RETAIL LEASE

between

HOC AT WESTSIDE BUILDING B, LLC

Landlord

and

MONTGOMERY COUNTY, MARYLAND

Tenant

Dated: December 17, 2025

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Exhibit B -	Depiction of Tenant's Premises
Exhibit C -	Description of Tenant's Work
Exhibit D -	Rules and Regulations
Exhibit E -	Certificate of Commencement
Exhibit F -	Operating Expenses
Exhibit G -	Intentionally Omitted
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Exhibit I-1 -	Tenant Estoppel Certificate
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RETAIL LEASE

THIS RETAIL LEASE (the "Lease") is made this 17th day of December, 2025, by and between HOC AT WESTSIDE BUILDING B, LLC, a Maryland limited liability company ("Landlord"), and MONGTOMERY COUNTY, MARYLAND ("Tenant").

WITNESSETH:

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

1. <u>Introductory Provisions</u>.

(a) <u>Fundamental Lease Provisions</u>. Certain Fundamental Lease Provisions are presented in this Section in summary form to facilitate convenient reference by the parties hereto; certain Fundamental Lease Provisions are subject to adjustment as provided in this Lease.

1.	Premises	The Library located on the first level of the Building, which is part of the Project; the location of the Premises is depicted on Exhibit B.	[See Section 2(a)]
2.	Building	16000 Columbus Avenue, Building B, Rockville, Maryland 20855, known as Westside at Shady Grove, containing residential construction, retail space, and a parking garage (the "Building").	[See Section 2(a)]
3.	Gross Leasable Area of Premises	Approximately 7,000 square feet of retail space.	[See Section 2(a)]
4.	Project	The Building and the land described in Exhibit A are collectively the "Project."	[See Section 2(b)]
5.	Proportionate Share	Two and four tenths' percent (2.4%).	[See Section 2(c)]
6.	Lease Term	Ten (10) years.	[See Section 3(a)]
7.	Lease Year	Each twelve (12) month period of the Lease Term.	[See Section 3(a)]
8.	Commencement Date	Effective Date of the Lease.	[See Section 3(a)]

9.	Expiration Date	Ten (10) Full Years after the Rent Commencement Date, subject to adjustment.	[See Section 3(a)]
10.	Address for Mailing of Rent	Paid electronically as directed by Landlord by written notice.	[See Section 4(a)]
11.	Rent Commencement Date	Later of (i) twelve (12) months following Tenant's receipt of building permits after commercially reasonable, diligent pursuit, or (ii) twelve (12) months following the Landlord's delivery of the Premises to Tenant.	[See Section 4(a)]
12.	Base Annual Rent	Initially, Two Hundred Seventy-Seven Thousand Seven Hundred Ninety Three and 00/100 Dollars (\$277,193.00) per year. Shall be calculated on a per square foot rate of \$39.68 that was established by amortizing the costs of providing Landlord's Delivery Conditions over a period of ten (10) years. The rent is derived from the cost of construction and will be confirmed at Construction General Contractor Guaranteed Maximum Price (GMP) and the space and cost allocation will be confirmed by the Project Architect or General Contractor.	[See Section 4(a)]
13.	Base Monthly Rent	Initially, Twenty-Three Thousand Ninety-Nine and 42/100 Dollars (\$23,099.42) per month, as may be amended pursuant to Section 4(b).	[See Section 4(a)]
14.	Annual Adjustments to Base Annual Rent	Zero (0) percent at the beginning of each Lease Year for the Lease Term, as adjusted during any Renewal Term in Section 3(d)(ii).	[See Section 4(a)]
15.	Percentage Rent Rate	Intentionally Omitted	[N/A]
16.	Percentage Rent Breakpoint	Intentionally Omitted	[N/A]
17.	Operating Expenses	Initially estimated to be Three Thousand Nine Hundred Thirty-Five and 25/100 Dollars (\$3,935.25) per month.	[See Section 4(d)]
18.	Real Estate Taxes	See Section 4(e).	[See Section 4(e)]

19.	Marketing Fund	Intentionally Omitted. [N/A]	
20.	Rental Deposit	Intentionally Omitted.	[N/A]
21.	Security Deposit	Intentionally Omitted.	[N/A]
22.	Use of Premises	The operation of a Montgomery County Public Library, community center, or the operation of a similar public community amenity.	[See Section 6]
23.	Tenant's Trade Name	N/A	[N/A]
24.	Minimum Business Hours	To be consistent with hours of other Montgomery County Public Libraries.	[See Section 7]
25.	Address for Notices to Tenant	Montgomery County Dept. of General Services Office of Real Estate 101 Monroe St, 9th Fl Rockville, MD 20850 Attn: Chief Email: cynthia.brenneman@montgomerycountymd.gov with a copy to: Montgomery County Office of the County Attorney 101 Monroe Street, 3rd Fl Rockville, MD 20850 Attn: County Attorney Email: neal.anker@montgomerycountymd.gov	[See Section 40]
26.	Address for Notices to Landlord	HOC at Westside Building B, LLC c/o Bozzuto Management Company 6406 Ivy Lane, Suite 700 Greenbelt, Maryland 20770 Attention: Stephanie L. Williams, President with copies to: Housing Opportunities Commission of Montgomery County 10400 Detrick Avenue Kensington, Maryland 20895 Attention: President/Executive Director	[See Section 40]

Email: notice@hocmc.org

Housing Opportunities Commission of Montgomery County 10400 Detrick Avenue Kensington, Maryland 20895 Attention: Deputy General Counsel

Email: notice@hocmc.org

Housing Opportunities Commission of Montgomery County 10400 Detrick Avenue Kensington, Maryland 20895 Attention: Asset Management

Email: assetmanagement@hocmc.org

27. Rental Agent None [N/A]

- (b) <u>References and Conflicts</u>. References appearing in Section 1(a) are intended to designate some of the other places in this Lease where additional provisions applicable to the particular Fundamental Lease Provisions appear. These references are for convenience only and shall not be deemed all inclusive. Each reference in this Lease to any of the Fundamental Lease Provisions contained in Section 1(a) shall be construed to incorporate all of the terms provided for under such provisions, and such provisions shall be read in conjunction with all other provisions of this Lease applicable thereto. If there is any conflict between any of the Fundamental Lease Provisions set forth in Section 1(a) and any other provisions of this Lease, the latter shall control.
- (c) <u>Exhibits</u>. The following drawings and special provisions are attached hereto made a part of this Lease:

Exhibit A. Description of Landlord's PremisesExhibit B. Depiction of Tenant's PremisesExhibit C. Description of Tenant's Work

Exhibit D. Rules and Regulations

Exhibit E. Certificate of Commencement

Exhibit F. Operating Expenses Exhibit G. Intentionally Omitted

Exhibit H. Use Provisions

N/A

28.

