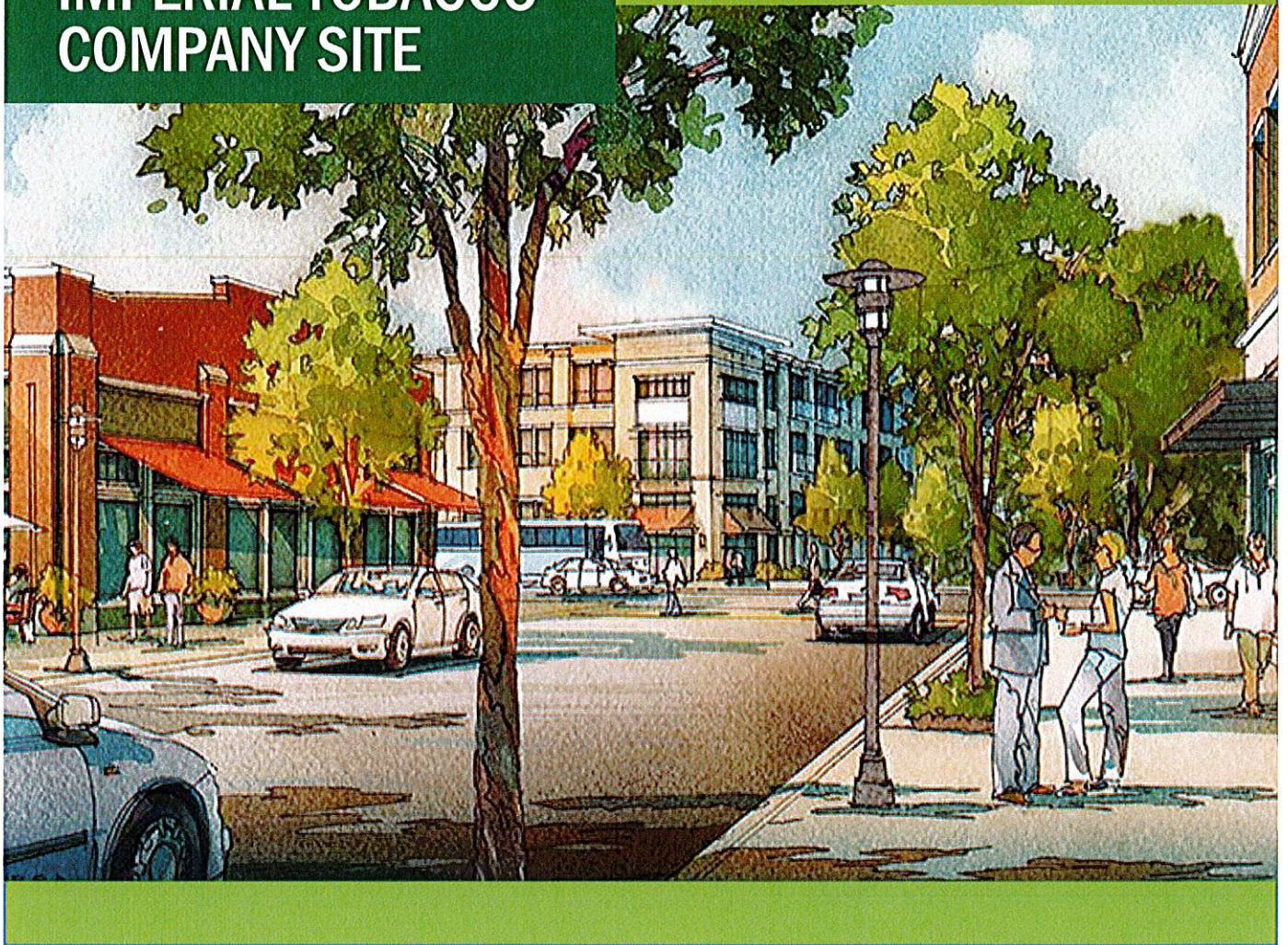


City of Greenville
**IMPERIAL TOBACCO
COMPANY SITE**



ARMADA HOFFLER

P R O P E R T I E S

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SECTION 1

Executive Summary

EXECUTIVE SUMMARY

Armada Hoffler Properties is pleased to provide our response to the Solicitation for Development Partners (SDP) to the City of Greenville for the redevelopment of the Imperial Tobacco Company site.

Within the following response, we provide detailed information as to our company's local and national experience and expertise, our background, qualifications, and financial capacity to execute the proposed plan. Beyond our resumes and portfolios, our team is committed to being your partner in providing modern and attractive provisions in the revitalization of the City's downtown and a continuation of the economic development of the region. As a growing, publicly-traded REIT from a nearby city in a neighboring state, we take great pride in the economic development of the Mid-Atlantic region. We actively seek to forge partnering relationships with innovative, energetic cities such as Greenville who are passionate and excited about positive growth, serving their neighbors and the people of their constituency, and that have a strong vision for the long-term of their city for both present and future generations alike.



In summary, we believe our team is the right partner for the City of Greenville based upon the following:

1. Our development team has a **resume that includes several vertically integrated mixed-use developments ranging in size up to \$600 million.** Armada Hoffler has been involved in dense urban mixed-use for nearly two decades and knows first-hand the complexities of large-scale phased development and the long-term horizons required to complete these projects. Collectively, **we have successfully developed and constructed 26 public-private partnership projects.**
2. As a publicly-traded REIT, Armada Hoffler brings nearly four decades of experience coupled with the financial strength that comes with access to capital markets. As a NYSE listed company, we provide transparency and corporate controls as required by the Federal Government. Additionally, we have the reliability and experience to develop each of the proposed product types in the program submitted the in the SDP to create an extension of Greenville's vibrant downtown.
3. Our team also has the in-house capability of providing construction services through our subsidiary, Armada Hoffler Construction Company, which has experience successfully designing and building mixed-use projects for large-scale and international clients such as the House of Sweden in Washington, D.C., as well as local clients such as the Apprentice School in Newport News, Virginia, along with a number of other public-private partnerships as detailed within our proposal. This allows us to control costs and schedule, as well as provide delivery of financial commitments earlier than other developers.

\$2B+
of Development in
Nearly Four Decades

26
Combined Public-Private
Partnerships

10M+
Square Feet Developed
for Public Partners

AHH
Listed NYSE
Since 2013

SECTION 2

Letter of Introduction

Imperial Tobacco Company Site Development
c/o M. Crook, Project Manager, DFI
200 West 5th Street
Greenville, NC 27858

Dear Selection Committee:

Armada Hoffer Properties is pleased to submit this response to your Solicitation for Development Partners in the goal of entering a joint venture in redeveloping and revitalizing the Imperial Tobacco Company site of downtown Greenville. Our response demonstrates that our development team, along with the welcomed support of UNC School of Government's DFI, possesses the capability, track record, integrity, experience, and local market knowledge to create a destination development for the city and the region. We believe these attributes make us the ideal partner for the City of Greenville for the phased redevelopment of the Imperial site property.

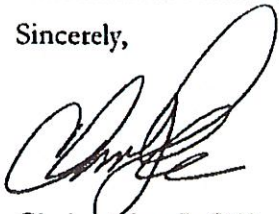
As the City of Greenville continues to grow and develop into a prospering metropolitan hub, the changes to the urban core and fabric have already begun. Trends and studies continue to show there is a renewed desire to socialize and live in a more urban environment. This desire stretches beyond millennials, all the way to the empty nesters and retirees. Live, Work, Play is the new neighborhood.

Our team's capability and experience with innovative and creative large-scale, public-private urban development, coupled with our commitment to deliver a first class, economically thriving business and residential community, are unmatched. A few examples of previous experience from our team members include the following:

- Town Center of Virginia Beach – The multi-phase \$600 million mixed-use, public-private development spans 25 acres and 17 city blocks to include office space, retail, restaurants, hotels, and multifamily residential units.
- Inner Harbor, Baltimore, MD – Harbor Point is a multi-phase, \$560 million mixed-use, multi-asset development located on 27 acres between historic Fell's Point neighborhood and the dynamic Inner Harbor East area.
- Apprentice School Complex, Newport News, VA – An institutional, urban, mixed-use project encompassing over \$72 million of educational, residential, and retail space.

Our team has the passion, capabilities, and resources to execute a project of this magnitude. As such, we are very excited about the opportunity to partner with DFI and the City of Greenville, the community, and other stakeholders to further develop and urbanize the Imperial site. As Master Developers for this project, I am authorized to execute binding legal documents and personally attest to the accuracy of the enclosed response.

