

March 15, 2018

Carlo Colella
Vice President for Administration & Finance
University of Maryland, College Park
2119 Main Administration Building
7901 Regents Drive
College Park, MD 20742

Via Electronic Mail (ccolella@umd.edu)

Re: **Letter of Intent – 7500 & 7612 Mowatt Lane College Park, MD 20740**

Dear Mr. Colella:

This letter of intent (“**LOI**”) sets forth an outline of the material terms and conditions under which Gilbane Development Company (“**Developer**”) would be willing to enter into a binding development agreement (the “**Contract**”) with the University of Maryland, College Park (“**University**”) that will provide for (a) the sale by the University to the Developer of approximately 3 acres of land located in College Park, MD 20740 (the “**Sale Property**”), (b) the ground lease by the University to the Developer of approximately 3.17 acres of land (the “**Leased Property**”), and (c) the grant or declaration by the University, crossing approximately 7.25 acres of land, of an access and public use easement forming a portion of the “**REA**”, hereinafter defined (the “**Easement Property**”). The Sale Property, Leased Property and the Easement Property are more particularly described in **Exhibit “A”** attached hereto and may be referred to collectively as the “**Development Property**”). The material terms and conditions will be as follows:

1. **Purchase Price.** Subject to Section 2 below, the purchase price or consideration for each of the Sale Property, the Leased Property and the Easement Property will be determined by appraisal pursuant to Section 3 below, payable in immediately available funds at Closing (defined below) of the Sale Property and, with respect to the remainder of the Development Property, payable at such times as shall be set forth in the Ground Lease and the Reciprocal Access Easement, hereinafter referenced (the “**Purchase Price**”).

2. **Assemblage with Developer’s Adjacent Properties:** Developer controls (and will own or otherwise control) the following two adjacent parcels: A) approximately 3.11 acres of property, consisting of all those parcels described in the Personal Representative’s Deed dated March 1, 2004 and recorded in the Land Records of Prince George’s County (“**Land Records**”) at Liber 19445, folio 228 (the “**Private Parcel**”); and B) approximately 1.42 acres of property, consisting of a portion of the 10.76 acre parcel now owned by the Roman Catholic Archbishop of Washington, and his Successors in Office, a Corporation Sole, as described in the Plan of Subdivision recorded in Land Records at Plat Book NLP-139, Plat 51 (the “**Diocese Property**” and collectively with the Private Parcel, the “**Developer’s Property**”). The Developer’s control over the Developer’s Property is a material inducement to the University entering into negotiations with Developer. The University acknowledges that the acquisition of the adjacent Developer’s Property is material to Developer’s development of the Development Property and is a condition of the acquisition of the Development Property. The parties intend that the Development Property and the Developer’s Property shall be developed and operated in an integrated fashion for a multifamily residential project consisting of fee simple townhomes on the Sale Property, apartment building(s) on the Leased Property, and certain new access roadways and pedestrian access areas, ultimately providing access between Mowatt Lane and Adelphi Road, benefitting such development project and the University’s College Park campus, being subject to a Reciprocal Easement Agreement, (collectively the “**Project**”).

3. **Appraisal.** The University, at its expense, within five (5) business days after execution of the LOI, shall solicit two (2) independent appraisals (the “**Appraisals**”). These appraisals shall determine, separately, the fair market value of the Sale Property, the fair rental value of the Leased Property and, finally, the fair market value of the Easement Property. Integra Realty Resources (now Newmark Knight Frank), and Moroney & Associates, LLC (the “**Incumbent Appraisal Companies**”) have previously (and recently) been retained by the University to appraise a portion of the University’s property and the University, in its competitive process to retain appraisers, will give due

(but not exclusive) consideration to efficiencies that might be gained by using the Incumbent Appraisal Companies. The University shall provide a complete copy of each Appraisal to the Developer within three (3) business days of the University's receipt of the final version of said Appraisal. The parties shall use the Appraisals as the basis for negotiation and mutual agreement of the Purchase Price for the Development Property. If the parties are unable to agree in writing upon the Purchase Price within forty-five (45) days after Developer's receipt from the University of the Appraisals (the "Confirmation of the Purchase Price"), then either party shall have the right, upon written notice to the other party, to terminate this LOI without liability to the other party.

4. **Sale Property.** The Sale Property is being sold by the University to the Developer with the expectation that the Sale Property, assembled with some of the Developer's Property, will be developed as a high quality townhome property consistent with townhome properties in the College Park area and may be subject to a HOA Declaration mutually agreed upon by the parties. Incentives to University faculty/staff to purchase a townhome as well as restrictive covenants or other disincentives to rentals of townhome units will be agreed upon and described in further detail in the purchase and sale agreement, hereinafter referenced.

5. **Ground Lease.** The initial term of the ground lease will be 75 years, with two (2) ten (10)-year options to extend the term consistent with the permitted uses thereunder (the "**Ground Lease**"). The University's fee simple interest will never be subordinated to any leasehold financing or other tenant liens; provided, however, that the Ground Lease will provide for lender cure and lease assumption rights reasonably necessary to make the Ground Lease financeable.

