

FIRST AMENDMENT TO INCLUSIONARY DEVELOPMENT COVENANT

This **FIRST AMENDMENT TO INCLUSIONARY DEVELOPMENT COVENANT** ("**Amendment**") is made and entered into this 1st day of September, 2022 ("**Effective Date**") by and between 300 M Street Development Group, LLC, a Delaware [limited liability] company (the "**Developer**") and the **District of Columbia**, a municipal corporation, acting by and through the **Department of Housing and Community Development** (the "**District**").

RECITALS

R-1. On September 16, 2021, Developer and the District entered into that certain Inclusionary Development Covenant (the "**Covenant**") involving property owned by the Developer and more particularly known for assessment and taxation purposes as Lot 24 in Square 772, as described more fully at Exhibit A (the "**Property**" or the "**Project**"). The Covenant was recorded among the Land Records as Instrument No. 2021125071 on September 20, 2021.

R-2. The District and Developer have agreed to modify the Certificate of Inclusionary Zoning Compliance, attached as Exhibit B to the Covenant.

NOW, THEREFORE, in consideration of the Recitals and the mutual terms, conditions and covenants set forth in the Covenant and this Amendment and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. Exhibit B, attached to and made part of the Covenant is hereby replaced with the Exhibit B attached to and made part of this Amendment.
2. Nothing contained in this Amendment shall in any way alter, waive, compromise, annul, impair, vary, prejudice or otherwise affect any provision, condition, or covenant of the Covenant, except as expressly set forth herein, and except as expressly amended by this Amendment, Developer and the District hereby confirm and ratify the Covenant, and agree that the Covenant remains in full force and effect, unmodified except as expressly set forth herein.
3. Unless otherwise defined in this Amendment, all capitalized terms herein shall have the meaning assigned to them in the Covenant.

[Signatures on following pages]

IN TESTIMONY WHEREOF, Developer has caused these presents to be signed, acknowledged and delivered in its name by Josh White, its duly authorized SVP.

DEVELOPER

300 M STREET DEVELOPMENT GROUP, LLC
a Delaware [limited liability] company

By: [Signature]
Name: JOHN WHITE
Title: SVP

_____)) ss:
_____))

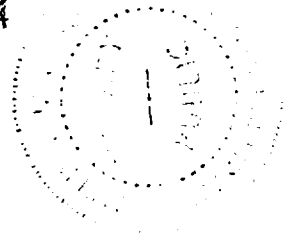
BEFORE ME, a Notary Public in and for the jurisdiction aforesaid, personally appeared this date March 1st, 2022 personally well known (or satisfactorily proven by the oath of credible witnesses) to me to be the individual who executed the foregoing and annexed First Amendment to Inclusionary Development Covenant on behalf of Josh White and who acknowledged the same to be its free act and deed for the uses and purposes therein contained.

WITNESS my hand and official seal this 1 day of March, 2022

[Signature]
Notary Public

MELISSA JANE GOTT
Notary Public [Notarial Seal]

My Commission Expires Prince George's County, Maryland
My Commission Expires 1/10/2023



SIGNATURE OF DISTRICT

IN WITNESS WHEREOF, the District has caused these presents to be signed, acknowledged and delivered in its name by Tsegazeab Bekele, the Chief of Staff of the Department of Housing and Community Development.

DISTRICT OF COLUMBIA

By: Tsegazeab Bekele (SEAL)
Name: Tsegazeab Bekele
Title: Chief of Staff, Department of Housing
and Community Development

Approved as to Legal Sufficiency

Name: Julia Wiley
Date: 8/30/22
By: Office of the General Counsel

District of Columbia, ss:

I, a Notary Public in and for the District of Columbia, do hereby certify that Tsegazeab Bekele, the Chief of Staff of the D.C. Department of Housing and Community Development, on behalf of the District of Columbia, personally appeared before me in said jurisdiction, and being personally known to me (or satisfactorily proven) to be the person whose name is subscribed to the foregoing Second Amendment to Inclusionary Development Covenant, and that he, in such capacity, being authorized to do so, executed the foregoing instrument for the purposes therein contained, and acknowledged the same to be the act and deed of the District of Columbia.