Sincerely,



Christopher J. Odle
Armada Hoffer Properties
222 Central Park Avenue, Suite 2100
Virginia Beach, Virginia 23462
P. 757.366.4000 | F: 757.424.2513
codle@armadahoffler.com

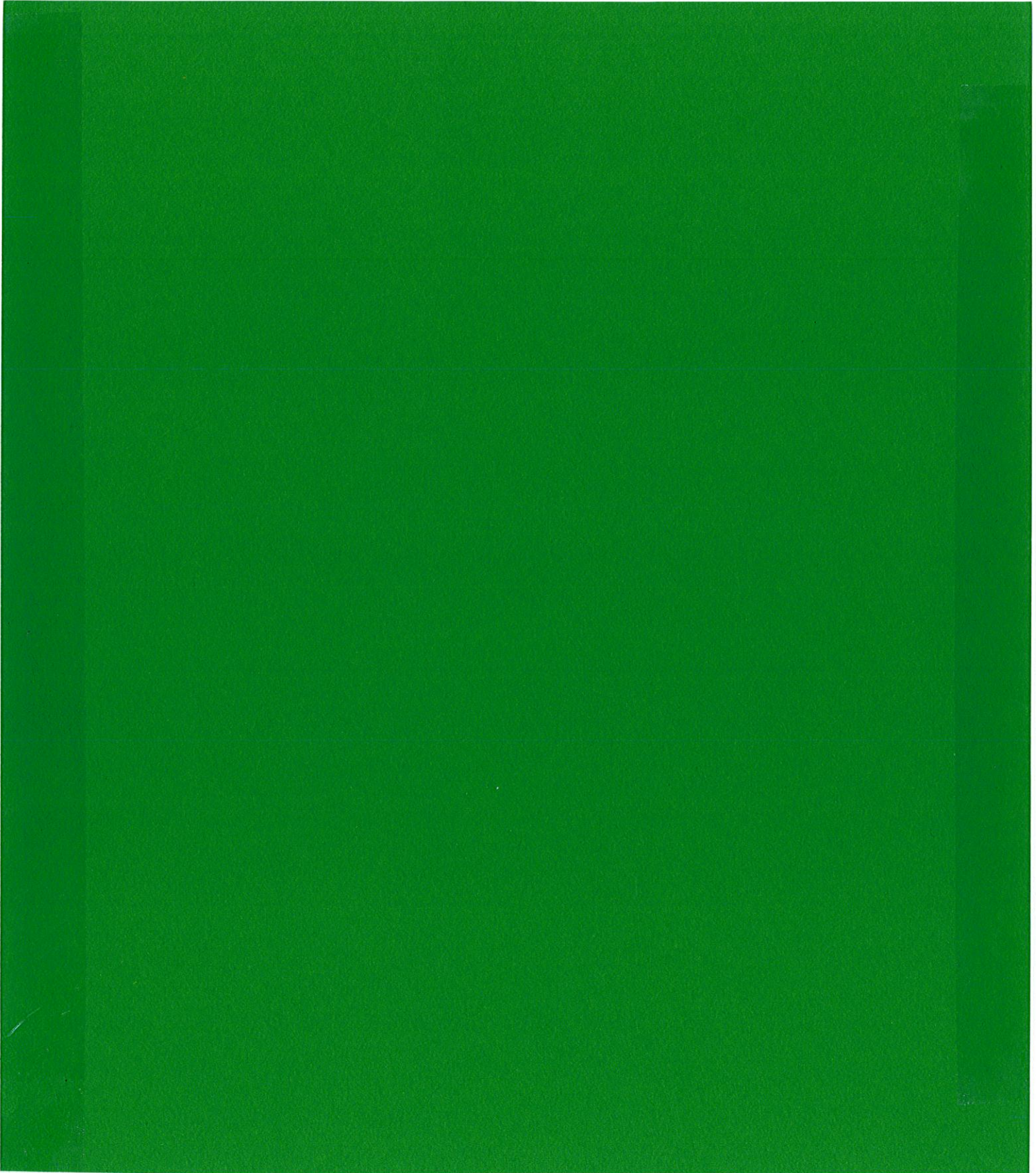
SECTION 3

Imperial Tobacco Company Site Proposal

- A. Program: Residential, Retail, Office, and Parking
- B. Design: Illustrative Sketches and Technical Drawings
- C. Construction Schedule
- D. Development Assumptions
- E. Financing Assumptions
- F. Public Interests

ARMADA HOFFLER

P R O P E R T I E S



IMPERIAL TOBACCO COMPANY SITE PROPOSAL^(CONT.)

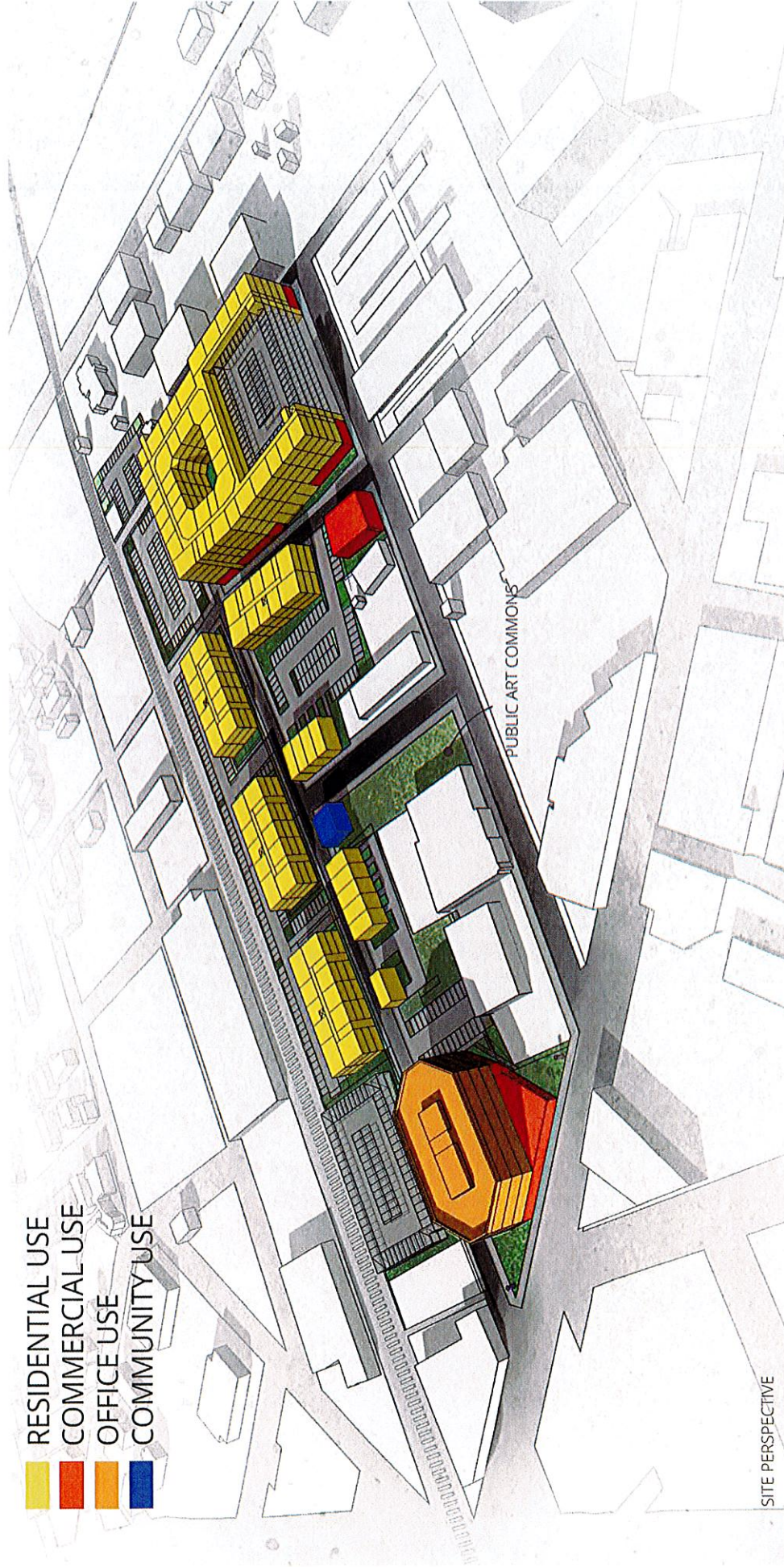
F. Public Interests: Our team specializes in creating partnerships that generate economic return alongside the sponsoring entity's stated public interests. Our proposal recognizes the importance of the City's guiding public interests and believes that our proposal effectively accomplishes these interests.

