

DEERLAKE RANCH

A 375 LOT LUXURY RESIDENTIAL COMMUNITY



Chatsworth Area
Unincorporated County of Los Angeles

Initial Offering of 236 "Blue Topped" Lots

March 2006

Exclusively Represented by:

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RESIDENTIAL LAND SPECIALISTS
**PARK PLACE
PARTNERS, INC.**

Deerlake Ranch

Chatsworth area, Unincorporated County of Los Angeles

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Property Description

Project Overview:

DEERLAKE RANCH is a 230-acre luxury residential community within Unincorporated Los Angeles County adjacent to the City of Los Angeles in the Chatsworth area. The subject site offers spectacular views of the San Fernando Valley and the Santa Monica Mountains to the south. In addition, steep canyon walls and the rock formations of the Santa Susana Mountains are located to the north and west, with scenic views to the west.

Deerlake Ranch has a total of 375 single family lots which will be delivered in a “blue topped” condition. The community has been divided into four distinct neighborhoods, providing a variety of lot, pad, and home sizes. Of the 375 lots, 226 lots in Neighborhoods I and II will be private equestrian-oriented, gated communities. **The current offering includes Neighborhoods II and III which collectively consist of 236 lots.**

Deerlake Ranch provides a rural environment with approximately 73 acres of open space, 4.5 miles of dedicated equestrian trails, a pocket park near Neighborhood IV, an equestrian rest stop on the perimeter trail in Neighborhood I, and a passive park overlooking Devil Canyon, which bisects the project site.

Integrated with the main entry at the Topanga entrance will be a small office building to be used by the Los Angeles County Sheriff’s Department and the Homeowners’ Association. Other street architecture includes monumentation at the Canoga entrance, enhancement of the two bridges spanning Devil Canyon, two guard gates at the entrance to Neighborhoods I and II and identification monumentation into each neighborhood.

Location:

Deerlake Ranch is located in the unincorporated northwestern San Fernando Valley adjacent to the City of Los Angeles, in a community known as Chatsworth. The site is northeast of the Topanga Canyon Boulevard (SR 27) and the Ronald Reagan Freeway (SR 118) interchange. The site can be accessed via Topanga Canyon Road and Canoga Boulevard.

The subject Neighborhoods II and III are located in Phase I of Deerlake Ranch.

Seller:

Presidio Chatsworth Partners, LLC

Acreage:

The entire Deerlake Ranch project is approximately 230 acres.

Target Price:

Neighborhood II: \$ /lot
Neighborhood III: \$ /lot

Proposed Terms:

Cash at closing, upon completion of the lots, with a two phase takedown for each Neighborhood. Second takedown price escalated at 7% per annum. Seller shall be entitled to forty percent (40%) of gross house price increases where the base price is equal to two (2) times the finished lot purchase price.

Number of Lots:

The initial offering (Phase I) will include Neighborhoods II and III, for a total of **236 “blue topped” lots** with the first lift of paving on the internal streets.

Property Description

Lot Size/Count:

Area	No. of Lots	Min. Lot Size (SF)	Avg. Lot Size (SF)	Avg. Pad Size (SF)	Proposed Avg. Home Size (SF)	Home Size Range (SF)
I	91	15,000	16,700	10,000	5,400/5,800	5,000-6,000
II	135	6,000	10,800	6,200	4,200	3,700-5,000
III	101	6,000	12,800	6,600	3,700	3,400-4,000
IV	48	6,000	12,300	5,800	3,500	3,100-3,800

Total **375**

Topography:

Deerlake Ranch is located on a plateau that generally slopes to the south and is bordered on the north by east-west-trending hills that are increasingly steep to the north.

Property Condition:

Deerlake Ranch is currently in an unimproved, raw condition.

The Phase I Grading Plan is anticipated to be approved in March 2006. Grading of Neighborhoods II and III is scheduled to commence by June 2006.

Neighborhood III will be delivered in a “blue topped” condition second quarter of 2007, with the exception of 26 lots on the west side of C Street, which will be delivered 6-9 months later.

Neighborhood II will be delivered in a “blue topped” condition in the second quarter of 2007 with the exception of 68 lots which will be delivered 2-4 months later.

