

EXHIBIT A
DESCRIPTION OF LAND
DESCRIPTION OF
BUCKINGHAM COMMONS VILLAGE 3
PARCEL A
ARLINGTON COUNTY, VIRGINIA

BEGINNING at a point in the southerly right-of-way line of North Thomas Street, said point being the northwest corner of Parcel B;

Thence departing said southerly line of North Thomas Street and running with the westerly lines of Parcel B the following courses and distances:

South 46°19'25" West 120.79 feet to a point,
North 43°42'55" West 158.05 feet to a point,
South 46°17'05" West 212.01 feet to a point,
South 18°13'24" East 160.66 feet to a point,
South 32°24'43" West 83.74 feet to a point in the northerly right-of-way line of North George Mason Drive;

Thence running with said northerly line of North George Mason Drive the following courses and distances:

With the arc of a curve to the left whose radius is 482.92 feet and whose chord bearing and chord are North 54°51'53" West 45.69 feet for an arc distance of 45.71 feet to a point of tangency,
North 57°34'35" West 280.07 feet to a point of curvature,
With the arc of a curve to the right whose radius is 20.00 feet and whose chord bearing and chord are North 12°34'35" West 28.28 feet for an arc distance of 31.42 feet to a point of tangency in the easterly right-of-way line of 4th Street North;

Thence running with said easterly line of 4th Street North, North 32°25'25" East 495.69 feet to a point of curvature and with the arc of a curve to the right whose radius is 21.46 feet and whose chord bearing and chord are North 81°49'00" East 32.58 feet for an arc distance of 37.00 feet to a point of tangency in the southerly right-of-way line of North Thomas Street;

Thence running with said southerly line of North Thomas Street the following courses and distances:

South 48°47'25" East 355.07 feet to a point of curvature,
With the arc of a curve to the right whose radius is 1,727.54 feet and whose chord bearing and chord are South 47°48'25" East 59.30 feet for an arc distance of 59.31 feet to a point of tangency,
South 46°49'24" East 21.00 feet to the POINT OF BEGINNING.

CONTAINING 162,844 square feet or 3.73838 acres.

EXHIBIT B

INSURANCE REQUIREMENTS

During the Term of the Lease, Tenant shall obtain and keep in force, at Tenant's expense, the following insurance; provided however, that to the extent a partnership agreement or operating agreement of any Affiliate, or any Permitted Leasehold Mortgagee's insurance requirements require other insurance coverage, or a higher standard or amount of insurance coverage, to be maintained with respect to Tenant, Affiliate or the Property, such other coverage requirements and such higher standards or amounts shall apply.

During all phases of this Project and until the receipt of final certificates of occupancy, Tenant shall maintain, or cause Tenant's contractor (the "Builder") to maintain, an all-risk builder's risk insurance policy in non-reporting completed form. Limits of policy will be at least the estimated replacement value of the completed Project, plus the value of other property insured. The policy shall provide for claims to be paid based upon replacement cost of the lost or damaged property without deduction for depreciation; loss payment shall be to Tenant. Tenant, Landlord, Builder, General Contractor and subcontractors and suppliers of any tier as their interest may appear shall be the named insureds on the policy.

Commencing from the earliest (a) of receipt of final certificates of occupancy for the Project, or (b) the lapse in builder's risk coverage, and continuing throughout the term of the Construction Mortgage, Tenant shall maintain the following insurance coverages applicable to the Property:

(i) Property Insurance - insurance covering risks of direct physical loss or damage. Limits of policy will be at least the estimated replacement value of the Improvements comprising the Property, plus the value of the other property insured. The policy shall provide for claims to be paid based upon replacement cost of the lost or damaged property without deduction for depreciation, loss payment shall be made to Tenant. Tenant and Landlord shall be the named insureds on the policy.

(ii) Liability - Commercial general liability insurance against claims for bodily injury, property damage, personal injury or advertising injury occurring on, in or about the Property or the elevators or escalators therein, in amounts initially not less than \$1,000,000 per occurrence with a \$2,000,000 annual aggregate, and in such greater amounts as Landlord shall reasonably require from time to time during the Term upon at least forty-five (45) days prior written Notice to Tenant before the annual renewal date of the insurance policy. Tenant shall be the named insured on the policy and Landlord shall be the additional insured on the policy.

(iii) Umbrella/Excess Liability - Such insurance shall have the commercial general liability and automobile liability policies schedules as underlying policies. Limits on the policy shall initially be at least \$5,000,000 per occurrence and in the annual aggregate, and in such greater amounts as Landlord shall reasonably require from time to time during the Term upon at least forty-five (45) days prior written Notice to Tenant before the annual renewal date of the insurance policy. Landlord shall be named as an additional insured on the policy.

EXHIBIT C
RENOVATION, FINANCE AND MANAGEMENT PLAN

Proposed Renovation Plan: The plan for the proposed renovation of Buckingham Village 3 is to completely renovate the interiors of the buildings and replace all major systems, to preserve the historic character and features of the buildings, and to produce an environmentally sensitive and highly energy-efficient property. In addition, the renovation would increase the size of some units by utilizing basement spaces and breezeways and by constructing additions (“bumpouts”) in carefully selected locations at the backs of certain buildings. This increase in space makes room for larger units and extra bathrooms as well as a number of three-bedroom units. The energy efficiency measures enable the property to achieve Earthcraft VA Multifamily Certification and would include additional insulation and installation of energy efficient windows, heating, cooling and water systems, as well as Energy Star kitchen and bathroom appliances.

The following is a description of the principal features of the currently proposed work. Some elements may change as the detailed plans are prepared and approved by the County.

Units

- Kitchen upgrades, including new fixtures, Energy Star appliances, including disposals and dishwashers, base and wall cabinets, counters, and eco-friendly resilient flooring.
- Bathroom upgrades, including all-new water-saving toilets, tubs, vanities, ducted exhaust fans, ceramic tile tub surrounds, and eco-friendly resilient flooring.
- New or repaired unit entry and interior doors; repair and refinish existing hardwood floors, where salvageable; alternatively, install new wood floors; finish upgrades throughout.
- Lighting upgrades, with all-new Energy-Star light fixtures.
- SEER-15 high-efficiency split-system heat pumps and distribution systems.
- New domestic water piping; individual electric hot water heaters.
- Individually-metered 125-amp electrical service and gas service for cooking.
- New insulation along all exterior walls to improve energy efficiency and comfort.
- Compliance with Uniform Federal Accessibility Standards and Universal Design criteria for a number of units.

Common Areas

- Building entry area renovations, including improved lighting; renovations to all stairwells; refurbishment of the original handrails; and installation of new lighting and finishes.
- Convert one existing two-bedroom unit to provide new management office.
- Complete renovations to the laundry rooms, including new folding tables and finishes.
- Renovate basement areas to provide community spaces including meeting/amenity rooms and bicycle storage rooms.

Building Exteriors

- Remove all through-wall air-conditioning units and infill with new masonry and mortar to match existing.

- New slate roofs, flashing, and coping to match existing and restore/replace soffits, eaves, rakes, gutters and downspouts to match existing.
- New single-hung double-paned windows and new exterior doors that meet energy and Historic standards.
- New bumpout additions at the rear of selected buildings.
- Enclose porches to provide sunrooms at adjacent units.

