



VIA OVERNIGHT DELIVERY

May 1, 2014

Mr. John Neal
Director of General Services
1590 East Parham Road
Richmond, VA 23228

Subject: HPDC Partners, LLC Unsolicited PPEA Detailed Submission

Dear Mr. Neal,

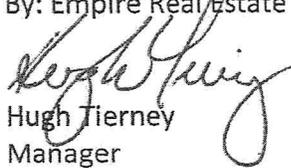
Please find the attached information as called for in Mr. John Vithoukas letter of April 14, 2014. Please see the Table of Contents for what information is included in the Confidential & Proprietary package. This package includes one original and eight copies of:

1. The non-proprietary Proposal
2. The Confidential proprietary information package.

Please do not hesitate to contact me if you have any comments or questions. I can be reached at 757-321-1710 or by email at htierney@empiredevelopment.net.

Sincerely,

HPDC Partners, LLC
By: Empire Real Estate Development, LLC


Hugh Tierney
Manager

MANDATORY REQUIREMENTS FOR DETAILED SUBMISSOIN

Item #	Decsription	Not Confidential	Confidential & Proprietary	Comment
1	Conceptual Site Plan		X	Revised Site Plan with topo & map
2	Purchase Option #2		X	Clarification of Purchase / Lease
3	Utility facility / crossings	X		Details for crossing utilites
4	County Improvements	X		Confirmation of no county improvements
5	Title & Access Agreement		X	Copies of Updated Title & Access Agreement
6	Life cycle cost Analysis	X	X	GAAP Guidelines & Major Building components
7	Support & Opposition	X		Public Involvement Strategy
8	Performance Criteria		X	Scope, Budget & Schedule / Change Orders
9	Conflicts of Interest	X		Statement of no conflicts
10	Va. Code 2.2-4367 - 2.2-4377	X		Acknowledgement of Virginia Code
11	Schedule / Team / Warranty		X	Narrative
12	Cost Revision		X	Revised Cost
13	Regulatory Contingency		X	Narrative & Recommended Contingency

Note: #6: FASB Guidelines are in the non-confidential section, Narrative is in the confidential section.

HPDC Partners, LLC
NON CONFIDENTIAL Detailed Submission May 1, 2014

- | <u>Item</u> | <u>Submission</u> |
|-------------|--|
| 3 | <p><u>Utility Crossings</u> – Per the attached plan, water, natural gas and electricity are located along Villa Park Drive. As of May 1, 2014 Miss Utility had not confirmed the exact location of the lines so an accurate description of the utility locations is not possible at this time. Notwithstanding, the condition at the front of this site is similar to the conditions in front of other buildings in the park and is fairly typical. With this said, Crossing utility lines will be performed in a routine and customary manner as more information is developed during the site planning process.</p> |
| 4 | <p><u>County Improvements</u> – HPDC Partners, LLC (“HPDC”) confirms that it does not propose for the County to complete any public facilities or improvements for the project.</p> |
| 7 | <p><u>a. Support & Opposition</u> – At this time HPDC is unaware of any known general public support or opposition to the project. HPDC is aware that the project is supported by the Henrico County Police Department and the County Manager. HPDC is not aware of any government opposition.</p> <p><u>b. News Release</u>– Upon approval of the Board of Supervisors of the project, HPDC will participate in a joint news release whereby the project specifications are shared with the general public. HPDC will cooperate with the County on any follow-up questions on the project.</p> <p><u>c. Community Outreach</u> – HPDC and certain team members will make themselves available for any Neighborhood or Civic Association or other appropriate group that requests a meeting on the project. The HPDC team will be able to discuss such topics as: the scope of work, extent of clearing, drainage, schedule, noise, vibration, work hours, and a contact person. It is strongly suggested that any meetings to be held also include a representative from Henrico County, with the new Precinct commander being the most obvious representative.</p> |
| 8. | <p><u>Conflicts of Interest</u> – No member of the HPDC Team, including its owners, the general contractor, the architect or the civil engineer has any conflict of interest nor is any member obligated to disqualify themselves from the project. Please see the Debarment & Qualification letters contained in the back of Section 1 of the Unsolicited proposal.</p> |
| 9. | <p><u>Acknowledgement of Virginia Code §§ 2.2-4367 – 2.2 4377</u> – HPDC acknowledges that it and it’s team members will conform to the referenced code.</p> |

GOVERNMENTAL ACCOUNTING FOCUS

Estimating useful lives for capital assets

By Paul E. Gruenwald, American Appraisal Associates

The Governmental Accounting Standards Board's (GASB) Statement No. 34, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments*, will require that governments depreciate their exhaustible capital assets, including infrastructure.

Depreciation is the systematic and rational allocation of the (estimated) historical cost of a capital asset, (or if donated, the fair value of a capital asset at the time of donation), over its estimated useful service life. Accordingly, one of the principal challenges facing those attempting to implement depreciation accounting for previously undepreciated categories of capital assets is estimating the useful service lives of those assets (i.e., "lifing"). This article will attempt to provide financial statement preparers with information that may be useful for making such estimates.

Background. GASB Statement No. 34, paragraph 161, provides the following guidance on estimating the useful lives of capital assets:

For estimated useful lives, governments can use (a) general guidelines obtained from professional or industry organizations, (b) information for comparable assets of other governments, or (c) internal information. In determining estimated useful life, a government also should consider an asset's present condition and how long it is expected to meet service demands.

As discussed in an previous issue of *GAAFR Review* (October 2001), a number of states (especially state departments of transportation) are using the internet to make information available to local governments on the estimated useful lives of various categories of capital assets. Likewise, professional groups and consultants have provided information that should be useful for lifing purposes.

It is important, however, that such general information be adapted to a government's specific circumstances. GFOA issued a recommended practice earlier this year on *Estimating the Useful Lives of Capital Assets* that emphasized the need to take into account each of the following factors :

- **Quality.** Similar assets may differ substantially in quality, and hence in their useful lives, because of differences in materials, design and workmanship. For example, an asphalt road will not have the same useful life as a concrete road. Likewise, the depth of the material used for paving purposes, as well as the quality of the underlying base, will also affect the useful life of a road.
- **Application.** The useful life of a given type of capital asset may vary significantly depending upon its intended use. Thus, the life of a motor vehicle used in the public safety function may differ from the life of the same type of vehicle used in the parks and recreation function.
- **Environment.** Environmental differences among governments can have an important impact on the useful lives of their respective capital assets. For instance, the useful life of a road in a climate subject to extremes in temperature is likely to be different from that of a similar road located in a more temperate climate. Also, regulatory obsolescence may shorten the service life of some capital assets used in connection with highly regulated activities (e.g., utilities).

The GFOA's recommended practice goes on to explain that the potential effect of each of these factors could be mitigated or exacerbated as a consequence of a government's maintenance and replacement policy. For example, the potential for road damage is increased in a cold environment when cracks are not promptly repaired because water settling in the cracks will expand and contract, thereby accelerating the initial deterioration represented by the crack itself.

GFOA's recommended practice also emphasizes that lifing is not a one-time exercise. Governments need to monitor their actual experience with capital asset lives and make appropriate changes to estimated useful lives based upon that experience.

Data on estimated useful lives. The paragraphs that follow will offer information on the *average*

estimated useful lives of various types of capital assets. This information is based upon our experience performing studies designed to assist clients as they implement GASB Statement No. 34.

Before beginning, it should be mentioned that sometimes a given asset grouping may be classified either as a *land improvement* or as *infrastructure* depending upon the specific circumstances (e.g., parking lots, sidewalks, pedestrian paths). The criterion used to make a classification in such cases often is the location of the asset. A parking lot adjacent to a building, for example, might be classified as a *land improvement*, whereas a public parking lot on a street corner operated by the government might be classified as *infrastructure*.

Roadways. Information on roadways can be reported in one of several ways:

- *by detail* (e.g., curbs, gutters, surface type, guardrails, concrete barriers, etc)
- *by subsystem* (e.g., roadway pavement, including curbs and gutters)
- *by network* (e.g., roadway network, consisting of pavement, curbs, gutters, lighting, guardrails, signage, etc.).

From our experience in setting up and reporting infrastructure values, the most common method for reporting roadway infrastructure is by subsystem. This approach provides a level of detail sufficient for describing the components of the roadway system and allows the use of a component-specific useful life for depreciation purposes. The subsystem approach also facilitates the retirement of infrastructure assets on a go-forward basis.

The estimated useful life of roadways appears to depend more on the type of pavement material used than on the class of roadway (i.e., local, connector, arterial, major arterial). The reason may be that the engineering design of roadways with a high average daily traffic (ADT) adjusts for the high traffic volume compared to the engineering design of a roadway with a lower traffic volume. Thus, a concrete arterial roadway will have the same estimated useful life as a concrete local roadway.

Although roadways usually are reported by type of pavement, governments sometimes prefer to report by class of roadway (i.e. local, collector, arterial or major arterial). In that case, the estimat-

ed useful life is weighted to take into account the mix of surface types comprising each class.

