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WISCONSIN PLACE
CHEVY CHASE, MARYLAND

Lease to

MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

FROM THE OFFICE OF:

Goulston & Storrs, P.C.
400 Atlantic Avenue
Boston, Massachusetts 02110-3333

WISCONSIN PLACE

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- Exhibit "A" - Site Plan
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INDENTURE OF LEASE

WISCONSIN PLACE

THIS INDENTURE OF LEASE made as of the _____ day of _____, 2008, by and between the WP PROJECT DEVELOPER LLC, a Delaware limited liability company, having a mailing address c/o New England Development, One Wells Avenue, Newton, Massachusetts 02459 (hereinafter referred to as the "Landlord"), of the one part, and the tenant named in Section 1.1(a) below (hereinafter referred to as the "Tenant"), of the other part.

RECITALS:

This Lease is made with reference to the following facts:

A. Landlord is the owner of the fee simple title in and to a certain parcel of land described as the "**Project Developer Parcel**" in that certain Construction, Operation and Reciprocal Easement Agreement dated as of August 2, 2004 and recorded with the Land Records of Montgomery County, Maryland in Liber 27987, at folio 738 (as amended from time to time, the "**REA**") made by WP Owner Trust, a Delaware statutory trust and predecessor in interest to Landlord, and The May Department Stores Company, a New York corporation (with its successors and assigns, "**Bloomingdale's**"). Landlord is the Project Developer under the REA. Bloomingdales, Inc., an Ohio corporation and a successor in interest to The May Department Stores Company, is the owner of an adjacent parcel of land identified in the REA as the "**May Parcel**."

B. The REA provides for, among other things, the initial development of the Project Developer Parcel and the May Parcel as a mixed use development (collectively, the "Development") consisting of certain improvements (including a below-grade parking structure and other improvements), the development of retail buildings (the "Retail Component"), a residential building (the "Residential Component"), and an office building (the "Office Component") to be located within the Project Developer Parcel, and a new department store to be located on the May Parcel (the "New May Store"). The Development, commonly known as Wisconsin Place, is located in Chevy Chase, County of Montgomery (the "County"), State of Maryland (the "State"), the initial boundaries of which Development are delineated on Exhibit "A".

C. The Development is being constructed as an Optional Method Development project and will provide a community center as its major public amenity substantially in accordance with the Friendship Heights Central Business District Sector Plan, approved and adopted in 1998 (the "Sector Plan"). The Sector Plan contains certain guidelines with regard to the community center relating to such matters as sizing, public accessibility, programming and maintenance.

D. The Landlord filed Project Plan Application Number 9-99001 B (the "Project Plan") and Site Plan Application No.82001010 A (the "Site Plan") for the

development of the Development that included conceptual plans for the community center and textual material and descriptions (as amended from time to time, collectively, the "Conceptual Community Center Plans"). The Montgomery County Planning Board's Resolution, adopted on April 10, 2003 (date of mailing July 22, 2003) approved the Project Plan Application ("Project Plan Approval") and Site Plan Application ("Site Plan Approval") as being in accord with the Sector Plan and included certain conditions with regard to the Development's community center (the "Community Center"). Amendments to the site plan (known as 82001010 B and C and E) have been approved for the Development; however, such amendments do not materially affect the Community Center for purposes of this Lease.

E. It is the intention of the Landlord and Tenant to enter into this lease for the Community Center in satisfaction of the guidelines of the Sector Plan and the conditions of the Project Plan Approval and the Site Plan Approval. It is the further intention of the parties hereto that the Community Center will be operated by the Montgomery County Department of Recreation, the governmental agency directly responsible for recreational opportunities for Montgomery County residents (the "Recreation Department").

NOW, THEREFORE, in consideration of the mutual promises of the parties and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties covenant and agree as follows:

ARTICLE I.
Basic Data

Section 1.1. The following sets forth basic data hereinafter referred to in this lease, and, where appropriate, constitute definitions of the terms hereinafter listed.

- (a) The Tenant: MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION
- (b) Present Mailing Address of the Tenant: 9500 Brunett Avenue, Attn: Property Management, Silver Spring, MD 20910-3760
- (c) Lease Term: Commencing on the Commencement Date (as that term is defined in Article V) and expiring on August 2, 2103 (the "Expiration Date")
- (d) Commencement Date: The date as is determined pursuant to Article V hereof.
- (e) Minimum Rent Payment: At the rate of \$1.00 per annum.
- (f) Use: As a community center providing athletic events; exercise facilities and classes; theatrical, musical and other performance

events; art shows, temporary community fairs and events (including sale as well as display of items); meetings, classes, lectures, gatherings and other neighborhood functions or events; incidental sales of food, drinks and items related to events at the demised premises; and such other uses that are from time to time usual and customary for a community center.

ARTICLE II. Premises

Section 2.1. The Landlord hereby leases to the Tenant and the Tenant hereby leases from the Landlord, upon and subject to the terms and provisions of this lease, the premises (hereinafter referred to as the "demised premises") containing approximately 21,500 gross square feet located in the building outlined in cross-hatching on the plan attached hereto as Exhibit A-1 (hereinafter referred to as the "Building"). Excepting and reserving to the Landlord the roof and exterior walls of the Building of which the demised premises are a part; and further reserving to the Landlord the right to place or cause to be placed in the demised premises (in such manner as to reduce to a minimum the interference with the Tenant's use of the demised premises) utility lines, pipes, egress stairs and the like, to serve premises other than the demised premises, and to replace and maintain and repair such utility lines, pipes, egress stairs and the like in, over and upon the demised premises as may have been installed or caused to be installed by the Landlord in said Building.

Together with the following rights and privileges:

(1) The non-exclusive right to use a loading dock (to be located in the service area serving the Development and shown on Exhibit C as the "Service Court") designated by the Landlord from time to time and during the hours designated by Landlord from time to time.

(2) The right to have two parking spaces located on the B-1 level of the Common Parking Facilities and outlined in cross-hatching on the plan attached as Exhibit C (the "Parking Plan") signed as "Reserved for Community Center Staff." "Common Parking Facilities" means all of the improvements constituting the four level underground parking structure servicing the Development.

Further, together with the right to use, in common with all others from time to time entitled to use the same (that is, those to whom the Landlord may from time to time grant such rights, including, without limitation, Bloomingdale's, the Retail Component owner, the Residential Component owner, the Office Component owner and their respective tenants, invitees and licensees), the so-called "Common Areas" of the Development, meaning and intending thereby those portions of the Development which

are not included as part of a building and which, when completed, are intended for the general nonexclusive use, convenience and benefit of the owners and occupants of the Development. Common Areas include, but are not limited to: (i) parking areas, the Service Court, garages, structures and facilities comprising the Common Parking Facilities, driveways, truckways, delivery passages, access and egress entrances and roads, walkways, stairways, traffic and directional signs and traffic striping and markings and bus stops; (ii) the canopied or uncovered areas of walkways, sidewalks, public seating areas (excluding outdoor sitting areas for restaurants), drop off and pick up vehicular access ways and open spaces open to the public within the Development (except for areas thereof occupied by movable vendor carts and/or kiosks), public rest rooms, if any (excluding public restrooms operated and maintained by Bloomingdale's, the Retail Component owner, the Residential Component owner or the Office Component owner), central electrical service panel and related circuitry serving Common Areas, landscaped and planting areas on the Development, art works not located within any building; (iii) detention facilities and basins; (iv) all storm and ground water drainage facilities, sanitary sewer and grease waste systems, natural gas systems, water systems, fire alarm and fire protection installations, normal and emergency electrical power and lighting systems, telephone systems, security systems and cable television systems situated on or serving the Development and installed for the common benefit of, or for common use by the Landlord and other occupants of the Development, or installed to supply utility service to the Common Area; (v) pole and pylon signs; (vi) the parks shown on the Site Plan as the "Major Park" and "Minor Park"; and (viii) stairways, canopies and escalators to the Metro station located on the Project Developer Parcel, to the extent that the Landlord now or hereafter has the obligation to operate, maintain, repair and replace such improvements.

Although all of the foregoing are included as premises or rights hereby demised, for purposes of convenience the term demised premises will hereinafter refer solely to the Building, unless otherwise specifically provided in this lease.

Certain details of the construction of the Development, if approved, may change, including the area, height and number of levels above or below grade, but, subject to other provisions of this lease, the position of the Building shall be substantially as shown on Exhibit "A". Nothing in Exhibit "A" shall be treated as a representation that any or all of the buildings for which provision is made thereon shall be constructed, or that such buildings will be located, precisely within the areas shown on Exhibit "A", or that such buildings will be of the dimensions or shapes shown, it being the intention of Exhibit "A" only generally to show diagrammatically, rather than precisely, the possible development of the Development as presently contemplated.

ARTICLE III.
Term of Lease

Section 3.1. TO HAVE AND TO HOLD the demised premises unto the Tenant for the term specified in Section 1.1(c) hereof unless sooner terminated as provided herein.

Section 3.2. The term hereof shall commence on the Commencement Date (as defined in Article V hereof). The parties hereto agree, upon demand of the other, to execute a supplemental instrument expressing the Commencement Date of the term hereof when the Commencement Date has been determined. The failure of the parties to execute said statement shall not affect the validity of this lease, nor shall it affect the Commencement Date.

Section 3.3. The Tenant, prior to the Commencement Date, shall be permitted to install fixtures and other equipment, and do other work, provided, however, that such activities of the Tenant shall not interfere with construction work of the Landlord or the conduct of business or construction work of other tenants or occupants in the Development.

Section 3.4. Subject to Article V, the demised premises shall be deemed to be ready for occupancy by the Tenant on the date there is sent to the Tenant a certificate by the Landlord or the Landlord's architect or the Landlord's Representative to the effect that the Landlord has substantially completed all of the Landlord's Work described in Exhibit "B", hereto annexed and made a part hereof, with respect to the demised premises, which certificate shall be binding and conclusive upon the Tenant.

Section 3.5. Promptly after the demised premises are deemed ready for the Tenant's occupancy, the Tenant shall perform at its own cost and expense all of the Tenant's work set forth in Exhibit "B", hereto annexed and made a part hereof, shall equip the demised premises with new trade fixtures and all personal property necessary or proper for the operation of the Tenant's business, and shall open for business as soon thereafter as possible.

Section 3.6. Landlord reserves the right to terminate this lease at any time if the Development, as approved pursuant to the Project Plan Approval and the Site Plan Approval, is not then existing or if the Community Center is no longer a requirement of superseding approvals for development of the Project Developer Parcel. Landlord shall effect such termination by giving written notice thereof to the Tenant, which notice shall be effective thirty (30) days after the giving of notice to Tenant.

