



ARLINGTON COUNTY, VIRGINIA

**County Board Closed
Session Item
Meeting of July 7, 2007**

DATE: July 2, 2007

SUBJECT: Approval of Agreement of Sale for the Acquisition of the Property and Improvements known as 4714 26th Street North, Arlington, Virginia (RPC# 03063005).

C. M. RECOMMENDATION:

1. Approve the attached Agreement of Sale among Karlee Smith Gifford and Jonathan C. Kinney, Esquire, Successor Trustees to Sylvia Ralston Smith, Trustee, of the Sylvia Ralston Smith Revocable Trust, Dated June 28, 2006, ("Seller") and the County Board of Arlington County, Virginia ("Purchaser") for the purchase of the property and improvements known as 4714 26th Street North, Arlington, Virginia ("Property"); and
2. Authorize the Real Estate Bureau Chief, or his designee, to execute the Agreement of Sale and all related documents necessary for the acquisition, subject to approval as to form of all documents by the County Attorney.

ISSUES: None

SUMMARY: The Agreement of Sale, attached hereto as Exhibit A, is the Seller's offer to sell fee simple interest in the Property to the County Board for the purchase price of \$2,388,750.00. The Property is being acquired for incorporation into adjacent County owned properties located along 26th Street North and Old Dominion Drive. One of the adjacent properties includes the site of the County's mulch storage area. The County's salt dome is located nearby on Old Dominion Drive (see attached Attachment 1 – Vicinity Map).

BACKGROUND: The Property is located on the south side of North 26th Street between Yorktown Boulevard and Old Dominion Drive, directly across from Marymount University, and is more particularly described in the metes and bounds description attached hereto as Exhibit B. The Property is approximately 1.16298 acres in size and is adjacent to three County owned parcels, including the County's mulch storage area and two other parcels located near the intersection of 26th Street and Old Dominion Drive. (see attached Attachment 1 – Vicinity Map)

DISCUSSION: The Property is being acquired to provide linkage and complete the incorporation of adjacent County owned properties into a larger County owned parcel.

County Manager: RC/CMD

County Attorney: BAK/CAM

Staff: Betsy Herbst

The future specific use of the Property has not been determined, but potential County uses will be studied during Fiscal year 2008 to develop a plan for its most productive use.

The current 2007 assessed value of the Property is \$1,558,000.00, as determined by the Arlington County Office of Real Estate Assessments. Two appraisals of the Property have been obtained, including an appraisal prepared on behalf of the County and another appraisal prepared on behalf of the Seller. The Seller's appraisal was a combined appraisal including the Property and a smaller, adjacent parcel owned by a third party, located behind the subject Property, that includes a comparably aged single family dwelling. Both appraisals were prepared by independent state certified Real Estate Appraisers and were dated February 2007.

The proposed purchase price of \$2,388,750.00 is within ten percent (10%) of the \$2,175,000.00 estimate of fair market value of the Property in the appraisal obtained on behalf of the County. The proposed purchase price of the Property is approximately seventeen percent (17%) lower than the prorated portion of the Seller's combined appraisal, which determined the combined fair market value of the two properties at \$4,550,000.00.

If the County Board wishes to take the recommended action, the following motion is made for use in the closed session:

I move that the County Board:

1. Approve the attached Agreement of Sale among Karlee Smith Gifford and Jonathan C. Kinney, Esquire, Successor Trustees to Sylvia Ralston Smith, Trustee, of the Sylvia Ralston Smith Revocable Trust, Dated June 28, 2006, ("Seller") and the County Board of Arlington County, Virginia ("Purchaser") for the purchase of the property and improvements known as 4714 26th Street North, Arlington, Virginia ("Property");
2. Authorize the Real Estate Bureau Chief, or his designee, to execute the Agreement of Sale and all related documents necessary for the acquisition, subject to approval as to form of all documents by the County Attorney.

FISCAL IMPACT: Funding for the \$2,388,750 acquisition price for the Property, along with closing costs, will be allocated from the PAYG Program Fund (313.480001.91105.AZZZ).