Given under my hand and seal this 1st day of September, 2022.

Laverne E. Law
Notary Public

[Notarial Seal]

My Commission Expires: _____

LAVERNE E. LAW
NOTARY PUBLIC DISTRICT OF COLUMBIA
My Commission Expires August 31, 2026

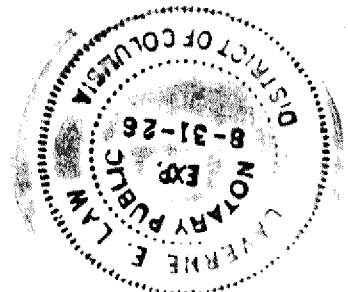


EXHIBIT A

Legal Description of Property

[See attached]

EXHIBIT A

LEGAL DESCRIPTION

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

Being all of Lot numbered Twenty-four (24) in Square numbered Seven Hundred Seventy-two (772) in the subdivision made by M Street Development Group, LLC, Square 772 Development Group, LP and Channing One LLC, recorded in the Office of the Surveyor for the District of Columbia in Liber 210 at folio 105 and being more particularly described by metes and bounds as follows:

Beginning at a point, said point being the southwest corner of Square 772 also being the intersection of the east line of 3rd Street, N.E. and the north line of M Street, N.E.; thence North 270.0 feet with said east line of 3rd Street, N.E. to a point, said point being on the south line of a 14.75 foot Public Alley; thence

Departing said east line of 3rd Street, N.E. with said south line of 14.75 foot Public Alley East 149.71 feet to a point, said point being the intersection of the west line of a 30 foot Public Alley and the south line of said 14.75 foot Public Alley; thence

South with said west line of 30 foot Public Alley 120.0 feet to a point; thence

Departing said west line of 30 foot Public Alley East 179.71 feet to a point, said point being on the west line of 4th Street, N.E.; thence

South 150.0 feet with said west line of 4th Street, N.E. to a point, said point being the intersection of said north line of M Street, N.E. and said west line of 4th Street, N.E.; thence

West 329.42 with said north line of M Street, N.E. to the Point of Beginning and containing 67,378 square feet of land by record.

NOTE: At the date hereof the above described property is designated on the Records of the Assessor for the District of Columbia for assessment and taxation purposes as Lot numbered Eight Hundred Thirteen (813) in Square numbered Seven Hundred Seventy-two (772), and being shown on Assessment & Taxation Drawing 3879-W.

EXHIBIT B

Revised Certificate of Inclusionary Zoning Compliance

[See attached]

DEPARTMENT OF CONSUMER AND REGULATORY AFFAIRS
CERTIFICATE OF INCLUSIONARY ZONING COMPLIANCE (CIZC) APPLICATIONConsult the Instructions
Guide to complete this
application

