

USF&G REALTY, INC.

April 10, 1987

Menard Doswell
Rouse & Associates
Suite 840
8251 Greensboro Drive
McLean, Virginia 22102

Gentlemen:

We are pleased to advise you that USF&G Realty, Inc. (the "Lender") has approved your request for a mortgage loan (the "Loan") in accordance with and subject to the following terms and conditions set forth in this commitment letter (the "Commitment"):

1. Borrower. The borrower (the "Borrower") shall be a Pennsylvania limited partnership whose sole general partners will be Willard G. Rouse, III, Menard Doswell and Rouse & Associates, Inc.

2. Property. The real property which shall secure the Loan shall be that tract of land consisting of 235,446 square feet of land located at the southeast corner of the intersection of Virginia Route 7 and the Dulles access toll road in Fairfax County, Virginia (the "Property"). We understand that the current zoning of the Property is C-7 and that the currently permitted floor area ratio is one (1.0).

The site currently is improved with an automobile dealership showroom and service facilities. The Borrower will lease the land as improved to William E. Schuilling for forty-eight months for a net rent to the Borrower of \$55,000 each month during the term of this Commitment.

3. Principal Sum. The principal sum of the Loan shall be the lesser of (a) expenses approved by the Lender or (b) \$15,000,000.00. The expenses shall be (a) the actual acquisition and settlement costs for the Property paid by the Borrower to third parties together not to exceed \$12,297,469, (b) a development fee (the "Development Fee") of \$100,000.00 per year not to exceed a total of \$400,000 and to apply to the

period beginning upon acceptance of this Commitment by the Borrower and continuing through the term of this Commitment and (c) the difference between (i) the interest accrued on the interim land loan obtained by the Borrower from Marine Midland Realty Credit Corporation ("Marine Midland Realty") for purposes of financing the Property (the "Marine Midland Loan") during the term of this Commitment and (ii) all net lease income from the Property for such period. All such expenses shall be subject to the approval of the Lender and those approved collectively are called the "Lender-approved expenses."

Because Borrower shall have assigned to Lender the right to disbursement of the Development Fee pursuant to paragraph 8(i), Lender shall disburse the Development Fee only if in its absolute discretion it determines that its security for repayment of such Development Fee is adequate to assure such repayment.

4. Interest Rate. The principal balance, or so much thereof as from time to time is outstanding, shall bear interest at the annual rate of ten percent (10%) (the "agreed rate") unless and until a default shall occur under the Loan Documents. If such a default occurs, interest on the principal sum shall accrue at the annual rate (the "default rate") which is the greater of (A) fifteen percent (15%) or (B) two percent (2%) plus the prime rate announced by Mercantile-Safe Deposit and Trust Company, Baltimore, Maryland, from time to time, with each change thereof automatically effecting a change in the default rate, until all defaults are cured. Interest, whether at the agreed rate or at the default rate, shall be computed on the basis of a 365-day year. All interest will accrue and compound by being added to the outstanding loan balance on the first day of each calendar quarter.

5. Additional Interest. In addition to the accrual of interest at the agreed rate, Borrower shall make payments of interest (the "additional interest") as follows:

(i) If, before the date Borrower transfers the Property to a development partnership (defined below), Borrower sells or otherwise transfers all, but not less than all, of the Property to an independent third party (i.e., a transaction other than one in which the Lender receives an interest pursuant to paragraph (iv) below), Borrower shall pay to Lender, as additional interest, an amount equal to fifty percent (50%) of the difference between (A) the net sales price (defined in item (v)(A) below) of the Property and (B) the land release price (defined in item (v)(B) below).

(ii) In the event of (A) the maturity date of the Loan (other than because of transfer to a development partnership and the receipt by Lender of a 25% limited partnership interest in the development partnership pursuant to paragraph 5(iv)), (B) acceleration of the Loan due to a default by Borrower or (C) the prepayment of the Loan which is not made in connection with the sale or other transfer of the Property to an independent third party or to a development partnership pursuant to paragraph 5(iv), Borrower shall pay Lender, as additional interest, an amount equal to fifty percent (50%) of the difference between the fair market value of the Property and the land release price.

(iii) If the Lender applies to payment of the indebtedness the proceeds from either a total taking of the Property or from the insurance recovered pursuant to a total casualty to the Property, then Borrower shall pay Lender, as additional interest, an amount equal to fifty percent (50%) of the amount by which the proceeds of such total taking or total casualty (and the fair market value of any remaining or undestroyed Property) (less reasonable costs paid by Borrower to third parties and expenses incurred by the Lender in connection with such taking or casualty) exceed the land release price.

(iv) Borrower, in order to develop the Property, may transfer the Property to a development partnership (the "development partnership") during the term of this Commitment or during the term of the Loan at a sale price equal to the land release price. Concurrent with such transfer, Lender, or a designated affiliate of Lender, shall receive a twenty-five percent (25%) limited partnership interest in the development partnership.

Lender shall become a partner in the development partnership simultaneously with any persons or entities constituting a related person or entity (defined in item (v)(E) below). The partnership agreement shall not require Lender to contribute any capital, other than nominal capital of less than \$100.00, to the development partnership. The Lender's interest in the development partnership shall not be subject to reduction or dilution on account of Lender failing to make any contribution, or any loan, to the development partnership. Distribution of cash flow and of capital transactions and allocations of profits and losses shall be in proportion to the ownership interests in such partnership. The partnership agreement shall provide that the partnership shall make quarterly distribution of all distributable cash and shall specify permissible leasing

commissions payable to Borrower or any of its affiliates and to third party brokers. Otherwise Lender and each other partner shall have the same rights and obligations under the partnership agreement, other than customary matters required to differentiate general and limited partners, and other than those specific items set forth in paragraph 11(B).

(v) As used in this letter, the following terms shall have the following meanings:

A. The term "net sales price" shall mean the amount received in cash or equivalents, plus the fair market value of any property received in exchange for the Property, exclusive of all adjustments to the purchase price on account of prorations, less the actual reasonable expenses paid to independent third parties solely for the sale of the Property not in excess of five percent (5%) of the purchase price of the Property.

