

part of the Debt as the same become due, without regard to whether or not the balance of the Debt shall be due, and without prejudice to the right of Lender thereafter to bring an action of foreclosure, or any other action, for a default or defaults by Borrower existing at the time such earlier action was commenced.

Section 6.6 OTHER RIGHTS, ETC. (a) The failure of Lender or Trustee to insist upon strict performance of any term hereof shall not be deemed to be a waiver of any term of this Security Instrument. Borrower shall not be relieved of Borrower's obligations hereunder by reason of (i) the failure of Lender or Trustee to comply with any request of Borrower or any guarantor or indemnitor with respect to the Loan to take any action to foreclose this Security Instrument or otherwise enforce any of the provisions hereof or of the Note, (ii) the release, regardless of consideration, of the whole or any part of the Property, or of any person liable for the Debt or any portion thereof, or (iii) any agreement or stipulation by Lender extending the time of payment or otherwise modifying or supplementing the terms of the Note or this Security Instrument.

(b) It is agreed that the risk of loss or damage to the Property is on Borrower until such time as Lender takes possession of the Property, and Lender shall have no liability whatsoever for decline in the value of the Property, for failure to maintain the insurance policies, or for failure to determine whether insurance in force is adequate as to the amount of risks insured until such time as Lender takes possession of the Property. Possession by Lender shall not be deemed an election of judicial relief if any such possession is requested or obtained with respect to any Property or collateral not in Lender's possession.

(c) Lender may resort for the payment of the Debt to any other security held by Lender in such order and manner as Lender, in its discretion, may elect. Lender or Trustee may take action to recover the Debt, or any portion thereof, or to enforce any covenant hereof without prejudice to the right of Lender or Trustee thereafter to foreclose this Security Instrument. The rights of Lender or Trustee under this Security Instrument shall be separate, distinct and cumulative and none shall be given effect to the exclusion of the others. No act of Lender or Trustee shall be construed as an election to proceed under any one provision herein to the exclusion of any other provision. Neither Lender nor Trustee shall be limited exclusively to the rights and remedies herein stated but shall be entitled to every right and remedy now or hereafter afforded at law or in equity.

Section 6.7 RIGHT TO RELEASE ANY PORTION OF THE PROPERTY. Lender may release any portion of the Property for such consideration as Lender may require without, as to the remainder of the Property, in any way impairing or affecting the lien or priority of this Security Instrument, or improving the position of any subordinate lienholder with respect thereto, except to the extent that the obligations hereunder shall have been reduced by the actual monetary consideration, if any, received by Lender for such release, and may accept by assignment, pledge or otherwise any other property in place thereof as Lender may require without being accountable for so doing to any other lienholder. This Security Instrument shall continue as a lien and security interest in the remaining portion of the Property.

Section 6.8 RIGHT OF ENTRY. Upon reasonable notice to Borrower, Lender and its agents shall have the right to enter and inspect the Property at all reasonable times, subject to the rights of tenants and subtenants.

Section 6.9 BANKRUPTCY. (a) Upon or at any time after the occurrence of an Event of Default, Lender shall have the right to proceed in its own name or in the name of Borrower in respect of any claim, suit, action or proceeding relating to the rejection of any lease, including, without limitation, the right to file and prosecute, to the exclusion of Borrower, any proofs of claim, complaints, motions, applications, notices and other documents, in any case in respect of the lessee under such lease under the Bankruptcy Code.

(b) If there shall be filed by or against Borrower a petition under 11 U.S.C. §101 et seq., as the same may be amended from time to time (the "**Bankruptcy Code**"), and Borrower, as lessor under any lease, shall determine to reject such lease pursuant to Section 365(a) of the Bankruptcy Code, then Borrower shall give Lender not less than ten (10) days' prior notice of the date on which Borrower shall apply to the bankruptcy court for authority to reject the lease. Lender shall have the right, but not the obligation, to serve upon Borrower within such ten-day period a notice stating that (i) Lender demands that Borrower assume and assign the lease to Lender pursuant to Section 365 of the Bankruptcy Code and (ii) Lender covenants to cure or provide adequate assurance of future performance under the lease. If Lender serves upon Borrower the notice described in the preceding sentence, Borrower shall not seek to reject the lease and shall comply with the demand provided for in clause (i) of the preceding sentence within thirty (30) days after the notice shall have been given, subject to the performance by Lender of the covenant provided for in clause (ii) of the preceding sentence.

Section 6.10 SUBROGATION. If any or all of the proceeds of the Note have been used to extinguish, extend or renew any indebtedness heretofore existing against the Property, then, to the extent of the funds so used, Lender shall be subrogated to all of the rights, claims, liens, titles, and interests existing against the Property heretofore held by, or in favor of, the holder of such indebtedness and such former rights, claims, liens, titles, and interests, if any, are not waived but rather are continued in full force and effect in favor of Lender and are merged with the lien and security interest created herein as cumulative security for the repayment of the Debt, the performance and discharge of Borrower's obligations hereunder and under the Note and the performance and discharge of the Other Obligations.

