PROPERTY MANAGEMENT AGREEMENT

BETWEEN

TURNER STREET PROJECT, LLC (North End Center)
a Virginia limited liability company
By: Virginia Tech Real Estate Foundation, Inc.
   Its: Member-Manager
      as Owner

CS SHOPPING CENTER, LLC (Turner Street and Gilbert Place)
a Virginia limited liability company
By: Virginia Tech Real Estate Foundation, Inc.
   Its: Member-Manager
      As Owner

VTREF-Foundation Office Building, LLC (Gateway Center)
a Virginia limited liability company
By: Virginia Tech Real Estate Foundation, Inc.
   Its: Member-Manager
      As Owner

UMPF DEVELOPMENT, LLC (Gateway Center)
a Virginia limited liability company
By: Virginia Tech Real Estate Foundation, Inc.
   Its: Member-Manager
      As Owner

AND

________________________________________
      as Manager

Effective Date:

________________________________________
PROPERTY MANAGEMENT AGREEMENT

This “Property Management Agreement” (the “Agreement”) is made and entered into as of the “Effective Date” by and between TURNER STREET PROJECT, LLC, a Virginia limited liability company, CS SHOPPING CENTER, LLC, a Virginia limited liability company, VTREF-FOUNDATION OFFICE BUILDING, LLC, a Virginia limited liability company, and UMPF DEVELOPMENT, LLC, a Virginia limited liability company (collectively “Owner”), and ___________________ (“Manager”). For good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

SUMMARY

A. This “Summary” section is incorporated into and deemed part of this Agreement.

B. “Property” shall mean and consist of the real property and improvements described below, together with the surrounding common areas for each:

1. 460 Turner Street – 59,629 square foot, mixed-use building with associated parking, commonly referred to as CS Shopping Center;
2. 220 Gilbert Street – 237,828 square foot, mixed-use building with associated parking, commonly referred to as Gilbert Place;
3. 300 Turner Street – 141,953 square foot, mixed-use building, commonly referred to as North End Center;
4. 902 Prices Fork Road – 77,043 square foot, mixed-use building with associated parking garage, commonly referred to as Gateway Center Building; and,
5. 801 University City Boulevard – 161,545, mixed-use building with associated parking, commonly referred to as University City Mall,

all of which are located in Blacksburg, Montgomery County, Virginia (collectively the “Facility”) as further shown in Exhibit A.

C. “Effective Date” shall mean ____________.

D. “Term” shall mean a three (3) year period commencing on the Effective Date, subject to Renewal as set forth in H. below.

E. The “Management Fee” shall be payable in accordance with Section 2.2(a) hereof and shall increase at three percent (3%) each year beginning on ________________.

F. “Project Management Fees” shall mean those fees payable to Manager by Owner for its project management services under Section 3.1 hereof and further detailed in Schedule 2.

G. “Renewal” shall mean that this Agreement will automatically renew on a month to month basis, unless either party provides the other party with at least ninety (90) days prior written notice as further detailed in Section 1.2(c).
H. “Managed Space Adjustment” shall mean that the Owner may either add or delete Properties from this Agreement at any time with at least ninety (90) days prior written notice to Manager. In the event of a Managed Space Adjustment, the Management Fee will be adjusted accordingly based on the corresponding change in square footage.

**ARTICLE I**

**APPOINTMENT OF MANAGER, TERM AND TERMINATION**

Section 1.1 Exclusive Agency. Owner hereby hires and appoints Manager on the terms and conditions hereinafter provided, as the sole and exclusive management agent for the Property. Manager hereby accepts said appointment on the terms and conditions set forth below and recognizes that a relationship of trust and confidence is created by this Agreement. Manager represents and warrants that it currently and throughout the term hereof shall possess the skills and experience to manage a property of this nature and that it and all necessary personnel shall, where applicable, be duly licensed to perform the services required herein consistent with the property management laws in the state in which the Property is located.

Section 1.2 Management Term and Termination

(a) This Agreement shall commence as of the Effective Date and, unless sooner terminated as provided herein, shall thereafter continue for the Term.

(b) Notwithstanding the foregoing, at any time during the Term, Owner and Manager shall each have the absolute right and power to terminate this Agreement, with cause, as further defined in Section 1.3. Owner shall have the absolute right to immediately remove Manager from the Property if this Agreement is terminated for cause.

(c) Provided that this Agreement is not terminated early as provided herein, this Agreement shall automatically renew on a year-to-year basis on the anniversary date annually unless either party shall provide the other party with ninety (90) days’ prior written notice of their desire to terminate the Agreement. If the Agreement automatically renews for an additional one-year Term, all terms and conditions shall remain the same except that the Management Fee pursuant to Section 2.2 shall increase by three percent (3%) annually after the initial Term.

Section 1.3 Termination for Cause. Notwithstanding the stated term hereof, this Agreement may be terminated by either party hereto for cause. If such termination right is exercised by Owner, the termination will be effective immediately upon delivery of written notice to Manager and Manager shall not be entitled to receive a Management Fee for the subsequent ninety (90) calendar day period. Manager’s right to terminate for cause shall be effective immediately upon delivery of written notice to Owner. The only definitions of “cause” below that will permit Manager to terminate for cause are the definitions in subsections (i), (iii), (iv), (v) and (vi).

As used herein, “cause” shall mean and refer to:

(i) The failure by either party to perform or comply with any of its material obligations hereunder at the time or times and in the manner required under
this Agreement without curing such failure within thirty (30) calendar days of receipt by the non-performing party of notice of such failure (unless such failure is of a criminal or quasi-criminal nature, in which event no cure period shall be provided); or

(ii) Manager’s gross negligence in the performance of its obligations under this Agreement or intentionally or willfully defaults under this Agreement; or

(iii) If Manager or Owner shall file a voluntary petition in bankruptcy, or shall be adjudicated a bankrupt or insolvent, or shall file any petition or answer seeking any reorganization, arrangement, composition, liquidation, dissolution or similar relief for itself under the present or any future law relative to bankruptcy, insolvency or other relief for debtors, or under any regulation promulgated thereunder; or

(iv) If a court of competent jurisdiction shall enter an order, judgment or decree approving a petition filed against Manager or Owner seeking any reorganization, arrangement, composition, liquidation, dissolution or similar relief under the present or any future law relating to bankruptcy, insolvency, or other relief for debtors, and such party shall acquiesce in the entry of such order, judgment or decree or such order, judgment or decree shall remain unvacated and unstayed for an aggregate of sixty (60) calendar days from the date of entry thereof, or any trustee, receiver, conservator or liquidator of such party or of all or any substantial part of such party’s property shall be appointed without the consent or acquiescence of such party and such appointment shall remain unvacated and unstayed for an aggregate of sixty (60) calendar days; or

(v) If Manager or Owner shall become insolvent or admit in writing its inability to pay its debts as they mature or is generally not paying its debts as they mature or makes an assignment for the benefit of creditors; or

(vi) if Owner sells, transfers or otherwise conveys its interest in any portion of the Property.

Notwithstanding any such notice of termination by Owner or Manager, Manager shall be and remain liable for the performance and the fulfillment of its fiduciary duties and other obligations hereunder and shall maintain all records, documents, property and files unimpaired through and including the effective date of termination and thereafter as and to the extent required by the terms set forth herein.