- 1. Pedestrian experience and Connectivity:** We recognize that the Dickinson Avenue Arts and Innovation District is a key to the City's master plan and that the Imperial Site is core to the district. We appreciate the importance of reconnecting the West Greenville neighborhood to the amenities and services offered in Uptown. We anticipate fine-tuning the design to make sure that the site serves the larger district and creates a pedestrian-friendly crossroad to the Millennial Campus and Uptown.
- 2. Diversity of residential and retail options:** Our development team specializes in creating diverse and dynamic, mixed-use environments. Armada Hoffer's flagship projects involve multiple styles of residential options, as well as a combination of many types of retail options. We believe that the proposed program can provide a variety of housing options geared towards Greenville's urban, non-student residents.
- 3. Contribute to the revitalization of Dickinson Avenue Corridor and West Greenville:** Redevelopment projects provide distinctive opportunities to rethink neighborhood identities and to blend areas that may have not be well-connected historically. We believe that the Imperial Site has the potential to build on the rich history of these neighborhoods—building on their strengths and creating a new place that adds new vibrancy and serves multiple community needs.
- 4. Minimize public investment:** Public private partnerships are our specialty, and we pride ourselves in understanding and serving the "public" in the relationship. Our proposal is focused on creating a financially viable project that most cost effectively serves the public interests.
- 5. Incorporate area history and cultural assets:** The cultural elements of the Dickinson Avenue Arts and Cultural District are what make this project exciting. Many neighborhoods and projects struggle with authenticity. The history of the site, the cultural fabric of the surrounding neighborhood, and the natural-born artistic flare give the Imperial Site cultural resources most communities work hard to manufacture. We see these assets as a core component of our program.
- 6. Sustainable parking:** We believe that the DFI-led program addresses the City's parking needs. However, we realize that parking needs are ever-changing. We look forward to continuing to understand the City's needs around parking, both in terms of structure and financing.

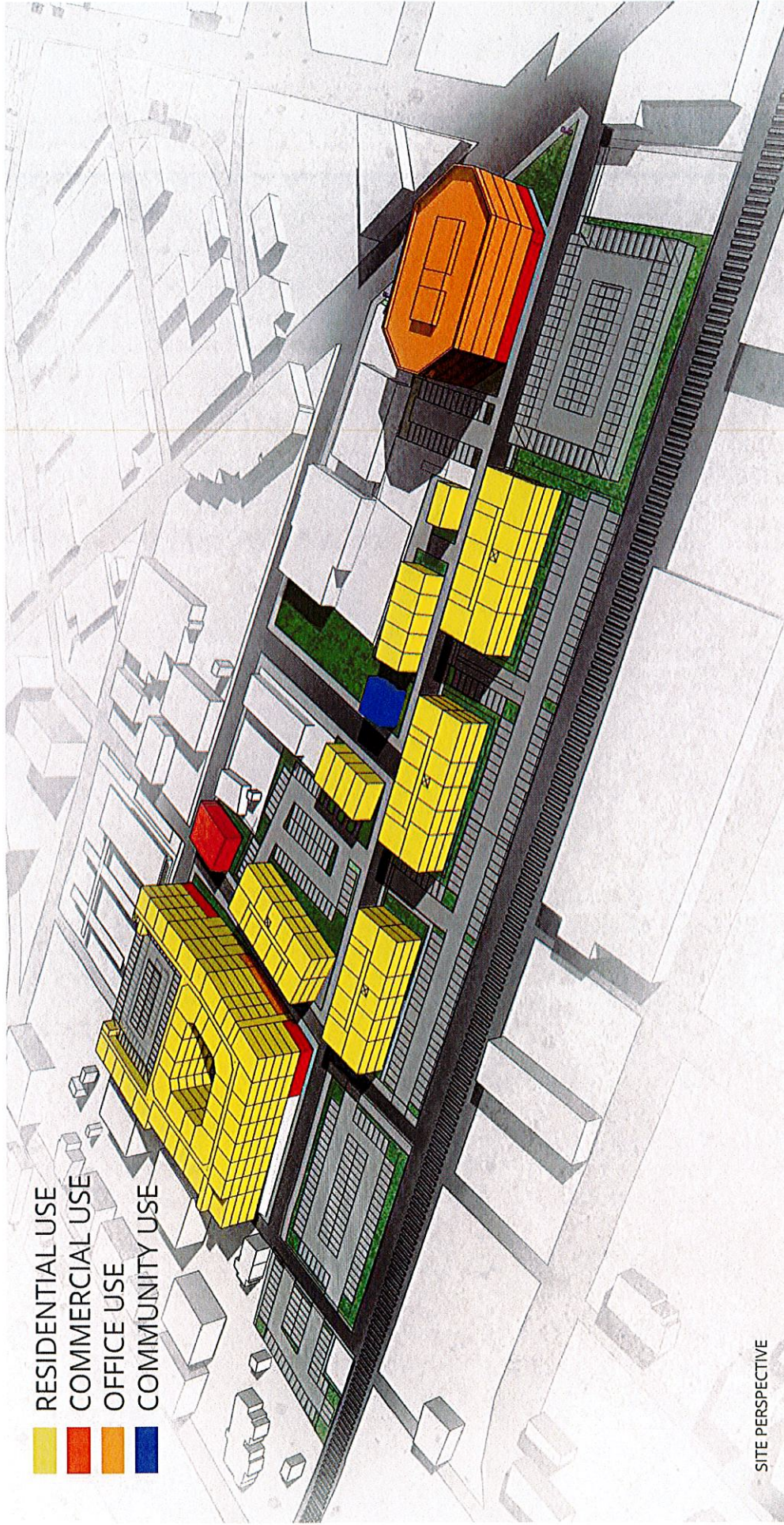
If you have any questions related to our development and/or financing assumptions, please contact:

Christopher Odle
Executive Vice President of Development
222 Central Park Ave., Suite 2100
Virginia Beach, VA 23462
codle@armadahoffler.com
757-366-4000

