EXECUTION COPY

LAND DISPOSITION AND DEVELOPMENT AGREEMENT

by and between the

DISTRICT OF COLUMBIA

and

BROADCAST RESIDENTIAL PARTNERS, LLC

BROADCAST CENTER PARTNERS, LLC

for the

SALE AND DEVELOPMENT OF

PARCEL 33 – SQUARE 441, LOT 854, WASHINGTON, D.C.

Dated as of January 24, 2008

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LAND DISPOSITION AND DEVELOPMENT AGREEMENT

THIS LAND DISPOSITION AND DEVELOPMENT AGREEMENT (this "Agreement"), is made and entered into this 24th day of January, 2008, by and between the DISTRICT OF COLUMBIA, a municipal corporation acting by and through the Office of the Deputy Mayor for Planning and Economic Development ("District"), and Broadcast Residential Partners, LLC, a Virginia limited liability company ("BRP"), and Broadcast Center Partners, LLC, a District of Columbia limited liability company ("BCP" and, collectively with BRP, "Developer").

RECITALS

R-1. Pursuant to *the National Capital Revitalization Corporation and Anacostia Waterfront Corporation Reorganization Clarification Temporary Act of 2007* (D.C. Act 17-126), legal and equitable title to all real property owned by the National Capital Revitalization Corporation and the RLA Revitalization Corporation was transferred, vested and titled in the name of the District on October 1, 2007.

R-2. The District therefore currently owns or controls certain property (defined below) and wishes to provide for the disposition and redevelopment of the Property in accordance with the best interests of the District and the physical, social and economic well-being of its citizens, and pursuant to public purposes and the applicable provisions of federal and District laws.

R-3. The District is entering into this Agreement for the purpose of having Radio One/TV One relocate to the District of Columbia;

R-4. The District desires to sell to Developer and Developer wishes to purchase from the District the Property pursuant to the terms and conditions contained herein. The disposition of the Property to Developer was approved on January 8, 2008 by the Council of the District of Columbia pursuant to the *Disposition and Redevelopment of Lot 854 in Square 441 Approval Act of 2007*, Bill 17-453 ("Act"), subject to certain terms and conditions incorporated herein.

R-5. Developer intends to construct a mixed use project consisting of the Commercial Development (defined below) to be built on the Property, and the Residential Development (defined below), to be built on a portion of the Property as well as certain parcels adjoining the Property which parcels are currently owned by Developer.

R-6. The Property has a unique and special importance to the District. Accordingly, this Agreement makes particular provision to assure the excellence and integrity of the design, construction, management and control necessary and appropriate for a first class, urban development serving District residents and the public at large.

R-7. The terms of this Agreement apply, inter alia, to the purchase of the Property, the development and construction of the Project (defined below) and the purchase money financing

to be provided by the District. This Agreement also imposes certain affordable housing and workforce housing requirements with respect to the Residential Development.

AGREEMENT

NOW, THEREFORE, for and in consideration of the mutual covenants contained herein and other good and valuable consideration in hand paid, the receipt and sufficiency of which are hereby acknowledged by the Parties (defined below) hereto, the District and Developer, do hereby agree as follows, to wit:

ARTICLE 1. DEFINITIONS

For the purposes of this Agreement, the following terms shall have the meanings ascribed to them below and, unless the context clearly indicates otherwise, shall include the plural as well as the singular:

Act: means the *Disposition and Redevelopment of Lot 854 in Square 441 Approval Act of 2007*, Bill 17-453.

ADU: means an affordable dwelling unit. Developer has agreed in the Community Benefits MOU that at least fifteen percent (15%) of the units in the Residential Development shall be ADUs such that (i) at least ten percent (10%) of the units in the Residential Development shall be leased or sold to individuals or families making 50% of AMI or less; (ii) at least five percent (5%) of the units in the Residential Development shall be leased or sold to individuals or families making 80% of AMI or less. The ADUs shall be in the locations set forth in the Permitted Uses Plan.

ADU Plan: means the process for determining the occupancy of the ADUs and the plan for administering the ADUs.

Affiliate: means with respect to any Person ("first Person") (i) any other Person directly or indirectly controlling, controlled by, or under common control with such first Person, (ii) any officer, director, partner, shareholder, manager, member or trustee of such first Person, or (iii) any officer, director, general partner, manager, member or trustee of any Person described in clauses (i) or (ii) of this sentence. As used in this definition, the terms "controlling", "controlled by", or "under common control with" shall mean the possession, directly or indirectly, of the power to direct, or cause the direction of, the management and policies of a Person, whether through ownership of voting securities, membership interests or partnership interests, by contract or otherwise, or the power to elect at least fifty percent (50%) of the directors, managers, partners or Persons exercising similar authority with respect to the subject Person.

Agreement: means this Land Disposition and Development Agreement between the District and Developer.

AMI: means the area median income using "Washington Area Uncapped Limits," as set forth in the periodic calculation provided by HUD as a direct calculation without taking into account any adjustments made by HUD for programs it administers, as consistently applied by the District's Housing Production Trust Fund Program.

Applicable Law: means the following (including without limitation, any Environmental Law, all laws relating to accessibility for persons with disabilities, and, if applicable, the Davis-Bacon Act, 40 U.S.C. §§ 3141, *et seq.* and the Green Building Act of 2006, D.C. Law 16-234), as the same may be in effect from time to time: (a) any and all federal and District laws, judicial decisions, statutes, rulings, rules, regulations, permits, standards, codes, directives (including consent decrees, injunctions and administrative orders which are legally binding), judgments, injunctions, ordinances, licenses, approvals and any other binding requirement issued by any legal authority at any time applicable to the party at issue and (b) any and all public covenants, conditions, restrictions and reservations contained in any deed, other form of conveyance or instrument of any nature, recorded among the Land Records of the District and encumbering the Property, that, in the case of either (a) or (b) hereof, relate in any way or are applicable to the Property or the ownership, use or occupancy thereof.

Approved Lender: means an Institutional Lender designated by Developer, or such other Person proposed by Developer and reasonably acceptable to the District, to provide Construction Financing, Letter(s) of Credit, bridge financing, Permanent Financing or mezzanine debt in connection with the Project, provided that such Institutional Lender is not a Prohibited Person.

Approved Mortgage: has the meaning given it in **Section 14.1.1** hereof.

Approved Mortgagee: has the meaning given it in **Section 14.1.1** hereof.

Approved Transferee: means (i) any transferee of a Class A Membership Interest to whom the District has given approval for a proposed transfer; or (ii) the transferee of all or any portion of the Property that: (a) is an Approved Mortgagee to which all or any portion of the Property was Transferred pursuant to a foreclosure or a deed in lieu of foreclosure; or (b) is approved by the District in the District's sole and absolute discretion.

Architect: means the architect of record with respect to the Project who shall not be a Prohibited Person.

Architect's Certification: means the certification presented to the District by Developer from the Architect of the Project at issue, evidencing Substantial Completion of all construction and development of the Improvements associated with the Project in accordance with the Development Plan.

BCP: means Broadcast Center Partners, LLC, a District of Columbia limited liability company.

Best Commercially Reasonable Business Effort: means that, as and when required hereunder, the Person charged with making such effort is timely and diligently taking, or causing to be taken, in good faith all steps usually and customarily taken by an experienced real estate owner seeking with reasonable due diligence to lawfully achieve the objective to which the particular effort pertains, such as, by way of example only, procuring, or causing to be procured, such competent professional support services as is commercially reasonable to achieve the objective, overseeing and managing the timely and proper completion of the activities comprising such support services and making all payments for such professional support services.

BRP: Broadcast Residential Partners, LLC, a Virginia limited liability company

Business Days: means Monday through Friday, inclusive, other than holidays recognized by the District government.

CBE: means a business enterprise or joint venture certified by DSLBD pursuant to the CBE Act.

CBE Act: means the *Small, Local, and Disadvantaged Business Development and Assistance Act of 2005*, D.C. Law 16-33, as amended (D.C. Official Code §§ 2-218.01 et seq.)

CBE Utilization and Participation Agreement: means the agreement between Developer and DSLBD regarding the utilization and participation of CBEs attached hereto as **Exhibit K**.

Claims: means any actual or threatened losses, costs, damages, liabilities, settlements and judgments (including reasonable attorneys' fees and costs).

Class A Membership Interest: means the membership interest held by the Managing Member of BCP or BRP, as applicable. The initial holders of the Class A Membership Interests in BCP and BRP are set forth in Sections 6.2.1.1 and 6.2.2.1.

Class B Membership Interest: means any membership interest in BCP or BRP that is not a Class A Membership Interest.

Closing: means the act by which the District grants, sells, transfers and conveys the Property to Developer and Developer pays the Purchase Price to District, as further identified in **Section 3.1** herein.

Closing Date: means that date upon which the Closing shall occur, as further identified in **Section 3.1** hereof.

Commercial Development: means, subject to design, master planning, engineering and zoning approvals: (i) approximately 93,000 net rentable square feet of office space; (ii)

approximately 23,000 square feet of retail space; and (iii) underground parking spaces to be used by the tenants of the office space and the tenants of the retail space.

Commercial Development Property: means, after the Property is subdivided, the lot on which the Commercial Development will be constructed.

Commitment Letters: means letters of commitment or loan documents from an Approved Lender to provide the Construction Financing.

Community Benefits MOU: means the memorandum of understanding attached hereto as **Exhibit I**.

Completion Bond: means the Payment Bond and the Performance Bond and/or any corporate or personal guaranty acceptable to the District in its sole discretion.

Comprehensive Submission or Submission: means the submissions made pursuant to **ARTICLE 4** hereof.

Construction Contract: means the contract with the Contractor for the construction of all of the Improvements in accordance with the Development Plan, Comprehensive Submission, and this Agreement, as approved by the District pursuant to **Sections 4.2.1.6** and **16.28** hereof.

Construction Financing: means one or more financings to be obtained by Developer from Approved Lender(s) and used solely for the purpose of the design, development, construction, completion, initial operation and/or leasing of the Project, for payment of interest accruing during such development, construction and completion and for post-completion needs of Developer prior to Developer's obtaining Permanent Financing for the Project; provided, however, Construction Financing shall not be used to pay any compensation under a Management Contract unless the District has approved the compensation pursuant to **Section 5.4.2**. In addition to the foregoing, **"Construction Financing"** shall also include land loans and bridge loans, the proceeds of which are used for the purposes described in the preceding sentence.

Construction and Use Covenant: means the covenant agreement between District and Developer, containing materially similar terms and conditions to those contained in the draft document attached hereto as **Exhibit E**, to be recorded in the Land Records, which shall include the Schedule of Performance and such other provisions negotiated between the Parties.

Contractor: means the general contractor(s) of the Project, which Contractor shall not be a Prohibited Person.

Deed: means, as applicable, the special warranty deed conveying the Commercial Development Property to BCP at Closing in a form substantially similar to **Exhibit B-1** attached hereto and incorporated herein by reference and/or the special warranty deed conveying the

Residential Development Property to BRP at Closing in a form substantially similar to **Exhibit B-2** attached hereto and incorporated herein by reference. Following the Closing, in the event BRP wishes to consolidate the Residential Development Property with one or more lots owned by BRP, it is the intent and understanding of the Parties that the Reservation contained in the Deed for the Residential Development Property will continue to apply solely to that portion of the combined lot and the Parties shall negotiate any documentation necessary to reflect this understanding.

Deed of Trust: means a deed of trust in a form substantially similar to **Exhibit D**.

Default Rate: means the annual rate which is the lesser of (i) twelve percent (12%) or (ii) the maximum rate allowed by Applicable Law.

Developer: means BRP and BCP, the ownership of each is composed of the Persons identified in **Section 6.2** hereof, any permitted transferee or other successor-in-interest of Developer pursuant to a Permitted Transfer who partially or entirely succeeds to the interest of Developer hereunder, or any permitted assignee of Developer.

Developer's Drawings and Specifications: means: (i) any and all plans, drawings (including shop drawings), specifications, and any other design, construction, or other documents, which Developer's Architects shall have created, prepared, or used for Developer's Improvements, including any design concepts and details, which are reasonably necessary for completion of Developer's Improvements by the District or Developer's Approved Mortgagees in accordance therewith. Any rights of Developer to Developer's Drawings and Specifications are subject to the superior rights of Developer's Approved Mortgagees.

Developer Event of Default: means any event specified in **Section 12.1** hereof.

Developer Interests: means any or all of the stock, membership interests, limited partnership interests or beneficial interests in Developer.

Developer Organizational Certificate: has the meaning set out in **Section 4.2.1.9** hereof.

Developer Party: means (i) Developer, (ii) any Member of Developer, (iii) any Affiliate of Developer, (iv) any Affiliate of any Member of Developer, or (v) any Person having an ownership or equity interest in any Person having any interest in any Person which has any interest, directly or indirectly, in Developer, other than any special purpose entity with no involvement with the Project.

Development Plan: means Developer's detailed plans for developing, constructing, and financing the Project with respect to the Permitted Uses as approved by the District in accordance with this Agreement (including, without limitation, the Final Plans and the Submissions identified in **Section 4.2** hereof), as such Development Plan is augmented and amended by

subsequent submissions by Developer of additional information, and as such Development Plan is developed and modified from time to time in accordance with the Comprehensive Submission and this Agreement and as approved by the District (if such approval is required pursuant to this Agreement). The Development Plan and Comprehensive Submission are summarized on the Development Plan Summary and Comprehensive Submission List attached hereto as **Exhibit G** and incorporated herein by reference.

DHCD: means the District of Columbia Department of Housing and Community Development.

District: means Washington, District of Columbia, or any governmental entity which is its legal successor-in-interest, as applicable.

DOES: means the District of Columbia Department of Employment Services.

DSLBD: means the District of Columbia Department of Small and Local Business Development.

Effective Date: means the date of full execution and delivery of this Agreement by the Parties, which date shall be inserted on the first page hereof.

Encumbrances: means any and all encumbrances, agreements, easements, limitations, encroachments, rights-of-way, encroachments, leases, covenants, conditions, restrictions, Mortgages, liens, defects, and reservations.

Environmental Law: means any federal or District law, statute, code, common law, ordinance, rule, regulation, requirement, permit, license, approval, guideline, resolution, or judicial or administrative decision, order, judgment, injunction, award, decree, writ, or similar item (including without limitation consent decrees) applicable to the Property and relating to environmental matters, the protection of the environment or the protection of human health and safety from environmental concerns, including, without limitation, all those relating to or regulating the presence, use, generation, handling, storage, treatment, transportation, decontamination, processing, clean-up, removal, encapsulation, enclosure, abatement, disposal, reporting, licensing, permitting, monitoring, investigation, remediation, emission, discharge, or Release (including, without limitation, to ambient air, surface water, ground water, land surface or subsurface strata) of any Hazardous Material, pollutant, contaminant, or other substance or waste, including, without limitation:

(i) the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. Sections 9601, *et seq.*, the Resource Conservation and Recovery Act, 42 U.S.C. Sections 6901, *et seq.*, the Toxic Substance Control Act, 15 U.S.C. Sections 2601, *et seq.*, the Clean Water Act, 33 U.S.C. Sections 1251 *et seq.*, the Clean Air Act, 42 U.S.C. Sections 7401, *et seq.*, and their District and state counterparts and related regulations;

(ii) the UST Act; and

(iii) any other requirement, legal rule or doctrine, or order applicable to the Property and regulating, relating to, imposing standards of conduct for, or imposing or allocating any liability concerning any Hazardous Material, pollutant, or contamination, or any Remedial Action.

Equity: means cash equity funding required for the Project.

Equity Commitment: shall have the meaning specified in **Section 4.2.1.3.2** hereof.

Feasibility Studies: means soil, engineering, environmental tests, investigations, tests and studies, and other work that Developer believes is reasonably undertaken for purposes of determining the developability of the Property, the presence of Hazardous Materials near or at the Property and the cost of remedial action related to such Hazardous Materials, the feasibility and cost of the Development Plan, and any other matter relating to the Property.

Final Certificate of Completion: means the certification provided by the District to Developer upon Developer's completion, to the District's satisfaction (as set forth in **Section 5.8.1** hereof), of the specific Improvements contemplated by the Development Plan and the Comprehensive Submission with regard to the entire Project, other than tenant improvements designed for the use of individual tenants.

Final Plans: means those certain final plans, specifications and drawings of the Improvements necessary for the Improvements to be constructed and completed and for Developer to obtain all necessary Permits for the construction of such Improvements.

Financing Plan: has the meaning set out in **Section 4.2.1.8**

First Source Employment Agreement: means that agreement between the Developer and DOES regarding job creation and employment generated as a result of the Project which meets the requirements of the apprenticeship program under D.C. Official Code § 32-1431 and first source program under D.C. Official Code §§ 2-219.01.

Force Majeure: means delays in the performance of any party's obligations hereunder by reason of (i) unanticipated, unusual and extreme weather, (ii) war, terrorism or national conflicts or priorities arising therefrom, (iii) major casualties, (iv) acts or omissions of the other party not permitted under the Agreement which cause delay, (v) despite Best Commercially Reasonable Business Efforts, delays in obtaining approval from, or changes ordered by, any governmental entity with authority over the development of the Property or Improvements other than the ODMPED or WMATA; (vi) strikes or similar labor disputes provided such strike or similar labor dispute is beyond the obligated party's control and provided such party takes all steps reasonably possible to remediate such strike or similar dispute; or (vii) inability to obtain labor or materials despite Best Commercially Reasonable Business Efforts. Notwithstanding the foregoing, the term "Force Majeure" does not include changes in market conditions that affect the cost of the products or services of Developer or of those provided to Developer by any contractor or supplier. It is the

purpose and intent of this provision that in the event of the occurrence of any such Force Majeure event, the time or times for performance of the obligations of the District or of Developer shall be extended for the period of the Force Majeure; provided, however, that (a) the party seeking the benefit of this relief shall, within **ten (10) Business Days** after it has a reasonable basis to believe that the beginning of any such Force Majeure event has commenced, have first notified the other party thereof in writing of the cause or causes thereof, with supporting documentation, (b) in the case of a delay in obtaining any permits coming within clause (v) above, Developer must have filed complete applications for such permits by the dates set forth in the agreed upon schedule of performance and hired an expediter reasonably acceptable to the District to monitor and expedite the permit process, (c) the Force Majeure and the effects thereof are not the result of the negligence, wrongdoing or failure to perform under this Agreement of the party seeking the delay, and (d) the party seeking the delay must use Best Commercially Reasonable Business Efforts to minimize the delay. If either party requests any extension of the date of completion of any obligation hereunder due to Force Majeure, it shall be the responsibility of such party to reasonably demonstrate that the Force Majeure is the cause of the delay.

Generally Accepted Accounting Principles: means the conventions, rules, standards, and procedures for reporting financial information that define accepted accounting practices in the United States for real estate ownership, development and operations, including broad guidelines and detailed procedures, including but not limited to promulgations from the United States Financial Accounting Standards Board, as such practices are customarily modified by nationally recognized independent certified public accounting firms to apply to an entity operating a real estate project; or such other accounting method agreed upon by Developer and the District in advance in writing which, among other matters, fairly allocates the operating expenses and other revenues and expenditures to the time period to which they pertain, and which principles or method are consistently applied by Developer on a year-to-year basis to Developer's accounting relating to the Project.

Guaranteed Maximum Price: has the meaning specified in **Section 16.28**.

Hard Cost Total: has the meaning specified in **Section 16.28**.

Hazardous Materials: means any substance or thing:

(i) the presence or suspected presence of which requires or may require investigation, response, clean-up, remediation, or monitoring, or may result in liability, under any Applicable Law; or

(ii) that is or contains a hazardous substance, waste, extremely hazardous substance, hazardous material, hazardous waste, hazardous constituent, solid waste, special waste, toxic substance, pollutant, contaminant, petroleum or petroleum derived substance or waste, and related materials, including, without limitation, any such materials defined, listed, identified under or described in any Environmental Law, past, present, or future; or

(iii) which is flammable, explosive, radioactive, toxic, carcinogenic, mutagenic, or otherwise hazardous; or

(iv) which is or contains asbestos (whether friable or non-friable), any polychlorinated biphenyls or compounds containing polychlorinated biphenyls, or medical waste; or

(v) the presence of which causes or threatens to cause a hazard to the health or safety of persons or to the environment; or

(vi) without limitation, which is or contains or once contained gasoline, diesel fuel, oil, diesel and gasoline range organics (TPH-DRO / GRO), or any other petroleum products or petroleum hydrocarbons, or additives to petroleum products, or any breakdown products or compounds of any of the foregoing; or

(vii) without limitation, radon gas

HUD: means the United States Department of Housing and Urban Development

Improvements: means the structures, landscaping, hardscape and/or site improvements, including the Residential Development and Commercial Development defined herein, to be constructed or placed on the Property by Developer in accordance with the Development Plan and Comprehensive Submission; provided, however, that in no event shall tenant improvements, trade fixtures, furniture, operating equipment (in contrast to building equipment), stock in trade, inventory or other personal property owned by tenants and/or used in connection with the conduct of any business or activities within the Improvements be deemed included in the term "**Improvements**" as used in this Agreement.

Indemnified Parties: means the District, and its respective officers, agents and employees.

Initial Members: means the Persons identified in **Section 6.2** hereof.

Institutional Lender: means a lender that is not a Developer Party and is (i) a commercial bank, savings and loan association, trust company or national banking association, (ii) a Person principally engaged in the origination of commercial real estate loans, including, without limitation, commercial mortgage-backed securities (CMBS), (iii) an insurance company, (iv) a public employees' pension or retirement system, or any other governmental agency supervising the investment of public funds, (v) a pension, retirement, or profit-sharing, or commingled trust or fund, for which any bank, trust company, national banking association or investment adviser registered under the Investment Advisors Act of 1940, as amended, is acting as trustee or agent and any other pension fund advisory firm, mutual fund or other investment company acceptable to the District in its sole discretion, (vi) a publicly traded real estate investment trust, (vii) a governmental agency, including, without limitation, FNMA, "Freddie Mac", "Ginnie Mae", the District of Columbia Housing Finance Agency (DCHFA) or any District or federal agency that makes or markets real estate loans, (viii) a charitable organization regularly engaged in making loans secured by real estate, (ix) a "qualified institutional buyer"

within the meaning of Rule 144A under the Securities Act of 1933, as amended (other than a broker/dealer), that is acceptable to the District in its sole discretion; (x) a venture capital firm; (xi) a community development entity, with an allocation under the federal New Markets Tax Credit program, (xii) an entity making an investment under the federal Historic Tax Credit program, or (xiii) an institution or organization substantially similar to any of the foregoing, that is acceptable to the District in its sole discretion.

Land Deposit: has the meaning given it in **Section 2.2.1** hereof.

Land Records: means the land records for the District located in the Office of the Recorder of Deeds of the District.

Legal Authority: means any federal, District, municipal or other public body, department, bureau, district, officer or other governmental or quasi-governmental authority, agency, or instrumentality, or local Board of Fire Underwriters having jurisdiction over or with respect to the Property.

Letter(s) of Credit: means one or more irrevocable, unconditional, automatically renewed, stand-by letter(s) of credit issued by an Approved Lender in a form reasonably acceptable to the District and found to be legally sufficient by the Office of the Attorney General for the District of Columbia.

Liability: means any direct or indirect indebtedness, liability, claim, judgment, injunction, loss, damage, encumbrance, lien, deficiency, demand, claim, judgment, assessment, fine, penalty, monetary sanction, cost, expense (including, without limitation, interest, amounts paid in settlement and fees and disbursements of legal counsel, costs of collection, engineering and other consultants, contractors, experts, laboratories and other expenses), obligation or responsibility, known or unknown, fixed or unfixed, liquidated or unliquidated, secured or unsecured, accrued, absolute, contingent or otherwise, whether or not of a kind required by Generally Accepted Accounting Principles to be set forth on a financial statement or in the notes thereto, including, without limitation, those related to Remedial Action, personal injuries, property damage, natural resource damages on the Property, but specifically excluding punitive damages.

Loan Commitments: means the commitments of the Approved Lenders to provide financing for the Project pursuant to **Section 4.2.1.3** hereof.

Management Contract: has the meaning given it in **Section 5.4.2**

Managing Member: means any Member holding a Class A Membership Interest in BCP or BRP, as applicable.

Member: means any Person with an ownership interest in BRP or BCP, whether as a member of a limited liability company, a shareholder in a corporation, a partner in a partnership, a beneficiary under a trust or otherwise.

Modification: has the meaning given it in **Section 14.1.1** hereof.

Mortgage: means a mortgage, deed of trust, mortgage deed, or such other classes of instruments as are commonly given to secure advances on real estate and leasehold estates under the laws of the District.

Mortgagee: means the party or parties to whom a money obligation is owed, the payment of which is secured by Developer's interest in the Property under the terms of a Mortgage, including without limitation any participant of the Mortgagee or beneficiary under a Mortgage.

NCRC: means the National Capital Revitalization Corporation and its subsidiaries including RLARC.

Note: means a note in a form substantially similar to **Exhibit C**

ODMPED: means the Office of the Deputy Mayor for Planning and Economic Development.

Other Studies: has the meaning given it in **Section 2.3.1** hereof.

Parking Easement: means a non-exclusive parking easement for the benefit of the District for the use of no less than 100 parking spaces for patrons using the Howard Theatre as well as community users in a form substantially similar to **Exhibit F** that the Developer shall deliver at Closing.

Parties: means the parties to this Agreement (i.e., the District and Developer) and, as applicable, their respective successors and permitted assigns.

Payment Bond: means a labor and materials payment bond or bonds for the Improvements (including parking) that Developer may provide to the District at Closing. If provided, the Payment Bond shall be equal to one hundred percent (100%) of all budgeted costs of construction for the Improvements. If provided, the Payment Bond(s) will name the District as obligee for the benefit of laborers, subcontractors, material suppliers, and others that have or may have claims or liens against the Improvements.

Performance Bond: means a performance bond or bonds in an amount equal to one hundred percent (100%) of all budgeted costs of construction of the Improvements that Developer may provide to the District at Closing. If provided, the Performance Bond(s) will name the District as obligee.

Permanent Financing: means financing to be obtained by Developer from Approved Lender(s) and used solely for the purpose of paying off the Construction Financing.

Permits: means all demolition, site, building, construction, and other permits, approvals, licenses and/or rights required to be obtained from the District government or other Legal Authority having jurisdiction over the Property (including, without limitation, any utility company) necessary to commence and complete construction, operation and maintenance of the Improvements in accordance with the Development Plan, Comprehensive Submission and this Agreement.

Permitted Encumbrance: has the meaning given it in **Section 2.4.1** hereof

Permitted Transfer: means any of the following:

(i) a Transfer of any of the Developer Interests to an Approved Transferee; or

(ii) a Transfer of all or any portion of the Property to an Approved Transferee;

provided that in each instance, (x) the transferee is not a Prohibited Person and (y) the transferee agrees in writing to be bound by the terms and conditions of this Agreement.

Permitted Uses: means those uses as further identified in the Permitted Uses Plan

Permitted Uses Plan: means the plan describing the nature and approximate size of all Permitted Uses attached as **Exhibit J**. If Developer shall desire to make any modifications to the Permitted Uses Plan prior to receipt of the Final Certificate of Completion or the repayment in full of the Notes described in Section 2.1.2.1, whichever is later, Developer shall be required to obtain the prior written consent of the District for such modifications.

Person: means any individual, or any corporation, limited liability company, trust, partnership, association or other entity.

Prohibited Person: means, unless such designation as a Prohibited Person is waived by the District in its sole discretion, (a) any Person that has been convicted of a felony, or pleaded *nolo contendere* or any pleading similar thereto to a felony charge, alleging fraud or willful misappropriation of funds within five (5) years prior to the date hereof; (b) any entity as to which a member or person holding a ownership interest or person in control has been convicted of a felony or pleaded *nolo contendere* or any pleading similar thereto to a felony charge, alleging fraud or willful misappropriation of funds within five (5) years prior to the date hereof; (c) any Person that, at any time, has been in default of any material contractual obligation to the District, beyond any applicable notice and/or cure periods within five (5) years prior to the date hereof; or (d) any Person that is listed on the most current "Excluded Parties List System" published by the U.S. General Services Administration at http://epls.arnet.gov/, as updated from time to time, or any replacement thereof or the District's list of debarred, suspended or ineligible Persons.

Project: means the Property and Improvements, and the development, construction and operation of the Residential Development and the Commercial Development in accordance with the Development Plan, the Comprehensive Submission and this Agreement. The Project will have a minimum of 185 underground parking spaces, including both legal parking spaces and tandem parking spaces.

Property: means the property particularly described on **Exhibit A**. Prior to Closing, the Property shall be subdivided into the Commercial Development Property and the Residential Development Property.