Section 1.4 Obligations upon Termination

(a) Upon expiration or termination of this Agreement for any reason, Manager shall use diligent efforts to deliver to Owner within thirty (30) calendar days, and in no event more than forty-five (45) calendar days, a full and final accounting, which shall include a statement, outlining in detail any Fees (as defined in Section 2.2), and any reimbursements due to Manager hereunder, and shall simultaneously with the delivery of such statement cause all funds held by Manager relating to the Property to be delivered to Owner, deducting only such sums, including the Fees or any other amounts due or
payable or to become due or payable to Manager, not then the subject of any dispute. In the event Owner concurs with Manager’s final accounting and any reimbursements due to Manager, Owner shall promptly pay Manager such undisputed amount which remains unpaid, which payment shall be made not later than thirty (30) calendar days after receipt of Manager’s final accounting; however, if Owner does not concur with the final accounting and any reimbursements due to Manager, the controversy as to the actual amount due to Manager shall be negotiated in good faith by Owner and Manager, using the parties’ reasonable efforts to resolve any disputes promptly. In any event, the Owner shall promptly pay the Manager prior to the resolution of any such disputes, any amounts not in dispute.

(b) Upon termination, Manager shall promptly deliver to Owner (or Owner’s designee) all original books, records, correspondence, bills and invoices, all other documents, and personal property in Manager’s possession relating to the Property and not previously delivered to Owner, including, without limitation, all accounting books and records, rent rolls, security deposit schedules, payroll records, originals and copies of all leases, correspondence, service contracts and agreements, and technical data with respect to operation and maintenance of the various systems of the Property.

(c) Upon termination, Manager shall surrender the Property to Owner and quit the premises on the date required by Owner. Manager shall use commercially reasonable efforts to cooperate with Owner to accomplish an orderly transfer and transition of the operation and management of the Property to a party designated by Owner. Owner shall assume all obligations and commitments for goods and services authorized herein and made prior to termination by Manager.

(d) At the request of Owner, Manager shall, at the cost and expense of Owner, remove all signs previously approved for installation by Owner wherever located indicating that Manager is the managing agent and replace and restore any damage resulting therefrom, reasonable wear and tear excepted.

(e) In the event of a sale or ownership transfer, Owner acknowledges that Manager will be asked to expend time and resources on due diligence work relating to the sale or other transfer of the Property or of Owner’s interest therein, including generating or reviewing Owner mandated estoppels and delivery and collection thereof from tenants and on post-termination close out and transition matters. Therefore, in the event that the Agreement is terminated in connection with a sale or other transfer of the Property or of Owner’s interest therein, then in consideration for Manager’s post-termination services rendered under this Section, Owner shall pay Manager a close-out fee equal to one month’s Management Fee (based upon the fee paid during the last complete month of the term of the Agreement). This fee shall be due and payable within thirty (30) calendar days after the termination of the Agreement.

(f) The expiration or termination of this Agreement shall not affect the rights of either party with respect to any damages it has suffered as a result of any breach of this Agreement, nor shall it affect the rights or obligations of either party with respect to liability or claims accrued, or arising out of events occurring, prior to the date of expiration or termination, all of which shall survive such expiration or termination. Exercising a right
hereunder to terminate this Agreement shall not operate to relinquish any other remedy available to the terminating party.

ARTICLE II
MANAGEMENT DUTIES, RESPONSIBILITIES AND COMPENSATION

Section 2.1 Performance of Duties. Manager, on behalf of Owner and subject to Owner’s approval rights as set forth herein, shall use its commercially reasonable efforts in the management and operation of the Property. Manager shall operate the Property and provide those management services, as more specifically described below, which are customarily provided by managers of comparable quality and type real estate in the same geographic area where the Property is located. Manager shall implement, or cause to be implemented, the decisions of Owner. Manager’s performance of such services shall be in accordance with and as applicable, limited by the decisions, policies and programs made or established by Owner from time to time. Manager shall act in a commercially reasonable manner with respect to the proper protection of and accounting for Owner’s assets. Manager shall deal at arm’s length with all third parties with respect to the Property.

Section 2.2 Fees

(a) Management Fee. Owner shall pay the Management Fee to Manager as compensation for the management services rendered under this Agreement. The monthly Management Fee shall be due and payable in the month in which it is earned and shall be paid as shown in the table below:

<table>
<thead>
<tr>
<th>Period</th>
<th>Management Fee Monthly</th>
<th>Management Fee Annual</th>
<th>Management Fee Cost/SF</th>
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(b) All fees due to the Manager under this Section 2.2, or as provided elsewhere in this Agreement, including without limitation the Management Fee, Project Management Fees, Post-Termination Fees, and any other out-of-pocket costs and expenses due Manager, shall be referred to collectively as the “Fees.”

Section 2.3 Management Reports. Manager shall timely prepare and deliver to Owner in accordance with the time periods set forth in Schedule 1 attached hereto and made a part hereof, the reports, schedules and statements described therein. The format of all such reports shall at all times be subject to the reasonable approval of Owner. These reports must delineate between the different buildings by address, and show all collections, delinquencies, uncollectible items, vacancies, expenses, and other matters pertaining to the management, operation, and maintenance of each building during the month, quarter, or any other period in question, as the case may be. All reports shall be prepared on the basis set forth in Schedule 1, using a chart of accounts and a property management and accounting system approved by Owner. At Owner’s written request, Manager may prepare such additional reports or provide reports in such different format as...
Owner may require or desire; provided, however, that if such additional reports or formats impose additional costs on Manager or if Manager’s standard accounting systems, software (including, without limitation, programs, applications, and databases) and processes cannot automatically generate the additional reports or formats in a manner that meets Owner’s reporting requirements, then any reasonable costs incurred by Manager meeting Owner’s request or requirements will be reimbursed by Owner. Such reimbursable costs shall be deemed to be expenses of the Property and shall be payable from funds of Owner held in the Operating Account. Manager shall not be responsible for the preparation of any form, reports, income, or other tax returns required to be filed by Owner in connection with the Property by any local, state, federal, or other governmental authority, other than personal property and sales/use tax reports, if requested by Owner in writing.

Section 2.4 Maintenance and Repair of Property. Manager shall, as an expense of the Property and consistent with approved budgetary guidelines, maintain the buildings, appurtenances, and common areas of the Property in good condition according to local standards for comparable properties in the immediate market area surrounding the Property, and, in any event, in accordance with the standards and conditions reasonably specified by Owner from time to time. Maintenance and repair items shall include, but shall not be limited to, interior and exterior janitorial services, exterior grounds and landscaping services, repairs and alterations to existing improvements, plumbing, parking areas, electrical systems, painting, carpentry, maintenance and repair of mechanical systems and such other maintenance and repair work as is reasonably necessary. Manager shall periodically review with Owner all expenses and any reserves therefor, and other services rendered in connection with the Property. Notwithstanding anything in this Agreement to the contrary, emergency repairs and/or other expenditures deemed immediately necessary by Manager for the preservation and safety of the Property or tenants or other persons, or to avoid the suspension of any service to the Property may be made by Manager without the approval of Owner if, under the circumstances, Owner cannot be notified in a reasonable manner before the required emergency repairs and/or expenditures must be made.