- RESIDENTIAL USE
- COMMERCIAL USE
- OFFICE USE
- COMMUNITY USE



SITE PERSPECTIVE



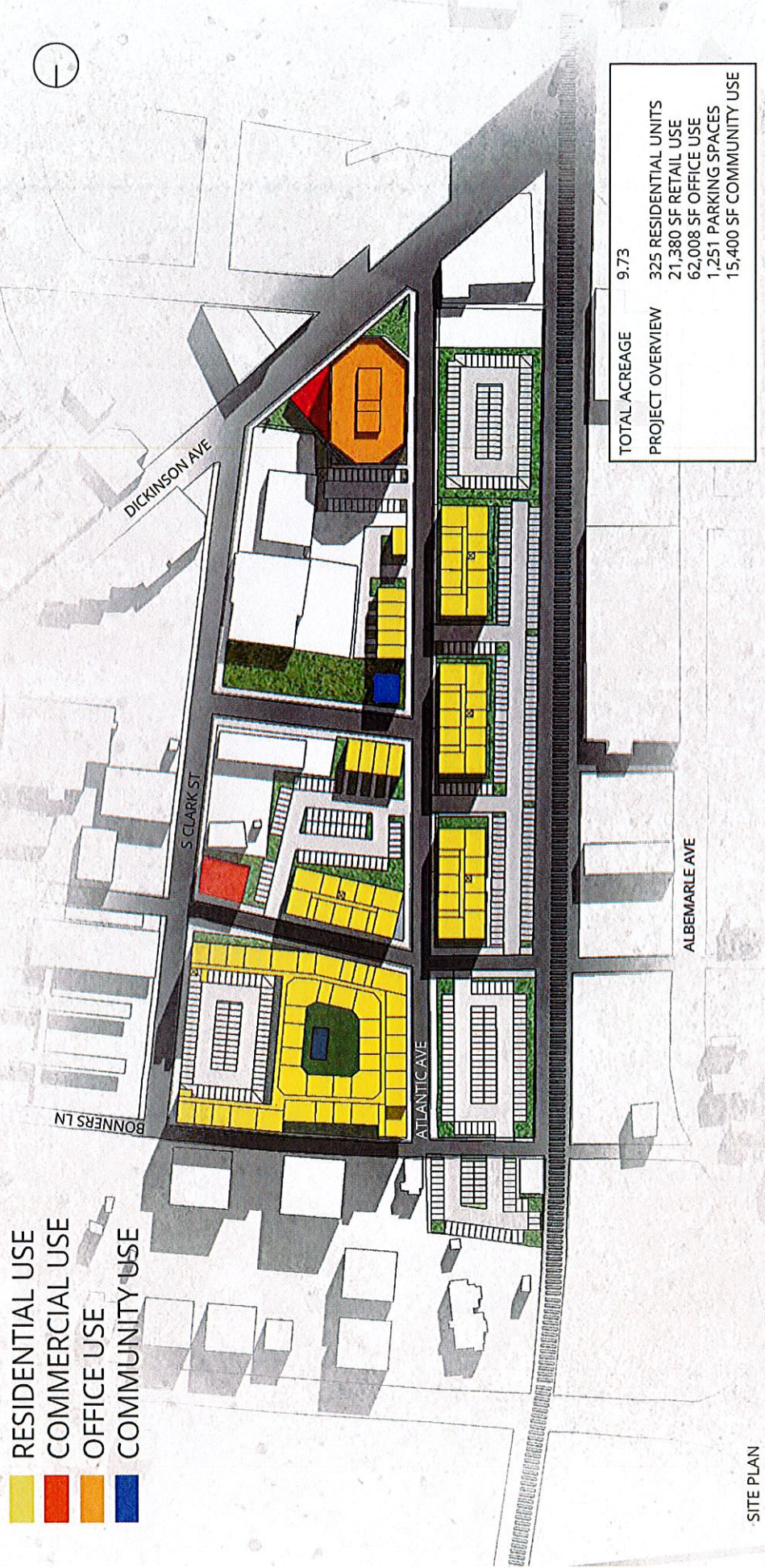
JDAVIS>

ARMADA HOFFLER

PROPERTIES

rivermont
ADVISORS

- RESIDENTIAL USE
- COMMERCIAL USE
- OFFICE USE
- COMMUNITY USE



TOTAL ACREAGE	9.73
PROJECT OVERVIEW	
325 RESIDENTIAL UNITS	
21,380 SF RETAIL USE	
62,008 SF OFFICE USE	
1,251 PARKING SPACES	
15,400 SF COMMUNITY USE	

SITE PLAN

SECTION 4

Armada Hoffer Construction Company

A. Company Overview

B. LSDBE, MBE & WBE Participation Plan

C. Development Team Organizational Chart

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.

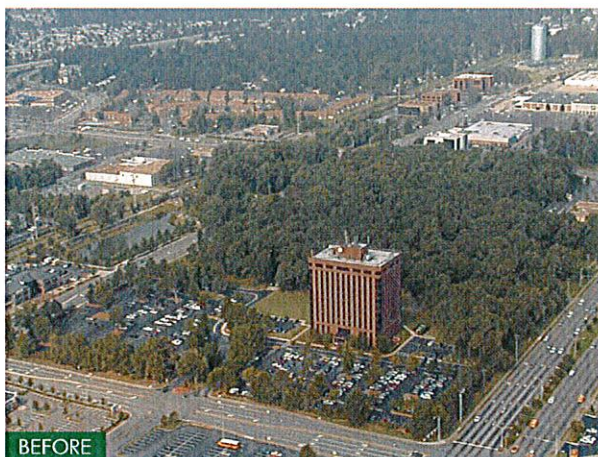
At Armada Hoffler we are committed to guiding our clients through the complex decision making process of sustainable building construction for each project. We believe that through experience, best practices, and leadership we can deliver the most innovative and environmentally friendly structures that 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.

At Armada Hoffler, we build more than structures,

WE BUILD TRUST.



CORPORATE PHILOSOPHY

The words “people” and “team” come to mind when thinking about Armada Hoffler’s philosophical approach to our business. We believe that treating people with dignity, respect and humility establishes mutual trust. That trust ultimately fosters successful long-term relationships and it’s those relationships that are so vital to us and everything we do. Whether you are a client, consultant or subcontractor we will not waiver in our commitment to this fundamental perspective.

Our team approach to every project is a result of that philosophy. We believe that without the owner, design professionals and general contractor working together on behalf of the project, success is limited. This approach is embraced by our employees and is further illustrated by our executives’ personal involvement in all that we do.

The energy, creativity and experience of Armada Hoffler’s team generates opportunities for success on all of our projects. It’s our people’s commitment to Quality, Service, Flexibility and Integrity that ensures it. Our company’s goal is to become the solution to our clients’ ongoing construction needs and provide our services over a mutually beneficial, long-lasting relationship.



RELATIONSHIPS

As an indication of the ongoing commitment to our clients, we are prepared to construct projects throughout the country on their behalf. To date, our relationships have taken us to the following locations:

Florida	North Carolina
Georgia	Pennsylvania
Iowa	South Carolina
Kentucky	Tennessee
Maryland	Texas
Massachusetts	Virginia
Michigan	Washington, D.C.
New Jersey	West Virginia
New York	



SERVICE PLATFORM

Successfully overseeing a construction project requires expertise, experience, a team approach, skillful management, communication and a great deal of dedication. With over 30 years in the business, Armada Hoffer Construction Company confidently provides all of these attributes to each of our clients.

We consider each project an opportunity to exceed our customers' expectations. The process starts with our preconstruction department collaboratively working with them to understand their vision and goals. This allows us to provide valuable input during one of the most critical phases of any project. The inclusion of construction management personnel during preconstruction allows for a seamless transition to the construction phase of the project.

Every project, no matter the size, receives the same commitment to execution that each of our clients deserve. The end result is a finished product delivered to meet our clients' expectations. Our critical services are listed below:

- Estimating: Conceptual Design - Construction Documents
- Project Scheduling
- Constructability Analysis
- Cost Reduction Analysis
- Subcontractor Evaluation
- Design/Build Services
- LEED Management
- Cost Plus Contract Delivery, with or without GMP
- Work in Place Projections



SAFETY

At Armada Hoffer, we care deeply about people and are committed to providing a safe and healthy work environment. We implement a comprehensive written safety plan which is attached to all subcontracts to ensure that all work is performed in accordance with these requirements. Additionally, compliance is continually monitored by all employees including full-time Armada Hoffer safety professionals.

As a continued commitment to our concern for safety, all Armada Hoffer field and project management employees have received OSHA 30-hour and First Aid/CPR training. All safety personnel are certified OSHA 500 Trainers, which allows us to provide in-house safety education not only to our employees but also our subcontractor personnel.

Some of the safety procedures we employ include:

- Preconstruction safety meetings for all subcontractors;
- 100% on-site orientation of all personnel prior to the commencement of work;
- A comprehensive substance abuse program;
- The monitoring of job site activities on a continual basis, with written reports to site management;
- Participation of the Armada Hoffer safety department in all job site coordination meetings;
- Site training to subcontractors as needed on topics relating to safety.

Our efforts have resulted in an excellent safety record. These efforts, over the years, have been recognized with numerous safety awards such as the Associated Builders and Contractors (ABC) Paragon Safety Awards, the ABC Safety Training and Evaluation Program (STEP) Awards, and an ABC National Award of Merit in Construction Safety.



LSDBE, MBE WBE PARTICIPATION PLAN

Armada Hoffer has successfully exhibited “good faith” LSDBE & MBE business participation efforts in most projects we have constructed. We have been a leader in assuring minority, small and women-owned business participation in our industry for many years. At the beginning of each project, we set a goal of minority participation and make every attempt to satisfy our commitment. In addition, Armada Hoffer 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.

