discusses, employment multipliers, total household earnings, demand for business services, utilities, maintenance and construction, and new supplier/vendor relationships created with manufacturers, for each model project.

The IMPLAN model calculates job creation for each category of economic activity. This model has been approved in many earlier applications by USCIS and is one of the two recognized models (the other one is RIMS II) that are generally used in these applications.

IMPLAN (and other input/output models) are based on the concept of a production function, which determines the quantities of inputs required to produce a unit of output. The basic data are collected by the Commerce Department from a variety of sources, such as the Annual Survey of Manufacturers and various annual surveys of the service sector. The data are benchmarked to the Economic Census figures once every five years and then updated annually. These figures comprise a national input/output model.

The regional coefficients are then modified to take into account the proportion of goods and services required to produce one unit of output that are produced locally. These regional coefficients are based on data from the Economic Census.

For a manufacturing plant, for example, the raw materials required are measured by the input/output coefficients. Using the data for output per employee, these figures are then converted into new jobs created for indirect employees. The regional coefficients are then used to determine what proportion of these employees work in facilities in the local area. All these coefficients are imbedded in the IMPLAN model. The results shown in the tables submitted in the original FOIC application (and summarized below) are the end product of entering the inputs for direct jobs and solving the model for the indicated region.

For a service industry such as a hotel, office building, life sciences laboratory, retail store, or restaurant, the same concept is employed, except in this case most of the indirect jobs are also in a service occupation. In order for these businesses to function, they must hire lawyers, accountants, computer programmers, and administrators. They deposit their funds in banks and other financial institutions, creating new jobs in those industries. The buildings must be leased and the business must be insured, creating new jobs in those industries. Once again, the new jobs created are based on the regional coefficients of the IMPLAN model.

An input/output model is not a forecasting model that takes into account varying economic conditions. Instead, input/output models are designed to be static models. At any given time – based on production data gathered by the Department of Commerce – it is ascertained that a given quantity of inputs are used to determine a unit of output. These coefficients are assumed to be the same regardless of whether there is a boom or a recession. For example, it takes the same amount of coal, scrap iron, limestone, machinery, and labor to produce a ton of steel regardless of the underlying business cycle conditions.

Input/output models have been used in thousands of applications to determine the economic impact of a given investment of a specific project; sometimes these are regional models, sometimes they are national models.

In sum, the use of input/output models in general, and IMPLAN in particular, represent the standard and accepted way of determining the increase in i) employment and ii) the "economic impact" of regional center projects. (Recent USCIS correspondence seems to make an unreasonable distinction between "overall economic impact" and "economic impact.") Excluding employment, economic impact is measured by increases in "output" and "labor income" (sometimes also called "household earnings") that will be generated by a given increase in direct jobs or expenditures for a given project. Output and labor income capture all of the factors listed in 8 C.F.R. Section 204.6(m)(3)(iv) such as "increased household earnings, greater demand for business services, utilities, maintenance and repair, and construction." For example, on page 25 of the economic report submitted as exhibit 8 of the initial FOIC application, 27 categories of economic impact are listed in the "Permanent Increase in Output"

table, including "business services," "utilities", "residential construction" and "commercial construction."

Until now, this methodology has always been accepted by USCIS as well.

The calculation of the employment multipliers is accomplished as follows:

1. The first step is to determine employment per dollar of output for each industry. There are 440 industries in the IMPLAN input/output matrix, but in this report these are generally aggregated into about 30 industry classifications. The figures for industry output and total employment are taken from Census data and vary for each county.

2. The figures for employment per dollar of output are then multiplied by various coefficients in the model, representing direct, indirect, and induced effects. The column for direct effects has a coefficient of 1 for the specific industry and 0 for all other industries. The column for indirect effects is based on the technical coefficients of production (e.g., how much coal is required to produce one ton of steel). These coefficients range from 0 to 1.

3. The column for induced effects is based on the proportion of household income that is spent in that industry. Usually the figures would be higher for health care and retail trade and lower (or zero) for manufacturing industries.

To illustrate this, consider a very simple three-sector model in which we determine the employment multiplier for auto manufacturing. The three sectors are auto manufacturing, other manufacturing, and services.

	Output	Employment	Empl/Output
Auto mfg	100	10	0.10
Other mfg	2,000	250	0.08
Services	4,000	800	0.20

Employment Multipliers for Auto Manufacturing (in actual work, these would be taken from the IMPLAN model)

	Direct	Indirect	Induced
Auto mfg	1.00	0.05	0.08
Other mfg	0.00	0.25	0.40
Services	0.00	0.20	1.20

These figures are multiplied by the empl/output column to obtain the following results:

	Employment Effects		
	Direct	Indirect	Induced
Auto mfg	0.10	0.005	0.008

Other mfg	0	0.002	0.005
Services	0	0.040	0.240
Total	0.10	0.047	0.253

The employment multiplier is then calculated as $(0.10 + 0.047 + 0.253)/0.10$, which in this case is 4.0. The total number of jobs created by the new auto plant is then equal to 4.0 times the number of direct new jobs, which has been calculated outside the IMPLAN model.

In EB-5 regional center applications, the number of direct jobs is calculated outside the model. While there are a variety of methods for doing this, one standard method is to determine the number of square feet per employee. Then the number of employees is identically equal to the number of square feet divided by square feet per employee. Another method is to calculate the ratio of output to capital (from government statistics), multiply by the amount of investment to get the incremental change in output, and then divide by output/employee in the particular county or region. Once the number of direct new jobs has been determined, the IMPLAN model is then used to determine the number of indirect and induced jobs.

Indirect jobs are those created when the new business purchases goods and services that are produced or sold locally.

In the case of a restaurant, for example, some of the food might be purchased from local farms, or food manufacturing plants. The proportions are determined by the coefficients imbedded in the IMPLAN (or other input/output) model. These coefficients are based on actual data for purchased goods and services taken from the Economic Census, the Annual Survey for Manufacturers, and other similar sources compiled by the Commerce Department. The regional purchase coefficients are based on regional estimates prepared by the Commerce Department. These figures can be found on the website of the U.S. Bureau of Economic Analysis ("BEA").

In general, food purchases account for about 1/3 of total restaurant output. Thus if the restaurant generated \$6 million in sales, \$2 million would be spent on purchasing food. Some of this would be grown or produced locally, while some of it would be grown or produced outside the region, but sold locally.

Suppose, for example, that the restaurant purchased its desserts from a nearby bakery. In this example, suppose desserts account for 10% of the food bill, which means \$200,000 worth of desserts are purchased. That amount of activity would increase the number of employees at the bakery, both in terms of salespeople and in terms of bakers. The bakery would then buy sugar, flour, eggs, and other ingredients from other sources; here again, some would be local, and some would be out of the region. If the flour is purchased from a local

source, then that would generate further jobs in growing and milling wheat, and so forth. The input/output table captures all of these relationships and converts them to the number of additional employees that are generated by the purchase of desserts. Similar calculations would be taken for all other food served at the restaurant.

The restaurant would also hire a cleaning service to launder the tablecloths and napkins, it would hire an accountant to keep track of its receipts and pay taxes, and from time to time it would need to hire plumbers, electricians, and carpenters to perform repairs. There are many other services they would also need to use. The input/output model shows the fraction of total sales expended in each of these categories. There are 440 categories in the latest input/output table, although not all of them apply to all categories.

Induced jobs are those created when the restaurant employees spend some of their paychecks on goods and services produced or sold locally. This would include expenditures on food, clothing, health care, entertainment, and a variety of other goods and services. These figures are based on consumer surveys showing the amount spent by individuals and families at different income levels in different locations, and are prepared by the Bureau of Labor Statistics.

All the calculations for the number of indirect and induced jobs are done by the computer program imbedded in the IMPLAN model, using these coefficients calculated from BEA and U.S. Bureau of Labor Statistics ("BLS") data, which are then used to invert and solve a matrix that contains $440 * 440$ (equals 193,600) elements. Obviously all these elements cannot be reproduced in each report; however, a related table is found on the BEA website (<http://www.bea.gov/bea/interactive.htm>).

In the same manner, the IMPLAN model also generates predictions of output and labor (household) income for each industry category; these are the "derived monetary predictions" referred to in the Request for Evidence. The coefficients that determine output and income are based on the same methodology used to generate the employment numbers; the figures are then multiplied by the output per worker, and labor income per worker. These figures are also taken from data found in the Economic Censuses and supplemented by the BLS.

All these calculations are part of the input/output algorithm, which is internal to the IMPLAN (or other input/output) model. Hence the pathway for determining the results is as follows:

1. Calculate the number of new direct employees for each new business.
2. Use the computer program algorithm that contains coefficients in the input/output model that determine the number of new employees per dollar of

new sales for each industry category where the new business purchases goods and services produced or sold locally.

3. Use the computer program algorithm that contains coefficients in the input/output model that determine the number of new employees per dollar of new sales for each industry category where employees spend part of their paychecks on goods and services produced or sold locally.

4. Solve the entire input/output model to take into consideration secondary links (i.e., bakers purchase flour, which is grown from wheat) that create employment gains throughout the economy.

5. Use the gains in employment to determine the increase in output by multiplying employment by the average output/employee for all relevant industries.

6. Use the gains in employment to determine the increase in labor income by multiplying employment by the average compensation/employee for all relevant industries.

Buena Park Project Economic Report Summary

Table A. Direct Jobs Created by the Buena Park Project

Table A. Direct Jobs Created by the Buena Park Project	

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If all the projects summarized in the report were to be built, the economic impact as measured by household earnings, demand for business services, utilities, maintenance and repair, and new supplier and vendor relationships is summarized in Table B.

Table B. Summary Measures of Economic Impact for Entire Project

Household Earnings (Labor Income)

The jobs created by the Buena Park Project will subsequently create new sources of household income. The household income for the direct jobs created within the regional center totals [REDACTED]. In addition, the business relationships and employee spending created by the regional center business activity will result in indirect and induced impacts of [REDACTED] respectively in household income. The combined household income impacts for the entire project will thus total [REDACTED] annually. This income calculation comes from the IMPLAN input-output model, which measures the average income per job by industry. The model calculations are based on the types of jobs that will be created within the regional center, with indirect/induced impacts allocated based on the types of commodity inputs required by the businesses that would potentially locate in the regional center.

Demand for Business Services, Utilities, Maintenance and Construction, and New Supplier/Vendor Relationships Created with Manufacturers

The total economic impact of the regional center from the supplier purchases and business relationships will create approximately [REDACTED] additional economic activity across the region. These supplier purchases are calculated from the indirect increase in output generated by the IMPLAN model.

[REDACTED]

The estimate of supplier purchases is based on the commodity data in the IMPLAN input-output model. This data specifies the amount and type of commodity input needed to maintain specific types of business operations. The model estimates the supplier purchases based on the types of jobs and number of jobs that will be created within the regional center. In addition, the model allocates the supplier purchases to businesses within the region, based on trade flow data from the BEA.

The regional center will create demand for business services including, professional services, and business services and support services. The impact of this activity totals about [REDACTED] annually.

Utilities include services such as electricity, natural gas, and water and sewer facilities. The economic impacts on utility services total [REDACTED]

Maintenance and repair services include some building and construction activity on existing buildings. The regional center would create an economic impact of [REDACTED] within these sectors in the region. Because most of the construction activity is either upfront during building construction or integrated into repair and maintenance services, the economic impact for construction sectors is minimal on an ongoing basis.

New supplier/vendor relationships with manufacturers would create an economic impact of [REDACTED]. These activities include purchase of locally manufactured goods for construction and for the operation of the new businesses.

Exhibit A. Schematic Diagram Explaining how the IMPLAN Model is used to calculate the economic impact

Mixed-Use Commercial and Residential Center with Retail Stores, Restaurants, Hotel, Office Building, Movie Theatre, and Residences

IMPLAN Direct Employee
Calculation Based on
Square Feet:

(b)(4)

(data from Table 12)

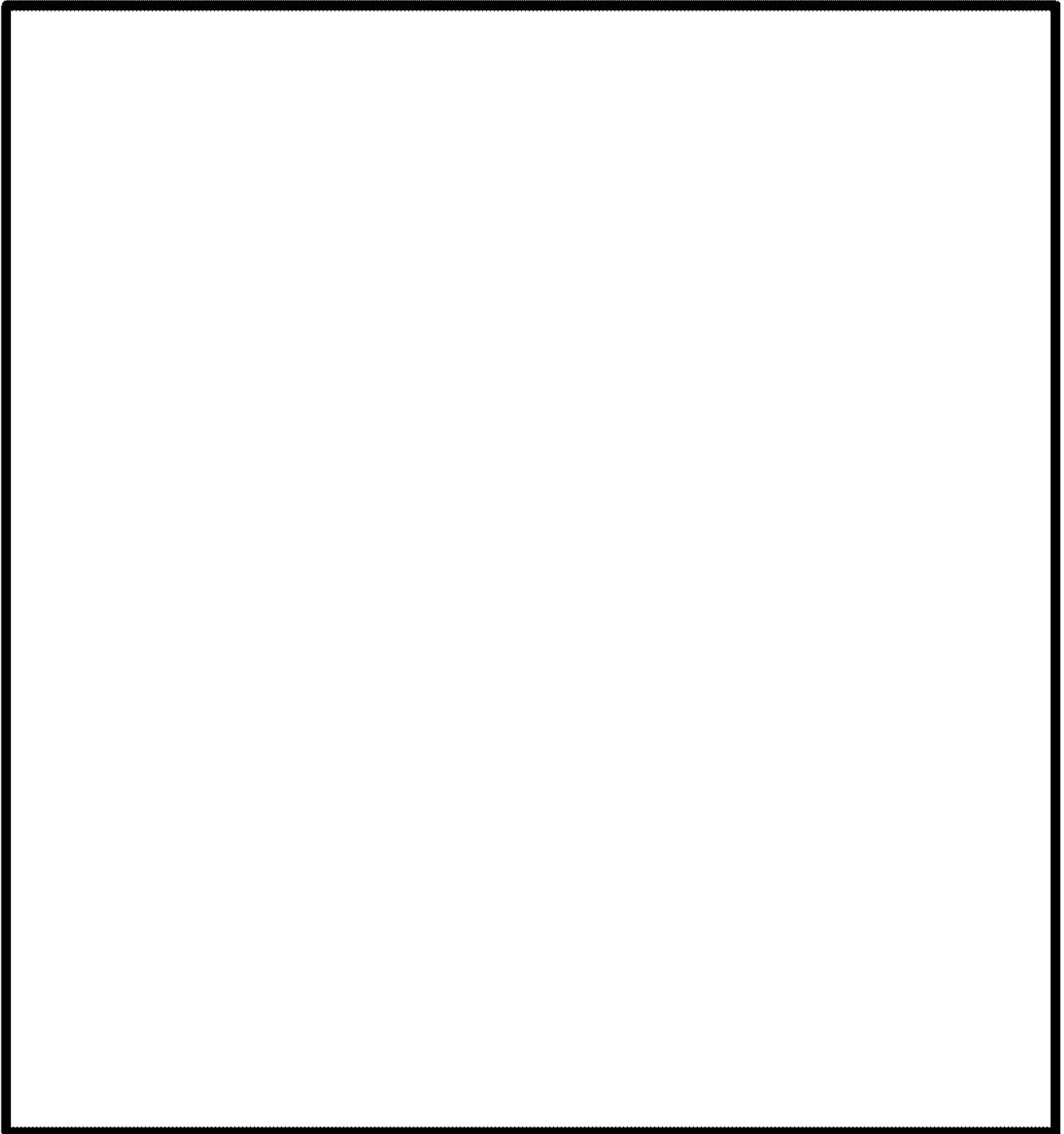
Michael K. Evans
Chairman, Evans, Carroll & Associates, Inc.
August 25, 2009

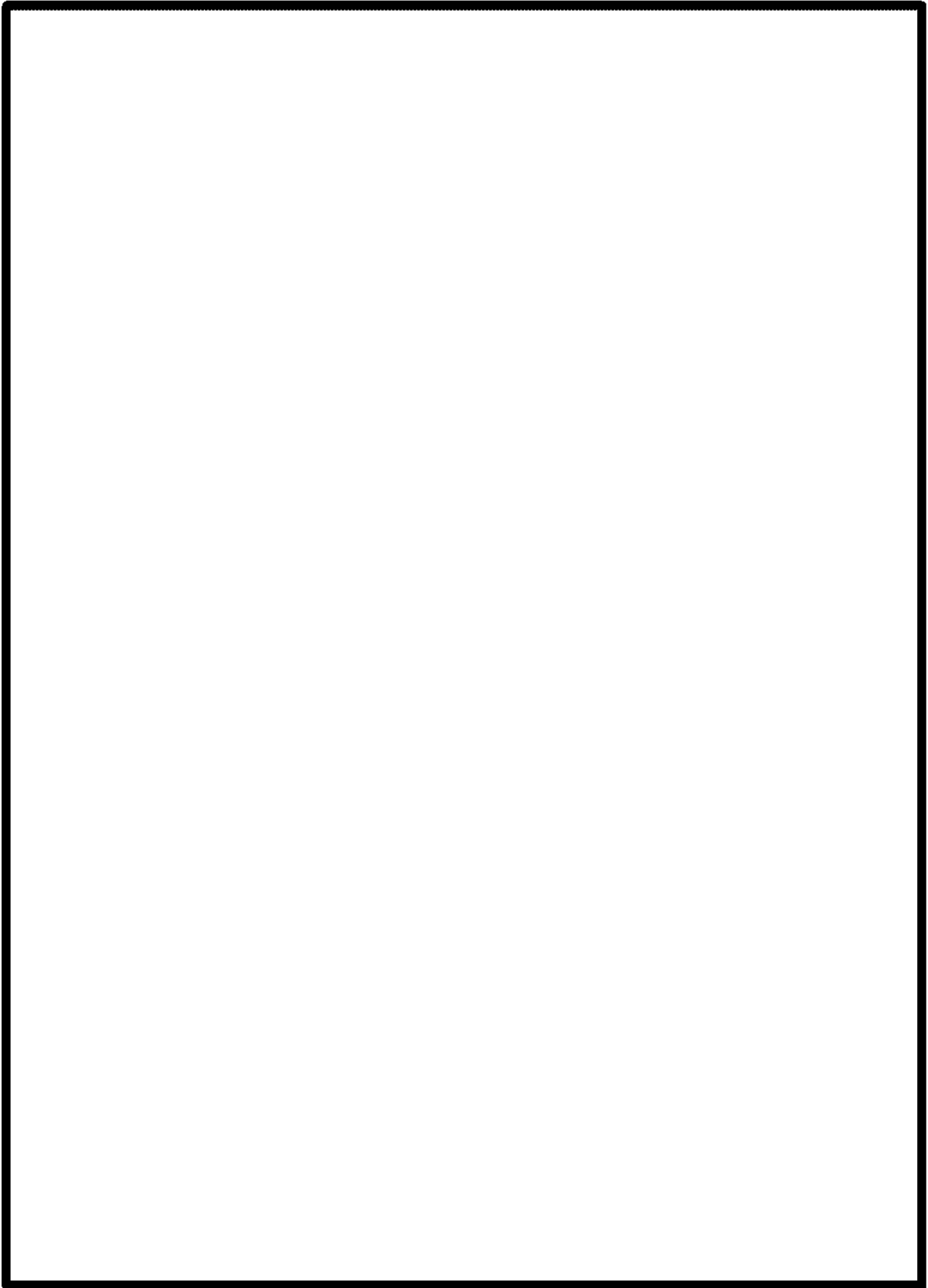
Memorandum No.: _____

CONFIDENTIAL PRIVATE PLACEMENT MEMORANDUM

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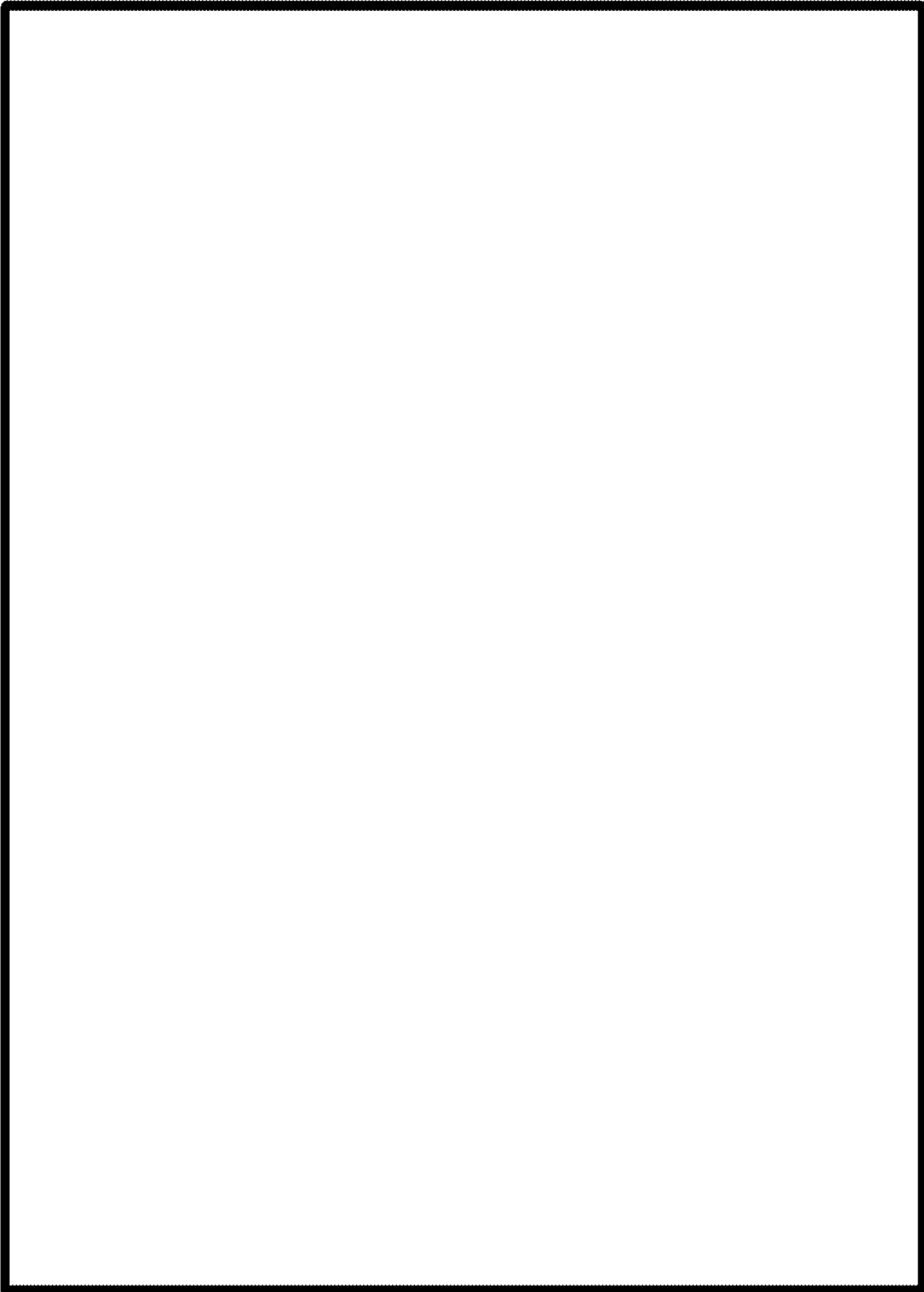
Beach Orangethorpe, LLC
a California limited liability company

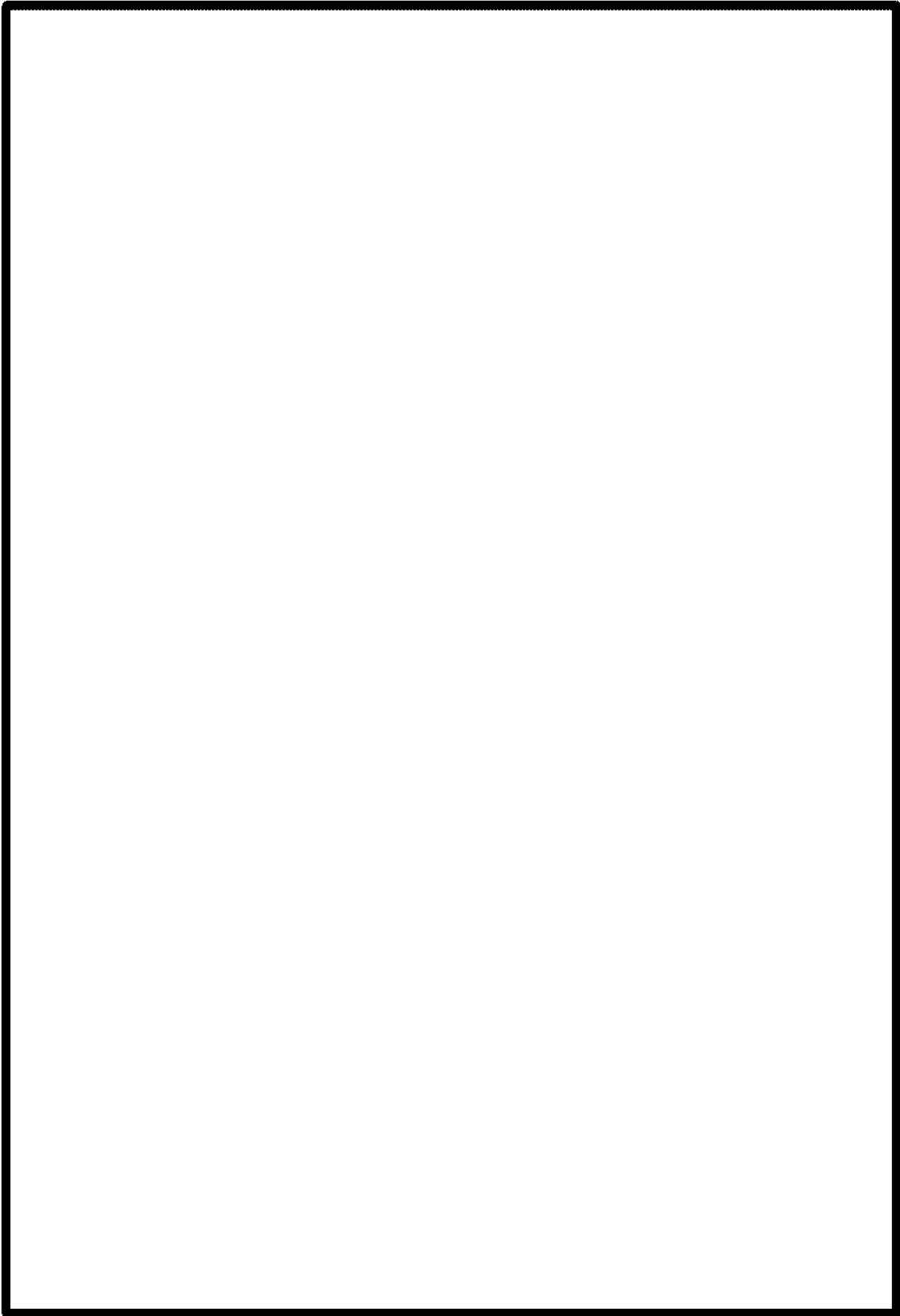


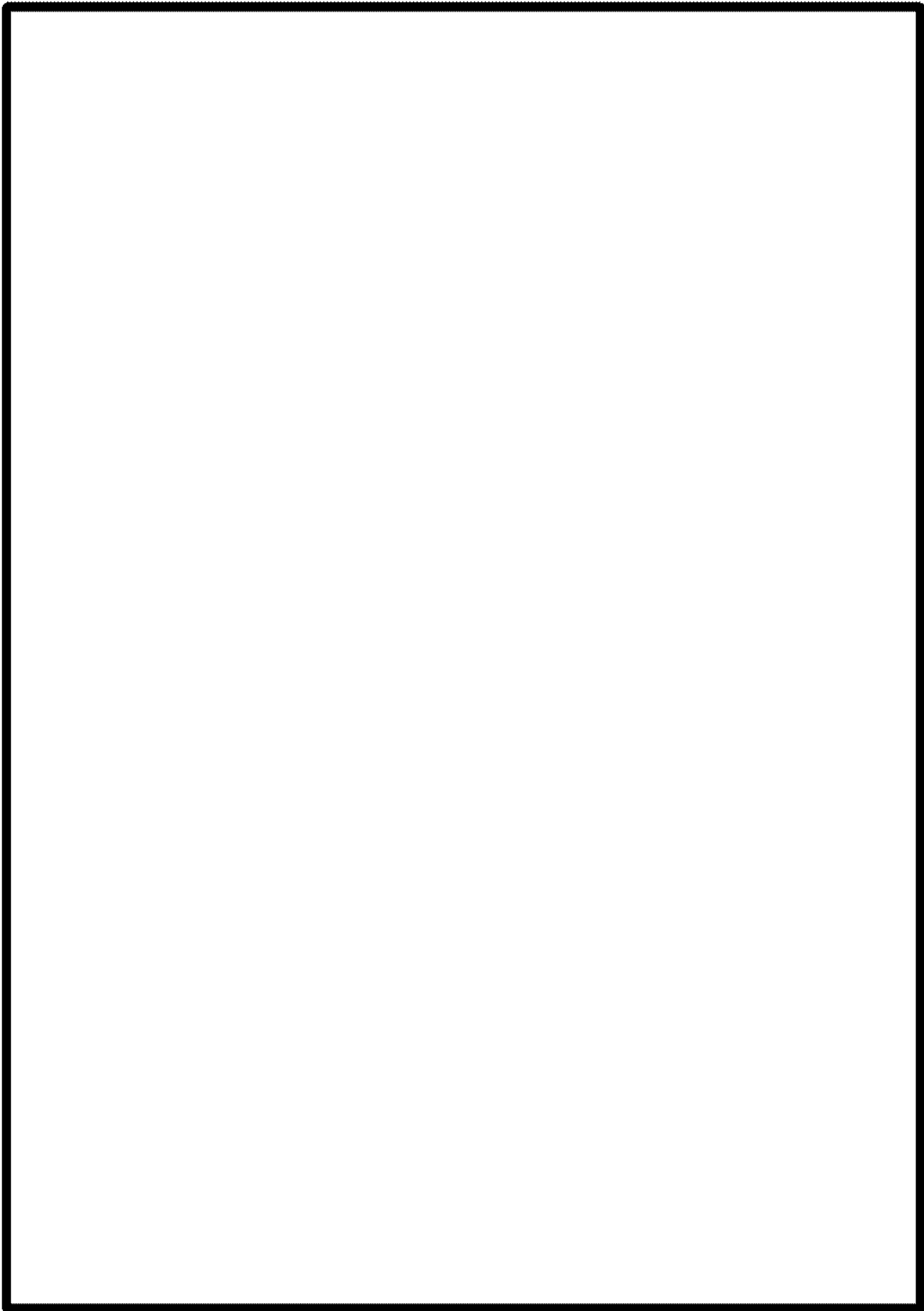




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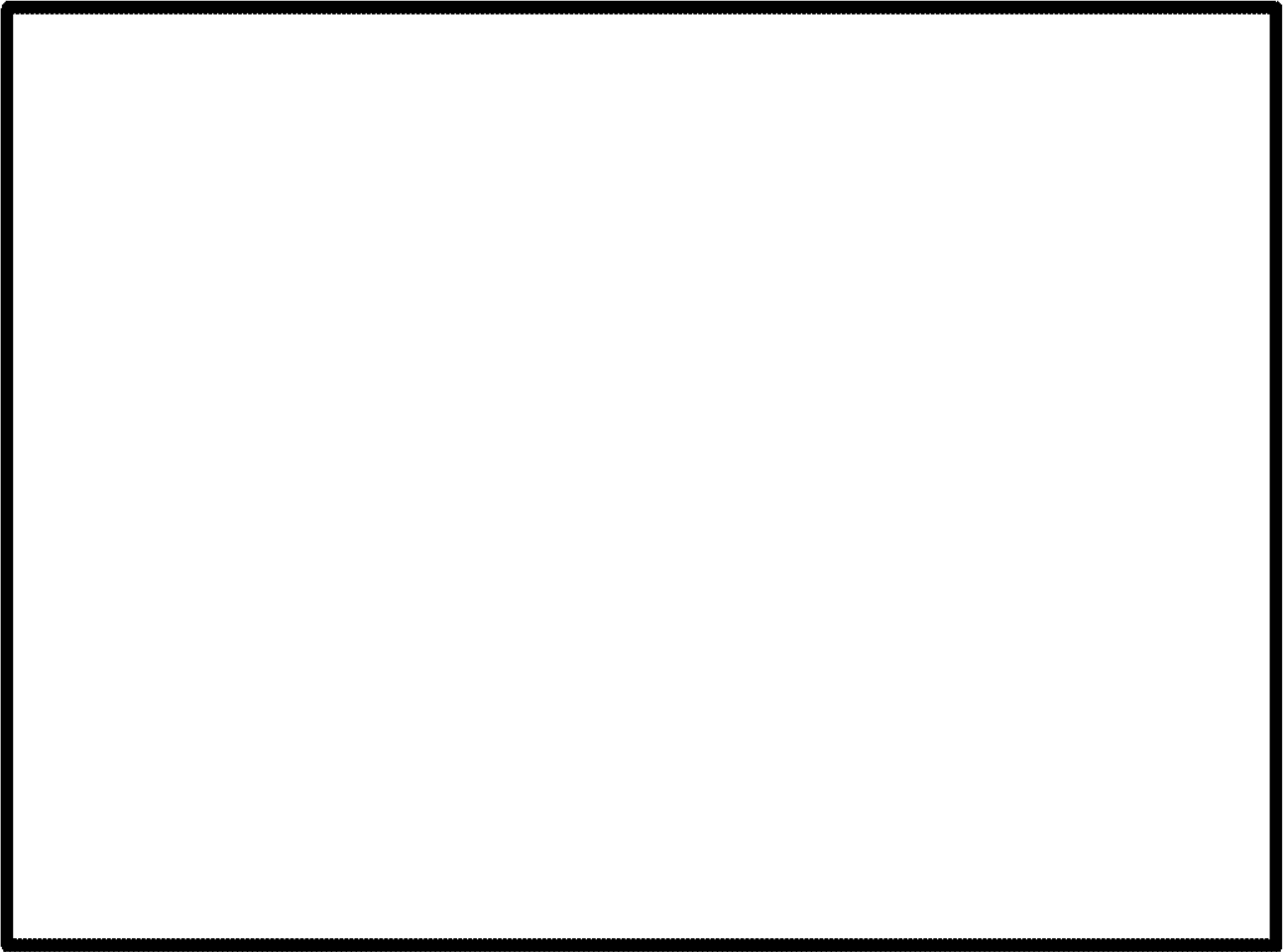


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- Exhibit C – ESCROW AGREEMENT
- Exhibit D – IRS FORM W-9
- Exhibit E – AMENDED AND RESTATED OPERATING AGREEMENT OF THE
SOURCE AT BEACH, LLC
- Exhibit F – APPRAISAL
- Exhibit G – LAND ACQUISITION MAP
- Exhibit H – ARCHITECTURAL RENDERINGS

1. OFFERING SUMMARY

A. Investment Objectives

B. Description of the Property

C. Description of the Project

D. Financing of the Project

E. The Company and its Manager



F. Economic Projections of the Project

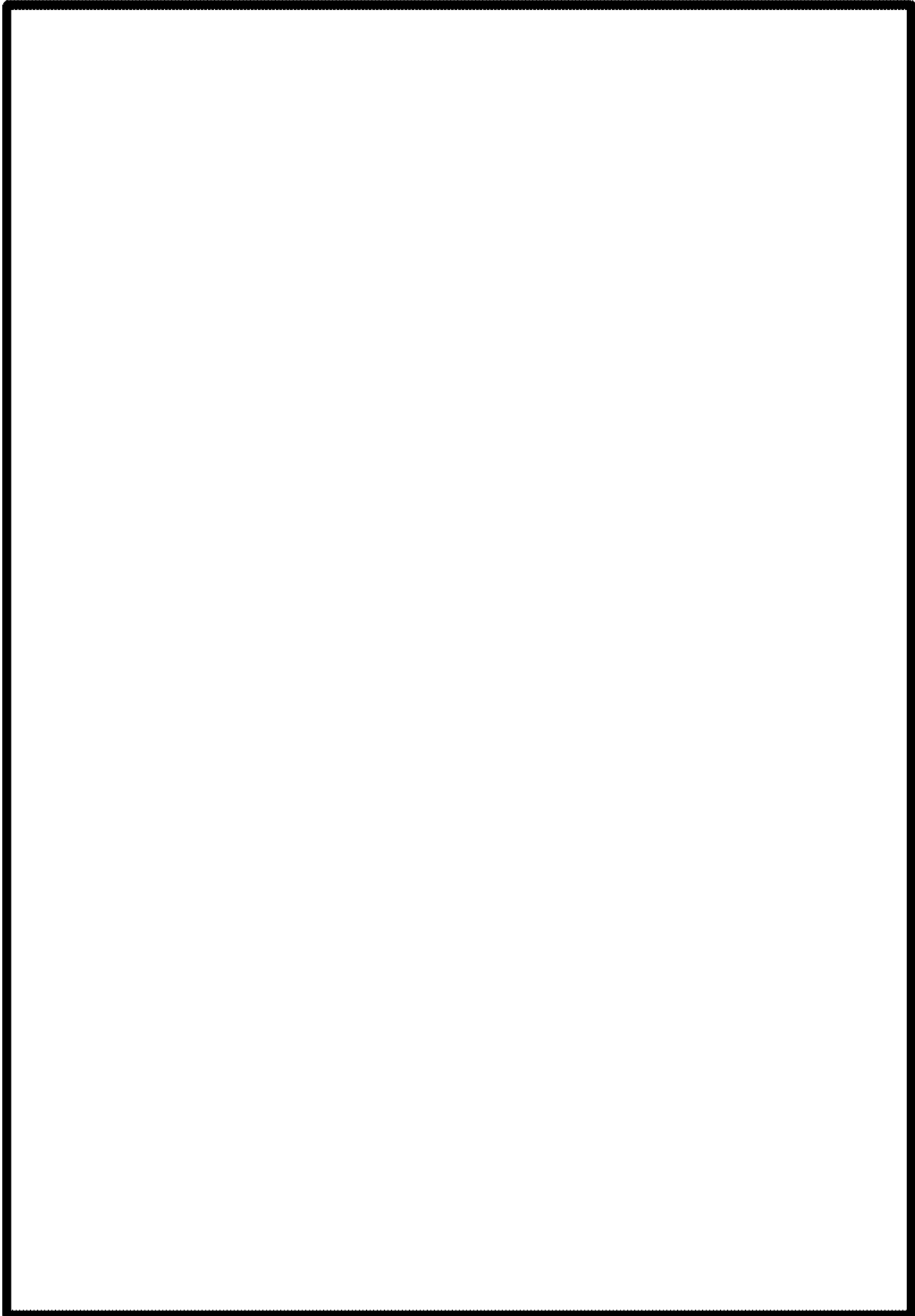


II. WHO MAY INVEST



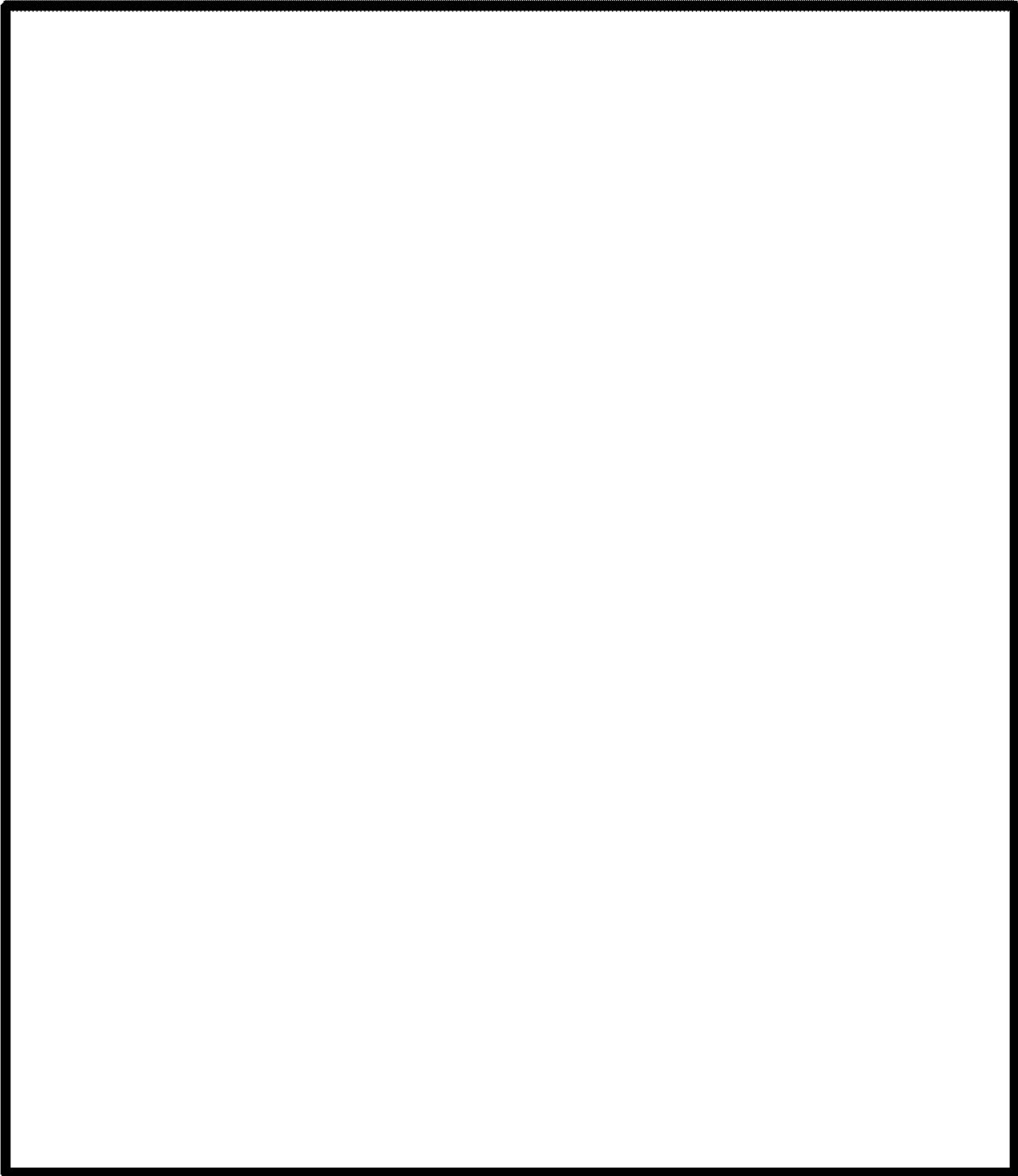


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III. INVESTMENT OBJECTIVES AND STRATEGY





IV. TERMS OF THE OFFERING

A. General



[Redacted]

B. Offering Termination Date

[Redacted]

C. Subscription Procedure

[Redacted]

D. Subscription Payment and Administration Fee

[Redacted]

[Redacted]

E. Minimum Investment Requirement

[Redacted]

F. Subscriber Funds

[Redacted]

G. Evidence of Source of Funds

[Redacted]



H. Acceptance



I. Conditions to Release of Funds



J. Revocation of Subscription



K. Immigration-Related Expenses.



V. THE COMPANY

A. Overview



APPRAISAL).



B. Summary of the Operating Agreement

1. General



2. Company's Operating Agreement

a. Purposes



b. Term

[Redacted]

c. Capital Contributions

[Redacted]

d. Tax Classification

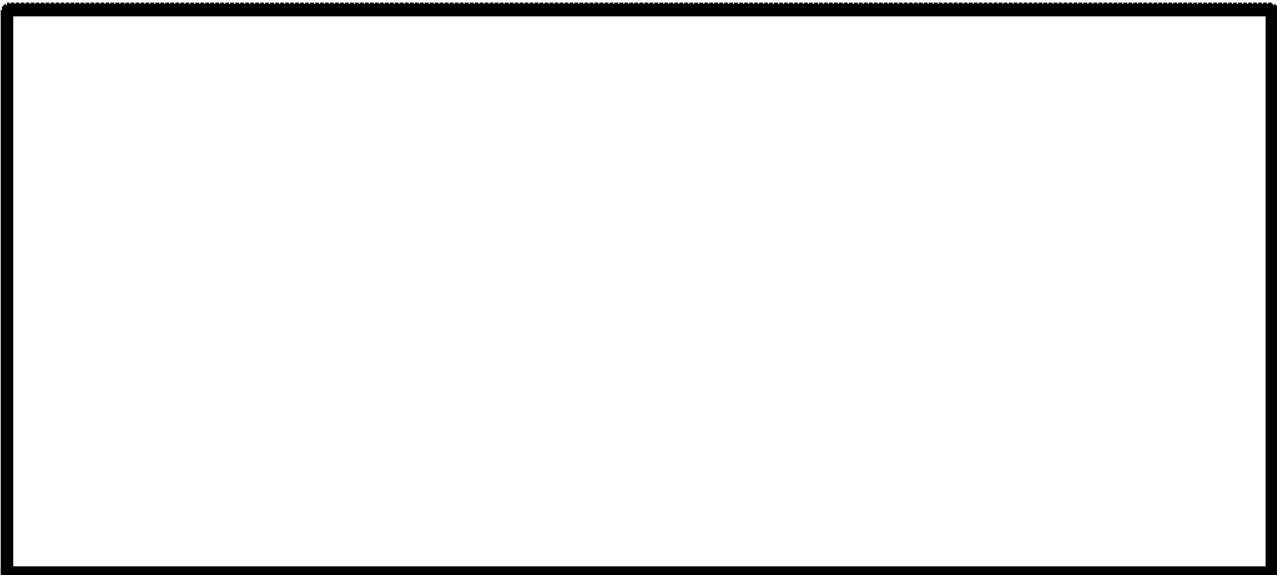
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e. Distributions and Allocations

[Redacted]



f. Management, Manager and Officers



g. Voting and Approval Rights of Members



h. Liabilities of Members and Manager





i. Transfer and Assignment of Membership Interest



j. Member Option





k. Company Option



l. Remuneration to Members, Manager and Officers

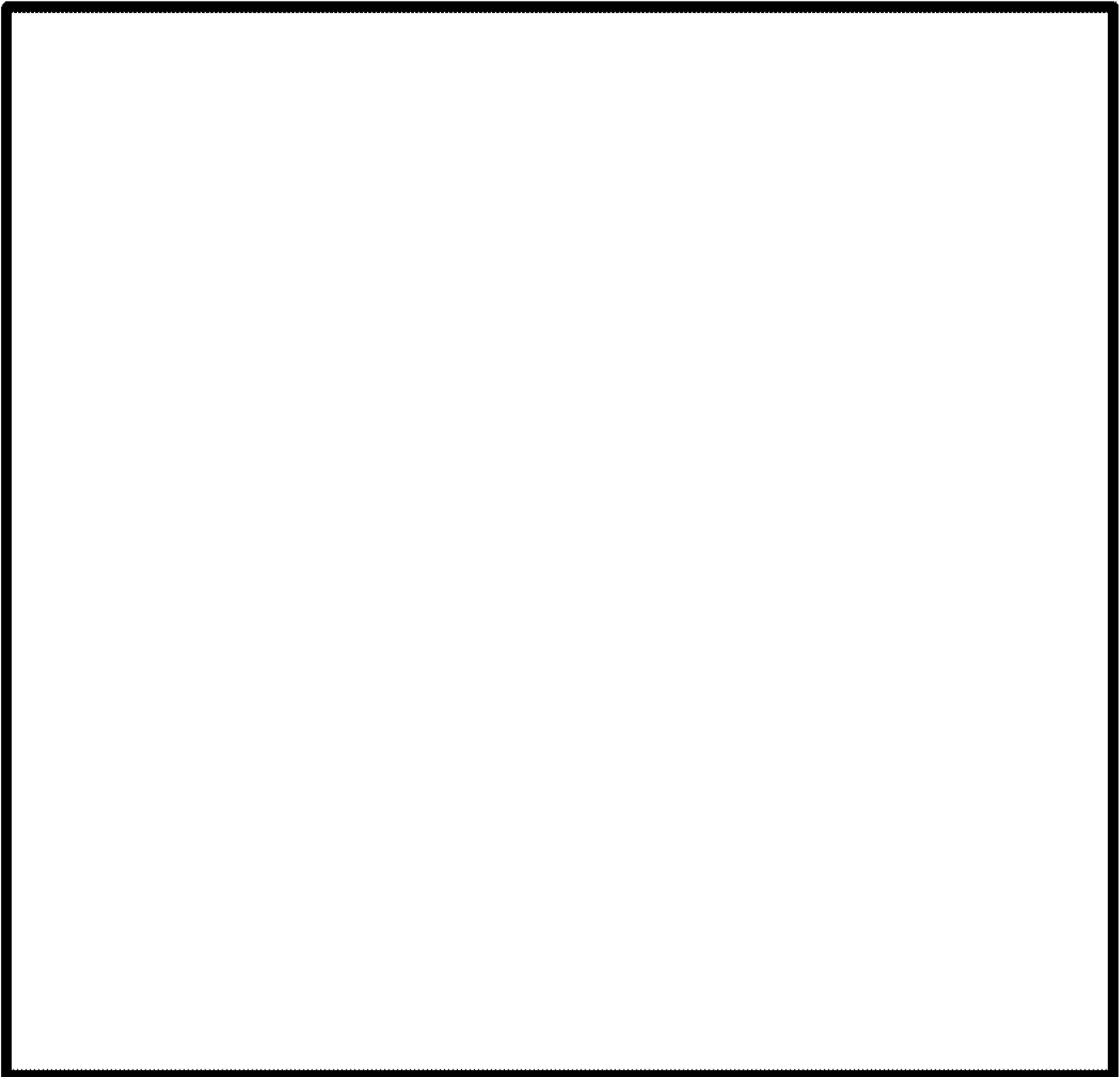




m. Competing Activities



n. Accounting and Reporting



p. Indemnification

3. Developer's Operating Agreement

a. Purposes

b. Term

c. Capital Contributions

[Redacted]

d. Tax Classification

[Redacted]

e. Distributions and Allocations

[Redacted]

f. Management, Manager and Officers

[Redacted]

g. Voting and Approval Rights of Members

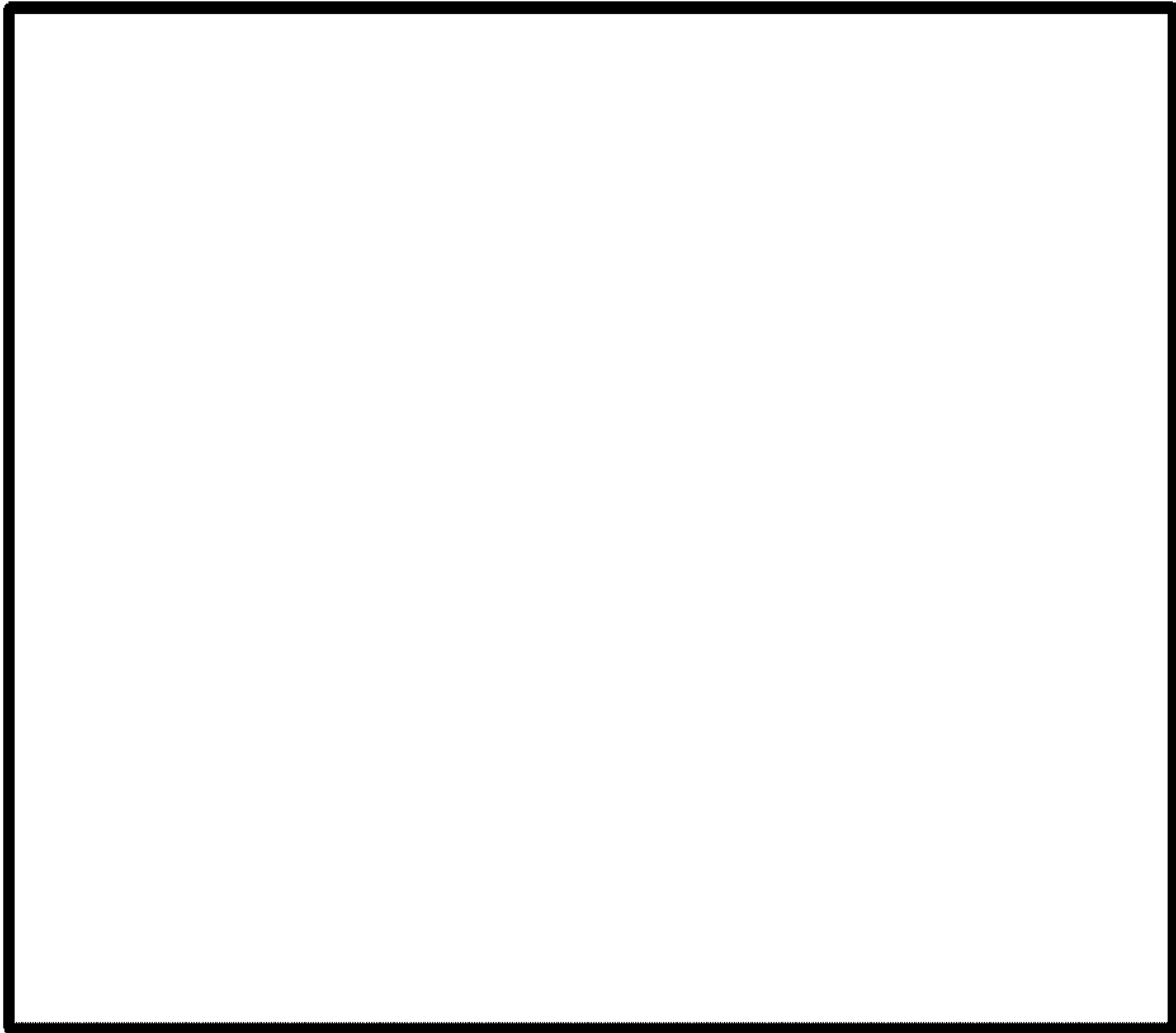
[Redacted]

h. Liabilities of Members and Manager

[Redacted]

i. Transfer and Assignment of Membership Interest

[Redacted]



j. Company Option Under Developer's Operating Agreement



k. Developer Option





l. Remuneration to Members, Manager and Officers



m. Competing Activities



n. Accounting and Reporting



[Redacted]

o. Dissolution and Winding Up

[Redacted]

p. Indemnification

[Redacted]

VI. THE PROPERTY AND THE PROJECT

A. Description of the Property

[Redacted]



B. Description of the Project

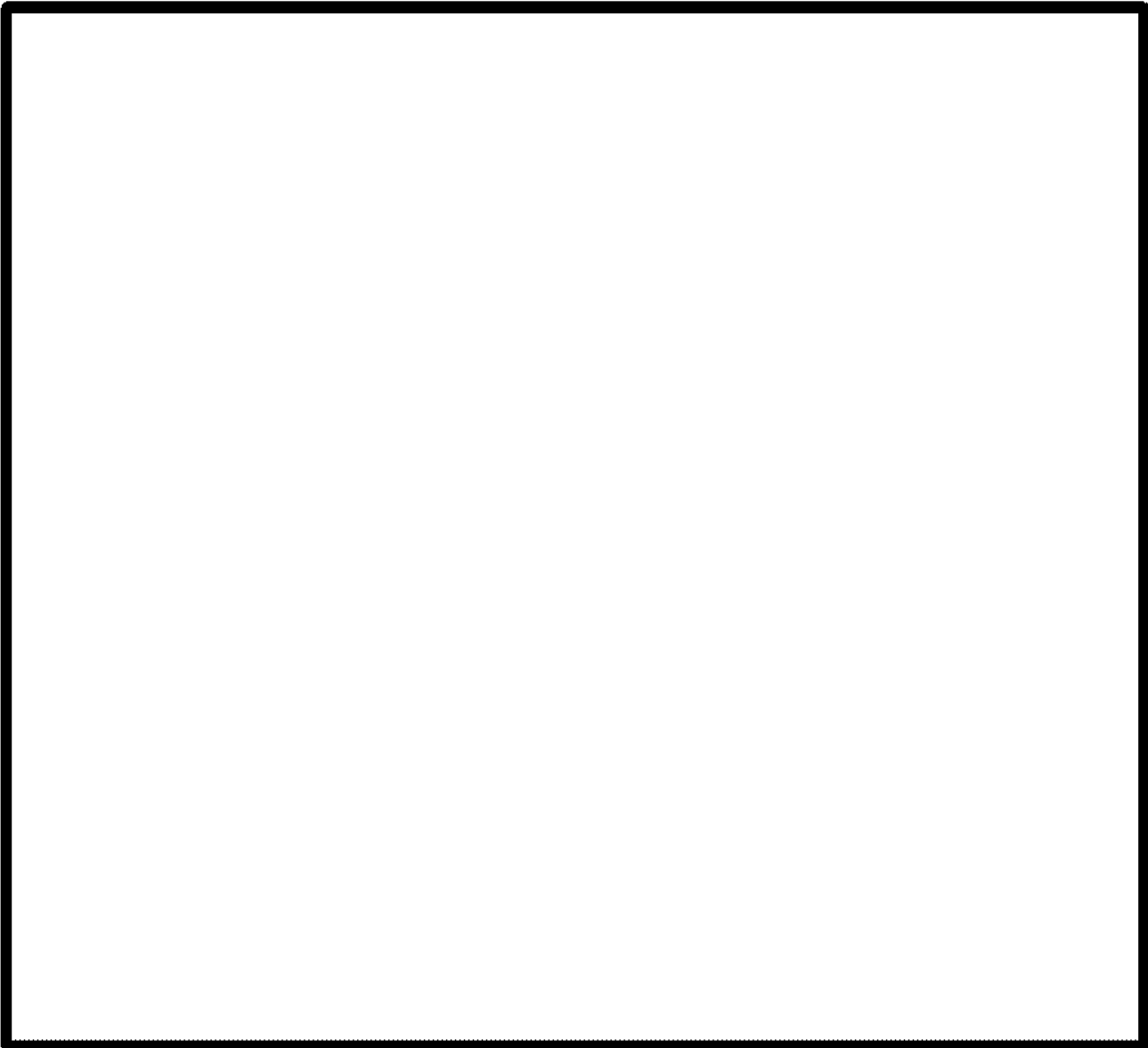


C. Zoning and Land Use





D. Development Agreement



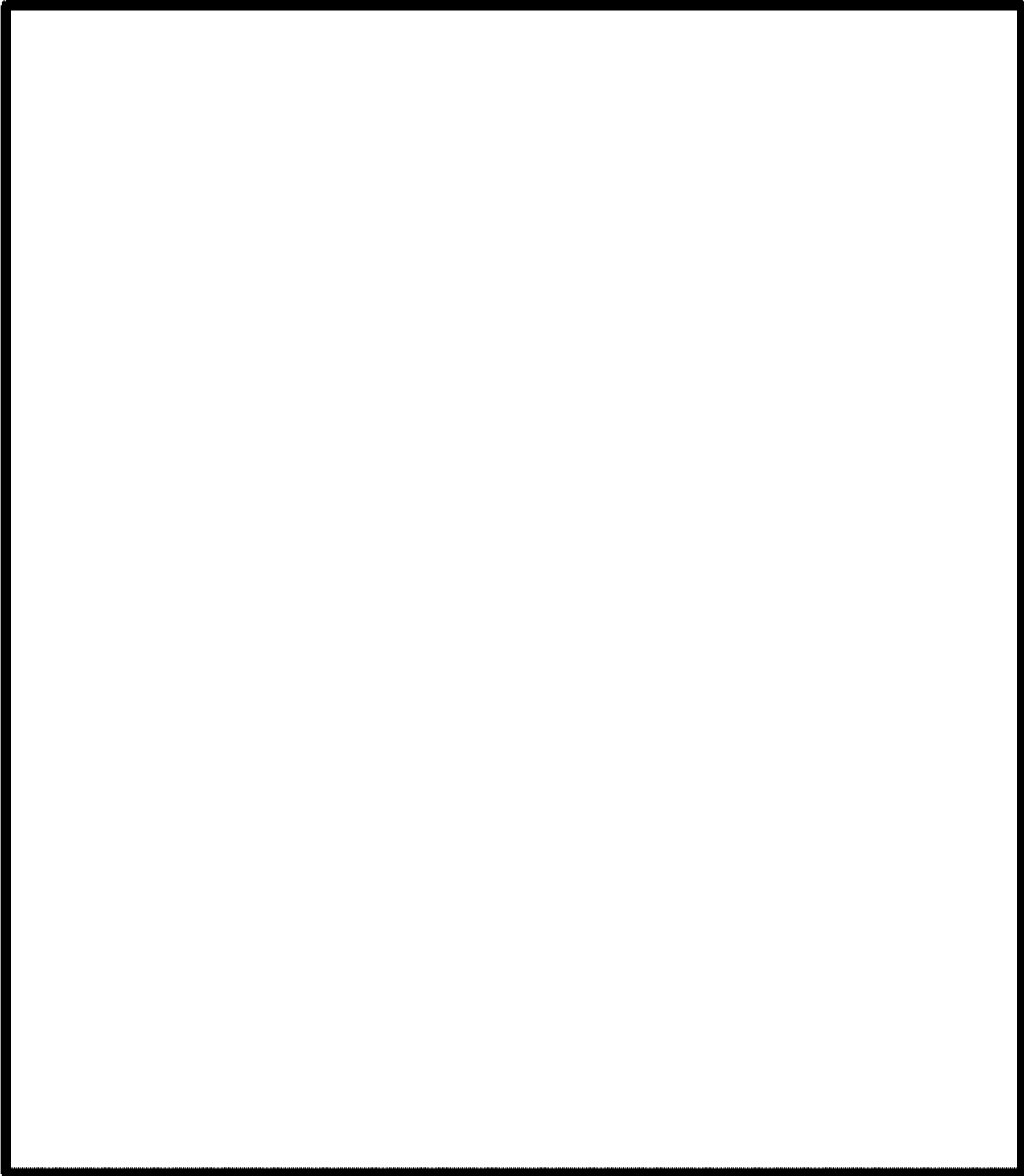


E. Environmental Condition



1. Ground Contamination





2. Underground Storage Tanks



[Redacted]

3. Asbestos and Lead-Based Paint

[Redacted]

4. Polychlorinated Biphenyls

[Redacted]

F. Fullerton Municipal Airport

[Redacted]

G. Geology and Soils

[Redacted]



H. Sale of Membership Interests in Company



I. Financing



J. Architectural Plans and Specifications



VII. MANAGER AND PLAZA MEXICO

A. Manager



In the late 1980s, the Chaes correctly predicted the demographic shift in Southern California and pursued developments in burgeoning Hispanic markets. The crowning

achievement of the Chaes' real estate careers has thus far been the Plaza Mexico shopping center, which faced the same challenge that the Company is facing with respect to the Property—i.e., incubating and creating a vibrant retail market. (See VII.B Plaza Mexico.) Plaza Mexico is a 450,000 square feet (41,807 square meters) lifestyle shopping center in Lynwood, California. The Chaes have created an environment where people can shop, eat and spend time with their family. The average visit for a visitor at Plaza Mexico is longer than for a visitor to a traditional retail mall.

Below is a partial list of real estate projects (in addition to the Project) that the Chae brothers have been and expect to be involved with over the next several years.

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B. Plaza Mexico

Plaza Mexico is located in Lynwood, California and is situated along two major commercial thoroughfares and the Century Freeway (I-105). With approximately 450,000 square feet (41,807 square meters) of retail space over 36 acres of land, Plaza Mexico is the only property of this magnitude that caters to the Hispanic community of Southern California. Currently, Plaza Mexico is occupied by tenants that include Food 4 Less, Rite Aid, La Curacao, Anna's Linens, Hometown Buffet, Chuck E. Cheeses, and a wide variety of restaurants and retailers of clothing, electronics, shoes, toys, jewelry, and furniture.

Despite being a retail power center, Plaza Mexico provides a familiar small town

shopping experience and has become the social epicenter for the City of Lynwood and its neighboring communities. Plaza Mexico's design has been key to creating the feel of a town square. Its architecture, fountains, lush landscaping, and open plazas draw shoppers and visitors into a Mexican cultural experience. Plaza Mexico's design reproduces the ambiance and rich culture of Mexican pueblos. The colonial architecture found in prominent urban centers such as Guadalajara and Mexico City has been incorporated into the design of the plazas, entrances, buildings and kiosks.

The Plaza Mexico concept began in 1988 when the Chaes purchased a 130,000 square foot (12,077 square meters) vacant Montgomery Ward department store building located at 3100 E. Imperial Highway in Lynwood, California. The Chaes had a vision of creating a shopping center that would combine the attributes of a traditional American shopping mall with those of an open marketplace that are common in many Latin and Asian countries. Upon acquisition of the former Montgomery Ward building, the Chaes invested over US\$2,000,000 in renovations and tenant improvements. A skylight was inserted in the middle of the building, which created an open-air feel to the center. Glass partitions were installed that divided and secured the units to be leased to various retailers. A food court was built on the second floor and a produce market and carniceria (meat market) were added on the ground floor. The idea was to create a multi-purpose shopping and cultural center for the community of Lynwood and the surrounding areas.

The Chaes' project, which they had named the Lynwood Marketplace, almost immediately began to take on a life of its own. There were a number of external factors, primarily demographic and social, that bolstered the momentum of the project. Demographically, Lynwood and its neighboring cities of South Gate, Downey, Paramount, Compton, etc. were experiencing a shift in the ethnicity base of the population. An area that was predominantly African-American was experiencing an increase in the Hispanic population.

As the economy started to boom in the mid-1990s, the Lynwood Marketplace was 100% occupied and had a waiting list of 200 to 300 tenants. In 1998, the Chaes purchased the Lynwood Towne Center, a grocery/drug store-anchored (Food 4 Less/Rite-Aid) shopping center close to the Lynwood Marketplace that fronted Long Beach Boulevard. The acquisition of this property bolstered the Chaes' vision of a retail town center experience. The Chaes also purchased and developed the land between the two centers and combined the properties (creating Plaza Mexico).

The Chaes shared their vision with the City of Lynwood and convinced the City Council that Plaza Mexico could serve as the premier retail project in the region as well as a cultural and social gathering point for the Southern California community. The Plaza Mexico concept won over not only the City Council but also the community. Plaza Mexico has since exceeded the expectations of all those involved and demonstrated itself to be a proven retail concept in Southern California.

In March 2007, in connection with a refinancing transaction, Plaza Mexico was appraised at approximately US [REDACTED]. The Company believes that a large component of Plaza Mexico's increase in value is attributable to the Chaes' real estate development and management expertise. Plaza Mexico is just one example of the Chaes' ability to find under-

(b)(4)

performing/distressed property and creating extraordinary value by developing the property in a manner that fits the community's demographics.

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VIII. SOURCES AND USES OF FUNDS

A. Proceeds from the Offering

B. Gap Financing

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[Redacted]

C. Construction Loan

[Redacted]

D. Additional Equity Offering

[Redacted]

IX. COMPENSATION AND FEES

[Redacted]

(b)(4)

X. CONFLICTS OF INTEREST

A. Relationship Between Manager and Developer

B. Allocation of Manager's Time

C. Company's Transactions with Related Parties

D. Developer's Transactions with Related Parties



E. Legal Counsel



XI. FIDUCIARY RESPONSIBILITY OF MANAGER



A. Exculpation



B. Indemnification



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XII. LEGAL PROCEEDINGS



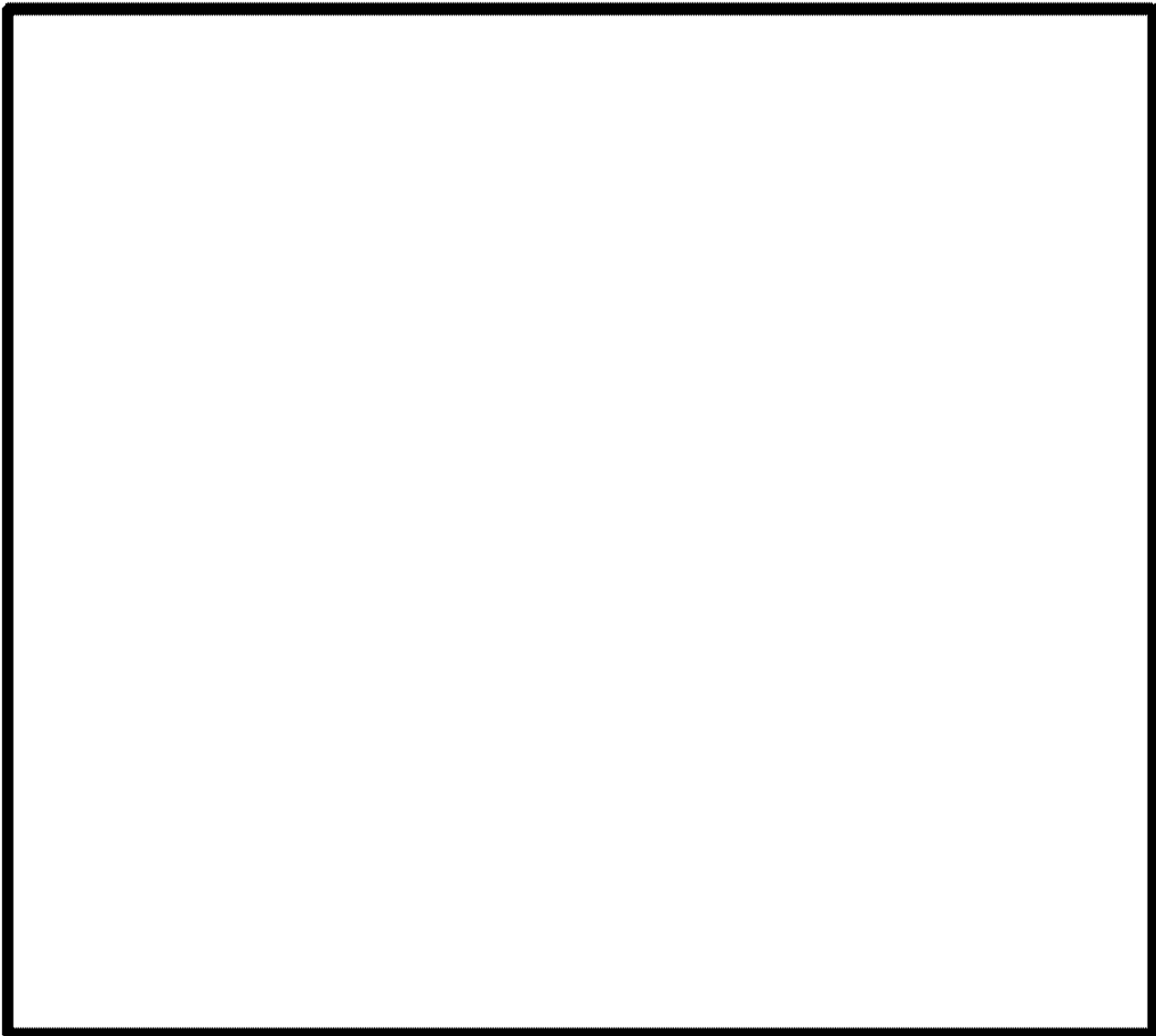
XIII. RISK FACTORS

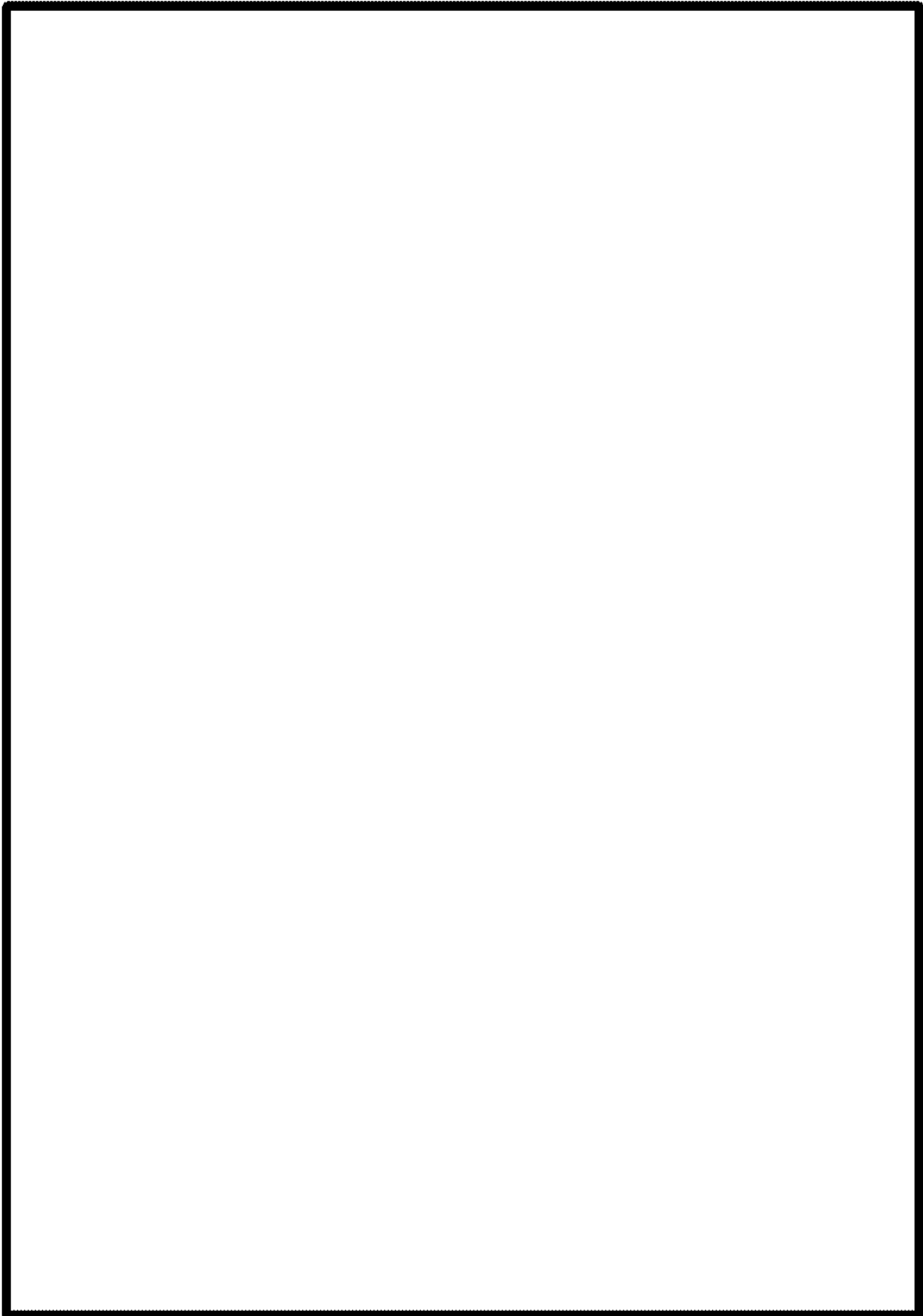


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A. General Risks Relating to the EB-5 Program







B. Risks Relating to the Pilot Program



C. Risks of Real Estate Investment Generally



D. Risks of Real Estate Development Generally



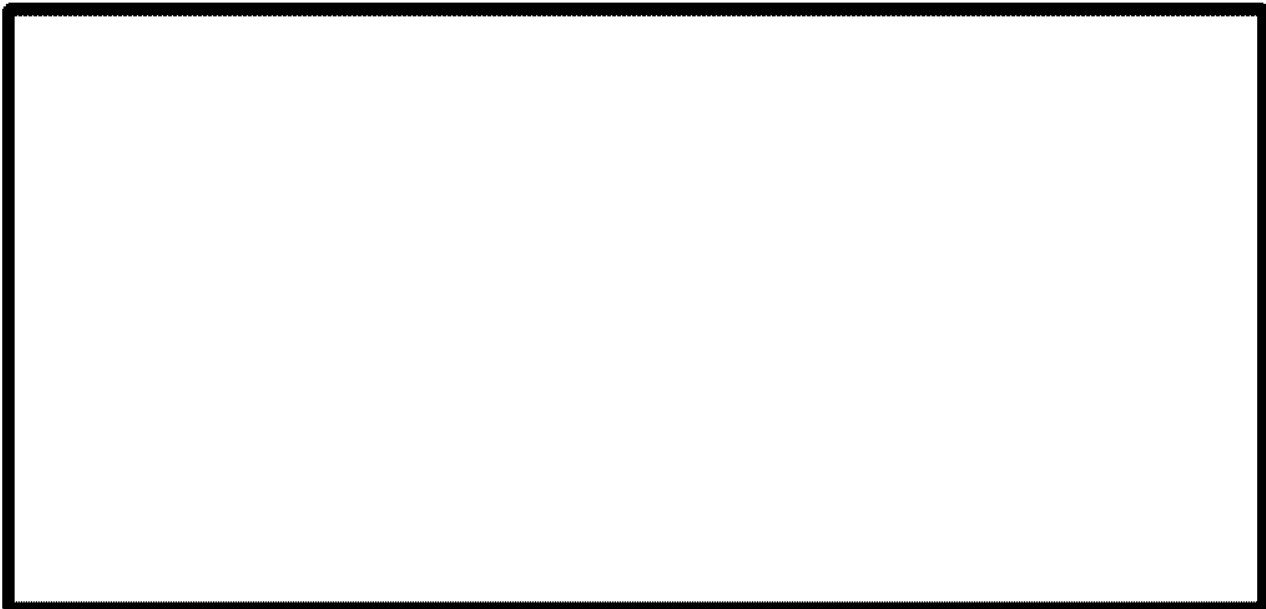
E. Risks Relating to the Viability and Marketability of the Property



F. Risks Relating to the Development Agreement

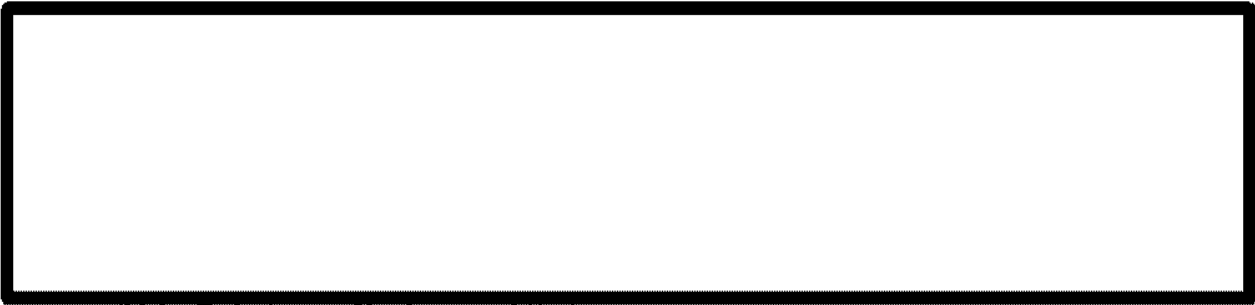


G. Risks Relating to Environmental Issues



H. Risks Relating to Fullerton Municipal Airport





I. Risks Relating to Geology and Soils



J. Risks Relating to Financing Generally





K. Risks Relating to Credit Crisis



L. Risks Associated with Leverage





M. Risk Relating to Economic Projections



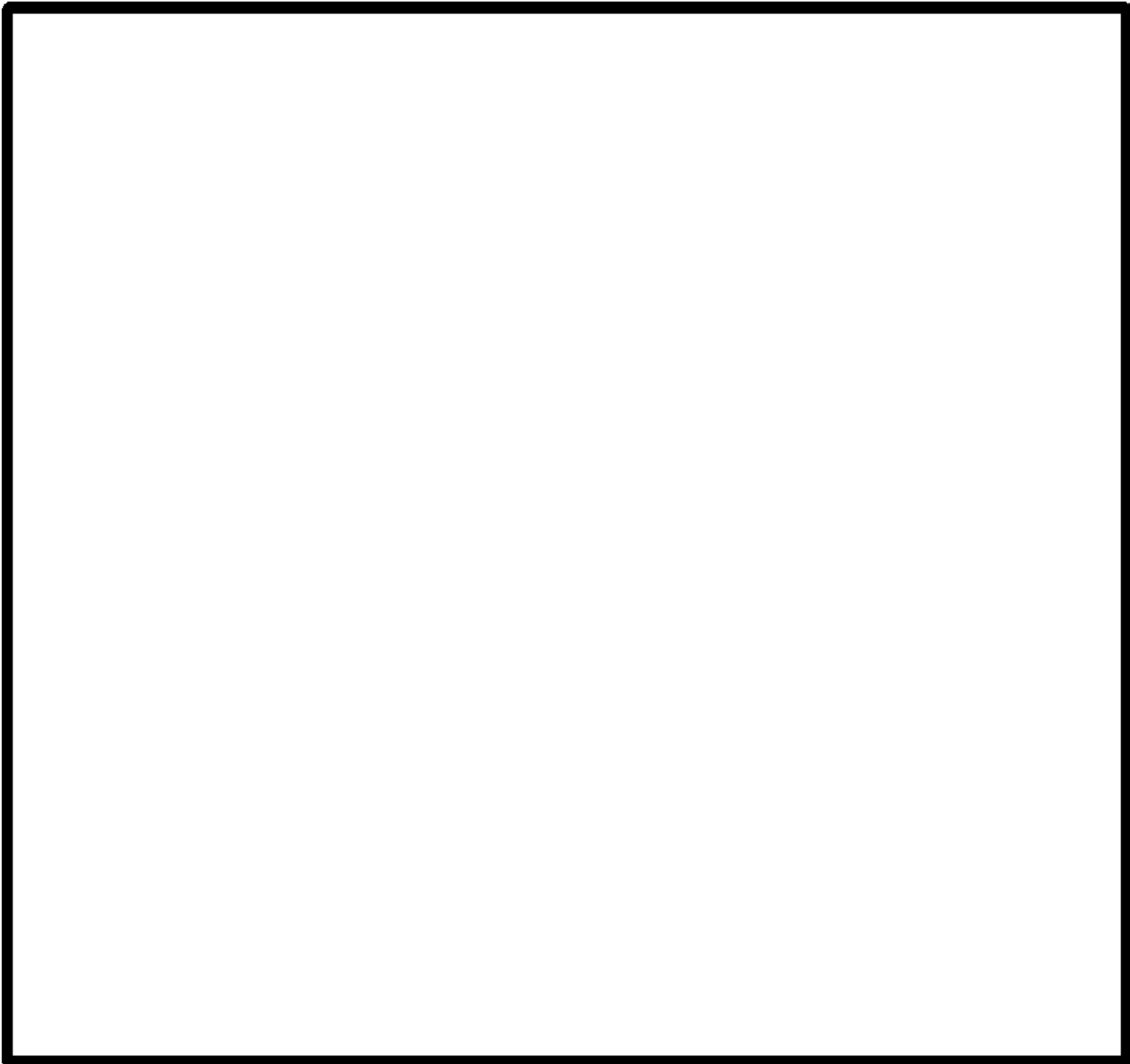


N. No Assurance of Distributions or Income/Net Profit



O. Risk of Relying on Management and the Performance by Others





P. Limited Capital Resources



Q. Limitations on Insurance



[Redacted]

R. Tax Risks

[Redacted]

S. Limited Transferability of the Class B Units

[Redacted]

[Redacted]

T. Conflicts of Interest

[Redacted]

U. No Diversification

[Redacted]

V. Limited Operating History

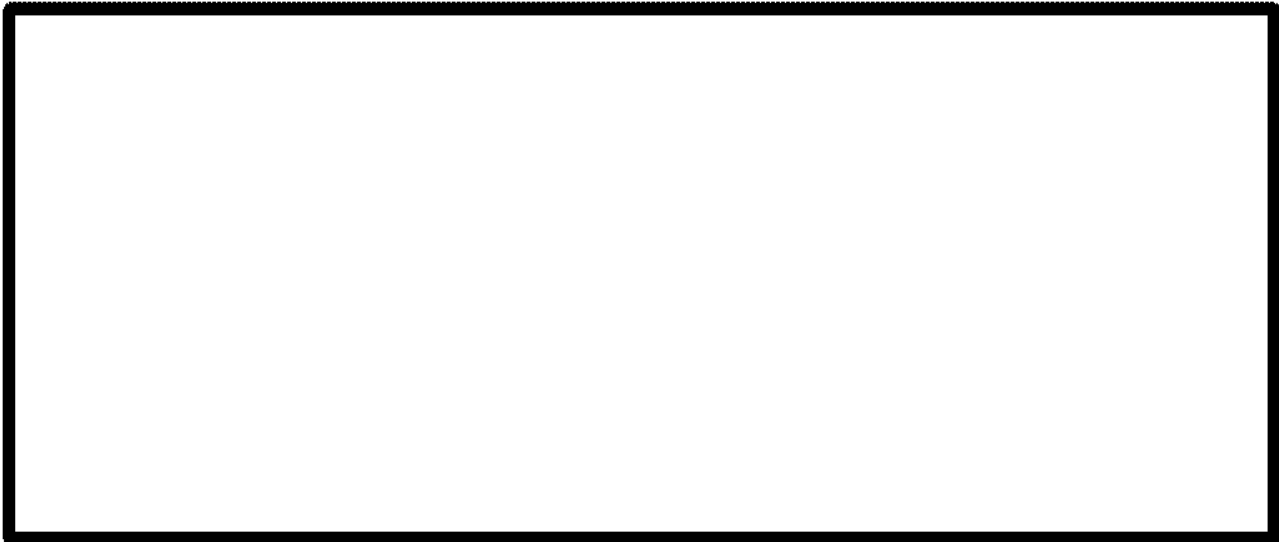
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W. Indemnification/Exculpation of Manager and Other Insiders

[Redacted]



X. Availability of Securities Law Exemption

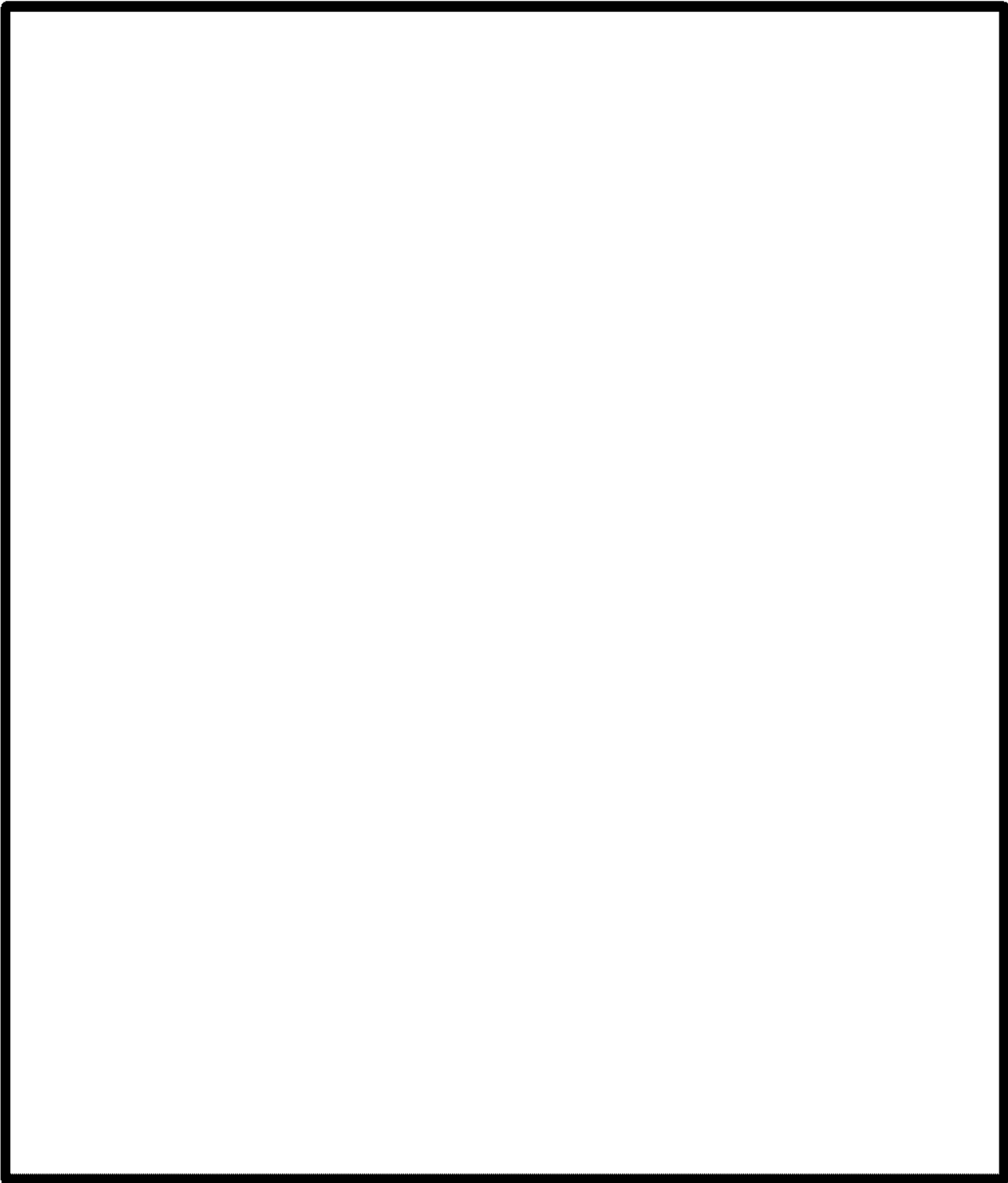


Y. Additional Risks



XIV. TAX CONSIDERATIONS





XV. PLAN OF DISTRIBUTION

A. Sale of the Class B Units

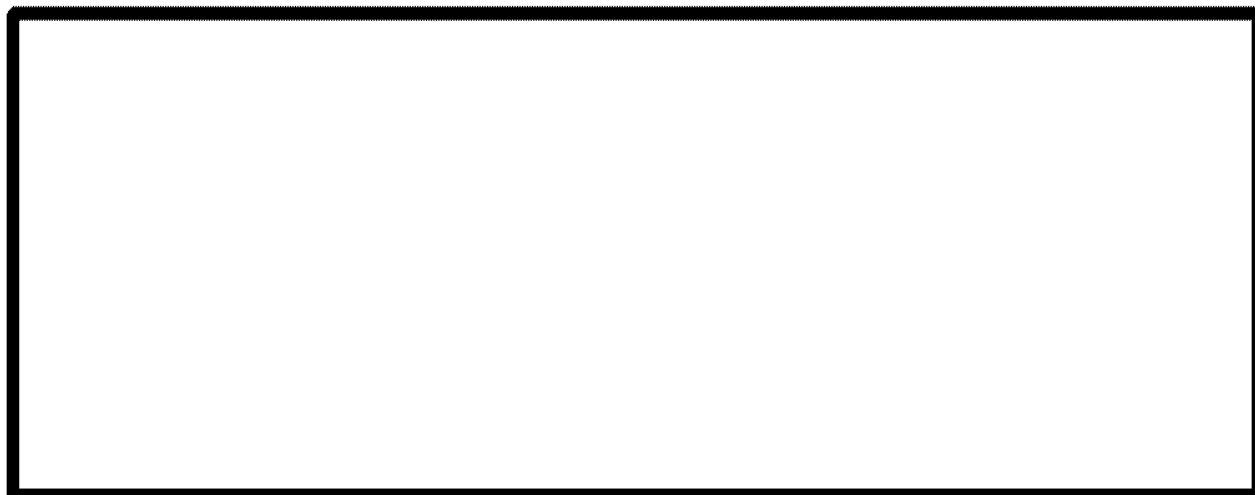




B. Escrow Arrangement



XVI. ADDITIONAL INFORMATION



Company):

- Appendix A: Notice of Preparation, Initial Study and NOP Comment letters
- Appendix B: Beach and Orangethorpe Mixed-Use Specific Plan
- Appendix C: Photometric Analysis
- Appendix D: Air Quality Analysis
- Appendix E: Archaeological and Paleontological Resources Assessment
- Appendix F: Geotechnical Feasibility Assessment
- Appendix G: Hazards and Hazardous Materials Reports
- Appendix H: Hydrology and Water Quality Reports
- Appendix I: Noise Analysis
- Appendix J: Traffic Analysis
- Appendix K: Utilities and Service Systems Reports

4. July 8, 2009 Letter from the Business, Transportation and Housing Agency of California to the U.S. Citizenship and Immigration Services certifying that Census Tract 1105 is a high unemployment area.

_____, 2009
Lynwood, California

EXHIBIT A
SUBSCRIPTION AGREEMENT

EXHIBIT B
OPERATING AGREEMENT - COMPANY

EXHIBIT C
ESCROW AGREEMENT

EXHIBIT D
IRS FORM W-9

EXHIBIT E
AMENDED AND RESTATED OPERATING AGREEMENT -- DEVELOPER

EXHIBIT F
APPRAISAL

EXHIBIT G
LAND ACQUISITION MAP

EXHIBIT H
ARCHITECTURAL RENDERINGS

DMC Investment Holdings, LLC

3100 E. Imperial Highway
Lynwood, CA 90262
Office: (310) 631-6789 Fax: (310) 631-1645

August 25, 2009

U.S. Citizenship and Immigration Service
California Service Center
ATTN: EB5 RC Proposal
24000 Avila Road, 2nd Floor
Laguna Niguel, CA 92677

Re: M&D Regional Center, LLC – Request for Designation as EB-5 Regional Center
(b)(4)

To whom it may concern:



Sincerely,

DMC Investment Holdings, LLC



Donald Chae
Manager

M&O Regional Center, LLC
Pro Forma Income Statement and Budget
August __, 2009

(b)(4)

DRAFT OF 8/18/09

To Date	2009					2010								
	August	September	October	November	December	January	February	March	April	May	June	July	August	September

MAD Regional Center, LLC
Pro Forma Income Statement and Budget¹
August __, 2009

(b)(4)

<u>October</u>	<u>November</u>	<u>December</u>	2011							<u>Total</u>	
			<u>January</u>	<u>February</u>	<u>March</u>	<u>April</u>	<u>May</u>	<u>June</u>	<u>July</u>	<u>August</u>	



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M&D Regional Center, LLC
Pro Forma Cash Flow¹
August __, 2009

(b)(4)

DRAFT OF 8/18/09

To Date	2009					2010								
	August	September	October	November	December	January	February	March	April	May	June	July	August	Year

(b)(4)

M&D Regional Center, LLC
Pro Forma Cash Flow
August __, 2009

DRAFT OF 8/18/09

August	September	October	November	December	2011					August	TOTAL	
					January	February	March	April	May	June	July	

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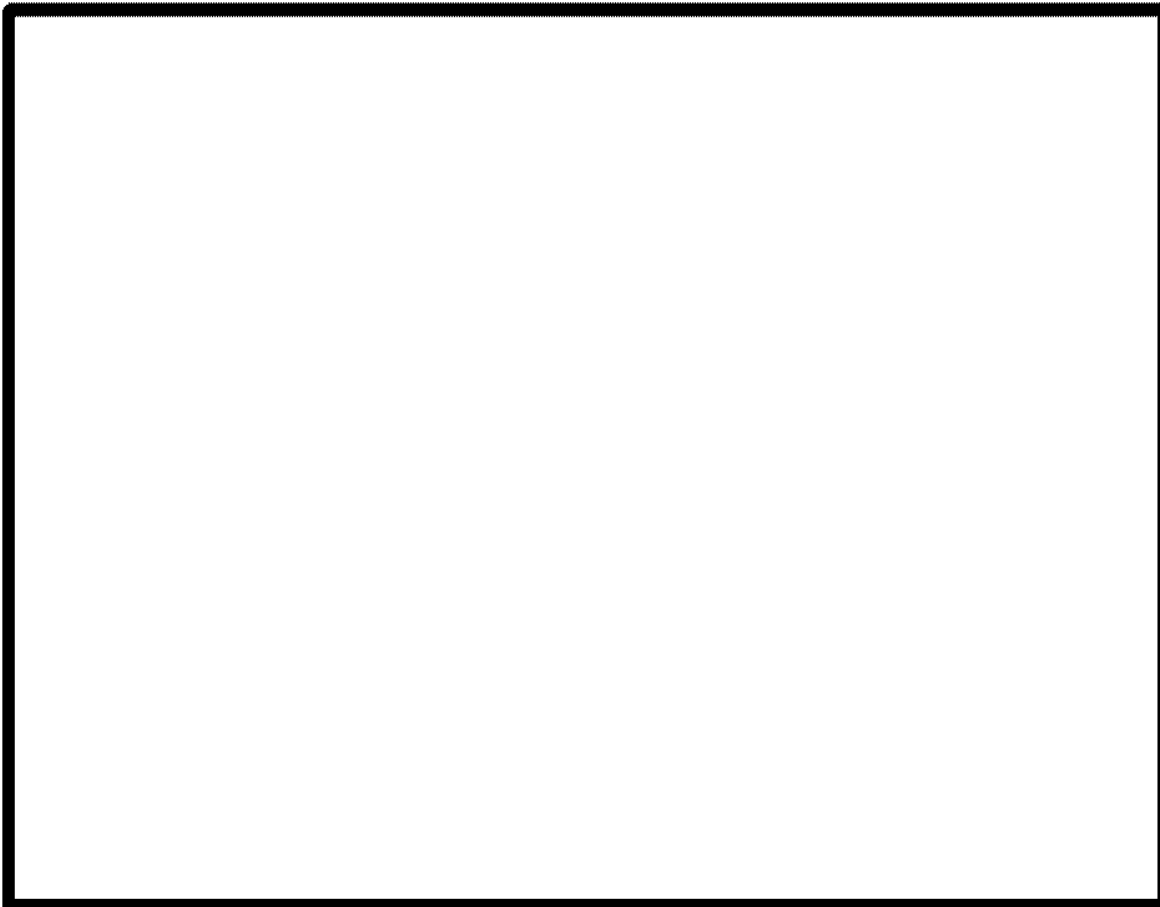
**M&D Regional Center, LLC
Administration and Operational Guidelines**

Objective

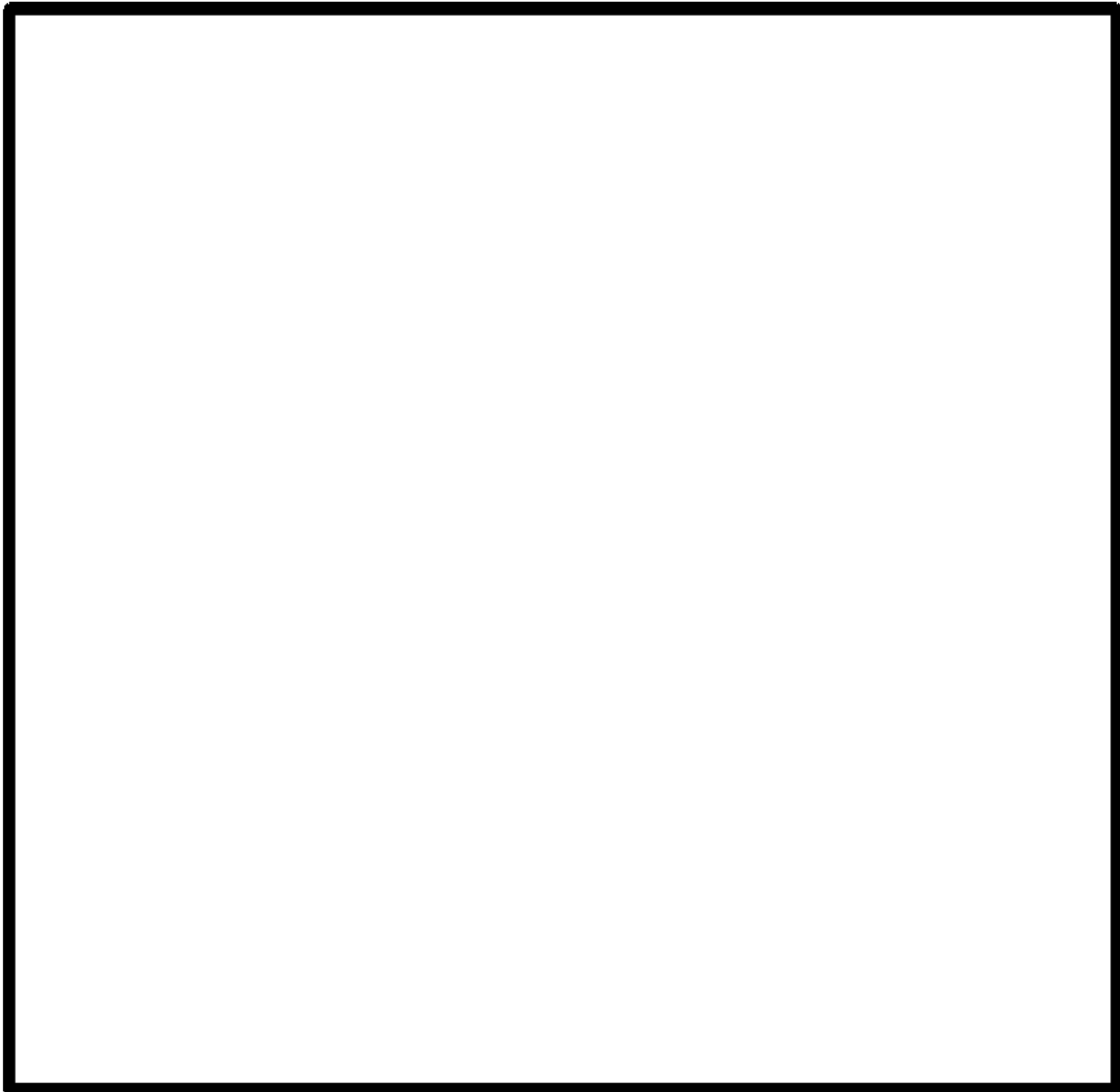
The M&D Regional Center, LLC is being formed as a USCIS designated Regional Center and viable business entity to:



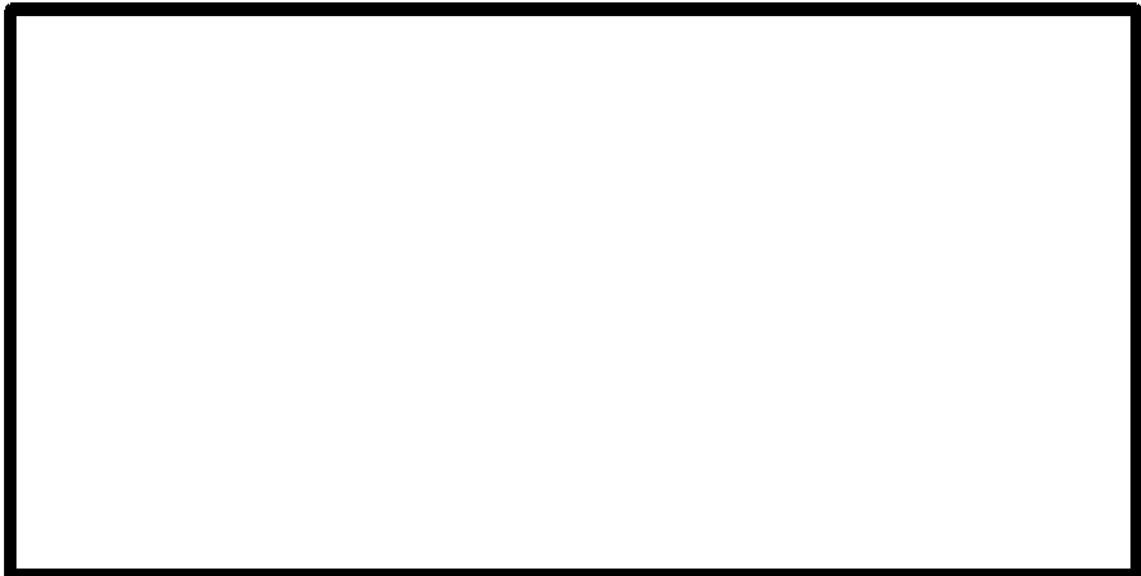
Administration, Oversight, and Management



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Additionally, the M&D Regional Center, LLC will engage in the following routine activities:





Recruitment



Verification of "Accredited Investor" Status and Lawful Source of Funds



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Staffing

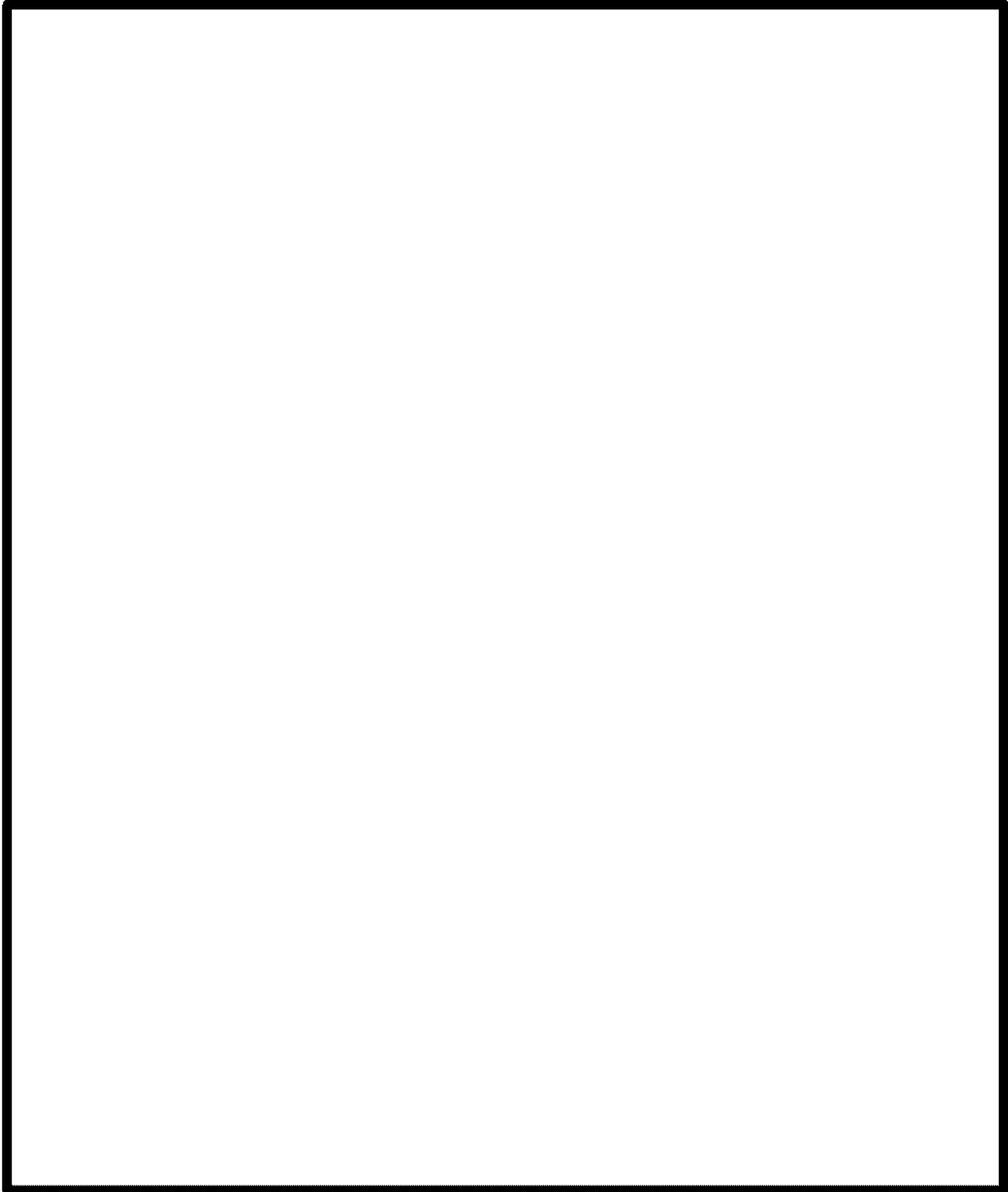


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M&D REGIONAL CENTER, LLC

CONFIDENTIAL INVESTOR SUITABILITY QUESTIONNAIRE



GENERAL INSTRUCTIONS

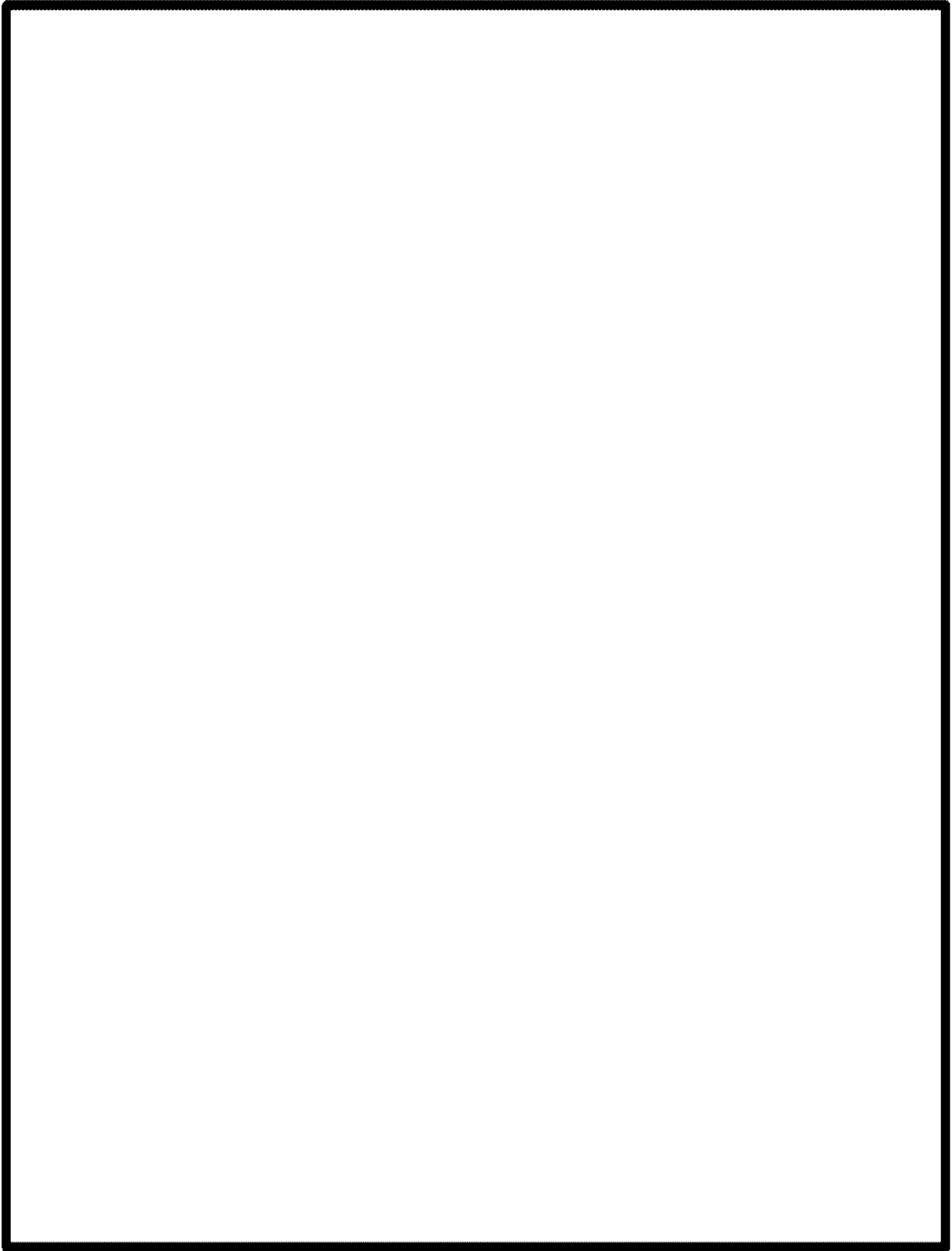
In completing each of the Sections of this Questionnaire, please provide as much detail as possible. Please provide the information for your spouse, if any. In responding to any of the requested information, please print legibly or type any responses and attach additional information on separate sheets if necessary.

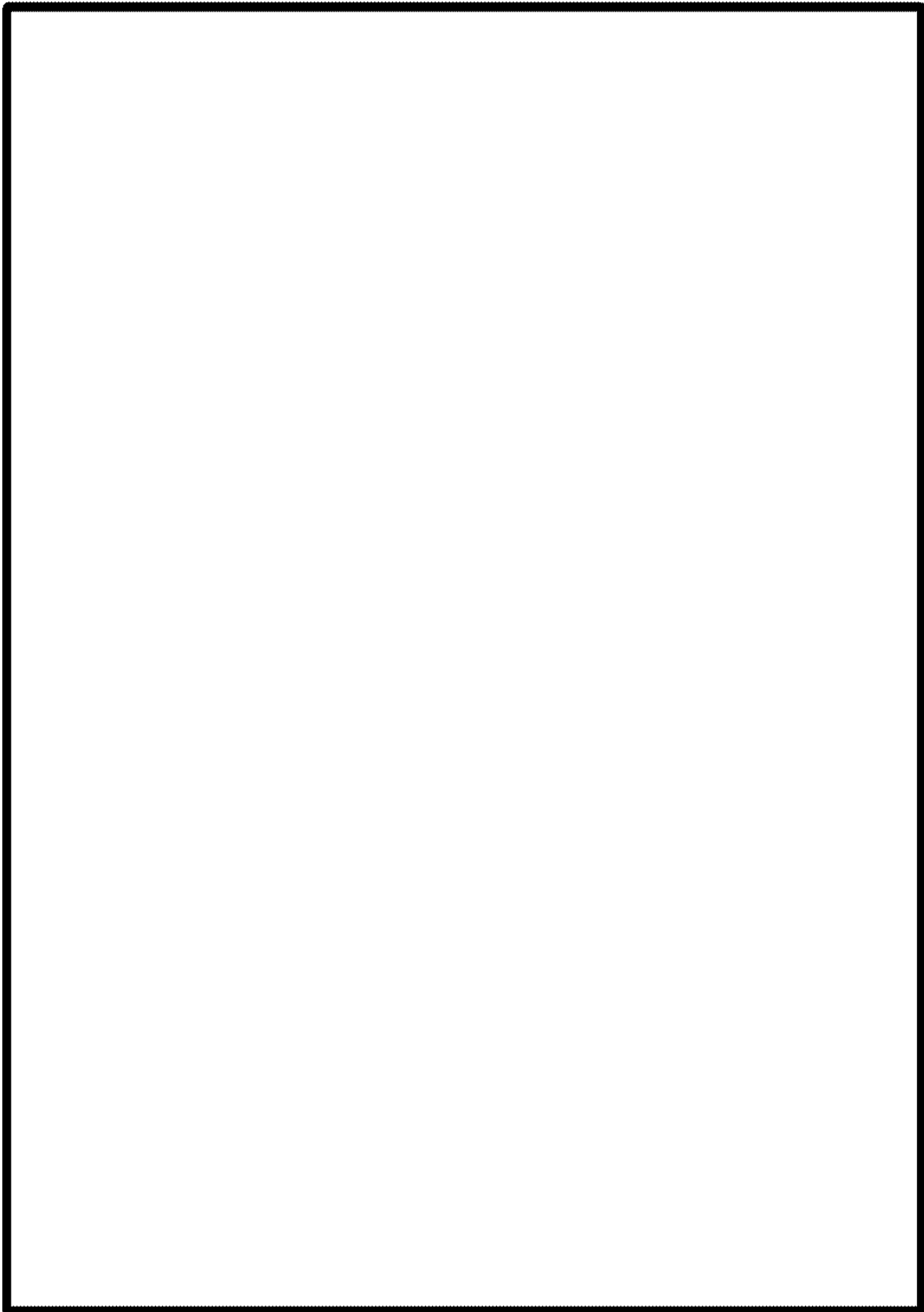
SECTION ONE

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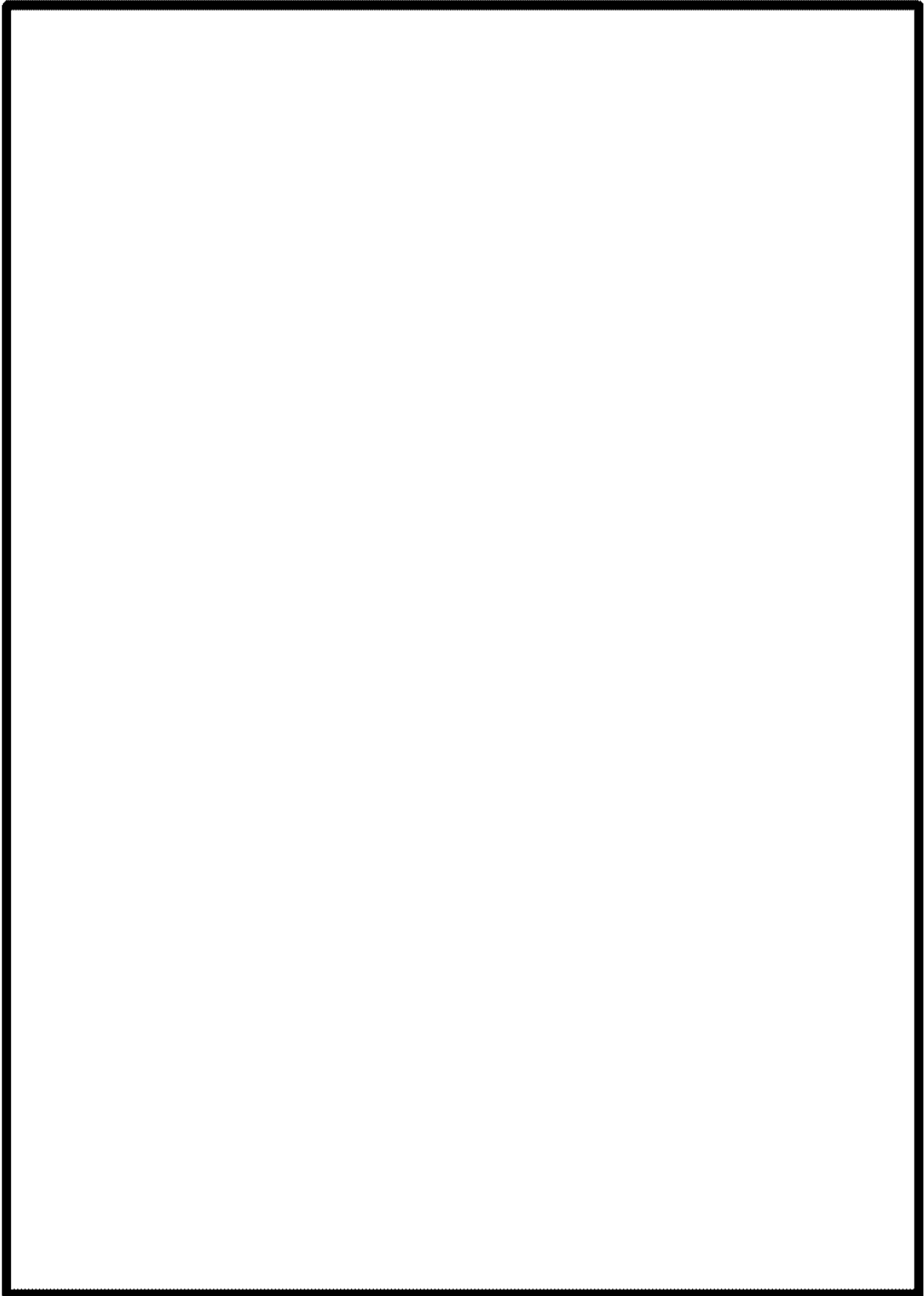
INVESTOR INFORMATION

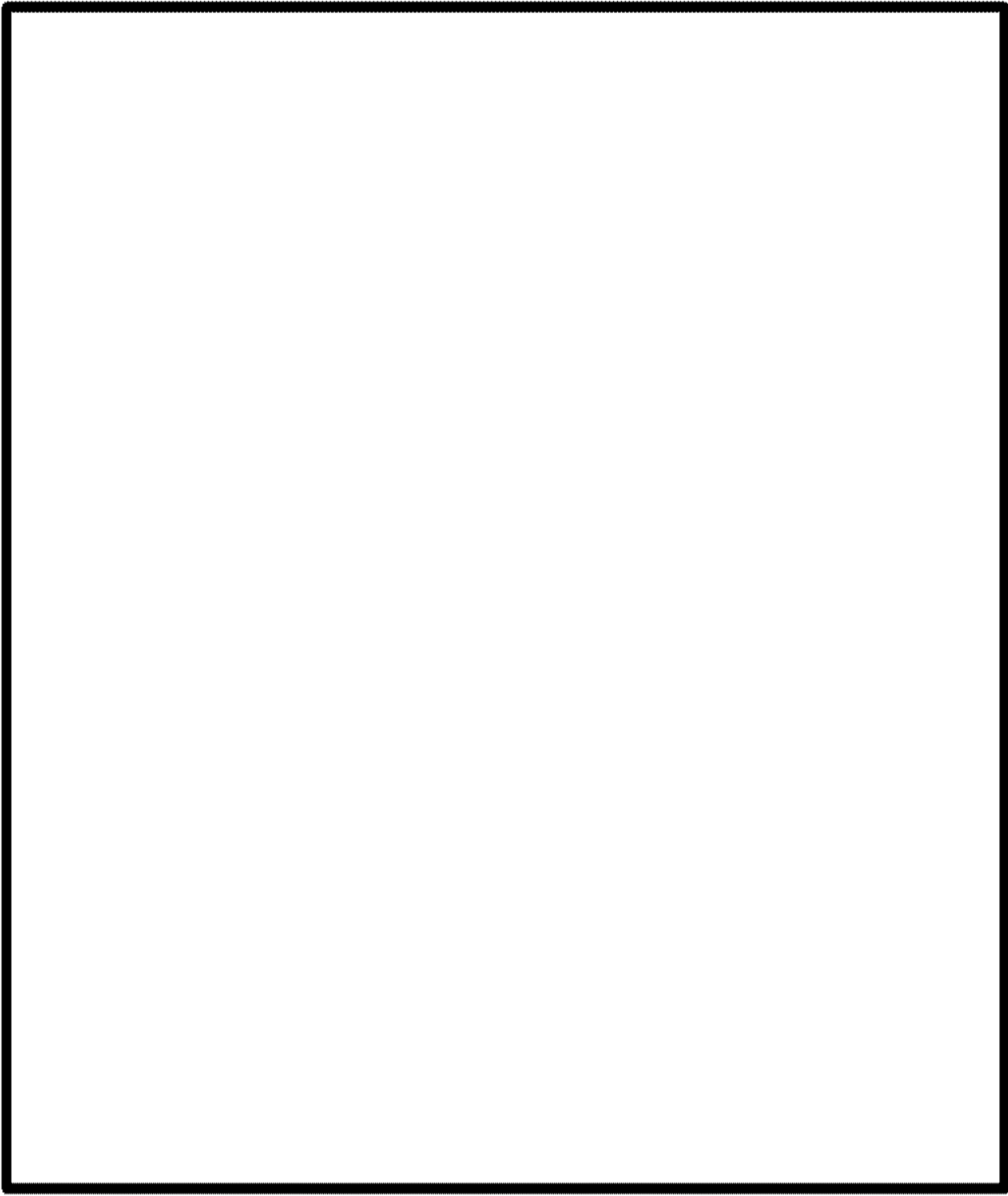


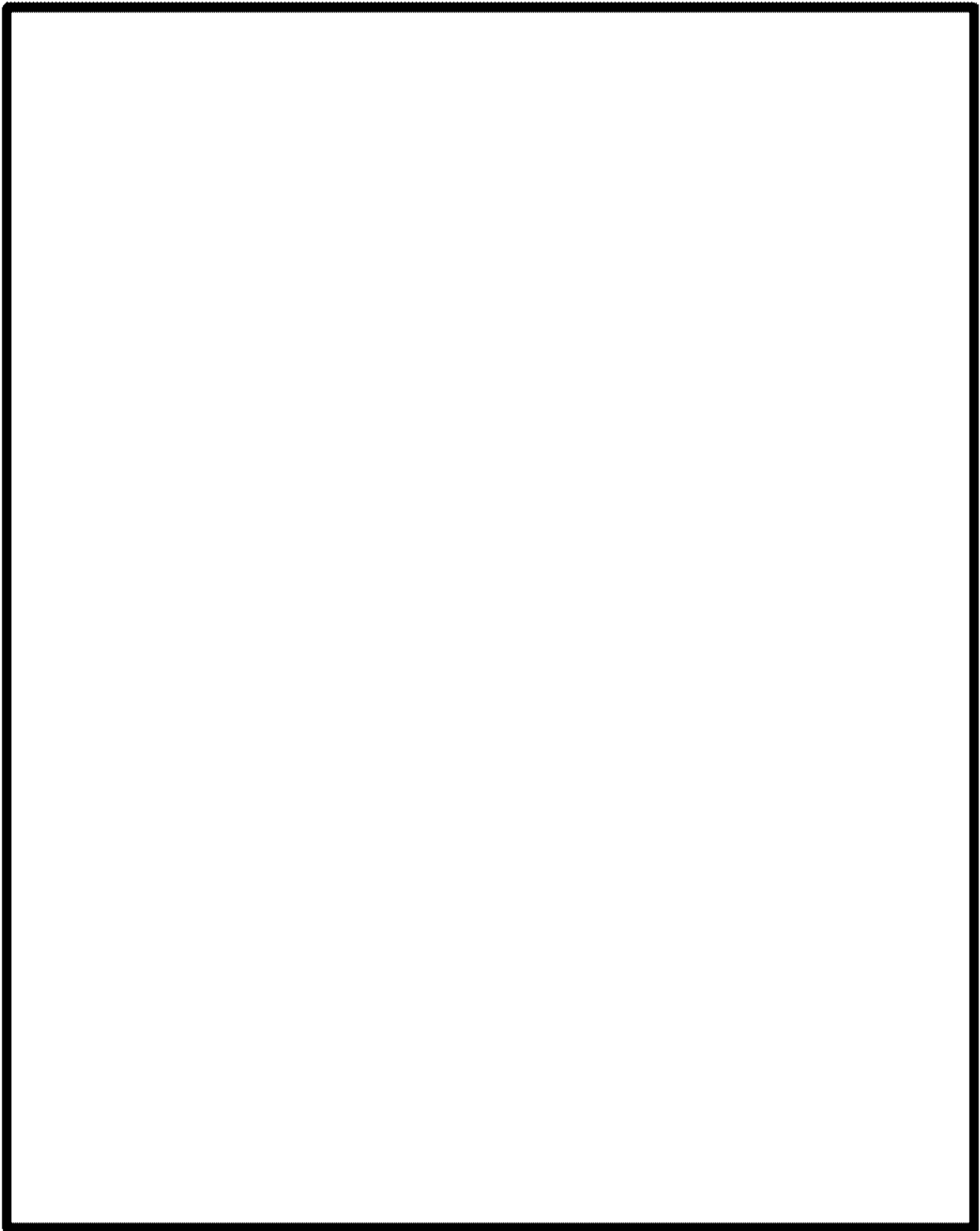




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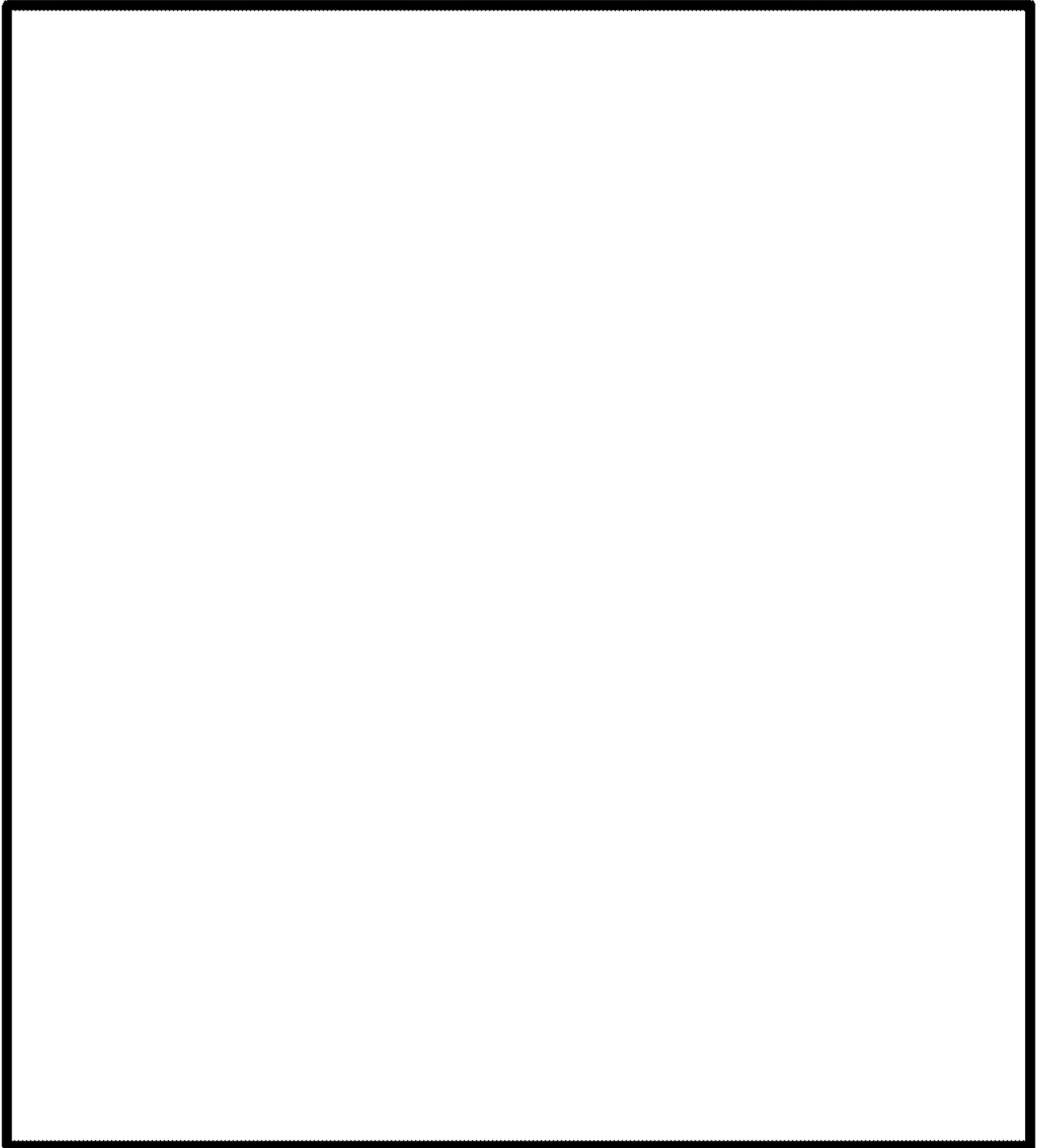
SECTION TWO
ACCREDITED INVESTOR



SECTION THREE

(b)(4)

REPRESENTATIONS AND WARRANTIES



IN WITNESS WHEREOF, the undersigned has initialed the foregoing statements and executed this Questionnaire on _____, 2009.

INVESTOR

SIGNATURE

PRINT NAME

SPOUSE

SIGNATURE

PRINT NAME

Regional Center Business Plan

M&D Regional Center, LLC

August 2009

3100 E. Imperial Hwy.
Lynwood, CA 90262

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6.2	Source of Capital and Income.....	9
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1. Executive Summary

This Business Plan constitutes one of many pieces of information being submitted to the U.S. Citizenship and Immigration Services ("USCIS") in support of the application of M&D Regional Center, LLC ("M&D Regional Center") for regional center designation.

1.1 Objectives

1.2 Keys to Success

1.3 Organization

1.4 Implementation Strategy

1.5 Management Summary

[Redacted]

1.6 Financial Information

[Redacted]

2. Organization

[Redacted]

Min Chae, age 53, and Donald Chae, age 51, each have more than 20 years of experience in real estate investment, development, and management. The Chaes' specialty is creating vibrant and thriving retail centers at previously under-performing locations, particularly in ethnically diverse areas. Such success is attributable to the Chaes' ability to make its centers an integral part of the surrounding local community, while providing a unique environment that attracts visitors from throughout the world.

The crowning achievement of the Chae's real estate career has thus far been the Plaza Mexico shopping center (www.plazamexico.com). Plaza Mexico is located in Lynwood, California and is situated along two major commercial thoroughfares and the Century Freeway (I-105). With approximately 450,000 square feet of retail space over 36 acres of land, Plaza Mexico is the only property of this magnitude that caters to the Hispanic community of Southern California. Currently, Plaza Mexico is occupied by tenants that include Food 4 Less, Rite Aid, La Curacao, Anna's Linens, Hometown Buffet, Chuck E. Cheese's, and a wide variety of restaurants and clothing, electronics, shoes, toys, jewelry, and furniture stores.

[Redacted]

3. Market Analysis

3.1 Changing Demographics

[Redacted]

(b)(4)

3.2 Mixed-Use Projects

Mixed-use projects have become increasingly popular in urban areas. Mixed-use projects are viewed as an important solution to improving and revitalizing urban areas that are dead during nonworking hours through the introduction of new residential, transient, and/or recreational activities. In addition, mixed-use projects are considered a means to relieve the congestion of heavily urbanized areas such as Los Angeles and Orange Counties. As a result, they are highly encouraged by local governments and often qualify for higher density bonuses. For suburban areas, mixed-use projects are viewed as a means for creating a point of attraction by creating a central gathering place and entertainment center for workers, shoppers, residents, and visitors alike.

4. Implementation Strategy

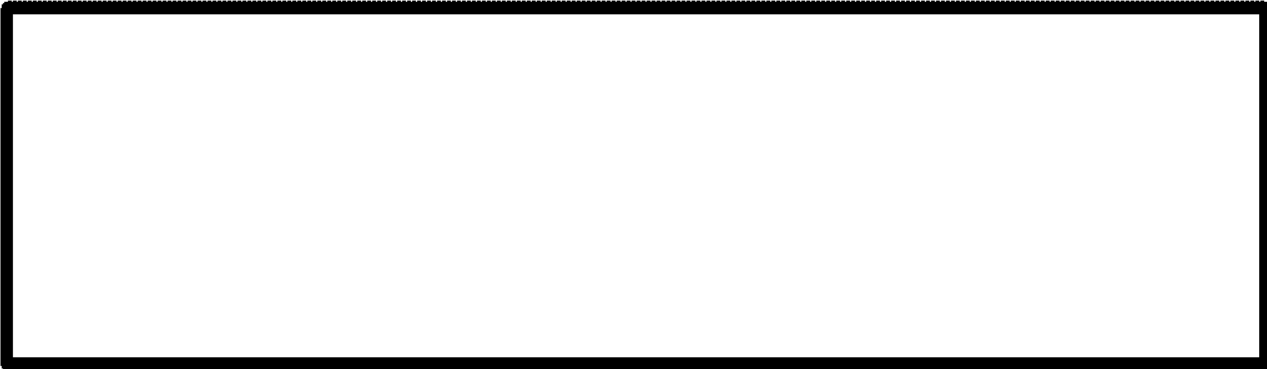


4.1 Competitive Edge



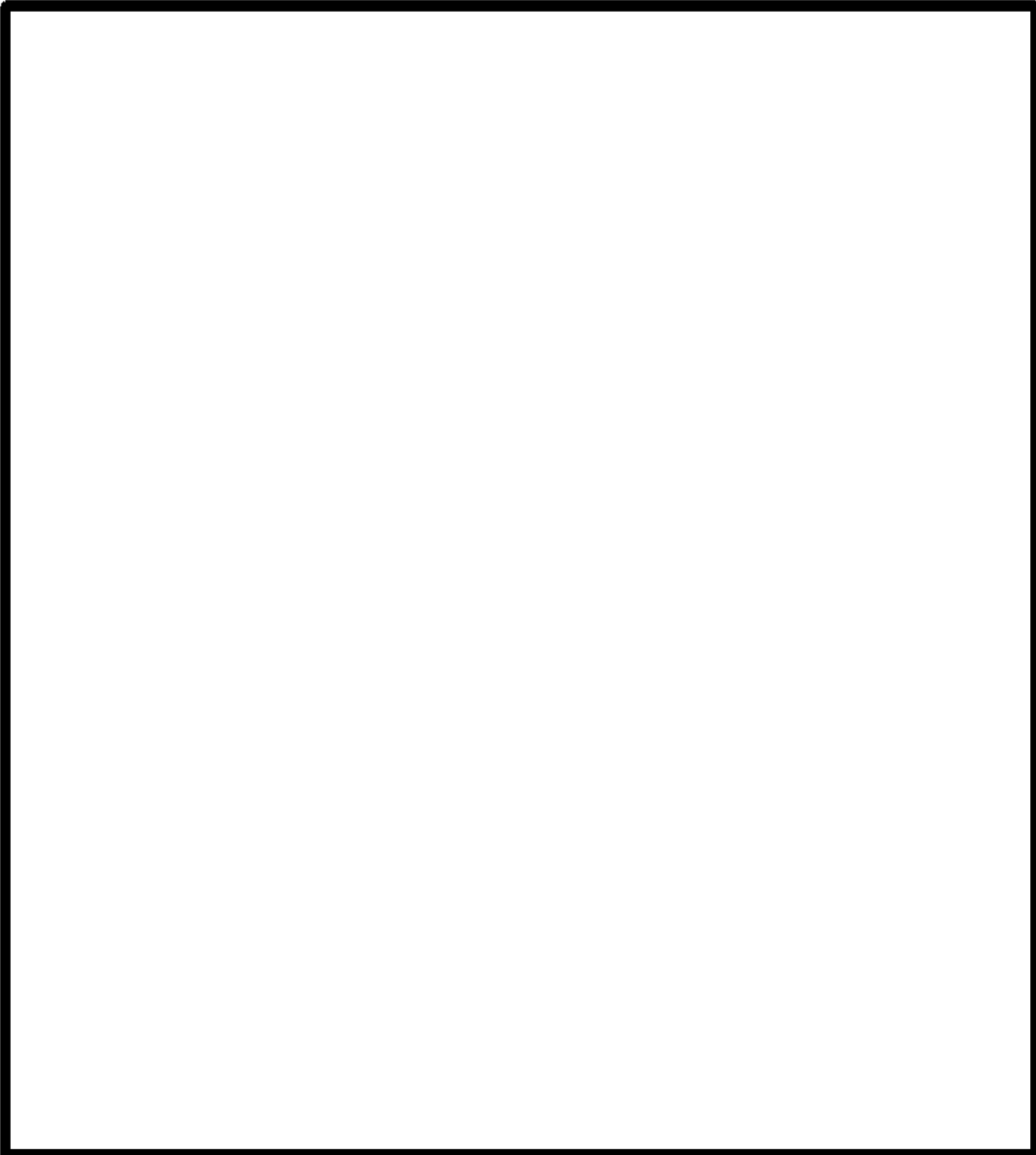
4.2 Overview of Region

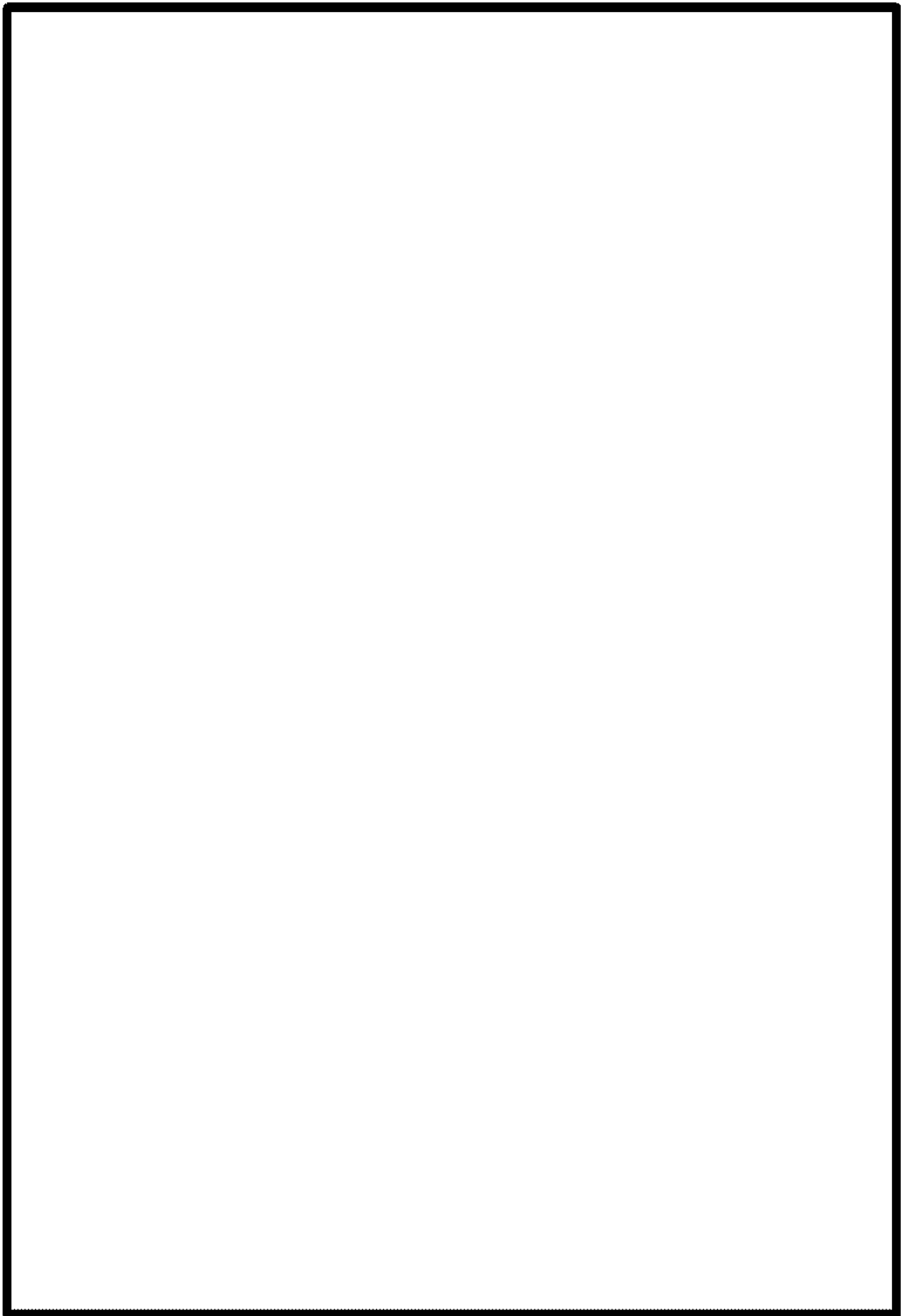
(b)(4)



4.3 Current Projects

M&D Regional Center has already identified and begun planning for three related projects at various stages that will have a substantial and ongoing economic impact in the Region:







4.4 Marketing Strategy



(b)(4)

5. Management Summary

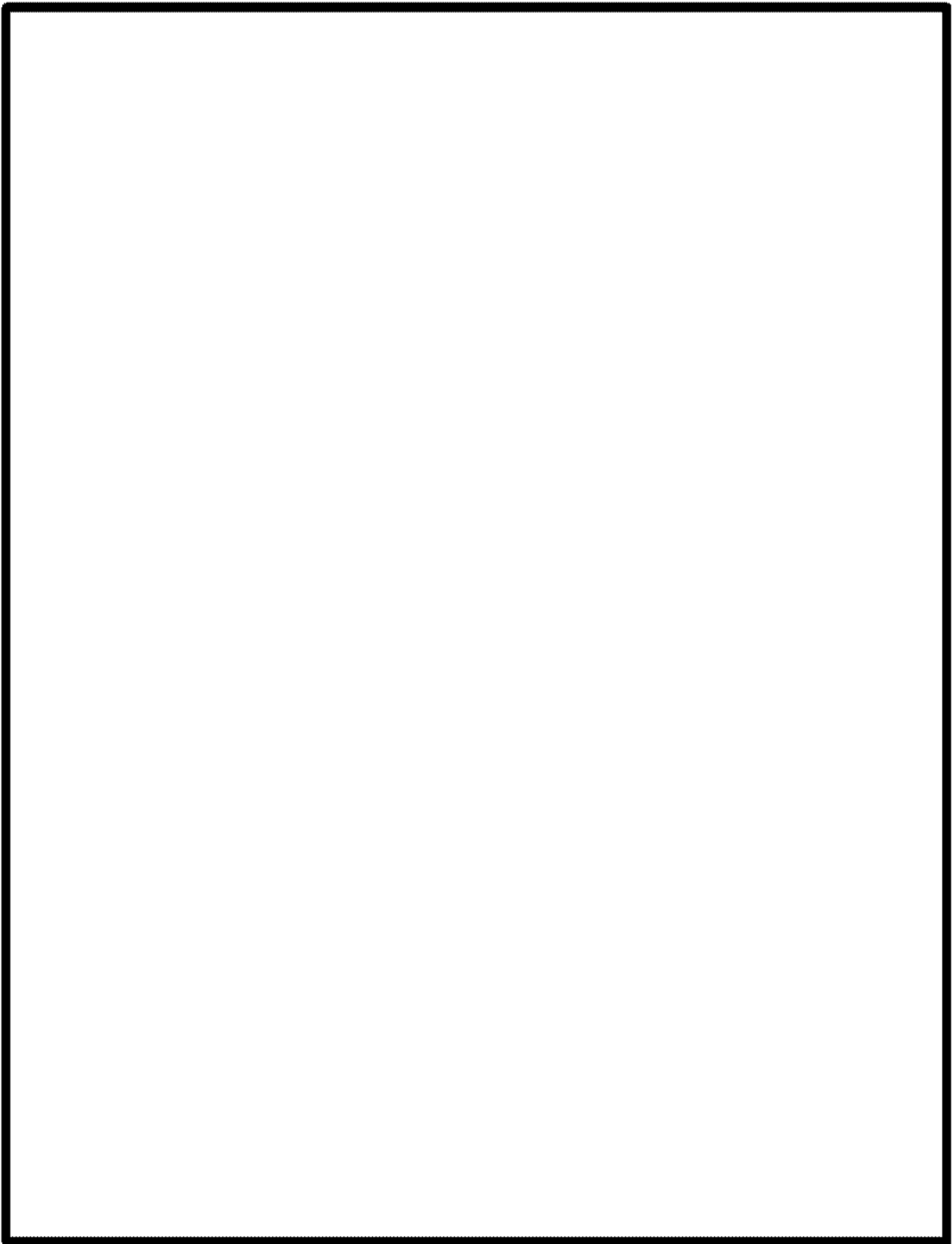
5.1 General Management Obligations



5.2 Monitoring and Reporting Obligations



(b)(4)



5.3 Other Contractual Management Relationships



(b)(4)



6. Financial Information

6.1 Start-up Summary



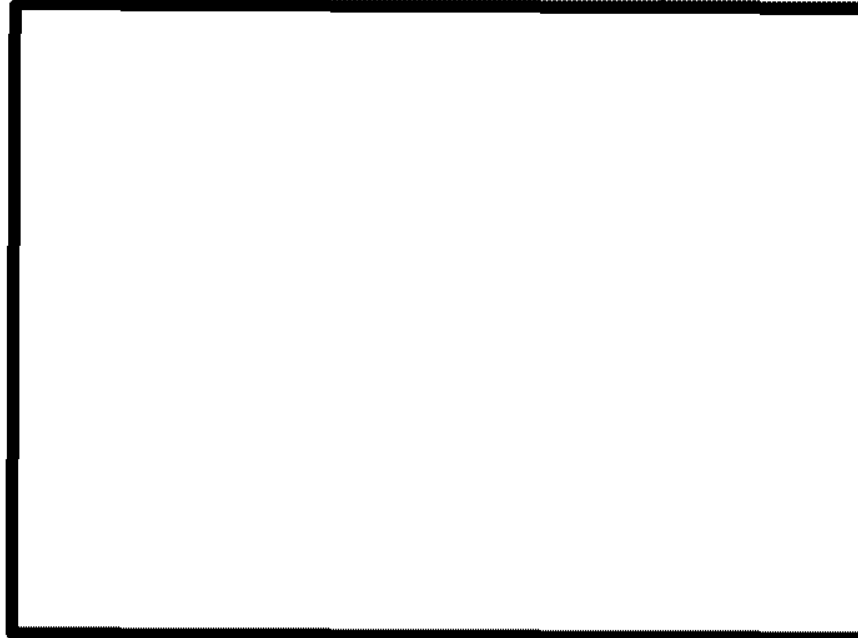
6.2 Sources of Capital and Income



(b)(4)

6.3 Financial Forecasts

	2009	2010
<u>SOURCES</u>		



(b)(4)

RFE

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Marissa Butts
MILLER MAYER LLP
202 E STATE ST STE 700
ITHACA, NY 14858



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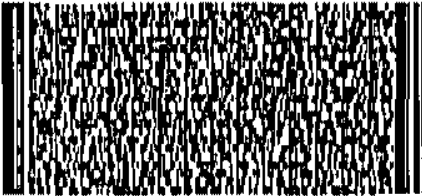
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SHIP TO: (947) 831-8427 BILL BENDER
California Service Center
USCIS
24000 AVILA RD FL 2
ATTN: EB-5 RC PROPOSALS; 2ND FLOOR
LAGUNA NIGUEL, CA 92677

MON - 31AUG A2

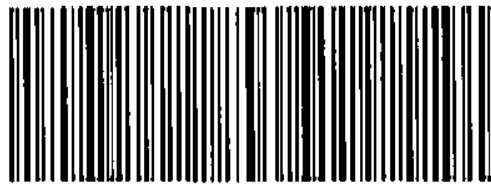
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not RFE

		Application/Petition REGIONAL CENTER PROPOSAL
Receipt # W09000740		
Notice Date June 19, 2009	Page 1 of 5	Regional Center M&D Regional Center

Carolyn S. Lee, Esq.
Miller Mayer LLP
202 East State Street, Suite 700
Ithaca, NY 14850

Request for Evidence

IMPORTANT: WHEN YOU HAVE COMPLIED WITH THE INSTRUCTIONS ON THIS FORM, RESUBMIT THIS NOTICE ON TOP OF ALL REQUESTED DOCUMENTS AND /OR INFORMATION TO THE ADDRESS BELOW. THIS OFFICE HAS RETAINED YOUR PETITION/APPLICATION WITH SUPPORTING DOCUMENTS.

THE INFORMATION REQUESTED BELOW MUST BE RECEIVED BY THIS OFFICE NO LATER THAN EIGHTY-FOUR (84) DAYS FROM THE DATE OF THIS NOTICE. IF YOU DO NOT PROVIDE THE REQUESTED DOCUMENTATION WITHIN THE TIME ALLOTTED, YOUR APPLICATION WILL BE CONSIDERED ABANDONED PURSUANT TO 8 C.F.R. 103.2(B)(13) AND, AS SUCH, WILL BE DENIED.

WS 24064/CSC3700 DIV III

RETURN THIS NOTICE ON TOP OF THE REQUESTED INFORMATION LISTED ON THE ATTACHED SHEET.

SEP 11 2009

Note: You are given until _____ in which to submit the information requested.

Pursuant to 8 C.F.R. 103.2(b)(11) failure to submit ALL evidence requested at one time may result in the denial of your application.

For non-US Postal Service
Attn: EB 5 RC Proposal
24000 Avilla Road, 2nd Floor
Laguna Niguel, CA 92677

You will be notified separately about any other applications or petitions you filed. Save a photocopy of this notice. Please enclose a copy of it if you write to us about this case, or if you file another application based on this decision. Our address is:

U.S. CITIZENSHIP AND IMMIGRATION SERVICES
CALIFORNIA SERVICE CENTER
Attn: EB 5 RC Proposal
P.O. BOX 10590
LAGUNA NIGUEL, CA 92607-0526



W09 000 745

What is the Immigrant Investor Pilot Program?

The Immigrant Investor Pilot Program ("Pilot Program") was created by Section 610 of Public Law 102-395 (October 6, 1992). This is different in certain ways from the basic EB-5 investor program.

The Pilot Program began in accordance with a Congressional mandate aimed at stimulating economic activity and creating jobs for U.S. workers, while simultaneously affording eligible aliens the opportunity to become lawful permanent residents. Through this innovative program, foreign investors are encouraged to invest funds in an economic unit known as a "Regional Center."

A Regional Center is defined as any economic unit, public or private, engaged in the promotion of economic growth, improved regional productivity, job creation and increased domestic capital investment.

8 CFR 204.6(m)(3) describes the specific evidence that must be submitted before consideration for eligibility for this benefit may proceed. After a review of your proposal in light of these requirements, the following information, evidence or clarification is needed to proceed.

The EB-5 program including the Regional Center or Pilot Program primarily focuses on job creation not general economic growth. Unlike other government programs which may deal in the general financial impact of investment dollars, this program is concerned with the specific impact of investment funds on creating new employment. In order to qualify as a Regional Center, the Regional Center Proposal must show the nexus between the Regional Center and job creation. It must also establish the specific activities relative to each category or industry for which the Center is requesting. Economical analyses and model which address the proposed activities are essential.

It is always best to start with a cover letter that acts as an executive summary followed by a table of contents of the various tabbed sections to follow.

Indirect Job Creation (8 CFR 204.6(m)(3)(ii)):

Public Law 107-273, enacted November 2, 2002, clearly states:

A regional center shall have jurisdiction over a limited geographic area, which shall be described in the proposal and consistent with the purpose of concentrating pooled investment in defined economic zones. The establishment of a regional center may be based on general predictions, contained in the proposal, concerning the kinds of commercial enterprises that will receive capital from aliens, the jobs will be created directly or indirectly as a result of such capital investments and other positive economic effects such capital investments will have.

8 CFR 204.6(m)(3)(ii) requires you to:

Provide in verifiable detail how jobs will be created indirectly;

Further, 8 C.F.R. 204.6(e) states, in pertinent part:

Employee means an individual who provides services or labor for the new commercial enterprise and who receives wages or other remuneration directly from the new commercial enterprise...This definition shall not include independent contractors.

It is imperative to fully explain indirect job creation, as well as the direct and induced jobs, if any. The requirement of creating at least 10 new full-time (35 hours per week) jobs per each individual alien investor may be satisfied by showing that, as a result of the investment and the activities of the new enterprise, at least 10 jobs per alien investor will be created directly, indirectly or induced through an employment creation multiplier effect.

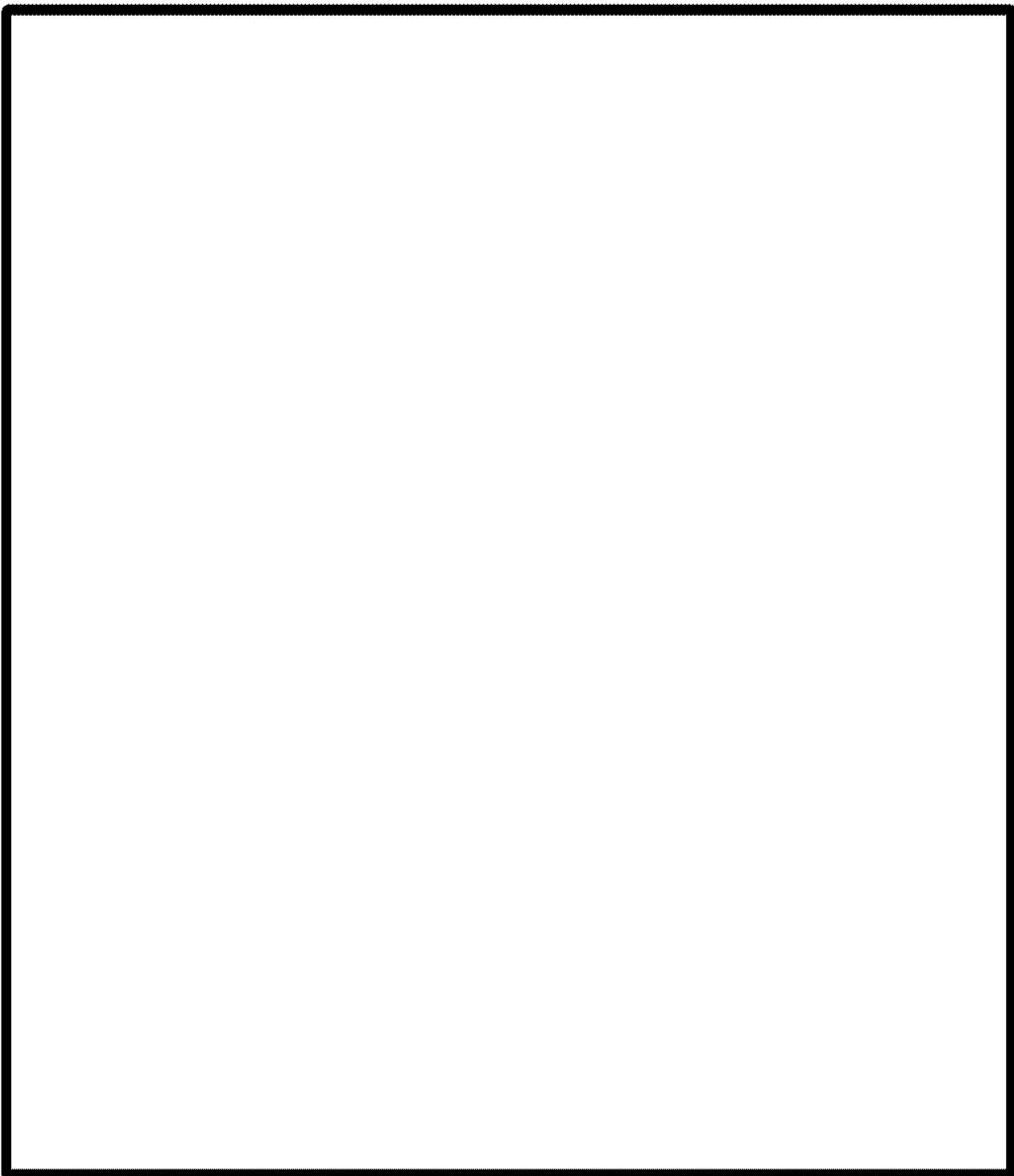


While relying on econometric models for indirect job creation, it is imperative that "direct jobs" will be real identifiable jobs supported by wage reports or I-9 forms. Otherwise, they must be explicitly identified as hypothetical in nature. Another method is to predict jobs based on the dollar amount invested in the overall project and this too must be clear. This distinction will be critical at the I-829 removal of condition stage of the immigration process.



M&D Regional Center LLC
W09000740
Page 4

(b)(4)



¹ NOTE: Under NO circumstances may any agreement or document in support of an investor's I-526 petition offer or imply return or reimbursement of his/her capital investment should the subsequent I-829 Petition to Remove Conditions be denied by USCIS. The USCIS considers any such reimbursement provision within the period of an alien investor's conditional residence prohibited by precedent decision in Matter of Izumii.

M&D Regional Center LLC
W09000740
Page 5

(b)(4)



Translations:

Any document containing a foreign language submitted to USCIS shall be accompanied by a full English translation that the translator has certified as complete and accurate, and by the translator's certification that he or she is competent to translate from the foreign language into English.

Copies:

Unless specifically required that an original document be filed with an application or petition, an ordinary legible photocopy may be submitted. Original documents submitted when not required will remain part of the record, even if the submission was not required.

Appearance - An appearance shall be filed on this form by the attorney or representative appearing in each case. Thereafter, substitution may be permitted upon the written withdrawal of the attorney or representative of record or upon notification of the new attorney or representative. When an appearance is made by a person acting in a representative capacity, his personal appearance or signature shall constitute a representation that under the provisions of this chapter he is authorized and qualified to represent. Further proof of authority to act in a representative capacity may be required. **Availability of Records** - During the time a case is pending, and except as otherwise provided in 8CFR 103.2(b), a party to a proceeding or his attorney or representative shall be permitted to examine the record of proceeding in a Service office. He may, in conformity with 8 CFR 103.10, obtain copies of Service records or information therefrom and copies of documents or transcripts of evidence furnished by him. Upon request, he/she may, in addition, be loaned a copy of the testimony and exhibits contained in the record of proceeding upon giving higher receipt for such copies and pledging that it will be surrendered upon final disposition of the case or upon demand. If extra copies of exhibits do not exist, they shall not be furnished free on loan; however, they shall be made available for copying or purchase of copies as provided in 8 CFR 103.10.

In re:	Date
	File No.

I hereby enter my appearance as attorney for (or representative of), and at the request of, the following named person(s):

Name M&D Regional Center, LLC	<input type="checkbox"/> Petitioner	<input checked="" type="checkbox"/> Applicant
	<input type="checkbox"/> Beneficiary	
Address (Apt. No.) 3100 E. Imperial Hwy.	(Number & Street)	(City) Lynwood
		(State) CA
		(ZIP Code) 90262
Name	<input type="checkbox"/> Petitioner	<input type="checkbox"/> Applicant
	<input type="checkbox"/> Beneficiary	
Address (Apt. No.)	(Number & Street)	(City)
		(State)
		(ZIP Code)

Check applicable item(s) below:

1. I am an attorney and a member in good standing of the bar of the Supreme Court of the United States or of the highest court of the following State, territory, insular possession, or District of Columbia
New York State NY App Div 2d Dept., NDNY Fed Ct and am not under a court or administrative agency order suspending, enjoining, restraining, disbaring, or otherwise restricting me in practicing law.

2. I am an accredited representative of the following named religious, charitable, social service, or similar organization established in the United States and which is so recognized by the Board:

3. I am associated with _____ the attorney of record who previously filed a notice of appearance in this case and my appearance is at his request. (If you check this item, also check item 1 or 2 whichever is appropriate.)

4. Others (Explain fully.)

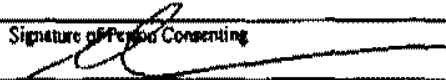
SIGNATURE 	COMPLETE ADDRESS MILLER MAYER, LLP 202 EAST STATE STREET, SUITE 700 ITHACA NY 14850
NAME (Type or Print) CAROLYN S. LEE 3004695	TELEPHONE NUMBER (607) 273-4200 FAX: 607-272-8694 CSL@MILLERMAYER.COM

PURSUANT TO THE PRIVACY ACT OF 1974, I HEREBY CONSENT TO THE DISCLOSURE TO THE FOLLOWING NAMED ATTORNEY OR REPRESENTATIVE OF ANY RECORD PERTAINING TO ME WHICH APPEARS IN ANY IMMIGRATION AND NATURALIZATION SERVICE SYSTEM OF RECORDS:
Carolyn S. Lee

(Name of Attorney or Representative)

THE ABOVE DISCLOSURE IS IN CONNECTION WITH THE FOLLOWING MATTER:

Application for Regional Center designation

Name of Person Consenting Min Chae, Manager*	Signature of Person Consenting 	Date 3/31/2009
--	--	--------------------------

(NOTE: Execution of this box is required under the Privacy Act of 1974 where the person being represented is a citizen of the United States or an alien lawfully admitted for permanent residence.)

This form may not be used to request records under the Freedom of Information Act or the Privacy Act. The manner of requesting such records is contained in 8CFR 103.10 and 103.20 ELSEQ.

Form G-28 (09-26-00)Y

*Min Chae is a manager of DMC Investment Holdings, LLC, which is the manager of M&D Regional Center, LLC.

MILLER MAYER, LLP

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Kristal Ozmun
**admitted in Massachusetts only*

Of Counsel
Stephen Yale-Loehr

REC'D CSC 09APR14 9:14

**SUBMISSION CONTAINS CONFIDENTIAL COMMERCIAL INFORMATION.
PER FOIA (5 U.S.C. § 552 (b)(4)), SUBMITTER REQUESTS PREDISCLOSURE
NOTIFICATION PER PRESIDENTIAL EXECUTIVE ORDER NO. 12,600, 52 FED. REG.
23781 (JUNE 23, 1987)**

April 13, 2009

Via Federal Express

U.S. Citizenship and Immigration Service
California Service Center
ATTN: EB5 RC Proposal
24000 Avila Road, 2nd Floor
Laguna Niguel, CA 92677

Application: Request for Designation as EB-5 Regional Center
Applicant: M&D Regional Center, LLC
Geography: Counties of Orange, Los Angeles, and San Bernardino in the State of California

RE: Designation of the M&D Regional Center, LLC (M&D RC) under the Immigrant Investor Pilot Program

Dear Examiner:

This letter and exhibits constitute an application for EB-5 regional center designation by M&D Regional Center, LLC to stimulate investment in Orange, Los Angeles, and San Bernardino Counties in the State of California, and the surrounding areas. I represent M&D Regional Center, LLC for purposes of this application. My G-28 is attached at **Exhibit 1**.

The proposed regional center will be called the M&D Regional Center ("M&D RC"). This letter and attached exhibits explain how this proposal meets the requirements for regional center designation set forth at 8 C.F.R. § 204.6(m)(3).

Introduction

M&D RC is requesting approval to focus investments in the following target industry economic cluster:

- Mixed-Use Commercial and Residential projects.

