ASBESTOS ADDENDUM C

This will serve as an Addendum to the Lease Agreement dated _____, between Homeport Hampton Roads, LLC, Owner, and _____, (Print "Tenant" Name), regarding property located at _____, (the "Premises").

Any capitalized terms not otherwise defined herein shall have the meanings set forth in the Lease Agreement.

The Owner considers Tenant health a major priority and concern. As such, the following information is provided as an Addendum to draw Tenant's attention to certain actions that Tenant must take to ensure Owner's efforts to minimize risks to Tenant's health are not compromised.

1. **WARNING**: The Premises may contain asbestos containing materials ("ACM").

2. **FACTS ABOUT ASBESTOS**: Asbestos is a compound of natural fibrous minerals that has been used commercially because of its strength, durability, fire retarding capability, and resistance to heat. In most facilities built prior to 1981, asbestos was a commonly used construction material. In various parts of the Premises, ACM may have been used in the original construction or in renovations prior to the enactment of federal laws that limit asbestos in certain construction materials. Exposure to asbestos fibers may create a health hazard, including risk of lung disease or cancer.

3. **FEDERAL RECOMMENDATIONS**: The United States Environmental Protection Agency ("EPA") has determined that the mere presence of ACM does not pose a significant health risk to residents and that these materials are safe so long as they are not dislodged or disrupted in a manner that causes the asbestos fibers to be released. Disturbances include scraping, sanding, pounding, or other techniques that produce dust and cause the asbestos particles to become airborne. The EPA does not require that intact ACM be removed. Instead, the law simply requires that Owner take reasonable precautions to minimize the chance of damage or disturbance of these materials.

4. **OWNER KNOWLEDGE OF ACM IN THE PREMISES**: The following is a list of all the documents pertaining to ACM in the Premises of which Owner is aware:
   a. "Phase I Environmental Baseline Survey, Privatization of Bachelor Housing and Investigation of Areas for New Bachelor Housing, United States Navy, Mid-Atlantic Region," prepared by Michael Baker, Jr. Corp. (December 2005). This report discusses a limited survey of suspected ACM in buildings J-53, SP-29, U-20, NH-141, NH-142, and NH-156.
   b. "Addendum: Environmental Baseline Survey, Bachelor Enlisted Quarters, Naval Station Norfolk, Norfolk, VA," prepared by Environmental Resources Management, Inc. (April 2007). This report discusses a visual survey of asbestos conducted in December 2006 at buildings J-53, SP-29, U-16, U-20, NH-141, NH-142, and NH-156.

   Neither document identified ACM in the surveyed buildings. However, because no survey is fully comprehensive, the possibility exists that ACM may be present in the Premises. Copies of these documents are available for Tenant to review at the Agent's office listed in the Lease Agreement.

5. **RESIDENT RESPONSIBILITIES:** Tenant must comply with the following:
   a. Tenant may hang pictures and wall ornaments by driving appropriate hangers into walls, but holes greater than one-quarter inch in diameter shall not be made without the express written approval of the Owner.
   b. Tenant shall not drill holes for any purpose such as the installation of drapery rods or other fixtures. Owner, if contacted, shall arrange for such installations, if appropriate.
   c. Tenant noting holes of one-quarter inch or larger in wallboard or ceilings, or crumbling or peeling wallboard or ceiling materials shall notify Owner, who shall determine what repair, if any, is necessary.

Owner and any agent named below certify that to the best of their knowledge the above information and statements made or provided by them, respectively, are true and accurate. Tenant signing below acknowledges that he/she has received, read, and understood this Disclosure.

_____   _____
Tenant Signature   Date

_____   _____
Homeport Hampton Roads, LLC. Agent for Owner   Date