

LEASE AGREEMENT

BETWEEN

MILFORD LIMITED PARTNERSHIP

AND

MONTGOMERY COUNTY, MARYLAND

DATED: 10/6/00

CONTENTS

1. Premises
2. Term
3. Rent
4. Consumer Price Index
5. Common Area Maintenance
6. Maintenance of Leased Premises
7. Use
8. Assignment and Subleasing
9. Property Damage & Liability Insurance
10. Good Order and Repair
11. Furniture and Fixtures
12. Liens
13. Signs and Advertisements
14. Landlord's Inspection Rights
15. Glass Pane Replacement
16. Default
17. Eminent Domain
18. Damage to Premises
19. Subordination
20. Status of Performance
21. Surrender and Holding Over
22. Statutory Provisions
23. Definition of "Landlord"
24. Landlord Not a Partner
25. Landlord's Title and Covenant of Quiet Enjoyment
26. Force Majeure
27. General Provisions
28. Non-Discrimination
29. Contract Solicitation
30. Public Employment
31. Non-Appropriation
32. Payment of Rent
33. Rules and Regulations
34. Landlord's Property Insurance
35. Miscellaneous
36. Successors and Assigns
37. Transfer of Landlord's Interest
38. Mailing Notices
39. Construction and Remodeling

Exhibits

- Exhibit A – Leased Premises
- Exhibit B – Rules and Regulations
- Exhibit C – Construction by Landlord
- Exhibit D – Construction by the County

LEASE AGREEMENT

THIS LEASE, made and executed this 6, day of OCTOBER 2000, by and between Milford Mill Limited Partnership c/o Corby Construction, LLC, 4201 Connecticut Avenue, N. W. Washington, DC 20008, (hereinafter referred to as "Landlord"), and MONTGOMERY COUNTY, MARYLAND, a body corporate and politic, (hereinafter referred to as County. (The Landlord and County together the "Parties")

WITNESSETH:

In consideration of the rents hereinafter reserved and the agreements and covenants herein contained, the Parties agree as follows:

1. PREMISES: Landlord does hereby lease and demise unto County, and County does hereby lease and take from the Landlord, for the term and upon the conditions hereinafter provided, approximately 7,000 square feet of retail space in the Poolesville Town Center (hereinafter referred to as the "Shopping Center"), known as Stores 4, 5, 6, 7, 8 and 9, having an address of 19623, 19652, 19627, 19629, 19631 and 19633 Fisher Avenue, Poolesville, Maryland, which space is outlined in red on Exhibit A attached hereto and made a part hereof and which space is hereinafter referred to as the "leased premises."

2. TERM: The term hereby created shall be five (5) years. The Lease commencement date shall be ~~September 16, 2000~~ ^{OCTOBER 1}. Each 12-month period following ~~September 16, 2000~~ ^{OCTOBER}, shall be deemed to be a "lease year".

3. RENT:

A. Landlord and County agree that County shall pay to the Landlord a base annual rent beginning on the Lease Commencement Date, in the amount of ONE HUNDRED TWENTY SIX THOUSAND (126,000.00) Dollars payable in equal monthly installments of TEN THOUSAND FIVE HUNDRED AND 00/100 (\$10,500.00) Dollars.

B. County covenants and agrees to pay Base Rent and all other amounts due hereunder to Landlord, payable to Milford Mill Limited Partnership, c/o Corby Construction, LLC. 4201 Connecticut Avenue, N. W., Washington, DC 20008. The first rental payment shall be due and payable on the Lease Commencement Date. The Lease Commencement Date shall be ~~September 16, 2000~~ ^{OCTOBER 1}.

C. All subsequent rent payments shall be made by the County in advance, on or before the first day of each month, without set-off, deduction or demand therefor from the Landlord to and at the offices of the Landlord as herein designated. Any rental payment not received by Landlord 5 days from the date it becomes due and payable shall be assessed interest at the rate of 15% annum until paid.

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Handwritten signature and date: [unclear] OCTOBER

Handwritten signature and date: Steve of [unclear] 10/1/00

4. CONSUMER PRICE INDEX: It is agreed between the parties that the annual rent payable by County shall be adjusted for the second lease year, and every lease year thereafter, as determined by application of the following formula:
- A. To the annual rent payable by County during the previous lease year shall be added that sum representing one hundred percent (100%) of the resulting amount, after (1) multiplying said annual rent payable during the previous lease year by a fraction, the numerator of which shall be the index now known as the "U.S. Department of Labor, Bureau of Labor Statistics, Revised CPI-U. All Items, U. S. City Average, 1967=100" for the last month of the previous lease year, and denominator of which shall be said index for the month prior to the first month of the previous lease year, and (2) subtracting from such product the annual rent payable during the previous lease year.
 - B. The resulting adjusted annual rent shall in no event exceed by more than 4% of the annual rent payable during the previous lease year.
 - C. In the event the said index is discontinued, ceases to incorporate a significant number of the items now incorporated therein, or if a substantial change is made in such index, the parties hereto shall arrange to agree on an alternative formula in accordance with such statistics as may be recommended by a department or agency of the United States Government for such purpose, or absent such a recommendation, in such manner as may reasonably be determined by agreement of Landlord and County.
5. COMMON AREA MAINTENANCE:
- A. Beginning with the Lease Commencement date, and for each lease year during the term of the Lease, County shall pay to Landlord County's Proportionate Share of Common Area Maintenance Costs of the Shopping Center. The term "Common Area Maintenance Costs" is hereby defined as expenses incurred by Landlord in connection with the servicing, operating, maintenance and repair of the Shopping Center and related appurtenances including parking and landscaped areas, including real estate taxes assessed against the Center (as hereinafter defined), insurance for the Center and administrative expenses in the amount of 5% of the aforesaid costs, but excluding (i) interest and amortization of mortgages, (ii) depreciation of the Shopping Center, and (iii) capital improvements to the Shopping Center other than (1) capital improvements intended to reduce the Operating Costs of the Shopping Center, and (2) capital improvements which may be amortized over a useful life of five (5) years or less, in accordance with Generally Accepted Accounting Principles.

