

**TITLE SEARCH REPORT  
ISSUED BY  
TitleWave Real Estate Solutions**

THE ATTACHED TITLE SEARCH REPORT IS ISSUED FOR USE OF THE AGENT LISTED, HEREIN 'THE AGENT', A POLICY ISSUING AGENT FOR THE FIDELITY GROUP OF TITLE INSURANCE COMPANIES, HEREIN 'THE COMPANY', AND IS TO BE USED BY THE AGENT IN THE EXAMINATION AND DETERMINATION OF THE INSURABILITY OF TITLE TO THE PROPERTY DESCRIBED HEREIN IN CONJUNCTION WITH THE ISSUANCE OF THE COMPANY'S COMMITMENTS, POLICIES AND ENDORSEMENTS.

The Agent who examines this Title Search Report must follow all underwriting guidelines set forth in the underwriting manual and bulletins issued by the Company. The Agent is responsible for obtaining proper "High-Liability" approval, when applicable, in accordance with their agency contract. The agent is responsible for obtaining appropriate updates or continuations of this Title Search Report prior to the issuance of any commitment or policy in accordance with prudent underwriting practices and the Company's guidelines. The Agent is responsible for any errors, omissions, defect, liens, encumbrances or adverse matters not shown by this Title Search Report but known to or discovered by the Agent prior to the issuance of the Company's commitment, policy or endorsement.

The Title Search Report does not provide or offer any title insurance, liability coverage or errors and omissions coverage. No assurance is given as to the insurability or status of title. The Title Search Report does not insure or guarantee the validity or sufficiency of any documents attached, nor is it to be considered a title insurance commitment and/or title insurance policy, an opinion of title, an ownership and encumbrance report, a property information report, a guarantee of title or as any other form of guarantee or warranty of title and should not be relied upon as such.

LIABILITY UNDER THE ATTACHED TITLE SEARCH REPORT IS LIMITED TO THE LIABILITY UNDER THE COMPANY'S COMMITMENTS, POLICY OR POLICIES ISSUED PURSUANT TO THIS TITLE SEARCH REPORT. IN THE EVENT THE ATTACHED TITLE SEARCH REPORT IS USED FOR ANY PURPOSE OTHER THAN IN CONJUNCTION WITH THE ISSUANCE OF THE COMPANY'S COMMITMENTS, POLICIES OR ENDORSEMENTS, THE TOTAL AGGREGATE LIABILITY OF THE COMPANY, ITS EMPLOYEES, AGENTS AND SUBCONTRACTORS SHALL NOT EXCEED THE COMPANY'S TOTAL FEE FOR THIS REPORT.

**Fidelity National Title Insurance Company**  
TITLE SEARCH REPORT

Agent:

Premier Real Estate Title Insurance Company, LLC  
5350 Kempsriver Drive, Suite 108C  
Virginia Beach, VA 23464  
Phone: 757-420-3844 Ext.31  
Fax: 757-420-3811

1. PERIOD SEARCHED:

The period covered in the search ended: July 20, 2020 at 8:00 AM

2. Policy or Policies to be issued:

ALTA Loan Policy (6/17/2006)  
**Proposed Insured:**  
**Amount of Insurance:**

ALTA Owner's Policy (6/17/2006)  
**Proposed Insured:**  
**Amount of Insurance:**

3. The estate or interest in the land described or referred to in this report is:

Fee Simple

4. Last grantee of record for the period searched:

441 Washington Street, LLC, a Virginia limited liability company

5. The land is described as follows:

See attached Exhibit "A"

For all questions regarding this Title Search Report  
Please contact our  
Virginia Search Assistance Team  
[vasearchhelp@fnf.com](mailto:vasearchhelp@fnf.com)  
[smail logo]

TITLE SEARCH REPORT  
REQUIREMENTS

1. This tax information is furnished for your information only. No liability of any nature whatsoever is hereby assumed for errors as to these figures. The settlement agent/attorney must verify these figures for the purposes of certifying title to the Company and preparing settlement pro rations.

Tax Assessment for 2019-2020

BILL # N/A

MAP or PARCEL ID/GPIN # 00120841

DESCRIPTION IN TAX RECORD: Old 1891 Building, Section I, Parcel B, Minor

LAND ASSESSMENT: \$148,100.00

IMPROVEMENTS ASSESSMENT: \$767,300.00

TOTAL ASSESSMENT: \$915,400.00

ANNUAL TAX: N/A

TAX PAYMENT DUE DATE(S): September 30th; December 31st; March 31st and June 30th

TAXES HAVE BEEN PAID THROUGH: 4th quarter of 2019-2020

TAXES A LIEN, NOT YET DUE: Next due on September 30, 2020

NOTE: Please call 393-8651 for past amounts/ future amounts.

Property Address as shown in the tax records:

441 Washington Street, Portsmouth, VA 23704

2. CREDIT LINE deed of trust from 441 Washington Street, LLC to William T. Hodsen and Willian D. Sessoms, Jr., Trustee(s), dated September 19, 2005, recorded September 28, 2005, filed for record in Instrument No. 050020117. As stated in deed of trust: Original Principal \$500,000.00; Original Note Holder TowneBank. NOTE: Agent must require credit line account to be closed and that the checks and/or credit card(s) issued in connection with the account be surrendered.

NOTE: Modification of Deed of Trust recorded as Instrument No. 060009788 - Inc., to \$574,400.00.

3. The Company requires receipt in writing of the name of anyone not referenced in this form who will acquire an interest in the land or who will execute a deed of trust encumbering the land herein. Additional requirements and/or exceptions may then be added.
4. Instrument(s) creating the estate or interest to be insured must be approved, executed and filed for record.
  - A. Warranty Deed from 441 Washington Street, LLC, vesting fee simple title in .
  - B. Deed of Trust from , securing your loan.
5. Payment of full consideration to or for the account of the grantor(s) or mortgagor(s).
6. Payment of the premiums, fees and charges for the policy/policies.
7. Payment of all taxes, charges, and assessments, levied and assessed against the subject premises, which are due and payable
8. Payment of all outstanding water, sewer and public utility charges to date of settlement.
9. The Company must be provided with an approved form of executed Owner's Affidavit and Agreement relating to, among other items, mechanics' liens and parties in possession.

TITLE SEARCH REPORT/ABSTRACT  
REQUIREMENTS continued

10. Certification from settlement agent that they have made independent verification through the PACER system that the seller and/or borrowers are not in bankruptcy.
11. Settlement agent must ascertain identity of all parties executing instruments required for this transaction in compliance with Virginia statutes (eg. Section 47.1-14).
12. Payment of all HOA/POA assessments, charges, and fees, which the subject property may be subject to, plus any penalty and interest which may be due.
13. Receipt and review of all corporate/entity/trust documents for subject parties as may be required under Virginia underwriting guidelines.

*Notice: Please be aware that due to the conflict between federal and state laws concerning the cultivation, distribution, manufacture or sale of marijuana, the Company is not able to close or insure any transaction involving Land that is associated with these activities.*

TITLE SEARCH REPORT  
EXCEPTIONS

1. Defects, liens, encumbrances, adverse claims or other matters, if any, created or first appearing in the public records or attaching to the title subsequent to the date of this form.
2. Terms, provisions, covenants, conditions, restrictions, reservations, easements, liens for assessments, developer rights, options, rights of first refusal and reservations and other matters, if any, and any amendments thereto, appearing of record in Declaration recorded in Instrument Number: 040006100 and 040006099; in the related bylaws; in any instrument creating the estate or interest insured by this policy; and in any other allied instrument referred to in any of the instruments aforesaid, but omitting any covenants or restrictions, if any, based upon race, color, religion, sex, sexual orientation, familial status, marital status, disability, handicap, national origin, ancestry, or source of income, as set forth in applicable state or federal laws, except to the extent that said covenant or restriction is permitted by applicable law.
3. Declaration of Covenants for Storm and Surface Water recorded in Deed Book 1204, page 459.
4. A Perpetual non-exclusive variable easement for ingress and egress as contained in Instrument Number: 040006099.
5. Temporary Easement as contained in Instrument Number: 040006101.
6. Items Shown on Plat of Subdivision recorded in Plat Book 19, Pages 198-199:
  1. These are unidentified broken liens with in perimeter of their parcel - not proven if Building Setback Line' s - See Plat Notes on Page 198- #6.

TITLE SEARCH REPORT  
EXHIBIT "A"  
LEGAL DESCRIPTION

All that certain lot, piece or parcel of land, with the buildings and improvements thereon known as the "Old 1891 Building", situate lying and being in the City of Portsmouth, State of Virginia, and known, numbered and designated as "Parcel B", as shown on that certain plat entitled "Minor Subdivision of the Property of Monumental United Methodist Church, Portsmouth, Virginia", dated January 5, 2004, prepared by Stephen I, Boone and Associates, P.C., Land Surveyors, Portsmouth, Virginia, which said plat is recorded in the Clerk's Office of the Circuit Court of the City of Portsmouth, Virginia, in Map Book 19, pages 198, 199, and to which reference may be made for a more particular description.

Together with those certain rights and privilege to lease and use twelve parking spaces and a perpetual non-exclusive variable easement for ingress and egress as contained in deed recorded in the Clerk's Office of the Circuit Court of the City of Portsmouth, Virginia in Instrument No. 04006099.

Together with those certain rights, privileges and easement as contained in Deed of Temporary Easement recorded in the Clerk's Office of the Circuit Court of the City of Portsmouth, Virginia, in Instrument No. 04006101.

It being the same property conveyed to 441 Washington Street, LLC, a Virginia limited liability company by Deed from Economic Development Authority of the City of Portsmouth, Virginia, formerly the Industrial Development Authority of the City of Portsmouth, Virginia, a political subdivision organized under the laws of the Commonwealth of Virginia dated September 16, 2005, recorded September 28, 2005 in the Clerk's Office of the Circuit Court of Portsmouth City, Virginia in Instrument No. 050020116.

**FIDELITY NATIONAL TITLE GROUP, INC.**  
**Chicago Title, Commonwealth Land Title, and Fidelity National Title**  
**Virginia Production Division**

**TITLE SEARCH REPORT**

This Title Search Report is issued for the use of the agent to whom it is addressed. This Report is to be used only by the agent to determine the insurability of title to the property described herein in conjunction with issuance of commitments, policies and endorsements by the above named title insurers ("the Company"). The agent reviewing this Title Search Report must follow all underwriting guidelines set forth in the underwriting Manual and Bulletins issued by the Company. This is a report of matters appearing in the official land records of the county or city wherein the property is located. No search has been made for any matters recorded in the Federal District Courts. Not included in this Report are matters, such as mortgages, judgments and other liens, for which the Company has found recorded satisfactions or releases, and possible other matters which, according to custom and practice, would not appear in a title search. The amount shown in this Report for any deeds of trust, judgments and/or taxes is for informational purposes only. The recipient is responsible for confirming amounts for payoff and/or proration purposes. Use of this Title Search Report for any reason other than the issuance of a Company commitment, policy or endorsement is not authorized. The liability under this Title Search Report is limited to the liability under the policy or policies issued pursuant to this Title Search Report. This Title Search Report is not an opinion, warranty or guarantee of title. The liability under this Title Search Report shall cease and terminate six months after the ending date set forth in the Period of the Search, unless extended in writing by the Company.

CASE NO: 8624556 CUSTOMER Premier Real Estate (51388-0920)

TITLE TO THE BELOW DESCRIBED PROPERTY IS VESTED OF RECORD IN:

441 Washington Street, LLC, a Va. Ltd. lia. co.

t/e w/s    j/t w/s    t/c    no tenancy    prtshp    corp    llc

UNDER THE FOLLOWING DEED:

Grantor(s): Economic Development Authority of the City of Portsmouth, Virginia \*see deed copy  
Dated: 9/16/2005 Recorded: 9/28/2005 Deed Book & Pg./Inst. No: 05 002016

Current owner is surviving tenant of survivorship tenancy created in the above deed.

Deceased tenant died \_\_\_\_\_ pursuant to information at /in \_\_\_\_\_.

UNDER THE WILL OF: \_\_\_\_\_

Date of Death: \_\_\_\_\_ Date of Probate: \_\_\_\_\_

Will Book & Pg./Inst. No: \_\_\_\_\_

BY INHERITANCE FROM: \_\_\_\_\_

Date of Death: \_\_\_\_\_

Heirs determined by: \_\_\_\_\_

**IF PROPERTY ACQUIRED BY WILL OR INHERITANCE**

Decedent Acquired the Property By: \_\_\_\_\_

THE PROPERTY LIES IN THE \_\_\_\_\_ OF Portsmouth, VIRGINIA. Recordation references are to the Clerk's Office of the Circuit Court thereof unless otherwise stated.

BRIEF LEGAL DESCRIPTION: "Old 1891 Building"

"Parcel B" Prop. of Monumental United Methodist Church. NB. 19/1984-199  
\* forget the 107 lease ... & impers/egress c 04006099 & serv 4 c 04006101 > 4 yrs - should be  
 Use description on attached page(s) marked "description" in brackets "[ ]" 04006099  
 Use description in deed recorded in/as 050020116 04006101

Appurtenant easements examined:  NO  YES See add'l info in Other Matters.

DEEDS OF TRUST:  None

1. Grantor(s): 441 Washington Street, LLC  
Trustee(s): William T. Hodson & William D. Senoma, Jr.  
Dated: 9/19/2005 Deed Book & Pg./Inst. No: 050020117 (on policy)  
Recorded: 9/28/2005 Amount: \$ 500,000  
Named Beneficiary: Town Bank  
Assignments, Subordination Agmts, etc.: \* Mod. c 060097288 - inc. to \$574,400

2. Grantor(s): \_\_\_\_\_  
Trustee(s): \_\_\_\_\_  
Dated: \_\_\_\_\_ Deed Book & Pg./Inst. No: \_\_\_\_\_  
Recorded: \_\_\_\_\_ Amount: \$ \_\_\_\_\_  
Named Beneficiary: \_\_\_\_\_  
Assignments, Subordination Agmts, etc.: \_\_\_\_\_

3. Grantor(s): \_\_\_\_\_  
Trustee(s): \_\_\_\_\_  
Dated: \_\_\_\_\_ Deed Book & Pg./Inst. No: \_\_\_\_\_  
Recorded: \_\_\_\_\_ Amount: \$ \_\_\_\_\_  
Named Beneficiary: \_\_\_\_\_  
Assignments, Subordination Agmts, etc.: \_\_\_\_\_

JUDGMENTS (not including purchaser(s) which are found on next page):  None

Dated \_\_\_\_\_ docketed \_\_\_\_\_ in/as \_\_\_\_\_  
rendered in favor of \_\_\_\_\_ against \_\_\_\_\_

Dated \_\_\_\_\_ docketed \_\_\_\_\_ in/as \_\_\_\_\_  
rendered in favor of \_\_\_\_\_ against \_\_\_\_\_

Dated \_\_\_\_\_ docketed \_\_\_\_\_ in/as \_\_\_\_\_  
rendered in favor of \_\_\_\_\_ against \_\_\_\_\_

See additional judgments attached



LIENS HAVE BEEN CHECKED IN THE NAME OF THE FOLLOWING PURCHASER(S): TBA(?)  
LIENS FOUND: \_\_\_\_\_

UCC/FINANCING STATEMENTS:  None  
Filed \_\_\_\_\_ as Financing Statement No. \_\_\_\_\_  
Debtor: \_\_\_\_\_  
Secured Party: \_\_\_\_\_  
 See additional Financing Statements attached

TAX & ASSESSMENT INFORMATION: INFORMATION & PRINTOUT NOT WARRANTED. CONTACT TREASURER TO CONFIRM.

Assessed Owner: \_\_\_\_\_  
Assessed Description: Parcel B  
Tax Map/ID# 00120841 Bill # \_\_\_\_\_  
Land \$ 148,100 Improvements \$ 767,300 Total \$ 915,400  
Annual Amt \$ NG Taxes Payable on: Call Treas. C. 293-8651 for past amts./future amts.  
Taxes Paid Thru: 4th qtr. '19-'20 Delinquent Taxes: 0  
Taxes a Lien, Not Yet Due: 9/30/2020  
Town Taxes, Exemptions, Rollback, Supplementals, Stormwater Fees, Etc: NG  
Property Address (not warranted): # 441 Washington St.

RESTRICTIONS AND/OR DECLARATIONS:  None # 2 on B/T and s/d (note typo's)  
Dated: \_\_\_\_\_ Recorded: \_\_\_\_\_ Deed Book & Pg./Inst. No: \_\_\_\_\_  
Amendments at: \_\_\_\_\_  
Contain Reverter:  Yes  No  
Contain Easements (not shown on subd. plat):  Yes  No  
Contain Minimum Building Line not shown on subd. plat:  Yes  No  
Contain Assessments:  Yes  No  
Party Walls:  Yes  No

DEEDED EASEMENTS:  ~~NONE~~ # 2, 3, 5+6 (contain typo's)  
From: \_\_\_\_\_  
To: \_\_\_\_\_ Location: \_\_\_\_\_  
Dated: \_\_\_\_\_ Recorded: \_\_\_\_\_ Deed Book & Pg./Inst. No: \_\_\_\_\_  
From: \_\_\_\_\_  
To: \_\_\_\_\_ Location: \_\_\_\_\_  
Dated: \_\_\_\_\_ Recorded: \_\_\_\_\_ Deed Book & Pg./Inst. No: \_\_\_\_\_  
From: \_\_\_\_\_  
To: \_\_\_\_\_ Location: \_\_\_\_\_  
Dated: \_\_\_\_\_ Recorded: \_\_\_\_\_ Deed Book & Pg./Inst. No: \_\_\_\_\_

From: \_\_\_\_\_

To: \_\_\_\_\_

Dated: \_\_\_\_\_ Recorded: \_\_\_\_\_ Deed Book & Pg./Inst. No: \_\_\_\_\_

ITEMS SHOWN ON PLAT OF SUBDIVISION recorded in/as M.B. 19/198+199:  None

- 1. There are unidentified broken lines w/ in perimeters of this parcel - not known if ASL's.
- 2. - See plat notes on pg. 198 - \$6
- 3. \_\_\_\_\_
- 4. \_\_\_\_\_

SHOWN ON OTHER PLATS OF RECORD as follows:  None

- 1. Plat recorded as \_\_\_\_\_ showing: \_\_\_\_\_
- 2. Plat recorded as \_\_\_\_\_ showing: \_\_\_\_\_

ACCESS:

- Public street(s) named: Washington Street
- Appurtenant easement created by Deed Book & Pg./Inst. No.: \_\_\_\_\_
- Road Maintenance Agreement in Deed Book & Pg./Inst. No.: \_\_\_\_\_

OTHER MATTERS:  None

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

SEARCH TYPE:  Current Owner  Two Owner  
 Standard Residential  Commercial  
 Other: \_\_\_\_\_

BACK TITLE INFO RELIED UPON IS Policy/Case # A82-0312608. Items to be picked up from this policy affecting the property listed on page 1 are as follows: # 2, 3, 5, 6 + 8

EFFECTIVE DATE: 7/20/2020 @ 8:00 A.M.

