THE FLATS - GEORGETOWN
1215 31st St NW Washington DC 20007

A Practicum By: Bentley Scott

May 2010
The Flats - Georgetown

Practicum Study Overview

This practicum has been assembled as a development proposal to satisfy the requirements of the development track for the MS in Real Estate program through the Edward St. Johns Department of Real Estate in the Carey Business School at Johns Hopkins University. This development proposal has been prepared for potential equity investors and financing institutions as a proposal to develop prime underutilized parcels in Georgetown into a mixed use project. This project entails planning, designing and building a multifamily building containing luxury row-homes and flats along with new construction of a commercial building fronting Georgetown’s M Street to be leased by the National Park Service and renovation of the historic Customs House office in the historic 1857 USPS building.

An LLC entity named Georgetown Flats LLC has been established and a partnership arrangement will be structured that allows the Developer to be the managing partner. The investors represented with investor equity will be silent partners with equity returns at a guaranteed non-compounded annual rate of return of 9% plus a 50% preferred equity return pari passu with the Developer entity. The developer will receive a fee of 5% of the project hard and soft costs.
Table of Contents

I. Executive Summary

II. Investment Overview
   Salient Investment Features
   Opportunities for Value Enhancement
   Property Overview and Historic Issues
   Site Aerial Photo
   Project Detail

III. Financial Information
   Loan Summary
   General Assumptions
   Financing Assumptions
   Equity Contribution and Anticipated Returns from the Development Budget
   Monthly Cash Flow Analysis and Lease Structuring
   Exit Strategy

IV. Project Construction and Design Overview
   Schedule
   Construction Cost Estimate
   Design Concept – Building Architectural Program
   Site Plan
   Parking Level Plan
   1st Floor Plan
   2nd Floor Plan
   3rd Floor Plan
   Elevation/Section

V. Market Data
   Georgetown Market Demographics
   Residential Markets – An Overview of Rental Properties
   Residential Markets – A Comparison of Fee Simple and Condominium Sales
   Georgetown Residential Unit Absorption and Market Forecasts
   Office Market Overview

VI. Practicum Findings

VII. Practicum Power Point Presentation

VIII. Appendices
   1. Georgetown Neighborhood Profiles/REIS Office Rental Comparables
   2. Purchase and Sale Agreement Template
   3. Title Assessments and Tax Records
   4. USPS Lease Agreement
   5. Residential Condominium and Fee Simple Comparables
   6. Condominium Agreement
   7. Construction Estimates and Comparisons
   8. Proforma Analysis
   9. Capital Markets Update (Summary of Market Financing Terms)
   10. Historic Preservation Covenant Language
Georgetown Flats LLC is pleased to offer interested parties the opportunity to invest in a new mixed use office and multi-family development in the Georgetown Historic District of Washington, DC known as 1215 31st St NW Washington DC 20007.

The prospective development site includes two parcels totaling 27,174sf (see Figure 1.1 above). The first parcel is the 14,850sf site (highlighted in red and labeled as parcel 0826 in Figure 1.1) currently located at 1215 31st St NW, housing the United State Post Office and Customs House which was built in 1857 through an Act of Congress. The second parcel is currently a parking lot totaling 14,484sf (labeled as parcels 0910 and 0873) located at 3053 M St NW. The parking lot is owned through irrevocable trust by the relatives of Richard Levy and is currently managed by Colonial Parking Systems. The USPS and Levy parcels are both currently under contract by Georgetown Flats LLC. The abutting property to the South at 3209 31st St NW is owned by an entity affiliated with Georgetown Flats LLC. This abutting property includes fee simple ownership of the 7' (seven foot) wide alleyway to the immediate south of the USPS site and was acquired as fee simple title from the District of Columbia. Ownership of the property abutting the USPS site gives Georgetown Flats LLC the right to entertain negotiations with USPS. The alleyway will become part of the development permitting a wide drive lane entrance into the structured parking deck. 3209 31st Street (highlighted in yellow) is encumbered by retail tenants and will not be incorporated into the development plan at this time.

The USPS site is extremely underutilized, housing a small retail unit and PO Box section, a 2700sf space need in a 7,752sf building above grade. The US Customs Service vacated the property in the
1970’s and the second floor has been vacant for over 30 years. The 1926 rear addition to the building is no longer utilized for mail carrier uses. The first floor of the building was renovated in 1997 and all asbestos was removed. USPS is interested in exploring development opportunities to maximize value of the site while retaining a retail condominium of 2700sf on the 1st floor of the 1857 structure. Georgetown Flats LLC believes the opportunity to add 10,000sf to the rear portion of the USPS site is a certain possibility with the removal of the 1926 addition. Likewise, the parking lot located off of M St is an underutilized site which had an interest from Safeway as a grocery store which fell through. The parcels are strategically located and comprise some of the last remaining undeveloped parcels in the Georgetown neighborhood along the main shopping thoroughfare of M St. This development will provide residences with covered parking spaces, which is a rare amenity in the area as most residents are required to navigate street parking.

The project will be completed in phases. During phase I the 0.356 acre USPS site and the 0.283 acre Levy site will be acquired and the design and approvals process will be completed within sixteen months. Phase I includes thorough review of the design by the ANC 2E neighborhood committee with approval by the Old Georgetown Board and review by the HPRB (Historic Preservation Review Board). The anticipated purchase price for both sites totals $5,949M calculated as $120 per developable FAR sf * 41,475sf of developable density + $972k for the second floor of the 1857 USPS building. After acquisition of the land parcels, Georgetown Flats LLC will immediately begin Phase II of the project, which involves the development of 8 two story row houses and 4 flats totaling 27,000 net sf along with 4,000sf in 2 detached housing units. The office space will include ground floor retail condominium fronting 31st St for USPS in the 1857 structure and an additional 2700sf of office space on the second floor of the 1857 building. The vacant area currently serving as the entrance to the parking area fronting M St will become a 3,775sf commercial space immediately adjacent to the Old Stone House to be leased by the National Parks Service as public facilities and offices for the Old Stone House site. Construction of the Flats at the Georgetown Post Office and Customs House is expected to begin in January 2012, with an expected delivery date of June, 2013. To accommodate the parking needs of the community, the project will include 1 level of structured parking at grade with Colonial Parking site and basement level of the USPS site, delivering 34 secure spaces. Total development costs are estimated to be $19,831,350 including interest carry, land, hard and soft costs associated with the deal.

Georgetown Flats LLC has secured a commitment from PNC Bank for a five year mini-perm construction loan at 70% loan-to-cost with an initial two year interest only period. At the conclusion of the 2 year period during construction, the loan reverts to interest plus principal payments with a 25 year amortization schedule and 90% of the sale proceeds of each unit due as repayment of the loan principal. Upon stabilization of the 3,775sf National Park Service space and 2700sf office suite above the Post Office the commercial space will be refinanced into a permanent debt mortgage based on stabilized income in December of 2013. The terms of the permanent mortgage financing are estimated to be 70% LTV of the stabilized value of the office units with a 10 year term and 25 year amortization period.

Georgetown Flats LLC has performed substantial market and demographic research of the Georgetown submarket. The research projects demand for multi-family residential units in 2013 will be extremely high because the market does not currently have any similar high-end luxury row condominium projects in the pipeline or under construction and all new construction units that meet the requirements of a luxury condominium buyer will have been absorbed within the market at the time of delivery. Georgetown Flats LLC has secured a letter of intent from the National Parks Service for 3,775sf of space located at 3053 M St next to the Old Stone House. Total market value of the 14 condominium units are projected to be $24,720,000 with sales pricing of approximately $870-950 per sf.
Overall, the project is a unique opportunity to develop an infill site in the bustling neighborhood of Georgetown, which has a niche market for high-end luxury multi-family residential units. Notwithstanding the recession, this project is ideally located and allows for structured parking spaces to be offered with each unit in a neighborhood which is well known for a difficult system of street parking. Some historic features of the property will contribute to the length of the planning and zoning process along with the option to proceed with a PUD, which will allow the neighborhood to have added involvement in the design. The project will deliver at a time when few projects will be coming on the market. Ownership of the parcel to the south by Georgetown Flats L.L.C with control of the Levy property to the East and USPS site provides Georgetown Flats L.L.C with an off-market development project.
II. Investment Overview

Salient Investment Features:

- Opportunity to purchase infill land in Georgetown which will accommodate high-end luxury multi-family units and office space.
- Located within one block of the M St Corridor within the Georgetown Historic District.
- The USPS building is a historic gem, built in 1857 it is one of the oldest all stone structures in the District of Columbia and will be an attractive gateway into the development.
- Levy and USPS parcels under contract for $5.949M.

- Current plans call for development of a 12 unit 3 story multi-family structure along with a 2 unit detached housing structure, a 3 story 3,775sf commercial building on M St for the National Park Service and renovation of the Customs House second floor office suite.
- Preliminary Planning Agreement in place and contract negotiated with parcel owners (USPS and Levy Family Trust).
- Residential units projected to sell quickly due to unique location and included parking space(s)/semi-private elevator access with each unit and additional amenities.
- Anticipated absorption of condominiums ranges from 1-2 units per month. Marketing will begin six months before construction is completed.

- USPS will lease 2700sf back for 2 years at a rate of $81,000NNN per year while construction is underway then title for the USPS retail condo will revert to USPS once construction is completed.
- Projections indicate an opportunity to sell all 14 condominium units within a 1 year timeframe from the completion of construction due to the location, parking amenity, small number of units and pre-marketing time available.

- An affiliate of Georgetown Flats LLC currently owns student housing units for Georgetown University students and plans to request designation of 2 units as low-income housing by special exception in order to meet the DC inclusionary zoning requirements for affordable housing.

Opportunities for Value Enhancement:

- Combined into one parcel, the developable site is 0.69 acres. It is currently zoned R-3 with a small portion fronting M Street zoned C-2A.
- The project includes 34 parking spaces at grade level with the current Levy parking site (minimal excavation is required which lowers costs) and will satisfy parking needs of 1 space per residential unit (14 spaces) as well as 4 spaces for USPS and an additional 16 spaces for tenant users.
- Upon completion of the project, forecasted sales prices for the residential units will be @$700-$950 per sf and commercial rent will be $30 NNN ($20/sf for the building plus $10/sf or $37,750 annually for 12 parking spaces) for the 3,775sf NPS space on M St and $20 (NNN) for the 2,700sf Customs House space on 31st St.
- Completed project will provide outstanding views of the NPS garden attached to the Old Stone House while providing luxury residential living with parking and amenities.

Property Overview and Historic Issues:

The proposed project will be comprised of parcels totaling 30,843 square feet (.695 acre site) currently utilized primarily as a surface parking lot, alleyway and USPS building. Phase I of the project involves procuring the land and approval of a development plan from the ANC-2E neighborhood board and Old Georgetown Board with oversight provided by the HPRB (Historic Preservation Review Board) and is expected to last through late summer of 2011.
The USPS property is listed in the National Register of Historic Places and is a designated Washington D.C. historic landmark requiring the completion of the Section 106 process by USPS to occur prior to the transfer of title or conceptualization and submittal of a design to the ANC-2E Neighborhood Council or other agencies for review and approval. USPS is wrapping up the federal requirements for transfer of a historic property in the Section 106 process and removal of the 1926 addition will be completed by the Buyer (Georgetown Flats LLC) while USPS holds title to the property. Georgetown Flats LLC will have a one year timeframe with a one year extension option to purchase the property. Closing will not occur until USPS has completed the Section 106 process and the required covenants are memorialized in a Memorandum of Agreement (MOA) allowing removal of the 1926 East addition to the USPS building. Once a MOA has been reached and signed by the consulting parties (which include DC SHPO), Georgetown Flats LLC will give USPS the required deposit which will go hard immediately. USPS will retain title for up to one year, during which time Georgetown Flats LLC may remove the East addition. A demolition permit is not required as the property will remain in Federal ownership until the addition has been removed. Once an acceptable MOA is obtained and signed by all parties, Georgetown Flats LLC will complete negotiations and begin closing procedures on the USPS and Levy parcels.

Potential development on each of the sites is listed in table 2.1 below. The setback for the multi-family building will be 20' from the façade of the historic 1857 USPS building. 5,653 sf of the multi-family building footprint will be on the USPS site while 6,680 sf will be on the Levy site. The first two floors of the main building will encompass a 10,333 sf building footprint and contain 8 two-level row house dwellings one the first and second floor. The third floor of the concrete structure will house 4 flats. The floor area for the detached stick framed units totals 2,000 sf on the northern portion of the Levy property.

<table>
<thead>
<tr>
<th>Site Development (density)</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Project SF on Levy Site</td>
<td>22040 (6,680sf floor plate)</td>
</tr>
<tr>
<td>Total Project SF on USPS site</td>
<td>19690 (excluding 2700sf USPS condo)</td>
</tr>
<tr>
<td>Total Project SF on M St site</td>
<td>3775 (1225 sf/footprint)</td>
</tr>
<tr>
<td>Total Developable SF (USPS/Levy site)</td>
<td>41475 sf</td>
</tr>
</tbody>
</table>

| Site Size - USPS | 14950 sf |
| Site Size - Alley | 962.5 sf |
| Site Size - Levy (without lot fronting M St.) | 11968 sf |
| Site Size - M St site | 3062.5 sf |
| Total Site Size | 30643 sf |

| Max. Footprint (Resid. - 60% for Resid. In R-3) | 16090 sf |
| Max. Footprint (M St - 40% for office in C-2A) | 1225 sf |

Developable Footprint per proposal for USPS site: 5653 gsf
Developable Footprint per proposal for Levy site: 6680 gsf
Total footprint for multifamily units: 12333 sf

The net rentable area on the second floor of the 1857 USPS building totals 2700 sf and 3,775 sf for the NPS building fronting M Street. Average comparable rental rates for small buildings are approximately $20 per sf of NNN depending upon location and property factors. The 2700 sf office space at 1215 31st St NW will be located on the second floor of the 1857 USPS building. With a total of 6,475 sf the achievable annual rent for the office is approximately $169,312 NNN or $20 per sf of NNN for the 2700 second floor office suite off of 31st St and $30 per sf of NNN ($20/sf for office space and $10/sf for parking) for the NPS space off of M St.

NET SELLABLE AREA
Table 2.2 below shows the average size, price and estimated sales dates of the 14 units. Units #1 and #2 are two level detached (from the main building) stick-framed row house units that will be finished with
less expensive finishes (standard quality appliances, fixtures and floor treatment). The remaining 12 units will be a concrete structure finished to the highest standards including the following amenities:

- Sub-Zero stainless appliances
- Chef's kitchen with 6 burner stove / translucent backlit marble counters
- Marble bathroom with soaking tub
- Green rooftop patio with kitchen and walk-out access to the Old Stone House Gardens
- 1 parking space per unit
- Selection of custom wall and flooring finishes
- Selection of custom lighting and plumbing fixtures
- Basement exercise room and theatre in 1857 USPS building

Figure 2.2 – Condominium Sales Projections
Projected timeframe to sell: 1.5 years (1 unit per month with sales beginning in January of 2013)
Estimated Market Value: $24,720,000
Substantial Completion Date: 05/01/13

Condominium Sales Projections

<table>
<thead>
<tr>
<th>Unit #</th>
<th>Type</th>
<th>Net SF</th>
<th>Target Closing Date</th>
<th>$ Per SF</th>
<th>Sale Price</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>1R/1.5BA + Den</td>
<td>2,000</td>
<td>13-Jun</td>
<td>700</td>
<td>$1,400,000.00</td>
</tr>
<tr>
<td>2</td>
<td>1R/1.5BA + Den</td>
<td>2,000</td>
<td>13-Nov</td>
<td>700</td>
<td>$1,400,000.00</td>
</tr>
<tr>
<td>3</td>
<td>2R/2.5BA</td>
<td>1,900</td>
<td>13-Oct</td>
<td>900</td>
<td>$1,710,000.00</td>
</tr>
<tr>
<td>4</td>
<td>2R/2.5BA</td>
<td>1,975</td>
<td>13-Sep</td>
<td>900</td>
<td>$1,687,500.00</td>
</tr>
<tr>
<td>5</td>
<td>2R/2.5BA</td>
<td>1,950</td>
<td>13-Aug</td>
<td>900</td>
<td>$1,755,000.00</td>
</tr>
<tr>
<td>6</td>
<td>2R/2.5BA</td>
<td>2,125</td>
<td>13-Jul</td>
<td>900</td>
<td>$1,912,500.00</td>
</tr>
<tr>
<td>7</td>
<td>2R/2.5BA</td>
<td>1,900</td>
<td>13-Jun</td>
<td>900</td>
<td>$1,710,000.00</td>
</tr>
<tr>
<td>8</td>
<td>2R/2.5BA</td>
<td>1,875</td>
<td>13-Dec</td>
<td>900</td>
<td>$1,687,500.00</td>
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<tr>
<td>9</td>
<td>2R/2.5BA</td>
<td>1,950</td>
<td>14-Feb</td>
<td>900</td>
<td>$1,755,000.00</td>
</tr>
<tr>
<td>10</td>
<td>2R/2.5BA</td>
<td>2,125</td>
<td>14-Mar</td>
<td>900</td>
<td>$1,912,500.00</td>
</tr>
<tr>
<td>11</td>
<td>2BR/2.5BA + Den</td>
<td>2,100</td>
<td>13-Jun</td>
<td>950</td>
<td>$1,995,000.00</td>
</tr>
<tr>
<td>12</td>
<td>2BR/2.5BA + Den</td>
<td>2,000</td>
<td>13-Jun</td>
<td>950</td>
<td>$1,900,000.00</td>
</tr>
<tr>
<td>13</td>
<td>2BR/2.5BA + Den</td>
<td>2,100</td>
<td>13-Sep</td>
<td>950</td>
<td>$1,995,000.00</td>
</tr>
<tr>
<td>14</td>
<td>2BR/2.5BA + Den</td>
<td>2,000</td>
<td>14-Jan</td>
<td>950</td>
<td>$1,900,000.00</td>
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<tr>
<td>Totals</td>
<td></td>
<td>26,900</td>
<td></td>
<td></td>
<td>$24,720,000.00</td>
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</table>

All units range in size from 1,875-2,125sf with 1 Bedroom/1.5 Bath + Den up to 2 Bedroom 2.5 Bath + Den. Units 3-10 will be 2 level 2 Bedroom 2.5 Bath row house style units with entry via shared elevator from the parking garage (only 2 units per floor will share an elevator) and additional (front door entry from the street) Units 11-14 will be one level units with 2 Bedrooms, 2.5 Baths + Den. Georgetown Flats LLC is working to incorporate a shared rooftop deck with outdoor kitchen into the design to allow additional space for entertaining.

All 14 units will be delivered with 1 assigned parking space. All CAM charges will be assessed through a hired property management company. CAM charges initially will start at $0.15 per sf/month without a reserve fund and will be readjusted accordingly with the direction of the resident condominium association. Each owner will own the interior walls as configured within the boundaries of the condominium agreement/title deed and will be jointly liable for all maintenance costs associated with
the upkeep of the building and grounds. The condominium association will be responsible for maintaining all common and shared areas (landscaping, elevators, etc) including the amenities housed in the basement of the historic USPS building, which will include a small home movie theater and exercise room available to the residents only.

Figure 2.2 above provides an overview of the 14 residential units along with square footage, anticipated sales pricing and target closing dates. Unit prices will range from $1.4M to $1.995M and will begin closing as early as June of 2013 upon receipt of a certificate of occupancy. Total estimated market value of the 14 units totals $24.720M and includes an allowance for selection of all fixtures and appliances by the Buyer.
III. Financial Information

Loan Summary
The development team has received a term sheet for a mini-perm construction loan and a permanent take-out loan. These terms are detailed below and are utilized in the pro-forma development model. The financing for the multi-family units will be through a mini-perm construction loan with an interest only term of 24 months before principal payments must be made (beginning in month 25). Upon completion of the project and stabilization has occurred, a permanent loan with a 10 year term will be in place at 70% LTV for the office condominium located on the second floor of the building located at 1215 31st St above the USPS Post Office and the 3,775sf NPS space fronting M St.

Mini-Perm Construction Loan (for the entire project including Customs House Renovation, NPS office and Residential space):
Lender: PNC Bank
Term: 60 Months
Amortization: Interest-Only for 24 months. Construction interest will accrue throughout the initial term of the loan and principal + interest payments will be due starting in month 25.
Interest Rate: LIBOR + 375 bps (LIBOR FLOOR of 1.75%)
Rate projected to average 5.50% during construction
Development Cost: $19,821,716
LTC: 70%
Loan Amount: $13,881,945
Amortization: 25 Years
*90% of the sales proceeds to be paid to the bank to release each unit
Non-recourse – bad boy carve outs

Permanent Loan (for the NPS and Customs House Office Space):
Lender: PNC Bank
Stabilized NOI: $169,312
Projected Value: $1,693,124
LTV: 70%
Interest Rate: 7% (3% LIBOR Floor + 350 bps spread and 50 bps origination fee)
Origination Fee: 0.5%
Term: 10-Years
Amortization: 25-Year Amortization
Projected Loan Amount: $1,185,187
Annual Debt Service: $100,520
General Assumptions:
Figure 3.1 below sets out the general assumptions. Estimates for rent growth were not calculated because the National Park Service lease will be a standard GSA lease with a flat rate. Likewise, assumptions for the lease signed with the office user for the Customs House space (on the second floor above the USPS retail condo) were included as a five year lease with no escalation. The assumed lender valuation cap rate is a conservative 10%, as is the terminal cap rate. Vacancy is adjusted with a very conservative 12% vacancy to reflect the higher than average vacancy (for Washington DC) across the Georgetown office market. Georgetown Flats LLC believes the Georgetown submarket provides a solid investment opportunity for luxury multi-family units and has calculated a very conservative market rate of $900 per sf for the condominium units, the sales of which may likely begin with pre-construction pricing rising above $1000 per sf. This is similar to the luxury residences on Water Street, built by Eastbanc, which have been selling at a rate of $1100-1300 per sf.

Selling costs for the office space are only 2% of the sales price, representing broker and legal support services and will not be financed out of the mini-perm loan proceeds. Georgetown Flats LLC plans to solicit buyers without the use of brokerage services for the office suites and additionally plans to assemble the purchase and sale agreement and provide due diligence material to the prospective buyer(s).

Figure 3.1 General Assumptions

<table>
<thead>
<tr>
<th>GENERAL ASSUMPTIONS</th>
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<tr>
<td>% Rent Growth</td>
<td>0.00%</td>
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<tr>
<td>Lender Valuation Cap Rate</td>
<td>10.00%</td>
</tr>
<tr>
<td>Terminal Cap Rate</td>
<td>10.00%</td>
</tr>
<tr>
<td>Vacancy</td>
<td>12.00%</td>
</tr>
<tr>
<td>Selling Costs (office)</td>
<td>2.00%</td>
</tr>
<tr>
<td>Selling Costs (residential)</td>
<td>5.00%</td>
</tr>
<tr>
<td>Hurdle Rate</td>
<td>15.00%</td>
</tr>
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Financing Assumptions:
Figure 3.2 below shows the financing assumptions for the project. The stabilized NOI for two triple net leases fully occupied (3,775sf space for NPS and 2700sf office suite) before calculating an additional 12% annual vacancy totals $169,312 in year 4. The stabilized NOI (without vacancy) adjusted with a 10% cap rate provides a value of $1,693,124 for the 6,475 sf of office space, which adjusted for a 70% loan to cost permanent mortgage, provides an applicable loan of $1,185,187. The net loan refinancing proceeds will be considered a cash gain at the beginning of year 4 to be distributed to investors. Total development costs are $19,821,716 and include the hard and soft costs; land and interest accrued for the mini-perm construction financing loan during the condominium sales period, but exclude sales and leasing commissions. Sales commissions total $1,236,000 and will be paid out of the closing proceeds of the units as they are sold.

Equity Contributions and Anticipated Returns from the Development Budget:
Figures 3.3 and 3.4 below shows the equity contributions against the development budget and anticipated returns. The cost of the project including sales commissions totals $21,057,716 or $507.22 per gross square foot. The total market value of the project including both office and multifamily units totals $26,191,747. The Developer’s equity contribution totals 10% of the required $5,949,000 equity investment, which is the purchase price of the land. The investor equity return will include a guaranteed non-compounded 9% annual rate of return plus a 50% pari passu share of the distributions. All equity
contributions are expected to be returned to the investors with interest and 50% profit sharing agreement by 2014.

Figure 3.2 – Financing Assumptions

<table>
<thead>
<tr>
<th>FINANCING ASSUMPTIONS</th>
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<tbody>
<tr>
<td><strong>Permanent Financing (Office only):</strong></td>
<td></td>
</tr>
<tr>
<td>Stabilized NOI</td>
<td>$ 169,312</td>
</tr>
<tr>
<td>Cap Rate</td>
<td>10.0%</td>
</tr>
<tr>
<td>Value</td>
<td>$ 1,693,124</td>
</tr>
<tr>
<td>Max LTV</td>
<td>70%</td>
</tr>
<tr>
<td>Min DSCR</td>
<td>1.15</td>
</tr>
<tr>
<td>LIBOR (Floor)</td>
<td>3.00%</td>
</tr>
<tr>
<td>Spread (50bps + 50bps origination fee)</td>
<td>4.00%</td>
</tr>
<tr>
<td>Note Rate</td>
<td>7.00%</td>
</tr>
<tr>
<td>Amortization</td>
<td>25</td>
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<tr>
<td>Applicable Loan</td>
<td>$ 1,185,187</td>
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<tr>
<td>DS Payment (Yr)</td>
<td>$ 100,520</td>
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<td>Actual LTV</td>
<td>70.00%</td>
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<tr>
<td>Actual DSC</td>
<td>1.68</td>
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| **Mini-Perm Construction Financing:** |  |
| Development Costs | $ 19,821,716 |
| LTC | 70% |
| LIBOR (Floor) | 1.75% |
| Spread | 3.75% |
| Note Rate | 5.50% |
| Applicable Loan | $ 13,875,201 |

(2 Yrs. Interest only - Principal + Interest payments begin in month 25)

| Construction Loan Term (yrs) | 5 |
| Interest Payment (Yr) | $ 763,136 |

Figure 3.3 – Project Financial and Equity Contribution Summary

<table>
<thead>
<tr>
<th>DEVELOPMENT BUDGET</th>
<th>Total</th>
<th>SF</th>
<th>% of Total</th>
<th></th>
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</thead>
<tbody>
<tr>
<td>Land</td>
<td>$5,603,000</td>
<td>100%</td>
<td>100.0%</td>
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<tr>
<td>Improvements</td>
<td>$ 11,253,000</td>
<td>57%</td>
<td>57.1%</td>
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<tr>
<td>Soft Costs</td>
<td>1,192,021</td>
<td>6%</td>
<td>6.0%</td>
<td></td>
</tr>
<tr>
<td>Financing/Carry Costs</td>
<td>864,215</td>
<td>4%</td>
<td>4.0%</td>
<td></td>
</tr>
</tbody>
</table>

| PROJECT COST | $ 13,821,716 | 477.92 | 180.0% |
| PROJECT COST (Incl. Sales Commissions) | 17,077,745 | 566.72 | 200.0% |

| MARKET VALUE (Incl. Land) | $17,172,955 |
| MARKET VALUE (Excl. Land) | $13,117,745 |

<table>
<thead>
<tr>
<th>OPERATING BUDGET (Office)</th>
<th>Year 1</th>
<th>Year 2</th>
<th>Year 3</th>
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<tbody>
<tr>
<td>Potential Lease Income</td>
<td>$197,244</td>
<td>$197,244</td>
<td>$197,244</td>
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<tr>
<td>Operating Expenses</td>
<td>$220,085</td>
<td>$200,085</td>
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<tr>
<td>Effective Gross Income</td>
<td>147,161</td>
<td>147,161</td>
<td>147,161</td>
<td></td>
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<tr>
<td>Operating Income</td>
<td>147,161</td>
<td>147,161</td>
<td>147,161</td>
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</tr>
<tr>
<td>Net Operating Income</td>
<td>147,161</td>
<td>147,161</td>
<td>147,161</td>
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</tr>
<tr>
<td>Operating Income (Net)</td>
<td>147,161</td>
<td>147,161</td>
<td>147,161</td>
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</tr>
<tr>
<td>Net Cash Flow (Deposits)</td>
<td>147,161</td>
<td>147,161</td>
<td>147,161</td>
<td></td>
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<tr>
<td>PERSONAL VALUE (Office Space)</td>
<td>Year 1</td>
<td>Year 2</td>
<td>Year 3</td>
<td></td>
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<tr>
<td>Cap Rate</td>
<td>5.0%</td>
<td>5.0%</td>
<td>5.0%</td>
<td></td>
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<tr>
<td>Gross Sales Proceeds</td>
<td>$1,271,747</td>
<td>$1,271,747</td>
<td>$1,271,747</td>
<td></td>
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<tr>
<td>Selling Costs</td>
<td>279,452</td>
<td>279,452</td>
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<tr>
<td>Net Sale Proceeds</td>
<td>942,295</td>
<td>942,295</td>
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</tr>
<tr>
<td>Total Rentable</td>
<td>1,482,312</td>
<td>1,482,312</td>
<td>1,482,312</td>
<td></td>
</tr>
<tr>
<td>Net Cash Flow</td>
<td>930,648</td>
<td>930,648</td>
<td>930,648</td>
<td></td>
</tr>
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</table>

<table>
<thead>
<tr>
<th>PROJECT CAPITALIZATION</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Contribution Loan</td>
<td>$13,870,201</td>
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<tr>
<td>Developer Debt</td>
<td>254,000</td>
</tr>
<tr>
<td>Investor Equity</td>
<td>(5,301,962)</td>
</tr>
<tr>
<td>TOTAL CF</td>
<td>$18,817,245</td>
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<tr>
<td>Developer Fee (Yr 3)</td>
<td>$2,798,871</td>
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<tr>
<td>Developer Fee (Yr 3)</td>
<td>$918,651</td>
</tr>
<tr>
<td>Developer Fee (Incl. Developer Fee)</td>
<td>50%</td>
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<tr>
<td>Return to Investors (Yr 3)</td>
<td>$58,140,625</td>
</tr>
<tr>
<td>Investor Equity</td>
<td>15.00%</td>
</tr>
</tbody>
</table>
With a total initial investor equity contribution of $5,351,863, the preferred return up to year 4 is projected to be $8,848,425 or a distribution of $3,496,502 ($2,172,210 of which is preferred return distributed pari passu) with an IRR of 16% to investors. The Developer equity contribution of $594,651 with the remaining 50% pari passu return and a development fee of 5% (or $618,851), the total return for the Developer excluding the development fee is $2,172,219 or an IRR of 59%. Total proceeds returned to the Developer including development fees, 50% profit sharing and the return of equity capital totals $3,385,722.

Financing carry costs begin accruing in Year 2 with the start of construction and draw-down of the mini-perm construction loan. Carry costs during the anticipated period of construction and sales and significant payment of principal occurring between June and December of 2013, with 90% of the sales price proceeds required as payment of principal totals $844,295. Net proceeds from refinancing of the office space into a permanent 10 year note with 25 year amortization occurring in early 2013 while anticipated sale of the office space occurs in late 2013 with a realization (as noted in Figure 3.3) of $315,646 in net cash from the sale.

**Figure 3.4 – Breakdown of Hard and Soft Costs, Financing Carry Costs and Land Acquisition**

<table>
<thead>
<tr>
<th>Uses</th>
<th>Notes</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Land Acquisition &amp; Development</td>
<td></td>
<td>$5,949,000</td>
</tr>
<tr>
<td>TOTAL LAND ACQUISITION &amp; DEV.</td>
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<td>$5,949,000</td>
</tr>
<tr>
<td>Hard Costs</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Multi-family Units</td>
<td></td>
<td>$10,058,000</td>
</tr>
<tr>
<td>NPS Space</td>
<td></td>
<td>$755,000</td>
</tr>
<tr>
<td>USPS and Office Space renovation</td>
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<td>$470,000</td>
</tr>
<tr>
<td>TOTAL HARD COSTS</td>
<td></td>
<td>$11,333,000</td>
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<tr>
<td>Soft Costs</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Developer Fee 5% of Hard and Soft Costs</td>
<td></td>
<td>$651,421</td>
</tr>
<tr>
<td>Sales Commissions (5% of sale price financed from Sales Proceeds)</td>
<td></td>
<td>$1,236,000</td>
</tr>
<tr>
<td>A/E, Misc Soft Costs Consult. Fees/Misc.</td>
<td></td>
<td>$1,054,000</td>
</tr>
<tr>
<td>TOTAL SOFT COSTS (excluding commissions)</td>
<td></td>
<td>$1,705,421</td>
</tr>
<tr>
<td>Financing/Carry Costs</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Financing Fee</td>
<td></td>
<td>$69,379</td>
</tr>
<tr>
<td>Legal Costs (Construction Loan)</td>
<td></td>
<td>$64,001</td>
</tr>
<tr>
<td>Construction Loan Capitalized Interest</td>
<td></td>
<td>$716,017</td>
</tr>
<tr>
<td>TOTAL FINANCING/CARRY COSTS</td>
<td></td>
<td>$844,295</td>
</tr>
<tr>
<td>TOTAL DEVELOPMENT COSTS</td>
<td></td>
<td>$19,821,716</td>
</tr>
</tbody>
</table>

**Monthly Cash Flow Analysis and Lease Structuring**

Figure 3.5 represents monthly cash flow analysis for the project. Georgetown Flats LLC has structured a contract with owners of the USPS and the Colonial Parking lot site for a dry closing (whereby a contract will be executed and deposit made with remaining proceeds to follow prior to transfer of title at a future time) to occur in December of 2010 with a 10% deposit due at closing and the remainder due in December of 2011. This project is currently in the design phase and is scheduled to begin construction in January of 2012. USPS will begin to leaseback space at the rate of $81,000 NNN for a 2 year period after, which title to the 2,700 SF USPS retail space will revert to USPS as an owned retail condominium. Georgetown Flats LLC will close on the Levy site simultaneously with the USPS closing and will also deliver a 10% deposit. From the date of the dry closing to the date of final payment and transfer of title
to Georgetown Flats LLC (12 month timeframe) Colonial parking will continue operating with all proceeds going to the Levy family trust until final payment is made by Georgetown Flats LLC in December of 2011. The Levy property owners will be responsible for all tax payments and maintenance repairs up to the date of final payment.

Figure 3.5 – Monthly Cash Flow Analysis
Monthly Cash Flow

<table>
<thead>
<tr>
<th>Time 0</th>
<th>Year 1 FY 2011</th>
<th>Year 2 FY 2012</th>
<th>Year 3 FY 2013</th>
<th>Year 4 FY 2014</th>
<th>Year 5 FY 2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Potential Gross INCOME:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>NPS</td>
<td>$ -</td>
<td>$ 49,482</td>
<td>$ 115,244</td>
<td>$ 115,244</td>
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<tr>
<td>Residential</td>
<td>$ -</td>
<td>$ 17,107,935</td>
<td></td>
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<tr>
<td>Offices</td>
<td>$ -</td>
<td>$ 37,000</td>
<td>$ 54,000</td>
<td>$ 54,000</td>
<td></td>
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<tr>
<td>UPS</td>
<td>$ -</td>
<td></td>
<td>$ 81,000</td>
<td>$ 81,000</td>
<td></td>
</tr>
<tr>
<td>Scheduled Base Rental Revenue</td>
<td>$ -</td>
<td>$ 81,000</td>
<td>$ 144,252</td>
<td>$ 167,244</td>
<td>$ 167,244</td>
</tr>
<tr>
<td>Potential Gross Income (POS)</td>
<td>$ -</td>
<td>$ 81,000</td>
<td>$ 144,252</td>
<td>$ 167,244</td>
<td>$ 167,244</td>
</tr>
<tr>
<td>Less: General Charges</td>
<td>$ -</td>
<td>$ (9,715)</td>
<td>$ (17,735)</td>
<td>$ (20,080)</td>
<td>$ (20,080)</td>
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<tr>
<td>Effective Gross Income (EGI)</td>
<td>$ -</td>
<td>$ 71,285</td>
<td>$ 144,252</td>
<td>$ 147,175</td>
<td>$ 147,175</td>
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<tr>
<td>OPERATING EXPENSES:</td>
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<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Common Area Maintenance</td>
<td>$ -</td>
<td>$ (1,248)</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Real Estate Taxes</td>
<td>$ -</td>
<td>$ (72,000)</td>
<td>$ (55,950)</td>
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<tr>
<td>Insurance</td>
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<td>$ (8,700)</td>
<td>$ (8,700)</td>
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<tr>
<td>CAM Expenses</td>
<td>$ -</td>
<td>$ 1,220</td>
<td>$ 600</td>
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<tr>
<td>Management Fee</td>
<td>$ -</td>
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<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Operating Expenses</td>
<td>$ -</td>
<td>$ (74,900)</td>
<td>$ (67,448)</td>
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</tr>
<tr>
<td>NET OPERATING INCOME (NOI)</td>
<td>$ -</td>
<td>$ 148,230</td>
<td>$ 169,312</td>
<td>$ 147,175</td>
<td>$ 147,175</td>
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<tr>
<td>NON-OPERATING EXPENSES:</td>
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<td></td>
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<tr>
<td>Total Non-Operating Expenses</td>
<td>$ -</td>
<td>$ (3,900)</td>
<td>$ (3,154)</td>
<td>$ (4,410)</td>
<td>$ (4,410)</td>
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<tr>
<td>Cash Flow Before Debt Service (CFS)</td>
<td>$ -</td>
<td>$ 144,270</td>
<td>$ 166,208</td>
<td>$ 142,761</td>
<td>$ 142,761</td>
</tr>
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<td>Total Multifamily Sale Consideration</td>
<td>$ -</td>
<td></td>
<td>$ 11,167,590</td>
<td>$ 7,065,000</td>
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<tr>
<td>Less Sales and Marketing Commissions</td>
<td>$ -</td>
<td></td>
<td>$ 871,876</td>
<td>$ 378,125</td>
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</tr>
<tr>
<td>Cash Flow Before Debt Service (Multi-family)</td>
<td>$ -</td>
<td>$ 16,299,625</td>
<td>$ 16,443,952</td>
<td>$ 10,694,375</td>
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<tr>
<td>TOTAL CASH FLOW BEFORE DEBT SERVICE</td>
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<td></td>
<td></td>
<td></td>
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<tr>
<td>Mini-Perm Loan Debt Paid</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Interest Payment</td>
<td>$ (323,442)</td>
<td>$ (417,475)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Principal Payment</td>
<td>$ -</td>
<td>$ (13,257,488)</td>
<td></td>
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</tr>
<tr>
<td>Permanent Loan</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Interest Payment</td>
<td>$ -</td>
<td>$ (97,289)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Principal Payment</td>
<td>$ -</td>
<td>$ (18,131)</td>
<td></td>
<td></td>
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</tr>
<tr>
<td>Total Debt Service</td>
<td>$ (390,442)</td>
<td>$ (14,304,789)</td>
<td>$ (199,209)</td>
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<tr>
<td>CASH FLOW AFTER DEBT SERVICE (Cfas)</td>
<td>$ -</td>
<td>$ 420,718</td>
<td>$ 2,448,875</td>
<td>$ 2,227,197</td>
<td>$ 142,761</td>
</tr>
</tbody>
</table>

DEVELOPMENT COSTS:

| Land | $ (584,651) | $ (5,690,030) | $ - | $ 0 | $ 0 |
| Multi-family Units | $ (8,492,230) | $ (2,830,710) | $ - | $ 0 | $ 0 |
| AEK, Mkt Sft Cst | $ (785,955) | $ (265,405) | $ - | $ 0 | $ 0 |
| Developer Fee | $ 884,196 | $ (156,778) | $ - | $ 0 | $ 0 |
| Financing Fee | $ 71,881 | $ - | $ - | $ 0 | $ 0 |
| Legal Cost (Construction Loan) | $ 16,005 | $ - | $ - | $ 0 | $ 0 |
| Total Development Costs | $ (584,651) | $ (5,690,030) | $ (3,726,925) | $ (2,426,960) | $ 0 | $ 0 |

Mini-Perm Construction Loan Proceeds | $ 0 | $ 0 | $ 0 | $ 0 | $ 0 |
Monthly Mini-Perm Payment | $ 6,807,442 | $ 3,249,158 | $ 0 | $ 0 | $ 0 |
Net Interest Rate (Calculate to be used in line 51) | $ 6,807,442 | $ 3,249,158 | $ 0 | $ 0 | $ 0 |
Ending Loan Balance | $ 0 | $ 0 | $ 0 | $ 0 | $ 0 |
Net Refinance Proceeds | $ 0 | $ 0 | $ 0 | $ 1,15,187 | $ 0 |
Net Sale Proceeds | $ 0 | $ 2,088,737 | $ 37,814,583 | $ 0 | $ 0 |

NET CASH FLOW | $ (584,651) | $ (5,690,030) | $ (3,726,925) | $ (2,426,960) | $ 0 | $ 0 |
The FLATS - GEORGETOWN

The 6,775sf of office space will be available for occupancy beginning in July of 2013 (though Georgetown Flats LLC will begin locating a tenant in January of 2013) with anticipated certificate of occupancy obtained in June of 2013. Condominium pre-construction sales will begin in January of 2013 with closings occurring in June of 2013 for all units sold between the January and May timeframe (prior to obtaining the certificate of occupancy). All remaining units will close within 30 days of the executed contract with the standard home warranty agreement provided to the homebuyer.

Exit Strategy:
Figures 3.5 and 3.6 describe the anticipated exit strategy for the project and detail the proceeds of investor and developer equity participation. Georgetown Flats LLC is approaching the project with an optimistic and conservative short position and believes the greatest return on investment will be realized through immediate sale of the multi-family and office assets upon stabilization. Georgetown Flats LLC projects sales of the multi-family units to begin in January of 2013 with substantial completion occurring in late spring of 2013. The projected rate of unit sales is approximately 1 unit per month.

Proceeds from refinancing of the office space into a permanent mortgage will occur in January of 2014 totaling $1,185,187. The marketing for sale of 6,475sf of fully leased office space will occur in late 2013 and closing is expected to occur by December of 2014. Expected net proceeds from the sale of the office space according to figure 3.6 below totals $315,546. With the anticipated sale of 10 units totaling $17,157,500 (before sales commissions) occurring in 2013 and 90% of sales proceeds going towards principal payments, the mini-perm construction loan will be paid off in November of 2013. Georgetown Flats LLC anticipates net sales proceeds in 2013 totaling $2,669,737 which will be paid at the end of the calendar year to investors covering interest accrued from initial equity contributions dating to December of 2010 and the remainder will be used to pay the balance of the investor equity contribution.

**Figure 3.6**

| Sale Proceeds Calculator (NPS/Customs House Office) - Sell End of Year 4 |
|---------------------------------|------------------|
| **NOI - Year Forward (Year 4)** | $147,175 |
| **Reversion Rate**             | 10.00% |
| **Gross Value**                 | $1,471,747 |
| **Less: Cost of Sale**          | ($25,425) |
| **Net**                         | $1,442,322 |
| **Less: Debt Retirement**       | ($1,126,768) |
| **Net Sale Proceeds**           | $315,546 |

**Equity Return Calculator (Multi-family NPS/Customs House Office) - Sell Years 3-4**

| Total Investor Equity Contribution | $5,351,863 |
| Sum Returned to Investors (Yr. 3-4) | $8,848,425 |
| Investor IRR | 26.00% |

| Total Developer Equity Contribution | $594,651 |
| Sum Returned to Developer (Yr 4) | $2,785,871 |
| Total Developer Fee (Yr. 2-3) | $618,851 |
| Developer IRR (including Development Fee) | 59% |

The year 2014 will additionally realize the sale of 4 residential units with net cash proceeds paid to investors for the remaining interest balance (if any has carried over from the previous year) and return of the remaining equity contributions plus provide a pari passu preferred return of $2.172M. The total amount returned to investors on a $5,351,863 investment within a four year window will be approximately $8,848,425 or an internal rate of return totaling 16%.
IV. Project Construction and Design Overview

Schedule:
A detailed construction schedule is included in Figure 4.1. The anticipated construction timeframe for this 3 story building with 34 parking spaces is sixteen months. An aggressive schedule to complete design documents and complete the subdivision and PUD application process is underway with an anticipated completion by mid to late summer of 2011. The PUD process will begin with a filing for application of consolidated PUD review prior to closing with an anticipated timeframe of 10-12 months. An aggressive schedule to achieve 90% architectural drawings and begin the preconstruction process overlaps with the demolition, excavation and garage construction activities. Application for a demolition permit will be filed by mid-late summer of 2011 and a building permit application will be filed in fall of 2011. The schedule for all approvals and permitting totals 16 months. The schedule for design and construction totals an additional 16 months for a total of 32 months.

<table>
<thead>
<tr>
<th>Preliminary Construction Timeline - Figure 4.1</th>
</tr>
</thead>
<tbody>
<tr>
<td>Timing Assumptions (duration in months)</td>
</tr>
<tr>
<td>Design</td>
</tr>
<tr>
<td>DDs</td>
</tr>
<tr>
<td>CDs</td>
</tr>
<tr>
<td>Approvals</td>
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<tr>
<td>PUD Process</td>
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<tr>
<td>Permits</td>
</tr>
<tr>
<td>Demo Permit</td>
</tr>
<tr>
<td>Excavation Permit</td>
</tr>
<tr>
<td>Foundation to Grade Permit</td>
</tr>
<tr>
<td>Building Permit</td>
</tr>
<tr>
<td>Construction</td>
</tr>
<tr>
<td>Demolition &amp; Abatement</td>
</tr>
<tr>
<td>Site Work</td>
</tr>
<tr>
<td>Garage Construction</td>
</tr>
<tr>
<td>Foundation to Grade</td>
</tr>
<tr>
<td>Building Construction</td>
</tr>
<tr>
<td>Total Building Construction</td>
</tr>
</tbody>
</table>

Construction Cost Estimate/Analysis:
A detailed quantitative analysis of the building construction costs obtained from historical data of comparable building projects is included in Figure 4.2 below. Final numbers will be obtained and contract awarded via a Guaranteed Maximum Price competitive bidding process among qualified construction contractors. The average cost per parking space is padded with an estimate of $38,500 per
space ($123.00 per square foot), which includes the green roof for the roof deck and other materials required to blend into the Georgetown historic district. The average cost per square foot for the Monument Ballpark below grade parking structure totaled $90.00 per sf. Likewise the Georgetown Flats project is anticipating a construction premium for parking however believes the actual cost will be revised downward. The development team has insulated the construction budget for site work in this difficult site by including a 70% premium which may be reduced in the construction bidding process.