Guarantors

Exhibit I-1 - Tenant Estoppel Certificate

Exhibit I-2 - Subordination, Non-Disturbance and Attornment Agreement

Exhibit J. Shell Building Specifications

Exhibit K. Tenant Improvement Guidelines for Sustainability

Exhibit L. Common Areas Exhibit M. Excluded Uses

[N/A]

2. Premises.

- (a) <u>Premises</u>. Subject to the terms, covenants, conditions and provisions of this Lease, Landlord hereby leases to Tenant, and Tenant hereby rents from Landlord, the premises (the "Premises") as specified in Section 1(a)1. The Premises is located on level one of the Building. The Premises shall consist of approximately the square footage of gross leasable area specified in Section 1(a)3. After the precise location of the Premises has been determined, if there has been a change from the initial <u>Exhibit B</u> attached hereto, then Landlord shall replace <u>Exhibit B</u> with a revised <u>Exhibit B</u>, and the Leasable Area shall be calculated in accordance with subsection 2(c). Thereafter, all calculations employing the Leasable Area of the Premises shall be adjusted to reflect the actual Leasable Area.
- (b) The Project. The Project is a multi-use building containing a public library, apartments, parking and other associated uses, located at 16000 Columbus Avenue, Rockville, Maryland 20855, known as "The Sage" and the land described in Exhibit A (the "Project"). Landlord reserves the right to modify the Project as provided in Section 14(c). Tenant shall use the Premises solely for a public library, community center, or the operation of a similar public community amenity and any uses ancillary or related thereto and shall not permit any use set forth in Exhibit M. Tenant may request Landlord to consent to a different use of Premises, which consent shall not be unreasonably withheld, conditioned or denied provided that the use otherwise complies with the requirements of this Lease.
- (c) <u>Tenant's Proportionate Share</u>. Tenant's proportionate share ("Proportionate Share") of certain expenses hereinafter made payable to Landlord as Additional Rent shall be a percentage based upon the ratio of the floor area of the Premises to the floor area of the residential and retail areas of the Building. For purposes of this Lease, "floor area" means (a) the actual number of square feet of gross floor space measured to (i) the exterior faces of exterior walls; (ii) the extensions of exterior building lines; and (iii) the center of party walls (including columns, stairs, interior elevators and escalators and excluding parking areas, exterior ramps and loading docks); and (b) the actual number of square feet of any area in the Building exclusively used by a particular tenant, measured from the exterior faces of outside walls.

3. Term & Option to Renew.

(a) Lease Effective Date & Term.

- (i) This Lease is effective as of the Commencement Date, which is the date this Lease is fully executed. Tenant's payment of Rent will commence on the Rent Commencement Date, as defined in Section 1(a)(11).
- (ii) The term of this Lease (the "Lease Term") shall be the period commencing on the Rent Commencement Date and ending on the earlier of (1) the last day of the month which completes Ten (10) full Lease Years after the Rent Commencement Date (the "Expiration Date"), or (2) early termination of the Lease. The first "Lease Year" shall be the twelve (12) month period which commences on the Rent Commencement Date, provided, however, if the Rent Commencement Date is not the first day of a calendar month, the first Lease Year shall commence on the Rent Commencement Date and shall expire on the last day of the twelve (12) month period

which commences on the first day of the first full calendar month after the Rent Commencement Date. Each subsequent Lease Year shall be the twelve (12) month period commencing on the annual anniversary of the first day of the first full calendar month of the first Lease Year.

- <u>Delivery of Possession</u>. Landlord shall deliver possession of the Premises in (b) "As Is" condition upon Substantial Completion of Landlord's Work, which Landlord anticipates being approximately October 30, 2027. "Landlord's Work" is what is described in Exhibit J. "Substantial Completion" shall mean that the space is ready for Tenant's Work with only punchlist items remaining to be completed. Landlord shall not be subject to any liability for the failure to tender possession by the anticipated date of Substantial Completion of Landlord's Work. The rent covenanted to be paid herein shall not commence and the Rent Commencement Date shall not occur until the later to occur of (i) twelve (12) months following Tenant's receipt of building permits after commercially reasonable, diligent pursuit, or (ii) twelve (12) months following the Landlord's delivery of the Premises to Tenant, as evidenced by the close out of a the retail bay shell building permit for the Premises. Tenant shall submit permit-ready plans to Landlord for approval within twelve (12) months of the Commencement Date. For each day after thirty (30) days that Tenant fails to submit such permit-ready plans to Landlord, one (1) day shall be subtracted from the twelve (12) month presumed construction period between Tenant's receipt of building permits after diligent pursuit and the Rent Commencement Date. Upon request of Landlord, Tenant shall execute a Certificate of Commencement in the form of Exhibit E, attached hereto and made a part hereof, for the purpose of confirming the Rent Commencement Date and other information set forth therein.
- (c) <u>Acceptance of Premises</u>. Tenant's occupancy of the Premises shall constitute acceptance thereof by Tenant and evidence satisfaction of all requirements by Landlord with respect to the condition, order and repair thereof as required by the terms of this Lease. It is expressly understood and agreed that Landlord has made no representations or warranties with respect to the Premises or the Project, other than as specifically provided herein.

Notwithstanding the foregoing, during the twelve (12) month period after substantial completion of the Landlord's Work (as determined by a certificate of substantial completion issued by the Architect) (the "Latent Defect Period"), the Landlord shall be responsible for any Latent Defect (as defined below) in the Landlord's Work if the Latent Defect has a material adverse impact on the Tenant's operation of the Premises. Landlord will pursue such claims directly with the contractor or subcontractor providing the Landlord's Work. If Tenant discovers a Latent Defect during the Latent Defect Period, Tenant will promptly notify the Landlord in writing and provide documentation and back-up for such Latent Defect. For the purposes of this paragraph, "Latent Defect" means a hidden or concealed defect in the Landlord's Work that could not be discovered by reasonable and customary observation or inspection that (i) has a material adverse impact on the Tenant's ability to operate a library at the Premises, (ii) is not caused by the Tenant or its contractors, employees, or agents, and (iii) is not a result of improper or insufficient maintenance, improper operation, or normal wear and tear under normal usage of the Premises by the Tenant, its contractors, employees, or agents. If Landlord requires that the Tenant close to the public during the Landlord's correction of a Latent Defect, the Tenant may abate Base Annual Rent by the number of business days that Tenant is closed to the public until the date that is the earlier of: (a) the date the Landlord has remedied the Latent Defect, to good working order and repair; or (b) the County is able to reopen the Premises to the public.