Section 2.5 Service and Supply Contracts

(a) Manager shall directly select, supervise, and engage in Owner’s name in its capacity as agent of Owner, all independent contractors, suppliers and vendors, in the operation, repair, maintenance and servicing of the Property, including but not limited to those necessary for the supplying of electricity, gas, steam, water, telephone, cleaning, fuel, oil, elevator maintenance, vermin extermination, trash removal, security and other services deemed necessary or advisable by Manager for the operation of the Property. Notwithstanding the foregoing, but subject to the provisions of Section 2.4 above regarding emergency expenditures, any purchase order or contract evidencing such engagement that (i) requires total annual payment(s) in excess of $10,000 and which expense is not included at all in the Approved Budget, copies of which are attached hereto as Exhibit A; (ii) requires total annual payment(s) in excess of $10,000 and which would cause the applicable Approved Budget line item to be exceeded by more than five percent (5%) of the total line item (provided that this clause (ii) does not apply to utilities); or (iii) has a term of more than one year (except as expressly approved by Owner in writing); or (iv) is with an affiliate of Manager or any individual directly related to any employee of Manager, shall
require the prior written consent of Owner. Together with Manager’s request for consent to any such service contract, Manager shall deliver to Owner a copy of the proposed contract, a statement of the relationship, if any, between Manager (or the person or persons in control of Manager) and the party which will supply such goods or services under the proposed contract, and supporting analysis, if any. Manager shall timely pay all bills of such contractors, suppliers and entities properly approved by Owner or other expenditures entered into pursuant to the Approved Budget, but such bills shall be at the expense of the Property and shall be paid by Manager using Owner’s funds from the Operating Account.

(b)  All service contracts (other than contracts for utilities) shall, unless expressly approved in writing by Owner, be in the name of Owner and signed by Manager as agent for Owner, and include the following provisions that: (i) allow cancellation thereof (without penalty) by Owner on not more than thirty (30) calendar days written notice, (ii) require that all contractors provide evidence of insurance specified in Section 4.3 of this Agreement, (iii) require that all contractors provide Manager with at least thirty (30) calendar days prior notice of cancellation of any required insurance coverage or reduction of insurance coverage below required limits, (iv) require the contractor to indemnify Owner and Manager for claims to the extent arising from the contractor’s negligence or willful misconduct, (v) prohibit the contractor thereunder, and their respective subcontractors, from introducing any Hazardous Materials (defined in Section 2.19 below) onto the Property without the prior written consent of the Owner (except in accordance with normal operating practice and environmental statutes); and (vi) require the contractor to promptly notify Owner and Manager of any accidental release of Hazardous Materials on or adjacent to the Property.

(c)  Unless Owner specifically waives such requirement in writing, all purchases made under this Section 2.5 (other than those entered into for emergency purposes, and those for utilities) providing for annual payments in excess of $2,000 shall be subject to bid under the procedure as specified below:

(i)  A minimum of two written bids shall be obtained for each purchase in excess of $2,000 up to $10,000. Purchases over $10,000 will require a minimum of three bids.

(ii) Each bid will be solicited in a form prescribed or approved by Owner so that bids will be comparable.

(iii) Manager may accept the low bid without prior approval from Owner if the expenditure is for an item included within the Approved Budget and if the amount of such bid will not cause a material variance in any Approved Budget line item of the Approved Budget.

(iv) Subject to Manager’s authority under subclause (c)(iii) above, Owner shall be free to accept or reject any and all bids in its sole and absolute discretion.

(d)  When taking bids or issuing purchase orders, Manager shall use its reasonable efforts to secure for, and credit to Owner any discounts, commissions or rebates obtainable as a result of such purchases.
Section 2.6 Disbursements for Expenses of Property. Manager shall, consistent with the Approved Budget, as described below, (i) pay all bills which Manager determines are properly payable, (ii) pay water charges, sewer rent, and utility assessments and all other charges and impositions (other than real estate taxes), as and when the same shall become due and payable, and (iii) pay the Management Fee and any other Fees owed to Manager. All bills shall be paid by Manager on a timely basis out of the revenues generated by the Property or otherwise through funding provided by Owner. Manager shall post expenses in the appropriate period which aligns with the date goods are received or services rendered. If, at any time, cash flow from the Property shall not be sufficient to pay the bills and charges which may be incurred with respect to the Property, Manager shall first be entitled to receive reimbursement for all personnel costs of Manager as provided in Section 2.10 below, and thereafter, Manager shall consult with Owner in order to determine the priority of payment for all remaining bills and charges. If cash flow from the Property is insufficient to fully fund Manager’s reimbursable personnel costs and other Fees, Owner shall promptly advance sufficient funds to the Operating Account to permit reimbursement/payment of Manager.

Section 2.7 Tenant Lease Compliance, Service Requests and Complaints. Manager shall maintain businesslike relations with tenants. Tenants’ service requests shall be received, logged and considered in systematic fashion in order to show the action taken with respect to each. A record of service requests shall be maintained by Manager for inspection by Owner. Manager will not knowingly permit the use of the Property for any purpose which voids or increases the cost of any policy of insurance held by Owner or which might render any loss thereunder uncollectible or which would be in material violation of any legal obligation or insurance contract. Manager shall use its reasonable efforts and due diligence to secure full compliance by tenants with the terms and conditions of their respective leases, and to this end, Manager shall use its reasonable efforts to see that all tenants are informed with respect to such rules, regulations and notices as may be promulgated by Owner. Manager shall not knowingly take any action which would violate any tenant’s lease, and shall promptly deliver to Owner any notice of default received from a tenant.

Section 2.8 Collection of Monies

(a) Manager shall use its reasonable best efforts to collect income and other charges (excluding Rent) due from tenants with respect to the Property and request, demand, collect, receive and receipt, where appropriate, for all such income and other charges. Any request by Manager for a write off or discharge of any monies due and owing Owner shall be submitted in writing with supporting documents to Owner for Owner’s approval. Manager shall, promptly upon receipt of any of the above-referenced funds, deposit same into the Operating Account.

(b) Manager, without further investigation, may rely upon the completeness and accuracy of any property operations and leasing information, data and documents, whether delivered electronically, on disc or hard copy, received from the Owner, the Owner’s representative or the prior property manager, or generated prior to the commencement of this Agreement, in connection with Manager’s performance of its duties.
and obligations hereunder. Manager shall not be responsible for any errors or omissions in any invoice, notice, rental or billing adjustment, payment of outstanding receivable or other such obligations of Manager herein, which are due, or based upon expense activity prior to Manager’s management of the Property, or for a period ending subsequent to the termination of this Agreement. Manager may submit to Owner, for its approval, a schedule of the financial information it intends to use in calculating billings at the Property based on information provided to Manager, which schedule shall be approved by Owner within thirty (30) calendar days of receipt thereof. Owner’s failure to respond within thirty (30) calendar days shall be deemed an approval of all information contained therein. Owner shall defend, indemnify and hold Manager harmless from and against any and all claims, liabilities, demands, damages, losses, attorneys’ fees, costs, or expenses of any nature, direct or indirect, arising out of, based upon, or related to, such information, data and documents received from Owner, the Owner’s representative or the prior manager, or generated prior to the commencement of this Agreement.

(c) Manager shall not commence any legal proceeding in performing its obligations under Sections 2.7 and 2.8, unless such proceeding, and legal counsel retained in connection with such proceedings, are approved by Owner. Manager shall institute and coordinate such other legal proceedings affecting the Property as Owner may request in the name of Owner and with counsel selected and approved in writing by Owner; provided, however, that Owner shall retain final authority over the conduct of any such proceedings.

Section 2.9 Bank Accounts

(a) Operating Account. All revenue received from the operation of the Property by Manager from any source shall be deposited on a daily basis or on the next business day, as received by Manager in a separate, segregated operating account (the “Operating Account”) that has been established by Owner. Manager shall maintain a daily record of all deposits made. All Property expenses shall be paid by Manager from the Operating Account. Manager shall be an authorized signatory on the Operating Account. At all times during the term of this Agreement, Owner shall maintain funds in the Operating Account sufficient to fund the various expenses of the Property and to cover the checks drawn on such account, and at no time less than Seventy-Five Thousand Dollars ($75,000) (the “Minimum Working Capital Amount”).