6. **Easement Property.** Developer and University will enter into a Reciprocal Easement Agreement ("**REA**") benefitting and burdening the Easement Property, the Developer's Property and the Development Property. The REA shall grant or transfer between the Developer and the University, for the benefit of the Project and the University campus (i) a general right of access over the Easement Property, the Developer's Property and the Development Property, including the right for Developer to build an access road and access areas, generally in the location shown on the "**REA Plan**" depicted on **Exhibit A**, (ii) the Developer's right to build and the obligation thereafter to maintain a public park or plaza generally in the location shown on **Exhibit A**, (iii) any density rights from the Easement Property to either the Sale Property or Ground Leased Property and (v) such other reciprocal easements deemed necessary or desirable by Developer to facilitate the development, construction and operation of the Project, such as stormwater drainage, utilities and temporary construction easements. Of note, portions of the Easement Property are already subject to a Forest Conservation Act Easement dated June 18, 2009, and recorded in the Land Records at Liber 30882, folio 337 ("**Forest Conservation Easement**"). The REA shall provide that all roads and public areas are to be maintained by the Developer, but the parties shall mutually cooperate to have the roads and public areas dedicated to public ownership and accepted by a municipality. The REA will be non-exclusive, perpetual and appurtenant to the Development Property and the University's property.

7. **Developer's Intended Project Layout and Use:** **Exhibit "A"** sets forth a mutually-agreeable conceptual development site plan, showing locations of the development, access and internal roads, and anticipated uses and densities for the Project (collectively, "**Developer's Intended Use**").

8. **Contract.** Upon execution of this LOI, the parties intend to engage in significant further negotiations with respect to binding agreements (or forms thereof) which would include, at a minimum, a purchase and sale agreement for the Sale Property (the "Purchase Agreement"), the Ground Lease of the Leased Property and the REA for the Easement Property (collectively, the "**Contract**"). The Contract requires approval from the Board of Regents of the University System of Maryland, the Maryland Board of Public Works and the Office of the Attorney General. At this time, it is anticipated that the Contract generally will provide as follows (together with such other mutually acceptable terms and conditions as the parties may agree):

A. **Deposit.** Within five (5) business days after execution of the Contract (the "**Effective Date**"), the Developer will make an initial deposit into escrow with a title company of Developer's choosing (the "**Title Company**"), earnest money in the amount of Fifty Thousand Dollars (\$50,000.00) (the "**Initial Deposit**"). Within five (5) business days after the expiration of the Inspection Period, the Developer shall deposit into escrow with the Title

Company the amount of Fifty Thousand Dollars (\$50,000.00) (the "**Additional Deposit**"). All deposited funds shall be invested by the Title Company in an interest-bearing account, which interest shall be considered part of the Deposit and credited to the Purchase Price at Closing, or delivered to the University, or returned to Developer with the Deposit, as the case may be.

B. Inspection Period.

1. Within ten (10) business days following the execution of this LOI, the University will provide to the Developer a copy of that certain Exchange Agreement dated November 7, 2016, including the material terms of the Hillel Lease (hereinafter defined), including the holdover provisions, between the University and Hillel (collectively, the "Exchange Agreement" evidencing that the University has beneficial title in and to the property being conveyed by Hillel to the University (the "Hillel Property")), the business terms of which may be redacted by the University.

2. Within five (5) business days following the Effective Date, the University shall deliver or cause to be delivered to Developer, at the University's sole cost and expense, copies of all of the items described on **Exhibit "B"** attached hereto that are in the University's possession or control.

3. Upon execution of this LOI, Developer shall deliver to the University a signed right of entry form (the "**ROE**", in the form attached hereto as **Exhibit "C"**), along with certificates evidencing that the Developer has the required insurance. The University then will sign and deliver the Right of Entry to the Developer.

4. Within ten (10) business days following the execution of this LOI, Developer will provide to the University a copy of all fully executed third-party agreements (provided, however, if Developer is prohibited by confidentiality obligations from disseminating any such agreement, Developer may show a copy to the University solely to evidence the existence of such agreement) evidencing that Developer has beneficial title in and to the Developer's Property, the business terms of which may be redacted by the Developer. To the extent permitted by law, the University will enter into a non-disclosure agreement with Developer relating to the delivery of said agreements.

5. Developer shall have a period of one hundred eighty (180) days from and after the later of (i) the Effective Date, or (ii) the date on which the Developer receives from the University all of the items described in Section 8.B.i (the "**Inspection Period**"), in which to perform market studies and real property due diligence, all to determine whether Developer desires to proceed with the proposed transaction. Prior to the expiration of the Inspection Period, the Developer may terminate the Contract, for any reason or no reason, and obtain a full refund of the Deposit. If Developer elects to proceed, the Deposit shall become non-refundable except in the event of University default.

C. Title; Survey. During the Inspection Period, Developer shall obtain at its expense, an ALTA commitment(s) for title insurance for the Development Property issued by the Title Company and (ii) if deemed necessary by Developer, an updated ALTA land survey of the Development Property in accordance with Developer's requirements (the "**Survey**"). Prior to the end of the first ninety (90) days of the Inspection Period, Developer shall provide the title commitment(s) and the Survey to the University with any objections thereto, and the University shall, thereafter, have thirty (30) days to provide Developer with written notice of the University's unwillingness or willingness to cure any objection. If the University does not deliver notice to Buyer within such thirty (30) day period that it will cure all objections or notifies the Developer that it will remove, satisfy or otherwise cure the objections (with the failure to deliver notice being deemed a refusal to remove, satisfy or otherwise cure any and all such Objections), the Developer shall be entitled to either: (i) elect to terminate the Contract by written notice to the University, in which event the Deposit shall be refunded to the Developer and the parties shall have no further right or obligation thereunder; or (ii) waive the objections which the University is unwilling to cure and continue the transactions contemplated by the Contract. Any matter disclosed on the Survey or the title commitment(s) which are approved by the Developer in writing, and any objection that is waived or deemed to have been waived by the

Developer, shall be deemed to be a “**Permitted Encumbrance**”. The University agrees to provide the Developer a copy of any title commitment or report and any Survey obtained by the University concerning the Hillel Property during the Inspection Period and to cooperate with the Developer to obtain a right of access to the Hillel Property during the Inspection Period in order to perform its own Survey.