(d) Option to Renew.

- (i) Tenant shall have unlimited options to renew this Lease for an additional period of five (5) years each (each, a "Renewal Term"). Tenant must notify Landlord in writing of Tenant's intention to exercise this option at least twelve (12) months prior to the expiration of the Lease Term or Renewal Term, as applicable, and the commencement of the following Renewal Term.
- (ii) Each Renewal Term shall be on the same terms, covenants and conditions as the initial Lease Term hereunder. For the first year of the Renewal Term, the Base Rent shall be the "Fair Market Rate" (as hereinafter defined). Annually thereafter, on each anniversary of the first day of each Renewal Term, the Base Rent shall increase by the consumer price index for the Washington-Arlington-Alexandria area.
- (iii) As used in this Lease, the term "Fair Market Rate" shall mean the fair market rental rate per square foot of rentable area that would be agreed upon between a landlord and a tenant entering into a renewal lease for comparable space as to location, configuration, view and elevation exposure, size and use in a comparable building as to location, quality, reputation and age with a comparable build-out, a comparable term and a comparable base year for operating expense and real estate tax pass-throughs assuming that the landlord and tenant are informed and well-advised and each is acting in what it considers its own best interests.
- For a period of thirty (30) days after the date on which Tenant elects to exercise its renewal option, Landlord and Tenant shall negotiate in good faith to determine the Fair Market Rate. If Landlord and Tenant cannot agree on such rate within such thirty (30)-day period, the Fair Market Rate shall be determined by a board of three (3) licensed commercial real estate brokers, one of whom shall be named by Landlord and one of whom shall be named by Tenant. The two (2) real estate brokers so appointed shall then select a third licensed commercial real estate broker. Each real estate broker so selected shall be licensed in the jurisdiction in which the Building is located, having no less than ten (10) years' experience in such field and being recognized as ethical and reputable within the field. Landlord and Tenant agree to make their appointments within fourteen (14) days after the expiration of the thirty (30) day period, or sooner if mutually agreed upon. Within fifteen (15) days after the third real estate broker is selected, each real estate broker shall independently submit his or her determination of the Fair Market Rate. The Fair Market Rate shall be either the Fair Market Rate determined by Landlord's real estate broker or Tenant's real estate broker, the third real estate broker must choose one or the other, and the Fair Market Rate as so determined shall not be subject to further negotiation. Landlord and Tenant shall each pay the fee of the real estate broker it selected and the payment of the fee of the third real estate broker shall be borne by equally by the Landlord and the Tenant.

4. Rent.

(a) <u>Base Annual Rent</u>. Unless otherwise adjusted pursuant to Section 4(b), the base annual rent ("Base Annual Rent" or "Base Rent") reserved hereunder shall be as specified in Section 1(a)12 which shall be payable by Tenant to Landlord commencing on the Rent Commencement Date as specified in Section 1(a)11, and continuing thereafter throughout the Lease Term in equal monthly installments of base monthly rent ("Base Monthly Rent") each as

specified in Section 1(a)13 and increasing as specified in Section 1(a)14. The Base Annual Rent for the Lease Term is as follows:

Lease Years	Rent PSF	Annual Rent	Monthly Rent
1	\$ 39.68	\$ 277,793.00	\$ 23,099.42
2	\$ 39.68	\$ 277,793.00	\$ 23,099.42
3	\$ 39.68	\$ 277,793.00	\$ 23,099.42
4	\$ 39.68	\$ 277,793.00	\$ 23,099.42
5	\$ 39.68	\$ 277,793.00	\$ 23,099.42
6	\$ 39.68	\$ 277,793.00	\$ 23,099.42
7	\$ 39.68	\$ 277,793.00	\$ 23,099.42
8	\$ 39.68	\$ 277,793.00	\$ 23,099.42
9	\$ 39.68	\$ 277,793.00	\$ 23,099.42
10	\$ 39.68	\$ 277,793.00	\$ 23,099.42

Tenant shall pay the monthly installments of Base Annual Rent in advance, without notice or demand, and without set-off, deduction, recoupment or abatement of any kind, on or before the first day of each and every calendar month throughout the entire term of this Lease, at the address specified in Section 1(a)10, or to such other person or at such other address as Landlord may designate by written notice to Tenant from time to time.

- (b) <u>Calculation of Base Annual Rent</u>. Tenant acknowledges that the Base Annual Rent is calculated based on the amortization of the construction costs and cost of capital paid Landlord to deliver the Premises as set forth under this Lease (the "Construction Costs").
- (c) Additional Rent. In addition to Base Annual Rent, Tenant shall pay to Landlord on the first day of each month, as additional rent ("Additional Rent"), Tenant's monthly payment for Operating Expenses and Tax Rent at the Proportionate Share amount set forth in Section 1(a)5. Additional Rent shall be payable on the first day of each month during the Lease Term. Landlord shall have the same remedies for failure to pay Additional Rent as it has for nonpayment of Base Annual Rent. The term "rent" shall mean Base Annual Rent and Additional Rent for all purposes of this Lease. Without limiting the foregoing and to the extent applicable, Tenant agrees to pay before delinquency all taxes imposed on or incidental to the personal property of Tenant, the conduct of its business and its use and occupancy of the Premises.
- (d) Operating Expenses. Tenant agrees to pay throughout the Lease Term, as Additional Rent, its Proportionate Share of the operating expenses for the Building and Common Areas located at the Project ("Operating Expenses"). Effective as of the Rent Commencement Date, Tenant shall pay to Landlord on a monthly basis, the Operating Expenses specified in Section 1(a)17, as such amount may be adjusted for each calendar year by Landlord (an "Operating Year" is a calendar year), and shall be payable monthly, in advance without any prior demand therefor from Landlord and without any deduction, recoupment or set-off whatsoever. The breakdown of the Operating Expenses specified in Section 1(a)(17) is set forth in Exhibit F. Except as otherwise provided in this Lease, Tenant's Proportionate Share of such expenses shall be estimated for each calendar year, and Landlord shall submit to Tenant a statement of the estimated amount of any Operating Expenses for the next calendar year. Tenant shall pay the Operating Expenses on the first day of each month until

notified by Landlord of a change in the estimated Operating Expenses and Tenant shall thereafter pay the adjusted amount.