SEARCHER: PJB

THIS REPORT CONSISTS OF 4 PAGES, excluding document copies, adverse sheets, etc

# Lawyers Title Insurance Corporation

OWNER'S POLICY

CASE NUMBER
2005-503-ST

## SCHEDULE B EXCEPTIONS FROM COVERAGE

POLICY NUMBER
A82-0312608

This policy does not insure against loss or damage (and the Company will not pay costs, attorneys' fees or expenses) which arise by reason of:

- Taxes for the second quarter of the fiscal year beginning July 1, 2005 and ending June 30, 2006, a lien, but not yet due and payable, and all taxes for subsequent fiscal years, also possible supplemental taxes and assessments for recent improvements to the subject property.
- (2) Restrictions and other matters, if any, appearing of record in Instrument Number: 040006100 and 040006099  
NOTE: This exception omits any covenant, condition or restriction based on race, color, religion, sex, handicap, familial status or national origin as provided in 42 U.S.C. Section 3604, unless and only to the extent that the covenant (a) is not in violation of state or federal law, (b) is exempt under 42 U.S.C. Sect. 3607, or (c) relates to a handicap, but does not discriminate against handicapped people.
- (3) Declaration of Covenants for Storm and Surface Water recorded in Deed Book 1204, page 459.
- Rights of parties in actual possession of all or any part of the premises.
- (5) A Perpetual non-exclusive variable easement for ingress and egress as contained in Instrument Number: 04006099, 040006099
- (6) Temporary Easement as contained in Instrument Number: 04006101, 040006101.
- The following matters as shown on plat of survey by James C. Hudson, L.S., dated August 24, 2005:
- ~~8) Concrete curb.~~
  - ~~9) In ground pvc pipe.~~
  - ~~10) Brick wall.~~
  - ~~11) Concrete steps.~~
  - ~~12) Basement door.~~
- (8) Deed of Trust, dated September 19, 2005, to William T. Hodsen and William D. Sessoms, Jr., Trustees, to Secure TowneBank, the principal sum of \$500,000.00 and duly recorded in the aforesaid Clerk's Office as Instrument Number: 050020117, w/ Mod. e 060009788

# Virginia Record Search

## Portsmouth City detail browse for Instrument Group(s):

Group	From date	To date
Deeds and Land Records	01/02/1970	07/21/2020
Financing Statements	01/03/1991	07/21/2020
Judgments	05/20/1980	07/17/2020
Wills and Fiduciaries	06/10/1995	07/20/2020

J: - 20 yrs.  
W: - 5 yrs.

Searching Records for Names:

441 WASHINGTON STREET LLC

*Also listed as 441...*

Grantee : 441 WASHINGTON STREET LLC

### Instrument Group: LR

\*  
 Instrument Number: 050020116 [7 image(s)] Recordation Date: 09/28/2005  
 Change: 0 Filing: 1 Instrument Type: DEED OF BARGAIN AND SALE

PIN or MAP : 0012- PARCEL 0841

Legal Description (Not Warranted): 441 WASHINGTON STREET  
Names indexed on 050020116 for LR:

Name type Name

Grantee 441 WASHINGTON STREET LLC

Grantor ECONOMIC DEVELOPMENT AUTHORITY CITY OF PORTSMOUTH

Grantor : 441 WASHINGTON STREET LLC

### Instrument Group: LR

\*  
 Instrument Number: 050020117 [1 image(s)] Recordation Date: 09/28/2005  
 Change: 0 Filing: 1 Instrument Type: DEED OF TRUST CREDIT LINE

PIN or MAP : 0012-0841

Legal Description (Not Warranted): 441 WASHINGTON STREET

Names indexed on 050020117 for LR:

Name type Name

Grantee SESSOMS, WILLIAM D; JR TR  
Grantor 441 WASHINGTON STREET LLC

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Grantor : 441 WASHINGTON STREET LLC

**Instrument Group: LR**

\* Instrument Number: 060009788 [ 5 image(s) ] Recordation Date: 05/09/2006  
Change: 0 Filing: 1 Instrument Type: DEED OF TRUST MODIFIED  
PIN or MAP : 0012-0841 *of 050020117*

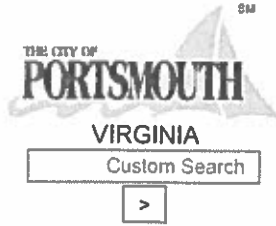
Legal Description (Not Warranted): 441 WASHINGTON STREET  
Names indexed on 060009788 for LR:

Name type Name

Grantee HODSDEN, WILLIAM T; TR  
Grantee SESSOMS, WILLIAM D; JR TR  
Grantor 441 WASHINGTON STREET LLC

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[New search](#)



Custom Search

>

City's Home Page  
Assessor Home

**REAL ESTATE ASSESSOR**  
801 Crawford Street, 2nd Floor  
P.O. Box 820  
Portsmouth, Virginia 23705  
Telephone : (757) 393-8631  
Fax: (757) 393-8177  
assessor@portsmouthva.gov



**Real Estate Assessment Data & Tax Maps  
Commercial / Exempt Commercial / Industrial**

[Click Here to Restart Your Search](#)  
Print in landscape mode or select "Shrink to fit"

Search Results

Sales History for the past 5 years

There is no sales information available for this property for the past 5 years.

Assessment History for the past 3 years

Year	Land	Building	Total
2018	\$ 123,420	\$ 767,300	\$ 890,720
2019	\$ 123,420	\$ 767,300	\$ 890,720
2020	\$ 148,100	\$ 767,300	\$ 915,400

[Click here to View the 0012 Tax Map](#) [Click here for the Tax Map Legend](#)  
[Click here to View the GIS Map of this property in a new window.](#)

**General Information**

<b>Address:</b>	441 WASHINGTON ST	<b>Property Type:</b>	COMMERCIAL
<b>Zip Code:</b>	237043410	<b>Building Type:</b>	OFFICE BUILDING
<b>Map &amp; Parcel:</b>	00120841	<b>Land Assessment:</b>	\$ 148,100
<b>Zoning:</b>	HLO(HIST.LTD.OFF.)	<b>Bldg Assessment:</b>	\$ 767,300
<b>Neighborhood:</b>	COMMERCIAL DISTRICT 1	<b>Total Assessment:</b>	\$ 915,400

**Deed Information**

<b>Current:</b>			
<b>Book:</b>	0000	<b>Deed Date:</b>	09-28-05
<b>Page:</b>	0000	<b>Sale Amount:</b>	\$
<b>Instrument #:</b>	D050020116		
<b>Previous:</b>			
<b>Book:</b>	0000	<b>Deed Date:</b>	07-13-04
<b>Page:</b>	0000	<b>Sale Amount:</b>	\$
<b>Instrument #:</b>			

**Land Information**

<b>Zoning:</b>	HLO(HIST.LTD.OFF.)	<b>Acres:</b>	0.139
<b>Legal Description</b>	PARCEL B		

<b>Waterfront:</b>	N	<b>Lakefront:</b>	N
<b>Tidal Marsh:</b>	N	<b>Golf Course:</b>	N
<b>Sewer:</b>	Y		

**Structure Information**

<b>Number of Units:</b>	0	<b>Date Constructed:</b>	1891
<b>Exterior Finish:</b>	SOLID COMMON BRICK	<b>Total Square Feet (All Bldgs):</b>	5994
<b># of Stories:</b>	2	<b># of Bathrooms:</b>	2
<b>Remodeled:</b>	Y	<b># of Half Baths:</b>	0
<b>Heat Type:</b>	HEAT PUMP	<b>Air Conditioning:</b>	Y
<b>Basement:</b>	Y	<b>Accessory Structures:</b>	N
<b>Site Improvement:</b>	N	<b>More Specific Information:</b>	See the Assessor's Office



205-503-57

Lawyers Title Insurance Corporation

POLICY NUMBER  
A82-0312608

**OWNER'S POLICY OF TITLE INSURANCE  
(MODIFIED: ARBITRATION DELETED)**

Gross Premium: \$-~~2050.00~~  
2,050.00

Rate Code: \_\_\_\_\_

REISSUE OR SUBSTITUTION INFORMATION.	
Liability Cr. \$	_____
Premium Cr. \$	_____
Policy No.	_____

STATISTICAL STATES ONLY				
POLICY TYPE	TITLE SOURCE	PROPERTY TYPE	STATE REPORT CODE	RATE RULE

COMMENTS TO UNDERWRITER:

**NOTICE**  
THIS PAGE MUST BE REMITTED TO  
UNDERWRITER WITH POLICY SCHEDULES



# Lawyers Title Insurance Corporation

National Headquarters

Richmond, Virginia

SCHEDULE A OWNER'S POLICY

CASE NUMBER	DATE OF POLICY	AMOUNT OF INSURANCE	ENDORSEMENTS	POLICY NUMBER
2005-503-ST	9-28-2005 AT 2:54 PM	\$600,000.00		A82-0312608

1. Name of Insured:

441 WASHINGTON STREET, LLC

2. The estate or interest in the land which is covered by this policy is:

Fee Simple

3. Title to the estate or interest in the land is vested in:

441 WASHINGTON STREET, LLC

4. The land referred to in this policy is described as follows:

Located in the City of Portsmouth, State of Virginia:

All that certain lot, piece or parcel of land, with the buildings and improvements thereon known as the "Old 1891 Building", situate lying and being in the City of Portsmouth, State of Virginia, and known, numbered and designated as "Parcel B", as shown on that certain plat entitled "MINOR SUBDIVISION OF THE PROPERTY OF MONUMENTAL UNITED METHODIST CHURCH, PORTSMOUTH, VIRGINIA", dated January 5, 2004, prepared by Stephen I. Boone and Associates, P.C., Land Surveyors, Portsmouth, Virginia, which said plat is recorded in the Clerk's Office of the Circuit Court of the City of Portsmouth, Virginia, in Map Book 19, pages 198, 199, and to which reference may be made for a more particular description.

It being the same property conveyed to 441 Washington Street, LLC, by Deed of Economic Development Authority of the City of Portsmouth, Virginia, dated September 16, 2005, and duly recorded in the Clerk's Office of the Circuit Court of the City of Portsmouth, Virginia, as Instrument Number: 050020116.



Patricia H. Smith

Countersignature Authorized Officer or Agent

Issued at:

Southside Title, LLC  
Smithfield, VA

# Lawyers Title Insurance Corporation

OWNER'S POLICY

CASE NUMBER
2005-503-ST

## SCHEDULE B EXCEPTIONS FROM COVERAGE

POLICY NUMBER
A82-0312608

This policy does not insure against loss or damage (and the Company will not pay costs, attorneys' fees or expenses) which arise by reason of:

- 1) Taxes for the second quarter of the fiscal year beginning July 1, 2005 and ending June 30, 2006, a lien, but not yet due and payable, and all taxes for subsequent fiscal years, also possible supplemental taxes and assessments for recent improvements to the subject property.
- 2) Restrictions and other matters, if any, appearing of record in Instrument Number: 04006100 and 04006099.  
NOTE: This exception omits any covenant, condition or restriction based on race, color, religion, sex, handicap, familial status or national origin as provided in 42 U.S.C. Section 3604, unless and only to the extent that the covenant (a) is not in violation of state or federal law, (b) is exempt under 42 U.S.C. Sect. 3607, or (c) relates to a handicap, but does not discriminate against handicapped people.
- 3) Declaration of Covenants for Storm and Surface Water recorded in Deed Book 1204, page 459.
- 4) Rights of parties in actual possession of all or any part of the premises.
- 5) A Perpetual non-exclusive variable easement for ingress and egress as contained in Instrument Number: 04006099.
- 6) Temporary Easement as contained in Instrument Number: 04006101.
- 7) The following matters as shown on plat of survey by James C. Hudson, L.S., dated August 24, 2005:
  - 8) Concrete curb.
  - 9) In ground pvc pipe.
  - 10) Brick wall.
  - 11) Concrete steps.
  - 12) Basement door.
- 8) Deed of Trust, dated September 19, 2005, to William T. Hodsen and William D. Sessoms, Jr., Trustees, to secure TowneBank, the principal sum of \$500,000.00 and duly recorded in the aforesaid Clerk's Office as Instrument Number: 050020117.

Instrument Control Number

050 020116

Commonwealth of Virginia  
Land Record Instruments  
Cover Sheet - Form A

RECORDED  
2005 SEP 21 P 1:24

[LS VLR Cover Sheet Agent 1.0.66]

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Date of Instrument: [9/21/2005 ]  
Instrument Type: [DBS ]

Number of Parcels [ 1 ]  
Number of Pages [ 6 ]

City  County  [City Of Portsmouth ] (Box for Dead Stamp Only)

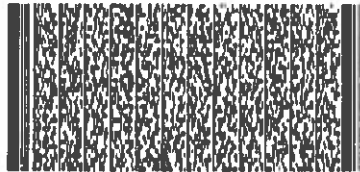
First and Second Grantors			
Last Name	First Name	Middle Name or Initial	Suffix
ECONOMIC DEVELO			

First and Second Grantees			
Last Name	First Name	Middle Name or Initial	Suffix
441 WASHINGTON ST			

Grantee Address (Name) [441 WASHINGTON STREET, LLC ]  
 (Address 1) [310 NORTH MAIN STREET ]  
 (Address 2) [ ]  
 (City, State, Zip) [SUFFOLK ] [VA ] [23434 ]  
 Consideration [25,000.00 ] Existing Debt [0.00 ] Assumption Balance [0.00 ]

Prior Instr. Recorded at: City  County  [City Of Portsmouth ] Percent. In this Juris. [ 100 ]  
 Book [ ] Page [ ] Instr. No [040010689 ]  
 Parcel Identification No (PIN) [0012 PARCEL 0841 ]  
 Tax Map Num. (If different than PIN) [0012 PARCEL 0841 ]  
 Short Property Description [WASHINGTON STREET PORTSMOUTH VIRGINIA ]  
 Current Property Address (Address 1) [441 WASHINGTON STREET ]  
 (Address 2) [ ]  
 (City, State, Zip) [PORTSMOUTH ] [VA ] [23704 ]

Instrument Prepared by [SAUNDERS BARLOW RIDDICK ]  
 Recording Paid for by [SAUNDERS BARLOW RIDDICK ]  
 Return Recording to (Name) [SAUNDERS BARLOW RIDDICK BABINEAU, P.C. ]  
 (Address 1) [705 W. WASHINGTON STREET ]  
 (Address 2) [ ]  
 (City, State, Zip) [SUFFOLK ] [VA ] [23434 ]  
 Customer Case ID [04R-522 ] [ ] [ ]





Office of the Circuit Court of the City of Portsmouth, Virginia, in  
Instrument No. 04006101.

IT BEING the same property conveyed to the Industrial  
Development Authority by deed from the City of Portsmouth,  
Virginia, dated May 21, 2004, recorded as Instrument No.  
040010689 in the Clerk's Office of the Circuit Court of the City of  
Portsmouth, Virginia.

The Property conveyed hereinabove is subject to those Restrictive Covenants,  
Parking Rights and Easement Conveyance contained in the Deed of Bargain and Sale recorded in  
the Clerk's Office of the Circuit Court of the City of Portsmouth, Virginia as Instrument No.  
040006099.

The Property is also conveyed subject to the conditions, restrictions, reservations,  
encumbrances and easements, if any, duly recorded affecting the Property and constituting  
constructive notice.

In addition to those conditions, restrictions, reservations, encumbrances and  
easements duly recorded affecting the Property, Grantor hereby declares, covenants and agrees, for  
itself, its successors, assigns, grantees and other successors in title or interest to the Property, that  
the Property shall be held, leased, transferred and sold hereafter subject to the use restrictions and  
covenants set forth below (the "Restrictions"), and Grantor hereby creates and establishes the  
Restrictions on and subject to the following terms and conditions. Grantee joins in the execution  
of this Deed to evidence Grantee's consent to the provisions contained herein and to evidence  
Grantee's desire to be bound by the terms of this Deed.

(1) Construction Covenants.

- (a) Construction. Grantee shall cause the construction and renovation of the  
Property for use as a commercial office facility ("Project") in accordance with  
the specifications set forth in that Project Description dated June 30, 2004  
attached hereto and incorporated herein as Exhibit A. The Project shall be  
completed by Grantee in compliance with the requirements of the Virginia  
Department of Historical Resources, Zoning Ordinance of the City of  
Portsmouth, Virginia, and any and all other applicable laws, ordinances and  
regulations lawfully made the City of Portsmouth, Virginia, the  
Commonwealth of Virginia, and the United States of America for the  
operation and use of the Property.
- (b) Schedule Requirements. Grantee shall apply for and obtain a building permit  
for the Project within forty-five (45) days of the date of the Deed. If a  
building permit is applied for in a timely manner by Grantee and not issued

within the said 45-day period, the parties agree to negotiate a reasonable extension of time for Grantee to obtain such building permit. Grantee shall achieve Substantial Completion of the Project within eighteen (18) months after the date of the Deed ("Construction Period"). "Substantial Completion" shall be deemed to be that date upon which (i) the construction called for in this Deed has been completed; and (ii) the City of Portsmouth, Virginia issues the final Certificate of Occupancy, without exception.


