

LANDCAP

INVESTMENT PARTNERS, LLC

27132 B PASEO ESPADA, SUITE 1206 SAN JUAN CAPISTRANO, CA 92675

November 13, 2013

Redevelopment Agency
Of The City of Sparks
c/o Armando Ornelas
City of Sparks
431 Prater Way
Sparks, NV 89431

Re: Offer To Purchase; 10.2 Acres, Known As
Parcel A of Parcel Map 4081 / APN 037-020-50, Sparks, Nevada

Dear Mr. Ornelas:

LandCap Investment Partners, LLC, herein after referred to as LandCap, proposes to purchase the above referenced real property subject to the following terms and conditions. If LandCap is selected as the successful bidder, the terms and conditions outlined herein will be the basis upon which a formal Sale and Purchase Agreement will be negotiated by and between LandCap and the Redevelopment Agency of the City of Sparks.

Purchase Price

The purchase price shall be \$2,400,000, two million four hundred thousand dollars.

Due Diligence

Buyer to have thirty (30) days from approval of Sale and Purchase Agreement by the Agency Board and City Council, in which to complete its due diligence review, which shall include access to all existing plans, reports, surveys and to conduct onsite tests and surveys as deemed necessary. Buyer to return property to same condition as existed prior to any such tests/surveys being conducted. Buyer and Buyer's consultants to provide Seller with evidence of liability insurance prior to any onsite work or tests being performed. At the expiration of the due diligence period and if Buyer elects to move forward with the purchase contemplated by this offer, Buyer shall release to Seller one hundred thousand dollars (\$100,000), as nonrefundable liquidated damages if Buyer fails to close escrow, except in the case of a Seller default. Said funds shall be applicable towards the purchase price if Buyer closes escrow.

Submittal Of Plan

Buyer to submit formal planning application with a plan of development, showing Buyers proposed use of property within ninety (90) days of notification of Agency and Council approval of Sale and Purchase Agreement.

Close Of Escrow

Buyer agrees to close escrow on the subject property within sixty (60) days of receiving approval of Buyer's development plan and application. At Buyer's option, Buyer may extend the closing date two times, for a thirty (30) day period each time. If Buyer elects to extend, then Buyer shall deposit and release to Seller \$25,000 for each thirty day (30) extension, which shall be applicable to the purchase price, but nonrefundable if Buyer fails to close escrow.

Termination

If Buyer fails to receive approval of their development plan within nine (9) months of their original planning application submittal date, then Seller has the right to terminate the escrow. Seller, at Seller's discretion may offer Buyer the ability to extend the purchase escrow, allowing Buyer additional time to gain approval of their development plan. Upon termination, Buyer shall have all purchase deposits returned.

Seller Carry

At close of escrow, Seller to carry back a Purchase Money Note and Deed of Trust in the amount of one million nine hundred thousand dollars (\$1,900,000). The note shall bear interest at the rate of six percent (6%) per annum for a period of three years. Buyer to pay interest on the note on a monthly basis. Buyer may pay off the note early and without any prepayment penalty.

Deposits

Buyer to make deposits according to the following schedule.

With Submission Of Offer	\$ 25,000
Upon Approval Of PSA	\$ 25,000
Upon Expiration Of Due Diligence	\$ 50,000
At Close Of Escrow	\$400,000 + Closing Costs

The above offer is submitted as of the date first written above and shall remain valid until January 31, 2014.

Sincerely,

LandCap Investment Partners, LLC


Stephen H Hinckley, Manager

Enclosure – \$25,000 check made payable to Redevelopment Agency of the City of Sparks

Attachments Referenced On Following Page

Attachment - LandCap Background

Brief summary on who LandCap Investment Partners, LLC is and their affiliates.

Attachment - Financial Capabilities

LandCap Financial Capabilities - Overview

Financial Statements/Account Statements (LandCap Principal Bruce Degler) Verifying Liquidity.

Recent Borrowing Activity Torrey Pines Bank.

