Janet L. Schmidt
Spokesperson for Neighbors
In Opposition to Application 18651 of Peter Fitzgerald

March 10, 2014

Lloyd J. Jordan, Esq.
Chairperson, Board of Zoning Adjustment
441 4th Street NW, Suite 210
Washington, DC 20001

RE: BZA Application 18651 of Peter Fitzgerald

Dear Chairman Jordan and Members of the Board:

On March 4, 2014, Opposing Neighbors (Neighbors) filed their response to Applicant's Brief on ROI of his proposed development as directed by the Board. It was Neighbors' understanding that their response would conclude the briefing on the ROI issue. However, Applicant has now filed what is the equivalent of an unauthorized surreply to Neighbors' response on the pretense the response has no credibility and was made in bad faith. Applicant attempts to support this hollow claim by criticizing only two of the many issues that were contained in Neighbors' response. The first issue is Janet Schmidt's oral offer to Applicant to purchase Lot 22 for $75,000, which she made during the December 18, 2013 meeting between Applicant and Neighbors. Applicant criticizes the credibility of that oral offer at length without acknowledging one salient fact with regard to Schmidt's offer—when presented with the offer by Schmidt, Applicant's purported agent, John Fitzgerald stated flatly: "No thanks." It is facetious to debate the validity of an oral offer after the fact when it was categorically rejected by the Applicant at the moment it was ventured.

This newly minted allegation by Applicant against Ms. Schmidt as a licensed attorney that the response she prepared was not credible and made in bad faith entitles the undersigned to set the record straight on the claims put forth by Applicant in support of his request to strike her response. This response is also necessitated by the fact that Neighbors have obtained documentation that proves Applicant's statements to the BZA regarding Mr. Fernstrom's inability to perform on his contract offer for Lot 22 and the alleged foreclosure of Mr. Fernstrom's beach house are patently untrue. **(Such documentation is attached and includes a copy of Mr. Fernstrom's cashier's checks totaling $83,000 which represents the full amount he offered for Lot 22 and those funds are being held in escrow by a local lawyer).**

The only other issue raised is Applicant's denigration of the written offer from Mr. Fernstrom for Lot 22 for even more money ($83,000) than was the case with Schmidt's verbal offer. Faced with the challenge of discrediting a written offer, Applicant takes a different tact by adopting a "shoot the messenger approach" to dismissing the validity of a purchase offer that Applicant obviously wishes never had come to the attention of the BZA during the pendency of his application before it. Mr. Fernstrom's unconditional cash offer, cover letter and earnest money check are attached hereto as **Neighbors' Exhibit A**.

Mr. Fernstrom's offer for Lot 22, which is located just two blocks from the U.S. Capitol is both valid and credible. As a successful real estate investor and licensed broker Mr. Fernstrom's offer is empirical evidence of an astute real estate investor's recognition of the inherent value of Lot 22 in its present condition.

Applicant audaciously states without any evidentiary support that Mr. Fernstrom's offer "was not credible and not offered in good faith for the following reasons:"

1. "The offer was unsolicited"—**The fact that Mr. Fernstrom's offer was unsolicited does not mean it is not a valid, good faith attempt to purchase real estate. Unsolicited offers are made all the time and many result in the sale of properties that are not actively listed for sale.**

2. "The offer was made from an unknown source"—**There is nothing "unknown" about the source of Mr. Fernstrom's offer. It was not anonymous or presented by an intermediary on behalf of an undisclosed principal as sometimes occurs. Mr. Fernstrom's name, mailing address and email address were clearly provided in the cover letter that accompanied the purchase offer contract.**

3. "The offer was received from an unidentified fax number"—**It is a mystery how this fact is relevant to the validity of a cash purchase offer. Suffice it to say that Mr. Fernstrom faxed his offer from his bank's secured fax line, which displays no return fax banner.**

4. The offer was from an "unknown out of state address"—**It is difficult to understand what Applicant considers "unknown" to mean when used in the context of Mr. Fernstrom's offer. His address was not unknown to Applicant. It was clearly displayed at the top of his cover letter to Applicant.**

5. The offer was from "an out of state address"—**Apparently Applicant considers cash purchase offers to be suspicious simply because they are made by individuals who do not live in the state were a property is located.**

6. Applicant states that he was not able to "independently identify Mr. Fernstrom's identity, location, or financial ability"—**To repeat, Mr. Fernstrom clearly identified himself and his general background in real estate in his cover letter to Applicant. He also provided Applicant with the name of his attorney, who was holding his $5,000 earnest money deposit in escrow. As previously stated, Mr. Fernstrom's "location,"**

his home in Delaware, appears at the top of his cover letter to Applicant . With regard to Mr. Fernstrom's financial ability, Applicant never sought any information on that subject from Mr. Fernstrom despite Mr. Fernstrom's invitation to contact him by email if he had any questions or concerns about the offer. Applicant was not unable to verify Mr. Fernstrom's financial ability as he claims, he just chose not to do so by contacting Mr. Fernstrom or his lawyer so he could then contrive a basis for criticizing the validity of Mr. Fernstrom's offer as he has now done. However, to dispel any genuine concern that Applicant may have about Mr. Fernstrom's financial ability to perform on his proposed contract, Mr. Fernstrom has sent a second cashier's check in the amount of $78,000 to his escrow agent, Atty. Michael A. Taylor of Rockville, who is a member of the D.C. Bar. As a result, Mr. Taylor is now holding good funds in the amount of $83,000, the full purchase price offered to Applicant. This is conclusive evidence of Mr. Fernstrom's ability to perform on his all cash, non-contingent offer. See attached **Neighbor's Exhibit B (Fernstrom's cashier's check for $78,000 deposited with escrow agent.)**

