

Reston/Herndon Commercial Loans
230 Herndon Parkway
Herndon, VA 20170

March 19, 2009

Piedmont Operating Partnership LP
Attn: Asset Manager – Eastern Region
11695 Johns Creek Parkway
Suite 350
Johns Creek, Georgia 30097

Dear Sir or Madam;

Enclosed is a Letter of Credit for Hydrogeologic Incorporated. This letter of credit is a replacement for a Letter on file issued by Alliance Bank on behalf of Hydrogeologic.

If you have any questions regarding this letter, please feel free to contact me at (703) 889-1905.

Sincerely,



Deborah C. Hance
Senior Vice President

Exhibit "A"

March 19, 2009

Piedmont Operating Partnership, LP
11695 Johns Creek Parkway
Suite 350
Johns Creek, GA 30097
ATTN: Asset Manager – East Region

Re: Irrevocable Letter of Credit No. 9531340938-00003

Ladies and Gentlemen:

At the request and for the account of Hydrogeologic Inc., we hereby establish this Irrevocable Letter of Credit No. 9531340938-00003 in the maximum aggregate amount of One Hundred and Eighteen Thousand Five Hundred Thirty-Five and 84/100 Dollars (\$118,535.84) in favor of the above-named beneficiary.

This Letter of Credit is effective immediately and expires on March 19, 2010. This Letter of Credit shall automatically renew for successive one-year terms unless we give you notice of non-renewal at least thirty (30) days prior to any expiration date. Our notice of such election shall be sent by registered mail to the above address, attention "Asset Manager – East Region".

Funds under this Letter of Credit will be made available to beneficiary upon our receipt of the original of this Letter of Credit. Presentation shall be made at our office address as set forth below during our normal banking hours.

Branch Banking & Trust Co.
Attn: City Executive
230 Herndon Parkway
Herndon, Virginia 20170

Partial drawings are permitted under this Letter of Credit up to the stated face amount of One Hundred and Eighteen Thousand Five Hundred Thirty-Five and 84/100 Dollars (\$118,535.84).

This Letter of Credit is transferable in its entirety. We shall not recognize any transfer of the credit until an executed transfer request is filed with us in the form attached hereto, Exhibit "B", bearing your banker's certification that the signature thereon is valid. Upon receipt of such, we shall endorse the reverse of this credit and forward to the transferee.

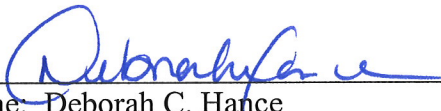
Letter of Credit No. 9531340938-00003
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230 Herndon Parkway
Herndon, VA 20170

This Letter of Credit shall be subject to the Uniform Customs and Practice for Documentary Credits (1993 Revision), International Chamber of Commerce Publication No. 500 and to the extent not inconsistent therewith, the laws of the Commonwealth of Virginia including Article 5 of the Virginia Uniform Commercial Code.

Very truly yours,

BRANCH BANKING AND TRUST COMPANY

By: 
Name: Deborah C. Hance
Title: Senior Vice President

Reston/Herndon Commercial Loans
230 Herndon Parkway
Herndon, VA 20170

Exhibit "B"

To: BB&T
Attn: City Executive
230 Herndon Parkway
Herndon, Virginia 20170

Re: Your Letter of Credit Number 9531340938-00003

Gentlemen,

For value received, the undersigned beneficiary hereby irrevocably transfers to:

PRIII Sunset Hills Virginia LLC
(Name of Transferee)
2400 N Street, N.W., Suite 600
(Address)
Washington D.C. 20037

All rights of the undersigned beneficiary to draw under the above letter of credit in its entirety.

By this transfer, all rights of the undersigned beneficiary in such letter of credit are transferred to the transferee and the transferee shall have the sole rights as beneficiary thereof, including sole rights relating to any amendments or extensions, whether now-existing or hereafter made. All amendments are to be advised to the transferee without necessity of any consent or or notice to the undersigned beneficiary.