B. The term "land release price" during the term of the Commitment shall be the sum of the Lender-approved expenses and during the term of the Loan shall be the sum of the outstanding principal balance and all accrued but unpaid interest.

C. The term "fair market value" of the Property shall mean an amount equal to the value of the Property under its highest and best use at the time the fair market value of the Property is required to be determined pursuant to the terms hereof.

D. The term "outstanding principal balance" of the Loan shall mean the outstanding principal balance of the Loan as of the date the computation thereof is required pursuant hereto (or in the event of the application of the proceeds against the indebtedness in connection with a total casualty or condemnation, the outstanding principal balance as of the first day of the month next preceding the date of such casualty or condemnation) and shall include all interest accrued to such date.

E. The term "independent third party" shall mean an entity in which neither any partner of the Borrower nor any shareholder of any partner of the Borrower has any interest directly or indirectly. The term "related person or entity" shall be a person or entity other than an independent third party.

(v) If Borrower intends to sell the Property, it shall first offer the Property to Lender under the terms and conditions for which Borrower is willing to sell the Property. Such offer shall provide for payment only in United States dollars. The Lender shall have the option to purchase the Property from Borrower under such terms and conditions by giving Borrower notice of Lender's election within thirty (30) days after receipt of Borrower's offer. If Lender does not elect to purchase the Property within the 30-day period then Borrower may sell the Property to a third party. Borrower shall not, however, sell the Property at a lower price or on terms more favorable to the buyer than those offered to Lender without first providing Lender the opportunity to purchase the Property at such lower price or more favorable terms. Lender shall have the option to purchase the Property at such lower price or more favorable terms by giving Borrower notice of such election within thirty (30) days from receipt of Borrower's offer of such lower price or more favorable terms. Lender shall be deemed to have approved a sale to a third party at such lower price or more favorable terms if Lender fails to respond within the 30-day period. If Lender elects not to purchase the Property, then Borrower shall have the right to accept the offer of such third party and sell or transfer the Property in accordance with such offer. This right of first offer shall terminate upon the earlier to occur of (a) receipt by the Lender of its 25% interest in a development partnership pursuant to paragraph 5(iv) or (b) the sixth (6th) anniversary of the date of acceptance of this Commitment by Borrower.

(vi) For purposes of paragraphs 5(ii) and 5(iii) as it relates to additional interest, Lender and Borrower shall attempt to agree on the current fair market value of the Property. If, however, Lender and Borrower cannot agree on the current fair market value of the Property, then such determination shall be made by appraisal. The appraisal shall in all respects be satisfactory to the Lender and shall substantially conform with the procedure set forth in Exhibit A to this Commitment.

6. Date of Maturity. The outstanding principal balance and all accrued and unpaid interest thereon, including any additional interest, if not sooner paid, shall be due and payable on the date (the "maturity date") which is the earlier to occur of (i) the date of closing of a sale of the Property to an independent third party, (ii) the date on which the Loan must be repaid by reason of default under the Loan Documents (defined in paragraph 11), (iii) the transfer of the Property to a development partnership pursuant to paragraph 5(iv) or

(iv) the fourth (4) anniversary of the initial disbursement date (defined in paragraph 8).

7. Payments.

(i) Interest at the agreed rate on so much of the principal sum from time to time outstanding shall be accrued and compounded quarterly on January 1, April 1, July 1 and October 1 of each year and as of the maturity date.

(ii) The outstanding principal balance, all interest and additional interest shall be due and payable on the maturity date of the Loan.

8. Funding.

As security for such early funding of the Loan, Borrower shall assign to Lender the Borrower's right to disbursement of the Development Fee. Menard Doswell shall guarantee repayment of such amounts so advanced not to exceed \$400,000.00, such guaranty to remain in effect until repayment in full of the Loan.

(i) On April 10, 1988, April 10, 1989 and April 10, 1990, the Lender shall disburse to Borrower for application to payment of a portion of the Marine Midland Loan an amount equal to that portion of the Loan which exceeds the difference between the amount of the Marine Midland Loan and the fair market value of the Property as determined at the time of the annual fair market appraisal of the Property. The parties shall cooperate to obtain a timely appraisal in accordance with the procedures set forth on Exhibit A. Lender recognizes that the Borrower may assign the Borrower's right to choose an appraiser to Marine Midland Realty. All provisions of this Commitment, other than the date of closing, shall apply to this preliminary closing of the Loan.

(ii) The Lender shall disburse to Borrower the sum of the Lender-approved expenses, not to exceed \$15,000,000, on the date (the "initial disbursement date") during the Closing Month on which all of the conditions set forth in this Commitment are satisfied in full; provided, however, that if the funds provided to be disbursed pursuant to this paragraph 8 are not disbursed before the "Closing Date" (defined in paragraph 14) then, at the option of Lender and without notice, this Commitment and the obligations of Lender hereunder shall expire. The Closing Month shall be the forty-ninth (49th) calendar month following the date of acceptance of this Commitment by Borrower. Borrower shall make all reasonable

efforts to satisfy the conditions of this Commitment so that funding pursuant to this paragraph 8 shall occur before the Closing Date. The parties will cooperate among themselves and with Marine Midland so that the Closing Date will be within the final month of the Marine Midland Loan and that each party shall have sufficient time to prepare for the closing of this Loan and payment of the Marine Midland Loan at the end of 48 months.

9. Prepayment. Borrower shall not have the right or privilege to make, and Lender shall not be obligated to accept, any prepayment of all or any part of the principal balance of the Loan, except that the Borrower may prepay the Loan without any prepayment premium if Borrower elects to sell the Property to an independent third party or elects to transfer the Property to a development partnership. In order to make effective the prohibitions against prepayment, Borrower shall pay to Lender a prepayment premium equal to ten percent (10%) of the principal balance if (i) the Loan is prepaid in whole or in part by reason of a foreclosure sale of the Property, including any prepayment thereof resulting from Lender's application of the indebtedness evidenced and secured by the Loan Documents to Lender's bid at the sale, or (ii) the payment of the indebtedness evidenced and secured by the Loan Documents is accelerated, at the election of Lender, on account of default of Borrower under the Loan Documents. If a foreclosure of the Loan occurs, the court shall include the prepayment premium in the amount found to be due to Lender in the decree or order of foreclosure.

