

LICENSE AGREEMENT
BETWEEN
MONTGOMERY COUNTY, MARYLAND
AND
RESIDENTIAL CONTINUUM INCORPORATED

DATE: 5/31/07

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LICENSE AGREEMENT

THIS LICENSE AGREEMENT (the "License"), made this 31 day of May, 2006, by and between MONTGOMERY COUNTY, MARYLAND, a body corporate and politic (the "County") and RESIDENTIAL CONTINUUM INCORPORATED, a private, non-profit educational organization ("Licensee"), (the County and the Licensee together the "Parties").

WITNESSETH:

WHEREAS, by a Lease dated August 25, 2006 ("Master Lease"), RM ASSOCIATES LIMITED PARTNERSHIP ("Master Landlord") leased to the County and the County leased from the Master Landlord, Suite 203 ("Leased Premises"), located in the building known as the East Gude Center located at 405 East Gude Drive, Rockville, Maryland (the "Building"), and;

WHEREAS, the County pursuant to the Master Lease has the authority to license all or any part of the Leased Premises, subject to the terms of the Master Lease; and

WHEREAS, the County has agreed to license the Leased Premises to the Licensee under certain terms and conditions.

In consideration of the covenants contained in this License, and for other good and valuable consideration, the receipt and sufficiency of which is acknowledged by the Parties, the Parties mutually agree as follows:

1. LICENSED PREMISES: Pursuant to the Master Lease, attached hereto as **EXHIBIT A**, the County does hereby grant Licensee the privilege, license and right to approximately 2211 square feet of floor space in the Building as outlined in red on

EXHIBIT B (the "Licensed Premises"), which is attached to this License and incorporated as if fully set forth.

2. **LICENSE TERM:** The License Term shall commence on September 1, 2006 and shall terminate on May 31, 2008, unless terminated earlier pursuant to Paragraph 3, below.

3. **EARLY TERMINATION:** It is agreed between the Parties that this License may be terminated at any time during the License Term by the County giving, thirty (30) days written notice of the termination. The County is under no obligation to provide alternate space for Licensee and is not responsible for any moving costs or any expenses incurred by Licensee to relocate or move whether such move or relocation is the result of termination or any other reason.

4. **LICENSE FEE:** Commencing September 1, 2006 through November 30, 2006, the Licensee shall pay to the County, as a License Fee for the use of the Licensed Premises, an annual amount equal to NINE THOUSAND THREE HUNDRED NINETY SIX DOLLARS AND SEVENTY-FIVE CENTS (\$9,396.75) payable in equal monthly installments of SEVEN HUNDRED EIGHTY THREE DOLLARS (\$783.00). The first monthly payment hereunder shall be due September 1, 2006. All payments are to be made in advance on the first day of each month of the License Term, during each license year, and shall be payable by check to: Montgomery County, Maryland, Office of Real Estate, P. O. Box 62077, Baltimore, Maryland 21264-2077.

If the Licensee fails to submit the monthly License Fee in the manner as provided for above, and if the failure continues for more than ten (10) calendar days after the first day of the month for which the License Fee is due and payable, the Licensee will pay to the County, in addition to and as a part of the License Fee in question, a late penalty of five percent (5%) of the monthly Licensee Fee. If the Licensee's failure to pay continues for more than twenty (20) calendar days after a monthly payment becomes due and payable the Licensee will pay to the County, in addition to and as a part of the License Fee in question, a late penalty of fifteen percent (15%) of the monthly License Fee. If the Licensee's failure to pay continues for more than thirty (30) calendar days after a

monthly License Fee becomes due and payable, the County will have the right to terminate this License Agreement, recover possession of the Licensed Premises and pursue any other legal remedies available to the County under all applicable federal, state and local laws.

5. LICENSE FEE ADJUSTMENTS: CONSUMER PRICE INDEX: It is agreed between the Parties that the annual rent payable by the Licensee shall be adjusted commencing December 1, 2006, and each December thereafter for the remainder of the License Term, as determined by the application of the following formula:

To the annual rent currently payable by Licensee shall be added that sum representing One Hundred Percent (100%) of the resulting amount, if any, after multiplying such annual rent currently payable by Licensee by a fraction, the numerator of which shall be the Consumer Price index ("CPI") now known as the "U.S. Department of Labor, Bureau of Statistics, Consumer Price Index for all Urban Consumers, National Average, All Items (1984=100)", or its successors, for the month which is two (2) months prior to the first month of the next twelve month license period and the denominator of which shall be the CPI for the month which is two (2) months prior to the first month of the previous twelve (12) month period, and subtracting from such product the annual rent currently payable by the Licensee.

The resulting new annual rent, in each instance shall be in no event less than the annual rent being paid prior to such calculation of the new annual rent.

6. USE OF LICENSED PREMISES: Licensee covenants and agrees that the Licensed Premises shall be for purposes which are consistent with the use of the Licensed Premises as an employee and training facility (the "Use"). Licensee agrees to ensure compliance with all licensing and operational requirements regulating the use of the Licensed Premises for the Use herein described. Licensee will use and occupy the Licensed Premises during the License Term for no purpose other than as specified in the Permitted Use.

7. ASSIGNMENT: The Licensee shall not assign, transfer, mortgage or otherwise encumber this License or sublet or rent (or permit a third party to occupy or use) the Licensed Premises or any part of the Licensed Premises.

8. CONDITION OF LICENSED PREMISES: Licensee accepts the Licensed Premises in "as is" condition. Licensee agrees to maintain the Licensed Premises in good condition and free of clutter throughout the License Term. Licensee acknowledges and agrees that at the end of the License Term, the Licensed Premises shall be returned to the County in the same condition as they were when Licensee accepted the Licensed Premises, with reasonable wear and tear and damage due to casualty excepted.

9. ALTERATIONS AND IMPROVEMENTS:

A. Licensee shall not undertake any alterations, changes or improvements to the Licensed Premises without the prior written consent of the County. Once the County's consent has been obtained, Licensee shall be responsible for the acquisition of any and all necessary permits and for the observance of all building and zoning ordinances and regulations then in effect. Failure to adhere to any previously approved plans, applicable ordinances or regulations shall be deemed to be a breach of this License.

B. The County's Approval and Inspection: In order to secure the County's approval of any structural alterations or improvements, Licensee shall submit to the County plans and specifications clearly setting forth the work to be performed. The County shall respond in writing within forty-five (45) days from receipt of plans and specifications. The County shall inspect the premises upon completion of the work to determine adherence to submitted specifications and compliance with applicable codes and regulations. In the event that the completed work is not satisfactory to the County, Licensee shall undertake any necessary corrections, at Licensee's risk and expense.

10. LIENS: Licensee shall not do or suffer anything to be done whereby the Licensed Premises shall be encumbered by any lien, including mechanic's liens. Licensee expressly covenants and agrees that it will, during the term hereof, within sixty (60) days after the filing thereof, promptly remove or release, by the posting of a bond or otherwise, as required or permitted by law, any lien attached to or upon the Licensed Premises or any portion thereof by reason of or any act or omission on the part of Licensee, and hereby expressly agrees to save and hold harmless the Licensor from and

against any such lien or claim of lien. In the event any such lien does attach, or any claim of lien is made against said Licensed Premises, and shall not be thus released within said sixty (60) day period, the County, in its sole discretion (but nothing herein contained shall be construed as requiring it so to do), may pay and discharge the said lien and relieve the said Licensed Premises from any such lien, and Licensee agrees to pay and reimburse the County upon demand for or on account of any expense which may be incurred by the County in discharging such lien or claim.

11. SERVICES AND OPERATING EXPENSES:

A. By County: Subject to annual appropriation by the County Council and except for work necessitated by reason of Licensee's negligent or wrongful act, the County agrees to provide within the Licensed Premises, at the County's sole cost and expense the following:

- i. Utilities, including electric, gas, fuel, oil and water;
- ii. Maintenance and repair, replacement and preventive maintenance of HVAC, electrical and plumbing systems, through the Master Landlord;
- iii. Major structural repairs, through the Master Landlord;
- iv. Maintenance and repair to the exterior of the Licensed Premises including painting, roofing and gutters, through the Master Landlord;
- v. Trash removal, recycling and pest control for the Building, through the Master Landlord;
- vi. Fire extinguisher service and replacements as necessary for the Building through the Master Landlord; and
- vii. General maintenance, including but not limited to exterior window cleaning, lawn maintenance including grass mowing; general grounds keeping including mulching, trimming of shrubbery and trees; snow and ice removal from sidewalks adjacent to the Building, from parking areas and driveway; gutter cleaning; repair; and maintenance of the Building required for code compliance, through the Master Landlord.

B. By Licensee: Licensee agrees to provide within the Licensed Premises, at Licensee's sole cost and expense, the following:

- i. General maintenance, including but not limited to interior window cleaning, light bulb replacement; carpet cleaning and repair; and maintenance required for code compliance. Licensee shall not proceed with or use any unusual or hazardous materials in the performance of these requirements without consent of the County;
- ii. All custodial, janitorial and recycling services for the Licensed Premises;
- iii. Telephone service;
- iv. Appliance replacement when, in County's sole judgment, replacement is necessary due to abuse, misuse, or negligence on the part of Licensee, its employees, patrons or agents. All appliances shall be approved by the County prior to their installation;
- v. Notwithstanding the obligations of the County regarding certain maintenance, Licensee will be responsible for damage to the structure, grounds or contents of the Licensed Premises due to the willful or negligent acts of Licensee, Licensee's employees, patrons, residents, or agents. In the event of such damage, the Licensee shall immediately make the necessary repairs or replacement to the satisfaction of the County, at Licensee's sole cost and expense or the County shall make such repairs or replacements for which Licensee shall promptly reimburse the County; and
- vi. Interior painting as needed or as required by the County.

A summary of such repairs shall be transmitted quarterly to the Department of Public Works and Transportation, Office of Real Estate, 101 Monroe Street, 10th Floor, Rockville, Maryland 20850, Attention: Director of Real Estate.

12. FURNITURE, FIXTURES AND EQUIPMENT: At the termination of this License, Licensee must deliver to the County the Licensed Premises in good, clean condition, reasonable wear and tear excepted. All items which are attached to the Licensed Premises, or are a part of the Licensed Premises systems at the time the Licensed Premises is delivered to Licensee, shall remain with the Licensed Premises. Any personal property remaining within the Licensed Premises after termination of the License shall become property of the County. The County shall dispose of any such property in the manner it deems appropriate.

13. LIABILITY, PROPERTY DAMAGE AND FIRE INSURANCE:

A. Insurance Requirements:

i. Licensee agrees to obtain and maintain, during the full term of this License, and any extension thereof, a policy of general liability insurance with a minimum limit of liability of Two Million Dollars (\$2,000,000) per occurrence and Five Million Dollars (\$5,000,000) for bodily injury and property damage including Contractual Liability, Premises and Operations, Independent Contractors, Personal Injury and fire liability issued by an insurance company licensed in the State of Maryland and acceptable to the County.

ii. Licensee agrees to obtain and maintain, during the full term of this License, and any extension thereof, a policy of Automobile Liability Coverage with a minimum limit of liability of One Million Dollars (\$1,000,000), combined single limit, for bodily injury and property damage coverage per occurrence including owned automobiles, hired automobiles and non-owned automobiles.

iii. Licensee agrees to obtain and maintain, during the full term of this License, a policy of workers' compensation and employers' liability meeting all statutory requirements of the State of Maryland with the following minimum Employers' Liability limits; *Bodily Injury by Accident - \$100,000 each accident, Bodily Injury by Disease - \$500,000 policy limits and Bodily Injury by Disease - \$100,000 each employee*

iv. Licensee agrees to obtain and maintain, an All-Risks Property Policy during the License term and any renewal terms to protect the full replacement value of all contents of the Licensed Premises and all interests of the Licensee, the County and the Property of Others against any loss. Any deductibles under this policy shall be funded by the Licensee. The County does not provide any coverage for Licensee's owned contents and improvements to the Licensed Premises. County shall be named as a loss payee.

B. Additional Insured: The Licensee's Liability Policies must list Montgomery County, Maryland as an additional insured and all insurance policies obtained by the Licensee as required by this License Agreement must provide that the Licensee will give the County written notice of amendment, cancellation, termination or non-renewal, no later than forty-five (45) days prior to amendment, cancellation, termination or non-renewal. The Licensee must provide on an annual basis evidence that is satisfactory to the County of the insurance coverages required under this License Agreement and if requested copies of policies.

C. Certificate of Insurance: The Licensee must, within forty-five (45) days from execution of this License Agreement, deliver to the County a certificate(s) of insurance and copy of policies evidencing the coverages required under this License Agreement. The certificates must be issued to: Montgomery County, Maryland, Department of Public Works and Transportation, Office of Real Estate, 101 Monroe Street, 10th Floor, Rockville, Maryland 20850. Licensee has the obligation to assure that the County always has a valid Certificate of Insurance and complete copies of the policies.

D. Subrogation: If a casualty or other occurrence which should be covered by the insurance required by this License Agreement occurs, the Licensee must look solely to its insurer for reimbursement and the Licensee must ensure that such insurance is so written that the Licensee's insurer waives all rights of subrogation and shall have no cause of action against the County, its agents, or employees as a result of such casualty or occurrence. The Licensee waives and releases all right of recovery which it might otherwise have against the County or its agents or employees by reason of any loss or damage resulting from such casualty or other occurrence, to the extent that the Licensee would be covered by insurance if the Licensee complied with the requirements of this License Agreement pertaining to insurance.

E. County's Insurance: The County will maintain its normal fire and liability insurance on the Licensed Premises. The County reserves the right to self-insure.

14. HOLD HARMLESS. Licensee agrees to indemnify and hold harmless and pay for the defense of the County from any and all claims of liability, actions, damages and expenses, including, but not limited to, reasonable attorneys fees and litigation costs, arising out of or related to Licensee's use of possession of the premises, including but not limited to play fields and play areas, from any breach of this License by Licensee, or from any claim, action, damage, liability or expense occasioned wholly or in part by any negligent act, errors or omission of Licensee, its agents, contractors, guests or employees, except such negligence as may be occasioned by the acts or omissions of the

County, the County's employees, agents and contractors. Licensee further specifically agrees to hold the County harmless and pay for the defense of the County from any claim of liability made in connection with any construction or installation of equipment by the Licensee within the Licensed Premises, notwithstanding that any such construction or equipment may or may not be deemed to be a part of the Leased Premises hereinabove described.

15. RESPONSIBILITIES OF LICENSEE: Licensee covenants and agrees as follows:

A. Licensee shall not keep gasoline or other flammable material or any explosive within the Licensed Premises which will increase the rate of fire insurance on the Licensed Premises beyond the ordinary risk established for the type of operations described in Paragraph 5, above. Any such increase in the insurance rate due to the above, or due to Licensee's operations within the Licensed Premises, shall be borne by Licensee. Licensee shall not willfully do any act or thing in or about the Licensed Premises which may make void or voidable any insurance on the Licensed Premises, and Licensee, upon receipt of the same in writing, agrees to conform to all rules and regulations established from time to time by the County, the Maryland Insurance Rating Bureau, or any other authority having jurisdiction over such matters.

B. Licensee shall not use or allow the Licensed Premises or the Building to be used for any illegal, unlawful or improper purpose or for any act or thing that may be a nuisance, annoyance, inconvenience, or cause damage to the Licensed Premises, adjacent properties or the adjacent neighborhood. Licensee shall insure that its employees, patrons, residents, or agents do not leave trash in or about the Building, not congregate in large groups in or about the Building (including the bathrooms), and keep noise levels down and from being obtrusive in the Building.

C. Licensee shall not place upon the Licensed Premises or Building any placard, sign, lettering or awning except such, and in such place and manner as shall have been first approved in writing by County.