The original letter of credit is returned herewith, and we ask you to endorse the transfer on the reverse hereof, and forward it directly to the transferee with your customary Notice of Transfer.

Sincerely,

Piedmont Operating Partnership, LP
(Name of Beneficiary)

Robert E. Bowers
(Authorized Signature and Title)
Robert E. Bowers, Chief Financial Officer

SIGNATURE GUARANTEED
Bank of America, N.A.

BY [Signature]
Authorized Signature

Signature Authenticated by:

Bank of America
(Name of Bank)

ADDRESS: 230 HERNDON PARKWAY HERNDON, VA 20170-4400

PHONE NUMBER: 703-889-1905

CONTACT NAME: DEBORAH CHANCE

IRREVOCABLE STANDBY LETTER OF CREDIT

LETTER OF CREDIT NO. 9531340938 00003
DATE 03/19/2009

ADVISING BANK

APPLICANT

HYDROGEOLOGIC INC
11107 SUNSET HILLS RD STE 400
RESTON, VA 20190-5375

BENEFICIARY

AMOUNT

Piedmont Operating Partnership, LP Attn: Asset Manager - Eastern Region
11695 Johns Creek Parkway Suite 350

\$118,535.84

EXPIRY DATE
03/12/2010
(FOR PRESENTATION
AT OUR COUNTERS)

JOHNS CREEK, GA 30097-0000

GENTLEMEN:

WE HEREBY ESTABLISH OUR IRREVOCABLE STANDBY LETTER OF CREDIT IN YOUR FAVOR

AVAILABLE BY YOUR DRAFT(S) Sight

DRAWN ON: "BRANCH BANKING & TRUST CO."

DRAFT(S) MUST BE MARKED - "DRAWN UNDER BRANCH BANKING AND TRUST COMPANY CREDIT NO. 9531340938 00003"

WHICH MUST BE ACCOMPANIED BY THIS LETTER AND THE FOLLOWING DOCUMENTATION:

See attached Exhibits "A" and "B".

This Letter of Credit is deemed to be automatically extended without amendment for one year from the expiration date or any future expiration date, unless 30 days prior to such expiration date, we notify you by registered or certified mail that this Letter of Credit will not be renewed for any such additional period; however, notwithstanding, in no circumstance will this Letter of Credit be automatically extended beyond the final expiration date of 03/11/2012. If you receive written notice from us that we have elected not to renew this Standby Letter of Credit, you may draw the full available amount hereunder not more than 15 days prior to the current expiration date by presenting your draft together with the original Standby Letter of Credit and your statement purportedly signed by an authorized representative that you are drawing on the Letter of Credit because you were notified by us that we did not intend to extend and renew this Standby Letter of Credit and that HYDROGEOLOGIC INC has not furnished a replacement Letter of Credit satisfactory to you.

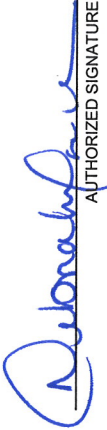
SPECIAL INSTRUCTIONS

THIS CREDIT IS SUBJECT TO THE INTERNATIONAL STANDBY PRACTICES (ISP98), ICC PUBLICATION NO. 590 AND TO THE EXTENT NOT INCONSISTENT THEREWITH, ARTICLE 5 OF THE UNIFORM COMMERCIAL CODE OF THE STATE OF VIRGINIA.

WE HEREBY ENGAGE WITH BENEFICIARY THAT DRAFTS PRESENTED IN CONFORMITY WITH THE TERMS OF THIS CREDIT WILL BE DULY HONORED ON PRESENTATION AT OUR COUNTERS AND THAT DRAFTS ACCEPTED WITHIN THE TERMS OF THIS CREDIT WILL BE DULY HONORED UNTIL MATURITY.

VERY TRULY YOURS

BRANCH BANKING AND TRUST COMPANY


AUTHORIZED SIGNATURE

ACCOUNT# / NOTE#

9531340938 00003

1412VA (0807)