Four factors affect the life assigned to roadways:

- subgrade or bearing capacity of the road (i.e., a harder subgrade under the roadway leads to a longer life for the roadway)
- the composition of the asphalt or concrete surface
- traffic volume (engineered for cars and/or trucks)
- climatic conditions (e.g., as amount of rain or snow, fluctuation in temperature).

One additional factor to consider when assigning roadway lives is the speed limit. Asphalt roads with a slower speed limit, for example, have a shorter life than asphalt roads with a high speed limit because of the "creeping" quality of asphalt.

When arriving at an estimated life for a roadway it is assumed all normal maintenance will be performed to maintain the roadway during its normal life. "Average" lives for roadways are as follows:

Dirt	10 years (subject to weather conditions)
Gravel	15 years (subject to weather conditions)
Concrete	30 years
Asphaltic concrete	20 years
Brick or stone	50 years

Sidewalks. As with roadways, climatic conditions, such as the amount of rain or snow and fluctuations in temperature, affect the life of sidewalks. Otherwise, the average lives for sidewalks depend upon the material used for construction, as follows:

Concrete	30 years
Asphalt	25 years
Brick or Stone	50 years (subject to weather conditions)

Parking lots. Once again, the key variable in determining useful life is the construction material:

Concrete	35 years
Asphalt	15 years
Gravel	10 years
Brick or stone	45 years

Bridges and culverts. Sometimes there is confusion when attempting to distinguish *bridges* from *culverts*. One approach to resolve this potential problem is to use the length of a structure as the determining factor (e.g., all structures with a span of more than 20 feet are to be classified as *bridges*).

As with roadways, a number of state departments of transportation publish estimated useful life guidelines of bridges within the state. For financial reporting purposes, the following average lives may be useful, subject to any adjustment needed to reflect climate and temperature fluctuations.

Precast concrete	40 years
Prestressed concrete	45 years
Steel with truss	50 years
Steel without truss	45 years
Timber/wood	30 years
Pedestrian	
Steel	30 years
Concrete	30 years
Wood	25 years

Unique structures, such as suspension bridges, cable staid bridges, moveable bridges (e.g., rotating, hydraulic, bascule), and covered bridges typically are evaluated on a case-by-case basis.

Culverts can be divided into two categories: *major* and *small*. *Major culverts* have a side area of 35 square feet or greater. *Small culverts* have a side area less than 35 square feet.

Major culverts:

Concrete (precast box, precast elliptical, cast in place)	40 years
Concrete pre stress	45 years
Timber log treated	30 years
Steel (corrugated round, corrugated bottomless arch)	30 years

Small culverts:

Plastic	25 years
Cast iron	30 years
Metal corrugated	30 years
Concrete	40 years

Road signage. GASB Statement No. 34 limits the mandatory retroactive reporting of infrastructure

assets to *major* networks and subsystems. Consequently, road signage normally is exempt from this requirement. Nonetheless, most governments are choosing to report roadway signage because information is readily available. The average useful life of road signage is 10 years.

Traffic lights. The situation for traffic lights is essentially the same as that just described for road signage. The following are average useful lives:

Mast arms	20 years
Hung wire	15 years

Street lighting. Once again, most governments will report street lighting voluntarily, because the information is readily available. The average useful life of street lighting varies, as follows:

Concrete	30 years
Metal	20 years
Wood	15 years

Sewer lines. For sewer lines, the key factor in estimating the average useful life is the material used, as follows:

Concrete	50 years
Brick	90 years
Metal	40 years

Storm drains. The average useful lives of storm drains depends upon the type of material used, as follows:

Plastic	25 years
Cast Iron	30 years
Metal Corrugated	30 years
Concrete	40 years
Ditch/Trench	100 years

Berms and tunnels. The average useful life for a berm is approximately 20 years. Tunnels have a highly variable life expectancy. Accordingly, useful lives for tunnels typically are assessed individually.

Alleys. The average useful life of an alley is similar to that of a roadway, as follows:

Concrete	20 years
Asphaltic Concrete	20 years
Dirt	10 years
Gravel	15 years
Brick or Stone	50 years

Man-made lakes, water ways/canals, and boat ramps. The average useful life of a man-made lake is 100 years. The average useful life of a waterway or canal is also 100 years. The average useful life of a boat ramp depends upon the construction material, as follows:

Wood	10 years
Concrete/Asphalt	20 years
Metal	15 years

Marinas. Different estimated useful lives apply to different types of marinas, as follows:

Piers	50 years
Seawalls	50 years
Bulkheads	50 years

Bike/Jogging paths. Once again, the type of surface is the key factor in estimating the useful life of a bike or jogging path (just as was the case for roadways and alleys), as follows:

Dirt	10 years
Gravel	15 years
Concrete	30 years
Asphalt	20 years
Composite rubber	7 years
Brick or stone	50 years

Reservoirs and dams. Reservoirs have an estimated useful life of 50 years. Dams require individual research. As a general rule, however, earthen dams have a life of 40 years and concrete dams have a life of 60 years.

Airport runways. Airport runways have, on average, an estimated useful life of 10 years.

Moveable equipment. The following is a list of average estimated useful lives for some of the most commonly encountered categories of moveable equipment:

Athletic equipment	10 years
Appliances/food service equipment	10 years
Audio visual equipment	7 years
Books, multi-media materials	5 years
Business machines	7 years
Communications equipment	10 years
Computer software	5 years
Contractors/construction equipment	12 years
Computer equipment	5 years
Fire department equipment	12 years
Furniture	20 years

Grounds, agricultural equipment	15 years
Lab, science equipment	10 years
Law enforcement equipment	10 years
Licensed vehicles	6 years
Machinery and tools	15 years
Musical instruments	10 years
Outdoors recreational equipment	15 years
Stage and auditorium equipment	20 years
Custodial equipment	15 years
Photocopiers	5 years

Land improvements. The following is a list of the average estimated useful lives for common categories of land improvements:

Fencing, gates	20 years
Landscaping	10 years
Outside sprinkler systems	25 years
Athletic fields	15 years
Golf courses	20 years
Septic systems	15 years
Stadiums	45 years
Swimming pools	20 years
Tennis courts	20 years
Fountains	20 years
Retaining walls	20 years
Bleachers	20 years
Soccer fields	15 years
Running track	15 years
Outdoor lighting	20 years

Buildings, building components, and building services. The following is a list of the average estimated useful lives for buildings, building components, and building services:

Permanent structures	50 years
Portable structures	25 years
Excavation	50 years
Foundation	50 years
Frame	50 years
Floor structure	50 years
Floor covering	15 years
Carpeting	5 years
Computer flooring	10 years
Exterior walls	50 years
Roof cover	10 years
Interior construction	15 years
Interior renovation	10 years
Ceiling finish	10 years
Plumbing	20 years
HVAC	20 years
Electrical	20 years
Fire system	25 years
Elevators	20 years

[REDACTED]

HPDC Partners, LLC
Detailed Submission May 1, 2014

Item Submission

1 Conceptual Site Plan – [REDACTED]

2 Purchase Option 2 – [REDACTED]

5 Title & Access Agreement – HPDC will purchase Title Insurance on behalf of the County immediately prior to the sale of the property to the County. Please see the title commitment for the property attached hereto. Title will transfer by General Warranty Deed. The Existing Deed & Easement, inclusive of the cross access agreement is recorded in deed book 3038 page 1555 and dated October 10, 2000. Please note that since certain actions called for in the agreement did not occur, we are drafting a new access agreement that will supersede the current agreement. This agreement is in process. The current agreement is attached hereto.

6. Life Cycle Costs – The Financial Accounting Standards Board (FASB) promulgates the Generally Accepted Accounting Principles (GAAP) guidelines that stipulate the maximum useable life of real property. Although individual experience may vary, the useable life stipulated therein is generally considered to be accurate. A copy of the appropriate GAAP guidelines is contained in the non-confidential portion of the proposal. Presented below are the key building components, their cost and expected life based upon our experience. *Please note that HPDC is not qualified to offer accounting advice and makes no representations or warranties regarding the accuracy of the information. The County should consult an accountant for this information.*

<u>Component</u> ⁽¹⁾	<u>Cost</u>	<u>Life (years)</u>
Concrete floor, walls and structural steel	[REDACTED]	50+
Roof	[REDACTED]	15
Rooftop HVAC Equipment & Generator	[REDACTED]	15
Asphalt Paving	[REDACTED]	10
Landscaping	[REDACTED]	10
Utility lines	[REDACTED]	50+
Exterior Paint	[REDACTED]	10

Recommended replacement based upon the experience at the Fair Oaks Precinct.

Interior Painting	[REDACTED]	5
Carpet, VCT and base	[REDACTED]	5
Doors (primary, estimated)	[REDACTED]	5
Cabinetry & work stations	[REDACTED]	5

Note: ⁽¹⁾ Does not include overhead & profit



7. a. Schedule – Please see the attached schedule. Please note that submittal and change order review will have a five (5) business day review requirement by all parties. Failure of the county to review within the stipulated time period will result in a delay. Please see HPDC’s delivery date guarantee in section 11 below.