10. Financing Option.

(i) The Lender shall have the first right to negotiate a participating mortgage to finance the development of the Property. This right shall continue through the sixth (6th) anniversary of the date of acceptance of this Commitment by Borrower.

(ii) The Lender shall have a right of first refusal to provide financing for the acquisition or development of Parcels B, C, D and F identified on Exhibit B.

11. Loan and Partnership Documents.

A. Loan Documents. The Loan shall be evidenced by a nonrecourse promissory note in favor of Lender and secured by

(i) a mortgage, deed of trust, deed to secure debt or other appropriate lien document, security agreement and

financing statement and any UCC financing statements incidental thereto, in favor of Lender, or trustees for the benefit of the Lender, conveying and mortgaging, and granting and perfecting a security interest in the Property and all proceeds resulting therefrom;

(ii) a collateral assignment and security agreement and UCC financing statements incidental thereto, executed by Borrower in favor of Lender, assigning for collateral purposes, and granting and perfecting a security interest in all leases and use and occupancy agreements and tenancies, all rents and revenues therefrom and all guaranties given in connection therewith;

(iii) a collateral assignment and security agreement and UCC financing statements incidental thereto, executed by Borrower in favor of Lender, assigning for collateral purposes, and granting and perfecting a security interest in, all personal property, other than that of tenants occupying the Property, constituting a portion of or pertaining to the Property; and

(iv) such other documents and instruments as Lender reasonably may request as security for the Loan.

The Note and the other security documents identified above are herein sometimes collectively referred to as "Loan Documents." All of the Loan Documents shall provide that neither Borrower nor any partner thereof shall have personal liability for payment of the principal of or interest or premium, if any, on the Loan, and that in the event of any default, Lender's sole recourse shall be against the Property and any other collateral securing the Loan.

B. Partnership Documents. The partnership agreement for a development partnership shall provide specifically as follows:

(i) The Lender shall have the right to approve the plans and specifications for all improvements and to approve all major changes, modifications, or corrections to the building plans or development plans during the construction period. The Lender shall have fifteen (15) business days to approve or disapprove the plans and specifications after receipt of the initial review report from the inspecting engineer. The Lender shall have fifteen (15) business days to approve major changes, modifications, or corrections to the plans and specifications. Failure to respond within the 15 business days shall be considered approval. If the Lender

should be the sole owner of the Property, it shall receive an assignment of the plans and specifications and any cross easement agreements to construct and enter the property as the Lender may deem necessary or appropriate.

(ii) The Lender shall have the right to approve the construction budget for the improved Property. Failure to respond within fifteen (15) business days after receipt of the construction budget shall be considered approval.

(iii) The Lender shall have the right to approve a sale of the Property to a third party. Failure to respond within fifteen (15) business days after receipt of the sales contract shall be considered approval.

(iv) The Lender shall have the right to approve all permanent financing entered into by the developer entity. Failure to respond within fifteen (15) business days after receipt of the financing proposal shall be considered approval.

(v) The Lender shall have the right to approve all leases with terms and conditions outside the pre-approved leasing guidelines. Failure to respond orally within five (5) business days and in writing within ten (10) business days after receipt of the proposed lease shall be considered approval. The leasing guidelines will be part of the partnership agreement. Rouse & Associates, Inc. shall have the right to bind the development entity to leases that meet the leasing guidelines.

(vi) The Lender shall have the right to approve the general contractor. Failure to respond within ten (10) business days after receipt of notice shall be considered approval.

Each reference in this paragraph to approval rights of the Lender shall mean that each such consideration and right of approval shall not be unreasonably withheld or delayed.

12. Documentation and Other Conditions. As a condition to the Closing, Borrower, at its expense and not less than thirty (30) days before the Closing (unless a different time period is otherwise specified herein), shall deliver or cause to be delivered to Lender:

(i) At or immediately subsequent to the Closing, ALTA 1970 form of mortgagee's policy of title insurance in an amount equal to the principal sum of the Loan disbursed to Borrower issued by a title insurance company satisfactory to

Lender insuring the security instrument as a valid and prior first lien on the Property, subject only to such exceptions to title as Lender may approve. Borrower shall furnish or cause to be furnished to Lender at least twenty (20) business days before the Closing, a commitment for the title policy, together with complete and legible copies of each and all documents therein shown of record affecting title to the Property. The title policy shall include such endorsements as Lender reasonably may require.

(ii) A current "as-built" survey of the Property prepared by a licensed surveyor showing each of the matters set forth as special exceptions in the title policy (by reference to book and page), the boundaries of the Property (through the use of course bearings and distances), and the location of any improvements in relation thereto and all dimensions thereof, and all easements, set-back lines, rights of way and encroachments. The survey will be certified to Borrower and Lender, contain a full legal description of the Property and a certification of square footage of the improvements located on the Property.

(iii) Policies of insurance issued by such companies with such limits and coverages and in such forms as Lender shall require or approve, including without limitation (A) "all risk" fire and extended coverage insurance covering the Property for the full replacement cost thereof with a waiver of subrogation, if available, and replacement cost agreed amount endorsements, (B) public liability and property damage insurance having at least a \$5,000,000 single limit coverage with Lender named as additional insured, (C) flood insurance if the Property is located in a flood hazard area and (D) rent loss insurance equal to not less than twelve (12) months rental interruption coverage.

(iv) If the Property or any part thereof is leased, a certified rent roll naming all tenants together with complete and legible copies of all leases and occupancy agreements affecting the Property, the form and substance of which shall conform with the standard form of lease used by Borrower in connection with the Property and approved by Lender.

