

January 12, 2017

District of Columbia Zoning Commission
441 4th Street, NW Suite 210S
Washington, DC 20001

RE: Request for Extension of Time for First-Stage PUD Approval of the East and West M Street Office Buildings (375 & 425 M ST, SW) at Waterfront Station.

Dear Members of the Commission:

As Managing Director of Forest City Capital Markets, the financing arm of Forest City Realty Trust, Inc.. I represent Forest City in securing financing in our core markets across the US. In D.C., I represent Forest City in its partnerships Waterfront 375 M Street, LLC and Waterfront 425 M Street, LLC with respect to the initial financing of the office buildings at 375 and 425 M Streets, S.W. Both of which were approved for a first-stage PUD by the Zoning Commission pursuant to Order No. 02-38A.

Despite the fact that nation, including D.C., has recovered substantially since the recession, it still remains extremely difficult to secure financing for any speculative office development project. Forest City has been communicating directly with Vornado Realty Trust on the leasing status of the office buildings proposed for both 375 and 425 M Streets, S.W. and knows that it has been unsuccessful to date in locating lead tenants. Without a substantially pre-leased building, I have not been able to attract any lenders to this project. Banks have informed us that in order to provide financing for office projects, the proposed building must have pre-leasing of at least 50%.

Until we are able to achieve a level of pre-leasing previously mentioned, we will be unable to secure the financing necessary to move forward with the development of the site. Approval of this first-stage PUD extension request will significantly benefit this project by providing additional time to market, lease and secure the appropriate financing for this building.

Sincerely,



Mark Gerteis

Managing Director

Forest City Realty Trust Capital Markets