The attached schedule has been prepared assuming a July 1, 2014 execution of the Comprehensive Agreement with a June 30, 2015 delivery.

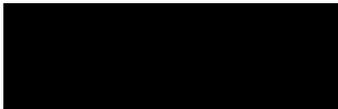
b. Quality Control (QC)



c. Contract Administration – Empire Real Estate Development, LLC (“Empire”) will act as the Owner Representative for the project. Please see a brief description of Empire’s previous projects on the following pages, including construction of Henrico County’s Fair Oaks Precinct.

- Empire will conduct bi-weekly inspections of the property, or more frequently if required.
- Empire will have direct oversight of the schedule, budget and scope of work (but not means and methods).
- Empire will schedule client meetings on site at least every 30 days.
- Empire will lead problem resolution and change order processing.
- Empire will publish bi-weekly Status Reports with photos.
- Empire will process the bank draws and order monthly title updates.

d. Change Orders - Change Orders are an inevitable part of any development project. Change Orders typically fall into two categories; i) client requested changes and, ii) changes due to errors, unanticipated conditions or discontinued products.

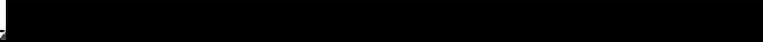
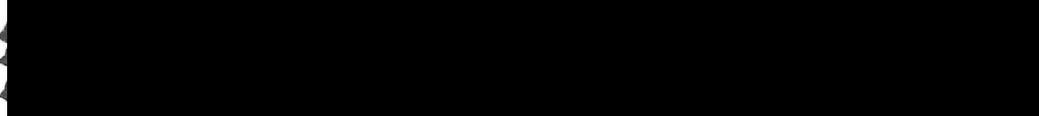


i) For client directed change orders, HPDC will direct the General Contractor to issue a Request for Information (“RFI”) and enter into the RFI log. The RFI will be sent to either the Architect or Engineer to review and, or define the scope. Once the scope is set, the General Contractor will provide a cost and any anticipated schedule impact. The RFI, inclusive of the General Contractors information will be presented to the client for review and approval or disapproval. **Important: The client (Henrico County) must have a representative with authority to execute change orders available and familiar with the project to keep it on schedule.**

ii) For change orders not directed by the client, and with no material impact on the scope of the project, the same process will be followed however, the client will be given an opportunity to review the change order [only].

e. A& E Involvement – 


11.

a. Delivery Guarantee – 


Henrico County is encouraged to have its phone, cable, data and other wiring contractors install their equipment 15 – 30 days prior to delivery of the building. HPDC and its General Contractor will review the completion schedule of the interior of the building 60 days prior to the delivery date to determine if Tenant may begin installing fixtures, furnishing and equipment (FF&E) prior to the delivery date. HPDC cautions that installation of FF&E prior to the Certificate of Occupancy is subject to approval by the County’s Building Inspection department.

b. Team Commitment & Sustainability – HPDC is unaware of any factor that may cause a Team member to fail, to voluntarily drop out of the project or to be forced out of the project. All major team members have provided contract proposals to HPDC, and HPDC expects to execute contracts on mutually agreeable terms with all team members prior to the execution of the Comprehensive Agreement. HPDC has 12 – 20 years of experience with each team member on multiple projects. The principles of HPDC have had no negative experiences with any team member, nor are they aware of any problems with team member’s clients. As is typical for a project of this size, HPDC will **NOT** require any type of payment or performance bond.

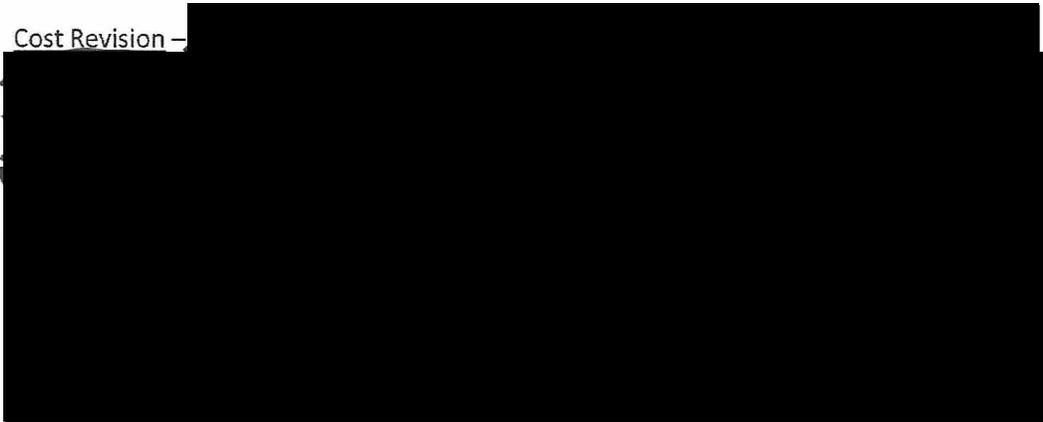
c. Extended 5 Year Warranty – The General Contractor typically provides a blanket one year warranty with a 10 year roof warranty and a 5 year HVAC compressor warranty.



Additional warranties are highly unusual for this scale project. The sub-contractors on the project are not offering reasonable additional warranties at this time.

12.

Cost Revision –



13.

Regulatory Change and Additional Contingency – The design and pricing of the proposed project will not occur until after new Stormwater Management regulations come into effect. Although we are filing certain documents with both the Commonwealth and Henrico County to allow us to proceed under the current regulations, it is not known at this time if these actions will be successful.

In discussions with the Civil Engineer and the General Contractor, it is estimated that additional compliance may cost as much as \$70,000. HPDC proposes that the Comprehensive Agreement identify this as a potential cost of the project to be addressed in a mutually agreeable manner at such time as the implementation of the new regulations is better understood.

BridgeTrust Title Group, formerly Pioneer Title
Agent For

Fidelity National Title Insurance Company



COMMITMENT FOR TITLE INSURANCE

SCHEDULE A

1. Commitment Date: **January 06, 2014, 8:00 am**
Issue Date: **January 14, 2014, 2:00 pm**

2. Policy (or Policies) to be issued: POLICY AMOUNT
 - (a) ALTA OWNER'S POLICY (6-17-06) \$262,500.00
Proposed Insured: **HPDC Partners, LLC**

 - (b) ALTA LOAN POLICY (6-17-06)
Proposed Insured:

3. Fee Simple interest in the land described in this Commitment is owned, at the Commitment Date, by
Acoustic Architecture, LLC, a Virginia limited liability company

4. The land referred to in the Commitment is described as follows:
See Exhibit "A" attached hereto and made a part hereof

Countersigned
BridgeTrust Title Group, formerly Pioneer Title
One Columbus Center, Suite 400
Virginia Beach, VA 23462

Kristina Cates.

By _____
Authorized Signatory



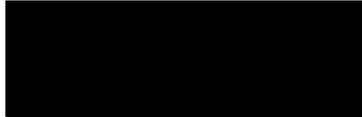
EXHIBIT "A"

All that certain lot, piece or parcel of land, lying and being in Henrico County, Virginia, containing 4.214 acres, as shown on the plat of survey dated October 4, 2000, prepared by Jordan Consulting Engineers, P.C., entitled "ALTA/ACSM Survey for Air, Water and Soil Properties, LLC Showing a 4.214 Acre Parcel of Land on the South Line of Villa Park Drive, Brookland District, Henrico County, Virginia", a copy of which is recorded in Plat Book 110, page 354, reference to which plat is made for a more particular description of the property and described in accordance with said plat as follows:

Beginning at the intersection of the western boundary of the right of way line of Brook Road (U.S. Route 1) and the southern boundary of the right of way line of Villa Park Drive and continuing along the southern boundary of the right of way line of Villa Park Drive, S 88° 00' 53" W 270.63 feet to a point; thence along the arc of a curve to the right, having a radius of 409.68 feet and a delta angle of 29° 53' 30", an arc length of 214.33 feet to a point; thence N 62° 00' 37" W 349.41 feet to a point; thence along the arc of a curve to the left, having a radius of 559.00 feet and a delta angle of 37° 05' 52", an arc length of 361.94 feet to a point; thence S 80° 53' 23" W 446.19 feet to a point; thence along the arc of a curve to the right, having a radius of 604.00 feet and a delta angle of 16° 59' 43", an arc length of 197.16 feet to a point; said point being the actual point and place of beginning; thence leaving the southern boundary of the right of way line of Villa Park Drive in a southerly direction the followings (4) courses and distances; (1) S 07° 53' 14" W 33.55 feet to a point; (2) S 07° 14' 28" E 482.78 feet to a point; (3) S 82° 45' 43" W 454.17 feet to a point; (4) N 16° 50' 18" E 651.86 feet to a point on the southern boundary of the right of way of Villa Park Drive; thence along the southern boundary of the right of way of Villa Park Drive in an easterly direction, S 73° 09' 42" E 118.47 feet to a point; thence along the arc of a curve to the left, having a radius of 64.00 feet to a delta angle of 08° 57' 04", an arc length of 94.36 feet to a point, said being the point and place of beginning.

