16744

CORE-SERVE, LLC

VENTURE CATALYSTS IN CORPORATE REAL ESTATE

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CESAR J. CHEKIJIAN, MCR
PRINCIPAL

April 23, 2001

RECEIVED
D.C. OFFICE OF ZONING
2001 MAY 15 PM 4:05

SUBJECT TO CONTRACT

Mr. Jay John Hellman,
Managing General Partner
500 NJ Associates
1828 L Street, NW
Washington, DC 20036

Dear Jay,

I am writing to explain why I decided not to invest in your 500 New Jersey Avenue, NW project. In a sentence, I was concerned that the uncertainty regarding zoning issues would delay the project interminably. Notwithstanding the many letters of support from neighbors and various government officials, I saw nothing that represented a firm commitment to expeditious approval of the zoning refinements necessary to build a trophy building on such a prominent and challenging site, with a reasonable size and shape of a building that would make it a viable investment from all aspects, and having all necessary approvals within a reasonable period of time, for 2002 occupancy.

You will recall that when we were introduced by Melton Spivak on December 13, 2000, I was in the midst of acquiring an office building near my home in New Jersey. Because of Mel's belief in you and the quality of your work regarding 500 New Jersey Avenue, I put this effort on hold and immersed myself in you and your work. We spoke at length on the telephone. You e-mailed many materials, and you had a number of other items (including a video tape summarizing your concept of Virtual Adjacency) delivered to me. On December 26th I traveled to Washington, stood on the site with you, and we reinforced our

BZA
Case No. 16744
Exhibit No. 14

Board of Zoning Adjustment
District of Columbia
CASE NO.16744
EXHIBIT NO.14

relationship. On January 29th I had you come to New York to meet with me and a trusted advisor.

We both saw your vision and agreed that this building could be a unique jewel if executed effectively and without delay. It is consistent with my own thinking about the convergence of computer and communication technology and its relationship to the future of office buildings and the meaning of location. Because of my extensive international corporate real estate experience in the past 33 years, I had focused on the market timing as one of the key factors and was quite confident, that if we had this building under construction in the first quarter of 2001, we should have been able to pre-lease it to highest quality global Corporations at premium rents.

But, notwithstanding the merits of this project, after much thought, I could not overcome my concern about the zoning issues. When you receive your needed approvals, In due course, with effective progress, I will be happy to consider assisting you in any way that I can.

If planned and executed and timed well, this project has all the promise to be an international landmark and magnificent success.

Sincerely,