B. County's share of Common Area Maintenance Costs shall be computed on the basis of the proportion that the space leased by County (the leased premises) bears to the total gross leasable area of the Shopping Center. The gross leasable area of the Center is 14,245 square feet. The County's lease area is 7,000 square feet. The County's share of Common area Maintenance Costs is 50 percent. County's share shall be paid by County to Landlord in advance, in equal monthly installments, in as estimated amount reasonably determined from time to time by the Landlord. The estimated monthly share through December 31, 2000 shall be in the amount of \$1,651.68 per month. Within a reasonable time following the end of each year for which the County is required to pay its share of Common Area Maintenance Costs, an accountant selected by Landlord shall review the books and records of Landlord and shall make a determination of the Common Area Maintenance Costs of the Shopping Center for such Lease Year. Landlord shall submit to County a statement of the aforesaid determination which shall include a comparison of (I) the Common Area Maintenance Costs theretofore paid by County for Lease Year in question on the basis of Landlord's estimate of what Landlord anticipated the Costs of the Shopping Center for such Lease Year would be, and (ii) County's obligation for Common Area Maintenance Costs as determined by Landlord's review. Any excess paid by County, as disclosed by such comparison, shall be credited against County's next due installment(s) of Common Area Maintenance Costs, and any additional sums disclosed by such comparison as being due to Landlord by County shall be paid to Landlord within thirty (30) days following delivery to County of such statement (including any statement delivered after the expiration or termination of the term of this of this Lease); provided, however, that for the last Lease Year of the term of this Lease any excess paid by County to Landlord and due to County shall be promptly refunded to County. Following each annual accounting of the Common Area Maintenance Costs, the County's monthly contribution thereto, as set forth hereinabove, shall be adjusted for the ensuing year to reflect Landlord's actual cost. County shall have the right to examine, from time to time and upon County's written request to Landlord, all of the books, records and other documentary information used by Landlord's accountant in determining actual Common Area Maintenance Costs.

C. "Real estate taxes" shall be deemed to mean all city, county, town, and village taxes, special or general, ordinary or extraordinary, assessments, excises, levies, and other governmental charges which shall be imposed upon or become due and payable or become a lien upon the premises or any part thereof, by any Federal, state, municipal, or other governmental or public authority, under existing law or practice or under any future law or practice. The real estate taxes for any Lease Year shall mean the real estate taxes actually paid or due to be paid during such Lease Year.

- D. Nothing herein shall be construed to obligate County to pay any inheritance, estate, succession, transfer, gift, franchise, corporation, income or profit tax, or capital levy or similar tax that may be imposed upon Landlord.
- E. County shall pay directly for all costs of utilities separately metered to and consumed on or at the Leased Premises, including, without limitation, trash removal, gas, electricity, sewer, water, telephone and cable and other communications.

6. MAINTENANCE OF LEASED PREMISES: County shall, at all times during the term of this Lease, keep the premises, including exterior entrances, all glass and show window moldings and all partitions, doors, fixtures, equipment and appurtenances thereof, lighting, heating, and plumbing fixtures, and HVAC systems that serve the leased premises in good order, condition and repair. Landlord shall, at its own expense, maintain and repair the Shopping Center's (i) mechanical, electrical and HVAC systems other than systems serving specific County spaces, which shall be the responsibility of the County who is specifically served; (ii) roof; and (iii) structural components of the premises including exterior plumbing and exterior walls and foundations.

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7. USE:

WMA
J. Tedesco

- A. County warrants and agrees that the leased premises shall be used as Montgomery County Public Library
- B. The use and occupation by the County of the leased premises shall include the use in common with others entitled thereto of the common areas, parking areas, service roads, loading facilities, sidewalks, and other facilities as may be designated from time to time by the Landlord, subject however, to the terms and conditions of this Lease and to reasonable rules and regulations for the use thereof as prescribed from time to time by the Landlord.

8. ASSIGNMENT AND SUBLEASING: County shall not transfer or assign this Lease or sublet the whole or any part of the Leased Premises without the prior written consent of Landlord, or let or sublet the whole or any part of the Lease Premises without the prior written consent of Landlord first had and obtained, which consent shall not be unreasonably or unduly be withheld. In any event, should the County endeavor to assign or sublease all or part of the Leased Premises, Landlord shall first have thirty (30) days from written notice to accept the surrender of the property at the Landlord's sole option and release the County of further responsibility under this Lease. In the event of any assignment or subletting which is approved by Landlord, County shall nonetheless remain responsible for the payment of all sums and the performance of all obligations required of the County hereunder.