M&D RC has already identified and begun planning for three related projects at various stages that will have a substantial and ongoing economic impact in the counties of Orange, Los Angeles, and San Bernardino, California:



(b)(4)

Geographical Area

This proposal requests regional center designation for investments in the geographical areas of Orange, Los Angeles, and San Bernardino Counties in the State of California. Please see maps of the proposed regional center at **Exhibit 4**. Investments made within targeted employment areas

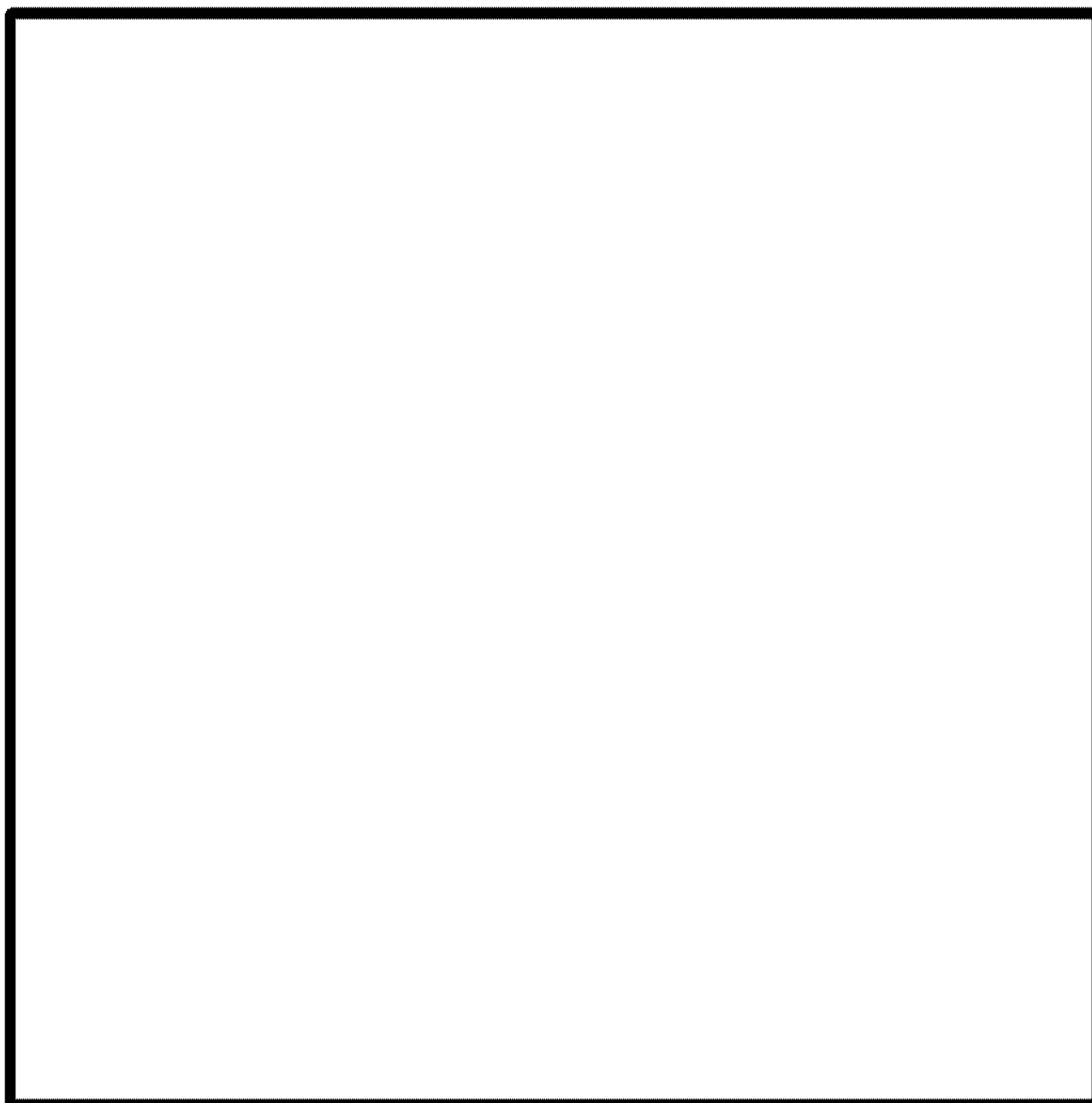
R&D Regional Center Application
April 13, 2009
Page 3 of 6

(TEAs) within this geographical area will be \$500,000; investments made in other parts of this geographical area that are not in TEAs will be \$1,000,000. A TEA is an area designated by the Secretary of Business, Transportation, and Housing/Employment Development Department as having an unemployment rate of at least 150% of the national average unemployment rate.

Currently, Lynwood (Los Angeles County) and thirteen (13) cities and CDPs within San Bernardino County are designated TEAs. See **Exhibit 6**.

(b)(4)

Investment Structure and Terms



Employment Creation

M&D RC plans to use the IMPLAN input-output model to show how each investment by an immigrant investor in the regional center will directly and indirectly create at least 10 jobs within the regional center's geographic area. Input-output models use "direct" impact estimates, typically measured as new jobs created at the site of an investment by employers who occupy space made useful by the investment. Input-output models are used to estimate potential "indirect" employment impacts resulting from a "multiplier" process.

Attached at **Exhibit 7** are two economic reports prepared by Michael K. Evans, Ph.D of Evans, Carroll & Associates, Inc. The first report analyzes the job creation potential and economic impact of the Buena Park Project and the second report analyzes the job creation potential and economic impact of the Lynwood Project and Future Mixed-Use Projects to be sited in Los Angeles, Orange or San Bernardino Counties. As previously mentioned, these projects are within the target industry economic cluster. The report also serves as a template for other future projects M&D RC may conduct in the regional center.

The report shows the major employment impact that M&D RC projects will have on Orange, Los Angeles, and San Bernardino Counties. The report estimates The Buena Park mixed-use commercial, retail, and residential project will create an estimated [redacted] permanent new jobs when operating at normal occupancy rates and sales levels. It will also boost output by an estimated [redacted] [redacted] per year, and labor income by [redacted]

(b)(4)

Administration

(b)(4)

Plaza Mexico is the crowning achievement of the Chaes' real estate careers thus far. Plaza Mexico is a 450,000 square feet (41,807 square meters) Mexico-themed lifestyle shopping center in Lynwood, California. In the late 1980s, the Chaes correctly predicted the demographic shift in Southern California and pursued developments in burgeoning Hispanic markets. The Chaes have created an environment where people of all cultures in Los Angeles can shop, eat and spend time with their family. The average visit for a visitor at Plaza Mexico is longer than for a visitor to a traditional retail mall. Plaza Mexico presented the same challenges and opportunities that M&D RC now embraces with the proposed regional center projects—i.e., incubating and creating a vibrant retail market. Please see the Plaza Mexico website at <http://www.plazamexico.com/>.

To ensure quality and consistency of all immigrant investor I-526 petitions submitted to the USCIS, Miller Mayer will also act as preferred immigration counsel for all individual M&D RC investors. Miller Mayer will work with M&D RC to assemble and draft all necessary regional center business and investor documentation required by USCIS for I-526 petition approval. In addition, M&D RC will engage the services of outside accountants to prepare annual financial documents for all M&D RC projects.

M&D RC will follow applicable U.S. Securities and Exchange Commission rules for determining that an EB-5 investor is an "Accredited Investor" according to the definitions contained in Rule 501 of Regulation D. Each prospective EB-5 investor will be required to complete a questionnaire that provides adequate supporting information to verify compliance with those definitions.

M&D RC will adhere to all USCIS rules and regulations relating to confirming the legal source of funds used for investments in M&D RC projects. M&D RC's designated escrow banks, Wells Fargo and Wilshire State Bank, will also comply with 31 U.S.C. 5318(i), "Due Diligence for United States Private Banking and Correspondent Bank Accounts Involving Foreign Persons."

Marketing



Conclusion

(b)(4)



M&D Regional Center Application

April 13, 2009

Page 6 of 6

(b)(4)

These California counties will benefit tremendously, especially in the current economic downturn, from the substantial stimulus that M&D RC investments will provide. Therefore we urge you to promptly adjudicate and approve this proposal, which fully satisfies the requirements for EB-5 regional center designation. We look forward to your early approval.

Sincerely,



Carolyn S. Lee

CSL/lhs

Attachment: Document Index and Exhibits

11-MR25001MRC Cov Ltr.doc

**Document Index and Exhibits
M&D Regional Center, LLC
Regional Center Application**

Exhibit No. Description

1 Signed Form G-28

Background information on the Regional Center, including:

2 Real estate development experience for principals of M&D Regional Center, LLC

3 Organizational documents for M&D Regional Center, LLC, signed operating agreement, organizational chart, and description of the proposed projects

Geographical and unemployment information about the proposed regional center, including:

4 Maps of proposed regional center geographical area and TEAs

5 Letter from California Governor Arnold Schwarzenegger designating the California Business, Transportation and Housing Agency as the agency responsible for determining TEAs

6 California EDD's designation of Immigration Act of 1990 Foreign Investor Provisions: Qualifying Areas, from May 2008, designating qualifying areas in Los Angeles and San Bernardino Counties

Economic Report

7 Economic reports and economist information:

- Economic Impact of a Mixed-Use Commercial and Residential Project in Buena Park, Orange County, CA
- Economic Impact of Generic Mixed-Use Commercial and Residential Projects in Los Angeles and San Bernardino Counties
- Buena Park Project cost estimates

Sample corporate documents for first proposed project:

8 Organizational documents for Beach Orangethorpe, LLC, property deeds for the Buena Park Project, and development agreement for the Buena Park Project

9 Beach Orangethorpe Mixed Use Specific Plan for the Buena Park Project, including Project Cost Summary

10 Confidential private placement memorandum for the Buena Park Project

- 11 Operating agreement for the Buena Park Project
- 12 Subscription agreement for the Buena Park Project
- 13 Sample capital contribution and fees escrow agreement

Regional Center Administration Documents

- 14 Marketing Budget and Plan
- 15 Letter documenting how the regional center will administer itself once approved in accordance with the June 12, 2007 USCIS letter to Milwaukee regional center, attaching the Suitability Questionnaire

H:\8825\001\RC Cov Ltr.doc

**APPLICATION FOR REGIONAL CENTER DESIGNATION
M&D REGIONAL CENTER, LLC**

REAL ESTATE DEVELOPMENT EXPERIENCE OF PRINCIPALS

M&D Regional Center, LLC will be owned by DMC Investment, LLC, a Delaware limited liability company ("DMC") and managed by M + D Properties, a California corporation ("M + D"). DMC and M + D are owned, managed, and controlled by Min Chae and Donald Chae, who are brothers. Min Chae, age 52, and Donald Chae, age 50, each have more than 20 years of experience in real estate investment, development, and management.

The crowning achievement of the Chaes' real estate careers has thus far been the Plaza Mexico shopping center (www.plazamexico.com). Plaza Mexico is located in Lynwood, California and is situated along two major commercial thoroughfares and the Century Freeway (I-105). With approximately 450,000 square feet of retail space over 36 acres of land, Plaza Mexico is the only property of this magnitude that caters to the Hispanic community of Southern California. Currently, Plaza Mexico is occupied by tenants that include Food 4 Less, Rite Aid, La Curacao, Anna's Linens, Hometown Buffet, Chuck E. Cheeses, and a wide variety of restaurants and retailers of clothing, electronics, shoes, toys, jewelry, and furniture.

The Plaza Mexico concept began in 1988 when the Chaes purchased a 130,000 square foot vacant Montgomery Ward department store building located at 3100 E. Imperial Highway in Lynwood, California. The Chaes had a vision of creating a shopping center that would combine the attributes of a traditional American shopping mall with those of an open marketplace that are common in many Latin and Asian countries. Upon acquisition of the former Montgomery Ward building, the Chaes invested over \$2,000,000 in renovations and tenant improvements. A skylight was inserted in the middle of the building, which created an open-air feel to the center. Glass partitions were installed that divided and secured the units to be leased to various retailers. A food court was built on the second floor and a produce market and carniceria (meat market) were added on the ground floor. The idea was to create a multi-purpose shopping and cultural center for the community of Lynwood and the surrounding areas. The project was named the Lynwood Marketplace.

As the economy started to boom in the mid-1990s, the Lynwood Marketplace was 100% occupied and had a waiting list of 200 to 300 tenants. In 1998, the Chaes purchased the Lynwood Towne Center, a grocery/drug-anchored (Food 4 Less/Rite-Aid) shopping center close to the Lynwood Marketplace that fronted Long Beach Boulevard. Eventually, the Chaes purchased the land between the two centers. The acquisition of these properties bolstered the Chae's vision of Plaza Mexico as a retail town center experience. The Chaes shared their vision with the City of Lynwood and convinced the City Council that Plaza Mexico could serve as the premier retail project in the region as well as a cultural and social gathering point for the Southern California community. The Plaza Mexico concept won over not only the City Council but also the community. After obtaining the necessary entitlements, the Chaes combined and further developed the three properties using colonial architecture commonly found in many Mexican pueblos and incorporating fountains, lush landscaping, and open plazas to draw shoppers and visitors into a Mexican cultural experience. Plaza Mexico has since exceeded the

expectations of all those involved and demonstrated itself to be a proven retail concept in Southern California. A large component of Plaza Mexico's increase in value is directly attributable to the Chaes' real estate development and management expertise and their ability to draw community support for their projects.

(b)(4)





State of California
Secretary of State

I, DEBRA BOWEN, Secretary of State of the State of California, hereby certify:

That the attached transcript of 1 page(s) has been compared with the record on file in this office, of which it purports to be a copy, and that it is full, true and correct.



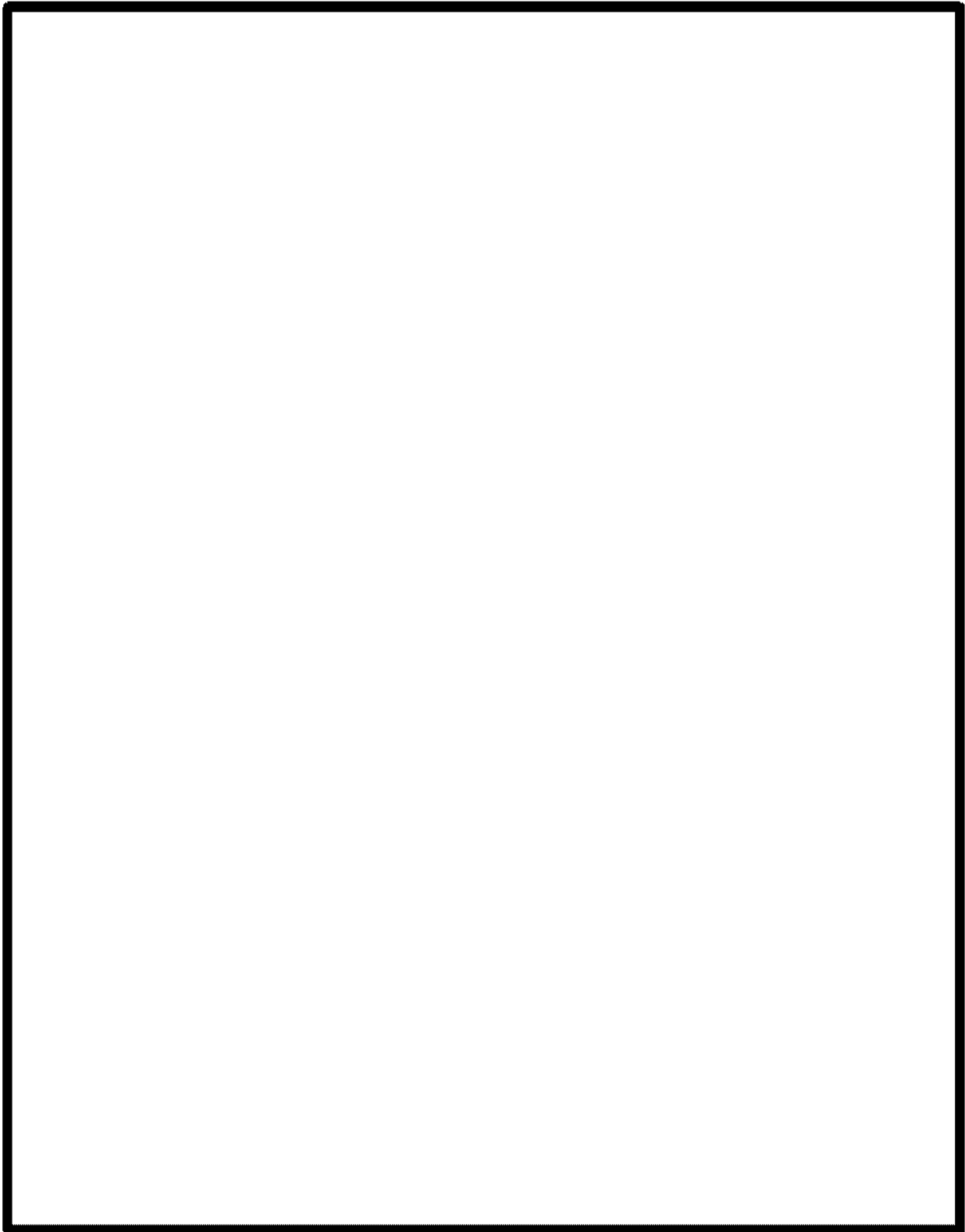
IN WITNESS WHEREOF, I execute this certificate and affix the Great Seal of the State of California this day of

MAR 20 2009

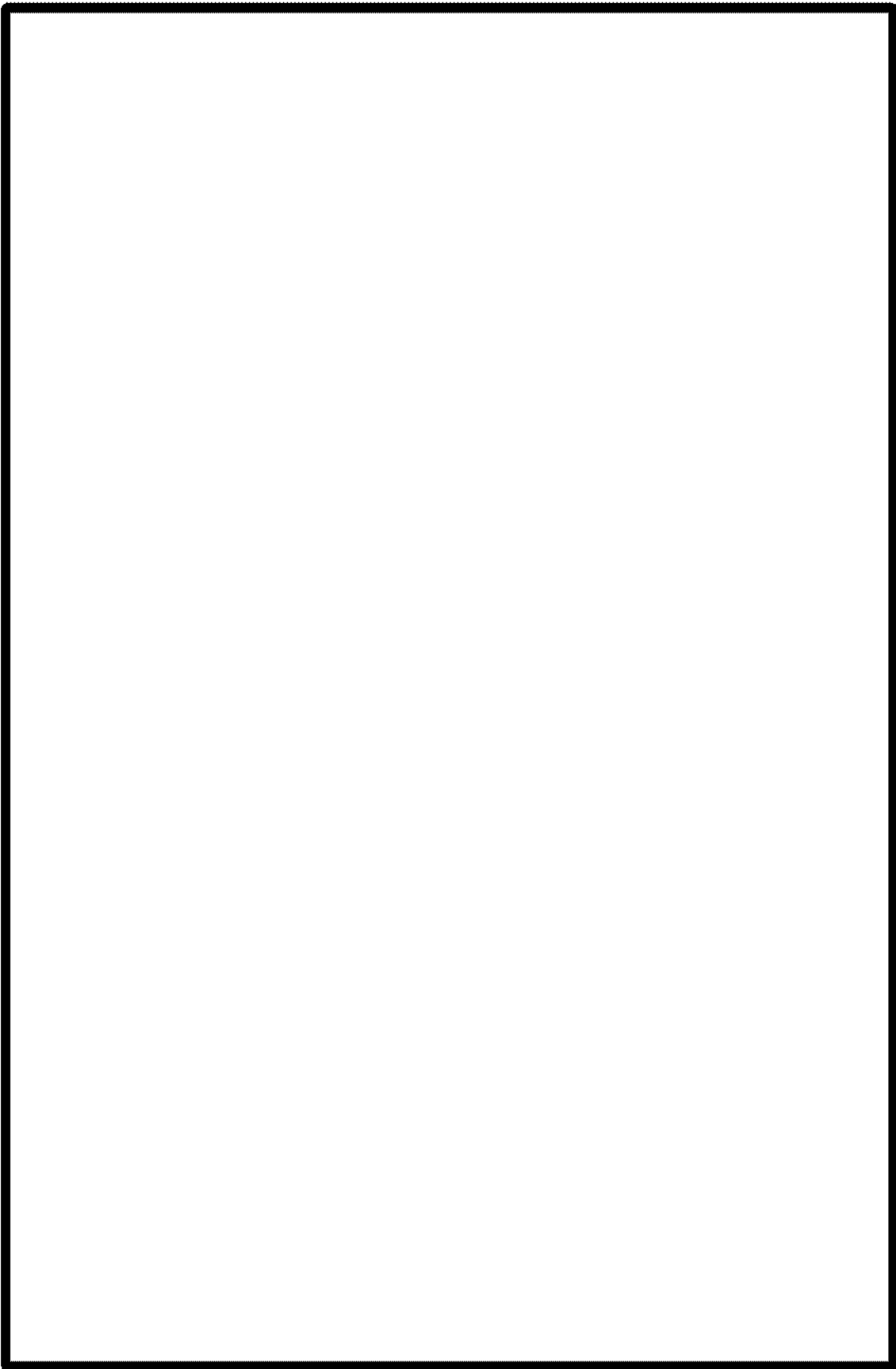
DEBRA BOWEN
Secretary of State

(b)(4)

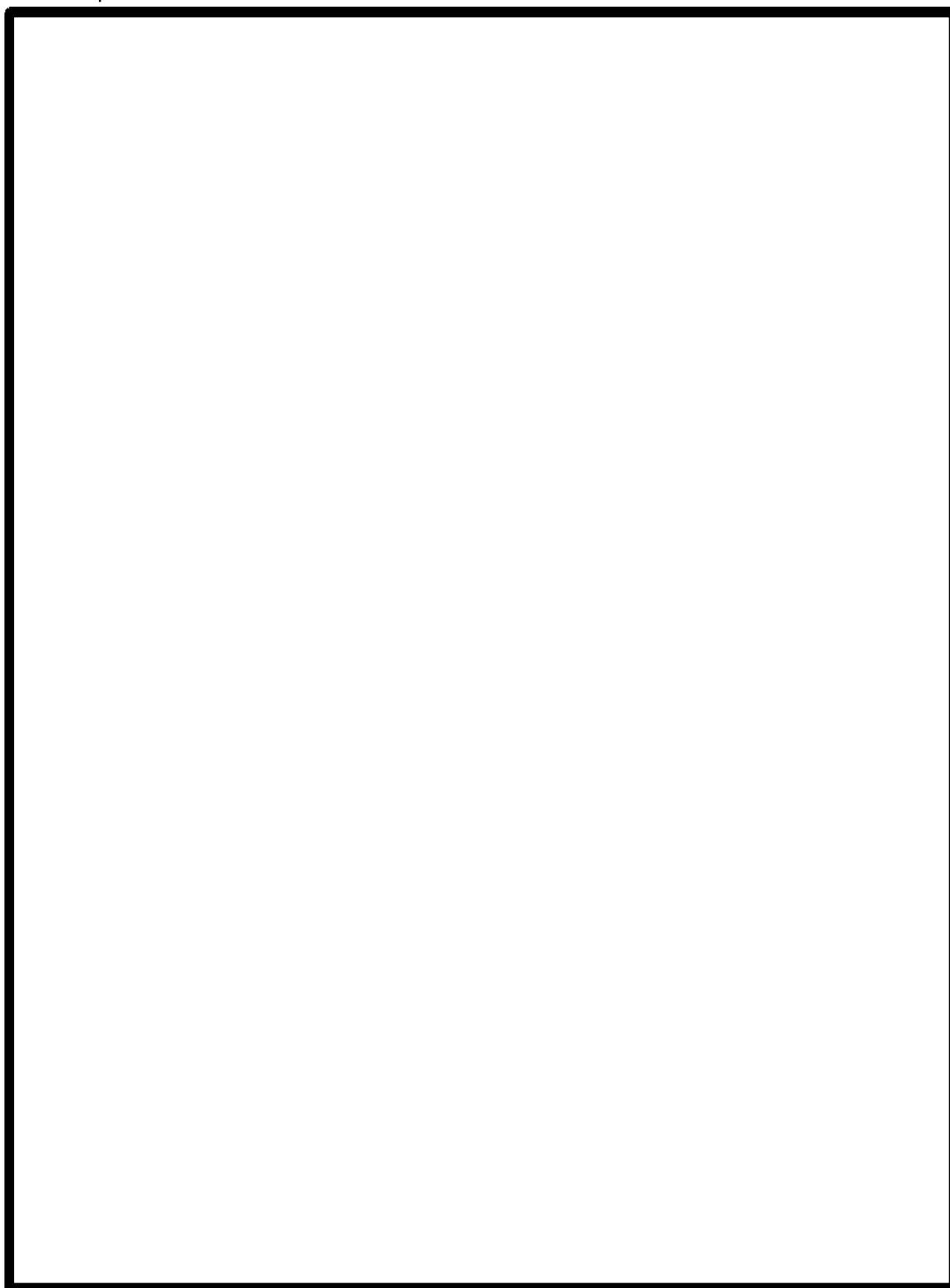
**OPERATING AGREEMENT
OF
M&D REGIONAL CENTER, LLC
a California Limited Liability Company**



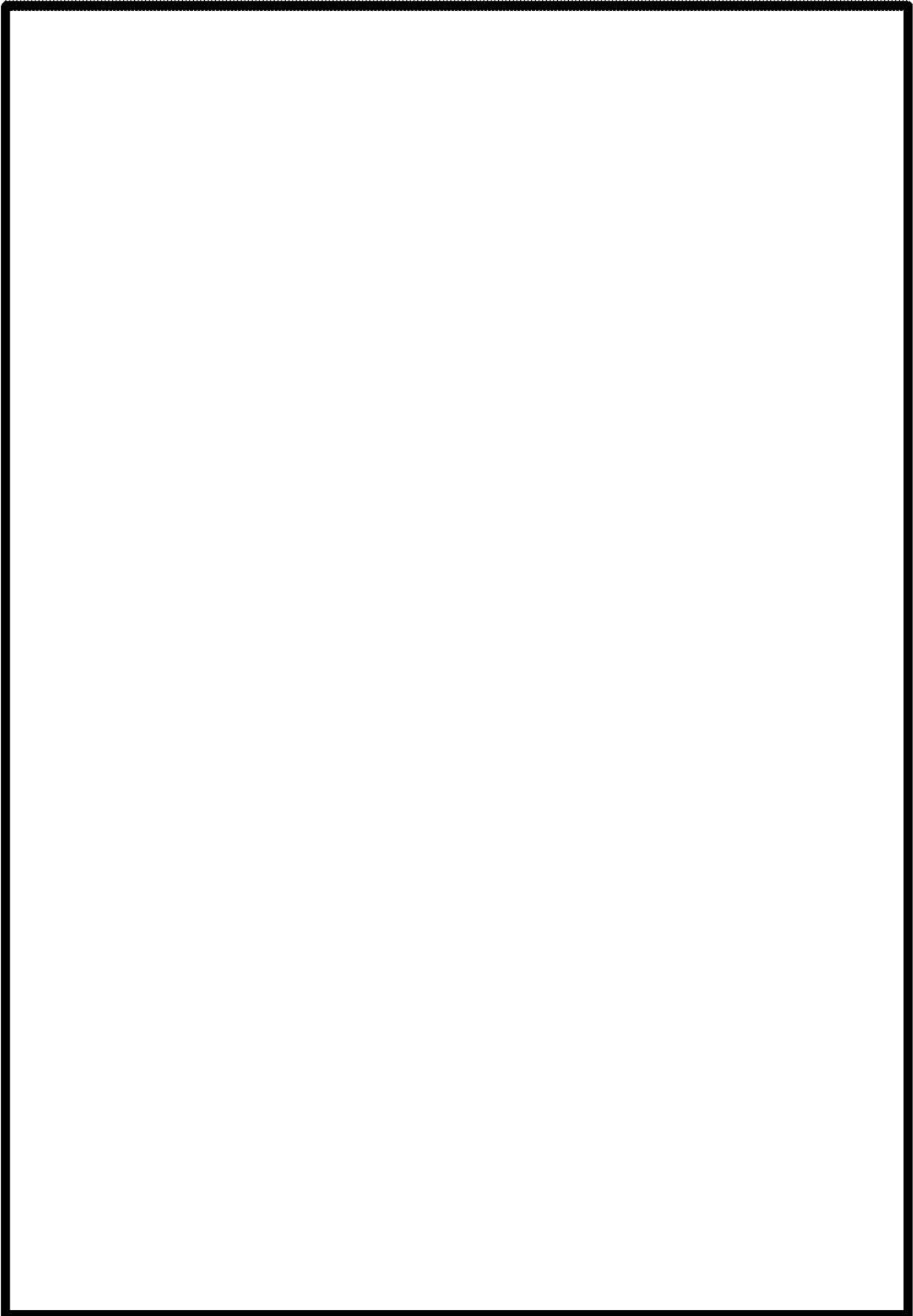
(b)(4)



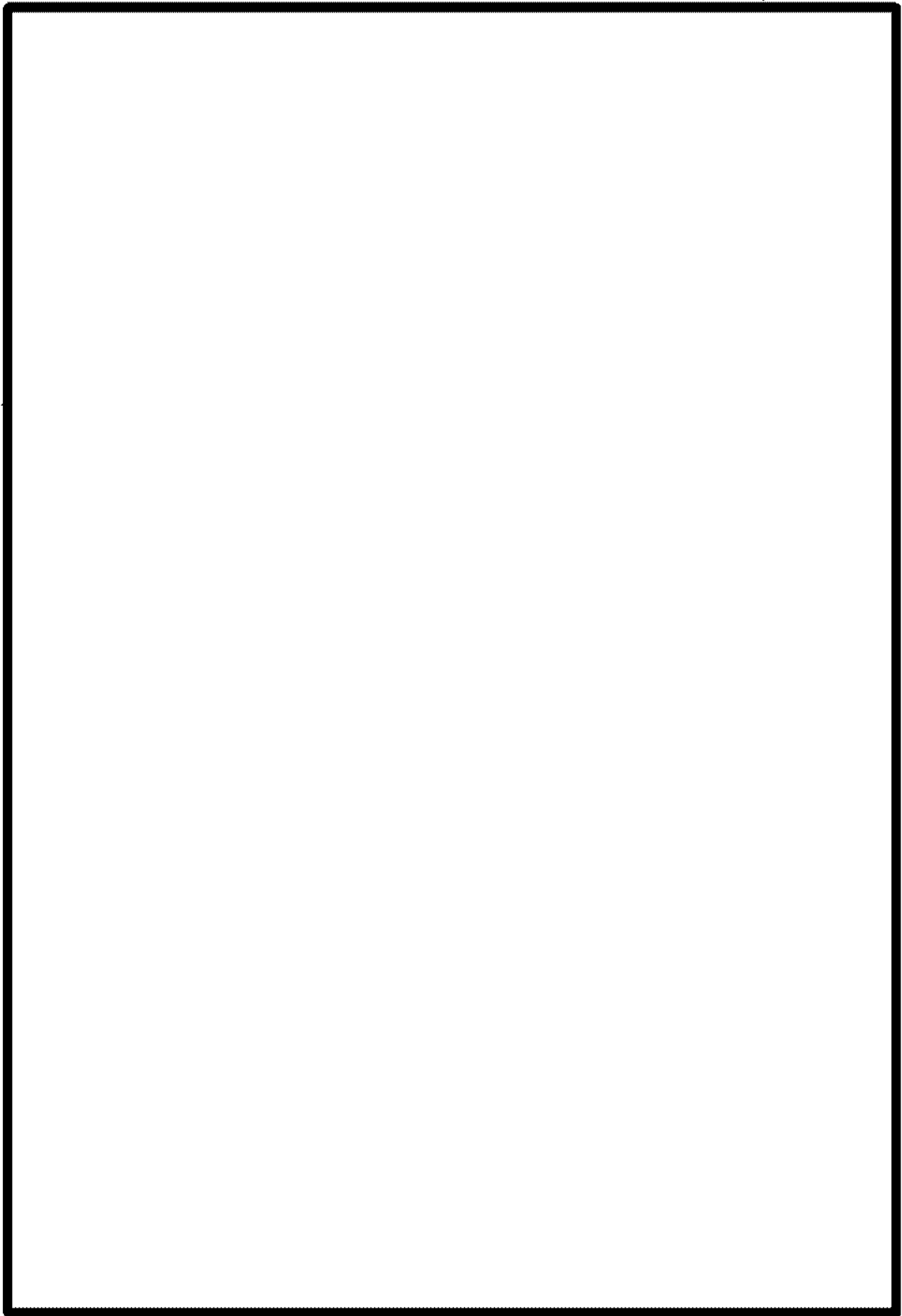
(b)(4)



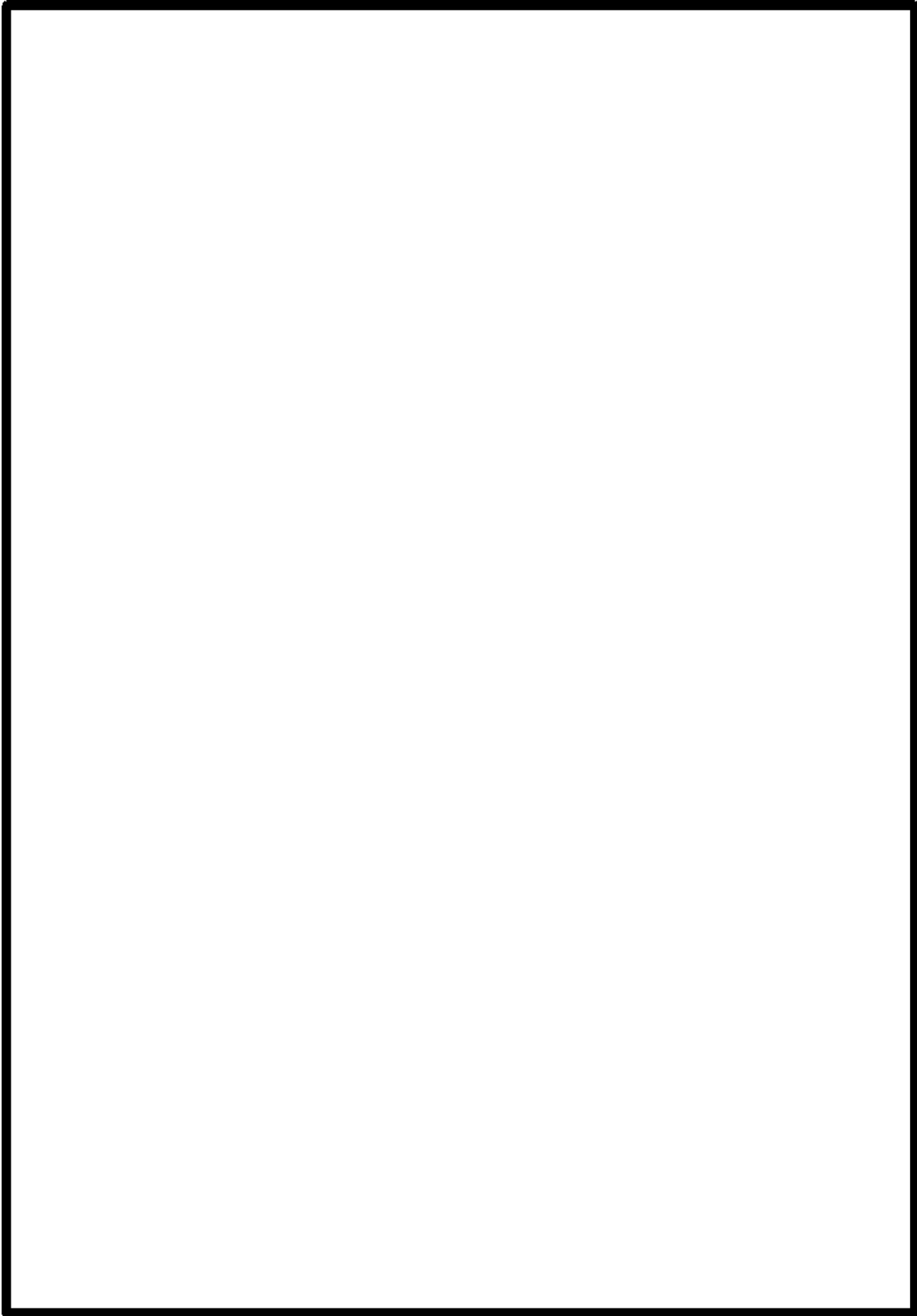
(b)(4)



(b)(4)



(b)(4)




(b)(4)




[remainder of this page intentionally left blank]

IN WITNESS WHEREOF, the Member has caused this Agreement to be duly executed effective as of the date first above written.

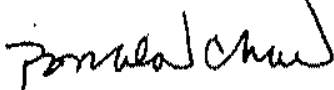
DMC Investment Holdings, LLC

By: 
Min Chae, Manager

By: 
Donald Chae, Manager

Accepting its appointment as the Manager of the Company under section 5 of this Agreement.

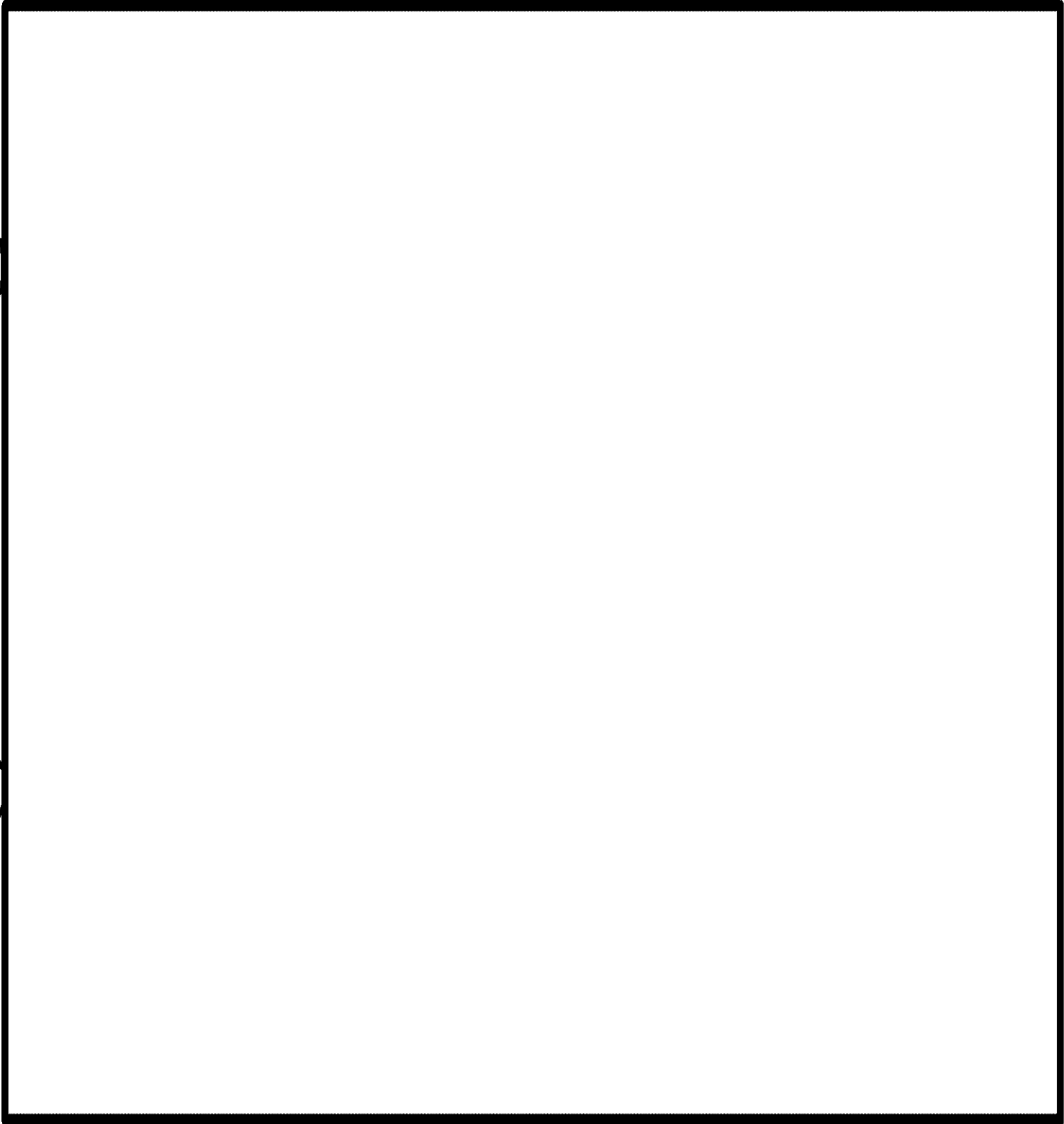
M + D Properties

By: 
Donald Chae, President

By: 
Min Chae, Secretary

(b)(4)

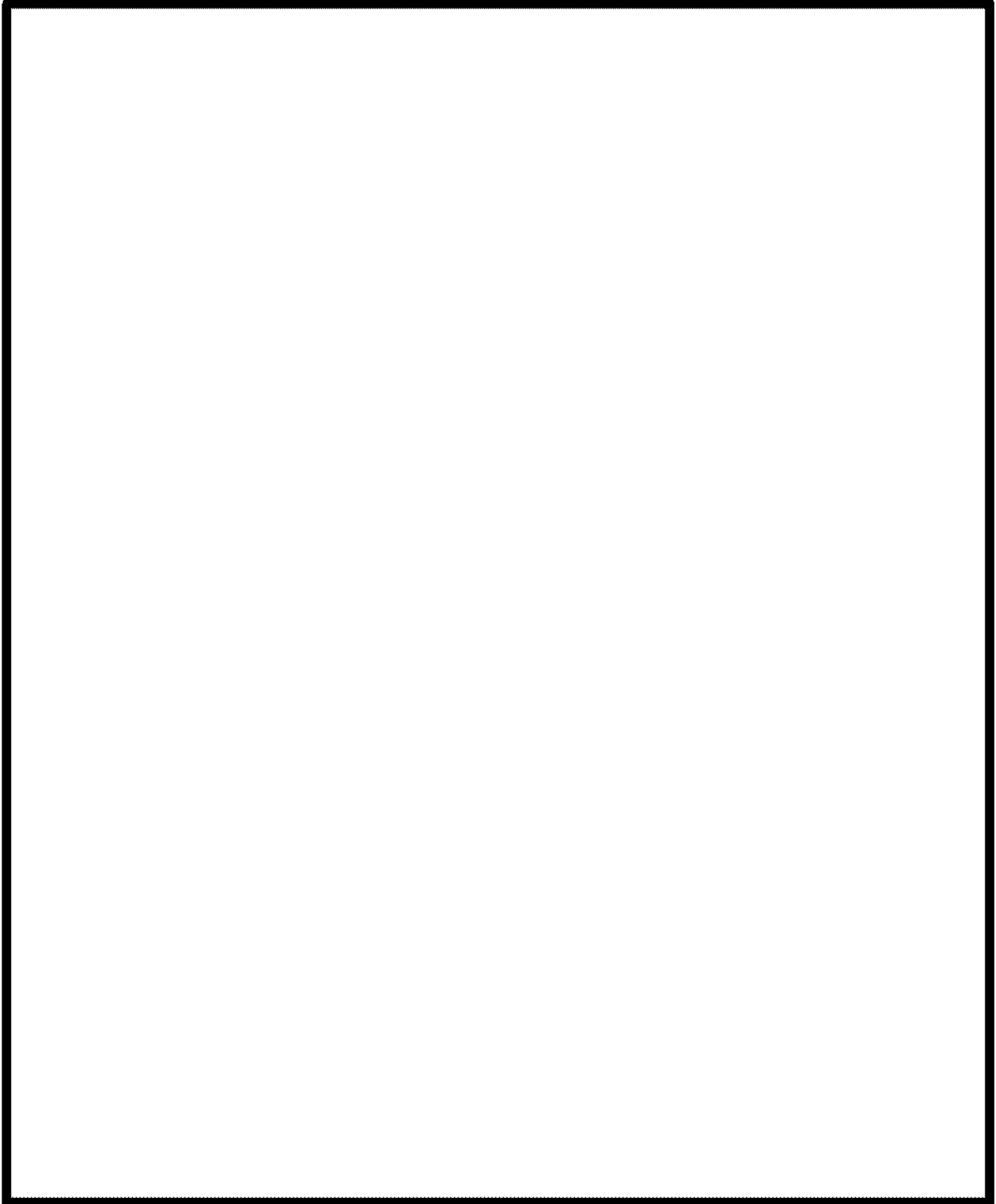
Organizational Chart
M&D Regional Center, LLC
April 1, 2009



**APPLICATION FOR REGIONAL CENTER DESIGNATION
M&D REGIONAL CENTER, LLC**

(b)(4)

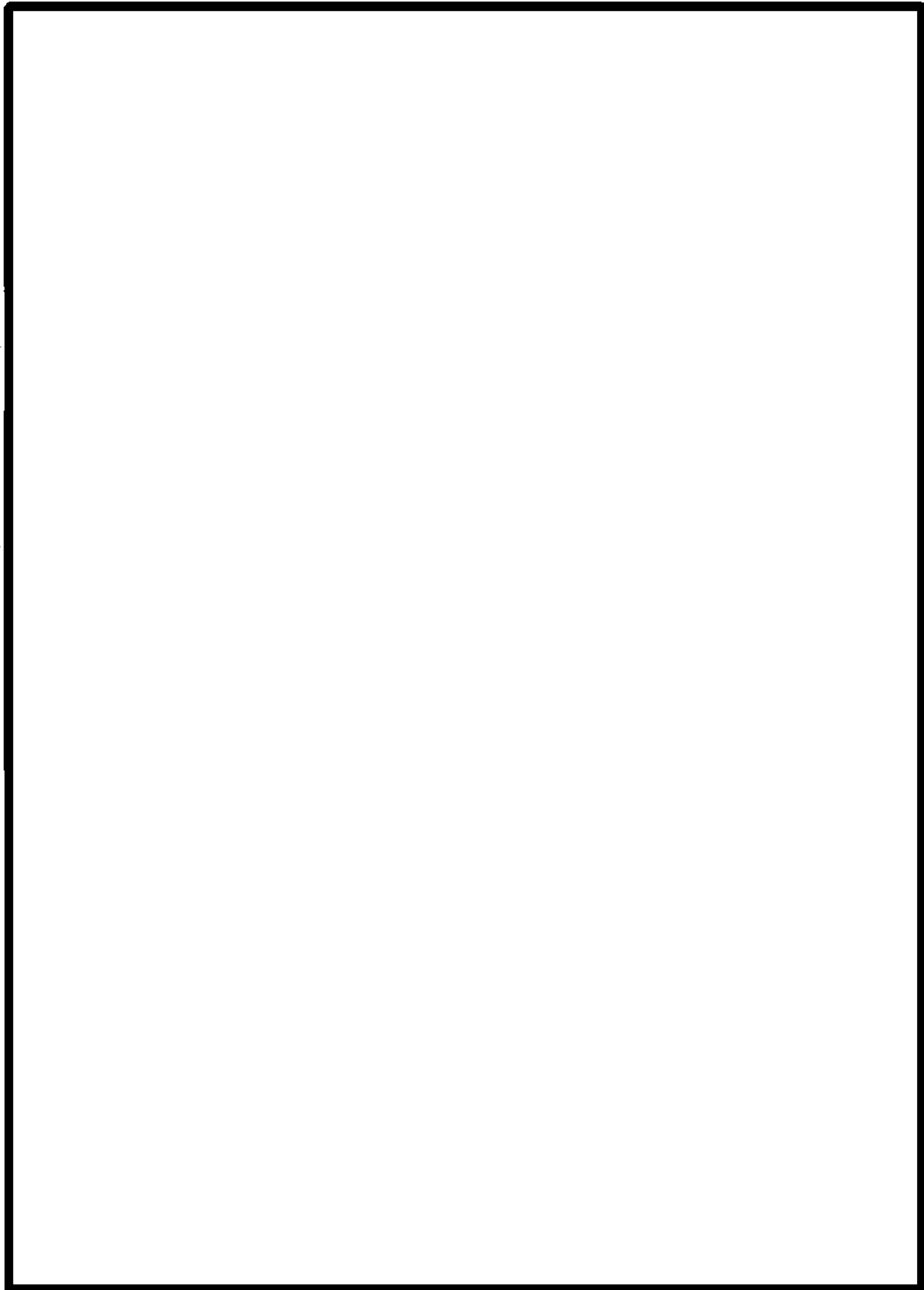
DESCRIPTION OF PROJECTS



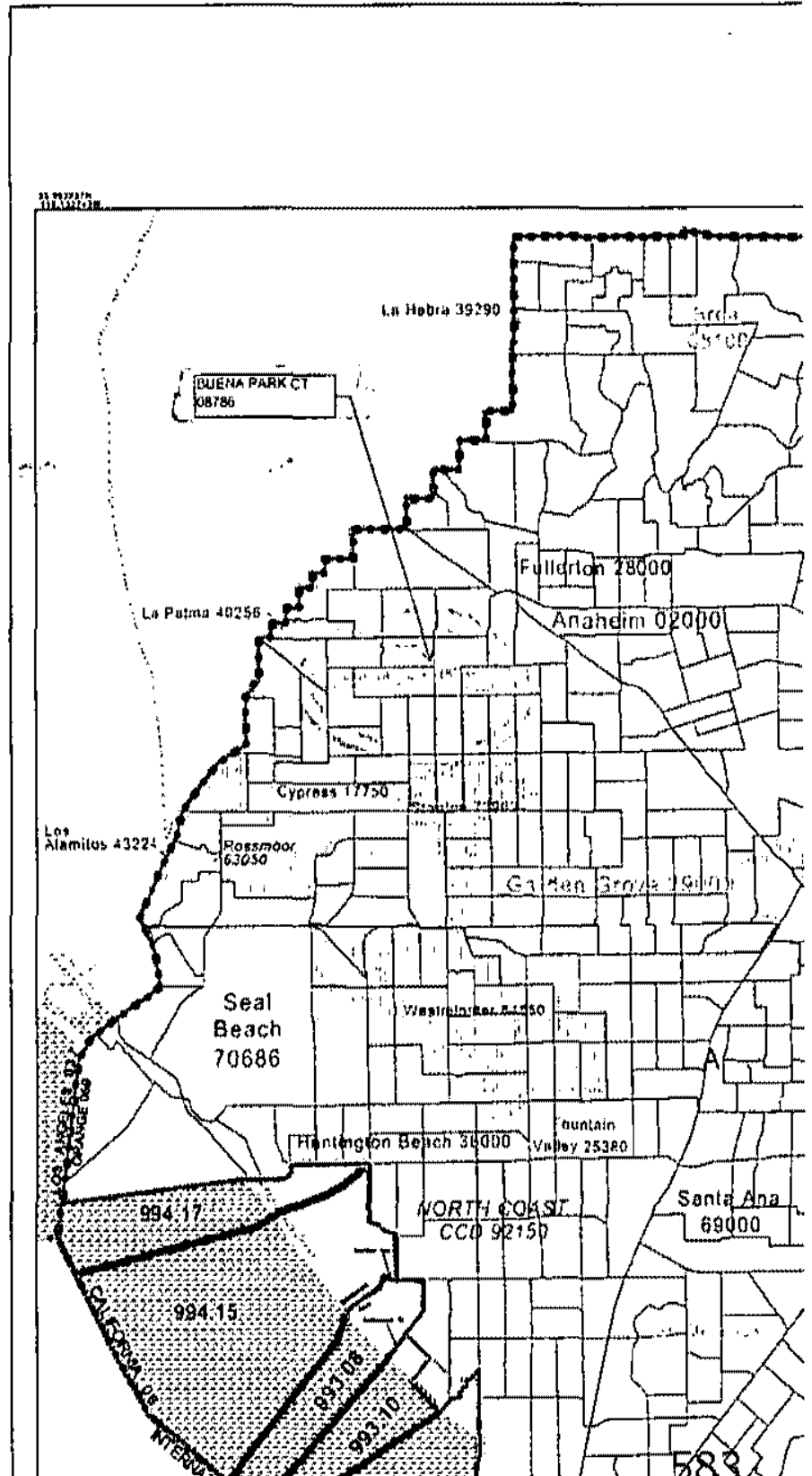
(b)(4)



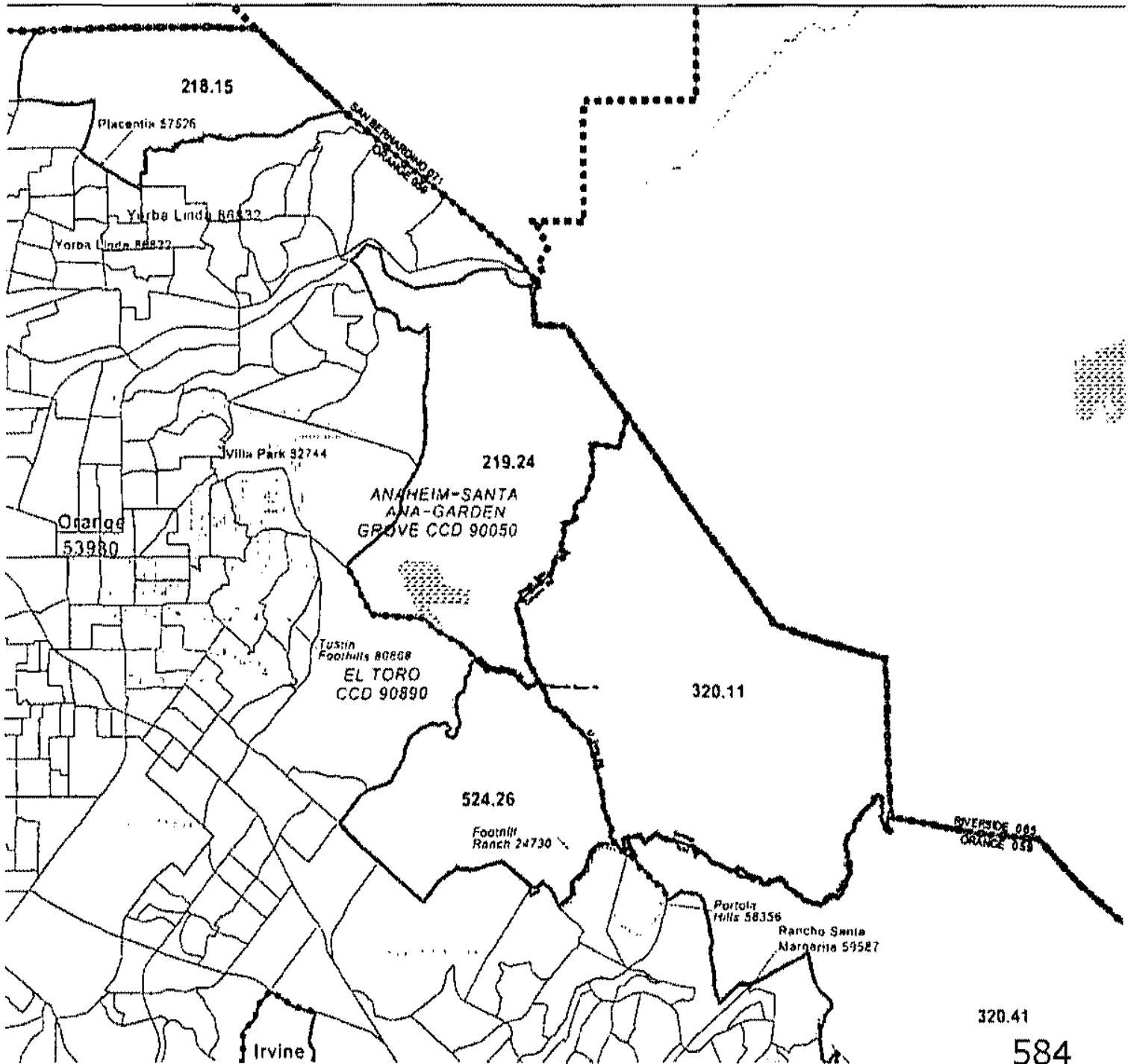
CALIFORNIA - Core Based Statistical Areas and Counties



Orange County



CENSUS TRACT OUTLINE MAP (CENSUS 2000)



ABBREVIATED LEGEND

- | | |
|---------------|-------------------------|
| SYMBOL | NAME STYLE |
| ***** | INTERNATIONAL |
| | AIR (FEDERAL) |
| | Trust Land |
| | OTSA / TDSA |
| | AIR (State) |
| | SDAISA |
| /////// | STATE |
| □□□□□ | COUNTY |
| □□□□□ | CENSUS COUNTY DIV. |
| □□□□□ | Consolidated City |
| □ | Incorporated Place |
| □ | Census Designated Place |
| ————— | Census Tract |

Abbreviation Reference: AIR - American Indian Reservation; Trust Land - BIA-Reservation Trust Land, OTSA - Oklahoma Tribal Trust Land, TDSA - Tribal Designated Subdivision, Tribal Subdivision - American Indian Tribal Subdivision; SDAISA - State Designated American Indian Statistical Area

FEATURES

-
-
-
-
-
-

FEATURES

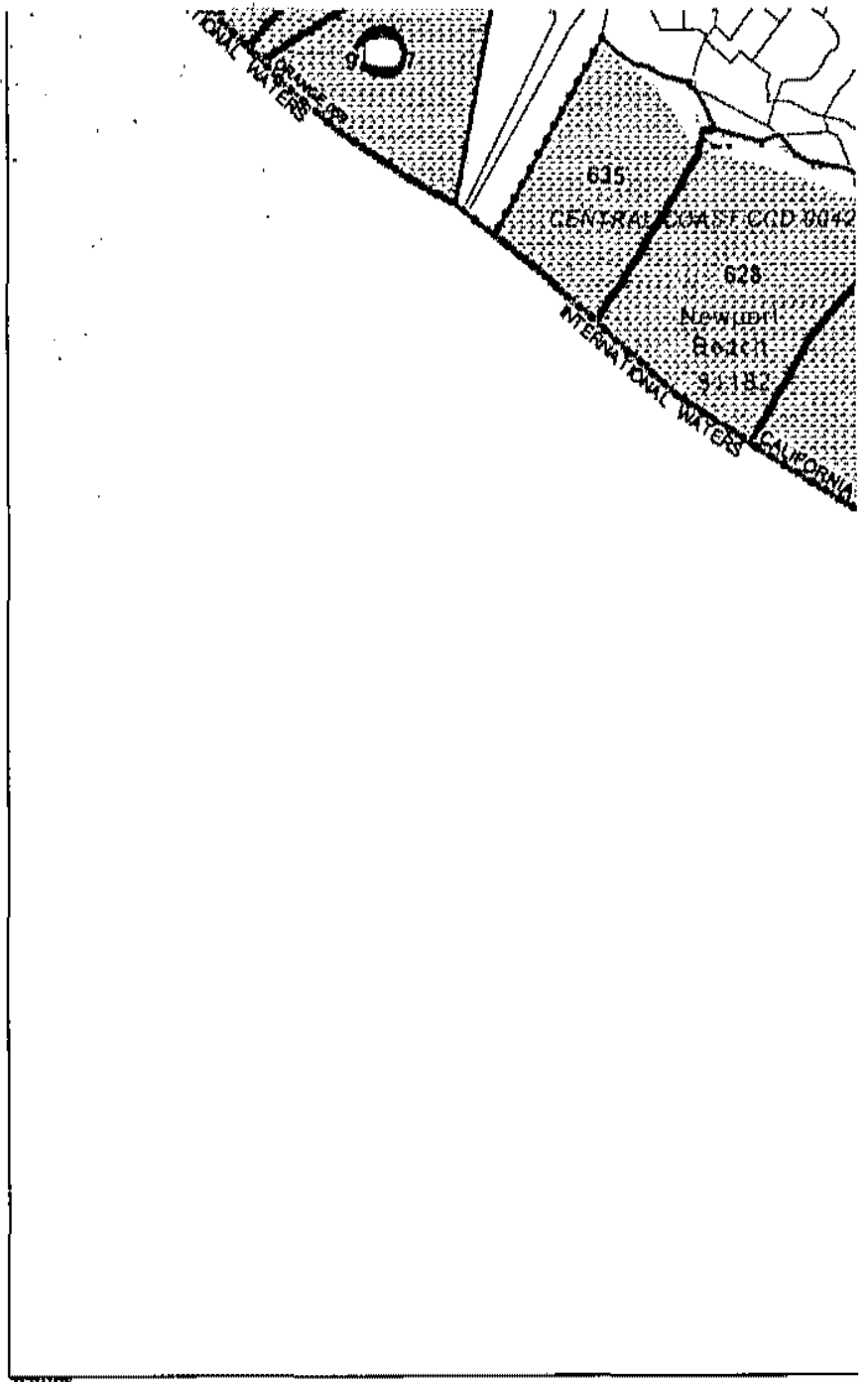
-
-
-
-
-
-

.....

Inset

Out Area

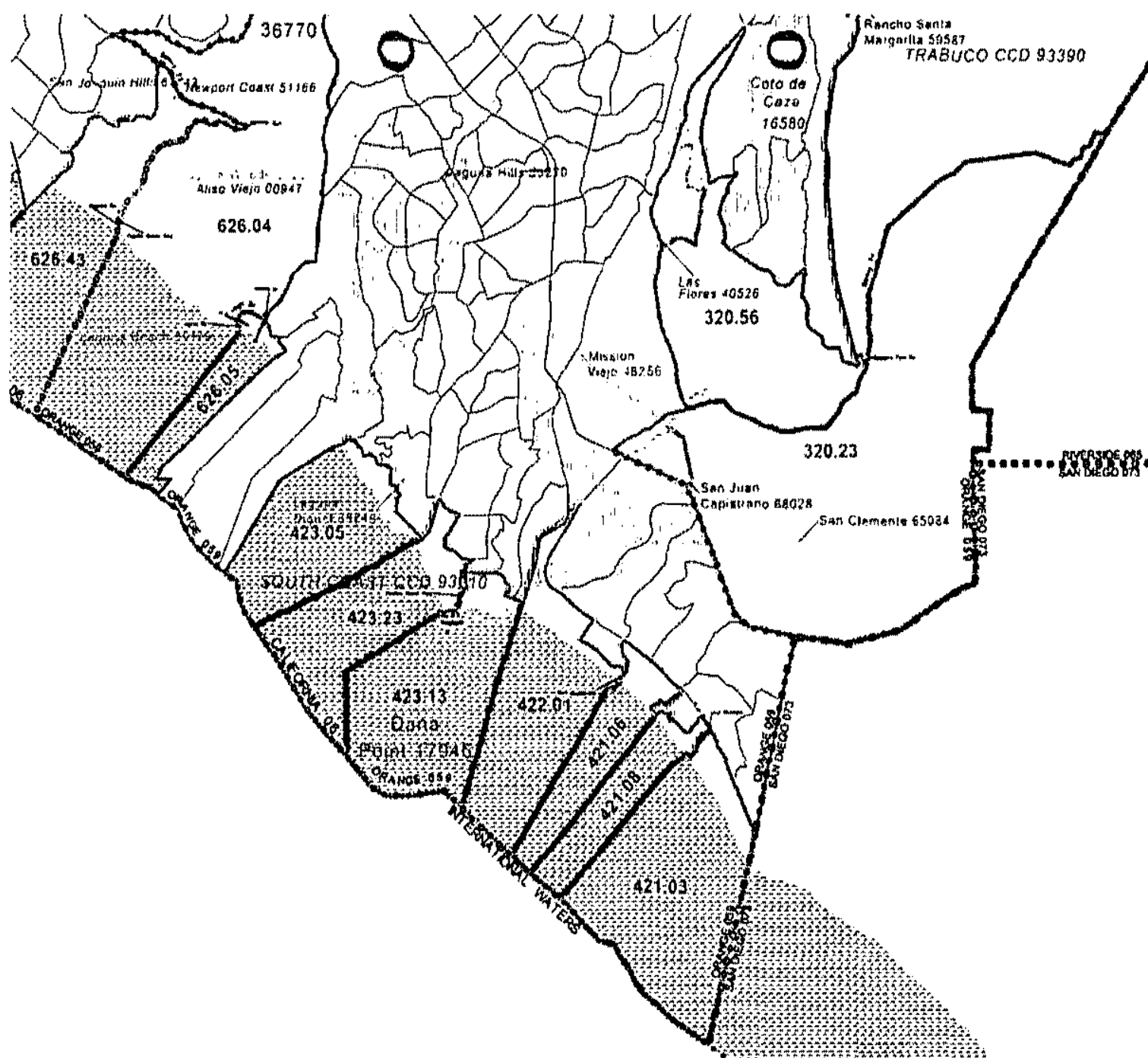
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117-0814N

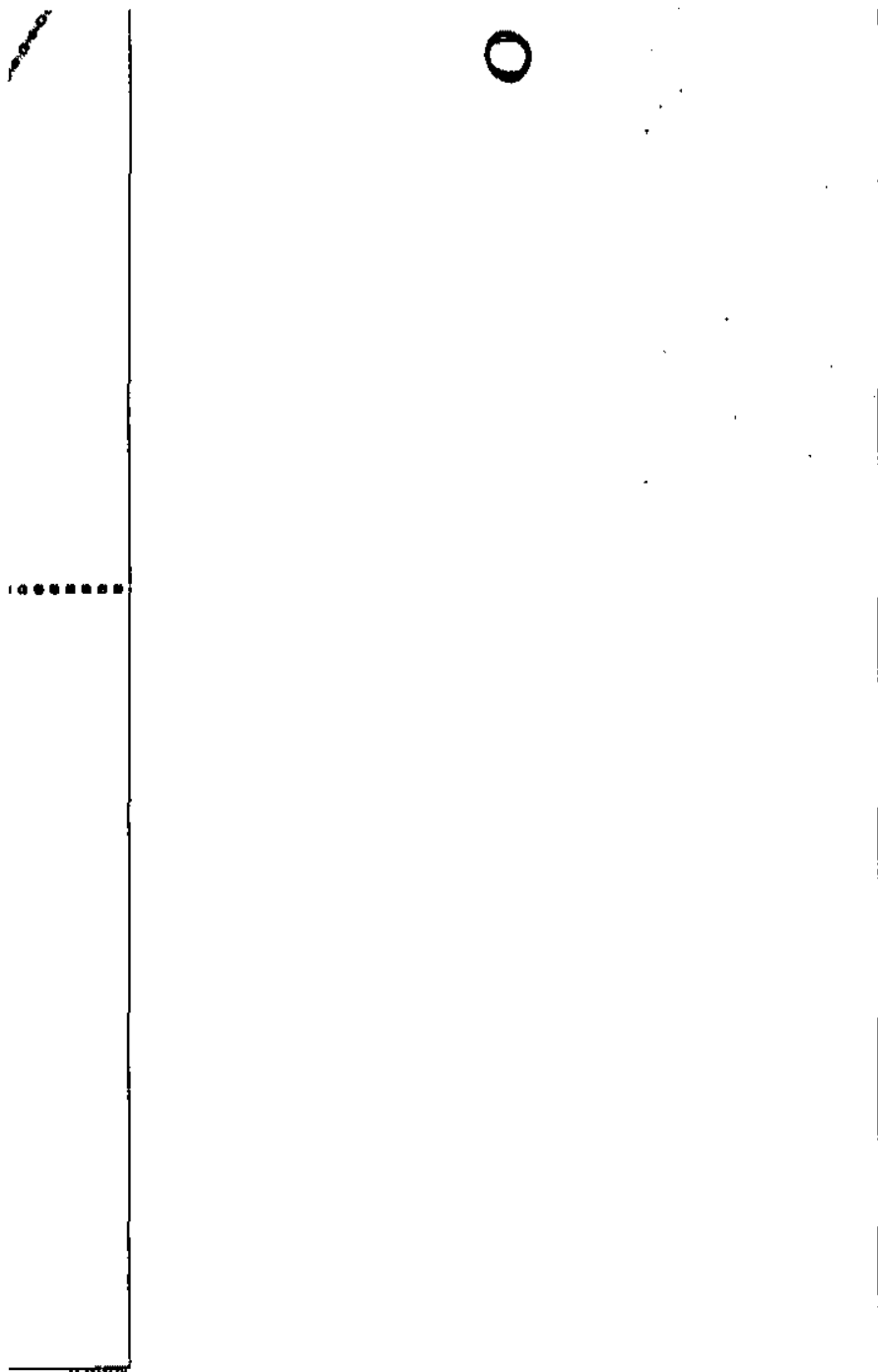


1111111111
1111111111



All legal boundaries and names are as of January 1, 1999.
The boundaries shown on this map are for Census Bureau statistical data collection and
publication purposes only; their depiction and designation for statistical purposes does not
constitute a determination of jurisdictional authority or rights of ownership or entitlement.
U.S. DEPARTMENT OF COMMERCE, Economic and Statistics Administration, U.S. Census Bureau



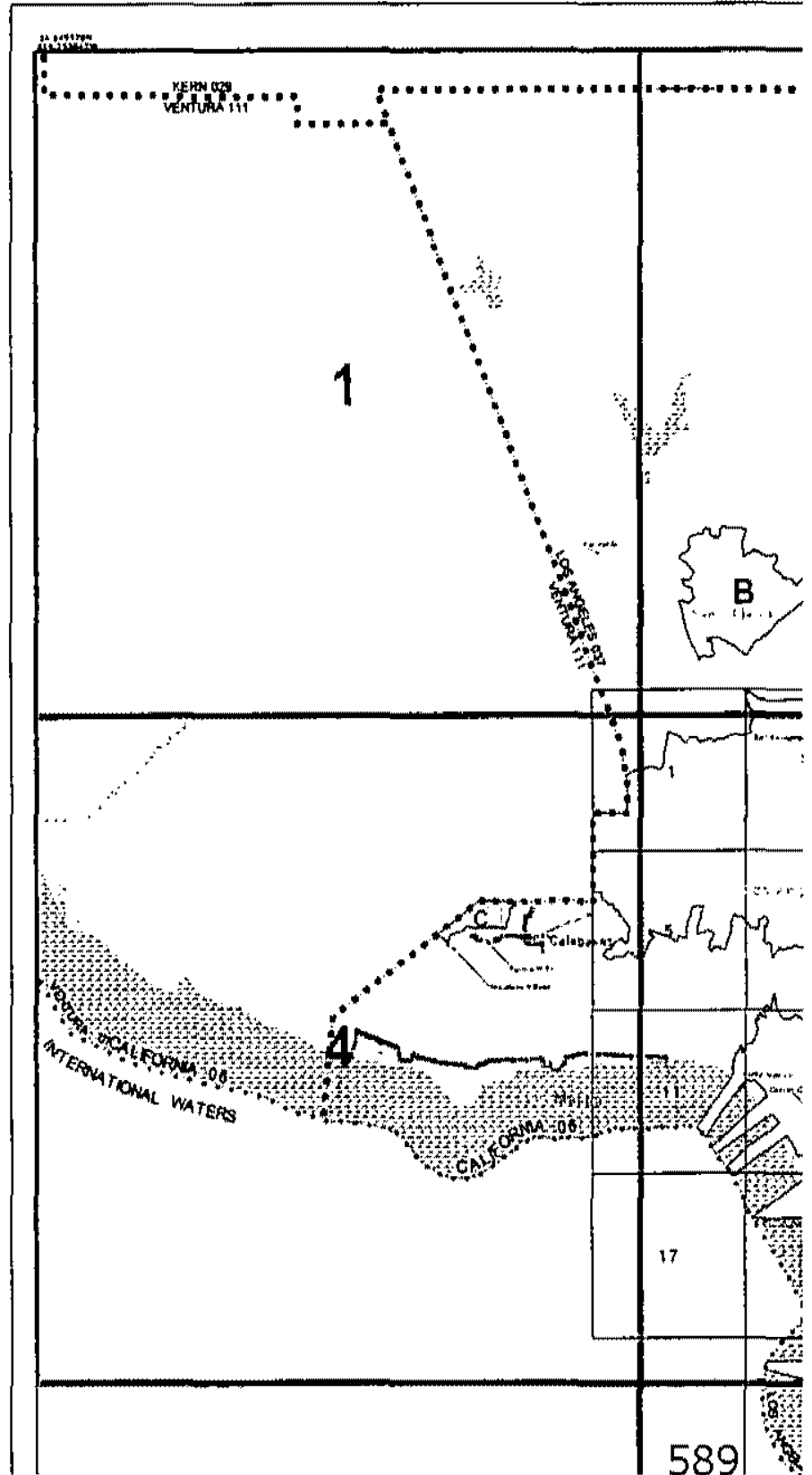


11/23/2010
11/23/2010

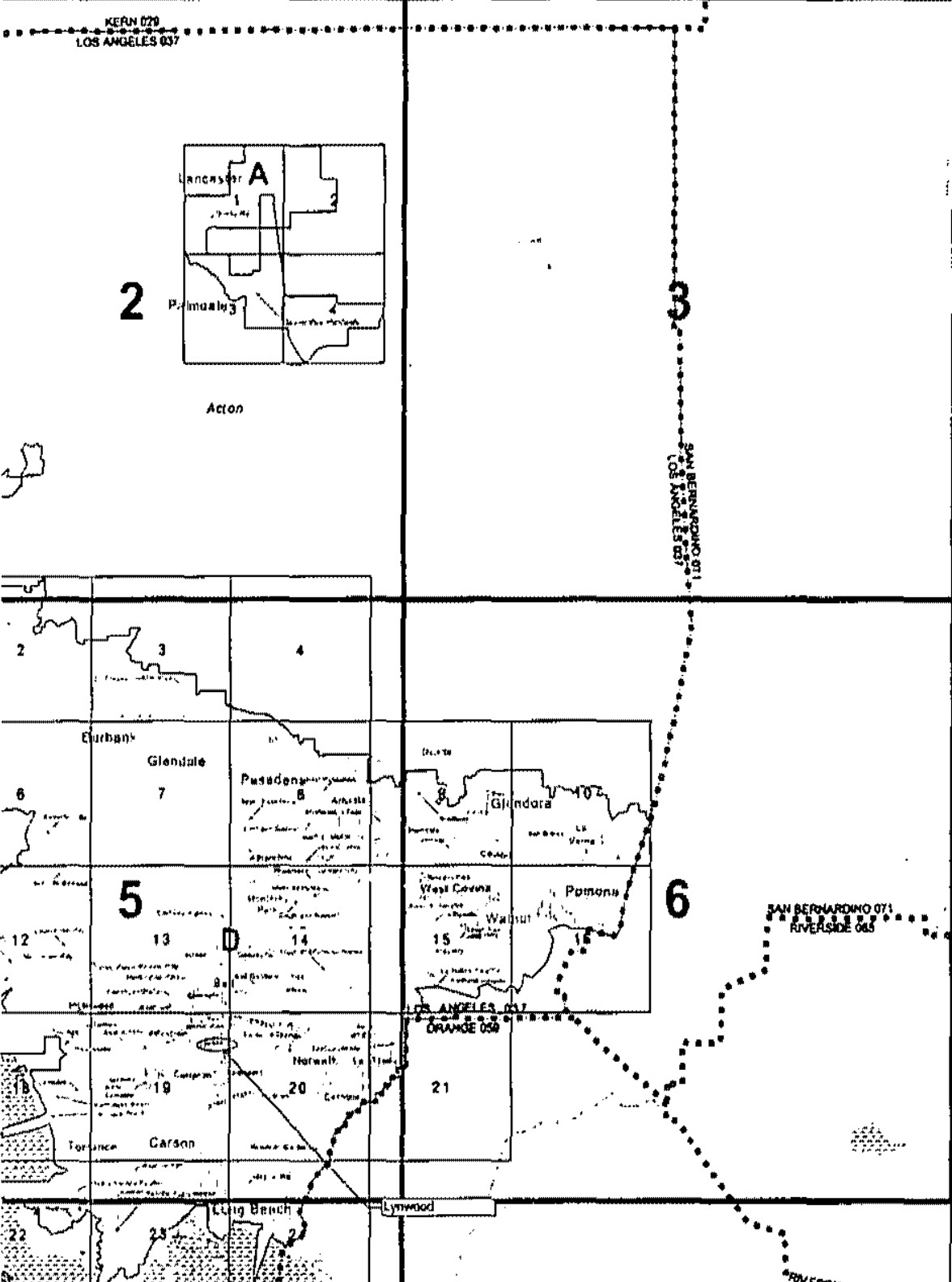
ST: California (06)
CO: Orange (059)
SHEET 1 OF 1 PARENT SHEET

CENSUS TRACT OUTLINE MAP (Census 2000)
[Barcode]

Los Angeles County



INDEX FOR CENSUS TRACT OUTLINE MAP (CENSUS 2000)



INDEX MAP LEGEND

SYMBOL	NAME/STYLE
*****	INTERNATIONAL
-----	AIR (FEDERAL)
-----	Trust Land/HHL
- - - - -	OTSA/A/VGA/TDSA
-----	TRUST SUBSIDY
-----	AIR (State)
-----	SDA/SA
- - - - -	ANRC
///////	STATE
	COUNTY
●●●●●	MINOR CIVIL DIV.¹
●●●●●	Consolidated City
□	Incorporated Place²
□	Census Designated Place³
Inset	Out Area

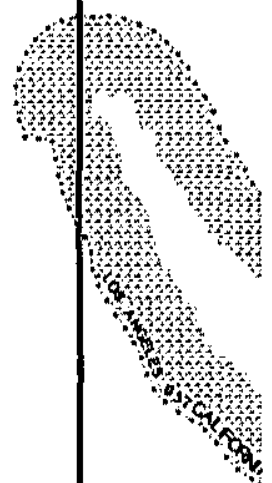
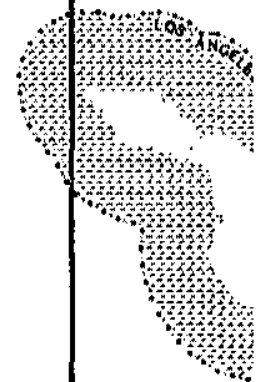
Abbreviations: International AIR - American Indian Reservation Trust Land / Off-Reservation Trust Land; ANRC - Alaska Native Regional Corporation; TDA - Tribal Designated Statistical Area; Tribal Subsidy - Emergency Indian Tribal Subsidy; SD/SA - State Designated American Indian Statistical Area; ANRC - Alaska Native Regional Corporation

¹ A "1" following a place name indicates that the place is geographically within a MCD, but is indicated that the place is also a tribe MCD. In some cases, the MCD name is shown only when it differs from the place name.

CENSUS TRACT OUTLINE MAP LEGEND (CENSUS 2000)

SYMBOL DESCRIPTION	SYMBOL	NAME/STYLE
International	*****	CANADA
American Indian Reservation (Federal)	-----	L'ANSE RES (1880)
Off-Reservation Trust Land, Hawaiian Home Land	-----	T1880
Oklahoma Tribal Statistical Area, Alaska Native Village Statistical Area, Tribal Designated Statistical Area	●	KAW OTSA (5340)
American Indian Tribal Subsidy	-----	SIGNO 60
American Indian Reservation (State)	-----	Taina Res (4125)
State Designated American Indian Statistical Area	-----	Lumber (9815)
Alaska Native Regional Corporation	-----	NANA ANRC 52120
State or Statistically Equivalent Entity	///////	NEW YORK 36
County or Statistically Equivalent Entity		ERIE 029
Minor Civil Division (MCD)²	●●●●●	PIKE TWP 59742
Consolidated City	●●●●●	KULA CCD 91890
Incorporated Place³	□	Milford 47500
Census Designated Place (CDP)³	□	Rome 63418
Census Tract	-----	Zena 84187
		5702.01

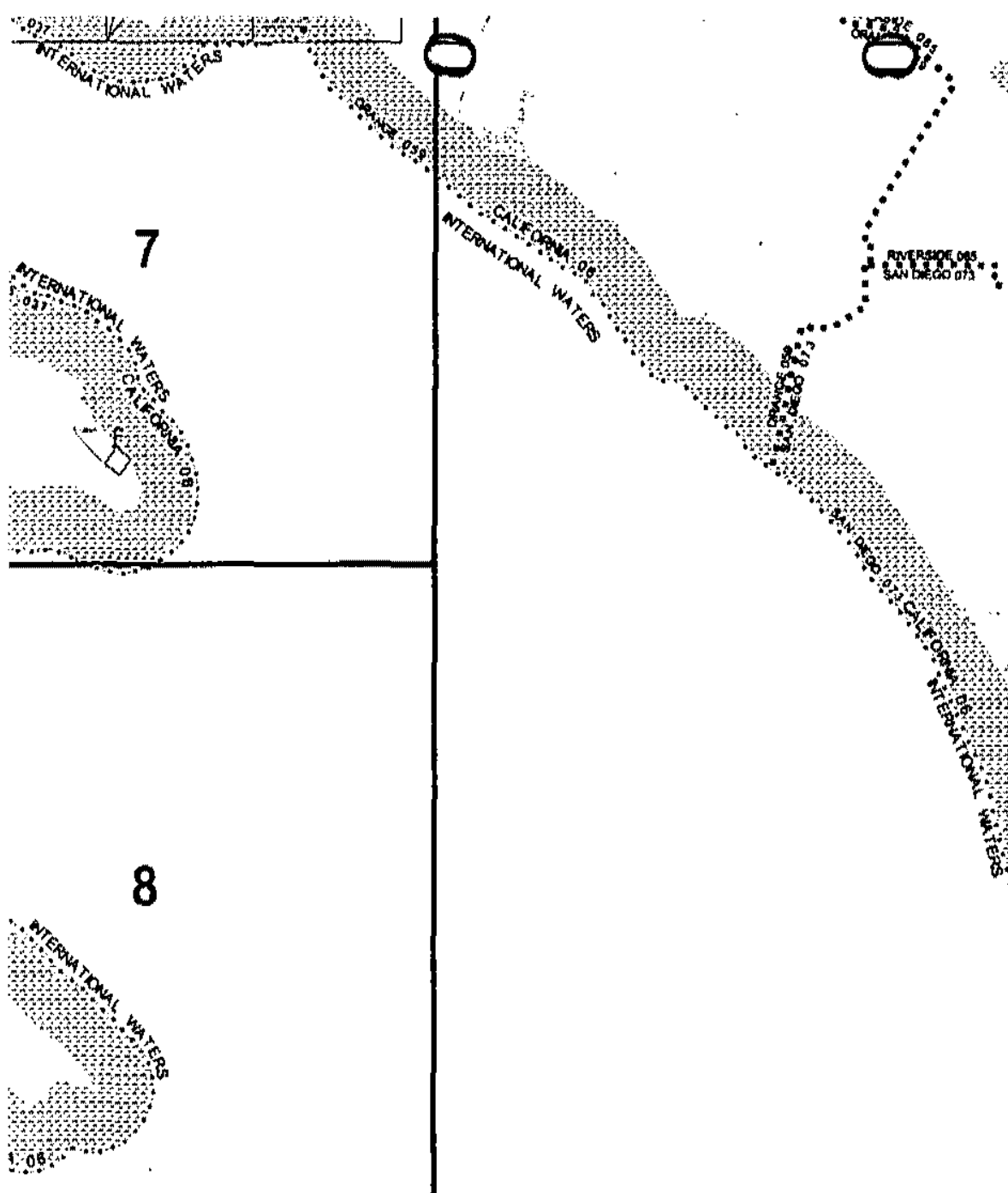
FEATURE	SYMBOL	FEATURE	SYMBOL
All Roads	-----	Perennial Stream or Streamline	-----
Railroad	-----	Intermittent Stream or Arroyo	-----
Highway or Power Line	-----	Large River or Lake	-----
Bridge, Tunnel, or	-----		



11171215W
111.251642W



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tabulation purposes only; their depiction and designation for statistical purposes does not
constitute a determination of jurisdictional authority or rights of ownership or entitlement.
U.S. DEPARTMENT OF COMMERCE, Economic and Statistics Administration, U.S. Census Bureau



The plotted map scale is 1:320000

UNITED STATES GOVERNMENT
NATIONAL BUREAU OF INVESTIGATION
FEDERAL BUREAU OF INVESTIGATION
Military Installation : FORT BRAGG
Inset Area : A
Outside Subject Area :
STANDARD FORM NO. 64
MAY 1962 EDITION
GSA GEN. REG. NO. 27
5010-104-01

When reproducing, state and use every word and symbol exactly as they appear on the original. Do not change the position of any letter or symbol or the arrangement of these characters.
1. A " " following a place name indicates that the place is investigated with a MCH. A " " following an unincorporated place name indicates that the place is also a town MCH. In each case, the MCH name is shown only when it differs from the place name.

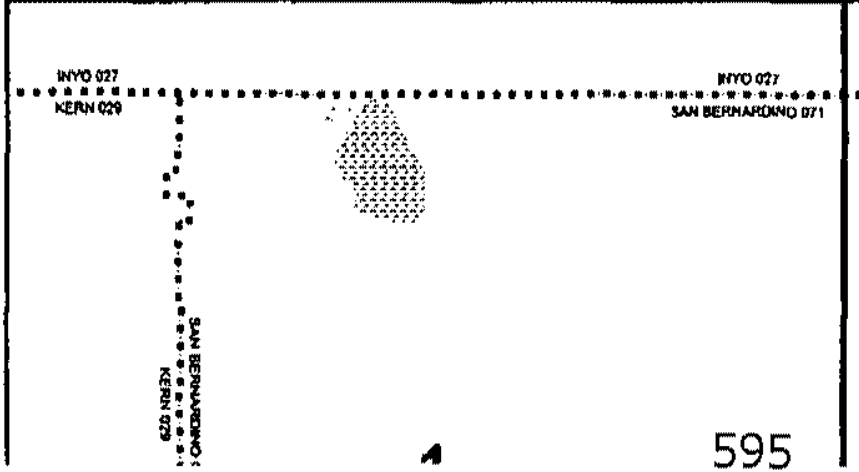
ST: California (06)
COU: Los Angeles (037)

INDEX MAP (TOTAL PARENT SHEETS & TOTAL INDEX SHEETS 11)

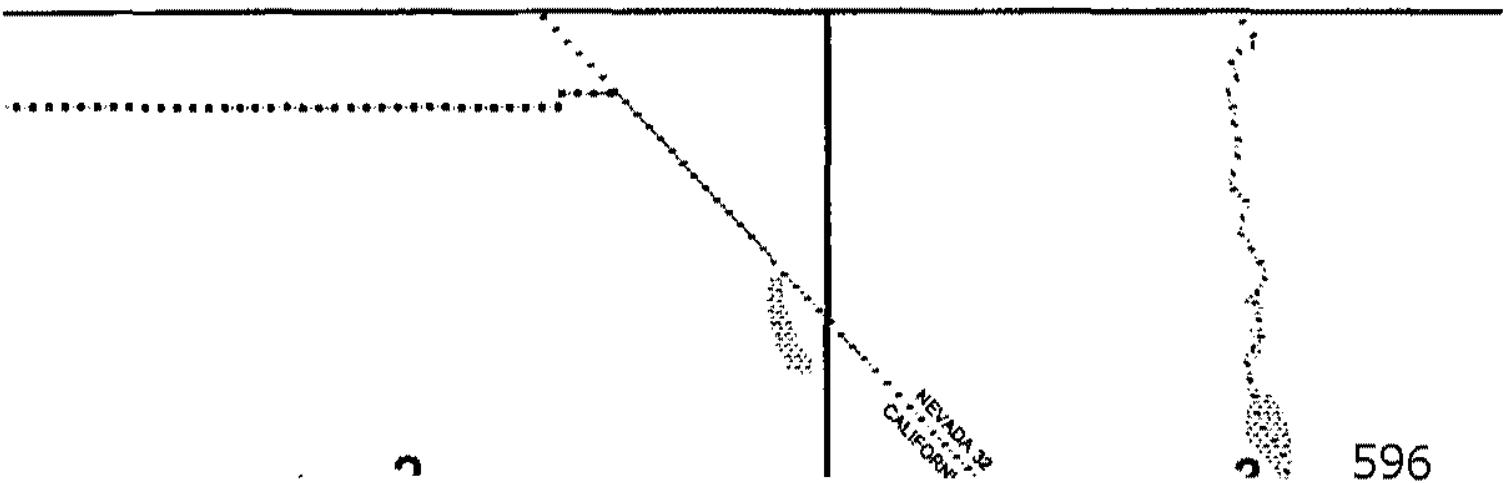
CENSUS TRACT OUTLINE INDEX MAP (Current 1960)
INDEX MAP (Current 1960)
(TRACT) (COUNTY) (STATE)

San Bernardino County

14 082154
112 402872



INDEX FOR CENSUS TRACT OUTLINE MAP (CENSUS 2000)



INDEX MAP LEGEND

SYMBOL	NAME/STYLE
*****	INTERNATIONAL
---	AIR (FEDERAL)
-----	Trust Land/HHL
OTSA/AMVSA/TQSA	OTSA/AMVSA/TQSA
-----	TRIBAL SUBDIVISION
---	AIR (STATE)
-----	SP4/SA
-----	ANRC
///////	STATE
□□□□□□	COUNTY
●●●●●●	MINOR CIVIL DIV. *
○○○○○○	Consolidated City
□	Incorporated Place *
□	Census Designated Place *
Inset	Out Area

Abbreviations: AMVSA = American Indian Reservation; Trust Land = OIA-Reservation Trust Land; ANRC = Alaska Native Regional Corporation; TQSA = Tribal Quasi-Statistical Area; Tribal Subdivision = American Indian Tribal Subdivision; AMVSA = American Indian Reservation; ANRC = Alaska Native Regional Corporation.

* A " " following a place name indicates that the place is statistically with a MCD. A " " indicates that the place is also a CDP. In both cases, the MCD name is shown only when it differs from the place name.

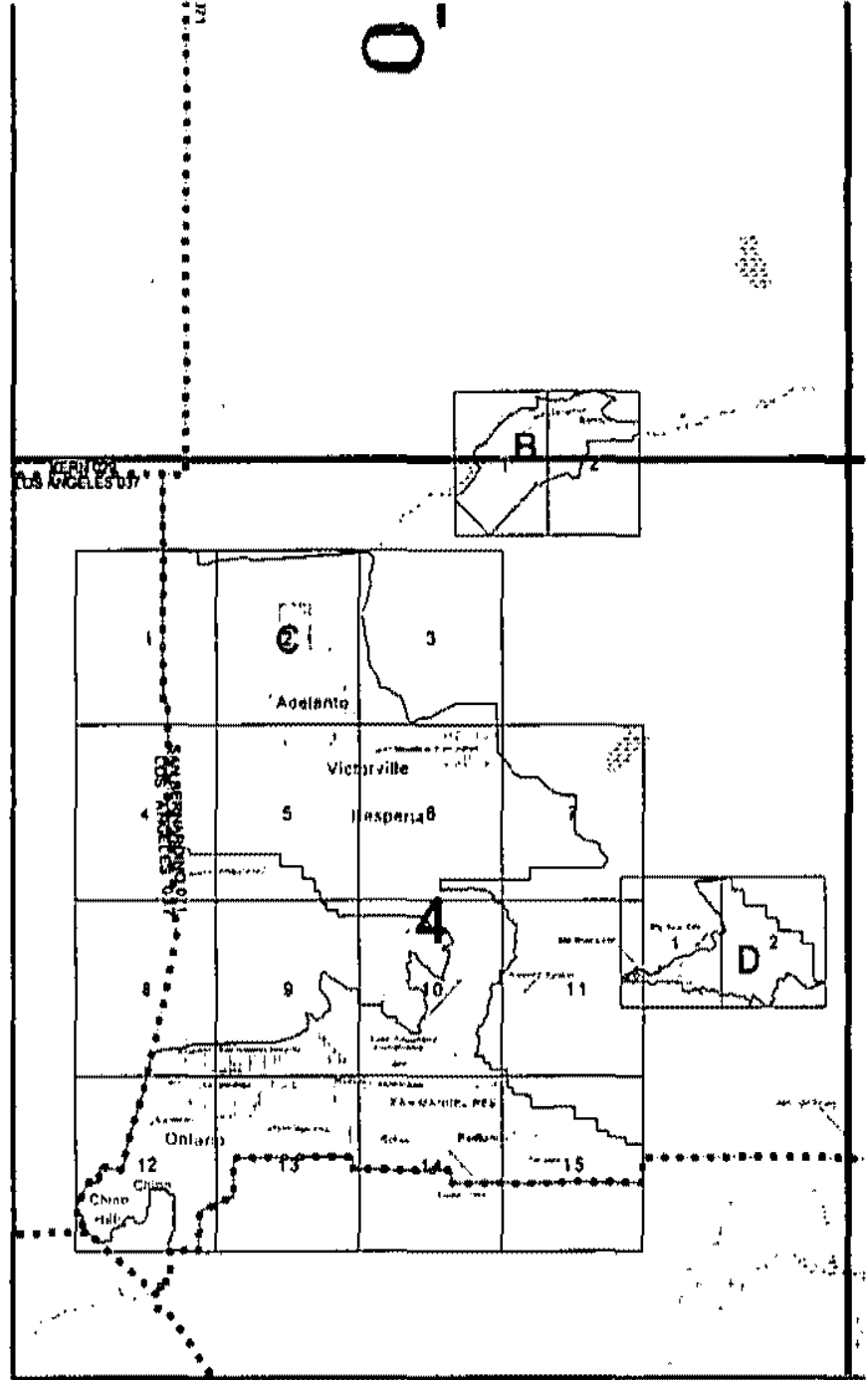
CENSUS TRACT OUTLINE MAP LEGEND (CENSUS 2000)

SYMBOL/DESCRIPTION	SYMBOL	NAME/STYLE
International	*****	CANADA
American Indian Reservation (Federal)	---	L'ANSE RES (1880)
OIA-Reservation Trust Land, Hawaiian Home Land	-----	T1880
Oklahoma Tribal Statistical Area, Alaska Native Village Statistical Area, Tribal Quasi-Statistical Area	OTSA	KAW OTSA (5940)
American Indian Tribal Subdivision	---	INTC EA
American Indian Reservation (State)	---	Tama Res (4125)
Census Designated American Indian Statistical Area	---	Linnham (9815)
Alaska Native Regional Corporation	-----	NANA ANRC 52120
State or Statistically Equivalent Entity	///////	NEW YORK 36
County or Statistically Equivalent Entity	□□□□□□	ERI 029
Minor Civil Division (MCD)	●●●●●●	PIKE TWP 59742
Census County Division (CCD)	●●●●●●	KULA CCD 91890
Consolidated City	○○○○○○	Milford 47500
Incorporated Place *	□	Rome 63418
Census Designated Place (CDP) *	□	Zena 84187
Census Tract	-----	5702.01

FEATURE	SYMBOL	FEATURE	SYMBOL
Sea Route	---	Perennial Stream or Arroyo	---
Railroad	====	Intermittent Stream or Arroyo	---
Pipeline or Power Line	---	Large River or Lake	-----
Bridge, Ferry, or	---		

0

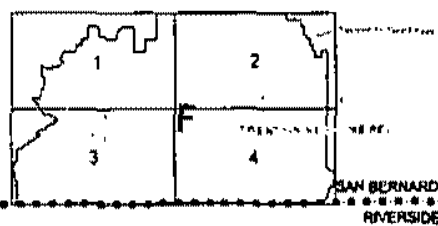
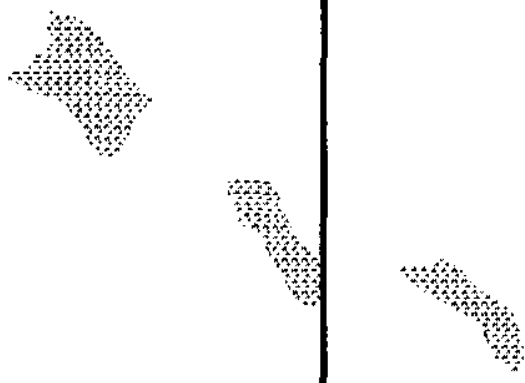
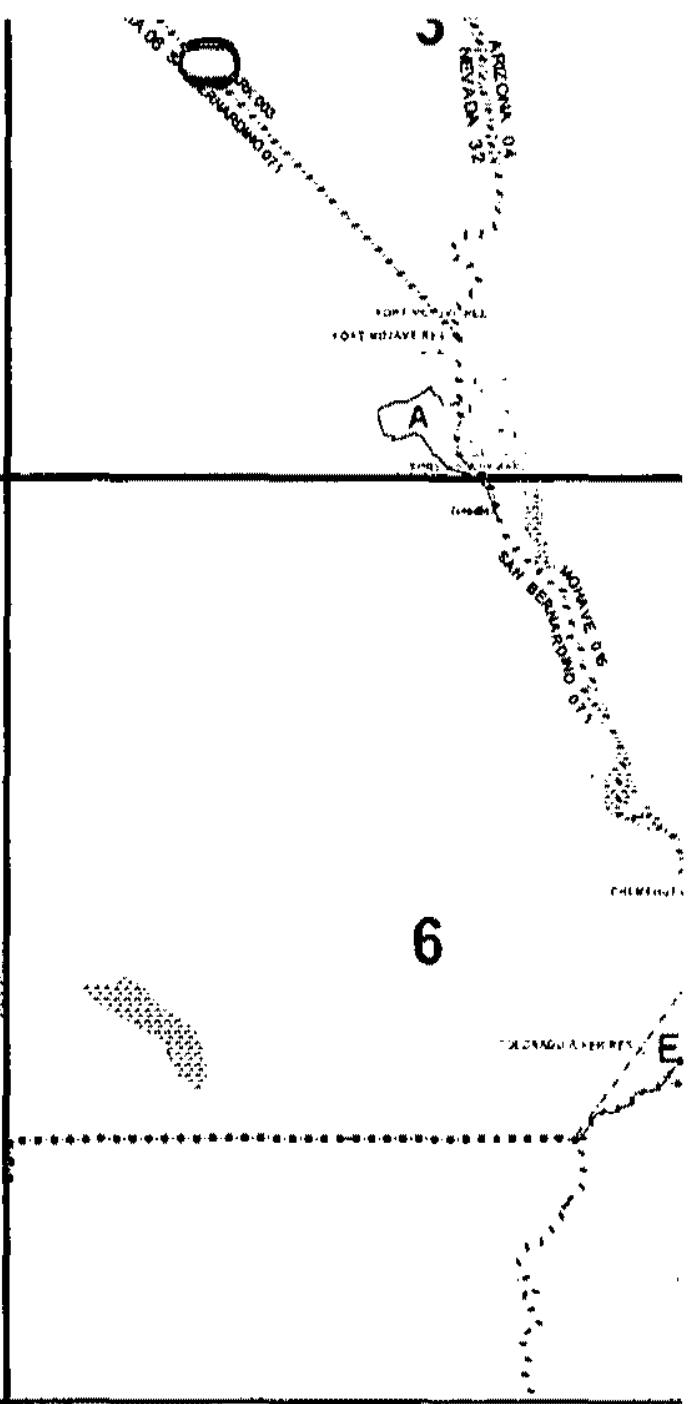
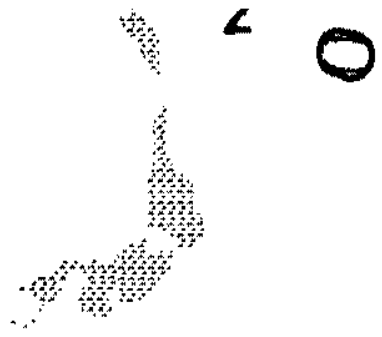
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All legal boundaries and names are as of January 1, 1980.
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 tabulation purposes only; their depiction and designation for statistical purposes does not
 constitute a determination of jurisdictional authority or rights of ownership or entitlement.
 U.S. DEPARTMENT OF COMMERCE, Economic and Statistics Administration, U.S. Census Bureau



NAME & ADDRESS
Municipal Boundary as
Shown on 1960 Census
Classification

Military Installation

FBI(84000)

Inset Area

A

Outside Subject Area

When information, state, and/or county boundaries coincide, the map shows the boundary shown on only the 1:250,000 scale map.
A "C" following a place name indicates that the place is unincorporated with a MCM. A "D" following an incorporated place name indicates that the place is also a place MCM. In both cases, the MCM name is shown only if it differs from the place name.



ST: California (06)
COU: San Bernardino (071)

INDEX MAP (TOTAL PARENT SHEETS & TOTAL INSET SHEETS 2)

CENSUS TRACT OUTLINE INDEX MAP (SCALE 1:250,000)
U.S. GEOGRAPHIC SURVEY SERVICE
WASHINGTON, D.C. 20540



GOVERNOR ARNOLD SCHWARZENEGGER

April 21, 2008

Ms. Barbara Q. Velarde
Chief
Office of Service Center Operations
U.S. Citizenship and Immigration Services
20 Massachusetts Avenue NW
Room 2123
Washington, DC 20529

RE: State Designation of Agency

Dear Ms. Velarde,

Under section 203(b)(5) of the Immigration and Nationality Act, 8 U.S.C. § 1153(b)(5), 10,000 immigrant visas per year are available to qualified individuals seeking permanent resident status on the basis of their engagement in a new commercial enterprise. I am writing to update your records as to the authorized California Agency to designate geographic areas as a high unemployment area ("targeted employment area") to comply with the components of the Immigration Investor Program.

As Governor of the State of California, I select the Secretary of Business, Transportation and Housing (BTH), or his or her designee, to be the authorized entity empowered to certify identified targeted employment area that meet the qualifications to be designated for the Immigration Investor Program. The Secretary of BTH will, upon request, certify by letter to the U.S. Citizenship and Immigration Services that the areas where the investments are being directed meets the definition of "high unemployment," that the data reflects the unemployment rate for the area to be in excess of 150 percent of the national average and the "targeted employment area" designation will remain in effect for the foreseeable future.

Sincerely,

A handwritten signature in black ink that reads "Arnold Schwarzenegger".

Arnold Schwarzenegger

/la

FEDERAL Immigration Act of 1990 INVESTOR VISA PROGRAM

May 2008

CONGRESS PASSED THE IMMIGRATION ACT OF 1990 that includes a program permitting foreign investors to obtain permanent residence in the United States. This is an amendment to the Immigration and Naturalization Act (INA). Section 203(b)5 of the INA provides an immigrant investor visa category aimed at generating an inflow of foreign capital and creating jobs for U.S. workers. The law allows 10,000 permanent visas ("green cards") each year for qualifying immigrant investors. The INA requires a capital investment of \$1 million for all areas in California, except in rural, high unemployment, or targeted areas where a lower investment threshold of \$500,000 may be made. In all cases, the investment must also create full-time employment for at least 10 U.S. citizens or other legal residents—other than members of the investor's family. Investors (and qualified family members) may be granted conditional permanent residence status for two years if they meet and document the investment criteria. With timely filing to remove the conditional status, a permanent green card may be issued. Five years after the initial grant of conditional permanent residence, an investor may apply for U.S. citizenship. "High unemployment" is defined as 150 percent of the annual national average unemployment rate. The current qualifying rate is 6.9 percent. In accordance to 8 CFR §204.6(i), the California Employment Development Department (EDD) has been designated to identify the cities, counties, metropolitan statistical areas (MSAs) and geopolitical subdivisions (census tracts) that meet the "high unemployment" definition and therefore qualify for the \$500,000 minimum investment threshold. Though the rate changes often, the qualifying areas are identified at one point in time and published annually. A list of qualifying areas and census tracts can be found below. Census tract numbers for corresponding addresses can be found at <http://factfinder.census.gov/servlet/BasicFactsServlet>.

Program Highlights

- 10,000 new green cards available nationwide each year
- Permanent green card in only 2 years
- Citizenship possible in 5 years

Program Requirements

- Minimum investment of \$500,000 or \$1 million
- Creation of 10 full-time jobs for U.S. citizens

Qualifying Targeted Areas in California

- 292 Cities and Census Designated Places, 83 of these did not qualify at the MSA or County Level
- 33 Counties, 21 of these are Rural
- 11 MSAs
- 1,567 Census Tracts, 1080 of these are in Non-Qualifying Counties

Qualifying Unemployment Rate for Targeted Areas

- 6.9 percent or greater

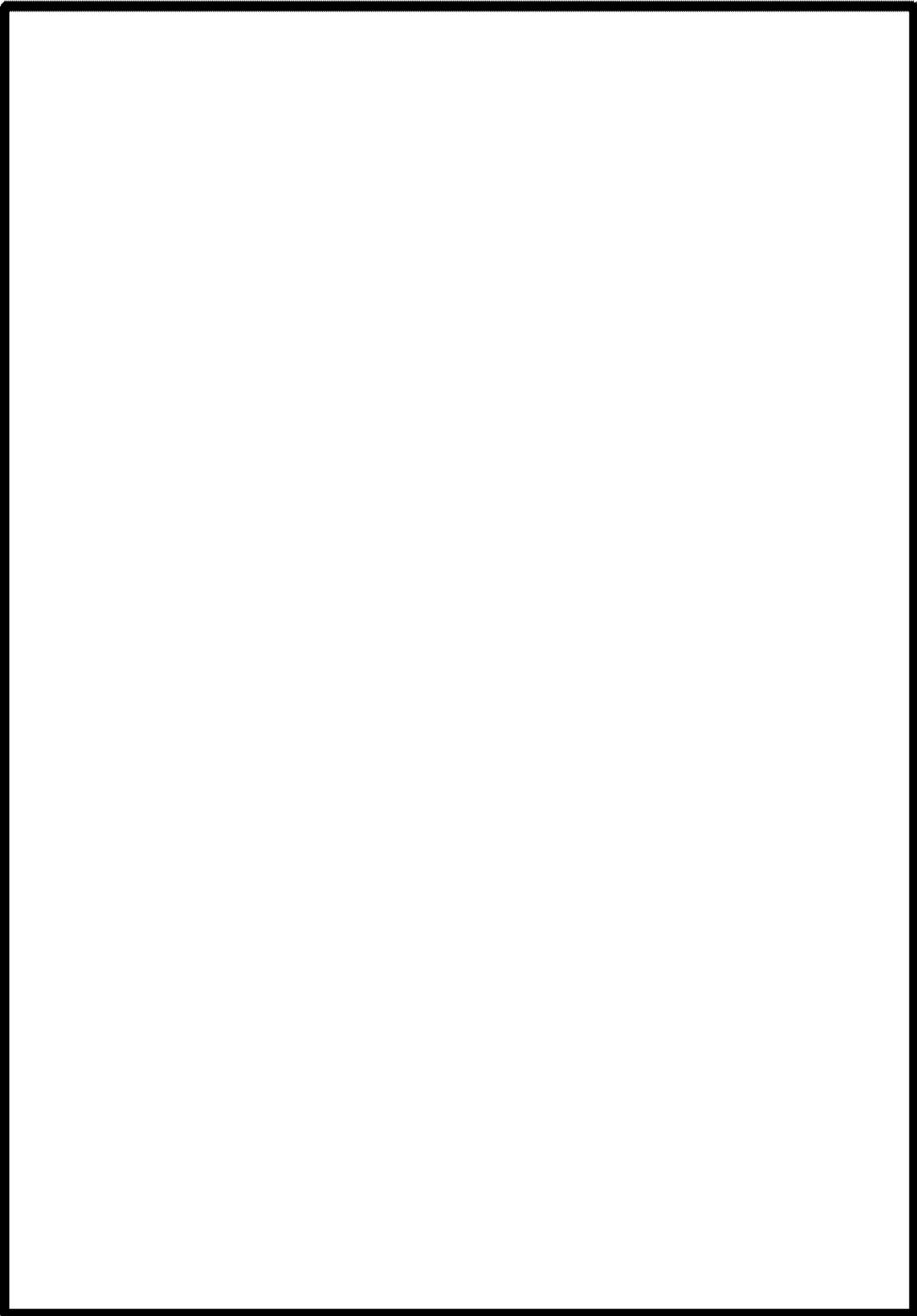
IMMIGRATION ACT OF 1990 FOREIGN INVESTOR PROVISIONS

QUALIFYING AREAS
(Unemployment Rate 6.9% or greater)

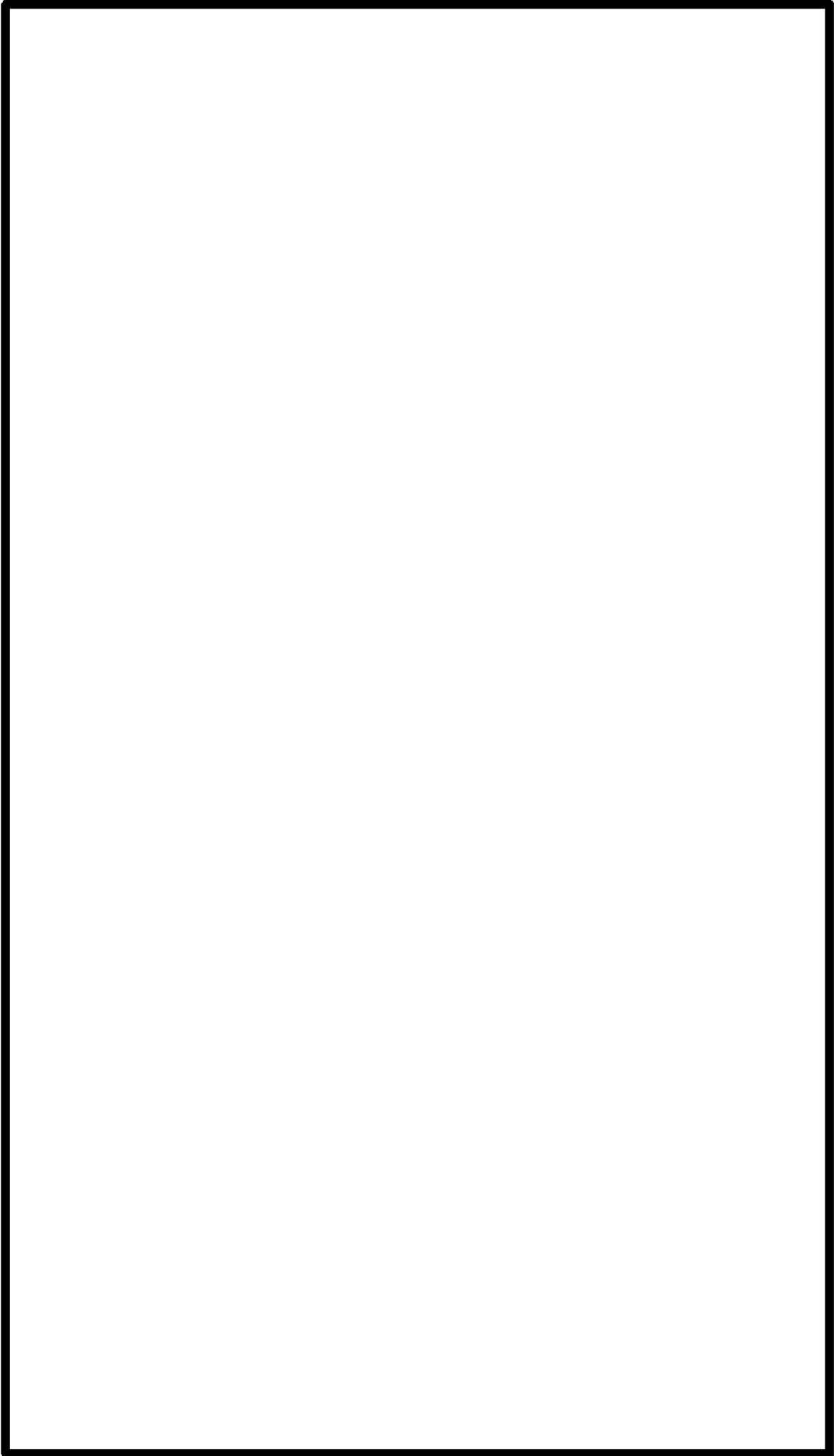
Source: Employment Development Department
Labor Market Information Division
Local Area Unemployment Statistics
2007 Annual Average Unemployment Rates

METROPOLITAN STATISTICAL AREAS (MSA) (BOLD IF QUALIFYING)	COUNTIES COVERED (BOLD IF QUALIFYING)	QUALIFYING CITIES and CENSUS DESIGNATED PLACES	RATE
(b)(4)			

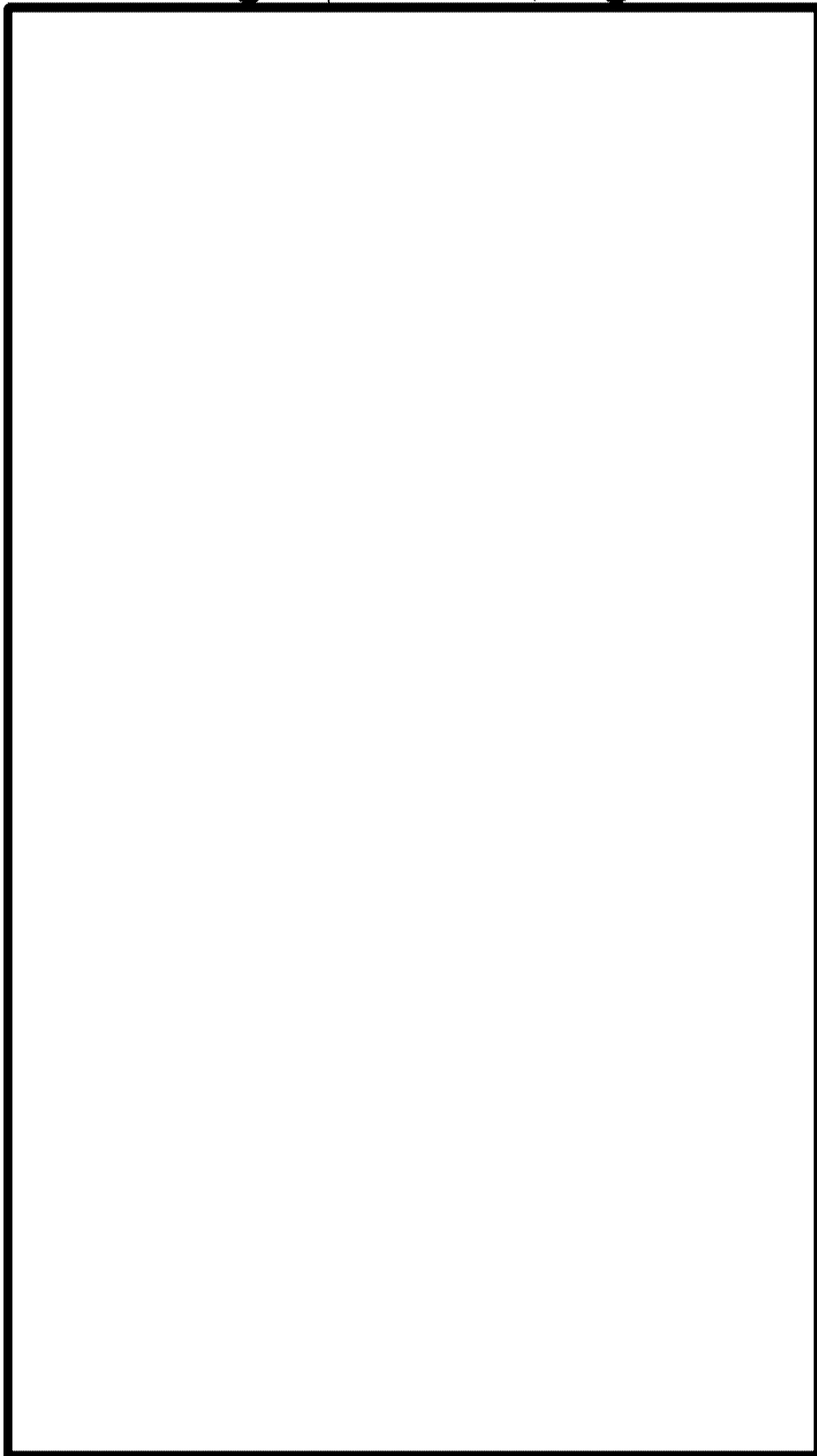
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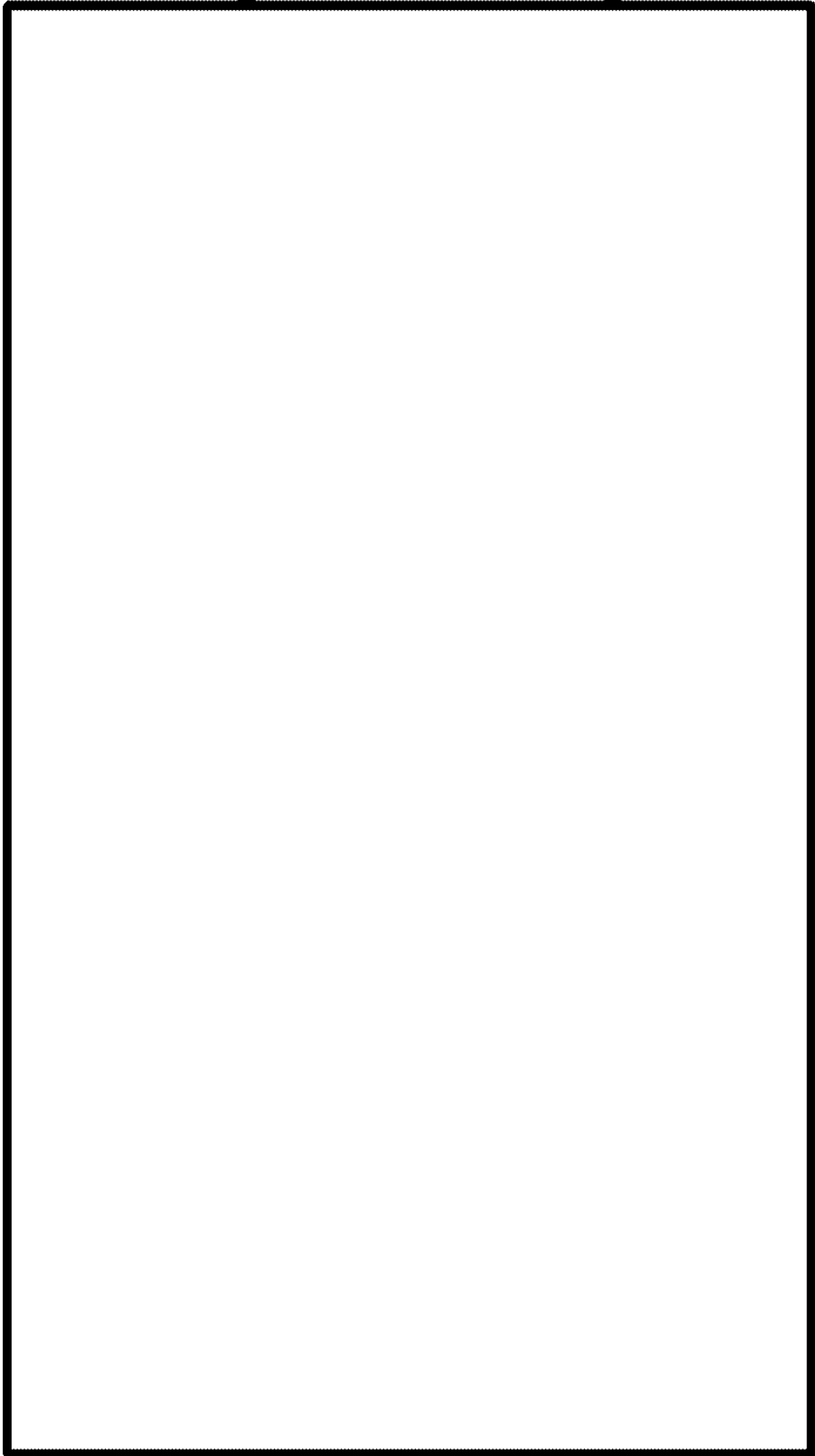
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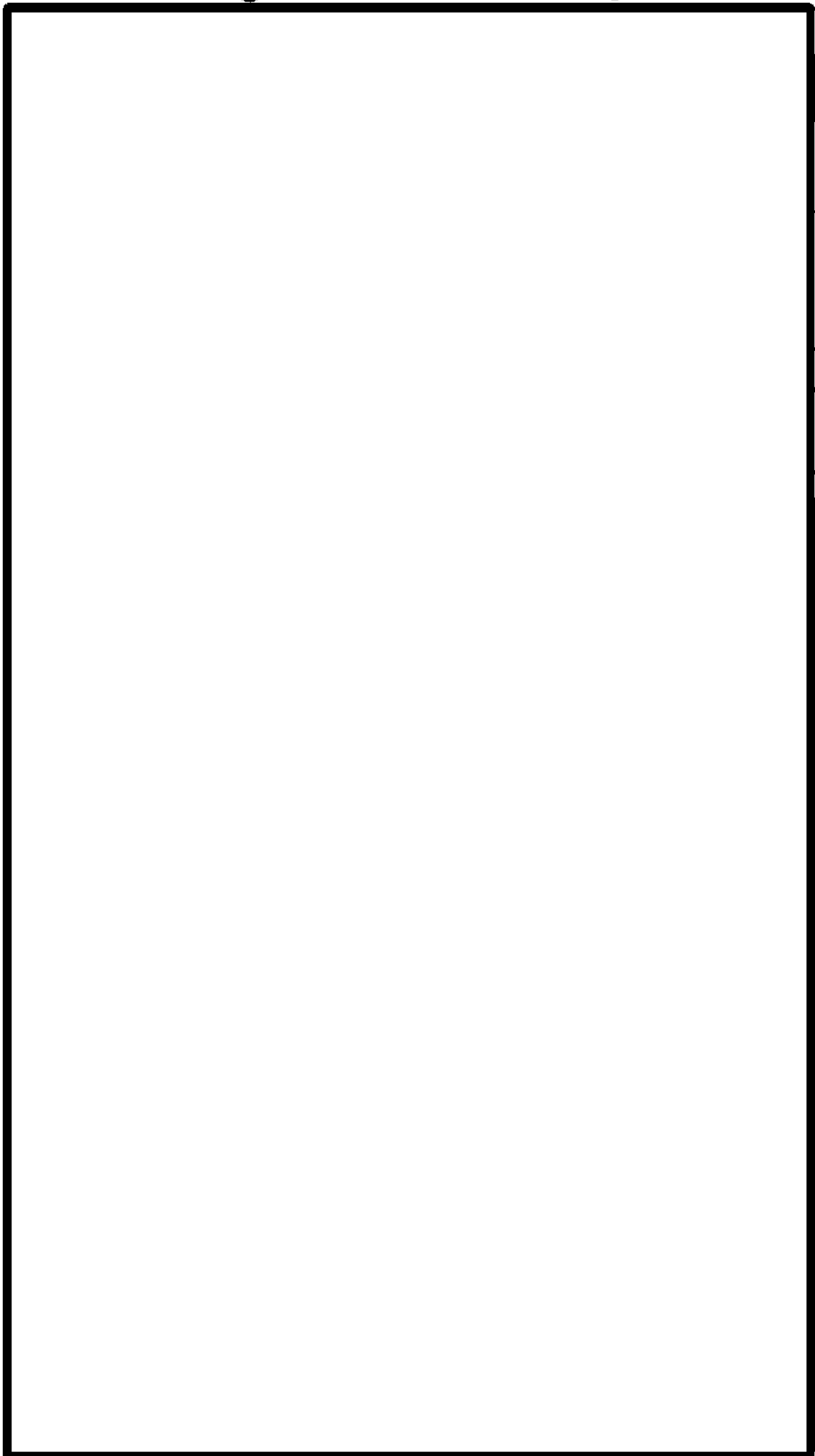
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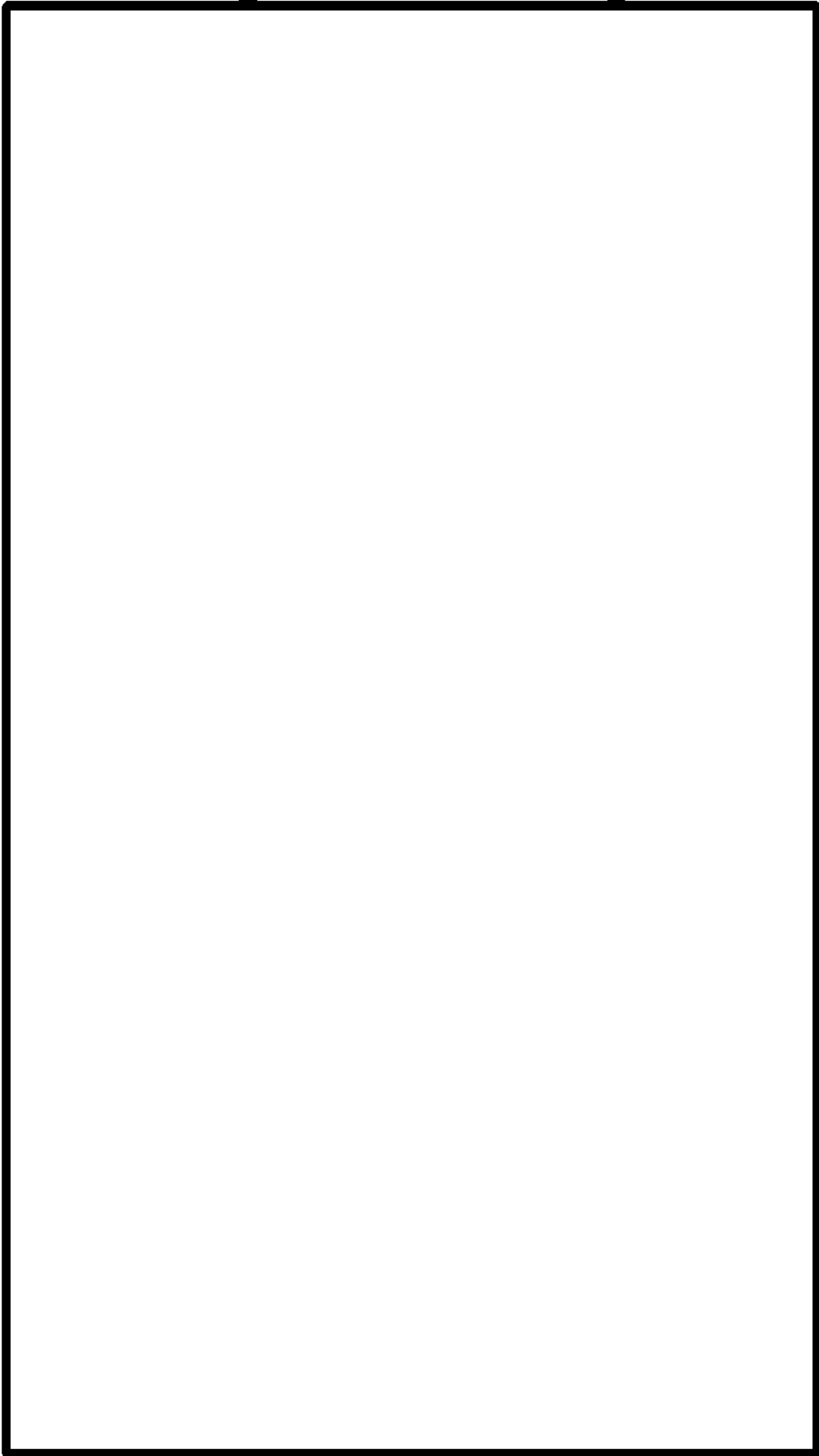


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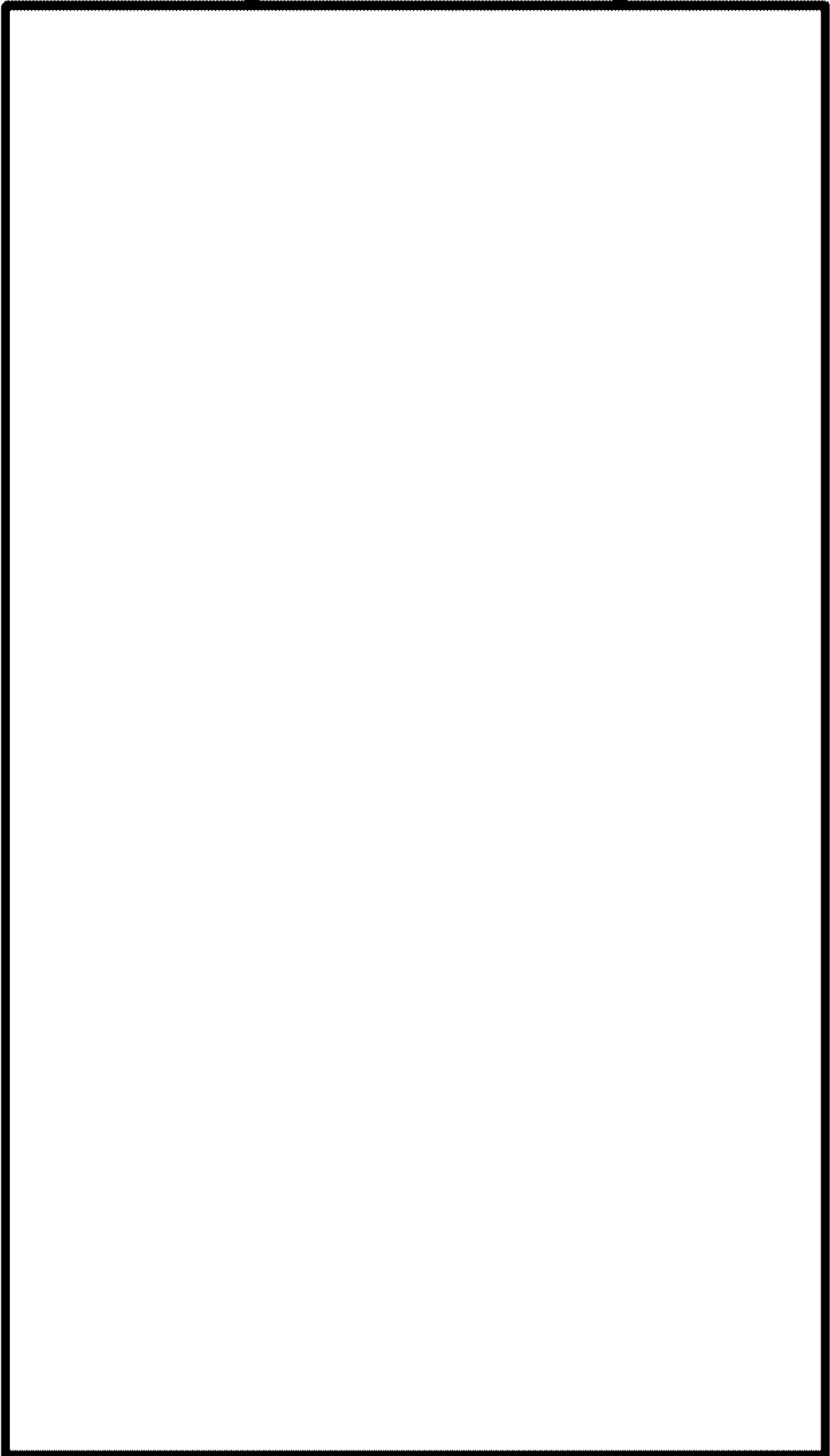


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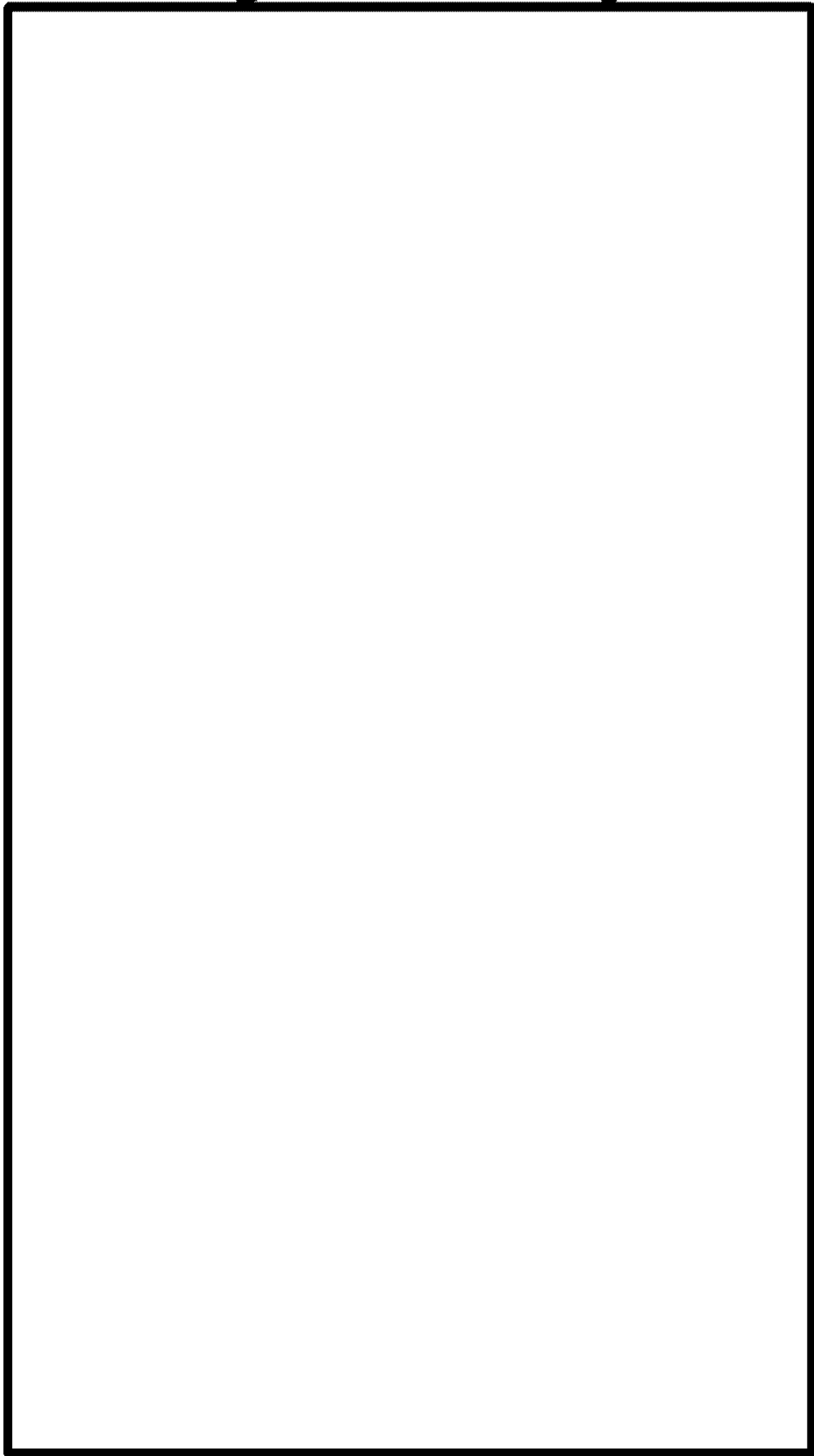


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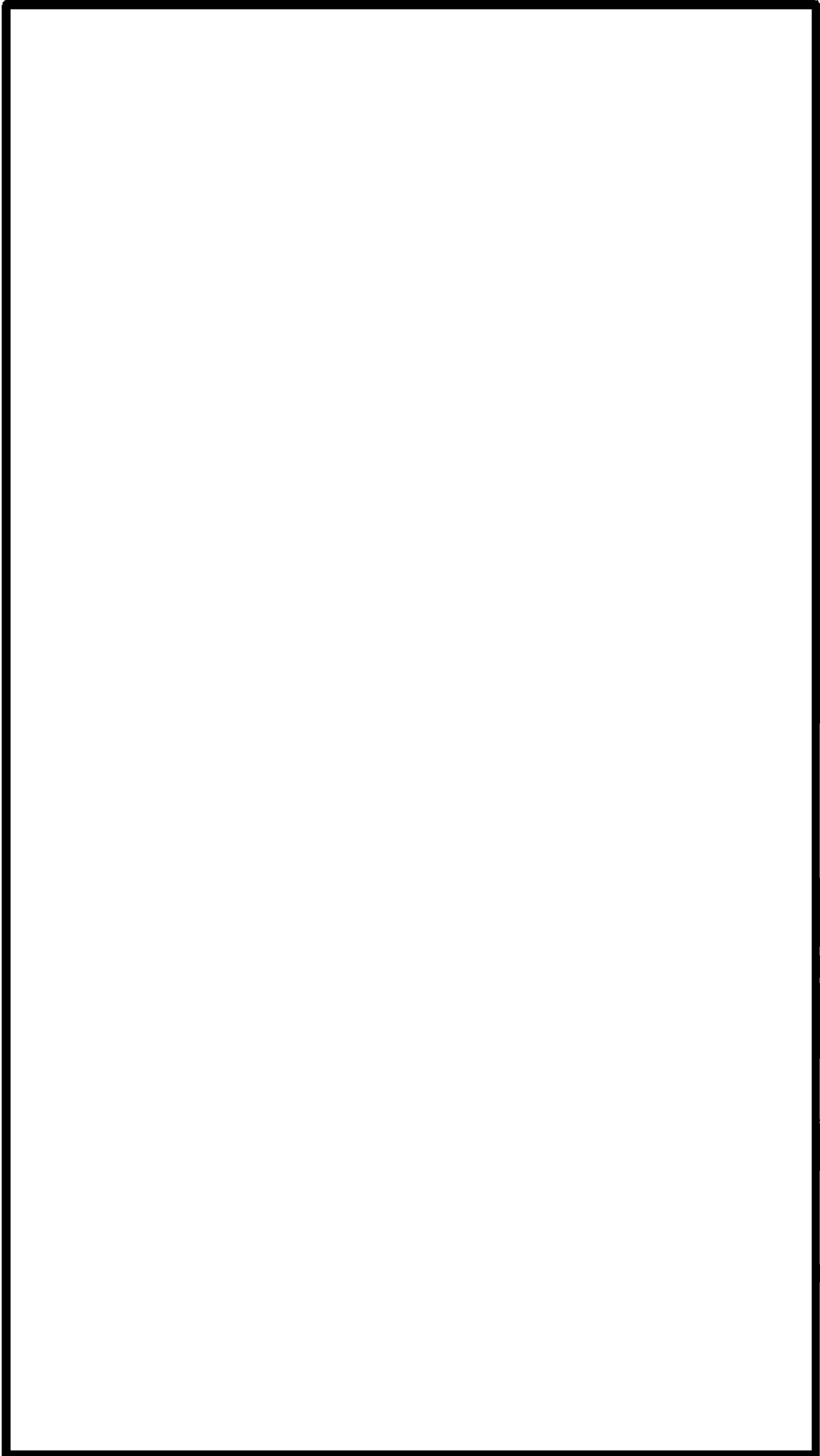
(b)(4)

(b)(4)

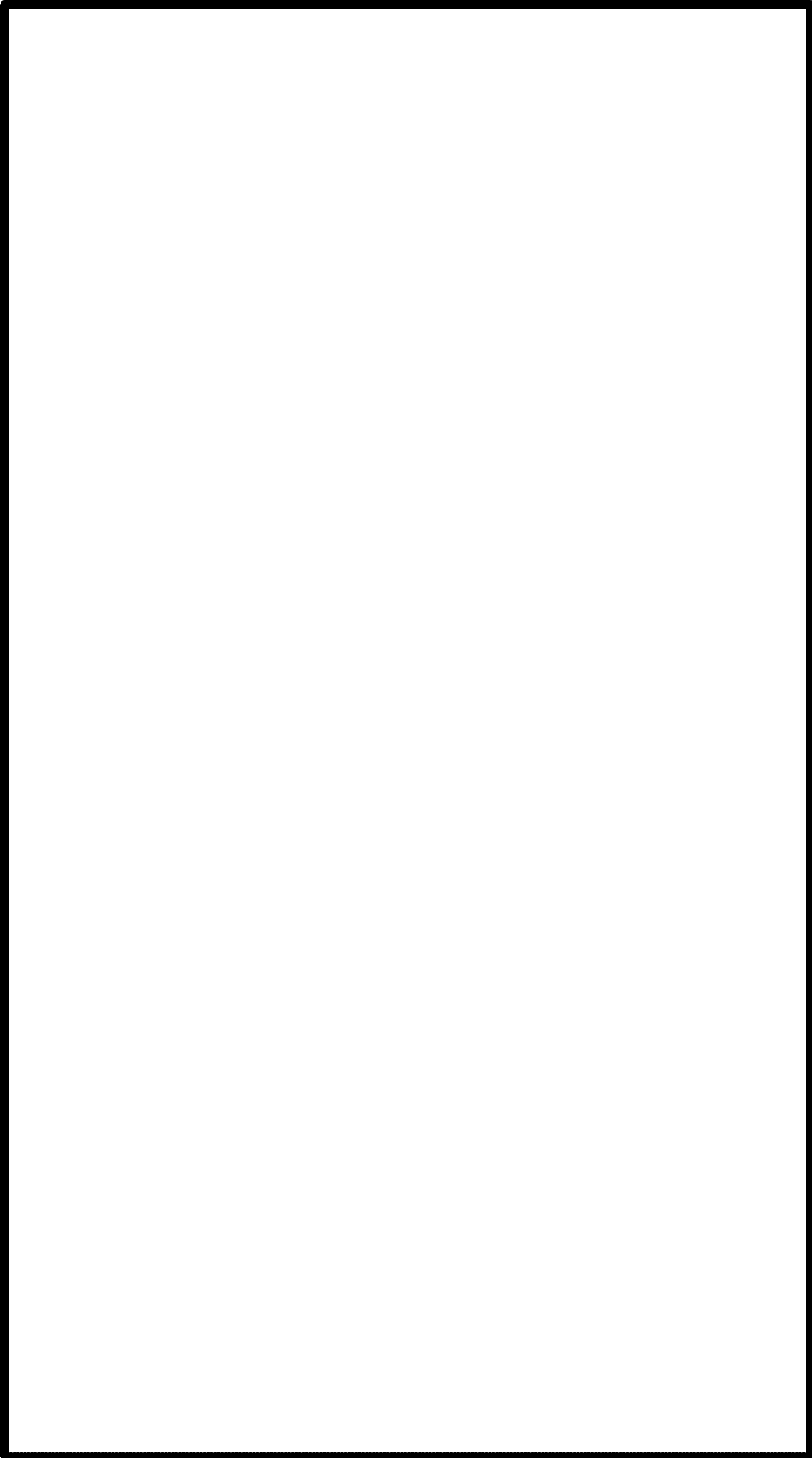




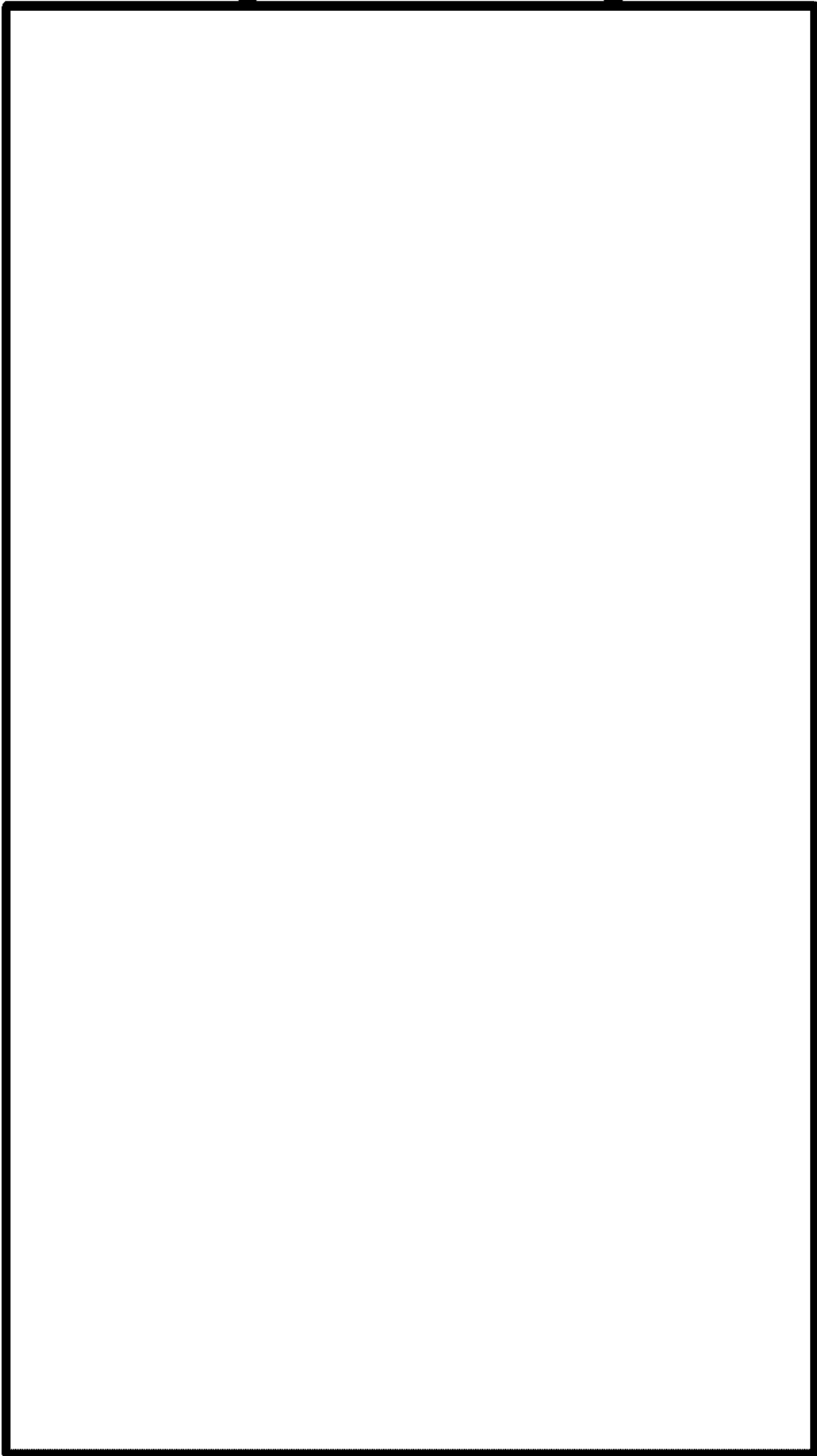
(b)(4)



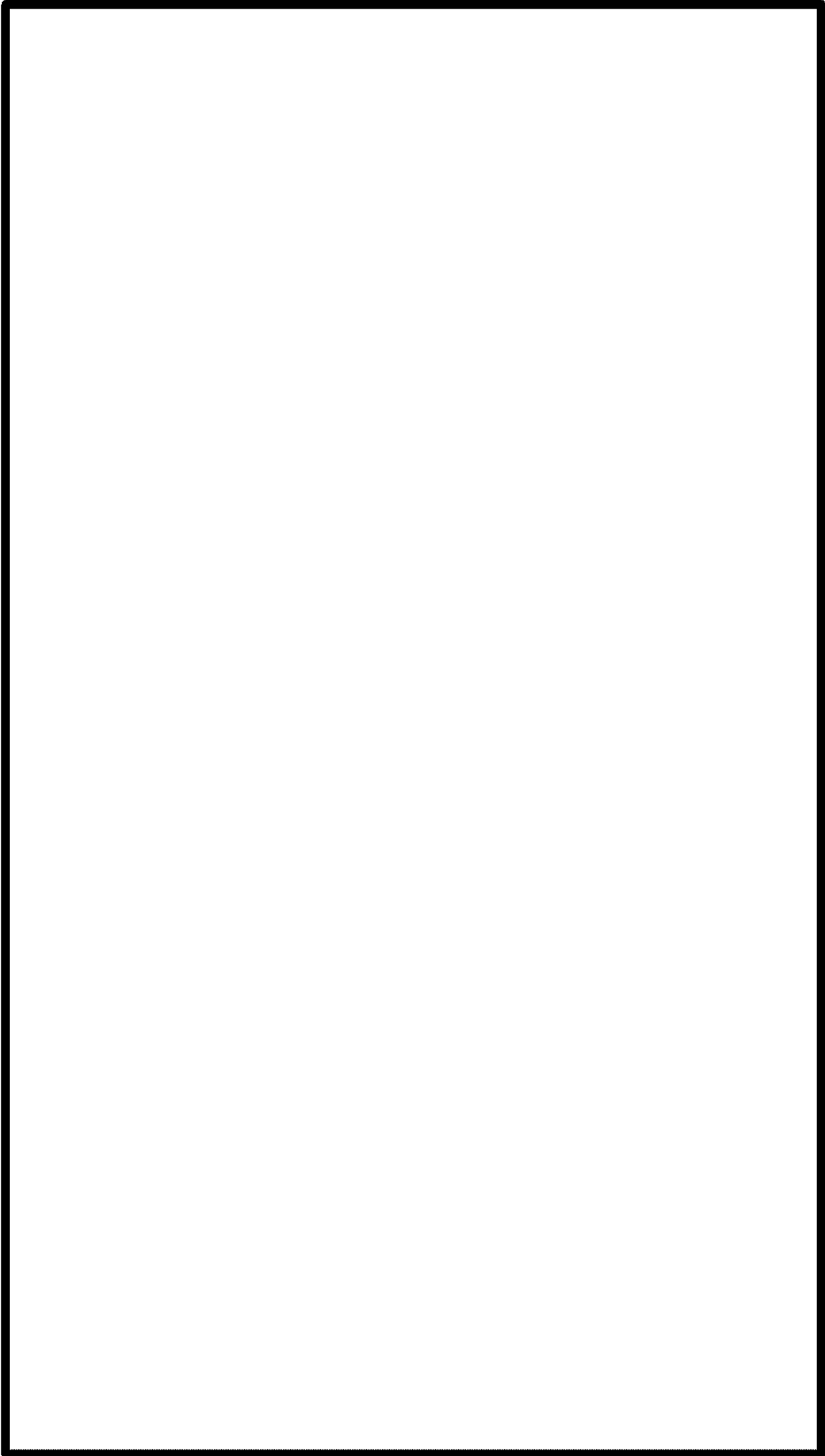
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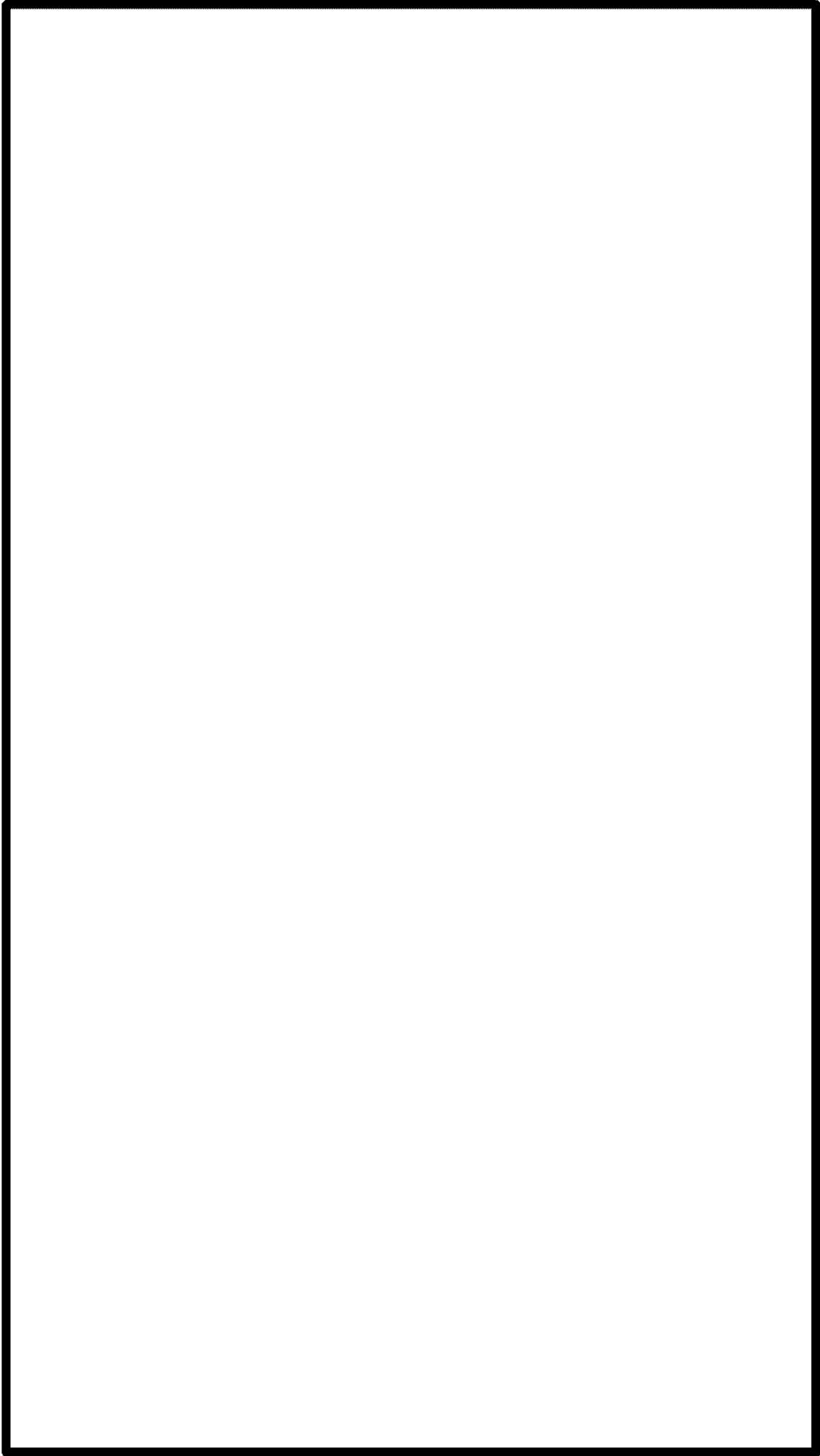
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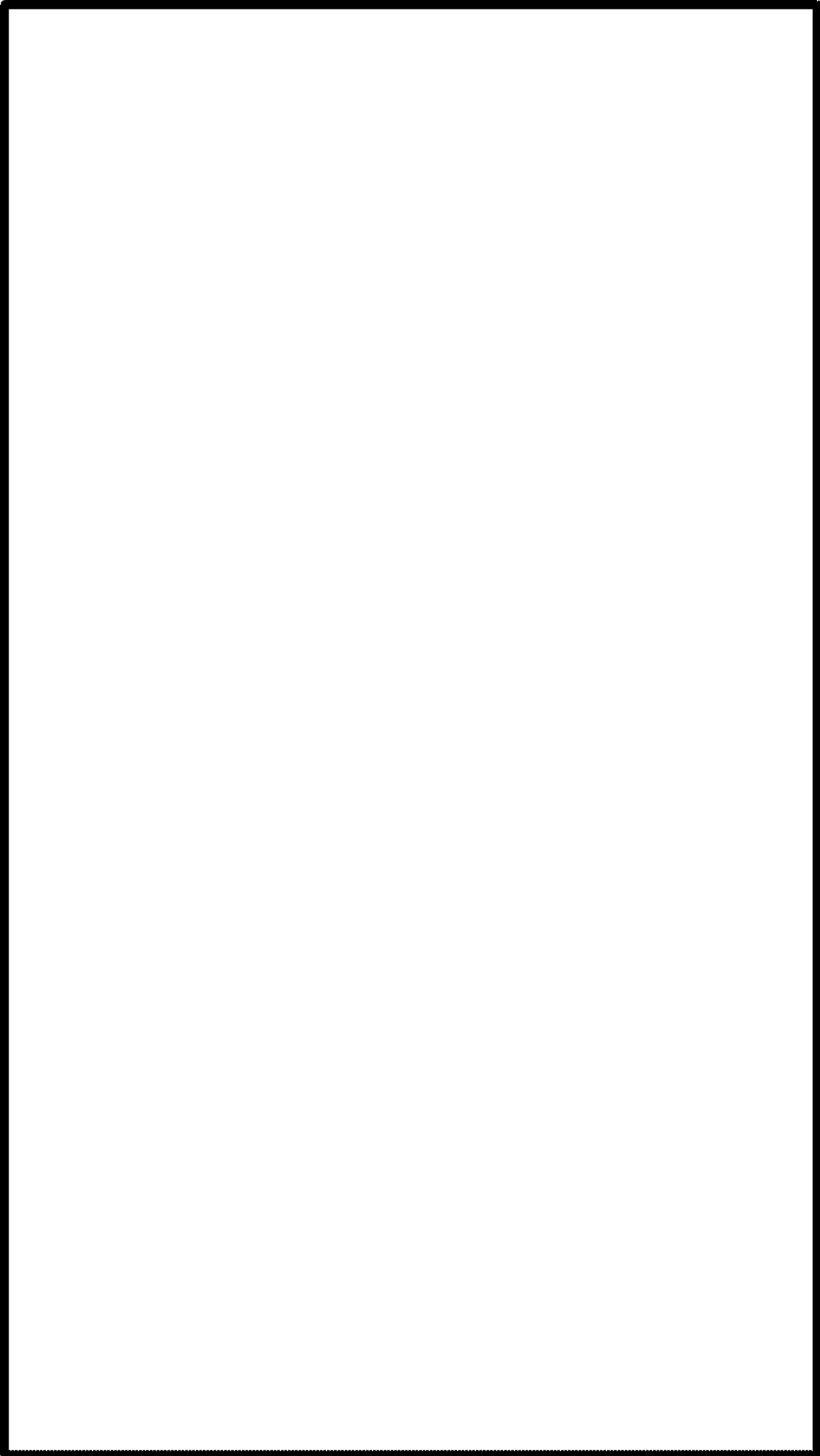
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(b)(4)

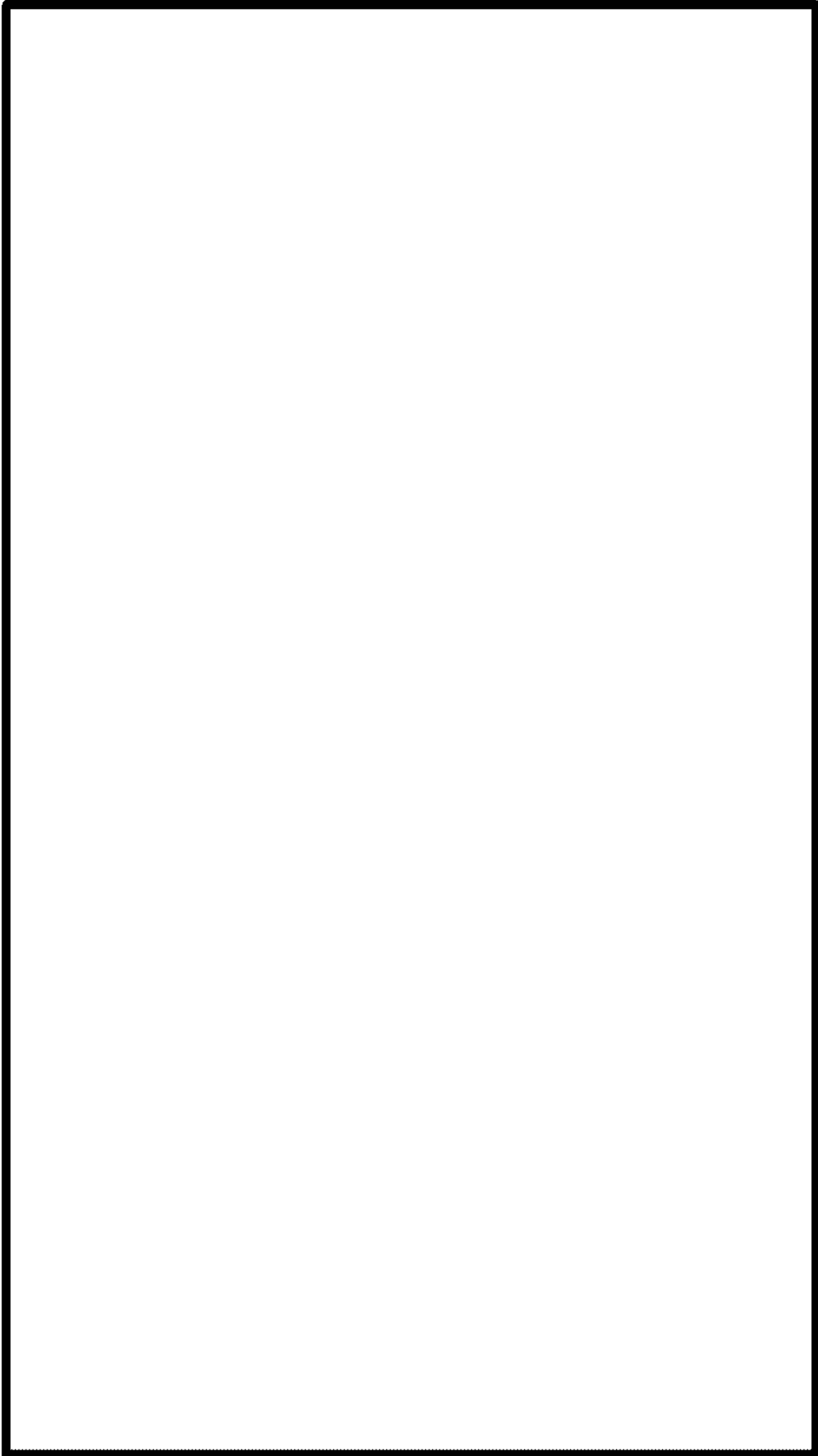


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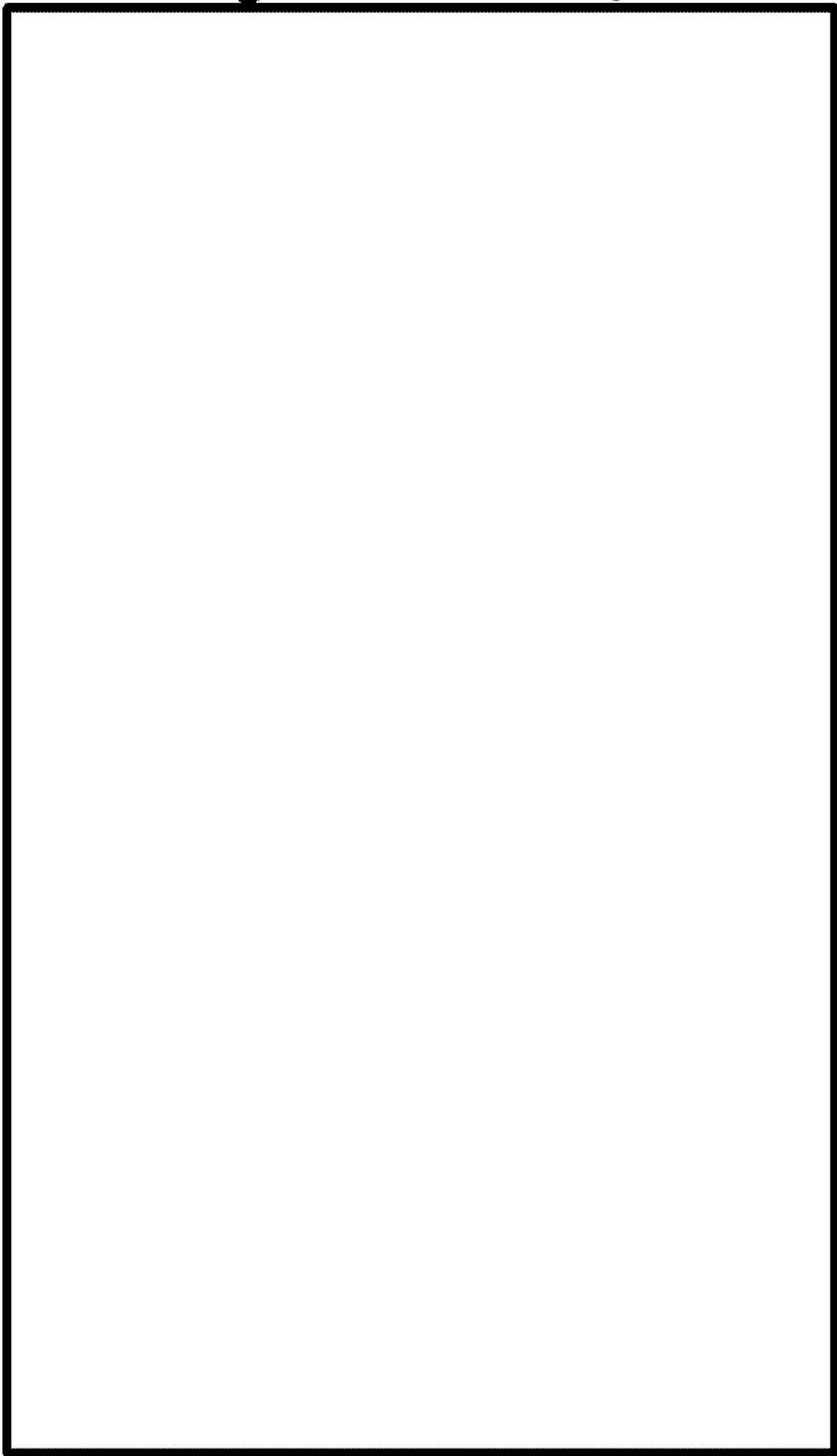




(b)(4)