ARTICLE VII - WAIVERS

Section 7.1 MARSHALLING AND OTHER MATTERS. Borrower hereby waives, to the extent permitted by law, the benefit of all Legal Requirements now or hereafter in force regarding appraisal, valuation, stay, extension, reinstatement and redemption and all rights of marshalling in the event of any sale hereunder of the Property or any part thereof or any interest therein. Further, Borrower hereby expressly waives any and all rights of redemption from sale under any order or decree of foreclosure of this Security Instrument on behalf of Borrower, and on behalf of each and every person acquiring any interest in or title to the Property subsequent to the date of this Security Instrument and on behalf of all persons to the extent permitted by law.

Section 7.2 WAIVER OF NOTICE. Borrower shall not be entitled to any notices of any nature whatsoever from Lender or Trustee except with respect to matters for which this Security Instrument or the Note specifically and expressly provides for the giving of notice by Lender or Trustee to Borrower and except with respect to matters for which Borrower is not permitted by legal requirements to waive its right to receive notice, and Borrower hereby expressly waives the right to receive any notice from Lender with respect to any matter for which this Security Instrument does not specifically and expressly provide for the giving of notice by Lender or Trustee to Borrower.

Section 7.3 WAIVER OF STATUTE OF LIMITATIONS. Borrower hereby expressly waives and releases to the fullest extent permitted by law, the pleading of any statute of limitations as a defense to payment of the Debt or performance of its Other Obligations.

Section 7.4 SOLE DISCRETION OF LENDER. Whenever pursuant to this Security Instrument, Lender exercises any right given to it to approve or disapprove, or any arrangement or term is to be satisfactory to Lender, the decision of Lender to approve or disapprove or to decide whether arrangements or terms are satisfactory or not satisfactory shall (except as is otherwise specifically herein provided) be in the sole discretion of Lender and shall be final and conclusive.

Section 7.5 WAIVER OF TRIAL BY JURY. **BORROWER AND LENDER EACH HEREBY AGREES NOT TO ELECT A TRIAL BY JURY OF ANY ISSUE TRIABLE OF RIGHT BY JURY, AND WAIVES ANY RIGHT TO TRIAL BY JURY FULLY TO THE EXTENT THAT ANY SUCH RIGHT SHALL NOW OR HEREAFTER EXIST WITH REGARD TO THIS SECURITY INSTRUMENT OR THE NOTE, OR ANY CLAIM, COUNTERCLAIM OR OTHER ACTION ARISING IN CONNECTION THEREWITH. THIS WAIVER OF RIGHT TO TRIAL BY JURY IS GIVEN KNOWINGLY AND VOLUNTARILY BY BORROWER AND LENDER, AND IS INTENDED TO ENCOMPASS INDIVIDUALLY EACH INSTANCE AND EACH ISSUE AS TO WHICH THE RIGHT TO A TRIAL BY JURY WOULD OTHERWISE ACCRUE. EACH OF LENDER AND BORROWER IS HEREBY AUTHORIZED TO FILE A COPY OF THIS PARAGRAPH IN ANY PROCEEDING AS CONCLUSIVE EVIDENCE OF THIS WAIVER BY BORROWER AND LENDER.**

Section 7.6 WAIVER OF FORECLOSURE DEFENSE. Borrower hereby waives any defense Borrower might assert or have by reason of Lender's failure to make any tenant or lessee of the Property a party defendant in any foreclosure proceeding or action instituted by Lender.

ARTICLE VIII - EXCULPATION

Borrower shall be fully liable for the payment of the Debt and the performance of all obligations under this Security Instrument and the Note. Lender, for itself and its successors and assigns, waives any right to any money judgment or claim against any direct or indirect member of constituent of Borrower.

ARTICLE IX - NOTICES

All notices, consents, approvals and requests required or permitted hereunder or under the Note shall be given in writing and shall be effective for all purposes if hand delivered or sent by (a) certified or registered United States mail, postage prepaid, return receipt requested, (b) expedited prepaid overnight delivery service, either commercial or United States Postal Service, with proof of attempted delivery, or by (c) telecopier (with answer back acknowledged provided an additional notice is given pursuant to subsection (b) above), addressed as follows (or at such other address and Person as shall be designated from time to time by any party hereto, as the case may be, in a written notice to the other parties hereto in the manner provided for in this Section):

Lender:

District of Columbia
Office of the Deputy Mayor for Planning and Economic Development
1350 Pennsylvania Avenue, N.W., Suite 317
Washington, D.C. 20004
Attention: David Jannarone

With a copy to:

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

Trustee:

Borrower:

Gilberto Cardenas
ARGOS CH, LLC
c/o The Argos Group
631 D Street, NW, Suite 638
Washington, DC 20004

A notice shall be deemed to have been given: in the case of hand delivery, at the time of delivery; in the case of registered or certified mail, when delivered or the first attempted delivery on a business day; or in the case of expedited prepaid delivery and telecopy, upon the first attempted delivery on a business day.

ARTICLE X - APPLICABLE LAW

Section 10.1 GOVERNING LAW. This Security Instrument shall be deemed to be a contract entered into pursuant to the laws of the District of Columbia and shall in all respects be governed, construed, applied and enforced in accordance with the laws of the District of Columbia.

Section 10.2 PROVISIONS SUBJECT TO APPLICABLE LAW. All rights, powers and remedies provided in this Security Instrument may be exercised only to the extent that the exercise thereof does not violate any applicable provisions of law and are intended to be limited to the extent necessary so that they will not render this Security Instrument invalid, unenforceable or not entitled to be recorded, registered or filed under the provisions of any applicable law. If any term of this Security Instrument or any application thereof shall be invalid or unenforceable, the remainder of this Security Instrument and any other application of the term shall not be affected thereby.