D. Licensee acknowledges that all responsibilities of Licensee relating to the use or misuse of the Licensed Premises and anything therein shall be construed to include use or misuse thereof by Licensee's agents and employees, guests and invitees.

E. Licensee shall not have pets in or about the Licensed Premises. This provision does not limit Licensee or Licensee's clients' rights to have bona fide service animals on the Licensed Premises. Licensee is solely responsible for the proper care of service animals in the Licensed Premises and in keeping the Licensed Premises clean and free of debris and waste associated with the care and feeding of service animals.

F. Licensee, upon receipt of the same in writing shall comply with all reasonable rules and regulations with regard to the use of the Licensed Premises that may be from time to time promulgated by County ("County Rules"), and any violation of said rules and regulations upon the expiration of any applicable notice and cure period shall be deemed to constitute a violation of this License. In addition to the foregoing, Licensee shall comply with all rules and regulations with regard to the use of the Licensed Premises and the Building that are set forth in the Master Lease under Exhibit E of the Master Lease ("Master Lease Rules"). Any violation of the Master Rules upon the expiration of any applicable notice and cure period shall be deemed to constitute a violation of this License. It is understood that the County Rules and the Master Rules shall not unreasonably interfere with or prevent the intended uses of the Licensed Premises as set forth in this License. The County shall not discriminate against Licensee in the enforcement of any rule or regulation. If there shall be a conflict between this License and rules and regulations, the terms of this License shall govern.

G. Licensee must maintain in good condition, and promptly and diligently repair any damage to (or replace if reasonably necessary in the circumstances), any trade fixtures.

H. Licensee must require and assure that all entrance doors and windows in the Licensed Premises shall be closed and locked when the Licensed Premises are not in use. Further, Licensee before closing and leaving the Licensed Premises at any time must close all windows and doors and secure the Licensed Premises. No additional locks or bolts of any kind shall be placed upon any of the entrance or interior doors or windows by Licensee nor shall any changes be made in existing locks or the mechanisms thereof without prior written approval of County and in the event of an approved change, shall provide County with keys to the facility. Licensee shall, upon the termination of its tenancy, restore to the County all keys of the building,

offices, and bathrooms, either furnished to, or otherwise procured by, the Licensee, and in the event of the loss of any keys so furnished the Licensee shall pay to the County the cost thereof.

I. All occupants of the Licensed Premises shall be informed as to the safe and proper operation of all appliances and equipment in the Licensed Premises.

J. The Licensee must indemnify, defend and hold the County and the County's other tenants, licensees, agents and employees (together the "Indemnities") harmless from and against all liabilities, obligations, damages, judgments, penalties, claims, costs, charges and expenses, including, without limitation, reasonable architects' and attorney's fees, which may be imposed upon, incurred by, or asserted against any of the Indemnities and arising, directly or indirectly, out of or in connection with (i) the Licensee's breach of its obligations under this License; (ii) the acts or negligence of the Licensee, its agents, contractors, and employees in the Licensed Premises or in the Building; and (iii) the use or occupancy of the Licensed Premises, and by the Licensee, its agents, servants, employees and contractors. In case any action or proceeding is brought against any of the Indemnities by reason of any of the foregoing, the Licensee must reimburse the County the cost of defending such action or proceeding, or upon the County's written demand and at the Licensee's sole cost and expense, the Licensee must defend such action and proceeding by counsel approved by the County.

K. The Licensee must not strip, overload, damage, or deface the Licensed Premises or any part of the Building of which the Licensed Premises are a part, including, but not limited to, hallways, stairways, or elevators.

L. The Licensee must not permit any trade or occupation to be carried on or use made of the Licensed Premises outside the scope of this License and the Use set forth in Paragraph 6. Further the Licensee agrees to and must obey any and all federal, state, county and local laws and regulations relating to their operation of business on and in the Licensed Premises and premises of which the Licensed Premises are a part.

M. The Licensee must not move any furniture or equipment which is the property of the County into or out of the Licensed Premises without the County's prior written consent.

16. DESTRUCTION OF LICENSED PREMISES:

A. In the event of damage to or destruction of the Licensed Premises or any part of the Licensed Premises by fire, storm, flood or other casualty which does not require the Licensee to suspend entirely its business, the Licensee agrees to look to the Master Landlord, who in accordance with the Master Lease, shall, as soon as practicable after said damage or destruction, repair and restore the Licensed Premises to the condition they were in immediately prior to said damage or destruction. Should such damage or destruction of said premises or any substantial part of the Licensed Premises render the Licensed Premises wholly unavailable for use by the Licensee for the Permitted Use, the Licensee shall look to the Master Landlord, who in accordance with the Master Lease, shall promptly begin and diligently pursue the repairing, restoration and rebuilding of the Licensed Premises as nearly as possible to the condition they were in immediately prior to such damage or destruction or with such changes or alterations as the Master Landlord may determine appropriate. The County shall have the right to terminate this License within thirty (30) days following the date of the destruction of the Licensed Premises as described above by sending a termination notice to the Licensee.

B. In the event of damage to or destruction of fifty percent (50%) or more of the Building of which the Licensed Premises are a part, and the Master Landlord elects not to restore the Building, this License shall automatically terminate and the Parties shall be discharged from all responsibilities arising under this License.

17. DEFAULT: Licensee shall be considered in default of this License and the County may terminate this License upon the occurrence of any of the following:

i. Failure to perform under any term, covenant or condition of this License;

ii. The commencement of any action or proceeding for the dissolution or liquidation of Licensee, or for the appointment of a receiver or trustee of Licensee's property;

iii. The making of any assignment for the benefit of Licensee's creditors;

iv. The abandonment of the Licensed Premises by Licensee;

v. any default or breach of the terms and conditions of the License Agreement which is not cured prior to the expiration of any applicable notice and cure period;

vi. Use of the Licensed Premises by the Licensee or with the consent of Licensee, for uses other than the Use described in Paragraph 6; and

vii. The intentional use of the Licensed Premises by Licensee or by Licensee's agents, employee, contractors, or guests, for any unlawful purpose.

18. ACCESS: Licensee shall allow the County, the County's employees or agents and the Master Landlord to have access to the Licensed Premises at all times for the purpose of inspection, or in the event of fire or other property damage, or for the purpose of performing any work required to be performed by County or the Master Landlord, or for any other purpose pursuant to the reasonable protection of the Licensed Premises.

19. SURRENDER OF POSSESSION: Licensee covenants and agrees that, at the expiration or other termination of this License, to remove all goods and effects from the Licensed Premises not the property of County, and to yield up to County the Licensed Premises and all keys, locks and other fixtures connected therewith (except property belonging to Licensee), in good repair, order and condition in all respects, reasonable wear and use thereof and damage by fire or other casualty and damage from any risk with respect to which Licensee is not herein expressly made liable excepted. Subject to the terms of this License Agreement to the contrary, Licensee shall pay for all damages to the Licensed Premises, its fixtures, and appurtenances, as well as all damages sustained by Licensee or occupants of the Licensed Premises due to any waste, misuse, or neglect of

said Licensed Premises, its fixtures, and appurtenances, by said Licensee, its employees, or any other person or persons upon the Licensed Premises by Licensee's permission.

20. NOTICE OF ACCIDENTS, DEFECTS OR DAMAGES: Licensee shall give to the County prompt verbal notice of accidents in or damages to the Licensed Premises, and, within twenty-four (24) hours, the Licensee shall follow-up with a detailed written report of such accidents or damages.

21. COMPLIANCE WITH LAWS: It is understood, agreed and covenanted by and between the Parties that Licensee, at Licensee's expense, shall promptly comply with, observe and perform all of the requirements of all of the statutes, ordinances, rules, orders and regulations now in effect or hereinafter promulgated whether required by the Federal Government, State of Maryland, Montgomery County Government, or any municipality in which the Licensed Premises are located, Montgomery County Department of Environmental Protection or Montgomery County Fire Marshal's Office (the "Applicable Laws"). In no event shall Licensee be liable for any violations of Applicable Laws with respect to the Licensed Premises which are existing as of the Commencement Date. The County shall be required to ensure that the Master Landlord keep the Building and the land upon which the Building is located in compliance with all Applicable Laws.

22. WAIVER: The waiver of at any time by either of the Parties of any particular covenant, condition, obligation, or duty under this License shall extend to the particular case only, and for the particular time and in the particular manner specified, and such waiver must not be construed or understood as waiving any further or other rights of either Party.

23. NON-DISCRIMINATION: The Licensee agrees to comply with the non-discrimination in policies in County contracts as required by Section 11B-33 and Chapter 27 of the Montgomery County Code (2004), as amended, as well as all other federal, state and local laws and regulations regarding discrimination. By signing this License Agreement, the Licensee assures the County that in accordance with applicable law, it does not, and agrees that it will not engage in any discrimination in violation of the above sections of the Montgomery County Code as well as any other federal, state or local laws, rules and regulations.

24. PUBLIC EMPLOYMENT: The Licensee understands and agrees that unless authorized under Sections 11B-52 and Chapter 19A of the Montgomery County Code 2004, as amended, that it is unlawful for any person or entity transacting business with Montgomery County, Maryland, to employ a public employee for employment contemporaneous with his or her public employment.

25. MAILING NOTICES: All notices required or desired to be given hereunder by either party to the other shall be given by certified or registered mail and shall be deemed to be effective when received or refused by the addressee. Notices to the respective Parties shall be addressed as follows:

Licensee:

Residential Continuum, Inc.
8615 East Village Ave.
Montgomery Village, Maryland 20886
Attn: Craig Pardini

County:

Montgomery County, Maryland
Department of Public Works &
Transportation
Office of Real Estate
101 Monroe Street, 10th Floor
Rockville, Maryland 20850
Attn: Director of Real Estate

With a copy, that does not constitute Notice to:

Montgomery County, Maryland
Office of the County Attorney
101 Monroe Street, 3rd Floor
Rockville, Maryland 20850
Attn: County Attorney

26. RESIDENT AGENT: The Resident Agent for the Licensee is Craig Pardini, Assistant Director for Building Facilities and Administration, and the address for receipt of notices and service of process is 8615 East Village Avenue, Montgomery Village, Maryland 20886. Licensee must immediately notify County of any change in resident agent or address as provided herein.

27. PROHIBITION OF HAZARDOUS SUBSTANCES: The Licensee agrees not to store or bring hazardous substances onto the Licensed Premises. The Licensee indemnifies the County against any and all claims of any personal injuries or personal

and real property damage as a result of any hazardous substance being brought on the Licensed Premises by the Licensee, its agents, contractors or employees or guests.

28. NON-APPROPRIATION: This License shall terminate automatically on July 1 of any year for which the County, for whatever reason does not appropriate funds to pay for the services specified in this License. The Licensee shall not make or be entitled to any claim for reimbursement of any kind, whether for improvements or prepaid items.

29. AMERICAN DISABILITIES ACT REQUIREMENTS: County and Licensee agree that any future modifications made to the Licensed Premises shall be made in conformance with the requirements of the Americans with Disabilities Act, the Federal Fair Housing Act, and all safety and accessibility requirements in Federal, State, and County Laws and regulations. Licensee must obtain all required permits prior to making any modifications to the Licensed Premises and must comply with all applicable Building and Safety Codes.

30. EMINENT DOMAIN: The Licensee is not entitled to any condemnation award granted to the Master Landlord as owner of the Licensed Premises or the Building. In the event that the Licensed Premises shall be taken by any governmental or quasi-governmental authority pursuant to its power of eminent domain or sold under threat of such taking, the Licensee will not be entitled to recover from the County or the Master Landlord any capital expenditures for improvements and betterments made by the Licensee to the Licensed Premises at the Licensee's expense.

31. FORCE MAJEURE: Neither Party will be deemed in default with respect to the performance of any terms, covenants, and conditions of this License if same shall be due to any strike, lockout, civil commotion, war-like operation, invasion, rebellion, hostilities, military or upsurged power, sabotage, inability to obtain any material or service, through natural or other cause beyond the control of either party; provided, however, that this provision shall not excuse any non-payment of License Fees. For purposes of this provision, lack of funds shall not be considered a cause beyond the control of a Party.

32. ENTIRE AGREEMENT: This License (which contains and includes the Exhibits) is the entire agreement between the Parties, and no representations,

inducements, or agreement, oral or otherwise, between the Parties not contained in this License shall be of any force or effect.

33. MODIFICATION: This License (other than the Rules and Regulations, which may be changed from time to time) must not be modified in any manner except by an instrument in writing executed by both Parties with the same formality as this License.

34. GOVERNING LAW: This License and its performance is to be governed, interpreted, construed and regulated by the laws of Montgomery County and the State of Maryland.

35. CLAIMS: Any action brought by or on behalf of either Party in connection with the performance of this License must be filed and maintained in a court of competent jurisdiction in Montgomery County, Maryland.

36. PARKING: The Licensee is entitled to a maximum of twenty (20) parking spaces located adjacent to the Building. Licensee agrees to insure that its employees, guests, agents and representatives will not use in excess of the twenty (20) parking spaces allotted by this License.

37. HOLDOVER: In the event that the Licensee shall continue to occupy said Licensed Premises or any part thereof after the conclusion of the License Term, the tenancy thus created shall be deemed to be upon a month-to-month basis and may be terminated by either Party giving the other not less than thirty (30) days' written notice, to expire on the day of the month from which the tenancy commenced. During any month-to-month tenancy, both Parties shall continue to observe all agreements and covenants contained in this License.

SIGNATURE PAGE FOLLOWS

IN WITNESS WHEREOF, the Parties have caused this agreement to be properly executed.

WITNESS:

COUNTY:
MONTGOMERY COUNTY,
MARYLAND

By: Scott W. Reilly
Scott W. Reilly
By: Joseph P. Beach
Joseph P. Beach, Assistant
Chief Administrative Officer
Date: MAY 31, 2007

WITNESS:

LICENSEE:
RESIDENTIAL CONTINUUM, INC.

By: [Signature]
By: [Signature] For RC
Title: prop. Mgmt. Consult.
Date: 5/23/07

APPROVED AS TO FORM & LEGALITY
OFFICE OF THE COUNTY ATTORNEY

RECOMMENDED

By: Lileen O. Brennan
By: Cynthia L. Brenneman
Cynthia L. Brenneman, Director
Office of Real Estate

Date: 10/20/2006

Date: 10/19/06

EAST GUDE CENTER

**OFFICE
LEASE**

between

R M ASSOCIATES LIMITED PARTNERSHIP,

Landlord

and

Montgomery County, Maryland

Tenant

Dated: August 25, 2006

Exhibit A

MASTER LEASE

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Exhibits

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- B. Floor Plan of Leased Premises
- C. Description of Landlord's Work
- D. Description of Tenant's Work
- E. Rules and Regulations
- F. Certificate of Commencement
- G. Landlord's Insurance

**EAST GUDE CENTER
OFFICE LEASE**

THIS LEASE is made this 25 day of August, 2006, between R M ASSOCIATES LIMITED PARTNERSHIP, a Maryland limited partnership ("Landlord"), with a business and mailing address at c/o Loganwood Corporation, 5625 Sugarbush Lane, Rockville, Maryland 20852, and Montgomery County Maryland, a body corporate and politic and a political subdivision of the State of Maryland, ("County" or Tenant"), with a business and mailing address at Montgomery County, Maryland, 101 Monroe Street, 2nd Floor, Rockville, Maryland 20850.

