Memorandum of Understanding (MOU) Between

Habitat for Humanity of Washington DC

And

320 Florida Owner, LLC

Primary Contact:

Susanne V. Slater
President and CEO
Habitat for Humanity of Washington, DC
2115 Ward Ct. NW, Suite 100
Washington, DC 20037
(202) 882-4600 X229

Primary Contact:

David Franco
Managing Member
320 Florida Owner, LLC
c/o Level 2 Development, LLC
1875 Connecticut Ave., N.W.
10th Floor
Washington, DC 20009
(202) 483-1110

PURPOSE:

This memorandum identifies a mutual understanding and obligations of Habitat for Humanity of Washington, D.C., Inc. (DC Habitat) and 320 Florida Owner, LLC (Partner) and its successors and assigns, as it relates to Partner's contribution of $1,400,000, for the purpose of acquisition, development and construction of 13 affordable homeownership units in Ward 5 of The District of Columbia under the auspices of the DC Zoning Commission approved proffer included in PUD Case #15-01 for 320 Florida Avenue, N.E., D.C. (Highline Development).

TERM:

The term of this MOU shall begin on the latter of the date that this memorandum is executed and the PUD order is entered into the DC Register, and shall continue until all 13 housing units are expected to be completed and settled with eligible residents, subject to the terms below:

COMMITMENTS AND OBLIGATIONS OF HABITAT FOR HUMANITY OF WASHINGTON, DC AND 320 FLORIDA OWNER, LLC

1) The number of housing units shall be 13, with not less than an average size 1,067 net square feet (NSF), an average of 2.5 bedrooms, and a total of 13,865 NSF.

2) A minimum of 7 housing units and the equivalent of 4% of the residential NSF at the Highline Development (approx. 7,865 NSF = 4% of approx. 196,625 NSF) shall be located in ANC-5D and shall maintain affordability in accordance with the Inclusionary Zoning Regulations adopted by the Zoning Commission for the District of Columbia and codified in Chapter 26 Title 11 of the DCRM.

3) A minimum of 6 housing units and the equivalent of 3% of the residential NSF at the Highline Development (approx. 6,000 NSF = approx. 3% of approx. 196,625 NSF) shall be located in Ward 5, with a priority area of ANC-5D. These units will have flexibility to be in accordance with the current DC Habitat covenants in lieu of the Inclusionary Zoning Regulations adopted by the Zoning Commission for the District of Columbia and codified in Chapter 26 Title 11 of the DCRM.

4) All housing units shall be offered for sale to buyers at income levels no greater than an aggregate average of 50% of AMI as calculated by D.C. Law 16-275; D.C. Official Code § 6-1041.01 et seq. and the Inclusionary Zoning Regulations adopted by the Zoning Commission for the District of Columbia and codified in Chapter 26 Title 11 of the DCRM.

5) The off-site housing units will be completed and available for occupancy before the issuance of a certificate of occupancy for the Highline Development. Any off-site housing units that are undeveloped prior to issuance of the certificate of occupancy of the Highline Development will revert proportionately onsite at the Highline Development, in accordance with the proffer in the April 3, 2015 Prehearing Submission for Zoning Commission Case #15-01 (Exhibit 16) (8% of the residential gross floor area devoted to affordable units, 90% of which dedicated at 80% of the AMI, and 10% of which dedicated at 50% of the AMI).

6) Disbursement of the funding of $1.4 million will be used by DC Habitat for the acquisition, development, and construction of housing units.

7) DC Habitat shall prepare a development plan and project pro-forma for the project by March 1, 2016.

8) DC Habitat shall secure properties between no later than June, 2017.

9) Partner funding and closing shall take place concurrent with Partner's construction loan closings and development draw schedules for the Highline Development.

10) No funding assistance from the government of the District of Columbia will be used towards the development of the off-site units.

11) No resident will be displaced in the acquisition, development or construction of the housing units.

12) Partner will be a co-developer, and DC Habitat will be responsible for day-to-day activities. Partner will have review of major decision approvals such as approval of house and land acquisition to satisfy compliance with the stated goals of this MOU, contractual compliances, as well as other major decisions. DC Habitat will be responsible for providing monthly activity reports to Partner.

13) Partner will contribute to DC Habitat $107,692 per future home at the time of closing on acquisition of each property that will result in the acquisition, development, and construction of those future home(s), until the goal of 13 units and 13,865 NSF is achieved, with property locations, sizes of housing units, and affordability levels meeting all of the parameters set forth in the terms of this MOU and in the Final PUD Order of Zoning Commission Case #15-01 for 320 Florida Ave., NE. The total disbursements shall not exceed $1.4 million.

14) This MOU is subject to PUD approval by Zoning Commission Case #15-01 for 320 Florida Ave., NE with a proffer of 4% of residential square feet provided as on-site ADU's for households earning up to 80% of AMI, 4% of residential square feet off-site through Habitat for Humanity of Washington, DC, amounting to 13 units with characteristics described above.

IN ADDITION, AT PARTNER'S DISCRETION, DC HABITAT WILL PROVIDE THE FOLLOWING:

1) Recognize Partner on DC Habitat's website and in the DC Habitat annual report, as well as through DC Habitat's social media platforms.
2) Provide the opportunity for Partner's employees to participate in corporate team builds at the 13 co-development sites, to include 300 volunteer slots (15 build days).
3) Include Partner's logo in a sponsor appreciation ad run twice per year in a major DC publication, such as *The Washington Post.*
4) Issue a joint press release about the partnership and DC Habitat.
5) Publish a story on the sponsorship in a DC Habitat print or digital publication.
6) Grant Partner permission to use DC Habitat logo on company website and in other communications, as desired.
7) Recognize Partner as a sponsor in all marketing materials.
8) Provide an opportunity for a company representative to join DC Habitat staff, board members and other corporate partners on a Global Village volunteer trip to build Habitat homes in Central America.

______________________________________ ________________

Habitat for Humanity of Washington, DC, Inc. Date

______________________________________ ________________

320 Florida Owner, LLC Date