EXHIBIT A
AGREEMENT OF SALE

AGREEMENT OF SALE

This AGREEMENT OF SALE (the "Agreement") is made on _____, 2007, by and between KARLEE SMITH GIFFORD and JONATHAN C. KINNEY, ESQUIRE, SUCCESSOR TRUSTEES to SYLVIA RALSTON SMITH, TRUSTEE of the SYLVIA RALSTON SMITH REVOCABLE TRUST, dated June 28, 2006 ("Seller"), and THE COUNTY BOARD OF ARLINGTON COUNTY, VIRGINIA, a body corporate ("Purchaser").

In consideration of \$10.00 cash in hand paid and for other good and valuable consideration, the receipt of which is hereby acknowledged, and in further consideration of the mutual benefits to be received by the parties, Seller agrees to sell, and Purchaser agrees to buy pursuant to the terms and conditions of this Agreement, in fee simple absolute, all that land, together with the improvements thereon, situate, lying and being in Arlington County, Virginia, and being more particularly described in paragraph 1 below:

1. THE PROPERTY: All that certain plat, parcel, lot or tract of land together with improvements thereon and the appurtenances thereto situate, lying and being in Arlington County, Virginia, known as 4714 26th Street North, Arlington, Virginia (RPC #03063005), and more particularly described as follows:

Beginning at a point being the northwest corner of the property of Arlington County Board, as acquired in Deed Book 2531 at Page 535 among the land records of Arlington County, Virginia, said point also being the southwest corner of Brian L. Troiano, as acquired in Deed Book 2150 at Page 1752; thence departing said point and running with the northern lines of Arlington County Board as acquired in Deed Book 2531 at page 537 and Deed Book 2531 at page 540;

North 38°28'00" West 243.25 feet to a point on the eastern line of 26th Street North; thence departing said point and running with said 26th Street North;

North 37°34'00" East 194.00 feet to a point being the southwest corner of Arlington County Board, as acquired in Deed Book 2548 at page 1014; thence departing said 26th Street North and running with the southern line of said Arlington County Board;

South 39°23'00" East 287.86 feet to a point on the western line of said Brian L. Troiano; thence running with the western line of said Troiano;

South 50°52'00" West 192.88 feet to the point of beginning containing 50,659 square feet or 1.16298 acres, more or less. ("Property")

2. **PRICE:** The total purchase price of the Property is Two Million Three Hundred Eighty Eight Thousand Seven Hundred Fifty and 00/100 Dollars (\$2,388,750.00), subject to adjustments as provided for in this Agreement, to be paid by Purchaser to Seller as set forth hereafter (the "Purchase Price").

3. **SETTLEMENT:**

- a. The settlement of the sale of the Property in accordance with this Agreement (the "Settlement" or "Settlement Date") shall take place within thirty (30) days after the execution of this Agreement on behalf of the County Board, unless extended pursuant to the terms of this Agreement.
- b. The Real Estate Bureau Chief, Engineering and Capital Projects Division, Department of Environmental Services is authorized to extend the Settlement Date for up to fifteen (15) days on behalf of the Purchaser for any reason pursuant to any provision of this Agreement, or upon written agreement of the Seller and Purchaser.
- c. Settlement shall take place in the offices of Walker Title, LLC, 2009 14th Street, North, Suite 603, Arlington, Virginia 22201 (the "Settlement Agent"), or at such other location as the Purchaser may designate.
- d. On or before Settlement, Purchaser shall deliver good and sufficient funds to the Settlement Agent for the Purchase Price and settlement costs. The settlement proceeds due to Seller, after settlement cost prorations and adjustments made pursuant to this Agreement, will be disbursed to Seller by the Settlement Agent's trustee check or wired funds upon the satisfactory completion of the bringdown of title and recording of the deed of conveyance. No less than ten (10) days prior to Settlement or such greater period as required by Seller's lender, Seller shall provide the Settlement Agent with written authorization and documentation sufficient to permit the Settlement Agent to obtain accurate payoff amounts from the holder of any promissory note secured by the Property and/or other lien or encumbrances affecting the Property.
- e. Seller represents and warrants to Purchaser that Seller is not a "foreign person" as defined by §1445 of the Internal Revenue Code, and is a resident of Virginia. At the time of Settlement, Seller shall execute before a notary public, as may be required, all necessary forms and affidavits

stating the foregoing under penalty of perjury. Seller's true and correct address is: 2300 Wilson Boulevard, 7th Floor, Arlington, Virginia 22201 and Seller's United States Taxpayer Identification Number is 20-7180433. Purchaser hereby acknowledges receipt of this information from Seller for the Settlement Agent's preparation for Seller's execution of Internal Revenue Service Form 1099 and such other forms, where such information is required, together with an "Owner's Affidavit" to be prepared and provided by the Settlement Agent. Seller and Purchaser shall also execute such other settlement documents as are reasonably required by the Settlement Agent.