WITNESSETH:

For and in consideration of the covenants herein contained and upon the terms and conditions herein set forth, the parties agree as follows:

1. INTRODUCTORY PROVISIONS.

(a) Fundamental Lease Provisions. Certain Fundamental Lease provisions are presented in this Section in summary form solely to facilitate convenient reference by the parties hereto:

- | | | |
|--|---|--------------------------------|
| 1. <u>Leased Premises</u> | 405 East Gude Drive, Suite 203
Rockville, Maryland 20850 | [See Section 2(a)] |
| 2. <u>Floor Space of Leased Premises</u> | 2211 leasable square feet | [See Exhibit B & Section 2(a)] |
| 3. <u>Gross Leasable Area of East Gude Center*</u> | 73,001 square feet consisting of
20,986 square feet of Office Space,
and 52,015 square feet of Warehouse
Space | [See Section 2(b)] |
| 4. <u>Proportionate Share**</u> | 3.03 Percent | [See Section 2(c)] |
| 5. <u>Office Share**</u> | 10.54 Percent | |
| 5. <u>Rent Commencement Date</u> | September 1, 2006 | [See Section 3(a)] |
| 6. <u>Rental Agent</u> | RM Associates Limited Partnership
5625 Sugarbush Lane
Rockville, Maryland 20850 | [See Section 5(a)] |
| 7. <u>Lease Term</u> | 1 year, 9 months | [See Section 3(a)] |
| 8. <u>Minimum Annual Rent***</u> | \$22,110.00 | [See Section 5(a)] |
| 9. <u>Basic Monthly Rent***</u> | \$1,842.50 | [See Section 5(a)] |
| 10. <u>Tenant's Use Clause</u> | General Office <u>Employee</u> and training facility
(as permitted in the I-1 zone) | [See Section 7] |
| 11. <u>Security Deposit</u> | \$ 0 | [See Section 6] |
| 12. <u>Anniversary Month</u> | September | [See Section 5(b)] |
| 13. <u>Leasing Broker(s)</u> | Not Applicable | [See Section 46] |
| 14. <u>Tenant's Taxpayer's ID Number or Social Security Number</u> | 52-6000980 | |
| 15. <u>Name and Address of Tenant's Representative</u> | Montgomery County, Maryland
Department of Public Works and Transportation
101 Monroe Street, 10 th Floor
Rockville, Maryland 20852
Attn: Director of Real Estate | |

RM
MRB

- * Subject to adjustment pursuant to Section 2(b).
- ** Subject to adjustment pursuant to Section 2(c).
- *** Subject to adjustment pursuant to Sections 5(b), (c) and (d).

(b) References and Conflicts. References appearing in Section 1(a) are intended to designate some of the other places in the Lease where additional provisions applicable to the particular fundamental Lease provisions appear. These references are for convenience only and shall not be deemed all inclusive. Each reference in this Lease to any of the fundamental Lease provisions contained in Section 1(a) shall be construed to incorporate all of the terms provided for under such provisions, and such provisions shall be read in conjunction with all other provisions of this Lease applicable thereto. If there is any conflict between any of the fundamental Lease provisions set forth in Section 1(a) and any other provisions of the Lease, the latter shall control.

(c) Exhibits. The following drawings and special provisions are attached hereto as exhibits and hereby made a part of this Lease:

Exhibit A. Site Plan of East Gude Center
 Exhibit B. Floor Plan of Leased Premises
 Exhibit C. Description of Landlord's Work
 Exhibit D. Description of Tenant's Work
 Exhibit E. Rules and Regulations
 Exhibit F. Certificate of Commencement
 Exhibit G. Landlord's Insurance

2. PREMISES.

(a) Leased Premises. Landlord hereby leases to Tenant, and Tenant hereby rents from Landlord, the Leased Premises as specified in Section 1(a)(2) located in the East Gude Center at 405 East Gude Drive, Suite 203, Rockville, Maryland ("East Gude Center") and is more fully described on the site plan attached hereto as Exhibit A and made a part hereof. The Leased Premises shall consist of approximately the square footage of floor space as specified in Section 1(a)(2) and as outlined on floor plan attached hereto as Exhibit B.

(b) East Gude Center. Landlord and Tenant acknowledge that the gross leasable area in East Gude Center is specified in Section 1(a)(3) ("Gross Leasable Area" or "GLA"), and that the gross leasable area of warehouse space in the East Gude Center is specified in Section 1(a)(3) ("Gross Leasable Area-Warehouse Space" or "GLA-WHS"). The GLA and the GLA-WHS shall be used hereinafter for purposes of computing Tenant's proportionate share of certain expenses payable to Landlord as additional rent. Landlord reserves the right to modify the GLA and the GLA-WHS of the East Gude Center from time to time during the Lease Term as a result of construction of new improvements, the demolition of existing improvements, or inclusion of improvements not currently within the boundaries of East Gude Center.

(c) Tenant's Proportionate Share. Tenant's proportionate shares of certain expenses hereinafter made payable to Landlord as additional rent are specified in Section 1(a)(4). Said computations are based upon the ratio of the total area of floor space in the Leased Premises to the GLA of East Gude Center. The Proportionate Share shall be modified during the Lease Term in the event that the GLA and/or the GLA-WHS of East Gude Center is modified as described in Section 2(b) above.

3. TERM.

(a) Lease Term. The term of this Lease (sometimes herein called the "Lease Term") shall begin on September 1, 2006 ("Rent Commencement Date"). Subject to sooner termination as herein provided, the Lease Term shall expire at the end of the period specified in Section 1(a)(7) unless adjusted as described below ("Expiration Date"). After the Rent Commencement Date, Landlord shall deliver to Tenant a Certificate of Commencement in the form attached hereto as Exhibit F and made a part hereof, which certificate Tenant shall promptly execute and return to Landlord. The period commencing with the Rent Commencement Date (or the first day of the next calendar month in the event Rent Commencement Date does not occur on the first day of a month) and ending on the last day of the twelfth calendar month thereafter shall constitute the first "Lease Year" as such term is used herein. Each successive full twelve (12) month period during the Lease Term shall constitute a "Lease Year" and any portion of the Lease Term remaining after the last twelve (12) month period during said Lease Term shall constitute the last "Lease Year" for the purposes of this Lease.

(b) Intentionally Deleted

(c) Intentionally Deleted.

(d) Intentionally Deleted..

(e) Acceptance of Leased Premises. Upon the completion of Landlord's Work set forth in Exhibit C Tenant's occupancy of the Leased Premises shall constitute satisfactory acceptance thereof by Tenant as complying

with all requirements of Landlord with respect to the condition, order and repair thereof as required by the terms of this Lease. There is no Tenant's Work to be performed by Tenant. It is expressly understood and agreed that Landlord has made no representations or warranties with respect to the Leased Premises.

(f) Option to Renew. Provided that this Lease shall be in full force and effect, Tenant shall not then be in default of the Lease, and Tenant shall then be occupying one hundred percent (100%) of the Leased Premises. Tenant shall have the right to renew the Lease for one additional period of two (2) years (such additional period being herein referred to as the "renewal term" if exercised and included in the definition of the Lease Term). The Base Annual Rent payable during the extension term shall be increased by 3% per year over the Minimum Annual Rent from the immediately preceding Lease Year. Tenant shall be required to provide Landlord with no less than 120 days written notice of their intention to exercise their option to renew the lease.

4. PERMITS. Tenant shall, at Tenant's own expense, promptly obtain and maintain from the appropriate governmental authorities any and all permits, licenses and the like required to permit Tenant to occupy the Leased Premises for the purposes herein stated. This requirement shall not relieve Tenant of its liability for Minimum Annual Rent from the Rent Commencement Date in the event all of said permits have not been acquired prior thereto.

5. RENT.

(a) Minimum Annual Rent. The Minimum Annual Rent reserved hereunder shall be as specified in Section 1(a)(8) which shall be payable by Tenant to the Landlord during each Lease Year of the Lease Term in equal monthly installments of Basic Monthly Rent each as specified in Section 1(a)(9), due in advance, without notice or demand, and without set-off, deduction or abatement of any kind, on the first day of each and every calendar month thereafter during the term, except that the first installment of Basic Monthly Rent shall be paid upon the execution hereof. In the event that the Lease Term commences on a day other than the first day of a calendar month or ends on a day other than the last day of a calendar month, then the Basic Monthly Rent for such periods shall be computed on a per diem basis by dividing the Basic Monthly Rent by thirty (30). Rent shall be paid to Landlord (or its agent) as specified in Section 1(a)(6), or to such other persons or at such other address as Landlord may designate from time to time. The first payment of Minimum Annual Rent shall be due within 10 days of the execution of the lease.

(b) Adjustments to Minimum Annual Rent.

(i) On the first day of Anniversary Date of the Lease Term commencing with Lease Year 2, the Minimum Annual Rent shall be increased by 3% over the Minimum Annual Rent from the immediately preceding Lease Year.

(c) Additional Rent.

(i) General. Tenant shall be responsible for payment of all pass-thru items, which shall include all real estate taxes, insurance, utilities and common area expenses.

(d) Additional Rent Estimates and Adjustments.

(i) In order to provide for current monthly payments of Additional Rent, Landlord shall submit to Tenant as soon as reasonably practicable after the beginning of each calendar year a written statement of Landlord's estimate of the amount of the charges described in Section 5(c) above, together with the amount of Tenant's Additional Rent which is estimated to result from such charges. Tenant shall pay each month (i) one-twelfth (1/12th) of Tenant's Proportionate Share of Landlord's estimate of the Basic Operating Charges for such year. Landlord may revise its estimate of Basic Operating Charges at any time during a calendar year by written notice to Tenant, setting forth such revised estimate and Tenant's Proportionate Share thereof. In such event, all monthly payments made by Tenant after such notice shall be in amount calculated on the basis of such revised estimate. Tenant shall, in all cases, continue to make monthly payments of Basic Operating Charges based on the last estimate received from Landlord until it receives a revised or updated estimate.

(ii) If payment of Additional Rent begins on a date other than January 1st under this Lease, in order to provide for current payments of Additional Rent through December 31st of that partial calendar year, Landlord shall submit to Tenant a statement of Landlord's estimate of Tenant's Additional Rent for that partial year, stated in monthly increments, resulting from the charges described in Section 5(c) above. Tenant shall make the monthly incremental payments of estimated Additional Rent together with its installments of Basic Monthly Rent.

(iii) After the end of each calendar year, Landlord will soon as practicable submit to Tenant a statement of the actual Basic Operating Charges for the preceding calendar year. Tenant shall pay Landlord, within thirty (30) days of Tenant's receipt of such statement, the excess, if any, of Tenant's Proportionate Share of actual Basic Operating Charges over the amount paid by Tenant during the previous year as its share of such charges. If the amount paid by Tenant during the previous year exceeding Tenant's share of actual Basic Operating Charges for the year, the excess shall be credited toward payment of the next installment of Basic Monthly Rent to be paid by Tenant after Tenant receives said statement from Landlord. If the amount paid by Tenant during the last calendar year of the Lease Term exceeds Tenant's share of actual Basic Operating Charges for such year, Landlord shall pay Tenant the excess amount within thirty (30) days after Landlord's submission to Tenant of the aforesaid operating charge statement for such calendar year.

(iv) Within thirty (30) days after receipt of Landlord's statement showing actual figures for the year, Tenant shall have the right to request a statement of operating charges of the East Gude Center prepared by

Landlord's certified public accountant and copies of real estate tax bills, which shall be supplied to Tenant within a reasonable time after Tenant's written request. No such request shall extend the time for payments as set forth in Section 5(c) or Section 5(d) above. Unless Tenant asserts specific error(s) and supports such errors, in writing, within fifteen (15) days after Landlord has complied with Tenant's request, Tenant shall waive the right to contest the statement of actual figures for the year submitted by Landlord. It shall be determined that there is an error in Landlord's statement, Tenant shall be entitled to a credit for any overpayment. Any payment, refund, or credit made pursuant to Section 5(c) or 5(d) shall be made without prejudice to any right of Tenant to dispute, or of Landlord to correct, any item(s) as billed pursuant to the provision hereof; provided, however, such right to correct or adjust rental payments shall terminate at the expiration of two (2) years after the date any payment shall have become due.

(e) Payment of Rent. Any Minimum or Additional Rent which is not paid within seven (7) days after the same is due shall bear interest ("Penalty Rate") at two percent (2%) over the Prime Rate (as defined by the Wall Street Journal) or the highest legal rate, whichever is lower, from the due date until the date received by Landlord. In the event Minimum Annual Rent or Additional Rent is not received within seven (7) days of its due date, Landlord, at its sole option, may assess a late charge equal to five percent (5%) of the delinquent amount then due as compensation for the additional administrative charges incurred by Landlord as a result of such late payment. Any payments of Minimum or Additional Rent by Tenant or acceptance by Landlord of a lesser amount than shall be due from Tenant to Landlord shall be treated as a payment on account. The acceptance by Landlord of a check for a lesser amount with an endorsement or statement thereon, or upon any letter accompanying such check, that such lesser amount is payment in full, shall be given no effect, and Landlord may accept such check without prejudice to any other rights or remedies which Landlord may have against Tenant. If Landlord receives from Tenant two or more returned or "bounced" checks in any twelve (12) month period, Landlord may require all future Rent by cashier's or certified check. Notwithstanding the foregoing, such late charge shall not be imposed unless and until Tenant shall fail to make timely payment of Minimum Annual Rent or Additional Rent more than two (2) times in any twelve (12) month period. On the third (3rd) and any subsequent occurrence in any twelve (12) month period of Tenant's failure to timely pay Minimum Annual Rent or Additional Rent, the late charge shall automatically become due and payable and Landlord shall have no obligation to deliver written notice to Tenant of Tenant's failure to timely pay Rent.

6. SECURITY DEPOSIT. Contemporaneously with the execution of this Lease, Tenant has deposited with Landlord the sum specified in Section 1(a)(11), the receipt of which is hereby acknowledged. Said deposit shall be held by Landlord as security for the faithful performance by Tenant of all the terms, covenants and conditions of this Lease to be kept and performed by Tenant during the Lease Term. If, at any time during the Lease Term, any payment of Minimum Annual Rent or Additional Rent herein reserved shall be overdue and unpaid, then Landlord may, at its option, appropriate and apply any portion of said security deposit to the payment of any such overdue rent or other sum.

In the event of the failure of Tenant to keep and perform any of the terms, covenants and conditions of this Lease to be kept and performed by Tenant, then Landlord, at its option, may appropriate and apply the entire security deposit, or so much thereof as may be necessary, to compensate Landlord for loss or damage sustained or suffered by Landlord due to such breach on the part of Tenant. Should the entire security deposit, or any portion thereof, be appropriated and applied by Landlord for the payment of overdue rent or other sums due and payable to Landlord by Tenant hereunder, then Tenant shall, upon the written demand of Landlord, forthwith remit to Landlord a sufficient amount in cash to restore the security deposit to the original sum. Tenant's failure to do so within five (5) days after receipt of such demand shall constitute a breach of this Lease. Should Tenant comply with all of said terms, covenants and conditions of this Lease and promptly pay all Minimum Annual Rent and Additional Rent herein provided as it falls due, then the security deposit shall be returned in full to Tenant within forty-five (45) days of the Expiration Date or earlier termination of the Term of this Lease. Landlord may deliver the funds deposited hereunder by Tenant to the purchaser of Landlord's interest in the East Gude Center and/or the Leased Premises in the event that such interest is sold, and thereupon Landlord shall be discharged from any further liability with respect to such security deposit.

7. USE. Tenant shall use the Leased Premises for the singular purpose specified in Section 1(a)(10), and for no other purpose. Tenant shall not use or permit the Leased Premises to be used for any other purpose or purposes without the prior written consent of Landlord, which consent may be granted or withheld in its sole discretion.

8. TAXES ON TENANT'S PROPERTY. Tenant shall be liable for, and shall pay at least ten (10) days before delinquency, all taxes levied against any personal property or trade fixtures placed by Tenant in or about the Leased Premises. If any such taxes on Tenant's personal property or trade fixtures are levied against Landlord or Landlord's property, or if the assessed value of the Leased Premises is increased by the inclusion therein of a value placed upon such personal property or trade fixtures of Tenant, and if Landlord, after 15 days prior written notice to Tenant, pays the taxes based upon such increased assessments (which Landlord shall have the right to do regardless of the validity thereof, but under protest if requested by Tenant), Tenant shall upon demand repay to Landlord a sum equal to the taxes levied against Landlord or the portion of such taxes resulting from such increase in the assessment; provided that, in any such event, Tenant shall have the right, at Tenant's sole cost and expense, to bring suit to recover the amount of any such taxes so paid under protest, and any amount so recovered shall belong to Tenant.

