

CONTRACT OF SALE

27TH  
26TH

THIS CONTRACT OF SALE (the "Contract") is hereby entered into as of this 26TH day of March, 2015 (the "Effective Date"), by and between Reston Association, Inc. a Virginia non-stock corporation (the "Buyer"), and Lake Newport, LLC, a Virginia limited liability company (the "Seller").

RECITALS:

A. Seller is the owner of (i) certain improved real property containing approximately 3.48 acres of land located in Fairfax County, Virginia (the "County"), identified as County Tax Map Number 0172-01-0022, as more particularly described on Exhibit "A" attached hereto and incorporated herein by this reference (said real property, together with all improvements and fixtures thereon and all rights, privileges, easements, benefits and agreements appurtenant thereto, are hereinafter collectively referred to as the "Property", and the improvements and fixtures located on said tract of land are hereinafter sometimes collectively referred to as the "Improvements"), and (ii) certain equipment, furniture, furnishings, appliances, machinery, apparatus and other items of personal property located in or on the Property or used in connection with the ownership, use, operation or occupancy of the Property identified in Exhibit D (collectively, the "Personal Property").

B. Seller desires to sell the Property and the Personal Property and Buyer desires to purchase the Property and the Personal Property in accordance with the terms and conditions hereinafter set forth.

AGREEMENT:

NOW, THEREFORE, in consideration of the mutual rights and obligations hereunder and the Deposit (as hereinafter defined), Buyer hereby agrees to buy and Seller hereby agrees to sell the Property and the Personal Property upon the terms and conditions hereinafter set forth.

1. Deposit. Within five (5) business days after the Effective Date of this Contract, Buyer shall deliver to Stewart Title and Escrow, Inc. (the "Escrow Agent") a deposit (the "Deposit") in the amount of Twenty-Seven Thousand and No/100 Dollars (\$27,000.00) in the form of Buyer's check or wire transfer of funds. Escrow Agent shall hold the Deposit in a federally insured interest-bearing account reasonably acceptable to Seller and Buyer at a bank or other financial institution reasonably acceptable to Seller and Buyer, and all interest accruing on the Deposit shall be deemed to be a part of the Deposit for all purposes hereunder. Escrow Agent shall hold the Deposit in accordance with the terms of the escrow agreement attached hereto as Exhibit "B" and incorporated herein by reference which shall be executed by Seller, Buyer and Escrow Agent contemporaneously with delivery of the Deposit by Buyer to Escrow Agent.

2. Purchase Price; Payment. The purchase price for the Property, the Personal Property and all other rights and properties transferred, assigned or conveyed by Seller to Buyer hereunder (the "Purchase Price") shall be Two Million Six Hundred Fifty Thousand and No/100 Dollars (\$2,650,000.00). The entire Purchase Price shall be payable by Buyer in cash or by certified or bank cashier's check or wire transfer of funds at Closing (as hereinafter defined). The Deposit shall be paid to Seller and applied to the Purchase Price at Closing.

3. Entry onto Property; Study Period. Commencing on the Effective Date of this Contract and for the entire term of this Contract, Buyer, at its sole cost and expense, shall have complete access to the Property during normal business hours for the purpose of conducting such surveys, soil borings, soil analyses, engineering tests and studies, environmental tests and studies, economic and/or topographic tests, studies, and/or investigations, structural inspections of the Improvements and any other tests, studies and/or investigations with respect to the Property or the Improvements located thereon or the Personal Property as Buyer may deem reasonably necessary in order to determine whether the Property (including the Improvements) and the Personal Property are suitable for Buyer's intended use thereof, provided that: (i) Buyer repairs any damage to the Property (including the Improvements) or the Personal Property caused in connection with such tests and studies; (ii) Buyer uses commercially reasonable efforts to ensure that all such tests and inspections shall be conducted in such a manner so as to not unreasonably disturb Seller or any of the tenants, or unreasonably interfere with any of the Seller's or its tenants' activities at the Property or operations of the Property; (iii) such tests and inspections shall not impair the structural integrity of the Property or any Improvements, or effect or damage the operations of the building operating systems located within the Property; and (iv) all tests, investigations and other studies conducted with respect to the Property shall be completed by Buyer free and clear of all mechanic's and materialmen's liens, and Buyer shall indemnify and hold Seller harmless from and against all costs, damages, expenses, liability, actions, and causes of actions arising by reason of any services or materials provided for or on behalf of Buyer with respect to the Property, and in that regard, if Closing does not occur in accordance with this Contract, Buyer shall obtain and provide to Seller final lien waivers (or evidence of a satisfactory bond therefore) from all persons or parties who provided services or materials with respect to the Property on Buyer's behalf or at Buyer's direction.

In the event that Buyer determines, in its sole discretion, that the Property (including the Improvements) and the Personal Property are not suitable for Buyer's intended use thereof, then Buyer may terminate this Contract by delivery of written notice thereof to Seller on or before April 24, 2015 (the "Study Period"), and thereupon the parties hereto shall have no further rights or obligations hereunder except for those rights and obligations which specifically survive termination hereunder and the Deposit shall be returned to Buyer. If Buyer fails to provide Seller with a notice of termination during the Study Period, then Buyer shall be deemed to have elected to proceed to Closing. If Buyer does not purchase the Property for any reason other than Seller's default, Buyer agrees to furnish Seller, without cost to Seller, with copies of all engineering and environmental reports and studies, title reports, and/or surveys that Buyer has had prepared concerning the Property, its status, and its possible uses, provided, however, that Buyer shall not be deemed to have made any representation or warranty regarding the content or completeness of same.

Buyer represents and warrants to Seller that Buyer currently has and shall maintain reasonably adequate liability insurance covering the actions of Buyer and Buyer's agents and employees, contractors and invitees until the expiration of Buyer liability under the following indemnity. Notwithstanding anything contained herein to the contrary, Buyer's repair and indemnification obligations under this Paragraph 3 shall survive Closing or termination of this Contract (regardless of the reason for termination), as the case may be, for a period of one year.

In the event that this Contract is terminated for any reason other than a default by Seller, within five (5) business days after such termination, Buyer shall deliver to Seller, at no cost to Seller, for informational purposes, without any representations or warranties, express or implied, and excluding marketing or other proprietary materials, copies of all studies, reports, surveys and engineering analyses which Buyer has obtained with respect to the Property.

4. Delivery of Documents. On or before the expiration of five (5) business days after the Effective Date of this Contract, to the extent not previously delivered, Seller agrees to deliver to Buyer, at no cost or expense to Buyer, legible, true and correct copies of all of the following documents that relate to the Property (including the Improvements) or the Personal Property which exist and are in the actual possession of Seller, or Seller shall deliver written notice to Buyer certifying to Buyer that any of the following items do not exist, are not within Seller's possession, or do not affect or relate to the Property or the Personal Property:

(a) the most current title insurance commitment or title policy for the Property, together with a copy of all instruments referenced as exceptions to title in such commitment and/or title policy;

(b) real estate and personal property tax bills for the current year and the immediately preceding three (3) tax years and any special assessments or notices relating to the Property or the Personal Property;

(c) operating statements of expense for the Property for the prior three (3) full calendar years and the most current operating statements of expense for the current calendar year.

