BUNDLE 23 (Manna, Inc.)

PROPERTY DISPOSITION AGREEMENT

THIS PROPERTY DISPOSITION AGREEMENT (this "**Agreement**"), is made effective for all purposes as of the 4 day of March, 2009 (the "**Effective Date**"), between (i) DISTRICT OF COLUMBIA, a municipal corporation, acting by and through the Department of Housing and Community Development, ("**District**"), and (ii) MANNA, INC., a District of Columbia nonprofit corporation (the "**Developer**").

RECITALS:

R-1. District owns the parcels of real property located in Washington, D.C. that are identified and described on **Exhibit A** attached hereto and incorporated herein (collectively, the "**Property**").

R-2. District desires to convey the Property to Developer to be developed in accordance with this Agreement. Pursuant to that certain "Home Again Ivy City Demonstration Redevelopment Project" (Resolution No. 17-558) dated March 4, 2008 and that certain "Home Again Ivy City Demonstration Redevelopment Project Supplemental Disposition Approval Resolution of 2008" (Resolution No. 17-559) (collectively, the "**Resolution**"), the District has been authorized by the Council of the District of Columbia to convey the Property pursuant to the terms herein.

R-3. The Property has a unique and special importance to District. Accordingly, this Agreement makes particular provision to assure the excellence and integrity of the design and construction of a high quality single family or multi-family housing project (the "**Project**"), on the Property.

NOW, THEREFORE, in consideration of the mutual covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by the Parties hereto, District and Developer do hereby agree as follows, to wit:

ARTICLE I
DEFINITIONS

For the purposes of this Agreement, the following capitalized terms shall have the meanings ascribed to them below and, unless the context clearly indicates otherwise, shall include the plural as well as the singular:

"Affiliate" means with respect to any Person ("first Person") (i) any other Person directly or indirectly controlling, controlled by, or under common control with such first Person, (ii) any officer, director, partner, shareholder, manager, member or trustee of such first Person, or (iii) any officer, director, general partner, manager, member or trustee of any Person described in clauses (i) or (ii) of this sentence. As used in this definition, the terms "controlling", "controlled by", or "under common control with" shall mean the possession, directly or indirectly, of the power to direct, or cause the direction of, the management and policies of a Person, whether

through ownership of voting securities, membership interests or partnership interests, by contract or otherwise, or the power to elect at least fifty percent (50%) of the directors, managers, partners or Persons exercising similar authority with respect to the subject Person.

"Affordability Covenant" is that certain Affordable Housing Covenant in the form attached hereto as Exhibit C, to be recorded in the Land Records against the Property in connection with Closing.

"Affordable Unit" means each Residential Unit to be developed, sold, and used for residential purposes in accordance with the requirements of the Affordability Covenant.

"Agreement" means this Property Disposition Agreement.

"Applicable Laws" means all applicable District of Columbia and federal laws, codes, regulations, and orders, including, without limitation, Environmental Laws, laws relating to historic preservation, and laws relating to accessibility for persons with disabilities.

"Approved Plans and Specifications" as defined in Section 4.2.1.

"Business Days" means Monday through Friday, inclusive, other than holidays recognized by the District of Columbia government.

"Cash Deposit" has the meaning given in Section 2.2.1.

"CBEs" is defined in Section 7.5.

"CBE Agreement" is that agreement, in customary form, between Developer and DSLBD governing certain obligations of Developer under D.C. Law 16-33, as amended, for the Project.

"Closing" is the consummation of the purchase and sale of the Property as contemplated by this Agreement.

"Closing Date" is defined in Section 6.1.1.

"Commencement of Construction" means the date that is the earlier of: (a) the date identified on the Schedule of Performance, or (b) the date the Developer has obtained all of the following: (i) a building permit or an unconditional approval letter from the District of Columbia Department of Consumer Regulatory Affairs; (ii) an executed construction contract approved by the District with its general contractor, if applicable; (iii) given notice to the general contractor to proceed under said construction contract; and (iv) caused the general contractor to mobilize on the Property equipment required to commence construction in accordance with the Approved Plans and Specifications. For purposes of this Agreement, the term "**Commencement of Construction**" does not mean site exploration, borings to determine foundation conditions, or other pre-construction monitoring or testing to establish background information related to the suitability of the Property for development of the Improvements thereon or the investigations of environmental conditions.

"Concept Plans" are the design plans, submitted by Developer and approved by District as of the Effective Date herein, which serve the purpose of establishing the major direction of the design of the Project.

"Construction Plans and Specifications" mean the detailed architectural drawings and specifications that are prepared for all aspects of the Project in accordance with the approved Design Development Plans and that are used to obtain Permits, detailed cost estimates, to solicit and receive construction bids, and to direct the actual construction of the Improvements.

"DDOE" means the District of Columbia Department of the Environment, and any successor agency.

"Declaration" is that certain Declaration of Covenants between District and Developer, in the form attached hereto as Exhibit D, to be recorded in the Land Records against the Property in connection with Closing.

"Deed" means the one or more special warranty deed(s) conveying the Property to Developer at Closing in the form of Exhibit B attached hereto and incorporated herein by reference.

"Deposit Letter of Credit" is defined in Section 2.2.1.

"Design Development Plans" are the design plans produced after review and approval of Schematic Plans that reflect refinement of the approved Schematic Plans, showing all aspects of the Project at the correct size and shape. The Design Development Plans shall include: (i) the refined Schematic Plans supplemented with material and design details, including size and scale of façade elements, which are presented in detailed illustrations and 3-dimensional images and (ii) responses to and revisions based on comments, concerns, and suggestions of District relating to the Schematic Plans.

"Developer Default" is defined in Section 8.1.1.

"Developer's Agents" mean Developer's agents, employees, consultants, contractors, and representatives.

"Developer Financing Obligations" has the meaning given in Section 5.3.

"Development and Completion Guaranty" is that guaranty, attached hereto as Exhibit E, to be executed by Guarantors, which shall bind the Guarantors to develop and otherwise construct the Project in the manner and within the time frames pursuant to the terms of this Agreement and the Declaration.

"Development Plan" means Developer's detailed plans for developing, constructing, financing, marketing and selling the Project.

"DFD" has the meaning given in Section 5.3.

"DHCD Financing" has the meaning given in Section 5.3.1.

"Disapproval Notice" is defined in Section 4.2.2.

"Disposal Plan" is defined in Section 2.3.1(d).

"District Default" is defined in Section 8.1.2.

"District Parties" mean District's employees, officers, consultants and duly authorized representatives and agents.

"District Property Studies" has the meaning given in Section 2.4.1.

"DOES" is the District of Columbia Department of Employment Services, and any successor agency.

"DSLBD" is the District of Columbia Department of Small and Local Business Development, and any successor agency.

"Effective Date" is the date first written above.

"Environmental Laws" means any present and future federal, or District of Columbia law and any amendments (whether common law, statute, rule, order, regulation or otherwise), permits and other requirements or guidelines of governmental authorities and relating to (a) the protection of health, safety, and the indoor or outdoor environment; (b) the conservation, management, or use of natural resources and wildlife; (c) the protection or use of surface water and groundwater; (d) the management, manufacture, possession, presence, use, generation, transportation, treatment, storage, disposal, release, threatened release, abatement, removal, remediation, or handling of or exposure to Hazardous Materials; or (e) pollution (including any release to air, land, surface water, and groundwater), and includes, without limitation, the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended, 42 U.S.C. § 9601 et seq.; the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act of 1976, and subsequently amended, 42 U.S.C. § 6901 et seq.; the Hazardous Materials Transportation Act, 49 U.S.C. § 5101 et seq.; the Federal Water Pollution Control Act, as amended by the Clean Water Act of 1977, 33 U.S.C. § 1251 et seq.; the Oil Pollution Act of 1990, 33 U.S.C. § 32701 et seq.; the Federal Insecticide, Fungicide, and Rodenticide Act, as amended, 7 U.S.C. § 136-136y, the Clean Air Act, as amended, 42 U.S.C. § 7401 et seq.; the Toxic Substances Control Act of 1976, as amended, 15 U.S.C. § 2601 et seq.; the Safe Drinking Water Act of 1974, as amended, 42 U.S.C. § 300f et seq.; the Emergency Planning and Community Right-To-Know Act of 1986, 42 U.S.C. § 11001 et seq.; the Occupational Safety and Health Act of 1970, 29 U.S.C. § 651 et seq.; the National Environmental Policy Act of 1969, 42 U.S.C. § 4321 et seq.; and any similar, implementing or successor law, and any amendment, rule, regulatory order or directive issued thereunder.

"First Source Agreement" is that agreement, in customary form, between the Developer and DOES, entered into in accordance with Section 7.6 herein, governing certain obligations of

Developer under D.C. Law 14-24, D.C. Law 5-93, and Mayor's Order 83-265 regarding job creation and employment generated as a result of the Project.

"**Force Majeure**" is an act or event, including, as applicable, an act of God, act of terrorism, fire, earthquake, flood, explosion, war, invasion, insurrection, riot, mob violence, sabotage, inability to procure or a general shortage of labor, equipment, facilities, materials, or supplies in the open market, failure or unavailability of transportation, strike, lockout, actions of labor unions, a taking by eminent domain, requisition, and laws or orders or acts or failures to act of government or of civil, military, or naval authorities enacted or adopted after the Effective Date, so long as such act or event (i) is not within the reasonable control of Developer, Developer's agents, or its Members; (ii) is not due to the fault or negligence of Developer, Developer's agents, or its Members; (iii) is not reasonably foreseeable and avoidable by Developer, Developer's agents, or its Members, and (iv) directly results in a delay in performance by Developer; but specifically excluding (A) shortage or unavailability of funds or financial condition, (B) changes in market conditions such that construction of the Project as contemplated by this Agreement and the Final Project Plans and Specifications is no longer practicable under the circumstances, or (C) the acts or omissions of a general contractor, its subcontractors, or any of Developer's agents or Members.

"**Green Communities**" means the national green building program designed by Enterprise Community Partners that provides criteria for the design, development, and operation of affordable housing.

"**Guarantor**" is Manna, Inc., a District of Columbia non-profit corporation, pursuant to the Development and Completion Guaranty.