9. COMPLIANCE WITH LAWS, FIRE INSURANCE, CONDITION OF PROPERTY, ETC. Tenant shall not do, or permit anything to be done in the Leased Premises, or bring or keep anything therein, which will in

any way increase the rate of fire insurance on the East Gude Center, or invalidate or conflict with fire insurance policies on East Gude Center, fixtures or on property kept therein, or obstruct or interfere with the rights of the Landlord or of other tenants, or in any other way injure or annoy Landlord or the other tenants, or subject Landlord to any liability for injury to persons or damage to property, or interfere with the good order of East Gude Center. Tenant, at its expense, shall comply with the laws, rules or regulations of any federal, state or municipal authority, or the Maryland Fire Underwriters Rating Bureau, or with any notice from any public officer pursuant to law pertaining to Tenant's occupancy or use of the Leased Premises, whether such notice shall be served on Landlord or Tenant. Tenant agrees that any increases of fire insurance premiums on East Gude Center or contents caused by the occupancy of Tenant and any expense or cost incurred in consequence of negligence or carelessness or the willful action of Tenant, Tenant's employees, agents, servants, invitees, or licensees shall be deemed Additional Rent and paid as they accrue.

10. RULES AND REGULATIONS. The rules and regulations attached to this lease as Exhibit E are hereby made a part of this Lease and Tenant agrees to comply with and observe the same. Tenant's failure to keep and observe said rules and regulations shall constitute a breach of the terms of this Lease in the same manner as if the same were contained herein as covenants. Landlord reserves the right from time to time to amend or supplement said rules and regulations and to adopt and promulgate additional reasonable rules and regulations applicable to the Leased Premises and East Gude Center. Prior written notice of such additional rules and regulations, and amendments and supplements, if any, shall be given to Tenant, and Tenant agrees thereupon to comply with and observe all such rules and regulations and amendments thereto and supplements thereof.

11. UTILITIES.

(a) **Charges.** Tenant shall be solely responsible for and shall promptly pay any and all charges for water and sewer, electricity, gas, or any other utility used, consumed or supplied to the Leased Premises. The Landlord, at its expense, shall install or cause to be installed, meters necessary for the calculation of electricity and gas used, consumed or supplied to the Leased Premises and Landlord shall pro rate, on the basis of rentable square footage of floor space, the charges for sewer, electric, and water supplied to the Leased Premises.

(b) **Interruption of Service.** In no event shall Landlord be liable to Tenant for any interruption or failure in the supply of any such utilities to the Leased Premises unless caused by the negligent acts of Landlord, its agents, employees or contractors. Landlord reserves the right, with at least 48 hours notice, except in the case of emergencies, to interrupt service of the heat, plumbing, air conditioning, cooling, electric, and sewer and water systems, when necessary, by reason of accident, or of repairs, alterations or improvements which in the judgment of Landlord are necessary to be made, until such repairs, alterations or improvements shall have been completed; and Landlord shall have no responsibility or liability for failure to supply heat, plumbing, air conditioning, cooling, electric, and sewer and water service, or other service or act for the benefit of Tenant, when prevented from so doing by strikes, accidents or by any other causes beyond Landlord's reasonable control, or by orders of regulations of any federal, state, county, or municipal authority, or by any failure to receive suitable fuel supply, or inability by exercise of reasonable diligence to obtain the regularly-used fuel or other suitable substitute; and Tenant agrees that Tenant shall have no claim for damages nor shall there be any abatement of Minimum Annual Rent in the event that any of said systems or service shall be discontinued or shall fail to function for any reason set forth above. Notwithstanding any provision of this Lease to the contrary, if a negligent act or omission of Landlord, its agents or employees causes a service interruption that lasts for more than five (5) consecutive business days such as to materially interfere with or deny Tenant's use of the Premises, and Tenant as a result actually ceases to occupy the Premises for more than five (5) consecutive business days, then Tenant's obligation to pay Rent hereunder shall abate for the period of such interruption until such services or utilities are restored so that Tenant may resume use of the Premises.

12. LANDLORD'S RIGHT OF ENTRY. In the case of emergencies or with at least 24 hours notice to Tenant, Landlord, and its agents, shall have the right at any time during the Lease Term to enter upon the Leased Premises to examine the same, or to make such repairs, alterations or improvements, as Landlord may deem necessary or proper, or to remove any alteration, improvement or sign which is in violation of the provisions of this Lease.

13. CONDITION AND MAINTENANCE OF LEASED PREMISES.

(a) **Landlord's Responsibility.** Landlord shall provide the Premises to Tenant in "as is" condition, however a demising wall between suite 203 & 204 will be installed and Landlord shall repair ceiling tiles on an as needed basis, replace light bulbs as needed, and professionally clean the carpet in the leased premises. Landlord shall also reconfigure the electrical wiring for suite 203, repair holes in the drywall and repaint the walls in suite 203 prior to the commencement date of the lease.

(b) **Tenant's Responsibility.** Tenant will keep the Leased Premises and the fixtures and equipment therein in good order and condition, will take good care thereof and will suffer no waste or damage thereto. At the expiration or other termination of the Lease Term, Tenant will surrender the Leased Premises broom clean and in the same order and condition in which they were on the Commencement Date, ordinary wear and tear excepted. All repairs and maintenance required to be performed by Tenant shall be made or performed immediately upon the occurrence of the necessity therefor, and shall be made or performed in a first class manner, using first class

materials. After five (5) days prior written notice, if Tenant refuses or neglects to promptly commence and complete repairs or maintenance necessary to satisfy the provisions of this Section, the Landlord may, but shall not be required to, make and complete said repairs or maintenance and Tenant shall pay the cost therefor (including overhead) to Landlord upon demand, as Additional Rent. Tenant shall be responsible for contracting for its own telephone, Internet, gas, etc. and cleaning services for which it shall be invoiced and will pay directly to the servicer and the charges for electric shall be calculated as set forth in 11(a). The electric use is invoiced to Tenant by Landlord based on the Tenant's proportionate share.

14. ALTERATIONS OR IMPROVEMENTS BY TENANT. Except for the incidental hanging of pictures, installation of shelves, and other painting and decoration of the Leased Premises which do not affect the structure of the Leased Premises, Tenant shall not make any alterations, additions, or improvements in the Leased Premises, without the prior written consent of Landlord. Tenant hereby agrees that all alterations, additions, and improvements made in, to, or on the Leased Premises shall, unless otherwise provided by written agreement, be the property of Landlord and shall remain upon and be surrendered with the Leased Premises on the Expiration Date or other termination of this Lease. At Landlord's request, all alterations, additions, and improvements to the Leased Premises made during the Lease Term shall be removed by Tenant at its sole cost, and the Leased Premises shall be restored to their original condition by the Expiration Date, ordinary wear and tear excepted.

15. COMMON AREAS.

(a) **Common Areas Defined.** In this Lease, "common areas" means all areas, facilities and improvements provided, from time to time, in East Gude Center for the mutual convenience and use of tenants or other occupants of East Gude Center, their respective agents, employees, and invitees and shall include, if provided, but not limited to, the parking areas and facilities, access roads, driveways, retaining walls, sidewalks, walkways, delivery and pick-up areas, landscaped areas, elevator, bathrooms, and exterior lighting facilities (if any).

(b) **Landlord's Control.** Landlord shall, as between Landlord and Tenant, at all times during the term of the Lease have the sole and exclusive control, management and direction of the common areas, and may at any time and from time to time during the term exclude and restrain any person from use or occupancy thereof, excepting, however, Tenant and other tenants of Landlord and bona fide invitees of either who make use of said areas in accordance with the rules and regulations established by Landlord from time to time with respect thereto. The rights of Tenant in and to the common areas shall at all times be subject to the rights of others to use the same in common with Tenant, and it shall be the duty of Tenant to keep all of said areas free and clear of any obstructions created or permitted by Tenant or resulting from Tenant's operation. Landlord may at any time and from time to time close all or any portion of the common areas to make repairs or changes or to such extent as may, in the opinion of Landlord, be necessary to prevent a dedication thereof or the accrual of any rights to any person or to the public therein, to close temporarily any or all portions of the said areas to discourage noncustomer parking, and to do and perform such other acts in and to said areas as, in the exercise of good business judgment, Landlord shall determine to be advisable with a view to the improvement of the convenience and use thereof by tenants, their employees, agents, and invitees.

(c) **Changes and Additions to Buildings, Additional Construction.** Landlord hereby reserves the right at any time to make alterations or additions to and to build additional stories on East Gude Center and to add additional lands and/or buildings to the East Gude Center lands as presently constituted. Landlord also reserves the right to construct other buildings and improvements in East Gude Center from time to time, to make alterations thereof or additions thereto, to build additional stories thereon, to construct additional elevated and/or other parking facilities and to demolish, alter, renovate, make additions to any buildings and improvements located in East Gude Center.

Tenant agrees that Landlord shall at all times have the right and privilege of determining the nature and extent of the common areas, and of making such changes, rearrangements, additions or reductions therein and thereto from time to time which in its opinion are deemed to be desirable and for the best interest of all persons using the common areas or which are as a result of any federal, state or local environmental protection or other law, rule, regulation, guideline or order. Landlord reserves the right, during the term of this Lease, to designate certain portions of the parking lot as "exclusive" parking areas for particular tenants of East Gude Center, provided at all times there shall be adequate non-exclusive parking to service all tenants of East Gude Center. The purpose of the site plan attached hereto as Exhibit A is to show the approximate locational relationship of the Leased Premises to other units in East Gude Center and the common areas as of the Rent Commencement Date. Nothing described in Exhibit A shall limit or prevent Landlord from effecting any change or alteration to East Gude Center as described in this paragraph.

16. CONSTRUCTION.

(a) **Landlord's Construction.** Landlord shall provide the Premises to Tenant in "as is" condition, however a demising wall between suite 203 & 204 will be installed and Landlord shall repair ceiling tiles on an as needed basis, replace light bulbs as needed, and professionally clean the carpet in the leased premises. Landlord shall also reconfigure the electrical wiring for suite 203, repair holes in the drywall and repaint the walls in suite 203 prior to the commencement date of the lease.

(b) **Tenant's Construction.** Tenant shall not be performing any work in the Leased Premises.

17. SURRENDER AND INSPECTION.

(a) Surrender. Upon the Expiration Date or other termination of the term of this Lease, Tenant shall quit and surrender the Leased Premises to the Landlord in as good order and condition as when received, ordinary wear and tear excepted, and Tenant shall remove all of its property from the Leased Premises by the Expiration Date or other termination of this Lease. Tenant's obligation to observe or perform this covenant shall survive the expiration or other termination of this Lease.

(b) Inspection. Tenant shall have the right to be present at time of final inspection of the Leased Premises to determine if any damages were done thereto. The notice of Tenant's desire to be present at the final inspection of the Leased Premises shall be given at least fifteen (15) days prior to the date of moving. Upon receipt of such notice, Landlord shall notify Tenant of time and date when the Leased Premises are to be inspected. The inspection shall occur within five (5) days before or five (5) days after Tenant's date of moving, said inspection date to be designated by Landlord. Tenant shall be deemed to have been advised of its rights under this paragraph by execution of this Lease.

(c) Fixtures and Personal Property Remaining. If Tenant does not remove Tenant's furniture, equipment, machinery, trade fixtures, floor coverings and all other items of personal property of every kind and description from the Leased Premises within five (5) days after the Expiration Date, then after thirty (30) days written notice to Tenant and Tenant's failure to remove the same, the Landlord shall have the right to remove Tenant's furniture, equipment, machinery, trade fixtures, floor coverings and all other items of personal property of every kind and description from the Leased Premises. The cost of removal will be the responsibility of the Tenant.

18. TENANT HOLDING OVER. If Tenant holds possession of the Leased Premises after the Expiration Date or other termination of this Lease, Landlord shall have the option, exercisable in writing within thirty (30) days after the date of termination as aforesaid, to treat Tenant as a trespasser, or as a tenant by the month. If the Landlord fails to make such election then the Tenant shall be deemed a tenant by the month, commencing with the first day after the termination of the Lease at one and one half (1 1/2) the Basic Monthly Rent paid during the last month of the Term, and upon all the other terms of this Lease, including the provisions of this paragraph. Said holdover term shall terminate upon thirty (30) days notice from one party to the other. Nothing contained herein shall be construed within said thirty (30) days after the date of Lease termination as aforesaid as a consent by Landlord to the occupancy or possession of the Leased Premises by Tenant after the termination of the Lease, and Landlord, upon said termination, if Landlord elects to treat Tenant as a trespasser, shall be entitled to the benefit of all public general or public laws relating to the speedy recovery of the possession of land and tenements held over by Tenant, whether now or hereafter in force and effect. If Tenant fails to surrender the Leased Premises upon the expiration or other termination of this Lease despite the written demand to do so by Landlord, to satisfy a claim by a succeeding tenant resulting from Tenant's failure to surrender the Leased Premises, the Tenant shall agree to pay to Landlord any rent differential between the current rent paid by Tenant at the time Tenant fails to surrender the Leased Premises and the rent the succeeding tenant is obligated to pay under a valid lease.

19. COVENANT AGAINST ASSIGNMENT AND SUBLETTING. Tenant shall not assign, mortgage or encumber this Lease, or any right hereunder, nor sublet the Leased Premises or any part thereof, nor permit the Leased Premises to be used by others without the prior written consent of Landlord, which consent shall be at Landlord's sole discretion. Notwithstanding the foregoing, the Landlord agrees that the County shall have the right to license the Leased Premises to the entity known as Citizen's for Service of Autistic Adults and Children for the term of this Lease.

20. BANKRUPTCY.

The following shall be Events of Bankruptcy under this Lease: (1) Tenant's becoming insolvent, as that term is defined in Title 11 of the United States Code (the "Bankruptcy Code"), or under the insolvency laws of the State of Maryland (the "Insolvency Laws"); (2) the appointment of a receiver or custodian for any or all of Tenant's property or assets, or the institution of a foreclosure action upon any of Tenant's real or personal property; (3) the filing of a voluntary petition under the provisions of the Bankruptcy Code or Insolvency Laws; or (4) the filing of an involuntary petition against Tenant as the subject debtor under the Bankruptcy Code or Insolvency Laws, which either (A) is not dismissed within thirty (30) days of filing, or (B) results in the issuance of an order for relief against the debtor..

21. DEFAULT. Each of the following shall be deemed a default by Tenant and a breach of this Lease:

- (a) An Event of Bankruptcy as defined in Section 20;
- (b) An assignment or encumbrance of Tenant's interest in this Lease or the Leased Premises or a subletting of any part of the Leased Premises in violation of Section 19;

- (c) Tenant's causing or permitting the Leased Premises to be vacant, or an abandonment of the Leased Premises by Tenant;
- (f) A failure by Tenant to pay Minimum Annual Rent or Additional Rent herein reserved after ten (10) days written notice from the Landlord;
- (g) A failure by Tenant in the performance of any other term, covenant, agreement or condition of this Lease (other than the failure to pay rent as provided for in 21(f) on the part of Tenant to be performed after thirty (30) days notice.

Notwithstanding anything to the contrary in subsection (f) hereof, Landlord shall not be required to give Tenant more than two (2) such notices in any twelve (12) month period.