(d) the most recent survey and as-built survey, PRC plans, site plans, subdivision plans, easement plats, construction plans, repair plans, estimates or proposals, engineering plans, specifications and architectural plans and renderings for the Property (collectively, the "Engineering Materials");

(e) all insurance policies or certificates of insurance presently in effect covering the Property and/or the Personal Property;

(f) all service contracts, construction and development contracts, maintenance contracts, engineering contracts, landscaping contracts, architectural contracts and all other contracts, agreements and other documents pertaining to the operation, maintenance, repair, management and/or leasing of the Property in effect with respect to the Property as of the

Effective Date of this Contract, together with all amendments, modifications and extensions thereof (collectively, the "Service or Repair Contracts");

(g) all licenses, permits, zoning variances, PRC development plans, zoning determinations or verifications, special permits, occupancy permits, special exceptions or other similar zoning approvals and all other governmental authorizations relating to the use and operation of the Property (collectively, the "Permits");

(h) all documents relating to lawsuits, proceedings before any governmental authority or quasi-governmental authority with respect to the ownership, use, operation, maintenance, management and/or leasing of the Property, to which the Seller has actual knowledge;

(i) all warranties and guaranties relating to the Property or the Personal Property (collectively, the "Warranties");

(j) any notices received from any governmental authorities or other parties relating to any real estate or personal property taxes, violations or alleged violations relating to the Property or the Personal Property, to which the Seller has actual knowledge; and

In the event that Seller fails to deliver any of the foregoing documents to Buyer within such five (5) business day period, then the Study Period shall be extended by one (1) day for each day after the expiration of such five (5) business day period until Seller delivers to Buyer copies of all of the foregoing documents or a statement that they do not exist.

5. Closing Date. Provided that all conditions precedent to Buyer's obligation to proceed to closing hereunder have been satisfied or waived, closing under the terms of this Contract (the "Closing") shall be held at the offices of Escrow Agent, or such other location in the Northern Virginia area selected by Buyer, on or before July 31, 2015 (the "Outside Closing Date"), subject to extension at any time that the date of Closing or the Outside Closing Date is extended under the terms of this Contract.

6. Conveyance. The Property is to be conveyed by Special Warranty Deed (the "Deed") and the Personal Property is to be conveyed by Bill of Sale (the "Bill of Sale") to Buyer or to such person or entity as Buyer may designate to take title to the Property prior to or at Closing, subject to the limitation on assignment under Paragraph 25 below.

7. Expenses. Subject to prorations described in Section 8 of this Contract, Seller agrees to pay at Closing, the cost of the preparation of the Deed, Bill of Sale and other transfer documents, the cost of obtaining releases of all monetary liens encumbering the Property, the Virginia Grantor's Tax, the Regional Congestion Relief Fee and Seller's attorneys' fees. Buyer shall pay all other Closing expenses.

8. Prorations. Real estate taxes, all operating and utility costs with respect to the Property, charges under any Service Contracts and any other expenses in connection with the maintenance and operation of the Property are to be prorated to the date of Closing and paid to or

by Buyer thereafter, with Buyer being treated as the owner of the Property on the date of Closing for purposes of such proration, as follows:

(a) Taxes. Real estate taxes, Personal Property taxes and assessments for the year in which Closing is held shall be prorated on the basis of a three hundred sixty-five (365) day year (with such real estate taxes to be adjusted according to the certificate of taxes issued by the appropriate authorities of the appropriate jurisdiction). However, assessments for improvements, if any, completed prior to the date of Closing hereunder, whether assessment therefor has been levied or not, shall be paid by Seller or Buyer shall receive a credit for such assessments at the time of Closing.

(b) Utilities. Prior to the end of the leaseback period defined in Paragraph 21 herein, Closing, Buyer and Seller shall notify all public and private utilities providing services to the Property of the prospective change in ownership and direct that all future billings for such utilities be made to Buyer or its designee, at a specified address, with no interruption of service.

(c) Operating Costs. Buyer and Seller hereby acknowledge and agree that the amounts of all telephone, electric, sewer, water and other utility bills, trash removal bills, janitorial and maintenance service bills and any other operating expenses relating to the Property and allocable to the period prior to the date of the end of the leaseback period defined in Paragraph 21 herein, (collectively, "Seller's Utilities") shall be determined and paid by Seller. Seller shall have all utility meters read as of the date of Closing. Seller shall further use reasonable efforts to obtain from the provider of Seller's Utilities all other service statements and bills of account. Buyer shall cause all Seller's Utilities to be placed in Buyer's name as of the date of the end of the leaseback period defined in Paragraph 21 herein.

(d) Survival. The provisions of this Paragraph 8 shall survive Closing.

9. Title. As of the date of Closing, title to the Property is to be good of record and in fact, fully marketable and insurable by a recognized title insurance company of Buyer's selection authorized to do business in the Commonwealth of Virginia at regular rates without exception, except for such matters which Buyer determines, in its sole discretion, are acceptable to Buyer. Buyer agrees to obtain a title report or title commitment covering the Property within the Study Period (the "Title Commitment"). Buyer shall identify in writing to Seller on or before the expiration of the Study Period any matters reflected on the Title Commitment which are not acceptable to Buyer ("Title Objections"). In addition, Buyer may, at its option, obtain a current survey of the Property (the "Survey") during the Study Period, and Buyer shall be entitled to identify any matters reflected on the Survey as Title Objections in the same manner as Buyer is entitled to identify any matters reflected on the Title Commitment as Title Objections as set forth above. Notwithstanding anything herein to the contrary, if Buyer does not provide a notice of Title Objection(s) (a "Title Defect Notice") during the Study Period, Buyer shall be deemed to accept title to the Property in its condition existing on the Effective Date as disclosed by the Title Report, and all exceptions thereon (the "Permitted Exceptions"), with the exception of Monetary Encumbrances (defined below). If Buyer has timely provided Seller with a Title Defect Notice, Seller shall notify Buyer in writing ("*Seller's Response*") within five (5) days after receipt thereof as to Title Objections, if any, that Seller has elected to cure, and Seller shall promptly

take such action as is necessary to cure such Title Objection(s) at its expense. If no Seller's Response is given with regard to any Title Objection(s), then Seller shall be deemed to have elected not to cure or cause the cure of all such Title Objection(s).

As to any Title Objection(s) which Seller does not so affirmatively elect to cure in a Seller's Response, Seller shall have no obligation to effect any cure thereof, and Buyer may thereupon elect either to (i) terminate this Contract by giving written notice thereof to Seller no later than ten (10) days after Buyer has delivered the Title Defect Notice to Seller (in which event the Deposit shall be returned to Buyer and the parties hereto shall have no further rights or obligations hereunder except those which specifically survive termination hereunder, or (ii) waive any Title Objections which Seller has elected (or is deemed to have elected) not to attempt to cure, in which event such waived Title Objections shall be deemed to be Permitted Exceptions for all purposes under this Contract, and the parties shall proceed hereunder.

