

**RESOLUTION TO APPROVE ORGANIZATIONAL CHANGE AT THE
NORTHERN VIRGINIA CENTER LOCATED IN FALLS CHURCH, VIRGINIA**

WHEREAS, from 1994 to 2019, Virginia Tech and the University of Virginia jointly held interests in property and an academic building called the Northern Virginia Center located in Falls Church, Virginia and dedicated to the instruction of graduate students; and

WHEREAS, in 2019, the University of Virginia chose to leave the Northern Virginia property and building, and Virginia Tech acquired the University of Virginia's interests resulting in Virginia Tech being the sole lessor and occupant of the building; and

WHEREAS, Virginia Tech's academic programs continue to develop and advance across the Commonwealth including the university's Innovation Campus; and

WHEREAS, in April of 2022, after extensive review and consideration of options, the Virginia Tech Board of Visitors determined that the continued academic success and financial interests of the university were best served by ceasing instruction at the Northern Virginia Center, relocating the university's academic programs to more appropriate spaces, and transferring the Northern Virginia Center property and building to the City of Falls Church; and

WHEREAS, to prioritize the completion of degrees by students and the relocation of academic programs the university executed a short-term lease to occupy the Northern Virginia Center until December of 2024.

NOW, THEREFORE, BE IT RESOLVED, that the Virginia Tech Board of Visitors confirms the closure of the off-campus instructional site at the Northern Virginia Center located in Falls Church, Virginia; and

BE IT FURTHER RESOLVED, that this site closure will be communicated to all appropriate parties including the State Council of Higher Education for Virginia.

RECOMMENDATION:

That the Virginia Tech Board of Visitors approve this resolution confirming the cessation of instruction at the Northern Virginia Center in Falls Church, Virginia.

June 11, 2024

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Institution

Virginia Polytechnic Institute and State University (Virginia Tech)

Nature of Proposed Change

The proposed organizational change will close the off-campus instructional site at the following location:

Northern Virginia Center
7054 Haycock Road
Falls Church, VA 22043
Website: <https://www.nvc.vt.edu/>

Background

In accordance with a 1994 appropriation from the state, Virginia Tech and the University of Virginia (UVA) acquired ownership of 2.19 acres on Haycock Road in 1994 and a shared interest in a ground lease of an adjoining 5.33 acres in 1995, which leased real property that was owned by the City of Falls Church. The universities subsequently constructed an approximately 101,154 square foot academic building on the leased 5.33 acres. This area, containing a total of 7.52 acres and with all improvements, became the Northern Virginia Center and has been in operation since 1997. Based on the costs and funding of the Northern Virginia Center, and by agreement between the universities, Virginia Tech held a sixty percent (60%) interest in the Northern Virginia Center and UVA held a forty percent (40%) interest.

Based on UVA's expressed desire to leave its interest in the Northern Virginia Center, the Virginia Tech Board of Visitors authorized Virginia Tech to acquire UVA's interest in April 2019. The board authorized Virginia Tech's acquisition of UVA's entire interest in the Northern Virginia Center, UVA's interest in the 5.33 acre lease including the 101,154 square foot academic building located thereon, and the 2.19 acre parcel jointly owned by both universities. Virginia Tech subsequently acquired UVA's entire interest in the Northern Virginia Center, the ground lease with the City of Falls Church, and the 2.19 acre parcel. This resulted in Virginia Tech being the sole occupant of the building and the sole tenant under the lease with the City of Falls Church.

As the Northern Virginia Center aged, Virginia Tech determined that the property would not accommodate future program uses and would require significant investment for long-term usage. The university explored redevelopment opportunities and partnerships for the property, but none were determined to be financially viable. As such, at the April 2022 meeting of the Virginia Tech Board of Visitors, the board authorized the university to convey the 2.19 acre parcel to the City of Falls Church and terminate the ground lease of the 5.33 acres, which allowed the transfer of the building to the City of Falls Church pursuant to the terms of the lease. That would allow the City of Falls Church to develop the area in alignment with the city's overall planning objectives.

In the summer of 2023, Virginia Tech publicly announced plans to the university community for the closure of the Northern Virginia Center off-campus location. Following the announcement, colleges with program offerings at the Northern Virginia Center began planning to address student needs for program completion and provide students with information on where programs were moving following the site closure.