22. LANDLORD'S RIGHTS UPON TENANT'S DEFAULT. Upon default of a material provision of this Lease, by Tenant, Landlord shall be entitled to remedy such default as follows:

(a) Landlord shall have the right, after providing Tenant with twenty (20) days notice to cure (or such period as may be reasonably required to correct the default with exercise of due diligence,) and the Tenant fails to cure the same, to enter the Leased Premises, without terminating this Lease or being guilty of trespass, and do any and all acts as Landlord may deem necessary, proper or convenient to cure such default, for the account and at the expense of Tenant, and Tenant agrees to pay to Landlord as Additional Rent all damage and/or expense incurred by Landlord in so doing, including interest at the Penalty Rate from the due date until the date payment is received by Landlord.

(b) Landlord shall have the right to terminate this Lease and may proceed to recover possession of the Leased Premises under the laws of the State of Maryland. Landlord may also pursue any rights and remedies available for such default under the laws of the State of Maryland.

Landlord shall be entitled to recover damages from Tenant in an amount equal to the amount herein covenanted to be paid as Minimum Annual Rent during the remainder of the term, said Minimum Annual Rent for the full term then remaining, together with (i) all reasonable expenses of any proceedings (including, but not limited to, legal expenses and attorney's fees) which may be necessary in order for Landlord to recover possession of the Leased Premises, (ii) the expenses of the re-renting of the Leased Premises (including, but not limited to, any commissions paid to any real estate agent, advertising expense and the costs of such alterations, repairs, replacements and decoration or re-decoration as Landlord, in its sole judgment, considers advisable and necessary for the purpose of re-renting the Leased Premises), and (iii) interest computed at the Penalty Rate from the due date until paid; provided, however, that there shall be credited against the amount of such damages all amounts received by Landlord from such re-renting of the Leased Premises and such amounts shall be refunded to Tenant. Landlord shall in no event be liable in any way whatsoever for failure to re-rent the Leased Premises or, in the event that the Leased Premises are re-rented, for failure to collect the rent thereof under such re-renting. No act or thing done by Landlord shall be deemed to be an acceptance of a surrender of the Leased Premises, unless Landlord shall execute a written agreement of surrender with Tenant. Tenant's liability hereunder shall not be terminated by the execution of a new lease of the Leased Premises by Landlord. Tenant agrees to pay to Landlord, upon demand, the amount of damages herein provided after the amount of such damages for any month shall have been ascertained; provided, however, that any expenses incurred by Landlord shall be deemed to be a part of the damages for the month in which they were incurred. Separate actions may be maintained each month or at other times by Landlord against Tenant to recover the damages then due, without waiting until the end of this Lease to determine the aggregate amount of such damages.

Notwithstanding the foregoing, upon termination of this Lease or surrender of possession of the Leased Premises, Landlord shall make a good faith effort to re let the Leased Premises at prevailing market rates, provided, however, that it shall not be obligated (i) to do so in preference to other vacant space within the building designated as 405 East Gude or (ii) to market the Leased Premises in a manner different than it markets other available retail space in the building designated as 405 East Gude.

23. ADDITIONAL LANDLORD'S REMEDIES. Upon any default by Tenant to pay Minimum Annual Rent or Additional Rent:

(a) Landlord shall have the right, after notice to Tenant and Tenant's failure to cure as provided for in 21(f) above, to institute an action of distress therefor, and, upon distress, in Landlord's discretion, this tenancy shall terminate. In the event of such termination, the provisions of Section 22 shall be applicable.

(b) Landlord shall have a lien upon the property of Tenant in the Leased Premises for the amount of any unpaid Minimum Annual Rent or Additional Rent. In such event, Tenant shall not remove any of Tenant's property from the Leased Premises except with the prior written consent of Landlord, and Landlord shall have the right and privilege, at its option, to take possession of all property of Tenant in the Leased Premises, to store the same on the Leased Premises, or to remove it and store it in such place as may be selected by Landlord, at Tenant's risk and expense.

24. **LANDLORD'S REMEDIES CUMULATIVE.** All rights and remedies of Landlord herein enumerated shall be cumulative, and none shall exclude any other right or remedy allowed by law. For the purposes of any suit brought or based hereon, this Lease shall be construed to be a divisible contract, to the end that successive actions may be maintained on this Lease as successive periodic sums mature hereunder.

25. **LENDER REQUIREMENTS.**

(a) **Subordination.** Tenant agrees that this Lease is subject and subordinate to the lien of any first mortgages or deeds of trust now on or which at any time may be made a lien upon East Gude Center, or any part thereof, and to all advances made or hereafter to be made upon the security thereof. This subordination provision shall be self-operative and no further instrument of subordination shall be required. Tenant agrees to execute and deliver, upon request, such further instrument or instruments confirming this subordination as shall be desired by Landlord or by any mortgagee or proposed mortgagee provided that such instrument shall not materially increase Tenant's obligations or materially decrease Tenant's rights hereunder or otherwise conflict with the terms of this Lease. Tenant further agrees that, at the option of the holder of any first mortgage or of the trustee under any first deed of trust, this Lease may be made superior to said first mortgage or first deed of trust by the insertion therein of a declaration that this Lease is superior thereto. Provided that Tenant is not in default of its obligations under the Lease beyond any applicable notice and cure periods, Tenant's rights under this Lease shall not be disturbed by Landlord or Mortgagee.

(b) **Attornment.** In the event any proceedings are brought for the foreclosure of, or in the event of exercise of the power of sale under, any deed to secure debt given by Landlord and covering the Leased Premises, Tenant shall attorn to the purchaser upon any such foreclosure or sale and recognize such purchaser as the owner and landlord under this Lease provided such mortgagee or purchaser shall recognize this Lease and assume the obligations of Landlord thereafter accruing.

(c) **New Financing.** In the event that the mortgage lender providing the first mortgage interim construction financing for East Gude Center and/or the first mortgage permanent financing for East Gude Center requires, as a condition of such financing, that modifications to this Lease be obtained, and provided that such modifications (i) are reasonable, (ii) do not adversely affect Tenant's use of the Leased Premises as herein permitted, (iii) do not materially alter the approved plans for Tenant's Work, and (iv) do not increase the rentals and other sums required to be paid by Tenant hereunder, then Landlord may submit to Tenant a written amendment to this Lease incorporating such required modifications, and, in the event Tenant does not execute and return to Landlord such written amendment within ten (10) days after the same has been submitted to Tenant, then Landlord shall thereafter have the right, at its sole option, to cancel this Lease. Such option shall be exercisable by Landlord giving Tenant written notice of termination, immediately whereupon this Lease shall be canceled and terminated, and money or security therefor deposited by Tenant with Landlord shall be returned to Tenant, subject to the terms as set forth in Section 6 in the Lease, and both Landlord and Tenant shall thereupon be relieved from any and all further liability or obligation hereunder.

26. **ESTOPPEL CERTIFICATES.** Tenant agrees, at any time and from time to time, upon not less than twenty (20) days prior written notice by Landlord, to execute, acknowledge and deliver to Landlord a statement in writing (i) certifying that this Lease is unmodified and in full force and effect (or if there have been modifications the nature of same), (ii) stating the dates to which the Minimum Annual Rent and Additional Rent have been paid by Tenant, (iii) stating whether or not to the best knowledge of Tenant, Landlord is in default in the performance of any covenant, agreement or condition contained in this Lease, and, if so, specifying each such default of which Tenant may have knowledge, and (iv) stating the address to which notice to Tenant should be sent. Any such statement delivered pursuant hereto may be relied upon by an owner of East Gude Center, any prospective purchaser of East Gude Center.

27. **DAMAGE BY FIRE OR OTHER CASUALTY.** If the Leased Premises shall be damaged by fire or other casualty:

(a) Except as otherwise provided in subparagraph (b) hereof, the damages shall be repaired by and at the expense of Landlord and the Minimum Annual Rent until such repairs shall be made shall be apportioned according to the part of the Leased Premises which is usable by Tenant. Landlord agrees, at its expense, to repair promptly any damage to the Leased Premises, except that Tenant agrees to repair and replace all leasehold improvements installed in the Leased Premises by Tenant or at its expense pursuant to Exhibit D or otherwise, and its own furniture, furnishings, trade fixtures and equipment. Tenant agrees to apply the entire proceeds of its casualty insurance policy on the Leased Premises to such repair and restoration. No penalty shall accrue for reasonable delay, which may arise by reason of adjustment of insurance on the part of Landlord, or on account of labor problems, or any other cause beyond Landlord's reasonable control.

(b) If the Leased Premises are substantially damaged or are rendered substantially untenable by fire or other casualty, or if Landlord's architect certifies that the Leased Premises cannot be repaired within one hundred twenty (120) working days of normal working hours, said period commencing with the start of the repair work, or if Landlord shall decide not to restore or repair the same, or shall decide to demolish the building in which the Leased

Premises is located or not to rebuild it, then Landlord or Tenant may, within ninety (90) days after such fire or other casualty, terminate this Lease by giving notice to the other Party in writing of such decision, and thereupon the term of this Lease shall expire by lapse of time upon the third day after such notice is given, and Tenant shall vacate the Leased Premises and surrender the same to Landlord. Upon the termination of this Lease under the conditions hereinbefore provided, Tenant's liability for Minimum Annual Rent and Additional Rent shall cease as of the day following the casualty.

28. CONDEMNATION. In the event the whole or a substantial part of the Leased Premises, the building in which the Leased Premises are located, or East Gude Center shall be taken for any public or quasi-public purpose by any lawful power or authority by exercise of the right of appropriation, condemnation or eminent domain, or sold to said authority to prevent such taking (collectively referred to herein as a "taking"), Landlord shall have the right to terminate this Lease effective as of the date possession is required to be surrendered to said authority, and the Minimum Annual Rent and Additional Rent shall be apportioned as of the date. For purposes of this section, a substantial part of the Leased Premises, the building or East Gude Center shall be considered to have been taken if, in Tenant's reasonable opinion, the taking shall render it unreasonably undesirable for Tenant to use the Leased Premises for the purposes identified in paragraph 1(a)10.. Tenant shall not assert any claim against Landlord or the taking authority for any compensation arising out of or related to such taking and Landlord shall be entitled to receive the entire amount of any award without deduction for any estate or interest of Tenant. If Landlord does not elect to terminate this Lease, the Minimum Annual Rent and Additional Rents shall be adjusted (based on the ratio that the number of square feet of rentable area taken from the Leased Premises bears to the number of rentable square feet in the Leased Premises immediately prior to such taking) as of the date possession is required to be surrendered to said authority. Tenant may file a separate claim against the taking authority for any compensation arising or related to such taking and nothing contained in this section shall be deemed to give Landlord any interest in any award made to Tenant for the taking of personal property and fixtures belonging to Tenant, as long as such award is made in addition to and separately stated from any award made to Landlord for the Leased Premises, the building or East Gude Center. Landlord shall have no obligation to contest any taking.

29. LANDLORD'S RESERVED RIGHTS. The Landlord reserves the following rights:

(a) To decorate, remodel, repair, alter or otherwise prepare the Leased Premises for reoccupancy during the last forty-five (45) days of the Lease Term, if during or prior to that time Tenant vacates the Leased Premises; and

(b) To show the Leased Premises to prospective tenants or brokers during the last sixty (60) days of the term of this Lease; to show the Leased Premises to prospective purchasers at all reasonable times provided that prior notice is given to Tenant in each case and that Tenant's use and occupancy of the Leased Premises shall not be materially inconvenienced by any such action of Landlord; and to place and maintain a "FOR RENT" sign on the doors or in the windows of the Leased Premises during the last ninety (90) days of the term of this Lease.

30. LANDLORD'S LIABILITY. Landlord, or its agents, shall not be liable for any injury or damage to persons or property resulting from fire, explosion, falling plaster, steam, gas, electricity, water, rain, or snow or leaks from any part of the Leased Premises or East Gude Center, including the roof, or from the pipes, conduits, appliances or plumbing works, or from the roof, street or subsurface or from any other place or by dampness or by any other cause of whatsoever nature, unless caused by or due to the gross negligence of Landlord, its agents, servants, or employees. All personal property and equipment located in the Leased Premises shall be at the risk of Tenant.

31. TENANT'S LIABILITY. Tenant shall reimburse Landlord for all expense, damages or fines, incurred or suffered by Landlord by reason of any breach, violation or nonperformance by Tenant, or its agents, servants, or employees, of any covenant or provision of this Lease or the Rules and Regulations promulgated by Landlord hereunder from time to time, or by reason of damage to persons or property caused by moving property of or for Tenant in or out of East Gude Center, or by the installation or removal of furniture or other property of or for Tenant, by reason of or arising out of the carelessness, negligence or improper conduct of Tenant, or its agents, servants, employees, invitees or licensees in the use or occupancy of the Leased Premises.

32. INDEMNITY. Tenant shall indemnify Landlord and its agents and employees and save them harmless from and against any and all claims, actions, damages, liabilities and expense in connection with loss of life, personal injury and/or damage to property arising from or out of any occurrence in, upon or at the Leased Premises, or the occupancy or use by Tenant of the Leased Premises or any part thereof, or occasioned wholly or in part by any act or omission of the Tenant, its agents, employees, servants, ~~invitees~~ or licensees, whether inside the Leased Premises or elsewhere in East Gude Center. Tenant will cause its contractors to provide insurance and indemnification to insure and indemnify the Landlord. In the event that Landlord or its agents and employees shall, without fault on its or their part, be made a party to any litigation commenced by or against Tenant, then Tenant shall protect and hold the same harmless and shall pay all costs, expenses and reasonable attorneys' fees incurred or paid in connection with such litigation. Any indemnification given by the County is subject to the notice requirements and damages limitations stated in the Local Government Tort Claims Act, Md. Code Ann., Cts. & Jud. Proc. Sec. 5-301, et seq. (2002 Repl. Vol.) (the "LGTC Act"); Md. Code Ann. Art. 25A, Sec. 1A (2003 Repl. Vol.); and Md. Code Ann., Cts. & Jud. Proc. Sec. 5-509 (2002 Repl. Vol.), (together the "County Indemnification Statutes"), all as amended from time to time. Landlord will indemnify County and save it harmless from and against any and all claims, actions, damages, liability and expense in connection with loss of life, personal injury and/or damage to property, business interruption and loss of use arising from or out of any occurrence upon or at

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the Leased Premises, or the occupancy or use by Landlord of the Leased Premises or any part thereof including exterior areas, to such extent, by any negligent act or omission of Landlord, its agents, contractors, or employees, excepting claims arising out of the acts or omissions of the County, the County's agents, and employees.

33. INSURANCE.

(a) Coverages. Tenant shall have issued, pay the premiums therefore, and maintain in full force and effect during the Lease Term:

(i) Comprehensive Liability. County shall obtain and maintain during the Term of the Lease and any extension thereof, a policy of public liability insurance with bodily injury limits of TWO HUNDRED THOUSAND DOLLARS (\$200,000) for injury or (death) to one person, FIVE HUNDRED THOUSAND DOLLARS (\$500,000) per occurrence, and property damage insurance with a limit of ONE HUNDRED THOUSAND DOLLARS (\$100,000). The County reserves the right to self-insure. These are the maximum limits of liability for which the Montgomery County Self-Insurance Program is responsible, as determined by the LGTCTA, MD. Ann. Code, Cts & Jud. Proc. Sect. 5-301 et seq. (2002 Repl. Vol) as amended.

(ii) All-Risk Casualty. All-risk casualty insurance, written at replacement cost value and with replacement cost endorsement, covering all of Tenant's personal property in the Leased Premises (including, without limitation, inventory, trade fixtures, floor coverings, furniture and other property removable by Tenant under the provisions of this Lease) and all leasehold improvements installed in the Leased Premises by Tenant or at Tenant's expense, pursuant to Exhibit D or otherwise; and

(iii) Workers' Compensation. If and to the extent required by law, workers' compensation or similar insurance in form and amounts required by law.