"**Hazardous Materials**" means (a) asbestos and any asbestos containing material; (b) any substance that is then defined or listed in, or otherwise classified pursuant to, any Environmental Law or any other Applicable Law as a "hazardous substance," "hazardous material," "hazardous waste," "infectious waste," "toxic substance," "toxic pollutant" or any other formulation intended to define, list or classify substances by reason of deleterious properties such as ignitability, corrosivity, reactivity, carcinogenicity, toxicity, reproductive toxicity or Toxicity Characteristic Leaching Procedure (TCLP) toxicity; (c) any petroleum and drilling fluids, produced waters and other wastes associated with the exploration, development or production of crude oil, natural gas or geothermal resources; and (d) any petroleum product, polychlorinated biphenyls, urea formaldehyde, radon gas, radioactive material (including any source, special nuclear or by-product material), medical waste, chlorofluorocarbon, lead or lead-based product and any other substance the presence of which could be detrimental to the Property or hazardous to health or the environment.

"**HUD**" is the United States Department of Housing and Urban Development.

"**Improvements**" mean landscaping, hardscape, and improvements to be constructed or placed on the Property in accordance with the Development Plan and Approved Plans and Specifications; provided, however, that in no event shall trade fixtures, furniture, operating equipment (in contrast to building equipment), stock in trade, inventory, or other personal

property used in connection with the conduct of any business within the Improvements be deemed included in the term "Improvements" as used in this Agreement.

"**Initial Deposit**" has the meaning given in Section 2.2.1.

"**Initial Deposit Due Date**" has the meaning given in Section 2.2.1.

"Land Records" means the property records maintained by the Recorder of Deeds for the District of Columbia.

"Member" means any Person with an ownership interest in Developer.

"**Milestones**" means the date as specified in the Schedule of Performance by which certain actions are required to be undertaken by Owner.

"**Outside Closing Date**" is defined in Section 6.1.1.

"Parcel" shall mean each or any parcel of real property that collectively compose the Property.

"Party" when used in the singular, shall mean either District or Developer; when used in the plural, shall mean both District and Developer.

"**Performance Letter of Credit**" is defined in Section 2.2.2.

"Permits" means all demolition, site, building, construction, and other permits, approvals, licenses, and rights required to be obtained from the District of Columbia government or other authority having jurisdiction over the Property (including, without limitation, the federal government, WMATA, and any utility company, as the case may be) necessary to commence and complete construction, operation, and maintenance of the Project in accordance with the Development Plan, the Declaration and this Agreement.

"Permitted Exceptions" shall mean those exceptions to title identified in the Title Commitment.

"Person" means any individual, corporation, limited liability company, trust, partnership, association, or other entity.

"**Prohibited Person**" shall mean any of the following Persons:

(A) any Person (or any Person whose operations are directed or controlled by a Person) who has been convicted of or has pleaded guilty in a criminal proceeding for a felony or who is an on-going target of a grand jury investigation convened pursuant to Applicable Laws concerning organized crime;

(B) any Person organized in or controlled from a country, the effects of the activities with respect to which are regulated or controlled pursuant to the following United States laws and the regulations or executive orders promulgated thereunder: (x) the Trading with

the Enemy Act of 1917, 50 U.S.C. App. §1, et seq., as amended (which countries are, as of the Effective Date hereof, North Korea and Cuba); (y) the International Emergency Economic Powers Act of 1976, 50 U.S.C. §1701, et seq., as amended; and (z) the Anti-Terrorism and Arms Export Amendments Act of 1989, codified at Section 6(j) of the Export Administration Act of 1979, 50 U.S.C. App. § 2405(j), as amended (which countries are, as of the Effective Date hereof, Iran, Sudan and Syria);

(C) any Person who has engaged in any dealings or transactions (i) in contravention of the applicable money laundering laws or regulations or conventions or (ii) in contravention of Executive Order No. 13224 dated September 24, 2001 issued by the President of the United States (Executive Order Blocking Property and Prohibiting Transactions with Persons Who Commit, Threaten to Commit, or Support Terrorism), as may be amended or supplemented from time-to-time or any published terrorist or watch list that may exist from time to time;

(D) any Person who appears on or conducts any business or engages in any transaction with any person appearing on the list maintained by the U.S. Treasury Department's Office of Foreign Assets Control list located at 31 C.F.R., Chapter V, Appendix A or is a person described in Section 1 of the Anti-Terrorism Order;

(E) any Person suspended or debarred by HUD or by the District of Columbia government; or

(F) any Affiliate of any of the Persons described in paragraphs (A) through (E) above.

"Project" means those Improvements on the Property, and the development and construction thereof in accordance with the Development Plan, this Agreement, and the Declaration.

"Project Budget" means the budget for the Project representing the total cost of the Improvements as provided by the Developer to the District.

"Project Drawings" is defined in Section 4.1.1.

"Property" is defined in the Recitals.

"Purchase Price" means the price Developer shall pay for the acquisition of the Property pursuant to Section 2.1.2 hereof.

"Residential Unit" is any unit constructed as part of the Project to be developed, sold, and used for residential purposes.

"Resolution" has the meaning given in the Recitals.

"Schedule of Affordable Units" is defined in Section 7.4.

"Schedule of Performance" means that schedule of performance, attached hereto as Exhibit G and incorporated herein, setting forth the timelines for milestones in the design, development, construction, and completion of the Project (including a construction timeline in customary form) together with the dates for submission of documentation required under this Agreement, which schedule shall be attached to the Development Plan and to the Declaration.

"Schematic Plans" are the design plans that present a developed design based on the approved Concept Plans, and illustrate the development of building facades, scale elements, and materials. The Schematic Plans shall include: (i) a site plan (1/32' = 1') that illustrates revisions and further development of ideas presented in Concept Plans; (ii) street-level floor plans, a roof plan, and other relevant floor plans (1/16" = 1'); (iii) illustrative elevations and renderings sufficient to review the Project (minimum 1/8" = 1'); (iv) 3-dimensional massing diagrams or models and perspective sketches sufficient to review the Project; (v) one set of 24" x 36" presentation boards with the foregoing items shown thereon; (vi) illustrations and wall sections of façade design elements and other important character elements (½" – 1" = 1'); (vii) exterior material samples; (viii) a summary chart showing floor area, building coverage of the site, building height, floor area ratios, and number of parking spaces and loading docks, and the amount of space dedicated to recreational use; and (ix) such other drawings or documents as District may reasonably request related to the foregoing.

"Settlement Agent" Answer Title located at 10 G Street, NE, Suite 140, Washington, DC 20002.

"Settlement Statement" is the HUD-1 statement prepared by the Settlement Agent in connection with Closing.

"Studies" is defined in Section 2.3.1.

"Title Commitment" is attached hereto as Exhibit I.

"UST Act" is defined in Section 2.3.3.

"UST Regulations" is defined in Section 2.3.3.

ARTICLE 2
CONVEYANCE; PURCHASE PRICE; CONDITION OF PROPERTY

2.1 SALE; PURCHASE PRICE

2.1.1 Subject to and in accordance with the terms of this Agreement, District shall sell to Developer and Developer shall purchase from District, all of District's right, title, and interest in and to the Property.

2.1.2 The Purchase Price shall be Nine Thousand Dollars ($9,000), which represents the number of Parcels being purchased as indicated on Exhibit A multiplied by One Thousand Dollars ($1,000). Purchaser shall pay the Purchase Price at Closing by certified check, wired funds, or other immediately available funds reasonably acceptable to District.

2.2 DEPOSIT; PERFORMANCE LETTER OF CREDIT

2.2.1 On or before the first day following the Effective Date (the "**Initial Deposit Due Date**"), Developer shall deliver to District either a letter of credit or an earnest money deposit in the amount of Nine Hundred Dollars ($900) (the "**Initial Deposit**"). If the Initial Deposit is in the form of a letter of credit (the "**Deposit Letter of Credit**"), the Deposit Letter of Credit shall not constitute payment on account of and shall not be credited against the Purchase Price; rather, the Deposit Letter of Credit shall be used as security to ensure Developer's compliance with this Agreement and may be drawn on by District in accordance with the terms hereof. If the Initial Deposit is in the form of an earnest money deposit (the "**Cash Deposit**"), the Cash Deposit along with any accrued interest shall be credited against the Purchase Price if Closing shall take place in accordance with this Agreement. Any Cash Deposit shall be held in escrow by the Settlement Agent.

2.2.2 Unless waived in writing by the District, Developer shall deliver at Closing to District an amount of money equal to the lesser of either: (i) 5% of the Project Budget, or (ii) Two Hundred Fifty Thousand Dollars ($250,000), in the form of any of the following: a letter of credit from a reputable bank, a payment and performance bond from a reputable surety company, or a cash reserve to be held in escrow by the Settlement Agent (the "**Performance Bond**"). If the Performance Bond shall be a letter of credit it shall be in the form attached hereto as **Exhibit F**. If the Developer shall provide a payment and performance bond, such bond shall be: (i) in an amount that is 100 percent (100%) of the cost of the Improvements as shown on the Project Budget, (ii) be issued by an entity satisfactory to the District, (iii) be in form and substance satisfactory to the District, and (iv) name the District as an obligee. District shall hold the Performance Bond to secure Developer's performance of the obligations contained in, and in accordance with, the Declaration.

2.2.3 If the Developer shall fail to pay any portion of the Initial Deposit by the Initial Deposit Due Date, this Agreement shall automatically terminate and any portion of the Initial Deposit including any accrued interest which had been paid shall be immediately released to the District. If the portion of the Initial Deposit is evidenced as a letter of credit, the District shall have the immediate right to draw all funds under such letter of credit. Upon termination of the Agreement in accordance with this provision, the parties shall have no further rights or obligations with respect to each other or this Agreement.

2.3 CONDITION OF PROPERTY

2.3.1 Feasibility Studies; Access to Property.

(a) From time to time prior to Closing, provided this Agreement is in full force and effect and Developer is not then in default hereunder, Developer and Developer's Agents shall have the right to enter the Property for purposes of conducting surveys, soil tests, environmental studies, engineering tests, and such other tests, studies, and investigations (hereinafter "**Studies**") as Developer deems necessary or desirable to evaluate the Property, at Developer's sole cost and expense; provided, Developer's Agents shall not conduct any invasive Studies without the prior

written consent of District and, if approved, shall permit a representative of District to accompany Developer or Developer's Agents during the conduct of any such invasive Studies.

(b) Developer and Developer's Agents are solely responsible for obtaining any necessary licenses and permits for the Studies and any work associated therewith, including transportation and disposal of materials. In addition, Developer and Developer's Agents shall be obligated to comply with all Applicable Laws and the provisions of this Agreement during their entry on the Property and while conducting any Studies.

(c) At least 24 hours prior to entry on any Parcel, Developer shall provide District (i) written notice, including a written description of the intended Studies, (ii) evidence of insurance, as required under the terms of this Agreement, and (iii) copies of any required licenses and notices in accordance with Section 2.3.1(b).

