

PORTSMOUTH
REQUEST FOR
ADDITIONAL
INFORMATION



CLARKNEXSEN

Kimley»Horn

Expect More. Experience Better.

ISSUE DATE

NOVEMBER 15, 2018

PREPARED FOR

THE CITY OF PORTSMOUTH



TABLE OF CONTENTS

PAGE	SECTION
05.	I: Team Overview
19.	II: Land Aquisition and Existing Facilities
23.	III: Total Lifecycle Cost
27.	IV: User Fees and Usage
31.	V: Government Support
33.	VI: Development Plans
36.	A. Concept Imagery Office
40.	B. Concept/Precident Imagery Multifamily
43.	VII. Project Financing
47.	VIII. Project Benefit and Compatibility
53.	IX. Armada Hoffler Overview
57.	X. Project-Related Experience
60.	A. Public-Private Partnership Experience
64.	B. Mixed-Use Experience
66.	C. Multifamily Experience



SECTION I

Team Overview

ORGANIZATIONAL CHART



ARMADA HOFFLER
DEVELOPMENT



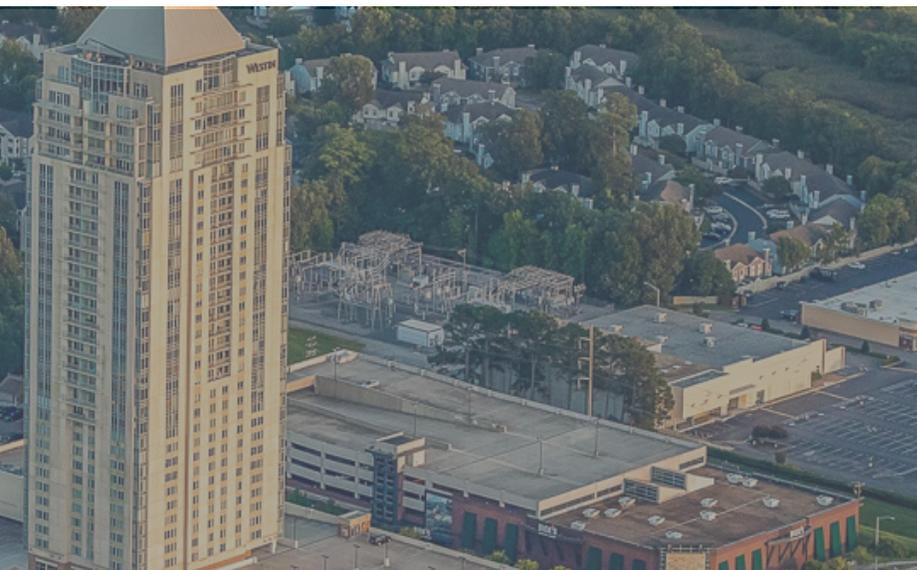
EXECUTIVE SUMMARY

Armada Hoffer Properties is pleased to provide our proposal to the Economic Development Authority of Portsmouth for the reorganization and development of a new City Hall and related buildings in order to access to the waterfront land for mixed-use redevelopment.

With the following proposal, Armada Hoffer provides an appropriate overview of our divisions and a glimpse into the vision for this project. Our robust knowledge, credentials, and expertise across a variety of relevant practices, including Public-Private partnerships, construction, and development make Armada Hoffer well suited to provide a comprehensive approach to the task at hand. We hope to deliver the most attractive facilities to the City leadership, while maximizing the value of the redeveloped waterfront parcel.

We believe that the reorganization of the Portsmouth waterfront as a precursor to the Gateway Revitalization project will provide several benefits to the City:

1. Moving City Hall and other public use structures away from the waterfront will allow the City to take advantage of the premium land for redevelopment and increased tax revenue.
2. A long-term lease option on a new facility would significantly reduce operational costs to the City.
3. An enticing waterfront venue will rejuvenate the allure of the area for both residents and visitors by providing living, dining, and entertainment options. This mixed-use development will provide the opportunity to increase both day and nighttime populations in the area.



BOARD OF DIRECTORS

We do not anticipate any conflicts of interest amongst our board of directors.

DANIEL A. HOFFLER

CHAIRMAN



Founder Dan Hoffler launched Armada Hoffler in 1979, creating a business culture and vision that vaulted the Company into a premier East Coast commercial real estate development, construction and asset management firm. Mr. Hoffler established a corporate ethos founded on integrity, trust and civic responsibility and captained the Company's initial public offering and listing on the New York Stock Exchange in 2013. He remains active in strategic operations and currently serves as Executive Chairman of our board of directors. After graduating from Campbell College with a business degree, Mr. Hoffler worked for Dun & Bradstreet and quickly ascended the ranks to become a regional manager. He joined developer Eastern International, Inc. as its Vice President of Marketing before establishing Armada Hoffler. A former "Outstanding Citizen of Hampton Roads", Dan has served on several public and private boards, prior service includes: The Shaw Group; Governor's Advisory Board for Industrial Development for the Commonwealth of Virginia; Virginia Racing Commission; Department of Game and Inland Fisheries; Department of Transportation; University of Virginia's Board of Visitors; and Chair of the Hampton Roads Partnership.

A. RUSSELL KIRK

VICE CHAIRMAN



A. Russell Kirk currently serves as Vice Chairman of Armada Hoffler Properties, where he is responsible for strategic aspects of Armada Hoffler's businesses, including acquisition and development proposals, investment decisions, structuring partnerships and joint ventures, reviewing contracts, designing exit strategies as well as securing financial commitments from the company's lenders. Prior to joining Armada Hoffler in 1983, Mr. Kirk was a partner with the law firm of Kaufman & Canoles, where he practiced for ten years, specializing in structuring, marketing and financing real estate investments. Mr. Kirk also served on the Virginia Port Authority for eight years and served as its Chairman for a portion of that time. Mr. Kirk received a degree from the University of Virginia and graduated from Washington and Lee School of Law, where he was elected to the Order of the Coif.

LOUIS S. HADDAD

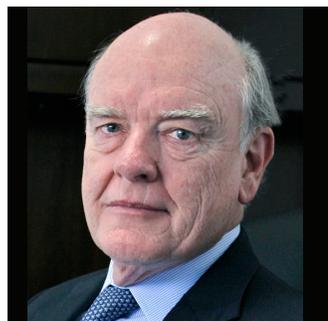
PRESIDENT AND CEO



Lou Haddad was recruited to Armada Hoffler in 1985 as an on-site construction superintendent who quickly distinguished himself among tradesmen in the field and company executives. He was promoted two years later to President of Armada Hoffler Construction Company and quickly grew the company's annual revenue from \$5 million to \$150 million. In 1996, Mr. Haddad was promoted to President of Armada Hoffler Holding Company, the parent of all Armada Hoffler entities. In 1999, he was given the additional title of Chief Executive Officer. Under his leadership Armada Hoffler became one of the largest commercial real estate firms in the state of Virginia. In 2013, Mr. Haddad spearheaded the company's initial public offering and transition into a publicly-traded REIT listed on the New York Stock Exchange. With Lou as CEO, the Company has nearly tripled its market cap since going public and produced returns that have outpaced both the MSCI REIT and Russell 2000 Index.

JOHN W. SNOW

LEAD INDEPENDENT DIRECTOR



From February 2003 until June 2006, John W. Snow served as United States Treasury Secretary under President George W. Bush, position which allowed him to provide a guiding voice on domestic and global economic issues and steer the effort to pass the 2003 Jobs and Growth Tax Relief Act. Mr. Snow held the position of Chairman and Chief Executive Officer of CSX Corporation (NYSE: CSX) until 2003. Prior to becoming the Chairman and Chief Executive Officer of CSX Corporation, Mr. Snow served as Chairman of the Business Roundtable, a prestigious business policy group comprised of 250 chief executive officer of the nation's largest companies. During his time in this position, he made significant contributions to the passage of the North American Free Trade Agreement and various federal deficit reduction measures. Mr. Snow currently serves on the boards of Cerberus Capital Management LP, where he is non-executive chair, Marathon Petroleum Corporation (NYSE: MPC), Amerigroup Corporation (Amerigroup: AGP) and International Consolidated Airlines Group, S.A. (NYSE ARCA Eu: IAG). Mr. Snow holds a B.A. from University of Toledo, a master's from The Johns Hopkins University, a law degree from the George Washington University and a Ph.D in Economics from the University of Virginia.



GEORGE F. ALLEN
INDEPENDENT DIRECTOR

George F. Allen currently serves as the President of George Allen Strategies, a consulting firm founded by Mr. Allen, as well as on the board of directors of several technology companies, including Lee Technologies, nanoRisk Assessment and Hillsdale Group. He is also presently the Reagan Ranch Presidential Scholar for the Young America's Foundation. Mr. Allen has served the Commonwealth of Virginia in the House of Delegates, U.S. House of Representatives, as Governor of Virginia and in the U.S. Senate. Mr. Allen also served as the Chairman of the National Republican Senatorial Committee for the 2004 election cycle. Mr. Allen holds an undergraduate degree and a law degree from the University of Virginia.



JAMES A. CARROLL
INDEPENDENT DIRECTOR

James A. Carroll is the President and Chief Executive Officer of Crestline Hotels & Resorts, LLC, a leading hospitality management company that manages 106 hotel properties throughout twenty-eight states and the District of Columbia. Mr. Carroll originally joined Barceló Crestline Corporation in 2004 as Senior Vice President and Treasurer. He was named Chief Financial Officer in 2006 and promoted to President and Chief Executive Officer of Crestline Hotels & Resorts, LLC, in 2010. Prior to joining Crestline, Mr. Carroll held several operations and financial management positions at Dell, Inc. Mr. Carroll served as a Naval Aviator and Lieutenant in the United States Navy. Mr. Carroll holds an M.B.A. from the Harvard Business School and is a graduate of the U.S. Naval Academy.



JAMES C. CHERRY
INDEPENDENT DIRECTOR

James C. Cherry has served as CEO of Park Sterling Corporation (NASDAQ: PSTB), a bank holding company headquartered in Charlotte, North Carolina, since its formation in August 2010 and its wholly-owned subsidiary, Park Sterling Bank, a regional financial services company, since its initial public offering in August 2010. From June 2006 until August 2010, he was retired, having served as the Chief Executive Officer for the Mid-Atlantic Banking Region at Wachovia Corporation, President of Virginia Banking, Head of Trust and Investment Management, and in various positions with North Carolina based banks including as Regional Executive, Area Executive, City Executive, Corporate Banking and Loan Administration Manager, and Retail Banking Branch Manager for Wachovia. He chaired the Virginia June Bankers Association in 2006-2007.



EVA S. HARDY
INDEPENDENT DIRECTOR

Ms. Hardy retired as executive vice president of Public Policy and Corporate Communications at Dominion Resources in 2008, after 20 years as an executive with the company, where she was responsible for local, state and federal relations in all states where Dominion did business, as well as media, communications, advertising and The Dominion Foundation. In addition to her private sector experience, Hardy spent 17 years in local and state government, serving in several positions with the City of Portsmouth, Virginia from 1972 to 1981. She became Commissioner of Labor for Virginia in 1983, and served as Secretary of Health and Human Resources from 1986 to 1990 in the administration of Virginia Gov. Gerald L. Baliles. She served as Interim State Director for US Senator Mark R. Warner in 2009. She has served as Vice Chair of the State Council of Higher Education and on the Board of Trustees of her alma mater, Hood College as well as the Board of the Eastern Virginia Medical School. She currently serves on the VCU Health Systems Authority, the Virginia Community College Foundation, and the Virginia Commonwealth Higher Education Board Appointments Committee.

