

Form 1: Applicant's Letter

New York City Housing Authority
Real Estate Development Department
90 Church Street, 5th Floor
New York, New York 10007
Attn: Executive Vice President & Chief Real Estate Officer

Re: Response to Pre-Qualified Partners Request for Qualifications

To Whom It May Concern:

This letter is being submitted in connection with my proposal ("Proposal") submitted in response to the Request for Qualifications ("RFQ") issued by the New York City Housing Authority ("NYCHA"). All terms not otherwise defined herein will have the same meaning as set forth in the RFP.

I have received, read, and understand the provisions of the RFQ. I understand that selection of an Applicant under the RFQ for disposition of the Properties and the development of the Project described in the RFQ will mean only that NYCHA will commence negotiations with such Applicant regarding the Project.

I recognize that any negotiations with NYCHA will be subject to the following terms and conditions:

1. The commencement of negotiations will not represent any obligation or agreement on the part of NYCHA, which may only be incurred or entered into by a contract of sale and deed(s) pursuant to which the Properties will be conveyed to the Selected Applicant that have been (i) approved as to form by NYCHA's Law Department; (ii) approved by the NYCHA Board and HUD; and (iii) duly executed by the Selected Applicant and NYCHA. The Negotiation Letter sent to the Selected Applicant will only indicate NYCHA's intention to commence negotiations, which may ultimately lead to the execution of such an agreement.
2. The Applicant will not have permission to enter upon the Properties, which permission will only be granted, if at all, in the form of a License Agreement duly executed by the Applicant and NYCHA. The execution of any such License Agreement, if it occurs, will only indicate that NYCHA has granted permission for the Applicant to enter onto the Properties for the limited purposes stated in the scope of work set forth therein, and will not indicate that NYCHA reached any other agreement with the Applicant regarding the Properties or the Project.
3. The following requirements must be satisfied prior to the disposition of the Properties:

- a. The Selected Applicant, any other potential grantee of the Properties, and their respective Principals must successfully undergo a background check concerning their suitability to do business with NYCHA.
 - b. The Properties will not be conveyed to any person or entity which, or to any entity with a Principal who: (i) has not fulfilled development responsibilities undertaken in connection with the City of New York (“City”), NYCHA, or other governmental entities, (ii) is in default on any obligations to NYCHA or the City, (iii) is a former owner of the Properties, or (iv) has lost real property to the City in tax or lien enforcement proceedings.
 - c. The price and other terms for the disposition of the Properties and the tax exemption(s) to be provided, if any, will be consistent with applicable NYCHA and City policies.
 - d. The Selected Applicant must execute legal documents in form and substance acceptable to NYCHA, and in form approved by NYCHA’s Law Department.
4. During negotiations, the Applicant must diligently, competently, and expeditiously comply with all requirements communicated to the Applicant by NYCHA.
5. The design of the Project must comply with any applicable NYCHA development requirements and guidelines.
6. The Applicant will be solely responsible for ensuring that the proposed Project and associated design and financing of the same shall be physically viable and economically feasible.
7. NYCHA may terminate negotiations with the Applicant at any time with or without cause. If negotiations are terminated by NYCHA, whether with or without cause, such termination will not give rise to any claim by the Applicant or its affiliates or contractors against NYCHA for damages, including, without limitation, for lost profits.
8. NYCHA is not obligated to pay, nor will it in fact pay, any costs or losses incurred by the Applicant at any time, including, but not limited to, the cost of: (i) any prior actions by the Applicant in order to respond to any selection process, or (ii) any future actions by the Applicant in connection with the negotiations, including, but not limited to, actions to comply with requirements of NYCHA or any applicable laws.

Very truly yours,

Signature

Title

Applicant

Date