As soon as reasonably possible following the end of each calendar year, Landlord shall furnish Tenant a statement covering such calendar year just expired, showing the Operating Expenses and the amount of Tenant's Proportionate Share of such Operating Expenses for such calendar year and the payments made by Tenant with respect to such calendar year as set forth above. If Tenant's Proportionate Share of such Operating Expenses is greater than Tenant's actual Operating Expense payments, Tenant shall pay Landlord the difference as Additional Rent within thirty (30) days after receipt of such statement, and, thereafter, pay the adjusted amount as provided above until further adjustment by Landlord. Provided, however, Tenant's obligation to make monthly Operating Expense payments pursuant to this Section 4(d) shall not be abrogated by Landlord's failure to provide an annual statement of Operating Expenses; Tenant shall continue to make such payments until adjusted as provided above. If Tenant's Proportionate Share of such Operating Expenses is less than Tenant's actual Operating Expenses payments, Landlord shall give Tenant a credit in the amount of such overpayment. If such credit occurs in the final year of occupancy, then Landlord shall be reimburse the amount of the credit to the County within thirty (30) days.

For purposes of this Section 4(d), Operating Expenses means any and all costs and expenses incurred by Landlord for services performed by Landlord or by others on behalf of Landlord with respect to the operation and maintenance of the Premises, the Building, the Project and the Common Areas located therein and serving or allocable to the Premises (including the Parking Areas) in a manner deemed reasonable and appropriate by Landlord, including, without limitation, all costs and expenses of:

- (i) operating, maintaining, repairing, lighting, signing, cleaning, removing trash from, painting, striping, controlling of traffic in, controlling of rodents in, policing and securing the Common Areas;
- (ii) purchasing and maintaining in full force insurance for the Project as deemed necessary in Landlord's discretion as further detailed in Section 31(f);
- (iii) operating, maintaining, repairing and replacing machinery, furniture, accessories and equipment used in the operation and maintenance of the Project, and other charges incurred in connection with such machinery, furniture, accessories and equipment;
- (iv) maintaining and repairing roofs, awnings, paving, curbs, walkways, drainage pipes, ducts, conduits, and lighting fixtures throughout the Common Areas:
- (v) exterior planting, landscaping, replanting and replacing flowers, shrubbery, trees, grass and planters;
- (vi) providing electricity, heating, ventilation and air conditioning to the Common Areas and HVAC service to the Building, and operating, maintaining and repairing any equipment used in connection therewith. Landlord's determination of the cost of all electricity and other utilities used

with respect to the Common Areas, shall be based upon meter or sub-meter readings, except that if such metering shall be infeasible, impractical or otherwise incapable of being performed without substantial expense to Landlord, then Landlord's determination of the cost of such electricity and other utilities shall be based upon the reasonable estimate of Landlord. If services are rendered or facilities are by separate agreement provided to portions of the Project not generally accessible by all tenants or occupants and their invitees, tenant or occupant of the Project, Landlord shall equitably allocate the costs and expenses attributable to the Common Areas of the Project and to such non-accessible areas;

- (vii) water and sanitary sewer services and other services, if any, furnished to the Common Areas for the non-exclusive use of tenants;
- (viii) [intentionally omitted];
- (ix) cleaning, operating, maintaining and repairing the Project;
- (x) accounting, audit, administrative fees, management fees and expenses, including a property management fee not to exceed five percent (5%) of gross revenues, and payroll, payroll taxes, employee benefits and related expenses of all personnel engaged in the operation, maintenance, and management of the Project (including the Parking Areas);
- (xi) the cost and expense of complying with all federal, state and local laws, orders, rules, directives, permits, regulations and ordinances applicable to the Project which are now in force, or which may hereafter be in force, as well as applicable covenants and restrictions;
- (xii) the cost (including legal, architectural and engineering fees incurred in connection therewith) of any improvement made to the Project during any Operating Year either (A) in order to comply with a legal requirement or insurance requirement, (B) with the reasonable expectation by Landlord of reducing Operating Expenses (as, for example, a labor-saving improvement) or enhancing services, or (C) in lieu of a repair; provided, however, to the extent the cost of such improvement is required to be capitalized under generally accepted accounting principles, such cost, plus financing charges, shall be amortized over the useful economic life of such improvement as reasonably estimated by Landlord, and the annual amortization shall be deemed an Operating Expense in each of the Operating Years during which the cost of the improvement is amortized;
- (xiii) salaries and other compensation of personnel responsible for the day to day management, maintenance, operation and care for the Project;
- (xiv) providing janitorial and trash removal services to the Project and Premises (to the extent not provided by Tenant as required hereunder);

- (xv) all other costs of maintaining, repairing or replacing any or all of the Building (including expenses of landscaping, snow, ice, water and debris removal, outdoor lighting, and exterior signage relating to the Project); and
- (xvi) the cost of all capital improvements made to the Building which are reasonably necessary to replace equipment existing as of the Rent Commencement Date and which are not provided for in subsections (i) through (xiv) above; provided that the cost of each such capital improvement, together with any financing charges incurred in connection therewith, shall be amortized over the useful economic life thereof, as reasonably determined by Landlord.

Notwithstanding the foregoing, the following items shall be excluded from Operating Expenses:

- (1) franchise taxes, income taxes, or excess profit imposed upon Landlord;
- (2) debt service on Mortgages and any costs and expenses relating to a refinancing or debt modification, including legal fees, title insurance premiums, survey expenses, appraisal, environmental report, or engineering report;
- (3) leasing commissions, brokerage fees or legal fees incurred in connection with the negotiation and preparation of letters, deal memoranda, letters of intent, leases and related documents with respect to the leasing, assignment or subletting of space for any occupant of the Building;
- (4) the cost of tenant installations incurred in connection with preparing space for a new tenant or refurbishing or renovating space for an existing tenant;
- (5) salaries and other compensations of personnel not responsible for the day to day management, maintenance, operation and care for the Project;
- (6) capital costs, depreciation or amortization (except as provided in the list of inclusions for Operating Expenses under items (xii) and (xv) above);
- (7) all costs applicable solely to the residential units or any additional buildings constructed on the Project;
- (8) any interest, fine, or other penalty resulting from Landlord's failure to pay any Operating Expense in a timely manner; and
- (9) any cost associated with the initial development of the Project, the Building or the Premises, or the future redevelopment of such (except for the costs set forth in 4(d)(xvi) above.
- (e) <u>Real Estate Taxes</u>. Tenant will be responsible for all Taxes payable with respect to the Premises. In addition to Rent and other charges required to be paid by Tenant under this Lease,

Tenant shall reimburse to Landlord, upon demand, any and all Taxes paid by Landlord with respect to the Premises. No more than once annually, Landlord will forward to Tenant an invoice that includes copies of paid tax receipts setting forth the amount of Taxes levied or imposed against the Property with respect to the Premises. Tenant will make such payments as Additional Rent within thirty (30) days of Tenant's receipt of the invoice and receipts from Landlord. Nothing in this Lease is intended to or shall be construed to require Landlord to make any payments to any taxing authority for the Premises under this Lease. Further, no payments by Tenant under this Lease are intended to or shall be construed to require Tenant to contribute to, or make any payments to, any taxing authority for the benefit of the Building (other than with respect to the Premises).