MANAGEMENT TEAM

We do not anticipate any conflicts of interest amongst our management team.



LOUIS S. HADDAD

PRESIDENT AND CHIEF EXECUTIVE OFFICER

Mr. Haddad was recruited to Armada Hoffer in 1985 as an on-site construction superintendent where he quickly distinguished himself among company executives and subcontractors alike. Following several promotions, he was elevated to President of Armada Hoffer Construction Company in 1987 despite being a few months shy of his 30th birthday. During his subsequent 9-year tenure, the division's annual revenue grew from \$5 million to \$150 million. In 1996, Lou was promoted to President of Armada Hoffer Holding Company, the parent of all Armada Hoffer entities, inclusive of the flagship development division as well as asset management. In 1999, he was given the additional title of Chief Executive Officer. Under his leadership Armada Hoffer became one of the largest commercial real estate concerns in the Commonwealth of Virginia with signature projects across several mid-Atlantic states. In 2013, he spearheaded the company's initial public offering and transition into a publicly-traded REIT listed on the NYSE. With Lou as CEO, the company has more than tripled its market cap and produced returns that have consistently outperformed both the MSCI REIT and Russell 2000 Indices.



MICHAEL P. O'HARA

CHIEF FINANCIAL OFFICER

Mike O'Hara has served as Chief Financial Officer for Armada Hoffer since 2002 and was also named Treasurer following the Company's IPO in 2013. Mr. O'Hara joined Armada Hoffer in 1996 as Controller of the construction company and was promoted to Controller of Armada Hoffer Holding Company in 1999. Prior to joining Armada Hoffer, Mr. O'Hara served as Controller of Beacon Construction in Boston, Massachusetts. Mr. O'Hara received a Bachelor of Science degree in accounting from Fairfield University in Connecticut and held the CPA designation for many years.



SHELLY R. HAMPTON

PRESIDENT OF ASSET MANAGEMENT

Shelly R. Hampton has served as President of Asset Management of Armada Hoffer since 2011. From 2009 to 2011, Ms. Hampton served as Vice President of Asset Management of Armada Hoffer. From 1999 until 2011, Ms. Hampton served as the Director of Asset Management of Armada Hoffer. Ms. Hampton previously served as Vice President of Finance as JLM Holdings. Ms. Hampton holds an Associate of Applied Science in Business Management from Metropolitan College and graduated cum laude with a Bachelor of Science in Business Administration from Western New England University.



ERIC E. APPERSON

PRESIDENT OF CONSTRUCTION

Mr. Apperson began his career with Armada Hoffer in 1987 and held various positions prior to becoming President of Goodman Segar Hogan Hoffer Construction (a subsidiary of Armada Hoffer) in 1997. Due to his wide range of experience in management, he was appointed President of Armada Hoffer Construction Company in 2000. In addition to being responsible for the overall management, strategic growth and financial health of the Construction Company, he focuses on developing and cultivating relationships with new and existing clients, subcontractors and employees. Mr. Apperson holds a Bachelor of Arts degree from Hampden-Sydney College where he is a member of the Board of Trustees. Mr. Apperson has been a member of the Board of Directors of Bank @lantec since 2007 and has served as its Chairman since 2010. He now sits on the Virginia Advisory Board of Bank @lantec, a Division of Dollar Bank. He has also been a member of the Board of Trustees at Cape Henry Collegiate since 2014.



ALAN R. HUNT

EXECUTIVE VICE PRESIDENT OF CONSTRUCTION

Alan R. Hunt currently serves as Executive Vice President of Construction, a position he has held since 2007. From 2004 until 2007, Mr. Hunt served as Vice President of Armada Hoffer Construction Company. From 2001 until 2004, he served as a Site Manager at Armada Hoffer and worked as a Project Superintendent from 1991 until 2001. Mr. Hunt has overseen the Baltimore office of Armada Hoffer since the mid-1990's and is responsible for scheduling, budgets, pre-construction and knowledge into the design phase. Mr. Hunt received a degree in computer science from the State University of New York at Alfred.



W. CHRISTOPHER HARVEY

EXECUTIVE VICE PRESIDENT OF CONSTRUCTION/BUSINESS DEVELOPMENT

W. Christopher Harvey currently serves as Executive Vice President of Construction/Business Development. Mr. Harvey has served as Executive Vice President of Development of Armada Hoffer since 2010 which included the oversight of Alliance Hospitality, Armada Hoffer's joint-venture with Crestline Hotels and Resorts, which was created to develop multiple hotel and hospitality projects around the country. Since joining the firm in 2002, Mr. Harvey's previous positions within Armada Hoffer included Director of Business and Hotel Development, Development Coordinator, and Project Engineer. Mr. Harvey received a B.A. in government from the University of Virginia and an MBA in management and business development from the Kogod School of Business at American University.

MANAGEMENT TEAM CONT.



BERNARD L. SHUMATE JR.

*EXECUTIVE VICE PRESIDENT -
HEAD OF DEVELOPMENT*

Promoted to Executive Vice President – Head of Development in 2018, Mr. Shumate is responsible for managing Armada Hoffler’s development team with oversight over all of the company’s development projects. With a relentless focus on controlling development risk, Mr. Shumate works closely with the executive management team to ensure that the corporate strategy is consistently supported by the efforts of the development team and that all development projects are completed on budget and on schedule. Mr. Shumate has more than 30 years of experience in the industry. Since first joining Armada Hoffler in 1998, he has held numerous positions within the construction business including Project Executive, Estimating Executive, Operations Manager and Vice President. Mr. Shumate graduated from Virginia Tech with a Bachelor of Science in Civil Engineering and holds a Class A Contractors License in Tennessee.



CHRISTOPHER J. ODLE

*EXECUTIVE VICE PRESIDENT OF
DEVELOPMENT*

With over 25 years of experience in planning, estimating and development, Mr. Odle’s extensive resume of complex development projects and track record of delivering both on time and on budget with economics meeting or exceeding expectations enable him to oversee Armada Hoffler’s most complex development initiatives. Mr. Odle joined Armada Hoffler in 1995 and in his present capacity as Executive Vice President of Development, Mr. Odle spends significant energy designing and creating development programs to produce high quality and financially viable mixed-use spaces that effectively bring tenants and their employees together with clients and customers while offering amenities that enhance these interactions. In addition, Mr. Odle’s depth of experience allows him to be a technical resource for the company’s entire development team. Mr. Odle has served on various community boards and is currently a member of the Board of Directors for the James City County Economic Development Authority. He graduated from the University of Florida with a Bachelor of Science degree in Building Construction.



CLARK NEXSEN OVERVIEW

OUR FIRM HISTORY

Clark Nexsen is a full-service architecture, engineering, planning, and interior design firm headquartered in Virginia Beach, Virginia, with branch offices in Roanoke, Vienna and Richmond, Virginia; Asheville, Charlotte, and Raleigh, North Carolina; Brunswick and Macon, Georgia; and Austin, Texas. Founded in 1920, today the firm has more than 400 employees and a list of projects that covers the United States and more than 40 countries around the world. The firm has designed major projects for the federal government, state and local governments, colleges and universities, major corporations, and all markets in the private sector.

FULL-SERVICE ENHANCES QUALITY

We offer full-service design in all aspects of architecture, including building design, building and systems assessment, master planning, feasibility studies, facilities management, landscape architecture, interior design, and construction administration. Our in-house engineering services include civil, environmental, GIS, transportation and traffic, mechanical, electrical, plumbing, structural, energy modeling / energy, commissioning, and fire protection design. This full-service, in-house capability increases our ability to respond to client schedule and service needs while allowing increased quality control.

DESIGN QUALITY & ACHIEVEMENTS

Clark Nexsen has been honored with more than 188 design awards in the last 20 years, including 58 AIA design awards on the local, state, regional, and national levels. In 2015, Architect magazine ranked the firm 33rd in the Top 50 Design Firms in the Nation. Clark Nexsen is also ranked in Building Design+Construction's Engineering/Architect Giants Top 20 and in Engineering News-Record's Top 150.

MEASURED GROWTH

Financially strong, Clark Nexsen continues measured growth, expanding our project base with both new clients and new project types. In recent years, our practice has focused on projects for educational, institutional, research, healthcare, corporate, industrial, and government clients. Our staff includes some of the most experienced and knowledgeable professionals in the field, and we encourage each member to broaden their expertise through continuing education programs and other developmental opportunities.

COMMITMENT TO CONTINUITY

Clark Nexsen is a service-oriented design firm. We assure our clients of Principal involvement and commitment on every project. Every member of our staff undergoes training in communication, teambuilding, and conflict resolution skills. More than 100 of our architects and engineers are stockholders and we have a low employee turnover rate; assuring our clients of continuity throughout the life of a project.

CHAD POULTNEY

With 22 years of experience in the management of large, complicated projects, Chad is skilled at coordinating the efforts of various disciplines, while clearing the path for the contractor to effectively deliver the end product. He engages the community by presenting at public hearings, architectural review boards and jurisdictional approval hearings for a broad range of projects throughout the country. Through successfully navigating an array of complicated projects, Chad has developed a skill for listening to the client's needs, coupling that with the concerns of the public, and tactfully negotiating the terms and execution of projects that serve both. As Principal, Chad will represent the interests of the client to the firm. He will actively monitor all project activities to ensure quality, specifically the progress towards achieving project goals.

BRIAN WILSON

Project management experience has been developed through years of leading civil engineering projects and teams in the federal, municipal and commercial markets. Brian started his career working in the utility and land development industries and has since managed multi-discipline building design teams in a variety of projects, ranging from roadway projects to lodging facilities. Brian's big-picture vision, attention to detail and commitment to quality will be instrumental in keeping the project approach and goals in focus.

SCOTT BOYCE

An architect with a specialization in commercial design, Scott possesses over a decade of experience in public, private, and commercial projects including Department of Defense facilities, office and headquarters. As the architect for a diverse group of corporate projects, his recent work includes the 4525 Main Street Office Tower, Brooks Crossing, and Tech Center at Oyster Point. With the conviction that architecture is as much an art as it is a science, Scott is dedicated to pursuing creating inspiring spaces and searching for opportunities to make the most out of each project.



KIMLEY-HORN OVERVIEW

FIRM OVERVIEW

Kimley-Horn and Associates, Inc. is one of the nation's premier planning and design consulting firms. Founded in 1967 in Raleigh, NC, Kimley-Horn has evolved into a multidisciplinary consulting firm offering services to federal, state, and local governmental agencies; developers; and commercial, industrial, and agricultural interests. Today, the firm encompasses 3,400 employees in more than 80 offices nationwide, including local offices in Virginia Beach and Newport News.

Our service areas are:

- Land Development
- Parking Garages
- Parking Studies
- Environmental Engineering/Planning
- Transportation Planning
- Community Planning
- Community Resiliency
- Energy
- Landscape Architecture
- Roadway/Bridge
- Aviation
- Surface Water
- Technology
- Transit
- Transportation Systems, Management, and Operations
- Water/Wastewater

LAND DEVELOPMENT

Kimley-Horn offers a full suite of land development services including master planning, due diligence and feasibility studies, entitlement services/strategies, site design, and permitting services. From site selection to initial design and on through construction, our civil engineers and land planners consult extensively with our traffic engineers, landscape architects, utility engineers, and stormwater and environmental engineers and scientists to ensure a fully-integrated design. Our projects include municipal buildings, parking garages, multifamily, retail, office, and both urban and suburban mixed-used developments.