Section 10.3 COMPLIANCE WITH LAW. The provisions of this Deed of Trust are intended to comply, and be read together with, the laws of the District of Columbia, including without limitation the Predatory Lending and Mortgage Foreclosure Improvements Act of 2000 (D.C. Law 13-263). Where applicable law is contrary to the provisions of this Deed of Trust, such applicable law shall prevail if and only to the extent such applicable law is mandatory by its terms, it being the express intent of the parties that any contrary legal authority that is permissive is hereby knowingly and voluntarily waived by the parties as set forth in the covenants, terms and conditions of this Deed of Trust.

ARTICLE XI - DEFINITIONS

Unless the context clearly indicates a contrary intent or unless otherwise specifically provided herein, words used in this Security Instrument may be used interchangeably in singular or plural form and the word "Borrower" shall mean "each Borrower and any subsequent owner or owners of the Property or any part thereof or any interest therein," the word "Lender" shall mean "Lender and any subsequent holder of the Note," the word "Trustee" shall mean "Trustee and any substitute Trustee of the estates, properties, powers, trusts and rights conferred upon Trustee pursuant to this Security Instrument, the word "Note" shall mean "the Note and any other evidence of indebtedness secured by this Security Instrument," the word "Property" shall include any portion of the Property and any interest therein, and the phrases "attorneys' fees", "legal fees" and "counsel fees" shall include any and all attorneys', paralegal and law clerk fees and disbursements, including, but not limited to, fees and disbursements at the pre-trial, trial and appellate levels incurred or paid by Lender in protecting its interest in the Property, the leases and the rents and enforcing its rights hereunder.

ARTICLE XII - MISCELLANEOUS PROVISIONS

Section 12.1 NO ORAL CHANGE. This Security Instrument, and any provisions hereof, may not be modified, amended, waived, extended, changed, discharged or terminated orally or by any act or failure to act on the part of Borrower or Lender, but only by an agreement in writing signed by the party against whom enforcement of any modification, amendment, waiver, extension, change, discharge or termination is sought.

Section 12.2 SUCCESSORS AND ASSIGNS. This Security Instrument shall be binding upon and inure to the benefit of Borrower and Lender and their respective successors and assigns forever.

Section 12.3 INAPPLICABLE PROVISIONS. If any term, covenant or condition of the Note or this Security Instrument is held to be invalid, illegal or unenforceable in any respect, the Note and this Security Instrument shall be construed without such provision.

Section 12.4 HEADINGS, ETC. The headings and captions of various Sections of this Security Instrument are for convenience of reference only and are not to be construed as defining or limiting, in any way, the scope or intent of the provisions hereof.

Section 12.5 NUMBER AND GENDER. Whenever the context may require, any pronouns used herein shall include the corresponding masculine, feminine or neuter forms, and the singular form of nouns and pronouns shall include the plural and vice versa.

Section 12.6 ENTIRE AGREEMENT. This Security Instrument and the Note contain the entire agreement of the parties hereto and thereto in respect of the transactions contemplated hereby and thereby, and all prior agreements among or between such parties, whether oral or written between Borrower and Lender are superseded by the terms of this Security Instrument and the Note.

Section 12.7 LIMITATION ON LENDER'S RESPONSIBILITY. No provision of this Security Instrument shall operate to place any obligation or liability for the control, care, management or repair of the Property upon Lender, nor shall it operate to make Lender responsible or liable for any waste committed on the Property by the tenants or any other Person, or for any dangerous or defective condition of the Property, or for any negligence in the management, upkeep, repair or control of the Property resulting in loss or injury or death to any tenant, licensee, employee or stranger. Nothing herein contained shall be construed as constituting Lender a "mortgagee in possession."

ARTICLE XIII - STATUS OF BORROWER

Section 13.1 STATUS OF BORROWER. Borrower's exact legal name is correctly set forth in the first paragraph of this Security Instrument and the signature block at the end of this Security Instrument. Borrower is an organization of the type specified in the first paragraph of this Security Instrument. Borrower is incorporated in or organized under the laws of the state specified in the first paragraph of this Security Instrument. Borrower's organizational identification number, if any, assigned by the state of incorporation or organization is correctly set forth on the first page of this Security Instrument. Borrower will not change or permit to be changed (a) Borrower's name, (b) Borrower's identity (including its trade name or names), (c) Borrower's principal place of business set forth on the first page of this Security Instrument, (d) the corporate, partnership or other organizational structure of Borrower, (e) Borrower's state of organization, or (f) Borrower's organizational number, without notifying Lender of such change in writing at least thirty (30) days prior to the effective date of such change and, in the case of a change in Borrower's structure, without first obtaining the prior written consent of Lender, not to be unreasonably withheld, conditioned or delayed. If Borrower does not now have an organizational identification number and later obtains one, Borrower promptly shall notify the Lender of such organizational identification number.