Site

- New plaza, tot lot/play area, and site furnishings; fill and grade bare areas.
- Storm and sanitary system upgrades and replacements, including new yard drains to improve drainage at flat areas of the site.
- Preserve existing trees, prune and mulch existing retained planting, and provide new landscaping to accentuate and screen existing and new features.
- Replace damaged concrete walks, curbs and gutters, and provide new concrete walks to enhance circulation.
- Provide new site lighting to accentuate pathways and improve safety.

Historic Scope

- *Additions to building exteriors:* Bumpout additions at several approved locations. The additions would be similar to those at Gates of Ballston and would be sensitively located to maintain the character of the existing spaces and open space.
- *Community space addition:* Convert the existing basement at #4320-4324 N. 4th Street into a community space.
- *Modifications to building exteriors:* remove through-wall A/C units and infill with brick, mortar and mortar joints to match existing. Remove existing shutters.
- *Replacement of roofs, doors and windows:* new slate roofing; doors to match existing; and “6 over 6” windows with muntons.
- *Breezeways:* enclose existing breezeways to create sunrooms at adjacent units.

Green Scope

- *Sustainable Site Improvements:* to include stormwater, erosion and sediment control systems; indoor and outdoor bicycle storage areas; enhanced pedestrian access; and Green Site Lighting with dark-sky friendly cut-off exterior lighting.
- *Water Efficiency improvements:* including water efficient landscaping; and water use reduction through inclusion of low-flow and water conserving fixtures.
- *Energy Efficiency improvements:* high SEER electric heat pump HVAC systems, energy-efficient windows, additional insulation at all attic spaces and crawl space ceilings, separate electrical metering of units, Energy Star appliances throughout, and Energy Star light fixtures.
- *Healthy Living Environment improvements:* exhaust fans in kitchens and bathrooms, low-VOC adhesives, sealants and paints, refurbish or install new hardwood flooring.
- *Materials and Resources:* storage and collection spaces for recycling, efficient construction waste management practices, and recycled content materials
- *Management Practices:* green development plan for construction.

Proposed Financing Program:

Overall Financing Strategy. In March 2009, the County purchased Buckingham Village 3 in order to preserve the existing, garden-style buildings as affordable housing. The Tenant's financing program both renovates the property and, through the ground lease, pays back to the County a substantial portion of the purchase price. Tenant would make payments to the County based on the property as a performing asset, through rents collected from tenants. In addition, Tenant would make lump sum payments (i) as it obtains construction and other financing for the rental housing.

Rental Financing Strategy. Tenant will operate the property in its current condition as it secures financing for the affordable apartments. The proposed funding sources other than the County are the following: private equity investment based on Low Income Housing Tax Credits and historic tax credits; and conventional construction and permanent mortgage loan financing. All apartments would be affordable, consistent with the original objectives for the overall Buckingham redevelopment plan.

Management Plan: Neighborhood Partners LLC ("NPLLC"), the property management member of the development team, was created by The CT Group and Telesis Corporation to combine the extensive property management experience of CT with Telesis's asset and community management skills. CT currently manages approximately 9,000 multifamily units, many of which are located in the DC metro region; and it specializes in managing properties with housing assistance program requirements, such as, Low Income Housing Tax Credits.

NPLLC would be responsible for the operation and management of the property. In addition to its regular property management duties Neighborhood Partners would have the following additional responsibilities:

- During the pre-construction period – work closely with the residents, community organizations and other members of the Development Team to establish regular meetings and communications with the residents and community organizations to facilitate their participation in the planning and implementation of the housing program and to prepare for relocation.
- During construction – insure effective communications with residents, community organizations and contractor; and coordinate and/or administer the relocation services.
- Upon completion of construction – coordinate the turnover and occupancy of the newly renovated units; be responsible for leasing and tax credit compliance under the rental program; and coordinate with the sales marketing team under the homeownership program; work with residents on supportive services and activities program.
- To support energy-efficient operations – assist in preparing the building maintenance manual for property management and occupant manual for resident operation, and encourage the use of environmentally-friendly cleaning products by management and residents.
- To encourage community participation – establish a close working relationship with the Buckingham Village 3 residents, neighborhood community organizations and service providers so that the residents continue to have a substantial voice in the operation and management of the property.

EXHIBIT D

[INTENTIONALLY OMITTED]

EXHIBIT E

AFFORDABLE HOUSING PROGRAM

Affordable Housing Program: The affordable housing program for Buckingham Village 3 – Parcel A is consistent with the original objectives of the overall Buckingham redevelopment¹. All apartments will be renovated in compliance with local, state and federal historic guidelines and will be affordable to households earning 60% of the Area Median Income (AMI) and such lower amounts as the Tenant and County may mutually agree. The 60% AMI standard currently covers households earning approximately \$40,000/year to \$70,000/year depending on household size. Rents for all units will remain affordable during the construction phases.

The table below shows the proposed unit mix and current rent limits under the LIHTC program:

Bedroom Size:	Number of Units:	Rent Limits 2010 - LIHTC
1 Bedroom	38	\$1,082
2 Bedroom	42	\$1,298
3 Bedroom	12	\$1,495
TOTAL	92	

The rents shown above do not include utilities.

The rental units will initially be redeveloped under the Low Income Housing Tax Credit (LIHTC) program and shall remain affordable for the life of the Ground Lease (at least 75 years). For so long as the units are subject to the LIHTC program the tenant household income limits shall be determined in accordance with the program's procedures and requirements. At the end of the 15-year LIHTC compliance period the Tenant will transfer its rights and interests under the Ground Lease to National Housing Trust Enterprise Preservation Corporation. This non-profit corporation (and its successors) will continue to operate the units in accordance with the requirements of the Ground Lease.

Notwithstanding the description of affordability noted above, contract rents shall not exceed the maximum affordable rents as established and published annually by the U.S. Department of Housing and Urban Development (HUD) for the Washington Statistical Metropolitan Area. To the extent that residents pay their own utility charges, the maximum monthly rent will be reduced by a utility allowance using the then-current Arlington County Section 8 Program Allowances for Tenant Furnished Utilities and Other Services, as renewed periodically, in accordance with HUD guidelines. Furthermore, Arlington County Housing Grants and HUD Section 8 Housing Choice Vouchers will be accepted as part of the rental payment from qualified households; however, the Property Manager shall not be required to give preference to such recipients over other qualified households.

The Tenant agrees to maintain such financial records and other records as may be required by the County and by applicable laws, rules and regulations. These records shall be made available for examination, transcription, and audit by the County, its designees and other authorized bodies at all reasonable times.

¹ Preserve housing affordability and the historic character of Buckingham Village 3.

