

August 18, 2006

The Archbishop of Washington
c/o Catholic Community Services
Attn: Ed Orzechowski
924 G Street, NW
Washington, DC 20001

Re: Letter Agreement relating to the status and preservation of the St. Martin's School and Convent

Dear Mr. Orzechowski:

The Archbishop of Washington ("Owner") is the owner of the property known as the St. Martin's School and Convent, Square 3531, Lots 114 and 115 (the "Property"). Owner intends to redevelop the Property and adjacent sites, as part of the St. Martin's Apartments ("Project"). Owner intends to preserve the historic character of the Property, and to incorporate the Property into a Project whose design is respectful and compatible with the design of the Property.

The D.C. Preservation League ("DCPL") is a non-profit corporation organized to act in the public interest to preserve, protect and enhance the historic and built environment of Washington, D.C. and to further the goals and policies of preserving, restoring and maintaining the character of historically and architecturally significant buildings, neighborhoods and districts.

The purpose of this Letter Agreement ("Agreement") is to set forth the terms of agreement between the DCPL and Owner ("the parties") regarding the Property. The parties' mutual objective is to preserve the historic character of the Property while accommodating its incorporation into a development that is respectful of that historic character. The parties mutually desire to work together to define a plan for the preservation and redevelopment of the Property.

For these purposes and upon execution of this Agreement, and in consideration of the agreements set forth below, the parties agree as follows:

1. The parties agree that the significant historical and architectural features and attributes of the Property (the "Historic Features") are:

St. Martin's Convent

North, south, east and west exterior facades

Porches on west façade

Projecting bay on east façade

Hipped roof

Interior floor slab

The parties contemplate that Owner may restore/replace windows to simulate original fenestration.

St. Martin's School

North, south, east and west exterior facades

The parties contemplate that Owner may restore/replace windows to simulate original fenestration.

2. Relocation of Convent. The Convent building shall be moved from its current location to the corner of T and Summit Streets as referenced on attached map. See Appendix A. The convent shall be placed on a new foundation. The Convent, as measured from the slab of the front T Street door, shall be approximately 8-12 feet above the grade of the sidewalk, and earth shall be bermed up to it so that it shall appear to be on top of a small hill, as shown on Appendix A.

3. Connection with PUD Project. The Convent shall be connected to the building that is to be built on the site as is contemplated by the PUD application in Zoning Commission Case No. 05-39, as generally shown on the drawings attached hereto as Appendix B, but as further modified by "Option One" in the sketch attached hereto as Appendix C and this Paragraph 3. If there is any conflict between the drawings, sketches and this paragraph, this paragraph shall control. The connection at T Street shall be constructed of glass or similar transparent material and shall create a recessed area between the Convent and the new construction so that the front two-thirds of the west elevation of the Convent is exposed. The recess shall be approximately fifteen feet wide. The T Street connection shall be two stories in height starting at the floor level of the garage. The T Street connection shall be approximately six feet in width and may be located anywhere along the rear third of the west elevation of the Convent. At Summit Place, the connection between the north façade of the Convent and the new construction shall be constructed as shown on the drawing in Appendix B, but shall be set back from Summit Place as shown on "Option One" in the sketch attached as Appendix C.

4. Changes to PUD Project. Those portions of the PUD building that were originally to be built above the footprint of the Convent in its new location shall not be built. Owner may build a new foundation and create a new basement below the first level of the Convent at the relocated site even though the Convent does not currently have a basement.

5. DCPL Approval Required for Convent. The owner shall secure DCPL's prior approval before submitting for any permits for demolition, alteration or subdivision of the

Convent which affect any of the Historic Features. Approval shall not be unreasonably withheld as long as the historic nature of the Historic Features are substantially preserved. The Owner shall have the right to reconfigure the interior of the Convent as long as it does not result in any changes to the Historic Features. Reconfiguring or removing existing interior partition walls, interior finishes or floor coverings, or adding new partitions staircases, openings for mechanical equipment, or cuts in floor slab necessary to relocate the Convent shall not be considered as a change to the Historic Features.