In addition to the Minimum Working Capital Amount, Owner shall pay to Manager a monthly stipend by the first of the month to cover the checks drawn on the Operating Account (the “Monthly Stipend”). The Monthly Stipend shall be equal to one-twelfth of the Approved Budget, which at the time this Agreement was executed was One Hundred Fifty-Four Thousand Dollars ($154,000) per month as further detailed in Exhibit B.

In the event the Operating Account shall have funds in excess of Two Hundred Fifty Thousand Dollars ($250,000), Manager shall remit to Owner all funds in excess of Two Hundred Fifty Thousand Dollars ($250,000) within five (5) business days to Owner.

(b) Security Deposit Account. All security deposits received by Manager shall be forwarded to the Owner upon receipt or as soon thereafter as is possible to do so. All security deposit funds shall be deposited, maintained, and paid out by Owner in compliance with the applicable lease agreement and all applicable laws.
Section 2.10 Personnel

(a) Manager shall investigate, hire, supervise, and, as applicable, discharge the personnel reasonably necessary to be employed, consistent with approved budgetary guidelines, to maintain and operate the Property, in accordance with the standards set forth in this Agreement. Such personnel shall, in every instance, be deemed employees of Manager and not of Owner. Nothing contained in this Section 2.10 is intended to give Owner the right to hire, discipline or fire any employee of Manager or characterize Owner as the employer of any such employee.

(b) Manager’s relationship to Owner is that of an independent contractor. Manager shall not represent in any manner that its relationship to Owner with respect to the management of the Property is other than that of an independent contractor having the authority to act as Owner’s representative expressly pursuant to the terms and conditions of this Agreement.

(c) In the event work on Property is necessary to be performed by maintenance personnel of Manager outside of normal business hours the rate charged to the Property shall be an overtime rate of 1.5x Manager’s current base hourly maintenance rate. For reference, the base hourly maintenance rate on the Effective Date of this Agreement shall commence at $50.00 / hr.

Section 2.11 Books and Records. Manager shall maintain at the Property, or at one of Manager’s centralized accounting locations, originals or electronic copies of each of the following: proper accounting books and journals and orderly files containing originals or electronic copies of all rent records, tenants’ and vendors’ certificates of insurance, leases, correspondence, copies of receipted bills and vouchers, and all other documents and papers pertaining to the Property or the operation thereof. It is specifically agreed that the originals (or original content, in the case of electronic copies) of the foregoing documents shall be the sole property of Owner, and that Manager shall, upon the written request of Owner, deliver any or all such original documents (or if such originals are not in Manager’s possession, then exact copies of such originals) to Owner or to Owner’s attorneys, accountants or other representatives of Owner, provided, however, that Manager shall be entitled to retain copies of the foregoing documents for internal audit and accounting purposes by its attorneys, accountants, or employees and for no other purpose. Manager will establish and follow a reasonable document destruction policy for the Owner’s documents held by Manager under this Section, particularly for documents that are only retained electronically, and such policy will be subject to Owner’s approval at its request. Manager shall keep all financial information concerning the Property confidential at all times during and after the term of this Agreement; and no such information shall be given to any third party without the prior written consent of Owner except as required by law or by legal proceedings. Manager shall have no obligation for maintaining any such books and records following termination of this Agreement, and shall tender all such books and records to Owner or Owner’s designee upon termination of this Agreement.

Section 2.12 Office Space and Storage. Manager, at Manager’s expense, shall provide suitable office space for property management personnel together with all such furniture, equipment, utility and telecommunications services, as may be reasonably necessary for Manager to fulfill its duties and responsibilities under this Agreement. If
desired by Manager, such office space may be located at 314 Turner Street, Blacksburg, Virginia 24060, which is located within a real estate asset owned by the Owner, upon negotiation of a mutually agreeable full service or “gross” lease signed by Owner and Manager on or before the Effective Date. In addition, Owner shall provide to Manager, without charge, a suitable storage area within the Property for Manager’s equipment, tools, materials, and supplies furnished or consigned to Manager by Owner or furnished to Owner by Manager. The designated storage area shall be maintained by Manager in a clean, orderly and safe condition at all times.

Section 2.13 Preparation of Annual Budget

(a) Owner has provided Manager with copies of the current approved Annual Budgets for each building which are attached hereto as Exhibit A. No more than thirty (30) days after the commencement hereof, Manager shall notify Owner of any requested adjustments or discrepancies with such current approved Annual Budgets. So long as this Agreement is in effect, Manager shall prepare and deliver to Owner a proposed budget at least six (6) months prior to the commencement of each fiscal year which runs from July 1 to June 30 of each year (which mean on or before January 1st of each year), unless otherwise directed by Owner, which, after actual or deemed approval by Owner, shall be deemed the approved budget (the “Approved Budget”). The format, to be designated or approved by Owner, shall set forth in reasonable detail and on a monthly basis, an itemized statement of the estimated disbursements for such period, including, but not limited to all normal operating costs, expenses relating to tenant improvements, management fees, mortgage payments, insurance premiums, any anticipated after hours maintenance expenses and similar items, a schedule of necessary capital expenditures reasonably detailing each item and the estimated cost thereof, and the estimated income for such period based on a schedule of minimum rents as reflected in all leases in effect for such period based on information provided to Manager from Owner. If Manager believes it is desirable to change any material aspect of the Approved Budget, Manager shall provide written notice to Owner of the changes sought. All such changes shall require the specific written approval of Owner prior to implementation. In the event that Owner disapproves any proposed budget submitted by Manager during the term of this Agreement, then such budget shall be resubmitted by Manager within fourteen (14) calendar days of receipt of Owner’s written notice containing specific objections thereto. In the event that Owner fails to respond to or otherwise disapprove of the Manager’s proposed budget by the start of the applicable budget year, then that proposed budget shall be deemed to be approved by Owner; provided that Owner will retain the right to require modifications, on a going forward basis only, of any budget that is deemed approved in this manner.

(b) Manager shall use due diligence and reasonable efforts to ensure that the actual costs of maintaining and operating the Property shall not exceed the amount provided therefor in the applicable Approved Budget (either total or in any line-item) except as expressly set forth below. Except with respect to expenditures for emergency services or utilities, Manager shall not incur any expense which would cause any single line item indicated in the Budget to be exceeded by the greater of (i) five percent (5%) of such line item or $5,000 or (ii) together with other previous expenses, in any major category of the Budget, exceed the budgeted amount in such category by more than five percent (5%) on a quarterly basis, without the prior written consent of Owner, and Manager shall promptly
notify Owner of any projected material variance. Manager shall not transfer any amounts from one expense item to another (other than from any contingency item to a specific line item) without Owner’s prior written consent. Any budgeted amounts which have not been spent by the end of the fiscal year shall be reduced to zero for the beginning of the next fiscal year if approved by Owner.

Section 2.14 Compliance with Laws and Contracts. Manager shall use reasonable efforts to comply with, and cause the Property to be kept, maintained, used, and occupied in compliance with, the following (as now in effect or as may hereafter be in effect), to the extent known by or disclosed to Manager, which relate to or affect the Property, the operation or management of the Property or Owner’s interest in the Property (collectively the “Requirements”): (a) all orders, regulations, or requirements affecting the Property of any federal, state, county, or municipal authority having jurisdiction thereover, and orders of the Board of Fire Underwriters or other similar bodies, (b) all present and future covenants and restrictions of record, use permits and development agreements, which may be applicable to the Property and/or its operation and management (including, without limitation, laws, ordinances, rules, regulations, requirements, leases, covenants, and restrictions prohibiting restraint of trade, or discrimination whether on the basis of race, religion, color, national origin, age, sexual orientation, political affiliation, marital status, veteran status, or any other basis protected by law); (c) the terms and conditions of any mortgage or deed of trust so long as copies of all or relevant portions of such documents have been discussed with and provided to Manager; and (d) the provisions of any insurance policy or policies insuring Owner’s interest in the Property (so as to not affect the insurance coverage or increase the premium rate therefor). Manager shall obtain, as an expense of the Property, any business license and/or operating permit which may be required for the operation of the Property. This does not include any license required by Manager to perform the services set forth herein.