Buyer reserves the right to identify as Title Objections any matters (i) first occurring after the effective date of the Title Commitment, or (ii) first occurring after the effective date of any Survey obtained by Buyer during the Study Period (or any Survey matters arising after the final day of the Study Period if Buyer does not obtain a Survey during the Study Period), which are unacceptable to Buyer (the "Subsequent Title Objections"). Buyer must deliver written notice to Seller of any Subsequent Title Objections within fifteen (15) days after Buyer obtains actual knowledge of the existence thereof (any such new matters which are not identified as Subsequent Title Objections by delivery of written notice by Buyer to Seller within such fifteen (15) day period shall thereafter be conclusively deemed to be Permitted Exceptions for all purposes under this Contract). If Buyer delivers written notice to Seller of Subsequent Title Objections as set forth above, then the same elections, procedures and time periods as set forth above in the immediately preceding paragraph of this Paragraph 9 with respect to Title Objections (including, without limitation, Buyer's right to terminate this Contract or waive the Subsequent Title Objections) shall also apply to such Subsequent Title Objections.

As to any Title Objection(s) or Subsequent Title Objection(s) which Seller does affirmatively elect to cure in a Seller's Response, if Seller, acting in good faith, is unable to cure the same in a manner reasonably acceptable to Buyer and to Buyer's title insurance company on or before the Closing Date, then Buyer shall, at its option, either (i) terminate this Contract by delivery of written notice thereof to Seller, and the parties hereto shall have no further rights or obligations hereunder except for those rights and obligations which specifically survive termination hereunder, and the Deposit shall be returned to Buyer, or (ii) waive such Title Objections or Subsequent Title Objections, without cure by Seller of such waived Title Objection(s) or Subsequent Title Objection(s), in which event the same shall be deemed to be Permitted Exceptions and the parties shall proceed to Closing. Notwithstanding the foregoing, in the event that any the uncured Title Objection(s) arises as a result of Seller's breach of Seller's representations and warranties in Paragraph 10.A.(iii) below, then Buyer shall be entitled to exercise its rights and remedies as set forth in Paragraph 10.D. below.

Seller agrees to pay and discharge all monetary defects, which shall include all defects such as deeds of trust, mechanics' liens, tax liens or other liens or charges that can be discharged and released by the payment of the obligation directly or indirectly secured thereby by

application of Seller's net proceeds from Closing ("Monetary Encumbrances"); provided, however, that Seller shall have no liability to pay any liens recorded against the Property that result or arise from any acts or failure to act on the part of Buyer or anyone acting on behalf of Buyer, and any such liens shall be deemed to be permitted Title Objections.

10. Representations and Warranties of Seller and Buyer.

(a) Seller warrants and represents to Buyer as follows:

(i) To Seller's actual knowledge, all of the documents delivered to Buyer pursuant to Paragraph 4 above are true, correct and complete copies of all such documents and any amendments or extensions thereof, and there has been no material change in the status of the information provided in such documents. To Seller's actual knowledge, Seller is not presently in default under any Service Contracts, Permits or Warranties, and no other party is presently in default thereunder and no event has occurred thereunder which would constitute a default after the expiration of any applicable cure period.

(ii) After the Effective Date hereof, Seller shall not (a) grant any easements and/or rights-of-way and/or other encumbrances over or through the Property, (b) enter into any new leases or Service Contracts affecting all or any portion of the Property or amend, cancel or modify any existing Service Contracts, (c) enter into any agreements or any zoning proffers or other commitments affecting the Property or the Personal Property, (d) further encumber the Property or the Personal Property (except in connection with refinancing existing obligations, such refinancing not to exceed \$1,400,000.00), or (e) allow any existing Improvements or natural deposits to be wasted, removed, sold or in any way encumbered, without in each instance obtaining the prior written consent of Buyer, which consent may be withheld by Buyer in its sole discretion.

(iii) Seller has not received notice of any violations of law or municipal ordinances, orders or requirements noted or issued by any governmental department or authority having jurisdiction over or affecting the Property or the Personal Property, nor does Seller have any knowledge of any such violations. If Seller learns or receives notice of any such violations during the term of this Contract, then Seller shall promptly deliver written notice thereof to Buyer accompanied by a true and complete copy of any written notices obtained by Seller relating to such violation(s).

(iv) All bills and claims for labor performed and materials furnished to or for the benefit of the Property for all periods prior to the Effective Date of this Contract have been or as of the date of Closing, will be paid in full, and on the date of Closing there shall be no mechanics' liens or materialmen's liens, whether or not perfected, on or affecting any portion of the Property, and if there shall be any such liens, Seller shall obtain the release of the same on or before the date of Closing so that Buyer's owner's policy of title insurance shall contain no exception for such liens. However, any bills, claims or liens relating to or arising from Buyer's pre-Closing activities on the Property are expressly excluded from the provisions of this warranty. In connection therewith, Seller agrees, at Closing, to execute any affidavits and/or customary agreements which may be required by Buyer's title insurance company in order for

Buyer to obtain from such title insurance company an owner's policy of title insurance covering the Property without exception for mechanics' liens or rights of parties in possession.

(v) To Seller's actual knowledge, there is no pending or threatened condemnation or similar proceeding affecting the Property or any part thereof.

(vi) Seller is a limited liability company duly organized and validly existing under the laws of the Commonwealth of Virginia. Seller has the power to enter into this Contract and to consummate the transaction contemplated herein, and the execution of this Contract and the consummation of the transaction contemplated herein do not violate any of the terms and provisions of the organizational documents of Seller or any agreement, contract or other instrument to which Seller is a party or is bound. The party executing this Contract on behalf of Seller has the authority to execute this Contract on Seller's behalf and to bind Seller hereunder. Seller is the sole owner of the Property and the Personal Property and all other property rights and interests being transferred, assigned or conveyed to Buyer hereunder and shall continue to be the sole owner thereof during the entire term of this Contract and as of the date of Closing.

(vii) Seller has no actual knowledge of any special assessments having been levied, threatened or pending against all or any part of the Property, or of any intended special assessments.

(viii) To Seller's actual knowledge, there are no legal actions, suits, tax assessment appeals, zoning or rezoning actions, PRC plan applications, site plans or other legal or administrative proceedings pending or, to Seller's actual knowledge, threatened against Seller (including, without limitation, any voluntary or involuntary actions or suits pursuant to state or federal bankruptcy or other creditors' rights laws, statutes, rules or regulations) or affecting the Property or the Personal Property before any federal, state, county or municipal department, commission, board, bureau, agency or other governmental instrumentality, and Seller is not aware of any facts which might result in any such action, suit or other proceedings.

(ix) To Seller's actual knowledge, there are no parties in possession of any portion of the Property as lessees, tenants at will or at sufferance, trespassers or otherwise.

(x) Seller has not entered into any contracts, agreements, commitments, letters of intent or other agreements of any kind with any party other than Buyer relating to the sale of all or any portion of the Property, the Personal Property or any other property rights and interests being transferred, assigned or conveyed to Buyer hereunder which are still in effect, except for agreements with lenders that will be extinguished prior to Closing.

(xi) There are no contracts, commitments, proffers, obligations, leases or other agreements of any kind which relate to the Property other the Service or Repair Contracts which are not recorded among the land records of the County or are not otherwise a matter of public record other than the matters set forth on Exhibit "C" attached hereto and incorporated herein by reference.

(xii) To Seller's actual knowledge, there are no cemeteries or other burial plots, archeological sites or historical sites located on the Property.

(xiii) All building permits, certificates of occupancy and other Permits and authorizations necessary in connection with the construction, use, operation or occupancy of the Improvements have been or will be obtained and fully paid for and in full force and effect prior to the end of the Study Period, and valid and final certificates of occupancy shall have been issued for the Improvements prior to the end of the Study Period.