(d) In the event Developer or Developer's Agents disturbs, removes or discovers any materials or waste on any Parcel while conducting the Studies, or otherwise during its entry on the Property, which are determined to be Hazardous Materials as defined herein, Developer shall notify District and DDOE within one (1) business day after its discovery of such Hazardous Materials. Thereafter, within ten (10) days after its discovery of such Hazardous Materials, Developer shall submit a written notice of a proposed plan for disposal (the "**Disposal Plan**") to District and DDOE. The Disposal Plan shall contain all identifying information as to the type and condition of the Hazardous Materials or waste discovered and a detailed account of the proposed removal and disposal of the Hazardous Materials, including the name and location of the hazardous waste disposal site. DDOE may conduct an independent investigation of the Property, including but not limited to, soil sampling and other environmental testing as may be deemed necessary. Upon completion of DDOE's investigation, District and/or the DDOE shall notify Developer of its findings and shall notify Developer by written notice of its approval or disapproval of the proposed Disposal Plan. In the event DDOE disapproves the proposed Disposal Plan, Developer shall resubmit a revised Disposal Plan to District and DDOE. Developer shall seek the advice and counsel of DOE prior to any resubmission of a proposed Disposal Plan. Upon review of the revised Disposal Plan, District or DDOE shall notify Developer of its decision. Upon approval of the Disposal Plan, Developer shall remove and dispose of all Hazardous Materials in accordance with the approved Disposal Plan and all Applicable Laws; provided, however, Developer shall not be required to begin its removal and disposal of Hazardous Materials not already disturbed or removed until after Closing. Within thirty (30) days after the disposal of any Hazardous Materials or waste, Developer shall provide District such written evidence and receipts confirming the proper disposal of all Hazardous Materials or waste removed from such Parcel.

(e) Intentionally Deleted.

(f) Developer hereby indemnifies and holds District and the District Parties harmless and shall defend District (with counsel reasonably satisfactory to District) and the District Parties from and against any and all losses, costs, liabilities, damages, expenses, mechanic's liens, claims and judgments, including, without limitation, reasonable attorneys' fees and court costs, incurred or suffered by District or the District Parties, but excluding losses and liabilities due to the gross

negligence and willful misconduct of the District, as a result of any entry on the Property or Studies or other activities at the Property conducted by Developer or Developer's Agents. This provision shall survive Closing or the earlier termination of this Agreement.

(g) Developer covenants and agrees that Developer shall keep confidential all information obtained by Developer as to the condition of the Property; provided, however, that (i) Developer may disclose such information to its Members, officers, directors, attorneys, consultants, Settlement Agent, and potential lenders so long as Developer directs such parties to maintain such information as confidential and (ii) Developer may disclose such information as it may be legally compelled so to do. The foregoing obligation of confidentiality shall not be applicable to any information which is a matter of public record or, by its nature, necessarily available to the general public. This provision shall survive Closing or the earlier termination of this Agreement.

(h) Any access to the Property by Developer pursuant to this Section shall additionally be subject to all of Developer's insurance obligations contained in Article 10 and Developer shall restore the Property after such tests are completed.

2.3.2 Soil Characteristics. Pursuant to requirements contained in D.C. Official Code § 42-608(b) the District hereby gives notice to the Developer that:

(a) The characteristic of the soil on the Property is described by the Soil Conservation Service of the United States Department of Agriculture in the Soil Survey of the District of Columbia published in 1976 Soil Maps of the District of Columbia at the back of that publication; and

(b) for further soil information, Developer may contact the District of Columbia Department of Environmental Services or the Soil Conservation Service of the Department of Agriculture.

The foregoing does not constitute a representation or warranty by District..

2.3.3 Underground Storage Tanks. In accordance with the requirements of Section 3(g) of the D.C. Underground Storage Tank Management Act of 1990, as amended by the District of Columbia Underground Storage Tank Management Act of 1990 Amendment Act of 1992 (D.C. Code § 8-113.01, *et seq.*) (collectively, the "**UST Act**") and the applicable D.C. Underground Storage Tank Regulations, 20 DCMR Chapter 56 (the "**UST Regulations**"), District hereby informs the Developer that it has no knowledge of the existence or removal during its ownership of the Property of any "underground storage tanks" (as defined in the UST Act). Information pertaining to underground storage tanks and underground storage tank removals of which the D.C. Government has received notification is on file with the District Department of the Environment, Underground Storage Tank Branch, 51 N Street, N.E., Third Floor, Washington, D.C., 20002, telephone (202) 535-2525. District's knowledge for purposes of this Section shall mean and be limited to the actual knowledge of Hillary Lovick, Realty Project Manager, Property Acquisition and Disposition Division of the Department of Housing and Community Development, telephone no. (202) 478-1353. The foregoing is set forth

pursuant to requirements contained in the UST Act and UST Regulations and does not constitute a representation or warranty by District.

2.3.4 AS-IS. DISTRICT SHALL CONVEY THE PROPERTY TO DEVELOPER IN "AS IS", "WHERE IS" CONDITION WITH ALL FAULTS AND DISTRICT MAKES NO REPRESENTATIONS OR WARRANTIES, EITHER EXPRESS OR IMPLIED, AS TO THE CONDITION OF THE PROPERTY OR ANY IMPROVEMENTS THEREON, AS TO THE SUITABILITY OR FITNESS OF THE PROPERTY OR ANY IMPROVEMENTS THEREON, AS TO ANY LAW, OR ANY OTHER MATTER AFFECTING THE USE, VALUE, OCCUPANCY, OR ENJOYMENT OF THE PROPERTY, OR, EXCEPT AS SET OUT IN SECTION 3.1, AS TO ANY OTHER MATTER WHATSOEVER. DISTRICT SHALL HAVE NO RESPONSIBILITY TO PREPARE THE PROPERTY IN ANY WAY FOR DEVELOPMENT AT ANY TIME. DEVELOPER ACKNOWLEDGES THAT NEITHER DISTRICT NOR ANY EMPLOYEE, REPRESENTATIVE, OR AGENT OF DISTRICT HAS MADE ANY REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, WITH RESPECT TO THE PROPERTY OR ANY IMPROVEMENTS THEREON. THE PROVISIONS HEREOF SHALL SURVIVE CLOSING OR THE EARLIER TERMINATION OF THIS AGREEMENT.

2.4 DISTRICT PROPERTY STUDIES.

2.4.1 The District has undertaken certain inspections, studies and tests with respect to the Property including but not limited to a storm water drainage testing, survey, and such other tests as deemed appropriate by the District (the "**District Property Studies**").

2.4.2 The Developer hereby acknowledges and agrees that: (i) the District makes no representations or warranties regarding the accuracy or completeness of the District Property Studies, and (ii) it shall have no right to rely on the District or the District Property Studies in making a determination regarding the feasibility of the Project. The Developer acknowledges that the District has expended considerable resources on obtaining the District Property Studies, solely for the purpose of assisting the Developer in developing and constructing the Project. As such, the Developer hereby agrees that it shall have no right to object to any condition that may be discovered, offset any amounts from the Purchase Price, or to terminate this Agreement based on the District Property Studies or any other studies undertaken by the Developer, and that any such termination shall be a default under the Agreement.

2.5 TITLE

2.5.1 At Closing, District shall convey good and marketable title to the Property subject to the Permitted Exceptions.

2.5.2 From and after the Effective Date through Closing, District agrees not to take any action that would cause a material adverse change to the status of title to the Property as shown on the Title Commitment, except as expressly permitted by this Agreement.

2.6 RISK OF LOSS

All risk of loss prior to Closing with respect to any and all existing improvements on the Property shall be borne by Developer. In the event of a casualty, the Developer shall be obligated to purchase the Property for the full Purchase Price without adjustment, and the District shall not be required to rebuild any improvements, but shall either raze same or render same so as not to cause a risk to person or property. Notwithstanding the foregoing, this provision shall not be construed to impose any liability on Developer for personal injury or property damage incurred by District or any third party prior to Closing except as otherwise set forth herein to the contrary as contained in Developer's indemnification obligations contained in Section 2.4.1(f) and Article 10 hereof.

2.7 CONDEMNATION

2.7.1 Notice. If, prior to Closing, any condemnation or eminent domain proceedings shall be commenced by any competent public authority against any Parcel, District shall promptly give Developer written notice thereof.

2.7.2 Condemnation. In the event of a taking of any Parcel prior to Closing, the Parties agree as follows:

(a) if such taking constitutes 20% or less of the appraised value or lot square footage, the Developer shall be obligated to purchase the Property or any affected Parcel thereof for the full Purchase Price without adjustment, and in accordance with this Agreement, or

(b) if such taking constitutes more than 20% of the appraised value or lot square footage, the Developer may elect to terminate this Agreement or elect to proceed to Closing on the Property, except for the Parcels, or any portion thereof, so taken. If Developer elects to proceed to Closing on the Property, except for the taken Parcel, or any portion thereof, (x) this Agreement relating to such parcel shall terminate and the Parties shall be released from any and all obligations hereunder relating to such parcel except those that expressly survive termination, (y) the Purchase Price for the remaining Property shall be decreased by the amount apportioned to such Parcel, or any portion thereof, and (z) District shall have the right to any and all condemnation proceeds.

2.8 SERVICE CONTRACTS AND LEASES

District has not procured or entered into any (i) service, management, maintenance, or development contracts, or (ii) leases, licenses, easements, or other occupancy agreements affecting the Property that will survive Closing. District will not hereafter enter into any such contracts or agreements that will bind the Property or Developer as successor-in-interest with respect to the Property, without the prior written consent of Developer.

ARTICLE 3
REPRESENTATIONS AND WARRANTIES

3.1 REPRESENTATIONS AND WARRANTIES OF DISTRICT

3.1.1 District hereby represents and warrants to Developer as of the Effective Date as follows:

(a) The District owns the Property and can convey good and marketable title to the Developer on the Closing Date.

(b) The execution, delivery and performance of this Agreement by District and the transactions contemplated hereby between District and Developer shall have been approved by all necessary parties prior to Closing and District has the authority to dispose of the Property, subject to the expiration of the Resolution.

(c) No agent, broker, or other Person acting pursuant to express or implied authority of District is entitled to any commission or finder's fee in connection with the transactions contemplated by this Agreement or will be entitled to make any claim against Developer for a commission or finder's fee. District has not dealt with any agent or broker in connection with the sale of the Property.