9. PROPERTY DAMAGE AND LIABILITY INSURANCE:

- A. County shall obtain and maintain, during the full term of this Agreement and any extension thereof, a policy of public liability insurance with bodily injury limits of TWO HUNDRED THOUSAND (\$200,000.00) DOLLARS for injury (or death) to one person, FIVE HUNDRED THOUSAND (\$500,000.00) DOLLARS per occurrence, and property damage insurance with a limit of ONE HUNDRED THOUSAND (\$100,000.00) DOLLARS. The County reserves the right to self-insure.
- B. County agrees that it will not keep in or upon the Leased Premises any article, which may be prohibited by the standard form or fire or hazard insurance policy. In the event County's articles causes any increase in the insurance premiums for the Leased Premises or any part thereof, County shall pay the additional premiums as they become due. County has the right to review the Landlord's policy (ies) premium and rates.
- C. County agrees to hold harmless and hereby indemnifies Landlord, and Managing Agent, 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 arising from or out of any occurrence, or occasioned wholly or in part by any act or omission of County or its employees at or upon the Premises, or the occupancy or use by County, of the Leased Premises or any part thereof, or the County's use of the exterior areas designated by Landlord for the comfort and convenience of County. This indemnification is subject to the liability and damage caps stated in the Local Government Tort Claims Act in the Maryland Annotated Code as amended from time to time. This indemnification shall not be considered to be a waiver of governmental immunity and is not intended to create any rights or causes of action in third parties. County shall not, however, be liable for damage or injury occasioned by the acts or omissions of Landlord or its agents, or Landlord's failure to comply with its obligations hereunder.
- D. Landlord agrees to hold harmless and hereby indemnifies County, 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 arising from or out of any occurrence upon or at the Leased Premises, or the occupancy or use by Landlord or the Leased Premises or any part thereof, or the Landlord's use of the exterior areas provided for County for the comfort and convenience of the Landlord, or occasioned wholly or in part by any act or omission or Landlord, its agents, contractors, or employees excepting claims arising out of the acts or omissions of the County, the County's agents, and employees.

- E. County shall deliver to Landlord a certificate of insurance evidencing the coverage hereinabove described within thirty (30) days from execution of this Agreement. County reserves the right to self-insure. County and Landlord hereby waive any right of subrogation against the other to the extent that the liability arises from a cause covered by insurance and only to the extent of the insurance proceeds recovered, and provided that the parties' insurance permit such waiver.

10. GOOD ORDER AND REPAIR: County covenants and agrees to maintain the Leased premises in good order and condition, and surrender the same at the expiration or other termination hereof in good order and condition, usual wear and tear and damage by fire, storm, public enemies and any other risk with respect to which County is not herein made expressly liable excepted.

11. FURNITURE AND FIXTURES: County shall have the right of installing any furniture and trade fixtures necessary in the conduct of County's business, and the same shall remain the property of the County provided they are removed by County before the expiration of this Lease or any renewal or extension thereof. In the event any damage is done to said premises in the installation or removal of said furniture and trade fixtures, County will immediately make such repairs as are necessary to restore said premises to their condition upon County's occupancy, reasonable wear and tear excepted, or promptly reimburse the Landlord for the cost of such repairs.

12. LIENS: County expressly covenants and agrees that it will, during the term hereof, promptly remove or release, by the posting of a bond or otherwise, as required or permitted by law, any lien attached to said premises by reason of any act or omission on the part of the County, and hereby expressly agrees to save and hold harmless the Landlord from and against any such lien or claim or lien. In the event any such lien does attach, or any claim of lien is made against said premises, by reason of any act or omission upon the part of the County, and the said lien is not released within sixty (60) days after notice thereof, Landlord, in its sole discretion (but nothing herein contained shall be construed as requiring it to do so) may pay and discharge the said lien and relieve the said premises from any such lien and County agrees to pay and reimburse Landlord upon demand for or on account of any expense which may be incurred by Landlord in discharging such lien or claim, which sum shall include the maximum legal interest rate per annum from the date such lien is paid by Landlord until the date Landlord is reimbursed by County, or the Landlord, at the Landlord's sole option, may require that the County remove or cause to be removed any such lien, at the County's sole cost and expense, and if not so removed within thirty (30) days, Landlord may terminate this Lease by written notice to County. Payment of any claim under this Paragraph shall not act as an admission on the part of County as to its responsibility or liability.

13. SIGNS AND ADVERTISEMENTS: County will be permitted to display its sign, which is currently on display and is affixed to the exterior of the premises.

14. LANDLORD'S INSPECTION RIGHTS: Landlord shall have the right at all reasonable times to enter upon the premises for the purpose of inspecting same, making necessary repairs, or showing potential purchasers. Landlord shall have the further right during the last four (4) months of the lease term to bring perspective Countys into the premises upon reasonable notice to County and at times when such visits will not interfere with County's business for the purpose of showing same and during such period, Landlord may display "For Rent" signs in the windows of the premises.

15. GLASS PANE REPLACEMENT: County at County's sole cost and expense, agrees to promptly replace any window or door glass pane that is broken, chipped or cracked, not as a result of structural failure or Landlord's negligence. Should the County fail to effect a replacement within a reasonable period of time, the Landlord may perform this work and the County shall reimburse Landlord for the cost thereof.

16. DEFAULT:

- A. If there is any default by the County of any of the covenants, terms and conditions hereunder, Landlord may recover possession thereof by appropriate proceeding in any court of competent jurisdiction. As to covenants contained in the Lease other than the payment of monies, the Landlord agrees to give the County thirty (30) days written notice, specifying the default, prior to his instituting a proceeding against the County.
- B. In the event of any deficiency in the payment of the rental during the term of this Lease, which is not cured by the County within 10 days from receipt of written demand therefore from Landlord, or if the County shall vacate or abandon said premises, Landlord, may by appropriate proceedings, recover the rents then due hereunder or, at its option Landlord may re-rent from time to time said premises for the account of the County, and such re-renting may be for a term or terms equal to, less, or greater than the remaining term hereunder, provided County shall not be liable for any deficiency in rent for any part of the term of such re-renting beyond the term of this Lease, and Landlord shall be entitled to collect the rent accruing under such re-renting and to apply the same first to all costs and expenses, including commissions, standard needed improvements and repairs necessary for re-renting, and attorney's fees incurred in connection with such re-renting and collection of rentals, and apply the balance of the deficiency in accrued rent under this Lease, and in one or more suits, at Landlord's option, recover any remaining deficiency from the County. All remedies granted in this section or otherwise provided by law shall be cumulative and unless, inconsistent, may be exercised separately or concurrently, or successively. In the event of any suit by Landlord to recover possession, or for unpaid rent, Landlord shall also be entitled to recover (I) costs of suit, including reasonable attorney's

fees and (ii) reasonable costs of re-renting the leased premises, including commissions, needed standard improvements and repairs.