(xiv) Attached hereto as Exhibit "D" and incorporated herein by reference is a true and complete inventory of all Personal Property owned by Seller and located in or on the Property, or used in connection with the ownership, use, operation or occupancy of the Property.

(xv) The Improvements are in good operating condition and repair, and there are no structural defects in the Improvements, except with respect to (a) the HVAC system and (b) the roof and roof trusses, all of which Seller shall either repair to the reasonable satisfaction of Buyer or replace prior to Closing, or provide Buyer with a credit to the Purchase Price in the total amount of mutually acceptable contract proposal(s) for the work to repair or replace the same in accordance with all required governmental permits and approvals, such contract proposals to be obtained and mutually agreed upon by the parties during the Study Period, and if, during the Study Period, the parties are unable to mutually agree, then either party hereto may terminate this Contract prior to the end of the Study Period. Without limiting the generality of the foregoing, all plumbing equipment, the electric wiring and fixtures in the Improvements, and the water and sewage laterals presently serving the Improvements are in good working order and condition. The Personal Property is in good operating condition and repair, except as otherwise expressly stated herein.

(xvi) Seller is not on the list of "specially designated nationals" or "blocked persons" compiled by the U.S. Treasury Department Office of Foreign Assets Control, as such lists may be updated, modified or supplemented from time to time.

(b) Buyer warrants and represents to Seller as follows:

(i) Buyer is a corporation duly organized, validly existing and in good standing under the laws of the Commonwealth of Virginia. Buyer has the power to enter into this Contract and to consummate the transaction contemplated herein, and the execution of this Contract and the consummation of the transaction contemplated herein do not violate any of the terms and provisions of the organizational documents of Buyer or any agreement, contract or other instrument to which Buyer is a party or is bound. The party executing this Contract on behalf of Buyer has the authority to execute this Contract on Buyer's behalf and to bind Buyer hereunder.

(ii) Buyer has not received any actual notice of any legal actions, suits, claims, or other legal or administrative proceedings pending or threatened against Buyer which

might adversely affect Buyer's ability to consummate the transaction contemplated by this Contract.

(iii) Buyer is not a party is a party against whom any suit or action could be defended on the ground of sovereign immunity.

(iv) There is no action, suit or proceeding pending or, to the best of Buyer's knowledge, threatened against or affecting Buyer in any court, before any arbitrator or before or by any governmental body that would affect Purchaser's ability to perform its obligations hereunder.

(v) Buyer is not acting, directly or indirectly, for or on behalf of any Person named on the list of "specially designated nationals" or "blocked persons" compiled by the U.S. Treasury Department Office of Foreign Assets Control, as such lists may be updated, modified or supplemented from time to time.

(c) It shall be a condition precedent to Seller's and Buyer's obligation to close hereunder that all of the representations and warranties of the other party contained in this Paragraph 10 and in Paragraph 11 below shall be true and correct in all material respects at the date of Closing, just as though the same were made at such time. If at any time during the term of this Contract Buyer or Seller learns or becomes aware of the fact that any of its representations and warranties set forth herein are no longer true and correct in any material respect, then such party agrees to promptly provide written notice thereof to the other party. Buyer's and Seller's right to enforce such representations and warranties of the other party shall survive Closing and shall not be merged into the Deed or any other documents delivered by Seller at Closing.

(d) In the event that prior to Closing hereunder Buyer or Seller learns or is informed that any of the representations and warranties of the other party (the "Breaching Party") set forth in this Paragraph 10 or in Paragraph 11 below are not true and correct in any material respect, then the non-Breaching Party, at its option, may either (a) terminate this Contract by delivery of written notice thereof to the Breaching Party and thereupon the Deposit shall be delivered to Seller as liquidated damages pursuant to Paragraph 16.A. below (if Buyer is the Breaching Party) or returned to Buyer (if Seller is the Breaching Party) and the parties hereto shall have no further rights or obligations hereunder except for those rights and obligations which specifically survive termination hereunder, or (b) proceed to Closing hereunder. Notwithstanding clauses (a) and (b) above to the contrary, in the event that Seller is the Breaching Party and the representation or warranty of Seller which is the basis for such breach was either (x) not true in a material respect on the Effective Date of this Contract, or (y) was true on the Effective Date of this Contract but was not true in a material respect at the time of Closing as a result of a default or breach hereunder by Seller (rather than as a result of a change in circumstances beyond the reasonable control of Seller), then in addition to Buyer's right to elect either of the options set forth in clauses (a) or (b) above, Buyer shall also be entitled to recover from Seller the reimbursement of all out-of-pocket costs and expenses incurred by Buyer in connection with this transaction, not to exceed \$60,000.00 in the aggregate, for attorneys' fees, engineers' fees, building inspection and other consulting fees, title examination fees, Survey

fees, and all costs and expenses related to environmental, structural, soil and feasibility tests and examinations (collectively, "Buyer's Expenses"). Seller's obligation to reimburse Buyer's Expenses to Buyer as set forth above shall survive termination of this Contract. Seller and Buyer agree that to the extent that any of the representations and warranties set forth in this Paragraph 10 or in Paragraph 11 below are made by Seller to "Seller's actual knowledge" or other similar language, Buyer shall be entitled to exercise its rights as set forth in clauses (a) and (b) above (but not recover Buyer's Expenses from Seller) if the actual content and subject matter of the particular representation or warranty is factually inaccurate or incorrect in any material respect, even if Seller does not have any knowledge that the same is factually inaccurate or incorrect in any material respect, unless Buyer first learned of such inaccuracy during the Study Period.

(e) Buyer acknowledges that Seller has afforded Buyer prior to Closing with the full and complete opportunity to make its own independent investigation of the Property and all matters pertaining thereto, including, without limitation, compliance of the Property with all applicable laws regulation, rules, and ordinances, including, without limitation, environmental laws, and land use ordinances. Buyer further acknowledges that, except for the representations and warranties of Seller expressly stated above in this Paragraph, it is acquiring the Property based solely on its own independent investigation in an "as-is" condition at Closing without any further representations and warranties, oral or written, including, without limitation, any representations and warranties as to the current status of any matter except as such representation or warranty may be expressly set forth in this Paragraph. This Paragraph shall survive the Closing and the termination of this Contract.

11. Environmental Matters. Seller hereby expressly represents and warrants to Buyer that to Seller's actual knowledge, no hazardous substances or hazardous materials have been released, deposited, stored or placed in, on, under or above the Property during Seller's ownership of the Property or prior to Seller's ownership thereof, and to Seller's actual knowledge no such hazardous substances or hazardous materials currently exist in, on, under or above the Property such that their existence would violate applicable laws, ordinances, statutes and regulations. As used herein, all references to hazardous materials and raw materials, products or waste of a toxic or hazardous nature shall mean and refer to hazardous waste as that term is defined in the Resource Conservation and Recovery Act of 1976 (42 U.S.C. Section 6901, et. seq.), the Comprehensive Environmental Response Compensation and Liability Act of 1980 (42 U.S.C. Section 9601, et. seq.), as amended by the Superfund Amendments and Reauthorization Act of 1986 ("SARA") (42 U.S.C. § 9613), as the same may be further amended or replaced by any similar law, rule or regulation, or under any other federal, state or local law, ordinance, statute, rule or regulation, including, without limitation, any asbestos or asbestos-related products and any oils or pesticides. Notwithstanding anything contained herein to the contrary and in addition to any of Buyer's other remedies hereunder, Seller agrees to indemnify, defend and hold Buyer harmless from and against any and all costs, expenses, liabilities and causes of action which may be incurred by Buyer or asserted against Buyer (including, without limitation, clean-up costs, court costs, reasonable attorneys' fees and claims and fines imposed by any governmental agencies or third parties) in the event of a breach of Seller's representations and warranties, which are specifically limited to Seller's actual knowledge, contained in this Paragraph 11 which is first discovered by Buyer after Closing hereunder. The provisions of this Paragraph 11 shall survive Closing.