- f. Seller warrants and represents that it has the full legal right and authority to execute this Agreement and to convey the Property to Purchaser and to execute any and all other documents necessary or desirable to effectuate Seller's obligations pursuant to this Agreement of Sale. If additional signatures, authority or documentation is required by the title insurance company or the Settlement Agent, Seller shall promptly and at its own cost supply the same. If the Seller is a legal entity such as a corporation, partnership, limited liability company or is a fiduciary, such as a trustee, executor or administrator, then the Seller warrants and represents that it has the authority to execute this Agreement on behalf of Seller, and to bind Seller to the terms of this Agreement.

- g. **DISCLOSURES: a. Choice of Settlement Agent: You have the right to select a settlement agent to handle the closing of this transaction. The settlement agent's role in closing your transaction involves the coordination of numerous administrative and clerical functions relating to the collection of documents and the collection and disbursement of funds required to carry out the terms of the contract between the parties. If part of the purchase price is financed, your lender will instruct the settlement agent as to the signing and recording of loan documents and the disbursement of loan proceeds. No settlement agent can provide legal advice to any party to the transaction except a settlement attorney who is engaged in the private practice of law in Virginia and who has been**

retained or engaged by a party to the transaction for the purpose of providing legal services to that party.

- h. ESCROW, CLOSING, AND SETTLEMENT GUIDELINES: The Virginia State Bar issues guidelines to help settlement agents avoid and prevent the unauthorized practice of law in connection with furnishing escrow, settlement, or closing services. As a party to a real estate transaction, you are entitled to receive a copy of these guidelines from your settlement agent, upon request, in accordance with the provisions of the Consumer Real Estate Settlement Protection Act. (1997, c.716.)**

4. ENCUMBRANCES: Seller shall not, either by commission or omission, cause or permit the Property to be encumbered in any way after Seller's execution of this Agreement.

5. TITLE AND SURVEY:

- a. Purchaser has obtained a title commitment from Walker Title, LLC (the "Title Company" and "Settlement Agent"), Commitment No. A0602454-TD, with an effective date of December 15, 2006, as revised with an effective date of June 13, 2007, and further revised with an effective date of June 29, 2007, (the "Title Commitment"), attached hereto as Exhibit A.
- b. Purchaser has obtained an ALTA survey of the Property from Urban, Inc., dated June 29, 2007 attached hereto as Exhibit B (the "Survey").
- c. Seller represents that it has not, and agrees that it shall not, either by commission or omission, after the effective date of Title Commitment, cause or permit the Property to be encumbered by any deed of trust, monetary judgment, lien, indebtedness or other encumbrance not listed as an exception in Schedule B – Section 2 of the Title Commitment or depicted on the Survey.
- d. Title shall be marketable and fully insurable at usual and normal rates by a highly reliable national title insurance company licensed to do business in

the Commonwealth of Virginia and approved by Purchaser, and free of Title Exceptions. Seller agrees to execute and deliver a good and sufficient Special Warranty deed (the "Deed") to the Property at Settlement, conveying title to the Property to Purchaser as set forth above. Without limiting the foregoing provisions, title to the Property shall be conveyed to the Purchaser free and clear of all deeds of trust, monetary judgments, liens, and indebtedness, and shall be subject only to such exceptions to title as appear in Schedule B – Section 2 of the Title Commitment. Purchaser agrees to take title to the Property as such title is described in the Title Commitment, consistent with the above.