On October 30, 2023, the property at the Northern Virginia Center site officially transferred from Virginia Tech to the City of Falls Church. The City of Falls Church subsequently transferred the property to Converge JV, LLC.

A short-term lease was executed between Virginia Tech and Converge JV, LLC to allow the university to continue to occupy the Northern Virginia Center through December 31, 2024. This lease is needed to allow adequate time for the university programs at the Northern Virginia Center to be relocated to other Virginia Tech off-campus locations in the region.

The Northern Virginia Center currently offers coursework for several degree programs and provides library services for students. The off-campus site also serves as the primary location for student and administrative services provided by the Graduate School for students in the region. The student and administrative services provided by the Graduate School will transition to the Virginia Tech Innovation Campus, once it is complete in spring 2025.

See attachment A for the current lease.

Purpose of Proposed Change

The purpose of the proposed change is to close an instructional site in which institutional programming and services are no longer needed.

Rationale for Proposed Change

The Northern Virginia Center off-campus site was established and used to offer Virginia Tech graduate degree programs. The degree programs offered at the site were primarily academic programs offered by the university's Pamplin College of Business and College of Engineering. Academic programs in areas such as business, computer engineering, computer science, and industrial and systems engineering were and are currently offered to residents in the local area of Falls Church. The off-campus site has afforded the university the opportunity to educate graduate students who need access to academic programs and coursework without having to travel to Blacksburg.

A review of the site in 2022 revealed that the facility had aged significantly and would require further redevelopment to meet the instructional needs of the programs offered at that location. The university considered costs associated with redevelopment of the building in conjunction with the existing off-campus instructional site in Arlington and the 2025 opening of an off-campus instructional site in Alexandria. An additional factor considered by the university were the plans expressed by the City of Falls Church to redevelop the property. Based on all factors associated with the site, Virginia Tech made the decision to close the Northern Virginia Center, off-campus site in Falls Church.

Academic Programs

Academic programming currently consists of graduate programs and coursework in two colleges, the Pamplin College of Business and the College of Engineering.

Pamplin College of Business

Doctor of Philosophy (Ph.D.) in Business

Master of Science (M.S.)/Master of Business Administration (M.B.A.) in Business Administration

College of Engineering

Bradley Department of Electrical and Computer Engineering Programs

Doctor of Philosophy (Ph.D.) in Computer Engineering
 Doctor of Philosophy (Ph.D.) in Electrical Engineering
 Master of Science (M.S.)/Master of Engineering (M.Eng.) in Computer Engineering
 Master of Science (M.S.)/Master of Engineering (M.Eng.) in Electrical Engineering

Department of Computer Science Programs

Doctor of Philosophy (Ph.D.) in Computer Science and Applications
 Master of Science (M.S.)/Master of Engineering (M.Eng.) in Computer Science and Applications

Grado Department of Industrial and Systems Engineering Programs

Doctor of Philosophy (Ph.D.) in Industrial and Systems Engineering
 Master of Science (M.S.)/Master of Engineering (M.Eng.) in Industrial and Systems Engineering
 Master of Science (M.S.)/Master of Engineering (M.Eng.) in Systems Engineering

Teach Out Plan

In the summer of 2023, students taking courses at the existing site were informed about the impending closure of the site. Virginia Tech administrators decided to continue offering courses at the existing site as plans were made for transitioning course offerings to other Virginia Tech off-campus locations in the region, the Virginia Tech Research Center – Arlington or the Virginia Tech Innovation Campus, once it is complete in spring 2025. There will be no interruption in current course offerings. Students will not incur any additional charges or expenses as a result of the site closure.

Affected colleges, departments, and associated programs developed individual teach out plans to meet the current student population and maintain course offerings.

Pamplin College of Business Teach Out Plan

In spring 2025, Northern Virginia Center students taking courses in the Pamplin College of Business in the Ph.D. in Business and the M.S./M.B.A. in Business programs will take classes at the Virginia Tech Innovation Campus or the main campus in Blacksburg. In addition, the department will provide courses in a fully online format for students who are unable to adjust to a new location. Support for students as they move to new locations will be provided by the Graduate School.

College of Engineering Teach Out Plan

Department of Electrical and Computer Engineering

In spring 2025, Northern Virginia Center students taking courses in the Department of Electrical and Computer Engineering in the Ph.D. in Computer Engineering, Ph.D. in Electrical

Engineering, M.S./M.Eng. in Computer Engineering, and M.S./M.Eng. in Electrical Engineering degree programs will take classes at the Virginia Tech Research Center – Arlington or the Virginia Tech Innovation Campus. Support for students as they move to new locations will be provided by the Graduate School.