(d) There is no litigation, arbitration, administrative proceeding, or other similar proceeding pending against District which relates to the Property. There is no other litigation, arbitration, administrative proceeding, or other similar proceeding pending against District which, if decided adversely to District, would impair District's ability to perform its obligations under this Agreement.

(e) The execution, delivery, and performance of this Agreement by District and the transactions contemplated hereby between District and Developer do not violate any of the terms, conditions or provisions of any judgment, order, injunction, decree, regulation, or ruling of any court or other governmental authority to which District is subject, or any agreement, contract or Applicable Law to which District is a party or to which it is subject.

3.1.2 Survival. The representations and warranties contained in Section 3.1.1 shall survive Closing for a period of two years from the Closing Date. District shall have no liability or obligation hereunder for any representation or warranty that becomes materially untrue because of reasons beyond District's control.

3.2 REPRESENTATIONS AND WARRANTIES OF DEVELOPER

3.2.1 Developer hereby covenants, represents, and warrants to District as follows:

(a) Developer is a District of Columbia nonprofit corporation, duly formed and validly existing and in good standing, and has full power and authority under the laws of the District of Columbia to conduct the business in which it is now engaged. _____ and _____ are the only

Members of Developer and the only Persons with an ownership interest in Developer. Neither Members nor any Person owning directly or indirectly any interest in Developer or Members is a Prohibited Person.

(b) The execution, delivery, and performance of this Agreement and the consummation of the transactions contemplated hereby have been duly and validly authorized by Developer. Upon the due execution and delivery of the Agreement by Developer, this Agreement constitutes the valid and binding obligation of Developer, enforceable in accordance with its terms.

(c) The execution, delivery, and performance of this Agreement and the consummation of the transactions contemplated hereby do not violate any of the terms, conditions, or provisions of (i) Developer's organizational documents, (ii) any judgment, order, injunction, decree, regulation, or ruling of any court or other governmental authority, or Law to which Developer is subject, or (iii) any agreement or contract to which Developer is a party or to which it is subject.

(d) No agent, broker, or other Person acting pursuant to express or implied authority of Developer is entitled to any commission or finder's fee in connection with the transactions contemplated by this Agreement or will be entitled to make any claim against District for a commission or finder's fee. Developer has not dealt with any agent or broker in connection with its purchase of the Property.

(e) There is no litigation, arbitration, administrative proceeding, or other similar proceeding pending against Developer that, if decided adversely to Developer, (i) would impair Developer's ability to enter into and perform its obligations under this Agreement or (ii) would materially adversely affect the financial condition or operations of the Developer.

(f) Developer's purchase of the Property and its other undertakings pursuant to this Agreement are for the purpose of constructing the Project in accordance with the Development Plan and Project Drawings and not for speculation in land holding.

(g) Neither Developer nor any of its Members are the subject debtor under any federal, state, or local bankruptcy or insolvency proceeding, or any other proceeding for dissolution, liquidation or winding up of its assets.

3.2.2 Survival. The representations and warranties contained in Section 3.2.1 shall survive Closing for a period of two years from the Closing Date. Developer shall have no liability or obligation hereunder for any representation or warranty that becomes untrue because of reasons beyond Developer's control.

ARTICLE 4
SUBMISSION AND APPROVAL OF PROJECT DRAWINGS; APPROVAL OF MILESTONES

4.1 PROJECT DRAWINGS

4.1.1 Developer's Submissions for the Project. Developer shall submit to District for District's review and approval, the following drawings, plans and specifications (collectively, the "**Project Drawings**") for the Project within the timeframes specified below:

(a) One hundred percent (100%) complete Schematic Plans, within fifteen (15) days after the Effective Date; and

(b) One hundred percent (100%) complete Construction Plans and Specifications on or before the date of Closing, with fifty percent (50%) of the Construction Plans and Specifications to be completed within thirty (30) days after the Effective Date; and the remaining fifty percent (50%) of the Construction Plans and Specifications to be completed within sixty five (60) days after the Effective Date. As part of this submission, Developer shall also provide District with a description of all interior and exterior finishes of each Residential Unit and the appliances and equipment to be included therein.

All Project Drawings shall be prepared and completed in accordance with this Agreement and the Permitted Uses Plan. As used in this Agreement, the term "**Project Drawings**" shall include any changes to such Project Drawings.

4.1.2 Approval by District. Notwithstanding anything to the contrary herein, prior to application for any Permit, Developer shall cause the Project Drawings applicable to such Permit to become Approved Plans and Specifications prior to their application. All of the Project Drawings shall conform to and be consistent with applicable zoning requirements and shall comply with the following:

(a) The Project Drawings shall be prepared or supervised by and signed by Developer's architect.

(b) A structural, geotechnical, and civil engineer, as applicable, who is licensed by the District of Columbia, shall review and certify all final foundation and grading designs.

(c) Upon Developer's submission of all Project Drawings to District, Developer's architect shall certify (on a form reasonably acceptable to District) that the Improvements have been designed in accordance with all Applicable Laws relating to accessibility for persons with disabilities.

4.1.3 Delay Caused By District. The dates set forth in Sections 4.1.1 shall be extended on a day-for-day basis for each day of delay caused by District due to its failure to timely respond to any prior submission, as more particularly described in Section 4.2.1 below. For

purposes of calculating any period of such delay, the thirty (30) day period set forth in Section 4.2.1 shall control, such that the day-for-day extension shall commence as of the 31st calendar day after the applicable submission by Developer.

4.2 DISTRICT REVIEW AND APPROVAL OF PROJECT DRAWINGS

4.2.1 Generally. District shall have the right to review and approve or disapprove all or any part of each of the Project Drawings. District shall use good faith efforts to complete its review of each submission by Developer and provide a written response thereto, within thirty (30) days after its receipt of the same. Any Project Drawings approved (or any approved portions thereof) pursuant to this Section 4.2 shall be "**Approved Plans and Specifications**."

4.2.2 Disapproval Notices. Any notice of disapproval ("**Disapproval Notice**") shall state in reasonable detail the basis for such disapproval. If District issues a Disapproval Notice, Developer shall revise the Project Drawings to address the objections of District and shall resubmit the revised Project Drawings for approval. Any Approved Plans and Specifications may not be later disapproved by District unless any disapproval and revision is mutually agreed upon by the Parties. District's review of any submission that is responsive to a Disapproval Notice shall be limited to the matters disapproved by District as set forth in the Disapproval Notice, but shall not be so limited with regard to any new matters shown on such submission that were not included or indicated on any prior submission.

4.2.3 Submission Deadline Extensions. If Developer is proceeding diligently and in good faith and desires to extend a specified deadline for submission of a particular Construction Drawing, Developer may request such extension in writing, and, for good cause shown, District may, in its sole discretion, grant such extension by written notice.

4.2.4 No Representation; No Liability. District's review and approval of the Project Drawings is not and shall not be construed as a representation or other assurance that they comply with any building codes, regulations, or standards, including, without limitation, building engineering and structural design or any other Applicable Laws. District shall incur no liability in connection with its review of any Project Drawings and is reviewing such Project Drawings solely for the purpose of protecting its own interests.

4.3 CHANGES IN APPROVED PLANS AND SPECIFICATIONS

No Material Changes (as defined below) to the Approved Plans and Specifications shall be made without District's prior written approval. If Developer desires to make any Material Changes to the Approved Plans and Specifications, Developer shall submit the proposed changes in writing to District for approval, which approval shall be granted or withheld in District's sole discretion. District agrees that it shall respond to any such request within a reasonable period of time, not to exceed sixty (60) days. Material Changes include but are not limited to changes that will: (i) increase the Project Budget, (ii) require additional zoning approvals, (iii) increase or decrease the number of Residential Units beyond initially approved by the District, (iv) change the finishes or amenities originally approved by the District, or (v) will cause an increase in the Initial Sales Prices shown on **Exhibit H**.

4.4 PROGRESS MEETINGS/CONSULTATION

During the preparation of the Project Drawings, District's staff and Developer, at the request of District's staff, shall hold periodic progress meetings as appropriate considering the progress of Developer's plans and specifications. During such meetings, Developer and District staff shall coordinate the preparation and submission of the Project Drawings as well as their review by District. The time and location of such meetings to be determined by Developer and District.

ARTICLE 5
CONDITIONS TO CLOSING

5.1 CONDITIONS PRECEDENT TO DEVELOPER'S OBLIGATION TO CLOSE

5.1.1 The obligations of Developer to consummate the Closing on the Closing Date shall be subject to the following conditions precedent:

(a) District shall have performed all obligations hereunder required to be performed by District prior to the Closing Date.

(b) The representations and warranties made by District in Section 3.1 of this Agreement shall be true and correct in all material respects on and as if made on the Closing Date.

(c) District shall have performed all of its material obligations and observed and complied with all material covenants and conditions required at or prior to Closing under this Agreement.

(d) District shall have delivered (or caused to be delivered) the original, executed documents required to be delivered pursuant to Section 6.2.1 herein.

(e) As of the Closing Date, there shall be no rezoning or other statute, law, judicial, or administrative decision, ordinance, or regulation (including amendments and modifications of any of the foregoing) by any governmental authorities or any public or private utility having jurisdiction over the Property that would materially adversely affect the acquisition, development, sale, or use of the Property such that the Project is no longer physically or economically feasible. This provision shall not apply to any normal and customary reassessment of the Property for ad valorem real estate tax purposes.

(f) Title to the Property shall be subject only to the Permitted Exceptions.

5.1.2 Failure of Condition. If all of the conditions to Closing set forth above in Section 5.1.1 have not been satisfied by the Closing Date, provided the same is not the result of Developer's failure to perform any obligation of Developer hereunder, Developer shall have the option to (i) waive such condition and proceed to Closing hereunder; (ii) terminate this Agreement by written notice to District, whereby District will release the Initial Deposit to Developer and the Parties shall be released from any further liability or obligation hereunder

except those that expressly survive termination of this Agreement; or (iii) delay Closing for up to three (3) months to permit District to satisfy the conditions to Closing set forth in Section 5.1.1. In the event Developer proceeds under clause (iii), Closing shall occur within thirty (30) days after the conditions precedent set forth in Section 5.1.1 have been satisfied, but if such conditions precedent have not been satisfied by the end of the three (3) month period, provided the same is not the result of Developer's failure to perform any obligation of the Developer hereunder, the Developer may again proceed under clause (i) or (ii) above. The foregoing notwithstanding, Closing shall not occur after the Outside Closing Date. If Closing has not occurred by such date, this Agreement shall immediately terminate and be of no further force and effect, except those provisions that expressly survive termination.