EXHIBIT F

ANNUAL SUPPLEMENTAL RENT INSTALLMENTS SCHEDULE

(Pursuant to Lease Section 3.01)

Annual Supplemental Rent Installments (Year 1 = 2009)							
Yr	Amount	Yr	Amount	Yr	Amount	Yr	Amount
1		21	\$ 137,594	41	\$ 137,594	61	
2		22	\$ 137,594	42	\$ 137,594	62	
3		23	\$ 137,594	43	\$ 137,594	63	
4	\$ 68,797	24	\$ 137,594	44	\$ 137,594	64	
5	\$ 137,594	25	\$ 137,594	45	\$ 137,594	65	
6	\$ 137,594	26	\$ 137,594	46	\$ 137,594	66	
7	\$ 137,594	27	\$ 137,594	47	\$ 137,594	67	
8	\$ 137,594	28	\$ 137,594	48	\$ 137,594	68	
9	\$ 137,594	29	\$ 137,594	49	\$ 137,594	69	
10	\$ 137,594	30	\$ 137,594	50	\$ 137,594	70	
11	\$ 137,594	31	\$ 137,594	51	\$ 137,594	71	
12	\$ 137,594	32	\$ 137,594	52	\$ 137,594	72	
13	\$ 137,594	33	\$ 137,594	53	\$ 137,594	73	
14	\$ 137,594	34	\$ 137,594	54		74	
15	\$ 137,594	35	\$ 137,594	55		75	
16	\$ 137,594	36	\$ 137,594	56		76	
17	\$ 137,594	37	\$ 137,594	57		77	
18	\$ 137,594	38	\$ 137,594	58		78	
19	\$ 137,594	39	\$ 137,594	59		79	
20	\$ 137,594	40	\$ 137,594	60		80	

EXHIBIT G

FORM OF MEMORANDUM OF LEASE

**PREPARED BY AND
WHEN RECORDED RETURN TO:**

Watt Tieder Hoffar & Fitzgerald, L.L.P.
8405 Greensboro Drive, Suite 100
McLean, Virginia 22102
Attention: Colin J Smith

RPC No [_____]

Exempt from Recordation Tax
Per Virginia Code § 58.1-811.A.3

(Space Above for Recorder's Use)

MEMORANDUM OF LEASE

THIS MEMORANDUM OF LEASE is made and entered into effective as of the _____ day of June 2010, by and between **THE COUNTY BOARD OF ARLINGTON COUNTY, VIRGINIA**, a body politic ("Landlord") and **BUCKINGHAM VILLAGE LIMITED PARTNERSHIP**, a Delaware limited partnership ("Tenant").

1. **TERM AND PREMISES.** For the term and upon the provisions set forth in that certain written Amended and Restated Deed of Ground Lease (Parcel A) dated as of June __, 2010 between Landlord and Tenant (the "Lease"), all of which provisions are specifically made a part hereof as fully and completely as if set out in full herein, Landlord leases to Tenant and Tenant leases from Landlord that certain real property consisting of land ("Premises") located in the County of Arlington, Commonwealth of Virginia, and more particularly described on **Exhibit A**, which exhibit is attached hereto and made a part hereof, together with the ownership of the buildings on the Premises for the purposes contemplated in the Lease, all of which rights are more particularly described in the Lease, for a term commencing on March 19, 2009 and expiring on March 31, 2084. Tenant has the option to extend the term of the Lease for five (5) years pursuant to **Section 2.01** of the Lease.

2. **USE.** Reference is particularly made to **Section 4.01** of the Lease wherein Tenant is granted the right to use the Premises for the re-development, renovation, ownership, use, maintenance, repair and replacement of the Project (as such term is defined in the Lease) and for no other purpose.

3. **PURPOSE OF MEMORANDUM OF LEASE.** This Memorandum of Lease is prepared for the purposes of recording a notification as to the existence of the Lease but in no way modifies the provisions of the Lease. In the event of any inconsistency between the terms of the Lease and the terms of this Memorandum of Lease, the terms of the Lease shall govern for all purposes. The Lease is intended to fully replace and supercede that certain Deed of Ground Lease dated as of March 3, 2009 by and between Landlord and Buckingham Village LLC, a Delaware limited liability company, with respect to the Premises.

IN WITNESS WHEREOF, this Memorandum of Lease has been executed under seal as of the day and year first above written.

Approved as to form:

LANDLORD:

THE COUNTY BOARD OF ARLINGTON
COUNTY, VIRGINIA, a body politic

County Attorney

By: _____
Name: _____
Title: _____

**COMMONWEALTH OF VIRGINIA,
COUNTY OF ARLINGTON, to wit:**

I, _____, the undersigned Notary Public, in and for the jurisdiction aforesaid, do hereby certify that _____ as _____ of The County Board of Arlington County, Virginia, a body politic, as Landlord, whose name as such is signed to the foregoing Memorandum of Lease, appeared before me and personally acknowledged the same in my jurisdiction aforesaid as his act and deed and the act and deed of said body politic.

GIVEN under my hand and seal this _____ day of _____, 2010.

[Notary Seal]

Notary Public

My commission expires: _____

My Registration # _____

[Tenant's signature contained on following page]

TENANT:

BUCKINGHAM VILLAGE LIMITED PARTNERSHIP, a Delaware limited partnership

By: Buckingham Village LLC, a District of Columbia limited liability company, its general partner

By: ER Buckingham Corporation, a Delaware corporation, its co-managing member

By: _____(seal)
Marilyn Melkonian, President

By: NHTE Buckingham LLC, a Virginia limited liability company, its co-managing member

By: _____(seal)
Scott Kline, Executive Manager

STATE OF _____,

COUNTY/CITY OF _____, to wit:

I, _____, the undersigned Notary Public, in and for the jurisdiction aforesaid, do hereby certify that Marilyn Melkonian, President of ER Buckingham Corporation, a Delaware corporation, the co-managing member of Buckingham Village LLC, a District of Columbia limited liability company, the general partner of **BUCKINGHAM VILLAGE LIMITED PARTNERSHIP**, a Delaware limited partnership, as Tenant, whose name as such is signed to the foregoing Memorandum of Lease, appeared before me and personally acknowledged the same in my jurisdiction aforesaid as her act and deed and the act and deed of said limited liability company.

GIVEN under my hand and seal this ____ day of _____, 2010.

[Notary Seal]
My commission expires: _____
My Registration # _____

Notary Public

STATE OF _____,

COUNTY/CITY OF _____, to wit:

I, _____, the undersigned Notary Public, in and for the jurisdiction aforesaid, do hereby certify that Scott Kline, Executive Manager of NHTE Buckingham LLC, a Virginia limited liability company, its co-managing member of Buckingham Village LLC, a District of Columbia limited liability company, the general partner of **BUCKINGHAM VILLAGE LIMITED PARTNERSHIP**, a Delaware limited partnership, as Tenant, whose name as such is signed to the foregoing Memorandum of Lease, appeared before me and personally acknowledged the same in my jurisdiction aforesaid as her act and deed and the act and deed of said limited liability company.

GIVEN under my hand and seal this ____ day of _____, 2010.

