

SETTLEMENT AGREEMENT

THIS SETTLEMENT AGREEMENT (the “**Agreement**” or “**Settlement Agreement**”) is made as of this 29th day of January, 2019, by and among Rita Arendal, Poul Arendal, Paquita Attaway, Leah Frelinghuysen, Cyrus Frelinghuysen, Kathryn Harlee, John Harlee, Marjorie Share, and Joel Swerdlow (collectively, the “**Appellants**”) and Soapstone Valley Ventures, LLC, a Maryland limited liability company (the “**Owner**” and together with Appellants, the “**Parties**”).

W I T N E S S E T H

WHEREAS, Owner owns the property at 3113 Albemarle Street, NW (Square 2041, Lot 24); 3128 Appleton Street, NW (Square 2041, Lot 25); and 3124 Appleton Street, NW (Square 2041, Lot 26) (together, the “**Property**”); and

WHEREAS, when Owner purchased the Property it was part of a larger lot that included a building located at 3101 Albemarle Street NW, but through the recording of S.O. 17-27776 in the Surveyor’s Office, that portion was subdivided and separated from the Property and designated as Lot 23 in Square 2041 (the “**Historic Lot**”) and the building on the Historic Lot (the “**Historic Building**”) was designated as a historic landmark by the Historic Preservation Review Board; and

WHEREAS, prior to the Subdivision (defined below), the Property was designated as Lot 22; and

WHEREAS, through the recording of S.O. 18-28631 in the Surveyor’s Office, the Owner subdivided Lot 22 into three smaller lots (Lots 24, 25, and 26) (the “**Subdivision**”); and

WHEREAS, after the Subdivision, Owner (1) received the following excavation and building permits from the Department of Consumer and Regulatory Affairs (“**DCRA**”) for the Property: (a) New Building Permit B1808453 for Lot 24; (b) Excavation Only Permit EX1900002 for Lot 25, and (c) Excavation Only Permit EX1900001 for Lot 26 (the “**Issued Permits**”); and (2) applied for the following building permits which are still pending with DCRA: (a) New Building Permit B1812270 for Lot 25; and (b) New Building Permit B1812271 for Lot 26 (the “**Pending Permits**” and together with the Issued Permits, the “**Permits**”); and

WHEREAS, on November 21, 2018, Appellants filed an appeal to the Board of Zoning Adjustment (“**BZA**”), as case number 19935 (the “**Appeal**”), challenging the Zoning Administrator’s issuance of the Subdivision and subsequent Permits; and

WHEREAS, the Appeal is scheduled for a hearing on March 13, 2019; and

WHEREAS, the Parties desire to enter into this Agreement, hereby resolving the concerns asserted by the Appellants in the Appeal and other matters raised in regard to the Subdivision and Permits.

NOW, THEREFORE, in consideration of the foregoing and for other good and valuable consideration, as further described herein, the mutual receipt and sufficiency of which is hereby acknowledged, the Parties hereby agree as follows:

1. **Incorporation of Recitals.** The Parties acknowledge the Recitals set forth above, which are adopted by reference and incorporated in their entirety as if set forth fully below.
2. **Two Lot Subdivision.** Owner agrees to re-subdivide the Property into two (2) total record lots (the “**New Subdivision**”), one with street frontage on Albemarle and 32nd Street (“**Lot A**”) and one with street frontage on Appleton and 32nd Street (“**Lot B**”). Prior to March 13, 2019, Owner will submit an application for the New Subdivision to DCRA. The New Subdivision may include multiple assessment and taxation lots on the two record lots, provided that the New Subdivision will only include two total lots on which a building may be constructed.
3. **Withdrawal of Excavation Permit and Notice of Building Permit Application for Lot 26.** Within three (3) business days of the date of this Agreement, Owner shall file a Permit Cancellation for Excavation Only Permit EX1900001 and shall withdraw the pending permit application for New Building Permit B1812271 with DCRA and provide evidence of the cancellation and withdrawal request to Appellants.
4. **Continuance and Withdrawal of Appeal.** Within three (3) business days of the date of this Agreement, Appellants shall file a written statement with the BZA to withdraw the Appeal as it relates to the Permits. Within three (3) business days of the date of this Agreement, the Parties shall jointly request a continuance from the BZA of the appeal pending the New Subdivision being issued by DCRA. Within ten (10) business days of the date of recordation of the New Subdivision, Appellants shall file a written statement with the BZA to withdraw the Appeal in its entirety.
5. **Building Plans, Building Materials, and Landscaping.** Owner agrees to construct the house on Lot B with a minimum setback of seventeen feet (17 ft.) from Appleton Street NW to the main wall of the house, provided that architectural embellishments such as columns may be set back only fifteen feet (15 ft.) from Appleton Street NW. Owner also agrees to construct the house on Lot A with a minimum setback of eleven feet (11 ft.) from Albemarle Street NW to the main wall of the house, provided that architectural embellishments such as columns may be set back only nine and one-half feet (9.5 ft.) from Albemarle Street NW. Owner also agrees to construct both Lot A and Lot B with the zoning-required side and rear setbacks. As a lifetime neighborhood resident, Owner recognizes that the Property is the “Gateway to Forest Hills,” and Owner agrees in good faith to use quality building materials and incorporate attractive landscaping in developing the Property consistent with the general neighborhood.
6. **Accessory Dwelling Unit.** Owner agrees not to construct an accessory dwelling unit on the portion of the Property immediately to the north of the Historic Lot and east of the existing driveway; provided, however, that this provision shall not prevent a future owner of the portion of the Property immediately to the north of the Historic Lot from constructing an accessory dwelling unit in this location.