The two multi-family structures vary significantly. Twelve units are part of the three level above grade concrete structure with a stone/brick and glass façade built over the concrete podium. Two units are two-level stick framed structures built at grade with the parking level mat slab rising one story above the parking deck. Total loaded costs per square foot for the 12 unit multi-family structure is $241.81 per square foot, the two unit detached stick framed structure totals $184.75 per square foot. Total costs for the parking structure is $123.23 per sf, site work costs total $15 per sf. Grand totals for loaded costs of the 12 unit building equal $301.62 per square foot while the 2 unit building totals equal $184.00 per sf.

### Preliminary Construction Cost Estimate - Figure 4.2

<table>
<thead>
<tr>
<th>Pricing Type</th>
<th>GMP</th>
<th>Georgetown Flats (Stick Frame Units)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Project Date</td>
<td>12/1/2011</td>
<td>12/1/2011</td>
</tr>
<tr>
<td>No. Condo Levels</td>
<td>3 Flr</td>
<td>2 Flr</td>
</tr>
<tr>
<td>No. Units</td>
<td>12 Units</td>
<td>2 Units</td>
</tr>
<tr>
<td>Skin Area</td>
<td>11,000 SF</td>
<td>3,600 SF</td>
</tr>
<tr>
<td>Garage GSF</td>
<td>11,200 SF</td>
<td>0 SF</td>
</tr>
<tr>
<td>No. Garage Levels</td>
<td>1 Flr</td>
<td>0 Flr</td>
</tr>
<tr>
<td>Parking Space</td>
<td>24 Cars</td>
<td>0 Cars</td>
</tr>
<tr>
<td>Schedule</td>
<td>18.0 Mo.</td>
<td>18.0 Mo.</td>
</tr>
</tbody>
</table>

**SITWORK**

| Sub-Total | $451,600 | $14.57 /G.S.F. | $0 | $0.00 /A.C.G.S.F. |

**GARAGE**

| Sub-Total: Garage | $1,315,627 | $77.47 /G.S.F. | $0 | $0.00/DIV/0 /A.C.G.S.F. |

**RESIDENTIAL**

| Sub-Total: Structure | $784,000 | $23.29 | 65,333 | $70,000 | $17.50 | 35,000 |
| Sub-Total: Enclosure | $1,224,400 | $36.27 | 93,700 | $149,500 | $37.38 | 74,750 |
| Sub-Total: Interiors | $2,478,500 | $79.95 | 206,542 | $130,800 | $27.70 | 75,400 |
| Sub-Total: Elevators | $552,500 | $17.17 | 44,358 | $0 | $0.00 | 0 |
| Sub-Total: MEP | $2,226,300 | $71.82 | 185,325 | $151,000 | $37.73 | 137,500 |
| Sub-Total: Residential | $7,145,500 | $236.50 | 595,458 | $685,500 | $171.33 | 342,650 |
| Sub-Total: Direct Costs | $8,912,727 | $287.51 | 742,727 | $685,500 | $171.33 | 342,650 |
| General Requirements | $14,111,364,458 | $1,141 | 36,458 | $53,700 | $13.43 | 26,820 |
| Sub-Total: General Req'ment | $457,500 | $14.11 | 36,458 | $53,700 | $13.43 | 26,820 |
| Grand Total: Base Building | $9,350,227 | $301.62 | 779,186 | $759,000 | $184.75 | 369,500 |

**LOADED COSTS**

<table>
<thead>
<tr>
<th>G.S.F.</th>
<th>$/A.C.G.S.F.</th>
<th>$/Div/0</th>
</tr>
</thead>
<tbody>
<tr>
<td>SITWORK</td>
<td>$473,768</td>
<td>$13.28</td>
</tr>
<tr>
<td>GARAGE</td>
<td>$1,380,207</td>
<td>$123.23</td>
</tr>
<tr>
<td>RESIDENTIAL</td>
<td>$7,496,252</td>
<td>$241.81</td>
</tr>
<tr>
<td>Grand Total: Base Building</td>
<td>$9,350,227</td>
<td>$301.62</td>
</tr>
</tbody>
</table>
Analyses of comparable costs are noted in Figure 4.3 below with reference to the Monument Ballpark apartment building and Lionsgate condominium project. The Lionsgate property may have similar but somewhat lower quality of fit and finish that will be reflected to a higher degree in the Georgetown Flats development. Similar to Lionsgate Condominiums, the project will incorporate a selection of custom fixtures and appliances to be chosen by the Buyer. A generous credit of $35 per square foot for 12 units has been allotted in the estimate of interior construction costs to compensate for Buyer upgrades which have already been calculated in the sales price. Georgetown Flats LLC believes the liberal allowances provided for interior finishes far exceeds the actual costs and will improve the performance of the project. A similar but more economical set of finish choices has likewise been allocated for the 2 stick-framed detached row units. Figure 4.3 below provide a cost comparison against the Georgetown Flats project.

**Preliminary Construction Cost Estimate Comparison - Figure 4.3**

<table>
<thead>
<tr>
<th>Pricing Type</th>
<th>GMP</th>
<th>GMP</th>
</tr>
</thead>
<tbody>
<tr>
<td>Date of Pricing</td>
<td>Monument Ballpark (APTS)</td>
<td>Lionsgate Condos</td>
</tr>
<tr>
<td>7/7/2008</td>
<td>5/21/2005</td>
<td></td>
</tr>
<tr>
<td>Residential GSF</td>
<td>Res. GSF</td>
<td>367,727 SF</td>
</tr>
<tr>
<td>No. Levels</td>
<td>Res. Levels</td>
<td>21 Flr</td>
</tr>
<tr>
<td>No. Units</td>
<td>No. Units</td>
<td>340 Units</td>
</tr>
<tr>
<td>Skin Area</td>
<td>Skin</td>
<td>SF</td>
</tr>
<tr>
<td>Garage GSF</td>
<td>Garage GSF</td>
<td>207,339 SF</td>
</tr>
<tr>
<td>No. Garage Levels</td>
<td>Garage Levels</td>
<td>3 Flr</td>
</tr>
<tr>
<td>Parking spaces</td>
<td>Parking</td>
<td>567 Cars</td>
</tr>
<tr>
<td>Schedule</td>
<td>Duration</td>
<td>24.0 Mo.</td>
</tr>
</tbody>
</table>

**SITEWORK**

| SUB-TOTAL: SITEWORK | $3,890,000 | $10.58 /C.GSF | $2,332,939 | $8.01 /C.GSF |

**GARAGE**

| SUB-TOTAL: GARAGE | $18,464,488 | $89.05 /G.GSF | $8,174,697 | $74.02 /G.GSF |

**RESIDENTIAL**

<table>
<thead>
<tr>
<th>R/GSF</th>
<th>$/Unit</th>
<th>R/GSF</th>
<th>$/Unit</th>
</tr>
</thead>
<tbody>
<tr>
<td>SUB-TOTAL: STRUCTURE</td>
<td>$7,884,000</td>
<td>$21.44</td>
<td>33,188</td>
</tr>
<tr>
<td>SUB-TOTAL: ENCLOSURE</td>
<td>$10,745,922</td>
<td>$29.22</td>
<td>31,606</td>
</tr>
<tr>
<td>SUB-TOTAL: INTERIORS</td>
<td>$14,794,420</td>
<td>$40.23</td>
<td>43,513</td>
</tr>
<tr>
<td>SUB-TOTAL: ELEVATORS</td>
<td>$1,559,258</td>
<td>$4.24</td>
<td>4,586</td>
</tr>
<tr>
<td>SUB-TOTAL: MEP</td>
<td>$24,813,147</td>
<td>$67.48</td>
<td>72,980</td>
</tr>
<tr>
<td>SUB-TOTAL: RESIDENTIAL</td>
<td>$59,761,749</td>
<td>$162.61</td>
<td>175,873</td>
</tr>
<tr>
<td>SUB-TOTAL: DIRECT COSTS</td>
<td>$82,151,237</td>
<td>$237.30</td>
<td>241,621</td>
</tr>
</tbody>
</table>

**GENERAL REQUIREMENTS**

<table>
<thead>
<tr>
<th>R/GSF</th>
<th>$/Unit</th>
<th>R/GSF</th>
<th>$/Unit</th>
</tr>
</thead>
<tbody>
<tr>
<td>SUB-TOTAL: GENERAL REQ</td>
<td>$10,526,803</td>
<td>$28.63</td>
<td>30,961</td>
</tr>
<tr>
<td>GRAND TOTAL: BASE BUILDING</td>
<td>$92,678,040</td>
<td>$252.03</td>
<td>272,582</td>
</tr>
</tbody>
</table>

**LOADED COSTS**

<table>
<thead>
<tr>
<th>$/GSF</th>
<th>$/Unit</th>
<th>$/GSF</th>
<th>$/Unit</th>
</tr>
</thead>
<tbody>
<tr>
<td>SITEWORK</td>
<td>$4,388,462</td>
<td>$11.93</td>
<td>12,907</td>
</tr>
<tr>
<td>GARAGE</td>
<td>$20,830,515</td>
<td>$100.47</td>
<td>61,366</td>
</tr>
<tr>
<td>RESIDENTIAL</td>
<td>$67,459,063</td>
<td>$183.45</td>
<td>198,409</td>
</tr>
<tr>
<td>GRAND TOTAL: BASE BUILDING</td>
<td>$92,678,040</td>
<td>$252.03</td>
<td>272,582</td>
</tr>
</tbody>
</table>
Design Concept - Building Architectural Program Analysis:

- Figure 4.4 and 4.5 shows the site plan layout for the 14 unit building including structured garage parking spaces and 6,475sf of office space. The P-1 level of the parking garage is a mat slab with spread footings housing 34 parking spaces. The cast in place reinforced concrete structure above the parking deck will house three stories including 12 residential units. The R-3 zone does not limit parking requirements. The architectural program calls for 34 parking spaces allocated as 1 space per residential unit, 3 spaces per thousand square feet (12 total) for the 3,775sf C-2A space to house NPS, 4 spaces for USPS and 4 spaces for the second floor office space above the USPS condominium. The setback requirements for the C-2A zone and the property fronting M Street designate a zero lot line building. Additionally, the standard setback requirements in a residential zone include a 20" rear yard setback and 0 lot line for attached row houses. The proposed design calls for a rear setback from the historic USPS building to the East of 20 feet for any new development and likewise setback from the Eastern boundary of the Levy property 20 feet from the Eastern façade of the new project. Side yard setbacks will be proposed for approval by the zoning board during the PUD process. Restrictions on building height call for a maximum of 40 feet. The building height will not exceed 40 feet and the design will avoid overshadowing the historic 1857 USPS structure from 31st street through careful massing in the design of the building envelope. Scaled drawings of the design concept will be released in the following months.

Figure 4.4 - Site Design Overview:
Figure 4.5 - Project Details:

Project Completion Date: June 2013 (Projected)
Zoning: R-3 (residential dwellings) and C-2A (low density commercial)
Number of Floors: 3
Space Breakdown:
- Leased Office SF - M St 3,775
- Leased Office - 31st St 2,700
- Total Net SF Multifamily 26,900
- Total Gross SF Multifamily 35,000
- Building Core factor 77%
Parking: 1 level of garage parking @ 34 spaces/ floor
Foundation: Mat Slab with Concrete spread footings
Multi-family Building Structure: Cast In Place Concrete - 12 units /Wood Stick framing - 2 units
Loading Docks: Space to be provided on the North end of the USPS building next to the handicap ramp for loading
Roofing: Fully-adhered TPO white-membrane hipped pipe-framed rooftop deck concrete paver roofing system
Exterior Walls: Brick and stone with a custom glass curtain wall system
Windows: Custom glass curtain wall and custom framed double hung window
Electricity: Standard high and low-voltage distribution systems
HVAC Systems: Electric heating and cooling
V. Market Data

Georgetown Market Demographics:
The Georgetown market is an area covering approximately 750 acres contained within the 20007 zip code and is bordered by Rock Creek Parkway to the East, Georgetown University to the West, the Potomac River to the South and Burleith Park to the North. The average population of the Georgetown neighborhood, which is contained within a 0.5 mile radius neighborhood shown in Figure 5.0 below is approximately 8,154 people with 4,398 households. The median age within a 0.5 mile radius is 39.9 years of age and the average family size is 1.8. Average Household Income is approximately $166,308 with a median household income of $124,624. 88.9% of units are owner occupied and median household disposable income is $85,611 per year.

![Georgetown Neighborhood Boundaries](image)

Residential Markets – An Overview of Rental Properties:
The median list price for a sale in Georgetown is approximately $1,220,000 for properties ranging widely in age, condition and style. The average home value is $1,009,326 and the median value is $1,000,001. The rental market ranges widely as well from poorly conditioned properties in need of significant renovation (which are typically popular with Georgetown University students) to renovated single family row house units. Luxury apartment communities within the Georgetown neighborhood are not present due in part to the limitations of this historic district and the drastic difference between rental rates and sale prices as noted below in Figure 5.1. The trend in mid-rise concrete structures with below grade parking has fueled a flurry of development along the Georgetown waterfront, however, with condominium prices ranging upwards of $1300 per sf.

![Georgetown Residential Market Overview](image)

<table>
<thead>
<tr>
<th>No.</th>
<th>Property/ Type</th>
<th>Median Sale Price</th>
<th>Median Monthly Lease Rate (psf)</th>
<th>Size (psf)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Studio Unit</td>
<td>$329,000</td>
<td>$1,230</td>
<td>500-700sf</td>
</tr>
<tr>
<td>2</td>
<td>1 Bedroom</td>
<td>$525,000</td>
<td>$1,780</td>
<td>650-1000sf</td>
</tr>
<tr>
<td>3</td>
<td>2 Bedroom</td>
<td>$759,000</td>
<td>$2,515</td>
<td>1100-2000sf</td>
</tr>
<tr>
<td>4</td>
<td>3 Bedroom</td>
<td>$1,395,000</td>
<td>$3,750</td>
<td>1300-2500sf</td>
</tr>
<tr>
<td>5</td>
<td>4 Bedroom</td>
<td>$2,500,000</td>
<td>$6,000</td>
<td>1750-3000sf</td>
</tr>
<tr>
<td>6</td>
<td>Corporate Housing</td>
<td>$3,000</td>
<td>Varies</td>
<td></td>
</tr>
</tbody>
</table>
The difference between the rental price of a one bedroom unit is severely lower than the mortgage cost to carry the unit at market value (with rental rates at approximately 60% of the leveraged debt payment value of the unit for the carry cost of a fixed interest and principal payment on a 30 mortgage note). A typical landlord purchasing a unit in this neighborhood could likely expect to cover only 60% of the monthly mortgage payment through rental of the property leaving the remainder as an out of pocket expense. Similarly, a ground-up luxury apartment project would likely carry comparable rental rates as shown in figure 6.2 below. 1 Bedroom 1 Bath + Den and 2 Bedroom 2.5 Bath units with Den carry the highest rental rates of approximately $3.60 and 3.65 per net unit sf.

A comparison of six high-end luxury apartment communities is noted below in figure 5.2. The analysis compares units by number of bedrooms and contemplates average unit square footage, unit mix, average rent per unit per month and total rent per sf. Unit mix varies widely in Figure 5.2 among each of the six apartment buildings however unit size and rental rate was generally consistent.

Map Key: #1 - West End 25, #2 - 2400 M St, #3 - The Woodward, #4 - Flats at DuPont Circle, #5 - Westbrooke, #6 - The Jefferson at Thomas Circle

Figure 5.2 - Market Rental Statistics

<table>
<thead>
<tr>
<th>APARTMENT RENTAL COMPARABLES</th>
</tr>
</thead>
<tbody>
<tr>
<td>1Bed+1Bath</td>
</tr>
<tr>
<td>-----------</td>
</tr>
<tr>
<td>West End 25</td>
</tr>
<tr>
<td>Location</td>
</tr>
<tr>
<td>---------------------------</td>
</tr>
<tr>
<td>West End 25</td>
</tr>
<tr>
<td>2400 M St Apartments</td>
</tr>
<tr>
<td>Woodward Building</td>
</tr>
<tr>
<td>The Flats at DuPont Circle</td>
</tr>
<tr>
<td>Westbrooke Place</td>
</tr>
<tr>
<td>Jefferson at Thomas Circle</td>
</tr>
</tbody>
</table>

**Average Rate**: $3.60

### 2 Bed + 2 Bath + Den

<table>
<thead>
<tr>
<th>Location</th>
<th>Avg. Unit SF</th>
<th># of Units</th>
<th>Unit Rent</th>
<th>Rent/Sf</th>
</tr>
</thead>
<tbody>
<tr>
<td>West End 25</td>
<td>1300</td>
<td>10</td>
<td>$6,000</td>
<td>$4.00</td>
</tr>
<tr>
<td>2400 M St Apartments</td>
<td>1300</td>
<td>30</td>
<td>$4,400</td>
<td>$3.38</td>
</tr>
<tr>
<td>Woodward Building</td>
<td>1600</td>
<td>5</td>
<td>$6,000</td>
<td>$3.75</td>
</tr>
<tr>
<td>The Flats at DuPont Circle</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>Westbrooke Place</td>
<td>1300</td>
<td>10</td>
<td>$4,500</td>
<td>$3.46</td>
</tr>
<tr>
<td>Jefferson at Thomas Circle</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
</tbody>
</table>

**Average Rate**: $3.05

### 3 Bed + 2 Bath and/or Den

<table>
<thead>
<tr>
<th>Location</th>
<th>Avg. Unit SF</th>
<th># of Units</th>
<th>Unit Rent</th>
<th>Rent/Sf</th>
</tr>
</thead>
<tbody>
<tr>
<td>West End 25</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>2400 M St Apartments</td>
<td>1400</td>
<td>10</td>
<td>$4,200</td>
<td>$3.00</td>
</tr>
<tr>
<td>Woodward Building</td>
<td>1500</td>
<td>5</td>
<td>$5,500</td>
<td>$3.67</td>
</tr>
<tr>
<td>The Flats at DuPont Circle</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
</tbody>
</table>

**Average Rate**: $3.65
Residential Markets – A Comparison of Fee Simple and Condominium Sales Figures:

Residential single and multi-family dwelling units (compared in figures 5.3 and 5.4 below) have attributes that are noteworthy in assembling a space program and unit mix in a new development project within the Georgetown neighborhood. A random sampling of fee simple and condominium dwelling units proves that fee simple units are both larger in size and lower in price. Fee simple properties for sale within the immediate vicinity of the Georgetown Post Office and Customs House are listed on average for $810.00 per sf and contain 4 bedrooms and 4 bathrooms with an average size of 4,142 sf. Condominium units for sale within the immediate vicinity are roughly 2 bedroom/2 bathroom units with 1,586 sf and are listed on average for approximately $938.00 per sf.

According to market studies, the Georgetown residential market primarily comprises fee simple, single-family attached or detached units making up 58.4% of the market. The condominium market represents 35% of the units within Georgetown. The remaining 6% are either co-op units or other ownership structures.

Figure 5.3 – Residential Market Sales Comparables (Single Family Rowhouse)

<table>
<thead>
<tr>
<th>No.</th>
<th>Property Address</th>
<th>List Price</th>
<th>Price Per SF</th>
<th>Size (SF)</th>
<th>Bedrooms/Bathrooms</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>2908 N St NW</td>
<td>$2,950,000</td>
<td>$960.60</td>
<td>3071</td>
<td>5/3.5</td>
</tr>
<tr>
<td>2</td>
<td>3147 O St NW</td>
<td>$1,975,000</td>
<td>$807.44</td>
<td>2446</td>
<td>3/3.5</td>
</tr>
<tr>
<td>3</td>
<td>3047 N St NW</td>
<td>$1,150,000</td>
<td>$746.75</td>
<td>1540</td>
<td>3/2.5</td>
</tr>
<tr>
<td>4</td>
<td>3263 N St NW</td>
<td>$4,255,000</td>
<td>$678.59</td>
<td>6263</td>
<td>6/7</td>
</tr>
<tr>
<td>5</td>
<td>3327 Prospect St NW</td>
<td>$4,995,000</td>
<td>$991.07</td>
<td>5040</td>
<td>4/5</td>
</tr>
<tr>
<td>6</td>
<td>3319 Prospect St NW</td>
<td>$3,945,000</td>
<td>$798.10</td>
<td>4943</td>
<td>4/6</td>
</tr>
<tr>
<td>7</td>
<td>1250 31st St NW</td>
<td>$1,536,000</td>
<td>$969.70</td>
<td>1584</td>
<td>3/3</td>
</tr>
<tr>
<td>8</td>
<td>1248 31st St NW</td>
<td>$1,900,000</td>
<td>$611.72</td>
<td>3106</td>
<td>4/2</td>
</tr>
<tr>
<td>9</td>
<td>1215 35th St NW</td>
<td>$785,000</td>
<td>$785.00</td>
<td>1000</td>
<td>2/1.5</td>
</tr>
</tbody>
</table>

Average | $2,609,556 | $810.06 | 4142 | 4/4
Figure 5.4 below, Residential Market Sales Comparables for multi-family condominiums, notes the anomalies present in the Georgetown market amongst a variety of owned condominium units available for sale. The units at 3303 Water Street are symbolic of the level of finish and amenities that will be provided in the Georgetown Flats project, while the units at 2516 Q street though new are more traditional multi-family condominium units and do not provide parking, private elevator access or private entrance which greatly influences price through the willingness of clientele to make sacrifices to accommodate parking needs and convenience of access to units. Additionally, the building at 2516 Q St is further removed from the bustling M Street and Wisconsin Avenue area, residing along the Northern boundary of Georgetown.

<table>
<thead>
<tr>
<th>No.</th>
<th>Property Address</th>
<th>List Price</th>
<th>Price Per SF</th>
<th>Size (SF)</th>
<th>Bedrooms/Bathrooms</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>2516 Q St NW Unit Q205</td>
<td>$899,000</td>
<td>$749.17</td>
<td>1200</td>
<td>3/2</td>
</tr>
<tr>
<td>1</td>
<td>2516 Q St NW Unit E1</td>
<td>$639,000</td>
<td>$694.57</td>
<td>920</td>
<td>2/2</td>
</tr>
<tr>
<td>1</td>
<td>2516 Q St NW Unit Q305</td>
<td>$1,099,000</td>
<td>$742.57</td>
<td>1480</td>
<td>2/2</td>
</tr>
<tr>
<td>2</td>
<td>3251 Prospect St NW Unit R-312</td>
<td>$799,000</td>
<td>$660.33</td>
<td>1210</td>
<td>2/2</td>
</tr>
<tr>
<td>2</td>
<td>3251 Prospect St NW Unit #405</td>
<td>$549,000</td>
<td>$762.50</td>
<td>720</td>
<td>1/1</td>
</tr>
<tr>
<td>3</td>
<td>3320 Prospect St NW Unit #3</td>
<td>$1,995,000</td>
<td>$831.25</td>
<td>2400</td>
<td>2/2.5</td>
</tr>
<tr>
<td>4</td>
<td>3303 Water St NW Unit A-6</td>
<td>$2,899,000</td>
<td>$1,153.60</td>
<td>2513</td>
<td>2/2.5</td>
</tr>
<tr>
<td>4</td>
<td>3303 Water ST NW Unit G-7</td>
<td>$2,495,000</td>
<td>$1,306.97</td>
<td>1909</td>
<td>2/2.5</td>
</tr>
<tr>
<td>4</td>
<td>3303 Water ST NW Unit H-3</td>
<td>$2,300,000</td>
<td>$1,197.29</td>
<td>1921</td>
<td>2/2.5</td>
</tr>
<tr>
<td></td>
<td><strong>Average</strong></td>
<td><strong>$1,519,333</strong></td>
<td><strong>$958.03</strong></td>
<td><strong>1586</strong></td>
<td><strong>2/2</strong></td>
</tr>
</tbody>
</table>
Georgetown Residential Unit Absorption and Market Forecasts:
In the past 12 months, prices in the Georgetown residential markets have remained constant showing a
decline of only 6.2%. Average home sales range from 12 to 30+ sales per month in the current market.
Calculations for the rate of absorption were determined by multiplying the number of units for sale in the
project (fourteen) by the average monthly sales closings across the market. When fourteen is
multiplied by 12 and 30, the estimated numbers of units for sale on the market to obtain an absorption
rate of 1 unit per month totals between 168 and 420. Georgetown Flats LLC projects the project will
command an 8 percent share of the available market supply if the number of units totals 168 with sales of
12 units per month across the market (12 multiplied by 0.08 = 0.96 units per month). If supply rises
to 420 units the projected market share for the project totals 0.9 units per month or 30 multiplied by
0.03% for a total of 0.90 units sold per month. Using the calculations above, Georgetown Flats LLC
estimates an absorption rate of 1 unit per month.

With a steady population trend which has declined 6% since 2010 and only 3% since 1990, and minor
changes in real estate values during the recession period, Georgetown is expected to continue to be a
strong submarket with a continued high demand for luxury residential units.

Georgetown Office Market Overview:
The proposed 3,775 sf of office and public use space for the National Park Service fronting M Street and
2700sf office suite on the second floor of the historic 1857 USPS structure will achieve rates similar to
the market overview detailed below in Figure 5.5. Office data will be the primary driver for comparable
lease rates.

According to current REIS data, current full service (gross) asking rates in the Georgetown office
market range from $29.09 to $35.00 per sf with a -3.1% contract rent discount, 3.0 months of free rent
for an average 5 year lease with $25.77 in tenant improvements. The expense stop for taxes, utilities
and maintenance ranges between $9 and $22 per square foot so projected NNN lease rates will likely
range around $20 per sf.
Figure 5.5 – Lease Comparables:

<table>
<thead>
<tr>
<th>No.</th>
<th>Property/Location</th>
<th>Property Size</th>
<th># of Floors</th>
<th>Class</th>
<th>Vacancy</th>
<th>Full Service Asking Rates (psf)</th>
<th>Distance from Subject</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>1220 31st St NW</td>
<td>29000</td>
<td>5</td>
<td>BC</td>
<td>0%</td>
<td>$29.09</td>
<td>0.02</td>
</tr>
<tr>
<td>2</td>
<td>1211 Wisconsin Ave</td>
<td>36,500</td>
<td>5</td>
<td>BC</td>
<td>0%</td>
<td>$36.27</td>
<td>0.09</td>
</tr>
<tr>
<td>3</td>
<td>1115 30th St NW</td>
<td>22,500</td>
<td>4</td>
<td>BC</td>
<td>0.4%</td>
<td>$45.00</td>
<td>0.14</td>
</tr>
<tr>
<td>4</td>
<td>1901 29th St NW</td>
<td>12,800</td>
<td>3</td>
<td>BC</td>
<td>0.1%</td>
<td>$37.59</td>
<td>0.16</td>
</tr>
<tr>
<td>5</td>
<td>1023 31st St NW</td>
<td>27,800</td>
<td>5</td>
<td>BC</td>
<td>100%</td>
<td>$36.18</td>
<td>0.16</td>
</tr>
<tr>
<td>6</td>
<td>2222 N St NW</td>
<td>15,000</td>
<td>5</td>
<td>BC</td>
<td>21.8%</td>
<td>$28.00</td>
<td>0.17</td>
</tr>
<tr>
<td></td>
<td><strong>Average</strong></td>
<td><strong>23,933</strong></td>
<td><strong>4</strong></td>
<td><strong>BC</strong></td>
<td><strong>20%</strong></td>
<td><strong>$37.00</strong></td>
<td><strong>0.12</strong></td>
</tr>
</tbody>
</table>
VL PRACTICUM FINDINGS

This development proposal is impacted by a number of issues that have arisen during the course of the practicum study period relating primarily to historic status of the USPS building, use of the second floor space of the USPS building and acquisition of the Levy property.

The 1857 Post office and Customs House building has been altered over the past 150+ years to a significant degree. A tan brick addition was added to the North and East of the building in the 1920’s. In 1997 USPS renovated the building updating the building systems, gutting the 1926 addition to the East and removing the addition to the North. USPS has determined the East addition is not historically or architecturally significant.

As required by the Federal Section 106 Process for historic preservation, USPS notified the District of Columbia State Historic Preservation Officer (SHPO) of the intent to transfer title of the property to a developer and remove the East addition which is not significant or mentioned to a significant degree in the National Register nomination. The DC SHPO disagreed with the USPS determination. The lesson learned through this project is that in 2007 every federal entity completes the Section 106 process and removes any non-historic addition prior to beginning negotiations or talks with a developer and prior to investment in due diligence by the developer. If USPS had approached the DC SHPO with an undertaking defined as removal of the 1926 addition in order to re-size the building to meet the needs of USPS and restore the building to its original character, USPS would have likely received approval to move forward with this request. Upon completion of removal or the addition, USPS would subdivide property and sell the back parcel to a developer, retaining ownership of the 1857 structure. As of the final writing of this paper, USPS is appealing to the Secretary of the Interior to determine if the 1926 addition is eligible for listing in the National Register of Historic Places. If the determination affirms the eligibility of the 1926 addition, USPS will make an effort to remedy the removal of the addition. The final outcome is not known.

Additionally, as a result of the Section 106 process, the historic covenants will likely require the Developer to follow the U.S. Secretary of the Interior Standards for rehabilitation of the 1857 building. As a result, the Developer will be allowed to renovate the second floor to incorporate permanent walls as necessary for a residential use, or to include an elevator as both actions would likely significantly alter the significant features of the building interior. The practical solution is to cosmetically renovate the second floor as it currently stands (as an office area). ADA compliance will not be required due to the age of the building; however the ability to achieve a higher rent will be significantly handicapped without an elevator. The second floor office suite does have a private street entrance on the South side of the USPS building.

Another hurdle encountered for this project in addition to the result of the Section 106 process included dealings with the Levy family Trust. After lengthy and very preliminary negotiations the owner of the Levy property notified the development team stating he was not interested in selling the site unless paid a large sum of $10M. The owners of the Levy site (though not developers) likely desires to acquire the USPS property himself and develop it independently. Without the Levy property, a Buyer of the USPS site, if allowed to remove the 1926 addition, should subdivide the property and acquire only the remaining density (11,900sf) with the anticipation of building three units totaling 3,000sf each. The total cash outlay for the land at $120 per sf multiplied by 9,000sf equals $1,080,000. The second floor office space of the USPS building should be reconfigured at the sole expense of USPS for their uses. With three stick framed row units over a concrete parking podium loaded construction cost should total $301.75 per sf for hard costs and additional soft and carry costs of $75.00 per sf. The total costs to build three units totals $2,214M. Total development costs including the land, hard and soft costs for three units totals $7.8M. With an anticipated sales price of $850 per square foot, less a 5% selling commission, the total profit would be approximately $1,757,500 without the use of investor equity.
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1215 31st St NW Washington DC 20007

• Practicum Overview
  - This practicum has been assembled as a development proposal to satisfy the requirements of the development track for the JHU MS in Real Estate program.
  - This development proposal has been prepared for potential equity investors and financing institutions as a proposal to develop prime underutilized parcels in Georgetown into a mixed use project.

• Project Overview
  - An LLC entity named Georgetown Flats LLC has been established and a partnership arrangement will be structured that appoints the Developer as managing partner.
  - The investors represented with an equity investment will be silent partners with returns at a guaranteed non-compounded annual rate of return of 9% plus a 50% preferred equity return pari passu.

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April 2010
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Project Highlights

• Ideally located directly off of the main thoroughfare

• One block from the bustling M St corridor and amenities of Georgetown

• Assigned parking for residential units and office tenants

• Located in an isolated real estate market that has seen a 6.2% decline in value over the previous year

• Overlooking the scenic Old Stone House Gardens

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Site Plan

2 Affordable Units
12 Units
Parking Structure
(landscaped roof
deck of parking structure)
3,775sf NPS Office/
Public Use Space

2700sf Office Suite above USPS Condo

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1215 31st St NW Washington DC 20007
Two Phase Project Development

Phase 1: Land Acquisition, Design, Approvals and Permitting (16 months)

• Dry closing for $5.949&M on the USPS and Levy parcels for a combined 0.695 acre site (30,843 sq. ft.) - 10% down and remainder due by December of 2011.

• Review, comment and approval of the project by ANC-2E, Old Georgetown Board and Historic Preservation Review Board

• Completion of design documents, subdivision and PUD Process

• Building Construction Permitting

Phase 2: Construction and Marketing/Lease Up

• 16 month construction timeframe slated to begin in 2012 - total project cost including hard and soft costs, land and carry costs totals $19,821,716

• NPS has signed a 10 year lease at $30NNN per sf

• USPS will leaseback the 2700sf 1st floor retail space at 81,000 per year for two years and at the completion of construction will receive title of the retail condominium

• 2,700sf second floor office condo in the USPS building to be marketed in January of 2013 and leased by June of 2013 for $20NNN

• 14 residential multi-family units (27,000sf sellable) with a total value of $24,720,000 will go on sale 1/2013 with COO in June of 2013 -

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Unit Description and Amenities

### Condominium Sales Projections

<table>
<thead>
<tr>
<th>Unit #</th>
<th>Type</th>
<th>Net SF</th>
<th>Target Closing Date</th>
<th>$ Per SF</th>
<th>Sale Price</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>1R/1.5BA + Den</td>
<td>2,000</td>
<td>13-Jun</td>
<td>700</td>
<td>$1,400,000.00</td>
</tr>
<tr>
<td>2</td>
<td>1R/1.5BA + Den</td>
<td>2,000</td>
<td>13-Nov</td>
<td>700</td>
<td>$1,400,000.00</td>
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<tr>
<td>3</td>
<td>2R/2.5BA</td>
<td>1,900</td>
<td>13-Oct</td>
<td>900</td>
<td>$1,710,000.00</td>
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<tr>
<td>4</td>
<td>2R/2.5BA</td>
<td>1,875</td>
<td>13-Sep</td>
<td>900</td>
<td>$1,667,500.00</td>
</tr>
<tr>
<td>5</td>
<td>2R/2.5BA</td>
<td>1,950</td>
<td>13-Aug</td>
<td>900</td>
<td>$1,755,000.00</td>
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<tr>
<td>6</td>
<td>2R/2.5BA</td>
<td>2,125</td>
<td>13-Jul</td>
<td>900</td>
<td>$1,912,500.00</td>
</tr>
<tr>
<td>7</td>
<td>2R/2.5BA</td>
<td>1,900</td>
<td>13-Jun</td>
<td>900</td>
<td>$1,710,000.00</td>
</tr>
<tr>
<td>8</td>
<td>2R/2.5BA</td>
<td>1,875</td>
<td>13-Dec</td>
<td>900</td>
<td>$1,667,500.00</td>
</tr>
<tr>
<td>9</td>
<td>2R/2.5BA</td>
<td>1,950</td>
<td>14-Feb</td>
<td>900</td>
<td>$1,755,000.00</td>
</tr>
<tr>
<td>10</td>
<td>2R/2.5BA</td>
<td>2,125</td>
<td>14-Mar</td>
<td>900</td>
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<tr>
<td>11</td>
<td>2BR/2.5BA+Den</td>
<td>2,100</td>
<td>13-Jun</td>
<td>950</td>
<td>$1,995,000.00</td>
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<tr>
<td>12</td>
<td>2BR/2.5BA+Den</td>
<td>2,000</td>
<td>13-Jun</td>
<td>950</td>
<td>$1,900,000.00</td>
</tr>
<tr>
<td>13</td>
<td>2BR/2.5BA+Den</td>
<td>2,100</td>
<td>13-Sep</td>
<td>950</td>
<td>$1,995,000.00</td>
</tr>
<tr>
<td>14</td>
<td>2BR/2.5BA+Den</td>
<td>2,000</td>
<td>14-Jan</td>
<td>950</td>
<td>$1,900,000.00</td>
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<tr>
<td><strong>Totals</strong></td>
<td></td>
<td><strong>26,900</strong></td>
<td></td>
<td></td>
<td><strong>$24,720,000.00</strong></td>
</tr>
</tbody>
</table>

Amenities for units #3 - 14 include:
Sub Zero Stainless Appliances  
Chef’s kitchen with 6 Burner Stove / Translucent Backlit Marble Counters  
Marble Bathrooms with soaking tub  
Green Rooftop Gardens and Walk-out Access to the Old Stone House Gardens  
1 Parking Spaces per unit  
Selection of Custom Finishes  
Basement Exercise room/Theatre  
Floor to Ceiling Windows and Balconies, Semi-Private Elevator lobbies, Grand Foyer Street Entrances

GEORGETOWN FLATS LLC  
April 2010
## Construction Schedule

### Timing Assumptions (duration in months)

<table>
<thead>
<tr>
<th>Design</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>DDs</td>
<td>2 months</td>
</tr>
<tr>
<td>CDs</td>
<td>4 months</td>
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</table>

<table>
<thead>
<tr>
<th>Approvals</th>
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</thead>
<tbody>
<tr>
<td>PUD Process</td>
<td>10 months</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Permits</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Demo Permit</td>
<td>2 months</td>
</tr>
<tr>
<td>Excavation Permit</td>
<td>N/A</td>
</tr>
<tr>
<td>Foundation to Grade Permit</td>
<td>N/A</td>
</tr>
<tr>
<td>Building Permit</td>
<td>6.0 months</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Construction</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Demolition &amp; Abatement</td>
<td>.5 months</td>
</tr>
<tr>
<td>Excavation</td>
<td>1 month</td>
</tr>
<tr>
<td>Garage Construction</td>
<td>2 months</td>
</tr>
<tr>
<td>Foundation to Grade</td>
<td>.5 months</td>
</tr>
</tbody>
</table>

| Building Construction | 12 months |
| Total Building Construction | 16 months |
THE FLATS - GEORGETOWN

Construction Schedule

<table>
<thead>
<tr>
<th>Project Completion Date:</th>
<th>June 2013 (Projected)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Zoning:</td>
<td>R-3 (residential dwellings) and G2A (low density commercial)</td>
</tr>
<tr>
<td>Number of Floors:</td>
<td>3</td>
</tr>
<tr>
<td>Space Breakdown:</td>
<td>Leased Office SF—M St  3,775</td>
</tr>
<tr>
<td></td>
<td>Leased Office—31st St  2,700</td>
</tr>
<tr>
<td>Total Net SF Multifamily</td>
<td>26,900</td>
</tr>
<tr>
<td>Total Gross SF Multifamily</td>
<td>35,000</td>
</tr>
<tr>
<td>Building Core factor</td>
<td>77%</td>
</tr>
<tr>
<td>Parking</td>
<td>1 level of garage parking @ 34 spaces/ floor</td>
</tr>
<tr>
<td>Foundation:</td>
<td>Mat Slab with Concrete spread footings</td>
</tr>
<tr>
<td>Multi-family Building Structure:</td>
<td>Cast In Place Concrete—12 units / Wood Stick framing—2 units</td>
</tr>
<tr>
<td>Loading Docks:</td>
<td>Space to be provided on the North end of the USPS building next to the handicap ramp for loading</td>
</tr>
<tr>
<td>Roofing:</td>
<td>Fully-adhered TPO white membrane hipped peak/hip framed roof/green roof/roof top deck concrete paver roofing system</td>
</tr>
<tr>
<td>Exterior Walls:</td>
<td>Brick and stone with a custom glass curtain wall system</td>
</tr>
<tr>
<td>Windows: units</td>
<td>Custom glass curtain wall and custom framed double hung window</td>
</tr>
<tr>
<td>Electricity:</td>
<td>Standard high and low voltage distribution systems</td>
</tr>
<tr>
<td>HVAC Systems:</td>
<td>Electric heating and cooling</td>
</tr>
</tbody>
</table>

GEORGETOWN FLATS LLC

April 2010
THE FLATS - GEORGETOWN

Demographics and Residential Market Data

- The Georgetown residential market encompasses a 750 acre area and contains a population of 8,154 people with 4,898 households. The median sales price is $900,000 and the average listing price is 2.294M. The average sales price per square foot is $648.

- The project will include 14 residential units ranging in price from $1.4M to $1.995M (or $700-950 per sf)

  - The median sales price declined by 6.2% over the previous year.
  
  - Estimated closings range from 12 - 30 per month (17 sales occurred between February and April of 2010)
  
  - Expected absorption rate of 1 unit per month
  
  - Average number of residential properties currently on the market average 175 in the current market. Georgetown Flats LLC with 14 units available maintains a market share of 8% of new and previously owned properties. 17 units per month multiplied by 8 percent equals the absorption rate of 1.36 units per month
  
  - Single family attached and detached units comprise 58.4% of the residential mix in Georgetown while condominium units represent 35% of the mix.

GEORGETOWN FLATS LLC
# THE FLATS - GEORGETOWN

## Residential Market Data

<table>
<thead>
<tr>
<th>No.</th>
<th>Property Address</th>
<th>List Price</th>
<th>Price Per SF</th>
<th>Size (SF)</th>
<th>Bedrooms/Bathrooms</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>2516 Q St NW Unit Q205</td>
<td>$899,000</td>
<td>$749.17</td>
<td>1200</td>
<td>3/2</td>
</tr>
<tr>
<td>1</td>
<td>2516 Q St NW Unit E1</td>
<td>$639,000</td>
<td>$694.57</td>
<td>920</td>
<td>2/2</td>
</tr>
<tr>
<td>1</td>
<td>2516 Q St NW Unit Q305</td>
<td>$1,099,000</td>
<td>$742.57</td>
<td>1480</td>
<td>2/2</td>
</tr>
<tr>
<td>2</td>
<td>3251 Prospect St NW Unit R-312</td>
<td>$799,000</td>
<td>$660.33</td>
<td>1210</td>
<td>2/2</td>
</tr>
<tr>
<td>2</td>
<td>3251 Prospect St NW Unit #405</td>
<td>$549,000</td>
<td>$762.50</td>
<td>720</td>
<td>1/1</td>
</tr>
<tr>
<td>3</td>
<td>3320 Prospect St NW Unit #3</td>
<td>$1,995,000</td>
<td>$831.25</td>
<td>2400</td>
<td>2/2.5</td>
</tr>
<tr>
<td>4</td>
<td>3303 Water St NW Unit A-6</td>
<td>$2,899,000</td>
<td>$1,153.60</td>
<td>2513</td>
<td>2/2.5</td>
</tr>
<tr>
<td>4</td>
<td>3303 Water St NW Unit G-7</td>
<td>$2,495,000</td>
<td>$1,306.97</td>
<td>1909</td>
<td>2/2.5</td>
</tr>
<tr>
<td>4</td>
<td>3303 Water St NW Unit H-3</td>
<td>$2,300,000</td>
<td>$1,197.29</td>
<td>1921</td>
<td>2/2.5</td>
</tr>
</tbody>
</table>

**Average**

<table>
<thead>
<tr>
<th>List Price</th>
<th>Price Per SF</th>
<th>Size (SF)</th>
<th>Bedrooms/Bathrooms</th>
</tr>
</thead>
<tbody>
<tr>
<td>$1,519,333</td>
<td>$958.03</td>
<td>1586</td>
<td>2/2</td>
</tr>
</tbody>
</table>
THE FLATS - GEORGETOWN

Office Leasing Data

• Lease rates range from $29-$45 Full Service in comparable buildings
• Operating Expenses range from $6.90 - $14.00 per sf
• 2nd Floor office space in the USPS building is projected to lease for $20NNN
• NPS will lease at $30NNN ($20 for building plus $37,750 annually for 12 parking spaces or $10 per sf)

<table>
<thead>
<tr>
<th>No.</th>
<th>Property/Location</th>
<th>Property Size</th>
<th># of Floors</th>
<th>Class</th>
<th>Vacancy</th>
<th>Full Service Asking Rates (psf)</th>
<th>Distance from Subject</th>
</tr>
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<tbody>
<tr>
<td>1</td>
<td>1220 31st St NW</td>
<td>29000</td>
<td>5</td>
<td>BC</td>
<td>0%</td>
<td>$29.09</td>
<td>0.02</td>
</tr>
<tr>
<td>2</td>
<td>1211 Wisconsin Ave</td>
<td>36.500</td>
<td>5</td>
<td>BC</td>
<td>0%</td>
<td>$36.27</td>
<td>0.09</td>
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<td>3</td>
<td>1115 30th St NW</td>
<td>22.500</td>
<td>4</td>
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<td>1901 29th St NW</td>
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<td>3</td>
<td>BC</td>
<td>0.1%</td>
<td>$37.59</td>
<td>0.18</td>
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<tr>
<td>5</td>
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<td>5</td>
<td>BC</td>
<td>100%</td>
<td>$36.18</td>
<td>0.16</td>
</tr>
<tr>
<td>6</td>
<td>3222 N St NW</td>
<td>15.000</td>
<td>5</td>
<td>BC</td>
<td>21.8%</td>
<td>$38.00</td>
<td>0.17</td>
</tr>
<tr>
<td>AVERAGES</td>
<td></td>
<td>23,933</td>
<td>4</td>
<td>BC</td>
<td>20%</td>
<td>$37.00</td>
<td>0.12</td>
</tr>
</tbody>
</table>

GEORGETOWN FLATS LLC

April 2010
# THE FLATS - GEORGETOWN

## Financing Details and Assumptions

- 5 Year $19,821,716 Mini-perm Construction Financing at 70% LTC (interests only for 24 months)
  - 1.75% LIBOR Floor + 375 BPS
- 25 Year Amort. - Principal payments due beginning in month 25
- 90% of residential sales proceeds go towards payment of principal

### 10 Year Permanent Mortgage Loan (25 year Amort)

<table>
<thead>
<tr>
<th>FINANCING ASSUMPTIONS</th>
<th>Permanent Financing (Office only):</th>
</tr>
</thead>
<tbody>
<tr>
<td>Stabilized NOI</td>
<td>$169,312</td>
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<tr>
<td>Cap Rate</td>
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<tr>
<td>Value</td>
<td>$1,693,124</td>
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<tr>
<td>Max LTV</td>
<td>70%</td>
</tr>
<tr>
<td>Min DSCR</td>
<td>1.15</td>
</tr>
<tr>
<td>LIBOR (Floor)</td>
<td>3.00%</td>
</tr>
<tr>
<td>Spread (350bps + 50 bps origination fee)</td>
<td>4.00%</td>
</tr>
<tr>
<td>Note Rate</td>
<td>7.00%</td>
</tr>
<tr>
<td>Amortization</td>
<td>25</td>
</tr>
<tr>
<td>Applicable Loan</td>
<td>$1,185,187</td>
</tr>
<tr>
<td>DS Payment (Yr)</td>
<td>$100,520</td>
</tr>
<tr>
<td>Actual LTV</td>
<td>70.00%</td>
</tr>
<tr>
<td>Actual DSC</td>
<td>1.68</td>
</tr>
<tr>
<td>Max Loan Amount</td>
<td>$1,185,187</td>
</tr>
<tr>
<td>Monthly Payment</td>
<td>$8,377</td>
</tr>
</tbody>
</table>

### Mini-Perm Construction Financing:

- Development Costs: $19,821,716
- LTC: 70%
- LIBOR (Floor): 1.75%
- Spread: 3.75%
- Note Rate: 5.50%
- Applicable Loan: $13,875,201
- Construction Loan Term (Yrs): 5

(2 Yrs. Interest only - Principal + Interest payments begin in month 25)

GEORGETOWN FLATS LLC

April 2010
THE FLATS - GEORGETOWN

1215 31st St NW Washington DC 20007

Investment Structuring

-The Investor will contribute 90% of the required equity for the $5.949M land purchase and the Developer, Georgetown Flats LLC will contribute the remaining 10%. The Development fee will be 5% paid to the Developer.