D. Zoning and Development Approval: Developer will have an 18-month period (the "Permitting Period") from the Effective Date to obtain final zoning, subdivision and site plan approvals (“**Development Approvals**”) from the Prince George’s County Planning Board, and such other municipal or quasi-municipal board or agencies having jurisdiction, of Developer’s Intended Use. During the Permitting Period, Developer may work to seek appropriate municipal annexation of the Project parcels (the "**Annexation**"). The University shall assist Developer and otherwise reasonably cooperate with Developer in securing the Approvals and the Annexation; provided, however, that the University shall not incur any expense in connection therewith. If Developer does not obtain Development Approvals or the Annexation (the failure of Annexation, however, being waivable by Developer) by the expiration of the Permitting Period, then the Deposit shall be forfeited to the University and the Contract shall be terminated, except for obligations, such as indemnifications, that expressly survive termination. Developer shall have a one-time right to extend the Permitting Period for an additional sixty (60) days upon written notice to the University and the Title Company prior to the end of the Permitting Period and the deposit into escrow of an extension fee of \$50,000.00 (the "Permitting Extension Fee"). The Permitting Extension Fee shall be added to the Deposit and shall be applicable to the Purchase Price, but shall not be refundable to the Developer.

E. Conditions Precedent to Closing.

1. The following shall be conditions precedent to Developer’s Closing obligations under the Contract (collectively, the “**Developer’s Conditions Precedent**”):

a. The University’s title to the Development Property must be fee simple, insurable and marketable with no exceptions other than the Permitted Encumbrances.

b. The University is currently the beneficial (but not yet the legal) owner of a 0.9 acre portion of the Leased Property located at 7612 Mowatt Lane (as identified on **Exhibit A**), pursuant to the terms of the Exchange Agreement. It shall be a condition of Closing that the University and Hillel close on their land exchange and the University acquire legal title to the Hillel parcel. After Closing on the Exchange Agreement transactions, the University has agreed to provide Hillel with a two-year lease back (with rent at \$12,697.50 per month) for continued use of its community center on the Hillel parcel (the "Hillel Lease"). The University shall be obligated under the Ground Lease, at its sole cost and expense, to ensure that Hillel vacates the Hillel parcel in strict accordance with the terms of the Hillel Lease. The Developer shall not incur any liability or obligations in connection with any delays in the Project timeline related to any delays in the vacancy of the Hillel parcel. The University will cooperate and shall cause Hillel to cooperate with the Developer to ensure that it has an alternative, convenient means of access to the remainder of the Project and its construction operations are not materially adversely affected as a result of Hillel's occupancy under the Hillel Lease.

c. The Development Approvals for the Developer’s Intended Use and the Annexation must be final and unappealable and all on such terms and conditions as are acceptable to the Developer, in its sole and absolute discretion.

d. The Developer shall have all construction and other licenses and approvals necessary to begin construction, including any approvals related to tree conservation or stormwater management.

e. No lawsuit, appeal or other action shall have been filed by any party, directly or indirectly, involving the Development Property, including without limitation, any such lawsuit, appeal or other action for the purpose of challenging, contesting or seeking to prohibit, restrain, enjoin or delay any

change in entitlements or restrictive covenants required to permit development of the Development Property for Developer's Intended Use.

f. There shall exist no moratorium or other action or directive by any governmental authority which would prohibit, restrain, enjoin or delay development of the Development Property for Developer's Intended Use.

g. All of the University's representations and warranties shall be true and correct in all material respects and the University shall have performed all of its material obligations under the Contract.

h. There shall be no material and adverse change in the condition of the Development Property arising after the expiration of the Inspection Period, and no material and adverse defect or encumbrance affecting the title to the Development Property, except those matters which are Permitted Encumbrances and those matters which Developer may have caused.

i. The Development Property shall be vacant (free and clear of any and all tenants, users, or other occupants) with any and all leases having been terminated, subject only to the Hillel Lease.

2. The following shall be conditions precedent to the University's Closing obligations under the Contract (collectively, the "**University's Conditions Precedent**"):

a. Developer shall have obtained fee simple title to Developer's Property.

b. The Development Approvals for the Developer's Intended Use must be final and unappealable.

c. Developer shall have all construction and other licenses and approvals necessary to begin construction of the Project, including any approvals related to tree conservation and/or stormwater management.

d. No lawsuit, appeal or other action shall have been filed by any party, directly or indirectly, involving the Development Property and/or the Developer's Property, including without limitation, any such lawsuit, appeal or other action for the purpose of challenging, contesting or seeking to prohibit, restrain, enjoin or delay any change in entitlements or restrictive covenants required to permit development of the Development Property and/or the Developer's Property for Developer's Intended Use.

e. There shall exist no moratorium or other action or directive by any governmental authority which would prohibit, restrain, enjoin or delay development of the Development Property and/or the Developer's Property for Developer's Intended Use.

f. All of Developer's representations and warranties shall be true and correct in all material respects and Developer shall have performed all of its material obligations under the Contract.

g. Developer shall provide evidence to the University that it has obtained all required funding to allow Developer to complete the Project in accordance with Developer's Intended Use and within the time period as provided in the Contract.

If any of such conditions are not satisfied prior to Closing (or either Developer or the University reasonably determine that any one or more of such conditions will not be satisfied within the time provided for Closing), then either Developer or the University shall be entitled to terminate the Contract. Except in the event of University default, the University will retain the Deposit as consideration for keeping the Development Property off the market, and exclusively available to Developer, during this time period.