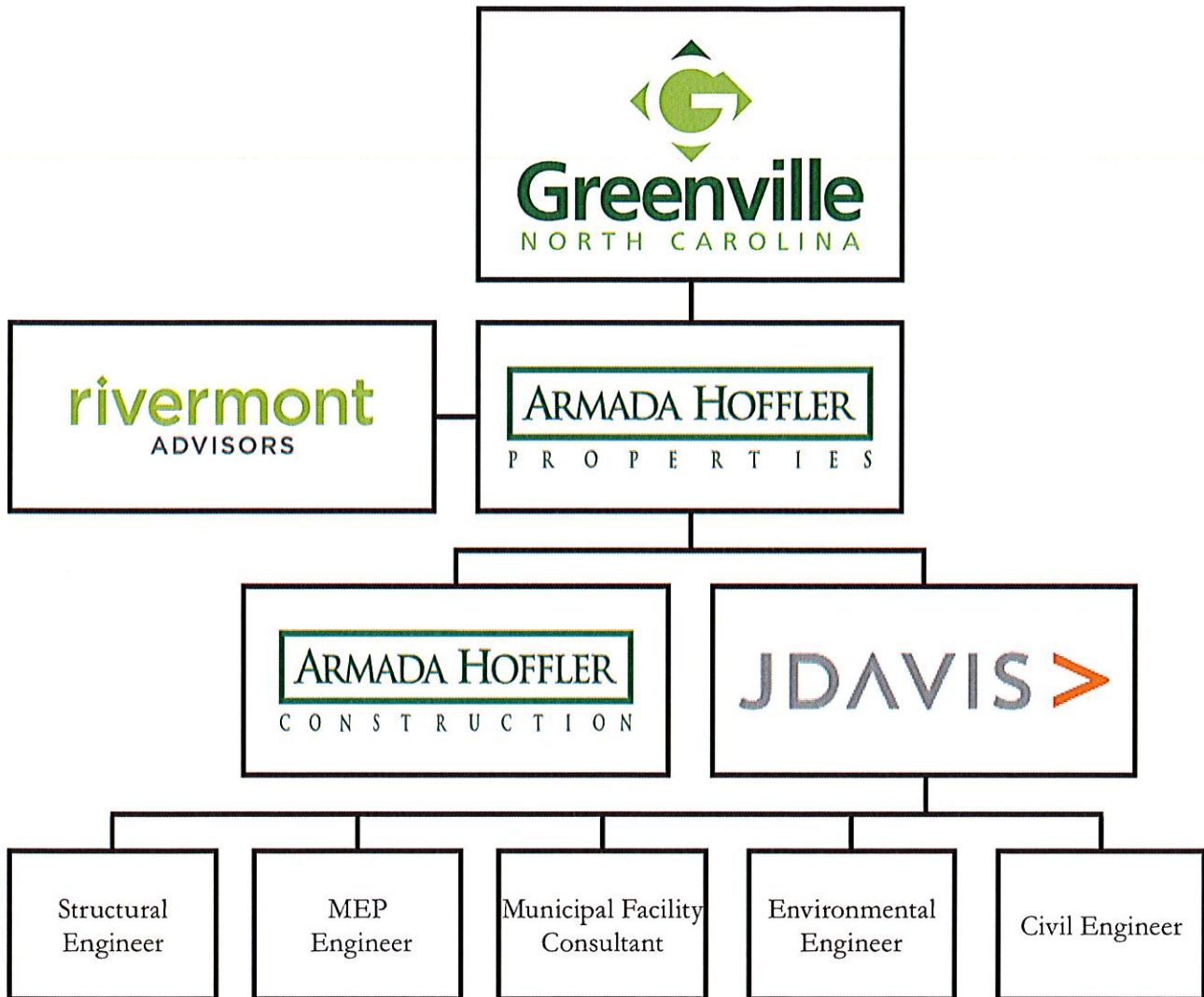
The Armada Hoffer team looks at several criteria before selecting the appropriate subcontractors. We review their current work experience, work load, manpower available, the schedule and scope of work required, as well as price competitiveness. Armada Hoffer understands the special challenges a minority 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 minority subcontractor community and are eager to grant them every opportunity to succeed and prosper.

RELEVANT 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 minority 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 sum, Armada Hoffer will solicit minority-owned, women-owned, and small businesses throughout the subcontractor and supplier community for participation in the performance of the project. An integral goal for each of our projects is committing to overall quality and excellence as well as providing opportunities for local, small, disadvantaged business enterprises.

ORGANIZATIONAL CHART



SECTION 5

Public-Private Partnership Experience

A. PPP Experience Chart

PUBLIC-PRIVATE PARTNERSHIP EXPERIENCE

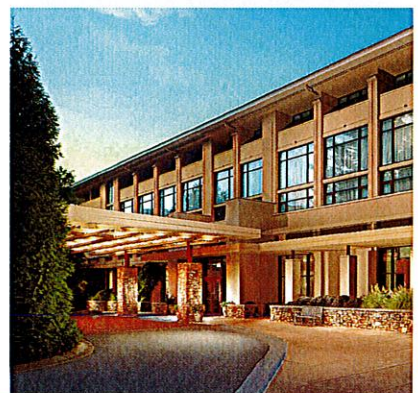
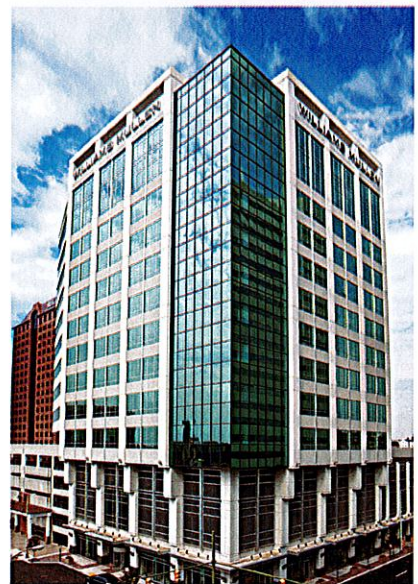
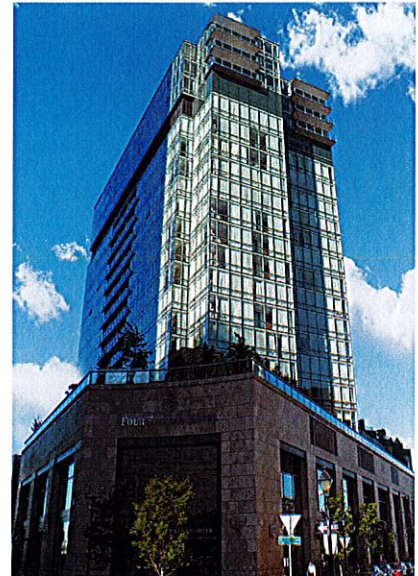
Public-Private Partnership

The Development Team has had an extensive history of working within a public-private partnership relationship. Whether working within the economic development sphere, submitting and answering a request for proposal for a municipal site, or entering into a municipal development agreement to construct infrastructure or vertical construction, the Team is uniquely positioned to work in a joint venture setting allowing all parties to deliver using their areas of expertise. In our collective experience, the lessons learned have been centered upon patience and flexibility, and the following excerpts and projects highlight those central tenets.

Armada Hoffler Properties

Among Armada Hoffler's unique development capabilities are public-private partnerships with municipalities, states, public and private universities, the federal government, and other public entities. By completing over 25 successful public-private partnerships, Armada Hoffler has shown true staying power and flexibility. The cornerstone of Armada Hoffler's public-private portfolio is the \$600+ million Town Center of Virginia Beach. This extremely successful public-private partnership currently contains over 800 residences, two hotels, over 750,000 square feet of office space, over 250,000 square feet of retail space, a regional performing arts theater, and various public gathering areas. Over the last 17 years, Armada Hoffler 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. The following are several more notable specific examples of Armada Hoffler's willingness to work and engage in public relationships:

- Developed and Constructed over 2,000,000 square feet of conference and hospitality space in Baltimore, MD
- Developed and Constructed a 527,000 square foot shipbuilding apprentice school complex in Newport News, VA
- Developed and Constructed a 200,000 square foot, mixed-use government center and law office in Richmond, VA
- Developed and Constructed over 230,000 square feet of conference and hospitality space in Newport News, VA
- Developed and Constructed over 520,000 square feet of conference and hospitality space in Washington, DC