7. Applicant proclaims that "Mr. Fernstrom is not a disinterested third party"—**Even if true, which it is not, this claim is irrelevant to the validity of Mr. Fernstrom's non-contingent cash offer to purchase Lot 22 from Applicant. The only thing that is relevant to that offer is whether Mr. Fernstrom has the demonstrated ability to come up with $83,000, which he obviously does, and whether or not Applicant chooses to accept his offer. Applicant throws out the red hearing observation that Mr. Fernstrom was listed as a possible expert witness in this BZA proceeding as a reason why his cash offer should not be considered by the Board in its evaluation of whether Applicant has met his burden to prove his claim that Lot 22 is essentially valueless in the absence of gaining the zoning relief he seeks from the BZA. It is not Mr. Fernstrom's fault that he perceives the property that Applicant claims is worthless "as is" to be worth at least $83,000 of his money. It is clear that Applicant wishes Mr. Fernstrom's offer had not been submitted during the pendency of his application to the BZA because it belies Applicant's claim that Lot 22 is essentially worthless. Mr.Fernstrom's unconditional cash offer is also problematic for Applicant since it would bring more money to Applicant than he claims he would make if his request to the BZA were granted. The only conflict arising from Mr. Fernstrom's offer to purchase Lot 22 at this time is Applicant's ongoing inability to explain to the Board why he does not simply accept Mr. Fernstrom's $83,000 cash offer when it will bring him more economic benefit than he claims he will make if he receives BZA approval of his request for a speculative $800,000 development project that yields him only $82,000 by his own ROI projections.** Applicant states that Mr. Fernstrom's offer was not a coincidence. In fact, the timing and submission of Mr. Fernstrom's offer was prompted by his learning that Applicant had claimed in his ROI study that the project he was seeking approval for would net him only an $82000. In view of that, Mr. Fernstrom thought his offer to pay Applicant more than that for Lot 22 would solve Applicant's economic hardship problem while enable Mr. Fernstrom to acquire a garage near the U.S. Capitol.

8. Applicant concludes his concoction of objections to the validity of Mr. Fernstrom's offer by stating "the Delaware address provided by Mr. Fernstrom is listed as 'bank approved short sale.'" In support of this obvious insinuation that Mr. Fernstrom's Delaware home is currently the subject of a bankruptcy proceeding, Applicant provides as Applicant's Exhibit D a copy of a page from the "Zillow" website that he obtained by entering the address of Mr. Fernstrom's Delaware beach house. Applicant highlights in yellow the passage at the bottom of the posting he has discovered on Zillow that reads "bank approved short sale" in the hopes that the Board will not notice the top of the Zillow posting. In the space on the Zillow posting where the listing price for a property that is supposedly the subject of a short sale would appear, the posting says "Not For Sale." **Mr. Fernstrom's Delaware beach house is not the subject of a short sale as Applicant goes out of his way to falsely assert. See Neighbors' Exhibit C (remarked copy of Zillow posting).** Mr. Fernstrom has already sent Applicant and his attorney an email informing them that his Delaware home is not the subject of a bank approved short sale. **See Neighbors' Exhibit D (Letter From Fernstrom to Applicant requesting that Applicant correct his statements about Mr. Fernstrom which he made to the BZA).** In that same email, Mr. Fernstrom has provided Applicant with a copy of the $78,000 cashier's check referenced above. Mr. Fernstrom's email also included a copy of an email from Vickie York, the Bethany Beach area real estate broker who handled Mr. Fernstrom's all cash, unconditional purchase of his Delaware home for $434,000 in October of 2012 from sellers that were facing foreclosure. See attached **Neighbors' Exhibit E (Broker's letter regarding Mr. Fernstrom's Delaware property).** Mr. Fernstrom's recent email to Applicant and his attorney concludes by demanding that they immediately withdraw and correct the misstatements contained in their March 7, 2014 surreply to the BZA impugning his financial wherewithal and claiming that his Delaware house is facing foreclosure. Applicant has not responded to Mr. Fernstrom's email as of the time of this filing.

Applicant's repeated avoidance of facts in this case is exemplified in his desperate attempt to malign Mr. Fernstrom's financial reputation, when he has simply presented Applicant with a viable, no risk economic alternative to the relief that he seeks in his BZA application. Mr' Fernstrom can have no untoward motive for offering to buy Lot 22 from Applicant. He certainly would not invest $83,000 in a "worthless" Capitol Hill lot just to help Neighbors oppose Applicant's request. It is not for Mr' Fernstrom to justify why he wants to purchase Lot 22- It is Applicant's problem to explain why he will not accept Mr Fernstrom's offer. Under the unconditional terms of Mr. Fernstrom's offer, Applicant could have already gone to settlement rather than trump up pretenses for not doing so.