ARTICLE XIV - DEED OF TRUST PROVISIONS

Section 14.1 CONCERNING THE TRUSTEE. Trustee shall be under no duty to take any action hereunder except as expressly required hereunder or by law, or to perform any act which would involve Trustee in any expense or liability or to institute or defend any suit in respect hereof, unless properly indemnified to Trustee's reasonable satisfaction. Trustee, by acceptance of this Security Instrument, covenants to perform and fulfill the trusts herein created, being liable, however, only for gross negligence or willful misconduct, and hereby waives any statutory fee and agrees to accept reasonable compensation, in lieu thereof, for any services rendered by Trustee in accordance with the terms hereof. Trustee may resign at any time upon giving thirty (30) days' notice to Borrower and to Lender. Lender may remove Trustee at any time or from time to time and select a successor trustee. In the event of the death, removal, resignation, refusal to act, or inability to act of Trustee, or in its sole discretion for any reason whatsoever Lender may, without notice and without specifying any reason therefor and without applying to any court, select and appoint a successor trustee, by an instrument recorded wherever this Security Instrument is recorded and all powers, rights, duties and authority of Trustee, as aforesaid, shall thereupon become vested in such successor. Such substitute trustee shall not be required to give bond for the faithful performance of the duties of Trustee hereunder unless required by Lender. The procedure provided for in this paragraph for substitution of Trustee shall be in addition to and not in exclusion of any other provisions for substitution, by law or otherwise.

Section 14.2 TRUSTEE'S FEES. Borrower shall pay all reasonable costs, fees and expenses incurred by Trustee and Trustee's agents and counsel in connection with the performance by Trustee of Trustee's duties hereunder and all such costs, fees and expenses shall be secured by this Security Instrument.

Section 14.3 CERTAIN RIGHTS. With the approval of Lender, Trustee shall have the right to take any and all of the following actions: (i) to select, employ, and advise with counsel (who may be, but need not be, counsel for Lender) upon any matters arising hereunder, including the preparation, execution, and interpretation of the Note or this Security Instrument, and shall be fully protected in relying as to legal matters on the advice of counsel, (ii) to execute any of the trusts and powers hereof and to perform any duty hereunder either directly or through his/her agents or attorneys, (iii) to select and employ, in and about the execution of his/her duties hereunder, suitable accountants, engineers and other experts, agents and attorneys-in-fact, either corporate or individual, not regularly in the employ of Trustee, and Trustee shall not be answerable for any act, default, negligence, or misconduct of any such accountant, engineer or other expert, agent or attorney-in-fact, if selected with reasonable care, or for any error of judgment or act done by Trustee in good faith, or be otherwise responsible or accountable under any circumstances whatsoever, except for Trustee's gross negligence or bad faith, and (iv) any and all other lawful action as Lender may instruct Trustee to take to protect or enforce Lender's rights hereunder. Trustee shall not be personally liable in case of entry by Trustee, or anyone entering by virtue of the powers herein granted to Trustee, upon the Property for debts contracted for or liability or damages incurred in the management or operation of the Property. Trustee shall have the right to rely on any instrument, document, or signature authorizing or supporting an action taken or proposed to be taken by Trustee hereunder, believed by Trustee in good faith to be genuine. Trustee shall be entitled to reimbursement for actual expenses incurred by Trustee in the performance of Trustee's duties hereunder and to reasonable compensation for such of Trustee's services hereunder as shall be rendered.

Section 14.4 RETENTION OF MONEY. All moneys received by Trustee shall, until used or applied as herein provided, be held in trust for the purposes for which they were received, but need not be segregated in any manner from any other moneys (except to the extent required by applicable law) and Trustee shall be under no liability for interest on any moneys received by Trustee hereunder.

Section 14.5 PERFECTION OF APPOINTMENT. Should any deed, conveyance, or instrument of any nature be required from Borrower by any Trustee or substitute trustee to more fully and certainly vest in and confirm to Trustee or substitute trustee such estates rights, powers, and duties, then, upon request by Trustee or substitute trustee, any and all such deeds, conveyances and instruments shall be made, executed, acknowledged, and delivered and shall be caused to be recorded and/or filed by Borrower.

Section 14.6 SUCCESSION INSTRUMENTS. Any substitute trustee appointed pursuant to any of the provisions hereof shall, without any further act, deed, or conveyance, become vested with all the estates, properties, rights, powers, and trusts of its or his/her predecessor in the rights hereunder with like effect as if originally named as Trustee herein; but nevertheless, upon the written request of Lender or of the substitute trustee, Trustee ceasing to act shall execute and deliver any instrument transferring to such substitute trustee, upon the trusts herein expressed, all the estates, properties, rights, powers, and trusts of Trustee so ceasing to act, and shall duly assign, transfer and deliver any of the property and moneys held by such Trustee to the substitute trustee so appointed in Trustee's place.

IN WITNESS WHEREOF, this Security Instrument has been executed by Borrower as of the day and year first above written.

BORROWER:

ARGOS CH, LLC

By: _____

Name: _____

Title: _____

DISTRICT OF COLUMBIA, TO WIT:

The foregoing instrument was acknowledged before me this _____, 20____, by the _____ of Argos Group, LLC, a District of Columbia limited liability company, the grantor herein.

