

Affidavit of Sean Caldwell, Senior Managing Director of Mill Creek

The undersigned, being duly sworn according to law, deposes and says:

1. I am a Senior Managing Director of Mill Creek.
2. Mill Creek is the owner and developer of the residential redevelopment of the former Italian Embassy site located at 2700 16th Street, NW ("Property"). MCREF Embassy LLC is the owner of record of the Property.
3. As Senior Managing Director, I am responsible for efforts relating to designing, permitting, constructing, financing, and marketing of the residential project anticipated for the Property.
4. The Property was the subject of Zoning Commission Case Nos. 11-08 and 11-08A. The Zoning Commission approved a consolidated Planned Unit Development and PUD-related map amendment in October 2011 and granted a one-year time extension to file a building permit in 2014.
5. Order No. 11-08A requires the property owner to start construction of the project by March 8, 2016, in order to vest the approved entitlements. The expiration of the entitlements comes just nine months after Mill Creek took control of the redevelopment effort.
6. Mill Creek anticipates starting construction under its building permit by September 2016.
7. Despite buying the Property just four months ago, Mill Creek has taken the following actions to bring this project to market as soon as possible:
 - Retained Davis Carter Scott to refine the plans to accommodate more livable interior spaces. Davis Carter Scott has finalized its schematic design and is coordinating construction documents in order to amend the building permit in early 2016.
 - Retained or hired additional members of the design team to finish the engineering and design of the property.
 - Hired MCR as the general contractor. MCR has undertaken surveys to determine its preferred construction plan, including a comprehensive laser scan of the Property, an environmental and geotechnical survey of the Property, a survey of the existing landscaping and retaining wall, as well as an inspection of the roof of the historic resource.
 - MCR has secured raze and demolition permits to begin interior alteration and hazardous material abatement on-site. Permit No. B1510743 was issued on July 29, 2015, and

Permit No. B1510933 was issued on August 3, 2015, just one month after the Applicant closed on the Property.

- Met with representatives of the Festival Kitchen to coordinate construction of their kitchen space with construction of the project, using MCR as general contractor.
 - Met with the Historic Preservation Office on at least three occasions to discuss refinements to the plans.
 - Met with the Advisory Neighborhood Commission on three occasions to keep them abreast with updates on the timing of the proposed development.
9. Mill Creek has expended significant time, money, and resources to bring the project to fruition. Namely, it has invested in preparing the site for construction and retaining the consultants necessary to move the project forward.

10. More specifically, Mill Creek's expenditures are set forth in the chart below:

<u>Cost Category</u>	<u>Amount</u>
Architectural & Engineering	\$500,000
Overhead and carrying costs	\$100,000
Legal fees	\$100,000
Permits and Fees	\$50,000
Total Costs	\$750,000

11. Mill Creek has invested \$750,000 in effectuating the PUD approval since buying the Property just four months ago.

MCREF Embassy LLC

By: _____

Name: Sean Caldwell

Title: Senior Managing Director

Subscribed and sworn to before me this 11th day of November 2015.

Notary Public

My Commission expires: 05/29/18

[Notarial Seal]