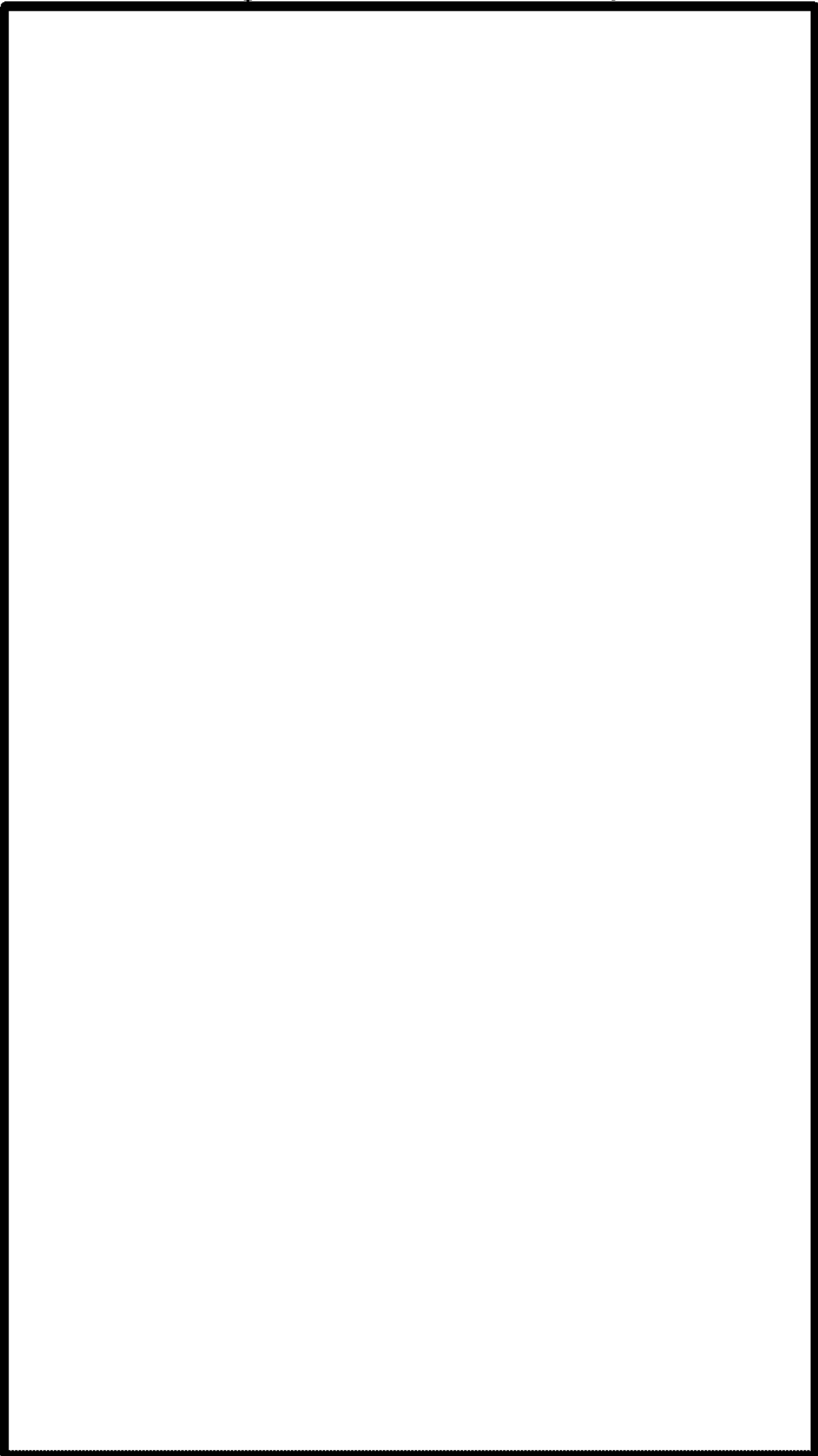


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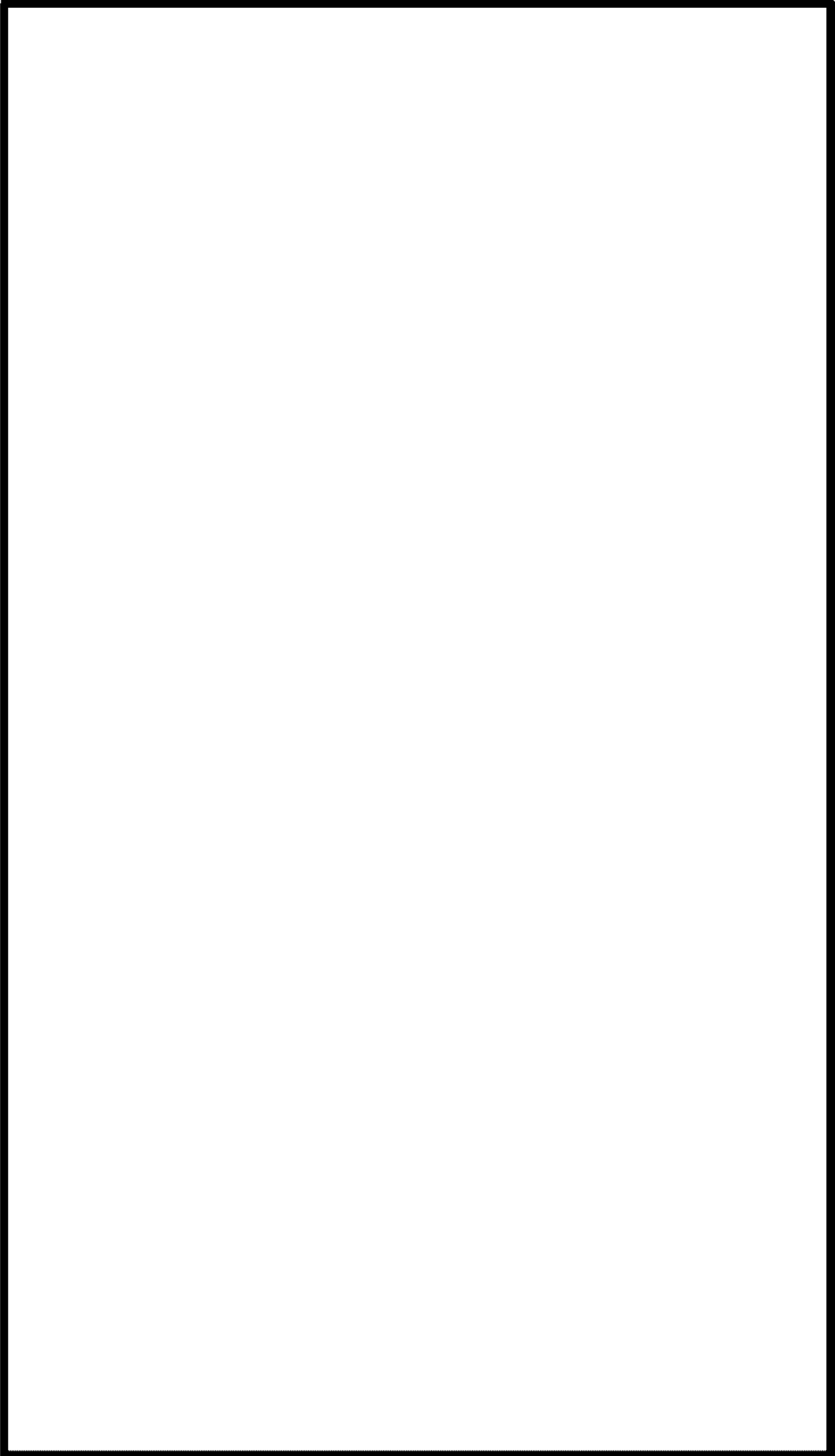


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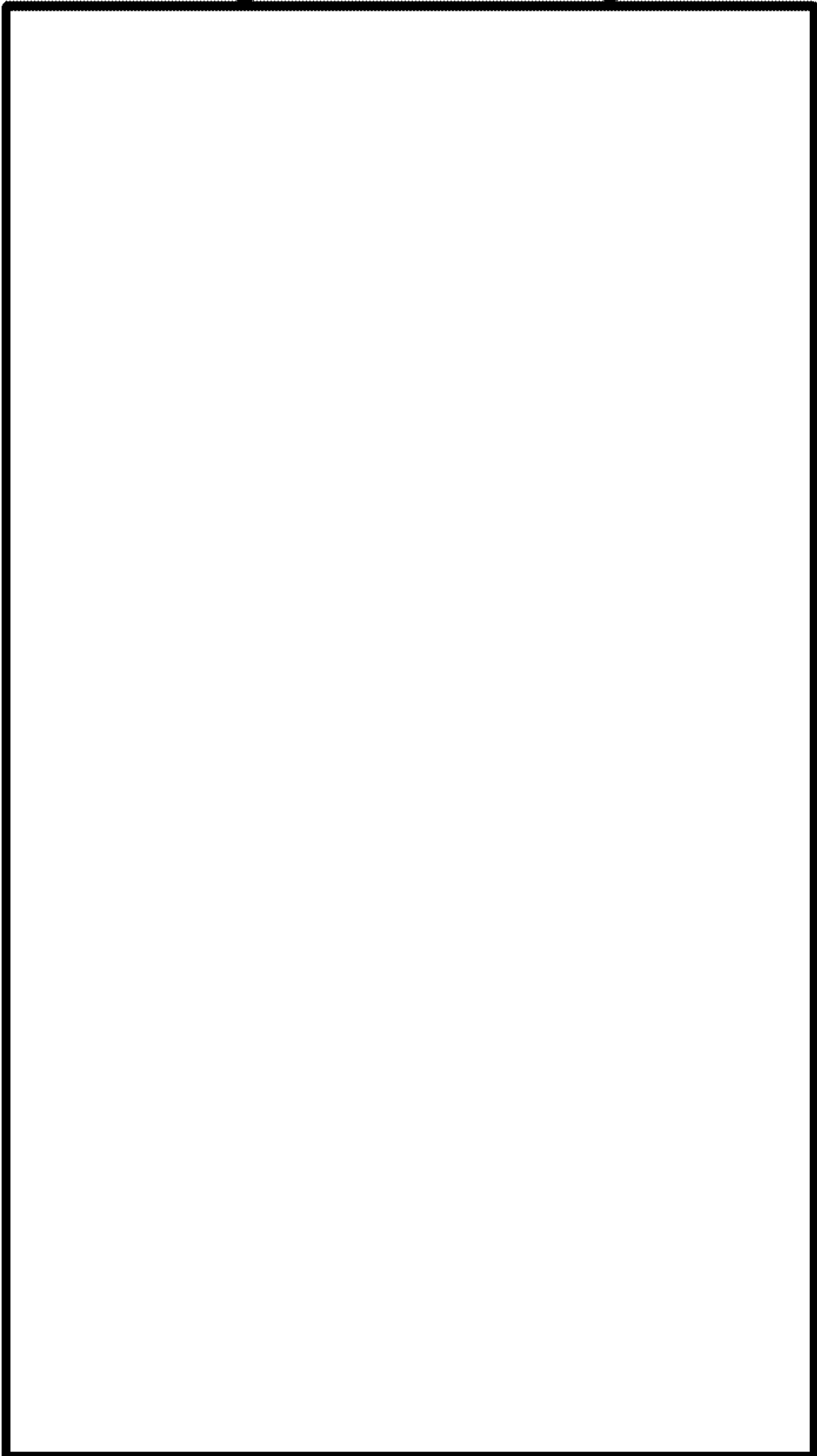




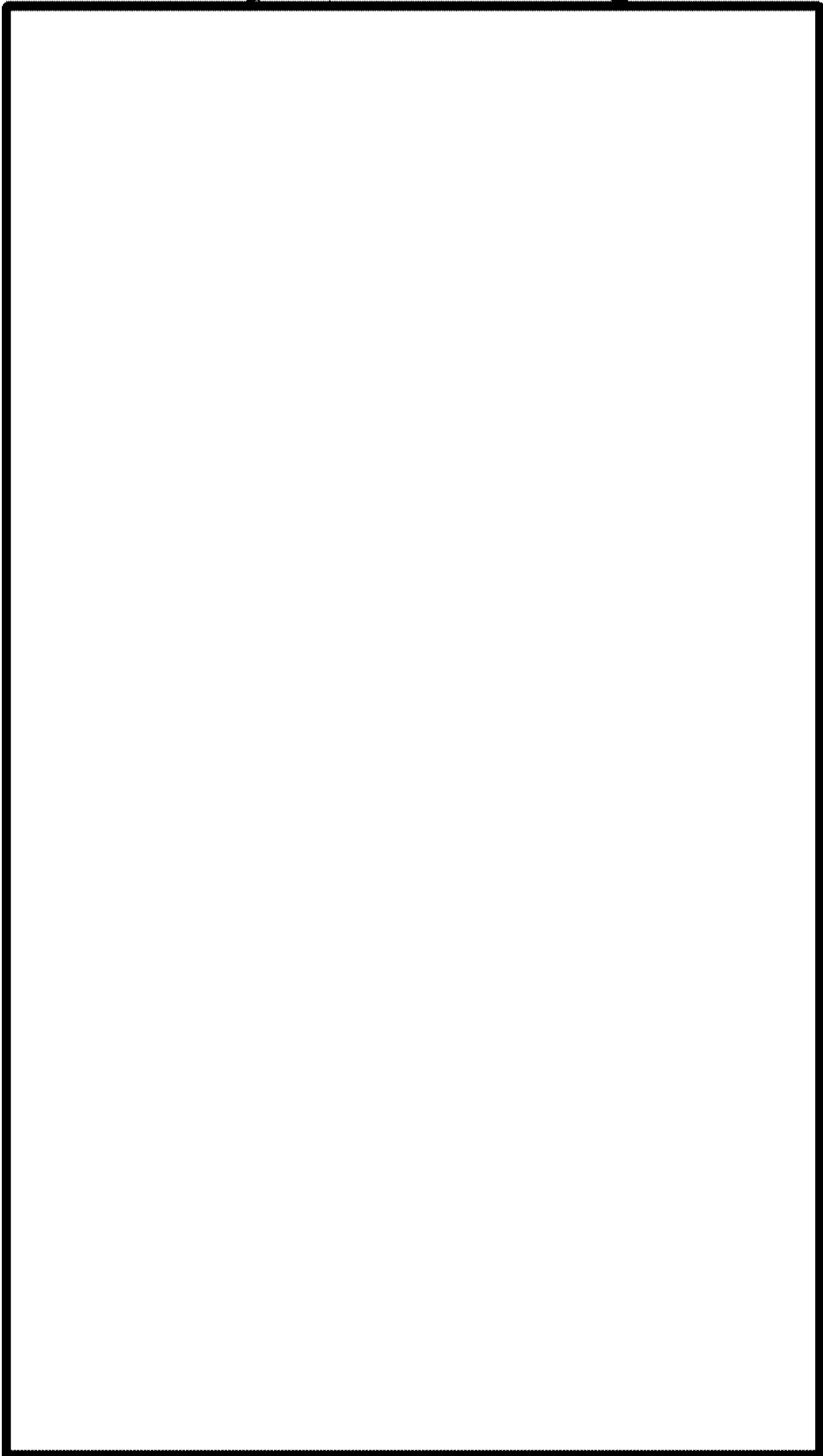
(b)(4)



(b)(4)



(b)(4)



**Economic Impact of a Mixed-Use Commercial and Residential Project in Buena Park, Orange County, CA
With an Office Building, Hotel, Retail Shopping Center
Including Restaurants, Supermarket, Movie Theater,
Multi-Family Residential Building, and Parking Lot**

Prepared For:

**Beach Orangethorpe, LLC
Buena Park, Orange County, CA**

Prepared By:

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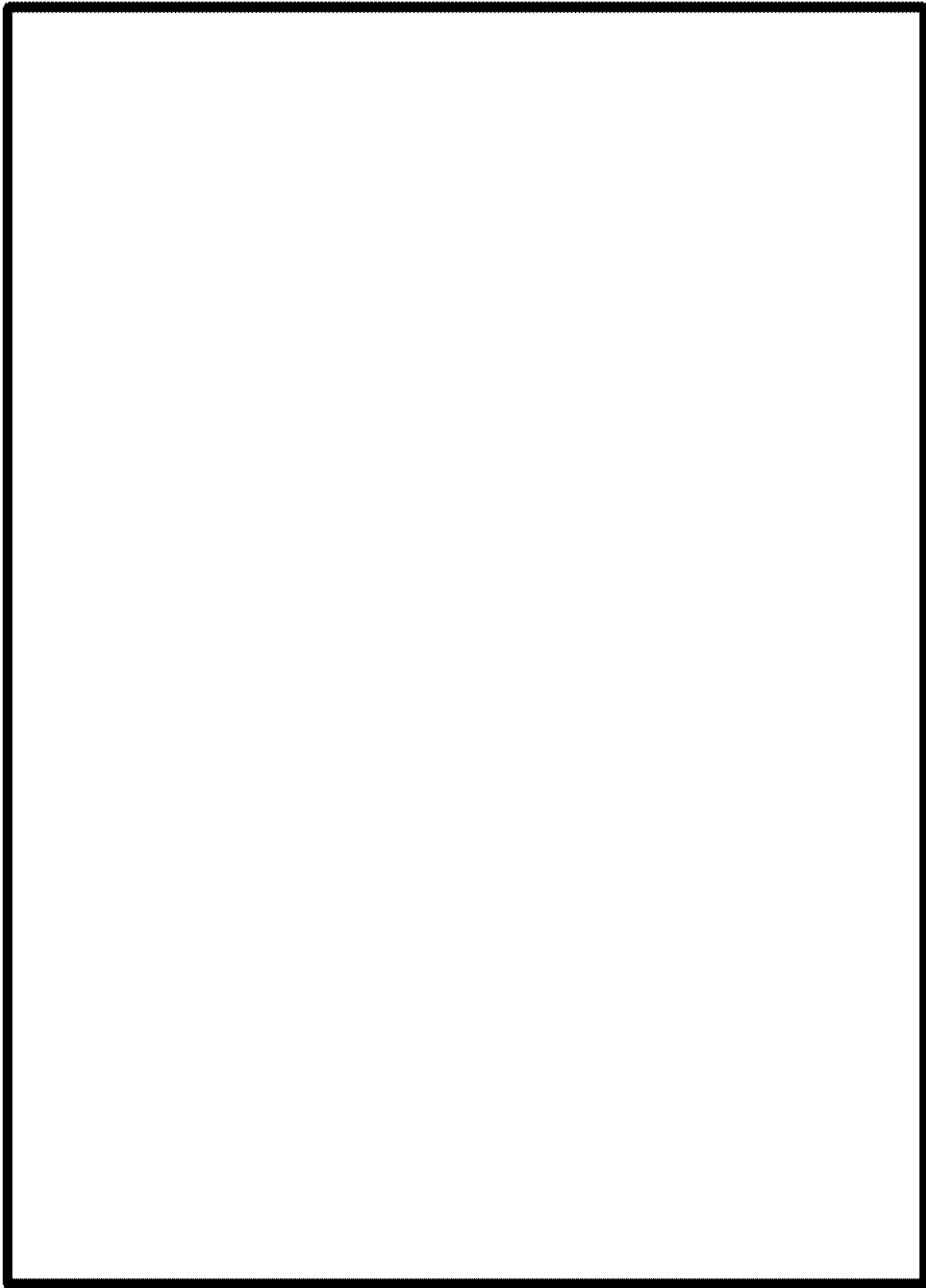
April, 2009

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1. Executive Summary



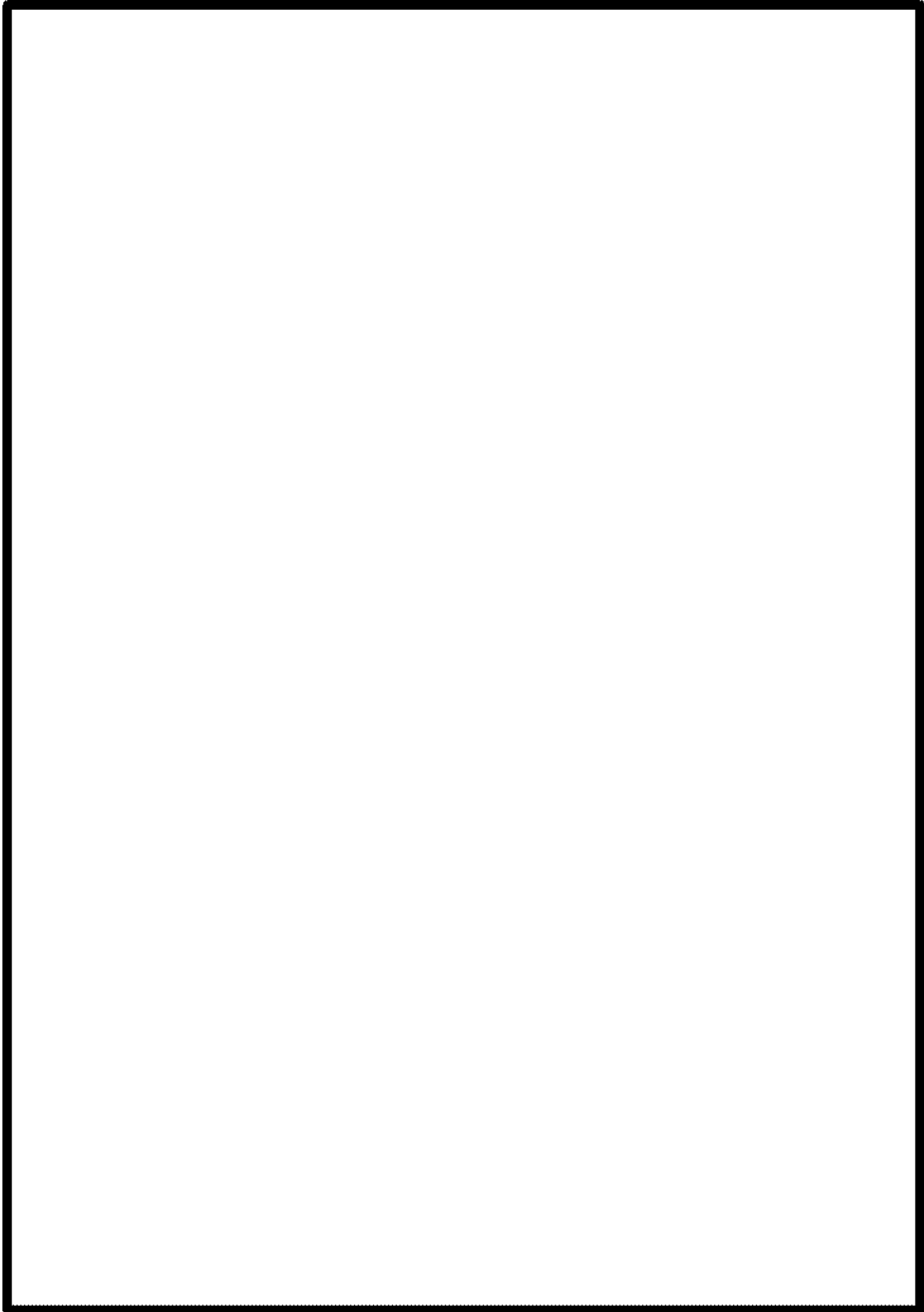


2. Introduction and Scope of Work



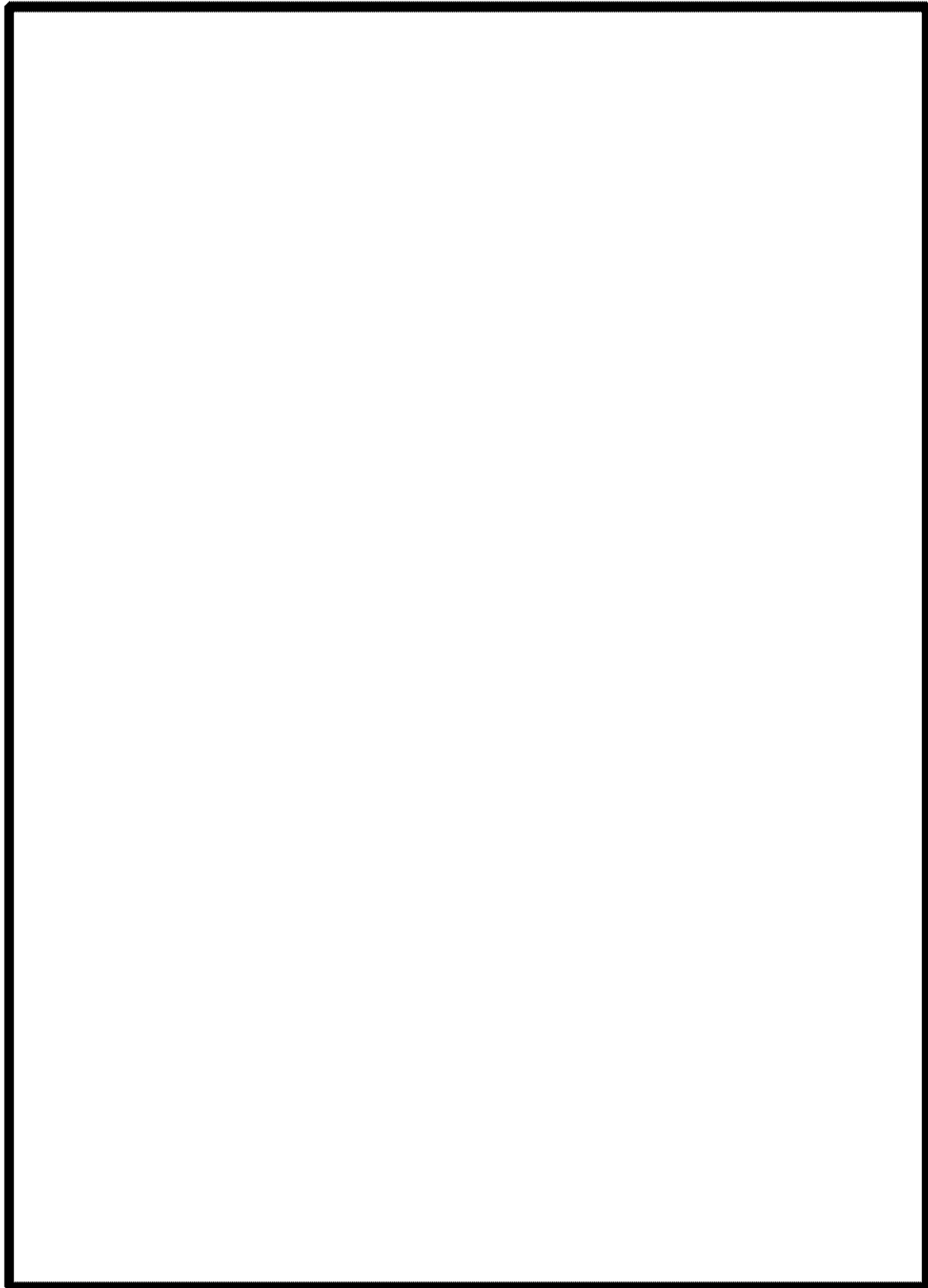
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3. Description of Economic Area



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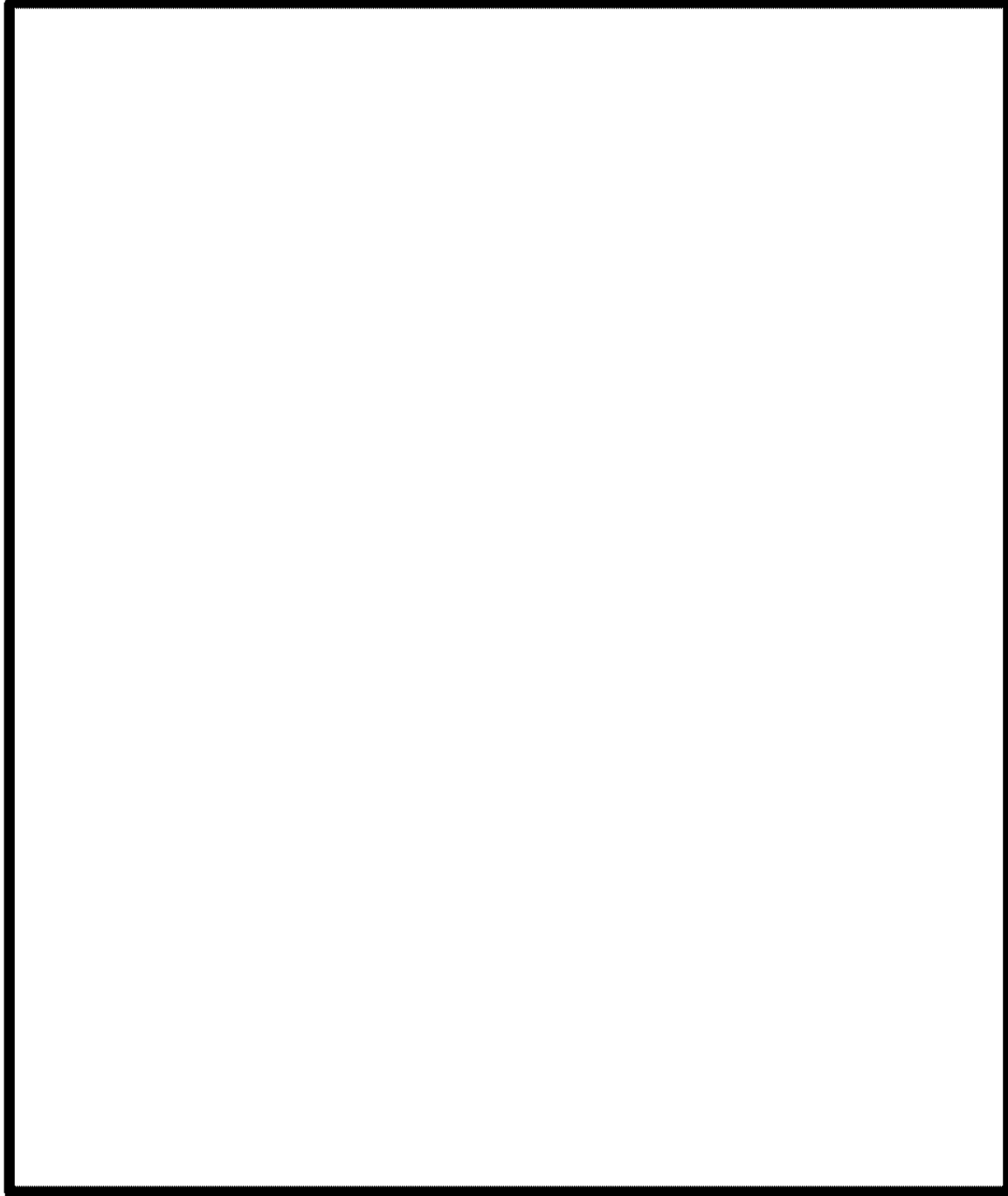
4. Direct Job Creation from Construction



The figures for construction costs supplied by the developer are summarized in Table 1.

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Table 1. Construction Costs as Estimated by Developer

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The next step is to translate these figures into the number of direct construction jobs. Even though they cannot be counted as permanent jobs, the indirect and induced jobs generated by this activity, can be counted, so the determination of the number of direct jobs is relevant.

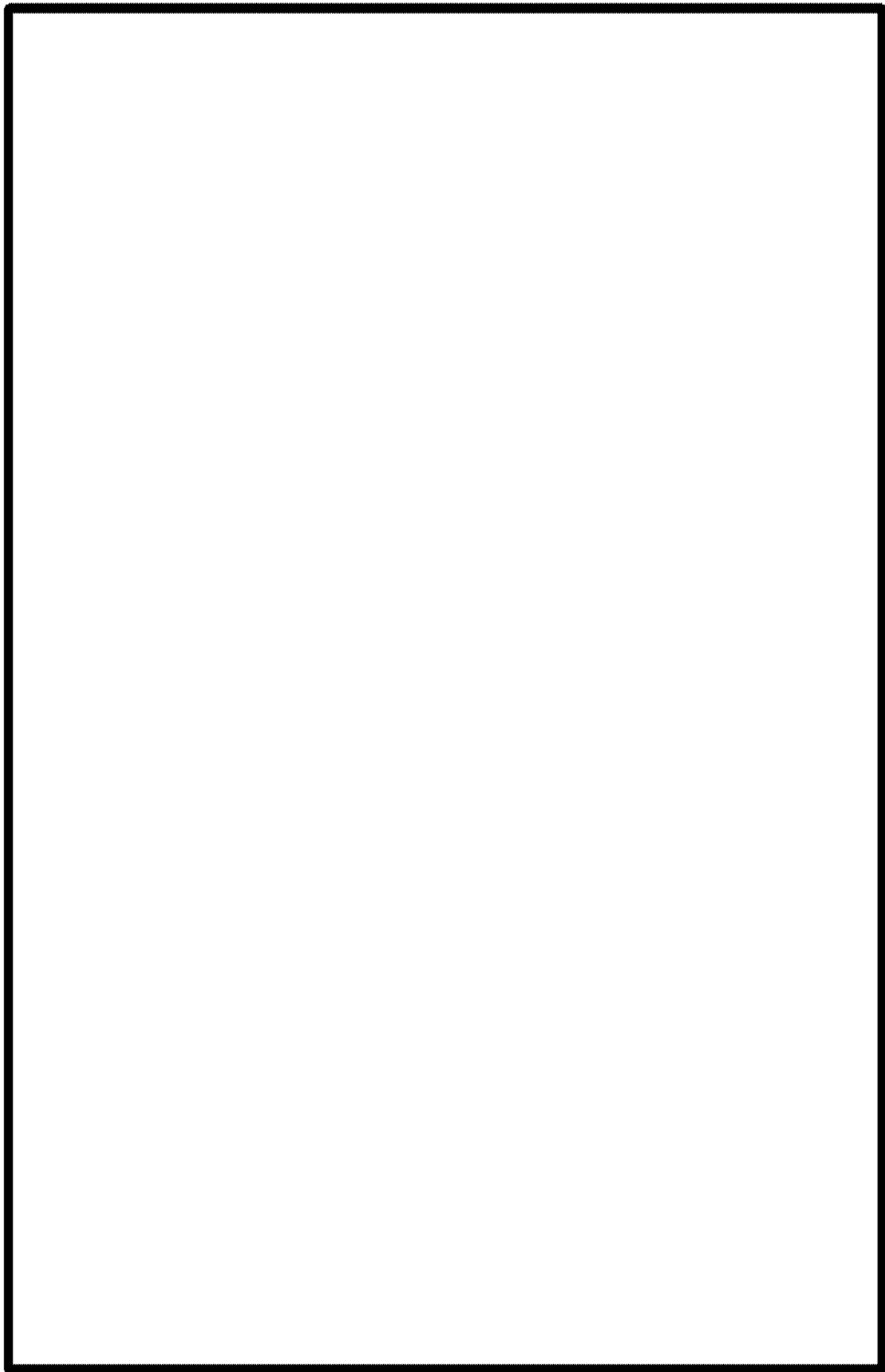




Table 2. Hard Construction Costs and New Construction Jobs

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5. Direct Job Creation from Retail Shopping Center





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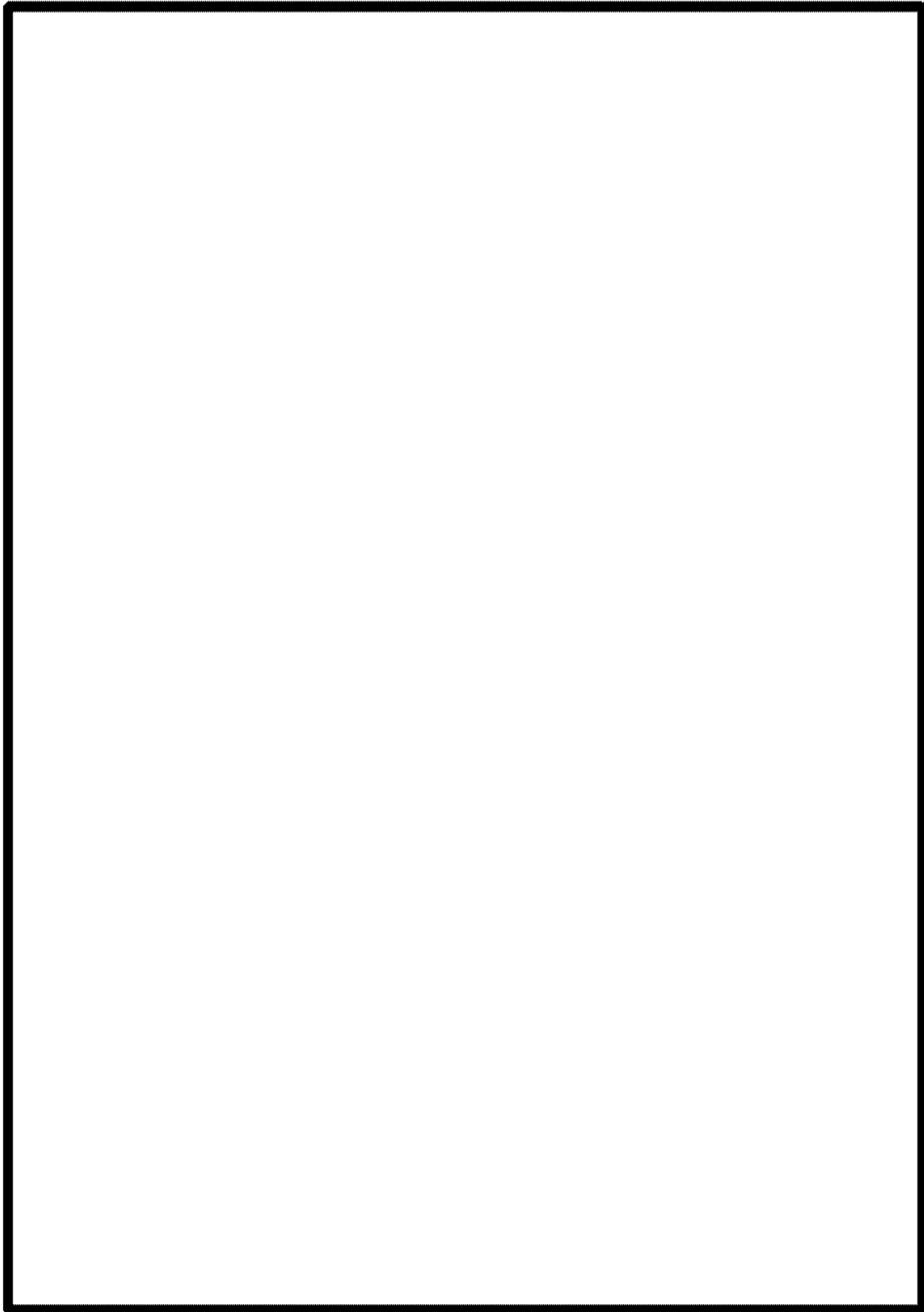




Table 3. Sales Per Square Foot by Type of Retail Establishment. 2008

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Table 4. Total U.S. Retail Sales, Billions of Dollars

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Table 5. Sales per Employee for Various Retail Categories (\$000s)

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6. Direct Job Creation from Hotel

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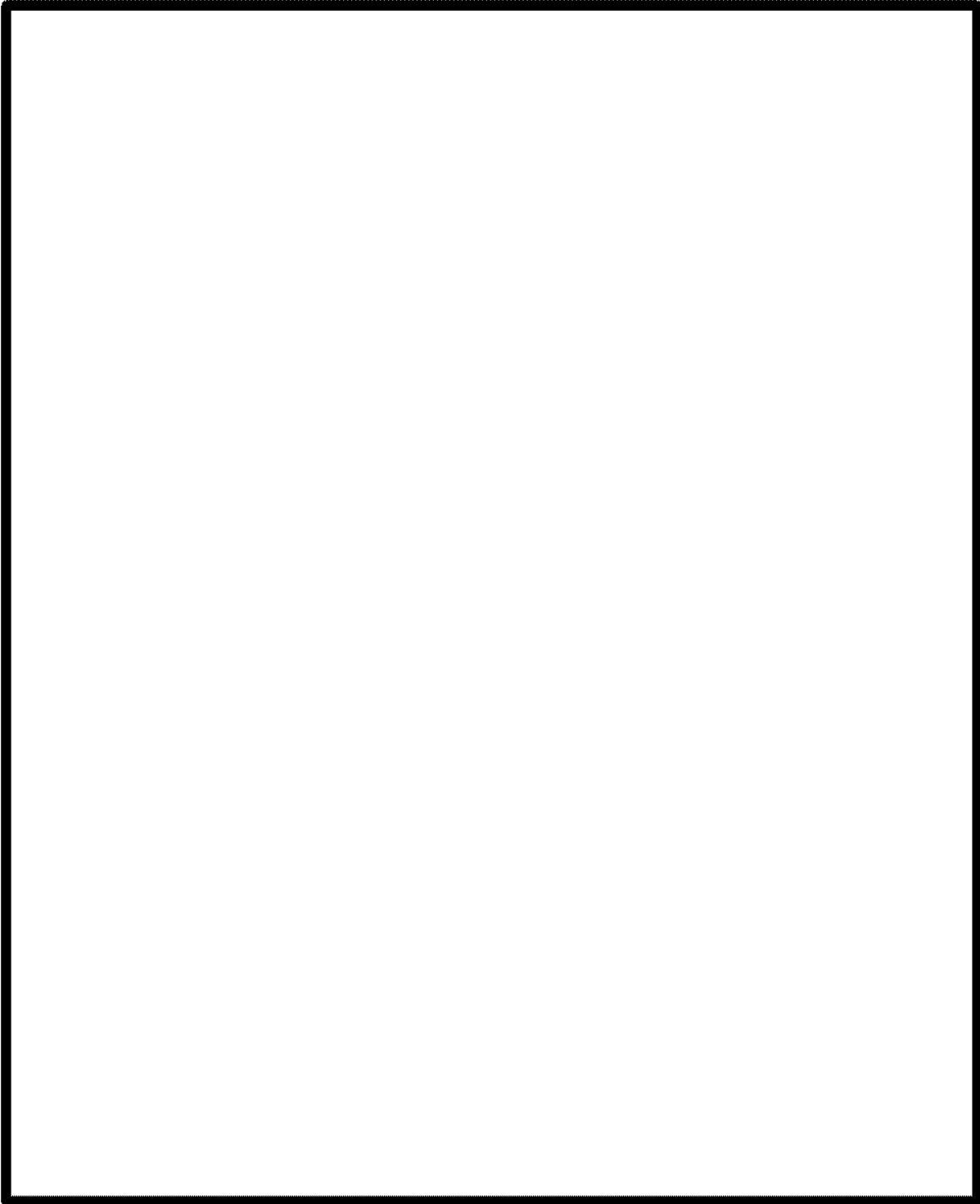
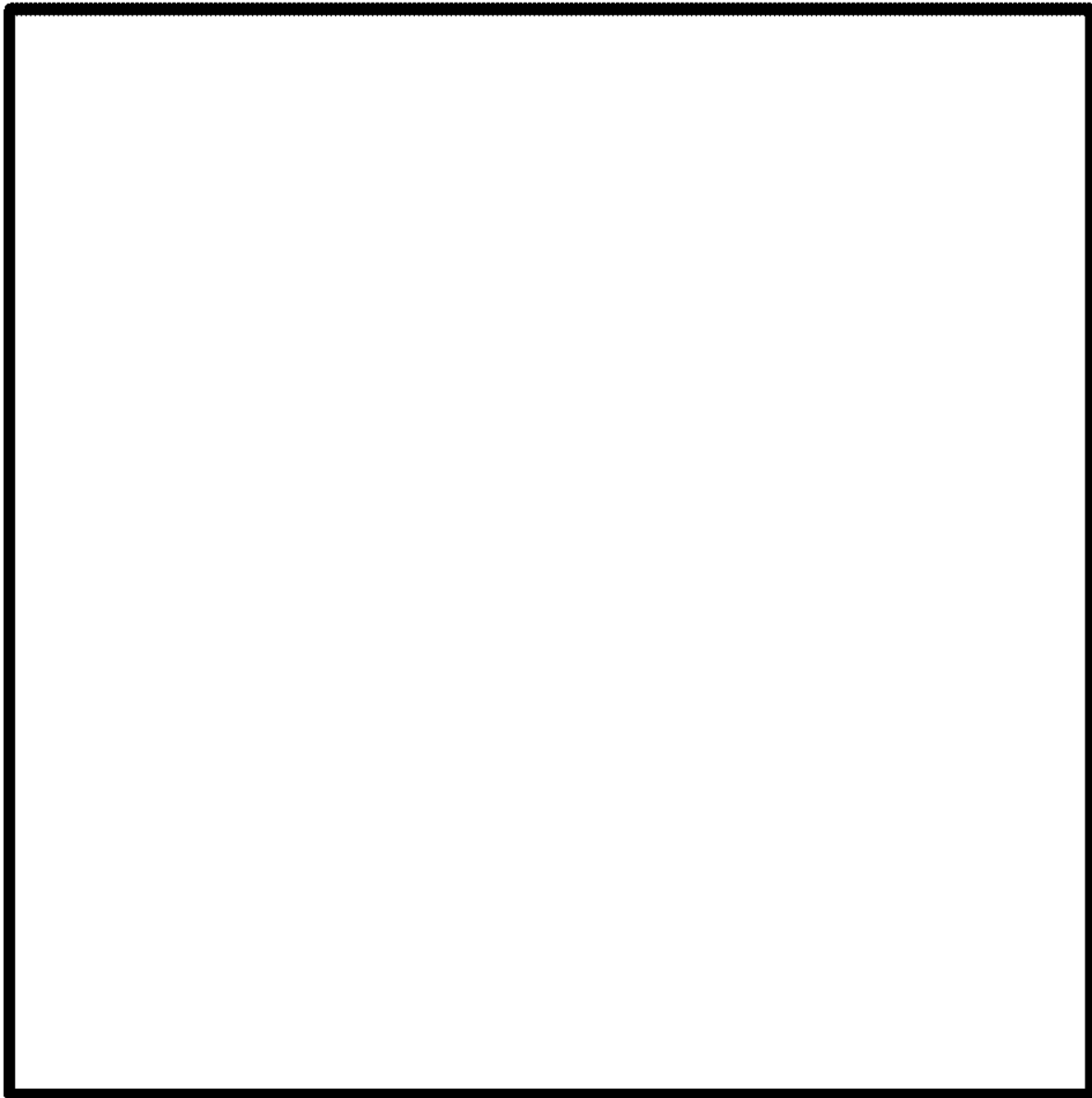
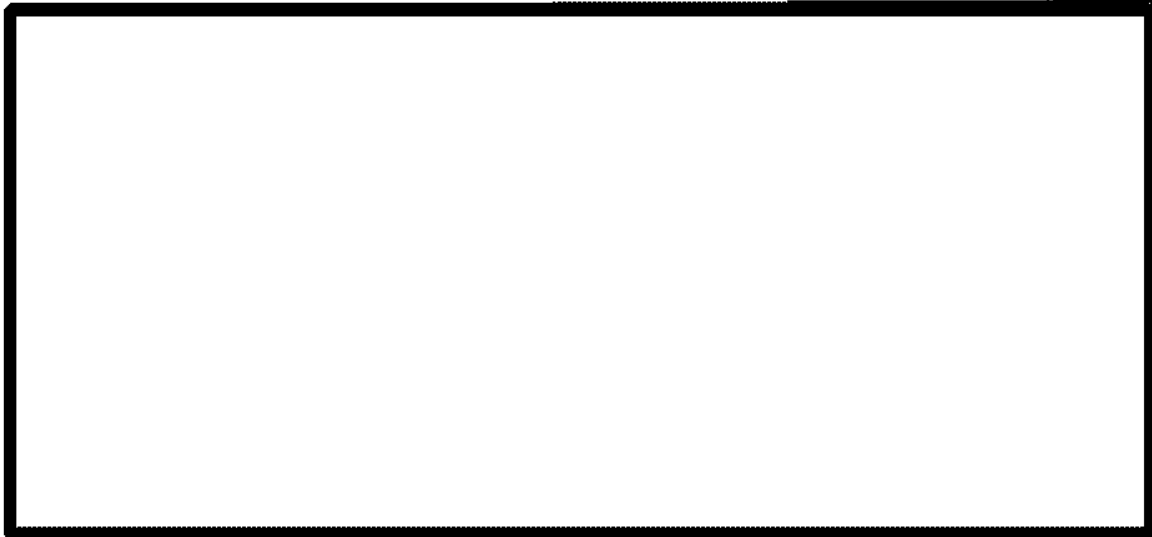


Table 6. Hotel Employees per 100 Rooms

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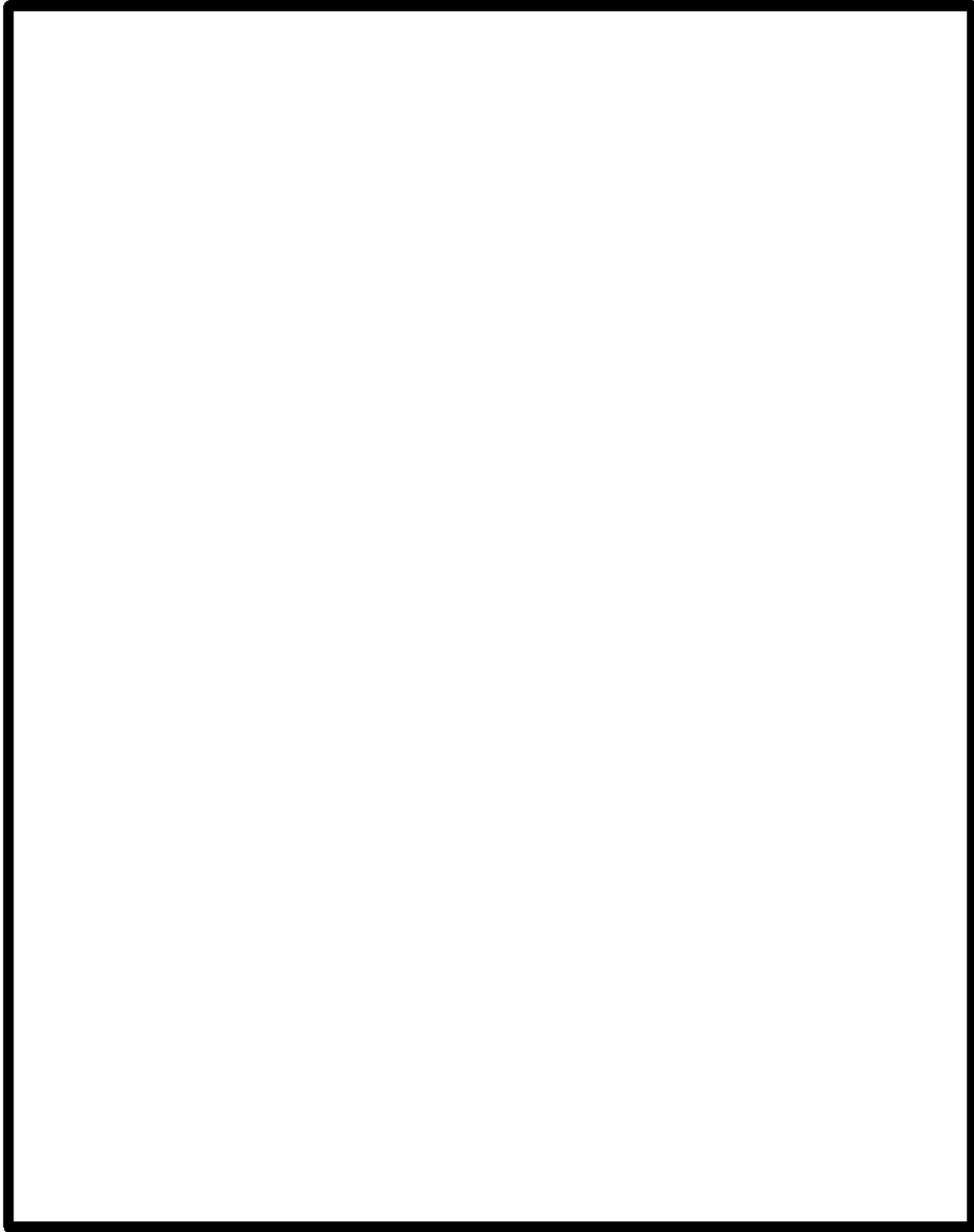


7. Direct Job Creation from Office Building



Table 7 Estimates of Square Feet per Worker by Type of Building

Table 7 Estimates of Square Feet per Worker by Type of Building	



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8. Direct Job Creation from Residential Units

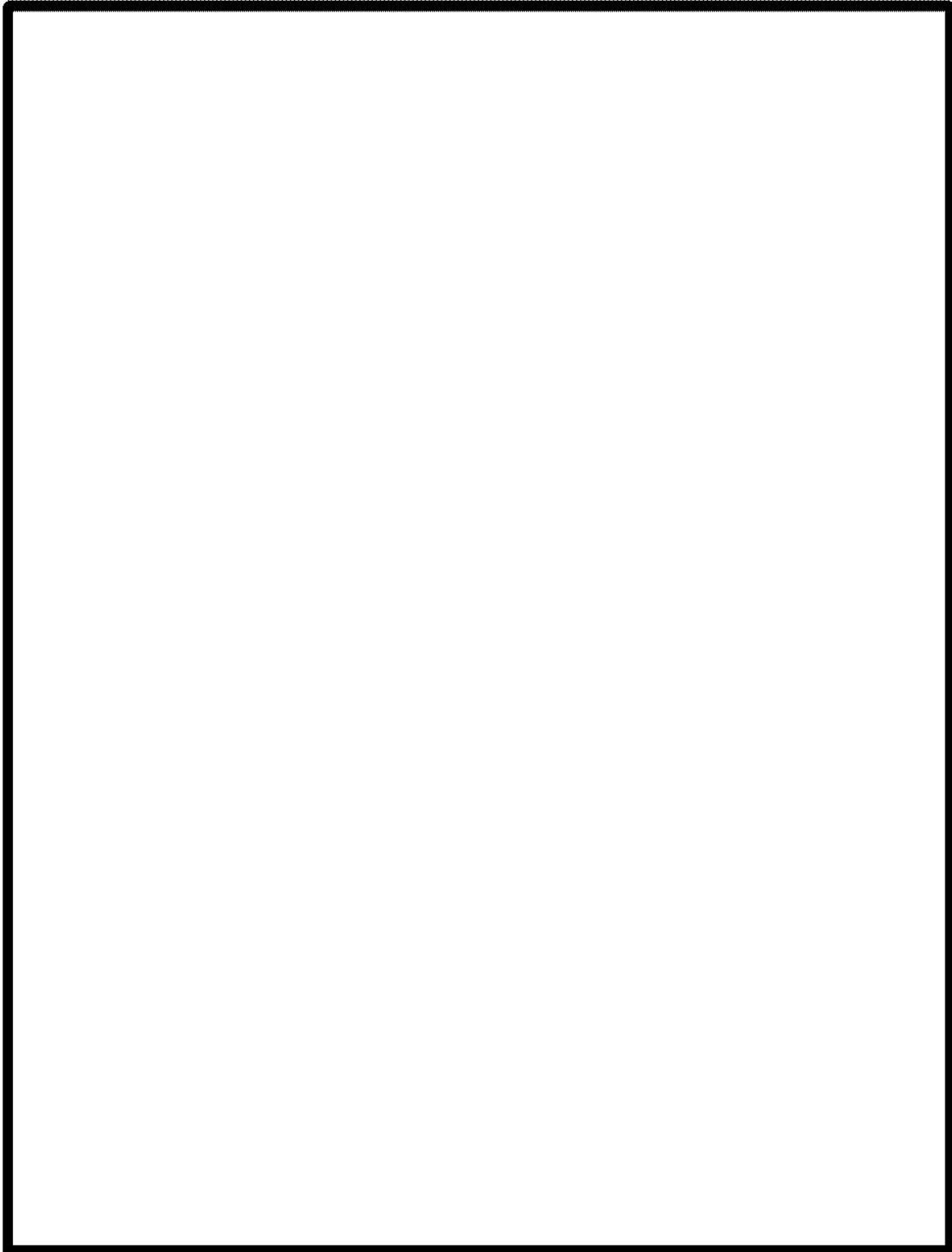
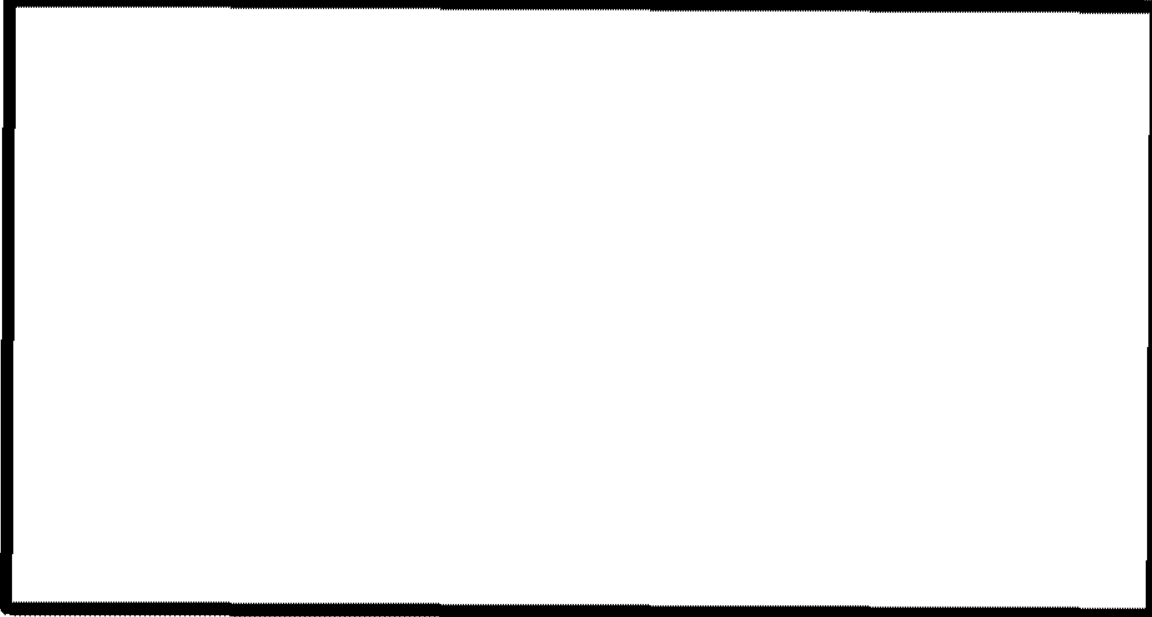


Table 8. Permanent New Jobs Created by Operations of New Multi-Family Residences



9. Using the IMPLAN Model

The IMPLAN model is a regional input/output model developed and maintained by the Minnesota IMPLAN group, headquartered in Minneapolis. The basic model was originally developed by the USDA Forest Service in cooperation with the Federal Emergency Management Agency and the USDI Bureau of Land Management.

The IMPLAN model has certain similarities with the RIMS (Regional Input/Output Modeling system) model developed by the Department of Commerce, but is generally thought to contain several superior features besides its greater ease and flexibility of use. These improvements can be summarized as follows:

1. The Commerce Department is not permitted to publish data in any category where there are less than three organizations in a given economic area. IMPLAN has developed an algorithm to fill in the missing numbers.
2. IMPLAN has introduced improved methods of accounting for flows of goods and services among counties.
3. IMPLAN permits aggregation of any subset of industries for calculation and tabular purposes. This is useful when results are desired for, say, 1-digit industries instead of the 440 industries actually found in the input/output table.
4. As seen in the tables throughout this text, IMPLAN estimates three separate effects, labeled "direct", "indirect" and "induced". The direct effects are those

entered by the user. The other two columns represent the multiplier effects, but they are usually combined in other input/output models. Briefly, the indirect effect represents purchases made by businesses when their sales rise. For example, a restaurant might order more food produced or sold in the region, or an automobile plant might order more steel. The induced effect represents the additional household spending because income has risen. For example, casino workers would spend their paychecks on various goods and services, some of which are produced in the region. In general, then, the larger the region under consideration, the larger the multipliers would be.

The following material, taken from the IMPLAN manual, describes the input/output process in more detail.

Input/output analysis is a means of examining relationships within an economy, both between businesses and between businesses and final consumers. It captures all of the monetary market transactions for consumption in a given time period. The resulting mathematical formulae allow examination of the effects of a change in one or several economic activities on an entire economy.

A descriptive model includes information about local economic interactions known as regional economic accounts. These tables describe a local economy in terms of the flow of dollars from purchasers to producers within the region. The initial IMPLAN data details all purchases, including imported goods and services. When regional economic accounts are created, imports to the region are removed from the initial data, allowing examination of local inter-industry transactions and final purchases.

The regional economic accounts are used to construct local level multipliers. Multipliers describe the response of the economy to a stimulus (a change in demand or production). The multipliers represent the Predictive Model.

Purchases for final use (final demand) drive an input/output model. Industries producing goods and services for consumption purchase goods and services from other producers. These other producers, in turn, purchase goods and services. These indirect purchases (or indirect effects) continue until leakages from the region (imports, wages, profits, etc.) stop the cycle.

The indirect effects and the effects of increased household spending (induced effects) can be mathematically derived as sets of multipliers. The derivation is called the Leontief inverse. The resulting sets of multipliers describe the change of output for each industry caused by a one dollar change in final demand for any given industry.

The input/output analysis framework is similar to a financial accounting framework that tracks purchases of and expenditures on goods and services in

dollars. Input/output accounting traces the flow of dollars between businesses and between businesses and final consumers. An input/output accounting framework can be illustrated using classic financial accounting T-accounts, which include receipts (income) and expenditures (expenses) on each side of a "T", as shown below.

Final Consumption (or final demand) drives input/output models. Industries respond to meet demand directly or indirectly, by supplying goods and services to industries responding directly. Each industry that produces goods and services generates demands for other goods and services, and so on. Multipliers describe these iterations.

There are three different multipliers developed for predictive modeling: Type I, Type II, and Type SAM. We start with the transactions table and derive a coefficient by dividing each industry column by the column total. This coefficient matrix is also known as the **A Matrix**.

The columns of the A Matrix are production functions. A production function shows where an industry spends, and in what proportions, to generate each dollar of output.

Receipts	Expenditures
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Through algebraic manipulation of the A Matrix, we can derive the multipliers. The predictive model shows how output will change with a given change in final demand. The inverse is the matrix of multipliers.

Multipliers break the effects of stimuli on economic activity down into three components:

1. Direct effects are the changes in the industries to which a final demand change was made.
2. Indirect effects are the changes in inter-industry purchases as they respond to the new demands of the directly affected industries.
3. Induced effects typically reflect changes in spending from households as income increases or decreases due to the changes in production.

The Type I multiplier measures the direct and indirect effects of a change in economic activity. It captures the inter-industry effects only, i.e., industries buying from local industries.

The Type II multiplier captures direct and indirect effects in addition to the inter-industry effects; it also takes into account the income and expenditures of household. The household income and expenditures are treated as industries. This internalizes the household sector, including the induced or household spending effects.

The Type SAM multiplier uses all information about the institutions selected to be included in the predictive model. If only households are included, all information for industries, factors, and households are included.

The latest version of the IMPLAN model contains 436 separate industrial sectors. In preparing these calculations, the direct employment effects were entered for construction, retail outlets, hotels, office space, and residential operations. The remaining sectors are then aggregated, generating a total of 27 sectors, which are reproduced in the tables in the next section.

Each IMPLAN calculation is based on separate figures for a specific set of counties, which is determined by the location of the project and the likely flow of the workforce to the new businesses that are in operation. The size of the multipliers for any county depends on part on its size; a very small county would have a smaller multiplier because a larger proportion of the goods and services would be purchased outside the county. A very large county, such as Cook County in Chicago, would have a larger multiplier.

There is always a tradeoff here in the following sense. The more contiguous counties that are included – i.e., the larger the overall area – the higher the multiplier is likely to be, and hence the higher the number for indirect and induced job creation. On the other hand, making the area larger than it should be overstates the result and vitiates its usefulness.

As noted above, the Census publishes data on county-to-county workflow. In most cases, most of the people who work in a given county also live there. The question is how to identify those other counties that provide a significant

proportion of the workers, because they will spend part of their paychecks at home, which means those counties should also be included in the multiplier calculations. The figures for these calculations were presented in Section 3.

10. Economic Impact of the M&D Regional Center Project

A. Increase in Direct and Total Employment

It may be useful at this point to summarize all the direct job creation that has been described in the previous four sections. Table 9 shows [redacted] direct new jobs; excluding construction, there are [redacted] permanent new direct jobs. By comparison, there are [redacted] total permanent new jobs, indicating an employment multiplier of [redacted].

Table 9. Direct Jobs Created by the Buena Park Project

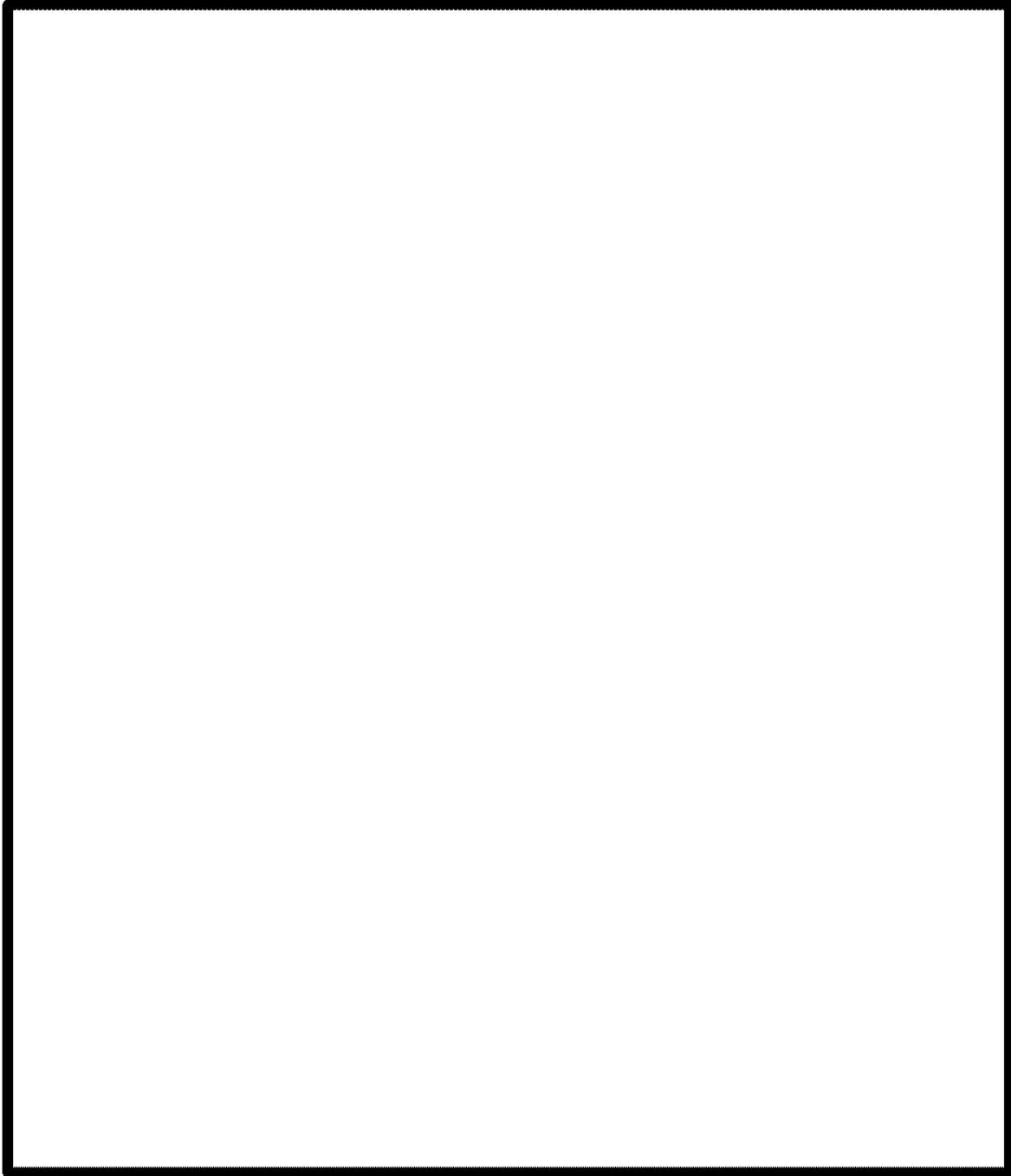
[redacted]	[redacted]
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Table 10 shows that in addition to the [redacted] permanent direct new jobs there are [redacted] indirect jobs and [redacted] induced jobs. [redacted]

[redacted]

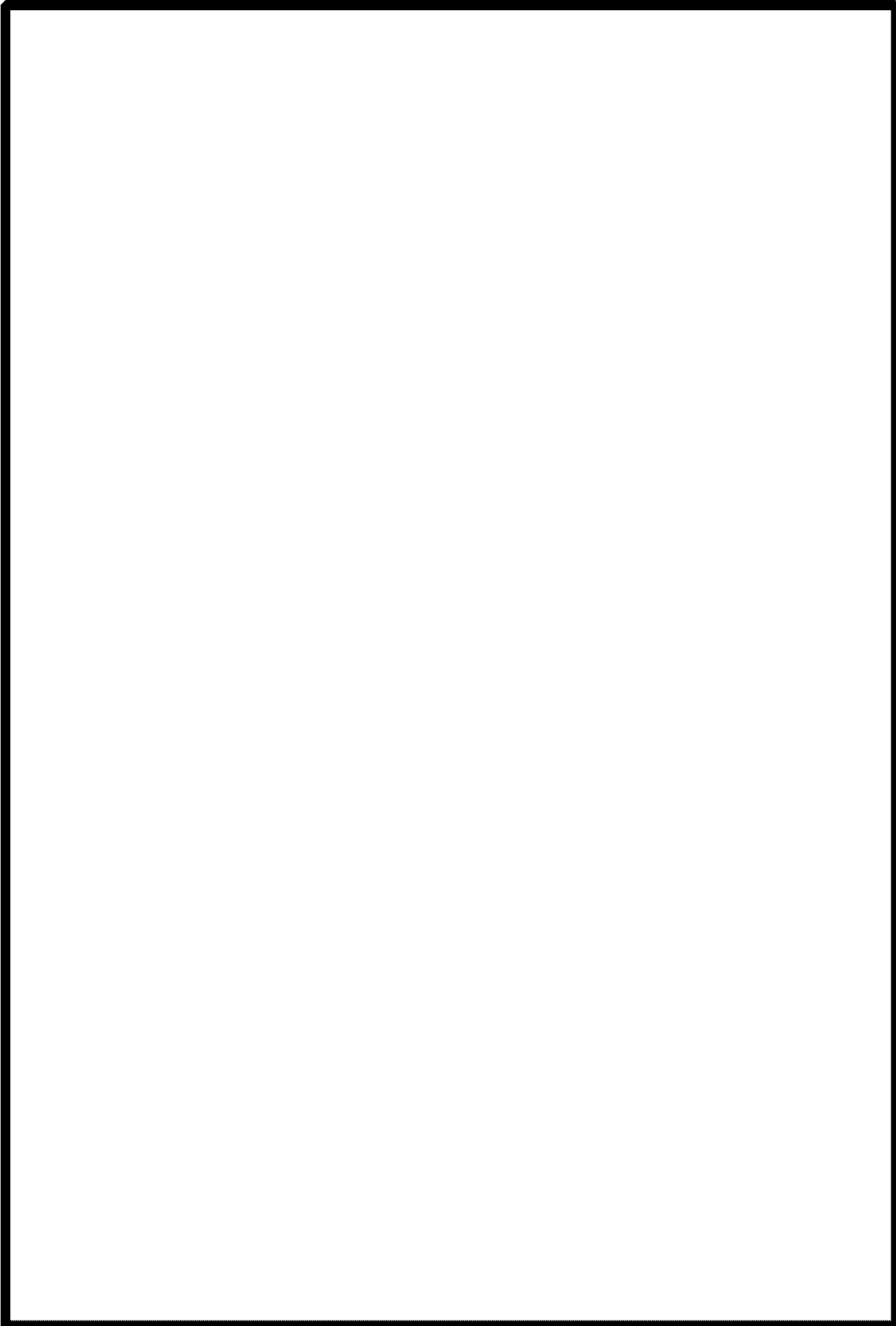
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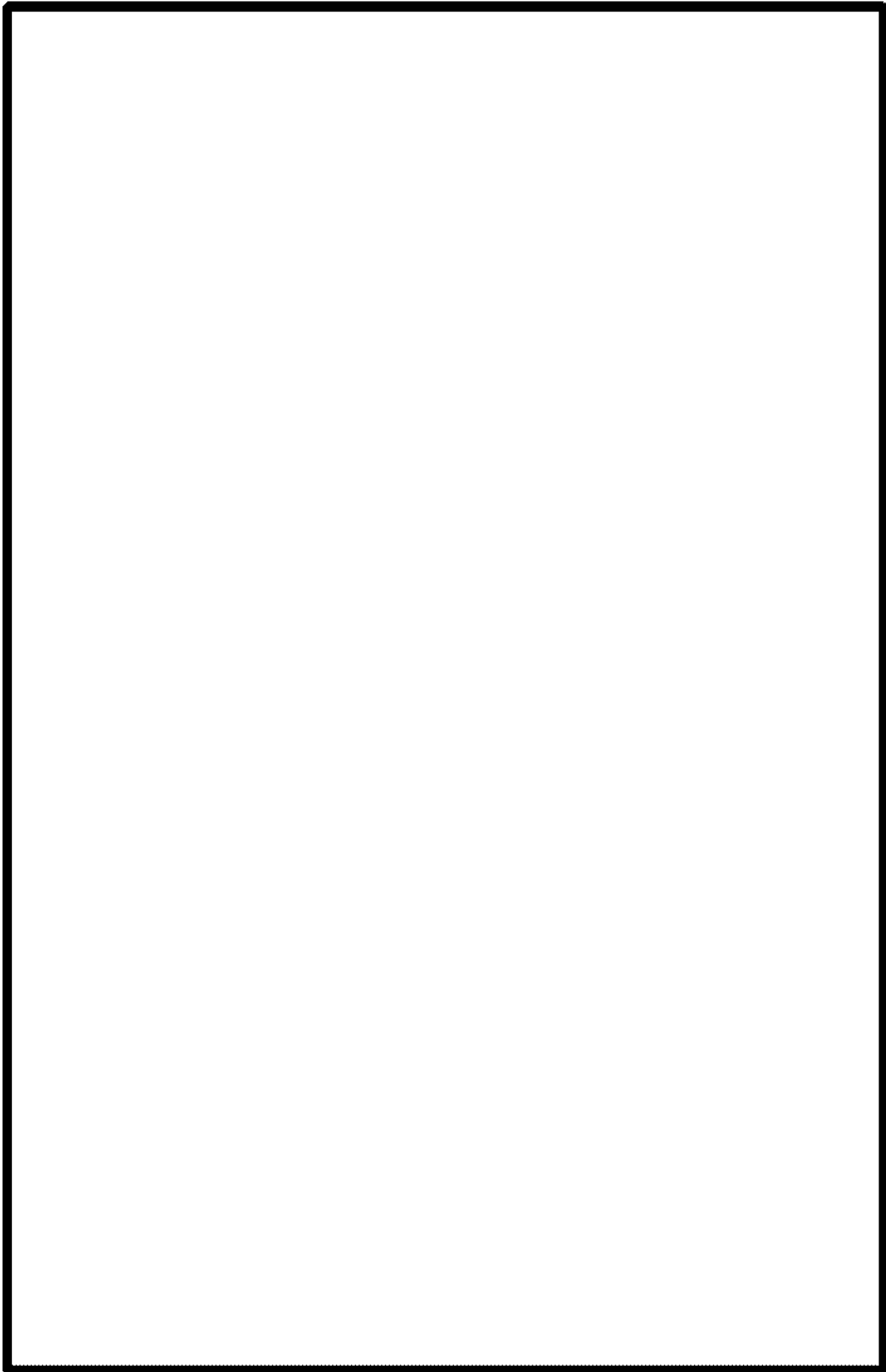
Table 10. Permanent Increase in Employment, Buena Park Project



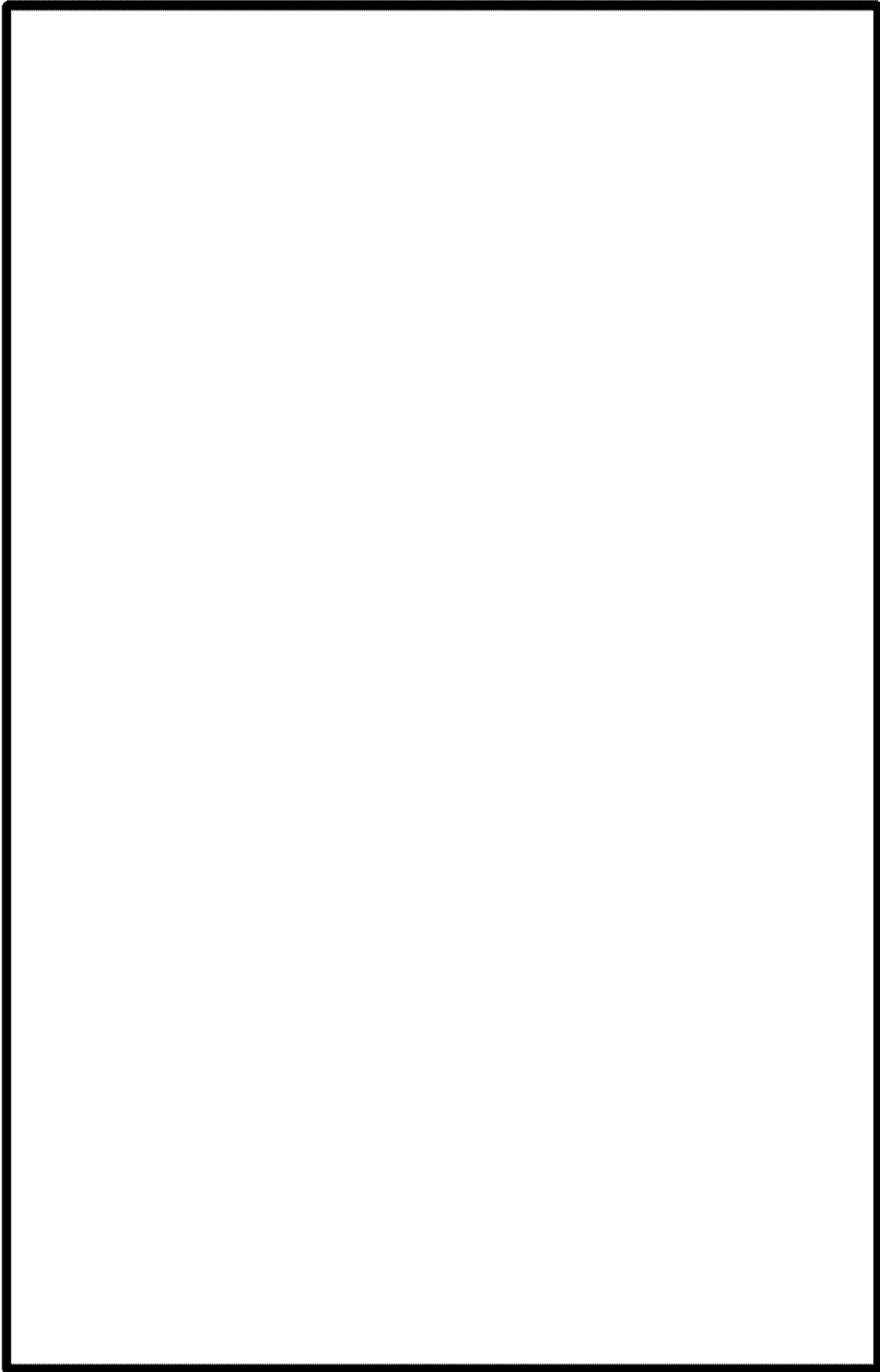
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Table 11. Indirect Job Creation by Industry and by Major Sector of Demand





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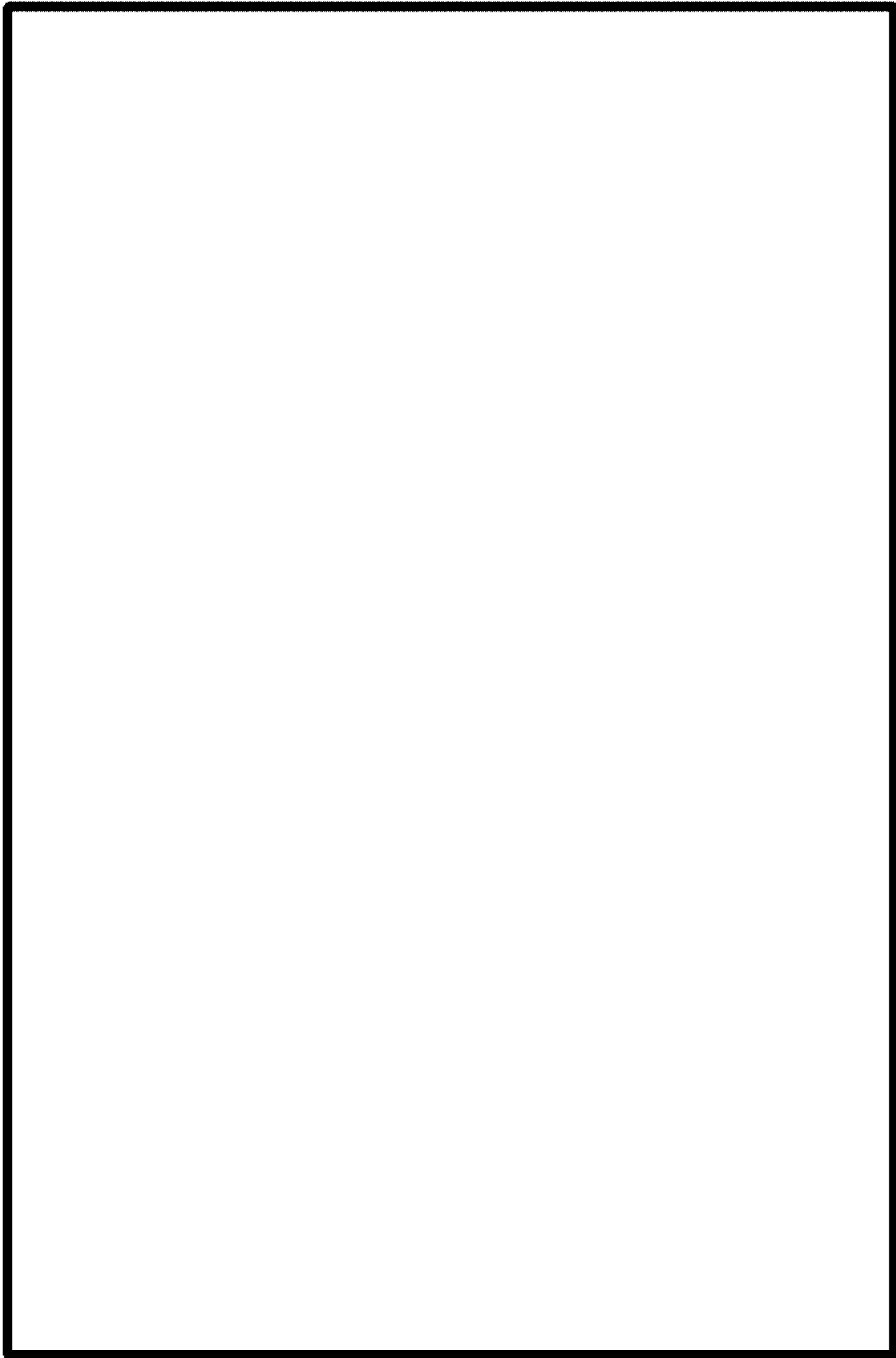
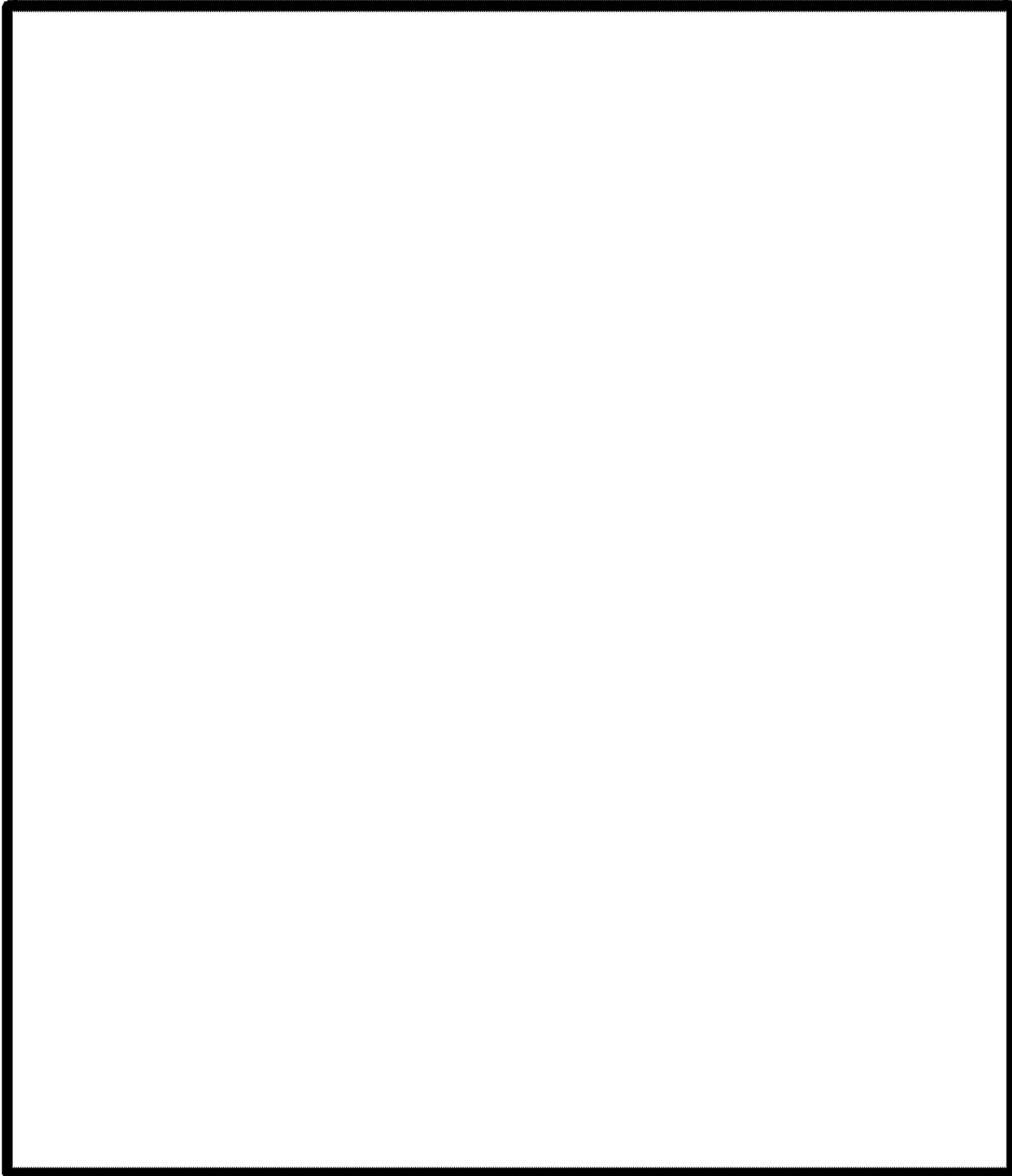


Table 12. Total Annual Increase in Output, Buena Park Project, Thousands of 2009 Dollars



[Redacted]

**Table 13. Total Annual Increase in Labor Income, Buena Park Project,
Thousands of 2009 Dollars**

[Redacted Table Content]

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11. Summary and Conclusion



Appendix: Resume of Dr. Michael K. Evans

CURRENT AND PREVIOUS POSITIONS

- Chairman, *Evans, Carroll & Associates, Inc.*, 1980-present (previously Evans Economics)

Economic consulting firm specializing in EB-5 immigration analysis, economic impact studies of development projects and new construction, models of state and local tax receipts, impact of current and proposed government legislation, and construction of econometric models for individual industries and companies.

- Chief Economist, *American Economics Group*, 2000-present.

Built a comprehensive state modeling system that provides economic analysis for a variety of consulting projects (see below).

- Clinical Professor of Economics, Department of Managerial Economics and Decision Sciences (MEDS), Kellogg Graduate School of Management, Northwestern University, 1996-99.

Taught courses in macroeconomics and business forecasting. Wrote textbooks for both courses.

- Winner of Blue Chip Economic Indicator Award for most accurate macroeconomic forecasts during the past four years, November 1999
- Founder and President, *Chase Econometric Associates*, 1970-1980
- Assistant and Associate Professor of Economics, Wharton School, University of Pennsylvania, 1964-69. Co-developer of the original Wharton Model.
- Visiting Professor, Radford University, (Radford, VA), 1987

Chairman of Institute for International Economic Competitiveness

- Visiting Lecturer, Hebrew University (Jerusalem), 1966-67

Built econometric model of the Israeli economy

Ph. D. in Economics, Brown University. Dissertation, "A Postwar Quarterly Model of the United States Economy, 1948-1962". A. B. in Mathematical Economics, Brown University

PREVIOUS ACTIVITIES AND EDUCATION

- Contributing Editor, *Industry Week*

Wrote a column in each issue on economic and financial trends as they impact the manufacturing sector.

- Editor, *The Evans Report*

Weekly newsletter discussing economic trends and financial markets. Pioneered the concept of the Monthly Tracking Model to incorporate recent economic releases into the overall economic forecast, including methods to predict these economic data.

- Consultant, *National Printing Equipment and Supply Association*

Prepares quarterly forecasts of shipments of printing equipment and graphic arts supplies by product line, based on an econometric model constructed for NPES. Also prepares analysis and forecasts of exports and imports by principal product line.

- Consultant, *APICS -- The Educational Society for Resource Management*,

In 1993, designed and developed the *APICS Business Outlook Index*, which uses survey data collected by the Evans Group to measure current production, production plans, shipments, employment, new orders, unfilled orders, inventory stocks, and the comparison of the actual to desired inventory/sales ratio to predict short-term changes in manufacturing sector activity. The results of this survey appeared every month in *APICS: The Performance Advantage*

- Consultant, *American Hardware Manufacturing Association*

Wrote a separate weekly edition of the Evans Report analyzing recent trends in the hardware and housing industries, including forecasts of the hardware industry based on an econometric model developed for AHMA.

- Board of Economists, *Los Angeles Times*

Wrote column every 6 weeks (5 other economists on the Board)

- Columnist, *United Press International*

Wrote twice-weekly column, "Dollars and Trends"

- Consultant, Senate Finance Committee,

Built the first large-scale supply-side model of the U. S. economy

- Consultant, Environmental Protection Agency and Council on Environmental Quality

Estimated inflationary impact of government regulations

- Consultant, National Aeronautics and Space Administration

Estimate impact of R&D spending on productivity growth

- Consultant, U. S. Treasury

Estimated impact of investment tax credit and accelerated depreciation on capital spending by industry

- Consultant, U. S. Department of Agriculture

Built large-scale econometric model of agricultural sector of U. S. economy

- Consultant, Organization of Economic Cooperation and Development

Built econometric model of the French economy

SAMPLE OF RECENT CONSULTING PROJECTS

A. Economic Impact of EB-5 Immigrant Investor Programs and New Markets Tax Credits

- Calculated the number of jobs created for a film production company in New York City.
- Calculated economic impact of small-scale rooftop solar panels in various counties in California.
- Calculated economic impact of 7 different types of proposed businesses for a proposed regional center in the Bay Area of California.
- Determined the economic impact of a new biological research park, office building, and logistics center in Wooster, Ohio.
- Calculated the economic effect of a mixed-use urban renewal project in Cleveland, Ohio.
- Calculated economic impact of 14 different types of proposed businesses for a proposed EB-5 regional center that would include the entire state of Florida.
- Calculated economic impact of dairy farm and cheese processing plant in Northern California.
- Determined economic impact of a shipyard, food processing plant, and semiconductor plant for a proposed regional center in Louisiana and Mississippi.
- Calculated the economic impact of a new gaming casino in Natchez, Mississippi.
- Calculated the economic impact of a retail shopping center in suburban Los Angeles County.
- Prepared an economic impact analysis for the "timber to homes" project for a proposed regional center in Colorado.
- Calculated the economic impact for a proposed regional center in Baltimore, Maryland that would include the rebuilding of depressed areas in East Baltimore and along the riverfront.
- Prepared the economic analysis for a proposed EB-5 regional center for the entire state of Florida that included impact calculations for 14 different types of industries.

- Prepared the economic analysis for a proposed EB-5 regional center in the San Francisco Bay area that included calculations for 10 different types of industries.
- Prepared economic impact calculations for proposed EB-5 regional centers in New York City and Northeastern New Jersey.
- Calculated the economic impact of a rehabilitated office building in Albuquerque, New Mexico, including the increase in high quality jobs.
- Calculated the economic impact of a rehabilitated skilled nursing center in East Los Angeles, California, including the impact on nearby census tracts.
- Calculated the economic impact of development of warehouse and light industrial manufacturing space in Las Vegas, Nevada.
- Calculated the economic impact of rehabilitation and expansion of a vacation and health spa in Sharon Springs, New York
- Calculated economic impact of revitalizing an old resort hotel and adding new facilities for Lake Geneva, WI.
- Calculated the employment and tax effects for a portfolio of projects undertaken under the New Market capital program.
- Calculated generic employment changes for proposed EB-5 project for an Inland Port in Palm Beach County, FL
- Calculated the economic impact of construction of El Monte Village in El Monte, CA.
- Built an input/output model of Guam to be used to calculate economic impact of EB-5 projects. Used this model to estimate impact of various proposed projects.
- Calculated the economic impact of moving the Social Security Administration building in Birmingham, AL, and revitalizing the surrounding neighborhood.
- Calculated the economic impact of rehabbing and expanding the Everett Mall in Everett, WA.
- Determined the economic impact of building a new medical center in Charleston, SC
- Calculated economic impact of expanding Sugarbush resort in Vermont. Study included expansion of existing facilities and addition of new facilities.

- Calculated economic impact for new market tax credit program in Portsmouth, N.H. Study included both overall economic impact, and the increase in employment and income and the decrease in the unemployment rate and incidence of poverty in individual census tracts.
- Calculated the economic benefits of EB-5 programs for foreign investors for a mixed-use construction project, including a hotel, retail stores, apartments, and a sports stadium in the Washington, D. C. metropolitan area
- Calculated the economic benefits of EB-5 programs for foreign investors for a mixed-used retail shopping center in the New York City metropolitan area.
- Calculated the economic benefits of EB-5 programs for foreign investors for proposed shopping centers in five separate counties in Southern California, including differential impacts of building the shopping centers in different counties.

B. Projects for State and Local Governments

- Constructed an econometric model for the State of New York and determined the change in employment, labor income, and tax revenues for 43 different tax changes proposed by the Governor's office.
- Constructed a detailed econometric model for the State of Pennsylvania to determine the economic impact of the complete panoply of state taxes levied; the model contains over 1,000 equations. In cooperation with American Economics Group, the model was developed to simulate the effect of changes in any state tax rate on households and businesses by income deciles, household status, age of individuals, size of households, and many other demographic variables. The change in business taxes can also be simulated for detailed industry classifications.
- Determined whether the Washington, D.C. water and sewer authority should accept a high bid for a new waste disposal system. Decision to reject has saved the authority over \$200 million, as construction prices turned down sharply as predicted.
- Built an econometric model to determine the "tax gap" caused by Internet sales for the state of Minnesota.
- Determined appropriate levels of shelter grants individual counties in New York State, and for utility allowances in New York City. Reviewed and prepared testimony in ongoing court cases in these areas.

- Calculated the economic impact of the revitalization of downtown Milwaukee, Wisconsin.

C. Economic Impact of Casino Gaming

- Built an econometric model to predict the growth of the gaming industry over the next decade, and the economic impact of that industry on employment and tax revenues at the Federal and state levels.
- Estimated the economic impact of Indian casino gaming nationally and for the State of Wisconsin.
- Determined the economic impact of the Oneida Indian gaming casino on the Green Bay metropolitan area.
- Estimated the negative economic impact on the Milwaukee area if a new Indian gaming casino were to be built in Kenosha, Wisconsin.

D. Economic Impact of Smoking Bans and Higher Taxes

- Testified on economic impact of smoking bans in Canada; certified as an expert witness by the Court.
- Examined the impact of smoking bans on restaurant sales in several different locations in the U.S. to determine how much sales changed when these bans were imposed, and the differential effects depending on whether these bans were partial or total.
- Determined the cross-border effects on retail sales from differential rates in cigarette, gasoline, and alcohol excise taxes
- Determined the economic impact of higher cigarette taxes on minority group employment.
- Estimated the economic impact and loss of Federal and state tax revenues when higher cigarette prices lead to increased smuggling.

E. Consulting Projects for Travel and Tourism

- Built an econometric model to predict tourism trips and revenues for the major regions of the U.S. economy.
- Constructed econometric models to predict tourism in Las Vegas and Orlando.

- Using the IMPLAN model, predicted economic impact of tourism and travel expenditures for all counties in Pennsylvania.

F. Other Private Sector Consulting Projects

- Calculated the economic impact of proposed EPA bans on fluoropolymer production.
- Estimated the size and economic importance of the fluoropolymer industry, and calculated economic impact of shutting down domestic production.
- Built an econometric model to examine how U.S. tax and regulatory policies help determine whether the gold mining industry would invest in the U.S. or other countries. Testified before Congress to help defeat legislation inimical to the mining industry.
- Built an econometric model to predict consumer bankruptcies, based on recent growth in consumer credit outstanding, the overall economic environment, and recent changes in credit regulations
 - Estimated the economic impact of the ethanol subsidy on the U.S. economy and Farm Belt States, including the impact on the balance of payments, employment, and tax receipts. Testified before Congress to help pass legislation to extent subsidies to the ethanol industry.
- Built an econometric model to determine the impact of updating and improving the system of locks on the Upper Mississippi River on corn prices and exports, farm income, and the overall economy.

BOOKS PUBLISHED

Macroeconomics for Managers, Blackwell, 2003

Practical Business Forecasting, Blackwell, 2002

Economic Impact of the Demand for Ethanol, Diane Publishing Company, 1998

How to Make Your Shrinking Salary Support You in Style for the Rest of Your Life, Random House, 1991

The Truth About Supply-Side Economics. Basic Books, 1983.

A Supply-Side Model of the U. S. Economy, mimeo (prepared for Senate Finance Committee), 1980.

An Econometric Model of the French Economy: A Short-Term Forecasting Model. O.E.C.D, March 1969.

Econometric Gaming (with L. R. Klein and M. J. Hartley). Random House, 1969.

Macroeconomic Activity: Theory, Forecasting and Control. Harper & Row, 1969.

The Wharton Econometric Forecasting Model (with L.R. Klein, programmed by George R. Schink), Economics Research Unit, Wharton School: University of Pennsylvania Press, 1967. Enlarged edition, 1968.

Over 30 articles in major academic journals and publications (list on request)

Michelle Parker

From: Michelle Parker
Sent: Monday, April 13, 2009 9:05 AM
To: 'Burns, Litusha'
Cc: Hilary Fraser
Subject: File search results

Hello Litusha,

We received the files from storage and have looked through the paper files as well as at all/any files on our network that may have information pertaining to Sebastian. Unfortunately, we were unable to find any documentation of DS 156 and 157 forms.

Please feel free to contact us if you have any questions.

Thanks,
Michelle.

Michelle E.T. Parker
Immigration Assistant
Miller Mayer, LLP.
202 East State Street
Ithaca, New York 14850
Phone: 607-273-4200, ext. 339
Fax: 607-272-6694
Email: mep@millermayer.com

<WWW:<http://www.millermayer.com>>

To check the status of and processing time for a case pending with CIS go

to: <https://egov.uscis.gov/cris/jsps/index.jsp>

For the latest developments relating to your type of case, please visit our website at: <http://www.millermayer.com/> to sign up to receive our newsletters. This e-mail message is confidential and may be subject to the attorney-client and other legal privileges. If you are not the intended recipient, please reply to this message to indicate that you received it in error and delete the message from your Inbox, Sent Messages, and Trash folders.

Economic Impact of Generic Mixed-Use Commercial and Residential Projects in Los Angeles and San Bernardino Counties

Prepared For:

Beach Orangethorpe LLC

Prepared By:

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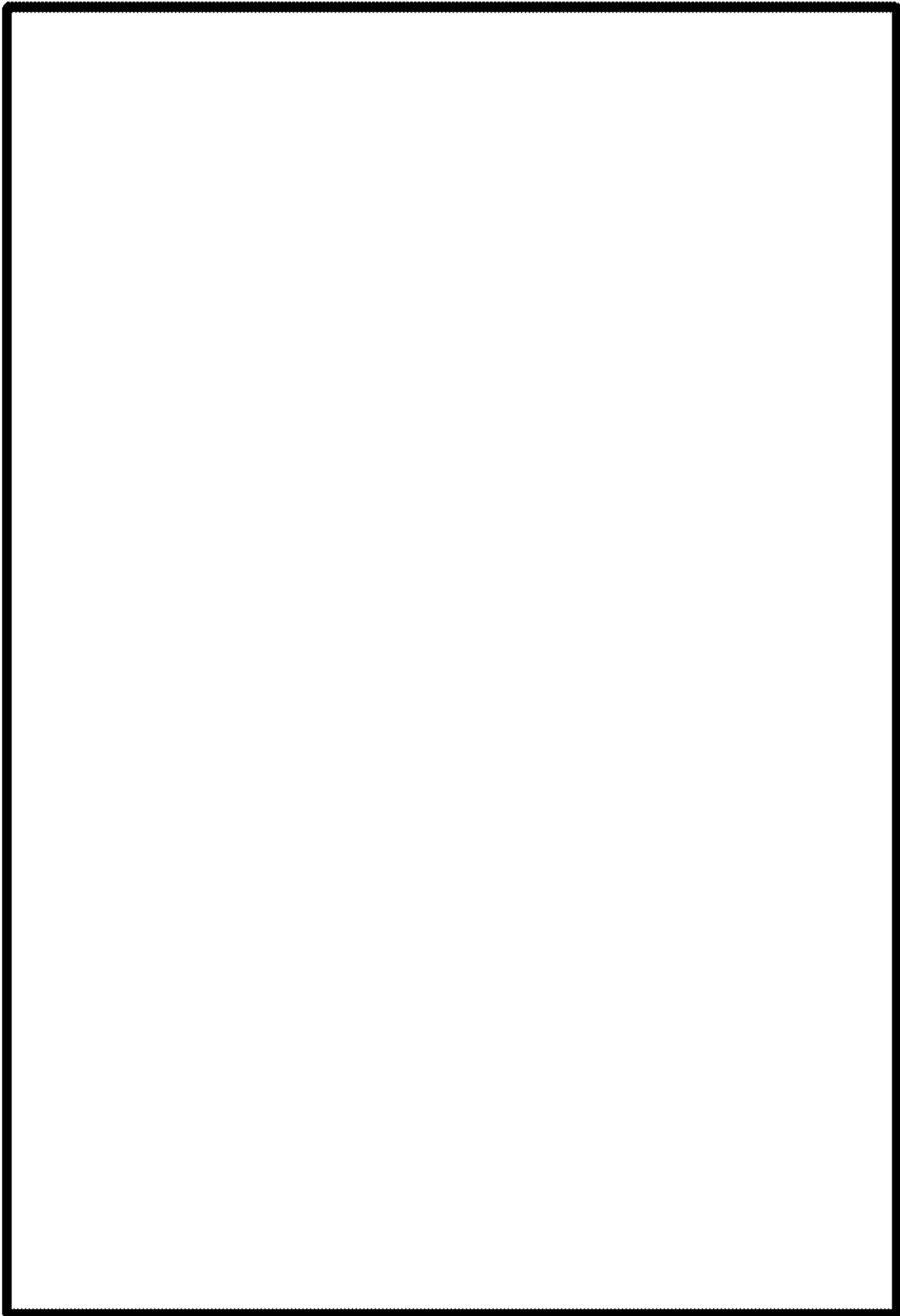
March, 2009

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1. Executive Summary

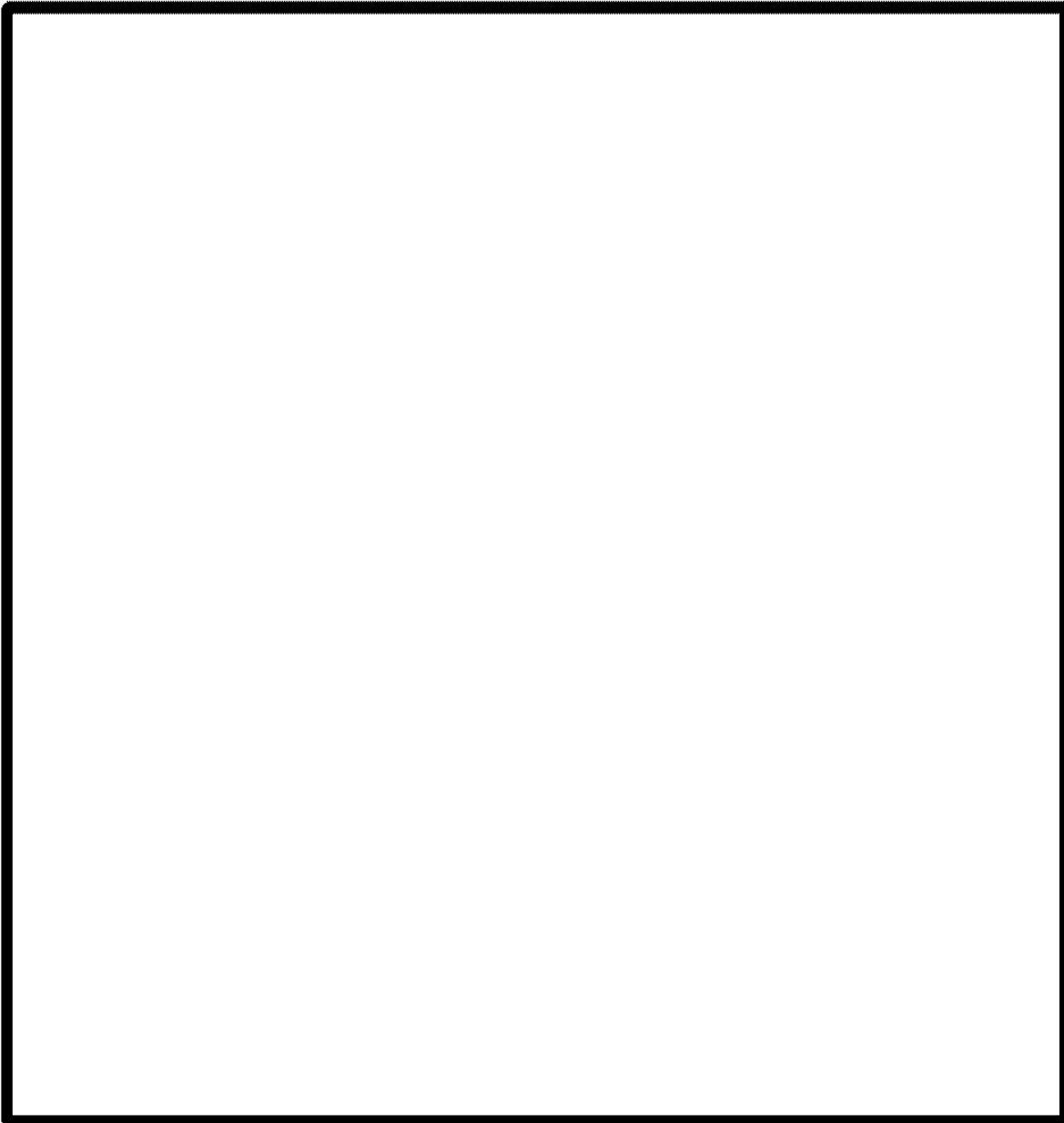


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2. Introduction and Scope of Work



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3. Description of Economic Area and Calculation of Multipliers

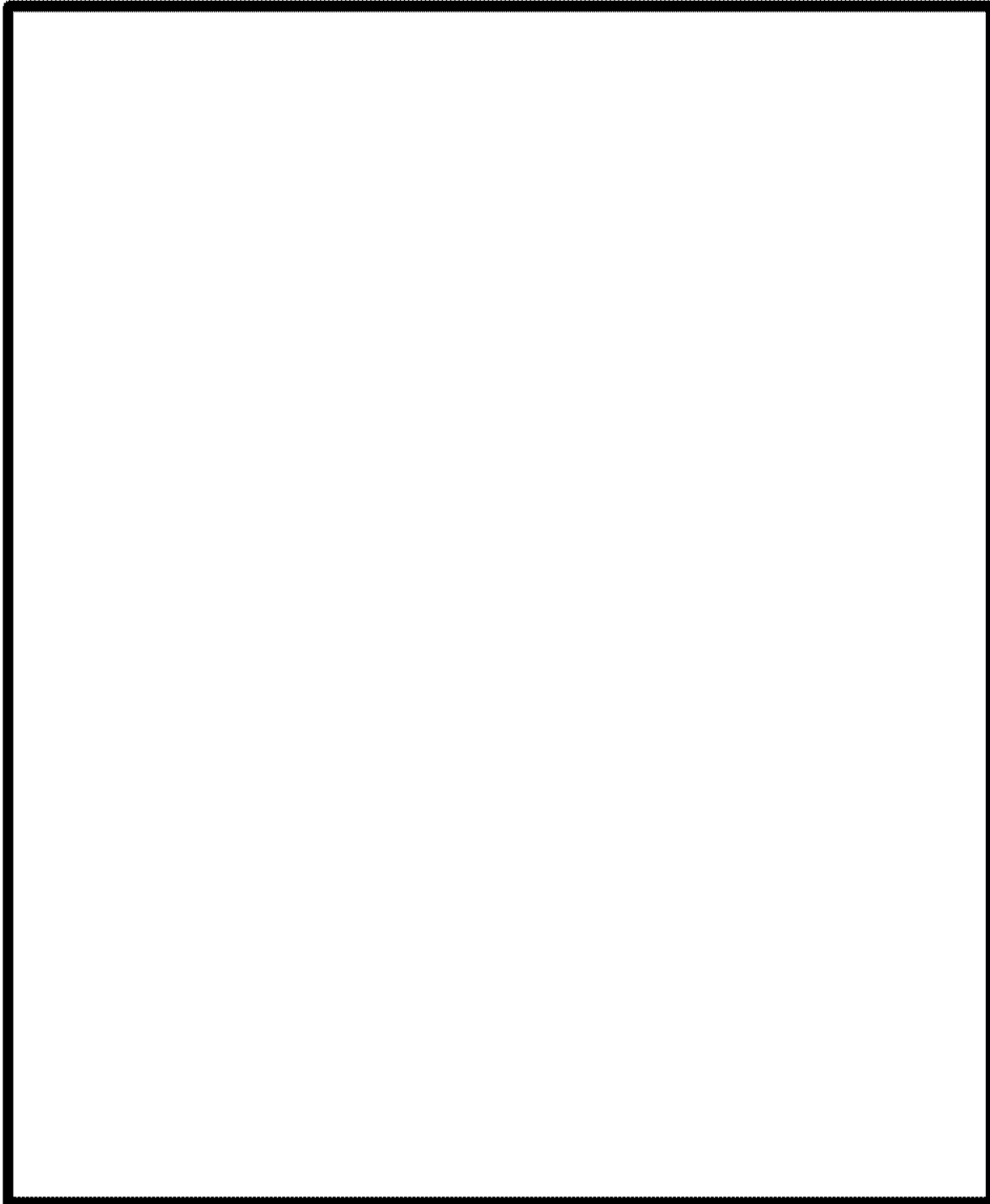
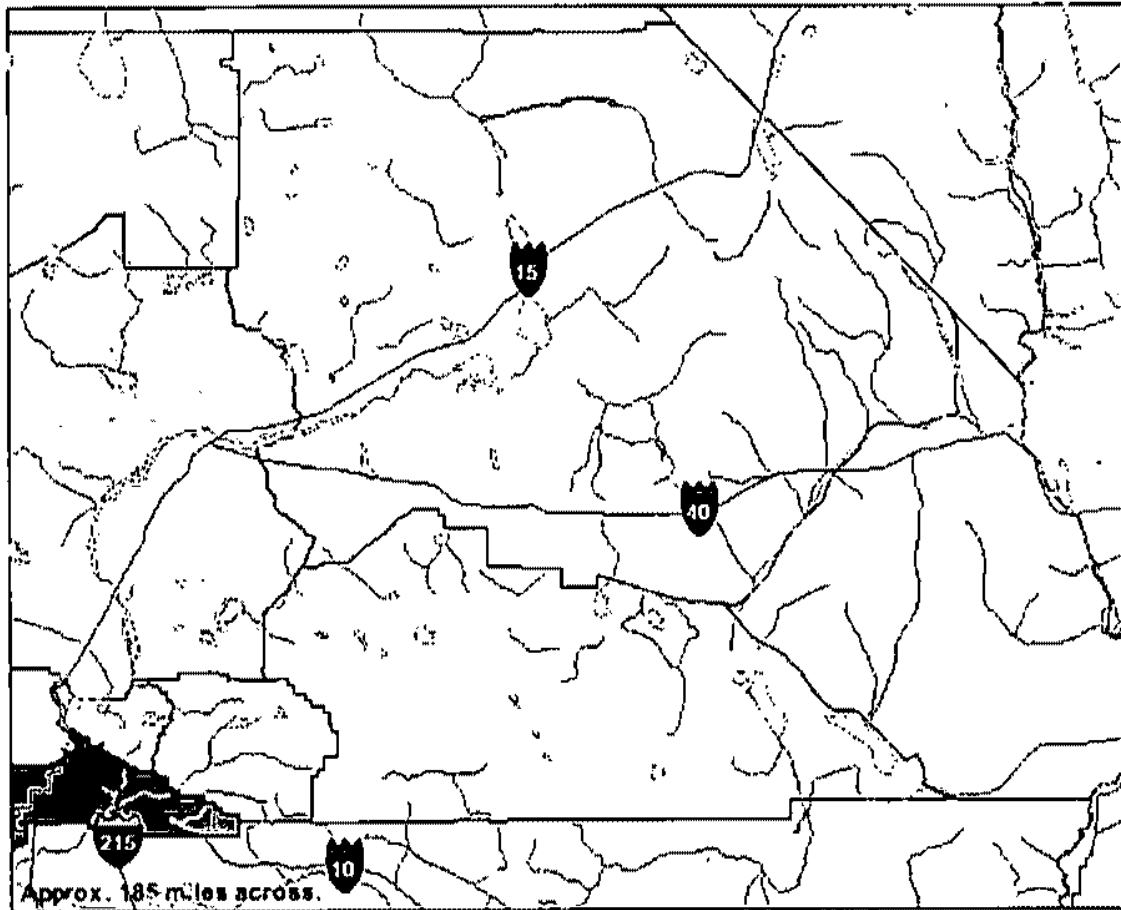




Figure 1. Population Density of San Bernardino County



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Table 1. Summary Unemployment Rates for San Bernardino County and Cities

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4. Direct Job Creation from Construction

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The definition of "direct jobs" used in this report should not be confused with the concept of direct job creation measurable by Forms I-9, payroll records, or other similar documentation as set forth in 8 C.F.R. § 204.6(j)(4)(i)(A). That section contemplates jobs created by the actual employees of the new commercial enterprise, specifically in the non-regional center context.

When economists use the term "direct" jobs in the context of an econometric methodology such as IMPLAN, what is meant are jobs created directly by revenues (which in the EB-5 Pilot Program results from an immigrant investor's investment). For example, where a regional center-based new commercial enterprise comprised of immigrant investors renovates a building it purchased, the employees of the various unaffiliated tenants of that building would be considered "direct" jobs in the context of an econometric report. However, those jobs are not "direct" in the sense set forth in 8 C.F.R. § 204.6(j)(4)(i)(A) where the new commercial enterprise is itself the employer that can provide Form I-9 or other similar documentation on its own employees. The tenants' employees are not "direct" employees of the regional center-based new commercial enterprise.

To be clear, this report does set forth the number of jobs that are likely to be created by the new commercial enterprises. However, as 8 C.F.R. § 204.6(j)(4)(iii) clearly states, the proof of job creation in the context of regional centers is not Forms I-9, payroll records, or similar documentation, but rather "reasonable methodologies" such as this report.

Second, in keeping with the EB-5 guidelines, the number of construction jobs for all types of buildings is based on "hard costs" of construction activity and does not include "soft costs": architectural and engineering fees, permits and construction fees, contingency allowances, sales commissions, financing, legal, insurance costs associated with the construction activity, overhead, and profits. Also, purchases of any furniture, fixtures, equipment, telecommunications, and computers are not included in any of the calculations, because these purchases will generally be made from manufacturers and suppliers outside the area. In some cases, the land on which these buildings will be constructed has previously been purchased and is not part of the cost estimates; however, land costs are generally included when determining the relative contributions that could be made by EB-5 investors.

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Table 2. Number of Direct New Construction Jobs for Each Business

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* see explanation below





5. Direct Job Creation from Retail Shopping Center

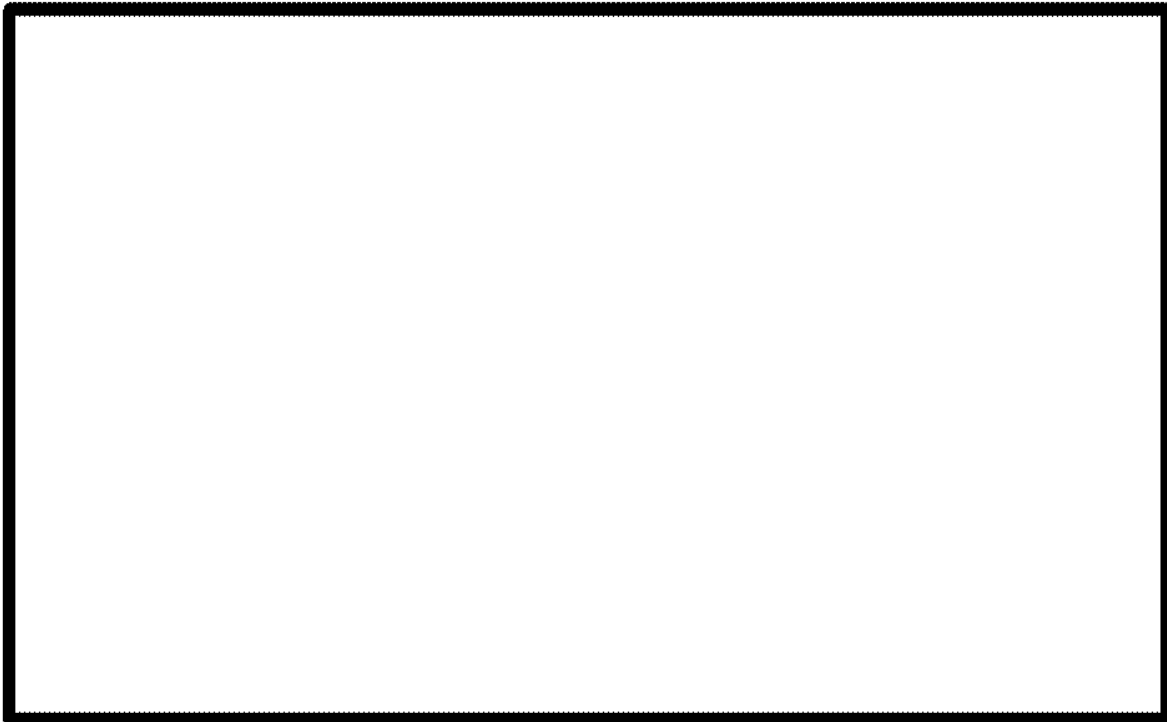


Table 3. Sales Per Square Foot by Type of Retail Establishment, 2008

A table structure with a dark header row containing the caption text. Below the header is a large, empty rectangular cell with a thick black border, which is likely a redacted table. The table is otherwise empty of data.

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The number of direct new retail jobs excluding restaurants (which are considered separately) in the LAC project is [redacted]. The number of jobs in the SBC project [redacted] (the table total is [redacted]).

Table 4. Number of Direct New Retail Jobs, Los Angeles/Orange County Project

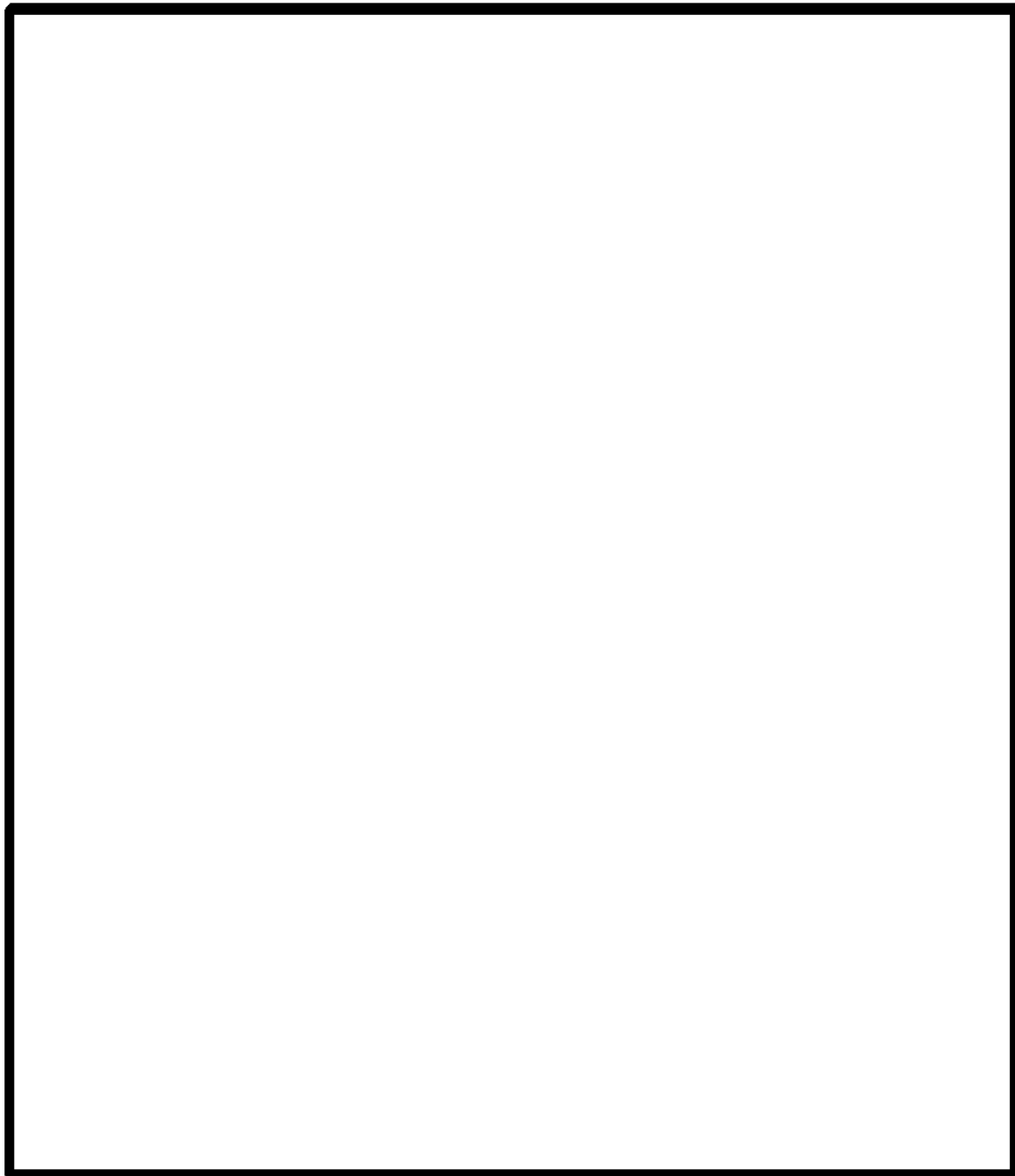
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Table 5. Number of Direct New Retail Jobs, San Bernardino County Project

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The methodology for Tables 4 and 5 is as follows:





there will be direct new jobs in Los Angeles County and direct new jobs in San Bernardino County from operating the restaurants.

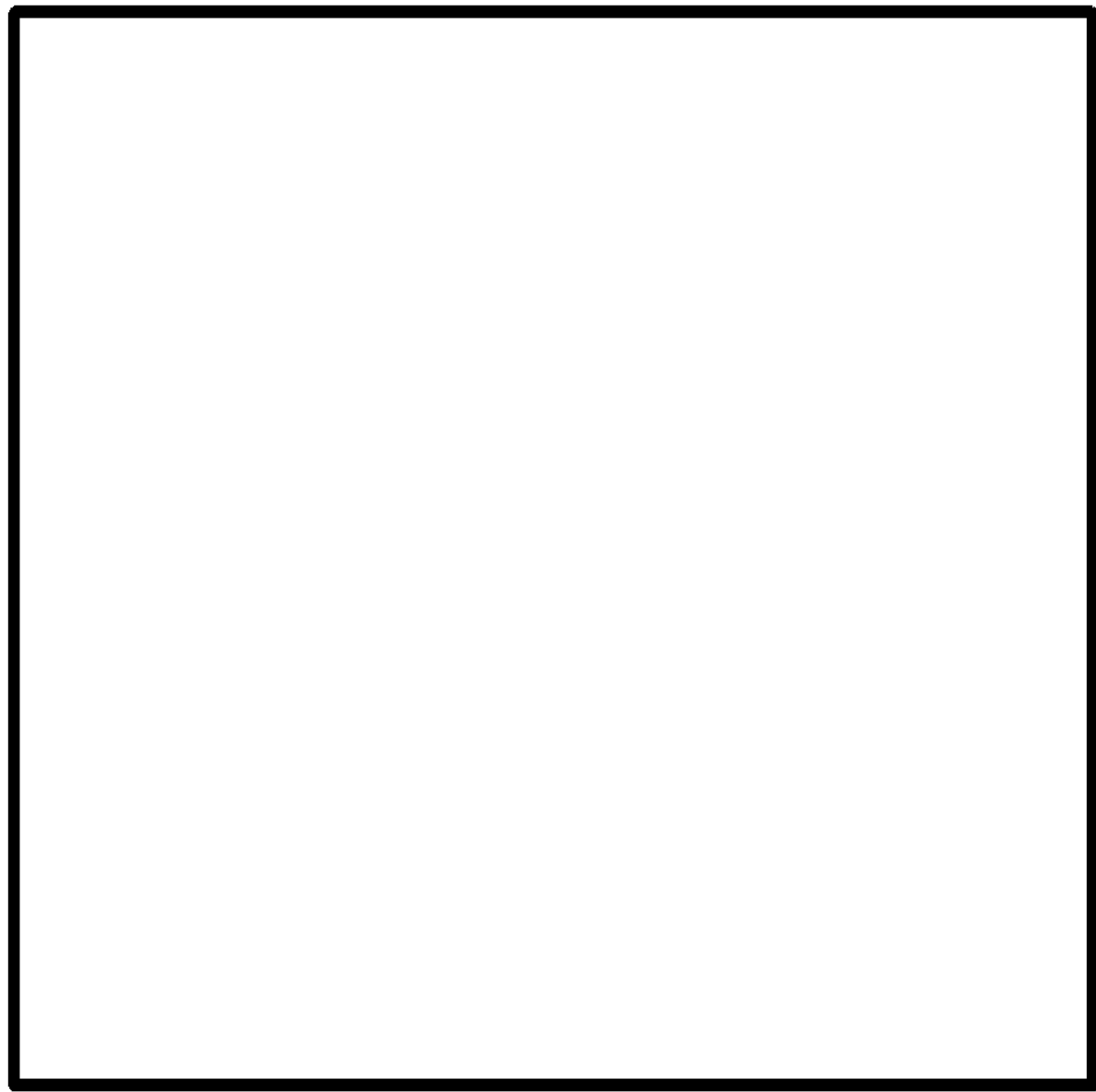
4. Direct Job Creation from Hotel

(b)(4)

Table 5. Hotel Employees per 100 Rooms

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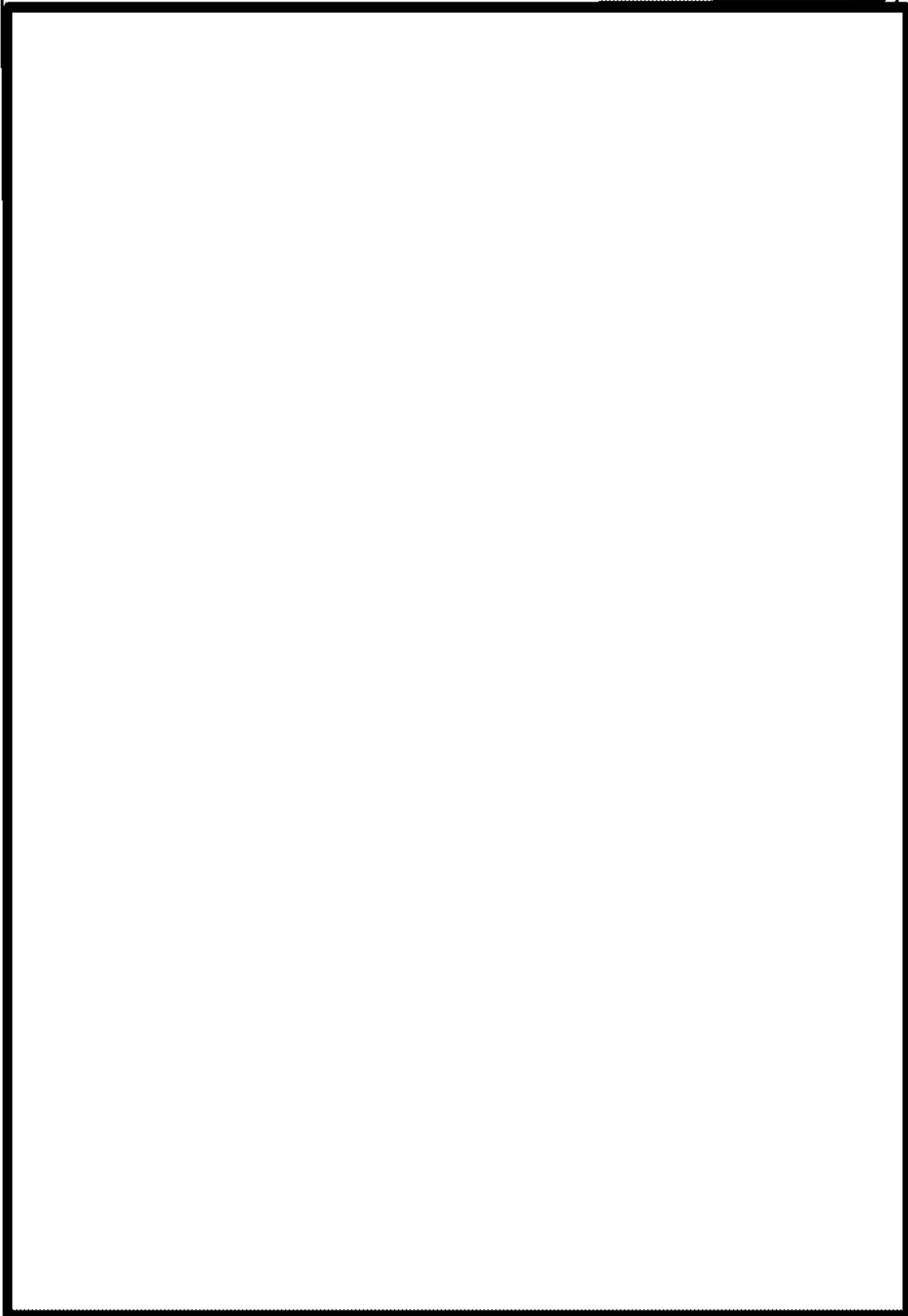


5. Direct Job Creation from Office Building



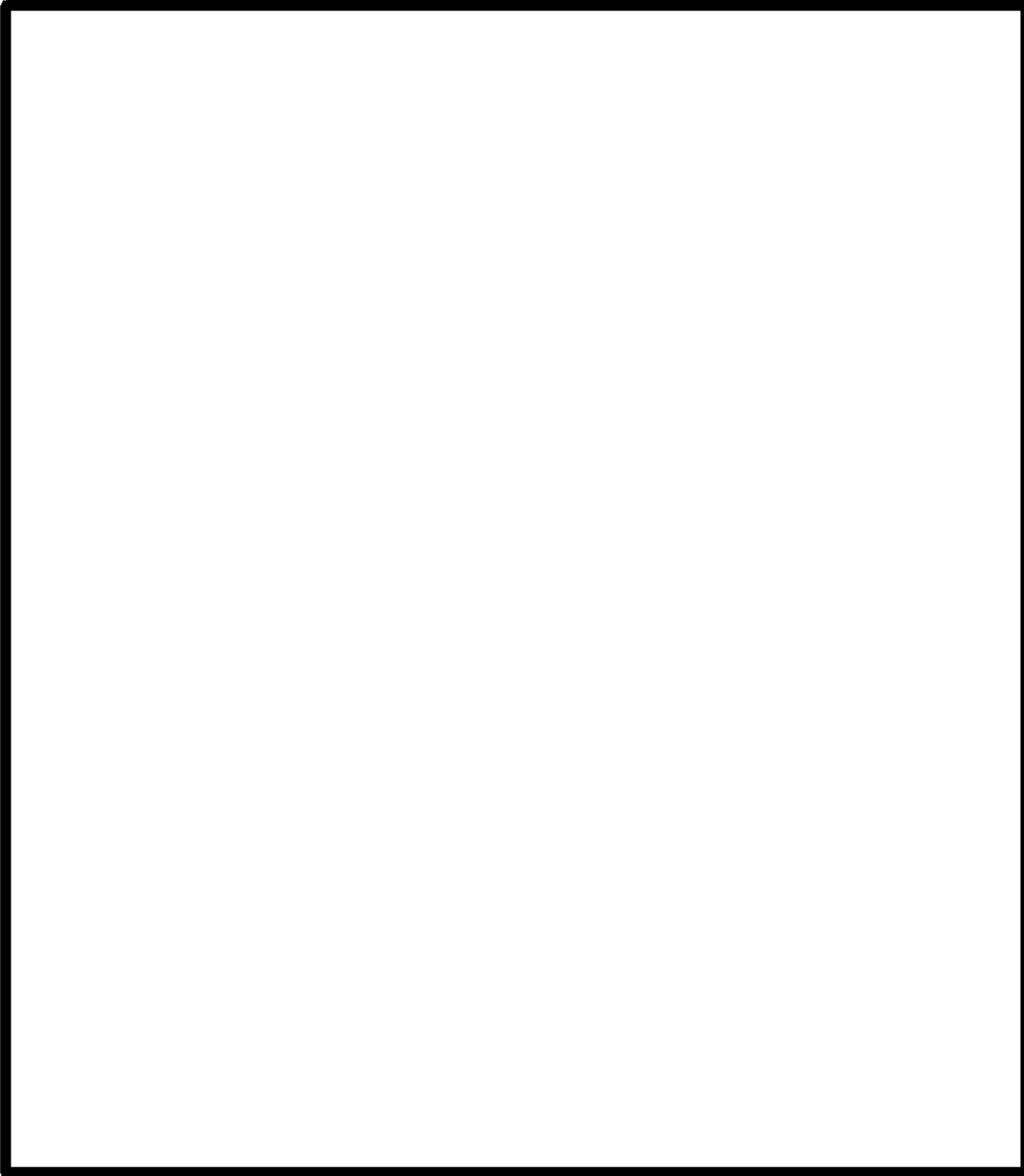
(b)(4)

Table 6. Estimates of Square Feet per Worker by Type of Building





6. Direct Job Creation from Residential Units



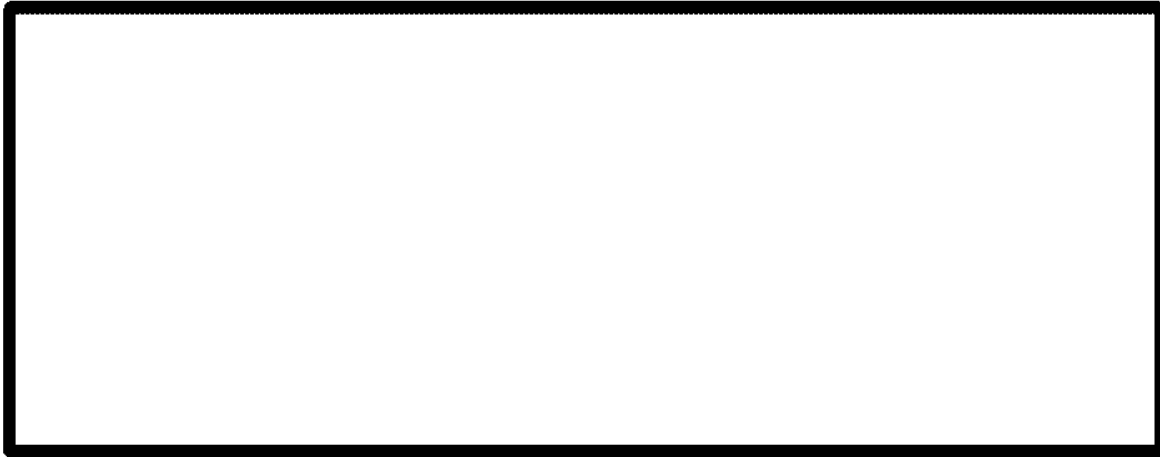
A large rectangular area that has been completely redacted, leaving a blank white space within a black border.

Table 7. Direct New Jobs Created by Operations of Rental Units in Los Angeles County

A large rectangular area that has been completely redacted, leaving a blank white space within a black border.

Table 8. Direct New Jobs Created by Operations of Owner-Occupied Residences: San Bernardino County

A large rectangular area that has been completely redacted, leaving a blank white space within a black border.

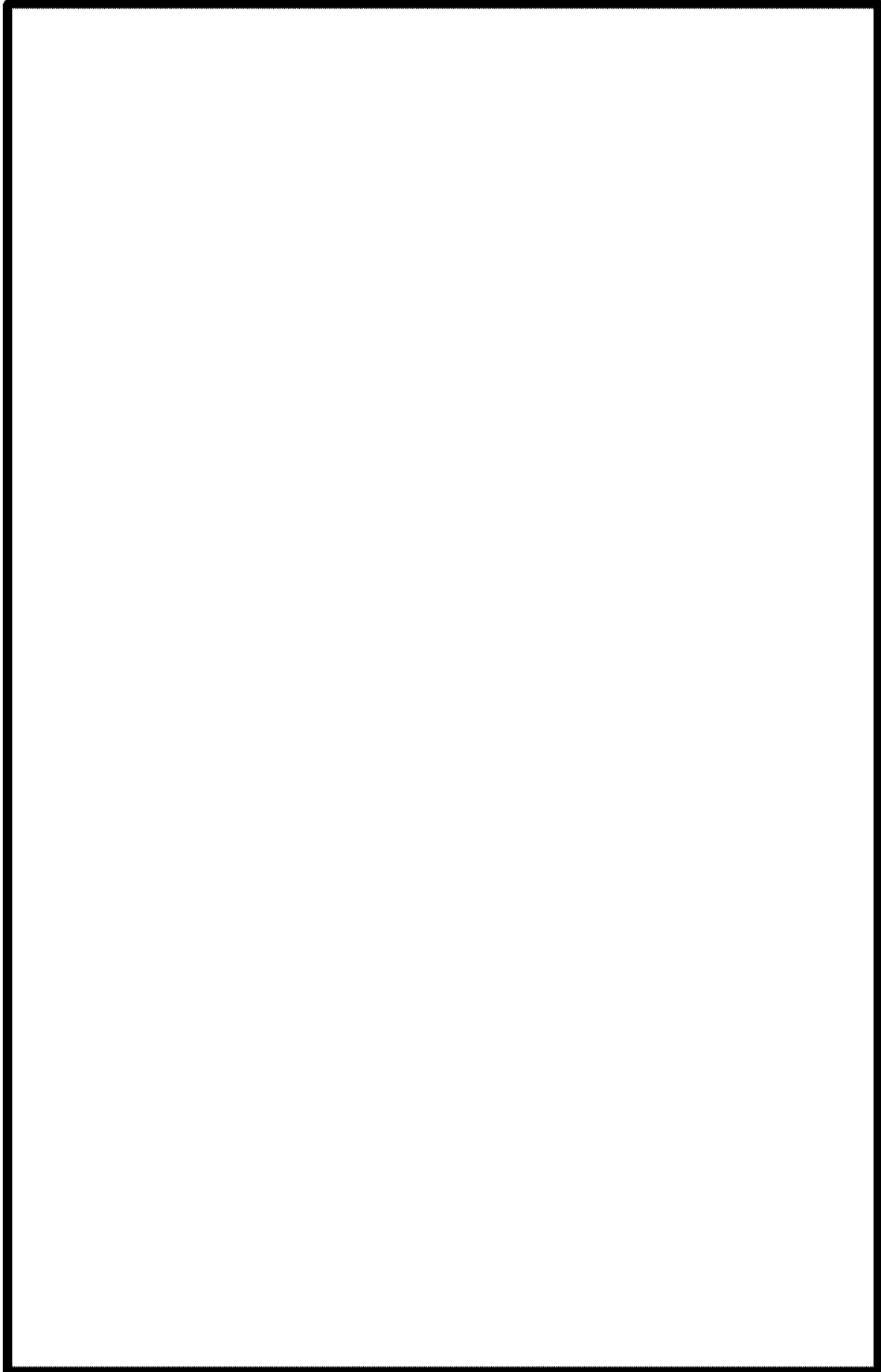
9. Using the IMPLAN Model

The IMPLAN model is a regional input/model developed and maintained by the Minnesota IMPLAN group, headquartered in Minneapolis. The basic model was originally developed by the USDA Forest Service in cooperation with the Federal Emergency Management Agency and the USDI Bureau of Land Management.

The IMPLAN model has certain similarities with the RIMS (Regional Input/Output Modeling system) model developed by the Department of Commerce, but is generally thought to contain several superior features besides its greater ease and flexibility of use. These improvements can be summarized as follows:

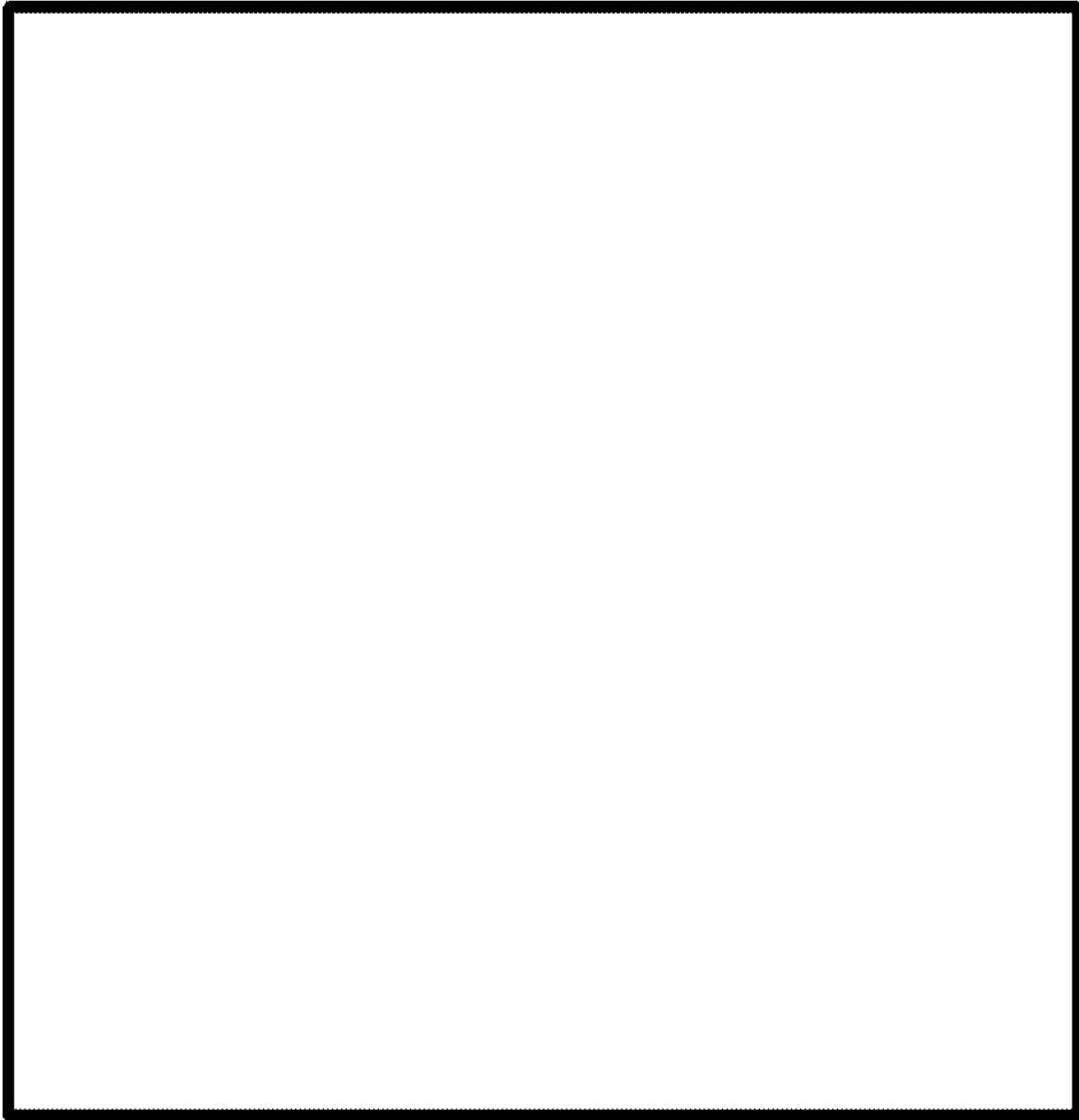
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Receipts	Expenditures

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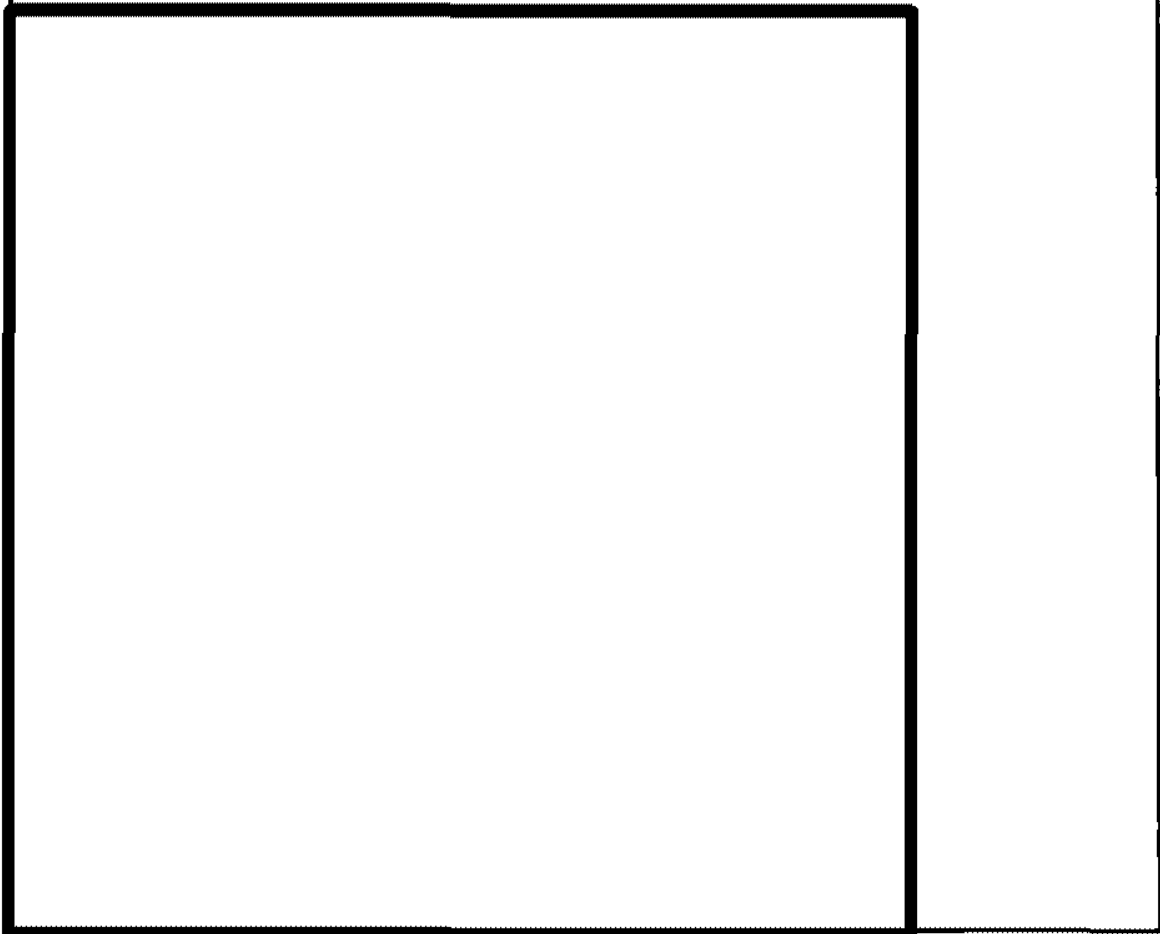


10. Economic Impact of Generic Los Angeles/Orange County Project



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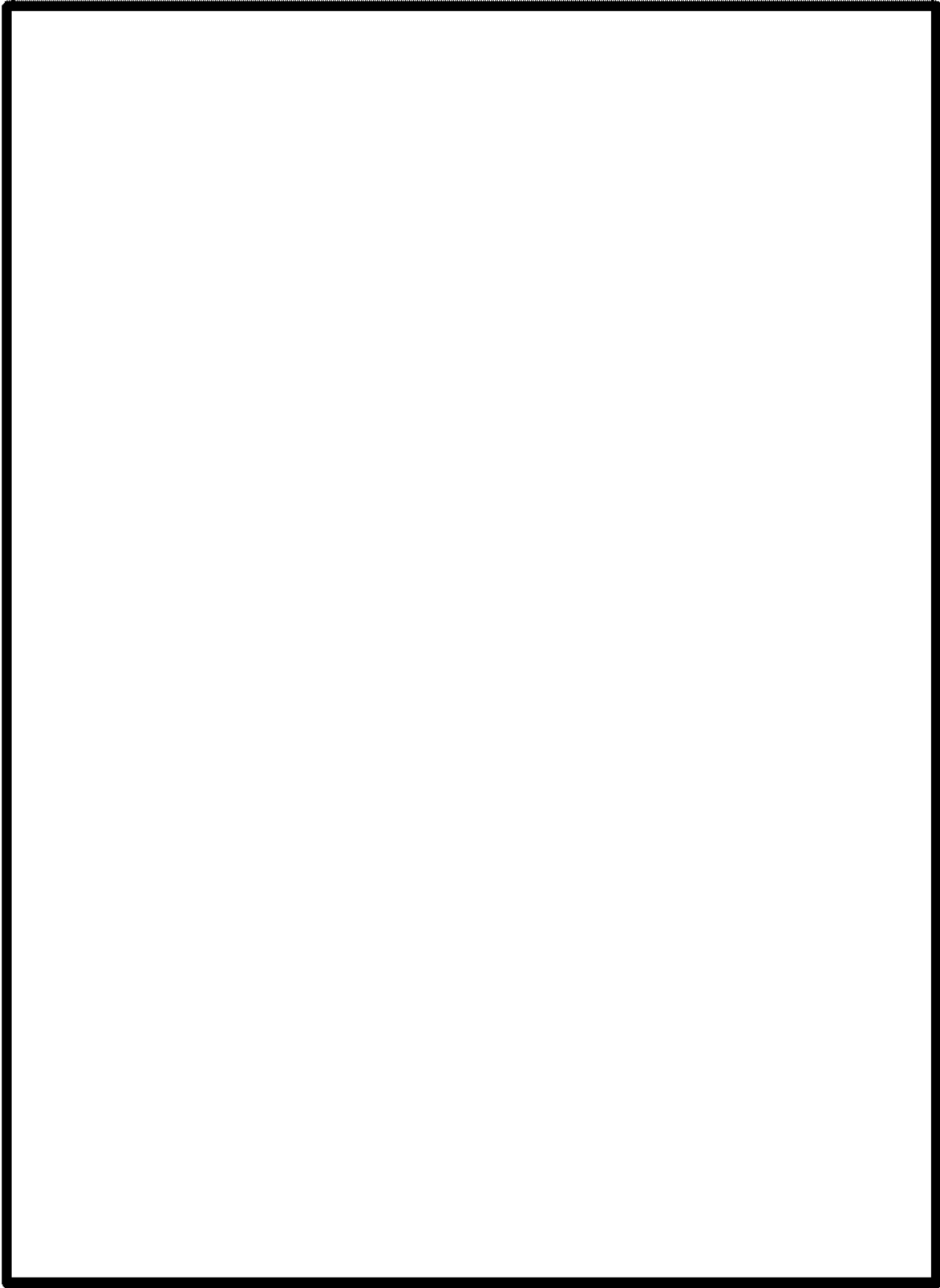
Table 9. Summary of Direct New Jobs Created, LAC Project

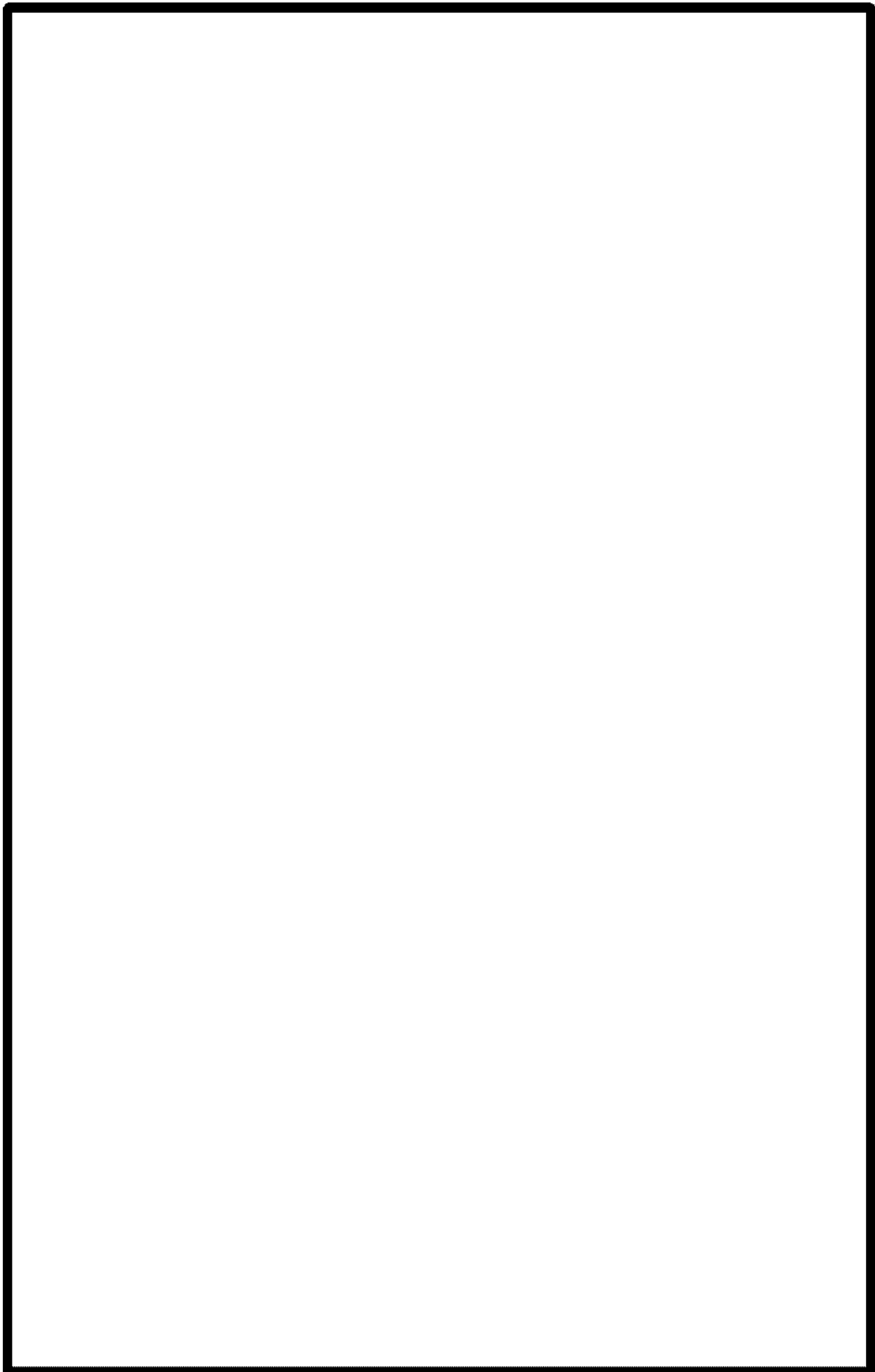


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(b)(4)

Table 10. Permanent Gain in Employment, Generic Retail Shopping Center and Rental Units, Los Angeles/Orange County





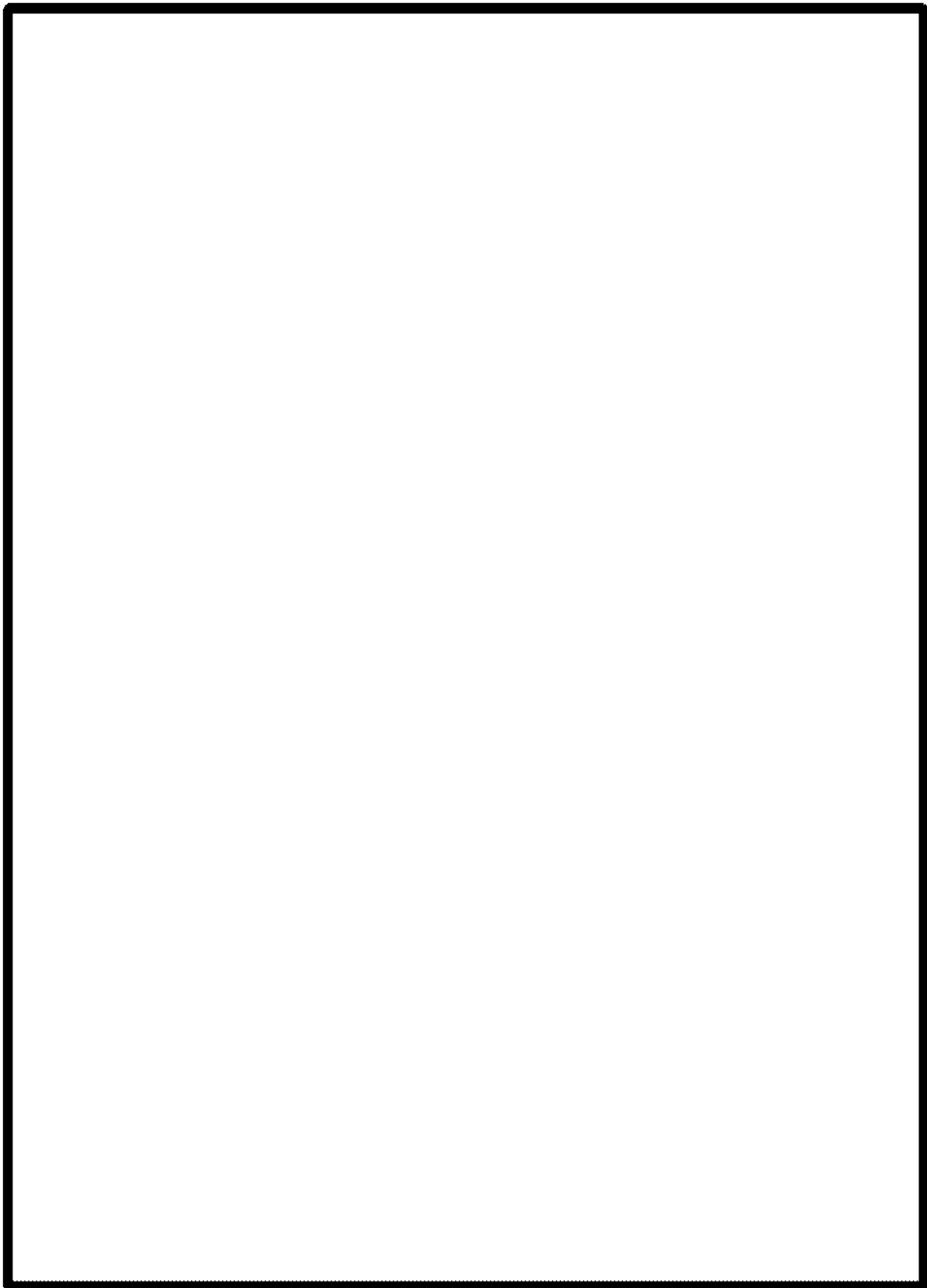


Table 11. Total Annual Gain in Output, Generic Retail Shopping Center and Rental Units, Los Angeles/Orange County, Thousands of 2009 Dollars

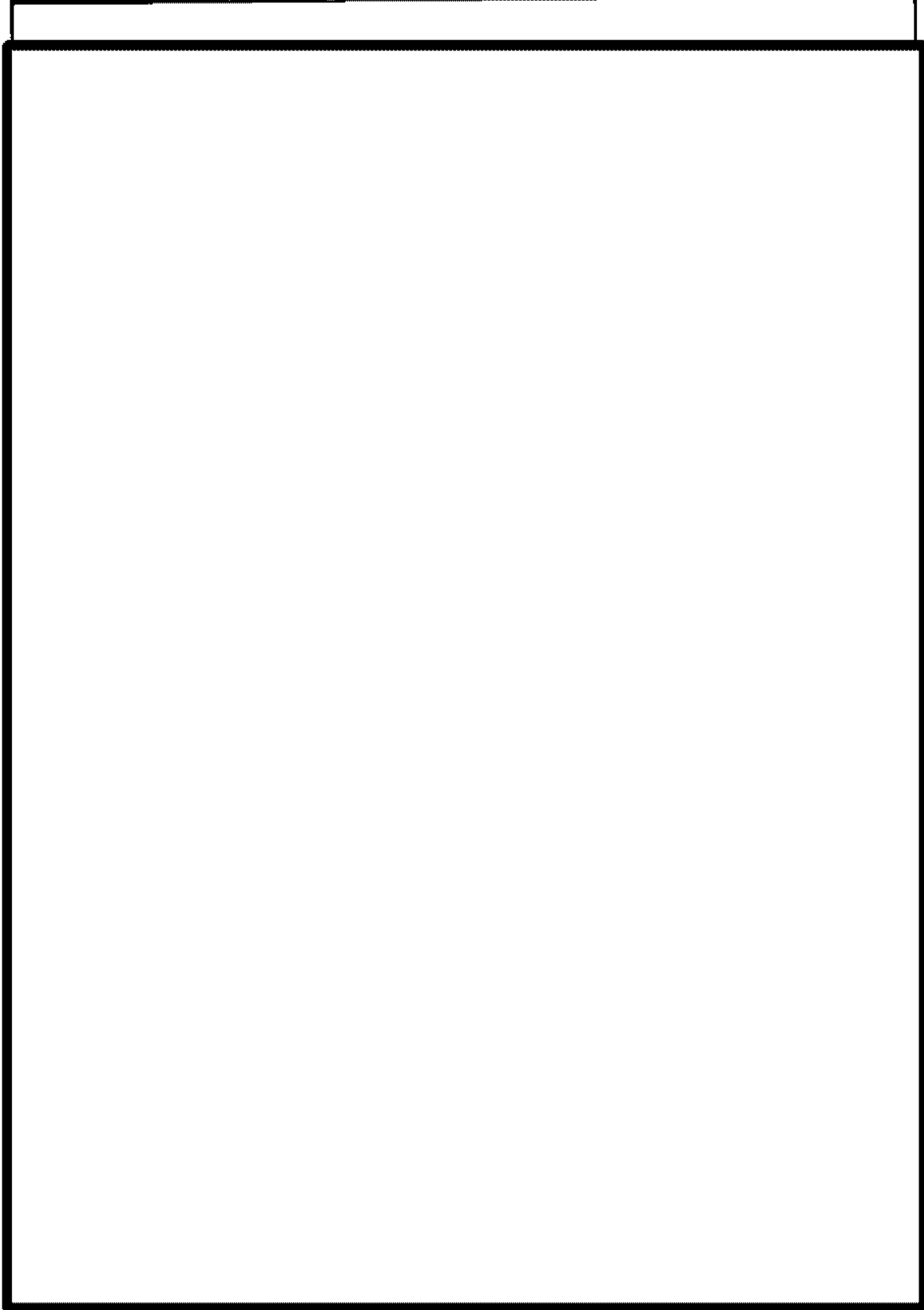
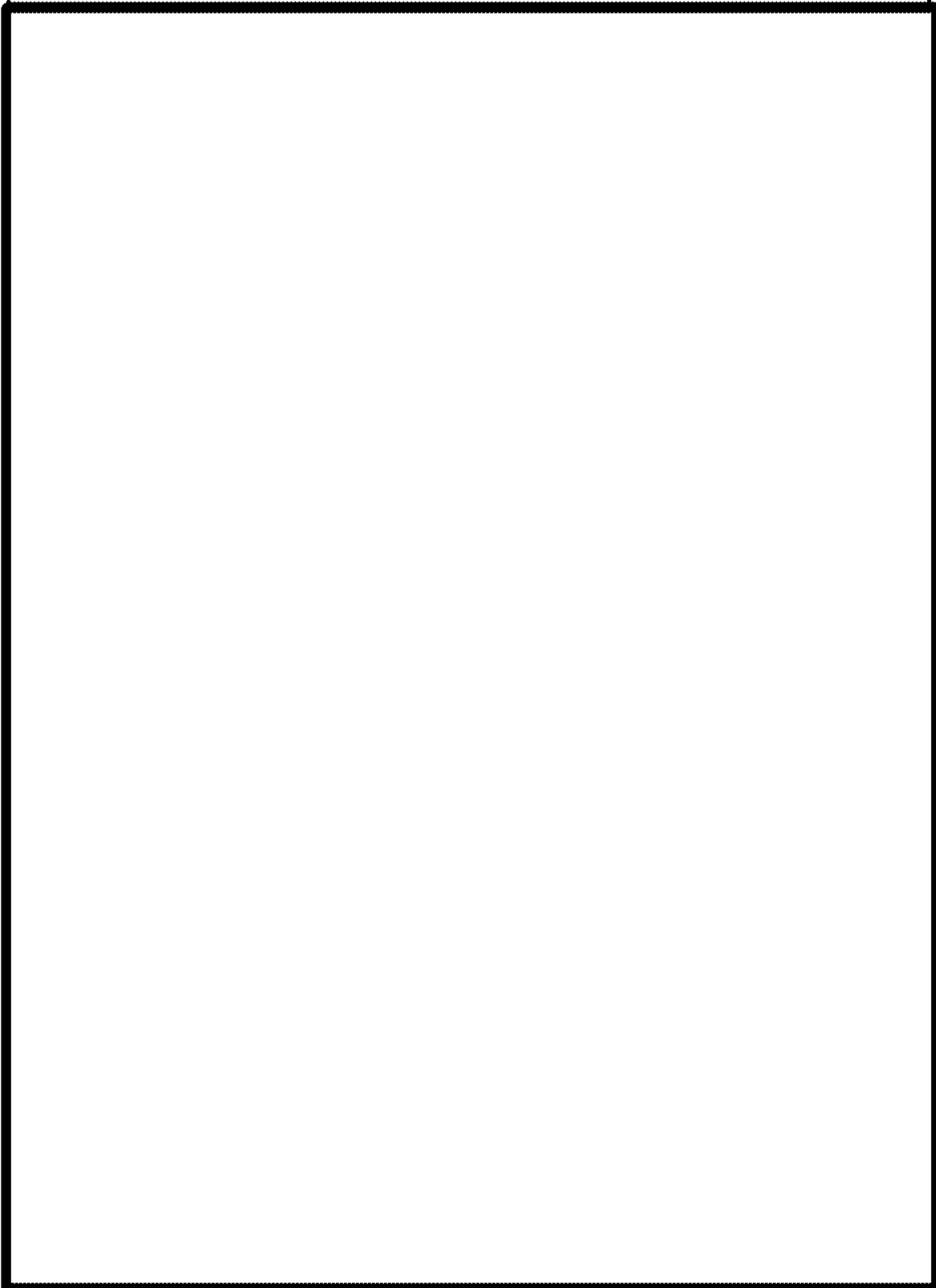


Table 12. Total Annual Gain, Generic Retail Shopping Center and Rental Units, Los Angeles/Orange County, Thousands of 2009 Dollars



11. Economic Impact of Generic San Bernardino Project



Table 13. Direct Job Inputs for Generic SBC Project

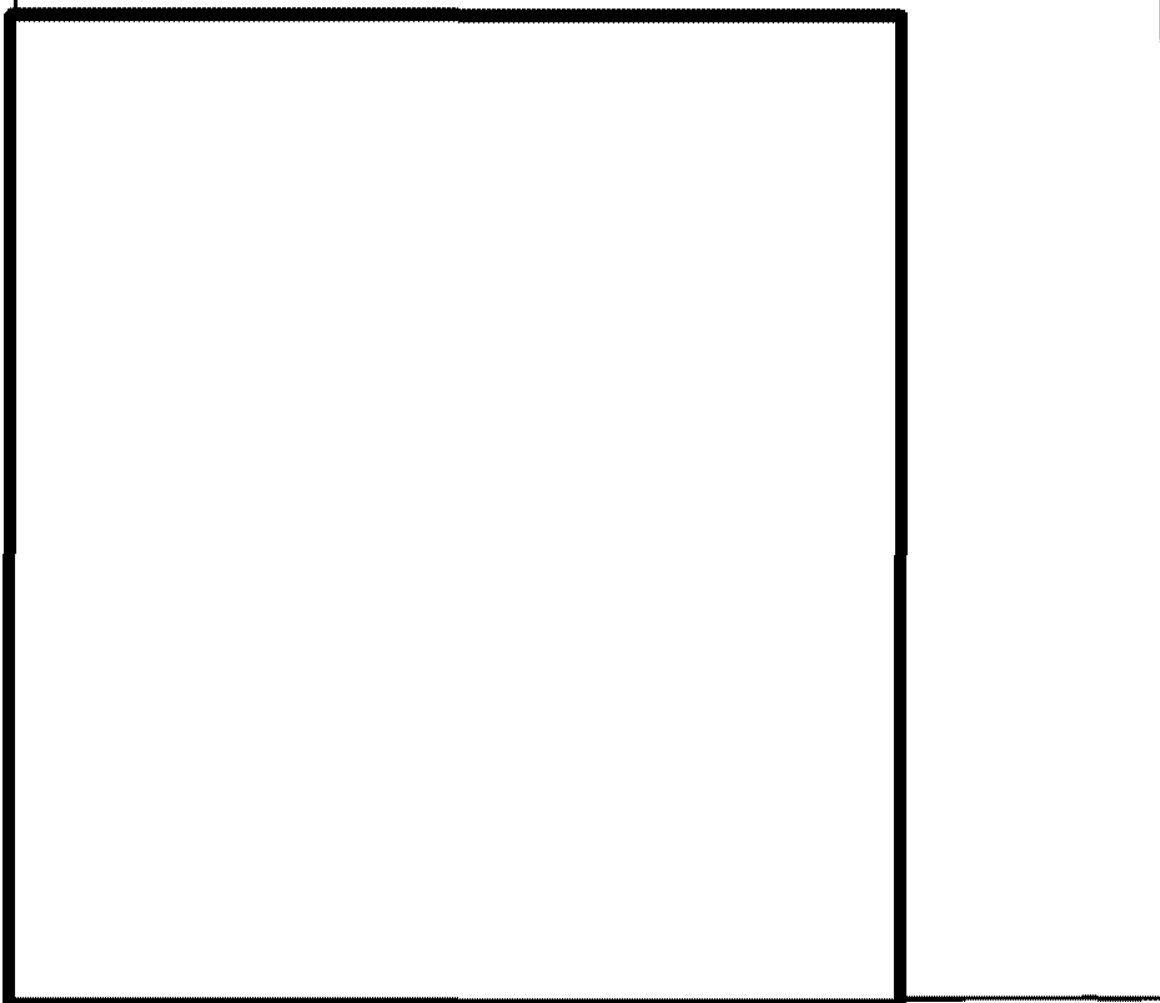
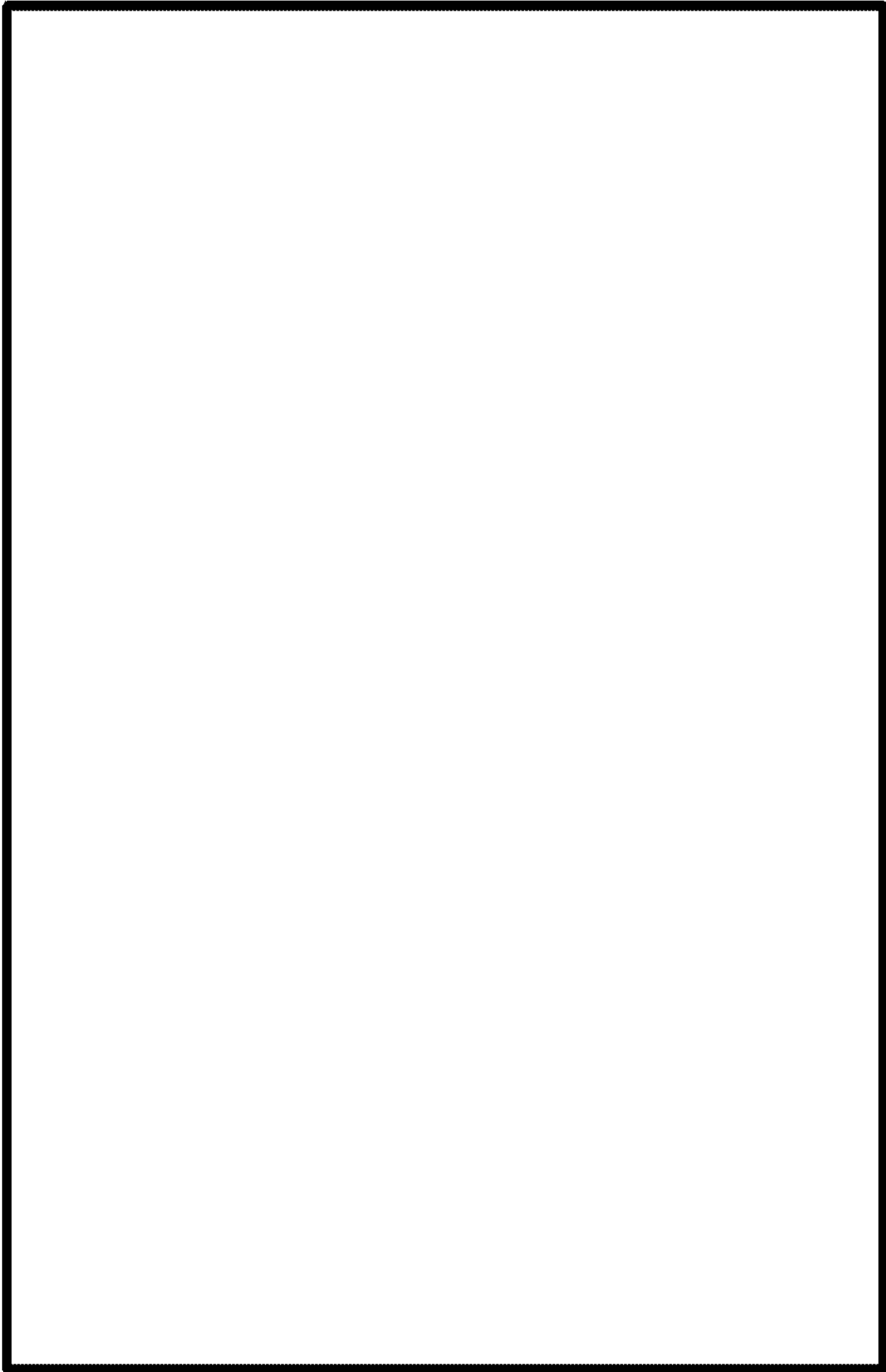


Table 14 shows a permanent gain of [redacted] jobs for this project, of which [redacted] are direct jobs, [redacted] are indirect jobs, and [redacted] are induced jobs. As usual, direct construction jobs are not included in this table.

