



5. Attornment. Upon a Foreclosure Event, Tenant agrees that it will attorn to and recognize any Successor Landlord as its landlord for the unexpired balance (and any extensions, if exercised) of the term of the Lease upon the same terms and conditions set forth in the Lease.
  
6. Liability of Successor Landlord. Any Successor Landlord shall not be:
  - a. Liable for any act or omission of Former Landlord, except to the extent that any such act or omission results in a landlord default under the Lease and remains uncured as of the date Successor Landlord takes title to the Property; or
  - b. Subject to any offsets that Tenant might have against Former Landlord; or
  - c. Bound by any Rent that Tenant might have paid for more than the current month to Former Landlord; or
  - d. Bound by any previous amendment, modification, financial settlement or termination of the Lease made after the Effective Date of this Agreement, without Lender's written consent.
  
7. Tenant's Payment of Rent. Tenant shall not pay an installment of Rent or any part thereof more than thirty (30) days prior to the due date of such installment. After such time as Lender provides notice to Tenant that the Rent should be paid to Lender (as evidenced by appropriate documentation, such as the Assignment of Leases), Tenant shall pay to Lender, or in accordance with the directions of Lender, all Rent due and to become due to Landlord under the Lease, and Landlord hereby expressly authorizes Tenant to make such payments to Lender and hereby releases and discharges Tenant of and from any liability to Landlord on account of any such payments.
  
8. Notice of Default to Lender. Tenant agrees to give Lender, by certified mail, a copy of any notice of default served upon the Landlord at the address designated in this Agreement. Lender shall have all cure rights provided to Landlord under the Lease. Notwithstanding the foregoing, prior to attornment to Lender, Lender shall have no obligation to correct any Landlord default and Tenant shall look only to Landlord to fulfill the terms, covenants and conditions of the Lease.
  
9. General Provisions.



- 9.1.1 This Agreement shall inure to the benefit of and shall be binding upon Tenant, Landlord and Lender, and their respective heirs, personal representatives, successors and assigns provided that the interest of Tenant under this Agreement may not be transferred or assigned without Lender's written consent, such consent to not be unreasonably withheld, conditioned or delayed.
- 9.1.2 In the event any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or enforceability shall, at the option of Lender, not affect any other provisions of this Agreement, but this Agreement shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein.
- 9.1.3 The Recitals of this Agreement are hereby incorporated herein by this reference and made a substantive part of the agreements herein between the parties.
- 9.1.4 No provision contained in this Agreement shall be construed to create a financial obligation, independent of the obligations contained in the Lease, on the Tenant. In addition, Lender shall not name or join Tenant as a defendant in any exercise of Lender's rights and remedies arising upon a default under the Mortgage.
- 9.1.5 This Agreement shall be governed by and construed according to the laws of the District of Columbia.
- 9.1.6 No modification, amendment, waiver or release of any provision of this Agreement or any right, obligation, claim or cause of action arising thereunder shall be valid or binding for any purpose whatsoever unless in writing and duly executed by the party against whom the same is sought to be asserted. No party has relied upon any representation (either oral or in writing) of any other party in executing this Agreement.
- 9.1.7 Nothing contained in this Agreement shall in any way impair or affect the lien created by the Mortgage.
- 9.1.8 All notices or other correspondence required or permitted under this Agreement shall be in writing and given by certified mail, return receipt



requested, or by nationally recognized overnight courier service that regularly maintains records of items delivered, to the parties as follows:

Lender:

Landlord:

Tenant: District of Columbia  
Department of General Services  
2000 14th Street, N.W., Suite 800  
Washington, D.C. 20009  
Attn: Director

9.1.9 This Agreement shall be recorded by Landlord, at its sole cost and expense, in the Land Records of the District of Columbia promptly following execution.

*[SIGNATURES ON FOLLOWING PAGES]*







IN WITNESS WHEREOF, and intending to be legally bound, the undersigned District of Columbia, a municipal corporation, has caused this instrument to be executed on its behalf by \_\_\_\_\_, its Director, as of the date written below.