Punch List Items: means the minor items of work to be completed or corrected prior to final payment to Contractor pursuant to the Construction Contract in order to fully complete the Improvements in accordance with the Final Plans and this Agreement.

Purchase Price: has the meaning given it in **Section 2.1.2** hereof.

Radio One/TV One Lease Space: has the meaning given it in **Section 2.7.1** hereof.

Release: means any release, spill, emission, leaking, pumping, pouring, emptying, discharge, injection, escape, leaching, dumping, disposal, dispersal, abandonment or migration into or through the environment or out of any property, including movement through or in the air, soil, surface water, or ground water (including, without limitation, the abandonment or cessation of continuous active use, and if required by Applicable Law, the removal of any underground storage tank, barrel, container and other closed or unclosed receptacle that contains or once contained any Hazardous Materials).

Remedial Action: means all steps to: (a) clean up, abate, take corrective action, remove, treat or in any other way remediate any Hazardous Materials or contamination; (b) prevent or address the Release or threatened Release of Hazardous Materials; (c) reduce the risk that any Hazardous Materials may migrate or endanger or threaten to endanger human health or welfare or the environment; or (d) perform feasibility or other studies, investigations, monitoring or care related to any Hazardous Materials.

Residential Development: means, subject to design, master planning, engineering and zoning approvals: (i) approximately 180 apartment units; and (ii) access to underground parking spaces to be used by the residents of the apartments

Residential Development Property: means, after the Property is subdivided, the lot on which the Residential Development will be constructed.

Residential Unit: means an individual residential unit to be constructed as per of the Residential Development and leased to tenants or sold to purchasers pursuant to the Development Plan, Comprehensive Submission and this Agreement.

RLARC: means the RLA Revitalization Corporation

Schedule of Performance: means that estimated schedule of performance of the development and construction of the Improvements and submission of documentation related thereto and required under this Agreement, attached hereto as **Exhibit H** and incorporated herein by reference, as such Schedule of Performance may be amended from time to time including, but not limited to, extensions required on account of Force Majeure.

Settlement Agent: means the title company or lawyer with offices in the District selected by Developer and acceptable to the District.

Submissions: means those certain additional plans, specifications and other documents identified in **Sections 4.1** and **4.2** hereof required to be submitted by Developer and approved by the District.

Substantial Completion: means substantial completion of construction of the Project, excluding Punch List Items, in a lien-free manner and in accordance with the Development Plan and applicable legal requirements, as evidenced by the issuance of an Architect's Certification.

Third Party Fees: has the meaning given it in **Section 16.21** hereof.

TIF Note: has the meaning given it in **Section 16.29** hereof.

Title Exception Period: has the meaning given it in **Section 2.4.1** hereof.

Transfer: means any sale, assignment, conveyance, ground lease with a primary term in excess of thirty (30) years, trust, power, encumbrance or other transfer of this Agreement, the Property or the Improvements or of any portion of this Agreement, the Property or the Improvements, or of any interest in this Agreement, the Property or the Improvements, or any contract or agreement to do any of the same. As used in this Agreement, a Transfer shall also be deemed to have occurred if: (i) in a single transaction or a series of transactions (including without limitation, increased capitalization, merger with another entity, combination with another entity, or other amendments, issuance of additional or new stock, partnership interests or membership interests, reclassification thereof or otherwise), whether related or unrelated, any membership or beneficial interest in either BRP or BCP is sold, transferred, diluted, reduced or otherwise affected; or (ii) in a single transaction or series of transactions, whether related or unrelated, any membership interest in either BRP or BCP or in any member of either BRP or BCP is sold, transferred, diluted, reduced or otherwise affected (whether directly or indirectly) with the result that the present members of the applicable limited liability company are no longer members thereof or that the present holders or owners of each such member no longer control such member; (iii) in a single transaction or series of transactions, whether related or unrelated, any of the membership interests or beneficial interests in either BRP or BCP is redistributed among the current members or owners; (iv) any change in any member of either BRP or BCP occurs; (v) an assignment or transfer by operation of Law occurs; (vi) any assignment of the

economic incidents of ownership of interests (either directly or indirectly) in either BRP or BCP; or (vii) there is a substantial change in the participation of CBEs in the ownership or management of either BRP or BCP, which shall mean any change the result of which will be to alter the percentage of the participation by CBEs from that previously presented to the District, or a change that results in the loss of the CBE status. The District acknowledges that it is contemplated that BRP and BCP may be seeking to transfer Class B Membership Interests to investors; provided, however, that no Transfer of a Class A Membership Interest in either BRP or BCP shall occur except as provided in **ARTICLE 9**. No consent of the District is required for the Transfer of a Class B Membership Interest; provided, however that such transfer is consistent with all Applicable Laws and any applicable requirements of the CBE Utilization and Participation Agreement.

UST Act: means, the District of Columbia Underground Storage Tank Management Act of 1990, as amended (D.C. Official Code §§ 8-113.01 *et seq.*)

WHU: means a workforce housing unit. Developer has agreed in the Community Benefits MOU that at least ten percent (10%) of the units in the Residential Development shall be WHUs which (i) shall be leased or sold to households or individuals with a household income equal to or less than one hundred twenty percent (120%) of the AMI; and (ii) shall be offered to such households for lease or sale in the following order of priority, subject to Applicable Law: (1) employees of the District of Columbia and its instrumentalities; (2) District residents (and, in the case of sales, District residents who are first time homebuyers and then all other District residents); and (3) the general public.

WHU Plan: means the process for determining the occupancy of the WHUs and the plan for administering the WHUs.

WMATA: means the Washington Metropolitan Area Transit Authority.

ARTICLE 2. CONVEYANCE; PURCHASE PRICE; CONDITION OF PROPERTY

2.1 SALE; PURCHASE PRICE

2.1.1. Sale

Subject to all the terms, covenants, and conditions of this Agreement, the District hereby agrees to sell the Property to Developer, and Developer hereby agrees to purchase the Property from the District, in consideration of the Purchase Price.

2.1.2. Payment of Purchase Price; Subdivision; Notes

2.1.2.1. The Parties hereby agree that the purchase price for the Property (the **"Purchase Price"**) shall be Five Million Seven Hundred and Thirty Thousand Dollars ($5,730,000.00). Prior to Closing, the Property shall be subdivided into the Commercial Development Property and the Residential Development Property, and **Exhibit A** shall be supplemented with the final legal descriptions of the Commercial Development Property and the Residential Development Property when such descriptions are available. At Closing, in consideration of their purchase of the Commercial Development Property and the Residential Development Property, respectively, BCP and BRP shall each deliver a Note with an initial unpaid principal balance of $3,388,845 and $2,341,155, respectively. The Notes shall not be cross-defaulted or cross-collateralized.

2.1.2.2. Each Note shall be collateralized by a Deed of Trust that provides the District a security interest in the Commercial Development Property or the Residential Development Property, as applicable, and all the Improvements thereon.

2.1.2.3. The Parties agree that the District's security interest in the Commercial Development Property or the Residential Development Property, as applicable, and all the Improvements thereon , shall be subordinated to the Construction Financing and the Permanent Financing subject to the negotiation and execution of the terms of one or more subordination agreements mutually agreeable to the District and the Approved Lender for the Construction Financing and the Permanent Financing, as applicable.

2.2. DEPOSIT

2.2.1. Land Deposit

Not later than its execution of this Agreement, Developer shall provide the District a deposit in the amount of Two Hundred and Fifty Thousand Dollars ($250,000) in the form of an irrevocable Letter of Credit (the **"Land Deposit"**). The Land Deposit shall be held by the District as partial security for the performance of the obligations of Developer under this Agreement. Developer hereby grants the District a security interest in the Land Deposit.

2.2.2. Liquidated Damages

If, prior to Closing, Developer withdraws from this Project after execution and ratification of this Agreement for any reason other than: (i) a breach by the District; or (ii) as otherwise permitted under this Agreement, then the Land Deposit shall be retained by the District as liquidated damages.

2.2.3. Return of Land Deposit

The Land Deposit shall be retained by the District until Closing (except as otherwise provided herein), at which time the Land Deposit shall be returned to Developer. If this Agreement is terminated prior to Closing pursuant to any provision of **ARTICLES 12** and **13** hereof, then the Land Deposit, after such termination, shall be distributed as provided in the applicable provisions of **ARTICLES 12** and **13** hereof.

2.3. FEASIBILITY STUDIES; CONDITION OF PROPERTY

2.3.1. Feasibility Studies

Developer has conducted all the Feasibility Studies Developer considers necessary to determine all matters relating to the Property including whether the Property will support the intended development and use thereof. Developer shall have no right to terminate this Agreement (except as otherwise provided in **Section 13.2** hereof), receive any adjustment to the Purchase Price or any modification to the terms and conditions of this Agreement based on the results of any Feasibility Studies that Developer has conducted or any other studies, tests, investigations or other activities at, on or regarding the Property that Developer or its agents, employees or contractors may in the future conduct or undertake (collectively the **"Other Studies"**).

2.3.2. Indemnification; Access to Property

2.3.2.1. Developer hereby agrees to indemnify and hold the District harmless and to or cause its Contractors to indemnify and hold the District harmless and, if the District so elects, shall defend the District (with counsel satisfactory to the District, which counsel shall include counsel designated by an insurance carrier providing coverage without reservation of rights) from and against any and all losses, costs, liabilities, damages, expenses, mechanic's liens, claims, fines, penalties, settlements, and judgments (including, without limitation, reasonable attorneys' fees and court costs) incurred or suffered by or asserted against the District in connection with or arising from Developer or its agents, employees or contractors conducting feasibility studies, remediations, UST-related activities, and any other acts or omissions at, under, or about the Property prior to the Closing; provided, however, the foregoing indemnity shall not apply to any claims due solely to the gross negligence or willful misconduct of the District or its officers, agents and employees. The foregoing indemnification obligation shall be a continuing obligation of Developer.

2.3.2.2. Developer shall notify the District, in writing, at least two (2) Business Days in advance of beginning any non-physically invasive Other Studies. To the extent Developer has actual knowledge thereof, such notification shall state in detail the scope of the Other Studies to be undertaken by or on behalf of Developer at the Property, and the identity of each Person performing such Other Studies.

2.3.2.3. Developer shall notify the District, in writing, at least five (5) days in advance of beginning any physically invasive Other Studies. The District shall permit Developer's conduct of such physically invasive Other Studies provided that (i) Developer restores the Property to its condition prior to such Other Studies; (ii) Developer has satisfied the insurance requirements set forth in **Section 2.3.3** hereof prior to engaging in any such Other Studies; and (iii) Developer agrees that such Other Studies shall not (a) unreasonably and materially interfere with the use of the Property by the District or its tenants or licensees; (b) require the closing of any access route to the Property; or (c) violate any Applicable Law.

2.3.2.4. Developer shall require the party performing such Other Studies to use Best Commercially Reasonable Business Efforts to secure the Property, prevent personal injury thereon and prevent damage to the Property (including, without limitation, opportunities for environmental contamination that might result from such Other Studies). Developer shall have adequate insurance in place to provide for insurance coverage in the event of any such personal insurance on the Property or damage to the Property caused by any party performing such Other Studies. Developer shall pay for all Other Studies of the Property, for labor performed at the Property and for all materials furnished to the Property in connection with any Other Studies done on the Property by or for Developer. Developer agrees, and will require its agents, consultants, employees and contractors to agree, to comply in all material respects with all Applicable Laws pertaining to such Other Studies performed in, at or under the Property by or for Developer, including, but not limited to, all applicable Environmental Laws, the Occupational Health and Safety Act and all applicable federal and District environmental health and safety laws and regulations.

2.3.3. Developer's Insurance Representations

2.3.3.1. BRP and BCP each represents and warrants that it or its contractors had at the time any Feasibility Studies were conducted and currently has and shall maintain for the duration of any and all Other Studies conducted pursuant to this **Section 2.3**: (i) comprehensive automobile liability insurance; (ii) workers' compensation insurance; and (iii) commercial general liability insurance on an "occurrence basis" against claims for personal injury, including, without limitation, bodily injury, death and broad form contractual liability. The workers' compensation insurance shall be in such amounts as required by Applicable Law. The automobile liability insurance and commercial general liability insurance policies shall be written to have a combined single limit of liability for bodily injury and property damage of not less than Four Million Dollars ($4,000,000) per occurrence, of which at least One Million Dollars ($1,000,000) must be maintained as primary coverage, and of which the balance may be maintained as umbrella coverage, provided, however, that the foregoing statement as to the amount of insurance BRP and BCP are required to carry shall not be construed as any limitation on their liability under this Agreement. Such insurance shall name the District as an additional insured thereunder.

2.3.3.2. All such policies shall include a waiver of subrogation endorsement in favor of the District which shall expressly state that such coverage afforded to the

insured shall not be voided, prejudiced or otherwise unavailable if, prior to a loss, the insured shall have waived any and all rights of recovery from the party(ies) responsible for such loss and shall be written as primary policies, not contributing with or in excess of any coverage that the District may carry. Such insurance shall be obtained through a recognized insurance company licensed to do business in the District and rated by A.M. BEST Company as an A-X or above and shall require that the insurer notify the District in writing, by certified U.S. Mail, return receipt requested, not less than ten (10) days before any material change, reduction in coverage, cancellation or termination.

2.3.3.3. Prior to any entry onto the Property, Developer shall furnish to the District certificates of insurance (on the applicable ACORD 27 form) or copies of the policies, if requested by the District, together with satisfactory evidence of payment of premiums for such policies. Developer agrees to notify the District in writing and provide a copy of such notice, by certified U.S. Mail, return receipt requested, not more than five (5) days after Developer is notified by any insurer of any material change, reduction in coverage, cancellation (including cancellation for nonpayment of premium) or other termination of such policies or changes thereof.

2.3.4. Property Restoration

Developer, at Developer's sole cost and expense, shall promptly cause the Property to be restored to substantially the same condition as that existing prior to undertaking any Feasibility Studies or Other Studies on the Property. Notwithstanding anything in this Agreement to the contrary, Developer shall not be entitled to receive a return of the Land Deposit (if Developer is otherwise entitled to receive the Land Deposit hereunder) until Developer has completed its restoration obligations hereunder. If Developer fails to restore the Property within thirty (30) days after termination of this Agreement, then the District may give Developer written notice of such failure, with such notice specifying the proposed cure. If Developer fails to commence restoration of the Property within thirty (30) days after delivery of such notice, or if Developer fails to diligently complete such restoration, the District may (but is not obligated to) restore the Property at Developer's expense. In such event, at the District's option, the District may be reimbursed for such restoration costs from Developer within fifteen (15) Business Days after demand therefor and/or offset such restoration costs against the Land Deposit. Any sums not paid by Developer within fifteen (15) Business Days after demand therefor and not fully satisfied out of the Land Deposit shall bear interest at the Default Rate until paid.

2.3.5. Non-Expiration of Obligations

Developer's obligations to restore the Property and Developer's indemnification obligations, both as set forth in this **Section 2.3**, shall survive the expiration or earlier termination of this Agreement and shall not be deemed merged into any deed of conveyance and shall survive until the end of the period defined by the applicable statute of limitations under Applicable Law.

2.3.6. Delivery of Feasibility Studies and Other Studies

Developer shall provide to the District, at Developer's sole cost and expense and at no cost or expense to the District, copies of all data, reports, information and materials developed or prepared by third-party agents and consultants of Developer relating to the Property.

2.3.7. Soil Characteristics

The District hereby acknowledges to Developer that, to the best of its knowledge, the soil on the Property has been described by the Natural Resources Conservation Service of the United States Department of Agriculture in the Soil Survey of the District of Columbia and as shown on the Soil Maps as "Urban Land, Chillum Complex, 0 to 8 percent slopes." Developer acknowledges that, for further soil information, Developer may contact a soil testing laboratory, the D.C. Department of Environmental Services or the Soil Conservation Service. The District's knowledge for purposes of this **Section 2.3.7** shall mean and be limited to the actual knowledge of Neil O. Albert, Deputy Mayor for Planning and Economic Development, and Valerie Santos Young, Chief Operations Officer, ODMPED.

2.3.8. Underground Storage Tanks

In accordance with the requirements of the D.C. Underground Storage Tank Management Act of 1990, as amended (D.C. Code § 8-113.01 et seq.) (the "UST Act") and the applicable D.C. Underground Storage Tank Regulations, 20 DCMR Chapter 56 (the "UST Regulations"), the District hereby informs the Developer, that it has no knowledge of the existence or removal during its ownership of the Property of any "underground storage tanks" as that term is defined in the UST Act. Information pertaining to underground storage tanks and underground storage tank removals of which the District Government has received notification is on file with the D.C. Department of the Environment, , Underground Storage Tanks Branch, 51 N Street, N.E., Third Floor, Washington, D.C., telephone (202) 535-2525. The District's knowledge for purposes of this **Section 2.3.8** shall mean and be limited to the actual knowledge of Neil O. Albert, Deputy Mayor for Planning and Economic Development, and Valerie Santos Young, Chief Operations Officer, ODMPED.

2.3.9. Lead-Based Paint

2.3.9.1. Every purchaser of any interest in residential real property on which a residential dwelling was built prior to 1978 is notified that such property may present exposure to lead from lead-based paint that may place young children at risk of developing lead poisoning. Lead poisoning in young children may produce permanent neurological damage, including learning disabilities, reduced intelligence quotient, behavioral problems, and impaired memory. Lead poisoning also poses a particular risk to pregnant women. The seller of any interest in residential real property is required to provide the buyer with any information on lead-based paint hazards. A risk assessment or inspection for possible lead-based paint hazards is recommended prior to purchase.

2.3.9.2. Developer hereby acknowledges receipt, prior to entering into this Agreement, of a disclosure by the District as to whether the District is aware of any lead-based paint hazards located on the Property and of a list of any records available to the District pertaining to lead-based paint hazards on the Property. Developer acknowledges that such disclosure has been provided in compliance with 24 C.F.R. §§ 35.80-35.98. Developer acknowledges that Developer has had opportunity to conduct the risk assessment or inspection required by 24 C.F.R. § 35.90(a) or has waived the opportunity.

2.3.10. As-Is

EXCEPT AS EXPRESSLY PROVIDED HEREIN, THE DISTRICT SHALL CONVEY THE PROPERTY TO DEVELOPER IN "AS IS" CONDITION AND THE DISTRICT MAKES NO REPRESENTATIONS OR WARRANTIES, EITHER EXPRESS OR IMPLIED, AS TO THE CONDITION OF THE PROPERTY OR ANY IMPROVEMENTS THEREON INCLUDING, BUT NOT LIMITED TO, THE PRESENCE OR ABSENCE OF HAZARDOUS MATERIALS, IN THE SOIL OR IN ANY IMPROVEMENTS, AS TO THE SUITABILITY OR FITNESS OF THE PROPERTY OR ANY IMPROVEMENTS THEREON, AS TO ANY ENVIRONMENTAL LAW, OTHER LAW OR ANY OTHER MATTER AFFECTING THE USE, VALUE, OCCUPANCY OR ENJOYMENT OF THE PROPERTY, OR AS TO ANY OTHER MATTER WHATSOEVER. EXCEPT AS EXPRESSLY PROVIDED HEREIN, THE DISTRICT SHALL HAVE NO RESPONSIBILITY TO PREPARE THE PROPERTY IN ANY WAY FOR DEVELOPMENT AT ANY TIME. EXCEPT AS EXPRESSLY PROVIDED HEREIN, DEVELOPER ACKNOWLEDGES THAT NEITHER THE DISTRICT NOR NCRC, NOR ANY EMPLOYEE, REPRESENTATIVE OR AGENT OF THE DISTRICT OR NCRC HAS MADE ANY REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, WITH RESPECT TO THE PROPERTY OR ANY IMPROVEMENTS THEREON. EXCEPT AS EXPRESSLY PROVIDED HEREIN, THE PROVISIONS HEREOF SHALL SURVIVE THE EXPIRATION OR EARLIER TERMINATION OF THIS AGREEMENT AND ARE NOT DEEMED MERGED INTO ANY DEED OF CONVEYANCE AND SHALL SURVIVE UNTIL THE END OF THE PERIOD DEFINED BY THE APPLICABLE STATUTE OF LIMITATIONS UNDER APPLICABLE LAW.

2.3.11. Third Party Reports

NCRC and ODMPED have provided to Developer copies of any third party reports relating to the Property that are in their possession other than any such third party reports (i) to which attorney-client privilege attaches or is invoked or which constitutes, or may constitute, attorney work-product, all in the sole and absolute discretion of NCRC or (ii) which contain proprietary information of NCRC, that cannot be redacted, all as determined by NCRC. NCRC and ODMPED do not represent that they have provided copies of reports that may be in the possession of other District agencies. Neither the District nor NCRC has made and makes any representation or warranty, express or implied, as to the truth, accuracy or completeness of any materials, data or other information supplied to Developer by NCRC or its agents in connection with Developer's inspection of the Property (e.g., that such materials, data or other information

are complete, accurate or the final version thereof, or that all such materials, data or information are in NCRC's or the District's possession). It is the parties' express understanding and agreement that such materials, data or other information has been provided only for Developer's convenience in making its own examination and determination as to whether it wishes to purchase the Property, and, in doing so, Developer has relied exclusively on its own independent investigation and evaluation of every aspect of the Property and not on any materials, data or other information supplied by the District, NCRC or their agents. This **Section 2.3.11** shall survive termination of this Agreement and shall not be deemed merged into any deed of conveyance or otherwise extinguished thereby.

2.3.12. Liens

If any lien is filed for any labor performed or for any materials furnished as a result of any Feasibility Studies or Other Studies done on the Property by or on behalf of Developer, Developer shall notify the District of such lien promptly after learning of the filing of such lien (or, if the District learns of such lien other than through Developer, the District shall promptly notify Developer) and shall, within thirty (30) days after such learning of the filing of such lien, either discharge and cancel such lien of record or post a bond sufficient under the laws of the District to release the lien. If Developer fails to so discharge or bond such lien within such thirty (30) days, the District shall thereafter have the right to notify Developer that it intends to pay the full amount of such lien without inquiry into the validity thereof, and if the District makes such payment at any time after five (5) days of such notice, Developer shall reimburse the District for all amounts so paid by the District, including expenses, interest, and attorneys' fees and expenses, court costs and costs of collection within five (5) Business Days after demand. Any sums not paid by Developer within five (5) Business Days after demand shall bear interest at the Default Rate until paid. This **Section 2.3.12** shall survive the expiration or earlier termination of this Agreement and shall not be deemed merged into any deed of conveyance and shall survive until the end of the period defined by the applicable statute of limitations under Applicable Law.

2.4. TITLE

2.4.1. Examination of Title

Within thirty (30) days after the Effective Date, Developer shall at its expense: (i) cause title to the Property to be examined by a title insurance company licensed to do business in the District and approved by the District; (ii) provide the District with a current commitment to insure title to the Property (the **"Title Commitment"**), copies of requested endorsements and documents with respect to exceptions to title listed in Schedule B, Section 2 of the title insurance commitment; and (iii) deliver to the District an ALTA survey which shall conform to the minimum ALTA survey requirements in effect as of the date thereof and sufficient to satisfy the requirements of such title company for issuance of a title policy at regular rates. Notwithstanding the state of title to the Property as disclosed by the Title Commitment or survey of the Property, the District shall be under no obligation to correct or cure any defects in title to the Property or entertain or consider any objections to title that Developer may have or raise.

Within ten (10) Business Days of its receipt of the Title Commitment ("Title Exception Period"), Developer may, in its sole discretion, object to any title exceptions set forth in the Title Commitment by delivering written notice of such objection to the District,. If Developer fails to deliver such notice to the District before the Title Exception Period expires, Developer shall be deemed to have approved such items. If Developer timely objects to any title exception, the District shall have the right (without any obligation to do so) within ten (10) Business Days after receiving Developer's objection notice to notify Developer in writing that it shall cure such item, setting forth in detail the actions to be taken by the District to cure the objection. If the District elects to cure any title exception, the District shall cure such item prior to Closing, unless Developer provides written notice consenting to an extension of such cure period. If the District does not notify Developer in writing that it shall cure or declines to cure a title exception to which Developer has timely objected, Developer shall have the right within ten (10) Business Days to terminate this Agreement in writing, in which event the District shall release the Land Deposit and the Parties shall be released from any and all obligations hereunder except those that expressly survive termination. If Developer fails to terminate this Agreement in writing within ten (10) Business Days, Developer shall be deemed to have waived its objections and shall be required to proceed with this Agreement. Any item listed on the Title Commitment which the District does not elect to cure (or any Encumbrance that existed as of the date identified on the Title Commitment and that should have been listed as an exception to title therein) shall be deemed a **"Permitted Encumbrance"**.

2.4.2. Status of Title

During the term of this Agreement, the District agrees not to take any action that would cause any adverse change to the status of title to the Property existing as of the date identified on the Title Commitment provided pursuant to **Section 2.4.1** hereof, except as required by Applicable Law or any Legal Authority or as expressly permitted in this Agreement or as agreed to by Developer. It shall be expressly permitted hereunder for the District or Developer to seek to (a) combine some or all of the Property with other parcels into a single lot of record, or (b) to create assessment and taxation lots for portions of the Property.

2.4.3. Conveyance of Title

At Closing, the District shall convey fee simple title to the Property by special warranty deed and subject to all Permitted Encumbrances in addition to the following: (i) real property taxes and water and sewer charges which are not due and payable as of the Closing Date, subject to the obligation to pro-rate taxes on the Property as set forth herein; (ii) the terms and conditions of this Agreement; (iii) defects or exceptions to title created by Developer or its agents, employees, contractors, subcontractors or invitees or created as a result of or in connection with the use of or activities on the Property or any portion thereof by Developer or its agents, employees, contractors, subcontractors or invitees; (iv) all building, zoning and other District or federal laws (whether existing or as may exist in the future) affecting the Property and (v) the easements, licenses, and other rights to be reserved by the District at Closing pursuant to this

Agreement or under any other agreement or document contemplated hereby, including (without limitation) the Right of Re-entry in the Deed.

2.5. RISK OF LOSS

All risk of loss prior to Closing with respect to any and all existing improvements on the Property shall be borne by the District.

2.6. CONDEMNATION

2.6.1. Notice of Condemnation

If, prior to Closing, any condemnation or eminent domain proceedings shall be commenced by any competent public authority against the Property, the District shall promptly give Developer written notice thereof.

2.6.2. Total Taking

In the event of a taking of the entire Property prior to Closing, the District shall release the Land Deposit, this Agreement shall terminate, the Parties shall be released from any and all obligations hereunder except those that expressly survive termination, and the District shall have the right to any and all condemnation proceeds.

2.6.3. Partial Taking

In the event of a partial taking prior to Closing, the District and Developer shall jointly determine in good faith whether the development of the Project remains physically and economically feasible. If the Parties reasonably determine that the Project is no longer feasible, whether physically or economically, as a result of such condemnation, this Agreement shall terminate, the District shall release the Land Deposit, and the District and Developer shall be released from any further liability or obligation hereunder, except as expressly provided otherwise herein. In such event, the District shall have the right to collect all condemnation proceeds. If the Parties jointly determine that the Project remains economically and physically feasible, the Parties shall be deemed to have elected to proceed to Closing, the condemnation proceeds shall either be paid to Developer at Closing or, if paid to the District, such amount shall be credited against the Purchase Price and treated as part of the Purchase Price already paid; provided, however, that if no compensation has been actually paid on or before Closing, Developer shall accept the Property without any adjustment to the Purchase Price and subject to the proceedings, in which event, the District shall assign to Developer at Closing all interest of the District in and to the condemnation proceeds that may otherwise be payable to the District, and Developer shall receive a credit at Closing in the amount of any condemnation proceeds actually paid to the District prior to the Closing Date. In either event, the District (as the seller hereunder) shall have no liability or obligation to make any payment to Developer with respect to any such condemnation. In the event the Parties elect to proceed to Closing, the District agrees

that Developer shall have the right to participate in all negotiations with the condemning authority, and the District shall not settle or compromise any claim to the condemnation proceeds without Developer's consent. In the event that within forty-five (45) days after the date of receipt by Developer of notice of such condemnation the Parties have not jointly determined, in accordance with the foregoing provisions, to elect to terminate or proceed to Closing hereunder, such failure shall be deemed the Parties' election to terminate this Agreement.