Section 2.15 Owner’s Approval. With respect to those activities of Manager hereunder which require Owner’s approval of such activity or the cost thereof, if Owner fails to approve either the activity or the costs, then (other than as set forth in this agreement with respect to matters that are deemed approved) Manager shall not be responsible to provide the activity until Owner’s approval is obtained. Manager shall be obligated to timely seek approval of such matters from Owner. So long as Manager has acted timely and diligently and has provided Owner with all relevant information, Manager shall not be responsible for any direct loss, cost or expense arising from its failure to act.

Section 2.16 Limitation of Liability. As used in this Agreement, “Manager” means only __________________. No principal, manager, member, officer, director, employee, or partner (general or limited) of Manager shall have any personal liability under any provision of this Agreement. If Manager defaults in the performance of any of its obligations under this Agreement or otherwise, Owner shall look solely to Manager’s assets, and not to the assets, interest, or rights of any principal, manager, member, officer, director, employee, or partner (general or limited) of Manager for satisfaction of Owner’s remedies.

Section 2.17 No Advances. Manager shall not be obligated to make any advance to or for the account of the Owner or to pay any sum except out of funds held or provided
as set forth in this Agreement, nor shall Manager be obliged to incur any liability or obligation for the account of the Owner.

Section 2.18 Delegation. Manager shall have the right, from time to time, to delegate the performance of all or any portion of its services, duties and obligations under this Agreement to any affiliate of Manager. In such event, Manager shall nevertheless remain liable to Owner for the proper performance of such services, duties and obligations as required by this Agreement.

Section 2.19 Hazardous Materials

(a) Owner acknowledges that Manager is not an expert with respect to the detection, control, handling, removal or supervision of activities related to Hazardous Materials (as defined below) and that such Hazardous Materials are, or in the future may become, the subject of local, state or federal laws and/or regulations requiring special handling, control or removal. Owner shall (at its discretion) retain such Hazardous Materials consultants and legal experts as are necessary to determine the nature and extent of any Hazardous Materials on the Property as well as what steps are prudent or appropriate to handle, control or remove such Hazardous Materials. Manager shall have no responsibilities with respect to such Hazardous Materials other than: (a) to use its reasonable efforts and due diligence (within the limits of its expertise) to prevent a release of Hazardous Material, (b) to cooperate in Owner’s (or its contractors’ or agent’s) efforts in the abatement, detection, mediation, prevention, removal, transportation, treatment, testing or disposal of any Hazardous Material, (c) to enforce to the extent reasonably possible (given the limits of its expertise) tenants’ compliance with those provisions in their leases related to Hazardous Material, (d) to notify Owner in the event it becomes aware of a release or threatened release of Hazardous Material, and (e) to limit its use of Hazardous Material to what is reasonably necessary to perform its services.

(b) For purposes of this Agreement, “Hazardous Materials” means and includes any hazardous substance or any pollutant or contaminant defined as such in (or for purposes of) the Comprehensive Environmental Response, Compensation and Liability Act, any so-called “Superfund” or “Superlien” law, the Toxic Substances Control Act, or any other federal, state or local statute, law, ordinance, code, rule, regulation, order or decree regulating, relating to, or imposing liability or standards of conduct concerning any hazardous, toxic or dangerous waste, substance or material, as now or at any time hereafter in effect, or any other hazardous, toxic or dangerous waste substance or material, including without limitation, any fungus, yeast or mold, and/or any spores or toxins emanating therefrom.

Section 2.20 Americans with Disabilities Act. The Americans with Disabilities Act is intended to make many business establishments equally accessible to persons with a variety of disabilities; modifications to real property may be required. State and local laws also may mandate changes. Owner expressly acknowledges and agrees that Manager is not qualified to advise Owner as to what, if any, changes to the Property or any tenant’s premises may be required now, or in the future. Owner further expressly acknowledges and agrees that Owner and any prospective purchaser of the Property
should consult the attorneys and qualified design professionals of their choice for information regarding these matters.

**Section 2.21 Force Majeure.** Manager shall not be liable for any failure of or delay in performance of its obligations under this Agreement to the extent such failure or delay is due to circumstances beyond its reasonable control, including, without limitation, acts of God, acts of a public enemy, fires, floods, wars, civil disturbances, sabotage, terrorist attacks, accidents, insurrections, blockades, embargoes, storms, explosions, labor disputes (whether or not the employees’ demands are reasonable and/or within the party’s power to satisfy), acts of any governmental body, failure or delay of third parties or governmental bodies from whom a party is obtaining or must obtain approvals, authorizations, license, franchises or permits, or inability to obtain labor, materials, power, equipment, or transportation (collectively referred to herein as “Force Majeure”). Manager must give written notice of a claim of Force Majeure to Owner within two (2) days of a claimed Force Majeure event identifying the specific acts or events giving rise to the claim of Force Majeure.

**ARTICLE III PROJECT MANAGEMENT SERVICES**

**Section 3.1 Project Management Services**

(a) Manager, at Owner’s sole discretion, agrees to act as project manager for capital improvements authorized by Owner and set forth in the approved Annual Budget and extraordinary repair and maintenance to the Property approved by Owner. As project manager, Manager shall (i) review and recommend for approval or disapproval by Owner all plans and specifications for any authorized construction (which review shall include a determination of whether such plans and specifications comply with Owner’s building rules, regulations and standards); (ii) if required by Owner, solicit competitive bids and review such bids with Owner; (iii) if requested by Owner, enter into contracts on behalf of Owner, as Owner’s agent, in form and content satisfactory to Owner, with the bidders approved by the Owner; (iv) schedule and coordinate the performance of all authorized construction (including oversight or administration of required inspections); (v) ensure that adequate insurance coverage is maintained consistent with the requirements of Owner; (vi) obtain, review and recommend for approval or disapproval by Owner all draw requests and lien waivers from the general contractor and all subcontractors; (vii) obtain or cause to be obtained all permits required for the construction and occupancy of the Property; and (viii) provide progress reports to Owner from time to time or as may be requested by Owner.

(b) Manager, at Owner’s sole discretion, agrees to act as project manager for all tenant alterations and improvements to be performed by Owner. Manager shall (i) review and recommend for approval or disapproval by Owner all plans and specifications for any authorized tenant construction (which review shall include a determination of whether such plans and specifications comply with Owner’s building rules, regulations and standards); (ii) solicit competitive bids; (iii) if requested by Owner, enter into contracts on behalf of Owner as Owner’s Agent, in form and content satisfactory to Owner, with the successful bidders; (iv) schedule, coordinate and supervise the performance of such alterations and improvements from inception to completion (including oversight or administration of
required inspections); (v) obtain and review all draw requests and lien waivers from the
general contractors and all subcontractors; (vi) obtain or cause to be obtained all permits
required for the construction and occupancy of the Property; and (vii) ensure that adequate
insurance coverage is provided consistent with each tenant’s lease prior to
commencement of any such alterations or improvements. With respect to alterations and
improvements not provided for in tenant leases, Manager is authorized to review and
consent to such work provided that (i) such alterations and improvements are made at the
tenant’s expense in accordance with all applicable laws and ordinances, (ii) such
alterations and improvements do not affect the structure of the Property and do not
unreasonably interfere with building services to other tenants and (iii) conform to the
specifications and limitations of the Property.