F. Closing.

1. Closing (“**Closing**”) shall occur not later than sixty (60) days after satisfaction of all Conditions Precedent, but not later than 24 months after the Effective Date (the “Closing Date”). The Closing Date is subject to extension by the Developer for up to an additional ninety (90) days upon written notice to the University and the Title Company prior to the end of the Permitting Period and the deposit into escrow of an extension fee of \$25,000 (the “Closing Date Extension Fee”). The Closing Date Extension Fee shall be added to the Deposit and shall be applicable to the Purchase Price, but shall not be refundable to Developer except in the event of University default.

2. At the Closing, fee simple, insurable and marketable title to the Sale Property will be conveyed to Developer by special warranty deed; the Ground Lease and a corresponding Memorandum of Ground Lease shall be signed and delivered for the Leased Property and, finally, the REA, governing use of the Easement Property shall be signed and delivered. Title shall be conveyed subject only to the Permitted Encumbrances and for (i) the payment of non-delinquent real property taxes (which shall be equitably prorated between the parties) and (ii) the Forest Conservation Easement.

3. The Developer will pay the costs of the all fee, easement and leasehold title insurance policies. The University and Developer will each pay one-half of the transfer and recordation taxes and fees. Each party will bear their own attorney’s fees. The Developer will pay all other Closing costs. Real property taxes, utilities and any other similar fees or assessments will be prorated as of date of Closing, with the parties providing in the Contract for an adjustment and reconciliation period post-closing. If, permitted by applicable law, Developer plans to charge and receive from the purchasers of the townhomes all front foot benefits charges (FFBC) as reimbursement for constructing the water and sewer lines as part of the land development improvements. The University is exempt from County and local taxation.

G. Brokers. The University and the Developer each represent to the other that it has not dealt with any broker or real estate agent in connection with the transaction contemplated by this letter, and, in the Contract, each party will indemnify, defend and hold the other party harmless from any and all other claims for commissions or fees by brokers made against the other party.

H. Developer Default. In the event of a material default which remains uncured after thirty (30) days (or such longer time as may be required to effect such cure, not to exceed sixty (60) days) prior written notice from the University to the Developer under the Contract, the University will be entitled to declare the Contract terminated and to retain the Deposit as liquidated damages as the University’s exclusive remedy.

I. University Default. In the event of a material default which remains uncured after thirty (30) days (or such longer time as may be required to effect such cure, not to exceed sixty (60) days) prior written notice from the Developer to the University under the Contract, Developer shall be entitled, as its sole remedy to either (i) declare the Contract terminated and obtain a refund of its Deposit, or (ii) seek specific performance.

J. Assignment. Developer shall have the right to assign the Contract to a single purpose entity or entities owned or controlled by the Developer (the “SPE”), with notice to, but without the University’s consent. All other assignments are subject to the University’s consent, which may be withheld in the University’s sole discretion. In the case of any such assignment, Developer shall remain fully liable under the Contract unless the University has consented otherwise in writing. As used in this Section, “controlled” shall mean that Developer or a fully owned company of Developer owns at least 51% of the SPE, or that a fully owned company of the Developer is the sole managing member of the SPE who has control over the business dealings and the operations of the SPE and the Project. Notwithstanding the foregoing, nothing herein shall prohibit the assignment of all or any portion of the Contract to a nationally recognized builder for the Intended Use or the collateral assignment of all or any portion of the Contract for financing purposes, subject to the consent of the University, not to be unreasonably withheld, conditioned or delayed.

K. Preparation of Contract. Within twenty (20) days of the Confirmation of the Purchase Price pursuant to Section 3, Developer shall deliver a first draft of the Contract. The parties shall endeavor to fully negotiate the Contract within 120 days after the University's receipt of the first drafts thereof.

L. Binding Effect. This letter of intent is not binding and is not a contract to purchase or sell or lease, or grant any interest in, real estate. Rather, it outlines material business terms of the proposed transaction, subject to further negotiation. All Contract are subject to University and Developer approval and, for the University, approval by the University System of Maryland and Maryland Board of Public Works. In the event that the Contract is not fully negotiated and signed within 120 days from the receipt of the first drafts, then the parties may terminate negotiations at any time thereafter, for any reason or for no reason, but the University agrees that until such termination, it shall not solicit, receive, or accept an offer or negotiate for any disposition of the Sale Property, the Leased Property or the Easement Property. To the extent permitted by law, Developer and University agree that the terms of this Letter of Intent are to be kept strictly confidential and neither party shall disclose the terms and conditions contained herein without the express written consent of the other party. Developer acknowledges that the University and this LOI are subject to the Maryland Public Information Act.

The parties have executed this Letter of Intent as of the date first hereinabove set forth, which Letter of Intent may be signed in counterparts, each of which shall be deemed to be an original and all of which together shall comprise a single document.