Table 14. Permanent Gain in Employment, Mixed-Use Generic Project in San Bernardino County

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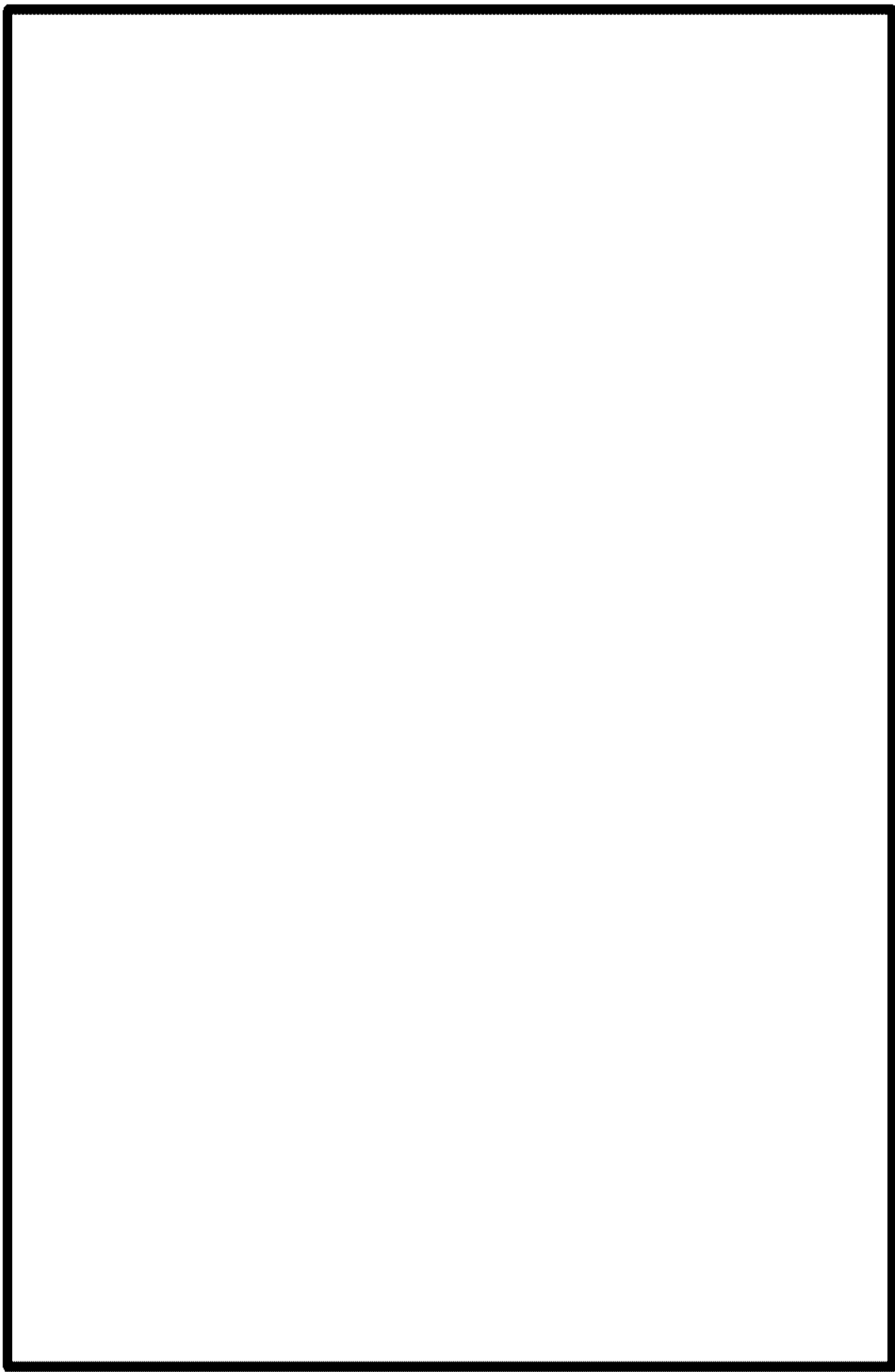




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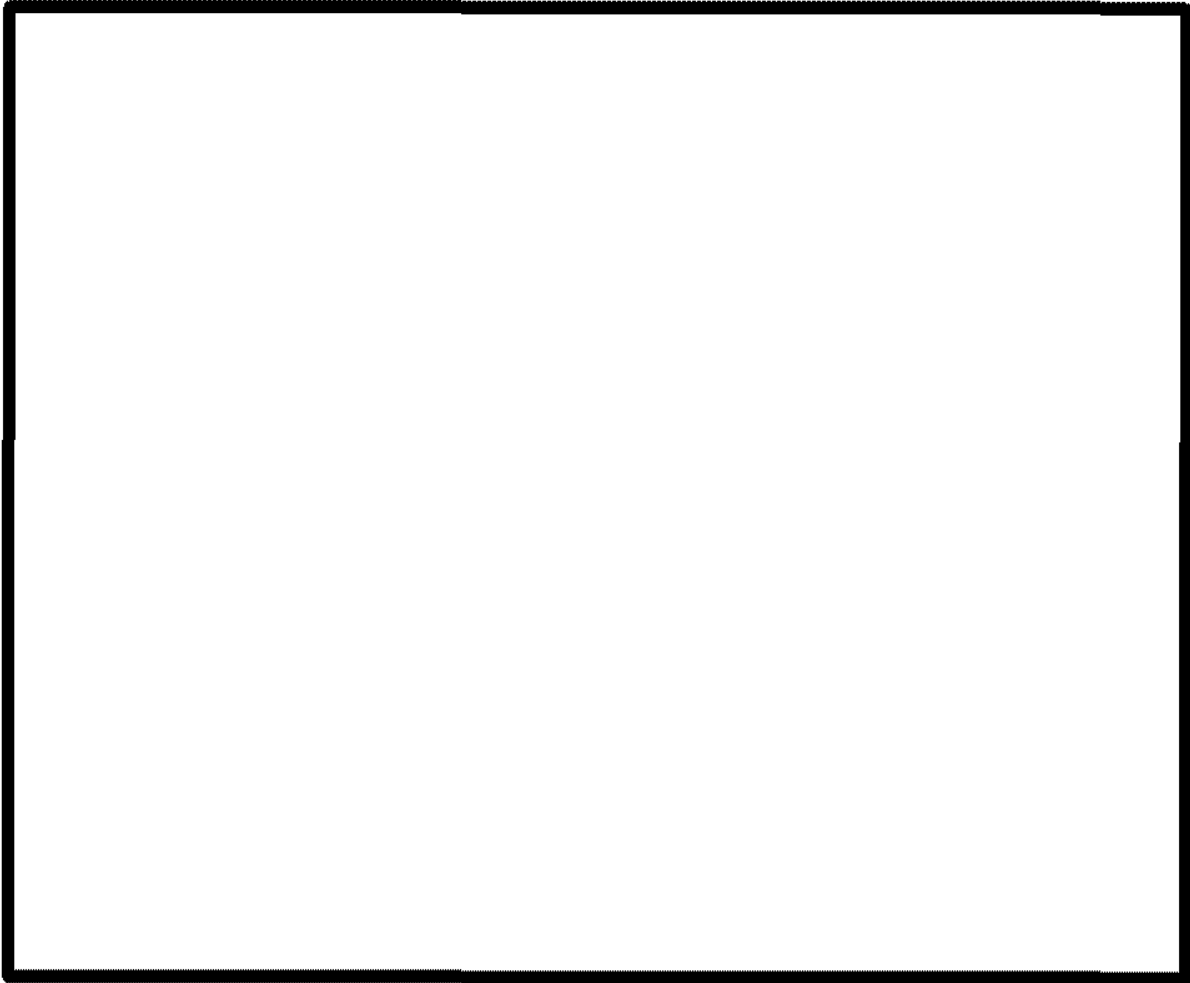


Table 15. Total Annual Gain in Output, Mixed-Use Generic Project in San Bernardino County, Thousands of 2009 Dollars

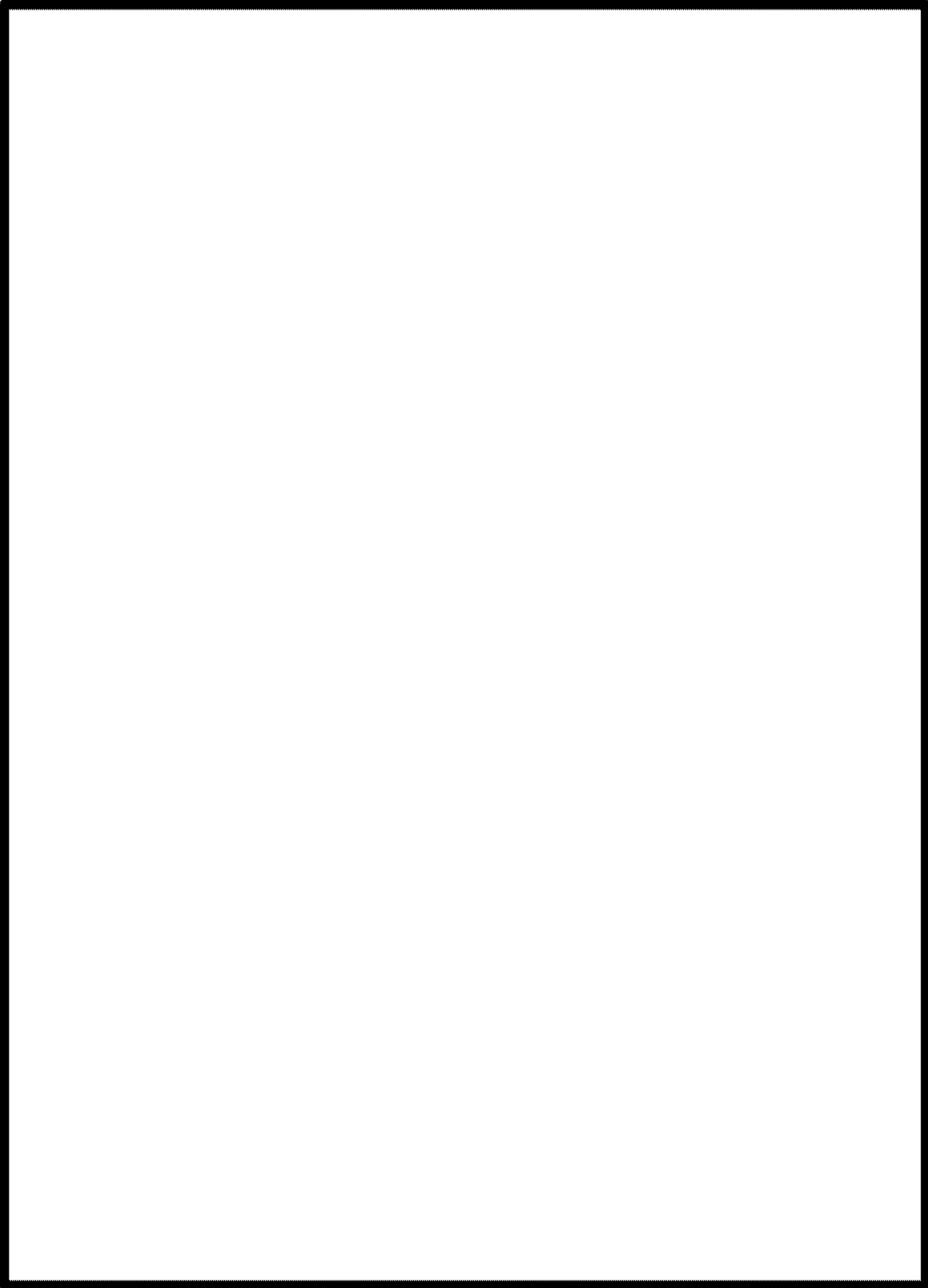


Table 16. Total Annual Gain in Labor Income, Mixed-Use Generic Project in San Bernardino County, Thousands of 2009 Dollars

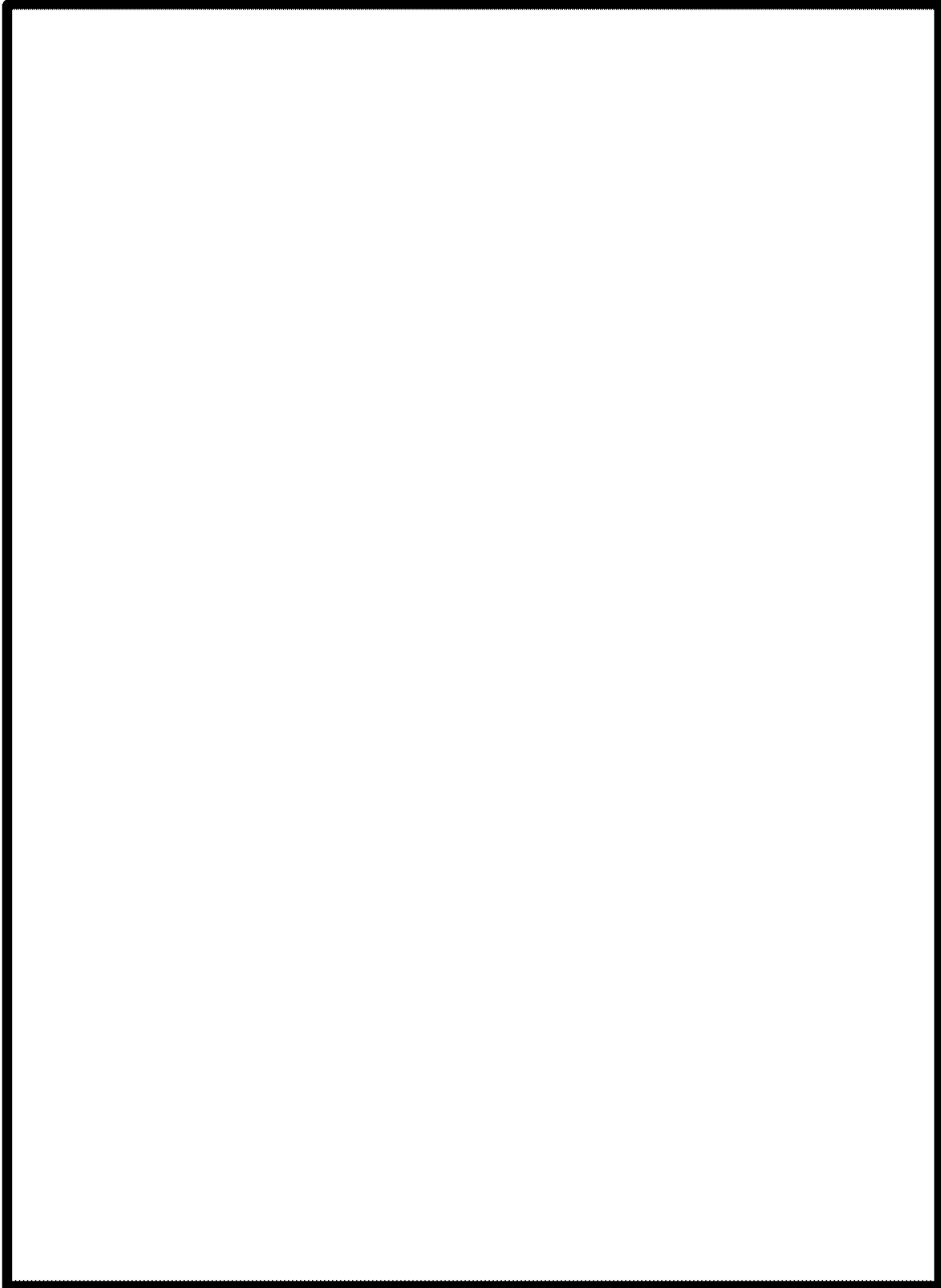


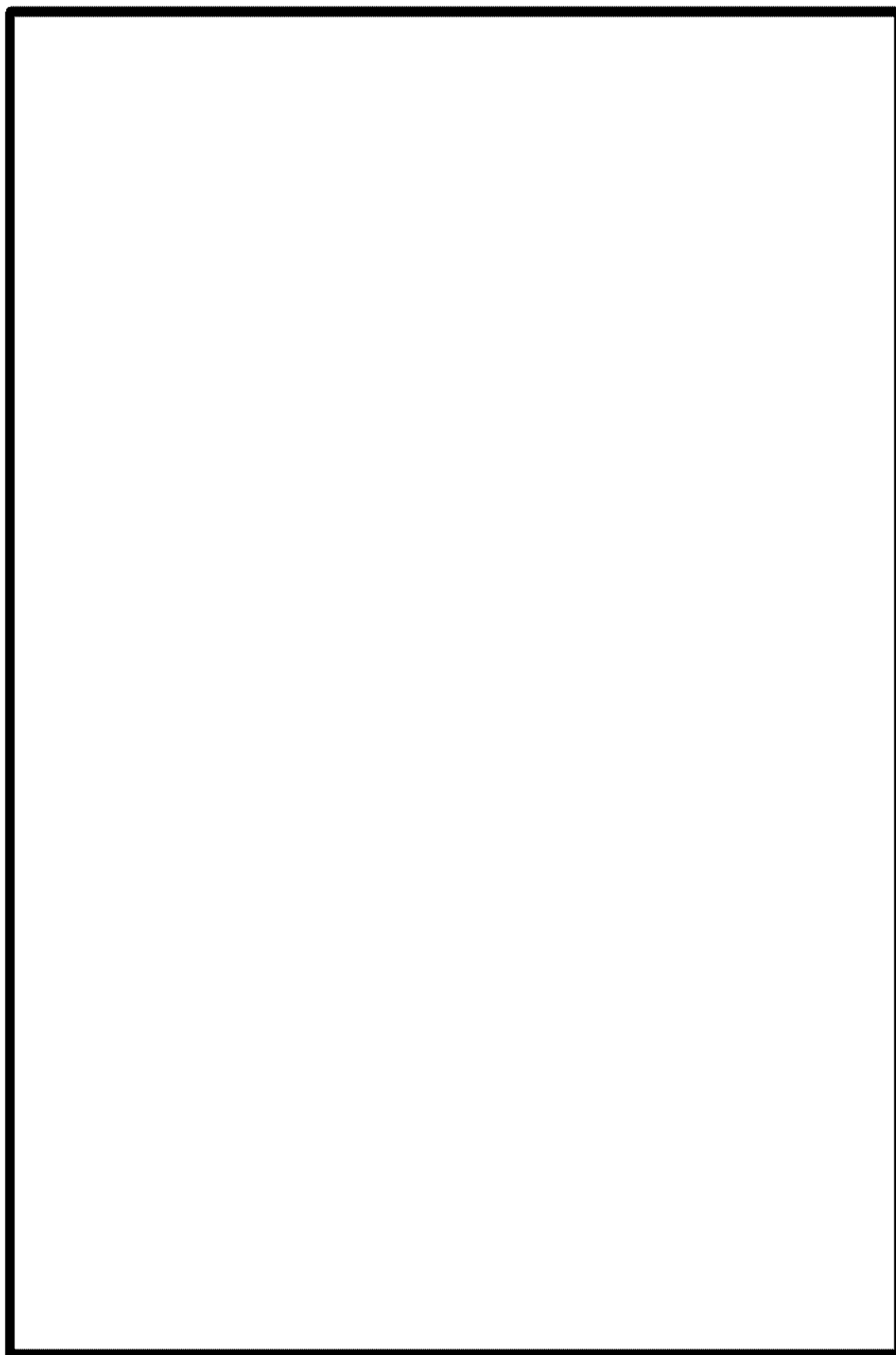
Table 17. Summary Statistics for Components of Generic San Bernardino County Project



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(b)(4)

12. Summary and Conclusion



Appendix: Resume of Dr. Michael K. Evans

CURRENT AND PREVIOUS POSITIONS

- Chairman, *Evans, Carroll & Associates, Inc.*, 1980-present (previously Evans Economics)

Economic consulting firm specializing in EB-5 immigration analysis, economic impact studies of development projects and new construction, models of state and local tax receipts, impact of current and proposed government legislation, and construction of econometric models for individual industries and companies.

- Chief Economist, *American Economics Group*, 2000-present.

Built a comprehensive state modeling system that provides economic analysis for a variety of consulting projects (see below).

- Clinical Professor of Economics, Department of Managerial Economics and Decision Sciences (MEDS), Kellogg Graduate School of Management, Northwestern University, 1996-99.

Taught courses in macroeconomics and business forecasting. Wrote textbooks for both courses.

- Winner of Blue Chip Economic Indicator Award for most accurate macroeconomic forecasts during the past four years, November 1999
- Founder and President, *Chase Econometric Associates*, 1970-1980
- Assistant and Associate Professor of Economics, Wharton School, University of Pennsylvania, 1964-69. Co-developer of the original Wharton Model.
- Visiting Professor, Radford University, (Radford, VA), 1987

Chairman of Institute for International Economic Competitiveness

- Visiting Lecturer, Hebrew University (Jerusalem), 1966-67

Built econometric model of the Israeli economy

Ph. D. in Economics, Brown University. Dissertation, "A Postwar Quarterly Model of the United States Economy, 1948-1962". A. B. in Mathematical Economics, Brown University

PREVIOUS ACTIVITIES AND EDUCATION

- Contributing Editor, *Industry Week*

Wrote a column in each issue on economic and financial trends as they impact the manufacturing sector.

- Editor, *The Evans Report*

Weekly newsletter discussing economic trends and financial markets. Pioneered the concept of the Monthly Tracking Model to incorporate recent economic releases into the overall economic forecast, including methods to predict these economic data.

- Consultant, *National Printing Equipment and Supply Association*

Prepares quarterly forecasts of shipments of printing equipment and graphic arts supplies by product line, based on an econometric model constructed for NPES. Also prepares analysis and forecasts of exports and imports by principal product line.

- Consultant, *APICS – The Educational Society for Resource Management*,

In 1993, designed and developed the *APICS Business Outlook Index*, which uses survey data collected by the Evans Group to measure current production, production plans, shipments, employment, new orders, unfilled orders, inventory stocks, and the comparison of the actual to desired inventory/sales ratio to predict short-term changes in manufacturing sector activity. The results of this survey appeared every month in *APICS: The Performance Advantage*

- Consultant, *American Hardware Manufacturing Association*

Wrote a separate weekly edition of the Evans Report analyzing recent trends in the hardware and housing industries, including forecasts of the hardware industry based on an econometric model developed for AHMA.

- Board of Economists, *Los Angeles Times*

Wrote column every 6 weeks (5 other economists on the Board)

- Columnist, *United Press International*

Wrote twice-weekly column, "Dollars and Trends"

- Consultant, Senate Finance Committee,

Built the first large-scale supply-side model of the U. S. economy

- Consultant, Environmental Protection Agency and Council on Environmental Quality

Estimated inflationary impact of government regulations

- Consultant, National Aeronautics and Space Administration

Estimate impact of R&D spending on productivity growth

- Consultant, U. S. Treasury

Estimated impact of investment tax credit and accelerated depreciation on capital spending by industry

- Consultant, U. S. Department of Agriculture

Built large-scale econometric model of agricultural sector of U. S. economy

- Consultant, Organization of Economic Cooperation and Development

Built econometric model of the French economy

SAMPLE OF RECENT CONSULTING PROJECTS

A. Economic Impact of EB-5 Immigrant Investor Programs and New Markets Tax Credits

- Calculated the number of jobs created for a film production company in New York City.
- Calculated economic impact of small-scale rooftop solar panels in various counties in California.
- Calculated economic impact of 7 different types of proposed businesses for a proposed regional center in the Bay Area of California.
- Determined the economic impact of a new biological research park, office building, and logistics center in Wooster, Ohio.
- Calculated the economic effect of a mixed-use urban renewal project in Cleveland, Ohio.
- Calculated economic impact of 14 different types of proposed businesses for a proposed EB-5 regional center that would include the entire state of Florida.
- Calculated economic impact of dairy farm and cheese processing plant in Northern California.
- Determined economic impact of a shipyard, food processing plant, and semiconductor plant for a proposed regional center in Louisiana and Mississippi.
- Calculated the economic impact of a new gaming casino in Natchez, Mississippi.
- Calculated the economic impact of a retail shopping center in suburban Los Angeles County.
- Prepared an economic impact analysis for the "timber to homes" project for a proposed regional center in Colorado.
- Calculated the economic impact for a proposed regional center in Baltimore, Maryland that would include the rebuilding of depressed areas in East Baltimore and along the riverfront.
- Prepared the economic analysis for a proposed EB-5 regional center for the entire state of Florida that included impact calculations for 14 different types of industries.

- Prepared the economic analysis for a proposed EB-5 regional center in the San Francisco Bay area that included calculations for 10 different types of industries.
- Prepared economic impact calculations for proposed EB-5 regional centers in New York City and Northeastern New Jersey.
- Calculated the economic impact of a rehabilitated office building in Albuquerque, New Mexico, including the increase in high quality jobs.
- Calculated the economic impact of a rehabilitated skilled nursing center in East Los Angeles, California, including the impact on nearby census tracts.
- Calculated the economic impact of development of warehouse and light industrial manufacturing space in Las Vegas, Nevada.
- Calculated the economic impact of rehabilitation and expansion of a vacation and health spa in Sharon Springs, New York
- Calculated economic impact of revitalizing an old resort hotel and adding new facilities for Lake Geneva, WI.
- Calculated the employment and tax effects for a portfolio of projects undertaken under the New Market capital program.
- Calculated generic employment changes for proposed EB-5 project for an Inland Port in Palm Beach County, FL
- Calculated the economic impact of construction of El Monte Village in El Monte, CA.
- Built an input/output model of Guam to be used to calculate economic impact of EB-5 projects. Used this model to estimate impact of various proposed projects.
- Calculated the economic impact of moving the Social Security Administration building in Birmingham, AL, and revitalizing the surrounding neighborhood.
- Calculated the economic impact of rehabbing and expanding the Everett Mall in Everett, WA.
- Determined the economic impact of building a new medical center in Charleston, SC
- Calculated economic impact of expanding Sugarbush resort in Vermont. Study included expansion of existing facilities and addition of new facilities.

- Calculated economic impact for new market tax credit program in Portsmouth, N.H. Study included both overall economic impact, and the increase in employment and income and the decrease in the unemployment rate and incidence of poverty in individual census tracts.
- Calculated the economic benefits of EB-5 programs for foreign investors for a mixed-use construction project, including a hotel, retail stores, apartments, and a sports stadium in the Washington, D. C. metropolitan area
- Calculated the economic benefits of EB-5 programs for foreign investors for a mixed-used retail shopping center in the New York City metropolitan area.
- Calculated the economic benefits of EB-5 programs for foreign investors for proposed shopping centers in five separate counties in Southern California, including differential impacts of building the shopping centers in different counties.

B. Projects for State and Local Governments

- Constructed an econometric model for the State of New York and determined the change in employment, labor income, and tax revenues for 43 different tax changes proposed by the Governor's office.
- Constructed a detailed econometric model for the State of Pennsylvania to determine the economic impact of the complete panoply of state taxes levied; the model contains over 1,000 equations. In cooperation with American Economics Group, the model was developed to simulate the effect of changes in any state tax rate on households and businesses by income deciles, household status, age of individuals, size of households, and many other demographic variables. The change in business taxes can also be simulated for detailed industry classifications.
- Determined whether the Washington, D.C. water and sewer authority should accept a high bid for a new waste disposal system. Decision to reject has saved the authority over \$200 million, as construction prices turned down sharply as predicted.
- Built an econometric model to determine the "tax gap" caused by Internet sales for the state of Minnesota.
- Determined appropriate levels of shelter grants individual counties in New York State, and for utility allowances in New York City. Reviewed and prepared testimony in ongoing court cases in these areas.

- Calculated the economic impact of the revitalization of downtown Milwaukee, Wisconsin.

C. Economic Impact of Casino Gaming

- Built an econometric model to predict the growth of the gaming industry over the next decade, and the economic impact of that industry on employment and tax revenues at the Federal and state levels.
- Estimated the economic impact of Indian casino gaming nationally and for the State of Wisconsin.
- Determined the economic impact of the Oneida Indian gaming casino on the Green Bay metropolitan area.
- Estimated the negative economic impact on the Milwaukee area if a new Indian gaming casino were to be built in Kenosha, Wisconsin.

D. Economic Impact of Smoking Bans and Higher Taxes

- Testified on economic impact of smoking bans in Canada; certified as an expert witness by the Court.
- Examined the impact of smoking bans on restaurant sales in several different locations in the U.S. to determine how much sales changed when these bans were imposed, and the differential effects depending on whether these bans were partial or total.
- Determined the cross-border effects on retail sales from differential rates in cigarette, gasoline, and alcohol excise taxes
- Determined the economic impact of higher cigarette taxes on minority group employment.
- Estimated the economic impact and loss of Federal and state tax revenues when higher cigarette prices lead to increased smuggling.

E. Consulting Projects for Travel and Tourism

- Built an econometric model to predict tourism trips and revenues for the major regions of the U.S. economy.
- Constructed econometric models to predict tourism in Las Vegas and Orlando.

- Using the IMPLAN model, predicted economic impact of tourism and travel expenditures for all counties in Pennsylvania.

F. Other Private Sector Consulting Projects

- Calculated the economic impact of proposed EPA bans on fluoropolymer production.
- Estimated the size and economic importance of the fluoropolymer industry, and calculated economic impact of shutting down domestic production.
- Built an econometric model to examine how U.S. tax and regulatory policies help determine whether the gold mining industry would invest in the U.S. or other countries. Testified before Congress to help defeat legislation inimical to the mining industry.
- Built an econometric model to predict consumer bankruptcies, based on recent growth in consumer credit outstanding, the overall economic environment, and recent changes in credit regulations
- Estimated the economic impact of the ethanol subsidy on the U.S. economy and Farm Belt States, including the impact on the balance of payments, employment, and tax receipts. Testified before Congress to help pass legislation to extent subsidies to the ethanol industry.
- Built an econometric model to determine the impact of updating and improving the system of locks on the Upper Mississippi River on corn prices and exports, farm income, and the overall economy.

BOOKS PUBLISHED

Macroeconomics for Managers, Blackwell, 2003

Practical Business Forecasting, Blackwell, 2002

Economic Impact of the Demand for Ethanol, Diane Publishing Company, 1998

How to Make Your Shrinking Salary Support You in Style for the Rest of Your Life, Random House, 1991

The Truth About Supply-Side Economics. Basic Books, 1983.

A Supply-Side Model of the U. S. Economy, mimeo (prepared for Senate Finance Committee), 1980.

An Econometric Model of the French Economy: A Short-Term Forecasting Model. O.E.C.D, March 1969.

Econometric Gaming (with L. R. Klein and M. J. Hartley). Random House, 1969.

Macroeconomic Activity: Theory, Forecasting and Control. Harper & Row, 1969.

The Wharton Econometric Forecasting Model (with L.R. Klein, programmed by George R. Schink), Economics Research Unit, Wharton School: University of Pennsylvania Press, 1967. Enlarged edition, 1968.

Over 30 articles in major academic journals and publications (list on request)



Project Cost Summary

Source at Buena Park

Buena Park, California

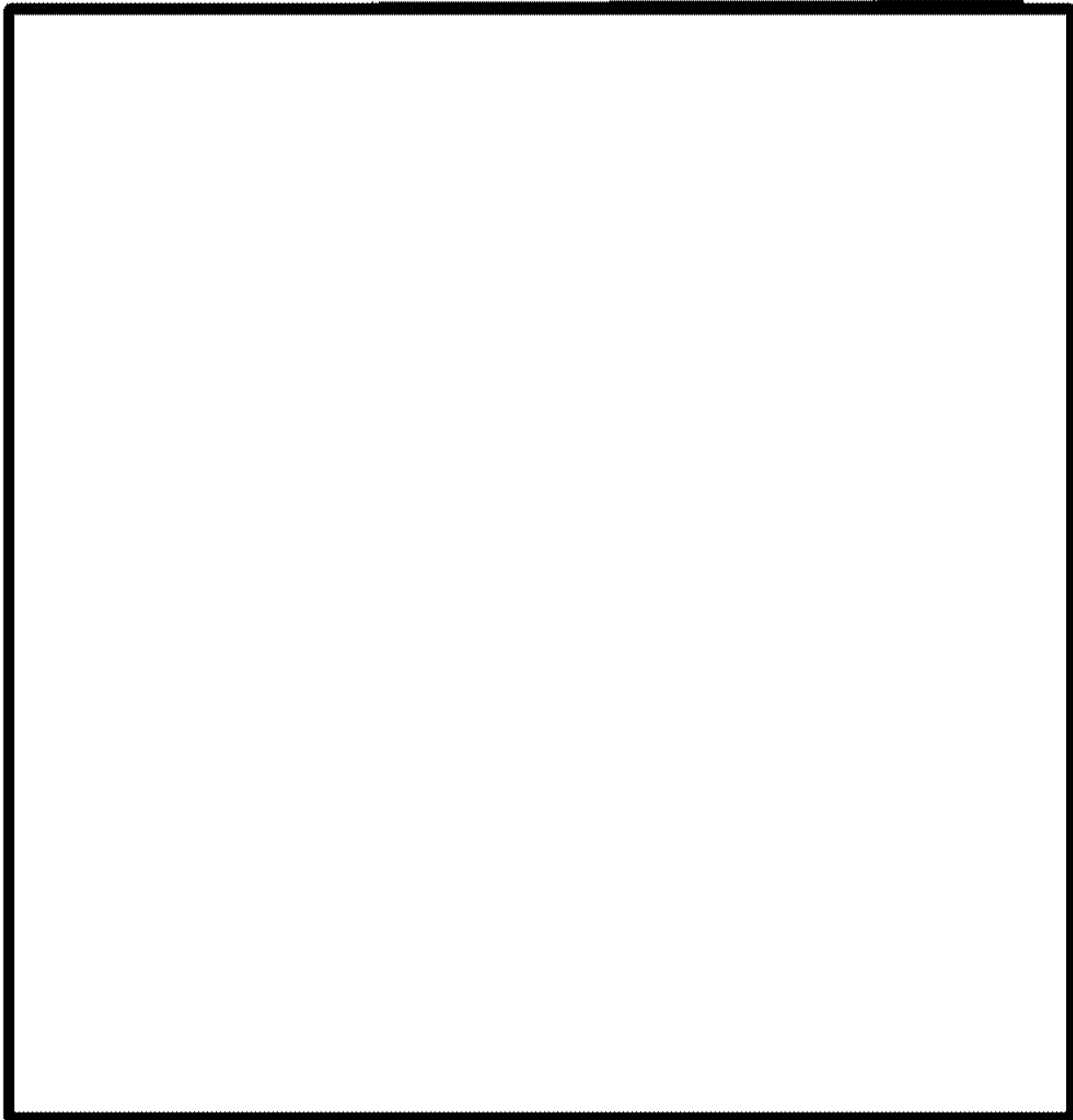
NBBJ Architects

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Conceptual Estimate

April 7, 2009

Jerry Higgins





Phase I Summary

Source at Buena Park

Buena Park, California

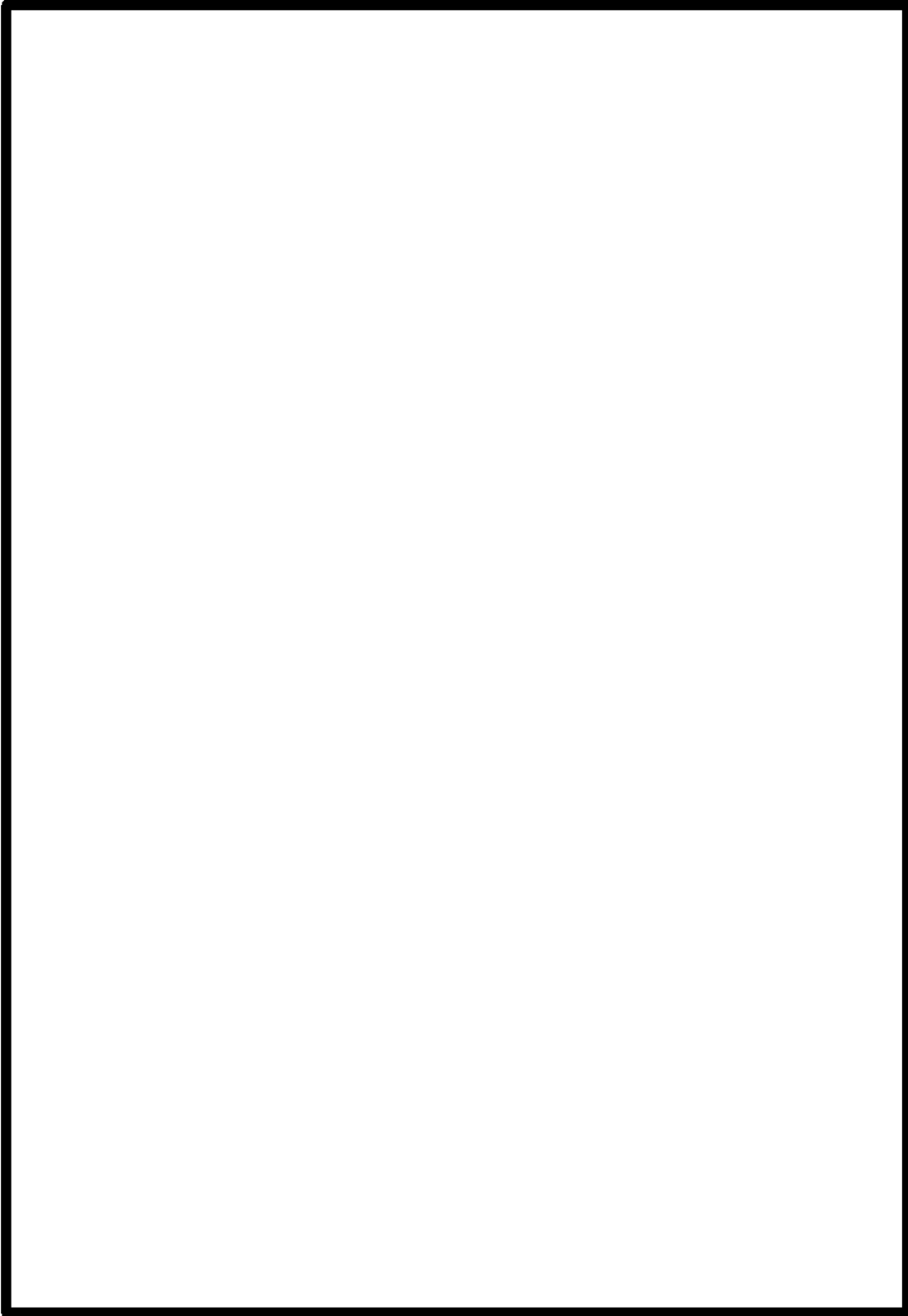
NBBJ Architects

(b)(4)

Conceptual Estimate

April 7, 2009

Jerry Higgins





Parking - Phase I
Source at Buena Park
Buena Park, California
NBBJ Architects

(b)(4)

Gross Area



Conceptual Estimate
April 7, 2009
Jerry Higgin

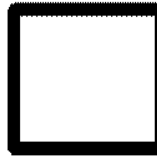
DESCRIPTION	QUANTITY	UNIT	UNIT COST	SUBTOTAL	TOTAL



(b)(4)

Retail - Phase I
Source at Buena Park
Buena Park, California
NBBJ Architects

Gross Area
Gross w/o MEP or BoH
Net Area



Conceptual Estimate
April 7, 2009
Jerry Higgins

DESCRIPTION	QUANTITY	UNIT	COST	SUBTOTAL	TOTAL



(b)(4)

Retail - Phase I
Source at Buena Park
Buena Park, California
NBBJ Architects

Gross Area
Gross w/o MEP or BoH
Net Area



Conceptual Estimate
April 7, 2009
Jerry Higgins

DESCRIPTION	QUANTITY	UNIT	UNIT		TOTAL
			COST	SUBTOTAL	



(b)(4)

Residential - Phase I

Source at Buena Park

Buena Park, California

NBBJ Architects

Gross Area



Conceptual Estimate

April 7, 2009

Jerry Higgins

DESCRIPTION	QUANTITY	UNIT	UNIT	SUBTOTAL	TOTAL
			COST		



Specialties - Phase I

Source at Buena Park

Buena Park, California

NBBJ Architects

(b)(4)

Conceptual Estimate

April 7, 2009

Jerry Higgins

DESCRIPTION	QUANTITY	UNIT COST	SUBTOTAL	TOTAL



(b)(4)

Site Work - Phase I

Source at Buena Park

Buena Park, California

NBBJ Architects

Gross Area



Conceptual Estimate

April 7, 2009

Jerry Higgins

DESCRIPTION	QUANTITY	UNIT	UNIT COST	SUBTOTAL	TOTAL



Phase 2 Summary

(b)(4)

Source at Buena Park

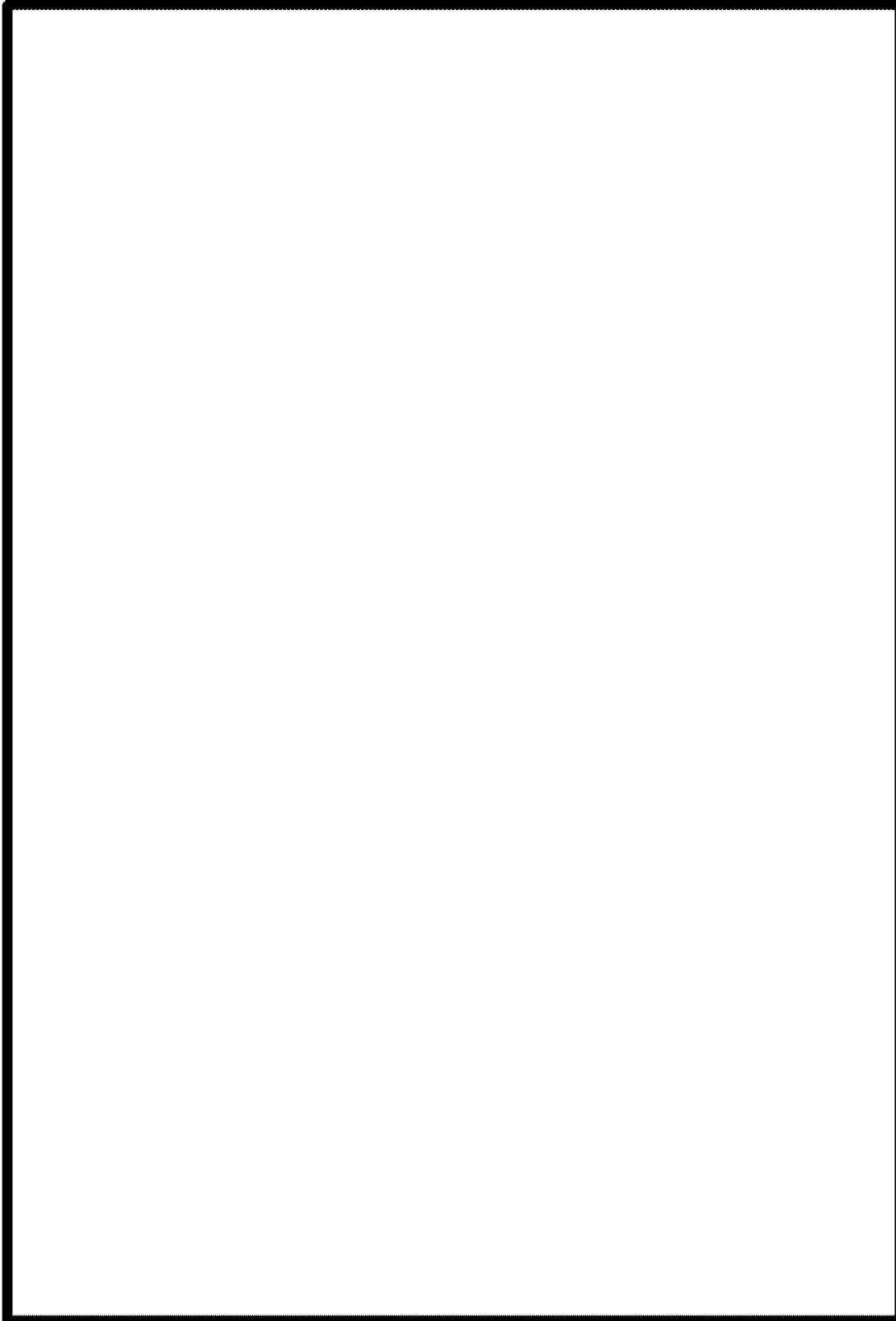
Conceptual Estimate

Buena Park, California

April 7, 2009

NBSJ Architects

Jerry Higgins





(b)(4)

Parking - Phase 2
Source at Buena Park
Buena Park, California
NBBJ Architects

Gross Area, Below Grade
Gross Area, Above Grade



Conceptual Estimate
April 7, 2009
Jerry Higgins

DESCRIPTION	QUANTITY UNIT	UNIT COST	SUBTOTAL	TOTAL



(b)(4)

Office (Phase 2)

Source at Buena Park

Buena Park, California

NBBJ Architects

Gross Area



Conceptual Estimate

April 7, 2009

Jerry Higgins

DESCRIPTION	QUANTITY UNIT	UNIT COST	SUBTOTAL	TOTAL



(b)(4)

Hotel (Phase 2)
Source at Buena Park
Buena Park, California
NBBJ Architects

Gross Area



Conceptual Estimate
April 7, 2009
Jerry Highm

DESCRIPTION	QUANTITY	UNIT	COST	SUBTOTAL	TOTAL



(b)(4)

Residential - Phase 2

Source at Buena Park

Buena Park, California

NBBJ Architects

Gross Area



Conceptual Estimate

April 7, 2009

Jerry Higgins

DESCRIPTION	QUANTITY	UNIT	UNIT COST	SUBTOTAL	TOTAL



Specialties (Phase 2)

Source at Buena Park

Buena Park, California

NBBJ Architects

(b)(4)

Conceptual Estimate

April 7, 2009

Jerry Hagan

DESCRIPTION	QUANTITY	UNIT	UNIT COST	SUBTOTAL	TOTAL



(b)(4)

Site Work (Phase 2)

Source at Buena Park

Buena Park, California

NBBJ Architects

Gross Area



Conceptual Estimate

April 7, 2009

Jerry Higgins

DESCRIPTION	QUANTITY UNIT	UNIT COST	SUBTOTAL	TOTAL

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SERVICE CENTER OPERATIONS

SUBMISSION CONTAINS CONFIDENTIAL COMMERCIAL INFORMATION.
PER FOIA (5 U.S.C. § 552(b)(4)), SUBMITTER REQUESTS PREDISCLOSURE
NOTIFICATION PER PRESIDENTIAL EXECUTIVE ORDER
NO. 12,600, 52 Fed. Reg. 23781 (June 23, 1987)

January 14, 2010

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Re: Reply to USCIS December 1, 2009 EB-5 Regional Center Compliance Letter
Regional Center: M&D Regional Center ("M&D")

Dear Mr. Kruszka:

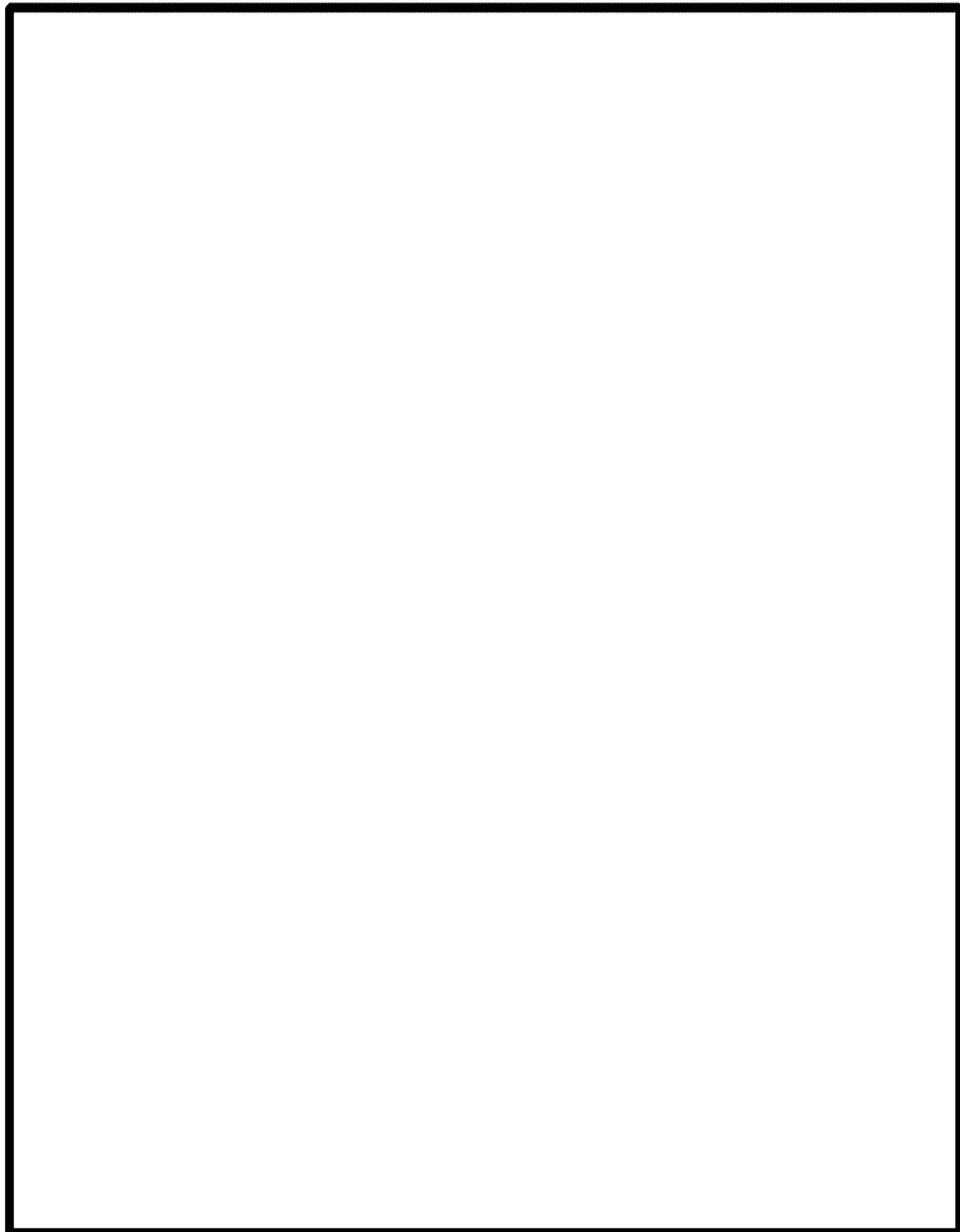
This letter is a timely response to the USCIS letter of December 1, 2009, seeking to ascertain if our regional center is complying with the EB-5 program. This letter answers each of the items in your letter. The bolded headings below correspond to the headings in your letter.

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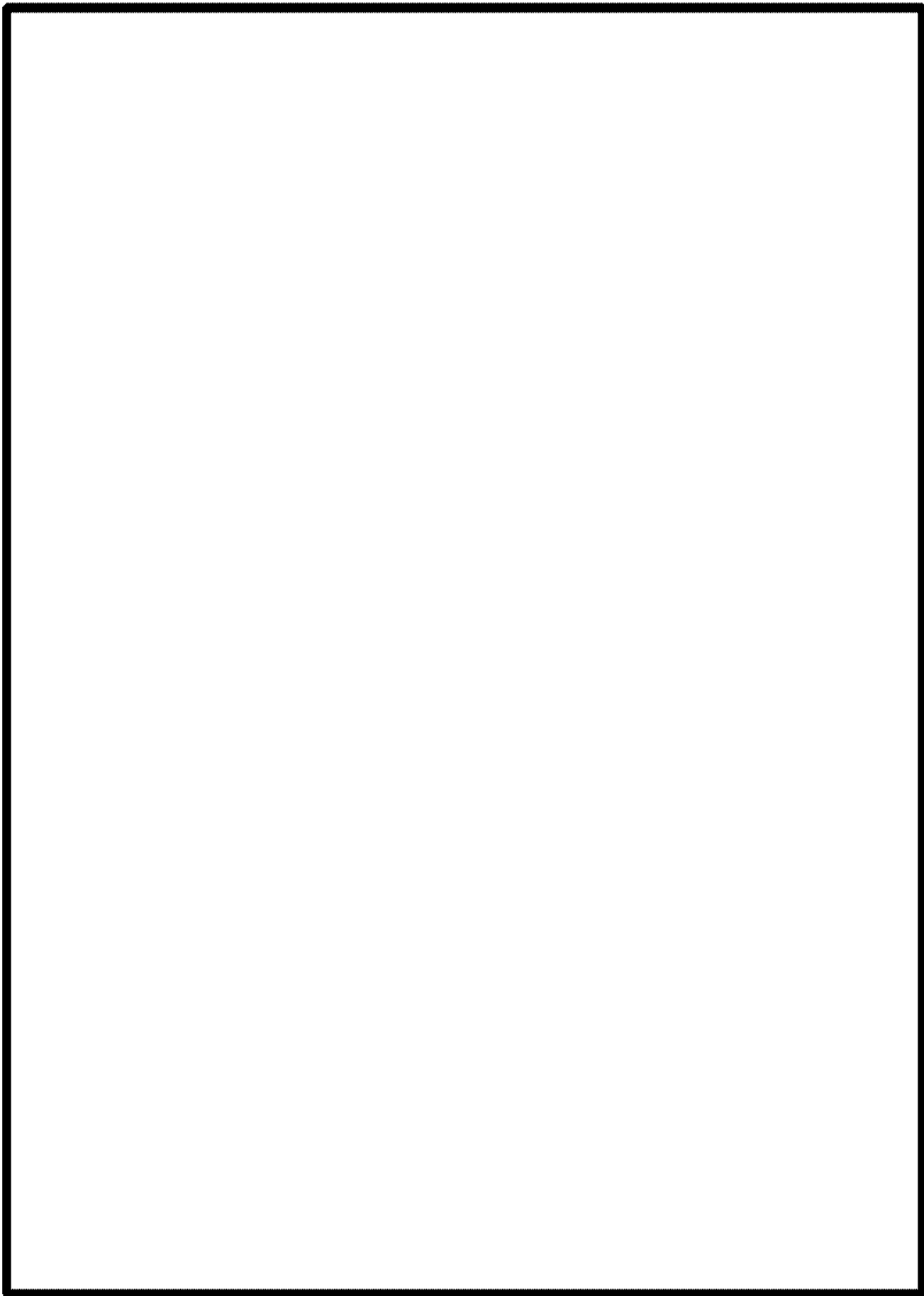


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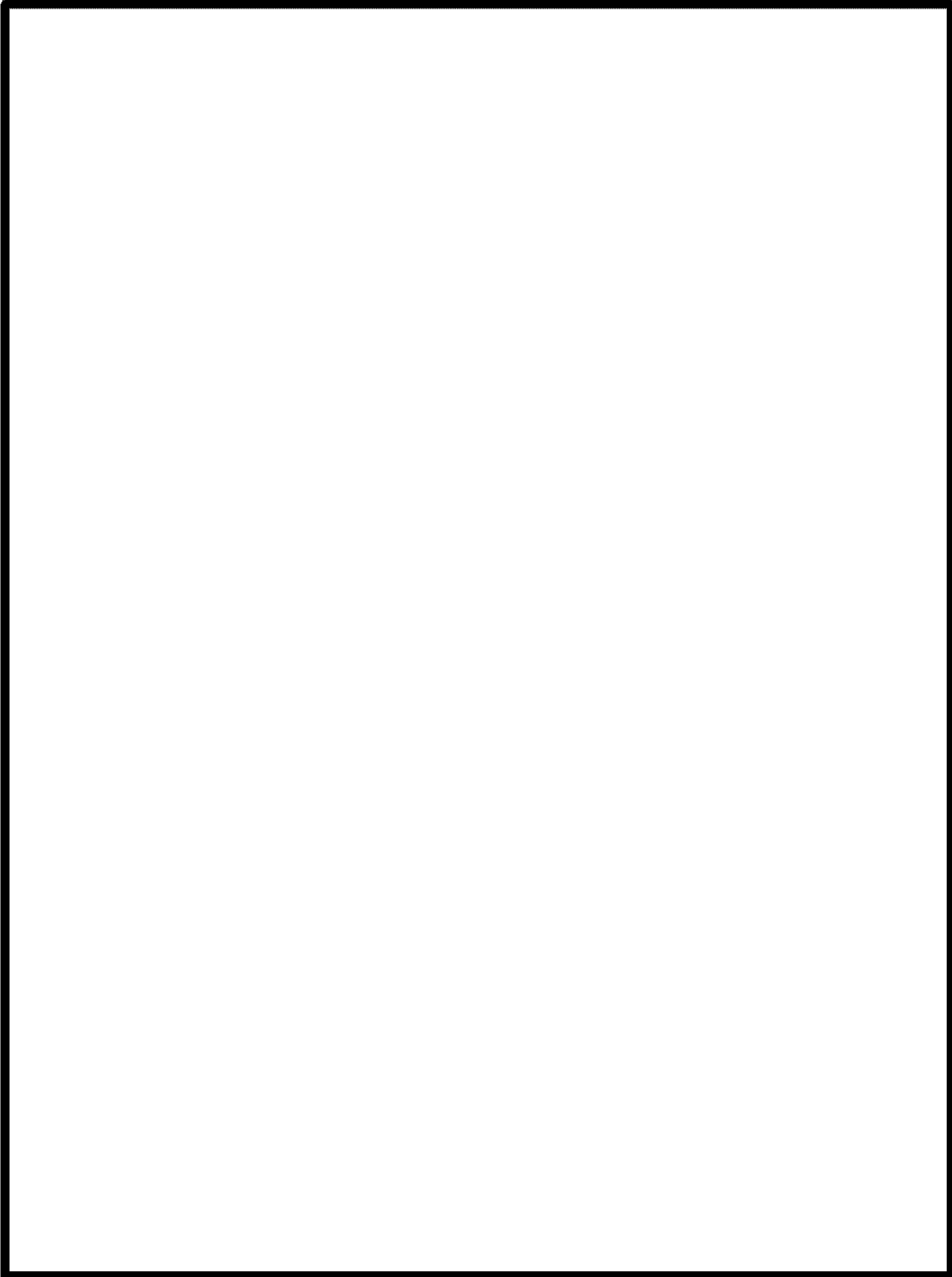
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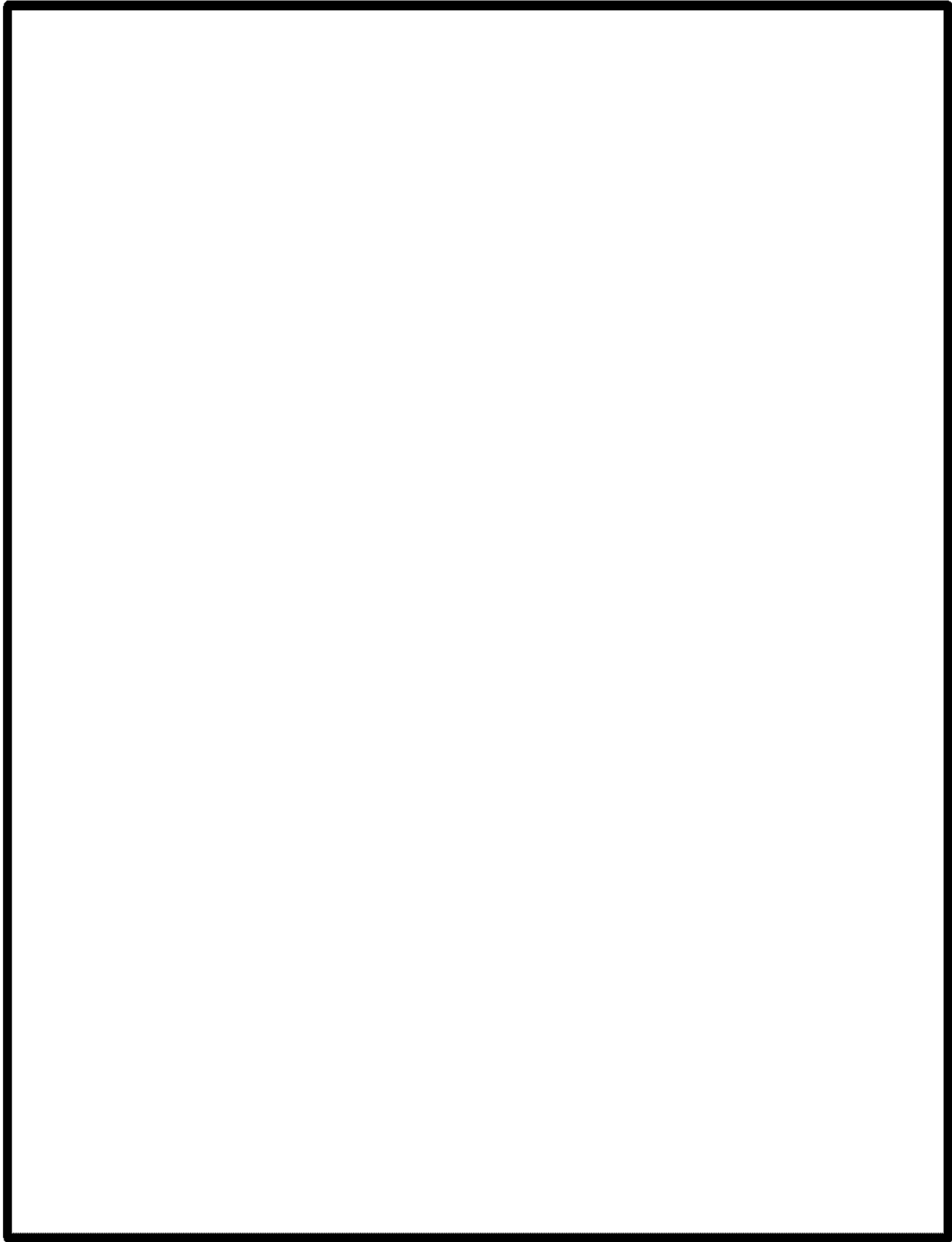
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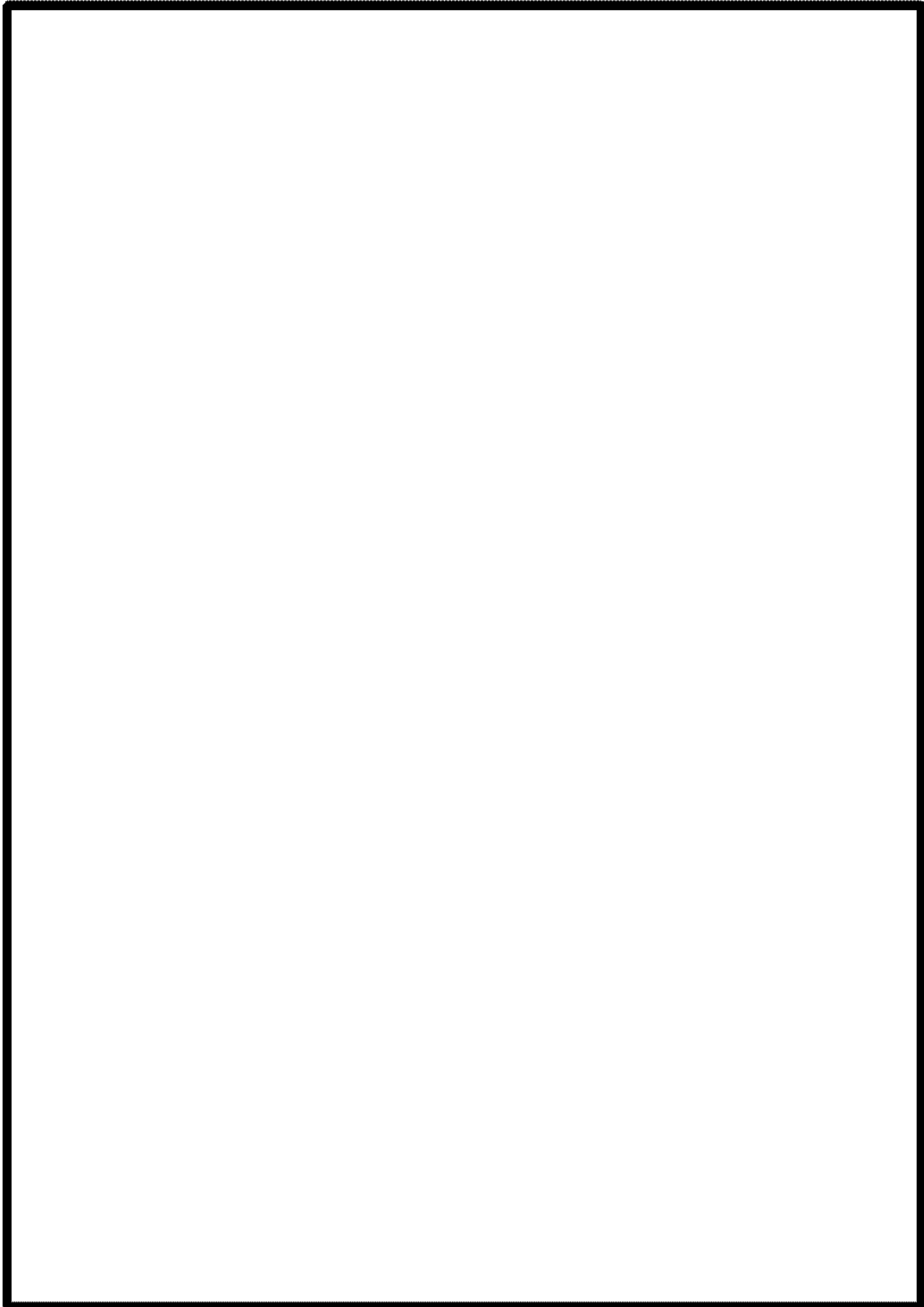
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Please contact me at (310) 631-6789 if you have any questions.

Sincerely,

A handwritten signature in black ink, consisting of a stylized 'M' followed by a long horizontal stroke that tapers to the right. The signature is positioned above the name 'Min Chae'.

Min Chae

Enclosures: As indicated on attached document index
pc w/ encl.: Nicolai Hinrichsen, Esq., Miller Mayer, LLP

H:\8825\001\Compliance Request (December 2009)\M&D compliance ltr.doc

M&D Regional Center ("M&D")

January 14, 2010

Reply to USCIS December 1, 2009 EB-5 Regional Center Compliance Letter
Exhibit Index

Exhibit Document

1. Bios for Regional Center Principals
2. M&D Organizational Structure Chart
3. Regional Center Administration and Operations Plan
4. Sample Investor Suitability Questionnaire
5. Marketing and Budget Plan
6. M&D website contents
7. M&D promotional materials

Bios



Min Chae, age 53, and Donald Chae, age 51, each have more than 20 years of experience in real estate investment, development, and management. Chae Brothers' specialty is creating vibrant and thriving retail centers at previously under-performing locations, particularly in ethnically diverse areas. Such success is attributable to Chae brothers' ability to make its centers an integral part of the surrounding local community, while providing a unique environment that attracts visitors from throughout the world.

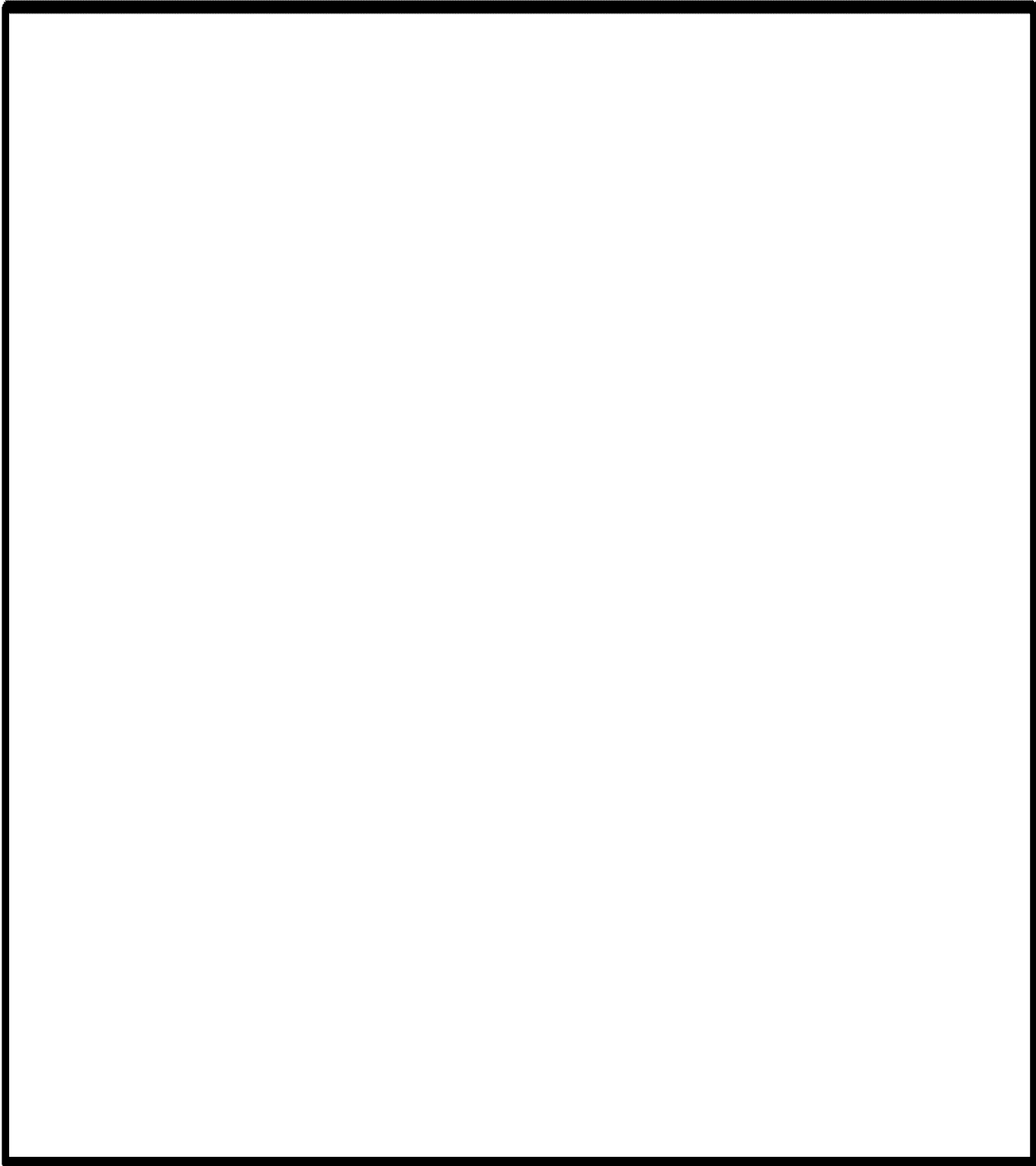
The crowning achievement of the Chae brothers' real estate career has thus far been the Plaza Mexico shopping center. The Chae brothers are actively involved in the operation and management of Plaza Mexico and have been instrumental in its success. Plaza Mexico is a 450,000 sq. ft. lifestyle shopping center in Lynwood, California. Despite being a retail power center in South Los Angeles, Plaza Mexico provides an idyllic small town shopping experience with its architecture, fountains, lush landscaping, and open plazas designed to reproduce the ambiance of the most charming Mexican pueblos. M+D Properties have utilized the extraordinary vision, discipline and execution to create Plaza Mexico, which is not only a spectacularly successful retail property, but also a significant contributor to the City of Lynwood's revenue base and a very important cultural and community meeting place for the Latino population in Southern California.



(b)(4)

Organizational Chart
M & D Regional Center, LLC
January 12, 2009

Exhibit 2



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INVESTMENT IN U.S. + EB-5

Developing for SUCCESS

We are market leaders in innovative developments
that bring the revitalized urban experience, the renewed sense of place and life.

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WHO WE ARE

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MD Regional Center

On September 9, 2009, M&D Regional Center, LLC (M&D RC) was designated by the U.S. Citizenship and Immigration Services (USCIS) as a Regional Center under the Immigrant Investor Pilot Program. M&D RC is working on identifying real estate development projects in which foreign immigrants can invest either (i) \$500,000 or more in projects located in areas that have unemployment rate greater than 150% of the national average or (ii) \$1,000,000 or more in other projects.

[USCIS Approval Letter](#)

Geographic Area

M&D RC plans to focus on projects located in the counties of Orange, Los Angeles and San Bernardino, California

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EB-5 OVERVIEW

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US Immigration: EB-5 Immigrant Investor Program

This category is also referred to as the fifth employment-based preference ("EB-5"). 10,000 visas per year are available under this category for immigrants seeking to enter the United States for the purpose of investing at least \$1 million in a new commercial enterprise which will benefit the U.S. economy and create at least 10 full-time jobs for U.S. citizens, lawful permanent residents or other employment-authorized aliens. This immigrant category should be distinguished from the E-2 treaty investor nonimmigrant category.

Immigrant Investor Pilot Program and Regional Centers

As a result of a disappointing response to the basic immigrant investor program, Congress enacted a five-year immigrant investor pilot program, which commenced on October 1, 1993. A total of 300 immigrant visas were initially set aside each year for this pilot program. The Commerce, Justice, State and Judiciary Appropriation Bill increased the annual visa numbers from 300 to 3,000 and extended the program from five years to seven years.

Since then, the pilot program has been extended several times and was due to expire on September 30, 2008. However, on September 30, 2008, President Bush signed the "Consolidated Security, Disaster Assistance, and Continuing Appropriations Act, 2009" (H.R. 2638); the statute extended the pilot program until March 6, 2009. The prevailing view is that the pilot program will be extended again but it is not certain whether this will occur before the current expiration date (March 6, 2009).

Special rules apply where the investment is made within an approved "regional center", which is defined by the regulations as "any economic unit, public or private, which is involved with the promotion of economic growth, including increased export sales, improved regional productivity, job creation and increased domestic capital investment." Where an applicant invests in a regional center, the new commercial enterprise does not have to directly employ 10 U.S. workers. Instead, it is sufficient to show that 10 or more jobs will be created directly (i.e. through the use of independent contractors) or indirectly (i.e. using economically or statistically valid forecasting devices) as a result of the investment.

It should be mentioned that investing in an approved regional center does not automatically reduce the required investment from \$1 Million USD to \$500,000.00USD. Approval as a regional center only provides an alternate method of satisfying the job creation requirement.

In order to qualify based on an investment of \$500,000.00USD, the applicant must also invest in a targeted employment area. Fortunately, many of the investment projects located within approved regional centers are also located in targeted employment areas. An investment in a project located in a regional center and targeted employment area will permit the EB-5 applicant to qualify based on an investment of \$500,000.00USD without having to directly employ any U.S. workers.

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U.S. Citizenship and Immigration Services (USCIS) is the government agency that oversees lawful immigration to the United States.

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More information can be found at www.uscis.gov

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The Immigration Act of 1990 ("IMMACT 90") amended the Immigration and Nationality Act ("INA") by establishing the EB-5 immigrant investor category in 1990. However, some time later the former Immigration and Naturalization Service ("Legacy INS") cracked down on the EB-5 category by releasing four precedent decisions in 1998 (Matter of Soffici, 22 I & N Dec. 158; Matter of Izumii, 22 I & N Dec. 169; Matter of Hsiung, 22 I & N Dec. 201; Matter of Ho, 22 I & N Dec. 206).

Legacy INS also applied its new, more restrictive interpretations retroactively to investors who had applied in good faith under the old rules. Investors who had already received conditional permanent status under the old rules but who were still subject to the two-year conditional residence requirement were placed in a difficult position. Legacy INS refused to remove their conditions and placed many of these investors into removal proceedings.

In May 2001, the Federal District Court in *Chang v. United States* ruled that Legacy INS could not apply the new standards of adjudication retroactively in connection with approved EB-5 petitions. In 2003, the Ninth Circuit Court of Appeals issued its opinion on *Chang v. United States*. The Court of Appeal found that retroactive application of the 1998 precedent decisions was improper.

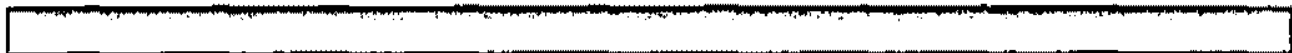
Congress enacted legislation in 2002 to help immigrant investors who were caught by the 1998 precedent decisions. The 21st Century Department of Justice Appropriations Authorization Act, Pub. L. No. 107-273, 116 Stat. 1758 (2002) (the "2002 Act"). Under this legislation, investors who would have met the normal EB-5 requirements would be granted unconditional green card status. Those who had not yet met these requirements would have two years to complete their investments and to demonstrate the requisite job creation, receiving credit for amounts invested and jobs created or saved to date. The 2002 law also required Legacy INS to publish implementing regulations by March 2003 but this never occurred.

In January 2005, United States Citizenship and Immigration Services ("USCIS") issued a significant memorandum on the EB-5 program. Among other things, the memo established a new Investor and Regional Center Unit ("IRCU") which would be

responsible for overseeing the EB-5 program. Since it began, the IRCU has significantly increased the predictability of EB-5 adjudications.

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If you want to enter the United States as soon as possible, it might seem like you have few options. Most green card programs take years to allow immigrants into the country, and they have many requirements. However, be advised that there is a way to enter this country after fulfilling only a few conditions.

If you want to move to the United States with your family as soon as possible, you should learn about the eb5 visa Regional Center route. You might have heard of this visa, which requires you to make a one million dollar investment in a business in the United States. After proving you have the capital, starting a new company or taking over an old business, and creating ten or more full-time jobs for U.S. citizens, you have fulfilled your side of the bargain. Often, you can be living in the United States within eight months under this system.

If getting together a million dollars seems intimidating, consider whether you could get a business loan for \$500,000 instead. If so, you can still start your own business using the eb5 visa, but you would simply start it in a targeted area, which has unemployment rates that are higher than the nation's average. There are about 50 of them scattered through this country, with more on the way, and most of them have a Regional Center that helps you hire employees. This means that for half the price of a regular eb5 visa, and in a much faster time period than a regular green card, you could be living in the U.S. with your own business through the eb5 visa Regional Center pathway.

The shorter time it takes to obtain this type of visa, which averages six to ten months, is just one of its benefits. There is also no labor requirement, unlike typical green cards that request that you have a job. You will own your own business, but you do not necessarily have to take part in everyday management. This is particularly an advantage of the eb5 visa Regional Center route, as targeted areas often have people there to help you hire employees and make other decisions. Additionally, you can choose to live anywhere in the country. Even if you use the eb5 visa Regional Center route, you do not have to live in the city where your business is located, especially if you do not plan to be involved in day-to-day operations.

You can move your immediate family, including unmarried children under the age of 21, with you to the United States with this visa type. As long as you have the ambition and investment capital to go along with this type of opportunity, you should. Taking the eb5 visa Regional Center route offers more flexibility and advantages than most other methods of entering the United States.

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INVESTMENT PORTFOLIO

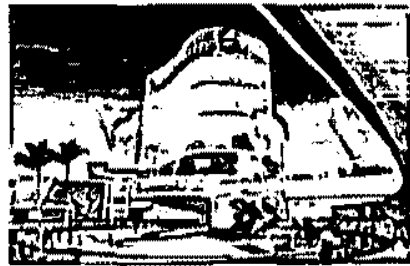
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M&D RC focuses investments in the following target industry economic cluster:

- Mixed-Use Commercial and Residential projects.

M&D RC has already identified and begun planning for three related projects at various stages that will have a substantial and ongoing economic impact in the counties of Orange, Los Angeles, and San Bernardino, California:

- **The Source on Beach, LLC ("The Source")**
 The Source project, invested in through the investment vehicle, The Source on Beach, LLC, managed by M&D RC, will be located in Orange County, California. The developer has established lofty goals for the mixed use project include the creation of an unprecedented, high-quality mixed use development with a coherent, 'urban' shopping experience. The specific plan recognizes that The Source will have an impact beyond the 12.5 acre Specific Plan area (the "Site") because it will provide an exemplary development that serves as a catalyst for high-quality development along the entertainment corridor. Expert analysis has confirmed that The Source will dramatically enhance the desirability of, and the feasibility of upscale development on, other properties in the entertainment corridor. In short, The Source is not only about 12.5 acres. It's about shaping the future of the City and Orange County.



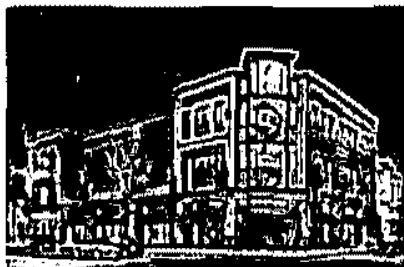


• Plaza Mexico Expansion (Plaza Mexico Phase II)

The Plaza Mexico Expansion project, invested in through a separate investment vehicle, managed by M&D RC, will be located in Los Angeles County, California. The project is in the development phase of a mixed-use development, including 700 condominiums, approximately 46,500 square meters (approx. 500,000 square feet) of additional retail, and approximately 3,700 above and below-ground parking spaces. The expansion will incorporate many of the features that have made Plaza Mexico so successful, including open plazas, fountains, gardens and retail arcades.



• Other Future Mixed-Use Project Future mixed-use projects, invested in through a separate investment vehicle, managed by M&D RC, will be located in Los Angeles, Orange or San Bernardino Counties. Such projects including creating a lifestyle center at an outmoded 475,000 sq. ft. Mall in San Bernardino, California and sensitively renovating a historically significant 66,000 sq. ft. mixed-use building in Old Pasadena, California. This project in Pasadena is also fully entitled and acquisition is complete.



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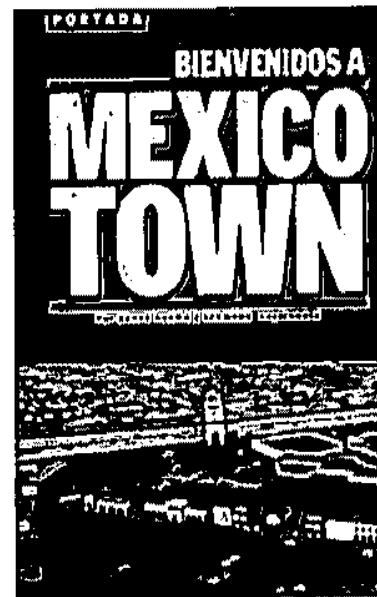
THE SOURCE, ORANGE COUNTY



North County



PLAZA MEXICO, LOS ANGELES COUNTY





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One of the Largest Fully Entitled Projects in Orange County

The Source project in Orange County is a 12.5-acre mixed use development, centrally located in Orange County in Southern California. The development includes luxury retails, condominiums, a hotel and offices, all with very modern design architectures. Phase I will include approximately 46,000 sq.ft. of retail. M&D RC uses the IMPLAN input-output model to show how the investment in the regional center will directly and indirectly create 4,080 jobs from Phase I itself.

Completes Acquisition of Entire Property for Phase I

M+D Properties, the developer and manager, has completed the acquisition of all the necessary properties which makes the project ready to go ("Shovel Ready"). We believe that this completion of targeted acquisition can deliver more value to our investors by expanding the depth of development applications.

Real Estate Developer with Successful Track Record

M+D Properties has a track record of making its centers an integral part of the local community, while providing an exciting environment that attracts visitors from throughout the world. The developer successfully developed Plaza Mexico, a 450,000 sq. ft. lifestyle shopping center in Los Angeles County. Currently Plaza Mexico is approximately 95% occupied by national tenants, as well as important, Latino-focused tenants.

Local Government Support

The local government is playing an important role in the success of the development. The city's Redevelopment Agency ("RDA") has made concerted efforts to create a new image of the city and to fully exploit the developer's, M+D Properties, potential. The RDA has shared with the developer's entrepreneurial vision, investment and commitment and has committed to providing the time and energy necessary to bring the project to fruition. The project will provide it by serving as the catalyst for the city's renaissance.

Optimal Location

The Source, project is in Northern Orange County, California and sited on 12.5 acres at the northern end of the Entertainment Corridor Specific Plan area, an ideal position

from which to inject a healthy dose of urban energy into the E-Zone. The site is strategically located at the confluence of the I-5 and SR-91 freeways, the major arteries. This easily accessible location is highly visible to millions of commuters each day. Orange County (OC) is the second most populous county in California, behind Los Angeles County. The county is famous for its tourism, the home of such attractions as Disneyland and Knott's Berry Farm, as well as several beaches along more than 40 miles of coastline. OC is known for its affluence and political conservatism.

Selected Project through Strict Screening Process

M&D RC is an enterprise with a targeted investment program within a defined geographic region, and approved by USCIS to accept EB-5 investment. As the number of EB-5 immigrant investor applicants ramps up, so too does the number of regional center applications. Like wise, USCIS is stepping up its review and increasing oversight of regional centers to ensure that the EB-5 program grows in a responsible way. M&D RC has successfully gone through the strict screening process and has been approved as a regional center in Southern California.

Adhere strictly to the USCIS' Regional Center requirements

M&D RC fulfills all of the requirements set forth by USCIS. Only the development projects that are approved under Regional Center are offered to the investors. M&D RC operation is transparent based on the business plan for each development and investment structure that is clearly stated on the regional center approved application. By keeping specific and thorough records and report to the USCIS on an annual basis is another way to assure both the M&D RC and investors that they comply with responsibilities and, in the long run, it is important that the investor and family are all eligible to receive permanent U.S. residency.

Defined Time for Return of Principal

Clear business plan for each asset including well-defined exit strategies and target cash returns for that property allows defined time frame for returning of investor's capital. Individual interested in learning more about return of capital are invited to review the M&D RC business opportunity overview.

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We evaluate each investor's suitability and preferences. All prospective investors should contact us or our authorized agents in a number of countries to inquire about more information and availability of our projects. All agreements and forms are available to the investors for their review prior to making the investment.

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Please fill out the form below and press 'submit'.

<input type="text"/>	First Name*
<input type="text"/>	Last Name*
<input type="text"/>	E-Mail*
<input type="text"/>	Phone No
<input type="checkbox"/>	
<input type="checkbox"/>	

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[Can I travel during EB-5 process?](#)

[What makes EB-5 visa different from the E-2 or L-1 visa?](#)

Who should invest?

EB-5 investors include people from all walks of life; professionals, business people, persons wanting to facilitate a child's education, and retirees. Because the EB-5 visa permits employment in the US, many EB-5 investors become involved in charity or part time work. Simply put, the EB-5 visa gives you the flexibility to do what you want in the USA. If you don't want to actively manage your business, you should consider EB-5. The EB-5 investor may be a minority owner of the business.

- If you don't want to actively manage your business, you should consider EB-5.
- If you have a US citizen parent or child over 21 years of age, you should consider family class visa categories.
- If you have exceptional skills or are famous you may qualify for a green card based on your skills or fame.
- If you want to manage your own business, consider L-1, E-2, international manager visa categories.

If your goal is to have a green card and not to actively manage a business, it is most often cheaper to utilize the

EB-5 category rather than to start and maintain a business.

What is an accredited investor? And do I need to be an accredited investor to apply to the fund?

Two applicable definitions, either of which must be met by potential EB-5 investors, are as follows:

- A natural person who has individual net worth, or joint net worth with the person's spouse, that exceeds \$1 million at the time of the purchase; or

- A natural person with income exceeding \$200,000 in each of the two most recent years or joint income with a spouse exceeding \$300,000 for those years and a reasonable expectation of the same income level in the current year.

Yes, if you are currently residing in the US on a non-immigrant visa in order to apply for the fund you must prove to be an accredited investor. The amount of EB-5 investment that will be used for the investment can be counted towards the requirement of \$1 million US dollars in assets.

How is your investment structured?

M&D RC will sponsor projects that will involve the target industry economic cluster:

- Mixed-Use Commercial and Residential projects

Examples of such projects include, but are not limited to, the Buena Park Project, the Lynwood Project, and Future Mixed-Use Projects. The total amount of capital that M&D RC will seek to raise is contingent on the capital needs and job creation potential of each project. Separate confidential offering memoranda and other offering documentation will be prepared for each investment project.

M&D RC will organize a special purpose entity investment vehicle, such as a limited liability company, in which immigrant investors will make their qualifying EB-5 investment for a share of the equity of such entity. The immigrant investors will be granted the rights normally granted to limited partners pursuant to the Uniform Limited Partnership Act. M&D RC will undertake day-to-day management decisions and will assume responsibility for all membership affairs.

What is a limited liability company?

This is best explained through an overview of the various entities available to investors.

A Corporation, formed by filing a charter with a state government, is owned by shareholders. The corporation is taxed on its income. The shareholders are only taxed on dividends paid to them by the corporation. Shareholders do not pay tax on the corporation's income. The shareholders only risk the cost of their investment in the corporation; they bear no responsibility for the general affairs of the corporation.

A partnership is comprised of two or more people or entities coming together for an enterprise, without any particular state charter. The partnership does not pay tax, but passes through all items of income and loss to the partners. The partners pay tax on partnership earnings. Each partner, unlike a corporate shareholder,

undertakes responsibility for the entire operations of the partnership. If the partnership were to be sued and judged liable, each partner bears full responsibility for the damages. A corporate shareholder has no such direct liability.

A limited partnership combines corporate limited liability with partnership taxation. The limited partnership, formed by filing a charter with a state government, consists of a general partner and one or more limited partners. The charter details the rights and powers of the limited and general partners, percentages of ownership, and distributions of profits. The general partner manages the business. As in a corporation, the limited partners are passive investors liable only for the value of their investment. As in a general partnership, limited partnership income is taxed at the partner level, not at the entity level.

A limited liability company is a corporation that passes through income and loss to the shareholders but offers shareholders the same limited liability as a limited partner or corporate shareholder. You could say a limited liability company is a corporate version of a limited partnership.

M&D RC will use a limited liability company, in which immigrant investors will make their qualifying EB-5 investment for a share of the equity of such entity.

Is my investment guaranteed?

No. The law requires an "at risk" investment without guarantees or redemption rights.

What are my risks?

General Risks Relating to the EB-5 Program

The EB-5 Program requires an immigrant investor to hold a policymaking or management position within the Company. The Company believes that each Member, as a limited liability company member, is provided through the establishment of the Advisory Committee with the powers and duties under the Operating Agreement sufficient to meet the USCIS requirement that an investor is actively participating in policymaking or management of a new commercial enterprise.

The investment must be at-risk to qualify for the EB-5 Program. As part of the Form I-526 Petition, an immigrant investor must show evidence that he or she has placed the required amount of capital at risk for the purpose of generating a return on the capital placed at risk.

As part of the Form I-526 Petition, an immigrant investor must present to the USCIS clear documentary evidence of the source of funds invested and that the funds belong to such immigrant investor. Generally, this source of funds requirement can be satisfied by submitting documents showing that the immigrant investor has a level of income from legal sources that would yield sufficient funds for the investment. The USCIS generally requires copies of income tax returns to satisfy the source of funds requirement. For immigrant investors who do not have such records, there may be other records that can be provided to the USCIS by an immigrant investor to demonstrate that the investment funds came from legal sources. All such matters regarding the immigrant investor's petition should be discussed with immigration counsel.

Risks of Real Estate Investment Generally

Investment in commercial real estate is subject to numerous inherent risks. These risk factors are subject to change and are not within the control of the Company, the Manager, the Developer, or M + D, as manager of the

Regional Center and the Developer. They include adverse use of neighboring real estate, excessive supply or insufficient demand for property of this type, changes in federal, state, or local tax rates and assessments, increases in utility costs, unexpected repairs, changes in general or local demographic or economic conditions, changes in interest rates and capital availability (with respect to the construction and permanent financing the Developer hopes to obtain), changes in applicable laws or imposition of rent regulation or legislation designed to protect tenants, terrorism, adverse changes in real estate values, overpaying for the acquisition of the real estate, and the attractiveness of alternative investments, any of which might impair the profitability or financial viability of the Project or the Developer and could result in the total loss of the Company's investment in the Developer and, as a result, the Members' investment.

There remain matters much beyond the Regional Centers control such acts of God, war, and market fluctuations in income and or real estate values. All investors are provided the opportunity to visit the project sites, meet with management, be provided with documents as needed to enable review of the investment, and are provided with references to permit independent verification of the information contained in the investment prospectus??

What exit strategies will the Fund use to provide investor liquidity?

The Fund will invest in real estate development projects that its Manager expects can be profitably liquidated, sold or refinanced within a 3-5 year horizon. The exact strategy used to exit each project investment will be determined based on alternatives then available that, in the opinion of the Manager, will produce the highest risk adjusted returns to the Fund and its investors.

There are numerous exit strategies available to the Fund to provide investment liquidity, including:

- Outright sale of the property to another public or private investor;
- Non-recourse leveraged refinancing of the property and distribution to investors of the excess proceeds as "return of capital;"

Why must I invest before you will apply for my green card?

We understand that other investment companies accept EB-5 investors place funds in a trust or escrow account pending visa approval. In this case the funds may only be released upon visa approval.

Our primary business is real estate development. Most of our capital comes from investors who do not seek an immigration benefit. These investors invest on financial consideration only, without preconditions. EB-5 investors, however, have two considerations, the soundness of the investment, and obtaining their green card.

The investment must be analyzed upon its merits. Our policy is to require that you commit your capital as any other investor. If for any reason the USCIS does not approve the I-526 petition, M&D RC will return the investor's capital contribution.

Do I need a U.S. immigration lawyer to process my EB-5 petition?

You will need a qualified immigration attorney familiar with the USCIS EB-5 visa petition process to represent you. While MDRC will provide you with supporting documentation for your EB-5 petition related to the regional center and your investment in the Fund, it cannot provide legal advice. The EB-5 visa petition process is the responsibility of you and your immigration attorney. You are responsible for all legal fees and costs associated

with preparing and processing your EB-5 visa petition.

Can my spouse and children also get their own U.S. Green Cards?

A qualifying immigrant investor is eligible to sponsor his/her immediate family, which includes a spouse and all children under the age of 21 years old. All members of the immediate family are granted conditional permanent residency upon approval of the I-526, and all are eligible to apply to remove the conditions after two years.

While a child who is 21 years old, or more, can not apply for residency under the parent's immigrant investment application, a parent may gift that child the required investment funds in order for the child to apply individually as an immigrant investor.

What issue caused the most problem when applying for an EB-5 visa?

Source of Fund

The most common problem area has been insufficient documentation of the source of funds during I-526 process. Many people try to disclose the least possible information only to have the file returned with a request for further information. It is better to provide too much information rather than too little information. In this era of terror alerts, and suspicions about money laundering, USCIS case examiners require a well-documented source of funds.

Job Creation

The prospective investor needs to see how well the investment they are considering meets the requirements for I-829 approval in which is removal of conditions.

The I-829 is primarily an anti-fraud measure. The USCIS has two primary concerns when determining if they are approving the I-829 petition of an investor. (1. Have the jobs been created? 2. Is the investor still fully invested?) This link will take you directly to the USCIS where they discuss approval of for I-829 by the District Director. You will see that "A-C" deal with being fully invested and maintaining the investment during the conditional residency period and "D" addresses job creation. Simply put, the investor must be able to show that the full amount of their capital contribution was at risk and the required jobs were created.

M&D RC plans to use the IMPLAN input-output model to show how each investment by an immigrant investor in the regional center will directly and indirectly create at least 10 jobs within the regional center's geographic area. Input-output models use "direct" impact estimates, typically measured as new jobs created at the site of an investment by employers who occupy space made useful by the investment. Input-output models are used to estimate potential "indirect" employment impacts resulting from a "multiplier" process.

We note that the USCIS has accepted structurally identical economic reports prepared by many other economists using the IMPLAN model in connection with approved regional center applications, as well as I-526 and I-829 petitions.

If my I-526 petition is denied, will I receive my funds back?

If the petition was submitted in good faith, the full investment will be returned to the account from which the funds originated.

What is Conditional Permanent Residency?

Conditional Permanent Residency (CPR) is valid for two years. As a CPR individuals have all rights of US citizens (ie: employment and legal rights) with the exception of voting in general elections. The conditional permanent residency has an expiration date of two years from the date issued. Investors can submit their I-829 petition as early as three months prior to the expiration date. M&D Regional Center will supply all supporting evidence regarding the limited liability company, capital investment and newly created jobs.

Once the I-829 petition is filed with the USCIS, your conditional permanent residency is extended for one year. An investor should carry his or her USCIS I-829 receipt notice, along with his or her conditional green card, at all times.

What is the difference between "conditional" and "unconditional" green cards?

Under the regulations, an investor who is approved for the EB-5 immigrant visa receives a "conditional" green card, which is valid for a two year period. A "unconditional" or permanent green card has no expiration date, otherwise the two cards offer the same rights and privileges.

What if I am already in the U.S. on another visa status?

An individual may file a I-526 petition if they live abroad or are already in the U.S. The I-526 petition process remains the same. If, however, you are already in the U.S., after the I-526 is approved, you may then file an I-485 Application for Adjustment of Status to Permanent Resident, as opposed to filing for a visa with your local U.S. consulate. Of course, if you are not yet in the U.S., you must file for an immigrant visa with your local U.S. consulate. We can advise you more specifically on the process in a direct consultation.

If I get a green card, do I have to live in the U.S.?

Yes, an applicant for conditional or permanent residence to the U.S. must intend to immigrate to the U.S. and maintain as their primary residence a home in the United States.

Can I travel during EB-5 process?

A conditional or permanent resident is entitled to travel freely for less than 6 months at a time outside of the United States. If a such an individual needs to be outside of the U.S. for more than six months, he/she may apply (up to three times) for a travel permit, that is good for 2 years. This travel permit establishes that the resident is not abandoning U.S. residency, despite the extended absence. However, time spent outside of U.S. is counted against the 30 month physical presence requirement for citizenship.

What makes EB-5 visa different from the E-2 or L-1 visa?

Many individuals and families in the States are on non immigrant visas such as the E2 or L1 which only allow you and your family to stay for a limited period. Among the problems these visa holders can face are:

- The business they bought is not delivering sufficient turnover or employing sufficient staff for visa renewal to be successful.
- The owner of the business is not well enough to continue operating the business.
- The owner of the business wants to retire but cannot remain in the USA if they no longer maintain the business.
- The owner's children turn 21 and face deportation as they are no longer covered by the visa.
- The owner did not really want to run a business, but was not advised of other options.

The E2 in particular has proved a problem visa for the reasons above. Additionally those looking to obtain immigration via the L1 or E2 often have reservations about relocating on a non immigrant visa and having to uproot their family back overseas after a few years. For them the EB-5, which provides permanent residency and a path to U.S. Citizenship, is an ideal alternative particularly if processing time is important.

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LINKS

[United States Citizenship and Immigration Services](#)

[Welcome to the United States: A Guide for New Immigrants](#)

[Petition Status Search Page](#)

[I-526, Immigrant Petition by Alien Entrepreneur](#)

[I-629, Petition by Entrepreneur to Remove Conditions](#)

[Los Angeles County](#)

[Orange County](#)

[San Bernardino County](#)

[Plaza Mexico](#)

[Knott's Berry Farm](#)

[Disneyland Resort](#)

[Old Pasadena: The Real Downtown](#)

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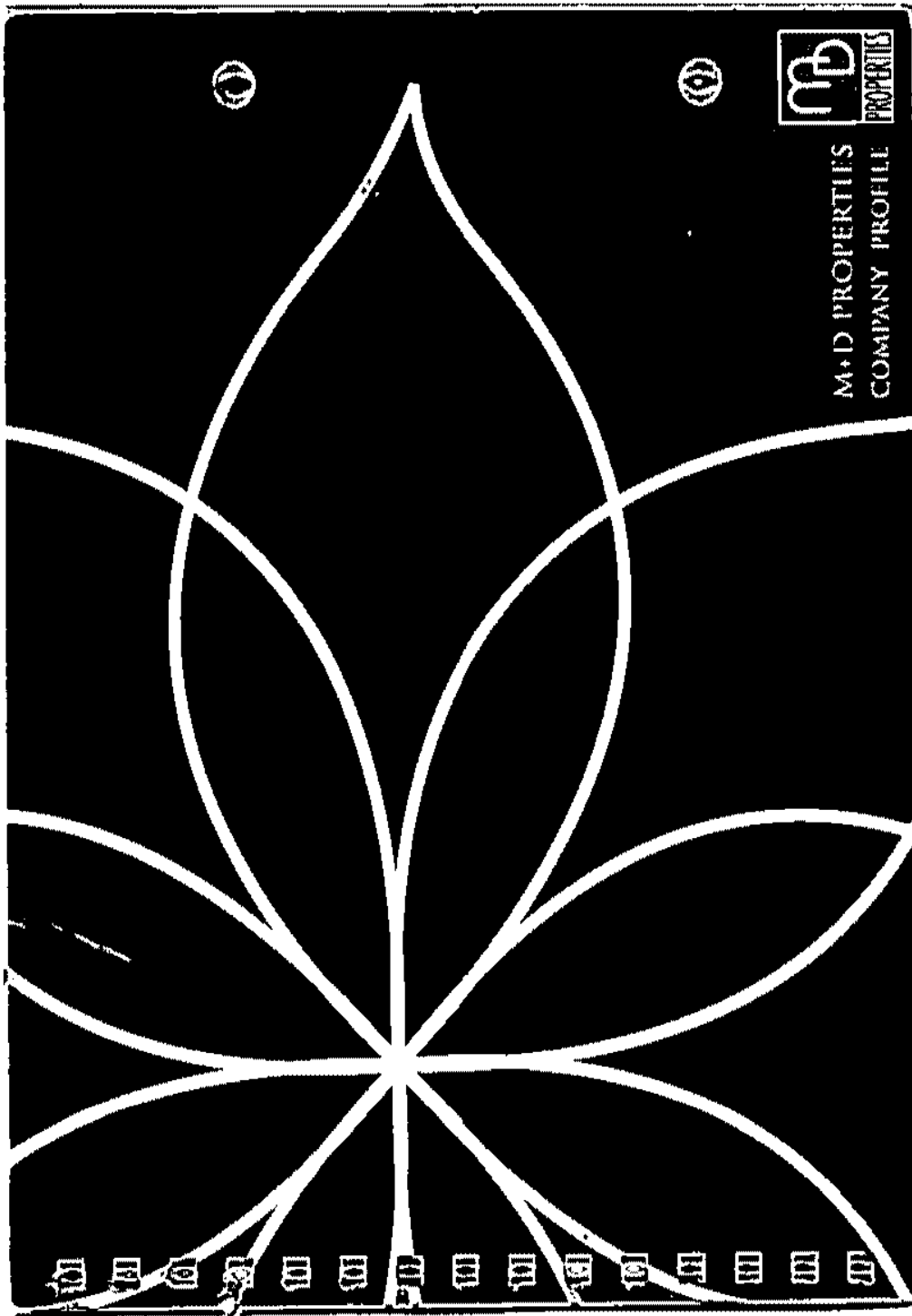
Thank you for your interest in M&D Regional Center.

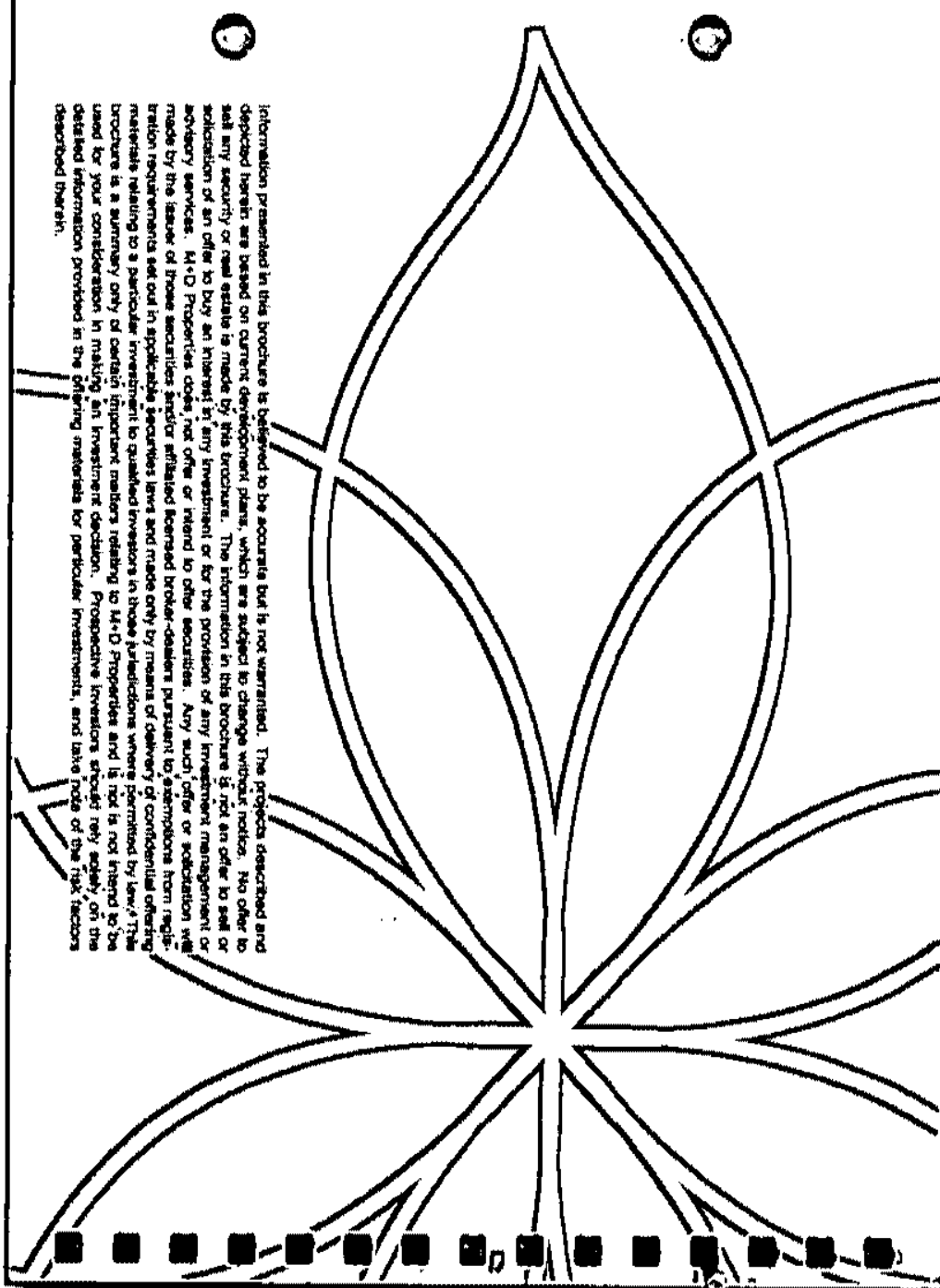
If you have any questions regarding the M&D Regional Center, please review our FAQs for more information. More information about M&D RC is available by sending an e-mail to info@mdregionalcenter.com. You will then be provided the necessary information.

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BACKGROUND

M + D Properties

is an established real estate developer, property manager, and investor whose two principals Min Chae and Donald Chae, have more than forty years experience in the real estate industry. Over the years, M + D has repeatedly demonstrated its ability to create extraordinary value in its real estate ventures.

M + D attributes such success to its unparalleled experience in large-scale urban developments and ability to build community support. M + D's particular specialty is creating vibrant and thriving retail centers where none existed before.

M + D successfully developed Plaza Mexico, a 450,000 sq. ft. lifestyle shopping center in Lynwood, California. Despite being a retail power center in South Los Angeles, Plaza Mexico provides a familiar small town shopping experience with its architecture, fountains, lush landscaping, and open plazas designed to reproduce the ambiance of Mexican pueblos. In addition, our Beach and Orangethorpe mixed-use development project in Buena Park, is one-of-a-kind site in Orange County representing an opportunity for a mixed use community beyond all others in Southern California.

When it's completed, the development will consist of world-class upscale retailers, restaurants, entertainment, residential, hotel and office uses.

Besides these two projects, M + D is currently working on repositioning a 475,000 sq. ft. mall in San Bernardino, California and developing a 66,000 sq. ft. Class A, mixed-use building in old-town Pasadena, California.



PO2 BACKGROUND

BACKGROUND

EXPERIENCE RECORD

M+D is led by Min Chae and Donald Chae, who together have more than 40 years of experience in real estate development, management, and investment. The following is a partial list of M+D's past and ongoing real estate projects:

Development Record

•Plaza Mexico

Development of a 450,000 square foot retail center on 48 acres in Lynwood, California. M+D Properties completed the original phase of development in 2002. Plans to expand the center with additional retail space and a residential component are underway. The total development process took approximately four years to complete and cost approximately \$65 million. Min and Donald Chae undertook the development on their own, without any partner.

On March 28, 2007, in connection with a refinancing transaction, Plaza Mexico was appraised at approximately \$172,000,000. The Company believes that a large component of Plaza Mexico's increase in value is attributable to the Chaes' real estate development and management expertise.

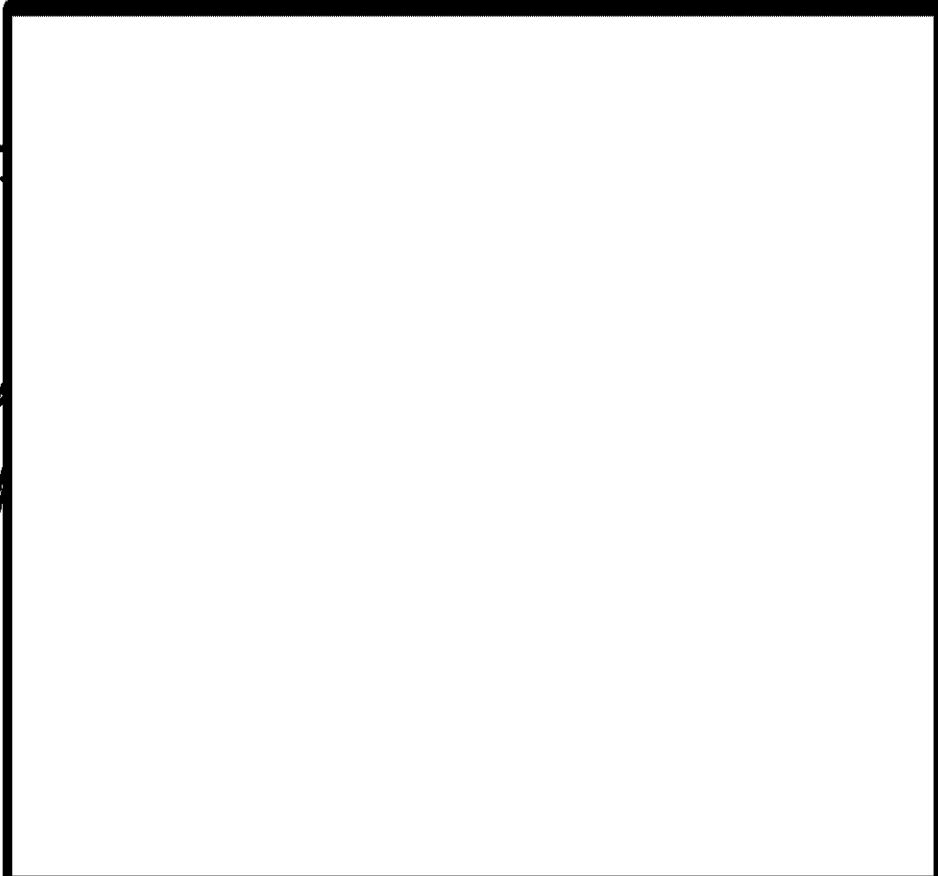
Plaza Mexico is just one example of the Chaes' ability to find under-performing distressed property and creating extraordinary value by developing the property in a manner that fits the community's demographics.



M+D EXPERIENCE RECORD

BACKGROUND

(b)(4)



POA EXPERIENCE RECORD



MANAGEMENT
STRUCTURE

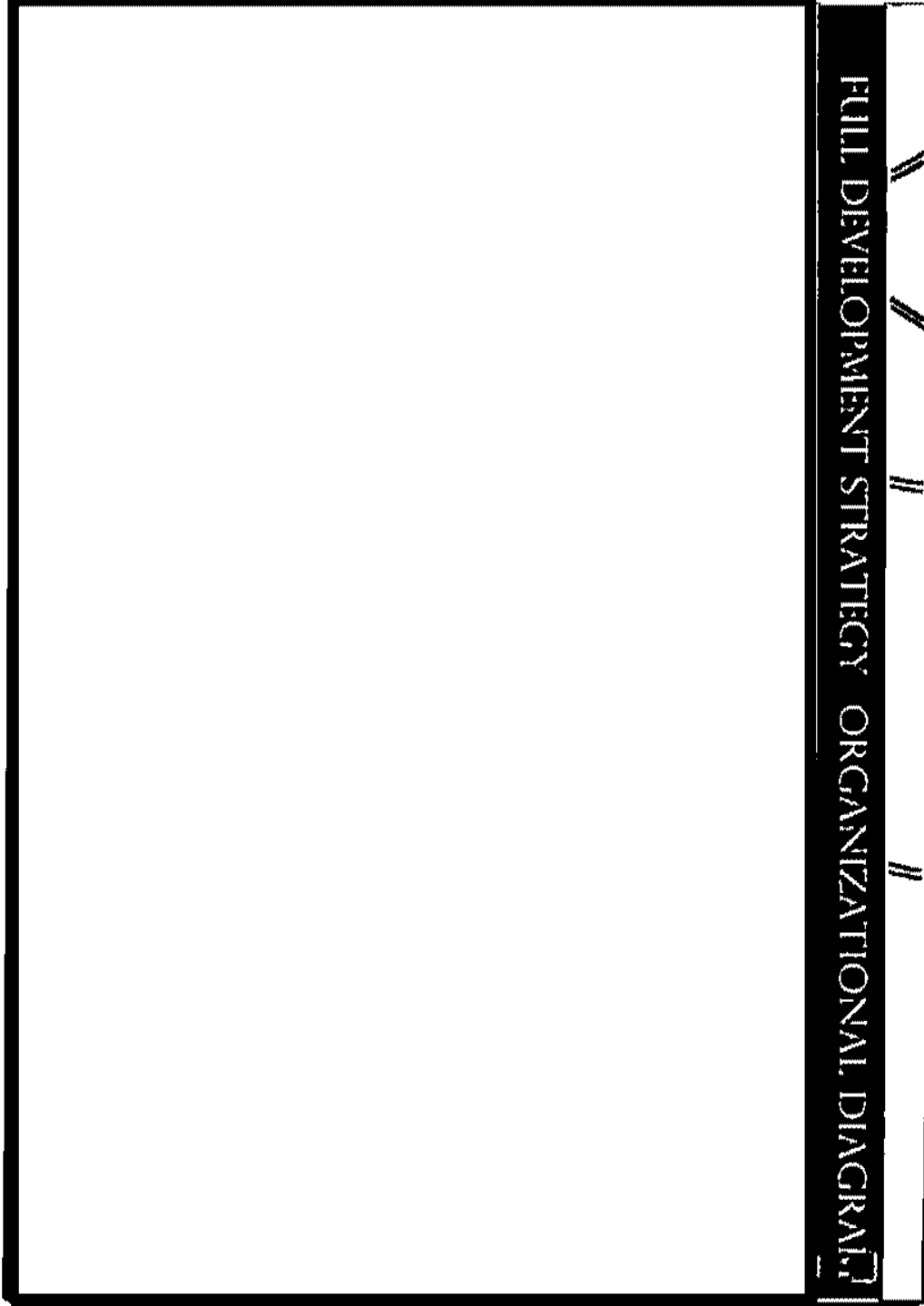
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MANAGEMENT STRUCTURE



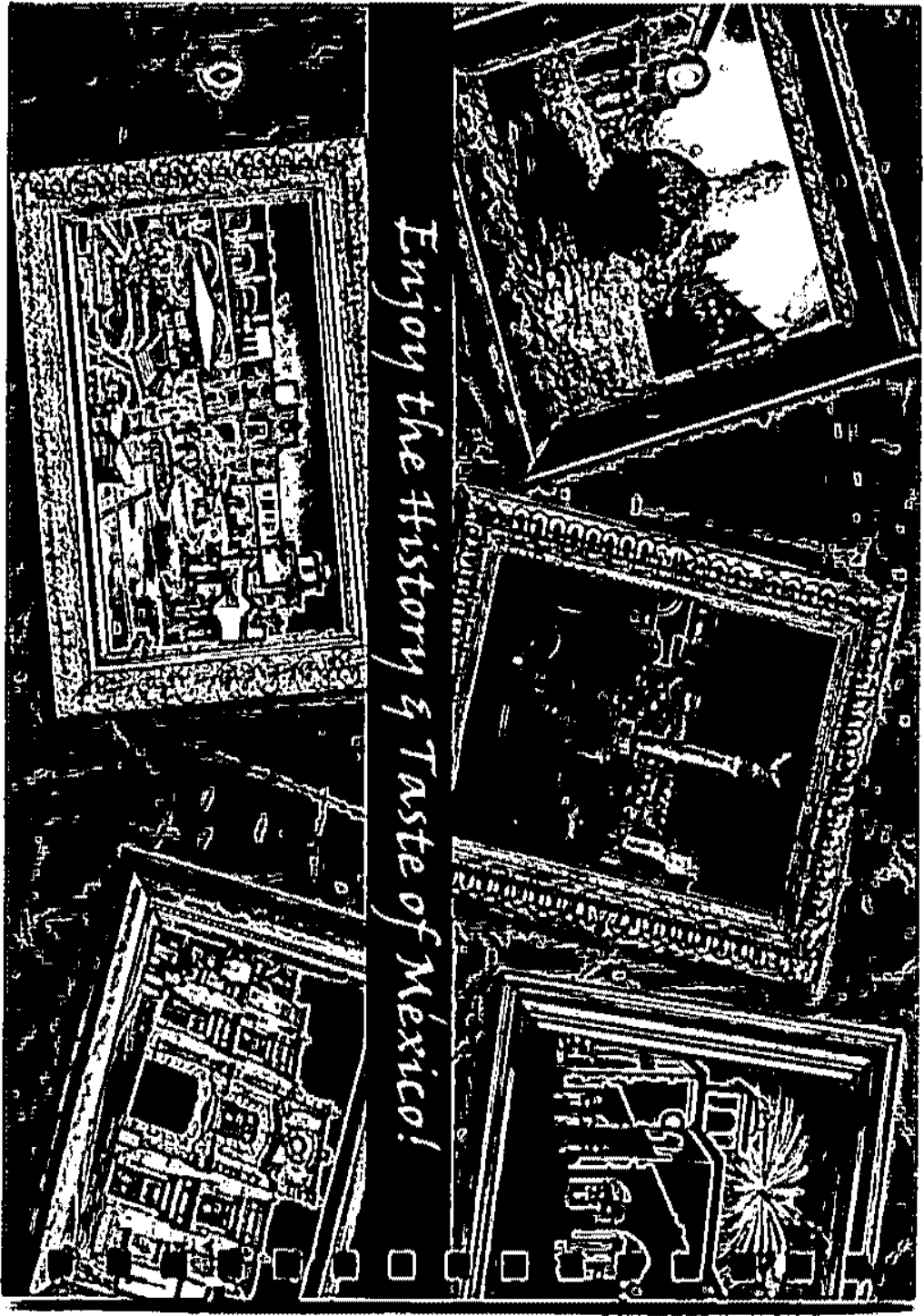
POS MANAGEMENT STRUCTURE

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FULL DEVELOPMENT STRATEGY ORGANIZATIONAL DIAGRAM





Enjoy the History & Taste of Mexico!

EXCUTIVE SUMMARY



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□ EXECUTIVE SUMMARY

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PROPERTY DESCRIPTION

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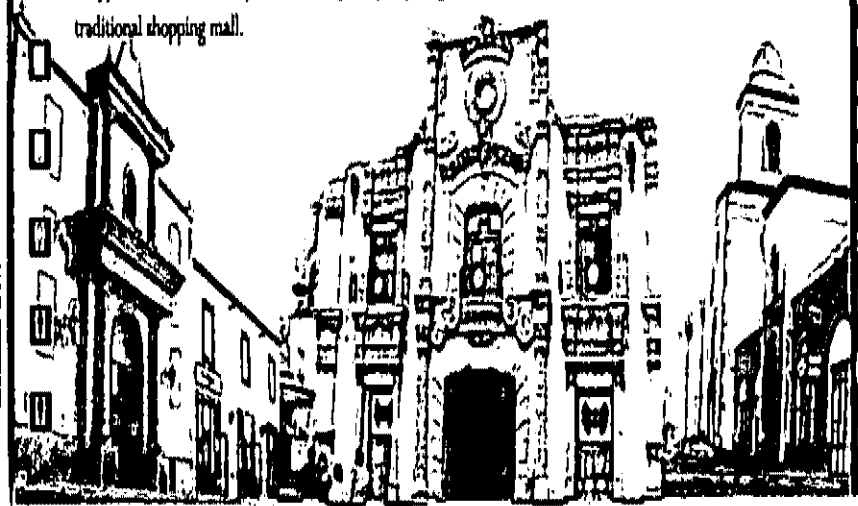
As the economy started to boom in the mid-1990s, the Lynwood Marketplace was 100% occupied and had a waiting list of 200 to 300 tenants. The Chases knew they had to capitalize on the pent up demand in the marketplace and they started to develop plans for Plaza Mexico. In 1998, the Chases had the opportunity to purchase the Lynwood Towne Center, a grocery/drug anchored (Food 4 Less/Rite-Aid) center adjacent to the Lynwood Marketplace that fronted Long Beach Boulevard. The acquisition of this property bolstered the Chases' vision of a retail town center experience. Minnie and Donald immediately realized they could purchase the land in between the two centers and combine the properties.



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The Chacs shared their vision with the City of Lynwood and convinced the City Council that Plaza Mexico could serve as the premier retail project in the region as well as a cultural and social gathering point for the Southern California community. The Plaza Mexico concept won over not only the City Council but also the community. Plaza Mexico has since exceeded the expectations of all those involved and demonstrated itself to be a proven retail concept in Southern California.

And now in 2009, Plaza Mexico is a retail center consisting of approximately 41,800 square meters (approx. 450,000 square feet) of retail space over 194,300 square meters (approx. 48 acres) of land. Plaza Mexico is a good example of what has come to be known as a lifestyle center. It is an alternative to a traditional shopping mall, which is generally not much more than a collection of one or more department stores and a large number of specialty retailers. Unlike a traditional mall, a lifestyle center creates an atmosphere (Independent of or in combination with its retail stores) that draws and holds people. Shoppers who visit a lifestyle center frequently stay longer than they would stay at a traditional shopping mall.



LOCATION



Plaza Mexico is located in the City of Lynwood, Los Angeles County. The City of Lynwood is approximately 20 kilometers (approx. 12 miles) south of Downtown Los Angeles and approximately 20 kilometers (approx. 12 miles) east of the Los Angeles International Airport. The property is situated at the southwest corner of Imperial Highway and Long Beach Boulevard and runs along the Century Freeway (I-105).

Both Imperial Highway and Long Beach Boulevard are major commercial streets.

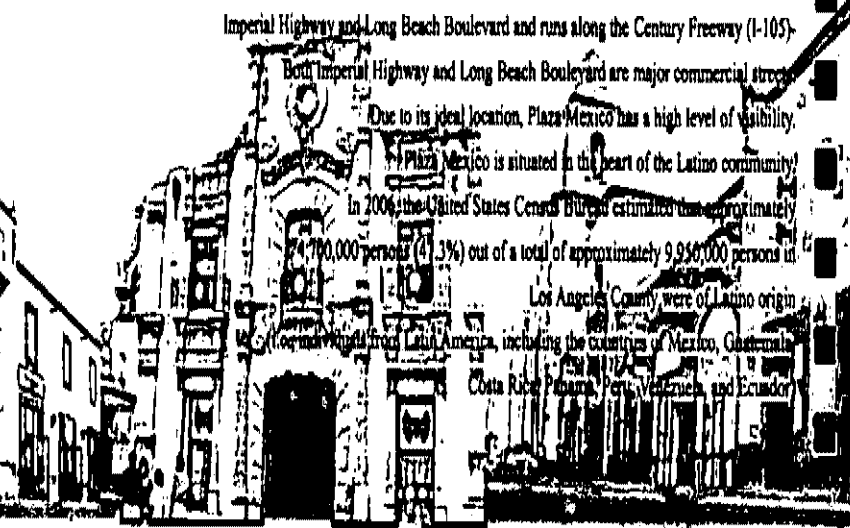
Due to its ideal location, Plaza Mexico has a high level of visibility.

Plaza Mexico is situated in the heart of the Latino community.

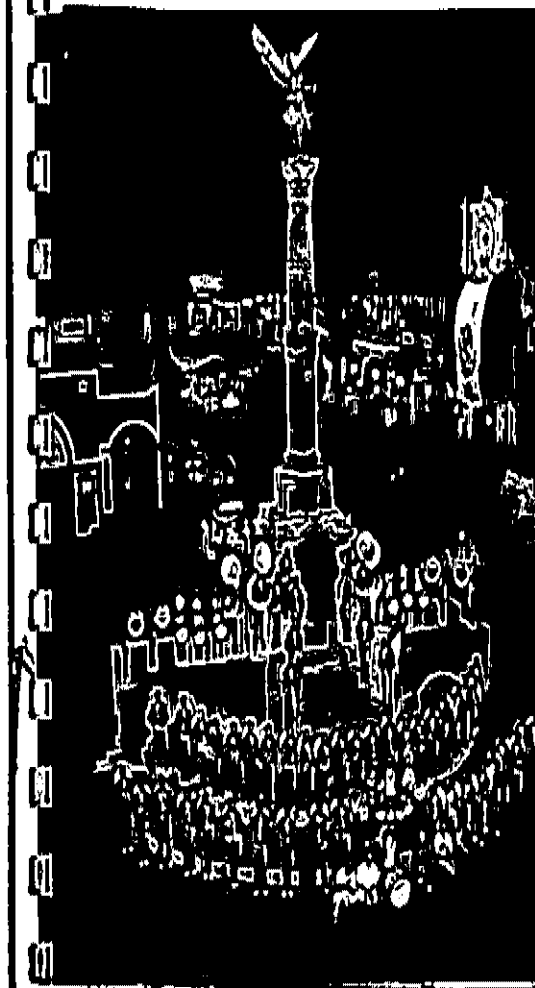
In 2006, the United States Census Bureau estimated that approximately 2,470,000 persons (4.3%) out of a total of approximately 9,950,000 persons in

Los Angeles County were of Latino origin.

Approximately 75% of the Latino population in Los Angeles County originates from Latin America, including the countries of Mexico, Guatemala, Costa Rica, Panama, Peru, Venezuela, and Ecuador.



ARCHITECTURAL CONCEPT



Replica del ANGELO DE LA INDEPENDENCIA
de la Ciudad de México

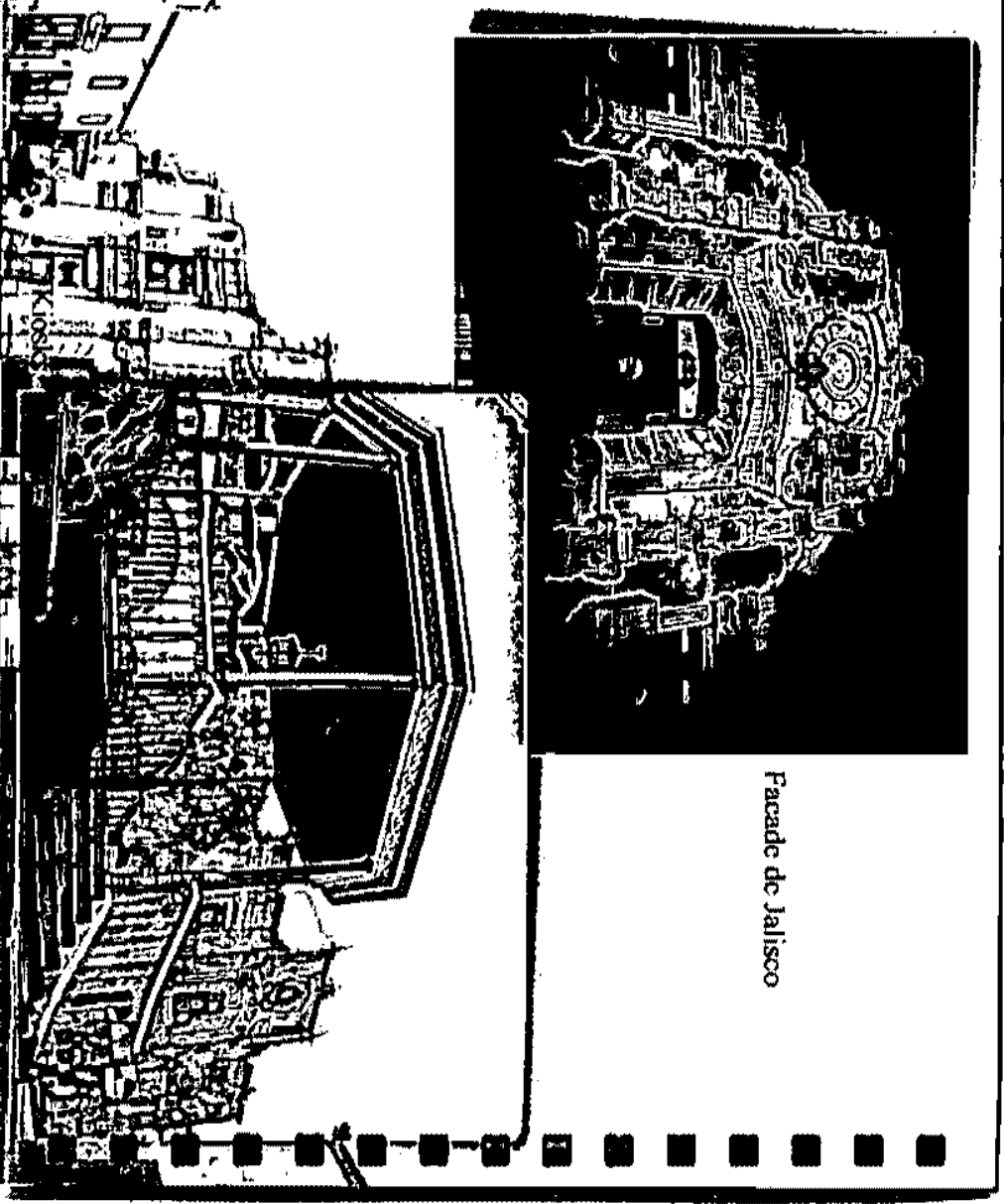
One key to Plaza Mexico's success has been its design. Despite being a retail power center, Plaza Mexico provides an old-world, town square shopping experience.

Its architecture, fountains, lush landscaping, and open plazas draw shoppers and visitors into a Mexican cultural experience.

Plaza Mexico's design reproduces the ambiance and rich culture of small towns in Mexico, known as "pueblos", like San Miguel de Allende, Dolores Hidalgo, Oaxaca, Tuxco.

The colonial architecture found in prominent urban centers such as Guadalajara and Mexico city has been incorporated into the design of Plaza Mexico's plazas, entrances, buildings and kiosks. The public areas include painstaking replicas of famous Mexican monuments, and there is extensive use of authentic materials imported from Mexico.

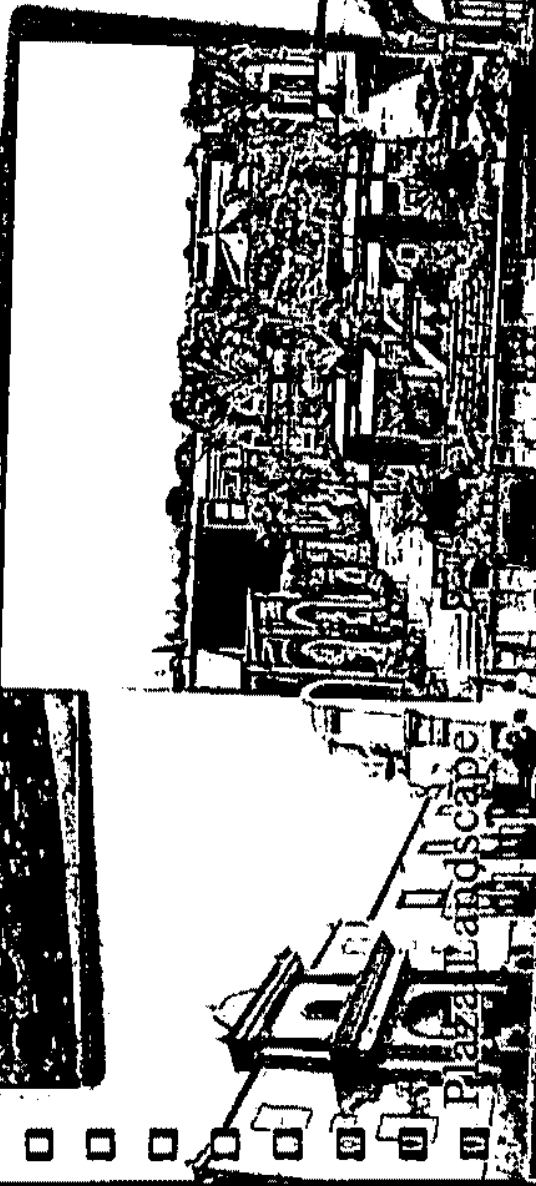
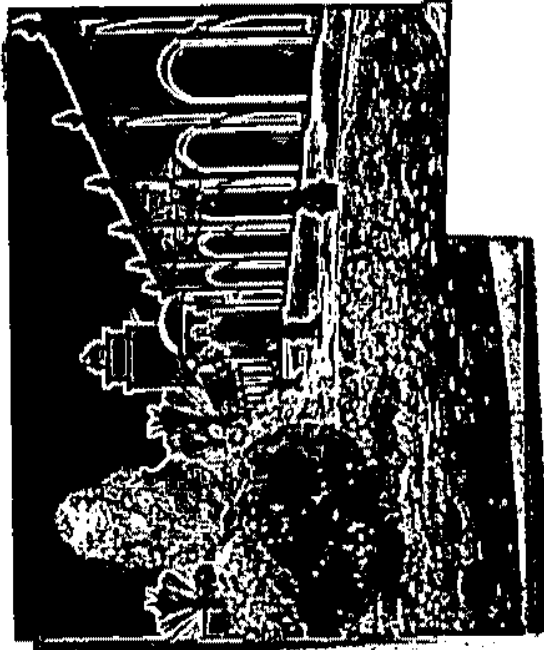
ARCHITECTURAL IMAGES



Facade de Jalisco

ARCHITECTURAL IMAGE

Fountain



Plaza Landscape



TENANTS

TENANTS

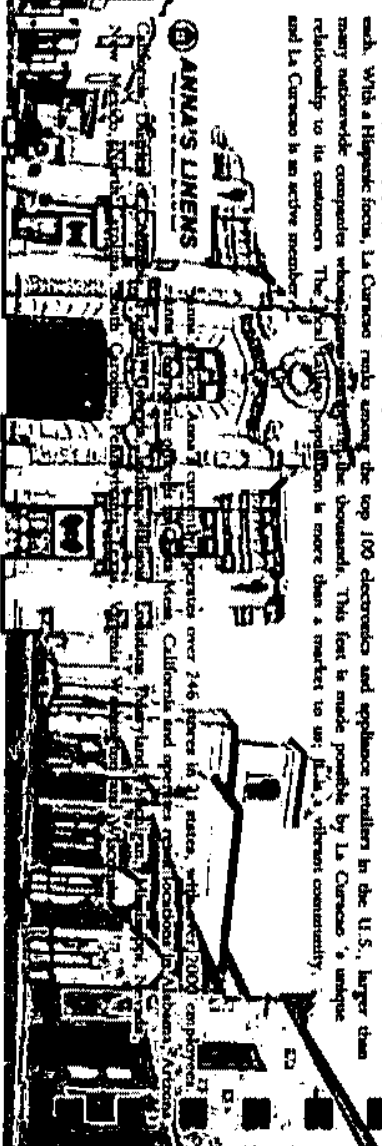
Plaza Mexico is currently 96% occupied by various tenants, including a wide variety of restaurants and unique local retailers of clothing, electronics, shoes, toys, jewelry, and furniture. The following are descriptions of certain tenants of Plaza Mexico:

Food & Less Headquartered in Cincinnati, Ohio, Kroger (NYSE:KR) is one of the nation's largest grocery retailers, with fiscal 2006 sales of US\$16,100,000,000. The Kroger Co. opens many stores with store formats that include grocery and multi-department stores, convenience stores and small jewelry stores. We operate under nearly two dozen banners, all of which share the same belief in building strong local ties and brand loyalty with our customers.

Rite Aid Rite Aid Corporation is one of the nation's leading drugstore chains, operating more than 5,000 stores in 31 states and the District of Columbia.

LA CURRACAO *UN POCO DE SU PAIS* La Curacao: La Curacao is best known as a growing chain of large format department stores of approximately 9,300 square meters (approx. 100,000 square feet) each. With a Hispanic focus, La Curacao ranks among the top 100 electronics and appliance retailers in the U.S., larger than many nationwide competitors when measured by sales volume. This fact is made possible by La Curacao's unique relationship to its customers. The local Hispanic population is more than a market to sell; it's a vibrant community, and La Curacao is an active member.

ANNA'S LINENS



TENANTS

HomeTown Buffet In your hometown or around the country, you have over 634 of our restaurants to choose from to find one great meal. We've been committed to serving high quality, freshly made choice for the whole family in a welcoming atmosphere for more than 29 years



Chuck E. Cheese's CEC Entertainment, Inc. is headquartered in Irving, Texas, and trades on the New York Stock Exchange using the ticker symbol (CEC).
 Chuck E. Cheese's consists of over 500 entertainment centers in 48 states and 5 countries.



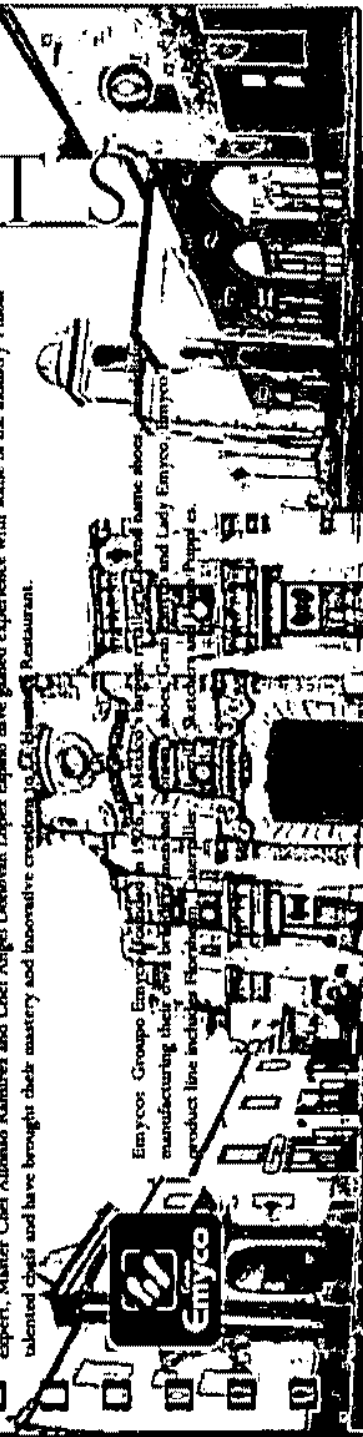
Verizon Headquartered in Basking Ridge, N.J., Verizon Wireless has the largest number of retail customers in the industry and is the most profitable wireless company in the U.S. The company is a joint venture of Verizon Communications (NYSE:VZ) and Vodafone (NYSE and LSE: VOD).



La Huasteca La Huasteca is a celebrated Los Angeles restaurant that has been offering an innovative dining experience. La Huasteca provides a true sample of the Mexican cuisine that has been served throughout the last centuries in the cities, towns, and countryside pueblos of Mexico. La Huasteca culinary expert, Master Chef Alfonso Ramirez and Chef Angel Donovan Lopez Espinoza have gained experience with some of the industry's most talented chefs and have brought their mastery and innovative creations to La Huasteca Restaurant.



Emyco Grupo Emyco (founded in 1976 in Mexico) is the world's largest manufacturer of shoe inserts. Emyco's product line includes shoes, sandals, slippers, and more. Emyco's product line includes shoes, sandals, slippers, and more. Emyco's product line includes shoes, sandals, slippers, and more.



TRENANTS



El Gallo Giro: With 10 locations throughout Southern California, El Gallo Giro has become one of the most popular authentic Mexican restaurants among the Latin population. Sales at Plaza Mexico have been in excess of US\$115 per square meter (US\$400 per square foot) since its opening in 2002.



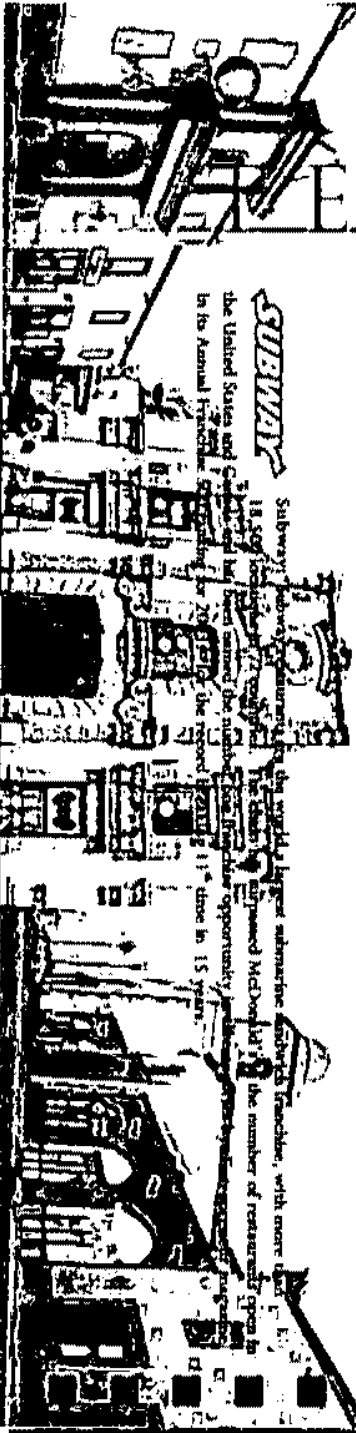
Banco Popular: Popular, Inc. (NASDAQ: BROF) is the bank holding company for Banco Popular de Puerto Rico, the largest bank on the island. The bank has about 200 branches in the commonwealth, as well as about 30 mortgage offices and nearly 40 Popular Finance locations that offer small consumer loans. Popular also runs the island's largest vehicle rental and leasing firm. On the US mainland, Banco Popular North America serves growing Hispanic communities through nearly 100 branches in six states, while Popular Cash Express, with nearly 140 stores, offers check cashing and money transfers and Equity One writes consumer loans and mortgages through more than 150 offices in 26 states.

NINE WEST

Nine West: Nine West has evolved to become a world-renowned fashion leader. Established in 1978, the Nine West brand took its name from its founding address at 9 West 57th Street in New York City. Today, Nine West is beloved by women around the world, offering not just footwear but handbags, sportswear, dresses, eyewear, sunglasses, leg wear, outerwear, jewelry, belts, hats and cold weather accessories. Nine West is a trusted fashion adviser in every category.



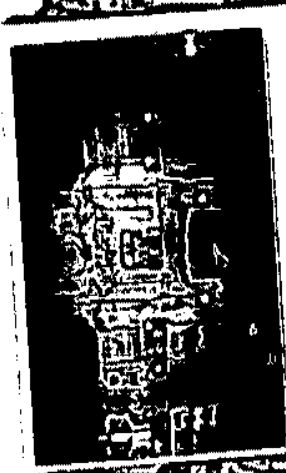
Sibway: Sibway, a subsidiary of the world's largest submarine sandwich franchise, with more than 11,500 locations in 115 countries, is a leading fast-food chain. The company (NYSE: SBY) is the number one restaurant chain in the United States and Canada. Sibway is a leading franchise opportunity, with a proven business model and a track record of success. In its Annual Franchise 500 ranking, Sibway was ranked 20th for 2007, the highest ranking in its category. Sibway has been a top performer in its category for 11 years in a row.



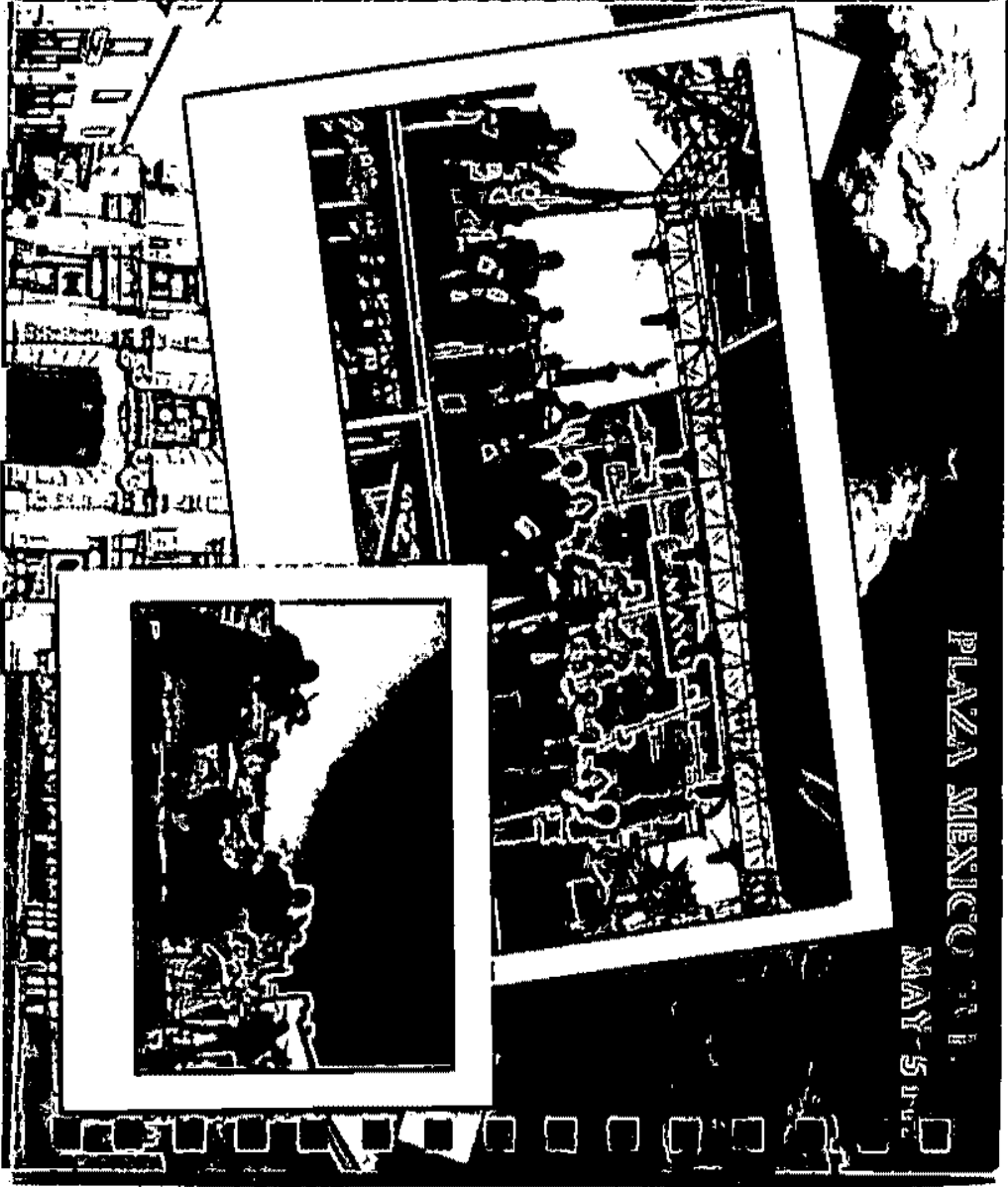
SPECIAL EVENTS/ COMMUNITY EVENTS

SPECIAL EVENTS/ COMMUNITY EVENTS

Another key to Plaza Mexico's success is its status as the social epicenter for the City of Lynwood and its neighboring communities. Plaza Mexico holds celebrations for a number of traditional Mexican holidays such as Cinco de Mayo, Fiestas Patrias, Día de Muertos, and Virgen de Guadalupe. Plaza Mexico also has hosted special events, including the Miss Universe Pageant, Expo Mexico, Gastronomic Food Festival, and much more. Additionally, Plaza Mexico has been very proud to welcome notable figures such as California State Governor Arnold Schwarzenegger, Los Angeles City Mayor Antonio Villaraigosa, U.S. Senator Hillary Clinton, U.S. Congresswoman Linda Sanchez, governors of various states in Mexico, and former President of Mexico, Vicente Fox, to its events. Events such as these draw Latino consumers from throughout Los Angeles and Orange County and have helped secure Plaza Mexico's reputation as the premiere destination in Southern California for Latino goods and entertainment.



