



October 2009

RE: Letter of recommendation and endorsement of Mr. Jack Grant and JG Construction Management, Inc.

It is without reservation that I recommend and endorse the excellent service of JG Construction Management, and more particularly, its principal, Jack Grant.

The Alexander Company is a national real estate development firm specializing in urban redevelopment including adaptive reuse of historic structures, new construction in-fill, and master development. Our engagement with Mr. Grant came about as part of a particularly challenging project in Silver Spring, MD.

The National Park Seminary is a master-development of a 33-acre former annex to Walter Reed Army Base located within the Washington National Beltway. The first phase of the project included the \$50M restoration and reuse of the historic campus' central "Main Building", which upon completion includes 66 apartment units and 50 condominium homes (I have attached a New York Times article on the project which better explains just how ambitious and challenging a construction effort it presented).

In mid-2008 it became clear that the project's general contractor was suffering from serious financial difficulties, impacting ability to pay sub-contractors, coordination of work, and schedule creation and adherence. To see the project to completion, The Alexander Company, as developer and owner, decided to supplement our own staff of architects and owner's representatives, with the additional expertise of a project manager with specific knowledge of GC project coordination, scheduling, and experience dealing with very challenging circumstances on large construction projects. After a significant search involving contacts with associates and industry connections across the eastern half of the United States, we were directed to JGCM and Jack Grant. Jack's long experience as a construction executive, project manager, and surety agent offered the expertise we were seeking, and Jack proved a key resource to our team.

For 12 months (from August 2008 through August 2009), Jack participated in almost all aspects of project management and completion, including:

- Team management of Alexander Company weekly development meetings
- Sub-contractor settlement negotiations
- Schedule creation and tracking
- Project coordination
- Construction budget analysis

Additionally, JGCMC acted as the Construction Manager on two insurance related matters with an estimated value over \$2 Million, and Jack project managed the work emphasizing high quality workmanship. The work was completed on time and on budget.


The Alexander Company is a real estate developer and owner. We are not a general contractor – nor should we be. Faced with an extraordinarily difficult situation and significant potential liability, we came to rely on the services of Jack and JGCMC – and for good reason. Jack demonstrated an obvious expertise in his industry, and I rightly placed strong trust in his leadership and judgment.

The National Park Seminary project was not completed with out time delays, or cost impacts, however, I know that but for the involvement of Jack Grant, our exposure as an owner would have been far greater, and we would have received a product of lesser quality.

I encourage you to work with JGCMC and Jack, and I am available to further discuss our experience and satisfaction with this firm.

Sincerely,

THE ALEXANDER COMPANY, INC.



Joseph M. Alexander
President

NATIONAL PERSPECTIVES

Preserving History
And a 'Fantasy Feeling'

BY LISA CHAMBERLAIN

AJAPANESE pagoda sits perched high atop a Swiss chalet, and they share a 32-acre historic campus with a Dutch windmill, a Spanish mission-style home, an American hangar and an Italian villa. In all, there are 12 architecturally distinct homes placed randomly around the historic National Park Seminary in this city just outside Washington.

Nestled at the tip of Rock Creek Park, the bucolic Forest Glen campus in the neighborhood of overgrown trees is the victim of neglect and vandalism since the late 1970's, when the Army all but abandoned the site as an annex to the Walter Reed Army Medical Center. This once elegant sanctuary, established in 1887, also narrowly escaped demolition.

The first building constructed in Forest Glen was Ye Forest Inn, a fancy vacation retreat for Washingtonians, which lasted only until 1892. For the next 50 years, the campus underwent extensive building under the auspices of a girls' finishing school, the National Park Seminary, before being annexed by the Army in 1942 for use as a convalescence center for soldiers.

After a grassroots effort lasting decades to wrest control from the Army and save the historic buildings from demise, the campus is now being transformed into a residential community by the Alexander Company of Madison, Wis., which specializes in salvaging historic structures. And here, that will be quite a job.

In addition to overseeing the single-family homes, the Alexander Company will retrofit 50 condominiums and 66 affordable apartments into the Main Building, originally the vacation resort, a shingled Queen Anne that was later stuccoed over, and 10 condos into a neo-Classical gymnasium with a Greek portico and Corinthian columns. The condos will range from \$350,000 to more than \$1 million, and will average \$550,000. The affordable apartments have not yet been priced.

"This is the largest historic renovation project we've undertaken," said David Vos,

the project manager, while giving a tour of the site. "And in some ways, it's the most unusual. The campuslike setting is very suburban, but it will take on an urban character as we renovate the historic buildings into modern condos and apartments."

There will also be 90 town houses constructed on the campus by EYA of Bethesda. A grand ballroom building — the architectural crown jewel of the campus — will be renovated and maintained as public space. The overgrown campus will also require extensive restoration, as well as an improved pedestrian link to the Forest Glen Metro station.

In order to finance such a sweeping renovation, the Alexander Company is selling off the architecturally unusual single-family homes to bidders who will be required to restore the homes in accordance with the Maryland Historical Trust. Eleven prequalified bidders have been chosen, and Mr. Vos advised the bidders to estimate at a minimum of \$600,000. Final bids are due Tuesday and awards will be made on Thursday.

