

---

**From:** Jill Holmes  
**Sent:** Monday, August 17, 2015 4:03 PM  
**Subject:** B&B ACP - Property Update

**Importance:** High

As we reported on August 14, 2015, the lender prevailed on its motion to lift the automatic stay in the B&B Alexandria Corporate Park TIC 10, LLC bankruptcy case. In summary, the Judge considered our successive bankruptcy filings as a plan to hinder and delay the exercise of the creditor's rights to the collateral. We could offer no binding agreement from any lender or equity source that would lead to a pay-off of the loan and the Judge determined that there was no equity in the property, accepting the creditor's appraisal value of \$29,160,000. Consequently, our legal maneuvers to prevent a foreclosure are at an end and the only means of keeping the property would be to satisfy the lender's outstanding balance in full prior to the foreclosure date. At this time we have not been informed or received notice of the date of the foreclosure.

Our loan went into default approximately 18 months ago when property revenues were insufficient to satisfy loan payments that included both principal and interest. The loan matured approximately 14 months ago. As you are aware, during this time we engaged 2 different national mortgage brokers to secure financing and/or equity investments. While we received term sheets from 6 different lenders and letters of intent from 2 different groups to restructure and recapitalize the property, none were in an amount sufficient to satisfy the current lender's outstanding principal balance. Unfortunately, even though we were able to secure a new lease from GSA, the remaining vacant space at the property could not be leased in time so as to increase the value and thereby increase the potential loan proceeds from a refinance.

Even at this date we are continuing to seek an equity investor to prevent a foreclosure but co-owners should prepare for the loss of their equity and the potential tax consequences that would result from foreclosure.

**Jill Holmes**  
**Asset Manager**

B&B Realty Investments, LLC  
6917 Arlington Road  
Suite 203  
Bethesda, MD 20814  
main (301) 469-3900

fax (301) 469-3904  
[jholmes@bbrealtyinvest.com](mailto:jholmes@bbrealtyinvest.com)

 *Please consider the environment before printing this e-mail.*

Electronic Privacy Notice. This e-mail, and any attachments, contains information that is, or may be, covered by electronic communications privacy laws, and is also confidential and proprietary in nature. If you are not the intended recipient, please be advised that you are legally prohibited from retaining, using, copying, distributing, or otherwise disclosing this information in any manner. Instead, please reply to the sender that you have received this communication in error, and then immediately delete it. Thank you in advance for your cooperation.