- e. Seller shall, at its sole expense, remove any title exceptions as appear after the effective date of the Title Commitment, and remedy any objectionable matters not depicted on the Survey, which matters arise after the date of the Survey. Seller shall actively and diligently pursue the removal of such title exceptions and the remediation of such survey matters in good faith. The Settlement Date shall be extended until such title exceptions or survey matters are corrected, at the sole option of Purchaser. If at any time Purchaser reasonably concludes that such title exceptions or objectionable matters of survey cannot be removed or remedied, or they are not removed or remedied, in a satisfactory fashion by the Seller's best efforts, then the Purchaser may, by written notice to the Seller declare this Contract void. In such event, neither party will have further rights, responsibilities, obligations, or liabilities whatsoever hereunder.

6. **CHARGES:** Examination of title, notary fees, State and local recording taxes (except the Virginia grantor tax) if any such taxes are applicable to this transaction, and Purchaser's attorney's fees are to be the cost of Purchaser. Seller shall pay for its own attorney's fees and costs, the preparation of the deed, the Virginia grantor tax, a reasonable settlement fee, the release of any liens or encumbrances against the Property, and the costs and attorney's fees to cure or remove any Title Exceptions or objectionable Marketability matters. Real estate taxes, water, sewer, utility and all other charges are to

be pro-rated to the Settlement Date. The Settlement Agent is authorized to pay off all liens and mortgages from Seller's proceeds at Settlement.

7. ELECTION REGARDING RELOCATION ASSISTANCE: By executing this Agreement, Seller acknowledges that Seller has been fully informed of all payments and assistance to which Seller is entitled, and Seller chooses not to accept any such payments or assistance.

8. DAMAGE PRIOR TO POSSESSION: The Purchaser takes the Improvements to the Property in their physical condition as of the Effective Date. If any fire or casualty damage or loss occurs to the Improvements, or any portion thereof, before Settlement, then Seller shall have no obligation to repair or replace the same. Notwithstanding the foregoing, Seller shall maintain broad form property insurance on the Improvements to the Property in a face amount of not less than an amount that is sufficient to avoid any co-insurance penalty until delivery of possession of the Property to Purchaser. If, before delivery of possession, the Improvements, or any portion thereof, are damaged by fire or other casualty, Seller shall, at Settlement, pay to Purchaser all insurance proceeds received by Seller and, to the extent required by Purchaser, assign to Purchaser all claims against insurers and all third parties. Seller also shall cooperate with Purchaser in every respect in making and supporting a proof of loss and the collection of insurance proceeds. This provision shall survive conveyance of the Property to Purchaser.

9. POSSESSION AT SETTLEMENT: Seller agrees to give possession of the Property to Purchaser at Settlement.

10. HAZARDOUS MATERIALS:

a. Seller represents that, to the best of Seller's knowledge: (i) neither Seller, nor its predecessors in title, have disposed of, released, or deposited hazardous or toxic wastes or substances, regulated by the most stringent applicable Federal, State or Local environmental, health, and safety laws, regulations, ordinances, or standards ("Hazardous Materials") on or within any part of the Property; and (ii) Seller has no actual knowledge of any such disposal, release, or deposit of Hazardous Materials on or within any part of the Property. Seller further warrants that Seller has not disposed of, released, or deposited any Hazardous Materials originating on the Property, except as

provided by law at a site or facility approved by Federal, or State or Local regulatory agencies for the disposal of such materials. Seller shall not, either by commission or omission, cause or permit the disposal, release, or deposit of any actionable quantities of hazardous or toxic wastes or substances regulated by the most stringent applicable Federal, State or Local environmental, health, and safety laws, regulations, ordinances, or standards ("Hazardous Materials") on or within any part of the Property after the Effective Date of this Contract. These representations and warranties in this paragraph shall survive conveyance of the Property to Purchaser

b. Purchaser has obtained a Phase I Environmental Site Assessment regarding the Property from Greenhorne & O'Mara, Inc., dated June, 2007. Based on the Phase I Environmental Site Assessment, the Property, as of the inspection date of May 17, 2007, is in an environmental condition acceptable to the Purchaser, as described in the Phase I Environmental Site Assessment. Seller shall be responsible for the remediation of any environmental or hazardous material incident, release or deposit occurring after the date of the Phase I Environmental Site Assessment and prior to Settlement. Any such remediation shall be in accordance with all applicable Virginia Department of Environmental Quality ("VDEQ") standards and regulatory requirements and to the extent required by the laws of the Commonwealth of Virginia. Settlement shall be extended for the period necessary to permit Seller to comply with the requirements of this Subparagraph.

c. Notwithstanding any provision to the contrary, Seller shall have no responsibility for the removal of lead-based paint from the Improvements.