- C. Default by Landlord: If the Landlord or Landlord's assigns shall fail or neglect to keep and perform each and every one of Landlord's covenants, conditions, and agreements as contained herein, and such failure or neglect is not remedied within thirty (30) days (or such period as may reasonably be required to correct the default with exercise of due diligence) after written notice from the County or County's assigns specifying the default, then the County or County's assigns, at County's option, may pursue any legal remedies available to County, including actions necessary to mitigate damages.
- D. In the event that proceedings shall at any time be commenced for recovery of possession as aforesaid and compromise or settlement shall be affected either before or after judgment whereby County shall be permitted to retain possession of said premises, then such proceedings shall not constitute a waiver of any condition or agreement contained herein or of any subsequent breach thereof or of this agreement.

17. EMINENT DOMAIN:

- A. In the event that (at any time after the date of this lease) as the aggregate result of one or more takings by eminent domain, the capacity of the parking areas of the Shopping Center shall be reduced by twenty-five percent (25%) or more, and if, within sixty (60) days after the occurrence of the most recent such takings, Landlord shall not have furnished substitute adjacent parking areas which shall meet with the County's approval (County agreeing that such approval shall not unreasonably be withheld), County may terminate this lease by written notice to Landlord sent at any time after the expiration of said sixty (60) day period. If (at any time after the commencement date of this lease) as the aggregate result of one or more takings by eminent domain, the square footage of the leased premises shall be reduced by 10% or more, County may terminate this lease by written notice to Landlord given not more than sixty (60) days from the date title rests in the condemning authority.
- B. Should the County elect to remain in possession of the leased premises after any takings by eminent domain subject to the provision of Paragraph 18(A), the base rent and additional rents shall be reduced to reflect that proportion of the premises to which County is denied normal occupancy as a result of the taking.

- C. Landlord reserves, and County hereby assigns to Landlord, all rights to damages accruing on account of any taking by eminent domain of the leased premises, or the building of which they are a part, or the Shopping Center, or the leasehold hereby created.
- D. Although damages in the event of any condemnation are to belong to the Landlord whether such damages are awarded as compensation for diminution in value of the leasehold or to the fee of the leased premises, County shall have the right to claim and recover from the condemning authority, but not from the Landlord, such compensation as may be separately awarded or is recoverable by County in County's own right on account of any and all damages to County's business by reason of the condemnation and for or an account of any cost or loss to which County might be put in removing County's merchandise, furniture, fixtures, leasehold improvements and equipment.

18. DAMAGE TO PREMISES: If the leased premises shall be damaged by fire or other insured casualty, not due County's negligence, but are not thereby rendered untenable in whole or in part, Landlord shall promptly at its own expense cause such damage to the leased premises to be repaired, to the extent of any insurance proceeds, provided such repairs shall restore the premises to their condition prior to the damage, and the rent shall not be abated. If by reason of any such occurrence, the leased premises shall be rendered untenable only in part, Landlord shall promptly at its own expense cause the damage to be repaired, to the extent of any insurance proceeds, provided such repairs restore the premises to their condition prior to the damage, and the base and additional rents meanwhile shall be abated proportionately as to the portion of the leased premises rendered untenable. If the leased premises shall be rendered wholly untenable by reason of such occurrence, the Landlord shall promptly at its own expense cause such damage to be repaired, to the extent of any insurance proceeds, such repairs to bring the premises as close as possible to their condition prior to the occurrence of the damage, and the base and additional rent meanwhile shall be abated in whole, provided however, that in the event the Landlord, in good faith, determines the damage cannot be repaired within 60 days after the date of the casualty, then landlord shall notify County of same, and County shall have the right, to be exercised by notice in writing delivered to the Landlord, to terminate this Lease Agreement, and in such event this Lease and the tenancy hereby created shall cease as of the date of the said occurrence, the rent to be adjusted as of such date.

19. SUBORDINATION: Landlord shall have the absolute right to encumber the Leased Premises set forth in this Lease and the Lease, at the option of Landlord, shall be subordinate to such encumbrance or encumbrances. County agrees to sign appropriate and acceptable papers for subordination within ten (10) business days after Landlord's written request, provided such subordination shall be upon the express condition that the Lease shall be recognized by the holder of the encumbrance and the rights of the County shall remain in full force and effect during the initial Lease term or any extension thereof. In the event of a sale or transfer of the title to the aforesaid land and premises, any transferee shall be entitled to have this Lease subordinated to the lien and effect of any first deed or trust of mortgage to secure purchase

money. County agrees to execute appropriate and acceptable subordination documents required by Purchaser subject only to the reservations recited in this paragraph.

This Lease is subject and subordinate to all ground or underlying leases and to all mortgages and/or deeds of trust which may now or hereafter affect such leases or the real property of which the Leased Premises form a part, and to all renewals, modifications, consolidations, replacements and extensions thereof. This subordination provision shall be self-operative and no further instrument of subordination shall be required. County will make reasonable efforts to deliver to Landlord an estoppel certificate if required by Landlord's Lender or transferee. The estoppel certificate will certify that: County further agrees that, at the option of the holder of any mortgage or the trustee under any deed of trust, this Lease may be made superior to said mortgage or first deed of trust by the insertion therein of a declaration that this Lease is superior.

20. STATUS OF PERFORMANCE:

- A. Recognizing that both parties may find it necessary to establish to third parties, such as accountants, banks, mortgagees or the like, the then current status of performance hereunder, either party, on the written request of one to the other made from time to time, will promptly furnish a written statement of the status of any matter pertaining to the lease.
- B. Without limiting the generality of the foregoing, the County and Landlord specifically agree, that at any time within ten (10) business days after such request is made, the County or Landlord shall execute, acknowledge and deliver to the other a certificate evidencing whether or not:
 - 1. The lease is in full force and effect;
 - 2. This lease has been amended in any way;
 - 3. There are any existing defaults hereunder to the knowledge of either party, and specifying the nature of such defaults, if any;
And
 - 4. The date to which rent has been paid.
- C. Landlord and County agree that this lease need not be recorded but that, upon request by either party, the lease or a short form lease may be recorded in accordance with the laws of the state of Maryland at the expense of the requesting party.

