

DEVELOPMENT AGREEMENT

This Development Agreement (the "Agreement") is entered into effective as of this 31 day of January, 2019, by and between Oak Park Creative Minds Tenants Association, a District of Columbia non-profit corporation (the "Association") and Solid Properties, LLC, a District of Columbia limited liability company, or its assigns (collectively, "Developer").

RECITALS

A. The Association is a District of Columbia non-profit corporation organized by the tenants of the improved real property located at 131-141 Irvington Street, S.W., and 125-146 Ivanhoe Street, S.W., Washington, D.C. ("Property").

B. On or about September 27, 2018, OP Partners LLC ("Owner"), the owner of the Property, sent to each of the tenants of the Property an Offer of Sale and Tenant Opportunity to Purchase with a Third-Party Sale Contract notice (the "Offer of Sale Notice") in accordance with the District of Columbia's Tenant Opportunity to Purchase Act ("Sale Act"), Section 42-3401 et. seq. of the District of Columbia Code.

C. On or about November 1, 2018, in response to the Offer of Sale Notice, the Association provided to Owner a Letter of Interest in Purchasing evidencing the Association's registration under the Sale Act as the entity representing the tenants at the Property.

D. The Association membership approved the terms of an agreement with Developer pursuant to which the Association would enter into a contract with Owner and assign all of its rights under such contract to Developer.

E. Developer is a limited liability company (i) whose members are experienced in: acquiring and operating residential real property in the District of Columbia; and (ii) that has the financial capacity to undertake the purchase of the Property and operate it as a rental property in accordance with this Agreement and applicable law.

F. The current operation of the Property as rental housing is subject to the Rental Housing Act of 1985 ("Rent Control").

G. The Association and Developer wish to set forth below their agreement with respect to the terms and conditions of the benefits to be afforded by Developer to the members of the Association, in consideration of the assignment of its TOPA rights.

NOW, THEREFORE, the parties mutually agree as follows:

1. Intent of Agreement

It is the intent of this Agreement to outline the duties of each party to this Agreement; however, it is understood and agreed that due to the nature and scope of the Plan (as defined in section 2), this Agreement cannot address every possible issue related to the actual implementation of the Plan and that this Agreement is, therefore, dependent upon the mutual cooperation of the parties. All of the major components of the Plan are already defined and agreed to in this

Agreement, including Exhibits, and any change from those terms shall require the mutual consent of Developer and Association. The parties reaffirm their intent and agreement that this Agreement is a binding and enforceable agreement, with all of the material terms already agreed to, and that the parties shall negotiate in good faith so as to reach agreement on any open issues relating to the Plan and that the failure at any time to reach final agreement upon any items in the Plan shall not give rise to a right by any party to terminate this Agreement or to refuse to cooperate in completing the purchase of the Property.

2. Acquisition and Redevelopment Plan

The Developer proposal to the Association dated December 12, 2018, that is attached as **Exhibit A** as further detailed and modified in this Agreement constitutes the Acquisition and Redevelopment Plan ("Plan").

3. Assignment of Association's TOPA RIGHTS

Promptly after this Agreement is executed, the Association shall assign to Developer and Developer shall assume from the Association all of the Association's TOPA Rights, which assignment shall be evidenced by the execution and delivery by the Association and the Developers of the Assignment of TOPA Rights attached as **Exhibit B**. Developer has previously posted \$567,000 as the earnest money deposit with Premium Title & Escrow ("Premium"). Promptly after the Assignment is fully signed, DEVELOPER shall provide a copy of the fully executed Assignment to the Seller.

4. Responsibilities of Developer and Association

A. Developer shall take all actions that it reasonably can to acquire the Property at the earliest possible time but in any event no later than April 15, 2019. To carry out the Plan, Developer shall spend all such funds as may be required by the terms of the PSA to reach a timely settlement under the PSA and may not refuse to do so based on a business judgment that any predevelopment funds may not ultimately be recovered by Developer, unless the Developer and Association mutually agree to terminate efforts to complete the Plan.

B. Association shall cooperate in all actions agreed between the Association and Developer or as otherwise required by the terms of this Agreement and shall not take any position that may hinder efforts of Developer to complete the Plan. Nothing in this obligation to cooperate shall prevent the Association from disagreeing with Developer in the planning process or from discussing disagreements with and among members of the Association or from taking public actions if Developer fails to comply with its obligations under the Plan.

5. Renovation of the Property

A. Developer shall begin the renovation program detailed in **Exhibit A** within the timeframe described in **Exhibit C**. The materials and the work of the renovations shall be of good quality and in accordance with industry standards. Developer shall use good faith, diligent efforts to complete the full scope of the renovations as provided in **Exhibit A**, which deadline is subject to extension due to problems encountered by Developer (i) in obtaining prompt, reasonable

cooperation by the ASSOCIATION and tenants in permitting access to Units for undertaking work; (ii) in obtaining any necessary permits for the renovation work; and/or (iii) due to circumstances beyond the reasonable control of Developer.