Applicant asks the BZA to ignore the existence of Mr. Fernstrom's valid cash offer to purchase Lot 22 for more money that purports that he will make if the BZA grants his request.

Applicant's attorney failed to exercise even a modest amount of diligence before impugning Mr. Fernstrom's financial reputation by intentionally leading the Board to believe that Mr. Fernstrom is a deadbeat who is facing foreclosure on his residence. This action by Applicant's counsel is reason alone to disregard as inadmissible his March 7, 2014 surreply in its entirety.

It is further noted that Applicant's unwarranted attack's on Mr. Fernstrom's credulity as a real estate investor ignore other elements of Neighbors' Response to Applicant's ROI study.

Mr. Fernstrom's offer is not only valid and credible—it is evidence of an astute real estate investor's recognition of the inherent value of Lot 22 in its present condition.

Applicant must hope that the Board will forget his failure to get an appraisal for Lot 22 before making his application to the BZA to document his claim that the lot is "without economic value".

Applicant has failed to address the valuation letter for the properties that are the subject of Applicant's request that was obtained by Neighbors from a well respected Capitol Hill real estate broker. Applicant has not rebutted the valuation letter of a DC Licensed real estate broker who has valued the two garages at $300,000. **See Neighbor's Exhibit F, Broker Tom Faison's valuation letter.**

Applicant has never attempted to market Lot 22 or list it for sale to determine its market value while rejecting offers for the property claiming that they are not credible offers for one reason or another.

The plain fact remains that, even if Mr. Fernstrom had never submitted his $83,000 cash offer for Lot 22, Applicant has still failed to meet his burden to document to the BZA that he faced economic hardship that could not be mitigated by an outright sale of the property to someone else.

Mr. Fernstrom's offer notwithstanding, Applicant has failed to document his claim to the BZA that Lot 22 is essentially worthless as it presently exists. All Mr. Fernstrom's offer does is make painfully clear to the Board that Applicant's request for relief from the BZA is unwarranted in the face of Applicant's ROI analysis.

In summary, Applicant's request for relief from the BZA is without merit and should be denied because of his failure to mitigate his claimed economic hardship in the face of a valid offer to buy Lot 22 and for the other reasons outlined in Neighbor's ownership brief and opposition to Applicant's ROI analysis.

Respectfully Submitted,

/s/Janet L. Schmidt
Janet L. Schmidt
Spokesperson for Neighbors in Opposition

Certificate of Service

I hereby certify that a copy of the foregoing was emailed to counsel for Applicant, John Patrick Brown, Esq. at his email address of JPB@gdllaw.com on March 10, 2104.

/s/Janet L. Schmidt

EXHIBIT A

Fernstrom's all cash unconditional $83,000 purchase offer for Lot 22 garage with earnest money held in escrow by local lawyer

03/03/2014 MON 12:50 FAX 001

****

*** FAX TX REPORT ***

****

TRANSMISSION OK

JOB NO.	1515
DESTINATION ADDRESS	912024521410
PSWD/SUBADDRESS	
DESTINATION ID	
ST. TIME	03/03 12:48
USAGE T	01'41
PGS.	5
RESULT	OK

John R. Fernstrom
29242 Park View Drive
Dagsboro, DE 19939

March 3, 2014

VIA FAX TO (202-452-1410) AND EMAIL TO (jpb@gdllaw.com).

John P. Brown, Jr.
Greenstein Delorme & Luchs, PC
1620 L Street NW
Suite 900
Washington, DC 20036

Re: Former stable building at the rear of 321 A Street NE (Square 786 lot 22)

Dear Mr. Brown:

I am directing this letter to you in your role as legal counsel for Peter Jerry Fitzgerald, who apparently holds title to the above referenced property in his capacity as Trustee under Item Ninth of the Will of Joseph Fitzgerald, Jr., deceased. If you do not represent Mr. Fitzgerald's interests with respect to a possible sale of the property, I would ask that you let me know that and either forward this offer to him or inform me as to how I may do so.

I was a real estate developer and bank chairman in the D.C. area and continue to engage in real estate investment for my own account. Attached for Mr. Fitzgerald's consideration is my unconditional cash offer to purchase the above stable property. If Mr. Fitzgerald accepts my offer, then I will immediately obtain a title insurance binder for the property from Capitol Title with the intent of having them conduct a closing within 10 days thereafter.

As you can see from my purchase offer, I will be paying the closing costs and conveyancing fees associated with the transaction such that it is a net deal for your client. Also, you will note that, in conjunction with this offer, I am making an earnest money deposit in the amount of $5,000 into the escrow trust account of Michael Taylor, Esq. to bind my performance under the proposed contract. Upon contract acceptance, the deposit will be transferred to Capitol Title pending closing.