Department of Computer Science

In spring 2025, Northern Virginia Center students taking courses at the in the Department of Computer Science in the Ph.D. in Computer Science and Applications and the M.S./M.Eng. in Computer Science and Applications degree programs will take classes at the Virginia Tech Innovation Campus. Support for students as they move to the new location will be provided by the Graduate School.

Department of Industrial and Systems Engineering

In spring 2025, Northern Virginia Center students taking courses in the Department of Industrial and Systems Engineering in the Ph.D. in Industrial and Systems Engineering, M.S./M.Eng. in Industrial and Systems Engineering, and M.S./M.Eng. in Systems Engineering degree programs will take classes at the Virginia Tech Innovation Campus. Support for students as they move to the new location will be provided by the Graduate School.

Resources/Budget

The organizational change to close the Northern Virginia Center in Falls Church off-campus site is executable within Virginia Tech's currently authorized funds. Based on the assessment conducted by facilities personnel of the condition of the equipment, including computers, furniture, and all other office items located at the facility, the institution will either move or dispose of the items at an estimated cost of \$25,000. The costs will be covered by the university. No resources will be requested from the state to close the off-campus site in Falls Church, Virginia.

ATTACHMENT A**DEED OF LEASE**

This Deed of Lease (the "Lease") is dated the 30th day of October 2023, between, **Converge JV, LLC**, Delaware limited liability company, as Grantor (the "Landlord"), and **Virginia Polytechnic Institute and State University**, a state agency and an educational institution of the Commonwealth of Virginia, as Grantee (the "Tenant").

1. WITNESSETH**1. PREMISES:**

For and in consideration of the terms, conditions, covenants, promises and agreements herein made, the Landlord leases to the Tenant the following property or premises (the "Premises"), together with full rights of ingress and egress, in the County of Fairfax, Virginia. The Premises are more particularly described as:

7054 and 7048 Haycock Road, Falls Church (Tax Map Nos. 0403-01-0092 and 0403-01-0092A) improved by that certain building containing approximately 101,154 square feet of gross floor area (the "Building"), parking areas, drive aisles and related improvements.

2. USE OF PREMISES:

The Premises are to be used and occupied by the Tenant for offices and classroom facilities and other educational purposes consistent with those purposes of which the Premises is being used as of the Commencement Date (as hereinafter defined), and consistent with applicable law.

3. TERM:

- a. The term of this Lease (the "Term") shall commence on the date hereof (the "Commencement Date") and terminate on December 31, 2024 (the "Termination Date"), unless sooner terminated as expressly set forth in this Lease.
- b. The Landlord warrants that the Landlord alone, at the time this Lease is executed, has the right to lease the Premises, without the consent of any other party. It is expressly understood and agreed that this covenant by the Landlord constitutes a warrant. If the Landlord does not have this right, then the Tenant, in addition to any other remedy available at law or in equity, may immediately declare this Lease null and void from its inception and of no force and effect, without notice. In such event, no rent shall accrue or be deemed to have accrued for the term of this Lease, or for any part of the term.

4. RENT:

The Tenant shall pay the Landlord the sum of ONE and NO/100 DOLLARS (\$1.00) as rent (the "Rent") for the Term which shall be paid in advance on the Commencement Date. The payment of all Rent and other amounts due pursuant to this Lease shall be made payable to the Landlord and mailed to:

Converge JV, LLC
c/o Rushmark Properties, L.L.C.
2900 Fairview Park Drive
Falls Church, VA 22042

or to such other person or entity or at such other address as the Landlord may designate from time to time by written notice to the Tenant.

5. POSSESSION AND CONDITION OF PREMISES:

- a. The Landlord shall deliver quiet possession of the Premises to the Tenant on the Commencement Date and shall provide quiet enjoyment of the Premises to the Tenant during the Term.
- b. Tenant acknowledges that Tenant has been occupying the Premises prior to the Commencement Date pursuant to a lease with Landlord's predecessor in title which terminated on the Commencement Date. On the Commencement Date, the Landlord shall deliver the Premises to the Tenant in its AS IS WHERE IS condition.
- c. The Landlord, and its employees, agents and contractors, shall have the right to enter and pass through any part of the Premises, without prior notice, only in the case of an emergency. If the Landlord, or the Landlord's employees, agents or contractors, must enter the Premises in the case of an emergency, then as soon as practicable before or after such emergency entrance, the landlord, or the Landlord's agent, shall contact Real Estate Management (Telephone #540-357-1586).