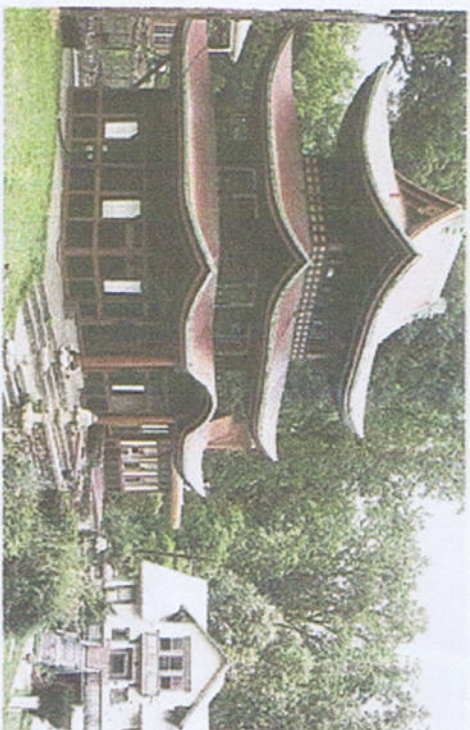
"For years we've been watching the Army let the place deteriorate," said Wenly Kern, whose husband, Raymond, has been renovating the Japanese pagoda into what will become a sales office before it will eventually be sold as a single-family home. The Kerns hope to buy it as an investment.

"I was amazed that the site was still very much intact," said David Overhul, another bidder, whose background is in historic preservation and restoration company. "My wife and I have gone back and forth about which one would be practical, which one is unique and wonderful," he said. "We love all of them. The variation in architectural styles, it gives it this fantasy feeling."

That feeling was created by John and Vesta Cassidy, the founders of the girls' finishing school, who were greatly influenced by the 1893 World's Fair, otherwise known as the Columbian Exposition, in Chicago. The Cassidys undertook a building construction spree, which included the internally styled sorority houses for girls at "worldly" education in an otherwise cloistered setting.

The New York Times

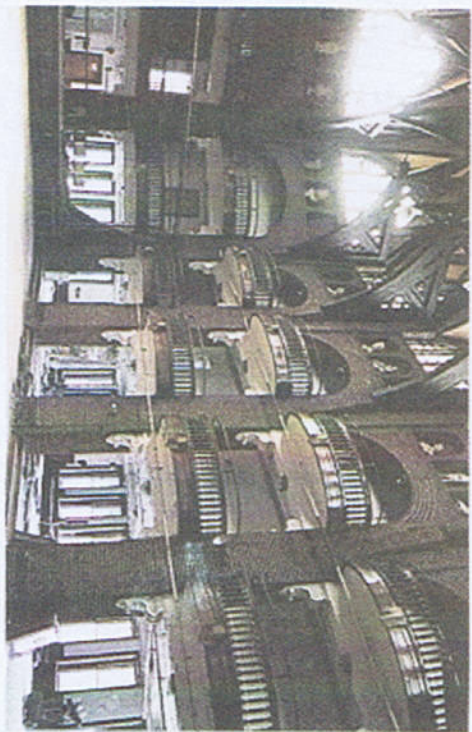
Real Estate



Photograph by Lisa Chamberlain for The New York Times



HISTORIC CAMPUS
The National Park Seminary near Washington has 12 architecturally distinct houses, including a Japanese pagoda, above. All are being sold. The ballroom, below, will be renovated and maintained as public space. David Vos, the project manager, walks through the gymnasium, which will be converted into 10 condos.



A second construction spree was undertaken by a headmaster, James Eli Armit, who connected all the sitting structures to the Main Building with covered or enclosed walkways so the girls did not have to be exposed to the elements.

The culmination of construction was in 1927 with the grand ballroom building of Dr. Armit's own design. At more than 65 feet, it is still the tallest and most striking structure on campus. The vaulted ceiling, dark oak buttresses and balconies are largely intact, as are classical busts that Dr. Armit brought back from Europe, which still line the upper reaches of the ballroom. Girls were allowed to practice ballroom dancing for half an hour twice a day to music projected by the huge wooden speaker from an original Victrola record player that remains intact.

Not so fortunate are sections of the Main Building, which have collapsed four floors down, leaving just a shell. One reason the Alexander Company was selected by Montgomery County, which took possession after the Army relinquished control, is that it was the only bidder that did not recommend demolishing buildings. Only one, a cottage, had to be destroyed, but many of the 27 buildings, 23 dating from 1887 to 1927, have suffered nearly ruinous damage.

As so often happens, the effort to rescue the site was spearheaded by a grass-roots community group. In this case Save Our Seminary or SOS, which formed in 1988 and gave tours to raise awareness. Bonnie Rosenthal, one of the earliest members, who later became the executive director, is now groundskeeper for the Alexander Company.

"The first tour I took, I went to the top level of the windmill and looked out at the glen, and it was just enchanting," Ms. Rosenthal said. "The first order of business was getting the Army out. But then it almost went to public auction, and that's when SOS asked the county to step forward."

In April 2001, the county turned possession over to the Alexander Company, which is overseeing what is estimated to be a \$110 million investment, including \$15 million in tax credits, grants and other public subsidies.

Randall Alexander, founder and chief executive of the Alexander Company, credits neighborhood advocates with not only saving the campus from certain ruin but also having the flexibility to understand that not every detail can be saved and new construction will be required to make the project economically viable.

"Community input sometimes scares off developers," Mr. Alexander said. "But it's a unique site — an arboretum with international architecture — in a strong market that the community really supports. It will be a challenge. There's a lot of damage, but those are the projects we like to do."