5.2 CONDITIONS PRECEDENT TO DISTRICT'S OBLIGATION TO CLOSE

5.2.1 The obligation of District to convey the Property and perform the other obligations it is required to perform on the Closing Date shall be subject to the following conditions precedent:

(a) Developer shall have performed all obligations hereunder required to be performed by Developer prior to the Closing Date.

(b) The representations and warranties made by Developer in Section 3.2 of this Agreement shall be true and correct in all material respects on and as if made on the Closing Date.

(c) The Development Plan and all Project Drawings for the Project shall have been approved as Approved Plans and Specifications in their entirety pursuant to Article 4.

(d) Developer shall be ready, willing, and able in accordance with the terms and conditions of this Agreement to acquire the Property and proceed with the development of the Project in accordance with the Approved Plans and Specifications and the Declaration.

(e) Developer shall have executed a First Source Agreement and a CBE Agreement

(f) Developer shall have furnished to District certificates of insurance or duplicate originals of insurance policies required of Developer hereunder.

(g) Developer shall have provided satisfactory evidence of its authority to acquire the Property and perform its obligations under this Agreement.

(h) Developer shall have applied for and be diligently pursuing from the District of Columbia, or other authority having jurisdiction over the Property, approval of any zoning changes, lot consolidations or subdivisions, or other approvals.

(i) Developer shall have obtained all Permits required under Section 105A of Title 12A of the D.C. Municipal Regulations.

(j) Developer shall have delivered (or caused to be delivered) the original, executed documents required to be delivered pursuant to Section 6.2.2 herein.

(k) Developer shall have secured all equity and debt financing necessary to construct the Project pursuant to this Agreement and the Declaration.

(l) Settlement Agent shall have irrevocably committed itself in writing to issue a title insurance policy for the Property at regular rates, free and clear of all encumbrances, subject only to the Permitted Exceptions.

5.2.2 Failure of Condition. If all of the conditions to Closing set forth above in Section 5.2.1 have not been satisfied by the Closing Date, provided the same is not the result of District's failure to perform any obligation of District hereunder, District shall have the option, at its sole discretion, to (i) terminate this Agreement by written notice to Developer and draw on the Deposit Letter of Credit in its full amount, whereupon the Parties shall be released from any further liability or obligation hereunder except those that expressly survive termination of this Agreement or (ii) delay Closing for up to three (3) months, to permit Developer to satisfy the conditions to Closing set forth in Section 5.2.1. In the event District proceeds under clause (ii), Closing shall occur within thirty (30) days after the conditions precedent set forth in Section 5.2.1 have been satisfied, but if such conditions precedent have not been satisfied by the end of the three (3) month period, District may again proceed under clause (i) above, in its sole discretion. The foregoing notwithstanding, Closing shall not occur after the Outside Closing Date. If Closing has not occurred by such date, this Agreement shall immediately terminate and be of no further force and effect.

5.3. Financing Contingency. Developer and District agree that the Developer's obligation to close is contingent on Developer obtaining a commitment for **"DHCD Financing"** (as defined below), on before July 1, 2009. Notwithstanding the foregoing, the Developer shall not be able to terminate this Agreement for a failure to obtain DHCD Financing, unless: (i) Developer submits within 10 Business Days after signing this Agreement, an application for financing with the Development Finance Division (**"DFD"**), (ii) Developer promptly, within five Business Days of a request, responds or provides any information requested by DFD and/ or the District in connection with the DHCD Financing, and (iii) promptly (within three Business Days of receipt or knowledge) provides the District with copies of all communications and correspondence between the Developer and DFD (collectively, the "**Developer Financing Obligations**").

5.3.1 DHCD Financing shall mean any one or a package of bridge, mezzanine or gap loans, grants or loan guaranties provided by or made available by DFD to the Developer to allow the Developer to build the Project in accordance with the Declaration and the Schedule of Affordable Units. Developer acknowledges and agrees that the terms and conditions of the DHCD Financing shall be determined by DFD, and that such terms and conditions may include but are not limited to the Developer: (i) making an equity contribution to the Project, (ii) giving a deed of trust in the Property and/ or providing other collateral, (iii) agreeing to cross-default provisions, (iv) obtaining third party commercial loans, (v) providing guaranties or indemnities and (vi) capping its fees and profit.

5.3.2 If the Developer has complied with the Developer Financing Obligations, but has not received a conditional approval, commitment letter or draft loan documents from DFD for DHCD Financing or has received a denial or disapproval letter from DFD for DHCD Financing on or before July 1, 2009, and such failure or denial was not caused by an action or omission of the Developer, then the Developer shall have the right to terminate this Agreement with notice to DHCD and receive its Initial Deposit, plus all accrued interest if the Initial Deposit is in the form of a Cash Deposit, and the Parties shall have no further rights or obligations with respect to this Agreement, except as provided herein.

ARTICLE 6
CLOSING

6.1 CLOSING DATE

Closing on the Property shall be held after the District has approved the Project Drawings, and in accordance with the following schedule:

Property Address	**Closing Date**
Capitol Ave., NE (Sq. 4044, Lot 0017)	July 31, 2009
Capitol Ave., NE (Sq. 4044, Lot 0018)	July 31, 2009
Capitol Ave., NE (4045, Lot 0804)	July 31, 2009
Capitol Ave., NE (Sq. 4045, Lot 811)	Prior to March 1, 2010
1927 Capitol Ave., NE (Sq. 4045, Lot 814)	Prior to March 1, 2010
Capitol Ave., NE (Sq. 4045, Lot 815)	Prior to March 1, 2010
1849 Kendall St., NE (Sq. 4047, Lot 0053)	Prior to March 1, 2010
1840 Kendall St., NE (Sq. 4048, Lot 0013)	Prior to March 1, 2010
Kendall St., NE (Sq. 4048, Lot 0802)	Prior to March 1, 2010

Notwithstanding any provision in this Agreement to the contrary, in no event shall the Closing Date be held after March 3, 2010 (the "**Outside Closing Date**"). Closing shall occur at a time and place within the District of Columbia designated by Developer and agreed to by District, such agreement not to be unreasonably withheld, conditioned or delayed.

6.2 DELIVERIES AT CLOSING

6.2.1 District's Deliveries. On or before the Closing Date, subject to the terms and conditions of this Agreement, District shall execute, notarize, and deliver, as applicable, to Settlement Agent:

(a) the Deed, in recordable form;

(b) the Declaration in recordable form to be recorded in the Land Records against the Property;

(c) the Affordability Covenant in recordable form to be recorded in the Land Records against the applicable Parcel(s);

(d) a certificate, duly executed by District, stating that all of District's representations and warranties set forth herein are true and correct as of and as if made on the Closing Date; and

(e) any and all other deliveries required from District on the Closing Date under this Agreement and such other documents and instruments as are customary and as may be reasonably requested by Developer or Settlement Agent, and reasonably acceptable to District, to effectuate the transactions contemplated by this Agreement.

6.2.2 Developer's Deliveries. On or before the Closing Date, subject to the terms and conditions of this Agreement, Developer shall execute, notarize, and deliver, as applicable, to Settlement Agent:

(a) the Purchase Price in full, except to the extent the Purchase Price has been adjusted pursuant to Section 2.7 herein, and any funds in excess of the Purchase Price, if so required by the Settlement Statement to be executed at closing;

(b) any documents (final or in draft form) required to close on the equity and debt financing for Developer's construction of the Project, or a firm commitment letter from the Developer's lender or equity partner stating the amount and terms of funding, and that it will provide equity and debt financing upon the acquisition by the Developer of the Property;

(c) the fully executed Development and Completion Guaranty;

(d) the Affordability Covenant in recordable form to be recorded in the Land Records against the applicable Parcel(s);

(e) the Declaration in recordable form to be recorded in the Land Records against the Property;

(f) a certification of Developer's representations and warranties executed by Developer stating that all of Developer's representations and warranties set forth

herein are true and correct as of and as if made on the Closing Date;

(g) copies of all submissions and applications for Permits to the District of Columbia Department of Consumer and Regulatory Affairs ("**DCRA**"), submitted pursuant to the Development Plan;

(h) copies of all Permits obtained by Developer required under Section 105A of Title 12A of the D.C. Municipal Regulations;

(i) a copy of the fully executed CBE Agreement;

(j) a copy of the fully executed First Source Agreement;

(k) the following documents evidencing the due organization and authority of Developer to enter into, join and consummate this Agreement and the transactions contemplated herein:

(i) The organizational documents and a current certificate of good standing issued by the District of Columbia;

(ii) Authorizing resolutions, in form and content reasonably satisfactory to District, demonstrating the authority of the entity and of the Person executing each document on behalf of Developer in connection with this Agreement and development of the Project;

(iii) Evidence of satisfactory liability, casualty and builder's risk insurance policies in the amounts, and with such insurance companies, as required in Article 11 of this Agreement;

(iv) Any financial statements of Developer that may be requested by District;

(v) If requested by District, an opinion of counsel that Developer is validly organized, existing and in good standing in the District of Columbia, that Developer has the full authority and legal right to carry out the terms of this Agreement and the documents to be recorded in the Land Records, that Developer has taken all actions to authorize the execution, delivery, and performance of said documents and any other document relating thereto in accordance with their respective terms, that none of the aforesaid actions, undertakings, or agreements violate any restriction, term, condition, or provision of the organizational documents of Developer or any contract or agreement to which Developer is a party or by which it is bound.

(l) Any and all other deliveries required from District on the Closing Date under this Agreement and such other documents and instruments as are customary and as may be reasonably requested by District or Settlement Agent to effectuate the transactions contemplated by this Agreement.

6.2.3 On the Closing Date, Settlement Agent shall record and distribute documents and funds in accordance with closing instructions provided by the Parties so long as they are consistent with this Agreement.

6.3 RECORDATION OF CLOSING DOCUMENTS; CLOSING COSTS

6.3.1 At Closing, Settlement Agent shall file for recordation among the Land Records the Deed, the Affordability Covenant and the Declaration.

6.3.2 At Closing, District shall be responsible for and pay the following costs: District's attorneys' fees and Settlement Agent's charges customarily paid by sellers. At Closing, Developer shall be responsible for and pay the following costs: Developer's attorneys' fees, Settlement Agent's charges customarily paid by purchasers, D.C. real property deed recordation tax imposed pursuant to Title 42, Chapter 11 of the D.C. Official Code (2001 ed. and as amended), fees and costs associated with Developer's financing for its purchase of the Property and construction of the Project, fees and costs associated with recording any documents in the Land Records required to be recorded pursuant to this Agreement.