2.7. RADIO ONE/TV ONE AS ANCHOR TENANT OF THE COMMERCIAL DEVELOPMENT

2.7.1. The District has negotiated the sale of the Property to Developer and is entering into this Agreement for the purpose of having Radio One/TV One enter into a lease with Developer prior to Closing, that is in form and substance acceptable to the District, pursuant to which Radio One/TV One will be the anchor tenant of the Commercial Development and lease 59,240 sq. ft. of the Commercial Development's office space (the **"Radio One/TV One Lease Space"**). The lease shall (i) have a term of at least fifteen (15) years; (ii) provide a build out allowance to Radio One/TV One for the Radio One/TV One Lease Space of at least sixty dollars ($60.00) per square foot; and (iii) result in Radio One/TV One paying the net effective rental rates set forth in **Exhibit M** for the Radio One/TV One Lease Space such that Radio One/TV One are held cost neutral in their move to the District of Columbia. The assistance the District is providing to the Project was determined on the basis of the Radio One/TV One Lease Space being 59,240 sq. ft., if the Radio One/TV One Lease Space is less than 59,240 sq. ft, the amount identified in **Exhibit L** as "Projected Radio/TV Relocation Assistance" under "Uses of Funds" shall be reduced on a pro rata basis.

2.7.2. In the event Radio One/TV One commits a defaults on its obligations under its lease with the Developer (or its successors and assigns) for the Commercial Development prior to the expiration of the fifteen year term of its lease that results in the termination of Radio One/TV One's lease, the District, in its sole and absolute discretion, may (i) direct Developer (or its successor in interest) to lease the Radio One/TV One Lease Space at the same net effective rental rate set forth in **Exhibit M** to organizations selected by the District (including an agency or instrumentality of the District), provided all such leases shall satisfy the requirements hereinafter set forth; or (ii) release the Developer from its obligation to lease the Radio One/TV One Lease Space and Developer shall pay to the District the applicable amount specified in **Exhibit L** and the District shall cancel any tax increment financing note that the District may have issued in connection with the Project. All leases of any portion of the Radio One/TV One Lease Space that the District directs the Developer to enter into shall meet the following requirements: (a) the proposed tenant shall demonstrate that its financial condition is strong and that it has sufficient resources to pay the rent and perform the other obligations to be undertaken in its lease, as determined in Developer's reasonable judgment; (b) the proposed tenant's use of the premises will be compatible with a first-class office building and will not violate the terms of any other lease then in effect in the Commercial Development; and (c) each proposed tenant will be leasing not less than one (1) full floor of office space in the Commercial Development, except that if less

than a full floor of the Radio One/TV One Lease Space remains available, then a lease covering all of such space shall be acceptable provided it satisfies the other requirements set forth above.

2.7.3. The District shall have ninety (90) days from the date Developer (or its successors and assigns) provides the District written notice of any default by Radio One/TV One that will result in the termination of its lease to notify Developer (or its successors and assigns) of whether the District has chosen, in its sole and absolute discretion, to (i) direct the assignment of Radio One/TV One's lease of the Radio One/TV One Lease Space to one or more organizations of the District's choice in accordance with Section 2.7.2 above; or (ii) release the Developer from its obligation to lease the Radio One Lease Space to Radio One/TV One and Developer shall pay to the District the applicable amount specified in **Exhibit L** and the District shall cancel any tax increment financing note that the District may have issued in connection with the Project. If Developer (or its successors and assigns) fails to enter into leases with the organizations identified by the District within ninety (90) days from date of the District's notice to the Developer (or its successors or assigns) of its election to lease the Radio One/TV One Lease Space, Developer shall be released of its obligation to lease the Radio One/TV One Lease Space and Developer shall pay to the District the amount specified in **Exhibit L** and the District shall cancel any tax increment financing note that the District may have issued in connection with the Project.

2.7.4. Notwithstanding any provision to the contrary contained herein, Developer shall provide all necessary assurances prior to Closing, as determined by the District in its sole and absolute discretion, that Developer will have funds available to provide Radio One/TV One the net effective rental rates set forth in **Exhibit M** for the term of the Radio One/TV One lease.

ARTICLE 3. CLOSING

3.1. CLOSING DATE

At Closing, provided all conditions to the Closing have been satisfied (or waived by Developer or the District, as applicable), Developer shall purchase and acquire the Property. Closing shall occur at the offices of Settlement Agent in the District or at such other location as the Parties may determine, on the earlier of (i) a date selected by Developer and set forth in a written notice to the District given at least thirty (30) days in advance of such date chosen, or (ii) April 20, 2008 (the "Closing Date"). The Closing may be extended as provided in **Section 7.3** hereof.

3.2. DELIVERIES AT CLOSING

3.2.1. The District's Deliveries at Closing

On the Closing Date, subject to the terms and conditions of this Agreement, the District shall execute, notarize and deliver, as applicable, to the Settlement Agent:

3.2.1.1. the Deed for the Commercial Development Property, in the form attached to this Agreement as **Exhibit B-1** and the Deed for the Residential Development Property, in the form attached to this Agreement as **Exhibit B-2**, in recordable form;

3.2.1.2. the Construction and Use Covenant in recordable form;

3.2.1.3. a certification that the District's representations and warranties required under **Section 6.1** hereof are true and correct in all material respects on and as of the Closing Date (provided, however, that such delivery shall not cause the representations and warranties to survive Closing except as set forth herein);

3.2.1.4. an owner's affidavit in the District's standard form;

3.2.1.5. a FIRPTA affidavit;

3.2.1.6. the settlement statement containing the District's standard clauses;

3.2.1.7. the Letter of Credit posted by Developer as the Land Deposit, for return to Developer as provided herein;

3.2.1.8. the Parking Easement;

3.2.1.9 any documents required to demonstrate the District's exemption from transfer taxes that would otherwise be due at Closing;

3.2.1.10. evidence of authority to sell the Property to Developer and any other documents to be delivered at Closing, as well as such other evidence as the title company or Developer may reasonably require to evidence the District's ability to enter into such documents and the authority of the signatories to bind the District; and

3.2.1.11. all other deliveries required from the District on the Closing Date under this Agreement and such other documents and instruments as are customary and as may be reasonably requested by Developer or the Settlement Agent to effectuate the transactions contemplated by this Agreement; provided, the District shall not be required to deliver any document that is not legally permissible, in the Office of the Attorney General's opinion.

3.2.2. Developer's Deliveries at Closing

On the Closing Date, subject to the terms and conditions of this Agreement, Developer shall execute, notarize and deliver, as appropriate, to the Settlement Agent or the District, as appropriate:

3.2.2.1. the Notes and Deed of Trusts, in accordance with **Section 2.1** hereof and in the form attached to this Agreement as **Exhibit C** and **Exhibit D** respectively;

3.2.2.2. the Construction and Use Covenant and Parking Easement in recordable form;

3.2.2.3. unless **Section 4.2.1.1** is applicable, one or a combination of the following that is acceptable to the District: (i) the Payment Bond; (ii) the Performance Bond; (iii) one or more corporate guaranties from the members of the Managing Member of Developer in form acceptable to the District, (iv) letters of credit in form acceptable to the District; or (v) some combination of the foregoing or other items that are acceptable to the District;

3.2.2.4. a certification that Developer's representations and warranties required under **Section 6.2** hereof are true and correct in all material respects on and as of the Closing Date (provided, however, that such delivery shall not cause the representations and warranties to survive Closing except as may be set forth herein);

3.2.2.5. any unpaid Third Party Fees that have accrued under **Section 16.21** hereof;

3.2.2.6. a certification that, as of the Closing Date, no Prohibited Person holds a Developer Interest;

3.2.2.7. if Developer intends to Transfer all or part of the Project at Closing to a transferee pursuant to a Permitted Transfer, a certification that such Transfer is permitted under the terms of this Agreement;

3.2.2.8. the Developer Organizational Certificates, and certified resolutions and incumbency certificates of Developer and the Members, evidencing Developer's authority to close on the purchase of the Property, to undertake the payment obligations specified in **ARTICLE 2** hereof and to enter into any related documentation with the District at Closing;

3.2.2.9. the settlement statement prepared by the Settlement Agent;

3.2.2.10. a title commitment referred to in **Section 2.4.1** hereof, updated to a date no less than ten (10) days prior to Closing;

3.2.2.11. a copy of the fully executed CBE Utilization and Participation Agreement(s) for the Residential Development and the Commercial Development;

3.2.2.12. a copy of the fully executed First Source Employment Agreement(s); and

3.2.2.13. all necessary lease and easement agreements with WMATA required for the Project and the payment of any consideration in connection therewith; and

3.2.2.14. all other funds (including the Purchase Price) and deliveries required of Developer on the Closing Date under this Agreement and such other documents and

instruments as are customary and as may be reasonably requested by the District or the Settlement Agent to effectuate the transactions contemplated by this Agreement.

3.2.3. Settlement Agent

On the Closing Date, Settlement Agent shall distribute funds and record and distribute documents in accordance with closing instructions from the Parties that are consistent with this Agreement.

3.3. RECORDATION OF CLOSING DOCUMENTS; CLOSING COSTS

3.3.1. Recordation of Closing Documents

At Closing, unless the District otherwise agrees in writing, Settlement Agent shall file for recordation among the Land Records the documents in the following order: (i) the Deeds, (ii) the Deeds of Trust; (iii) the Construction and Use Covenant; (iv) the Parking Easement; and (v) such other documents which are to be recorded pursuant to the terms of this Agreement or any financing of the Project.

3.3.2. Closing Costs

At Closing, Developer shall pay all costs pertaining to the transfer and financing of the Property, including, without limitation: (i) title search costs; (ii) title insurance premiums and endorsement charges; (iii) survey costs; (iv) costs of recording of the Deed and such other documents required to be recorded by this Agreement; and (v) Settlement Agent fees and any other costs associated with settlement. To the extent that transfer and/or recordation taxes are due with respect to the sale of the Property, Developer shall be responsible for one hundred percent (100%) of such recordation taxes and the District shall be responsible for one hundred percent (100%) of such transfer taxes. The Parties anticipate that the District will be exempt from the payment of any transfer taxes and at Closing, the District shall sign any real property transfer and recordation tax forms indicating its tax exempt status with respect to such taxes.

3.4. CONDITIONS OF CLOSING

The following conditions shall be satisfied prior to Closing Date: (i) all necessary approvals from the District and the Council of the District of Columbia shall have been received for the issuance of a tax increment financing note in the gross amount of $6,418,320 on terms consistent with Section 16.29 and other grants and/or subsidies up to $15,930,000 from the District to Developer on terms and conditions acceptable to Developer to develop the Commercial Development and Residential Development; (ii) non-binding commitment from a Lender to provide Construction Financing; (iii) Financing Plan acceptable to the District and Developer which shall include, but is not limited to a statement of sources (including all subsidies and grants) and uses of funds; (iv) Developer or its affiliates shall have acquired title to all lots other than the Property necessary for the Residential Development and the Commercial

Development; (v) negotiation of all necessary lease and easement agreements with WMATA required for the Project; (vi) subdivision of the Property into the Commercial Development Property and the Residential Development Property; (vii) all applicable governmental approvals for the disposition of the Residential Development Property and Commercial Development Property; (viii) sheeting and shoring permits (and raze permits, if applicable) issued by the Department of Consumer and Regulatory Affairs in connection with the Residential Development and the Commercial Development; (ix) Developer shall have executed a lease agreement with Radio One/TV One for the Commercial Development that is in form and substance acceptable to the District and in accordance with **Section 2.7**; (x) evidence that the Developer has satisfied any contributions required to be made to the Community Development Initiative Fund pursuant to the Community Benefits MOU; (xi) Developer shall be prepared to create one or more condominium regimes with respect to the Project with condominium documents that have been reviewed and approved by the District; (xii) all necessary approvals from the Council of the District of Columbia; (xiii) Developer shall have executed the First Source Employment Agreement containing terms and conditions acceptable to Developer and DOES; and (xiv) Developer shall have received binding commitments for a total of approximately $5,000,000.00 of funds, either as loans or as equity, from (a) one or more community development entities with an allocation under the Federal New Markets Tax Credit Program, and (b) one or more entities under the Federal Historic Tax Credit program.

ARTICLE 4. SUBMISSIONS

4.1. PLANS AND SPECIFICATIONS

4.1.1. Required Submission of Plans

Prior to the date of this Agreement, Developer has submitted to the District certain plans and specifications. In addition, Developer shall submit to the District:

4.1.1.1. no later than thirty (30) days prior to Developer's notice to proceed to a general contractor of the Project, Final Plans including construction working drawings and contract administration drawings which contract administration drawings shall include all plans, drawings, specifications and documents necessary for the Improvements to be constructed and completed in accordance with the Development Plan, the Comprehensive Submission and this Agreement and for Developer to obtain all necessary demolition, site and building permits for the construction of the Improvements.

4.1.1.2. Developer agrees that it shall not issue a notice to proceed to a Contractor until it has received the District's approval of the Final Plans, which approval shall not be unreasonably withheld.

The District may review the submissions provided under this **Section 4.1.1** and may approve or disapprove any such submissions to determine whether such submissions conform to

the Development Plan, the approved schematic design and the approved exterior elevations and uses and the ADU and WHU requirements set forth in this Agreement.

4.1.2. Other Submissions

Upon request, Developer shall provide the District with progress prints upon substantial completion of design development and construction drawings. Developer shall cooperate with the District to provide updates of design and construction progress.

4.1.3. Plan and Specification Compliance

All of the submissions contained in **Sections 4.1.1** and **4.1.2** hereof shall conform to and be consistent with Applicable Law, including the zoning requirements (as such conformity is ultimately determined pursuant to the permitting process pursued by Developer according to **Section 5.7** hereof). Such drawings shall be at 1/8 or 1/4 scale or other scale satisfactory to the District.

4.2. ADDITIONAL SUBMISSIONS

4.2.1. Additional Required Documentation

Developer shall submit to the District all of the following additional documentation:

4.2.1.1. In lieu of the requirement specified in **Section 3.2.2.3**, if any Approved Lender requires Developer to obtain completion bonds and/or Letter(s) of Credit that guarantee the completion of the Improvements in accordance with the terms of this Agreement, Developer shall provide to the District copies of such completion bonds and/or Letter(s) of Credit. All completion bonds and Letter(s) of Credit required by any Approved Lender shall name the District as obligee, co-obligee, beneficiary, or co-beneficiary, as applicable. If no Approved Lender requires Developer to obtain completion bonds and/or Letter(s) of Credit as set forth herein, the District will require Developer to comply with the provisions of **Section 3.2.2.3**.

4.2.1.2. Developer shall prepare and, following the District's review and approval, submit to the District government or other applicable authorities applications for all necessary Permits for the Project in accordance with **Section 5.7** hereof, including (without limitation) building and construction permits and alley closings.

4.2.1.3. In the event that:

4.2.1.3.1. Developer has chosen to utilize Construction Financing for the development of the Project and has previously submitted to the District one or more current letter(s) of interest from one of more Approved Lenders (rather than one of more Commitment Letter(s)) indicating an interest in providing funds sufficient for Construction Financing of the Project, Developer shall submit to the District Commitment Letter(s) with respect to

Construction Financing for the Project and wait not less than ten (10) Business Days after such submittal before providing notice to proceed to a general contractor with respect to the Project. If Developer materially amends, modifies, replaces or otherwise alters such Commitment Letter(s) prior to providing such notice to a general contractor, then Developer shall submit such altered Commitment Letter(s) to the District and wait not less than ten (10) Business Days after such subsequent submission before providing notice to proceed to a general contractor. The Commitment Letters described in this Section are referred to herein collectively as the **"Loan Commitments"**. In addition to the Loan Commitments and the Equity Commitments described in **Section 4.2.1.3.2**, Developer may also finance the Project with one or more of the following: federal Low Income Housing Tax Credits, federal New Markets Tax Credits, federal Historic Tax Credits, D.C. Housing Production Trust Fund dollars, and tax increment financing. Developer shall demonstrate to the District that applications and all other necessary submissions have been submitted for these other sources of financing and that BRP and BCP are able to meet any statutory and regulatory requirements for such financings. Developer shall submit to the District a weekly status report regarding its efforts with regards to these other sources of financing for the Project and the projected date by which a decision regarding each is reasonably anticipated. A copy of all submissions made by or on behalf of Developer regarding federal Low Income Housing Tax Credits, federal New Markets Tax Credits, federal Historic Tax Credits, D.C. Housing Production Trust Fund dollars, and tax increment financing and all correspondence relating thereto sent from or received by BRP or BCP shall be submitted to the District. At a minimum, Developer shall have received any approvals required from the Council of the District of Columbia for such financings prior to Closing. Nothing in this Agreement shall obligate the District to provide any subsidy to Developer in the absence of an executed grant agreement for such subsidy and any necessary approvals by the Council of the District of Columbia.

4.2.1.3.2. Developer or any Affiliate of Developer is not providing the entire Equity for the Project and Developer has previously submitted to the District one or more current letter(s) of interest from one of more investor(s) indicating an interest in providing Developer with the Equity required under the terms of the letter(s) of interest for the Project, Developer shall submit to the District one or more evidence(s) of Equity participation from one or more investor(s) and wait not less than ten (10) Business Days after such submittal before providing notice to proceed to a general contractor. If Developer materially amends, modifies, replaces or otherwise alters such evidence(s) of Equity participation prior to providing such notice to a general contractor, then Developer shall submit such altered evidence(s) to the District and wait not less than ten (10) Business Days after such subsequent submission before providing notice to proceed to a general contractor. If Developer does not intend to utilize Construction Financing, the evidence(s) of Equity participation required pursuant to this **Section 4.2.1.3.2** shall be for supplying all funds necessary for the development The evidences of Equity participation described in this Section are referred to herein collectively as the **"Equity Commitments"**. A minimum of $10 million in Equity to finance the Project shall be provided by Developer, Radio One/TV One, institutional investors, or other sources.

4.2.1.3.3. The Loan Commitments and the Equity Commitments shall not contain any provisions requiring acts of Developer prohibited herein or prohibiting acts of Developer required herein, and shall be certified by Developer to be true, correct and complete copies thereof, in all material respects. Developer shall not be in default under the terms of such commitments and Developer shall promptly notify the District if such commitments are terminated. Developer agrees to negotiate in good faith to reach agreement on acceptable loan or equity documentation but at all times Developer shall retain the right to terminate any Loan Commitments or Equity Commitments.

4.2.1.4. Developer shall provide to the District evidence reasonably demonstrating that Developer has adequate funds or will have adequate funds upon the funding of the Loan Commitments and/or the Equity Commitments and the receipt of grants and/or subsidies no greater than $22,348,320 from the District to develop the Commercial Development and Residential Development.

4.2.1.5. If an Approved Lender requires the District to execute an intercreditor agreement in connection with a Mortgage encumbering the Property, the District and the Approved Lender, pursuant to **Section 14.1.3**, shall seek to negotiate provisions that are reasonably acceptable to the District and the Approved Lender.

4.2.1.6. Developer shall provide the District with the name of the proposed Contractor and a copy of the Construction Contract for the construction of the Improvements. No Prohibited Person shall be engaged as a contractor or subcontractor or otherwise provide materials or services with respect to the Project.

4.2.1.7. As described in **Section 5.6** hereof, Developer shall provide the District with progress reports on the status of its development and leasing of the Improvements during the term of this Agreement until the issuance of the Final Certificate of Completion for all of the Improvements. In addition to any other specific information the District may from time-to-time require to be included with the copy of the progress report submitted to the Approved Mortgagee, with the progress report submitted to the District, Developer shall include: (i) overall occupancy of the Residential Development; (ii) the percentage of Residential Units leased to families with incomes of less than 50% of the area median income (AMI); (iii) the percentage of Residential Units leased to families with incomes of less than 80% of AMI; and (iv) the percentage of Residential Units leased to families with incomes of less than 120% of AMI. The District shall keep such reports confidential and shall not disclose such reports outside of the District government, to the extent permitted by law.

4.2.1.8. As such plan is developed by Developer, Developer shall provide, for review and approval by the District, in its reasonable discretion, a financing plan (**"Financing Plan"**) for the Project that is intended to identify funding for the construction and development of the Improvements consistent with the Development Plan, including but not limited to any grants and/or subsidies from the District necessary for the development of the Project. The Financing Plan shall include, but shall not be limited to, a statement of sources and uses of funds

and a detailed development budget with itemization of all hard and soft costs and contingencies. The District hereby acknowledges that any such Financing Plan that is satisfactory to any Approved Lender is satisfactory to the District.

4.2.1.9. Upon request by the District, Developer shall provide the District with a certificate from Developer and each of its Members evidencing (i) the then-current Members of Developer and all Persons directly owning an interest in such Members and (ii) its due organizations, valid existence and good standing in its respective jurisdiction of formation (the **"Developer Organizational Certificates"**).

4.2.1.10. Developer shall provide to the District the ADU and WHU Plans which shall address the outreach and intake procedures the Developer shall use for households that qualify for ADUs or WHUs. These procedure shall provide that:

(i) Interested households will self-certify their income and household size in order to be on the registry for ADUs and WHUs managed by ODMPED or a certified agency.

(ii) Once Developer has notified ODMPED of available ADUs and/or WHUs, ODMPED, or the certifying agency, will hold a lottery for the applicants who are eligible (due to income and household size requirements) from the registry.

(iii) After a pool of applicants has been selected through the lottery, those applicants will have 30 days in which to be income certified before they are referred to Developer.

(iv) Eligible applicants will be referred to Developer in the order they were chosen from the lottery.

(v) If Developer needs additional applicants, ODMPED, or the certifying agency, will hold another lottery and continue to refer applicants to Developer until the registry has been extinguished.

(vi) If ODMPED, or the certifying agency, cannot provide any additional applicants, Developer may undertake a public search for new applicants; however, any applicants identified through such a search shall be income certified by ODMPED, or the certifying agency.

(vii) If no eligible applicants can be located, ODMPED may designate a housing provider to purchase or rent the ADU or WHU.

4.2.1.11. Developer shall provide the District with such other items, materials, plans, and information as are specified in this or any other Agreement including, without limitation, Developer's environmental remediation submissions, if applicable.

4.2.1.12. Developer shall provide the District with a copy of the Owners Association Documents (if any).

4.2.2. Additional Submission Compliance

Each of the foregoing Submissions shall conform to and be consistent with the Permitted Uses Plan, except as the District may otherwise permit.

4.3. SCHEDULE FOR SUBMISSIONS

All Submissions must be provided to the District at the times provided in this Agreement.

4.4. PREPARATION OF CONSTRUCTION DRAWINGS

The drawings, plans and specifications to be submitted in accordance with **Section 4.1** hereof, shall be prepared by and signed or stamped by the Architect. A District licensed structural, geotechnical, and/or civil engineer, as applicable, shall review and certify all final foundation and grading designs. The Architect or Developer shall coordinate the work of any associated design professions, including engineers and landscape architects. Upon Developer's submission of the Final Plans to the District for approval in accordance with **Section 4.1** hereof, the Architect shall certify (on a form reasonably acceptable to the District) that the Improvements have been designed in accordance with all District and federal laws relating to accessibility for persons with disabilities. Developer will not knowingly engage, after reasonable inquiry, any Prohibited Person to provide architectural, engineering or other design or consulting services with respect to the Project. The Architect shall inspect all construction and upon request by the District shall certify as to the acceptability of construction on an AIA Form G704 or in another form reasonably acceptable to the District.

4.5. SCOPE OF THE DISTRICT'S REVIEW AND APPROVAL OF DEVELOPER'S SUBMISSIONS

4.5.1. Scope of District's Review of Certain Submissions

The District's review of the drawings, plans and specifications to be submitted in accordance with **Section 4.1** hereof, shall be limited to a determination that such Submissions materially conform to the Development Plan and the approved exterior elevations and uses and the ADU and WHU requirements (if applicable) set forth in this Agreement.

4.5.2. Review of Submissions

The District shall complete its review of each Submission identified in **Section 4.1** hereof, within fifteen (15) days after receiving such Submission in complete form from Developer and of each Submission identified in **Section 4.2** hereof, within thirty (30) days after receiving such Submission in complete form from Developer, and within the applicable period shall indicate in writing to Developer the District's approval, approval with comments or

disapproval of such Submission, provided that the District's approval shall not be unreasonably delayed, conditioned or withheld. In no event shall any alleged or actual oral approval of any Submission be binding on the District. In the event of a disapproval, the District shall also notify Developer in writing within said fifteen (15) or thirty (30) day period, as applicable, specifying the reasons for such disapproval. If any such Submission is approved with comments or disapproved, Developer shall have fifteen (15) days from its receipt of written notice from the District to resubmit amended materials. The District shall have another fifteen (15) day period to approve, approve with comments or disapprove the amended Submission and the provisions of this Section relating to approval, rejection and resubmission of corrected Submissions shall continue to apply until all Submissions have been approved by the District; provided, however, that during such time, Developer shall be diligently working in good faith to respond to the District's comments and to address the written objections articulated by the District such that the submissions can reasonably be approved by the District. If the District fails to respond timely, its approval shall be deemed to have been given regarding the applicable Submission required by Section 4.1 or 4.2, as applicable, for which it failed to respond.

4.5.3. Extension of Deadlines

If Developer is proceeding using its Best Commercially Reasonable Business Efforts and desires to extend a specified time identified in the Schedule of Performance for the provision of any Submission under this Agreement, the District may (in its sole and absolute discretion) for good cause shown, grant such extension in writing. Developer agrees that it will notify the District in writing of such request for extension no less than five (5) Business Days prior to the specified time for such Submission. Such notice shall include a written justification for the extension, and Developer shall promptly provide such additional information with respect thereto as the District shall reasonably request.

4.5.4. No Liability for Review

Any such District review or approval of any such Submissions and its related materials shall not be deemed to be an approval, warranty or other certification by the District as to the compliance of such Submissions, the Improvements, or the Property, or any changes thereto, with any building codes, regulations or standards, including, without limitation, building engineering and structural design, or other Applicable Law. The District shall incur no liability in connection with its review of any Submissions and is reviewing such Submissions solely for the purpose of protecting its own interests under this Agreement.

4.5.5. Review is Final

The District's review and approval or disapproval of Submissions as heretofore provided shall be final and conclusive. The District will not disapprove or require changes subsequently (except by mutual agreement or as required by Applicable Law) in, or in a manner which is inconsistent with, matters which it has previously approved. If there is a disagreement between the District and Developer as to whether a matter contained in a particular Submission has been

approved previously or whether the District is acting in a manner which is inconsistent with matters which it previously approved or whether an Applicable Law necessitates the District's action with respect to such matter, the District's sole judgment shall apply in resolving the disagreement.

4.6. CHANGES IN SUBMISSIONS

The exterior elevations and the uses set forth in the Final Plans shall not be materially different from those previously approved by the District without the District's prior written approval which may be granted or withheld in the District's sole but reasonable discretion. If Developer desires to make any material changes to the exterior elevations and the uses set forth in the Final Plans after such exterior elevations and uses have been approved by the District in accordance with this **ARTICLE 4**, Developer shall submit the proposed changes to the District for approval which may be granted or withheld in the District's sole but reasonable discretion. Any changes to any other approved Submissions shall be subject to the District's prior approval which may be granted or withheld in the District's sole but reasonable discretion.

4.7. GOVERNMENT REQUIRED CHANGES

If any element of the Final Plans requires the District's approval, then, notwithstanding any other provisions of this Agreement, the District shall grant its approval of those elements of the Final Plans and those changes in the Final Plans which are required by any Legal Authority or required as a consequence of action by a Legal Authority; provided that (i) the District shall have been afforded a reasonable opportunity to discuss such element of, or change in, the Final Plans with Developer and, if possible, the Legal Authority requiring such element or change and (ii) Developer shall have cooperated with the District and such Legal Authority in seeking such reasonable modifications of the required element or change as the District may deem necessary or desirable. Developer and the District each agree to use Best Commercially Reasonable Business Efforts to resolve the District's approval of such elements or changes, and the District's request for modifications to such required elements or changes, as soon as reasonably possible. Developer shall promptly notify the District in writing of any changes requested by the District government's building inspectors during the permitting and construction phase. So long as Developer complies with the terms of this Section, if the District does not ultimately approve such elements or changes which results in Developer's failure to complete the Final Plans, such failure shall not be considered a Developer Event of Default and the District shall not terminate this Agreement.

4.8. REVIEW PERIOD FOR CHANGES

The District shall respond to Developer's request for approval of a change requiring the District's approval and as to which no other time period for the District's response is specified herein, within thirty (30) days after receipt of the written request.