- The investor will be guaranteed a 9% non-compounded preferred return to be paid before any distribution to Georgetown Flats LLC.

—The distributions to investors will be an 9% annual, non-compounded cumulative preferred return to be paid when the property is cash flow positive. The distribution to investors also provides for the return of equity at refinance or sale.

—The distributions (for repayment of equity investment) Georgetown Flats LLC will occur once the equity contributions from investors have been returned and all accumulated interest has been paid

—The remaining cash proceeds will be equitably split in 50% pari passu between the developer and investors.

The projected Internal Rate of Return (IRR) to the equity investor is 16.0%, based on a four-year holding period.

GEORGETOWN FLATS LLC

April 2010
# Financial Summary

## DEVELOPMENT BUDGET

<table>
<thead>
<tr>
<th>Component</th>
<th>Total</th>
<th>$/SF</th>
<th>% of Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Land</td>
<td>$5,949,000</td>
<td>$143.44</td>
<td>30.0%</td>
</tr>
<tr>
<td>Hard Costs</td>
<td>$11,232,000</td>
<td>$273.01</td>
<td>67.1%</td>
</tr>
<tr>
<td>Soft Costs</td>
<td>$1,705,421</td>
<td>$41.12</td>
<td>6.6%</td>
</tr>
<tr>
<td>Financing/Carry Costs</td>
<td>$144,296</td>
<td>$20.36</td>
<td>4.3%</td>
</tr>
<tr>
<td><strong>PROJECT COST</strong></td>
<td>$19,231,718</td>
<td>$477.92</td>
<td>100.0%</td>
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</table>

## OPERATING BUDGET (Office)

<table>
<thead>
<tr>
<th>Category</th>
<th>5 Year</th>
<th>Year 6</th>
</tr>
</thead>
<tbody>
<tr>
<td>Potential Gross Income</td>
<td>$167,244</td>
<td>$167,244</td>
</tr>
<tr>
<td>Less. Vacancy</td>
<td>($220,099)</td>
<td>($220,099)</td>
</tr>
<tr>
<td>Effective Gross Income</td>
<td>$147,175</td>
<td>$147,175</td>
</tr>
<tr>
<td>Less. Operating Expenses</td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td>NET OPERATING INCOME</td>
<td>$147,175</td>
<td>$147,175</td>
</tr>
<tr>
<td>Reserves/REI Mgt Fee</td>
<td>$4,415</td>
<td>$4,415</td>
</tr>
<tr>
<td>Debt Service</td>
<td>($100,520)</td>
<td>($100,520)</td>
</tr>
<tr>
<td><strong>NET CASH FLOW / (DEFICIT)</strong></td>
<td>$243,261</td>
<td>$142,769</td>
</tr>
</tbody>
</table>

## RESIDUAL VALUE (Office Space)

<table>
<thead>
<tr>
<th>Category</th>
<th>5 Year</th>
<th>Year 6</th>
</tr>
</thead>
<tbody>
<tr>
<td>Exit Cap Rate</td>
<td>10.00%</td>
<td>10.00%</td>
</tr>
<tr>
<td>Gross Sale Proceeds</td>
<td>$1,471,747</td>
<td>$1,471,747</td>
</tr>
<tr>
<td>Selling Costs</td>
<td>$29,435</td>
<td>$29,435</td>
</tr>
<tr>
<td>NET SALE PROCEEDS</td>
<td>$1,442,312</td>
<td>$1,442,312</td>
</tr>
<tr>
<td>Debt Refunded</td>
<td>($1,236,649)</td>
<td>($1,236,649)</td>
</tr>
<tr>
<td><strong>NET CASH FROM SALE</strong></td>
<td>$315,546</td>
<td>$337,900</td>
</tr>
</tbody>
</table>

## MARKET VALUE (Multifamily)

- **Expected Sales in 2013**: $17,157,500
- **Expected Sales in 2014**: $7,562,900

**Total Market Value of units 1-14**: $24,720,000

**MARKET VALUE (Office)**: $1,471,747

**PROJECT CAPITALIZATION**

- **Construction Loan**: $15,875,301
- **Developer Equity**: ($594,951)
- **Investor Equity**: ($5,551,883)
- **TOTAL COST**: $15,821,716
- **Sum Returned to Developer (Yr. 4)**: $2,708,677
- **Total Developer Fee (Yr. 2-3)**: $518,951
- **Developer IRR (including Development Fee)**: 50%
- **Sum Returned to Investors (Yr. 3-4)**: $8,848,425
- **Investor IRR**: 16.00%

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**GEORGETOWN FLATS LLC**

**April 2010**
THE FLATS - GEORGETOWN

Exit Strategy

- Georgetown Flats LLC is approaching the project with an optimistic and conservative short position and believes the greatest return on investment will be realized through immediate sale of the multi-family and office assets upon stabilization.

- Proceeds from refinancing of the office space into a permanent mortgage will occur in January of 2014 totaling $1,185,187.

- The marketing for sale of 6,475sf of fully leased office space will occur in late 2013 and closing is expected to occur by December of 2014.

- Expected net proceeds from the sale of the office space according totals $315,546.

- The 10 units totaling $17,157,500 occurring in 2013 with 90% going towards principal payments, the mini-perm construction loan will be paid off in November of 2013.

- The year 2014 will see the sale of 4 residential units with net cash proceeds paid to investors for the remaining interest balance (if any has carried over from the previous year) and return of the remaining equity contributions plus provide a pari passu preferred return of $2.172M.

- The total amount returned to investors on a $5,351,863 investment within a four year window will be approximately $8,848,425.

GEORGETOWN FLATS LLC

April 2010
THE FLATS - GEORGETOWN

Historic Issues

The 1837 Post Office and Customs House is a significant architectural feature of Georgetown and is one of the last Federally owned stone building standing in the District of Columbia.

Some of the historic processes addressed include:
- The Federal Section 106 Process for the USPS property (including community consultation)
- Demolition of the 1926 Rear Addition
- Completion of an MOA (Memorandum of Agreement) may need to occur prior to transfer outlining historic covenants and highlighting the US Secretary of the Interior Standards for renovation of the Historic 1857 structure
- Developer must abide by all covenants and obtain approval from OGB (CFA), ANC-2E, HPRB in regards to the projects design and if the 1926 addition is removed restore the 1857 structure to it's original condition which requires significant setbacks for any new structure

GEORGETOWN FLATS LLC

April 2010
Georgetown

Internationally known as a bustling entertainment center, a diner's delight and a retail mecca, Georgetown's business district thrives seven days a week, during the day and into the night. Residents mingle with students, city goers, suburbanites and tourists, all savoring the energy of this trendy district and its historic charm. Federalist architecture, historic brick and frame row houses, cobblestone streets and multimillion dollar mansions are the backdrop to this one-of-a-kind global destination. While the median household income tops $72,000, residents and visitors are eager to spend in the 'of-the-moment' stylish and exclusive shops down M Street and up and down Wisconsin Avenue. Retailers include Coach, Barney's Co-op, Ralph Lauren, Coop, Internix, Betsey Johnson, Apple (opening 2010), Baker Furniture, Design Within Reach, Dean & Deluca and a variety of locally owned boutiques.

Georgetown is also home to world-renowned Georgetown University and is within a 5-minute walk to George Washington University, bringing a combined student population of more than 34,000 to this already vibrant district.

The neighborhood is serviced by the Georgetown Business Improvement District, which enhances the area's transportation and parking management, public safety programs, streetscape décor and enrichment and manages the area's marketing and special events.

Because the neighborhood is the heart of luxury and boutique shopping, sitting at the center of high and fashion furnishings and restaurants.

The DC Circulator bus links Georgetown to Downtown, East End and Union Station, while the Georgetown Metro Connection connects M Streets to the Rosslyn and Dupont Circle Metrorail stations.

Georgetown is a designated DC Historic District, which enables qualified property owners of contributing commercial properties to access tax credits and other incentives to rehabilitate their space.

With over 3.8 million sq. ft. of office space, Georgetown boasts a steady stream of workplace traffic to retail and restaurants.

Over 1,725 hotel rooms are located within one mile of Georgetown, including the five-star Four Seasons hotel and a modern boutique the Carlton Hotel.

Georgetown hosts several events throughout the year including the Taste of Georgetown, the French Market, Momentum in Georgetown and an annual tree lighting and lighted boat parade at the waterfront.
### Subject Property Location
- **Address:** 1215 31st St NW
- **City:** Washington
- **State:** DC
- **ZIP:** 20007
- **Metro:** District of Columbia
- **Submarket:** Georgetown

### Subject Property Statistics
- **Property Type:** Office
- **Year Built:**
- **Site (SF):**

### Comparable Group Market Summary

<table>
<thead>
<tr>
<th>Comparable Group Summary Statistics</th>
<th>2019 Low</th>
<th>2019 Mean</th>
<th>2019 Median</th>
<th>2019 High</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current Asking Rent/SF</td>
<td>$29.09</td>
<td>$29.47</td>
<td>$30.62</td>
<td>$32.00</td>
</tr>
<tr>
<td>Current Vacancy Rate</td>
<td>0.9%</td>
<td>10.5%</td>
<td>6.2%</td>
<td>100.0%</td>
</tr>
<tr>
<td>Operating Expenses/SF</td>
<td>$6.25</td>
<td>$8.45</td>
<td>$14.73</td>
<td>$22.51</td>
</tr>
<tr>
<td>Real Estate Taxes/SF</td>
<td>$2.50</td>
<td>$1.23</td>
<td>$4.10</td>
<td>$8.30</td>
</tr>
<tr>
<td>Property Size (SF)</td>
<td>12,900</td>
<td>103,500</td>
<td>88,610</td>
<td>295,300</td>
</tr>
<tr>
<td>Year Built</td>
<td>1900</td>
<td>1920</td>
<td>1950</td>
<td>2000</td>
</tr>
</tbody>
</table>

As of 12/31/19

### Lease Terms

<table>
<thead>
<tr>
<th>Average Submarket Lease Terms</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contract Rent Discount</td>
<td>-3.1%</td>
</tr>
<tr>
<td>Base Rent (month/année)</td>
<td>3.3</td>
</tr>
<tr>
<td>Lease Length (years)</td>
<td>5.4</td>
</tr>
<tr>
<td>Tenant Improvements/SF</td>
<td>$25.77</td>
</tr>
<tr>
<td>Commissions</td>
<td>4.0%</td>
</tr>
</tbody>
</table>

As of 12/31/19
<table>
<thead>
<tr>
<th>Name</th>
<th>Current Asking Rent/SF</th>
<th>Current Vacancy Rate</th>
<th>Distance from Subject (miles)</th>
<th>Property Size (SF)</th>
<th>Year Built</th>
<th>Class</th>
<th>Data As Of</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hamilton Court</td>
<td>$23.09</td>
<td>0.06</td>
<td>0.02</td>
<td>29,000</td>
<td>1991</td>
<td>BC</td>
<td>12/31/09</td>
</tr>
<tr>
<td>1211 Wisconsin Ave NW</td>
<td>$36.27</td>
<td>0.01</td>
<td>0.09</td>
<td>35,500</td>
<td>1920</td>
<td>BC</td>
<td>12/31/09</td>
</tr>
<tr>
<td>Canal Square Building</td>
<td>$32.59</td>
<td>0.67</td>
<td>0.13</td>
<td>105,000</td>
<td>1900</td>
<td>BC</td>
<td>12/31/14</td>
</tr>
<tr>
<td>Jefferson Court</td>
<td>$40.21</td>
<td>0.09</td>
<td>0.11</td>
<td>166,000</td>
<td>1980</td>
<td>A</td>
<td>12/31/09</td>
</tr>
</tbody>
</table>
Rent Comparables

Subject Property Location
Address: Street address of the property as defined by the user.
City: The city in which the property is located as defined by the user.
State: The state in which the property is located as defined by the user.
ZIP: ZIP code in which the property is located as defined by the user.
Metro: The Metropolitan Statistical Area in which the property is located as defined by its address.
Submarket: The submarket in which the property is located as defined by its address. Submarkets with insufficient inventory for reporting purposes are excluded.

Subject Property Stats
Property Type: Primary property use as defined by the user.
Year Built: Year of construction as defined by the user.
Size: Property's total square feet of gross leasable space.
Latitude: Property's latitude based upon street address.
Longitude: Property's longitude based upon street address.

Comp Group Summary Stats
Current Asking Rent: The weighted average gross annual rent per square foot.
Current Vacancy Rate: Amount of available space expressed as a percentage of total square footage.
Operating Expenses: Annual cost, per square foot, of operating commercial buildings. Includes property taxes, energy, janitorial service, insurance, general maintenance and management.
Real Estate Taxes: Annual expense, per square foot, for the real estate property tax.
Property Size: Gross leasable area in square feet.
Year Built: Year of completed construction.
Low: Minimum value for the selected peer group.
Mean: Arithmetic average value for the selected peer group.
Median: The 50th percentile value for the selected peer group.
High: Maximum value for the selected peer group.

Avg. Submarket Lease Terms
Contract Rent Discount: The average percentage discount offered by building owners/managers in this submarket from the asking rent to final negotiated base rent for new leases.
Free Rent: The average free rent concession in this submarket expressed as the number of months over the lease term for new leases.
Lease Length: The average term (in years) currently being quoted for new leases in this submarket.
Tenant Improvements: The average value granted to a new tenant by an owner for work done on previously occupied space in this submarket, expressed as dollars per square foot per lease term for new leases.
Commissions: The average commission paid to leasing agents in this submarket, expressed as a percentage of market rent for new leases.

Comp Group Listing
Name: Name of peer building.
Address: Street address of peer.
City: City in which the peer is located.
State: The state in which the peer is located.
ZIP: ZIP Code in which the peer is located.
County: County in which the peer is located.
Submarket: REIS defined submarket in which the peer is located.
SubID: REIS code for the applicable submarket.
### Rent Comparables

**1216 31st St NW, Washington, DC – 03/28/2010**

#### Comparable Group Listing:

<table>
<thead>
<tr>
<th>Name</th>
<th>Address</th>
<th>Current Asking Rent/SF</th>
<th>Current Vacancy Rate</th>
<th>Distance from Subject (miles)</th>
<th>Property Size (SF)</th>
<th>Year Built</th>
<th>Class</th>
<th>Data As Of</th>
</tr>
</thead>
<tbody>
<tr>
<td>1216 31st St NW</td>
<td>1216 31st St NW</td>
<td>$39.18</td>
<td>70.0%</td>
<td>0.16</td>
<td>27,900</td>
<td>1989</td>
<td>BC</td>
<td>12/31/99</td>
</tr>
<tr>
<td>Jefferson Court</td>
<td>1222 Thomas Jefferson St NW</td>
<td>$44.21</td>
<td>35.4%</td>
<td>0.27</td>
<td>295,000</td>
<td>1984</td>
<td>C</td>
<td>12/31/99</td>
</tr>
<tr>
<td>Georgetown Court</td>
<td>1222 N St NW</td>
<td>$38.00</td>
<td>21.8%</td>
<td>0.17</td>
<td>15,000</td>
<td>1980</td>
<td>BC</td>
<td>12/31/99</td>
</tr>
<tr>
<td>Waterfront Center</td>
<td>1216 31st St NW</td>
<td>$31.27</td>
<td>10.1%</td>
<td>0.21</td>
<td>16,000</td>
<td>1978</td>
<td>BC</td>
<td>12/31/99</td>
</tr>
</tbody>
</table>
## Rent Comparables

<table>
<thead>
<tr>
<th>Name</th>
<th>Address</th>
<th>City</th>
<th>State</th>
<th>ZIP</th>
<th>County</th>
<th>Submarket</th>
<th>Current Asking Rent/SF</th>
<th>Current Vacancy Rate</th>
<th>Distance from Subject (miles)</th>
<th>Property Size (SF)</th>
<th>Year Built</th>
<th>Data As Of</th>
</tr>
</thead>
<tbody>
<tr>
<td>1215 31st St NW, Washington, DC</td>
<td>1215 31st St NW</td>
<td>Washington</td>
<td>DC</td>
<td>20007</td>
<td>DC</td>
<td>Georgetown</td>
<td>$35.49</td>
<td>3.0%</td>
<td>0.22</td>
<td>1213.150</td>
<td>1985</td>
<td>12/23/10</td>
</tr>
<tr>
<td>1215 Harbour Quarters, Washington, DC</td>
<td>1215 Harbour Quarters</td>
<td>Washington</td>
<td>DC</td>
<td>20007</td>
<td>DC</td>
<td>Georgetown</td>
<td>$35.90</td>
<td>11.6%</td>
<td>0.24</td>
<td>2009.009</td>
<td>1985</td>
<td>12/23/10</td>
</tr>
<tr>
<td>Carpers Walk</td>
<td>1013 33rd St NW # 1046-105</td>
<td>Washington</td>
<td>DC</td>
<td>20007</td>
<td>DC</td>
<td>Georgetown</td>
<td>$35.60</td>
<td>9.1%</td>
<td>0.27</td>
<td>2000.230</td>
<td>1920</td>
<td>12/23/10</td>
</tr>
</tbody>
</table>
# Rent Comparables

1215 31st St NW, Washington, DC – 03/26/2010

<table>
<thead>
<tr>
<th>Name</th>
<th>Current Asking Rent/SF</th>
<th>Current Vacancy Rate</th>
<th>Distance from Subject (miles)</th>
<th>Property Size (SF)</th>
<th>Date As Of</th>
</tr>
</thead>
<tbody>
<tr>
<td>The Flats</td>
<td>$33.00</td>
<td>17.8%</td>
<td>0.28</td>
<td>123,963</td>
<td>03/26/09</td>
</tr>
<tr>
<td>#</td>
<td>$42.35</td>
<td>0.3%</td>
<td>0.26</td>
<td>13,500</td>
<td></td>
</tr>
<tr>
<td>PapERMILL Building</td>
<td>$31.49</td>
<td>0.4%</td>
<td>0.30</td>
<td>85,220</td>
<td></td>
</tr>
<tr>
<td>Georgetown</td>
<td>$38.51</td>
<td>0.5%</td>
<td>0.22</td>
<td>66,509</td>
<td></td>
</tr>
<tr>
<td>Georgetown Landings</td>
<td>$38.51</td>
<td>0.5%</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Current Asked Rent: Average asking gross rent for the peer property as of the most recent quarterly update to this peer's record of information.

Current Vacancy Rate: Amount of space available for lease expressed as a percentage of total leasable area as of the most recent quarterly update to this peer's record of information.

Distance from Subject: Distance, in miles, from the peer property to the subject property.

Property Size: Total leasable area of the peer in square feet.

Floors: Number of floors in the peer.

Year Built: Year in which the peer was built.

Class: Risk-defined class category for the peer.

Data as of REIS's most recent quarterly update to this peer's record of information.
## Rent Comparables

**1215 21st St NW, Washington, DC – 03/21/2010**

<table>
<thead>
<tr>
<th>Name</th>
<th>Current Asking Rent/SF</th>
<th>Current Vacancy Rate</th>
<th>Distance from Subject (miles)</th>
<th>Property Size (SF)</th>
<th>Floors</th>
<th>Year Built</th>
<th>Class</th>
<th>Data As Of</th>
</tr>
</thead>
<tbody>
<tr>
<td>The Foundry Bldg</td>
<td>$45.96</td>
<td>18.9%</td>
<td>0.12</td>
<td>224,679</td>
<td>6</td>
<td>1975</td>
<td>BC</td>
<td>12/21/99</td>
</tr>
<tr>
<td>Georgetown Place</td>
<td>$45.00</td>
<td>0.4%</td>
<td>0.14</td>
<td>22,500</td>
<td>4</td>
<td>1982</td>
<td>BC</td>
<td>12/21/99</td>
</tr>
<tr>
<td>Georgetown Place</td>
<td>$25.00</td>
<td>9.0%</td>
<td>0.15</td>
<td>92,000</td>
<td>5</td>
<td>1925</td>
<td>BC</td>
<td>12/21/99</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>56.95</strong></td>
<td><strong>28.4%</strong></td>
<td></td>
<td><strong>251,179</strong></td>
<td></td>
<td></td>
<td></td>
<td><strong>12/21/99</strong></td>
</tr>
</tbody>
</table>

**Submarket:** Georgetown

**Zip Code:** 20007

---

*Note: Data includes only properties with available information.*
AGREEMENT OF PURCHASE AND SALE

THIS AGREEMENT OF PURCHASE AND SALE ("Agreement") is entered into by the United States Postal Service ("USPS") and ________________ (collectively referred to as "Buyer").

1. AGREEMENT TO SELL AND PURCHASE

1.1 The Property. USPS is the owner of Property located at 1215 31st Street NW, Washington D.C. 20007, as more particularly described in Exhibit A, together with any improvements constructed thereon. USPS agrees to sell the Property to Buyer, and Buyer agrees to purchase the Property from USPS, on the terms and conditions contained in this Agreement. This Agreement becomes effective on the date executed by USPS ("Effective Date").

1.2 Closing Date. The Closing Date shall occur on or before August 1, 2010, unless extended by the mutual written agreement of the parties.

1.3 Buyer’s Right to Terminate. Buyer may terminate this Agreement for any reason whatsoever by written notice received by USPS prior to 3:00 p.m. on ("Contingency Removal Date") at which time Closing Agent will return the Deposit, as defined in ¶ 2.2.1, below, to Buyer, and neither party shall have any further obligations to or rights against the other except USPS’s rights to indemnification under ¶ 4.1.1, and its rights to documents under ¶ 4.2.1, and in any attachments hereto.

1.4 Failure to Terminate. If Buyer fails to terminate this Agreement pursuant to 1.3, then (a) Buyer shall pay to USPS any additional deposit amount as required by ¶ 2.2.1, (b) the Deposit shall be non-refundable, except as provided in ¶¶ 3.2, 6.11, and in any attachment hereto, and (c) Buyer shall be deemed to represent to USPS that (i) Buyer has concluded whatever investigation it desires in accordance with ¶ 4.1 or otherwise; and (ii) Buyer is satisfied with the condition of title except as timely objected to pursuant to ¶ 3.2.

2. PURCHASE PRICE

2.1 Amount of Purchase Price. The Purchase Price for the Property is $1,972,000.00. If a density above 10,000 FAR sf of new construction is attained, the Developer will owe USPS an additional $120.00 per FAR sf above the price agreed to above of $1,972,000.00. At the completion of the project, the property will be appraised (separate from the value of the historic structure). A new value of the improved new construction built on the former USPS property will be determined and (minus the value previously paid of $120 per FAR sf) the developer will pay USPS 2% of the new market value of the property.

2.2 Terms of Payment. Buyer shall pay USPS the Purchase Price as follows:

2.2.1 Buyer shall pay USPS the Purchase Price on the Closing Date in accordance with section 5. If final plans are not known at the date of closing and buyer obtains a density beyond the anticipated density of 10,000sf, buyer will pay USPS for additional density obtained through the local approval within 60 days of plan approval. Upon completion of the construction project the Buyer will obtain an appraisal within 90 days and determine an amount (if any) due to USPS via Section 2.1 – if so Buyer will pay USPS within 60 days of obtaining the appraisal.

3. TITLE
3.1 Condition of Title. At Closing, USPS shall convey the Property to Buyer by Special Warranty Deed or equivalent, or such lesser Deed as USPS may hold, subject only to the following:
(a) Any and all restrictions, covenants, easements, encumbrances, liens of any kind, leases, and interests of others, including rights-of-way for roads, pipelines, railroads, and public utilities, whether or not matters of public record;
(b) Applicable zoning and use regulations of any locality, county or state; and
(c) Any other exception that may appear on title information Buyer obtains to which Buyer does not object under ¶3.2.

3.2 Objections to Title. Buyer shall notify USPS promptly of any exception regarding USPS's title, whether reflected on a survey or title report obtained by Buyer or otherwise. Until the Contingency Removal Date, Buyer or USPS may elect to terminate the Agreement, or they may reach a written agreement as to steps to take to satisfy Buyer's objections. After the Contingency Removal Date, Buyer understands it shall have no right to object to the condition of title, unless USPS has failed to take action as agreed upon, in which case Buyer may terminate the Agreement. If either party elects to terminate this Agreement pursuant hereto, Closing Agent shall return the Deposit to Buyer, and neither party shall have any further obligations to or rights against the other except the USPS's rights to indemnification under ¶4.1.1 and its rights to documents under ¶4.1.2 and 4.2.1, and in any attachments hereto.

4. CONDITION OF THE PROPERTY

4.1 Buyer's Right of Entry. USPS grants permission to Buyer and its agents to enter upon the Property, subject to notice and approval by USPS, during the Contingency Period (which begins on the Effective Date and ends at 5:00 p.m. on the Contingency Removal Date) to investigate every aspect of the condition and status of the Property, including, without limitation, consistency with zoning and use limitations, construction of the improvements, the existence and availability of utility connections, soil and groundwater conditions, the presence of underground storage tanks and hazardous wastes or substances, and compliance or consistency with permits, approvals, and applications of or to governmental agencies in connection with the Property. After conducting any such investigation, Buyer, at its sole expense, shall restore the Property to the condition that it was in prior to the investigation, unless USPS expressly permits otherwise.

4.1.1 Buyer's Indemnity. Buyer shall indemnify USPS from and against any claims, liens, costs (including attorneys' fees or allocated costs of in-house counsel), liabilities, damages, losses, or causes of action of whatever kind or nature (collectively "Claims") arising out of or in any way connected, directly or indirectly, with Buyer's, its employees', agents', or contractors' performance or nonperformance hereunder as a result of entry on the Property. Buyer agrees to comply with all laws, regulations, and orders of government agencies pertaining to the presence or suspected presence of hazardous wastes or substances on or about the Property or groundwater, and shall indemnify USPS, and shall waive any of its own Claims against USPS, from and against any Claim arising in connection with the release of any hazardous wastes or substances arising out of or related to Buyer's activities on the Property, including any liability under the Comprehensive Environmental Response Compensation and Liability Act of 1980, as amended, or any other federal, state or local law, ordinance, or regulation pertaining to the presence or release of hazardous wastes or substances to the environment from or at the Property.

4.1.2 Studies and Reports/Non Disclosure. All reports, studies, and analyses, including environmental audits ("Reports"), obtained or prepared by Buyer relating to the Property shall be conspicuously labeled as a draft, and copies shall promptly be delivered to USPS. Prior to Closing, Buyer shall not disclose any Report to any party except pursuant to applicable statutory or regulatory requirements or the written consent of USPS, provided that Buyer may furnish a copy of the Reports to Buyer's potential mortgagees or investors, or to any consultants who prepare or review a Report. If the sale under this Agreement does not close for any reason, Buyer shall promptly deliver all copies of the Reports to USPS, which shall become the exclusive property of USPS.

4.2 USPS's Representations and Warranties.

4.2.1 Representations and Information Provided to Buyer. USPS's Representative(s) are Stephen C. Roth, United States Postal Service, Asset Management. USPS's responsibilities under
this Agreement extends only to information or documents that USPS's Representative(s), without investigation or inquiry of any kind, are personally aware of or have in their direct possession, and not information or documents USPS may have in its possession generally.

- USPS has not given any person or entity an option, right of first refusal, or other right to purchase the Property.
- To USPS's knowledge, there is no material litigation concerning the Property.
- Excepting appraisals, internal memoranda, valuations documents and similar documents, USPS shall promptly make available to Buyer for inspection and copying copies of all surveys, title insurance policies, plans, specifications, certificates of occupancy, permits, and licenses related to the construction, occupancy, or use of the Property, and copies of all contracts relating to operation of the Property, such as service and/or maintenance contracts and management agreements ("Contracts").
- After the Contingency Removal Date, USPS shall not, without Buyer's prior written consent, extend or modify any Contract or enter into any new Contracts unless cancelable on not more than thirty (30) days' notice.
- USPS will provide notice to Buyer of any asbestos-containing building materials, underground storage tanks, or disposals or releases of hazardous or toxic contaminants or petroleum products, or any from the Property, which are known to USPS. All information and documents provided by USPS, which are without warranty of any kind whatsoever, are subject to the nondisclosure requirements of §4.12, and all copies shall promptly be returned to USPS if the transaction under this Agreement fails to close for any reason.

4.2.2 No Warranties. No representation, warranty, agreement, or promise, if any, made by any person acting on behalf of USPS, which is not contained in this Agreement, shall be binding on USPS. Buyer agrees that USPS is not responsible for the acts and/or omissions of predecessors in title or management of the Property before USPS's acquisition of the Property. Except for those warranties and representations expressly set forth in this Agreement, Buyer understands that the sale provided for herein is made without any warranty by USPS, express or implied, as to the Property's development potential or zoning, the quality of the labor and/or materials included in any of the improvements, the nature, size, or quality of the Property or fitness for any particular purpose, the accuracy of any provided plans or plats, the Property's compliance with applicable laws, regulations, or codes, or the presence or suspected presence of underground storage tanks, piping, or hazardous wastes or substances on or about the Property or groundwater, including asbestos-containing material or lead-based paint.

4.3 AS-IS WHERE-IS Purchase. Buyer acknowledges that Buyer has inspected the Property and any improvements, and that Buyer agrees to purchase the Property in its AS-IS, WHERE-IS condition WITH ALL FAULTS, whether or not specifically raised herein or by attachment, without recourse, liability, or indemnification of any type from USPS. In no event shall the Purchase Price be reduced or the sale rescinded if the Property fails to correspond to the standard expected, or if Buyer's costs associated with its study and/or use of the Property exceed projections.

4.3.1 Buyer's Waiver of Claims. Buyer agrees that USPS shall not be liable to Buyer or its successors or assigns on account of any errors, omissions, or construction defects ("Errors") for work performed by contractors and consultants in connection with the Property. USPS hereby assigns to Buyer, effective upon Closing, any and all claims, under contract, tort, or otherwise, it may have for any such Errors, and Buyer agrees to look solely and directly to USPS's contractors or consultants for any relief for such Errors.

5. CLOSING

5.1 Closing. As of the Closing Date specified in §1.2, Buyer shall secure its own insurance, have all utilities transferred to its name, and assume all other responsibilities of ownership, including, without limitation, responsibility for utility payments, taxes and assessments, and for personal injury, property damage, or any loss or damage of any type which relate to the Property.

5.2 Closing Agent. The parties name to serve as Escrow Holder or Closing Agent ("Closing Agent"). Closing Agent's address is
On the Closing Date, the Closing Agent shall record the deed in accordance with local law, and shall provide USPS the balance of the Purchase Price, less any charges as provided under this Agreement.

5.3 Closing Documents. On or before the Closing Date, the parties will deliver the following documents and payments to the Closing Agent:

(a) USPS shall deliver a Deed conveying the Property in accordance with the Agreement.
(b) USPS shall deliver the Lease agreement for the USPS temporary leaseback.
(c) Buyer shall deliver a Deed conveying the condominium unit to the USPS.
(d) USPS shall deliver an executed assignment of the Leases, if any.
(e) USPS shall deliver an executed assignment of all Contracts which Buyer has elected to assume, if any.
(f) Buyer shall provide the balance of the Purchase Price, and execute all documents executed by USPS that assign Leases and Contracts to Buyer.

5.4 Reserved.

5.5 Further Documents. USPS and Buyer hereby instruct the Closing Agent to use the Agreement as closing instructions. Each party shall perform such other actions or deliver such other documents, including additional closing instructions, as may be reasonable and necessary to complete the sale under the Agreement. Terms of the Agreement shall prevail over any inconsistent additional instruction, unless Buyer and USPS waive the inconsistency in writing.

5.6 Prorations. All items of income and expense, including taxes and assessments, if any, shall be prorated as of the date of Closing. Expense items undetermined as of the Closing Date, including, but not limited to, assessments and water and sewer charges, shall be prorated based on the prior month's or year's amount or on other available information. The parties shall make adjustments after Closing when the actual expenses become known.

5.7 Costs. Buyer and USPS shall share the Closing Agent's fees equally. In the event of a termination, if there are fees due the Closing Agent, Buyer's share of such fees shall be deducted from any refund of the Deposit under ¶ 3.2, 6.11 or by attachment hereto. Buyer agrees that USPS is not responsible for any other costs related to this transaction, including, without limitation, title evidence and costs, property surveys, insurance of any kind, taxes, recording fees and stamps, or environmental assessments, which costs shall not be credited towards the purchase price.

5.8 Reserved.

5.9 Other Covenants.

a. If the Property, in whole or in part, contains wetlands or is located in a 100-year floodplain, the instrument of conveyance must reference same and state that the Property may be restricted in use pursuant to federal, state, or local wetland and/or floodplain regulations.

b. USPS has determined that there are known or potential archaeological, historical, or cultural materials located on or near the Property and is therefore required to follow the Section 106 process of the National Historic Preservation Act. Sale of the Property is subject to completion and documentation of this process. Covenants and/or other conditions for preserving the Property's historic features that result from the process shall be made part of the deed.

5.10 Possession. Possession of the Property shall be delivered to Buyer at Closing.

6. MISCELLANEOUS
6.1 Entire Agreement. This Agreement: (i) integrates all terms and conditions mentioned herein and in all amendments, (ii) supersedes all oral negotiations and prior writings with respect to the subject matter hereof; and (iii) is intended by the parties to be the complete and exclusive statement of the terms agreed to by the parties. This Agreement may only be amended by a written document that expressly refers to this Agreement and that is signed by both parties.

6.2 Authority to Execute. Buyer and USPS represent, and Buyer shall attach to this Agreement documentary evidence thereto, that the person executing this Agreement on their behalf is fully authorized to do so and to bind the respective party to the terms herein. As part of the attachment, Buyer shall indicate how it operates, e.g., as an individual, partnership, or corporation.

6.3 Notices. Any notices required by this Agreement shall be effective if made in writing and either delivered directly, sent by certified or registered mail, return receipt requested; or sent by USPS Express Mail to the following:

Buyer:
Attention: 
Address: 
Telephone: 
Facsimile: 

USPS: United States Postal Service
Attention: 
Address: 
Telephone: 
Facsimile: 

All notices shall be deemed received on the date of the return receipt or acknowledgment of delivery.

6.4 Assignment. Any assignment by Buyer without the prior written consent of USPS, which USPS may grant or withhold in its sole and absolute discretion, shall be null and void. At USPS's election, any such purported assignment shall constitute a default by Buyer, for which USPS may terminate this Agreement, and, notwithstanding ¶ 3.2, 6.11 and any attachment, retain the Deposit as liquidated damages in accordance with ¶ 6.9.1.

6.5 Survival of Agreement. The terms, conditions, indemnifications, representations, and warranties contained in this Agreement shall survive the Closing, and shall be binding upon and shall inure to the benefit of the successors and permitted assigns of the parties.

6.6 No Recordation. No document relating to the subject matter hereof shall be recorded without the prior written approval by USPS.

6.7 Governing Law. This Agreement shall be governed and interpreted in accordance with federal law.

6.8 Construction. USPS and Buyer acknowledge that each party has reviewed this Agreement and that the normal rule of construction that provides for ambiguities to be resolved against the drafting party shall not apply to the interpretation of this Agreement. This Agreement shall be construed neither for nor against USPS or Buyer, but shall be given a reasonable interpretation in accordance with the plain meaning of its terms.

6.9 Default: Damages. This provision does not limit any obligations or indemnities of the parties contained elsewhere in this Agreement.

6.9.1 Default by Buyer. In the event the sale of the Property does not close as provided herein because of a default of Buyer, including the Buyer delaying closing for any reason unless the delay is agreed to in writing in advance by USPS, USPS may terminate all rights of Buyer to purchase the
Property, and Closing Agent shall forward the Deposit to USPS, and USPS shall receive and retain the Deposit as liquidated and agreed upon damages as USPS's sole remedy for such default. Buyer and USPS understand the impracticality and difficulty of fixing USPS's actual damages in the event of such default, and the parties therefore agree that the Deposit represents a reasonable estimate of the actual damages which USPS would incur.

6.9.2 Default by USPS. In the event of default by USPS, Closing Agent shall return the Deposit to Buyer. Under no circumstances shall Buyer be entitled to actual, special, or consequential damages, including, but not limited to, anticipated profits.

6.9.3 No Specific Performance. Under no circumstances shall Buyer be entitled to specific performance of this Agreement.

6.10 Disputes. USPS and Buyer agree to mediate all disputed issues, and to make a good faith effort to resolve same, prior to filing any legal or administrative action. The parties shall mutually agree on the mediator, and shall share equally all costs of the mediation. Any resolution signed by both parties resulting from the mediation shall be final and binding on the parties.

6.11 Destruction of Property. In the event that destruction or damage exceeding normal wear and tear occurs to the Property prior to Closing, USPS may, at its sole option, elect to restore the Property to its condition prior to said damage or destruction, or to such lesser condition acceptable to Buyer. If USPS does not so restore the Property, Buyer may elect to terminate this Agreement, in which case the Closing Agent shall return the Deposit to Buyer, and neither party shall have any rights against or obligations to the other party except USPS's rights to indemnification under ¶ 4.1.1 and its rights to documents under ¶ 4.1.2 and 4.2.1, and in any attachments hereto. If USPS restores the Property, or if Buyer elects not to terminate despite USPS's non-restoration, the Agreement shall continue in full force and effect with no reduction in Purchase Price, except the Closing Date shall be extended to allow for any restoration by USPS.

7. USPS Approvals. This Agreement is contingent upon receipt of USPS approvals, which may include but are not limited to: (a) favorable review and approval by the USPS Realty Asset Executive Committee; (b) approval of the lease; (c) completion of community relations and community impact processes; (d) compliance with the National Historic Preservation Act requirements; and (e) all other necessary approvals. On or before ____ USPS shall give Buyer written notice of USPS Approvals. In the event USPS Approvals are not obtained by said date, the parties may mutually agree to extend the date for said approvals or either party, upon written notice to the other, may terminate this Agreement without any liability.

8. Temporary Leaseback of a Portion of the Property. At closing, Buyer shall leaseback to the USPS 2500 square feet on the first floor of the Property. The Lease Agreement terms shall be based upon the USPS standard lease form, attached hereto as Exhibit ___. The term of this leaseback shall be for 2 years and shall continue on a month to month basis after the initial two year period until completion by the Buyer and relocation by the USPS into the permanent space on the Property (see Section 9 below for a discussion of the permanent space). The rental for this leaseback shall be $36 per square foot or $82,500.00 per year for the first two year lease period but if the permanent space build-out has not been completed by Buyer at the expiration of the two year period then the USPS shall continue to occupy the leased premises on a month to month basis for $0 rental. USPS shall be responsible for operating expenses and maintenance of the leased property. Buyer shall be responsible for the operating expenses and maintenance of the remainder of the Property. The parties shall execute this lease agreement on or prior to the closing. If the parties are unable to agree on the terms of the Lease Agreement by closing, then this Agreement shall terminate.

9. Permanent Retail Space
9.1 **Construction of Permanent Retail Space.** In addition to the purchase price set forth above, Buyer agrees, at its sole cost and expense, to build-out new retail space for the USFS on the first floor of the Property in accordance with the plans and specifications attached hereto as Exhibit ______ ("New Retail Space").

9.2 **Conveyance of New Retail Space to USFS.** At completion of construction of the New Retail Space, Buyer shall convey to USFS a condominium interest of this unit – Buyer shall deposit said deed in escrow at the closing of the Property from the USFS to the Buyer.

9.3 **Condominium Governing Documents.** Prior to Closing, Buyer shall provide the USFS with the proposed condominium governing documents for its review and approval. If the governing documents are not approved by the USFS, this Agreement shall terminate at no cost to the USFS.

9.4 **Bonds.** Buyer agrees that Performance and Labor and Material Payment Bonds ("Bonds") are required. No work or services for this New Retail Space may be commenced until required bonds have been furnished relating to the construction of the USFS New Retail Space in the amount of 100% of the Buyer’s estimated construction costs, and the Buyer has received written notice from the USFS that the bonds are acceptable. In the event Buyer fails or refuses to provide Bonds as defined herein, title to the Property shall revert back to the USFS at no cost.

IN WITNESS WHEREOF, the parties hereby execute this Agreement.

**BUYER:**

Date: __________________________

By: _____________________________

In: _____________________________

**USPS: United States Postal Service**

Date: __________________________

By: _____________________________

In: **Contracting Officer**
Lease

Facility Name/Location
- (-)

County:

Solicitation:

This Lease, made and entered into by and between ___________________________
hereinafter called the Landlord, and the United States Postal Service, hereinafter called the Postal Service:

In consideration of the mutual promises set forth and for other good and valuable consideration, the sufficiency of which is hereby acknowledged, the parties covenant and agree as follows:

1. The Landlord hereby leases to the Postal Service and the Postal Service leases from the Landlord the following premises, hereinafter legally described in paragraph 7, in accordance with the terms and conditions described herein and contained in the "General Conditions to U.S. Postal Service Lease," attached hereto and made a part hereof.

Upon which is a building and which properly contains areas, spaces, improvements, and appurtenances as follows:

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<th>AREA</th>
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<td>Net Interior Floor Space</td>
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Total Site Area: _____________

2. TO HAVE AND TO HOLD the said premises with their appurtenances for the following term: _____________. (Dates to be filled in by CO following completion and acceptance of improvements by the Postal Service.)

3. RENTAL: The Postal Service will pay the Landlord an annual rental of: ________________ payable in equal installments at the end of each calendar month. Rent for a part of a month will be prorated. Rent checks shall be payable to: ____________________________

February 2004
4. RENEWAL OPTIONS:

5. OTHER PROVISIONS: The following additional provisions, modifications, riders, layouts, and/or forms were agreed upon prior to execution and made a part hereof:


6. TERMINATION:

7. LEGAL DESCRIPTION:
Lease

EXECUTED BY LANDLORD the ___ day of ________________ , __________

INDIVIDUAL, ADMINISTRATOR, OR TRUSTEE

By executing this Lease, Landlord certifies that Landlord is not a USPS employee or contract employee (or an immediate family member of either), or a business organization substantially owned or controlled by a USPS employee or contract employee (or an immediate family member of either).

Name & Title: ____________________________________________

Name & Title: ____________________________________________

Name & Title: ____________________________________________

Name & Title: ____________________________________________

Landlord's Address: ______________________________________

Telephone No. __________________Fax No. __________________ Tax ID: Not Available

E-mail Address: _________________________________________

Witness ____________________________________________

Witness ____________________________________________

a. All co-owners and all other persons having or to have a legal interest in the property must execute the Lease. If the Landlord is married, the husband or wife of the Landlord must also execute the lease. The Landlord must submit adequate evidence of title.

b. Where the Landlord is an administrator or an executor of an estate, there must be furnished a certificate of the clerk of the court or certified copy of the court order showing the appointment of the administrator or executor, together with a certified copy of the will of the deceased. If there is no will, or in the event the will of the deceased does not specifically authorize the administrator or the executor to enter into a contract to lease the proposed quarters, it will generally be necessary to furnish, in addition to the above named items, a certified copy of the court order authorizing such administrator or executor to enter into a lease with the Postal Service.

c. Where the Landlord is a trustee, a certified copy of the instrument creating the trust must be furnished together with any other evidence necessary to establish the trustee's authority to lease.

d. Any notice to Landlord provided under this Lease or under any law or regulation must be in writing and submitted to Landlord at the address specified above, or at an address that Landlord has otherwise appropriately directed in writing. Any notice to the Postal Service provided under this Lease or under any law or regulation must be in writing and submitted to "Contracting Officer, U.S. Postal Service" at the address specified below, or at an address that the Postal Service has otherwise directed in writing.

ACCEPTANCE BY THE POSTAL SERVICE

Date ____________________ Contracting Officer __________________________

Signature of Contracting Officer __________________________

Address of Contracting Officer __________________________

February 2004
**EXECUTED BY LANDLORD** this __________ day of __________, _______

**PARTNERSHIP**

By executing this Lease, Landlord certifies that Landlord is not a USPS employee or contract employee (or an immediate family member of either), or a business organization substantially owned or controlled by a USPS employee or contract employee (or an immediate family member of either).