[Notary Seal]
My commission expires: _____
My Registration # _____

Notary Public

EXHIBIT A
DESCRIPTION OF PREMISES
DESCRIPTION OF
BUCKINGHAM COMMONS VILLAGE 3
PARCEL A
ARLINGTON COUNTY, VIRGINIA

BEGINNING at a point in the southerly right-of-way line of North Thomas Street, said point being the northwest corner of Parcel B;

Thence departing said southerly line of North Thomas Street and running with the westerly lines of Parcel B the following courses and distances:

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North 57°34'35" West 280.07 feet to a point of curvature,
With the arc of a curve to the right whose radius is 20.00 feet and whose chord bearing and chord are North 12°34'35" West 28.28 feet for an arc distance of 31.42 feet to a point of tangency in the easterly right-of-way line of 4th Street North;

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CONTAINING 162,844 square feet or 3.73838 acres.

EXHIBIT C

**AMENDMENT TO AMENDED AND RESTATED DEED OF GROUND LEASE
(PARCEL A)**

AMENDMENT TO AMENDED AND RESTATED DEED OF GROUND LEASE
(PARCEL A)

THIS AMENDMENT TO AMENDED AND RESTATED DEED OF GROUND LEASE (PARCEL A) (this "*Amendment*") is made as of _____, 2010, by and between **THE COUNTY BOARD OF ARLINGTON COUNTY, VIRGINIA**, a body politic ("*Landlord*"), and **BUCKINGHAM VILLAGE LIMITED PARTNERSHIP**, a Delaware limited partnership ("*Tenant*").

RECITALS:

A. Landlord and Tenant entered into that certain Amended and Restated Deed of Ground Lease (Parcel A) dated as of _____, 2010 ("*Lease*") for certain Premises in Arlington County, Virginia as more particularly described therein.

B. On or about the date of this Amendment, Tenant shall enter into a Leasehold Mortgage (as such term is defined under the Lease) with a Trustee for the benefit of the Virginia Housing Development Authority, a political subdivision of the Commonwealth of Virginia ("*VHDA*").

C. Tenant desires, pursuant to the terms of this Amendment, and Landlord agrees, to modify and amend the Lease in order to accommodate VHDA's requirements under such Leasehold Mortgage, upon the terms and conditions hereinafter provided. Upon the full execution and delivery of this Amendment, the term "*Lease*," as hereinafter referenced, shall refer to the Lease as amended by this Amendment.

AGREEMENTS:

NOW, THEREFORE, in consideration of the mutual covenants herein contained, the mutual receipt and legal sufficiency of which are hereby acknowledged, it is hereby agreed as follows:

I. RECITALS, INTEGRATION AND DEFINED TERMS. The foregoing recitals are incorporated herein by this reference as if fully set forth at this point in the text of this Amendment. The recitals and following terms, conditions, provisions, covenants and agreements shall constitute part of the Lease and be incorporated therein by this reference. Capitalized terms used in this Amendment but not otherwise defined herein shall have the meanings assigned thereto in the Lease.

II. EFFECTIVENESS OF AMENDMENT. This Amendment shall become and remain effective as an amendment to the Lease for only so long as VHDA is a Leasehold Mortgagee (as such term is defined under the Lease), VHDA is the tenant under the Lease or any third party that acquires Tenant's Leasehold Estate under the Lease following VHDA's acquisition of Tenant's Leasehold Estate under the Lease through Foreclosure (as hereinafter defined) (a "*Successor Tenant*") is the tenant under the Lease. For avoidance of doubt, for purposes of this Amendment, the parties hereto acknowledge that a third (3rd) party that immediately and directly acquires Tenant's Leasehold Estate under the Lease through Foreclosure shall not be considered to be a "Successor Tenant" under this Amendment (although such party shall be, in fact, a successor tenant under the Lease). At such time that VHDA is no longer either a

Leasehold Mortgagee or the tenant under the Lease or a Successor Tenant is no longer the tenant under the Lease, this Amendment shall automatically terminate and be of no further force or effect at any time thereafter. Upon such automatic termination, VHDA or Successor Tenant, as applicable, shall, upon the written request of Landlord, execute and deliver a written statement confirming such termination of this Amendment. VHDA's or Successor Tenant's failure or refusal to execute and deliver such a confirmatory statement, as applicable, shall not alter or effect such termination.

III. PROVISIONS FOR THE BENEFIT OF VHDA AND/OR SUCCESSOR TENANT.

3.1 Leasehold Mortgage Loan Obtained by Tenant. Upon a Foreclosure by VHDA, notwithstanding anything contained in Section 7.02 of the Lease or anywhere else in the Lease to the contrary: Tenant, at its option and without the consent of Landlord, shall have the unlimited and unrestricted right, at any time and from time to time, at Tenant's own expense, to negotiate and obtain one or more loans secured by Mortgages on all or any part of Tenant's Leasehold Estate in the Premises.

3.2 Notice to Landlord of Leasehold Mortgage. Upon the recording of a Leasehold Mortgage by Tenant pursuant to Section 3.1 of this Amendment, Tenant shall notify Landlord thereof and in such notice shall specify the address of the Leasehold Mortgagee to which notices shall be sent pursuant to the Lease.

3.3 Foreclosure. In the event of a transfer of the Leasehold Estate to VHDA by a trustee's sale or foreclosure pursuant to a Leasehold Mortgage held for the benefit of VHDA ("*VHDA's Leasehold Mortgage*") or by other enforcement proceedings or by assignment of Tenant's interest in the Lease in lieu of a trustee's sale or foreclosure through settlement of or arising out of any pending or threatened trustee's sale or foreclosure proceeding (collectively referred to herein as, "*Foreclosure*"), neither VHDA nor any Successor Tenant shall have any liability for the payment of any sums (including Rent pursuant to Section 3.01 of the Lease and Taxes pursuant to Section 5.01 of the Lease) or the performance of any obligations (including the obligation to comply with the requirements of Sections 4.04(a) or (b) of the Lease) required by the Lease to be paid or performed by Tenant prior to such transfer. VHDA shall become the tenant under the Lease, shall be the owner and holder of the Leasehold Estate under the Lease for all purposes, shall be responsible for the payment of all sums and the performance of all obligations of Tenant thereafter becoming due or arising under the Lease, and shall be entitled to all of the rights, benefits and privileges of Tenant under the Lease; provided, however, that if VHDA has acquired the Leasehold Estate through Foreclosure, neither VHDA nor any Successor Tenant, as applicable, shall (i) have any liability for the payment of any sums required by the Lease to be paid by Tenant (including Rent pursuant to Section 3.01 and, only for so long as VHDA holds title to the Leasehold Estate, Taxes pursuant to Section 5.01 of the Lease), (ii) have any obligation to comply with the requirements of Sections 4.04(a) or (b) of the Lease, and (iii) have any liability for the payment of any sums or the performance of any obligations to be paid or performed under the Lease after any subsequent assignment or transfer by VHDA or such Successor Tenant of the Leasehold Estate to any other party.