Entitlement Status:

On August 10, 2004 the Los Angeles County Regional Planning Commission approved the following:

- Vesting Tentative Tract Map No. 53138
- Conditional Use Permit/Oak Tree Permit No. 99-239 (5)
- Final Environmental Impact Report SC No. 200061-49.
- A Notice of Determination was posted and the appeal period expired on September 11, 2004 without a challenge to the Final EIR.

Environmental:

The following permits have been retained for the subject site:

- 404 Clean Water Act Sec. 39 Nationwide Permit has been issued from the Corps of Engineers.
- The California Department of Fish and Game has entered into Streambed Alteration Agreement No. 1600-2003-5131-R5.
- The California Regional Quality Control Board has issued a Clean Water Act Sec 401 Water Quality Certification.

Schools:

- Public - Los Angeles Unified School District
- Chatsworth Park Elementary School (K-5)
 - Lawrence Middle School (6-8)
 - Chatsworth High School (9-12)

Property Description

- Schools:** Private
- Chaminade College Preparatory School (6-12)
 - Chatsworth Hills Academy (EK-8)
 - Egremont Schools (EK-8)
 - The Sierra Canyon School (EK-12)
 - St. John Eudes School (K-8)
- Homeowners' Dues:** An HOA will be formed to maintain the open space/slope lots, parks, guard gates, HOA offices, community landscaping and hardscape, and the private and future streets. A preliminary HOA budget is to be provided during the Feasibility Period.
- CFD/Tax Information:** The project will be subject to the following two CFDs:
- (1.) The Mountain Recreation and Conservation Authority, leaving a special tax with approximately \$250 per lot per year
 - (2.) Additionally, a Community Facilities District will be formed to finance facilities and have a special tax of no greater than .35%.
- Brokerage Fee:** The Seller shall pay Park Place Partners, Inc. a brokerage fee pursuant to a separate agreement. No cooperating brokerage fees will be offered.
- Comments:**
- Deerlake Ranch has excellent access via freeway to Southern California's major employment centers. The site is 7.6 miles west of Interstate 405, and 9.4 miles west of Interstate 5. The Ventura Freeway (US 101) is approximately 7.5 miles south on Topanga Canyon Boulevard.
 - According to a recent report completed by the Concord Group, Deerlake Ranch compares on a more or less equal basis with luxury new home product currently selling in the San Fernando Valley. These communities include: Porter Ranch (Northridge), Indian Oaks (Chatsworth), The Oaks of Calabasas (Calabasas), and Aliso (Granada Hills). Furthermore, it is anticipated that all but Porter Ranch will be substantially sold out by the time Deerlake Ranch homes are on the market. Porter Ranch, which is located directly east of Deerlake Ranch, will offer a slightly less upscale lifestyle and product than those of Deerlake Ranch.
 - Deerlake Ranch presents the last opportunity to build homes in a major new upscale community located in the rural hills of the San Fernando Valley.
 - 50% of the lots within Deerlake Ranch will be over 15,000 square feet. 55 of these lots, all within Neighborhood I, are designated for "horse keeping".