The term "Taxes" shall mean all federal, state, local governmental, special district and special service area taxes and assessments, exactions, (including, without limitation, lease, rent or occupancy taxes) including any payment in lieu thereof (also known as a PILOT payment) and other governmental charges and levies, general and special, ordinary and extraordinary, unforeseen as well as foreseen of any kind and nature (including interest thereon whenever the same may be payable in installments) which Landlord or Tenant shall pay or become obligated to pay or which are or shall become levied, due and payable or liens upon, assessed directly or indirectly against (or fairly allocable to) the Premises (or any of the rents received therefrom) arising out of the use, occupancy, ownership, leasing, management, repair, replacement or operation of the Premises, any part thereof, appurtenance thereto or property, fixtures or equipment therein imposed by any authority having jurisdiction over the Premises or any part thereof, but excluding transfer and recordation taxes or taxes related to construction of the Premises, if any, in the amount billed and payable immediately prior to the date the same are delinquent together with the costs (including, without limitation, reasonable attorneys' fees that are awarded by a court of law) of any negotiation, contest or appeal pursued by Landlord to reduce or prevent an increase in any portion of such Taxes (collectively, a "Tax Appeal"), regardless of whether any reduction or limitation is obtained, and all of Landlord's administrative costs with respect to a Tax Appeal, all of which shall arise during the Term or which shall be attributable to the period included in the Term. No inheritance, estate, franchise, corporation, income or profit tax that is or may be imposed upon Landlord personally shall be deemed to be included in "Taxes". Notwithstanding anything contained herein to the contrary, Tenant's obligation hereunder to reimburse Landlord for payment of Taxes shall not include penalties imposed for late payment of Taxes. Tenant shall be entitled to its proportionate share of any refund resulting from a successful Tax Appeal by Landlord. In no event shall "Taxes" include any interest, fine, or other penalty resulting from Landlord's failure to pay any such Taxes in a timely manner.

(f) Intentionally Omitted.

(g) <u>Landlord's Enforcement Costs</u>. All reasonable costs incurred by Landlord in curing any Tenant default under this lease, including, without limitation, reasonable attorney's fees shall be reimbursable by Tenant within thirty (30) days after Landlord's delivery to Tenant of a written demand therefor, together with interest thereon, as Additional Rent, from the date such costs were paid by Landlord at the legal rate of interest provided in Article 3, Section 57 of the Maryland constitution (the "**Default Rate**"). In the event Base Annual Rent or Additional Rent is not paid within ten (10) days of its due date, Landlord may assess, at its sole option, and in addition to any other remedies Landlord may have, a late charge equal to five percent (5%) of the amount due for

the additional administrative charges incurred by Landlord as a result of any and each such late payment.

(h) <u>Payment of Rent</u>. Any Base Rent or Additional Rent which is not paid within thirty (30) days after the same is due shall bear interest at the legal rate of interest provided in Article 3, Section 57 of the Maryland Constitution. Any Base Rent or Additional Rent shall be paid by electronic funds transfer debit transactions through wire transfer, ACH or direct deposit of immediately available federal funds and shall be initiated by Tenant for settlement on or before the applicable due date in each case; provided, however, if the due date is not a business day, then settlement shall be made on the immediately following business day. Landlord shall provide Tenant with appropriate wire transfer, ACH and direct deposit information in a notice from Landlord to Tenant. Any payments of Base Rent or Additional Rent by Tenant or acceptance by Landlord of a lesser amount than shall be due from Tenant to Landlord shall be treated as a payment on account. The acceptance by Landlord of a check for a lesser amount with an endorsement or statement thereon, or upon any letter accompanying such check, that such lesser amount is payment in full or that such payment is in payment of any specific charge or monthly installment of a regular periodic amount due hereunder, shall be given no effect, and Landlord may accept such check without prejudice to any other rights or remedies which Landlord may have against Tenant and apply such payment to any outstanding unpaid amounts due from Tenant. If Landlord receives from Tenant two or more returned or "bounced" checks in any twelve (12) month period, Landlord may require all future Rent due and owing during the next twelve (12) month period to be paid by cashier's or certified check.

5. <u>Intentionally Omitted</u>.

6. Intentionally Omitted .

7. Manner and Hours of Operation.

- (a) Tenant shall open the Premises to the public for business on or before the Rent Commencement Date and shall thereafter continuously, actively and diligently operate its business in the Premises, during the minimum business hours hereinafter set forth.
- (b) Tenant shall make reasonable efforts to remain open to the public during the minimum business hours ("Minimum Business Hours") specified in Section 1(a)24. Tenant will provide written notice to Landlord if Tenant plans not to operate its business for more than twenty (20) consecutive business days. If Tenant fails to operate its business for more than forty (40) consecutive business days, then Landlord shall provide Tenant notice that a mandatory meeting shall take place between the parties to attempt to resolve in good faith any dispute which exists regarding the business days. If the dispute cannot be resolved and Tenant continues to fail to be open as required above, then, subject to Section 60, Tenant shall pay Landlord as liquidated damages, in addition to Base Monthly Rent and Additional Rent, the product of 1/30th multiplied times the Base Monthly Rent then in effect for each day or partial day any such default continues. If Tenant fails to operate its business for more than sixty (60) consecutive business days or for more than 50% of business days during a six (6) month period, then Landlord will have the right, at its sole option, to terminate this Lease.