EXPERIENCE: CITY OF PORTSMOUTH

Kimley-Horn's multidisciplinary work for and within the City of Portsmouth spans more than 20 years. We bring invaluable knowledge of the City's infrastructure, processes, and procedures, as well as a genuine commitment to the City's continued success. We currently serve Portsmouth under multiple on-call contracts, including an annual professional engineering services contract for utilities (since 2011), an on-call for traffic engineering services (since 2008), an on-call for stormwater services (since 2011), and an on-call for civil engineering services (since 2017). Additionally, since 2008, Kimley-Horn has helped the City to obtain more than \$10 million in state and federal funding for planning, engineering, and construction. These awards have enabled the City to maximize their on-call contracts and project completion while minimizing the use of City funds. Kimley-Horn also brings direct knowledge of the project site through our work on the Downtown Parking Master Plan and Master Plan Update, the County Street Parking Garage Evaluation, and the County Street Parking Garage Programming project.



**JAMIE WEIST,
P.E.**

STRUCTURAL ENGINEERING

Jamie has developed a wealth of knowledge about the City of Portsmouth's infrastructure and goals through his role as project manager for both the Annual Professional Engineering Services contract and the Civil Engineering on-call contract. He has more than 25 years of municipal infrastructure planning and design experience in the Commonwealth of Virginia and brings a wealth of experience gained from leading or serving in a key role on a broad scope of annual engineering services contracts for more than a dozen municipalities. He is particularly skilled in municipal infrastructure condition assessment and design, utility relocations, corridor studies, rehabilitation plans, and construction phase services. Jamie's expertise also extends to infrastructure capital improvement planning; parking studies; the design and inspection of new and existing roadways; storm drainage design and management; spill prevention control and countermeasure plans (SPCC); and public engagement.



**ADAM COCHRAN,
P.E.**

STRUCTURAL ENGINEERING

Adam has more than 18 years of experience in the functional layout, structural design, and construction of parking decks for numerous municipalities nationwide, including standalone garages, parking within mixed-use buildings, and fully integrated facilities. His expertise includes the design and layout of new parking facilities as well as the evaluation and rehabilitation of existing structures. His design and rehabilitation projects encompass a broad scope of structural systems, including reinforced concrete, precast prestressed concrete, post-tensioned concrete, and structural steel. Adam is actively involved in the National Parking Association's Parking Consultants Council and serves as co-chairman of the committee that rewrote the national Parking Facility Maintenance Manual. Adam has direct, long-term knowledge of the County Street Parking Garage site through his work on both the evaluation of the County Street Parking Garage and the subsequent planning work.



**RANDY ROYAL,
P.E.**

CIVIL ENGINEERING

Randy has managed a broad scope of land planning and development projects for nearly four decades and brings extensive expertise in all aspects of the development process. He serves as project manager on a broad range of civil engineering projects with responsibility for permitting through construction administration. Randy also specializes in due diligence, including zoning, land use permits, feasibility studies, and planning, and has a track record of successfully entitling and permitting scores of projects throughout Hampton Roads. This longstanding involvement has allowed him to build valuable understanding of project design and permitting, entitlement, and zoning amendment procedures. Randy has worked on a broad variety of development projects with Armada Hoffer over the past 35 years.



SECTION II

LAND ACQUISITION
AND EXISTING
FACILITIES



EXISTING CONDITIONS

Attached is an aerial map of the downtown area including City Hall and the County Street Garage. It is overlaid with one-foot contour elevations from the City's GIS. It is our understanding that there is a field-run topographic survey of this same area done years ago by the Baldwin & Gregg engineering firm. We would anticipate utilizing that information for final designs of the two projects.

PUBLIC UTILITIES

It does not appear that any public utility facilities will be crossed by these projects as they are rebuilding on footprints of existing buildings.

The Downtown Master Utility Replacement Program has appropriated to date \$40,900,000 worth of sewer and water improvements.

Unappropriated, but remaining for the project are:

\$1,500,000 for FY 2019

\$15,000,000 for FY 2020

For a total of \$57,400,000



As stated in the City’s Capital Improvement Program (CIP), the Downtown Area contains some of Portsmouth’s oldest water and wastewater system components. Replacement of aged and inadequate water distribution and wastewater collection and conveyance systems in the Downtown Area are required to support the redevelopment of this critical area as envisioned by the Downtown Strategic Plan prepared by Urban Design Associates. Expected limits of the area are the Elizabeth River on the east, Crawford Parkway on the north, Chestnut Street/Fort Lane on the west, and I-264 on the south.

Phasing of this project will be tied to the redevelopment phases outlined in the Downtown Strategic Plan. The first section of the project is currently under construction. At the appropriate time during construction, design of the next section will begin and follow a similar pattern until the entire master plan is implemented.

If adjustments are necessary to coordinate this replacement work being done in front of the City Hall building or the County Street garage, we are confident that the phasing can be adjusted accordingly.

ACQUISITION AND DEVELOPMENT STRATEGY

It is not believed at this time that any additional property will be necessary to complete the two projects. This proposal intends to build on land owned by the City where City Hall and the County Street Garage currently exist.

Armada Hoffler Properties	Development
Armada Hoffler Construction	General Contrator
Clark Nexsen	Mechanical Engineering
Clark Nexsen	Electric Engineering
Clark Nexsen	Structural Engineering
Kimley Horn & Associates	Civil Engineering
Kimley Horn & Associates	Landscape Engineering

Armada Hoffler Properties will serve as developer of the project and will provide a completion guarantee as well as any repayment guarantees required by the lender for the purpose of financing the project.

Armada Hoffler Properties has assembled a team including two of the most respected architect and engineering firms in the region to ensure that both projects are successful signature projects for the City of Portsmouth.



SECTION III

TOTAL LIFECYCLE
COST



TOTAL LIFECYCLE COST

A. USEFUL LIFE

The expected useful life of typical real estate is thirty (30) years to coincide with the term of a mortgage. However, most buildings have actual useful life durations of fifty (50) years or more. Armada Hoffer would expect to deliver a new City Hall with modern materials, systems, and finishes that would stand the test of time. There would be normal maintenance and replacement of items such as roofing, caulking, and floor finishes, but the structure overall will be built to meet the thirty-to fifty-year lifecycle.

B. SCHEDULE

The Schedule for the project is still subject to several variables, but an overall time of delivery of Phase I- City Hall relocation is 24 months from Notice of Award. Phase II – Multifamily projects to be completed in 20 months after the relocation of City Hall staff.

C. SUMMARY

Armada Hoffer has access to capital markets as well as internal lines of credits and will therefore fund 100% of the equity of this project. We will solicit construction loans from multiple banks and will secure a construction loan for the balance of the project cost. Equity is expected to be in the 30% (thirty percent) range of total project cost for Phase I and 35% of total project cost for Phase II.

D. COST AND RETURN ANALYSIS

The summary cost and return analysis is provided in section VII - Project Financing for both the City Hall – Phase I and Multifamily – Phase II.



SECTION IV
—
USER FEES AND
USAGE

USER FEES AND USAGE

Assumptions about user fees or rates, and usage of the project or projects:

As previously described in our earlier submissions, Armada Hoffler Properties anticipates delivery of a new office building of approximately 100,000 square feet for relocated City Hall operations and other City services. We will include approximately 7,500 square feet of space on the ground/street level for walk in city services such as water and sewer bill pay counter, tax payments, etc. Structured parking will provide approximately 670 spaces and will either be adjacent to or within the City Hall Building (See Option A and Option B Designs).

Phase II will be market rate Multifamily Units plus onsite parking. The total residential unit count is expected to be between 175 and 200 units. In addition, there will be approximately 8,000 square feet of ground level retail space.

The anticipated rental rate for The City Hall space will be between \$19-22 per square foot depending on option chosen plus expense, currently estimate to be approximately \$8-9 per square foot. Base rent will increase at two percent (2%) per year. Expenses will adjust annually based on actual cost incurred. Parking spaces will be constructed by Armada Hoffler and purchased by the City upon completion. The purchase price is estimated to be \$27,500 per space for Option A and \$35,000 for Option B.

Rental rates in the multifamily and retail components of Phase II will be set by the market at the time of development of that phase.



SECTION V

GOVERNMENT
SUPPORT

GOVERNMENT SUPPORT

Identification of any known governmental support or opposition, or general public support or opposition for the project. Government or public support should be demonstrated through resolution of official bodies, minutes of meetings, letters, or other official communications.

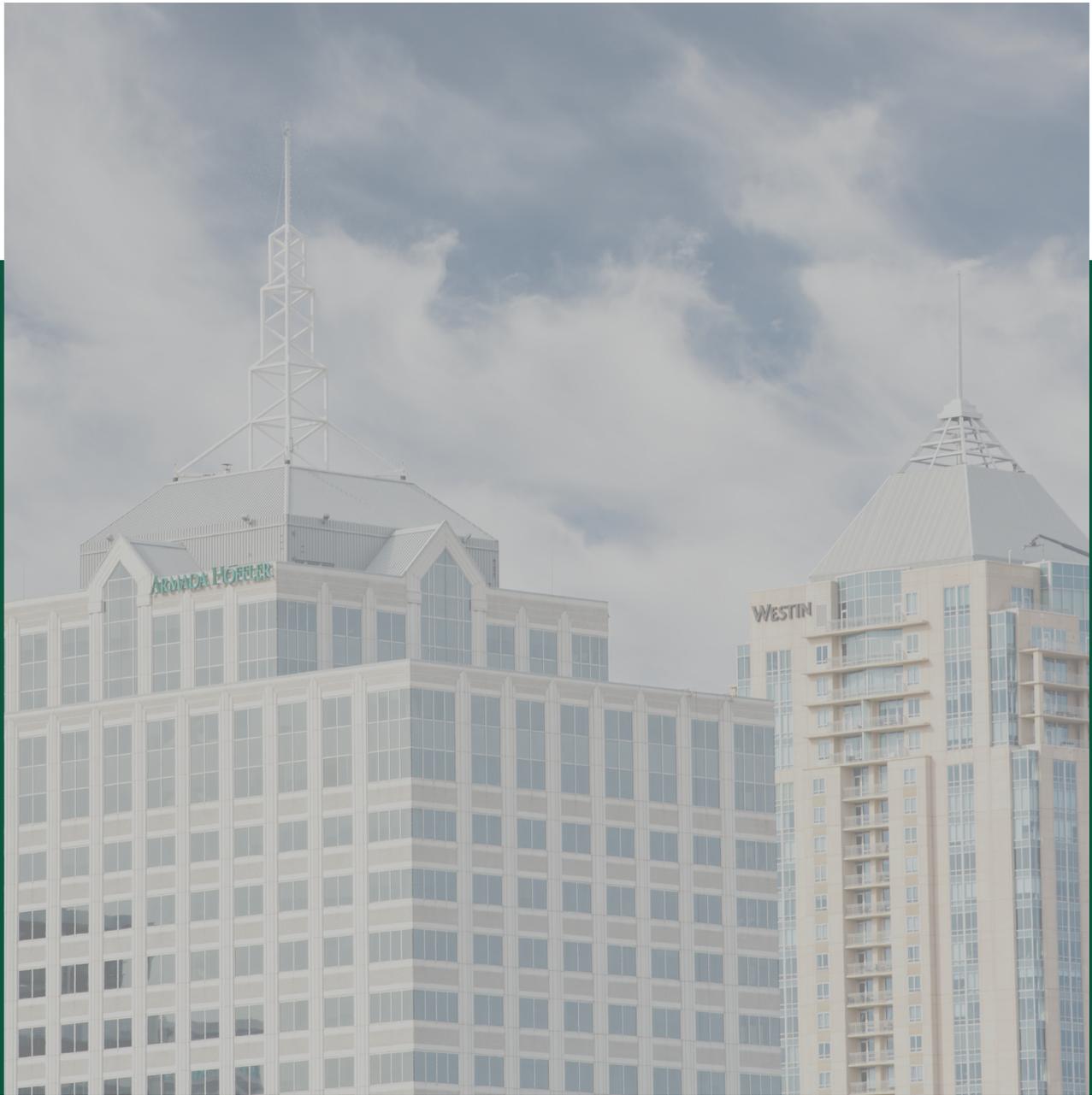
The proposed project has been designed with several studies in mind in order to meet the city's goals and expectations for the waterfront revitalization. No opposition from the government or public is known or anticipated due to the project's consistency with city plans.