Sincerely,

DEVELOPER:

GILBANE DEVELOPMENT COMPANY

By: 

Name: Russell Broderick

Title: SUP

APPROVED AND ACCEPTED THIS 12 DAY OF April, 2018

UNIVERSITY OF MARYLAND, COLLEGE PARK

By: 

Carlo Colella, Vice President
for Administration & Finance

cc: Edward J. Maginnis, AVPF-Real Estate, via maginnis@umd.com
Ken Ulman, Chief Strategy Officer for Economic Development, via kenulman@gmail.com

EXHIBIT A
PROPERTIES

Address:	7500 Mowatt LN, College Park, MD 20740
Parcel:	Lot 4
APN:	21-4018024
Acreage:	9.54 AC
Address:	Mowatt LN, College Park, MD 20740
Parcel:	Lot 3
APN:	21- 4018016
Acreage:	2.85 AC
Address:	7612 Mowatt LN, College Park, MD 20740
Parcel:	PAR "A"
APN:	21- 2292571
Acreage:	.91 AC

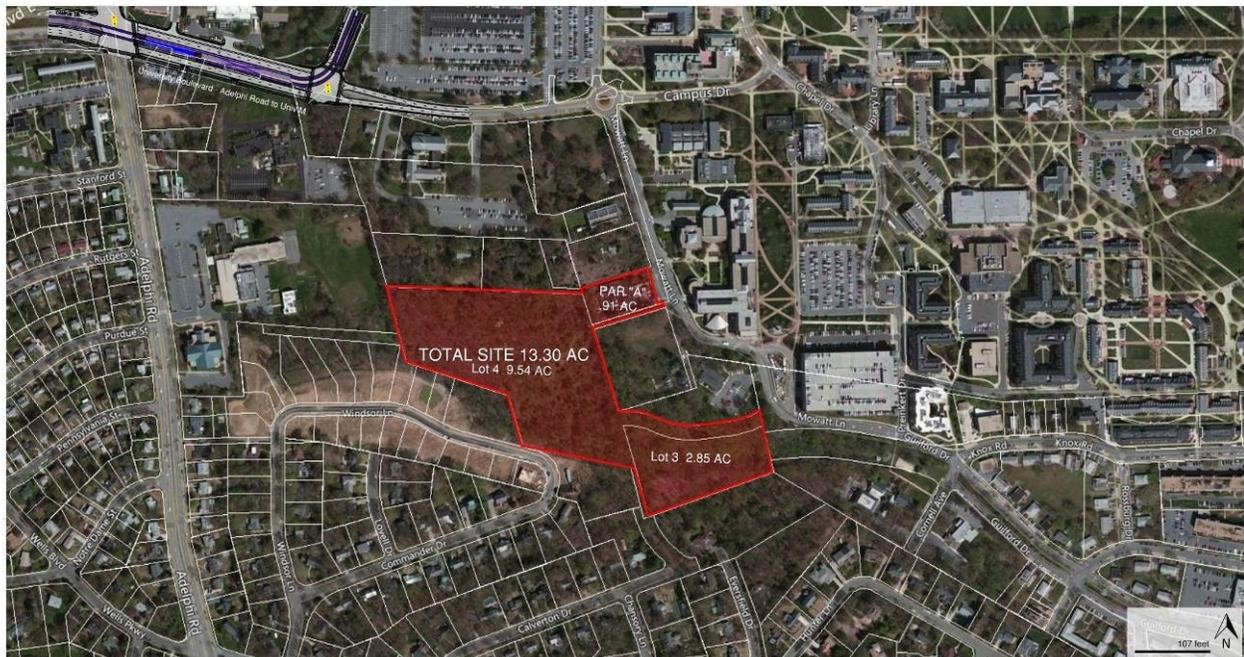
PARCEL BREAKOUT



REA Plan



SITE AERIAL MAP



TAX MAP

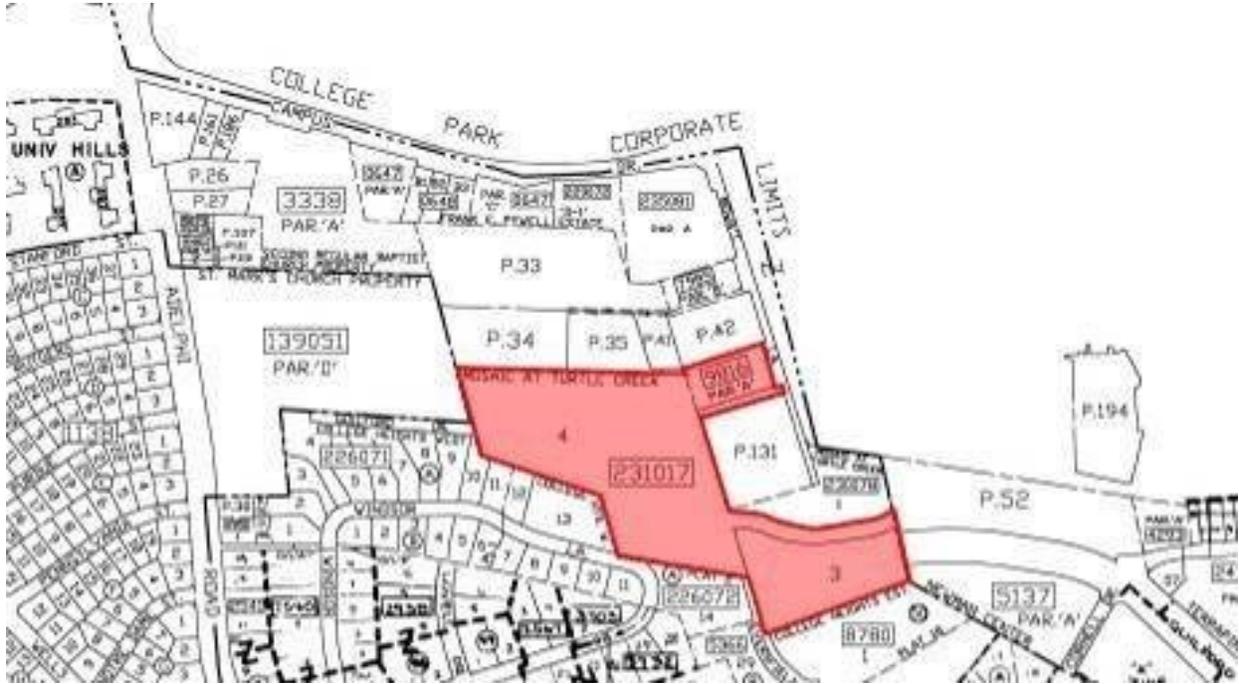


EXHIBIT B

University Deliveries

a. A complete list of all contracts in effect as of the date hereof and complete copies of all such contracts, including without limitation, any and all leases with Hillel and the Exchange Agreement.