B. All work shall be accomplished without requiring any tenants to relocate temporarily offsite or permanently, unless agreed by the Association. Developer shall assign designated staff to work with the tenants and shall otherwise take all reasonable steps that it can throughout the renovation process to minimize the disruption to the tenants from the renovation process. If any resident is temporarily relocated onsite, it will be to a hospitality suite that is fully habitable, in full compliance with the Housing Code, and free of any pest infestation. If any resident is temporarily relocated offsite, it will only be with the resident's full cooperation and consent and Developer will notify Association of such action. Developer shall be responsible for all moving costs for temporary relocation onsite or offsite and payment of the difference in rent at a new location. Each resident who is moved temporarily shall have the absolute right to return to the resident's unit as soon as it is habitable, provided that any resident who is evicted due to violation of a material obligation of tenancy shall have no right to return.

C. (i) Developer's work hours (including all on site preparation for work) will occur in accordance with then applicable District of Columbia Regulations (in any event, no more than 7AM to 7PM, Monday through Friday); (ii) Developer will provide 24-hour notice of any weekend work; (iii) Developer will provide 24-hour notice of any work which will cause disruption to services (electric, water, gas, etc.); and (iv) Developer will provide 24-hour notice of any work which will cause access issues (street closings, sidewalk closings, etc.).

D. Within 90 days of acquisition of the Property, Developer make a final determination on whether the Developer shall build a playground and or a dog park. Developer shall take the input of the Association into account in making this determination.

6. Management and Operations

The Developer shall maintain an on-site rental office and shall have a 24-hour emergency maintenance phone line. Developer shall give priority to seniors and persons with disabilities who submit requests to move to lower floor units. The Developer shall communicate with local police, the ANC, and neighborhood organizations towards the goal of improving security and decreasing crime.

7. Rent Levels

Developer shall not increase the rent for any tenant occupying the Property as of the date of acquisition settlement ("Current Tenants") other than as provided in this section. The only increases in the rent charged to Current Tenants which may be implemented will be annual increases in the monthly rent by the Consumer Price Index (the "CPI") as specified in the Rental Housing Act of 1985, as amended, (the "Rental Act") plus two percent (2%), except that for any Current Tenant who qualifies as an elderly or disabled tenant as defined in DC Code section 42-3502.06(f)(2) of the Rental Act, such annual increase shall be limited to the CPI. This provision will remain in effect, as to both Developer and the Current Tenants, regardless of whether DC Code section 42-3502.08(h)(2) remains in effect or is amended.

Within ninety (90) days after the acquisition, Developer shall present each Current Tenant with a Lease Amendment in the form attached as **Exhibit D**. Developer shall execute the Lease Amendment with any Current Tenant who chooses to execute the Lease Amendment. If a Current Tenant chooses not to execute the Lease Amendment within 180 days of it being presented to them, the Developer may, at the Developer's option, rescind the benefits of the Lease Amendment to that Current Tenant.

8. Association Role

A. The Association will provide reasonable assistance, to the extent feasible, to Developer in carrying out Developer's obligations, including, but not limited to (a) using its best efforts to encourage all tenants in the Property to cooperate with renovation plan for the Property and (b) sign lease addendums, as needed.

B. The Association shall not solicit proposals from, consult with, or work with any other developers, development advisors, or consultants without Developer's prior written approval.

C. Developer shall meet with the Association at least monthly throughout the planning and renovation process and thereafter when requested by the Association, but not more frequently than quarterly after completion of the renovation. The meetings shall address, at a minimum, the plans and status of the renovation, and all resident services provided by the Developer. Developer shall solicit input from the Association and shall seriously consider all such input, with respect to major maintenance items, renovations, and changes to Property operations that are not otherwise controlled by this Agreement.

D. To defray legal and other expenses incurred by the Association, the Developer will pay Seventeen Thousand Five Hundred and No/100 Dollars (\$17,500.00) to L. Terrance Frierson, legal counsel for the Association. This amount will be paid by Developer on the Closing Date at the settlement to be conducted by Premium. Payment of the Association's legal fees by the Developer in no way makes L. Terrance Frierson counsel to the Developer.

9. Settlement Agent

Developer shall select Premium, as the settlement agent for the acquisition and any construction and/or refinance loan through to the completion of the Property renovation

10. Binding

This Agreement will be binding on the parties and their respective successors, assigns and transferees.

11. Dispute Resolution

ASSOCIATION and Developer each recognize that the other shall suffer immediate and irreparable harm and damage in the event of a breach of their respective obligations under this

Agreement. Accordingly, all of the parties agree that each party shall have the right to sue for specific enforcement of this Agreement in the event of a breach.