PUBLIC-PRIVATE PARTNERSHIP EXPERIENCE CHART

PROJECT	LOCATIONV	SQUARE FEET	Cost of Project
Town Center of Virginia Beach 6 Phases/Public-Private Agreements	Virginia Beach, VA	3,857,500 sq. ft.	\$600 Million
Four Seasons Hotel & Residences/ Legg Mason World HQ	Baltimore, MD	1,000,000 sq. ft.	\$440 Million
Mandarin Oriental Hotel	Washington, D.C.	520,000 sq. ft.	\$165 Million
Marriott Waterfront Hotel & Conference Center	Baltimore, MD	1,100,000 sq. ft.	\$120 Million
Newport News Shipbuilding/ Apprentice School Complex	Newport News, VA	527,000 sq. ft.	\$70 Million
Williams Mullen Center	Richmond, VA	200,000 sq. ft.	\$68 Million
Norfolk Waterside Marriott Hotel & Conference Center	Norfolk, VA	390,000 sq. ft.	\$65 Million
Newport News Marriott Hotel & Conference Center	Newport News, VA	220,050 sq. ft.	\$62 Million
Renaissance Portsmouth Hotel & Conference Center	Portsmouth, VA	160,000 sq. ft.	\$48 Million
Harbor East Courtyard by Marriott	Baltimore, MD	110,000 sq. ft.	\$41 Million
Norfolk Public Health Center	Norfolk, VA	196,000 sq. ft.	\$29 Million
Emory Conference Center Hotel	Atlanta, GA	180,000 sq. ft.	\$25 Million
Oceaneering	Chesapeake, VA	160,000 sq. ft.	\$25 Million
Harbour Centre	Hampton, VA	175,000 sq. ft.	\$22 Million
Brastown Valley Resort	Young Harris, GA	60,000 sq. ft.	\$21 Million
Brooks Crossing - Phase 1	Portsmouth, VA	60,000 sq. ft.	\$12 Million
Chesapeake Conference Center	Chesapeake, VA	48,000 sq. ft.	\$11 Million
Port Centre One	Portsmouth, VA	100,000 sq. ft.	\$9 Million
House of Sweden	Washington, D.C.	87,300 sq. ft.	\$36 Million
Durham Gateway	Durham, NC	1,000,000 sq. ft.	\$400 Million

SECTION 6

Qualifications

- A. Mixed-Use Development/Project-Related Experience
- B. Letters of Reference

THE TOWN CENTER OF VIRGINIA BEACH

Virginia Beach, VA

The Town Center of Virginia Beach is an on-going, \$600 million public-private partnership between the City of Virginia Beach and Armada Hoffler Properties. The multi-phase, mixed-use development, which had its first groundbreaking in the summer of 2000, has become the city's emerging downtown core. Town Center spans 17 pedestrian-friendly blocks over 25 acres and features a vibrant mix of upscale retail, Class A office space, luxury

residential, dining options and entertainment venues.

The sixth phase of development is currently underway and, upon completion in 2018, will add to Town Center 38,000 square feet of retail space, more than 130 luxury apartment homes, and a 17,000 square foot performing arts theater. The new development will also feature an open-air public plaza and a pedestrian bridge connecting to the adjacent parking garage.



1. Future 2-Acre Development

2. \$42M Development Currently Under Construction

3. Retail Center with Potential for 5-Acre Re-Development

4. Retail Center with Potential for 7-Acre Re-Development

ARMADA HOFFLER TOWER

Virginia Beach, VA

The Armada Hoffler Tower was the first phase of development in Town Center. It is a 23-story office tower, which also features an integrated nine-level parking structure and another mid-level office building, home to Hampton University's College of Virginia Beach. In

addition to 324,000 square feet of office space, the property also includes 38,500 square feet of street-level retail with nationally-recognized names such as P.F. Chang's China Bistro, California Pizza Kitchen, lululemon athletica, Paper Source, free people and more.

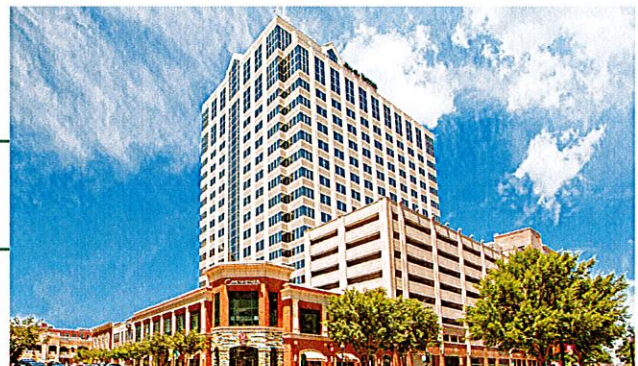
From the Portfolio of:
Armada Hoffler Properties

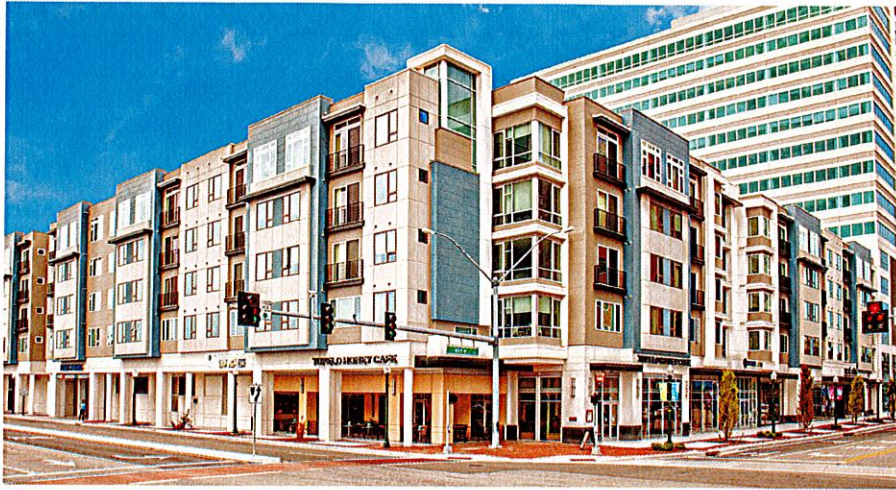
Completed In:
2002

Services Provided:
Develop/Construct

Project Size:
362,500 Square Feet

Product Type:
Mixed-Use



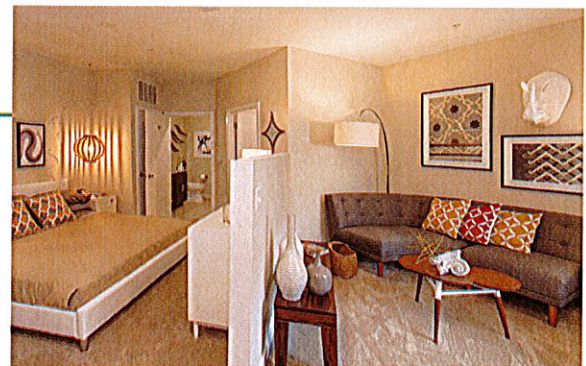


4525 MAIN STREET

Virginia Beach, VA

The 4525 Main Street project was the fifth phase of the public-private partnership between Armada Hoffler Properties and the City of Virginia Beach. The mixed-use development encompasses a 15-story office tower with 238,000 square feet of Class A space, as well as 286 luxury apartment homes, approximately 950 parking spaces in a structured garage, and 23,000 square feet of ground-level retail which is 100% leased to Anthropologie, West Elm and Tupelo Honey Café.

4525 Main Street, currently the newest office tower in the Town Center of Virginia Beach, was recently awarded LEED Silver certification, while the Clark Nexsen office space within the tower is LEED Gold certified per the standards established by the U.S. Green Building Council (USGBC).



From the Portfolio of:

Armada Hoffler Properties

Services Provided:

Develop/Construct

Product Type:

Mixed-Use

Completed In:

2014

Project Size:

238,000 Square Feet & 286 Units

HOUSE OF SWEDEN

Washington, D.C.

House of Sweden in Washington D.C. houses the Embassy of Sweden, the Embassy of Iceland, 19 office suites and an Event Center that features conference and exhibition halls. Situated on the Potomac River, House of Sweden has become the perfect place to meet and work in the heart of Georgetown.

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. The building is owned and managed by the Kingdom of Sweden through the National Property Board Sweden.

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. House of Sweden has been awarded Sweden's most prestigious architecture award; the Kasper Salin Prize for best building. The award is a testament to the work and creativity that has gone into creating this unique building. Designed to rest like a shimmering jewel in the surrounding parkland, the blonde wood, stone, and glass structure is suffused with light, floating at night like an ethereal vision above its sparkling reflection in the Potomac River. The building is light and airy, with large glass segments. Light is a key element, both outside and in. All around the body of the building is a belt of light, backlit wood, which after dark gives the sense that the building is floating. The House of Sweden stands on white pillars and is suffused with Nordic light. The materials are blonde wood, glass and stone, often in layers.