4.9. PROGRESS MEETINGS/CONSULTATION

From the Closing Date and continuing thereafter until the issuance of the Final Certificate of Completion for all of the Improvements, including, without limitation, during the preparation of the Submissions made pursuant to this **ARTICLE 4**, the District's staff and Developer shall hold periodic progress meetings as the District shall deem reasonably appropriate and may request from time to time and at any time, considering the progress, or lack thereof, of Developer's Submissions. The District's staff and Developer shall communicate and consult informally as frequently as is necessary to ensure that the formal submittal of any Submissions to the District will receive prompt and speedy consideration. Further, at the District's request, Developer shall participate in meetings to discuss the development of the Final Plans to that date. Such meetings are intended to facilitate the review process described above and are not a substitute for the formal review and approval process required under this **ARTICLE 4** and do not give rise to any additional oversight over the design of any portion of the Project. Developer shall deliver reasonably detailed minutes of each such meeting to the District within five (5) Business Days thereafter.

ARTICLE 5. DEVELOPMENT OF PROPERTY AND CONSTRUCTION OF IMPROVEMENTS

5.1. OBLIGATION TO CONSTRUCT IMPROVEMENTS; DESIGN REVIEW

5.1.1. In addition to the Purchase Price, as consideration for the District conveying the Property to Developer, Developer hereby agrees to develop, construct, use, sell, lease, sublease, manage, maintain and operate the Improvements on the Property in the manner set forth in the Development Plan, the Comprehensive Submission, Permitted Uses Plan, and this Agreement. All Improvements shall be constructed using first-class quality materials in compliance with all Permits and Applicable Laws and in a first-class and diligent manner in accordance with the highest industry standards. The cost of developing the Property and construction of all Improvements thereon, and any alterations thereafter, shall be borne solely by Developer or an Approved Transferee.

5.1.2. Developer has submitted conceptual plans for the Project to NCRC and NCRC has approved Developer's conceptual plans. Developer has also submitted Schematic Drawings, Preliminary Drawings and detailed exterior elevations for the Project consistent with the conceptual plans previously approved by NCRC.

5.1.3. Subject to design, planning and zoning, the Commercial Development shall include retail space for local businesses in accordance with the Community Benefits MOU.

5.2. PERIOD OF CONSTRUCTION

Subject only to extensions for Force Majeure, Developer shall diligently undertake and pursue completion of the Improvements, such that the issuance of the Final Certificate of Completion shall occur on or before the fifth (5th) anniversary of the Closing Date.

5.3. INSPECTION AND MONITORING OF CONSTRUCTION

In addition to and notwithstanding any monitoring and inspecting requirements of Developer's construction lender and any applicable District of Columbia building and health code requirements, the District, after Closing, reserves for itself and its representatives the right to enter the Property from time to time and at no cost or expense to the District, upon reasonable advance notice, for the purpose of performing routine inspections in connection with the development and construction of the Improvements (and the completion of any subsequent alterations provided the Notes are outstanding). Developer understands that the District or its representatives will enter the Property from time to time for the sole purpose of undertaking the inspection of the Improvements to determine conformance to the Development Plan, the Comprehensive Submission, and this Agreement. Developer waives any claim that it may have against the District and NCRC, their officers, directors, employees, agents, consultants or representatives, arising out of entry upon the Property except for gross negligence, willful misconduct, criminal acts or intentional interference with an owner's or tenant's right of quiet enjoyment of its premises. Any inspection of the Improvements or access of the Property by the District hereunder shall not be deemed an approval, warranty or other certification as to the compliance of the Improvements or Property with the any building codes, regulations or standards, including, without limitation, building engineering and structural design, or other Applicable Law. The District shall use its best efforts to avoid interference with ongoing work on the Project during such inspections.

5.4. CONSTRUCTION MANAGER; MANAGEMENT AGREEMENTS

5.4.1. The District may, but shall not be required to, utilize a construction manager or other consultant to assist the District in the review of the Submissions pursuant to **ARTICLE 4** hereof and inspection of the development and construction of the Improvements (and any subsequent alterations provided the Notes are outstanding) pursuant to this **ARTICLE 5**. Such construction manager or other consultant, if any, shall be retained by the District in accordance with the District's procurement procedures and all costs thereof incurred after Closing shall be paid by the District subject to the limitations set forth in **Section 16.22.1**.

5.4.2. Developer may enter into management agreements (**"Management Contracts"**) with one or more its affiliates or affiliates of its members providing for day-to-day operation and management during the development and construction phase and thereafter. These Management Contracts will provide for market-rate and lender-approved compensation to the parties thereto for such services. Any management fees under a Management Contract shall be subject to the

District's approval, which shall not be unreasonably delayed, conditioned or withheld. Developer shall demonstrate to the District that any proposed compensation under a Management Contract is consistent with market rates and has not been disapproved by any applicable lenders. No Management Contract shall be executed with a Prohibited Person. Developer shall be solely responsible for any fees or costs associated with the Management Contracts.

5.5. PRE-CONSTRUCTION USE AND CONDITION

After Closing and prior to the issuance of the Final Certificate of Completion, Developer may use the Property or any portion thereof for parking or any other uses permitted by Applicable Law. Developer shall maintain the Property during such pre-construction period in good, clean repair and condition as required by Applicable Law. If at any time prior to the issuance of the Final Certificate of Completion, Developer fails to maintain, or to require the Contractor to maintain, the Property in such good, clean and sightly condition and such failure continues for more than thirty (30) days after written notice from the District, the District shall have the right to enter the Property and perform all maintenance and clean-up of the Property deemed necessary by the District, all at Developer's sole cost and expense. In such event, the District shall be reimbursed for such maintenance and clean-up costs from Developer within five (5) Business Days after demand. Any sums not paid by Developer within five (5) Business Days after demand shall bear interest at the Default Rate until paid.

5.6. PROGRESS REPORTS

After Closing and until issuance of the Final Certificates of Completion, Developer shall contemporaneously submit to the District any progress reports it submits to its Approved Mortgagee together with the additional information required by **Section 4.2.1.7**. The District and Developer shall also hold quarterly progress meetings or such other meetings as the District may reasonably request.

5.7. ISSUANCE OF PERMITS

At Developer's sole cost and expense, Developer shall have the sole responsibility for obtaining all Permits and shall make application therefor directly to the applicable agency within the District government or other authority. In no event shall Developer commence site work or construction of all or any portion of the Improvements until Developer shall have obtained Permits required for such work. From and after the date of Developer's submission of an application for a Permit, Developer shall use its Best Commercially Reasonable Business Efforts to prosecute such application until receipt. ODMPED shall cooperate with and provide reasonable assistance to Developer in connection with its Permit applications, but the failure of ODMPED to provide such cooperation and assistance shall not excuse Developer from obtaining all necessary Permits.

5.8. FINAL CERTIFICATE OF COMPLETION

5.8.1. Final Certificate of Completion

The District shall issue the Final Certificate of Completion at the time when the District determines, in its discretion, that Developer is in full compliance with all terms, covenants, agreements, conditions and provisions of this Agreement relating to obligations of Developer with respect to development and construction of the Improvements.

5.8.2. Non-Relief from Government Conditions

Notwithstanding anything contained in **Section 5.8.1** hereof, the District's issuance of a Final Certificate of Completion does not in and of itself relieve Developer or any other Person or entity from any and all District government requirements or conditions to occupancy of any of the Improvements which are covered by such Final Certificate of Completion, which requirements or conditions must be complied with separately to the extent applicable. The issuance of a Final Certificate of Completion pursuant to this **Section 5.8** shall not be deemed an approval, warranty or other certification as to the compliance of the Improvements or Property with any building codes, regulations or standards, including, without limitation, building engineering and structural design, or Applicable Law.

5.8.3. Recordation of Certificate

The Final Certificate of Completion shall be in such form as will enable it to be recorded in the Land Records, as set forth in the Construction and Use Covenant. The Final Certificate of Completion shall be recorded in the Land Records at Developer's cost and expense.

5.9. RETENTION OF PLANS, WORKING DRAWINGS, SPECIFICATIONS

Promptly upon completion of the Improvements (as evidenced by the District's issuance of a Final Certificate of Completion in accordance with **Section 5.8** hereof), Developer shall deliver to the District, at Developer's cost and expense, two (2) complete sets of "as-built" drawings in the form delivered to Developer for the Project or in such other format as is acceptable to the District.

5.10. WAIVER OF CLAIMS AND JOINING IN PETITIONS

Developer hereby waives (as the contract purchaser of the Property under this Agreement and as the owner after the conveyance of the Property) any and all claims to or awards of damages, if any, to compensate for the closing, vacating, or change of grade of any street, alley, or other public right-of-way within or fronting or abutting on, or adjacent to, the Property in connection with the Improvements contemplated hereby, and shall upon the request of the District subscribe to, and join with, the District in any petition or proceeding required for such

vacating, dedication, change of grade and, to the extent necessary, rezoning, and execute any waiver or other document in respect thereof.

5.11. PUBLIC PROPERTY IMPROVEMENTS

Developer shall promptly repair any damage to public sidewalks and curbs abutting the Property caused by Developer or any of its contractors. If Developer fails to commence such repair within thirty (30) days after written notice therefrom the District, or thereafter fails to diligently pursue such repairs to completion, the District shall have the right hereunder to perform all repair deemed necessary by the District, all at Developer's sole cost and expense. In such event, the District shall be reimbursed for such repair costs from Developer within five (5) Business Days after demand. Any sums not paid by Developer within five (5) Business Days after demand shall bear interest at the Default Rate until paid.

5.12. SITE PREPARATION

The District shall not be responsible for any preparation of the Property for development in accordance with the Development Plan and Comprehensive Submission, and shall have no liability for any costs associated with demolition, construction of site improvements, utility relocation and abandonment, relocation and rearrangement of water and sewer lines and hook-ups, and construction or repair of alley ways on the Property and abutting public property necessary for the Improvements. Developer, through the Contractor(s), shall be responsible for all such work, and Developer shall require the Contractor(s) to perform all such work, including but not limited to, excavation, backfill, and upgrading of the lighting and drainage in accordance with Applicable Law. Developer shall use its Best Commercially Reasonable Business Efforts to enforce the contract between Developer and the Contractor(s).

5.13. CONSTRUCTION OVER UTILITY EASEMENTS

Developer shall not construct any of the Improvements on, over, or within the boundary lines of any easement for public utilities, unless such construction is provided for in the building permit plans approved by the District in connection with its issuance of a building permit and any other required Permit.

5.14. SIGN CONTROL

At all times prior to the issuance of the Final Certificate of Completion, there shall be in place at the Property at least one sign identifying the Project as a development undertaken in cooperation with ODMPED and shall so identify the Property on all other signs placed on the Property. These signs shall be designed in accordance with the terms ODMPED's standard sign requirements and erected within ten (10) days after Closing. Notwithstanding the foregoing, Developer must additionally comply with all Applicable Law regarding the installation of signage at the Property.

5.15. BARRIERS

The Contractor(s) engaged by Developer shall be required to provide appropriate construction barriers during the period of construction.

ARTICLE 6. REPRESENTATIONS AND WARRANTIES

6.1. REPRESENTATIONS AND WARRANTIES OF THE DISTRICT

The District, acting by and through the Deputy Mayor for Planning and Economic Developer, hereby represents and warrants, to the best of his knowledge, to Developer as follows, all of which are true on the Effective Date and shall be true in all material respects on the Closing Date:

1. The execution, delivery and performance of this Agreement by the District and the transactions contemplated hereby between the District and Developer have been approved by all necessary parties prior to the Closing and the District has the authority to dispose of the Property, pending expiration of the authority granted in the Resolution, unless extended.

2. No agent, broker or other Person acting pursuant to express or implied authority of the District is entitled to any commission or finder's fee in connection with the transactions contemplated by this Agreement or will be entitled to make any claim against Developer for a commission or finder's fee. The District has not dealt with any agent or broker in connection with the sale of the Property.

3. There is no litigation, arbitration, administrative proceeding or other similar proceeding pending or threatened in writing against the District which relates to the Property. There is no other litigation, arbitration, administrative proceeding or other similar proceeding pending or threatened in writing against the District which, if decided adversely to the District, would impair the District's ability to perform its obligations under this Agreement.

4. No person other than Developer has a right to acquire all or any portion of the Property or to lease all or any portion of the Property. There are no contracts respecting the Property that will be binding on the owner of the Property after Closing except for this Agreement.

5. There is no condemnation proceeding pending or, to the District's knowledge, threatened, involving the Property. During the period between the execution of the Term Sheet and the Closing Date, there has been no casualty at the Property.

6. To his knowledge, NCRC has delivered to Developer all documents relating to the Property previously in NCRC's possession.

7. There are no attachments, executions, assignments for the benefit of creditors, receiverships, conservatorships or voluntary or involuntary proceedings in bankruptcy or pursuant to any debtor relief laws filed by or against the District.

8. The District is the fee simple owner of the Property.

9. The District is a "United States person" within the meaning of Sections 1445(f)(3) and 7701(a)(30) of the Internal Revenue Code of 1986, as amended.

The representations and warranties contained in this **Section 6.1** shall survive the delivery of the Deed at Closing. The District shall have no liability or obligation hereunder for any representation or warranty that becomes untrue because of reasons beyond the District's control.

6.2. REPRESENTATIONS AND WARRANTIES OF DEVELOPER

6.2.1. At the date hereof, BRP hereby covenants, represents and warrants to the District as follows, all of which are true on the Effective Date and shall be true in all material respects on the Closing Date:

1. BRP is a limited liability company, duly organized, validly existing and in good standing under the laws of the Commonwealth of Virginia and is registered as a foreign limited liability company in the District of Columbia, and is authorized to conduct the business in which it is now engaged. BRP is comprised of the following entities, which are all of the **"Initial Members"** of BRP: the Managing Member of BRP is FP/Ellis, LLC, which in turn is held by Four Points, LLC and Ellis Enterprises, LLC, holders of Class A Membership Interests in the following percentages – Four Points, LLC holds 66.66% and Ellis Enterprises, LLC holds 33.34%. Any other member of BRP shall hold a Class B Membership Interest.

2. The execution, delivery and performance of this Agreement and the transactions contemplated hereby have been duly and validly authorized by all requisite actions of BRP and each of its Members.

3. BRP's execution, delivery and performance of this Agreement and the transactions contemplated hereby shall not: (i) to the best of BRP's knowledge, violate any judgment, order, injunction, decree, regulation or ruling of any court or Legal Authority with proper jurisdiction or (ii) result in a breach or default under any contract or other binding commitment of BRP or any provision of the organizational documents of BRP.

No agent, broker or other Person acting pursuant to express or implied authority of BRP is entitled to any commission or finder's fee in connection with the transactions contemplated by this Agreement or will be entitled to make any claim against the District for a commission or finder's fee. BRP has not dealt with any agent or broker in connection with its purchase of the Property.

There are no actions, suits, arbitrations, governmental investigations or other proceedings pending, or to the knowledge of BRP, threatened, against BRP or any Member which might adversely affect BRP's or Member's right to enter into or perform its obligations under this Agreement.

6 BRP's purchase of the Property and its other undertakings pursuant to this Agreement are and will be used for the purpose of constructing the Project in accordance with the Permitted Uses, Development Plan, and Comprehensive Submission.

By BRP's execution hereof, each initial Member of BRP has represented to BRP with respect to itself only that there are no actions, suits, etc. which might adversely affect its respective right to enter into or perform its obligations under this Agreement or under BRP's organizational documents including BRP's operating agreement.

8. BRP has been formed for the sole purpose of development, financing, construction, leasing, subleasing, management, and operation of the Improvements described in the Development Plan.

9. No Prohibited Person holds a Developer Interest

10. BRP satisfies the CBE participation requirements established by D.C. Official Code § 2-218.49a.

11. From and after the date of this Agreement, BRP shall comply with the terms and conditions of the CBE Utilization and Participation Agreement.

12. The Project shall comply with all applicable requirements of the *Green Building Act of 2006*, D.C. Law 16-234, and any other applicable statutes and regulations governing building standards, to the extent otherwise applicable.

6.2.2 At the date hereof, BCP hereby covenants, represents and warrants to the District as follows:

BCP is a limited liability company, duly organized, validly existing and in good standing under the laws of the District of Columbia, and is authorized to conduct the business in which it is now engaged. BCP is comprised of the following entities, which are all of the **"Initial Members"** of BCP: the Managing Member

of BCP is FP/Ellis, LLC, which in turn is held by Four Points, LLC and Ellis Enterprises, LLC, holders of the Class A Membership Interests in the following percentages – Four Points, LLC holds 66.66% and Ellis Enterprises, LLC holds 33.34%. Any other member of BCP shall hold a Class B Membership Interest.

The execution, delivery and performance of this Agreement and the transactions contemplated hereby have been duly and validly authorized by all requisite actions of BCP and each of its Members.

BCP's execution, delivery and performance of this Agreement and the transactions contemplated hereby shall not: (i) to the best of BCP's knowledge, violate any judgment, order, injunction, decree, regulation or ruling of any court or Legal Authority with proper jurisdiction or (ii) result in a breach or default under any contract or other binding commitment of BCP or any provision of the organizational documents of BCP.

No agent, broker or other Person acting pursuant to express or implied authority of BCP is entitled to any commission or finder's fee in connection with the transactions contemplated by this Agreement or will be entitled to make any claim against the District for a commission or finder's fee. BCP has not dealt with any agent or broker in connection with its purchase of the Property.

There are no actions, suits, arbitrations, governmental investigations or other proceedings pending, or to the knowledge of BCP, threatened, against BCP or any Member which might adversely affect BCP's or Member's right to enter into or perform its obligations under this Agreement.

BCP's purchase of the Property and its other undertakings pursuant to this Agreement are and will be used for the purpose of constructing the Project in accordance with the Permitted Uses, Development Plan, and Comprehensive Submission.

By BCP's execution hereof, each initial Member of BCP has represented to BCP with respect to itself only that there are no actions, suits, etc. which might adversely affect its respective right to enter into or perform its obligations under this Agreement or under BCP's organizational documents including BCP's operating agreement.

BCP has been formed for the sole purpose of the development, financing, construction, leasing, subleasing, management, and operation of the Improvements described in the Development Plan.

No Prohibited Person holds a Developer Interest.

10. BCP satisfies the CBE participation requirements established by D.C. Official Code § 2-218.49a.

11. From and after the date of this Agreement, BCP shall comply with the terms and conditions of the CBE Utilization and Participation Agreement.

12. The Project shall comply with all applicable requirements of the *Green Building Act of 2006*, D.C. Law 16-234, and any other applicable statutes and regulations governing building standards, to the extent otherwise applicable.

6.2.3. The representations and warranties contained in this **Section 6.2** shall survive the delivery of the Deeds at Closing. Neither BRP nor BCP shall have any liability or obligation hereunder for any representation or warranty that becomes untrue because of reasons beyond their control.

ARTICLE 7. CONDITIONS TO CLOSING

7.1. CONDITIONS PRECEDENT TO DEVELOPER'S OBLIGATION TO CLOSE

The obligations of Developer to purchase the Property and perform the other obligations it is required to perform on or by the Closing Date shall be subject to the following conditions precedent:

7.1.1. The District's Obligations

The District shall have performed the obligations hereunder required to be performed by the District prior to the Closing Date.

7.1.2. The District's Representations and Warranties

The representations and warranties made by the District in **Section 6.1** hereof shall be true and correct in all material respects on and as of the Closing Date with the same force and effect as though such representations and warranties had been made on and as of such date, and the District shall have executed and delivered to Developer a certificate, dated as of the Closing Date, to the foregoing effect.

7.1.3. No Termination

This Agreement shall not have been previously terminated pursuant to any other provision hereof.

7.1.4. Encumbrances as of Closing

At Closing, there shall be no encumbrances on title to the Property other than the Permitted Exceptions.

7.1.5. Challenges to Sale

There shall be no administrative or judicial challenge to the sale of the Property to Developer or to the District's ability to sell the Property to Developer.

7.1.6. The District's Authority

The District shall have provided Developer with reasonably satisfactory evidence of the District's authority to sell the Property to Developer.

7.1.7 Closing Conditions

All of the conditions set forth in Section 3.4 shall be fully satisfied or waived by the applicable Party.

7.2. CONDITIONS PRECEDENT TO THE DISTRICT'S OBLIGATIONS TO CLOSE

The obligations of the District to convey the Property and perform the other obligations it is required to perform on or by the Closing Date shall be subject to the following conditions precedent:

7.2.1. Developer's Obligations

Developer shall have performed all obligations hereunder required to be performed by Developer prior to the Closing Date.

7.2.2. Developer's Representations and Warranties

The representations and warranties made by Developer in **Section 6.2** hereof shall be true and correct in all material respects on and as of the Closing Date with the same force and effect as though such representations and warranties had been made on and as of such date, and Developer shall have executed and delivered to the District a certificate, dated as of the Closing Date, to the foregoing effect.

7.2.3. No Termination

This Agreement shall not have been previously terminated pursuant to any other provision hereof.

7.2.4. Approval of Submissions

All Submissions pursuant to this Agreement shall have been provided by Developer to the District and the District shall have received, reviewed and approved such Submissions, to the extent that approval is required under this Agreement, as applicable.

7.2.5. Certificates of Insurance

Developer shall have furnished to the District certificates of insurance or duplicate originals of insurance policies required of Developer by **ARTICLE 10** hereof.

7.2.6. Authority to Acquire

Developer shall have provided reasonably satisfactory evidence of its authority to acquire the Property and perform its obligations under this Agreement.

7.2.8. Updated Financing Plan

Developer shall have provided to the District the updated Financing Plan.

7.2.9. Compliance with DHCD ADU and WHU Requirements

Developer and DHCD shall have mutually agreed upon and executed any affordable housing covenants and agreements that DHCD may request with respect to the ADUs and WHUs to be provided in connection with the Residential Development.

7.2.10 Compliance with the Community Benefits MOU

Developer shall have complied with all of the requirements of the Community Benefits MOU.

7.2.11 Closing Conditions

Developer shall have met all of the conditions of Closing set forth in **Section 3.4.**

7.3. EXTENSION

7.3.1. District's Extension Right

If all of the conditions to Closing set forth above in **Section 7.2** have not been satisfied (or waived by the District, if the Office of the Attorney General for the District of Columbia determines such waiver is legally permitted) by the Closing Date, the District shall have the option, at its sole discretion, to (i) terminate this Agreement by written notice to Developer and the Parties shall be released from any further liability or obligation hereunder except those that survive termination of this Agreement or (ii) extend Closing for up to six (6) months to permit Developer to satisfy the conditions to Closing set forth in **Section 7.2.** Notwithstanding the

foregoing, Closing may not be extend beyond two (2) years after the Effective Date. In the event of an extension, Closing shall occur within thirty (30) days after all conditions precedent set forth in **Section 7.2** have been satisfied, but if such conditions precedent have not been satisfied by the end of the extension period, the District may again proceed under clause (i) or (ii) above, in its sole discretion.

7.3.2. Developer's Extension Right

If all of the conditions to Closing set forth above in **Section 7.1** have not been satisfied by the Closing Date (or waived by Developer, if the Office of the Attorney General for the District of Columbia determines such waiver is legally permitted), Developer shall have the option, at its sole discretion, to (i) terminate this Agreement by written notice to the District whereupon the Deposit shall be returned to Developer and the Parties shall be released from any further liability or obligation hereunder except those that survive termination of this Agreement or (ii) extend Closing for up to six (6) months to permit the District to satisfy the conditions to Closing set forth in **Section 7.1**. In the event of an extension, Closing shall occur within thirty (30) days after all conditions precedent set forth in **Section 7.1** have been satisfied, but if such conditions precedent have not been satisfied by the end of the extension period, Developer may proceed under clause (i) or (ii) above one additional time, in its sole discretion. If the conditions precedent have not been satisfied by the end of the further extension period, this Agreement shall terminate, the Deposit shall be returned to Developer and the Parties shall be released from any further liability or obligation hereunder except those that expressly survive termination of this Agreement.

ARTICLE 8. COVENANTS AND RESTRICTIONS

8.1. CONSTRUCTION AND USE COVENANT

At Closing, Developer shall execute and deliver the Construction and Use Covenant in the form attached as **Exhibit E**, which shall be recorded among the land records of the District of Columbia.

8.2. DEVELOPER'S COVENANT REGARDING COMPLIANCE WITH ENVIRONMENTAL LAWS

Developer hereby covenants that, at its sole cost and expense, it shall comply in all respects with all applicable Environmental Laws pertaining to the Property and to all improvements and appurtenances, including, without limitation, all uses, activities, and conditions on or under the Property, and shall perform all Remedial Actions and other remediation-related activities (whether due to existing or future contamination or conditions) and as may be required pursuant to any Environmental Law. The provisions of this **Section 8.2** shall survive termination of this Agreement.

8.3. DEVELOPER'S COVENANT REGARDING INDEMNIFICATION FOR ENVIRONMENTAL LIABILITIES AND COSTS; DEVELOPER'S ASSUMPTION OF ENVIRONMENTAL LIABILITIES AND COSTS; RELEASE

Developer shall indemnify, defend and hold harmless the Indemnified Parties from and against any and all Claims arising out of or relating to the actual or suspected presence at, in, on or under the Property of Hazardous Materials in violation of Applicable Law, provided that such Hazardous Materials were not at, in, on or under the Property prior to Closing. Developer, for itself and its present, former and future officers, directors, agents and employees, and each of its and their respective heirs, personal representatives, successors and assigns, hereby covenants not to sue and forever releases and discharges the District and all of its present, former and future related entities and all its and their respective present, former and future officers, directors, agents and employees, and each of its and their heirs, personal representatives, successors and assigns, of and from any and all Claims arising out of or relating to the actual or suspected presence at, in, on or under the Property of Hazardous Materials in violation of Applicable Law. The provisions of this **Section 8.3** shall survive termination of this Agreement.

ARTICLE 9. TRANSFER AND ASSIGNMENT

9.1. RELIANCE OF THE DISTRICT ON DEVELOPER

Developer hereby recognizes and acknowledges that:

9.1.1. General Welfare

The development and construction of Improvements on the Property in accordance with the Development Plan and Comprehensive Submission is important to the general welfare of the community in which the Property is located.

9.1.2. Importance of Developer's Identity for Community

The qualifications and identity of Developer and its officers, stockholders, managers, Members and partners, and of Persons having any interest in any Member are of particular concern to the community and the District.

9.1.3. The District's Intent

The District is entering into this Agreement with Developer because of the qualifications and identity of Developer, and its officers, stockholders, managers, Members and partners, and in so entering into this Agreement, is willing to accept and rely on the obligations of Developer and any transferees that take title to any portion of the Property pursuant to a Permitted Transfer for the faithful performance of all undertakings and covenants in this Agreement.

9.1.4 Community Benefits MOU

The District is entering into this Agreement with Developer with the understanding that Developer intends to meet its obligations under the Community Benefits MOU.

9.2. TRANSFER PRIOR TO FINAL CERTIFICATE OF COMPLETION AND PRIOR TO PAYMENT OF NOTES

For the reasons set forth in **Section 9.1** hereof, except as expressly permitted in **Section 9.4** hereof, (i) Developer represents, warrants, covenants and agrees, for itself and its successors and assigns, that, (a) prior to receipt by Developer of the Final Certificate of Completion, Developer shall not make or create, or suffer to be made or created, any Transfer of a Class A Membership Interest in BRP or BCP or any Transfer of all or a portion of the Property; and (b) after receipt by Developer of the Final Certificate of Completion but prior to payment in full and satisfaction of the Notes, except as provided in Section 9.5 hereof, Developer (or any successor in interest thereof) shall not make or create, or suffer to be made or created, any Transfer of a Class A Membership Interest in BRP or BCP or any Transfer of all or a portion of the Property without the prior written approval of the District, which may be granted or withheld by the District in its sole discretion; and (ii) the members of the Managing Member represent, warrant, covenant and agree, for themselves and any successors-in-interest that, prior to the receipt by Developer of the Final Certificate of Completion, the Managing Members (or any successor in interest thereof) shall not make or create, or suffer to be made or created, any Transfer. Any such Transfers undertaken pursuant to this **Section 9.2** are subject to all covenants and restrictions affecting the Property and Improvements contained in this Agreement and the documents and agreements contemplated hereby. Developer agrees to provide prior written notice of any such Transfer to the District.

9.3. TRANSFER AFTER FINAL CERTIFICATE OF COMPLETION AND PAYMENT IN FULL AND SATISFACTION OF THE NOTES

Subsequent to receipt by Developer of the Final Certificate of Completion and payment of the Notes, Developer may Transfer all or any portion of this Agreement, the Property and the Improvements or all or any portion of its right, title and interests therein, without the prior consent of the District; provided, however, (i) that, if prior to the expiration of the Radio One/TV One lease, the Developer shall first provide the District assurances, to the District's satisfaction in its sole and absolute discretion, that (a) the Transfer does not alter, change or terminate the Radio One/TV One lease or Developer's obligations thereunder; and (b) the transferee will continue to provide Radio One/TV One the net effective rental rates set forth in **Exhibit M**; and (ii) any such Transfer shall comply with all Applicable Law and shall be subject to any restrictions or obligations of record. Any Transfer permitted under this **Section 9.3** shall not alter, change, or be deemed as a consent to terminate, alter, or otherwise change the obligations of the Developer under or in connection with the lease to Radio One/TV One as the anchor tenant of the Commercial Development. The provisions of this **Section 9.3** shall only be operative during, and shall not extend beyond, the initial 15-year term of the Radio One/TV One lease.