6. MAINTENANCE:

- a. The Tenant shall equip the Premises and perform all alterations, replacements, improvements, decontamination, and additions to the Premises and the equipment upon the Premises, at the Tenant's expense, as shall be necessary at any time during the Term of this Lease, or any extension or renewal thereof, to comply with the provisions of Federal, State and local laws and regulations pertaining to health, safety, public welfare, and environmental protection, including laws and regulations pertaining to asbestos, carbon monoxide, polychlorinated biphenyls, urea formaldehyde, lead paint, radon, petroleum product storage tanks, and freon, regardless of the effective date of law or regulation unless the Premises are grandfathered from such laws or regulations. This subsection shall not apply if the necessity for compliance with these laws arises from a grossly negligent or willful act of the Landlord or its employees.
- b. It shall be the sole responsibility and obligation of the Tenant, at its expense and in accordance with applicable laws, technical publications, manuals and standard procedures, to (i) properly maintain, repair and replace all the structural portions of the Premises, including foundation, sub-floor, structural walls and roof, as well as to keep the Premises and all equipment and

non-trade fixtures in good working order and to perform any required repairs, replacement and maintenance, and (ii) keep all plumbing, heating, air conditioning, electrical and mechanical devices, appliances and equipment of every kind or nature affixed to or serving the Premises in good repair, condition and working order. All equipment and systems shall be maintained to provide reliable, energy efficient service, without unusual interruption, disturbing noises, exposure to fire or safety hazards, uncomfortable drafts, excessive air velocities, or unusual emissions of dirt. As used herein, the word "repair" shall be deemed to include replacement of broken or cracked glass.

- c. All other necessary or required maintenance, repairs and replacements to the Premises and common areas shall be the sole responsibility and expense of the Tenant. The Tenant's maintenance responsibilities shall include the supply and replacement of all supplies, materials and equipment necessary for such maintenance.
- d. The Tenant shall not be obligated to make any repairs to the Premises due to damage caused by the grossly negligent or willful acts of the Landlord, or its agents, employees, or contractors.
- e. If the Tenant fails to keep, repair and maintain the Premises and all plumbing, heating, air conditioning, electrical and mechanical devices, appliances and equipment of every kind or nature affixed to or serving the Premises in good repair, condition and working order as provided in this Section, then the Landlord, at its option, may either immediately terminate this Lease and all obligations hereunder, or proceed to make, or cause to be made, such upkeep, repair and maintenance, at the Tenant's expense, and, Tenant shall reimburse Landlord in connection therewith, subject to any limitations set forth in this Lease.
- f. When and as snow and/or ice removal become necessary, the Tenant shall promptly remove all snow and ice from all walkways, loading areas, common areas, and parking areas.

7. DAMAGE OR DESTRUCTION OF THE PREMISES:

- a. If the Premises are damaged by fire, lightning, windstorm, tornado, earthquake, civil disturbance, flood, acts of nature or other casualty loss, in connection with a Material Casualty (as hereinafter defined) or, in the reasonable opinion of the Tenant, the Premises are thereby rendered untenable or unusable for the Tenant's purposes, this Lease shall immediately terminate, at the option of the Tenant, upon written notice to the Landlord. As used in connection herewith the term "Material Casualty" means a casualty loss (by fire, lightning, windstorm, tornado, earthquake, civil disturbance, flood, act of nature or otherwise) which, in the reasonable opinion of Landlord, would cost more than \$100,000 to repair.
- b. If the Premises are damaged by fire or otherwise which does not constitute a Material Casualty, and in the reasonable opinion of the Tenant the Premises is not rendered totally untenable and unusable, upon being notified to do so by the Tenant or its duly authorized agent, the Landlord shall repair and restore the Premises as promptly as possible to their former condition. If the Landlord fails to make all repairs, replacement, restoration, or renovation as required in this subsection, or as otherwise required in this Lease where no other remedy is expressly provided, within a reasonable time after written notice to the Landlord, then the Tenant may choose either option (i) or (ii) below:
 - i. The Tenant may undertake with its own resources to repair, replace, restore or renovate the Premises and may deduct the reasonable costs of the repairs, replacement, restoration, and renovation from the Rent or other payments otherwise

due to the Landlord under the terms of this Lease, or any renewal or extension thereof, or the Tenant may collect all such costs from the Landlord in any manner provided by law, if the Landlord has not paid for such repairs within 30 days after receipt of billing therefor from the Tenant; or

- ii. The Tenant may terminate this Lease by giving fifteen (15) business days written notice to the Landlord. No notice of termination shall be given by the Tenant under this subsection if the Landlord, or its agents, has physically commenced repairs, replacement, restoration or renovation, and the work is being diligently and continuously pursued to completion in a professional and workmanlike manner.