6. No DCPL Approval Required for PUD Project. The parties acknowledge that the building contemplated by the PUD application that has been set down by the Zoning Commission will be built substantially as submitted except for the changes required to incorporate the Convent into the design as indicated in paragraphs 2-5 above and changes required by the Zoning Commission. The permits and subdivision required for the development of the site shall not require any prior approval as long as that development does not conflict with the protection of the Historic Features envisioned by this Agreement.

7. Routine Repair. The parties contemplate that permits may be required for routine repair, maintenance or restoration, or for interior alterations necessary for operational needs. DCPL's approval of such permit applications for such permits shall not be unreasonably withheld, conditioned or delayed.

8. Project design and review.

a. In addition to the Project architect, the Owner shall engage an architect or architectural firm experienced in working with historic properties.

b. Owner shall submit Project designs to DCPL's Project Review Committee at the schematic and 95% stages consistent with Paragraph 5 and 6 herein.

9. Historic landmark designation. DCPL shall withdraw its pending application to designate the Property as an historic landmark within three business days after approving the plans for demolition, alteration or subdivision described in Paragraph 5 above. In the event that any third party files an application for designation of the Property, DCPL will not join in, support or assist in that application. Notwithstanding the foregoing, if the Owner violates any provision of this Agreement, DCPL shall immediately notify the Owner and the Owner shall have five business days to correct the violation. If the violation is not corrected, DCPL may seek remedy under Paragraph 15 herein.

10. Termination.

a. The parties may at any time extend this Agreement by written mutual consent for such period as they may agree to. Except as provided in Paragraph 9 above, the parties may at any time terminate this Agreement by mutual written consent. In the event that

Owner determines not to proceed with redevelopment of the site for any reason, Owner may unilaterally terminate this Agreement.

b. Upon termination, DCPL may file at any time an application to designate the Property as an historic landmark or as part of an historic district. Owner agrees to waive and will not assert any rights under D.C. Code § 6-1103(d) or section 210.5 of the historic preservation regulations precluding resubmission of a landmark application for the same property within 12 months of one having been withdrawn, and Owner will not join in, support or assist in any effort by a third party that would preclude the resubmission of an application for landmark status or as part of an historic district.

c. Notice of termination under this paragraph shall be provided to the Historic Preservation Office of the District of Columbia and to the parties listed in Paragraph 12. The parties agree to record a notice of termination among the land records of the District of Columbia within 15 days after termination.

11. Change of ownership

Owner shall provide DCPL notice of any change in a controlling ownership interest in the Property thirty (30) days in advance of such change in control.

12. Notices.

a. All notices or other communications hereunder shall be in writing and deemed effective upon receipt by the following:

To Owner: The Archbishop of Washington
c/o Catholic Community Services
Attn: Ed Orzechowski
924 G Street, NW
Washington, DC 20001

cc: Neal Drobenare, Esq.
NorthStar Development and Consulting
2939 Van Ness Street, NW, #1107
Washington, DC 20008

To DCPL: President
D.C. Preservation League
401 F Street N.W., Suite 324
Washington DC 20001
(fax) 202-783-5596

b. Each party shall be responsible for notifying the other, in writing, of any change in address for sending notices and communications to such party.

13. Effective date. This Agreement and the obligations of the parties shall be effective upon execution by both parties.

14. Amendment. This Agreement may be amended only by mutual written consent of the parties.

15. Remedies for breach. In the event of breach of this Agreement, neither party shall be liable to the other for monetary damages, whether direct or indirect, consequential or incidental, compensatory or punitive. The parties acknowledge that damages would be an inadequate remedy, and each party consents, in the event of breach by that party, to the entry of a decree of specific performance against it to compel performance in accordance with the terms of this Agreement.

16. Binding effect; recordation. This Agreement shall be binding on and inure to the benefit of the undersigned parties, and on their respective assigns, successors, affiliates, officers, directors, employees and agents. Owner shall within fourteen (14) days of the effective date of this Agreement cause the Agreement to be recorded in the land records of the District of Columbia.

* * * * *

If the above terms and conditions are acceptable, please execute two (2) copies of this Agreement and return a copy to the undersigned.