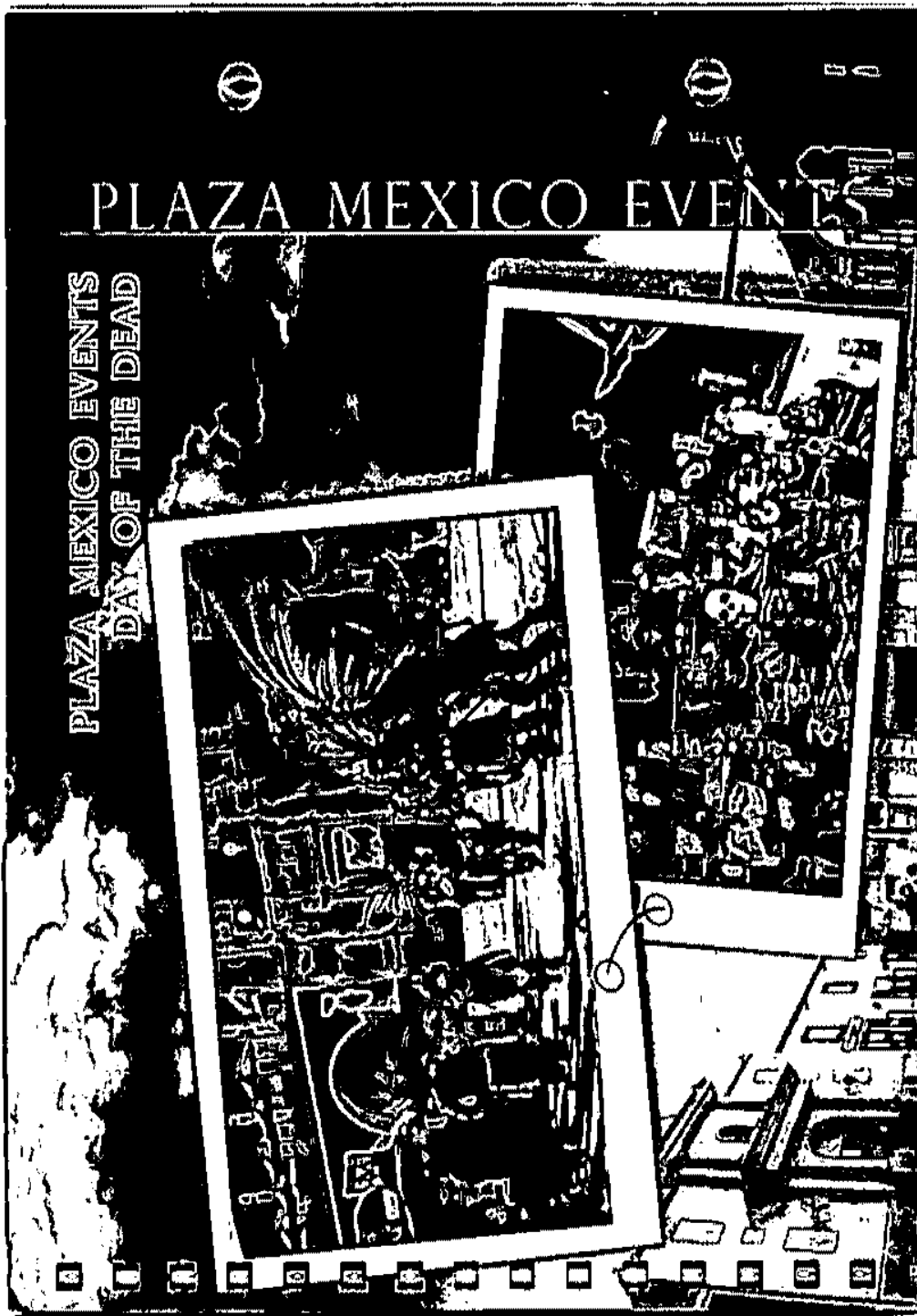
PLAZA MEXICO EVENTS



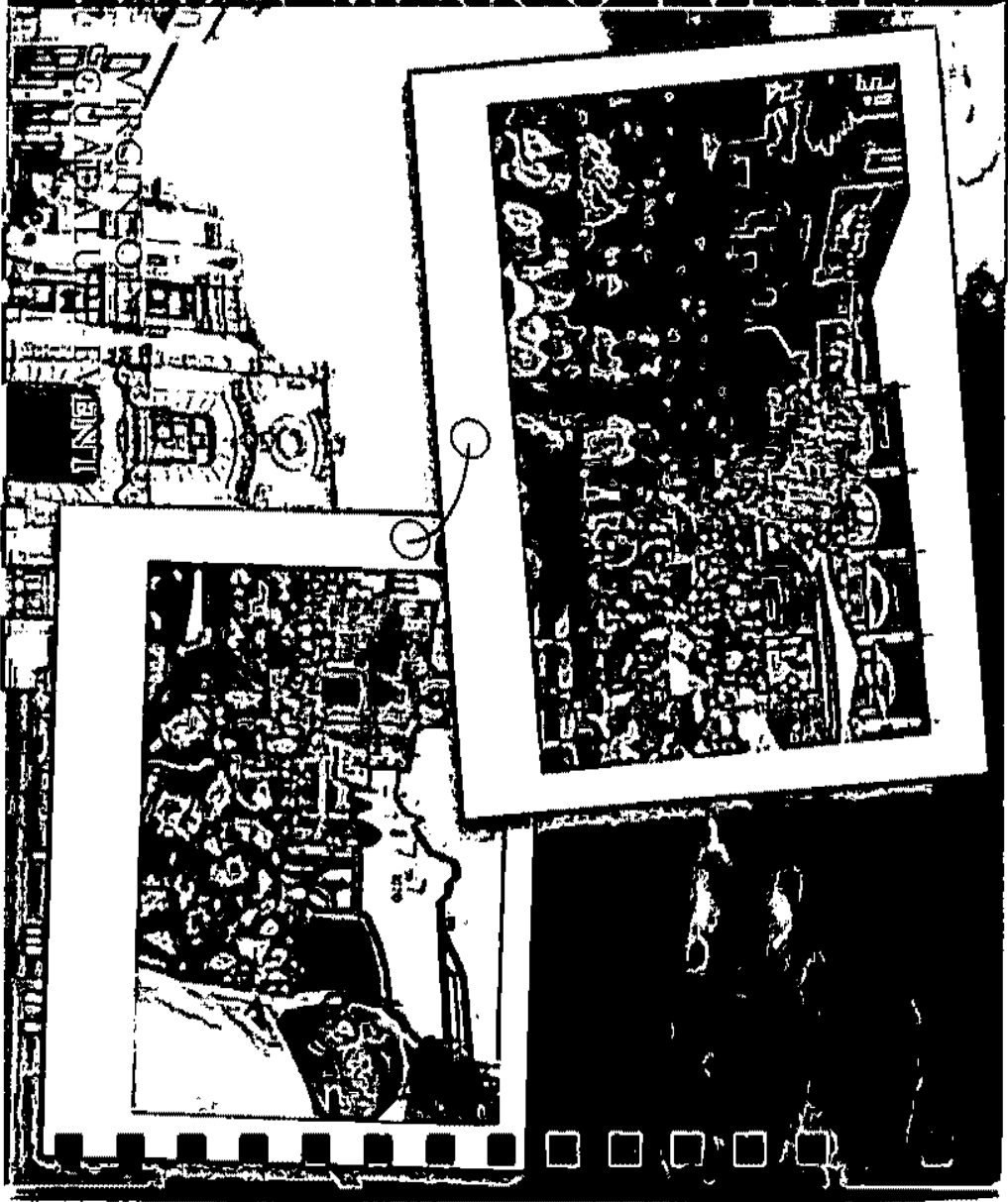
PLAZA MEXICO
MAY 5-11

PLAZA MEXICO EVENTS

PLAZA MEXICO EVENTS
DAY OF THE DEAD



PLAZA MEXICO EVENTS



©

PLAZA MEXICO VIP



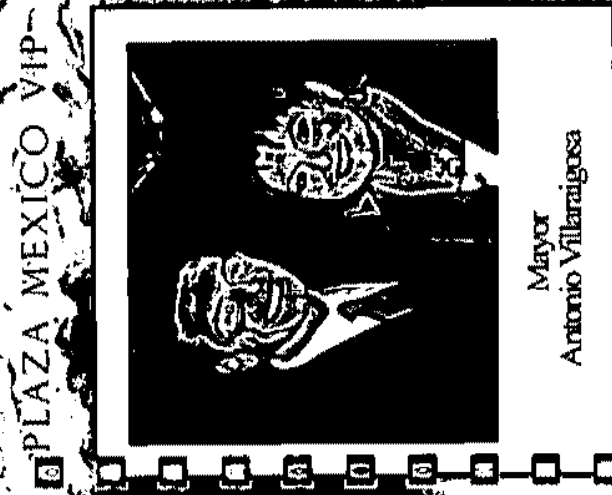
Governor
Arnold Schwarzenegger



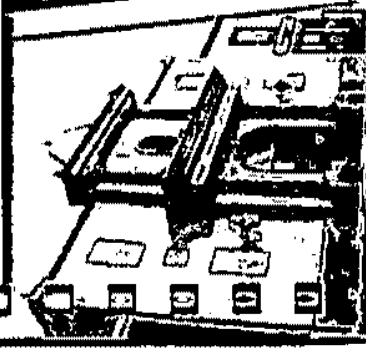
Congresswoman
Linda Sanchez



Senator
Hillary Clinton



Mayor
Antonio Villaraigosa



PLAZA MEXICO VIP



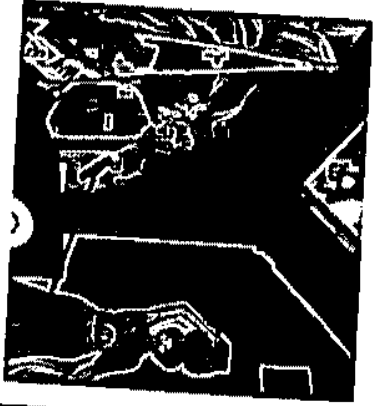
A MEXICO VIP

PLAZA MEXICO VIP

Mr. Jose Huizar



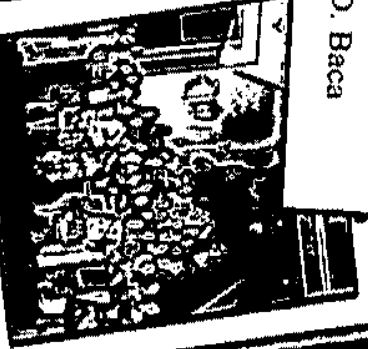
Leroy D. Baca



Governor of the
State of Michoacan



Miss Universe 2006



NEWS & ARTICLES

NEWS & ARTICLES
CAMBIO MAGAZINE

El Plan de los Cuarenta y Nueve...
El propósito central...
El Plan de los Cuarenta y Nueve...

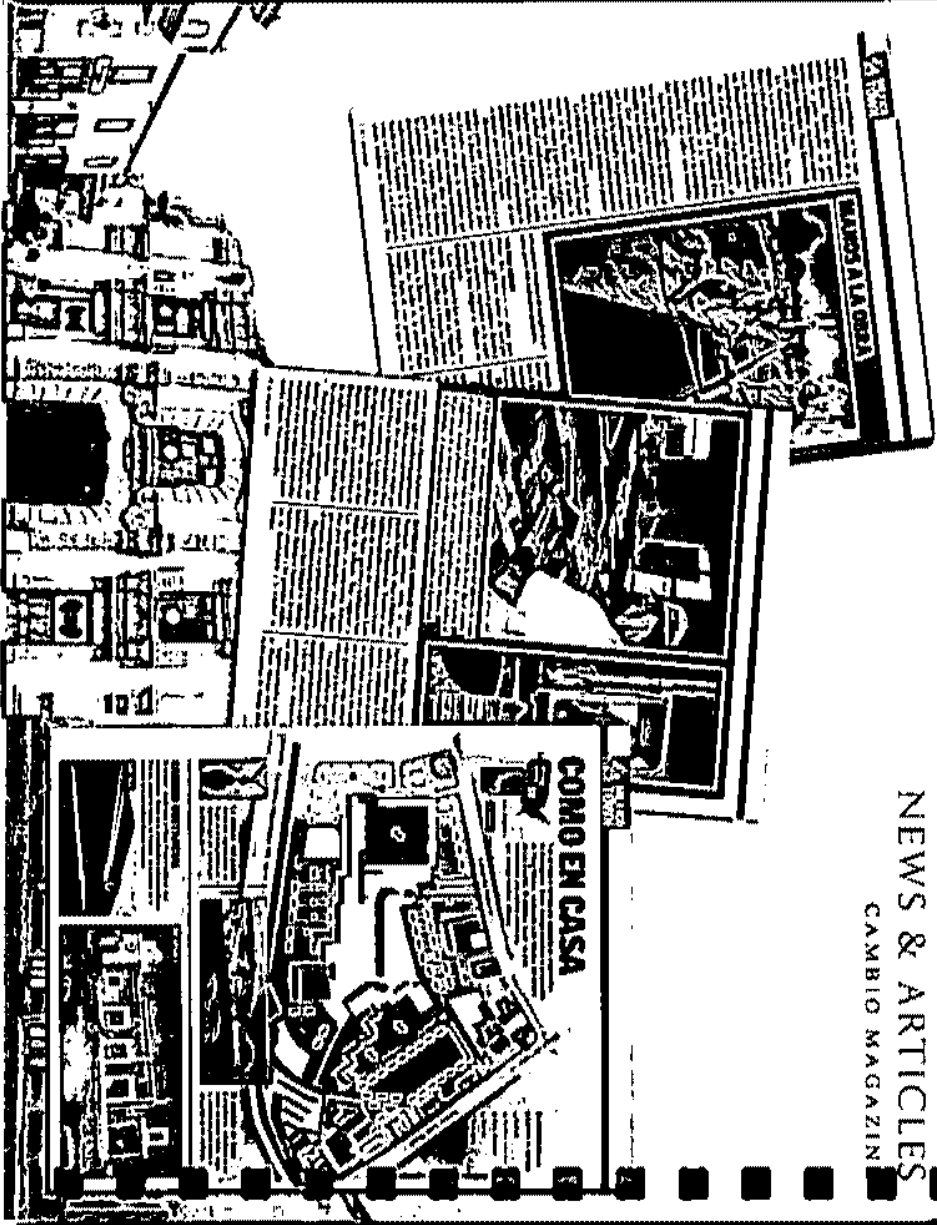


Este es el primer número...
El Plan de los Cuarenta y Nueve...

BIENVENIDOS A
MEXICO TOWN



NEWS & ARTICLES



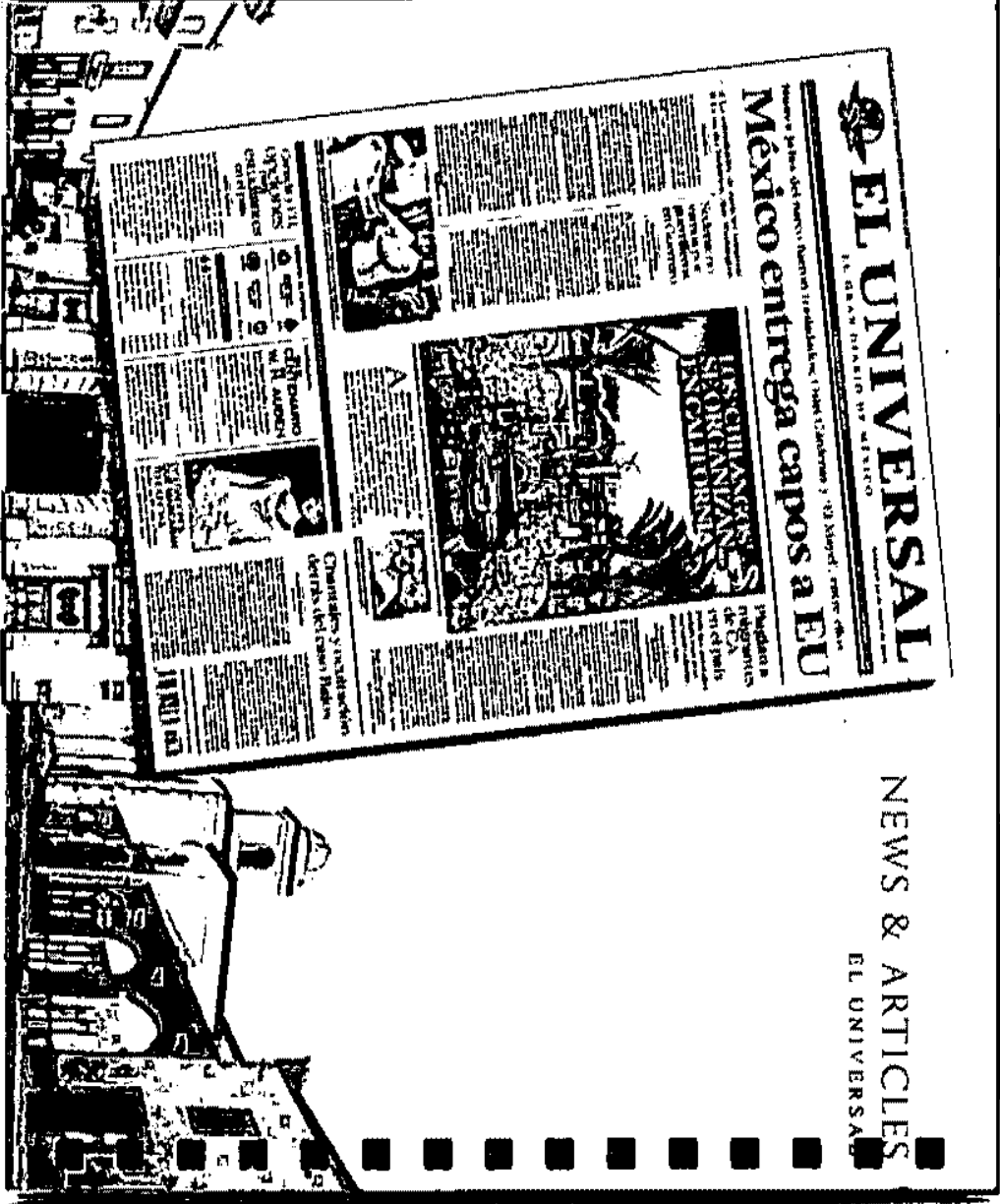
NEWS & ARTICLES
CAMBIO MAGAZIN

NEWS & ARTICLES

NEWS & ARTICLES
LA OPINION & CIUDAD



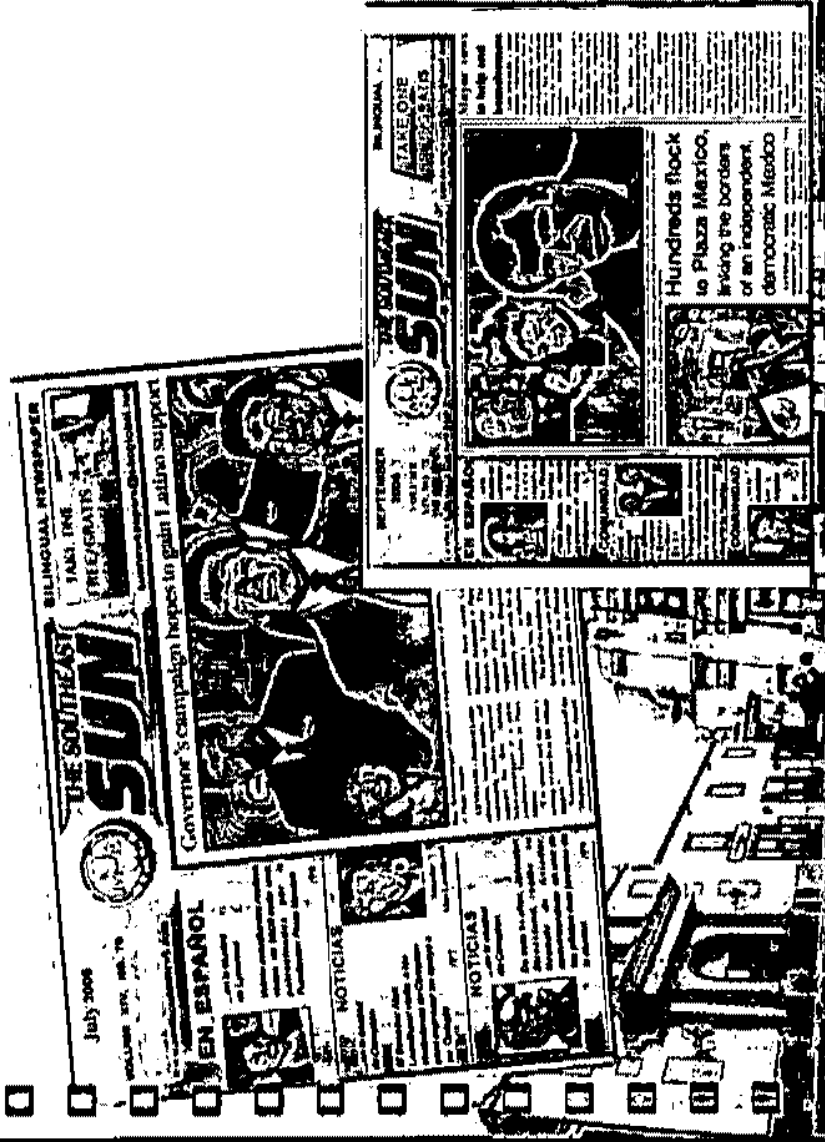
NEWS & ARTICLES



NEWS & ARTICLES
EL UNIVERSAL

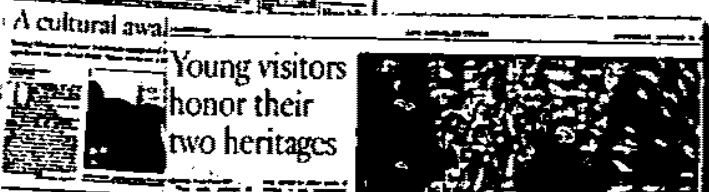
NEWS & ARTICLES

NEWS & ARTICLES THE SOUTHWEST SUN



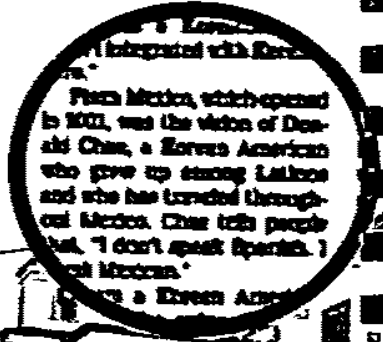


Hospital allegations date to '04

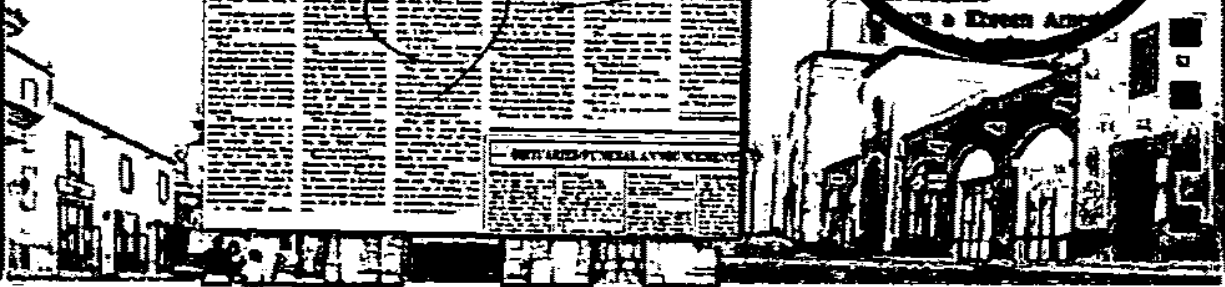


Young visitors honor their two heritages

NEWS & ARTICLES
LOS ANGELES TIMES



...integrated with...
Fiesta Mexico, which opened in 2002, was the vision of Donald Chase, a Korean American who grew up eating Latino food and who has traveled throughout Mexico. Chase tells people that, "I don't speak Spanish, I eat Mexican."
...a Korean American...

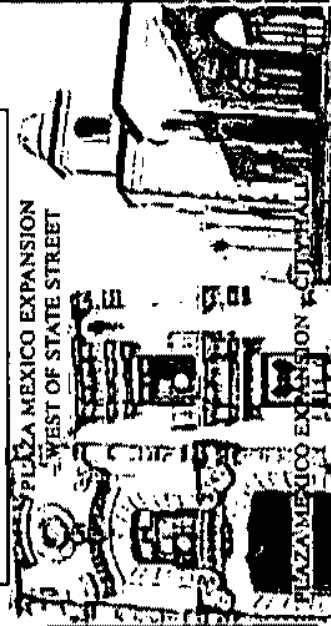
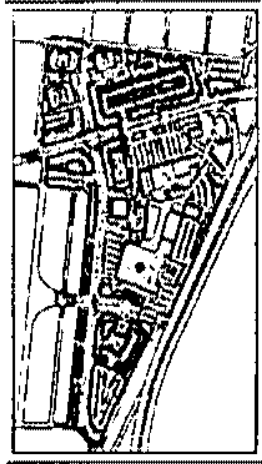
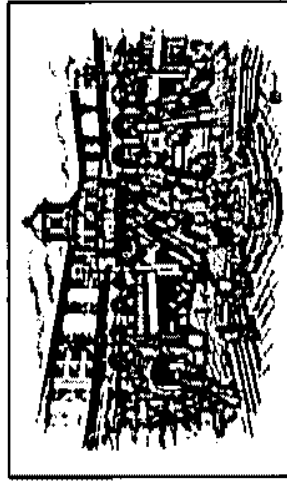


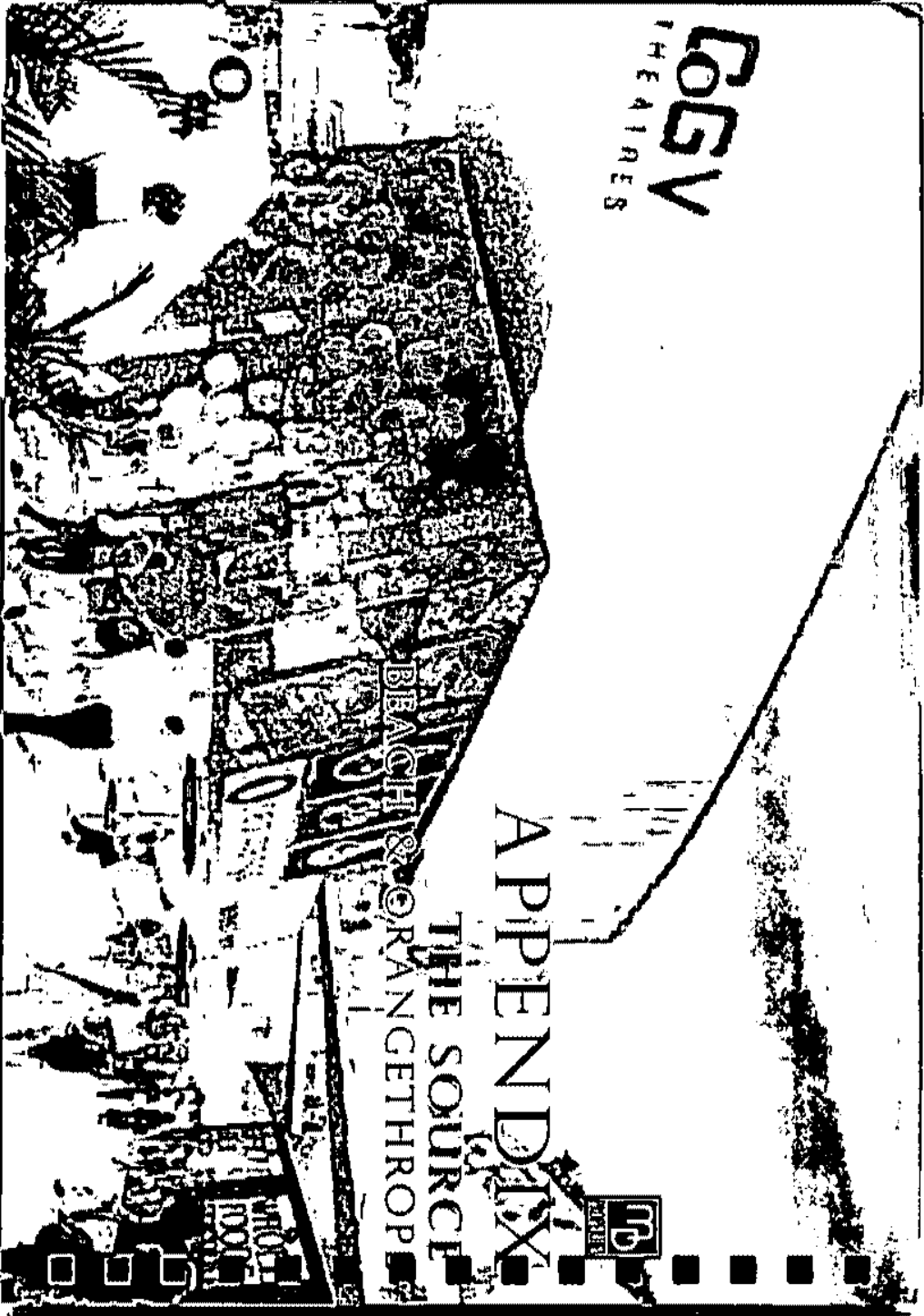
PIAZA MEXICO EXPANSION

PIAZA MEXICO EXPANSION

The Company is currently in the development phase of a proposed expansion to Plaza Mexico. The proposed project will be a mixed-use development, including up to 700 condominiums, approximately 46,500 square meters (approx. 500,000 square feet) of additional retail, and approximately 3,700 above and below-ground parking spaces. Upon its completion, Plaza Mexico will become a place to live, shop, work, and play.

The expansion will incorporate many of the features that have made Plaza Mexico so successful, including open plazas, fountains, gardens and retail arcades.





COGI
THEAIRE

APPENDIX

THE SOURCE
BEACH & ORANGETHROP

mb
1988

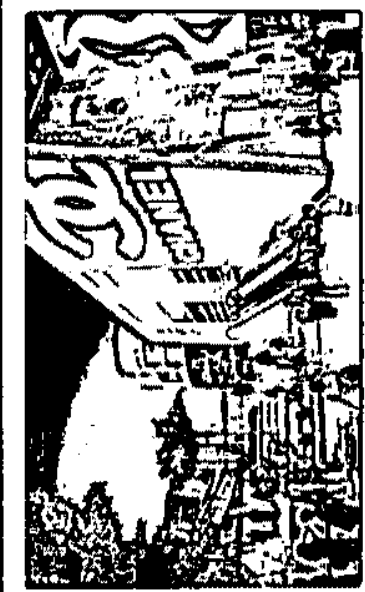
The Source at Buena Park Project Brief

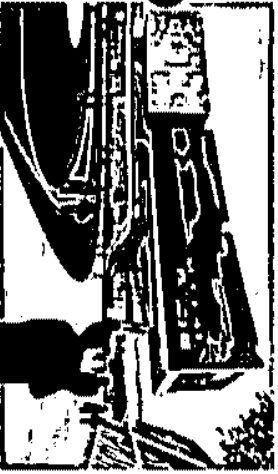
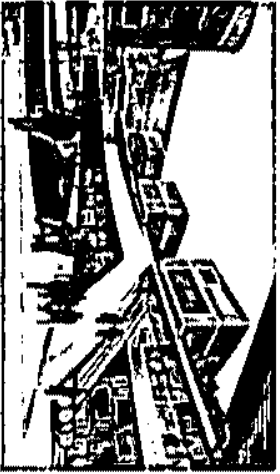
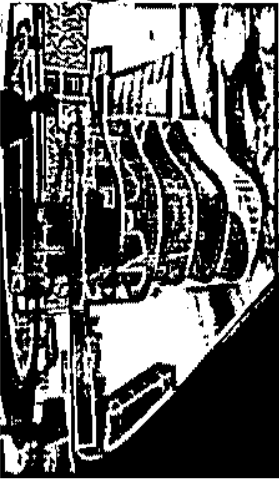
Program :: The Source is a proposed true mixed-use urban node anchoring the northern boundary of Buena Park's Entertainment Zone, or "E-Zone."

This project will become a trend setter, not only in Buena Park but in all of Southern California, demonstrating a modern vision for exciting and humanistic urban living which looks purposefully forward. The Source will positively shape the image of Buena Park in the eyes of the world.

The heart of this new center is a world class shopping and entertainment development which fulfills a need in the surrounding community and becomes a world recognized destination experiences and architectural icons. The shopping experience will be a diverse mixture of world class retailers, restaurants, cinema and live fitness facilities, which when seen as a whole, will define a new model for retail in Orange County. The unique mixture of business will attract a wide range of underserved people from different economic, age, gender and cultural backgrounds, while positioning itself towards the modern and higher end of the spectrum.

The Source will be a place that is comfortable and exciting for all people to visit, enjoy and live. The "source" of The Source is wellness - a focus on the total well being for guests, employees, and the community. Employees will be encouraged to work together, and draw in inspiration for the besting power of water. Water emerges in 11 locations throughout the Source, and flows naturally in rivers, lakes, the retail and spa experience in the future office, hotel and residential uses, and outward to the rest of the district.





The Site :: The site for The Source is 12.5 acres in the heart of Buena Park in Northern Orange County, California. The area's demographic makeup over the past generation has shifted and fast becoming an upscale, ethnically diverse and forward thinking 21st century reality. Bounded by Beach Boulevard along the west and Orangefarmer Boulevard on the south, the site is strategically located at the confluence of the 5 and 91 Freeways.

With the opportunity to play an important role in the redevelopment of Buena Park, the site anchors at the northern end of the Buena Park Entertainment Corridor Specific Plan or "E-Zone." The City of Buena Park is an active supporter and partner in the development of the project.

This project will provide a critical injection of urban energy into the E-Zone as well as providing the spark for other developments in Buena Park and the surrounding areas of North Orange County. The Source brings together the vigor and excitement of the world's best shopping and urban environments with a genuine sense of place in Buena Park.

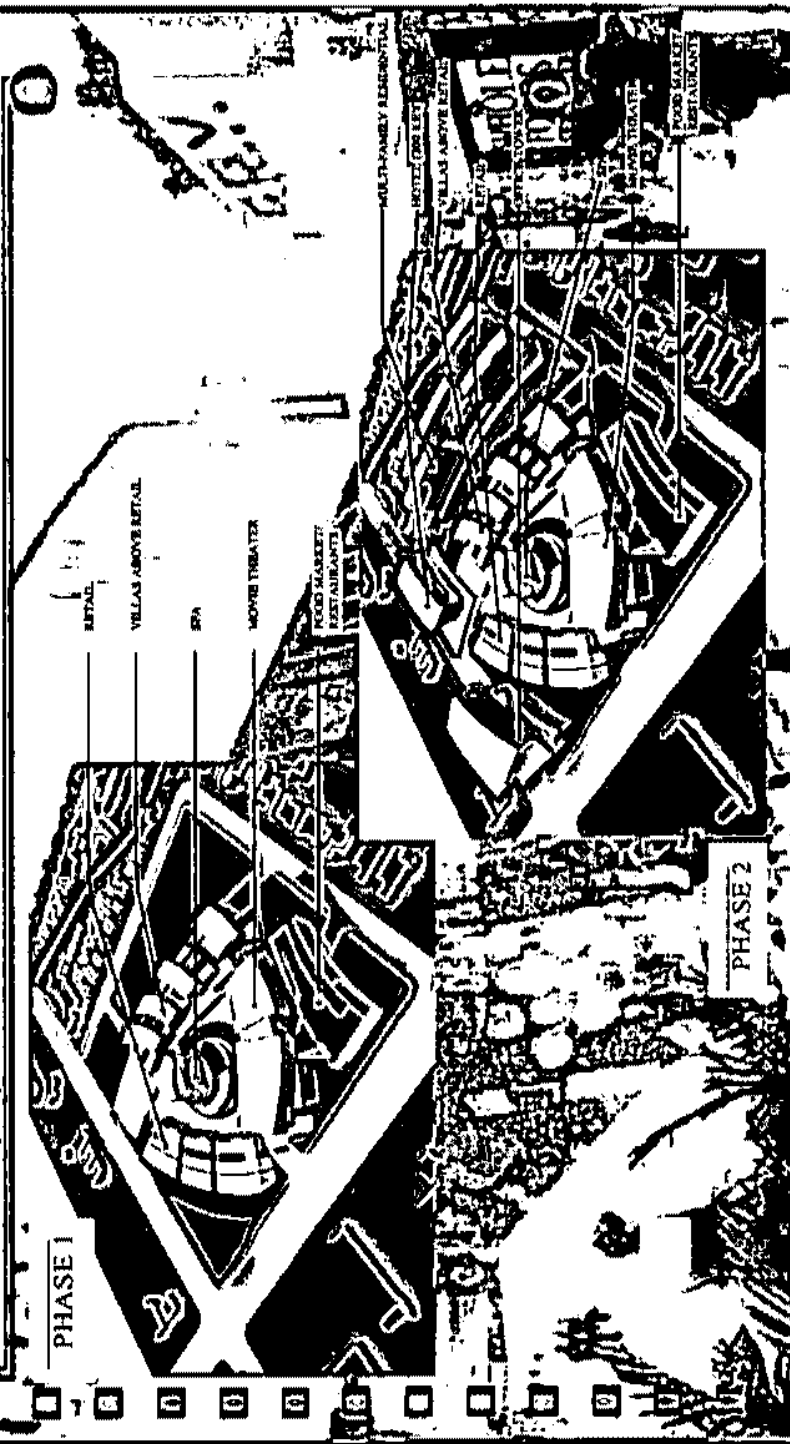
The modern innovative spirit and energy of Tokyo, New York, Seoul and Hong Kong are not found in many districts of the Southern California region, while the laid back beauty and natural amenities of this region are not found anywhere else in the world.

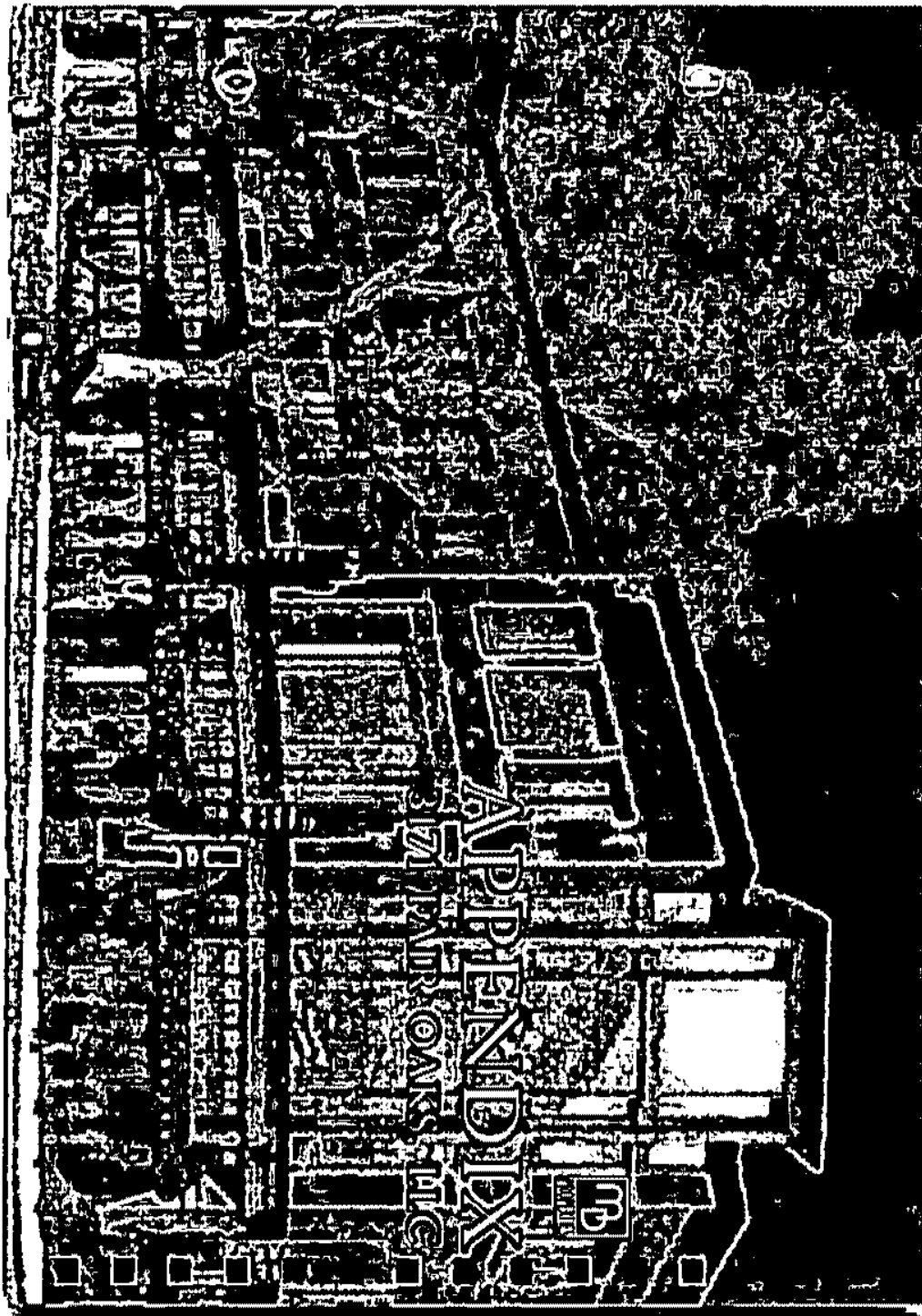
So why not combine the two into a new livable model for urban excitement and beautiful, sustainable living in one place? The Source brings these elements together in a unique and powerful way that is relevant for the future.



The project is divided into two phases:

- Phase 1, which totals 1.6 million gross sq ft (including 3 levels of below ground parking) is primarily made up of 450,000 sq ft of retail with the balance in a small residential component.
- Phase 2 totals 1.4 million sq ft which is composed of a 200,000 sq ft corporate office tower, 130,000 sq ft of residential, a 197 key hotel with some additional retail and convenient components.
- Parking requirements for 3,700 total stalls will be met through a mixture of below grade and above grade structured garages, with exclusive VIP parking services for specialty users.





Description of Property

The Property consists of 21-71 Fair Oaks Avenue and 26-40 Mills Place, Pasadena, California. The Property is located at the northwest corner of South Fair Oaks Ave. and Green Street. The Property currently consists of a 41,643 square foot lot and the improvements thereon, including five buildings totaling 20,166 square feet, which have retail and/or office uses, and a parking lot.

Description of the Project

The Project consists of the development of a retail/office building on the parking lot portion of the Property for retail and office uses. The new building will consist of three floors with a gross area of 33,222 square feet. The Project also will have three levels of underground parking for 125 cars.

The Project

Zoning	CD-1 (Central District Specific Plan)
Property Type	Commercial & Office
Construction to Commence	July 2009 to Dec. 2009
Height	3-Stories
Parking Improvement	3 level underground parking
Building Area	Approx. 74,992 Gross SF
New SF	Approx. 36,029 Gross SF with underground parking for 125 parking spaces
Land Area	0.9 acres or 39,763 square feet
Entitlement	Public Hearing Officer for CUP

LOCATION

Located at the northwest corner of South Fair Oaks and A Street. Just one block south of Columbia Blvd.

Investment & Property Highlights

Strong future income growth potential

One of the most desirable cities in Southern California

Additional parking through nearby public parking structures

Gold Line Station near the project

Strong retail and office market

Great mix of retail demographics

Class A mixed-use project in Prime

Old Town Pasadena

Neighborhood Demographics

Total Population

Households

Ave Household Income

Pct Single Income

Median Household Income

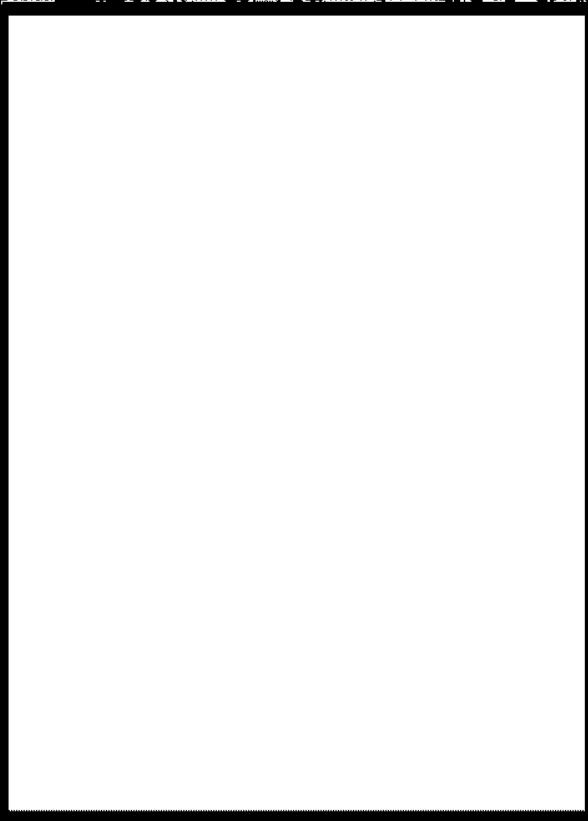
11,657

4,790

\$12,570

\$55,804

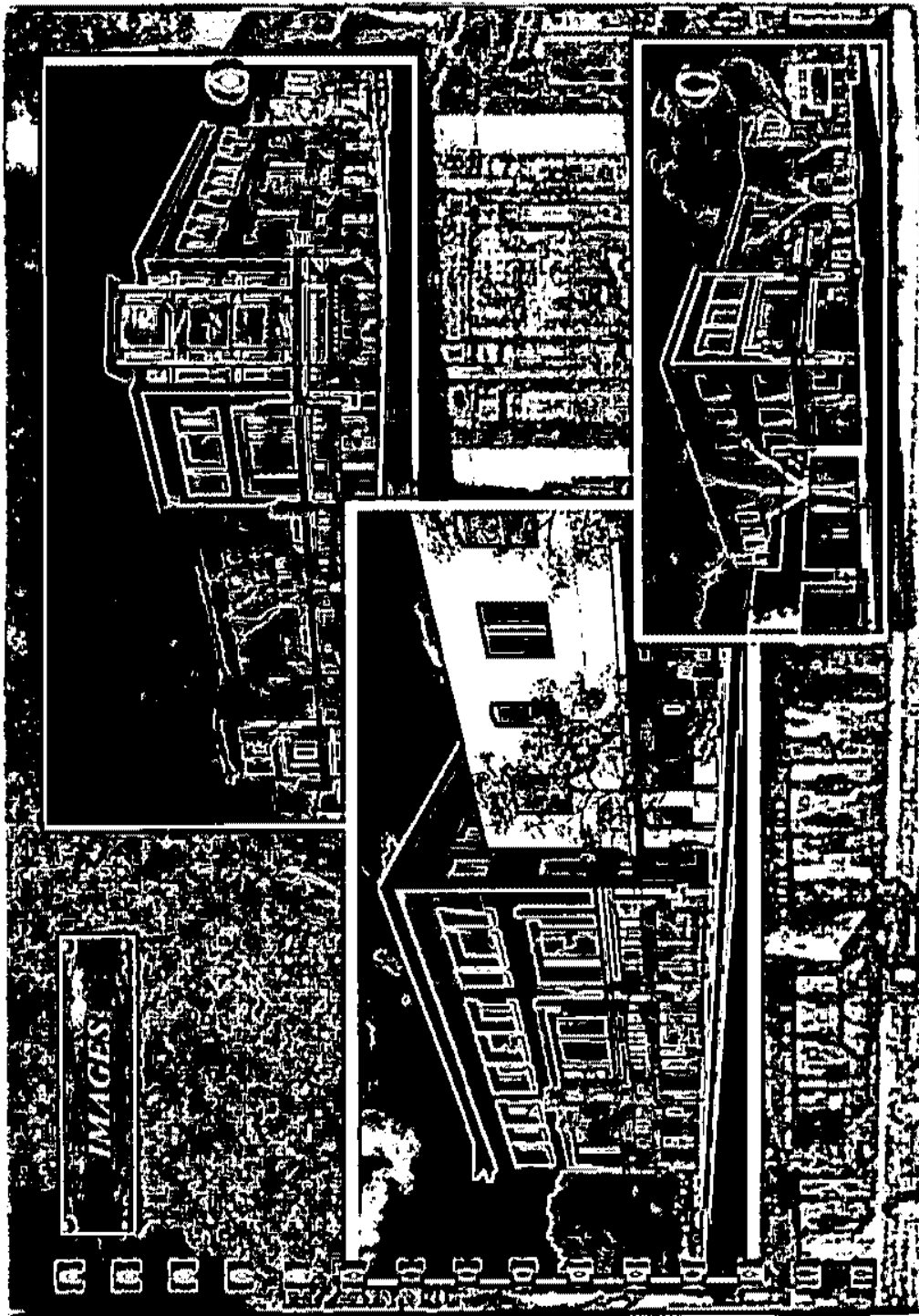
\$87,319

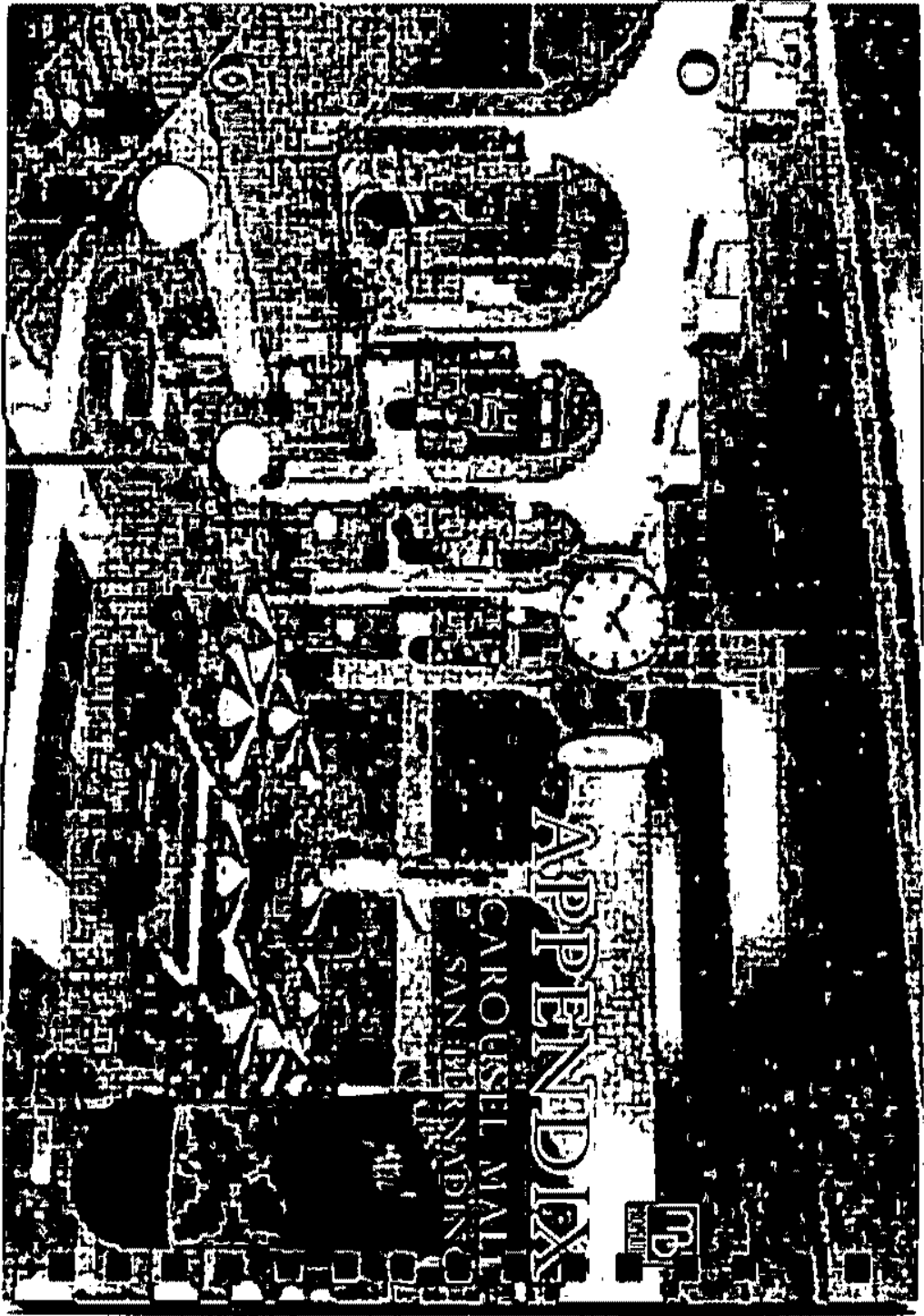


Property Boundary

New Construction area

(b)(4)





Description of the Property

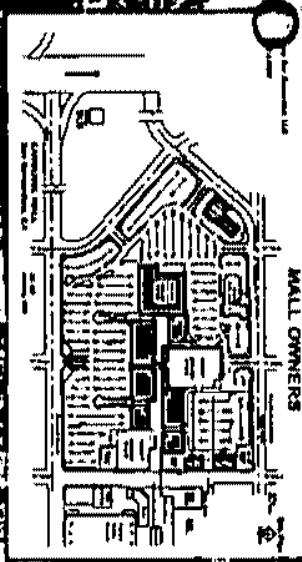
Plazo San Bernardino, LLC's Delaware limited liability company (the "Company"), acquired 475,000 square feet of what is currently known as "Carousel Mall" (the "Property"). The Property is located in the redeveloping downtown area of San Bernardino, California, which is approximately 50 miles east of Los Angeles City. The City of San Bernardino (the "City") has grown tremendously in recent years as a result of the increased number of jobs and the availability of relatively affordable housing in the area.

Construction of the Property was completed in 1972. The Property functioned as a regional shopping mall until approximately 2003 when the last of the 3 department stores anchoring the Property closed its doors. The Property has since been substantially vacant and used largely for office space. Prior to the Company's acquisition of the Property, approximately 50% of the Property was vacant.

Description of the Project

The Company believes that the best strategy for maximizing the value of the Property is to reposition it as a retail center that fits the demographic characteristics of the communities near the Property, which the Property's current configuration as a regional shopping mall does not accomplish. Since the majority of people who live in the City and the County of San Bernardino are of Latino descent, the Company intends to redevelop the Property into a lifestyle shopping center, incorporating many of features found in Plaza Mexico. As with Plaza Mexico, the Property will offer a vibrant, Mexican cultural experience featuring open plazas, promenades, lush landscape fountains, and colonial architecture often found in small towns of Mexico. Lifestyle shopping centers have been the fastest growing retail format in the U.S. Lifestyle shopping centers such as Plaza Mexico offer a number of advantages over traditional shopping malls such as Carousel Mall. Unlike a traditional regional shopping mall, lifestyle shopping centers create an atmosphere (independent of or in combination with its retail stores) that draws and holds people. Shoppers who visit a lifestyle center frequently stay longer than they would stay at a shopping mall. Also, lifestyle centers are often cheaper to operate than shopping malls.

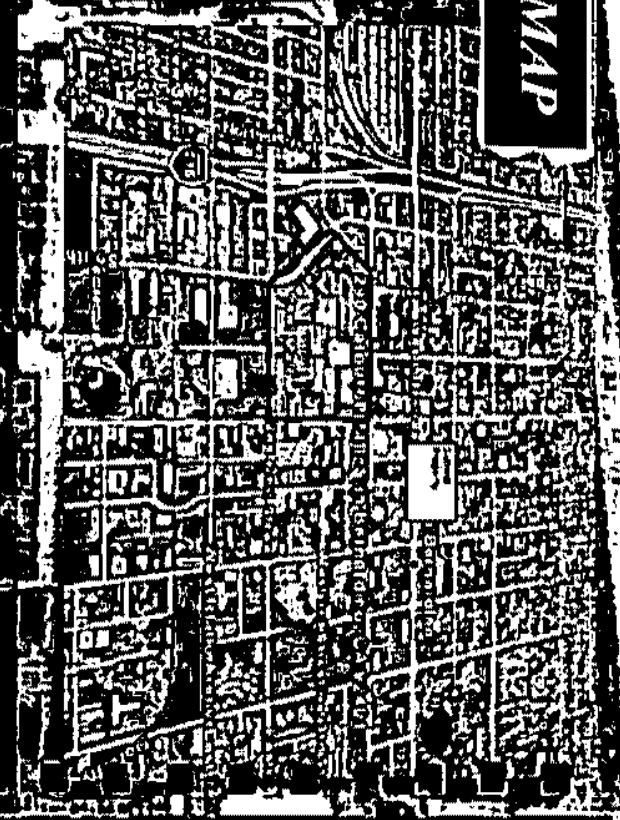
LOCATION & SITE MAP

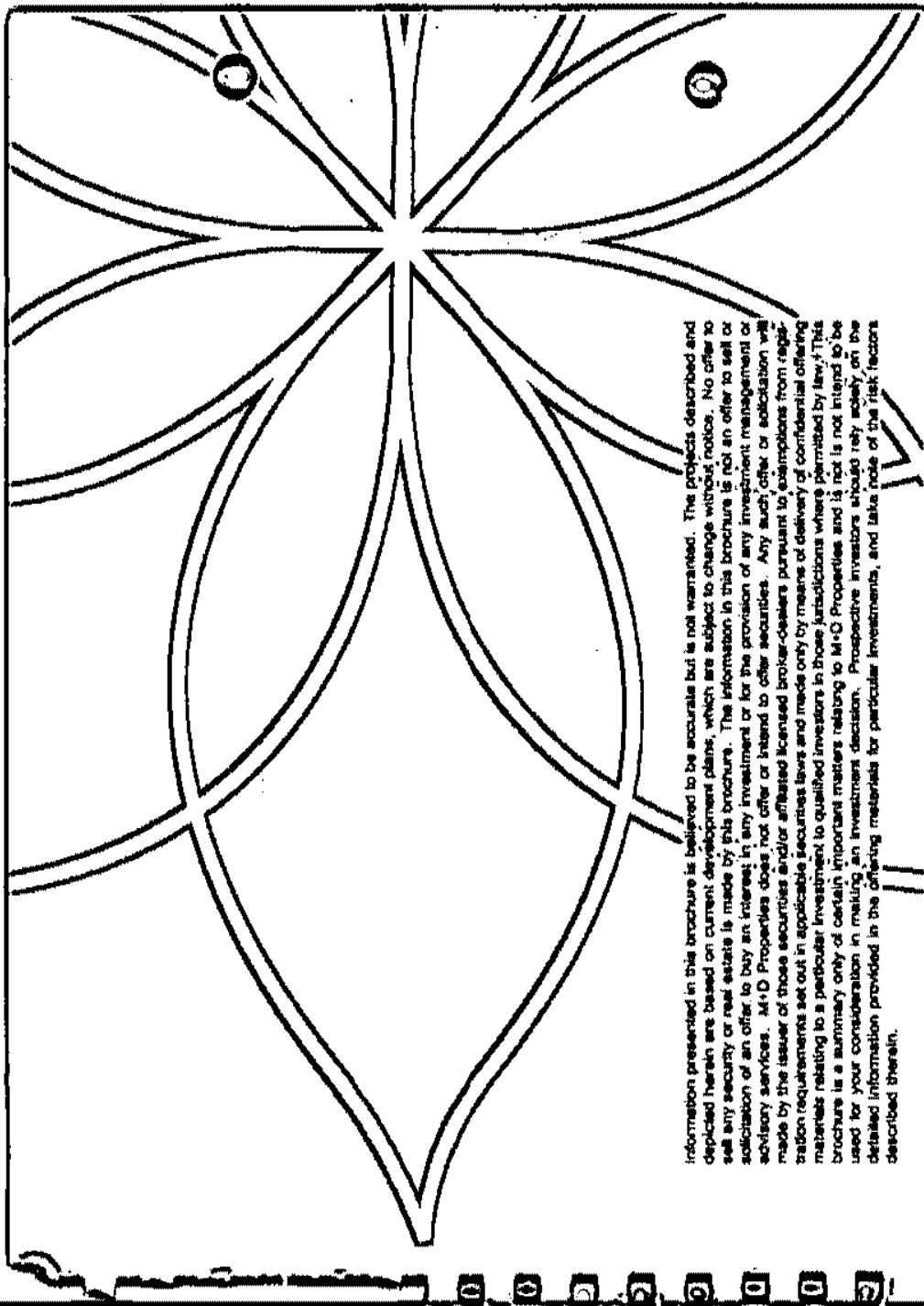


The Property is located in the downtown area of the City, close to the 215 freeway. The downtown area is home to the historic California Theater, which features Broadway plays, musicals and cultural shows from the San Bernardino Symphony Orchestra, and the U.S. Ball stadium for the Inland Empire 66ers, the Class "A" affiliate of the Los Angeles Dodgers baseball team.

Court Street Square is located in the downtown area and used for a number of events, including the Route 66 Renaissance, where 500,000 classic cars from around the globe take part in a parade. As the county seat of San Bernardino County, the majority of the County's governmental offices and courthouses are located in the downtown area of the City.

Many state government offices, including the regional operations for Caltrans (the Department of Transportation for the state of California) are also located in the downtown area of the City.





Information presented in this brochure is believed to be accurate but is not warranted. The projects described and depicted herein are based on current development plans, which are subject to change without notice. No offer to sell any security or real estate is made by this brochure. The information in this brochure is not an offer to sell or solicitation of an offer to buy an interest in any investment or for the provision of any investment management or advisory services. M+D Properties does not offer or intend to offer securities. Any such offer or solicitation will be made by the issuer of those securities and/or affiliated licensed broker-dealers pursuant to exemptions from registration requirements set out in applicable securities laws and made only by means of delivery of confidential offering materials relating to a particular investment to qualified investors in those jurisdictions where permitted by law. This brochure is a summary only of certain important matters relating to M+D Properties and is not intended to be used for your consideration in making an investment decision. Prospective investors should rely solely on the detailed information provided in the offering materials for particular investments, and take note of the risk factors described therein.

Austri, Duane A

From: Kruszka, Robert F
Sent: Friday, January 22, 2010 5:11 PM
To: Austria, Duane A: 'alex_youm@plazamexico.com'
Subject: Re: Annual Regional Center Compliance Letter: M&D Regional Center

Mr. Youm:

Wait to hear back from from us on Monday. I may have your response in my office. It was a busy day, no time to open the mail. Robert Kruszka

----- Original Message -----

From: Austria, Duane A
To: Alex Youm <alex_youm@plazamexico.com>
Cc: Kruszka, Robert F
Sent: Fri Jan 22 16:55:38 2010
Subject: RE: Annual Regional Center Compliance Letter: M&D Regional Center

Mr. Youm: Please send another hardcopy for our review. Thank you for your follow-up!

Best regards,

Duane A. Austria

Supervisory Immigration Services Officer, Detailee

HQS, SCOPS, USCIS

Office (202) 272-0920

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From: Alex Youm [mailto:alex_youm@plazamexico.com]
Sent: Friday, January 22, 2010 1:42 PM
To: Austria, Duane A
Cc: 'Young Kim'
Subject: Annual Regional Center Compliance Letter: M&D Regional Center

Hello Duane A. Austria,

I am writing in regards to the Annual Compliance Letter by the M&D Regional Center. I also left you a voicemail to see if you have received the compliance letter today. The compliance letter was sent last week as a certified mail, but it has gotten lost in transit by the USPS. Attached is a receipt of the transaction. I have already contacted the USPS and they are trying to locate the compliance letter.

If possible, I can send you a scanned compliance letter via email for you to begin the

review process immediately, and send you another hardcopy today.

Regards,

Alex Youm

M&D Regional Center, LLC

3100 E. Imperial Hwy

Lynwood, CA 90262

(310) 631-6787

Austria, Duane A

From: Alex Youm [alex_youm@plazamexico.com]
Sent: Friday, January 22, 2010 1:42 PM
To: Austria, Duane A
Cc: 'Young Kim'
Subject: Annual Regional Center Compliance Letter: M&D Regional Center

He) Duane A. Austria,

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If possible, I can send you a scanned compliance letter via email for you to begin the review process immediately, and send you another hardcopy today.

Regards,

Alex Youm

M&D Regional Center, LLC
3100 E. Imperial Hwy
Lynwood, CA 90262
(310) 631-6787

M & D

Austria, Duane A

From: Austria, Duane A
Sent: Thursday, January 21, 2010 12:21 PM
To: 'mc@plazamexico.com'
Cc: Kruszka, Robert F
Subject: Annual Regional Center Compliance Letter: M&D Regional Center
Attachments: RC Compliance Letter Data Request 1-21-10.doc; NAICS Codes.doc

Greetings Mr. Min Chae:

We have not received your response to our Regional Center compliance letter sent on December 1, 2009. Your immediate submission of compliance information is requested. The text of our letter is attached for your review and action. To assist you and highlight the most critical data elements we require, please note the below information: (b)(4)



If you have any questions, please call or email our office.

Best regards,
Duane A. Austria
Supervisory Immigration Services Officer, Detailee
HQS, SCOPS, USCIS
Office (202) 272-0920

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1/21/2010

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MD Regional Center



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EB-5

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Thank you for your interest in M&D Regional Center.

If you have any questions regarding the M&D Regional Center, please review our FAQs for more information. More information about M&D RC is available by sending an e-mail to info@mdregionalcenter.com. You will then be provided the necessary information.

No offer to sell any security is made by this website. Offerings will be made pursuant to registration requirements set out in applicable securities laws. This website is a source of important matters relating to the Fund and is qualified in its entirety by the detailed materials. Prospective investors should take note of the risk factors described therein.

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FREE RECORDING
REQUESTED PURSUANT
TO GOV CODE 8103

45

Record at the Request
Of And When Recorded
Mail To:

Shalice Reynoso
City Clerk
6650 Beach Boulevard
Post Office Box 5009
Buena Park, California 90622

Recorded in Official Records, Orange County
Tom Daly, Clerk-Recorder

NO FEE

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**DEVELOPMENT AGREEMENT NO. DA08-003, CONCERNING PROPERTY
LOCATED AT 6940 BEACH BOULEVARD, BUENA PARK, CALIFORNIA**

THIS AGREEMENT is made and entered into as of the "Effective Date" set forth herein by and between 6940 BEACH LLC, a California limited liability company ("Developer") and the CITY OF BUENA PARK, a municipal corporation organized and existing under the laws of the State of California ("City").

TP
BENF

WITNESSETH:

A. Recitals.

(i) California Government Code Section 65864, et seq. authorizes cities to enter into binding development agreements with persons having legal or equitable interests in real property for the development of such property.

(ii) Developer owns or has an equitable interest in and to all that real property located entirely within City, the common and legal description of which is set forth in Exhibit "A," attached hereto and incorporated herein by this reference and, subject to the provisions of Paragraph 3 below, hereinafter is referred to as the "Site."

(iii) The Site is currently designated within the General Plan as "Tourist Entertainment, Commercial, and Low-Density Residential" and is zoned ECSP (Entertainment Corridor Specific Plan), CG (Commercial General), and RS-6 (One-Family Residential); The Developer is proposing General Plan Amendment No. GP08-003 and Zone Change No. Z08-002 to change the current designation within the General Plan to "Tourist Entertainment" as well the zoning to BOMUSP (Beach-Orangethorpe Mixed Use Specific Plan) pursuant to City General Plan and Specific Plan policies as well as the provisions of the City's Zoning Ordinance and Zoning Map. The Developer and the City desire to provide through this Development Agreement more specific development controls on the Site, which will provide for maximum efficient utilization of the Site in accordance with enhanced planning principles.

(iv) On October 14, 2008, City adopted its Ordinance No. 1525, thereby approving this Development Agreement with Developer and said Ordinance was effective on November 14, 2008.

B. Agreement.

NOW, THEREFORE, the parties hereto agree as follows:

1. Definitions. In this Agreement, unless the context otherwise requires, the following terms shall have the following meaning:

- a. "City" is the City of Buena Park.
- b. "Developer" is 6940 BEACH LLC, a California limited liability company.
- c. "Development Plans" are those conceptual land use plans and specifications illustrated within the Beach-Orangethorpe Mixed Use Specific Plan attached hereto, marked as Exhibit "B" and incorporated herein by this reference, comprised of documents including, but not limited to, conceptual site plans, guiding principles, objectives, standards, and regulations, circulation plans, and architectural imagery stamped "RECEIVED OCTOBER 14, 2008 PLNG. DIV." The Project also includes the records of applications by Developer, the proceedings before the Planning Commission and City Council, and all such records and files in these matters are incorporated herein by this reference as though set forth in full.
- d. "Project" is that development approved for the Site as provided in this Development Agreement comprised of a mixed use development featuring world-class upscale retail, restaurants, entertainment, residential, hotel, and office uses as well as parking and open space amenities as provided pursuant to a General Plan Amendment changing the land use designation from "Tourist Entertainment, Commercial, and Low-Density Residential" to "Tourist Entertainment," and Zone Change from ECSP (Entertainment Corridor Specific Plan), CG (Commercial General), and RS-6 (One-Family Residential) to BOMUSP (Beach-Orangethorpe Mixed Use Specific Plan), on property located at the northeast corner of Beach Boulevard and Orangethorpe Avenue, all as reflected in the Development Plans attached hereto as Exhibit "B".
- e. "Effective Date" shall mean the date that this Agreement is fully executed.

2. Recitals Incorporated. The recitals are part of this Agreement and shall be enforced and enforceable as any other provision of this Agreement.

3. Interest of Property Owner. Developer warrants and represents that it has full legal title in or an equitable interest to the Site; that it has full legal right to enter into this Agreement; and that the persons executing this Agreement on behalf of Developer have been duly authorized to do so. As Developer acquires fee title to parcels or other discrete areas, located and specifically identified within the area subject to the Beach-Orangethorpe Mixed Use Specific Plan (the "Specific Plan"), such parcels or areas may be made a part of this Agreement in accordance with the provisions of Section 14 of this Agreement.

4. Binding Effect of Agreement. Developer hereby subjects the Project and the land described in Exhibit "A" hereto to the covenants, reservations and restrictions as set forth in this

Agreement. The City and the Developer hereby declare their specific intent that the covenants, reservations and restrictions as set forth herein shall be deemed covenants running with the land and shall pass to and be binding upon Developer's successors and assigns in title or interest to the Project. Each and every contract, deed or other instrument hereinafter executed, covering or conveying the Project or any portion thereof shall conclusively be held to have been executed, delivered and accepted subject to the covenants, reservations and restrictions expressed in this Agreement, regardless of whether such covenants, reservations and restrictions are set forth in such contract, deed or other instrument.

The City and Developer hereby further declare their understanding and intent that the benefit of such covenants touch and concern the land by enhancing and increasing the enjoyment and use of the Development by Developer and the future occupants of the Project, the intended beneficiaries of such covenants, reservations and restrictions, and by furthering the public purposes for which this Agreement is adopted.

5. **Relationship of Parties.** It is understood that the contractual relationship between City and Developer is such that Developer is an independent party and is not the agent of City for any purpose whatsoever and shall not be considered to be the agent of City for any purpose whatsoever.

6. **Term of Agreement.** Subject to Paragraph 7, the term of the Agreement shall commence on the effective date and shall expire December 31, 2028, so long as no Event of Default, as defined in Paragraph 17 hereinbelow, shall have occurred.

7. **Construction.** Developer shall have five (5) years from the Effective Date to commence construction. If the Developer has not initiated work on the Site or associated required public improvements within the time period specified to do so in this Paragraph 7 pursuant to a building permit or permits issued by the City, this Development Agreement shall be considered null and void and of no force or effect, and the development of the Site then and thereafter shall be governed accordingly by the then current provisions of the City's General Plan and Zoning Ordinance and/or applicable specific plan and/or zoning category succeeding thereto. Developer shall not have an affirmative obligation to construct the Project. For good cause, prior to expiration, this Development Agreement may be renewed for a maximum of one (1) two (2) year extension by the City Council. For the foregoing purpose, construction work shall not include preparation of plans, engineering work or grading activities. Any and all construction by Developer shall be pursuant to detailed plans and specifications, including elevations, heights, footprints, and exterior designs, approved in advance by the City in accordance with all applicable Codes of the City.

8. **Assignment.** Developer shall have the right to sell, mortgage, hypothecate, assign or transfer the Site to any person or entity at any time during the term of this Development Agreement. Any such transfer shall be deemed to include an assignment of all rights, duties and obligations created by this Development Agreement with respect to all or any portion of the Site. The assumption of all of the obligations of Developer under this Agreement pursuant to any such transfer shall relieve Developer, without any act or concurrence by the City, of its legal duty to perform those obligations except to the extent that Developer is in violation with respect to any and all obligations at the time of the proposed transfer.

9. General Standards and Guiding Principles Pertaining to Development of the Site.
The following specific restrictions and guiding principles shall apply to the use of the Site pursuant to this Development Agreement:

- a. Developer shall have the right to develop the Project on the Site in accordance with the terms and conditions of this Agreement and City shall have the right to control development of the Site in accordance with the provisions of this Agreement.
- b. The types, density, intensity, and configuration of uses allowed, size, and location of the buildings and other improvements and provisions for the reservation or dedication of land for public purposes, location of public improvements, together with other terms and conditions of development applicable to the Site, shall be as set forth in this Development Agreement and the attached Development Plans, as conditioned.
- c. The Project shall provide a walkable downtown environment, providing the conveniences and attractions of a city, interspersed with generous pedestrian paths and open space.
- d. The Project shall establish a sense of place created by an architecture that communicates a receptive quality and a clear notion of destination but still connected to the surrounding community.
- e. The architecture shall be scaled to provide backdrop, support, and amenities for pedestrian activities and special events.
- f. The overall collection of buildings and spaces shall create a unique identity for the Project and elevate the surrounding area and street audience with both contemporary and cutting edge urban iconography designed specifically for the Project.
- g. The development shall include iconic elements created by tower-like structures and massing articulated by the different uses on the Site.
- h. The highest quality materials shall be used throughout the Project to help achieve the world-class design aspirations of the City and property owner, as well as future residents and businesses.
- i. The architecture, together with carefully crafted open spaces and amenities such as water features, environmental graphics, lighting, multi-media opportunities, shall define the unique quality of the Project.
- j. This Agreement shall not become operative and Developer shall have no rights hereunder, unless and until General Plan Amendment No. GP08-003 and Zone Change No. Z08-002 become effective.
- k. The Project and all aspects of its design and construction, shall comply with any and all local, state, and federal laws, statutes, codes, standards, policies, rules

and regulations, including, but not limited to, federal accessibility regulations and standards (ADA).

10. **Effect of City Regulations on Development of Project.** Except to the extent that they conflict with this Development Agreement, all substantive and procedural requirements and provisions contained in City's ordinances, General Plan, specific plans, rules and regulations, including, but not limited to, the Zoning Ordinance, in effect as of the effective date of this Development Agreement, shall apply to the construction and development of the Site, including, but not limited to, site plan and design review.

- a. The provisions of this Paragraph 10 shall not preclude the application to the development of the Site those changes in City ordinances, regulations, plans or specifications which are specifically mandated and required by changes in state or federal laws or regulations as provided in California Government Code Section 65869.5 or any successor provision or provisions.
- b. The payment of fees associated with the construction of the Project, including land use approvals, development fees, building permits, etc., shall be determined at the time application is made for such approvals or permits. Fees payable to the City shall be determined in accordance with the fee structure in effect as of the date of this Agreement.
- c. City may apply any and all new ordinances, rules, regulations, plans and specifications to the development of the Site after the effective date provided such new rules and regulations do not conflict with the terms of this Development Agreement.
- d. Nothing herein shall prevent the application of health and safety regulations (i.e., fire, building, seismic, plumbing and electric codes) that become applicable to the City as a whole.

11. **Permitted Land Uses.**

The Site shall be developed with a mixed use development consistent with the development limitations and standards contained within the Beach-Orangethorpe Mixed Use Specific Plan including up to the following:

- 355,000 sq. ft. of retail space
- 300-room (approximately 277,000 sq. ft.) hotel in a multi-level landmark building with conference facilities
- 1,000 multifamily residential units
- 195,000 sq. ft. office space per marketplace demands in lieu of 177 multifamily residential units
- 350,000 sq. ft. of open area amenities

City acknowledges that if the Site does not consist of the entire area that is subject to the Specific Plan, then with the written consent of the Director of Development Services, some of the improvements described above may be reduced in size or not developed.

12. **Annual Review.** During the term of this Development Agreement, City shall annually review the extent of good faith compliance by Developer with the terms of this

Development Agreement. Developer shall file an annual report with the City indicating information regarding compliance with the terms of this Development Agreement during the preceding calendar year no later than March 31 of each calendar year. Developer shall have the right to cause the annual report to be filed by the lessees then occupying the Site provided, however, that a failure by any such lessee to file the required report shall not relieve Developer from the filing requirement.

13. Indemnification. To the maximum extent permitted by law, Developer shall defend, indemnify and hold City and its elected officials, officers, agents, employees and volunteers, free and harmless with respect to any and all liabilities, including liability for damage or claims for damage for personal injuries, including death, all economic loss of any nature, and property damage, alleged to arise, directly or indirectly, from the City's entering this Agreement, or from the operations, acts and/or omissions of Developer, and/or those of Developer's contractor, subcontractor, agent, employee or other person acting on its behalf, relating to or connected with, the design, construction, maintenance and/or operation of the Project or the Permitted Uses. This hold harmless, defense and indemnity provision applies to all liabilities, claims and damages suffered or alleged to have been suffered, regardless of whether or not the City prepared, supplied or approved the plans, specifications or other documents for the Project, or inspected the Project, and said hold harmless, defense and indemnity provision shall survive the expiration or sooner termination of this Development Agreement.

14. Amendments. The City Council hereby delegates authority to the Director of Development Services (the "Director") to approve in writing increase(s) to the total area of the Site, by adding additional parcels or discrete areas identified in the Specific Plan, upon written request of the Developer. The City agrees that such approval shall be given by the Director within twenty (20) days after Developer's request unless within that time the Director provides notice to Developer, which shall include a reasonably detailed explanation, that any of the following are true: (a) Developer is in default under this Agreement and such default has not been cured or remedied; (b) as a result of the configuration and type of development of the Site that has occurred between the date of this Agreement and the date of the Director's response, the inclusion of the additional parcel(s) or discrete area(s) requested by Developer is not consistent with the goals and objectives of the Specific Plan; or (c) the inclusion of the additional parcel(s) or discrete area(s) requested by Developer would result in activity not within the scope of any previously certified environmental impact report and thus requires further review under CEQA. Any disapproval shall be without prejudice to Developer's right to renew its request for the inclusion of such additional parcel(s) or discrete area(s) in the event of a change in the relevant facts or circumstances.

Any such approval shall not become effective unless and until the Developer acknowledges in writing that such additional parcel or area shall be subject to all terms and conditions of this Agreement, and the Developer provides evidence satisfactory to the Director of having recorded a new Exhibit "A" to this Agreement accurately and legally describing the Site, as amended. Thereafter, use and development of the added area or parcel shall be subject to any and all requirements of Section 10 hereof.

15. Minor Amendments to Development Plans. Upon the written application of Developer, minor modifications and changes to the Development Plans including modifications to building design or footprint not affecting setbacks, parking layout and design, and landscape area design may be approved by the Director of Community Development. Other changes in the Development Plans, or plans and specifications approved by the City as required by

Paragraph 7, may be processed through a Conditional Use Permit or Site Plan, as determined by the Director of Community Development, pursuant to the City Zoning Ordinance.

16. **Enforcement.** In the event of a failure to comply with the provisions of this Agreement in any material respect (hereafter a "violation") by Developer, City shall give written notice to Developer (or its successor) by registered or certified mail addressed at the address stated in this Agreement, and if such violation is not corrected to the reasonable satisfaction of City within thirty (30) days after such notice is given, or if not corrected within such reasonable time as may be required to cure the breach if said violation cannot reasonably be cured within thirty (30) days (provided that acts to cure the violation must be commenced within said thirty (30) days and must thereafter be diligently pursued by Developer), then City may, without further notice, declare an Event of Default under this Agreement pursuant to Paragraph 17 hereinbelow and, upon any such declaration of an Event of Default, City may bring any action necessary to specifically enforce the obligations of Developer growing out of the operation of this Development Agreement, apply to any court, state or federal, for injunctive relief against any violation by Developer of any provision of this Agreement, or apply for such other relief as may be appropriate.

17. **Event of Default.** An "Event of Default" shall have occurred under this Agreement upon the happening of one or more of the following events or conditions:

- a. If a material warranty, representation or statement is made or furnished by Developer in writing to City in this Agreement or in any annual report to be filed by Developer pursuant to Paragraph 12 hereinabove and is false or proved to have been false in any material respect when it was made;
- b. If a finding and determination is made by City following an annual review pursuant to Paragraph 12 hereinabove, upon the basis of substantial evidence, that Developer has not acted in good faith to comply with any material terms and conditions of this Agreement, after notice and opportunity to cure as described in Paragraph 16 hereinabove; or
- c. A breach by Developer of any of the provisions or terms of this Agreement, after notice and opportunity to cure as provided in Paragraph 16 hereinabove.

18. **No Waiver of Remedies.** City does not waive any claim of defect in performance by Developer if on periodic review City does not enforce any provision of this Agreement. Nonperformance by Developer shall not be excused because performance by Developer of the obligations herein contained would be unprofitable, difficult or expensive or because of a failure of any third party or entity, other than City. All other remedies at law or in equity which are not otherwise provided for in this Agreement are available to the parties to pursue in the event that there is a breach of this Development Agreement. Waiver by City of any violation under this Development Agreement shall not be deemed to be a waiver of any other subsequent violation hereunder.

19. **Rights of Lenders Under this Agreement.** Should Developer place or cause to be placed any encumbrance or lien on the Project, or any part thereof, the beneficiary ("Lender") of said encumbrance or lien shall have the right at any time during the term of this Agreement and the existence of said encumbrance or lien to:

- a. Do any act or thing required of Developer under this Agreement, and any such act or thing done or performed by Lender shall be as effective as if done by Developer;
- b. Realize on the security afforded by the encumbrance or lien by exercising foreclosure proceedings or power of sale or other remedy afforded in law or in equity or by the security document evidencing the encumbrance or lien (hereinafter referred to as "a trust deed");
- c. Transfer, convey or assign the title of Developer to the Project to any purchaser at any foreclosure sale, whether the foreclosure sale be conducted pursuant to court order or pursuant to a power of sale contained in a trust deed; and
- d. Acquire and succeed to the interest of Developer by virtue of any foreclosure sale, whether the foreclosure sale be conducted pursuant to a court order or pursuant to a power of sale contained in a trust deed.
- e. Should any Lender require or request an amendment of this Agreement in respect of the rights and remedies granted to a Lender, City hereby agrees to execute and deliver such an amendment so long as the proposed amendment does not materially and adversely affect the rights, powers, and remedies of the City in respect of a violation by Developer hereunder.

20. **Notice to Lender.** City shall give written notice of any violation under this Agreement by Developer to Lender (if known by City) and afford Lender the opportunity after service of the notice to:

- a. Cure the violation within thirty (30) days after service of said notice, where the violation can be cured by the payment of money;
- b. Cure the violation within thirty (30) days after service of said notice where the violation can be cured by something other than the payment of money and can be cured within that time; or
- c. Cure the violation in such reasonable time as may be required where something other than payment of money is required to cure the violation and cannot be performed within thirty (30) days after said notice, provided that acts to cure the violation are commenced within a thirty (30) day period after service of said notice of violation on Lender by City and are thereafter diligently continued by Lender.

21. **Action by Lender.** Notwithstanding any other provision of this Agreement, a Lender may forestall any action by City for a violation under the terms of this Agreement by Developer by commencing proceedings to foreclose its encumbrance or lien on the Project. The proceedings so commenced may be for foreclosure of the encumbrance by order of court or for foreclosure of the encumbrance under a power of sale contained in the instrument creating the encumbrance or lien. The proceedings shall not, however, forestall any such action by the City for the violation by Developer unless:

- a. They are commenced within thirty (30) days after service on Developer (and on Lender if Lender's address is directly provided to the City) of the notice described herein- above;
- b. They are, after having been commenced, diligently pursued in the manner required by law to completion; and
- c. Lender keeps and performs all of the terms, covenants and conditions of this Agreement requiring the payment or expenditure of money by Developer until the foreclosure proceedings are complete or are discharged by redemption, satisfaction or payment.

22. **Notice.** Any notice required to be given by the terms of this Agreement shall be provided by certified mail, return receipt requested, at the address of the respective parties as specified below or at any other such address as may be later specified by the parties hereto.

To Developer: 6940 BEACH LLC
3100 E. Imperial Hwy.
Lynwood, CA 90262
Attention: Donald Chae

With a copy to: Lim, Ruger & Kim, LLP
1055 West Seventh Street, Suite 2800
Los Angeles, California 90017
Attention: Real Estate Department

To City: City of Buena Park
6650 Beach Boulevard
Buena Park, California 90620
Attention: Joel W. Rosen, AICP
Director of Community
Development

23. **Attorneys' Fees.** In any proceedings arising from the enforcement of this Development Agreement or because of an Event of Default or alleged Event of Default hereunder, the prevailing party shall be entitled to recover its costs, reasonable attorneys' and experts' fees incurred during the proceeding as may be fixed within the discretion of the court.

24. **Binding Effect.** This Agreement shall bind, and the benefits and burdens hereof shall inure to, the respective parties hereto and their legal representatives, executors, administrators, successors and assigns, wherever the context requires or admits.

25. **Applicable Law.** This Agreement shall be construed in accordance with and governed by the laws of the State of California.

26. **Partial Invalidity.** If any provisions of this Agreement shall be deemed to be invalid, illegal or unenforceable, the validity, legality or enforceability of the remaining provisions hereof shall not in any way be affected or impaired thereby.

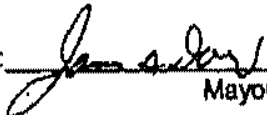
27. Recordation. This Agreement shall, at the expense of Developer, be recorded in the Official Records of the County Recorder of the County of Orange within ten (10) business days following the Effective Date. Upon the expiration of the terms of this Development Agreement, upon the request of the Developer, the City will execute and deliver, in recordable form, an instrument confirming that the provisions of this Agreement have expired.

28. Integrated Agreement. This Development Agreement, together with all Exhibits and attachments, constitutes the entire agreement between the parties with respect to the subject matter herein. Unless expressly set forth herein, no promise, representation or understanding, whether implied, express, written or verbal, by or between either or both of the parties, shall be binding or have any force or effect.

IN WITNESS WHEREOF, this Agreement has been executed by the parties and shall be effective on the effective date set forth hereinabove.

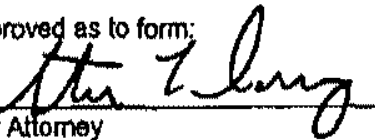
CITY OF BUENA PARK,
a Municipal Corporation

Dated: 11/12/08

By: 
Mayor

ATTEST: 
Shalice Reynolds, City Clerk
City of Buena Park

Approved as to form:


City Attorney

6940 BEACH LLC, a California limited liability company,

6940 BEACH LLC
a California limited liability company

By: *Donald Chae*

Name: Donald chae

Its: President

By: _____

Name: _____

Its: _____

ACKNOWLEDGMENT

State of California
County of Los Angeles

On October 24, 2008 before me, HANNA KIM, a Notary Public
(insert name and title of the officer)

personally appeared Donald chae

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s)

~~is/are~~ subscribed to the within instrument and acknowledged to me that ~~he/she/they~~ executed the same in ~~his/her/their~~ authorized capacity(ies), and that by ~~his/her/their~~ signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature [Signature] (Seal)
Signature of Notary Public



ACKNOWLEDGMENT

State of California
County of ORANGE

On NOVEMBER 12, 2008 before me, TERESA A. JACKSON, NOTARY PUBLIC
(insert name and title of the officer)

personally appeared JAMES A. DOW AND SHALICE REYNOSO

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature [Signature] (Seal)
Signature of Notary Public

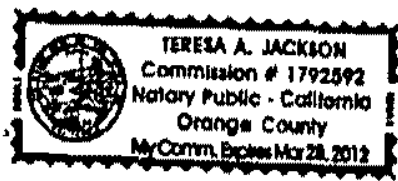


EXHIBIT "A"

LEGAL DESCRIPTION FOR DEVELOPMENT AGREEMENT NO. DA08-003
CITY OF BUENA PARK

Exhibit A
Legal Description
Development Agreement No. DA08-003

PARCEL A

Parcel "A"

Lot 2 in Block 61 of Buena Park, in the City of Buena Park, County of Orange, State of California, as per Map recorded in Book 18, Pages 50 to 52 inclusive, of Miscellaneous Maps, in the Office of the County Recorder of said County, California, together with the South 30 feet of the street adjoining said lot on the North abandoned by order of the Board of Supervisors of Orange County, on August 2, 1911.

Excepting therefrom the Easterly 65 feet of the Southerly 120 feet thereof. Also excepting therefrom that portion described as follows:

Beginning at the Northeast corner of said Lot 2, said point being in the East line of Beach Boulevard (formerly Grant Avenue) 108 feet in width and running; thence Northerly along said East line, 30 feet to the North line of the South 30 feet of the abandoned street hereinbefore mentioned; thence Easterly along said North line 225 feet; thence Southerly parallel with the East line of Beach Boulevard 170 feet; thence Westerly parallel with the North line of said Lot 2, a distance of 225 feet to the East line of Beach Boulevard; thence Northerly along said East line, 140 feet to the point of beginning.

Also excepting therefrom the West 250 feet of the South 259.21 feet to Lot 2 in Block 61 of Buena Park, County of Orange, State of California, as shown on a map recorded in Book 18, Pages 50 to 52 inclusive of Miscellaneous Maps, in the Office of the County Recorder of said County.

Parcel "B"

Lots 7, 8 and 9 of Tract No. 1756, in the City of Buena Park, County of Orange, State of California, as shown on a map recorded in Book 60, Pages 20 and 21 of Miscellaneous Maps, in the office of the County Recorder of said County.

PARCEL E

The East 50 feet of Lot 21, Tract No. 551, in the City of Buena Park, County of Orange, State of California, as per map recorded in Book 19, Page 43 of Miscellaneous Maps, in the Office of the County Recorder of said County.

PARCEL F

Lot 20 of Tract No. 551, in the City of Buena Park, County of Orange, State of California, as per map recorded in Book 19, Page 43, inclusive of Miscellaneous Maps, in the Office of the County Recorder of said County.

Exhibit A
Legal Description
Development Agreement No. DA08-003

PARCEL I

Lot 17 of Tract No. 551, in the City of Buena Park, County of Orange, State of California, as per map recorded in Book 19, Page 43, of Miscellaneous Maps, in the Office of the County Recorder of said Orange County.

PARCEL K

Lot 15 of Tract No. 551, in the City of Buena Park, County of Orange, State of California, as per map recorded in Book 19, Page 43, of Miscellaneous Maps, in the Office of the County Recorder of said Orange County.

PARCEL Q

Lot 4 and the South 5 feet of Lot 3, in Tract No. 1756, in the City of Buena Park, County of Orange, State of California, as per map recorded in Book 60, Pages 20 and 21 of Miscellaneous Maps, records of Orange County, California.

PARCEL S

Lot 6 of Tract No. 1756, in the City of Buena Park, County of Orange, State of California, as per map recorded in Book 60, Pages 20 and 21 of Miscellaneous Maps, records of Orange County, California.

PARCEL U

The West 250 feet of the South 170 feet of Lot 2 in Block 61 of Buena Park, in the City of Buena Park, County of Orange, State of California, as shown on a Map thereof recorded in Book 18, Pages 50 to 52 inclusive, Miscellaneous Records, in the Office of the County Recorder of Los Angeles County, California.

Except therefrom the North 70 feet of the West 200 feet thereof. Also except therefrom the South 100 feet of the West 156 feet thereof.
Also except therefrom the East 20 feet of the West 176 feet of the South 100 feet thereof.

Exhibit A
Legal Description
Development Agreement No. DA08-003

PARCEL X

That portion of Lot 2 in Block 61 of "Buena Park", in the City of Buena Park, County of Orange, State of California, as per Map recorded in Book 18, Pages 50 to 52 inclusive, of Miscellaneous Records, in the Office of the County Recorder of said County, described as follows: Beginning at the Northwest corner of said Lot 2, said point being in the East line of Grand Avenue (being 108 feet wide); and running thence easterly along the North line of said Lot 2, 225 feet; thence southerly along a line parallel to the East line of said Grand Avenue, 140 feet; thence westerly along a line parallel to said Northerly line 225 feet; thence northerly along the East line of Grand Avenue, 140 feet to the Point of Beginning, together with the South 30 feet of the West 225 feet of street adjoining on the North abandoned by order to the Board of Supervisors of Orange County, California, August 2, 1911, adjoining said Lot 2.

EXHIBIT "B"
DEVELOPMENT PLANS

Orange

Orange

Mixed Use Specific Plan

City of Buena Park
October 2008

AECOM



0 0 0



Beach and Orangethorpe Mixed Use Specific Plan

October 2008

City of Buena Park

EDAW | AECOM

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Appendices
 An environmental impact report (EIR) and supporting technical studies for the Beach and Orangethorpe Mixed-Use Specific Plan is incorporated by reference under separate cover.

Document Organization

The Beach and Orangehome Mixed Use Specific Plan is organized into the following chapters:

Chapter 1 Vision

This chapter describes the overall vision for the proposed mixed use development. The plans, design and development policies, objectives, and implementation included in subsequent chapters of this document serve to achieve the vision established in this chapter.

Chapter 2 Executive Summary

This section provides description of the maximum development anticipated and related policies or documents.

Chapter 3 Illustrative Land Use Plans and Alternatives

The land use plan states the type and maximum land uses allowed on site within given development constraints. This chapter also includes three possible alternative designs to be submitted for final design plan approval. The plans are in their conceptual phase and will comply to all vision statements, land uses, objectives, and standards established in this document.

Chapter 4 Guiding Principles

The principles established in this chapter guide the accomplishment of the vision and state the goals to be accomplished by the proposed development.

Chapter 5 Character Images

This chapter provides graphic and written description of various places provided within the proposed development and captures the essence of the specific places and conveys how the guiding principles are met.

Chapter 6 Grading Plan

The grading plan ensures the development complies with the American Disabilities Act and City grading requirements.

Chapter 7 Circulation Plan

This plan displays location and direction of vehicular and service egress and ingress and parking.

Chapter 8 Infrastructure and Public Service Utilities Plan

This section establishes infrastructure measures to ensure adequate sewage, storm drain, water service, and water quality during and post-construction of the proposed development.

Chapter 9 Development Objectives and Standards

The development objectives and standards established in this section must be met to meet the vision plan and the guiding principles stated in previous chapters.

Chapter 10 Greenhouse Gas Emissions and Sustainability

Per AB 32 California Global Warming Solutions Act of 2006, cities are required to report greenhouse gas emissions. Measures to mitigate greenhouse gas emission are established in this chapter.

Chapter 11 Implementation

This section assigns responsible parties to various implementation measures to be executed as part of the development.

Chapter 12 General Plan Consistency

As required by Government Code Section 65451(b), this section states how the goals and policies for the specific plan are consistent with the City of Buena Park General Plan.



CHAPTER 1 Vision

The Beach and Orangethorpe Specific Plan area will be a "city within a city" complete with a mix of world-class upscale retail, restaurants, entertainment, residential, hotel, and office uses.

Yet, through well-thought-out urban design and architecture, the experience within the development will feel like a traditional walkable downtown community, providing the conveniences and attractions of a city interspersed with generous pedestrian paths and open spaces. A sense of place will be created by an architecture that communicates a receptive quality and a clear notion of destination but still connected to the greater City beyond.

The architecture will be scaled to provide backdrop, support, and amenities for pedestrian activities and special events.

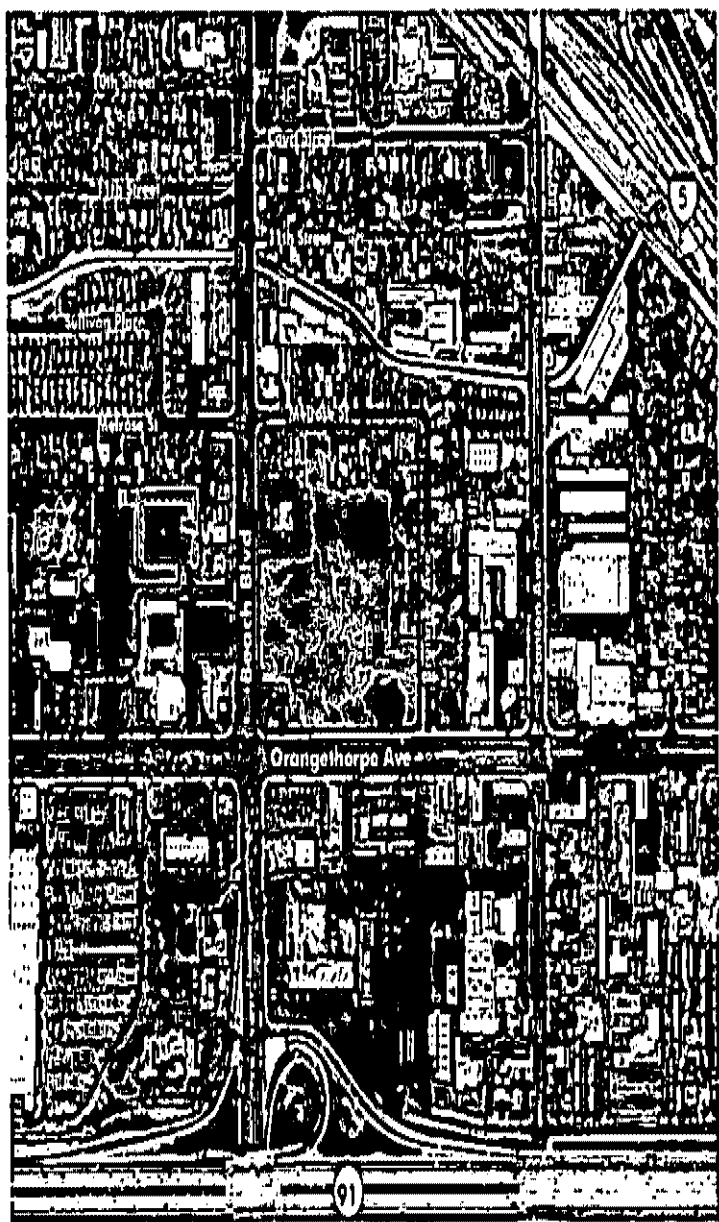
The overall collection of buildings and spaces is planned to create a unique identity for the project and elevate the surrounding area and street audience with both contemporary and cutting edge urban iconography designed specifically for the project.

Iconic elements will be created by tower-like structures and massing articulated by the different uses on the site.

The highest quality materials will be used throughout the project to help achieve the world-class design aspirations of the property owner and the future residents and businesses. The architecture, together with carefully crafted open spaces and amenities such as water features, environmental graphics, lighting, multi-media opportunities, will define the unique quality of the project and will give the Beach and Orangethorpe Specific Plan a dynamic, colorful identity.

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CHAPTER 2 Executive Summary



Beach and Orangethorpe
Mixed Use Specific Plan
Site Boundary

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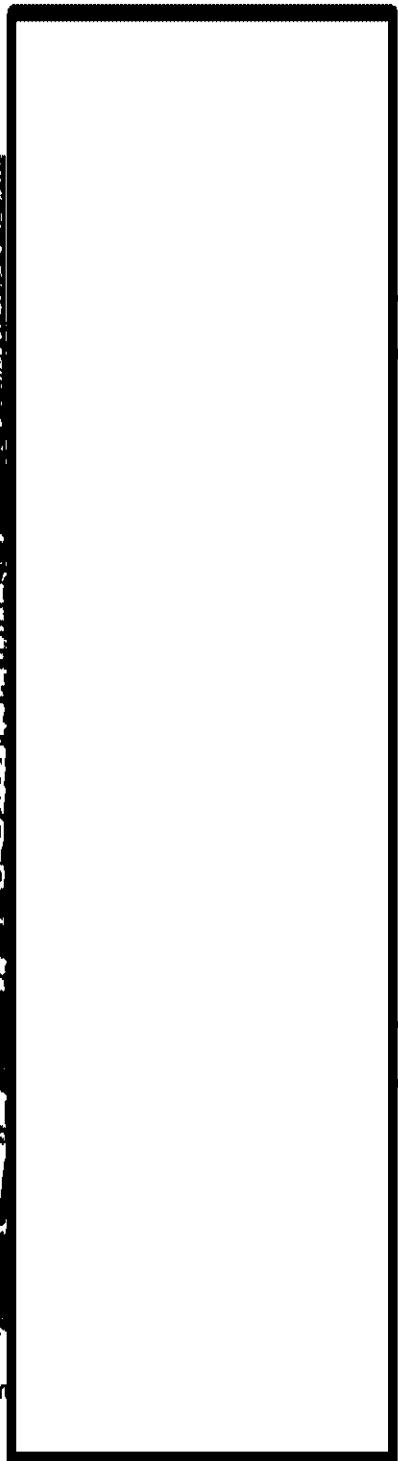
Fig. 1 Site Location



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Fig. 2 Context Plan

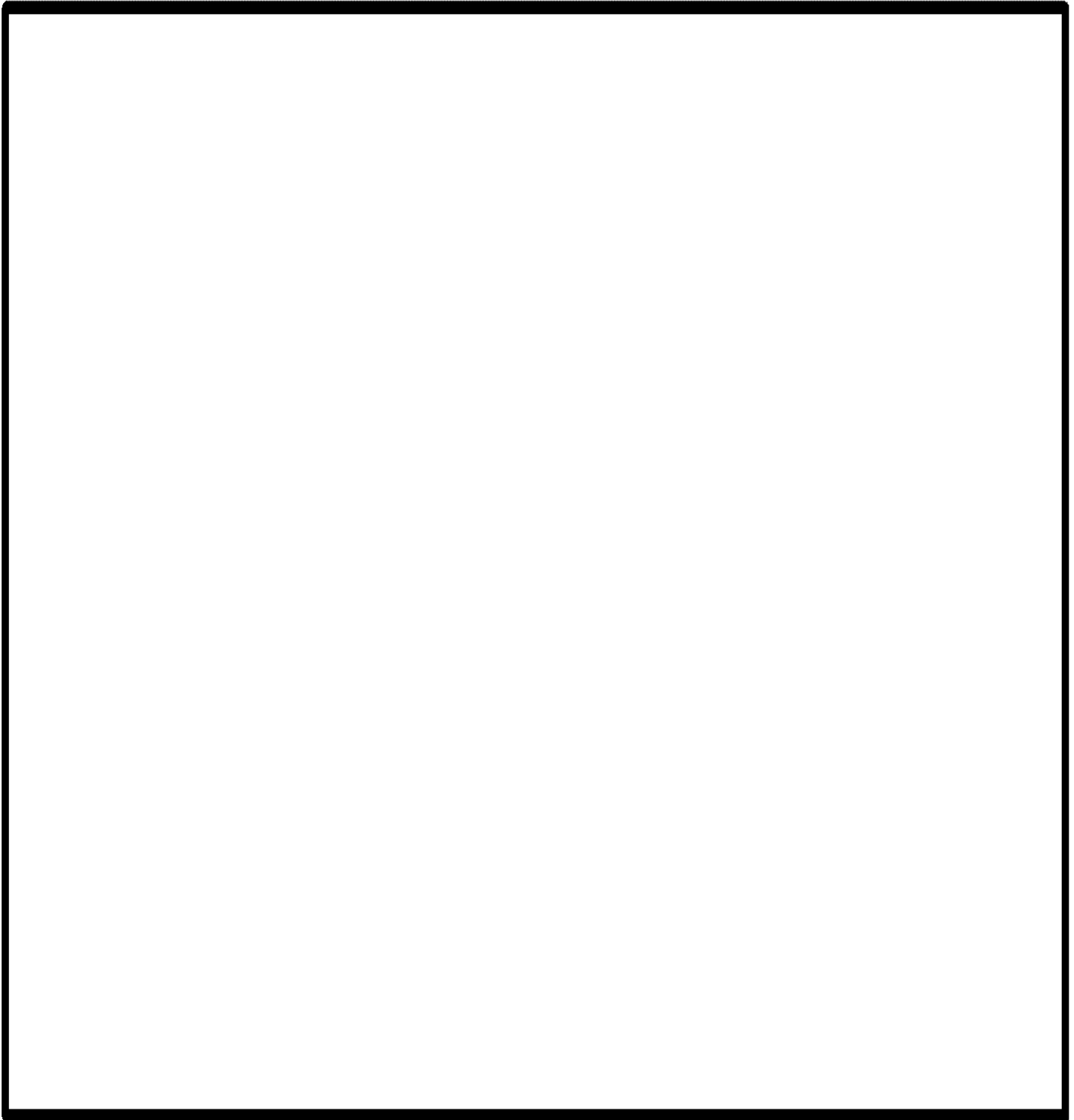


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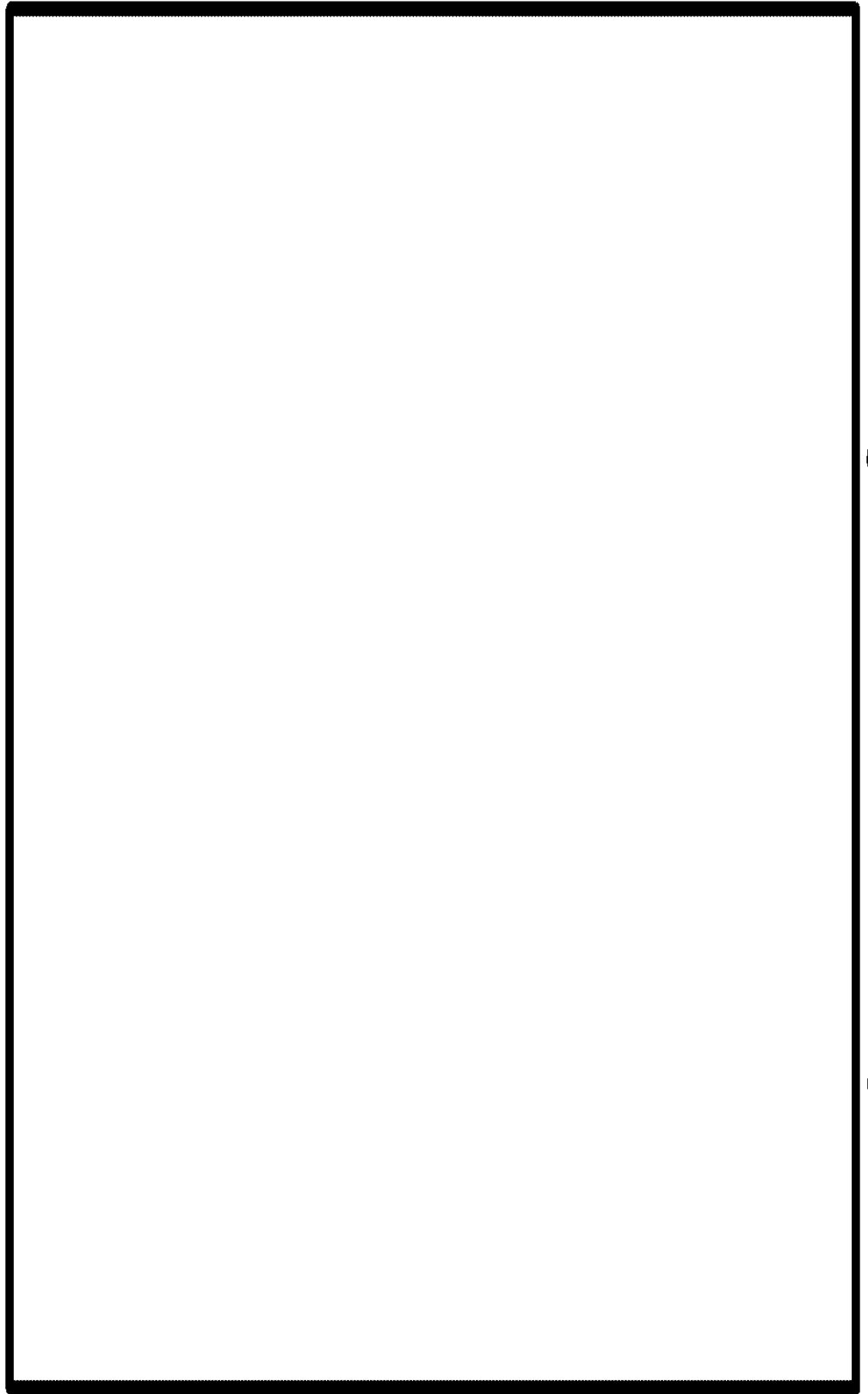
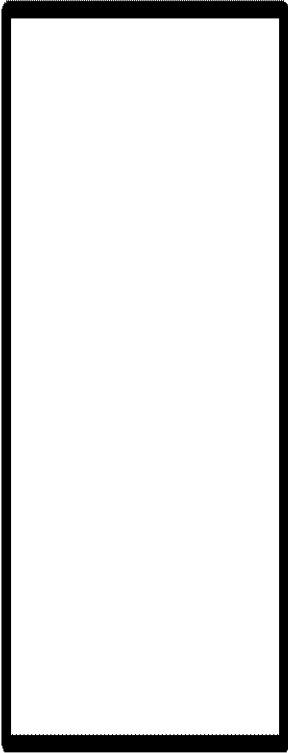
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Fig. 7 Illustrative Plan



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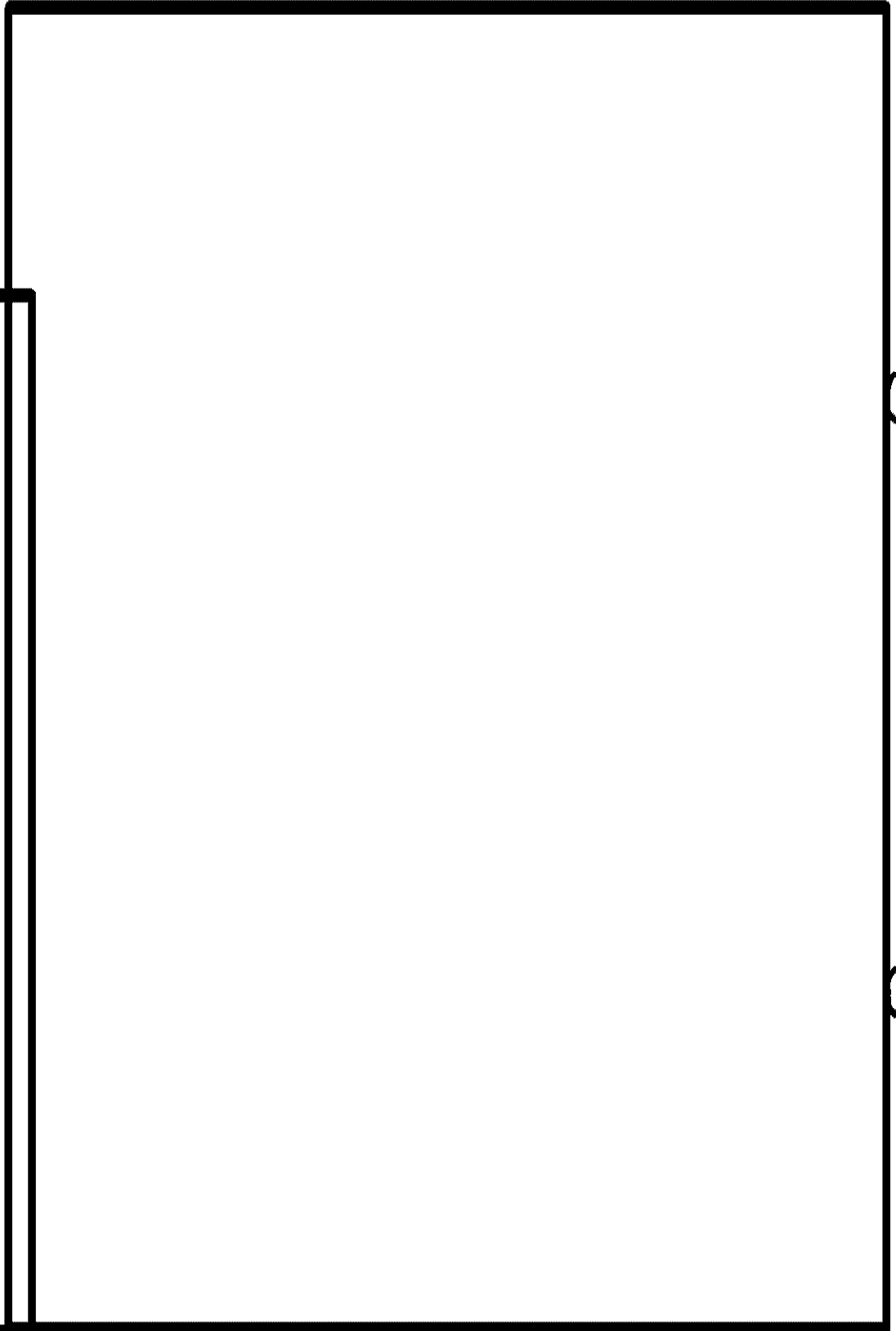
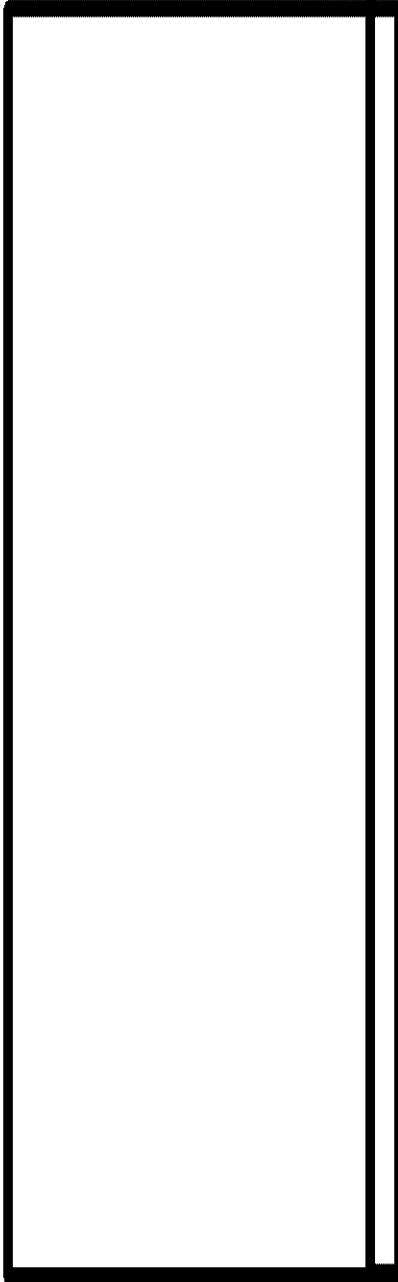
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CHAPTER 3
Illustrative Land Use
Plans and Alternatives

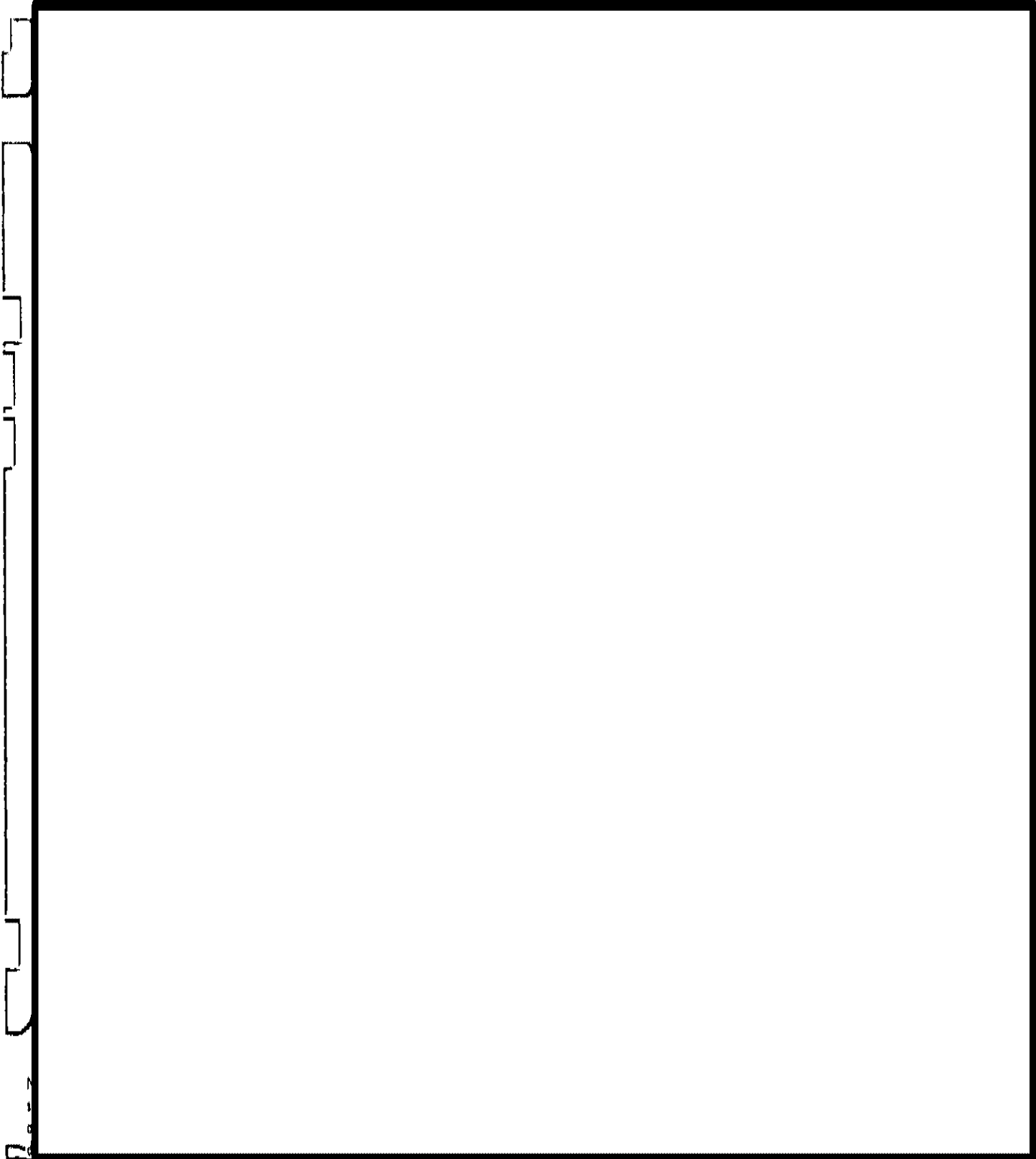


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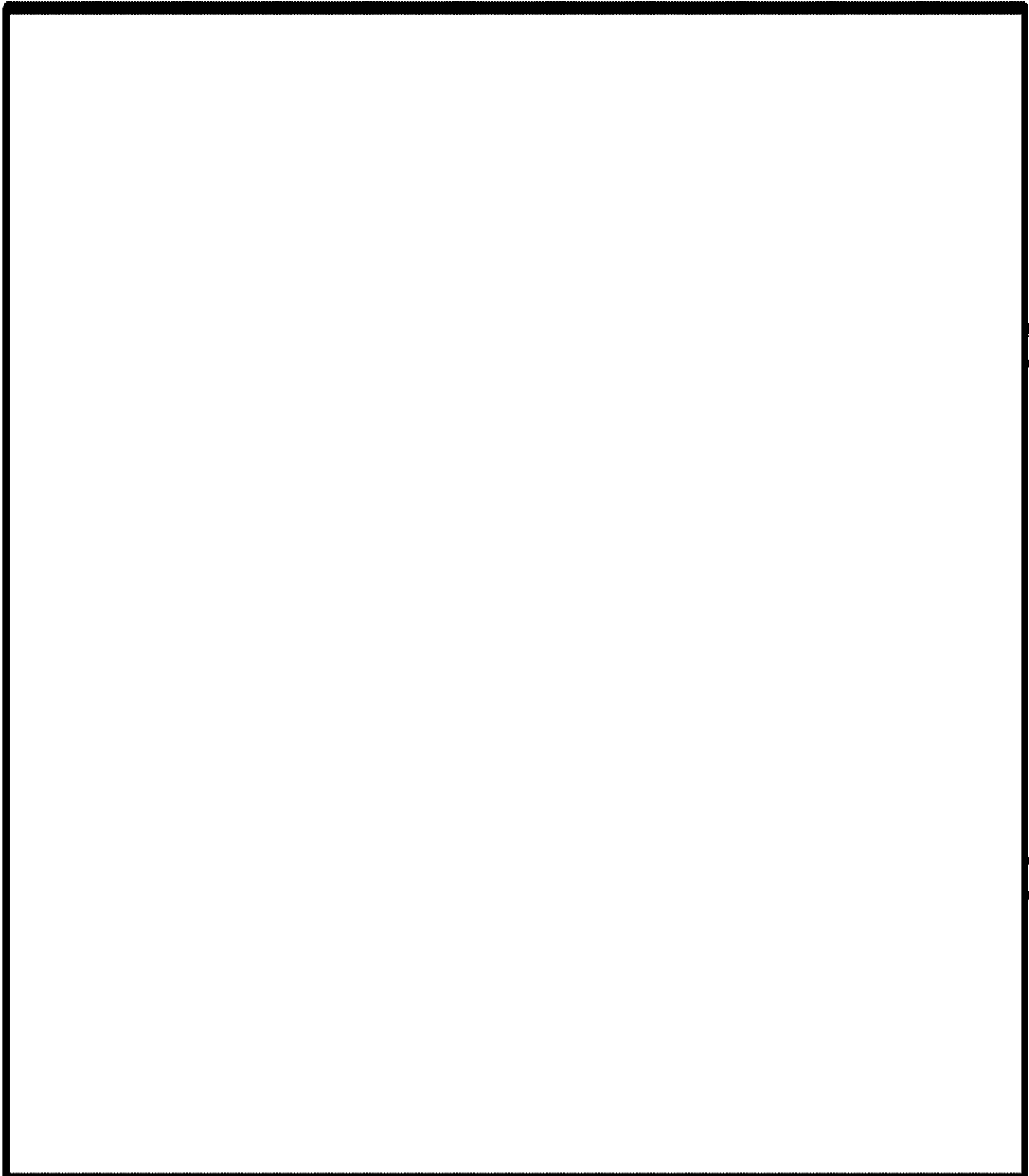
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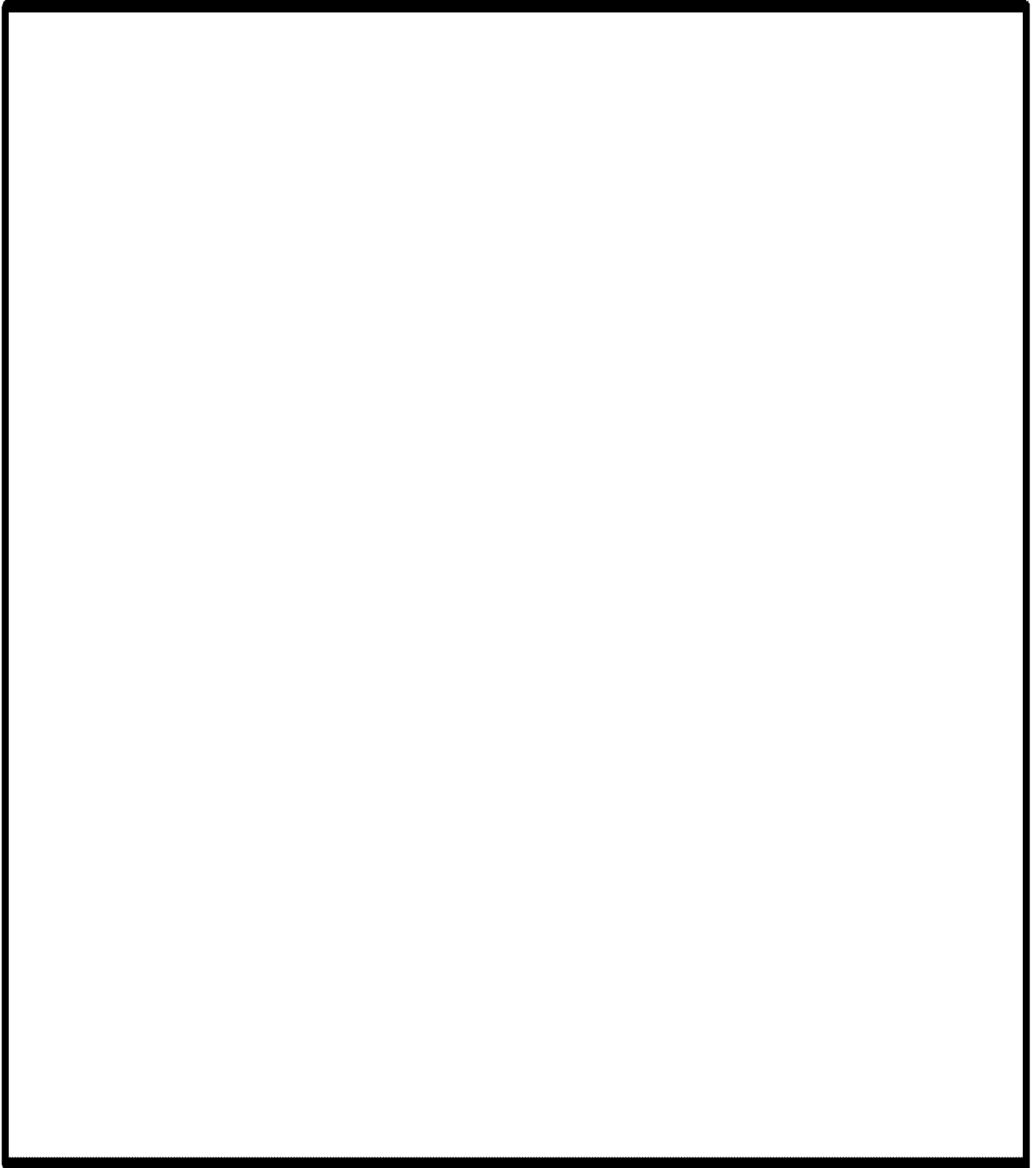
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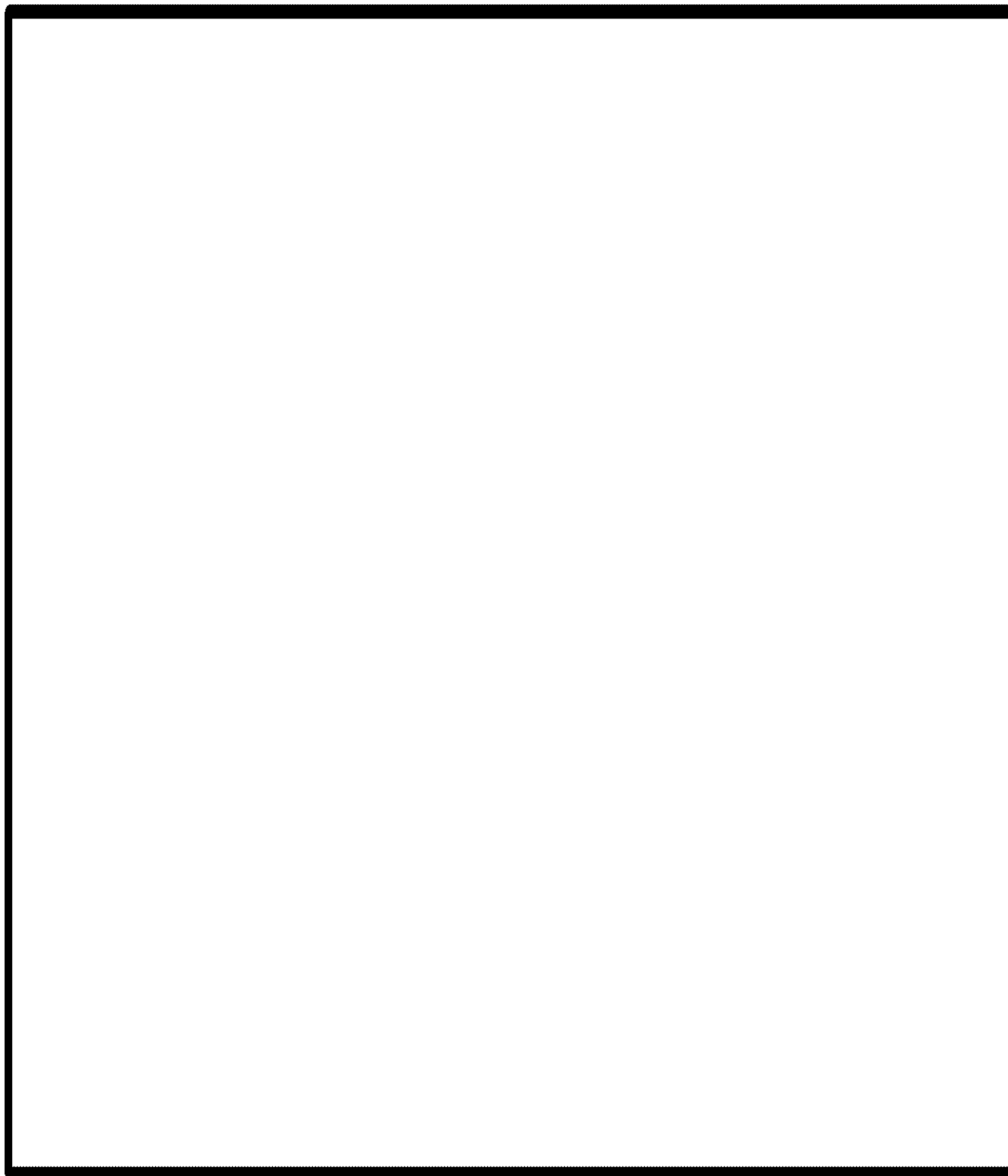
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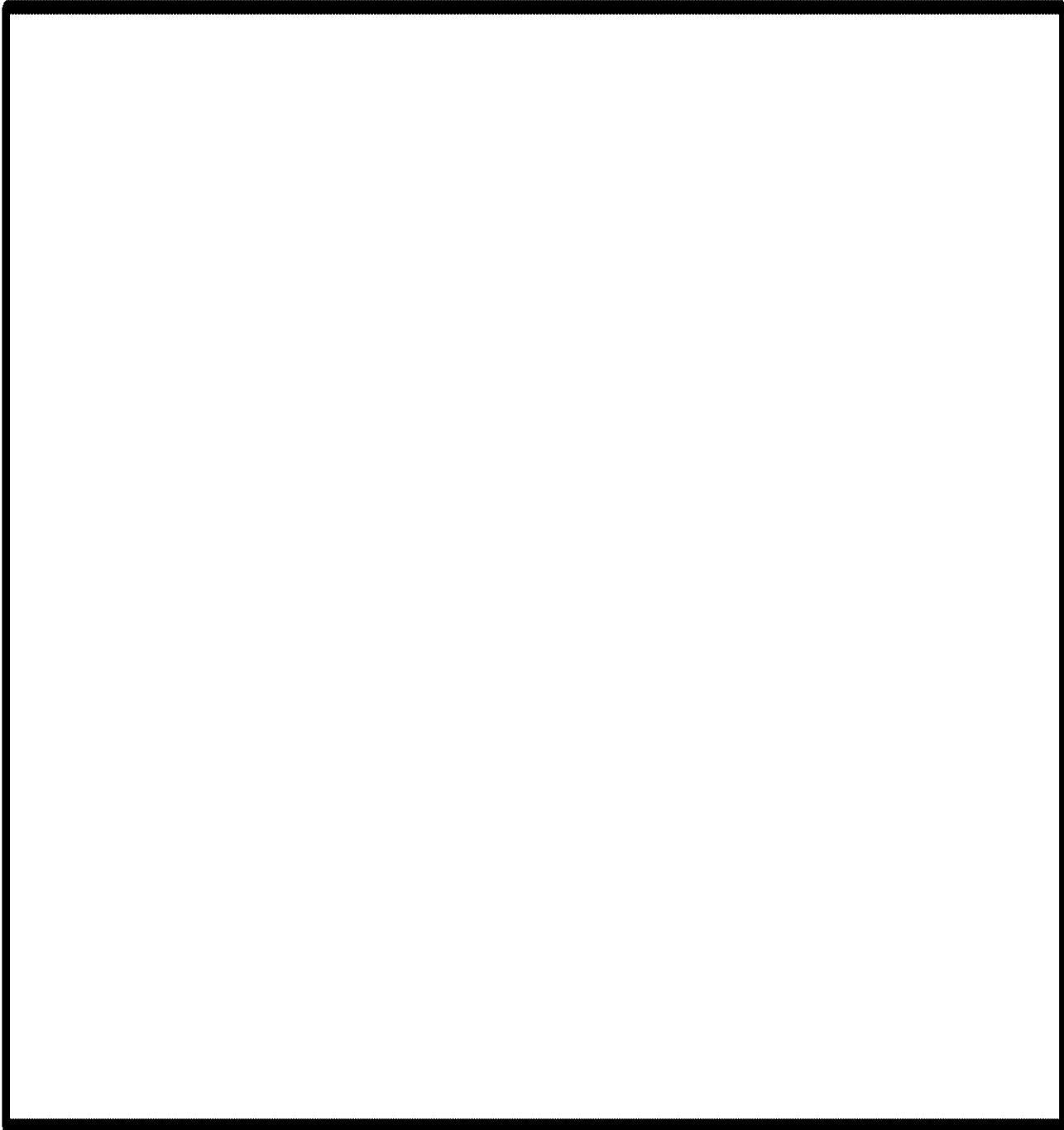
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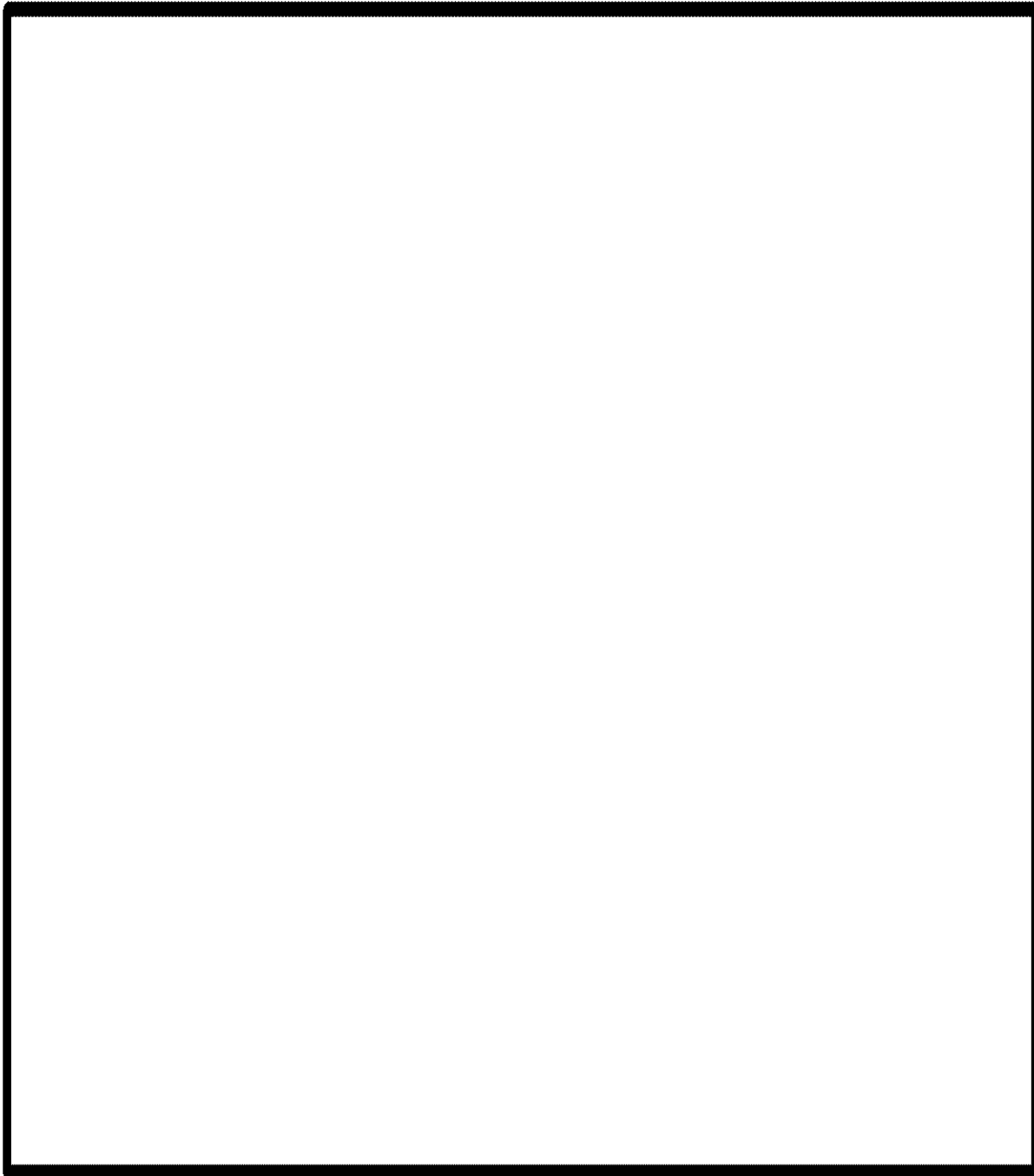
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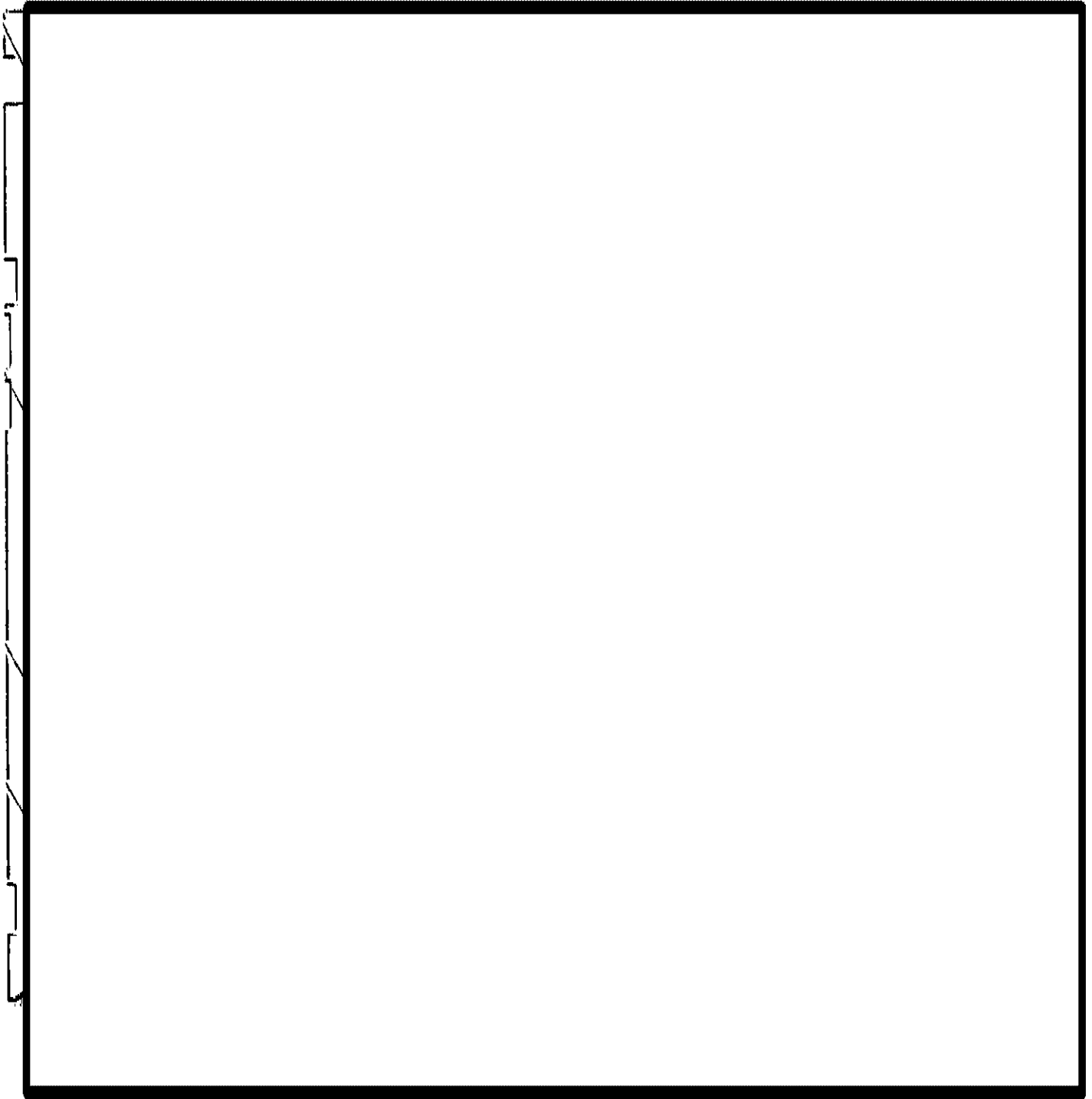
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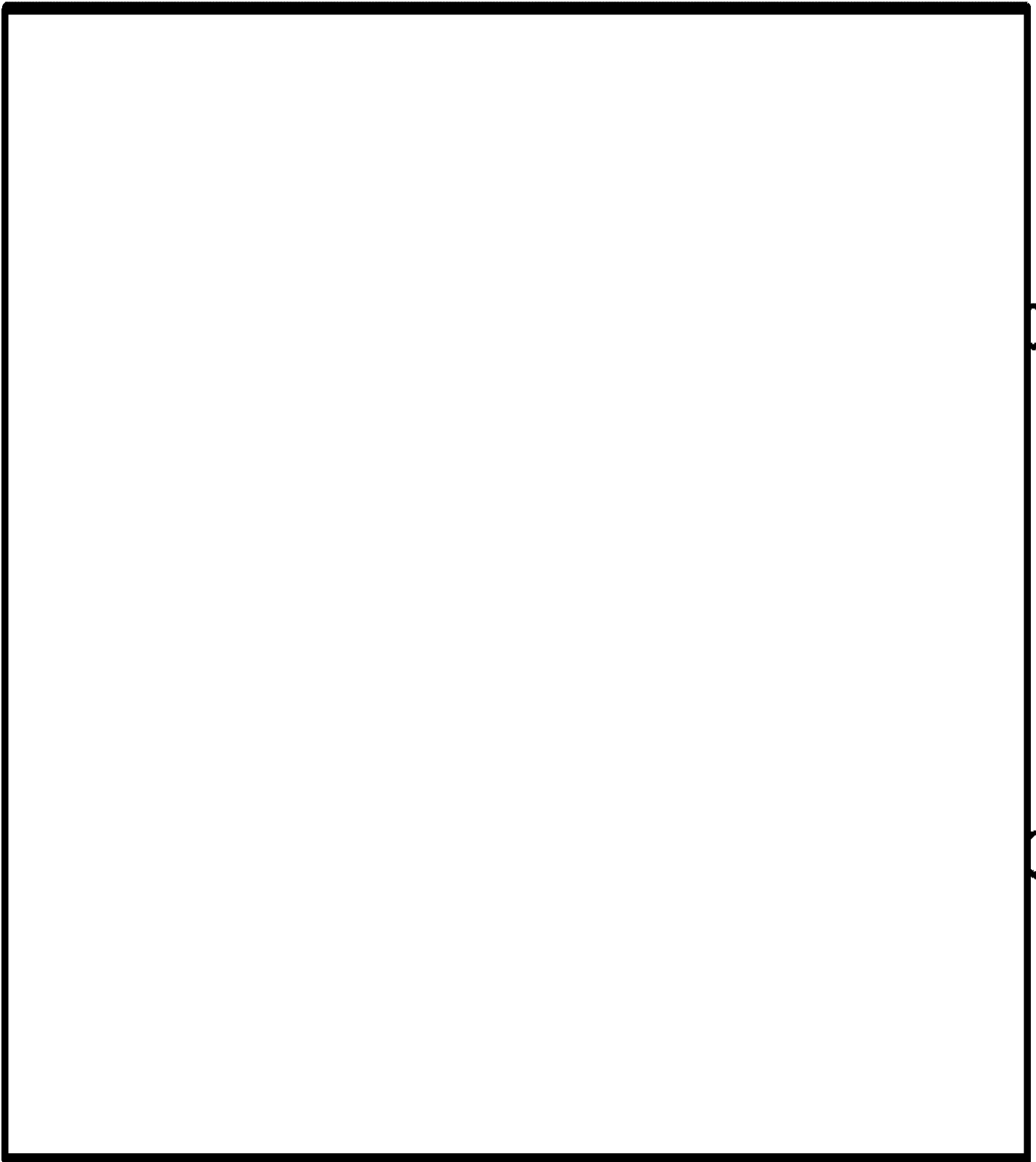
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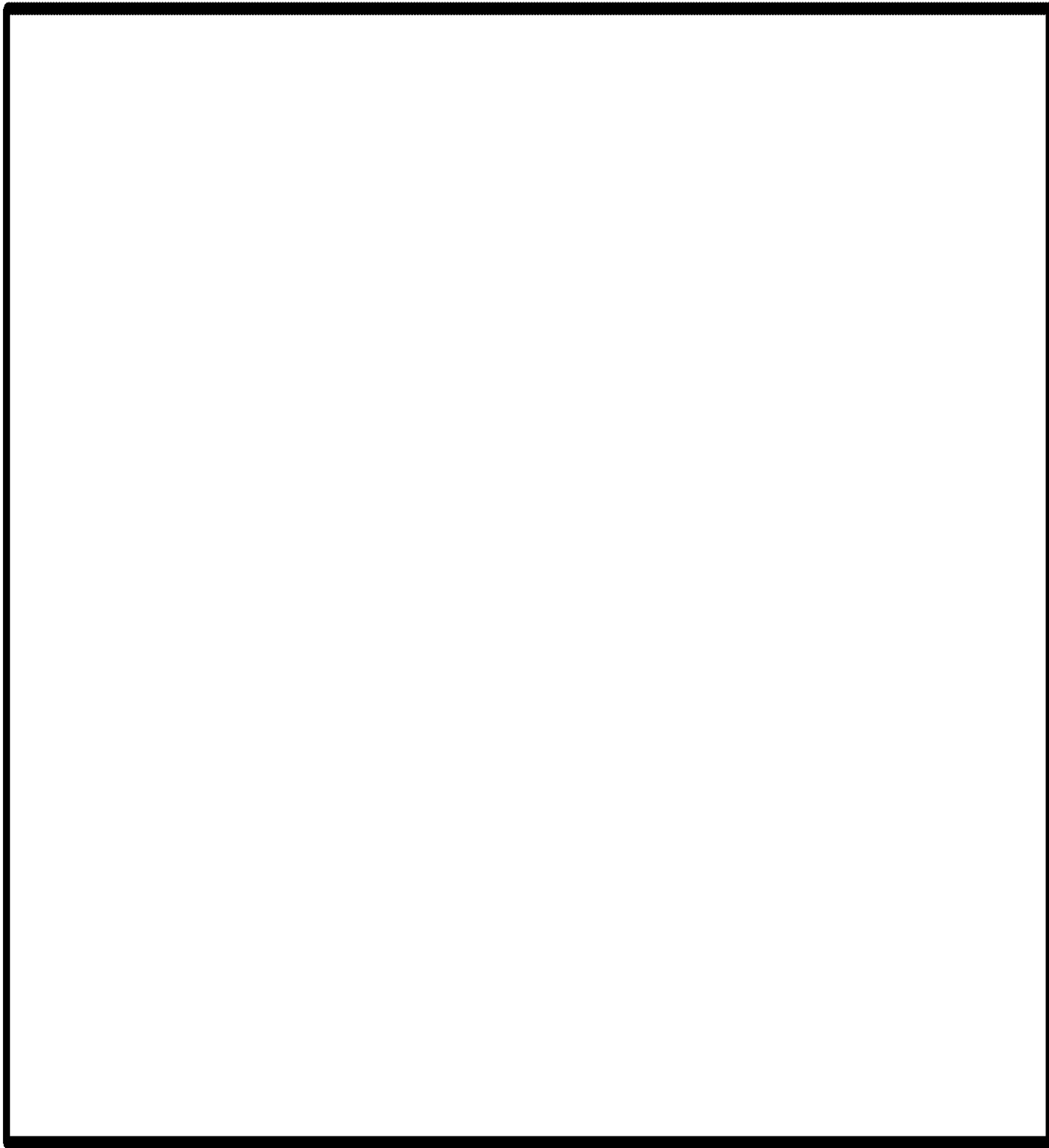


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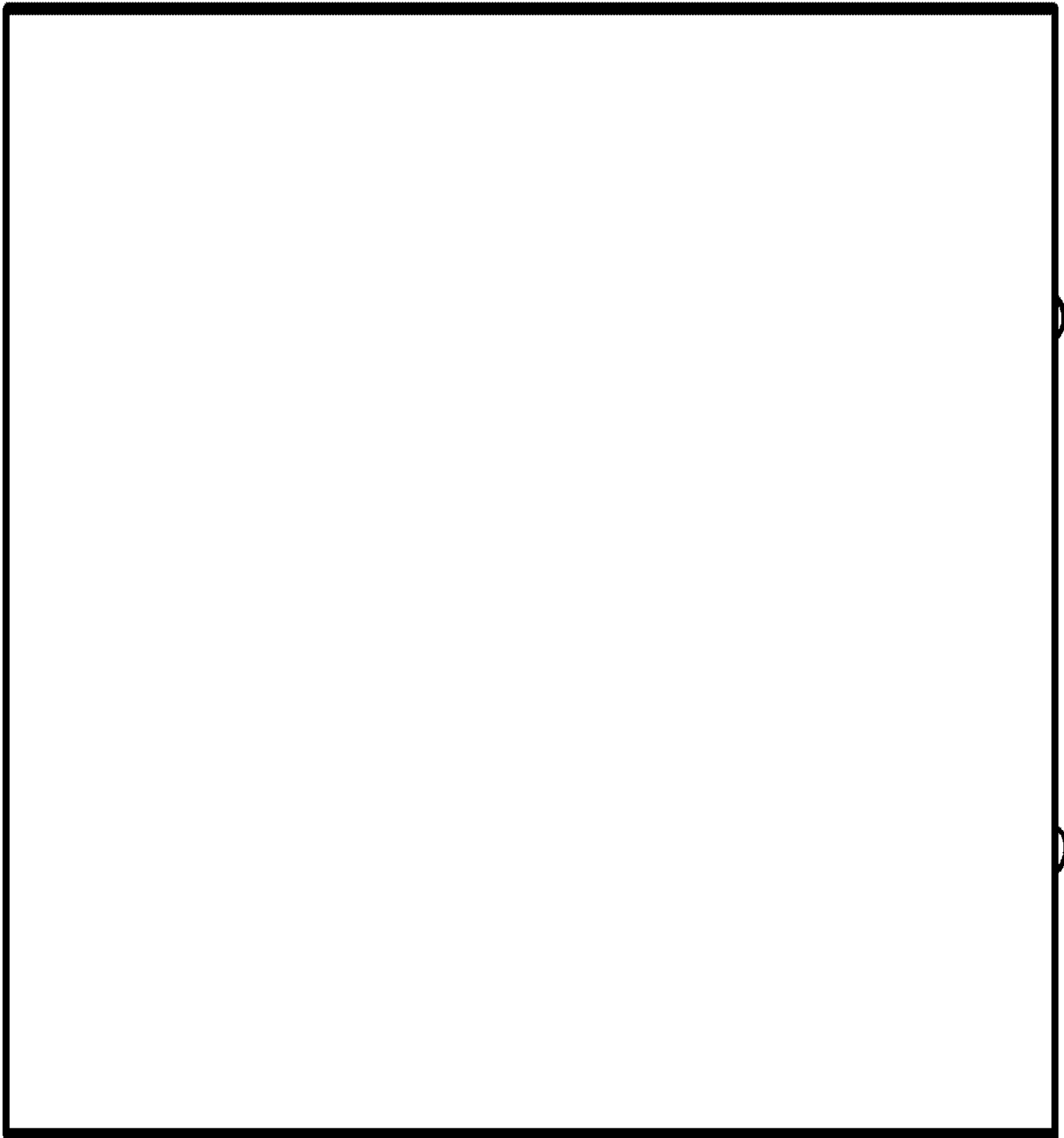
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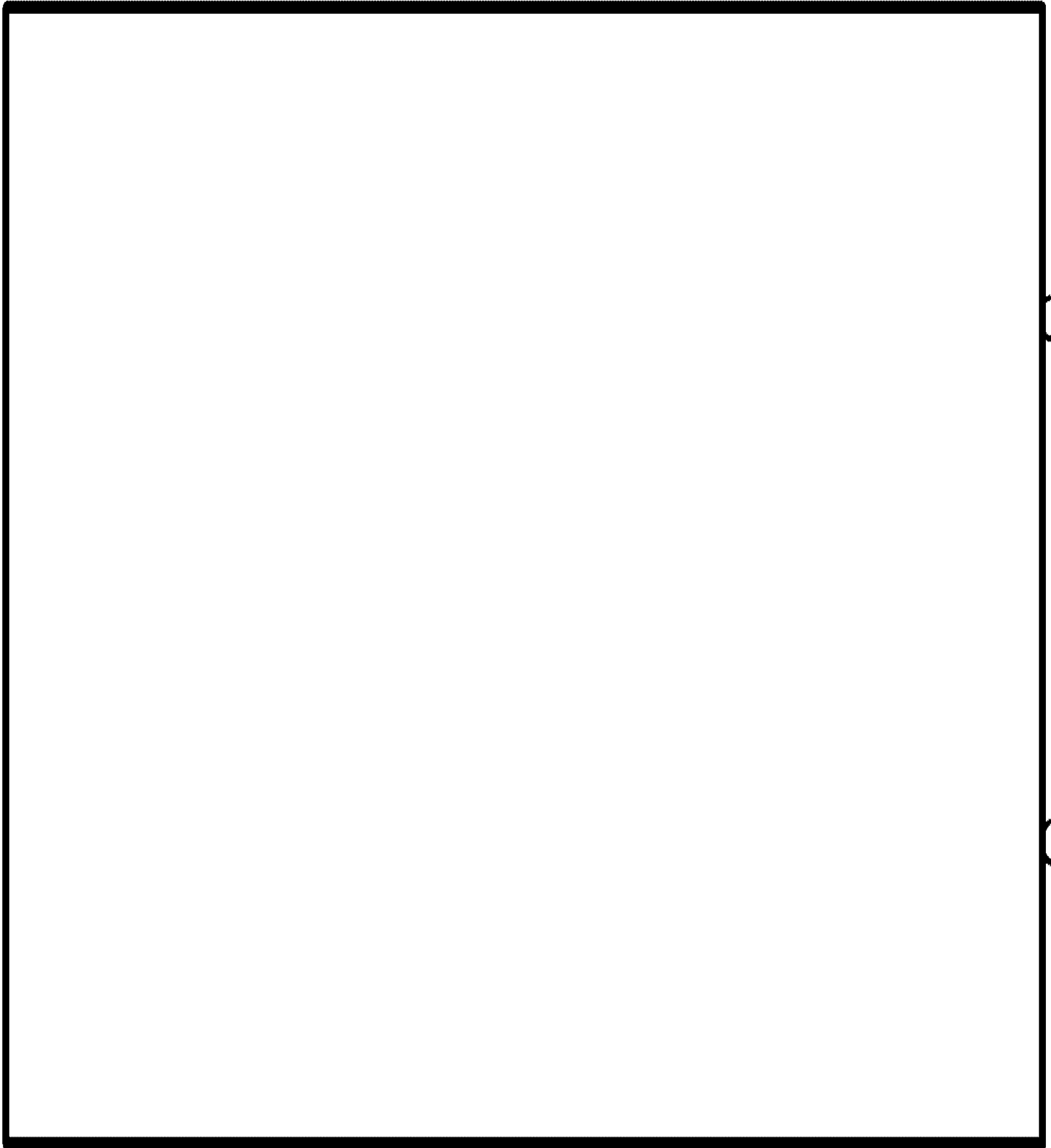


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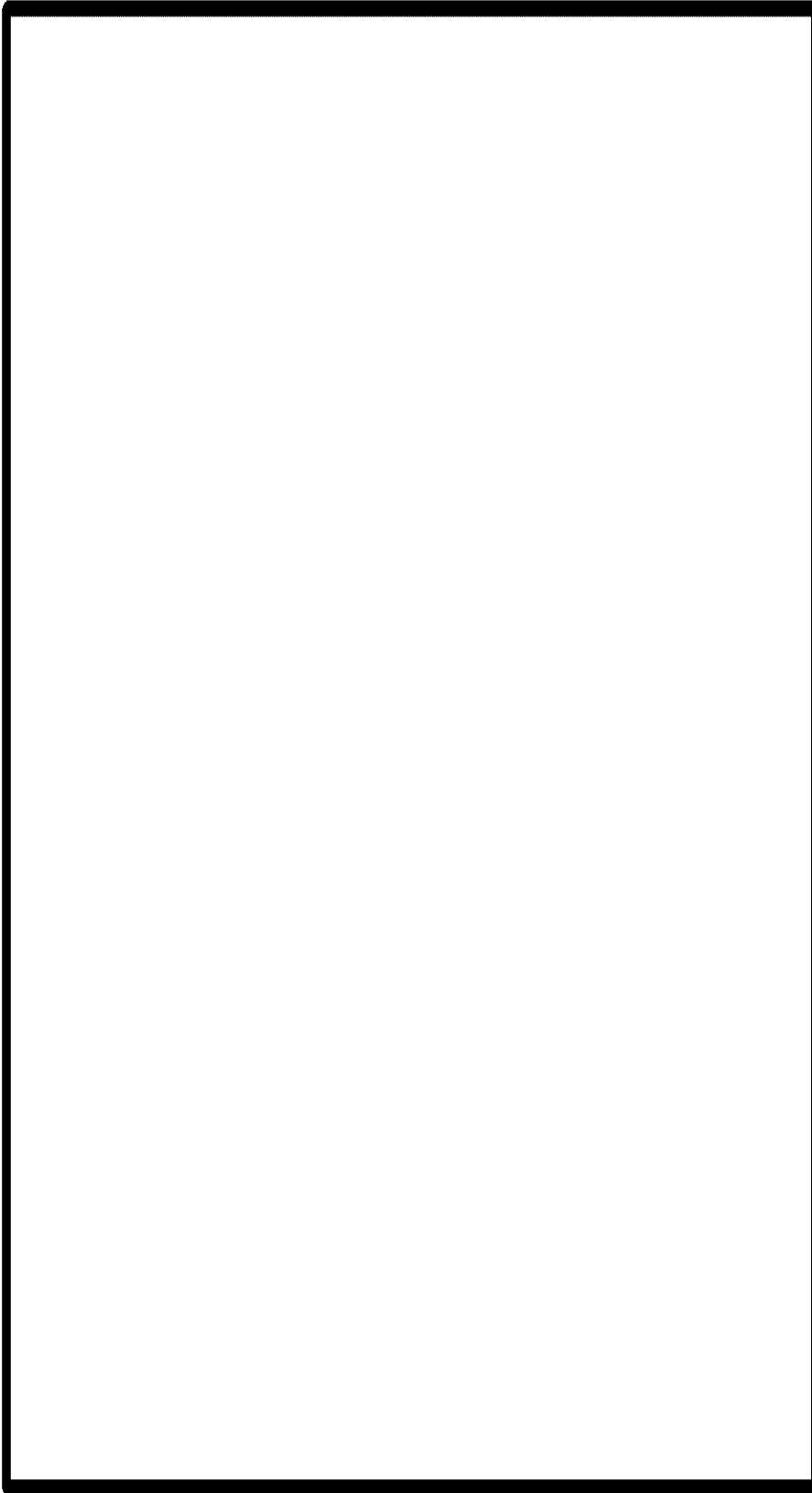
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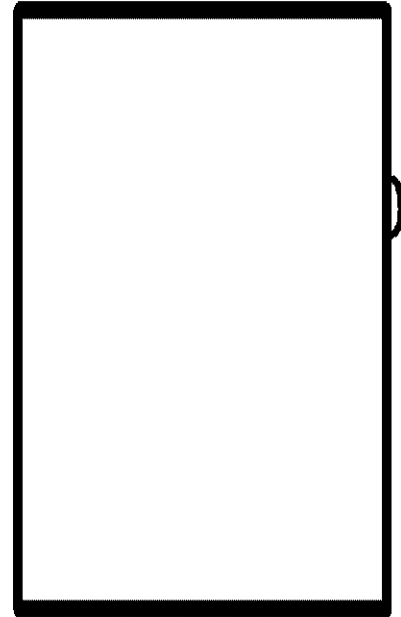
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Alternative Designs

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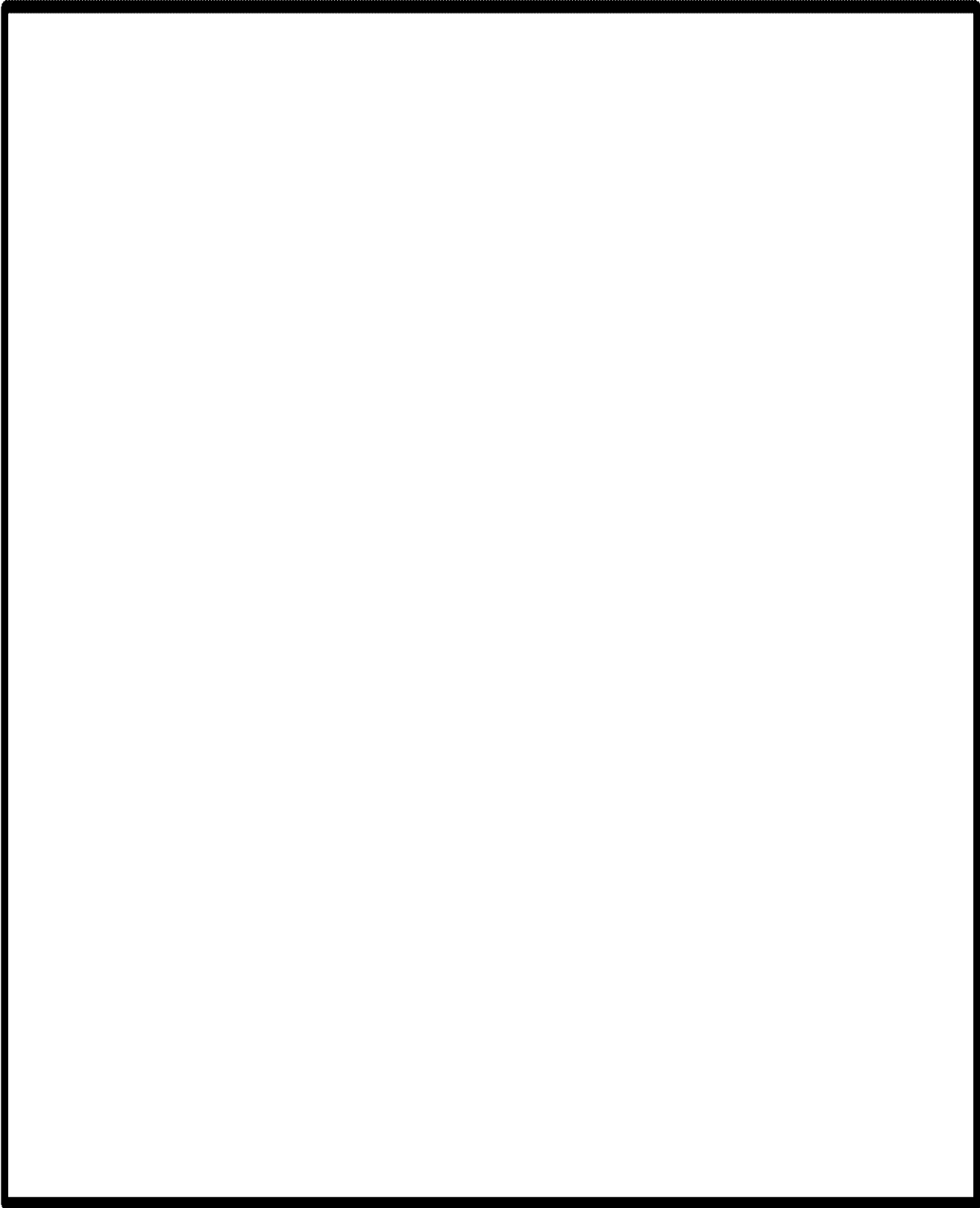
Fig. 22a Arena Plan

