LETTER OF COMMITMENT

This Letter of Commitment ("LOC") is entered into between (1) Vision McMillan Partners ("VMP") and (2) the Government of the District of Columbia Government, acting by and through the Office of the Deputy Mayor for Planning and Economic Development (the "District") and (3) the McMillan Advisory Group ("MAG"), as constituted by the National Capital Revitalization Corporation ("NCRC") and continued by the District.

PRELIMINARY STATEMENT

All the above parties will work diligently and cooperatively with the objective of producing a consensus based development project on the McMillan Sand Filtration Site which balances the equities of economics with public benefit, preservation and community amenities. VMP and the District are negotiating a Summary Term Sheet that would allow VMP to change its role from Land Developer to Master Developer of the McMillan Redevelopment Project (the "Project"). VMP and the District will finalize the Summary Term Sheet in December 2007. The Summary Term Sheet will serve as the basis for a fully-detailed Land Disposition Agreement to be approved by the Council of the District of Columbia ("Council") and executed by the District and VMP in 2008. The proposed change in role is necessary due to the roles and responsibilities set forth for NCRC and its Land Development Partner in the Phase I - Land Development: Solicitation for Land Development Partner (the "Solicitation").

In the Solicitation, NCRC planned to be the Master Developer for the Project. The Project is now controlled by the District, and as a matter of business policy, the District will not play the Master Developer role. The District and VMP both agree that VMP is a highly-qualified development team and has the experience to lead the Project as Master Developer. More specifically, the key revisions to VMP’s role are as follows:

1) Assuming accountability for project completion per the agreed upon development plans – from inception to vertical completion.
2) Assuming the full burden to provide the private financing necessary for the project.
3) Having the opportunity to develop certain vertical parcels in VMP’s areas of expertise.

The District and VMP would appreciate the concurrence of MAG and the broader community to become the master developer. The MAG issued a qualified endorsement of VMP as the Land Development Partner of NCRC. And, after careful deliberation, the MAG also would concur with the selection of VMP as the Master Developer for the Project provided VMP and the District agree to the terms set forth below.
TERMS OF CONCURRENCE

A. To develop in conjunction with MAG a formal and structured process for meeting and dialoging with MAG and the broader community from inception to vertical completion of the site; To develop in conjunction with MAG, ANC 5C, ANC 1B, Ward 5, Ward 1 City Council representation, and a representative for the Chairperson of the City Council’s Committee on Economic Development, a detailed community amenities package, which may include open space, historic preservation, mixed-income housing, job creation, neighborhood serving retail options, infrastructure upgrading, broad based LSDBE participation support for local community organizations, and other similar objectives; To afford MAG and the aforementioned groups the opportunity to review and comment on the PUD and/or Master Plan before submission to regulatory agencies; To afford MAG and the aforementioned groups the opportunity to review and comment on all feasibility studies on the site, including but not limited to environmental, traffic, infrastructure and engineering; The MAG reserves the right to request and conduct independent studies; To inform and coordinate with MAG and the aforementioned groups any negative impacts the development may have on the surrounding community including sewer/storm water and traffic, during and after construction, and work with the groups to develop and implement consensus based solutions to the best degree possible.

B. The MAG will develop with VMP, the District, and the elected Ward and ANC representatives a formal and structured process to ensure that the MAG membership includes all relevant stakeholders, including Civic Associations, ANC members, and other community leaders from Wards 1 and 5. All new members to the MAG must be approved by the MAG, VMP, and the District.

C. VMP, utilizing the Alexander Company’s historic development experience, and MAG will create a mechanism through which the McMillan Park Committee, a local historical organization with specific historical expertise on the McMillan Sand Filtration Site, can render advice and comment to MAG and review options in terms mitigating historical impacts.

D. VMP, the District and MAG will maintain a continual dialogue and cooperate with each other to ensure that the terms of this LOC are executed in a timely and reasonable manner.

E. The terms of this LOC will be applicable upon the concurrence of VMP as the Master Developer.

F. VMP, the District and MAG commit to using the Office of Planning’s “Summary of Recommendations for site [McMillan Filtration site] Revitalization” February, 2002, and its recommendations, along with any pertinent zoning and historic regulations for the site, as a baseline and/or blue print for revitalization. Any future studies, economic analysis and community meeting will update these findings. Because the Summary was completed almost 6 years ago, VMP, the District, and MAG are committed to undertaking feasibility studies, economic analysis, and a community engagement process to update the recommendations, as
needed, per current market conditions, economic realities, and community desires. For example, mixed-income housing is not mentioned in the recommendations but will likely be a component of the McMillan development.

G. The terms of this LOC shall be binding upon VMP, the Master Developer, and their prospective successors and assigns.

APPROVAL AND ACCEPTANCE

VISION MC MILLAN PARTNERS

Cedard B. Robin

By: Ines Estrella

Date: 12/10/07

McMILLAN ADVISORY GROUP

By: Tanya Robertson

Date: 12/10/07

OFFICE OF THE DEPUTY MAYOR FOR PLANNING AND ECONOMIC DEVELOPMENT

By: W. Carter John III

Date: December 10, 2007