12. Cooperation Clause.

Developer and the Association agree that (a) in those instances where any item specified in this Agreement requires the review and approval by either the Developer or the Association, such approval shall not be unreasonably withheld, conditioned or delayed; (b) all requests for review/approval shall be answered and provided within five (5) business days from date of request; and (c) if either party fails to respond to a request for review/approval within such five (5) business day period, then the item in question shall be deemed approved.

13. Miscellaneous Provisions.

A. All notices and other communications under this Agreement shall be in writing and shall be deemed duly given upon receipt if personally delivered and within three (3) business days of deposit with the U.S. Postal Service, postage prepaid, certified mail, return receipt requested, addressed as follows:

If to ASSOCIATION: Oak Park Creative Minds Tenants Association
138 Ivanhoe St. SW, #201,
Washington, D. C. 20032
Attn: Tonya St. John, President

With copy to: Law Offices of L. Terrance Frierson
One Thomas Circle, NW, Suite 1010
Washington, D.C. 20005
Attn: L. Terrance Frierson, Esq.

If to DEVELOPER: Solid Properties, LLC

With a copy to: Richard W. Luchs, Esq.
Greenstein Delorme & Luchs, P.C.
1620 L Street, N.W. Suite 900
Washington, D.C. 20036

The parties shall be responsible for notifying each other of any change of address.

B. This Agreement shall be construed and governed by the laws of the District of Columbia.

C. Developer may set up a single asset entity to acquire the Property and carry out Developer's obligations under this Agreement, in which event the Association will accept the performance from such entity in satisfaction of all obligations of Developer under this Agreement; provided, that Developer shall continue to be liable for all obligations under this Agreement.

D. This Agreement constitutes the entire agreement and understanding between and among the parties in respect of the subject matter and supersedes all prior agreements and understandings with respect to such subject matter, whether oral or written.

E. If any part of this Agreement is declared invalid for any reason, such declaration shall not affect the validity of the rest of the Agreement. The other parts of this Agreement shall remain in effect as if this Agreement had been executed without the invalid provision.

F. Each person executing this Agreement represents and warrants that he or she has the requisite authority to enter into this Agreement and that this Agreement shall be binding upon the party for whom he or she signs.

14. Counterparts.

This Agreement may be executed in more than one counterpart and all so executed shall constitute one agreement binding on all parties, notwithstanding that all the parties have not signed the original or the same counterpart. Facsimile and electronic signatures shall have the full force and effect of an original.

15. Incorporation of Recitals.

All of the foregoing recitals are incorporated in and made a part of this Agreement, as if fully set forth in this Agreement.

16. Severability.

If for any reason one or more of the provisions contained in this Agreement is held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision of this Agreement, but this Agreement shall be construed as if such invalid or unenforceable provision never had been included in this Agreement.

17. Paragraph Headings.

The paragraph headings contained in this Agreement are for convenience only and shall in no way enlarge or limit the scope of the paragraph.

18. Waiver.

The failure of either party to insist in any one or more cases upon the strict performance of any such other party's obligations under this Agreement or to exercise any right or remedy contained in this Agreement shall not be construed as a waiver or a relinquishment for the future of such obligation, right, or remedy.

19. Amendments/Modifications.

The terms and conditions of this Agreement may be modified and amended only in writing, executed by both parties.

20. Incorporation of Exhibits.

All exhibits are incorporated into and made a part of this Agreement.

21. Ambiguous Provisions.

Should any provision of this Agreement be found to be ambiguous in any way by a court of competent jurisdiction, such ambiguity shall not be resolved by construing the terms of this Agreement in favor or against either of the parties, but rather by construing the term of this Agreement fairly and reasonably in accordance with the generally accepted meaning of such terms.

22. Enforcement.

Either party may enforce the terms and conditions of this Agreement through any and all remedies available at law or equity.

23. Confidentiality.

Any information contained in this Agreement shall be specifically used for the purposes identified and shall not be used or disclosed to any third parties without the specific approval of the Parties.

24. Assignment.

The Parties shall not assign this Agreement, or any component, including to any subsidiary or related organization, without the other Party's prior written consent. In the event that Developer's Assignment triggers a need for a TOPA notice, the Association agrees to assign or waive any such rights in favor of the proposed Assignee for no additional consideration, provided that entity affirms its assumption of the Developer's obligations under this Agreement.

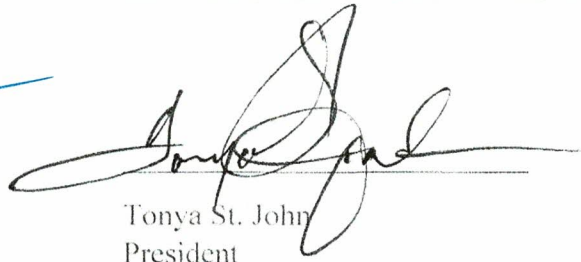
DEVELOPER

Solid Properties, LLC,



ASSOCIATION

Oak Park Creative Minds Tenants Association



Tonya St. John
President