3.4 Notice by Landlord to VHDA. No later than seven (7) calendar days after delivery of notice to Tenant of any default by Tenant in accordance with the terms and provisions of the Lease, Landlord will also deliver a copy of such notice to VHDA by registered

or certified mail, postage prepaid, return receipt requested, addressed to VHDA at its address set forth in Section 5.1 of this Amendment or the last address given in writing to, or otherwise known by, Landlord. No notice of default to Tenant shall be effective unless such notice to VHDA shall be given by Landlord in accordance herewith. VHDA shall have the right to cure such default during the same period of time as Tenant is provided under the Lease for curing the default, plus an additional period of thirty (30) days, and Landlord shall accept any such cure by VHDA as though such cure had been performed by Tenant. In the event of any default by Tenant (other than the payment of money) which cannot reasonably be cured by VHDA within the foregoing cure period of VHDA, such cure period shall be extended for so long as VHDA has initiated and is diligently proceeding to cure such default. If VHDA is unable to cure any default (other than the payment of money) for causes beyond its control (regardless of whether such cause was foreseeable or avoidable), such cure period of VHDA shall be extended by the period of time during which such cure is beyond the control of VHDA. Furthermore, in the case of any default by Tenant other than the payment of money, Landlord will take no action to effect a termination of the Lease or to implement any action to evict Tenant or take possession of the Premises for so long as VHDA is diligently proceeding to obtain possession of the Property (by Foreclosure, by taking possession pursuant to VHDA's Leasehold Mortgage, by appointment of a receiver, by court order, or by other legally permissible means) and to cure such default; provided, however, that VHDA shall not be required to continue to seek or maintain such possession if the default shall be cured by Tenant. Anything herein to the contrary notwithstanding, any default by Tenant (other than the payment of money) under any provision of the Lease which is not reasonably susceptible of being cured by VHDA (including, without limitation, any default by reason of any bankruptcy, insolvency, actions by or for the benefit of creditors, or indebtedness of Tenant) shall be deemed to have not occurred upon completion of Foreclosure or when VHDA shall otherwise acquire title to the Leasehold Estate. In addition, any default by reason of any bankruptcy, insolvency, actions by or for the benefit of creditors, or indebtedness of Tenant shall exist only during the period that Tenant is the owner of the Leasehold Estate, and neither such bankruptcy, such insolvency, such actions by or for the benefit of creditors, nor such indebtedness of Tenant will operate, or permit Landlord, to terminate the Lease so long as all Rent and other payments required to be paid by Tenant continue to be paid in accordance with the Lease.

3.5 Abeyance during Litigation. In the event that, prior to the termination of the Lease, VHDA commences suit to obtain a judicial determination as to whether Landlord is legally entitled to terminate the Lease for any default by Tenant under the Lease, VHDA shall have an additional cure period for such default commencing on the date on which any and all rights to appeal the judicial determination have expired and continuing thereafter for such period of time as is provided herein to VHDA to cure such default after notice thereof; provided, however, that VHDA shall have commenced such suit in good faith and shall have proceeded with the suit with due diligence; and provided, further, that during the pendency of the suit, VHDA shall have no obligation to make any payment of any rent or other sums due under the Lease, including Rent due under Section 3.01 of the Lease and Taxes due under Section 5.01 of the Lease.

3.6 New Lease. In the event of termination of the Lease for any reason prior to its stated Expiration Date, Landlord will give VHDA notice of such termination within ten (10)

business days after such termination. If VHDA gives notice of its request to Landlord for a new lease within a period of forty-five (45) calendar days from the date such notice of termination is delivered to VHDA, Landlord shall, within twenty (20) business days after Landlord's receipt of VHDA's notice of a request for a new lease, enter into a new lease of the Leasehold Estate with VHDA for the remainder of the Term of the Lease, effective immediately upon such termination of such prior Lease, at the rental and upon the covenants, agreements, terms, conditions and limitations (except to the extent the same have been previously fulfilled and except to the extent the same would have otherwise been inapplicable to VHDA following a Foreclosure pursuant to the terms of Section 3.3 of this Amendment) otherwise contained in the Lease, as amended by this Amendment; provided that VHDA agrees in the new lease to cure, within the applicable cure period commencing on execution of the new lease, the then existing non-monetary defaults of Tenant other than defaults not reasonably susceptible of being cured by VHDA (including, without limitation, any default by reason of any bankruptcy, insolvency, actions by or for the benefit of creditors, or indebtedness of Tenant).

3.7 Right of VHDA to Renew and Revoke Notice of Termination. VHDA, at its election at any time prior to termination of the Lease, may revoke any notice of Tenant's vacation of the Premises and termination of the Lease or any notice of Tenant's intention to do so. If Tenant gives notice to Landlord of its vacation of the Premises and termination of the Lease, or its intention to do any of the foregoing, Landlord shall notify VHDA within ten (10) business days, by registered or certified mail postage prepaid, return receipt requested, in order that VHDA, at its election, may revoke any such notice to Landlord, on behalf of Tenant, prior to termination of the Lease.

3.8. Hazard Insurance Policies. Tenant may include the interest of VHDA in all fire and other hazard insurance policies pursuant to a standard mortgagee clause or endorsement, may name VHDA as a loss payee, and may deposit an original or copy of such policies with VHDA. Tenant may name VHDA as an additional insured in all comprehensive general liability insurance policies. Landlord shall not, without the prior written consent of VHDA, obtain any hazard insurance policies which would, in the event of loss, conflict with the insurance policy or policies required by VHDA.

3.9 Damage or Condemnation. In the event of any damage to or destruction of any Improvements on the Premises by fire or other casualty or in the event of any taking or condemnation, in whole or in part, of the Property (or any conveyance in lieu thereof), the rights of Landlord and obligations of Tenant under the Lease shall be subject and subordinate to the rights of VHDA and obligations of Tenant under its Leasehold Mortgage with VHDA as to the repair, demolition or restoration of the Property and as to the receipt, use, and disbursement of all of the insurance or condemnation proceeds (except such portion of the proceeds as is paid or awarded pursuant to the Lease to Landlord solely for its reversionary interest in the Property and is not required by VHDA to be applied to any repair, demolition or restoration of the Property); provided that proceeds for loss of Tenant's rents under Tenancy Agreements shall be applied in the following order: first, to the payment of any amounts then due and payable under the Leasehold Mortgage with VHDA; and second, unless otherwise provided in the Leasehold Mortgage with VHDA, to the Tenant. Any proceeds to be applied to the repair, demolition or restoration of the Property shall be held by VHDA and disbursed in the manner provided in its Leasehold Mortgage (or, if not so provided, in such manner as VHDA shall reasonably

determine) for the payment of the costs of such repair or restoration. Any proceeds (other than loss of rent proceeds) remaining after being applied to the payment of indebtedness secured by VHDA's Leasehold Mortgage and/or to the payment of the costs of repair, demolition or restoration of the Property shall be paid to Tenant and Landlord in accordance with the terms of the Lease. If VHDA shall acquire the Leasehold Estate by Foreclosure, VHDA and its successors and assigns shall not be obligated to demolish, repair or restore the Improvements (regardless of whether such damage or destruction or condemnation or conveyance in lieu thereof occurred before or after Foreclosure), except as may be otherwise required by law, and VHDA may apply all or a portion of the insurance or condemnation proceeds to payment of the unpaid indebtedness then or previously secured by its Leasehold Mortgage.