Section 3.7. Tenant reserves the right, at any time, to terminate this lease if Tenant determines that Tenant's interests are no longer served or enhanced by this Lease by giving written notice thereof to the Landlord, which notice shall be effective thirty (30) days after the giving of notice to Landlord, provided, however, that Tenant, if requested

by Landlord, shall use its best efforts to secure a substitute party for Tenant under this Lease, which substitute party shall be subject to Landlord's approval. In the event that Tenant is unable, despite Tenant's best efforts to find a substitute tenant within one year after the effective date of termination of this Lease, then Landlord shall be free to use the demised premises for any lawful use, and to the extent that the use is not then allowed pursuant to the zoning then in force and effect, the Tenant shall cooperate with Landlord to effect any necessary zoning change to allow such new use for the demised premises.

Section 3.8. No termination of this lease by Landlord or Tenant pursuant to the provisions of this Article III or pursuant to any other provision of this lease shall cause the Development or any portion thereof to be non-conforming or unlawful under any applicable zoning law or any other rule, regulation, statute or ordinance of the County or State nor shall void any Site Plan Approval, Project Plan Approval or Preliminary Plan of Subdivision Approval.

ARTICLE IV. Additional Rent

The Tenant covenants and agrees to pay without notice, demand or offset to the Landlord, at the Landlord's managing agent's office in Newton, Massachusetts, or at such place as the Landlord shall from time to time designate in writing, additional rent as required by the terms of this Lease. For and with respect to each installment of additional rent that is not paid when due, the Tenant shall pay to the Landlord on demand, a late charge in an amount equal to five percent (5%) of the amount of the overdue payment for the purpose of defraying Landlord's administrative expenses relative to handling such overdue payment.

ARTICLE V. Construction

Section 5.1. The Landlord agrees to construct, at the Landlord's sole cost and expense, on the site of the Development, the Building shell and fixtures as described in the summary of Landlord's Work set forth in that part of Exhibit "B" entitled "Description of the Landlord's Work" ("Landlord's Work") which Landlord's Work is as envisioned by the Site Plan Approval. Said Exhibit "B" is hereby incorporated herein by reference and made a part hereof with the same force and effect as if the same were set out herein. Subject to Section 5.2 below, the Landlord agrees that Landlord's Work shall be substantially completed by not later than the issuance of a final certificate of occupancy for the Residential Component as contemplated by the Site Plan Approval. Landlord's obligation to construct Landlord's Work within the timeframe set forth above is subject to delays caused by governmental restrictions, strikes, lockouts, shortages of material or labor, acts of God, enemy action, civil commotion, fire or unavoidable casualty, or any other causes beyond the reasonable control of the Landlord, in which event the aforesaid period shall be extended for such period as the Landlord is so prevented from completing such construction.

Section 5.2. The demised premises shall be treated as delivered hereunder and the Commencement Date shall be deemed to have occurred upon the earlier to occur of (i) the date (the "Delivery Date") on which Arrowstreet Inc. or another recognized architectural or engineering firm chosen by Landlord ("Landlord's Architect") shall give Tenant notice that Landlord has substantially completed Landlord's Work (hereinafter defined); and (ii) the date on which Tenant takes possession of the demised premises for purposes of conducting its business therein. Notwithstanding the foregoing, however, the Commencement Date shall be deemed to have occurred prior to (i) or (ii) above in the event Landlord's Architect reasonably determines that the date of the completion of Landlord's Work is delayed by reason of any of the following ("Tenant Caused Delays"): (a) Tenant's failure to timely approve Landlord's Plans and Specifications, as hereinafter described, or (b) Tenant performing Tenant's Work in a manner that interferes with the progress of Landlord's Work. The Commencement Date shall be the date on which, as reasonably determined by Landlord's Architect, Landlord's Work would have been substantially completed but for the Tenant Caused Delay. The terms "substantially completed" and "substantial completion", as used in this Article V, shall mean that point in the construction of the Landlord's Work when the same has been completed in the reasonable determination of Landlord's Architect to a degree that (A) either (i) a Certificate of Occupancy, temporary or permanent, has been issued by or (ii) upon completion of Tenant's Work (hereinafter defined), a Certificate of Occupancy, temporary or permanent, will be issued by the Montgomery County Department of Permitting Services, it being Landlord's obligation to obtain such Certificate and (B) the only items within Landlord's Work that remain to be done are (i) those furniture, fixtures and equipment items identified on Exhibit B as "Landlord's FF&E Obligations" plus (ii) those items of a nature and scope the completion of which will not unreasonably interfere with the use and occupancy of the demised premises by Tenant or the completion of Tenant's Work by Tenant ("Punch List Items"). Landlord agrees to proceed with due diligence to complete any portion of Landlord's Work that shall not have been completed as of the date of substantial completion of the foregoing within the following timeframes: (i) not later than three (3) months following the date of the issuance of the final Certificate of Occupancy for the Residential Building for Landlord's FF&E Obligations, and (ii) not later than sixty (60) days after substantial completion of Landlord's Work for Punch List Items. With respect to Landlord's FF&E Obligations, Landlord shall post a bond (or provide other security in form and substance reasonably acceptable to the Tenant) in the full amount of the costs to purchase the items of Landlord's FF&E Obligations prior to the issuance of the Certificate of Occupancy for the Residential Building.

Section 5.3. Landlord agrees to use good faith efforts to keep Tenant informed throughout the construction process as to the anticipated date for delivery of possession of the demised premises. Landlord shall send Tenant not less than thirty (30) days' advance written notice advising Tenant of the date on which Landlord reasonably expects to deliver possession of the demised premises.

Section 5.4. Landlord shall prepare plans and specifications (“Landlord’s Plans and Specifications”) for Landlord’s Work at Landlord’s sole cost and expense. Landlord agrees to deliver to Tenant design development drawings for review, however, Tenant shall only have approval rights with respect to material elements of the design development drawings that are inconsistent with the Conceptual Community Center Plans and the summary of Landlord’s Work. Tenant shall not unreasonably withhold or delay its approval of such inconsistencies. Tenant shall respond with its approval or with its comments to any initial submittal within fifteen (15) days of receipt of the same and to any revised submittal within five (5) days of its receipt of the same. Any submittal to Tenant which is not responded to by Tenant in writing within fifteen (15) days, or five (5) days, as applicable, by approval or disapproval with specific reasons therefor, shall be deemed approved, provided that the submittal contains a statement in a prominent location and in bold type to the following effect: “If you do not respond to this submittal in writing within fifteen (15) days [or five (5) days, as applicable], this submittal shall be deemed approved.” Landlord has prepared and provided to Tenant as part of the Project Plan and the Site Plan Application, and Tenant has approved, Conceptual Community Center Plans for Landlord’s Work. A list of the Conceptual Community Center Plans is set forth in Exhibit B attached hereto and made a part hereof. Once Landlord’s Plans and Specifications have been completed by Landlord, the same shall be deemed to supplement the summary of Landlord’s Work and the Conceptual Community Center Plans as contained in Exhibit B.

Section 5.5. Landlord and Tenant hereby agree that with respect to communications and submittals required to be sent to Tenant in connection with Landlord’s Work, Landlord shall make such submittals and communications to a construction project manager appointed by Tenant (the “Tenant Project Manager”) and the Tenant Project Manager shall be responsible for providing Landlord with any approvals with respect to Landlord’s Work provided for in this lease, which approvals or deemed approvals, as the case may be, shall be binding upon Tenant. All approvals required under this lease shall be in writing or shall be confirmed in writing. Landlord and Tenant hereby acknowledge that Tenant has appointed Parvis Izadjoo or designee, M-NCPPC, Parkside Headquarters, 9500 Burnett Avenue, Silver Spring, MD 20901 to serve as the Tenant Project Manager until such time as Tenant notifies Landlord in writing of the designation of a new Tenant Project Manager.

Section 5.6. Landlord shall complete Landlord’s Work in a first-class manner using new, first quality materials and good, first quality workmanship, in compliance with all applicable federal, state and local laws, ordinances and regulations of governmental authorities and insurers, including, without limitation, the Americans With Disabilities Act and substantially in accordance with the plans and specifications described herein. Landlord shall make application for the building permit for the Building.

Section 5.7. Tenant shall be responsible for all work (“Tenant’s Work”) required to make the Building ready for occupancy by the Tenant, including the installation of

furnishings, fixtures and equipment, beyond the work set forth above as Landlord's Work. Tenant's Work shall specifically include, without limitation, those items set forth in Exhibit B as "Tenant's Responsibilities." Tenant's Work shall be performed in accordance with plans and specifications delivered to Landlord no less than thirty (30) days prior to the commencement of such Work. Landlord shall respond with its approval or with its comments to any initial submittal within fifteen (15) days of receipt of the same and to any revised submittal within five (5) days of its receipt of the same. Any submittal to Landlord which is not responded to by Landlord in writing within fifteen (15) days [or five (5) days, as applicable], by approval or disapproval with specific reasons therefor, shall be deemed approved, provided that the submittal contains a statement in a prominent location and in bold type to the following effect: "If you do not respond to this submittal in writing within fifteen (15) days [or five (5) days as applicable], this submittal shall be deemed approved."

Section 5.8. The Tenant shall not commence the Tenant's Work until the Tenant has secured the Landlord's written approval of all contractors to be used in performing the Tenant's Work which approval shall not be unreasonably withheld or delayed. Landlord shall permit Tenant access at Tenant's sole risk for purposes of installing cabling, equipment and furnishings in the demised premises prior to Tenant's taking possession of the demised premises if it can be done without unreasonable or substantial interference with Landlord's Work in the demised premises and in harmony with Landlord's contractors and subcontractors, including, without limitation, in accordance with any labor agreements to which Landlord's contractors or subcontractors may be parties. Tenant shall present Landlord with a schedule for the installation of those items of Tenant's Work which must be installed prior to the Commencement Date to avoid removal of or result in partial damage to elements of Landlord's Work (such items are referred to herein as "Pre-Finish Items") and Landlord shall have the right to approve such schedule, such approval not to be unreasonably withheld or delayed provided that such schedule will not cause unreasonable or substantial interference with Landlord's Work. Such schedule for the installation of the Pre-Finish Items shall be amended from time to time to account for the actual progress of construction of Landlord's Work. Landlord shall not be obligated to delay or alter its own construction schedule due to any Pre-Finish Items nor shall Landlord be liable for any failure to maintain Landlord's schedule for Landlord's Work or for Tenant's failure to maintain any schedule for the Pre-Finish Items. Whether conducted prior to the Commencement Date if permitted hereunder or after the Commencement Date, the Tenant's Work shall be coordinated with the work being done by the Landlord in order that such work will not interfere with or delay the completion of work by the Landlord. The performance of the Tenant's Work shall cause no interference whatsoever with the completion of the Landlord's Work.

ARTICLE VI.