- (c) Tenant shall keep the Premises free of obnoxious odors, in a neat, clean and attractive condition, adequately fixturized, adequately stocked, attended by an adequate number of sufficiently trained personnel to care for Tenant's customers, all in accordance with sound business practices (collectively, the "Minimum Standards"). Tenant shall incorporate air change and odor eliminating materials and techniques into its design of the Premises. Tenant shall maintain a staff to customer ratio that permits Tenant, in its reasonable opinion and subject to Section 60, to serve its customers in an efficient and prompt manner. Tenant shall use for storage and office purposes only those portions of the Premises that are reasonably required therefor in connection with the conduct of Tenant's business in the Premises. Tenant shall provide Landlord with a point of contact responsible for the Tenant's operations at the Premises and will notify Landlord whenever the Tenant's point of contact changes. Tenant shall comply with Exhibit H, Use Provisions.
- In regard to use and occupancy of the Premises and Common Areas, Tenant will: (i) keep the inside and outside of all glass in the doors and windows of the Premises clean; (ii) keep all exterior storefront surfaces of the Premises clean; (iii) keep the Premises clean at all times; (iv) replace promptly, at its expense, any cracked or broken plate or window glass of the Premises with glass of like kind and quality; (v) maintain the Premises at its expense in a clean, orderly and sanitary condition and free of insects, rodents, vermin and other pests; (vi) keep any garbage, trash, rubbish or refuse removed at its expense on a regular basis; (vii) keep all mechanical apparatus free of vibration and noise which may be transmitted beyond the Premises; and (viii) conduct its business in all respects in a safe, proper and dignified manner in accordance with high standards of store operation consistent with or in excess of the Minimum Standards. Tenant will not place or maintain any merchandise or other articles in any Common Areas; use or permit the use of any objectionable advertising medium such as, without limitation, loud speakers, public address systems, sound amplifiers, radio or video broadcasts within the Premises which is in any manner audible or visible outside the Premises; permit undue accumulations of garbage, trash, rubbish or other refuse within or without the Premises; cause or permit objectionable odors to emanate or to be dispelled from the Premises; solicit business in the parking or other Common Areas; distribute handbills or other advertising matter to, in or upon any automobiles parked in the parking areas or in any other Common Area; permit the parking of delivery vehicles so as to interfere with the use of any driveway, walk, parking area or other Common Area in the Project.
- (e) Tenant shall keep all garbage, trash, rubbish or refuse in rat proof containers in the common trash room and Tenant shall, at its sole cost and expense, cause such trash to be placed in trash dumpsters provided by Landlord. Landlord covenants to provide waste storage suitable to service the Premises under normal operations. Tenant shall use only those dumpsters and recycling areas specifically provided and approved by Landlord, and shall use its best efforts to keep the area around the dumpsters free from debris at all times. Landlord shall arrange to have such dumpsters emptied as reasonably determined by Landlord. Tenant agrees to either (i) pay directly to the waste removal provider the cost of removing Tenant's waste or (ii) contribute, on a monthly basis, a percentage of the cost of emptying such dumpsters (the "Tenant Contribution") as reasonably calculated by Landlord (this shall be the method as of the Rent Commencement Date). Notwithstanding the foregoing, Tenant will proceed under option (i) in the immediately preceding sentence only to the extent the waste removal provider is under contract with Tenant's Office of Procurement. Landlord shall calculate each retail Tenant's proportion of the use of said dumpster in as adequate a way as can be reasonably expected. The Tenant Contribution shall be deemed

Additional Rent and shall be paid within fourteen (14) days after Tenant receives a copy of the bill for such trash-emptying service.

8. <u>Compliance With Laws, Fire Insurance, Condition of Property, etc.</u>

- (a) <u>Compliance</u>. Tenant, at its sole cost and expense, shall promptly comply with all laws, rules, orders, ordinances, requirements and regulations of any federal, state or municipal authority, including but not limited to all relevant regulations promulgated by the Montgomery County Department of Health and Human Services and all rules of the Fire Underwriters Rating Bureau or of any insurance company, now in force or which may hereafter be in force which shall impose any duty upon Landlord or Tenant with respect to the use, occupancy or alteration of the Premises. Tenant shall promptly comply with any notice from any public officer pursuant to law, or with any notice from any insurance company pertaining to Tenant's use or occupancy of the Premises, whether such notice shall be served on Landlord or Tenant. Tenant shall promptly provide Landlord with a copy of any and all violation notices that Tenant receives from any state or local authorities. Landlord shall promptly provide Tenant with a copy of any and all violation notices that Landlord receives from any state or local authorities related to the Premises, provided that all such copies will be sent to Tenant cc-ing <u>demarcus.hubbard@hocmc.org</u> and assetmanagement@hocmc.org.
- (i) <u>Legal</u>. Tenant shall not use or permit the Premises or any part thereof to be used in violation of any present or future applicable law, regulation or ordinance, or of the certificate of occupancy issued for the Premises, and shall immediately discontinue any use of the Premises which is declared by any governmental authority having jurisdiction to be in violation of law or said certificate of occupancy. In furtherance of the foregoing, and provided Tenant shall first have obtained Landlord's prior written consent (which Tenant agrees to promptly request), Tenant shall, at Tenant's sole cost and expense, make such changes, alterations, renovations or modifications to the Premises (except for structural repairs) which are necessitated or required by any such law. Aside from the Use of the Premises specified in Section 1(a)22 and any actions Tenant is required to take pursuant this Section 8(a) or Section 8(b), Tenant will not use or permit the Premises to be used for any purposes that interfere with the use and enjoyment of the Building by Landlord or the other tenants, or which violate the requirements of any insurance company insuring the Building or its contents, or which, in Landlord's sole discretion, impair the reputation of the Project.
- (ii) <u>Fire and Safety</u>. Tenant shall not do, or permit anything to be done in the Premises, or bring or keep anything therein, which will in any way increase the rate of fire insurance on the Building, or invalidate or conflict with fire insurance policies on the Building, fixtures or on property kept therein. Tenant agrees that any increases of fire insurance premiums on the Building or contents caused solely by the occupancy of Tenant and any expense or cost incurred, subject to the appropriation and availability of funds in consequence of negligence or the wrongful acts of Tenant, Tenant's employees, volunteers, agents, servants, invitees, or licensees shall be deemed Additional Rent and paid as accrued.
- (b) <u>Environmental Protection</u>. Tenant and Tenant's employees and agents shall not dispose of any oil, petroleum or chemical liquids or solids, liquid or gaseous products or any hazardous waste or hazardous substance including, without limitation, asbestos (hereinafter

collectively referred to as "hazardous waste"), as those terms are used in the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, or in any other federal, state or local law governing hazardous substances (hereinafter collectively referred to as the "Act"), as such laws may be amended from time to time at, upon, under or within the Premises or the Building or the land on which it is built, or into the plumbing or sewer or water system servicing the Premises or the Building, nor shall Tenant, its employees or agents cause or permit the discharge, spillage, uncontrolled loss, seepage or filtration of any hazardous waste at, upon, under or within the Premises or the Building or the land or into the plumbing or sewer or water system servicing the same. Tenant shall comply in all respects with the requirements of the Act and related regulations, and shall notify Landlord immediately in the event of its discovery of any hazardous waste at, upon, under or within the Premises or the Building or the land, or of any notice by a governmental authority or private party alleging that a disposal of hazardous waste on or near the Premises may have occurred. Tenant further agrees to provide Landlord full and complete access to any documents or information in Tenant's possession or control relevant to the question of the generation, treatment, storage or disposal of hazardous waste on or near the Premises.

