



MEMORANDUM

TO: Tenant in Common Co-Owners of B&B Alexandria Corporate Park
FROM: B&B Alexandria Corporate Park Management, LLC
DATE: April 2, 2014
RE: Re-Financing Update and Conference Call Notice

As we have previously reported, HFF has been actively marketing our property to lenders capable of refinancing our existing mortgage that matures on June 15, 2014. Our current lender, G8 Capital, that acquired the loan from our original lender, Susquehanna Bank, continues to indicate that it will not entertain an extension or renewal of the loan and will require that it be paid off at maturity. While cash flow from the property has been adequate to pay all interest due on the loan, as of March 2014 we have suspended the required principal payments under the loan due to lack of funds. As of this date we have not received any notice of default nor are aware of any adverse action taken by the lender.

The response from the lending community to HFF's offering has been limited due primarily to the short term extension of the government lease with FPS. That extension now has approximately 12 months remaining on the term. Nevertheless, we have received three (3) quotes for a first trust loan. The terms and conditions of these quotes are set forth in the attached matrix that has been prepared by HFF.

Our goal is be able to present G8 Capital with an offer to purchase its loan on a discounted basis that would provide G8 Capital with an acceptable return on its investment but that would be less than the current aggregate outstanding balance of the loans in the amount of \$34,088,875.07. This will require a capital stack consisting of a first mortgage loan, mezzanine financing and, if required and to the extent available, unsecured financing. The selection of a first mortgage lender is the first step in this process.

We would like to discuss the first trust loan offers and our overall strategy with all of the TIC co-owners on a conference call and encourage everyone to make the time to participate.

Conference call instructions:

DATE: Tuesday, April 8, 2014
TIME: 2:00PM Eastern Daylight Savings Time
CALL #: (866) 906-9888
PARTICIPANT
CODE: 5082618



**Alexandria Corporate
Park**

Rate as of 3/31/2014

LIBOR 0.152%

10 Year Treasury 2.747%

Quote Matrix as of: March 31, 2014

LENDER	Prime Finance Emailed Quote	EagleBank Term Sheet	Trevian Capital Emailed Quote
Initial Loan Amount (Net):	\$20,000,000	\$21,000,000	\$23,000,000 - \$24,000,000
Earnout Holdback (Attributable to FPS):	\$1,000,000	\$0.00	TBD
Earnout Holdback (T/ILC/Other):	\$1,400,000	\$0.00	\$4-\$5 Million
Total Loan Amount (Gross):	\$22,400,000	\$21,000,000	\$28,000,000
Holdback Release Conditions:	\$2,400,000 of Future Advances: \$1,000,000 Reserved for GSA Roll: If Renew for 5+ Years, Can be Released to Borrower. \$1,400,000 for T Is/LCs/Other Tenants		Holdback will be required
Index:	LIBOR	LIBOR	LIBOR
Spread (bp):	575 Dropping to 525 Subject to: DY Test GSA Extension	400	900
Total Rate (Today):	5.90%	4.15%	9.15%
Floor Rate:		5.50%	
Fees:	1% In & Out	1% of the Loan Amount	2-3 Points
Term:	3 + 1 + 1 Subject to: 25 Bp / 50 Bp Extension Fees DY Test	36 Months	
Amortization:	I/O	Interest Only first 24 Months 25 Year Am. Thereafter	I/O: Ability to accrue
Recourse:	Standard Carveouts		
Guarantors:	None	Richard W. Brown, Dian L. Brown, David Bravove, Jill T. Bravove will jointly and severally guaranty full repayment of the Loan.	None
Max LTV:	TBD	65% of "As Is" Stabilized Appraised Value	TBD
Yield Maintenance	30 Months		
Other	100% Cash Flow Sweep until GSA Renews with Funds going into Rollover Reserve. Ability to Re- Adjust Reserves with GSA Renewal.	Condition of the loan that Federal Protection Services be the direct tenant of the Subject Property at terms acceptable to the bank for the life of the Loan. The bank will sweep all net cash flow generated by the property into an escrow account held at Eagle Bank which will be pledged as additional collateral for the loan. The sweep will cease upon: (i) FPS renewal for no less than 5 years and (ii) DSCR of 1.35x. Upon (i) FPS 5 year renewal and (ii) 1.50x DSCR, the escrow account balance will be released to borrower. Borrower must establish operating account of Subject Property at EagleBank.	