Section 3.2 Fees for Project Management Services. For capital improvement,
extraordinary repairs and maintenance and tenant alterations and improvement projects
for which Manager is authorized to act as project manager, Owner shall pay the Project
Management Fees to Manager for its project management services under either
subsections (a) or (b) of Section 3.1 above. The Project Management Fees shall be paid
by Owner upon the completion of the project, unless another arrangement is agreed to in
writing by the Manager and Owner, and such fees shall be calculated as detailed in
Schedule 2.

ARTICLE IV
INSURANCE

Section 4.1 Owner’s Insurance. Owner shall arrange for, carry, and maintain at
Owner’s expense, the following insurance coverages:

(a) Commercial General Liability insurance covering claims for damages due to
bodily injury (including death), property damage and personal and
advertising injury arising in connection with the services provided under this
Agreement and any action or activity on, or condition of, the Property. Such
Commercial General Liability insurance coverage shall: (i) be occurrence-
based; (ii) provide limits of liability in an amount not less than $5,000,000
each occurrence and $10,000,000 aggregate (including excess and/or
umbrella limits), (iii) include at least those coverages generally included in
the most current ISO Commercial General Liability insurance policy form (or
its equivalent); (iv) include Manager as an additional insured in Manager’s
capacity as property manager of the Property, and (v) be primary and non-
contributory with any other insurance coverage carried by Manager.
Notwithstanding the naming of Manager as an additional insured on any
policy, Owner shall not be required to provide a defense for or hold Manager
harmless for, nor shall Manager receive any benefit from such policies for,
any acts caused by the negligence, tortious act or omission, willful
misconduct or fraud of Manager, its employees, agent or representatives.

Section 4.2 Manager’s Insurance. Manager shall arrange for, carry, and maintain
at its own expense the following insurance coverages:

(a) Workers’ Compensation, so as to provide statutory benefits as required by
the laws of the state in which the Property is located, and Employer’s
Liability insurance with limits of liability of no less than $1,000,000 each accident, $1,000,000 disease each employee and $1,000,000 disease policy limit covering all employees of Manager employed in, on or about the Property. Such insurance shall include a waiver of subrogation in favor of the Owner.

(b) Manager, if using vehicles to service the Premises is required to provide proof of auto liability coverage with $1,000,000 combined single limit of liability.

(c) Fidelity insurance with a limit of liability of not less than $1,000,000 shall be maintained through the term of this Agreement to insure Manager’s employees for dishonest acts causing loss of assets from the Property.

(d) Professional Liability insurance shall be maintained throughout the term of this Agreement with a limit of liability of not less than $5,000,000 each claim and $10,000,000 aggregate, which limits may be provided by a combination of primary and excess policies.

(e) Commercial General Liability insurance covering claims for damages due to bodily injury (including death), property damage and personal and advertising injury arising in connection with the services provided under this Agreement and any action or activity on, or condition of, the Property. Such Commercial General Liability insurance coverage shall: (i) be occurrence-based; (ii) provide limits of liability in an amount not less than $1,000,000 each occurrence and, $2,000,000 aggregate; (iii) include at least those coverages generally included in the most current ISO Commercial General Liability insurance policy form (or its equivalent); and (iv) include Owner as an additional insured, solely with regard to claims arising out of the services provided under this Agreement.

(f) Manager is required to provide proof of umbrella coverage of $5,000,000.

Section 4.3 Contractor’s Insurance. Manager shall require that each contractor and any of its subcontractors engaged to perform any work at the Property maintain at the contractor’s and/or the subcontractor’s expense the following insurance coverages:

(a) Commercial General Liability Insurance written on an occurrence form, including coverage for Premises and Operations; Owners’ and Contractors’ Protective Liability; Products and Completed Operations (with coverage continuing for two (2) years after completion of the Work); Blanket Contractual; Broad Form Property Damage; Personal and Advertising Injury and XCU coverage (explosion, collapse and underground hazard exclusion deleted) with limits not less than $1,000,000 each occurrence and $2,000,000 aggregate.

(b) Workers’ Compensation (including occupational disease) in accordance with statutory limits and Employer’s Liability in an amount not less than $1,000,000 each accident, $1,000,000 disease- each Employee, and
$1,000,000 disease- policy limit with a waiver of subrogation in favor of owner is required.

(c) Commercial Automobile Liability Insurance written on an occurrence form covering Contractor's and all subcontractors’ owned, leased, hired or non-owned vehicles used in the performance of the work or services at the Property or brought onto the Property, in an amount not less than $1,000,000 combined single limit for bodily injury and property damage liability.

(d) Umbrella or Excess Liability Insurance written on an occurrence form in an amount not less than $1,000,000 each occurrence and a minimum of $5,000,000 aggregate.

(e) Professional or Errors and Omissions Liability Insurance in an amount not less than $1,000,000 each claim, with coverage continuing for two (2) years after completion of the work or services at the Property, but only if such work or services includes the provision of any one or more of the following kinds of services: any form of professional engineering advice or services, any form of architectural advice or services, security or alarm services, any form of accounting advice or services (including tax advice or auditing), legal advice, insurance brokerage services or any other form of professional consulting.

(f) Contractor's Pollution Liability in an amount not less than $1,000,000 per loss and $2,000,000 annual aggregate (with coverage continuing for two (2) years after completion of the work or services at the Property, but only if such work or services includes the provision of any one or more of the following kinds of services: pest control or extermination; fuel delivery or storage; the abatement of asbestos, lead or mold (or any like substance); the detection, disposal, removal, remediation, transportation and/or storage of hazardous, toxic or dangerous wastes, substances, material, gas or particulate matter; work on roofing systems (but only if the roofing materials subject to the Work contain asbestos or other hazardous materials – e.g. work on roofing material that contains asbestos); work on HVAC systems (but only if the materials subject to the work or services involve hazardous materials – e.g. work with freon); or work on window systems or insulation (but only if the materials subject to the work or services contain asbestos or other hazardous materials).

(g) Property insurance covering the contractor's personal property at the Property. Such property insurance shall include a waiver of subrogation as to Owner and Manager. In addition, the contractor shall waive all right of recovery against Owner and Manager for any damage to any of Contractor's personal property at the Property.

Such Commercial General Liability, Commercial Automobile Liability and Umbrella or Excess Liability policies shall be primary and non-contributory to any policies of insurance carried by either Owner or Manager, and shall include Owner and Manager as Additional Insureds and shall be written on forms CG2010 and CG2037 or their equivalent.
for general liability. Manager shall not waive any of the above requirements without Owner’s prior written consent. Owner shall have the right, upon written notice to Manager, to require higher limits and/or additional coverages, from contractors and subcontractors.

Section 4.4  Additional Requirements. The aforementioned insurance coverages shall be written with insurers having an A.M. Best rating of A- or better. Any coverage limit required herein shall not be construed as a limitation or satisfaction of any hold harmless or indemnification agreement contained herein.

Section 4.5  Certificates of Insurance; Notice of Cancellation or Reduction of Coverage

(a) As soon as possible after this Agreement is signed by both Owner and Manager and again on each anniversary of the Effective Date (so long as the Agreement has not been terminated prior to such date), each party shall supply the other party with a certificate of insurance evidencing the coverages required of that party under this Article IV. Both Owner and Manager shall be obligated to provide the other party with at least thirty (30) calendar days prior notice of cancellation of any required coverage or reduction of limits below what is required under this Article IV, and each party’s certificate of insurance shall contain a provision that each commercial general liability insurer shall endeavor to provide at least thirty (30) calendar days prior notice before cancellation of required coverage.

