

PUD COVENANT

THIS COVENANT, (this "Covenant") is made as of this 21st day of September, 2007, by and between CLEMENS 4600 PARTNERS, LLC, a District of Columbia limited liability company (the "Developer"), successor-in-interest to 4600 BRANDYWINE ASSOCIATES, LLC, a Delaware limited liability company (the "Applicant"), and the DISTRICT OF COLUMBIA, a municipal corporation (hereinafter referred to as the "District").

W I T N E S S E T H:

WHEREAS, the Applicant presented an application to the District of Columbia Zoning Commission (hereinafter referred to as the "Zoning Commission") for a proposed project on Lots 817 and 820 in Square 1732, premises located at the intersection of Wisconsin Avenue and Brandywine Street, N.W. (such properties hereinafter referred to as the "Subject Site"); and

WHEREAS, the Applicant conveyed the Subject Site to the Developer on July 26, 2005; and

WHEREAS, Developer intends to develop the Subject Site for use as a Planned Unit Development (hereinafter referred to as the "Project") under Chapter 24 of the Zoning Regulations of the District of Columbia in accordance with Zoning Commission Order No. 03-27, effective November 18, 2005, in Zoning Case No. 03-27; and

WHEREAS, said Chapter 24 and Order No. 03-27 further requires that Developer enter into this Covenant with the District of Columbia assuring development and operation of the Project as approved by the Zoning Commission in Order No. 03-27 and all modifications, alterations or amendments thereto.

NOW, THEREFORE, in consideration of the foregoing recitals, which are a material part hereof, it is agreed among the parties hereto as follows:

1. Approved Plans. The terms and conditions of the Zoning Commission's approval of the Planned Unit Development under Order No. 03-27, effective November 18, 2005, in Zoning Case No. 03-27 (as the same may be amended and/or modified from time to time, the "Order"), are incorporated herein by reference and made a part hereof as Exhibit A and shall be considered a part of this Covenant. The Project will be developed and used in accordance with the plans approved by said Order and in

accordance with conditions and restrictions contained in said Order, subject to such changes thereto as the Zoning Commission and/or the Zoning Administrator of the District of Columbia may authorize. Developer covenants that it will use the Project only in accordance with the terms of the Order, as the same may be further amended and/or modified from time to time, subject to the terms and conditions contained herein and the provisions of Chapter 24 of the Zoning Regulations.

2. Additional Time to Construct Planned Unit Development. If Developer should fail to file for a building permit and to commence construction of the approved Project within the time specified in Sections 2408.8 and 2408.9 of the Zoning Regulations and the Order, the Zoning Commission may duly consider an application for an extension of time for good cause shown.

3. Default. In the event that Developer fails to file for a building permit and to commence construction of the approved Project within the time specified in Sections 2408.8 and 2408.9 of the Zoning Regulations and the Order or within any extension of time granted by the Zoning Commission for good cause shown, the benefits granted by the Order shall terminate pursuant to Section 2408.14 of the Zoning Regulations.

4. Future Conveyance. Developer covenants that if any conveyance of all or any part of the Project takes place before completion of the Project in accordance with the approvals of the Zoning Commission as aforesaid, such conveyance shall contain a specific covenant binding the grantee, its successors and assigns to develop and use the Project in accordance with the terms and conditions of this Covenant. Notwithstanding the foregoing, the obligations of the purchasers of individual residential units shall be limited to compliance with those conditions and restrictions regarding the use of the units as set forth in the Order, and such purchasers of individual units shall have no responsibility or liability for the development of the Project.

5. Successors and Assigns. The covenants and restrictions contained herein shall be deemed real covenants running with the land, and shall bind the parties hereto, their successors and assigns and shall inure to the benefit of the parties hereto, their successors and assigns. Such covenants are not binding upon any party who no longer has a property interest in the Subject Site. The District shall have the right to enforce all covenants, conditions and restrictions contained herein.

6. Recordation. Developer shall record this Covenant, as fully executed by the parties hereto, among the Land Records of the District of Columbia, and shall file a certified copy of this Covenant with the Zoning Administrator and the Zoning Commission.

7. Counterparts. This Covenant may be executed in counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same instrument.

8. Rescission/Alteration of Chapter 24 Covenant. The covenants hereby created may not be extinguished without the prior written consent of the District. In the event any amendment, modification, rescission or alteration of the Order is adopted or authorized by the Zoning Commission, or in the event of a lapse of said Order by its terms, the District shall, upon the request of Developer, execute an instrument, in recordable form, evidencing such action or lapse, which instrument shall amend, modify, rescind, nullify or alter this Covenant, as the case may be.

[signatures on following pages]

IN WITNESS WHEREOF, the undersigned has caused this Covenant to be executed as of the date first written.

CLEMENS 4600 PARTNERS , LLC,
a District of Columbia limited liability
company

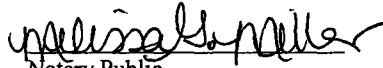


Name: CLEMENS KNEBEL
Title: MANAGING MEMBER

State of Washington
County of District of Columbia

I, Melissa G. Miller, a Notary Public in and for the jurisdiction aforesaid, do hereby certify that Clemens Knebel, MANAGING MEMBER of Clemens 4600 Partners, LLC, a District of Columbia limited liability company, party to the foregoing PUD Covenant bearing date as of the 21st of September, 2007, personally appeared before me and, being personally known to me (or satisfactorily proven) as such person whose name is subscribed to the within instrument and acknowledged said PUD Covenant to be the act and deed of said organization and that he delivered the same as such.

GIVEN under my hand and seal this 21st day of September, 2007.


Notary Public

My commission expires: January 31, 2012.

MELISSA G. MILLER
NOTARY PUBLIC DISTRICT OF COLUMBIA
My Commission Expires January 31, 2012

IN WITNESS WHEREOF, the Mayor of the DISTRICT OF COLUMBIA, having first considered and approved the foregoing Covenant, has directed the execution thereof in the name of said DISTRICT OF COLUMBIA, by the Secretary, D.C., who has hereunto set her hand and affixed the seal of the District of Columbia hereto under authority of the Act of Congress entitled "An Act to Relieve the Commissioners of the District of Columbia of Certain Ministerial Duties," approved February 11, 1932.

WITNESS:

DISTRICT OF COLUMBIA
a Municipal Corporation

(Corporate Seal)

By: _____
Secretary, D.C.

DISTRICT OF COLUMBIA, ss:

I, _____, a Notary Public in and for the District of Columbia, do hereby certify that _____, who is personally well known to me as the person named as Secretary of the DISTRICT OF COLUMBIA in the foregoing PUD Covenant bearing date of the 21st day of September, 2007 and hereunto annexed, personally appeared before me in said District and, as Secretary of the DISTRICT OF COLUMBIA aforesaid, and by virtue of the authority in her vested, acknowledged the same to be the act and deed of the Mayor of the DISTRICT OF COLUMBIA.

GIVEN under my hand and seal this ____ day of _____, 2007.

Notary Public, D.C.

My commission expires: _____

APPROVED AS TO LEGAL SUFFICIENCY:

Chief, Land Use Section
D.C. Office of the Attorney General

APPROVED AS SATISFACTORY:

Office of the Zoning Administrator
Department of Consumer and Regulatory Affairs
Government of the District of Columbia