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**Witness**

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a. All co-owners and all other persons having or to have a legal interest in the property must execute the Lease. If the Landlord is married, the husband or wife of the Landlord must also execute the lease. The Landlord must submit adequate evidence of title.

b. If the Landlord is a general partnership, each member must sign.

c. If the Landlord is a limited partnership, all general partners must sign.

d. Any notice to Landlord provided under this Lease or under any law or regulation must be in writing and submitted to Landlord at the address specified above, or at an address that Landlord has otherwise appropriately directed in writing. Any notice to the Postal Service provided under this Lease or under any law or regulation must be in writing and submitted to "Contracting Officer, U.S. Postal Service" at the address specified below, or at an address that the Postal Service has otherwise directed in writing.

**ACCEPTANCE BY THE POSTAL SERVICE**

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<th>Date</th>
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February 2004
EXECUTED BY LANDLORD this ______ day of ________, ________,

CORPORATION

By executing this Lease, Landlord certifies that Landlord is not a USPS employee or contract employee (or an immediate family member of either), or a business organization substantially owned or controlled by a USPS employee or contract employee (or an immediate family member of either).

Name of Corporation: __________________________

Name & Title: __________________________

Name & Title: __________________________

Name & Title: __________________________

Landlord's Address: __________________________

Telephone No.: __________________________ Fax No.: __________________________ Tax ID: Not Available

E-mail Address: __________________________

Witness: __________________________ Witness: __________________________

a. Where the Landlord is a corporation, leases and lease agreements entered into must have the corporate seal affixed, or in place thereof, the statement that the corporation has no seal.

b. Where the Landlord is a corporation, municipal corporation, non-profit organization, or fraternal order or society, the Lease must be accompanied by documentary evidence affirming the authority of the agent, or agents, to execute the Lease to bind the corporation, municipal corporation, non-profit organization, or fraternal order or society for which he (or they) purports to act. The usual evidence required to establish such authority is in the form of extracts from the articles of incorporation, or bylaws, or the minutes of the board of directors duly certified by the custodian of such records, under the corporate seal. Such resolutions, when required, must contain the essential stipulations embodied in the Lease. The names and official titles of the officers who are authorized to sign the Lease must appear in the document.

c. Any notice to Landlord provided under this Lease or under any law or regulation must be in writing and submitted to Landlord at the address specified above, or at an address that Landlord has otherwise appropriately directed in writing. Any notice to the Postal Service provided under this Lease or under any law or regulation must be in writing and submitted to "Contracting Officer, U.S. Postal Service" at the address specified below, or at an address that the Postal Service has otherwise directed in writing.

ACCEPTANCE BY THE POSTAL SERVICE

Date __________________________

Contracting Officer __________________________

Signature of Contracting Officer __________________________

Address of Contracting Officer __________________________

February 2004
EXECUTED BY LANDLORD this _____ day of ____________, ______

LIMITED LIABILITY COMPANY/LIMITED LIABILITY CORPORATION ("LLC")

By executing this Lease, Landlord certifies that Landlord is not a USPS employee or contract employee (or an immediate family member of either), or a business organization substantially owned or controlled by a USPS employee or contract employee (or an immediate family member of either).

Name of LLC:

Name & Title: __________________________

Name & Title: __________________________

Landlord’s Address: ____________________________________________________________

Telephone No.: __________________ Fax No.: __________________ Tax ID: __________________

E-mail Address: ________________________________________________________________

Witness: ____________________________________________________________

Witness: ____________________________________________________________

a. All co-owners and all other persons having or to have a legal interest in the property must execute the Lease. If the Landlord is married, the husband or wife of the Landlord must also execute the Lease. The Landlord must submit adequate evidence of title.

b. Where the Landlord is an "LLC", the Lease must be accompanied by documentary evidence affirming the authority of the agent, or agents, to execute the Lease to bind the "LLC", for which he (or they) purports to act. The usual evidence required to establish such authority is in the form of extracts from the "LLC". Such resolutions, when required, must contain the essential stipulations embodied in the Lease. The names and official titles of the officers who are authorized to sign the Lease must appear in the document.

c. Any notice to Landlord provided under this Lease or under any law or regulation must be in writing and submitted to Landlord at the address specified above, or at an address that Landlord has otherwise appropriately directed in writing. Any notice to the Postal Service provided under this Lease or under any law or regulation must be in writing and submitted to "Contracting Officer, U.S. Postal Service" at the address specified below, or at an address that the Postal Service has otherwise directed in writing.

ACCEPTANCE BY THE POSTAL SERVICE

Date: __________________ Contracting Officer: __________________

Signature of Contracting Officer: __________________

Address of Contracting Officer: __________________

February 2004
LENTED STATES
POSTAL SERVICE.

Lease

EXECUTED BY LANDLORD this _______ day of __________, _______.

LIMITED LIABILITY PARTNERSHIP

By executing this Lease, Landlord certifies that Landlord is not a USPS employee or contract employee (or an immediate family member of either), or a business organization substantially owned or controlled by a USPS employee or contract employee (or an immediate family member of either).

Name of LLP:

Name & Title: ___________________________ Name & Title: ___________________________

Name & Title: ___________________________ Name & Title: ___________________________

Landlord’s Address: ________________________________

Telephone No: ___________________ Fax No.: ___________________ Tax ID: Not Available

E-mail Address: ________________________________

Witness Witness

a. All co-owners and all other persons having or to have a legal interest in the property must execute the Lease. If the Landlord is married, the husband or wife of the Landlord must also execute the Lease. The Landlord must submit adequate evidence of title.

b. Where the Landlord is a Limited Liability Partnership, the Lease must be accompanied by documentary evidence affirming the authority of the agent, or agents, to execute the Lease to bind the Limited Liability Partnership for which he (or they) purports to act. The usual evidence required to establish such authority is in the form of extracts from the Limited Liability Partnership. Such resolutions, when required, must contain the essential stipulations embodied in the Lease. The names and official titles of the officers who are authorized to sign the Lease must appear in the document.

c. Any notice to Landlord provided under this Lease or under any law or regulation must be in writing and submitted to Landlord at the address specified above, or at an address that Landlord has otherwise appropriately directed in writing. Any notice to the Postal Service provided under this Lease or under any law or regulation must be in writing and submitted to “Contracting Officer, U.S. Postal Service” at the address specified below, or at an address that the Postal Service has otherwise directed in writing.

ACCEPTANCE BY THE POSTAL SERVICE

Date ____________________________ Contracting Officer ____________________________

Signature of Contracting Officer ____________________________

Address of Contracting Officer ____________________________

February 2004
Georgetown Summary

The median sales price for homes in Georgetown, Washington for Feb 10 to Apr 10 was $600,000 based on 17 sales. Compared to the same period one year ago, the median sales price decreased 6.2%, or $90,000, and the number of sales decreased 5.6%. Average price per square foot for Georgetown was $648, a decrease of 16.5% compared to the same period last year.

There are currently 125 resale and new homes in Washington on Trulia, including 8 open houses, as well as 4 homes in the pre-foreclosure, auction, or bank-owned stages of the foreclosure process. The average listing price for homes for sale in Georgetown was $2,294,459 for the week ending May 05, which represents an increase of 1.6%, or $35,404, compared to the prior week.

Schools in Washington

<table>
<thead>
<tr>
<th>DISTRICT</th>
<th>TYPE</th>
<th>GRADES</th>
<th>SCHOOLS</th>
<th>STUDENTS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dc Public Schools</td>
<td>Public</td>
<td>—</td>
<td>129</td>
<td>—</td>
</tr>
<tr>
<td>Archdiocese Of Wash Dc Education Off</td>
<td>Catholic</td>
<td>PK - 12</td>
<td>90</td>
<td>29,749</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>SCHOOL NAME</th>
<th>SCHOOL TYPE</th>
<th>GRADES</th>
<th>PARENT RATING</th>
</tr>
</thead>
<tbody>
<tr>
<td>Holy Trinity School</td>
<td>Catholic</td>
<td>PK - 8</td>
<td></td>
</tr>
<tr>
<td>Georgetown Visitation Preparatory School</td>
<td>Catholic</td>
<td>9 - 12</td>
<td></td>
</tr>
<tr>
<td>Hyde Elementary School</td>
<td>Public</td>
<td>PK - 5</td>
<td></td>
</tr>
</tbody>
</table>

Please consult with the school district or a local real estate pro to confirm your eligibility to enroll with a particular district or school.

Community Info for Washington

Property Crime

<table>
<thead>
<tr>
<th>Washington</th>
<th>District Of Columbia County</th>
<th>District Of Columbia</th>
</tr>
</thead>
<tbody>
<tr>
<td>4.47%</td>
<td>4.65%</td>
<td>4.55%</td>
</tr>
</tbody>
</table>

Violent Crime

<table>
<thead>
<tr>
<th>Washington</th>
<th>District Of Columbia County</th>
<th>District Of Columbia</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.44%</td>
<td>1.45%</td>
<td>1.51%</td>
</tr>
</tbody>
</table>
3015 CAMBRIDGE PL
NORTHWEST
WASHINGTON, DC 20007

BEDS: 5
BATHS: 2.5
SQ. FT.: 2,848
S/FT.: 542
LOT SIZE: 1,404 Sq. Ft.
PROPERTY: Townhouse
STYLE: Victorian
STORIES: 4
VIEW(S): South
YEAR: 1900

JUST REDUCED $100K In sought Georgetown's East Village! Largest Model on this quiet, secluded street. Stately details include beautiful org. moldings, fireplace, formal Living and Dining, Built-ins, Hardware, Study/Crafts. Eat-in upst kitchen w/ new stainless appliances & granite, backs to private patio oasis. Brand New Central A/C Rear alley access, walkout brnt. W/ carpool for by owners of 44 yrs

Listing Provided Courtesy of: Patrick Kiley, Llewelyn, REALTO
Bedroom #3 (Length): 18
Bedroom #3 (Width): 16
Bedroom #4 (Length): 16
Bedroom #4 (Width): 11
Kitchen (Length): 12
Kitchen (Width): 12
Dining Room (Length): 15
Dining Room (Width): 10
Living Room (Length): 21
Living Room (Width): 16

Building Information
Length (Feet): 54
Width (Feet): 17
Model: MOVE RIGHT IN!
Brick Exterior

Lot Information
Lot #: 68
Acres (Lot Area): 0.032231
Fenced (Rear)
Patio
Sidewalks
Above Grade Structure
Below Grade Structure

Land Use Information
Unknown Site

Assessment Information
Year: 2008
Total Assessment: $1,261,470.00
Total Assessment Frequency: Annually
Land Assessment: $420,470.00
Land Assessment Frequency: Annually
Improvement Assessment: $841,000.00
Improvement Assessment Frequency: Annually

Tax Legal Subdivision:
GEORGETOWN
Transportation: Metro Bus (1 mile)
Transportation: Public Bus Service
Has Alley
Blacktop Road
Block or Square: 1282
Satellite Receiver/Dish
Election District: 2
Zoning: R3

Location Information
Directions: South on Wisconsin Avenue, Left on R Street, Right on Avon Pl, Left on Cambridge to 39 BTW Q & R Streets on 30th.

Documents & Disclosures
PropertyDisclosure

Finances & Fees
Tax Year: 2008
Total Taxes: $11,100.94
Total Taxes Frequency: Annually
City Tax: $10,555.82
City Tax Frequency: Annually
Possession: Negotiable

Listing Information
Listing Date: Thursday, February 5, 2009
Status Change Date: Thursday,
Antique facade covers a modern marvel with big open spaces and a pool sized lot. Carriage house could work as the pool house with separate entrance. All offers considered but subject to third party approval. All fixtures and appliances excluded.
Dramatic, sunny and open with a blend of contemporary and traditional in a premier East Village location. Voluminous drawir with a wall of glass overlooking the unusually deep and lush rear garden, sleek Euro kitchen, large master suite with balcony garden views, lower level home gym and GARAGE PARKING!! Open Sunday 3/14 1-3pm.

Listing Price Information
Low Price: $2,195,000
Original Price: $2,195,000

Bedroom Information
2nd Upper Floor Beds: 3

Interior Features
Foyer Entrance

Virtual Tour
Virtual Tour (External Link)

Dining & Kitchen
Table Space in Kitchen
Separate Dining Room

Heating & Cooling
Forced Air Heat

Bathroom Information
1st Lower Floor Baths (Full): 1
Main Floor Baths (1/2): 1
2nd Upper Floor Baths (Full): 2

Appliances
Cooktop
Dishwasher

http://www.redfin.com/DC/Washington/3147-O-St-NW-20007/home/9928039
3/15/2010
For Sale (MLS-listed)
$1,329,000

3047 N St NORTHEAST
WASHINGTON, DC 20007

BEDS: 3
BATHS: 2.5
SQ. FT.: -
LOT SIZE: 1,308 Sq. Ft.
PROPERTY Type: House, Interior
STYLE: Federal
STORIES: 3
YEAR 1900
BUILT:
COMMUNITY: GEORGETOWN
COUNTY: District of Columbia
MLS#: DC7181222
SOURCE: MIP1
STATUS: Active
ON REDFIN: 154 days

Gorgeous C. Zapatka designed renovation worthy of Architectural Digest. Three levels of exquisite in-town living. Flagstone and gardens in front and back. Elegantly sited and recessed back from the streets. Two blocks to Wisconsin Ave. Three bedrooms and two a half baths. By appointment. Easy to show just call us.

Listing Price Information
Low Price: $1,329,000
Original Price: $1,329,000

Bedroom Information
1st Upper Floor Beds: 1
2nd Upper Floor Beds: 2

Fireplace Information

Virtual Tour
Virtual Tour (External Link)

Dining & Kitchen
Gourmet Kitchen

Water & Sewer
Public Sewer
Public Water

Bathroom Information
Main Floor Baths (1/2): 1
1st Upper Floor Baths (Full): 1
2nd Upper Floor Baths (Full): 1

Heating & Cooling
Radiator Heat
Natural Gas Heating
For Sale (MLS-listed) $785,000

1215 35TH ST NORTHWEST
WASHINGTON, DC 20007

BEDS: 2
BATHS: 1.5
SQ. FT.: 1,000
$/SQ. FT.: $785
LOT SIZE: 1,026 Sq. Ft.
PROPERTY: Attic/Row
TYPE: House, Interior
STYLE: Federal
STORIES: 2
YEAR: 1890
BUILT:

COMMUNITY: GEORGETOWN
COUNTY: District of Columbia
MLS#: DC7258267
SOURCE: MRIS
STATUS: Active
ON REDFIN: 27 days

Quaint house on charming cobblestone street. Steps to GU. Refinished wide plank floors, fireplace, large private patio, renovated kitchen and updated bathrooms. French doors from dining area to patio/back door from kitchen. Skylight creates open floor plan. Views from 2nd bedroom balcony. Key Bridge, Potomac and beyond! Perfect balance of historic & modern features.

Listing Price Information
Low Price: $785,000

Virtual Tour
Virtual Tour (External Link)

Bathroom Information
Main Floor Bath (127): 1
For Sale (MLS-listed)
$3,945,000

3319 PROSPECT St
NORTHWEST
WASHINGTON, DC 20007

BEDS: 4
BATHS: 5.5
SQ. FT.: 4,943
$/SQ. FT.: $798
LOT SIZE: 2,650 Sq. Ft.
PROPERTY: Attach/Row
TYPE: House, Interior
STYLE: Victorian
STORIES: 4
YEAR: 2003
BUILT:

COMMUNITY: GEORGETOWN
COUNTY: District of Columbia
MLS #: DC7006896
SOURCE: MARES
STATUS: Active

NEW PRICING AT WORMLEY ROW PHASE II. NEW ROW OF 6, HAND-CRAFTED, VICTORIAN LUXURY TOWNHOUSES W/ DETAILS OF THE QUINTESSENTIAL GEORGETOWN ORIGINALS. THIS HOUSE HAS 5 LEVELS, INCL. ROOF TOP SKYLIT CONSERVATORY. SPACIOUS OPEN FIRST FLOOR W/ DRAMATIC STAIRCASES. FAMILY ROOMS—LOWER LEVEL AND 2ND FLOOR. ELEVATOR, TWO-LEVEL PRIVATE GARDEN, AND UNDERGROUND PARKING. 5 PPL. CALL FOR PLANS.

Listing Price Information
Low Price: $3,945,000
Original Price: $4,300,000
Prior Price: $4,300,000

Dining & Kitchen
Gourmet Kitchen

Bedroom Information
1st Lower Floor Baths (Full): 1
1st Lower Floor Baths (1/2): 1
Main Floor Baths (1/2): 1
1st Upper Floor Baths (Full): 1
1st Upper Floor Baths (1/2): 1

Bathroom Information
1st Lower Floor Baths (Full): 1
1st Lower Floor Baths (1/2): 1
Main Floor Baths (1/2): 1
1st Upper Floor Baths (Full): 1
1st Upper Floor Baths (1/2): 1

Heating & Cooling
Radiant Heat

http://www.redfin.com/DC/Washington/3319-Prospect-St-NW-20007/home/18972083
3/15/2010
Total Assessment Frequency: Annually
Land Assessment: $451,000.00
Land Assessment Frequency: Annually
Improvement Assessment Frequency: Annually
Underground Garage
GARAGE LEVEL: Lower
LAND USE INFORMATION
Unknown Soil
COMMUNITY FEATURES
Common Grounds
Other Amenity
DOCUMENTS & DISCLOSURES
Other
Plans Available
TAX LEGAL SUBDIVISION:
GEORGETOWN
Block or Square: 1220
Election District: 2
Agricultural District: CALL FOR ESTIMATED TAXES
LOCATION INFORMATION
Directions: South on Wisconsin Avenue, eight on Prospect Street, before M Street.
FINANCES & FEES
Tax Year: 2008
Total Taxes: $3,068
Total Taxes Frequency: Annually
City Tax Frequency: Annually
Earnest Money (2 or %): 20
Possession: Negotiable
Possession: Other
LISTING INFORMATION
Listing Date: Saturday, March 14,
Status Change Date: Saturday, M 14, 2009 1:40 PM
Type: Exclusive Right To Sell
Not a Potential Short Sale

NOTICE: The local MLS requires that we register you before displaying all available listing information (Why?). Registering requires you to work with us and we promise not to spam you, ever. Register or Sign In Now

See this home with a Redfin agent. It's easy & there's no obligation.

Views of 3319 PROSPECT St NORTHWEST, WASHINGTON, DC 20007

3327 PROSPECT St NORTHWEST
WASHINGTON, DC 20007

BEDS: 4
BATHS: 5
SQ. FT.: 5,040
$/SQ. FT.: $991
LOT SIZE: 2,630 Sq. Ft.
PROPERTY: Semi-Detached,
TYPE: End
STYLE: Victorian
STORIES: 4
VIEW(S): North, South,
Street, Trees
YEAR BUILT:
COMMUNITY: GEORGETOWN
COUNTY: District of
Columbia
MLS#: DC7005877
SOURCE: MRIS
STATUS: Active
ON REDFIN: 366 days

NEW PRICING at Wormley Row Phase II. Row of 8, finely-crafted, Victorian-style lux, townhouses w/ details of quintessential Georgetown originals. This End Unit w/ 4 bds, 4 f/ps, fab. 1st fl. w/ formal LR & DR, library, grand kit open to lg fam rm. Master sitting rm and private terrace on 2nd fl, 2-story conservatory on 3rd. Elevator, private garden, and underground private gar. C plans.

Listing Price Information
Low Price: $4,995,000
Original Price: $5,350,000

Virtual Tour
Virtual Tour (External Link)
Dining & Kitchen

Bathroom Information
1st Lower Floor Baths (Full): 1
Main Floor Baths (1/2): 1
Parking & Garage
- # of Garage Spaces: 2
- Has Garage
- Attached Garage
- Underground Garage
- Garage Level: Lower

Land Use Information
- Unknown Site

Community Features
- Common Grounds
- Other Amenity

Documents & Disclosures
- Other

Condition: To Be Built
Condition: Under Construction
Tax Legal Subdivision: GEORGETOWN
Block or Square: 1220
Election District: 2
Agricultural District: CALL FOR ESTIMATED TAXES

Location Information
- Directions: South on Wisconsin Avenue, right on Prospect Street, just before M Street.

Finances & Fees
- Tax Year: 2008
- Total Taxes: $5,091
- Total Property Taxes Frequency: Annually
- City Tax Frequency: Annually
- Earnest Money ($ or %): 20
- Possession: Settlement

Listing Information
- Listing Date: Saturday, March 14, 2009
- Status Change Date: Saturday, March 14, 2009 1:05 PM
- Type: Exclusive Right To Sell
- Not a Potential Short Sale

Acres (Lot Area): 0.000376
Balkony
Extensive Hardscape
Other Exterior Feature
Patio
Sidewalks
Street Lights
Terrace
Water Fountains
Above Grade Structure
Below Grade Structure

Homeowners Association
Information
- Has Homeowners Association
- Fee: $1.00
- Fee Payment Frequency: Monthly

Assessment Information
- Year: 2008
- Total Assessment: $578,600.00
- Total Assessment Frequency: Annually
- Land Assessment: $578,600.00
- Land Assessment Frequency: Annually

NOTICE: The local MLS requires that we register you before displaying all available listing information (Why?). Registering could require you to work with us and we promise not to spam you ever. Register or Sign In Now

See this home with a Redfin agent. It's easy & there's no obligation.

Views of 3327 PROSPECT ST NORTHWEST, WASHINGTON, DC 20007

http://www.redfin.com/DC/Washington/3327-Prospect-St-NW-20007/home/18972073

3/15/2010
3263 N St NORTHWEST
WASHINGTON, DC 20007

BEDS: 6
BATHS: 7
SQ. FT.: 8,700
S/SQ. FT.: $700
LOT SIZE: 5,864 Sq. Ft.
PROPERTY: Acreage
TYPE: Single Family
STYLE: Federal
STORIES: 6
YEAR 1815
BUILT

COMMUNITY: GEORGETOWN
COUNTY: District of Columbia
MLS#: DC988380
SOURCE: MRIS
STATUS: Active
ON REDFIN: 375 days

Built Circa 1815, Impressive and Elegant Brick Townhouse located on Historic Smith's Row. This gracious home has impeccable entertaining spaces with a double parlor, gourmet chef kitchen, banquet sized DRm, and extensive outdoor entertaining spaces. 6 Bedrooms, 6 Full & 2 half Baths. Elevator, 3-car parking in beautiful Carriage House.

Listing Price Information
Low Price: $4,688,000
Original Price: $5,188,000
Prior Price: $5,188,000

Virtual Tour
Virtual Tour (External Link)
Dining & Kitchen

Bathroom Information
1st Lower Floor Baths (1/2): 1
Main Floor Baths (1/2): 1
1st Upper Floor Baths (Full): 2
For Sale (MLS-listed)
$2,300,000

3303 WATER ST NORTHWEST
Unit H-3
WASHINGTON, DC 20007

BEDS: 2
BATHS: 2.5
SQ. FT.: 1,921
$/SQ. FT.: $1,197
LOT SIZE: -
PROPERTY: Mid-Rise (5-8)
TYPE: Floors
STYLE: Contemporary
STORIES: 2
YEAR BUILT: 2004

COMMUNITY: GEORGETOWN
COUNTY: District of Columbia
MLS#: DC727866
SOURCE: MRIS
STATUS: Active
ON REDFIN: 3 days

Spectacular duplex in most desirable building in Georgetown! Floor to ceiling windows overlooking private terrace, beautifully designed with fabulous kitchen and baths, rooftop pool and exercise facility. Condo fee includes utilities and 2 car garage parking.

Listing Price Information
Low Price: $2,300,000
Original Price: $2,300,000

Bedroom Information
1st Upper Floor Beds: 2

Interior Features
Virtual Tour
Virtual Tour (External Link)
Dining & Kitchen
Gourmet Kitchen
Kitchen/Dining Combination
Island in Kitchen
Kitchen/Living Room Combination

Bathroom Information
Main Floor Baths (1/2): 1
1st Upper Floor Baths (Full): 2

Appliances
Cooktop
Dishwasher
Disposal
For Sale (MLS-listed)
$2,495,000

3303 WATER St NORTHWEST
Unit G-7
WASHINGTON, DC 20007

BEDS: 2
BATHS: 2.5
SQ. FT: 1,909
$/SQ. FT: $1,307
LOT SIZE: -
PROPERTY Type: Mid-Rise (5-8 Floors)
STYLE: Contemporary
STORIES: 1
VIEW(S): River, Scenic Vista, South, Trees, Water, West
YEAR: 2004
BUILT: -

COMMUNITY: GEORGETOWN
COUNTY: District of Columbia
MLS#: DC278540
SOURCE: MRIS
STATUS: Active
ON REDFIN: 3 days

SPECTACULAR RIVER and Key Bridge sunset views! Contemporary open floor plan, Bulthaup kitchen, MIELE and SUBZERO APPLIANCES; hardwood floors, audio, zoned heating/AC. 2 BR, Carrera marble/Waterworks/Kohler baths. 2-CAR PKG/2 STORAGE UNITS. 24-hr. concierge top location - running rooftop pool. Situated across from NEW GEORGETOWN RIVER PARK. !!A DREAM!!

Listing Price Information
Low Price: $2,495,000

Virtual Tour
Virtual Tour (External Link)

Bathroom Information
Main Floor Bath (FJ): 2
Master Bedroom
Bedroom #2
Kitchen
Foyer
Laundry (Bedroom Level)

Property Information
Sq. Ft. (Finished): 1909
Condition: Shows Well
Has Pool
Tax Legal Subdivision: GEORGETOWN
Transportation: Metro Bus (1 mile)
Transportation: Subway (1 mile)
Transportation: Airport (2-5 Miles)
Transportation: Public Bus Service
Management Company: ZALCO
Block or Square: 1184
Metering: Meters All Common
Cable (Prewired)
DSL, Available
Multiple Phone Lines
Underground Utilities
Election District: 2

Location Information
Directions: WISCONSIN to END - RIGHT ON WATER STREET - along river.

Community Features
Management: Professional (Off Site)
Elevator
Extra Storage
Meeting Room
Party Room
Pool (Outdoor)
AC Included

Elementary School: HYDE

Documents & Disclosures
Property Disclosure

Parking Included in List Price
Assigned
Driveway (Circular)
Has Garage
Parking Space Conveys
Public
Faces Front
Garage Door Opener
Additional Storage Area
Parking Lot P2 5x9
Underground Garage

Land Use Information
Urban Land (Saxauctas/Chillum)

Condo/Co-op Information
Project Name: 3303 WATER STR

Finances & Fees
Tax Year: 2009
Total Taxes: $16,889.08
Total Taxes Frequency: Annually
City Tax: $16,889.08
City Tax Frequency: Annually
Possession: Close Date (0-30 Days)
Possession: Settlement

Listing Information
Listing Date: Friday, March 12, 2010
Status Change Date: Friday, Mar 2010 5:02 PM
Type: Exclusive Rights to Agency
Not a Potential Short Sale
For Sale (MLS-listed)
$2,899,000

3303 WATER St NORTHWEST
Unit A-6
WASHINGTON, DC 20007

BEDS: 2
BATHS: 2.5
SQ. FT.: 2,513
S/SQ. FT.: $1,154
LOT SIZE: -
PROPERTY: Mid-Rise (5-8 Floors)
STYLE: Contemporary
STORIES: 1
VIEW(S): Canal, City, Water
YEAR BUILT: 2004
COMUNITY: GEORGETOWN
COUNTY: District of Columbia
MLS#: DC715995
SOURCE: MRIS
STATUS: Active
ON REDFIN: 147 days

Georgetown corner unit condo with over 2,500 sq feet of dramatic living space. Boasts spectacular canal & partial river views to ceiling windows. High ceilings, fabulous modern kitchen & baths plus living room with fireplace. Multi room home audio & l systems. 360 degree city views from pool, exercise room & roof terrace. Condo fee incl. all util. w/2 Car Gar Pkg.

Listing Price Information
Low Price: $2,899,000
Original Price: $2,899,000

Bedroom Information
Main Floor Beds: 2

Virtual Tour
Virtual Tour (External Link)

Dining & Kitchen
Family Room Off Kitchen
Gourmet Kitchen

Bathroom Information
Main Floor Baths (Full): 2
Main Floor Baths (1/2): 1

Appliances
Dishwasher
Land Assessment: $540,010.00
Land Assessment Frequency: Annually
Improvement Assessment: $1,274,020.00
Improvement Assessment Frequency: Annually

(340) on K Street to 3303 Water Street. Situated in the heart of Georgetown close to shops, restaurants, theater & more.

Community Features
Answering Service
Community Grounds
Concierge
Elevator
Exercise Room
Party Room
Pool (Outdoor)
Satellite TV
Security
A/C Included
Cable TV Included
CAM
Custodial Services Included
Exterior Building Maintenance
Gas Included
Heat Included
Lawn Maintenance Included
Management Included
Master Insurance Policy Included
Parking Fee Included
Pool(s) Included
Reserve Funds Included
Security Included
Sewer Included
Snow Removal Included
Trash Removal Included
Water Included
Elevator Use
Moving Fees Required
Moving in Times
Pets (Allowed)

http://www.redfin.com/DC/Washington/3303-Water-St-NW-20007/unit-A-6/home/219961...

3/15/2010
3329 PROSPECT St NORTHWEST #3, WASHINGTON, DC 20007

$1,995,000

Beds: 2
Baths: 2.5
Sq. Ft.: 2,409
S/Sq. Ft.: $828
Lot Size: -
Property Type: Garden (1-4 Floors)
STYLE: Contemporary
STORIES: 1
Year Built: 2008

Community: Georgetown
County: District of Columbia
MLS #: DC7114220
Source: MRIS
Status: Active

Newly Staged and Shuttered Unit at Wormald Row! Please Check Out the Great Virtual Tour & Feature List. This Transformed Apartment!! 2 B/R+Den, 2.5 BA unit incl 2 prkg spaces with TRULY fabulous finishes & incredible garden. Concierge services now incl. Ready for immediate occupancy.

Listing Price Information
Low Price: $1,995,000
Original Price: $1,985,000

Bedroom Information
Main Floor Beds: 2

Virtual Tour
Virtual Tour (External Link)

Dining & Kitchen
Breakfast Room
Butler's Pantry
Gourmet Kitchen

Bathroom Information
Main Floor Baths (Full): 2
Main Floor Baths (1/2): 1

Interior Features
Foyer Entrance
Crown Molding
For Sale (MLS-listed)
$549,000

3251 PROSPECT NORTHWEST
#405
WASHINGTON, DC 20007

BEDS: 1
BATHS: 1
SQ. FT.: 720
$/SQ. FT.: $762
LOT SIZE: -

PROPERTY: Multi-Family
TYPE: -
STYLE: Contemporary
STORIES: 1
YEAR BUILT: 1980

COMMUNITY: GEORGETOWN
COUNTY: District of Columbia
MLS #: DC7247932
SOURCE: MRIS
STATUS: Active
ON REDFIN: 46 days

LUXURY FULL SERVICE LUXURY EXCLUSIVE BUILDING! ONE BEDROOM CONDO ONE BATH LOCATED IN THE HEART OF GEORGETOWN. SHOP, DINE, WORK AND PLAY! ENJOY THE ROOFTOP SUN DECK AND POOL. SELLER RESERVES THE RIGHT TO ACCEPT OR REJECT ANY OFFER. COMMISSION DUE AND PAYABLE ONLY AT SETTLEMENT.

Listing Price Information
Low Price: $549,000
Original Price: $549,000

Virtual Tour
Virtual Tour (External Link)

Bathroom Information
Main Floor Baths (Full): 1

Dining & Kitchen

Interior Features

http://www.redfin.com/DC/Washington/3251-Prospect-St-NW-20007/unit-405/home/18839... 3/15/2010
For Sale (MLS-listed)

$799,000

3251 PROSPECT St
NORTHWEST Unit R-312
WASHINGTON, DC 20007

BEDS: 2
BATHS: 2
SQ. FT.: 1,210
$/SQ. FT.: $660
LOT SIZE: -
PROPERTY: Mid-Rise (5-8)
STYLE: Contemporary
STORIES: 2
VIEW(S): North
YEAR 1980
BUILT:
COMMUNITY: GEORGETOWN
COUNTY: District of Columbia
MLS#: DC7155227
SOURCE: MRecorder
STATUS: Active
ON REDFIN: 187 days

PRICE REDUCTION!!! LUXURY 2 LEVEL, 2 BR/2 BA CONDO IN HEART OF GEORGETOWN COMPLETE W/ RENOVATIONS, BALCONY OVERLOOKING COURTYARD, ROOFTOP POOL & TERRACE PLUS OUTDOOR GRILLING, GOURMET KIT, LIVING ROOM, DINING ROOM, PARKING AVAL, HIGH CEILINGS, HARDWOOD FLOORS, FRESHLY PAINTED, SPACIOUS CLOSETS, WASHER/DRYER CONC/ERGE... MOVE-IN READY.

Listing Provided Courtesy of: Alexandra Wilco, Long & Foster Real E
block north of M Street, Between Wisconsin Avenue and Potomac Street.

Community Features
Concierge
Elevator
Party Room
Pool (Outdoor)
CAM
Exterior Building Maintenance
Gas Included
Lawn Care (Front) Included
Management Included
Master Insurance Policy Included
Pool(s) Included
Sewer Included
Snow Removal Included
Trash Removal Included
Water Included
Other

Documents & Disclosures
HOA/Condo Documents Available

Roof Deck
Terrace
Above Grade Structure

Homeowners Association
Information
Fee: $721.95
Fee Payment Frequency: Monthly

Finances & Fees
Tax Year: 2008
Total Taxes: $6,478.82
Total Taxes Frequency: Annually
City Tax: $5,999.84
City Tax Frequency: Annually
Earnest Money (% or %): 5
Possession: Negotiable

Listing Information
Listing Date: Wednesday, September 9, 2009
Status Change Date: Wednesday September 9, 2009 4:23 PM
Type: Exclusive Right To Sell
Not a Potential Short Sale

NOTICE: The local MLS requires that we register you before displaying all available listing information (Why?). Registering requires you to work with us and we promise not to spam you, ever. Register or Sign In Now

Views of 3251 PROSPECT St NORTHWEST Unit R-312, WASHINGTON, DC 20007
For Sale (MLS-listed)
$1,099,000

2516 Q St NORTHWEST Unit Q305
WASHINGTON, DC 20007

BEDS: 2
BATHS: 2
SQ. FT.: 1,480
S/SQ. FT.: $743
LOT SIZE: -
PROPERTY TYPE: Other
STYLE: Other
STORIES: 2
YEAR BUILT: 2008

COMMUNITY: GEORGETOWN
COUNTY: District of Columbia
MLS#: DC7026838
SOURCE: MRIS
STATUS: Active
ON REDFIN: 341 days

Our most affordable PENTHOUSE UNIT - with Private Roof Deck. Monument view. Hardwood floors, stainless, honed stone counters, limestone baths, extra high ceilings, enormous windows. Shown by Appt Mon-Fri 1pm-5pm. Open House every Sat between 1-4pm. PRICED TO SELL! Developer willing to negotiate offers.

Listing Price Information
Low Price: $1,099,000
Original Price: $1,999,000

Dining & Kitchen
Island in Kitchen

Bathroom Information
Main Floor Baths (Full): 2

Interior Features
Granite Counters
Home Warranty
Wood Floors

Bedroom Information
Main Floor Beds: 2

Heating & Cooling
Forced Air Heat
Natural Gas Heating
Central A/C
For Sale (MLS-listed)
$639,000

2516 Q St NORTHWEST Unit E1
WASHINGTON, DC 20007

BEDS: 2
BATHS: 2
SQ. FT.: 920
$/SQ. FT.: $695
LOT SIZE: -
PROPERTY: Multi-Family
TYPE: Other
STORIES: 1
YEAR BUILT: 2008
COMMUNITY: GEORGETOWN
COUNTY: District of Columbia
MLS#: DC7026747
SOURCE: MRIS
STATUS: Active
ON REDFIN: 341 days

Grand luxury homes in Georgetown's East Village. Studios & Two Bedrooms available for immediate delivery. Hardwood flooring, stainless, honed stone counters, limestone baths, extra high ceilings, enormous windows. Shown by Appt Mon-Fri 1pm-5pm House every Sat & Sun between 1-4pm. PRICED TO SELL! Developer willing to negotiate offers.

Listing Price Information
Low Price: $639,000
Original Price: $859,000

Dining & Kitchen
Island in Kitchen

Fireplace Information

Bathroom Information
Main Floor Baths (Full): 2
Interior Features
Granite Counters
Home Warranty
Walk-in Closet(s)

Bedroom Information
Main Floor Beds: 2
Heat & Cooling
Forced Air Heat
Electric Heat
Central A/C
For Sale (MLS-listed)
$899,000

2516 Q St NORTHWEST Unit Q205
WASHINGTON, DC 20007

BEDS: 3
BATHS: 2
SQ. FT.: 1,200
$SQ. FT.: $749
LOT SIZE: -
PROPERTY Multi-Family
TYPE:
STYLE: Other
STORIES: 1
YEAR 1922
BUILT:

COMMUNITY: GEORGETOWN
COUNTY: District of Columbia
MLS#: DC7000228
SOURCE: MRIS
STATUS: Active
ON REDFIN: 373 days

Grand luxury homes in Georgetown's East Village. Studios, One & Two Bedrooms available for immediate delivery. Hardwood floors, stainless, honed stone counters, limestone baths, extra high ceilings, enormous windows. Shown by Appt Mon-Fri 1pm-Open House every Sat & Sun 1pm-4pm. PRICED TO SELL! Developer willing to negotiate offers.

BYLAW OF
XYZ CONDOMINIUM
WASHINGTON, DISTRICT OF COLUMBIA
# TABLE OF CONTENTS

**ARTICLE I. Plan of Unit Ownership**

- Section 1. Submission to Condominium Register
- Section 2. Declaration
- Section 3. Applicability of Bylaws
- Section 4. Office

**ARTICLE II. Unit Owners' Association**

- Section 1. Composition
- Section 2. Annual Meetings
- Section 3. Place of Meetings
- Section 4. Special Meetings
- Section 5. Notice of Meetings
- Section 6. President Officer
- Section 7. Conduct of Meetings
- Section 8. Inspectors of Elections
- Section 9. Voting
- Section 10. Proxy
- Section 11. Association Action
- Section 12. Major of the Unit Owners
- Section 13. Officers
- Section 14. Adjournment of Meetings

**ARTICLE III. Board of Directors**

- Section 1. Number
- Section 2. Designation: Election
- Section 3. Term of Office
- Section 4. Qualifications
- Section 5. Powers and Duties
- Section 6. Managing Agent
- Section 7. Removal of Members of the Board of Directors
- Section 8. Resignations of Members of the Board of Directors
- Section 9. Vacancies
- Section 10. Organization Meeting
- Section 11. Regular Meetings
- Section 12. Special Meetings
- Section 13. Waiver of Notice
- Section 14. Quorum: Voting of Board of Directors
- Section 15. Compensation
- Section 16. Conduct of Meetings
- Section 17. Action Without Meeting
- Section 18. Board of Directors as Attorney-in-Fact
- Section 19. Liability of the Board of Directors, Officers, Unit Owners and Unit Owners' Association
- Section 20. Changes or Inherited Directors
- Section 21. Committees
- Section 22. Standards Committee

**ARTICLE IV. Officers**

- Section 1. Designation
- Section 2. Qualifications
- Section 3. Election
- Section 4. Removal or Elimination of Officers
- Section 5. Agreements, Contracts, Deeds, Checks, Etc.
- Section 6. Compensation of Officers

**ARTICLE V. Assessments**

- Section 1. Fiscal Year
- Section 2. Adoption of Budget
- Section 3. Effect of Failure to Adopt Budget
- Section 4. Assessment of Common Expenses
<table>
<thead>
<tr>
<th>Section</th>
<th>Title</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>6</td>
<td>Disposition and Mortgages Protection</td>
<td>18</td>
</tr>
<tr>
<td>7</td>
<td>Collection of Assessments</td>
<td>18</td>
</tr>
<tr>
<td>8</td>
<td>Liens for Assessment</td>
<td>17</td>
</tr>
<tr>
<td>9</td>
<td>Special Assessments</td>
<td>15</td>
</tr>
<tr>
<td>10</td>
<td>Maintenance and Repair</td>
<td>19</td>
</tr>
<tr>
<td>11</td>
<td>Right of Access</td>
<td>21</td>
</tr>
<tr>
<td>12</td>
<td>Additions, Alterations or Improvements; Emergency Repairs</td>
<td>23</td>
</tr>
<tr>
<td>13</td>
<td>Use of Units and Common Elements</td>
<td>23</td>
</tr>
<tr>
<td>14</td>
<td>Rules and Regulations</td>
<td>27</td>
</tr>
<tr>
<td>15</td>
<td>Utility Charges; User Fees</td>
<td>27</td>
</tr>
<tr>
<td>16</td>
<td>Construction, Renovation and Rehabilitation of Condominium</td>
<td>27</td>
</tr>
<tr>
<td>17</td>
<td>Unit Measurements</td>
<td>28</td>
</tr>
<tr>
<td>18</td>
<td>Allocation of Condominium Units</td>
<td>28</td>
</tr>
<tr>
<td>19</td>
<td>No Severance of Ownership</td>
<td>24</td>
</tr>
<tr>
<td>20</td>
<td>Resales of Units</td>
<td>24</td>
</tr>
<tr>
<td>21</td>
<td>General Requirements</td>
<td>29</td>
</tr>
<tr>
<td>22</td>
<td>Physical Damage Insurance</td>
<td>30</td>
</tr>
<tr>
<td>23</td>
<td>Liability Insurance</td>
<td>30</td>
</tr>
<tr>
<td>24</td>
<td>Other Insurance</td>
<td>31</td>
</tr>
<tr>
<td>25</td>
<td>Separate Insurance</td>
<td>31</td>
</tr>
<tr>
<td>26</td>
<td>Insurance Trust</td>
<td>31</td>
</tr>
<tr>
<td>27</td>
<td>Board of Directors as Agent</td>
<td>32</td>
</tr>
<tr>
<td>28</td>
<td>Repair and Reconstruction After Fire or Other Damage</td>
<td>32</td>
</tr>
<tr>
<td>29</td>
<td>General Requirements</td>
<td>32</td>
</tr>
<tr>
<td>30</td>
<td>Procedure for Reconstruction and Repair</td>
<td>33</td>
</tr>
<tr>
<td>31</td>
<td>Disbursements</td>
<td>33</td>
</tr>
<tr>
<td>32</td>
<td>Mortgages</td>
<td>34</td>
</tr>
<tr>
<td>33</td>
<td>Notices</td>
<td>34</td>
</tr>
<tr>
<td>34</td>
<td>Representation at Association Meetings</td>
<td>35</td>
</tr>
<tr>
<td>35</td>
<td>Compliance and Default</td>
<td>35</td>
</tr>
<tr>
<td>36</td>
<td>Unit Owners Subject to Condominium Act, Declaration, Bylaws and Rules and Regulations</td>
<td>35</td>
</tr>
<tr>
<td>37</td>
<td>Legal Proceedings</td>
<td>35</td>
</tr>
<tr>
<td>38</td>
<td>Costs and Attorney Fees</td>
<td>35</td>
</tr>
<tr>
<td>39</td>
<td>No Waiver of Rights</td>
<td>35</td>
</tr>
<tr>
<td>40</td>
<td>Abatement and Enforcement of Violations by Unit Owners</td>
<td>36</td>
</tr>
<tr>
<td>41</td>
<td>Charges</td>
<td>36</td>
</tr>
<tr>
<td>42</td>
<td>Additional Liability</td>
<td>36</td>
</tr>
<tr>
<td>43</td>
<td>Miscellaneous</td>
<td>36</td>
</tr>
<tr>
<td>44</td>
<td>Amendments</td>
<td>37</td>
</tr>
<tr>
<td>45</td>
<td>Availability of Condominium Documentation</td>
<td>37</td>
</tr>
<tr>
<td>46</td>
<td>Notices</td>
<td>37</td>
</tr>
<tr>
<td>47</td>
<td>Invalidity</td>
<td>38</td>
</tr>
<tr>
<td>48</td>
<td>Captions</td>
<td>38</td>
</tr>
</tbody>
</table>
ARTICLE I

Plan of Unit Ownership

Section 1. Submission to Condominium Regime. Certain land, buildings and improvements located in the District of Columbia (said land being identified on Exhibit A attached hereto) have been submitted to the provisions of Title 42, Chapter 19 of the District of Columbia Code (2001 Edition, as amended) by a Declaration (the "Declaration") recorded among the Land Records of the District of Columbia immediately prior to recordation of these Bylaws.

Section 2. Definitions. Capitalized terms used in these Bylaws without definition shall have the meanings specified for such terms in the Declaration or, if not defined therein, the meanings specified for such terms in Section 42-1902.02 of the Condominium Act.

Sections. Applicability of Bylaws. The provisions of these Bylaws are applicable to the use and occupancy of the Condominium and the structure and operation of the Unit Owners' Association. All present and future Unit Owners, Mortgages, lessees and occupants of Units and any other persons who may use the facilities of the Condominium in any manner are subject to these Bylaws, the Declaration and the Rules and Regulations, as any of the same may be amended from time to time.

Section 4. Office. The office of the Condominium, the Unit Owners' Association and the Board of Directors shall be located at the Condominium or at such other place as may be designated from time to time by the Board of Directors. The Unit Owners' Association may be incorporated.

ARTICLE II

Unit Owners' Association

Section 1. Composition. All Unit Owners in the Condominium, acting in accordance with the Condominium Act, the Declaration and these Bylaws, shall constitute the Unit Owners' Association. The Unit Owners' Association shall have the responsibility of administering the Condominium, establishing the means and methods of collecting the assessments for Common Expenses, arranging for the management of the Condominium, and performing all of the other acts that may be performed by the Unit Owners' Association pursuant to the Condominium Act, the Declaration and these Bylaws.

Section 2. Annual Meetings.