9.4. CERTAIN OTHER TRANSFERS

9.4.1. Prior to issuance of the Final Certificate of Completion, Developer may pledge the Property, in whole or in part, and may collaterally assign its rights and obligations under this Agreement to an Approved Mortgagee in connection with an Approved Mortgage as security for the Construction Financing or Permanent Financing. Notwithstanding the foregoing, any transfer permitted pursuant to this **Section 9.4** shall not alter the relationship between the District and Developer with respect to negotiations, design review, program or approvals, or construction of the Improvements.

9.4.2. A Member may Transfer a Class B Membership Interest at anytime and without any consent or approval on the part of the District; provided, however that such transfer is consistent with the terms and conditions of the CBE Utilization and Participation Agreement.

9.5. CRITERIA FOR THE DISTRICT APPROVAL OF A TRANSFER AFTER RECEIPT OF THE FINAL CERTIFICATE OF COMPLETION

After receipt of the Final Certificate of Completion but prior to payment in full and satisfaction of the Note, Developer may Transfer the Residential Development; provided, however, that (i) the Residential Development shall continue to be subject to any covenants and agreements that DHCD required with respect to the ADUs and WHUs provided in connection with the Residential Development; (ii) any Reservation under the Deed for the Residential Development Property shall continue; (iii) such Transfer may require the payment in full of the Note; (iv) such Transfer complies with any continuing requirements imposed by the First Source Employment Agreement, the CBE Utilization and Participation Agreement or the Community Benefits MOU to the extent they are applicable; and (v) such Transfer shall not extinguish any requirements or agreements applicable to the Commercial Development. If Developer intends to Transfer any portion of the Commercial Development Property after receipt of the Final Certificate of Completion but prior to payment in full and satisfaction of the Notes, then:

9.5.1. If Developer believes that the proposed Transfer is a Permitted Transfer, Developer shall inform the District that Developer intends to make a Permitted Transfer and shall provide the District with such information as is reasonably sufficient to demonstrate, to the District's satisfaction, that the proposed transfer satisfies the requirements for a Permitted Transfer (but, with respect to whether the transferee is an Approved Transferee, such transferee must satisfy one of the requirements set forth in clauses (i) or (ii) of the definition of Approved Transferee). If the information so provided does not reasonably satisfy the District, the District shall inform Developer, within ten (10) Business Days after receipt of such information, that the District does not believe that the proposed Transfer is a Permitted Transfer and shall provide the reasons for such conclusion and shall also specify any additional information the District may require to make a determination that the proposed Transfer is a Permitted Transfer. Developer shall submit any additional information that Developer believes is responsive to the District's notice within ten (10) Business Days after receipt thereof. The District shall consider such

information and make a determination as to whether the proposed transfer is a Permitted Transfer within ten (10) Business Days after receipt of such additional information.

9.5.2. If Developer believes that the proposed Transfer would be a Permitted Transfer only if the District approved the proposed Transfer pursuant to clause (ii)(b) of the definition of Approved Transferee, Developer may submit a written request to the District for the approval of a proposed Transfer with all relevant written documents and information pertaining thereto and such additional documents and information as the District may reasonably request. Notwithstanding the foregoing, Developer shall not be obligated to disclose the financial terms of the proposed Transfer, and the District shall not consider such terms (or the fact that such terms have not been disclosed to the District) when determining whether to approve the proposed Transfer. Within sixty (60) days after the submission of the request (including all documents and information required by the District), the District shall notify Developer in writing of the District's decision with respect to the proposed Transfer, which decision shall not be unreasonably withheld, conditioned or delayed. If the District approves the terms of the proposed Transfer, the District shall thereafter accept the proposed transferee and such transferee shall be deemed an Approved Transferee, provided that such proposed Transfer must occur in accordance with such terms within one hundred eighty (180) days following the date of the District's approval and at closing with respect to such proposed Transfer, Developer shall provide the District with a certificate that the transferee's status as an Approved Transferee has not changed.

9.5.3 Any Transfer permitted under this **Section 9.5** shall not alter, change, or be deemed as a consent to terminate, alter, or otherwise change the obligations of the Developer under or in connection with the lease to Radio One/TV One as the anchor tenant of the Commercial Development. The provisions of this **Section 9.5.3** shall only be operative during, and shall not extend beyond, the initial 15-year term of the Radio One/TV One lease.

9.6. NO RELEASE

In the absence of specific written agreement by the District to the contrary, no Transfer, or approval by the District thereof, shall be deemed to relieve Developer, or any other party bound in any way by this Agreement, from any of its obligations under this Agreement or under any other agreement or document contemplated hereby or deprive the District of any of its rights and remedies under this Agreement or under any other agreement or document contemplated hereby. To the extent that, after the issuance of the Final Certificate of Completion and prior to the payment in full and satisfaction of the Notes, Developer Transfers the Property, in whole or in part, to an Approved Transferee pursuant to a Permitted Transfer, Developer shall have no further obligations with respect to the Property so transferred (except with respect to any Continuing Obligations imposed pursuant to this Agreement).

9.7. ENFORCEABILITY

Developer hereby acknowledges and agrees that the restrictions on Transfer pursuant to this **ARTICLE 9** do not constitute an unreasonable restraint on Developer's right to transfer or otherwise alienate the Property. Developer hereby waives any and all claims, challenges and objections that may exist with respect to the enforceability of the restrictions on Transfer contained in this Agreement, including any claim that such restrictions on Transfer constitute an unreasonable restraint on alienation. Notwithstanding the foregoing, Developer does not waive claims of default by the District in the implementation of the procedures set forth in this **ARTICLE 9**.

9.8. DEFAULT

Any Transfer in violation of this **ARTICLE 9** or any Transfer at any time to a Prohibited Person shall be deemed a material default under this Agreement.

ARTICLE 10. INSURANCE OBLIGATIONS; CASUALTY; INDEMNIFICATION

10.1. INSURANCE OBLIGATIONS

Until the issuance of the Final Certification of Completion, Developer shall carry or cause to be carried and maintained in full force and effect and at its sole cost and expense (but for which it may seek reimbursement from any tenants if customary and appropriate), and all written on an occurrence basis all insurance required by Developer's Approved Mortgagees, including, without limitation, the following:

1. Property insurance insuring the Property and the Improvements thereon for the full replacement cost value on an "all-risk" occurrence basis if then available at commercially reasonably rates.

2. After Developer issues notice to proceed to a general contractor, builder's risk insurance for the amount of the completed value (or lesser amount acceptable to the District) on an all-risk form, including earthquake and flood risks, off-site storage coverage, scaffolding and forms coverage, temporary structures coverage insuring the interests of Developer, the District, and any contractors and subcontractors as named insureds as their interests may appear.

3. Automobile liability insurance and commercial general liability insurance policies written to each have a combined single limit of liability for bodily injury, death, broad form contractual liability and property damage of not less than Four Million Dollars ($4,000,000) per occurrence, of which at least One Million Dollars ($1,000,000) must be maintained as primary coverage, and of which the balance may be maintained as umbrella coverage; provided, however, that the foregoing

statement as to the amount of insurance Developer is required to carry shall not be construed as any limitation on Developer's liability under this Agreement.

4. Workers' compensation insurance in such amounts as required by Applicable Law.

5. Business income coverage, extra expense, rental income insurance, and similar insurance for no less than one (1) year's annual operating income and any and all other insurance, including boiler and machinery insurance, if applicable, as the District may require to protect adequately the interest of the District and Developer against risks afforded by such insurance coverage.

All liability insurance shall designate the District as an additional insured thereunder (but not an additional named insured). All property and builder's risk insurance shall designate the District as an additional insured and shall also designate Developer and the holder of any Approved Mortgagees(s), as their interests may appear, as loss payees under a non-contributory mortgage/loss payee endorsement. All such policies shall be written in such amounts so as to avoid Developer's and Developer's contractors and subcontractors being a co-insurer and shall include a waiver of subrogation endorsement in favor of the District which shall expressly state that such coverage afforded to the insured shall not be voided, prejudiced, or otherwise become unavailable if, prior to a loss, the insured shall have waived any and all rights of recovery from the party(ies) responsible for such loss. All insurance policies required pursuant to this **Section 10.1** shall be written as primary policies, not contributing with or in excess of any coverage that the District may carry. Such insurance shall be obtained through a recognized insurance company licensed to do business in the District of Columbia and rated by A.M. BEST as an A-X or above. Prior to any entry onto the Property at any time pursuant to this Agreement, Developer shall furnish to the District certificates of insurance on, with respect to the "all-risk" insurance, an ACORD 27 form (or copies of the policies if requested by the District) together with satisfactory evidence of payment of premiums for such policies. Developer agrees to notify the District in writing and provide a copy of such notice, by certified U.S. Mail, return receipt requested, not more than five (5) days after Developer is notified by any insurer of any material change, reduction in coverage, cancellation, including cancellation for nonpayment of premium, or other termination of such policies or changes thereof.

Notwithstanding the foregoing provisions, any insurance accepted by an Approved Mortgagee shall be deemed to satisfy the insurance requirements under this Agreement.

10.2. CASUALTY

In the event of damage or destruction to the Improvements on the Property following the acquisition thereof by Developer at Closing, Developer shall be obligated to repair or restore the Improvements in conformity with the Development Plan and Comprehensive Submission, subject to changes necessary to comply with then-current building code requirements, as approved by the District in its discretion. Following such damage or destruction to the

Improvements, Developer may submit to the District proposed changes to the Development Plan taking into consideration the consequences of such damage or destruction and the District 's review and approval of such changes shall not be unreasonably withheld, delayed or conditioned. Notwithstanding anything in this Agreement to the contrary, Developer shall not be entitled to issuance of a Final Certificate of Completion or release from its development obligations hereunder until Developer has completed its restoration obligations.

If Developer has not received the Final Certificate of Completion at the time of such casualty or condemnation, then the time period set forth in **Section 5.2** shall be extended for a period equal to the number of days equal to the period between the date on which the casualty or condemnation occurred and on the date on which a Final Certificate of Completion for such Improvements was issued or required to be issued, provided that Developer was using its Best Commercially Reasonable Efforts to complete such restoration expeditiously.

10.3. INDEMNIFICATION

Developer shall indemnify, defend, and hold harmless the Indemnified Parties from and against any and all Claims arising out of this Agreement or in any way connected with the death of or injury to any person or damage to any property occurring on or adjacent to the Property and directly or indirectly caused by any acts done thereon or any acts or omissions of Developer, its agents, employees or contractors; provided, however, that the foregoing indemnity shall not apply to any Claims and causes of action (including attorneys' fees and court costs) due solely to the gross negligence or willful misconduct of such Indemnified Party or to Claims arising from pre-Closing environmental matters. The obligations of Developer under this **Section 10.3** shall survive termination of this Agreement and/or the issuance of a Final Certificate of Completion.

10.4. THE DISTRICT'S RIGHT TO PAY PREMIUMS

All premiums and charges for all of insurance policies required pursuant to this **ARTICLE 10** shall be paid by Developer or Developer's contractors or subcontractors. If Developer or Developer's contractors or subcontractors shall fail to make any such payment when due, or carry any such policies, the District may, but shall not be obligated to, make such payment or carry such policies, and the amount paid by the District, plus interest thereon at the Default Rate, shall be repaid to the District by Developer within ten (10) Business Days after the District's demand therefor or shall bear interest at the Default Rate until paid. Payment by the District of any such premium or the carrying by the District of any such policies shall not be deemed to waive or release the default of Developer with respect thereto.

10.5. RENEWAL OF INSURANCE POLICIES

Thirty (30) days prior to the expiration of each insurance policy required hereunder, Developer shall pay, or cause to be paid, the premiums for the renewal of such insurance and prior to said period shall deliver to the District the original or a certified copy of such policy or a certificate or binder on, with respect to the "all-risk" insurance, an ACORD 27 form, and

duplicate receipt (or other written documentation) evidencing the payment thereof; and if any such premiums shall not be so paid and the policy, or a certified copy thereof, or certificate or binder thereof, shall not be so delivered, the District may, but shall not be required to, (after first having given Developer notice of the District's intention to do so) procure and/or pay therefor in accordance with the terms of **Section 10.4** hereof.

ARTICLE 11. EQUAL OPPORTUNITY; EMPLOYMENT COVENANTS

11.1. EQUAL EMPLOYMENT OPPORTUNITY

11.1.1. Equal Employment Obligations

Developer, for itself, its successors and assigns (other than a condominium association or Persons exempt from District and federal anti-discrimination and affirmative action requirements), agrees that in the development, construction and operation of the Residential Development and the Commercial Development:

11.1.1.1. Developer shall not discriminate against any employee or applicant for employment because of race, color, religion, sex, national origin or any other factor which would constitute a violation of the D.C. Human Rights Act or other Applicable Law.

11.1.1.2. Developer will take affirmative action to ensure that employees are treated during employment, without regard to their race, color, religion, sex, national origin, age, marital status, personal appearance, sexual orientation, family responsibilities, matriculation, political affiliation or physical handicap. Such affirmative action shall include, but not be limited to, the following: (i) employment, upgrading or transfer; (ii) recruitment or recruitment advertising; (iii) demotion, layoff or termination; (iv) rates of pay or other forms of compensation; and (v) selection for training and apprenticeship. Developer agrees to post in conspicuous places available to employees and applicants for employment, any notices provided by DOES setting forth the provisions of this non-discrimination clause.

11.1.1.3. Developer will, in all solicitations or advertisements for employees placed by or on behalf of Developer, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex or national origin or any other factor which would constitute a violation of the D.C. Human Rights Act or other Applicable Law.

11.2. OPPORTUNITY FOR TRAINING AND EMPLOYMENT

The District requires that priority for training and employment opportunities be given to residents of the District. In accordance therewith, Developer agrees to: (i) comply with the Community Benefits MOU attached hereto as **Exhibit I**; (ii) comply with the requirements of Mayor's Order 83-265, D.C. Law 5-93, as amended, and D.C. Law 14-24; and (iii) comply with all applicable labor and employment standards, laws, regulations and orders in the construction and operation of the Residential Development and the Commercial Development.

11.3. OPPORTUNITY FOR CERTIFIED BUSINESS ENTERPRISES

Developer will comply with the CBE Utilization and Participation Agreement, the requirements of the CBE Act, including the equity and development participation requirements set forth in Section 2349a of the CBE Act (D.C. Official Code § 2-218.49a), and all other applicable statutes and regulations regarding economic inclusion and the utilization of CBEs.

11.4. EMPLOYMENT AND TRAINING OF DISTRICT RESIDENTS

Pursuant to Mayor's Order 83-265, DC Law 5-93, as amended, and DC Law 14-24, Developer recognizes that one of the primary goals of the District government is the creation of job opportunities for District residents. Accordingly, in addition to any other requirements of Applicable Law, Developer agrees to comply with the First Source Employment Agreement. Developer shall also comply with any community employment benefits set forth in the Community Benefits MOU.

11.5. SURVIVAL

The obligations set forth in this **ARTICLE 11** shall survive issuance of the Final Certificate of Completion and shall be contained in the Construction and Use Covenant.

ARTICLE 12. DEFAULTS AND REMEDIES

12.1 DEVELOPER DEFAULT

The following shall be deemed a **"Developer Default"** hereunder:

12.1.1.. (i) Developer shall violate, fail to comply with or perform any covenant, term, condition or agreement of this Agreement, or (ii) Developer shall fail or refuse to use its Best Commercially Reasonable Business Efforts to perform any of its obligations under this Agreement, and such default, failure or refusal shall continue for a period of forty-five (45) days after the District's notice to Developer (except no notice shall be necessary nor shall any cure period apply to Developer's obligation to close on its acquisition of the Property upon the Closing Date, time being of the essence therefor); provided, however, that if the default is of a type or character which cannot be cured within said forty-five (45) day period but is capable of being cured by Developer's using its Best Commercially Reasonable Business Efforts, Developer shall have such additional time as may be necessary in order to effect such cure, so long as Developer commences the cure within such forty-five (45) day period and Developer uses Best Commercially Reasonable Business Efforts to conclusion so as to remedy the default and throughout such period, Developer complies fully with all of its other obligations under this Agreement; provided, further, that notwithstanding any of the foregoing, in the event of a pre-Closing default, the cure periods provided herein shall not extend the Closing Date for a period greater than forty-five (45) days;

12.1.2. if Developer makes any Transfer at any time to a Prohibited Person, or assigns, subleases, or transfers, or attempts to assign, sublease, or transfer, this Agreement, in violation of the terms of this Agreement;

12.1.3. if Developer, or any of its Members holding a Class A Membership Interest, shall file a voluntary petition in bankruptcy or shall be adjudicated a bankrupt or insolvent, or shall file any petition or answer seeking any reorganization, arrangement, composition, readjustment, postponement, composition, reduction, liquidation, dissolution or similar relief under the present or any future federal bankruptcy or insolvency statute or law, or makes any assignment for the benefit of creditors, or shall seek or consent to or acquiesce in the appointment of any bankruptcy or insolvency trustee, receiver or liquidator of Developer or any of its Members holding a Class A Membership Interest or of all or any substantial part of its properties, or if this Agreement or any estate or interest of Developer becomes subject to any attachment, judgment, lien, charge or encumbrance whatsoever (other than permitted Mortgages pursuant to this Agreement), and if such condition or event shall not be discharged of record within ninety (90) days; or if (i) any proceeding shall be filed against Developer seeking any reorganization, arrangement, composition, readjustment, postponement, composition, reduction, liquidation, dissolution or similar relief under the present or any future federal bankruptcy act or any other present or future federal, state or other bankruptcy or insolvency statute or law and if such proceeding shall not have been dismissed within ninety (90) days after such proceeding is filed, or (ii) within ninety (90) days after the appointment, without the consent or acquiescence of Developer or its Members holding Class A Membership Interests, of any trustee, receiver or liquidator of Developer or any of its Members holding a Class A Membership Interest or of all or substantially all of its properties or of the Property, such appointment shall not have been vacated or stayed on appeal or otherwise;

12.2. THE DISTRICT REMEDIES IN THE EVENT OF DEVELOPER EVENT OF DEFAULT

12.2.1 If (i) Developer fails to cure within the applicable cure period any Developer Event of Default that occurs prior to conveyance of the Property at Closing, or (ii) Developer fails to proceed to closing when required to do so under the terms of this Agreement, the District may terminate this Agreement by written notice to Developer and the Land Deposit (or any proceeds of any corresponding Letter(s) of Credit), shall be retained by the District as liquidated damages, and all plans and specifications with regard to the development and construction of the Improvements, including (without limitation) the Final Plans, shall be automatically assigned to the District in accordance with **Section 12.6** hereof free and clear of all liens and claims for payment; provided, however, that Developer's restoration and indemnification obligations set forth in **Section 2.3** hereof and Developer's obligations regarding Third Party Fees under **Section 16.21** hereof shall not be deemed to have been extinguished by termination or retention of the Land Deposit. Because of the difficulty of ascertaining the actual damages the District may suffer by reason of (i) any Developer Event of Default that occurs prior to conveyance of the Property at Closing or (ii) Developer's failure to proceed to closing when required to do so under the terms hereof, the District and Developer agree that the foregoing shall constitute agreed

liquidated damages for Developer's breach as described in this **Section 12.2** and not a penalty. Developer hereby waives any defense Developer may have as to the validity of any liquidated damages stated in this Agreement on the grounds that such liquidated damages are void as penalties or not reasonably related to actual damages.

12.2.2 If a Developer Event of Default occurs hereunder after Closing, the District may elect to pursue any of the following remedies:

(a) The District may cure the Developer Event of Default, at Developert's sole cost and expense. Developer shall pay to the District an amount equal to its actual out-of-pocket costs for such cure within ten (10) Business Days after demand therefor. Any such sums not paid by Developer within ten (10) Business Days after demand shall bear interest at the rate of twelve percent (12%) per annum or the highest rate permitted by Applicable Law, if less, until paid;

(b) The District may pursue specific performance of Developer's obligations hereunder; and

(c) The District may pursue any and all other remedies available at law and/or in equity, including without limitation injunctive relief.

12.3. DEFAULT BY THE DISTRICT

It shall be deemed a default by the District hereunder if the District fails to perform any obligation or requirement under this Agreement or fails to comply with any term or provision of this Agreement and such default remains uncured for five (5) Business Days after receipt of written notice of such failure from Developer (except, absent any Developer Event of Default which causes the District not to close, no notice shall be necessary nor shall any cure period apply to the District's obligation to close on its sale of the Property upon the Closing Date, time being of the essence therefor); provided, however, that if the default by the District is of a type or character which cannot be cured within said five (5) Business Day period but is capable of being cured by the District's using its Best Commercially Reasonable Business Efforts, the District shall have such additional time as may be necessary in order to effect such cure so long as the District commences the cure within such five (5) Business Day period and the District uses Best Commercially Reasonable Business Efforts to conclusion so as to remedy the default and throughout such period, the District complies fully with all of its other obligations under this Agreement.

12.4. DEVELOPER REMEDIES IN THE EVENT OF DEFAULT BY THE DISTRICT

If, prior to Closing, the District fails to cure within the applicable cure period any default by the District under this Agreement, Developer may terminate this Agreement by written notice to the District and the Land Deposit, without any contribution to Third Party Fees due and owing to the District pursuant to **Section 16.21** hereof, shall be returned to Developer as Developer's sole and exclusive remedy and the Parties shall be released from all liability or obligations under

this Agreement except for Developer's restoration and indemnification obligations set forth in **Section 2.3** hereof, and, upon request, shall execute a mutual release evidencing such fact.

12.5. NO WAIVER BY DELAY; WAIVER

Notwithstanding anything to the contrary contained herein, any delay by any Party in instituting or prosecuting any actions or proceedings with respect to a default by the other Party hereunder or otherwise asserting its rights or pursuing its remedies under this Article, shall not operate as a waiver of such rights or to deprive such Party of or limit such rights in any way (it being the intent of this provision that neither Party shall be constrained by waiver, laches, or otherwise in the exercise of such remedies). Any waiver by either Party hereto must be made in writing. Any waiver in fact made with respect to any specific default under this Article shall not be considered or treated as a waiver with respect to any other defaults or with respect to the particular default except to the extent specifically waived in writing.

12.6. ASSIGNMENT OF PLANS AND SPECIFICATIONS

If the District terminates the Agreement in accordance with **Section 12.2** hereof, Developer hereby transfers and assigns to the District all of Developer's right, title and interest in and to all of Developer's Drawings and Specifications (including the Final Plans), Permits, completion bonds in favor of Developer, sewer permits and tap fees, utility deposits and all other contracts, agreements, permits and authorizations in any way related to the development and construction of the Improvements. Such assignment shall vest automatically without further written documentation, shall be made at the sole cost and expense of Developer, and shall be free of liens and any claims for payment.

12.7. RIGHTS AND REMEDIES CUMULATIVE

The rights and remedies of the Parties under this Agreement, whether provided by law, in equity, or by this Agreement, shall be cumulative, and the exercise of any one or more of such remedies shall not preclude the exercise of any other remedies for the same such default or breach.

ARTICLE 13. TERMINATION FOR REASONS OTHER THAN DEFAULT

13.1. VOLUNTARY TERMINATION BY DEVELOPER

Developer may voluntarily terminate this Agreement by written notice to the District at any time prior to Closing. Upon such voluntary termination pursuant to this **Section 13.1**, the Developer shall forfeit the Land Deposit (or any proceeds of any corresponding Letter(s) of Credit). Following termination pursuant to this **Section 13.1**, the Parties shall be released from all liability or obligations under this Agreement, except for Developer's restoration and indemnification obligations set forth in **Section 2.3** hereof and, upon request, shall execute a mutual release evidencing such fact.

13.2. TERMINATION DUE TO DISAGREEMENT

If, prior to Closing, (i) any Submissions are not accepted or approved by the District (for purposes of this **Section 13.2**, acceptance and approval also includes the acceptance and approval of any Submissions previously disapproved by the District), (ii) the District is unable to perform its obligations under this Agreement, (iii) any necessary approvals have not been obtained by Developer despite its Best Commercially Reasonable Business Efforts, (iv) after the Effective Date, Hazardous Materials are introduced to, at, in, under or about the Property by a Person other than Developer; (v) Developer's studies of the Property reasonably determine that there are Hazardous Materials present at, in, upon or about the Property that were not identified in the Feasibilities Studies referenced in **Section 2.3.1** hereof and the cost to remediate such Hazardous Materials is reasonably estimated to be in excess of $1,200,000.00; or (vi) there is a new and uncured Encumbrance on title that occurred after the date identified on the Title Commitment, then either Party may terminate this Agreement. (except that only Developer shall have the right to terminate for the reason set forth in clauses iv and v hereof). If termination pursuant to this **Section 13.2** occurs, then the Land Deposit (or any proceeds of any corresponding Letter(s) of Credit) shall be returned to Developer. Following termination pursuant to this **Section 13.2**, the Parties shall be released from all liability or obligations under this Agreement, except for Developer's restoration and indemnification obligations set forth in **Section 2.3** hereof, and, upon request, shall execute a mutual release evidencing such fact.

ARTICLE 14. MORTGAGE FINANCING

14.1. LIMITATION UPON DEVELOPER'S ENCUMBRANCES OF PROPERTY AND IMPROVEMENTS

14.1.1. Prior Approval of the District for Mortgage

Prior to the issuance of the Final Certificate of Completion and payment in full and satisfaction of the Notes, neither Developer nor any successor-in-interest to the Property shall engage in any financing or other transaction creating any Mortgage or other lien or encumbrance upon the Property, or suffer any lien or encumbrance to be made on or attached to the Property, whether by express agreement or by operation of law, without the prior written approval of the District, in each instance, which approval shall not be unreasonably withheld or conditioned. The District shall approve a Mortgage or other lien or encumbrance if: (i) it is created in favor of an Approved Lender; (ii) it secures bona fide indebtedness of the Developer incurred only for the benefit of the portion of the Project that will secure the Mortgage; and (iii) no Developer Event of Default shall have occurred and be continuing. The Parties agree that it shall not be unreasonable for the District not to approve a Mortgage or other lien or encumbrance if any one of the foregoing are not satisfied. Any Mortgage or other lien or encumbrance not permitted by this **ARTICLE 14** shall be deemed to be a violation of this covenant on the date of its execution or filing of record regardless of whether or when it is foreclosed or otherwise enforced. The

holder of a Mortgage approved by the District, pursuant to this **Section 14.1.1**, shall be referred to herein as an "**Approved Mortgagee**" and such Mortgage shall be referred to herein as an "**Approved Mortgage**".

Notwithstanding anything herein to the contrary, if Developer has transferred the Residential Development as provided in Section 9.5 hereof and the Note applicable to the Residential Development has been repaid in full, then any Mortgage or lien or encumbrance placed against the Residential Development shall not be subject to the prior approval of the District.

The District agrees to cooperate with an Approved Lender that is a prospective mortgagee, prior to its becoming an Approved Mortgagee, in the negotiation and approval of modifications to the materially substantive provisions of this Agreement or any other agreement or document contemplated hereby (each, a "**Modification**") that such a prospective mortgagee may require, including, but not limited to, subordination of the District's interest in the Property. Notwithstanding any provision under this **ARTICLE 14**, the District may, in its sole and absolute discretion, reject any request by Developer and/or any Approved Lender that violates District policy or is legally prohibited, as determined by the Office of the Attorney General for the District of Columbia.

14.1.2. Notification of Liens

Notwithstanding the foregoing, Developer shall promptly notify the District of any Mortgage or other lien or encumbrance that has been granted on or attached to the Property, whether by voluntary act of Developer or otherwise as to which Developer has notice.

14.1.3. Intercreditor Agreement

Upon request by Developer, the District shall enter into an agreement with an Approved Mortgagee, regarding the rights and responsibilities of the District and the Approved Mortgagee in the event of a default by Developer under the documents evidencing and securing such indebtedness or this Agreement, the Notes and Deeds of Trust; provided however, that (i) such agreement shall be in substance reasonably acceptable to the District; (ii) no Developer Event of Default shall have occurred and be continuing; (iii) shall be in a form found to be legally sufficient by the Office of the Attorney General for the District of Columbia; and (iv) such agreement shall provide each party with reasonable notice of default, reasonable cure periods and reasonable notice of the institution of foreclosure proceedings.