3.10 Consent of VHDA. No alteration, amendment or modification of the Lease shall be effective without the prior written consent of VHDA; no voluntary or consensual cancellation or termination of the Lease by Tenant shall be effective without the prior written consent of VHDA; and no waiver by Tenant of (a) any provision of the Lease, (b) the performance by Landlord of any of its duties or obligations thereunder or hereunder, or (c) any right, option, election, privilege or benefit of Tenant herein, shall be effective without the prior written consent of VHDA. Landlord shall not accept or agree to a voluntary surrender of the Premises or a cancellation of the Lease by Tenant prior to the expiration or termination of the Lease without the prior written consent of VHDA. Landlord warrants that there are no existing mortgages or deeds of trust encumbering its fee title in the Premises, and Landlord shall not transfer, assign, mortgage or otherwise encumber Landlord's interest in the Premises to any person or entity that is not a governmental entity without the prior written consent of VHDA. Without limiting the foregoing, VHDA shall have the right to require, as a condition to its consent to any such mortgage or deed of trust, that the beneficiary under the mortgage or deed of trust subordinate its lien to any new lease thereafter executed by Landlord pursuant to Section 3.6 of this Amendment.

3.11 VHDA Liability. Anything in the Lease to the contrary notwithstanding, VHDA shall not, in its role as a Leasehold Mortgagee, be liable for any failure by Tenant to pay any amounts or to perform any obligations under the Lease, whether or not Tenant shall be in default thereunder.

3.12 Payment of Real Estate Taxes. (*Intentionally Omitted*)

3.13 Merger. The interest of Landlord and the interest of Tenant shall not merge without the prior written consent of VHDA. The acquisition of all or any portion of the Leasehold Estate by VHDA shall not result in a merger thereof with the Leasehold Mortgage held by VHDA, unless VHDA shall execute a written instrument effecting such merger and shall give notice to Landlord of such merger.

3.14 Ownership of Improvements. All Improvements now or hereafter constructed in or on the Premises by or on behalf of Tenant shall remain the property of Tenant for and during the Term of the Lease. Upon the expiration or earlier termination of the Lease, title to all such Improvements remaining on the Premises shall become vested in Landlord free and clear of any liens or encumbrances, including, without limitation, any and all Leasehold Mortgages; provided, however, any new lease thereafter executed by Landlord and VHDA pursuant to

Section 3.6 of this Amendment shall provide that ownership of all such Improvements shall be vested in the tenant under such new lease.

3.15 Tenant's Assignment or Sublease. Upon a Foreclosure by VHDA, notwithstanding anything contained in Article XIII of the Lease or anywhere else in the Lease to the contrary, the following shall apply:

(a) Tenant shall have the right during the Term to assign its interest in the Lease or to sublet the Premises, in whole or in part, without obtaining the consent of Landlord; provided, however, that no assignment or sublease by Tenant shall in any way affect the terms, conditions, covenants, agreements and provisions set forth in the Lease, and any and all such assignment shall be at all times subject to the terms of the Lease and to the right, title and interest of Landlord in and to the Premises under the Lease. Except as otherwise set forth in Section 3.3 of this Amendment, any such assignment or sublease shall not relieve or release Tenant of the responsibility for all payments, covenants, duties and obligations under the Lease. In the event that Tenant shall so assign the Lease or sublet the Premises, Landlord's consent or acquiescence in the doing of any act or performance of any covenants or conditions by such other party in place or stead of Tenant shall be construed and held to be performance of such covenants by such other party on behalf of Tenant.

(b) The conveyance of all of or any part of the Leasehold Estate by execution and delivery of a Leasehold Mortgage or the transfer of all or any part of the Leasehold Estate by foreclosure shall not be deemed to constitute an assignment of the Lease. Furthermore, the transfer of all or any part of the Leasehold Estate by trustee's sale or foreclosure pursuant to the Leasehold Mortgage or by other enforcement proceeding shall not be subject to the consent of Landlord, and Tenant shall have the right, without the consent of Landlord, to assign the Lease to a Leasehold Mortgagee in lieu of a trustee's sale or foreclosure through settlement of or arising out of any pending or threatened trustee's sale or foreclosure proceeding.

3.16. Execution of Instruments and Agreements. Upon a Foreclosure by VHDA, the following shall apply: Subject to the terms of the Section of the Lease entitled "Role of Landlord/Landlord Decisions; No Waiver," Landlord shall execute and deliver such instruments and agreements as may be required to dedicate subdivisions, streets, roads, easements and rights of way for utilities and services, and other facilities reasonably necessary or desirable for the construction, rehabilitation, repair, use, occupancy, or operation of the Project, and shall join in (but only if strictly required by Applicable Law), and shall otherwise cooperate with Tenant in obtaining, all applications for permits, licenses, approvals and other authorizations required by any governmental entity in connection with the construction, rehabilitation, repair, use, occupancy, or operation of the Project pursuant to Applicable Law, including, without limitation, the Arlington County Zoning Ordinance, as it may be amended.

3.17 Certificates. Landlord or Tenant, from time to time within twenty (20) days after the written request of the other or of VHDA, shall certify to the requesting party or its designee as to whether the Lease is valid, binding and in full force and effect, as to whether Landlord or Tenant or their respective successors and assigns (as the case may be) has knowledge of the submission of notice of any defaults under the Lease, as to the status of payment of rents and other sums due and payable under the Lease, as to any amendments, modifications or written waivers of the provisions of the Lease, and as to any other reasonably requested matters of an

objectively verifiable factual nature under the Lease or directly relating to the Premises or the Leasehold Estate to which Landlord or Tenant, as the case may be, can reasonably certify by reference to a review of files kept in the normal course. Any such certificate required hereby may be made subject to such exceptions, conditions or limitations as Landlord or Tenant or their respective successors and assigns (as the case may be) shall deem necessary to cause the matters set forth therein to be materially correct and complete.

3.18 Memorandum of Lease. Concurrently with the execution of this Amendment, a short form Memorandum of Deed of Ground Lease shall be recorded by Landlord, at its sole cost and expense, in the Land Records for Arlington County, Virginia in form approved by Landlord, Tenant and VHDA. Such Memorandum shall not include a statement that the Property is subject to the terms and conditions of the Affordable Housing Program. As a condition to Landlord's execution of such Memorandum, Landlord shall require that Tenant sign and deliver a certificate terminating and releasing such Memorandum, which certificate Landlord shall retain and shall be entitled to record upon the expiration or earlier termination of the Lease. The provisions of this Section 3.18 shall also be applicable to any new lease hereafter executed by Landlord and VHDA pursuant to Section 3.6 of this Amendment.

3.19 Construction Obligations. With regard to Tenant's obligations under the Lease to commence and complete construction or rehabilitation of any Improvements on the Premises, if VHDA shall acquire the Leasehold Estate by Foreclosure, VHDA shall have the right, but shall not be obligated, to commence and complete such construction or rehabilitation; provided, however, that if VHDA shall not have completed such construction or rehabilitation as of the date that VHDA assigns the Lease, the assignee shall be obligated under the Lease to complete such construction or rehabilitation within such period of time after such assignment as is reasonable for the completion thereof, as determined by VHDA.

