

Executive Committee Teleconference
June 12, 2013

The meeting was called to order at 9:10 PM (all times Eastern) to discuss whether to enter into formal negotiations to purchase an office suite at 1101 King Street in Alexandria, VA to serve as the National Headquarters.

Executive Committee members in attendance: Geoff Neale (chair), Lee Wrights (vice-chair), Tim Hagan (treasurer), David Blau (secretary), Bill Redpath (at large), Dan Weiner (region 4), Jim Lark (region 5s). Other LNC members listening: Michael Cloud (at large), Mark Hinkle (at large), Gary Johnson (region 7), Scott Spencer (region 5s alternate). Non-LNC members listening: Carla Howell (LP executive director), Robert Kraus (LP operations director), Mark Teitelbaum and Matt Garcell (CBRE, our real estate agents).

Mr. Blau read the roster of attendees. Mr. Neale admonished the group that discussions of specific dollar amounts or other negotiating positions should remain confidential. Mr. Blau moved:

To authorize

- *executing a letter of intent to proceed with negotiations for 1101 King Street, Suite 160 in Alexandria, VA;*
- *preparing notice to the Watergate to exercise our 6 month exit clause; and*
- *obtaining a mortgage.*

Mr. Neale stated his belief that the purchase cost projection presented to the EC prior to the meeting are within the bounds of the office purchase motion passed by the entire LNC. Mr. Wiener asked whether we had money to purchase the building, to which Mr. Kraus stated our current segregated cash on hand and pledge amounts. Mr. Neale announced that Mr. Johnson had donated to fund a room in the space, to which Mr. Johnson noted that the check was in the mail. Mr. Kraus reported that our interest rate will likely be even better than his initial projection, based on his talks with banks. There was no objection to the financials.

Mr. Neale then asked whether this building is one that we would like to occupy. Those attendees who had toured the building and the suite described what they saw. Mr. Cloud stated that the space would be great for fundraising. Mr. Wiener asked questions about elevator access to the space, and exterior signage. Wheelchair access is available to the first and third floors, and there is access to the second floor through the garage. We should be able to have an exterior awning, and a plaque on the street-level access door. Dr. Lark asked how many other organizations own space in the building, to which Mr. Teitelbaum stated that the building is 70% owned by Southern Management, 30% privately owned. The management company controls the building. Mr. Wrights asked whether our counsel would be drafting the letter of intent, to which Mr. Neale stated that the letter had been drawn up and would be reviewed by counsel.

Mr. Wrights moved to call the question. Dr. Lark objected, and asked the extent to which our operations might be impacted by the 70% owner, and what terms should go into the contract to protect us. Dr. Lark suggested that Bill Hall might assist us in this regard. Mr. Neale will ask Mr. Hall to review the documents. Mr. Wiener asked about the timeline for moving into the proposed space. Mr. Teitelbaum reviewed the terms of the draft letter of intent, which includes several provisions that address this question. During the course of the review, Ms. Kirkland (region 2) joined the call. Mr.

Hinkle asked whether there were any current tenants; Mr. Kraus stated that there were, but noted that they could be easily relocated.

Mr. Wrights moved to call the question. Dr. Lark objected, and asked whether it would be possible to obtain additional space within the building at a good marginal cost. Mr. Teitelbaum responded that he had asked his associate to check just before the meeting, but does not expect there to be anything else available. Mr. Kraus confirmed this suspicion. Mr. Garcell stated that another owner in the building was offering 20,000 square feet for \$5.8M.

Mr. Wrights moved to call the question, and Mr. Wiener seconded. There was no objection to calling the question. Mr. Blau repeated the main motion.

Roll call vote on the main motion:

Voting yes: Blau, Hagan, Lark, Neale, Redpath, Wiener, Wrights.

Mr. Blau announced seven yes votes, zero no votes, and zero abstentions. Mr. Neale stated that the motion passed, and announced that he would be at the site June 24-25 to view the space himself. Mr. Redpath and Dr. Lark expressed their interest in viewing the suite at that time, should schedules permit.

Dr. Lark moved to have the EC express its formal appreciation to Mr. Blau for his work driving the building fund forward, and to Mr. Johnson for his generous contribution. There was no objection.

Without objection, the meeting was adjourned at 10:09 PM.