ARTICLE 15. NOTICES

15.1. NOTICE TO THE DISTRICT

Any notices required to be given under this Agreement shall be in writing and delivered by certified mail (return receipt requested, postage pre-paid), by hand, or by reputable private

overnight commercial courier service or by facsimile with proof of receipt (with a copy to follow by U.S. Mail), to the District at the following addresses:

Deputy Mayor for Planning and Economic Development
1350 Pennsylvania Avenue, N.W.
Suite 317
Washington, D.C. 20004
Facsimile No.: (202) 727-6703

With a copy to (which shall not constitute notice):

The Office of the Attorney General for the District of Columbia
1100 15th Street, N.W.
Suite 800
Washington, DC 20005
Attn: Deputy Attorney General, Commercial Division

15.2. NOTICE TO DEVELOPER

Any notices required to be given under this Agreement shall be in writing and delivered by certified mail (return receipt requested, postage pre-paid), by hand, or by reputable private overnight commercial courier service or by facsimile with proof of receipt (with a copy to follow by U.S. Mail), to Developer at the following addresses:

Broadcast Residential Partners, LLC
c/o Four Points, LLC
1225 19th Street, NW
Suite 310
Washington DC 20036
Attn: Stan Voudrie

With a copy to (which shall not constitute notice):

Arnold & Porter, LLP
555 12th Street, NW
Washington, DC 20004
Attn: George Covucci

Broadcast Center Partners, LLC
c/o Four Points, LLC
1225 19th Street, NW
Suite 310
Washington DC 20036

Attn: Stan Voudrie

With a copy to (which shall not constitute notice):
Arnold & Porter, LLP
555 12th Street, NW
Washington, DC 20004
Attn: George Covucci

15.3. NOTICE SERVICE CONDITIONS

Notices which shall be served upon the District or Developer in the manner aforesaid shall be deemed to have been received for all purposes hereunder at the time such notice shall have been: (i) if hand delivered to a party against receipted copy, when the copy of the notice is receipted; (ii) if given by nationally recognized overnight delivery service, on the next business day after the notice is deposited with the overnight delivery service; (iii) if given by certified mail, return receipt requested, postage prepaid, on the date of actual delivery or refusal thereof; or (iv) if given by facsimile, when received. If notice is tendered under the terms of this Agreement and is refused by the intended recipient of the notice, the notice shall nonetheless be considered to have been received and shall be effective as of the date provided in this Agreement. Notwithstanding the foregoing provisions, Developer irrevocably consents and agrees that the service of any and all legal process, summons, notices and documents which may be served in any such action, suit or proceeding against Developer arising under this Agreement may be made by mailing a copy thereof by certified or registered mail, postage prepaid, return receipt requested with delivery restricted to Developer's registered agent currently on file with the District's Department of Consumer and Regulatory Affairs, Business Regulation Administration, Corporation Division (**"DCRA"**), with such service to be effective upon receipt. If Developer has failed to appoint or maintain a locally registered agent as is required by District law, Developer hereby irrevocably consents to the District's appointment, at the District's option at any time and from time to time, of the Superintendent of Corporations of the DCRA as Developer's agent for such service.

ARTICLE 16. MISCELLANEOUS

16.1. TERM OF THIS AGREEMENT

The term of this Agreement will be from the Effective Date until the earlier of (i) termination in accordance with the terms and conditions contained herein or (ii) issuance of the Final Certificate of Completion for all of the Improvements, except for those terms and conditions herein that expressly survive for a longer term.

16.2. INFORMATION AS TO STOCKHOLDERS, MEMBERS AND PARTNERS MAINTENANCE OF SEPARATE BOOKS AND ACCOUNTS

Developer agrees that until the issuance of the Final Certificate of Completion for all of the Improvements and payment in full and satisfaction of the Notes:

16.2.1. Changes in Developer Interest

Developer shall promptly notify the District of any and all changes whatsoever, even if permitted pursuant to this Agreement, in the ownership of stock, manager, membership or partnership interests, legal or beneficial, or of any other act or transaction involving or resulting in any change in the ownership of such stock, manager, membership or partnership interests or the relative distribution thereof, or with respect to the identity of the Persons: (i) directly owning an interest in Developer; and (ii) directly owning an interest in any Members.

16.2.2. Statement of Stockholders, Managers, or Partners

Developer shall, at such time or times as the District may request, furnish the District with a complete statement, subscribed and sworn to by the President or other executive officer, manager, managing member or general partner of Developer, setting forth all of the stockholders, managers, members or partners in: (i) Developer and the extent of their respective holdings, and in the event any other parties have a beneficial interest in such stock or interests, their names and the extent of such interest, all as determined or indicated by the records of Developer, by specific inquiry made by such officer, manager, managing member or general partner of all parties who on the basis of such records own any stock or other interest in Developer or by such other knowledge or information as such officer, manager, managing member or general partner shall have; and (ii) any Member and the extent of their respective holdings. Such lists, dates, and information shall in any event have been furnished to the District immediately prior to the execution of this Agreement as a condition precedent thereto, and annually thereafter on the anniversary of the Effective Date until the issuance of the Final Certificate of Completion for all of the Improvements and payment in full and satisfaction of the Notes.

16.2.3. Separate Books and Accounts; Inspection; Certified Operating Statements

Developer shall keep proper books and accounts of its operations and transactions relating to the Property and Improvements separate and distinct from any other property or business enterprise owned or operated by any Developer Party. In such books of records and accounts, full, true and correct entries in conformity with income tax basis accounting principles in all material aspects and all requirements of law shall be made of all dealings and transactions in relation to its business and activities. Developer shall permit designated representatives of the District to examine the books and accounts of Developer. Developer shall also provide operating statements for the Commercial Development, certified by the Managing Member, on a semi-annual basis to the District.

16.3. PARTY IN POSITION OF SURETY WITH RESPECT TO OBLIGATIONS

Developer, for itself and its successors and assigns and for all other persons who are or who shall become, whether by express or implied assumption or otherwise, liable upon or subject to any obligation or burden under the Agreement, hereby waives, to the fullest extent permitted by law and equity, any and all claims or defenses otherwise available on the grounds of its (or their) being or having become a person in the position of surety, whether real, personal, or otherwise or whether by agreement or operation of law, including, without limitation, any and all claims and defenses based upon extension of time, indulgence or modification of this Agreement.

16.4. FORCE MAJEURE

Neither the District nor Developer, as the case may be, nor any successor-in-interest, shall be considered in breach of, or default in, its obligations with respect to the preparation of the Property for development, conveyance of the Property or the beginning and completion of construction of the Improvements, or progress in respect thereto, in the event of forced delay in the performance of such obligations due to Force Majeure. It is the purpose and intent of this provision that in the event of the occurrence of any such Force Majeure event, the time or times for performance of the obligations of the District or of Developer shall be extended for the period of the Force Majeure.

16.5. ESTOPPEL CERTIFICATE

From time to time upon request of Developer (in connection with encumbering the Property with an Approved Mortgage or an Approved Transfer) and provided that Developer is not then in default under this Agreement and no event has occurred that with the giving of notice or passage of time would constitute a default, the District will upon thirty (30) days written request of Developer issue an estoppel certificate or other instrument certifying, to the District's knowledge as of the date of such certificate or instrument, (i) that Developer is not in default under this Agreement and (ii) to such other factual matters as Developer may reasonably request.

16.6. CONFLICT OF INTERESTS; REPRESENTATIVES NOT INDIVIDUALLY LIABLE

No official, or employee of the District shall participate in any decision relating to this Agreement which affects his or her personal interests or the interests of any corporation, partnership, or association in which he or she is, directly or indirectly, interested. No director, member, official, or employee of the District or Developer shall be personally liable to the other Party or any successor-in-interest in the event of any default or breach by the District or Developer or for any amount which may become due to the other Party or such successor-in-interest or on any obligations hereunder.

16.7. PROVISIONS NOT MERGED WITH DEED

None of the provisions of this Agreement are intended to or shall be merged by reason of any deed transferring title to the Property from the District to Developer or any successor-in-interest, and any such deed shall not be deemed to have extinguished such provisions nor to have otherwise affected or impaired the provisions and covenants of the Agreement.

16.8. TITLES OF ARTICLES AND SECTIONS

Titles and captions of the several parts, articles and sections of this Agreement are inserted for convenient reference only and shall be disregarded in construing or interpreting Agreement provisions.

16.9. SINGULAR AND PLURAL USAGE; GENDER

Whenever the sense of this Agreement so requires, the use herein of the singular number shall be deemed to include the plural; the masculine gender shall be deemed to include the feminine or neuter gender; and the neuter gender shall be deemed to include the masculine or feminine gender.

16.10. LAW APPLICABLE; FORUM FOR DISPUTES

This Agreement shall be construed in accordance with and governed by the laws of the District, without reference to the conflicts of laws provisions thereof. The District and Developer irrevocably submit to the jurisdiction of (a) the courts of the District of Columbia and (b) the United States District Court for the District of Columbia for the purposes of any suit, action, or other proceeding arising out of this Agreement or any transaction contemplated hereby. The District and Developer irrevocably and unconditionally waive any objection to the laying of venue of any action, suit, or proceeding arising out of this Agreement or the transactions contemplated hereby in (a) the courts of the District of Columbia and (b) the United States District Court for the District of Columbia, and hereby further waive and agree not to plead or claim in any such court that any such action, suit, or proceeding brought in any such court has been brought in an inconvenient forum.

16.11. ENTIRE AGREEMENT

This Agreement, together with the Exhibits hereto (and any other agreements expressly contemplated hereby or thereby), constitutes the entire agreement and understanding between the Parties and supersedes all prior agreements and understandings related to the subject matter hereof. All Exhibits are incorporated herein by reference, whether or not so stated. In the event of any conflict between the Exhibits and this Agreement, this Agreement shall control until the Closing Date.

16.12. COUNTERPARTS

This Agreement may be executed in several original or telefaxed counterparts, which shall be treated as originals for all purposes, and all so executed shall constitute one agreement, binding on all of the parties hereto, notwithstanding that all the parties may not be signatories to the original or the same counterpart. Any such original or telefaxed counterpart shall be admissible into evidence as an original hereof against the person or entity who or which executed it; provided, however, that a full and complete set of any such original or telefaxed signature pages or copies thereof evidencing the intended execution of this Agreement by all parties hereto must be produced if this Agreement is to be considered binding upon all parties hereto.

16.13. CONTINGENT UPON APPROVAL

Notwithstanding anything to the contrary contained herein, the District's performance of its obligations under this Agreement shall be contingent upon the approval of the Council of the District of Columbia of the disposition of the Property to Developer pursuant to the terms of this Agreement. Upon such approval and the full execution and delivery of this Agreement by Developer and the District, such contingency shall be irrevocably deemed to have been satisfied. The District shall not be obligated to provide any subsidy referenced in this Agreement to Developer in the absence of an executed grant agreement for such subsidy and approval thereof by the Council of the District of Columbia, if required.

16.14. TIME OF PERFORMANCE

All dates for performance (including cure) shall expire at 5:00 p.m. (Eastern time) on the performance or cure date. A performance date which falls on a Saturday, Sunday or District holiday is automatically extended to the next Business Day.

16.15. SUCCESSORS AND ASSIGNS

This Agreement shall be binding upon and, subject to the provisions of **ARTICLE 9** and **ARTICLE 14**, shall inure to the benefit of, the successors and assigns of the District and Developer, and where the term **"Developer"** or **"District"** is used in this Agreement, it shall mean and include their respective successors and assigns. Furthermore, with respect to the District, it shall mean and include, without limitation and as applicable, HUD, and/or the United States.

16.16. ATTORNEYS' FEES

In the event that either party brings a legal action to enforce rights under this Agreement, the prevailing party in any such proceeding will be entitled to recover its reasonable attorneys' fees and costs of the proceeding. In the event the District is represented by the Office of the Attorney General for the District of Columbia, reasonable attorneys' fees shall be calculated based on an equivalent amount that a private firm of comparable size to the Office of the

Attorney General for the District of Columbia in the Washington, D.C. area would have charged for such representation based on the number of hours employees of the Office of the Attorney General for the District of Columbia participated in any such litigation.

16.17. THIRD PARTY BENEFICIARY

Except for any Approved Mortgagee, which is an intended third party beneficiary of this Agreement, no Person shall be a third party beneficiary of this Agreement.

16.18. WAIVER OF JURY TRIAL

TO THE EXTENT PERMITTED BY LAW, ALL SIGNATORIES HERETO WAIVE THE RIGHT TO TRIAL BY JURY IN CONNECTION WITH ANY LITIGATION ARISING IN RESPECT OF THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY.

16.19. FURTHER ASSURANCES; CONSENT

Each party agrees to execute and deliver to the other party such additional documents and instruments as the other party reasonably may request in order to fully carry out the purposes and intent of this Agreement. Unless otherwise specified herein, the District's consent shall be within the District's sole and absolute discretion. Wherever it is specifically provided in this Agreement that the District's consent is not to be unreasonably withheld, a response to a request for such consent shall also not be unreasonably delayed or conditioned. If Developer considers that the District has unreasonably withheld or delayed or conditioned a consent, Developer shall so notify the District within thirty (30) days after receipt of notice of denial of the requested consent in the case of an alleged unreasonable withholding or within thirty (30) days after making its request for the consent in the case of an unreasonable delay or condition. Failure to so notify the District within the time periods set forth in the preceding sentence shall constitute a waiver of any right Developer might have with respect thereto. In the event of a determination that the District unreasonably withheld or delayed or conditioned its consent, the requested consent shall be deemed to have been timely granted.

16.20. MODIFICATIONS AND AMENDMENTS

None of the terms or provisions of this Agreement may be changed, waived, modified or terminated except by an instrument in writing executed by both parties hereto or their respective successors in interest. None of the terms or provisions of this Agreement shall be deemed to have been abrogated or waived by reason of any failure or refusal to enforce the same.

16.21. THIRD PARTY FEES

Developer agrees to reimburse the District, up to a maximum of $400,000, for all of the District's (including NCRC's) actual out-of-pocket expenses (not including overhead expenses) incurred in connection with the satisfaction of the requirements of this Agreement, or any of the

conditions precedent to Closing, drafting, negotiation and execution of this Agreement, and closing documentation under this Agreement, closing preparation under this Agreement, review of all plans, materials, documents, information and items submitted to the District (or NCRC or any of its affiliates) under this Agreement, or any other agreement between the District and Developer providing third party expenses otherwise incurred by the District (or NCRC or any of its affiliates) in connection with the development, construction, financing, leasing, subleasing, operation or sale of the Property (including, without limitation, fees and expenses of any and all attorney(s), consultant(s) and meeting facilities charges) (collectively, **"Third Party Fees"**). All such reimbursements shall be made to such account as the District shall direct. The initial reimbursement of Third Party Fees shall occur within thirty (30) days after execution of this Agreement and thereafter shall occur monthly upon presentation of an invoice from the District. Any sum due hereunder not paid within thirty (30) days after invoice shall bear interest at the Default Rate until paid. If Developer shall fail to make any required reimbursement hereunder within thirty (30) days after invoice, the District may, at its option, upon five (5) Business Days notice to Developer, terminate this Agreement pursuant to **ARTICLE 12** hereof. The rights and obligations of the parties under this **Section 16.21** shall survive issuance of the Final Certificate of Completion and the expiration or termination of this Agreement for any reason and are not to be deemed merged into any deed of conveyance or otherwise extinguished thereby.

16.22. ANTI-DEFICIENCY LIMITATION; AUTHORITY

16.22.1. Anti-Deficiency Limitation

Though no financial obligations on the part of the District are anticipated by this Agreement, Developer acknowledges that the District is not authorized to make any obligation in advance or in the absence of lawfully available appropriations and that the District's authority to make such obligations is and shall remain subject to the provisions of (i) the federal Anti-Deficiency Act, 31 U.S.C. §§ 1341, 1342, 1349, 1350, 1351; (ii) D.C. Official Code Section 47-105; (iii) the District of Columbia Anti-Deficiency Act, D.C. Official Code §§ 47-355.01 – 355.08; and (iv) Section 446 of the District of Columbia Home Rule Act, as the foregoing statutes may be amended from time to time.

16.22.2. District's Authority

Developer acknowledges and agrees that any unauthorized act by the District is void. It is Developer's obligation to accurately ascertain the extent of the District's authority.

16.23. SUBMISSION OF AGREEMENT

The submission by the District to Developer of this Agreement in unsigned form shall be deemed to be a submission solely for Developer's consideration and not for acceptance and execution. Such submission shall have no binding force and effect, shall not constitute an option, and shall not confer any rights upon Developer or impose any obligations upon the District, irrespective of any reliance thereon, change of position or partial performance. The

submission by the District of this Agreement for execution by Developer and the actual execution of this Agreement and delivery thereof by Developer to the District shall similarly have no binding force and effect on the District unless and until the Council of the District of Columbia shall have approved the disposition of the Property to Developer pursuant to the terms of this Agreement and the District has executed this Agreement, and delivered a counterpart of this Agreement to Developer.

16.24. SEVERABILITY

If any provision of this Agreement is held to be illegal, invalid or unenforceable under present or future laws, such provisions shall be fully severable, this Agreement shall be construed and enforced as if such illegal, invalid or unenforceable provision had never comprised a part of this Agreement, and the remaining provisions of this Agreement shall remain in full force and effect and shall not be affected by the illegal, invalid or unenforceable provision or by its severance from this Agreement. Furthermore, there shall be added automatically as a part of this Agreement a provision as similar in terms to such illegal, invalid or unenforceable provision as may be possible and be legal, valid and enforceable.

16.25. TIME OF THE ESSENCE; STANDARD OF PERFORMANCE

Time is of the essence with respect to all matters set forth in this Agreement. For all deadlines set forth in this Agreement the standard of performance of the party required to meet such deadlines shall be strict adherence and not reasonable adherence.

16.26. NO PARTNERSHIP

Nothing contained herein shall be deemed or construed by the parties hereto or any third party as creating the relationship of principal and agent or of partnership or of joint venture between Developer and the District.

16.27. PATRIOT ACT

Neither Developer nor any Person owning directly or indirectly any interest in Developer has engaged in any dealings or transactions (i) in contravention of the applicable money laundering laws or regulations or conventions or (ii) in contravention of Executive Order No. 13224 dated September 24, 2001 issued by the President of the United States (Executive Order Blocking Property and Prohibiting Transactions with Persons Who Commit, Threaten to Commit, or Support Terrorism), as may be amended or supplemented from time-to-time or any published terrorist or watch list that may exist from time to time. Neither Developer nor any Person owning directly or indirectly any interest in Developer (a) is or will be conducting any business or engaging in any transaction with any person appearing on the list maintained by the U.S. Treasury Department's Office of Foreign Assets Control list located at 31 C.F.R., Chapter V, Appendix A or (b) is a person described in Section 1 of the Anti-Terrorism Order.

16.28. SHARING OF COST SAVINGS

Pursuant to Developer's pro forma financials attached as **Exhibit N**, the total hard costs to construct the Commercial Development and the Residential Development are anticipated to be eighty-three million one hundred forty-seven thousand seventy-one dollars ($83,147,071, hereinafter referred to as the "Hard Cost Total"). The Construction Contract shall include a guaranteed maximum price for the construction of the Commercial Development and Residential Development ("Guaranteed Maximum Price"). If the Guaranteed Maximum Price specified in the Construction Contract is less than the Hard Cost Total, the amount of TIF financing, grants and/or other subsidies referenced in **Section 3.4** shall be reduced by twenty-five percent (25%) of the difference between such Guaranteed Maximum Price and the Hard Cost Total. Notwithstanding anything to the contrary set forth in this Agreement, the Contractor shall not be an Affiliate of Developer. Prior to executing the Construction Contract, Developer shall submit the proposed Construction Contract to the District for the District's review and approval. At the time the proposed Construction Contract is submitted to the District for approval, Developer and Contractor shall also provide a joint certification to the District that the Construction Contract negotiated between the parties is an arm's-length transaction and that the Contractor is not an Affiliate of Developer.

16.29. TIF NOTE

Following the receipt of all necessary approvals from the Council of the District of Columbia, it is contemplated that the District will, assuming the satisfaction of all conditions precedent to the issuance and delivery thereof, issue at Closing a tax increment financing note ("**TIF Note**") with a term of 15 years in the gross amount of $6,418,320. At Closing, the TIF Note will be placed into escrow and shall not be released from escrow until occupancy of the Radio One/TV One Leased Space by Radio One/TV One. No interest shall accrue on the TIF Note until it is released from escrow. The TIF Note will not be a general obligation of the District and shall not be a pledge of or involve the full faith and credit or taxing power of the District (other than with respect to any specific tax increment revenues allocated to the Project). The District will not guarantee payment on the TIF Note. Through the TIF Note, the District will pledge to provide Developer with all "available" incremental real property and sales taxes generated by the Project, until the TIF Note is extinguished pursuant to its terms; however, there will be no specific amount pledged each year. The incremental real property tax will be reduced by the set-aside percentage for the District's general obligation bonds before becoming "available" to pay the TIF Note. Similarly, the incremental sales tax will be reduced by the percentage of applicable sales tax pledged to the Washington Convention Center Authority. If the TIF Note is paid off before the 15 year term has expired, the TIF Note will be extinguished. If the 15-year term of the TIF Note expires but the TIF Note has not been paid in full, the TIF Note will nonetheless be extinguished.

IN TESTIMONY WHEREOF, the District has caused this Land Disposition and Development Agreement to be signed in its name by Adrian M. Fenty, Mayor of the District of Columbia, and Neil O. Albert, the Deputy Mayor for Planning and Economic Development, its duly authorized representatives, as of the first date hereinabove mentioned.

WITNESS:

DISTRICT OF COLUMBIA

_____

By: _____
Adrian M. Fenty
Mayor

_____

By: _____
Neil O. Albert
Deputy Mayor for Planning and Economic Development

Approved for Legal Sufficiency:

Office of the Attorney General for the District of Columbia

By: _____
Emily K. Morris
Assistant Attorney General

IN TESTIMONY WHEREOF, BRP, in accordance with a duly adopted resolution, has caused this Land Disposition and Development Agreement to be signed in its corporate name by FP/Ellis Development, LLC, a Virginia limited liability company, its Manager, which caused this instrument to be signed by Four Points, LLC, a Virginia limited liability company, its Manager, which caused this instrument to be signed by Four Points Manager, LLC, a Virginia limited liability company, its Manager, which in turn caused this instrument to be signed by Thomas G. Hotz, its Managing Member, and witnessed by Stan Voudrie, and does hereby constitute and appoint each such signatory its true and lawful Attorney-in-Fact for it and in its name to acknowledge and deliver this Agreement as its act and deed as of the first date hereinabove mentioned.

BROADCAST RESIDENTIAL PARTNERS, LLC

By: FP/Ellis Development, LLC, its Manager

By: Four Points, LLC, its Manager

By: Four Points Manager, LLC, its Manager

WITNESS:

Stan Voudrie

By: _____
Thomas G. Hotz
Managing Member

This Land Disposition and Development Agreement is hereby acknowledged and agreed by the following Members of FP/Ellis Development, LLC, the Managing Member of BRP, solely for the purposes of **ARTICLE 9** of such Agreement.

FOUR POINTS, LLC

By: Four Points Manager, LLC, its Manager

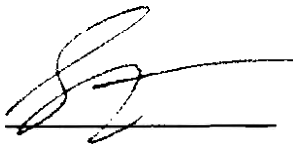
WITNESS:

Stan Voudrie

By: _____
Thomas G. Hotz
Managing Member

ELLIS ENTERPRISES, LLC

WITNESS:



By: _____

Roy A. Ellis
President

IN TESTIMONY WHEREOF, BCP, in accordance with a duly adopted resolution, has caused this Land Disposition and Development Agreement to be signed in its corporate name by FP/Ellis Development, LLC, a Virginia limited liability company, its Manager, which caused this instrument to be signed by Four Points, LLC, a Virginia limited liability company, its Manager, which caused this instrument to be signed by Four Points Manager, LLC, a Virginia limited liability company, its Manager, which in turn caused this instrument to be signed by Thomas G. Hotz, its Managing Member, and witnessed by Stan Voudrie, and does hereby constitute and appoint each such signatory its true and lawful Attorney-in-Fact for it and in its name to acknowledge and deliver this Agreement as its act and deed as of the first date hereinabove mentioned.

BROADCAST CENTER PARTNERS, LLC

By: FP/Ellis Development, LLC, its Manager

By: Four Points, LLC, its Manager

By: Four Points Manager, LLC, its Manager

WITNESS:

Stan Voudrie

By: _____
Thomas G. Hotz
Managing Member

This Land Disposition and Development Agreement is hereby acknowledged and agreed by the following Members of FP/Ellis Development, LLC, the Managing Member of BCP, solely for the purposes of **ARTICLE 9** of such Agreement.

FOUR POINTS, LLC

By: Four Points Manager, LLC, its Manager

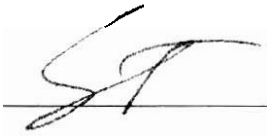
WITNESS:

Stand Voudrie

By: _____
Thomas G. Hotz
Managing Member

ELLIS ENTERPRISES, LLC

WITNESS:



By: _____

Roy A. Ellis
President

ACKNOWLEDGEMENT

UNITED STATES OF AMERICA

ss

DISTRICT OF COLUMBIA

I, Alan Heymann, a Notary Public in and for the District of Columbia, DO HEREBY CERTIFY THAT Adrian M. Fenty, Mayor of the District of Columbia, and Neil O. Albert, the Deputy Mayor for Planning and Economic Development, who are personally known to me (or proved by oaths of credible witnesses) to be the persons named as the duly authorized representative of the District of Columbia in the foregoing and annexed Land Disposition and Development Agreement, bearing the date of the 24th day of January, 2008, personally appeared before me in said District of Columbia, and as the duly authorized representative as aforesaid, acknowledged the same to be the act and deed of the DISTRICT OF COLUMBIA, one of the Parties thereto.

IN TESTIMONY WHEREOF, I have hereunto set my hand and official seal this 24th day of January, 2008.

NOTARY PUBLIC

SEAL

My Commission Expires: 4/21/2012

ACKNOWLEDGEMENT

UNITED STATES OF AMERICA

ss

DISTRICT OF COLUMBIA

I, Alan Heymann, a Notary Public in and for the District of Columbia, DO HEREBY CERTIFY THAT Thomas G. Hotz, who is personally known to me (or proved by oaths of credible witnesses to be) the person named as the Attorney-In-Fact in the foregoing and annexed Land Disposition and Development Agreement, bearing the date of the 24th day of January, 2008, personally appeared before me in said District of Columbia, and as Attorney-In-Fact as aforesaid, acknowledged the same to be the act and deed of Broadcast Residential Partners, LLC, one of the Parties thereto.

IN TESTIMONY WHEREOF, I have hereunto set my hand and official seal this 24th day of January, 2008.

NOTARY PUBLIC

SEAL

My Commission Expires:

4/14/2012

ACKNOWLEDGEMENT

UNITED STATES OF AMERICA

ss.

DISTRICT OF COLUMBIA

I, Alan Heymann, a Notary Public in and for the District of Columbia, DO HEREBY CERTIFY THAT Thomas G. Hotz, who is personally known to me (or proved by oaths of credible witnesses to be) the person named as the Attorney-In-Fact in the foregoing and annexed Land Disposition and Development Agreement, bearing the date of the 24th day of January, 2008, personally appeared before me in said District of Columbia, and as Attorney-In-Fact as aforesaid, acknowledged the same to be the act and deed of Broadcast Center Partners, LLC, one of the Parties thereto.

IN TESTIMONY WHEREOF, I have hereunto set my hand and official seal this 24th day of January, 2008.

NOTARY PUBLIC

SEAL

My Commission Expires:

4/14/2012

Exhibit A

Description of Property

A. Residential Development Property

All of Lots 21 through 25 inclusive, in Square 441, District of Columbia, as the same are set forth on that certain plat of subdivision made by C.H. Wiltberger and recorded September 5, 1857 in Subdivision Book "B" at page 110 among the Records of the Office of the Surveyor of the District of Columbia; and

All of Lot 66 in Square 441, District of Columbia, as the same is set forth on that certain plat of subdivision made by Jas. L. Barbour, trustee, and Theodor Meyer, recorded May 14, 1880 in Subdivision Book 10 at page 129 among said Records; and

All of Lot 97 in Square 441, District of Columbia, as the same is set forth on that certain plat of subdivision made by Lewis R. Dixon and recorded September 30, 1996 in Subdivision Book 189 at page 139 among said Records; and

All of the land known for purposes of Assessment and Taxation, at the date hereof, as Lot 855 in Square 441, District of Columbia, as the same is set forth among the Records of the Office of Tax & Revenue of the District of Columbia;

TOGETHER WITH

All of that certain 3-foot-wide Private Alley in Square 441, District of Columbia, as the same is set forth on plat of subdivision made by Jas. L. Barbour, trustee, and Theodor Meyer, recorded May 14, 1880 in Subdivision Book 10 at page 129 among said Records;

All of the abovesaid land being more particularly described, in a single consolidated perimeter outline, pursuant to said Records, as follows:

BEGINNING at a point on the east line of 7th Street, N.W. (85 ft. wide), at the common west (front) corner of Lots 855 and 856 in said Square as shown among said Records, said point of beginning lying DISTANT Due NORTH, 175.875 feet from the north line of S Street, N.W. (90 ft. wide); thence departing Lot 856 and running with said east line of 7th Street. N.W.