Taxes

Section 6.1. The Tenant shall pay all taxes which may be lawfully charged, assessed, or imposed upon all fixtures and equipment of every type and also upon all

personal property in the demised premises, and the Tenant shall pay all license fees and other charges which may lawfully be imposed upon the business of the Tenant conducted upon the demised premises.

ARTICLE VII.

Maintenance of Common Areas

The Landlord shall cause all existing parking facilities, including the Common Parking Facilities, in the Development, including lighting thereof, to be maintained in good repair and clean condition at all times during the term of this lease. With respect to the canopied or uncovered areas of walkways, sidewalks, drop off and pick up vehicular access ways and open spaces open to the public within the Development (and not part of the Residential Component, Office Component or Retail Component), the same shall be maintained (including lighting) by the Landlord in a reasonably neat and clean condition throughout the term of this lease, and accumulations of snow will be cleared from said areas and will be deposited or stockpiled in such locations as are reasonably feasible so as to permit adequate use of such open common areas. Landlord may at any time close temporarily the Common Areas (including, without limitation, the parking facilities and roadways) or any portion thereof to make repairs or changes to prevent the acquisition of public rights therein, or to discourage noncustomer parking, and may do such other acts in and to the common areas as in its judgment may be desirable to improve the convenience thereof.

The Landlord agrees that the Tenant may during the term hereof, with others, have the non-exclusive right to use the Common Parking Facilities for the accommodation and parking of such automobiles of the Tenant, its officers, agents and employees, and its customers while visiting the Development. In addition, as set forth in Section 2.1 of this lease, the Landlord agrees to sign two parking spaces located on the B-1 level of the parking facilities in the area shown on Exhibit C as reserved spaces for Tenant's use. Landlord reserves the right to directly charge at market rates individual users of the parking facilities of the Development (including, without limitation, the users of the two spaces reserved to Tenant's use) for their use of such facilities.

Anything in this lease to the contrary notwithstanding, it is expressly understood and agreed that the designation or use from time to time of portions of the Development as Common Areas shall not restrict the Landlord's use, as it determines, of such areas for buildings, structures for such purposes as the Landlord shall determine, including, without limitation, the expansion or remodeling of the Development, the Landlord hereby reserving the unrestricted right to build, add to, subtract from, lease, license, relocate and/or otherwise use (temporarily and/or permanently) any buildings, kiosks, other structures, parking areas, roadways or other areas or facilities anywhere upon the Development for such purposes as the Landlord shall determine and which shall be allowed by applicable law.

ARTICLE VIII.

Utilities

Commencing with the Commencement Date, Tenant shall pay for all utilities serving the demised premises, including, but not limited to, gas, oil, water, electricity, sewer charges and the like; and Landlord shall not be responsible for the payment of any of said charges. In the event any such utility charges cannot be separately charged to the demised premises, Tenant shall pay its reasonable allocable share thereof as determined by Landlord.

ARTICLE IX.

Use of Premises

Section 9.1. It is understood, and the Tenant so agrees, that the demised premises during the term of this lease shall be used and occupied by the Tenant only for the purposes specified as the use thereof in Section 1.1(f) of this lease, and for no other purpose or purposes.

Section 9.2. The Tenant further agrees to conform to all of the following provisions during the entire term of this lease:

- (a) The Tenant shall not use any area outside of the demised premises, including, without limitation, the outdoor malls or sidewalks adjacent to the demised premises or the recessed vestibules, if any, of the demised premises for community center purposes (including, without limitation, the distribution of handbills or advertising of any type) without, in each instance, the prior approval of the Landlord and in compliance with the Landlord's rules and regulations.
- (b) The Tenant shall keep the windows of the demised premises clean.
- (c) The Tenant shall cause all freight (including furniture, fixtures and equipment used by Tenant in the occupancy of the demised premises) to be delivered to or removed from the demised premises only in the manner, at such times, and in such areas, as may be designated by the Landlord. All trash, refuse, and the like, shall be removed from the demised premises and disposed of in a manner and at such times as designated by the Landlord from time to time (the Landlord to establish a common wet and dry facilities area in the Service Court). Until so removed, all trash, refuse and the like shall be kept in covered trash receptacles, which trash receptacles shall be kept within the demised premises at all times, and in no event stored outside of the same. All trash, refuse and the like shall be separated and otherwise disposed of as required by applicable law. If provision is made by the Landlord for trash removal by a contractor, the Tenant agrees to use said contractor for its trash removal and to pay when

due all charges at the rates established therefor from time to time. If the Tenant fails so to pay for trash removal, the Landlord shall have the same remedies (even if such payment is due to such contractor and not to the Landlord) as the Landlord has for nonpayment of rent hereunder.

- (d) The Tenant shall not place on the exterior of the demised premises or elsewhere (including, but without limitation, windows, doors, and entrance lobbies) any signs other than those signs (including the design, number and location of such signs and any replacements thereof) which shall first have been approved by the Landlord and (to the extent required by applicable law) by the Montgomery County Sign Review Board ("Sign Review Board"). The signs desired by the Tenant shall be indicated in the Tenant's plans and specifications to be submitted to the Landlord for approval; all interior signs must be professionally prepared and shall be limited in number as set forth in Section 17.25 hereof. The Tenant shall be responsible for installing all signage and or obtaining all governmental approvals and permits for Tenant's signage (except that Tenant shall not be responsible for obtaining governmental approvals and permits for any Tenant's signage that was approved by the Sign Review Board as part of a package of Development signage submitted by the Landlord).
- (e) The Tenant shall not perform any act or carry on any practice which may injure the demised premises or any other part of the Development, or cause any offensive odor or vibes or loud noise (including, but without limitation, the use of loudspeakers or explosives or fireworks), or constitute a nuisance or menace to any other occupant or other persons in the Development, and in no event shall any noises, vibes or odors be emitted from the demised premises.
- (f) Tenant shall abide by such reasonable rules and regulations as Landlord shall from time to time adopt to govern the Common Areas of the Development, including, without limitation, the Common Parking Facilities. Tenant shall conduct its operations in a manner that does not increase the customary and normal costs to Landlord of cleaning, operating, equipping, decorating, policing, lighting, repairing, replacing or maintaining the Common Areas ("CAM Costs"), which CAM Costs assume the use of the Premises for the first-class operation of the community center use set forth in 1.1(f) of this Lease. Tenant agrees that in the event operations are conducted in the Premises in such a manner so as to cause an increase in CAM Costs to Landlord, Tenant will promptly pay to the Landlord on demand any such increased costs, which shall be due and payable as additional rent hereunder, provided that Landlord provides in writing to Tenant Landlord's CAM Costs for such period and the additional costs incurred by Landlord for such period due to Tenant's

conduct of operations in the Premises not being in accordance with the operation of a first-class community center.

- (g) The Tenant and or its assignee or sublessee shall employ throughout the term of this lease a full staff in the demised premises in order properly to conduct business, including a qualified manager headquartered and working full-time at the demised premises to manage and control the operations of the demised premises. The Tenant shall furnish the Landlord's manager with the name, address and telephone number of such manager of the demised premises, so that the Landlord will, at all times, be able to contact the manager of the demised premises.
- (h) The Tenant shall not use, transport, handle, store, release or dispose of any oil, hazardous or toxic materials or hazardous or toxic wastes (collectively, "hazardous materials") in or about the Development. If the use, transportation, handling, storage, release or disposal of any hazardous materials anywhere on the Development in connection with the Tenant's occupancy of the demised premises results in (1) contamination of the soil or surface or ground water or (2) loss or damage to person(s) or property, then Tenant agrees to respond in accordance with the following paragraph:

Tenant agrees (i) to notify Landlord immediately of any contamination, claim of contamination, loss or damage, (ii) after consultation and approval by Landlord, to clean up the contamination in full compliance with all applicable statutes, regulations and standards, and (iii) to indemnify, defend and hold Landlord harmless from and against any claims, suits, causes of action, costs and fees, including attorneys' fees, arising from or connected with any such contamination, claim of contamination, loss or damage. This provision shall survive the termination of this lease. No consent or approval of Landlord shall in any way be construed as imposing upon Landlord any liability for the means, methods, or manner of removal, containment or other compliance with applicable law for and with respect to the foregoing.

Tenant shall immediately notify Landlord upon Tenant's receipt of any inquiry, notice, or threat to give notice by any governmental authority or any other third party with respect to any hazardous materials.

- (i) Tenant agrees that, within the demised premises, it shall be responsible for compliance with the Americans with Disabilities Act (42 U.S.C. § 12101 et. seq.) and the regulations and Accessibility Guidelines for Buildings and Facilities issued pursuant thereto.

- (j) Tenant acknowledges that, in all events, Tenant is responsible for providing security to the demised premises and its own personnel, and Tenant shall indemnify, defend with counsel reasonably acceptable to Landlord, and save Landlord harmless from any claim for injury to guest, invitee or agent of Tenant which is suffered or occurs in or about the demised premises by reason of the act of an intruder or any other person in or about the demised premises.
- (k) Tenant shall not place a load upon any floor in the demised premises exceeding the lesser of (a) the floor load per square foot of area that such floor was designed to carry, and (b) the floor load per square foot of area which is allowed by law. Landlord reserves the right to prescribe the weight and position of all machines and equipment, including scales and fitness equipment, which shall be placed so as to distribute the weight. Machines and equipment shall be placed and maintained by Tenant at Tenant's expense in settings sufficient, in Landlord's judgment, to absorb and prevent vibration, noise and annoyance. Tenant shall not move any safe, heavy machinery, heavy equipment, freight, bulky matter or fixtures into or out of the demised premises without Landlord's prior consent. Any such moving shall be at the sole risk and hazard of Tenant and Tenant will exonerate, indemnify and save Landlord harmless against and from any liability, loss, injury, claim or suit resulting directly or indirectly from such moving. Tenant shall schedule such moving at such times as Landlord shall require for the convenience of the normal operations of the Development.
- (l) Tenant shall not sell, distribute, display or offer for sale any item which, in Landlord's good faith judgment, is inconsistent with the quality of operation of the Development or may tend to injure or detract from the moral character or image of the Development within the community. Without limiting the generality of the foregoing, Tenant shall not sell, distribute, display or offer for sale any paraphernalia commonly used in the use or ingestion of illicit drugs, or any X-rated, pornographic, lewd, or so-called "adult" newspaper, book, magazine, film, picture, video tape, video disk or other representation or merchandise of any kind.