11. INSPECTION OF PREMISES: Sellers will permit the agents, designees and employees of Purchaser access to the Property at all reasonable times for the purpose of making the inspections necessary in connection with paragraph 10 (Hazardous or Toxic Materials), a building condition survey, and the survey pursuant to paragraph 5 (Survey), and for any other purpose contemplated by this Agreement.

12. NOTICES: All notices, demands, and requests which may be given, or are required to be given by either party to the other shall be in writing, and shall be either hand delivered by Federal Express or sent by United States certified mail, return receipt requested, with proper first class postage prepaid, properly and fully addressed:

If to Seller: Karlee Smith Gifford, Trustee
72 Edgehill Road
New Haven, Connecticut 06511

With a copy to: Bean, Kinney & Korman, P.C.
2300 Wilson Boulevard, 7th Floor
Arlington, Virginia 22201
Attn: Jonathan C. Kinney, Esq., Trustee

If to Purchaser: Real Estate Bureau Chief
Department of Environmental Services
Arlington County
2100 Clarendon Blvd, Suite 900
Arlington, Virginia 22201

Notice shall be deemed effective upon delivery.

Any party may, by like notice given at least seven (7) days before such change becomes effective, designate a new address to which such notices shall be sent.

13. COMMISSIONS: Seller and Purchaser represent and warrant to each other that neither has dealt with any real estate broker, agent or finder with respect to the transaction contemplated by this Agreement. Seller shall indemnify, defend and hold Purchaser, its elected and appointed officials, officers and employees, harmless of, from and against any demand, suit, claim or liability, for any broker's, agent's or finder's fee asserted by any person or entity claiming to be engaged by or on behalf of Seller.

14. DAMAGES: In the event Seller fails or refuses to perform its obligations under this Agreement, including but not limited to its obligation to convey the Property, Purchaser shall be entitled to recover all of its costs and expenses incurred in connection with this Agreement, any breach of this Agreement, or the enforcement of this Agreement, including but not limited to its costs for the preparation of this Agreement, for all inspections, studies and surveys performed or contracted for in connection with this Agreement, and all of its attorney's fees and court costs incurred pursuant to this paragraph. In addition to the foregoing, Purchaser shall be entitled to all other damages it has suffered, in accordance with law. Without limiting or waiving the foregoing, Purchaser may also seek all remedies to which it is entitled in equity, including the right to an injunction or restraining order and the right to seek specific performance.

15. PURCHASER APPROVAL REQUIRED: The execution of this Agreement by the Seller constitutes an irrevocable offer to sell the Property to the

Purchaser. This offer shall become null and void if the County Board of Arlington County, Virginia does not approve the Agreement by July 20, 2007.

16. BINDING AGREEMENT: The parties to this Agreement mutually agree that it shall be binding upon them, and each of the respective heirs, executors, administrators, successors and assigns; that the provisions hereof shall survive the execution and delivery of the deed aforesaid and shall not be merged therein except as specifically provided herein; that this Agreement contains the final and entire agreement between the parties hereto; and that they shall not be bound by any terms conditions, statements, warranties or representations, oral or written, not contained herein.

17. APPLICABLE LAW: This Agreement shall be construed, interpreted and applied according to the laws of the Commonwealth of Virginia. All legal actions brought by either Purchaser or Seller concerning this Agreement shall be brought in the Arlington County Circuit Court.

18. EFFECTIVE DATE: This Agreement shall be effective upon execution thereof on behalf of the County (“Effective Date”).

19. EXECUTION IN COUNTERPARTS: This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original, and all of such counterparts shall constitute one Agreement. To facilitate execution of this Agreement, the parties may execute and exchange by telephone facsimile counterparts of the signature pages.