From the Portfolio of:

Armada Hoffler Properties

Services Provided:

Develop/Construct

Product Type:

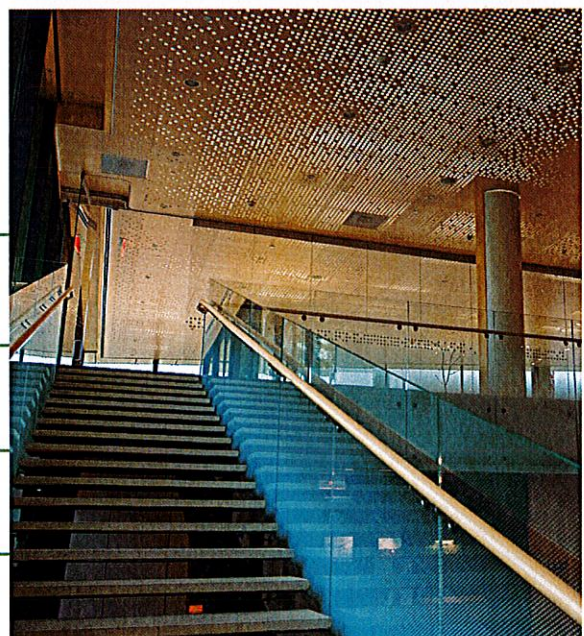
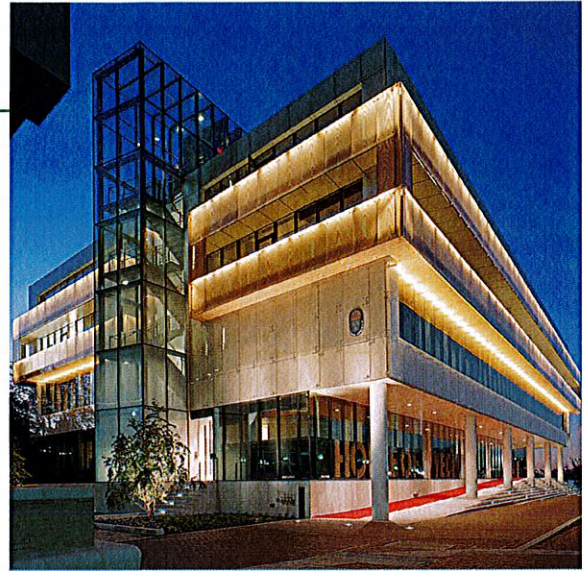
Office

Completed In:

2006

Project Size:

87,300 Square Feet





HARBOR POINT

Baltimore, MD

Located between Harbor East and historic Fells Point, Harbor Point will be a vibrant, highly integrated neighborhood with a focus on sustainability and innovation. As the City's largest downtown, waterfront site yet to be developed, Harbor Point will be composed of 3 million square feet of mixed-use space on 27 acres and will be the leading development showcasing Baltimore's urban renaissance. The neighborhood will feature thoughtfully designed public space including 9.5 acres of waterfront parks and a promenade along the water's edge.

Beatty Development Group is the lead developer of the site, which is currently slated for three million square feet of mixed-use development, and Armada Hoffler Properties acts as investment partner, co-developer, and general contractor. Harbor Point will be strategically developed in three phases, and with the second phase of development currently underway, full build-out is projected by 2022.

From the Portfolio of:

Armada Hoffler Properties

Office:

1.6 Million Square Feet

Residential:

±1,000 Units

Retail:

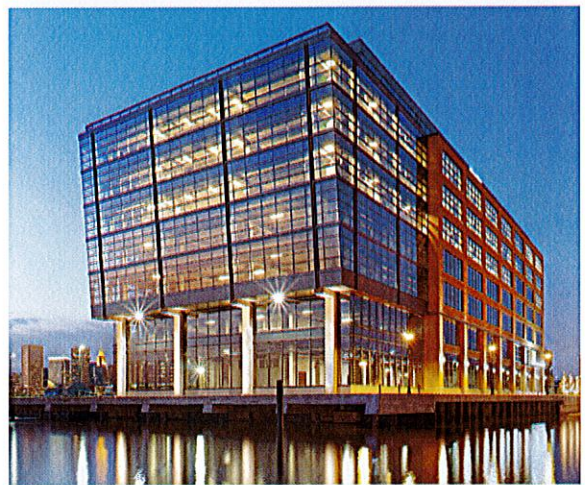
2006

Hotel:

500+ Rooms

Parking:

±3,200 Spaces





APPRENTICE SCHOOL COMPLEX

Newport News, VA

Newport News Shipbuilding – a division of Huntington Ingalls Industries (NYSE:HII) – is the sole designer, builder and refueler of U.S. Navy aircraft carriers and one of the two providers of U.S. Navy Submarines. With approximately \$4 billion in revenues and more than 20,000 employees, Newport News Shipbuilding is the largest industrial employer in Virginia and the largest shipbuilding company in the United States.

The Apprentice School, which was founded in 1919 at Newport News Shipbuilding, is the preeminent apprenticeship program in the nation and offers four-, five-, and eight-year apprenticeships in nineteen shipbuilding disciplines and eight advanced programs of

study. The school provides 13 percent of Newport News Shipbuilding's 23,000 employees, and 44 percent of the waterfront leadership.

The Apprentice School Complex is a \$72 million mixed-use development that was born out of a public-private partnership between the City of Newport News, the Commonwealth of Virginia and Armada Hoffler Properties. The complex is anchored by the nearly 81,000 square-foot school and includes approximately 200 apartment units, more than 28,000 square feet of retail space and a 380-car parking garage on approximately 6 acres of land.

From the Portfolio of:

Armada Hoffler Properties

Services Provided:

Develop/Construct

Product Type:

Mixed-Use

Completed In:

2013

Project Size:

110,000 Square Feet





CITY OF SUFFOLK

P.O. BOX 1858, SUFFOLK, VA 23439 (757) 514-4030 FACSIMILE (757) 514-4035

Capital Programs and Buildings

March 14, 2017

To Whom it may Concern,

Armada Hoffer Construction Company designed and built our new E-911 / Municipal Center building in Downtown Suffolk, which contains our state of the art E911 Dispatch Center, and office space for key departments within the City, including the office of the Mayor, City Manager, City Attorney, City Treasurer, Commissioner of the Revenue, Capital Programs and Buildings, Public Utilities, Public Works, Human Resources, Planning and Community Development, Economic Development, City Clerk, Media and Community Relations, Information Technology, Finance and Budget, City Assessor, and the City Council Chamber.

The project was complicated by the fact that the new building was built on the same block as the existing Municipal Building, a building which had to remain open and fully functional until the new E-911 / Municipal Center building was completed and occupied. This scenario necessitated a two phased construction schedule. Phase 1 consisted of site and utility work necessary to support the construction of the new building and all of its many functions. Phase 2 consisted of moving all of our departments into the new building, followed by the demolition of the old building, the old E911 communications tower, and construction of a new parking lot and courtyard in the space previously occupied by the old building. There were also major roadwork and utilities improvements on three of the four streets surrounding the existing and new buildings. Armada Hoffer maintained the safe flow of pedestrian traffic to the existing and new buildings while this work proceeded, and kept vehicular traffic on the impacted streets flowing smoothly throughout the entire process. At our request, the street improvements spanned across both Phases of construction, installing street curbing and base surface in Phase 1, with the final asphalt surface installation in Phase 2.

The E911 / Municipal Center project was a fixed price contract, and Armada Hoffer completed the project with no claims for added costs other than responses to changes requested by the City, and change orders issued for unforeseen underground conditions. The overall project was completed on time, with some areas of the project actually completed ahead of schedule. Armada Hoffer also coordinated with the many contractors and vendors that we had under separate contract for HVAC equipment, security systems, information technology, furniture, audio/video systems, etc., to prepare the new building

for our move into it. We provided Armada Hoffer with a schedule of move in dates for the various departments within the City, and Armada Hoffer used that schedule to create a plan for early phased turnover of the pertinent sections of the building, which allowed our furniture vendor to get an early start on delivery and setup of the new office furniture. This coordination and cooperation facilitated a very seamless move from the old building to the new facility, allowing services for the public to continue uninterrupted.

Armada Hoffer set a very high standard in coordinating and constructing our E-911 / Municipal Center building, which was a project that had many unique challenges. They always handled these challenges with exceptional professionalism and competence, with a project management team that's the best that I've ever had the opportunity to work with. I can only wish that all of our projects went as smoothly and as efficiently as this one did. Armada Hoffer Construction Company has delivered a high quality project to the City of Suffolk that we're very proud of. They get my highest recommendation to anyone seeking a high quality construction company!

Sincerely,

A handwritten signature in blue ink, appearing to read "Gerry L. Jones", with a long horizontal flourish extending to the right.