Notary Public

My commission expires: _____

EXHIBIT A
(Legal Description)

See Attached

EXHIBIT M

Project Funding Plan

FINANCING
POLICE STATION
ENGINE HOUSE
LOAN A CALCULATION (Georgetown Bank)

LTV	70%	1,361,073
LTC	80%	1,421,972
Interest Rate Loan	7.25%	
Term	30%	
Interest Rate Equity	12%	
LTV	80%	
Property Value (Net Sales)		1,944,390
Bank Adjustment	20%	389,108
Adjusted Value		1,555,282
Max Loan A Amount	70.0%	1,244,225

LTV	70%	1,258,547
LTC	80%	1,291,781
Interest Rate Loan	7.25%	
Term	30%	
Interest Rate Equity	12%	
LTV	80%	
Property Value (Net Sales)		1,797,924
Bank Adjustment	21%	384,108
Adjusted Value		1,413,816
Max Loan A Amount	70.0%	1,131,053

LOAN B CALCULATION (District)

Land Cost		140,000
Loan Amount	5%	88,873

LOAN B CALCULATION (District)

Land Cost		120,000
Loan Amount	5%	79,356

Sources

Debt A (Bank Loan)	70%	1,244,225
Debt B (District's Loan)	5%	88,873
Equity	25%	444,366
Total Sources		1,777,465

Sources

Debt A (Bank Loan)	70%	1,131,053
Debt B (District's Loan)	5%	79,356
Equity	25%	404,317
Total Sources		1,614,726

Uses

LAND COST	156,159
HARD COST	979,823
Contingency	85,202
SOFT COST	267,946
Developer Fee	109,881
FINANCING FEES	178,454
TOTAL DEVELOPMENT BUDGET	1,777,465

Uses

LAND COST	127,084
HARD COST	906,396
Contingency	79,533
SOFT COST	232,564
Developer Fee	102,570
FINANCING FEES	166,579
TOTAL DEVELOPMENT BUDGET	1,614,726

Item	POLICE STATION			ENGINE HOUSE	
	Per GSF	Per Unit	Budget	Per Unit	Budget
Acquisition (Land) Includes Deposit	23.8		140,000	21.88	120,000
Acquisition Closing Costs	2.0		11,752	0.54	2,970
Loan Fees	0.5		2,938	0.50	2,743
Misc Acquisition Expenses	0.3		1,469	0.25	1,371
LAND COST	9%	26.6	31,232	156,159	31,771
Construction Cost	131.50		772,694	130.00	713,050
Site Improvements	12.00		70,512	12.00	65,820
Environmental Remediation (allowance)	19.00		111,644	19.00	104,215
Bond Premium	3.50		20,566	3.50	19,198
Furniture and Furnishings	0.25		1,469	0.25	1,371
Cost Certification	0.50		2,938	0.50	2,743
HARD COST	55%	166.75	195,965	979,823	226,599
Contingency and Escalation	14.50		85,202	14.50	79,533
Contingency	5%	14.50	17,040	85,202	19,883
Architecture	13.50		79,326	12.00	65,820
A/E Construction Administration	1.80		10,577	1.50	8,228
Architect's Eng. Reimbursables	0.35		2,057	0.35	1,920
Structural Engineering	1.25		7,345	1.25	6,856
MEP Engineering	3.50		20,566	2.30	12,616
Civil Engineering	1.70		9,989	1.50	8,228
Historic Consultant	0.60		3,526	0.60	3,291
Geotechnical Engineering	0.40		2,350	0.40	2,194
Telecommunication	0.25		1,469	0.25	1,371
Environmental Consultant	2.00		11,752	2.00	10,970
LEED Consultant	1.50		8,814	1.50	8,228
Survey, ALTA, to Mark, Wall Checks	0.65		3,819	0.65	3,565
Professional Services	27.50		161,590	24.30	133,286
Project Legal Preconstruction	0.70		4,113	0.70	3,840
Legal Condo Docs	0.60		3,526	0.60	3,291
ERA and LDDA Legal	1.50		8,814	1.50	8,228
Project Legal Construction	0.50		2,938	0.50	2,743
Legal Services	3.30		19,391	3.30	18,101
PEPCO	1.25		7,345	1.25	6,856
WASA Flow Test, TV Lines Fees	0.25		1,469	0.25	1,371
WASA Deposits/Bonds/Meters	0.95		5,582	0.95	5,211
Washington Gas	0.00		0	0.00	0
Public Space Bonds/Fees	0.60		3,526	0.60	3,291
DCRA Structural Warranty Bond	3.50		20,566	3.50	19,198
Cable/TV/Satellite Fees	0.20		1,175	0.20	1,097
Utilities and Bonds	6.75		39,663		37,024
Demolition Permit	0.25		1,469	0.25	1,371
Sheeting and Shoring Permit	0.00		0	0.00	0
Building Permit	0.70		4,113	0.70	3,840
Public Space Permits	0.25		1,469	0.25	1,371
VRAP Letter of Credit	0.20		1,175	0.20	1,097
EISF Fees	0.10		588	0.10	549
Tie Back Agreement	0.00		0	0.00	0
Pre-Post Construction Utility Fees	0.35		2,057	0.35	1,920
Third Party Permit Review	0.40		2,350	0.40	2,194
Permit Expeditor	0.55		3,232	0.55	3,017
Third Party Inspections	0.60		3,526	0.60	3,291
Permits/Testing/Inspections	3.40		19,978		18,649
Warranty Reserve	0.00		0	0.00	0
Marketing Fees	0.80		4,701	0.80	4,388
Market Study	0.00		0	0.00	0
Printing and Advertising	0.35		2,057	0.35	1,920
Marketing/Warranty Reserve	1.15		6,757		6,308
Title Insurance	0.25		1,469	0.25	1,371
Owner's GL	1.75		10,283	1.75	9,599
Real Estate Taxes During Construction	1.25		7,345	1.25	6,856
Recordation Tax (In closing cost below)	0.00		0	0.00	0
Deed Transfer Tax (In closing cost below)	0.00		0	0.00	0
Builders Risk Insurance	0.25		1,469	0.25	1,371
Absorption - Leaseup reserve	0.00		0	0.00	0
Insurance and Taxes	3.50		20,566		19,198
SOFT COST	15%	45.60	53,589	267,946	58,141
Developer Fee	18.70		109,881		102,570
Developer Fee	6%	18.70	21,976	109,881	25,642
Financing Fee Equity	13.52		79,444		74,157
Construction Loan A Interest	8.20		48,183		44,977
Loan B Interest	1.40		8,226		7,679
Construction Loan Closing Cost	6.50		38,194		35,653
Lender Inspections and Monitoring	0.75		4,407		4,114
FINANCING FEES	10%	30.37	35,691	178,454	41,645
TOTAL DEVELOPMENT BUDGET	302.50	355,493	1,777,465	403,681	1,614,726