TENANT:  
DISTRICT OF COLUMBIA, a municipal corporation, Department of General Services

By: \_\_\_\_\_ [SEAL]  
Name:  
Title: Director  
Date: \_\_\_\_\_

District of Columbia ) ss

On the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, before me, a notary public in and for the District of Columbia, personally appeared \_\_\_\_\_, who acknowledged himself/herself to be the Director of the District of Columbia, and that he as such officer, being authorized to do, executed the foregoing instrument for the purposes therein contained by signing the name of the authorized agent of the District of Columbia by himself as such Director.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.

\_\_\_\_\_  
Notary Public  
My Commission Expires: \_\_\_\_\_

Approved for legal sufficiency:  
D.C. Office of the Attorney General

By: \_\_\_\_\_  
Assistant Attorney General



**EXHIBIT A**  
**LEGAL DESCRIPTION OF PROPERTY**

**EXHIBIT B**

**List of Subleases**

*Ar*

## **Exhibit G**

### **SWLH Property Leases and Contracts**

#### Leases

U.S. Government Lease for Real Property (NPS-10-USPP-01) with the National Park Service, dated May 7, 2010

#### Contracts

Parking Agreement with MarcParc, Inc., dated May 2, 2011

As

## Exhibit H

### Form of SWLH Assignment

#### ASSIGNMENT

**THIS ASSIGNMENT** (“**Assignment**”) is made as of \_\_\_\_\_, 2014, by SW Land Holder, LLC, a Delaware limited liability company (“**Assignor**”) in favor of the District of Columbia, a municipal corporation acting by and through the Department of General Services (“**Assignee**”).

#### RECITALS:

Pursuant to an Exchange Agreement dated as of \_\_\_\_\_, 2014 (“**Agreement**”) between Assignor and Assignee, Assignor has agreed to convey and transfer to Assignee certain real property and improvements located on Buzzard Point in Washington, D.C. (Lots 13 in Square 607). Pursuant to the Agreement, Assignor also desires to assign to Assignee, and Assignee desires to assume, all of Assignor’s right, title and interest (if any) in, to and under the Assigned Property described below.

**NOW, THEREFORE**, in consideration of the foregoing premises, and of other good and valuable consideration, the receipt and sufficiency of which are acknowledged, Assignor and Assignee agree as follows:

1. **Definitions.** Capitalized terms used in this Assignment and not otherwise defined herein shall have the meanings ascribed to them in the Agreement.
2. **Assignment.** Assignor hereby assigns, conveys, transfers, and grants to Assignee all of its right, title and interest in the following (collectively, “**Assigned Property**”):
  - a. the SWLH Leases;
  - b. those contracts listed on Exhibit G to the Agreement;
  - c. the Intangible Property associated with the SWLH Land and the Improvements located thereon.
3. **Assumption.** Assignee hereby assumes all obligations of Assignor under the Assigned Property which accrue from and after the date of this Assignment. From and after the date of this Assignment, Assignee shall pay and perform all such obligations. Assignor is making no representations or warranties with respect to the Assigned Property except to the extent expressly set forth in the Agreement.
4. **Further Assurances.** Promptly upon request of the other party, Assignor and Assignee shall each execute and deliver to the other such further assurances and take such further actions as may be reasonably required or appropriate to perfect the transfer of the Assigned Property to Assignee and otherwise carry out the intent and purpose of this Assignment.

AL

5. **Binding Effect and Assignment.** This Assignment shall be binding upon and inure to the benefit of Assignor and Assignee and their respective successors and assigns.

6. **Governing Law.** This Assignment shall be governed by and construed in accordance with the laws of the District of Columbia (without reference to conflicts of laws principles).

*[signatures appear on following page]*

AM

**IN WITNESS WHEREOF**, Assignor and Assignee have executed this Assignment under seal as of the date first above written.

**ASSIGNOR:**

**SW LAND HOLDER, LLC**

By: JACO SW Land, LLC, its managing member

By: JACO Manager, Inc., its managing member

By: \_\_\_\_\_  
Name:  
Title:

**ASSIGNEE:**

**DISTRICT OF COLUMBIA**, by and through the  
Department of General Services

By: \_\_\_\_\_  
Name:  
Title:



**Exhibit I**

**[Intentionally Omitted]**

AK

## Exhibit J

### Form of District Assignment

#### ASSIGNMENT

**THIS ASSIGNMENT** (“Assignment”) is made as of \_\_\_\_\_, 2014, by the District of Columbia, a municipal corporation acting by and through the Department of General Services (“Assignor”) in favor of SW Land Holder, LLC, a Delaware limited liability company (“Assignee”).