Section 9.3. Notwithstanding any other provisions of this lease, the Tenant covenants and agrees that it will not assign this lease or sublet (which term, without limitation, shall include the granting of concessions, licenses, and the like) the whole or any part of the demised premises without in each instance having first received the express written consent of the Landlord. It is acknowledged and agreed by the Landlord and the Tenant that the Tenant intends to sublease the demised premises to a community center operating company and it is further acknowledged and agreed that an initial sublease by the Tenant to the Recreation Department is contemplated. The Tenant agrees to submit the form of the sublease with the Recreation Department to the Landlord for

Landlord's prior written approval (and, upon such approval, the approved form of sublease will be attached hereto as Exhibit "D" (the "Operation Agreement")). Any sublease of the demised premises other than the Operation Agreement with the Recreation Department shall be subject to the prior written approval of the Landlord, which approval shall not be unreasonably withheld if the form sublease used is substantially the same as the Operation Agreement and if the proposed operator shall have an established professional reputation for quality, management proficiency and financial stability in the operation of recreational establishments.

If the Tenant seeks the Landlord's consent pursuant to this Section 9.3, then simultaneously with such consent request, the Tenant shall furnish the Landlord with detailed information regarding the prospective assignee or sublessee, including without limitation information regarding financial ability and business experience relating to the uses permitted hereunder. In addition, the Tenant shall provide such additional information as shall be required by the Landlord, promptly upon the Landlord's request therefor. Unless otherwise set forth herein, the Landlord may in its sole discretion withhold its consent to any proposed assignment or subletting. In any case where the Landlord shall consent to such assignment or subletting, the Tenant named herein shall remain fully liable for the obligations of the Tenant hereunder, including, without limitation, the obligation to pay the rent and other amounts provided under this lease. The provisions of this Section 9.3 shall not, however, be applicable to an assignment of this lease by the Tenant to its wholly owned subsidiary or immediate controlling corporation (for such period of time as such corporation remains such a subsidiary or such a controlling corporation, respectively, it being agreed that the subsequent sale or transfer of stock resulting in a change in voting control, or any other transaction(s) having the overall effect that such corporation ceases to be such a subsidiary or such a controlling corporation, respectively, of the Tenant, shall be treated as if such sale or transfer or transaction(s) were, for all purposes, an assignment of this lease governed by the provisions of this Section 9.3), provided (and it shall be a condition of the validity of any such assignment) that such wholly owned subsidiary or such immediate controlling corporation first agree directly with the Landlord to be bound by all of the obligations of the Tenant hereunder, including, without limitation, the obligation to pay the rent and other amounts provided for under this lease, the covenant to use the demised premises only for the purposes specifically permitted under this lease and the covenant against further assignment; but such assignment shall not relieve the Tenant herein named of any of its obligations hereunder, and the Tenant shall remain fully liable therefor.

For the purposes of this lease, the entering into of any management agreement or any agreement in the nature thereof transferring control or any substantial percentage of the profits and losses from the business operations of the Tenant in the demised premises to a person or entity other than the Tenant, or otherwise having substantially the same effect, shall be treated for all purposes as an assignment of this lease and shall be governed by the provisions of this Section 9.3. In addition, for the purposes of this lease, the sale or transfer (which term shall include, without limitation, the exchange, issuance and redemption) of twenty-five percent (25%) or more, or such smaller percentage as

would result in a change in the voting control, of the voting stock of the Tenant (if the Tenant is a corporation), the voting stock of any corporate guarantor of the Tenant, if any, or the voting stock of any immediate or remote controlling corporation of the Tenant (whether such sale or transfer occurs at one time or at intervals so that, in the aggregate, over the term of this lease, such transfer shall have occurred), or any other transaction(s) overall having the effect of a change in voting control or substantially the same effect if the entity in question is not a corporation (such as, without limitation, a change in the number or the identity of partners of a partnership or of beneficiaries of a trust), shall be treated as if such sale or transfer or transaction(s) were, for all purposes, an assignment of this lease and shall be governed by the provisions of this Section 9.3.

In the event the Tenant proposes to assign this lease (which term shall include the entering into of any management or similar control transferring agreement, and also shall include the sale or transfer of stock or a change in control, as aforesaid) or to sublet the whole or any part of the demised premises (other than as expressly hereinabove permitted to its wholly owned subsidiary or its immediate controlling corporation or with the Landlord's prior written consent), in addition to and without limiting any of the Landlord's rights and remedies on account of any resulting default hereunder by the Tenant, the Landlord shall have the right, without regard to whether the Landlord's withholding its consent to such assignment or subletting would be construed to be unreasonable, to terminate this lease by giving the Tenant notice of the Landlord's desire so to do, in which event this lease shall terminate on the date specified by the Landlord in such notice all as if such date were the date specified in Section 1.1(d) hereof as the Expiration Date.

ARTICLE X.

Maintenance of Building, Etc.

Section 10.1. The Landlord agrees to keep in good order, condition, and repair the roof, foundations, fire protection alarm system and sprinkler system (other than portions of the fire protection alarm system and sprinkler system located within the demised premises) and structural portions of the demised premises to the extent, but only to the extent, originally constructed by the Landlord (except glass and glass windows and doors and the so-called interior and exterior store front, irrespective of which party installed the same), except for any damage thereto caused by any act or negligence of the Tenant, its employees, agents, licensees, or contractors. The Landlord shall not be responsible to make any other improvements or repairs of any kind upon the demised premises, except as provided in Articles XIV and XV hereof.

Section 10.2. Except as specifically herein otherwise provided, the Tenant agrees that from and after the date that possession of the demised premises is delivered to the Tenant, and continuously thereafter until the end of the term hereof, it will keep neat and clean and maintain in good order, condition and repair, the demised premises and every part thereof, including, without limitation, the interior and exterior store front and the exterior and interior portions of all doors, windows, plate glass and showcases

surrounding the demised premises, all plumbing and sewage facilities within the demised premises, fixtures and interior walls, floors, ceilings, signs (including exterior signs where permitted), and all wiring, electrical systems, interior building appliances, HVAC systems and equipment, and similar equipment, excluding the portions of the fire protection system and sprinkler system located outside of the demised premises. With respect to the HVAC system and equipment, the Tenant specifically agrees to maintain the HVAC system and equipment at all times with the Tenant's trained staff and/or the usual service contract with respect thereto (furnishing evidence of such contracts (including renewals) to the Landlord). The HVAC warranty will become the property of the Tenant. The Tenant shall, at the Tenant's expense, repaint and refurbish the demised premises and any part and portion thereof from time to time to assure that the same are kept in a first-class, tenantable, and attractive condition throughout the term of this lease. There is excepted from this paragraph, however, such damage as the Landlord is required to repair pursuant to Article XIV hereof. The Tenant further agrees that the demised premises and all areas and facilities thereof shall be kept in a clean, sanitary and safe condition in accordance and shall in all respects comply with the laws of The United States of America and the State and by-laws of the County, and in accordance with all directions, rules, and regulations of the Health Officer, Fire Marshal, Building Inspector, and other proper officers of the governmental agencies having jurisdiction thereover. The Tenant shall not permit or commit any waste.

Section 10.3. The Tenant shall not make any alterations, improvements and/or additions to the demised premises (except as initially required by the terms of Article III of this lease) without first obtaining, in each instance, the written consent of the Landlord and in any event any such alterations by the Tenant shall be made in accordance with all applicable laws and in a good and first-class, workmanlike manner and in accordance with this lease including the provisions of Exhibit "B". Any and all alterations, additions, improvements, and fixtures which may be made or installed by either the Landlord or the Tenant upon the demised premises shall remain upon the demised premises, and at the termination of this lease shall be surrendered with the demised premises as a part thereof without disturbance, molestation or injury. Notwithstanding anything in this Section 10.3 to the contrary, Tenant, if Tenant is not in default under this Lease beyond applicable notice and cure periods, shall have the right to remove, at Tenant's sole expense, prior to the expiration of the Lease Term, all movable furniture, furnishings, trade fixtures and equipment installed in the demised premises by Tenant (or Tenant's permitted assignee or sublessee). All damages and injury to the demised premises or the Building caused by the removal of any of the foregoing by Tenant (or Tenant's permitted assignee or sublessee) shall be repaired by Tenant, at Tenant's sole expense. If such property of Tenant is not removed by Tenant (or Tenant's permitted assignee or sublessee) prior to the expiration or termination of this lease, the same shall become the property of Landlord and shall be surrendered with the demised premises as a part thereof.

Section 10.4. Pursuant to Section 10.2 of this Lease, the Tenant is responsible for all equipment replacement within the Community Center. If the Tenant terminates the

lease, the Tenant will pay a prorated share of the capital replacement based on the lifecycle replacement date of the equipment as of the date of termination.

ARTICLE XI.

Indemnity and Commercial/General Liability Insurance

Section 11.1. The Tenant agrees to indemnify, defend with counsel reasonably acceptable to Landlord and save harmless the Landlord, the Landlord's managing agent, Bloomingdale's, Wisconsin Place Retail LLC, Wisconsin Place Office LLC, Wisconsin Place Residential LLC, any holder of a first mortgage on all or any portion of the Development and any other entities included as additional insureds on Tenant's commercial general liability policies, from and against all claims of whatever nature arising from any act, omission or negligence of the Tenant, or the Tenant's contractors, licensees, agents, servants, or employees, or arising from any accident, injury, or damage whatsoever caused to any person, or to the property of any person, or from any violation of applicable law including, without limitation, any law, regulation, or ordinance concerning trash, hazardous materials, or other pollutant occurring from the commencement of construction work by Tenant and until the end of the term hereof and thereafter so long as Tenant is in occupancy of any part of the demised premises, in or about the Tenant's demised premises, or arising from any accident, injury or damage occurring outside of the demised premises but within the Development, where such accident, damage or injury results or is claimed to have resulted from an act or omission on the part of the Tenant or the Tenant's agents or employees. This indemnity and hold harmless agreement shall include indemnity against all costs, expenses and liabilities incurred in or in connection with any such claim or proceeding brought thereon, and the defense thereof.

Section 11.2. In addition to the insurance required to be maintained by the Tenant pursuant to Exhibit "B", the Tenant agrees to maintain in full force during the term hereof a policy of commercial general liability insurance (or the then successor equivalent from time to time), without any so-called employee exclusion or the like; or otherwise in the broadest and most comprehensive form then generally available from time to time, under which the Landlord, the Landlord's managing agent, Bloomingdale's, Wisconsin Place Retail LLC, Wisconsin Place Office LLC, Wisconsin Place Residential LLC, any holder of a first mortgage on all or any portion of the Development (and such other entities as are reasonably designated by Landlord as may be set out in notice from time to time) are named additional insureds on a primary basis and the Tenant is named primary insured, and under which the insurer agrees to indemnify and hold the Landlord, the Landlord's managing agent, Bloomingdale's, Wisconsin Place Retail LLC, Wisconsin Place Office LLC, Wisconsin Place Residential LLC, any holder of a first mortgage on all or any portion of the Development and such other entities as are reasonably designated by Landlord harmless from and against all cost, expense and/or liability arising out of or based upon any and all claims, accidents, injuries, and damages mentioned in Section 11.1 of this Article XI. Each such policy shall be written by a reputable and financially

sound, duly licensed and admitted insurance company with an A+ financial rating and non-cancellable with respect to the Landlord and the Landlord's said designees without thirty (30) days' prior written notice to the Landlord, and a duplicate original or certificate thereof shall be delivered to the Landlord. The minimum limits of liability of such insurance shall be \$5,000,000 combined single limit per occurrence for liability and property damage and written on an occurrence form; or such higher limits as the Landlord may from time to time request, provided such higher limits are then customarily carried on first-class mixed-use developments in the Washington, DC CSA (as defined in the REA).