ARTICLE 7
DEVELOPMENT OF PROJECT IMPROVEMENTS; COVENANTS

7.1 OBLIGATION TO CONSTRUCT IMPROVEMENTS

Developer hereby agrees to develop and construct the Project in accordance with the requirements contained in the Declaration. The Improvements shall be constructed in compliance with all Permits and Applicable Laws and in a first-class and diligent manner in accordance with industry standards. The cost of developing the Project shall be borne solely by Developer. As further assurance of the above and of the covenants contained in the Declaration, Developer shall cause the Development and Completion Guaranty to be executed by Guarantor on or before Closing. Within fifteen (15) Busines Days after the Effective Date hereof, Guarantor shall each submit to District updated, unaudited financial statements (certified by such Guarantor as being true, correct, and complete) and unaudited balance sheets, profit and loss statements, cash flow statements, other financial reports, and other financial information of such Guarantor as District may reasonably request.

7.2 ISSUANCE OF PERMITS

Developer shall have the sole responsibility for obtaining all Permits and shall make application therefor directly to the applicable agency within the District of Columbia government or other authority. District shall, upon request by Developer, execute applications for such Permits as are required by the District of Columbia government or other authority, at no cost, expense, obligation, or liability to District. In no event shall Developer commence site work or construction of all or any portion of the Project until Developer shall have obtained all Permits for the work in question. Developer shall submit its application for Permits required excavation, sheeting and shoring for the Project within a period of time that Developer believes in good faith is sufficient to allow issuance of such Permits prior to the date of Closing. From and after the

date of Developer's submission of an application for a Permit, Developer shall diligently prosecute such application until receipt. In addition, from and after submission of any such application until issuance of the Permit, Developer shall report Permit status in writing every thirty (30) days to District, or such other reporting period as agreed to by District.

7.3 SITE PREPARATION

Developer, at its sole cost and expense, shall be responsible for all preparation of the Property for development and construction in accordance with the Development Plan and Approved Plans and Specifications, including costs associated with excavation, construction of the Project, utility relocation and abandonment, relocation and rearrangement of water and sewer lines and hook-ups, and construction or repair of alley ways on the Property and abutting public property necessary for the Project. All such work, including but not limited to, excavation, backfill, and upgrading of the lighting and drainage, shall be performed under all required Permits and in accordance with all appropriate District of Columbia agency approvals and government standards, and Applicable Laws.

7.4 AFFORDABILITY COVENANT

Developer agrees that a portion of the Residential Units to be developed in the Project shall be dedicated as Affordable Units, as required in the Affordability Covenant, in accordance with the schedule attached as Exhibit H (the "**Schedule of Affordable Units**").

7.5 OPPORTUNITY FOR CBEs

In cooperation with District, Developer agrees that it will promote opportunities for businesses certified by DSLBD, or any successor governmental entity, as Certified Business Enterprises ("**CBEs**") in the equity, development, construction, and operation of the Project consistent with the CBE Agreement to be entered into between DSLBD and Developer prior to Closing.

7.6 EMPLOYMENT OF DISTRICT RESIDENTS; FIRST SOURCE AGREEMENT

Pursuant to Mayor's Order 83-265, DC Law 5-93, as amended, and DC Law 14-24, Developer recognizes that one of the primary goals of the District of Columbia government is the creation of job opportunities for District of Columbia residents. Accordingly, Developer agrees to enter into a First Source Agreement, prior to Closing, with DOES that shall, among other things, require the Developer to: (i) use diligent efforts to hire and use diligent efforts to require its architects, engineers, consultants, contractors, and subcontractors to hire at least fifty one percent (51%) District of Columbia residents for all new jobs created by the Project, all in accordance with such First Source Employment Agreement and (ii) use diligent efforts to ensure that at least fifty one percent (51%) of apprentices and trainees employed are residents of the District of Columbia and are registered in apprenticeship programs approved by the D.C. Apprenticeship Council.

7.7 GREEN BUILDING REQUIREMENTS

Developer hereby acknowledges that the Project may be subject to the provisions of the Green Building Requirements described in Chapter 14A of Title VI of the D.C. Official Code, 2001 Ed., §6-1451.01 *et seq.* (2008 Supp.) (the "**Green Building Requirements**"). Under the Green Building Requirements, a residential project with 10,000 square feet of gross floor area or more, including a project with multiple buildings that are a part of one development scheme, may be required to submit a Green Communities Self Certification Check List and verification of meeting Green Communities requirements for energy efficiency to the Department of Consumer and Regulatory Affairs as part of the application for a certificate of occupancy.

ARTICLE 8
DEFAULTS AND REMEDIES

8.1 DEFAULT

8.1.1 Default by Developer. It shall be deemed a default by Developer if Developer fails to perform any obligation or requirement under this Agreement or fails to comply with any term or provision of this Agreement and such default remains uncured after any applicable cure period (any such uncured default, a "**Developer Default**").

8.1.2 Default by District. Except for Article 4, it shall be deemed a default by District if District fails to perform any obligation or requirement under this Agreement, or fails to comply with any term or provision of this Agreement and such default remains uncured after any applicable cure period (any such uncured default, a "**District Default**"). The District shall not be deemed in default for any act or omission related to any obligation under Article 4.

8.2 DISTRICT REMEDIES IN THE EVENT OF DEVELOPER DEFAULT

In the event of a Developer Default, District may terminate this Agreement and, retain the Initial Deposit as liquidated damages (District shall be entitled to keep any Cash Deposit and any accrued interest thereon or draw on the Deposit Letter of Credit in its full amount), whereupon the Parties shall be released from any further liability or obligation hereunder, except those that expressly survive termination of this Agreement. Upon such termination, all plans and specifications with regard to the development and construction of the Project, including, without limitation, the Project Drawings produced to date and any Permits obtained, shall be automatically assigned to District free and clear of all liens and claims for payment. Notwithstanding the foregoing, if the Developer default was caused by a violation of Section 2.4.3, the Developer shall in addition to paying the Initial Deposit to the District, shall immediately pay to the District within ten days after notice from the District one hundred percent (100%) of the District's out-of-pocket costs (including the estimated costs of any work performed by District agencies) in obtaining the District Property Studies.

8.3 DEVELOPER REMEDIES IN THE EVENT OF DISTRICT DEFAULT

In the event of a District Default, Developer may (i) terminate this Agreement whereupon District will release the Initial Deposit to Developer and the Parties shall be released from any

further liability or obligation hereunder except those that expressly survive termination of this Agreement, or (ii) seek specific performance of the Agreement.

8.4 NO WAIVER BY DELAY; WAIVER

Notwithstanding anything to the contrary contained herein, any delay by any Party in instituting or prosecuting any actions or proceedings with respect to a default by the other hereunder or otherwise asserting its rights or pursuing its remedies under this Article, shall not operate as a waiver of such rights or to deprive such Party of or limit such rights in any way (it being the intent of this provision that neither Party shall be constrained by waiver, laches, or otherwise in the exercise of such remedies). Any waiver by either Party hereto must be made in writing. Any waiver in fact made with respect to any specific default under this Section shall not be considered or treated as a waiver with respect to any other defaults or with respect to the particular default except to the extent specifically waived in writing.

8.5 RIGHTS AND REMEDIES

The rights and remedies of the Parties set forth in this Article are the sole and exclusive remedies of the Parties for a default hereunder prior to the Closing.

ARTICLE 10
ASSIGNMENT AND TRANSFER

10.1 ASSIGNMENT

Developer represents, warrants, covenants, and agrees, for itself and its successors and assigns, that Developer (or any successor in interest thereof) shall not assign its rights under this Agreement, or delegate its obligations under this Agreement, without District's prior written approval, which may be granted or denied in District's sole discretion.

10.2 TRANSFER

In addition to the restrictions contained in the foregoing Section 10.1, neither Developer nor any Member of Developer (including any successors in interest of Developer or its Members) shall cause or suffer to be made any assignment, sale, conveyance or other transfer, or make any contract or agreement to do any of the same, whether directly or indirectly, of the membership interests of Developer.

10.3 NO UNREASONABLE RESTRAINT

Developer hereby acknowledges and agrees that the restrictions on transfers set forth in this Article do not constitute an unreasonable restraint on Developer's right to transfer or otherwise alienate the Property or its rights under this Agreement. Developer hereby waives any and all claims, challenges, and objections that may exist with respect to the enforceability of such restrictions, including any claim that such restrictions constitute an unreasonable restraint on alienation.

ARTICLE 11
INSURANCE OBLIGATIONS; INDEMNIFICATION

11.1 INSURANCE OBLIGATIONS

11.1.1 Insurance Coverage. At all times after the Effective Date of this Agreement, until such time as all obligations of Developer hereunder have been satisfied or have expired, Developer shall carry and maintain in full force and effect the following insurance policies:

(a) Automobile Liability and Commercial General Liability Insurance - Developer shall maintain and/or cause its contractor to maintain automobile liability insurance and commercial general liability insurance policies written so that each have a combined single limit of liability for bodily injury and property damage of not less than three million dollars ($3,000,000.00) per occurrence, of which at least one million dollars ($1,000,000.00) must be maintained as primary coverage, and of which the balance may be maintained as umbrella coverage; provided, however, that the foregoing statement as to the amount of insurance Developer is required to carry shall not be construed as any limitation on Developer's liability under this Agreement. The foregoing limits may be increased by District from time to time, in its reasonable discretion.

(b) Workers' Compensation Insurance - Developer shall maintain and cause its general contractor and any subcontractors to maintain workers' compensation insurance in such amounts as required by Applicable Laws.

(c) Professional Liability Insurance - Developer shall cause its architect and every engineer or other professional who will perform services in connection with the Project to maintain professional liability insurance with limits of not less than one million dollars ($1,000,000.00) for each occurrence, including coverage for injury or damage arising out of acts or omissions with respect to all design and engineering professional services provided by the architect of record, structural, electrical and mechanical engineers with a deductible acceptable to District.

(d) Contractor's Pollution Legal Liability Insurance - Developer shall not remove, store, transport, or dispose of demolition debris, hazardous waste or contaminated soil, without first obtaining (or causing its contractor to obtain) a Contractor's Pollution Legal Liability Insurance Policy covering Developer's liability during such activities. The policy shall include such coverage for bodily injury, personal injury, loss of, damage to, or loss of use of property, directly or indirectly arising out of the discharge, dispersal, release or escape of smoke, vapors, soot, fumes, acids, alkalis, toxic chemicals, liquid or gas, waste materials, or other irritants, contaminants, or pollutants into or upon the land, the atmosphere, or any water course or body of water, whether it be gradual or sudden and accidental.