12. Conditions to Closing. In addition to all other conditions precedent contained in this Contract to Buyer's obligation to proceed to Closing hereunder, Buyer's obligation to proceed to Closing is expressly contingent upon the satisfaction of the following conditions:

(a) There shall have occurred no material adverse change in the physical condition of the Property or the Personal Property from the condition which existed as of the Effective Date of this Contract.

(b) Seller shall have the Improvements inspected for pests (including, without limitation, carpenter bees), and Seller shall have performed any recommended treatment.

(c) Buyer shall have obtained the approval by referendum of its members to purchase the Property as additional common area, in conformance with the Reston Deed on or before June 1, 2015.

(d) Buyer shall have obtained lender approval of revenue financing in conformance with Section 5.13(E) of the Reston Deed on or before July 1, 2015

In the event that on the date of Closing any of the conditions described in subparagraphs (a), or (b) above, or as of June 1, 2015 the condition described in subparagraph (c) above, or as of July 1, 2015 the condition described in subparagraph (d) above, remain unsatisfied, then Buyer, at its option, may either (i) terminate this Contract by delivery of written notice thereof to Seller within two (2) business days after the applicable deadline, and thereupon the parties hereto shall have no further rights or obligations hereunder except for those rights and obligations which specifically survive termination hereunder and the Deposit shall be returned to Buyer, or (ii) waive the satisfaction of such condition(s) and proceed to Closing hereunder. Notwithstanding the foregoing, in the event that any of the foregoing conditions precedent to Closing are not satisfied on the date of Closing as a result of a material breach by Seller of any of its representations and warranties set forth in this Contract or as a result of a default or breach by Seller hereunder, then Buyer shall also be entitled to assert any rights and remedies provided in this Contract for any such breach or default.

13. Seller's Obligations at Closing. At the Closing hereunder, Seller shall do the following:

(a) Execute and deliver the Deed.

(b) Execute and deliver the Bill of Sale, whereby Seller transfers and conveys to Buyer all of its right, title and interest in and to certain Personal Property identified in Exhibit D, free and clear of all liens, security interests and encumbrances.

(c) Execute and deliver an Assignment of Service or Repair Contracts, assigning to Buyer all of Seller's right, title and interest under the Service or Repair Contracts. Buyer shall assume Seller's obligations under the Service or Repair Contracts as of the date of Closing. Seller shall indemnify, defend and hold Buyer harmless from and against any and all

costs, expenses, liabilities and causes of action arising or accruing under such Service or Repair Contracts prior to the date of Closing, and Buyer shall indemnify, defend and hold Seller harmless from and against any and all costs, expenses, liabilities and causes of action arising or accruing under such Service or Repair Contracts on or after the date of Closing.

(d) Execute and deliver an Assignment, whereby Seller shall assign to Buyer, to the extent assignable, all of Seller's right, title and interest in and to (i) all Warranties, (ii) all governmental applications and Permits, and (iii) all Engineering Materials.

(e) Deliver to Buyer a certified resolution and/or any other evidence required by Buyer's title insurance company evidencing that the party executing this Contract and all Closing documents on behalf of Seller is duly authorized and empowered to execute this Contract and all documents necessary to consummate the transaction under this Contract, and upon the execution of such documents by said party, such documents shall be binding and enforceable against Seller.

(f) Execute and deliver to Buyer a certificate to the effect that all of the representations and warranties of Seller pursuant to Paragraphs 10 and 11 hereof are true and correct in all material respects as of the date of Closing, or specifying which of such representations and warranties are no longer true and correct in any material respect and specifying the facts relating thereto.

(g) Deliver to Buyer original counterparts of all Service or Repair Contracts, Permits, governmental approval applications, and Engineering Materials not previously delivered to Buyer, which are in Seller's actual possession.

(h) Execute and deliver all such other customary documents and affidavits which may be required pursuant to the terms of this Contract, by the settlement agent or by Buyer's title insurance company in order to consummate Closing hereunder.

14. Buyer's Obligations at Closing At the Closing hereunder, Buyer shall do the following:

(a) Pay the Purchase Price pursuant to Paragraph 1 above.

(b) Join in the execution of the Bill of Sale, Assignment of Service or Repair Contracts and Assignment pursuant to Paragraph 13 above.

(c) Execute and deliver to Seller a certificate to the effect that all of the representations and warranties of Buyer pursuant to Paragraph 10 hereof are true and correct in all material respects as of the date of Closing, or specifying which of such representations and warranties are no longer true and correct in any material respect and specifying the facts relating thereto.

(d) Execute and deliver all such customary documents and affidavits which may be required pursuant to the terms of this Contract, by the settlement agent or by Buyer's title insurance company in order to consummate Closing hereunder.

15. Operation and Maintenance of the Property and Personal Property. After the Effective Date of this Contract and until Closing, subject to the terms and conditions of this Contract, Seller shall cause the Property and the Personal Property to be operated and maintained in substantially the same manner as the Property and the Personal Property are presently operated and maintained. In addition, during the period between the Effective Date hereof and Closing, Seller, at its sole cost and expense, shall continue to maintain in full force and effect all insurance policies currently maintained by Seller covering the Property and the Personal Property.

16. Defaults and Remedies.

(a) Buyer's Default: Seller's Remedy. In the event that either, (i) all of the conditions precedent to Buyer's obligations to proceed to Closing hereunder have been satisfied or waived and Seller performs all of its obligations hereunder and Buyer fails to close on the Property in breach of the terms of this Contract, or (ii) otherwise defaults hereunder, and fails to cure such default within five (5) business days after receipt by Buyer of written notice of such default from Seller, then Seller, as its sole and exclusive remedy, shall be entitled to terminate this Contract by delivery of written notice to Buyer and thereupon the parties hereto shall have no further rights or obligations hereunder except for those rights and obligations which specifically survive termination hereunder and the Deposit shall be delivered by Escrow Agent to Seller and retained by Seller as full liquidated damages, in lieu of any other claims or causes of action which may be available to Seller at law or in equity by reason of such default hereunder by Buyer. The foregoing forfeiture of the Deposit to Seller is agreed upon as liquidated damages by the parties hereto because of the difficulty of ascertaining the actual damages Seller may suffer by reason of Buyer's breach of this Contract. Notwithstanding the foregoing, Seller's right to obtain and retain the Deposit as liquidated damages shall be in addition to, and not in lieu of, Seller's right to enforce Buyer's indemnity and delivery obligations under this Contract.