SECTION A - BUILDING PERMIT AND PROJECT INFORMATION (All information must match building permit application, where applicable)									
1. Name of Inclusionary Development 300 M Street NE				2. Address(es) of Inclusionary Development 300 M Street NE					
3. Square/Suffix 772	4. Lot(s) 24	5. Ward 6	6. Zoning District MU-9 Zone	7. Zoning Commission or BZA Order (if applicable) Z.C. Order No. 14-19		8. Building Permit Application Date: 25/02/2021 Number: B2207339			
9. Owner of Building or Property 300 M Street Development Group LLC			10. Owner Address (include ZIP code) 7255 Woodmont Ave, Suite 225, Bethesda, MD 20814			11. Owner Phone # & Email (301) 897-0002 jwhite@lcor.com			
12. Agent for Owner			13. Agent Address (include ZIP code)			14. Agent Phone # & Email			
15. Is the development exempt from IZ per C-1001.6(a)? ☐ Yes ☒ No		16. Is the development an RF conversion? ☐ Yes ☒ No		17. Is the development an IZ "opt in" per C-1001.2(e)? ☐ Yes ☒ No		18. Does the project involve construction of penthouse habitable space? ☐ Yes. Fill out Penthouse Affordable Housing Addendum ☒ No		19. Construction Type (for Majority of Residential Units) ☒ Type I ☐ Other	
20. Total Land Area of the Lot(s) of the Inclusionary Development: 67,446 sq. ft.		21. Total Gross Floor Area (all uses) (for FAR calculation): 423,372 sq. ft. 6.28 FAR		22. IZ bonus density used (leave blank if it is a PUD): N/A sq. ft. N/A FAR		23. Total Residential Gross Floor Area (for FAR calculation): 397,959 sq. ft. 5.90 FAR		24. If the IZ requirement applies only to an addition per C-1001.4, the Total Residential Gross Floor Area of addition (if applicable or leave blank): sq. ft. FAR	
25. Total Residential Gross Floor Area Including Residential Add-ons: Residential Gross Floor Area (Same as Box 23): 397,959 sq. ft. + Gross cellar area (only when res. units are in cellar): sq. ft. + Gross enclosed public space projections: 1,158 sq. ft. Total Res. Gross Floor Area for IZ Analysis (sum): 399,117 sq. ft.				26. Total Net Residential Floor Area Including Residential Add-ons: Net Residential Floor Area (Based on Box 22 or 23): 327,912 sq. ft. + Net cellar area (only when res. units are in cellar): sq. ft. + Net enclosed public space projections: 1,158 sq. ft. Total Net Res. Area for IZ Analysis (sum): 329,070 sq. ft.				27. Ratio of Box 26 ÷ Box 25 (totals): 0.82	
29. Preliminary IZ requirement within the Development (the greater IZ requirement yielded from Box 28 factor in gross and net terms): (a) Residential Gross Floor Area: 31,929 sq. ft. (b) Net Residential Floor Area: 26,326 sq. ft.				30. If the Development is exclusively ownership units and will devote all IZ units to 60% of MFI, then a 20% reduction to Box 29(b) per C-1003.10 (or leave blank): N/A sq. ft.		31. Penthouse IZ requirement satisfied within building's square footage (See Penthouse Affordable Housing Addendum) or leave blank: N/A sq. ft.		32. Is the Penthouse IZ Requirement fulfilled by payment to housing trust fund? ☐ Yes ☒ No	
				33. Total Net Residential IZ Required Within the Development: (Box 29(b) or Box 30) + (Box 31 if provided within the Development)) 26,326 sq. ft.					
SECTION B IZ UNIT CLASSIFICATION (*If Section A, Box 33 is less than or equal to 850 sq. ft., C-1005.1 "proportionality rule" does not apply)									
Unit or Dwelling Type		All Units (#)	Market Rate Units (# and % of total Market Rate Units)		IZ Units (# and % of total IZ units)		IZ Income Set-Aside (#)		
							50% of MFI	60% of MFI	80% of MFI
Multiple Dwellings	Studio units	175	#: 161 %: 38.3%	#: 14 %: 37.8%	3	0	11		
	1-bedroom units	224	#: 206 %: 49.1%	#: 18 %: 48.6%	5	0	13		
	2 or more bedroom units	58	#: 53 %: 12.6%	#: 5 %: 13.5%	1	0	4		
	Total	457	#: 420 %: 100%	#: 37 %: 100%	8	0	29		
Single household dwellings and flats	Single household dwellings	n/a	#: n/a %: n/a	#: n/a %: n/a	n/a	n/a	n/a		
	Flats	n/a	#: n/a %: n/a	#: n/a %: n/a	n/a	n/a	n/a		
SECTION C IZ ITEMIZATION (If more than 10 units, continue unit information on a supplemental page)									
No.	IZ Unit Number, Dwelling Address, or Lot	Floor Number	Net Square Feet	Number of Bedrooms	Income Set-Aside 50%, 60%, or 80% of MFI, or other	Tenure (Sale/Rental)	Estimated Date of Availability	Square feet added to Unit from Penthouse IZ Requirement	
1.	110	1	810	1	80%	Rental	12/2022		
2.	116	1	516	Studio	80%	Rental	12/2022		