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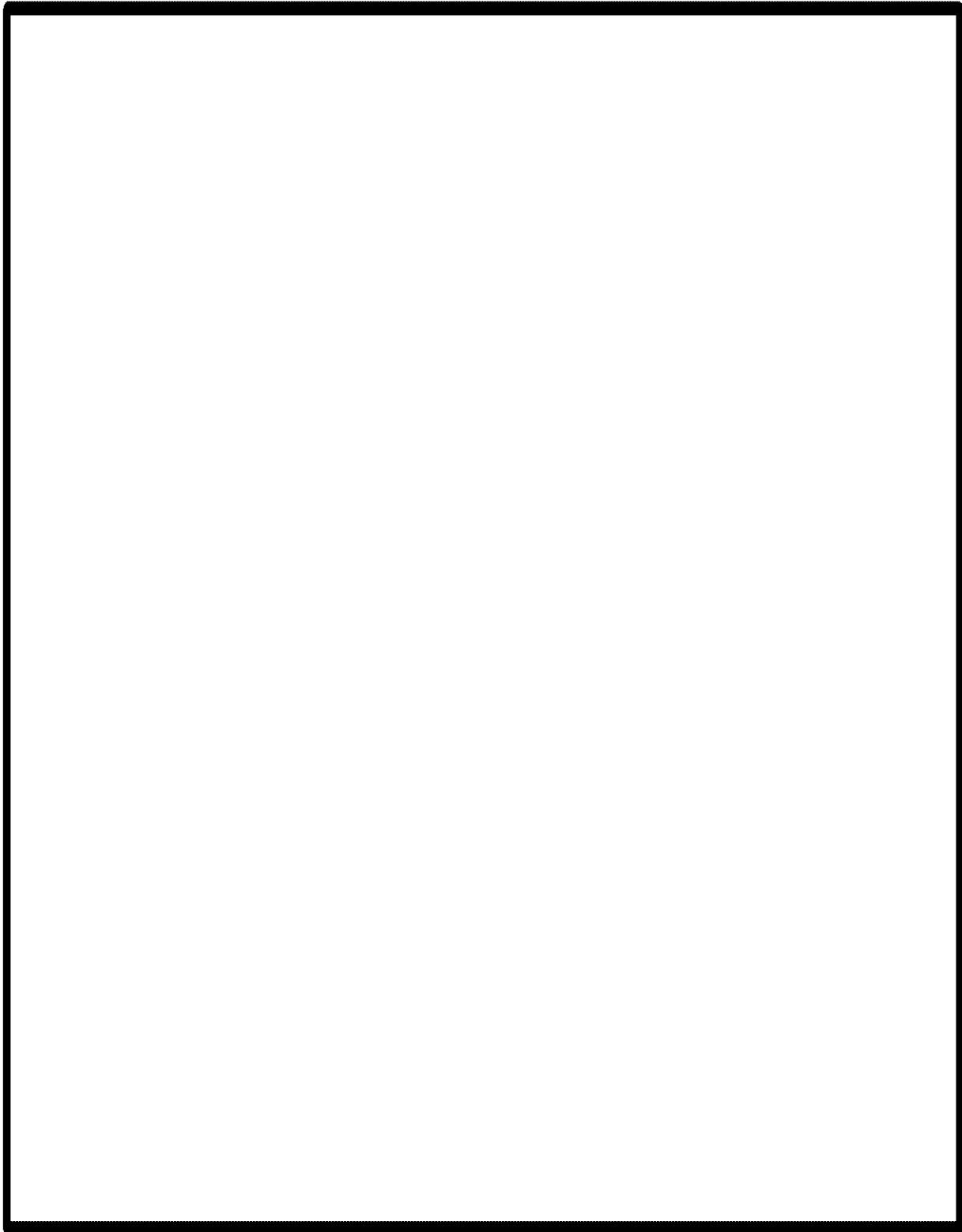
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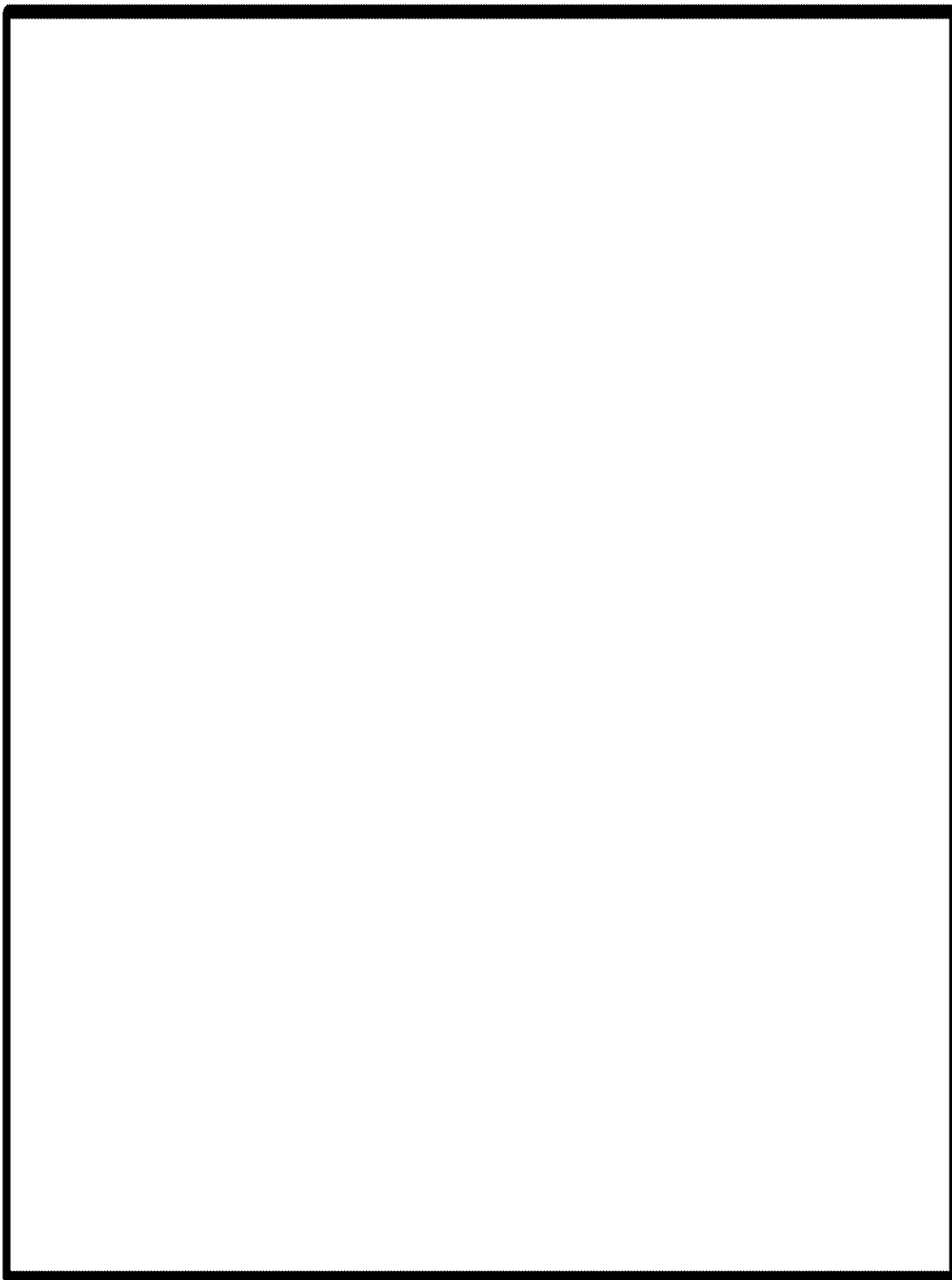
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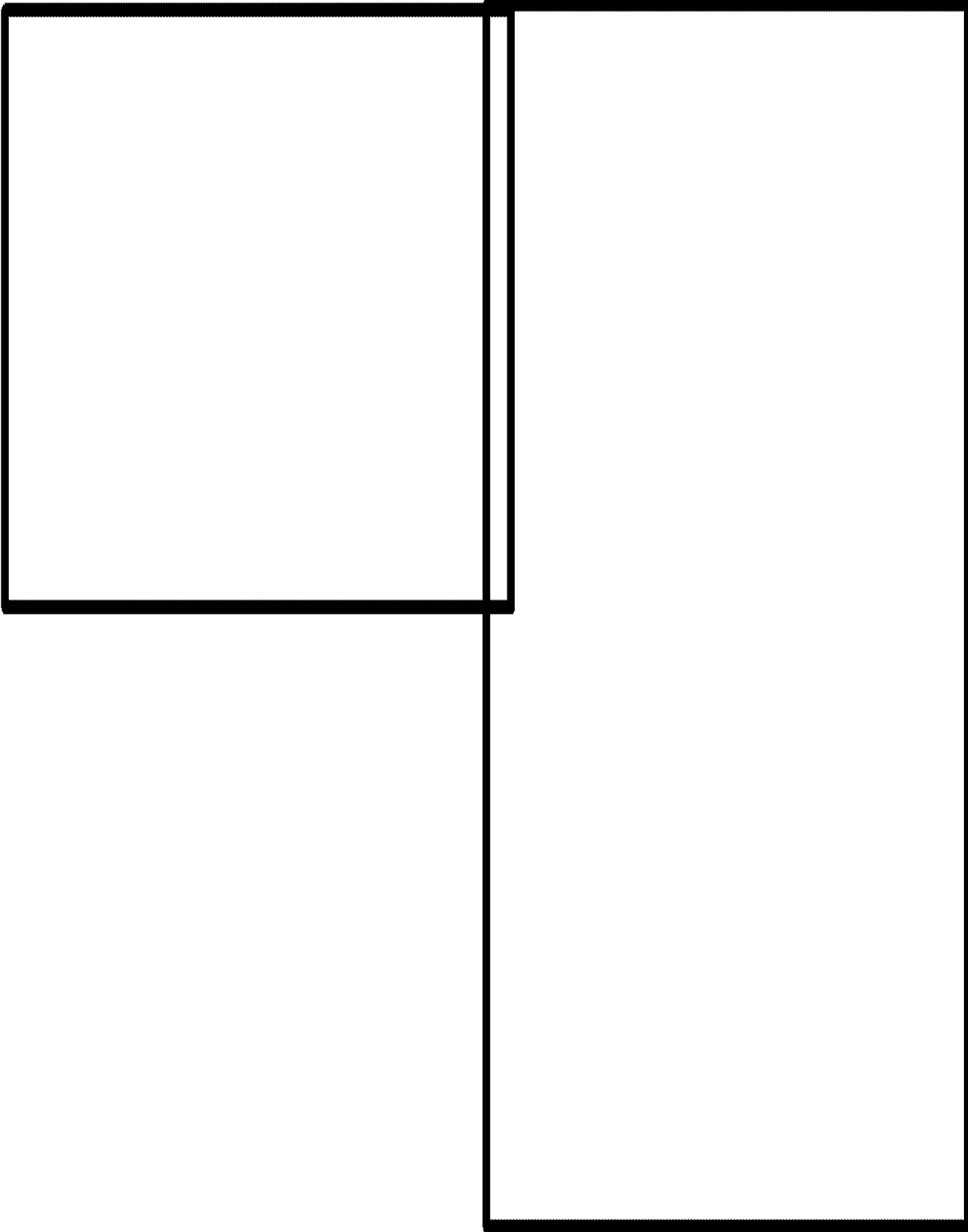
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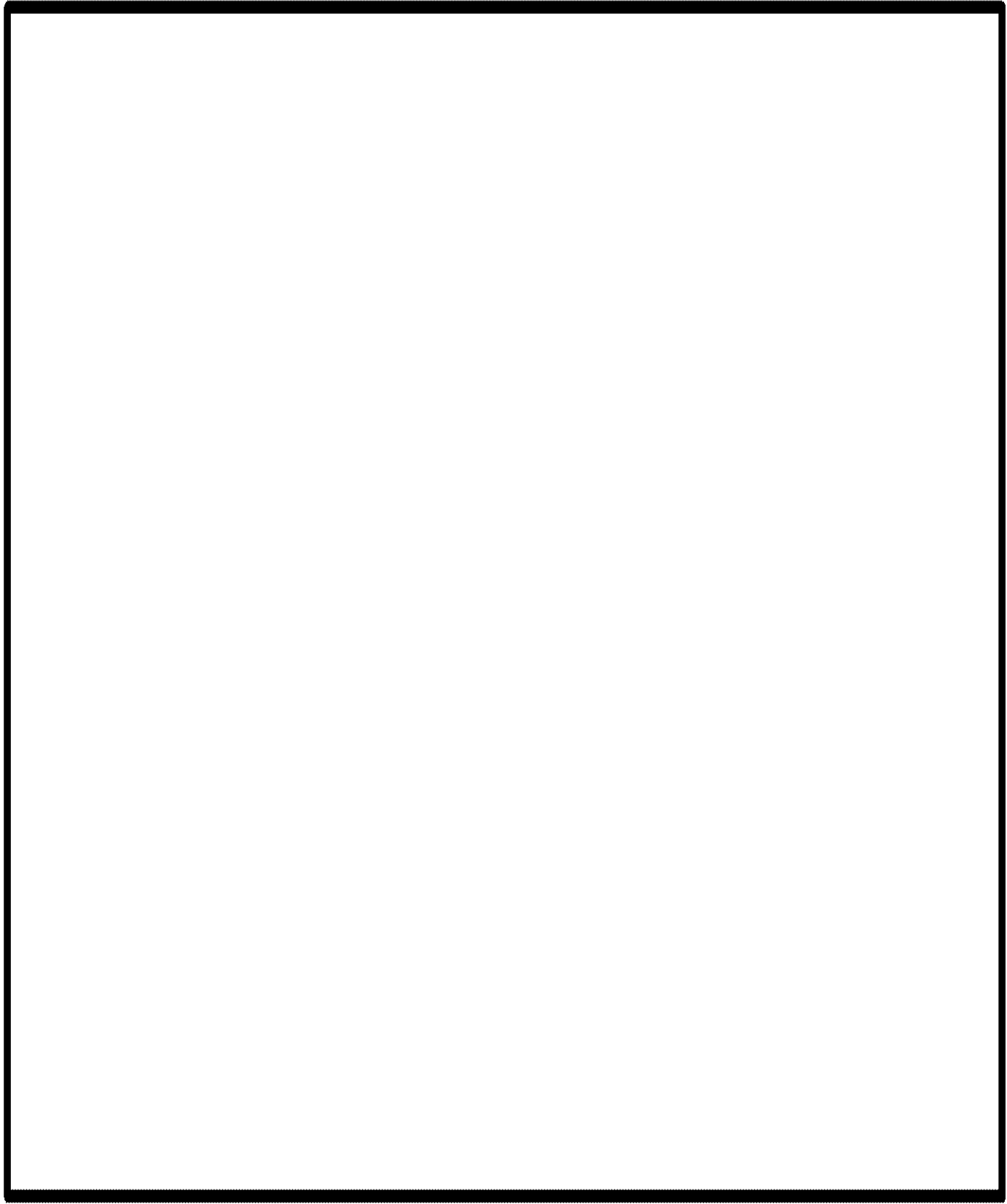
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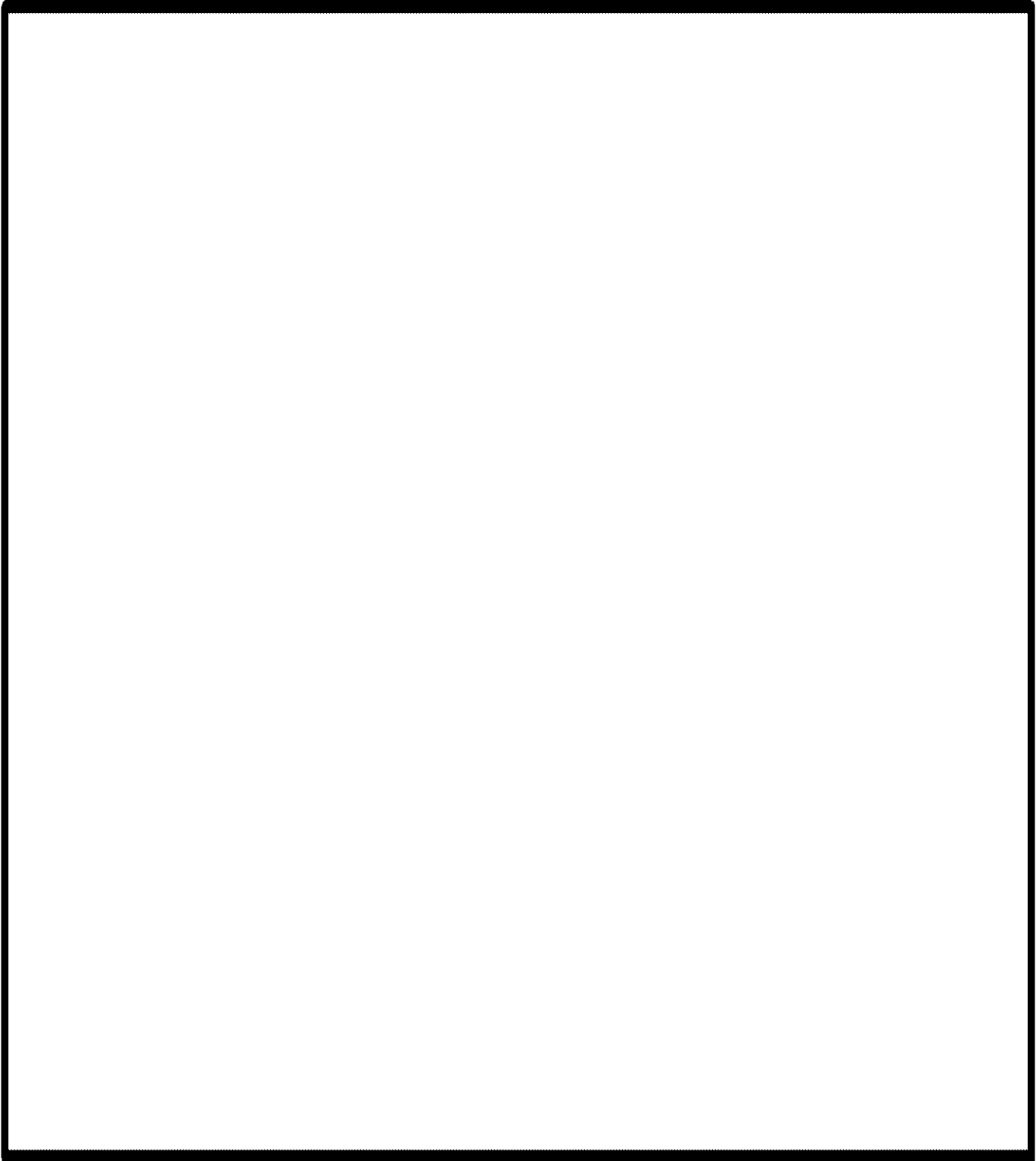
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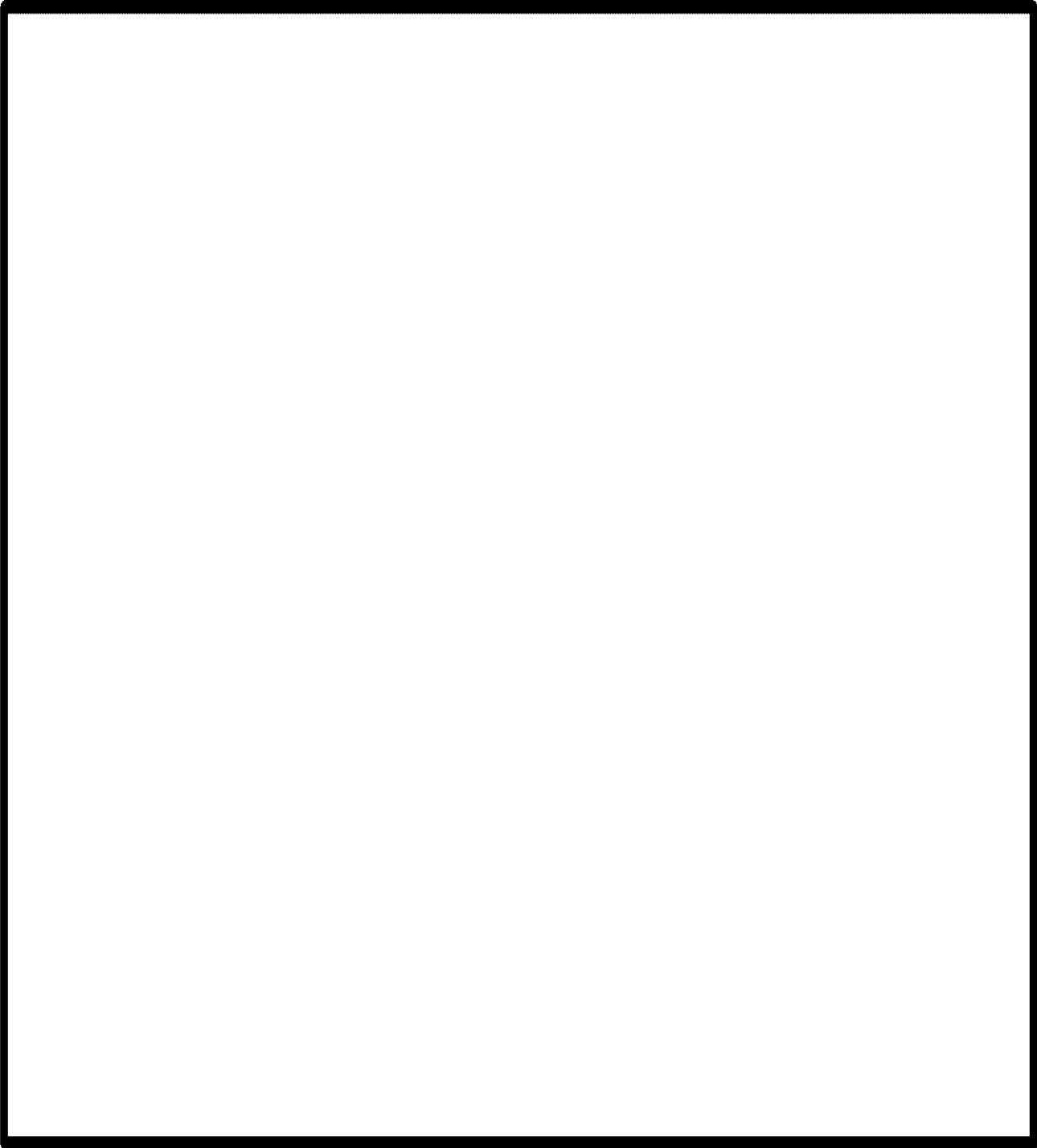
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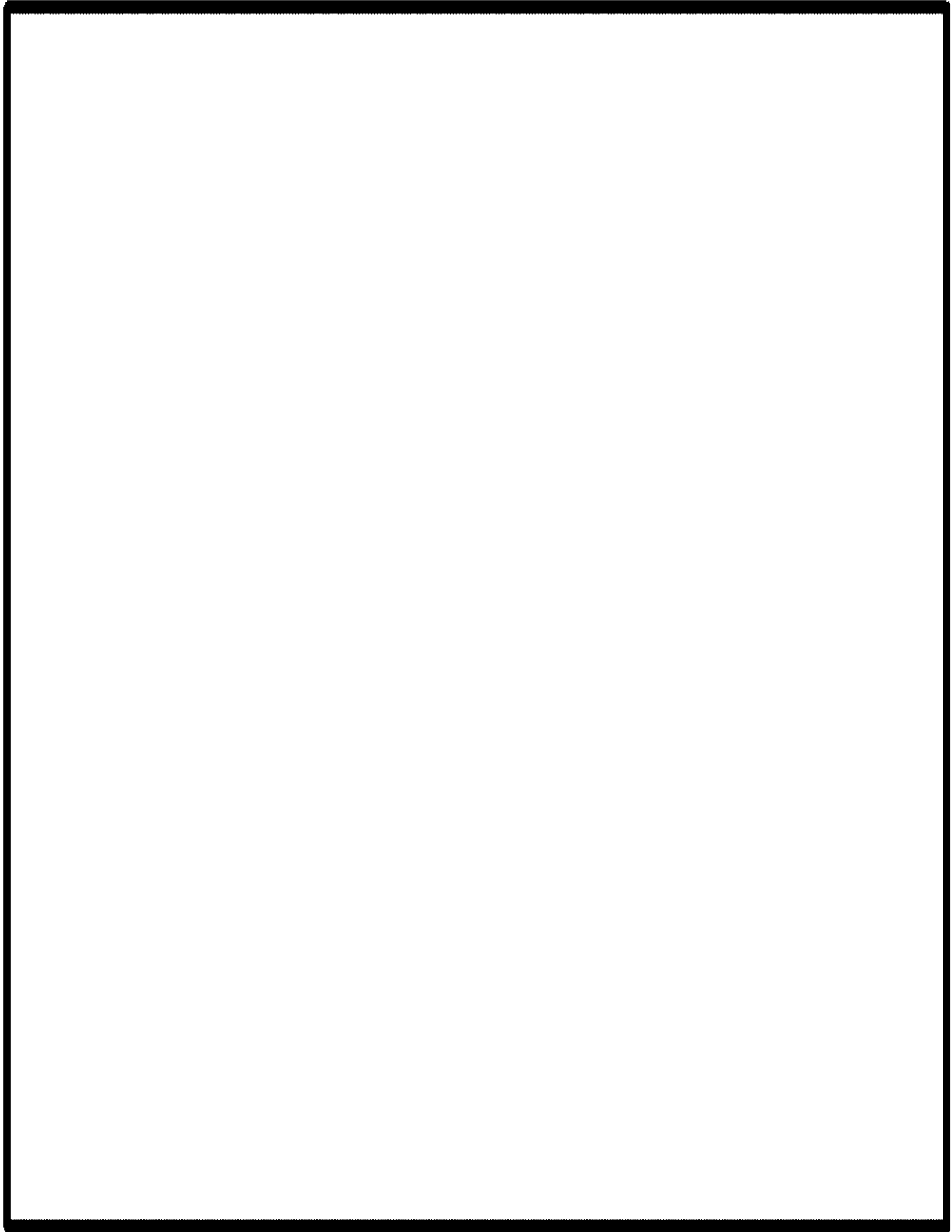
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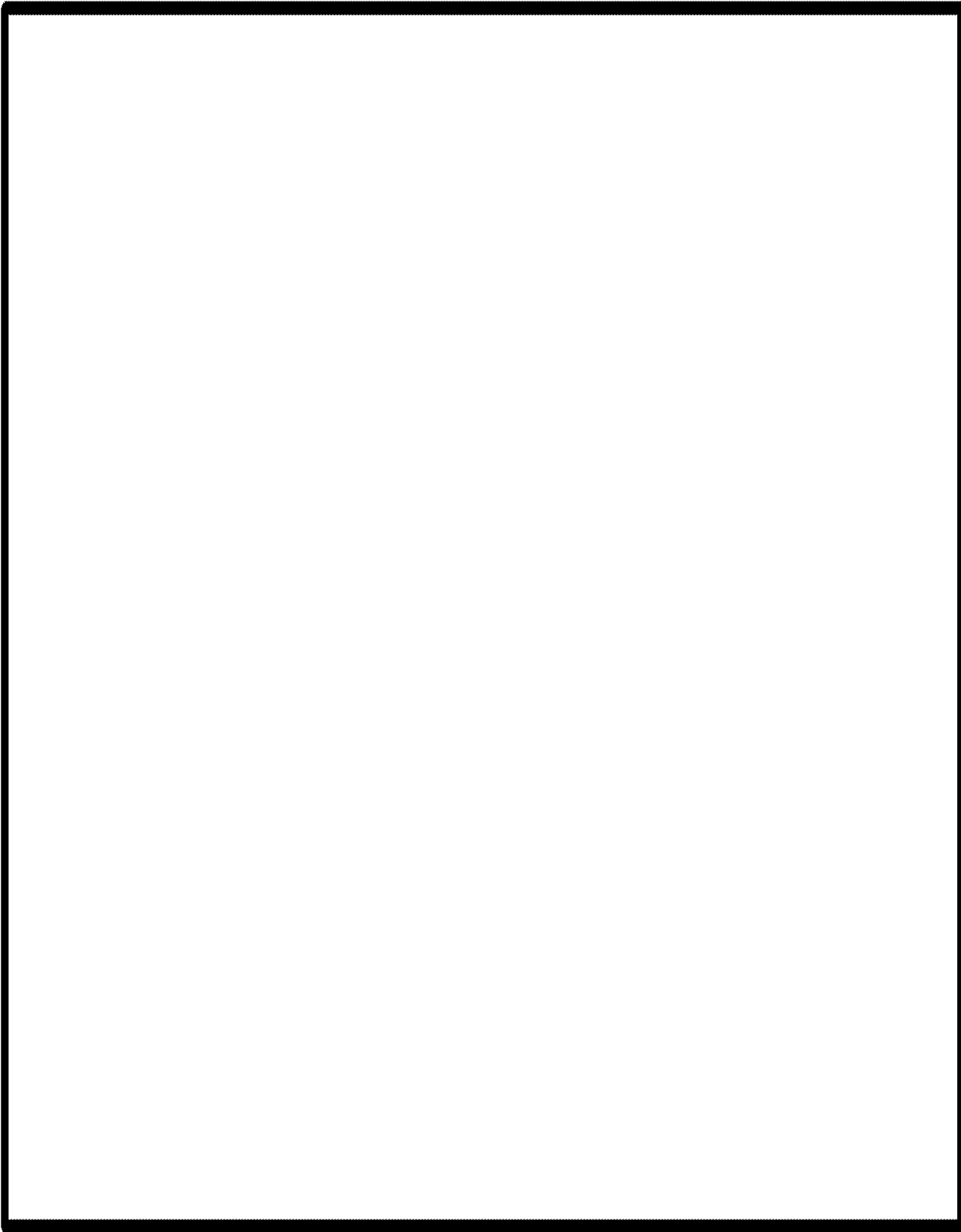
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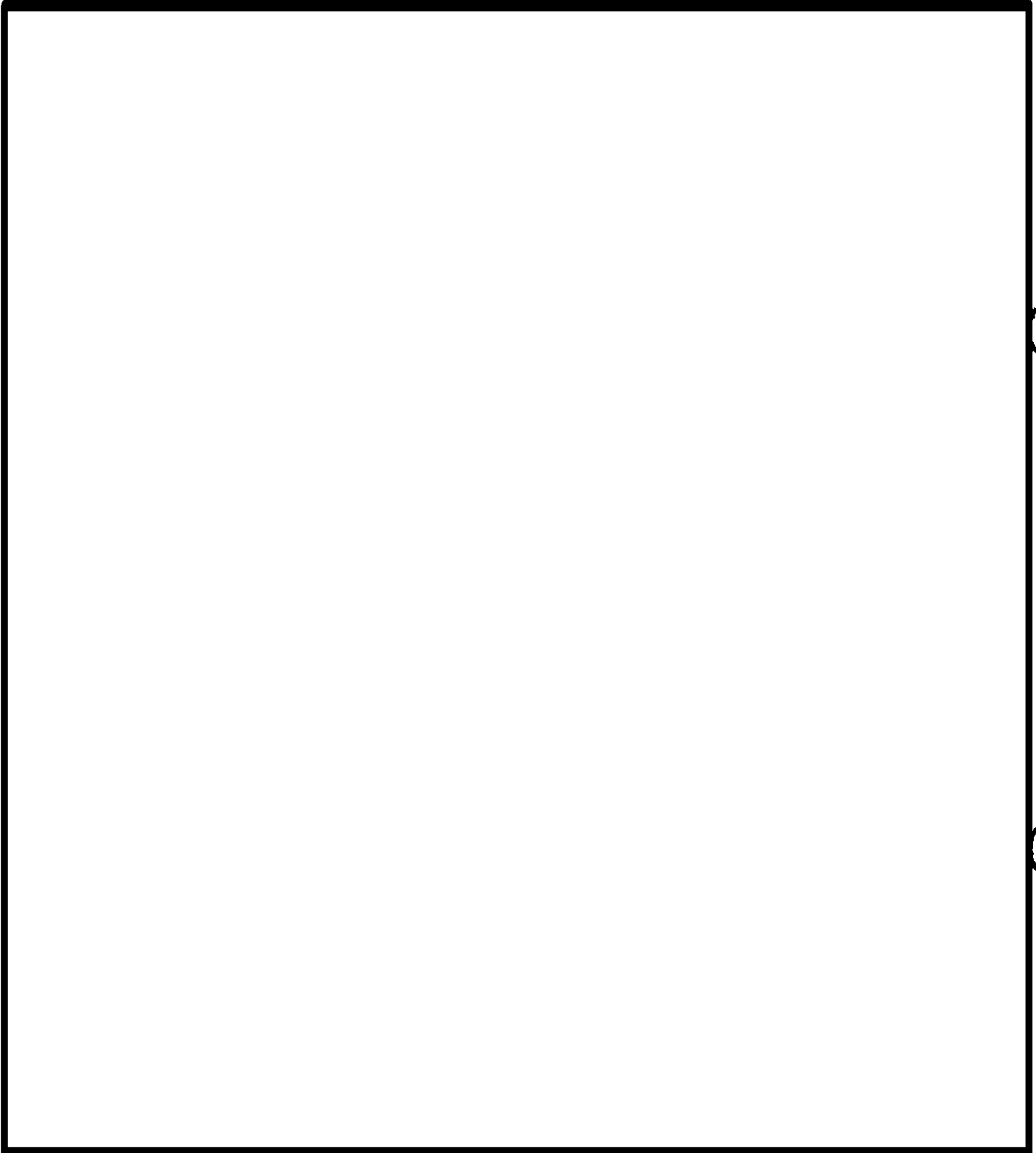
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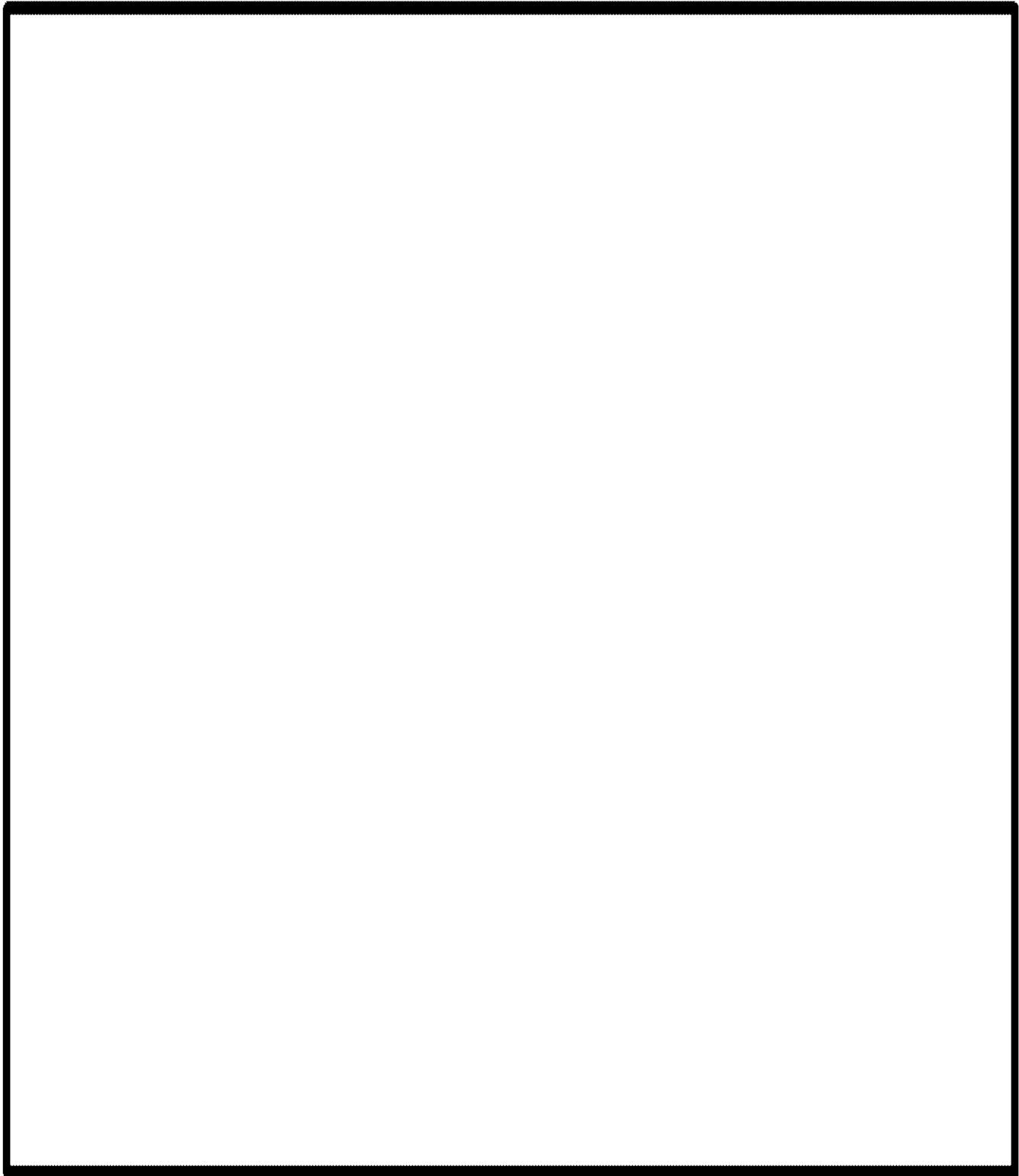


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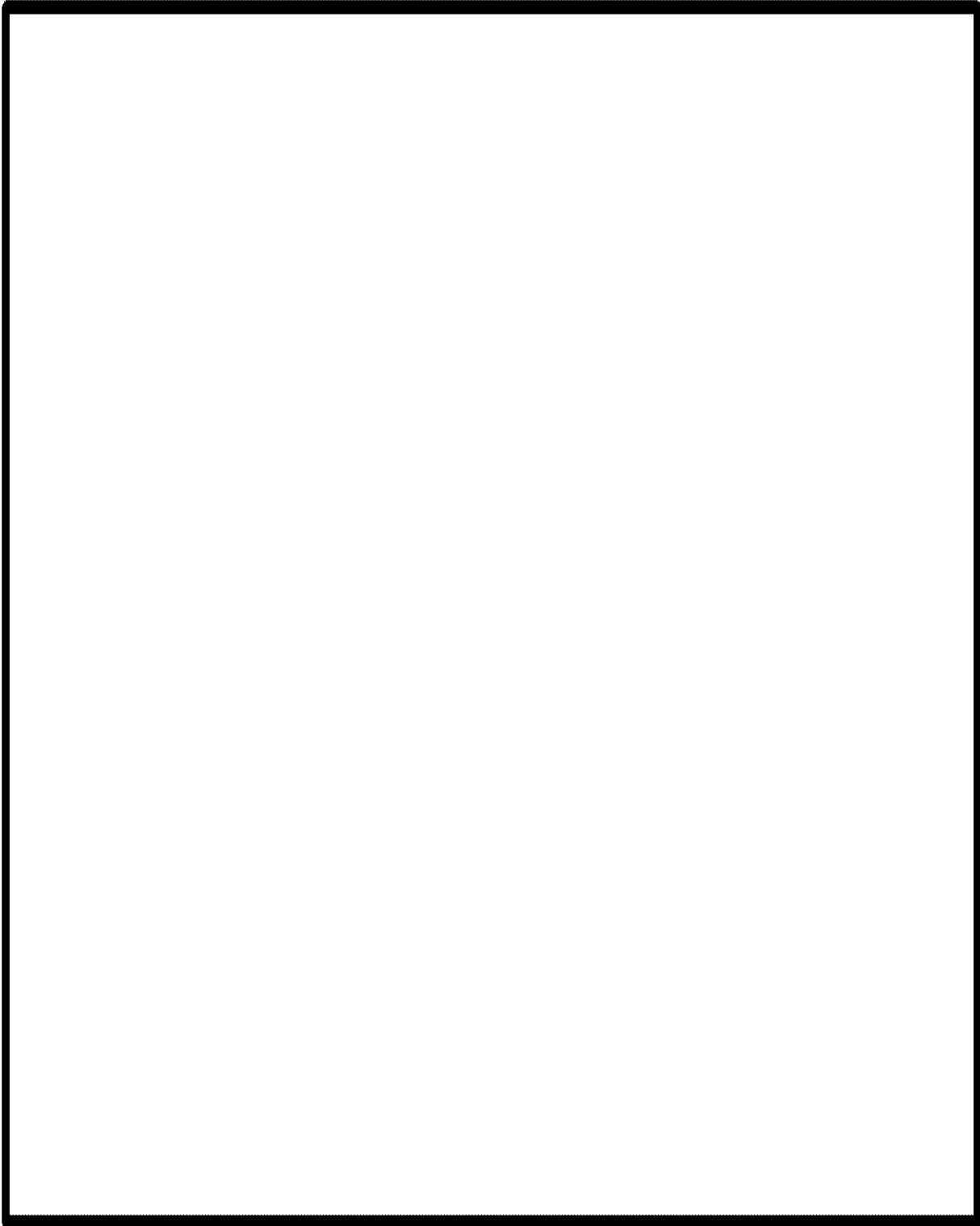
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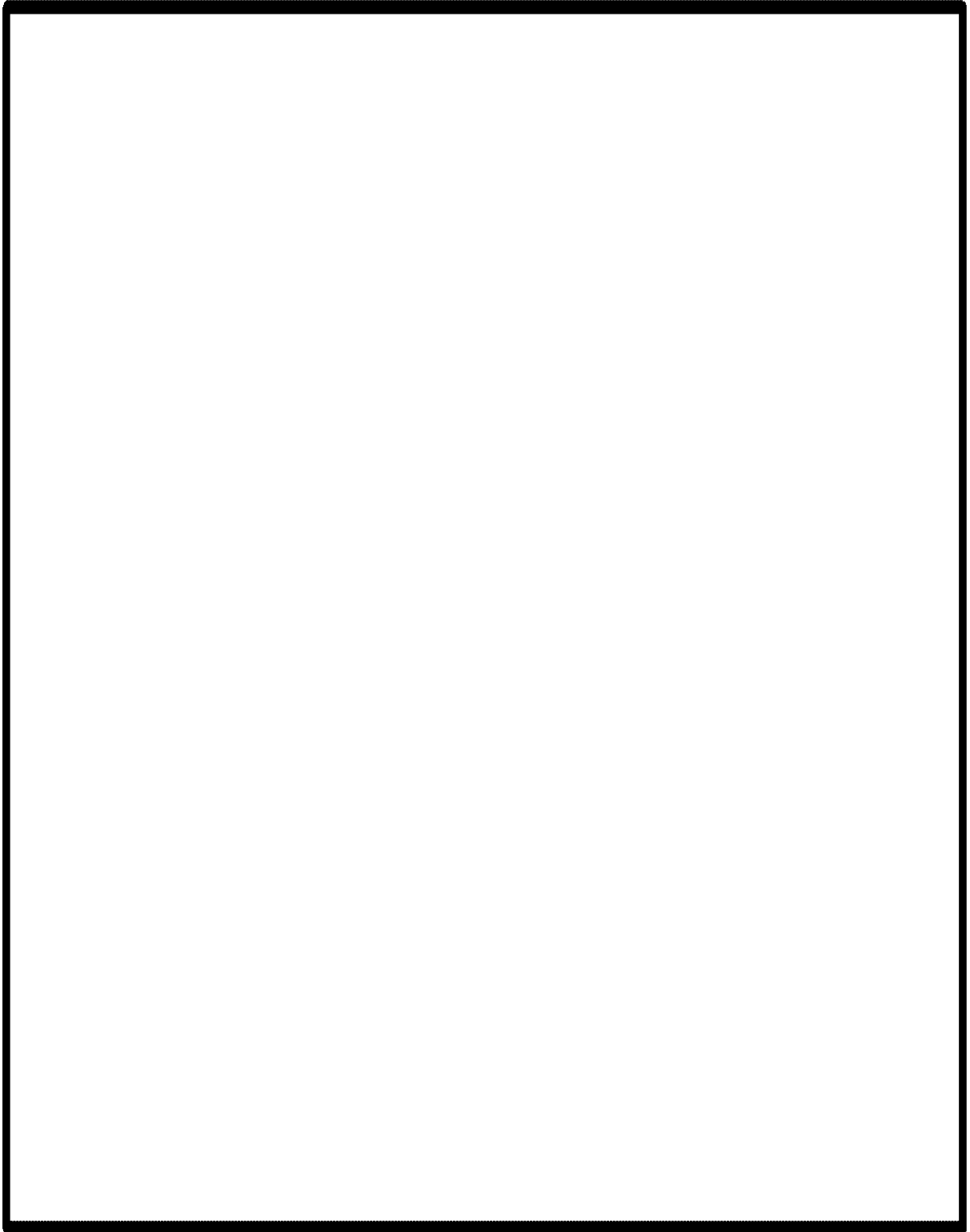
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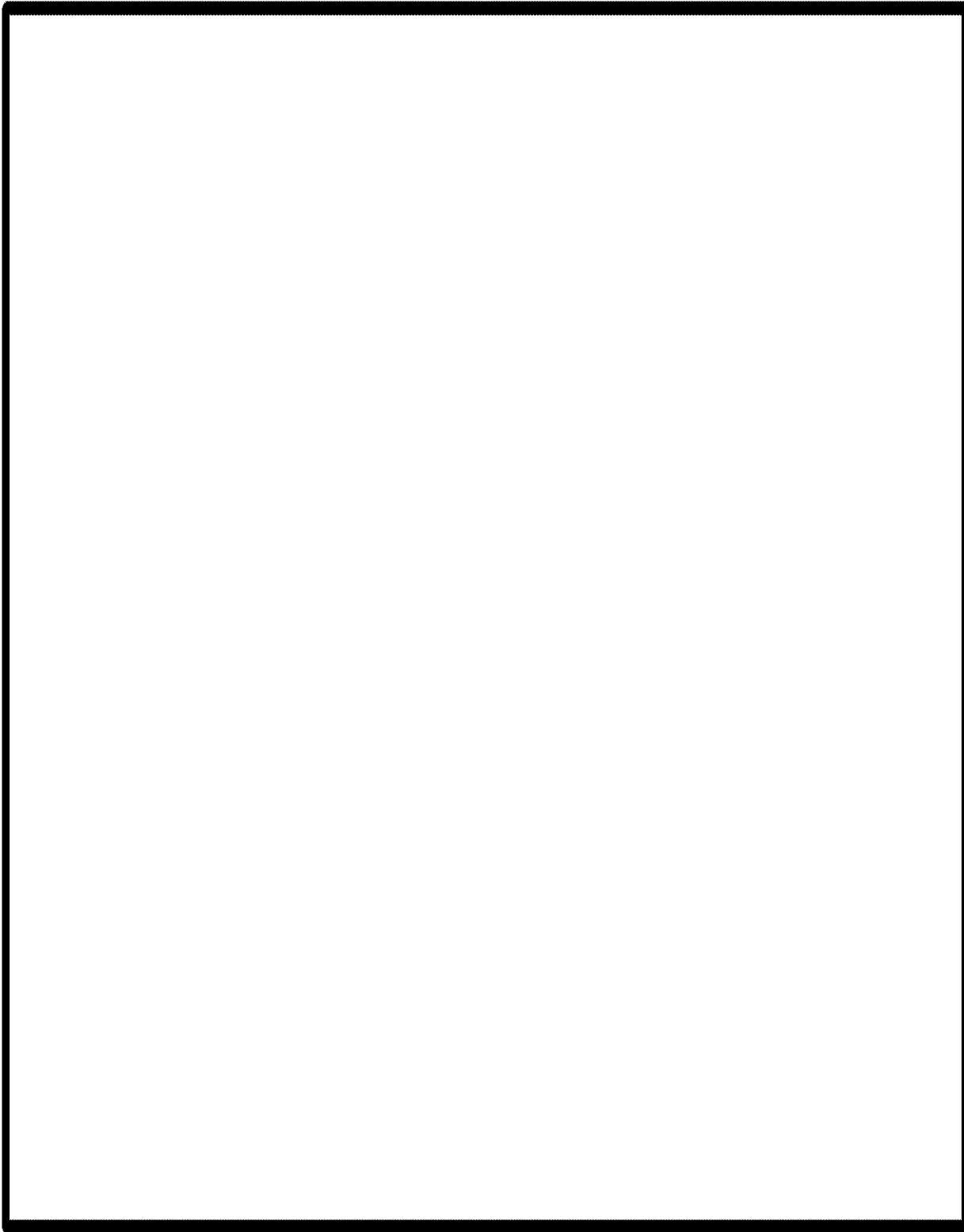
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CHAPTER 4
Guiding Principles

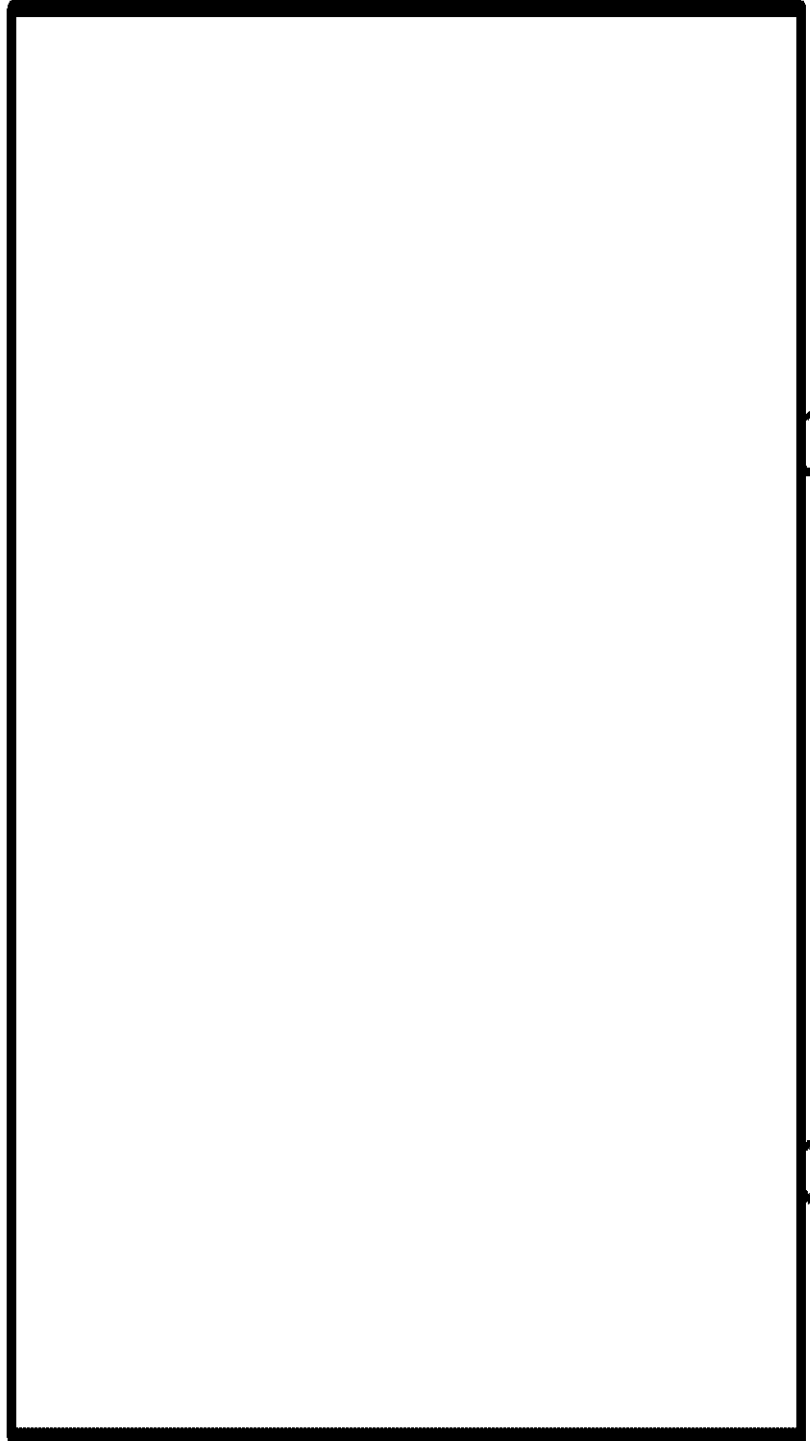
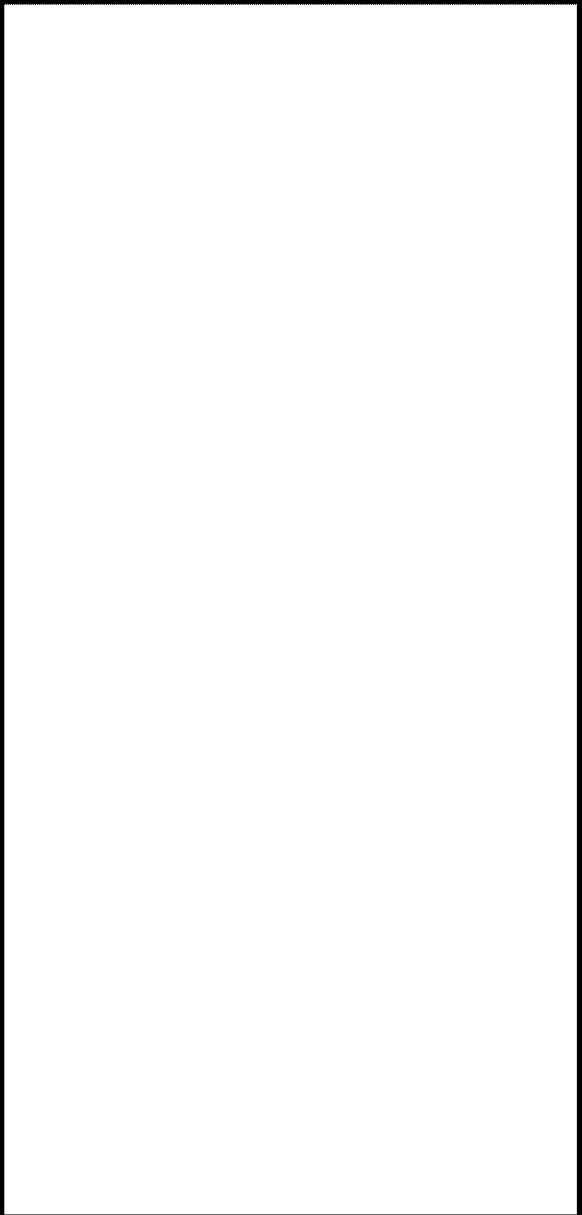
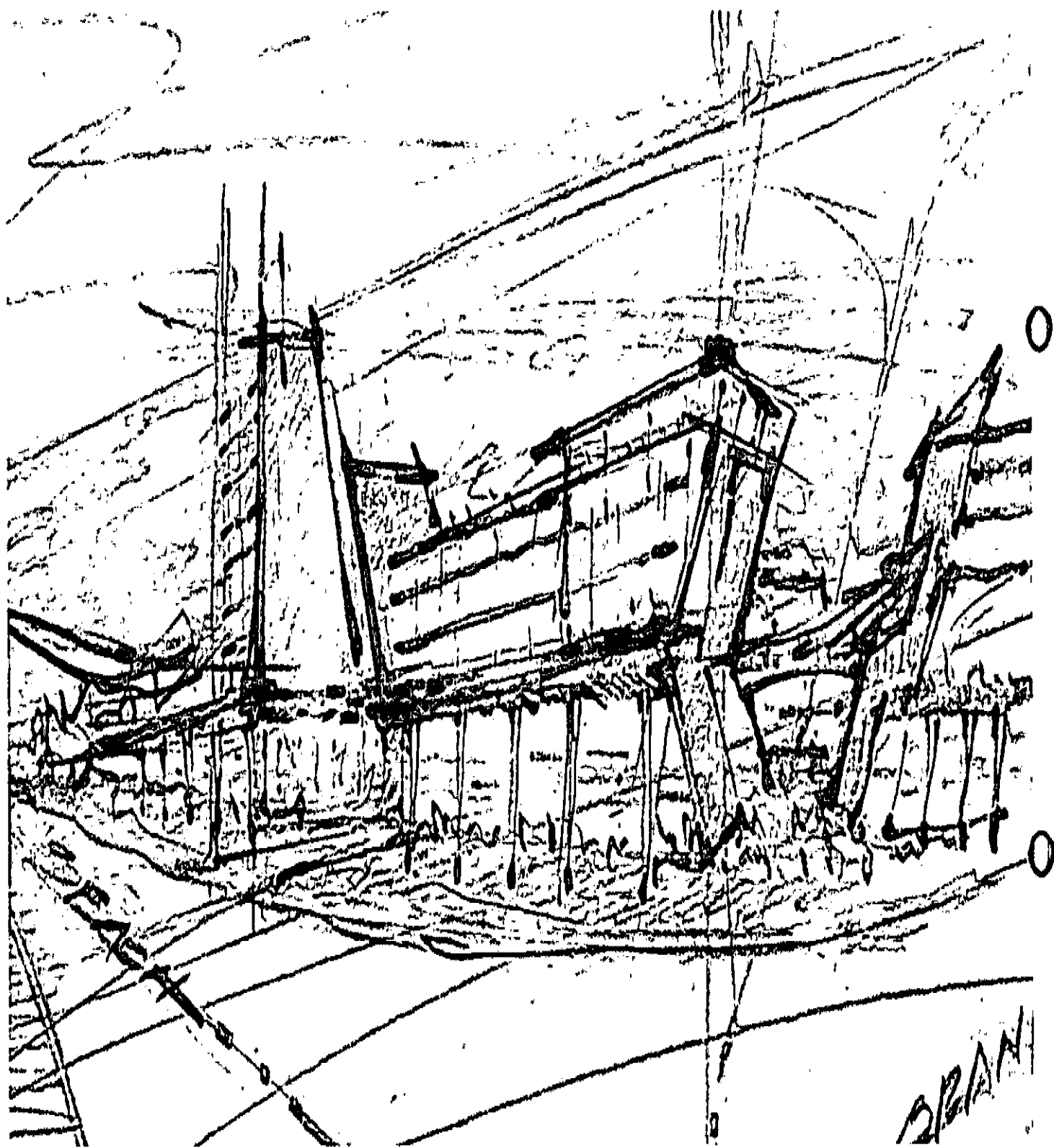


Fig. 25 Guiding Principles Diagrams



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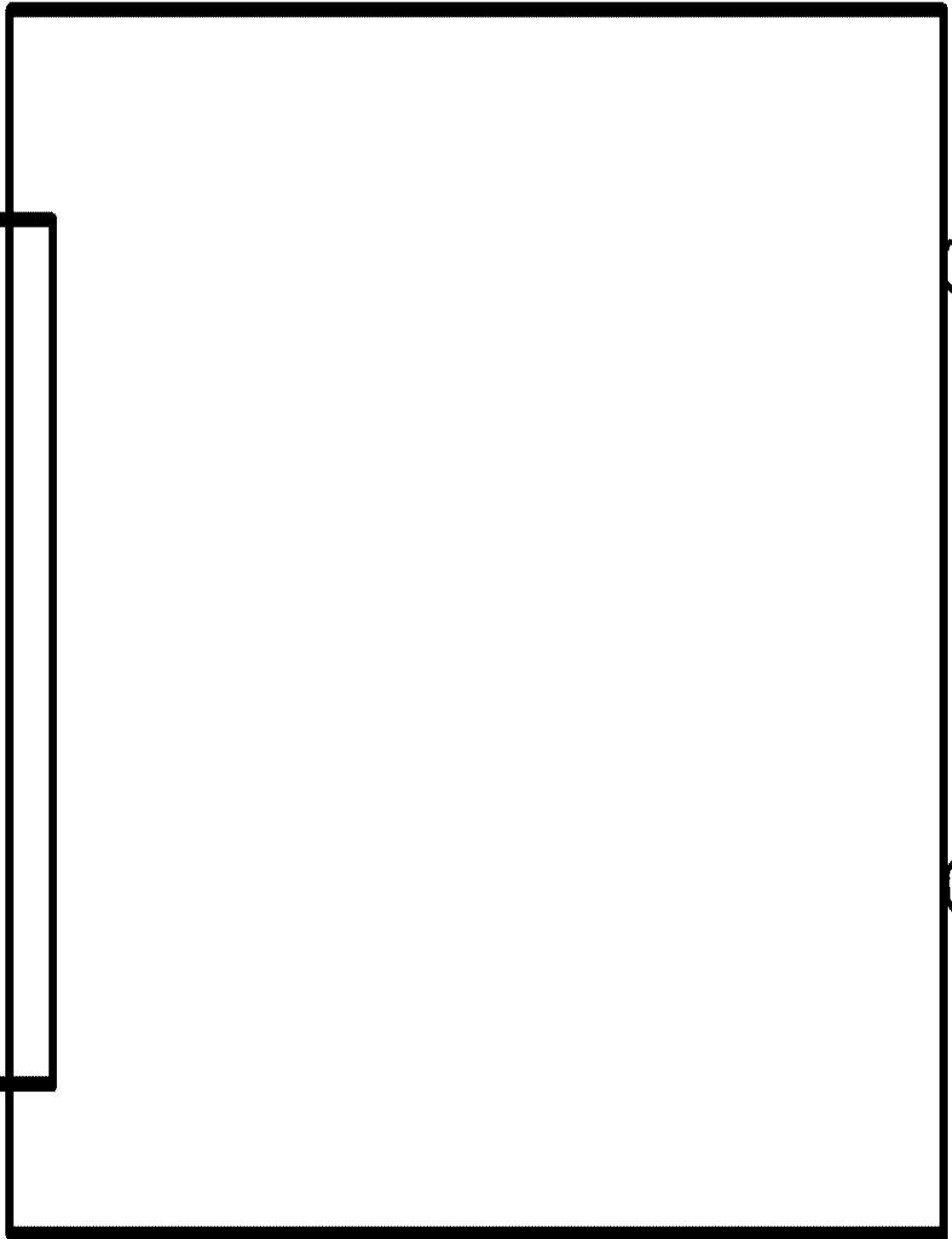
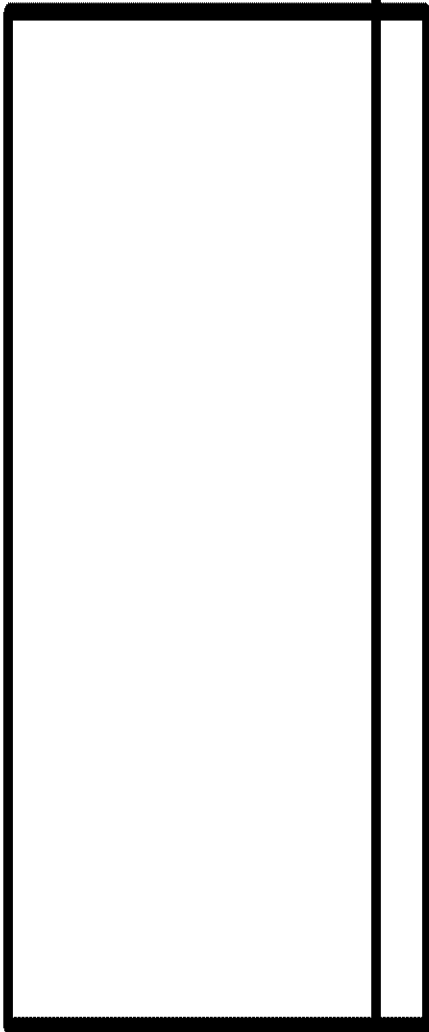
Chapter 4 Guiding Principles 39



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CHAPTER 5 Character Images

The following pages include character images and descriptions that capture the essence of the various places within the proposed development:

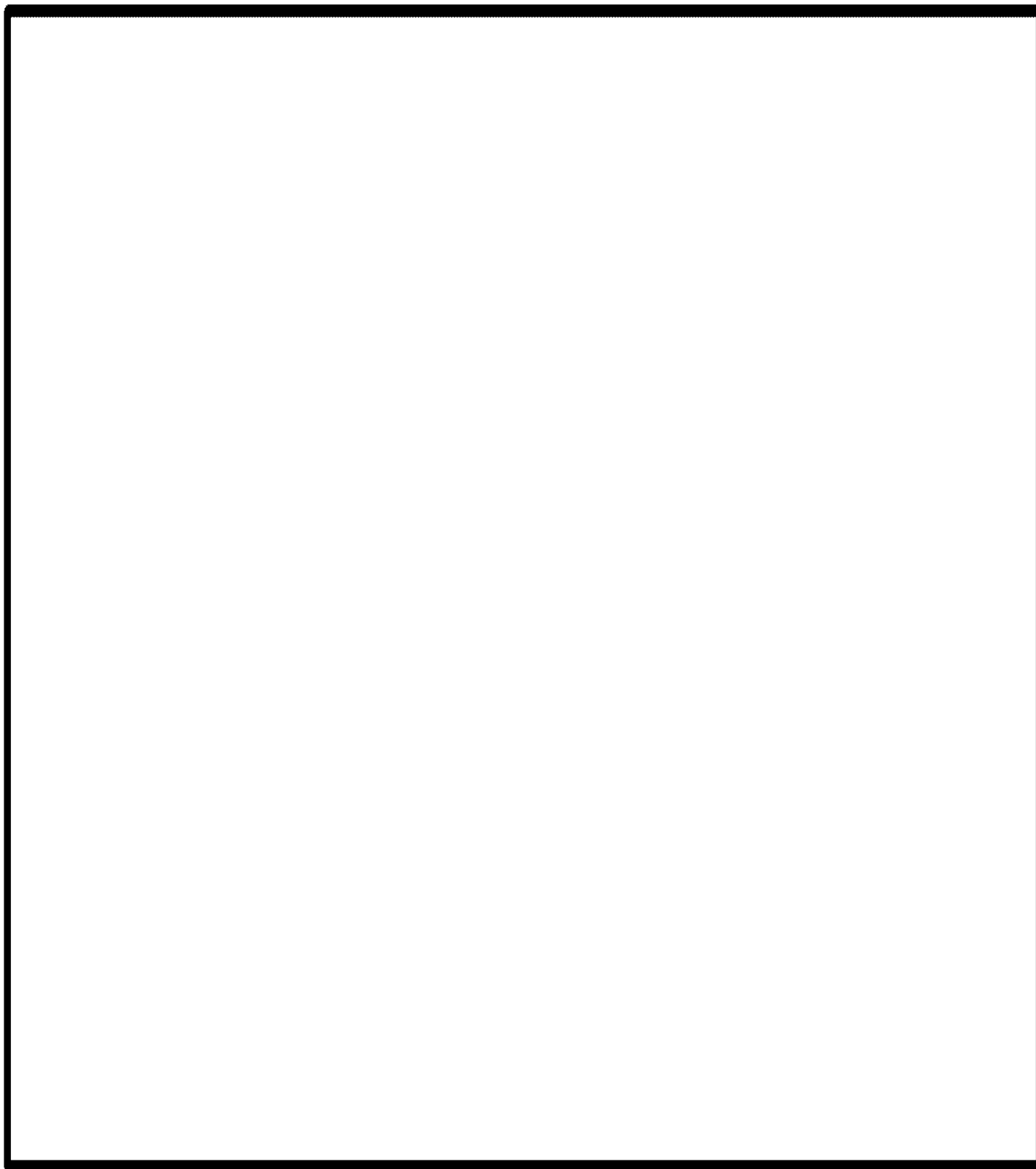


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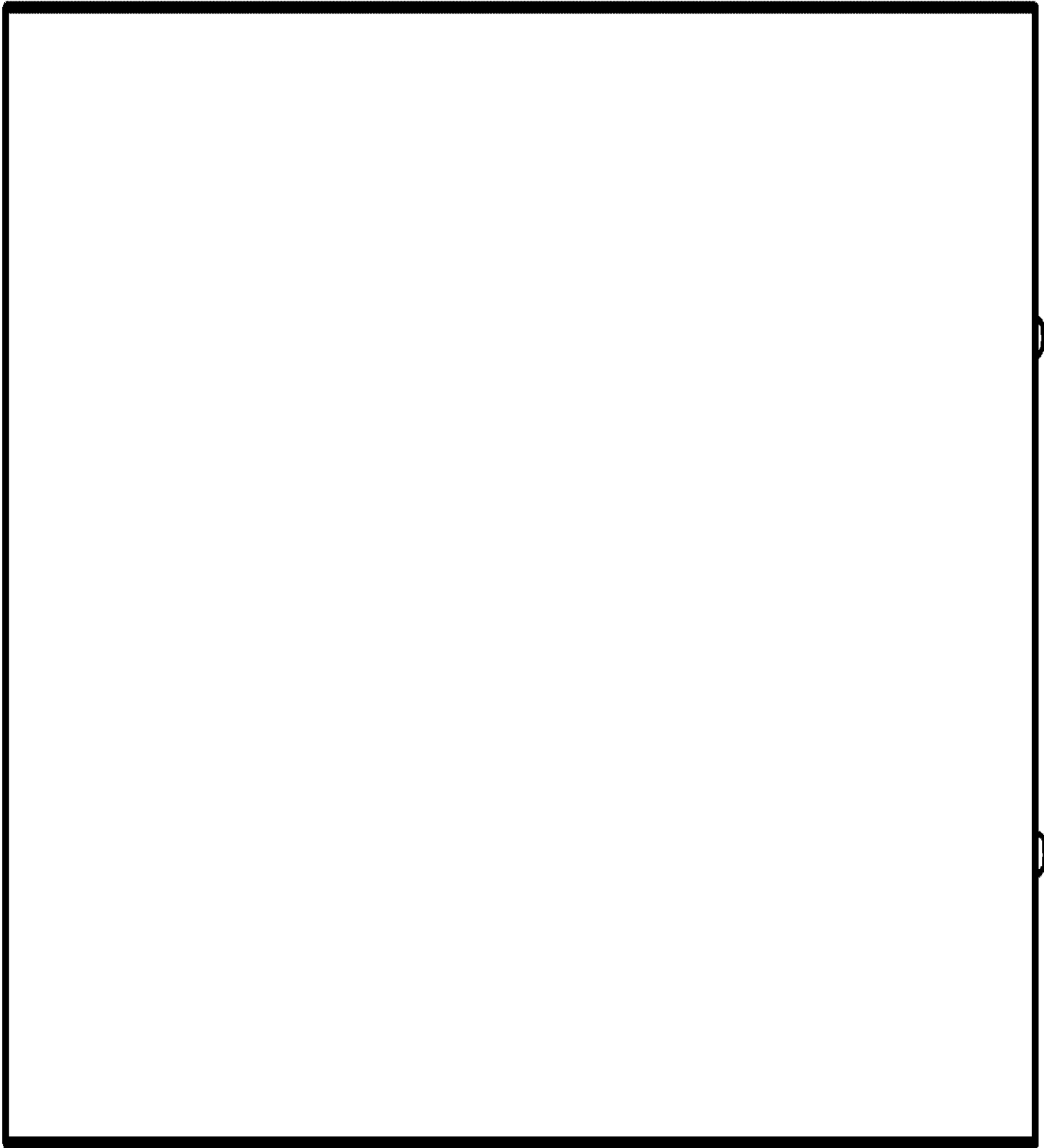
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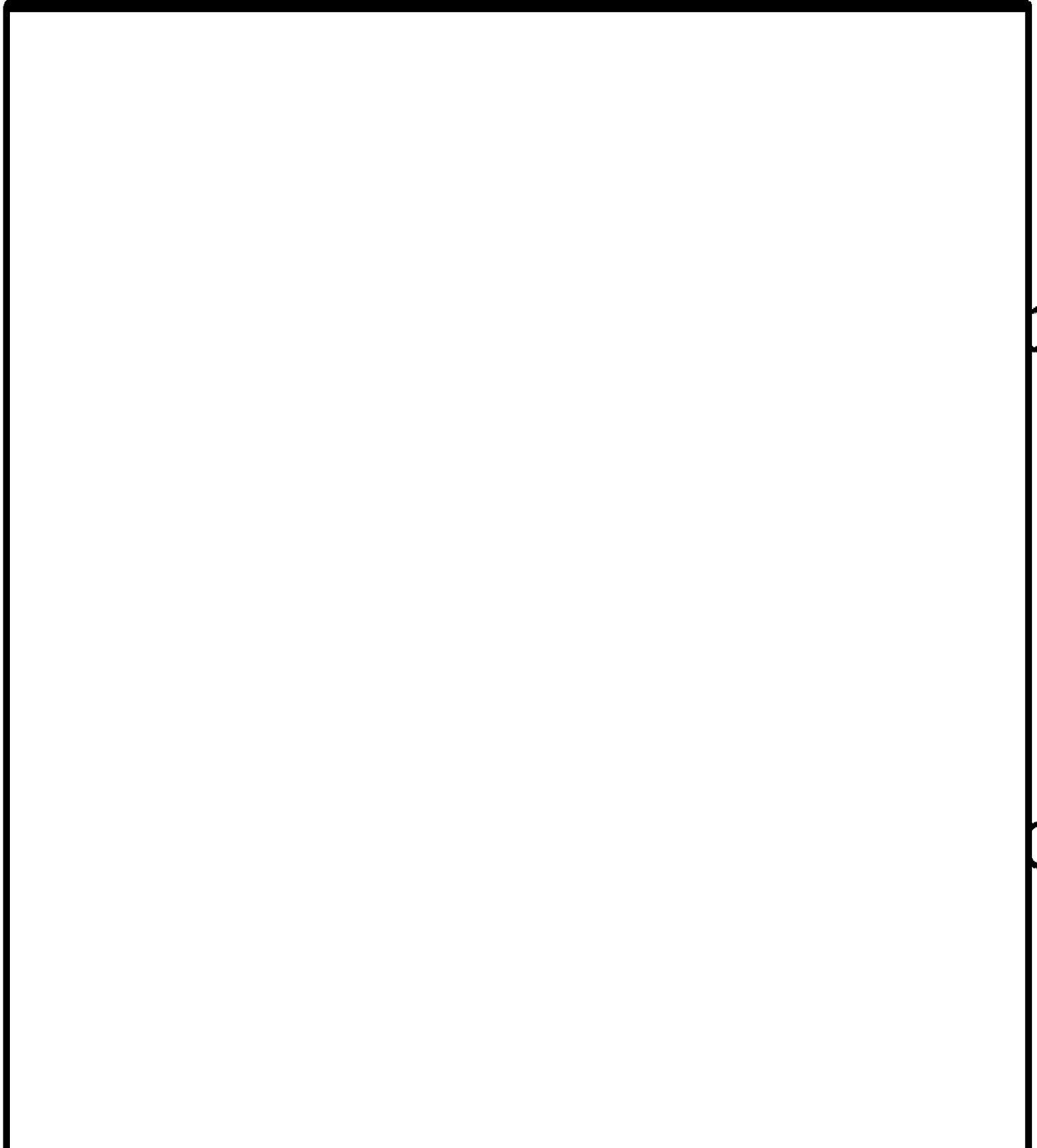
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beach + orangethorpe

Chapter 5 Character Images 44



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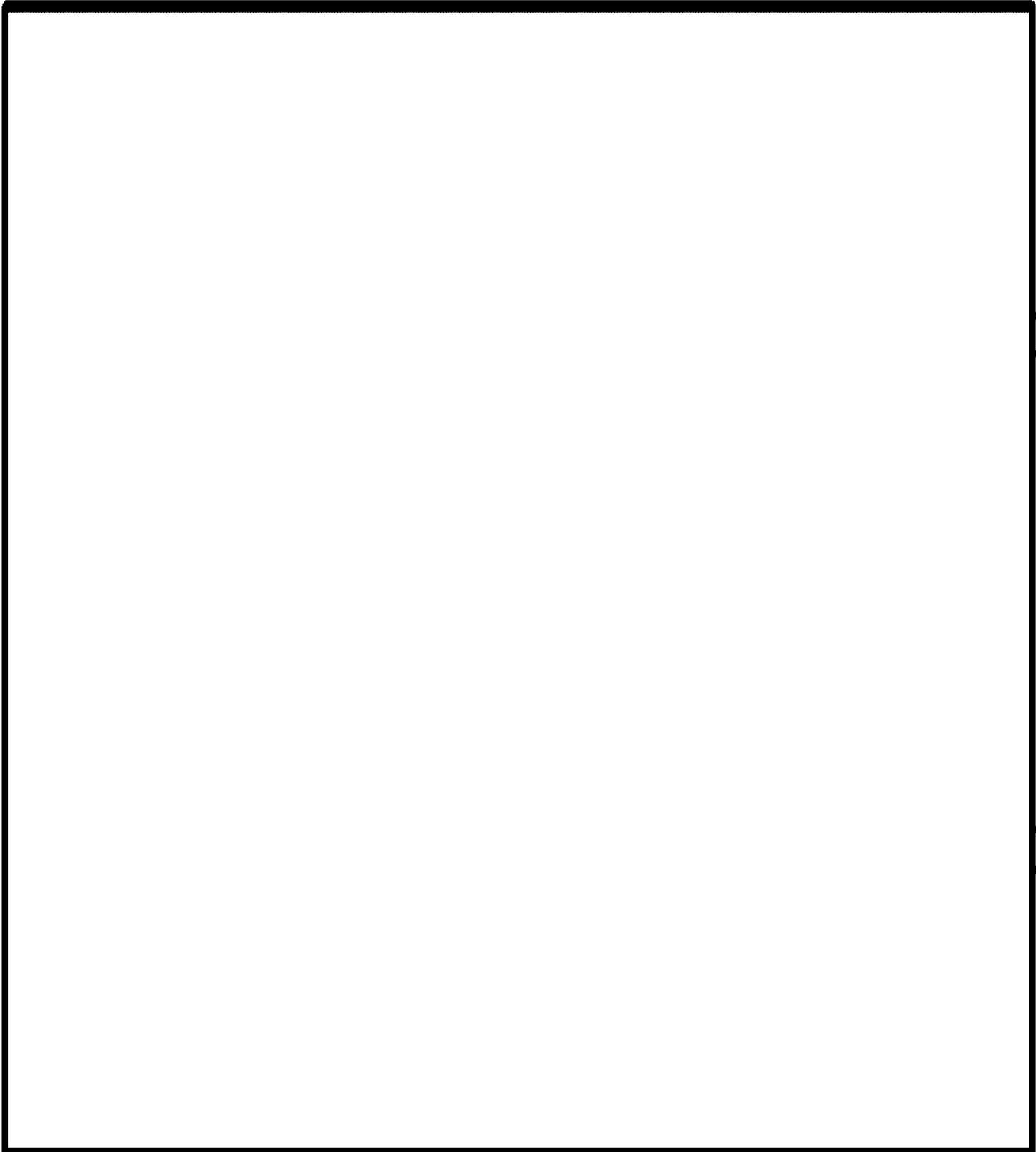
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beach + orangethorpe

Chapter 5 Character Images 46

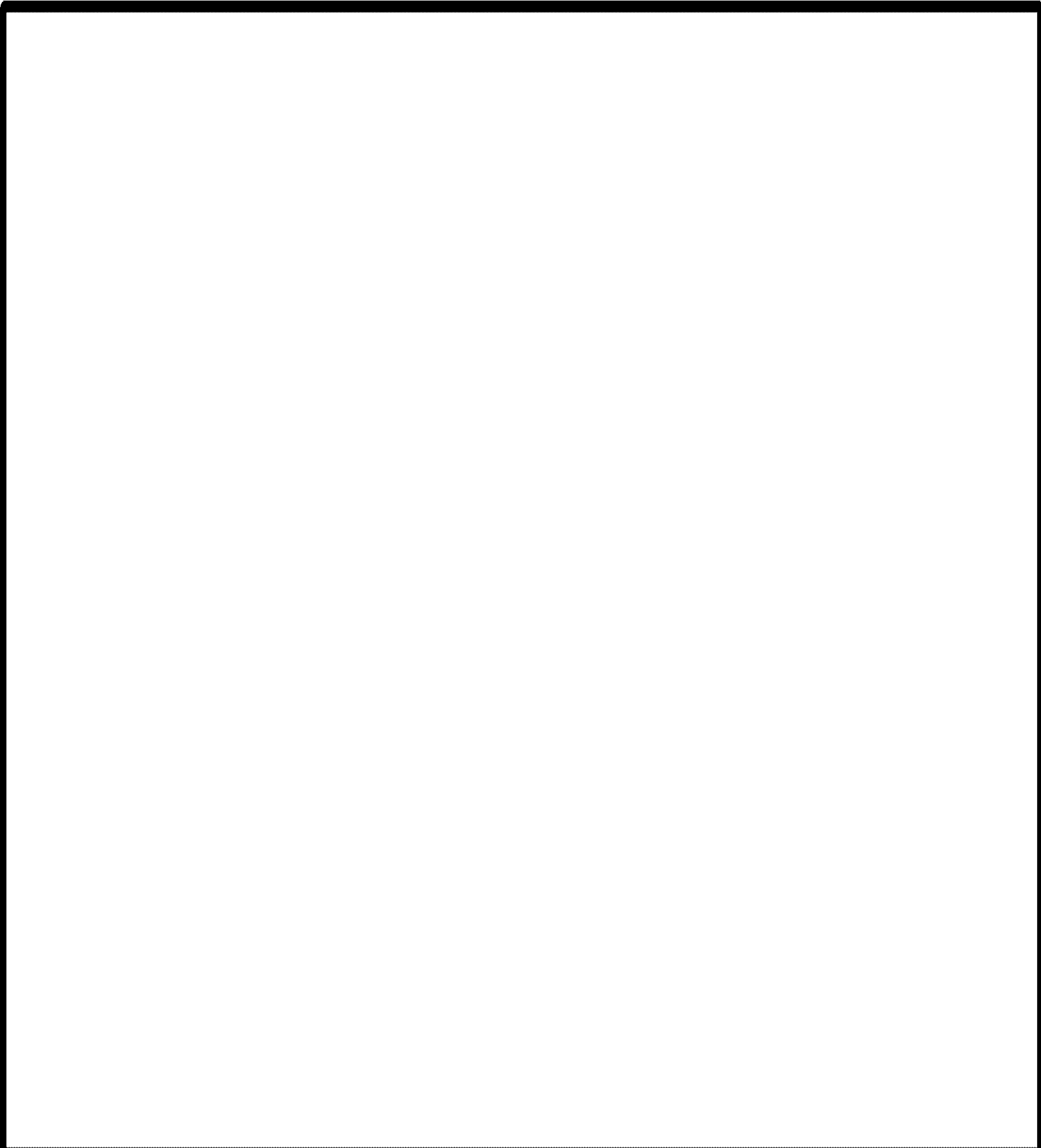


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beach - orangethorpe

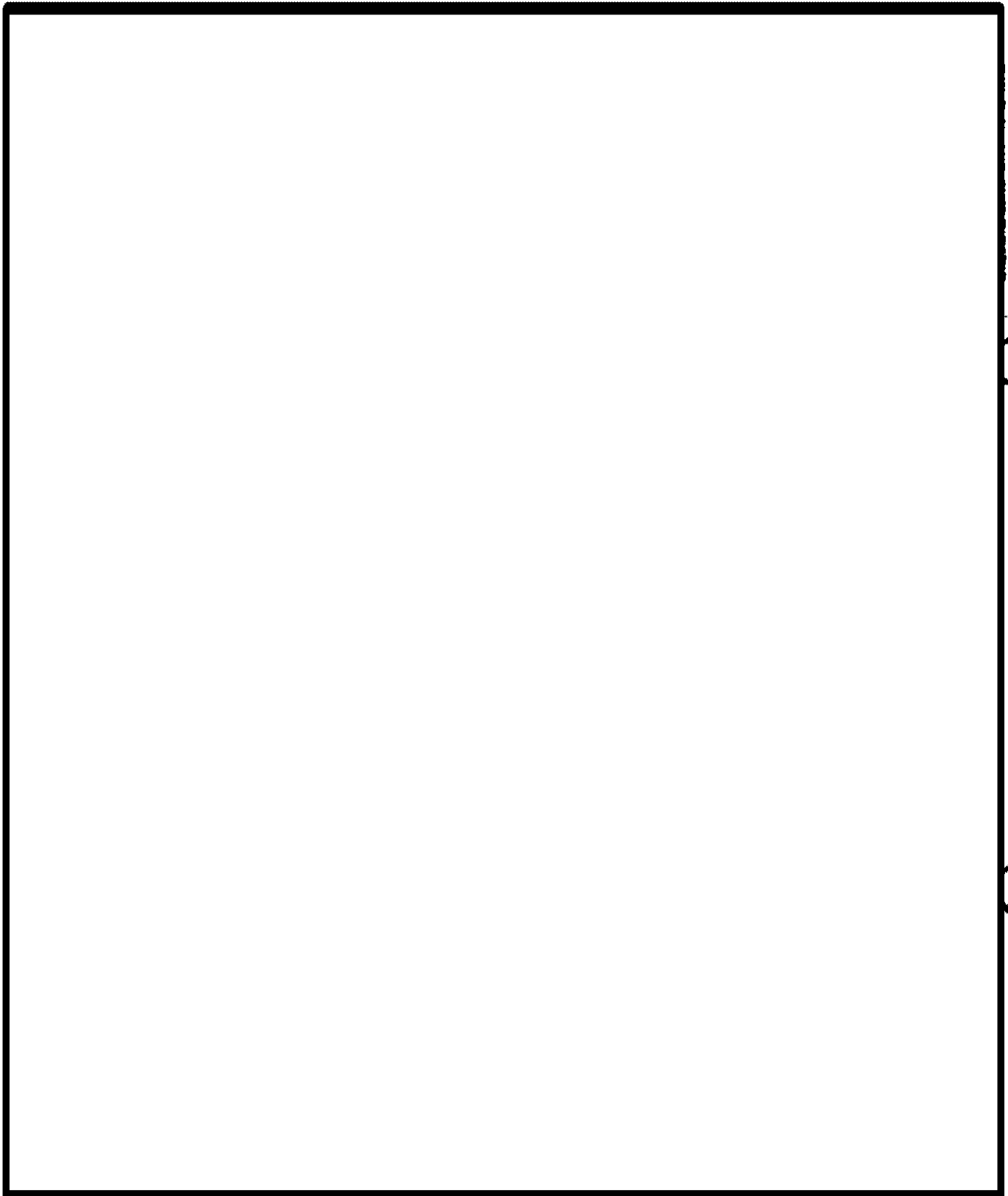
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beach + orangethorpe

Chapter 5 Character Images 49

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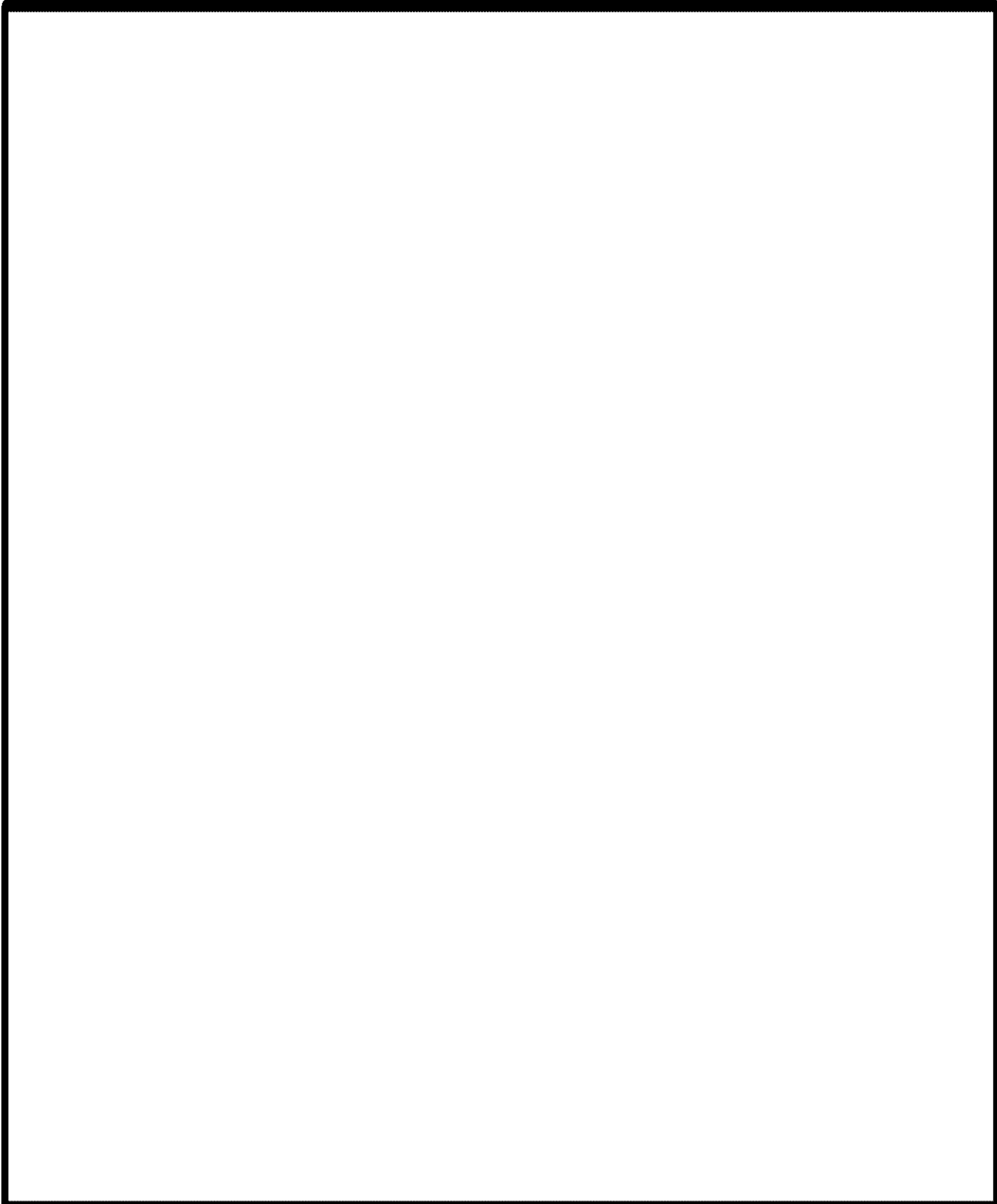
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beach + orangethorpe

Chapter 5 Character Images 51

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beach + orangethorpe

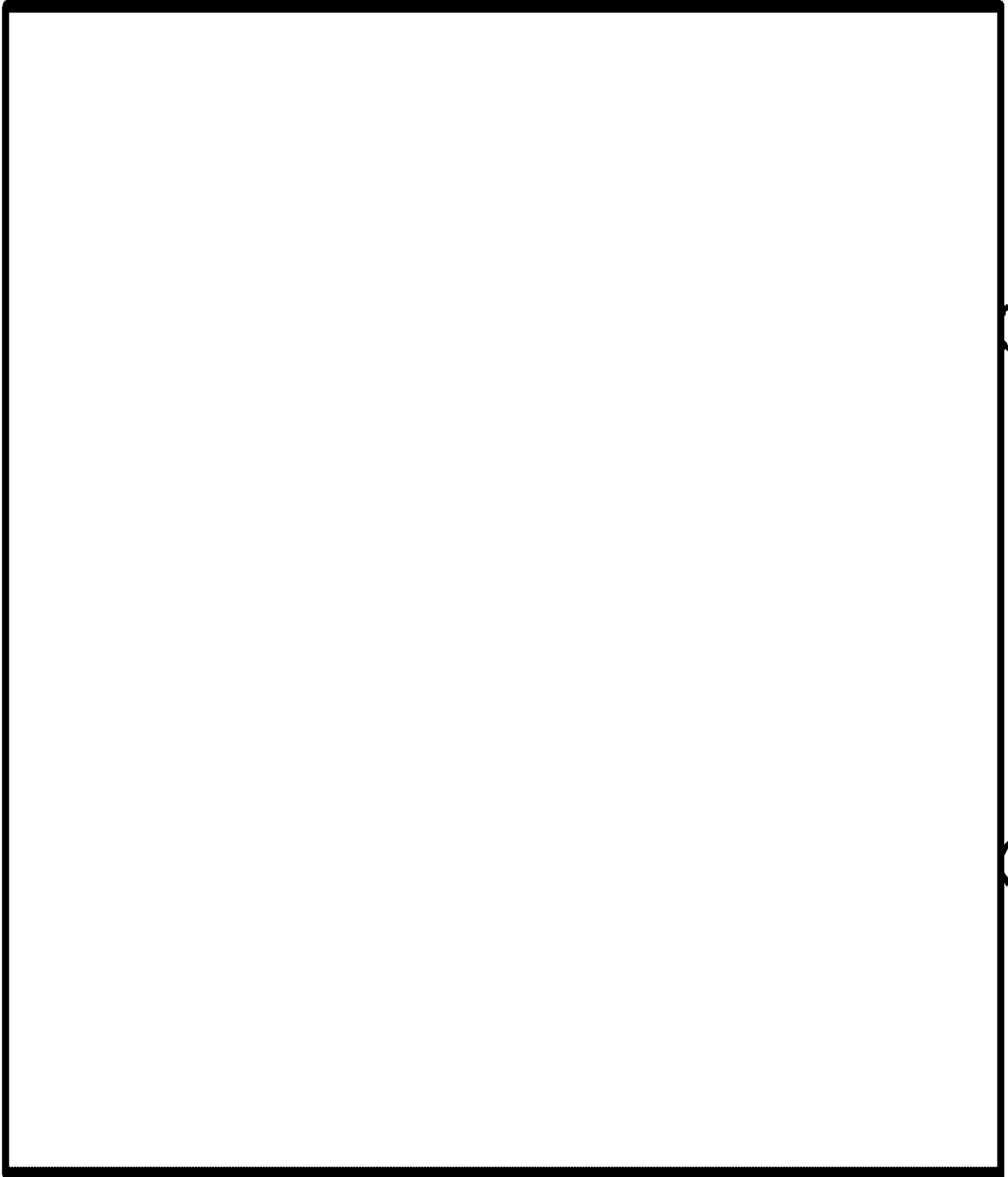
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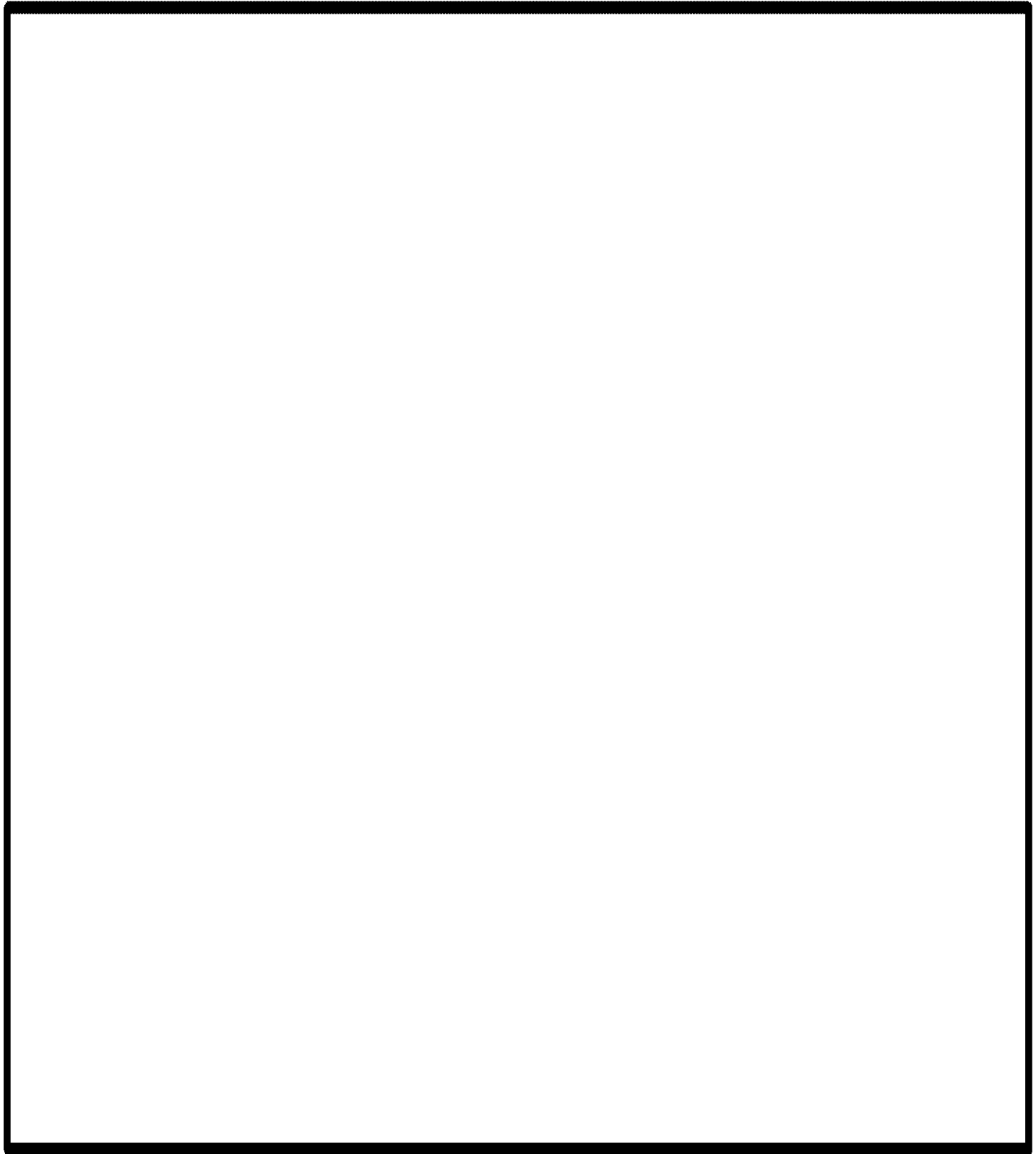


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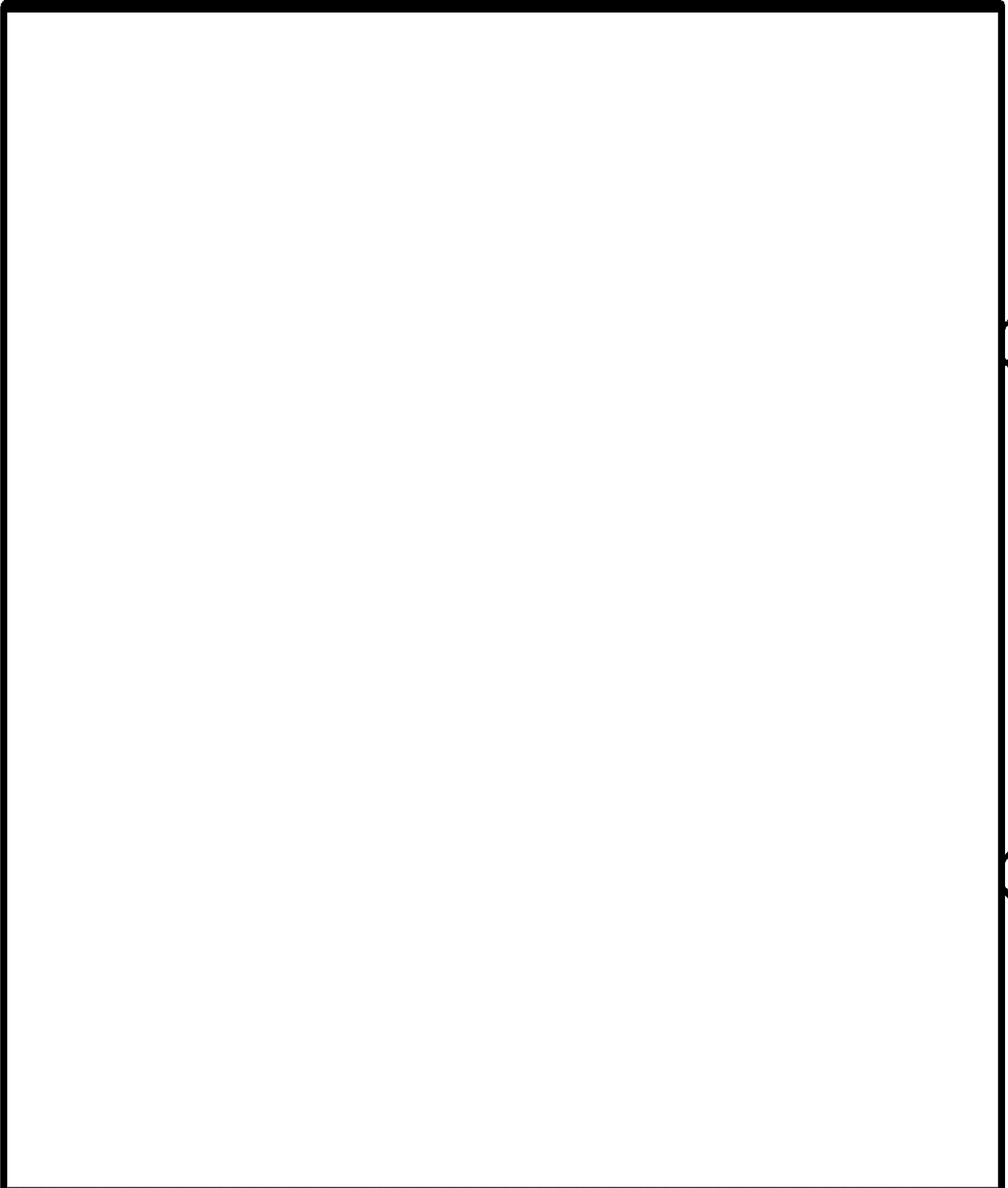
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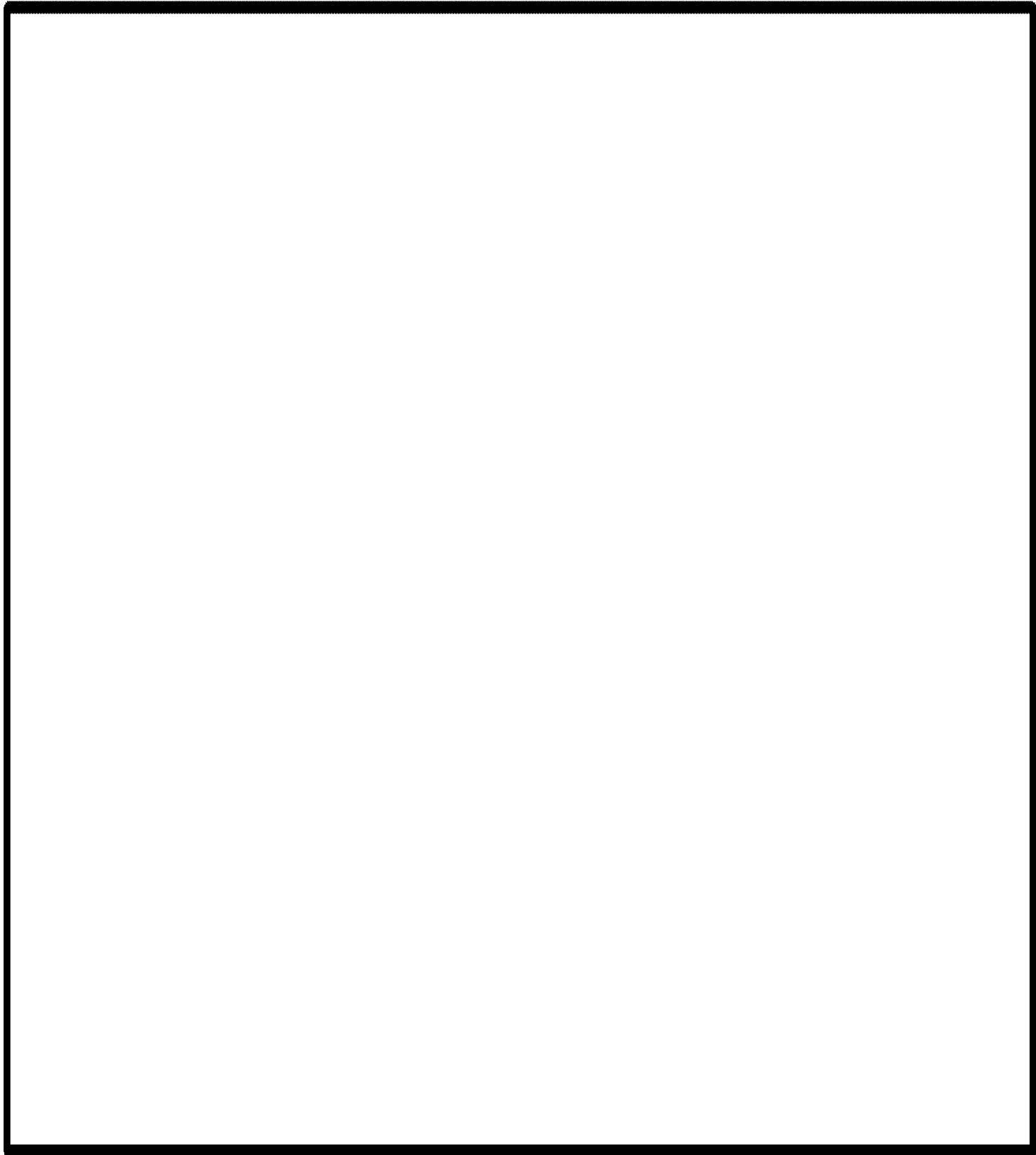


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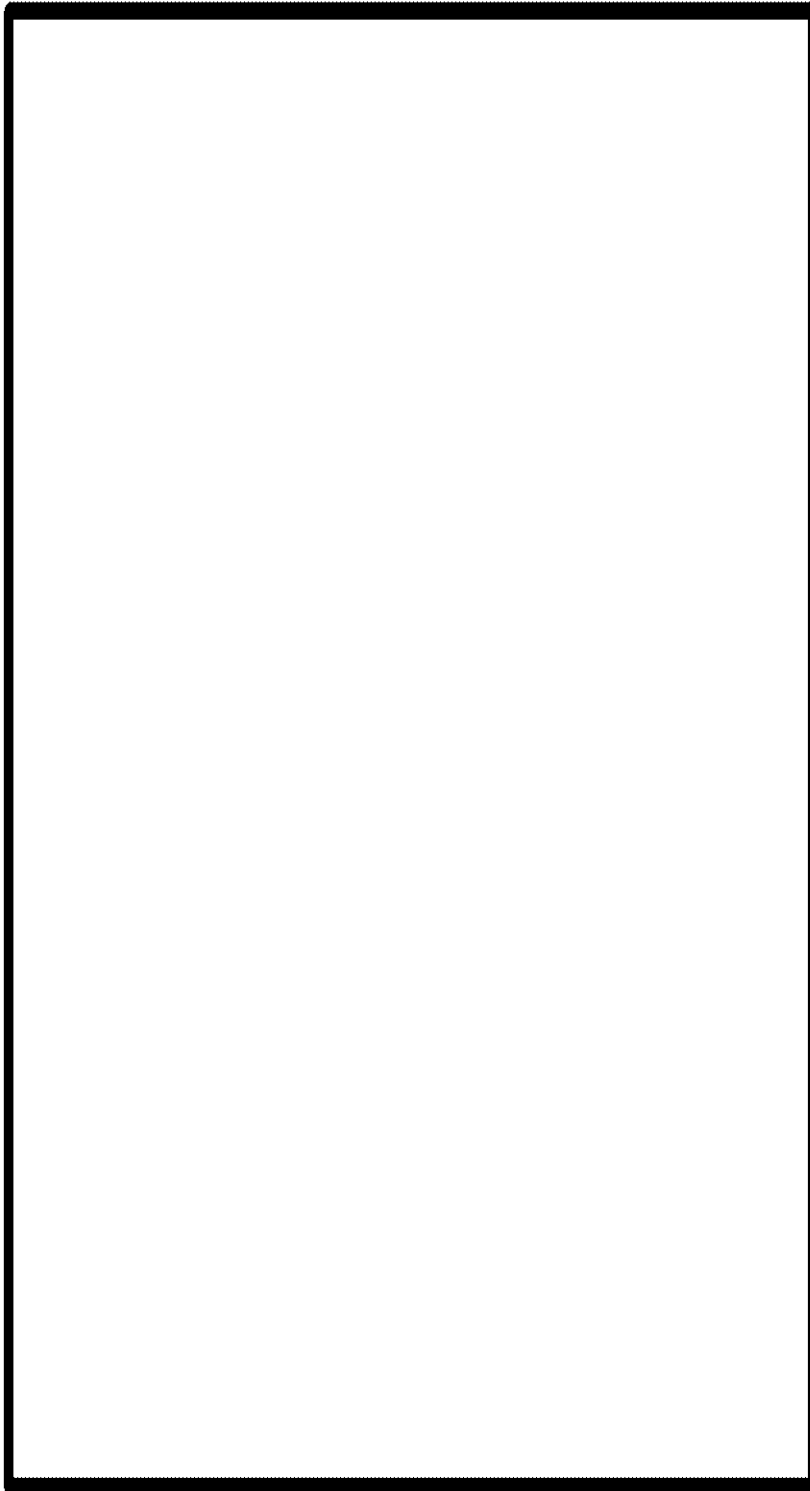
beach + orangethorpe

Chapter 5 Character Images 56

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CHAPTER 6 Grading Plan

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Fig. 26 Illustrative Grading Plan

FF = Finished Floor
TC = Top of Curb

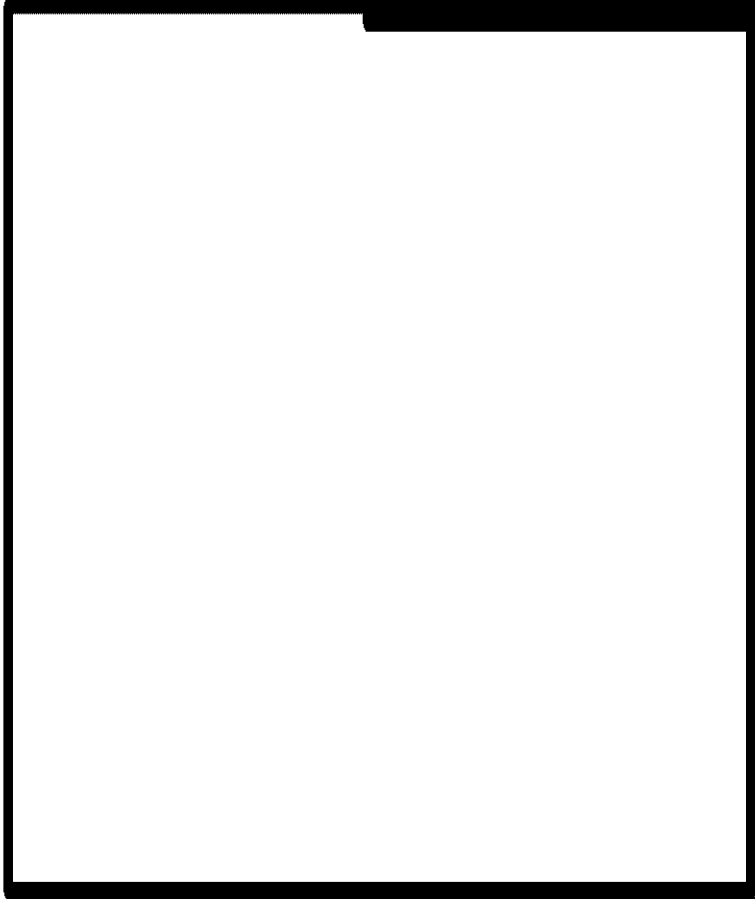
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CHAPTER 7
Circulation Plan

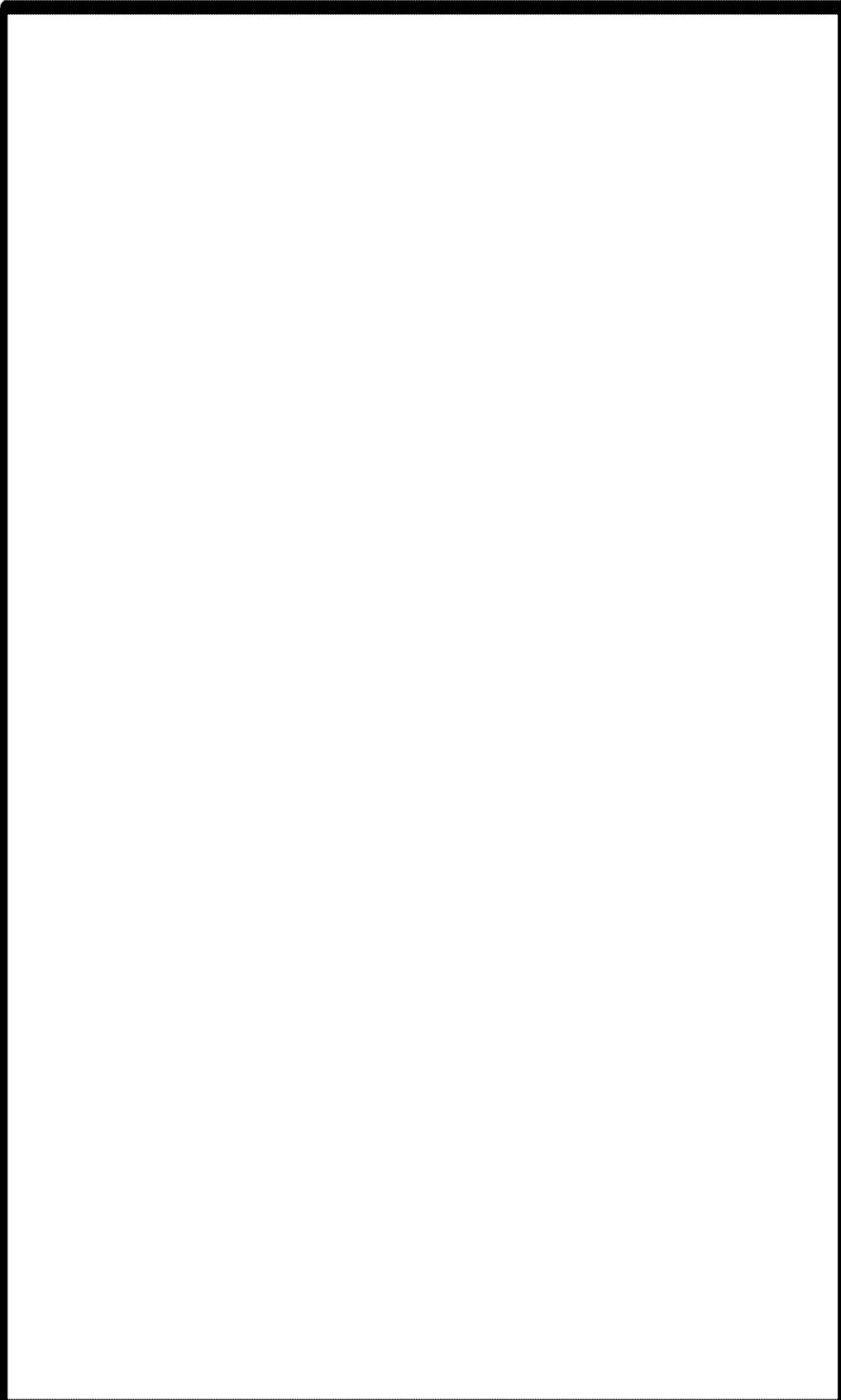


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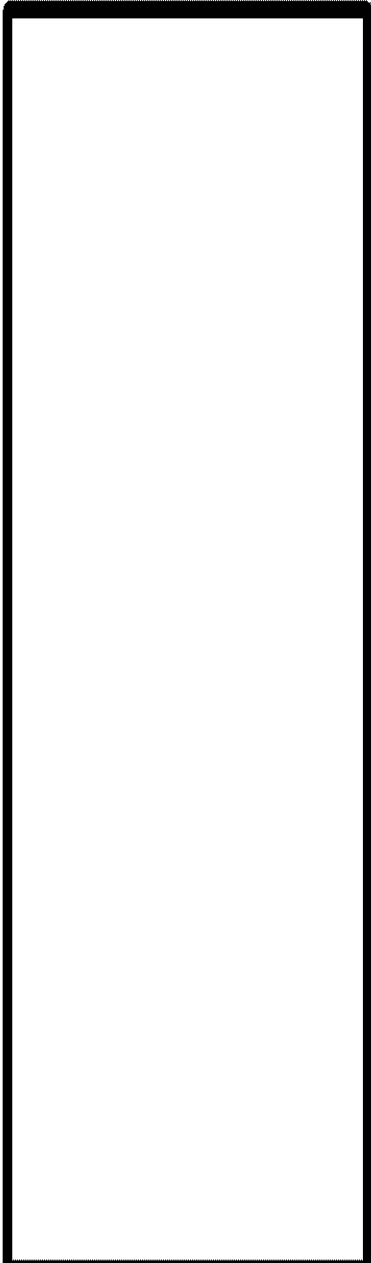
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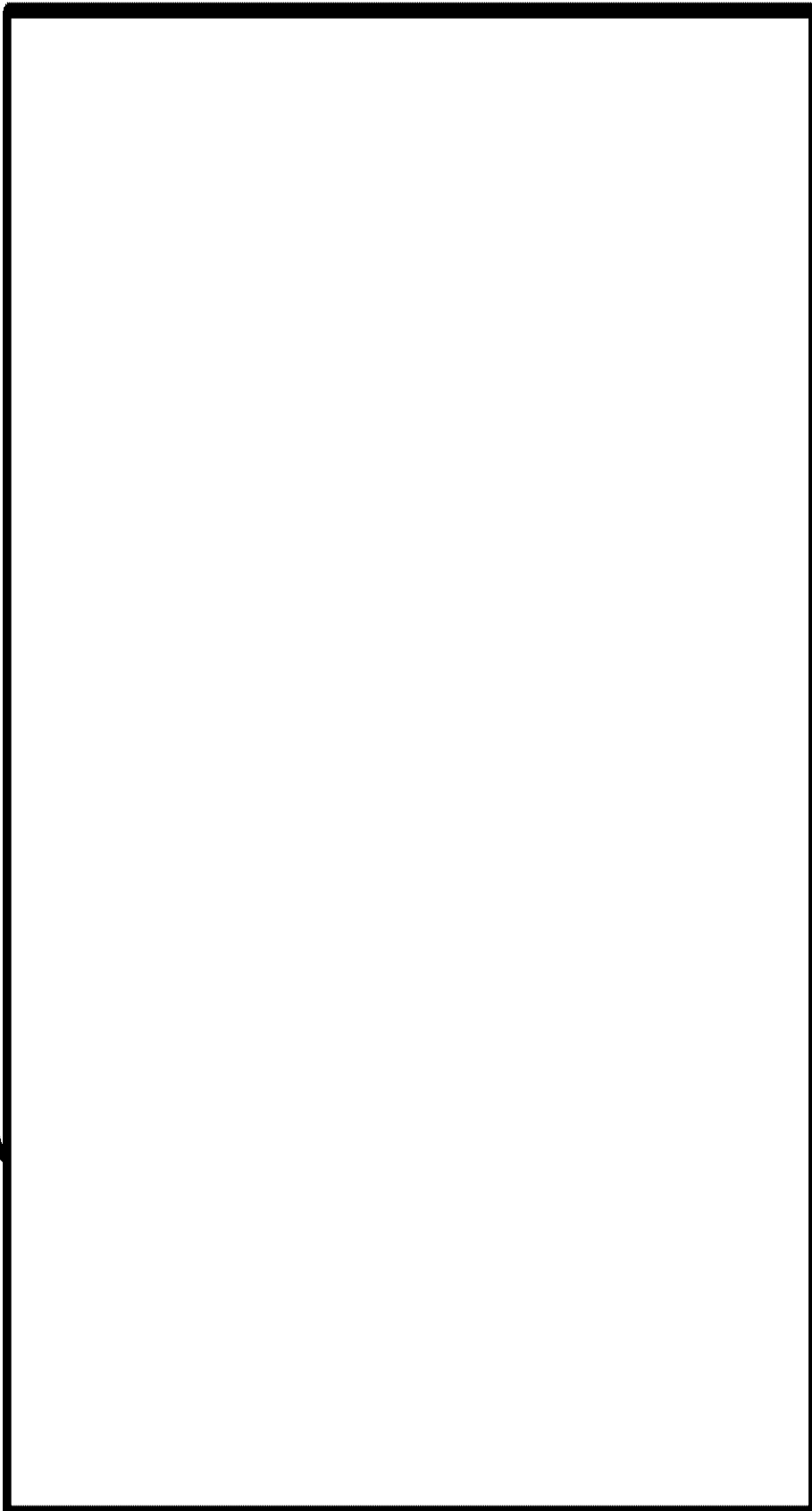
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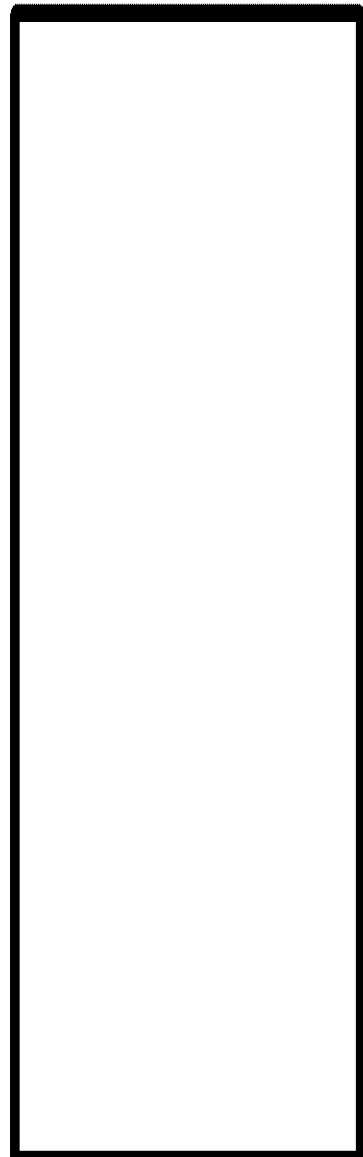
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beach + orangethorpe

Chapter 7 Circulation Plan 60

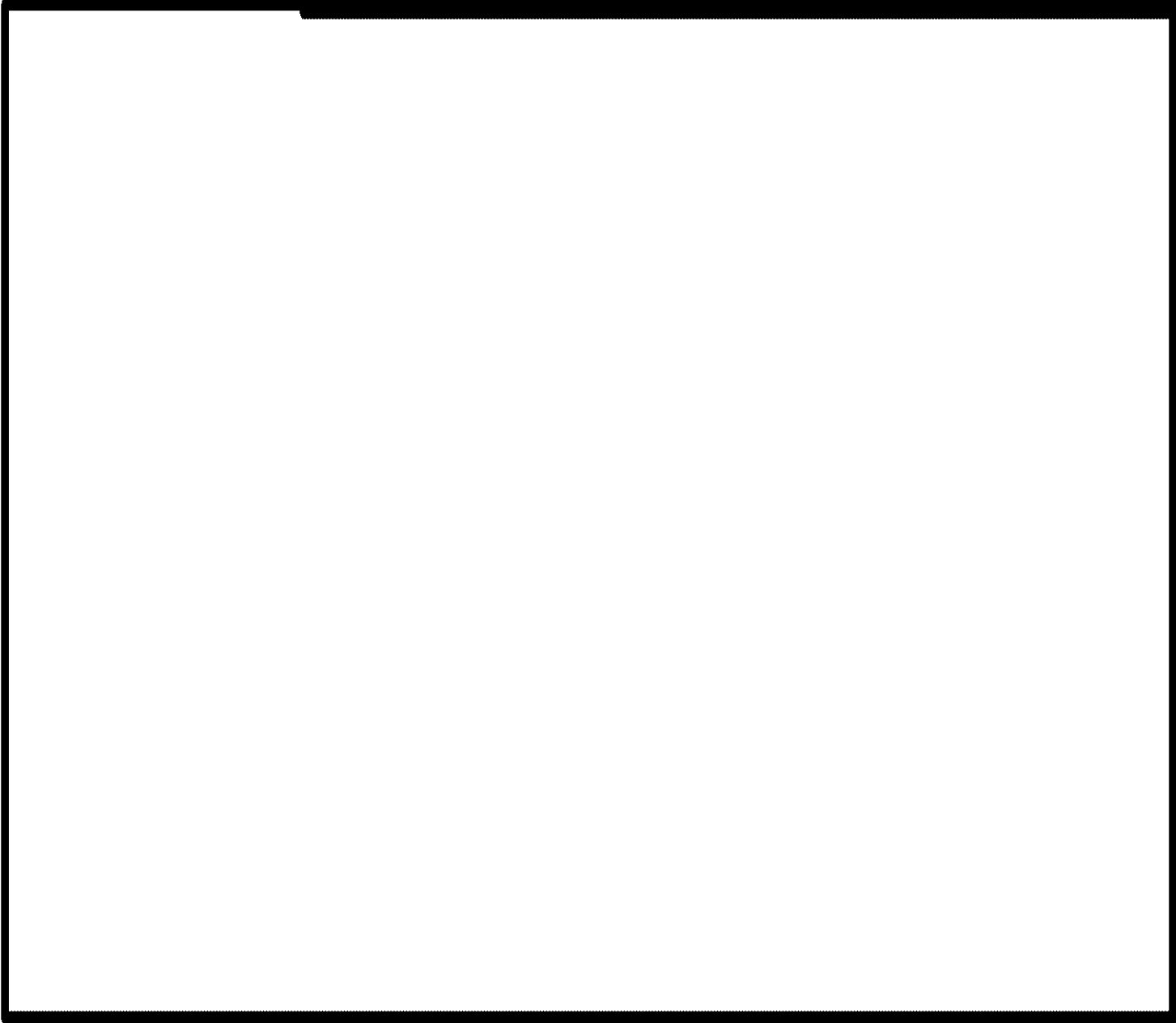
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CHAPTER 8
Infrastructure and Public
Facilities Plan

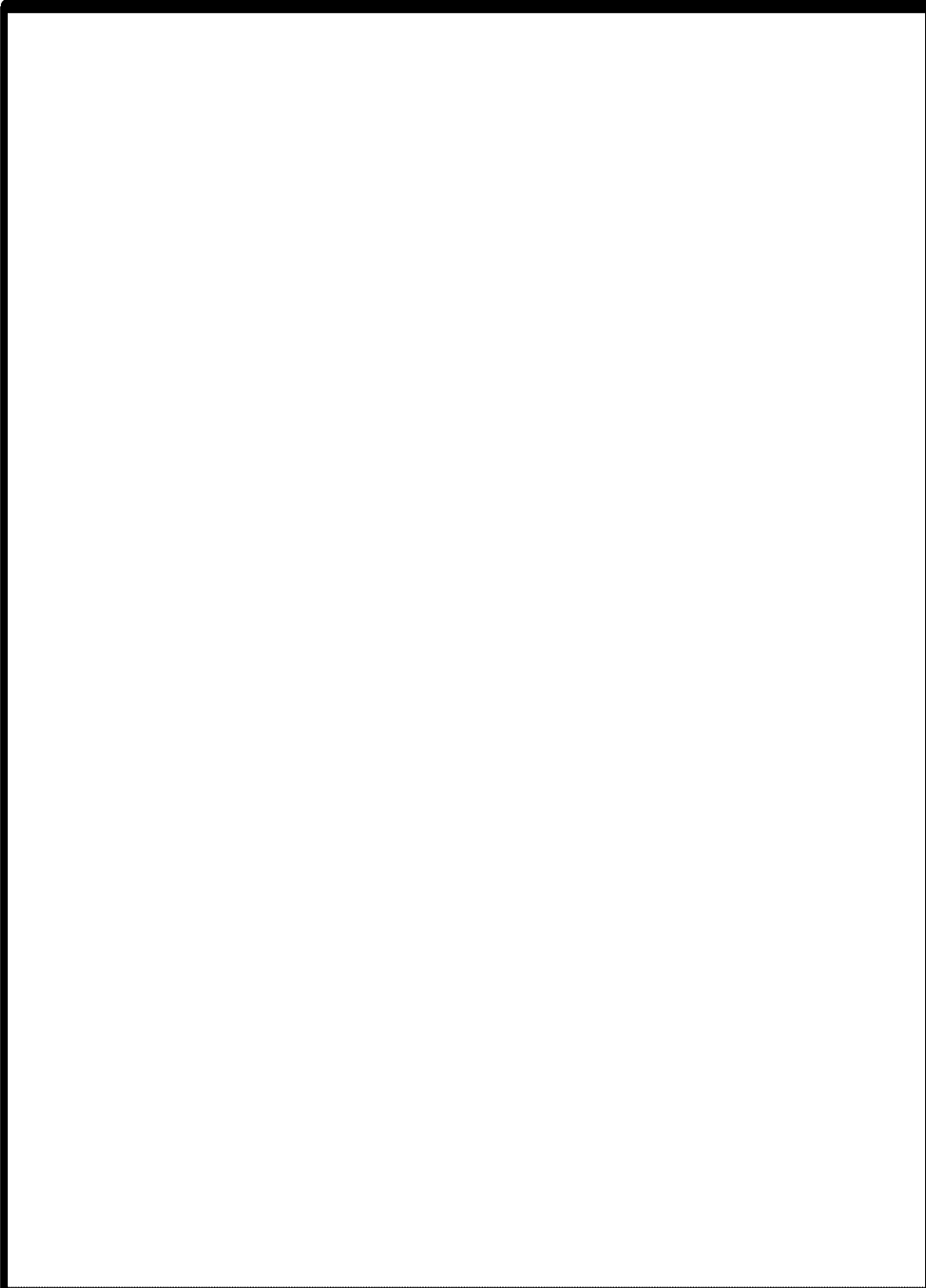


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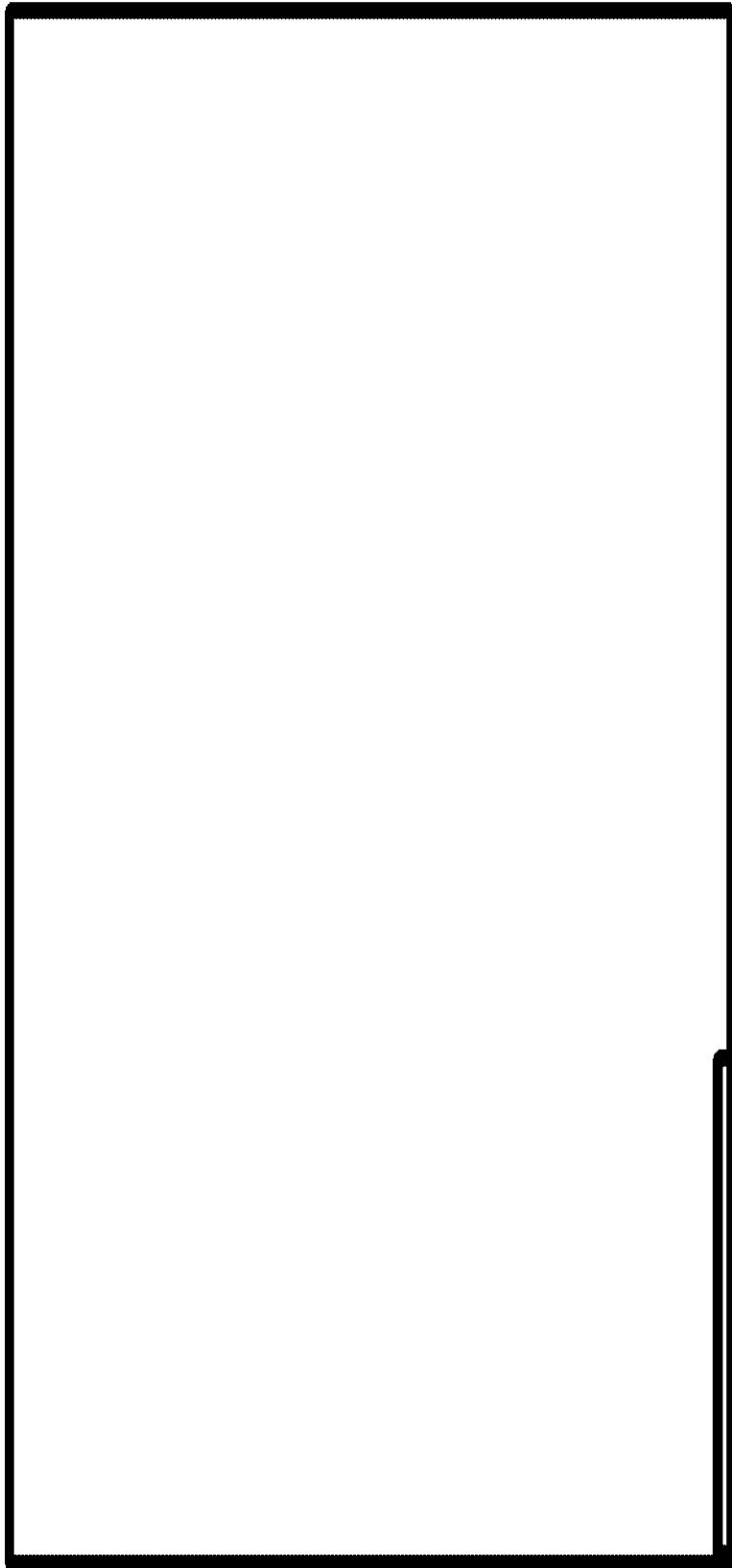
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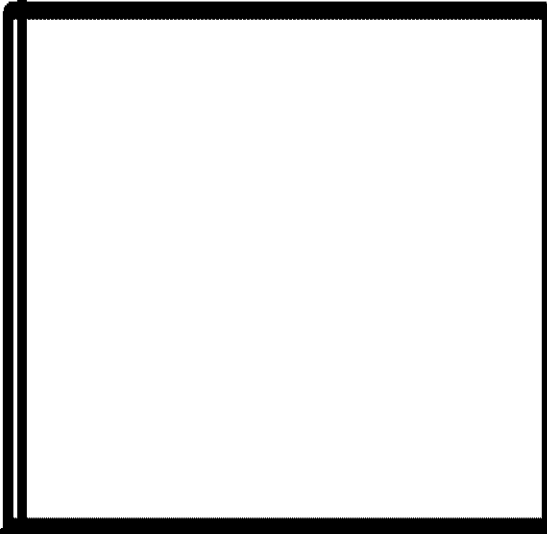
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CHAPTER 9 Development Objectives and Standards



Site Design



No. Phase Site Design Standards

No. Phase Site Design Standards



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Building Design

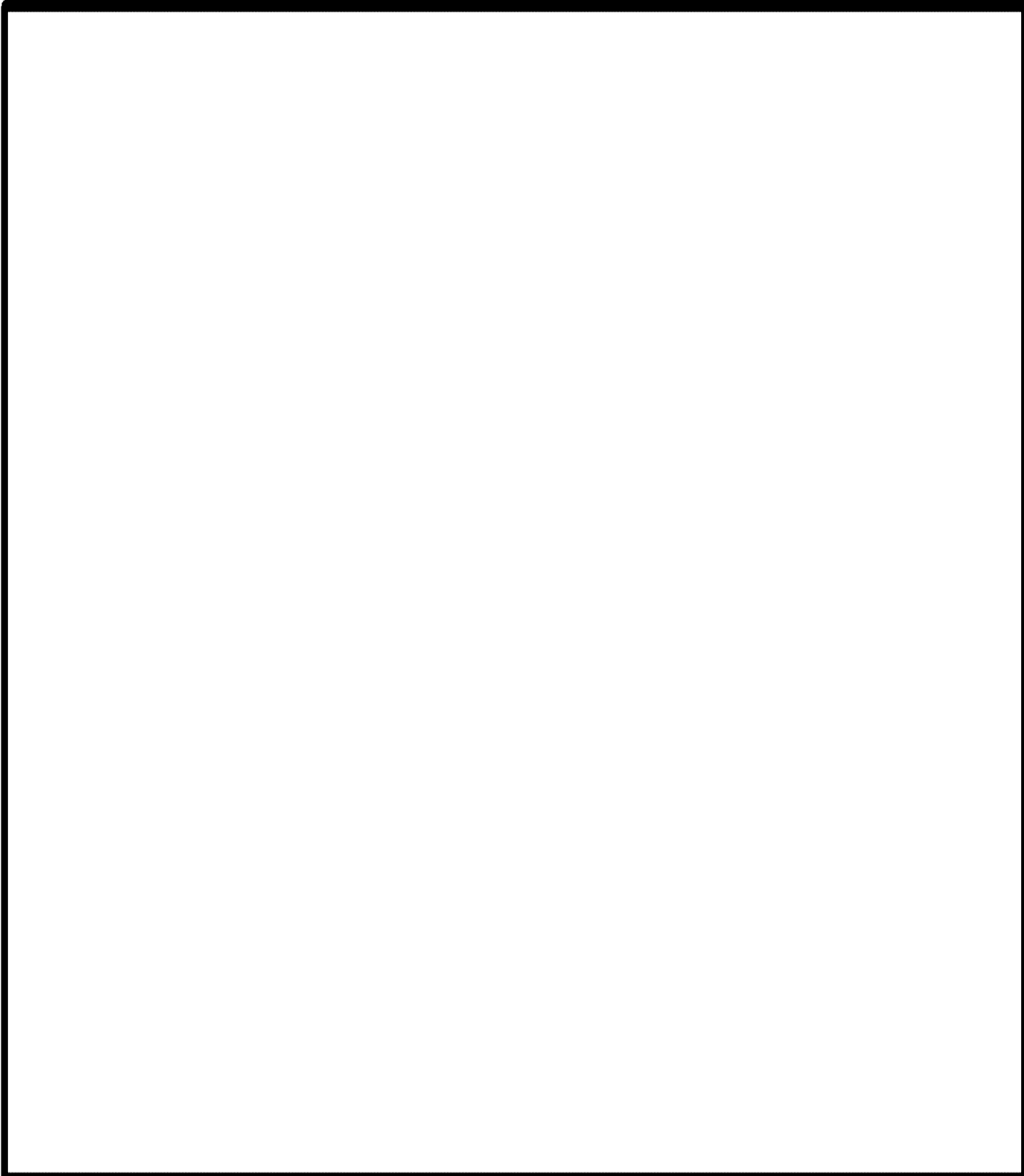
No.	Phase	Development Objectives

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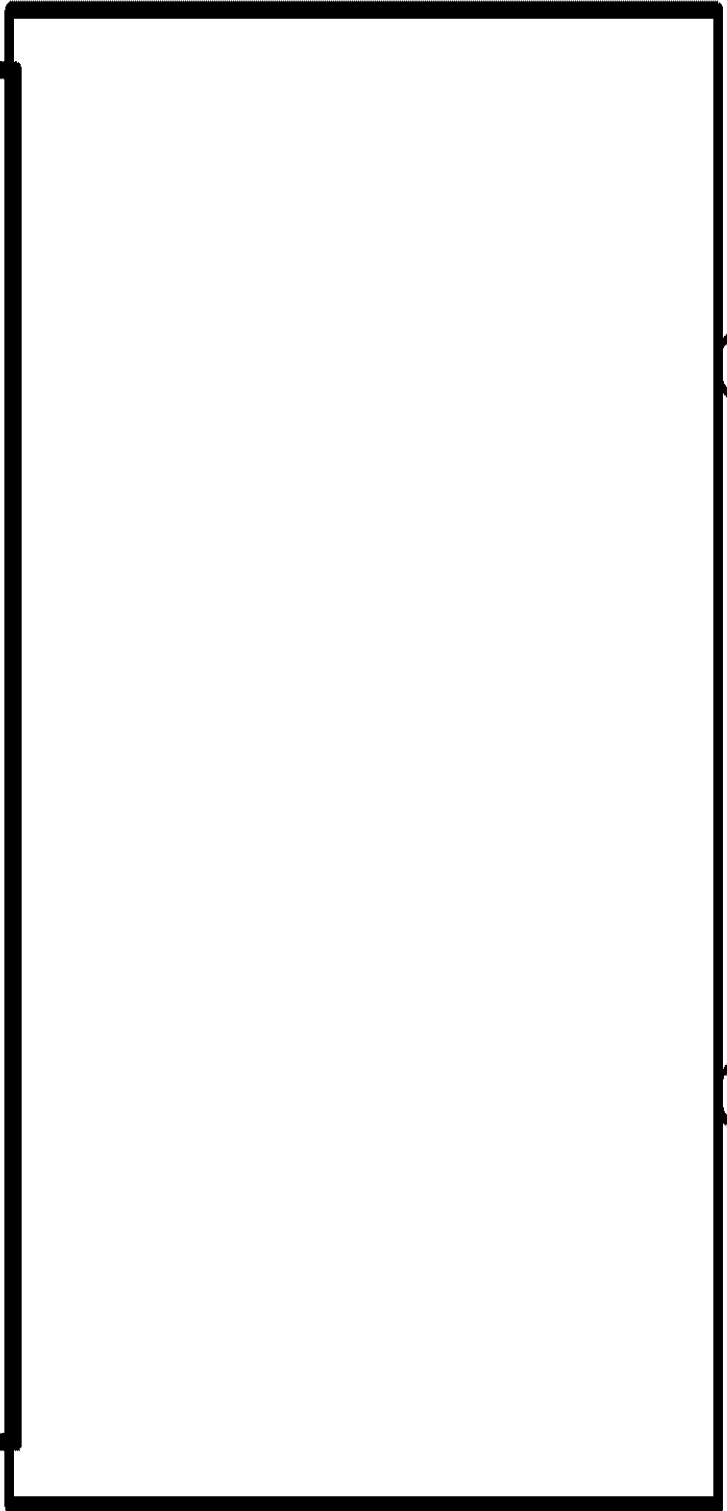
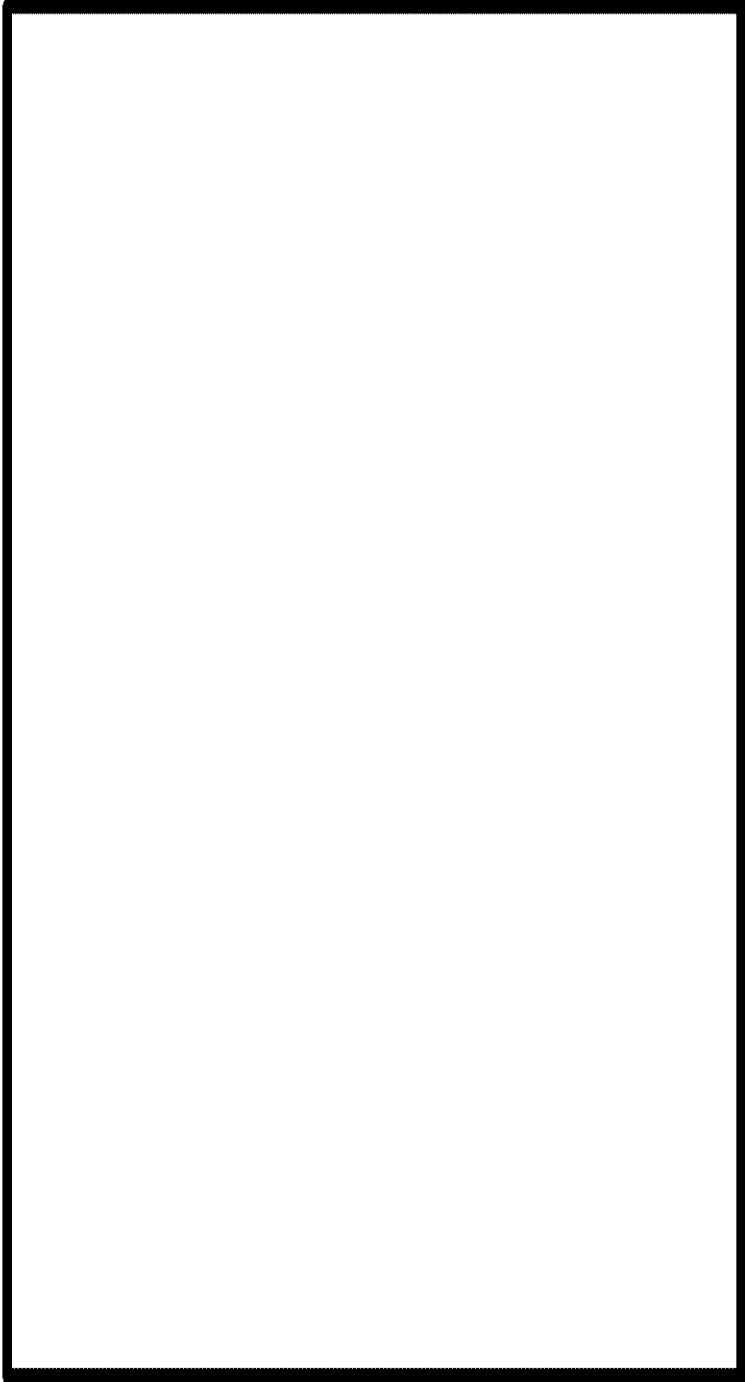
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Open Space

No. Phase Open Space Standards

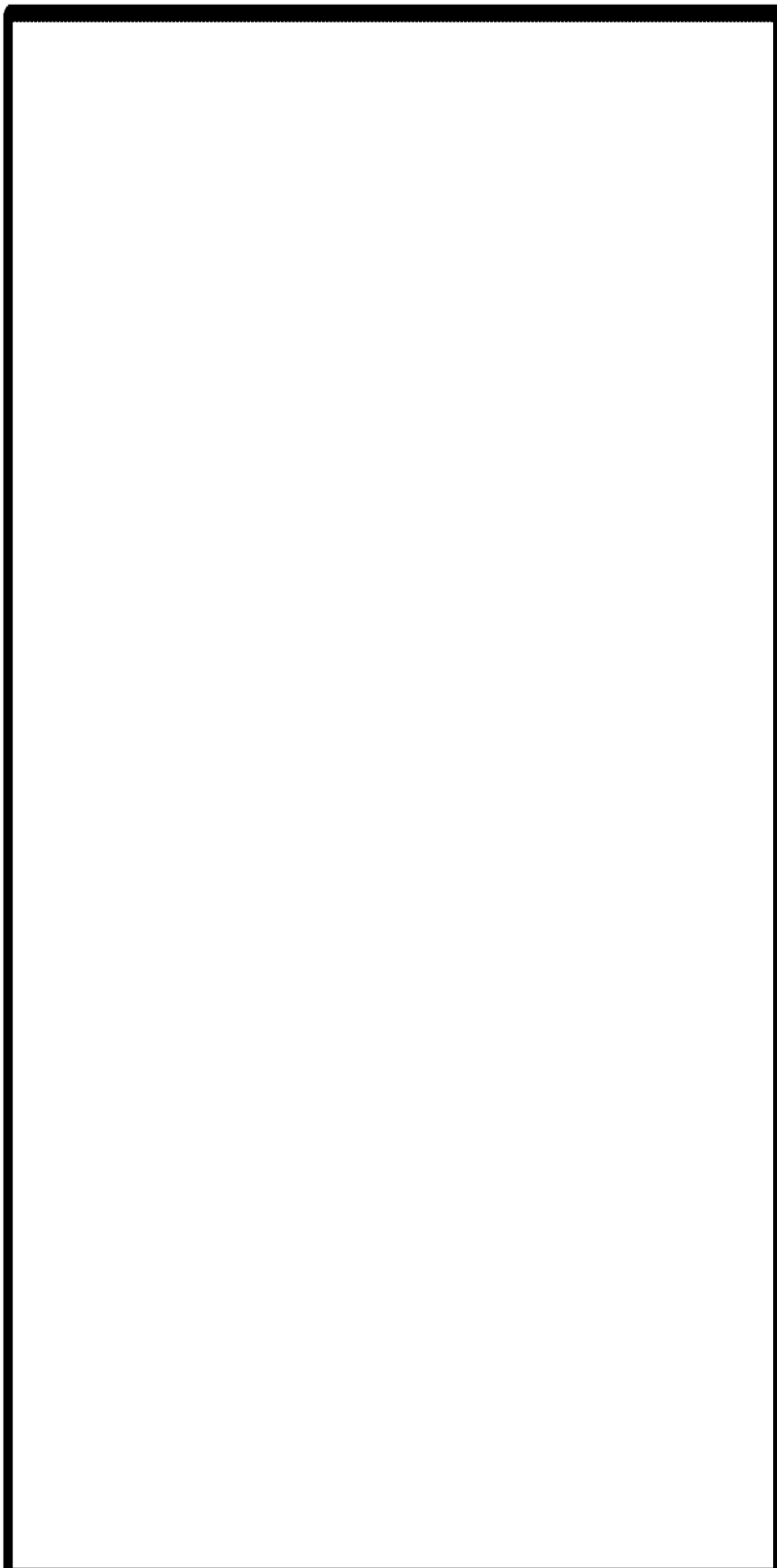


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Landscape and Hardscape

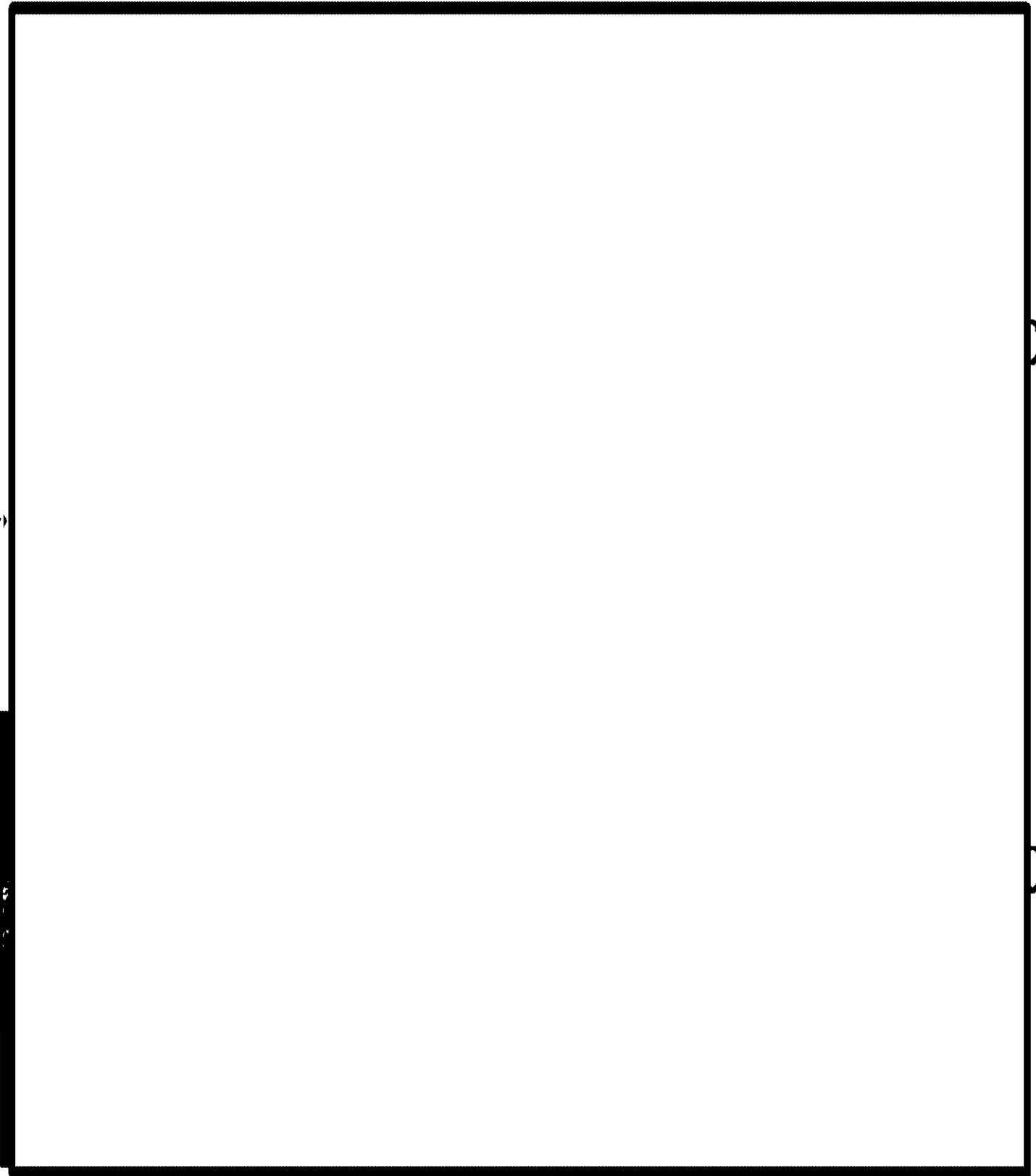
No. Phase Landscape and Hardscape Standards

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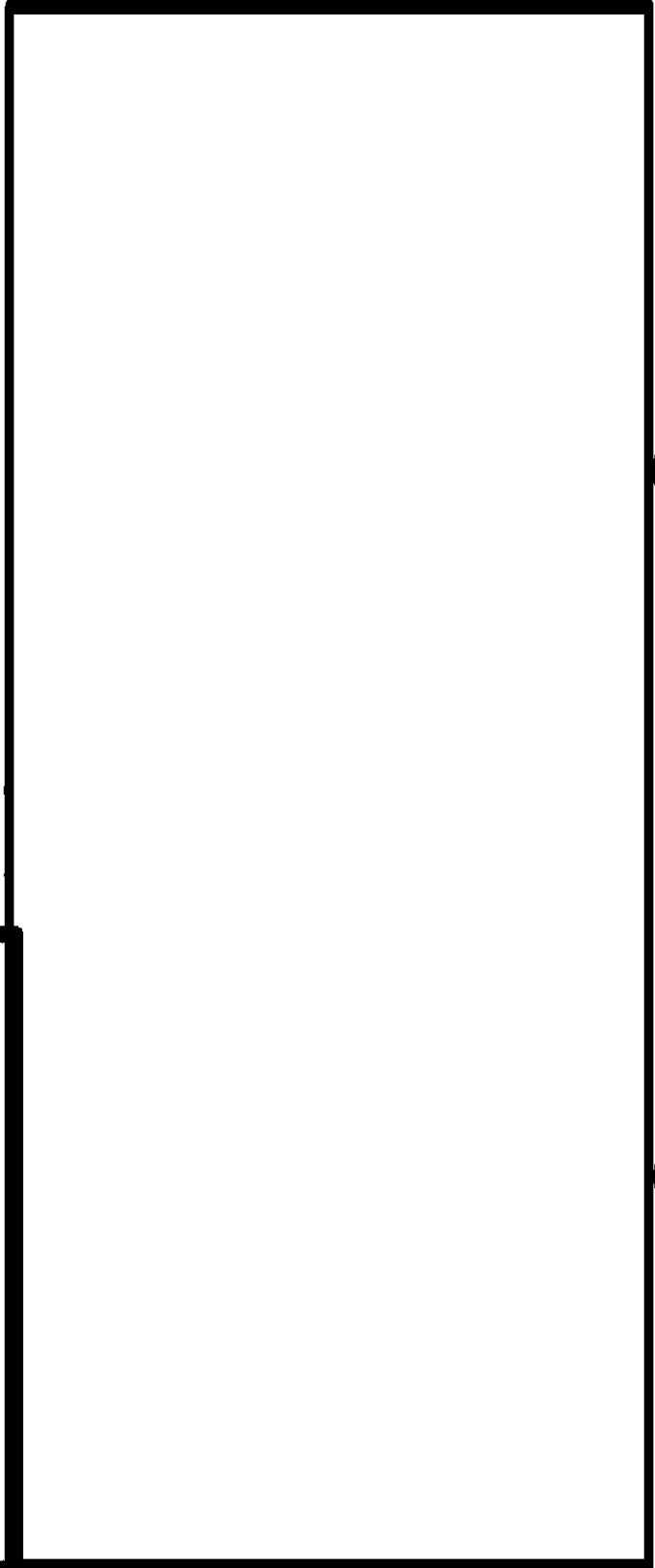
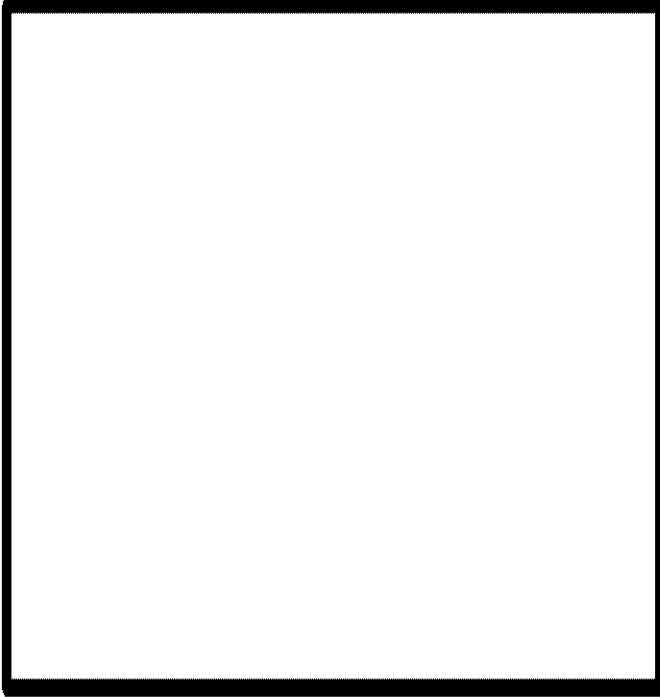
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Structures and Uses, Appurtenances, and Signage

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No. Phase Structures and Uses, Appurtenances, and Signage Standards

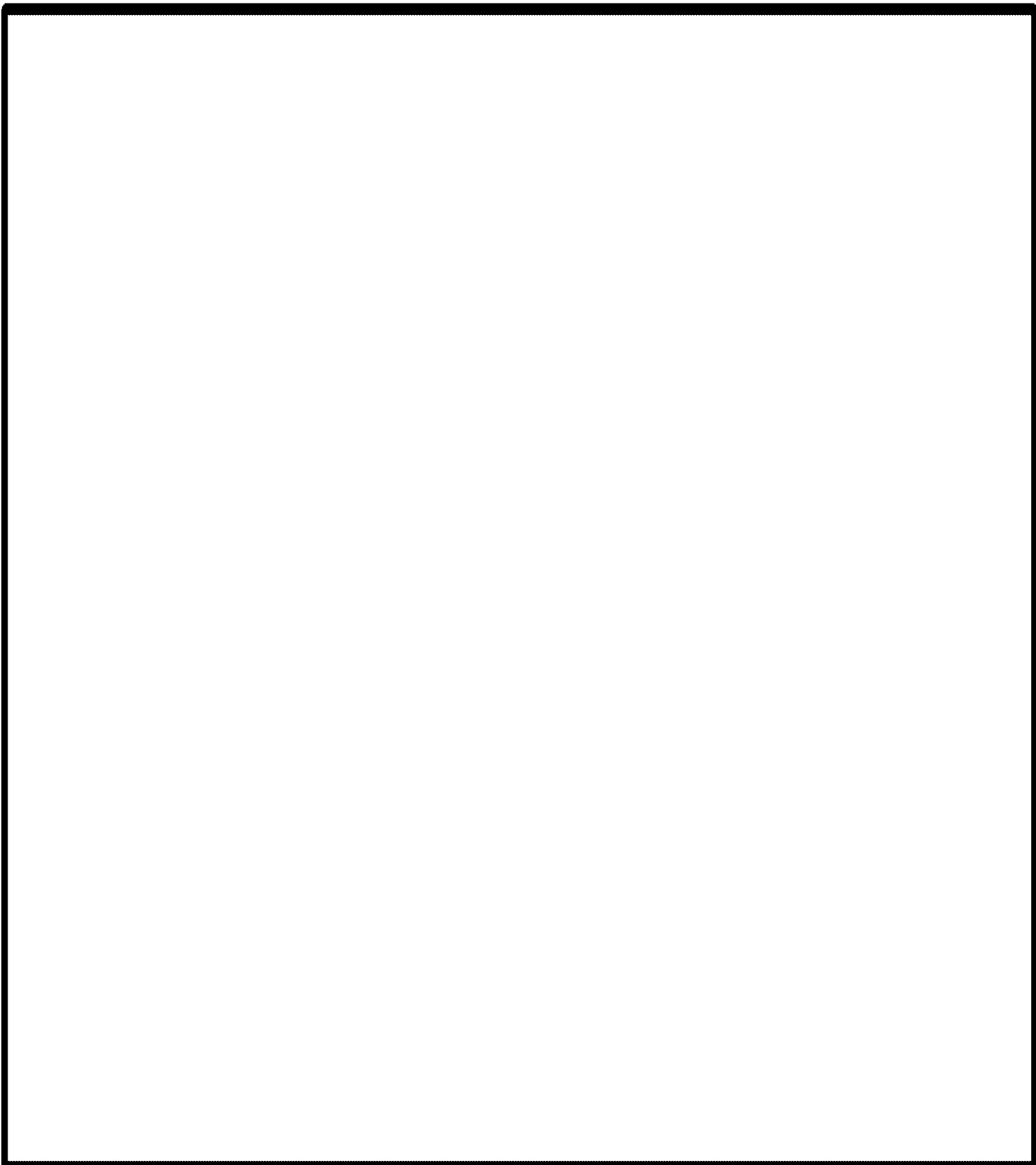


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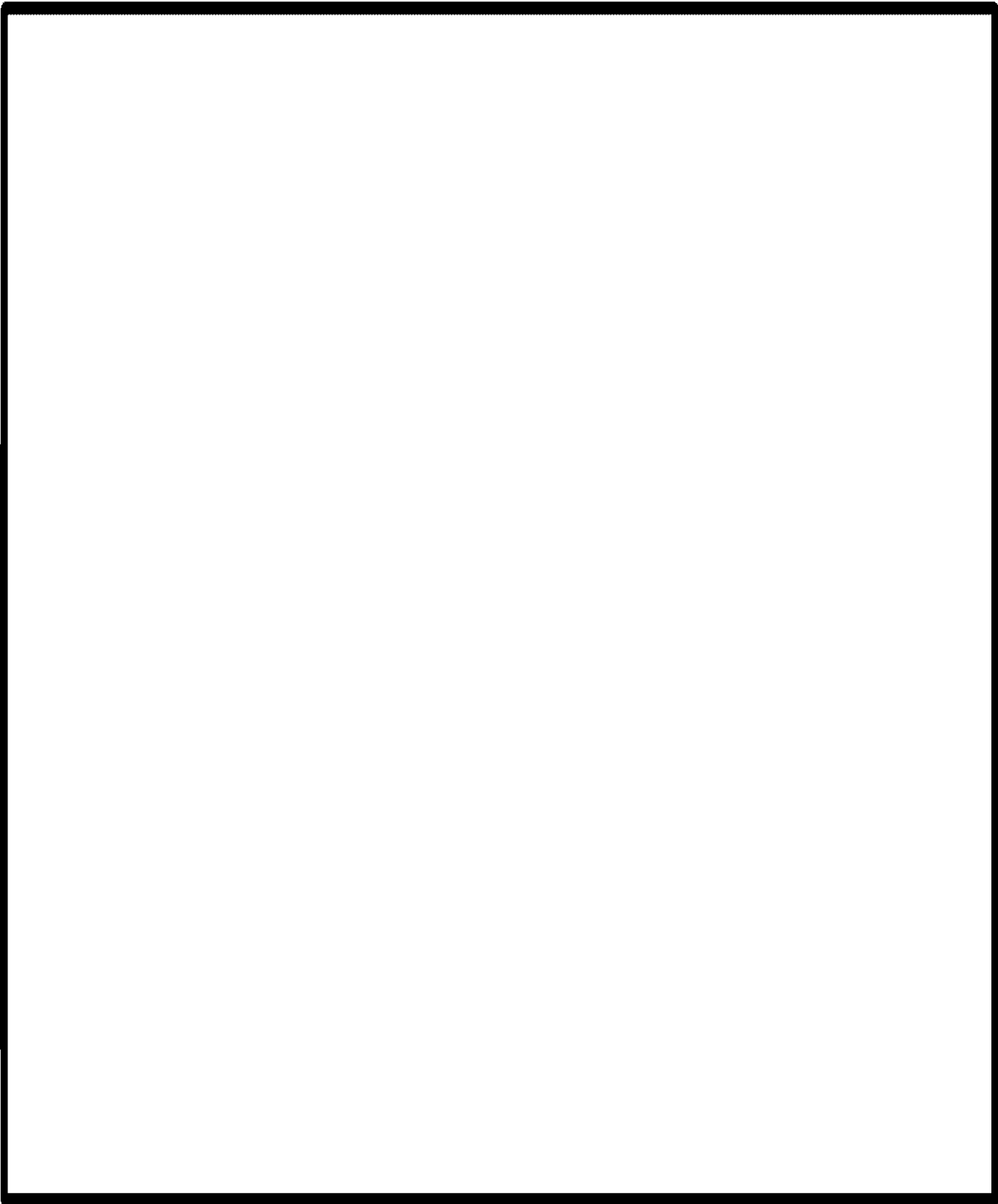


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Circulation

Grading

No.	Phase	Location	Circulation Standards	No.	Phase	Grading Standards



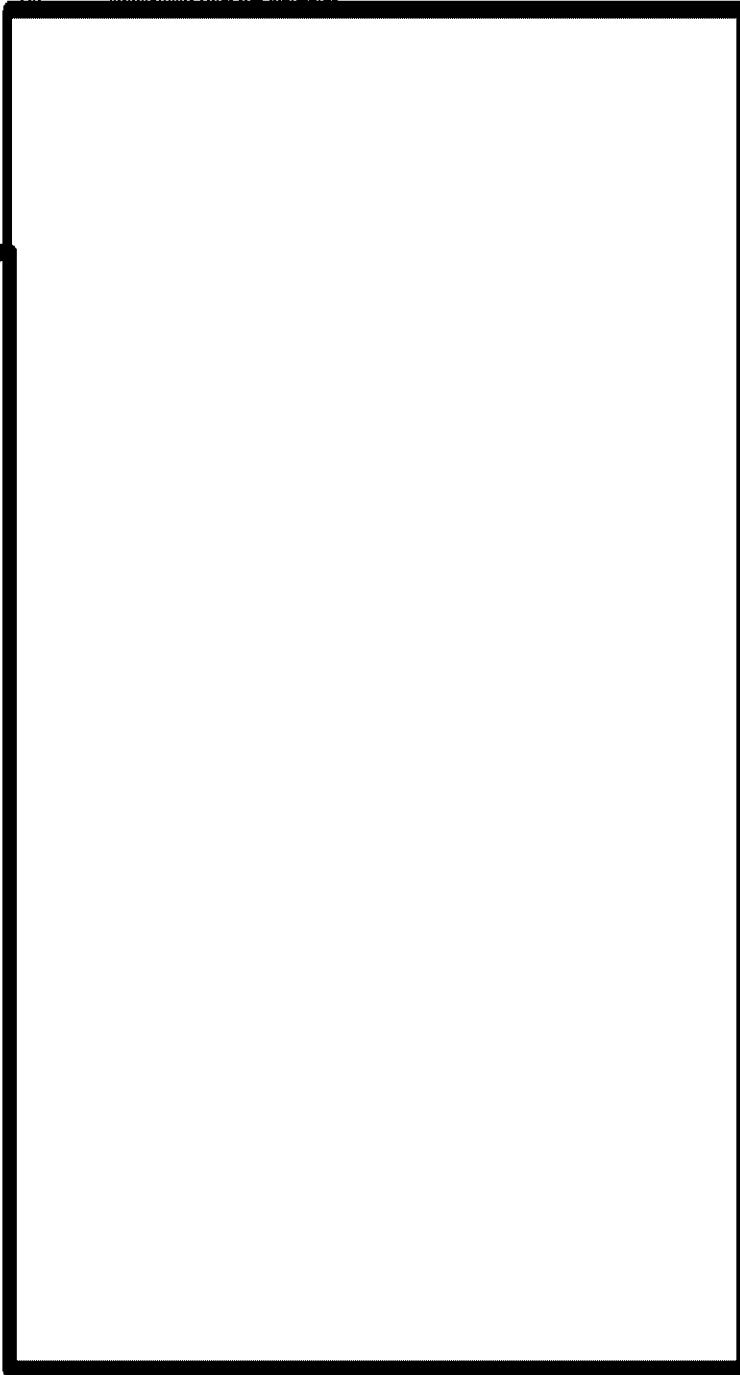
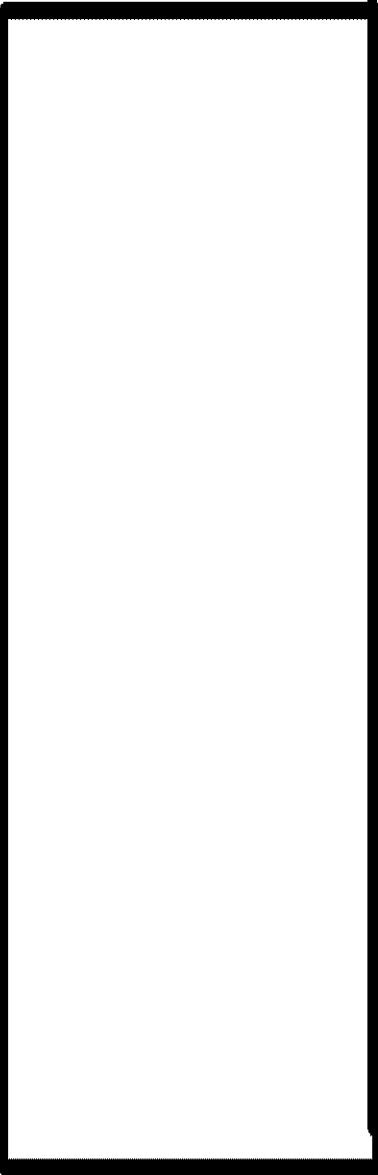
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Land Use Measures

Land use measures provide one of the most effective methods to influence energy consumption and to maximize energy efficiency.