While my offer stands until the 18th of March, it would be helpful to hear from you at your earliest convenience if an expeditious settlement of this transaction is desired. I will be mailing you an original of the attached offer as well. If you have any questions, I can best be reached by email at JohnRFernstrom@hotmail.com. Thanks for your attention to this matter.

John R. Fernstrom
29242 Park View Drive
Dagsboro, DE 19939

March 3, 2014

VIA FAX TO (202-452-1410) AND EMAIL TO (jpb@gdllaw.com).

John P. Brown, Jr.
Greenstein Delorme & Luchs, PC
1620 L Street NW
Suite 900
Washington, DC 20036

Re: Former stable building at the rear of 321 A Street NE (Square 786 lot 22)

Dear Mr. Brown:

I am directing this letter to you in your role as legal counsel for Peter Jerry Fitzgerald, who apparently holds title to the above referenced property in his capacity as Trustee under Item Ninth of the Will of Joseph Fitzgerald, Jr., deceased. If you do not represent Mr. Fitzgerald's interests with respect to a possible sale of the property, I would ask that you let me know that and either forward this offer to him or inform me as to how I may do so.

I was a real estate developer and bank chairman in the D.C. area and continue to engage in real estate investment for my own account. Attached for Mr. Fitzgerald's consideration is my unconditional cash offer to purchase the above stable property. If Mr. Fitzgerald accepts my offer, then I will immediately obtain a title insurance binder for the property from Capitol Title with the intent of having them conduct a closing within 10 days thereafter.

As you can see from my purchase offer, I will be paying the closing costs and conveyancing fees associated with the transaction such that it is a net deal for your client. Also, you will note that, in conjunction with this offer, I am making an earnest money deposit in the amount of $5,000 into the escrow trust account of Michael Taylor, Esq. to bind my performance under the proposed contract. Upon contract acceptance, the deposit will be transferred to Capitol Title pending closing.

While my offer stands until the 18th of March, it would be helpful to hear from you at your earliest convenience if an expeditious settlement of this transaction is desired. I will be mailing you an original of the attached offer as well. If you have any questions, I can best be reached by email at JohnRFernstrom@hotmail.com. Thanks for your attention to this matter.

Sincerely,

John R. Fernstrom

Enclosure: Purchase offer agreement with copy of earnest money deposit

cc: John Fitzgerald (with enclosure) via email to: chip@fitzprop.com

AGREEMENT TO PURCHASE REAL ESTATE

The undersigned (herein "Purchaser") hereby offers to purchase from the owner (herein "Seller") the real estate located at the rear of 321 A Street NE in the city of Washington, County of N/A, State of District of Columbia, the legal description of which is: Square 786 Lot 22 comprising a land area of 490 SF, more or less, along with a brick garage structure thereon

upon the following terms and conditions:

1. Purchase Price and Conditions of Payment

The purchase price shall be Eighty three thousand Dollars ($83,000.00) to be paid in accordance with subparagraph "A", below:

A: Cash. The purchase price shall be paid in its entirety in cash at the time of closing the sale.

B: Cash Subject to New Mortgage. The purchase price shall be paid in cash at the time of closing the sale subject, however, to Purchaser's ability to obtain a first mortgage loan within ________days after the acceptance of this offer by Seller in the amount of $____________, payable in not less than ____________monthly installments, including interest at a rate not to exceed ___________% financing. If such financing cannot be obtained within the time specified above then either Purchaser or Seller may terminate this agreement and any earnest money deposited by Purchaser will be promptly refunded.

C: Cash Subject to Existing Mortgage. The purchase price shall be paid in cash at the time of closing the sale after deducting from the purchase price the then outstanding balance due and owing under the existing mortgage in favor of ___________, dated___________, 20___, in the original amount of $______________; of such mortgage debt is approximately $______________ as of ______________, 20____.

D: Cash With Assumption of Existing Mortgage. The purchase price shall be paid in cash at the time of the closing of the sale after deducting from the purchase price the then outstanding balance due and owing under the existing mortgage in favor of _____________, dated______________, 20___,having a present balance of approximately $______________________, as of _____________, 20___, which the purchaser hereby assumes and agrees to pay in accordance with its terms and to perform all of its provisions, purchaser shall pay any and all payments coming due after the closing of the sale. Any transfer fees required by the mortgage shall be paid by______________.

E: Sale by Land Contract. The purchase price shall be paid in accordance with the certain land contract attached hereto and incorporated into this contract by this reference. The down payment to be made at the time of closing this sale shall be $___________and the balance of $__________shall be paid at the rate of ________% per annum.

2. Earnest Money Deposit

As earnest money Purchaser deposits $ $5000.00 with the broker which shall be applied to the purchase price at the time of closing the sale. In the event that this offer is not accepted by Seller this earnest money deposit shall be promptly refunded to Purchaser by the broker. In the event that this offer is accepted by Seller and Purchaser shall fail to perform the terms of this agreement the earnest money deposit shall be forfeited as and for liquidated damages suffered by Seller. Seller is not, however, precluded from asserting any other legal or equitable remedy, which may be available to enforce this agreement.