No.	IZ Unit Number, Dwelling Address, or Lot	Floor Number	Net Square Feet	Number of Bedrooms	Income Set-Aside 50%, 60%, or 80% of MFI, or other	Tenure (Sale/Rental)	Estimated Date of Availability	Square feet added to Unit from Penthouse IZ Requirement
3.	201	2	726	1	80%	Rental	12/2022	
4.	202	2	422	Studio	50%	Rental	12/2022	
5.	235	2	669	1	80%	Rental	12/2022	
6.	237	2	779	1	80%	Rental	12/2022	
7.	239	2	500	Studio	80%	Rental	12/2022	
8.	303	3	778	1	80%	Rental	12/2022	
9.	304	3	629	1	50%	Rental	12/2022	
10.	307	3	502	Studio	80%	Rental	12/2022	

Total Net Residential IZ Proposed: 26,347 sq. ft. (continues on addendum) Total Added for Penthouse Requirement: n/a sq. ft.

SECTION D - OTHER IZ REQUIREMENTS

1. Do the bedrooms meet the definition (per B-100.2)? ☒ Yes ☐ No	2. Tenure of all market rate units: ☐ Sale ☒ Rental	3. Will the construction be phased? ☐ Yes (attach a phasing plan) ☒ No
4. Are any units reserved for tenant right of return? ☐ Yes. If yes, list unit #s: _____ ☒ No	5. Are any units "off-site units for another IZ development"? ☐ Yes. If yes, provide BZA Order and list unit #s: _____ ☒ No	6. Review Section G and check the box to acknowledge that necessary information and materials for the <i>Information and Analysis</i> checklists have been provided: ☒

SECTION E - PROJECT ARCHITECT'S OR PROJECT ENGINEER'S INCLUSIONARY UNIT CERTIFICATION

1. Name: <u>Eric Schlegel</u>	2. D.C. Lic. No. <u>ARC5139</u>	3. Address: (include ZIP code) <u>1025 Connecticut Ave., NW Wash., DC 20036</u>	4. Phone # and Email <u>202 857-8300 / eschlegel@wdgarch.com</u>
I certify to the best of my knowledge that the size of each Inclusionary Unit is at least ninety-eight percent (98%) of the average size of the same type of Market Rate unit in the Inclusionary Development, or at least ninety-eight percent (98%) of the size indicated on the table found in 14 DCMR Chapter 22 Inclusionary Zoning Implementation §2202.4(f).			
Signature of Project Architect/Engineer: <u>Eric Schlegel</u>		Date: <u>08.17.2022</u>	

SECTION F - APPLICANT'S SIGNATURES

Owner: I hereby certify that I am the owner of the property, that the application and plans are complete and correct to the best of my knowledge, that if a permit (or permits) is issued, construction will conform to the D.C. construction codes, the Zoning Regulations, and other applicable laws and regulations of the District of Columbia.

Signature: [Signature] Address: 7225 Woodmont Ave, Bethesda, MD 20814 Date: 8.17.22

Agent: I hereby certify that I have the authority of the owner to make this application. I declare that the application and plans are complete and correct to the best of my knowledge, that if a permit (or permits) is issued, construction will conform to the D.C. construction codes, the Zoning Regulations, and other applicable laws and regulations of the District of Columbia.

Signature: _____ Address: _____ Date: _____

SECTION G - ZONING ADMINISTRATOR CHECKLIST (OFFICIAL USE ONLY)