- "Crawford Gateway Revitalization" City Council Briefing on February 2, 2018
- City of Portsmouth City Hall Programming Study published July 31, 2018
- City of Portsmouth Civic Center Land Use Study published August 20, 2018
- "Updated Crawford Gateway Revitalization" City Council Briefing on September 8, 2018



SECTION VI

DEVELOPMENT PLANS



As indicated in Section II- Land Acquisition and Existing Facilities regarding the Downtown Master Utility Replacement Program, these projects are within the area of improvements being replaced, and if the work has not already been done in front of these sites, adjustments could be made accordingly in the construction phasing.

The proposed project has been strategically planned to reflect and promote the six principles of the Crawford Gateway Revitalization Plan:

- Create enhanced connection along the waterfront
- Enhance development opportunities along the Elizabeth River Waterfront
- Enhance the storm water management system in the downtown area
- Draw more people during the daytime to downtown Portsmouth
- Emphasize and increase the livability of the downtown area through bike/pedestrian pathways, green spaces and gathering areas
- Consolidate tax-exempt properties and financially improve the usage of the land

Our proposal to relocate City Hall and the Public Safety buildings from the waterfront areas will free up valuable waterfront property to be better utilized for mixed-use in an area that takes advantage of the natural environment. The connectivity to the Elizabeth River Waterfront and Marina is an attractive draw for downtown residents to better support businesses and restaurants of Portsmouth and increase tax revenue. Planned redevelopment and relocation of the Civic Center elements to more appropriate areas of the City do the same and allow more connectivity of downtown Portsmouth to the waterfront. Consolidating parking into a structured garage off the waterfront with walkability to new and existing business development areas will provide for increased connectivity and allow for a Storm Water Management Park to be developed along the river for all to enjoy.

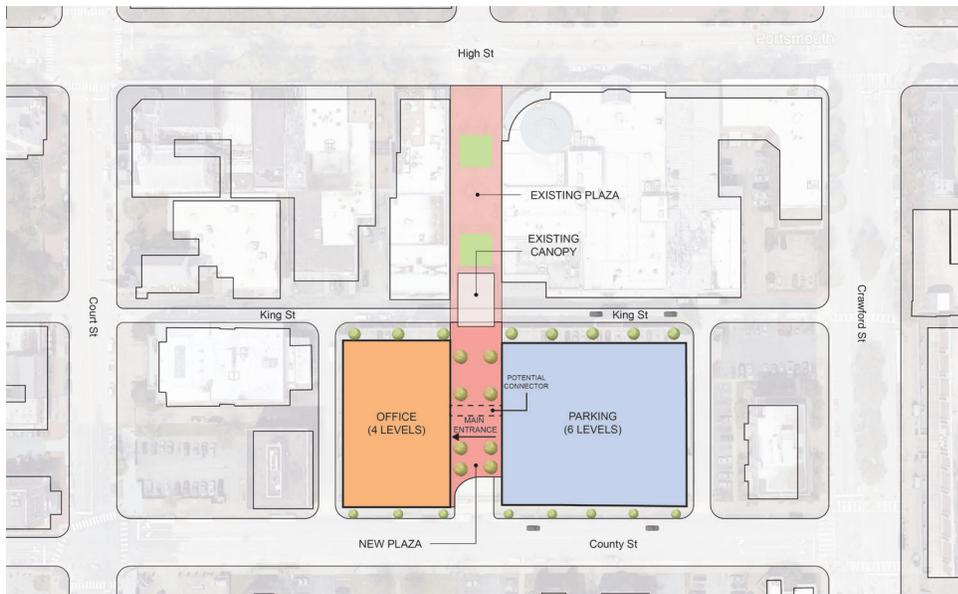
In all manners, this plan supports and delivers on all the principles defined in the Crawford Gateway Revitalization plans.



CONCEPT IMAGE OFFICE

OPTION A

City Hall Option A includes a freestanding office building of approximately 100,000 square feet. Benefits of detached parking for city uses include increased security meeting recommendations by FEMA and more parking closer to Crawford Street, where additional development is planned. Access into the parking deck is planned off County Street with a new public plaza between the buildings for connectivity with the existing plaza across King Street.

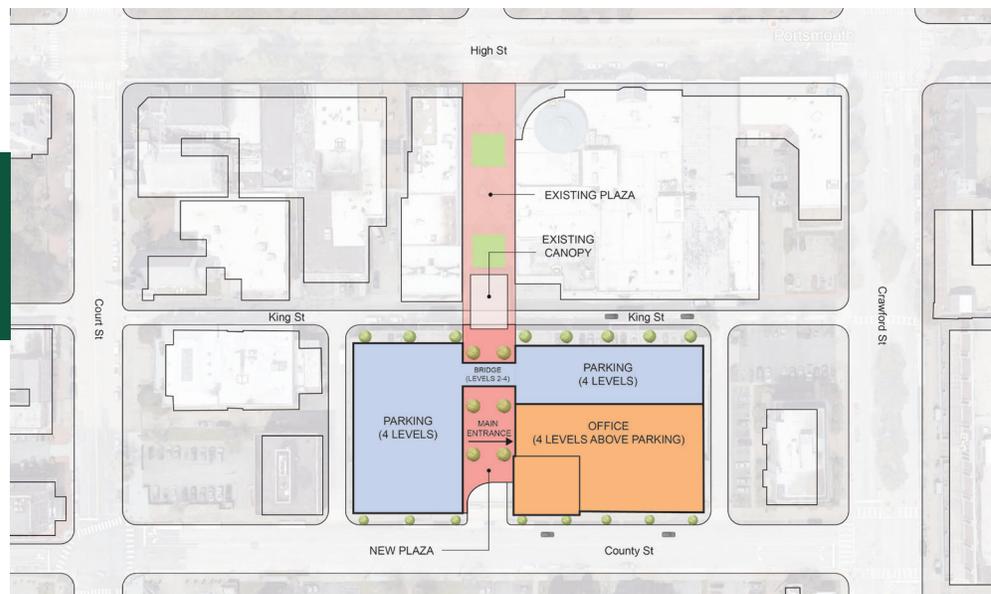


PROPOSED CITY
HALL CONCEPT MAP



OPTION B

City Hall Option B includes approximately 415 structured parking spaces in a podium underneath approximately 108,000 square feet of office space, with a separate approximately 255-space garage attached by bridge with all flat levels. Benefits of the flat level garage include the ability to separate long-term lease parking from office parking. Flat level garages are being planned for many public projects to allow for a redevelopment into other uses given the current forecasts for decreased vehicle usage in the future that are widespread in the industry. It also allows for a phased approach if the City determines that the long-term lease parking can be reduced or relocated to areas outside of downtown.



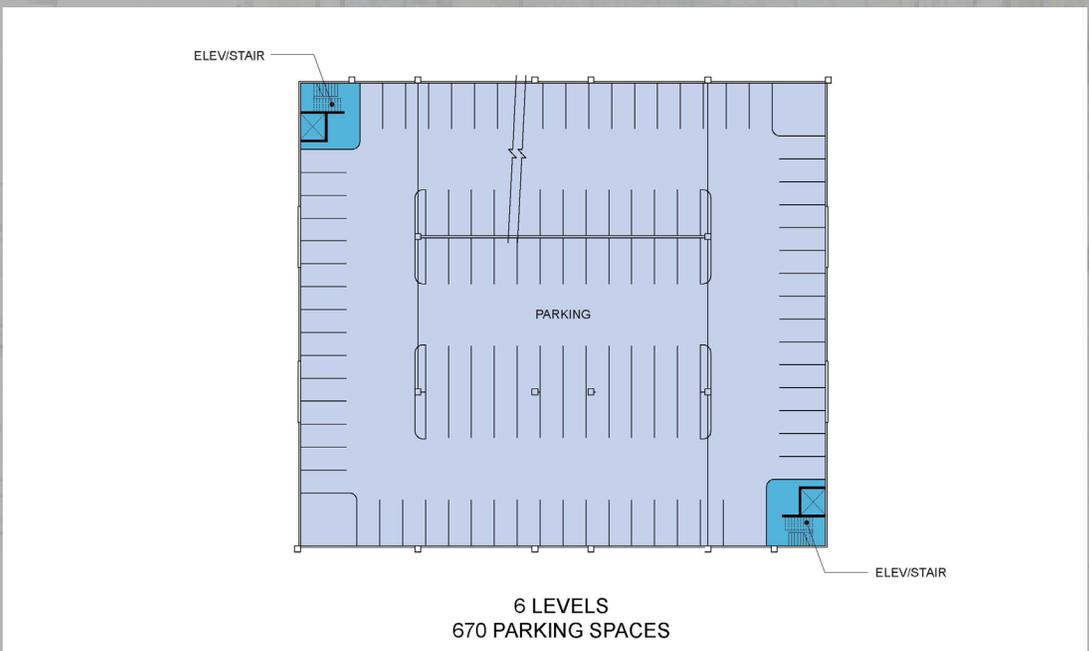
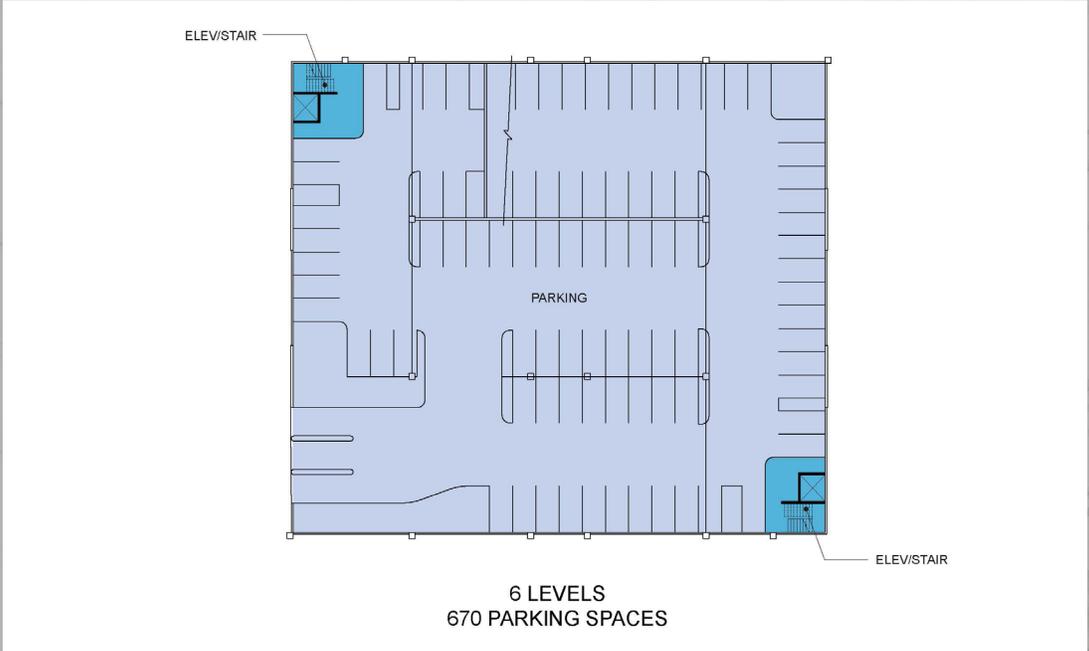
PROPOSED
PORTSMOUTH CITY
HALL RENDERING