3. Real Estate Taxes, Assessments, and Adjustments

Real Estate Taxes accrued against the property shall be prorated through the date of closing the sale and Seller shall pay all taxes allocated to the property through that date of acceptance of this offer to purchase. Rents, if any, shall be prorated through the date of closing and all rent deposits shall be transferred to Purchaser. Existing casualty insurance shall be canceled/prorated through the date of closing.

4. Title to the Property

Seller shall provide purchaser prior to the closing and promptly after the acceptance of this offer, at Seller's expense and at Seller's option an abstract of title to the property brought down to date or an owner's policy of title insurance in an amount equal to the purchase price, said abstract of policy to show marketable or insurable title to the real estate in the name of Seller subject only to easements, zoning and restrictions of record and free and clear of all other liens and encumbrances except as stated in this offer. If the abstract or title policy fails to show marketable or insurable title in Seller a reasonable time shall be permitted to cure or correct defects. Seller shall convey title to Purchaser at the time of closing by a good and sufficient general warranty deed free and clear of all liens and encumbrances except as otherwise provided in this offer and subject to easements, zoning and restrictions of record.

5. Possession of the Property

Purchaser shall be given possession of the property on the closing date, 20____. A failure on the part of Seller to transfer possession as specified will not make Seller a tenant of Purchaser, but in such event Seller shall pay to Purchaser $ N/A per day as damages for breach of contract and not as rent. All other remedies, which Purchaser may have under law, are reserved to Purchaser.

6. Risk of Loss

The risk of loss by destruction or damage to the property by fire or otherwise prior to the closing of the sale is that of Seller. If all or a substantial portion of the improvements on the property are destroyed or damaged prior to the closing and transfer of title this agreement shall be void able at Purchaser's option and in the event Purchaser elects to avoid this agreement the earnest money deposited shall be promptly refunded.

7. Improvements and Fixtures Included

This offer to purchase includes all improvements, buildings and fixtures presently on the real estate including but not limited to electrical, gas, heating, air conditioning, plumbing equipment, built-in appliances, hot water heaters, screens, storm windows, doors, Venetian blinds, drapery hardware, awnings, attached carpeting, radio, television antennas, trees, shrubs, flowers, fences and

Property is sold "as is". Seller to remove the contents of garage on the property prior to closing.

8. General Conditions

It is expressly agreed that this agreement to purchase real estate includes the entire agreement of Purchaser and Seller. This agreement shall be binding upon the heirs, personal representatives, successors and assigns of both Purchaser and Seller. This agreement shall be interpreted and enforced in accordance with the laws of the State of District of Columbia.

9. Special Conditions

Notwithstanding Para 4, Purchaser, not Seller, shall obtain the title insurance binder for the property after Seller's acceptance hereof. Purchaser shall pay the closing costs and conveyancing fees of this transaction such that the purchase price herein is net to Seller There is no broker. Therefore deposit to be held in escrow by Michael Taylor, Esq per Para. 2

10. Time for Acceptance and Closing

This offer is void if not accepted by Seller in writing on or before 5 PM A.M./P.M. of the 18th day of March, 2014.

Closing of the sale shall take place 10 days after Purchaser's receipt of an abstract showing marketable title in Seller or title insurance binder showing insurable title in Seller.

This offer is made at Washington, State of District of Columbia, this 3rd day of March, 2014

John R. Fernstrom
(PURCHASER)

____
(PURCHASER)

Acceptance by Seller

The foregoing offer to purchase real estate is hereby accepted in accordance with the terms and conditions specified above. The undersigned hereby agrees to pay a brokerage fee of $ N/A to N/A, broker, in accordance with the existing listing contract.

Dated this ____________ day of ____________, 20____.

Peter Jerry Fitzgerald
(SELLER)

____
(SELLER)

118227 / M 11725-T

WSFS bank

"We Stand For Service"

500 Delaware Ave., Wilmington, DE 19801

THIS DOCUMENT HAS AN ARTIFICIAL WATERMARK PRINTED ON THE BACK. THE FRONT OF THE DOCUMENT HAS A MICRO-PRINT SIGNATURE LINE. ABSENCE OF THESE FEATURES WILL INDICATE A COPY