3.20 Distribution of Insurance and Condemnation Proceeds. Insurance and condemnation proceeds shall be distributed between Landlord and Tenant in accordance with the relative values of their interest in the Land and Improvements thereon damaged or destroyed by casualty or taken by condemnation determined without regard to any termination of the Lease as a result of such damage or destruction or condemnation. Any such distribution shall be subject to the provisions set forth in Section 3.9 above. If Landlord, Tenant (or their respective successors or assigns) and VHDA cannot agree upon such distribution within thirty (30) days after such proceeds are available for distribution, then the matters may be submitted by Landlord, Tenant (or their respective successors or assigns) or VHDA to the Arlington County Circuit Court for a decision.

3.21 Alterations Required by VHDA. Landlord's approval (as the Landlord under the Lease and not as a governmental authority) shall not be required for repairs, alterations, demolition, additions or other changes to the Premises or the Improvements reasonably required by VHDA pursuant to the terms of its Leasehold Mortgage.

IV. PROVISIONS FOR THE BENEFIT OF LANDLORD.

4.1 Notice by VHDA to Landlord.

(a) No later than seven (7) calendar days after delivery of notice to Tenant of any default by Tenant in accordance with the terms and provisions of VHDA's Leasehold Mortgage,

VHDA will also deliver a copy of such notice to Landlord by registered or certified mail, postage prepaid, return receipt requested, addressed to Landlord at its address last given in writing to, or otherwise known by, VHDA. No notice of default to Tenant shall be effective unless such notice to Landlord shall be given by VHDA in accordance herewith. Landlord will have the right to cure such default during the same period of time as Tenant is provided under the VHDA Leasehold Mortgage for curing the default, plus an additional period of thirty (30) days, and VHDA shall accept any such cure by Landlord as though such cure had been performed by Tenant. In the event of any default by Tenant (other than the payment of money) which cannot reasonably be cured by Landlord within the foregoing cure period of Landlord, such cure period shall be extended for so long as Landlord has initiated and is diligently proceeding to cure such default. If Landlord is unable to cure any default (other than the payment of money) for causes beyond its control (regardless of whether such cause was foreseeable or avoidable), such cure period of Landlord shall be extended by the period of time during which such cure is beyond the control of Landlord. Furthermore, in the case of any default by Tenant other than the payment of money, VHDA will take no action to effect a termination of VHDA's Leasehold Mortgage or to implement a Foreclosure for so long as Landlord is diligently proceeding to obtain possession of the Property (by eviction, by taking possession pursuant to the Lease, by appointment of a receiver, by court order, or by other legally permissible means) and to cure such default; provided, however, that Landlord shall not be required to continue to seek or maintain such possession if the default shall be cured by Tenant. Anything herein to the contrary notwithstanding, any default by Tenant (other than the payment of money) under any provision of VHDA's Leasehold Mortgage which is not reasonably susceptible of being cured by Landlord (including, without limitation, any default by reason of any bankruptcy, insolvency, actions by or for the benefit of creditors, or indebtedness of Tenant) shall be deemed to have been waived by VHDA upon completion of any eviction action or when Landlord (or another governmental entity as permitted pursuant to the terms of Section 3.10 of this Amendment) shall otherwise acquire title to the Leasehold Estate. In addition, any default by reason of any bankruptcy, insolvency, actions by or for the benefit of creditors, or indebtedness of Tenant shall exist only during the period that Tenant is the owner of the Leasehold Estate, and neither the bankruptcy, the insolvency, the actions by or for the benefit of creditors nor any indebtedness of Tenant will operate, or permit VHDA, to terminate VHDA's Leasehold Mortgage so long as all payments required to be paid by Tenant continue to be paid in accordance with VHDA's Leasehold Mortgage.

(b) If Landlord expends any monies to cure or attempt to cure any default by Tenant under the terms of VHDA's Leasehold Mortgage, Tenant shall be obligated to immediately reimburse Landlord for all such amounts so expended as and for additional rent due and payable under the Lease. Such additional rent shall be deemed to be Rent payable under Article III of the Lease. If Tenant fails to cure any default under the terms of VHDA's Leasehold Mortgage after any applicable notice and cure period thereunder, subject to the other terms and provisions of this Amendment, such default shall constitute an Event of Default under the Lease. Landlord's cure of a default by Tenant under the terms of VHDA's Leasehold Mortgage shall not constitute or be deemed to be a cure by Tenant of its Event of Default under the Lease.

4.2 Landlord's Right to Assume VHDA Loan. If Landlord cures any default by Tenant under the terms of VHDA's Leasehold Mortgage on two (2) or more occasions during any calendar year, then, in addition to all of Landlord's other rights and remedies under the Lease or at law, Landlord shall have the right to assume the loan from VHDA to Tenant secured by VHDA's Leasehold Mortgage (the "**VHDA Loan**") without fee or penalty, by providing both VHDA and Tenant with written notice of Landlord's exercise of its right to so assume the VHDA Loan. Upon receipt by VHDA and Tenant of such notice, Landlord shall, without further action or agreement, be automatically deemed to be (a) the tenant under the Lease, and Tenant shall be deemed to have assigned to Landlord all of Tenant's right, title and interest in and to the Leasehold Estate, without there being a merger of the interests of Landlord and Tenant under the Lease, even though under the doctrine of merger of estates Landlord's ownership of both the reversionary interest under the Lease and the Leasehold Estate would otherwise normally result in such a merger, (b) the borrower under the VHDA Loan, and Landlord shall be responsible for all obligations of borrower thereunder arising from and after the date of such assumption by Landlord of the VHDA Loan, and (c) the mortgagor under the VHDA Leasehold Mortgage, and Landlord shall be responsible for all obligations of mortgagor thereunder arising from and after the date of such assumption by Landlord of the VHDA Loan. Upon such assumption by Landlord of the VHDA Loan, Landlord, in its role as the tenant under the Lease, shall have the right to assign or sublet the Leasehold Estate without the consent of, but upon at least ten (10) days prior written notice to, VHDA, without causing the VHDA Loan to be in default or to be then due and payable, so long as Landlord shall continue to remain liable for all obligations under the VHDA Loan accruing from and after the date of such assumption. At any time and from time to time after Landlord's assumption of the VHDA Loan pursuant to the terms of this Section 4.2, Landlord shall, at the request of VHDA, but fully subject to the terms of Section 21.17 of the Lease, execute and deliver to VHDA any and all documents requested by VHDA to further evidence the agreements of Landlord and VHDA set forth in this Section 4.2 with respect to Landlord's assumption of the VHDA Loan.

4.3 Landlord's Right to Purchase or Pay-Off VHDA Loan.

(a) In the event that VHDA accelerates the maturity date under the VHDA Loan or VHDA otherwise has the right under the VHDA Leasehold Mortgage to then exercise or implement a Foreclosure of the VHDA Leasehold Mortgage, VHDA shall, before taking any action to complete a Foreclosure of the VHDA Leasehold Mortgage, provide Landlord with written notice of the acceleration of the VHDA Loan or VHDA's right to then exercise or implement a Foreclosure of the VHDA Leasehold Mortgage (the "**Acceleration Notice**"). The Acceleration Notice provided to Landlord by VHDA shall also detail all amounts then due and payable under the VHDA Loan, including the outstanding principal balance, accrued interest and any other amounts due under the terms of the VHDA Loan, including, without limitation, default interest, late charges and fees, attorneys' fees paid or incurred, title search fees, newspaper advertisement fees, trustees' fees and expenses, appraisal fees, and Phase I or other environmental inspection and assessment fees (collectively, the "**Payoff Amount**"); provided, however, in no event shall the Payoff Amount include any prepayment premium or penalty or yield maintenance payment however denominated. Simultaneously with the Acceleration Notice, VHDA shall also provide Landlord with true and correct copies of the promissory note, the construction loan agreement (if any), the leasehold deed of trust and all of the other material

documents comprising the loan documents provided by Tenant to VHDA in connection with the VHDA Loan (collectively, the “*Loan Documents*”).