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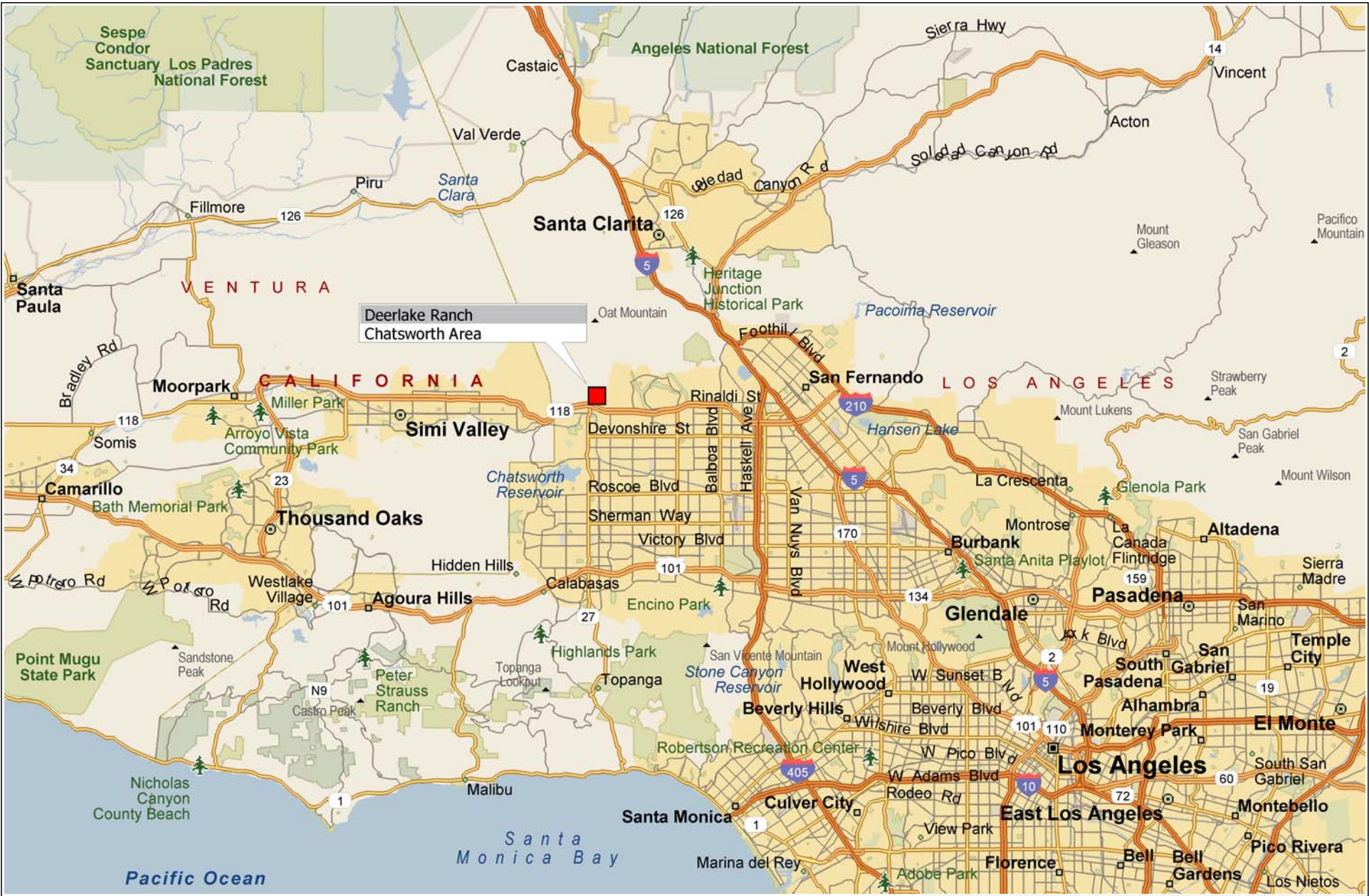
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Terms and Conditions