(a) The first annual meeting of the Unit Owners' Association shall be held on a date to be determined by the Declarant at the earliest to occur of (i) the time 75% of the Percentage Interests in the Condominium shall have been conveyed by the Declarant or (ii) the date of expiration of two (2) years from the date the first Unit in the Condominium shall have been conveyed by the Declarant. Annual meetings of the Unit Owners' Association held after the first annual meeting shall be held on the same day of the same month of each succeeding year, unless such date shall occur on a Saturday, Sunday or legal holiday, in which
event the meeting shall be held on the succeeding Monday which is not a legal holiday. Subject to the provisions of Section 2 of Article III of these Bylaws, at all annual meetings of the Unit Owners' Association, members of the Board of Directors shall be elected and such other business as may properly come before a meeting may be transacted.

(b) As used in these Bylaws, unless the context otherwise requires, "conveyance" means conveyance of fee simple title by deed.

Sections. Place of Meetings. Meetings of the Unit Owners' Association shall be held at the office of the Condominium or at such other suitable place convenient to Unit Owners as from time to time may be designated by the Board of Directors.

Section 4. Special Meetings. It shall be the duty of the President to call a special meeting of the Unit Owners' Association if so directed by resolution of the Board of Directors or, after the first annual meeting of the Unit Owners' Association, upon a petition signed and presented to the Secretary by Unit Owners holding not less than twenty-five percent (25%) of the Percentage Interests in the Condominium. No business shall be transacted at a special meeting except as stated in the notice of such meeting given in accordance with the provisions of Section 5 of this Article.

Sections. Notice of Meetings. At least twenty-one (21) days in advance of each annual meeting of the Unit Owners' Association, and at least seven (7) days in advance of each special meeting of the Unit Owners' Association, the Secretary shall cause to be sent to each Unit Owner of record notice of the time, place and purpose or purposes of such meeting. Such notice shall be sent by United States mail, first class postage prepaid, to each Unit Owner of record, at the address of such Owner's Unit and at such other address as such Unit Owner shall have designated in writing to the Secretary. The mailing of a notice of a meeting in the manner provided in this Section shall be deemed service of notice. In lieu of mailing notice of a meeting in the manner provided in this Section, the Secretary may cause such notice to be personally delivered, provided, that the Secretary shall obtain a receipt of acceptance of such notice from the Unit Owner.

Section 6. Presiding Officer. Until the first meeting of the Unit Owners' Association following the special meeting at which all members of the Board of Directors shall be elected by all Unit Owners as provided in Section 2 of Article III of these Bylaws, any person designated by the Declarant shall preside at all meetings of the Unit Owners' Association. Thereafter, the President or his or her designee shall preside at all meetings of the Unit Owners' Association. In the absence of the President or such designee from any meeting of the Unit Owners' Association, any person designated by the Board of Directors shall preside over such meeting.

Section 7. Conduct of Meeting. The minutes of all meetings shall be held in a Minute Book maintained for the Unit Owners' Association by the Secretary. The then current Robert's Rules of Order or any other rules of procedure acceptable to a majority of the votes of Unit Owners shall govern the conduct of all meetings of the Unit Owners' Association when not in conflict with these Bylaws, the Declaration or the Condominium Act. All votes shall be tallied by a person or persons appointed by the presiding officer of the meeting.
Section 8. Inspectors of Election. One or more Inspector(s) of Election shall be appointed by the Board of Directors prior to the time of any meeting of the Unit Owners' Association at which Directors shall be elected.


(a) The vote to which each Unit shall be entitled at all meetings of the Unit Owners' Association shall be the Percentage Interest of such Unit. Since a Unit Owner may be more than one person, the person who shall be entitled to cast the vote of such Unit shall be the natural person named in a certificate executed by all of the owners of such Unit and filed with the Secretary or, in the absence of such named person from the meeting (or the failure to name such a person), the person who shall be entitled to cast the vote of such Unit shall be the co-owner who is present at such meeting, if only one such person is present. If more than one such person are present and no certificate has been filed with the Secretary (or, if the person named in the certificate for such Unit is not present), the vote appertaining to such Unit shall be cast in accordance with the unanimous agreement of the persons so present, and the consent of such persons shall be conclusively presumed if any one of them purports to cast the vote appertaining to such Unit without protest being made to the presiding officer of the meeting. If protest is made, such Unit shall be counted solely for the purpose of determining whether a quorum is present. Since a "person" need not be a natural person, the word "person" shall be deemed to include any natural persons having authority to execute deeds on behalf of any person, excluding natural persons, which is, either alone or in conjunction with another person or persons, a Unit Owner.

(b) No Unit Owner may vote at any meeting of the Unit Owners' Association if a lien in favor of the Unit Owners' Association pursuant to Section 9 of Article V of these Bylaws has been perfected against such Owner's Unit or action therefor has been instituted and the amount necessary to release such lien has not been paid at the time of such meeting.

Section 10. Proxies. The vote appertaining to any Unit may be cast pursuant to a proxy duly executed by or on behalf of the Unit Owner, or, in cases where the Unit Owner is more than one person, by or on behalf of all such persons. No proxy shall be revocable except by written notice of revocation given to the presiding officer of the meeting by the Unit Owner, or, in cases where the Unit Owner is more than one person, by or on behalf of any such persons. A proxy of a Unit Owner shall be void if it is not dated if it purports to be revocable without notice or if not signed by a person having authority to execute deeds on behalf of any Unit Owner or co-owner who is not a natural person. Any proxy shall terminate automatically upon adjournment of the first meeting held on or after the date of that proxy. All proxies must be filled with the Secretary before the appointed time of the meeting for which they are given. Except with respect to proxies in favor of a Mortgagor or a lessor, no proxy shall be valid for a period in excess of one hundred eighty (180) days after execution thereof.

Section 11. Association Actions. Except as otherwise required by the Condominium Act, the Declaration or these Bylaws, decisions of the Unit Owners' Association shall be made by a majority of the votes of Unit Owners present.

Section 12. Majority of the Unit Owners. Except as otherwise required by law, as used in these Bylaws, the term "majority of the votes of Unit Owners" or words of like import shall mean the vote of Unit Owners' holding more than fifty percent (50%) of the votes of Unit owners.
Owners present, in person or by proxy, at a meeting of the Unit Owners’ Association at which a quorum is present.

Section 13. Quorum. Except as otherwise provided in these Bylaws or as required by law, the presence in person or by proxy, of Unit Owners holding thirty-five percent (35%) of the Percentage Interests in the Unit Owners’ Association shall constitute a quorum at and throughout all meetings of the Unit Owners’ Association.

Section 14. Adjournment of Meetings. If any meetings of the Unit Owners’ Association cannot be held because a quorum is not represented, Owners holding a majority of the votes present at such meeting, either in person or by proxy, may adjourn the meeting, without further notice, to a time not less than forty-eight (48) hours from the time the original meeting was called and, except as otherwise required by law, the presence in person or by proxy, of Unit Owners holding twenty-five percent (25%) of the Percentage Interests in the Unit Owners’ Association shall constitute a quorum at and throughout such reconvened meeting.

ARTICLE III
Board of Directors

Section 1. Number. Subject to the ultimate sentence of this Section:

(i) Until the time Units representing twenty-five percent (25%) of the Percentage Interests in the Condominium shall have been conveyed by the Declarant, the Board of Directors shall be composed of three (3) members; and

(ii) At the time Units representing twenty-five percent (25%) of the Percentage Interests in the Condominium shall have been conveyed by the Declarant, the size of the Board of Directors shall be increased and shall be composed of four (4) members; and

(iii) At the time Units representing fifty percent (50%) of the Percentage Interests in the Condominium shall have been conveyed by the Declarant, the size of the Board of Directors shall be increased and shall be composed of five (5) members.

Notwithstanding the foregoing, on the earlier of the time Units representing seventy-five percent (75%) of the Percentage Interests in the Condominium shall have been conveyed by Declarant or the date of expiration of two (2) years from the date the First Unit in the Condominium shall have been conveyed by the Declarant, the size of the Board of Directors shall be increased and shall be composed of five (5) members.

Section 2. Declarant Designation: Election.

(a) Until the special meeting of the Unit Owners’ Association provided for under paragraph (d) of this Section, the Declarant shall designate three (3) members of the Board of Directors.

(b) Subject to the provisions of paragraph (d) of this Section, at the time Units representing twenty-five percent (25%) of the Percentage Interests in the Condominium shall have been conveyed by the Declarant, a special meeting of the Unit Owners’ Association shall be
held and one (1) additional member of the Board of Directors shall be elected by the affirmative vote of more than fifty percent (50%) of the Percentage Interests of all Unit Owners (other than the Declarant). The member so elected by such Unit Owners shall serve until the special meeting of the Unit Owners’ Association provided for under paragraph (d) of this Section.

(c) Subject to the provisions of paragraph (d) of this Section, at the time Units representing fifty percent (50%) of the Percentage Interests in the Condominium shall have been conveyed by the Declarant, a special meeting of the Unit Owners’ Association shall be held and one (1) additional member of the Board of Directors shall be elected by the affirmative vote of more than fifty percent (50%) of the Percentage Interests of all Unit Owners (other than the Declarant). The member so elected by such Unit Owners shall serve until the special meeting of the Unit Owners’ Association provided for under paragraph (d) of this Section.

(d) At the earlier to occur of the time Units representing seventy-five percent (75%) of the Percentage Interests in the Condominium shall have been conveyed by the Declarant, or the date of expiration of two (2) years from the date the first Unit in the Condominium shall have been conveyed by the Declarant, a special meeting of the Unit Owners’ Association shall be held and all members of the Board of Directors (consisting of the three (3) members designated by the Declarant, as provided in paragraph (a) of this Section, and the two (2) members elected by Unit Owners other than the Declarant, as provided in paragraphs (b) and (c) of this Section) shall resign and all five (5) members of the Board of Directors shall be elected by all Unit Owners, including the Declarant, to the extent the Declarant then owns any Units. Each person receiving the first, second and third highest number of votes shall be elected for a term of two (2) years and each person receiving the fourth and fifth highest number of votes shall be elected for a term of one (1) year, in each case, plus the number of days remaining between the date of such special meeting and the date of the next succeeding annual meeting of the Unit Owners’ Association. All members of the Board of Directors elected at such special meeting shall serve until their successors shall have been elected at the next succeeding annual meeting at which members of the Board of Directors shall be elected.

(e) Except for members designated by the Declarant or elected in accordance with the provisions of paragraphs (b) or (c) of this Section, or Sections 7 or 9 of this Article, members of the Board of Directors shall be elected by plurality vote. Each Unit Owner shall be entitled to cast the vote appertaining to such Unit Owner’s Unit for as many persons as there are Directors to be elected and for whose election such Owner shall be entitled to vote. Votes shall not be cumulated.

Sections. Term of Office. All persons elected as members of the Board of Directors at any annual meeting of the Unit Owners’ Association following the special meeting provided for under paragraph (d) of Section 2 of this Article shall be elected for a term of two (2) years. All members of the Board of Directors shall hold office until their respective successors shall have been elected and shall have qualified.

Section 4. Qualifications. Except for members of the Board of Directors designated by the Declarant, all members of the Board of Directors shall be Unit Owners (or partners, officers, directors, trustees, agents or employees of Unit Owners who are not natural persons). No Unit Owner may be elected to or may serve on the Board of Directors if a lien has been perfected, or action therefor has been instituted, against such Owner’s Unit and the amount necessary to
release such lien has not been paid at the time of such election or during such incumbency period.

Sections. Powers and Duties. The Board of Directors shall have all of the powers and duties necessary for the administration of the affairs of the Condominium and may do all acts and things as are by Section 42:1903:08 of the Condominium Act, the Declaration or these Bylaws directed or authorized to be done by the Unit Owners' Association. In addition to the duties imposed on the Board of Directors by these Bylaws or by any resolution of the Unit Owners' Association, the Board of Directors shall have the power to, and shall be responsible for, the following:

(a) Adopting an annual budget, in which there shall be established the required contribution of each Unit Owner to the Common Expenses (including, without limitation, the Limited Common Expenses).

(b) Levying assessments against Unit Owners to defray the Common Expenses, establishing the means and methods of collecting such assessments from the Unit Owners, and establishing the period of the installment payment of such assessments.

(c) Providing for the operation, care, upkeep, replacement, and maintenance of all of the Common Elements. The Board of Directors expressly is authorized to enter into cooperative, cost sharing agreements with the owners of neighboring properties, if in the judgment of the Board of Directors such arrangements will reduce Condominium costs without adversely affecting the scope, level and quality of services necessary for the proper care, upkeep and operation of the Condominium.

(d) Designating, hiring and dismissing the personnel necessary for the maintenance, operation, repair and replacement of the Common Elements, and providing services for the Condominium, and, where appropriate, providing for the compensation of such personnel and for the purchase of equipment, supplies and materials to be used by such personnel in the performance of their duties, which equipment, supplies and materials shall be the property of the Condominium.

(e) Collecting from Owners all sums due (including assessments against Units) and depositing the proceeds thereof in a bank depository(ies) which it shall approve.

(f) Making and amending Rules and Regulations respecting the use and enjoyment of the Condominium in accordance with the provisions of these Bylaws.

(g) Opening bank accounts on behalf of the Condominium and designating the signatories required therefor.

(h) Making, or contracting for the making of, repairs, additions and improvements to, or alterations or restorations of the Condominium in accordance with the provisions of these Bylaws, the Declaration and the Condominium Act.

(i) Enforcing by legal means the provisions of the Declaration, these Bylaws and the Rules and Regulations, and bringing or defending against any proceedings which may be instituted on behalf of or against the Unit Owners' Association; provided, however, that the
Board of Directors shall not institute any such proceedings against the Declarant and/or any affiliate(s) of the Declarant on behalf of the Unit Owners' Association or otherwise, without first (i) obtaining the approval of the majority of Unit owners, and (ii) providing the Declarant and/or its affiliate(s), as applicable, with a minimum of sixty (60) days' prior written notice and a reasonable opportunity to address and resolve any issues and/or disputes that would be subject of such proceedings.

(j) Obtaining and carrying insurance as provided in these Bylaws, paying the premium cost thereof and adjusting and settling claims thereunder.

(k) Paying the cost of all services rendered to the Condominium and not billed to Unit Owners of individual Units.

(l) Keeping books and accounts in accordance with the provisions of these Bylaws.

(m) Borrowing money on behalf of the Condominium when required in connection with the operation, care, upkeep and maintenance of the Common Elements; provided, however, that at no time shall there be borrowed or owed in excess of five percent (5%) of the total annual assessment for Common Expenses for that Fiscal year without the prior approval of at least sixty-seven percent (67%) of the votes of Unit Owners present, in person or by proxy, at a meeting of the Unit Owners' Association duly called and held for such purpose, and at which a quorum is present.

(n) Levying reasonable assessments or "user fees" against those Unit Owners who have the exclusive right to use and occupy one (1) or more Limited Common Element parking spaces and/or storage closets or lockers, establishing the means and methods of collecting such assessments or "user fees" from the Unit Owners, and establishing the period of the installment payment of such assessments or "user fees".

(o) Do such other things and acts not inconsistent with the Condominium Act, the Declaration or these Bylaws which the Board of Directors may be authorized to do by a resolution of the Unit Owners' Association.

Section 6. Managing Agent. The Board of Directors shall employ for the Condominium a professional Managing Agent at a compensation established by the Board of Directors to perform such duties and services as the Board of Directors shall authorize. The Board of Directors may delegate to the Managing Agent all of the powers granted to the Board of Directors by these Bylaws other than the powers set forth in paragraphs (a), (b), (f), (g), (m) and (n) of Section 5 of this Article. The Board of Directors shall delegate to one of its members the authority to act on its behalf on all matters relating to the duties of the Managing Agent which might arise between meetings of the Board of Directors. The Unit Owners' Association and the Board of Directors shall not undertake "self-management" or fail to employ a professional Managing Agent. The Declarant, or an affiliate of the Declarant, may be employed as Managing Agent. Prior to the special meeting of the Unit Owners' Association at which all members of the Board of Directors shall be elected by all Unit Owners as provided in Section 2 of Article III of these Bylaws, the Board of Directors may not employ a Managing Agent for a term in excess of one (1) year. Any contract with a Managing Agent must provide that it may be terminated by the Unit Owners' Association, for cause, on no more than thirty (30) days' written notice and,
without cause or imposition of any termination fee, on no more than sixty (60) days’ written notice. The Board of Directors shall impose appropriate standards of performance upon the Managing Agent. Unless the Managing Agent is instructed otherwise by the Board of Directors:

(a) the accrual method of accounting shall be employed and expenses required by these Bylaws to be charged to more than one but less than all Unit Owners shall be accounted for and reported separately;

(b) two or more persons shall be responsible for handling cash to maintain adequate financial control procedures;

(c) cash accounts of the Unit Owners’ Association shall not be commingled with any other accounts;

(d) no remuneration shall be accepted by the Managing Agent from vendors, independent contractors or others providing goods or services to the Unit Owners’ Association whether in the form of commissions, finder’s fees, service fees or otherwise; any discounts received shall benefit the Unit Owners’ Association;

(e) any financial or other interest which the Managing Agent may have in any firm providing goods or services to the Unit Owners’ Association shall be disclosed promptly to the Board of Directors; and

(f) a monthly financial report shall be prepared for the Unit Owners’ Association.

Section 7. Removal of Members of the Board of Directors. Until the special meeting of the Unit Owners’ Association at which all of the members of the Board of Directors shall be elected by all Unit Owners as provided in Section 2 of this Article, (i) the Declarant shall have the right, in its sole discretion, to remove, with or without cause, any member of the Board of Directors designated by the Declarant and to designate his or her successor, and (ii) any member of the Board of Directors elected by Unit Owners other than the Declarant may be removed, with or without cause, by the affirmative vote of more than fifty percent (50%) of the outstanding votes of all Unit Owners other than the Declarant, and his or her successor shall be elected solely by such Unit Owners upon like vote. Thereafter, any member of the Board of Directors may be removed, with or without cause, by a majority of the votes of the Unit Owners at any regular meeting or any special meeting duly called and held for such purpose, and a successor may then and there be elected upon like vote. Any successor member of the Board of Directors shall serve for the remainder of the term of the member so removed. Any member of the Board of Directors whose removal has been proposed by the Unit Owners shall be given at least seven (7) days’ notice of the calling of the meeting and the purpose thereof, and shall be given an opportunity to be heard at the meeting.

Section 8. Resignations of Members of the Board of Directors. A member of the Board of Directors may resign at any time. Any member of the Board of Directors who is a Unit Owner shall be deemed to have resigned upon divestiture of title in fee.

Section 9. Vacancies. Vacancies in the Board of Directors caused by any reason other than the removal of a member of the Board of Directors (which shall be filled as provided in
Section 7 of this Article shall be filled by a vote of a majority of the remaining members of the Board of Directors (whether or not such remaining members constitute a quorum) at a special meeting of the Board of Directors held for such purpose promptly after the occurrence of any such vacancy (or by the sole remaining member of the Board of Directors), and each person so elected shall be a member of the Board of Directors until a successor is elected at the next annual meeting of the Unit Owners' Association for the remainder of the term created by such vacancy, provided, however, that until the special meeting of the Unit Owners' Association at which all of the members of the Board of Directors shall be elected by all Unit Owners as provided in Section 2 of this Article, the vacancy in the position of any member of the Board of Directors designated by the Declarant shall be filled by the Declarant, and the vacancy in the position of any member of the Board of Directors elected by Unit Owners other than the Declarant shall be filled by the affirmative vote of more than fifty percent (50%) of the outstanding votes of all Unit Owners other than the Declarant.

Section 10. Organization Meeting. A special organization meeting of the Board of Directors shall be held within ten (10) days after each annual meeting of the Unit Owners' Association. No notice shall be necessary to the members of the Board of Directors in order legally to constitute such special meeting, provided a quorum shall be present thereat.

Section 11. Regular Meetings. Regular meetings of the Board of Directors shall be held at least twice between annual meetings of the Unit Owners' Association, at such time and place as shall be determined from time to time by a majority of the members of the Board of Directors. Notice of regular meetings of the Board of Directors shall be given to each of its members, by hand delivery, mail, telex or telegraph at least five (5) business days prior to the date scheduled for such meeting.

Section 12. Special Meetings. Special meetings of the Board of Directors may be called by the President on request of three (3) members of the Board of Directors, by hand delivery, mail, telex or telegraph, which notice shall state the time, place and purpose of the meeting. Special meetings of the Board of Directors shall be called by the President or Secretary in like manner and on like notice upon the written request of at least two (2) members of the Board of Directors.

Section 13. Waiver of Notice. Any member of the Board of Directors at any time in writing may waive notice of any meeting of the Board of Directors, and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a member of the Board of Directors at any meeting of the Board of Directors shall constitute a waiver of notice by such member of the time and place of such meeting, unless such attendance is for the purpose of objecting to such meeting. If all members of the Board of Directors are present at any meeting of the Board of Directors, no notice shall be required and any business may be transacted at such meeting.

Section 14. Quorum. Voting of Board of Directors. At all meetings of the Board of Directors, a majority of the members of the Board of Directors shall constitute a quorum for the transaction of business, and the votes of a majority of the members present at a meeting at which a quorum is present shall constitute the decision of the Board of Directors. If at any meeting of the Board of Directors there shall be less than a quorum present, a majority of the members present or a sole present member may adjourn the meeting from time to time. At any such
reconvened meeting at which a quorum is present, any business which might have been
transacted at the meeting originally called may be transacted without further notice.

Section 15. Compensation. No member of the Board of Directors shall receive any
compensation for acting as a director.

Section 16. Conduct of Meetings. All resolutions adopted by the Board of Directors and
all transactions and proceedings occurring at all meetings of the Board of Directors shall be held
in a Minute Book maintained for the Board of Directors by the Secretary. The then current
Robert's Rules of Order or any other rules of procedure at any time or from time to time
acceptable to a majority of the members of the Board of Directors shall govern the conduct of the
meetings of the Board of Directors when not in conflict with the Declaration, these Bylaws or the
Condominium Act. In lieu of meetings requiring the physical presence of members of the Board
of Directors, meeting may be conducted by teleconference or in some other similar manner
where all members of the Board of Directors can participate, so long as such teleconferencing or
other method provides for audible participation by all members of the Board of Directors.

Section 17. Action Without Meeting. Any action by the Board of Directors required or
permitted to be taken at any meeting may be taken without a meeting if all of the members of the
Board of Directors shall consent in writing to such action. Any such unanimous written consent
shall be filed with the minutes of the proceedings of the Board of Directors.

Section 18. Board of Directors as Attorney-in-Fact. The Board of Directors is hereby
irrevocably appointed as agent and attorney-in-fact for the Unit Owners of all of the Units and
for each of them, to manage, control and deal with the interests of such Unit Owners in the
Common Elements of the Condominium and to permit the Board of Directors to fulfill all of its
powers, rights, functions and duties. The Board of Directors is hereby irrevocably appointed as
agent and attorney-in-fact for each Unit Owner, each Mortgagee, other named insureds and their
beneficiaries and any other holder of a lien or other interest in the Condominium or the Land and
Building to: (i) adjust and settle all claims arising under insurance policies purchased by the
Board of Directors, (ii) execute and deliver releases upon the payment of claims and (iii) act on
their behalf in any condemnation proceeding or action or eminent domain; provided, however,
that the consent of a Mortgagee shall be required if such Mortgagee notifies the Board of
Directors within thirty days after receipt of notice of the damage or notice of the taking in
condemnation or by eminent domain pursuant to Article X, Section 1(d) of the Bylaws. The
powers hereby granted shall be in addition to any rights granted by the Condominium Act,
including but not limited to Section 42-1903.08 of the Condominium Act. The Board of
Directors may grant and accept easements and licenses pursuant to Section 42-1903.09(b).

Section 19. Liability of the Board of Directors, Officers, Unit Owners and Unit Owners' Association.

(a) The officers of the Unit Owners' Association and the members of the
Board of Directors and any committee established by the Board of Directors shall not be liable to
the Unit Owners for any mistake of judgment, negligence, or otherwise, except for their own
individual willful misconduct, bad faith or as otherwise provided by law. The Unit Owners and
the Unit Owners' Association shall indemnify and hold harmless each of the officers and the
members of the Board of Directors from and against all liability arising out of contracts made or
other action taken on behalf of the Unit Owners or the Unit Owners' Association unless any such
contract or action shall have been made in good faith. Every agreement made by the officers, the Board of Directors or the Managing Agent on behalf of the Unit Owners’ Association shall provide, if reasonably obtainable, that the officers, members of the Board of Directors, or the Managing Agent, as the case may be, are acting only as agents for the Unit Owners’ Association and shall have no personal liability thereunder (other than as Unit Owners), and that each Unit Owner’s liability thereunder shall be limited in accordance with the provisions of Section 42-1903.09 of the Condominium Act, in proportion to such Unit Owner’s obligation to pay Common Expenses.

(b) The Unit Owners’ Association and the Board of Directors shall not be liable for any failure of utility services or other services obtained by the Unit Owners’ Association or paid for as a Common Expense, or for injury or damages to any person or property caused by the elements, by any Unit Owner, or by any other person, or resulting from electricity, water, snow or ice which may leak or flow from any portion of the Common Elements or from any pipe, drain, conduit, appliance or equipment. No diminution or abatement of any assessments shall be claimed or allowed for inconvenience or discomfort arising from the making of repairs or improvements to the Common Elements or from any action taken by the Unit Owners’ Association to comply with any of the provisions of these Bylaws, the Declaration, the Rules and Regulations, law, ordinance or with the order or directive of any municipal or other governmental authority.

Section 20. Common or Interested Directors. Each member of the Board of Directors shall exercise his or her powers and duties in good faith and in the best interests of the Condominium. No contract or other transaction between the Unit Owners’ Association and any of its officers or directors, or between the Unit Owners’ Association and any corporation, firm or association (including the Declarant) in which any of the officers or directors of the Unit Owners’ Association are directors or officers or are pecuniarily or otherwise interested, is or shall be either void or voidable because of such relationship or interest or because any such officer or director is present at the meeting of the Board of Directors or any committee thereof which authorizes, approves or ratifies such contract or transaction, or because his or her vote or their vote(s) is counted for such purpose, if any of the conditions specified in any of the following subparagraphs exists:

(a) The material facts of such relationship or interest are disclosed or known to the Board of Directors or committee which authorizes, approves or ratifies such contract or transaction in good faith and by a vote sufficient for the purpose, without counting the vote(s) of such interested officers or directors; or

(b) The material facts of such relationship or interest are disclosed or known to Unit Owners holding at least a majority of the votes in the Unit Owners’ Association and such Unit Owners authorize, approve or ratify such contract or transaction in good faith and by a vote sufficient for the purpose; or

(c) Such contract or transaction was fair and commercially reasonable to the Unit Owners’ Association in view of all the facts known to any officer or director of the Unit Owners’ Association at the time it was authorized, ratified, approved or executed.

Any common or interested officer or director may be counted in determining the presence of a quorum at any meeting of the Board of Directors or committee thereof which authorizes, ratifies
or approves any contract or transaction. Arrangements between the Unit Owners' Association and the Declarant or the initial Managing Agent shall be deemed to satisfy the requirements of this Section.

Section 21. Committees. The Board of Directors from time to time may appoint (and expand and/or disband) such committees from among its own membership and/or from among the Unit Owners' Association as the Board of Directors from time to time deems desirable to assist in the administration or operation or affairs of the Condominium.

Section 22. Standards Committee.

(a) Purpose. After the expiration of the Declarant Control Period, the Board of Directors shall establish a Standards Committee, consisting of three members appointed by the Board, each to serve for a term of one year, in order to assure that the Condominium shall always be maintained in a manner: (1) providing for visual harmony and soundness of repair; (2) avoiding activities deleterious to the aesthetic or property values of the Condominium; (3) furthering the comfort of the Unit Owners, their guests and tenants; and (4) promoting the general welfare and safety of the Condominium community.

(b) Powers. The Standards Committee shall regulate the appearance, use and maintenance of the Common Elements. The Standards Committee shall have the power to impose reasonable application fees as well as the costs of reports, analyses, or consultations required in connection with improvements or changes proposed by a Unit Owner. The Standards Committee shall have the power to impose reasonable charges (pursuant to Article X, Section 6 hereof) upon, and issue a cease and desist request to, a Unit Owner, his guests, invitees, or lessees whose actions are inconsistent with the provisions of the Condominium Act, the Declaration, these Bylaws, the Rules and Regulations or resolutions of the Board Directors (upon petition of any Unit Owner or upon its own motion). The Standards Committee shall from time to time, as required, provide interpretations of the Declaration, Bylaws, the Rules and Regulations and resolutions pursuant to the intent, provisions and qualifications thereof when requested to do so by a Unit Owner or the Board of Directors. Any action, ruling or decision of the Standards Committee may be appealed to the Board of Directors by any party deemed by the Board to have standing as an aggrieved party and the Board may modify or reverse any such action, ruling or decision.

(c) Authority. The Standards Committee shall have such additional duties, power and authority as the Board of Directors may from time to time provide by resolution. The Board of Directors may relieve the Standards Committee of any of its duties, powers and authority either generally or on a case-by-case basis. The Standards Committee shall carry out its duties and exercise its powers and authority in the manner provided for in the Rules and Regulations or by resolution of the Board of Directors.

ARTICLE IV

Officers

Section 1. Designation. The principal officers of the Condominium shall be a President, a Vice President, a Secretary and a Treasurer. The Board of Directors may elect an assistant
treasurer, an assistant secretary and/or such other officers as in its judgment may be necessary or desirable.

(a) President. The President shall be the chief executive officer of the Unit Owners' Association; provide for all meetings of the Unit Owners' Association and of the Board of Directors; have general and active direction of the business of the Unit Owners' Association subject to the control of the Board; see that all orders and resolutions of the Board are carried into effect; and appoint committees from time to time as the President may decide is appropriate to assist in the conduct of the affairs of the Unit Owners' Association.

(b) Vice President. The Vice President shall take the place of the President and perform the duties of the President whenever the President shall be absent or unable to act. If neither the President nor the Vice President is able to act, the Board of Directors shall appoint some other director to act in the place of the President on an interim basis. The Vice President shall also perform such other duties as shall from time to time be imposed by the Board of Directors or by the President.

(c) Secretary. The Secretary shall keep the minutes of all meetings of the Unit Owners' Association and of the Board of Directors; have charge of such books and papers as the Board may direct; give or cause to be given all notices required to be given by the Unit Owners' Association; maintain a register setting forth the place to which all notices to Unit Owners and Mortgages hereunder shall be delivered; and, in general, perform all the duties incident to the office of Secretary.

(d) Treasurer. The Treasurer shall (together with the Managing Agent, if any): be responsible for Unit Owners' Association funds and securities; keep full and accurate financial records and books of account showing all receipts and disbursements; prepare all required financial data; deposit all monies and other valuable effects in the name of the Board of Directors, the Unit Owners' Association or the managing agent, in such depositories as may from time to time be designated by the Board; and, in general, perform all the duties incident to the office of treasurer.

Section 2. Qualifications. All officers shall be Unit Owners (or partners, officers, directors, trustees, agents or employees of Unit Owners who are not natural persons). The President and Secretary shall be members of the Board of Directors. Any officers other than the President and the Secretary may be, but shall not be required to be, members of the Board of Directors. The foregoing restrictions shall not apply to any officers selected by members of the Board of Directors designated by the Declarant prior to the special meeting of the Unit Owners' Association at which all of the members of the Board of Directors shall be elected by all Unit Owners as provided in Section 2 of Article III of these Bylaws.

Section 3. Election. The initial officers of the Condominium shall be elected by the Board of Directors appointed by the Declarant. Thereafter, the officers of the Condominium shall be elected annually by the Board of Directors at the organization meeting following each annual meeting of the Unit Owners' Association, and shall hold office at the pleasure of the Board of Directors.

Section 4. Removal or Resignation of Officers. Any officer may be removed, either with or without cause, upon the affirmative vote of a majority of the members of the Board of
Directors. Any officer may resign at any time. Any officer shall be deemed to have resigned
upon divestiture of title in fee. Any vacancy in an office shall be filled by the Board of Directors
at a regular meeting or at a special meeting called for such purpose.

Section 5. Agreements, Contracts, Deeds, Checks, Etc. From and after the expiration of
the Declarant Control Period, all agreements, contracts, deeds, leases, checks and other
instruments of the Condominium or the Unit Owners' Association for expenditures or obligations
in excess of Two Thousand Five Hundred Dollars ($2,500.00) shall be executed by any two
officers of the Condominium or by such other person or persons as may be designated by the
Board of Directors. All such instruments for expenditures or obligations of Two Thousand Five
Hundred Dollars ($2,500.00) or less may be executed by any one officer of the Condominium or
by such other person as may be designated by the Board of Directors.

Section 6. Compensation of Officers. No officer of the Unit Owners' Association shall
receive any compensation for acting as an officer.

ARTICLE V
Assessments

Section 1. Fiscal Year. The fiscal year of the Condominium shall consist of the twelve
month period commencing on January 1 of each year and terminating on December 31 of such
year.

Section 2. Adoption of Budget. The Declarant shall determine the budget for the period
commencing upon the conveyance of legal title to the first Unit by the Declarant and ending on
the last day of the fiscal year in which such conveyance occurs. Each year thereafter, at least
sixty (60) days before the beginning of the new fiscal year, the Board of Directors shall adopt a
budget for the Condominium containing an estimate of the total amount which it considers
necessary to pay the cost of the Common Expenses (including without limitation the Limited
Common Expenses) (net of all common profits) for the ensuing fiscal year (including without
limitation such reasonable amounts as the Board of Directors deems sufficient to provide
working capital for the Unit Owners' Association, a general operating reserve, reserves for repair
and replacement of Common Elements and reserves for contingencies). At least thirty (30) days
before the beginning of each fiscal year, the Board of Directors shall send to each Unit Owner a
copy of such budget and the obligation of each Unit Owner pursuant to the provisions of this
Article to pay his or her allocable share of the Common Expenses and, if applicable, Limited
Common Expenses, based upon such budget.

Section 3. Effect of Failure to Adopt Budget. The failure or delay of the Board of
Directors to adopt a budget for any fiscal year shall not constitute a waiver or release in any
manner of a Unit Owner's obligation to pay his or her allocable share of the Common Expenses
and/or Limited Common Expenses as provided in this Article. In the absence of any annual
budget, each Unit Owner shall continue to pay the monthly charge at the rate established for the
previous fiscal year until the monthly installment which is next due more than ten (10) days after
a new annual budget shall have been adopted and notice of new assessments have been given to
Unit Owners. At the time the first installment is due pursuant to the new annual budget, each
Unit Owner shall pay with such first installment any deficiency for prior months between the
amount being paid and the amount such Unit Owner should have been paying under the new annual budget.

Section 4. Assessment of Common Expenses and Limited Common Expenses. The total amount of the estimated Common Expenses (including reserves) as set forth in the budget or budgets of the Condominium for any fiscal year shall be assessed against all Units in proportion to the respective Percentage Interests of all Units. Limited Common Expenses shall be assessed only against the Unit(s) in proportion to the percentage of liability of the Unit for such expenses as listed in Exhibit C to the Declaration. The assessment made against each Unit for Common Expenses and, if applicable, for Limited Common Expenses, for each fiscal year shall be set forth separately each Unit’s share of the amount of the total assessment. On or before the first day of each fiscal year, and the first day of each of the succeeding eleven (11) months in such fiscal year, each Unit Owner shall be obligated to pay to the Board of Directors or the Managing Agent (as determined by the Board of Directors) one-twelfth (1/12th) of the assessment for Common Expenses, and, as applicable, for Limited Common Expenses for such fiscal year. Within ninety (90) days after the end of each fiscal year, the Board of Directors shall supply to all Unit Owners an unaudited itemized accounting of the Common Expenses and, as applicable to the Unit Owner, Limited Common Expenses for such fiscal year actually incurred and paid, together with a tabulation of the amounts collected pursuant to the budget or budgets adopted by the Board of Directors for such fiscal year, and showing the net amount over or short of the actual expenditures, plus reserves. Any amount accumulated in excess of the amount required for Common Expenses, Limited Common Expenses and reserves shall, in the discretion of the Board of Directors, either (i) be credited in proportion to each Unit Owner’s obligation to pay Common Expenses and Limited Common Expenses to the next monthly installments due from Unit Owners, or (ii) refunded among Unit Owners who paid in assessments in proportion to their payments, or (iii) added to reserves until exhausted. Any net shortage in income derived from Common Expenses and/or Limited Common Expenses shall be assessed against the Unit Owners then of record in proportion to each Unit Owner’s obligation to pay Common Expenses and, if applicable, Limited Common Expenses, and shall be payable, in the discretion of the Board of Directors, either (i) in full, with payment of the monthly installment which is next due more than ten (10) days after the date of such assessment, or (ii) in not more than twelve (12) equal monthly installments, beginning with the next due monthly installment.

Sections. Reserves. The Board of Directors shall build up and maintain adequate reserves as they deem appropriate for working capital and for repairs to and replacements of the Common Elements, and may establish reserves for general operations, contingencies or other matters. All reserves shall be kept in a separate bank account(s), segregated from general operating funds, and, if the Board of Directors shall deem it advisable, funds accumulated for each type of reserve shall be kept in a separate bank account, identified by reference to the specific category of reserve. Extraordinary expenditures not originally included in the annual budget which may become necessary during the year shall be charged first against such reserve. Except where an emergency requires an expenditure to prevent or minimize loss from damage to, or deterioration of, the Common Elements, reserves accumulated for one purpose may not be expended for any other purpose unless approved by the Unit Owners’ Association.

Section 6. Special Assessments.

(a) Special Assessments. The Board of Directors at any time or from time to time may levy a special assessment in order to defray, in whole or in part, the cost of any
construction, reconstruction or unexpected repair or replacement of the Common Elements, or for such other purpose as the Board of Directors may consider appropriate, provided that any such assessment in excess of ten percent (10%) of the then current assessment shall have the assent of a majority of the votes of Unit Owners at a special meeting called to consider such special assessment at which a quorum is present, further provided, however, that such limitation and assent by the Unit Owners shall not be applicable to any special assessment arising as a result of an emergency affecting life or property. Such special assessment shall be levied against (i) all Unit Owners in proportion to each Unit Owner's obligation to pay Common Expenses, to the extent such assessment is levied in connection with the construction, reconstruction or repair and replacement of the General Common Elements; and, if applicable, (ii) all Unit Owners in proportion to each Unit Owner's obligation to pay Limited Common Expenses, to the extent such assessment is levied in connection with the construction, reconstruction or repair and replacement of the Limited Common Elements.

(b) Assessment. The Board of Directors shall serve notice of any special assessments on all affected Unit Owners by a statement in writing giving the amount of and reasons for such special assessment, which special assessment may be payable, as the Board of Directors may determine, in lump sum or in installments, and, unless otherwise specified in the notice, shall be payable with the next due monthly installment which is due more than ten (10) days after the giving of such notice. All Unit Owners shall be obligated to pay the adjusted monthly amount or, if the special assessment is not payable in installments, the amount of such assessment.

Section 7. Working Capital Fund. There will be established an initial working capital fund through the payment made by each Unit Owner, upon the purchase of his or her Unit from the Declarant, of an amount equal to twice the monthly installments for Common Expenses for such Unit under the pro forma or actual budget then in effect. The Declarant shall deliver such funds so collected to the Board of Directors to provide initial working capital for the Unit Owners' Association, said funds to be held by the Unit Owners' Association in a separate bank account(s), segregated from general operating funds. Neither the Declarant, any Mortgagee who obtains title to Unit by foreclosure or deed in lieu thereof, any purchaser at a foreclosure sale, nor any purchaser upon a resale of a Unit, shall be required to pay initial working capital assessments. The working capital fund may be used for any lawful purpose, as the Board of Directors from time to time shall determine, including without limitation defraying shortages in operating funds. Notwithstanding the foregoing, so long as the Declarant is in control of the Unit Owners' Association, the Declarant may not use any of the working capital funds to defray expenses, reserve contributions, construction costs or make up budget deficits.

Section 8. Obligation to Pay Common Expenses. From and after the conveyance of title of the first Unit by the Declarant to a Unit Owner, each Unit Owner (including the Declarant, to the extent the Declarant holds legal title to one or more Units) shall be obligated to pay assessments for Common Expenses and special assessments levied by the Board of Directors pursuant to these Bylaws. No Unit Owner may be exempted from liability to contribute toward payment of assessments by waiver of the use or enjoyment of any of the Common Elements or by abandonment of his or her Unit. No Unit Owner shall be liable for the payment of any assessments for Common Expenses or special assessments levied against his or her Unit subsequent to the perfection of a sale or other divestiture of title, by operation of law or otherwise, of such Unit by such Unit Owner. Subject expressly to and except as otherwise provided in Section 10 of this Article, the purchaser of a Condominium Unit or other successor
in interest in connection with any voluntary transfer of a legal or equitable interest in a Condominium Unit shall be liable jointly and severally with the transferor Unit Owner for all assessments which have become due and payable against such transferor's Unit prior to and up to the time of such transfer, without prejudice, however, to any rights of such successor to recover from the transferor; provided, however, that any such transferor Unit Owner and successor in interest upon request shall be entitled to a recordable statement from the Board of Directors or Managing Agent (as provided in Section 16 of this Article V) setting forth the amount of the unpaid assessments against the transferor Unit Owner's Unit, and such successor shall not be liable for, nor shall the Condominium Unit conveyed be subject to, a lien for any unpaid assessments in excess of the amount set forth in such statement. Failure to furnish or make available such statement within ten (10) days from receipt of such request shall extinguish the lien for unpaid assessments. Payment of a fee of Twenty-five Dollars ($25.00) or, if greater, the maximum amount allowable under the Condominium Act, shall be required as a prerequisite to the issuance of such statement.

Section 9. Lien for Assessments.

(a) Lien. The total annual assessment of each Unit Owner for Common Expenses or any special assessment, or any other sum duly levied (including without limitation charges, interest, late charges, costs of collection, legal fees, etc.), made pursuant to these Bylaws, is hereby declared to be a lien levied against the Unit of such Unit Owner as provided in Section 42-1903.13 of the Condominium Act, which lien shall, with respect to annual assessments, be effective on the first day of each fiscal year of the Condominium and, as to special assessments and other sums duly levied, on the first day of the next month which begins more than ten (10) days after delivery to the Unit Owner of notice of such special assessment or levy. The Board of Directors or the Managing Agent may file or record such other or further notice of any such lien, or such other or further document, as may be required to confirm the establishment and priority of such lien.

(b) Acceleration. In any case where an assessment against a Unit Owner is payable in installments, upon a default by such Unit Owner in the timely payment of any two consecutive installments, the maturity of the remaining total of the unpaid installments of such assessments may be accelerated, at the option of the Board of Directors, and the entire balance of the annual assessment may be declared due and payable in full by the service of notice to such effect upon the defaulting Unit Owner and such Unit Owner's Mortgagee by the Board of Directors or the Managing Agent.

(c) Enforcement. The lien for assessments may be enforced and foreclosed in any manner permitted by the laws of the District of Columbia by power of sale (pursuant to Section 42-1903.13 of the Condominium Act) or action in the name of the Board of Directors, or the Managing Agent, acting on behalf of the Unit Owners' Association. During the pendency of such suit the Unit Owner shall be required to pay a reasonable rental for the Unit for any period prior to sale pursuant to any judgment or order of any court having jurisdiction over such sale. The plaintiff in such proceeding shall have the right to the appointment of a receiver, if available under the laws of the District of Columbia.

(d) Remedies Cumulative. A suit to recover a money judgment for unpaid assessments may be maintained without foreclosing or waiving the lien securing the same, and a
foreclosure may be maintained notwithstanding the pendency of any suit to recover a money judgment.

(c) Supplemental Enforcement of the Lien. In addition to the proceedings at law or in equity for the enforcement of the lien established by the Declaration and these Bylaws or the Condominium Act, any Unit Owner who is late three (3) times in any twelve (12) month period in paying his or her assessments may be required by the Declarant or the Board of Directors to execute bonds conditioned upon the faithful performance and payment of the installments of the lien established thereby and may likewise be required to secure the payment of such obligations by recording a declaration of trust in the land records of the District of Columbia granting unto one or more trustees appropriate powers to the end that, upon default in the performance of such bond such declaration of trust may be foreclosed by such trustees acting at the direction of the Board of Directors. If any such bonds have been executed and such declaration of trust is recorded, then any subsequent purchaser of a Unit shall take title subject thereto and shall assume the obligations provided for therein.

Section 10. Subordination and Mortgagee Protection. Notwithstanding any other provision of the Declaration or these Bylaws to the contrary, any lien for assessments shall be subordinate to the rights of the holder of a Mortgage made in good faith, for value received prior to the date such assessment became due and payable, and such holder, or the purchaser at a foreclosure sale, their successors and assigns, shall not be liable for and such Unit shall not be subject to a lien for the payment of assessments which have become due and payable prior to the acquisition of title or the taking of possession (whichever first occurs) of such Unit pursuant to a decree of foreclosure, or any proceeding in lieu of foreclosure, provided, that such subordination shall apply only to assessments which have become due and payable prior to such acquisition of title or the taking of possession of such Unit, and such holder or purchaser, their successors and assigns, shall be liable for and such Unit shall be subject to a lien for assessments thereafter becoming due and payable. Any such unpaid assessments for which a Mortgagee or purchaser, their successors and assigns, shall not have liability pursuant to this Section shall constitute a Common Expense for which each Unit Owner, including such Mortgagee or purchaser, their successors and assigns, shall be liable in proportion to each Unit Owner’s obligation to pay Common Expenses.

Section 11. Collection of Assessments. The Board of Directors, or the Managing Agent at the request of the Board of Directors, shall take prompt action to collect any assessments for Common Expenses due from any Unit Owner which remain unpaid for more than thirty (30) days from the date due for payment thereof.

