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Mr. Patrick Lane
Manager
Project Implementation Division
Economic & Workforce Development Department
City of Oakland
250 Frank H. Ogawa Plaza, Suite 5313
Oakland, CA 94612

RE: LAKEHOUSE COMMONS JOINT VENTURE DEVELOPMENT PROJECT

Dear Patrick,

Thank you for your consideration, on behalf of the City of Oakland, to consider Zhong Rong International Trust Co. Ltd. ("ZRT") alongside the Behring Companies ("Behring") and UrbanCore Development LLC ("UrbanCore") to join the LakeHouse Commons development team. ZRT was established in 1987 and is one of the longest running diversified investment trust companies in China. As of the end of the 1st quarter of 2016, ZRT has over 1,947 employees. ZRT's primary business lines include financing of industrial and commercial enterprises (RMB 226.6 Billion or 35.42%), investment in financial institutions of RMB 219.63 Billion or 34.31%), securities investments (RMB 65.36 Billion or 10.21%), basic industries financing (RMB 84.12 Billion or 13.14%), real estate investment (RMB 40.35 Billion or 6.3%), and other minor investments (RMB 3.98 Billion or 0.62% of the entire portfolio).

Since the year 2013, ZRT has partnered with Behring to execute Chinese outbound investment opportunities in the San Francisco Bay Area. With specific regards to the LakeHouse Commons opportunity, we look forward to purposely contributing to the future growth of Oakland. We are currently in due diligence and committed to zealously mitigating obstacles and potential challenges. ZRT understands that the project is a priority to the local municipality due to its location, mixed income market position and the fact that the property is a City owned site. We are in constant communication with Behring and can assure the City of Oakland that the opportunity to invest is being pursued aggressively.

Subject to finalized partnership agreements, ZRT will co-invest alongside the Behring Companies whereas Behring will act as the managing partner and will be tasked with operating the local



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development and project management team. ZRT, as a non-managing partner will participate actively at the project level and will maintain supervision rights typical of this type of cooperation.

Through our due diligence, jointly with Behring, we understand that the project may reach a total investment of approximately USD 170 million and preliminary pre-development funds for design and engineering of approximately USD 4.6 million. These preliminary capital contributions are well within our capability and in immediately available funds outside of China. To that end, subject to final due diligence and in anticipation of our successful consideration by your office and the City of Oakland. On behalf of the partnership, please accept our financial reports for the year 2014 and 2015 as proof of capacity to pursue this project on behalf of the partnership and our ability to pursue development of the Project at once.

ZRT has devoted a substantial amount of resources at this anticipatory stage to mobilize and expedite investment into the project, I have tentative travel plans to visit Oakland during the first week Nov 2016 and look forward to meeting with the City, our partners and other involved parties to introduce ZRT and exemplify our commitment to the project. We are excited at the opportunity to be considered in developing the site and we look forward to establishing ZRT as a valuable asset to the community and the City of Oakland.

Sincerely,

Mr. Liu Hong Guang

Chief Executive Officer (Beijing)