8. ALTERATIONS BY THE TENANT:

The Tenant, at its sole cost and expense, may make alterations and additions to the Premises as the Tenant deems proper. The Tenant, however, shall not make any structural alterations of the roof, foundation or exterior walls without the prior written consent of Landlord, unless made pursuant to Section 7(b)(i). The Tenant, at its sole cost and expense, may install fixtures, partitions and make such other improvements as the Tenant may deem proper and the title and ownership of materials used in such alterations and additions, and all fixtures, partitions, and other improvements made and/or installed by the Tenant shall remain in the Tenant. Upon termination of this Lease, the Tenant may, at its option, remove the fixtures, partitions and other improvements made under this Section, in which event any damage to the Premises caused by removal, other than nominal damage (such as screw holes, bracket marks, etc.) shall be repaired by the Tenant at its expense. If the Tenant elects not to remove the improvements, it shall have no further responsibility for them or their removal.

9. UTILITIES AND SERVICES; INSURANCE; TAXES:

- a. The Tenant shall cause to be provided, at the Tenant's expense, the following utilities and services for the Premises: heating and air-conditioning as conditions require, electricity, gas, water and sewer, janitorial, and interior trash removal to the Premises.
- b. The Tenant shall be responsible for all real estate taxes or charges in lieu of taxes applicable to the Premises.
- c. The Landlord, at Landlord's expense, shall keep the Premises and the Building insured against damage by fire, lightning, windstorm, tornado, earthquake, civil disturbance, flood, acts of nature and casualty loss, under a broad form extended coverage or similar property loss policy. The policy shall cover at least eighty percent (80%) of the replacement cost of the Premises and the Building. In addition, the Landlord shall maintain broad form general commercial liability insurance sufficient to ensure reasonable financial responsibility in the event of liability for injury, loss or damage at the Premises, the common areas and facilities.

10. CONDITION OF COMMON AREAS:

The Tenant, at the Tenant's sole expense, shall maintain in a good, clean and safe condition, all common areas and common facilities, including all hallways, walkways, parking areas, and all related exterior lighting, to be used by the Tenant in common with other tenants.

11. ACCESSIBILITY BY PERSONS WITH DISABILITIES:

In addition to any other requirements or covenants in this Lease, and at all times during the Term and during any renewals or extensions thereof, the Tenant covenants that, as to the Premises, it will maintain the current level of accessibility.

12. ANTENNA AND COMMUNICATIONS EQUIPMENT:

- a. The description of the demised premises will include roof space, exterior wall space and appurtenant interior space.
- b. Use of the roof space, exterior wall space and appurtenant interior space shall be subject to the following covenants and conditions:
 - i. The Tenant shall be permitted to use the demised premises for the erection, maintenance and operation of a wireless Antenna and support base.
 - ii. The Tenant shall have the right to occupy and use interior space necessary for the maintenance and operation of the Antenna, Communications Equipment, and Communications Network.
 - iii. The Tenant shall erect the Antenna using existing or freestanding structures where possible to minimize physical modifications to the building structure. The Tenant shall not penetrate the roof. The Tenant, at Tenant's expense, is responsible for repairing damage to the Structure caused by erection, maintenance, use or removal of the Antenna and Communications Equipment. In the event of removal of the Antenna, the structure shall be returned to its original condition, reasonable wear and tear excepted.
 - iv. The Antenna and Communications Equipment are and shall remain the property of the Tenant. The Tenant may remove the Antenna or Communications Equipment at any time during the Lease. Upon termination of the Lease, at its sole discretion, the Tenant has the option to remove the Antenna, Communications Equipment, and Communications Network.
 - v. The Tenant shall have a right and easement for the term of the Lease, including any renewal terms, to construct, erect, install, operate, repair and maintain, in the manner and for the purposes authorized by this Lease, aerial (overhead) and/or underground communications and electrical lines, cables, conduits and related equipment between the Antenna site and the indoor Equipment site and between both the Antenna site plus Equipment site and the nearest available and suitable access point for connection to public utility services and grounding.
 - vi. The Tenant shall have a right to occupy and use such necessary chase, conduit and/or duct space within the Landlord's building for electrical wiring, telephone lines, pipes, conduit, tubes, and related communications lines and equipment as may be required by the Tenant to install and operate, and as an integral part of, its Communications Equipment and facility, but only at locations specified or approved by the Landlord.