21. SURRENDER AND HOLDING OVER: County, upon expiration or termination of this Lease, either by lapse of time or otherwise, shall peaceably return the Leased Premises to Landlord the premises in broom-clean condition and in good repair. In the event that County shall hold over after the expiration of this lease, the tenancy created by such holding over shall be a month to month tenancy, but in all other respects shall be governed by the terms of this lease, provide, however, that in all cases a thirty (30) days notice shall be required to terminate the tenancy created by such hold-over, and (ii) the rent hereunder during any such holdover

period shall be 110% of the rental then in effect. If the County shall hold over after the expiration of this Lease, he shall, in the absence of any agreement to the contrary, be a County from month-to-month.

22. STATUTORY PROVISIONS: It is understood, agreed and covenanted by and between the parties hereto that Landlord and County, as their interests may appear and at their respective expense, shall promptly comply with, observe and perform all of the requirements of all the statues, ordinances, rules, orders and regulations not in effect or hereinafter promulgated whether required by the Federal Government, State of Maryland, Montgomery County Government or Montgomery County Fire Marshal's Office.

23. DEFINITION OF "LANDLORD": The term "Landlord" as used in this Lease means only the owner or the mortgagee in possession as owner for the time being of the land and Shopping Center or the owner of the Lease of the Shopping Center or of the land and building or of said Lease, or in the event of a Lease of said building, or of the land and building, the Landlord hereunder shall be and hereby is entirely freed and relieved of all covenants and obligations of Landlord hereunder, and it shall be deemed and construed without further agreement between the parties or their successors in interest or between the parties and the purchaser at any such sale or the leasing of the Shopping Center or of the land and building, that the purchaser or the lessee of the Shopping Center has assumed and agreed to carry out any and all covenants and obligations of Landlord hereunder.

24. LANDLORD NOT A PARTNER: It is expressly understood that the Landlord shall not be construed or held to be a partner or associate of the County in the conduct of County's business; it being expressly understood that the relationship between the parties hereto is and shall remain at all times that of Landlord and County.

25. LANDLORD'S TITLE AND COVENANT OF QUIET ENJOYMENT: Landlord covenants that it has full right and power to execute and perform this lease, and that it will put County into complete and exclusive possession of the Leased Premises upon completion of interior improvements. Landlord further covenants that County, on paying the rents reserved herein and performing the covenants and agreements hereof, shall peaceably and quietly have, hold and enjoy the leased premises and all rights, easements, appurtenances and privileges thereunto belonging or in any way appertaining, during the full term of this lease, and any extension or renewals hereof.

26. FORCE MAJEURE: Anything in this agreement to the contrary notwithstanding, providing such cause is not due to the willful act or neglect of either party, neither party shall be deemed in default with respect to the performance of any of the terms, covenants, and conditions of this lease if same shall be due to any strike, lockout, civil commotion, war-like operation, invasion, rebellion, hostilities, military or unsurged power, sabotage, governmental regulations or controls, inability to obtain material, service or financing, through Act of God or other cause beyond the control of either party.

27. GENERAL PROVISIONS: It is further understood and agreed, that this instrument contains the entire agreement between the parties hereto and shall not be modified in any manner except by an instrument in writing executed by the parties hereto, and that the parties hereto, and that the conditions and agreements herein are binding on, and may be legally enforced by the parties hereto, their executors, administrators, successors and assigns, respectively, and that no waiver of any breach of any condition of agreement contained herein shall be construed to be a waiver of the condition or agreement or of any subsequent breach thereof, or of this agreement. Feminine or neuter pronouns shall be substituted for those of the masculine form, and the plural shall be substituted for the singular number in any place herein in which the context may require such substitution.

28. NON-DISCRIMINATION: Landlord agrees to comply with the non-discrimination in employment policies in County contracts as required by Section 11B-3 and Section 27-19 of the Montgomery County Code, 1994 as amended, as well as other applicable state and federal laws and regulations regarding employment discrimination. The Landlord assures the County that in accordance with applicable law, it does not, and agrees that it will not discriminate in any manner on the basis of race, color, religious creed, ancestry, national origin, age, sex, marital status, handicap, or sexual orientation of the individual.

29. CONTRACT SOLICITATION: 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 for bona fide employees or bona fide established commercial, selling or leasing agencies maintained by the Landlord for the purpose of securing business or an attorney rendering professional legal service consistent with applicable canons of ethics.

30. PUBLIC EMPLOYMENT: Landlord understands that unless authorized under Section Chapter 19-A and 11B-52 of the Montgomery County Code 1994 as amended, it is unlawful for any person transacting business with Montgomery County, Maryland, to employ a public employee for employment contemporaneous with his or her public employment.

31. NON-APPROPRIATION: This lease shall terminate automatically on July 1 of any year for which the Montgomery County Council does not appropriate the funds to pay the rent herein stated. County shall give Landlord a minimum of thirty (30) days notice of the lack of appropriation. The County shall not make or be entitled to any claim for reimbursement of any kind, whether for improvements or prepaid items.

32. PAYMENT OF RENT: County will pay said rent at times specified without demand or deduction to such address as May be designated by the Landlord in this Lease.