IT Being the same property conveyed to Acoustic Architecture, LLC, a Virginia limited liability company, dated December 30, 2003, recorded December 31, 2003 in the Clerk's Office, Circuit Court, Henrico County, Virginia in Deed Book 3598, page 1063.

Fidelity National Title Insurance Company
COMMITMENT FOR TITLE INSURANCE



SCHEDULE B - SECTION I
REQUIREMENTS

Effective Date: January 06, 2014, 8:00am

The following requirements must be met:

1. Pay the agreed amounts for the interest in the land and/or according to the mortgage to be insured.
2. Pay us the premium, fees and charges for the policy.
3. Documents satisfactory to us creating the interest in the land and/or the mortgage to be insured must be signed, delivered and recorded:
 - a. Proper Deed of Bargain and Sale from Acoustic Architecture, LLC, vesting fee simple title to the aforescribed property in HPDC Partners, LLC.
4. You must tell us in writing the name of anyone not referred to in this Commitment who will get an interest in the land or who will make a loan on the land. We may then make additional requirements or exceptions.
5. Receipt of Owner's Affidavit and Agreement.
6. Judgments in favor of the United States of America, against the purchaser(s) have been checked. Those found, if any are listed below.
7. The Company must receive satisfactory evidence that any corporation, partnership, or limited liability company above referenced is valid and subsisting in, and authorized to transact business in, its state of incorporation and in the state the insured property is located as stated in Exhibit A.
8. The Company must receive satisfactory evidence that the execution and delivery of the documents required is pursuant to a valid resolution of the corporation's Board of Directors, the partners of the partnership, or the members of the limited liability company.

2013 Assessment and Tax information

GPIN:	782-753-6258
Land:	\$276,600.00
Improvements:	\$ 0.00
Total:	\$276,600.00
Annual Tax:	\$ 2,406.42
Bill No.	70287

**Fidelity National Title Insurance Company
COMMITMENT FOR TITLE INSURANCE**

**SCHEDULE B - SECTION II
EXCEPTIONS**

Effective Date: January 06, 2014, 8:00am

- I. Schedule B of the policy or policies to be issued will contain exceptions to the following matters unless the same are disposed of to the satisfaction of the Company:
1. Defects, liens, encumbrances, adverse claims or other matters, if any, created, first appearing in the public records or attaching subsequent to the effective date hereof but prior to the date the proposed Insured acquires for value of record the estate or mortgage thereon covered by this Commitment.
 2. Real Estate taxes accruing from the beginning of the first half of the calendar year 2014 and subsequent semi-annual payments, not yet due and payable.
 3. Easement to Virginia Electric and Power Company recorded in the Clerk's Office of the Circuit Court of Henrico County, Virginia in Deed Book 694 at page 175.
 4. Easement to Henrico County recorded the Clerk's Office of the Circuit Court of Henrico County, Virginia in Deed Book 1548 at page 609.
 5. Sewer Agreement with Henrico County recorded in the Clerk's Office of the Circuit Court of Henrico County, Virginia in Deed Book 787 at page 17.
 6. Easement to Virginia Electric and Power Company dated March 15, 1988 and recorded in the Clerk's Office of the Circuit Court of Henrico County, Virginia in Deed Book 2126, page 817.
 7. Matters shown on subdivision plat of Villa Park, Section II, recorded June 1, 1990 in the Clerk's Office of the Circuit Court of Henrico County, Virginia in Plat Book 91 pages 44-52.
 8. Easement to Chesapeake and Potomac Telephone Company of Virginia dated May 8, 1987 and recorded in the Clerk's Office of the Circuit Court of Henrico County, Virginia in Deed Book 2077, page 1916.
 9. Water Agreement with the County of Henrico dated May 27, 1987 and recorded in the Clerk's Office of the Circuit Court of Henrico County, Virginia in Deed Book 2083, page 111.
 10. Sewer Agreement with the County of Henrico dated May 27, 1987 and recorded in the Clerk's Office of the Circuit Court of Henrico County, Virginia in Deed Book 2083, page 119.
 11. Amendment to Water and Sewer Agreements dated November 24, 1993, recorded in the Clerk's Office of the Circuit Court of Henrico County, Virginia in Deed Book 2490, page 1507.
 12. Amendments to Sewer Agreement dated October 2, 1990, recorded in the Clerk's Office of the Circuit Court of Henrico County, Virginia in Deed Book 2264, page 1379.

Fidelity National Title Insurance Company
COMMITMENT FOR TITLE INSURANCE

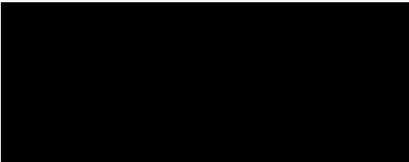
13. Declaration of Protective Covenants for Villa Park recorded in the Clerk's Office of the Circuit Court of Henrico County, Virginia in Deed Book 2098, page 573.
14. Declaration of Inspection/Maintenance of Runoff Control Measures dated June 13, 1994, recorded in the Clerk's Office of the Circuit Court of Henrico County, Virginia in Deed Book 2540, page 1952.
15. Deed of Easement to the County of Henrico dated June 11, 1997, recorded in the Clerk's Office of the Circuit Court of Henrico County, Virginia in Deed Book 2732, page 2211.
16. Conditions and restrictions with the deed from Saint Joseph's Villa to Sovran Financial Corporation dated December 19, 1986, recorded December 30, 1986 in the Clerk's Office of the Circuit Court of Henrico County, Virginia in Deed Book 2044, page 1222.
17. Deed and Agreement for Easements between Air, Water and Soil Properties, LLC and Bank of America, N.A., dated October 10, 2000, recorded October 12, 2000 in the Clerk's Office of the Circuit Court of Henrico County, Virginia in Deed Book 3038, page 1555.
18. Any encroachment, encumbrance, violation, variation, or adverse circumstance that would be disclosed by an accurate and complete land survey of the Land. The coverage afforded by covered matter 2(c) of the final title policy is hereby deleted.

15

039439

BK3038PG1555

Prepared by and return to:
Hirschler, Fleischer, Weinberg, Cox & Allen
P. O. Box 500
Richmond, VA 23218-0500



Tax Parcel No. 62-11-B-1D

DEED AND AGREEMENT FOR EASEMENTS

THIS DEED AND AGREEMENT FOR EASEMENTS (this "Agreement") is entered into as of the 10th day of October, 2000, by and between AIR, WATER AND SOIL PROPERTIES, LLC, a Virginia limited liability company ("Air"), grantor and grantee for indexing purposes; and BANK OF AMERICA, N.A., a national banking association, successor by mergers to Sovran Bank, N.A. (the "Bank"), grantor and grantee for indexing purposes.

RECITALS

A. Air is the owner of that certain 4.214-acre tract of land on the south line of Villa Park Drive in the Brookland District of Henrico County, Virginia (the "County"), as more particularly described on Exhibit A attached hereto and made a part hereof for all purposes (the "Air Tract").

B. The Bank is the owner of that certain 8.56-acre tract of land on the south line of Villa Park Drive in the County adjacent to the Air Tract to the east, as more particularly described on Exhibit B attached hereto and made a part hereof for all purposes (the "Bank Tract"). The eastern boundary line of the Air Tract coincides with and serves as the western boundary line of the Bank Tract.

C. The parties hereto desire to subject the Air Tract and the Bank Tract to the provisions of this Agreement in order to provide for access, storm water drainage and sanitary sewer easements for the benefit of the Air Tract and the Bank Tract.

AGREEMENT

FOR AND IN CONSIDERATION of the sum of Ten Dollars (\$10.00) and other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the parties hereto hereby agree as follows:

F. Southern Title
15:30

1. **Definitions.** For purposes of this Agreement, the following definitions shall apply:

“Access Easement” shall mean and refer collectively to the Air Access Easement, as hereinafter defined, and the Bank Access Easement, as hereinafter defined.

“Access Easement Areas” shall mean and refer collectively to the Air Access Easement Area, as hereinafter defined, and the Bank Access Easement Area, as hereinafter defined.

“Access Road” shall mean and refer to the that certain joint access road to be constructed by Air on the Air Tract and the Bank Tract, within the area designated as “Proposed 76’ Private Access Easement” on the Plat, as hereinafter defined.

“Agreed Rate” shall mean an annual rate of interest equal to the prime rate quoted in *The Wall Street Journal* from time to time (or the highest rate if a range is reported) plus three percent (3%) per annum. If *The Wall Street Journal* discontinues reporting the prime rate or if *The Wall Street Journal* shall cease publication, the prime rate shall be the rate reported in a comparable publication or, if no comparable publication then exists, a newspaper of general circulation in Richmond, Virginia.

“Designated Users” shall mean and refer to the respective employees, agents, assignees, representatives, permittees, licensees, guests, invitees, tenants, subcontractors and independent contractors of Air and of Bank and authorized members or representatives of each and all governmental agencies and utility companies.