Green Communities Criteria Checklist

Revised February 2008

Developer Name:

Project Name:

Address (Street/City/State):

Maximum Points

Yes	No	?		
Integrated Design				
			1.1 Green Development Plan	
			Submit Green Development Plan outlining the integrated design approach used for this development that demonstrates involvement of the entire development team.	Mandatory
Site, Location and Neighborhood Fabric				
			2.1a Smart Site Location: Proximity to Existing Development	
			LH Provide site map demonstrating that the development is located on a site with access to existing roads, water, sewers and other infrastructure within or contiguous (having at least 25 percent of the perimeter bordering) to existing development.	Mandatory <i>except infill site or rehabs</i>
			2.1b Smart Site Location: Protecting Environmental Resources - New Construction	
			LH Do not locate new development within 100 feet of wetlands, critical slope areas, land identified as habitat for a threatened or endangered species; or on land previously used as public park land, land identified as prime farmland, or with elevation at or below the 100-year floodplain.	Mandatory <i>except infill site or rehabs</i>
			2.1c Smart Site Location: Proximity to Services - New Construction	
			LH Locate projects within a ¼ mile of at least two, or ½ mile of at least four community and retail facilities.	Mandatory <i>except infill site or rehabs</i>
			2.2 Compact Development: New Construction	
			Achieve densities for new construction of at least six units per acre for detached/semi-detached houses; 10 for town homes; 15 for apartments.	Mandatory <i>except rehabs</i>
			2.3 Walkable Neighborhoods: Sidewalks and Pathways	
			Connect project to the pedestrian grid. Include sidewalks or other all-weather pathways within a multifamily property or single-family subdivision linking residential development to public spaces, open spaces and adjacent development.	Mandatory
			2.4a Smart Site Location: Passive Solar Heating/Cooling	
			LH Orient building to make the greatest use of passive solar heating and cooling.	4
			2.4b Smart Site Location: Grayfield, Brownfield or Adaptive Reuse Site	
			Locate the project on a grayfield, brownfield or adaptive reuse site.	10
			2.5 Compact Development	
			LH Increase average minimum densities to meet or exceed: seven units per acre for detached/semi-detached; 12 units for town homes; and 20 units for apartments.	5
			2.6 Walkable Neighborhoods: Connections to Surrounding Neighborhood	
			Provide a site plan demonstrating at least three separate connections from the development to sidewalks or all-weather pathways in surrounding neighborhoods.	5
			2.7 Transportation Choices	
			LH Locate project within ¼ mile radius of adequate public transit service, or ½ mile radius from an adequate fixed rail or ferry station.	12
Site Improvements				
			3.1 Environmental Remediation	
			Conduct a Phase I Environmental Site Assessment and provide a plan for abatement if necessary.	Mandatory
			3.2 Erosion and Sedimentation Control	
			LH Implement EPA's Best Management Practices for erosion and sedimentation control during construction referring to the EPA document, Storm Water Management for Construction Activities.	Mandatory
			3.3 Landscaping	
			LH Provide a tree or plant list certified by the Architect or Landscape Architect, that the selection of new trees and plants are appropriate to the site's soils and microclimate and do not include invasive species. Locate plants to provide shading in the summer and allow for heat gain in the winter.	Mandatory <i>if providing landscaping</i>