(v) An estoppel letter, in form and substance reasonably satisfactory to Lender, from each tenant.

(vi) A management agreement satisfactory in all respects to Lender, including the identity of the manager. Such agreement shall provide that management of the Property

shall not be changed without the prior written consent of Lender.

(vii) Central and local UCC searches showing the security interests in the fixtures and personal property in favor of Lender to be valid and true and clear of all claims, security interests and encumbrances, and such bankruptcy, judgment, federal and state tax lien, building code violation and other searches of public records as Lender may require in respect of the Property, Borrower or any other persons having any interest in Borrower or the Property.

(viii) Evidence of Borrower's qualifications and power or authority to borrow and to execute this Commitment, the Loan Documents and all other documents in connection with the transaction hereby contemplated herein.

(ix) The audited financial statements of Borrower, and the general partners of the Borrower, as Lender may require.

(x) Certificate of a general partner of the Borrower certifying that the representations and warranties of Borrower herein are true and correct on and as of the Closing.

(xi) On or before thirty (30) days after the date of this Commitment, an appraisal in form and content satisfactory to Lender, prepared by an MAI appraiser who is engaged and compensated by Borrower and approved by Lender, showing the estimated market value of the Property to be at least \$10,650,000.

(xii) Opinion of counsel for Borrower covering such matters in respect of the Loan Documents and the transaction hereby contemplated as may be required by Lender.

(xiii) An engineering report with respect to the Property indicating that the Property is suitable for development of an office building of 235,000 square feet of floor area. The engineering report shall be in form and substance satisfactory to Lender. The engineer's report shall include an environmental audit acceptable to Lender indicating that no hazardous wastes exist on the Property.

(xiv) Evidence satisfactory to Lender of all costs expended or incurred to and including the initial disbursement date or any date thereafter on which disbursement is requested pursuant to paragraph 8 in connection with the acquisition and holding of the Property.

(xv) An inventory showing the location of all personal property of Borrower used in the management, maintenance, and operation of the Property certified by Borrower as being true, complete and correct and that the items specified on such inventory are owned by Borrower free and clear of conditional sales contracts and other liens, encumbrances or security interests.

(xvi) An architect's, engineer's or governmental representative's certificate in favor of Lender stating (A) that the improvements on the Property comply with all applicable subdivision, zoning, building, environmental and land use laws, statutes, codes and regulations, (B) all permits necessary for occupancy and use of the Property have been or will be issued and (C) adequate ingress and egress to the Property is available over public rights of way.

(xvii) Copies of all building permits, environmental permits, land use permits, occupancy permits and any other permits, approvals or licenses required for the occupancy and use of the Property.

(xviii) Evidence satisfactory to Lender that the Property is served by adequate storm sewer, sanitary sewer, telephone, gas, if applicable, electricity and water service.

(xix) Such other documents, data and papers with respect to the Property, Borrower or the Loan as Lender may reasonably require.

All Loan Documents shall be prepared by Lender's counsel and delivered to Borrower for its review.

13. Commitment Fee. In consideration of the issuance of this Commitment, Borrower shall pay to Lender, in cash, upon and as a condition of its acceptance of this Commitment a nonrefundable fee (the "commitment fee") in the amount of \$150,000. Lender shall have earned the commitment fee upon the issuance and acceptance by Borrower of this Commitment. The Borrower shall receive a credit of \$25,000 toward the commitment fee from the application fee already paid by Borrower.

14. Failure of Loan to Close. If, without the fault of Lender, the Closing and the initial disbursement of the funds provided to be disbursed pursuant to paragraph 8 have not occurred on or before the end of the forty-ninth (49th) calendar month following the Borrower's acceptance of the Commitment (the "Closing Date") then, at the option of Lender

and without notice, Lender's obligations hereunder shall forthwith cease and terminate.

15. Certain Mortgage Clauses. All Loan Documents shall contain such terms, conditions and provisions as Lender and its counsel may require in order to close the transaction in a responsible manner, including without limitation, the following:

- (i) provision that no mortgage lien or other lien, inferior, subordinate or superior to the lien and security interests of the Loan Documents, shall voluntarily or involuntarily be created, permitted or filed against the Property, without Lender's approval, except for general real estate taxes and assessments which are a lien on the Property and not yet delinquent;
- (ii) provision that until the Loan shall have been repaid in full, Borrower shall not permit, or there shall not occur, without the prior written approval of Lender, the sale, conveyance, leasing (other than leases approved by Lender), assignment, transferring or any encumbrance (other than a lien for permitted secondary financing) or disposition of the Property or directly or indirectly of the ownership, control or management of Borrower and, in the event of the occurrence thereof, a default under the Loan Documents shall occur, except that Lender shall permit (A) transfer of general partnership interests in the Borrower provided that Willard G. Rouse, III remains (or in the event of his death, both Menard Doswell and George F. Congdon remain if both are living, otherwise the survivor) the managing general partner(s) of Borrower, (B) transfer of the partnership interest of Willard G. Rouse, III, Menard Doswell or George F. Congdon upon death shall be a permitted transfer and (C) transfer of limited partnership interests in Borrower to anyone shall be permitted provided that shareholders, officers or employees of Rouse & Associates, Inc., a Pennsylvania corporation (of which Willard G. Rouse, III, George F. Congdon, Menard Doswell and David C. Hammers, or their devisees, are the sole shareholders and in which Willard G. Rouse, III (or in the event of his death, George C. Congdon, or in the event of his death, Menard Doswell) is and shall continue to be president) or other entities owned and controlled by any of the shareholders of Rouse & Associates, Inc., in which Willard G. Rouse, III (or, in the event of his death, George C. Congdon, or in the event of his death, Menard Doswell), is the managing general partner or president, together shall continue to hold at least 51% of the interest in Borrower. Borrower shall submit to Lender by January 15 of each year a certificate in which each general and limited partner of Borrower certifies his ownership interest in

Borrower and the ownership interest of every other general and limited partner and the ownership of the equity of any corporation, trust, or other business association which is a partner, other than unaffiliated partners to whom the Borrower has syndicated interests and for whom the Borrower has insufficient knowledge with respect to who has such ownership interest;

(iii) provision that Borrower waive, to the extent permitted by law, all rights of redemption, equitable and statutory, in the Property;

(iv) if requested by Lender, provision that Borrower shall deposit with Lender monthly an amount equal to one-twelfth (1/12) of the annual estimated general real estate taxes and assessments and hazard and liability insurance premiums;

(v) provision that unless Lender shall otherwise elect, any leases affecting the Property shall be subject and subordinate to the Loan Documents and shall be collaterally assigned to Lender; and

(vi) provision that Borrower shall not diminish or restrict the development rights under existing zoning without the Lender's prior written consent.