“Late Fee” shall mean a fee of ten percent (10%) of any amount due under this Agreement.

“Owner” shall mean any current or future owner or owners of fee simple title to any Tract.

“Plat” shall mean and refer to that certain plat of survey dated October 4, 2000, entitled “ALTA/ACSM Survey for Air, Water and Soil Properties, LLC Showing a 4.214 Acre Parcel of Land on the South Line of Villa Park Drive, Brookland District, Henrico County, Virginia, a copy of which is attached to and recorded with that certain Special Warranty Deed from the Bank to Air dated October ____, 2000, and recorded in the Clerk’s Office of the Circuit Court of Henrico County, Virginia (the “Clerk’s Office”), immediately prior hereto (the “Plat”).

"Tract" or "Tracts" shall mean any one or more of the Air Tract and the Bank Tract, as the context may require.

2. **Access Easement.**

(a) Grant of Easement by Air. Air hereby grants and conveys to the Bank, its Designated Users and its successors and assigns, a permanent, non-exclusive easement (the "**Bank Access Easement**") on, over and across all of the drive lanes, drive aisles, sidewalks and walkways now or hereafter located on that portion of the Access Road constructed on the Air Tract (the "**Bank Access Easement Area**"), for the purposes of vehicular and pedestrian ingress and egress to and from Villa Park Drive and the Bank Tract. Air hereby retains and reserves unto itself and its Designated Users and its successors and assigns, the right to use the Bank Access Easement.

(b) Grant of Easement by Bank. The Bank hereby grants and conveys to Air, its Designated Users and its successors and assigns, (i) a permanent, non-exclusive easement (the "**Air Access Easement**") on, over and across all of the drive lanes, drive aisles, sidewalks and walkways now or hereafter located on that portion of the Access Road constructed on the Bank Tract (the "**Air Access Easement Area**"), for the purposes of vehicular and pedestrian ingress and egress to and from Villa Park Drive and the Air Tract, and (ii) a temporary construction easement ("**Air's Temporary Construction Easement**") ten (10) feet wide on the eastern side of the Access Road Easement Area ("**Air's Temporary Construction Easement Area**"). Air's Temporary Construction Easement shall cease upon the completion of construction by Air of the Access Road. The Bank hereby retains and reserves unto itself and its Designated Users and its successors and assigns, the right to use the Air Access Easement.

(c) Construction. Air, at its sole cost and expense, shall construct the Access Road. Such construction shall be in accordance with (i) a plan of development approved by the County; (ii) all applicable laws, ordinances and regulations; and (iii) specifications acceptable to the Bank. Further, such construction shall be done in a good and workmanlike manner by licensed, bonded contractors using first-class materials, and shall be completed on or before March 31, 2002, subject to any Unavoidable Delays, as hereinafter defined. Upon the completion of the installation of the Access Road, Air shall reseed and restore the Air Access Easement Area and Air's Temporary Construction Easement Area to their respective conditions prior to the installation of the Access Road, and thereafter shall reseed and restore the Air Access Easement Area to the extent such reseeded or restoration arises from the use of the Air Access Easement Area by Air or its agents, contractors or employees.

3. **Sanitary Sewer Easement.** Air hereby grants and conveys to the Bank and its successors and assigns a permanent, non-exclusive easement (the "Sanitary Sewer Easement") on, over, across and under (i) that portion of the Air Tract designated as "16' Utility Easement" on the Plat and (ii) the extension thereof in an easterly direction between such 16' Utility Easement and the Bank Tract (collectively, the "Sanitary Sewer Easement Area"), for the use and operation of at grade and below ground sanitary sewer lines, conduits and related facilities now or hereafter located within the Sanitary Sewer Easement Area. The Bank or its successors or assigns shall pay for the cost of constructing its Sanitary Sewer Facilities.

4. **Storm Water Drainage Easement.** Air hereby grants and conveys to the Bank and its successors and assigns a permanent, non-exclusive easement (the "Storm Water Drainage Easement") on, over, across and under that portion of the Air Tract between the existing storm water drainage facilities located on the western boundary line of the Air Tract and the Bank Tract (the "Storm Water Drainage Easement Area"), for the construction, maintenance, repair, replacement, use and operation of below ground storm water lines, conduits and facilities (the "Storm Water Drainage Facilities"). The Bank or its successors or assigns shall pay for the cost of constructing its Storm Water Drainage Facilities.

5. **Temporary Construction Easements.** Air hereby grants and conveys to the Bank and its successors and assigns a temporary construction easement (the "Bank's Temporary Construction Easements") ten (10) feet wide on either side of each of the Sanitary Sewer Easement Area and the Storm Water Drainage Easement Area (the "Bank's Temporary Construction Easement Areas"). The Bank's Temporary Construction Easements shall cease upon the completion of construction by the Bank of the Sanitary Sewer Facilities and the Storm Water Drainage Facilities, respectively. Upon the completion of the installation of the Storm Water Drainage Facilities and the Sanitary Sewer Facilities, the Bank shall reseed and restore the Storm Water Drainage Easement Area, the Sanitary Sewer Easement Area and the Bank's Temporary Construction Easement Areas to their respective conditions prior to the installation of the Storm Water Drainage Facilities and the Sanitary Sewer Facilities, and thereafter shall reseed and restore the Sanitary Sewer Easement Area and the Storm Water Drainage Easement Area to the extent such reseeding or restoration arises from the use of the Sanitary Sewer Easement Area and the Storm Water Drainage Easement Area by the Bank or its agents, contractors or employees.

6. **Maintenance.** The Access Road shall be maintained in good lawful condition and repair, in an attractive, usable and clean condition, reasonably clear of water, debris, ice and snow, at the expense of the then-current Owners of the Air Tract and the Bank Tract then making actual use of the Access Road (each a "Beneficial User"). For the purposes hereof, any then-current Owner shall be

deemed to be a Beneficial User only if (i) such Owner has constructed or commenced construction of a building or buildings on any portion of the Air Tract or the Bank Tract which are accessed by the Access Road or (ii) such building or buildings were constructed prior to the vesting of such Owner's title to such Tract. Any Beneficial User may arrange for the maintenance or repair of the Access Road, subject to the procedures set forth herein. When a Beneficial User determines that any snow removal, cleaning, maintenance, repair or replacement of the Access Road is needed, such Beneficial User shall obtain a bid for such work from a reputable, licensed and bonded contractor and shall send a copy of such bid to all other Beneficial Users (if any). Within ten (10) business days after receipt of such bid, the other Beneficial Users shall either (i) approve such bid or (ii) deliver to back to all other Beneficial Users a second bid for such work from a reputable, licensed and bonded contractor. Any Beneficial User which does not respond to such notice shall be deemed to have approved the bid submitted. The Beneficial User who secures the bid from the contractor who performs the work shall be referred to as the "Contracting Owner." The other Beneficial User(s) shall be referred to collectively as the "Consenting Owner." Each Beneficial User shall thereafter be obligated to pay its Proportionate Share, as hereinafter defined, of (i) any bid approved by all Beneficial Users or (ii) in the event of no unanimous approval of any bid by all Beneficial Users, the lowest bid submitted. As used herein, "Proportionate Share" shall mean a fraction, the numerator of which is one (1) and the denominator of which is the total number of Beneficial Users. Each Beneficial User shall pay its Proportionate Share within thirty (30) days following its receipt of invoices for such work with evidence showing such amount is due and payable. If only one Beneficial User exists at the time such maintenance or repairs are necessary, then such Beneficial User shall be solely responsible to pay the cost thereof.

7. **Non-Obstruction.** The Bank and Air, together with their respective Designated Users, successors and assigns, agree not to construct or place any obstacle or otherwise interfere in any way with the Access Easements, the Sanitary Sewer Easement, the Storm Water Drainage Easement, the Bank's Temporary Construction Easements and Air's Temporary Construction Easement.

8. **No Public Dedication.** The Sanitary Sewer Easement Area, the Storm Water Drainage Easement Area and the Access Easement Areas are private and reserved only for the benefit of Air, the Bank and their respective Designated Users, successors and assigns, subject to any existing rights in favor of the County and/or the public regarding sidewalks. Nothing contained herein shall be construed as or deemed to create any rights for the benefit of the general public in the Tracts, the Sanitary Sewer Easement Area, the Storm Water Drainage Easement Area or the Access Easement Areas, or any other improvements now or hereafter located on any portion of the Tracts.

9. **Indemnification.**

(a) Construction. Air shall indemnify, defend and hold harmless the Bank from and against all costs, damages or liabilities of any nature whatsoever arising from or in connection with the construction of the Access Road, including, without limitation, liens or claims filed by mechanics or materialmen and related to such construction.