- (c) **Maintenance of Ownership and Control Prior to Substantial Completion.**  
Prior to Substantial Completion, Grantee warrants that Garcia Development, LLC shall remain the Managing Member of Grantee, and Mickey H. Garcia will maintain a 51% voting and ownership membership interest in Garcia Development, LLC during such period.
- (d) **Remedies.** Failure of Grantee to achieve Substantial Completion of the Project in accordance with sub-paragraph (a) within the Construction Period or the breach provision in sub-paragraph (c) shall result in an agreed liquidated damage to be paid by Grantee to Grantor in the amount of \$25,000.00. Such penalty shall be due and payable as of the day following the Construction Period or upon notice of breach of the requirements of subparagraph (a) or sub-paragraph (c) and constitute a lien against the Property until paid, and shall bear interest at the maximum permissible rate. Time shall be of the essence in the performance of the terms described herein. **In addition, in the event of Grantee's default in either of the conditions in subparagraph (a) or subparagraph (c) above, Grantor shall have the right, but not the obligation, to repurchase the Property, including any and all improvements made by Grantee, for the sum of \$25,000.00.** In the event Grantor exercises Grantor's right to repurchase the Property, the Property shall be reconveyed to Grantor by special warranty deed, free and clear of all liens and encumbrances, subject only to such easements imposed as necessary for development of the Property. Grantee hereby agrees to execute such deeds and any other closing documents as may be necessary to effectuate the terms of this remedy.
- (e) **Extension.** Notwithstanding anything herein to the contrary, at any time during the Construction Period, but not less sixty (60) days prior to the termination of the Construction Period, Grantee may apply to Grantor in writing with appropriate documentation for a reasonable extension of the Construction Period; provided, that the cause of the delay was not within the control of Grantee and the cause of the delay substantially affected the completion of the construction. Approval of such request for an extension will not be unreasonably withheld by Grantor.

- (2) Maintenance Covenants. All improvements to be constructed on the Property shall be constructed in accordance with the Project Description or any amendments agreed to by Grantor, or its successor in interest, with the further requirement that Grantee and any successor in interest shall keep and maintain all designated landscaping, bushes, plants, shrubs, trees and lawns trimmed, cut in a neat and clean appearance through a regularly-scheduled maintenance program, and all dead or damaged bushes, plants, shrubs, trees and other vegetation shall be replaced.
- (3) Resale Restrictions. The Property will not be conveyed or disposed of voluntarily within twenty (20) years of the date of this Deed to any grantee that is exempt from the payment of real estate taxes to the City of Portsmouth, Virginia.
- (4) Right of Inspection. Grantor reserves the right to have an independent inspector perform periodic inspections on the Property, upon forty-eight (48) hours notice to Grantee, to ensure that the renovations and improvements of the Project are conducted in compliance with all applicable state and local ordinances and regulations covering such Property.
- (5) Enforcement. Grantor may enforce the Restrictions against the then current owner(s) of the Property and any person, entity or instrument thereof violating or permitting the violation of the Restrictions (the "Violators"). Enforcement shall be by way of any available legal or equitable remedies, including, without limitation, injunctive action to enforce the Restriction, and shall include recovery against the Violators for all costs and reasonable attorneys' fees incurred in connection with such enforcement action. Anything herein to the contrary notwithstanding, upon a transfer of fee simple title to the Property, the transferor shall have no responsibility or liability for any violation of the Restrictions occurring after the date of such transfer, unless such transferor is subsequently a Violator in some capacity other than as owner of the Property.
- (6) Successors and Assigns. The Restrictions and covenants contained herein shall be binding upon Grantee, its successors or assigns.
- (7) No Merger. As long as the Restrictions shall remain in effect, the doctrine of merger shall not be applicable to the Restrictions or any of the rights and covenants contained herein, and there shall be no merger of estates or interests created herein as a result of any unity of title or interest thereto or therein.
- (8) Number/Gender. When the context in which words are used herein indicates that such is the intent, words in the singular number shall include the plural, and vice versa, and words in the masculine gender shall include the feminine and neuter genders, and vice versa.

- (9) Severability. Should any one or more of the provisions contained in this herein be declared invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of any of the remaining provisions contained herein shall not in any way be affected or impaired thereby.
- (10) Headings. The paragraph headings used herein are for convenience of reference only and shall not be considered to limit or construe the context or substantive terms set forth herein.
- (11) Construction. The Restrictions and the rights and covenants contained herein shall be construed, performed and enforced in accordance with the laws of the Commonwealth of Virginia.

IN WITNESS WHEREOF, Grantor has caused this Deed to be executed on its behalf by its duly authorized Chairman, all as of the date of this Deed.

ECONOMIC DEVELOPMENT AUTHORITY OF  
THE CITY OF PORTSMOUTH, VIRGINIA, a  
political subdivision organized under the laws of the  
Commonwealth of Virginia

By:   
Name: Ann M. Kirk  
Title: Treasurer



COMMONWEALTH OF VIRGINIA  
CITY/COUNTY OF Portsmouth

The foregoing Special Warranty Deed was acknowledged before me this 16 day of September, 2005, by Ann M. Kirk, Treasurer of the Economic Development Authority of the City of Portsmouth, Virginia, a political subdivision organized under the laws of the Commonwealth of Virginia, on behalf of the Authority.

*Lu R. Moore*  
Notary Public

My Commission Expires: 11-30-08

0387970007  
10/4/2003

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INSTRUMENT ~~#050020016~~  
RECORDED IN THE CLERK'S OFFICE OF  
PORTSMOUTH ON  
SEPTEMBER 28, 2005 AT 02:52PM  
CYNTHIA P. MORRISON, CLERK

RECORDED BY: LNP

Instrument Control Number

050020117

10000000615

Commonwealth of Virginia  
Land Record Instruments  
Cover Sheet - Form A

2005 SEP 21 P 1:24

[LS VLR Cover Sheet Agent 1.0.66]

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Date of Instrument: [9/21/2005 ]

Instrument Type: [DTCL ]

Number of Parcels [ 1 ]

Number of Pages [ 13 ]

City  County  [City Of Portsmouth ] (Box for Deed Stamp Only)

First and Second Grantors

Last Name	First Name	Middle Name or Initial	Suffix
[441 WASHINGTON ST ]	[ ]	[ ]	[ ]
[ ]	[ ]	[ ]	[ ]

First and Second Grantees

Last Name	First Name	Middle Name or Initial	Suffix
[HODSDEN ]	[WILLIAM ]	[T ]	[ ]
[SESSOMS ]	[WILLIAM ]	[D ]	[JR ]

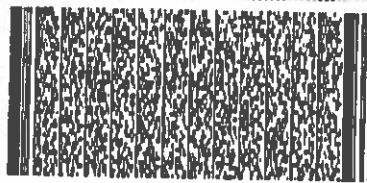
Grantee Address (Name) [WILLIAM T. HODSDEN ]  
 (Address 1) [6001 HARBOUR VIEW BLVD. ]  
 (Address 2) [ ]  
 (City, State, Zip) [SUFFOLK ] [VA ] [23435 ]  
 Consideration [500,000.00 ] Existing Debt [0.00 ] Assumption Balance [0.00 ]

Prior Instr. Recorded at: City  County  [City Of Portsmouth ] Percent. In this Juris. [ 100 ]  
 Book [ ] Page [ ] Instr. No [ ]

Parcel Identification No (PIN) [0012 PARCEL 0841 ]  
 Tax Map Num. (if different than PIN) [0012 PARCE 0841 ]  
 Short Property Description [WASHINGTON STREET PORTSMOUTH VIRGINIA ]

Current Property Address (Address 1) [441 WASHINGTON STREET ]  
 (Address 2) [ ]  
 (City, State, Zip) [PORTSMOUTH ] [VA ] [23704 ]

Instrument Prepared by [SAUNDERS BARLOW RIDDICK ]  
 Recording Paid for by [SAUNDERS BARLOW RIDDICK ]  
 Return Recording to (Name) [SAUNDERS BARLOW RIDDICK BABINEAU, P.C. ]  
 (Address 1) [705 W. WASHINGTON STREET ]  
 (Address 2) [ ]  
 (City, State, Zip) [SUFFOLK ] [VA ] [23434 ]  
 Customer Case ID [04R-522 ] [ ] [ ]



**RECORDATION REQUESTED BY:**

TowneBank  
Pavilion  
2101 Parks Avenue #100  
Virginia Beach, VA 23454

**WHEN RECORDED MAIL TO:**

TowneBank  
P. O. Box 7188  
Portsmouth, VA 23707

**SEND TAX NOTICES TO:**

441 Washington Street, LLC  
310 North Main Street  
Suffolk, VA 23704

Parcel ID No(s): 0012-0841

**FOR RECORDER'S USE ONLY**

This Deed of Trust prepared by: Shannon H Pride, Private Banking Officer, TowneBank

**CONSTRUCTION DEED OF TRUST**

**THIS IS A CREDIT LINE DEED OF TRUST**

Maximum aggregate amount of principal  
to be secured hereby at any one time: \$500,000.00

**Name and address of Noteholder secured hereby:**

TowneBank  
Pavilion  
2101 Parks Avenue #100  
Virginia Beach, VA 23454

THIS DEED OF TRUST is dated September 19, 2005, among 441 Washington Street, LLC, whose address is 310 North Main Street, Suffolk, VA 23704 ("Grantor"); TowneBank, whose address is Pavilion, 2101 Parks Avenue #100, Virginia Beach, VA 23454 (referred to below sometimes as "Lender" and sometimes as "Beneficiary"); and William T. HODSDEN, a resident of Virginia, whose address is 6001 Harbour View Blvd., Suffolk, VA 23435 and William D SESSOMS, JR., a resident of Virginia, whose address is 984 First Colonial Rd., Virginia Beach, VA 23454 ("Grantee," also referred to below as "Trustee"), either of whom may act.

**CONVEYANCE AND GRANT.** For valuable consideration, Grantor conveys, transfers, encumbers and pledges and assigns to Trustee for the benefit of Lender as Beneficiary, all of Grantor's present and future right, title, and interest in and to the following described real property, together with all existing or subsequently erected or affixed buildings, improvements and fixtures; all easements, rights of way, and appurtenances; and all rights, royalties, and profits relating to the real property, including without limitation all minerals, oil, gas, geothermal and similar matters, (the "Real Property") located in City of Portsmouth, Commonwealth of Virginia;

See Exhibit A, which is attached to this Deed of Trust and made a part of this Deed of Trust as if fully set forth herein.

The Real Property or its address is commonly known as 441 Washington Street, Portsmouth, VA 23704.

**FUTURE ADVANCES.** In addition to the amounts specified in the Note, this Deed of Trust also secures future advances.

Grantor presently, absolutely, and irrevocably assigns to Lender (also known as Beneficiary in this Deed of Trust) all of Grantor's right, title, and interest in and to all present and future leases of the Property and all Rents from the Property. In addition, Grantor grants to Lender a Uniform Commercial Code security interest in the Personal Property and Rents.

**THIS DEED OF TRUST, INCLUDING THE ASSIGNMENT OF RENTS AND THE SECURITY INTEREST IN**

**DEED OF TRUST  
(Continued)**

Page 2

THE RENTS AND PERSONAL PROPERTY, IS GIVEN TO SECURE (A) PAYMENT OF THE INDEBTEDNESS AND (B) PERFORMANCE OF ANY AND ALL OBLIGATIONS UNDER THE NOTE, THE RELATED DOCUMENTS, AND THIS DEED OF TRUST. THIS DEED OF TRUST IS GIVEN AND ACCEPTED ON THE FOLLOWING TERMS:

**PAYMENT AND PERFORMANCE.** Except as otherwise provided in this Deed of Trust, Grantor shall pay to Lender all amounts secured by this Deed of Trust as they become due, and shall strictly and in a timely manner perform all of Grantor's obligations under the Note, this Deed of Trust, and the Related Documents.

**CONSTRUCTION MORTGAGE.** This Deed of Trust is a "construction mortgage" for the purposes of Sections 9-334 and 2A-309 of the Uniform Commercial Code, as those sections have been adopted by the Commonwealth of Virginia.

**POSSESSION AND MAINTENANCE OF THE PROPERTY.** Grantor agrees that Grantor's possession and use of the Property shall be governed by the following provisions:

**Possession and Use.** Until the occurrence of an Event of Default, Grantor may (1) remain in possession and control of the Property; (2) use, operate or manage the Property; and (3) acting as Lender's agent, collect the Rents from the Property.

**Duty to Maintain.** Grantor shall maintain the Property in tenantable condition and promptly perform all repairs, replacements, and maintenance necessary to preserve its value.

**Compliance With Environmental Laws.** Grantor represents and warrants to Lender that: (1) During the period of Grantor's ownership of the Property, there has been no use, generation, manufacture, storage, treatment, disposal, release or threatened release of any Hazardous Substance by any person on, under, about or from the Property; (2) Grantor has no knowledge of, or reason to believe that there has been, except as previously disclosed to and acknowledged by Lender in writing, (a) any breach or violation of any Environmental Laws, (b) any use, generation, manufacture, storage, treatment, disposal, release or threatened release of any Hazardous Substance on, under, about or from the Property by any prior owners or occupants of the Property, or (c) any actual or threatened litigation or claims of any kind by any person relating to such matters; and (3) Except as previously disclosed to and acknowledged by Lender in writing, (a) neither Grantor nor any tenant, contractor, agent or other authorized user of the Property shall use, generate, manufacture, store, treat, dispose of or release any Hazardous Substance on, under, about or from the Property; and (b) any such activity shall be conducted in compliance with all applicable federal, state, and local laws, regulations and ordinances, including without limitation all Environmental Laws. Grantor authorizes Lender and its agents to enter upon the Property to make such inspections and tests, at Grantor's expense, as Lender may deem appropriate to determine compliance of the Property with this section of the Deed of Trust. Any inspections or tests made by Lender shall be for Lender's purposes only and shall not be construed to create any responsibility or liability on the part of Lender to Grantor or to any other person. The representations and warranties contained herein are based on Grantor's due diligence in investigating the Property for Hazardous Substances. Grantor hereby (1) releases and waives any future claims against Lender for indemnity or contribution in the event Grantor becomes liable for cleanup or other costs under any such laws; and (2) agrees to indemnify and hold harmless Lender against any and all claims, losses, liabilities, damages, penalties, and expenses which Lender may directly or indirectly sustain or suffer resulting from a breach of this section of the Deed of Trust or as a consequence of any use, generation, manufacture, storage, disposal, release or threatened release occurring prior to Grantor's ownership or interest in the Property, whether or not the same was or should have been known to Grantor. The provisions of this section of the Deed of Trust, including the obligation to indemnify, shall survive the payment of the indebtedness and the satisfaction and reconveyance of the lien of this Deed of Trust and shall not be affected by Lender's acquisition of any interest in the Property, whether by foreclosure or otherwise.

**Nuisance, Waste.** Grantor shall not cause, conduct or permit any nuisance nor commit, permit, or suffer any stripping of or waste on or to the Property or any portion of the Property. Without limiting the generality of the foregoing, Grantor will not remove, or grant to any other party the right to remove, any timber, minerals (including oil and gas), coal, clay, scoria, soil, gravel or rock products without Lender's prior written consent.

**Removal of Improvements.** Grantor shall not demolish or remove any improvements from the Real Property without Lender's prior written consent. As a condition to the removal of any improvements, Lender may require Grantor to make arrangements satisfactory to Lender to replace such improvements with improvements of at least equal value.

**Lender's Right to Enter.** Lender and Lender's agents and representatives may enter upon the Real Property at all reasonable times to attend to Lender's interests and to inspect the Real Property for

**DEED OF TRUST  
(Continued)**

purposes of Grantor's compliance with the terms and conditions of this Deed of Trust.

**Compliance with Governmental Requirements.** Grantor shall promptly comply with all laws, ordinances, and regulations, now or hereafter in effect, of all governmental authorities applicable to the use or occupancy of the Property, including without limitation, the Americans With Disabilities Act. Grantor may contest in good faith any such law, ordinance, or regulation and withhold compliance during any proceeding, including appropriate appeals, so long as Grantor has notified Lender in writing prior to doing so and so long as, in Lender's sole opinion, Lender's interests in the Property are not jeopardized. Lender may require Grantor to post adequate security or a surety bond, satisfactory to Lender, to protect Lender's interest.

**Duty to Protect.** Grantor agrees neither to abandon or leave unattended the Property. Grantor shall do all other acts, in addition to those acts set forth above in this section, which from the character and use of the Property are necessary to protect and preserve the Property.

**Construction Loan.** If some or all of the proceeds of the loan creating the indebtedness are to be used to construct or complete construction of any improvements on the Property, the improvements shall be completed no later than the maturity date of the Note (or such earlier date as Lender may reasonably establish) and Grantor shall pay in full all costs and expenses in connection with the work. Lender will disburse loan proceeds under such terms and conditions as Lender may deem reasonably necessary to insure that the interest created by this Deed of Trust shall have priority over all possible liens, including those of material suppliers and workmen. Lender may require, among other things, that disbursement requests be supported by receipted bills, expense affidavits, waivers of liens, construction progress reports, and such other documentation as Lender may reasonably request.

**DUE ON SALE - CONSENT BY LENDER.** Lender may, at Lender's option, declare immediately due and payable all sums secured by this Deed of Trust upon the sale or transfer, without Lender's prior written consent, of all or any part of the Real Property, or any interest in the Real Property. A "sale or transfer" means the conveyance of Real Property or any right, title or interest in the Real Property; whether legal, beneficial or equitable; whether voluntary or involuntary; whether by outright sale, deed, installment sale contract, land contract, contract for deed, leasehold interest with a term greater than three (3) years, lease-option contract, or by sale, assignment, or transfer of any beneficial interest in or to any land trust holding title to the Real Property, or by any other method of conveyance of an interest in the Real Property. If any Grantor is a corporation, partnership or limited liability company, transfer also includes any change in ownership of more than twenty-five percent (25%) of the voting stock, partnership interests or limited liability company interests, as the case may be, of such Grantor. However, this option shall not be exercised by Lender if such exercise is prohibited by federal law or by Virginia law.

**TAXES AND LIENS.** The following provisions relating to the taxes and liens on the Property are part of this Deed of Trust:

**Payment.** Grantor shall pay when due (and in all events prior to delinquency) all taxes, special taxes, assessments, charges (including water and sewer), fines and impositions levied against or on account of the Property, and shall pay when due all claims for work done on or for services rendered or material furnished to the Property. Grantor shall maintain the Property free of all liens having priority over or equal to the interest of Lender under this Deed of Trust, except for the lien of taxes and assessments not due and except as otherwise provided in this Deed of Trust.