			3.4	Surface Water Management		
			LH	Capture, retain, infiltrate and/or harvest the first ½ inch of rainfall that falls in a 24-hour period.		5
			3.5	Storm Drain Labels		
				Label all storm drains or storm inlets to clearly indicate where the drain or inlet leads.		2
Yes	No	?	Water Conservation			
			4.1a	Water-Conserving Appliances and Fixtures: New Construction		
			LH	Install water-conserving fixtures with the following minimum specifications: toilets – 1.3 GPF; showerheads – 2.0 GPM; kitchen faucets – 2.0 GPM; bathroom faucets – 2.0 GPM		Mandatory
			4.1b	Water-Conserving Appliances and Fixtures: Moderate Rehabilitation		
			LH	Install water-conserving fixtures with the following minimum specifications <i>for toilets and shower heads</i> and follow requirements for other fixtures wherever and whenever they are replaced: toilets – 1.3 GPF; showerheads – 2.0 GPF; kitchen faucets – 2.0 GPM; bathroom faucets – 2.0 GPM.		Mandatory
			4.1c	Water-Conserving Appliances and Fixtures		
			LH	Install water-conserving fixtures with the following minimum specifications: toilets – 1.1 GPF; showerheads – 1.75 GPM; kitchen faucets – 2.0 GPM; bathroom faucets – 1.5 GPM		5
			4.2	Efficient Irrigation		
			LH	If irrigation is necessary, use recycled gray water, roof water, collected site run-off, water from a municipal recycled water system, or a highly efficient irrigation system including all the following: system designed by EPA Water Sense professional; plant beds with a drip irrigation system; separately zoned turf and bedding types; a watering zone timer/controller; moisture sensor controller.		Mandatory <i>if irrigation is necessary</i>
Yes	No	?	Energy Efficiency			
			5.1a	Efficient Energy Use: New Construction		
			LH	Meet Energy Star standards (single family and low rise residential); exceed ASHRAE 90.1-2004 by 15 percent; California-exceed Title 24 by 15 percent; Oregon, Washington, Idaho and Montana--meet Northwest Energy Star		Mandatory
			5.1b	Efficient Energy Use: Moderate & Substantial Rehabilitation		
				Perform an energy analysis of existing building condition, estimate costs of improvements, implement measures that will improve building energy performance by 15 percent from pre-renovation figures.		Mandatory
			5.2	Energy Star Appliances		
			LH	If providing appliances, install Energy Star clothes washers, dishwashers and refrigerators.		Mandatory <i>if providing appliances</i>
			5.3a	Efficient Lighting: Interior		
			LH	Install the Energy Star Advanced Lighting Package in all interior units and use Energy Star or high-efficiency commercial grade fixtures in all common areas and outdoors.		Mandatory
			5.3b	Efficient Lighting: Exterior		
			LH	Install daylight sensors or timers on all outdoor lighting, including front and rear porch lights in single family homes.		Mandatory
			5.4	Electricity Meter		
				Install individual or sub-metered electric meters.		Mandatory <i>(see full criteria for exceptions)</i>
			5.5	Additional Reductions in Energy Use		
			LH	Exceed the relevant Energy Star HERS score for low-rise residential buildings or exceed other standards by increased percentages.		Optional <i>(see full criteria)</i>
			5.6a	Renewable Energy		
			LH	Install PV panels, wind turbines or other renewable energy source to provide at least 10 percent of the project's estimated electricity demand.		15
			5.6b	Photovoltaic (PV) Ready		
				Site, design, engineer and wire the development to accommodate installation of PV in the future.		2
Yes	No	?	Materials Beneficial to the Environment			
			6.1	Construction Waste Management		
			LH	Develop and implement a construction waste management plan to reduce the amount of material sent to the landfill by at least 25 percent.		5
			6.2	Recycled Content Material		
			LH	Use materials with recycled content; provide calculation for recycled content percentage based on cost or value of recycled content in relation to total materials for project. Minimum recycled material must be 5 percent		14

				6.3 Certified, Salvaged and Engineered Wood	
			LH	Commit to using at least 25 percent (by cost) wood products and materials that are salvaged wood, engineered framing materials or certified in accordance with the Forest Stewardship Council.	5
				6.4a Water-Permeable Walkways	
			LH	Use water-permeable materials in 50 percent or more of walkways.	5
				6.4b Water-Permeable Parking Areas	
			LH	Use water-permeable materials in 50 percent or more of paved parking areas.	5
				6.5a Reduce Heat-Island Effect: Roofing	
			LH	Use Energy Star-compliant and high-emissive roofing or install a "green" (vegetated) roof for at least 50 percent of the roof area; or a combination of high-albedo and vegetated roof covering 75 percent of the roof area.	5
				6.5b Reduce Heat-Island Effect: Paving	
			LH	Use light-colored, high-albedo materials and/or an open-grid pavement with a minimum Solar Reflective Index of 0.6 over at least 30 percent of the site's hardscaped area.	5
				6.5c Reduce Heat-Island Effect: Plantings	
			LH	Locate trees or other plantings to provide shading for at least 50 percent of sidewalks, patios and driveways within 50 feet of a home.	5
Yes	No	?	Healthy Living Environment		
				7.1 Low / No Volatile Organic Compounds (VOC) Paints and Primers	
			LH	Specify that all interior paints and primers must comply with current Green Seal standards for low VOC	Mandatory
				7.2 Low / No VOC Adhesives and Sealants	
			LH	Specify that all adhesives must comply with Rule 1168 of the South Coast Air Quality Management District. Caulks and sealants must comply with Regulation 8, Rule 51 of the Bay Area Air Quality Management District.	Mandatory
				7.3 Urea Formaldehyde-free Composite Wood	
				Use particleboard and MDF that is certified compliant with the ANSI A208.1 and A208.2. If using nonrated composite wood, all exposed edges and sides must be sealed with low-VOC sealants.	Mandatory
				7.4 Green Label Certified Floor Coverings	
			LH	Do not install carpets in below grade living spaces, entryways, laundry rooms, bathrooms, kitchens or utility rooms. If using carpet, use the Carpet and Rug Institute's Green Label certified carpet, pad and carpet adhesives.	Mandatory <i>if providing floor coverings</i>
				7.5a Exhaust Fans – Bathroom	
			LH	Install Energy Star-labeled bathroom fans that exhaust to the outdoors and are connected to a light switch and are equipped with a humidistat sensor or timer, <i>or</i> operate continuously.	Mandatory
				7.5b Exhaust Fans – Kitchen: New Construction & Substantial Rehabilitation	
			LH	Install power vented fans or range hoods that exhaust to the exterior.	Mandatory
				7.5c Exhaust Fans – Kitchen: Moderate Rehabilitation	
				Install power vented fans or range hoods that exhaust to the exterior.	5
				7.6a Ventilation: New Construction & Substantial Rehabilitation	
			LH	Install a ventilation system for the dwelling unit, providing adequate fresh air per ASHRAE 62.1-2007 for residential buildings above 3 stories or ASHRAE 62.2 for single family and low-rise multifamily dwellings.	Mandatory
				7.6b Ventilation: Moderate Rehabilitation	
				Install a ventilation system for the dwelling unit, providing adequate fresh air per ASHRAE 62.1-2007 for residential buildings above 3 stories or ASHRAE 62.2 for single family and low-rise multifamily dwellings.	10
				7.7 HVAC Sizing	
			LH	Size heating and cooling equipment in accordance with the Air Conditioning Contractors of America Manual, Parts J and S, ASHRAE handbooks, or equivalent software.	Mandatory
				7.8 Water Heaters: Mold Prevention	
				Use tankless hot water heaters or install conventional hot water heaters in rooms with drains or catch pans with drains piped to the exterior of the dwelling and with non-water sensitive floor coverings.	Mandatory