Section 11.3. The Tenant agrees to use and occupy the demised premises and to use such other portions of the Development as it is herein given the right to use at its own risk; and that the Landlord shall have no responsibility or liability for any loss of or damage to the Tenant's leasehold improvements or to fixtures or other personal property of the Tenant or those claiming by, through or under the Tenant. The provisions of this Section shall apply during the whole of the term hereof, and in view of the permission given to the Tenant to install fixtures and do certain work prior to the Commencement Date, shall also apply at all times prior to the Commencement Date.

Section 11.4. The Tenant agrees that the Landlord shall not be responsible or liable to the Tenant, or to those claiming by, through or under the Tenant, for any loss or damage that may be occasioned by or through the acts or omissions of persons occupying adjoining premises or any part of the premises adjacent to or connecting with the demised premises or any of the buildings on the Development, or otherwise, or for any loss or damage resulting to the Tenant or those claiming by, through or under the Tenant, or its or their property, from the bursting, stopping or leaking of water, gas, sprinkler, sewer or steam pipes.

ARTICLE XII.

Landlord's Access to Premises

Section 12.1. The Landlord and his designees shall have the right to enter upon the demised premises at all reasonable hours for the purpose of inspecting or making repairs to the same or exhibiting the same to prospective purchasers and lenders. If repairs are required to be made by the Tenant pursuant to the terms hereof or if the Tenant is required to perform any other obligation under this lease, the Landlord may demand that the Tenant make such repairs or perform such obligation forthwith, and if the Tenant refuses or neglects to commence such repairs or performance and complete the same with reasonable dispatch, after such demand, the Landlord may (but shall not be required so to) make or cause such repairs or performance to be done and shall not be responsible to the Tenant for any loss or damage that may accrue to its stock or business by reason thereof. If the Landlord makes or causes such repairs or performance to be done, or endeavors so to do, the Tenant agrees that it will forthwith, on demand, pay to the Landlord the cost thus incurred, and if the Tenant shall default in such payment, the Landlord shall have the

remedies provided in Article XVI hereof in addition to the right to withdraw fund from the Reserve Fund.

ARTICLE XIII.

Insurance

Section 13.1. The Landlord shall keep or cause to be kept the demised premises insured against loss or damage by fire, with All Risks of Physical Loss and such other insurance as from time to time the then holder of the first mortgage which includes the demised premises shall require or the Landlord otherwise shall deem advisable, in amounts not less than eighty percent (80%) of the full insurable value thereof above foundation walls or such greater amounts as the Landlord shall deem advisable, and with such deductibles as the Landlord shall deem advisable, but specifically excluding any property or improvements installed by or belonging to the Tenant.

Section 13.2. The Tenant also agrees that it shall continuously keep its fixtures, merchandise, equipment and other personal property from time to time located in, on or about the demised premises, and all leasehold improvements to the demised premises constructed or installed by the Tenant insured. Such insurance shall be maintained under commercial property insurance policy through a combination of commercial insurance and self insurance. Such insurance shall name the Landlord as additional insured as its interests may appear, and in the case of self insurance, Landlord will receive the same benefits as it would have if Tenant were fully insured. Prior to the Commencement Date, no less often than annually thereafter, and at any other time upon the request of the Landlord, the Tenant shall furnish to the Landlord evidence of such continuous insurance coverage satisfactory to the Landlord. It is understood and agreed that the Tenant assumes all risk of damage to its own property arising from any cause whatsoever, including, without limitation, loss by theft or otherwise.

Section 13.3. Insofar as and to the extent that the following provision may be effective without invalidating or making it impossible to secure insurance coverage obtainable from responsible insurance companies doing business in the State (even though extra premium may result therefrom): the Landlord and the Tenant mutually agree that with respect to any loss to their respective property which is covered by insurance then being carried by them, respectively, the one carrying such insurance and suffering said loss releases the other of and from any and all claims with respect to such loss; and they further mutually agree that their respective insurance companies shall have no right of subrogation against the other on account thereof.

Section 13.4. The Tenant covenants and agrees that it will not do or permit anything to be done in or upon the demised premises or bring in anything or keep anything therein, which shall increase the rate of insurance on the demised premises or on the other buildings located on Development above the standard rate on said premises and buildings with a community center located in the demised premises; and the Tenant further agrees that in the event it shall do any of the foregoing, it will promptly pay to the

Landlord on demand any such increase resulting therefrom, which shall be due and payable as additional rent hereunder.

ARTICLE XIV.
Damage Clause

Section 14.1. In case during the term hereof the demised premises shall be partially damaged (as distinguished from "substantially damaged", as that term is hereinafter defined) by fire or casualty, the Landlord shall forthwith proceed to repair such damage and restore the demised premises, or so much thereof as was originally constructed by the Landlord, to substantially their condition at the time of such damage, excluding, however, any Tenant improvements or other fixturing in the demised premises, but the Landlord shall not be responsible for any delay which may result from any cause beyond the Landlord's reasonable control.

Section 14.2. In case during the term hereof the demised premises shall be substantially damaged or destroyed by fire or casualty, the risk of which is covered by the Landlord's insurance, this lease shall, except as hereinafter provided, remain in full force and effect, and the Landlord shall promptly after such damage and the determination of the net amount of insurance proceeds available to the Landlord, expend so much as may be necessary of such net amount to restore, to the extent originally constructed by the Landlord (consistent, however, with zoning laws and building codes then in existence to the extent applicable to such reconstruction), so much of the demised premises as was originally constructed by the Landlord to substantially the condition in which such portion of the demised premises was in at the time of such damage, excluding, however, any Tenant improvements or other fixturing in the demised premises, except as hereinafter provided, but the Landlord shall not be responsible for delay which may result from any cause beyond the reasonable control of the Landlord. Should the net amount of insurance proceeds available to the Landlord be insufficient to cover the cost of restoring the demised premises, in the reasonable estimate of the Landlord, the Landlord may, but shall have no obligation to, supply the amount of such insufficiency and restore the demised premises with all reasonable diligence or the Landlord may terminate this lease by giving notice to the Tenant not later than a reasonable time after the Landlord has determined the estimated net amount of insurance proceeds available to the Landlord and the estimated cost of such restoration. In case of substantial damage or destruction, as a result of a risk which is not covered by the Landlord's insurance, the Landlord shall likewise be obligated to rebuild the demised premises, all as aforesaid, unless the Landlord, within a reasonable time after the occurrence of such event, gives written notice to the Tenant of the Landlord's election to terminate this lease. If the Landlord shall elect to terminate this lease, as aforesaid, this lease and the term hereof shall cease and come to an end as of the date of said damage or destruction. Notwithstanding the foregoing to the contrary, unless this lease is terminated as provided in Section 14.3 or 14.6, if Landlord elects to terminate the lease pursuant to this Section 14.2 due to a shortage or lack of insurance proceeds to effect the restoration of the demised premises, Tenant, by written notice to Landlord ("Tenant's Restoration Notice") given not later than

sixty (60) days after the date of Landlord's termination notice, may elect to nullify Landlord's termination notice by agreeing to provide immediately available funds to Landlord in the amount necessary, together with available insurance proceeds, if any, to effect the restoration of the demised premises. Landlord shall provide Tenant within thirty (30) days after receipt of Tenant's Restoration Notice with a written notice (the "Escrow Notice") containing Landlord's estimate of the funds ("Tenant's Restoration Funds") reasonably projected by Landlord to be necessary, in excess of the insurance proceeds available to Landlord, if any, to effect the restoration of the demised premises. Tenant shall place in escrow with the Landlord's mortgagee or such other escrow agent as shall be satisfactory to the parties (the "Escrow Agent") an amount equal to Tenant's Restoration Funds within fifteen (15) days after the date of Landlord's Escrow Notice, failing which, this lease shall terminate on the date that is fifteen (15) days after the date of Landlord's Escrow Notice. In the event that as the restoration work proceeds, Landlord determines from time to time that a shortfall exists between the amount of Tenant's Restoration Funds deposited with Escrow Agent and insurance proceeds available to Landlord, and the projected cost of the remaining restoration work, Landlord shall notify Tenant of such deficiency and Tenant shall fund such deficiency within thirty (30) days after the date of Landlord's notice. Landlord shall have the right to draw from the Tenant's Restoration Funds in completing the restoration of the demised premises pursuant to the terms of this Section 14.2 upon presentation to the Escrow Agent of requisitions fulfilling the following requirements: (i) each requisition shall be accompanied by a certificate of Landlord's general contractor stating (a) the amount of the restoration work, the amount theretofore paid, and the amount to be paid thereunder from said requisition, and (b) the name of each subcontractor, the trade and job and the amount of each subcontract and the amount to be paid to each subcontractor from the proceeds of such requisition; (ii) each requisition shall include a certification that the work covered by said requisition has been completed and has been approved by the Landlord's construction representative; (iii) each requisition shall be approved in writing by Landlord's; and (iv) each requisition shall be accompanied by lien waivers from the general contractor and the subcontractors with respect to the work covered by the requisition. Such draws shall be made pro rata with amounts being paid by Landlord on account of insurance proceeds available to Landlord, if any.

Section 14.3. However, if the demised premises shall be substantially damaged or destroyed by fire, windstorm, or otherwise within the last two (2) years of the term of this lease, either party shall have the right to terminate this lease, provided that notice thereof is given to the other party not later than sixty (60) days after such damage or destruction. If said right of termination is exercised, this lease and the term hereof shall cease and come to an end as of the date of said damage or destruction.

Section 14.4. Unless this lease is terminated as provided in Section 14.2, Section 14.3 or Section 14.6 of this Article XIV, if the demised premises shall be damaged or destroyed by fire or other casualty, then the Tenant shall: (i) repair and restore all portions of the demised premises not required to be restored by the Landlord pursuant to this Article XIV to substantially the condition which such portions of the demised

premises were in at the time of such casualty; (ii) equip the demised premises with trade fixtures and all personal property necessary or proper for the operation of the Tenant's business; and (iii) open for business in the demised premises - as soon thereafter as possible.

Section 14.5. In the event that the provisions of Section 14.1 or Section 14.2 of this Article XIV shall become applicable, Tenant shall remain obligated for any additional rent payable under this lease while the demised premises are being reconstructed.