(b) Policy Requirements. In the event Tenant shall fail to provide such insurance, or shall fail to pay the premiums when due, Landlord shall have the right to cause such insurance to be issued and to pay the premiums therefore, or any premiums in default, and to collect same as Additional Rent together with interest on the amount of such premiums from the date of payment by Landlord until the date of repayment by Tenant at the rate of fifteen percent (15%) per annum or the highest legal rate, whichever is lower. All such policies shall contain a provision that Landlord shall receive not less than thirty (30) days advance notice in writing from the insurance company of any intention of the insurance company to cancel such policy or policies. Tenant shall provide written evidence to Landlord of its acquisition of such policies prior to the commencement of this Lease and prior to any renewal date of such policies. All policies shall be carried with an insurance company qualified to do business in the State of Maryland.

(c) No Limitation of Liability. Neither the issuance of any insurance policy required under this Lease nor the minimum limits specified herein shall be deemed to limit or restrict in any way Tenant's liability arising under or out of this Lease.

(d) Option to self-insure. Notwithstanding the foregoing to the contrary, Tenant may self-insure under the Montgomery County Self-Insurance Program in accordance with Section 20-37 of the Montgomery County Code (2004), as amended from time to time, with respect to the insurance coverages set forth in the Paragraph 33. Tenant shall, to the fullest extent permitted under law, indemnify, protect and defend (with counsel reasonably acceptable to Landlord) and hold harmless Landlord from and against any and all claims that would have been covered by the insurance required under this Paragraph 33, which is replaced by such self-insurance. Such self-insurance shall not affect any waivers, releases or limitation of liability of Landlord set forth in this Lease. Tenant agrees to provide Landlord with a certificate satisfactory to any mortgagee or assignee of Landlord setting forth the self-insured coverages.

(e) Landlord shall agree to maintain the Insurance Coverage levels indicated on the attached Exhibit G. during the Term of the Lease and any renewals thereof and provide certificates of insurance annually providing Montgomery County Maryland as certificate holder, additional insured and a thirty day notice of cancellation.

34. INTENTIONALLY OMITTED.

35. NO LIENS PERMITTED; DISCHARGED. Tenant will not permit to be created or to remain undischarged any lien, encumbrance or charge (arising out of any work done or materials or supplies furnished, or claimed to have been done or furnished, by any contractor, mechanic, laborer or materialman or any mortgage, conditional sale, security agreement or chattel mortgage, or otherwise by or for Tenant) which might be or become a lien or encumbrance or charge upon East Gude Center or any part thereof or the income therefrom. Tenant will not suffer any other matter or thing whereby the estate, rights and interests of Landlord in East Gude Center or any part thereof might be impaired. If any lien, or notice of lien on account of an alleged debt of Tenant or any notice of contract by a party engaged by Tenant or Tenant's contractor to work on the Leased Premises shall be filed against East Gude Center or any part thereof, Tenant, within thirty (30) days after notice of the filing thereof, will cause the same to be discharged of record by payment, deposit, bond, order of a court of competent jurisdiction or otherwise. If Tenant shall fail to cause such lien or notice of lien to be discharged within the period aforesaid, then, in addition

to any other right or remedy, Landlord may, but shall not be obligated to, discharge the same either by paying the amounts claimed to be due or by procuring the discharge of such lien by deposit or by bonding proceedings and in any such event Landlord shall be entitled, if Landlord so elects, to compel the prosecution of an action for the foreclosure of such lien by the lienor and to pay the amount of the judgment in favor of the lienor with interest, costs and allowances. Any amount so paid by Landlord and all costs and expenses, including attorneys' fees, incurred by Landlord in connection therewith, shall constitute Additional Rent payable by Tenant under this Lease and shall be paid by Tenant to Landlord on demand. Nothing herein contained shall obligate Tenant to pay or discharge any lien created by Landlord.

36. **SIGNS, AWNINGS AND CANOPIES.** Tenant will not place or suffer to be placed or maintained on the exterior of the Leased Premises or, on or within eighteen inches from the interior plane of any exterior door, wall or window of the Leased Premises any sign, awning or canopy, or advertising matter, or other thing of any kind, and will not place or maintain any decoration, lettering or advertising matter on or within eighteen inches from the interior plane of the glass of any window or door of the Leased Premises. Any of said items so installed without Landlord's written consent may be removed by Landlord at Tenant's expense. Landlord agrees to install directory strips on the directory at the front and rear entrance and a decal sign on the glass door at the front of the Leased Premises.

37. **PARKING.** Tenant shall have the right to utilize East Gude Center's parking facilities on a nonexclusive basis with other tenants of East Gude Center, upon such terms and conditions as may from time to time be established by Landlord. Landlord reserves the right in its absolute discretion to determine whether the parking facilities are becoming crowded and to allocate and assign parking spaces among Tenant and the other tenants. It is understood and agreed that Landlord assumes no responsibility, and shall not be held liable, for any damage or loss to any automobiles parked in the parking facilities or to any personal property located therein, or for any injury sustained by any person in or about the parking facilities. Tenant shall be permitted to park no more than 20 vehicles at the building parking lot and Tenant agrees to park in areas designated by Landlord. The area between the service road and East Gude Drive and the parking lot in front of the Atlantic Plumbing space away from the building will be available to Tenant.

38. **NOTICE OF FIRE AND ACCIDENT.** Tenant shall give Landlord immediate notice in case of fire or accidents in the Leased Premises, and in case of fire or accidents in East Gude Center if involving Tenant, its agents, employees or invitees.

39. **RELOCATION OF TENANT.** Intentionally Deleted.

40. **ENVIRONMENTAL PROTECTION.** Tenant and Tenant's employees and agents shall not dispose of any oil, petroleum or chemical liquids or solids, liquid or gaseous products or any hazardous waste or hazardous substance including, without limitation, asbestos (hereinafter collectively referred to as "hazardous waste"), as those terms are used in the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, or in any other federal, state or local law governing hazardous substances, as such laws may be amended from time to time (hereinafter collectively referred to as the "Act"), at, upon, under or within the Leased Premises or East Gude Center, or into the plumbing or sewer or water system servicing the Leased Premises and/or East Gude Center, nor shall Tenant, its agents or employees cause or permit the discharge, spillage, uncontrolled loss, seepage or filtration of any hazardous waste at, upon, under or within the Leased Premises or East Gude Center or into the plumbing or sewer or water system servicing the same. Tenant shall comply in all respects with the requirements of the Act and related regulations, and shall notify Landlord immediately in the event of its discovery of any hazardous waste at, upon, under or within the Leased Premises or East Gude Center. Tenant shall indemnify Landlord against all costs, expenses, liabilities, losses, damages, injunctions, suits, fines, penalties, claims, and demands, including reasonable attorneys' fees, arising out of any violation of or default in the covenants of this Section 40 by Tenant or its employees. The provisions of this Section 40 shall survive one (1) year from the expiration of the Lease Term.

41. **CONDOMINIUM CONVERSION.**

(a) In the event that Landlord determines, in its sole discretion, to establish a condominium regime for East Gude Center, Tenant hereby agrees to consent to such condominium regime and to execute all documents necessary for the creation of such condominium regime within thirty (30) days after receipt of same from Landlord. In the event that Tenant fails to deliver the aforesaid documents to Landlord within said thirty (30) day period, Tenant shall be in default of the Lease and Landlord shall have the remedies set forth in paragraph 21; and

(b) In the event that Landlord so establishes a condominium regime for the East Gude Center, with thirty (30) days notice, Tenant hereby agrees to be bound by all rules and regulations contained in the declaration and the bylaws of the condominium as well as any and all rules and regulations established by the council of unit owners for the condominium.

42. **INTERPRETATION.**

(a.) Captions. The captions, marginal references and table of contents appearing in this Lease are inserted only as a matter of convenience and in no way amplify, define, limit, construe, or describe the scope or intent of this Lease nor in any way affect this Lease.

(b) Gender. The neuter, feminine or masculine pronoun when used herein shall each include each of the other genders and the use of the singular shall include the plural.

(c) Covenants. The parties hereto agree that all the material provisions of this Lease are to be construed as covenants and agreements as though the words importing such covenants and agreements were used in each separate provision hereof. Material provisions include covenants to pay, covenants to use the Leased Premises for legal purposes only and covenants not to damage the Leased Premises.

(d) Interpretation. Although the printed provisions of this Lease were drawn by Landlord, this Lease shall not be construed for or against Landlord or Tenant, but this Lease shall be interpreted in accordance with the general tenor of the language in an effort to reach the intended result.

43. NOTICES. All notices to be given under this Lease shall be in writing, hand-delivered, sent by Federal Express, or mailed by United States Certified or Registered Mail, postage prepaid. Notices should be delivered as follows:

(a) To the Landlord at the business office and mailing address of Landlord with a copy to the Rental Agent as specified in Section 1(a)(6) (if any).

(b) To the Tenant at: Montgomery County, Maryland, Department of Public Works & Transportation, Office of Real Estate, 101 Monroe Street, 10th Floor, Rockville Maryland 20850, Attn: Director of Real Estate

With a copy, that does not constitute Notice to: Montgomery County, Maryland, Office of the County Attorney 101 Monroe Street, 3rd Floor, Rockville, Maryland 20850, Attn: County Attorney

Any such notice shall be deemed to be served on the date it is hand-delivered or delivered by Federal Express, or on the third day after the date on which it is deposited in the U.S. mails. Landlord and Tenant shall each have the right to change the person and/or address to which notices shall be delivered upon notice thereof to the other party sent pursuant to the provisions of this paragraph.

44. TIME. Landlord and Tenant acknowledge that time is of the essence in the performance of any and all obligations, terms, and provisions of this Lease.

45. POSTPONEMENT OF PERFORMANCE. In the event that either party hereto shall be delayed or hindered in or prevented from the performance of any act required hereunder by reason of strikes, labor troubles, inability to procure labor or materials, failure of power, restrictive governmental laws or regulations, riots, insurrection, war, acts of God, fire or other casualty or other reason of a similar or dissimilar nature beyond the reasonable control of the party delayed in performing work or doing acts required under the terms of this Lease, then performance of such act shall be excused for the period of the delay and the period for the performance of any such act shall be extended for a period equivalent to the period of such delay. The provisions of this paragraph shall not operate to excuse Tenant from the prompt payment of Minimum Annual Rent or Additional Rent and shall not operate to extend the term of this Lease. Delays or failures to perform resulting from lack of funds shall not be deemed delays beyond the reasonable control of a party.

46. BROKER. The parties represent and agree that the Brokers identified in paragraph 13(a) of the Initial Lease Terms page was the sole authorized broker, agents, finder, purporting to act on behalf of the parties with respect to this lease transaction and is entitled to a commission as agreed to between Landlord and Broker in a separate agreement. Landlord shall be responsible to pay said commission directly to Broker.

47. NO WAIVER. No waiver by Landlord or Tenant of any breach by the other Party of any of the terms, covenants, agreements, or conditions of this Lease shall be deemed to constitute a waiver of any succeeding breach thereof, or a waiver of any breach of any of the other terms, covenants, agreements, and conditions herein contained.

No provision of this Lease shall be deemed to have been waived by Landlord or Tenant, unless such waiver is in writing signed by the other Party. No employee of Landlord or of Landlord's agents shall have any authority to accept the keys of the Leased Premises prior to termination of the Lease, and the delivery of keys to any employee of Landlord or Landlord's agents shall not operate as a termination of the Lease or a surrender of the Leased Premises. The receipt by Landlord of any payment of Minimum Annual Rent or Additional Rent with knowledge of the breach of any covenant of this Lease shall not be deemed a waiver of such breach. No payment by Tenant or receipt by Landlord of a lesser amount than the Basic Monthly Rent herein stipulated shall be deemed to be other than on account of the earliest stipulated rent, nor shall any instrument accompanying any check or payment as rent be deemed an accord and satisfaction, and Landlord may accept such check or payment without prejudice to Landlord's right to recover the balance on such rent or pursue any other remedy in this Lease provided. The failure of Landlord

to enforce any of the Rules and Regulations made a part of this Lease, or hereafter adopted, against Tenant or any other tenant in East Gude Center shall not be deemed a waiver of any such Rules and Regulations.

48. **AMENDMENTS.** This Lease contains the entire agreement between the parties, and any agreement hereafter made shall be ineffective to change, modify, discharge or effect an abandonment in whole or in part unless such agreement is in writing and signed by both Parties.

49. **APPLICABLE LAW.** The laws of the State of Maryland shall govern the validity, performance and enforcement of this Lease.

50. **LIMITATION OF LANDLORD'S LIABILITY.** In consideration of the benefits accruing hereunder, Tenant and all successor and assigns of Tenant covenant and agree that in the event of any actual or alleged failure, breach or default hereunder by Landlord (except where the Landlord is found guilty by a court of competent jurisdiction of being grossly negligent or have committed a crime): (a) the sole and exclusive remedy shall be against the interest of Landlord in East Gude Center (including without limitation any future income therefrom); (b) neither Landlord nor (if Landlord is a partnership) any partner of Landlord nor (if Landlord is a corporation) any shareholder of Landlord shall be personally liable with respect to any claim arising out of or related to this Lease; (c) no partner or shareholder of Landlord shall be sued or named as a party in any suit or action (except as may be necessary to secure jurisdiction of Landlord); (d) no service of process shall be made against any partner or shareholder of Landlord (except as may be necessary to secure jurisdiction over Landlord); and (e) these covenants and agreements are enforceable both by Landlord and also by any partner or shareholder of Landlord.

51. **TRANSFER OF EAST GUDE CENTER.** In the event of the sale or other transfer of Landlord's right, title and interest in the Leased Premises or East Gude Center (except in the case of a sale-leaseback financing transaction in which Landlord is the lessee), Landlord shall transfer and assign to such purchaser or transferee all amounts of pre-paid Minimum Annual Rent, and Landlord thereupon and without further act by either party hereto shall be released from all liability and obligations hereunder derived from this Lease arising out of any act, occurrence or omission relating to the Leased Premises or this Lease occurring after the consummation of such sale or transfer. Tenant shall have no right to terminate this Lease nor to abate Minimum Annual Rent nor to deduct from, nor set-off, nor counterclaim against Minimum Annual Rent because of any sale or transfer (including, without limitation, any sale-leaseback) by Landlord or its successors or assigns, provided that such sale or transfer does not diminish or damage Tenant's rights under this Lease. Upon any sale or other transfer as above provided (other than a sale-leaseback), or upon any assignment of Landlord's interest herein, it shall be deemed and construed conclusively, without further agreement between the parties, that the purchaser or other transferee or assignee has assumed and agreed to perform the obligations of Landlord thereafter accruing.

52. **WAIVER OF COUNTERCLAIM AND TRIAL BY JURY.** Landlord and Tenant waive their right to trial by jury in any action, proceeding or counterclaim brought by either of the parties hereto against the other (except for personal injury or property damage) on any matters whatsoever arising out of or in any way connected with this Lease, the relationship of Landlord and Tenant or Tenant's use of or occupancy of the Leased Premises.

53. **SEPARABILITY.** If any term or provision of this Lease or the application thereof to any person or circumstances shall, to any extent, be invalid or unenforceable, the remainder of this Lease or the application of such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby and each other term and provision of this Lease shall be valid and enforceable to the fullest extent permitted by law.

54. **BINDING EFFECT.** This Agreement shall be binding upon and shall inure to the benefit of the parties hereto, and the successors and assigns of said parties, including Landlord's heirs and personal representatives..

55. **APPROPRIATIONS.**

(a) **Obligations Subject to Appropriation.** Notwithstanding anything to the contrary contained in the Lease, the Landlord and the County acknowledge and agree that, so long as the County is the tenant hereunder this Lease, this Lease is subject to annual appropriation of funds. Any adjustments made subject to this Lease for additional expenditures beyond those specifically stated, may require the county to seek budgetary approval for additional expenditures during any fiscal year. The County agrees to annually propose and diligently pursue authorization of sufficient appropriations, and all approvals, authorizations or consents required to fund and perform this Lease for the County's succeeding fiscal year; provided, however, that Landlord acknowledges that this sentence shall not be binding upon the county council for Montgomery County and further provided, that the County shall not be deemed in default of this Lease or subject to any late fees or interest charges or other Landlord.