#### RECITALS:

Pursuant to an Exchange Agreement dated as of \_\_\_\_\_, 2014 (“Agreement”) between Assignor and Assignee, Assignor has agreed to convey and transfer to Assignee certain real property and improvements commonly known as the Reeves Municipal Center in Washington, D.C. (Lots 844 and 7000 in Square 204). Pursuant to the Agreement, Assignor also desires to assign to Assignee, and Assignee desires to assume, all of Assignor’s right, title and interest (if any) in, to and under the Assigned Property described below.

**NOW, THEREFORE**, in consideration of the foregoing premises, and of other good and valuable consideration, the receipt and sufficiency of which are acknowledged, Assignor and Assignee agree as follows:

1. **Definitions.** Capitalized terms used in this Assignment and not otherwise defined herein shall have the meanings ascribed to them in the Agreement.

2. **Assignment.** Assignor hereby assigns, conveys, transfers, and grants to Assignee all of its right, title and interest in the following (collectively, “Assigned Property”):

- a. the Airspace Lease;
- b. the Intangible Property associated with the District Land and the Improvements located thereon.

3. **Assumption.** Assignee hereby assumes all obligations of Assignor under the Assigned Property which accrue from and after the date of this Assignment. From and after the date of this Assignment, Assignee shall pay and perform all such obligations. Assignor is making no representations or warranties with respect to the Assigned Property except to the extent expressly set forth in the Agreement. Notwithstanding anything to the contrary contained herein, Assignee shall not assume any obligations of Assignor under the Assigned Property to the extent such obligations are to be performed by Assignor in its governmental, legislative or regulatory capacity.

4. **Further Assurances.** Promptly upon request of the other party, Assignor and Assignee shall each execute and deliver to the other such further assurances and take such further actions as may be reasonably required or appropriate to perfect the transfer of the Assigned Property to Assignee and otherwise carry out the intent and purpose of this Assignment.

5. **Binding Effect and Assignment.** This Assignment shall be binding upon and inure to the benefit of Assignor and Assignee and their respective successors and assigns.

6. **Governing Law.** This Assignment shall be governed by and construed in accordance with the laws of the District of Columbia (without reference to conflicts of laws principles).

*[signatures appear on following page]*

h

**IN WITNESS WHEREOF**, Assignor and Assignee have executed this Assignment under seal as of the date first above written.

**ASSIGNOR:**

**DISTRICT OF COLUMBIA**, by and through the  
Department of General Services

By: \_\_\_\_\_  
Name:  
Title:

**ASSIGNEE:**

**SW LAND HOLDER, LLC**

By: JACO SW Land, LLC, its managing member

By: JACO Manager, Inc., its managing member

By: \_\_\_\_\_  
Name:  
Title:

## Exhibit K

### Form of Airspace Lease Estoppel

#### TENANT ESTOPPEL CERTIFICATE

To: SW Land Holder, LLC  
c/o Akridge  
601 Thirteenth Street, N.W.  
Suite 300 North  
Washington, D.C. 20005

With respect to that certain residential apartment building located at 1414 V Street, N.W., Washington, D.C. (the "**Airspace Building**"), within Lot 7000, Square 204, Washington D.C. (the "**Airspace Parcel**"), **PARCEL 13 ASSOCIATES LIMITED PARTNERSHIP**, a District of Columbia limited partnership ("**Tenant**"), hereby certifies (i) to **SW LAND HOLDER, LLC**, a Delaware limited liability company ("**New Landlord**"), as purchaser from the District of Columbia ("**District**") of Lot 844, Square 204 ("**Reeves Parcel**") and all improvements located thereon ("**Reeves Building**") (along with the fee interest in the Airspace Parcel) and (ii) to New Landlord's successors, assigns, and lenders, the following matters as of the date set forth below:

1. True and complete copies of (i) that certain Lease Agreement for Rental of Airspace between the District and Tenant ("**Original Lease**") and (ii) that certain First Amendment to Lease Agreement for Rental of Airspace between the District and Tenant ("**First Amendment**") are attached hereto as Exhibit A. The Original Lease, as amended by the First Amendment, is referred to herein as the "**Lease**". The Lease is in full force and effect as of the date of this certificate, and has not been modified, changed, altered or amended except pursuant to the Amendment. There are no agreements or understandings between Tenant and the District related to the Airspace Building or Airspace Parcel except as set forth in the Lease.
2. The lease commencement date is October 8, 1986. The lease expiration date is October 8, 2085. Tenant has no rights to renew or extend the term of the Lease.
3. "Base Rent" under the Lease is \$1 annually. The monthly installment of "Additional Rent" under the Lease is \$ \_\_\_\_\_, and has been fully paid as of the date of this certificate.
4. Tenant has the right to use \_\_\_\_\_ parking spaces in the garage associated with the Reeves Building. Tenant is currently using \_\_\_\_\_ parking spaces in such garage.
5. Tenant has not delivered to District, and the Lease does not require delivery of, any security deposit or other deposit.
6. New Landlord is not required to perform any improvements or work to the Airspace Building or the Airspace Parcel, and is not liable for the payment of any improvement allowance or other allowance under the Lease.

*A*

7. All obligations under the Lease to be performed by "Landlord" or the "District" (as such terms are defined in the Lease) under the Lease up to and including the date hereof have been satisfied. There are no defaults by either Tenant or, to Tenant's knowledge, the District thereunder, and, to Tenant's knowledge, no event has occurred or situation exists which would, with the passage of time or the giving of notice or both, constitute a default under the Lease.
8. Tenant has no option or preferential right to purchase all or any part of the Airspace Parcel, the Reeves Building or the Reeves Parcel. Tenant has no rights or interest with respect to the Reeves Parcel except such easement rights as are set forth in the Lease (as such rights are clarified herein).
9. Tenant has not assigned, sublet, transferred or agreed to transfer the Airspace Building, the Airspace Building or its interest therein, except pursuant to leases to residential tenants.
10. Tenant has obtained a loan from M&T Realty Capital Corporation in the amount of \$2,300,000 ("**Leasehold Financing**"), secured by that certain Multifamily Deed of Trust, Assignment of Rents and Security Agreement dated February 26, 2010 and recorded March 1, 2010 as Instrument No. 2010017166. Other than in connection with the Leasehold Financing, Tenant has not mortgaged or otherwise encumbered the Airspace Building, the Airspace Parcel, or Tenant's interest therein.
11. As of the date hereof, there are no actions, whether voluntary or otherwise, pending against Tenant under the bankruptcy or insolvency laws of the United States or any state thereof.
12. Tenant is and shall continue to be liable for, in accordance with the Lease, the payment of all real estate taxes and all other taxes, fees and assessments assessed against or arising from the Airspace Building, the Airspace Parcel and Tenant's interest therein.
13. Tenant confirms that the ingress and egress easements shown on Exhibit C to the Original Lease and described in Exhibit A to the Original Lease and in Exhibit A to the First Amendment are accurately drawn and defined in their entirety on Exhibit B attached hereto. Tenant shall execute and permit the recordation of such documents as New Landlord may reasonably require in order to memorialize the foregoing.

Furthermore, Tenant hereby agrees as follows for the benefit of New Landlord and its successors, assigns, and lenders:

14. Construction. In connection with Landlord's intended demolition and redevelopment of the Reeves Building, Tenant shall permit (i) reasonable interruptions of and alterations to Tenant's easement rights shown on Exhibit C to the Original Lease and the easement rights described in Sections A through F of Exhibit A to the Lease and in Sections A through F of Exhibit A to the Amendment and (ii) the temporary or permanent removal of decorative planters located between the Airspace Building and the Reeves Building. Tenant shall execute and permit the recordation of such documents as are reasonably required by Landlord to memorialize the foregoing.



15. Building Plans. Within three (3) business days following the date of this certificate, Tenant shall provide to Landlord a full set of the "Plans" (as defined in the Lease).
16. Defined Terms. Tenant agrees that, from and after New Landlord's acquisition of the Airspace Parcel, New Landlord shall be deemed to be the "District of Columbia", the "District" and the "Landlord" (as such terms are defined in the Lease) under the Lease; provided, however, that the terms "District of Columbia" and "District" shall not refer to New Landlord when such terms are used to describe the District of Columbia acting solely in its legislative or regulatory capacity.
17. Notices. From and after New Landlord's acquisition of the Airspace Parcel, Tenant shall deliver all rents and notices under the Lease (including without limitation copies of all notices and requests required to be sent to the "District", in its regulatory capacity, or any agency thereof) to the following address:

SW Land Holder, LLC  
c/o Akridge  
601 Thirteenth Street, N.W.  
Suite 300 North  
Washington, D.C. 20005

with copies to:

Akridge  
601 Thirteenth Street, N.W.  
Suite 300 North  
Washington, D.C. 20005  
Attn: Andy Pace

Arnold & Porter LLP  
555 Twelfth Street, N.W.  
Washington, D.C. 20004  
Attn: Michael D. Goodwin

18. Further Documentation. Tenant agrees to execute and record, and obtain all necessary approvals or consents for, any further agreements or documents reasonably requested by Landlord to memorialize or effectuate the matters set forth herein.

Tenant hereby acknowledges and agrees that New Landlord and each of the parties described in the first paragraph of this letter shall be entitled to rely on the truth and accuracy of the certifications and agreements of Tenant set forth herein.

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_.

[signature on following page]



**TENANT:**

**PARCEL 13 ASSOCIATES LIMITED PARTNERSHIP, a**  
District of Columbia limited partnership

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

*AL*

**EXHIBIT A**

Lease Documents

[see attached]

*Am*

**EXHIBIT B**

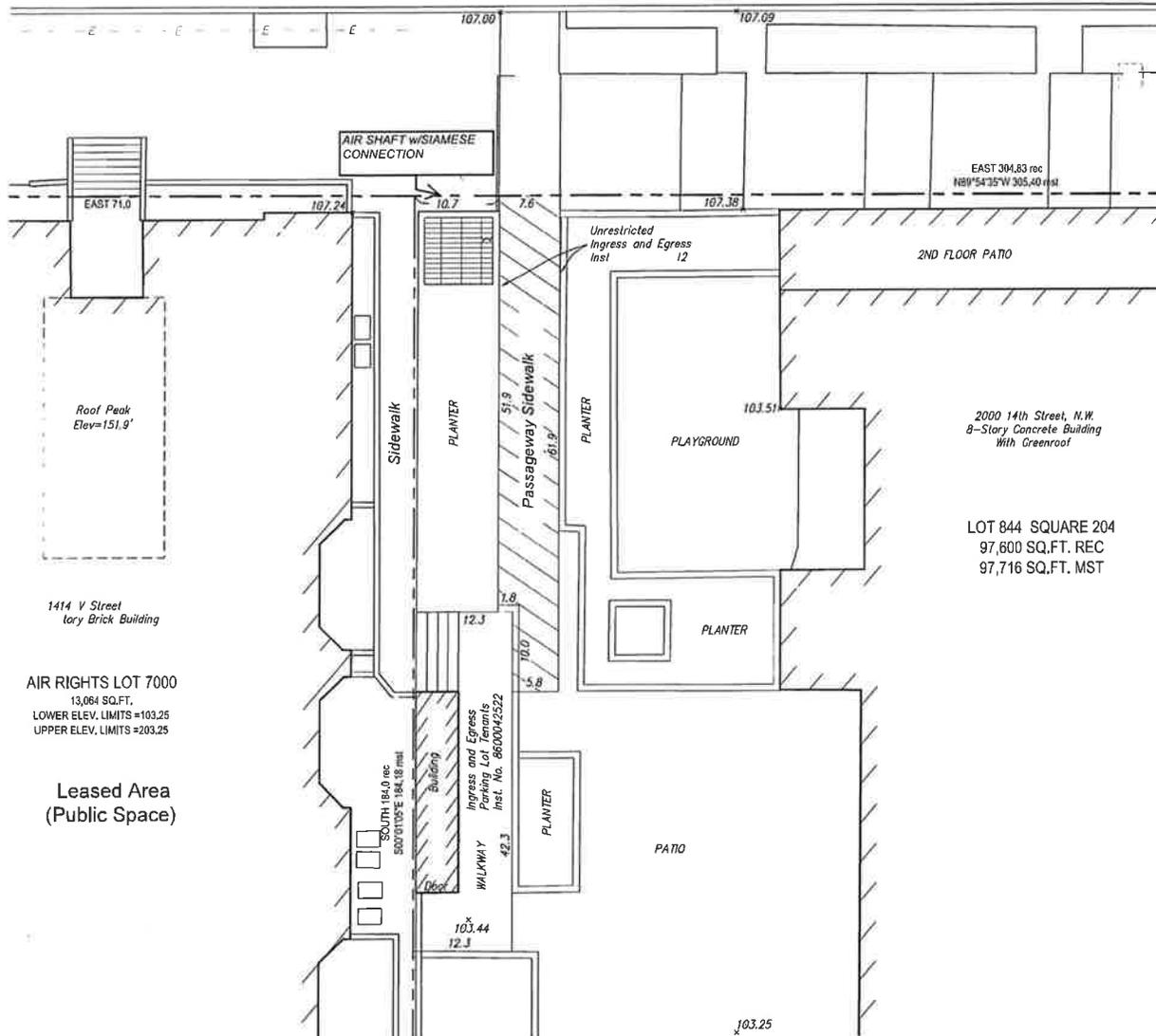
Easement Area

[see attached]

ph

# Exhibit B

V Street, N.W.



**AIR RIGHTS LOT 7000**  
13,064 SQ.FT.  
LOWER ELEV. LIMITS = 103.25  
UPPER ELEV. LIMITS = 203.25

**Leased Area  
(Public Space)**

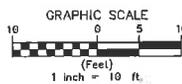
**LOT 844 SQUARE 204**  
97,600 SQ.FT. REC  
97,716 SQ.FT. MST

**WILES MENSCH CORPORATION**  
Planning, Engineering, Surveying & Landscape Architecture  
11860 Surside Valley Drive Suite 200 Reston, Virginia 20191  
(T) 703-591-7600 (F) 703-264-0595 www.wilesmensch.com

Client:	AKRIDGE		
DRAWING TITLE	Easement Detail Lot 844 Square 204 2000 14th Street, N.W. Washington, DC	JOB NO. 13058	
SCALE:	1" = 10'	DATE:	2013-11-06
SHEET	1 OF 1		

**GENERAL NOTES:**

- 1) The information shown results from a field survey by this firm, last date of field survey October 7, 2013.
- 2) Boundary information shown hereon was obtained from official city records, and verified in the field insofar as possible, property line dimensions from official records may not necessarily agree with actual measured dimensions. All property lines in the District of Columbia are subject to change by the Office of the Surveyor, D.C.