OFFICE PARKING

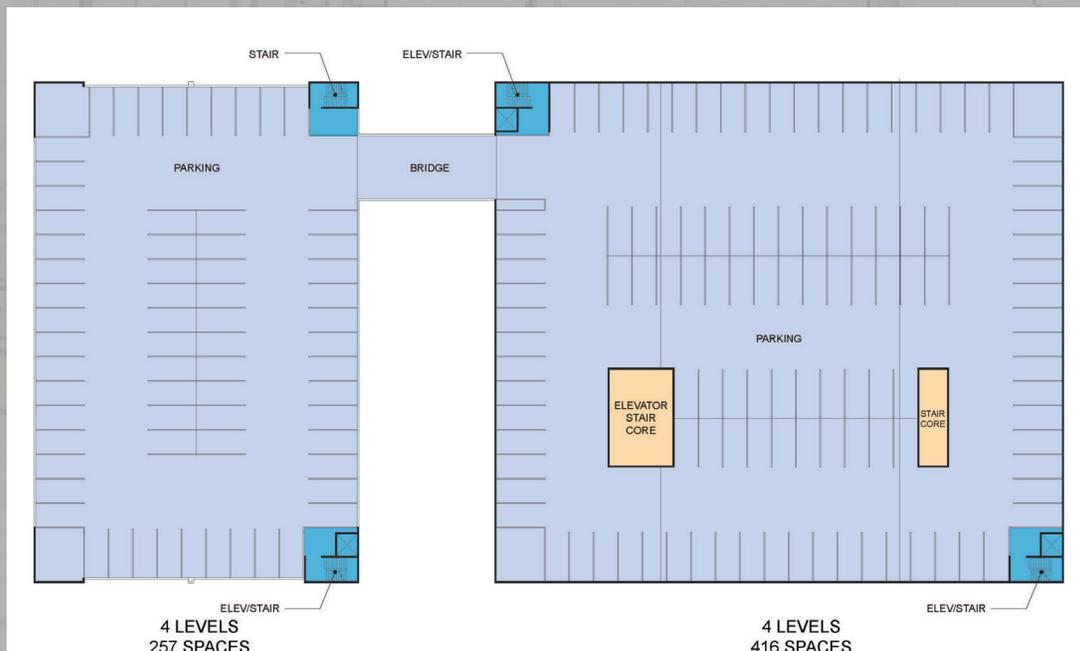
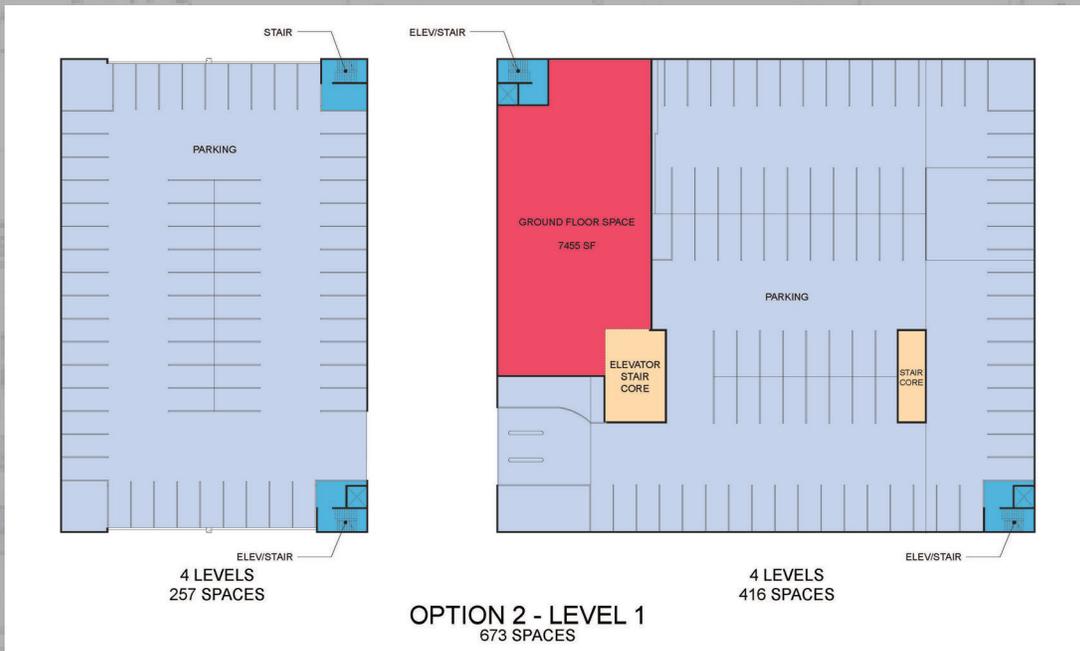
OPTION A

6 levels, 670 spaces

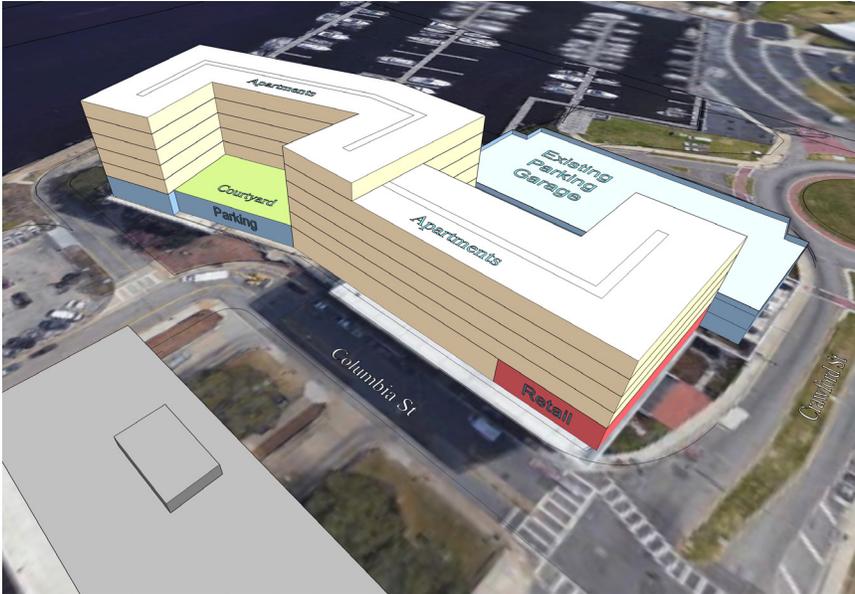


OPTION B

4 levels in both parking garage & office totaling to 673 spaces



CONCEPT IMAGERY MULTIFAMILY



APARTMENT PRECEDENT IMAGES





SECTION VII

PROJECT
FINANCING

PROJECT FINANCING

PLAN FOR ANTICIPATED COST AND SCHEDULE FOR DEVELOPMENT, FINANCING, AND OPERATION

Please refer to the design concepts at the end of this section. In summary, Armada Hoffler proposes to build approximately 100,000 square feet of office to be leased to the City. Parking in Phase I for approximately 670 cars to be owned by the city upon completion. Phase II will include approximately 175-200 multi-family units at market rents as well as 7,000 square feet of rental space. Parking for the multi-family will be onsite and owned by Armada Hoffler Properties.

ASSUMPTIONS OF MAJOR ELEMENTS

As described previously, we anticipated the city's support and pledge of payment in two areas: First, a binding lease with the city for approximately 80,000 to 88,000 square feet of office space for a term of twenty (20) years, and second, a commitment to purchase parking spaces at completion and delivery of said spaces in the amount of \$27,500 in Option A and \$35,000 in Option B.

ASSUMPTIONS OF MAJOR ELEMENTS

Office Space Rent \$19-22 square feet 20-year term and two percent (2%) annual increase plus expenses estimate to be \$8-9 per square foot. Final pricing to be determined by final design chosen by the City of Portsmouth.

Parking 670 spaces \$27,500 purchase price Option A

Parking 673 spaces \$35,000 purchase price Option B

We would not expect the office building or any component to be tax exempt however, by purchasing and owning the parking garage, that garage would be tax exempt and any bond financing for the purchase

TOTAL DEVELOPMENT VALUE

Project Summary	Phase 1 - Option A	Phase 1 - Option B	Phase 2	Option A Total	Option B Total
	City Hall New Building Detached Parking	City Hall New Building Podium and Detached Flat-Level Parking	New Waterfront Apartments		
Land - Assessed Land Values					
County Street Site	597,200	597,200		597,200	597,200
Waterfront Site			1,184,190	1,184,190	1,184,190
TOTAL LAND	597,200	597,200	1,184,190	1,781,390	1,781,390
Public Investment					
Parking Garage Spaces					
	670	673		670	673
Purchase Price	18,425,000	23,555,000		18,425,000	23,555,000
Total Parking Garage	18,425,000	23,555,000		18,425,000	23,555,000
TOTAL INITIAL PUBLIC INVESTMENT	18,425,000	23,555,000		18,425,000	23,555,000
Annual Rent					
Office Space (100-108K sf)	1,915,000	2,100,600		0	0
Estimated Operating Expenses (\$8.00/sf)	800,000	864,000		1,915,000	2,100,600
Total Ongoing Expenses	2,715,000	2,964,600		2,715,000	2,964,600
Private Investment					
Residential & Retail APTS					
			200	200	200
Hard Costs			30,978,892	30,978,892	30,978,892
Soft Costs			2,800,916	2,800,916	2,800,916
Contingency			1,496,168	1,496,168	1,496,168
Interest			1,285,191	1,285,191	1,285,191
Total Residential			36,561,167	36,561,167	36,561,167
Office SF					
	100,000	108,000		100,000	108,000
Land	597,200	597,200		597,200	597,200
Hard Costs	33,599,184	39,454,184		33,599,184	39,454,184
Soft Costs	2,876,648	3,795,513		2,876,648	3,795,513
Contingency	1,416,164	1,686,664		1,416,164	1,686,664
Interest	1,286,205	1,504,163		1,286,205	1,504,163
Total Office	39,775,401	47,037,725		39,775,401	47,037,725
Return on Cost	8.50%	8.49%	8.03%		
TOTAL PRIVATE INVESTMENT	39,775,401	47,037,725	36,561,167	76,336,568	83,598,892
Construction Loan	32,302,761	38,818,771	24,534,482	56,837,243	63,353,253
Developer Initial Equity	7,472,640	8,218,954	13,210,875	20,683,515	21,429,829
Developer Net Equity	7,472,640	8,218,954	13,210,875	20,683,515	21,429,829



SECTION VIII

PROJECT
BENEFIT AND
COMPATIBILITY



PROJECT BENEFIT

The benefits of this project are wide-spread and touch multiple layers of our government and community. The residents, both new and existing, will benefit from greater connectivity to the waterfront, more livable spaces, and pedestrian-friendly environments. The new residential spaces will provide amazing living opportunities with waterfront and marina views in walking distance to downtown restaurants, businesses, and entertainment venues. Existing businesses and restaurants will thrive from the insurgence of additional downtown residents eating in their cafes and shopping in their retail stores. The City of Portsmouth will see a significant increase of revenues via sales and real estate taxes which will become activated now that tax exempt functions have been relocated. Last, but not least, the beauty of downtown Portsmouth will be put on display, promoting ferry boat rides to and from downtown Norfolk for expanded entertainment.