(b) Maintenance of Access Road. Any Beneficial User who arranges and contracts for any maintenance or repairs of or upon the Access Road shall indemnify, defend and hold harmless the other party hereto from and against all costs, damages or liabilities of any nature whatsoever arising from or in connection with such maintenance or repair (other than the obligation hereunder of such other party to pay its Proportionate Share of the cost for the snow removal, cleaning, maintenance, repair or replacement of the Access Road), including, without limitation, liens or claims filed by mechanics or materialmen and related to such maintenance or repair.

(c) General Indemnity. Each Owner covenants and agrees to indemnify, defend and hold harmless the other Owners and their Designated Users from and against any and all claims, actions, loss, damages, demands, liabilities and expenses, including, without limitation, reasonable attorneys' fees and costs, in connection with injuries to persons or property or loss of life arising out of, resulting from or related to the use by such Owner of any of the easements granted herein, except for any claims, actions, losses, damages, demands, liabilities and expenses arising out of the negligence or willful conduct of such other Owner or its Designated Users. Notwithstanding the foregoing, such indemnity shall exist only with respect to such claims, actions, loss, damages, demands, liabilities and expenses which accrue during the period such Owner holds title to its Tract.

10. **General.** Each and all of the covenants and agreements set forth herein shall run with the land, particularly the Air Tract and the Bank Tract. The benefits and burdens accruing to each party hereto shall inure to and be binding upon such party and its respective Designated Users, successors and assigns.

11. **Damage or Destruction.** Notwithstanding anything to the contrary contained herein, if all or any portion of the Access Road is destroyed or damaged, the following provisions shall apply:

(a) Construction Vehicles. If the Access Road is destroyed or damaged by construction vehicles employed or contracted for by any Owner, the Owner employing or contracting for such construction vehicles shall be responsible for promptly repairing and reconstructing the Access Road and shall bear the full costs of such repair and reconstruction.

(b) Owner at Fault. If the Access Road is damaged or destroyed by casualty or other causes attributable to the act or omission of any Owner, or conditions existing on any Tract, then the Owner at fault or upon whose Tract such conditions existed shall be responsible for promptly repairing and reconstructing the Access Road and shall bear the full costs of such repair and reconstruction.

(c) Remedies for Failure to Repair or Reconstruct. The Owner who, pursuant to Subparagraph (i) or (ii) above, is obligated to repair or reconstruct a destroyed or damaged portion of the Access Road shall be referred to herein as the "Responsible Owner." If the Responsible Owner does not commence to repair and restore the Access Road within thirty (30) days after the Responsible Owner receives notice of the need for such work and thereafter diligently pursue such repair and restoration to completion, then the Owner of any other Tract (the "Injured Owner") may effect such repair and restoration and either charge the cost of the same to the Responsible Owner or be entitled to reimbursement of the same within thirty (30) days after written demand from any Injured Owner to the Responsible Owner, which demand shall include paid receipts or invoices for the amount due. The rights of any Injured Owner provided herein shall not limit, but shall be in addition to, any right of the Injured Owner to seek and collect greater damages from the Responsible Owner if the damage or destruction is attributed to a willful or negligent act or omission of the Responsible Owner.

12. Liability of Successors; Affidavit. The costs incurred by any Injured Owner or Contracting Owner and the Late Fee and Interest, as hereinafter defined, if any, to which such Injured Owner or Contracting Owner may be entitled, pursuant to the provisions of Paragraphs 6 and 11 hereof, shall constitute the personal obligation and debt of the Responsible Owner or the Consenting Owner, as the case may be. The personal obligation of the Owner of such Tract at the time such charges accrued shall not be extinguished or otherwise affected by a sale or transfer by such Owner of fee simple title to all or any portion of a Tract. However, such Owner's grantee shall have no personal liability for the payment of the charges secured thereby. Each Owner shall promptly execute and deliver to the other Owner within thirty (30) days after written request an affidavit confirming whether or not any maintenance or repairs to, or replacement of, the Access Road is required and such Owner's right to reimbursement for such maintenance, repairs or replacement.

13. Late Fee and Interest. If any payment due and payable pursuant to this Agreement is not paid on or before the date when due, the Owner obligated to make such payment shall be obligated to pay to the Owner entitled to receive such payment interest on such amount due at the Agreed Rate ("Interest"). Interest shall begin to accrue on the due date and shall continue to accrue on the unpaid balance until the total amount due is paid. In addition, if any payment is not paid

within sixty (60) days after its due date, the Owner obligated to make the payment shall also pay to the Owner entitled to payment a Late Fee.

14. **Unavoidable Delays.** Any Owner shall be excused from performing any obligation or undertaking provided for in this Agreement, other than for the payment of money, the granting of easements or the execution of any affidavits or estoppel letters, for such period as such performance is prevented, delayed, retarded or hindered by fire, earthquake, flood, explosion, adverse weather conditions, riot and insurrection, mob violence, sabotage, inability to procure (or general shortage of) labor, equipment, facilities, materials or supplies in the open market, failure of transportation, strike, lockout, action of any labor union, laws or orders of governmental authorities or any other cause not in the reasonable control of such Owner prevented, delayed, retarded or hindered thereby, which events or conditions are generally referred to as "force majeure" conditions or occurrences (collectively, "Unavoidable Delays").

15. **Notices.** Any notice, request or demand required or permitted to be given pursuant to this Agreement (each, a "Notice") shall be in writing and shall be effective on the date of actual receipt of such Notice by the addressee or when the attempted initial delivery is refused or when it cannot be made because of a change of address of which the sending party has not been notified. The following, without limitation, shall be *prima facie* evidence of actual receipt of a Notice by the addressee: (a) if hand-delivered, by a delivery receipt signed by the addressee or the addressee's agent, (b) if delivered by a guaranteed national overnight delivery service, by a delivery receipt signed by the addressee or the addressee's agent, or (c) if mailed, by a United States mail return receipt signed by the addressee or the addressee's agent. The parties' respective addresses for delivery of any Notice are forth below unless another address is designated in writing by any party to the other.

For Air:

Air, Water and Soil Properties, LLC
c/o Air, Water & Soil Laboratories
2119A North Hamilton Street
Richmond, VA 23220

With a copy to:

Jane Sper, Esquire
Hirschler, Fleischer, Weinberg, Cox & Allen
701 East Byrd Street, 16th Floor (23219)
P.O. Box 500
Richmond, VA 23218-0500

For the Bank:

Bank of America, N.A.
Corporate Real Estate Department
525 North Tryon Street



BK 3038 PG 1563

NC1-023-03-03
Charlotte, NC 28255
Attention: Virginia Real Estate Administration

With a copy to:

Bank of America, N.A.
Corporate Real Estate Department
525 North Tryon Street
NC1-023-03-01
Charlotte, NC 28255
Attention: Ms. Sherry C. Watts
A & D Specialist

16. **Successors and Assigns.** The terms and provisions of this Agreement shall be deemed to be covenants running with the land and shall be binding upon, inure to the benefit of and be enforceable by and against the parties hereto, their successors, grantees, devisees and assigns and any person claiming by, through or under any of them or their respective successors, grantees, devisees and assigns; provided, however, that no provision of this Agreement shall be construed or shall operate to vest in any person or entity which does not own all or any portion of the Tracts any rights whatsoever with respect to said Tracts or the provisions of this Agreement, or the enforcement of the same. Each Owner shall have the right to extend all or any part of the rights and easements granted by this Agreement to the tenants and occupants of each such Tract and to the employees, agents or invitees of such tenants and occupants. Any obligations contained herein shall be construed as covenants and not as conditions and a violation of any said covenants shall not result in a forfeiture or reversion of title of the easements herein conveyed.

17. **Interpretation.** When the context in which words are used in this Agreement indicates that such is the intent, words in the singular number shall include the plural, and vice versa, and words in the masculine gender shall include the feminine and neuter genders, and vice versa. If any Tract is owned by two or more persons or entities at any one time, all such Owners shall be jointly and severally liable for all of the obligations imposed on the Owner of such Tract pursuant to this Agreement.

18. **Title and Headings; References.** Titles and headings to sections herein are inserted for convenience or reference only, and are not intended to be a part of or to affect the meaning or interpretation of this Agreement. All paragraph references in this Agreement are to the paragraphs of this Agreement unless otherwise stated.

19. **Entire Agreement; Modification.** This Agreement contains the entire agreement between the parties hereto relating to the subject matter hereof and supersedes all prior and contemporaneous negotiations, understandings and

agreements, written or oral, between the parties. This Agreement shall not be amended or modified, and no waiver of any provision hereof shall be effective, unless set forth in a written instrument executed with the same formality as this Agreement.

20. **Enforceability.** If any provision of this Agreement shall be unenforceable in whole or in part, such provision shall be limited to the extent necessary to render the same valid, or shall be excised from this Agreement, as circumstances require, and this Agreement shall be construed as if such provision had been incorporated herein as so limited or as if such provision had not been included herein, as the case may be.

21. **Counterparts.** This Agreement may be executed in two (2) or more counterparts, each of which shall constitute an original and all of which taken together shall constitute a fully executed instrument.

22. **Matters of Record.** The conveyances made and rights granted in this Agreement are subject to all applicable easements, restrictions, covenants and conditions of record in the chain of title to the Tracts.