Attachment - Conceptual Site Plan –Gateway Marina Mixed Use Development

Along with LandCap's offer, we have included a conceptual site that is a composite plan totaling 19.88 acres, encompassing the 10.2 acre RDA parcel along with the 9.68 acre parcel directly to the south and contiguous to the RDA parcel. LandCap is on contract to purchase the 9.68 acres. This conceptual plan includes Planning Area 1, a 1.86 acre commercial planning area with 12,500 sf of commercial/retail space fronting on East Lincoln Way, Planning Area 2, a 10 acre multi family residential planning area fronting along Marina Gateway Drive, with a total of 288 apartment homes within 3 story buildings with elevators, and Planning Area 3, a 8.02 acre detached residential planning area, also fronting along Marina Gateway Drive, with 85 detached motor court cluster homes.

Note: The Site Plan included in the offering submittal has been reproduced in both 11 X 17 format and 24 X 50 format. A complete copy of the submittal has also be reproduced on the CD included In the offering binder.

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LandCap Background

Principals

LandCap Investment Partners, LLC was formed in 2013 by three veterans of the real estate development and construction industry. The principals bring together nearly one hundred years of industry experience and have backgrounds that provide them with in house capabilities that include site acquisition, entitlement and development, product design and construction, sales and marketing, and finance and capital formation. Their unique compliment of areas of expertise, make the LandCap team well positioned to take on a project like the one we have conceptually described on the site plan that was included with our offer to purchase the RDA parcel.

The LandCap team recently completed the acquisition on an RDA site in Southern California and is now re-entitling the site as a for sale townhome project. Prior to that, the LandCap principals entitled a commercially zoned parcel as a high density residential site with approval to build four hundred fifty (450) three story apartments. These are just two examples of recent projects that the LandCap principals have worked on.

Stephen Hinckley

Steve is the founder of Centre Trust Advisors / CTA Capital Partners, based on Carlsbad, California. Prior to that Steve was the National Managing Director for KeyBank's Private Equity Group. During his time at Key, Steve placed approximately \$400 million of equity investments in 60 real estate projects in twelve states, with an aggregate development value exceeding \$3.0 billion. Steve was also the lead executive in raising more than \$300 million of third party investor capital. Steve is a California licensed real estate broker and holds a B.A. degree from the University of San Diego.

Jeffrey Holbrook

Jeff is a co-founder of a Southern California based homebuilding company that was started in 1984. In the beginning the focus was on design/build custom homes, which slowly transitioned into subdivisions and planned communities. As a small volume builder, Jeff was involved in every aspect of homebuilding, from site acquisition, entitlement, land development, home construction, sales/marketing, and financing. Currently, their projects in Southern California include a one hundred (100) lot single family subdivision and a mixed use project that includes four hundred (400) residential units, an extended stay hotel, and two hundred thousand (200,000) sf retail shopping center. Jeff holds a B.S. degree from California Polytechnic State University at San Luis Obispo.

LandCap Principals - Continued

Bruce Degler

Bruce is the President and Owner of Dispatch Transportation located in Fontana, California. Dispatch is the largest dirt/material hauling company in California and covers the state from San Diego to Sacramento. Bruce also operates in the Las Vegas market as well. Bruce began his career in the business in 1973 and is well known in the construction industry for his ability to supply construction projects with the needed earth materials. Dispatch' expansive market coverage is instrumental in keeping projects on schedule as their six hundred trucks move construction materials where needed on a daily basis.

LandCap Associates

David Dahl

Dave Dahl is a partner with the LandCap principals on the Gateway Marina Mixed Use Development, which includes the 10.2 acre RDA parcel along with the 9.68 acres directly to the south and contiguous to the RDA parcel. In addition to the proposed Gateway Marina Mixed Use Development, Dave is also a principal with Steve Hinckley in the Marina Villas project.

Doyle Barker

Doyle's real estate development career spans 40 years, beginning with drafting plans for a local homebuilder based in Claremont, while still in high school. After attend both Long Beach State and Cal Poly Pomona, majoring in Environmental Design, Doyle began working for various homebuilding companies throughout Southern California in capacities as varied as head of architecture to VP of Operations. Doyle has been involved in the design of thousands of housing units and has built a multitude of projects including single / multi family housing, commercial/office/retail, hotels, banks, food/institutional, and specialty concrete structures. Doyle is co-founder and President of a family owned home building company based in Southern California.