SUPPORT OR OPPOSITION

It is anticipated that the public will welcome the relocation of City Hall, Public Safety and the City Civic Center to better-suited areas of the community. The increased property values envisioned by the relocation of the City Jail alone is anticipated to be of great benefit. But more importantly, the change in environment and aesthetics with removal of the Civic Center and City Hall buildings will rejuvenate that end of the City and provide a much-needed reactivation.

STRATEGY AND PLANS

Public engagement for these projects is key to ensuring overall success. With the general public, business community, and several governmental agencies, it is critical to develop a work plan that addresses community engagement. Our team understands the importance of involving the different stakeholders and how to address each group depending on their unique circumstances. It is our plan to develop a Community Workshop Committee (CWC), which will include members of the design-build team, operations group, and City representatives. The CWC will collaborate to develop a project-specific plan which will include the following:

- Public Engagement Strategy
- Business Community Engagement Strategy
- Government Engagement Strategy
- Develop a Workshop Plan and Schedule
- Conduct Workshops and Public Forums
- Develop a Public Relations Strategy for Media Releases
- Create a project website to provide current updates

The committee will be formed as soon as the City of Portsmouth has selected our team and will meet continuously through the completion of the project. This process has proven to be successful, and it provides direction and a unified approach to engaging the community. By providing regular updates and hosting forums to obtain valuable input, the project will increase the opportunity for success and strengthen support from the entire community.

Our engineering consultant, Kimley-Horn and Associates, who also does work for the City of Portsmouth under an On-Call, would coordinate on public hearings as necessary with stakeholders and the general public since this is a public-private partnership. They would also make sure the projects are coordinated as necessary with the Master Utility Replacement Program and with the Crawford Gateway Revitalization Plan.

LOCAL COMPATIBILITY

Relocation of the City Hall and Public Safety buildings from the Crawford Street properties has further advantage beyond just tax benefits. Relocation of these buildings that are long past their useful lives removes the City of Portsmouth from the ongoing and ever-growing cost of refurbishment and repair. Instead of the City of Portsmouth spending hundreds of thousands of dollars a year in makeshift repairs and improvements, the City will benefit from a building fit for purpose, designed for utility efficiencies, and free from the burden of failing building systems.

The projects are compatible with the local infrastructure development plans as they are being upgraded to accommodate redevelopment. Per the answers to previous questions, the phasing of this effort can be adjusted as necessary to accommodate the timing of the relocated City Hall/Garage and the multifamily development at the waterfront existing City Hall site. Likewise, the capital improvements budget in the amount of \$40,900,000 has already been appropriated for the Master Utility Replacement Program which should accommodate the improvements necessary for these two project sites.

MINORITY, WOMEN-OWNED, AND SMALL BUSINESS PARTICIPATION PLAN

Armada Hoffler has successfully exhibited “good faith” SWAM business participation efforts in our public private partnerships. We have been a leader in assuring minority, small and women-owned business participation in our industry for many years. We set a goal of SWAM participation and make every attempt to satisfy our commitment. In addition, Armada Hoffler is an equal opportunity and affirmative action employer. We have never been involved in any action or legal proceeding involving matters related to race, color, gender, nationality, religion, age or disability.

The Armada Hoffler team looks at several criteria before selecting the appropriate subcontractors. We review their current work experience, work load, manpower available, the schedule and scope of work required, as well as price competitiveness. Armada Hoffler understands the special challenges a SWAM subcontractor may have in acquiring new contracts. As such, we are willing to make concessions on relaxing our payment terms, and at times we may buy the materials for them, asking them to provide labor only for their contract. These compromises are especially helpful to a subcontractor who may have limited capital to buy large quantities of materials. In short, we firmly believe in the SWAM subcontractor community and are eager to grant them every opportunity to succeed and prosper.

RELEVANT SMALL BUSINESS PARTICIPATION EXPERIENCE

We are proud to have been among the first companies in the country to participate in the federal government's Mentor/Protégé Program administered by the Small Business Association. This arrangement allows SWAM contractors to borrow expertise, training and bonding capacity from larger firms, as needed. It further yields opportunity for the minority firm to compete, win and perform government contracts, as well as participate in private sector projects that would otherwise be unattainable. Our first endeavor in the Mentor/Protégé Program began in 1988 with our association with, what was then, the newly formed Section 8(a) certified minority firm, Curtex Construction. Our three-year alliance with Curtex provided the financial and management assistance which stimulated the opportunity for growth within their organization. During this tenure, Curtex successfully performed over \$11 million dollars' worth of construction, and subsequently "graduated" from under our wings. In 1991, we undertook the support of another newly formed construction group – S.W. Day Development Corporation – which is a licensed Class A, minority-owned and operated, general construction company. With substantial retained earnings and a formidable track record of successful projects, S.W. Day became fully independent of Armada Hoffer in 1996. In 2013, Armada Hoffer also partnered with Legacy Builders and Construction Services through this program during our partnership with the City of Baltimore on the Exelon Headquarters building in Harbor East.



SECTION IX

ARMADA HOFFLER OVERVIEW

ARMADA HOFFLER PROPERTIES

Armada Hoffler Properties is a vertically-integrated, self-managed real estate investment trust with nearly four decades of experience developing, building, acquiring and managing high-quality office, retail and multifamily properties located primarily in the Mid-Atlantic and Southeastern United States. The Company also provides general construction and development services to third-party clients, in addition to developing and building properties to be placed in its stabilized portfolio.

Armada Hoffler's portfolio management strategy focuses on prudent asset recycling complemented by opportunistic acquisitions and dispositions. The Company also delivers significant value to shareholders by developing and building high-quality, well-located projects at wholesale cost, for either placement in its stabilized portfolio or for sale to recycle the capital at a gain.

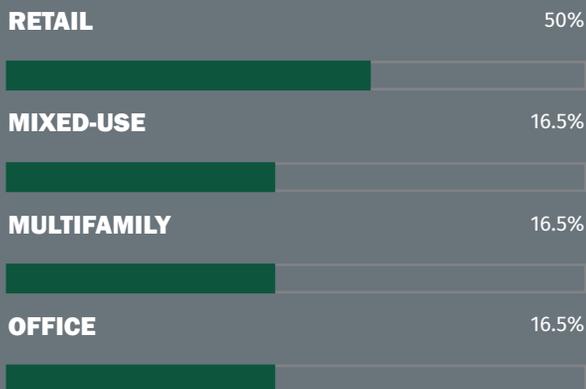
ASSET MANAGEMENT

Our Asset Management division focuses on improving the performance and overall quality of our portfolio through an efficient balance of budgeting, stringent financial management, operating expense analysis, real estate tax and insurance reviews, capital improvements, energy management programs, lease analysis, tenant and vendor relations, and market awareness.

Our team of professionals takes a proactive and strategic approach to portfolio management, continually working to increase the profitability of the properties under their stewardship and ensuring that overall portfolio performance exceeds expectations.

DEVELOPMENT

The skilled, knowledgeable team of development executives offers a broad array of client-driven commercial real estate services. Our regional presence, full-service capabilities and financial strength make us one of the premier developers on the East Coast.



Project types have included mixed-use town centers, apartment and condominium buildings, luxury hotels, Class A and B office space, build-to-suit and speculative flex-tech office buildings, retail space, power centers and neighborhood retail centers, medical and special purpose complexes, as well as industrial, distribution and manufacturing projects throughout the East Coast. It has been the organization’s performance across the broad spectrum of real estate products and development services that has fueled Armada Hoffler’s growth and success.

\$605M

CURRENTLY IN DEVELOPMENT
PIPELINE & INVESTMENTS

Armada Hoffler’s integrated business model creates a competitive advantage in the marketplace and provides sustainable, long-term value to investors. Our logo reflects the highly successful synergy between the Company’s three business units – development, construction, and asset management – as illustrated by the three blocks that compose the iconic Armada Hoffler triangle.



ARMADA HOFFLER CONSTRUCTION

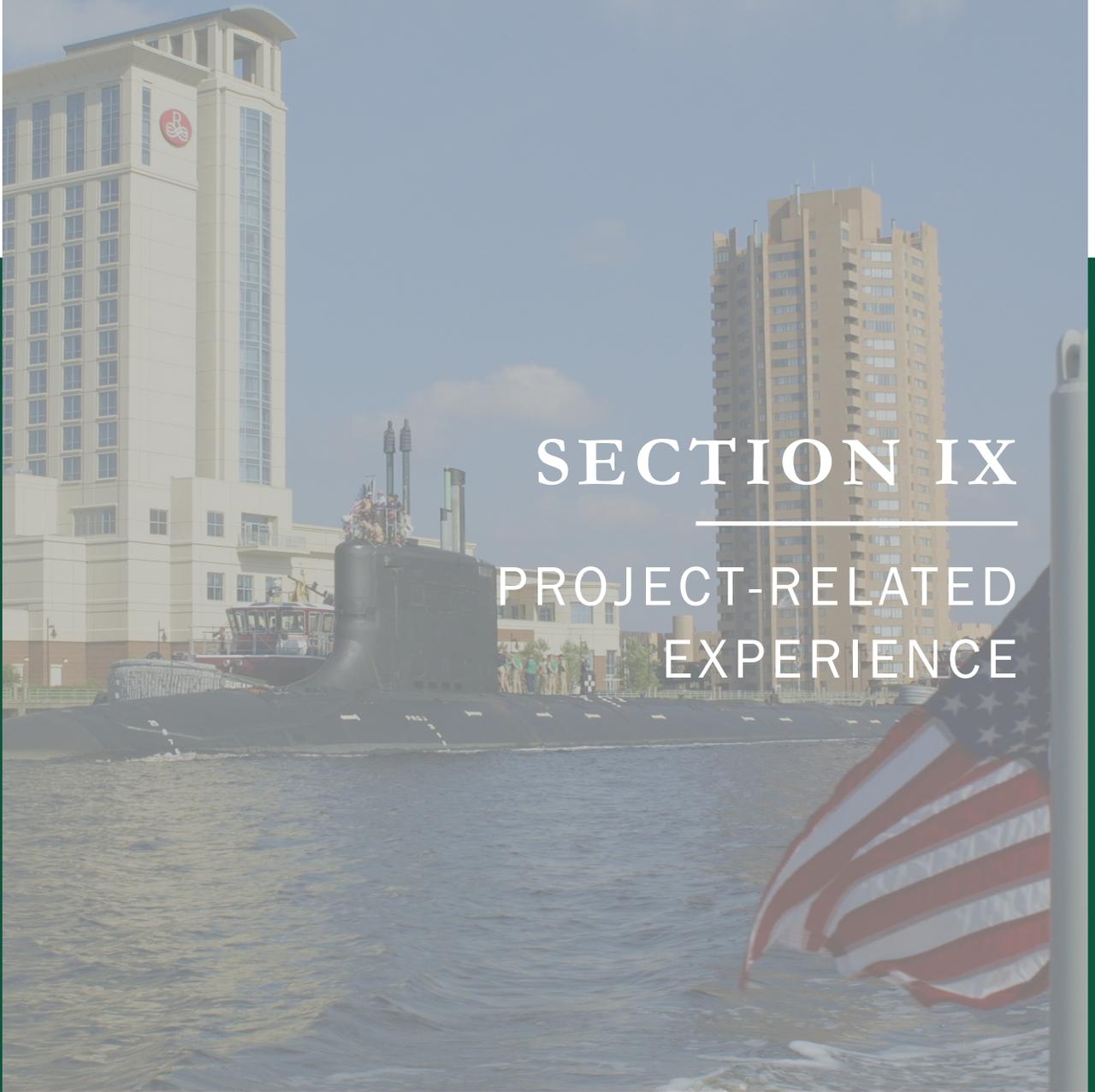
The Armada Hoffler Construction Company was founded by Daniel A. Hoffler in 1982 and has consistently been ranked over the years among the “Top 400 General Contractors” nationwide by Engineering News Record as well as among the “Top 50 Retail Contractors” by Shopping Center World. We are proud to acknowledge that the majority of our work consists of building multiple, negotiated projects for our clients. Repeat business, we believe, speaks for itself.

