

**AFFIDAVIT IN SUPPORT OF A ONE-YEAR EXTENSION OF TIME TO  
BZA ORDER NO. 19695**

I, Peter A. Robertson, being duly sworn, depose and state as follows:

1. I am the Director of Global Development for Valor Hospitality Partners, LLC, a Georgia Limited Liability Company, listed as Management Company for the property. KWHP DC LLC (the “Applicant” in the subject case) is a single purpose entity controlled by Kemmons Wilson Hospitality Partners GP, LLC.
2. KWHP DC LLC is the current owner of property located 1315 16<sup>th</sup> Street, NW, Washington DC (Square 195, Lot 846) (the “Site”). The Site is improved with an existing building operated as the Rouge Hotel. As shown on the attached Certificate of Occupancy (Exhibit A to this affidavit), the hotel is comprised of 137 hotel rooms. The hotel has a ground floor restaurant and a mechanical penthouse.
3. On December 20, 2017, LHO Washington Hotel Three, LLC, the prior owner of the Site (“Prior Owner”), filed an application with the Board of Zoning Adjustment (“BZA”) for special exception approval to construct a new penthouse as an addition to the existing hotel building. The penthouse was approved to accommodate an expanded portion of the hotel’s ground floor restaurant.
4. The BZA granted the special exception relief in BZA Order No. 19695, dated February 21, 2018, and effective on February 28, 2018 (the “Order”). Pursuant to Subtitle Y § 702.1 of the District of Columbia Zoning Regulations, Title 11 of the District of Columbia Municipal Regulations, the Order is valid for a period of two years, within which time an application must be filed for a building permit for the approved penthouse. Thus, BZA Order No. 19695 is valid until February 28, 2020.
5. As shown on the attached Deed (Exhibit B), KWHP DC LLC purchased the Site from the Prior Owner on September 12, 2019. At the time that we purchased the Site, only five (5) months remained before the expiration of BZA Order No. 19695.
6. Given this short timeframe between purchasing the Site and the need to file a building permit application for the approved penthouse, we immediately engaged with and reappointed a design team to finalize and file the permit plans. Unfortunately, the work to prepare and submit construction drawings for the penthouse had been on hold since approval of the Order. This was a result of the Prior Owner actively trying to market and sell the Site rather than moving forward with the penthouse construction. The Prior Owner placed the hotel on the market in December of 2018. The Prior Owner was a REIT that was purchased by another REIT. In an effort to downsize its DC portfolio, the REIT decided to put all new investment on hold and sell these properties.
7. Once we purchased the Site and appointed a design team, we also began to develop schemes to refurbish the interior of the entire building, which had only received a soft renovation, completed in 2013. This additional design work caused delay in finalizing the

construction drawings for the penthouse, since a more detailed analysis of the existing building was required. Thus, while we anticipated being able to file the permit plans for the penthouse prior to the Order's February 28, 2020 expiration date, we now understand that the plans will not be complete by this deadline.

8. Our design team is now well underway with plans to both renovate the interior of the building and construct the penthouse as originally approved by the BZA. We anticipate being able to finalize and submit the building permit plans for the penthouse well within the next year.
9. We are fully committed to moving forward with construction of the penthouse as previously approved by the BZA. As the new owner, we have recently invested substantially in the Site and have every incentive to complete the plans, file the building permit application, and construct the penthouse as quickly as possible. However, out of an abundance of caution, we ask the Board to approve a one-year extension of the validity of the Order.

I solemnly affirm under the penalty of perjury that the contents of this Affidavit are true and correct to the best of my personal knowledge.



Peter A. Robertson  
Valor Hospitality Partners, LLC  
Global Director of Development

**EXHIBIT A TO AFFIDAVIT**

Department of Consumer and Regulatory Affairs  
Permit Center  
941 North Capitol Street, NE, room 2100  
Washington, DC, 20002  
Tel: (202) 442-4588

Government  
of the District  
of Columbia  
BCRA 94A

# C of O

## CERTIFICATE OF OCCUPANCY

**PERMIT NO.**  
**CO 167837**

THIS PERMIT IS VALID ONLY FOR THE PREMISES  
OF THE PROJECT ADDRESS

**DATE : 6/9/2008**

ADDRESS: <b>1315 16TH ST NW</b>	FLOOR(S): <b>BASEMENT 1ST THRU 10TH FLR</b>	PRCLID: <b>0195</b> (square) WARD: <b>2</b>	-0000- ZONE: <b>SP1</b>	<b>0846</b> (lot)
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PERMISSION IS HEREBY GRANTED TO: <b>CORPORATION : DC THREE LESSEE LLC ID No.: L38758</b>	TRADING AS: <b>HOTEL ROUGE</b>
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APPROVED USES : <b>HOTEL</b>	PREVIOUS USES <b>HOTEL</b>
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TYPE : <b>CHANGE OF OWNERSHIP</b>	BZA NO. :	OCCUPIED SQ. FOOTAGE: <b>108,073</b>	OCCUP. LOAD: <b>137</b>	EXPIRATION DATE: <b>NONE</b>
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DESCRIPTION OF USE: <b>HOTEL, 137 ROOMS ON THE BASEMENT THROUGH THE 10TH FLOOR</b>	FEE: <b>\$515.00</b>
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THIS CERTIFICATE SHALL BE POSTED CONSPICUOUSLY ON THE ABOVE PREMISES AT ALL TIMES. IT IS VALID INDEFINITELY, unless an expiration date is stated, VALID ONLY for the premise at the above address or part thereof, and for the purpose(s), indicated above, and IS NOT TRANSFERABLE to another person or premises under ANY conditions. ANY CHANGE in the type of business, ownership of business, or part of premises used therefor, will render this Certificate VOID and a NEW Certificate must be obtained.