Section 14.6. If, however, the Development shall be substantially damaged or destroyed by fire or casualty, irrespective of whether or not the demised premises are damaged or destroyed, the Landlord shall promptly restore, to the extent originally constructed by the Landlord (consistent, however, with zoning laws and building codes then in existence to the extent applicable to such reconstruction), so much of such Development as was originally constructed by the Landlord to substantially the condition thereof at the time of such damage, unless the Landlord, within a reasonable time after such loss, gives notice to the Tenant that the Development will not be restored to a floor area exceeding the floor area allowable under a standard method of development and Landlord is terminating the lease. If the Landlord shall give such notice, then anything in this Article XIV to the contrary notwithstanding this lease shall terminate as of the date of such notice with the same force and effect as if such date were the date originally established as the Expiration Date hereof.

Section 14.7. The terms "substantially damaged" and "substantial damage", as used in this Article, shall have reference to damage of such a character as cannot reasonably be expected to be repaired or the premises restored within sixty (60) days from the time that such repair or restoration work would be commenced.

ARTICLE XV. Eminent Domain

Section 15.1. If the demised premises, or such portion thereof as to render the balance (when reconstructed) unsuitable for the purposes of the Tenant in the reasonable opinion of the Landlord, shall be taken by condemnation or right of eminent domain, either party, upon written notice to the other, shall be entitled to terminate this lease, provided that such notice is given not later than thirty (30) days after the Tenant has been deprived of possession. For the purposes of this Article, any deed or any transfer of title in lieu of any such taking shall be treated as such a taking. Moreover, for the purposes of this Article, such a taking of the Tenant's entire leasehold interest hereunder in the demised premises (or assignment or termination in lieu thereof) shall be treated as a taking of the entire demised premises, and in such event the Tenant shall be treated as having been deprived of possession on the effective date thereof. Should any part of the demised premises be so taken or condemned, and should this lease not be terminated in accordance with the foregoing provision, the Landlord covenants and agrees within a

reasonable time after such taking or condemnation, and the determination of the Landlord's award therein, to expend so much as may be necessary of the net amount which may be awarded to the Landlord in such condemnation proceedings in restoring the demised premises to an architectural unit as nearly like their condition prior to such taking as shall be practicable. Should the net amount so awarded to the Landlord be insufficient to cover the cost of restoring the demised premises, as estimated by the Landlord's architect, the Landlord may, but shall not be obligated to, supply the amount of such insufficiency and restore said premises as above provided, with all reasonable diligence, or terminate this lease. Where the Tenant has not already exercised any right of termination accorded to it under the foregoing portion of this paragraph, the Landlord shall notify the Tenant of the Landlord's election not later than ninety (90) days after the final determination of the amount of the award. Further, if so much of the Development shall be so taken that continued operation of the Development would be uneconomical in the Landlord's judgment or prohibited by zoning or other applicable law, the Landlord shall have the right to terminate this lease by giving notice to the Tenant of the Landlord's desire so to do not later than thirty (30) days after the effective date of such taking.

Section 15.2. Landlord shall have, and hereby reserves and excepts, and the Tenant hereby grants and assigns to Landlord, all rights to recover for damages to the demised premises, and the leasehold interest hereby created, and to compensation accrued or hereafter to accrue by reason of such taking, damage or destruction, as aforesaid; and by way of confirming the foregoing, Tenant hereby grants and assigns, and covenants with Landlord to grant and assign, to the Landlord all rights to such damages or compensation. Nothing herein contained shall be deemed or construed to prevent the Tenant from prosecuting in any condemnation proceedings a claim for the value of any fixtures or improvements installed in or made to the demised premises by the Tenant, at its unreimbursed expense, provided such action shall not affect the amount of compensation otherwise recoverable by Landlord from the taking authority

ARTICLE XVI. Landlord's Remedies

Section 16.1. Any one of the following shall be deemed to be an "Event of Default":

A. Failure on the part of the Tenant to make payment of rent or any other monetary amount due under this lease within seven (7) days after the Landlord has sent to the Tenant notice of such default.

However, if: (i) the Landlord shall have sent to the Tenant a notice of such default, even though the same shall have been cured and this lease not terminated; and (ii) during the same calendar year in which said notice of default has been sent by the Landlord to the Tenant, the Tenant thereafter shall default in any monetary payment - the same shall be deemed to be an Event of Default upon the Landlord giving the Tenant written notice thereof, without the seven (7) day grace period set forth above.

B. With respect to a non-monetary default under this lease, failure of Tenant to cure the same within thirty (30) days following notice from Landlord to Tenant of such default. Notwithstanding the thirty (30) day cure period provided in the preceding sentence, Tenant shall be obligated to commence forthwith and to complete as soon as possible the curing of such default; and if Tenant fails so to do, the same shall be deemed to be an Event of Default.

However, if: (i) Landlord shall have sent to Tenant a notice of such default, even though the same shall have been cured and this lease not terminated; and (ii) during the twelve (12) month period in which said notice of default has been sent by Landlord to Tenant, Tenant thereafter shall default in any non-monetary matter - the same shall be deemed to be an Event of Default upon Landlord giving the Tenant written notice thereof, and Tenant shall have no grace period within which to cure the same.

C. The commencement of any of the following proceedings, with such proceeding not being dismissed within sixty (60) days after it has begun: (i) the estate hereby created being taken on execution or by other process of law; (ii) the Tenant being judicially declared bankrupt or insolvent according to law; (iii) an assignment being made of the property of the Tenant for the benefit of creditors; (iv) a receiver, guardian, conservator, trustee in involuntary bankruptcy or other similar officer being appointed to take charge of all or any substantial part of the Tenant's property by a court of competent jurisdiction; or (v) a petition being filed for the reorganization of the Tenant under any provisions of the Bankruptcy Code or any federal or state law now or hereafter enacted.

D. The Tenant filing a petition for reorganization or for rearrangement under, or otherwise availing itself of any provisions of, the Bankruptcy Code or any federal or state law now or hereafter enacted providing a plan or other means for a debtor to settle, satisfy or extend the time for the payment of debts.

E. Execution by Tenant of an instrument purporting to assign Tenant's interest under this Lease or sublet the whole or a portion of the demised premises to a third party without Tenant having first obtained Landlord's prior express consent to said assignment or subletting.

Section 16.2. Should any Event of Default occur then, notwithstanding any license of any former breach of covenant or waiver of the benefit hereof or consent in a former instance, the Landlord lawfully may, in addition to any remedies available to the Landlord under applicable statutes or case law, or otherwise, immediately or at any time thereafter, and, to the maximum extent permitted by law, without demand or notice (and the Tenant hereby expressly waives any notice to quit possession of the demised premises) as may be required by law, enter into and upon the demised premises or any part thereof in the name of the whole and repossess the same as of the Landlord's former estate, and expel the Tenant and those claiming through or under it and remove its or their effects (forcibly if necessary) without being deemed guilty of any manner of trespass, and

without prejudice to any remedies which might otherwise be used for arrears of rent or preceding breach of covenant and/or the Landlord may send written notice to the Tenant terminating the term of this lease; and upon the first to occur of: (i) entry as aforesaid; or (ii) the fifth (5th) day following the sending of such notice of termination, the term of this lease shall terminate.

Section 16.3. To induce the Landlord to enter into this lease, (i) the Tenant confirms and agrees that this transaction is a commercial and not a consumer transaction, (ii) the Tenant hereby waives any right to trial by jury in any action, proceeding or counterclaim brought by the Landlord against the Tenant on any matters whatsoever arising out of or in any way connected with this lease, the relationship of the Landlord and the Tenant, the Tenant's use or occupancy of the demised premises, and/or any claim of injury or damage, and (iii) the Tenant agrees not to interpose any counterclaim of whatever nature or description in any proceeding commenced by the Landlord for nonpayment of any amount due hereunder, provided the foregoing shall not be construed as a waiver of the right of the Tenant to assert such claims in any separate action brought by the Tenant.

Section 16.4. If this lease shall be guaranteed on behalf of the Tenant, all of the foregoing provisions of this Article XVI with respect to bankruptcy of the Tenant, etc., shall be deemed to read "the Tenant or the guarantor hereof".

Section 16.5. The Landlord shall in no event be in default in the performance of any of the Landlord's obligations hereunder unless and until the Landlord shall have failed to perform such obligations within thirty (30) days or such additional time as is reasonably required to correct any such default after notice by the Tenant to the Landlord properly specifying wherein the Landlord has failed to perform any such obligation.

The Tenant shall not assert any right to deduct the cost of repairs or any monetary claim against the Landlord from amounts thereafter due and payable by Tenant, but shall look solely to the Landlord for satisfaction of such claim.

ARTICLE XVII. Miscellaneous Provisions

Section 17.1. Waiver.

Failure on the part of the Landlord to complain of any action or non-action on the part of the Tenant, no matter how long the same may continue, shall never be deemed to be a waiver by the Landlord of any of his rights hereunder. Further, it is covenanted and agreed that no waiver at any time of any of the provisions hereof by the Landlord shall be construed as a waiver of any of the other provisions hereof, and that a waiver at any time of any of the provisions hereof shall not be construed as a waiver at any subsequent time of the same provisions. The consent or approval of the Landlord to or of any action by the Tenant requiring the Landlord's consent or approval shall not be deemed to waive or render unnecessary the Landlord's consent or approval to or of any subsequent similar act

by the Tenant. Any consent required of the Landlord in any provision of this lease may be withheld by the Landlord in its sole discretion unless the provision requiring such consent specifically states that the Landlord shall not withhold such consent unreasonably. Wherever in this lease provision is made that Landlord shall not unreasonably withhold consent or approval or where any such standard is required as a matter of applicable law which cannot be waived by Tenant (and Tenant waives its rights under any such law to the extent permitted), Tenant's sole remedy for Landlord's breach of such agreement shall be limited to an action for injunction or declaratory judgment and in no event shall Landlord be liable for any damages to Tenant.

No payment by the Tenant, or acceptance by the Landlord, of a lesser amount than shall be due from the Tenant to the Landlord shall be treated otherwise than as a payment on account. The acceptance by the 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 the Landlord may accept such check without prejudice to any other rights or remedies which the Landlord may have against the Tenant.

Section 17.2. Covenant of Quiet Enjoyment.