b. A schedule setting forth the type and amounts of insurance coverage maintained by the University with respect to the Development Property as of the date hereof.

c. Copies of all authorizations, including, without limitation, all permits, authorizations, approvals, orders of conditions, and licenses issued by Governmental Authorities having jurisdiction over the Development Property, in the University's possession.

d. List of all litigation pending against the Development Property or the University, which relates to the Development Property.

e. Copies of all unrecorded easements, licenses or other encumbrances affecting the Development Property, of which University has knowledge.

f. Copies of any and all unrecorded covenants, conditions and/or restrictions relating to the Development Property, of which University has knowledge.

g. Copies of notices of violation of any federal, state or other governmental codes, laws, rules, regulations or ordinances relating to the Development Property.

h. Copies of all soil tests, engineering tests, percolation tests, water, oil, gas, mineral, radon, formaldehyde, PCB, ADA or other environmental tests, audits or reports, market studies and site plans related to the Development Property.

i. Copies of any title insurance commitments or policies covering all or any portion of the Development Property and any surveys of all or any portion of the Development Property.

j. Copies of receipts for all ad valorem taxes and special assessments assessed against any portion of the Development Property for the current and prior two (2) calendar years and any information regarding current renditions or assessments on the Development Property or notices relative to change in valuation for ad valorem taxes.

Developer acknowledges and confirms that all reports, documents, surveys and any other information whatsoever supplied to Developer by University, at any time, is not, and shall not be construed to be, a representation or warranty as to the condition of the Development Property or the feasibility of developing the Development Property, including without limitation all updates of reports, documents, surveys and other information that may be supplied to Developer by University. It is Developer's sole responsibility to undertake a thorough independent evaluation of the all materials, inspections, reports, documents, surveys, and other information relating to

the Development Property. Developer by accepting such materials, inspections, reports, documents, surveys and other information acknowledges that Developer is solely responsible for completing its own due diligence to determine the condition of the Property and the feasibility of developing the Development Property and that University has not made any representations or warranties regarding the same.

Developer further acknowledges and confirms that, to the extent permitted by law, the University may require Developer to enter into a non-disclosure agreement with the University relating to the delivery of said agreements, particularly with respect to the Hillel Exchange Agreement.

Exhibit C
RIGHT OF ENTRY AGREEMENT

This **RIGHT OF ENTRY AGREEMENT** (“Agreement”) is entered into this ___ day of _____, 2018 (the “Effective Date”) by and between the **University of Maryland, College Park** (“**UMD**”), an instrumentality of the State of Maryland and public corporation, and **Gilbane Development Company** (“**Grantee**”), a Rhode Island corporation.

RECITALS

A. UMD is the fee simple owner of that parcel of land located in College Park, Prince George’s County, Maryland commonly known as the Campus of UMD (the “**UMD Property**”).

B. Grantee has requested UMD’s permission to enter onto, and to allow its agents, employees, consultants, contractors and representatives (“**Grantee Parties**”), to enter onto, that portion of UMD’s Property more specifically shown on **Exhibit A** (the “**ROE Property**”), for the limited purpose of performing the inspections and surveys more particularly described in **Exhibit B** (the “**Work**”).

C. UMD has agreed to provide Grantee with a temporary license (the “**License**”) to enter onto and use the ROE Property to perform the Work.

D. UMD and Grantee sometimes are referred to herein as the “**Parties**”.

NOW, THEREFORE, in consideration of the mutual promises herein stated and for other good and valuable consideration as more fully described below, the Parties agree as follows:

1. Upon the Effective Date, Grantee and Grantee Parties are granted a temporary license to enter onto the ROE Property, in its “**AS IS, WHERE IS**” condition (the “License”). Such entry and any Work undertaken pursuant hereto shall be at the sole cost, expense and risk of Grantee. Prior to any entry and commencing any Work, Grantee shall provide reasonable notice to UMD. Such notices shall be given to the UMD’s representative identified in Section 9 below.

2. This Agreement and the License granted hereunder automatically will terminate on the date that is ninety (90) days after the Effective Date (the “Termination Date”), unless otherwise agreed to in writing by the Parties. The License expressly is conditioned upon Grantee’s full and faithful compliance with the terms of this Agreement. If Grantee breaches any term of this Agreement and fails to cure, or commence to cure, such breach within fifteen (15) business days of its receipt of written notice from UMD (sent electronically, by hand delivery or overnight mail to the notice address below), then, in addition to any other legal or equitable remedy it may have, UMD may immediately terminate this Agreement.

3. The grant by UMD of the non-exclusive License and the right of entry onto the ROE Property shall not be construed to prohibit UMD from the free and unfettered access and use of the UMD Property subject to the Work permitted hereunder, of which the ROE Property is a

part. Grantee shall perform the Work in a manner that minimizes interference with UMD's use of the UMD Property. This Agreement shall not preclude UMD from allowing other persons or entities from using the UMD Property in a manner that does not in conflict with the provisions of this Agreement.