Borrower shall not, under the Loan Documents, be given notice of or be permitted any curative or grace period to correct, any monetary default thereunder, except for a five (5) day grace period after which a late charge of five percent (5%) of the amount due shall be payable with interest on the unpaid amount at the default rate. The Loan Documents shall provide for written notice of non-payment default to Borrower and thirty (30) days to cure non-payment defaults, except for defaults relating to (A) material variation from Borrower's representations and warranties, (B) institution of bankruptcy or other proceedings relating to creditor's rights (C) dissolution of the Borrower or its corporate general partner, (D) prohibited transfers of the management or control of Borrower or its corporate general partner or the creation of additional encumbrances on the Property, (E) failure to pay taxes when due subject to the right to contest such taxes, provided Lender receives a bond therefor acceptable to Lender, (F) failure to pay a final judgment as required and (G) engagement in any business unrelated to the Property, which defaults shall have no grace period and require no notice to cure. Borrower shall have up to two (2) additional 60-day periods to cure a non-payment default if Borrower is proceeding

with due diligence to correct such default and by its nature such default cannot be cured within the applicable time period.

16. Representation and Warranties. Borrower, by its acceptance of this Commitment, represents and warrants to and covenants with Lender that:

(i) If Borrower is a partnership, it is duly formed and validly existing, in good standing, under the laws of the State of Pennsylvania, is qualified to transact business, in good standing, in the State where the Property is located and has all requisite power and authority to accept this Commitment and to perform and observe all the covenants, agreements and obligations by Borrower to be performed and observed hereunder.

(ii) The execution and delivery of Borrower of this Commitment and the performance by Borrower of the transactions hereby contemplated have been duly approved and authorized by all necessary corporate or partnership action.

(iii) The officers or partners of Borrower executing this Commitment have all the requisite power and authority to accept this Commitment and to issue, execute and deliver or to cause to be issued, executed and delivered all documents required of Borrower under this Commitment.

(iv) This Commitment constitutes a legal, valid and binding obligation of Borrower, enforceable against Borrower in accordance with its terms.

(v) There are no actions, suits or proceedings pending or threatened against Borrower or the Property, and to the knowledge of Borrower, there is no basis for any such actions, suits or proceedings, which (A) question or would question the validity of this Commitment and the transactions hereby contemplated or (B) if adversely determined might individually, or in the aggregate, materially and adversely (1) affect the business, properties, condition (financial or other) or operation of Borrower, (2) affect the Property or its development, use, or operation or (3) impair the ability of Borrower to perform and observe its covenants, conditions and obligations hereunder.

(vi) Unless otherwise herein provided, without the prior written consent of Lender, there will be no change in the management of Borrower or in the control or degree of ownership of Borrower.

(vii) The zoning of the Property permits the construction and use of the Property for its current use and as an office building and is not currently subject to proceedings, revocation or change and no hazardous wastes exist on the Property.

(viii) Neither this Commitment, nor any other document or paper delivered or made to Lender or any agent, employee or member thereof respectively by or on behalf of the Borrower in connection with the transactions contemplated herein (including the loan application of Borrower) contains any untrue statement of a material fact or omits to state a material fact necessary in order to make any statement contained herein or therein not misleading in light of the circumstances in which such statement is made.

(ix) Except for Carl Pittman, Borrower has not used or engaged any agent or broker in connection with this Loan. Borrower shall be responsible for all fees and expenses payable to such company in connection with this transaction.

The foregoing representations and warranties of Borrower are as of the date of acceptance of this Commitment by Borrower, and shall continue to and be at the Closing, true and correct in all material respects.

17. Expiration Date and Closing.

(i) If not previously accepted by Borrower as herein provided, this Commitment and the obligations of Lender hereunder shall, without notice to Borrower, expire 15 calendar days following the date of this letter, or such later date (not to extend beyond 40 days following the date of this letter) as Lender may, in its absolute discretion, hereafter designate in writing to Borrower (the "expiration date").

(ii) The closing of the Loan and the initial disbursement contemplated under paragraph 8 (the "Closing") shall occur upon performance and satisfaction by Borrower of all terms, conditions and provisions contained in this Commitment, but in no event later than the Closing Date.

18. Costs and Expenses. Whether or not the Loan is made, Borrower shall pay all reasonable costs, fees and expenses of Lender in connection with the negotiation and origination of the Loan, including without limitation all survey costs, title charges and premiums, escrow expenses, recording, filing fees and transfer taxes, certification costs, attorneys' fees, fees of engineers, brokers, appraisers, Lender's inspecting

engineer/architect's fees and all other reasonable costs and expenses incidental to the transaction hereby contemplated, and shall be responsible for the payment and performance of all of the terms and conditions hereof. The costs and expenses of Lender contemplated herein shall be in addition to and exclusive of the commitment fee and shall not exceed one (1%) of the principal balance of the Loan.

19. Brokerage Commission and Indemnification.

(i) Borrower hereby indemnifies, saves, defends and holds Lender harmless from and against any and all claims and demands for brokerage commissions or finder's fees, and attorneys' fees and court costs associated therewith, asserted against Lender in connection with the Loan and based upon any conduct of Borrower.