- (c) <u>Indemnification</u>. Subject to Tenant's limitations set forth in Section 30, Tenant shall indemnify and hold Landlord, its Commissioners, members, directors, employees, agents, successors and assigns harmless from and against all costs, expenses, liabilities, losses, damages, injunctions, suits, fines, penalties, claims, and demands, including reasonable attorneys' fees that are awarded by a court of law, arising out of or in any way related to Tenant's negligent acts or omissions, or wrongful acts resulting in a violation of or default in the covenants of this Section 8. The provisions of this Section 8 shall survive the expiration of the Lease Term.
- **Rules and Regulations**. The rules and regulations ("Rules and Regulations") attached to this Lease as Exhibit D are hereby made a part of this Lease and Tenant agrees to comply with and observe the same. Tenant's failure to keep and observe said Rules and Regulations shall constitute a breach of the terms of this Lease in the same manner as if the same were contained herein as covenants. Landlord reserves the right from time to time to amend or supplement said Rules and Regulations and to adopt and promulgate additional reasonable rules and regulations applicable to the Premises and the Project. Landlord shall give at least fourteen (14) days' written notice of such additional rules and regulations, and amendments and supplements, if any, to Tenant, and Tenant agrees thereupon to comply with and observe all such Rules and Regulations and amendments thereto and supplements thereof. Tenant agrees to abide by such Rules and Regulations, and to use its best efforts to cause its permittees to conform thereto, and will comply immediately for any emergency situations. The Tenant will not be required to follow any rule or regulation promulgated by the Landlord that has a material adverse impact Tenant's use of the Property for its intended use, unless otherwise agreed to in writing by Tenant and Landlord.

10. Utilities; Tenant's Operating Expenses.

(a) <u>Charges</u>. Tenant shall, throughout the Lease Term and any extension thereof, be entirely responsible for the expenses of the business conducted in the Premises. Such expenses shall include, but are not limited to, all costs and expenses paid or incurred by Tenant in connection with the ownership, cleaning, management, and operation of its business conducted in the Premises, which costs shall include, but not be limited to utilities, heating, cooling, and ventilating the Premises, including maintenance, repair and replacement of such mechanical equipment;

water, gas and electric consumption; janitorial service; insurance as hereinafter defined; and all other utility costs and other costs as herein provided. Tenant will leave the HVAC equipment in working order when it vacates the Premises and will not be required to replace the HVAC equipment when it vacates the Premises. Landlord, at Tenant's expense, shall install or cause to be installed submeters at the Premises necessary for the calculation of the electricity, water, sewer, cable and gas used, consumed or supplied to the Premises.

- (i) If not separately metered and billed directly to Tenant, Tenant shall pay to Landlord, as Additional Rent, all of the above described charges within thirty (30) days of being billed for same by Landlord.
- <u>Interruption of Service</u>. In no event shall Landlord be liable to Tenant for any interruption or failure in the supply of any utilities to the Premises, unless caused by the grossly negligent or intentional act of Landlord or its agents or employees. Landlord reserves the right to interrupt service of the heat, plumbing, air conditioning, cooling, electric, and sewer and water systems, when necessary, by reason of accident, or of repairs, alterations or improvements which in the judgment of Landlord are desirable or necessary to be made, until such repairs, alterations or improvements shall have been completed; and Landlord shall have no responsibility or liability for failure to supply heat, plumbing, air conditioning, cooling, electric, and sewer and water service, or other service or act for the benefit of Tenant, when prevented from so doing by strikes, accidents or by any other causes beyond Landlord's reasonable control, or by orders or regulations of any federal, state, county, or municipal authority, or by any failure to receive suitable fuel supply, or inability by exercise of reasonable diligence to obtain the regularly-used fuel or other suitable substitute; and Tenant agrees that Tenant shall have no claim for damages nor shall there be any abatement of Base Annual Rent in the event that any of said systems or service shall be discontinued or shall fail to function for any reason set forth above. Landlord will use good faith efforts to minimize interruptions to services within Landlord's control during the Minimum Business Hours.
- 11. Landlord's Right of Entry. Landlord, and its agents and employees, shall have the right to enter upon the Premises during normal business hours upon twenty-four (24) hours' prior written notice to Tenant (which notice may be provided by email), to examine the same, or to make such repairs, alterations or improvements, or to make inspections for environmental purposes, as Landlord may deem necessary or proper, or to remove any alteration, improvement or sign which is in violation of the provisions of this Lease. In an emergency situation, prior written notice shall not be required and Landlord shall provide Tenant notice of its entry as soon as practicable under the circumstance. On or prior to the Rent Commencement Date, Tenant will provide Landlord with the means and methods necessary to access the Premises in an emergency. Landlord shall act reasonably to minimize any interference with the operation of Tenant's business during such activity.

12. <u>Condition and Maintenance of Premises</u>.

(a) <u>Tenant's Responsibility</u>. Tenant shall maintain the Premises in the same good and orderly condition in which it was delivered to Tenant and shall return same to Landlord at the Expiration Date or at the earlier termination of this Lease, as improved by Tenant as permitted under this Lease and ordinary wear and tear excepted. Tenant shall be responsible for the full cost of all maintenance and repair of the interior of the Premises, including the electrical, mechanical and HVAC system, the doors, windows, floors, walls, ceilings, and equipment and fixtures located

in the Premises and any pipes, wires, and conduits located in or traversing the Premises which serve the Premises, provided, however, that Tenant shall have no responsibility to maintain or repair any pipes, wires or conduits located in or traversing the Premises which exclusively serve Common Areas or leased areas other than the Premises, unless such maintenance or repairs are required as a result of the act or omission of Tenant or its agents or employees. All repairs and maintenance required to be performed by Tenant shall be made or performed immediately upon the occurrence of the necessity therefor, and shall be made or performed in a first class manner, using first class materials, by a contractor selected from a list of contractors under contract with the Tenant's Office of Procurement, approved by Landlord, which approval will not be unreasonably withheld, conditioned or delayed, and shall be made or performed in accordance with (i) all laws and all applicable governmental codes and requirements, and (ii) insurance requirements. Tenant, at its sole expense, will throughout the term of this Lease obtain and keep in force a maintenance contract with a qualified service company to regularly inspect and perform maintenance services to the heating, ventilating and air-conditioning system serving the Premises. Tenant shall furnish Landlord with a copy of said maintenance contract, and of renewals or replacements thereof. All glass, both exterior and interior, shall be maintained in the Premises at the sole risk of Tenant, and Tenant agrees to replace any glass promptly at its sole expense in the event of breakage.