- vii. Authorized representatives or employees of the Tenant shall have a free right of ingress and egress to and from the demised premises at reasonable times, and other times in case of emergency, for the purpose of the efficient operation and maintenance of the Equipment, Antenna and Communications Network.

13. DISCLOSURES; NON-WAIVER; APPROPRIATIONS:

- a. The Landlord understands and acknowledges that the Tenant is an agency of the Commonwealth of Virginia and with respect to tort liability for acts or occurrences on or about the Premises, including product liability, the Commonwealth and the Tenant are either (i) constitutionally immune (or partially immune) from suit, judgment or liability, (ii) insured, or (iii) covered by a financial plan of risk management that is in the nature of self-insurance, all as determined by applicable laws, government policies and practices.
- b. The Landlord understands and acknowledges that the Tenant has not agreed to provide any indemnification or save harmless agreements running to the Landlord. No provision, covenant or agreement contained in this Lease shall be deemed to be a waiver of the sovereign immunity of the Commonwealth of Virginia, or of the Tenant, from tort or other liability.
- c. This Lease shall be governed by, and construed according to, the laws of the Commonwealth of Virginia. The parties choose County of Fairfax, Virginia, as the venue for any action instituted pursuant to the terms of this Lease.
- d. Notwithstanding any other provision of this Lease, if the Tenant shall cease to exist, and is not replaced by a successor entity with similar powers and purposes, or its powers and authority are limited so as to not permit the continued use of the Premises for the purpose and use for which same are leased, then this Lease and all responsibility or obligations of the Tenant under this Lease shall terminate. In such event, the Tenant will endeavor to give as much notice as is reasonably possible of the event triggering the termination of this Lease and the anticipated termination date, but failure to give such notice shall not affect the termination.
- e. Agencies of the Commonwealth of Virginia cannot expend funds unless appropriated by the Virginia General Assembly and may not obligate a future session of the Virginia General Assembly. Therefore, notwithstanding any provision in this Lease to the contrary, if any session of the Virginia General Assembly fails to appropriate funds for the continuance of this Lease, this Lease and all obligations hereunder shall automatically terminate upon depletion of the then currently appropriated or allocated funds.

14. REPORT OF OCCUPANCY:

- a. The Tenant shall, within fifteen (15) days after receipt of a written request by the Landlord, submit to the Landlord, or its designee, a written Report of Occupancy specifying: (i) the date of possession of the Premises by the Tenant and the date on which the Lease terminates, (ii) whether this Lease is in full force and effect, (iii) the Rent, (iv) whether there have been any modifications to the Lease, and if there have been, a description of all such modifications, and, (v) whether the Tenant has knowledge of any default hereunder on the part of the Landlord, or if it does have such knowledge, a description of any such default.

- b. The issuance of a report requested under subsection 14(a), or any errors or omissions in such report: (i) shall not operate as an estoppel against either the Commonwealth of Virginia or the Tenant, (ii) shall not form or provide any basis for liability against the Commonwealth or the Tenant, and (iii) shall not operate as a waiver of any rights or defenses that may be available to the Commonwealth or the Tenant either at that time or in the future.

15. CONDEMNATION:

- a. The Landlord shall give immediate notice to the Tenant of any discussions, offers, negotiations or proceedings with any party regarding condemnation or taking of any portion of the Premises.
- b. In the event that any portion of the Premises, or any portion of the Building, is taken by eminent domain, or sold to the holder of such power pursuant to a threatened taking, this Lease shall terminate effective as of the date of the taking. The date of taking shall be the earlier of: (i) the date on which title vests in the condemning entity or (ii) the date on which the condemning entity takes possession. In the event of a taking, the Tenant assigns to the Landlord any rights that the Tenant may have in and to any portion of a condemnation award, but such an assignment shall exclude any portion that may be due for, or attributed to, the Tenant's fixtures, moving expenses and allowances.