(b) Manager shall obtain, file and keep current evidence of satisfaction of all the insurance requirements of Owner, Manager and contractors and subcontractors by securing certificates of insurance that evidences the coverages required in this Article IV. Manager shall further obtain from all contractors retained under Section 2.5 who will work at the Property certificates of insurance evidencing the coverages required under Section 4.3 of this Agreement upon or prior to such contractor entering the Property to begin its work (if Owner retains the contractor, then Owner will assist and cooperate with Manager in its efforts to obtain such certificate). Such certificates of insurance shall contain a provision that each commercial general liability insurer shall endeavor to provide to the certificate holder at least thirty (30) calendar days prior notice before cancellation of required coverage.

Section 4.6  Insurance Claim Administration. Manager shall provide timely written reports to Owner, and as further directed in writing by Owner, to the Owner’s insurance carrier concerning all accidents and claims for damage relating to the ownership, operation and maintenance of the Property promptly after Manager is made aware thereof, and shall promptly prepare any reports required by Owner or an insurance carrier in connection therewith. Copies of any such reports above referenced shall be delivered to Owner’s representative. Manager is not authorized to settle any commercial general liability, business auto or property claims covered under any of Owner’s insurance policies with or against insurance companies, including the execution of proofs of loss, the adjustment of losses, signing of receipts, and the collection of money, without the express written consent and approval of Owner.
ARTICLE V
INDEMNIFICATION

Section 5.1 Indemnification by Manager. Manager shall indemnify, defend and hold harmless Owner, its directors, officers, employees, agents, representatives, successors and assigns (“Owner’s Indemnitees”) from and against any and all liability, claim, demand, loss, cost, damage, expense or cause of action (including without limitation, reasonable attorneys’ fees and expenses and costs of litigation) incurred or suffered by Owner’s Indemnitees if and to the extent arising out of any negligence, tortious act or omission, willful misconduct or fraud by Manager or its respective agents or employees in the performance of its services hereunder.

Section 5.2 Indemnification by Owner. Owner shall indemnify, defend and save Manager, its directors, officers, employees, agents, representatives, successors and assigns (“Manager’s Indemnitees”) harmless from and against any and all liability, claim, demand, loss, cost, damage, expense or cause of action (including without limitation, reasonable attorneys’ fees and expenses and costs of litigation) suffered by or asserted against any of Manager’s Indemnitees arising out of the performance or non-performance of Manager’s duties and activities within the scope of this Agreement or arising from any action or activity on, or the condition of, the Property, except if and to the extent arising out of the negligence, tortious act or omission, willful misconduct or fraud of any of the Manager’s Indemnitees.

ARTICLE VI
GENERAL TERMS AND CONDITIONS

Section 6.1 Limitation of Agency. Nothing contained in this Agreement or in the relationship of Owner and Manager shall be deemed to constitute a partnership, joint venture or any other relationship, and other than as expressly provided in this Agreement, Manager shall at all times be deemed an independent contractor for purposes of this Agreement. Without limiting the generality of the foregoing, nothing in this Agreement grants Manager any agency authority with respect to the sale, transfer, mortgaging or other financing of the Property. However, the parties agree that Manager is an agent or representative of Owner for purposes of clauses in leases and license agreements with tenants and licensees of the Property that provide for the tenant or licensee to provide indemnities, insurance protections, waivers and/or limits of liability in favor of Owner and its agents or representatives. Owner will cooperate with Manager in its efforts to enforce such clauses for Manager’s benefit and will also endeavor to cause future leases and license agreements to be written so that such clauses run to the benefit of at least Owner and its property manager for the Property.

Section 6.2 Notices. Any non-routine notice, demand, delivery, request or other communication which any party hereto may be required or may desire to give hereunder shall be in writing and shall be deemed to have been properly given if addressed as provided below and (a) if hand delivered, when delivered; (b) if mailed by United States Registered or Certified Mail (postage prepaid, return receipt requested, addressed as set forth below) upon receipt or refusal of receipt; or (c) if by Federal Express or other reliable express courier service from whom proof of delivery is available, on the next business day after delivery to such express courier service. Routine notices and communications may
be done by e-mail only and need not be sent to the copy recipient(s) listed above. A communication is “routine” if it is not a notice of one or more of the following: termination, default, an indemnity tender (or a response thereto), amendment to this Agreement, actual or threatened litigation against either of the parties or any other extraordinary matter. Without limiting the generality of the foregoing, updates to Schedule 2 may be submitted to Owner and approved by Owner via e-mail.

If to Owner: 
TURNER STREET PROJECT, LLC 
CS SHOPPING CENTER, LLC 
UMPF DEVELOPMENT 
VTREF-Foundation Office Building, LLC 
c/o Virginia Tech Real Estate Foundation, Inc.  
902 Prices Fork Road, Suite 130  
Blacksburg, VA 24061  
Attn: Director of Real Estate

With a copy to:  
Virginia Tech Foundation, Inc.  
902 Prices Fork Road, Suite 4000  
Blacksburg, VA 24061  
Attn: Legal Counsel

If to Manager:  
________________________  
________________________  
________________________  
Attn: ___________________

With a copy to:  
________________________  
________________________  
Attn: ___________________

Any party may at any time change its respective address by sending written notice to the other party of the change in the manner hereinabove prescribed.

Section 6.3 Governing Law. This Agreement shall be governed by and construed under the laws of the Commonwealth of Virginia.

Section 6.4 Jurisdiction. The parties agree that any legal action, suit or proceeding arising out of or in connection with this Agreement may be brought in the appropriate court in the state in which the Property is located.

Section 6.5 Waiver. No waiver of any breach or default hereunder shall be implied from any omission of the non-defaulting party to take any action on account of such breach or default if such breach or default persists or is repeated, and no express waiver shall affect any right of action on account of any default or breach other than the default or breach specified in the express waiver, and then only for the time and to the extent therein stated.

Section 6.6 Remedies. Except as otherwise expressly provided herein, all rights and remedies herein enumerated shall be distinct, separate, and cumulative and none
shall exclude any other right or remedy allowed by law or in equity, and said rights and remedies may be exercised and enforced concurrently and whenever and as often as occasion therefor arises. If a legal or equitable action is brought to enforce the terms of this Agreement, the prevailing party shall be entitled to collect its costs, including reasonable attorneys’ fees and expenses of appeal, if any.

Section 6.7 Confidential Information. In the performance of services under this Agreement, Manager and Manager’s employees may be exposed to proprietary information of Owner, which shall be expressly identified, in writing as “Confidential Information” by Owner. Manager shall not use such information or disclose it by publication or otherwise to any other person during the term of this Agreement and for a one year period following its expiration or termination, except as required by law. In the event either party needs to disclose specific confidential information to the other party in order for Manager to perform services under this Agreement, such information shall be clearly identified as confidential and disclosed only pursuant to a supplemental agreement dealing with the rights and obligations of the parties with respect to confidential information.

Section 6.8 Ownership of Materials. All reports, memoranda or other materials in written or machine-readable form prepared by Manager pursuant to this Agreement and furnished to Owner by Manager shall become the sole property of Owner. Manager may retain a copy of such materials for its records. Owner shall retain all ownership of Property plans and specifications, even if held or stored by Manager for its use. Information disclosed to Owner by Manager or contained in any written or machine-readable report, memorandum or other document regarding operating methods, property performance (other than information concerning actual performance of the Property), and market information and analysis pertaining to properties not covered by this Agreement shall be considered Confidential Information and the sole property of the Manager, except to the extent that such information is publicly available. Owner shall have the right, without limitation, to make internal use of such Confidential Information.