- 3) Meridian referenced to WMATA Project Coordinates. Measured bearings on WMATA Project datum.
- 4) Easements shown are for graphical purposes only.



## Exhibit L

### Form of Reeves Sublease Estoppel

#### SUBTENANT ESTOPPEL CERTIFICATE

To: SW Land Holder, LLC  
c/o Akridge  
601 Thirteenth Street, N.W.  
Suite 300 North  
Washington, D.C. 20005

With respect to certain premises in the Reeves Municipal Center located at the corner of 14<sup>th</sup> Street and U Street in Northwest Washington, D.C. (the "**Building**"), \_\_\_\_\_ ("**Subtenant**") hereby certifies (i) to **SW LAND HOLDER, LLC**, a Delaware limited liability company ("**New Landlord**"), as purchaser from the District of Columbia ("**District**") of the Building and the underlying land and (ii) to New Landlord's successors, assigns, and lenders, the following matters as of the date set forth below:

19. Subtenant acknowledges that New Landlord is the owner of the Building, and that the District is New Landlord's tenant. The lease between Subtenant and the District has been converted to a sublease, with Subtenant as subtenant and the District as sublandlord ("**Sublease**"). The Sublease and all amendments or modifications thereto are listed on Exhibit A attached hereto.
20. Subtenant is in possession of the premises demised under the Sublease, which is comprised of approximately \_\_\_\_\_ square feet of space on the \_\_\_\_\_ floor of the Building (the "**Premises**"), and designated as Suite No. \_\_\_\_\_.
21. The Sublease expiration date is \_\_\_\_\_. Pursuant to the Sublease, the term of the Sublease is coterminous with the term of the District's lease with New Landlord. Subtenant has no rights to renew or extend the term of the Sublease.
22. There are no defaults by either Subtenant or, to Subtenant's knowledge, the District thereunder, and, to Subtenant's knowledge, no event has occurred or situation exists which would, with the passage of time or the giving of notice or both, constitute a default under the Sublease.
23. Subtenant has no option or preferential right to purchase all or any part of the Premises, the Building, or the land of which the Premises/Building are a part. Subtenant has no rights or interest with respect to the Premises, the Building or the land other than as a Subtenant under the Sublease.
24. Subtenant has not assigned or sublet its interest in the Premises.

