

MEMORANDUM OF AGREEMENT

This agreement, entered into on this 27th and 28th days of May 2008, is between the undersigned Advisory Neighborhood (ANC) 6D Commissioners and Square 769, LLC ("SQ. 769"), developer of an office building to be known as "250 M Street," regarding Zoning Commission Case No. 03-12F/03-13F (Modification to PUD @ Square 769, portions of Lots 18 and 20, and all of Lot 21).

I. DEFINITIONS. In this agreement, the following terms have the following meanings:

A. "ANC 6D" means the Advisory Neighborhood Commission or Commissions that cover the neighborhood, or the geographic neighborhood itself, bounded by the following: on the west, Raoul Wallenberg Place, SW, the 14th Street Bridge, and the Potomac River; on the south, the Anacostia River; on the east, South Capitol St. (north of I-395), 7th St., SE (between I-395 and M St., SE), and 11th St., SE (south of M St., SE); and, on the north, Independence Ave., SW (west of South Capitol St.), I-395 (between South Capitol St. and 7th St., SE), and M St., SE (east of 7th St., SE). We expect the official designation of this Commission to change periodically with decennial reapportionment, and intend this agreement to benefit the residents of the above-defined neighborhood in perpetuity, whatever the designation of the Commissions that cover the neighborhood in which they live.

B. "Square 769, LLC" means the developer of the office building to be known as "250 M Street," located at Square 769, portions of Lots 18 and 20, and all of Lot 21.

II. CONSISTENCY WITH CURRENT LAW. No provision of this agreement requires either party to violate current DC or federal law in effect as of the date of this agreement. In particular, this agreement must be read in light of and as consistent with all federal and DC laws covering illegal discrimination in housing or employment, and any agreements previously executed between SQ. 769 and the District of Columbia or the District of Columbia Housing Authority and covering Square 769, portions of Lots 18 and 20, and all of Lot 21, including a First Source Employment Agreement and any agreement with the Department of Small and Local Business Development. Any provision of this agreement inconsistent with current DC or federal law or regulations, or with the First Source Employment Agreement, Department of Small and Local Business Development regulations, or future agreements required by the District or the District of Columbia Housing Authority, is void.

III. EMPLOYMENT AND SUBCONTRACTING.

In construction of the 250 M Street building, SQ. 769 and its general contractor will develop a program that applies to themselves and their subcontractors, and that includes the following--

ZONING COMMISSION
District of Columbia
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District of Columbia
CASE NO. 03-12F/03-13F
EXHIBIT NO. 26

A. Recruitment of construction workers from ANC 6D by purchasing quarterly ads in the Southwester;

B. An overall 20% first-source employment goal for qualified ANC 6D residents; and-

C. Tie-breaking preferences, as to--

- 1) Subcontractors, for businesses headquartered in ANC 6D, and--
- 2) Construction workers, for qualified workers living in ANC 6D.

IV. DEVELOPMENT OF CANAL PARK. Prior to issuance of a building permit for 250 M Street, SQ. 769 will contribute \$46,000 to the Canal Parks Development Association for development of Canal Park.

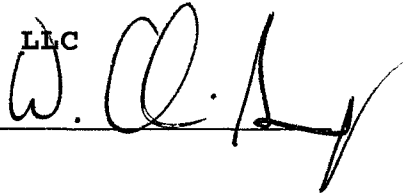
V. ENVIRONMENT. SQ. 769 will secure LEED certification from the U.S. Green Building Council for 250 M Street, and make a good-faith effort to secure LEED "silver" certification for the building.

VI. ANNUAL REPORT. Beginning in the month marking the first-year anniversary of the execution of this agreement, and until completion of the building's construction, SQ. 769 (or its designee) will make an annual report, to ANC 6D, of the benefits covered by this agreement. In SQ. 769's discretion, this report may be oral, in writing, or both.

VII. SUPPORT IN CASE NO. 03-12F/03-13F. The undersigned, four ANC 6D Commissioners (the total number of ANC 6D Commissioners being seven), hereby support SQ. 769's application requesting Zoning Commission approval to increase the (1) measured building height from 110 to 130 feet; and (2) gross floor area of the approved building from 207,785 square feet to 234,182 square feet.

SQUARE 769, LLC

By:




Name: W. Christopher Smith, Jr.
(printed)


Title: Managing Member

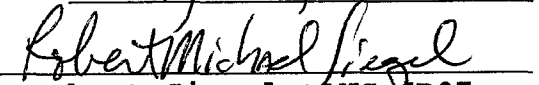
Date: May 28, 2008

ANC 6D COMMISSIONERS


David Sobelsohn, ANC 6D02


Ron McBee, ANC 6D03


Rhonda Hamilton, ANC 6D06

Date: May 27, 2008

Robert Siegel, ANC 6D07

Date: 28 MAY 2008