6277658

5-709
110

DATE March 3, 2014

FIVE THOUSAND DOLLARS AND ZERO CENTS

AMOUNT
*******$5,000.CO

PAY TO THE ORDER OF

MICHAEL TAYLOR ESQ AS ESCROW AGENT
SQ786 LOT 22
EARNEST MONEY

DRAWER: WILMINGTON SAVINGS FUND SOCIETY, FSB

ISSUED BY MONEYGRAM PAYMENT SYSTEMS, INC
P.O. BOX 9476, MINNEAPOLIS, MN 55480

DRAWEE: THE BANK OF NEW YORK MELLON
EVERETT, MA

AUTHORIZED SIGNATURE

MP

EXHIBIT B

$ 78,000 Cashier's check

118227 / M 11725-T

WSFS bank

We Stand For Service

500 Delaware Ave., Wilmington, DE 19801

6277664

5-709
110

DATE March 8, 2014

SEVENTY EIGHT THOUSAND DOLLARS AND ZERO CENTS

AMOUNT
******$78,000.00

PAY TO THE ORDER OF

MICHAEL TAYLOP ESQ
ESCROW AGENT FOR
D.C. SQ 786 LOT 22

DRAWER WILMINGTON SAVINGS FUND SOCIETY FSB

AUTHORIZED SIGNATURE

MP

ISSUED BY MONEYGRAM PAYMENT SYSTEMS, INC
P O BOX 9476, MINNEAPOLIS, MN 55480

DRAWEE: THE BANK OF NEW YORK MELLON
EVERETT, MA

EXHIBIT C

Zillow page showing Fernstrom's beach house is not for sale

NOT FOR SALE

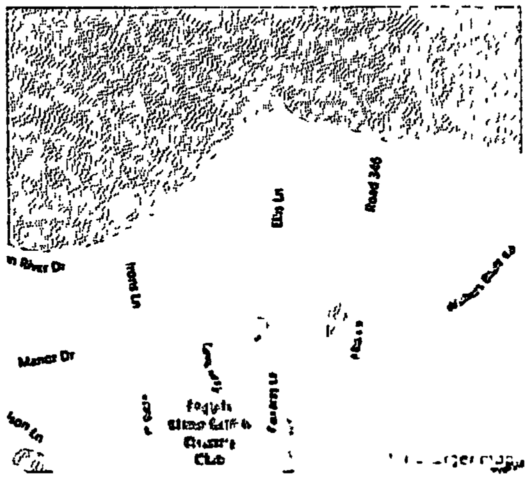
29242 Park View Dr, Dagsboro, DE 19939

Not for Sale
Zestimate $514 154
Rent Zestimate $1,515/mo
Est Refi Payment $2 024/mo

See current rates on Zillow
A Bad Credit Score is 598. See Yours for $1

Bedrooms	5 beds
Bathrooms.	5 baths
Single Family	3 100 sq ft
Lot:	Contact for details
Year Built.	Contact for details
Heating Type	Contact for details

Map   Bird's Eye   Street View



Correct home facts   Save this home   Get updates   Email   more

Views

422 all-time views
of this home (chart)

Description

Bank Approved Short Sale. Enjoy fabulous views from spacious single family with condo ownership. Offers large great room/kitchen combo 5 bedrooms 4 full/2 half baths, lower level rec room, loft area, multiple decks, upgrades throughout 2 car garage Gated community with pool

Cooling	Parking	Basement Type
Unknown	Unknown	Unknown
Fireplace	**Floor Covering**	**Attic**
Unknown	Unknown	Unknown

More   See data sources

Zestimates

	Value	Range	30-day change	$/sqft	Last updated
Zestimate	$514,154	$488K – $540K	-$22 302	$165	03/09/2014
Rent Zestimate	$1 515/mo	$1 1K – $2 3K/mo	–	$0 49	03/03/2014
Owner tools	Post your own estimate				
Market guide	Zillow predicts Delaware home values will increase 4 3% next year				

Learn more about forecast calculations.

Zestimate Rent Zestimate more   1 year 5 years 10 years

This home –

Get a professional estimate


Teresa Marsula/Pohland (1)
Recent sales
(410) 726-8107


Ruslana Stoykova (5)
(302) 727-4119


Shirley Price (1)
Recent sales
(302) 396-9741

Your Name
Phone
Email Address

I own this home and would like a professional estimate at 29242 Park View Dr, Dagsboro, DE 19939

Contact Agent

Learn how to appear as the agent above

Similar Homes for Sale

29363 Turnberry Dr Dagsboro DE 19939
29363 Turnberry Dr, Da..
For Sale $549 900
Beds 4 Sqft –
Baths 4 0 Lot –

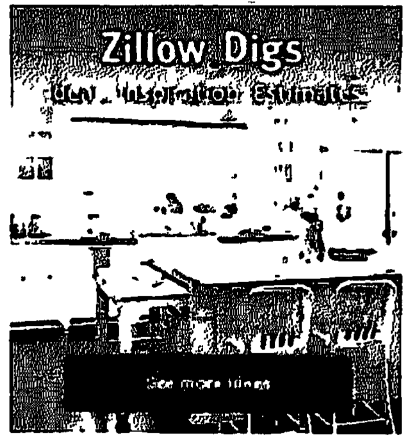
29363 Turnberry Dr # 0 Dagsboro DE 19939
29363 Turnberry Dr # 0,
For Sale $549 900
Beds. 4 Sqft –
Baths 3 0 Lot: –

333 Fairway Ln, Dagsboro, DE 19939
333 Fairway Ln, Dagsb
For Sale: $334 500
Beds 3 Sqft: 2950
Baths. 3 0 Lot. 0 53 ac

See listings near 29242 Park View Dr

5 homes for sale nearby. View photos ›

LISTING REMOVED
AFTER FERNSTROM
CONTRACTED TO
BUY The Property



Price History

Date	Event	Price		$/sqft	Source
07/15/12	Listing removed	$434,100		$140	Ocean Atlantic Sotheby's International Realty
05/20/12	Pnce change	$434 100	9 1%	$140	Ocean Atlantic Sotheby's International Realty
04/08/12	Pnce change	$477 700	-6 0%	$154	Ocean Atlantic Sotheby's International Realty