(b) Seller's Default: Buyer's Remedies. In the event that Buyer performs all of its obligations hereunder and Seller fails to proceed to Closing in breach of the terms of this Contract or otherwise defaults hereunder, and fails to cure such default within five (5) business days after receipt by Seller of written notice of such default from Buyer, then Buyer, at its option and as its sole remedy, may either (i) terminate this Contract by delivery of written notice to Seller, and thereupon the Deposit shall be returned to Buyer and the parties hereto shall have no further rights or obligations hereunder except for those rights and obligations which specifically survive termination hereunder and except that Buyer shall be entitled to recover Buyer's Expenses, not to exceed \$60,000.00 in the aggregate (and pursue a cause of action to recover Buyer's Expenses), or (ii) seek to obtain specific performance of Seller's obligations hereunder.

17. Parties Bound. This Contract shall inure to the benefit of and be binding upon the parties hereto and their respective heirs, personal representatives, successors and assigns.

18. Commission. Seller and Buyer each warrant to the other that they have dealt with no agent or broker with respect to the transaction contemplated by this Contract. In the event that any claim for commission or finder's fee is brought by any person or entity whatsoever as a consequence of the transaction contemplated hereby and as a result of any action or omission of

either Seller or Buyer, then Seller or Buyer (whichever party is alleged to have committed the act or omission which is the basis of such claim), as the case may be, shall indemnify, defend and hold harmless the other party against any loss, cost, or expense of any nature, including, but not limited to, court costs and reasonable attorneys' fees, arising as a consequence of such claim for the commission or fee. The provisions of this Paragraph 18 shall survive Closing.

19. Applicable Law. This Contract shall be construed in accordance with the laws of the Commonwealth of Virginia.

20. FIRPTA. Seller hereby represents and warrants to Buyer that Seller is not a "foreign person" within the meaning of Section 1445 of the Internal Revenue Code of 1986, as amended, and Seller further agrees, at Closing, to furnish Buyer an affidavit to this effect complying with the provisions of Section 1445 of the Internal Revenue Code of 1986, as amended. In addition, at Closing Seller agrees to execute all customary reporting forms required in order to comply with state, local and/or federal reporting requirements for this transaction.

21. Possession. Excluding Seller's possession rights and obligations in this Paragraph 21, possession of the Property shall be given to Buyer on the Closing Date, free and clear of all tenancies and other possessory rights whatsoever and subject only to the Permitted Exceptions. Seller shall have the obligation to lease and right to use and occupy the Property and the improvements thereon from and after Closing through December 31, 2015, with the right of Seller to renew for two (2) consecutive periods of six (6) months each, at a rent of \$32/square foot, net of utilities and cleaning, and upon such additional terms and conditions set forth in that certain form of deed of lease to be agreed upon by the parties hereto during the Study Period, which shall be executed by the parties hereto at closing hereunder, and if, during the Study Period, the parties are unable to mutually agree to such additional terms, then either party hereto may terminate this Contract prior to the end of the Study Period. The lease shall provide a reasonable provision for the Seller's responsibility to indemnify, defend and hold Buyer harmless from and against all costs, expenses, liabilities and causes of action which may be incurred by Buyer or asserted against Buyer for personal injury or property damage caused by Seller during Seller's use and occupancy of the Property during the term of such lease (and during any time period after such lease expires that Seller is still in possession of the Property in violation of this Paragraph 21 or of such lease), including (without limitation) court costs and reasonable attorneys' fees. The provisions of this Paragraph 21 shall survive Closing.

22. Survival. The provisions of this Contract shall be merged into the Deed delivered at the Closing and shall not survive Closing or the termination of this Contract, except that any provision of this Contract which is expressly stated to survive, shall survive for two (2) years following Closing and/or the termination of this Contract, as the case may be, and the delivery of the Deed and shall not be merged into the Deed.

23. Total Agreement. This Contract (including all Exhibits hereto) contains the full and final agreement between the parties hereto with respect to the sale and purchase of the Property. Buyer and Seller shall not be bound by any terms, conditions, statements, warranties, or representations, oral or written, not contained herein. No change or modification of this Contract shall be valid unless the same is in writing and is signed by the parties hereto. No

waiver of any of the provisions of this Contract shall be valid unless the same is in writing and is signed by the party against which it is sought to be enforced.

24. Notices. All notices, demands or other communications that may be necessary or proper hereunder shall be deemed duly given if personally delivered upon delivery (or at such time as delivery is not accepted by the intended recipient), when deposited with Federal Express or other reputable overnight delivery service, when deposited in the United States mail, postage prepaid, first class, registered or certified, return receipt requested, or when sent by fax or e-mail with a confirmation of receipt, addressed respectively as follows:

Buyer: Reston Association, Inc.  
12001 Sunrise Valley Drive  
Reston, VA 20191-3404  
Attention: Cate L. Fulkerson, CEO  
E-Mail Address: [cate@reston.org](mailto:cate@reston.org)

with a copy to: Odin, Feldman & Pittleman, P.C.  
1775 Wiehle Avenue, Suite 400  
Reston, Virginia 20190  
Attention: John L. McBride, Esq.  
Fax Number: (703) 218-2133  
E-Mail: [john.mcbride@ofplaw.com](mailto:john.mcbride@ofplaw.com)

Seller: Lake Newport, LLC  
11450 Baron Cameron Avenue  
Reston, Virginia 20190  
Attention: William H. Lauer  
Fax Number: \_\_\_\_\_  
E-Mail Address: [bill@tetrapartners.com](mailto:bill@tetrapartners.com)

Escrow Agent: Stewart Title & Escrow, Inc.  
10505 Judicial Drive, Suite 300  
Fairfax, Virginia 22030  
Attention: Mark Fitzgerald  
Fax Number: (703) 273-8316  
E-Mail: [mfitz@stewart.com](mailto:mfitz@stewart.com)

Any party hereto may change its address for notice purposes hereunder by delivering written notice thereof to the other parties in accordance with the foregoing provisions. Any party may, at its option, cause any notices required to be given under this Contract to be given by its legal counsel, and any such notice delivered by any party's legal counsel in the manner required in this Paragraph 24 shall be deemed to be effective notice for all purposes under this Contract.

25. Assignment. This Contract may not be assigned by Buyer without the written consent of the Seller, which consent may be withheld in Seller's sole discretion, except that Buyer may assign this Contract, without the need for Seller's consent, to any parent, subsidiary,

affiliate or any entity of Buyer, provided Buyer shall not be relieved of any of its responsibilities or obligations to the extent accrued hereunder prior to the effective date of any such assignment.

26. Time. Time is of the essence with respect to all matters set forth in this Contract.

27. Risk of Loss. The risk of loss for damage to the Property or any Improvements located thereon by fire or other casualty (each a "Casualty") is hereby assumed by Seller until the Closing hereunder and recording of the Deed covering the Property. In the event that a Casualty occurs prior to the date of Closing, Seller shall promptly give Buyer written notice of such Casualty, together with Seller's reasonable estimate of the cost and time period to repair or restore the damage caused by the Casualty. In such event, Buyer shall elect to either (i) terminate this Contract by delivery of written notice thereof to Buyer on the earlier to occur of the date of Closing or five (5) business days after receipt by Buyer of Seller's notice of the occurrence of the Casualty, whereupon Seller and Buyer shall have no further rights or obligations hereunder except for those rights and obligations which specifically survive termination hereunder and the Deposit shall be returned to Buyer, or (ii) proceed to Closing hereunder on the date of Closing and accept the Property and the Improvements at Closing in its "As is, Where is" condition without reduction in the Purchase Price, with Seller having no obligation whatsoever to repair the damage caused by the Casualty. However, if Buyer elects to proceed to Closing under clause (ii) above, Seller shall assign and transfer to Buyer all of Seller's right, title and interest in and to the insurance proceeds payable with respect to such Casualty, including any rent abatement insurance for such Casualty; Buyer shall receive a credit against the Purchase Price at Closing in the amount of any insurance proceeds received by Seller prior to the date of Closing.