**Right to Contest.** Grantor may withhold payment of any tax, assessment, or claim in connection with a good faith dispute over the obligation to pay, so long as Lender's interest in the Property is not jeopardized. If a lien arises or is filed as a result of nonpayment, Grantor shall within fifteen (15) days after the lien arises or, if a lien is filed, within fifteen (15) days after Grantor has notice of the filing, secure the discharge of the lien, or if requested by Lender, deposit with Lender cash or a sufficient corporate surety bond or other security satisfactory to Lender in an amount sufficient to discharge the lien plus any costs and attorneys' fees, or other charges that could accrue as a result of a foreclosure or sale under the lien. In any contest, Grantor shall defend itself and Lender and shall satisfy any adverse judgment before enforcement against the Property. Grantor shall name Lender as an additional obligee under any surety bond furnished in the contest proceedings.

**Evidence of Payment.** Grantor shall upon demand furnish to Lender satisfactory evidence of payment of the taxes or assessments and shall authorize the appropriate governmental official to deliver to Lender at any time a written statement of the taxes and assessments against the Property.

**Notice of Construction.** Grantor shall notify Lender at least fifteen (15) days before any work is commenced, any services are furnished, or any materials are supplied to the Property, if any mechanic's lien, materialmen's lien, or other lien could be asserted on account of the work,



**DEED OF TRUST  
(Continued)**

part of this Deed of Trust:

**Title.** Grantor warrants generally that: (a) Grantor holds good and marketable title to the Property in fee simple, free and clear of all liens and encumbrances other than those set forth in the Real Property description or in any title insurance policy, title report, or final title opinion issued in favor of, and accepted by, Lender in connection with this Deed of Trust, and (b) Grantor has the full right, power, and authority to execute and deliver this Deed of Trust to Lender.

**Defense of Title.** Subject to the exception in the paragraph above, Grantor warrants and will forever defend the title to the Property against the lawful claims of all persons. In the event any action or proceeding is commenced that questions Grantor's title or the interest of Trustee or Lender under this Deed of Trust, Grantor shall defend the action at Grantor's expense. Grantor may be the nominal party in such proceeding, but Lender shall be entitled to participate in the proceeding and to be represented in the proceeding by counsel of Lender's own choice, and Grantor will deliver, or cause to be delivered, to Lender such instruments as Lender may request from time to time to permit such participation.

**Compliance With Laws.** Grantor warrants that the Property and Grantor's use of the Property complies with all existing applicable laws, ordinances, and regulations of governmental authorities.

**Survival of Representations and Warranties.** All representations, warranties, and agreements made by Grantor in this Deed of Trust shall survive the execution and delivery of this Deed of Trust, shall be continuing in nature, and shall remain in full force and effect until such time as Grantor's indebtedness shall be paid in full.

**CONDEMNATION.** The following provisions relating to condemnation proceedings are a part of this Deed of Trust:

**Proceedings.** If any proceeding in condemnation is filed, Grantor shall promptly notify Lender in writing, and Grantor shall promptly take such steps as may be necessary to defend the action and obtain the award. Grantor may be the nominal party in such proceeding, but Lender shall be entitled to participate in the proceeding and to be represented in the proceeding by counsel of its own choice, and Grantor will deliver or cause to be delivered to Lender such instruments and documentation as may be requested by Lender from time to time to permit such participation.

**Application of Net Proceeds.** If all or any part of the Property is condemned by eminent domain proceedings or by any proceeding or purchase in lieu of condemnation, Lender may at its election require that all or any portion of the net proceeds of the award be applied to the indebtedness or the repair or restoration of the Property. The net proceeds of the award shall mean the award after payment of all reasonable costs, expenses, and attorneys' fees incurred by Trustee or Lender in connection with the condemnation.

**IMPOSITION OF TAXES, FEES AND CHARGES BY GOVERNMENTAL AUTHORITIES.** The following provisions relating to governmental taxes, fees and charges are a part of this Deed of Trust:

**Current Taxes, Fees and Charges.** Upon request by Lender, Grantor shall execute such documents in addition to this Deed of Trust and take whatever other action is requested by Lender to perfect and continue Lender's lien on the Real Property. Grantor shall reimburse Lender for all taxes, as described below, together with all expenses incurred in recording, perfecting or continuing this Deed of Trust, including without limitation all taxes, fees, documentary stamps, and other charges for recording or registering this Deed of Trust.

**Taxes.** The following shall constitute taxes to which this section applies: (1) a specific tax upon this type of Deed of Trust or upon all or any part of the indebtedness secured by this Deed of Trust; (2) a specific tax on Grantor which Grantor is authorized or required to deduct from payments on the indebtedness secured by this type of Deed of Trust; (3) a tax on this type of Deed of Trust chargeable against the Lender or the holder of the Note; and (4) a specific tax on all or any portion of the indebtedness or on payments of principal and interest made by Grantor.

**Subsequent Taxes.** If any tax to which this section applies is enacted subsequent to the date of this Deed of Trust, this event shall have the same effect as an Event of Default, and Lender may exercise any or all of its available remedies for an Event of Default as provided below unless Grantor either (1) pays the tax before it becomes delinquent, or (2) contests the tax as provided above in the Taxes and Liens section and deposits with Lender cash or a sufficient corporate surety bond or other security satisfactory to Lender.

**SECURITY AGREEMENT; FINANCING STATEMENTS.** The following provisions relating to this Deed of Trust as a security agreement are a part of this Deed of Trust:

**Security Agreement.** This instrument shall constitute a Security Agreement to the extent any of the Property constitutes fixtures, and Lender shall have all of the rights of a secured party under the

DEED OF TRUST  
(Continued)

Uniform Commercial Code as amended from time to time.

**Security Interest.** Upon request by Lender, Grantor shall take whatever action is requested by Lender to perfect and continue Lender's security interest in the Rents and Personal Property. In addition to recording this Deed of Trust in the real property records, Lender may, at any time and without further authorization from Grantor, file executed counterparts, copies or reproductions of this Deed of Trust as a financing statement. Grantor shall reimburse Lender for all expenses incurred in perfecting or continuing this security interest. Upon default, Grantor shall not remove, sever or detach the Personal Property from the Property. Upon default, Grantor shall assemble any Personal Property not affixed to the Property in a manner and at a place convenient to Lender and make it available to Lender promptly following Lender's request to the extent permitted by applicable law.

**Addresses.** The mailing addresses of Grantor (debtor) and Lender (secured party) from which information concerning the security interest granted by this Deed of Trust may be obtained (each as required by the Uniform Commercial Code) are as stated on the first page of this Deed of Trust.

**FURTHER ASSURANCES; ATTORNEY-IN-FACT.** The following provisions relating to further assurances and attorney-in-fact are a part of this Deed of Trust:

**Further Assurances.** At any time, and from time to time, upon request of Lender, Grantor will make, execute and deliver, or will cause to be made, executed or delivered, to Lender or to Lender's designee, and when requested by Lender, cause to be filed, recorded, refiled, or rerecorded, as the case may be, at such times and in such offices and places as Lender may deem appropriate, any and all such mortgages, deeds of trust, security deeds, security agreements, financing statements, continuation statements, instruments of further assurance, certificates, and other documents as may, in the sole opinion of Lender, be necessary or desirable in order to effectuate, complete, perfect, continue, or preserve (1) Grantor's obligations under the Note, this Deed of Trust, and the Related Documents, and (2) the liens and security interests created by this Deed of Trust as first and prior liens on the Property, whether now owned or hereafter acquired by Grantor. Unless prohibited by law or Lender agrees to the contrary in writing, Grantor shall reimburse Lender for all costs and expenses incurred in connection with the matters referred to in this paragraph.

**Attorney-in-Fact.** If Grantor fails to do any of the things referred to in the preceding paragraph, Lender may do so for and in the name of Grantor and at Grantor's expense. For such purposes, Grantor hereby irrevocably appoints Lender as Grantor's attorney-in-fact for the purpose of making, executing, delivering, filing, recording, and doing all other things as may be necessary or desirable, in Lender's sole opinion, to accomplish the matters referred to in the preceding paragraph.

**FULL PERFORMANCE.** If Grantor pays all the indebtedness when due, and otherwise performs all the obligations imposed upon Grantor under this Deed of Trust, Lender shall execute and deliver to Trustee a request for full reconveyance and shall execute and deliver to Grantor suitable statements of termination of any financing statement on file evidencing Lender's security interest in the Rents and the Personal Property. Any reconveyance fee required by law shall be paid by Grantor, if permitted by applicable law.

**EVENTS OF DEFAULT.** Each of the following, at Lender's option, shall constitute an Event of Default under this Deed of Trust:

- Payment Default.** Grantor fails to make any payment when due under the indebtedness.
- Other Defaults.** Grantor fails to comply with or to perform any other term, obligation, covenant or condition contained in this Deed of Trust or in any of the Related Documents or to comply with or to perform any term, obligation, covenant or condition contained in any other agreement between Lender and Grantor.
- Compliance Default.** Failure to comply with any other term, obligation, covenant or condition contained in this Deed of Trust, the Note or in any of the Related Documents.
- Default on Other Payments.** Failure of Grantor within the time required by this Deed of Trust to make any payment for taxes or insurance, or any other payment necessary to prevent filing of or to effect discharge of any lien.
- Default in Favor of Third Parties.** Should Grantor default under any loan, extension of credit, security agreement, purchase or sales agreement, or any other agreement, in favor of any other creditor or person that may materially affect any of Grantor's property or Grantor's ability to repay the indebtedness or perform their respective obligations under this Deed of Trust or any of the Related Documents.
- False Statements.** Any warranty, representation or statement made or furnished to Lender by Grantor or on Grantor's behalf under this Deed of Trust or the Related Documents is false or



DEED OF TRUST  
(Continued)

misleading in any material respect, either now or at the time made or furnished or becomes false or misleading at any time thereafter.

**Defective Collateralization.** This Deed of Trust or any of the Related Documents ceases to be in full force and effect (including failure of any collateral document to create a valid and perfected security interest or lien) at any time and for any reason.

**Death or Insolvency.** The dissolution of Grantor's (regardless of whether election to continue is made), any member withdraws from the limited liability company, or any other termination of Grantor's existence as a going business or the death of any member, the insolvency of Grantor, the appointment of a receiver for any part of Grantor's property, any assignment for the benefit of creditors, any type of creditor workout, or the commencement of any proceeding under any bankruptcy or insolvency laws by or against Grantor.

**Creditor or Forfeiture Proceedings.** Commencement of foreclosure or forfeiture proceedings, whether by judicial proceeding, self-help, repossession or any other method, by any creditor of Grantor or by any governmental agency against any property securing the indebtedness. This includes a garnishment of any of Grantor's accounts, including deposit accounts, with Lender. However, this Event of Default shall not apply if there is a good faith dispute by Grantor as to the validity or reasonableness of the claim which is the basis of the creditor or forfeiture proceeding and if Grantor gives Lender written notice of the creditor or forfeiture proceeding and deposits with Lender monies or a surety bond for the creditor or forfeiture proceeding, in an amount determined by Lender, in its sole discretion, as being an adequate reserve or bond for the dispute.

**Breach of Other Agreement.** Any breach by Grantor under the terms of any other agreement between Grantor and Lender that is not remedied within any grace period provided therein, including without limitation any agreement concerning any indebtedness or other obligation of Grantor to Lender, whether existing now or later.

**Events Affecting Guarantor.** Any of the preceding events occurs with respect to any Guarantor of any of the indebtedness or any Guarantor dies or becomes incompetent, or revokes or disputes the validity of, or liability under, any Guaranty of the indebtedness. In the event of a death, Lender, at its option, may, but shall not be required to, permit the Guarantor's estate to assume unconditionally the obligations arising under the guaranty in a manner satisfactory to Lender, and, in doing so, cure any Event of Default.

**Adverse Change.** A material adverse change occurs in Grantor's financial condition, or Lender believes the prospect of payment or performance of the indebtedness is impaired.

**Insecurity.** Lender in good faith believes itself insecure.

**Right to Cure.** If any default, other than a default in payment is curable and if Grantor has not been given a notice of a breach of the same provision of this Deed of Trust within the preceding twelve (12) months, it may be cured if Grantor, after receiving written notice from Lender demanding cure of such default: (1) cures the default within fifteen (15) days; or (2) if the cure requires more than fifteen (15) days, immediately initiates steps which Lender deems in Lender's sole discretion to be sufficient to cure the default and thereafter continues and completes all reasonable and necessary steps sufficient to produce compliance as soon as reasonably practical.

**RIGHTS AND REMEDIES ON DEFAULT.** If an Event of Default occurs under this Deed of Trust, at any time thereafter, Trustee or Lender may exercise any one or more of the following rights and remedies:

**Election of Remedies.** Election by Lender to pursue any remedy shall not exclude pursuit of any other remedy, and an election to make expenditures or to take action to perform an obligation of Grantor under this Deed of Trust, after Grantor's failure to perform, shall not affect Lender's right to declare a default and exercise its remedies.

**Accelerate Indebtedness.** Lender shall have the right at its option without notice to Grantor to declare the entire indebtedness immediately due and payable, including any prepayment penalty which Grantor would be required to pay. This right is in addition to all other rights given to holders of promissory notes under Title 55 of the Code of Virginia.

**Foreclosure.** With respect to all or any part of the Real Property, the Trustee shall have the right to foreclose by notice and sale, and Lender shall have the right to foreclose by judicial foreclosure, in either case in accordance with and to the full extent provided by applicable law. Grantor expressly waives and releases any requirement or obligation that Lender or Trustee present evidence or otherwise proceed before any court or other judicial or quasi-judicial body as a precondition to or otherwise incident to the exercise of the powers of sale authorized by this Deed of Trust. The proceeds of sale shall be applied by Trustee as follows: (a) first, to pay all proper advertising expenses, auctioneer's allowance, the expenses, if any, required to correct any irregularity in the title, premium for Trustee's bond, auditor's fee, attorneys' fees, and all other expenses of sale

DEED OF TRUST  
(Continued)

incurred in or about the protection and execution of this Deed of Trust, and all moneys advanced for taxes, assessments, insurance, and with interest thereon at the rate provided in the Note, and all taxes and assessments due upon the Property at time of sale, and to retain as compensation a reasonable Trustee's commission; (b) second, to pay the whole amount then remaining unpaid on the Indebtedness; (c) third, to pay liens of record against the Property according to their priority of lien and to the extent that funds remaining in Trustee's hands are available; and (d) last, to pay the remainder of the proceeds, if any, to Grantor, Grantor's heirs, personal representatives, successors or assigns upon the delivery and surrender to the purchaser of possession of the Property, less costs and expenses of obtaining possession.

**UCC Remedies.** With respect to all or any part of the Personal Property, Lender shall have all the rights and remedies of a secured party under the Uniform Commercial Code.

**Collect Rents.** Lender shall have the right, without notice to Grantor to take possession of and manage the Property and collect the Rents, including amounts past due and unpaid, and apply the net proceeds, over and above Lender's costs, against the Indebtedness. In furtherance of this right, Lender may require any tenant or other user of the Property to make payments of rent or use fees directly to Lender. If the Rents are collected by Lender, then Grantor irrevocably designates Lender as Grantor's attorney-in-fact to endorse instruments received in payment thereof in the name of Grantor and to negotiate the same and collect the proceeds. Payments by tenants or other users to Lender in response to Lender's demand shall satisfy the obligations for which the payments are made, whether or not any proper grounds for the demand existed. Lender may exercise its rights under this subparagraph either in person, by agent, or through a receiver.

**Appoint Receiver.** Lender shall have the right to have a receiver appointed to take possession of all or any part of the Property, with the power to protect and preserve the Property, to operate the Property preceding foreclosure or sale, and to collect the Rents from the Property and apply the proceeds, over and above the cost of the receivership, against the Indebtedness. The receiver may serve without bond if permitted by law. Lender's right to the appointment of a receiver shall exist whether or not the apparent value of the Property exceeds the Indebtedness by a substantial amount. Employment by Lender shall not disqualify a person from serving as a receiver.

**Tenancy at Sufferance.** If Grantor remains in possession of the Property after the Property is sold as provided above or Lender otherwise becomes entitled to possession of the Property upon default of Grantor, Grantor shall become a tenant at sufferance of Lender or the purchaser of the Property and shall, at Lender's option, either (1) pay a reasonable rental for the use of the Property, or (2) vacate the Property immediately upon the demand of Lender.

**Other Remedies.** Trustee or Lender shall have any other right or remedy provided in this Deed of Trust or the Note or by law.

**Notice of Sale.** Lender shall give Grantor reasonable notice of the time and place of any public sale of the Personal Property or of the time after which any private sale or other intended disposition of the Personal Property is to be made. Reasonable notice shall mean notice given at least fourteen (14) days before the time of the sale or disposition. Any sale of the Personal Property may be made in conjunction with any sale of the Real Property.

**Sale of the Property.** To the extent permitted by applicable law, Grantor hereby waives any and all rights to have the Property marshalled. In exercising its rights and remedies, the Trustee or Lender shall be free to sell all or any part of the Property together or separately, in one sale or by separate sales. Lender shall be entitled to bid at any public sale on all or any portion of the Property.

**Attorneys' Fees; Expenses.** If Lender institutes any suit or action to enforce any of the terms of this Deed of Trust, Lender shall be entitled to recover such sum as the court may adjudge reasonable as attorneys' fees at trial and upon any appeal. Whether or not any court action is involved, and to the extent not prohibited by law, all reasonable expenses Lender incurs that in Lender's opinion are necessary at any time for the protection of its interest or the enforcement of its rights shall become a part of the Indebtedness payable on demand and shall bear interest at the Note rate from the date of the expenditure until repaid. Expenses covered by this paragraph include, without limitation, however subject to any limits under applicable law, Lender's attorneys' fees and Lender's legal expenses, whether or not there is a lawsuit, including attorneys' fees and expenses for bankruptcy proceedings (including efforts to modify or vacate any automatic stay or injunction), appeals, and any anticipated post-judgment collection services, the cost of searching records, obtaining title reports (including foreclosure reports), surveyors' reports, and appraisal fees, title insurance, a reasonable Trustee's commission and reasonable attorney fees incurred by the Trustee in performing its duties under the Deed of Trust, to the extent permitted by applicable law. Grantor also will pay any court costs, in addition to all other sums provided by law.