(b) **Effect of Failure to appropriate.** If the County fails to appropriate additional expenditures required under the Lease for the County's next fiscal year (i.e., the period commencing on the next July 1st and ending the following June 30th), Tenant will promptly notify Landlord of such fact, and this Lease will automatically terminate at 11:59 p.m. on June 30th of the then current fiscal year. Tenant shall give Landlord a minimum of thirty (30) days

notice of the lack of appropriation. If this Lease is terminated pursuant to this paragraph , Tenant shall not make or be entitled to any claim for reimbursement of any kind, whether for improvements or prepaid items.

56. **NON-DISCRIMINATION.** The Landlord agrees to comply with the non-discrimination in employment policies in County contracts as required in Sections 11B-33 and 27-19 of the Montgomery County Code, (1994, as amended from time to time), as well as all other federal, state and local laws, rules, and regulations regarding employment discrimination. By signing this Lease, the Landlord assures the County that in accordance with applicable law, it does not, and agrees that it will not engage in any employment discrimination in violation of the above sections of the Montgomery County Code as well as any other federal, state or local laws, rules and regulations.

57. **PUBLIC EMPLOYMENT.** The Landlord understands and agrees that unless authorized pursuant to Section 11B-52 and Chapter 19A of the Montgomery County Code (2004) as amended, that it is unlawful for any person or entity transacting business with the County to employ a public employee for employment contemporaneous with his or her public employment.

58. **CONTRACT SOLICITATION/BROKER'S FEES OR COMMISSIONS.** The Landlord represents that it has not retained anyone to solicit or secure this Lease from Montgomery County, Maryland, upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee, except from bona fide employees or bona fide established commercial, selling or leasing agencies retained by the Landlord for the purpose of securing business or an attorney rendering professional legal service consistent with applicable canons of ethics.

59. **LANDLORD DEFAULT.** In the event that the Landlord or his assigns shall fail or neglect to keep and perform each and every material one of the covenants, conditions, and agreements contained in this Lease and such failure or neglect is not remedied within thirty (30) days (or such period as either otherwise provided herein on as may reasonably be required to correct the default with exercise of due diligence) after written notice from the County or his assigns specifying the default, then the County or his assigns, at County's option, may pursue any and all legal remedies available. It is understood, however, that Landlord shall be entitled to notice, hearing and opportunity to cure or contest any claimed violations of the foregoing as to the full extent provided by federal, state or local law.

IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement the day and year first above written.

WITNESS/ATTEST:

LANDLORD:

R M Associates Limited Partnership,
a Maryland limited partnership

By: Loganwood Corporation, General Partner

C. Bunn

By: [Signature] (SEAL)
Mark A. Goldstein, President

WITNESS/ATTEST:

TENANT:

Montgomery County, Maryland
a Corporate body and a political subdivision of the
State of Maryland

[Signature]

By: [Signature] (SEAL)
Joseph E. Beach, Assistant Chief Administrative Officer
Fariba Kassiri

APPROVED AS TO FORM & LEGALITY
OFFICE OF THE COUNTY ATTORNEY

By: Eileen O. Brenneman

RECOMMENDED:

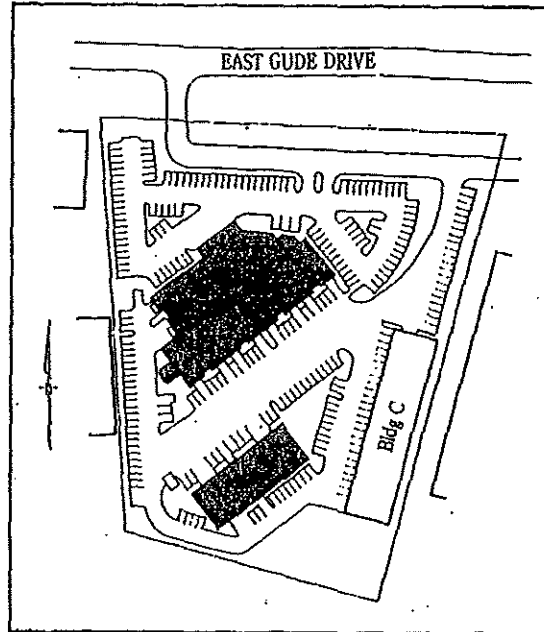
By: [Signature]
Cynthia L. Brenneman, Director
Office of Real Estate

Date: 8/25/2006

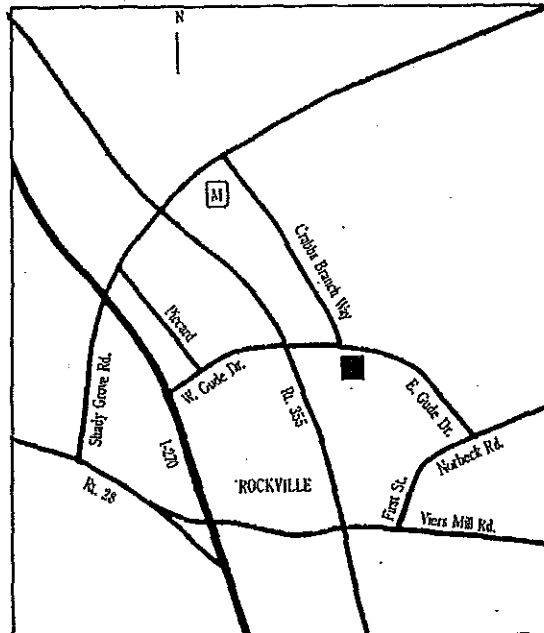
Date: 8/25/06

EXHIBIT A
SITE PLAN OF EAST GUDE CENTER

SITE PLAN

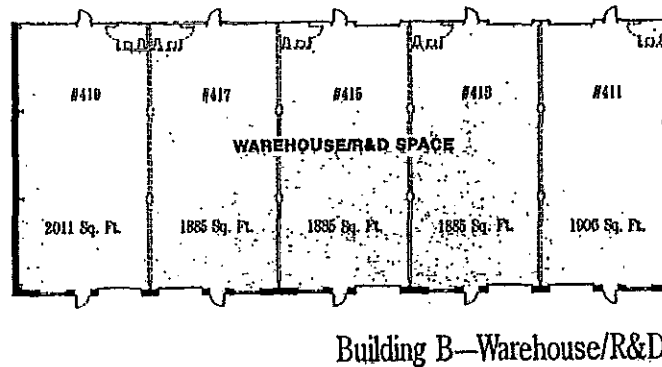
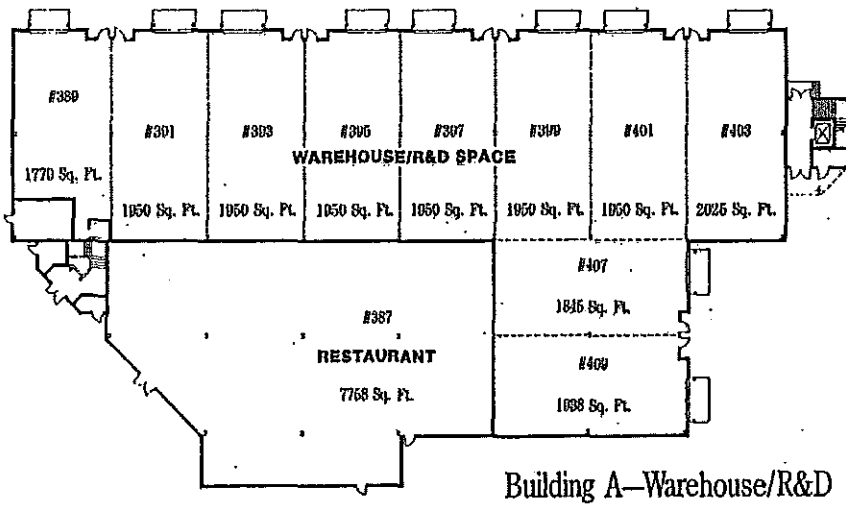
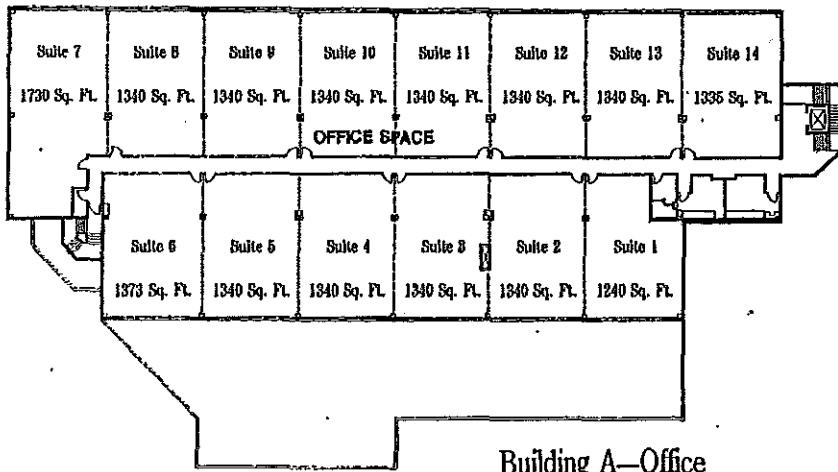


AREA MAP



This site plan known as Exhibit A shows the approximate locational relationship of the Leased Premises to buildings and improvements at East Gude Center

EXHIBIT B
FLOOR PLAN OF LEASED PREMISES



Dimensions indicated for Warehouse Space are measured to the center line of interior and party walls, and to the exterior face of exterior walls, and includes the protective overhang.

Dimensions indicated for Office Space are measured from the center line of demising and party walls, and to the outside face of corridor walls, and to the inside face of the glass on exterior walls.

EXHIBIT C

DESCRIPTION OF LANDLORD'S WORK

Tenant shall take space in As Is condition however, Landlord shall repair any mechanical (HVAC), electrical or plumbing systems that are not in good working order through out the term of the lease.

- 1) Landlord shall construct a demising wall between suite 203 and 204
- 2) Landlord shall professionally clean the carpet in the suite.
- 3) Landlord shall replace or repair ceiling tiles and grid as needed.
- 4) Landlord shall replace light bulbs as needed.
- 5) Landlord shall repair the holes in the drywall, subdivide the electric, and repaint the office prior to the commencement of the lease term.

EXHIBIT D

DESCRIPTION OF TENANT'S WORK

Other than providing Landlord with a certificate of Occupancy, Tenant shall not perform any work in the Leased Premises .

EXHIBIT E
RULES AND REGULATIONS

Tenant agrees as follows:

1. No awning shall be permitted on any part of the Leased Premises. Tenant shall not place anything (including but not limited to blinds, shades, screens, or hanging plants) against or near glass partitions or doors or windows which may appear unsightly from outside the Leased Premises.
2. Tenant will not perform any acts or carry on any practices, which may damage the Leased Premises or East Gude Center or be a nuisance or menace to other tenants.
3. Tenant shall not obstruct or interfere with the rights of others to use any East Gude Center driveways, parking facilities, sidewalks, halls, exists, entrances, or stairways. The common areas of East Gude Center are not for the general public, and Landlord retains the right to control and prevent access thereto by all persons whose presence in the judgment of Landlord would be prejudicial to the safety, character, reputation and interest of East Gude Center and its tenants, including any person who appears to Landlord to be intoxicated or under the influence of liquor or drugs; provided that nothing herein contained shall be construed to prevent such access to persons with whom any Tenant is dealing in the ordinary course of its business, unless such persons are engaged in illegal activities or unless such persons violate the terms of the Lease or Landlord's rules and regulations. No Tenant and no employee or invitee of any Tenant shall go upon the roof of the building in which the Leased Premises are located.
4. Landlord will furnish Tenant, free of charge, with two keys to each door lock in the Leased Premises. Landlord may make a reasonable charge for any additional keys. Tenant shall not alter any lock or install a new additional lock or bolt on any door of its Leased Premises without Landlord's consent. Tenant, upon the termination of its tenancy, shall deliver to Landlord all keys for all doors.
5. Tenant shall not store any material, supplies, semifinished products, pipes, equipment, wooden pallets, vehicles disabled or being repaired (or vehicles of any kind for more than one week), trailers, vans or anything whatsoever outside of the building in which the Leased Premises are located. If any such items are not removed within forty-eight (48) hours (one week for vehicles not disabled or being repaired) Landlord shall have the right to remove the same, without notice to Tenant, and with no responsibility to Tenant for loss of damage to such items, and the cost to Landlord of such removal shall be deemed to be Additional Rent under the Lease and will be immediately paid by Tenant to Landlord upon demand.
6. Tenant shall not place a load upon any floor of the Leased Premises, which exceeds the load per square foot which such floor was designed to carry. Landlord shall have the right to prescribe the weight, size and position of all safes and other heavy objects. Business machines and mechanical equipment which cause noise or vibration that may be transmitted to the structure of the building in which the Leased Premises are located or to any space therein to such a degree as to be objectionable to Landlord or to any tenant in said building, shall be placed and maintained by Tenant, at Tenant's expense, on vibration eliminators or other devices sufficient to eliminate noise or vibration.
7. Tenant shall not use or keep in the Leased Premises any kerosene, gasoline or inflammable or combustible fluid or material, other than those limited quantities necessary for the operation or maintenance of office equipment and in no event shall any such combustible fluids be used for heating, warming, or lighting. Tenant shall not use or permit to be used in the Leased Premises any foul or noxious gas or substance, or permit or allow the Leased Premises to be occupied or used in a manner offensive or objectionable to Landlord or other occupants of the building by reason of noise, odors or vibrations, nor shall Tenant bring into or keep in or about the Leased Premises any birds or animals (except for seeing eye dogs).
8. Tenant shall not use any method of heating or air-conditioning other than that supplied or approved by Landlord. Tenant shall keep the Leased Premises at a temperature sufficiently high to prevent freezing of water in pipes and fixtures.
9. Tenant shall cooperate with Landlord to assure the effective operation of the building's heating and air-conditioning systems (if any) and shall comply with any governmental energy-saving rules, laws or regulations of which Tenant has notice. Tenant shall close window coverings, if any, at the end of each business day.
10. Landlord reserves the right, exercisable or thirty (30) days notice and without liability to Tenant, to change the name and street address of the building in which the Leased Premises are located, or the name of East Gude Center.
11. Tenant shall close and lock the doors of the Leased Premises and entirely shut off all water faucets or other water apparatus and electricity, gas air outlets before Tenant and its employees leave the Leased Premises. Tenant shall be responsible for any damage or injuries sustained as a result of noncompliance with this rule.
12. Tenant shall not install, maintain or operate upon the Leased Premises any vending machine without written consent of Landlord.
13. The toilet rooms, toilets, urinals, wash bowls and other apparatus shall not be used for any purpose other than that for which they were constructed and no foreign substance of any kind whatsoever shall be thrown therein. The expense of any breakage, stoppage or damage resulting from the violation of this rule shall be borne by the tenant who, or whose employees or invitees, shall have caused it.

14. Should the Tenant, its agents or invitees, activate the sprinkler system (if there is one in the building), Tenant agrees that it will pay, as Additional Rent to Landlord, the full cost of draining and resetting the system and of any damage to the building and to property of other tenants.

15. Tenant shall not make any room-to-room solicitation of business from other tenants in East Gude Center and Tenant acknowledges that canvassing and peddling of any kind in East Gude Center are prohibited. Tenant shall not distribute any handbills or other advertising matter on automobiles parked in the parking area.