25. As of the date hereof, there are no actions, whether voluntary or otherwise, pending against Subtenant under the bankruptcy or insolvency laws of the United States or any state thereof.
26. Subtenant acknowledges that the District, and not New Landlord, shall be liable to Subtenant with respect to the Sublease, all obligations under the Sublease and in all other respects in connection with the Premises and Subtenant's use and occupancy thereof. New Landlord shall have no liability or obligation to Subtenant whatsoever under the Sublease or otherwise, including, without limitation, with respect to (i) payment of or return of any deposits, allowances, rents paid in advance, judgments or any other sums owed by the District or otherwise arising from or in connection with the Premises or the Sublease or (ii) the performance of any repairs, improvements, maintenance, services or any other obligations. Subtenant shall look solely to the District for payment or performance of any of the foregoing in accordance with the Sublease.

Subtenant hereby acknowledges and agrees that New Landlord and each of the parties described in the first paragraph of this letter shall be entitled to rely on the truth and accuracy of the foregoing certifications made by Subtenant in connection with the transfer of the Building and underlying land and any lender's decision to make a loan to New Landlord secured in whole or in part by the Building and underlying land.

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 201\_\_.

**[SUBTENANT]**

\_\_\_\_\_

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

*Len*

**EXHIBIT A**

Sublease Documents

[List Sublease documents]

M

## **Exhibit M**

### **Reeves Leases**

1. Reeves Center Retail Lease between the District and Edward P. Mazique Parent Child Center commencing September 1, 1988
2. Lease Agreement between the District and Irving Johnson T/A Duke's dated January 21, 1994
3. Lease Agreement between the District and Howard University dated January 1, 2011
4. Lease Agreement between the District and Industrial Bank, NA dated April 1, 2010
5. Lease Agreement between the District and Metro DC Community Center, Inc., D/B/A The DC Center, dated April 5, 2013
6. Lease (C0000396887) between the District and the United States Postal Service dated March 27, 2012
7. Cafeteria Reeves Center Retail Lease between the District and Harambee International Development Corporation dated December 24, 1986

As

**Exhibit N**

**Due Diligence Materials Not Distributed**

For SWLH: **NONE**

For District: [ \_\_\_\_\_ ]

*AM*

## Exhibit O

### Arbitration Procedures

If either Party delivers to the other Party a notice (“**Arbitration Notice**”) commencing arbitration pursuant to Section 2.5 or Section 5.11 of the Agreement, the following procedures shall apply:

1. The matter in dispute, which shall be set forth in the Arbitration Notice, shall be the “**Disputed Item.**” The Arbitration Notice shall name one (1) arbitrator selected by such Party, which must be an Approved Arbitrator. “Approved Arbitrator” means an individual who (A) is not an Affiliate of either Party, (B) is not and has never been an employee of either Party or any affiliate of either Party, (C) is not and has not, within the ten (10) years prior to his or her appointment as an arbitrator hereunder, worked for or rendered services to either Party or any affiliate of either Party, (D) with respect to an arbitration commenced pursuant to Section 2.5, is a partner at a nationally recognized law firm with offices in Washington, D.C. and who has demonstrable experience and expertise in the applicability of the Davis-Bacon Act to real estate development projects, and (E) with respect to an arbitration commenced pursuant to Section 5.11, is an appraiser with at least ten (10) years’ experience in the Washington, D.C. area and who has demonstrable experience and expertise in the valuation of CLDs.

2. Within five (5) Business Days after either Party delivers an Arbitration Notice, the other Party shall give written notice to the first Party either (i) approving the arbitrator selected by the first Party to act as sole arbitrator with respect to the Disputed Item or (ii) naming a second arbitrator with respect to the Disputed Item, who shall be an Approved Arbitrator. If the second Party fails timely to deliver such notice, it shall be deemed to have approved the arbitrator selected by the first Party to act as sole arbitrator with respect to the Disputed Item. If the second Party timely names a second arbitrator, then within five (5) Business Days after selection of the second arbitrator, the two named arbitrators shall select a third arbitrator with respect to the Disputed Item (who must also be an Approved Arbitrator). In the event the two arbitrators fail to appoint or agree upon the third arbitrator within such five (5) Business Day period, either Party may request the director of the Washington, D.C. regional office of the American Arbitration Association (or any successor organization, or if no successor organization exists, then to an organization composed of persons of similar qualifications) to appoint the third arbitrator (who must also be an Approved Arbitrator) within five (5) Business Days of such request. In the event of the inability or failure of any arbitrator to act, a replacement arbitrator (who must also be an Approved Arbitrator) shall be selected in the same manner as set forth above.