				7.9a	Materials in Wet Areas: Surfaces In wet areas, use materials that have smooth, durable, cleanable surfaces. Do not use mold-propagating materials such as vinyl wallpaper and unsealed grout.	Mandatory	
				7.9b	Materials in Wet Areas: Tub and Shower Enclosures Use fiberglass or similar enclosure or, if using any form of grouted material, use backing materials such as cement board, fiber cement board or equivalent (i.e., not paper-faced).	Mandatory	
				7.10a	Basements and Concrete Slabs: Vapor Barrier Provide vapor barrier under all slabs. For concrete floors either in basements or on-grade slab install a capillary break of 4 four inches of gravel over soil. Cover all gravel with 6 millimeter polyethylene sheeting moisture barrier with joints lapped one foot or more. On interior below grade walls, avoid using separate vapor barrier or below grade vertical insulation.	Mandatory	
				7.10b LH	Basements and Concrete Slabs – Radon: New Construction & Substantial Rehabilitation In EPA Zone 1 and 2 areas, install passive radon-resistant features below the slab along with a vertical vent pipe with junction box available, if an active system should prove necessary. For substantial rehab, introduce radon-reduction measures if elevated levels of radon are detected.	Mandatory	
				7.11	Water Drainage Provide drainage of water to the lowest level of concrete away from windows, walls and foundations.	Mandatory	
				7.12 LH	Garage Isolation Provide a continuous air barrier between the conditioned (living) space and any unconditioned garage space. In single-family houses with attached garages, install a CO alarm inside the house on the wall that is attached to the garage and outside the sleeping area, and do not install air handling equipment in the garage.	Mandatory	
				7.13 LH	Clothes Dryer Exhaust Clothes dryers must be exhausted directly to the outdoors.	Mandatory	
				7.14 LH	Integrated Pest Management Seal all wall, floor and joint penetrations with low VOC caulking. Provide rodent-proof and corrosion-proof screens (e.g., copper or stainless steel mesh) for large openings.	Mandatory	
				7.15	Lead-Safe Work Practices: Moderate & Substantial Rehabilitation For properties built before 1978, use lead-safe work practices during renovation, remodeling, painting and demolition.	Mandatory	
				7.16	Healthy Flooring Materials: Alternative Sources Use non-vinyl, non-carpet floor coverings in all rooms.	5	
				7.17	Smoke-free Building Enforce a "no smoking" policy in all common and individual living areas in all buildings. See full criteria for "common area" definition.	2	
				7.18 LH	Combustion Equipment (includes space & water-heating equipment) Specify power vented or combustion sealed equipment. Install one hard-wired CO detector for each sleeping area, minimum one per floor.	Mandatory	
Yes	No	?	Operations and Maintenance				
				8.1 LH	Building Maintenance Manual Provide a manual that includes the following: a routine maintenance plan; instructions for all appliances, HVAC operation, water-system turnoffs, lighting equipment, paving materials and landscaping, pest control and other systems that are part of each occupancy unit; an occupancy turnover plan that describes the process of educating the tenant about proper use and maintenance of all building systems.	Mandatory	
				8.2 LH	Occupant's Manual Provide a guide for homeowners and renters that explains the intent, benefits, use and maintenance of green building features, along with the location of transit stops and other neighborhood conveniences, and encourages additional green activities such as recycling, gardening and use of healthy cleaning materials, alternate measures for pest control, and purchase of green power.	Mandatory	
				8.3 LH	Homeowner and New Resident Orientation Provide a walk-through and orientation to the homeowner or new resident using the Occupant Manual from 8-2 above that reviews the building's green features, operations and maintenance along with neighborhood conveniences.	Mandatory	