Section 12. Interest and Late Charge: Costs of Association. In the event of a default by any Unit Owner in paying any Common Expenses or any other sums assessed against the Unit Owner which default continues for a period of fifteen (15) days, such Unit Owner shall be obligated to pay a late payment charge in an amount to be established by the Board of Directors, from time to time, and shall bear interest from the due date at the rate of twelve percent (12%) per annum or such other rate as from time to time shall be determined by the Board of Directors, provided such rate shall not exceed the highest interest rate permitted by law. Such Unit Owner shall also be required to pay the costs incurred by the Unit Owners’ Association as a result of such default of the Unit Owner, including without limitation reasonable attorneys’ fees.
Section 13. Accounts. Except as otherwise provided in this Article, all sums collected by the Board of Directors with respect to assessments against the Unit Owners may be commingled into a single fund.

Section 14. Books and Accounts. Books and accounts of the Unit Owners' Association shall be kept under the direction of the Treasurer in accordance with generally accepted accounting principles. Such books and accounts shall detail, in chronological order, the income and expenditures of administration and operation of the Condominium, and shall specify the maintenance, repair and service expenses and any other expenses incurred. The amount of any special assessment required for payment of any capital improvement of the Condominium shall be credited upon the books of the Condominium to the "Paid-in Surplus" account as a capital contribution.

Section 15. Inspection of Books. The books and accounts of the Unit Owners' Association, as well as the audited financial statement required pursuant to Section 17 of this Article, shall be available for inspection by the Unit Owners and/or their accountants, attorneys and duly authorized agents, and to any mortgagee, and/or its accountants, attorneys and duly authorized agents, during normal business hours, upon reasonable notice and for purposes reasonably related to their respective interests. Such inspection shall be undertaken at the inspecting Unit Owner's expense.

Section 16. Statement of Common Expenses. The Board of Directors promptly shall provide to any Unit Owner,contract purchaser or mortgagee upon request a written statement in recordable form of all unpaid assessments due from such Unit Owner. Payment of a fee to be established by the Board of Directors from time to time, shall be required as a prerequisite to the issuance of such statement. Failure to furnish or make available such statement within ten (10) days from receipt of such request and payment of the fee shall extinguish the lien for unpaid assessments.

Section 17. Audit. The books and accounts of the Unit Owners' Association shall be audited and a financial statement prepared at least once a year, not later than 120 days after the expiration of the fiscal year of the Unit Owners' Association, by an outside auditor employed by the Board of Directors who shall not be a resident of the Condominium or a Unit Owner. The cost of such audit shall be Common Expense.

ARTICLE VI
Repair, Improvement and Use,

Section 1. Maintenance and Repair.

(a) By the Unit Owners' Association. Except as otherwise provided in this Section or by the provisions of these Bylaws or the Condominium Act, the Unit Owners' Association shall be responsible for the maintenance, repair and replacement of the Common Elements of the Condominium (including the Limited Common Elements), whether located inside or outside of Units. The cost for the maintenance, repair and replacement of the Common Elements shall be a Common Expense, payable by (i) all Unit Owners in proportion to each Unit Owner's obligation to pay Common Expenses, to the extent such assessment is levied in connection with the construction, reconstruction or repair and replacement of the General
(b) By the Unit Owner.

(1) Each Unit Owner shall be responsible at his or her own expense for the maintenance, repair and replacement of his or her Unit and all parts thereof, including without limitation interior walls included as part of a Unit, interior ceilings and floors, interior surface of glass doors and windows and the finished interior surfaces of all perimeter walls, ceilings and floors, kitchen and bathroom fixtures and appliances, lighting, heating and air-conditioning components included as a part of the Unit. Each Unit Owner promptly shall report to the Board of Directors or the Managing Agent any defect or need for repairs for which the Unit Owners' Association is responsible.

(2) Each Unit Owner shall perform normal maintenance to any Limited Common Element appurtenant to such Unit Owner's Unit and of any portion of the General Common Elements or Limited Common Elements which such Owner has the right to utilize exclusively or in conjunction with less than all of the other Unit Owners.

(3) Each Unit Owner shall be responsible for all damage to any and all other Units or to the Common Elements resulting from such Unit Owner's failure to maintain or make any of the repairs required to be made pursuant to this Section. Each Unit Owner also shall be responsible for the expense of any maintenance, repair and/or replacement of any of the Common Elements, if in the opinion of not less than a majority of the members of the Board of Directors such expense was necessitated by the negligence, misuse or neglect of any Unit Owner(s), or of any member(s) of such Unit Owner's household or family, or of any employee(s), agent(s), licensee(s) or invitee(s) of such Unit Owner(s). All structural repairs or replacements of any and all Common Elements, made pursuant to this paragraph shall be made by the Unit Owners' Association, but the cost thereof shall be borne by the party(ies) responsible therefor as herein provided. To the extent any Unit Owner is not performing its maintenance and repair obligations hereunder and such failure, in the opinion of a majority of the Board of Directors, may result in damage to any other Units or to the Common Elements, the Board of Directors may make such repairs at the cost and expense of such Unit Owner and the Unit Owner shall reimburse the Unit Owners' Association for the cost thereof promptly upon demand therefore, and any amounts expended by the Unit Owners' Association shall be a lien on such Unit as provided in Article V, Section 9.

c) Maintenance and Repair of the Parking Spaces and the Storage Closets or Lockers. The Unit Owners' Association shall be responsible for the maintenance, repair and replacement of the Parking Units and Limited Common Element Parking Space. The cost of such maintenance, repair and replacement shall be assessed to the Unit Owners as a Common Expense; provided that, in accordance with the provisions of Article III, Section 5(b), the Board of Directors shall have the power and authority to levy a "user fee" or other similar charge to Unit Owners who use and occupy the Limited Common Element parking spaces and/or Limited Common Element storage closets or lockers. Notwithstanding the provisions of the foregoing sentence, each Unit Owner shall be responsible for the expense of any maintenance, repair and/or replacement of any of the Common Elements or other Units of the Condominium, if in the opinion of not less than a majority of the members of the Board of Directors such expense was
necessitated by the negligence, misuse or neglect of any Unit Owner(s), or of any member(s) of such Unit Owner's household or family, or of any employee(s), agent(s), licensor(s) or invitee(s) of such Unit Owner(s). The Unit Owner shall reimburse the Unit Owners' Association for such expenses promptly upon demand therefore, and any amounts expended by the Unit Owners' Association shall be a lien upon the applicable Unit or upon the Unit to which a Limited Common Element parking space and/or Limited Common Element storage closet or locker is appurtenant, as applicable.

(d) Manner of Repair and Replacement. All repairs and replacements shall be substantially similar to the original construction and installation and shall be of first-class quality.

Section 2. Right of Access. By acceptance of a deed of conveyance, each Unit Owner thereby grants a right of access to his or her Unit, as provided by Section 42-103.07(a) of the Condominium Act, to the Board of Directors, the Managing Agent and each Unit Owner, their respective agents and employees, or any group of the foregoing, for the purpose of enabling the exercise and discharge of their respective powers and responsibilities, including without limitation making inspections, correcting any condition originating in a Unit or threatening another Unit or the Common Elements, performing installations, alterations or repairs to the mechanical or electrical services or the Common Elements in a Unit or elsewhere in the Condominium, or to correct any condition which violates the provisions of the Declaration, these Bylaws, the Rules and Regulations or any Mortgage; provided, however, that requests for entry are made in advance and that any such entry is at a time reasonably convenient to the Unit Owner. Notwithstanding the foregoing, in case of an emergency, such right of entry shall be immediate and without notice, whether the Unit Owner is present at the time or not. Any exercise of the rights herein conferred shall be in a manner, to the extent practicable, so as not to interfere unreasonably with the use of a Unit or the Common Elements, and any damage to any Unit or to the Common Elements resulting from any exercise of the rights herein conferred shall be repaired by the party(ies) responsible for such damage.

Section 3. Additions, Alterations or Improvements; Emergency Repairs.

(a) By the Unit Owners' Association. Whenever the Common Elements shall require any addition, alteration or improvement costing in excess of three percent (3%) of the total annual Common Expense and Limited Common Expense assessment for that fiscal year and the making of such addition, alteration or improvement shall have been approved by a majority of the votes of the Unit Owners, the Board of Directors shall proceed with such addition, alteration or improvement and the cost thereof shall constitute a Common Expense. Emergency repairs, however, necessary to prevent or correct conditions involving manifest danger to life or property, or for the preservation and safety of the Condominium, or for the safety of the Unit Owners, or required to avoid the suspension of any necessary service to the Condominium, may be made by the Board of Directors on behalf of the Unit Owners' Association without approval of the Unit Owners, regardless of the cost limitations imposed by this Section. Any addition, alteration or improvement costing three percent (3%) of the total annual assessment for that fiscal year or less may be made by the Board of Directors on behalf of the Unit Owners' Association without approval of the Unit Owners and the cost thereof shall constitute a Common Expense. Notwithstanding the foregoing provisions of this Section, if in the opinion of not less than a majority of the members of the Board of Directors any addition, alteration or improvement has been requested by and is or shall be exclusively or substantially exclusively for the benefit of
any Unit or Units to the exclusion of all other Units, such Unit(s) shall be assessed therefor in such proportion as the Unit Owner(s) of such Unit(s) jointly shall approve, or, if they are unable to agree thereon, in such proportions as shall be determined by the Board of Directors.

(b) By Unit Owners. Except as expressly permitted by Section 42-1902.24 of the Condominium Act, no Unit Owner shall make any additions, alteration or improvement in or to his or her Unit which will or may impair the structural integrity or mechanical, electrical or plumbing systems of the Building of the Condominium, and interior partitions contributing to the support of the Unit or the Building shall not be altered or removed. No Unit Owner shall make any addition, alteration or improvement, or shall change the appearance of the Common Elements or the exterior appearance of any Unit (including without limitation doors, windows and window shades) or Limited Common Element without the prior written consent of the Board of Directors acting for and on behalf of the Unit Owners’ Association. If application to any governmental authority for a permit to make an addition, alteration or improvement requires execution by the Unit Owners’ Association and, if applicable, provided consent of the Board of Directors has been given, then the application shall be executed on behalf of the Unit Owners’ Association by the Board of Directors or an officer designated by the Board of Directors, without, however, incurring any liability to any contractor, subcontractor or materialman on account of such addition, alteration or improvement, or to any person having any claim for injury to person or damage to property arising therefrom. The foregoing provisions of this paragraph shall not apply to Condominium Units owned by the Declarant before deeds of conveyance to such Units shall have been delivered, and the Declarant shall have the right to make any such alterations without the consent of the Board of Directors or any Unit Owner or any Mortgagee.

A Unit Owner making or causing to be made any such additions, alterations or improvements agrees, and shall be deemed to have agreed, for such Unit Owner, and such Unit Owner’s heirs, personal representatives, successors and assigns, as appropriate, to hold the Unit Owners’ Association, the Declarant and all other Unit Owners harmless from and to indemnify them against any liability or damage to the Building, the Units and/or the Common Elements and expenses arising therefrom, and shall be solely responsible for the maintenance, repair and insurance thereof from and after that date of installation or construction thereof as may be required by the Unit Owners’ Association. The Unit Owners’ Association’s rights of review and approval of any request of a Unit Owner to make such additions, alterations or improvements are intended solely for the benefit of the Unit Owners’ Association. Neither the Declarant, the Unit Owners’ Association nor any of its officers, directors, employees, agents, contractors, consultants or attorneys shall be liable to any Unit Owner or any other person by reason of mistake in judgment, failure to point out or correct deficiencies in any plans or other submissions to the Unit Owners’ Association, negligence, or any other misfeasance, malfeasance or nonfeasance arising out of or in connection with the approval or disapproval of any plans or submissions.

Anyone submitting a request for approval of such additions, alterations or improvements hereunder, by the submission of same, and any Unit Owner, by acquiring title to same, agrees not to seek damages from the Declarant and/or the Unit Owners’ Association arising out of the Unit Owners’ Association’s review of any request for approval and any plans or other materials submitted to the Unit Owners’ Association in connection therewith. Without limiting the generality of the foregoing, the Unit Owners’ Association shall not be responsible for reviewing, nor shall its review of any materials submitted by a Unit Owner be deemed approval of, any design or plans from the standpoint of structural safety, soundness, workmanship, materials,
usefulness, conformity with building or other codes or industry standards, or compliance with governmental requirements. Further, each Unit Owner (including the successors and assigns) agrees to indemnify and hold the Declarant and the Unit Owners' Association harmless from and against any and all costs, claims (whether rightfully or wrongful asserted), damages, expenses or liabilities whatsoever (including, without limitation, reasonable attorneys' fees and court costs at all trial and appellate levels), arising out of any review of materials by the Unit Owners' Association hereunder.

(c) Parking Spaces and/or Storage Closets or Lockers. No addition, alteration or improvement of any kind or nature to any parking space and/or storage closet or locker located within the Building shall be made without the prior written consent of the Board of Directors acting for and on behalf of the Unit Owners' Association, to be granted or withheld by the Board of Directors in its sole discretion.

Section 4. Use of Units and Common Elements. Each Unit and the Common Elements shall be occupied and used as follows:

(a) Except as permitted by the Declaration and these Bylaws, no part of the Condominium shall be used for any purpose except housing and the related residential purposes for which the Condominium was designed.

(b) A Unit Owner may use a portion of a Unit for a home office or studio, provided that such use is consistent with all valid laws, zoning ordinances and regulations of all governmental agencies having jurisdiction over the Condominium and the activities therein shall not interfere with the quiet enjoyment or comfort of any other Unit Owner, and provided, further, that in no event shall any part of the Condominium be used as a school or music studio. Except for such home office or studio use, no industry, business, trade, occupation or profession of any kind, commercial, religious, educational, or otherwise, shall be conducted, maintained, or permitted in any Unit.

(c) No Unit shall be used or occupied for transient or hotel purposes. No portion of any Unit (other than the entire Unit) shall be leased for any period; provided, however, that arrangements for a reasonable number of roommates is permitted. Units shall not be leased for an initial period of less than one (1) year. No Unit Owner shall lease a Unit other than on a written form of lease: (i) requiring the lessee to comply with the Declaration, these Bylaws, and Rules and Regulations; (ii) providing that failure to comply constitutes a default under the lease, (iii) providing that the Board of Directors has the power to terminate the lease or to bring summary proceedings to void the tenant in the name of the lessee thereunder after forty-five (45) days prior written notice to the Unit Owner, in the event of a default by the tenant in the performance of the lease and (iv) providing that the tenant shall have no right to sublease the Unit or any part thereof. The Board of Directors may suggest a standard form lease for use by Unit Owners. The Board of Directors shall have the right to require that all Unit Owners who lease their Units post a deposit as security against damages to the Common Elements, to be held by the Unit Owners' Association in accordance with applicable law, which deposit shall be returned to the Unit Owner after the expiration or termination of the lease agreement, less any amount thereof applied by the Unit Owners' Association to repair any damages to the Common Elements caused by such lessee. Each Unit Owner shall, promptly following the execution of any lease of Unit, forward a conforming copy thereof to the Board of Directors. The foregoing
provisions of this paragraph except the restrictions against use or occupancy for hotel or transient purposes, shall not apply to Units owned by the Unit Owners’ Association, to the Declarant, or to a Mortgages in possession of a Unit as a result of foreclosure, judicial sale or a proceeding in lieu of foreclosure.

(d) Parking spaces located in the Building may be used solely for the parking of motor vehicles and bicycles and for no other purpose. Storage closets or lockers located within the Building may be used solely for the storage of personal items; provided, however, that the storage of hazardous materials within any such storage closet or locker shall be prohibited.

(e) No immoral, improper, offensive or unlawful use shall be made of the Condominium or any part thereof, and all laws, orders, rules, regulations or requirements of any governmental agency having jurisdiction over any portion of the Condominium shall be observed.

(f) Nothing shall be done or kept in any Unit or in or on the Common Elements which will increase the rate of insurance for the Condominium. No Unit Owner shall permit anything to be done or kept in a Unit or in or on the Common Elements which will result in the cancellation of insurance on the Condominium or which would be in violation of any public law, ordinance or regulation. No waste will be committed in, on or to the Common Elements. Nothing herein shall in any way be deemed to limit or proscribe the activities of the Declarant.

(g) The maintenance, keeping, boarding and/or raising of animals, livestock; poultry or reptiles of any kind, regardless of number, shall be and is prohibited within any Unit or upon the Common Elements, except that the keeping of orderly domestic pets (e.g., dogs or cats), not to exceed two (2) per Unit without the approval of the Board of Directors, is permitted, subject to the Rules and Regulations adopted by the Board of Directors; provided, however, that (i) this restriction shall not apply to fish or caged birds; (ii) such pets are not kept or maintained for commercial purposes or for breeding; and (iii) any such pet causing or creating a nuisance or unreasonable disturbance or noise may be permanently removed from the Condominium upon ten (10) days written notice from the Board of Directors. Any Unit Owner or resident may notify the Board of Directors in writing that a pet of another Unit Owner or resident is creating a nuisance or making noise or an unreasonable disturbance. If the complaint so merits, his or her name shall be disclosed only to the Board of Directors. The owner of the pet shall be immediately notified and a hearing shall be held by the Board of Directors within twenty-one (21) days of the delivery of the notice. The Board of Directors shall give all Unit Owners and residents an opportunity to be heard on the matter. The owner of the pet must show to the satisfaction of the Board of Directors that the allegation is untrue or the Board of Directors shall remove the pet forthwith from the Condominium. A pet may cause a nuisance by reason of noise, odor or behavior. Defecating or urinating in the Common Elements or barking while the pet owner is not present, or the emission of odors are examples of unreasonable disturbance. Pets shall not be permitted upon the Common Elements unless accompanied by an adult and unless carried or leashed and then only in those areas designated by the Board of Directors. Any Unit Owner or resident who keeps or maintains any pet upon any portion of the Condominium shall be deemed to have indemnified and agreed to hold the Unit Owners’ Association, each Unit Owner and the Declarant free and harmless from any loss, claim or liability of any kind or character whatever arising by reason of keeping or maintaining such pet within the Condominium. All pets shall be registered with the Unit Owners’ Association and shall
otherwise be registered and inscribed as required by law. The Board of Directors may establish reasonable fees for registration of pets.

(b) No Unit Owner shall obstruct any of the Common Elements nor shall any Unit Owner place or cause or permit anything to be placed on or in any of the Common Elements (except those areas designated for such storage by the Declaration and these Bylaws or the Board of Directors) without the approval of the Board. Nothing shall be altered or constructed in or removed from the Common Elements except with the prior written consent of the Board of Directors. The Common Elements shall be used only for the furnishing of the services and facilities for which the same are reasonably suited and which are incidental to the use and occupancy of the Units. The lobbies, vestibules, public halls and stairways shall be used for no purpose other than for normal transit. No signs, posters or handbills may be posted or delivered in, on, or, through the lobbies, vestibules, public halls or stairways, or delivered under the doors to the Units. Each Unit Owner, by acceptance of a deed for a Unit, thereby covenants and agrees that it is the intention of the Declarant that the stairwells of the Building are intended for ingress and egress in the event of emergency only, and as such are constructed and left unfinished solely as to be functional for said purpose, without regard to the aesthetic appearance of said stairwells. Similarly, the garage and utility pipes serving the Condominium are intended solely for functional purposes, and as such will be left unfinished without regard to the aesthetic appearance of same. The foregoing is not intended to prohibit the use of the stairwells, garage, and utility pipes for any other proper purpose.

(i) No fences may be erected in the Condominium except for those fences erected by the Declarant or the Board of Directors.

(j) To the extent not prohibited by applicable law, no satellite receiving systems or stations or exterior antenna of any kind shall be maintained in a Unit or upon the Common Elements, except for any master antenna which may be provided by the Declarant or with the prior written consent of the Board of Directors.

(k) No person may post any advertisement, poster or sign of any kind on the exterior of a Unit or on any Common Element, except when required by law or as otherwise provided in the Condominium Instruments. The right is reserved by the Declarant or its agents to use any unsold Unit or Units, or any Unit or Units leased by the Declarant, for model, sales and/or rental offices and/or for any other lawful purpose or purposes, and to display "For Sale" and "For Rent" signs of any size on the Common Elements, or on any such Unit or on the Building.

(l) Sufficient carpeting or rugs shall be maintained on at least fifty percent (50%) of the floor surfaces (except kitchens, closets, center halls and bathrooms) in the Units located over other units to sufficiently reduce transmission of sound between Units. Unless installed by the Declarant or otherwise meeting the sound insulation specifications established from time to time by the Board of Directors, hard and/or heavy surface floor coverings, such as tile, marble, wood, and the like will not be permitted in Units. If approved by the Board of Directors, the installation of such materials shall be performed in a manner that provides proper mechanical isolation of the flooring materials from any rigid part of the building structure, whether of the concrete subfloor (vertical transmission) or adjacent walls and fittings (horizontal transmission) and same must be installed prior to the occupancy of the Unit. Chipping, grinding and/or bushing of the concrete slab is expressly prohibited. Additionally, the floor coverings
(and insulation and adhesive material therefor) installed on any balcony, sunroom or terrace shall not exceed a thickness that will result in the finish level of the balcony, sunroom or terrace being above the bottom of the sumpers or diminish the required height of the rails (as established by the applicable building code). Also, the installation of any improvement or heavy object must be submitted to and approved by the Board of Directors, and be compatible with the overall structural design of the Building. All areas within a Unit, unless containing floor coverings installed by the Declarant or to receive floor covering approved by the Board of Directors, are to receive sound absorbent, less dense floor coverings, such as carpeting. The Board of Directors will have the right to specify the exact material to be used on balconies, sunrooms and terraces. Any use guidelines set forth by the Unit Owners' Association shall be consistent with good design practices for the waterproofing and overall structural design of the Building. Unit Owners will be held strictly liable for violations of these restrictions and for all damages resulting therefrom and the Association has the right to require immediate removal of violations. Applicable warranties of the Declarant, if any, shall be voided by violations of these restrictions and requirements. Each Unit Owner, by acceptance of a deed or other conveyance of his or her Unit, hereby acknowledges and agrees that sound transmission in a multi-story building such as the Condominium is very difficult to control, and that noises from adjoining or nearby Units and mechanical equipment may be audible within a Unit. The Declarant does not make any representation or warranty as to the level of sound transmission between and among Units and the other portions of the Condominium, and each Unit Owner shall be deemed to waive and expressly release any such warranty and claim for loss or damages resulting from sound transmission.

(m) No Unit shall be subjected to or used for any timesharing, cooperative, licensing or other arrangement that would entail weekly, monthly, or any other type of revolving or periodic occupancy by multiple Unit Owners, cooperators, licensees, or timesharing participants.

(n) Trailers, campers, recreational vehicles, boats and other large vehicles (other than by Declarant in connection with the development of the Condominium and the marketing of the Units for sale and/or lease) may not be parked on the Condominium. All vehicles shall be parked wholly within parking space lines. No junk or derelict vehicle or other vehicle on which current registration plates are not displayed shall be parked on any of the Common Elements. Except in areas designated by the Board of Directors, vehicle repairs, other than (i) emergency maintenance, (ii) ordinary light maintenance (excluding fluid changes and other operations which might soil the Common Elements) and (iii) normal cleaning, are not permitted on the Common Elements.

(o) Intentionally Omitted.

(p) No Unit Owner shall install, within his or her Unit, or upon the Common Elements, non-breathable wall-coverings or low-permeance paints. Additionally, any and all built-in casework, furniture, and or shelving in a Unit must be installed over floor coverings to allow air space and air movement and shall not be installed with backboards flush against any gypsum board, masonry block or concrete wall. Additionally, all Unit Owners, whether or not occupying the Unit, shall regularly run the air conditioning system to maintain the Unit temperature, whether or not occupied, at 78°F, to minimize humidity in the Unit. Leaks, leaving exterior doors or windows open, wet flooring and moisture will contribute to the growth of mold, mildew, fungus or spores. Each Unit Owner, by acceptance of a deed, or otherwise acquiring
title to a Unit, shall be deemed to have agreed that Declarant is not responsible, and hereby
disclaims any responsibility for any illness, personal injury, death or allergic reactions which
may be experienced by the Unit Owner, his or her family members and/or its or their guests,
tenants and invitees and/or the pets of all of the aforementioned persons, as a result of mold,
mildew, fungi or spores. It is the Unit Owner’s responsibility to keep the Unit clean, dry, well-
ventilated and free of contamination. While the foregoing are intended to minimize the potential
development of molds, fungi, mildew and other mycotoxins, each Unit Owner understands and
agrees that there is no method for completely eliminating the development of molds or
mycotoxins. The Declarant does not make any representations or warranties regarding the
existence or development of molds or mycotoxins and each Unit Owner shall be deemed to
waive and expressly release any such warranty and claims for loss or damages resulting from the
existence and/or development of same. In furtherance of the rights of the Association as set forth
above, in the event that the Board of Directors reasonably believes that the provisions of this
subsection are not being complied with, then, the Board of Directors shall have the right (but not
the obligation) to enter the Unit (upon the provision of reasonable notice to the Unit Owner) to
turn on the air conditioning in an effort to cause the temperature of the Unit to be maintained as
required hereby (with all utility consumption costs to be paid and assumed by the Unit Owner).
To the extent that electric service is not then available to the Unit, the Board of Directors shall
have the further right, but not the obligation (without requiring the consent of the Unit Owner) to
connect electric service to the Unit (with the costs thereof to be borne by the Unit Owner, or if
advanced by the Board of Directors on behalf of the Unit Owners’ Association, to be promptly
reimbursed by the Unit Owner to the Unit Owners’ Association, with all such costs to be deemed
special assessments hereunder). Each Unit Owner, by acceptance of a deed or other conveyance
of a Unit, holds the Declarant harmless and agrees to indemnify the Declarant from and against
any and all claims made by the Unit Owner and the Unit Owner’s guests, tenants and invitees on
account of any illness, allergic reactions, personal injury and death to such persons and to any
pets of such persons, including all expenses and costs associated with such claims including,
without limitation, inconvenience, relocation and moving expenses, lost time, lost earning power,
hotel and other accommodation expenses for room and board, all attorneys fees and other legal
and associated expenses through and including all appellate proceedings with respect to all
matters mentioned in this subsection.

Section 5. Rules and Regulations. Rules and Regulations concerning the operation and
use of the Common Elements may be promulgated, amended and/or repealed from time to time
by the Board of Directors, provided, that such Rules and Regulations do not adversely affect use
of Units owned by the Declarant and are not contrary to or inconsistent with the Condominium
Act, the Declaration or these Bylaws. Copies of the Rules and Regulations shall be furnished by
the Board of Directors to each Unit Owner prior to the time when the same shall become
effective.

Section 6. Utility Charges; User Fees. The cost of utilities serving the Condominium not
individually metered or submetered to a Unit shall be Common Expenses allocated pursuant to
Article V of these Bylaws. The Board of Directors may impose reasonable administrative fees,
whether or not designated as Common Expenses, for the use of Common Elements or personal
property of the Unit Owners’ Association or services provided by the Unit Owners’ Association.

Section 7. Construction, Renovation and Refurbishment of Condominium. Each Unit
Owner understands and agrees that Unit Owners, and their guests, tenants and invitees may be
disturbed by the noise, commotion and other unpleasant effects of construction, renovation and
rehabilitation activity in, on or about the Building, and, as a result thereof, Unit Owners and their guests, tenants and invitees may be impeded in using certain portions of the Common Elements of the Condominium because of such construction activity. Because the Condominium is located in an urban area, demolition or construction of buildings and other structures within the immediate area or within the view lines of any particular Unit or of any part of the Condominium (the “Views”) may block, obstruct, shadow or otherwise affect Views, which may currently be visible from the Unit or from the Condominium. Therefore, each Unit Owner, for itself, its successors and assigns, agrees to release Declarant, its partners and its and their officers, members, directors and employees and every affiliate and person related or affiliated in any way with any of them ("Declarant’s Affiliates") from and against any and all losses, claims, demands, damages, costs and expenses of whatever nature or kind, including attorney’s fees and costs, including those incurred through all arbitration and appellate proceedings, related to or arising out of any claim against the Declarant or Declarant’s Affiliates related to Views or the disruption, noise, commotion, and other unpleasant effects of nearby development or construction. As a result of the foregoing, there is no guarantee of view, security, privacy, location, design, density or any other matter.

Section 8. Unit Measurements. Each Unit Owner, by acceptance of a deed or other conveyance of a Unit, understands and agrees that there are numerous methods for calculating the square footage of a Unit, and that depending on the method of calculation, the square footage of the Unit may vary. Additionally, as a result of the field construction, other permitted changes to the construction of Units, and settling and shifting of improvements, actual square footage of a Unit may also be affected. By accepting title to a Unit, the applicable Unit Owner(s) shall be deemed to have conclusively agreed to accept the size and dimensions of the Unit, regardless of any variances in the square footage from that which may have been disclosed at any time prior to closing, whether included as part of Declarant’s promotional materials or otherwise. Without limiting the generality of the foregoing, Declarant does not make any representation or warranty as to the actual size, dimensions (including ceiling heights) or square footage of any Unit, and each Unit Owner shall be deemed to have fully waived and released any such warranty.

ARTICLE VII

Allocation of Condominium Units

Section 1. Severance of Ownership. Except to the extent otherwise expressly provided by the Declaration, these Bylaws or the Condominium Act, the undivided interest in the Common Elements or Limited Common Elements allocated to any Unit shall not be altered and any purported transfer, encumbrance or other disposition of such interest without the Unit to which it appertains shall be void.

Section 2. Resales of Units.

(a) Resales of Units by Unit Owners other than the Declarant are governed by law. Section 42-1904.11 of the Condominium Act requires a Unit Owner other than the Declarant to obtain from the Unit Owners’ Association and to furnish to his or her purchaser prior to the contract date of disposition certain financial information and statements concerning the Unit and the Condominium. The failure of the Unit Owners’ Association to provide such information and statements in the manner and within the time period provided by the Condominium Act, shall render the contract of purchase enforceable only at the option of the
purchaser. All Unit Owners are directed to the Condominium Act, including specifically but
without limitation Sections 42-1904.11 and 42-1903.13(h) and (i) prior to entering into a contract
for the resale of a Unit. The Unit Owners’ Association may charge a fee in an amount to be
established by the Board of Directors, from time to time, for each statement furnished.

(b) Leases of Units by Unit Owners other than the Declarant are governed by
Section 4(c) of Article VI of these Bylaws.

ARTICLE VIII

Insurance

Section 1. General Requirements.

(a) Each policy of insurance purchased by the Board of Directors pursuant to
this Article shall provide to the fullest extent applicable as follows:

(1) The named insured under such policies shall be the Unit Owners’
Association, the Unit Owners, the Insurance Trustee, the Board of Directors, the Managing
Agent and their authorized representatives, as their interests may appear;

(2) In no event shall any such insurance be brought into contribution
with insurance purchased by individual Unit Owners or their Mortgagees;

(3) The insurer waives (i) any right to claim by way of subrogation
against the Unit Owners’ Association, the Board of Directors, the Managing Agent or the Unit
Owners, and their respective agents, employees, invitees and, in the case of the Unit Owners, the
members of their households; and (ii) any defense based upon co-insurance or upon any
invalidity arising from the acts of the insured;

(4) Such policy shall not be cancelled, invalidated or suspended due to
the act or omission of any Unit Owner (including any member of his or her household and his or
her invitees, agents and employees) or of any member, officer or employee of the Board of
Directors or the Managing Agent without prior demand in writing that the Board or the
Managing Agent cure the defect and neither shall have so cured such defect within sixty days
after such demand;

(5) Such policy may not be cancelled or substantially modified
(including cancellation for nonpayment of premium) without at least sixty (60) days’ prior notice
to the Board of Directors and the Managing Agent, and in the case of physical damage insurance,
to all Mortgagees and Unit Owners to whom certificates, subpolicies or endorsements have been
issued;

(6) Any “no other insurance” clause contained in the master policies
shall expressly exclude individual Unit Owners’ policies from its operation; and

(7) The master policy shall contain a standard mortgagee clause,
without contribution, in favor of each Mortgagee to the extent of the portion of the coverage of
the master policy allocated to such Unit, which shall provide that the loss, if any, thereunder
shall be payable to such Mortgagee and the Unit Owner, as their interests may appear, subject, however, to the loss payment and adjustment provisions in favor of the Board of Directors and the Insurance Trustee set forth in this Article.

(b) All policies of insurance shall be written by companies with a financial rating of A or better under Best’s Rating Guide (or any comparable rating under a revised rating guide).

(c) In accordance with Section 42-1903.10 of the Condominium Act, written notice of the procurement of each policy of insurance purchased by the Board of Directors pursuant to this Article, and of any modification or termination of any such policy, promptly shall be furnished by the Secretary to all Unit Owners.

(d) The deductible, if any, on any insurance policy purchased by the Board of Directors shall be a Common Expense provided, however, that the Unit Owners’ Association may assess any deductible amount necessitated by the negligence, misuse or neglect of a Unit Owner against such Unit Owner.

Section 2. Physical Damage Insurance.

(a) The Board of Directors shall obtain and maintain a blanket all-risk policy of physical damage insurance, with extended coverage, insuring the entire Condominium (excluding only betterments and improvements supplied or installed by or other personal property of the Unit Owners in the Units), together with all heating and air-conditioning equipment and other service machinery contained therein, and covering the interests of the Unit Owners’ Association, the Board of Directors and all Unit Owners and their Mortgagors, as their interests may appear, subject, however, to the loss payment and adjustment provisions in favor of the Board of Directors and the Insurance Trustee contained in this Article, in an amount equal to one hundred percent (100%) of the full replacement value of the Condominium based on the then current replacement cost (exclusive of the Land, excavations, foundations and other items normally excluded from such coverage), without deduction for depreciation. Such insurance shall contain the following endorsements to the extent obtainable: (i) Agreed Amount and Inflation Guard Endorsement; (ii) Demolition Cost Endorsements; (iii) Contingent Liability from Operation of Building Laws Endorsement; and (iv) Increased Cost of Construction Endorsement. Such policy of physical damage insurance shall also provide or include to the extent obtainable that the insurer will issue to each Unit Owner a certificate or subpolicy specifying the portion of such policy allocated to his or her Unit and the percentage interest of such Unit in the Common Elements. The amount of such coverage shall be reviewed annually by the Board of Directors with the assistance of the insurance company affording such coverage and such coverage shall be redetermined when and as the Board of Directors deems advisable.

(b) A certificate of insurance or a true and certified copy of the policy of physical damage insurance, all renewals thereof, and any subpolicies or certificates and endorsements issued thereunder, together with proof of payment of premiums shall be delivered by the insurer to any Mortgagee so requesting the same.

Sections. Liability Insurance. The Board of Directors shall obtain and maintain comprehensive general public liability and property damage insurance in such limits as the Board of Directors from time to time may determine in accordance with this Section, insuring
each member of the Board of Directors, the Managing Agent, the Unit Owners' Association, and each Unit Owner against any liability to the public or to the Unit Owners (and their invitees, agents and employees) arising out of, or incident to the ownership and/or use of the Common Elements. Such insurance shall be issued on a comprehensive liability basis and shall contain: (i) libel, slander, false arrest and other personal injury offenses coverage; (ii) medical payments coverage; (iii) a cross liability endorsement under which the rights of a named insured under the policy shall not be prejudiced with respect to such insured's action against another named insured; (iv) hired and non-owned vehicle coverage; (v) host liquor liability coverage with respect to events sponsored by the Unit Owners' Association; (vi) property of others coverage; (vii) broad form property damage coverage; and (viii) a "severability of interest" endorsement which shall preclude the insurer from denying liability to a Unit Owner because of the negligent acts of the Unit Owners' Association, the Board of Directors, the Managing Agent or of another Unit Owner. The Board of Directors shall review such limits once each year, but in no event shall such insurance be written in an amount less than One Million Dollars ($1,000,000.00) covering all claims for bodily injury or property damage arising out of one occurrence. Reasonable amounts of umbrella liability insurance in excess of primary limits in the discretion of the Board of Directors also may be obtained.

Section 4. Other Insurance. The Board of Directors shall obtain and maintain:

(a) Directors and officers liability coverage and fidelity bond coverage to protect against wrongful and dishonest acts on the part of the officers, directors, employees and other agents of the Unit Owners' Association, including the Managing Agent, who either handle or are responsible for handling the funds of the Unit Owners' Association. Fidelity bonds shall (i) name the Unit Owners' Association as an obligee; (ii) be written in such amounts as from time to time shall be required by the Federal Home Loan Mortgage Corporation or the Federal National Mortgage Association; (iii) contain waivers of any defense based upon the exclusion for persons who serve without compensation from any definition of "employee" or similar expression; and (iv) include provision for ten (10) days' written notice to the Unit Owners' Association and each servicer of any Mortgage owned by the Federal Mortgage Association before the bond can be cancelled or substantially modified;

(b) Such other insurance as the Board of Directors may determine, or as may be requested from time to time by a majority of the votes of the Unit Owners, or as required by the Federal Home Loan Mortgage Corporation, the Federal National Mortgage Association or by law.

Section 5. Separate Insurance. Each Unit Owner shall have the right, at such Owner's expense, to obtain insurance for his or her own Unit and for his or her own benefit and to obtain insurance coverage upon such Unit Owner's personal property and for such Unit Owner's personal liability as well as upon any permitted betterments and improvements made by such Unit Owner to his or her Unit.

Section 6. Insurance Trustee.

(a) All physical damage insurance policies purchased by the Board of Directors shall provide that, with respect to any single loss, if the proceeds thereof exceed six percent (6%) of the total annual assessment for Common Expenses for that fiscal year, then all such proceeds shall be paid in trust to such bank, insurance company, trust company or other
agency, with trust powers, located in the Washington, D.C. Metropolitan Area, as may be
designated by the Board of Directors (which trustee herein is referred to as the “Insurance
Trustee”). If such proceeds do not exceed six percent (6%) of the total annual assessment for
Common Expenses for that fiscal year, then all such proceeds shall be paid to the Board of
Directors to be applied pursuant to the provisions of Article IX of these Bylaws.

(b) The Board of Directors shall enter into an Insurance Trust Agreement with
the Insurance Trustee chosen by the Board of Directors. The Insurance Trust Agreement shall
provide that the Insurance Trustee shall not be liable for the payment of premiums, the renewal
of the policies, the sufficiency of coverage, the form or contents of the policies, the correctness
of any amounts received on account of the proceeds of any insurance policies, nor for the failure
to collect any insurance proceeds. The sole duty of the Insurance Trustee shall be to receive such
proceeds as are paid to it and to hold the same, in trust, for the purposes stated in these Bylaws
for the benefit of the insureds and their beneficiaries.

Section 7. Board of Directors as Agent. The Board of Directors hereby irrevocably is
appointed the agent for each Unit Owner to adjust and settle all claims arising under insurance
policies maintained by the Board of Directors and to execute and deliver releases upon the
payment of claims.

ARTICLE IX

Repair and Reconstruction After Fire or Other Casualty

Section 1. General Requirements.

(a) When Repair and Reconstruction are Required. Except as provided in
paragraph (b) of this Section, in the event of damage to or destruction of all or any part of the
Condominium as a result of fire or other casualty, the Board of Directors shall arrange for and
supervise the prompt repair and restoration of the Condominium (excluding only betterments and
improvements supplied or installed by or other personal property of the Unit Owners in the
Units). Notwithstanding the foregoing, each Unit Owner shall have the right to supervise the
interior cosmetic redecoration of his or her own Unit.

(b) When Reconstruction is not Required. If more than two-thirds of the
entire Condominium, measured by full replacement value, is destroyed by fire or other casualty,
and, subject to the provisions of the Section of the Declaration captioned “Consent of
Mortgagees,” if within one hundred twenty (120) days after the date of such destruction Unit
Owners owning Units to which at least four-fifths of the votes in the Unit Owners’ Association
appertain agree to waive and terminate the condominium regime, the Condominium shall be
subject to an action for partition, in which event the net proceeds of sale and the insurance
policies, if any, shall be considered as one fund, and distributed by the Board of Directors or the
Insurance Trustee, as the case may be, among all the Unit Owners in proportion to their
respective Percentage Interests, after first paying out of the share of each Unit Owner, to the
extent sufficient for this purpose, the amount of any unpaid liens on such Unit Owner’s
Condominium Unit, in the order of the priority of such liens. Until the execution of judgment
partitioning the Condominium, each Unit Owner, and his or her heirs, successors or assigns, shall have an exclusive right of occupancy of that part of the Condominium which formerly constituted his or her Unit.

Section 2. Procedure for Reconstruction and Repair.

(a) Cost Estimates. Immediately after a fire or other casualty causing damage to any part of the Condominium, the Board of Directors shall obtain detailed estimates of reconstruction and repair costs to restore the Condominium to a condition as good as that existing before such fire or other casualty. Such costs may also include professional fees and premiums for such bonds as the Board of Directors determines to be necessary or desirable.

(b) Assessments. If the proceeds of insurance maintained on behalf of the Unit Owners' Association shall not be sufficient to defray the estimated costs of reconstruction and repair, or, if at any time during reconstruction and repair, the funds for the payment of the costs thereof are insufficient, and/or, to the extent of the cost of any deductible amounts under any policies of insurance, special assessments in sufficient amounts to provide payment of such costs shall be levied by the Board of Directors against all Unit Owners in proportion to each Unit Owner's obligation to pay Common Expenses. Such special assessments shall not require the approval of the Unit Owners' Association, anything in these Bylaws to the contrary notwithstanding.

(c) Plans and Specifications. Any reconstruction or repair of the Condominium in accordance with this Article shall be made substantially in accordance with the plans and specifications under which the Condominium originally was constructed, subject to the requirements of applicable law at the time of such reconstruction or repair.

(d) Encroachments. Subject to any express or implied limitations imposed by Section 42-1902.16 of the Condominium Act, encroachments upon or in favor of Units which may be created as a result of any reconstruction or repair in accordance with the provisions of this Article shall not constitute a claim or basis for any proceedings or action by the Unit Owner upon whose Unit such encroachment exists, provided that such reconstruction is substantially in accordance with the plans and specifications under which the Condominium originally was constructed or with the current applicable law. Such encroachments shall be allowed to continue in existence so long as the reconstructed or repaired Unit(s) or Building shall stand.

Section 3. Disbursements.

(a) Construction Fund. The net proceeds of insurance collected on account of casualty, together with any sums received by the Board of Directors from collections of special assessments against Unit Owners on account of such casualty, shall constitute a construction fund which shall be disbursed in payment of the costs of reconstruction and repair in the following manner: If the estimated cost of reconstruction and repair is six percent (6%) or less than the total annual assessment for Common Expenses for that fiscal year, construction fund shall be disbursed in payment of such costs upon order of the Board of Directors; if the estimated cost of reconstruction and repair is more than six percent (6%) of the total annual assessment for
Common Expenses for that fiscal year, then the construction fund shall be disbursed in payment of such costs by the Insurance Trustee upon approval of an architect qualified to practice in the District of Columbia and employed by the Insurance Trustee to supervise such reconstruction and repair, payment to be made from time to time as the work progresses. The architect shall be required to furnish a certificate giving a brief description of the services and materials furnished by the various contractors, subcontractors, materialmen, the architect and other persons who have rendered services or furnished materials in connection with such reconstruction and repair and stating that: (i) the sums requested by them in payment are justly due and owing and do not exceed the value of the services and materials furnished; (ii) there is no other outstanding indebtedness known to such architect for the services and materials described; and (iii) the cost as estimated by such architect for the work remaining to be done subsequent to the date of such certificate does not exceed the amount of the construction fund remaining after payment of the sum so requested.

(b) Surplus. The first monies disbursed in payment of the cost of reconstruction and repair shall be from insurance proceeds and, if there is a balance in the construction fund after the payment of all of the costs of reconstruction and repair for which the fund is established, such balance shall be divided first among all Unit Owners who paid special assessments levied pursuant to Section 2 of this Article in proportion to their payments, and the balance, if any, shall be divided among all Unit Owners in proportion to their Percentage Interests and shall be distributed in accordance with the priority of interest, at law or in equity, in each Unit.

(c) Common Elements. When damage is to both Common Elements and Units, the insurance proceeds shall be applied first to the cost of replacing and repairing those portions of the Common Elements which enclose and/or service the Units, next to the cost of replacing and repairing the perimeter walls of the Units, next to the cost of replacing and repairing the other Common Elements, and the balance, if any, to the cost of replacing and repairing the Units (to the extent provided in this Section).

(d) Certificate. The Insurance Trustee shall be entitled to rely upon a certificate executed by the President (or the Vice President) and the Secretary of the Unit Owners’ Association, certifying (i) whether the damaged property is required to be reconstructed and repaired, (ii) the name of the payee and the amount to be paid with respect to disbursement from any construction fund, and (iii) all other matters concerning the holding and disbursing of any construction fund. Any such certificate shall be delivered to the Insurance Trustee promptly after request.

ARTICLE X
Mortgages,

Section 1. Notices. Whenever so requested in writing by a Mortgagor, the Board of Directors promptly shall report to such Mortgagor
(i) any sixty (60) day delinquency in the payment of assessments due
from the Unit Owner of the mortgaged Condominium Unit or in any other obligation of such
Unit Owner under the Declaration or these Bylaws, and

(ii) any material damage to either such Unit or to the Condominium,
and of any condemnation or similar proceeding which may affect the Mortgagee, and

(iii) any lapse, cancellation or material modification of any insurance
policy or fidelity bond maintained by the Unit Owners' Association, and

(iv) any proposed action that requires the consent of a specified
percentage of Eligible Mortgagees under paragraph 13(b) of the Declaration.

Section 2. Representation at Association Meetings. All Mortgagees or their
representatives shall be entitled to attend meetings of the Unit Owners' Association and shall
have the right to speak thereat.

ARTICLE XI

Compliance and Default

Section 1. Unit Owners Subject to Condominium Act, Declaration, Bylaws and Rules
and Regulations. All Unit Owners shall be governed by and shall comply with the provisions of
the Condominium Act, the Declaration, these Bylaws and the Rules and Regulations as any of
the same may be amended from time to time. In addition to the remedies provided by the
Condominium Act, a default by a Unit Owner shall entitle the Unit Owners' Association, the
Board of Directors on behalf of the Unit Owners' Association or an aggrieved Unit Owner to the
relief as provided in this Section.