▾ More

Nearby Similar Sales

29181 Irons Ln, Dagsboro, DE 19939
Sold on 8/22/2013: $540,000
Beds 4 Sqft. 3550
Baths 2 5 Lot. 0 48 ac

34303 Indian River Dr, Dagsboro, DE 19939
Sold on 6/19/2013 $475,000
Beds 4 Sqft 4222
Baths 3.5 Lot 10 018

34346 Indian River Dr, Dagsboro, DE 19939
Sold on 5/1/2013. $470,000
Beds. 3 Sqft. 2200
Baths 3 0 Lot. 0 33 ac

See sales similar to 29242 Park View Dr

Neighborhood

View larger map

◉ Home Values
○ Listings

List of nearby homes

Nearby Schools in Dagsboro

Data by GreatSchools.org

		Grades	Distance
9 out of 10	Long Neck Elementary	PK-5	4 2 mi
	Indian River High	8-12	7 1 mi

EXHIBIT D

Fernstrom's letter to Applicant's counsel

John R. Fernstrom
29242 Park View Drive
Dagsboro, DE 19939
(302) 616 1456

March 10, 2014

VIA EMAIL: JPB@gdll.com
John Patrick Brown, Esq.
Greenstein DeLorme and Luchs
1620 L Street NW
Suite 900
Washington, DC 20036

RE: D.C. Square 786 Lot 22 (rear of 321 A Street) purchase offer

Dear Mr. Brown and Messrs. Fitzgerald:

I am informed that you have made public statements about me which are injurious to my reputation as a real estate investor and licensed real estate broker in the Washington Area. Contrary to your representations in a letter to the Board of Zoning Adjustment on 3/9/14, my Delaware beach house is NOT the subject of a short sale or foreclosure. You should have exercised at least minimal diligence before making such statements about me based on a "Zillow" website posting. Apparently it did not serve your purposes to check the MLS or public records before passing off your self serving "revelation" about my property on the BZA.

You further impugned my professional reputation by stating that I was not a "credible" individual and that my offer was not made in "good faith" with no factual basis upon which to make such assertion in public or otherwise and without ever having communicated with me about any questions you had.

On March 3, 2014 you received from me a non-contingent all cash purchase offer for the above Capitol Hill property in the amount of $83,000. The offer included a copy of a $5,000 cashier's check for earnest money which is being held in escrow by Attorney Michael A. Taylor of Rockville, MD who is a member of the D.C. Bar. I provided you with my email address and invited you to contact me with any questions or concerns about me or my offer. You did not contact me or Atty. Taylor to discuss any concerns you supposedly had about my bona fides, yet you have aired such concerns on the record to a D.C. Agency behind my back. Apparently, giving me the opportunity to satisfy your concerns in a conversation did not suit your purposes either.

So there can be no misunderstanding of my financial ability, I am attaching a copy of a cashier's check for $78,000 that I have sent to Attorney Taylor to conclusively demonstrate my ability to perform on my offer. This amount, when coupled with the earlier $5,000 earnest money payment, represents the total price I have offered for the above referenced property. Atty.

Taylor stands ready to speak with you and confirm that he is holding the full $83,000 offered by me for DC Square 786 Lot 22. I am able to close immediately once you have accepted my offer and I have obtained a title insurance binder for the property.

I am also enclosing a copy of an email from Vickie York, the broker who handled my purchase of the Delaware house located at 29242 Park View Drive, Dagsboro, DE. Her email confirms the same facts regarding my beach house that a modicum of diligence on your part (or a communication with me or Mr. Taylor) would have revealed—that my home is not the subject of a short sale listing or foreclosure action, and that I purchased the home for $434,000 in an all cash short sale transaction in October of 2012 from the prior owners who were facing foreclosure.

While you are certainly free to ignore my purchase offer, you are not free to impugn my reputation in the business community in a letter to the Chairman of the DC Board of Zoning Adjustment in a case where I am not a party and in which I was not called to testify or file reports as a listed witness. As someone whose participation in your BZA case was ultimately not deemed necessary, the mere potential that I might have been involved in it gives you no right to publicly assail my credibility or good faith in the business community as a prospective real estate purchaser who deals with other potential sellers regularly.

Despite the false and misleading statements you have made about me to the BZA, my offer for Lot 22 still stands However, I insist that you immediately withdraw and correct the false statements you have made about me to the Board of Zoning Adjustment insinuating that I am not credible and that my offer to you was made in bad faith. As an attorney, Mr. Brown has a clear obligation to correct any false or misleading statements that are made to the BZA in your case.

Sincerely,

John R. Fernstrom

cc: Peter Jerry Fitzgerald via email
John Fitzgerald via email

118227 / M 11725-T

WSFS bank

We Stand For Service

500 Delaware Ave., Wilmington, DE 19801

THIS DOCUMENT HAS AN ARTIFICIAL WATERMARK PRINTED ON THE BACK. THE FRONT OF THE DOCUMENT HAS A MICRO-PRINT SIGNATURE LINE. ABSENCE OF THESE FEATURES WILL INDICATE A COPY.