(ii) The relationship between Lender and Borrower shall be only that of creditor-debtor. No relationship of agency, partnership or joint or co-venture shall be created by or inferred from this Commitment and the Loan Documents. Borrower shall indemnify, save, defend and hold Lender harmless from and against any and all claims and demands asserted against Lender as being the agent, partner or joint or co-venturer of Borrower and attorneys' fees and court costs associated therewith.

20. Insolvency and Other Events of Default.

Notwithstanding anything contained herein to the contrary, Lender may, prior to the Closing, cancel without liability all of its obligations under this Commitment upon occurrence or existence of any of the following events:

(i) Borrower (A) makes a general assignment for the benefit of creditors, (B) admits in writing the inability to pay debts as they become due, (C) files a petition for bankruptcy, (D) is adjudicated a bankrupt or insolvent, (E) files a petition seeking any reorganization, arrangement, composition, readjustment, liquidation, dissolution, or similar relief under any present or future statute, law or regulation, (F) files an answer admitting or not contesting the material allegations of a petition against it in any such proceeding, (G) seeks or consents to or acquiesces in the appointment of any trustee, receiver or liquidator for Borrower or any material part of its properties or (H) discontinues or suspends its business as a going concern;

(ii) any involuntary proceedings against Borrower seeking any reorganization, bankruptcy, arrangement,

compositions, readjustment, liquidation, dissolution, receivership or similar relief under any present or future statute, law or regulation, are not dismissed by the earlier of (A) ninety (90) days after the commencement thereof, or (B) the funding of the Loan;

(iii) there is any unrepaired damage to or destruction of any improvements on the Property or any part thereof unless provision for such repair or restoration has been made to Lender's satisfaction;

(iv) any portion of the Property is taken by condemnation or eminent domain or is subject to pending proceedings therefor other than an insubstantial portion of the Property such that such taking would not materially diminish the Lender's security for the Loan or prohibit the practical and economic development and operation of the Property as an office building;

(v) any material adverse change occurs in the condition (financial or otherwise) or business of Borrower, Willard G. Rouse, Menard Doswell or Rouse and Associates, Inc. to the extent that such condition, financial or otherwise, was a material consideration by Lender in the making of this Commitment;

(vi) the attachment, seizure, levy upon or taking of possession by any receiver, custodian or assignee for the benefit of creditors or a substantial part of any property of Borrower;

(vii) the assignment or attempted assignment, voluntary or by operation of law, of this Commitment, without Lender's prior written approval; or

(viii) any representation, warranty, covenant or statement made by Borrower in this Commitment shall be breached or violated, or proves to be false, misleading or inaccurate in any material respect.

21. Miscellaneous.

(i) The terms and conditions of this Commitment are the final written expression of the parties, all prior discussions, negotiations and agreements (including any loan application made by Borrower) being superseded hereby and merged herein. The terms, conditions, representations and warranties contained in this Commitment shall survive the Closing and shall not be merged in the Loan Documents. If any

EXHIBIT A

APPRAISAL PROCEDURES

- I. In the case of the maturity date of the Loan and other events, including casualty and condemnation.

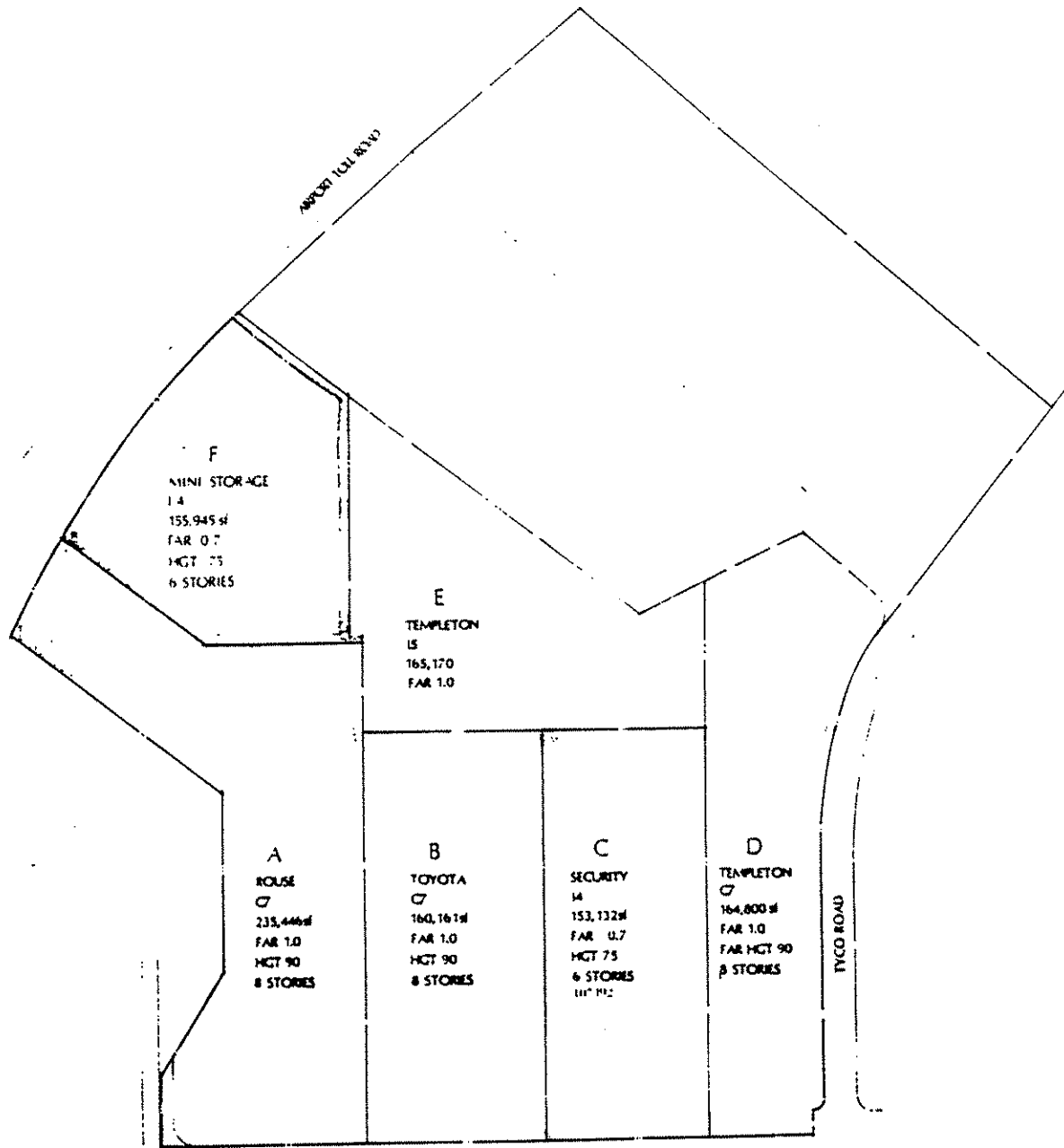
If Lender and Borrower cannot agree as to the fair market value within sixty (60) days prior to the maturity date of the Loan, the fair market value shall be determined by appraisal. Not fewer than fifty (50) days prior to the maturity date, Lender and Borrower shall give notice to the other setting forth the name and address of an appraiser designated by the party giving notice. All appraisers selected shall be members of the American Institute of Real Estate Appraisers and shall have had at least ten (10) years continuous experience in the business of appraising undeveloped land in the greater Washington, D.C. metropolitan area. If either party shall fail to give notice of such designation within the time period provided, then the appraiser, if any, designated by the other party shall make the determination alone, which determination shall be determinative of the fair market value of the Property for any purpose under either this Commitment or the Loan Documents. If two appraisers have been designated, the two appraisers shall designate a third appraiser. If the two appraisers shall fail to agree upon a third appraiser within five (5) business days of the designation of such two appraisers, then either Lender or Borrower may apply to the American Arbitration Association or any successor thereto having jurisdiction for the settlement of the dispute as to the designation of the third appraiser in accordance with the Real Estate Valuation Arbitration Rules of the American Arbitration Association. The three appraisers shall conduct such hearings as they may deem appropriate, shall make their determination in writing, and shall give notice to Lender and Borrower of such determination at least thirty (30) days prior to the maturity date of the Loan, the date of refinancing or any date where the fair market value of the property must be determined. If the three appraisers cannot agree upon the fair market value, each appraiser shall submit in writing to Lender and Borrower the fair market value as determined by such appraiser. The fair market value for the purposes of this paragraph shall be equal to the arithmetic average of the three fair market

