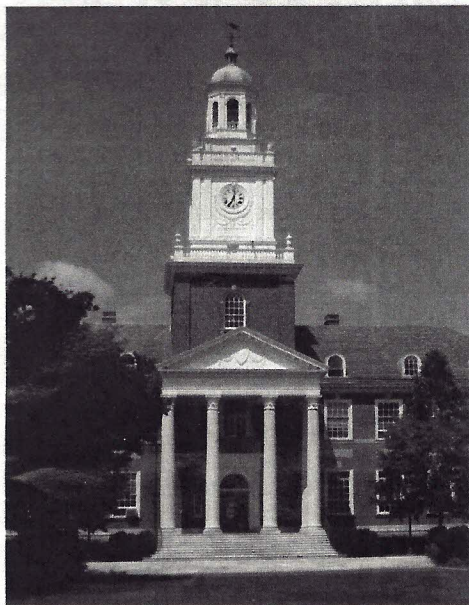


# Johns Hopkins Donor's Family Sues University



By MARK HRYWNA

A Civil War-era farm in Maryland is the center of the latest court battle between a deceased donor's family and a university regarding the restrictions of a donation made years ago.

The heirs of Elizabeth B. Banks, who nearly a quarter-century ago sold Belward Farm for one-tenth of its market value to Johns Hopkins University (JHU), filed suit in Montgomery County, Md., Circuit Court.

The family that owned the 138-acre Belward Farm for more than a century aims to stop the Baltimore, Md.-based university from going forward with plans for three times more commercial development than was initially approved.

The suit alleges that the new development plan was devised without consultation with the family and violates use restrictions of a 1989 deal that transferred ownership. The original plan called for "a modest, low-rise academic campus of no more than 1.4 million square feet," while the revisions now expect to bring a high-rise commercial R&D office park with more than 4.7 million square feet.

"Instead of a university-operated campus, Belward Farm would become a university-owned commercial real estate venture whose main goal is not education, university research or medical care, but turning a profit," said Tim Newell, a family spokesman and one of the six plaintiffs. He found out about the more extensive plans in spring 2008 through residents who attended public outreach meetings by the university.

Dennis O'Shea, a spokesman for Johns Hopkins, said the university's development of the property "has been and will be consistent" with the requirements of the deed conveyed by the family. "Development will, as the deed requires, be limited to agricultural, academic, research and development, delivery of health and medical care and services, or related purposes only," he said in a statement.

"The university's vision for development limited to those purposes has evolved in close coordination with Montgomery County's creation of its own vision for the economic development of the surrounding area and of the county as a whole. It has evolved with considerable input from the public and from county officials. The university remains committed to honoring its obligations under the deed. We are confident that the university's approach will be consistent not only with those

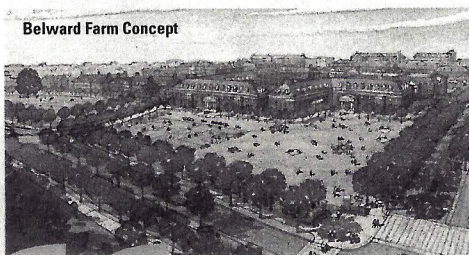
obligations, but also with the county's strategy for its future," the statement concluded.

David Brown, an attorney for the plaintiffs, said in early December he hasn't been contacted in any way by the university, either to respond to the complaint or ask for more time. The university had until Dec. 17 -- 30 days from when it was served with the complaint -- to respond.

Newell's mother and uncle were owners of the property, along with his aunt, Elizabeth Banks, who was the majority owner of Belward Farm at the time of the sale in 1989. Banks, who died in 2005, was "staunchly opposed to the frequent entreaties by developers to sell" the farm, according to the lawsuit.

The family agreed to allow Johns Hopkins to develop 30 acres of wooded property to fund the building of the new campus. Since 1989, that tract has been developed and preliminary approvals were awarded in 1997 for the development of a college campus on the main farm property.

In recent years, the university has taken steps to alter the county's original Master Plan, allowing commercial development of the entire property. "Early in



Belward Farm Concept

**Development will, as the deed requires, be limited to agricultural, academic, research and development, delivery of health and medical care and services, or related purposes only** --Dennis O'Shea

the process, we made known to the university the family's objections to its current plans. Instead of working with us to address these concerns, the university has simply maintained that its new plan is not at odds with what my Aunt Elizabeth had in mind," Newell said.

According to the suit, Banks, who rejected offers to sell to developers, believed a JHU college campus would be a good way to protect Belward Farm from being commercially developed. Fair market value of the farm at the time was estimated to be \$392,000 per acre, roughly \$54 million -- or 10 times JHU's purchase price of \$5 million. The difference constituted a donation from Banks to the university. It would be named Belward Campus of Johns Hopkins University and proceeds of any sale or disposition of the parcels would be used to create or add to a fund established in the name of Banks for the benefit of the university.

Among 10 points of a "property terms of transfer," cited in the complaint, about 109 acres (Parcel A) would be developed and used only for academic purposes while 29 acres (Parcel B) "may be commercially

developed to create revenue to support academic activities at JHU," according to the lawsuit. Another point indicated that wooded land between the two sections be maintained as a buffer between academic and commercial activities.

Building a college campus on Belward Farm required rezoning, which occurred in 1990, creating an R&D Village zone. The zoning change, according to the lawsuit, "significantly increased the fair market value" of the farm.

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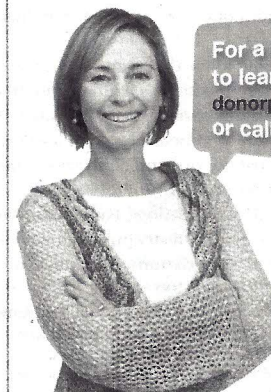
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