**Rights of Trustee.** Trustee shall have all of the rights and duties of Lender as set forth in this

**DEED OF TRUST  
(Continued)**

section.

**POWERS AND OBLIGATIONS OF TRUSTEE.** The following provisions relating to the powers and obligations of Trustee are part of this Deed of Trust:

**Powers of Trustee.** In addition to all powers of Trustee arising as a matter of law, Trustee (and each of them if more than one) shall have the power to take the following actions with respect to the Property upon the written request of Lender and Grantor: (a) join in preparing and filing a map or plat of the Real Property, including the dedication of streets or other rights to the public; (b) join in granting any easement or creating any restriction on the Real Property; and (c) join in any subordination or other agreement affecting this Deed of Trust or the interest of Lender under this Deed of Trust.

**Obligations to Notify.** Trustee shall not be obligated to notify any other party of a pending sale under any other trust deed or lien, or of any action or proceeding in which Grantor, Lender, or Trustee shall be a party, unless the action or proceeding is brought by Trustee.

**Trustee.** Trustee shall meet all qualifications required for Trustee under applicable law. In addition to the rights and remedies set forth above, with respect to all or any part of the Property, the Trustee shall have the right to foreclose by notice and sale, and Lender shall have the right to foreclose by judicial foreclosure, in either case in accordance with and to the full extent provided by applicable law.

**Successor Trustee.** Lender, at Lender's option, at any time hereafter and without prior notice and without specifying any reason, may from time to time appoint a successor Trustee to any Trustee appointed under this Deed of Trust by an instrument executed and acknowledged by Lender and recorded in the office in the jurisdiction where this Deed of Trust has been recorded. The instrument shall contain, in addition to all other matters required by state law, the names of the original Lender, Trustee, and Grantor, the book and page where this Deed of Trust is recorded, and the name of the successor trustee and the county, city or town in which he or she resides, and the instrument shall be executed and acknowledged by Lender or its successors in interest. The successor trustee, without conveyance of the Property, shall succeed to all the title, power, and duties conferred upon the Trustee in this Deed of Trust and by applicable law. This procedure for substitution of Trustee shall govern to the exclusion of all other provisions for substitution.

**Power to Act Separately.** If more than one Trustee is named in this Deed of Trust, any Trustee may act alone, without the joinder of any other Trustee, to exercise any or all the powers given to the Trustees collectively in this Deed of Trust or by applicable law.

**NOTICES.** Any notice required to be given under this Deed of Trust, including without limitation any notice of default and any notice of sale shall be given in writing, and shall be effective when actually delivered, if hand delivered, when actually received by telefacsimile (unless otherwise required by law), when deposited with a nationally recognized overnight courier, or, if mailed, when deposited in the United States mail, as first class, certified or registered mail postage prepaid, directed to the addresses shown near the beginning of this Deed of Trust. All copies of notices of foreclosure from the holder of any lien which has priority over this Deed of Trust shall be sent to Lender's address, as shown near the beginning of this Deed of Trust. Any party may change its address for notices under this Deed of Trust by giving formal written notice to the other parties, specifying that the purpose of the notice is to change the party's address. For notice purposes, Grantor agrees to keep Lender informed at all times of Grantor's current address. Unless otherwise provided or required by law, if there is more than one Grantor, any notice given by Lender to any Grantor is deemed to be notice given to all Grantors.

**SECTION 55-60 OF THE CODE OF VIRGINIA.** Except as may be otherwise provided herein, this Deed of Trust shall be construed to include the provisions of Sections 55-59, 55-69.1, 55-69.2, 55-69.3 and 55-69.4 of the Code of Virginia of 1960, as amended, and to incorporate the provisions of Section 55-60 of the Code of Virginia of 1960, as amended, in the short form indicated as follows:

SUBJECT TO CALL UPON DEFAULT.

EXEMPTIONS WAIVED.

SUBSTITUTION OF TRUSTEES PERMITTED IN THE DISCRETION OF THE  
NOTEHOLDER FOR ANY REASON WHATSOEVER.

RENEWAL, EXTENSION OR REINSTATEMENT PERMITTED.

ADVERTISEMENT REQUIRED: Once a day for three consecutive days in a  
newspaper of general circulation in the City or County in which the  
Property is located, stating the time, place, date, and terms of sale.

**MISCELLANEOUS PROVISIONS.** The following miscellaneous provisions are a part of this Deed of Trust:

**Amendments.** This Deed of Trust, together with any Related Documents, constitutes the entire

**DEED OF TRUST  
(Continued)**

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understanding and agreement of the parties as to the matters set forth in this Deed of Trust. No alteration of or amendment to this Deed of Trust shall be effective unless given in writing and signed by the party or parties sought to be charged or bound by the alteration or amendment.

**Annual Reports.** If the Property is used for purposes other than Grantor's residence, Grantor shall furnish to Lender, upon request, a certified statement of net operating income received from the Property during Grantor's previous fiscal year in such form and detail as Lender shall require. "Net operating income" shall mean all cash receipts from the Property less all cash expenditures made in connection with the operation of the Property.

**Caption Headings.** Caption headings in this Deed of Trust are for convenience purposes only and are not to be used to interpret or define the provisions of this Deed of Trust.

**Merger.** There shall be no merger of the interest or estate created by this Deed of Trust with any other interest or estate in the Property at any time held by or for the benefit of Lender in any capacity, without the written consent of Lender.

**Governing Law.** This Deed of Trust will be governed by federal law applicable to Lender and, to the extent not preempted by federal law, the laws of the Commonwealth of Virginia without regard to its conflicts of law provisions. This Deed of Trust has been accepted by Lender in the Commonwealth of Virginia.

**No Waiver by Lender.** Lender shall not be deemed to have waived any rights under this Deed of Trust unless such waiver is given in writing and signed by Lender. No delay or omission on the part of Lender in exercising any right shall operate as a waiver of such right or any other right. A waiver by Lender of a provision of this Deed of Trust shall not prejudice or constitute a waiver of Lender's right otherwise to demand strict compliance with that provision or any other provision of this Deed of Trust. No prior waiver by Lender, nor any course of dealing between Lender and Grantor, shall constitute a waiver of any of Lender's rights or of any of Grantor's obligations as to any future transactions. Whenever the consent of Lender is required under this Deed of Trust, the granting of such consent by Lender in any instance shall not constitute continuing consent to subsequent instances where such consent is required and in all cases such consent may be granted or withheld in the sole discretion of Lender.

**Severability.** If a court of competent jurisdiction finds any provision of this Deed of Trust to be illegal, invalid, or unenforceable as to any circumstance, that finding shall not make the offending provision illegal, invalid, or unenforceable as to any other circumstance. If feasible, the offending provision shall be considered modified so that it becomes legal, valid and enforceable. If the offending provision cannot be so modified, it shall be considered deleted from this Deed of Trust. Unless otherwise required by law, the illegality, invalidity, or unenforceability of any provision of this Deed of Trust shall not affect the legality, validity or enforceability of any other provision of this Deed of Trust.

**Successors and Assigns.** Subject to any limitations stated in this Deed of Trust on transfer of Grantor's interest, this Deed of Trust shall be binding upon and inure to the benefit of the parties, their heirs, personal representatives, successors and assigns. If ownership of the Property becomes vested in a person other than Grantor, Lender, without notice to Grantor, may deal with Grantor's successors with reference to this Deed of Trust and the indebtedness by way of forbearance or extension without releasing Grantor from the obligations of this Deed of Trust or liability under the indebtedness.

**Time Is of the Essence.** Time is of the essence in the performance of this Deed of Trust.

**Waiver of Homestead Exemption.** Grantor hereby releases and waives all rights and benefits of the homestead exemption laws of the Commonwealth of Virginia as to all indebtedness secured by this Deed of Trust.

**DEFINITIONS.** The following capitalized words and terms shall have the following meanings when used in this Deed of Trust. Unless specifically stated to the contrary, all references to dollar amounts shall mean amounts in lawful money of the United States of America. Words and terms used in the singular shall include the plural, and the plural shall include the singular, as the context may require. Words and terms not otherwise defined in this Deed of Trust shall have the meanings attributed to such terms in the Uniform Commercial Code:

**Beneficiary.** The word "Beneficiary" means TowneBank, and its successors and assigns.

**Borrower.** The word "Borrower" means 441 Washington Street, LLC and includes all co-signers and co-makers signing the Note.

**Deed of Trust.** The words "Deed of Trust" mean this Deed of Trust among Grantor, Lender, and Trustee.

**DEED OF TRUST  
(Continued)**

**Default.** The word "Default" means the Default set forth in this Deed of Trust in the section titled "Default".

**Environmental Laws.** The words "Environmental Laws" mean any and all state, federal and local statutes, regulations and ordinances relating to the protection of human health or the environment, including without limitation the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended, 42 U.S.C. Section 9601, et seq. ("CERCLA"), the Superfund Amendments and Reauthorization Act of 1986, Pub. L. No. 99-499 ("SARA"), the Hazardous Materials Transportation Act, 49 U.S.C. Section 1801, et seq., the Resource Conservation and Recovery Act, 42 U.S.C. Section 6901, et seq., or other applicable state or federal laws, rules, or regulations adopted pursuant thereto.

**Event of Default.** The words "Event of Default" mean any of the events of default set forth in this Deed of Trust in the events of default section of this Deed of Trust.

**Grantor.** The word "Grantor" means 441 Washington Street, LLC.

**Guarantor.** The word "Guarantor" means any guarantor, surety, or accommodation party of any or all of the Indebtedness.

**Guaranty.** The word "Guaranty" means the guaranty from Guarantor to Lender, including without limitation a guaranty of all or part of the Note.

**Hazardous Substances.** The words "Hazardous Substances" mean materials that, because of their quantity, concentration or physical, chemical or infectious characteristics, may cause or pose a present or potential hazard to human health or the environment when improperly used, treated, stored, disposed of, generated, manufactured, transported or otherwise handled. The words "Hazardous Substances" are used in their very broadest sense and include without limitation any and all hazardous or toxic substances, materials or waste as defined by or listed under the Environmental Laws. The term "Hazardous Substances" also includes, without limitation, petroleum and petroleum by-products or any fraction thereof and asbestos.

**Improvements.** The word "Improvements" means all existing and future improvements, buildings, structures, mobile homes affixed on the Real Property, facilities, additions, replacements and other construction on the Real Property.

**Indebtedness.** The word "Indebtedness" means all principal, interest, and other amounts, costs and expenses payable under the Note or Related Documents, together with all renewals of, extensions of, modifications of, consolidations of and substitutions for the Note or Related Documents and any amounts expended or advanced by Lender to discharge Grantor's obligations or expenses incurred by Trustee or Lender to enforce Grantor's obligations under this Deed of Trust, together with interest on such amounts as provided in this Deed of Trust.

**Lender.** The word "Lender" means TowneBank, its successors and assigns.

**Note.** The word "Note" means the promissory note dated September 19, 2005, in the original principal amount of \$500,000.00 from Grantor to Lender, together with all modifications of and renewals, replacements, and substitutions for the promissory note or agreement. **NOTICE TO GRANTOR: THE NOTE CONTAINS A VARIABLE INTEREST RATE.**

**Personal Property.** The words "Personal Property" mean all equipment, fixtures, and other articles of personal property now or hereafter owned by Grantor, and now or hereafter attached or affixed to the Real Property; together with all accessions, parts, and additions to, all replacements of, and all substitutions for, any of such property; and together with all proceeds (including without limitation all insurance proceeds and refunds of premiums) from any sale or other disposition of the Property.

**Property.** The word "Property" means collectively the Real Property and the Personal Property.

**Real Property.** The words "Real Property" mean the real property, interests and rights, as further described in this Deed of Trust.

**Related Documents.** The words "Related Documents" mean all promissory notes, credit agreements, loan agreements, environmental agreements, guaranties, security agreements, mortgages, deeds of trust, security deeds, collateral mortgages, and all other instruments, agreements and documents, whether now or hereafter existing, executed in connection with the Indebtedness.

**Rents.** The word "Rents" means all present and future rents, revenues, income, issues, royalties, profits, and other benefits derived from the Property.

**Trustee.** The word "Trustee" means William T. HODSDEN, whose address is 6001 Harbour View Blvd., Suffolk, VA 23435 and William D SESSOMS, JR., whose address is 984 First Colonial Rd.,



## SCHEDULE "A"

All that certain lot, piece or parcel of land, with the buildings and improvements thereon known as the "Old 1891 Building", situate lying and being in the City of Portsmouth, State of Virginia, and known, numbered and designated as "Parcel B", as shown on that certain plat entitled "MINOR SUBDIVISION OF THE PROPERTY OF MONUMENTAL UNITED METHODIST CHURCH, PORTSMOUTH, VIRGINIA", dated January 5, 2004, prepared by Stephen I. Boone and Associates, P.C., Land Surveyors, Portsmouth, Virginia, which said plat is recorded in the Clerk's Office of the Circuit Court of the City of Portsmouth, Virginia, in Map Book 19, pages 198, 199, and to which reference may be made for a more particular description.

INSTRUMENT #050020117  
RECORDED IN THE CLERK'S OFFICE OF  
PORTSMOUTH ON  
SEPTEMBER 28, 2005 AT 02:54PM  
CYNTHIA P. MORRISON, CLERK

RECORDED BY: LNP

Instrument Control Number

060 009788

Commonwealth of Virginia  
Land Record Instruments  
Cover Sheet - Form A

[LS VLR Cover Sheet Agent 1.0.66]

5-81-2006 LMP  
3 P 3:09

T  
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C  
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Date of Instrument: [5/2/2006 ]  
Instrument Type: [DTM ]

Number of Parcels [ 1 ]  
Number of Pages [ 4 ]

City  County  [City Of Portsmouth ] (Box for Deed Stamp Only)

First and Second Grantors

Last Name	First Name	Middle Name or Initial	Suffix
[441 WASHINGTON ST ]	[ ]	[ ]	[ ]
[ ]	[ ]	[ ]	[ ]

First and Second Grantees

Last Name	First Name	Middle Name or Initial	Suffix
[HODSDEN ]	[WILLIAM ]	[T ]	[ ]
[SESSOMS ]	[WILLIAM ]	[D ]	[JR ]

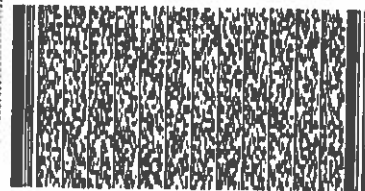
Grantee Address (Name) [WILLIAM T. HODSDEN AND WILLIAM D. SESSOMS, JR.]  
(Address 1) [6001 HARBOUR VIEW BLVD.]  
(Address 2) [ ]  
(City, State, Zip) [SUFFOLK ] [VA ] [23435 ]  
Consideration [574,400.00 ] Existing Debt [0.00 ] Assumption Balance [500,000.00 ]

Prior Instr. Recorded at: City  County  [City Of Portsmouth ] Percent. in this Juris. [ 100 ]  
Book [ ] Page [ ] Instr. No [050020117 ]

Parcel Identification No (PIN) [0012 PARCEL 0841]  
Tax Map Num. (If different than PIN) [0012 PARCEL 0841]  
Short Property Description [WASHINGTON STREET, PORTSMOUTH, VA ]

Current Property Address (Address 1) [441 WASHINGTON STREET ]  
(Address 2) [ ]  
(City, State, Zip) [PORTSMOUTH ] [VA ] [23704 ]

Instrument Prepared by [Saunders Barlow Riddick ]  
Recording Paid for by [Saunders Barlow Riddick ]  
Return Recording to (Name) [Saunders Barlow Riddick Babineau, P.C.]  
(Address 1) [705 W. Washington Street ]  
(Address 2) [ ]  
(City, State, Zip) [Suffolk ] [VA ] [23434 ]  
Customer Case ID [04R-522 ] [ ] [ ]





**RECORDATION REQUESTED BY:**

TowneBank  
Pavilion  
2101 Parks Avenue #100  
Virginia Beach, VA 23464

**WHEN RECORDED MAIL TO:**

TowneBank  
P. O. Box 7188  
Portsmouth, VA 23707

**SEND TAX NOTICES TO:**

441 Washington Street, LLC  
1729 Royal Park Court  
Virginia Beach, VA 23464

Parcel ID No(s): 0012-0840

**FOR RECORDER'S USE ONLY**

This Modification of Deed of Trust prepared by: Shannon H Pride, Private Banking Officer, TowneBank

**MODIFICATION OF DEED OF TRUST**

**THIS MODIFICATION OF DEED OF TRUST** dated April 28, 2006, is made and executed among among 441 Washington Street, LLC ("Grantor"); William T HODSDEN; and William D SESSOMS, JR., whose address is 6001 Harbour View Blvd., Suffolk, VA 23435 ("Grantee," also referred to below as "Trustee"); and TowneBank, whose address is Pavilion, 2101 Parks Avenue #100, Virginia Beach, VA 23464 ("Lender").

**DEED OF TRUST.** Grantor executed and delivered to Trustee a Deed of Trust dated September 19, 2005 (the "Deed of Trust") recorded Credit Line Deed of Trust dated 09/19/05 recorded in the Clerk of Courts of Portsmouth, BK 0000 Page 0678, with respect to certain real property more particularly described in the Deed of Trust and commonly known as Real Property located at 441 Washington Street, Portsmouth, VA 23704. The Deed of Trust provides that any Trustee may act alone to exercise all the rights and powers of any other Trustee.

**MODIFICATION.** Lender and Grantor hereby modify the Deed of Trust as follows:

1. As a result of an agreement between Lender and Grantor, as of the date hereof, the principal amount of the Note or other indebtedness secured by the Deed of Trust has been increased to \$574,400.00. Accordingly, the principal amount of the indebtedness secured by the Deed of Trust is hereby increased to \$574,400.00.
2. The words "Deed of Trust" mean the Deed of Trust as modified by this Modification, and the word "indebtedness" shall include the Change in Terms dated of even date herewith executed by Grantor for the benefit of Lender modifying the terms of the Note or other indebtedness secured by the Deed of Trust.
3. This Modification is a Related Document as defined in the Deed of Trust.