7. **No Action or Opposition Concerning the New Subdivision.** Appellants shall not take any action to oppose the New Subdivision, including but not limited to the filing of an appeal before the Office of Administrative Hearings or the BZA. Nothing in the foregoing shall restrict the Appellants from enforcing any or all of their rights, or the Owner's obligations, under this Agreement.

8. **Future Permitting.** The Appellants will not challenge any aspect of the permitting process for permitted construction on the Property under the New Subdivision, including the Permits. The Appellants will not challenge or object to approvals granted by DCRA, the Department of Energy and Environment, the District Department of Transportation, and other District agencies. The Appellants will not dispute or interfere with the permitting and construction process. The permitting and construction process, pursuant to a DCRA-issued permit, includes but is not limited to: the issuance of building permits, surveys and wall checks, storm water management systems and infiltration rates, geotechnical reports, inspections by the District of Columbia, inspections by third party inspectors, height, lot occupancy, yards, dimensions, permeable cover, utility connections and their locations, solar panels, swimming pools, color, hardware, window size and type, landscaping, any item pertaining to construction means/methods, construction fences, fences, sediment control fences, door hardware, stoop material/size/dimension, public space permits, driveway configuration, driveway material, garages, dumpsters, portable restrooms, public space permits, mailbox size, mailbox location, lighting, mechanical systems, electrical systems, carpentry, grading, building materials, interior finishes, security features, plumbing, fire suppression devices.

The Appellants will not participate in any activity that attempts to re-zone or diminish in any way the property rights currently enjoyed by the Owner of the Property. This includes but is not limited to any actions within the purview of the Office of Planning. The Owner reserves the right to re-subdivide, create Assessment & Taxation lots, change addresses, and/or change lot numbers, and Appellants agree to not challenge or object to the foregoing actions, provided that any of the foregoing actions complies with the specific requirement of the New Subdivision that there only be two buildable lots at the Property and that no accessory dwelling units will be built by Owner. Furthermore, if Owner files a new application for subdivision, a copy shall be provided to the Appellants within ten (10) days of approval of the updated subdivision.

9. **Historic Lot and Building.** The Appellants will not attempt to expand the Historic Lot, re-characterize the designation of the Historic Building, or take any other action with respect to the Historic Lot or Historic Building that would impact the Property, including, but not limited to, attempting to limit the buildable rights on the Property due to objections based on the Historic Lot or Historic Building.

10. **Release of Claims.** The Owner on behalf of itself and its respective affiliates, officers, directors, members, partners, employees, representatives, agents, heirs, successors, and assigns in consideration of this Settlement Agreement and other good and valuable consideration, does hereby release, acquit, and forever discharge each of the Appellants from any and all actions, causes of action, claims, demands, damages, losses, liabilities, costs, expenses and debts whether arising in law or in equity or otherwise, whether known or unknown, suspected or unsuspected,

related to or arising from the Appeal and/or the Subdivision or Permits or any other fact or matter from the beginning of time through and including the date of this Settlement Agreement.

The Appellants, each individually, on behalf of themselves as individuals and their agents, heirs, successors, and assigns in consideration of this Settlement Agreement and other good and valuable consideration, do hereby release, acquit, and forever discharge the Owner from any and all actions, causes of action, claims, demands, damages, losses, liabilities, costs, expenses and debts whether arising in law or in equity or otherwise, whether known or unknown, suspected or unsuspected, related to or arising from the Appeal and/or the Subdivision or Permits or any other fact or matter from the beginning of time through and including the date of this Settlement Agreement.

11. Voluntary Settlement. The Parties represent that they have read and been advised by counsel regarding this Agreement, that they understand its provisions and legal effect, and that every Party is voluntarily entering into this Agreement. The Parties acknowledge and agree that this Agreement is a full, fair, and final settlement of all claims between the Parties. The Parties further represent that, in executing this Agreement, no Party has relied on any inducements, promises or representations other than those expressly set forth in this Agreement.