Director  Linda K. Argo	PERMIT CLERK:  DAVID VOLLIN
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**EXHIBIT B TO AFFIDAVIT**

**SPECIAL WARRANTY DEED**

When recorded, please return to:

KWHP DC, LLC  
c/o KW Central Station, LLC  
8700 Trail Lake Drive West  
Suite 300  
Memphis, TN 38125

Record & Return to: Elizabeth Ussery  
 Fidelity National Title  
Insurance Company  
NATIONAL COMMERCIAL SERVICES I.D.C.  
1620 L Street NW, 4th Floor  
Washington, DC 20036  
File #: DC1900647

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**SPECIAL WARRANTY DEED**

THIS SPECIAL WARRANTY DEED is made this September 12, 2019 by **LHO WASHINGTON HOTEL THREE, LLC**, a Delaware limited liability company, whose address is 7315 Wisconsin Avenue, Suite 1100 West, Bethesda, Maryland 20814 ("**Grantor**"), to **KWHP DC, LLC**, a Delaware limited liability company, whose address is c/o KW Central Station, LLC, 8700 Trail Lake Drive West, Suite 300, Memphis, TN 38125 ("**Grantee**").

That for and in consideration of the sum of Ten Dollars (\$10.00) and other good and valuable consideration, receipt of which is hereby acknowledged, Grantor does hereby grant, bargain, sell, convey and transfer, with Special Warranty of title, unto Grantee, its successors and assigns, fee simple title to all of those parcels of land situate, lying and being in the District of Columbia and described on Exhibit A attached to this Deed.

TOGETHER WITH all improvements thereupon and all and singular the tenements, hereditaments, rights-of-way, easements, privileges, and appurtenances to the same belonging or in anywise appertaining; and

TOGETHER WITH all right, title and interest of Grantor in and to the land lying in and above the bed of any public street, alley, road or avenue, opened or closed, within, in front of, abutting or adjoining the above described real property.

THIS CONVEYANCE is made and accepted subject to all easements, conditions and restrictions of record.

TO HAVE AND TO HOLD the said described land and premises unto the use and benefit of Grantee, its successors and assigns, forever, with Grantor's covenant that it will execute such further assurances of the said land and improvements as may be requisite.

[Signature appears on following page]

**LHO WASHINGTON HOTEL THREE, LLC,**  
a Delaware limited liability company

By: *Thomas C. Fisher*  
Name: Thomas C. Fisher  
Its: Vice President, Secretary and Treasurer

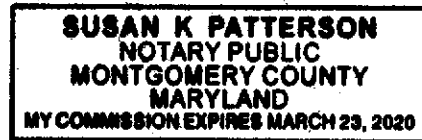
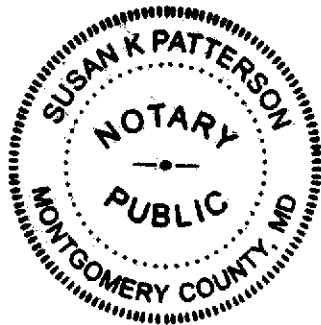
STATE OF MARYLAND            )  
  )ss  
COUNTY OF MONTGOMERY    )

On this ~~September~~ <sup>August</sup> 29, 2019, before me, a notary public, personally appeared Thomas C. Fisher, known to me (or satisfactorily proven) to be the Vice President, Secretary and Treasurer of LHO WASHINGTON HOTEL THREE, LLC, a Delaware limited liability company, on behalf of such limited liability company for the purposes therein provided.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

*Susan K Patterson*  
Notary Public

My commission expires:



## **EXHIBIT A**

### **Description of Property**

All that certain lot or parcel of land together with all improvements thereon located and being in the District of Columbia and being more particularly described as follows:

All of Lot numbered 58 and parts of Lots numbered 57 and 59 in James J. Shedd's subdivision of lots in Square 195, as per plat recorded in Office of the Surveyor for District of Columbia in liber W.F. at folio 172, and part of Lot 113 in George M. Robeson's subdivision of Lots in Square 195, as per plat recorded in said Surveyor's Office in Liber 11 at folio 103, and all of the Lots numbered 135 and 136 in A.T. Sutton's subdivision of Lots in Square 195, as per plat recorded in Liber 15 at folio 75, all described in one parcel as follows:

BEGINNING for the same at the Southwest corner of said Lot 135 and running thence East along the South line of said Lot 135, 100 feet to the West line of a 12 foot wide public alley; thence North along the West line of said alley 9.50 feet; thence Northeasterly 18.50 feet to the West line of another 12 foot wide public alley; thence North along the West line of said alley 113.11 feet, thence running West 32.10 feet, thence south 5-3/4 inches; thence West 27 feet, 3-1/2 inches; thence North 5-3/4 inches to the North line of Lot 59, thence West along said North line 57 feet, 8-1/2 inches to the East line of 16<sup>th</sup> Street, thence South along the East line of 16<sup>th</sup> Street, 129.50 feet to the point of beginning.

Note: Said property being now known for assessment and taxation purposes as Lot numbered Eight Hundred Forty-six (846) in Square numbered One Hundred Ninety-five (195).



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Filed & Recorded  
09/13/2019 12:26 PM  
IDA WILLIAMS  
RECORDER OF DEEDS  
WASH DC RECORDER OF DEEDS

RECORDING FEES	\$25.00
SURCHARGE	\$6.50
RECORDATION TAX FEES	\$446,600.00
TRANSFER TAX FEES	\$446,600.00
TOTAL:	\$893,231.50