16. Tenant shall not interfere with radio or television broadcasting or reception from or in the building.

17. Tenant shall not mark, drive nails, screw or drill into the partitions, woodwork, or plaster or in any way deface the Leased Premises or any part thereof. Landlord reserves the right to direct electricians as to where and how telephone and telegraph wires are to be introduced to the Leased Premises. Tenant shall not cut or bore holes for wires. Tenant shall not affix any floor covering to the floor of the Leased Premises in any manner except as approved by Landlord. Tenant shall repair any damage resulting from noncompliance with this rule.

18. All trash and garbage shall be kept in the kind of container specified by Landlord, and shall be placed and prepared for collection in the manner and at the times and places specified by Landlord. Tenant shall not place in any trash box or receptacle any material which cannot be disposed of in the ordinary and customary manner of trash and garbage disposal.

19. The Leased Premises shall not be used for lodging.

20. Tenant shall not use in any space or in the public halls of the building in which the Leased Premises are located any hand trucks except those equipped with rubber tires and side guards or such other material-handling equipment as Landlord may approve. Tenant shall not bring any other vehicles of any kind into said building.

21. Without the prior written consent of Landlord, Tenant shall not use the name of the building in which the Leased Premises are located in connection with or in promoting or advertising the business of Tenant except as Tenant's address.

22. Tenant shall comply with all safety, fire protection and evacuation procedures and regulations established by Landlord or any governmental agency having jurisdiction.

23. Tenant assumes any and all responsibility for protecting the Leased Premises from theft, robbery and pilferage which includes keeping doors locked and other means of entry to the Leased Premises closed.

24. The requirements of Tenant will be attended to only upon appropriate application to the Office of the Rental Agent by an authorized individual. Employees of Landlord shall not perform any work or do anything outside their regular duties unless under special instructions from Landlord, and no employee of Landlord will admit any person (Tenant or otherwise) to any office without specific instructions from Landlord.

25. Landlord reserves the right to prevent access to the building in which the Leased Premises are located in case of invasion, mob, riot, public excitement or other commotion by closing the doors or by other appropriate action.

26. Landlord reserves the right to require that commercial vehicles be parked in designated parking spaces during non-business hours.

27. Tenant shall be responsible for the observance of all the foregoing rules by Tenant's employees, agents, clients, customers, invitees and guests.

EXHIBIT F

CERTIFICATE OF COMMENCEMENT

THIS CERTIFICATE OF COMMENCEMENT ("Certificate") is made this ____ day of _____, 2006 by and between R M Associates Limited Partnership, a Maryland limited partnership ("Landlord"), and Montgomery County, Maryland, a Corporate body and a political subdivision of the State of Maryland, ("Tenant").

WHEREAS, Landlord and Tenant have entered into a Lease dated July ____, 2006 ("Lease");

WHEREAS, the Rent Commencement Date of the Lease Term of the Lease, as described in Section 3(a) thereof, is dependent upon the occurrence of certain events; and

WHEREAS, those certain events have occurred and Landlord and Tenant now desire to specify the Rent Commencement Date of the Lease Term of the Lease for purposes of establishing the term of the Lease and the schedule for payment of rent during said period.

NOW, THEREFORE, in consideration of the premises, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Landlord and Tenant warrant and represent each to the other as follows:

1. The Rent Commencement Date is September 1, 2006, pursuant to Section 3(a).
2. The Expiration Date is June 30, 2008.
3. The CPI Anniversary Month is September pursuant to Section 5(b).

IN WITNESS WHEREOF, Landlord and Tenant do hereby execute this Agreement under seal on the day and year first above written.

WITNESS/ATTEST:

LANDLORD:
R M Associates Limited Partnership,
a Maryland limited partnership

By: Loganwood Corporation, General Partner

By: _____ (SEAL)

WITNESS/ATTEST:

TENANT:
Montgomery County, Maryland,
a Corporate body and a political subdivision of the State of

Maryland

By: Joseph F. Beach, Assistant Chief Administrative Officer (SEAL)

ACORDTM CERTIFICATE OF LIABILITY INSURANCE		DATE (MM/DD/YYYY) 07/10/2006
PRODUCER (301)652-9085 FAX (301)652-3738 Polkes & Goldberg Ins. Inc. 4915 Auburn Avenue Suite 300 Bethesda, MD 20814		THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.
INSURED RM Associates L/P 4800 Hampden Lane #650 Bethesda, MD 20814-2953		INSURERS AFFORDING COVERAGE INSURER A: Travelers Property Casualty Co INSURER B: Travelers Indemnity INSURER C: INSURER D: INSURER E:
		NAIC # 36161 25658

COVERAGES

THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR ADDL LTR / ISSD	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YYYY)	POLICY EXPIRATION DATE (MM/DD/YYYY)	LIMITS
A	GENERAL LIABILITY ☒ COMMERCIAL GENERAL LIABILITY ☐ CLAIMS MADE ☒ OCCUR	I6606132B404T1106	02/14/2006	02/14/2007	EACH OCCURRENCE \$ 1,000,000
	DAMAGE TO RENTED PREMISES (Excludes auto)				\$ 100,000
	MED EXP (Any one person)				\$ 5,000
	PERSONAL & ADV INJURY				\$ 1,000,000
	GEN'L AGGREGATE LIMIT APPLIES PERL ☐ POLICY ☐ PRO. JECT ☐ LOC				GENERAL AGGREGATE \$ 2,000,000
	AUTOMOBILE LIABILITY ☐ ANY AUTO ☐ ALL OWNED AUTOS ☐ SCHEDULED AUTOS ☐ HIRED AUTOS ☐ NON-OWNED AUTOS				COMBINED SINGLE LIMIT (Ex accident) \$
					BODILY INJURY (Per person) \$
					BODILY INJURY (Per accident) \$
					PROPERTY DAMAGE (Per accident) \$
	GARAGE LIABILITY ☐ ANY AUTO				AUTO ONLY - EA ACCIDENT \$
					OTHER THAN AUTO ONLY EA ACC \$
					AGG \$
B	EXCESS/UMBRELLA LIABILITY ☐ OCCUR ☐ CLAIMS MADE	ISFCUP3656W625IND06	02/14/2006	02/14/2007	EACH OCCURRENCE \$ 5,000,000
	AGGREGATE \$ 5,000,000				
					\$ 0
					\$
	DEDUCTIBLE				\$
	RETENTION \$				\$
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? If yes, describe under SPECIAL PROVISIONS below OTHER				☐ WC STAT. ☐ TORY LINES ☐ OTH-ER E.L. EACH ACCIDENT \$ E.L. DISEASE - EA EMPLOYEE \$ E.L. DISEASE - POLICY LIMIT \$

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES / EXCLUSIONS ADDED BY ENDORSEMENT / SPECIAL PROVISIONS

CERTIFICATE HOLDER

EVIDENCE OF INSURANCE	CANCELLATION SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL _____ DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO MAIL SUCH NOTICE SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES.
	AUTHORIZED REPRESENTATIVE
	Brenda Polkes

Additional Interest

Evidence of Insurance

Coverage Information

No.	Coverage/Perils/Forms	Amt of Ins	Ded
1	EDP Equipment, , Special form	10,000	1000
1	Fine Arts, , Special form	10,000	1000
2	Building, RC, Special form	3,859,800	1000
2	Systems Breakdown - Without Boilers, , Special form		1000
2	Building Ordinance or Law, , Special form	3,859,800	
2	Building Ordinance Demolition Cost, , Special form	50,000	
2	Building Ordinance Inc Cost of Const, , Special form	200,000	
2	Debris Removal, , Special form	25,000	
2	Contamination & Pollution, , Special form	25,000	
2	Fire Department Service Change, , Special form	10,000	
2	Sign, , Special form		
2	Glass Coverage, , Special form		250
2	Theft of Bus. Pers Prop, , Special form	25,000	1000
2	Monies and Securities On/Off Premise, , Special form	25,000	1000
2	Recharge of Fire Exting's Supp. Sys, , Special form	5,000	
2	EDP Equipment, , Special form	10,000	1000
2	Fine Arts, , Special form	10,000	1000
3	Building, RC, Special form	468,300	1000
3	Systems Breakdown - Without Boilers, , Special form		1000
3	Building Ordinance or Law, , Special form	468,300	
3	Building Ordinance Demolition Cost, , Special form	50,000	
3	Building Ordinance Inc Cost of Const, , Special form	100,000	
3	Debris Removal, , Special form	25,000	
3	Contamination & Pollution, , Special form	25,000	
3	Fire Department Service Change, , Special form	10,000	
3	Sign, , Special form		
3	Glass Coverage, , Special form		250
3	Theft of Bus. Pers Prop, , Special form	25,000	1000
3	Monies and Securities On/Off Premise, , Special form	25,000	1000
3	Recharge of Fire Exting's Supp. Sys, , Special form	5,000	
3	EDP Equipment, , Special form	10,000	1000
3	Fine Arts, , Special form	10,000	1000

ACORD EVIDENCE OF PROPERTY INSURANCE

DATE (MM/DD/YYYY)
07/10/2006

THIS IS EVIDENCE THAT INSURANCE AS IDENTIFIED BELOW HAS BEEN ISSUED, IS IN FORCE, AND CONVEYS ALL THE RIGHTS AND PRIVILEGES AFFORDED UNDER THE POLICY.

PRODUCER
Polkes & Goldberg Ins. Inc.
4915 Auburn Avenue
Suite 300
Bethesda, MD 20814PHONE
(AO, Ho, Ext) (301)652-9085COMPANY
Travelers Property Casualty Co.
14048 Park East Circle
Chantilly, VA 20151

CODE: OHR878

SUB CODE:

AGENCY
CUSTOMER ID #: 00000509

INSURED

RM ASSOCIATES L/P
4800 Hampden Lane, #650
Bethesda, MD 20814

LOAN NUMBER

POLICY NUMBER

I6606132B404TIL06

EFFECTIVE DATE

02/14/2006

EXPIRATION DATE

02/14/2007

CONTINUED UNTIL
TERMINATED IF CHECKED

THIS REPLACES PRIOR EVIDENCE DATED:

PROPERTY INFORMATION

LOCATION/DESCRIPTION

- 1 Loc 00101 Bldg 00001 425 E GUDE DR ROCKVILLE, MD 20852
 - 2 Loc 00401 Bldg 00001 387-409 E GUDE DRIVE ROCKVILLE, MD 20852
 - 3 Loc 00501 Bldg 00001 411-419 E GUDE DRIVE ROCKVILLE, MD 20852
- FOR ALL THESE LOCATIONS: Business Income - Actual Loss Sustained

COVERAGE INFORMATION

	COVERAGE/PERILS/FORMS	AMOUNT OF INSURANCE	DEDUCTIBLE
1	Building, RC, Special form	701,400	1000
1	Systems Breakdown - Without Boilers, , Special form		1000
1	Building Ordinance or Law, , Special form	701,400	
1	Building Ordinance Demolition Cost, , Special form	50,000	
1	Building Ordinance Inc Cost of Const, , Special form	200,000	
1	Debris Removal, , Special form	25,000	
1	Contamination & Pollution, , Special form	25,000	
1	Fire Department Service Change, , Special form	10,000	
1	Sign, , Special form		
1	Glass Coverage, , Special form		250
1	Theft of Bus. Pers Prop, , Special form	25,000	1000
1	Monies and Securities On/Off Premise, , Special form	25,000	1000
1	Recharge of Fire Exting's Supp. Sys, , Special form	5,000	

REMARKS (Including Special Conditions)

CANCELLATION

THE POLICY IS SUBJECT TO THE PREMIUMS, FORMS, AND RULES IN EFFECT FOR EACH POLICY PERIOD. SHOULD THE POLICY BE TERMINATED, THE COMPANY WILL GIVE THE ADDITIONAL INTEREST IDENTIFIED BELOW 30 DAYS WRITTEN NOTICE, AND WILL SEND NOTIFICATION OF ANY CHANGES TO THE POLICY THAT WOULD AFFECT THAT INTEREST, IN ACCORDANCE WITH THE POLICY PROVISIONS OR AS REQUIRED BY LAW.

ADDITIONAL INTEREST

NAME AND ADDRESS

Evidence of Insurance

MORTGAGEE

ADDITIONAL INSURED

LOSS PAYEE

LOAN #

AUTHORIZED REPRESENTATIVE

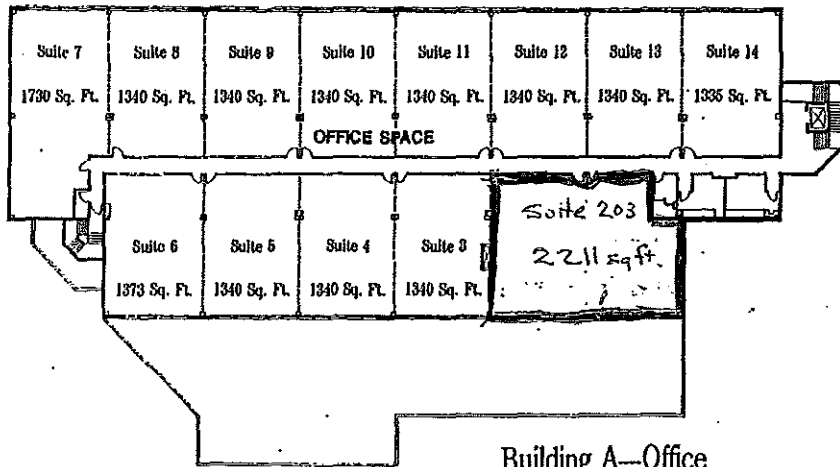
Brent Polkes

ACORD 27 (3/83)

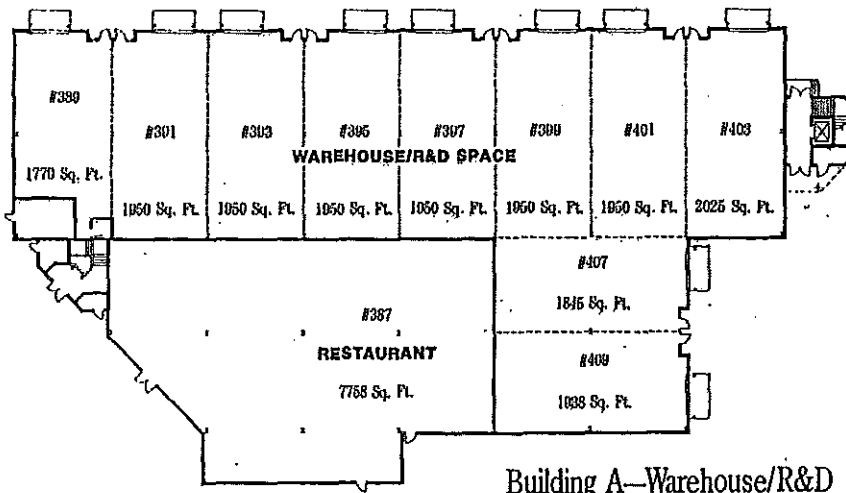
©ACORD CORPORATION 1993

Exhibit 8

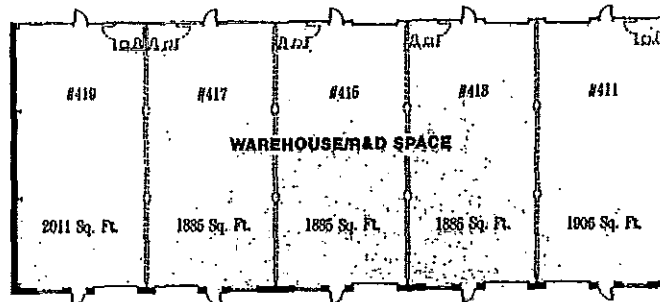
Licensed Premises



Building A—Office



Building A—Warehouse/R&D



Building B—Warehouse/R&D

Dimensions indicated for Warehouse Space are measured to the center line of interior and party walls, and to the exterior face of exterior walls, and includes the protective overhang.

Dimensions indicated for Office Space are measured from the center line of demising and party walls, and to the outside face of corridor walls, and to the inside face of the glass on exterior walls.