**CHAPTER 10
Greenhouse Gas
Emissions and
Sustainability**

No Sustainability Land Use Standards

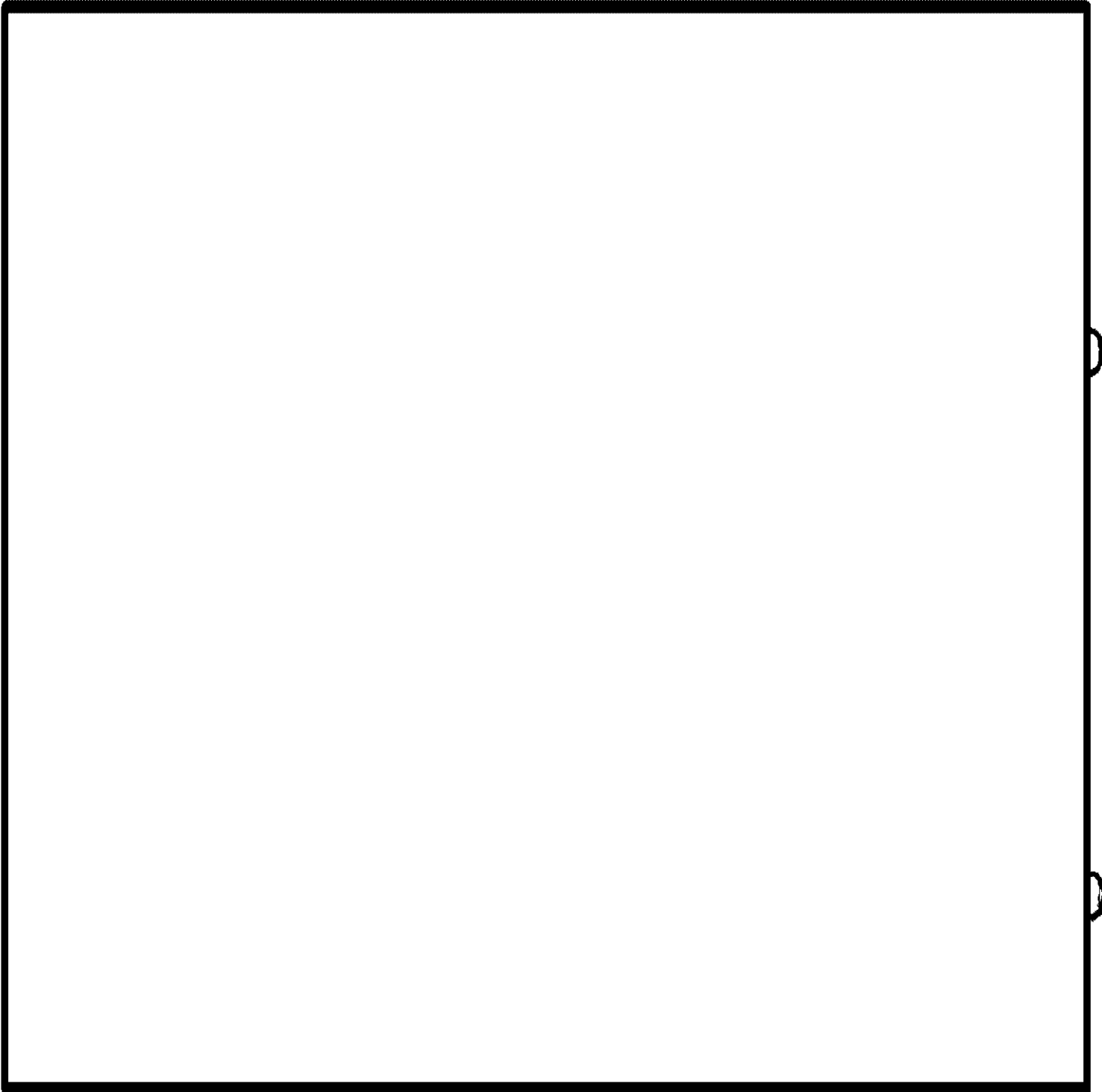


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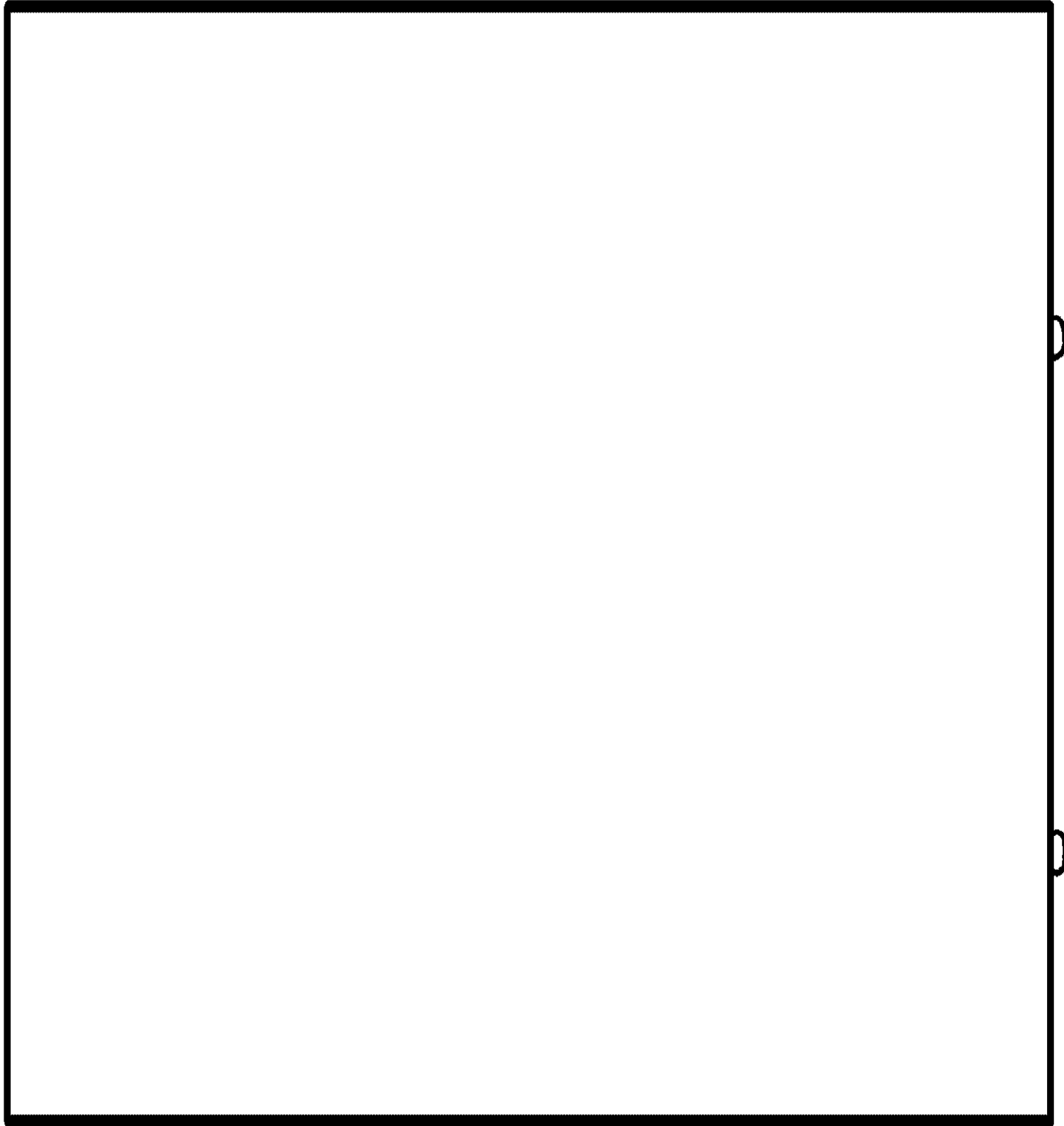


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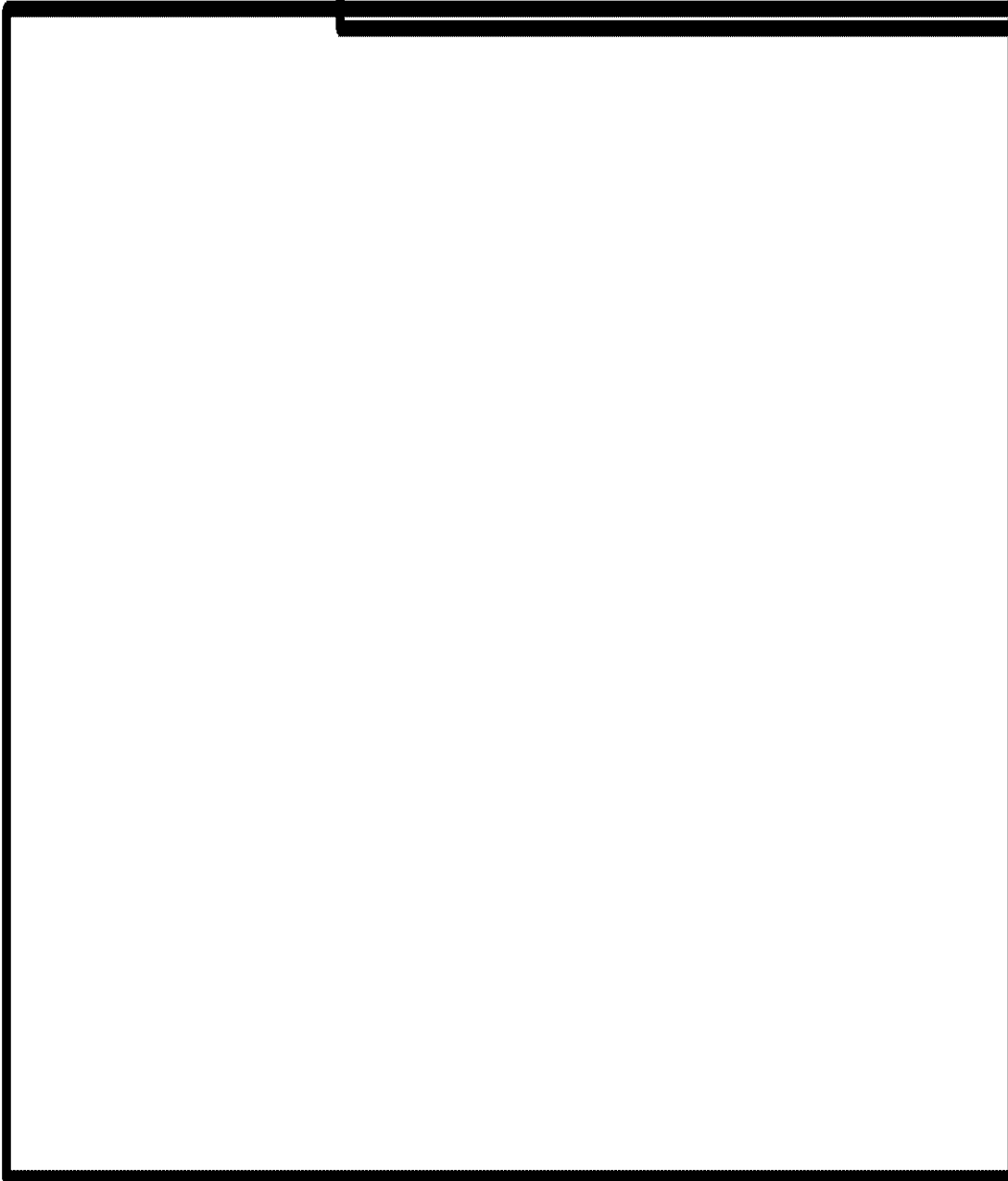
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CHAPTER 11
Implementation
Program



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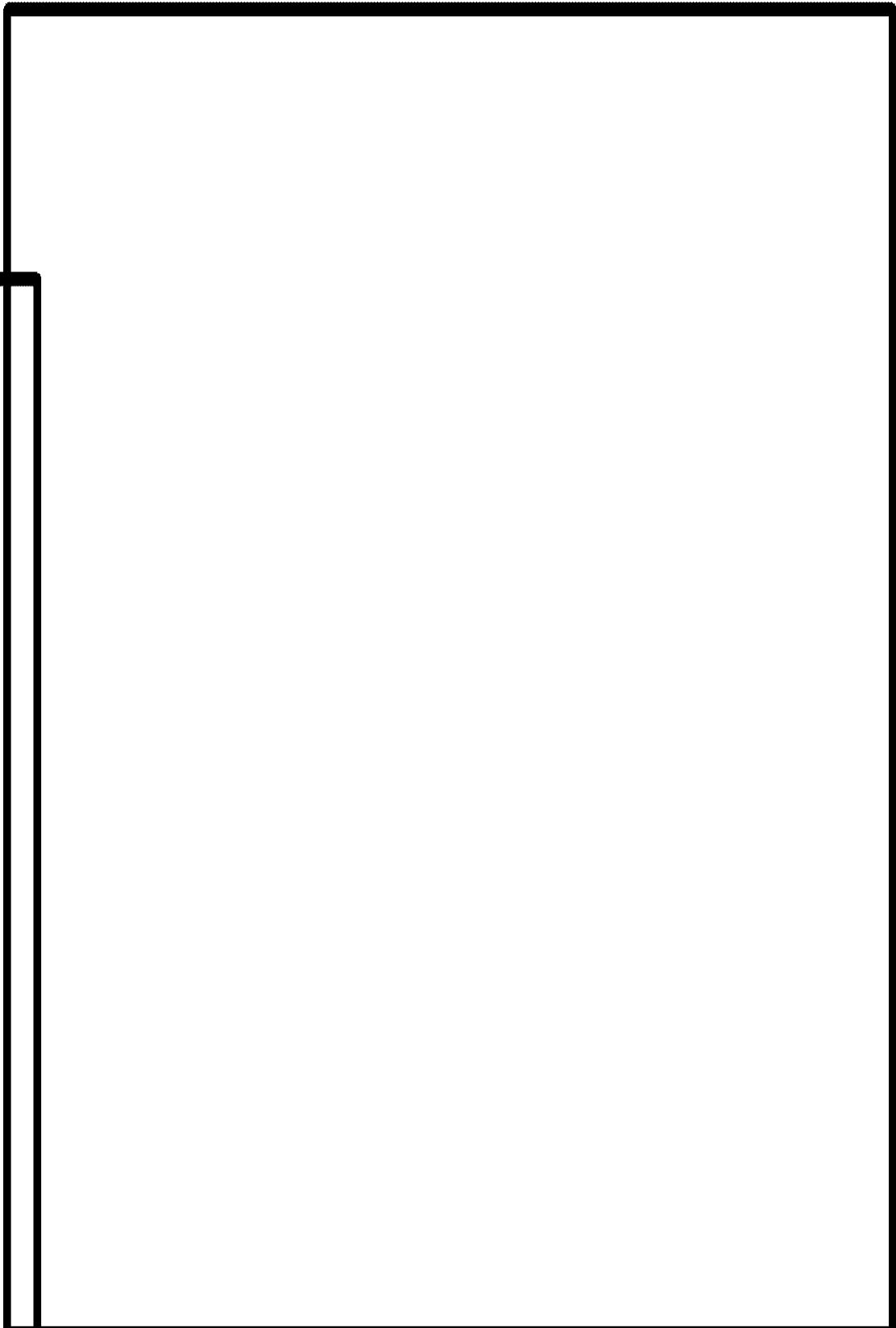
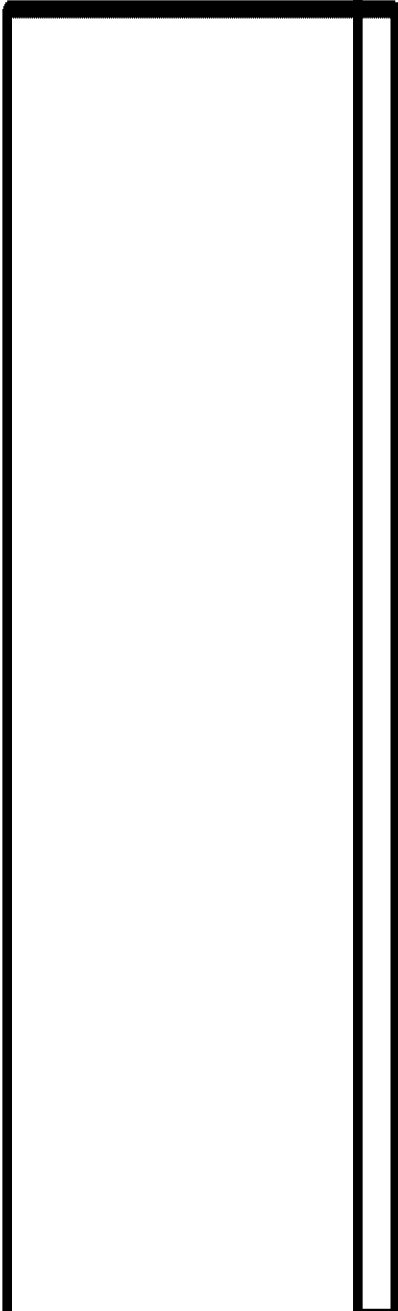
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**CHAPTER 12 General
Plan Consistency**



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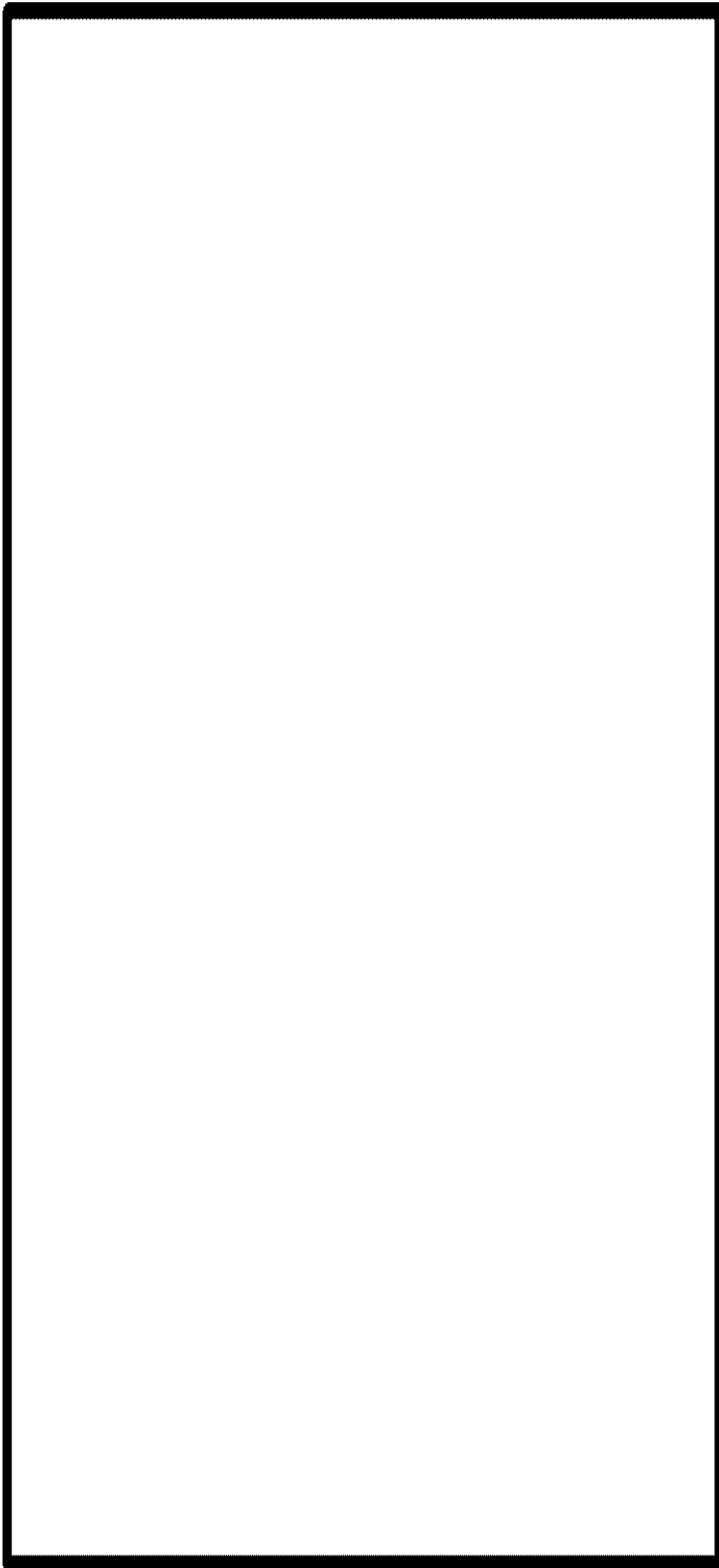
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Credits, Acknowledgments and Participants

CITY OF BUENA PARK

CITY COUNCIL

Jim Dow, Mayor
Steve Berry, Mayor Pro-Tem
Art Brown, Council Member
Patsy Marshall, Council Member
Dan McCoy, Council Member

PLANNING COMMISSION

Joyce Capella, Chairperson
James C. Schoales, Vice Chair
Larry Barstow, Planning Commissioner
Brian Chambers, Planning Commissioner
Deborah Diep, Planning Commissioner
Paul D. Gonzales, Planning Commissioner
Richard McGuire, Planning Commissioner

CITY MANAGER

Rick Wainiski

CITY ATTORNEY

Steven L. Dorsey

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Joel W. Rosen, Community Development Director
Jay Saltzberg, Planning Manager

ECONOMIC DEVELOPMENT DEPARTMENT

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Executive Director of Redevelopment Agency
Ruben Lopez, Assistant Director
Melissa Dhauw, Redevelopment Coordinator

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Dennis D. Barnes, PE., T.E., Traffic and Transportation

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DMJM AVIATION

Andrew Scanlon, Project Manager

GENSLER

Conceptual Plans

PSQMAS Land Development Consulting

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John S.C. Lim, Partner
Marc J. Manason

ROBERT CHARLES LESSER and Company

Robert Gardner, Managing Director
Sara Slovin, Senior Associate

1983

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Project Cost Summary

Source at Buena Park

Buena Park, California

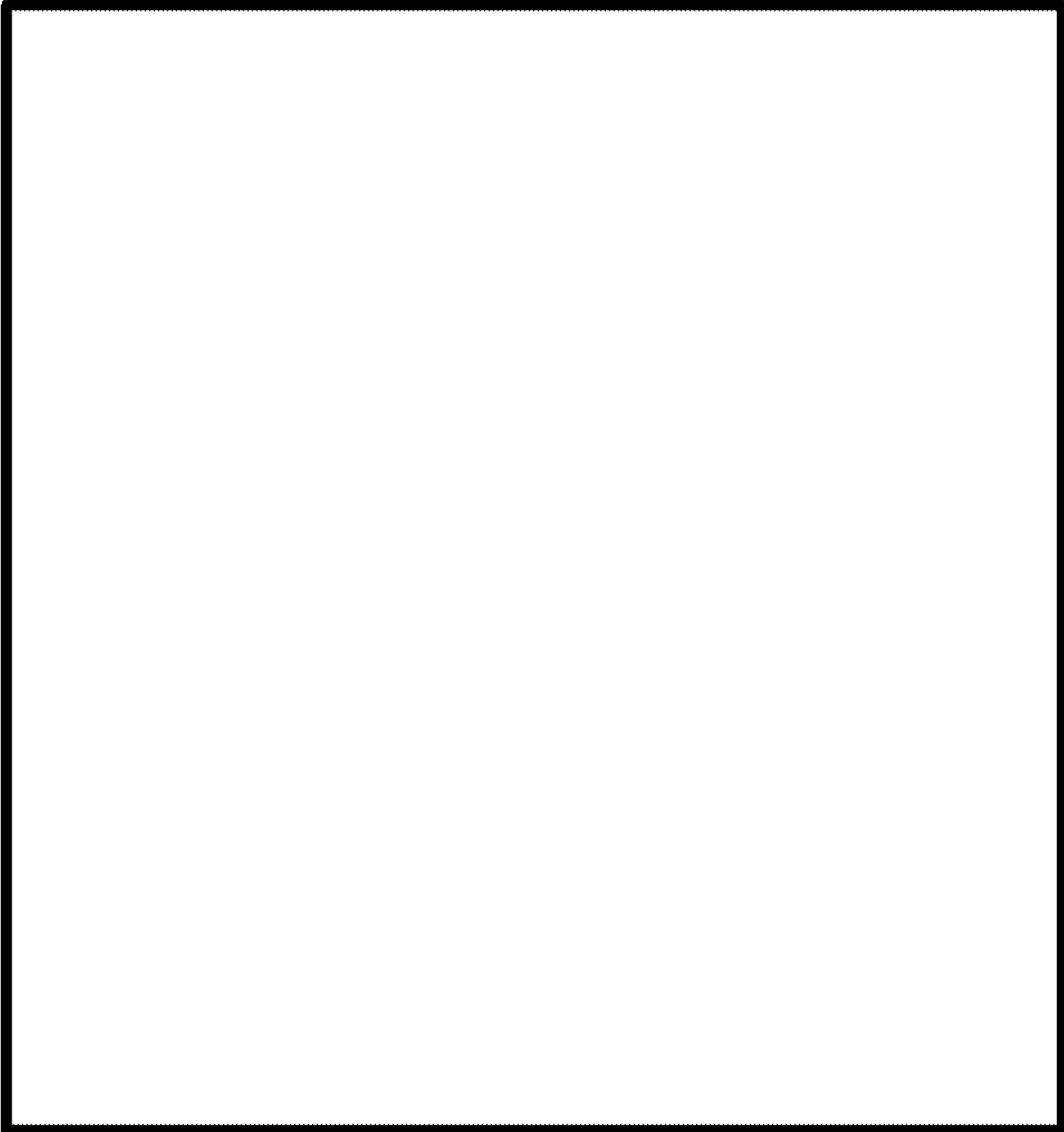
NBBJ Architects

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Conceptual Estimate

April 7, 2009

Jerry Higgins

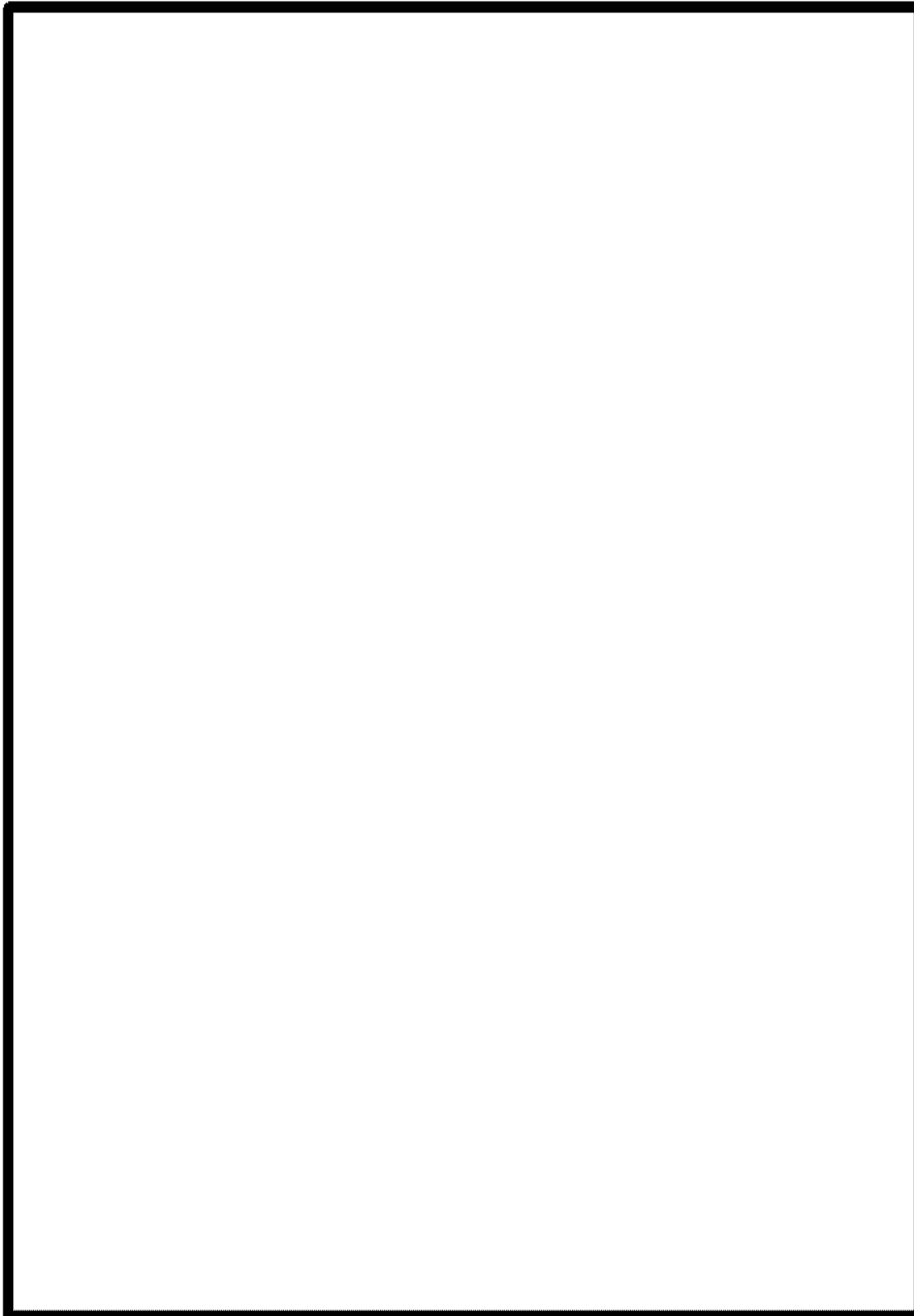




Phase I Summary
Source at Buena Park
Buena Park, California
NEBJ Architects

(b)(4)

Conceptual Estimate
April 7, 2009
Jerry Higgins





(b)(4)

Parking - Phase I
Source at Buena Park
Buena Park, California
NBBJ Architects

Gross Area



Conceptual Estimate
April 7, 2009
Jerry Higgins

DESCRIPTION	QUANTITY	UNIT	UNIT COST	SUBTOTAL	TOTAL



(b)(4)

Retail - Phase I
Source at Buena Park
Buena Park, California
NBBJ Architects

Gross Area
Net Area



Conceptual Estimate
April 7, 2009
Jerry Higgins

DESCRIPTION	QUANTITY	UNIT	UNIT COST	SUBTOTAL	TOTAL



(b)(4)

Retail - Phase I
Source at Buena Park
Buena Park, California
NBBJ Architects

Gross Area
Net Area



Conceptual Estimate
April 7, 2009
Jerry Higgins

DESCRIPTION	QUANTITY	UNIT	UNIT COST	SUBTOTAL	TOTAL



(b)(4)

Residential - Phase I

Source at Buena Park

Buena Park, California

NBBJ Architects

Gross Area



Conceptual Estimate

April 7, 2009

Jerry Higgins

DESCRIPTION	QUANTITY	UNIT	UNIT COST	SUBTOTAL	TOTAL



Specialties - Phase I

(b)(4)

Source at Buena Park

Buena Park, California

NBBJ Architects

Conceptual Estimate

April 7, 2009

Jerry Higgins

DESCRIPTION	QUANTITY UNIT	UNIT COST	SUBTOTAL	TOTAL



(b)(4)

Site Work - Phase I

Source at Buena Park

Buena Park, California

NBBJ Architects

Gross Area



Conceptual Estimate

April 7, 2009

Jerry Higgin

DESCRIPTION	QUANTITY	UNIT	COST	SUBTOTAL	TOTAL



Phase 2 Summary

(b)(4)

Source at Buena Park

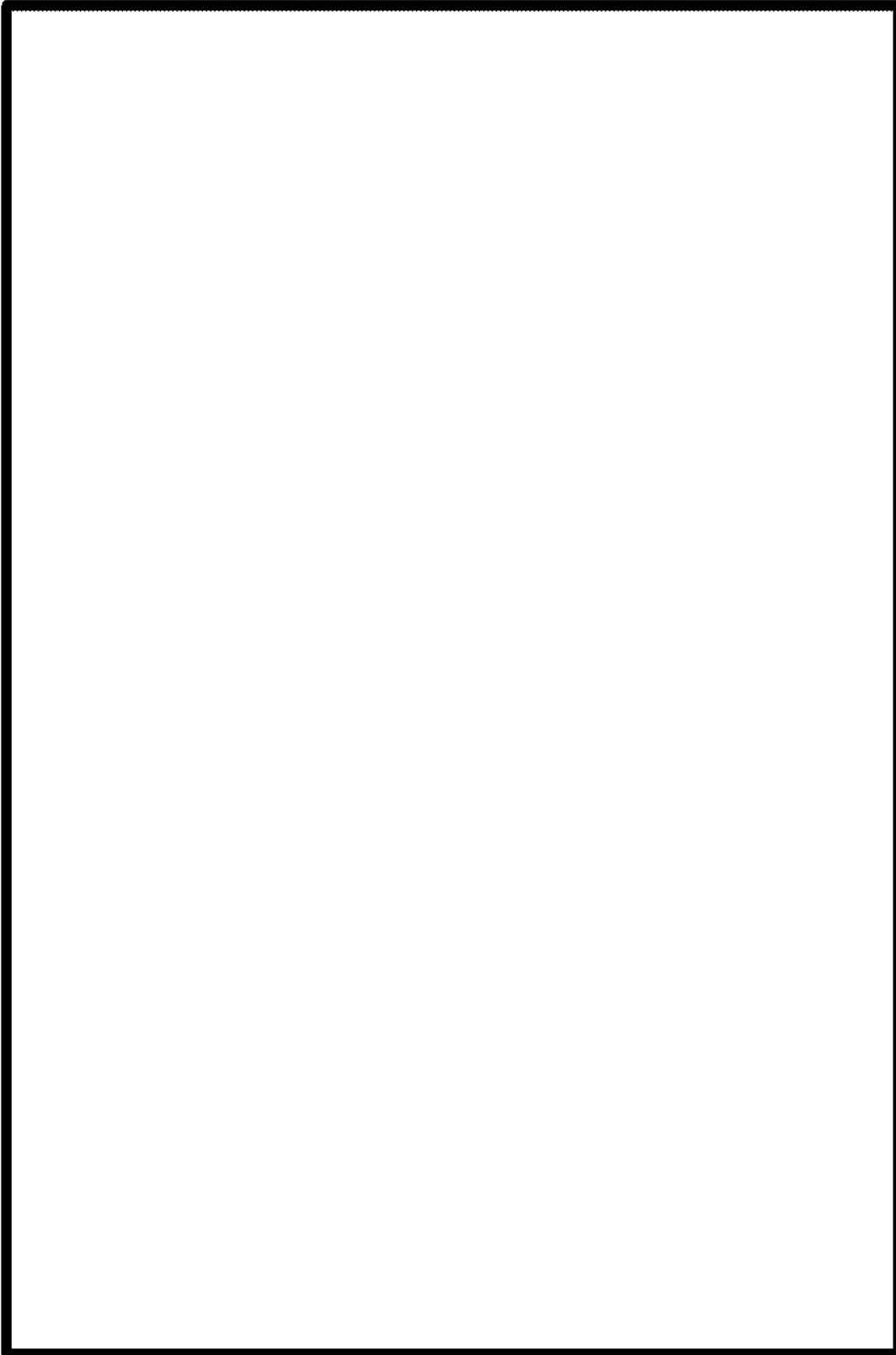
Conceptual Estimate

Buena Park, California

April 7, 2009

NBBJ Architects

Jerry Higgins





(b)(4)

Parking - Phase 2
Source at Buena Park
Buena Park, California
NBBJ Architects

Gross Area, Below Grade
Gross Area, Above Grade



Conceptual Estimate
April 7, 2009
Jerry Higgins

DESCRIPTION	QUANTITY UNIT	UNIT COST	SUBTOTAL	TOTAL



(b)(4)

Office (Phase 2)
Source at Buena Park
Buena Park, California
NBBJ Architects

Gross Area



Conceptual Estimate
April 7, 2009
Jerry Higgins

DESCRIPTION	QUANTITY UNIT	UNIT COST	SUBTOTAL	TOTAL



(b)(4)

Hotel (Phase 2)
Source at Buena Park
Buena Park, California
NBBJ Architects

Gross Area



Conceptual Estimate
April 7, 2009
Jerry Higgin

DESCRIPTION	QUANTITY	UNIT	UNIT COST	SUBTOTAL	TOTAL



(b)(4)

Residential - Phase 2

Source at Buena Park

Buena Park, California

NBBJ Architects

Gross Area



Conceptual Estimate

April 7, 2009

Jerry Higgins

DESCRIPTION	QUANTITY	UNIT	UNIT COST	SUBTOTAL	TOTAL



Specialties (Phase 2)

(b)(4)

Source at Buena Park

Conceptual Estimate

Buena Park, California

April 7, 2009

NBBJ Architects

Jerry Higgins

DESCRIPTION	QUANTITY	UNIT	UNIT COST	SUBTOTAL	TOTAL



(b)(4)

Site Work (Phase 2)

Source at Buena Park

Buena Park, California

NBBJ Architects

Gross Area



Conceptual Estimate

April 7, 2009

Jerry Higgins

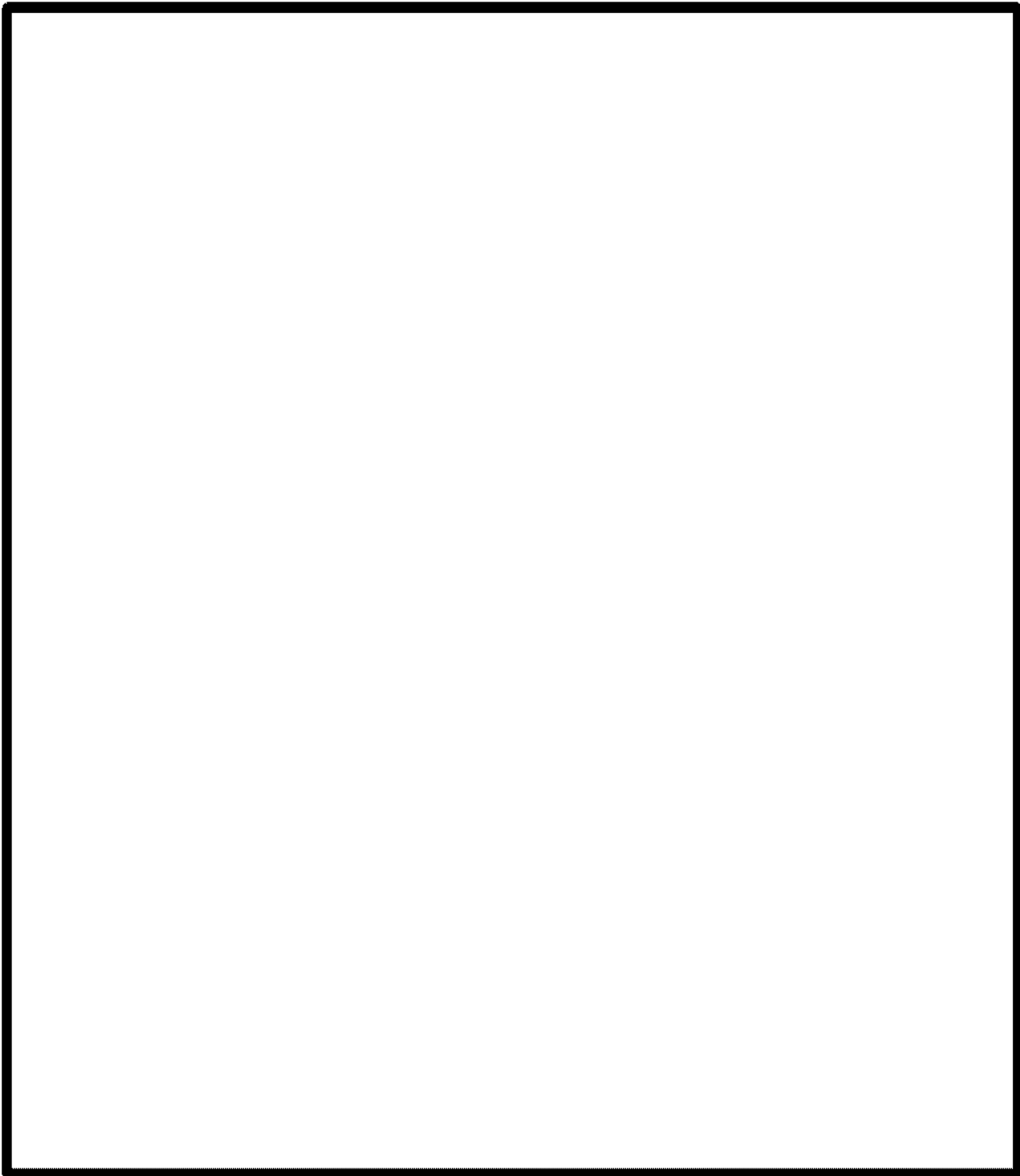
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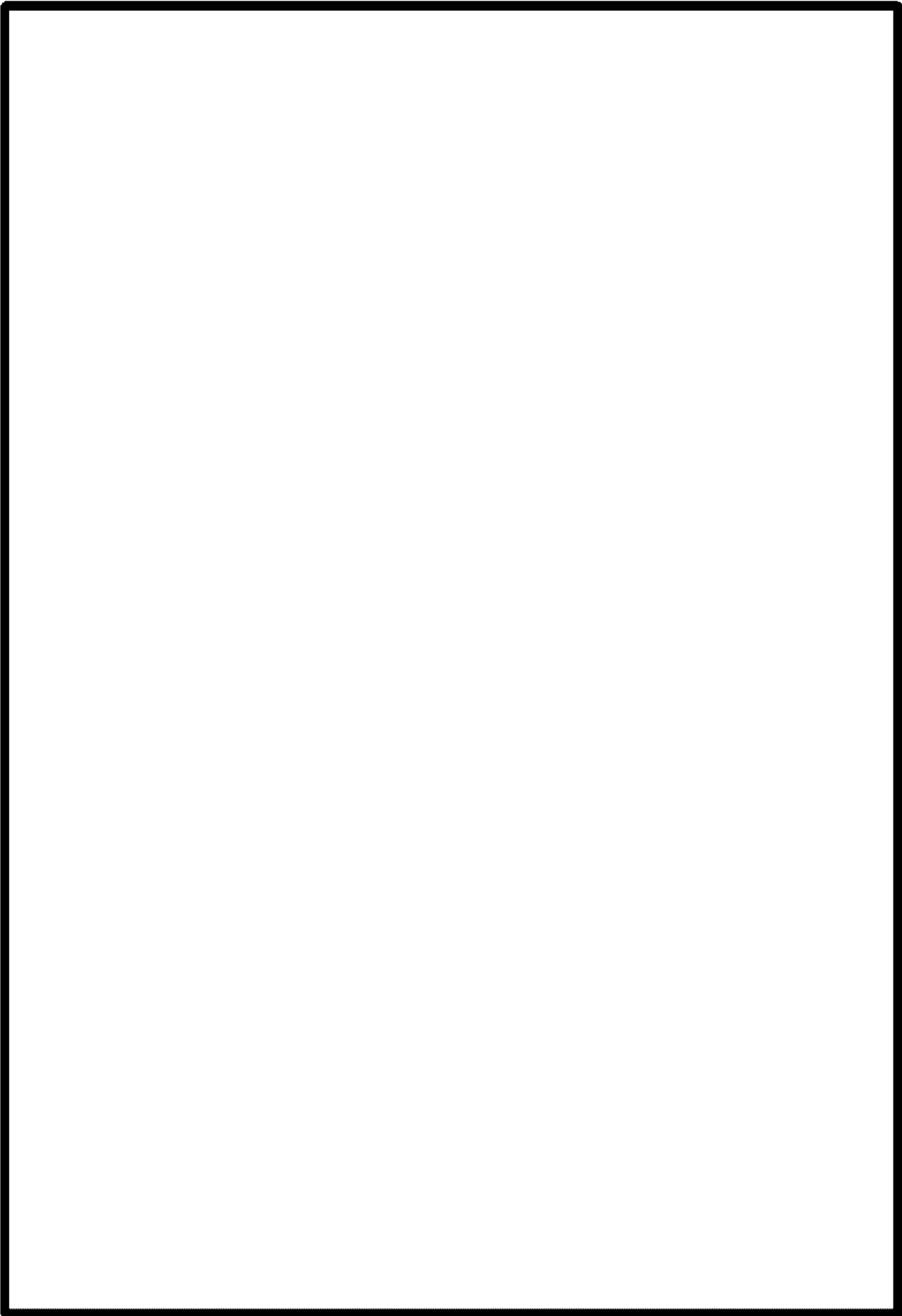
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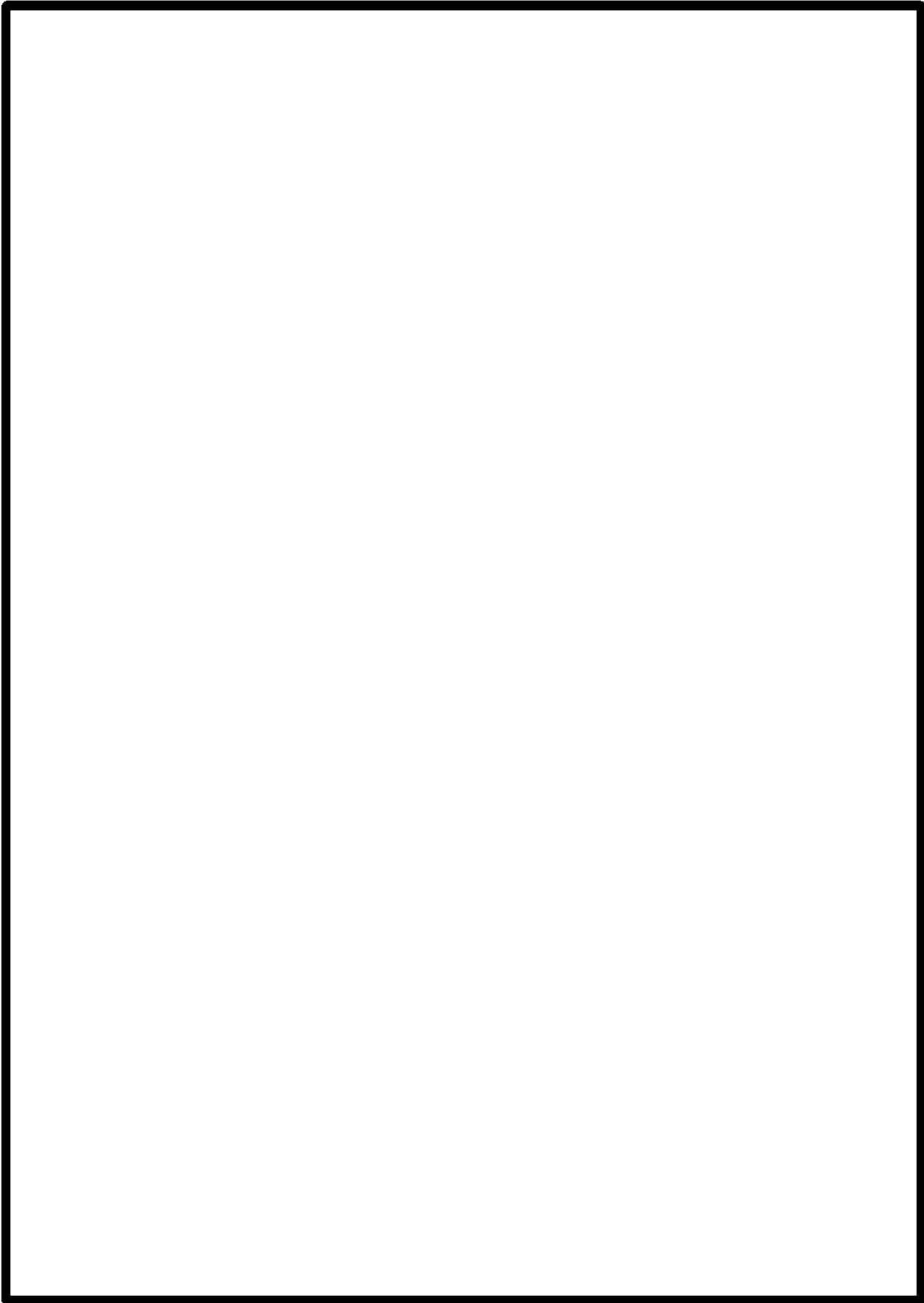
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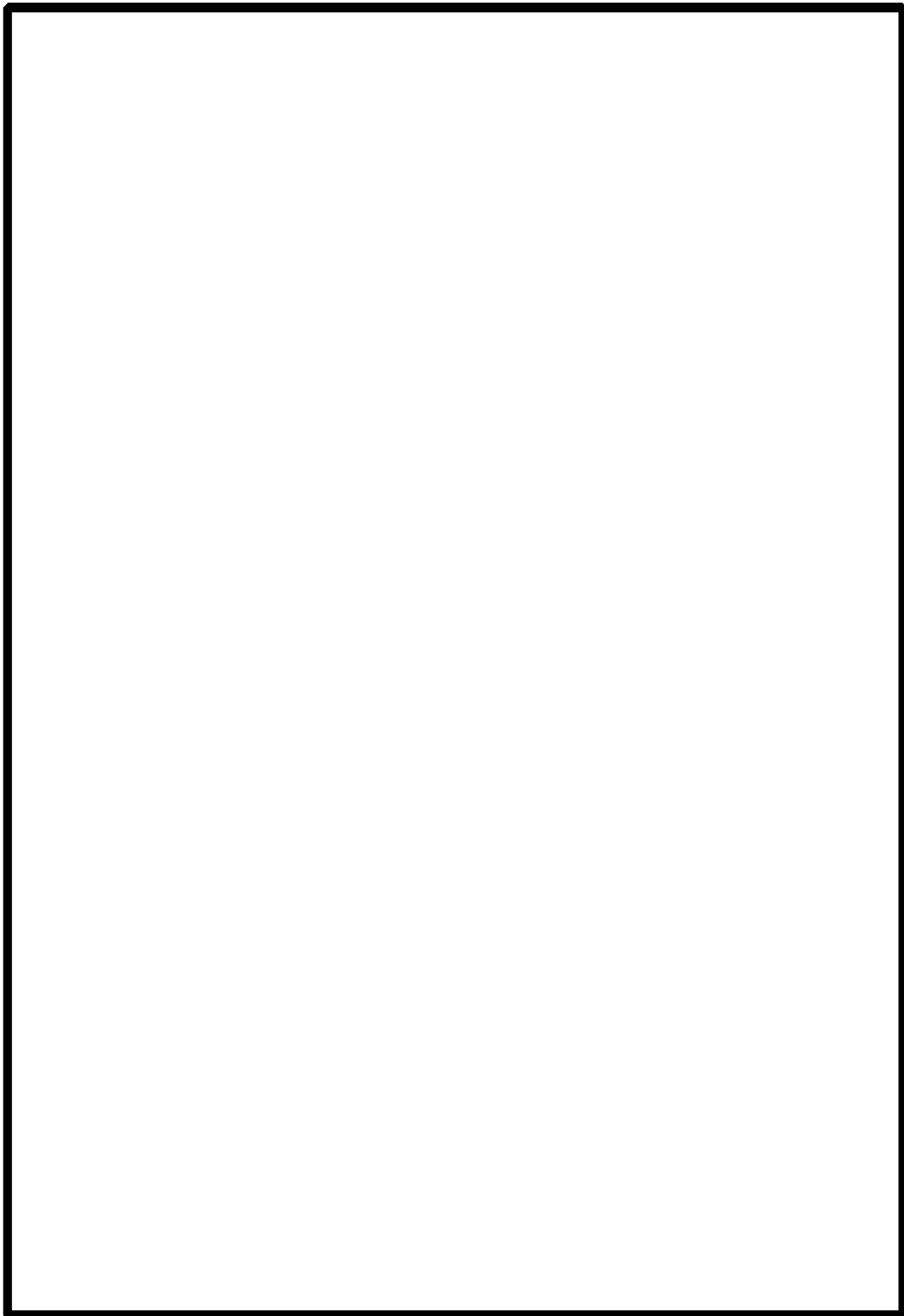
CONFIDENTIAL PRIVATE PLACEMENT MEMORANDUM

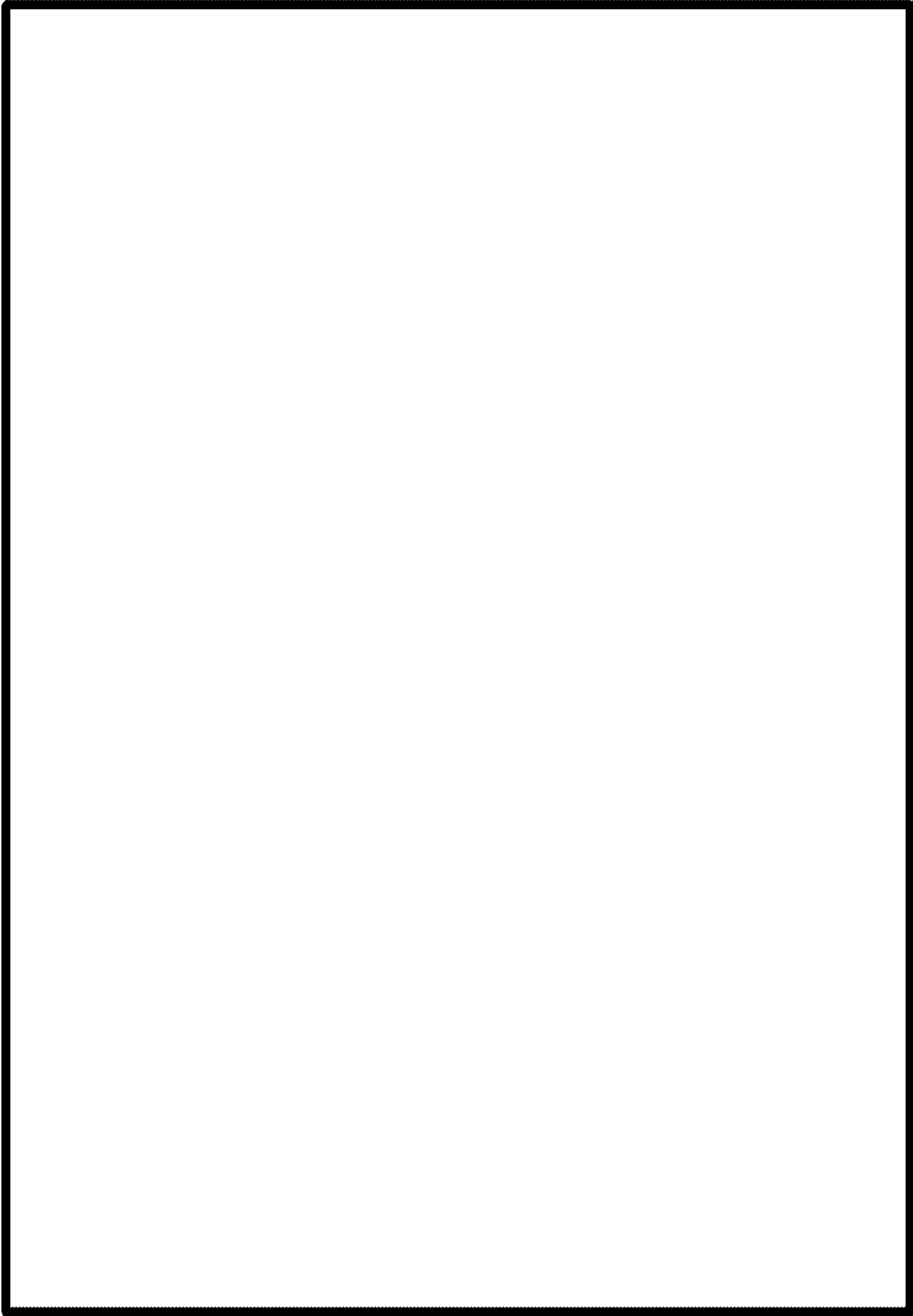
Beach Orangethorpe, LLC
a California limited liability company













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- Exhibit F – APPRAISAL
- Exhibit G – LAND ACQUISITION MAP
- Exhibit H – ARCHITECTURAL RENDERINGS

I. OFFERING SUMMARY

A. Investment Objectives

[Redacted]

B. Description of the Property

[Redacted]

C. Description of the Project

[Redacted]

D. Financing of the Project

[Redacted]

E. The Company and its Manager

[Redacted]



F. Economic Projections of the Project

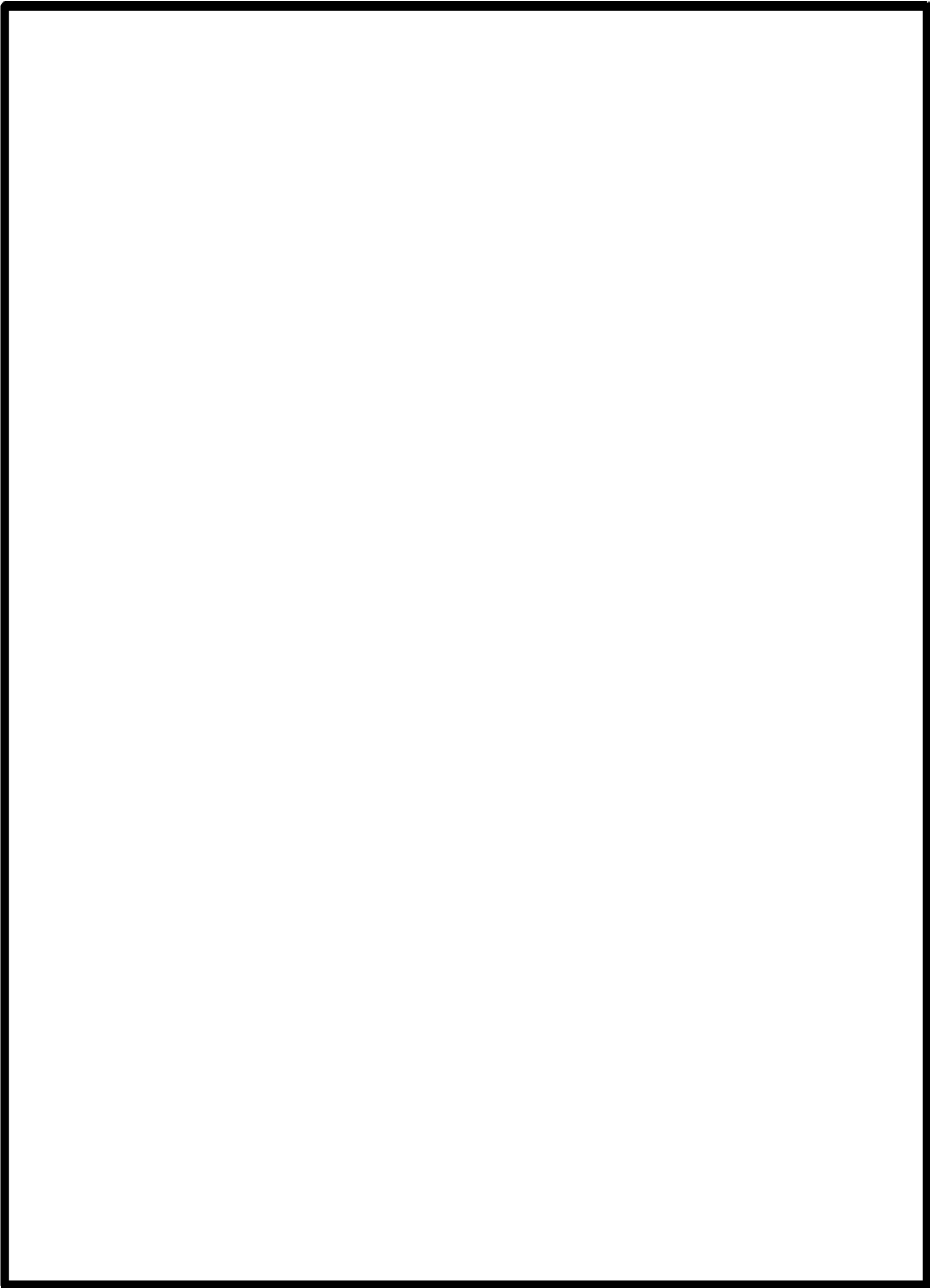


II. WHO MAY INVEST



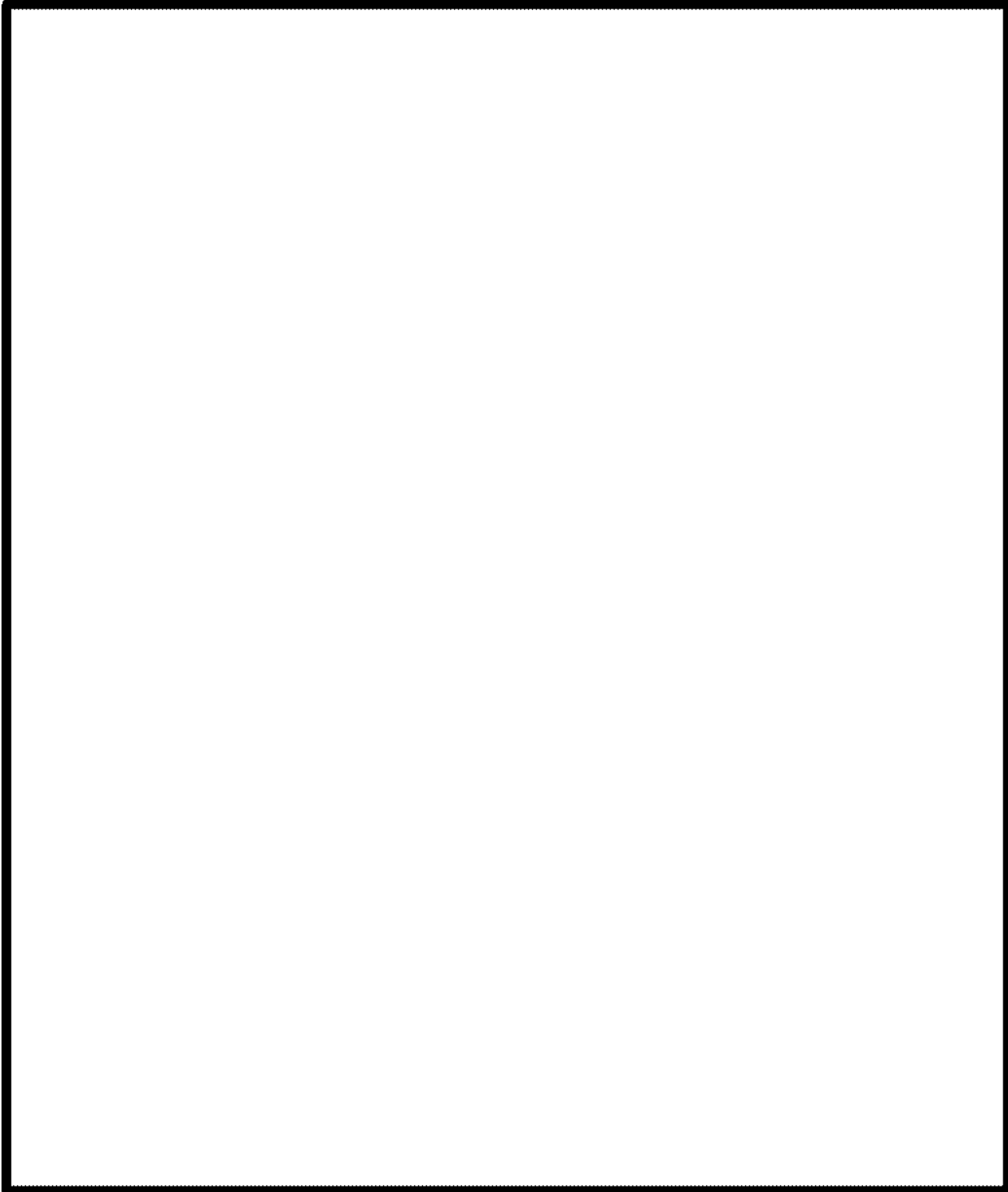


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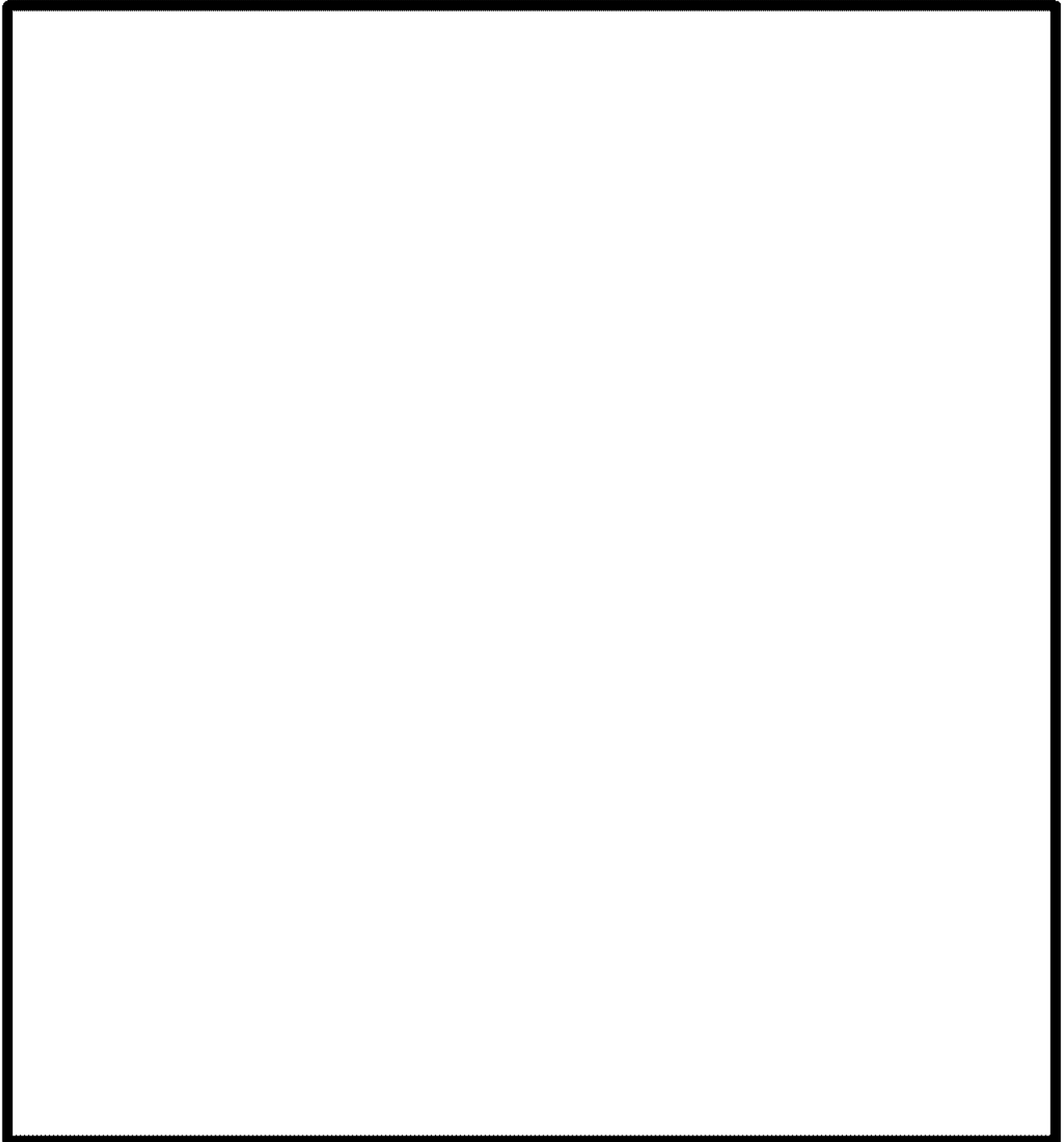
III. INVESTMENT OBJECTIVES AND STRATEGY





IV. TERMS OF THE OFFERING

A. General



[Redacted]

B. Offering Termination Date

[Redacted]

C. Subscription Procedure

[Redacted]

D. Subscription Payment and Administration Fee

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E. Subscriber Funds

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F. Acceptance

G. Conditions to Release of Funds

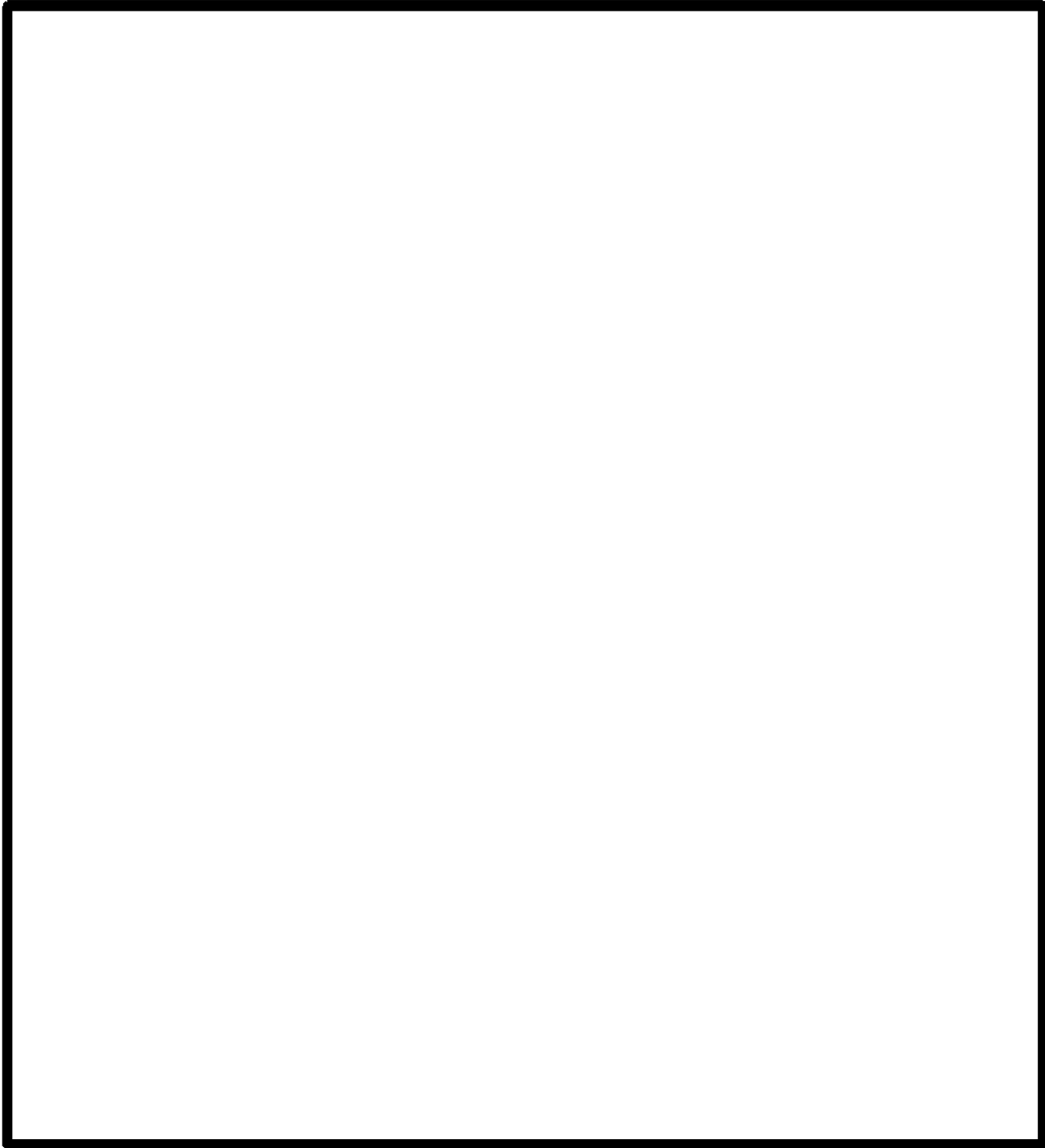
H. Revocation of Subscription

I. Immigration-Related Expenses.

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V. THE COMPANY

A. Overview



B. Summary of the Operating Agreement

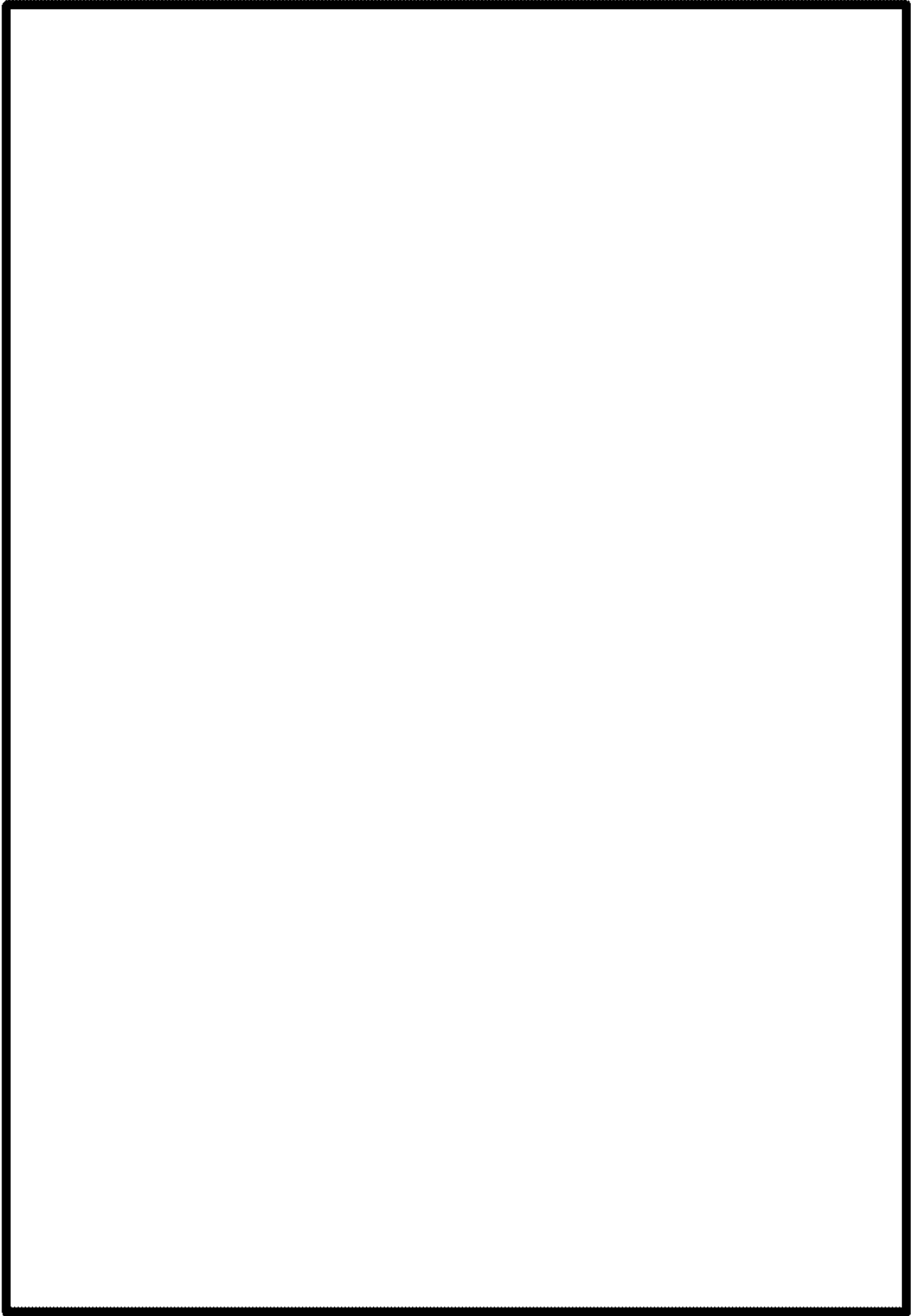
1. General



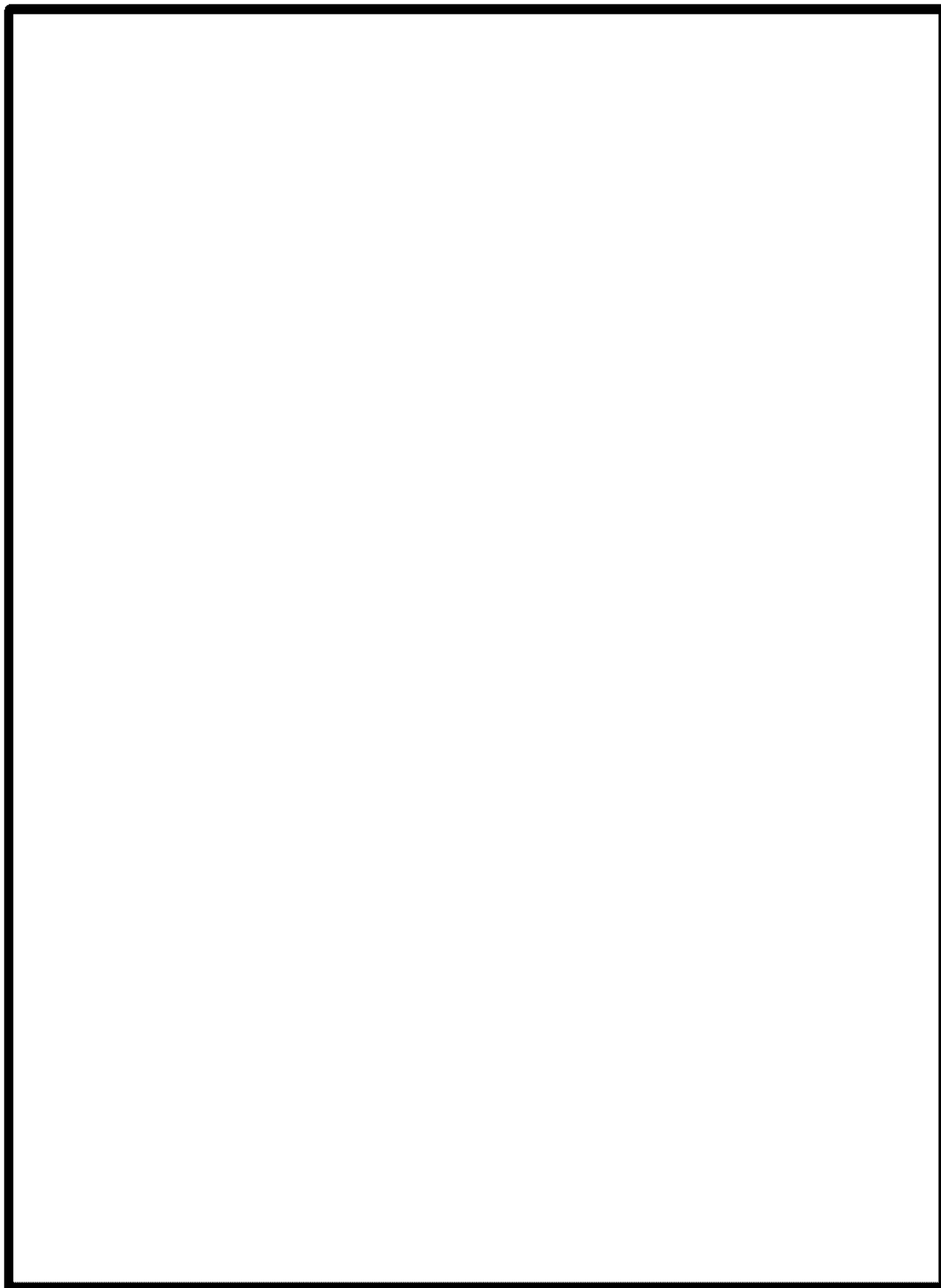


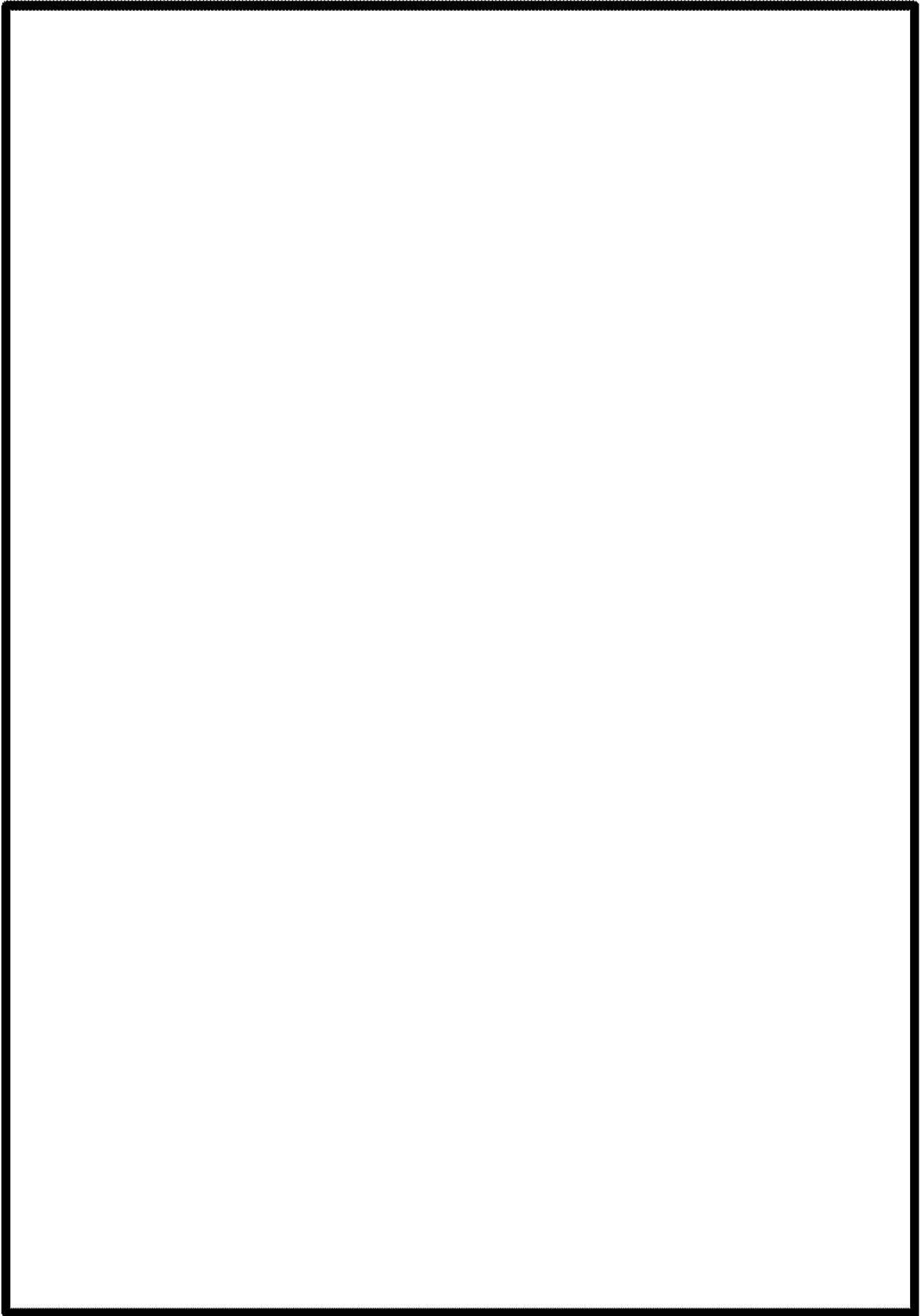
2. Company's Operating Agreement

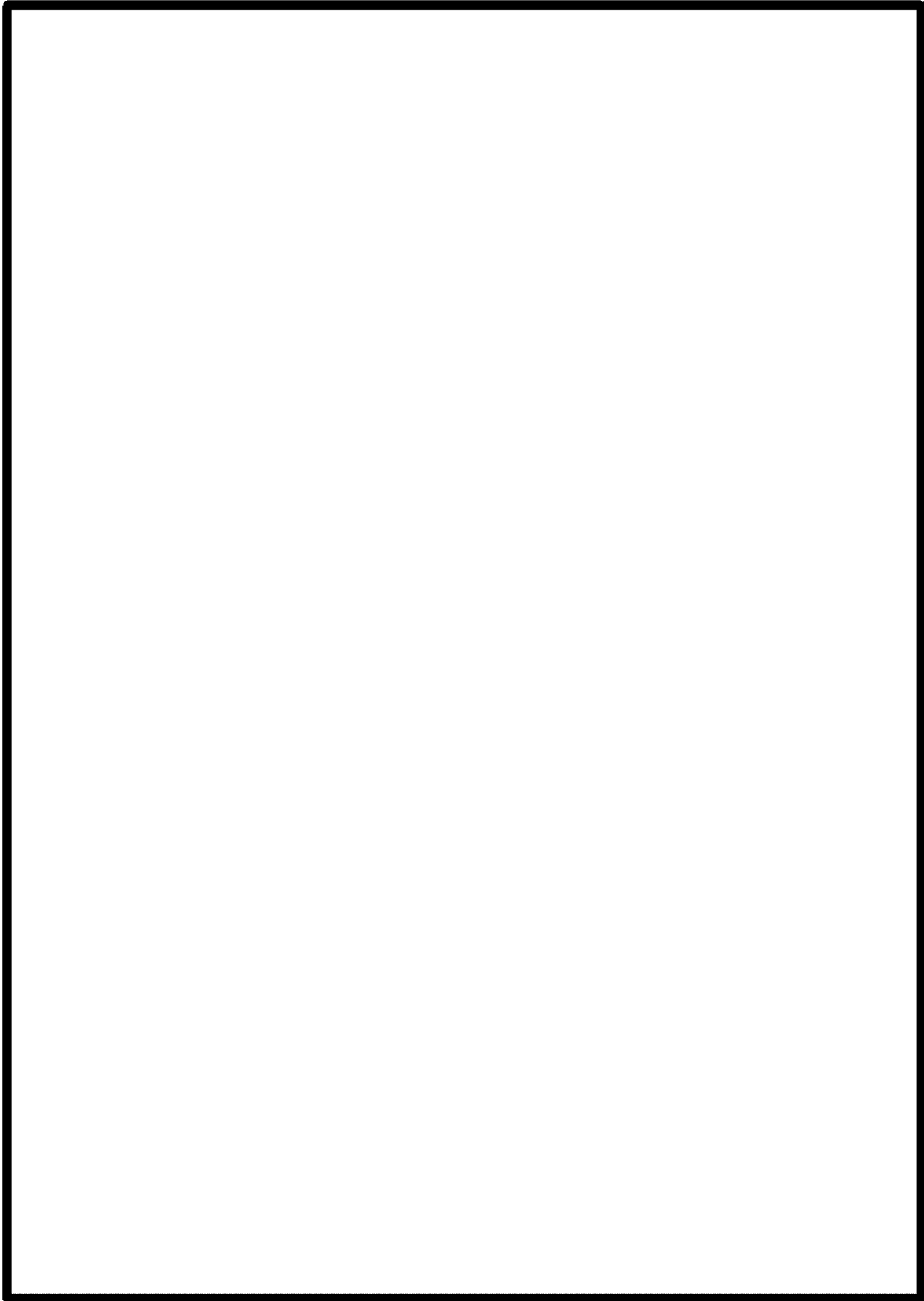




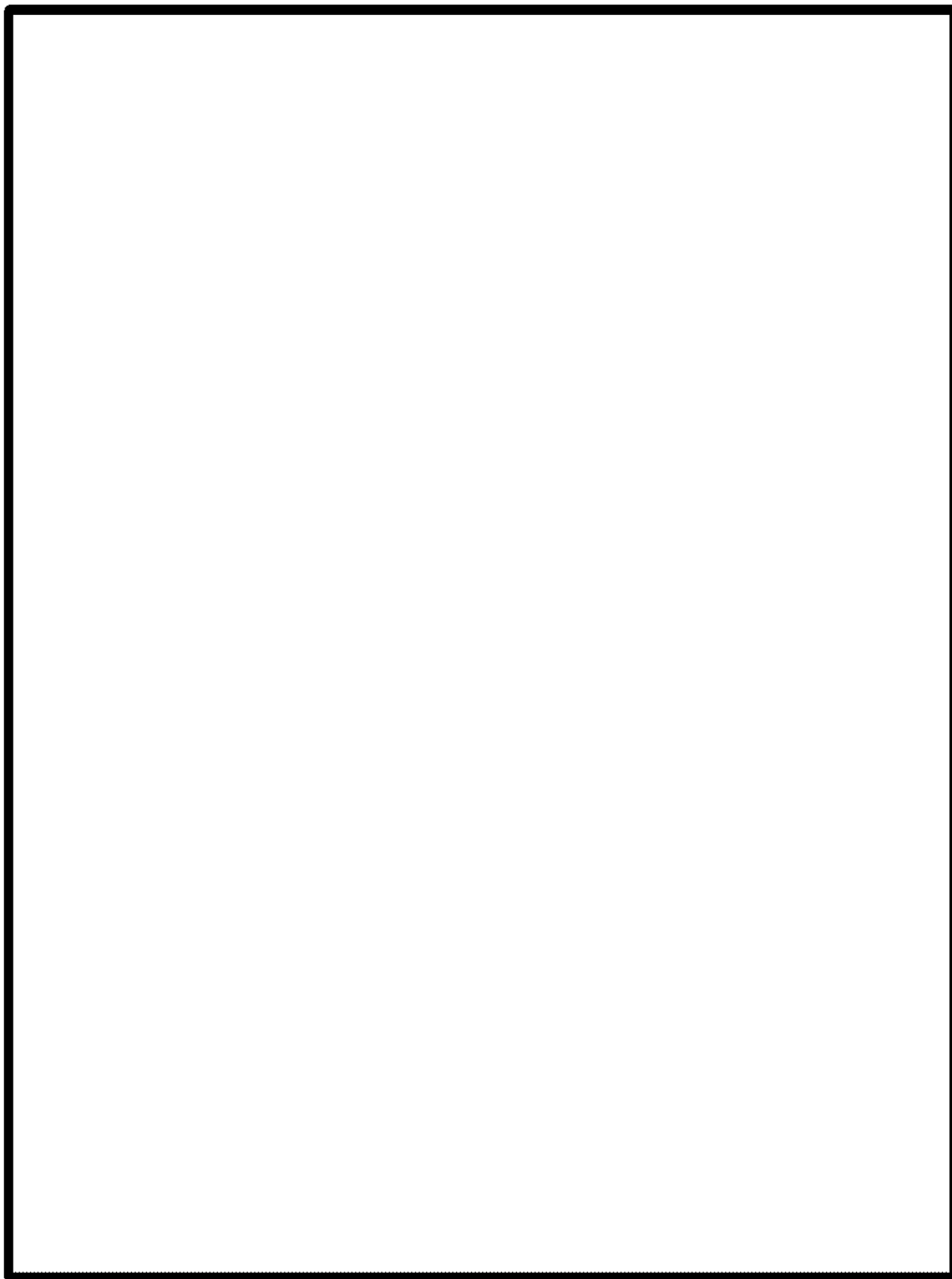
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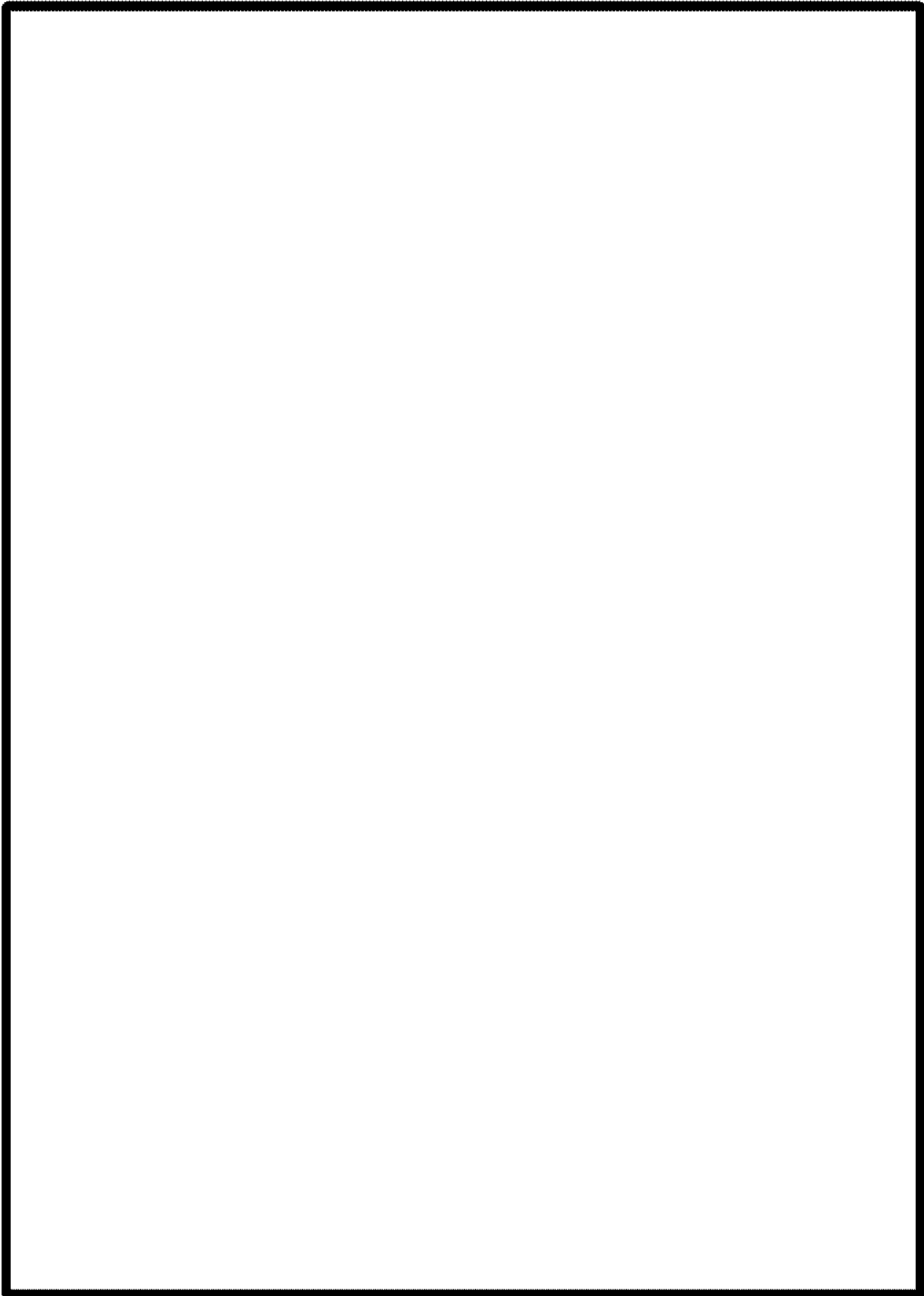


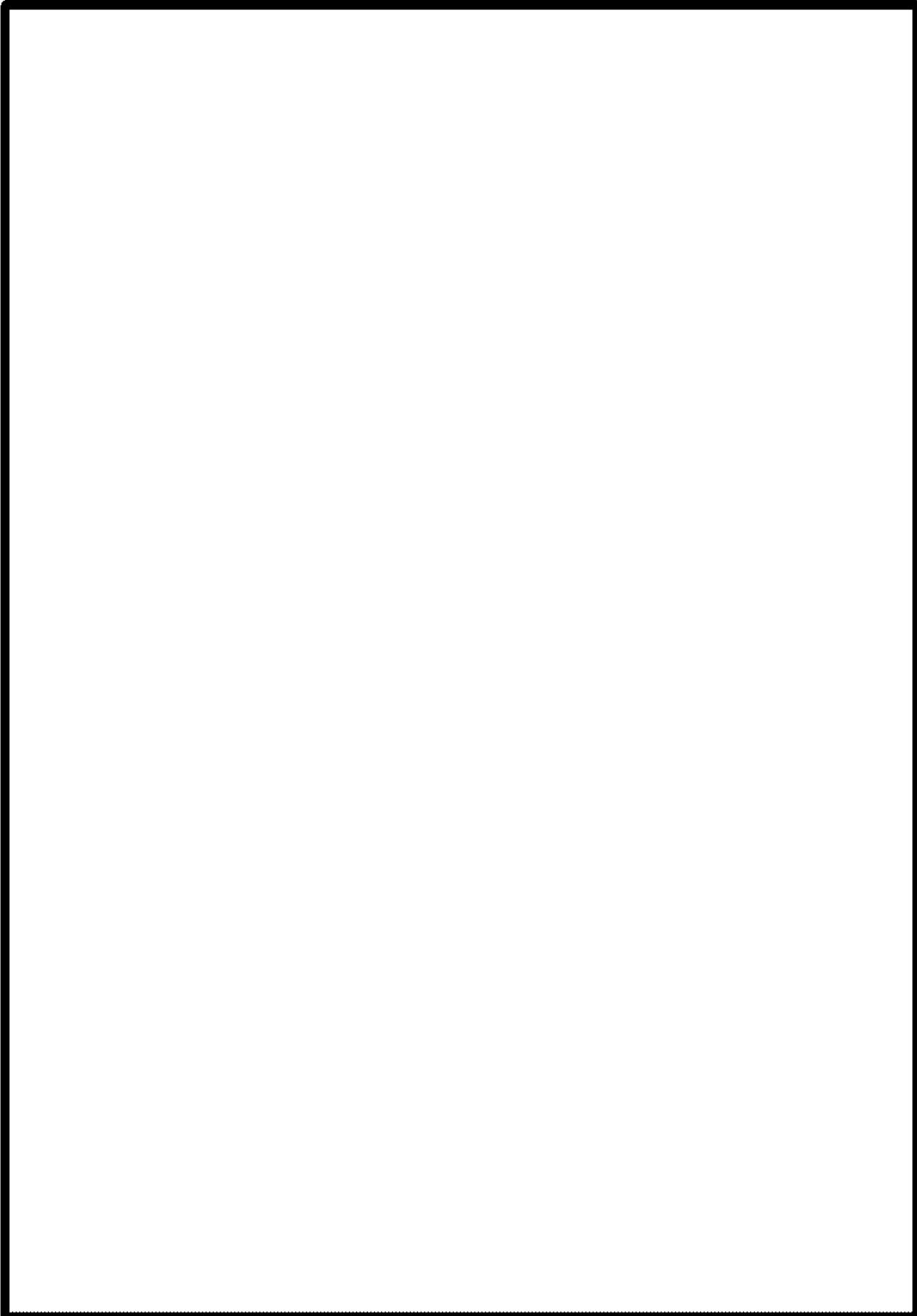


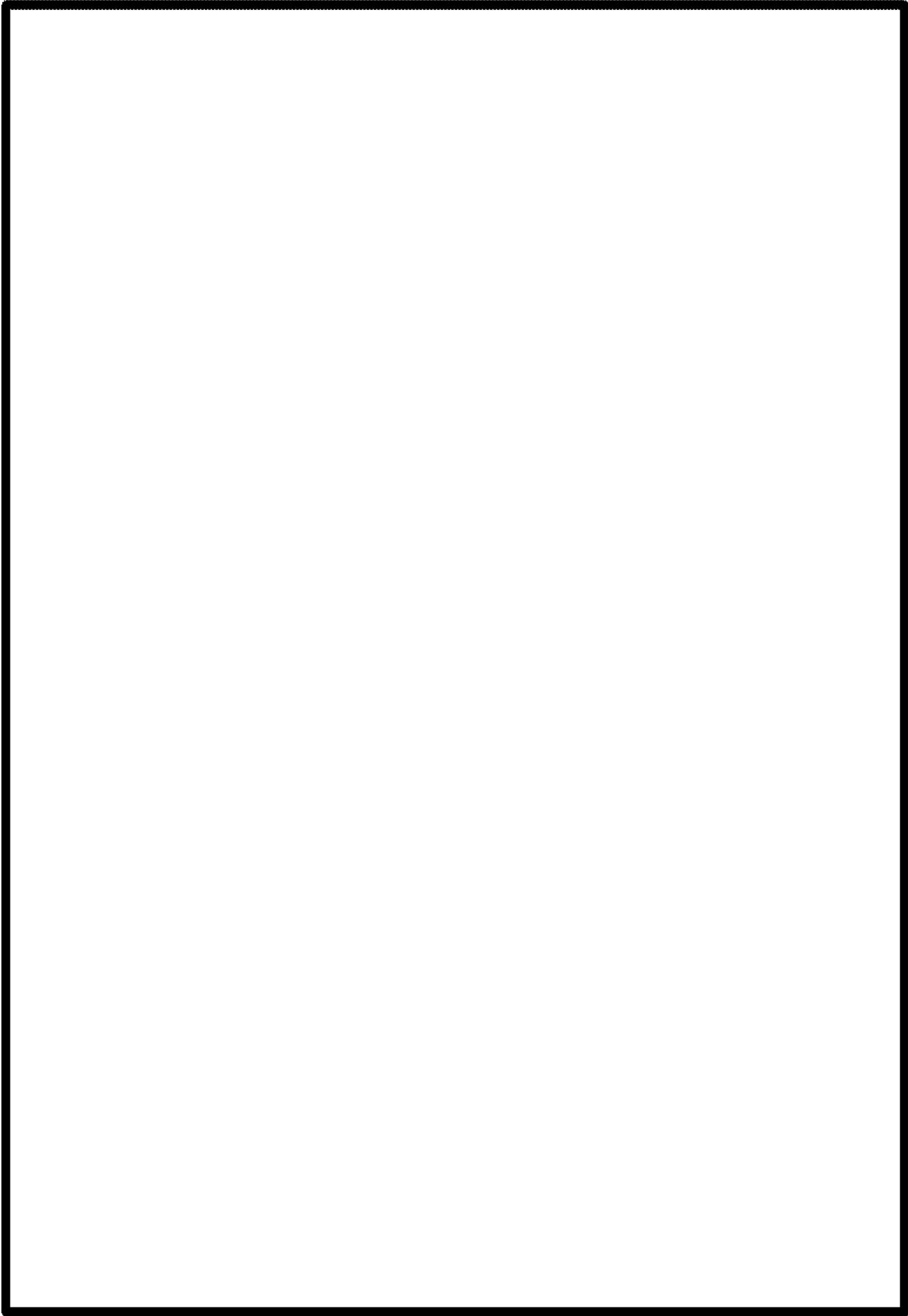
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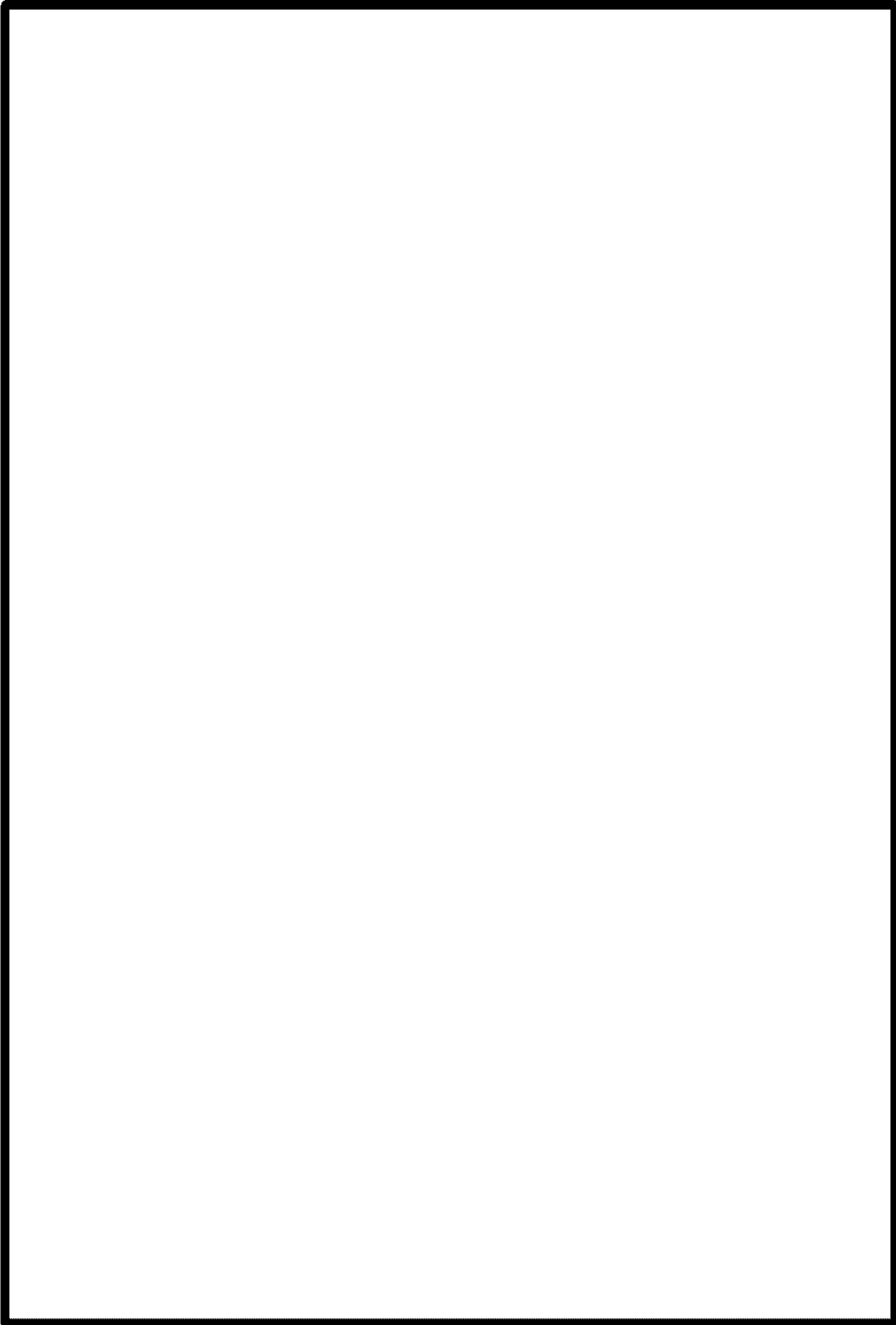


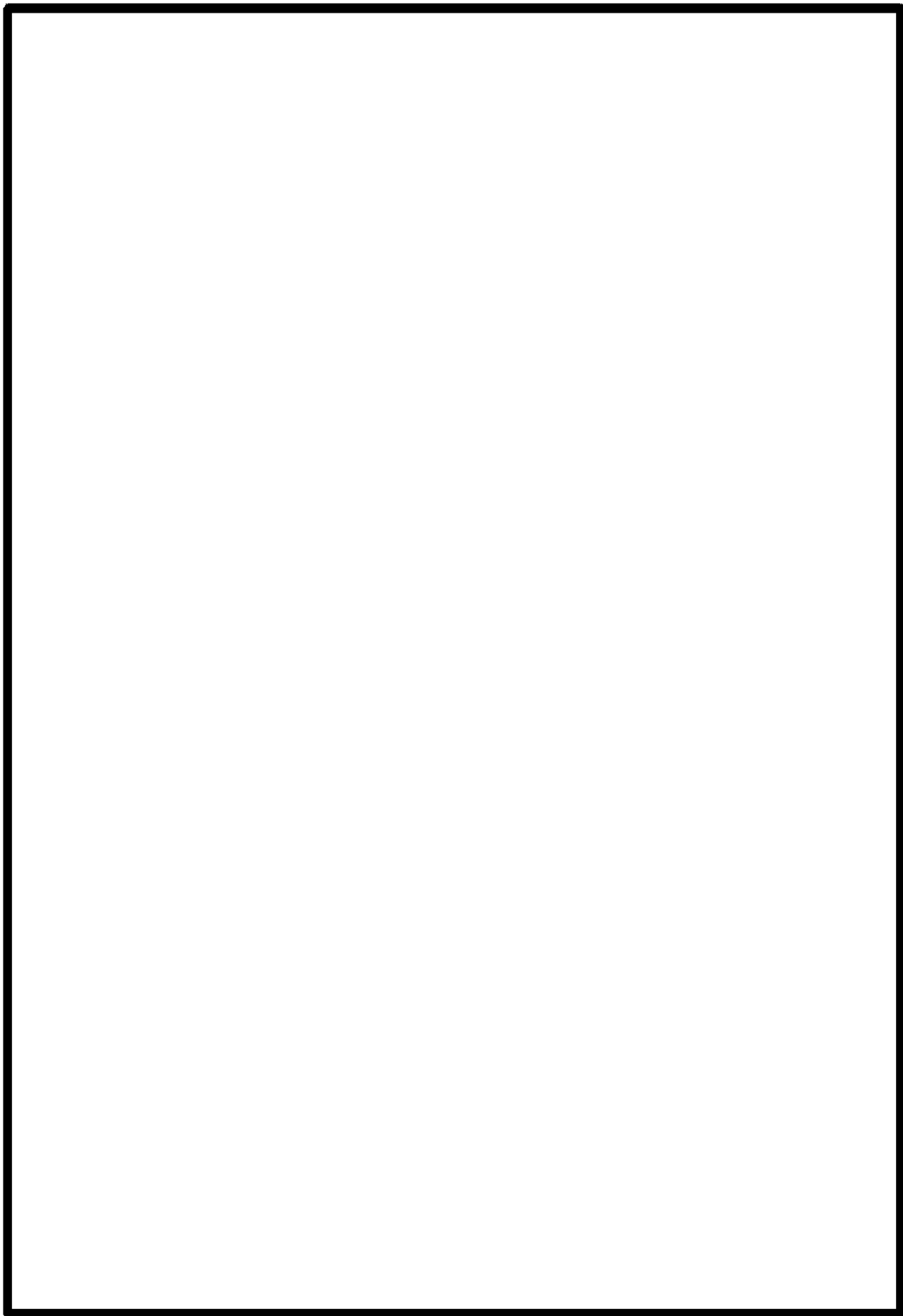
3. Developer's Operating Agreement













VI. THE PROPERTY AND THE PROJECT

A. Description of the Property





B. Description of the Project

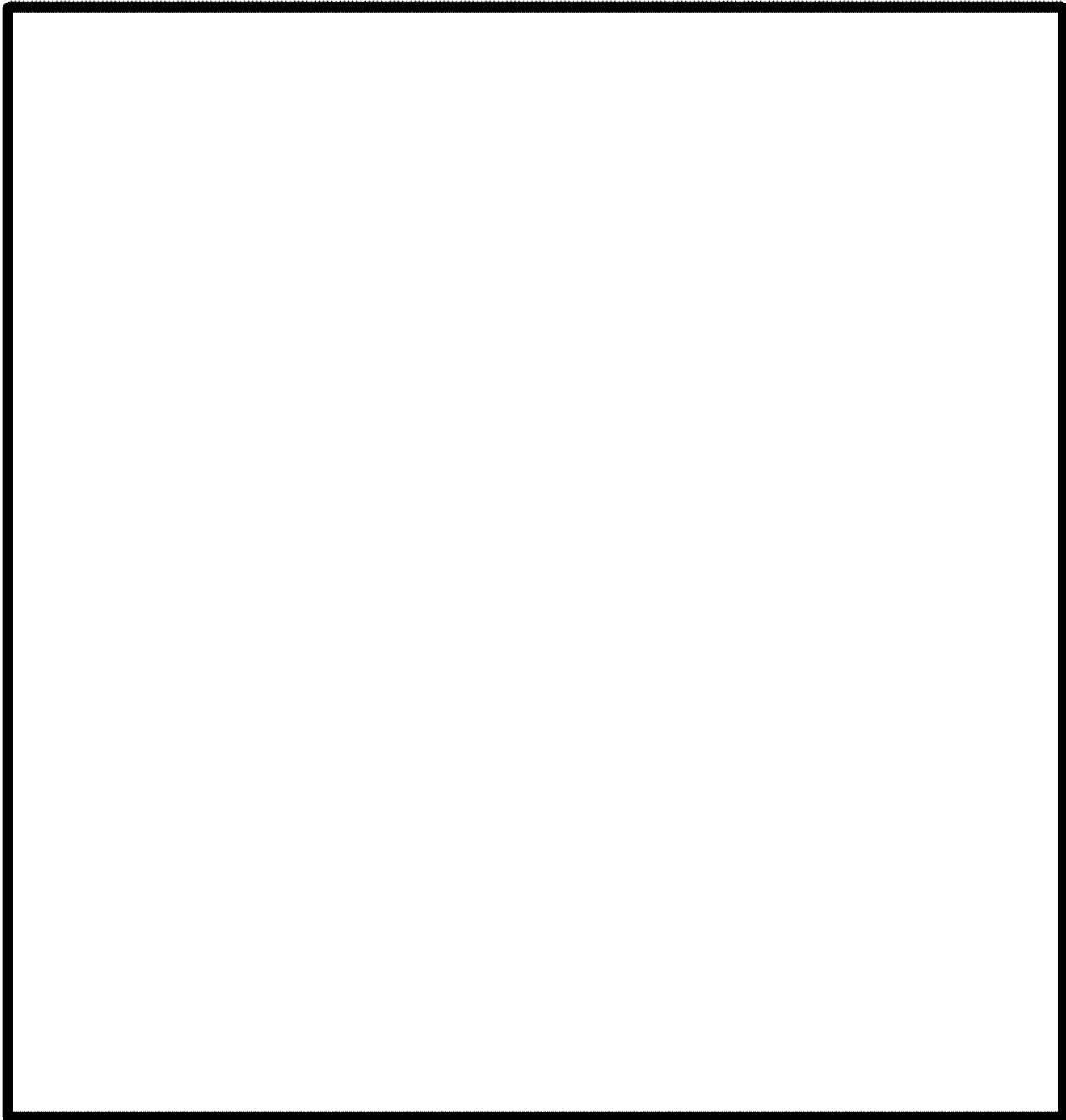


C. Zoning and Land Use



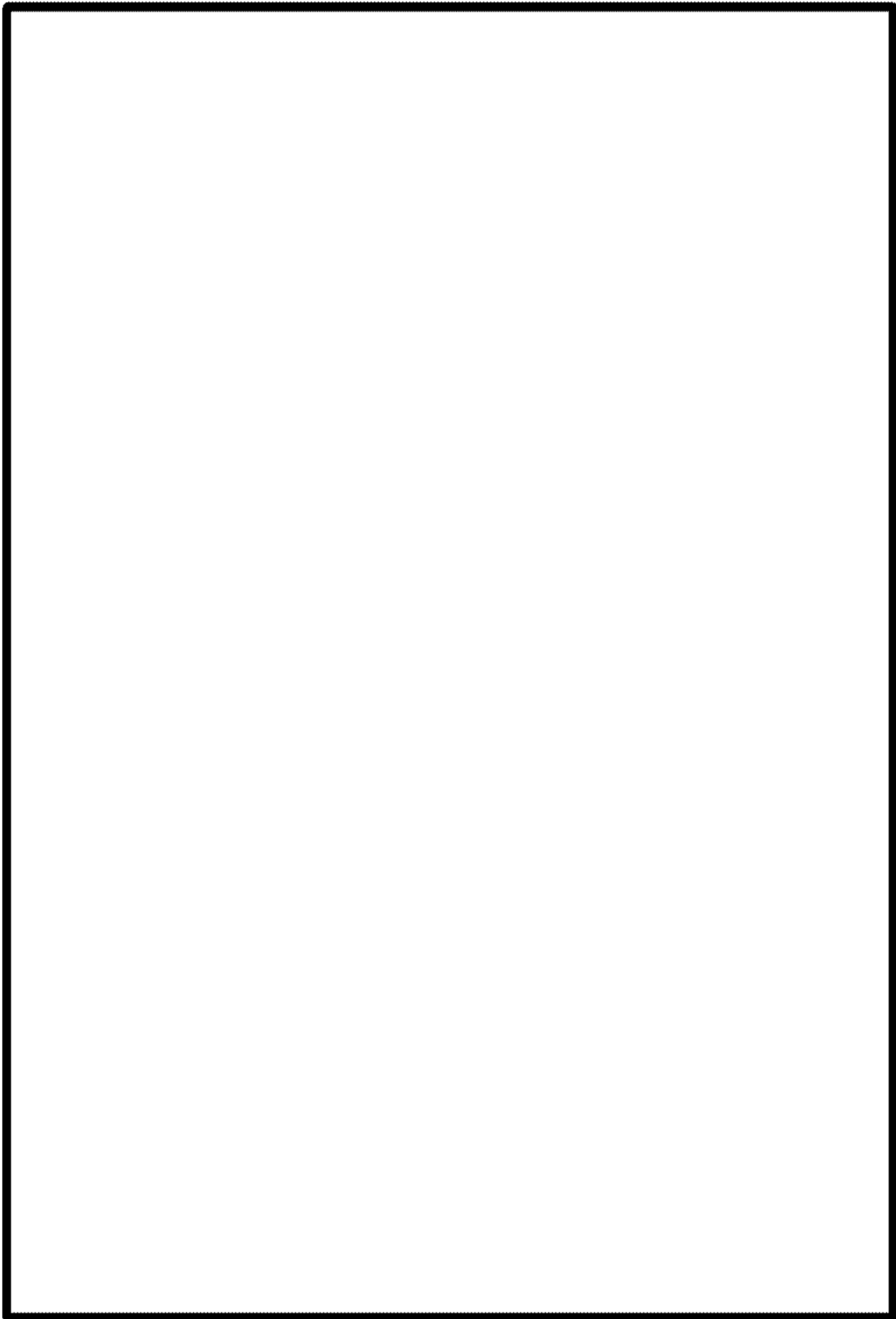


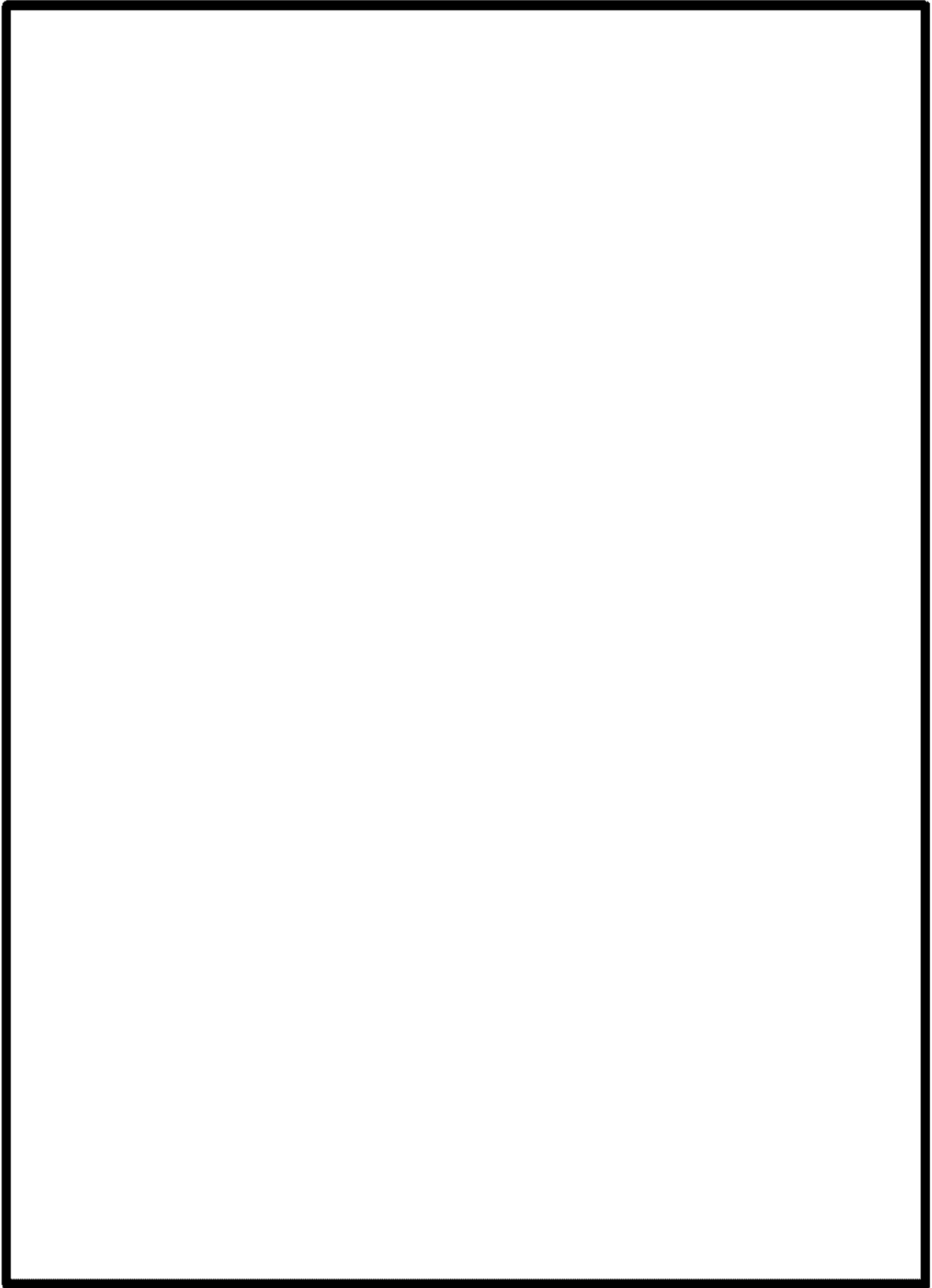
D. Development Agreement

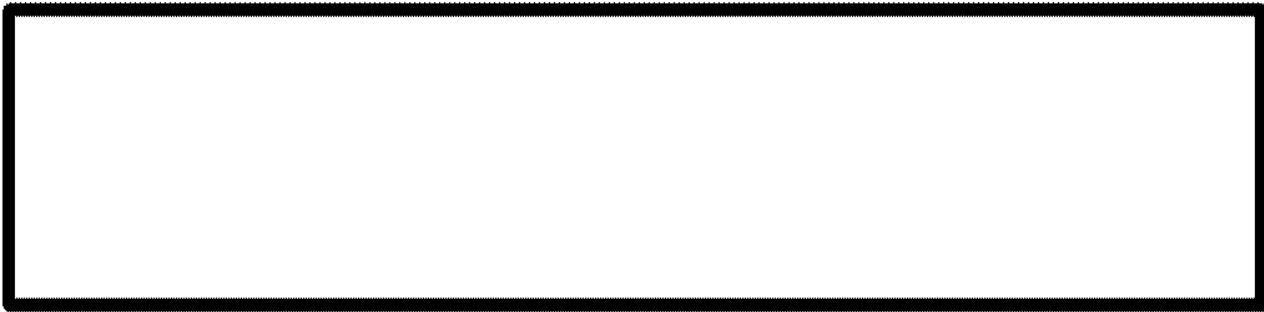


E. Environmental Condition

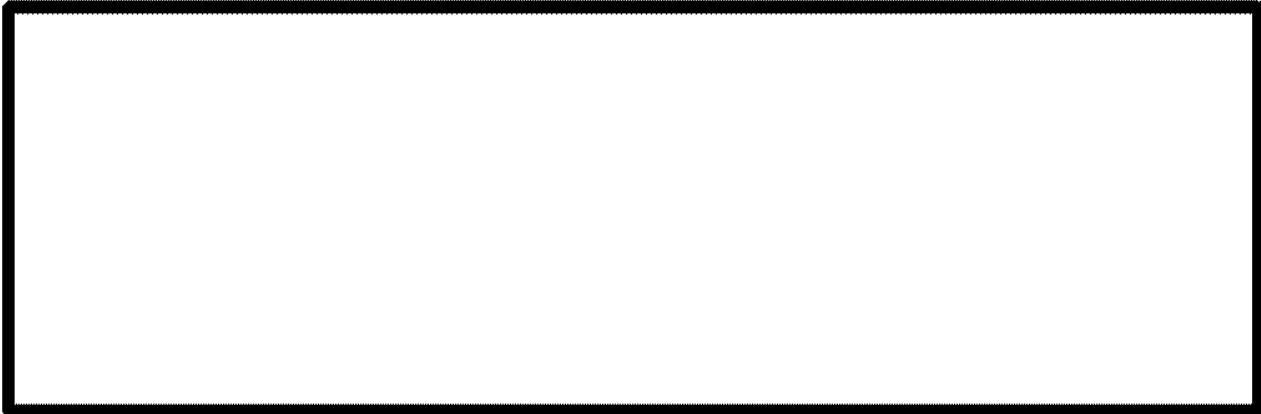








F. Fullerton Municipal Airport



G. Geology and Soils



H. Sale of Membership Interests in Company

[Redacted]

I. Financing

[Redacted]

J. Architectural Plans and Specifications

[Redacted]

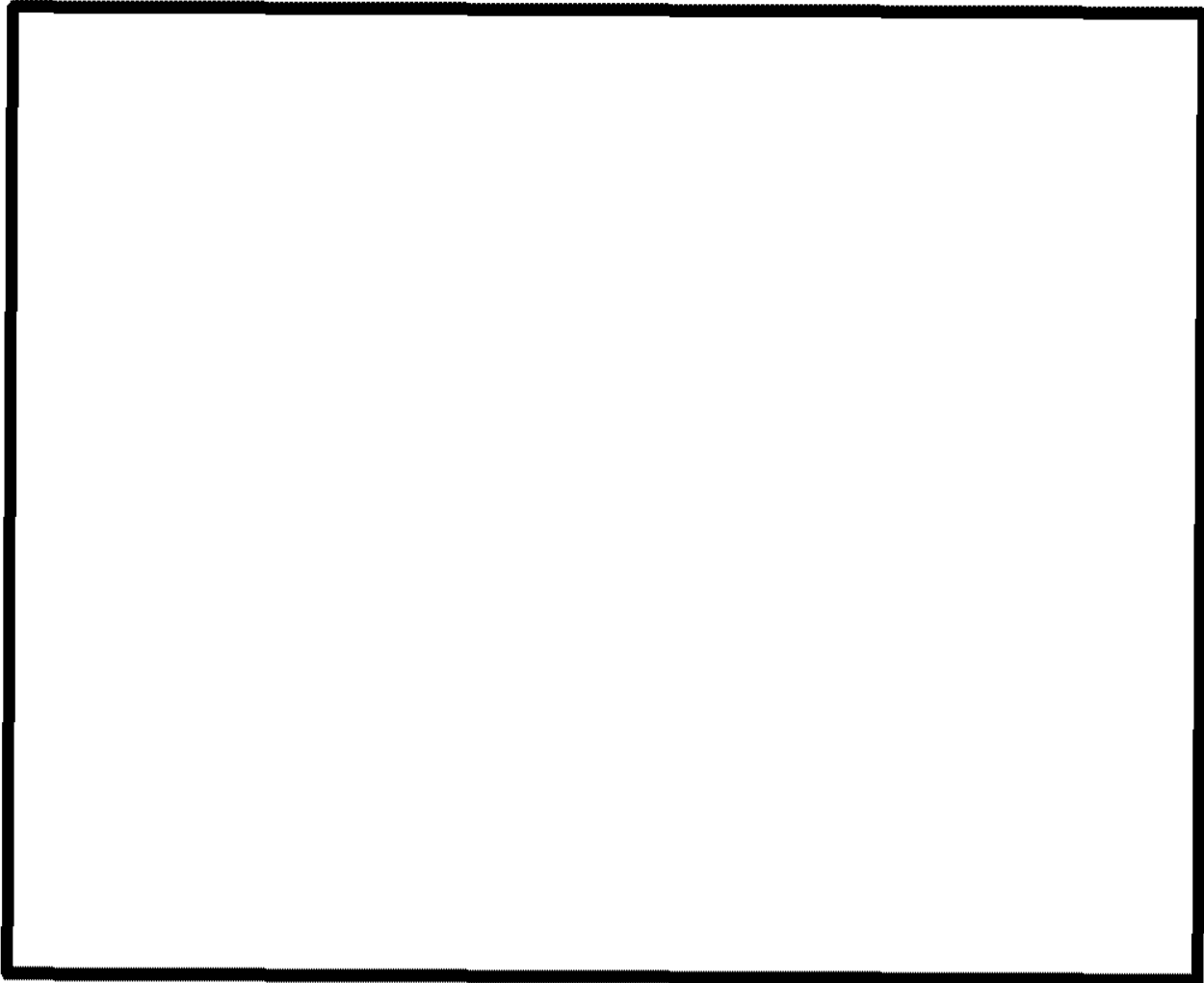
VII. MANAGER AND PLAZA MEXICO

A. Manager

[Redacted]

In the late 1980s, the Chaes correctly predicted the demographic shift in Southern California and pursued developments in burgeoning Hispanic markets. The crowning achievement of the Chaes' real estate careers has thus far been the Plaza Mexico shopping center, which faced the same challenge that the Company is facing with respect to the Property—i.e., incubating and creating a vibrant retail market. (See VII.B Plaza Mexico.) Plaza Mexico is a 450,000 square feet (41,807 square meters) lifestyle shopping center in Lynwood, California. The Chaes have created an environment where people can shop, eat and spend time with their family. The average visit for a visitor at Plaza Mexico is longer than for a visitor to a traditional retail mall.

Below is a partial list of real estate projects (in addition to the Project) that the Chae brothers have been and expect to be involved with over the next several years.



B. Plaza Mexico

Plaza Mexico is located in Lynwood, California and is situated along two major commercial thoroughfares and the Century Freeway (I-105). With approximately 450,000 square feet (41,807 square meters) of retail space over 36 acres of land, Plaza Mexico is the only property of this magnitude that caters to the Hispanic community of Southern California. Currently, Plaza Mexico is occupied by tenants that include Food 4 Less, Rite Aid, La Curacao, Anna's Linens, Hometown Buffet, Chuck E. Cheeses, and a wide variety of restaurants and retailers of clothing, electronics, shoes, toys, jewelry, and furniture.

Despite being a retail power center, Plaza Mexico provides a familiar small town shopping experience and has become the social epicenter for the City of Lynwood and its neighboring communities. Plaza Mexico's design has been key to creating the feel of a town square. Its architecture, fountains, lush landscaping, and open plazas draw shoppers and visitors into a Mexican cultural experience. Plaza Mexico's design reproduces the ambiance and rich culture of Mexican pueblos. The colonial architecture found in prominent urban centers such as Guadalajara and Mexico City has been incorporated into the design of the plazas, entrances,

buildings and kiosks.



The Chaes' project, which they had named the Lynwood Marketplace, almost immediately began to take on a life of its own. There were a number of external factors, primarily demographic and social, that bolstered the momentum of the project. Demographically, Lynwood and its neighboring cities of South Gate, Downey, Paramount, Compton, etc. were experiencing a shift in the ethnicity base of the population. An area that was predominantly African-American was experiencing an increase in the Hispanic population.

As the economy started to boom in the mid-1990s, the Lynwood Marketplace was 100% occupied and had a waiting list of 200 to 300 tenants. In 1998, the Chaes purchased the Lynwood Towne Center, a grocery/drug store-anchored (Food 4 Less/Rite-Aid) shopping center close to the Lynwood Marketplace that fronted Long Beach Boulevard. The acquisition of this property bolstered the Chae's vision of a retail town center experience. The Chaes also purchased and developed the land between the two centers and combined the properties (creating Plaza Mexico).

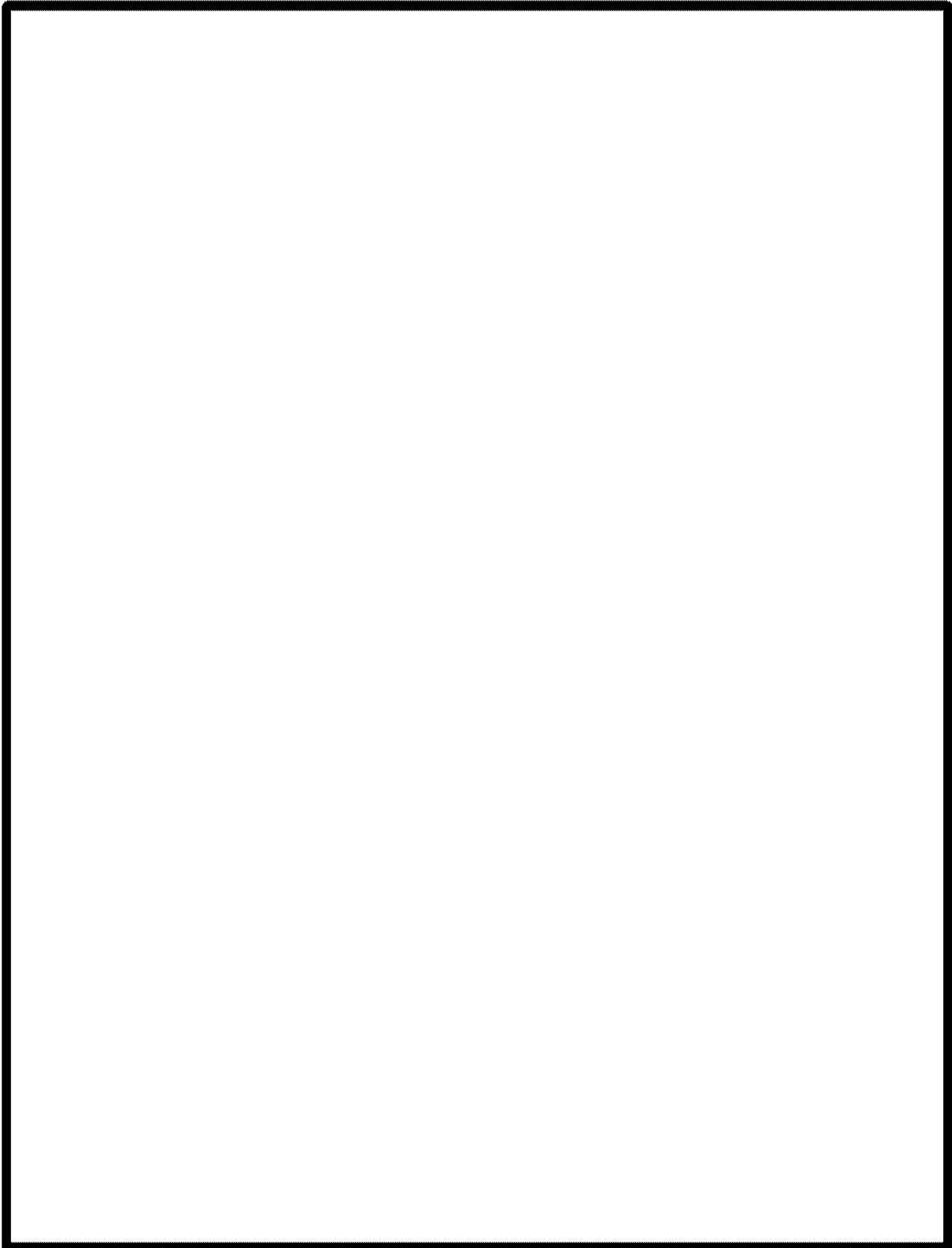
The Chaes shared their vision with the City of Lynwood and convinced the City Council that Plaza Mexico could serve as the premier retail project in the region as well as a cultural and social gathering point for the Southern California community. The Plaza Mexico concept won over not only the City Council but also the community. Plaza Mexico has since exceeded the expectations of all those involved and demonstrated itself to be a proven retail concept in Southern California.

In March 2007, in connection with a refinancing transaction, Plaza Mexico was appraised at approximately US



VIII. SOURCES AND USES OF FUNDS

A. Proceeds from the Offering



[Redacted]

D. Additional Equity Offering

[Redacted]

IX. COMPENSATION AND FEES

[Redacted]

X. CONFLICTS OF INTEREST

A. Relationship Between Manager and Developer

[Redacted]



B. Allocation of Manager's Time



C. Company's Transactions with Related Parties



D. Developer's Transactions with Related Parties



E. Legal Counsel

[Redacted]

XI. FIDUCIARY RESPONSIBILITY OF MANAGER

[Redacted]

A. Exculpation

[Redacted]

B. Indemnification

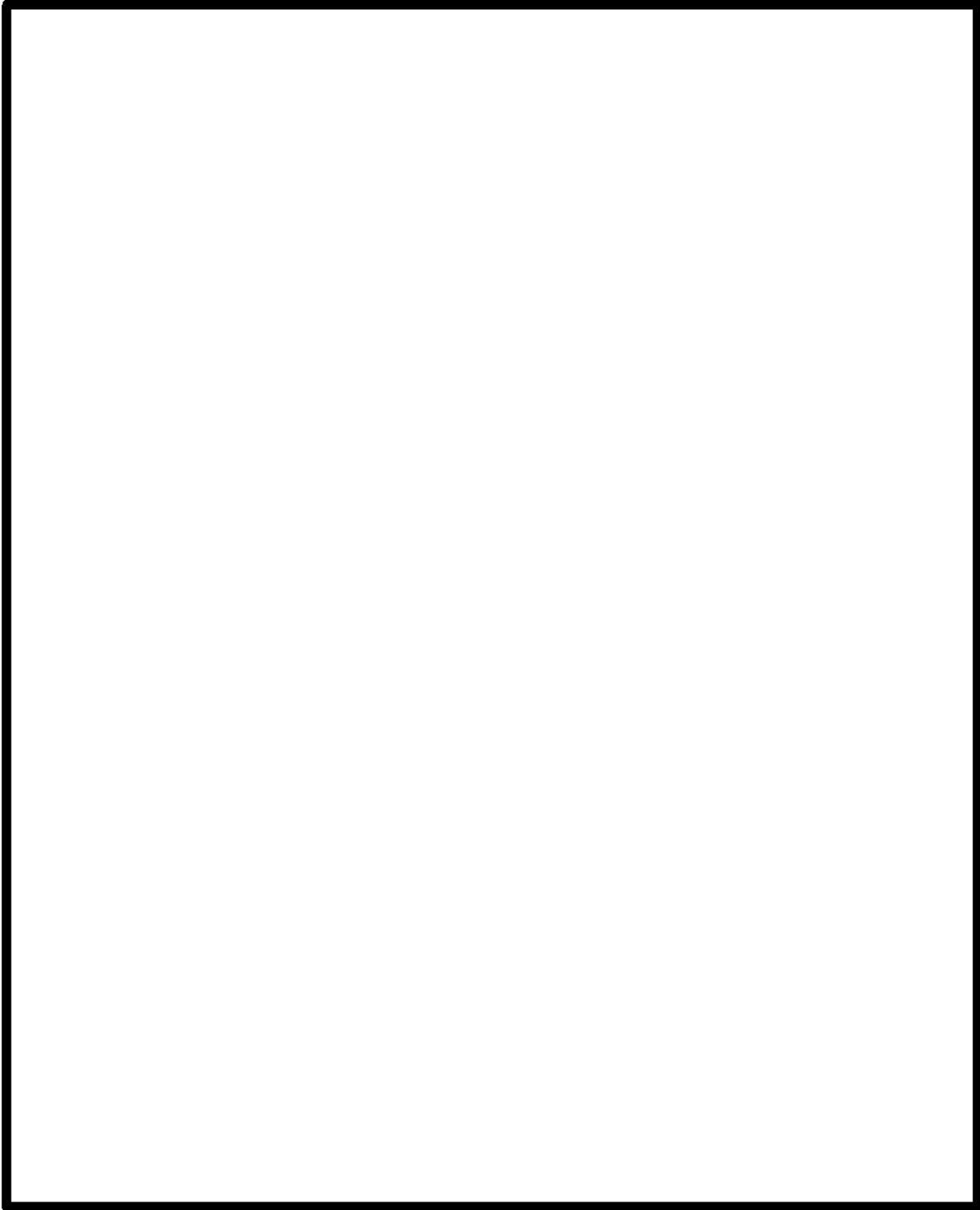
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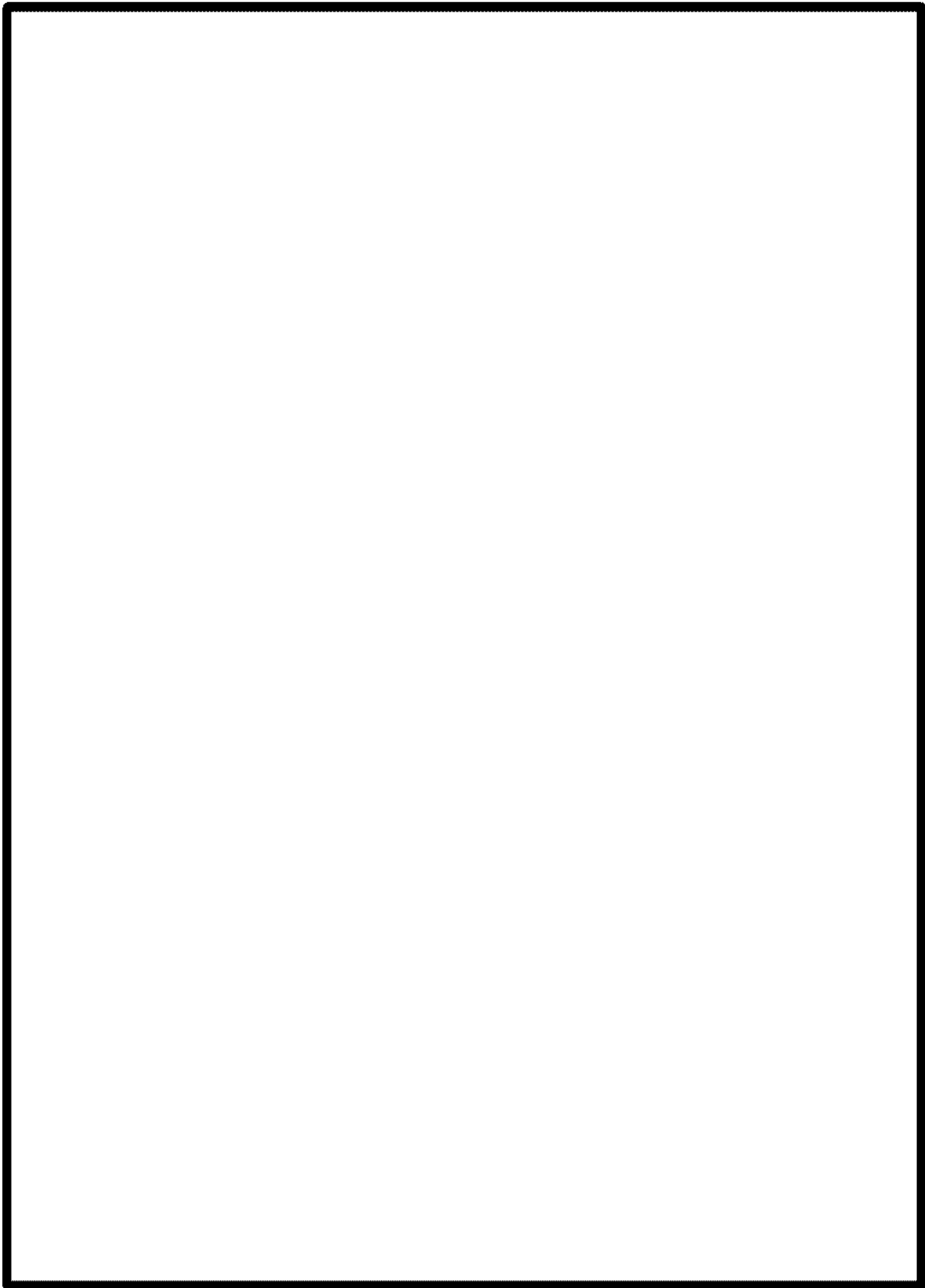
XII. LEGAL PROCEEDINGS

[Redacted]



XIII. RISK FACTORS







B. Risks Relating to the Pilot Program

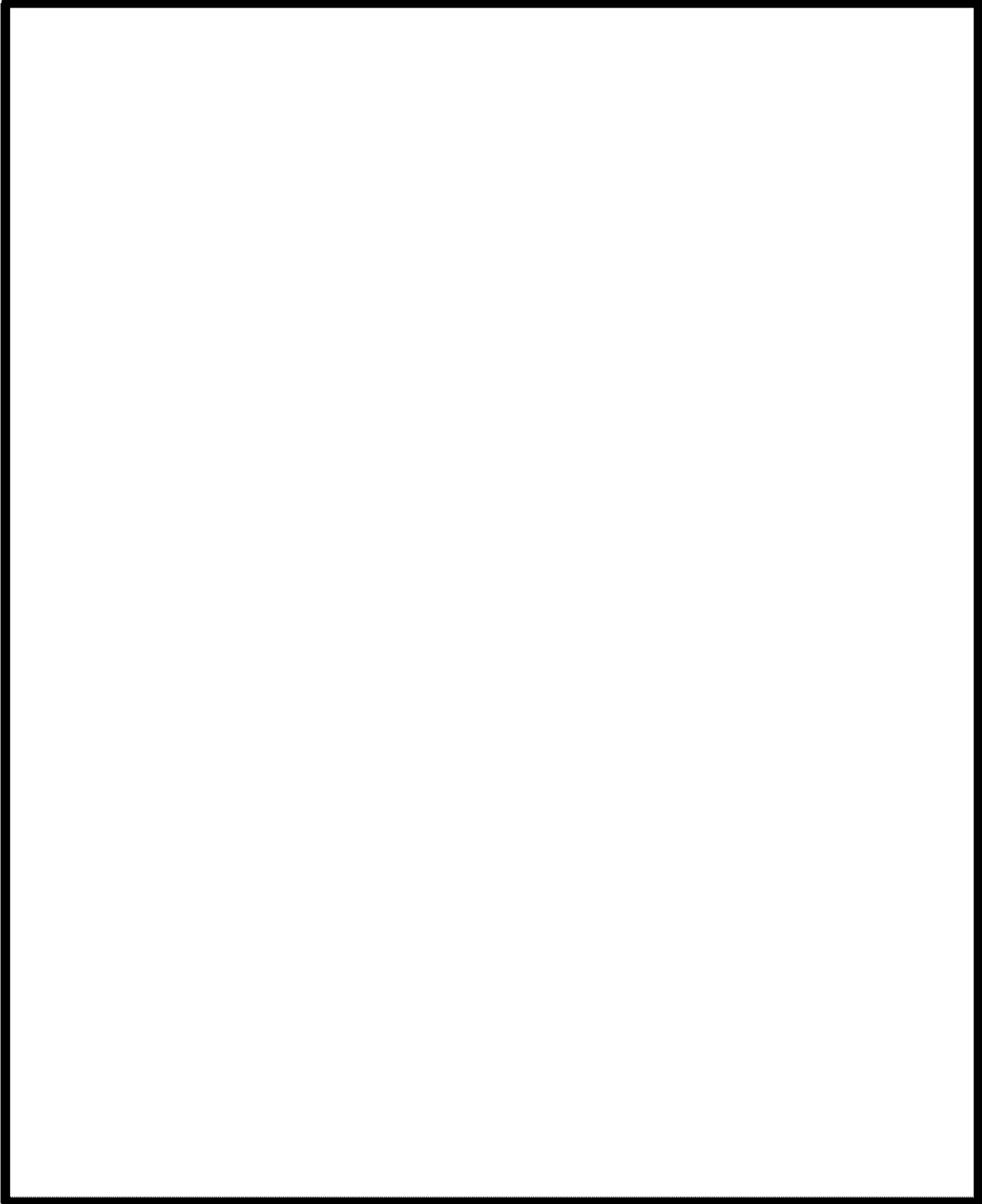


C. Risks of Real Estate Investment Generally





A. General Risks Relating to the EB-5 Program



[Redacted]

D. Risks of Real Estate Development Generally

[Redacted]

E. Risks Relating to the Viability and Marketability of the Property

[Redacted]

F. Risks Relating to the Development Agreement

[Redacted]

[Redacted]

G. Risks Relating to Environmental Issues

[Redacted]

H. Risks Relating to Fullerton Municipal Airport

[Redacted]

I. Risks Relating to Geology and Soils

[Redacted]

J. Risks Relating to Financing Generally

[Redacted]



L. Risks Associated with Leverage

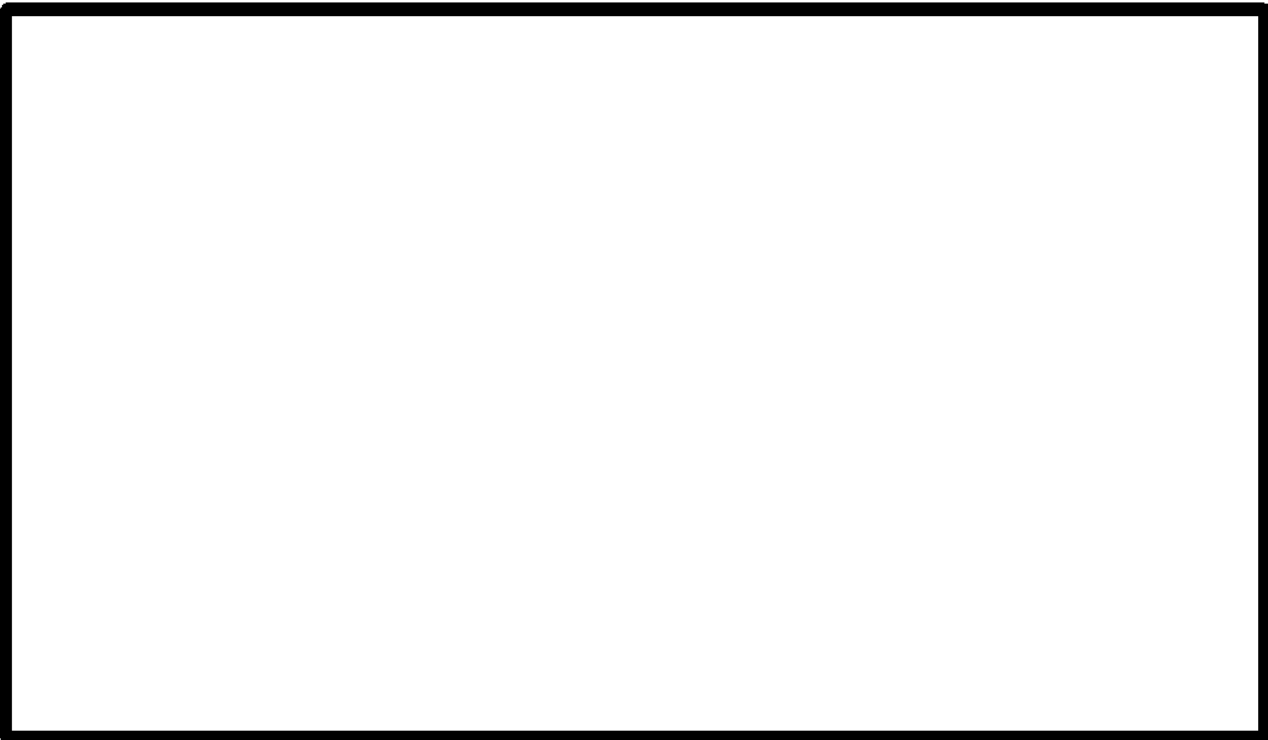


M. Risk Relating to Economic Projections



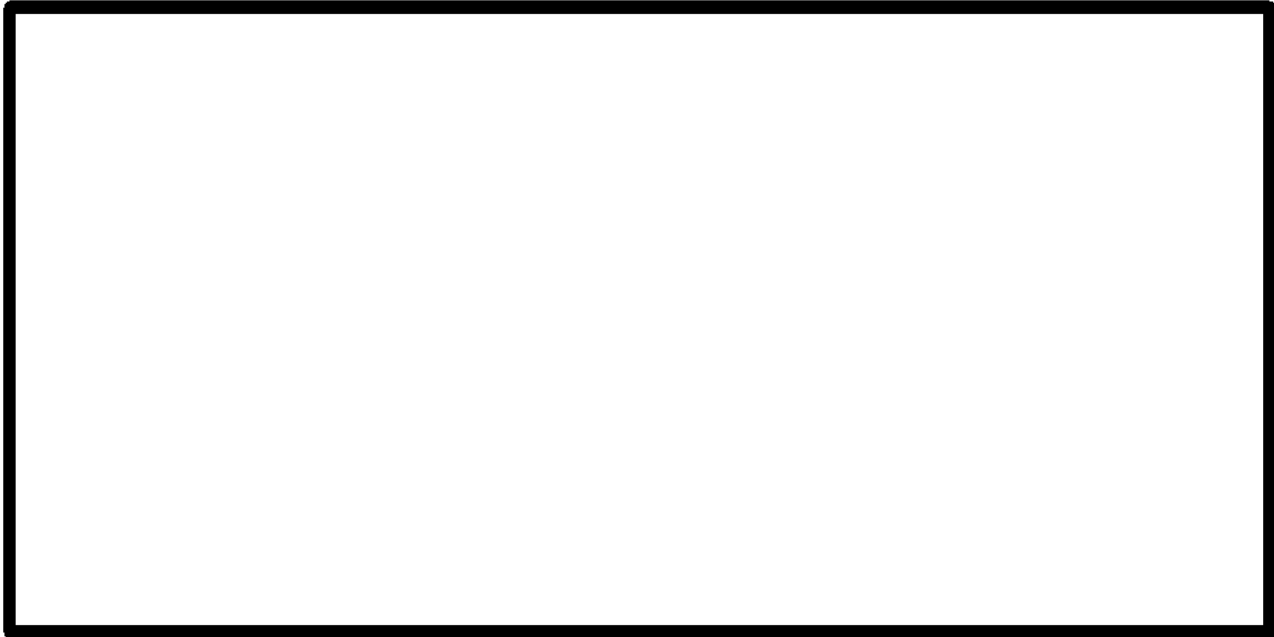


N. No Assurance of Distributions or Income/Net Profit



O. Risk of Relying on Management and the Performance by Others





P. Limited Capital Resources



Q. Limitations on Insurance

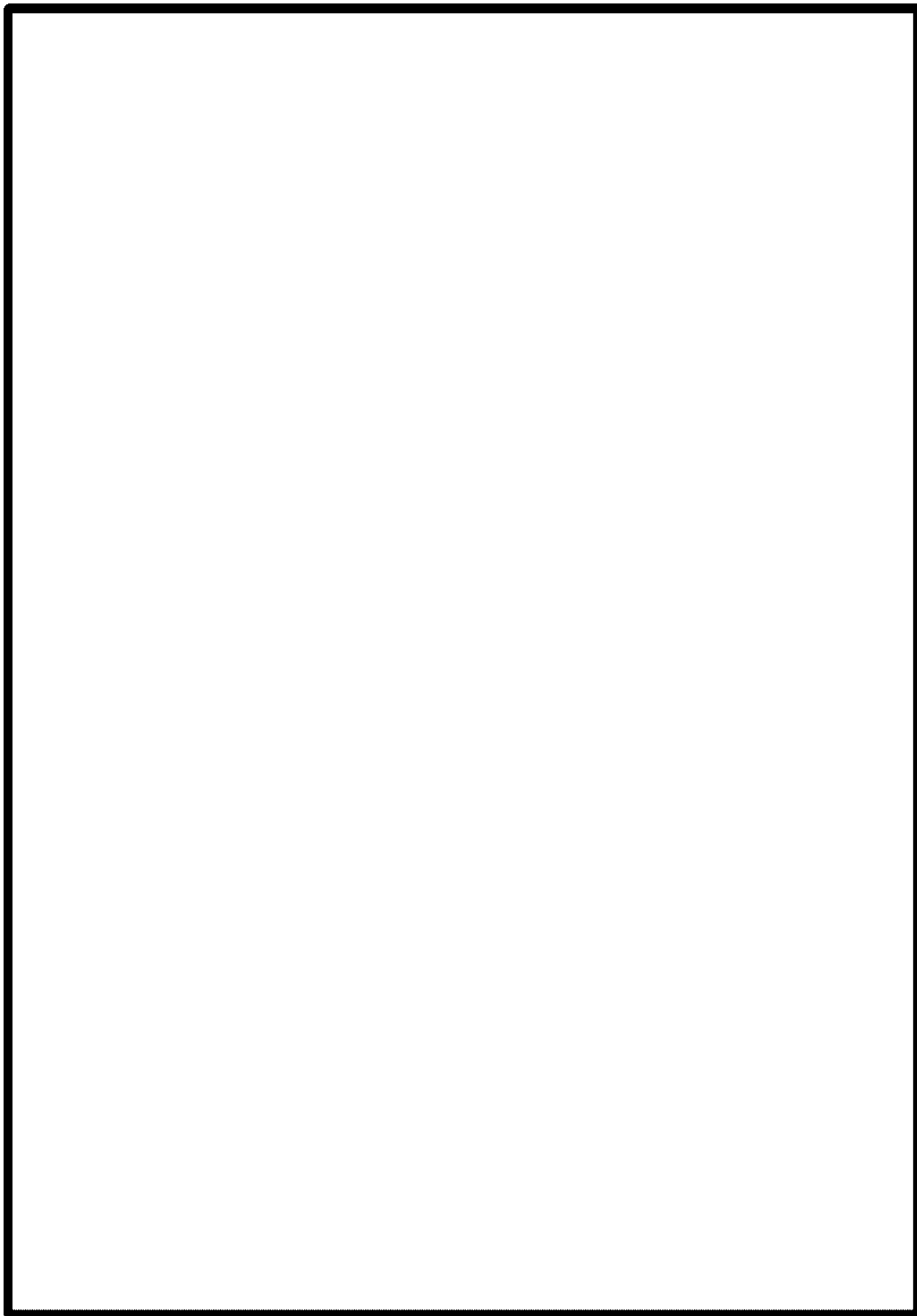


R. Tax Risks



S. Limited Transferability of the Class B Units





[Redacted]

T. Conflicts of Interest

[Redacted]

U. No Diversification

[Redacted]

V. Limited Operating History

[Redacted]

W. Indemnification/Exculpation of Manager and Other Insiders

[Redacted]

X. Availability of Securities Law Exemption

[Redacted]



Y. Additional Risks



XIV. TAX CONSIDERATIONS



PERSONAL TAX ADVISERS REGARDING THE FEDERAL, STATE, LOCAL, AND FOREIGN TAX CONSEQUENCES ARISING FROM THE PURCHASE, OWNERSHIP, AND SALE OF THE CLASS B UNITS.



XV. PLAN OF DISTRIBUTION





XVI. ADDITIONAL INFORMATION



Lynwood, California, 2009

EXHIBIT A
SUBSCRIPTION AGREEMENT

EXHIBIT B
OPERATING AGREEMENT - COMPANY

EXHIBIT C
ESCROW AGREEMENT

EXHIBIT D
IRS FORM W-9

EXHIBIT E
AMENDED AND RESTATED OPERATING AGREEMENT - DEVELOPER

EXHIBIT F
APPRAISAL

EXHIBIT G
LAND ACQUISITION MAP

EXHIBIT H
ARCHITECTURAL RENDERINGS

OPERATING AGREEMENT

FOR

**BEACH ORANGETHORPE, LLC
A CALIFORNIA LIMITED LIABILITY COMPANY**

DATED AS OF _____, 2009

(b)(4)



(b)(4)

**OPERATING AGREEMENT
FOR
BEACH ORANGETHORPE, LLC
A CALIFORNIA LIMITED LIABILITY COMPANY**



ARTICLE I

DEFINITIONS

When used in this Agreement, unless the context otherwise requires, the following terms shall have the meanings set forth below (all terms used in this Agreement that are not defined in this Article I shall have the meanings set forth elsewhere in this Agreement):





“Advisory Committee” has the meaning set forth in Section 5.1.3.

“Affected Member” has the meaning set forth in Section 7.7.1.

“Affiliate” of any Person means any individual, partnership, corporation, trust or other entity or association, directly or indirectly, through one or more intermediaries, controlling, controlled by, or under common control with, such Person. The term “control,” as used in the immediately preceding sentence, means, with respect to a corporation or limited liability company, the right to exercise, directly or indirectly, more than fifty percent (50%) of the voting rights in such controlled corporation or limited liability company and, with respect to any individual, partnership, trust, other entity or association, the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of the controlled entity.



“Arbitration Service” has the meaning set forth in Section 10.9.

“Articles” means the Articles of Organization of the Company originally filed with the California Secretary of State on March 19, 2009, as amended and/or restated from time to time.



"Code" means the Internal Revenue Code of 1986, as amended from time to time, the provisions of succeeding law, and to the extent applicable, the Regulations.

"Company" has the meaning set forth in the preamble to this Agreement.

"Company Counsel" has the meaning set forth in Section 10.1.

"Company Minimum Gain" has the meaning ascribed to the term "Partnership Minimum Gain" in Regulations Section 1.704-2(d).

"Company Notice" has the meaning set forth in Section 7.5.2.

"Company Person" has the meaning set forth in Section 5.8.



"Developer's Option" has the meaning set forth in Section 7.7.1.



"EB-5 Program" means the EB-5 immigrant investor visa program of the Immigration and Nationality Act and the related regulations and standards adopted by the USCIS.

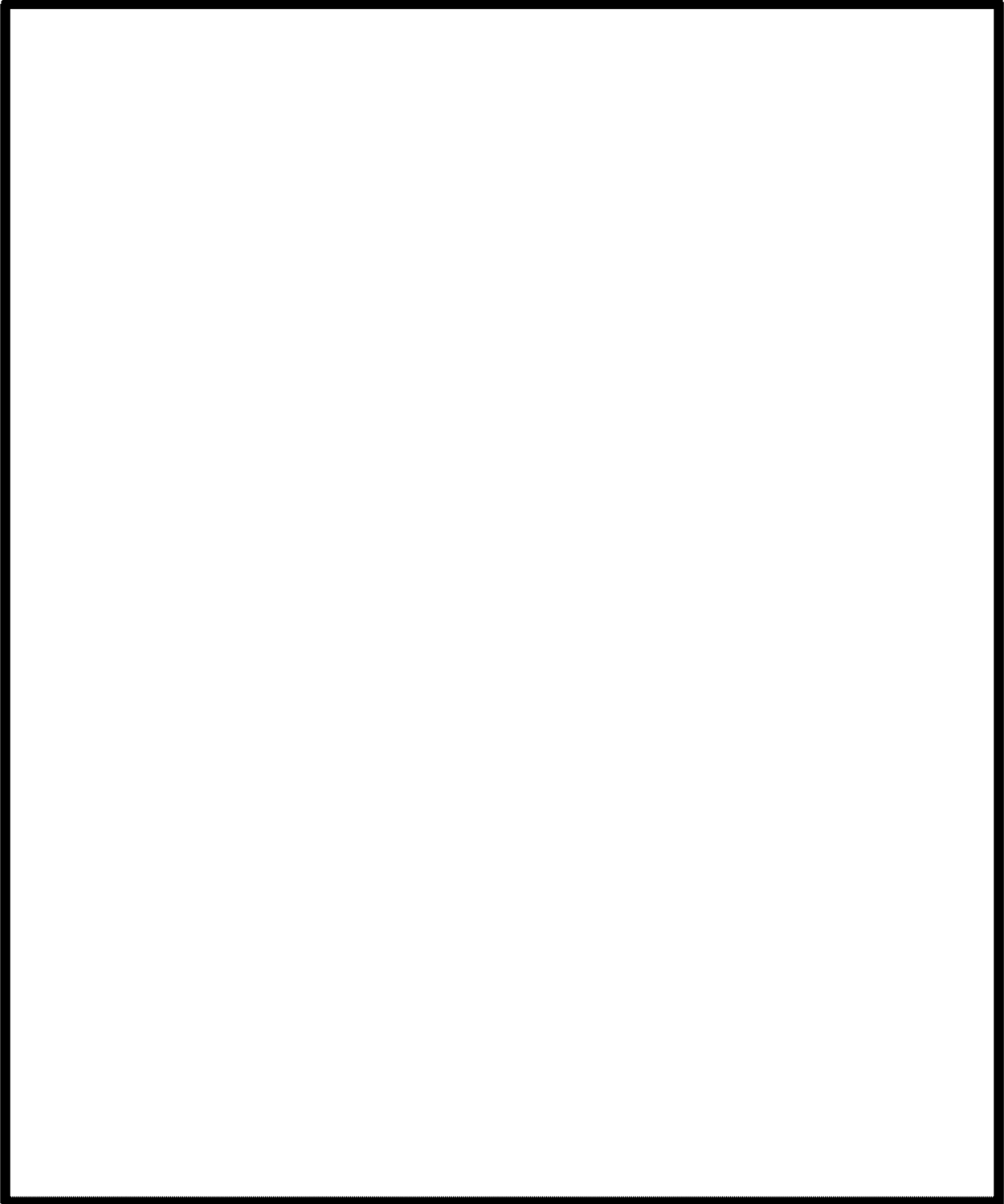
"Effective Date" has the meaning set forth in the preamble to this Agreement.