4. Grantee shall obtain, and cause its contractors to obtain, the insurance described in **Exhibit C**. Grantee shall indemnify, defend, and hold harmless UMD, the University System of Maryland, and the State of Maryland, and their respective officers, officials, employees, agents, and representatives (the "State Parties") from and against all actions, claims, suits, penalties, obligations, liabilities, damages to property, including without limitation environmental claims, or injuries to persons (collectively "Claims") brought against or suffered by the State Parties arising from or in connection with any willful or negligent act or omission of Grantee or Grantee Parties in performance of the Work.

5. Grantee shall not bring, nor allow to be brought, onto or about the ROE Property or the UMD Property any hazardous materials in violation of applicable laws. The UMD fire marshal has the right to inspect the Work and Grantee's equipment, and any other equipment used in the Work that might pose a fire risk and the Grantee may not use any such equipment unless approved by the UMD fire marshal, which approval shall not be unreasonably withheld, conditioned or delayed. Grantee shall be responsible for promptly notifying UMD and addressing and remediating in accordance with applicable law any hazardous materials brought onto or about the ROE Property or the UMD Property, or disturbed by Grantee, and/or damage to the ROE Property or other UMD Property that occurs as a result of any of Grantee's or Grantee Parties' acts or omissions pursuant to this Agreement and resulting from the Work or Grantee's entry upon the ROE Property, regardless of whether (a) such pollution, contamination or damage is discovered to have been brought onto the ROE Property or the UMD Property by Grantee or Grantee Parties before or after the expiration or termination of this Agreement, or (b) corrective or response actions continue or are required by applicable law to begin after the expiration or termination of this Agreement. This provision shall survive any termination of this Agreement. Grantee shall indemnify, defend and hold harmless the State Parties from any loss, cost, expense or damage arising out of any hazardous materials brought onto or about the ROE Property or the UMD Property, or disturbed by Grantee, and/or damage to the ROE Property and/or other UMD Property caused by Grantee or Grantee Parties. Nothing in this Agreement shall render Grantee or any Grantee Party liable for hazardous materials or other environmental contamination not brought onto the ROE Property or UMD Property by Grantee or any Grantee Party, except as otherwise provided herein.

6. Grantee and Grantee Parties shall perform the Work in accordance with all applicable Maryland State, Federal, County, and municipal (if applicable) laws, including workplace safety laws. Grantee and Grantee Parties shall (a) exercise safety precautions and due care in connection with the Work and entry onto the ROE Property, and (b) maintain the portions of the ROE Property on which Grantee is conducting the Work in a reasonably good, clean and safe condition. All invasive testing, including without limitation any Work that might disturb the soil, requires the written approval of UMD. Approval by UMD shall not release Grantee or Grantee Parties from responsibility for such invasive testing. UMD reserves the right to require the Grantee and Grantee Parties to post performance security prior to performing any invasive testing.

7. Only temporary structures, equipment and facilities reasonably necessary to perform the Work shall be permitted to be stored, installed, operated and maintained on the ROE Property.

8. Grantee shall take all reasonable steps necessary to protect the ROE Property and the UMD Property from damage arising as a result of the Work conducted by Grantee and/or Grantee Parties and keep said property free and clear of all liens arising out of nonpayment for the Work. Upon completion of the Work or earlier termination of this Agreement and written notice to UMD, Grantee shall immediately remove equipment and all other property of Grantee and restore the ROE Property, and the UMD Property if applicable, to substantially the conditions that existed as of the Effective Date. Grantee shall clear the work area of litter, debris and work material at the end of each work day.

9. All notices, consents or other communications required or permitted to be given pursuant to this Agreement must be in writing and shall be deemed to have been delivered (a) if delivered in person or via courier, when received at the address of the person to whom notice is given, (b) if sent by a nationally recognized overnight delivery service (e.g., Federal Express, UPS, Airborne Courier), on the (1st) business day after receipt by such delivery service for overnight delivery, or (c) if sent by certified United States Mail on the earlier of the date actually received or three (3) business days after deposited in a receptacle provided by the United States Post Office, addressed to the intended Parties at the following respective addresses:

If to UMD:

University of Maryland, College Park
2119 Main Administration Building
7901 Regents Way
College Park, Maryland 20742
Attn: Vice President, Administration & Finance

With a copy to:

University of Maryland, College Park
Office of General Counsel
2101 Main Administration Building
7901 Regents Way
College Park, Maryland 20742
Attn: Real Estate Counsel

And to Grantee:

Gilbane Development Company
1100 North Glebe Road, Suite 1000
Arlington, VA 22201

With a copy to:
Molly M. Stolmeier, Esq.
General Counsel
Gilbane Development Company
5670 Liberton Ct
Dublin, OH 43017

For Work notices and information required under Section 1 above, the following are the Parties' contact representatives:

UMD Contact Representative: Ari Schnitzer, 301.405.7176, aschnitz@umd.edu.

Grantee Contact Representative: Christian Cerria, 571.551.7706, CCerria@gilbaneco.com.

10. This Agreement may be signed in counterparts, each of which shall be deemed to be an original and all of which together shall comprise a single document.

(Signatures follow on the next page.)

IN WITNESS WHEREOF, the Parties have entered into this Agreement as of the Effective Date.