6277664

5-709
110

DATE March 8, 2014

SEVENTY EIGHT THOUSAND DOLLARS AND ZERO CENTS

AMOUNT
******$78,000.00

PAY TO THE ORDER OF

MICHAEL TAYLOR ESQ
ESCROW AGENT FOR
D.C. SQ 786 LOT 22

DRAWER: WILMINGTON SAVINGS FUND SOCIETY, FSB

AUTHORIZED SIGNATURE

ISSUED BY: MONEYGRAM PAYMENT SYSTEMS, INC
P.O. BOX 9476, MINNEAPOLIS, MN 55480

DRAWEE: THE BANK OF NEW YORK MELLON
EVERETT, MA

Vickie York

...at the beach REALTY™

Re: 29242 Parkview Drive, Dagsboro, DE 19939

To whom it may concern:

I am a licensed real estate broker who has been serving clients in the Bethany Beach area of the Delaware shore for over 17 years. I listed the above referenced property in Ellis Point for sale in 2012 for Joseph and Margarita Lane, who owned it at that time The Lanes were facing foreclosure of the property and the home was listed as a bank approved "short sale" in late May of 2012. Mr. John R. Fernstrom submitted an all cash, non contingent offer on the property in the amount of $434,000, which was accepted by the Lanes and subsequently approved by the bank that had authorized the short sale. Mr. Fernstrom settled on the above property in October 2012 and continues to own it. Any postings still appearing on websites such as Zillow or Trulia that seem to indicate Mr. Fernstom's home is currently listed on the market as a "short sale" are out of date and misleading.

Sincerely,
Vickie York

Vickie York, Broker
Vickie York... at the beach REALTY
35322 Atlantic Avenue, Millville, DE 19967
Office: 302-539-2145
Cell: 302-542-4457
Toll Free: 800-205-1414
E-mail: Vickie@vickieyork.com
Web: www.bethanysbest.com

REALTOR®

EXHIBIT E

Letter from Real Estate Broker Vickie York affirming that Mr. Fernstrom's beach house is not the subject of a short sale—rather he bought it in a short sale

Vickie York

...at the beach REALTY™

Re: 29242 Parkview Drive, Dagsboro, DE 19939

To whom it may concern:

I am a licensed real estate broker who has been serving clients in the Bethany Beach area of the Delaware shore for over 17 years. I listed the above referenced property in Ellis Point for sale in 2012 for Joseph and Margarita Lane, who owned it at that time. The Lanes were facing foreclosure of the property and the home was listed as a bank approved "short sale" in late May of 2012. Mr. John R. Fernstrom submitted an all cash, non contingent offer on the property in the amount of $434,000, which was accepted by the Lanes and subsequently approved by the bank that had authorized the short sale. Mr. Fernstrom settled on the above property in October 2012 and continues to own it. Any postings still appearing on websites such as Zillow or Trulia that seem to indicate Mr. Fernstom's home is currently listed on the market as a "short sale" are out of date and misleading.

Sincerely,
Vickie York

Vickie York, Broker
Vickie York... at the beach REALTY
35322 Atlantic Avenue, Millville, DE 19967
Office: 302-539-2145
Cell: 302-542-4457
Toll Free: 800-205-1414
E-mail: Vickie@vickieyork.com
Web: www.bethanysbest.com

REALTOR®

EXHIBIT F

D.C. Real Estate Broker's valuation of the Applicant's two car garage on Lot 827 and the one car garage on Lot 22 for a total of $300,000 and opining that if the properties were listed for sale in the open market that they would sell

Tom Faison Group
RE/MAX Allegiance, Eastern Market
220—7TH Street SE, Washington, DC 20003

Ms. Janet Schmidt
14—Fourth Street NE
Washington, DC 20002

Re: BZA Application No. 18651, 2 garages @ rear of 319 & 321 A Street NE

Dear Ms. Schmidt:

I've been selling and pricing real estate in Washington, DC for more than 23 years, with an emphasis on Capitol Hill properties, on average, including both Sellers and Purchasers, about 50 transactions per year.

I've lived within a mile of the subject property for 30 years and have seen alley garages since that time, within The Capitol Hill Historic District, increase in value from $75,000 for a single garage in 1995, to as much as $150,000 for single space, 1-car garage currently, if it can be found.

Without any consideration for development or highest and best use, I firmly believe the subject property has substantial present value as garages for parking, with depth for additional storage space. I would expect them to sell together "as is" for use as parking garages for $300,000 minimum, because of demand for close-in Capitol Hill parking
They're located 3 blocks from the Capitol Grounds, 2 blocks from the Library of Congress and the Supreme Court.

The garage @ 1418 G Street SE, cited by Applicant, is too far away from the Capitol to be relevant to the value of subject property
I understand this letter will be referenced to the Board of Zoning Adjustment regarding the above Application for variance

Sincerely,

DocuSigned by:
Tom Faison 2/24/2014
CAE80B9A0AF143A
Tom Faison, Associate Broker, GRI
202 255 5554

#1 RE/MAX Team in DC since 2006, #6 all brokers, city-wide 2013