11.1. General Policy Requirements. Developer shall name District as an additional insured under all policies of liability insurance identified above. Any deductibles with respect to the foregoing insurance policies shall be commercially reasonable. All such policies shall

include a waiver of subrogation endorsement. All insurance policies required pursuant to this Section 11.1 shall be written as primary policies, not contributing with or in excess of any coverage that District may carry. Such insurance shall be obtained through a recognized insurance company licensed to do business in the District of Columbia and rated by A.M. BEST as an A-X or above. Prior to any entry onto the Property at any time pursuant to this Agreement, Developer shall furnish to District certificates of insurance (or copies of the policies if requested by District) together with satisfactory evidence of payment of premiums for such policies. The policies shall contain an agreement by the insurer notifying District in writing, by certified U.S. Mail, return receipt requested, not less than thirty (30) days before any material change, reduction in coverage, cancellation, including cancellation for nonpayment of premium, or other termination thereof or change therein.

11.2 INDEMNIFICATION

Developer shall indemnify, defend, and hold harmless District and the District Parties from and against any and all losses, costs, claims, damages, liabilities, and causes of action (including reasonable attorneys' fees and court costs) arising out of death of or injury to any person or damage to any property occurring on or adjacent to the Property and directly or indirectly caused by any acts done thereon or any acts or omissions of Developer, its Members, agents, employees, or contractors; provided, however, that the foregoing indemnity shall not apply to any losses, costs, claims, damages, liabilities, and causes of action (including reasonable attorneys' fees and court costs) due to the gross negligence or willful misconduct of District. The obligations of Developer under this Section shall survive Closing or the earlier termination of this Agreement.

ARTICLE 12
NOTICES

12.1 TO DISTRICT

Any notices given under this Agreement shall be in writing and delivered by certified mail (return receipt requested, postage pre-paid), by hand, or by reputable private overnight commercial courier service, to District at the following addresses:

District of Columbia
Department of Housing and Community Development
Property Acquisition and Disposition Division
1800 Martin Luther King, Jr., Ave., SE
Suite 317
Washington, D.C. 20020
Attention: Martine Combal, Manager

With a copy to:

The Office of the Attorney General for the District of Columbia
1100 15th Street, N.W., Suite 800

Washington, D.C. 20005
Attn: Deputy Attorney General, Commercial Division

12.2 TO DEVELOPER

Any notices given under this Agreement shall be in writing and delivered by certified mail (return receipt requested, postage pre-paid), by hand, or by reputable private overnight commercial courier service, to Developer at the following addresses:

Manna, Inc.
828 Evarts Street, NE
Washington, DC 20018
Attn: George Rothman, President

Notices served upon Developer or District in the manner aforesaid shall be deemed to have been received for all purposes hereunder at the time such notice shall have been: (i) if hand delivered to a Party against receipted copy, when the copy of the notice is receipted; (ii) if given by overnight courier service, on the next Business Day after the notice is deposited with the overnight courier service; or (iii) if given by certified mail, return receipt requested, postage pre-paid, on the date of actual delivery or refusal thereof. If notice is tendered under the terms of this Agreement and is refused by the intended recipient of the notice, the notice shall nonetheless be considered to have been received and shall be effective as of the date provided in this Agreement.

ARTICLE 13
MISCELLANEOUS

13.1 PARTY IN POSITION OF SURETY WITH RESPECT TO OBLIGATIONS

Developer, for itself and its successors and assigns and for all other Persons who are or who shall become, whether by express or implied assumption or otherwise, liable upon or subject to any obligation or burden under the Agreement, hereby waives, to the fullest extent permitted by law and equity, any and all claims or defenses otherwise available on the grounds of its being or having become a Person in the position of surety, whether real, personal, or otherwise or whether by agreement or operation of law, including, without limitation any and all claims and defenses based upon extension of time, indulgence or modification of this Agreement.

13.2 FORCE MAJEURE

Neither District nor Developer, as the case may be, nor any successor-in-interest, shall be considered in default under this Agreement with respect to their respective obligations to prepare the Property for development, or convey the Property, in the event of forced delay in the performance of such obligations due to Force Majeure. It is the purpose and intent of this provision that in the event of the occurrence of any such Force Majeure event, the time or times for performance of the obligations of District or of Developer shall be extended for the period of the Force Majeure; provided, however that: (a) the Party seeking the benefit of this Section 13.2

shall have first notified, within ten (10) days after it becomes aware of the beginning of any such Force Majeure event, the other Party thereof in writing of the cause or causes thereof, with supporting documentation, and requested an extension for the period of the forced delay; (b) in the case of a delay in obtaining Permits, Developer must have filed complete applications for such Permits by the dates set forth in Article IV and hired an expediter reasonably acceptable to District to monitor and expedite the Permit process; and (c) the Party seeking the delay must take commercially reasonable actions to minimize the delay. If either Party requests any extension on the date of completion of any obligation hereunder due to Force Majeure, it shall be the responsibility of such Party to reasonably demonstrate that the delay was caused specifically by a delay of a critical path item of such obligation. Force Majeure delays shall not delay the Closing Date and shall not apply to any obligation to pay money, except as otherwise provided herein.

13.3 CONFLICT OF INTERESTS; REPRESENTATIVES NOT INDIVIDUALLY LIABLE

No official or employee of District shall participate in any decision relating to this Agreement which affects his or her personal interests or engage in any conduct or activity which may interfere with the official's or employee's full and proper discharge of his or her duties in the review, evaluation, award, implementation, monitoring and performance of contracts hereunder. No District employee, or any member of his or her immediate household, may acquire an interest in or operate any business or commercial enterprise which is in any way related, directly or indirectly, to the employee's official duties, or which might otherwise be involved in an official action taken or recommended by the employee, or which is in any way related to matters over which the employee could wield any influence, official or otherwise.

No official or employee of District shall be personally liable to Developer or any successor-in-interest in the event of any default or breach by District or for any amount which may become due to Developer or such successor-in-interest or on any obligations hereunder.

13.4 SURVIVAL; PROVISIONS NOT MERGED WITH DEED

Unless expressly stated otherwise herein, the provisions of this Agreement are intended to and shall merge with the Deed transferring title to the Property from District to Developer.

13.5 TITLES OF ARTICLES AND SECTIONS

Titles and captions of the several parts, articles, and sections of this Agreement are inserted for convenient reference only and shall be disregarded in construing or interpreting Agreement provisions.

13.6 SINGULAR AND PLURAL USAGE; GENDER

Whenever the sense of this Agreement so requires, the use herein of the singular number shall be deemed to include the plural; the masculine gender shall be deemed to include the feminine or neuter gender; and the neuter gender shall be deemed to include the masculine or feminine gender.

13.7 LAW APPLICABLE; FORUM FOR DISPUTES

This Agreement shall be governed by, interpreted under, construed, and enforced in accordance with the laws of the District of Columbia, without reference to the conflicts of laws provisions thereof. District and Developer irrevocably submit to the jurisdiction of (a) the courts of the District of Columbia and (b) the United States District Court for the District of Columbia for the purposes of any suit, action, or other proceeding arising out of this Agreement or any transaction contemplated hereby. District and Developer irrevocably and unconditionally waive any objection to the laying of venue of any action, suit, or proceeding arising out of this Agreement or the transactions contemplated hereby in (a) the courts of the District of Columbia and (b) the United States District Court for the District of Columbia, and hereby further waive and agree not to plead or claim in any such court that any such action, suit, or proceeding brought in any such court has been brought in an inconvenient forum.

13.8 ENTIRE AGREEMENT; RECITALS; EXHIBITS

This Agreement constitutes the entire agreement and understanding between the Parties and supersedes all prior agreements and understandings related to the subject matter hereof. The Recitals of this Agreement are incorporated herein by this reference and are made a substantive part of the agreements between the Parties. All Exhibits are incorporated herein by reference, whether or not so stated. In the event of any conflict between the Exhibits and this Agreement, this Agreement shall control.

13.9 COUNTERPARTS

This Agreement may be executed in any number of counterparts, each of which shall be an original but all of which shall together constitute one and the same instrument. Execution and delivery of this Agreement by facsimile shall be sufficient for all purposes and shall be binding on any Person who so executes.

13.10 TIME OF PERFORMANCE

All dates for performance (including cure) shall expire at 6:00 p.m. (Eastern time) on the performance or cure date. A performance date which falls on a Saturday, Sunday, or District holiday is automatically extended to the next Business Day.

13.11 SUCCESSORS AND ASSIGNS

This Agreement shall be binding upon and shall inure to the benefit of, the successors and assigns of District and Developer, and where the term "Developer" or "District" is used in this Agreement, it shall mean and include their respective successors and assigns.

13.12 THIRD PARTY BENEFICIARY

No Person shall be a third party beneficiary of this Agreement.

13.13 WAIVER OF JURY TRIAL

TO THE EXTENT PERMITTED BY LAW, ALL PARTIES HERETO WAIVE THE RIGHT TO TRIAL BY JURY IN CONNECTION WITH ANY LITIGATION ARISING IN RESPECT OF THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY.

13.14 FURTHER ASSURANCES

Each Party agrees to execute and deliver to the other Party such additional documents and instruments as the other Party reasonably may request in order to fully carry out the purposes and intent of this Agreement.

13.15 MODIFICATIONS AND AMENDMENTS

None of the terms or provisions of this Agreement may be changed, waived, modified, or removed except by an instrument in writing executed by the Party or Parties against which enforcement of the change, waiver, modification, or removal is asserted. None of the terms or provisions of this Agreement shall be deemed to have been abrogated or waived by reason of any failure or refusal to enforce the same.

13.16 ANTI-DEFICIENCY LIMITATION; AUTHORITY

13.16.1 Though no financial obligations on the part of District are anticipated, Developer acknowledges that District is not authorized to make any obligation in advance or in the absence of lawfully available appropriations and that District's authority to make such obligations is and shall remain subject to the provisions of (i) the federal Anti-Deficiency Act, 31 U.S.C. §§ 1341, 1342, 1349, 1350, 1351; (ii) D.C. Official Code Section 47-105; (iii) the District of Columbia Anti-Deficiency Act, D.C. Official Code §§ 47-355.01 – 355.08, as the foregoing statutes may be amended from time to time; and (iv) Section 446 of the District of Columbia Home Rule Act.

13.16.2 Developer acknowledges and agrees that any unauthorized act by District is void. It is Developer's obligation to accurately ascertain the extent of District's authority.