values submitted by the appraisers. Each party shall pay its own fees and expenses in connection with any appraiser selected by such party under this paragraph, and the parties shall share equally all other expenses and fees of the arbitration, including the fee charged by the third appraiser. In the event of the refinancing of the Property or the Lender's application of the proceeds from a total taking of the Property or from the insurance recovered pursuant to a total casualty of the Property against the indebtedness, the fair market value of the Property shall be determined by appraisal (in the case of a taking or casualty to determine value of remaining or undestroyed property). The appraisal procedure contemplated herein shall be the same as set forth above except that the appraisers determination of the fair market value of the Property shall be made within thirty (30) days prior to the maturity date of the Loan, the date of such refinancing or the date of such application, as the case may be. The fair market value as determined in accordance with the provisions of this paragraph shall be final and binding upon Lender and Borrower.

II. In case of the maturity date of the Loan because of default.

Lender and Borrower, on or before ten (10) days following the giving by Lender of a notice of the acceleration of the Loan, shall give notice to the other setting forth the name and address of an appraiser designated by the party giving notice, and the appraisers shall submit their appraisals within twenty (20) days after appointment of the last appraiser. All other provisions of the appraisal procedure set forth in Section I shall apply, except that Borrower shall pay all costs and expenses of the appraisal process.

560,407	24,077	68.10	24,077	68.10	
1.0	2.7	1.0	2.7	1.0	
560,407	24,077	68.10	24,077	68.10	
40	75	40	75	40	
0	0	0	0	0	
04,061	40,061	24,115	40,061	24,115	

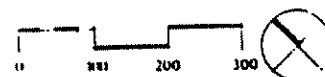


LEESBURG CENTER

PROPOSED ASSEMBLAGE
EXISTING CONDITIONS & SITE DATA

EXHIBIT B

Outline of Assemblage



of the terms and conditions of the Loan Documents conflict with or are inconsistent with the terms and conditions of this Commitment, the terms and conditions of the Loan Documents shall prevail.

(ii) If any provision of this Commitment shall be adjudged to be unenforceable, this Commitment shall, at Lender's election, be deemed to be automatically reformed to the extent possible to render this Commitment enforceable and, in any event, the invalidity or unenforceability of any provision of this Commitment shall not effect or impair the validity or enforceability of the remaining provisions of this Commitment. Paragraph headings are for convenience only and do not bear on the construction or interpretation of the content of this Commitment.

(iii) The form and content of all existing or proposed agreements, contracts, and documents which are necessary to satisfy any requirement or condition of this Commitment or in any manner the transactions hereby contemplated, including, without limitation, the Loan Documents, shall be subject to the approval of Lender, which approval, unless the context otherwise expressly provides, may be withheld or refused by Lender in its reasonable discretion.

(iv) Time is of the essence of this Commitment.

(v) No change, amendment, modification, waiver cancellation or discharge of this Commitment or any part hereof shall be valid and binding unless such matter shall be in writing and signed by all the parties hereto.

(vi) Any notice required or desired to be given hereunder shall be deemed to have been properly given if sent by registered or certified mail addressed, if to Lender:

James M. Raley, Jr.
Senior Vice President - Finance
United States Fidelity and Guaranty
Company
100 Light Street
Baltimore, Maryland 21202

with an additional copy to:

Piedmont Realty Advisors
650 California Street
San Francisco, California 94108
Attention: Robert H. Zerbst

and to:

Eugene M. Howerdd, Jr.
Two Midtown Plaza
Suite 1492
1360 Peachtree Street
Atlanta, Georgia 30309

and if to Borrower:

Rouse & Associates
Suite 840
8521 Greensboro Drive
McLean, Virginia 22102
Attention: Menard Doswell and
Reed M. Fawell

Either party hereto may from time to time designate another address for the receipt of future notices by a notice given as herein provided.