23. **Choice of Law; Venue.** This laws of the Commonwealth of Virginia shall govern the rights and obligations of the parties to this Agreement and the interpretation, construction and enforceability thereof.

24. **Further Assurances.** The parties hereto agree to take any additional action, and to execute, acknowledge and deliver any additional documents and instruments not specifically referred to herein which may be necessary, required or appropriate for the purpose of fully effectuating the provisions of this Agreement.

WITNESS the following signatures, pursuant to due authorization:

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK.
SIGNATURES TO APPEAR ON FOLLOWING PAGE.]



BK3038PG1565

AIR, WATER AND SOIL PROPERTIES, LLC,
a Virginia limited liability company

By: Carmela L. Tombes
Carmela L. Tombes
Member

By: Timothy G. Ungerleider
Timothy G. Ungerleider
Member

BANK OF AMERICA, N.A.,
a national banking association, and
successor by mergers to Sovran Bank, N.A.

By: Richard D. Beatty
Name: Richard D. Beatty
Title: Senior Vice President

STATE OF NORTH CAROLINA)
COUNTY OF MECKLENBURG) To wit:

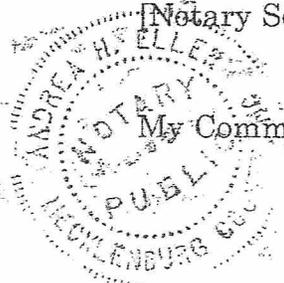
I HEREBY CERTIFY that on October 10th, 2000, before me, a Notary Public of the State and County aforesaid, personally appeared Richard D. Beatty who acknowledged himself to be a Senior Vice President of Bank of America, N.A., a national banking association ("Association") and that he, as said officer, being authorized so to do executed the foregoing Deed and Agreement for Easements for the purpose therein contained by signing the name of the Association by himself as such officer.

WITNESS my hand and Notarial Seal.

[Notary Seal]

Andrea H. Eller
Notary Public

My Commission expires: 10/12/02





BK3038PG1566

COMMONWEALTH OF VIRGINIA)
CITY OF RICHMOND) To wit:

The foregoing instrument was acknowledged before me this 11 day of October, 2000, by Carmela L. Tombes, Member of AIR, WATER AND SOIL PROPERTIES, LLC, a Virginia limited liability company (the "Company"), for and on behalf of the Company.

Notary Public

My Commission expires: 2-28-03

COMMONWEALTH OF VIRGINIA)
CITY OF RICHMOND) To wit:

The foregoing instrument was acknowledged before me this 11 day of October, 2000, by Timothy G. Ungerleider, Member of AIR, WATER AND SOIL PROPERTIES, LLC, a Virginia limited liability company (the "Company"), for and on behalf of the Company.

Notary Public

My Commission expires: 2-28-03

- EXHIBITS:
Exhibit A - Legal Description of Air Tract
Exhibit B - Legal Description of Bank Tract

EXHIBIT A

DESCRIPTION OF AIR TRACT

ALL THAT certain lot, piece or parcel of land, lying and being in Henrico County, Virginia, containing 4.214 acres, as shown on the plat of survey dated October 4, 2000, prepared by Jordan Consulting Engineers, P.C., entitled "ALTA/ACSM Survey for Air, Water and Soil Properties, LLC Showing a 4.214 acre Parcel of Land on the South Line of Villa Park Drive, Brookland District, Henrico County, Virginia," a copy of which is attached to the hereinafter mentioned deed, reference to which plat is made for a more particular description of the property, and described in accordance with said plat as follows:

BEGINNING at the intersection of the western boundary of the right of way line of Brook Road (U. S. Route 1) and the southern boundary of the right of way line of Villa Park Drive and continuing along the southern boundary of the right of way line of Villa Park Drive, S 88°00'53" W 270.63 feet to a point; thence along the arc of a curve to the right, having a radius of 409.68 feet and a delta angle of 29°58'30", an arc length of 214.33 feet to a point; thence N 62°00'37" W 349.41 feet to a point; thence along the arc of a curve to the left, having a radius of 559.00 feet and a delta angle of 37°05'52", an arc length of 361.94 feet to a point; thence S 80°53'23" W 446.19 feet to a point; thence along the arc of a curve to the right, having a radius of 604.00 feet and a delta angle of 16°59'43", an arc length of 179.16 feet to a point, said point being the actual point and place of beginning; thence, leaving the southern boundary of the right of way line of Villa Park Drive in a southerly direction the following four (4) courses and distances: (1) S 07°53'14" W 33.55 feet to a point; (2) S 07°14'28" E 482.78 feet to a point; (3) S 82°45'32" W 454.17 feet to a point; (4) N 16°50'18" E 651.86 feet to a point on the southern boundary of the right of way of Villa Park Drive; thence along the southern boundary of the right of way line of Villa Park Drive in a easterly direction, S 73°09'42" E 118.47 feet to a point; thence along the arc of a curve to the left, having a radius of 604.00 feet and a delta angle of 08°57'04", an arc length of 94.36 feet to a point, said point being the point and place of beginning.

BEING the same real estate conveyed to Air, Water and Soil Properties, LLC, a Virginia limited liability company, by deed from Bank of America, N.A., a national banking association, successor by mergers to Sovran Bank, N.A., dated October 10, 2000, recorded in the Clerk's Office of the Circuit Court of Henrico County, Virginia immediately prior hereto.

EXHIBIT B

DESCRIPTION OF THE BANK TRACT

ALL THAT certain lot, piece or parcel of land, lying and being in Henrico County, Virginia, containing approximately 8.56 acres, as shown in the plat attached to this Exhibit B and being that same parcel whose western boundary line coincides with and serves as the eastern boundary line of the Air Tract as described and depicted in Exhibit A of the foregoing Agreement.

BEING a portion of the real estate conveyed to Sovran Bank, N.A., a national banking association, by deed from Sovran Financial Corporation, a Virginia corporation, dated November 30, 1987 and recorded November 30, 1987 in the Clerk's Office of the Circuit Court of Henrico County, Virginia, in Deed Book 2108, page 1359.

COMMONWEALTH OF VIRGINIA



OFFICIAL RECEIPT
HENRICO COUNTY CIRCUIT COURT
DEED RECEIPT

DATE: 10/12/00 TIME: 15:48:01 ACCOUNT: 087CLR39459 RECEIPT: 00000053324
CASHIER: CMS REG: HC10 TYPE: DE PAYMENT: FULL PAYMENT
INSTRUMENT : 39439 BOOK: PAGE: RECORDED: 10/12/00 AT 15:30
GRANTOR: AIR WATER SOIL PROPERTIES EX: N LOC: CO
GRANTEE: BANK OF AMERICA EX: N PCT: 100%
AND ADDRESS : NA
RECEIVED OF : KIRSCHLER, FLEISCHLER
CHECK : \$27.00

DESCRIPTION 1:
2:
CONSIDERATION: .00 ASSUME/VAL: .00 PAGES: 15
CODE DESCRIPTION PAID CODE DESCRIPTION PAID MAKES: 0
301 DEEDS 23.00 145 VSLF 1.00
106 TECHNOLOGY FUND FEE 3.00
TENDERED : 27.00
AMOUNT PAID: 27.00
CHANGE AMT : .00

CLERK OF COURT: YVONNE G. SMITH

(1147-039 800)

Activity ID	Description	Height	Early Start	Early Finish	NAV	JUN	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL
0001	Preconstruction	132 *	04/29/14	10/29/14															
3700	Finalize Detailed Submission	10	04/29/14	05/12/14															
3810	Submit SWPPP	5	05/08/14 A	05/12/14															
3830	Public Hearing on Detailed Submission	10	05/13/14	05/26/14															
3850	Substantially In Accord Approval	10	05/29/14	06/11/14															
3860	Execute Comprehensive Agreement	5	06/18/14	06/24/14															
3870	Land Purchase Closing	5	06/25/14	07/01/14															
3880	Civil Engineering NTP for POD	1	07/02/14	07/02/14															
3900	POD Design	30	07/03/14	08/13/14															
3900	POD Submission & Approval	30	08/16/14	09/25/14															
4000	75% Design Drawings	25	07/03/14	08/06/14															
4100	75% DD Review & Approval	5	08/07/14	08/13/14															
4200	100% Construction Drawings	20	08/14/14	09/10/14															
4300	100% CD Review & Approval	5	09/11/14	09/17/14															
4400	Building Permit Submission & Approval	20	09/18/14	10/15/14															
4500	Project Subcontractor Bidding	20	09/18/14	10/15/14															
4600	Review & Approval of Final Budget	5	10/16/14	10/22/14															
4700	Permits Issued & Budget Approved	5	10/23/14	10/29/14															
4800	Construction	180 *	10/27/14	07/03/15															
4900	Mobilize / Land Disturbance Mfg	5	10/27/14	10/31/14															
5000	EES, Cleaning & Grading	10	11/03/14	11/14/14															
5100	Building Pad on Grade	10	11/17/14	11/28/14															
5200	Site Utilities	40	12/01/14	01/23/15															
5300	Utility Tie-ins	15	02/23/15	03/13/15															
5400	Site Concrete	10	03/23/15	04/03/15															
5500	Asphalt	5	06/01/15	06/05/15															
5600	Striping & Signage	5	08/15/15	08/19/15															
5700	Landscaping	15	05/04/15	05/22/15															
5800	Site Lighting	10	04/13/15	04/24/15															
5900	Pad Acceptance w/Benchmarks	1	11/28/14	11/28/14															
6000	MEP Underground Stub Cuts	5	12/01/14	12/05/14															
6100	Excavate Column Footings	5	12/01/14	12/05/14															
6200	Excavate Grade Beams	5	12/08/14	12/12/14															
6300	Place Rebar	10	12/08/14	12/19/14															
6400	Pour Column Footings	5	12/22/14	12/26/14															
6500	MEP Underground	10	12/08/14	12/19/14															