12. Inurement. The Agreement shall inure to the benefit of and be binding upon the Parties and their respective agents, officers, directors, trustees, attorneys, representatives, subsidiaries, members, parent companies, predecessor or successor companies, successors, and assigns. The Parties shall provide written notice of the Agreement and a copy of the same to any purchasers of their respective properties, prior to the date of sale to such purchasers.

13. No Admission. This Settlement Agreement shall not be construed as an admission of liability by either Party hereto, which liability is expressly denied, but is a compromise and settlement of disputed claims in order to avoid further litigation.

14. Time is of the Essence. Time shall be of the essence with regard to all matters contained within this Agreement.

15. Construction. Each Party acknowledges that it has participated in the drafting of this Agreement and reviewed the terms of the Agreement and as such, no rule of construction shall apply in any interpretation of this Agreement which might result in this Agreement being construed in favor of or against any Party, including without limitation, any rule of construction to the effect that ambiguities ought to be resolved against the drafting party.

16. Severability. If any part of this Agreement shall be determined to be illegal, invalid or unenforceable, that part shall be severed from the Agreement and the remaining parts shall be valid and enforceable.

17. Governing Law. This Agreement and all matters arising out of or relating to this Agreement shall be governed by, interpreted, and construed in accordance with the procedural and substantive laws of the District of Columbia without regard to its conflict of law rules. If a legal action is brought to enforce the terms of this Agreement, the prevailing party will be entitled to recover its reasonable attorney's fees and costs of suit.

18. **Counterparts.** This Agreement may be executed in any number of counterparts by facsimile, or .pdf signatures, and all such counterparts taken together shall be deemed to constitute one and the same original instrument. Signature pages may be detached from counterpart documents and reassembled to form duplicate executed originals.

19. **Warranty Regarding Non-Assignment.** The Parties each represent and warrant that they own and have not assigned, sold, conveyed, transferred or otherwise disposed of any claim or any interest in any claim against the other released in this Agreement. This Agreement does not run to the benefit of any third parties that are not parties to this Agreement.

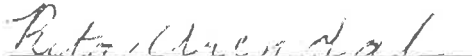
20. **Authority to Execute Agreement.** The individuals signing this Agreement and the Parties represent and warrant that they have full and complete authority and authorization to execute and effect this Agreement and to take or cause to be taken all acts contemplated by this Agreement.

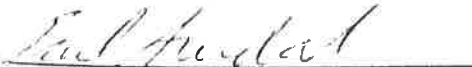
21. **Entire Agreement.** This Agreement constitutes the entire agreement between the Parties and supersedes any and all prior or contemporaneous agreements or representations, written or oral, between the Parties concerning the subject matter of this Agreement. This Agreement may not be modified or amended except in writing and signed by a duly authorized representative of each Party; no other act, document usage or custom shall be deemed to amend or modify this Agreement.

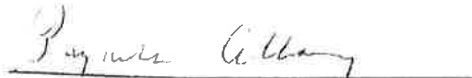
[Signature Page Follows]

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement as of the date first written above.

APPELLANTS


Rita Arendal, individually


Poul Arendal, individually


Paquita Attaway, individually

Leah Frelinghuysen, individually

Cyrus Frelinghuysen, individually

Kathryn Harlee, individually

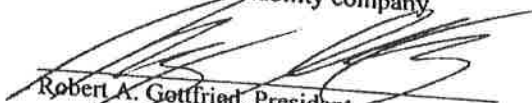
John Harlee, individually

Marjorie Share, individually

Joel Swerdlow, individually

OWNER

SOAPSTONE VALLEY VENTURES, LLC,
a Maryland limited liability company


Robert A. Gottfried, President


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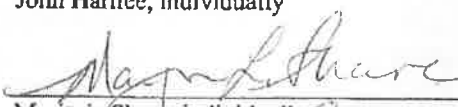
Paquita Attaway, individually

Leah Frelinghuysen, individually

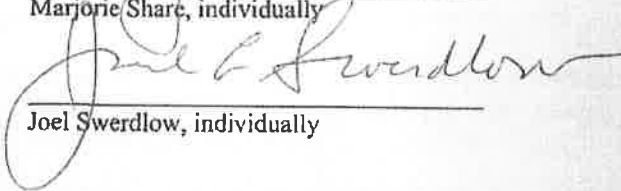
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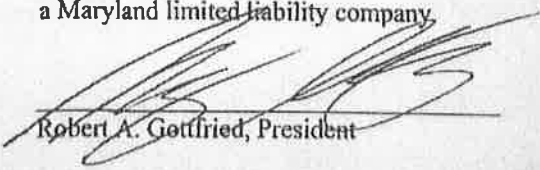
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