Section 2. Legal Proceedings. Failure to comply with any of the terms of the
Declaration, Bylaws and the Rules and Regulations shall be grounds for relief, including without
limitation, an action to recover any sums due for money damages, injunctive relief, foreclosure
of the lien for payment of all assessments, any other relief provided for in these Bylaws or any
combination thereof and any other relief afforded by a court of competent jurisdiction, all of
which relief may be sought by the Unit Owners' Association, the Board of Directors, the
Managing Agent or, if appropriate, by any aggrieved Unit Owner and shall not constitute an
election of remedies.

Section 3. Costs and Attorneys' Fees. In any proceeding arising out of any alleged
default by a Unit Owner, the prevailing party shall be entitled to recover the costs of the
proceeding, and such reasonable attorneys' fees as may be determined by the court and under
applicable law.

Section 4. No Waiver of Rights. The failure of the Unit Owners' Association, the Board
of Directors or a Unit Owner to enforce any right, provision, covenant or condition which may
be granted by the Condominium Act, the Declaration, these Bylaws or the Rules and Regulations
shall not constitute a waiver of the right of the Unit Owners' Association or such Unit Owner to
enforce such right, provision, covenant or condition in the future. All rights, remedies and
privileges granted to the Unit Owners' Association or to any Unit Owner pursuant to any term,
provision, covenant or condition of the Condominium Act, the Declaration, these Bylaws or the Rules and Regulations shall be deemed to be cumulative, and the exercise of any one or more thereof shall not be deemed to constitute an election of remedies, nor shall it preclude the party exercising the same from exercising such rights as may be granted to such party by the Condominium Act, the Declaration, these Bylaws or the Rules and Regulations, or at law or in equity. A suit to recover a money judgment for unpaid assessments shall be maintainable without foreclosure or waiving the lien securing the same, and foreclosure shall be maintainable notwithstanding the pendency of any suit to recover a money judgment.

Section 5. Abatement and Enjoinment of Violations by Unit Owners. The violation of any Rule or Regulation adopted by the Board of Directors, or any breach of these Bylaws or the breach of any provision of the Condominium Act or the Declaration shall give the Unit Owners’ Association the right, in addition to any other rights set forth in these Bylaws (i) to enter the Unit in which, or as to which such violation or breach exists and summarily to abate and remove, at the expense of the defaulting Unit Owner, any structure, thing or condition that constitutes such violation (provided, however, that appropriate legal proceedings shall have been initiated by the Unit Owners’ Association prior to the renewal thereof) and the Board of Directors shall not thereby be deemed guilty in any manner of trespass, or (ii) to enjoin, abate or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any such breach, as provided by law.

Section 6. Charges. The Board of Directors may levy reasonable charges against Unit Owners for violations of the Condominium Act, the Declaration, Bylaws or the Rules and Regulations by the Unit Owner, the members of such Unit Owner’s family, or such Unit Owner’s guests, invitees, tenants, agents or employees. No charge may be levied for a single violation in an amount more than one percent of such Unit Owner’s annual assessment. Each day a violation continues, after notice is given to the Unit Owner, is a separate violation. If a Unit Owner requests in writing a hearing before the charge is imposed, the imposition of the charge shall be suspended until the hearing is held. Charges are special assessments and shall be collected as such.

Section 7. Additional Liability. Each Unit Owner shall be liable to the Unit Owners’ Association or to any affected Unit Owner for the expense of all maintenance, repair or replacement rendered necessary by such Unit Owner’s act, neglect or carelessness or the act, neglect or carelessness of any member of such Unit Owner’s family or such Unit Owner’s guests, invitees, tenants, agents or employees, but only to the extent that such expense is not covered by the proceeds of insurance carried by the Board of Directors. Such liability shall include any increase in casualty insurance rates occasioned by use, misuse, occupancy or abandonment of any Unit or its appurtenances. Nothing contained herein, however, shall be construed as modifying any waiver by any Insurance company of its rights of subrogation. Any costs, including without limitation legal fees, incurred as a result of a failure to comply with the Condominium Act, the Declaration, Bylaws and the Rules and Regulations by a Unit Owner (or any member of such Unit Owner’s family or such Unit Owner’s guests, invitees, tenants, agents or employees) may be assessed against such Unit Owner’s Unit.

ARTICLE XII

Miscellaneous

36
Section 1. Amendments. These Bylaws may be amended by the agreement of Owners of Units to which at least sixty-seven percent (67%) of the votes in the Unit Owners' Association pertain and in the manner provided by Section 42-1902.27 of the Condominium Act, except as otherwise provided in the Condominium Act. No such amendment shall be effective until recorded among the Land Records of the District of Columbia. No amendment of these Bylaws may be adopted which shall be inconsistent with the provisions of the Condominium Act or the Declaration. An amendment once adopted and recorded as provided for herein shall then become part of the official Bylaws of the Condominium, and all Unit Owners shall be bound to abide by such modification or amendment. Anything herein to the contrary notwithstanding, and subject to any limitations imposed by the Condominium Act (with specific reference to Section 42-1900.02(a) thereof), and except as required to comply with the requirements of the Federal Home Loan Mortgage Corporation, the Federal National Mortgage Association, or any other governmental or quasi-governmental agency insuring or involved in the making or purchasing of Mortgages of any Unit,

(i) so long as the Declarant is the only Unit Owner, the Declarant may amend these Bylaws without the consent or approval of any party;

(ii) so long as the Declarant shall be the Unit Owner of Units representing more than twenty-five percent (25%) of the Percentage Interests in the Unit Owners' Association, Sections 2 and 9 of Article II and Sections 1 and 2 of Article III of these Bylaws shall not be amended without the consent in writing of the Declarant;

(iii) so long as the Declarant owns one or more Units, no amendment to these Bylaws or the Rules and Regulations shall be adopted that could unreasonably interfere with the sale, lease or other disposition by the Declarant of Unit(s) in the Condominium or that could abridge, modify, eliminate or otherwise affect any right, power, easement, privilege or benefit reserved to the Declarant hereunder or which would impose any discriminatory charge or fee against the Declarant;

(iv) no amendment to these Bylaws shall be adopted that could abridge, modify, eliminate or otherwise affect any privilege granted or reserved by the provisions of these Bylaws to Mortgagors.

Section 2. Availability of Condominium Documentation. The Board of Directors shall designate the Secretary of the Unit Owners' Association or the Managing Agent to maintain copies of the Declaration, these Bylaws and the Rules and Regulations, as they may be amended from time to time. All such documents shall be available for inspection by the Unit Owners, any Mortgage and any governmental or quasi-governmental agency insuring or guaranteeing or involved in the making or purchasing of Mortgages, during normal business hours and upon reasonable notice.

Section 3. Notices. Except as otherwise provided in these Bylaws, all notices, demands, bills, statements or other communications required or permitted under these Bylaws shall be in writing and shall be deemed to have been duly given if sent by United States mail, return receipt requested, first-class postage prepaid, or personally delivered, provided a receipt of acceptance of notice shall be obtained from the Unit Owner to whom notice shall be so sent, or otherwise as the Condominium Act may require or permit, (i) if to a Unit Owner, at the address that the Unit Owner shall designate in writing and file with the Secretary, or if no such address is designated,
at the address of the Unit of such Unit Owner, or (ii) if to the Unit Owners' Association, the Board of Directors or the Managing Agent, at the principal office of the Managing Agent or at such other address as shall be designated by notice in writing to the Unit Owners pursuant to this Section. If a Unit is owned by more than one person, each person who so designates an address in writing to the Secretary shall be entitled to receive all notices hereunder.

Section 4. Invalidity. The invalidity of any portion of these Bylaws shall not impair or affect in any manner the validity, enforceability or effect of the balance of these Bylaws.

Section 5. Captions. The captions herein are inserted only as a matter of convenience and for reference, and in no way define, limit or describe the scope of these Bylaws or the intent of any provision hereof.

[SIGNATURES NEXT PAGE]
IN WITNESS WHEREOF, the Declarant has caused these Bylaws to be executed on its behalf as of ____________ 2003.

WITNESS:  

DECLARANT:  

DEVELOPER, LLC,  
a Delaware limited liability company  

By:  

Name: ________________  
Title:  

STATE OF __________  
COUNTY OF __________, ss:  

Subscribed and sworn to me by ___________________, the __________ of Developer, LLC, the Declarant, this __________ day of ____________ 2003.  

Notary Public, D.C.  

My commission expires: ___________________
EXHIBIT A

LEGAL DESCRIPTION
DECLARATION
OF
XYZ CONDOMINIUM
DECLARATION
OF
XYZ CONDOMINIUM

1. DEFINITIONS
(A) "BOARD OF DIRECTORS" ................................................................. 1
(B) "BUILDING" ........................................................................... 1
(C) "BYLAWS" ............................................................................ 1
(D) "COMMON ELEMENTS" ............................................................... 1
(E) "COMMON EXPENSES" .............................................................. 1
(F) "CONDOMINIUM ACT" ...................................................................... 1
(G) "CONDOMINIUM INSTRUMENTS" ................................................... 1
(H) "CONDOMINIUM UNIT" ................................................................. 1
(I) "DECLARANT" ........................................................................... 2
(J) "DECLARANT CONTROL PERIOD" .............................................. 2
(K) "GENERAL COMMON ELEMENTS" ............................................. 2
(L) "GROUND LEASE" .................................................................... 2
(M) "LAND" .................................................................................. 3
(N) "LIFE SAFETY SYSTEMS" ............................................................. 2
(O) "LIMITED COMMON ELEMENTS" .............................................. 2
(P) "LIMITED COMMON EXPENSES" .............................................. 2
(Q) "MANAGING AGENT" ................................................................. 2
(R) "MORTGAGE" .......................................................................... 2
(S) "MORTGAGEE" ......................................................................... 2
(T) "PAR VALUE" ........................................................................... 3
(U) "PERCENTAGE INTEREST" ......................................................... 3
(V) "PLANS" .................................................................................. 3
(W) "PLAT" .................................................................................. 3
(X) "RULES AND REGULATIONS" ..................................................... 1
(Y) "UNIT" .................................................................................... 3
(Z) "UNIT OWNER" ....................................................................... 1

(AA) "UNIT OWNERS ASSOCIATION" .................................................. 1

2. SUBMISSION TO CONDOMINIUM REGIME ...................................................... 3

3. NAME OF CONDOMINIUM ................................................................. 3

4. BUILDING AND UNITS; PERCENTAGE INTERESTS ................................. 3

5. DIMENSIONS OF UNITS .................................................................... 4
DECLARATION
OF
ANDOVER HOUSE CONDOMINIUM

THIS DECLARATION is made as of the 3rd day of January, 2005 by DEVELOPER
LLC, a Delaware limited liability company, with its principal office located at XYZ Boulevard,
Washington, D.C. 20006.

1. Definitions. The terms used in this Declaration and in the attached Bylaws shall
have the following meanings:

(a) "Board of Directors" means the governing body of the Unit Owners'
    Association.

(b) "Building" means the building located at 1000 XYZ Boulevard, N.W.,
    Washington, D.C. 20006, located on the Land ground leased by Declarant, as described on the
    Plat and on the Plans, pursuant to the Ground Lease.

(c) "Bylaws" means the Bylaws recorded simultaneously with this
    Declaration and as amended from time to time, which provides for the self-governance of the
    Condominium.

(d) "Common Elements", both "General" and "Limited", means all parts of
    the Condominium other than the Units, as more fully set forth in the Section of this Declaration
    captioned "Common Elements".

(e) "Common Expenses" means and includes all sums lawfully assessed
    against the Unit Owners by the Unit Owners' Association, including without limitation
    (i) expenses of administration and operation, maintenance, repair or replacement of the Common
    Elements (with the exception of the Limited Common Elements), including insurance premiums
    and contributions to such reserves as may be established for the Common Elements, (ii) any and
    all vault rentals arising from the leasing or leasing of subterranean public space from the
    District of Columbia irrespective of whether such vault rentals are assessed to a Unit or to the
    Unit Owners' Association, and (iii) expenses declared Common Expenses pursuant to the
    provisions of the Condominium Act or this Declaration or the Bylaws.

(f) "Condominium Act" means Title 42, Chapter 19, District of Columbia

(g) "Condominium Instruments" means the Declaration, Bylaws and the Plat
    and Plans, as each may be amended from time to time.

(h) "Condominium Unit" means a Unit together with the Limited Common
    Elements appurtenant thereto, if any, and an undivided interest in the General Common Elements
    appurtenant to that Unit.
(i) "Declarant" means any person or group of persons acting in concert who (A) offers to dispose of the person's or group's interest in a condominium unit not previously disposed of, (B) reserves or succeeds to any special declarant rights, or (C) applies for registration of the Condominium. The initial Declarant of XYZ Condominium is Developer LLC, a Delaware limited liability company.

(j) "Declarant Control Period" means the time period commencing on the date hereof through the period ending on the date set forth in Article III, Section 2(d) of the Bylaws.

(k) "General Common Elements" shall mean and refer to all of the Common Elements of the Condominium as identified on the Plat and Plans and described herein, less and except the Limited Common Elements.

(l) "Ground Lease" means that certain Deed of Ground Lease dated August 29, 1002, by and between ABC Corporation, as ground lesor, and Declarant, as ground lessor and recorded on December 17, 2002 among the Land Records of the District of Columbia as Instrument No. 2002000000.

(m) "Land" means the real property ground leased by the Declarant (exclusive of the Building) pursuant to the Ground Lease, which real property is described in the legal description attached hereto and made a part hereof as Exhibit A and as further described on the Plat.

(n) "Life Safety Systems" means and includes any and all emergency lighting, audio and visual signals, safety systems, sprinklers and smoke detection systems, which are now or hereafter installed in the Building, whether or not located within the Units. Without limiting the generality of the foregoing, when the context shall so allow, the Life Safety Systems shall also be deemed to include all means of emergency ingress and egress, which shall include all stairways and stair landings. Notwithstanding the breadth of the foregoing definition, nothing herein shall be deemed to suggest or imply that the Building or the Condominium contains all such Life Safety Systems.

(o) "Limited Common Elements" means a portion of the Common Elements reserved for the exclusive use of one or more, but less than all, of the Units.

(p) "Limited Common Expenses" means a Common Expense shared by fewer than all of the Unit Owners.

(q) "Managing Agent" means any professional managing agent employed to perform duties and services for the Condominium in accordance with the provisions of the Condominium Act, this Declaration and the Bylaws.

(r) "Mortgage" means any recorded first deed of trust or first mortgage for the benefit of an institutional lender encumbering a Condominium Unit.

(s) "Mortgagor" means any person or entity secured under a Mortgage.
(i) "Per Unit" means the number of points assigned to each Unit by this Declaration as set forth on Exhibit B attached to and made a part of this Declaration.

(ii) "Percentage Interest" means the undivided percentage interest of each Unit in the Common Elements as set forth in Exhibit B attached to and made a part of this Declaration, as amended from time to time in accordance with the provisions of the Condominium Act and this Declaration.

(iii) "Plans" consist of the plans of the Building showing the location and boundaries of each Unit, and related matters and any amendments thereto, made, certified and recorded in the Office of the Surveyor of the District of Columbia.

(iv) "Flat" means the plat of survey of the Condominium and related matters and any amendments thereto, made, certified and recorded in the Office of the Surveyor of the District of Columbia.

(v) "Rules and Regulations" means the rules and regulations adopted from time to time by the Board of Directors pursuant to the Bylaws.

(vi) "Unit" means a unit as defined by the Condominium Act, as separately described as a Unit on the Flat, on the Plans, in the Sections of this Declaration captioned "Building and Units"; Percentage Interests" and "Dimensions of Units," and in any amendment to any of the foregoing.

(vii) "Unit Owner" means any natural person, corporation, partnership, association, trust or other entity capable of holding title to real property, or any combination thereof, which owns fee simple title to a Unit, but does not include a Mortgagee, as such, unless and until such Mortgagee takes title to a Unit by foreclosure or process in lieu thereof.

(viii) "Unit Owners' Association" means all of the Unit Owners acting as a group in accordance with the provisions of the Condominium Act, this Declaration and the Bylaws.

2. Submission to Condominium Regime. The Declarant hereby submits to the provisions of Title 42, Chapter 19 of the District of Columbia Code (2001 Edition, as amended), including, without limitation, Section 42-1902.29, its leasehold interest in and to the Land and the Building (the "Condominium"), in order to create a plan of condominium ownership in the Declarant's leasehold interest in and to the Land and Building. The property is shown on the Flat and Plans recorded with the Office of the Surveyor of the District of Columbia in Condominium Book 100, at page 100.

3. Name of Condominium. The Condominium is known as "XYZ Condominium".

4. Building and Units; Percentage Interests. There has been erected on the Land a Building containing One Hundred Seventy-One (171) Units and appurtenant facilities as shown on the Flat and on the Plans. The location, dimensions and area of the improvements on the Land are shown on the Flat and the Plans. Attached hereto and made a part hereof as Exhibit B is a serial list of all Units in the Condominium, the Per Unit assigned to each Unit, and the
Percentage Interest of each Unit in the Common Elements determined on the basis of the proportion the Par Value of each Unit bears to the total Par Value of all Units.

5. **Dimensions of Units.**

   (a) Units. Each Unit consists of the volumes or cubicles of space which are enclosed by the horizontal (upper and lower) boundaries and vertical (perimetric) boundaries set forth below:

   (1) **Horizontal (upper and lower) Boundaries:** The upper and lower boundaries of the Unit are the following boundaries extended to an intersection with the vertical (perimetric) boundaries:

   (i) **Upper Boundary:** The horizontal plane of the bottom surface of the concrete slab of the ceiling of the Unit.

   (ii) **Lower Boundary:** The horizontal plane of the top surface of the unadorned concrete floor slab.

   (2) **Vertical (perimetric) Boundaries:** The vertical boundaries of the Unit are the vertical planes which include the back surface of the wallboard of all walls bounding the Unit extended to intersections with each other and with the upper and lower boundaries.

   (3) **Included as part of each Unit are:** (i) the interior surface of the front entrance door to the Unit; (ii) interior doors and windows within a Unit; (iii) the interior surface of all exterior windows and patio and balcony doors in the Unit; (iv) interior ceilings and floor coverings; (v) air-conditioning and heating components serving only the Unit, whether located inside or outside the designated boundaries of such Unit; and (vi) subject to the following sentence, all space, interior partitions and other fixtures and improvements (including without limitation sinks, bathtubs and other plumbing facilities, refrigerators, ranges and other appliances) within the designated boundaries of the Unit. If any closets, atlas, ducts, conduits, wires, bearing walls or columns, or any other apparatus, lies partially within and partially outside of the designated boundaries of a Unit, any portion thereof serving only that Unit shall be deemed a part of that Unit; any portions serving more than one Unit but less than all Units shall be Limited Common Elements appurtenant to said Units; and any portions thereof serving all Units or any portion of the General Common Elements shall be deemed a part of the General Common Elements. Notwithstanding the foregoing, the Life Safety Systems are deemed to be General Common Elements, as provided hereinbelow.

6. **Common Elements.**

   (a) **General Common Elements.** The General Common Elements as shown on the Plat and Plans consist of the entire Condominium, excluding the Units and the Limited Common Elements, as follows:

   (i) **The Land;**
(ii) All foundations, columns, girders, beams, floor slabs and supports of the Condominium not included as parts of Units or Limited Common Elements;

(iii) All exterior masonry walls and facings of the Condominium (including without limitation the structural grid wall) and all partitions separating Units not included as parts of Units;

(iv) The roof and roof structures;

(v) The entrance, lobby reception desk and seating area and all other common hallways and areas, including without limitation the mailbox area (but exclusive of mailboxes), located in and serving the Condominium;

(vi) The elevator lobbies, elevators and elevator shafts, and related equipment;

(vii) The stairwells and stairs of the Condominium;

(viii) The mechanical and maintenance rooms located in the Condominium;

(ix) All pumps, pipes, wires, cables, conduits and other apparatus relating to the water distribution, power, light, telephone, gas, sewer, heating, air conditioning and plumbing systems located in and/or serving only the Condominium and not included as parts of Units or Limited Common Elements;

(x) All doors and windows located in the Condominium except those deemed parts of Units Limited Common Elements;

(xi) The trash room and trash chute located in the Condominium;

(xii) The recreational facilities, including, if present, the party/community room, the exercise/fitness room and the rooftop deck;

(xiii) The garage entry ramp, striping, signage and drive aisles within the underground parking garage of the Condominium;

(xiv) Except as may be otherwise set forth herein, all apparatus and installations hereinafter constructed in the Condominium or on the Land for common use, or necessary or convenient to the existence, the common maintenance or safety of the Condominium, including without limitation the Life Safety Systems of the Condominium;

(xv) Rights to any subterranean vaults located within public rights of way, or portions thereof, adjacent to the Land and/or the Building, to the extent not otherwise identified on the Plat and the Plans as Limited Common Elements;
(xvi) Unless deemed to be part of a Unit, storage closets or lockers, except to the extent not assigned to a Unit by the Declaration or the Board of Directors as a Limited Common Element;

(xvii) Parking spaces whether or not located upon the Land, within subterranean vaults or portions thereof located within public rights of way adjacent to the Land, or within the Building, except to the extent they are assigned to Unit Owners as Limited Common Elements by the Declaration or the Board of Directors in accordance with the terms hereof; it being agreed that the lower boundary of a parking space shall be the horizontal plane, the elevation of which coincides with the finished upper surface of the slab on which the parking space is located, extended to intersect the lateral or perimetrical boundaries thereof; the upper boundary shall be a horizontal plane, the elevation of which is eight feet (8'-0") above the lower boundary extended to intersect with the lateral or perimetrical boundaries thereof; and the vertical (perimetric) boundaries shall be the vertical planes extended, to intersect the upper and lower boundaries of the parking space; and

(xviii) Electronic security systems and related wires, cables, and equipment installed within any Units or any Common Elements of the Condominium.

(b) Limited Common Elements. The Limited Common Elements consist of those Common Elements which are described as such on the Plans and are reserved for the exclusive use of one or more, but less than all, of the Units. The Limited Common Elements include, but are not limited to, the following:

(i) Balconies, patios and terraces adjacent to Units (which are reserved for the exclusive use of the Unit to which each is adjacent);

(ii) The flues, and intake combustion air ducts serving Units (which are reserved for the exclusive use of the Unit served by each such flue and air duct);

(iii) Exterior doors serving Units and balconies or terraces (which are reserved for the exclusive use of the Unit to which each is appurtenant);

(iv) Walls separating balconies or terraces adjacent to Units (which are reserved for the exclusive use of the Units adjacent to the balconies separated by each such wall);

(v) Windows serving the Unit to which it is appurtenant;

(vi) All mailboxes (each of which shall be reserved for the exclusive use of the Unit to which it is assigned);

(vii) Non-structural partitions separating Units not included as parts of Units;

(viii) Unless deemed to be part of a Unit, storage closets or lockers if assigned to a Unit by the Declaration or the Board of Directors; and
(ix) Parking spaces, whether or not located upon the Land, within
subterranean vaults or portions thereof located within public rights of way adjacent to the Land,
or within the Building, to the extent assigned to a Unit by the Declarant or the Board of Directors
as a Limited Common Element; it being agreed that the lower boundary of a parking space shall
be the horizontal plane, the elevation of which coincides with the finished upper surface of the
slab on which the parking space is located, extended to intersect the lateral or perimetrical
boundaries thereof; the upper boundary shall be a horizontal plane, the elevation of which is
eight feet (8'-0") above the lower boundary extended to intersect with the lateral or perimetrical
boundaries thereof; and the vertical (perimetrical) boundaries shall be the vertical planes extended,
to intersect the upper and lower boundaries of the parking space.

(c) Common Elements Assignable as Common Elements.

(i) Description of Assignable Common Elements. The Common
Elements that are subsequently assignable as Limited Common Elements are the parking spaces
or storage closets or lockers which are located or may be created in the parking levels of the
Building, all as shown on the Plans, all or some of which may be assigned to and reserved for the
exclusive use of particular Units. General Common Elements may be assigned and Limited
Common Elements may be reassigned in accordance with the applicable provisions of the
Condominium Act (including without limitation Section 42-1502.13 thereof). The deed to a Unit
may, but is not required to, reflect an assignment of an Limited Common Element to that Unit.
All assignments and reassignments of Limited Common Elements shall be reflected by the
Declaration.

(ii) Assignments of Limited Common Elements by Declarant,
Notwithstanding any other provision(s) of this Declaration to the contrary, the Declarant hereby
expressly reserves, for itself and any successor Declarant, the right (but without obligation to do
so), in its sole discretion without the consent of the Unit Owners' Association or any Unit
Owner (other than the Unit Owner to which the parking space or storage closet or locker is to be
assigned) or the holder of any lien on any Unit, so long as the Declarant continues to hold title to
one or more Units, to initially assign all or any of the parking spaces in the parking facility of the
Building and/or any storage closets or lockers which may be created by the Declarant in the
storage areas within the Building, all of which are designated on the Condominium Plans as
General Common Element(s), by unilateral amendment of the Condominium Instruments in the
form required by the Condominium Act and hereinafter described and/or in the deed for the Unit
at the time of the initial conveyance thereof. The Declarant shall have the right to retain any and
all consideration payable by a Unit Owner for initial assignment by the Declarant of the Limited
Common Element parking space and/or storage closet or lockers. The Declarant may prepare,
execute, and record an amendment(s) to the Declaration that reflects the assignment of a parking
space and/or storage closet or locker as a Limited Common Element(s) for the exclusive use of a
particular Unit. The Declarant shall provide a copy of any such amendment(s) to the Unit
Owners' Association. The amendment to the Declaration may also be executed by the Unit
Owner of the Unit to which the Limited Common Element is being assigned.

(iii) Assignments of Limited Common Elements by the Unit Owners'
Association. In the event one or more parking spaces or storage closets or lockers have not been
assigned as Limited Common Elements for the exclusive use of a particular Unit(s) at the time that the Declarant no longer owns any Units, then the Unit Owners' Association may prepare, execute and record an amendment(s) to the Declaration that assigns the parking spaces or storage closets and/or lockers, or any or all of them, as a Limited Common Element(s) for the exclusive use of a particular Unit(s). The amendment to the Declaration shall be executed by the principal officer of the Unit Owners' Association and by the Unit Owner of the Unit to which the Limited Common Element is being assigned. Upon the payment by the Unit Owner for the reasonable cost for the preparation, acknowledgment and recording of the amendment to the Declaration, the amendment to the Declaration shall be recorded by the Unit Owners' Association.

(iv) Reassignments of Limited Common Elements by Unit Owners. The parking spaces and/or storage closets or lockers assigned as Limited Common Elements may be reassigned upon written application to the principal officer of the Unit Owners' Association by the Unit Owner of the Unit from which the parking space and/or storage closet or locker is to be assigned and the Unit Owner of the Unit to which the parking space and/or storage closet or locker is to be assigned. The principal officer of the Unit Owners' Association shall prepare and execute an amendment to the Declaration that reassigns any right or obligation with respect to the Limited Common Elements involved. The amendment shall also be executed by the Unit Owner of the Unit from which the Limited Common Elements is hereby assigned and the Unit Owner of the Unit to which the Limited Common Element is being assigned, and shall be recorded by the Unit Owners' Association upon payment by the said Unit Owners of the reasonable costs for the preparation, acknowledgment and recording of the amendment to the Declaration.

(d) Reserved Common Elements. The Board of Directors shall have the power in its discretion from time to time to grant revocable licenses in designated Common Elements to the Unit Owners' Association or to any Unit Owner(s) and to establish a reasonable charge to such Unit Owners for the use and maintenance thereof. The Common Elements or portions thereof so designated shall be referred to as Reserved Common Elements. Such designation by the Board shall not be construed as a sale or disposition of the Common Elements.

7. Units Subject to the Declaration, Bylaws, Rules and Regulations and Covenants and Easements. All present and future Unit Owners, tenants and occupants of Units shall be subject to and shall comply with the provisions of this Declaration and the Bylaws, the Rules and Regulations as they may be amended from time to time. The acceptance of a deed of conveyance or the entering into of a lease or the entering into occupancy of any Unit shall constitute an agreement that the provisions of this Declaration, the bylaws and the Rules and Regulations as they may be amended from time to time, are accepted and ratified by such Unit Owner, tenant or occupant, and all of such provisions shall be deemed and taken to be enforceable equitable servitudes and covenants running with the land and shall bind any person at any time having any interest or estate in such Unit as though such provisions were recited and stipulated at length in each and every such deed of conveyance or lease.

8. Easements. The Condominium shall be subject to all covenants, limitations and restrictions of record, and to the following additional easements and conditions:
(c) Pipes, Ducts, Cables, Wires, Conduits, Public Utility Lines and Other Utility Distribution Systems. Each Unit Owner shall have an easement in common with the owners of all other Units to use all pipes, wires, ducts, cables, conduits, public utility lines and all other utility distribution systems, whether or not Common Elements, located in any of the other Units or in any other part of the Condominium, to the extent any such pipe, duct, cable, wire, conduit, public utility line or other utility distribution system serves any Unit or is necessary for service to any Unit.

(b) Support. Every portion of a Unit which contributes to the structural support of the Condominium, a Unit or the Common Elements shall be burdened with an easement of lateral and subjacent structural support and necessity for the benefit of all other Units and the Common Elements.

(c) Ingress and Egress Through and Use of General Common Elements. Each Unit Owner shall have an easement in common with the Owners of all other Units for ingress and egress through, and use and enjoyment of, all General Common Elements. The General Common Elements shall be subject to easements of use and enjoyment and ingress and egress by all persons lawfully using or entitled to the same, including without limitation officers, employees and agents of public utility companies in the performance of their duties.

(d) Utility Lines. The Declarant expressly reserves the assignee's right with respect to the Condominium to grant public and private utility easements and to lay water, sanitary and storm sewer, electricity, telephone and cable television lines through, on, over or under any portion of the Condominium.

(e) Easement to Facilitate Sales. The Declarant and its duly authorized agents, representatives and employees shall have the right, exercisable in Declarant's sole discretion, to use as management offices and/or sales and/or rental offices and/or model units any and all unsold Unit or Units and any Units leased by the Declarant from Unit Owners who may agree to lease their Units to the Declarant for such use(s). Such Units shall be Units within the meaning of this Declaration and the Condominium Act, and shall not comprise a part of the Common Elements. The Declarant shall have the absolute right for itself, its successors and its invitees and prospective purchasers, to use and enter, without being subject to any charge or fee therefor, any and all such Units and the Common Elements, for management, sales and/or rental purposes and/or for any other lawful purpose or purposes, including placing thereon "for sale" or "for rent" signs and other promotional materials.

(f) Easement for Inspection and Repair. For as long as Declarant remains liable under any warranty, whether statutory, express or implied, for acts or omissions of Declarant in the development and construction of the Condominium, then Declarant and its contractors, agents and designees shall have the right, but not the obligation, in Declarant's sole discretion and from time to time and without requiring prior approval of the Unit Owners' Association and/or any Unit Owner and without requiring any consideration to be paid by the Declarant to the Unit Owners and/or Unit Owners' Association (provided, however, that absent an emergency situation, Declarant shall provide reasonable advance notice), to enter the property of the Condominium (including without limitation the Building), including the Units, Common Elements and Limited Common Elements, for the purpose of inspecting, testing and surveying same to determine the need for repairs, improvements and/or replacements, and effecting same.
so that Declarant can fulfill any of its warranty obligations. To the extent not prohibited by
applicable law, the failure of the Unit Owners' Association or any Unit Owner to grant, or to
interfere with, such access, shall relieve the Declarant from having to fulfill its warranty
obligations and the costs, expenses, liabilities or damages arising out of any unfilled warranty
of the Declarant will be the sole obligation and liability of the person or entity who or which
impedes the Declarant in any way in Declarant's activities described in this Subsection (f).
Nothing in this Subsection (f) shall be deemed or construed as the making or offering of any
warranty by the Declarant.

(g) Exterior Building Maintenance. An easement is hereby reserved on,
through and across each Unit and all Limited Common Elements appurtenant thereto in order to
afford access to the Unit Owners' Association (and its contractors) to perform roof repairs and/or
replacements, to repair, replace, maintain and/or alter rooftop mechanical equipment, to stage
window washing equipment and to perform window washing and/or any exterior
maintenance and/or painting of the Building.

(h) Development; Maintenance. The Declarant (including its affiliates and its
or their designees, contractors, successors and assigns) shall have the right, in its (and their) sole
discretion from time to time, to enter the Condominium and take all other lawful action
necessary or convenient for the purpose of undertaking and completing any construction or
renovation thereof, or any Common Elements or Units located or to be located thereon, and/or
any improvements located adjacent thereto and for repair, replacement and maintenance or
warranty purposes or where the Declarant, in its sole discretion, determines that it is required or
desires to do so.

(i) Encroachments. If any portion of the Common Elements encroaches upon
any Unit, or if any Unit encroaches upon any other Unit or upon any portion of the Common
Elements as a result of the construction, settling or shifting of the Land or the Building or other
improvement, or if any such encroachment shall occur after the recordation of this Declaration as
a result of the construction, repair, renovation, restoration or replacement of the Building or as a
result of the settling or shifting of the Building, a valid easement for such encroachment and for
the maintenance of the same shall exist so long as the Building shall stand.

9. Relocation of Unit Boundaries and Subdivision of Units. Subject to the
provisions of Section 13 of this Declaration captioned "Consent of Mortgagors," any Unit may
be subdivided or the boundaries thereof relocated if such action shall have been approved in
writing by all affected Unit Owners, all Mortgagors of the Units involved and the Board of
Directors. The foregoing shall not be applicable with respect to Unit subdivisions or boundary
relocations made by the Declarant. An amendment to this Declaration to effect any Unit
subdivision or boundary relocation shall be recorded by the secretary of the Unit Owners'
Association as provided in Section 42-1902.25 or Section 42-1902.26 of the Condominium Act.
The provisions of this Section do not apply to alterations allowed by Section 42-1902.24(b) of
the Condominium Act or by the provisions of the Bylaws so long as the affected Unit Owner(s)
shall provide the Board of Directors with a certificate from a registered engineer licensed to do
business in the District of Columbia stating that such alteration shall not result in weakening or
removal of any portion of any bearing wall or bearing column and that no portion of any
common element shall be damaged, destroyed or endangered.
10. Right to Lease Units. The Declarant shall retain title to each Unit not conveyed to any purchaser. The Declarant retains the right to enter into leases with any third parties for the occupancy of any of the Units so retained by Declarant for any purpose permitted under applicable law and not so conveyed to any purchaser, or to lease back and sublease any Unit so conveyed.

11. Amendment to Declaration. Except as otherwise provided in this Declaration or the Condominium Act, this Declaration may be amended by the agreement of the Unit Owners to which at least sixty-seven percent (67%) of the votes in the Unit Owners' Association appertain and in the manner provided by Section 42-1902.27 or 42-1902.28 of the Condominium Act. No such amendment shall be effective until recorded in accordance with the provisions of the Condominium Act, anything herein to the contrary notwithstanding, and subject to any limitations imposed by the Condominium Act (with specific reference to Section 42-1903.02 thereof), and except as required to comply with the requirements of the Federal Home Loan Mortgage Corporation and the Federal National Mortgage Association, or any other governmental or quasi-governmental agency insure or involved in the making or purchasing of Mortgages of any Unit,

(a) so long as the Declarant is the only Unit Owner, the Declarant may amend this Declaration without the consent or approval of any party;

(b) so long as the Declarant owns one or more Units, no amendment to this Declaration shall be adopted that could unreasonably interfere with the sale, lease or other disposition of such Unit(s) or that could abridge, modify, eliminate or otherwise affect any right, power, easement, privilege or benefit reserved to the Declarant hereunder or which would impose any discriminatory charge or fee against the Declarant; and

(c) no amendment to this Declaration shall be adopted that would abridge, modify, eliminate or otherwise affect any right, power, easement, privilege or benefit reserved by the provisions of this Declaration to Mortgages.

Notwithstanding any other provisions of this Section 11, the Declarant and the Board of Directors reserve the right to amend the Condominium Instruments to reassign the parking spaces and/or storage closets and/or lockers as Limited Common Elements in accordance with the terms of Section 6(c) hereof.

12. No Revocation or Partition. The Common Elements shall remain undivided and no Unit Owner or any other person shall bring or have the right to bring any action for partition or division thereof, nor shall the Common Elements be abrogated by act or omission, unless, subject to the provisions of the Section of this Declaration captioned "Consent of Mortgages", the condominium regime is waived and terminated by agreement of Unit Owners owning Units to which at least eighty percent (80%) of the votes in the Unit Owners' Association appertain.

13. Consent of Mortgages.

(a) Federal Home Loan Mortgage Corporation Compliance. Subject to the provisions of paragraphs (b) and (c) of this Section, in accordance with Section 42.3(d) of Chapter 42 of the Sellers' and Servicers' Guide of the Federal Home Loan Mortgage Corporation
("FHLMC") in effect as of the date of recordation of this Declaration, unless at least sixty-seven percent (67%) of the Mortgagors (based upon one vote for each Mortgage owned) or sixty-seven percent (67%) of Unit Owners other than the Declarant have given their prior written consent, the Unit Owners' Association and Board of Directors shall not be entitled to:

(i) By act or omission, seek to abandon or terminate the condominium regime;

(ii) Change the pro rata interest or obligations of any Unit for the purpose of (1) levying assessments or charges or allocating distributions of hazard insurance proceeds or condemnation awards, or (2) determining the pro rata share of ownership of each Unit in the Common Elements;

(iii) Except for partitions or subdivisions made by the Declarant, partition or subdivide any Unit;

(iv) By act or omission, seek to abandon, partition, subdivide, encumber, sell or transfer the Common Elements (the granting of easements for public utilities or other public purposes consistent with the intended use of the Common Elements by the Condominium shall not be deemed a transfer within the meaning of this clause); or

(v) Use hazard insurance proceeds for losses to any property of the Condominium (whether to Units or to Common Elements) for other than the repair, replacement or reconstruction of such property.

(b) Federal National Mortgage Association Compliance. Subject to the provisions of paragraphs (a) and (c) of this Section, in accordance with Section 601.03 of Chapter 6 of Part VIII, the Selling Guide of the Federal National Mortgage Association ("FNMA") in effect as of the date of recordation of this Declaration, unless at least fifty-one percent (51%) of "Eligible Mortgagors" (as the term "Eligible Mortgagor" is defined below) have given their prior written consent, no amendment to this Declaration, the Bylaws or the Rules and Regulations shall be adopted that would affect any provision thereof relating to any of the following matters:

(i) Voting rights;

(ii) Increases in assessments that raise the previously assessed amount by more than 25%, assessment liens or the priority of assessment liens;

Common Elements;

(iii) Reductions in reserves for maintenance, repair and replacement of Common Elements;

(iv) Responsibility for maintenance and repair of the Units and the Common Elements;

(v) The reallocation of Percentage Interests or Limited Common Elements, or rights related to the use of the Common Elements;
(vii) Redefinition of the boundaries of any Unit;
(viii) The convertibility of Units into Common Elements, or visa versa;
(ix) Any expansion or contraction of the Condominium, or any
addition, annexation or withdrawal of property to or from the Condominium;
(x) Hazard insurance or fidelity bonds;
(xi) Leasing of Units;
(xii) The imposition of any restrictions on the right of any Unit Owner
to sell or transfer his or her Unit;
(xiii) Self management;
(xiv) The repair or reconstruction of all or any part of the Condominium
as a result of fire or other casualty or partial condemnation;
(xv) The termination of the Condominium regime (which requires the
consent of sixty-seven percent (67%) of the Eligible Mortgages) unless such termination is as a
result of substantial destruction or condemnation of the Condominium:
(xvi) Any benefit expressly reserved to Mortgages, or any
governmental or quasi-governmental agency insuring or guaranteeing or involved in the making
or purchase of Mortgages.

As used in this paragraph (b), the term "Eligible Mortgagor" means any Mortgagor requesting
the Unit Owners' Association to notify such Mortgagor of any proposed action under the
provisions of Section 601.03 of Chapter 6 of Part VIII of the Selling Guide of the Federal
National Mortgage Association, as amended from time to time, requiring the prior written
consent of a specified percentage of eligible mortgage holders. Notwithstanding the foregoing,
however, the approval or consent of any Eligible Mortgagor shall be deemed to have been
granted if such Eligible Mortgagor fails to submit a response to any written proposal for an
amendment to the Declaration, the Bylaws or the Rules and Regulations of the Condominium,
within thirty (30) days after such Eligible Mortgagor receives proper notice of the proposal,
provided that notice was delivered to the Eligible Mortgagor by certified or registered mail, with
a "return receipt" requested.

(c) Application and Effect. The provisions of this Section 13 shall supersede
any inconsistent provision or provisions of this Declaration, the Bylaws or the Rules and
Regulations, but shall not be deemed to limit or expand the following:
(i) The amendment provisions of Section 11 of this Declaration and
Section 1 of Article XII of the Bylaws;
(ii) The right granted to the Declarant in Section 9 of this Declaration
to subdivide or relocate the boundaries of Units; or
(iii) The rights of any Unit Owner and his or her Mortgagor with respect to matters particularly affecting such Unit Owner’s Unit and/or Mortgage.

(d) Amendments to Comply with the Requirements of FHLMC and FNMA. Notwithstanding any contrary provision set forth herein or in the Bylaws, this Declaration and the Bylaws may be amended by the affirmative vote of a majority of the Board of Directors of the Unit Owners’ Association at any regular or special meeting of the Board of Directors without further action by the Unit Owners or First Mortgagors where such amendment is necessary in order to comply with the requirements of FNMA or FHLMC or the Veterans Administration (hereinafter referred to as “VA”) or the Federal Housing Administration (hereinafter referred to as “FHA”), the Board of Directors being hereby designated as attorney-in-fact for all of the Unit Owners and First Mortgagors to adopt such amendments and authorize one or more of the officers of the Unit Owners’ Association to execute any and all documents necessary and proper to accomplish such amendment; provided, however, that where such an amendment in any way abridges the rights granted to any Mortgagors by this Declaration or by the Bylaws, the concurrence of all such affected Mortgagors to such an amendment shall be required.

14. Priority of First Mortgages. Except as otherwise provided by the Condominium Act, no provision of this Declaration, the Bylaws, or the Rules and Regulations, shall be construed to grant to any Unit Owner, or to any other party, any priority over any rights of Mortgagors pursuant to their Mortgages in the case of the distribution to Unit Owners of insurance proceeds or condemnation awards for losses to or a taking of Units and/or the Common Elements or any portions thereof.

15. Prohibited Actions. So long as the Declarant is the owner of any Unit, and holds that Unit for sale in the ordinary course of business, none of the following actions may be taken without approval in writing from the Declarant.

(a) Assessment of the Declarant as a Unit Owner for capital improvements;

(b) Any action that would be detrimental to the sale of Units by the Declarant;

provided, however, that a uniform increase in assessments for Common Expenses without discrimination against the Declarant shall not be deemed detrimental.

16. Waiver. No provision contained in this Declaration shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches which may occur.

17. Severability. The invalidity or unenforceability of any provision of this Declaration shall not be deemed to impair or affect in any manner the validity, enforceability or effect of the remainder of this Declaration, and in such event, all of the other provisions of this Declaration shall continue in full force and effect as if such invalid or unenforceable provision had never been included herein. Any conflict between any provision of any condominium document and the Condominium Act, or any questions regarding the interpretation of any condominium document, shall be governed by the Condominium Act.

(a) Generally. Special Declarant Rights are those rights reserved for the benefit of the Declarant as provided for in the Condominium Act and the Condominium Instruments, and shall include, without limitation, the following rights: (a) to complete improvements, if any, as indicated on the Plans and Plans filed with this Declaration; (b) to maintain models, sales offices, leasing offices, management offices, customer service offices, and signs advertising the Units; and (c) to use easements through the Common Elements and the Units for the purpose of making improvements or performing repairs within the Condominium.

(b) Transfer of Special Declarant Rights.

(i) The Declarant may, but shall not be obligated to, transfer Special Declarant Rights created or reserved under the Condominium Act or provided for in the Condominium Instruments. Any such transfer shall be by instrument evidencing the transfer recorded in the Land Records Office of the Recorder of Deeds of the District of Columbia. The instrument is not effective unless executed by the transferor and transferee.

(ii) Upon transfer of any Special Declarant Right, the liability of a transferor declarant is as follows:

1. A transferor is not relieved of any obligation or liability arising before the transfer and remains liable for any warranty obligations imposed upon the transferor declarant by the Condominium Act. Lack of privity does not deprive any Unit Owner of standing to bring an action to enforce any obligation of the transferor.

2. If the successor to any Special Declarant Right is an "affiliate of a declarant" (hereinafter defined), the transferor is jointly and severally liable with the successor for any obligation or liability of the successor which relates to the Condominium. For purposes of this Section 18(b)(ii)(2), the phrase "affiliate of a declarant" shall mean the same as set forth in Section 42-1901.02 of the Condominium Act.

3. If a transferor retains any Special Declarant Rights, and transfers other Special Declarant Rights to a successor who is not an affiliate of the transferor, the transferor is liable for any obligations or liabilities imposed on the declarant by the Condominium Act or by the Condominium Instruments that relate to the retained Special Declarant Rights and that arise after the transfer.

4. A transferor has no liability for any act or omission, or any breach of a contractual or warranty obligation arising from the exercise of a Special Declarant Right by a successor declarant who is not an affiliate of the transferor.