Sincerely,



Edwin L. Fountain
President, DCPL

Catholic Community Services

August 18, 2006

Page 6 of 6

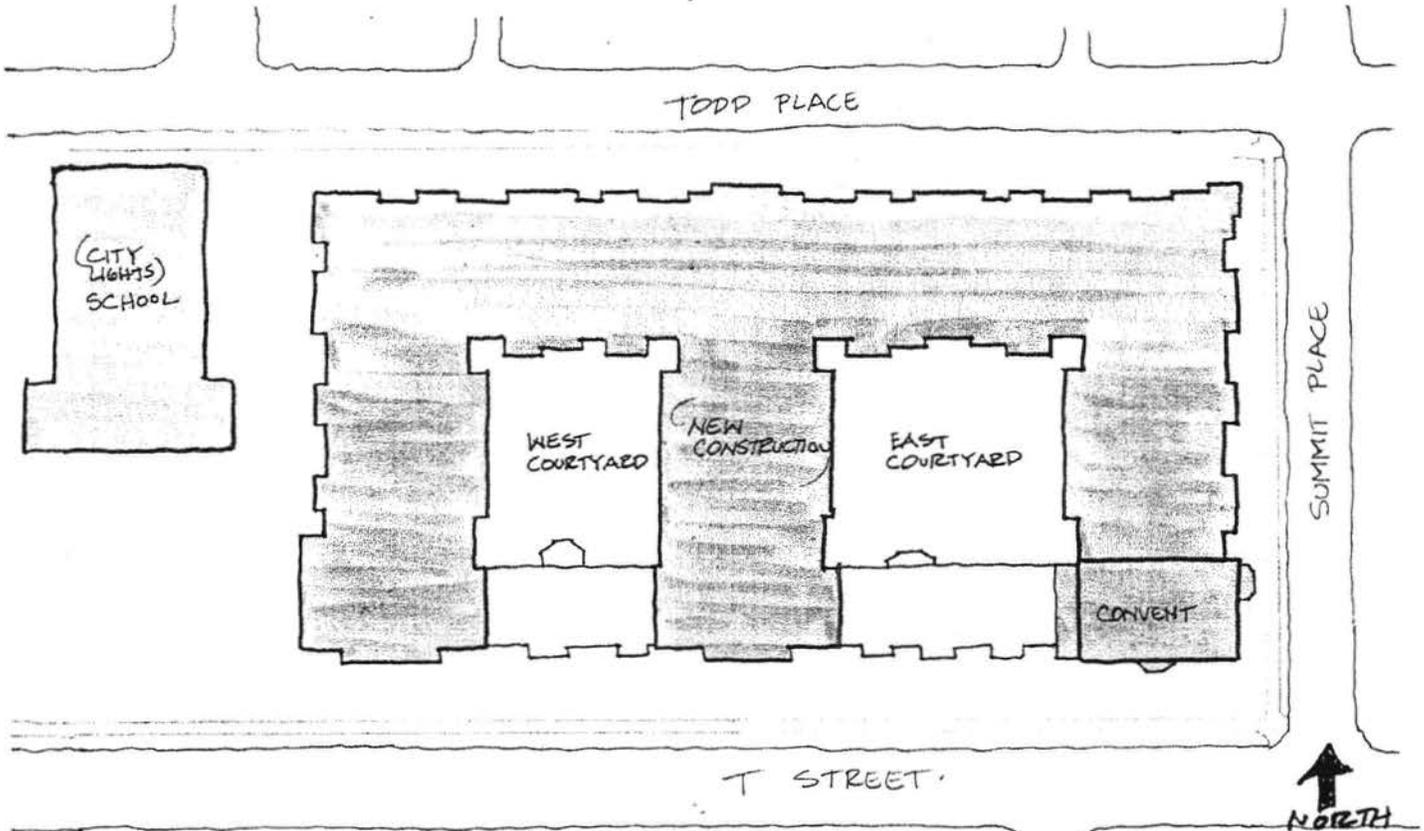
ACCEPTED AND AGREED TO BY:

The Archbishop of Washington

By: Kevin Farrell
for The Most Reverend Donald W. Wuerl, S.T.D.