UMD:

**UNIVERSITY OF MARYLAND,
COLLEGE PARK**

By: _____
Carlo Colella,
Vice President for Administration & Finance

Date: _____

GRANTEE:

GILBANE DEVELOPMENT COPMANY

By: _____

Name: _____

Title: _____

Date: _____

EXHIBIT A (to ROE)
DESCRIPTION OF ROE PROPERTY
(see attached)

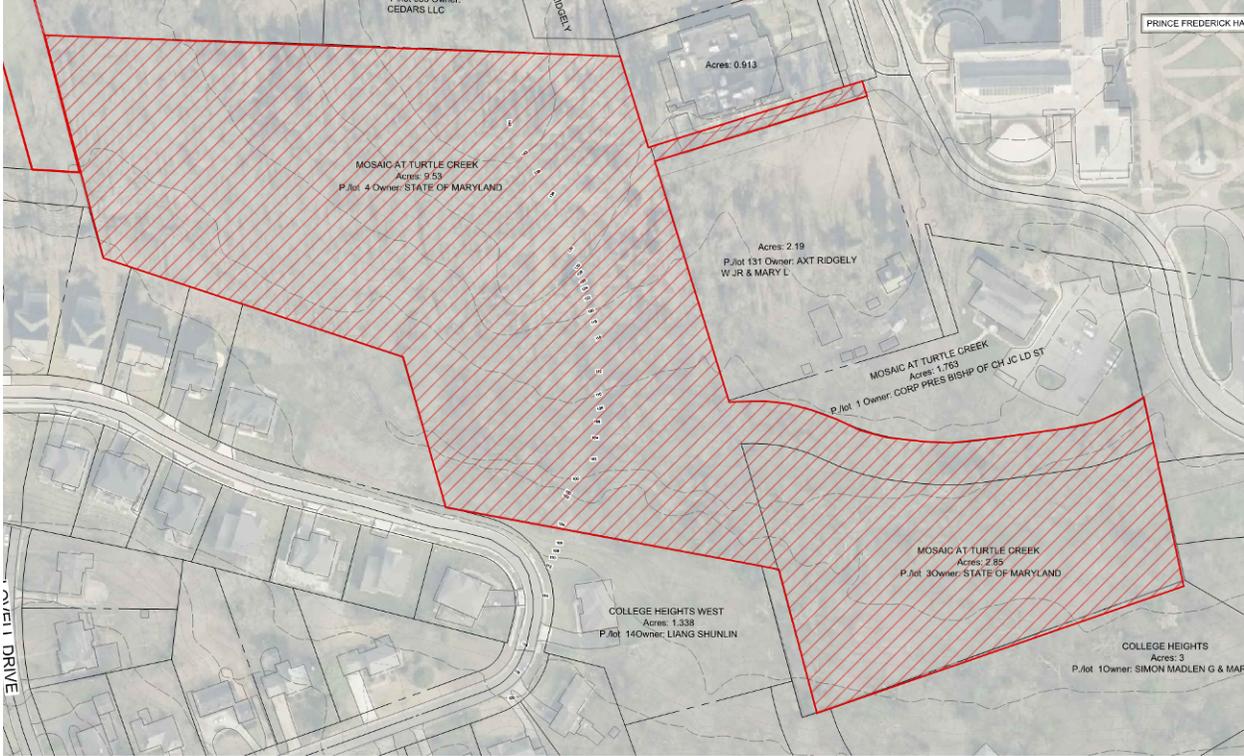


EXHIBIT B (to ROE)
DESCRIPTION OF THE WORK

The Work includes the following due diligence tests and studies:

1. Land Survey.
2. Phase I Environmental Site Assessment
3. Preliminary Geotechnical Site Assessment.

Any invasive testing requires prior written approval of UMD.

EXHIBIT C (to ROE)
**INSURANCE REQUIREMENTS FOR GRANTEE AND ITS
CONTRACTORS AND CONSULTANTS**

The Grantee and Grantee's "Contractors" shall file certificates with endorsements with UMD evidencing existence of the required coverages set forth below. Such insurance shall be placed with reputable insurance companies licensed or authorized to do business in the State of Maryland with a minimum Best's rating of A-VIII, and as reasonably approved by UMD.

Grantee and the Grantee Parties shall maintain Commercial General Liability coverage including, if deemed reasonably necessary by UMD or required by applicable law, Pollution Liability (to the extent any invasive testing will be conducted by such insured party), Comprehensive Auto Liability and Employer's Liability insurance, with amounts set forth below.

If Contractors retain subcontractors, the same conditions applicable to the Contractors apply to each subcontractor, including, but in no way limited to, the indemnity and insurance clauses.

Prior to the commencement of any work, Grantee and the Contractors shall obtain and maintain the following insurance, at its own expense, in amounts not less than those specified below:

1. Commercial general liability insurance providing coverage not less than \$1,000,000 each occurrence and \$2,000,000 general aggregate, which coverage shall insure against, without limitation, property damage and bodily injury and hazards of operations, and to the extent invasive testing will be conducted by such party, explosion, collapse, environmental hazard/pollution liability and underground coverage, and the acts and omissions of independent contractors and employees. UMD, the University System of Maryland, the State of Maryland, and their respective officials, officers, employees and agents (the "State Parties") shall be named as additional insureds.
2. Comprehensive form automobile liability covering owned, hired and non-owned vehicles with a combined single limit of \$1,000,000 per occurrence.
3. Workers' compensation insurance in accordance with the laws of the State.
4. All risk coverage for the full replacement cost of any personal property owned by Grantee or the Contractor and located on the ROE Property, including but not limited to temporary structures and Grantee's and/or Contractor's tools and equipment.

The insurances required in items 1 and 4 above shall, without liability on the part of UMD for premiums, include the State Parties as additional insureds and contractual indemnification coverage. In addition, each policy shall contain provisions giving UMD thirty (30) days' prior written notice of cancellation of coverage.