WITNESS the following signatures:

SELLER:

By: Karlee Smith Gifford
Name: Karlee Smith Gifford, Successor Trustee
Title: Successor Trustee of the Sylvia Ralston Smith Revocable
Trust dated June 28, 2006

STATE OF Maine
CITY/COUNTY OF Cumberland

The foregoing instrument was acknowledged before me this 2nd day of
July, 2007, by Karlee Smith Gifford, Successor Trustee of the Sylvia Ralston
Smith Revocable Trust dated June 28, 2006.

Ruth A. Bennett
Notary Public

RUTH A. BENNETT
Notary Public, Maine

My Commission expires ~~My Commission~~ Expires November 15, 2013

By: JCK SUCCESSOR TRUSTEE
Name: Jonathan C. Kinney, Esquire, Successor Trustee
Title: Successor Trustee of the Sylvia Ralston Smith Revocable
Trust dated June 28, 2006

COMMONWEALTH OF VIRGINIA
COUNTY OF ARLINGTON

The foregoing instrument was acknowledged before me this 2nd day of
July, 2007, by Jonathan C. Kinney, Esquire, Successor Trustee of the Sylvia
Ralston Smith Revocable Trust dated June 28, 2006.

E. Kapusta
Notary Public

My Commission expires: August 31, 2010
My Registration Number is 7046493

PURCHASER: THE COUNTY BOARD OF ARLINGTON COUNTY, VIRGINIA

By: _____

Name: _____

Title: _____

COMMONWEALTH OF VIRGINIA
CITY/COUNTY OF _____

The foregoing instrument was acknowledged before me this ____ day of _____, 200__, by _____, _____ of Arlington County, Virginia.

Notary Public

My Commission expires: _____

Approved as to form:

County Attorney

EXHIBIT A
TITLE INSURANCE COMMITMENT

First American Title Insurance Company

SCHEDULE A

Revised June 29, 2007

1. Effective Date: **June 13, 2007** at 8:00 a.m. Commitment No. **A0602454-TD**

2. Policy or Policies to be issued: Amount

(a) ALTA Owner's Policy: **\$2,388,750.00**
ALTA 2006 Policy Form
Proposed Insured:

County Board of Arlington County, Virginia

(b) ALTA Loan Policy:
ALTA 1992 Policy Form
Proposed Insured:

3. The estate or interest in the land described in this Commitment and covered herein is **Fee Simple**, and title hereto is at the effective date hereof vested in:

Karlee Smith Gifford and Jonathan C. Kinney, Successor Trustees to Sylvia Ralston Smith, Trustee of the Sylvia Ralston Smith Revocable Trust dated June 28, 2006

AND BEING the same property acquired by virtue of instrument recorded in Deed Book 4017, at Page 4. Sylvia Ralston Smith died November 23, 2006.

(continued)

Countersigned:

Walker Title, LLC
Telephone: 703-591-2325 Fax: 703-591-2328
11781 Lee Jackson Mem. Highway
Suite 300
Fairfax, VA 22033

By: _____



Authorized Officer or Agent

This commitment is invalid unless Insuring Provisions and Schedules A and B are attached.

First American Title Insurance Company

SCHEDULE A *(continued)*

Commitment No. **A0602454-TD**

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

All that certain land situate in the **County of Arlington, Virginia**, and more particularly described as follows:

BEGINNING AT A POINT BEING THE NORTHWEST CORNER OF THE PROPERTY OF ARLINGTON COUNTY BOARD, AS ACQUIRED IN DEED BOOK 2531 AT PAGE 535 AMONG THE LAND RECORDS OF ARLINGTON COUNTY, VIRGINIA, SAID POINT ALSO BEING THE SOUTHWEST CORNER OF BRIAN L. TROIANO, AS ACQUIRED IN DEED BOOK 2150 AT PAGE 1752; THENCE DEPARTING SAID POINT AND RUNNING WITH THE NORTHERN LINES OF ARLINGTON COUNTY BOARD AS ACQUIRED IN DEED BOOK 2531 AT PAGE 537 AND DEED BOOK 2531 AT PAGE 540

NORTH 38°28'00" WEST 243.25 FEET TO A POINT ON THE EASTERN LINE OF 26TH STREET NORTH; THENCE DEPARTING SAID POINT AND RUNNING WITH SAID 26TH STREET NORTH