Gerry L. Jones, RA
Director, Capital Programs & Buildings
City of Suffolk



September 12, 2017

Re: Armada Hoffer Properties

TO WHOM IT MAY CONCERN:

I would like to share the City of Virginia Beach's experience with Armada Hoffer Properties (AHP) in the development of the Town Center of Virginia Beach. The partnership with AHP began in 1999 with the first phase and continues today. Together we have developed a vibrant, mixed use walkable community which has become the crown jewel of our city. To date we have developed nine city blocks which consist of 814,736 sf of office space; 19 restaurants; 190,459 sf of retail; 804 residential units; 412 hotel rooms, and a performing arts facility. To date, total private investment of over \$450 million supported by public investment of \$105 million has been expended. We are currently under construction on the next block with private investment of \$41 million.

AHP has been exceptional to work with and delivered a quality product that has been transformative to our city. For additional information on the project I invite you to visit our web site at yesvirginiabeach.com/business-districts/pages/town-center. Without AHP's dedication to the project we would not have achieved our vision of creating a vibrant urban center for our city.

I would be happy to discuss our project or AHP's performance with you. I can be reached at (757) 385-6460 or mwawner@vbgov.com.

Sincerely,

A handwritten signature in black ink, appearing to read 'Mark R. Wawner', with a stylized flourish at the end.

Mark R. Wawner
Project Development Coordinator

/lla

c: Chris Odle

SECTION 7

Capability & Capacity

- A. Financial Capacity
- B. Summary of Outstanding Debt
- C. Statement of No Defaults

FINANCIAL CAPACITY

Armada Hoffer Properties brings very strong financial capabilities to this project with our partners. As evidenced in our public filings, we have access to a substantial revolving line of credit and are currently listed on the New York Stock Exchange (NYSE:AHH) as a \$767-million market cap Real Estate Investment Trust (REIT). Our access to capital through the stock market, along with our long-standing relationships with many traditional banks, allow for our team to capitalize and finance project developments much quicker than most traditional developers.

A. EQUITY DEPTH AND SOURCES

Armada Hoffer Properties has significant relationships with many equity providers and sources, and as a publicly-traded company, are required to make periodic public disclosure filings with the Securities and Exchange Commission (SEC). All of the Company's publicly available information since our IPO in May 2013 is available through the Investor Relations portal of our website (www.ArmadaHoffer.com), as well as with the SEC.

The Company's publicly available documents include information regarding our balance sheet at the end of each fiscal quarter and year, including all outstanding loans and corporate credit facilities. As represented by the various asset-specific loans, as well as the breadth of local and national lenders participating on the credit facility, Armada Hoffer Properties works with many different resources and levels of financing to

accomplish our various projects, just as we have done throughout the firm's four-decade history.

We manage our credit line and capital on an ongoing basis as we forecast potential projects and acquisitions and how they will be funded. As a publicly-traded REIT, Armada Hoffer Properties has the ability to raise equity on the capital markets as dictated by project and corporate metrics. Additionally, we maintain strong banking relationships with several large lenders such as Bank of America Merrill Lynch, Regions Bank, M&T Bank, Wells Fargo, and others. We will be able to provide competitive financing on all aspects of this development through these relationships.

B. AUDITED FINANCIAL STATEMENTS

Financial Statements showing 2017 2Q results and the 2016 Annual 10-K report are publicly available on Armada Hoffer's website (www.ArmadaHoffer.com) under Investor Relations or through the Securities and Exchange Commission's website (www.sec.gov).

C. LENDER RELATIONSHIPS

The following page shows Armada Hoffer's relationships with lenders for construction and permanent financing with information on project, amount, and status.

SUMMARY OF OUTSTANDING DEBT

DEBT	LENDER	STATED RATE	EFFECTIVE RATE AS OF 12/31/2016	MATURITY DATE	AMOUNT OUTSTANDING AS OF 12/31/2016
Secured Notes Payable - Core Debt					(In Thousands, 000)
North Point Note 5	PNC	L+2.00%	3.57%	2/1/2017	\$643
Harrisonburg Regal	Berkadia	6.06%	6.06%	6/8/2017	\$3,256
Commonwealth of Virginia - Chesapeake	Regions	L+1.90%	2.67%	8/28/2017	\$4,933
Hanbury Village	Wells Fargo	6.67%	6.67%	10/11/2017	\$20,709
Sandbridge Commons	BB&T	L+1.85%	2.62%	1/17/2018	\$9,376
Columbus Village Note 1	Bank of Hampton Roads	L+2.00%	3.05%	4/5/2018	\$6,258
Columbus Village Note 2	Bank of Hampton Roads	L+2.00%	2.77%	4/5/2018	\$2,266
North Point Center Note 1	Prudential	6.45%	6.45%	2/5/2019	\$9,776
Southgate Square	BB&T	L+2.00%	2.77%	4/29/2021	21,150
249 Central Park Retail	Bank of America	L+1.95%	2.72%	8/8/2021	17,076
South Retail	Bank of America	L+1.95%	2.72%	8/8/2021	7,493
Fountain Plaza Retail	Bank of America	L+1.95%	2.72%	8/8/2021	10,281
Encore Apartments	NY Life	3.25%	3.25%	9/10/2021	24,966
Socastee Commons	Wells Fargo	4.57%	4.57%	1/6/2023	4,866
North Point Center Note 2	Arrowood Indemnity Company	7.25%	7.25%	9/15/2025	2,564
Smith's Landing	Berkadia	4.05%	4.05%	6/1/2035	20,511
Liberty Apartments	VHDA	5.66%	5.66%	11/1/2043	20,005
The Cosmopolitan	M&T Reality Capital	3.75%	3.75%	7/1/2051	45,884
Total - Secured Core Debt					\$232,013
Secured Notes Payable - Development Pipeline					
4525 Main Street	NY Life	3.25%	3.25%	9/10/2021	32,034
Lightfoot Marketplace	Regions	L+1.90%	2.67%	11/14/2017	12,194
Johns Hopkins Village	Bank of America	L+1.90%	2.67%	7/30/2018	43,841
Total - Development Pipeline					88,069
Total Secured Notes Payable					\$320,082
Unsecured Core Debt					
Senior unsecured line of credit	Bank of America, PNC, Regions	L+1.40% - 2.00%	2.32%	2/20/2019	107,000
Senior unsecured term loan	Bank of America, PNC, Regions, Raymond James, Citizens Bank	L+1.35% - 1.95%	2.27%	2/20/2020	50,000
Senior unsecured term loan	Bank of America, PNC, Regions, Raymond James, Citizens Bank	L+1.35% - 1.95%	3.50%	2/20/2020	50,000
Total - Unsecured Core Debt					207,000
Total Notes Payable excluding GAAP Adjustments					\$527,082
Weighted Average Interest Rate					3.3%
Balloon Payments					430,479
Principal amortization					96,603
Total Consolidated Debt					\$527,082
Fixed-rate Debt ⁽²⁾					241,472
Variable-rate Debt ⁽³⁾					285,610
Total Consolidated Debt					\$527,082
GAAP Adjustments					(4,902)
Total Notes Payable					\$522,180

STATEMENT OF NO DEFAULTS

Armada Hoffler Properties has always found a sense of pride in the quality relationships we have discovered, forged, and maintained over time, always diligent and shrewd to choose partners and associations carefully with the understanding of mutual representation and life-long reputation.

As such, we are proud to state we have never defaulted on any project or financing, nor has any partner or associate during the course of our relationship through a project. To the best of our knowledge, none of the other members or firms identified as partners or associates with this project have ever defaulted on any project or financing.

SECTION 8

Disclosures

DISCLOSURES

To the best of our knowledge, there exist no potential conflicts of interest with respect or relevancy to this project in any manner.

Neither Armada Hoffler Properties as the developer, nor any officer, director, or owner thereof, has had judgments entered against him or her within the last 10 years for the breach of contracts or governmental or nongovernmental construction or development.

Armada Hoffler Properties has never been in substantial noncompliance with the terms and conditions of prior construction contracts with a public body without good cause.

We proudly report that no officer, director, owner, project manager, procurement manager, or chief financial official herein has been convicted within the past 10 years of a crime related to financial fraud or to governmental or nongovernmental construction contracting.

We further proudly report that no officer, director, or owner is currently debarred pursuant to an established debarment procedure from bidding or contracting by any public body, agency of another state, or agency of the federal government.