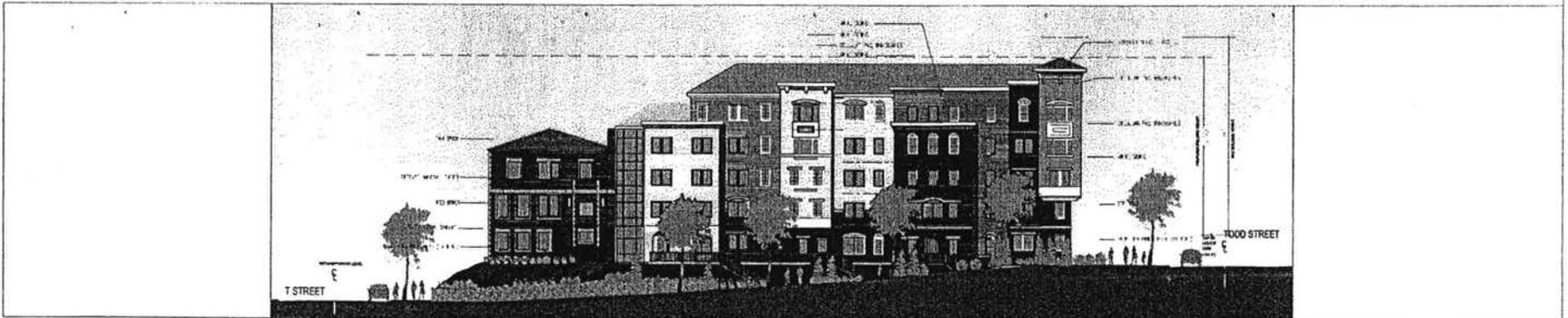
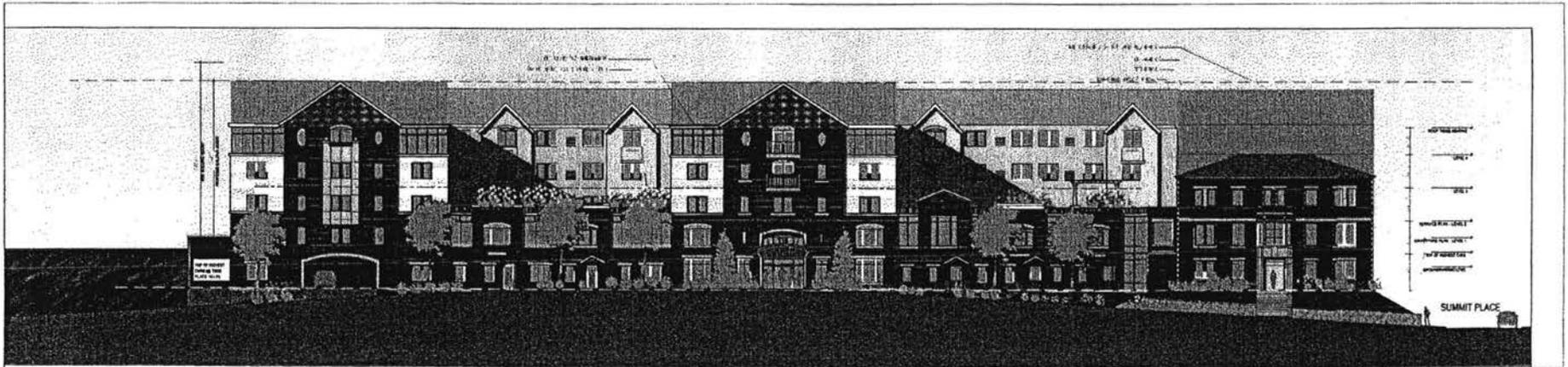
Date: Sept 13, 2006

3992157_v2



ST. MARTIN'S APARTMENTS
GRIMM & PARKER ARCHITECTS

SITE PLAN
0 10 20 40
1" = 40'-0"