(vii) This Commitment may not be assigned or transferred by Borrower.

(viii) The terms, covenants and conditions of this Commitment shall be binding upon Lender and Borrower and their successors and permitted assigns.

(ix) Exhibits A and B are attached and made a part of this Commitment.

(x) This Commitment may be executed in two or more counterparts each of which shall be deemed an original and all of which, taken together, shall constitute and be taken as one and the same instrument.

(xi) Borrower agrees that this Commitment shall be governed by and construed under the laws of the State of Maryland and that the Loan Documents shall be governed by and construed under the laws of the Commonwealth of Virginia.

If the foregoing is acceptable to you, please acknowledge your acceptance of and agreement with the terms and provisions of this Commitment by executing, where provided, and returning to the undersigned the enclosed copy of this Commitment on or before 15 calendar days following the date of this letter. Unless this Commitment is accepted by Borrower and returned to Lender, together with the commitment fee, on or before 15 calendar days following the date of this letter, this

Commitment shall, without notice to Borrower and without liability on the part of Lender, automatically terminate. Any form of acceptance by you of this Commitment other than as hereinabove expressly described, including without limitation, a conditional, modified, or limited acceptance, shall be a counteroffer to Lender to be accepted or rejected by Lender in its sole discretion.

Very truly yours,

USF&G REALTY, INC.

By: William J. Smith

The terms and provisions of the foregoing Commitment are hereby accepted and agreed to the 10th day of April, 1987.

ROUSE & ASSOCIATES-LEESBURG PIKE LIMITED PARTNERSHIP
ROUSE & ASSOCIATES, INC.

By _____

General Partner

By Menard Doswell
Menard Doswell

TYSONS DODGE FIDELITY, INC.

ARTICLES OF INCORPORATION

FIRST: THE UNDERSIGNED, Stephen M. Sharkey, whose address is 1100 Charles Center South, 36 South Charles Street, Baltimore, Maryland 21201, being at least eighteen years of age, acting as incorporator, does hereby form a corporation under and by virtue of the General Laws of the State of Maryland.

SECOND: The name of the corporation (which is hereinafter called the "Corporation") is:

Tysons Dodge Fidelity, Inc.

THIRD: The purposes for which and any of which the Corporation is formed and the business and objects to be carried on and promoted by it are:

(1) Generally, to engage in the purchasing, constructing, developing, owning and operating of real estate, whether directly or indirectly, through one or more general or limited partnerships, subsidiaries, or otherwise; and

(2) To engage in any one or more businesses or transactions, or to acquire all or any portion of any entity engaged in any one or more businesses or transactions which the Board of Directors may from time to time authorize or approve, whether or not related to the business described elsewhere in this Article or to any other business at the time or theretofore engaged in by the Corporation.

The foregoing enumerated purposes and objects shall be in no way limited or restricted by reference to, or inference from, the terms of any other clause of this or any other Article of the charter of the Corporation, and each shall be regarded as independent; and they are intended to be and shall be construed as powers as well as purposes and objects of the Corporation and shall be in addition to and not in limitation of the general powers of corporations under the General Laws of the State of Maryland.

FOURTH: The present address of the principal office of the Corporation in this State is 100 Light Street, Baltimore, Maryland 21202.

FIFTH: The name and address of the resident agent of the Corporation in this State are William F. Spliedt, 100 Light Street, Baltimore, Maryland 21202. Said resident agent is a citizen of the State of Maryland who resides there.

SIXTH: The total number of shares of stock of all classes which the Corporation has authority to issue is 10,000 shares of Common Stock of a par value of \$10.00 per share, amounting in the aggregate to \$100,000.

SEVENTH: The number of directors of the Corporation shall be three, which number may be increased or decreased pursuant to the By-Laws of the Corporation, but shall never be less than the minimum number permitted by the General Laws of the State of Maryland now or hereafter in force. The names of the directors who will serve until the first annual meeting and until their successors are elected and qualify are as follows:

James M. Raley, Jr.
Ronald A. Hughes
William F. Spliedt

EIGHTH: The following provisions are hereby adopted for the purpose of defining, limiting and regulating the powers of the Corporation and of the directors and stockholders:

(1) The Corporation shall indemnify (a) its directors to the full extent provided by the General Laws of the State of Maryland now or hereafter in force, including the advance of expenses under the procedures provided by such laws; (b) its officers to the same extent it shall indemnify its directors; and (c) its officers who are not directors to such further extent as shall be authorized by the Board of Directors and be consistent with law. The foregoing shall not limit the authority of the Corporation to indemnify other employees and agents consistent with law.

(2) The Corporation reserves the right from time to time to make any amendments of its charter which may now or hereafter be authorized by law, including any amendments changing the terms or contract rights, as expressly set forth in its charter, of any of its outstanding stock by classification, reclassification or otherwise; but no such amendment which changes such terms or contract rights of any of its outstanding stock shall be valid unless such amendment shall have been authorized by not less than a majority of the aggregate number of the votes entitled to be cast thereon, by a vote at a meeting or in writing with or without a meeting.

The enumeration and definition of particular powers of the Board of Directors included in the foregoing shall in no way be limited or restricted by reference to or inference from the terms of any other clause of this or any other Article of the charter of the Corporation, or construed as or deemed by inference or otherwise in any manner to exclude or limit any powers conferred upon the Board of Directors under the General Laws of the State of Maryland now or hereafter in force.

NINTH: The duration of the Corporation shall be perpetual.

IN WITNESS WHEREOF, I have signed these Articles of Incorporation, acknowledging the same to be my act, on August ____, 1989.

WITNESS:

Regina M. Frederick

Stephen M. Sharkey