33. RULES AND REGULATIONS: County and its agents and employees shall abide by and observe the rules and regulations attached hereto as Exhibit B. County and its agents and employees shall also abide by and observe such other reasonable rules and/or regulations as May be promulgated from time to time by Landlord for the operation and maintenance of the Shopping Center, provided that the same are in conformity with common practice and usage in similar Shopping Centers and are not inconsistent with the provisions of this Lease and a copy

thereof is sent to County. Nothing contained in this Lease shall be construed to impose upon Landlord any duty or obligation to enforce such rules and/or regulations, or the terms, conditions, or covenants contained in any other lease as against any other County, and Landlord shall not be liable to County for violation of the same by any other County, its employees, agents, business invitees, licensees, customers, clients, family members or guests.

34. LANDLORD'S PROPERTY INSURANCE: Landlord agrees to obtain and maintain in effect at all times during the Lease Term, as an Operating Cost of the Shopping Center, fire and extended coverage insurance insuring the Shopping Center.

35. MISCELLANEOUS: This Lease and any Exhibits or Addenda which are attached hereto and made a part hereof, contain the entire agreement by the parties hereto and there are no promises, agreements, conditions, undertakings or warranties or representations, between them other than as herein or therein set forth. The provisions of this lease shall be interpreted in accordance with the laws of the State of Maryland.

36. SUCCESSORS AND ASSIGNS: Subject to the provisions hereof, this Lease shall bind and inure to the benefit of the parties hereto and their respective legal representatives, successors and assigns.

37. TRANSFER OF LANDLORD'S INTEREST: In the event of any sale or sales by the then current Landlord of the Shopping Center or the Leased Premises, or in the event the Shopping Center is leased by the then current Landlord hereunder to any party (subject to this Lease) then, from and after the closing of such sale or lease transaction, the Landlord whose interest is thus sold or leased shall be and hereby is completely released and forever discharged from any and all covenants, obligations, and liabilities of Landlord hereunder, excepting those obligations, covenants and liabilities accruing prior to the date of transfer.

38. MAILING NOTICES: All notices required to be given hereunder by either party to the other shall be given by certified or registered mail. Notices to the respective parties shall be addressed as follows:

IF TO COUNTY:

Montgomery County Department of Facilities and Services
Division of Real Estate Management
110 North Washington Street, 3rd Floor
Rockville, Maryland 20850

WITH COPY TO:

Montgomery County Attorney
101 Monroe Street, 2nd Floor
Rockville, Maryland 20850

IF TO LANDLORD:

Milford Mill Limited Partnership
c/o Corby Construction, LLC.
4201 Connecticut Avenue, N. W.
Washington, DC 20008

39. CONSTRUCTION AND REMODELING: The Landlord, at Landlords cost and expense, and within sixty (60) days following the execution of this Lease Agreement, shall complete the work within the Leased Premises as specified and pursuant to plans and specifications described in Exhibit ~~B~~. D. *Shu id [Signature]*

The Landlord, at County's cost and expense, and within sixty (60) days following the execution of this Lease Agreement must complete the work within the Leased Premises as specified and pursuant to plans and specifications described in Exhibit C ~~and D~~. At the time of the execution of this Lease County shall pay to the Landlord the sum of \$25,900 on account for the cost and expense of the plans and specifications contained in Exhibit C and D. *[Signature]*
[Signature]
10/11/00

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

ATTEST: _____

By: 

LANDLORD:
MILFORD MILL LIMITED
PARTNERSHIP
Milford Mill Corp. (General Partner)

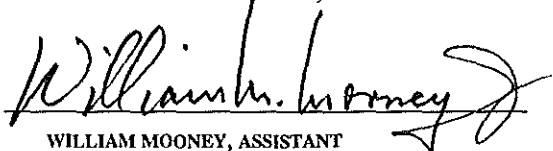
By: 
Karl W. Corby, III, President

Date: 10/1/00

ATTEST: _____

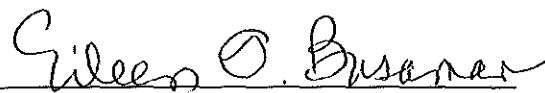
By: Rebecca S. Domaruk

COUNTY:
MONTGOMERY COUNTY, MARYLAND

By: 
WILLIAM MOONEY, ASSISTANT
CHIEF ADMINISTRATIVE OFFICER

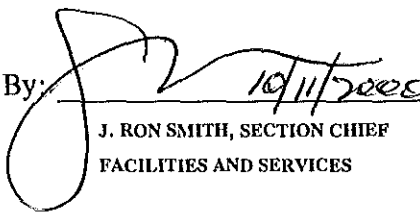
Date: 10/12/00

APPROVED AS TO FORM & LEGALITY
OFFICE OF THE COUNTY ATTORNEY

By: 