	Yes	No	N/A	Comments
Information: Is the application complete?				
1. Does CIZC information match the building permit application?	1. ☒	1. ☐	1. ☐	
2. Floor plans and elevations (with IZ units identified in the floor plans)	2. ☒	2. ☐	2. ☐	
3. DC surveyor's plat	3. ☒	3. ☐	3. ☐	
4. DHCD <u>draft</u> Inclusionary Development Covenant approval	4. ☒	4. ☐	4. ☐	
5. Schedule of interior finishes, fixtures, equipment, and appliances comparing market rate and IZ units	5. ☒	5. ☐	5. ☐	
6. Copy of phased development plan	6. ☐	6. ☐	6. ☒	
7. Copy of Board of Zoning Adjustment or Zoning Commission Order	7. ☒	7. ☐	7. ☐	
8. DHCD letter of exemption from IZ	8. ☐	8. ☐	8. ☒	
9. \$250 application fee (made out to DC Treasurer)	9. ☐	9. ☐	9. ☒	
10. Penthouse IZ Addendum	10. ☐	10. ☐	10. ☒	
11. Are all signatures present?	11. ☒	11. ☐	11. ☐	
Analysis: Does the application demonstrate compliance?				
1. Is the net square footage of the Inclusionary Units sufficient?	1. ☒	1. ☐	1. ☐	
2. Are the exterior design, materials and finishes of the Inclusionary Units comparable to the market rate units?	2. ☒	2. ☐	2. ☐	
3. Are interior finishes and appliances of the Inclusionary Units comparable to market rate units?	3. ☒	3. ☐	3. ☐	
4. Are the Inclusionary Units of the appropriate minimum size?	4. ☒	4. ☐	4. ☐	
5. Do the bedrooms meet the definition of a "bedroom" per B-100.2?	5. ☒	5. ☐	5. ☐	
6. Does the project satisfy the proportionality requirement?	6. ☒	6. ☐	6. ☐	
7. Are Inclusionary Units overly concentrated on any floor?	7. ☐	7. ☒	7. ☐	
8. Are Inclusionary Units allocated appropriately to 50%, 60%, and 80% of MFI?	8. ☒	8. ☐	8. ☐	
9. Will the Inclusionary Units be constructed at a proportional rate to the market rate units?	9. ☒	9. ☐	9. ☐	

ZONING ADMINISTRATOR - This certifies that the Certificate of Inclusionary Zoning Compliance is hereby: ☒ Approved ☐ Denied due to the items checked above

Signed: Matthew Le Grant Date: 8-17-2022 Revised _____

SECTION C – IZ UNIT ITEMIZATION SUPPLEMENTAL PAGE								
No.	Inclusionary Unit Number, Dwelling Address, or Lot	Floor Number	Net Square Feet	Number of Bedrooms	Income Set-Aside 50%, 60%, or 80% of MFI, or other	Tenure (Sale/Rental)	Estimated Date of Availability	Square feet added to Unit from Penthouse IZ Requirement
11	334	3	708	1	80%	Rental	12/2022	
12	347	3	664	Studio	50%	Rental	12/2022	
13	348	3	500	Studio	80%	Rental	12/2022	
14	401	4	1125	2	80%	Rental	12/2022	
15	402	4	514	Studio	80%	Rental	12/2022	
16	403	4	779	1	50%	Rental	12/2022	
17	404	4	629	1	80%	Rental	12/2022	
18	408	4	1210	2	80%	Rental	12/2022	
19	410	4	771	1	80%	Rental	12/2022	
20	501	5	1125	2	80%	Rental	12/2022	
21	503	5	779	1	50%	Rental	12/2022	
22	510	5	771	1	80%	Rental	12/2022	
23	548	5	500	Studio	80%	Rental	12/2022	
24	601	6	1125	2	80%	Rental	12/2022	
25	602	6	514	Studio	80%	Rental	12/2022	
26	603	6	779	1	50%	Rental	12/2022	
27	610	6	771	1	80%	Rental	12/2022	
28	645	6	500	Studio	80%	Rental	12/2022	
29	701	7	1125	2	80%	Rental	12/2022	
30	702	7	514	Studio	50%	Rental	12/2022	
31	703	7	778	1	80%	Rental	12/2022	
32	710	7	771	1	80%	Rental	12/2022	
33	745	7	500	Studio	80%	Rental	12/2022	
34	803	8	779	1	50%	Rental	12/2022	
35	806	8	514	Studio	80%	Rental	12/2022	
36	810	8	771	1	80%	Rental	12/2022	
37	844	8	500	Studio	80%	Rental	12/2022	
	Total Net Residential IZ Proposed:		26,347 sq. ft.			Total Added for Penthouse Requirement:		n/a sq. ft.

Total Added for Penthouse Requirement: n/a sq. ft.

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09/08/2022 12:30 PM
IDA WILLIAMS
RECORDER OF DEEDS
WASH DC RECORDER OF DEEDS