**EXEMPTION CLAIMED:**THE PURPOSE OF THIS MODIFICATION IS TO MODIFY THE TERMS OF A DEED OF TRUST SECURING AN EXISTING DEBT WITH LENDER, WHICH DEBT IS SECURED BY THE DEED OF TRUST ON WHICH RECORDATION TAXES HAVE BEEN PAID. PURSUANT TO 58.1-803(D) OF THE CODE OF VIRGINIA OF 1950, AS AMENDED, RECORDATION TAXES ON THIS MODIFICATION HAVE BEEN BASED ON THE DIFFERENCE BETWEEN THE AMOUNT OF THE INCREASED PRINCIPAL INDEBTEDNESS SECURED BY THE DEED OF TRUST PURSUANT TO THIS MODIFICATION (\$574,400.00) AND THE AMOUNT OF THE ORIGINAL PRINCIPAL INDEBTEDNESS SECURED BY THE DEED OF TRUST (\$500,000.00), WHICH IS \$(74,400.00).

**CONTINUING VALIDITY.** Except as expressly modified above, the terms of the original Deed of Trust shall remain unchanged and in full force and effect. Consent by Lender to this Modification does not waive Lender's right to require strict performance of the Deed of Trust as changed above nor obligate Lender to make any future modifications. Nothing in this Modification shall constitute a satisfaction of the promissory note or other credit agreement secured by the Deed of Trust (the "Note"). It is the intention of Lender to retain as liable all parties to the Deed of Trust and all parties, makers and endorsers to the Note, including accommodation parties, unless a party is expressly released by Lender in writing. Any maker or endorser, including accommodation makers, shall not be released by virtue of

MODIFICATION OF DEED OF TRUST  
(Continued)

this Modification. If any person who signed the original Deed of Trust does not sign this Modification, then all persons signing below acknowledge that this Modification is given conditionally, based on the representation to Lender that the non-signing person consents to the changes and provisions of this Modification or otherwise will not be released by it. This waiver applies not only to any initial extension or modification, but also to all such subsequent actions.

**CONSENT OF TRUSTEE.** Trustee hereby consents to the modifications effected by the Modification. By their execution of this Modification Grantor and Lender expressly consent to and authorize Trustee to execute this Modification.

**GRANTOR ACKNOWLEDGES HAVING READ ALL THE PROVISIONS OF THIS MODIFICATION OF DEED OF TRUST AND GRANTOR AGREES TO ITS TERMS. THIS MODIFICATION OF DEED OF TRUST IS DATED APRIL 28, 2006.**

**THIS MODIFICATION IS GIVEN UNDER SEAL AND IT IS INTENDED THAT THIS MODIFICATION IS AND SHALL CONSTITUTE AND HAVE THE EFFECT OF A SEALED INSTRUMENT ACCORDING TO LAW.**

GRANTOR:

441 WASHINGTON STREET, LLC

By:  (Seal)  
Ernest R. Holloway, Member of 441 Washington Street,  
LLC

TRUSTEE:

X  (Seal)  
William T. HODSDEN

X  (Seal)  
William D. SESSOMS, JR.

LENDER:

TOWNERANK  
X  (Seal)  
Authorized Officer

LIMITED LIABILITY COMPANY ACKNOWLEDGMENT

STATE OF Virginia )  
 ) SS  
COUNTY OF Staffolk )

On this 28 day of April, 2006, before me, the undersigned Notary Public, personally appeared Ernest R Holloway, Member of 441 Washington Street, LLC, and known to me to be a member or designated agent of the limited liability company that executed the Modification of Deed of Trust and acknowledged the Modification to be the free and voluntary act and deed of the limited liability company, by authority of statute, its articles of organization or its operating agreement, for the uses and purposes therein mentioned, and on oath stated that he or she is authorized to execute this Modification and in fact executed the Modification on behalf of the limited liability company.

By [Signature] Residing at Staffolk, VA  
Notary Public in and for VA My commission expires 4-30-09

TRUSTEE ACKNOWLEDGMENT

STATE OF Virginia )  
 ) SS  
COUNTY OF Virginia Beach )

On this day before me, the undersigned Notary Public, personally appeared ~~William T HODDGEN~~ and William D SESSOMS, JR., to me known to be the individuals described in and who executed the Modification of Deed of Trust, and acknowledged that they signed the Modification as their free and voluntary act and deed, for the uses and purposes therein mentioned.

Given under my hand and official seal this 28<sup>th</sup> day of April, 2006.  
By Shannon H. Parde Residing at Virginia Beach  
Notary Public in and for Virginia My commission expires 11/30/06

LENDER ACKNOWLEDGMENT

STATE OF Virginia )  
 )  
 ) SS  
COUNTY OF Virginia Beach )

On this 25<sup>th</sup> day of April, 2006, before me, the undersigned Notary Public, personally appeared Brenda G. Harper and known to me to be the officer, authorized agent for the Lender that executed the within and foregoing instrument and acknowledged said instrument to be the free and voluntary act and deed of the said Lender, duly authorized by the Lender through its board of directors or otherwise, for the uses and purposes therein mentioned, and on oath stated that he or she is authorized to execute this said instrument and that the seal affixed is the corporate seal of said Lender.

By Shannon H. Pride Residing at Virginia Beach  
Notary Public in and for Virginia My commission expires 11/30/06

INSTRUMENT #060009788  
RECORDED IN THE CLERK'S OFFICE OF  
PORTSMOUTH ON  
MAY 9, 2006 AT 02:39PM  
CYNTHIA P. MORRISON, CLERK

RECORDED BY: LNP

PK1204660459

6677

DECLARATION OF COVENANTS  
For Storm and Surface Water  
Facility and System Maintenance

This Declaration of Covenants made this 19th day  
of August, 1997, by Monumental United Methodist Church,  
hereinafter referred to as "CONVENANTOR", to and for the  
benefit of the City of Portsmouth, Virginia and its  
successors and assigns, hereinafter referred to as "CITY".

W I T N E S S E T H:

WHEREAS, the City is authorized and required to  
regulate and control the disposition of storm and surface  
waters under the provisions of Section 31.1-2, 32-273 and  
33.1 et seq., of the Code of the City of Portsmouth,  
Virginia, 1988, as amended; and

WHEREAS, the installation of a storm and surface water  
management facility and system, including vegetated filter  
buffer areas, may be required by the City of a property  
owner or developer in order to comply with said Code  
provisions; and

WHEREAS, Covenantor is the owner of a certain tract or  
parcel of land more particularly described as:

Monumental United Methodist Church Parking Lot Improvements,  
Queen Street and Washington Street, Portsmouth, VA

and;

58.1-811 *2nd to exempt*

25

PK 1204 POC 460

WHEREAS, Covenantor desires to construct certain improvements on its property which will alter existing storm and surface water conditions on both the property and adjacent lands; and

WHEREAS, in order to accommodate and regulate these anticipated changes in existing storm and surface water flow conditions, Covenantor desires to build, install, and maintain at its expense, a storm and surface water management facility, hereinafter referred to as the "Facility" and more particularly described and shown on plans entitled Site Plan, Parking Lot Improvements, Monumental United Methodist Church, Queen St & Washington St, Portsmouth, VA, and dated July 30, 1997; and

WHEREAS, the City has reviewed and approved these plans subject to the execution of this Declaration.

NOW THEREFORE, in consideration of the benefits received by Covenantor and/or its grantees and assigns as a result of the City's approval of the plans, Covenantor with full authority to execute deeds, deeds of trust, other covenants, and all rights, title and interest in the property described above, does hereby covenant with the City on its behalf and that of its grantees and assigns as follows:

1. Covenantor and/or its grantees and assigns shall construct, or install, and perpetually maintain, at

EX 1204660461

its/their sole expense, the above-referenced facility in strict accordance with the plan approved by the City.

2. Covenantor and/or its grantees and assigns shall, at its/their sole expense, make such changes or modifications to the Facility as may, in the City's sole discretion, be determined necessary to insure that the Facility is properly maintained and continues to operate as designed and approved.

3. The City, its agents, employees and contractors shall have the perpetual right of ingress and egress over the property of Covenantor and/or its grantees and assigns and shall also have the right to inspect at reasonable times and in reasonable manner, the Facility in order to insure that the Facility is being properly maintained and is continuing to perform in an adequate manner.

4. Covenantor and/or its grantees and assigns agree that should it fail to correct any defects in the above-described Facility within ten (10) days from the issuance of written notice, or shall fail to maintain the Facility in accordance with the design and plan approved by the City and also in accordance with any law and applicable regulation or, in the event of an emergency as determined by the City in its sole discretion, the City is authorized to enter onto Covenantor's or its grantees' or assigns' property, to make all repairs, and to perform all maintenance, construction and reconstruction as the City deems necessary. The City shall then assess Covenantor

and/or its grantees and assigns and/or all landowners served by the Facility any expenses incurred in the above tasks and said assessments may be placed on the property tax bills of the properties served by said Facility and collected as ordinary taxes by the City. Covenantor and/or its grantees and assigns agree to pay any such assessments. In collecting such expenses, the City shall not be limited to the above remedy, but shall also have available to it all other remedies accorded by law for the collection of unpaid debts.

5. Covenantor and/or its grantees and assigns shall indemnify, save harmless and defend the City from and against any and all claims, demands, suits, liabilities, losses, damages and payments, including attorneys fees claimed or made by persons not parties to this Declaration, against the City that are alleged or proved to result or arise from the Covenantor's and/or its grantees' or assigns' construction, operation, or maintenance of the Facility that is the subject of this Declaration.

6. The covenants contained herein shall run with the land and the Covenantor and/or its grantees and assigns further agree that whenever the subject property or any portion thereof shall be held, sold and conveyed, it shall be subject to the covenants, stipulations, agreements and provisions of this Declaration, which shall apply to bind and be obligatory upon the Covenantor hereto, its heirs, successors, grantees, and assigns and shall bind all



EX 1204 PG 0453

present and subsequent owners of the property served by the Facility.

7. The Covenantor and/or its grantees and assigns shall promptly notify the City when the Covenantor and/or its grantees and assigns legally transfer any of the Covenantor's and/or its grantees' or assigns' responsibilities for the Facility. The Covenantor and/or its grantees and assigns shall supply the City Engineer of the City of Portsmouth with a copy of any documents of sale or transfer, executed by both parties and a copy of this Declaration acknowledged by all purchasers or transferees.

8. Provisions of this Declaration shall be severable and, if any phrase, clause, sentence or provision is declared unconstitutional, or the applicability thereof to Covenantor and/or its grantees or assigns is held invalid, the remainder of this Declaration shall not be affected thereby.

9. The Declaration shall be recorded in the Clerk's Office of the Circuit Court of the City of Portsmouth, Virginia, at the Covenantor's and/or its grantees' or assigns' expense.

10. In the event that the City shall determine in its sole discretion at any future time that the Facility is no longer required, then the City shall at the request of the Covenantor and/or its grantees or assigns execute a release of this Declaration of Covenants which the Covenantor and/or its grantees or assigns shall record at their

TX 1204 PG 0464

expense.

11. In the event of any dispute arising under the provisions of this Declaration, the laws of the Commonwealth of Virginia shall apply, and jurisdiction over such dispute shall be in the Circuit Court of the City of Portsmouth.

IN WITNESS WHEREOF, Covenantor has executed this Declaration of Covenants on this 20th day of August, 1997.

COVENANTOR

By [Signature]  
Ollie J. Amon, Jr.,  
Chairman, Board of Trustees

COMMONWEALTH OF VIRGINIA  
CITY OF PORTSMOUTH, to wit:

The foregoing instrument was acknowledged before me this 20th day of August, 1997, by Ollie J. Amon, Jr.

[Signature]  
NOTARY PUBLIC

My Commission Expires: 9-30-99

RECORDED  
1709pm  
BY: [Signature]

006099

Commonwealth of Virginia  
Land Record Instruments  
Cover Sheet - Form A

[ILS VLR Cover Sheet Agent 1.0.59]

T  
A  
X  
E  
S  
P  
Y

Date of Instrument: [ 3/25/04 ]  
Instrument Type: [ B&S. ]  
Number of Parcels [ 1 ]  
Number of Pages [ 7 ]

(Box for Deed Stamp Only)

City  County  [ Portsmouth ]

First and Second Grantors

	Last Name	First Name	Middle Name or Initial	Suffix
<input checked="" type="checkbox"/>	BARHAM	Stephanie		
<input checked="" type="checkbox"/>	TYRCITTE	Phyllis		

First and Second Grantees

	Last Name	First Name	Middle Name or Initial	Suffix
<input checked="" type="checkbox"/>	CITY OF PORTSMOUTH, VIRGINIA			

Grantee Address (Name) [ City of Portsmouth, Virginia ]  
(Address 1) [ 801 Crawford Street ]  
(Address 2) [ ]  
(City, State, Zip) [ Portsmouth ] [ VA ] [ 23704 ]  
Consideration [ \$101,060.00 ] Existing Debt [ ] Assumption Balance [ ]

Prior Inst. Recorded at: City  County  [ Portsmouth ] Percent. In this Juris. [ 100 ]  
Book [ ] Page [ ] Instr. No [ ]  
Parcel Identification No (PIN) [ 0840 ]  
Tax Map Num. (If different than PIN) [ 0012 ]  
Short Property Description [ Minor Subdivision of the Property of Monumental United Methodist Church ]  
Current Property Address (Address 1) [ Washington & London Streets ]  
(Address 2) [ ]  
(City, State, Zip) [ Portsmouth ] [ VA ] [ 23704 ]

Instrument Prepared by [ W. Eugene White, Assistant City Attorney ]  
Recording Paid for by [ City of Portsmouth ]  
Return Recording to (Name) [ W. Eugene White, Assistant City Attorney ]  
(Address 1) [ 801 Crawford Street ]  
(Address 2) [ ]  
(City, State, Zip) [ Portsmouth ] [ VA ] [ 23704 ]  
Customer Case ID [ ] [ ] [ ] [ ]

ADDITIONAL GRANTEEES

Tax Exempt	Last Name	First Name	Middle Name	Suffix
x	TRUMBLE	Richard	D.	
x	ROANE	David	W.	
x	BRAUCHER	Mary	Lou	
x	EARLY	E.	Saunders	Jr.
x	BENSON	Warren	D.	
x	WYNNE	J.	Warren	

Exempt under provisions of Sec. 58.1-811

Prepared by:  
W. Eugene White  
Assistant City Attorney  
801 Crawford Street  
Portsmouth, Virginia 23704

**STEPHANIE P. BARHAM,  
PHYLLIS TURCOTTE,  
RICHARD D. TRUMBLE,  
DAVID W. ROANE,  
MARY LOU BRAUCHER,  
E. SAUNDERS EARLY, JR.,  
WARREN D. BENSON and  
J. WARREN WYNNE, Trustees of  
Monumental United Methodist Church.**

**Grantor**

**TO**

**DEED OF BARGAIN AND SALE**

**CITY OF PORTSMOUTH, VIRGINIA,  
A political subdivision of the  
Commonwealth of Virginia,**

**Grantee**

THIS DEED, Made this 22<sup>nd</sup> day of July, 2004, by and

between **STEPHANIE P. BARHAM, PHYLLIS TURCOTTE, RICHARD D. TRUMBLE,  
DAVID W. ROANE, MARY LOU BRAUCHER, E. SAUNDERS EARLY, JR., WARREN  
D. BENSON and J. WARREN WYNNE, Trustees of MONUMENTAL UNITED  
METHODIST CHURCH, party of the first part, and the CITY OF PORTSMOUTH,  
VIRGINIA, a political subdivision of the Commonwealth of Virginia, Grantee, party of the  
second part, whose address is 801 Crawford Street, Portsmouth, Virginia 23704.**

**WITNESSETH :**

That for and in consideration of the sum of One Dollar (\$1.00), cash in hand paid, the receipt of which is hereby acknowledged, and other good and valuable considerations, the said GRANTOR does grant and convey, with Special Warranty, unto the said GRANTEE, the following described property, to-wit:

All that certain lot, piece or parcel of land, with the buildings and improvements thereon known as the "Old 1891 Building", situate lying and being in the City of Portsmouth, State of Virginia, and known, numbered and designated as "Parcel B", as shown on that certain plat entitled "**MINOR SUBDIVISION OF THE PROPERTY OF MONUMENTAL UNITED METHODIST CHURCH, PORTSMOUTH, VIRGINIA**", dated January 5, 2004, made by Stephen I. Boone and Associates, P.C., Land Surveyors, Portsmouth, Virginia, which said plat is recorded simultaneously herewith in the Clerk's Office of the Circuit Court of the City of Portsmouth, Virginia, in Map Book 17, pages 118 + 119, and to which reference may be made for a more particular description. **Map & Parcel 0012-0840**

It being a portion of the property conveyed to Grantor by deed of The Most Reverend Walter F. Sullivan, Roman Catholic Bishop of the Diocese of Richmond, Virginia, dated April 26, 1996, and duly recorded in the Clerk's Office of the Circuit Court of the City of Portsmouth, Virginia in Deed Book 1171, at page 1015.

**RESTRICTIVE COVENANT:** The property conveyed hereinabove described as Parcel B is conveyed subject to the following Restrictive Covenant, which shall run with the land hereby conveyed, and shall be binding on Grantee and its successors and/or assigns in title, and shall be for the benefit of Grantor, its successors and/or assigns in title and in favor of the lands described as Parcel A on the aforementioned plat of the property of Monumental United Methodist Church.

1. It shall the responsibility of Grantee, its successors and/or assigns in title to see to the complete restoration of the "Old 1891 Building" located on Parcel B as hereinbefore

described no later than midnight February 22, 2009, regardless of whether the restoration is completed by the Grantee or by a third party to which Grantee conveys the property. Restoration shall be deemed completed by the issuance of a Certificate of Occupancy.