1) Due NORTH, 239.955 feet to the common front (west) corner of Lots 66 and 67 in said Square; thence departing 7th Street, N.W. and running with the common dividing line between said Lots

2) Due EAST, 70.00 feet to the common rear (east) corner of said Lots; thence departing Lot 66 and running with the rear lines of Lots 67 and 68 in said Square

3) Due NORTH, 34.17 feet to the south line of T Street, N.W. (90 ft. wide) as shown among said Records; thence departing Lots 67 and 68 and running with said line

4) Due EAST, 58.00 feet to the northwest corner of a 15 ft. wide Public Alley in said Square; thence departing T Street, N.W. and running with the west line of said Public Alley

5) Due SOUTH, 274.125 feet to the common rear (east) corner of Lots 855 and 856; thence departing said 15 ft. wide Public Alley and running with the common dividing line between said Lots

6) Due WEST, 128.00 feet to the place of beginning, containing 32,696 square feet or 0.75060 of an acre of land.

B. Commercial Development Property

18,366 square feet of that certain land known for purposes of assessment and taxation, at the date hereof, as Lot 856 in Square 441, District of Columbia, being the remaining part of said Lot 856, ***excluding*** a passenger elevator and escalator serving WMATA's Shaw-Howard University Metro Station; said 18,366 square foot part of Lot 856 being more particularly described as follows:

BEGINNING at the southwest corner of both Lot 856 and Square 441, being the intersection of the north line of S Street, N.W. (90 ft. wide) and the east line of 7th Street, N.W. (85 ft. wide); thence departing S Street, N.W. and running with said east line of 7th Street, N.W.

1) Due NORTH, 65.59 feet; thence departing 7th Street, N.W. and running into Lot 856, so as to exclude a 3,666 square foot parcel containing a passenger escalator serving WMATA's Shaw-Howard University Metro Station

2) Due EAST, 45.26 feet; thence

3) Due NORTH, 81.00 feet; thence

4) Due WEST, 45.26 feet to the aforesaid east line of 7th Street, N.W.; thence again with said line

Due NORTH, 26.285 feet to the common west corner of Lots 855 and 856 in Square 441; thence again departing 7th Street, N.W. and running with the common dividing line between said Lots

Due EAST, 128.00 feet to the common east corner of said Lots, being a point on the west line of a 15 foot wide Public Alley in said Square; thence departing Lot 855 and running with said line of Public Alley

7) Due SOUTH, 175.875 feet to the aforementioned north of line of S Street, N.W.; thence departing said Public Alley and running with said line of street

8) Due WEST, 75.74 feet; thence departing S Street, N.W. and running into Lot 856 so as to exclude a 480 square foot parcel containing a passenger elevator serving WMATA's Shaw-Howard University Metro Station

9) Due NORTH, 15.00 feet; thence

10) Due WEST, 32.00 feet; thence

11) Due SOUTH, 15.00 feet to the previously mentioned north line of S Street, N.W.; thence again with said line of street

Due WEST, 20.26 feet to the place of beginning containing 18,366 square feet or 0.42163 of an acre of land.

Exhibit B-1

Deed of Conveyance

(Commercial Development Property)

EXHIBIT B-1

SPECIAL WARRANTY DEED AND RESERVATION

THIS SPECIAL WARRANTY DEED AND RESERVATION ("**Deed**") is made as of the _____ day of _____, 200__, by and between **DISTRICT OF COLUMBIA**, a municipal corporation, as the owner (collectively with its successors, assigns, agents, and representatives, "Grantor"), acting by and through the Office of the Deputy Mayor for Planning and Economic Development, and **BROADCAST CENTER PARTNERS, LLC**, a District of Columbia limited liability company ("Grantee").

RECITALS

WHEREAS, Grantee desires to receive and Grantor desires to transfer all of Grantor's interest in a parcel of land consisting of _____ (_____) square feet, more or less, and situated at the corner of 7th and S Streets, N.W, in the District of Columbia, and known for purposes of assessment and taxation, according to the records of the Office of Tax and Revenue in the District of Columbia, as Lot numbered 00___ [TO BE PROVIDED FOLLOWING SUBDIVISION OF PRESENT LOT] in Square 0441 as described more fully in "**Appendix A**," attached hereto and made a part hereof (hereinafter the "**Property**"); and

WHEREAS, Grantor is reserving the right to reacquire the Property if the Grantee violates certain covenants as hereinafter set forth.

WITNESSETH

THAT, for and in consideration of the sum of One Dollar ($1.00) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Grantor does hereby grant unto Grantee and its successors and assigns in fee simple all of Grantor's right, title, and interest in and to the Property, together with any and all rights Grantor has to any land lying in the bed of any existing street, road, or alley adjoining such land, all water and mineral rights, all development rights, and all easements, rights, and other interests appurtenant thereto.

TO HAVE AND TO HOLD the above-described property unto and for the proper use, benefit and behoof of Grantee, its successors and assigns, in fee simple forever.

And Grantor covenants that it will warrant specially the Property hereby conveyed and that it will execute such further assurance of said land as may be requisite.

RESERVING UNTO GRANTOR ("Reservation") the right to reacquire the Property at the price originally conveyed plus any amounts secured by the Property that have been approved by the Mayor of the District of Columbia ("**Mayor**") for a period that shall end fifteen (15) years after the issuance of a certificate of occupancy ("**Certificate of Occupancy**") by the District of Columbia Department of Consumer and Regulatory Affairs for the base building

portions of the commercial office space Grantee is to construct on the Property ("**Reservation Period**"). Grantee shall promptly notify Grantor in writing of the issuance of the Certificate of Occupancy. Grantor may exercise its right to reacquire if: (a) Grantee constructs improvements on the Property other than a development containing (i) not less than approximately 90,000 net rentable square feet of office space; (ii) not less than 100 underground legal parking spaces; and (iii) not less than 20,000 square feet of retail space ("**Commercial Development**"); or (b) subject only to extensions for Force Majeure (as such term is defined in of that certain Land Disposition and Development Agreement, dated _____ __, 2007 ("LDA") to which Grantor and Grantee were parties relating to, inter alia, the Property), Grantee fails to obtain the Certificate of Occupancy for the base building portions of the commercial office space in the Commercial Development within five (5) years of the filing of this Deed among the land records of the District of Columbia ("**Land Records**").

If Grantee proposes to construct anything other than the Commercial Development or change the requirements for construction as set forth herein on the Property or any portion therein, Grantee or its successor or assigns must first receive written authorization of the Deputy Mayor for Planning and Economic Development. Upon receipt of such authorization, the Commercial Development as defined above shall be deemed modified accordingly.

Following the issuance of the Certificate of Occupancy for the commercial office space in the Commercial Development, Grantor's right to reacquire the Property under the Reservation contained herein may be exercised only in the event there is major damage to, or destruction of, the Commercial Development and the Developer fails to use commercially reasonable efforts promptly to repair and restore the Commercial Development to the condition existing prior to the casualty, subject to (i) changes necessary to comply with then current building code requirements or as otherwise approved in writing by the Deputy Mayor for Planning and Economic Development, (ii) obtaining all necessary permits and approvals, (iii) delays caused by Force Majeure, and (iv) delays resulting from negotiations with insurers regarding insurance proceeds.

Should Grantee violate any term of this Reservation, Grantor shall provide Grantee notice of such violation that shall include a thirty (30) day opportunity to cure or, in the event of a violation relating to a casualty as defined in Section 10.2 of LDA, one hundred eighty (180) day opportunity to cure, such violation of this Reservation ("**Cure Period**") and a statement of its intention to reacquire the Property should the Grantee fail to cure the violation within the Cure Period. With respect to a casualty, the Cure Period shall be extended if Grantee has commenced curative action within the Cure Period and is proceeding diligently to complete such cure. If Grantee should fail to cure any violation within the Cure Period, Grantor shall have an additional one hundred eighty (180) calendar days to complete the reacquisition ("**Re-Entry Period**"), provided that the period for reacquisition may be extended as a result of bankruptcy, litigation, or other judicial proceeding, and, provided further, that Grantor shall not reacquire the Property if the violation is cured prior to the completion of such reacquisition.

It is understood and agreed that any Approved Lender (as defined in the LDA) having a security interest in the Property shall have the same right to cure any violation of this

Reservation relating to a casualty as is herein afforded to the Grantee, provided that such right shall not extend any of the cure periods described above.

In the event that Grantor fails to reacquire the Property within the Re-Entry Period or Reservation Period, Grantee, or its successors or assigns as the fee simple owner of the Property, shall be entitled to use the Property or to sell, convey, or otherwise dispose of the Property free and clear of the Reservation and for use in a manner that is consistent with the designation of the Property on (1) the Generalized Land Use Maps adopted pursuant to D.C. Official Code § 1-301.63 and (2) the Official Zoning Map of the District of Columbia adopted pursuant to D.C. Official Code § 6-641.01.

Upon the expiration of the Reservation Period, Grantee agrees to file a certificate in the Land Records certifying that the Reservation provided herein has expired and is no longer in effect.

IN WITNESS WHEREOF, the DISTRICT OF COLUMBIA, acting by and through by Neil O. Albert, the Deputy Mayor for Planning and Economic Development, its duly authorized representative, has, on this ____ day of _____, 200__, caused this Deed to be executed, acknowledged and delivered for the purposes herein contained.

WITNESS:

By:_____

GRANTOR

DISTRICT OF COLUMBIA,
by and through the Office of the Deputy Mayor for Planning and Economic Development

By: _____
Neil O. Albert
Deputy Mayor for Planning and Economic Development

Approved for Legal Sufficiency:

_____
Emily K. Morris
Assistant Attorney General for the District of Columbia

DISTRICT OF COLUMBIA) ss:

The foregoing instrument was acknowledged before me on this ____ day of _____ 200__, by Neil O. Albert, the Deputy Mayor for Planning and Economic Development, whose name is subscribed within the instrument, being authorized to do so on behalf of the District of Columbia, has executed the foregoing and annexed document as his free act and deed.

_____

Notary Public

[Notarial Seal]

My commission expires: _____

After recording please return to:

[To Be Provided]

APPENDIX A

LEGAL DESCRIPTION

[To Be Provided]

Exhibit B-2

Deed of Conveyance

(Residential Development Property)

EXHIBIT B-2

SPECIAL WARRANTY DEED AND RESERVATION

THIS SPECIAL WARRANTY DEED AND RESERVATION ("**Deed**") is made as of the _____ **day of** _____, 200__, by and between **DISTRICT OF COLUMBIA**, a municipal corporation, as the owner (collectively with its successors, assigns, agents, and representatives, "Grantor"), acting by and through the Office of the Deputy Mayor for Planning and Economic Development, and **BROADCAST RESIDENTIAL PARTNERS, LLC**, a Virginia limited liability company ("Grantee").

RECITALS

WHEREAS, Grantee desires to receive and Grantor desires to transfer all of Grantor's interest in a parcel of land consisting of _____ (_____) square feet, more or less, and situated at the corner of 7th and S Streets, N.W, in the District of Columbia, and known for purposes of assessment and taxation, according to the records of the Office of Tax and Revenue in the District of Columbia, as Lot numbered 00___ [TO BE PROVIDED FOLLOWING SUBDIVISION OR PRESENT LOT]in Square 0441 as described more fully in "**Appendix A**," attached hereto and made a part hereof (hereinafter the "**Property**"); and

WHEREAS, Grantor is reserving the right to reacquire the Property if the Grantee violates certain covenants as hereinafter set forth.

WITNESSETH

THAT, for and in consideration of the sum of One Dollar ($1.00) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Grantor does hereby grant unto Grantee and its successors and assigns in fee simple all of Grantor's right, title, and interest in and to the Property, together with any and all rights Grantor has to any land lying in the bed of any existing street, road, or alley adjoining such land, all water and mineral rights, all development rights, and all easements, rights, and other interests appurtenant thereto.

TO HAVE AND TO HOLD the above-described property unto and for the proper use, benefit and behoof of Grantee, its successors and assigns, in fee simple forever.

And Grantor covenants that it will warrant specially the Property hereby conveyed and that it will execute such further assurance of said land as may be requisite.

RESERVING UNTO GRANTOR ("Reservation"), the right to reacquire the Property at the price originally conveyed plus any amounts secured by the Property that have been approved by the Mayor of the District of Columbia ("**Mayor**") for a period that shall end five (5) years after the issuance of a certificate of occupancy ("**Certificate of Occupancy**") by the District of Columbia Department of Consumer and Regulatory Affairs for the base building portions of the residential development Grantee is to construct on the Property ("**Reservation**

Period"). Grantee shall promptly notify Grantor in writing of the issuance of the Certificate of Occupancy. Grantor may exercise its right to reacquire if (a) Grantee constructs any improvement on the Property other than a residential housing complex containing not less than 170 apartment units, for either sale or lease, and associated parking ("**Residential Development**"); or (b) subject only to extensions for Force Majeure (as such term is defined in of that certain Land Disposition and Development Agreement, dated _____ __, 2007 ("LDA") to which Grantor and Grantee were parties relating to, inter alia, the Property), Grantee fails to obtain the certificate of Occupancy for the base building portion of the Residential Development within five (5) years of the filing of this Deed among the land records of the District of Columbia ("**Land Records**"). If Grantee proposes to construct anything other than the Residential Development or change the requirements for construction as set forth herein on the Property or any portion therein, Grantee or its successor or assigns must first receive written authorization of the Deputy Mayor for Planning and Economic Development. Upon receipt of such authorization, the Residential Development as defined above shall be deemed modified accordingly.

Should Grantee violate any term of this Reservation, Grantor shall provide Grantee notice of such violation that shall include a thirty (30) day opportunity to cure ("**Cure Period**") such violation of this Reservation and a statement of its intention to reacquire the Property should the Grantee fail to cure the violation within the Cure Period. If Grantee should fail to cure any violation within the Cure Period, Grantor shall have an additional one hundred eighty (180) calendar days to complete the reacquisition ("**Re-Entry Period**"), provided that the period for reacquisition may be extended as a result of bankruptcy, litigation, or other judicial proceeding, and provided, further, that Grantor shall not reacquire the Property if the violation is cured prior to the completion of such reacquisition.

In the event that Grantor fails to reacquire the Property within the Re-Entry Period or Reservation Period, Grantee, or its successors or assigns as the fee simple owner of the Property, shall be entitled to use the Property or to sell, convey, or otherwise dispose of the Property free and clear of the Reservation and for use in a manner that is consistent with the designation of the Property on (1) the Generalized Land Use Maps adopted pursuant to D.C. Official Code § 1-301.63 and (2) the Official Zoning Map of the District of Columbia adopted pursuant to D.C. Official Code § 6-641.01.

Notwithstanding the Reservation Period specified above, Grantor shall release its Reservation upon (1) the completion of construction of the Residential Development on the Property and Grantee's obtaining the Certificate of Occupancy for the base building portions of the Residential Development, and (2) the filing of covenants acceptable in form and substance to the Department of Housing and Community Development among the Land Records that require:

(a) no less than fifteen percent (15%) of the units in the Residential Development shall be affordable dwelling units such that (i) at least ten percent (10%) of the units in the Residential Development shall be leased or sold to households or individuals with a household income equal to or less than fifty percent (50%) of the Area Median Income using "Washington Area Uncapped Limits," ("**AMI**") as set forth in the

periodic calculation provided by the United States Department of Housing and Urban Development ("**HUD**") as a direct calculation without taking into account any adjustments made by HUD for programs it administers, as consistently applied by the District's Housing Production Trust Fund Program; and (ii) at least five percent (5%) of the units in the Residential Development shall be leased or sold to households or individuals with a household income equal to or less than eighty percent (80%) of AMI; and

(b) no less than ten percent (10%) of the units in the Residential Development shall be workforce housing units which (i) shall be leased or sold to households or individuals with a household income equal to or less than one hundred twenty percent (120%) of the AMI; and (ii) shall be offered to such households for lease or sale in accordance with applicable laws and regulations in the following order of priority: (1) employees of the District of Columbia and its instrumentalities; (2) other District residents; and (3) the general public.

Upon the release of the Reservation or expiration of the Reservation Period, Grantee agrees to file a certificate in the Land Records certifying that the Reservation provided herein is no longer in effect.

It is contemplated that, following the delivery of this Deed, Grantee will consolidate the Property with parcels of land adjacent to the Property that will be used in the construction of the Residential Development. Upon such consolidation, this Deed shall be amended to provide that the Reservation set forth herein shall be extended to the entire consolidated parcel of property upon the terms and conditions set forth herein and such other terms and conditions as are mutually acceptable to Grantor and Grantee.

[Signatures to follow on next page]

IN WITNESS WHEREOF, the DISTRICT OF COLUMBIA, acting by and through by Neil O. Albert, the Deputy Mayor for Planning and Economic Development, its duly authorized representative, has, on this ____ day of _____, 200__, caused this Deed to be executed, acknowledged and delivered for the purposes herein contained.

WITNESS:

GRANTOR

DISTRICT OF COLUMBIA,
by and through the Office of the Deputy Mayor for Planning and Economic Development

By:_____

By: _____
Neil O. Albert
Deputy Mayor for Planning and Economic Development

Approved for Legal Sufficiency:

_____
Emily K. Morris
Assistant Attorney General for the District of Columbia

DISTRICT OF COLUMBIA) ss:

The foregoing instrument was acknowledged before me on this ____ day of _____ 200__ by Neil O. Albert, the Deputy Mayor for Planning and Economic Development, whose name is subscribed within the instrument, being authorized to do so on behalf of the District of Columbia, has executed the foregoing and annexed document as his free act and deed.

_____
Notary Public

[Notarial Seal]

My commission expires: _____

After recording please return to:

[To Be Provided]

APPENDIX A

LEGAL DESCRIPTION

[To Be Provided]

Exhibit C

Note

EXHIBIT C

DEFERRED PURCHASE MONEY
DEED OF TRUST NOTE

$[Allocation of Purchase Price] Date: _____ ____, 200_

FOR VALUE RECEIVED, the undersigned **[BROADCAST RESIDENTIAL PARTNERS, LLC**, a Virginia limited liability company][**BROADCAST CENTER PARTNERS, LLC**, a District of Columbia limited liability company,] (hereinafter referred to as the **"Borrower"**), with a business address of _____ _____ and acting by and through its _____ _____, promises to pay to the order of the **DISTRICT OF COLUMBIA** (hereinafter referred to as the **"Lender"**) a municipal corporation at its business address of John A. Wilson Building, 1350 Pennsylvania Ave., N.W., Suite 317, Washington, D.C. 20004, for deposit to the funds administered by the District of Columbia Office of the Deputy Mayor for Planning and Economic Development, or at such other place as Lender may from time to time designate in writing, in lawful money of the United States of America, the principal sum of [PURCHASE PRICE ALLOCABLE TO THE COMMERCIAL DEVELOPMENT PROPERTY OR THE RESIDENTIAL DEVELOPMENT PROPERTY AS APPLICABLE BASED ON THE SQ FOOTAGE OF EACH TO PARCEL 33 – THIS WILL BE THE SAME NUMBER USED IN THE RELATED DEED OF TRUST] _____ NO/100 DOLLARS ($_,___,___.00), for deferred purchase money, together with accrued interest thereon at the rate or rates hereinafter provided, in accordance with the following:

1. This Deferred Purchase Money Deed of Trust Note (this **"Note"**) evidences the obligation incurred by Borrower in consideration for the conveyance by Lender to Borrower of certain real property known as [INSERT APPLICABLE PARCEL INFORMATION], as more particularly described in the hereinafter described "Deed of Trust," (the **"Property"**) in the amount of [PURCHASE PRICE ALLOCABLE TO THE COMMERCIAL DEVELOPMENT PROPERTY OR THE RESIDENTIAL DEVELOPMENT PROPERTY AS APPLICABLE] _____ NO/100 DOLLARS ($_,___,___.00), (the **"Purchase Price"**) subject to certain terms and conditions of a Land Disposition and Development Agreement, dated _____ ____, 2007, between the Borrower and the Lender (the **"LDA"**). The disposition of the Property by Lender pursuant to the LDA was approved by the Council of the District of Columbia in Act 17- (dated _____ ____, 2007).

2. Commencing as of the date of this Note and continuing until repayment in full of all sums due hereunder, the unpaid principal balance hereof from time-to-time shall bear interest at the fixed rate of six percent (6.0%) per annum; provided, however, that, (i) if any of the milestones identified in **Exhibit A**, attached hereto and incorporated herein by reference, are missed, the interest rate on this Note shall be increased by 1% for each milestone missed until such milestone is achieved, at which

time, the interest rate on this Note shall decrease 1%, and (ii) on _____ ___, 202_ [15th anniversary of this Note] and each year on the anniversary thereof, the interest rate on this Note shall be increased by 1%. In no event, however, shall the interest rate on this Note exceed 12% per annum. All interest payable under the terms of this Note shall be calculated on a quarterly basis.

3. So long as (a) any quarterly installment under this Note remains past due for 30 days or more, or (b) any other Event of Default has occurred and is continuing, interest under this Note shall accrue on the unpaid principal balance from the earlier of the due date of the first unpaid monthly installment or the occurrence of such other Event of Default, as applicable, at a rate (the **"Default Rate"**) equal to twelve percent (12%) per annum until such Event of Default is cured.

4. If the Borrower shall fail to make any payment under the terms of this Note within thirty (30) days after the date such payment is due, other than at maturity or upon acceleration, the Borrower shall pay to the Lender on demand a late charge equal to five percent (5%) of such payment.

5. The entire principal sum of this Note, together with all accrued interest thereon, all late payment fees, and all other charges hereinafter set forth, shall be payable as follows:

(a) No payments of principal and interest shall be required under this Note for the Accrual Period, although interest shall accrue on the unpaid principal balance of the Note throughout the Accrual Period. The Accrual Period shall commence on the date of this Note and expire on the earlier of (i) the beginning of the thirty-seventh (37th) month following the date of this Note or (ii) the issuance of a certificate of occupancy for the [commercial development][residential development] that Borrower is constructing.

(b) Regardless of whether the Accrual Period has expired, if the accrued interest on this Note is equal to 20% or more of the original principal balance of this Note, Borrower shall begin paying the current interest thereafter accruing on the Note each quarter.

(c) Following the expiration of the Accrual Period, and continuing on the first day of each consecutive quarter thereafter until maturity, Borrower will make quarterly payments of principal and interest on this Note on the basis of a fifteen (15) year amortization schedule.

(d) Unless sooner paid, the unpaid principal balance, together with interest accrued and all outstanding late payment fees, and other charges, shall be due and payable in full on the earlier of (i) the end of the fifteenth (15th) year after issuance of the certificate of occupancy for the development that Borrower is constructing; (ii) the eighteenth (18th) anniversary of this Note; (iii) a Capital Event as defined below; or (iv) an Event of Default as defined below (the **"Maturity Date"**). The unpaid principal balance shall continue to bear interest after the Maturity Date at the Default Rate set forth in this Note until and including the date on which it is paid in full.

(e) A Capital Event is defined as one of the following events: (i) refinancing of the construction loan or any permanent loan (but only to the extent that there are excess proceeds after repayment of any construction loan or permanent loan to which the Deed of Trust is subordinate); (ii) sale, exchange, transfer, assignment or other disposition of the Property; (iii) change in ownership of the membership interests in Borrower held by the Borrower's managing members and denominated as a "Class A" membership interest which is not approved by Lender; (iv) involuntary conversion of the Property; or (v) a casualty event in which the construction loan or permanent loan lenders do not allow the casualty insurance proceeds to be used to restore the improvements constructed on the Property and Borrower is unable to demonstrate to Lender's reasonable satisfaction that Borrower has sufficient funds to restore the improvements.

6. All payments, made on account of this Note after the expiration of the Accrual Period shall be applied: first, to the payment of any late charge then due hereunder; second, to the payment of accrued and unpaid interest then due hereunder; third, to the payment of interest accrued during the Accrual Period that has been deferred, and the remainder, if any, shall be applied to the unpaid principal balance of this Note, with application first made to all principal installments then due hereunder. Any accrued interest remaining past due for 30 days or more shall be added to and become part of the unpaid principal balance and shall bear interest at the rate or rates specified in this Note, and any reference below to "accrued interest" shall refer to accrued interest which has not become part of the unpaid principal balance.

7. This Note is secured by that certain Deferred Purchase Money Deed of Trust bearing even date herewith, (the **"Deed of Trust"**) from the Borrower, as grantor, to the trustee(s) named therein for the benefit of Lender. All of the terms, conditions, and provisions of the Deed of Trust are each hereby incorporated in and made a part of this Note by this reference. This Note is entitled to the benefits of, and to the security provided or to be provided by, the Deed of Trust which contains provisions for the acceleration of the maturity hereof upon the happening of certain stated events. The Borrower promises and agrees to keep, observe and perform all of the terms, covenants, provisions, conditions, stipulations, promises, and agreements contained in the Deed of Trust which are to be kept, observed and performed by the Borrower to the extent and with the same force and effect as if they were fully set forth herein. (This Note, the Deed of Trust and the LDA, together with any other documents executed by Borrower or Lender in connection with the conveyance of the Property to Borrower and the transaction described herein are hereinafter collectively referred to as the **"Loan Documents."**)

8. This Note shall be deemed satisfied and the Deed of Trust released upon the full payment of the principal sum of this Note, any and all accrued interest hereunder, and all other moneys payable under the Note and the Deed of Trust. The Lender shall execute such further assurances and confirmations of the satisfaction of this Note as may be reasonably requested by Borrower upon satisfaction of the conditions of satisfaction of this Note set forth above, including, marking the Note "CANCELED" and returning it to Borrower.

9. Borrower may prepay this Note at any time without notice, premium or penalty. The foregoing shall not be interpreted to release Borrower from its obligation to pay any interest,

costs or other charges that have accrued under this Note and the Deed of Trust at the time of prepayment.

10. The occurrence of any one or more of the following events shall constitute an event of default (individually, an **"Event of Default"** and collectively, the **"Events of Default"**) under the terms of this Note:

(a) The failure of the Borrower to pay to the Lender when due any and all amounts payable by the Borrower to the Lender under the terms of this Note; or

(b) The occurrence of an event of default (as defined therein) under the terms and conditions of the Deed of Trust or any of the other Loan Documents.

11. Upon the occurrence of any Event of Default, the Lender, at its option, may (i) declare the entire outstanding principal balance hereof, together with all unpaid and accrued interest thereon to be immediately due and payable in full without demand or further notice to the Borrower or any other person or entity, and/or (ii) the Lender shall have all of the rights, powers, and remedies available under the terms of this Note, the Deed of Trust and any of the other Loan Documents and all applicable laws. The failure of the Lender to exercise any right hereunder with respect to any uncured default, or the acceptance by the Lender of partial payments or partial performance, shall not constitute its waiver of the right to the later exercise thereof, in the absence of a written agreement to the contrary executed and delivered by the Lender subsequent to such default. Acceleration of maturity, once claimed hereunder by the Lender, may at its option be rescinded by written acknowledgement to that effect, but the tender and acceptance of partial payment or partial performance alone shall not in any way affect or rescind such acceleration of maturity. The rights, remedies and powers of the Lender, as provided in this Note or the Deed of Trust, are cumulative and concurrent, and may be pursued singly, successively or together against the Borrower, any guarantor, the real and personal property encumbered by the Deed of Trust or any part thereof, and any other security given at any time to secure the payment hereof, all at the sole discretion of the Lender, and may be exercised as often as occasion therefor shall arise.

12. After the occurrence of an Event of Default (whether or not notice has been sent), if Lender retains an attorney for any reason for enforcement or collection of this Note or the Deed of Trust, or if this Note is not paid when due, whether at maturity or by acceleration, or the Lender seeks collection by legal proceedings or through the probate or bankruptcy courts or under District of Columbia insolvency proceedings, or under foreclosure proceedings under the Deed of Trust, then all costs, expenses and reasonable attorneys' fees (if permitted by law), whether suit be brought or not, including all costs and reasonable attorneys' fees incurred by virtue of any appeal or appeals from any such proceedings, shall be added hereto and shall be collectible as the principal sum hereof. In any such event, if the Lender is represented by the Office of the Attorney General for the District of Columbia (**"OAG"**), reasonable attorneys' fees shall be calculated based on an equivalent amount that a private firm of a comparable size to the OAG in the Washington, DC area would have charged for such representation based on the number of hours OAG utilized to collect or enforce the provisions of the Loan Documents.