RVA Construction, Inc.
HCPD Central Precinct

- Early bar
- Progress bar
- Critical bar
- Summary bar
- ▲ Progress point
- ▲ Critical point
- ▲ Summary point
- ◆ Start milestone point
- ◆ Finish milestone point

Start date 04/29/14
Finish date 07/17/15
Data date 04/29/14
Run date 05/07/14
Page number 1A

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Activity ID	Description	Days	Start	Early Start	Early Finish	MAY	JUN	JUL	AUG	2015	SEP	OCT	NOV	DEC	JAN	FEB	MAR	2016	APR	MAY	JUN	JUL	
6600	Pour Grade Beams	5	12/29/14	01/02/15																			
6700	Install S.O.G. Edgeform	5	01/05/15	01/09/15																			
6800	Fine Grade Pad	5	01/12/15	01/16/15																			
6900	Place S.O.G. Concrete	5	01/19/15	01/23/15																			
7000	Form Wall Panels	10	01/29/15	02/08/15																			
7100	Place rebar & Inserts	10	02/02/15	02/13/15																			
7200	Pour 1st - Half Wall Concrete	5	02/09/15	02/13/15																			
7300	Pour 2nd - Half Wall Concrete	5	02/16/15	02/20/15																			
7400	Tilt Wall Panels	6	03/09/15	03/13/15																			
7500	Rebar & Finish Panels	5	03/16/15	03/20/15																			
7600	Receive and Shake-Out Steel	1	03/13/15	03/13/15																			
7700	Install Structural Steel Columns	5	03/19/15	03/20/15																			
7800	Install Joists & Girders	5	03/23/15	03/27/15																			
7900	Install Metal Decking	5	03/30/15	04/03/15																			
8000	Remove Temporary Braces	1	04/03/15	04/03/15																			
8100	Install Sprinkler	15	04/08/15	04/24/15																			
8200	MEP Above Ceiling Rough-In	15	04/08/15	04/24/15																			
8300	Frame Interior Walls	10	04/09/15	04/17/15																			
8400	Roof & Roof Accessories	15	04/20/15	05/08/15																			
8500	MEP Wall Rough-In	10	04/20/15	05/01/15																			
8600	Install Storefront Windows	10	04/13/15	04/24/15																			
8700	Drywall	15	05/04/15	05/22/15																			
8800	Cabinets & Millwork	10	05/25/15	06/05/15																			
8900	Ceilings	10	05/29/15	06/05/15																			
9000	MEP Trim Out	5	05/29/15	05/29/15																			
9050	Owner Phone & Data Cabling	20	05/29/15	06/19/15																			
9200	Paint	10	06/08/15	06/19/15																			
9100	Flooring	10	06/08/15	06/19/15																			
9300	MEP Fixtures	5	06/18/15	06/24/15																			
9400	Trade Finals	5	06/22/15	06/28/15																			
9500	Building Final	5	06/29/15	07/03/15																			
9600	Owner Move-In	15 *	06/29/15	07/17/15																			
9700	Punch List	10	06/29/15	07/10/15																			
9800	Final Cleaning	5	07/06/15	07/10/15																			
9900	Owner's FF&E	10	07/06/15	07/17/15																			
10000	Building Commissioning	10	06/29/15	07/10/15																			

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 Page number 2A

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HCPD Central Precinct

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WOODLAND CENTER

541-571 EASTPARK COURT, SANDSTON, VIRGINIA

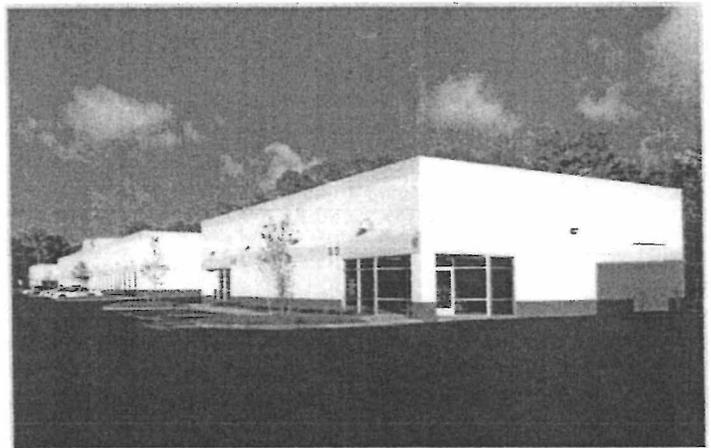


PROJECT OVERVIEW

A local business owner and investor desired to relocate his operations and construct additional space to lease to others. This site was selected due to its proximity to both I-64 and I-295. Additionally, a review of market conditions indicated that it would be feasible to construct space for small users who did not have high-quality alternatives with adequate parking.

PROJECT HIGHLIGHTS

- Challenging Site conditions – The property is over 1,100 feet long with the storm drainage located at the far west end. As the site had only 1 foot of fall from east to west, the site had to be built-up to provide adequate drainage.
- Adapting the Building to site – Since the site is so narrow, the traditional approach of placing the parking in the front of the buildings and the loading doors in the rear would not work. Consequently, the loading doors were moved to the sides and a 70' wide truck court was placed between the buildings.
- Henrico Police Department – Prior to construction, the Henrico Police Department leased space in the park. The plan was quickly changed from five 6,000 square foot buildings to three 6,000 square foot buildings and one larger building custom designed for the Police Department.



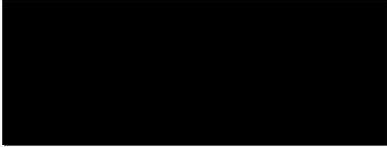
PROJECT SPECIFICS

- Square Feet: 34,200, 3 buildings of 6,000 SF each, and one building of 16,200 SF
- Floors: 1
- Parking Ratio: 4 per 1,000 rentable Square Feet
- HVAC: 1 rooftop unit for large building
- Building Structure: Concrete Tilt-up with load bearing walls
- Exterior: Painted Concrete and glass
- Year Opened: 2005



PROJECT TEAM

Architect: Freeman & Morgan
Structural Engineer: ConSteel
Civil Engineer: Resource International
General Contractor: Emerald Construction
Mechanical Design & Construction: Reames & Moyer



DEVELOPMENT

OFFICE DEVELOPMENTS



LIBERTY PLAZA II

Richmond, VA
143,000 Square Foot, Five story, Class A
Office building located in Innsbrook
Corporate Center. Completed in 2000.



LIBERTY PLAZA I

Richmond, VA
87,000 Square Foot, Three story Class A
Office building located in Innsbrook Corporate
Center. Completed in 1998.



CAPITAL ONE OPERATIONS CENTER

Richmond, VA
201,000 Square Foot, single story, secure
operations center located on the Capital One
Campus in Innsbrook Corporate Center.
Completed in 1997.



CAPITAL ONE SERVICE CENTER

Richmond, VA
108,000 Square Foot, Three story Class A
Office building located in Innsbrook
Corporate Center. Completed in 1996.



ALLSTATE INSURANCE

Hampton, VA
17,000 Square Foot, single story claims,
training, and call center located in Central Park
on Magruder Boulevard. Completed in 1999.



SAXON MORTGAGE

Richmond, VA
60,000 Square Foot, Two story Class A Office
building located in Innsbrook Corporate
Center. Completed in 1995.



DEVELOPMENT

MANUFACTURING/ DISTRIBUTION & OFFICE/SERVICE



SIMMONS MATTRESS CO.

Fredericksburg, VA
128,000 Square Foot, high bay manufacturing Facility located in 95 Commerce Park. Completed 1995.



EASTPORT 6

Richmond, VA
173,000 Square Foot, 24' clear, ESFR, Flow through Distribution Center located in Eastport Business Park. Completed in 1997.



TECHNOLOGY POINT 2

Richmond, VA
56,000 Square Foot, 14' clear Office/Service Building located in Innsbrook Corporate Center. Completed in 1998.



WOODLAND 4

Richmond, VA
48,000 square foot, 18' clear, ConSteel, Brick Veneer Office/Service Building located in Woodland Center. Completed in 1998.