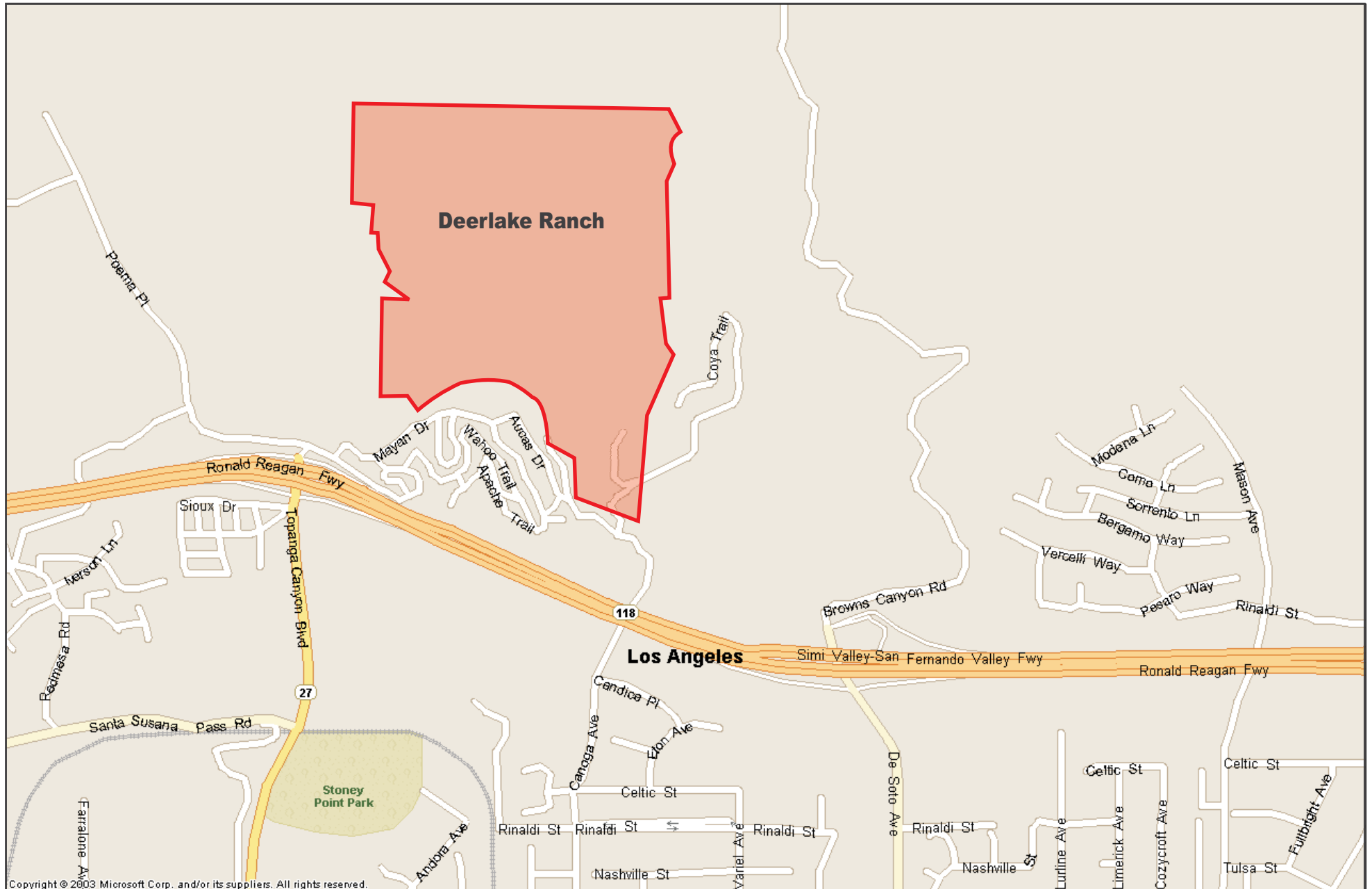
- Letter of Intent:** A non-binding Letter of Intent shall be executed by both Buyer and Seller.
- Purchase Agreement:** Seller shall provide a Purchase Contract within ten (10) working days after the mutual execution of the Letter of Intent. Said contract will require Buyer to indemnify Seller against all homeowner liability without exclusion. Buyer and Seller shall attempt to have the Purchase Agreement executed by both parties, 15 days from received document.
- Purchase Price:** All cash
- Deposits:** The initial Deposit shall be equal to two percent (2%) of the anticipated Purchase Price paid at the Opening of Escrow and shall remain refundable during the Feasibility Period. An additional Deposit equal to thirteen percent (13%) of the agreed upon Purchase Price shall be paid at the expiration of the Feasibility Period and the total Deposit equal to fifteen percent (15%) of the agreed upon Purchase Price shall become non-refundable, released to Seller, and applicable to the Purchase Price.
- Opening of Escrow:** Upon delivery to the Escrow Officer of the (i) mutually executed Purchase Contract and (ii) the initial Deposit equal to two percent (2%) of the anticipated Purchase Price.
- Feasibility Period:** Buyer shall have a 30-day Feasibility Period in which to investigate all aspects of the property, including Title and the physical condition of the property. The Feasibility Period shall begin upon the mutual execution of a Letter of Intent.
- Close of Escrow:** Escrow to close upon delivery of “blue topped” lots in two phases for each neighborhood.
- Improvements at Close of Escrow:** Seller shall deliver the property in a “blue topped” condition, with interior streets (less final lift of asphalt), utilities, storm drains, and slope landscaping completed.
- Price Profit Participation (PAPA):** Seller shall be entitled to forty percent (40%) of gross house price increases, where the base price is equal to two (2) times the finished lot purchase price.
- Offers:** Written offers shall be due by 12:00 PM, Tuesday, April 4, 2006.
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| <u>Please send to:</u> | <u>or:</u> |
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Regional Map



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Local Map





Santa Susana Mountains

Porter Ranch

DEERLAKE RANCH

118

Ronald Reagan Freeway

Carrizo Bluffs

Desoto Avenue



Deerlake Ranch Tract Map Exhibit