The Tenant, subject to the terms and provisions of this lease on payment of the rent and observing, keeping and performing all of the terms and provisions of this lease on its part to be observed, kept and performed, shall lawfully, peaceably and quietly have, hold, occupy and enjoy the demised premises during the term hereof without hindrance or ejection by any persons lawfully claiming under the Landlord; but it is understood and agreed that this covenant and any and all other covenants of the Landlord contained in this lease shall be binding upon the Landlord and the Landlord's successors only with respect to breaches occurring during the Landlord's and the Landlord's successors' respective ownership of the Landlord's interest hereunder. In addition, the Tenant specifically agrees to look solely to the Landlord's equity in the Development for recovery of any judgment from the Landlord; it being specifically agreed that neither the Landlord nor anyone by, through or under the Landlord (including, without limitation, the Landlord's managing agent or its partners, members, managers or beneficiaries) shall ever be personally liable for any such judgment. It is further understood and agreed that the Landlord shall in no event be liable for failure to perform any obligation under this lease in the event the Landlord is prevented from so performing by strike, lockout, breakdown, accident, order or regulation of or by any governmental authority, or failure of supply, or inability by the exercise of reasonable diligence to obtain supplies, parts, or employees necessary to furnish such services, or because of war or other emergency, or for any cause beyond the Landlord's reasonable control, or for any cause due to any act or neglect of the Tenant or its servants, agents, employees, licensees, or any person claiming by, through or under the Tenant, or any termination for any reason of the Landlord's occupancy of the premises from which any service or work is being supplied by the Landlord. In no event shall Tenant have the right to terminate or cancel this lease as a result of any default by Landlord or breach by Landlord of its covenants or any warranties or promises hereunder, except in the case of a wrongful eviction of Tenant from the demised premises (constructive or actual) by Landlord. Further, in no event shall the Landlord ever be

liable to the Tenant for any indirect or consequential damages or loss of profits or the like.

Section 17.3. Status Report.

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 the other made from time to time, will promptly furnish a written statement of the status of any matter pertaining to this lease. Without limiting the generality of the foregoing, the Tenant specifically agrees, promptly upon the commencement of the term hereof, to notify the Landlord in writing of the Commencement Date, and acknowledge satisfaction of the requirements with respect to construction and other matters by the Landlord, save and except for such matters as the Tenant may wish to set forth specifically in said statement.

Section 17.4. Notice to Mortgagee.

After receiving written notice from any person, firm, or other entity, that it holds a mortgage (which term shall include a deed of trust) which includes as part of the mortgaged premises the demised premises, the Tenant shall, so long as such mortgage is outstanding, be required to give to such holder the same notice as is required to be given to the Landlord under the terms of this lease, but such notice may be given by the Tenant to the Landlord and such holder concurrently. It is further agreed that such holder shall have the same opportunity to cure any default, and the same time within which to effect such curing, as is available to the Landlord; and if necessary to cure such a default, such holder shall have access to the demised premises.

Section 17.5. Assignment of Rents.

With reference to any assignment by the Landlord of the Landlord's interest in this lease, or the rents payable hereunder, conditional in nature or otherwise, which assignment is made to the holder of the first mortgage or deed of trust on the demised premises, the Tenant agrees:

- (a) that the execution thereof by the Landlord, and the acceptance thereof by such holder, shall never be deemed an assumption by such holder of any of the obligations of the Landlord hereunder, unless such holder shall, by written notice sent to the Tenant, specifically otherwise elect; and
- (b) that, except as aforesaid, such holder shall be treated as having assumed the Landlord's obligations hereunder only upon foreclosure of such holder's mortgage or deed of trust and the taking of possession of the demised premises by such holder.

The Tenant agrees that, in the event of foreclosure of any such mortgage or deed of trust to which this lease is subordinate (or deed or assignment in lieu of foreclosure thereof), at the election of the holder, the Tenant shall attorn to such holder (and its successors and assigns) as the successor holder of the Landlord's interest hereunder in

which case, subject to any applicable terms and provisions of any written agreement between Tenant and such holder, this lease shall continue in effect all as if it had been a lease entered into directly between Tenant and such holder (and its successors and assigns). The foregoing shall be self-operative; however, the Tenant agrees, upon receipt of written request so to do, to execute such instruments, if any, as may be required in order to give effect to the foregoing.

Section 17.6. Mechanics' Liens.

The Tenant agrees immediately to discharge of record (either by payment or by filing of the necessary bond, or otherwise) any mechanics', materialmen's, or other lien or like filing including, without limitation, any notice of contract against the demised premises and/or the Landlord's interest therein, which liens may arise out of any payment due for, or purported to be due for, any labor, services, materials, supplies, or equipment alleged to have been furnished to or for the Tenant in, upon or about the demised premises. The Tenant hereby indemnifies and agrees to hold the Landlord harmless from and against any loss, cost, claim or expense resulting or arising from any such lien.

The parties hereby acknowledge that, in performing any alterations, additions, or other work (collectively "Tenant Work"), Tenant is acting for its own benefit and account, and the parties expressly agree that Tenant will not be acting as Landlord's agent in performing any Tenant Work. The fact that Tenant is required to obtain Landlord's consent prior to commencing any Tenant Work is solely for the benefit of Landlord in determining whether such Tenant Work will adversely affect the building in which the demised premises is located and the granting of Landlord's consent to any Tenant Work shall not be construed to give rights to any other parties. Tenant shall require any contractor who performs Tenant Work to expressly acknowledge and agree to the provisions of this paragraph.

Section 17.7. No Brokerage.

The Tenant warrants and represents that it has dealt with no broker in connection with the consummation of this lease, and in the event of any brokerage claims against the Landlord predicated upon prior dealings with the Tenant named herein, the Tenant agrees to defend the same and indemnify the Landlord against any such claim.

Section 17.8. Definition of Additional Rent.

Without limiting any other provision of this lease, it is expressly understood and agreed that the Tenant's participation in common area maintenance expenses, utility charges, trash removal charges, pest control charges, if applicable, Tenant's Restoration Funds and all other charges which the Tenant is required to pay hereunder, together with all interest and penalties that may accrue thereon, shall be deemed to be additional (but not minimum) rent, and in the event of non-payment thereof by the Tenant, the Landlord shall have all of the rights and remedies with respect thereto as would accrue to the Landlord for non-payment of minimum rent. Tenant covenants and agrees to pay, without offset, said additional rent in accordance with the provisions of this lease. Tenant's failure to object to any statement, invoice or billing rendered by Landlord within

a period of ninety (90) days after Tenant's receipt thereof shall constitute Tenant's acquiescence with respect thereto and shall render such statement, invoice or billing an account between Landlord and Tenant.

Section 17.9. Landlord's Fees and Expenses.

Unless prohibited by applicable law, the Tenant agrees to pay to the Landlord the amount of all reasonable legal fees and expenses incurred by the Landlord arising out of or resulting from any act or omission by the Tenant with respect to this lease or the demised premises or from any bankruptcy case involving the Tenant, including without limitation, any breach by the Tenant of its obligations hereunder or the filing by or against the Tenant of any petition for relief under any applicable bankruptcy law

Further, if the Tenant shall request the Landlord's consent or joinder in any instrument pertaining to this lease, the Tenant agrees promptly to reimburse the Landlord for the reasonable legal fees incurred by the Landlord in processing such request, whether or not the Landlord complies therewith; and if the Tenant shall fail promptly so to reimburse the Landlord, same shall be deemed to be a default in the Tenant's monetary obligations under this lease.

Whenever the Tenant shall request approval by the Landlord of plans, drawings, specifications, or otherwise with respect to initial alteration of the demised premises subsequent remodelling thereof, installation of signs including subsequent changes thereof, or the like, the Tenant specifically agrees promptly to pay to the Landlord all charges involved in the review (and re-review, if necessary) and approval or disapproval thereof whether or not approval shall ultimately be given.

Section 17.10. Invalidity of Particular Provisions.

If any term or provision of this lease, or the application thereof to any person or circumstance 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 term and provision of this lease shall be valid and be enforced to the fullest extent permitted by law.

Section 17.11. Provisions Binding, Etc.

Except as herein otherwise expressly provided, the terms hereof shall be binding upon and shall inure to the benefit of the successors and assigns, respectively, of the Landlord and the Tenant. Each term and each provision of this lease to be performed by the Tenant shall be construed to be both a covenant and a condition. The reference contained to successors and assigns of the Tenant is not intended to constitute a consent to assignment by the Tenant, but has reference only to those instances in which the Landlord may later give written consent to a particular assignment as required by the provisions of Article IX hereof. All rents, revenues and proceeds derived by the Landlord from the Development, including, without limitation, rents hereunder, shall be the sole property of the Landlord and not shared in by the Tenant. Wherever reference in this

lease is made to the managing agent, the same shall mean the managing agent that has been authorized by the Landlord to act on its behalf in the management of the Common Areas. Nothing herein shall impose any liability on the managing agent.

Section 17.12. Governing Law.

This lease shall be governed exclusively by the provisions hereof and by the laws of the State as the same may from time to time exist.

Section 17.13. Recording.

The Tenant agrees not to record the within lease or a memorandum hereof.

Section 17.14. Notices.

Whenever by the terms of this lease notice, demand, or other communication shall or may be given either to the Landlord or to the Tenant, the same shall be in writing and shall be sent by registered or certified mail, postage prepaid, or shall be delivered by private express carrier:

If intended for the Landlord, addressed to it at the address set forth on the first page of this lease, with a copy in like fashion to Goulston & Storrs, P.C., 400 Atlantic Avenue, Boston, Massachusetts 02110-3333, Attn: NED - Wisconsin Place and with a copy in like fashion to Lerch, Early & Brewer Chartered, #3 Bethesda Metro Center, Suite 460, Bethesda, Maryland 20814, Attn: Steven A. Robins, Esquire (or to such other address or addresses as may from time to time hereafter be designated by the Landlord by like notice);

If intended for the Tenant, addressed to it at the address set forth on the first page of this lease, with a copy in like fashion to Office of General Counsel, Maryland-National Capital Park & Planning Commission, 6611 Kenilworth Avenue, Suite 403, Riverdale, MD 20737 and to Director, Montgomery County Department of Recreation, 12210 Bushey Drive, Silver Spring, Maryland 20902 (or to such other address or addresses as may from time to time hereafter be designated by the Tenant by like notice).

All such notices shall be effective when deposited in the United States mail or delivered to a private express carrier within the Continental United States, provided that the same are received in the ordinary course at the address to which the same were sent.

Any such notice, demand, or communication from the managing agent acting or purporting to act on behalf of Landlord or from an attorney acting or purporting to act on behalf of a party shall be deemed to be notice from such party provided that in the case of notice from such attorney such attorney is authorized to act on behalf of such party.

Section 17.15. When Lease Becomes Binding.

Employees or agents of the Landlord have no authority to make or agree to make a lease or any other agreement or undertaking in connection herewith, except where

expressly authorized to do so by the Landlord. The submission of this document for examination and negotiation does not constitute an offer to lease, or a reservation of, or option for, the premises, and this document shall become effective and binding only upon the execution and delivery hereof by both the Landlord and the Tenant.

All negotiations, considerations, representations, and understandings between the Landlord and the Tenant are incorporated herein and may be modified or altered only by agreement in writing between the Landlord and the Tenant, and no act or omission of any employee or agent of the Landlord shall alter, change, or modify any of the provisions hereof.