Date: 9/22/2000

RECOMMENDED

By: 
J. RON SMITH, SECTION CHIEF
FACILITIES AND SERVICES

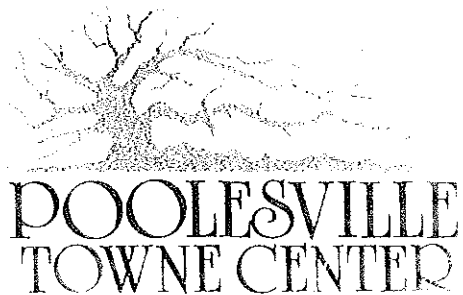
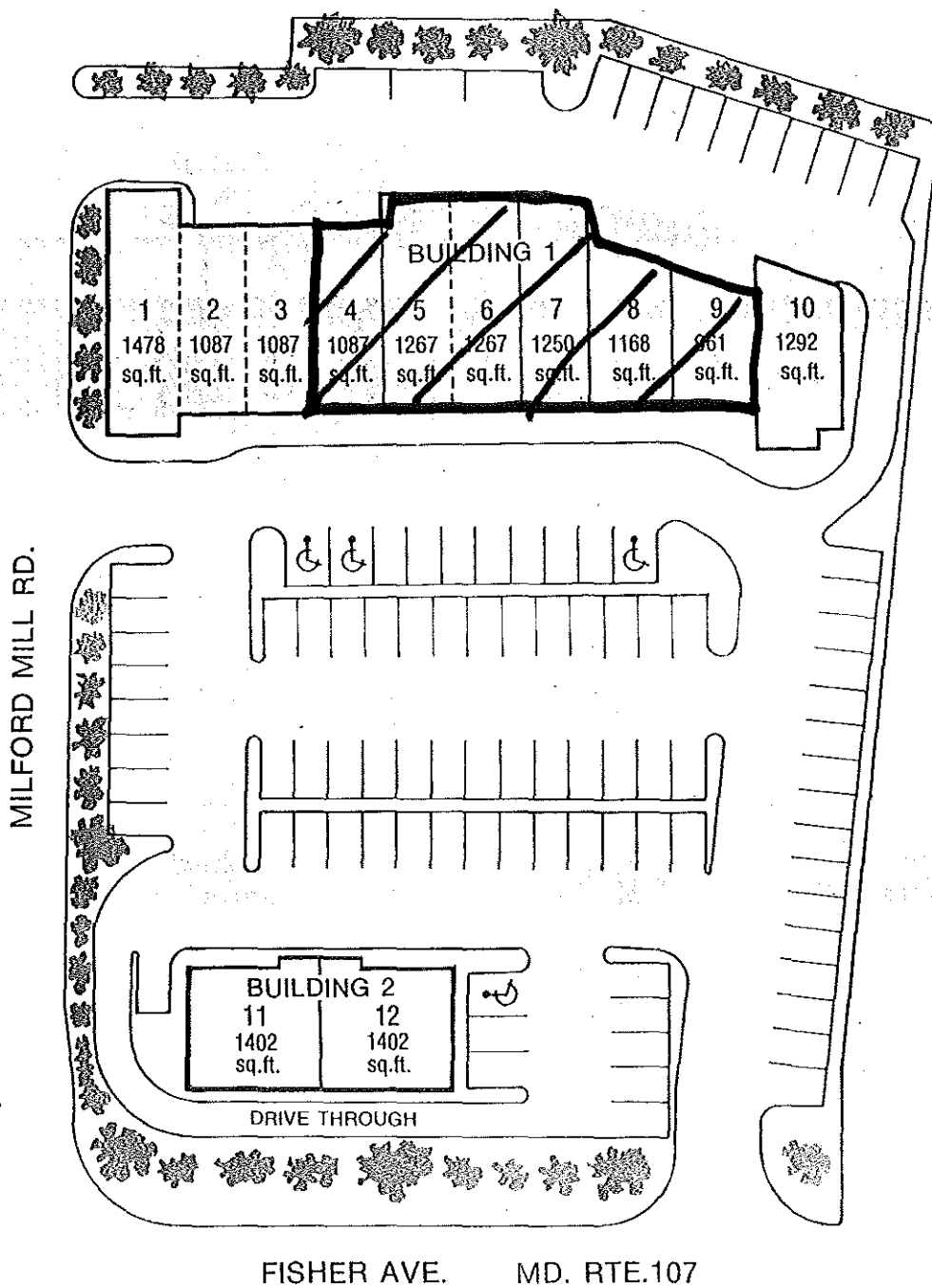


EXHIBIT A

Information in this brochure is preliminary and is subject to change.

Handwritten signature

Tenant agrees as follows:

1. All loading and unloading of goods shall be done through the rear entrance, if any, at such times designated for such purposes by Landlord.
2. The delivery or shipping of merchandise, supplies and fixtures to and from the Leased Premises shall be subject to such rules and regulations as in the judgment of Landlord are necessary for the proper operation of the Shopping Center.
3. All garbage and refuse 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. If Landlord shall provide or designate a service for picking up refuse and garbage, Tenant shall use same at Tenant's cost, provided that the charges for such service are consistent with prevailing rates in the area.
4. No loud speakers, televisions, phonographs, radios or other devices shall be used in a manner so as to be heard outside of the Leased Premises without prior written consent of Landlord.
5. No amusement machine (including, but not limited to, arcade games, video games, juke boxes, and pinball machines), shall be installed without first obtaining in each instance Landlord's consent in writing.
6. Tenant shall keep the Leased Premises at a temperature sufficiently high to prevent freezing of water in pipes and fixtures.
7. Tenant shall cooperate in keeping the common areas immediately adjoining the Leased Premises clean and free from snow, ice, dirt and rubbish and Tenant shall not place or permit any obstructions or merchandise in such areas.
8. Plumbing facilities located within the Leased Premises shall not be used for any other purpose than that for which they are constructed, and no foreign substance of any kind shall be thrown therein, and the expense of any breakage, stoppage, or damage resulting from a violation of this provision shall be borne by Tenant, who shall, or whose employees, agents or invitees shall have caused it. Tenant shall pay a reasonable charge to Landlord for keys to any common washroom facilities.
9. Tenant shall use at Tenant's cost a pest extermination contractor at such intervals as Landlord may reasonably require.
10. Tenant shall not burn any trash or garbage of any kind in or about the Leased Premises or the Shopping Center, and shall conduct no activity in the Leased Premises which would emit noxious odors therefrom.
11. Tenant and Tenant's employees and agents shall not solicit business in the parking or other common areas, nor shall Tenant distribute any handbills or other advertising matters in automobiles parked in the parking area or in other common areas.
12. Tenant shall keep all displays in a clean and orderly fashion at all times.
13. Floor space of the Leased Premises intended for display shall not be used for storage or office space.
14. Tenant shall obey all town parking laws and all posted signs on the Shopping Center pertaining to parking and vehicular movement, including one way circulation at the rear of the Shopping Center. Tenant shall use its best efforts to ensure that its employees and delivery vehicles servicing the Leased Premises also obey said laws and signs.