13. In addition to all further or additional waivers made under the Deed of Trust, the Borrower and all endorsers, guarantors, and other parties primarily or secondarily liable on this Note each hereby: (a) waives presentment for payment, protest and demand; (b) waives with respect to this Note notice of non payment (whether at maturity or otherwise), notice of dishonor and protest, any and all lack of diligence or delays in collection or enforcement and indulgences and notices of every kind; (c) expressly agrees, jointly and severally, to remain and continue to be bound for the payment of the principal, interest and other sums provided for by the terms of this Note notwithstanding (i) any extension or extensions of time of or for the payment of said principal, interest or other sums due under this Note, (ii) any change or changes in the amount or amounts agreed to be paid under and by virtue of the obligation to pay provided for in this Note, (iii) any change or changes by way of release or surrender of any property or rights to property held as security for this Note, or (iv) any release of any party liable hereunder or substitution or addition of additional parties hereto; and (d) waives all and every kind of notice of such extension or extensions, change or changes, and agrees that the same may be made without the joinder of any of the parties executing this Note (except for the parties constituting Borrower) or the endorsers or guarantors of, or other parties primarily or secondarily liable upon, this Note.

14. Borrower warrants and represents that (i) the initial amount of the indebtedness evidenced by this Note is more than $1,000, Borrower is a corporation, partnership or other entity, and the loan is made for the purposes of carrying on a business or commercial activity or for investment purposes within the meaning of D.C. Official Code § 28-3301 (2001 Ed.), and (ii) as of the date hereof, Borrower has no defense to any action or proceeding to enforce this Note or the Deed of Trust or the security provided Lender by the execution, delivery and recording (if applicable) of the Deed of Trust. The foregoing representations and warranties are made with the intent that Lender rely thereon.

15. This Note and the Deed of Trust are to be construed, interpreted and enforced according to, and to be governed by, the laws of the District of Columbia.

16. This Note may be changed only by an agreement in writing signed by the Lender and the Borrower or then present obligor under this Note. In the event any one or more of the provisions contained in this Note and/or the Deed of Trust shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality or unenforceability shall, at the option of the Lender, not affect any other provision of this Note and/or the Deed of Trust; but this Note and/or the Deed of Trust shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein or therein. Whenever used, the singular number shall include the plural, the plural the singular, and the use of any gender shall be applicable to all genders.

17. Any notice, request, or demand to or upon the Borrower or the Lender shall be deemed to have been properly given or made when delivered in accordance with Article 15 of the LDA.

18. In the event any provision of this Note (or any part of any provision) is held by a court of competent jurisdiction to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision (or remaining part of the affected provision) of this Note; but this Note shall be construed as if such invalid, illegal, or unenforceable provision (or part thereof) had not been contained in this Note, but only to the extent it is invalid, illegal, or unenforceable.

19. The Borrower irrevocably submits to the jurisdiction of any state or federal court sitting in the District of Columbia over any suit, action, or proceeding arising out of or relating to this Note, the Deed of Trust or any of the other Loan Documents. The Borrower irrevocably waives, to the fullest extent permitted by law, any objection that the Borrower may now or hereafter have to the laying of venue of any such suit, action, or proceeding brought in any such court and any claim that any such suit, action, or proceeding brought in any such court has been brought in an inconvenient forum. Final judgment in any such suit, action, or proceeding brought in any such court shall be conclusive and binding upon the Borrower and may be enforced in any court in which the Borrower is subject to jurisdiction by a suit upon such judgment, provided that service of process is effected upon the Borrower as provided in this Note or as otherwise permitted by applicable law.

20. WAIVER OF JURY TRIAL. THE BORROWER HEREBY COVENANTS AND AGREES NOT TO ELECT A TRIAL BY JURY OF ANY ISSUE ARISING UNDER OR WITH RESPECT TO THIS NOTE OR THE DEED OF TRUST TRIABLE BY A JURY AND WAIVES ANY RIGHT TO TRIAL BY JURY WITH RESPECT THERETO FULLY TO THE EXTENT THAT ANY SUCH RIGHT SHALL NOW OR HEREAFTER EXIST. THE FOREGOING WAIVER IS GIVEN KNOWINGLY, VOLUNTARILY AND INTENTIONALLY BY THE BORROWER AND THIS WAIVER IS INTENDED TO ENCOMPASS INDIVIDUALLY EACH INSTANCE AND EACH ISSUE AS TO WHICH THE RIGHT TO A JURY TRIAL WOULD OTHERWISE ACCRUE, INCLUDING, WITHOUT LIMITATION, ANY OTHER STATEMENTS OR ACTIONS OF THE LENDER. THE BORROWER ACKNOWLEDGES THAT THIS WAIVER IS A MATERIAL INDUCEMENT FOR THE LENDER TO ACCEPT THIS NOTE AND THE DEED OF TRUST, AND THAT THIS WAIVER SHALL BE EFFECTIVE AS TO THE DEED OF TRUST AS IF FULLY INCORPORATED THEREIN. LENDER IS HEREBY AUTHORIZED TO SUBMIT A COPY OF THIS NOTE TO ANY COURT HAVING JURISDICTION OVER THE SUBJECT MATTER AND THE PARTIES HERETO, SO AS TO SERVE AS CONCLUSIVE EVIDENCE OF THE WAIVER BY THE BORROWER OF THE RIGHT TO JURY TRIAL. FURTHER, THE BORROWER HEREBY CERTIFIES THAT NO REPRESENTATIVE OR AGENT OF LENDER (INCLUDING LENDER'S COUNSEL) HAS REPRESENTED, EXPRESSLY OR OTHERWISE, TO THE BORROWER THAT LENDER WILL NOT SEEK TO ENFORCE THIS WAIVER OF RIGHT TO JURY TRIAL.

BY INITIALING BELOW, BORROWER EXPRESSLY ACKNOWLEDGES THE WAIVER OF RIGHT TO TRIAL BY JURY PROVIDED IN THIS SECTION.

Borrower's Initials: _____

IN WITNESS WHEREOF, intending to be legally bound, and intending that this instrument shall constitute an instrument executed and delivered under seal, the undersigned Borrower has executed this Deferred Purchase Money Deed of Trust Note under seal as of the day and year first herein above written.

BORROWER:

[SIGNATURE BLOCK AND ACKNOWLEDGEMENT TO BE INSERTED FOR BCP OR BRP, AS APPLICABLE]

EXHIBIT A

MILESTONES

1. Commencement of Construction: December 31, 2008.[1]

2. Fifty percent (50%) Completion of Construction: June 30, 2010.

3. Completion of Construction: December 31, 2011.[2]

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[1] Commencement of Construction means Borrower has: (i) executed a construction contract directive letter or letter agreement with its general contractor pursuant to which the general contractor will commence construction, (ii) given such general contractor a notice to proceed under said construction contract or other agreement, (iii) caused such general contractor to mobilize on the Property equipment required to commence excavation; (iv) obtained the permits necessary for the commencement excavation on the Property, including, without limitation, the sheeting and shoring permits; and (v) commenced excavation upon the Property pursuant to the plans approved by the District. Commencement of Construction does not mean site exploration, borings to determine foundation conditions, or other pre-construction monitoring or testing to establish background information related to the suitability of the Property for redevelopment or the investigations of environmental conditions.

[2] Completion of Construction means (i) Borrower has substantially completed construction, exclusive only of punch list items and any interior fit up in the nature of tenant improvements, (ii) Borrower's general contractor is entitled to final payment under the construction contract exclusive only of any retainage held on account of punch list items, and (iii) Borrower has provided the Lender with the original Certificate of Completion; and (iv) a permanent certificate of occupancy has been issued by the District of Columbia Department of Consumer and Regulatory Affairs for the project.

Exhibit D

Deed of Trust

EXHIBIT D

PURCHASE MONEY DEED OF TRUST

THIS PURCHASE MONEY DEED OF TRUST (the **"Deed of Trust"**) is made and entered into as of the _____ day of _____, 200___, by and among (i) **[BROADCAST RESIDENTIAL PARTNERS, LLC**, a Virginia limited liability company][**BROADCAST CENTER PARTNERS, LLC**, a District of Columbia limited liability company] (**"Grantor"**), with a business address of _____ _____; (ii) [To Be Determined], Trustee (the **"Trustee"** or **"Trustees"**) Assistant Deputy Attorney General, Office of the Attorney General for the District of Columbia, 441 4th Street, N.W., 6th Floor North, Washington, DC 20001, or his/her appointed successor; and (iii) the **DISTRICT OF COLUMBIA** a municipal corporation (**"Beneficiary"**) with a business address of John A. Wilson Building, 1350 Pennsylvania Ave., N.W., Suite 317, Washington, D.C. 20004, acting by and through the District of Columbia Office of the Deputy Mayor for Planning and Economic Development under the authority granted pursuant to Act 17-_____ (dated _____ ____, 2007).

RECITALS

WHEREAS, contemporaneously with the execution and delivery of this Deed of Trust, Grantor has purchased the real property (**"Property"**), more particularly described in **Exhibit 1** attached hereto and incorporated by reference, pursuant to a special warranty deed (**"Deed"**) dated _____ _____, 200__, from the Beneficiary;

WHEREAS,, simultaneously with the execution and delivery of the Deed and this Deed of Trust, the Beneficiary has made a loan in the principal amount of [PURCHASE PRICE ALLOCABLE TO THE COMMERCIAL DEVELOPMENT PROPERTY OR THE RESIDENTIAL DEVELOPMENT PROPERTY AS APPLICABLE BASED ON THE SQ FOOTAGE OF EACH TO PARCEL 33 – THIS WILL BE THE SAME NUMBER USED IN THE NOTE] _____ NO/100 DOLLARS ($_,___,___.00), (the **"Purchase Price"**) to Grantor to be secured against and by the Property; and

WHEREAS, Grantor has delivered to Beneficiary and Trustee a Deferred Purchase Money Deed of Trust Note (hereinafter, together with any amendments, substitutions, renewals, extensions, or replacements thereof, referred to as the **"Note"**) dated as of the date hereof, in the amount of the Purchase Price; and

WHEREAS, Grantor desire to secure the payment of the obligations under the Note and the performance of the terms, conditions and provisions of this Deed of Trust.

NOW, THEREFORE, THIS DEED OF TRUST WITNESSETH, that:

1. The recitals are incorporated herein by reference;

2. To secure unto the Beneficiary, its successors and assigns, the full and punctual payment of the Note and the full and punctual performance and observance by Grantor of all of the covenants, agreements, terms, conditions and provisions of this Deed of Trust, the Deed, and the Land Disposition and Development Agreement, dated _____ ____, 2007, between Grantor and the Beneficiary (the **"LDA"**) and any other documents executed by Grantor or the Beneficiary in connection with the conveyance of the Property to Grantor and the transaction described herein (such documents together with the Note, the LDA and this Deed of Trust are hereinafter collectively referred to as the **"Loan Documents"**) that are required thereunder on the part of the Grantor to be performed and/or observed (but not any covenants, agreements, terms, conditions and provisions in the LDA that relate to development by an entity other than the Grantor on real property other than the Property), together with all increases, extensions and/or modifications of the Note or any of the other Loan Documents and all instruments replacing the same, and in consideration of Ten Dollars ($10.00) in hand paid to it by the Trustees, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged;

3. THE GRANTOR DOES HEREBY GRANT, BARGAIN, SELL, CONVEY AND ASSIGN unto the Trustees, their successors and assigns, in fee simple, with the power of sale and right of entry and possession, all of the right, title, privilege, interest and estate of Grantor, its successors and assigns, in, under and to the Property.

4. The fee simple estate described herein shall include but not be limited to: (i) all appurtenances and all estate and rights of Grantor in and to the Property; (ii) all and singular the tenements, hereditaments, easements and appurtenances belonging or in any wise appertaining to the Property and the reversion and reversion, remainder and remainders, rents, issues and profits thereof; (iii) the fee simple estate now owned or hereafter acquired by Grantor and in and to any land lying in the bed of any street, road or avenue open or proposed in front of or adjoining the Property to the centerline thereof; (iv) the fee simple estate now owned or hereafter acquired by Grantor in and to any and all sidewalks and alleys and all strips and gores of land, adjacent to or used in connection with the Property; and (v) all right, title and interest of Grantor in and to any and all buildings, improvements, structures, fixtures, equipment and/or machinery installed in or on the Property, excluding any tenants' property (the **"Improvements"**);

5. TO HAVE AND TO HOLD the same (the aggregate of all such property of the Grantor, including the Property and Improvements, being herein collectively referred to as the **"Premises"**) unto the Trustees, their successors in interest and to their use, in fee simple, forever.

6. IN TRUST, NEVERTHELESS, to permit the Grantor to use and occupy the Premises described above, and to receive the rents, issues and profits thereof, until the occurrence of an **"Event of Default"** (as defined below).

7. FURTHER SECURITY for the payment of the indebtedness under the Note and for the performance of the obligations, covenants and agreements secured hereby, the Grantor hereby transfers, sets-over and assigns:

(a) To the Trustees and/or the Beneficiary: All leases of the Premises or any parts thereof, hereafter entered into and all right, title and interest of the Grantor as landlord thereunder, and all rents, royalties, issues and profits of the Premises, or any parts thereof, from time to time accruing, whether under the leases or tenancies hereafter created; reserving, however, to the Grantor, so long as there is no Event of Default as defined in Article II, the right to receive and retain said rents, royalties, issues and profits; and

(b) To the Beneficiary: All proceeds as a result or in lieu of any taking, permanent or temporary, of the Premises or any part thereof under the power of eminent domain, or by deed in lieu thereof (subject to Section 8 of Article I hereof), to the Premises or any part thereof.

THIS DEED OF TRUST IS UPON THE FOLLOWING ADDITIONAL USES, TRUST AND CONDITIONS, TO WIT:

ARTICLE I
COVENANTS OF GRANTOR

The Grantor hereby covenants to and agrees with the Beneficiary as follows:

1. Warranty of Title. The Grantor is lawfully seized of an indefeasible, marketable, fee simple estate in the Premises herein before described, free and clear of all liens, encumbrances, charges, security interests and adverse claims whatsoever except for those items of record as of the date hereof and those items set forth on **Exhibit 2**, attached hereto and incorporated by reference.

2. Payment of Sum Secured. The Grantor covenants and agrees to pay when due the principal balance and interest accrued thereon due in respect of the Note according to the terms thereof, and all other late fees and other charges accrued thereunder, and to pay when due all other sums secured hereby.

3. Payment of Taxes. Grantor covenants that it shall keep the Premises free from statutory liens of every kind; and further covenants to pay, if applicable, before delinquency and before penalty for non payment attaches thereto, all real estate taxes, personal property taxes, assessments, water usage charges, sewer usage charges, front foot benefit charges, vault space rentals and other governmental or municipal or public dues, charges, fines, impositions or other statutory liens of every kind and nature which are or may be levied, charged or imposed against the Premises or any part thereof (collectively, the **"Impositions"**). Grantor may contest any Imposition in the manner provided by statute provided that such contest does not jeopardize the lien or priority of this Deed of Trust.

4. Prepayment. Grantor may prepay the Note at any time without notice, premium or penalty. The foregoing shall not be interpreted to release Grantor from its obligation to pay any interest, costs or other charges that have accrued under the Note and this Deed of Trust at the time of prepayment or to alter Grantor's obligations under the terms of any other Loan Document.

5. Attorneys' Fees. If the Trustees or the Beneficiary shall be made a party to or shall intervene in any action or proceeding affecting the Premises or any part thereof or the title thereto, or the interest of the Trustees or the Beneficiary under this Deed of Trust, or if, after a default or the occurrence of any facts, events or circumstances which may give rise to a default, the Beneficiary employs an attorney to enforce the Loan Documents, to collect any or all of the indebtedness secured hereby or to foreclose this Deed of Trust by judicial proceedings, or authorizes the Trustees to conduct Trustees' sale proceedings hereunder, then, whether or not suit shall be commenced, all costs, charges, and reasonable attorneys' fees incurred by the Beneficiary or Trustees in any such case shall be reimbursed by the Grantor no later than ten (10) business days after Grantor's receipt of written demand therefor. In any such event, if the Beneficiary is represented by the Office of the Attorney General for the District of Columbia (**"OAG"**), reasonable attorneys' fees shall be calculated based on an equivalent amount that a private firm of a comparable size to the OAG in the Washington, DC area would have charged for such representation based on the number of hours OAG utilized to collect or enforce the provisions of the Loan Documents.

6. Release of this Deed of Trust. This Deed of Trust shall be released and the Note deemed satisfied upon full payment of the principal sum of the Note, any and all accrued interest thereon, and all other moneys payable under the Note and this Deed of Trust. The Beneficiary and Trustees shall execute such further assurances and confirmations of the release of this Deed of Trust as may be reasonably requested by Grantor upon satisfaction of the conditions of release set forth above; provided, however, that the foregoing shall not alter Grantor's obligations under the terms of any other Loan Document and shall not be interpreted to require Beneficiary to execute assurances or confirmations under any other Loan Document.

7. Assignment of Leases and Rents. Grantor assigns to the Beneficiary all right, title and interest of Grantor in and to all existing and future leases affecting the Premises or any part thereof, together with all amendments and guaranties thereof, and all rents, income, receipts, revenues, issues and profits (hereinafter collectively referred to as "Rents") from or due or arising out of the Premises or any part thereof as further security for the payment of the indebtedness, obligations and covenants secured hereby; reserving, however, to Grantor, so long as there is no Event of Default, the right to receive and retain all Rents. Grantor will execute upon the request of the Beneficiary any and all instruments requested by the Beneficiary reasonably required to carry these presents into effect or to accomplish any other purpose deemed by the Beneficiary to be necessary or appropriate in connection with the assignment of leases and Rents or the Premises or the Loan Documents.

8. Assignment of Condemnation Proceeds and Damages. All awards and other compensation heretofore or hereafter made to the Grantor by any federal, state, county, municipal or other governmental authority pursuant to any condemnation proceedings whatsoever relating to all or any part of the Premises or any interest therein, including any taking by eminent domain or by deed in lieu thereof, either permanent or temporary, voluntary or involuntary, and the severance and consequential damages on account thereof, including any award for any change of grade of any street, together with all other compensation, judgments, awards and settlements for any damage to the Premises or any part thereof caused tortuously or otherwise, are hereby assigned by the Grantor to the Beneficiary.

9. Improvements to be Demolished and Removed. Grantor shall be permitted to demolish and remove any Improvements that are on the Property as of the date hereof. The Grantor's demolishing and removing such Improvements shall not be considered waste or any impairment of the value of the security for the repayment of the Note.

10. Subdivision. Grantor shall be responsible for all costs and fees associated with any subdivision or consolidation of the Property.

ARTICLE II
EVENTS OF DEFAULT AND REMEDIES

1. Events of Default, Grace Periods and Notices. The following events shall each be deemed to be and defined as an **"Event of Default"** under this Deed of Trust:

(a) Grantor shall have failed to pay any or all of the obligations under the Note as and when due and payable or any other event of default has occurred under the Note;

(b) Grantor shall have failed to satisfy the Note in the manner specified in Article I, Section 6 hereof and after ten (10) days shall have elapsed since the giving of notice to Grantor by Beneficiary of such failure without Grantor curing such failure;

(c) Grantor shall have failed to keep the Property in at least as good order and condition as it is on the date of recordation of this Deed of Trust, other than reasonable wear and tear and demolition as allowed in Section 9 of Article I hereof, and thirty (30) days shall have elapsed since the giving of notice to Grantor by Beneficiary of such failure without Grantor curing such failure;

(d) Grantor shall fail to keep the Property insured against loss by fire and other hazards, casualties and contingencies in such amounts that are equal to the replacement value of the Property;

(e) Except to the extent contemplated by this Deed of Trust, the LDA or the Deed, ownership of the Property shall become vested in a person other than Grantor, by voluntary or

involuntary grant, transfer, lease or assignment (other than condemnation) without Beneficiary's prior written consent;

(f) Any execution or attachment shall be levied against the Property, or any part thereof, and such execution or attachment shall not be set aside, discharged or stayed within thirty (30) days after the same shall have been levied; or

(g) Grantor shall have breached any other of its covenants or agreements under this Deed of Trust and thirty (30) days shall have elapsed since the giving of notice to Grantor by Beneficiary of such breach without curing such failure; provided, however, that if such breach is reasonably susceptible of cure and Grantor is diligently prosecuting its cure, then such breach shall not constitute an Event of Default so long as Grantor continues to diligently prosecute its cure and it remains reasonably susceptible of cure; provided, further, if such breach has not been cured within one hundred eighty (180) days after giving of said notice to Grantor despite Grantor's efforts, such breach shall constitute an Event of Default.

2. Remedies on Default. If there is an Event of Default under this Deed of Trust, then, in addition to, and not in limitation of, any and all other rights and remedies available to the Beneficiary at law or in equity or by any other provision hereof as a result of such default, the Beneficiary and/or the Trustees shall have any or all of the following remedies:

(a) Acceleration. All of the indebtedness secured hereby shall become and be immediately due and payable at the option of the Beneficiary without notice or demand, each of which are hereby expressly waived.

(b) Sale. On the application and request of the Beneficiary, it shall be lawful for and the duty of the Trustees to foreclose and to sell, in accordance with the applicable laws of the District of Columbia, and in the case of any default of any purchaser, to resell, the Premises or any part thereof hereby conveyed at public auction or auctions, upon such terms and conditions, in such parcels, at such times and places, and after such previous public advertisement as the Trustees shall deem advantageous and proper and as required by all applicable laws and rules of the District of Columbia; and to convey the same in fee simple, upon compliance with the terms of the sale, to and at the cost of the purchaser or purchasers thereof (who shall not be required to see to the application of the purchase money), and upon the completion of any sale and compliance with all the terms thereof, to execute and deliver to the purchaser or purchasers a good and sufficient deed of conveyance, assignment and transfer, lawfully conveying, assigning and transferring the property sold (without any warranties or covenants, express or implied), and to hold and apply the proceeds of such sale or sales (except as otherwise required by applicable law): FIRST, to discharge the expenses of executing this Deed of Trust, including a reasonable commission to Trustees, and all out of pocket costs, charges, and expenses of the sale and reasonable attorneys' fees in connection with the sale; SECOND, to discharge all taxes, levies, and assessments having priority over the lien of this Deed of Trust and to repay all taxes, levies, assessments, insurance premiums and other costs advanced by Beneficiary hereunder, with costs and interest thereon from the tenth (10th) business day after Grantor's receipt of Beneficiary's

notice of such advances and demand for reimbursement to the date of conveyance of legal and equitable title pursuant to such foreclosure, at the interest rate set forth in the Note; THIRD, to discharge in the order of their priority, if any, the remaining debts and obligations secured by this Deed of Trust, and any liens of record inferior thereon, including, but not limited to, interest on the Note through and including the date of conveyance of legal and equitable title pursuant to such foreclosure, it being agreed that the Note shall, upon such sale being made before the maturity date of the Note, be and become immediately due and payable; and FOURTH, the residue of the proceeds shall be paid to the Grantor and/or its assigns; provided, however, that as to such residue the Trustees shall not be bound by any inheritance, devise, conveyance, assignment or lien upon the equity of the Grantor without actual notice prior to distribution. If the Premises consist of several lots, parcels or items of property, Beneficiary may designate the order in which such lots, parcels or items shall be offered for sale or sold. Any person, including the Beneficiary, may purchase at any sale hereunder, and Beneficiary shall have the right to purchase at any sale hereunder by crediting upon the bid price the amount of all or any part of the indebtedness hereby secured plus interest, late charges, and reasonable attorneys' fees and trustees' fees, as herein provided. Should the Trustees desire that more than one sale or other disposition of the Premises be conducted, the Trustees may cause the same to be conducted simultaneously, or successively, on the same day, or at such different times and in such order as the Trustees may deem appropriate, and no such sale shall terminate or otherwise affect the lien of this Deed of Trust on any part of the Premises not sold until all indebtedness secured hereby has been fully paid. In the event of default of any purchaser, the Trustees shall have the right to resell the Premises as set forth above. If a sale is made of only a portion of the Premises, then, to the extent there remain any sums secured hereby after application of all sales proceeds as herein above provided, the Trustees shall be authorized to conduct such further and additional sales of the remaining portions of the Premises as the Trustees may deem necessary, expedient or appropriate. In the event of a sale of the Premises, the Grantor hereby transfers and assigns to the Beneficiary all of the Grantor's right, title and interest in and to all of the Grantor's drawings and specifications (including the Final Plans as such term is defined in the LDA), completion bonds in favor of the Grantor, sewer permits and tap fees, utility deposits and all other contracts, agreements, permits and authorizations in any way related to the development and construction of the Improvements. Such assignment shall vest automatically without further written documentation, shall be made at the sole cost and expense of the Grantor, and shall be free of liens and any claims for payment.

3. No Waiver. The failure or delay of the Beneficiary or the Trustees to exercise the option for acceleration of maturity, foreclosure, or either, following any Event of Default as aforesaid, or to exercise any other option granted to the Beneficiary hereunder, or to insist upon strict performance by the Grantor of any of the terms and provisions of the Note or this Deed of Trust, in any one or more instances, or the acceptance by the Beneficiary of partial payments hereunder, or the delay for any period of time in exercising the option to accelerate the indebtedness secured hereby or any portion thereof, shall not constitute a waiver of any such Event of Default, or of the Beneficiary's right to exercise such option or declare such acceleration of maturity as to such past or any subsequent uncured violation of any of said covenants or stipulations, but such option shall remain continuously in force. Acceleration of

maturity, once claimed hereunder by the Beneficiary, may at the option of the Beneficiary be rescinded by written acknowledgment to that effect by the Beneficiary, but the tender and acceptance of partial payments alone shall not in any way affect or rescind such acceleration of maturity.

4. Beneficiary's Right to Remedy Events of Default. If there is any Event of Default under this Deed of Trust whereby Grantor fails for any reason to pay any claim, lien, encumbrance or security interest which is allegedly prior to the lien of this Deed of Trust, or any tax, assessment or other governmental imposition when due and payable, or any insurance premium at least ten (10) days before the same becomes due and payable, or to correct any condition that may be or become unsatisfactory by law, ordinance, regulation, covenant, condition or restriction, or to perform any other covenant contained in this Deed of Trust, then the Beneficiary may, at its sole option, in addition to, and not in limitation of, any and all other rights and remedies which the Beneficiary may have by law or hereunder: (a) pay said claim, rental, lien, encumbrance, tax, assessment or premium with the right of subrogation thereunder; (b) procure such abstracts or other evidence of title as it deems necessary; and (c) for any of said purposes, advance such sums of money and perform such acts as it deems necessary. Beneficiary shall endeavor to give Grantor prior written notice of any sums expended under this Section for purposes other than those described in subpart (b) of the preceding sentence, but no such notice shall be required and no failure of Beneficiary to provide such prior written notice shall impair or limit the right of Beneficiary to make such expenditures or shall preclude such expenditures from being part of the indebtedness secured by the provisions of this Deed of Trust. Nothing contained in this Deed of Trust shall be deemed to require the Beneficiary to pay or expend any such sum or perform any such act. The Grantor covenants and agrees to pay to the Beneficiary within thirty (30) days of its receipt of notice all sums of money advanced by the Beneficiary pursuant to any provision of this Deed of Trust.

5. Remedies Cumulative. The rights and remedies herein provided are cumulative and the Beneficiary may recover judgment thereon, issue execution therefor and resort to every other right or remedy available at law or in equity without affecting or in any manner impairing the security or any right or remedy afforded by this Deed of Trust, and no enumeration of special rights or powers by any provisions of this Deed of Trust shall be construed to limit any grant of general rights or powers, or to take away or limit any and all rights granted to or vested in the Beneficiary by virtue of the laws of the jurisdiction in which the Premises is located. No delay by the Beneficiary or the Trustees in exercising any right or remedy hereunder, or otherwise afforded by law, shall operate as a waiver thereof or preclude the exercise thereof during the continuance of any Event of Default hereunder.

ARTICLE III
TRUSTEES

1. Trustees' Authority. The Trustees or any person(s) acting in their stead shall have, in their discretion, authority to employ all proper agents and attorneys in the execution of this Deed of Trust, and pay for such services rendered out of the proceeds of the