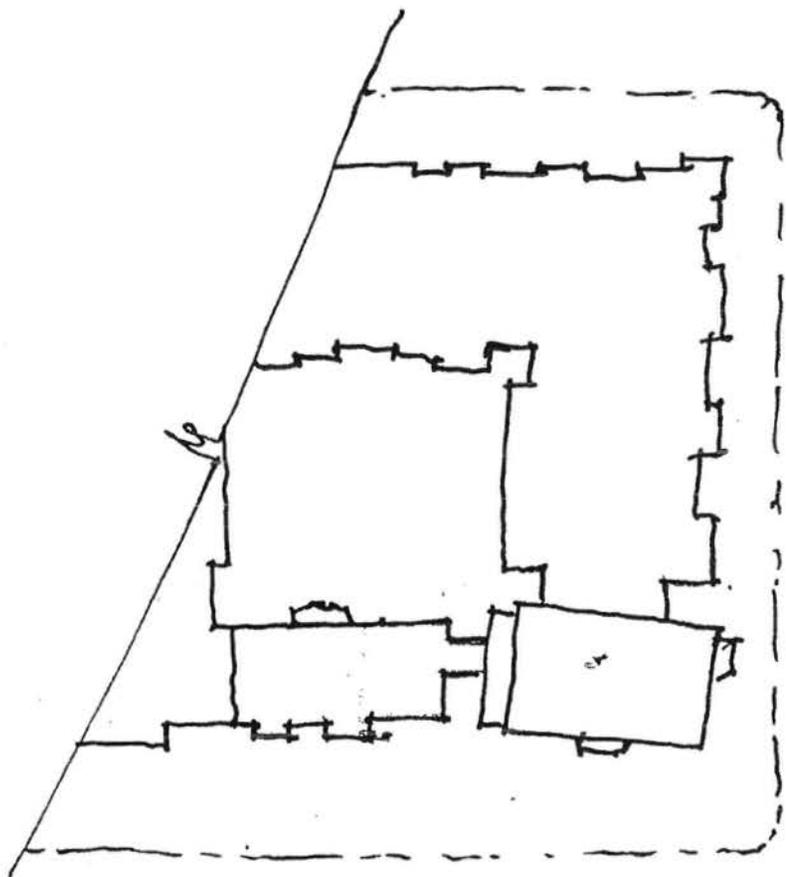


APPENDIX B

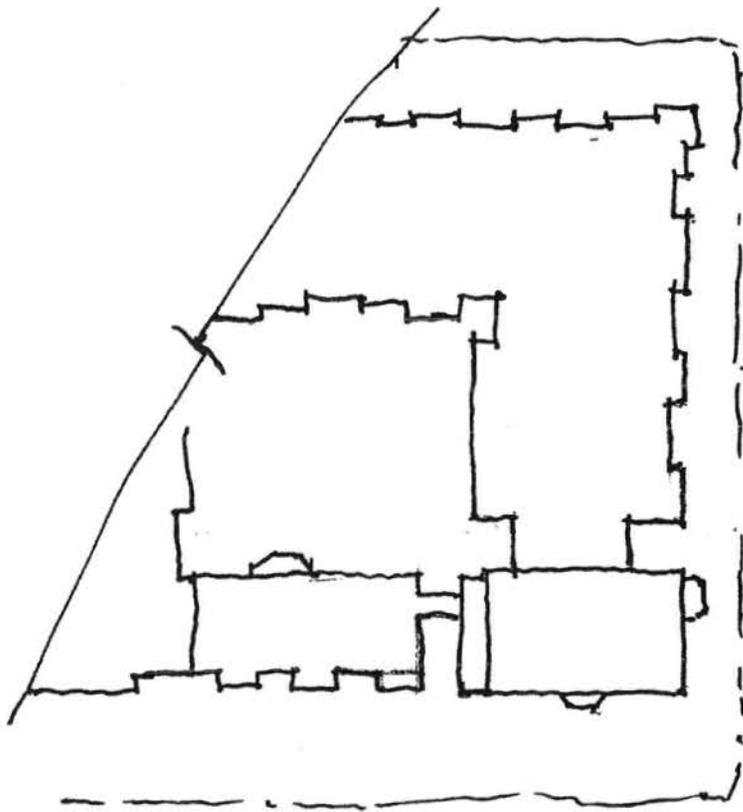
GRIMM+
PARKER
ARCHITECTS

ST. MARTIN'S APARTMENTS
WASHINGTON, D.C.
CATHOLIC COMMUNITY SERVICES

PRELIMINARY
ELEVATIONS
JULY 27, 2006



OPTION TWO



OPTION ONE

St. Martin's, ,