NORTH 37°34'00" EAST 194.00 FEET TO A POINT BEING THE SOUTHWEST CORNER OF ARLINGTON COUNTY BOARD, AS ACQUIRED IN DEED BOOK 2548 AT PAGE 1014; THENCE DEPARTING SAID 26TH STREET NORTH AND RUNNING WITH THE SOUTHERN LINE OF SAID ARLINGTON COUNTY BOARD

SOUTH 39°23'00" EAST 287.86 FEET TO A POINT ON THE WESTERN LINE OF SAID BRIAN L. TROIANO; THENCE RUNNING WITH THE WESTERN LINE OF SAID TROIANO

SOUTH 50°52'00" WEST 192.88 FEET TO THE POINT OF BEGINNING CONTAINING 50,659 SQUARE FEET OR 1.16298 ACRES, MORE OR LESS.

First American Title Insurance Company

SCHEDULE B - SECTION 1 REQUIREMENTS

Commitment No. **A0602454-TD**

The following are requirements to be complied with:

1. Payment to or for the account of the grantors or mortgagors of the full consideration for the estate or interest to be insured.
2. Pay us the premium, fees and charges for the policy.
3. Proper instrument(s) creating the estate or interest to be insured must be executed and duly filed for record, to wit:
 - a. **Recordation of Deed from Karlee Smith Gifford and Jonathan C. Kinney, Successor Trustees to Sylvia Ralston Smith, Trustee of the Sylvia Ralston Smith Revocable Trust dated June 28, 2006 to the County Board of Arlington County, Virginia. Said deed must be in form and substance satisfactory to the Company confirming the establishment or appointment of Karlee Smith Gifford and Jonathan C. Kinney, as Successor Trustees.**
4. Receipt of satisfactory Owner/Seller Affidavit as to Mechanics' Liens and Possession stating that no improvements have been made to or contracted for on captioned premises within the 120 days prior to closing.
5. Payment and release of Deed of Trust from Sylvia R. Smith, to Sidney G. Simmonds and David B. Klima, Trustee(s), dated July 1, 2005, recorded in Deed Book 3910, page 2099, securing of record Paul A. Smith, Jr. the original sum of \$200,000.00.
6. Payment of taxes for the years 2005 and 2006, plus penalty and interest, if any.

First American Title Insurance Company

SCHEDULE B - SECTION 2 EXCEPTIONS

Commitment No. **A0602454-TD**

The policy or policies to be issued will contain exceptions to the following unless the same are disposed of to the satisfaction of the Company:

1. Defects, liens, encumbrances, adverse claims or other matters, if any, created, first appearing in the public records or attaching subsequent to the effective date hereof but prior to the date the proposed insured acquires for value of record the estate or interest or mortgage thereon covered by this commitment.
2. Taxes for the second half of the year 2007, a lien, but not yet due and payable.
3. Rights of parties in possession, as tenants only, under unrecorded leases.
4. Rights of others in and to the rights of way as shown on the plat accompanying deed dated August 26, 1907 in Deed Book 117, at page 61.

All recorded documents referred to herein are recorded among the Land Records of the County of Arlington, Virginia.

EXHIBIT B
ALTA SURVEY

EXHIBIT B
METES AND BOUNDS DESCRIPTION
4714 26th Street North, Arlington

Beginning at a point being the northwest corner of the property of Arlington County Board, as acquired in Deed Book 2531 at Page 535 among the land records of Arlington County, Virginia, said point also being the southwest corner of Brian L. Troiano, as acquired in Deed Book 2150 at Page 1752; thence departing said point and running with the northern lines of Arlington County Board as acquired in Deed Book 2531 at page 537 and Deed Book 2531 at page 540;

North 38°28'00" West 243.25 feet to a point on the eastern line of 26th Street North; thence departing said point and running with said 26th Street North;