16. ESTOPPEL:

Upon not less than ten (10) days' prior written notice, Tenant shall execute and deliver to Landlord and/or Landlord's lender or successor, a written statement certifying: (a) that this Lease is unmodified and in full force and effect (or if there have been modifications, that this Lease is in full force and effect as modified and stating the modifications); (b) the date of expiration of the Term; (c) whether or not Landlord is in default in the performance of any obligation, and if so, specifying the nature of such default; (d) that Tenant has accepted the Premises; and (e) such other matters as Landlord may reasonably request.

17. TERMINATION:

- a. This Lease may be terminated by Tenant at any time prior to the Termination Date by written notice from Tenant to Landlord. In the event that Tenant is in default pursuant to this Lease, and subject to any applicable notice and cure period, this Lease may be terminated by Landlord by written notice of at least three (3) months from Landlord to Tenant. Nothing in this Section 17(a) shall be interpreted to extend the expiration of the Term of this Lease.

- b. Unless the term is extended by written agreement between the parties, if the Tenant shall continue to occupy of the Premises after the Termination Date (a "holdover"), such holdover shall constitute an immediate default by Tenant pursuant to this Lease (without any notice and cure period). Tenant shall be deemed a tenancy from month-to-month upon such terms and conditions as existed immediately prior to the commencement of the holdover except that Rent shall be adjusted as follows: (i) \$40.00 per square foot of gross floor area in the Building for the first thirty (30) days of any such holdover period, (ii) \$60.00 per square foot of gross floor area in the building for the next thirty (30) days of any such holdover period, and (iii) \$80.00 per square foot of gross floor area in the Building for any holdover period thereafter. Any such Rent shall be payable by Tenant to Landlord in advance (and without demand) on the first day of the month in equal monthly installments.
- c. At the termination of this Lease, the Tenant will peaceably deliver the Premises in as good condition as when it was formally accepted, nominal damage and normal wear and tear excepted. At the termination of this Lease, there shall be no contracts or licenses or similar agreements entered into by Tenant that would be binding on the Premises or Landlord following termination of this Lease.
- d. Once notice of termination has been properly given by either party to this Lease, the Landlord shall have the right to post a notice that the Premises are for rent and may show the Premises to any person desiring to rent the same during the business hours maintained by the Tenant for the Premises, and only at such other times as the Tenant may permit.

18. NOTICES:

- a. All notices to the Tenant required or permitted under this Lease shall be given by mailing the notice by certified U.S. mail, postage prepaid, return receipt requested, to the Tenant addressed to:

Real Estate Management
230 Sterrett Drive, Room 30 (0163)
Blacksburg, Virginia 24061
Email: vtrealstate-g@vt.edu

- b. All notices to the Landlord required or permitted under this Lease shall be given by mailing the notice by certified U.S. mail, postage prepaid, return receipt requested, to the Landlord addressed to:

Converge JV, LLC
c/o Rushmark Properties, L.L.C.
2900 Fairview Park Drive
Falls Church, VA 22042
Email: pkearney@rushmark.com

with copy to:

Walsh, Colucci, Lubeley & Walsh, P.C.
2200 Clarendon Blvd., Suite 1300
Arlington, VA 22201
Attn: Antonia E. Miller, Esq.
Email: amiller@thelandlawyers.com

- c. Where, under the terms of this Lease, a notice is sent by certified U.S. mail, postage prepaid, return receipt requested, such notice shall be deemed to have been given as of the date of mailing such notice. Each party to this Lease shall notify the other party of a new address at which to mail notices, which notice shall be given in the manner provided above, and unless and until such notice of new address is given, notices to a party hereto shall be sufficient if mailed to such party's address as specified in Section 18(a) or Section 18(b), as appropriate.
- d. Where, under the terms of this Lease, a notice is required or permitted to be sent by certified U.S. mail, postage prepaid, return receipt requested, and such notice is not sent in such manner, the notice shall be effective if actually received by the party, or its appointed agent, to whom the notice is addressed.

19. BINDING EFFECT; AMENDMENTS:

The covenants, agreements, and rights contained in this Lease shall bind and inure to the respective heirs, personal representatives, successors and assigns of the Landlord and the Tenant. This Lease constitutes the entire, full and complete understanding and agreement between the Landlord and the Tenant, and all representations, statements, warranties, covenants, promises or agreements previously made or given by either party to the other are expressly merged into this Lease and shall be null, void and without legal effect. Neither party, nor any agent of either party, has any authority to alter, amend or modify any of the terms of this Lease, unless the amendment is in writing and executed by all parties to this Lease with the same formality as this Lease.