13.17 SEVERABILITY

If any provision of this Agreement is held to be illegal, invalid, or unenforceable under present or future Applicable Laws, such provisions shall be fully severable, this Agreement shall be construed and enforced as if such illegal, invalid, or unenforceable provision had never comprised a part of this Agreement, and the remaining provisions of this Agreement shall remain in full force and effect and shall not be affected by the illegal, invalid, or unenforceable provision or by its severance from this Agreement. Furthermore, there shall be added automatically as a part of this Agreement a provision as similar in terms to such illegal, invalid, or unenforceable provision as may be possible and be legal, valid, and enforceable.

13.18 TIME OF THE ESSENCE; STANDARD OF PERFORMANCE

Time is of the essence with respect to all matters set forth in this Agreement. For all deadlines set forth in this Agreement, the standard of performance of the Party required to meet such deadlines shall be strict adherence and not reasonable adherence.

13.19 NO PARTNERSHIP

Nothing contained herein shall be deemed or construed by the Parties hereto or any third party as creating the relationship of principal and agent or of partnership or of joint venture between Developer and District.

13.20 EACH PARTY TO BEAR ITS OWN COSTS

Each Party shall bear its own costs and expenses incurred in connection with the negotiation of this Agreement and the performance of such Party's duties and obligations hereunder.

Exhibits:

Exhibit A	Property Description
Exhibit B	Deed
Exhibit C	Affordability Covenant
Exhibit D	Declaration of Covenants
Exhibit E	Letter of Credit
Exhibit F	Development and Completion Guaranty
Exhibit G	Schedule of Performance
Exhibit H	Schedule of Affordable Units
Exhibit I	Title Commitment for Property

SIGNATURES ON FOLLOWING PAGE

IN WITNESS WHEREOF, District has caused these presents to be signed, acknowledged and delivered in its name by its duly authorized representative.

DISTRICT OF COLUMBIA, by and through the Department of Housing and Community Development pursuant to Mayor's Order 2007-209 and Mayor's Order 2008-161

By: _____
Name: Leila Finucane Edmonds
Title: Director

Approved as to legal sufficiency:

D.C. Office of the Attorney General

By: _____
Assistant Attorney General
Date: 2/25/09

IN WITNESS WHEREOF, the Developer has caused these presents to be signed, acknowledged and delivered in its name by its duly authorized representative.

MANNA, INC., a District of Columbia nonprofit corporation

By: _____
Name: George Rothman
Title: President

JOINDER OF GUARANTOR

For the purpose of evidencing their consent and agreement to be bound to the provisions in this Agreement applicable to the Guarantor, Manna, Inc. hereby executes this Joinder of Guarantor on and as of the date of the Agreement.

MANNA, INC., a District of Columbia nonprofit corporation

By: _____
Name: George Rothman
Title: President

EXHIBIT B

[Form of Special Warranty Deed]

EXHIBIT C
[Affordability Covenant]

EXHIBIT D
[Declaration of Covenant]

EXHIBIT E
[Development and Completion Guaranty]

EXHIBIT F

Office of Attorney General for the District of Columbia Form Letter of Credit

ISSUER:
[Name of Bank]
[Bank Address]

Date of Issue: _____, 2008

IRREVOCABLE STANDBY LETTER OF CREDIT NO. [Insert Number]

Beneficiary

District of Columbia, by and through
The Office of Deputy Mayor for
Planning and Economic Development
1350 Pennsylvania Avenue, NW. Ste 317
Washington D.C. 20007
Attention: Deputy Mayor for Planning
and Economic Development

Applicant

[Name of Developer]
[Address]

AMOUNT: $_____

EXPIRY DATE: [Insert Date] subject to renewal provisions herein

Ladies and Gentlemen:

We hereby establish our Irrevocable Standby Letter of Credit [Insert Number] ("Letter of Credit") in favor of Beneficiary for the account of Applicant up to an aggregate amount of _____U.S DOLLARS (U.S. $_____)
Available for payment when accompanied by the following three items:

1. A draft at sight drawn on [Name of Bank] duly endorsed on its reverse thereof by a duly authorized representative of the Beneficiary, specifically referencing this Letter of Credit Number [Insert Number];

2. The original of this Letter of Credit; and

3. A dated statement issued on the letterhead of Beneficiary, stating: "The amount of this drawing is $, drawn under Irrevocable Standby Letter of Credit No. [Insert Number] and represents funds due and owing to the District of Columbia." Such statement shall be conclusive as to such matters and Issuer will accept such statement as binding and correct. Issuer shall have no right, duty, obligation or responsibility to evaluate the performance or nonperformance of any underlying agreement between Applicant and Beneficiary before performing under the terms of this Letter of Credit.

Continues on the next Page

This Letter of Credit shall automatically renew for one year term upon the Anniversary of the expiry date set forth above (The "Anniversary Date") until [insert date] unless (i) earlier released by Beneficiary in writing or (ii) Issuers delivers written notice to both Applicant and Beneficiary that this Letter of Credit will not be renewed on the Anniversary Date upon which this Letter of Credit will no longer be renewed. Notwithstanding any terms and/or conditions to the contrary, this Letter of Credit will expire no later than [Insert Date].

If a drawing made by Beneficiary under this Letter of Credit reaches the address provided on this Standby Letter of Credit via Courier (FEDEX or DHL) on or prior to 1:00 PM (Eastern Time) on a Business Day (Defined below) and, provided that such drawing and the statement presented in connection therewith conform to the terms and conditions hereof, payments shall be made to Beneficiary in the amount specified, in immediately available funds, on the same Business Day. If a drawing is made by Beneficiary under this Letter of Credit after 1:00 pm (Eastern Time) on a Business Day and, provided that such drawing and the statement presented in connection therewith conform to the terms and conditions hereof, payments shall be made to Beneficiary in the amount specified, in immediately available funds on the next Business Day. If requested by Beneficiary, payment under this Letter of Credit may be deposit of immediately available funds into an account designated by Beneficiary. As used herein, the term "Business Day" shall mean any day other than a Saturday, Sunday or a day on which banking institution in the District of Columbia are authorized or required by law to close.

Drafts drawn under and in compliance with the terms of this Letter of Credit will be duly honored if presented by the Mayor, City Administrator, Deputy Mayor for Planning and Economic Development, or one of their duly authorized representatives, on or before the Expiry Date to Issuer's office at the address of Issuer set forth above.

This undertaking is issued subject to the International Standby Practices 1998 ("ISP98'). As to matters not expressly governed by ISP98, this Letter of Credit is governed by and shall be construed in accordance with the laws of the District of Columbia.

This Letter of Credit set forth in full terms of our undertaking. This undertaking shall not in any way be modified, amended, amplified or incorporated by reference to any document, contract or other agreement, without the express written authorization of Issuer, Beneficiary and Applicant.

Continues on the next Page

Should you have occasion to communicate with us regarding the Letter of Credit, kindly direct your communication to the attention of Letters of Credit Dept. to the address aforementioned stating as reference our Standby Letter of Credit Number [Insert Letter of Credit Number].

Truly Yours,

Authorized Signature	Authorized Signature

EXHIBIT G

Schedule of Performance

Property Address	Developer Closing with Home Again	Commencement of Construction	Rough-In Inspection	Completion of Construction	Final Completion	Developer Closing with Eligible Purchaser
1840 Kendall St., NE (Sq. 4048, Lot 0013)	July 2009	August 2009		May 2010		
Kendall St., NE (Sq. 4048, Lot 0802)	July 2009	August 2009		May 2010		
1849 Kendall St., NE (Sq. 4047, Lot 0053)	July 2009	November 2009		June 2010		
Capital Ave., NE (Sq. 4045, Lot 0804)	Prior to March 1, 2010	June 2010		December 2010		
Capital Ave., NE (Sq. 4045, Lot 0811)	Prior to March 1, 2010	June 2010		December 2010		
Capital Ave., NE (Sq. 4045, Lot 0814)	Prior to March 1, 2010	June 2010		December 2010		
Capital Ave., NE (Sq. 4045, Lot 0815)	March 2010	June 2010		December 2010		
Capital Ave., NE (Sq. 4044, Lot 0017)	Prior to March 1, 2010	September 2010		March 2011		
Capital Ave., NE (Sq. 4044, Lot 0018)	Prior to March 1, 2010	September 2010		March 2011		

EXHIBIT H

Schedule of Affordable Units

Affordable Unit	Designated Affordability Level	Initial Sale Price
1840 Kendall St., NE (Sq. 4048, Lot 0013) - #1A	0-30%	$115,000
1840 Kendall St., NE (Sq. 4048, Lot 0013) - #1B	31 - 50%	$170,000
Kendall St., NE (Sq. 4048, Lot 0802) - #2A	0-30%	$115,000
Kendall St., NE (Sq. 4048, Lot 0802) - #2B	31 - 50%	$185,000
1849 Kendall St., NE (Sq. 4047, Lot 0053) - #3A	31 - 50%	$170,000
1849 Kendall St., NE (Sq. 4047, Lot 0053) - #3B	51 - 80%	$250,000
1849 Kendall St., NE (Sq. 4047, Lot 0053) - #4A	31 - 50%	$170,000
1849 Kendall St., NE (Sq. 4047, Lot 0053) - #4B	51 - 80%	$250,000
1849 Kendall St., NE (Sq. 4047, Lot 0053) - #5A	31 - 50%	$185,000
1849 Kendall St., NE (Sq. 4047, Lot 0053) - #5B	51 - 80%	$250,000
Capital Ave., NE (Sq. 4045, Lot 0804) - #6A	0-30%	$115,000
Capital Ave., NE (Sq. 4045, Lot 0811) – #6B	31 - 50%	$170,000
1927 Capital Ave., NE (Sq. 4045, Lot 0814) – #7A	0-30%	$115,000
Capital Ave., NE (Sq. 4045, Lot 0815) -#7B	51 - 80%	$250,000
Capital Ave., NE (Sq. 4044, Lot 0017) - #8A	31 - 50%	$190,000

Capital Ave., NE (Sq. 4044, Lot 0017) - #8B	51 - 80%	$260,000
Capital Ave., NE (Sq. 4044, Lot 0017) - #9A	31 - 50%	$170,000
Capital Ave., NE (Sq. 4044, Lot 0017) - #9B	51 - 80%	$250,000
Capital Ave., NE (Sq. 4044, Lot 0017) - #10A	31 - 50%	$190,000
Capital Ave., NE (Sq. 4044, Lot 0018) - #10B	51 - 80%	$260,000

EXHIBIT I
[Title Commitment]