(iii) Unless otherwise provided in a Mortgage (as defined in the Bylaws), in case of foreclosure of any Mortgage (or deed in lieu of foreclosure), tax sale, judicial sale, sale by a trustee under a deed of trust, or sale under the Bankruptcy Code or receivership proceedings, of any Units owned by Declarant in the Condominium or real estate in a condominium subject to "development rights" (hereinafter defined), a person acquiring title to all the real estate being foreclosed or sold, but only upon its request, succeeds to any or all Special Declarant Rights related to the real estate held by the Declarant, or to any rights reserved in the

#2318441_v1
Condominium Instruments to maintain models, sales offices, management offices, customer service offices and advertising signs. The judgment or instrument conveying title shall provide for transfer of only the Special Declarant Rights requested. For purposes of this subsection, the term "development rights" means any rights or combination of rights to expand an expandable condominium, contract a contractible condominium, convert convertible land, or convert convertible space.

(iv) Upon foreclosure (or deed in lieu of foreclosure), tax sale, judicial sale, sale by a trustee under a Mortgage, or sale under the Bankruptcy Code or receivership proceedings, of all Units in a Condominium owned by Declarant and other real estate in a condominium owned by Declarant: (1) Declarant shall cease to have any Special Declarant Rights, and (2) the Declarant Control Period, as provided in the Condominium Act, shall terminate unless the judgment or instrument conveying title provides for transfer of all Special Declarant Rights held by the Declarant to a successor declarant.

(v) The liabilities or obligations of persons who succeed to Special Declarant Rights are as follows:

(1) A successor to any Special Declarant Right who is an affiliate of Declarant is subject to any obligations or liabilities imposed on the transferor by the Condominium Act or by the Condominium Instruments.

(2) A successor to any Special Declarant Right, other than a successor described in paragraphs (3) or (4) of this subsection, who is not an affiliate of the Declarant, is subject to any obligations or liabilities imposed by the Condominium Act or the Condominium Instruments: (A) on a declarant which relates to such declarant's exercise or non-exercise of special declarant rights; or (B) on the transferor, other than: (i) misrepresentations by any previous declarant; (ii) warranty obligations on improvements made by any previous declarant, or made before the Condominium was created; (iii) breach of a fiduciary obligation by any previous declarant or appointees to the Board of Directors; or (iv) any liability or obligation imposed on the transferor as a result of the transferor's acts or omissions after the transfer.

(3) A successor who is not an affiliate of Declarant and whose sole right is a reservation to maintain models, sales offices, management offices, customer service offices and advertising signs, may not exercise any other Special Declarant Right, and is not subject to any liability or obligation as a declarant, except the obligation to provide a public offering statement and any liability arising as a result thereof.

(4) A successor to all Special Declarant Rights held by the transferor who is not an affiliate of the Declarant and who succeeded to those rights pursuant to a deed in lieu of foreclosure or a judgment or instrument conveying title to Units under subsection Section 18(b)(iii) may declare the intention in a recorded instrument to hold those rights solely for transfer to another person. Thereafter, until transferring all Special Declarant Rights to any person acquiring title to any Unit owned by the successor, or until recording an instrument permitting exercise of all those rights, that successor may not exercise any of those rights other than any right held by the transferor to control the Board of Directors in accordance with the provisions of the Condominium Act and the Condominium Instruments for the duration of any period of declarant control, as provided in the Condominium Act. Any attempted exercise of
those rights other than a right held by the successor's transferor to control the Board of Directors is void. So long as a successor declarant may not exercise Special Declarant Rights under this subsection, such successor declarant is not subject to any liability or obligation as a declarant.

(vi) Nothing in this Article shall subject any successor to a Special Declarant Right to any claims against or other obligations of a transferor declarant, other than claims or obligations arising under the Condominium Act or the Condominium Instruments.

[SIGNATURES AND ACKNOWLEDGMENTS BEGIN NEXT PAGE]
IN WITNESS WHEREOF, the Declarant has caused this Declaration to be executed on
its behalf as of the date set forth hereinafter.

WITNESS: 

DECLARANT:

DEVELOPER, LLC,
a Delaware limited liability company

By: ________________________________
Name:
Title:

STATE OF ________
COUNTY OF ________

Subscribed and sworn to me by ______________________, the ___________ of Developer,
LLC, the Declarant, this ______ day of __________, 2005.

__________________________
Notary Public, D.C.

My commission expires: ____________________________
EXHIBIT A

XYZ Condominium
(Washington, District of Columbia)

Legal Description
Common Expenses for that fiscal year, then the construction fund shall be disbursed in payment of such costs by the Insurance Trustee upon approval of an architect qualified to practice in the District of Columbia and employed by the Insurance Trustee to supervise such reconstruction and repair, payment to be made from time to time as the work progresses. The architect shall be required to furnish a certificate giving a brief description of the services and materials furnished by the various contractors, subcontractors, materialmen, the architect and other persons who have rendered services or furnished materials in connection with such reconstruction and repair and stating that: (i) the sums requested by them in payment are justly due and owing and do not exceed the value of the services and materials furnished; (ii) there is no other outstanding indebtedness known to such architect for the services and materials described; and (iii) the cost as estimated by such architect for the work remaining to be done subsequent to the date of such certificate does not exceed the amount of the construction fund remaining after payment of the sum so requested.

(b) Surplus. The first monies disbursed in payment of the cost of reconstruction and repair shall be from insurance proceeds and, if there is a balance in the construction fund after the payment of all of the costs of reconstruction and repair for which the fund is established, such balance shall be divided first among all Unit Owners who paid special assessments levied pursuant to Section 2 of this Article in proportion to their payments, and the balance, if any, shall be divided among all Unit Owners in proportion to their Percentage Interests and shall be distributed in accordance with the priority of interests, at law or in equity, in each Unit.

(c) Common Elements. When damage is to both Common Elements and Units, the insurance proceeds shall be applied first to the cost of replacing and repairing those portions of the Common Elements which enclose and/or service the Units, next to the cost of replacing and repairing the perimeter walls of the Units, next to the cost of replacing and repairing the other Common Elements, and the balance, if any, to the cost of replacing and repairing the Units (to the extent provided in this Section).

(d) Certificate. The Insurance Trustee shall be entitled to rely upon a certificate executed by the President (or the Vice President) and the Secretary of the Unit Owners' Association, certifying (i) whether the damaged property is required to be reconstructed and repaired, (ii) the name of the payee and the amount to be paid with respect to disbursement from any construction fund, and (iii) all other matters concerning the holding and disbursing of any construction fund. Any such certificate shall be delivered to the Insurance Trustee promptly after request.

ARTICLE X

Mortgages,

Section 1. Notices. Whenever so requested in writing by a Mortgagor, the Board of Directors promptly shall report to such Mortgagor.
(i) any sixty (60) day delinquency in the payment of assessments due from the Unit Owner of the mortgaged Condominium Unit or in any other obligation of such Unit Owner under the Declaration or these Bylaws, and

(ii) any material damage to either such Unit or to the Condominium, and of any condemnation or similar proceeding which may affect the Mortgage, and

(iii) any lapse, cancellation or material modification of any insurance policy or fidelity bond maintained by the Unit Owners' Association, and

(iv) any proposed action that requires the consent of a specified percentage of Eligible Mortgagors under paragraph 130(b) of the Declaration.

Section 2. Representation at Association Meetings. All Mortgagors or their representatives shall be entitled to attend meetings of the Unit Owners' Association and shall have the right to speak thereat.

ARTICLE XI

Compliance and Default

Section 1. Unit Owners Subject to Condominium Act, Declaration, Bylaws and Rules and Regulations. All Unit Owners shall be governed by and shall comply with the provisions of the Condominium Act, the Declaration, these Bylaws and the Rules and Regulations as any of the same may be amended from time to time. In addition to the remedies provided by the Condominium Act, a default by a Unit Owner shall entitle the Unit Owners' Association, the Board of Directors on behalf of the Unit Owners' Association or an aggrieved Unit Owner to the relief as provided in this Section.

Section 2. Legal Proceedings. Failure to comply with any of the terms of the Declaration, Bylaws and the Rules and Regulations shall be grounds for relief, including without limitation, an action to recover any sums due for money damages, injunctive relief, foreclosure of the lien for payment of all assessments, any other relief provided for in these Bylaws or any combination thereof and any other relief afforded by a court of competent jurisdiction, all of which relief may be sought by the Unit Owners' Association, the Board of Directors, the Managing Agent or, if appropriate, by any aggrieved Unit Owner and shall not constitute an election of remedies.

Section 3. Costs and Attorneys' Fees. In any proceeding arising out of any alleged default by a Unit Owner, the prevailing party shall be entitled to recover the costs of the proceeding, and such reasonable attorneys' fees as may be determined by the court and under applicable law.

Section 4. No Waiver of Rights. The failure of the Unit Owners' Association, the Board of Directors or a Unit Owner to enforce any right, provision, covenant or condition which may be granted by the Condominium Act, the Declaration, these Bylaws or the Rules and Regulations shall not constitute a waiver of the right of the Unit Owners' Association or such Unit Owner to enforce such right, provision, covenant or condition in the future. All rights, remedies and privileges granted to the Unit Owners' Association or to any Unit Owner pursuant to any term,
provision, covenant or condition of the Condominium Act, the Declaration, these Bylaws or the Rules and Regulations shall be deemed to be cumulative, and the exercise of any one or more thereof shall not be deemed to constitute an election of remedies, nor shall it preclude the party exercising the same from exercising such rights as may be granted to such party by the Condominium Act, the Declaration, these Bylaws or the Rules and Regulations, or at law or in equity. A suit to recover a money judgment for unpaid assessments shall be maintainable without foreclosure or waiving the lien securing the same, and foreclosure shall be maintainable notwithstanding the pendency of any suit to recover a money judgment.

Section 5. Abatement and Enforcement of Violations by Unit Owners. The violation of any Rule or Regulation adopted by the Board of Directors, or any breach of these Bylaws or the breach of any provision of the Condominium Act or the Declaration shall give the Unit Owners' Association the right, in addition to any other rights set forth in these Bylaws (i) to enter the Unit in which or as to which such violation or breach exists and summarily to abate and remove, at the expense of the defaulting Unit Owner, any structure, thing or condition that constitutes such violation (provided, however, that appropriate legal proceedings shall have been initiated by the Unit Owners' Association prior to the renewal thereof) and the Board of Directors shall not thereby be deemed guilty in any manner of trespass, or (ii) to enjoin, abate or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any such breach, as provided by law.

Section 6. Charges. The Board of Directors may levy reasonable charges against Unit Owners for violations of the Condominium Act, the Declaration, Bylaws or the Rules and Regulations by the Unit Owner, the members of such Unit Owner's family, or such Unit Owner's guests, invitees, tenants, agents or employees. No charge may be levied for a single violation in an amount more than one percent of such Unit Owner's annual assessment. Each day a violation continues, after notice is given to the Unit Owner, is a separate violation. If a Unit Owner requests in writing a hearing before the charge is imposed, the imposition of the charge shall be suspended until the hearing is held. Charges are special assessments and shall be collected as such.

Section 7. Additional Liability. Each Unit Owner shall be liable to the Unit Owners' Association or to any affected Unit Owner for the expense of all maintenance, repair or replacement rendered necessary by such Unit Owner's act, neglect or carelessness or the act, neglect or carelessness of any member of such Unit Owner's family or such Unit Owner's guests, invitees, tenants, agents or employees, but only to the extent that such expense is not covered by the proceeds of insurance carried by the Board of Directors. Such liability shall include any increase in casualty insurance rates occasioned by use, misuse, occupancy or abandonment of any Unit or its appurtenances. Nothing contained herein, however, shall be construed as modifying any waiver by any insurance company of its rights of subrogation. Any costs, including without limitation legal fees, incurred as a result of a failure to comply with the Condominium Act, the Declaration, Bylaws and the Rules and Regulations by a Unit Owner (or any member of such Unit Owner's family or such Unit Owner's guests, invitees, tenants, agents or employees) may be assessed against such Unit Owner's Unit.

ARTICLE XII

Miscellaneous
### RESIDENTIAL URBAN BUILDINGS

**COST COMPARISON OF URBAN RESIDENTIAL BUILDINGS WITH UNDERGROUND PARKING**

5/13/2010

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<th>DATA:</th>
<th>GMP</th>
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### SITEWORK

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**SUB-TOTAL: SITEWORK** | $451,600 | $14.57 /C.GSF | $0 $0.00 /C.GSF |

### GARAGE

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<td>$1.36 /G.GSF</td>
<td>$0 #DIV/0! /G.GSF</td>
</tr>
<tr>
<td>Miscellaneous Items</td>
<td>$60,000</td>
<td>$5.36 /G.GSF</td>
<td>$0 #DIV/0! /G.GSF</td>
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</tbody>
</table>

**SUB-TOTAL: GARAGE** | $513,562 | $11.47 /G.GSF | $0 #DIV/0! /G.GSF |

### RESIDENTIAL

<table>
<thead>
<tr>
<th>RESIDENTIAL</th>
<th>$/G.GSF</th>
<th>$/Unit</th>
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<tbody>
<tr>
<td><strong>STRUCTURE</strong></td>
<td></td>
<td></td>
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<tr>
<td>Concrete</td>
<td>$784,000</td>
<td>$25.29</td>
</tr>
<tr>
<td>Wood Framing</td>
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<td>$0.00</td>
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<tr>
<td>Vapor Barrier</td>
<td></td>
<td>$0.00</td>
</tr>
<tr>
<td>Miscellaneous Items</td>
<td></td>
<td>$0.00</td>
</tr>
</tbody>
</table>

**SUB-TOTAL: STRUCTURE** | $784,000 | $25.29 | 65333.33 |

| ENCLOSURE | | |
| Terra cotta, mtl pnl, tile, glass | Terra cotta, mtl pnl, tile, glass |
| Precast, GFRG | | $0.00 |
| Masonry, Cast Stone & Back-up CMU | | $125,000 $4.03 10,417 |
| Stone | | $170,000 $7.48 14,167 |
| Waterproofing and Roofing | | $119,000 $5.84 9,917 |
| EIFS, Stucco or Cement Plaster | | $100,000 $0.00 0 |

**RESIDENTIAL ** | | |
## RESIDENTIAL URBAN BUILDINGS

### COST COMPARISON OF URBAN RESIDENTIAL BUILDINGS WITH UNDERGROUND PARKING

5/13/2010

<table>
<thead>
<tr>
<th>Category</th>
<th>Description</th>
<th>12/1/2011</th>
<th>Description</th>
<th>12/1/2011</th>
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<tbody>
<tr>
<td><strong>DATA:</strong></td>
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<tr>
<td><strong>Pricing Type:</strong></td>
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</tr>
<tr>
<td><strong>Project:</strong></td>
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<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Date of Pricing:</strong></td>
<td></td>
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<td></td>
<td></td>
</tr>
<tr>
<td><strong>Residential GSF:</strong></td>
<td>Res. GSF 31,000 SF</td>
<td>Res. GSF 4,000 SF</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>No. Condo Levels:</strong></td>
<td>Res. Levels 3 Flr</td>
<td>Res. Levels 2 Flr</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>No. Units:</strong></td>
<td>No. Units 12 Units</td>
<td>No. Units 2 Units</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Skin Area:</strong></td>
<td>Skin 11,400 SF</td>
<td>Skin 3,600 SF</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Garage GSF:</strong></td>
<td>Garage GSF 11,200 SF</td>
<td>Garage GSF 0 SF</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>No. Garage Levels:</strong></td>
<td>Garage Levels 1 Flr</td>
<td>Garage Levels 0 Flr</td>
<td></td>
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</tr>
<tr>
<td><strong>Pricing space:</strong></td>
<td>Parking 34 Cars</td>
<td>Parking 0 Cars</td>
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<tr>
<td><strong>Schedule:</strong></td>
<td>Duration 18.0 Mo.</td>
<td>Duration 18.0 Mo.</td>
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<tr>
<td><strong>Caulking:</strong></td>
<td>$11,000 $0.35 917</td>
<td>$1,500 $0.38 750</td>
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<tr>
<td><strong>Glass &amp; Glazing and Metal Panels:</strong></td>
<td>$35,000 $16.30 2,117</td>
<td>$75,000 $18.75 37,500</td>
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<tr>
<td><strong>Perimeter Drywall:</strong></td>
<td>$70,000 $2.26 5,833</td>
<td>$10,000 $2.50 5,000</td>
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<tr>
<td><strong>Miscellaneous Metals:</strong></td>
<td>$80,000 $2.58 6,667</td>
<td>$8,000 $2.00 4,000</td>
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<tr>
<td><strong>Miscellaneous Items:</strong></td>
<td>$44,000 $1.42 3,667</td>
<td>$5,000 $1.25 2,500</td>
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<tr>
<td><strong>SUB-TOTAL: ENCLOSURE</strong></td>
<td><strong>$1,124,400 $36.27 95,700</strong></td>
<td><strong>$149,500 $37.38 74,750</strong></td>
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<tr>
<td><strong>INTERIORS:</strong></td>
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<tr>
<td><strong>Masonry:</strong></td>
<td>$52,500 $1.69 34,750</td>
<td>$6,500 $1.63 2,500</td>
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<tr>
<td><strong>Stone:</strong></td>
<td>$35,000 $11.29 39,167</td>
<td>$4,000 $1.00 2,000</td>
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<td><strong>Countertops:</strong></td>
<td>$63,000 $2.03 5,250</td>
<td>$8,500 $2.13 4,250</td>
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<tr>
<td><strong>Rough Carpentry:</strong></td>
<td>$55,000 $1.77 4,583</td>
<td>$4,100 $1.03 2,050</td>
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<tr>
<td><strong>Wood Trim &amp; Wire Shelving:</strong></td>
<td>$64,000 $2.06 5,333</td>
<td>$4,000 $1.00 2,000</td>
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<tr>
<td><strong>Cabinetry:</strong></td>
<td>$125,000 $4.03 10,417</td>
<td>$10,000 $2.50 5,000</td>
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<td><strong>Millwork:</strong></td>
<td>$20,000 $0.65 1,667</td>
<td>$1,500 $0.38 750</td>
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<td><strong>Doors, Frames and Hardware; Misc Glazing:</strong></td>
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<td><strong>Drywall &amp; Textured Ceilings:</strong></td>
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<td><strong>QAQC:</strong></td>
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<td>$3,500 $0.88 1,750</td>
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<td><strong>Tile:</strong></td>
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<td>$12,000 $3.00 6,000</td>
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<td><strong>Carpet and Resilient Flooring:</strong></td>
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<tr>
<td><strong>Wood/Stone Flooring:</strong></td>
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<td><strong>Painting:</strong></td>
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<td><strong>Toilet Accessories:</strong></td>
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<td>$2,000 $0.50 1,000</td>
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<td><strong>Specialties &amp; Equipment:</strong></td>
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<td>$3,700 $0.93 1,850</td>
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<td><strong>Pool:</strong></td>
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<td>$0 $0.00 0</td>
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<tr>
<td><strong>Appliances:</strong></td>
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<td><strong>$12,500 $3.13 6,250</strong></td>
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<td><strong>Furnishings:</strong></td>
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<td>$0 $0.00 0</td>
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<td><strong>Lobby:</strong></td>
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<td><strong>Miscellaneous Items:</strong></td>
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<td><strong>SUB-TOTAL: INTERIORS</strong></td>
<td><strong>$2,478,500 $79.95 206,542</strong></td>
<td><strong>$150,800 $37.70 75,400</strong></td>
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<td><strong>VERTICAL TRANSPORTATION:</strong></td>
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<td><strong>Elevators:</strong></td>
<td>$500,000 $16.13 41,667</td>
<td>$0 $0.00 0</td>
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<tr>
<td><strong>Miscellaneous Items:</strong></td>
<td>$32,500 $1.04 6,292</td>
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<td><strong>SUB-TOTAL: ELEVATORS</strong></td>
<td><strong>$532,500 $17.17 44,358</strong></td>
<td><strong>$0 $0.00 0</strong></td>
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<tr>
<td><strong>MEP:</strong></td>
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<tr>
<td><strong>Mechanical/Plumbing:</strong></td>
<td>$1,250,000 $40.32 30,167</td>
<td>$180,000 $45.00 90,000</td>
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<td><strong>Sprinkler:</strong></td>
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<td><strong>Electrical:</strong></td>
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<td>$125,000 $31.25 62,500</td>
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<td><strong>SUB-TOTAL: MEP</strong></td>
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<td><strong>$315,000 $78.75 157,500</strong></td>
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<td><strong>SUB-TOTAL: RESIDENTIAL</strong></td>
<td><strong>$7,145,500 $230.50 595,458</strong></td>
<td><strong>$685,300 $171.33 342,650</strong></td>
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<tr>
<td><strong>SUB-TOTAL: DIRECT COSTS</strong></td>
<td><strong>$8,912,727 $287.51 742,727</strong></td>
<td><strong>$685,300 $171.33 342,650</strong></td>
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<tr>
<td><strong>GENERAL REQUIREMENTS</strong></td>
<td><strong>$/R.GSF $/Unit</strong></td>
<td><strong>$/R.GSF $/Unit</strong></td>
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<td><strong>General Conditions:</strong></td>
<td>$400,000 $12.90 33,333</td>
<td>$50,000 $12.50 25,000</td>
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</tbody>
</table>
## Residential Urban Buildings
### Cost Comparison of Urban Residential Buildings with Underground Parking

**5/13/2010**

<table>
<thead>
<tr>
<th>Project</th>
<th>GMP</th>
<th>GMP</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Georgetown Flats</strong></td>
<td><strong>Georgetown Flats (Stick Frame Units)</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Residential GSF</strong></td>
<td>Res. GSF 31,000 SF</td>
<td>Res. GSF 4,000 SF</td>
</tr>
<tr>
<td><strong>No. Condo Levels</strong></td>
<td>Res. Levels 3 Flr</td>
<td>Res. Levels 2 Flr</td>
</tr>
<tr>
<td><strong>No. Units</strong></td>
<td>No. Units 12 Units</td>
<td>No. Units 2 Units</td>
</tr>
<tr>
<td><strong>Skin Area</strong></td>
<td>Skin 11,400 SF</td>
<td>Skin 3,600 SF</td>
</tr>
<tr>
<td><strong>Garage GSF</strong></td>
<td>Garage GSF 11,200 SF</td>
<td>Garage GSF 0 SF</td>
</tr>
<tr>
<td><strong>No. Garage Levels</strong></td>
<td>Garage Levels 1 Flr</td>
<td>Garage Levels 0 Flr</td>
</tr>
<tr>
<td><strong>Parking spaces</strong></td>
<td>Parking 34 Cars</td>
<td>Parking 0 Cars</td>
</tr>
<tr>
<td><strong>Schedule</strong></td>
<td>Duration 18.0 Mo.</td>
<td>Duration 18.0 Mo.</td>
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<tr>
<td><strong>GC Fee</strong></td>
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<tr>
<td><strong>Contingency</strong></td>
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<tr>
<td><strong>General Liability Insurance</strong></td>
<td>$37,500</td>
<td>$3,700</td>
</tr>
<tr>
<td><strong>Builder's Risk Insurance</strong></td>
<td>$0</td>
<td>$0</td>
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<tr>
<td><strong>Gross Receipts Tax</strong></td>
<td>$0</td>
<td>$0</td>
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<tr>
<td><strong>PBS Bond</strong></td>
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<td>$0</td>
</tr>
<tr>
<td><strong>SUB-TOTAL: GENERAL REQ'MNT</strong></td>
<td>$437,500</td>
<td>$53,700</td>
</tr>
<tr>
<td><strong>GRAND TOTAL: BASE BUILDING</strong></td>
<td>$9,350,227</td>
<td>$301,627</td>
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### Loaded Costs

<table>
<thead>
<tr>
<th>Project</th>
<th>$/GSF</th>
<th>$/Unit</th>
<th>$/GSF</th>
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<tbody>
<tr>
<td><strong>SITEWORK</strong></td>
<td>$473,768</td>
<td>$15.28</td>
<td>59.481</td>
</tr>
<tr>
<td><strong>GARAGE</strong></td>
<td>$1,386,207</td>
<td>$123.33</td>
<td>40.954</td>
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<tr>
<td><strong>RESIDENTIAL</strong></td>
<td>$7,409,252</td>
<td>$241.81</td>
<td>625.688</td>
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<tr>
<td><strong>GRAND TOTAL: BASE BUILDING</strong></td>
<td>$9,350,227</td>
<td>$301.62</td>
<td>779.186</td>
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</table>
# RESIDENTIAL URBAN BUILDINGS

**COST COMPARISON OF URBAN RESIDENTIAL BUILDINGS WITH UNDERGROUND PARKING**

5/13/2010

<table>
<thead>
<tr>
<th>Pricing Type</th>
<th>Monument Ballpark (APTS)</th>
<th>Lionsgate Condos</th>
</tr>
</thead>
<tbody>
<tr>
<td>Date of Pricing</td>
<td>5/7/2008</td>
<td>12/1/2005</td>
</tr>
<tr>
<td>Residential GSF</td>
<td>Res. GSF 367,727 SF</td>
<td>Res. GSF 291,427 SF</td>
</tr>
<tr>
<td>No. Condo Levels</td>
<td>Res. Levels 21 Fl</td>
<td>Res. Levels 12 Fl</td>
</tr>
<tr>
<td>No. Units</td>
<td>No. Units 340 Units</td>
<td>No. Units 158 Units</td>
</tr>
<tr>
<td>Skin Area</td>
<td>Skin SF</td>
<td>Skin 130,631 SF</td>
</tr>
<tr>
<td>Garage GSF</td>
<td>Garage GSF 207,339 SF</td>
<td>Garage GSF 110,434 SF</td>
</tr>
<tr>
<td>No. Garage Levels</td>
<td>Garage Levels 3 Fl</td>
<td>Garage Levels 3 Fl</td>
</tr>
<tr>
<td>Parking spaces</td>
<td>Parking 567 Cars</td>
<td>Parking 292 Cars</td>
</tr>
<tr>
<td>Schedule</td>
<td>Duration 24.0 Mo.</td>
<td>Duration 24.0 Mo.</td>
</tr>
</tbody>
</table>

- **SITWORK**
  - Demolition: $0.00 /G.SF, Duration: 24.0 Mo.
  - Site Grading; Misc. earthwork: $362,000 /G.SF, Duration: 24.0 Mo.
  - Site Utilities: $1,138,000 /G.SF, Duration: 24.0 Mo.
  - Site Concrete & Pavers; Site walls: $1,280,000 /G.SF, Duration: 24.0 Mo.
  - Asphalt: $420,000 /G.SF, Duration: 24.0 Mo.
  - Landscape and Irrigation: $470,000 /G.SF, Duration: 24.0 Mo.
  - Site Electrical: $470,000 /G.SF, Duration: 24.0 Mo.
  - Miscellaneous/Site Development: $217,000 /G.SF, Duration: 24.0 Mo.

  - **SUB-TOTAL: SITWORK** $3,890,000 /G.SF, Duration: 24.0 Mo.

- **GARAGE**
  - Deep Foundations: $450,000 /G.SF, Duration: 24.0 Mo.
  - Dewatering: $0.00 /G.SF, Duration: 24.0 Mo.
  - Sheetmetal and Sheetig: $0.00 /G.SF, Duration: 24.0 Mo.
  - Excavation for Garage Pad: $0.00 /G.SF, Duration: 24.0 Mo.
  - Concrete: $11,799,574 /G.SF, Duration: 24.0 Mo.
  - Masonry: $373,510 /G.SF, Duration: 24.0 Mo.
  - Miscellaneous Metals: $450,000 /G.SF, Duration: 24.0 Mo.
  - Waterproofing: $812,844 /G.SF, Duration: 24.0 Mo.
  - Doors and Glazing: $190,842 /G.SF, Duration: 24.0 Mo.
  - Carpentry, Drywall and Finishes: $180,930 /G.SF, Duration: 24.0 Mo.
  - Painting and Floor Sealer: $104,000 /G.SF, Duration: 24.0 Mo.
  - Specialties & Equipment: $278,106 /G.SF, Duration: 24.0 Mo.
  - Elevators: $593,817 /G.SF, Duration: 24.0 Mo.
  - Mechanical/Plumbing: $1,935,000 /G.SF, Duration: 24.0 Mo.
  - Sprinkler: $345,750 /G.SF, Duration: 24.0 Mo.
  - Electrical: $952,715 /G.SF, Duration: 24.0 Mo.
  - Miscellaneous Items: $0.00 /G.SF, Duration: 24.0 Mo.

  - **SUB-TOTAL: GARAGE** $18,464,488 /G.SF, Duration: 24.0 Mo.

- **RESIDENTIAL**
  - $/R.GSF $/Unit
  - Concrete: $7,884,000 $21.44 2318.24 $5,639,875 $19.35 35,695
  - Wood Framing: $0.00
  - Vapor Barrier: $0.00

  *77' FT*
### RESIDENTIAL URBAN BUILDINGS

**COST COMPARISON OF URBAN RESIDENTIAL BUILDINGS WITH UNDERGROUND PARKING**

5/13/2010

<table>
<thead>
<tr>
<th>DATA:</th>
<th>GMP Monument Ballpark (APTS)</th>
<th>GMP Lionsgate Condos</th>
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</thead>
<tbody>
<tr>
<td>Pricing Type</td>
<td>5/7/2008</td>
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<td>Duration 24.0 Mo.</td>
<td>Duration 24.0 Mo.</td>
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</table>

<table>
<thead>
<tr>
<th>Miscellaneous Items</th>
<th>$0.00</th>
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<th>$0.00</th>
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<td>SUB-TOTAL: STRUCTURE</td>
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<td>$21,44</td>
<td>23,188</td>
<td>$5,639,875</td>
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<tr>
<td>ENCLOSURE</td>
<td>Tern cotta, mtl ppl, tile, glass</td>
<td>Brick w/precast PC trim: punched/WW</td>
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## RESIDENTIAL URBAN BUILDINGS

### COST COMPARISON OF URBAN RESIDENTIAL BUILDINGS WITH UNDERGROUND PARKING

5/13/2010

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<td>Res. GSF 291,427 Sf</td>
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<td>Res. Levels 12 Flr</td>
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<tr>
<td>Garage GSF</td>
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<td>No. Garage Levels</td>
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<td>Parking spaces</td>
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<td>SUB-TOTAL: RESIDENTIAL</td>
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<td>$/R-GSF</td>
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<td>GRAND TOTAL: BASE BUILDING</td>
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<td>LOADED COSTS</td>
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<td>S/Unit</td>
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<td>GARAGE</td>
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<td>GRAND TOTAL: BASE BUILDING</td>
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## Development Budget

### USES:

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<tbody>
<tr>
<td>Land Acquisition &amp; Development</td>
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<td>NFI Space</td>
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<td>TOTAL HARD COSTS</td>
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<td>Soft Costs</td>
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<tr>
<td>Sales Commissions (5% of sales price financed)</td>
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<td>Legal Fees/ Misc.</td>
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<td>TOTAL SOFT COSTS (excluding commissions)</td>
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<td>Construction Loan Capitalized Interest</td>
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### SOURCES:

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<tr>
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<td>Developer Equity</td>
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<td>10% of total equity required</td>
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<td>40% of total equity required</td>
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## Monthly Cash Flow

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<th>Time 9</th>
<th>FY 2011</th>
<th>Year 1</th>
<th>Year 2</th>
<th>Year 3</th>
<th>Year 4</th>
<th>Year 5</th>
<th>Year 6</th>
<th>Year 7</th>
<th>Year 8</th>
<th>Year 9</th>
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<tbody>
<tr>
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<td>$190,000</td>
<td>$210,000</td>
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### Operating Expenses

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<th>Year 3</th>
<th>Year 4</th>
<th>Year 5</th>
<th>Year 6</th>
<th>Year 7</th>
<th>Year 8</th>
<th>Year 9</th>
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</thead>
<tbody>
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### Net Operating Income (Net Operating Income, NOI)

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<th>Year 3</th>
<th>Year 4</th>
<th>Year 5</th>
<th>Year 6</th>
<th>Year 7</th>
<th>Year 8</th>
<th>Year 9</th>
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<tbody>
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<td>$30,000</td>
<td>$30,000</td>
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### Cash Flow Before Debt Service (Net Operating Income)

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<th>Year 2</th>
<th>Year 3</th>
<th>Year 4</th>
<th>Year 5</th>
<th>Year 6</th>
<th>Year 7</th>
<th>Year 8</th>
<th>Year 9</th>
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<tbody>
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<td>$30,000</td>
<td>$30,000</td>
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### Cash Flow After Debt Service

<table>
<thead>
<tr>
<th>Item</th>
<th>FY 2011</th>
<th>Year 1</th>
<th>Year 2</th>
<th>Year 3</th>
<th>Year 4</th>
<th>Year 5</th>
<th>Year 6</th>
<th>Year 7</th>
<th>Year 8</th>
<th>Year 9</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Net Cash Flow:</strong></td>
<td>$30,000</td>
<td>$30,000</td>
<td>$30,000</td>
<td>$30,000</td>
<td>$30,000</td>
<td>$30,000</td>
<td>$30,000</td>
<td>$30,000</td>
<td>$30,000</td>
<td>$30,000</td>
</tr>
</tbody>
</table>

## Development Costs

<table>
<thead>
<tr>
<th>Item</th>
<th>FY 2011</th>
<th>Year 1</th>
<th>Year 2</th>
<th>Year 3</th>
<th>Year 4</th>
<th>Year 5</th>
<th>Year 6</th>
<th>Year 7</th>
<th>Year 8</th>
<th>Year 9</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total Development Costs:</strong></td>
<td>$300,000</td>
<td>$300,000</td>
<td>$300,000</td>
<td>$300,000</td>
<td>$300,000</td>
<td>$300,000</td>
<td>$300,000</td>
<td>$300,000</td>
<td>$300,000</td>
<td>$300,000</td>
</tr>
</tbody>
</table>

### Lender Non-compounded Return

<table>
<thead>
<tr>
<th>Item</th>
<th>FY 2011</th>
<th>Year 1</th>
<th>Year 2</th>
<th>Year 3</th>
<th>Year 4</th>
<th>Year 5</th>
<th>Year 6</th>
<th>Year 7</th>
<th>Year 8</th>
<th>Year 9</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Lender Non-compounded Return:</strong></td>
<td>$300,000</td>
<td>$300,000</td>
<td>$300,000</td>
<td>$300,000</td>
<td>$300,000</td>
<td>$300,000</td>
<td>$300,000</td>
<td>$300,000</td>
<td>$300,000</td>
<td>$300,000</td>
</tr>
</tbody>
</table>

## NPV

<table>
<thead>
<tr>
<th>Item</th>
<th>FY 2011</th>
<th>Year 1</th>
<th>Year 2</th>
<th>Year 3</th>
<th>Year 4</th>
<th>Year 5</th>
<th>Year 6</th>
<th>Year 7</th>
<th>Year 8</th>
<th>Year 9</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>NPV:</strong></td>
<td>$300,000</td>
<td>$300,000</td>
<td>$300,000</td>
<td>$300,000</td>
<td>$300,000</td>
<td>$300,000</td>
<td>$300,000</td>
<td>$300,000</td>
<td>$300,000</td>
<td>$300,000</td>
</tr>
</tbody>
</table>

## Notes

- Development Costs: Summary of expenses associated with the development of the property.
- Lender Non-compounded Return: Annual return for the lender without compounding.
### FINANCING ASSUMPTIONS

<table>
<thead>
<tr>
<th>Description</th>
<th>Permanent Financing (Office only):</th>
</tr>
</thead>
<tbody>
<tr>
<td>Stabilized NOI</td>
<td>$166,312</td>
</tr>
<tr>
<td>Cap Rate</td>
<td>10.0%</td>
</tr>
<tr>
<td>Value</td>
<td>$1,693,124</td>
</tr>
<tr>
<td>Max Loan Amount</td>
<td>70% $1,185,187</td>
</tr>
<tr>
<td>Min DSCR</td>
<td>1.15 $1,735,904</td>
</tr>
<tr>
<td>LIBOR (Floor)</td>
<td>1.00%</td>
</tr>
<tr>
<td>Spread (350bps + 50 bps origination fee)</td>
<td>4.00%</td>
</tr>
<tr>
<td>Note Rate</td>
<td>7.00%</td>
</tr>
<tr>
<td>Amort</td>
<td>25</td>
</tr>
<tr>
<td>Applicable Loan</td>
<td>$1,185,187</td>
</tr>
<tr>
<td>DS Payment (Yr)</td>
<td>$100,520</td>
</tr>
<tr>
<td>Monthly Payment</td>
<td>$8,377</td>
</tr>
<tr>
<td>Actual LTV</td>
<td>70.00%</td>
</tr>
<tr>
<td>Actual DSC</td>
<td>1.65</td>
</tr>
</tbody>
</table>

### Mini-Pem Construction Financing:

- Development Costs: $19,827,718
- LTC: 70%
- LIBOR (Floor): 1.75%
- Spread: 3.75%
- Note Rate: 5.50%
- Applicable Loan: $13,875,291

(2 Yrs. Interest only - Principal + Interest payments begin in month 23)

- Construction Loan Term (Yrs): 5
- Interest Payment (Yr): $783,136

### GENERAL ASSUMPTIONS

<table>
<thead>
<tr>
<th>Category</th>
<th>Assumption</th>
</tr>
</thead>
<tbody>
<tr>
<td>% Rent Growth</td>
<td>3.00%</td>
</tr>
<tr>
<td>Lender Valuation Cap Rate</td>
<td>10.00%</td>
</tr>
<tr>
<td>Terminal Cap Rate</td>
<td>10.00%</td>
</tr>
<tr>
<td>Vacancy</td>
<td>12.00%</td>
</tr>
<tr>
<td>Selling Costs</td>
<td>2.00%</td>
</tr>
<tr>
<td>Hurdle Rate</td>
<td>15.00%</td>
</tr>
</tbody>
</table>

### OPERATING ASSUMPTIONS

<table>
<thead>
<tr>
<th>Description</th>
<th>PSF / %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Common Area Maintenance</td>
<td>$</td>
</tr>
<tr>
<td>Real Estate Taxes</td>
<td>$</td>
</tr>
<tr>
<td>Insurance</td>
<td>$1.25</td>
</tr>
<tr>
<td>Total Expenses</td>
<td>$1.25</td>
</tr>
<tr>
<td>Management</td>
<td>0.00%</td>
</tr>
<tr>
<td>Annual Exp. Growth</td>
<td>0.00%</td>
</tr>
<tr>
<td>Annual Income Growth</td>
<td>0.00%</td>
</tr>
<tr>
<td>Discount Rate</td>
<td>8%</td>
</tr>
<tr>
<td>CapEx Reserves (of EGI)</td>
<td>3%</td>
</tr>
</tbody>
</table>
## EXECUTIVE SUMMARY

### DEVELOPMENT BUDGET

<table>
<thead>
<tr>
<th>Item</th>
<th>Total</th>
<th>ISR</th>
<th>% of Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Land</td>
<td>$5,949,000</td>
<td>$143.44</td>
<td>30.0%</td>
</tr>
<tr>
<td>Hard Costs</td>
<td>$11,322,000</td>
<td>$273.01</td>
<td>27.1%</td>
</tr>
<tr>
<td>Soft Costs</td>
<td>$1,705,421</td>
<td>$41.12</td>
<td>8.6%</td>
</tr>
<tr>
<td>Financing/Carry Costs</td>
<td>$844,295</td>
<td>$20.36</td>
<td>4.3%</td>
</tr>
<tr>
<td><strong>PROJECT COST</strong></td>
<td>$19,821,716</td>
<td>$477.92</td>
<td>100.0%</td>
</tr>
<tr>
<td>PROJECT COST Incl. Sales Commissions</td>
<td>$21,067,716</td>
<td>$507.72</td>
<td></td>
</tr>
</tbody>
</table>

### OPERATING BUDGET (Office)

<table>
<thead>
<tr>
<th>Item</th>
<th>Year 1</th>
<th>Year 5</th>
<th>Year 6</th>
</tr>
</thead>
<tbody>
<tr>
<td>Potential Gross Income</td>
<td>$167,244</td>
<td>$167,244</td>
<td>$167,244</td>
</tr>
<tr>
<td>Less: Vacancy</td>
<td>$20,085</td>
<td>$20,085</td>
<td>$20,085</td>
</tr>
<tr>
<td>Effective Gross Income</td>
<td>$147,157</td>
<td>$147,157</td>
<td>$147,157</td>
</tr>
<tr>
<td>Less: Operating Expenses</td>
<td>$36</td>
<td>$36</td>
<td>$36</td>
</tr>
<tr>
<td>NET OPERATING INCOME</td>
<td>$147,175</td>
<td>$147,175</td>
<td>$147,175</td>
</tr>
<tr>
<td>Reserves/REI Mgt Fee</td>
<td>$4,415</td>
<td>$4,415</td>
<td>$4,415</td>
</tr>
<tr>
<td>Debt Service</td>
<td>$100,520</td>
<td>$100,520</td>
<td>$100,520</td>
</tr>
<tr>
<td><strong>NET CASH FLOW / (DEFICIT)</strong></td>
<td>$243,261</td>
<td>$142,759</td>
<td>$142,759</td>
</tr>
</tbody>
</table>

### RESIDUAL VALUE (Office Space)

<table>
<thead>
<tr>
<th>Item</th>
<th>Year 1</th>
<th>Year 5</th>
<th>Year 6</th>
</tr>
</thead>
<tbody>
<tr>
<td>Debt Cap Rate</td>
<td>10.00%</td>
<td>10.00%</td>
<td>10.00%</td>
</tr>
<tr>
<td>Gross Sale Proceeds</td>
<td>$1,471,747</td>
<td>$1,471,747</td>
<td>$1,471,747</td>
</tr>
<tr>
<td>Selling Costs</td>
<td>$(29,430)</td>
<td>$(29,430)</td>
<td>$(29,430)</td>
</tr>
<tr>
<td><strong>NET SALE PROCEEDS</strong></td>
<td>$1,442,312</td>
<td>$1,442,312</td>
<td>$1,442,312</td>
</tr>
<tr>
<td>Debt Retirement</td>
<td>$(1,126,799)</td>
<td>$(1,104,412)</td>
<td>$(1,080,442)</td>
</tr>
<tr>
<td><strong>NET CASH FROM SALE</strong></td>
<td>$315,513</td>
<td>$337,800</td>
<td>$361,871</td>
</tr>
</tbody>
</table>

### MARKET VALUE (Multifamily)

- Expected Sales in 2013: $17,167,500
- Expected Sales in 2014: $7,602,500
- Total Market Value of units 1-14: $24,720,000

### PROJECT CAPITALIZATION

- Construction Loan: $13,875,201
- Developer Equity: $594,651
- Investor Equity: $6,351,863
- **TOTAL COST**: $19,821,716
- Sum Returned to Developer (Yr 4): $2,766,971
- Total Developer Fee (Yr 2-3): $618,951
- Developer IRR (including Development Fee): 98%
- Sum Returned to Investors (Yr 3-4): $8,484,425
- Investor IRR: 18.00%
Fixed-Rate Loan Program Indicative Terms

| Property Type Eligibility | • Stabilized Properties Only  
|                          | • Office Buildings, Anchored Retail Shopping Centers, Warehouse/Distribution Centers, Multifamily Apartments and Hotels on a very select, low-leveraged basis |
| Loan Amount              | $15 million minimum. Selectively, lower loan amounts may be considered. |
| Eligible Locations       | MSAs with 100,000 minimum population, offering strong current and historical growth metrics, along with equilibrium in supply and demand for salvable property types |
| Loan-to-Value Ratio      | Target 70% LTV |
| Debt Yield               | Target 10% to 10.5% Debt Yield based on Underwritten Net Cash Flow, lower Debt Yield considered selectively (10.5% to 14.0%) |
| Loan Pricing             | Fixed-rate approximately 5.50% to 7.00% - will vary based upon specific asset and leverage characteristics |
| Amortization             | Maximum 30-Year Amortization Schedule. No Interest-Only Loans |
| Loan Term                | 5 and 10-Year loan terms available |
| Origination Fee          | Target 0.5% of Loan Amount |
| Processing Fee           | $15,000 minimum |
| Borrowing Entity         | Must be bankruptcy-remote, Special Purpose Entity, Tenants-in-Common ownership not allowed |
| Recourse                 | Loan shall be Non-Recourse, with standard Non-Recourse Carve-Outs |
| Reserves                 | Reserves shall be required for capital items such as Replacements, Tenant Improvements and Leasing Commissions |
| Defeasance Option        | Following a lock-out period, Defeasance shall be allowed |
| Loan Servicing           | GSCMC, or assignee, shall service the Loan |

For more information on GSCMC’s Fixed-Rate Loan Program, please contact your GSCMC originator shown below:

<table>
<thead>
<tr>
<th>Western Region</th>
<th>Central Region</th>
<th>Eastern Region</th>
</tr>
</thead>
</table>
| Paul Armour, Regional Director  
972.501.3910  
paul.armour@gsmortgage.com | James Abbe, Regional Director  
972.501.3922  
jamess.abbe@gsmortgage.com | Will Fisa, Regional Director  
972.501.3965  
will.fisa@gsmortgage.com |
|                         |                         | Rod Repp, Jr., Regional Director  
972.501.3961  
rod.repp@gsmortgage.com |

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May 2010
PRESERVATION COVENANT LANGUAGE

In consideration of the conveyance of certain real property, 1215 31st St NW in the city of Washington, DC

1. The grantee hereby covenants on behalf of itself, its heirs, successors and assigns at all time to restore, maintain and preserve this property in accordance with the recommended approaches of the “Secretary of the Interior’s Standards for the Treatment of Historic Properties and Guidelines for Rehabilitating Historic Buildings” in order to preserve those qualities that make this property eligible for the National Register.

2. No construction, alteration or rehabilitation shall be undertaken or permitted to be undertaken that would affect the historic features of the property without consultation with and express permission of the DC State Historic Preservation Officer (SHPO).

3. The DC SHPO will be permitted at all reasonable times to inspect the property in order to ascertain if the above conditions are being met.

4. In the event of a violation of this covenant and in addition to any remedy now or hereafter provided by law, the DC SHPO may, following reasonable notice to the grantee, institute suit to enjoin violation or to require restoration of the property.

5. This covenant is binding on the grantee, its heirs, successors and assigns in perpetuity.

6. This covenant shall be a binding servitude upon the property and shall be deemed to run with the land.

Agreed to this ______ day of ______ 2010.