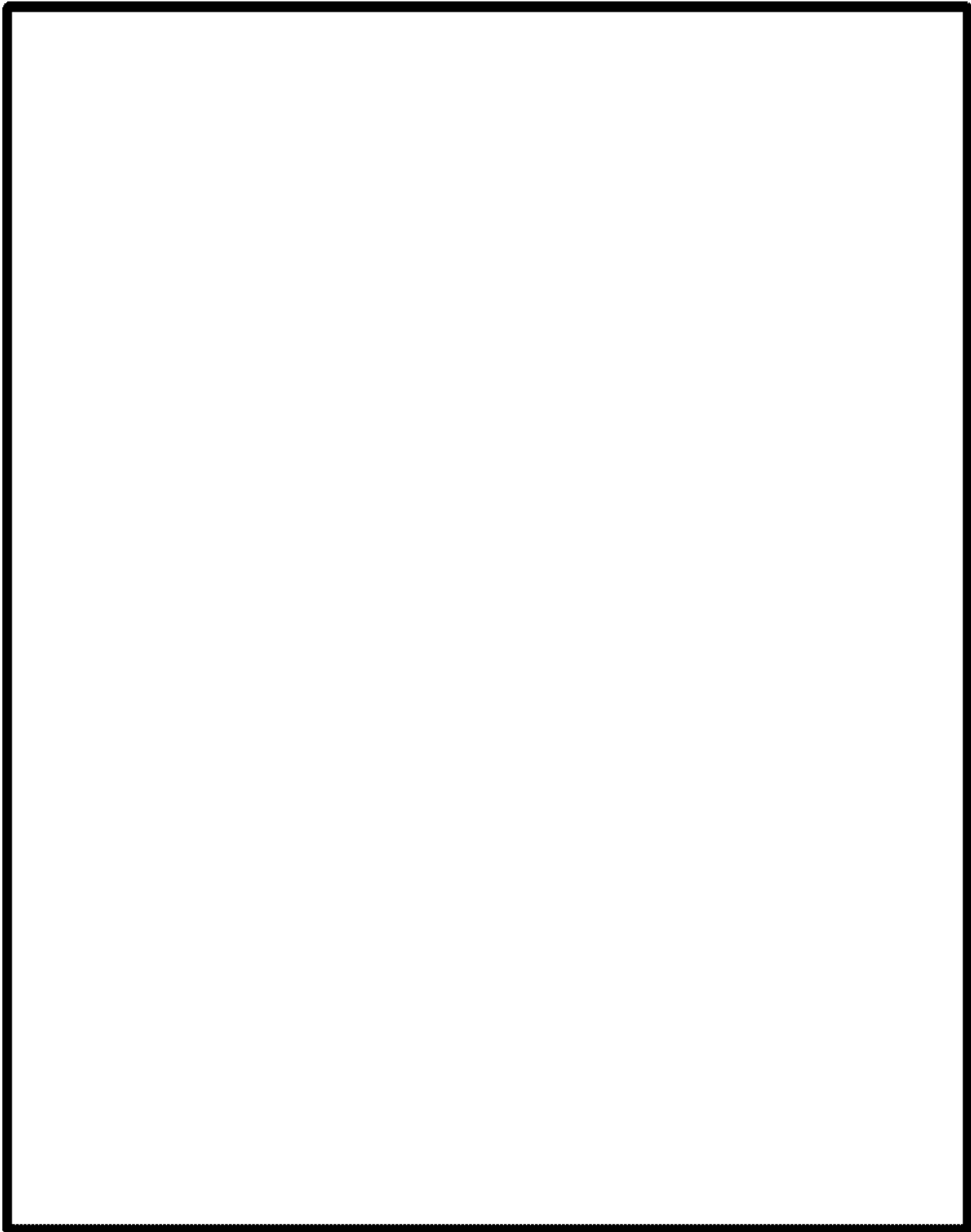
"Election Notice" has the meaning set forth in Section 7.5.3.





"Member Notice" has the meaning set forth in Section 7.5.1.





“Permitted Transferee” has the meaning set forth in Section 7.1.3.





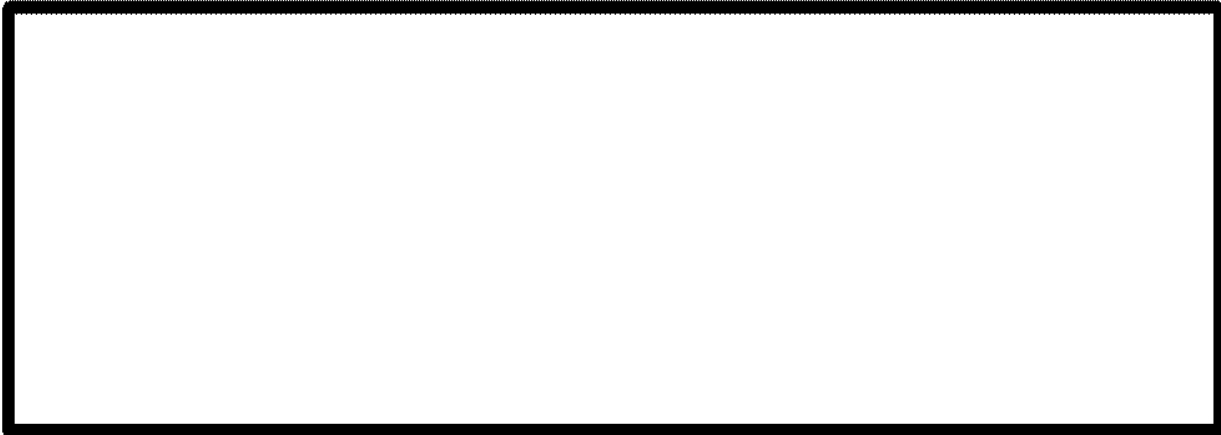
“Proposed Transferee” has the meaning set forth in Section 7.5.1.



“Regulatory Allocations” has the meaning set forth in Section 6.4.

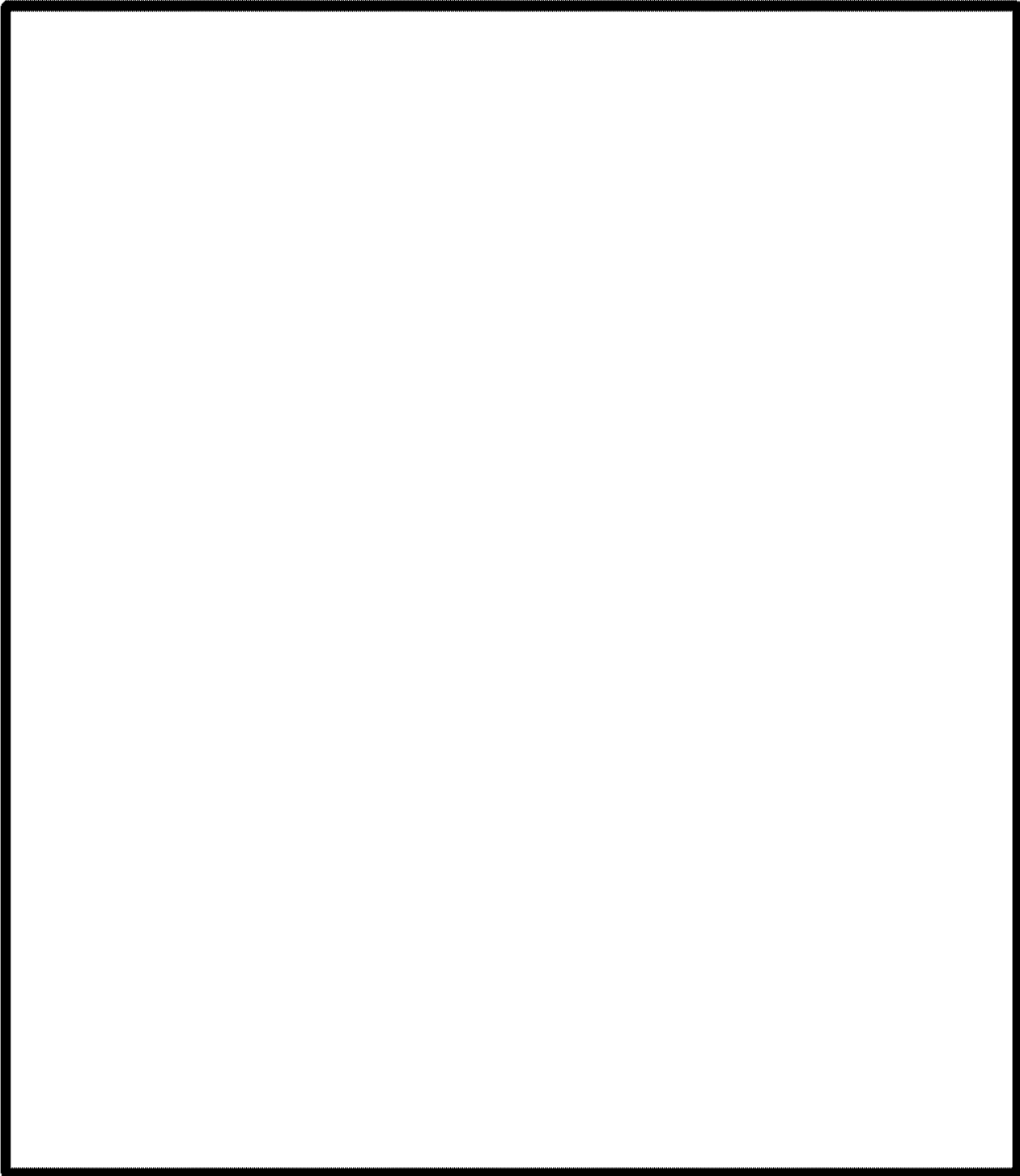


“Rules” has the meaning set forth in Section 10.1.



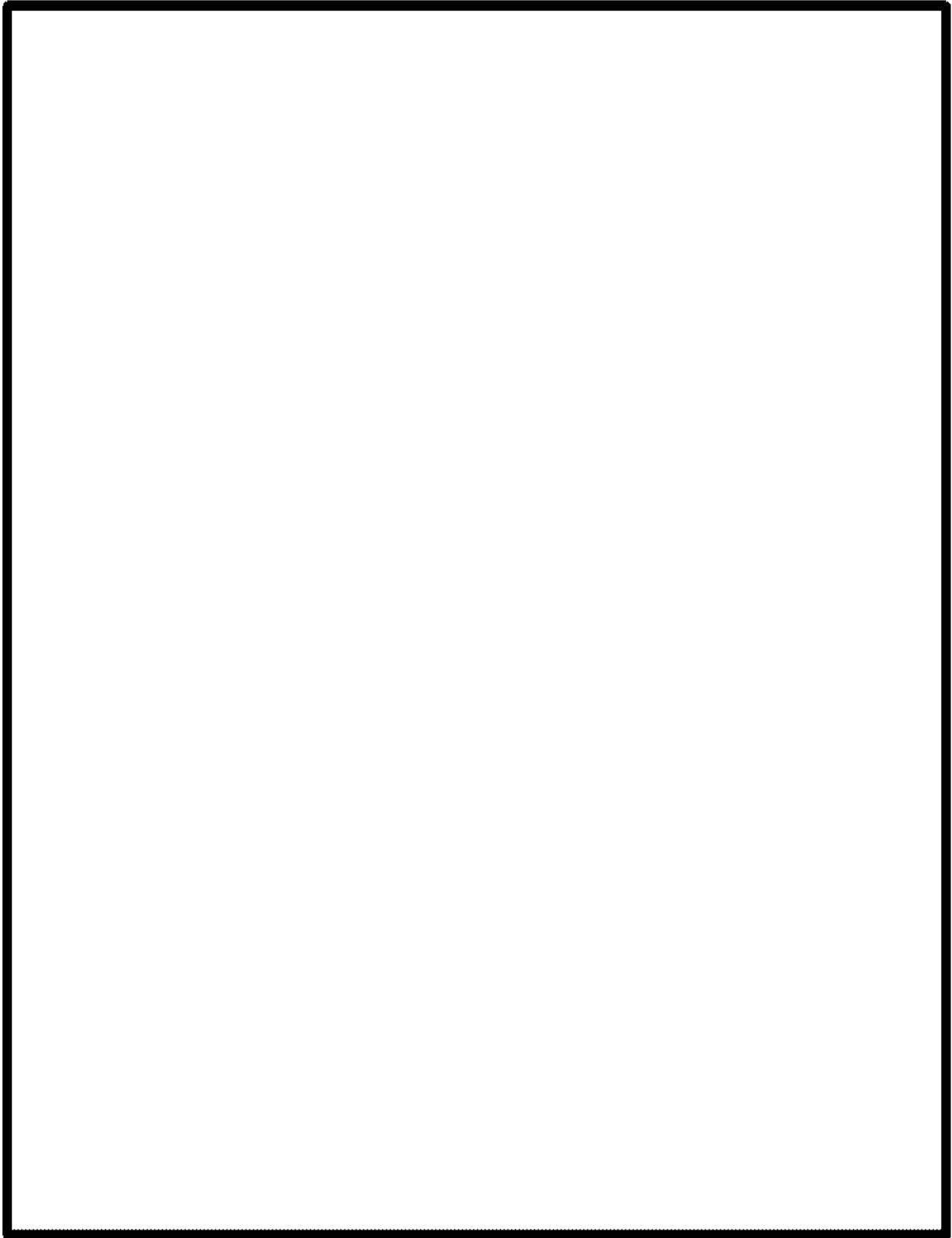
“USCIS” means the United States Citizenship and Immigration Services.

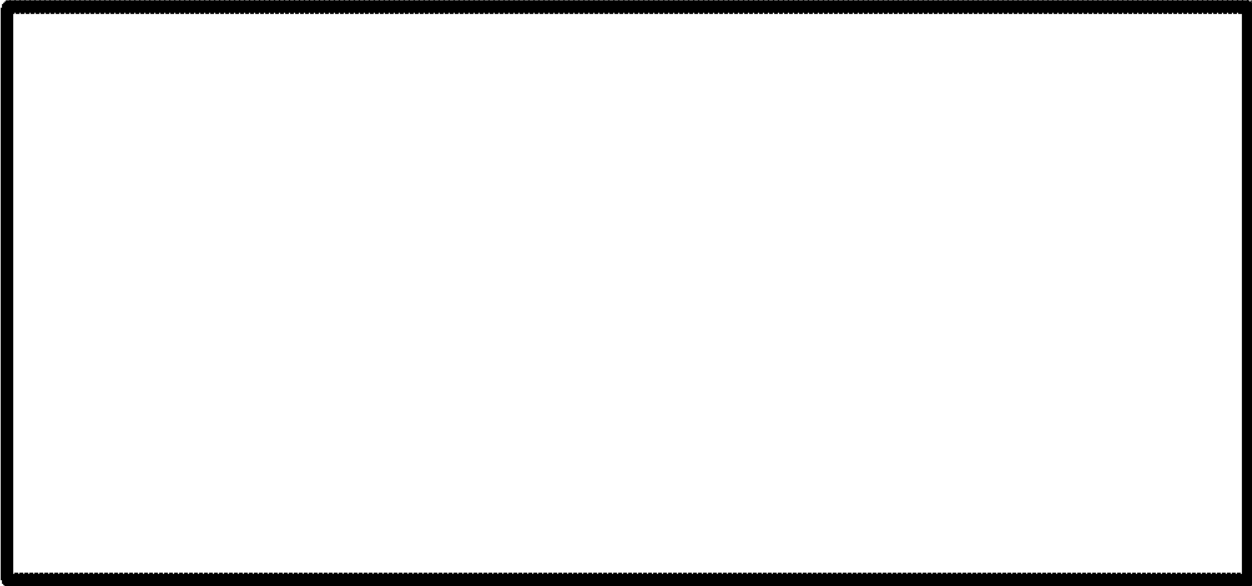
ARTICLE II
ORGANIZATIONAL MATTERS



(b)(4)

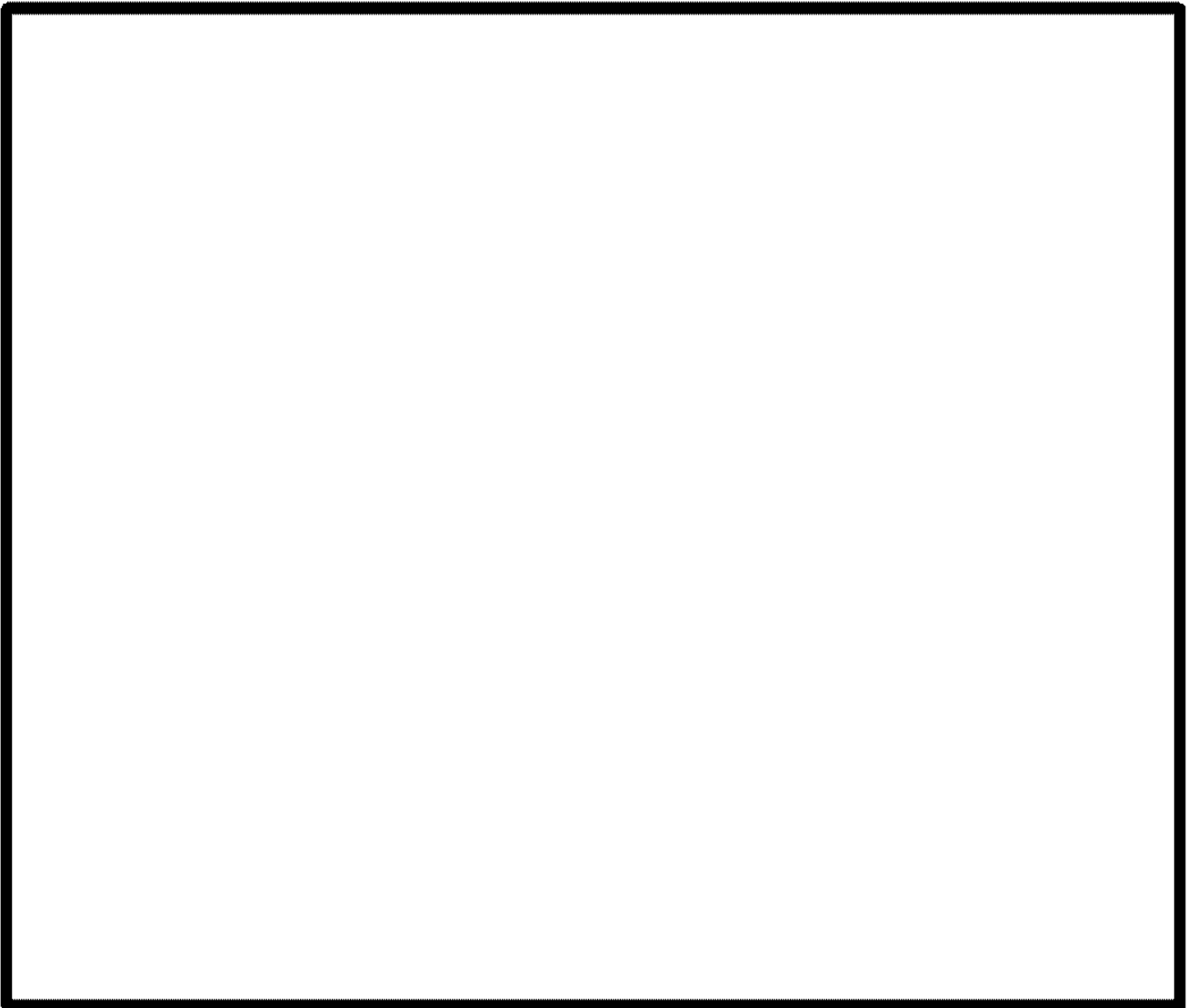
ARTICLE III
CAPITAL CONTRIBUTIONS

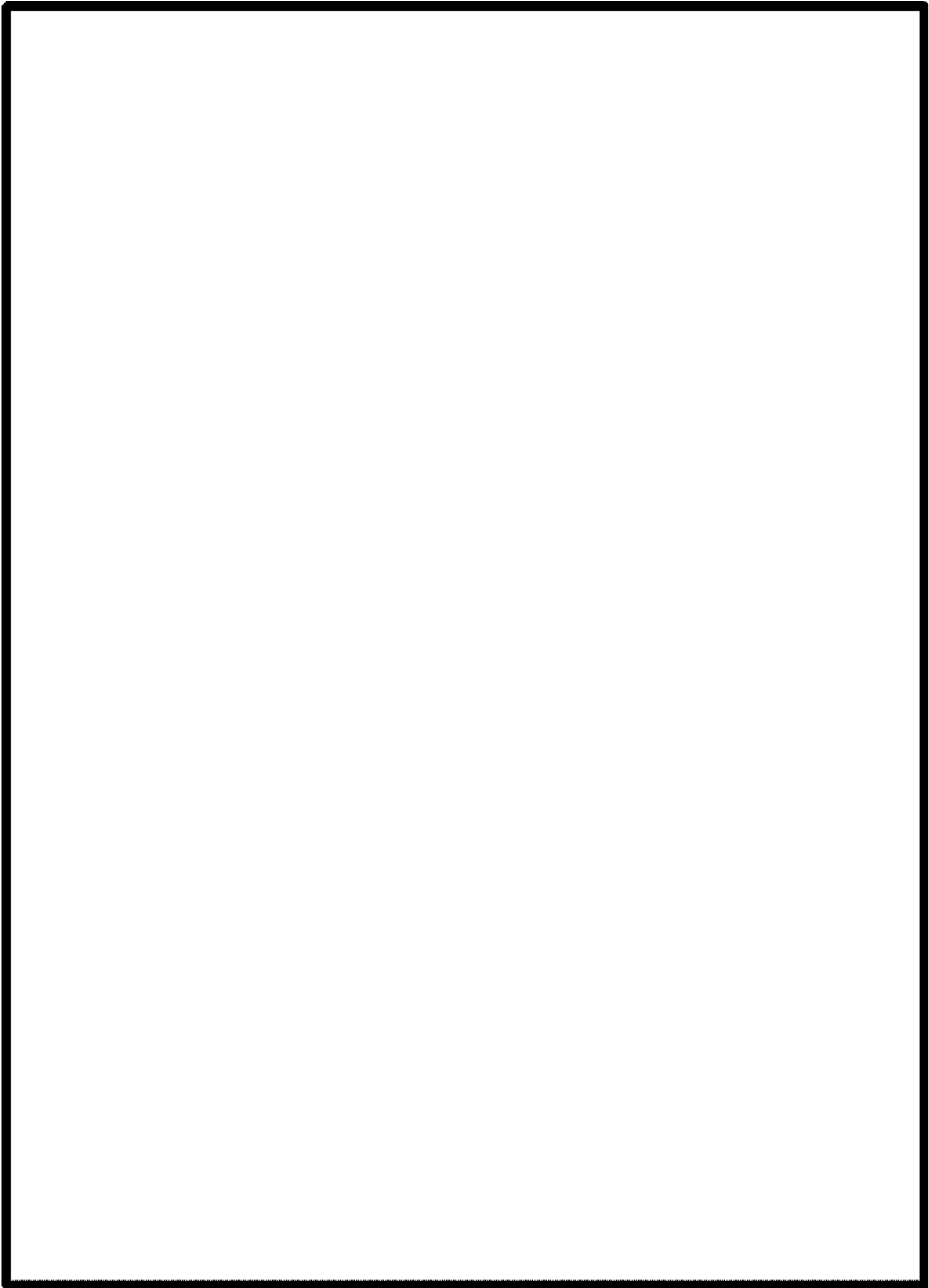




ARTICLE IV

MEMBERS

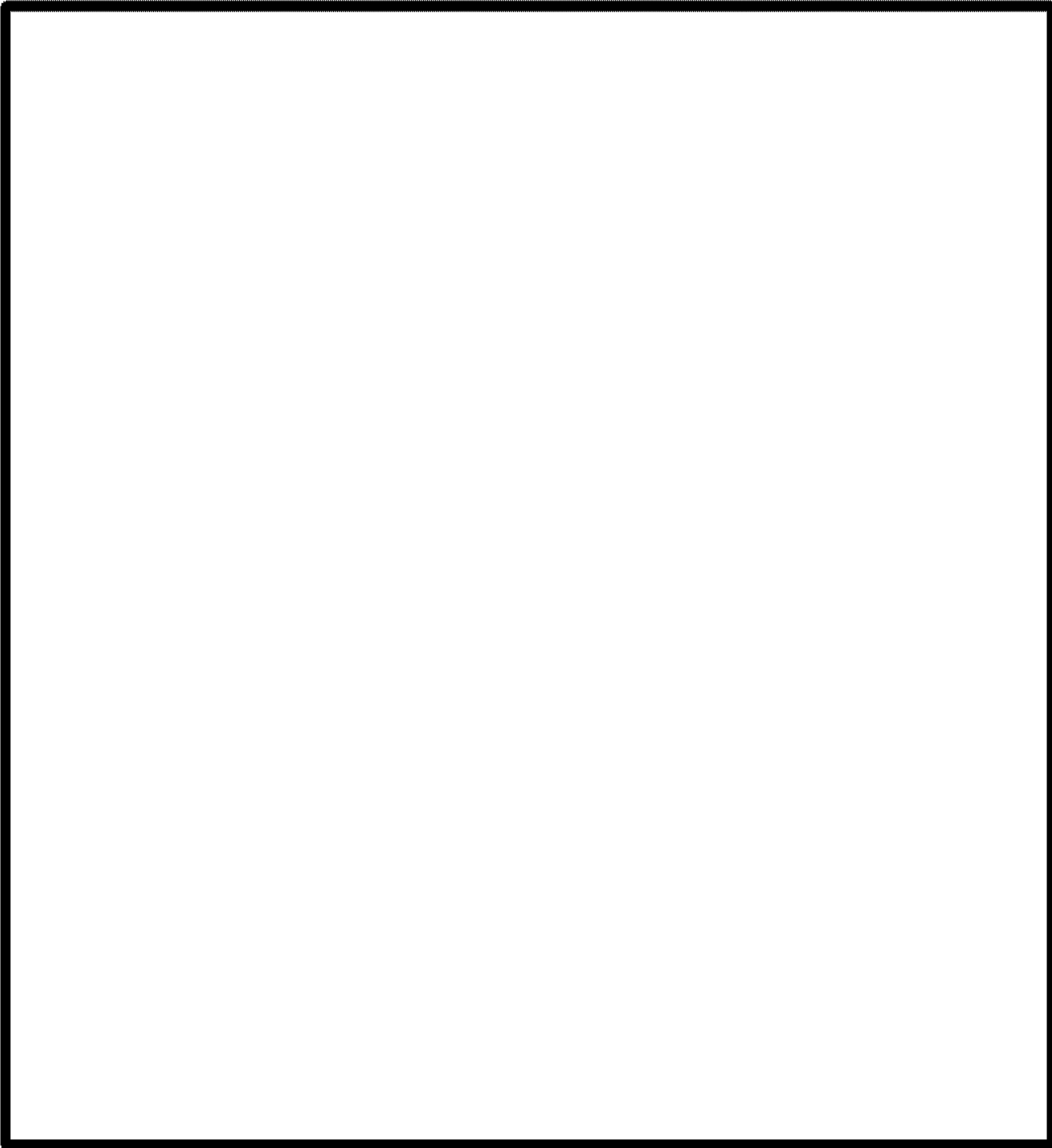


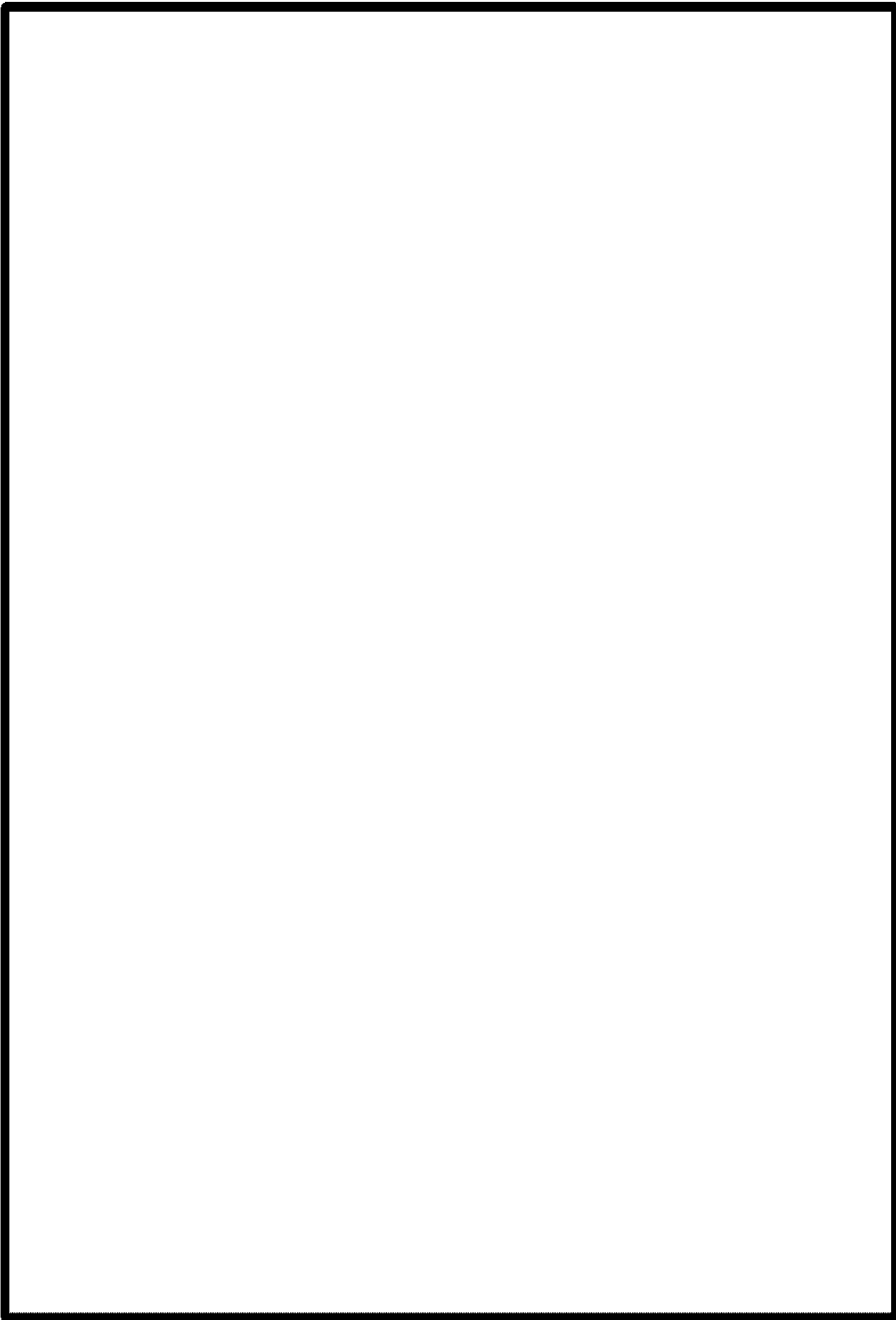


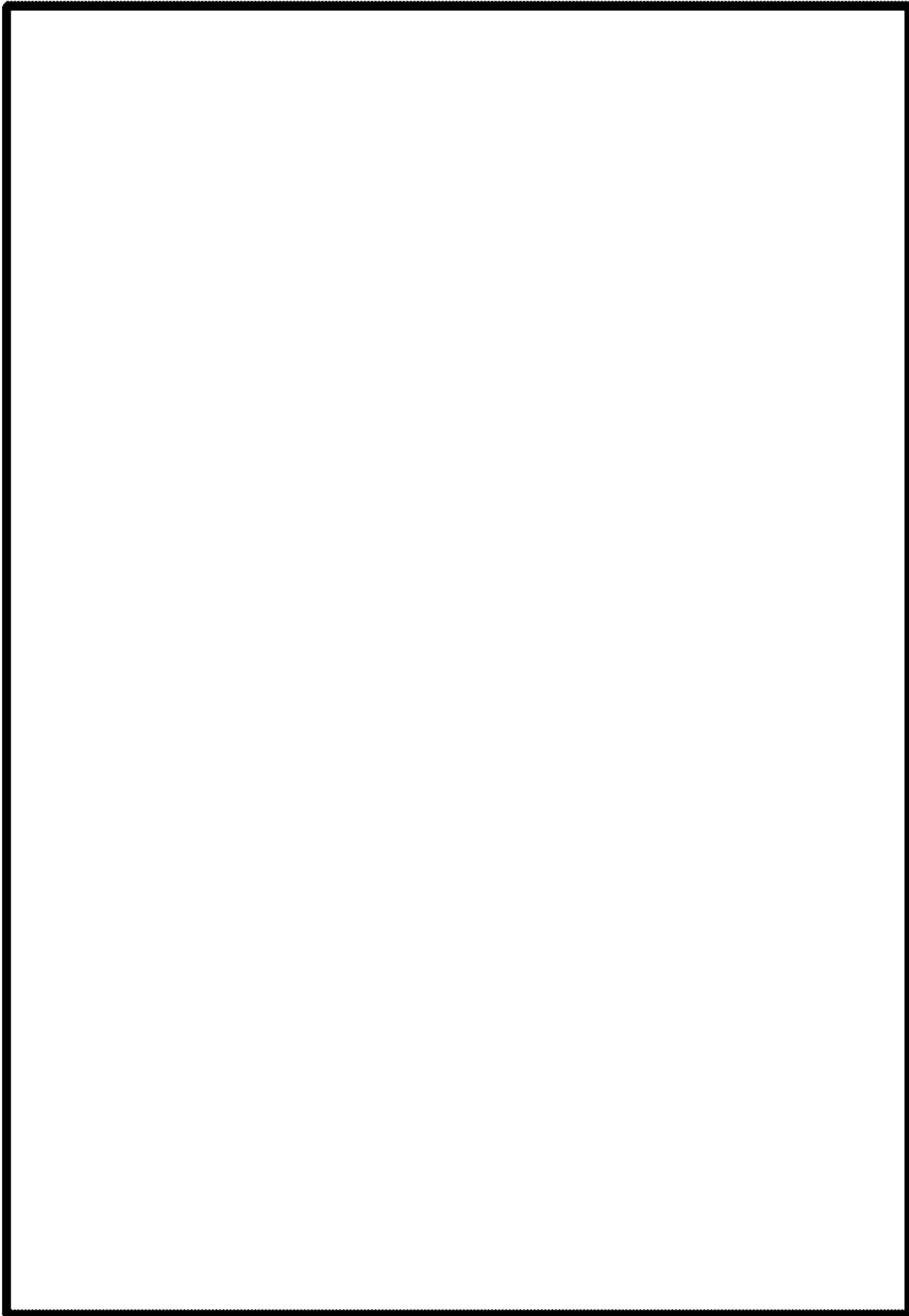


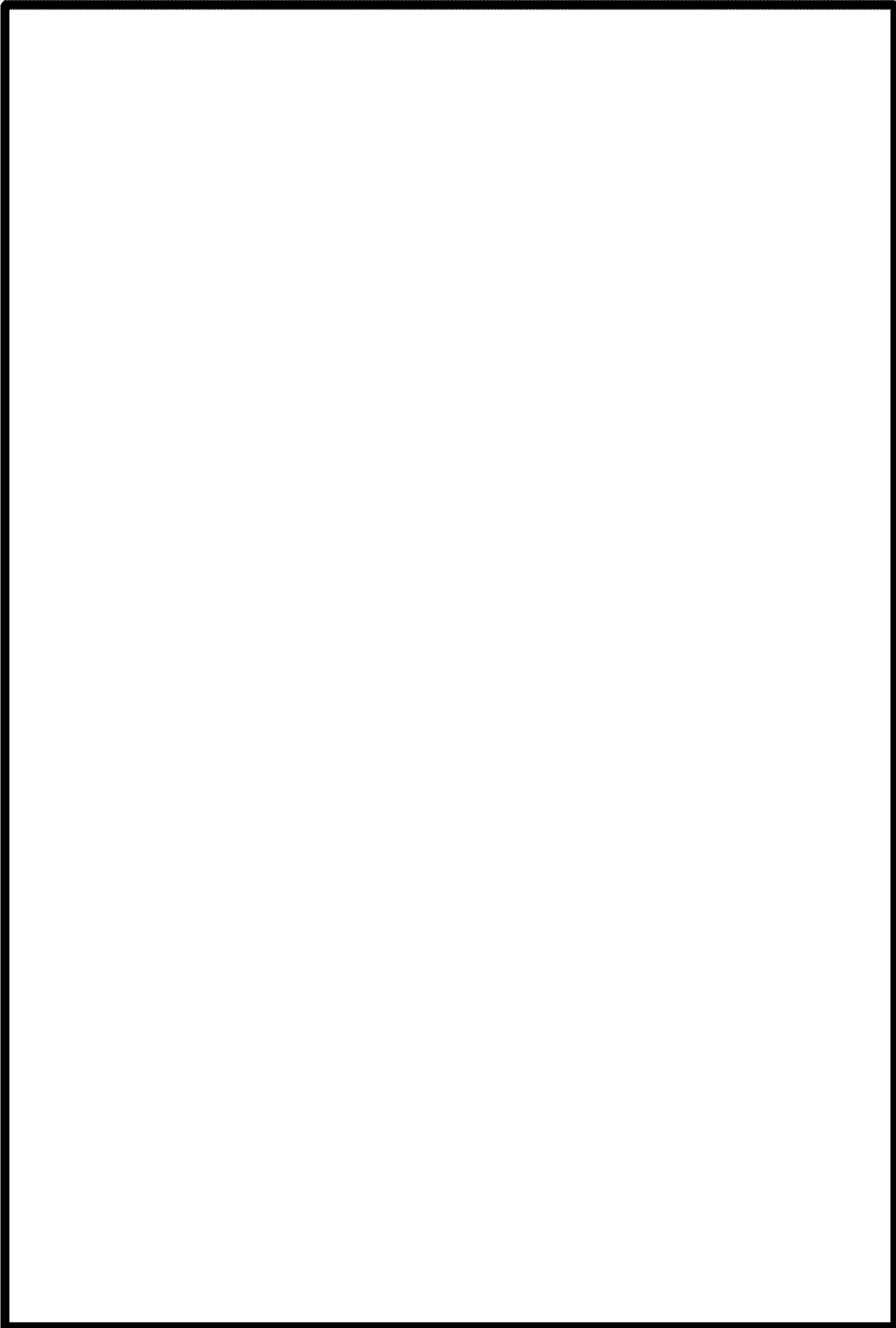
ARTICLE V

MANAGEMENT AND CONTROL OF THE COMPANY







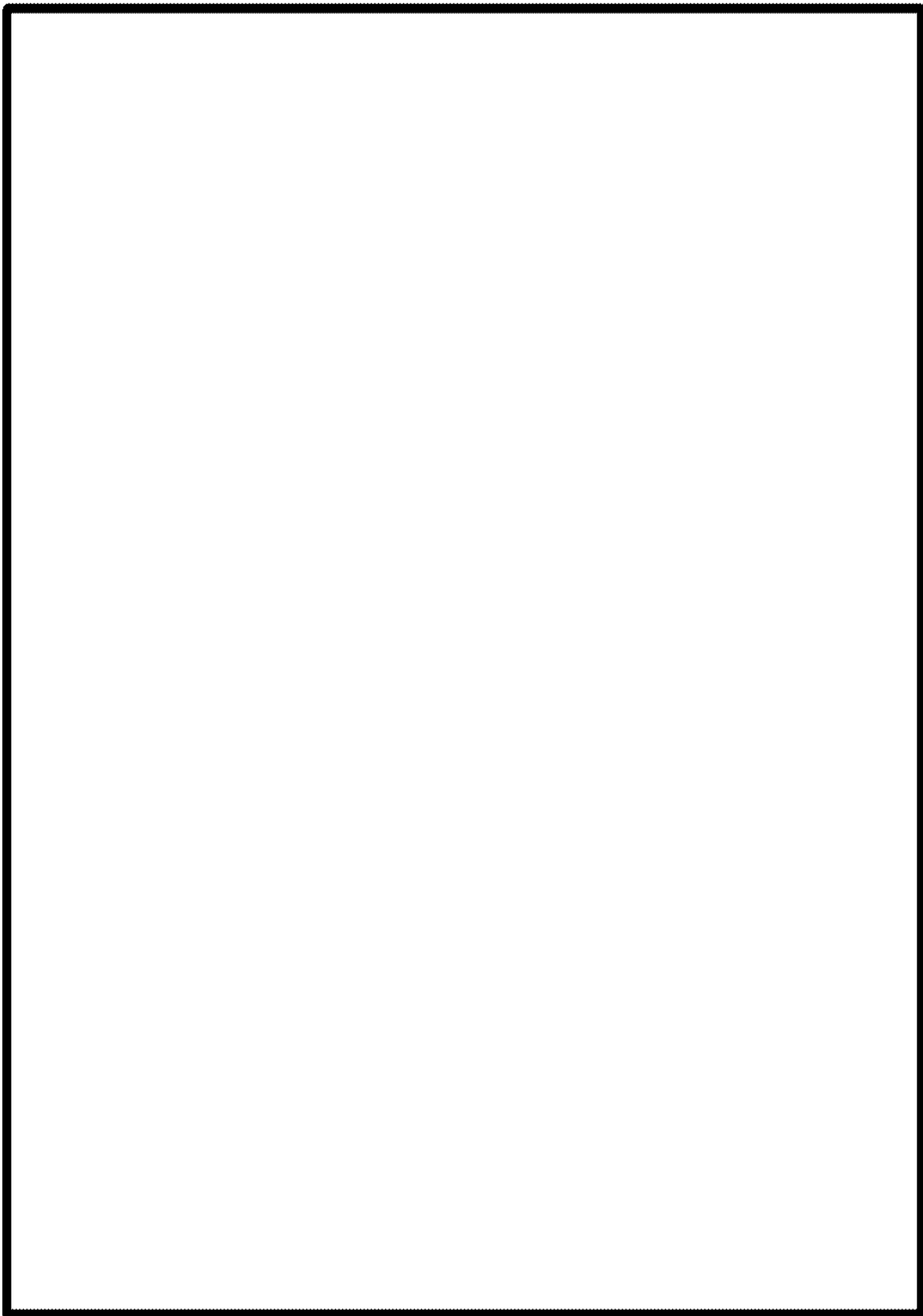


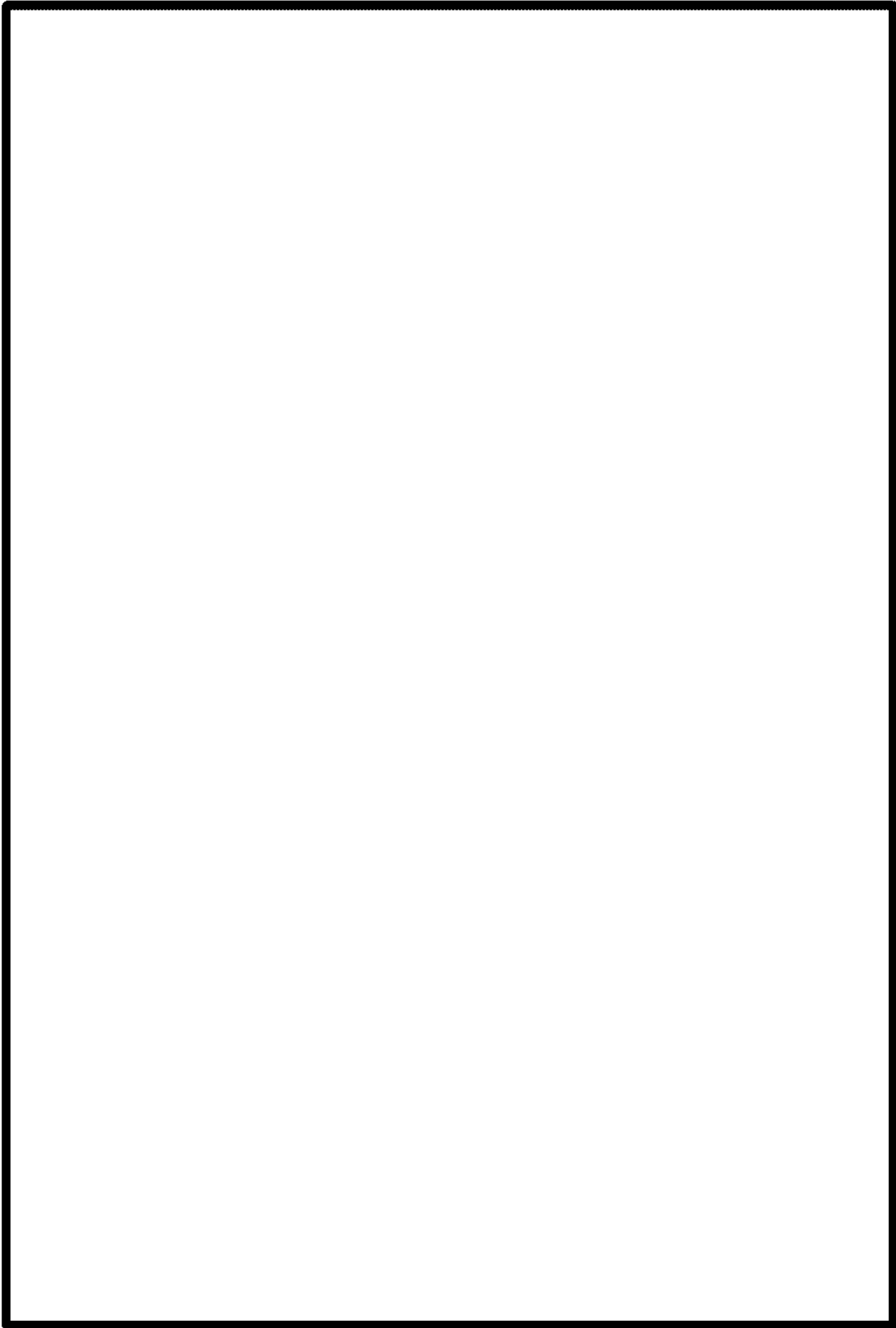


ARTICLE VI

**ALLOCATIONS OF NET PROFITS AND NET LOSSES
AND DISTRIBUTIONS**

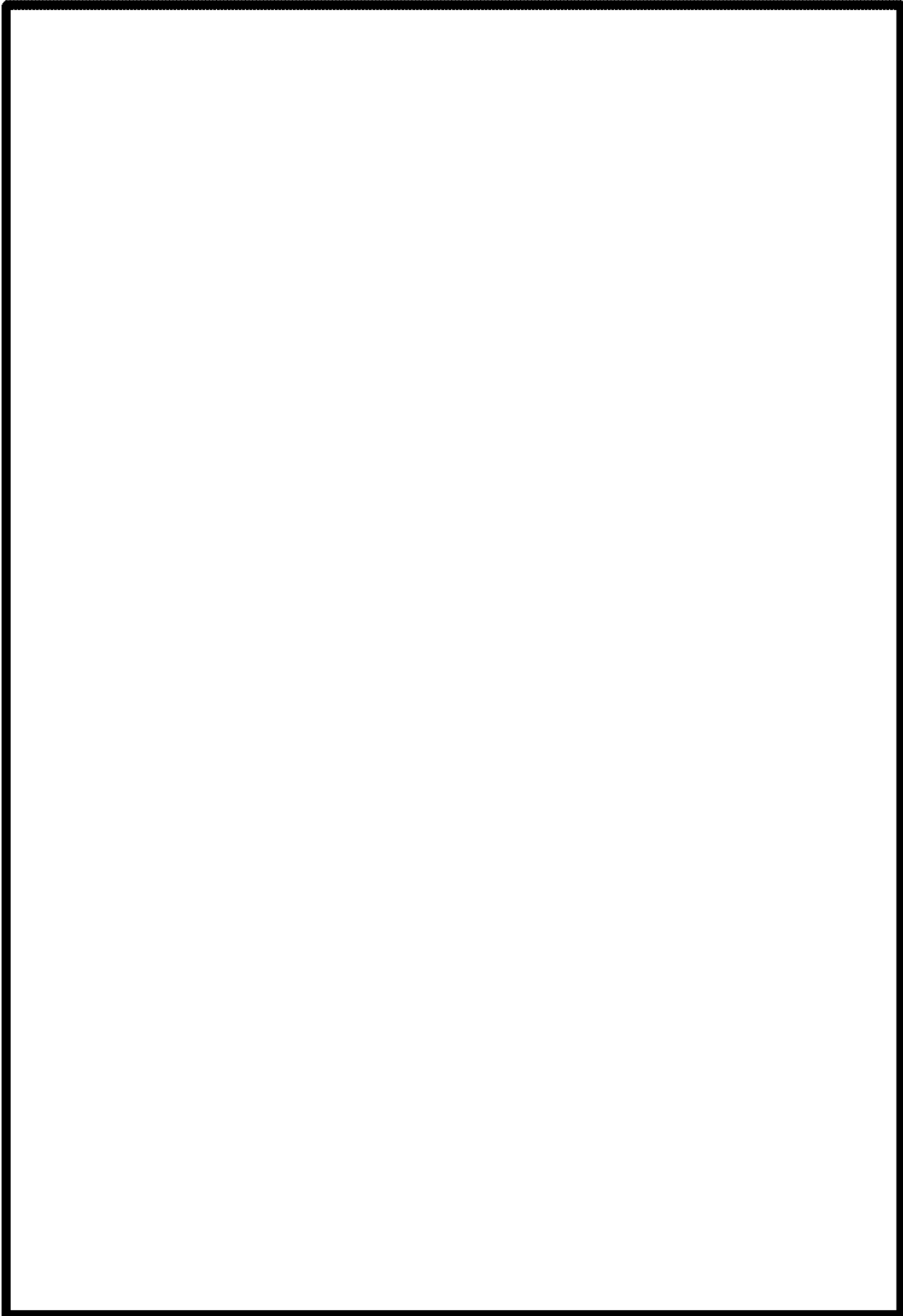


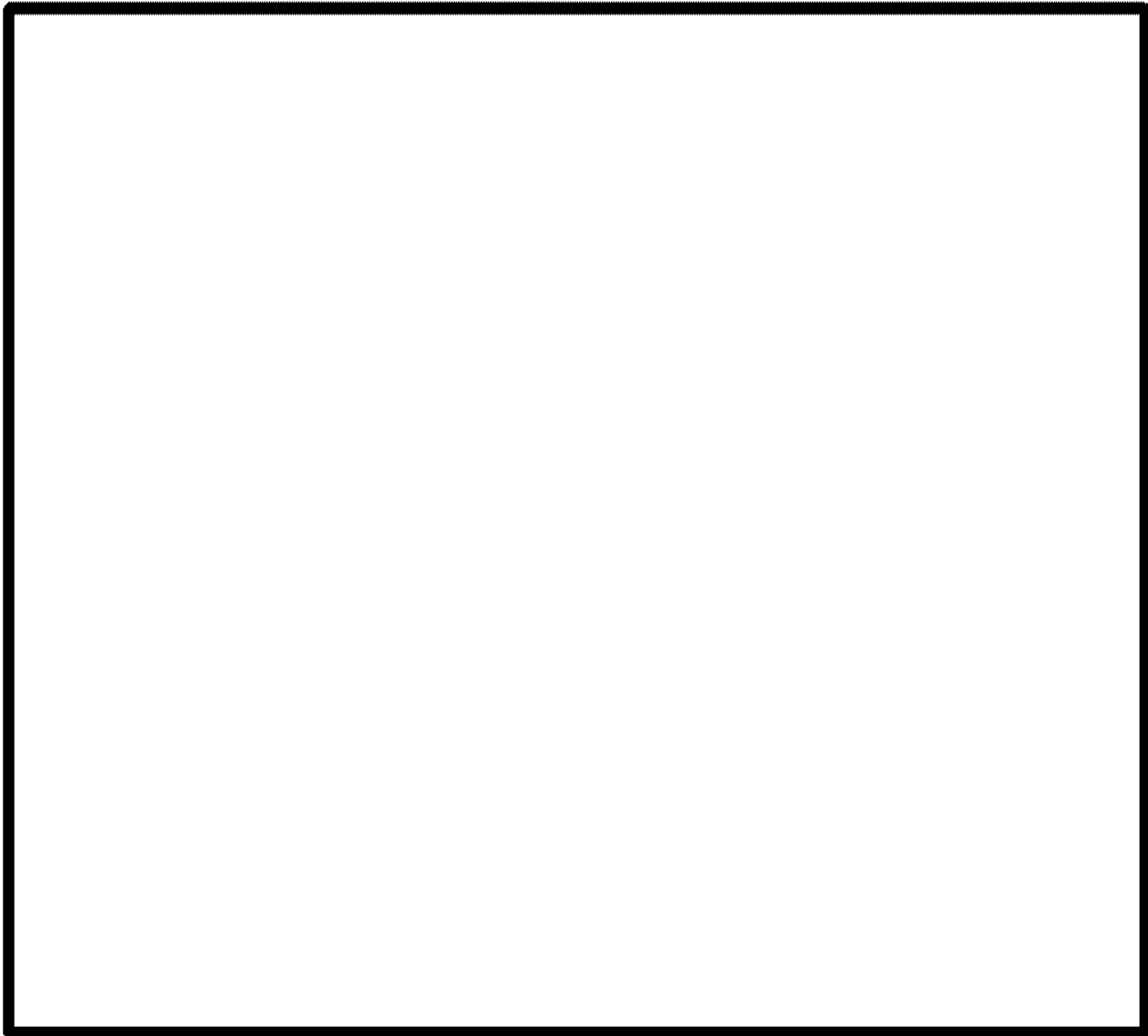






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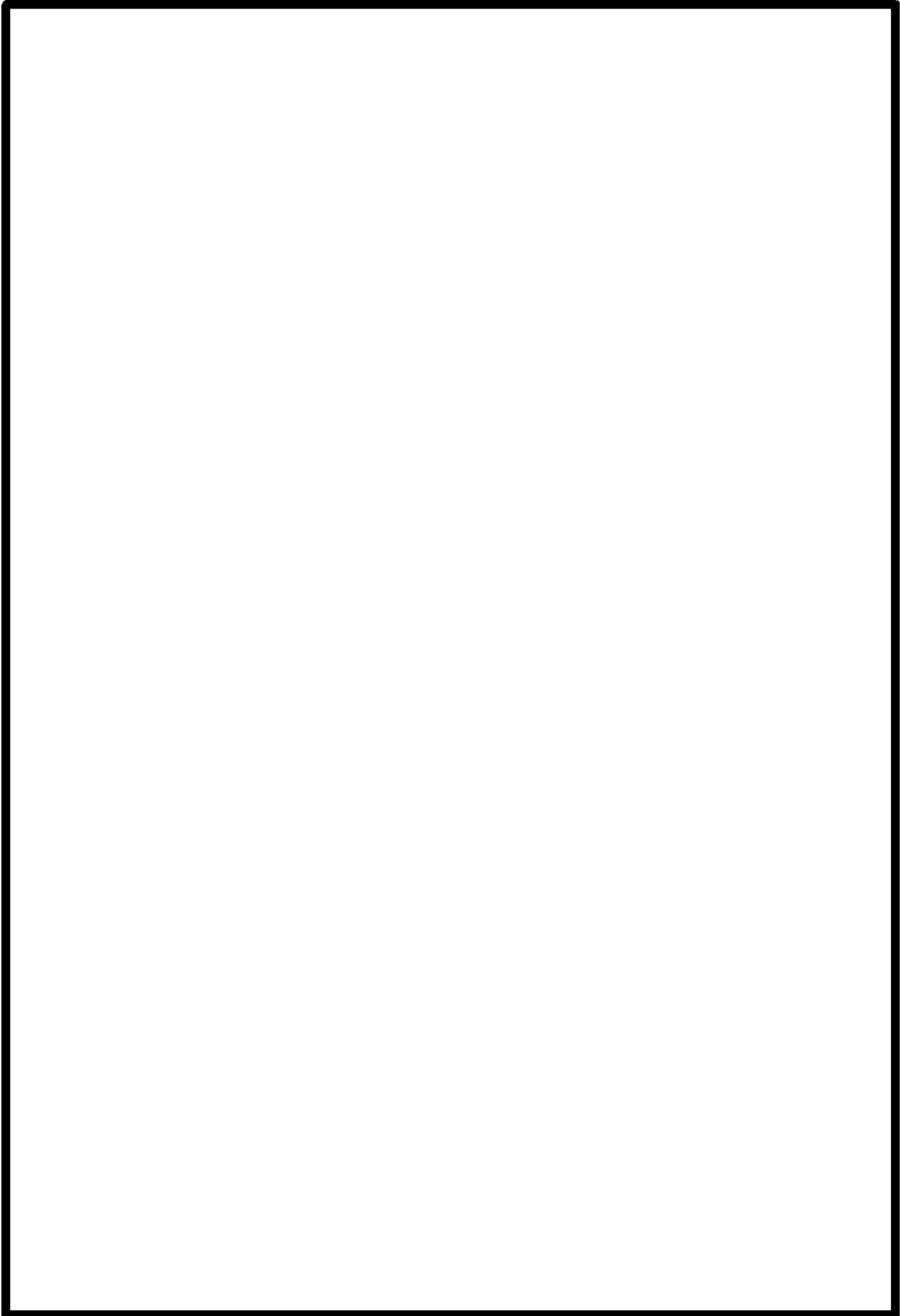


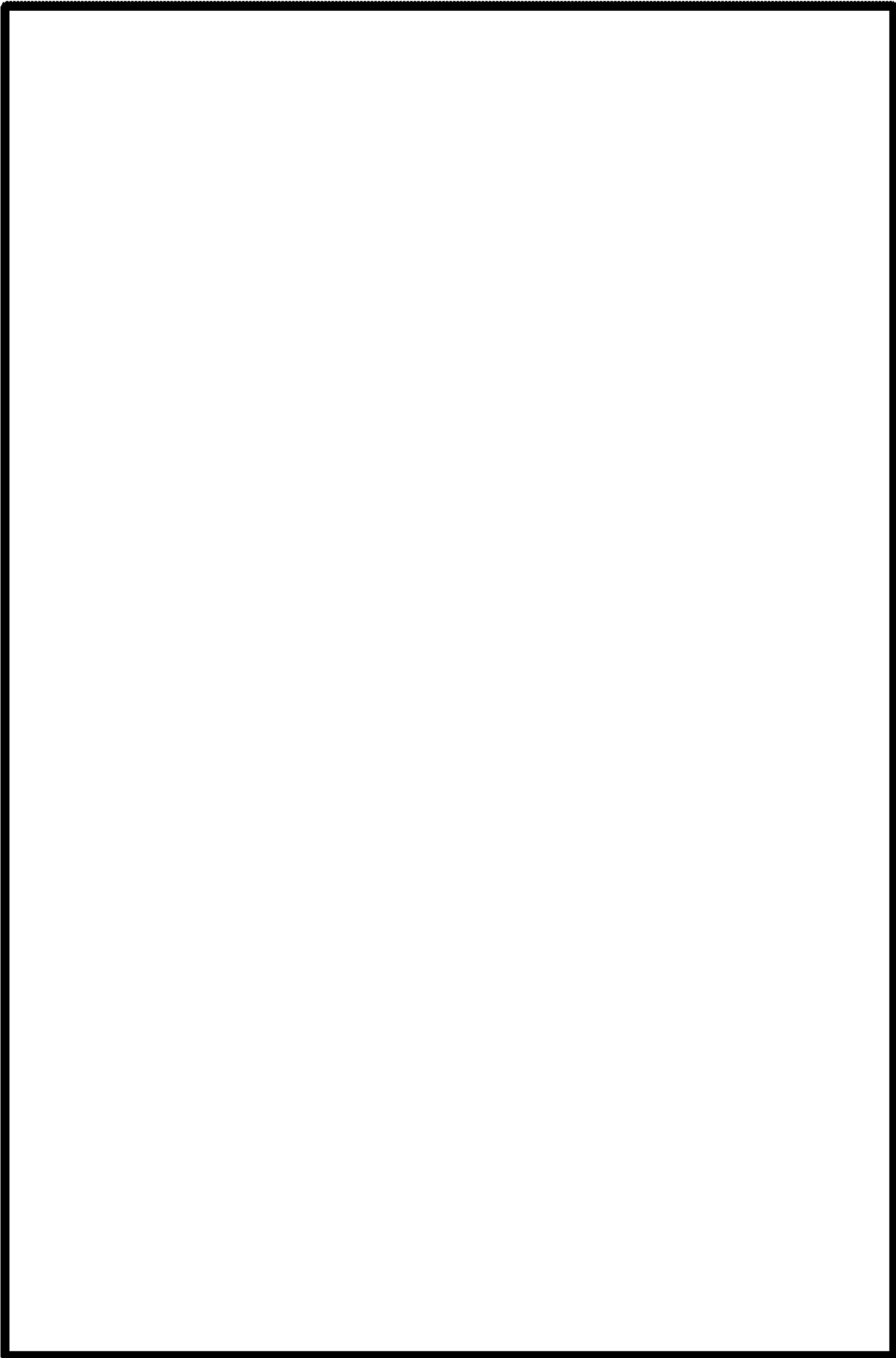


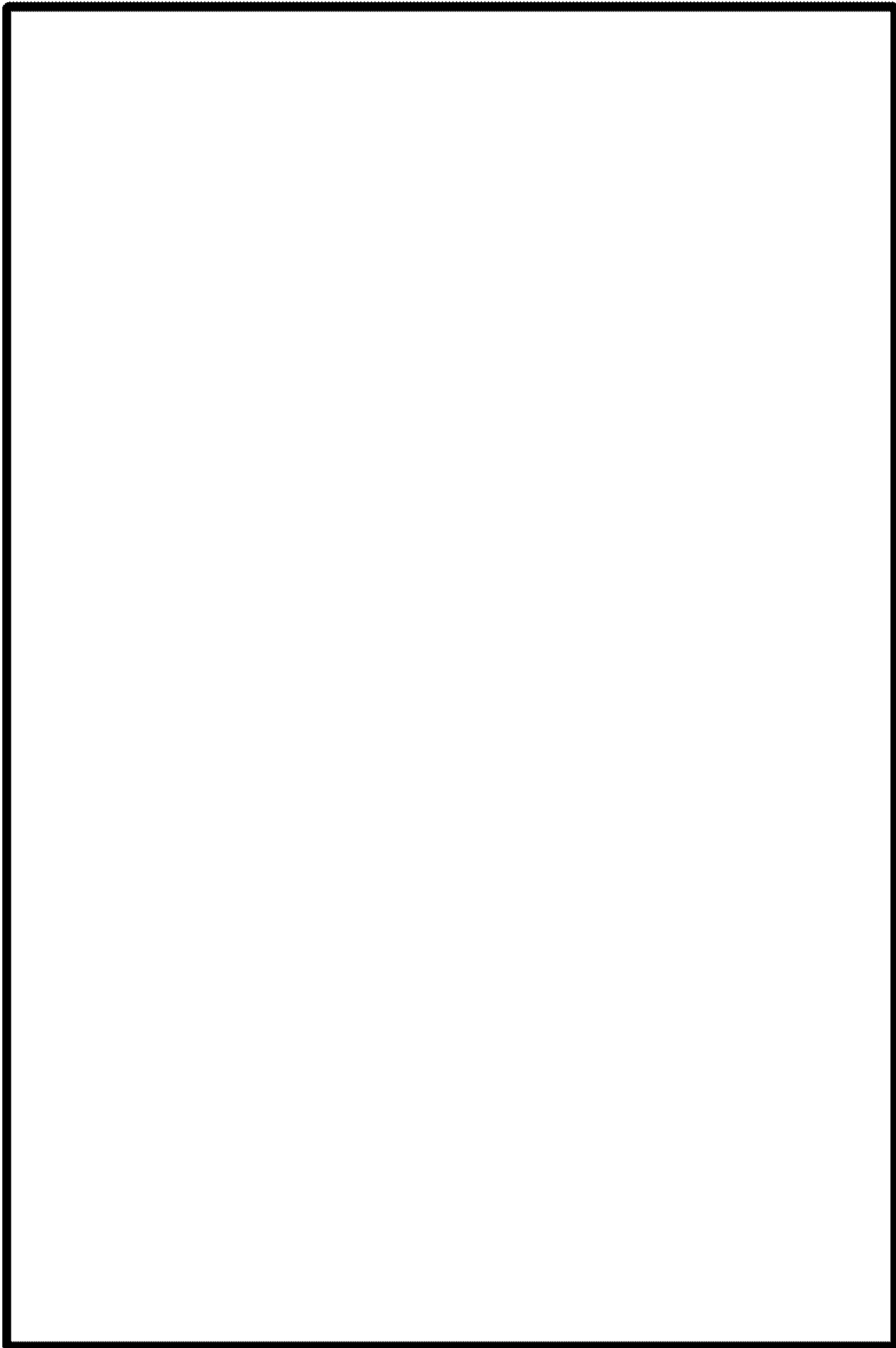
ARTICLE VII

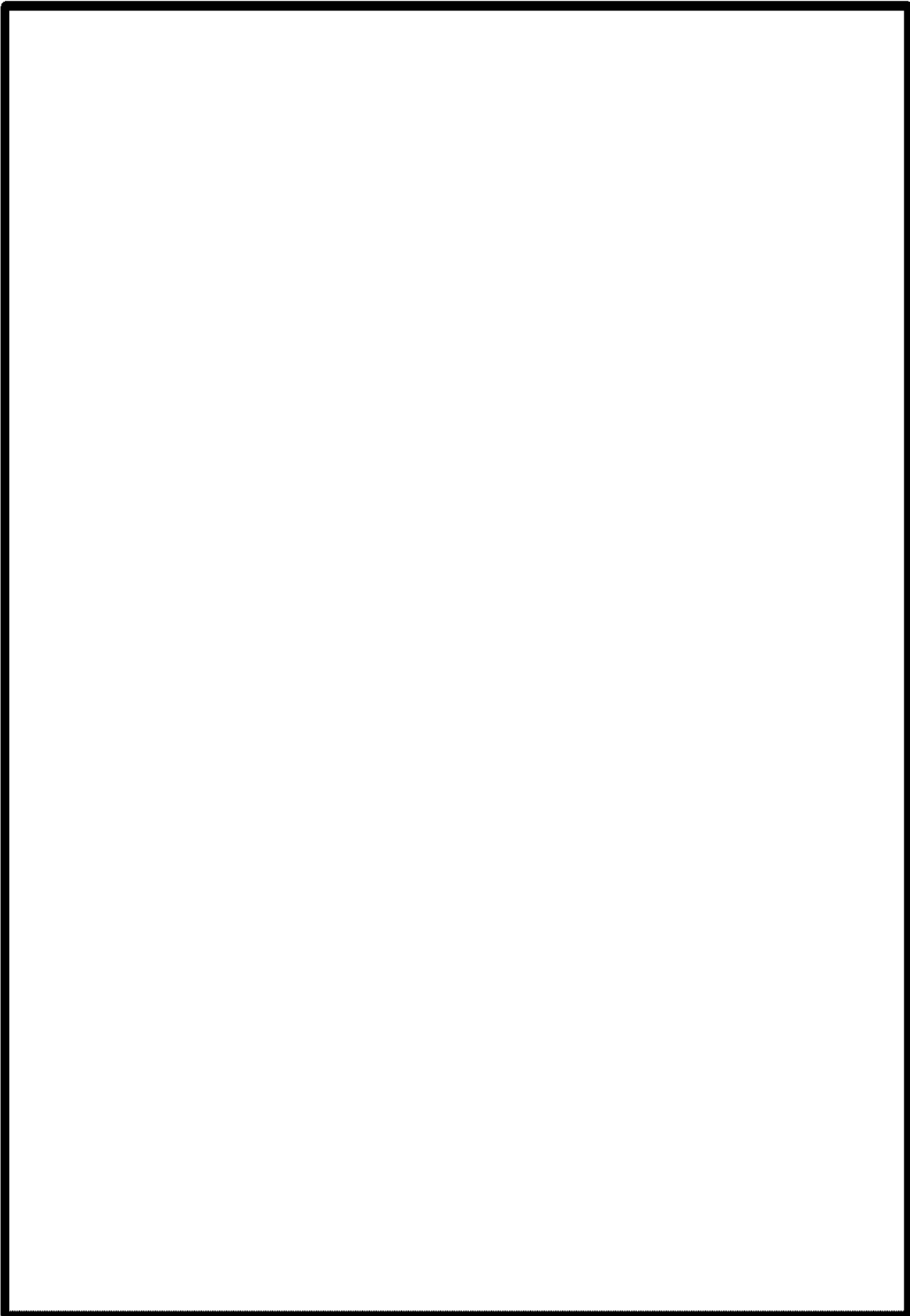
TRANSFER OF INTERESTS







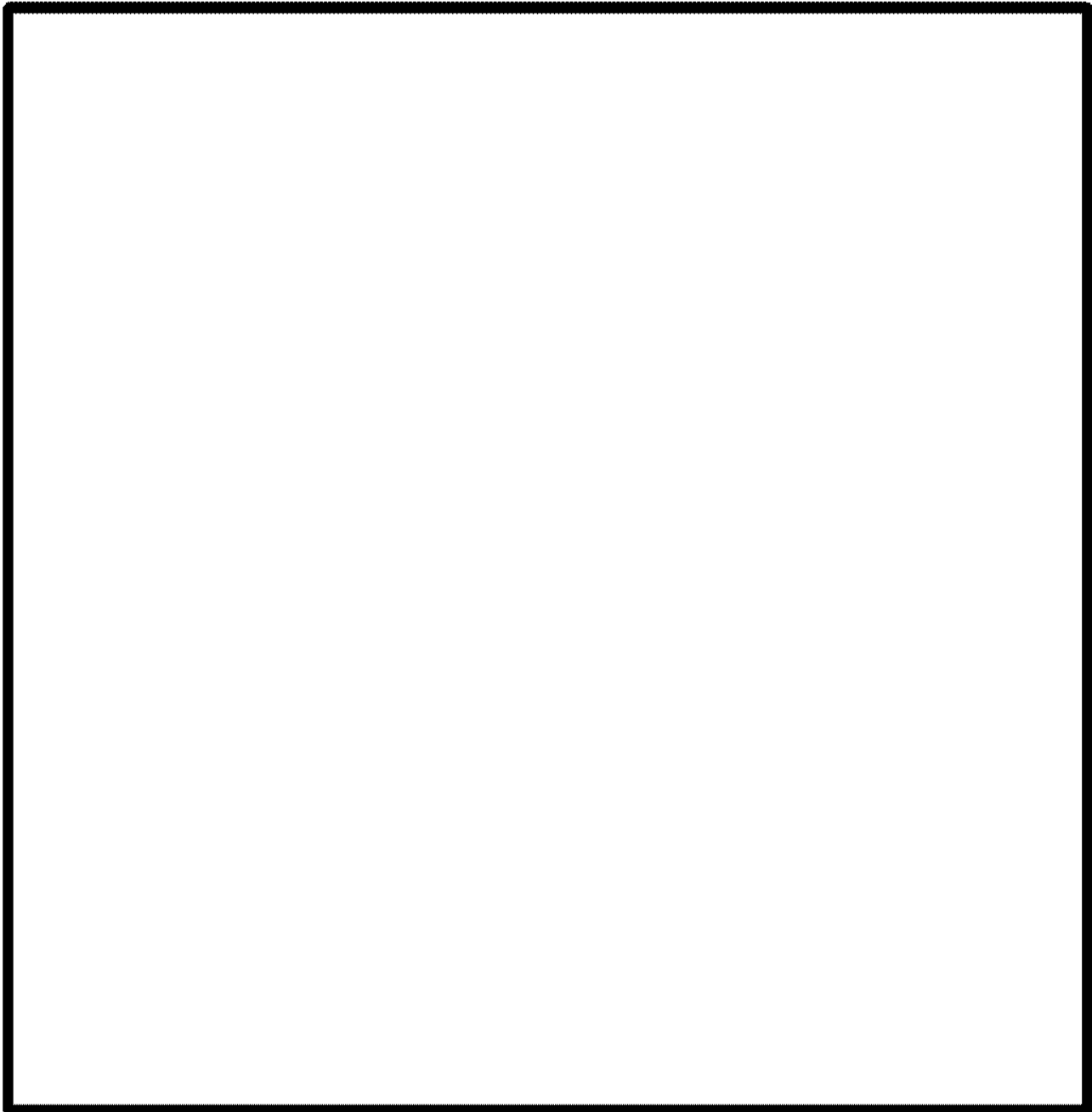






ARTICLE VIII

BOOKS AND RECORDS; ACCOUNTING; TAX MATTERS

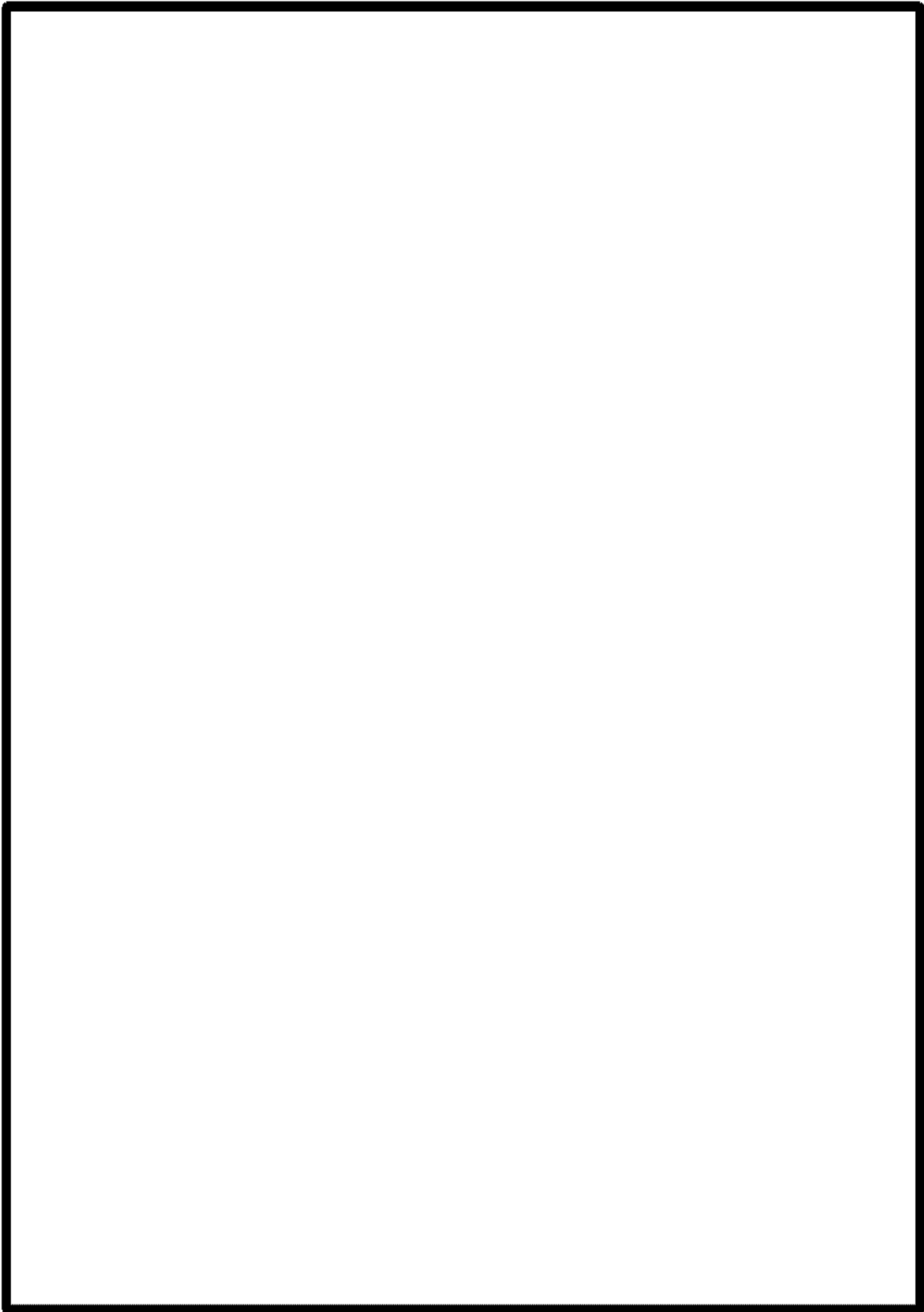




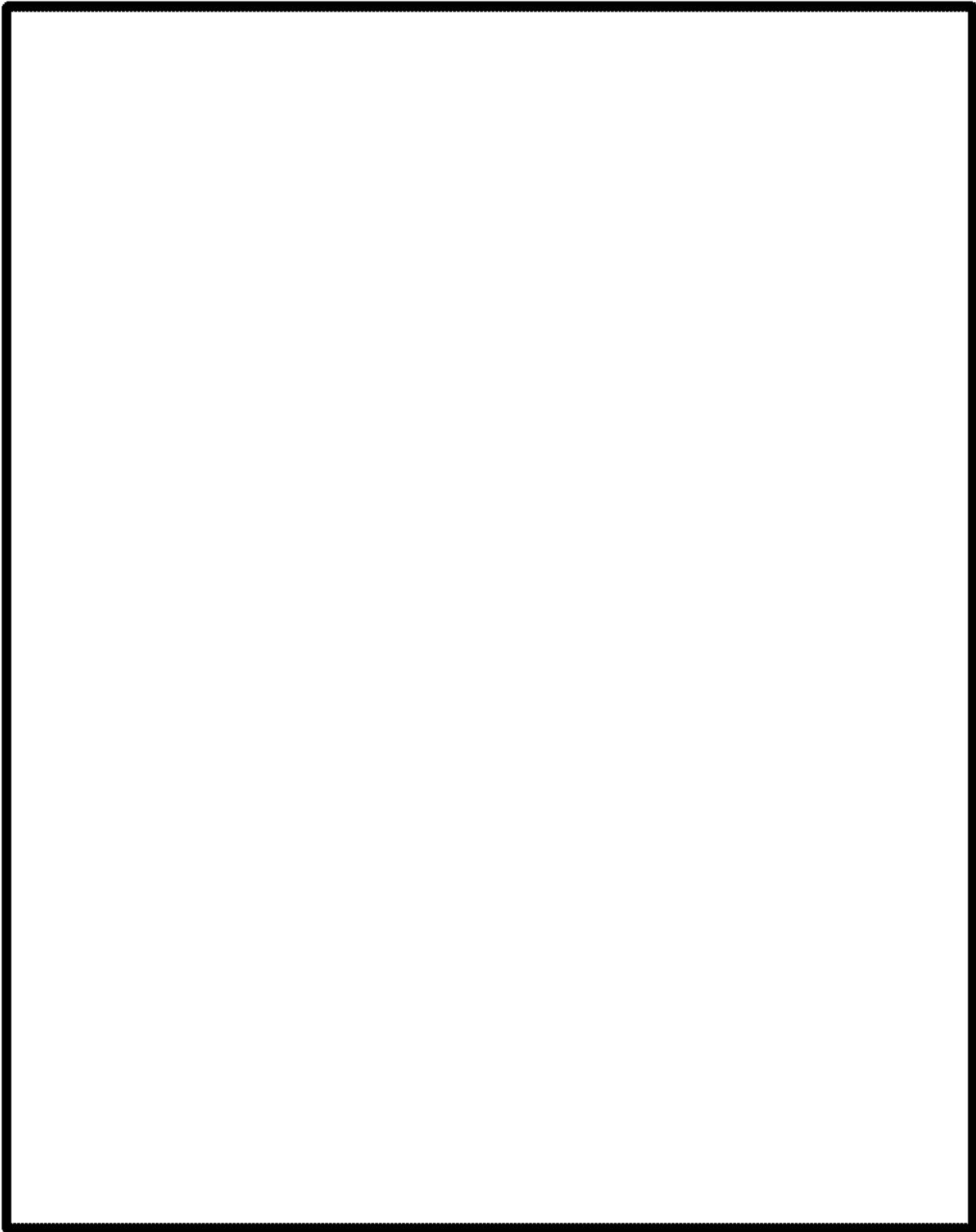
ARTICLE IX

DISSOLUTION AND WINDING UP

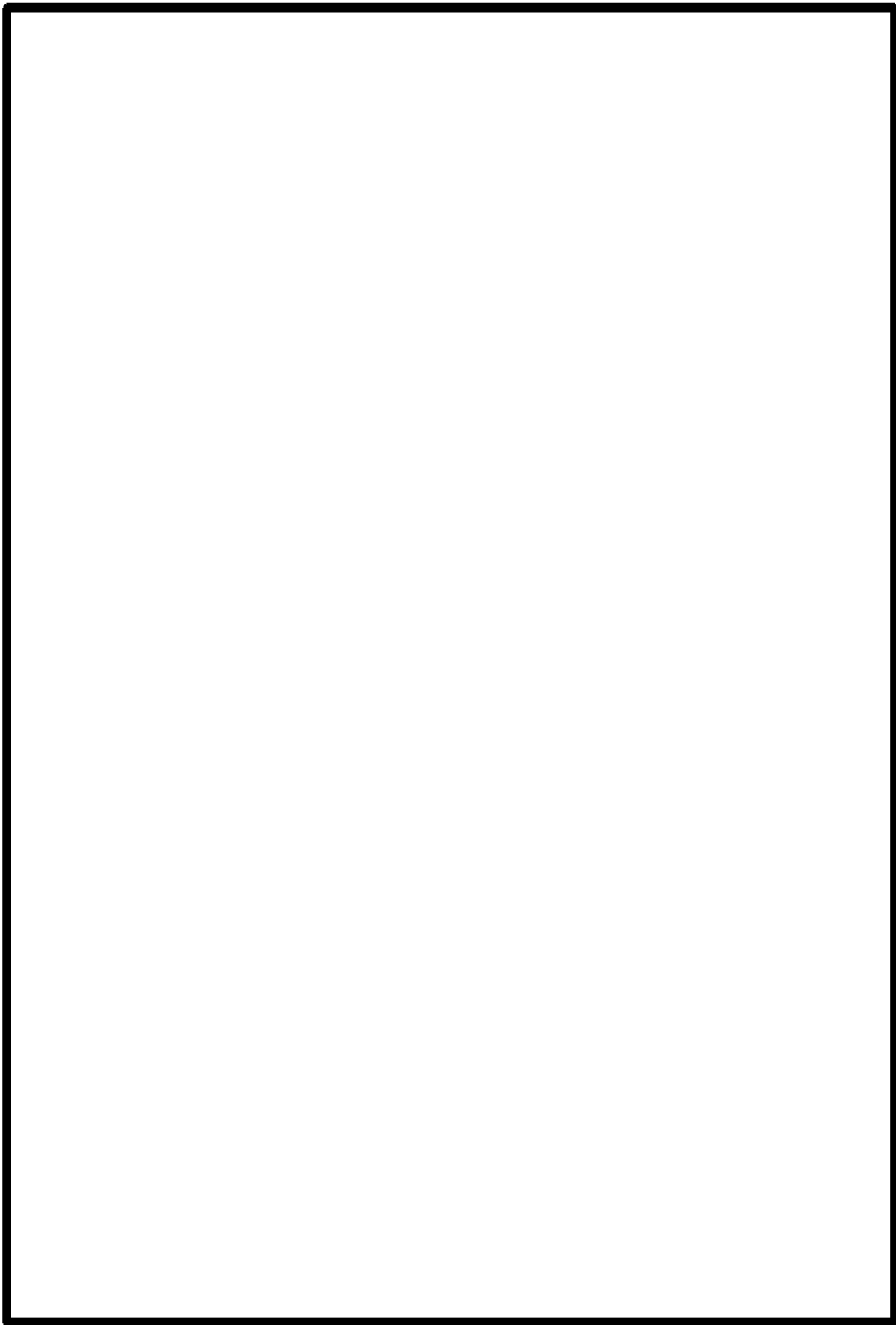


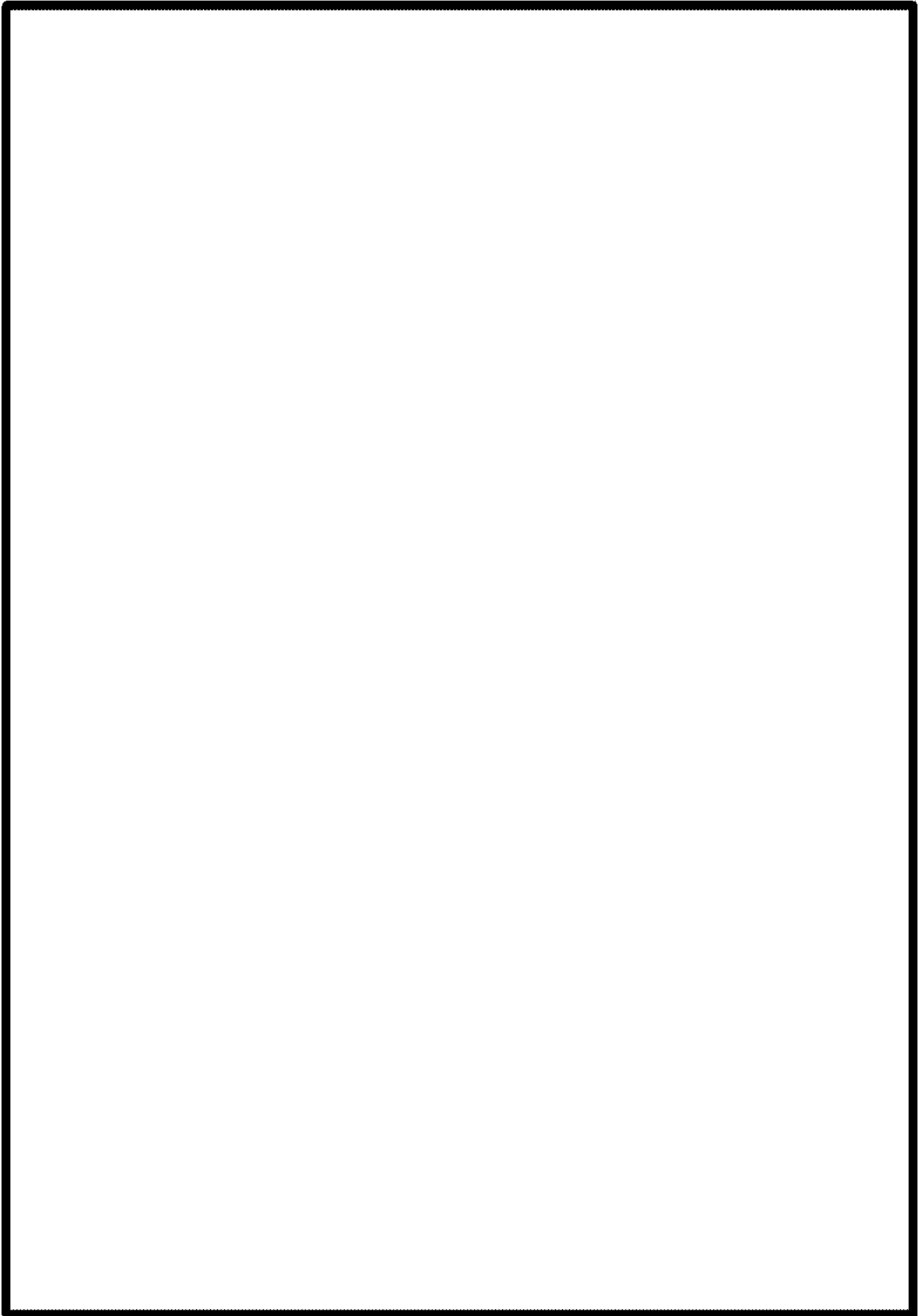


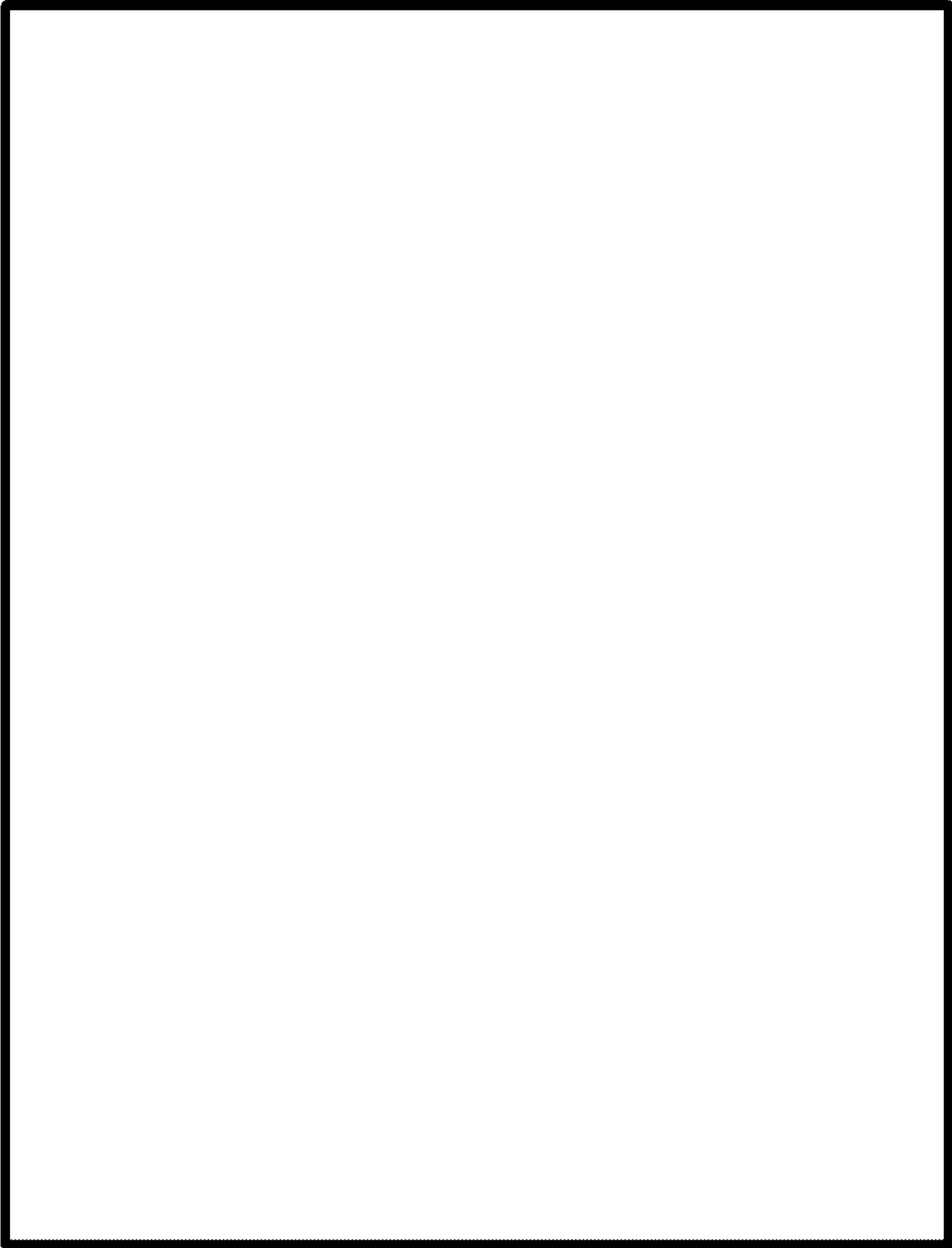
ARTICLE X
MISCELLANEOUS



(b)(4)







[The remainder of this page is intentionally left blank.]

IN WITNESS WHEREOF, Members have executed this Agreement, effective as of the date first written above.

CLASS A MEMBER:

M&D Regional Center, LLC

By: M + D Properties, its Manager

By: _____
Min Chae, Co-Manager

By: _____
Donald Chae, Co-Manager

CLASS B MEMBERS:

[see Joinder Agreement]

Accepting its appointment as the Manager of the Company under and to the extent provided in Section 5.2.1 of this Agreement:

MANAGER:

M&D Regional Center, LLC

By: M + D Properties, its Manager

By: _____
Min Chae, Co-Manager

By: _____
Donald Chae, Co-Manager

EXHIBIT A

CAPITAL ACCOUNT AND PERCENTAGE INTERESTS

<u>Member's Name and Address</u>	<u>Capital Account</u>	<u>Class A Units</u>	<u>Class B Units</u>	<u>Percentage Interest</u>

(b)(4)

EXHIBIT B
SPOUSAL CONSENT

(b)(4)



Date: _____

(b)(4)

JOINDER AGREEMENT



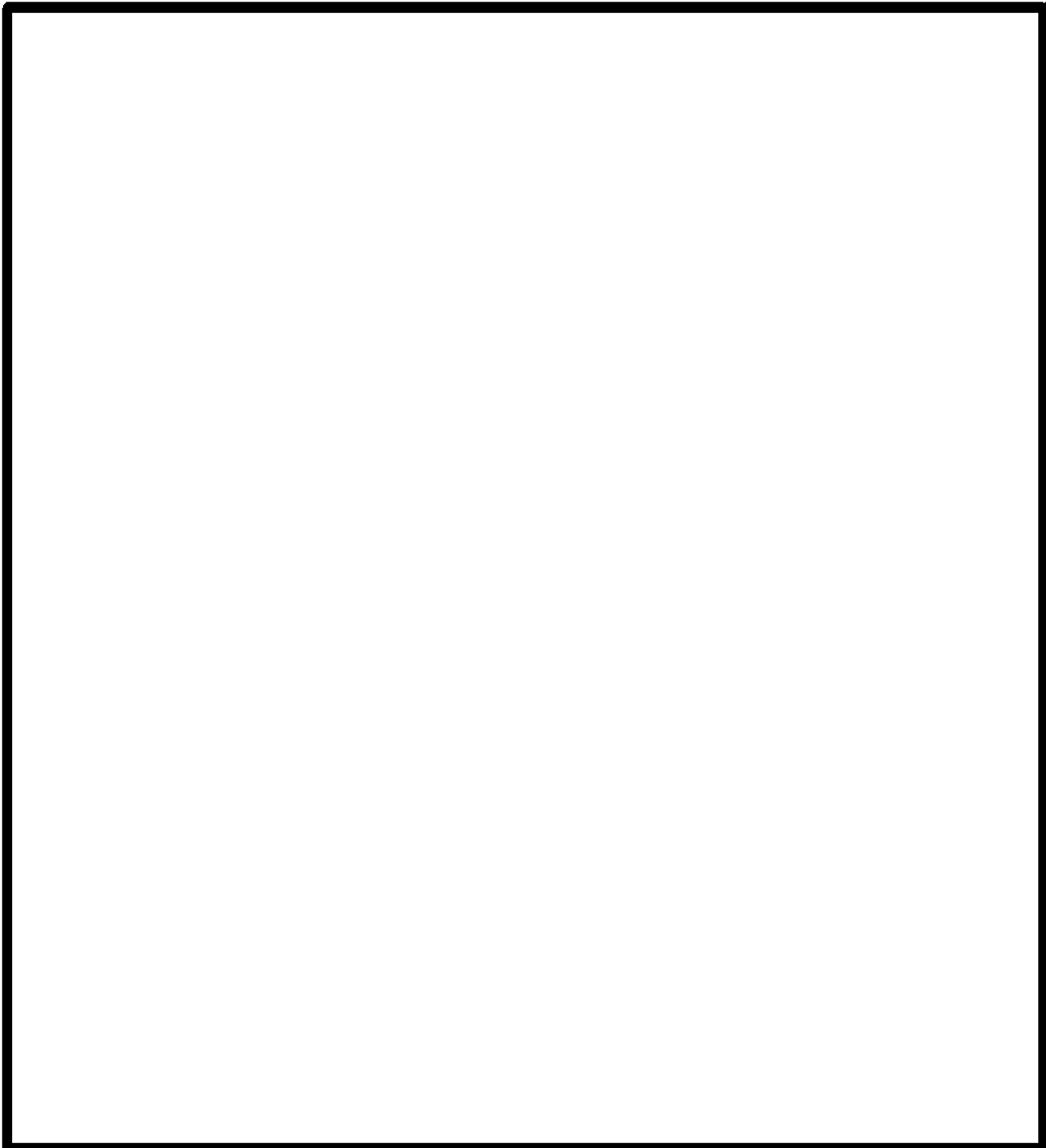
Signed as of _____, 20__

SUBSCRIPTION AGREEMENT

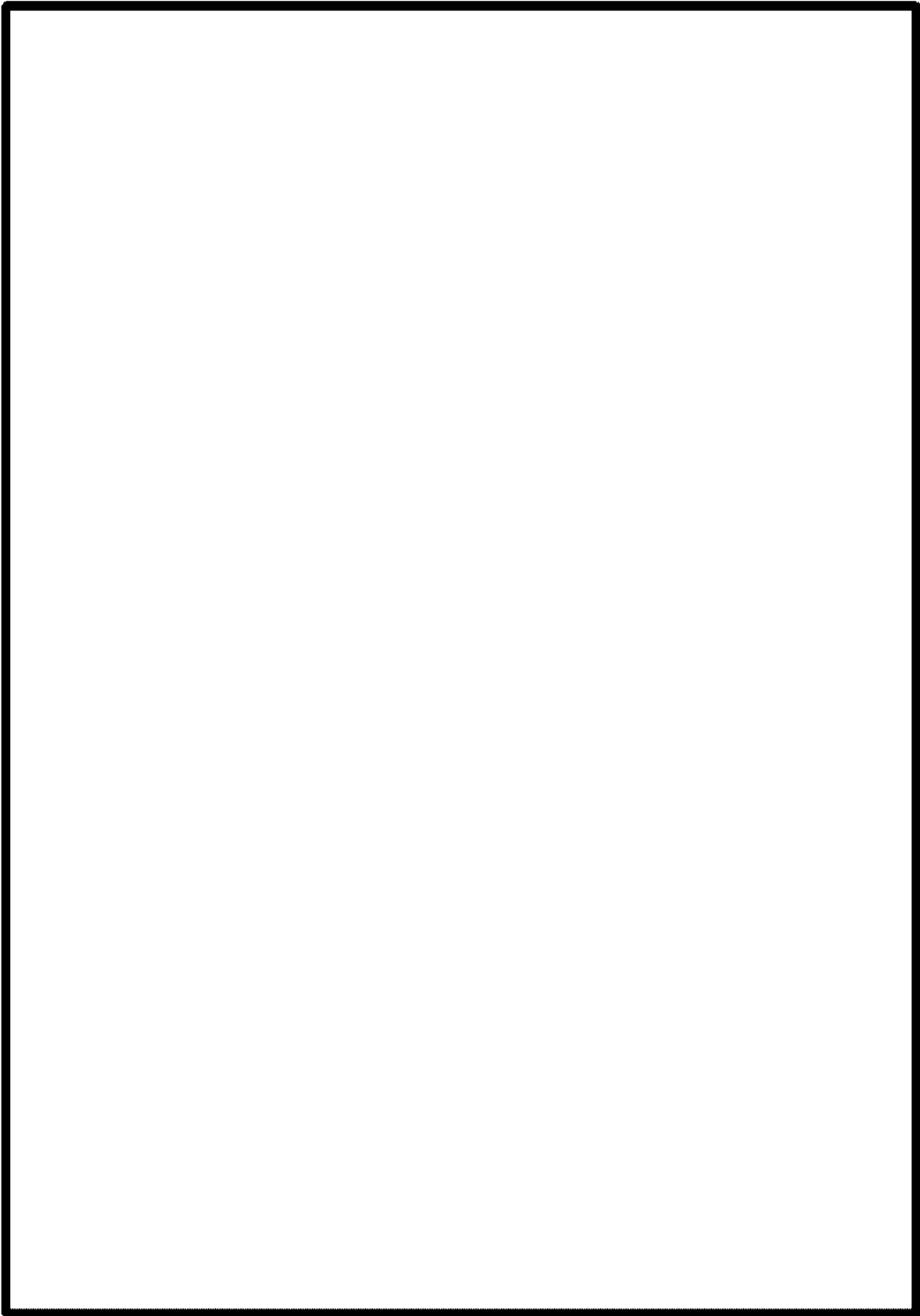
Beach Orangethorpe, LLC
3100 E. Imperial Highway
Lynwood, California 90262
Attention: Min Chae and Donald Chae

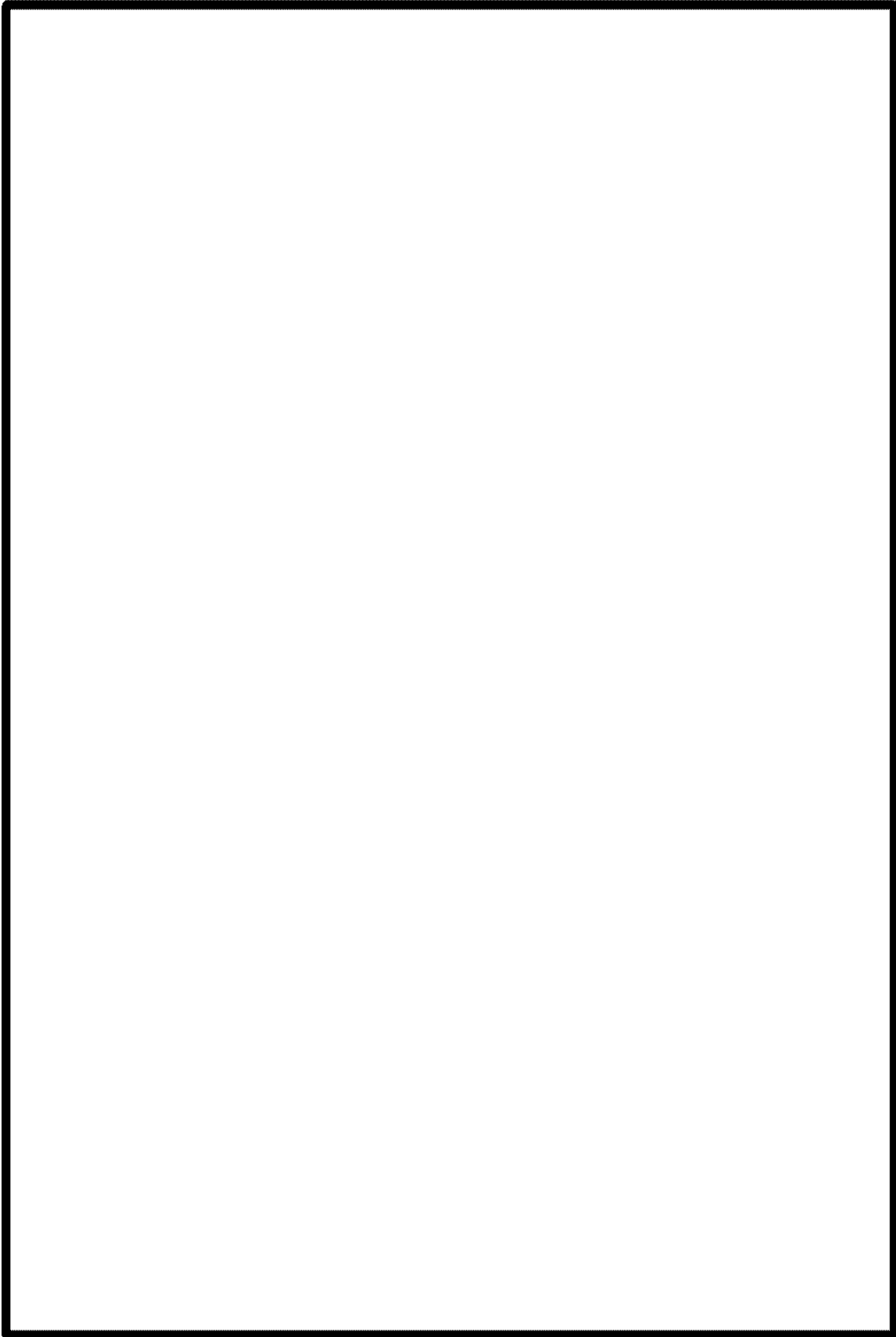
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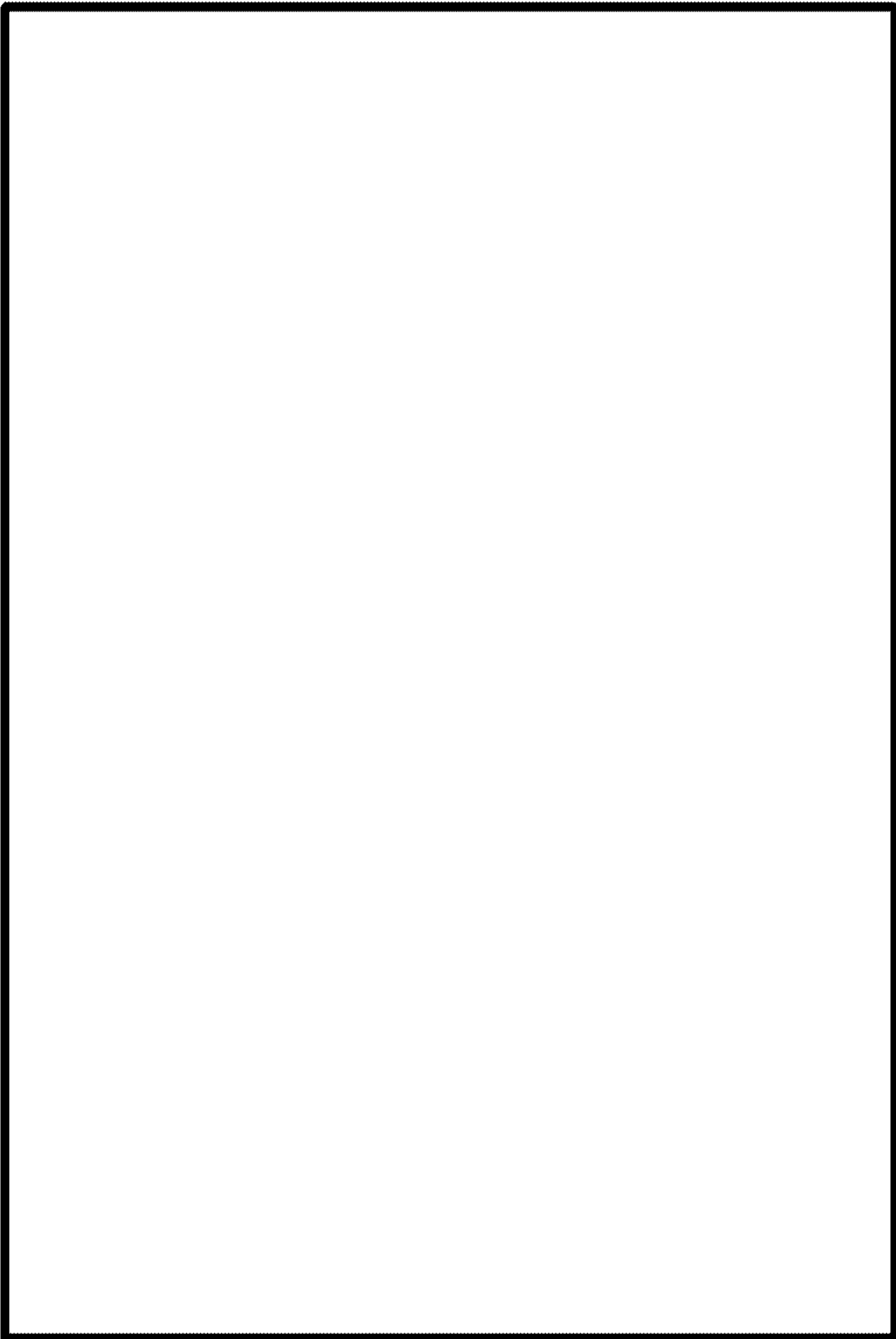
Gentlemen:

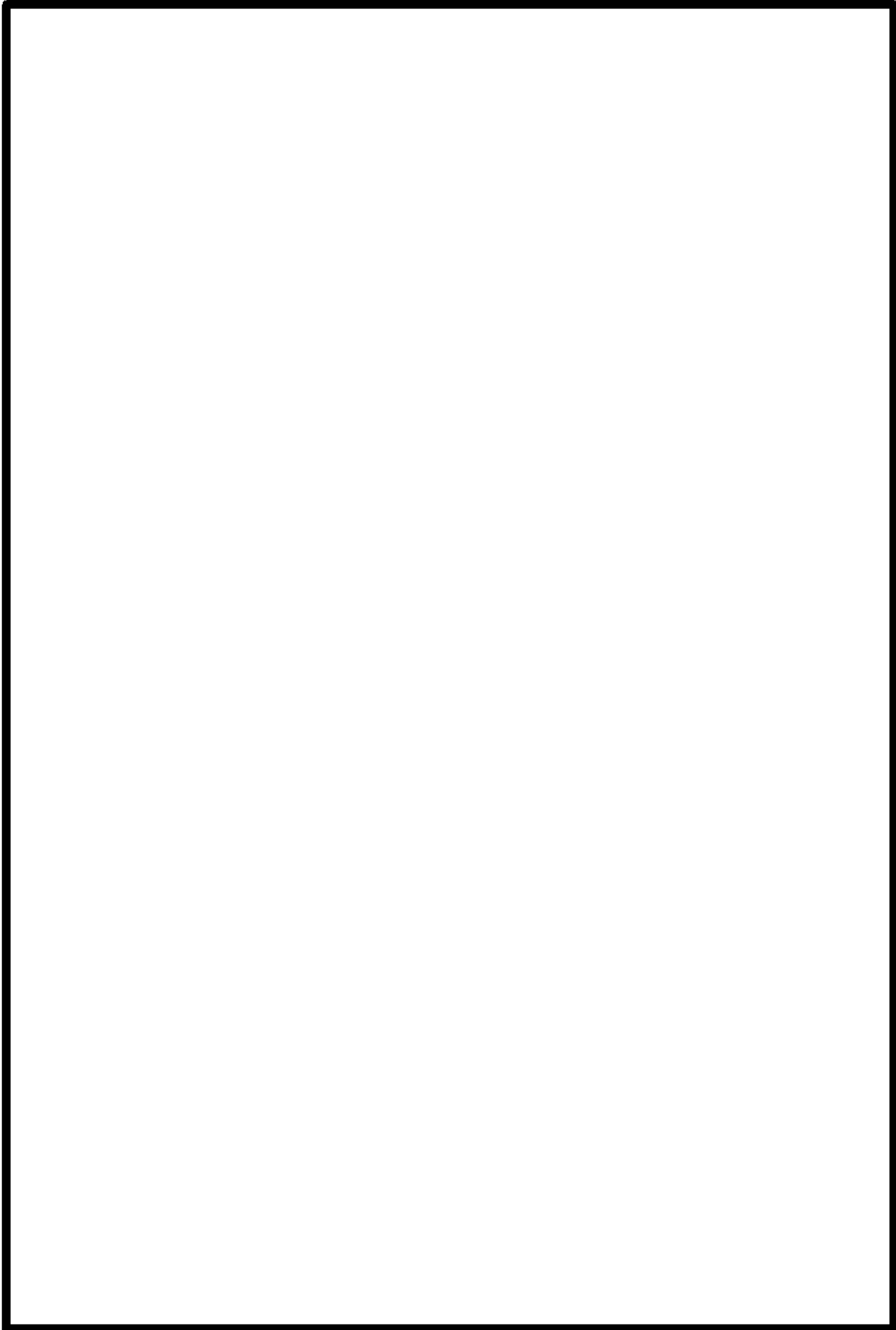


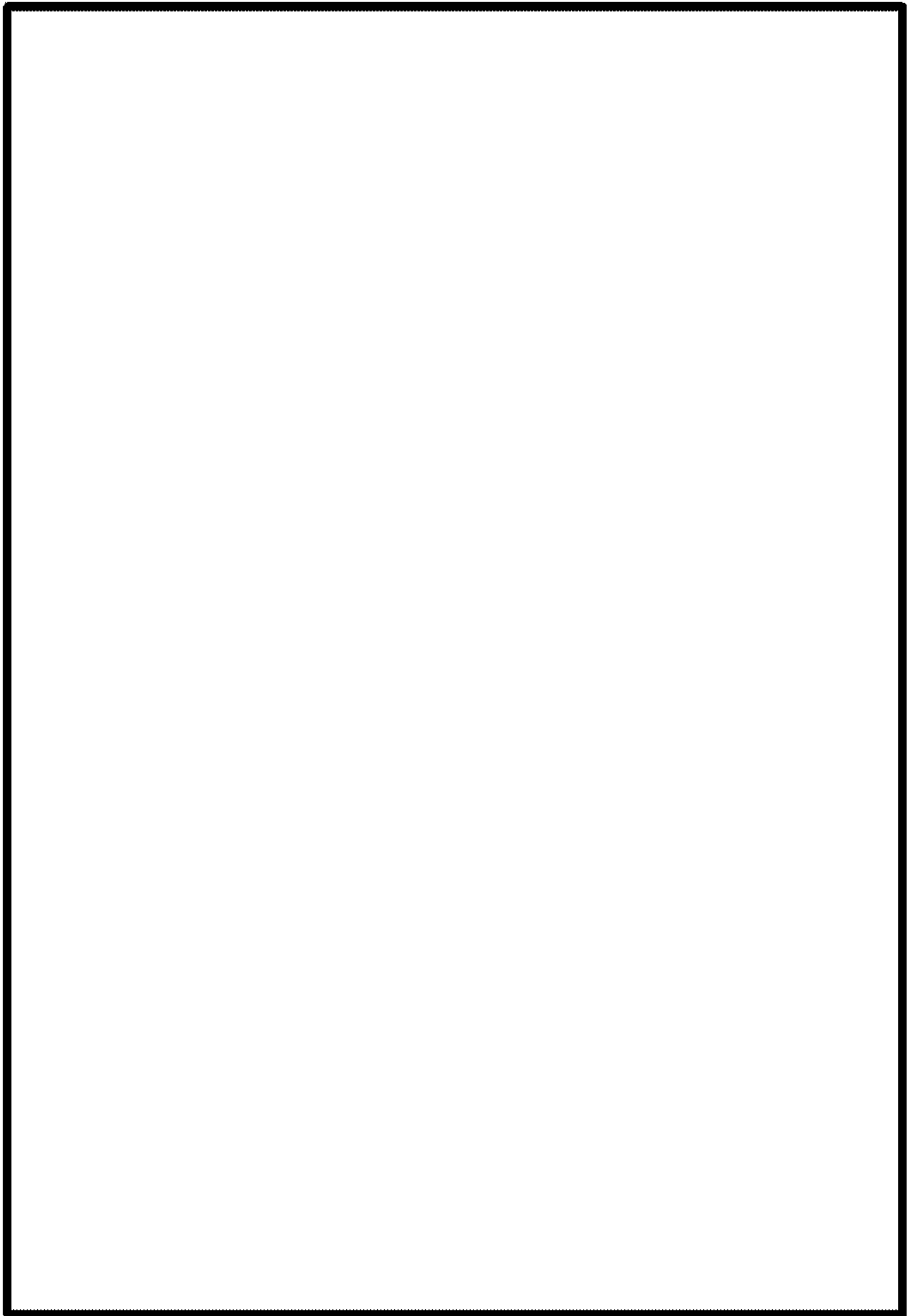
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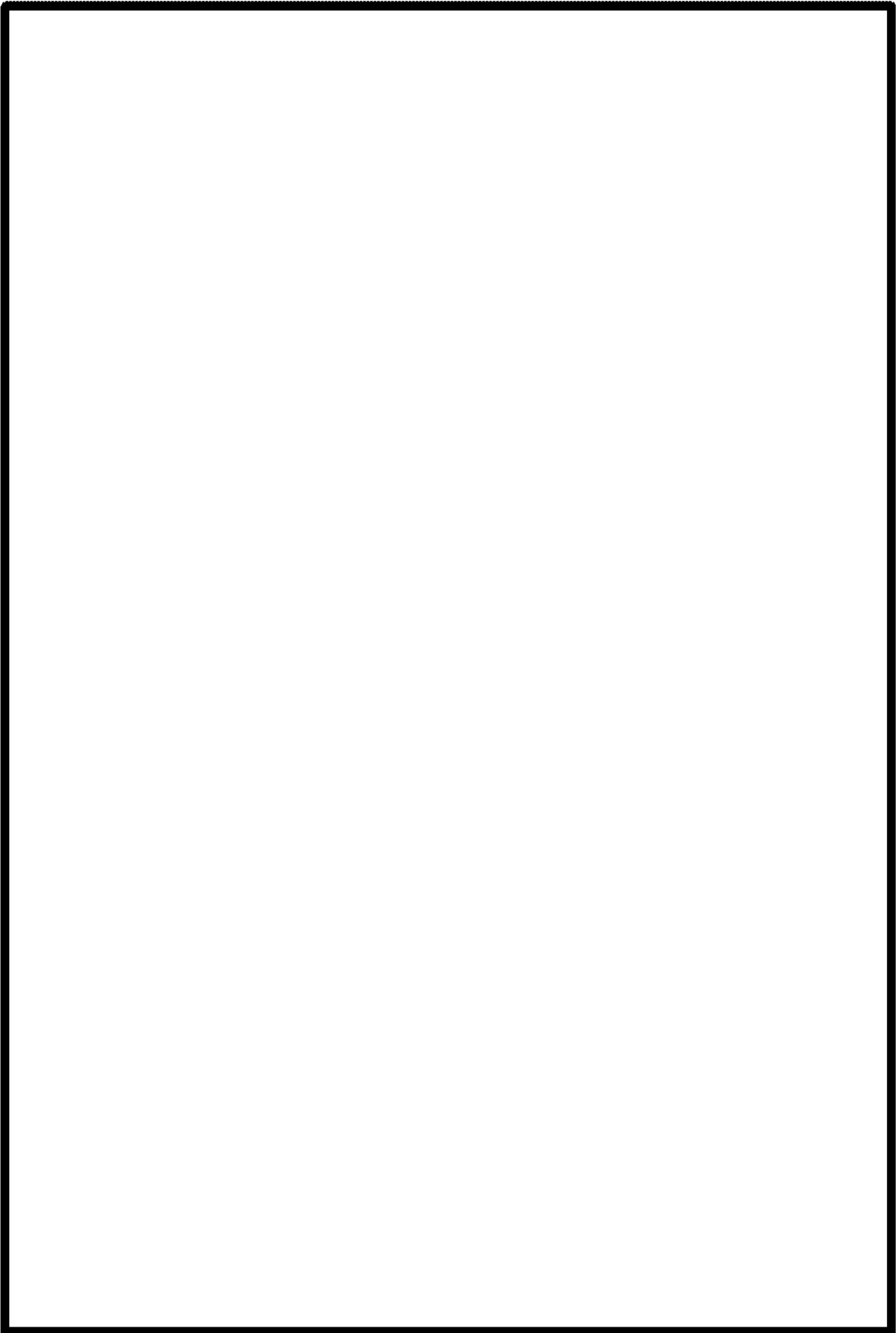


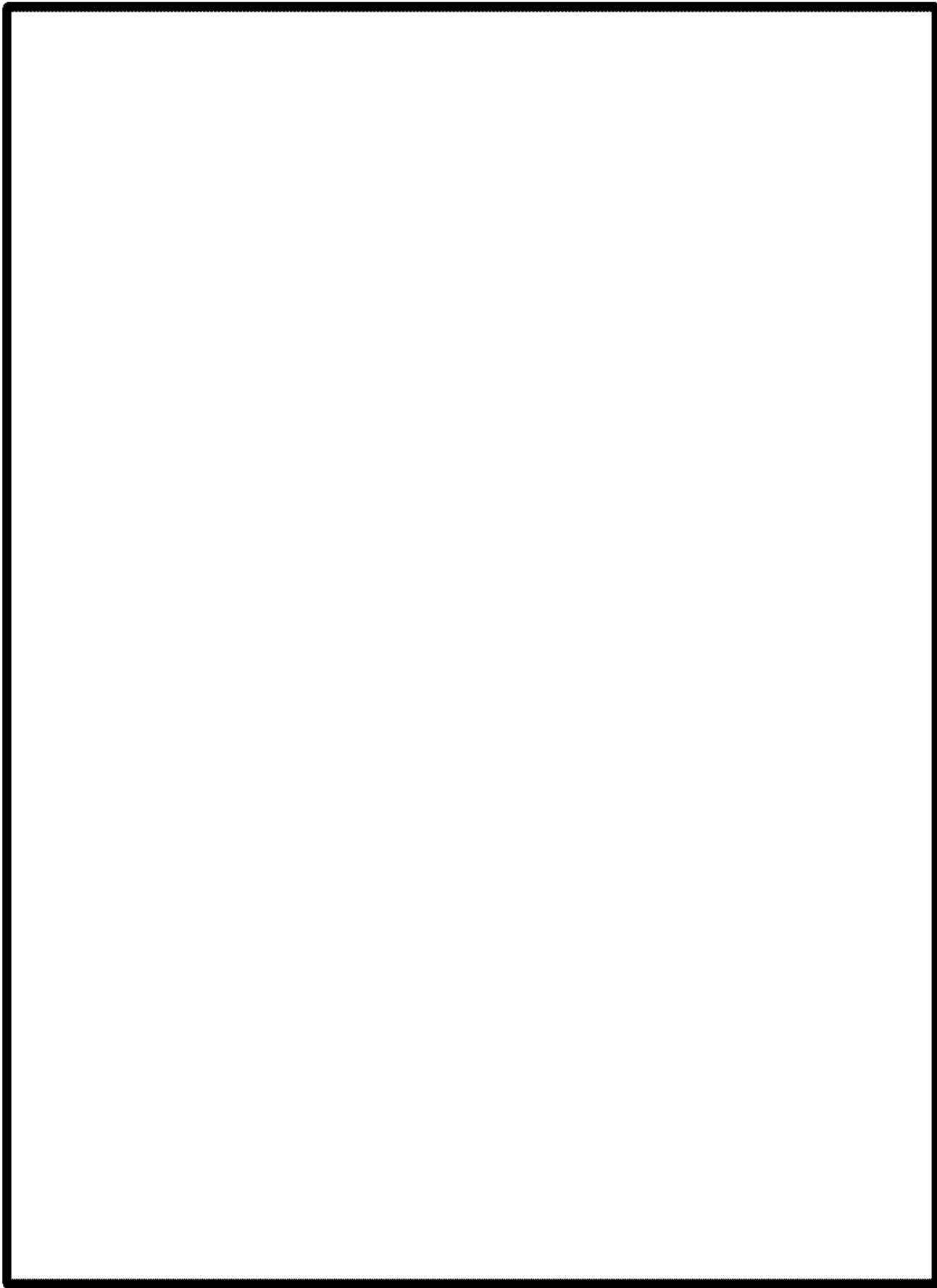






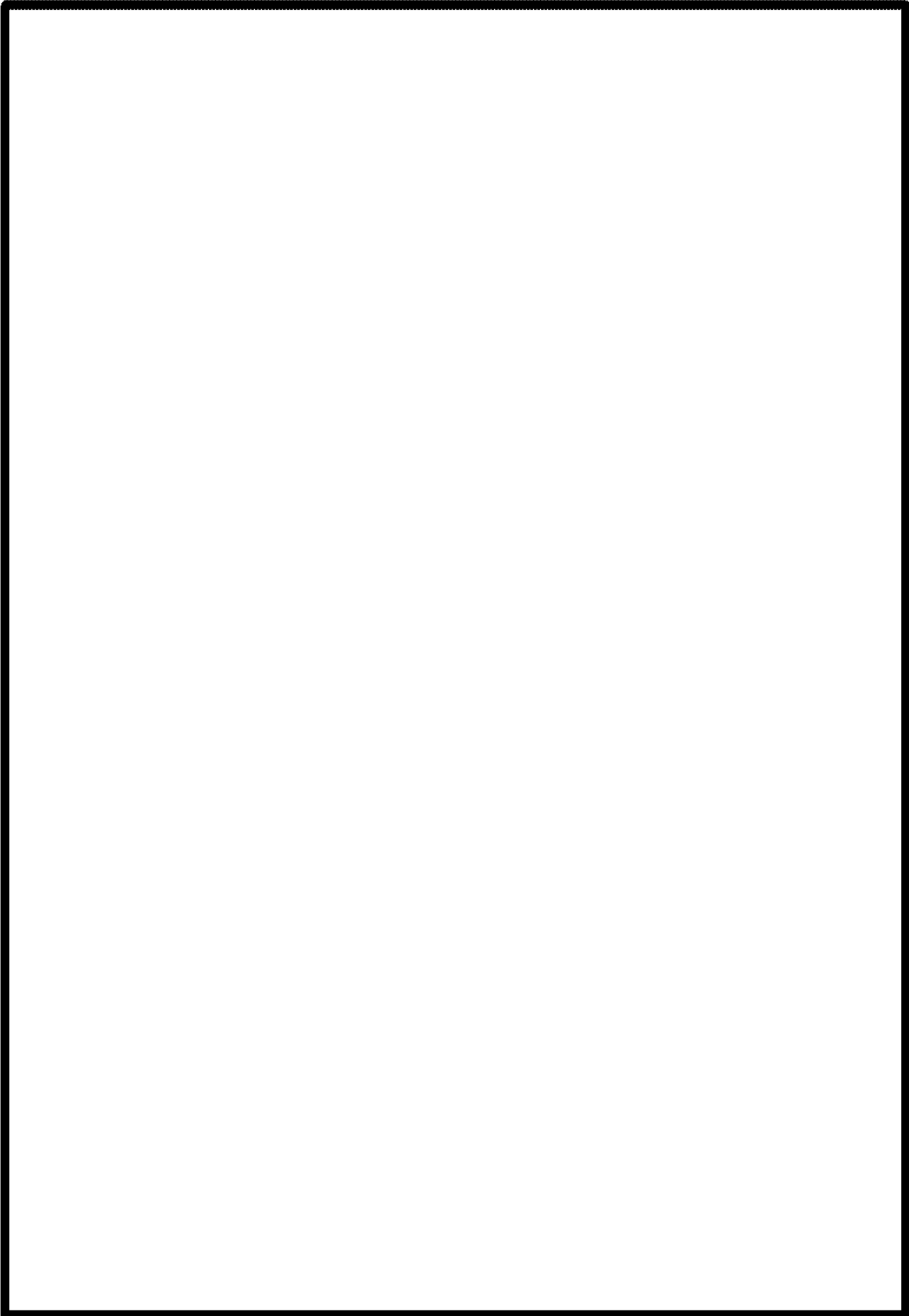
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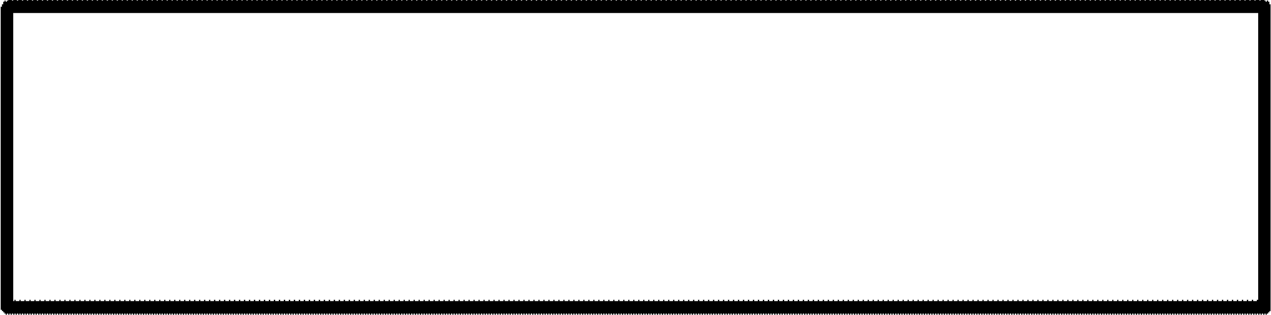






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IN WITNESS WHEREOF, the undersigned, intending to be legally bound hereby, has executed this Subscription Agreement as of the date set forth below.

SCHEDULE A

**TYPE OF OWNERSHIP
(Check One)**

- Individual (One signature required)
- Community Property (One signature required if interest held in one name, i.e., managing spouse. Two signatures required if interest held in both names)

Please print here the exact name (registration) investor desires for securities.

Investment Amount

Number of Units

Investment Amount

_____ Units

multiply by

(b)(4)

(Minimum Investment Requirement of

SIGNATURE PAGE FOR INDIVIDUAL INVESTORS

Investor # 1

Joint/Community Investor #2 (if any)

Signature

Signature

Print or Type Name

Print or Type Name

Social Security Number

Social Security Number

Business Telephone Number

Business Telephone Number

Mailing Address:

Mailing Address:

Telephone Number – Residential

Telephone Number – Residential

Facsimile Number – Residential

Facsimile Number – Residential

Executed at: _____

Executed at: _____

City _____

City _____

State _____

State _____

this ___ day of _____, 2009

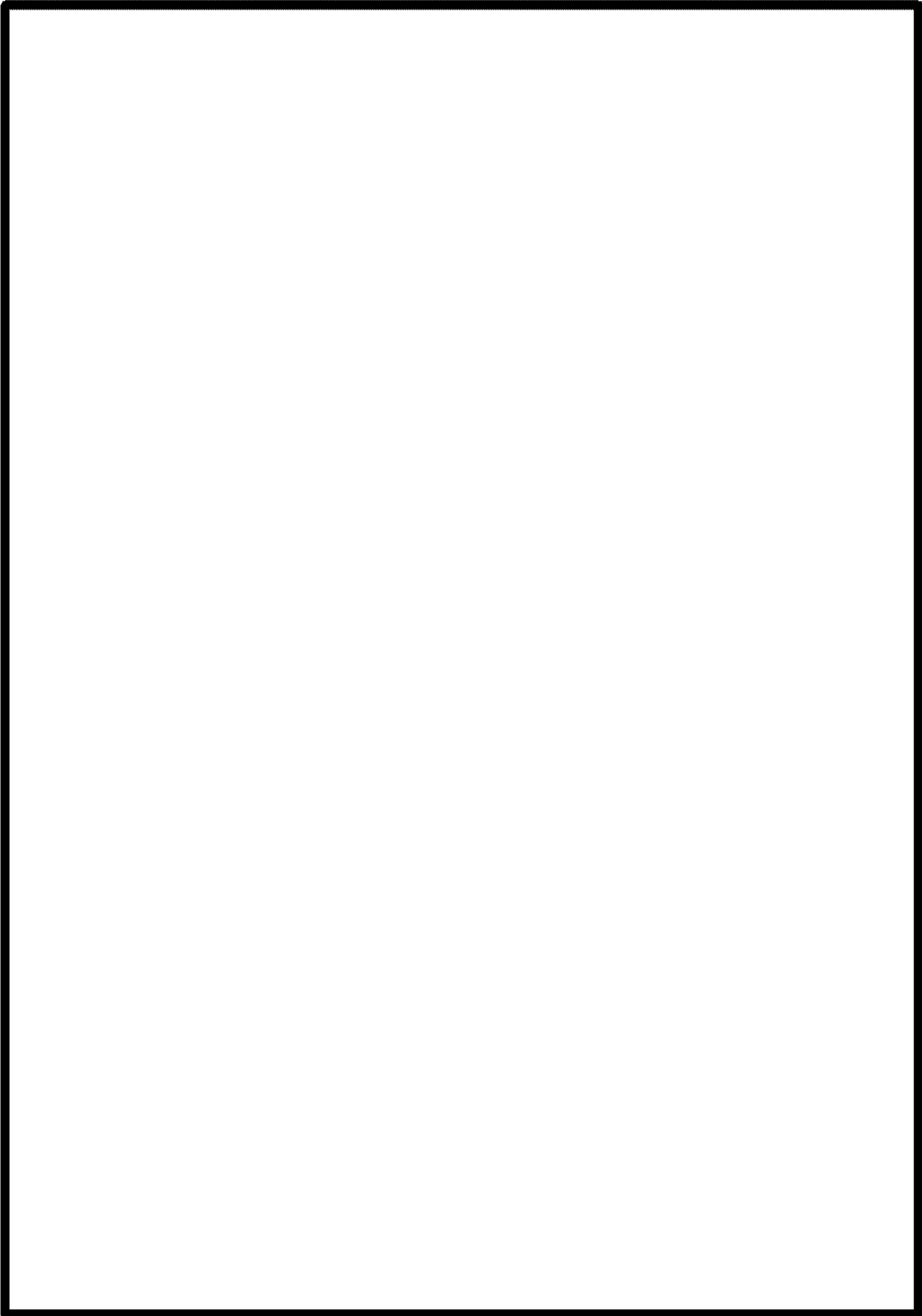
this ___ day of _____, 2009

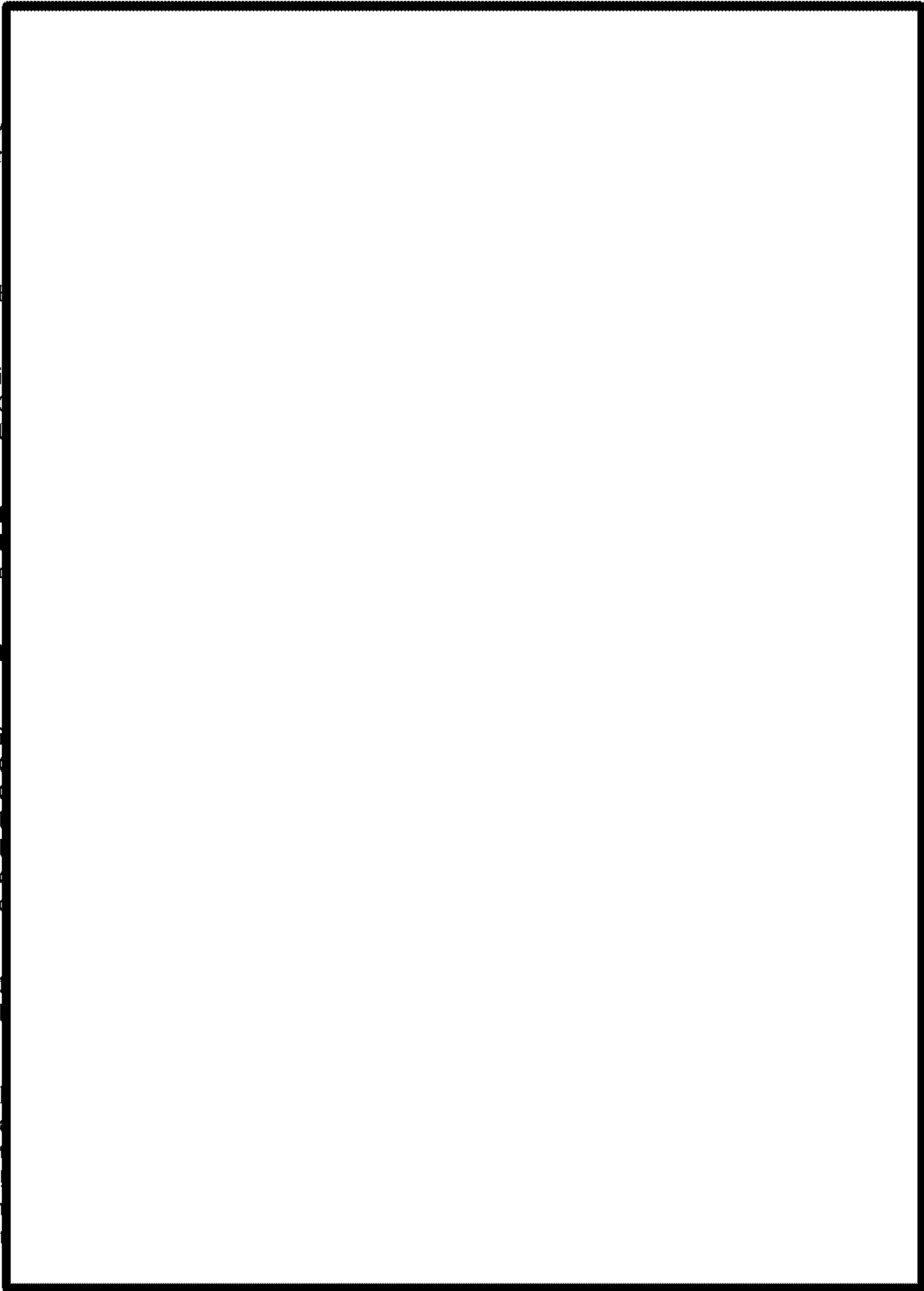
CHECK HERE ONLY IF INVESTOR IS A "UNITED STATES PERSON" (I.E., INVESTOR IS A CITIZEN OR RESIDENT OF THE UNITED STATES FOR UNITED STATES INCOME TAX PURPOSES):

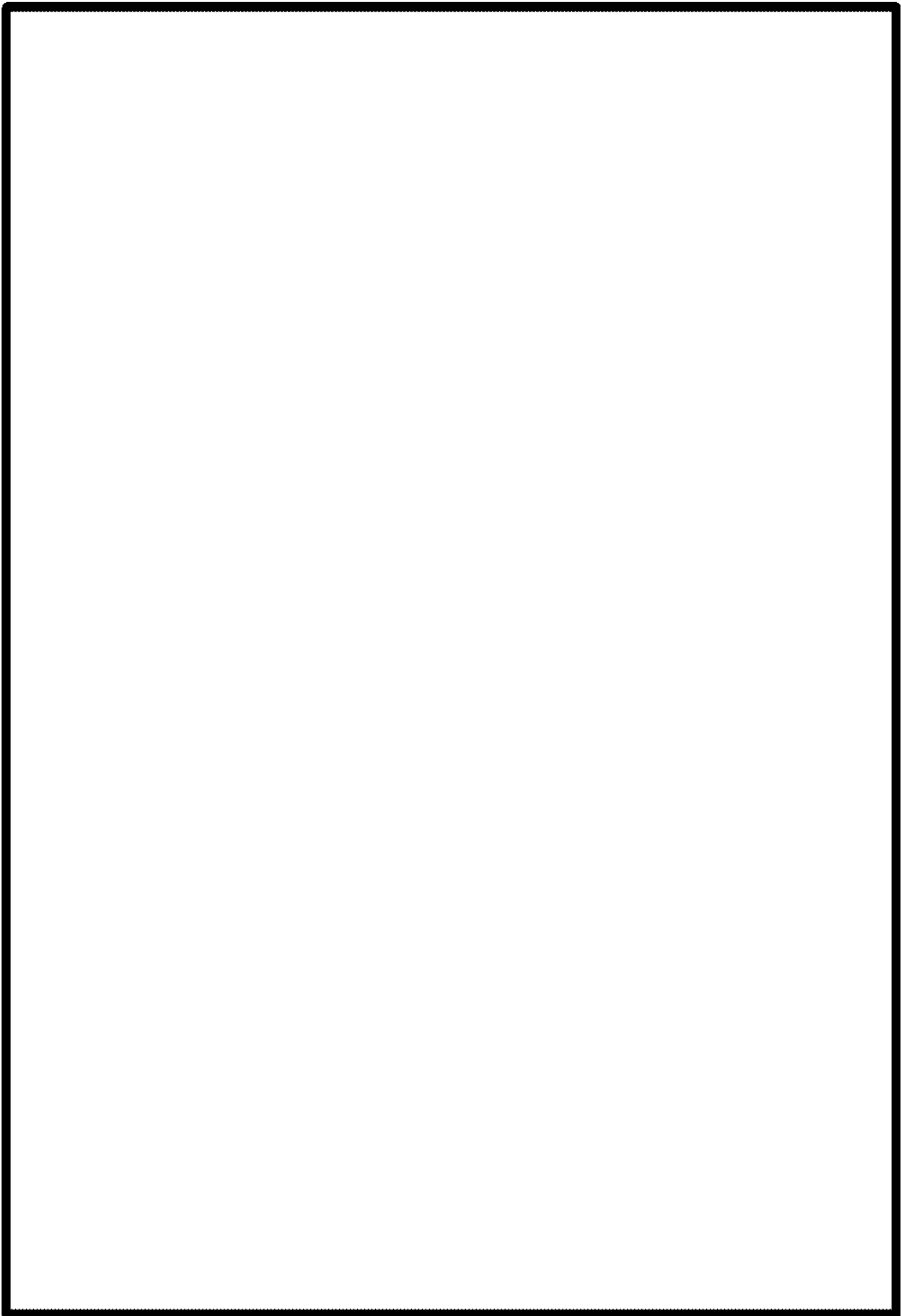
INVESTOR # 1 _____ INVESTOR #2 (IF ANY) _____

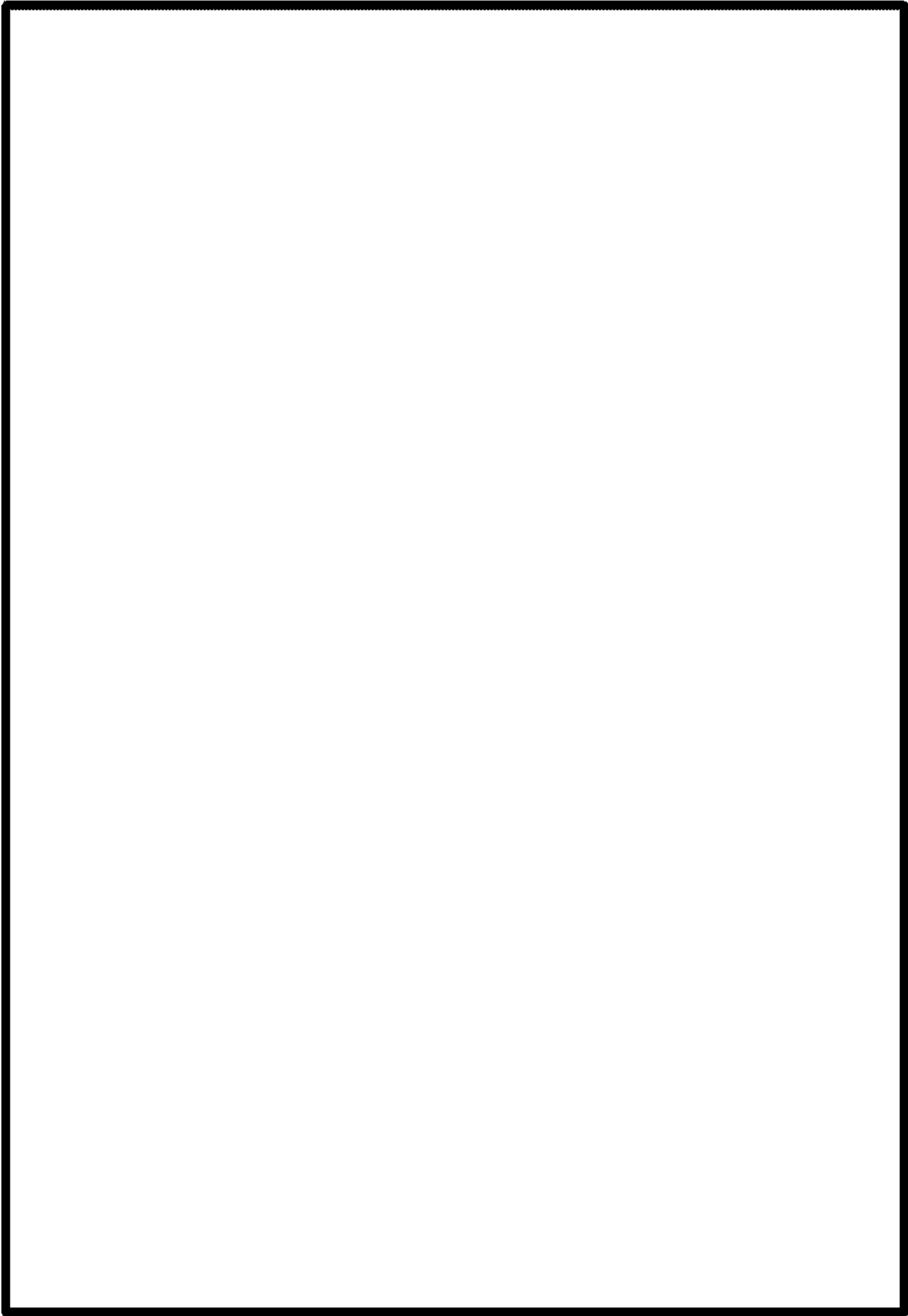
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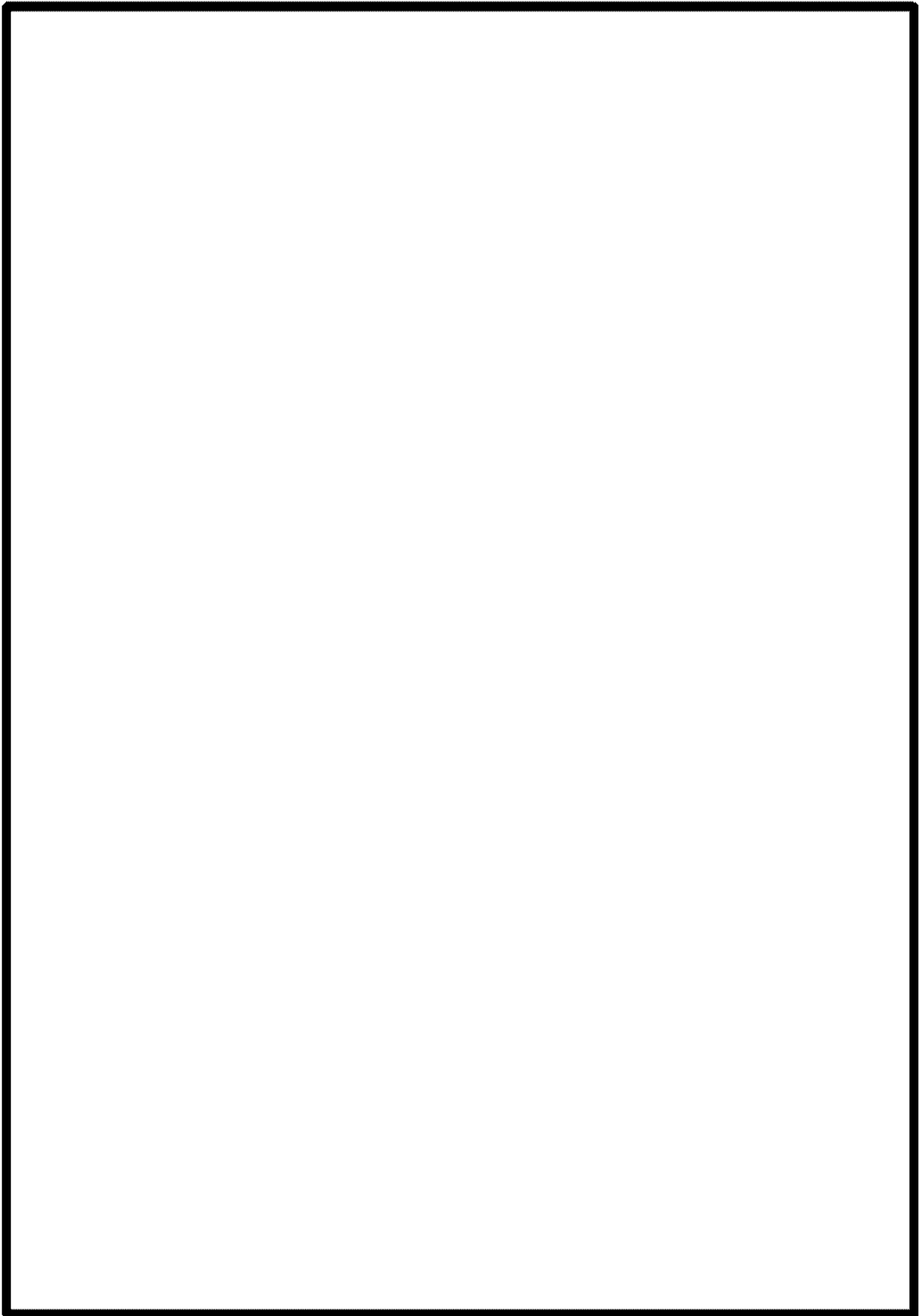
ESCROW AGREEMENT

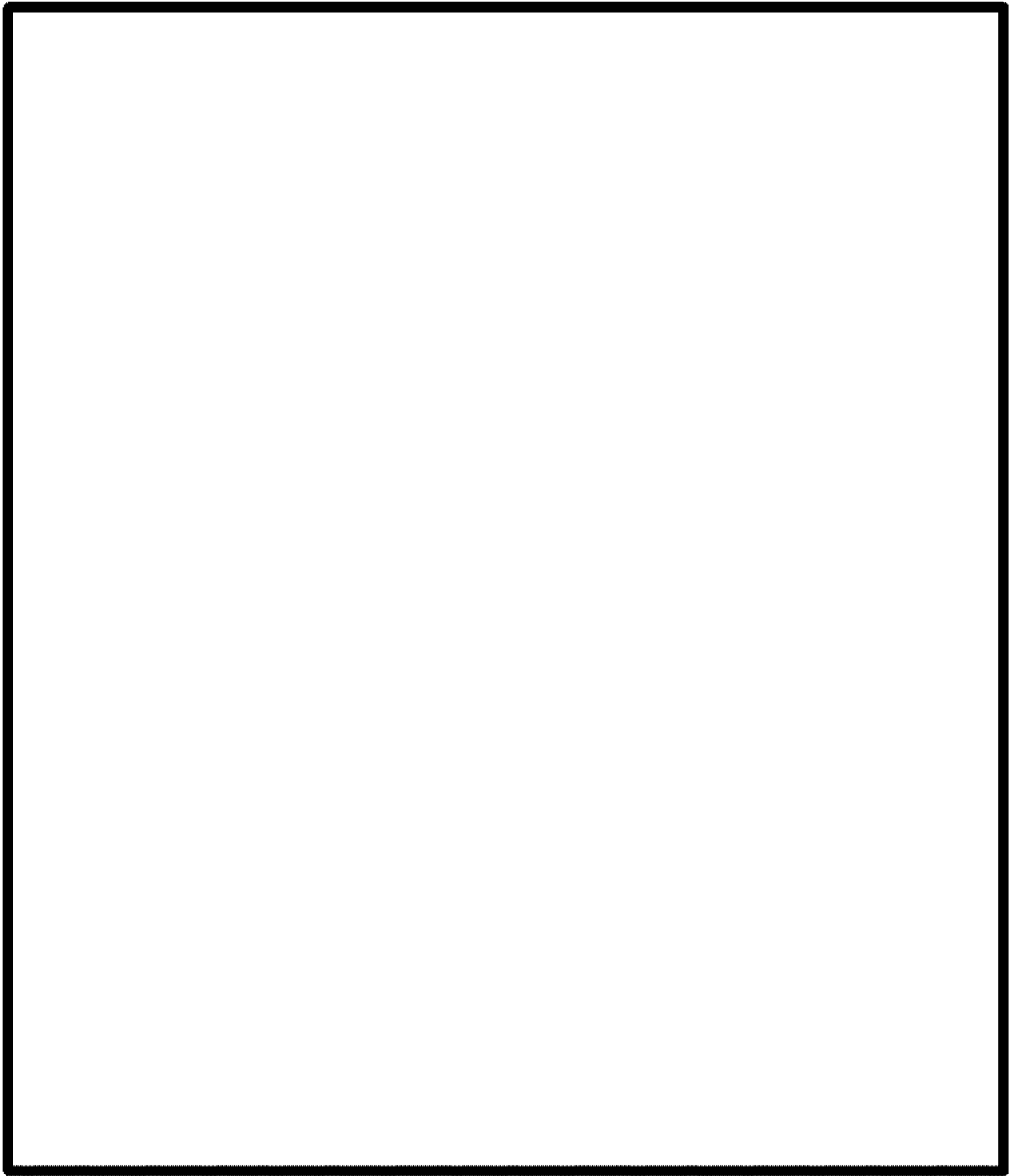












[Signature Section on Following Page]

IN WITNESS WHEREOF the parties hereto have executed this agreement as of the date first above written.

"INVESTOR"

Investor #1

Joint/Community Investor #2 (if any)

Mailing Address:

Facsimile Number

"COMPANY"

BEACH ORANGETHORPE, LLC

By: M&D Regional Center, LLC, its
Manager

By: M + D Properties, its Manager

By: _____
_____, Manager

"ESCROW AGENT"

WILSHIRE STATE BANK

By: _____

Name:

Title:



EXHIBIT A

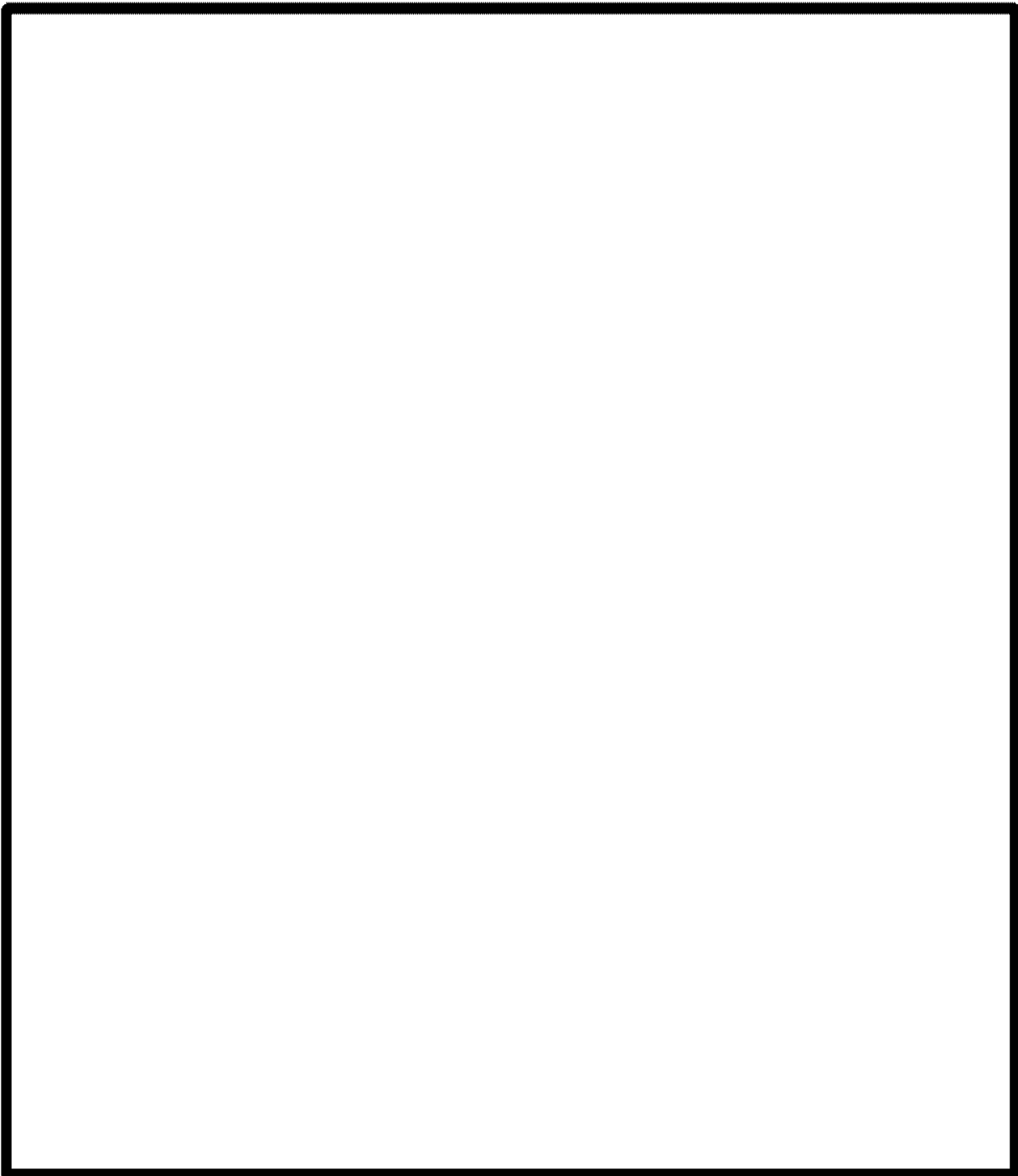
Escrow Agent's Compensation



(b)(4)



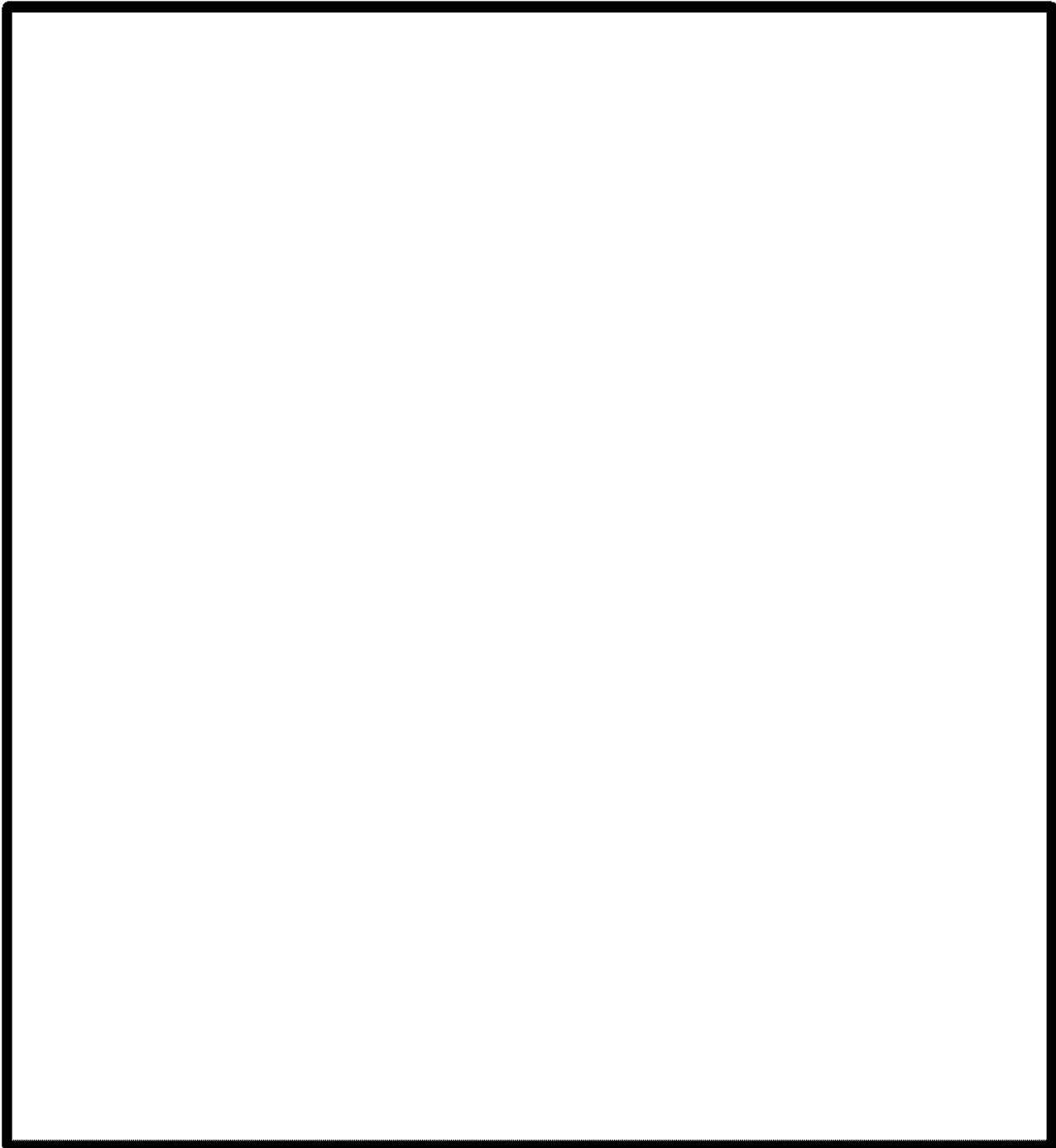
**M&D REGIONAL CENTER, LLC
MARKETING PLAN AND BUDGET**



(b)(4)

**BEACH ORANGETHORPE, LLC
CLASS B UNITS**

CONFIDENTIAL INVESTOR SUITABILITY QUESTIONNAIRE



PLEASE FOLD THIS SHIPPING DOCUMENT IN HALF AND PLACE IT IN A WAYBILL POUCH AFFIXED TO YOUR SHIPMENT SO THAT THE BARCODE PORTION OF THE LABEL CAN BE READ AND SCANNED. ***WARNING: USE ONLY THE PRINTED ORIGINAL LABEL FOR SHIPPING. USING A PHOTOCOPY OF THIS LABEL FOR SHIPPING PURPOSES IS FRAUDULENT AND COULD RESULT IN ADDITIONAL BILLING CHARGES, ALONG WITH THE CANCELLATION OF YOUR FEDEX ACCOUNT NUMBER.

From: Origin: ITHA (607) 273 4200
Tess Borden
MILLER MAYER LLP
202 E STATE ST STE 700
ITHACA, NY 14850



Ship Date: 13APR09
ActWgt: 4 LB
System#: 233313/FXRS0773
Account#: S 101098117

Delivery Address Bar Code



SHIP TO: (800) 375 5283 **BILL SENDER**
USCIS California Service Center
ATTN EB-5 RC Proposal
24000 Avila Road
2nd Floor
Laguna Niguel, CA 92677

Office # 8825/001-IMM
Dept #

APR 14 2009 *CORR*

STAMP #60

PRIORITY OVERNIGHT

TUE
Deliver By:
14APR09

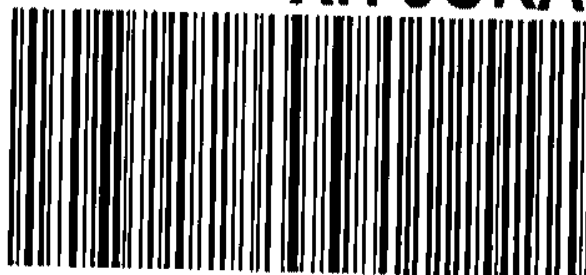
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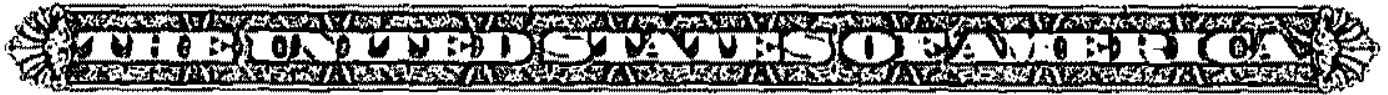
FORM 0201

SNA A2

92677 -CA-US
ASR

XH JORA





RECEIPT NUMBER W09000740		CASE TYPE Regional Center Proposal
RECEIPT DATE April 14, 2009		REGIONAL CENTER NAME M&D Regional Center, LLC
	PAGE 1 of 1	

Carolyn S. Lee Miller Mayer LLP 202 East State Street, Suite 700 Ithaca, NY 14850	Notice Type: Receipt Notice
--	--

Receipt Notice - This notice confirms that USCIS received your Regional Center Proposal. If any of the above information is incorrect, send an e-mail to: USCIS.ImmigrantInvestorProgram@dhs.gov. This notice does not grant any immigration status or benefit. It is not even evidence that this case is still pending. It only shows that the application or petition was filed on the date shown.

Processing Time - The current processing time for this case is estimated at 120 days. Unlike other case types, verification or tracking of this case is not available electronically or on our website. We will notify you by mail when we make a decision on this case or if we need something from you. If you do not receive an initial decision or update from us within our current processing time, you may send an e-mail to: USCIS.ImmigrantInvestorProgram@dhs.gov. or contact us at the address below.

Address Change - If your mailing address changes while your case is pending, you may send an e-mail to: USCIS.ImmigrantInvestorProgram@dhs.gov. Otherwise, you might not receive notice of our action on this case.

Please save this notice and a copy of any papers that you send to us along with proof of delivery.

U.S. CITIZENSHIP & IMMIGRATION SVC
CALIFORNIA SERVICE CENTER
Attn: EB-5 RC Proposal
P.O. BOX 10526
LAGUNA NIGUEL CA 92607-10526

PLEASE FOLD THIS SHIPPING DOCUMENT IN HALF AND PLACE IT IN A WAYBILL POUCH AFFIXED TO YOUR SHIPMENT SO THAT THE BARCODE PORTION OF THE LABEL CAN BE READ AND SCANNED. ***WARNING: USE ONLY THE PRINTED ORIGINAL LABEL FOR SHIPPING. USING A PHOTOCOPY OF THIS LABEL FOR SHIPPING PURPOSES IS FRAUDULENT AND COULD RESULT IN ADDITIONAL BILLING CHARGES, ALONG WITH THE CANCELLATION OF YOUR FEDEX ACCOUNT NUMBER.



Ship Date: 13APR09
ActWgt: 4.18
System#: 233313/FXRS0773
Account#: S 101098117

Delivery Address Bar Code



8825/001-IMM
Office #

1774 7007273 020

79103
BILL SENDER
Center

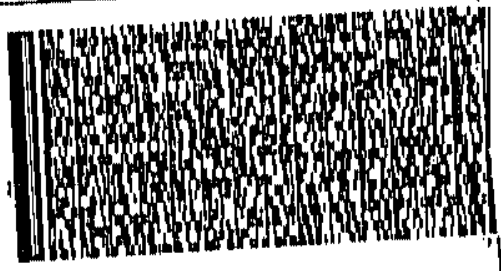
USCIS California Se
ATTN EB-5 RC Proposal
24000 Avila Road
2nd Floor
Laguna Niguel, CA 92677

PO #
Dept #
IM APR 14 2009 *CORR*

STAMP #60 *0*

PRIORITY OVERNIGHT

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Deliver By:
14APR09



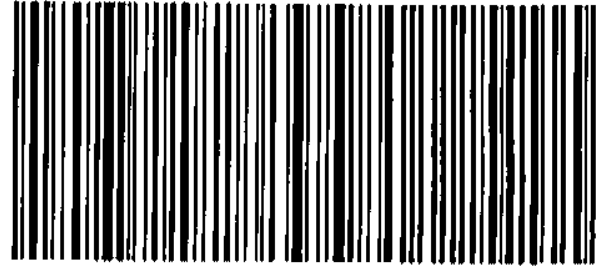
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FORM
0201

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92677 -CA-US
ASR

XH JORA



<http://192.168.0.189:8080/fsme/jsp/Shipater.jsp>

4/13/2009