As a company, we offer general contracting, construction management, and a broad spectrum of preconstruction services designed to effectively reduce costs and streamline the construction process. Our capabilities include site evaluation, conceptual estimating, comprehensive scheduling, constructability analysis and value engineering. Additionally, our staff possesses a wide range of experience and is intimately familiar with every facet of construction. Armada Hoffler manages challenges associated with budgets, schedules and safety through hard work, innovative management techniques, and stringent cost and scheduling controls.

At Armada Hoffler, we are committed to guiding our clients through the complex decision-making process of sustainable building construction for each project. We believe that through experience, best practices, and leadership we can deliver the most innovative and environmentally friendly structures that our clients desire. It is through our sustainable practices we employ today that we hope to leave a positive environmental impact on the communities in which we work. We are focused on minimizing our impact on the environment and to date have constructed millions of square feet of LEED-certified space.

Our construction experience includes mid- and high-rise office buildings; retail strip malls and power centers; multifamily apartments; hotels and conference centers; single and multi-tenant industrial, distribution and manufacturing structures; educational, medical and special-purpose facilities; government/municipal projects; tenant improvements; parking garages and town centers. Our portfolio includes signature properties across the Mid-Atlantic region, such as The Town Center of Virginia Beach, VA; the Four Seasons Hotel and Legg Mason’s Global Headquarters in Baltimore, MD; the Mandarin Oriental Hotel in Washington, D.C.; the Williams Mullen Center in Richmond, VA; and the Proton Therapy Institute for Hampton University in Hampton, VA.

Armada Hoffler’s extensive management experience, full-service capabilities and financial strength, make us one of the premier general contractors headquartered in the Mid-Atlantic United States.



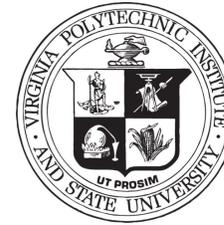
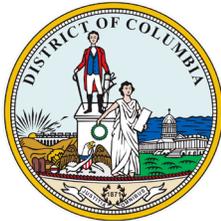
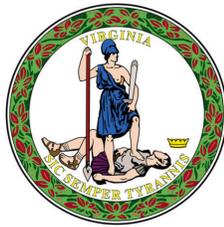
SECTION IX

PROJECT-RELATED
EXPERIENCE

PUBLIC-PRIVATE PARTNERSHIPS

Having completed 25 public-private partnerships throughout its history, Armada Hoffer has particular expertise working in collaboration with municipalities, states, public and private universities, the federal government, sovereign nations, and other public entities to develop and build transformational projects.

One of Armada Hoffer's most successful public-private partnerships is the \$600+ million mixed-use Town Center development in Virginia Beach, VA. This public-private partnership currently features over 800 apartments and condominiums, more than 400 hotel rooms, approximately 800,000 square feet of Class A office space, nearly 500,000 square feet of retail space, a regional performing arts theater, and various public gathering areas. Over nearly two decades, Armada Hoffer worked in a strategic alliance with the City of Virginia Beach to fund the public infrastructure and parking needed to support this large private investment that has generated millions of dollars in tax revenue for the City.



PUBLIC-PRIVATE PARTNERSHIP EXPERIENCE

Town Center Virginia Beach (Phase I)	Virginia Beach, VA	City of Virginia Beach	968,000 sq. ft.	\$104 Million
Town Center Virginia Beach (Phase II)	Virginia Beach, VA	City of Virginia Beach	1,248,300 sq. ft.	\$116 Million
Town Center Virginia Beach (Phase III)	Virginia Beach, VA	City of Virginia Beach	987,000 sq. ft.	\$202 Million
Town Center Virginia Beach (Phase V)	Virginia Beach, VA	City of Virginia Beach	239,000 sq. ft. 286 Units	\$47 Million
Town Center Virginia Beach (Phase VI)	Virginia Beach, VA	City of Virginia Beach	39,000 sq. ft. 130 Units	\$43 Million
Four Seasons Hotel & Residences/ Legg Mason World HQ	Baltimore, MD	City of Baltimore	1,000,000 sq. ft.	\$440 Million
Mandarin Oriental Hotel	Washington, D.C.	City of Washington, D.C.	520,000 sq. ft.	\$165 Million
Marriott Waterfront Hotel and Conference Center	Baltimore, MD	City of Baltimore	1,100,000 sq. ft.	\$120 Million
Newport News Shipbuilding/ Apprentice School Complex	Newport News, VA	City of Newport News	527,000 sq. ft.	\$70 Million
Williams Mullen Center	Richmond, VA	City of Richmond	200,000 sq. ft.	\$68 Million
Norfolk Waterside Marriott Hotel and Conference Center	Norfolk, VA	City of Norfolk	390,000 sq. ft.	\$65 Million
Newport News Marriott Hotel and Conference Center	Newport News, VA	City of Newport News	220,050 sq. ft.	\$62 Million
Renaissance Portsmouth Hotel and Conference Center	Portsmouth, VA	City of Portsmouth	160,000 sq. ft.	\$48 Million
Harbor East Courtyard by Marriott	Baltimore, MD	City of Baltimore	110,000 sq. ft.	\$41 Million
Norfolk Public Health Center	Norfolk, VA	City of Norfolk	196,000 sq. ft.	\$29 Million
Emory Conference Center Hotel	Atlanta, GA	City of Atlanta	180,000 sq. ft.	\$25 Million
Oceaneering International Inc./ Industrial-Flex Manufacturing Facility	Chesapeake, VA	City of Chesapeake	160,000 sq. ft.	\$25 Million
Harbour Centre	Hampton, VA	City of Hampton	175,000 sq. ft.	\$22 Million
Brastown Valley Resort	Young Harris, GA	State of Georgia	60,000 sq. ft.	\$21 Million
Brooks Crossing (Phase I)	Newport News, VA	City of Newport News	60,000 sq. ft.	\$12 Million
Brooks Crossing (Phase II)	Newport News, VA	City of Newport News	100,000 sq. ft.	\$20 Million
Chesapeake Conference Center	Chesapeake, VA	City of Chesapeake	48,000 sq. ft.	\$11 Million
Port Centre One	Portsmouth, VA	City of Portsmouth	100,000 sq. ft.	\$9 Million
Harbourside	Washington, D.C.	Government of Sweden	87,300 sq. ft.	\$36 Million
Nine East 33rd	Baltimore, MD	John Hopkins University	157 Units	\$68 Million
Smith's Landing	Blacksburg, VA	Virginia Tech University	284 Units	\$32 Million

PUBLIC-PRIVATE PARTNERSHIP EXPERIENCE

DINWIDDIE COUNTY MUNICIPAL

Dinwiddie County, VA

Currently under construction, the new \$24 million government complex for the County of Dinwiddie is expected to transform the look of the current home to county offices. The scope of work includes a pair of buildings totaling 77,000 square feet to be built in the heart of Dinwiddie, as well as renovations of the current facility.

The new county administration building will be two stories tall, containing over 54,000 square feet within its walls, and serve as the state-of-the-art home of social services, Dinwiddie’s health department, the board of supervisor’s boardroom, a training room along with “building support and storage spaces” and children’s services on the first floor. Offices for county administration, human resources, finance, the county attorney, economic development, planning and zoning, the commissioner of revenue, treasurer would be located on the second floor, along with access to the geographic information system, or GIS, conference rooms and building support spaces.

The new public safety building will be a single-story building featuring 23,000 square feet of space, representative of the community and architectural context of the Dinwiddie County, and will house fire, emergency services, law enforcement, communications and dispatch, along with emergency management and the county’s operations center. Construction is expected to be completed on this project in 2019.

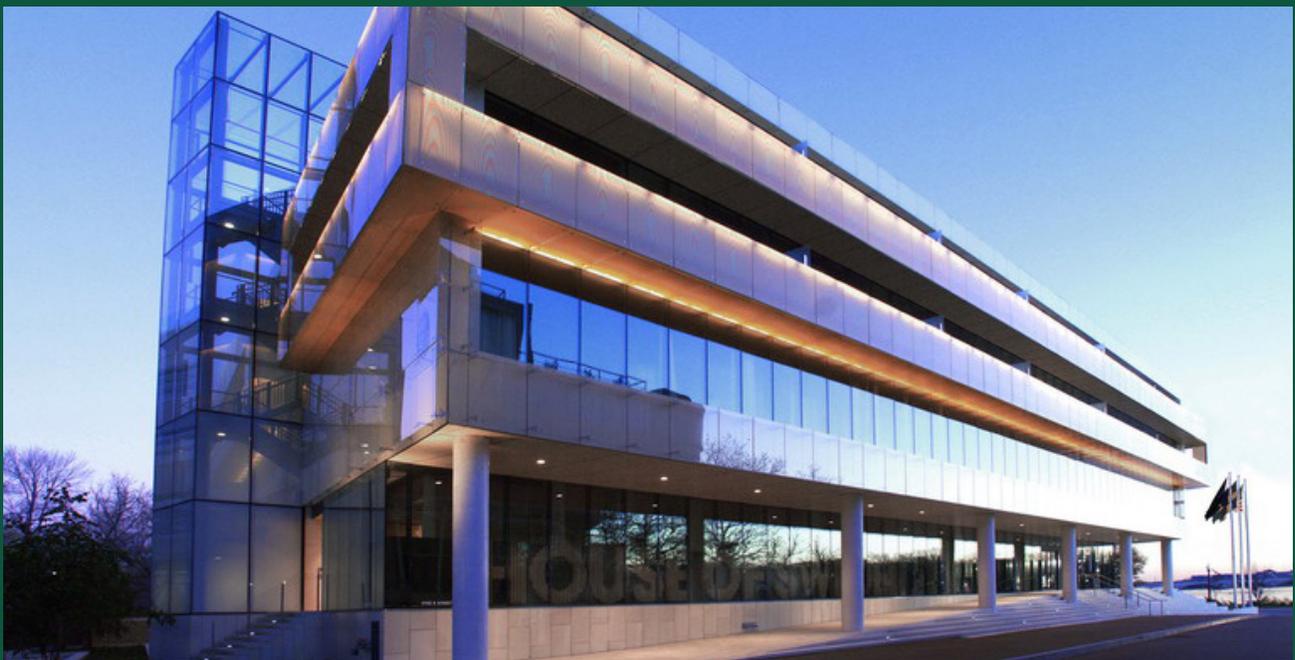


SWEDISH EMBASSY

Washington, DC

Completed in 2006, the House of Sweden is home to the Embassy of Sweden, the Embassy of Iceland, 19 office suites and an Event Center that features conference and exhibition halls. The Embassy of Sweden in Washington, D.C. is one of the largest Swedish missions in the world. It is the official communications link between the Swedish and American governments and the flagship of Swedish public diplomacy in the United States.