2. If the Grantee, its successors and/or assigns in title fail to timely complete restoration, as described in Paragraph 1 of this Covenant, then the Grantee, and/or its successors and/or assigns in title shall re-convey Parcel B to Grantor at no cost to Grantor regardless of any improvements or enhancements that may have been made, and shall release the Restriction placed on that Parcel designated as Non-Buildable Area on the aforementioned plat, and the Grantee, its successors and/or assigns in title shall also release and cancel the restrictive covenants on Parcel B. If the Grantee, its successors and/or assigns in title fail to timely reconvey Parcel B to Grantor its successors and/or assigns in title as required by this Restrictive Covenant, and to release the Restrictive Covenant on the Non-Buildable Area, and Grantor seeks judicial relief as a result, the Grantee, its successors and/or assigns in title shall be obligated to pay all costs and expenses, including attorney fees, reasonably incurred by Grantor. After reconveyance, should it occur, Grantor shall have the right (but not the obligation) to obtain a permit to demolish any and all structures on Parcel B, including the "Old 1891 Building", without any further right of deliberation or approval by the Grantee. The Grantee shall, if requested by a proper written application of Grantor, issue the demolition permit without requiring any hearing or approval by the Commission of Architectural Review, City Council, or any other deliberative body. The permit shall be issued promptly, without delay. Provided, however, that the application for the demolition permit must comply with all routine requirements necessary to protect public safety and to comply with all other routine demolition

requirements imposed by law. In the event that the Grantee, its successors and/or assigns in title fail to comply with Paragraph 1 hereof, any easement rights, previously granted by Grantor to the Grantee in connection with the conveyance of Parcel B shall become void and of no effect and shall be included in the re-conveyance back to Grantor, should it occur. This right of Grantor to this re-conveyance shall run with the land in favor of Grantor. Upon timely issuance of a Certificate of Occupancy pursuant to Paragraph 1 hereof, Grantor shall forthwith release, terminate, and cancel such restrictive covenant, making it of no further force or effect.

3. In the event Grantee, its successors and/or assigns in title should be granted a Certificate of Occupancy prior to February 22, 2009, Grantor shall forthwith release, terminate and cancel this Restrictive Covenant, and such Covenant shall have no further force or effect.

**PARKING RIGHTS:** Grantor hereby grants unto Grantee, its successors and/or assigns in title the perpetual right and privilege to lease and use twelve parking spaces belonging to Grantor and located in its parking lot along and adjacent to the eastern line of Parcel B as hereinabove described, said lease of said spaces to be at the market rate then applicable to open, non-garage parking lots located in the City of Portsmouth. The lease of these spaces shall exclude the use of these spaces on Sundays. Failure to exercise this right to lease for any period of time shall in no way affect the rights of Grantee and its successors and/or assigns to exercise the right granted herein at such time as it in its sole discretion shall deem appropriate.

**EASEMENT CONVEYANCE:** Grantor hereby conveys to Grantee, its successors and/or assigns in title a perpetual non-exclusive, variable width easement for ingress and egress to and from the southern and eastern lot lines of Parcel B for operation, maintenance and construction on said Parcel B of the "Old 1891 Building" as hereinabove described, and the



twelve (12) parking spaces which Grantee, its successors and/or assigns in title may lease as hereinabove described. The parking rights and easement for ingress and egress herein conveyed are to be over, across, thru and on the property described as follows:

All that certain lot, piece or parcel of land, situate lying and being in the City of Portsmouth, State of Virginia, and known, numbered and designated as "Parcel A", as shown on that certain plat entitled "MINOR SUBDIVISION OF THE PROPERTY OF MONUMENTAL UNITED METHODIST CHURCH, PORTSMOUTH, VIRGINIA", dated January 5, 2004, made by Stephen L. Boone and Associates, P.C., Land Surveyors, Portsmouth, Virginia, which said plat is recorded simultaneously herewith as hereinbefore set forth. **MAP & PARCEL NOS. 0012-0780, 0012-0820, 0012-0840, 0012-0850, 0012-0860 & 0012-0870.**

This Deed is made in compliance with an agreed Settlement Order entered in the United States District Court for the Eastern District of Virginia on February 22, 2002.

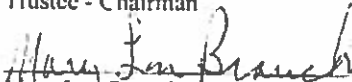
This conveyance is made expressly subject to the unexpired covenants, conditions, restrictions, reservations and easements, if any, duly of record and constituting constructive notice.

WITNESS the following signatures and seals of the two officers of the Board of Trustees, authorized to act on behalf of the Trustees by the *Discipline* of the United Methodist Church and by Order of the Portsmouth Circuit Court.

**TRUSTEES OF MONUMENTAL  
UNITED METHODIST CHURCH**

 (SEAL)

Warren D. Benson,  
Trustee - Chairman

 (SEAL)

Mary Lou Braucher,  
Trustee - Secretary

Executed by Dr. Louis Strickler, Pastor of Monumental United Methodist Church, as evidence of his written consent to this action in accordance with the *Discipline* of The United Methodist Church.

Dr. Louis Strickler (SEAL)  
Dr. Louis Strickler, Pastor

Executed by Ernest T. Herndon, Jr., District Superintendent, as evidence of his written consent to this action in accordance with the *Discipline* of The United Methodist Church, and as certification that this transfer conforms to the *Discipline*.

Ernest T. Herndon, Jr. (SEAL)  
Ernest T. Herndon, Jr.,  
District Superintendent

STATE OF VIRGINIA.  
City of Portsmouth, to-wit:

The foregoing instrument was acknowledged before me, Eric T. Steblew, a Notary Public in and for the City and State aforesaid, on this the 25<sup>th</sup> day of March, 2004, by Warren D. Benson, Chairman and Mary Lou Braucher, Secretary, on behalf of the Trustees of Monumental United Methodist Church.

Eric T. Steblew  
Notary Public

My commission expires: 3/31/07

STATE OF VIRGINIA,  
City of Portsmouth, to-wit:

The foregoing instrument was acknowledged before me, Se. T. Stubblew.,  
a Notary Public in and for the City and State aforesaid, on this the 35<sup>th</sup> day of March, 2004,  
by Dr. Louis Strickler, Pastor of Monumental United Methodist Church.

*Se. T. Stubblew.*  
Notary Public

My commission expires: 3/31/04

STATE OF VIRGINIA,  
City of Portsmouth, to-wit:

The foregoing instrument was acknowledged before me, Se. T. Stubblew.,  
a Notary Public in and for the City and State aforesaid, on this the 35<sup>th</sup> day of March, 2004,  
by Ernest T. Herndon, Jr., District Superintendent of The United Methodist Church.

*Se. T. Stubblew.*  
Notary Public

My commission expires: 3/31/04

INSTRUMENT #200006099  
RECORDED IN THE CLERK'S OFFICE OF  
PORTSMOUTH CO  
MARCH 20 2004 AT 11:54AM  
CYNTHIA P. MORRISON, CLERK

S: *Ernest T. Herndon, Jr.*

006100

Commonwealth of Virginia  
Land Record Instruments  
Cover Sheet - Form A

[ILS VLR Cover Sheet Agent 1.0.59]

T  
A  
X  
E  
E  
P  
T

Date of Instrument: [ 3/25/04 ]  
Instrument Type: [ Rest. Covenants ]  
Number of Parcels [ 1 ]  
Number of Pages [ 6 ]

(Box for Deed Stamp Only)

City  County  [ Portsmouth ]

First and Second Grantors

Last Name	First Name	Middle Name or Initial	Suffix
<input checked="" type="checkbox"/> [ BARHAM ]	[ Stephanie ]	[ P. ]	[ ]
<input checked="" type="checkbox"/> [ TYRCITTE ]	[ Phyllis ]	[ ]	[ ]

First and Second Grantees

Last Name	First Name	Middle Name or Initial	Suffix
<input checked="" type="checkbox"/> [ CITY OF PORTSMOUTH, VIRGINIA ]	[ ]	[ ]	[ ]
<input type="checkbox"/> [ ]	[ ]	[ ]	[ ]

Grantee Address (Name) [ City of Portsmouth, Virginia ]  
(Address 1) [ 801 Crawford Street ]  
(Address 2) [ ]  
(City, State, Zip) [ Portsmouth ] [ VA ] [ 23704 ]  
Consideration [ ] Existing Debt [ ] Assumption Balance [ ]

Prior Inst. Recorded at: City  County  [ Portsmouth ] Percent. In this Juris. [ 100 ]  
Book [ ] Page [ ] Instr. No [ ]  
Parcel Identification No (PIN) [ 0840 ]  
Tax Map Num. (If different than PIN) [ 0012 ]  
Short Property Description [ Minor Subdivision of the Property of Monumental United Methodist Church ]  
Current Property Address (Address 1) [ Washington & London Streets ]  
(Address 2) [ ]  
(City, State, Zip) [ Portsmouth ] [ VA ] [ 23704 ]

Instrument Prepared by [ W. Eugene White, Assistant City Attorney ]  
Recording Paid for by [ City of Portsmouth ]  
Return Recording to (Name) [ W. Eugene White, Assistant City Attorney ]  
(Address 1) [ 801 Crawford Street ]  
(Address 2) [ ]  
(City, State, Zip) [ Portsmouth ] [ VA ] [ 23704 ]  
Customer Case ID [ ] [ ] [ ] [ ]

## ADDITIONAL GRANTEEES

Tax Exempt	Last Name	First Name	Middle Name	Suffix
x	TRUMBLE	Richard	D.	
x	ROANE	David	W.	
x	BRAUCHER	Mary	Lou	
x	EARLY	E.	Saunders	Jr.
x	BENSON	Warren	D.	
x	WYNNE	J.	Warren	

Exempt under provisions of Sec. 58.1-811

Prepared by:  
W. Eugene White  
Assistant City Attorney  
801 Crawford Street  
Portsmouth, Virginia 23704

**STEPHANIE P. BARHAM,  
PHYLLIS TURCOTTE,  
RICHARD D. TRUMBLE,  
DAVID W. ROANE,  
MARY LOU BRAUCHER,  
E. SAUNDERS EARLY, JR.,  
WARREN D. BENSON and  
J. WARREN WYNNE, Trustees of  
Monumental United Methodist Church,**

**Grantor**

**TO**

**DEED OF RESTRICTIVE COVENANTS**

**CITY OF PORTSMOUTH, VIRGINIA,  
A political subdivision of the  
Commonwealth of Virginia,**

**Grantee**

**THIS DEED OF RESTRICTIVE COVENANTS, made this 25<sup>th</sup> day of March**

**2004, by and between STEPHANIE P. BARHAM, PHYLLIS TURCOTTE, RICHARD D. TRUMBLE, DAVID W. ROANE, MARY LOU BRAUCHER, E. SAUNDERS EARLY, JR., WARREN D. BENSON and J. WARREN WYNNE, TRUSTEES OF MONUMENTAL UNITED METHODIST CHURCH, GRANTOR, and the CITY OF PORTSMOUTH, VIRGINIA, a political subdivision of the Commonwealth of Virginia,**

**GRANTEE**, whose address is 801 Crawford Street, Portsmouth, Virginia 23704, provide as follows:

**WITNESSETH:** For the sum of \$10.00, cash in hand paid, plus other good and valuable considerations, the receipt and adequacy of which are hereby acknowledged, Grantor does hereby grant and convey unto Grantee certain restrictive covenants (the "Covenants") as set forth herein:

**1. PURPOSE.** The Covenants contained herein are made in compliance with the agreed Settlement Order entered on February 22, 2002 in the United States District Court for the Eastern District of Virginia and are for the purpose of insuring that the land described herein shall be used only in accordance with said order.

**2. LAND AFFECTED.** The said Land, which is affected by and made subject to the Covenants (the "Land") is described as follows, to-wit:

All that certain piece or parcel of land, situate in the City of Portsmouth, Virginia, and shown and designated as **NON-BUILDABLE AREA** on that certain plat entitled: **"MINOR SUBDIVISION OF THE PROPERTY OF MONUMENTAL UNITED METHODIST CHURCH, PORTSMOUTH, VIRGINIA"**, dated January 5, 2004, made by Stephen I. Boone and Associates, P.C., Land Surveyors, Portsmouth, Virginia, which said plat is recorded simultaneously herewith in the Clerk's Office of the Circuit Court of the City of Portsmouth, Virginia, in Map Book 117, pages 148 + 149, said area being more particularly bounded and described as follows: Beginning at the point where the north line of "Parcel B" as shown on said plat intersects the east right of way line of Washington Street; thence north along the east right of way line of Washington Street 38 feet to the southeast intersection of the east right of way line of Washington Street and the south right of way line of London Street; thence along the south right of way line of London Street S 89° 31' 07" E 77.11 feet, more or less, to the point where the east line of the aforementioned "Parcel B", if extended in a northerly direction, intersects the south right of way line of London Street; thence south along the extension of the east line of "Parcel B" 38 feet, more or less, to the point where the north and east lines of "Parcel B" intersect at the northeast corner of said parcel B; thence along the north line of "Parcel B", N 89° 31' 07" W 77.11 feet to the east right of way line Washington Street, the point of beginning. **Map & Parcel 0012-0840**

**3. COVENANTS TO RUN WITH THE LAND.** The burden of the Covenants shall run with the Land for the benefit and favor of Grantee and shall be fully binding on any subsequent owner of record or equitable owner of the Land in perpetuity.

**4. THE COVENANTS.**

a. There shall be no parking of vehicles of any type, motorized or nonmotorized on the Land. This prohibition shall extend to members of Monumental United Methodist Church, patrons and guests, and users of the Land while on the Land, or any persons using the Land without permission of Grantor, as well as to Grantor itself, to the effect that Grantor shall be responsible for eliminating or curing any violations by such church members, patrons, users of the Land while on the Land, or any persons using the land without permission of Grantor.

b. No building or other structure of any kind, be it permanent or temporary, shall be erected or placed on the land. **Save and Except** that structures and a sign as permitted by the applicable Codes and Ordinances of the City to be placed on lands used as gardens, green or open spaces, landscaped area, or other such uses may be placed on the land with approval by the appropriate Commission of Architectural Review. This prohibition shall extend to members of Monumental United Methodist Church, patrons and guests, and users of the Land while on the Land, or any persons using the Land without permission of Grantor, as well as to Grantor itself, to the effect that Grantor shall be responsible for eliminating or curing any violations by such church members, patrons, users of the Land, or any persons using the land without permission of Grantor.


c. The Land shall be used only for passive activities such as a prayer garden, green or open space, as a landscaped area, or such other similar uses.

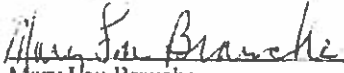


5. ENFORCEMENT. The Covenants may be enforced by Grantee by action at law, or in equity. However, in the event of any violation of these Restrictive Covenants, Grantee may seek injunctive relief, without any requirement for showing the lack of an adequate remedy at law. In the event that Grantee should seek enforcement of the Restrictive Covenants either at law, or in equity, and the Court should find that these Restrictive Covenants have been violated, then Grantor shall pay all costs of Grantee in seeking such relief.

WITNESS the following signatures and seals of the two officers of the Board of Trustees, authorized to act on behalf of the Trustees by the *Discipline* of the United Methodist Church and by Order of the Portsmouth Circuit Court.

**TRUSTEES OF MONUMENTAL  
UNITED METHODIST CHURCH**

 (SEAL)  
Warren D. Benson,  
Trustee - Chairman

 (SEAL)  
Mary Lou Braucher,  
Trustee - Secretary

Executed by Dr. Louis Strickler, Pastor of Monumental United Methodist Church, as evidence of his written consent to this action in accordance with the *Discipline* of The United Methodist Church.

 (SEAL)  
Dr. Louis Strickler, Pastor

Executed by Ernest T. Herndon, Jr., District Superintendent, as evidence of his written consent to this action in accordance with the *Discipline* of The United Methodist Church, and as certification that this transfer conforms to the *Discipline*.

Ernest T. Herndon, Jr. (SEAL)  
Ernest T. Herndon, Jr.,  
District Superintendent

STATE OF VIRGINIA,  
City of Portsmouth, to-wit:

The foregoing instrument was acknowledged before me, Sue T. Stables,  
a Notary Public in and for the City and State aforesaid, on this the 25<sup>th</sup> day of March, 2004,  
by Warren D. Benson, Chairman and Mary Lou Braucher, Secretary, on behalf of the Trustees of  
Monumental United Methodist Church.

Sue T. Stables  
Notary Public

My commission expires: 3/31/04

STATE OF VIRGINIA,  
City of Portsmouth, to-wit:

The foregoing instrument was acknowledged before me, Sue T. Stables,  
a Notary Public in and for the City and State aforesaid, on this the 25<sup>th</sup> day of March, 2004,  
by Dr. Louis Strickler, Pastor of Monumental United Methodist Church.

Sue T. Stables  
Notary Public

My commission expires: 3/31/04

STATE OF VIRGINIA,  
City of Portsmouth, to-wit:

The foregoing instrument was acknowledged before me, Scott T. Stubble,  
a Notary Public in and for the City and State aforesaid, on this the 25<sup>th</sup> day of March, 2004,  
by Ernest T. Herndon, Jr., District Superintendent of The United Methodist Church.

Scott T. Stubble  
Notary Public

My commission expires: 3/31/04

INSTRUMENT #040006100  
RECORDED IN THE CLERK'S OFFICE OF  
PORTSMOUTH ON  
MARCH 26, 2004 AT 09:07AM  
CENTRAL P. MORRISON, CLERK  
BY: Deloris...



0000000019

ADDITIONAL GRANTEES

Tax Exempt	Last Name	First Name	Middle Name	Suffix
x	TRUMBLE	Richard	D.	
x	ROANE	David	W.	
x	BRAUCHER	Mary	Lou	
x	EARLY	E.	Saunders	Jr.
x	BENSON	Warren	D.	
x	WYNNE	J.	Warren	

Exempt under provisions of Sec. 58.1-811

Prepared by:  
W. Eugene White  
Assistant City Attorney  
801 Crawford Street  
Portsmouth, Virginia 23704

**STEPHANIE P. BARHAM,  
PHYLLIS TURCOTTE,  
RICHARD D. TRUMBLE,  
DAVID W. ROANE,  
MARY LOU BRAUCHER,  
E. SAUNDERS EARLY, JR.,  
WARREN D. BENSON and  
J. WARREN WYNNE, Trustees of  
Monumental United Methodist Church,**

**Grantor**

**TO**

**CITY OF PORTSMOUTH, VIRGINIA,  
A political subdivision of the  
Commonwealth of Virginia,**

**Grantee**

**DEED OF TEMPORARY EASEMENT**

THIS DEED, Made this 25<sup>th</sup> day of March, 2004, by and  
between **STEPHANIE P. BARHAM, PHYLLIS TURCOTTE, RICHARD D. TRUMBLE,  
DAVID W. ROANE, MARY LOU BRAUCHER, E. SAUNDERS EARLY, JR., WARREN  
D. BENSON and J. WARREN WYNNE, Trustees of MONUMENTAL UNITED  
METHODIST CHURCH, GRANTOR, and the CITY OF PORTSMOUTH, VIRGINIA, a  
political subdivision of the Commonwealth of Virginia. GRANTEE, whose address is 801**

Crawford Street, Portsmouth, Virginia 23704.