(b) Landlord shall have the option, by providing VHDA with written notice of the exercise of such option within sixty (60) days after Landlord’s receipt of the Acceleration Notice, the Payoff Amount and copies of the Loan Documents, to either (i) purchase the VHDA Loan from VHDA by payment to VHDA of the Payoff Amount, together with the interest due under the VHDA Loan that accrued since the date of the Payoff Amount to the date the VHDA Loan is either purchased or paid off, so long as such interest is shown on the Acceleration Notice as a per diem interest amount that can be readily computed as a sum certain on the date the Payoff Amount is to be paid (the “*Adjusted Payoff Amount*”), or (ii) payoff the VHDA Loan by payment to VHDA of the Adjusted Payoff Amount. If, upon the expiration of such sixty (60) day period, Landlord shall have failed to provide VHDA with written notice exercising either of such two (2) options, Landlord’s right to exercise such options shall lapse and be of no further force and effect, and VHDA shall be free to exercise or implement or complete the Foreclosure of the VHDA Leasehold Mortgage.

(c) If, prior to the expiration of such sixty (60) day period, Landlord shall have provided VHDA with written notice exercising Landlord’s right to purchase the VHDA Loan from VHDA, then, on a mutually agreeable date within forty-five (45) days after the expiration of such sixty (60) day period, (i) VHDA shall assign to Landlord, or to Landlord’s designee or nominee, without recourse, all of VHDA’s right, title and interest in and to the promissory note evidencing the VHDA Loan and all of VHDA’s right, title and interest in and to the other Loan Documents, pursuant to commercially reasonable assignment documents reasonably acceptable to VHDA and Landlord, free of any and all liens or encumbrances on VHDA’s interest therein; and (ii) simultaneously therewith, Landlord or its designee or nominee, as the case may be, shall pay the Adjusted Payoff Amount to VHDA by wire transfer of immediately available federal funds.

(d) If, prior to the expiration of such sixty (60) day period, Landlord shall have provided VHDA with written notice exercising Landlord’s right to payoff the VHDA Loan, then, within fifteen (15) days after the expiration of such sixty (60) day period, Landlord shall payoff the VHDA Loan by paying the Adjusted Payoff Amount to VHDA by wire transfer of immediately available federal funds. Upon receipt of such payment of the Adjusted Payoff Amount by VHDA, VHDA shall promptly release the VHDA Leasehold Mortgage and any other security instruments securing the VHDA Loan from the Leasehold Estate.

(e) Immediately upon Landlord’s purchase of the VHDA Loan pursuant to the terms of Section 4.3(c) above, (i) Landlord or its designee or nominee, as the case may be, shall thereupon automatically become the Leasehold Mortgagee under the VHDA Leasehold Mortgage, and Tenant shall fully attorn thereto; and (ii) Landlord or its designee or nominee, as the case may be, shall not be deemed or considered to have waived any default by Tenant or to have otherwise released Tenant from any liability under the terms of the Lease or the Leasehold Mortgage.

(f) Immediately upon Landlord’s payoff of the VHDA Loan pursuant to the terms of Section 4.3(d) above, (i) the Lease shall, at Landlord’s election, automatically terminate, without the provision of any default notice or opportunity to cure to Tenant; and (ii)

notwithstanding the termination of the Lease, if applicable, Tenant shall be immediately obligated to pay the Adjusted Payoff Amount to Landlord as and for additional rent due and owing under the Lease, in addition to any other of Landlord's rights and remedies under the Lease or at law. Tenant's obligation as aforesaid shall fully survive the termination of the Lease.

V. MISCELLANEOUS.

5.1 Notices. All notices under this Amendment shall be sent to the applicable party as provided under the terms of Article XVII of the Lease, with VHDA's notice address as follows:

Virginia Housing Development Authority
601 S. Belvidere Street
Richmond, Virginia 23220
Attn: General Counsel

5.2 Ratification. The terms of the Lease, except as expressly modified hereby, shall remain in full force and effect.

5.3 Governing Law. This Amendment shall be governed and construed according to the laws of the Commonwealth of Virginia and shall bind and inure to the benefit of the successors and assigns of the undersigned.

5.4 Conflicts. To the extent that the provisions of this Amendment conflict with any provisions of the Lease, such provisions of this Amendment shall prevail, control and govern for all purposes and in all respects.

5.5 Counterparts. This Amendment may be executed in several counterparts and shall be valid and binding with the same force and effect as if all parties executed the same Amendment.

IN WITNESS WHEREOF, the parties hereto have executed and delivered this Amendment under seal as of the date first written above.

Approved as to form:

LANDLORD:

**THE COUNTY BOARD OF ARLINGTON
COUNTY, VIRGINIA, a body politic**

County Attorney

By: _____ (seal)

Name: _____

Title: _____

TENANT:

BUCKINGHAM VILLAGE LIMITED PARTNERSHIP, a Delaware limited partnership

By: Buckingham Village LLC, a District of Columbia limited liability company, its general partner

By: ER Buckingham Corporation, a Delaware corporation, its co-managing member

By: _____ (seal)
Marilyn Melkonian, President

By: NHTE Buckingham LLC, a Virginia limited liability company, its co-managing member

By: _____ (seal)
Scott Kline, Executive Manager

JOINDER BY VHDA

VHDA hereby joins in this Amendment to confirm its approval hereof and the acceptance of the benefits hereunder, and to agree to be bound by the terms and conditions of Article IV hereof, with the exception of the terms and conditions of Section 4.3(e) and (f) hereof.

VIRGINIA HOUSING DEVELOPMENT AUTHORITY, a political subdivision of the Commonwealth of Virginia

By: _____ (seal)
Name:
Title:

EXHIBIT D
AMENDED AND RESTATED DEED OF GROUND LEASE
(PARCEL B)

**AMENDED AND RESTATED
DEED OF GROUND LEASE
(PARCEL B)**

Among

The County Board of Arlington County, Virginia, a body politic,
as Landlord,

and

Buckingham Village LLC, a Delaware limited liability company,
as Tenant,

Dated: As of June __, 2010

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EXHIBITS:

- Exhibit A - Description of Land
- Exhibit B - Insurance Requirements
- Exhibit C - Renovation, Finance and Management Plan
- Exhibit D - [*Intentionally Omitted*]
- Exhibit E - Affordable Housing Program
- Exhibit F - Annual Supplemental Rent Installments Schedule
- Exhibit G - Form Memorandum of Lease