3. With respect to an arbitration pursuant to Section 2.5, the decision of the arbitrator(s) shall be limited solely to a yes or no determination as to whether it is more likely than not that the Davis-Bacon Act would apply to the development of the District Property by SWLH. With respect to an arbitration pursuant to Section 5.11, the decision of the arbitrator(s) shall be limited solely to a determination of the fair market value of the CLDs in question.

4. Within ten (10) Business Days of the determination of the identity of the three (3) arbitrators or the determination to utilize a sole arbitrator pursuant to Paragraph 2 above, the



Parties and the arbitrator(s) shall hold a hearing (the "Hearing") at a mutually acceptable location in the greater Washington, D.C. area. Until the Hearing has been completed, the Hearing shall occur on consecutive Business Days without a break, and shall begin no later than 9 a.m. and conclude no earlier than 5 p.m. on each day (unless otherwise determined by the arbitrator(s)). If the Parties do not agree upon the location of the Hearing within five (5) Business Days from the determination of the identity of the three (3) arbitrators or the determination to utilize a sole arbitrator pursuant to Paragraph 2 above, the Hearing shall take place at such location in the greater Washington, D.C. area as is chosen by the arbitrator(s).

5. Prior to the Hearing, either Party may present whatever written evidence it deems appropriate (with copies of any such written evidence being sent to the other Party). At the Hearing, the Parties may each submit evidence, be heard, and cross-examine witnesses, and each of the Parties will furnish the arbitrator(s) with such information as the arbitrator(s) may reasonably request. The Hearing shall be conducted such that each Party shall have reasonably adequate time to present oral evidence or argument and cross-examine witnesses.

6. Both Parties shall request that the decision of the arbitrator(s) shall be given within a period of five (5) Business Days after the Hearing and shall be accompanied by a reasonably detailed explanation of each arbitrator's rationale for its decision. A decision on resolution of the Disputed Items in which a majority of the arbitrators concur shall in all cases be (a) binding and conclusive upon the Parties and (b) enforceable in any court of competent jurisdiction. With respect to each Disputed Item, each Party shall bear the fees and expenses of the arbitrator selected by it, and shall bear jointly the fees and expenses of the third arbitrator, if any.



SW LAND HOLDER, LLC  
c/o Akridge  
601 Thirteenth Street, N.W.  
Suite 300 North  
Washington, D.C. 20005

May 23, 2014

The District of Columbia  
John A. Wilson Building  
1350 Pennsylvania Avenue, N.W.  
Suite 521  
Washington, D.C. 20004  
Attn: Allen Y. Lew, City Administrator

Re: Land Exchange

Dear Mr. Lew:

We refer to the Exchange Agreement ("Exchange Agreement") dated as of May 23, 2014 between SW Land Holder, LLC, a Delaware limited liability company ("SWLH") and the District of Columbia, a municipal corporation acting by and through the Department of General Services ("District").

This letter will serve to confirm our agreement that SWLH shall make a contribution to the District in the amount of \$2,444,155.00 to offset a portion of the land acquisition costs incurred by the District in connection with its soccer stadium transaction with DC United. Such amount shall be due and payable at closing under the Exchange Agreement. Such amount shall be in addition to SWLH's payment of the "Additional Amount" (referenced in Section 2.4 of the Exchange Agreement) of \$34,485,000.00, thereby increasing SWLH's aggregate cash payment to the District to \$36,929,155.00.

This letter will be deemed accepted by the District upon the District's approval and execution of the Exchange Agreement, and shall constitute a legally binding agreement between SWLH and the District. If the Exchange Agreement is not approved and executed by the District, this letter shall be of no further force or effect.

[signature on following page]

Sincerely,

SW LAND HOLDER, LLC

By: JACO SW Land, LLC, managing member

By: JACO Manager, Inc., managing member

By:   
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Matthew J. Klein, President