28. Condemnation. Seller agrees to give Buyer prompt notice of any actual or threatened taking of all or any portion of the Property by condemnation or eminent domain prior to the date of Closing hereunder. In the event that prior to Closing hereunder there shall occur a taking by condemnation or eminent domain of all or any portion of the Property or a proposed conveyance to a condemning authority in lieu of condemnation, then Buyer, at its option, may either (i) terminate this Contract by delivery of written notice thereof to Seller, and thereupon the parties hereto shall have no further rights or obligations hereunder except for those rights and obligations which specifically survive termination hereunder and the Deposit shall be returned to Buyer, or (ii) proceed to Closing hereunder, in which event Seller shall assign to Buyer at Closing all interest of Seller in and to any condemnation proceeds that may be payable to Seller on account of such condemnation (Seller shall not reach an agreement prior to the date of Closing with the condemning authority on the amount of any condemnation proceeds without obtaining Buyer's prior written consent) and thereafter Buyer shall control all negotiations and proceedings undertaken with the condemning authority with respect to the Property. Buyer shall receive a credit at Closing in the amount of any condemnation proceeds paid to Seller with respect to the Property prior to the date of Closing.

29. Headings. The paragraph headings contained in this Contract are for reference purposes only and shall not affect in any way the meaning or interpretation of this Contract.

30. Weekends and Holidays. Any date specified in this Contract for the performance of an obligation or expiration of a time period which is a Saturday, Sunday or a legal holiday shall be extended to the first regular business day after such date which is not a Saturday, Sunday or a legal holiday. For all purposes under this Contract, the Friday following Thanksgiving Day shall be deemed to be a legal holiday.

31. Counterpart Originals. This Contract may be executed in multiple original counterparts, each of which shall be an original, but all of which shall constitute one and the same Contract.

32. Litigation. In the event that any party is required to resort to litigation to enforce its rights under this Contract, Seller and Buyer agree that any judgment awarded to the prevailing party shall include all litigation expenses of the prevailing party, including reasonable attorneys' fees and court costs.

33. No Partnership. Notwithstanding anything contained herein to the contrary, it is not the intention of the parties hereto to create under any circumstances a partnership or a joint venture. The rights, duties, obligations and liabilities of Seller and Buyer hereunder are separate and not joint or collective, and nothing herein shall ever be construed to create a partnership or joint venture under the laws of the Commonwealth of Virginia. For all purposes under this Contract, the relationship of the parties hereunder shall be deemed to be a relationship of seller and buyer.

34. Severability. No determination by any court or other governmental authority that any provision of this Contract is invalid or unenforceable in any instance shall affect the validity or enforceability of (i) any other provision of this Contract, or (ii) such provision of this Contract in any circumstance not controlled by such determination. Each provision of this Contract shall be valid and enforceable to the fullest extent allowed by, and shall be construed whenever possible as being consistent with, all applicable laws.

35. JURY TRIAL WAIVER. SELLER AND BUYER EACH HEREBY WAIVES ALL RIGHTS TO TRIAL BY JURY IN ANY ACTION OR PROCEEDING INSTITUTED BY OR AGAINST THE OTHER WHICH PERTAINS DIRECTLY OR INDIRECTLY TO THIS CONTRACT OR TO ANY ALLEGED TORTUOUS CONDUCT BY SELLER OR PURCHASER OR WHICH, IN ANY WAY, DIRECTLY OR INDIRECTLY, ARISES OR IS RELATED TO THE RELATIONSHIP BETWEEN SELLER AND BUYER.

IN WITNESS WHEREOF, the parties hereto have executed this Contract or caused this Contract to be executed effective as of the later of the dates of execution set forth below or the later of the dates of any handwritten changes initialed by both parties, and the "Effective Date" of this Contract for all purposes shall be deemed to be the date that a fully executed (and initialed, if applicable) original of this Contract is delivered to Seller.

BUYER:

RESTON ASSOCIATION, INC.  
a Virginia non-stock corporation

3/27/15  
Date

By: Catherine L. Fulverson  
Name: CATHERINE L. FULVERSON  
Title: CEO

SELLER:

LAKE NEWPORT, LLC  
a Virginia limited liability company

3/26/15  
Date

By: William H. Laker  
Name: WILLIAM H. LAKER  
Title: MANAGER

List of Exhibits

Exhibit "A" – Description of Property

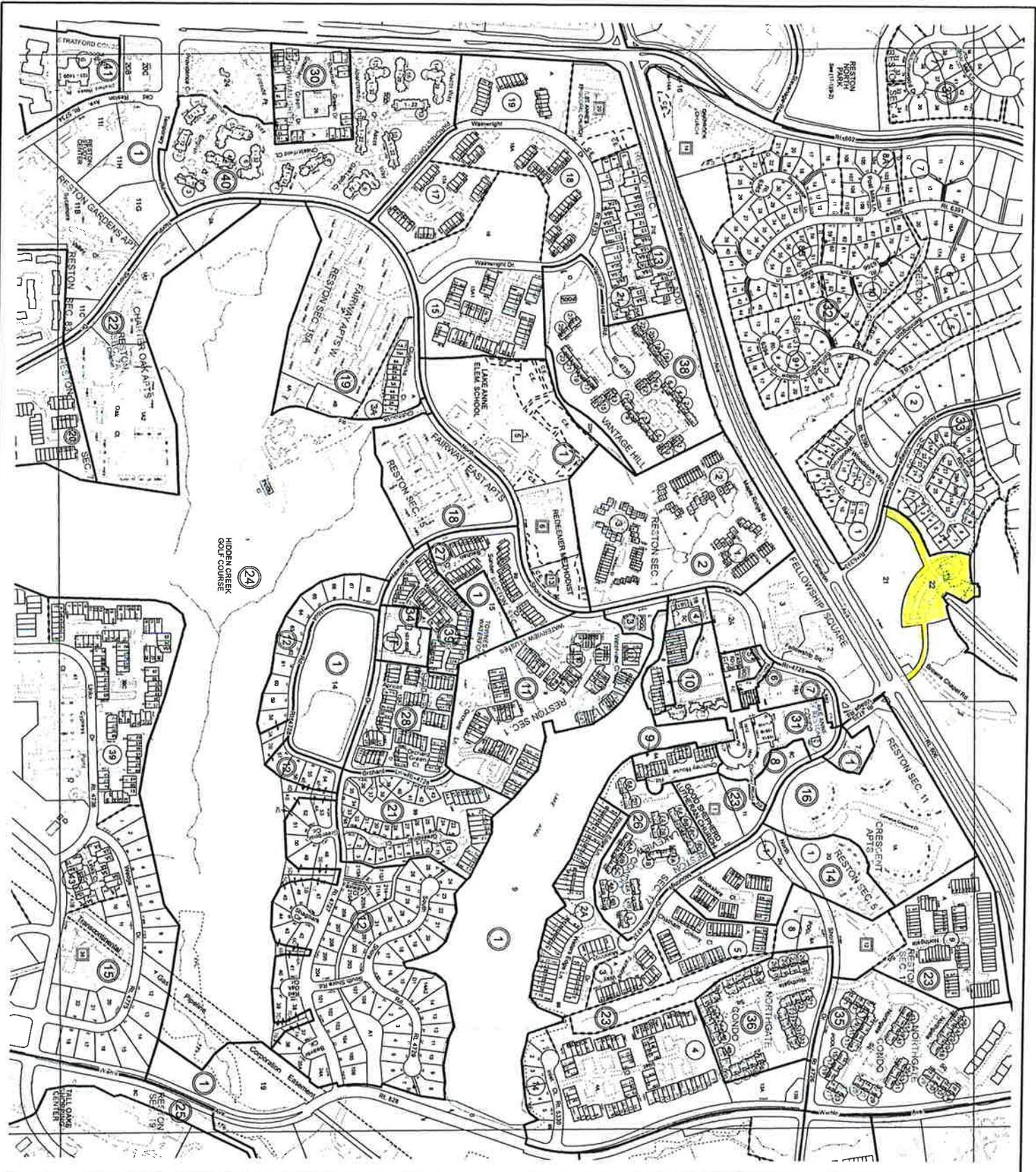
Exhibit "B" – Escrow Agreement

Exhibit "C" – Service and Repair Contracts

Exhibit "D" – Schedule of Personal Property

Exhibit "A"

Description of Property



A Fair Deal, Fairly Done

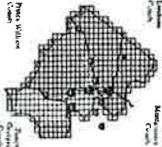


**GENERAL NOTES**

1. This map is a reproduction of the original map on file in the Office of the County Surveyor, Fairfax County, Virginia.

2. The County Surveyor is not responsible for the accuracy of the information shown on this map.

3. The County Surveyor is not responsible for the accuracy of the information shown on this map.



**ADMINISTRATIVE INDEX**

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**CADASTRAL MAP**

**17-2**

Revised to: 03 - 09 - 2015

Prepared by:  
 OFFICE OF THE COUNTY SURVEYOR  
 12000 Lee Road, Suite 111  
 Fairfax, VA 22031-2918  
 FAX: (703) 246-2447  
 www.fairfaxcounty.gov

EXHIBIT A

All that certain parcel of land known as Block Two (2), in Section Sixty-nine A (69-A), RESTON, as the same is duly dedicated, platted and recorded in Deed Book 5579 at page 1243 and re-recorded in Deed Book 5607 at Page 1041, among the land records of Fairfax County, Virginia.

Exhibit "B"

Escrow Agreement

Escrow Agreement

\_\_\_\_\_, 2015

Stewart Title & Escrow, Inc.  
10505 Judicial Drive, Suite 300  
Fairfax, Virginia 22030  
Attention: Mark Fitzgerald

Re: Escrow Deposit under Contract of Sale by and between Reston Association, Inc.  
("Buyer") and Lake Newport, LLC ("Seller")

Dear Mr. Fitzgerald:

Delivered herewith by Buyer to you (the "Escrow Agent") is the sum of Twenty-Seven Thousand and No/100 Dollars (\$27,000.00) as the deposit ("Deposit") under the above-captioned contract (the "Contract").

The Deposit shall be delivered by the Escrow Agent to Buyer upon the expiration of five (5) business days after Buyer's certification to Escrow Agent stating that Seller is in default under the Contract, specifying Seller's default, and stating that Buyer is entitled to a return of the Deposit, or that Buyer has terminated the Contract pursuant to a termination right permitted under the Contract and is entitled to a return of the Deposit, with a copy of said certification simultaneously being delivered by Buyer to Seller. However, if prior to the expiration of such five (5) business day period Seller sends written notice to the Escrow Agent disputing Buyer's entitlement to the Deposit, then Escrow Agent shall retain the Deposit until such dispute is resolved by (i) written instructions to the Escrow Agent signed by Seller and Buyer, or (ii) a final decree by a court of competent jurisdiction and the expiration of all appeal periods.

The Escrow Agent shall deliver the Deposit to Seller upon the expiration of five (5) business days after Seller's certification to the Escrow Agent stating that Buyer is in default under the Contract, specifying Buyer's default, and stating that Seller is entitled to a forfeiture of the Deposit, with a copy of said certification simultaneously being delivered by Seller to Buyer. However, if prior to the expiration of such five (5) business day period Buyer sends written notice to the Escrow Agent disputing such default, then Escrow Agent shall retain the Deposit until such dispute is resolved by (i) written instructions to the Escrow Agent signed by Seller and Buyer, or (ii) a final decree by a court of competent jurisdiction and the expiration of all appeal periods.

If the Deposit is delivered in the form of Buyer's check, Escrow Agent shall hold the Deposit in a separate interest-bearing account (which identifies the fact that Escrow Agent is holding the Deposit, in escrow, pursuant to the terms of this escrow letter and that Escrow Agent has no ownership interest in the Deposit) pursuant to Paragraph 1 of the Contract, and the Deposit shall not be commingled with any other funds of Escrow Agent.

In no event shall Escrow Agent be liable for any act or failure to act under the provisions of this escrow letter except where its acts are the result of its gross negligence or willful misconduct. Escrow Agent shall perform no further duties other than those hereinabove described.

Seller and Buyer hereby indemnify Escrow Agent against any loss, liability, or damage (including costs of litigation and reasonable counsel fees) arising from and in connection with the performance of its duties under this escrow letter, except to the extent caused by Escrow Agent's gross negligence or willful misconduct. Should any dispute arise with respect to this escrow letter, whether such dispute arises between the parties hereto and others, or merely between themselves, it is understood and agreed that Escrow Agent may interplead such dispute and Seller and Buyer (whichever is the non-prevailing party) will hold the Escrow Agent harmless and indemnify it against all consequences and expenses which may be incurred by Escrow Agent in connection therewith, except to the extent caused by Escrow Agent's gross negligence or willful misconduct.

The fee of the Escrow Agent for its services hereunder shall be paid by Buyer.

Please indicate your receipt of the Deposit and your acceptance of the foregoing provisions of this escrow letter by signing two copies of this letter.

Very truly yours,

Buyer:

RESTON ASSOCIATION, INC.  
a Virginia corporation

By: Catherine L. Fulkerson  
Name: CATHERINE L. FULKERSON  
Title: CEO

Date 3/27/15

Seller:

LAKE NEWPORT, LLC  
a Virginia limited liability company

By: William H. Lauer  
Name: WILLIAM H. LAUER  
Title: MANAGER

Date 3/27/15

Accepted and Agreed to:

Escrow Agent:

STEWART TITLE & ESCROW, INC.

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

\_\_\_\_\_  
Date

Exhibit "C"

Service and Repair Contracts

Exhibit "D"

Schedule of Personal Property

Office related furniture as follows: all chairs, desks, filing cabinets, full kitchen with all appliances, office cubicles, conference room furniture, and fixtures (excluding car collection as well as electronic equipment, computers, two small conference tables, artwork, certain office furniture listed below and all personal effects of a non-office nature).

[List office furniture not included]