20. DEFAULT:

- a. The termination of this Lease by the Tenant pursuant to the provisions contained herein shall not be a default hereunder.

- b. Except as otherwise expressly set forth in this Lease, if either party shall breach any provision of this Lease, the non-breaching party shall give written notice thereof to the breaching party. The breaching party shall have thirty (30) days from the receipt of the notice to cure the breach, provided the breaching party shall have such period as may be necessary beyond thirty (30) days if the nature of the cure is such that it reasonably requires more than thirty (30) days to cure and the breaching party commences the cure within the thirty (30) day period and diligently pursues the cure to completion. For avoidance of doubt, any such cure period shall not apply to the failure of Tenant to vacate the Premises at the expiration of the Term, as set forth in this Lease. If not so cured, the non-breaching party may, at its option, exercise such rights as may exist at law or in equity. The provisions of this subsection shall not be construed as imposing any additional obligations on the non-breaching party to the extent that this Lease permits the non-breaching party to take certain actions as a result of a breach by the other party.

21. PRESUMPTIONS:

No presumption shall be created in favor of or against any of the parties to this Lease with respect to the interpretation of any term or provision of this Lease due to the fact that this Lease, or any part hereof, was prepared by or on behalf of one of the parties hereto, as may be evidenced by the disclosure on the face of this Deed of Lease made pursuant to Virginia Code Section 17.1-223.

22. ASSIGNMENT:

The Tenant may not assign this Lease, or sublet the Premises, without the written consent of the Landlord, which consent may be given or withheld in Landlord's sole discretion.

23. HEADINGS:

The heading of the sections of this Lease are inserted for convenience only and do not alter or amend the provisions that follow such headings.

24. ADDITIONAL PROVISIONS:

This Lease is subject to the following terms, conditions, modifications, additions and/or deletions provided in the following designated attachments, exhibits and riders, which are hereby incorporated into this Deed of Lease:

Attachments: N/A

Exhibits: N/A

Riders: N/A


25. COUNTERPARTS:

The parties agree this Deed of Lease may be executed in several counterparts, and all counterparts so executed shall constitute one agreement binding on all parties, notwithstanding the fact that all the parties have not signed the original or the same counterpart.

26. ELECTRONIC TRANSACTIONS:

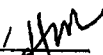
If this paragraph is initialed by both parties, to the fullest extent permitted by Code of Virginia, Title 59.1, Chapter 42.1, the parties do hereby expressly authorize and consent to the

use of electronic signatures as an additional method of signing and/or initialing this Lease No. XXX-XXXX and agree electronic signatures (for example, the delivery of a PDF copy of the signature of either party via facsimile or electronic mail or signing electronically by utilizing an electronic signature service) are the same as manual executed handwritten signatures for the purposes of validity, enforceability and admissibility.

 _____
(Initials)

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(Initials)

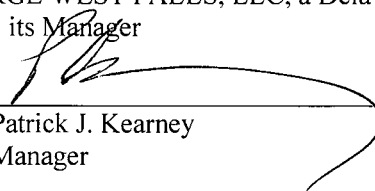
[The remainder of this page is intentionally left blank]

IN WITNESS WHEREOF, the parties have affixed their signatures and seals.

LANDLORD: CONVERGE JV, LLC, a Delaware limited liability company

By: CONVERGE WEST FALLS, LLC, a Delaware limited liability company, its Manager

By:



Patrick J. Kearney
Manager

TENANT: VIRGINIA POLYTECHNIC INSTITUTE AND STATE UNIVERSITY

By:

See Attached

Heidi M. Myers, Executive Director of Real Estate

IN WITNESS WHEREOF, the parties have affixed their signatures and seals.

LANDLORD: CONVERGE JV, LLC, a Delaware limited liability company

By: CONVERGE WEST FALLS, LLC, a Delaware limited liability
company, its Manager

By: See Attached
Patrick J. Kearney
Manager

TENANT: VIRGINIA POLYTECHNIC INSTITUTE AND STATE UNIVERSITY

By:

Heidi E. Myers
Heidi E. Myers, Executive Director of Real Estate