With its modern design, House of Sweden is a stunning example of contemporary architecture and adds a distinctively Scandinavian touch to Georgetown Harbor and the waterfront. This project was built under a long-term lease with a one-time purchase option.





THE SUFFOLK MUNICIPAL CENTER

Suffolk, VA

Our partnership with the City of Suffolk consisted of designing and building their new Municipal Center which was completed in 2014. The \$23.5 million 115,000 square foot project was a combined Municipal Building and E-911 Call Center, which consolidated many of the city's departments previously in other locations into one building. Some of the main components include E-911 Call Center, City Manager's offices, Council Chambers, large public lobbies and meeting spaces, and office space for municipal departments.

The facility is a two-story building located in the Suffolk Historic & Cultural Conservation Overlay District. The project complies with the Historic District Design Guidelines and is LEED Silver "Certifiable", incorporating sustainable design features. Last year, the project won the 2015 Award of Merit in the category of Best Institutional / Public Building, as well as the Hampton Roads Association for Commercial Real Estate's Excellence in Development Design Award.

BROOKS CROSSING

Newport News, VA

The Brooks Crossing project is a mixed-use, public-private development located outside of Newport News Shipbuilding in Newport News, VA. The first phase of this development consisted of the new 19,221 square-foot, \$4,954,328 Newport News Police Precinct which was completed in December 2015.

Armada Hoffler's third phase of development at Brooks Crossing is expected to be a 100,000 square foot office building anchored by Newport

News Shipbuilding, a division of Huntington Ingalls Industries (NYSE:HII), that will occupy 80 percent of the space to accommodate nearly 600 engineering and design jobs. The new office property will also be home to a workforce development center and the Economic Development Authority will lease approximately 15,000 square feet of space for STEM initiatives. This building is expected to open during the first quarter of 2019.



MIXED-USE EXPERIENCE

HARBOR EAST

Baltimore, MD

The Harbor East Project consists of 38 acres of choice, waterfront property, and marinas covering more than 8 blocks adjacent to Baltimore's Inner Harbor and Little Italy.

Parcel G was the first completed block, opening in 1996. It contains two of Harbor East's initial buildings. The Promenade, an 11-story, 113-unit luxury apartment building features a garden terrace, swimming pool, and health club. A 6-story office/retail building houses four floors of office space stacked atop the retail located on the bottom two floors. This block also includes a 91,000 sf, 2-story, 214 space parking structure.

Finishing in 2000, Parcel C consists of a 10-floor, 207-key, 110,000 sf Courtyard by Marriott, a 360-space parking garage, a 6-floor, 170,000 sf office building and ground-level retail. The hotel is aesthetically representative of traditional Courtyard design; the office building is differentiated by a mostly glass exterior with off-white precast. The retail space includes a Whole Foods gourmet grocery store.

The Baltimore Marriott Waterfront Hotel is situated on Parcel A and was completed in 2001. Overlooking the harbor, it is the city's largest hotel at 35 stories, 1.1 million sf, and 750 rooms. It contains more than 48,000 sf of meeting space as well as a 1,000-space parking garage.

Parcel P is home to the award-winning Spinaker Bay residential building. This 18-story, mixed-use tower houses 320 luxury apartments and 32 condominiums, and additionally includes 43,000 sf of retail and restaurant space. It also contains a 6-level, 185,000 sf parking structure.

Completed in 2007, Parcel B is a multi-purpose block with more than 1 million sf. This project includes a 14-story, 220,000 sf office building, and 2 hotels including a 183-key Hilton Garden Inn and 165-key Homewood Suites. Parcel B also includes first-floor retail, a 7-screen movie theater, health club, 131 upscale residential units, and a 293,000 sf, 6-story, 800-space parking garage.

Parcel D on Baltimore's Inner Harbor waterfront comprises two towers, the Four Seasons Hotel, and Legg Mason's World Headquarters. Tower I, the 455,566 sf, 22-story Four Seasons Building, houses 15,120 sf of retail on the first floor, and 256 hotel rooms on the lower 18 floors. The hotel includes all of the chain's usual upscale amenities including exemplary concierge service, room service, a fitness facility, pool, spa, and several restaurants. Tower II, or Legg Mason, contains 600,640 sf of Class A office space and 52,340 sf of first floor retail. A five-level, 508,700 sf underground parking garage connects the Four Seasons and office tower. Ground was broken in Spring, 2007 and completion of the \$440 million project was in the Fall of 2011.





THE TOWN CENTER OF VIRGINIA BEACH

Virginia Beach, VA

Town Center, an emerging downtown core in the heart of Virginia Beach's Central Business District, features a vibrant urban mix of upscale retail, Class A office space, luxury residential units, entertainment, and cultural facilities.

This open-air, pedestrian-friendly lifestyle center was developed exclusively by Armada Hoffer as a part of an ongoing, public-private partnership with the City of Virginia Beach which began in 2000. The multi-phase development has become an economic catalyst for the City as well as the broader region.

Town Center features a variety of dining, shopping, and entertainment options, as well as 410 hotel rooms, 30,000 sf of conference space, and a 1,300-seat performing arts theater. More than 50% of tenants are new to Virginia Beach and over 30% are new to the Coastal Virginia MSA.

To date, the City of Virginia Beach has invested \$200 million in the Town Center of Virginia Beach, while Armada Hoffer Properties and associates have invested approximately \$500 million to create this urban core.

With the next phase of development, Town Center continues to evolve through Phase VI. This next phase of development is a mixed-use project will include retail and restaurant space, luxury apartment homes, a performing arts theater, a public plaza, and a pedestrian bridge connecting to an adjacent parking garage. Upon completion in the third quarter of 2018, Armada Hoffer will own the residential component and the retail space. Williams Sonoma and Pottery Barn will be the anchor tenants of this project, further solidifying Town Center as a prime destination for shopping, dining, and entertainment in coastal Virginia.

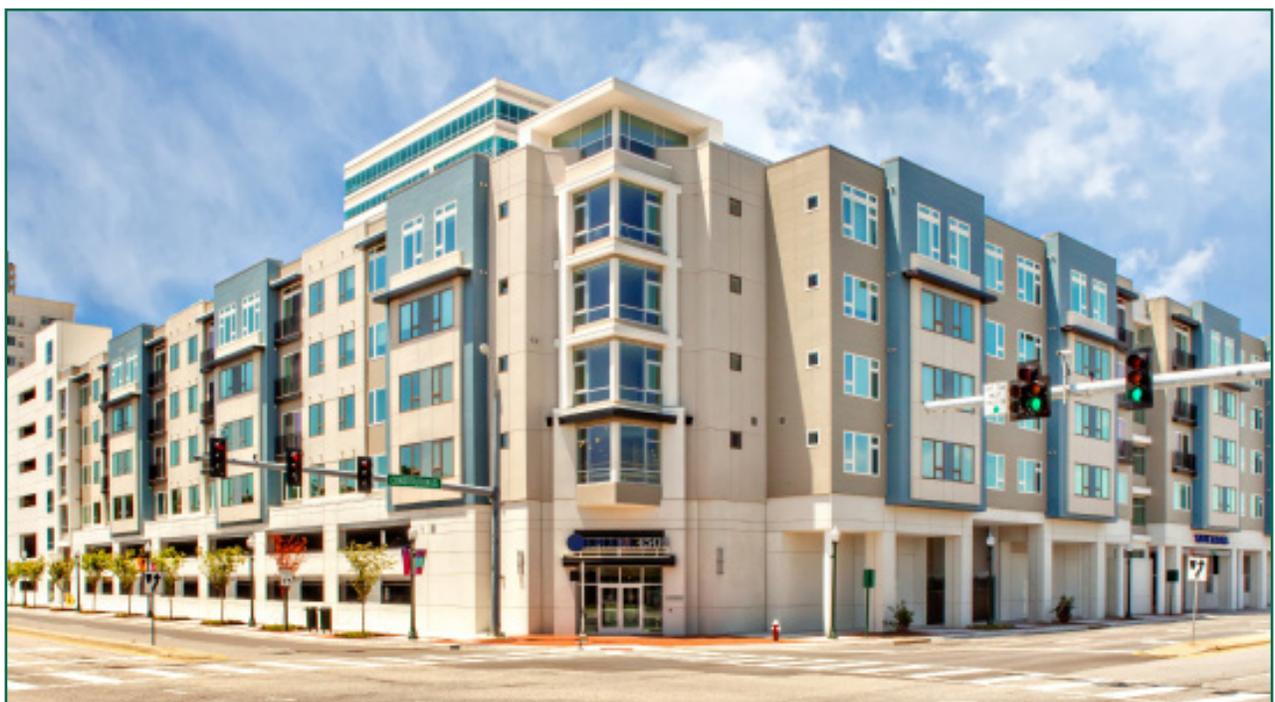
MULTIFAMILY EXPERIENCE

ENCORE 4505

VIRGINIA BEACH, VA

The newest multifamily asset in the Town Center of Virginia Beach is one component of a larger mixed-use development that was completed in 2014 as part of the ongoing, public-private partnership between the City of Virginia Beach and Armada Hoffler Properties. The mixed-use development includes 286 upscale apartments and an extensive array of amenities at Encore 4505, as well as a 15-story LEED Silver certified office tower, approximately 950 parking spaces in a structured garage, and 23,000 square feet of retail which is 100% leased.

In addition to the benefits that come with living in the Town Center of Virginia Beach, Encore 4505 includes a two-story clubhouse with pool tables, four resort-inspired courtyards, refreshing swimming pool with sundeck, comfortably furnished lounge areas with fire pits, a state-of-the-art fitness center, business center and meeting space.





HARDING PLACE

CHARLOTTE, NC

Situated in thriving Midtown Charlotte on the East Morehead corridor, the project is expected to be a new Class A property consisting of 225 apartment homes over eight floors with 350 structured parking spaces. The new development is only minutes from downtown Charlotte and is strategically located in close proximity to the Carolinas Medical Center, the flagship hospital of Carolinas HealthCare System and one of the largest employers in Charlotte. Construction is expected to be completed on this project in the third quarter of 2018.



ANNAPOLIS JUNCTION

HOWARD COUNTY, MD

The Residences at Annapolis Junction Town Center represent the multifamily component of a planned 18-acre mixed-use, multi-asset development that will also feature 17,000 sf of retail space, a 150-room hotel and 100,000 sf of office space upon completion of all phases. The Residences at Annapolis Junction Town Center will pursue LEED Silver certification and feature 416 Luxurious apartment homes with structured parking adjacent to the Savage MARC Commuter Rail Station. This project was open for initial occupancy in the third quarter of 2017.