EXHIBIT B

PRI

P O Box 214
Clarksburg, MD 20871

Estimate

DATE	ESTIMATE NO.
5/12/2000	99378

NAME / ADDRESS

Mr. Steve Hayes
110 N. Washington St.
Suite 318
Rockville, MD 20850

TERMS	PROJECT
30%start,40%,final	Poolesville Library

ITEM	DESCRIPTION
Demo	<ol style="list-style-type: none"> 1. Interior walls and doors around store room, and kids area. 2. Access ramp. 3. Shelving on dimising wall and on walls being removed. Includes magazine storage and the like. 4. Ceiling in store room. 5. Reception desk dismantled for relocation. 6. Carpet and vcb 6a. Electrical fixtures, outlets, switches
Partitions	<ol style="list-style-type: none"> 7. New interior partitions at kids area, satellite office, meeting room, storage room and to create exit hallway from meeting room.
Ceilings	<ol style="list-style-type: none"> 8. Install new ceiling to match existing height at old store room.
Doors & Hardw	<ol style="list-style-type: none"> 9. Repair and replace damaged ceiling tile and grid where needed. (not more than 1000 square feet) 10. Relocate masonry door to accomodate meeting room and access to store room. Must be cut into masonry wall 11. 2 sets of double doors at storage and meeting room. 12. Create handicap access at store front door going into meeting room. 13. Install new Schlage S series hardware on all new or relocated doors only. 13a. New exit device installed on meeting room door going into hallway.
Flooring	<ol style="list-style-type: none"> 14. New carpet and vcb everywhere. Carpet bid using 26 oz. level loop. 15. New VCT in ADA bathroom
Wall Finishes	<ol style="list-style-type: none"> 16. Patch and paint all wall surfaces, doors and door frames. Paint bid using Duron or equal in flat.
Millwork	<ol style="list-style-type: none"> 17. No new millwork purchase. See shelving install breakdown
Looking forward to working with you.	
TOTAL	

Estimate good for thirty days

SIGNATURE _____



PRI

P O Box 214
Clarksburg, MD 20871

Estimate

DATE	ESTIMATE NO.
5/12/2000	99378

NAME / ADDRESS
Mr. Steve Hayes 110 N. Washington St. Suite 318 Rockville, MD 20850

TERMS	PROJECT
30%start,40%,final	Poolersville Library

ITEM	DESCRIPTION
Specialties	18. Relocate projection screen. 19. Relocate access ramp. 20. Relocate reception desk. 21. Custom built cork wall for posters above half wall at kids book area. 22. Remove, relocate freestanding shelving units, wall racks, standing racks, tables, and storage shelving as needed. Will take several moves to coordinate carpet and build-out of some of the items. Estimated amount of units existing equals 125. 23. Fabricate new storage shelving 24. Receive, unbox, assemble and install new free standing shelving units and racks. Estimate of new units purchased to be assembled and installed equals 50. 25. Wheelchair access into meeting room from store front door. Includes electronic push buttons. 26. Relocate signage at front facade to center of space. 26a. Patch fascia where old sign penetrations were located. 26b. Cut in glass windows at cmu dimising wall for meeting room. Size of glass estimated at 5 feet high by 12 feet wide.
Plumbing	27. Relocate fixtures in existing bath to create ADA compliant distances. If existing door is to be relocated than toilet and sink rough-in locations must be changed to accomodate new door location. Includes concrete patch and relocations of fixtures. (no new fixtures included except ADA compliant faucet)
Hvac	28. Relocate 8 diffusers and 2 intals to accomodate new layout.

Looking forward to working with you.

TOTAL

Estimate good for thirty days

SIGNATURE

PRI

P O Box 214
Clarksburg, MD 20871

Estimate

DATE	ESTIMATE NO.
5/12/2000	99378

NAME / ADDRESS
Mr. Steve Hayes 110 N. Washington St. Suite 318 Rockville, MD 20850

TERMS	PROJECT
30%start,40%,final	Poolsville Library

ITEM	DESCRIPTION
Electrical	29. Upgrade lighting in expansion area to match existing library lighting Estimate fixture count equals 40 30. Add 7 exit lights. 31. Add 7 emergency back-up lights. 32. Wire for projection screen 33. Install 8 new switches in expansion area. 34. Install 10 duplex outlets. 35. Relocate dedicated outlet for copier machine. 36. Wire for handicap access door. 37. Relocate circuit to fascia sign. 38. Electric assumes no new panels, New wiring to be pulled from existing panels in expansion space, not from current library panel. 39. All wiring in expansion space must be type MC per Montgomery County code for Assembly use. 40. Profit and overhead
P&O	Qualifications: 1. Estimate is based on ballpark only. No set of plans and no description of shelving and or millwork given. 2. Price is subject to change when architectural plans are received. 3. No plans or permits included. 4. All work during normal hours. (Monday-Friday 7:00a.m. - 5:00p.m.) 5. Other qualifications subject to final estimate and plans.

Looking forward to working with you.

TOTAL \$125,505.00

Estimate good for thirty days

SIGNATURE _____



PRI

P O Box 214
Clarksburg, MD 20871

Estimate

DATE	ESTIMATE NO.
5/12/2000	99379

NAME / ADDRESS
Corby Construction 4201 Connecticut Avenue Suite 600 Washington DC 20006

TERMS	PROJECT
30%,30%,final due on completion	Poolesville library

ITEM	DESCRIPTION
Demo	1. Demo 50 feet of dimising wall between spaces.
Door	2. Bathroom door and wall to create ADA size.
Bulk head	3. Relocate bathroom door.
Electrical	4. Build bulkhead at dimising wall location. Build new wall for bathroom ADA compliancy
Painting	5. Demo electrical in dimising wall and relocate bathroom switch.
P&O	6. Paint bulkhead and bathroom walls and door.
	7. Profit and overhead

Thank You for your continued patronage.

TOTAL \$5,050.00

Estimate good for thirty days

SIGNATURE _____