Section 6.9 Taxes. Manager shall bill Owner for all applicable sales, use, excise, gross receipts taxes payable to any taxing authority with respect to payments made to Manager or to third parties for goods and services with respect to the management and operation of the Property, unless Owner provides Manager with valid and appropriate exemption certificates or a direct payment permit number. Manager shall pay taxes on its own income.

Section 6.10 Severability. If any provision or term of this Agreement shall be determined by any court of competent jurisdiction to be invalid or unenforceable for any reason whatsoever, the remainder of this Agreement or the application of such provision to such person or circumstances, other than those as to which it is so determined invalid or unenforceable, shall not be affected thereby, and each provision hereof shall be valid and shall be enforced to the fullest extent of law.

Section 6.11 Counterparts. This Agreement may be executed in a number of identical counterparts, each of which for all purposes is deemed an original, and all of which constitute collectively one agreement; but in making proof of this Agreement, it shall not be necessary to produce or account for more than one such counterpart.
Section 6.12 Headings. All headings herein are inserted only for convenience and ease of reference and are not to be considered in the construction or interpretation of any provision of this Agreement.

Section 6.13 Representations. Manager and Owner each represent and warrant that each has full power and authority to enter into this Agreement and discharge their duties hereunder.

Section 6.14 Entire Agreement. This Agreement constitutes the entire agreement between the parties with respect to the management of the Property. Any modification, change or amendment of this Agreement shall be in writing and executed by an authorized representative of Owner or Manager.

Section 6.15 Non-Solicitation. Owner shall not, directly or indirectly, hire or engage, or arrange for or attempt to arrange for or persuade any other person to hire or engage, any employee of Manager while such employee is employed by Manager and for a period of one year after the termination of such person’s employment by Manager, including without limitation engaging such Manager employee or former employee as an independent contractor or as an employee of any person other than Manager or any affiliate of Manager, unless Owner has Manager’s prior written consent to do so. In addition to all other remedies available to Manager for breach of this provision, Owner shall pay to Manager, as liquidated damages and not as a penalty, an amount equal to six (6) months’ base salary or wages (measured using the employee’s rate of salary or wages as of his or her last day of employment with Manager) of each employee hired or engaged, directly or indirectly, by Owner or any other person in violation of this Section 6.16.

Section 6.16 Payments. All fees, commissions and reimbursable expenses of Manager shall be due and payable by Owner to Manager as provided in this Agreement without further requirement for any notice or demand therefor. Any other payment due from one party to the other under this Agreement shall be due and payable ten (10) calendar days following demand therefor, and failure to make such payments shall constitute a default under this Agreement. All delinquent payments hereunder shall earn interest at the rate equal to Prime plus two percent (2%) per annum from the date due until paid. For purpose of this Agreement, “Prime” shall mean the “prime rate” quoted by Citibank, N.A. from time to time as its prime commercial rate.

Section 6.17 Survival. The provisions of Articles IV, V and Sections 1.4, 1.5, 2.2 (with respect to Fees that are unpaid as of expiration or termination), 2.16, 6.2, 6.3, 6.4, 6.6, 6.7, 6.9, 6.16, 6.17 and 6.18 of this Agreement shall survive the expiration or termination of the term of this Agreement.

Section 6.18 Assignment. This Agreement shall not be assigned by Manager without prior written consent of Owner, which shall not be unreasonably withheld.

Section 6.19 Additional Properties. Owner shall have the ability to add additional managed real estate assets to this Agreement to be included as “Property” in the Summary section above. The terms by which additional real estate assets are added as Property shall be mutually agreed between Owner and Manager and such terms shall be evidenced by a written Amendment to this Agreement.
IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the date first above written.

OWNER:

TURNER STREET PROJECT, LLC, a Virginia limited liability company
By: Virginia Tech Real Estate Foundation, Inc.
Its: Member Manager

By: ______________________________________
Elizabeth A. McClanahan
Title: President of Virginia Tech Real Estate Foundation, Inc.

CS SHOPPING CENTER, LLC, a Virginia limited liability company
By: Virginia Tech Real Estate Foundation, Inc.
Its: Member Manager

By: ______________________________________
Elizabeth A. McClanahan
Title: President of Virginia Tech Real Estate Foundation, Inc.

UMPF DEVELOPMENT, LLC, a Virginia limited liability company
By: Virginia Tech Real Estate Foundation, Inc.
Its: Member Manager

By: ______________________________________
Elizabeth A. McClanahan
Title: President of Virginia Tech Real Estate Foundation, Inc.

VTREF-Foundation Office Building, LLC, a Virginia limited liability company
By: Virginia Tech Real Estate Foundation, Inc.
Its: Member Manager

By: ______________________________________
Elizabeth A. McClanahan
Title: President of Virginia Tech Real Estate Foundation, Inc.

MANAGER:
_______________________________________

By: ______________________________________
Name: _________________________________
Title: _________________________________
SCHEDULE 1
Financial Reports

A. Financial reports shall be prepared on a modified accrual accounting basis.

B. The following reports shall be prepared based on the accounting method selected above and delivered to Owner by the fifteenth (15th) calendar day of the month immediately succeeding the last month to which such reports pertain (or on the next business day if that fifteenth (15th) day falls on a weekend or holiday):

**Standard Reporting Package:**

1. Income Statement for the current reporting month, quarter to date and year to date
2. Budget Comparison for the current reporting month, quarter to date and year to date
3. Trial Balance
4. Check Register
5. General Ledger showing all transactions by account
6. Bank Reconciliation for all bank accounts
7. Copy of Actual Bank Statement

**Additional Reports:**

1. Balance Sheet with reconciliations
2. Open Invoice List
3. Distribution List
4. Recurring Invoices paid during Reporting Period
SCHEDULE 2
Project Management Services

In the event Manager performs project management services for Owner, these activities will include project management services, bidding and selection of space planners, bidding and selection of engineers, bidding and selection of tenant improvement (or capital improvement) contractors, and coordination of the work completed by the same. Manager will also be responsible for final punch list and all permitting. As compensation for these services, Owner shall pay Manager as stated below.

**Owner Responsible for the Construction (excluding FF&E):**
- $0 - $50,000 total project cost = 0%
- $50,001 - $100,000 total project cost = 5%
- $100,001 - $250,000 total project cost = 4%
- $250,001 and greater = 2.5%

**Tenant Responsible for the Construction (excluding FF&E):**
- $0 - $50,000 total project cost = 0%
- $50,001 - $100,000 total project cost = 5%
- $100,001 - $250,000 total project cost = 4%
- $250,001 and greater = 2.5%
EXHIBIT A
Annual Approved Budget – Fiscal Year 2025
(July 1, 2024 – June 30, 2025)
EXHIBIT B
Monthly Stipend

<table>
<thead>
<tr>
<th>Property</th>
<th>Avg Projected Monthly Expenses</th>
<th>Monthly Stipend Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gateway Center/Garage*</td>
<td>$27,289.26</td>
<td>$29,000.00</td>
</tr>
<tr>
<td>North End Center</td>
<td>$34,747.41</td>
<td>$35,000.00</td>
</tr>
<tr>
<td>Gilbert Place</td>
<td>$59,047.45</td>
<td>$60,000.00</td>
</tr>
<tr>
<td>CS Shopping Center</td>
<td>$29,414.86</td>
<td>$30,000.00</td>
</tr>
<tr>
<td>TOTAL</td>
<td></td>
<td>$154,000.00</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>VTF Stipend</th>
<th>UMPI Stipend</th>
<th>Total Stipend (Gateway)</th>
</tr>
</thead>
<tbody>
<tr>
<td>*Gateway Center/Garage</td>
<td>$22,330.00</td>
<td>$6,670.00</td>
<td>$29,000.00</td>
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</tbody>
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