

AGREEMENT

This Agreement made this 16th day of January, 1987,
by and between BLOOMVALE, INC., a Netherland Antilles corpo-
ration (hereinafter referred to as "Bloomvale") and the CITY
OF ALEXANDRIA, a municipal corporation of the Commonwealth
of Virginia (hereinafter referred to as "City").

RECITALS

A. Bloomvale is the owner of certain property located
at 109-115 South Union Street, Alexandria, Virginia, and
more particularly described as follows:

LOT 507 of the plat of Resubdivision of the land
of Dockside-Sales, Inc., as the same is duly
dedicated, platted and recorded in Deed Book 769
at page 377 among the land records of the City of
Alexandria, Virginia.

TOGETHER WITH the real property vacated by the
City of Alexandria, Virginia by Ordinance #2602.

(hereinafter referred to as "Property").

B. Bloomvale proposes to construct a building on the
property containing approximately 26,652 net square feet of
office space, 3,605 net square feet of retail space and a
structured parking facility. (hereinafter referred to as
"Project").

C. The off-street parking provisions of Title 7,
Chapter 6, of the Code of the City of Alexandria Code, 1981,
as amended, require Bloomvale to provide eighty-two (82)
parking spaces for the Project (hereinafter referred to as
"Required Parking").

D. City desires that Bloomvale maximize the
availability of public parking within the parking facility

for the Project to help ease the parking demands of the area of the City of Alexandria where the Property is located.

E. Bloomvale and City have reached certain agreements concerning the public use of the Project's parking facility and enter into this Agreement to set forth the terms and provisions of their agreements.

WITNESSETH

NOW, THEREFORE, for and in consideration of the sum of Ten Dollars (\$10.00), the receipt and sufficiency of which is hereby acknowledged, and the mutual covenants and agreements herein contained, Bloomvale and City agree as follows:

1. In addition to providing the Required Parking, Bloomvale will redesign the Project's parking facility to permit the construction of an additional eighteen (18) parking spaces (hereinafter referred to as "Additional Parking"). The Additional Parking spaces are shown on Exhibit A attached hereto and made a part hereof.

2. Commencing with the full operation of the parking facility for the Project, Bloomvale agrees that the Additional Parking and twenty (20) Required Parking spaces (total thirty-eight (38) parking spaces) will be set aside for a period of forty (40) years as parking spaces available to the tenants and users of the Project and the general public for hourly transient daily pay parking.

3. Bloomvale agrees that the Required Parking and the Additional Parking (total one hundred (100) parking spaces) will, for the forty (40) year period referenced in paragraph 2., be made available to the general public for hourly transient pay parking during evening hours, seven (7) days a week, and all day Saturday and Sunday.

4. Bloomvale agrees that Required Parking will not be specifically assigned.

5. In consideration of and subject to the terms, covenants and conditions of this Agreement, City will pay Bloomvale the sum of Two Hundred Thousand and 00/100 Dollars (\$200,000.00) to assist Bloomvale in the construction of the Additional Parking spaces in the parking facility for the Project. City shall pay Bloomvale the full sum of Two Hundred Thousand and 00/100 Dollars (\$200,000.00) upon the commencement of the construction of the Project by Bloomvale.

6. City agrees that City staff will support Bloomvale's application for site plan approval for the Project.

7. City agrees to assist and support Bloomvale in negotiations with Virginia Power Company for a solution satisfactory to Bloomvale concerning the relocation of the transformers and other transmission facilities currently located on or adjacent to the north property line of the Project.

8. This agreement shall be binding upon Bloomvale and City and their respective successors and assigns and shall be deemed a covenant running with the land.

9. Nothing contained in this Agreement shall be construed in a manner to create any relationship between Bloomvale and City as a partnership or co-venturer of the Project or with respect to the Additional Parking. City does not own or acquire any proprietary interest in the Additional Parking by virtue of this Agreement and Bloomvale shall have the exclusive right to operate the parking facility for the Project on such terms and conditions as

Bloomvale determines in its sole discretion. All revenues derived from the operation of the parking facility for the project shall be Bloomvales.

11. Bloomvale agrees to hold City harmless and to protect, defend and indemnify City against all claims, causes of action, demands or suits resulting from Bloomvale's acts or omissions in performing or causing to be performed such work as is contemplated by this Agreement, including but not limited to the construction, operation and maintenance of the Project's parking facility.

12. Bloomvale agrees that, within eighteen (18) months from commencement of construction of the Project, at least two thirds (2/3rds) of the Required Parking and Additional Parking will be available for public use as provided for in paragraphs 2 and 3 of this Agreement.

13. Unless Bloomvale obtains the written consent of City, Bloomvale shall not permit any Additional Parking to be used to satisfy the off street parking requirements of Title 7, Chapter 6 of the Code of the City of Alexandria, Virginia, 1981, as amended, for any building or use.

14. In the event Bloomvale fails to comply with any of its obligations set forth in this Agreement, City may demand reimbursement from Bloomvale of the contribution made by City pursuant to paragraph 5 of this Agreement. Bloomvale shall have thirty (30) days from the receipt of written notice from City of such demand to come into compliance with its obligations under the Agreement. In the event Bloomvale cures the breach of its obligations within the thirty (30) day period following receipt of notice, reimbursement shall not be required. In the event Bloomvale does not cure the breach within the thirty (30) day period reimbursement of City's contribution, or a portion fairly attributable or related to the breach shall be required.

15. This agreement shall be null and void upon the occurrence of any of the following: (i) the Board of Zoning Appeals does not grant Bloomvale the variance to construct the Additional Parking, (ii) Bloomvale does not obtain all permits and approvals necessary to construct the Project, or (iii) Bloomvale determines, in its sole and absolute discretion, not to proceed with the Project.

16. This Agreement shall automatically terminate and become null and void at the end of the forty (40) year period, commencing with the full operation of the parking facility on the Project, or in no event later than July 31, 2028.

WITNESS the following signatures and seals.

CITY OF ALEXANDRIA,
a municipal corporation
of the Commonwealth of Virginia

By: *Vala Lawsm*

ATTEST

Helen Holloman
City Clerk

BLOOMVALE, INC.,
a Netherland Antilles corporation

By: *Gerald L. Parsky*

Gerald L. Parsky, Esq.

its: Attorney-in-Fact

STATE OF CALIFORNIACITY OF LOS ANGELES

The foregoing instrument was acknowledge before me this
6th day of February, 1987 by Gerald L. Parsky
Attorney-in-Fact, of Bloomvale, Inc. a
Netherland Antilles corporation on behalf of the
Corporation.



Patricia L. Fisher
Notary Public

My Commission expires: August 3, 1990

STATE OF VIRGINIA:

CITY OF ALEXANDRIA:

The foregoing instrument was acknowledge before me this
16th day of January, 1988 by Vola Lawson, City Manager,
and attested by Walter Holloman of the City of Alexandria,
Virginia, on behalf of the City.

Barbara J. Knight
Notary Public

My commission expires: May 27, 1989

R-721