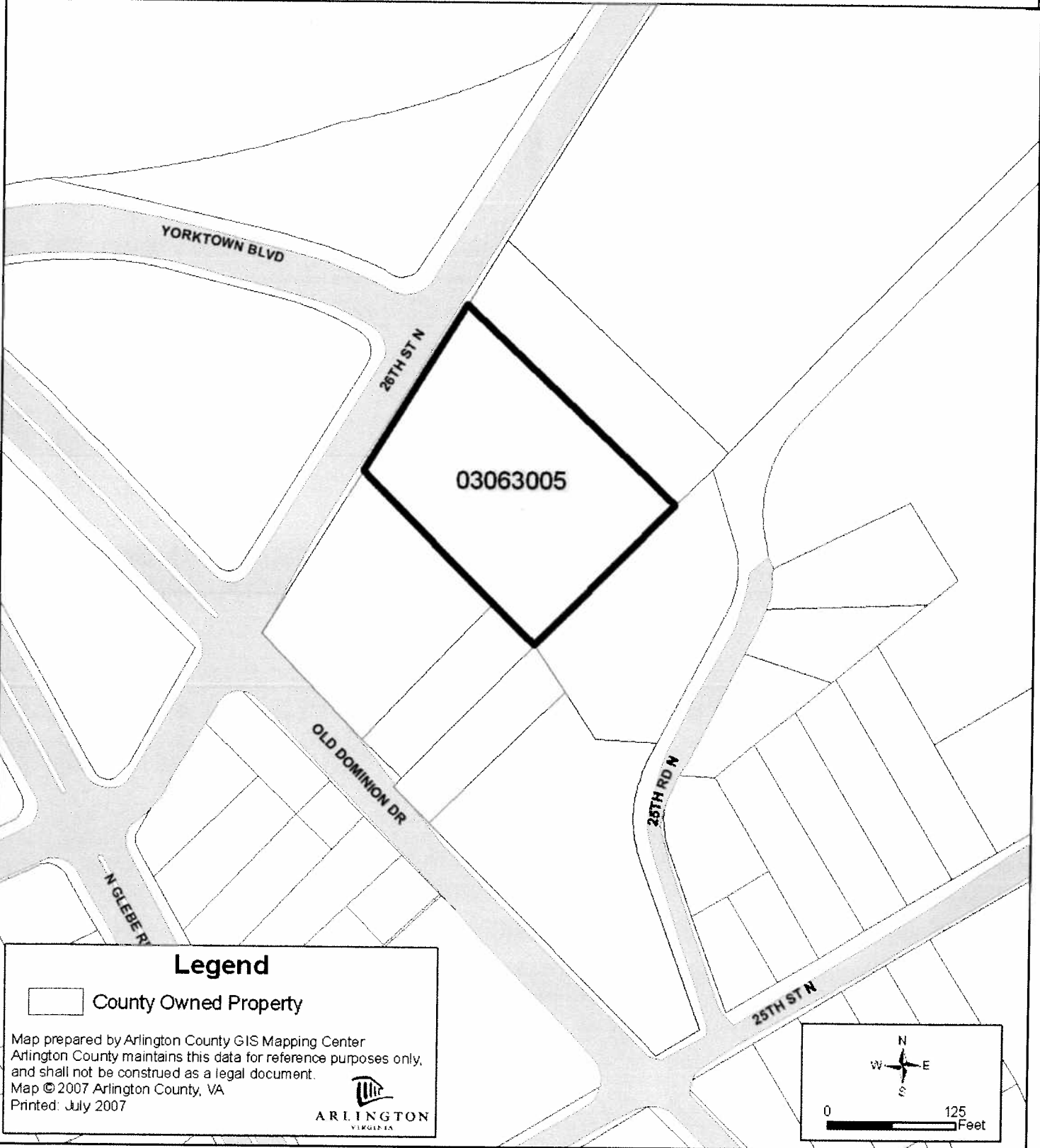
North 37°34'00" East 194.00 feet to a point being the southwest corner of Arlington County Board, as acquired in Deed Book 2548 at page 1014; thence departing said 26th Street North and running with the southern line of said Arlington County Board;

South 39°23'00" East 287.86 feet to a point on the western line of said Brian L. Troiano; thence running with the western line of said Troiano;


South 50°52'00" West 192.88 feet to the point of beginning containing 50,659 square feet or 1.16298 acres, more or less.

Vicinity Map

Smith Acquisition
4714 26th Street N.
Arlington, Virginia



Legend

 County Owned Property

Map prepared by Arlington County GIS Mapping Center
Arlington County maintains this data for reference purposes only,
and shall not be construed as a legal document.
Map © 2007 Arlington County, VA
Printed: July 2007