Section 17.16. Paragraph Headings.

The paragraph headings throughout this instrument are for convenience and reference only, and the words contained therein shall in no way be held to explain, modify, amplify, or aid in the interpretation, construction, or meaning of the provisions of this lease.

Section 17.17. Lease Superior or Subordinate to Mortgage.

It is agreed that the rights and interest of the Tenant under this lease shall be subject and subordinate to any mortgages or deeds of trust that are now or may hereafter be placed upon the Project Developer Parcel or any portion thereof containing the demised premises, and to any and all advances to be made thereunder, and to the interest thereon, and all renewals, modifications, replacements and extensions thereof, if the mortgagee or trustee named in said mortgages or deeds of trust shall elect by written notice delivered to the Tenant to subject and subordinate the rights and interest of the Tenant under this lease to the lien of its mortgage or deed of trust; it is further agreed that any mortgagee or trustee may elect to give the rights and interest of the Tenant under this lease priority over the lien of its mortgage or deed of trust. In the event of either such election, and upon notification by such mortgagee or trustee to the Tenant to that effect, the rights and interest of the Tenant under this lease shall be deemed to be subordinate to, or to have priority over, as the case may be, the lien of said mortgage or deed of trust, whether this lease is dated prior to or subsequent to the date of said mortgage or deed of trust. The Tenant shall execute and deliver whatever instruments may be required for such purposes forthwith upon demand, and in the event the Tenant fails so to do within ten (10) days after demand in writing, without limiting the Landlord's other rights on account of such failure, the Tenant does hereby make, constitute and irrevocably appoint the Landlord as its attorney in fact and in its name, place and stead so to do.

Section 17.18. Holding-Over.

Any holding over by Tenant after the expiration of the lease term shall be treated as a tenancy at sufferance at twice the annual rent and additional rent herein provided to be paid during the last twelve (12) months of the Lease Term (prorated on a daily basis) and shall otherwise be on the terms and conditions set forth in this Lease, as far as applicable. Tenant agrees to hold Landlord harmless from and against all loss and

damages, direct and consequential, which Landlord may suffer or incur in connection with claims by other parties against Landlord arising out of the holding over by Tenant, including, without limitation, reasonable attorneys' fees which may be incurred by Landlord in defense of such claims. Except as otherwise specifically provided in this Section, all terms of this lease shall remain in full force and effect during any holdover period.

Section 17.19. Interest.

All payments becoming due under this lease and not paid when due shall bear interest from the applicable due date until received by the Landlord at the lesser of: (i) four percent (4%) per annum above the base rate announced from time to time by Bank of America or its successors; or (ii) the highest lawful rate of interest permitted at the time in the State. With respect to each non-monetary default hereunder (whether or not cured), the Tenant shall pay to the Landlord, on demand, as additional rent, a fee in the amount equal to One Hundred and 00/100 Dollars (\$100.00) for the purpose of defraying Landlord's administrative expenses relative to handling such default.

Section 17.20. Expansion.

The Landlord may expand the Development beyond its present boundaries. If the Landlord shall proceed as aforesaid (which the Landlord shall be permitted to do) then the Landlord shall exclude all common area maintenance charges with respect to said expansion area from the common area maintenance charges in which the Tenant is required to participate, in which case the square footage of floor area of the buildings in the expansion area shall be excluded from the denominator in computing the Tenant's share of common area maintenance charges hereunder; or

The term "Development" shall be deemed to mean for all purposes hereunder the entire development shown on Exhibit "A" including any and all structures, parking facilities, roadways, common facilities and the like built (or to be built) thereon, as the same may from time to time be reduced by eminent domain takings, dedications to public authorities, or exclusions by the Landlord (by written notice to the Tenant) of portions thereof, or increased by the addition of other lands together with structures and the like thereon which may from time to time be designated by the Landlord (by written notice to the Tenant) as constituting part of the Development.

Section 17.21. Certificate.

In the event the Tenant and/or the Guarantor (if any) of the Tenant's obligations hereunder is a corporation, the Tenant and/or the Guarantor (if any) shall deliver to the Landlord, upon the execution of this lease, a Clerk's Certificate or Secretary's Certificate in form reasonably satisfactory to the Landlord, confirming that the execution of this lease and/or the Guarantee, as applicable, have been duly authorized.

Section 17.22. REIT.

The Landlord and the Tenant hereby agree that it is their intent that all minimum rent and all additional and other rent and charges payable to the Landlord under this lease

(hereinafter individually and collectively referred to as "Rent") shall qualify as "rents from real property" within the meaning of Section 856(d) of the Internal Revenue Code of 1986, as amended, (the "Code") and the Department of the U.S. Treasury Regulations promulgated thereunder (the "Regulations"). Should the Code or the Regulations, or interpretations thereof by the Internal Revenue Service contained in revenue rulings or other similar public pronouncements, be changed so that any Rent no longer so qualifies as "rent from real property" for purposes of Section 856(d) of the Code and the Regulations promulgated thereunder, such Rent shall be adjusted in such manner as the Landlord may require so that it will so qualify; provided, however, that any adjustments required pursuant to this Section 17.22 shall be made so as to produce the equivalent (in economic terms) Rent as payable prior to such adjustment; and provided further, that if the Rent cannot be adjusted as described above, and results in an adverse effect upon the Landlord or its mortgagee, then the Landlord shall have the option to terminate this lease upon ninety (90) days' prior written notice to the Tenant. If such notice shall be given, then this lease shall terminate on the ninetieth (90th) day after the date of such notice, all with the same force and effect as if such date had been the Expiration Date specified in this lease. The parties agree to execute such further instrument as may reasonably be required by the Landlord in order to give effect to the foregoing provisions of this Section 17.22.

Section 17.23. Additional Remedies of Landlord.

After written notice to Landlord and Tenant's failure to cure such default within ten (10) days (unless such default is of an emergency nature in which case no notice or cure period are required to be given by Landlord to Tenant), Landlord shall have the right, but shall not be required to do so, to pay such sums or do any act which requires the expenditure of monies which may be necessary or appropriate by reason of the failure or neglect of Tenant to perform any of the provisions of this lease, and in the event of the exercise of such right by Landlord, Tenant agrees to pay to Landlord forthwith upon demand all such sums; and if Tenant shall default in such payment, Landlord shall have the same rights and remedies as Landlord has hereunder for the failure of Tenant to pay the annual rent. Except as otherwise set forth herein, any obligations of Tenant as set forth herein (including, without limitation, rental and other monetary obligations, repair obligations and obligations to indemnify Landlord), shall survive the expiration or earlier termination of this lease, and Tenant shall immediately reimburse Landlord for any expense incurred by Landlord in curing Tenant's failure to satisfy any such obligation (notwithstanding the fact that such cure might be effected by Landlord following the expiration or earlier termination of this Lease).

Section 17.24. Advisory Committee.

The Tenant shall appoint or cause to be appointed an advisory committee to be known as the Wisconsin Place Intermediary Community Center Authority ("WPICCA") to offer advisory positions in the programming and operations of the Community Center. Tenant acknowledges and agrees that the Landlord shall at all times be allowed to have a representative sit on the advisory committee and participate in the same manner as other non-Chair Members of WPICCA.

Section 17.25. Exterior Signs. The only exterior signage permitted for the Community Center (to be installed at the sole cost and expense of Tenant) shall be identification signage at the Friendship Boulevard entry and the Courtyard entry. All remaining sign allocations for the Development shall be allocated to and for the remainder of the Development. Any violation of applicable law with respect to signs or adornments (e.g. banners) affixed to or relating to the Community Center shall be enforced solely against the Tenant, shall be deemed to apply only to the Community Center, and shall not affect the remainder of the Development. The Landlord shall have the right to approve all exterior signage proposed by the Tenant and may withhold its approval for any reason whatsoever.

Section 17.26. Community Center Name.

The Tenant shall have the right to name the Community Center and elements within the Community Center, and any compensation to be paid for the naming of the Community Center or elements therein shall belong solely to the Tenant to hold in trust exclusively for the improvement, finishing, alteration or operation of the Community Center, which includes the Reserve Fund as required herein. The Landlord reserves the right to approve in advance, from time to time, any name for the Community Center and for elements within the Community Center, which approval shall not be unreasonably withheld, provided, however, that if the proposed name or names of the Community Center and/or of elements within the Community Center are the same as or similar to Landlord, Bloomingdale's, the Residential Component, the Retail Component or the Office Component or the owners thereof, the Landlord may withhold its consent in its sole discretion.

Section 17.27. REA . The demised premises, as a part of the Project Developer Parcel, shall be subject to the REA, and the Tenant will use, operate and maintain the demised premises in compliance with the provisions of the REA applicable to the Community Center.

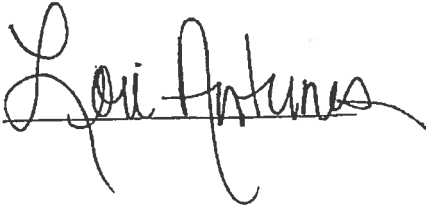
Section 17.28. Termination for Lack of Appropriation . If the Tenant should not, for any reason at any time be granted an appropriation or otherwise have available funds sufficient to maintain this lease, the Tenant may, upon thirty (30) days written notice, unilaterally terminate this lease without penalty or termination expense, provided, however that Tenant shall be obligated to pay any minimum rent or additional rent then due and owing at the time of such termination. In the event that funds are not appropriated for the lease, the Landlord shall not prohibit nor otherwise limit the Tenant's right to pursue any lease for premises outside of the Development for alternate solutions and remedies as deemed necessary by the Tenant for the conduct of its affairs. In the event of any termination by Tenant, then Landlord shall be free to use the demised premises for any lawful use, and to the extent that the use is not then allowed pursuant to the zoning then in force and effect, the Tenant shall cooperate with Landlord to effect any necessary zoning change to allow such new use for the demised premises. The rights of termination set forth in this provision shall be personal to the named Tenant herein and

shall apply to any amendment or the execution of any option to extend this lease agreement.

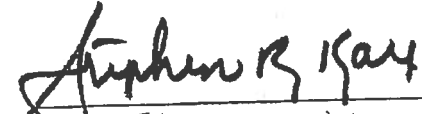
WITNESS the execution hereof in any number of counterpart copies, each of which shall be deemed an original for all purposes as of the day and year first above written.

WP PROJECT DEVELOPER LLC,
a Delaware limited liability company

WITNESS:



By: NED WP Manager LLC, a Massachusetts limited liability company, its sole manager

By: 
Name: Stephen Karp
Title: Manager

[LANDLORD]

WITNESS:



**MARYLAND-NATIONAL CAPITAL
PARK AND PLANNING COMMISSION**

By: _____
Its
Hereunto duly authorized

[TENANT]