WHEREAS, Grantee is about to erect and construct improvements to the "Old 1891 Building", which the parties hereto deem to be in the best interest of the public; and

WHEREAS, such construction necessitates the provision of an area for storage and staging of construction materials for such improvements.

NOW THEREFORE WITNESSETH, that for and in consideration of the sum of One Dollar (\$1.00), cash in hand paid, and other good and valuable consideration, the Grantor does hereby grant and convey, unto the Grantee, its successors and/or assigns, a temporary construction easement, for the purpose of storage and staging of materials on the hereinafter described property, to-wit:

All that certain piece or parcel of land situate, lying and being in the City of Portsmouth, Virginia which said parcel is designated as "NON-BUILDABLE AREA" on that certain plat entitled "MINOR SUBDIVISION OF THE PROPERTY OF MONUMENTAL UNITED METHODIST CHURCH, PORTSMOUTH, VIRGINIA", DATED January 5, 2004, made by Stephen I. Boone and Associates, P.C., Land Surveyors, Portsmouth, Virginia, which said plat is duly recorded in the Clerk's Office of the Circuit Court of the City of Portsmouth, Virginia in Map Book 141, at pages 146, 147; said area being more particularly bounded and described as follows: Beginning at the point where the north line of "Parcel B" as shown on said plat intersects the east right of way line of Washington Street; thence north along the east right of way line of Washington Street 38 feet to the southeast intersection of the east right of way line of Washington Street and the south right of way line of London Street; thence along the south right of way line of London Street S 89° 31' 07" E 77.11 feet, more or less, to the point where the east line of the aforementioned "Parcel B", if extended in a northerly direction, intersects the south right of way line of London Street; thence south along the extension of the east line of "Parcel B" 38 feet, more or less, to the point where the north and east lines of "Parcel B" intersect at the northeast corner of said parcel B; thence along the north line of "Parcel B", N 89° 31' 07" W 77.11 feet to the east right of way line Washington Street, the point of beginning. **Map & Parcel 0012-0840**

**THIS EASEMENT IS CONVEYED SUBJECT TO THE FOLLOWING  
CONDITIONS AND RESTRICTIONS:**

1. This temporary construction easement shall be used for storage of construction materials and equipment and staging for construction activities to take place on Parcel B as shown on the hereinabove mentioned plat by Grantee and/or its agents, contractors and employees.
2. Grantor shall make no other use of the property during the time of construction and renovation on "Parcel B" that would interfere with the use of the area described herein for temporary construction.
3. The easement hereby granted shall include the right and privilege for ingress and egress to said easement area from the parking lot entrance on London Street.
4. Grantee shall fence in the area of easement described herein with a fence of no less than six (6) foot in height, which said fence shall be removed when construction has been completed as set forth herein.
5. Grantee, its agents, contractors and employees shall have full and free use of said property for the purposes named, and shall have all rights and privileges reasonably necessary to the exercise of the easement. The rights shall not be construed to allow the Grantee to erect any building or structure of a permanent nature on the subject property.
6. Upon completion of its restoration and construction on Parcel B, Grantee shall, at its expense, restore the subject property as nearly as possible to such condition as it was prior to its use as permitted herein, and Grantee shall exercise every effort to minimize damage within the area of this easement during its use hereunder



7. This easement is for the benefit of Grantee, its agents, contractors and employees and its successors and/or assigns in title.

8. This easement shall expire and terminate 30 days following the issuance of a Certificate of Occupancy for the facilities to be constructed by Grantee on "Parcel B", but if not terminated by the issuance of a Certificate of Occupancy, this easement shall terminate at midnight on February 22, 2009, unless otherwise extended in writing by Grantor.

WITNESS the following signatures and seals of the two officers of the Board of Trustees, authorized to act on behalf of the Trustees by the *Discipline* of the United Methodist Church and by Order of the Portsmouth Circuit Court.

**TRUSTEES OF MONUMENTAL UNITED METHODIST CHURCH**

Warren D. Benson (SEAL)  
Warren D. Benson,  
Trustee- Chairman

Mary Lou Braucher (SEAL)  
Mary Lou Braucher,  
Trustee- Secretary

Executed by Dr. Louis Strickler, Pastor of Monumental United Methodist Church, as evidence of his written consent to this action in accordance with the *Discipline* of The United Methodist Church.

Dr. Louis Strickler (SEAL)  
Dr. Louis Strickler, Pastor

Executed by Ernest T. Herndon, Jr., District Superintendent, as evidence of his written consent to this action in accordance with the *Discipline* of The United Methodist Church, and as certification that this transfer conforms to the *Discipline*.

Ernest T. Herndon Jr. (SEAL)

Ernest T. Herndon, Jr.,  
District Superintendent

CITY OF PORTSMOUTH, VIRGINIA

By *C. W. McCoy*  
C. W. McCoy, City Manager

STATE OF VIRGINIA,  
City of Portsmouth, to-wit:

The foregoing instrument was acknowledged before me, *Eric T. Strickler*,  
a Notary Public in and for the City and State aforesaid, on this the *25<sup>th</sup>* day of *March*,  
2004, by Warren D. Benson, Chairman, and Mary Lou Braucher, Secretary, on behalf of the  
Trustees of Monumental United Methodist Church.

*Eric T. Strickler*  
Notary Public

My commission expires: *3/31/04*

STATE OF VIRGINIA,  
City of Portsmouth, to-wit:

The foregoing instrument was acknowledged before me, *Eric T. Strickler*,  
a Notary Public in and for the City and State aforesaid, on this the *25<sup>th</sup>* day of *March*,  
2004, by Dr. Louis Strickler, Pastor of Monumental United Methodist Church.

*Eric T. Strickler*  
Notary Public

My commission expires: *3/31/04*

STATE OF VIRGINIA,  
City of Portsmouth, to-wit:

The foregoing instrument was acknowledged before me, Joe T. Stubbs,  
a Notary Public in and for the City and State aforesaid, on this the 25<sup>th</sup> day of March,  
2004, by Ernest T. Herndon, Jr., District Superintendent of The United Methodist Church.

Joe T. Stubbs  
Notary Public

My commission expires: 3/31/04

STATE OF VIRGINIA,  
City of Portsmouth, to-wit:

The foregoing instrument was acknowledged before me, Joe T. Stubbs  
a Notary Public in and for the City and State aforesaid, on this the 25<sup>th</sup> day of March  
2004, by C. W. McCoy, City Manager for the City of Portsmouth, Virginia.

Joe T. Stubbs  
Notary Public

My commission expires: 3/31/04

INSTRUMENT #040005101  
RECORDED IN THE CLERK'S OFFICE OF  
PORTSMOUTH, VA  
MARCH 20, 2004 AT 09:10AM  
JENNIFER P. MORRISON, CLERK

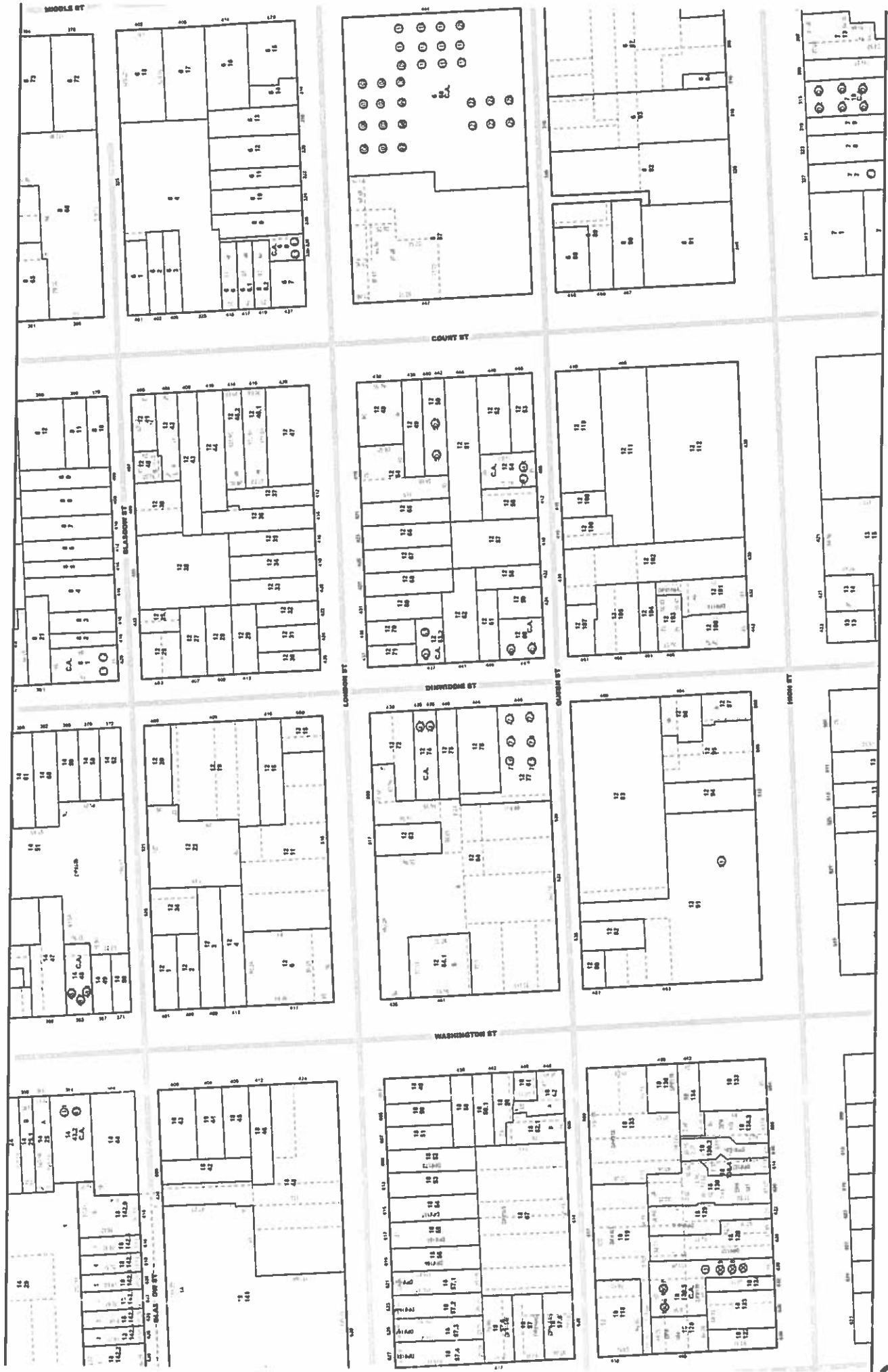
3:1 Sherrill M. Mung



dmcclung

taxmap\_0012[1]

07/27/20 01:30 PM



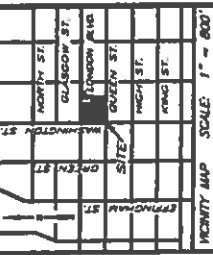
# Office of the City Assessor - Portsmouth, Virginia

Tax Map  
1 inch = 50 feet





See Engr. w's 0400001000 0400001000 + 0400001000



I HEREBY CERTIFY THAT THE SUBDIVISION PLAT SHOWN HEREON HAS BEEN APPROVED IN ACCORDANCE WITH THE SUBDIVISION REGULATIONS OF THE CITY OF PORTSMOUTH, VIRGINIA.  
*Robert A. Bell*  
DIRECTOR OF PLANNING  
DATE: 3-28-04

I HEREBY CERTIFY THAT THE PLAT SHOWN AND REFERENCED HEREON IS A TRUE AND CORRECT STATE OF THE ACCOUNT, RECORDED AND THE RIGHTS HAVE BEEN PLACED AS SHOWN HEREON IN ACCORDANCE WITH THE REGULATIONS OF THE PORTSMOUTH SUBDIVISION REGULATION.  
*Stephen I. Boone, LL*  
DATE: Jan 5, 2004



IN THE CLERK'S OFFICE OF THE GREAT COURT OF THE CITY OF PORTSMOUTH, VIRGINIA, AT 1:51 O'CLOCK P.M. THIS PLAT WAS THIS DAY ADMITTED TO RECORD IN MAP BOOK 1514, PAGE 1518.  
TESTE: *Cynthia P. Morrison*, Clerk  
BY: *Stephen I. Boone, LL*, DEPUTY CLERK

NOTES:

- PROPERTY IS CURRENTLY ZONED METROD. METROD LIMITED OFFICE (MLO).
- DEVELOPMENT OF THE PROPERTY SHOWN HEREON MAY BE SUBJECT TO THE REGULATIONS OF THE CHESTERFIRE CITY ORDINANCE (CHAPTER B.1, TITLE 10 OF THE CITY OF PORTSMOUTH).
- ALL APPLICABLE ZONING AND SUBDIVISION CONTROL METHODS SHALL BE UTILIZED PRIOR TO ANY CLEARING, GRADING OR CONSTRUCTION.
- PROPERTY CHAINED WITHIN THIS SUBDIVISION APPEARS TO BE PARCELS 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42, 43, 44, 45, 46, 47, 48, 49, 50, 51, 52, 53, 54, 55, 56, 57, 58, 59, 60, 61, 62, 63, 64, 65, 66, 67, 68, 69, 70, 71, 72, 73, 74, 75, 76, 77, 78, 79, 80, 81, 82, 83, 84, 85, 86, 87.
- THIS MINOR SUBDIVISION HEREIN INCITES ALL PREVIOUSLY RECORDED INSTRUMENTS WITHIN THE LIMITS OF THE PARCELS CREATED AND SHOWN HEREON.
- REAR BUILDING SETBACK FOR PARCEL 8 AS SHOWN HEREON HAS BEEN DETERMINED TO BE 10 FEET.
- THIS PROPERTY APPEARS ON SIX MAP 12 PARCELS 78, 82, 84, 85, 86 & 87.
- SOURCE OF TITLE:  
O.R. 112, P.C. 115  
O.R. 364, P.C. 34  
O.R. 364, P.C. 117  
O.R. 1174, P.C. 1013

MINOR SUBDIVISION  
OF THE PROPERTY OF  
**MONUMENTAL UNITED METHODIST CHURCH**  
PORTSMOUTH, VIRGINIA  
SCALE: 1" = 25' DATE: JANUARY 5, 2004  
STEPHEN I. BOONE AND ASSOCIATES, P.C.  
LAND SURVEYORS  
PORTSMOUTH, VIRGINIA

WE HEREBY CERTIFY THAT THIS MINOR SUBDIVISION IS WITH OUR FREE CONSENT AND IN ACCORDANCE WITH OUR DEEDS.  
*Warren O. Benson*  
WARREN O. BENSON, CHURCHMAN OF THE TRUSTEES  
DATE: 3/25/04

*Mary Lou Bruncher*  
MARY LOU BRUNCHER, SECRETARY OF THE TRUSTEES  
DATE: 3-25-04

*Dr. Louis Strickler*  
DR. LOUIS STRICKLER, PASTOR  
DATE: 3-25-04

*Ernest I. Morrison, Jr.*  
ERNEST I. MORRISON, JR., DISTRICT SUPERINTENDENT  
DATE: 3/26/04

STATE OF VIRGINIA  
CITY OF PORTSMOUTH, TO WIT:  
*Ernest I. Morrison, Jr.*  
A NOTARY PUBLIC IN AND FOR THE CITY AND STATE OF VIRGINIA, DO HEREBY CERTIFY THAT WARREN O. BENSON, MARY LOU BRUNCHER AND DR. LOUIS STRICKLER, WHOSE NAME IS SIGNED TO THE FOREGOING WRITING HAS ACKNOWLEDGED THE SAME BEFORE ME IN MY CITY AND STATE ADDRESS.  
GIVEN UNTO MY HAND THIS 25th DAY OF March, 2004.  
BY COMMISSION EXPIRES: *11/11/2007*

STATE OF VIRGINIA  
CITY OF PORTSMOUTH, TO WIT:  
*Ernest I. Morrison, Jr.*  
A NOTARY PUBLIC IN AND FOR THE CITY AND STATE OF VIRGINIA, DO HEREBY CERTIFY THAT MARY LOU BRANCHER AND DR. LOUIS STRICKLER, WHOSE NAME IS SIGNED TO THE FOREGOING WRITING HAS ACKNOWLEDGED THE SAME BEFORE ME IN MY CITY AND STATE ADDRESS.  
GIVEN UNTO MY HAND THIS 25th DAY OF March, 2004.  
BY COMMISSION EXPIRES: *11/11/2007*

STATE OF VIRGINIA  
CITY OF PORTSMOUTH, TO WIT:  
*Ernest I. Morrison, Jr.*  
A NOTARY PUBLIC IN AND FOR THE CITY AND STATE OF VIRGINIA, DO HEREBY CERTIFY THAT DR. LOUIS STRICKLER AND MARY LOU BRANCHER, WHOSE NAME IS SIGNED TO THE FOREGOING WRITING HAS ACKNOWLEDGED THE SAME BEFORE ME IN MY CITY AND STATE ADDRESS.  
GIVEN UNTO MY HAND THIS 25th DAY OF March, 2004.  
BY COMMISSION EXPIRES: *11/11/2007*

STATE OF VIRGINIA  
CITY OF PORTSMOUTH, TO WIT:  
*Ernest I. Morrison, Jr.*  
A NOTARY PUBLIC IN AND FOR THE CITY AND STATE OF VIRGINIA, DO HEREBY CERTIFY THAT ERNEST I. MORRISON, JR., WHOSE NAME IS SIGNED TO THE FOREGOING WRITING HAS ACKNOWLEDGED THE SAME BEFORE ME IN MY CITY AND STATE ADDRESS.  
GIVEN UNTO MY HAND THIS 25th DAY OF March, 2004.  
BY COMMISSION EXPIRES: *11/11/2007*