- (b) <u>Landlord's Responsibility</u>. Landlord shall maintain the foundation, roof, and exterior walls of the Premises in good condition and repair.
- (c) <u>Landlord's Rights</u>. Landlord reserves the right from time to time to install, use, maintain, repair and replace pipes, ducts, conduits, wires and appurtenant meters and equipment for service to other parts of the Building, above the ceiling surfaces, below the floor surfaces, within the walls and in the central core areas, and to relocate any pipes, ducts, conduits, wires and appurtenant meters and equipment included in the Premises which are located in the Premises or located elsewhere outside the Premises. Nothing contained herein shall be deemed to relieve Tenant of any duty, obligation or liability with respect to making any repair, replacement or improvement or complying with any law, order or requirement of any government or other authority and nothing contained herein shall be deemed or construed to impose upon Landlord any obligation, responsibility or liability whatsoever, for the care, supervision or repair of the Premises, or any part thereof, other than as expressly provided in this Lease.

13. <u>Intentionally Omitted</u>.

14. Common Areas.

(a) <u>Common Areas Defined</u>. In this Lease, "Common Areas" means all areas, facilities and improvements provided, from time to time, in the Project for the mutual convenience and use of tenants or other occupants of the Project, their respective agents, employees, and invitees and shall include, if provided, but not limited to, access roads, driveways, garage, retaining walls, sidewalks, walkways, lobbies, plazas, stairs, Project signage, loading docks, trash area, delivery and pick-up areas, landscaped areas, and exterior lighting facilities. For the avoidance of doubt, a description of Common Areas for the Tenant's use is attached here as <u>Exhibit L</u>.

- Landlord's Control. Landlord shall, as between Landlord and Tenant, at all times during the Lease Term, have the sole and exclusive control, management and direction of the Common Areas, and may at any time and from time to time during the Lease Term exclude and restrain any person from use or occupancy thereof, excepting, however, Tenant and other tenants of Landlord and bona fide invitees of either who make use of said areas in accordance with the rules and regulations established by Landlord from time to time with respect thereto. The rights of Tenant in and to the Common Areas shall at all times be subject to the rights of others to use the same in common with Tenant, and it shall be the duty of Tenant to keep all of said areas free and clear of any obstructions created or permitted by Tenant or resulting from Tenant's operation. Landlord reserves the right at any time to utilize the Common Areas for promotions, exhibits, shows, displays, the leasing of kiosks and push carts, landscaping, decorative items, and any other use which, in Landlord's sole judgment, tends to attract customers to, or benefit the customers of, the Project. Landlord may at any time and from time to time close all or any portion of the Common Areas to make repairs or changes or to such extent as may, in the opinion of Landlord, be necessary to prevent a dedication thereof or the accrual of any rights to any person or to the public therein, to close temporarily (not to exceed seven (7) business days unless otherwise agreed to via email by Landlord and Tenant) any or all portions of the said areas to discourage noncustomer parking, and to do and perform such other acts in and to said areas as, in the exercise of good business judgment, Landlord shall determine to be advisable with a view to the improvement of the convenience and use thereof by tenants, their employees, agents, and invitees. If Landlord expects that a closure of a Common Area will prohibit the Tenant from conducting business in the Leased Premises, Landlord will not close such Common Area without the prior express written consent of Tenant except in the case of an emergency. In an emergency situation, prior written consent shall not be required and Landlord shall provide Tenant notice of any closures as soon as practicable under the circumstances. For the avoidance of doubt, temporary closure of the garage or loading area shall not be considered to prohibit the Tenant from conducting business in the Leased Premises.
- Changes and Additions to Buildings, Additional Construction. Landlord hereby reserves the right at any time to make alterations or additions to and to build additional stories on the Project and to add additional lands and/or buildings to the Project lands as presently constituted. Landlord also reserves the right to construct other buildings and improvements in the Project from time to time, to make alterations thereof or additions thereto, to build additional stories thereon, to build additional buildings adjoining same, to construct additional elevated and/or other parking facilities and to demolish, alter, renovate, make additions to any buildings and improvements located in the Project, and to change the name of the Project; provided, however, that access to the Premises shall not be denied nor visibility of the Premises unreasonably impaired, except for and during temporary periods (not to exceed seven (7) business days unless otherwise agreed to via email by Landlord and Tenant) due to such construction and other activities permitted hereunder. If the Landlord expects that its activities under this Section 14(c) would prohibit the Tenant's use of the Leased Premises for their intended use, Landlord will not proceed with such activities without the prior express written consent of Tenant except in the case of an emergency. In an emergency situation, prior written consent shall not be required and Landlord shall provide Tenant notice of any closures as soon as practicable under the circumstances. For the avoidance of doubt, temporary closure (a period not to exceed seven (7) business days unless otherwise agreed to via email by Landlord and Tenant) of the garage or loading area shall not be considered to prohibit the Tenant's use of the Leased Premises for their intended use.

Tenant agrees that Landlord shall at all times have the right and privilege of determining the nature and extent of the Common Areas, and of making such changes, rearrangements, additions or reductions therein and thereto from time to time which in its opinion are deemed to be desirable and for the best interest of all persons using the Common Areas or which are as a result of any federal, state or local environmental protection or other law, rule, regulation, guideline or order. Nothing described in <u>Exhibit A</u> shall limit or prevent Landlord from making any change or alteration to the Project as described in this Section 14(c).

(d) Parking.

- (i) Tenant's customers shall have the right to utilize twenty-six (26) exclusive and designated parking spaces in the Project's parking facilities (the "Library Parking Spaces"), upon such terms and conditions as may from time to time be established by Landlord. Tenant, at its sole cost, will be responsible for the provision and maintenance of signage designating the Library Parking Spaces, provided that Tenant will submit the design of any signs to Landlord for Landlord's prior approval. Tenant may, at its sole cost, tow any cars that are in violation of the exclusivity of the Library Parking Spaces.
- (ii) It is understood and agreed that Landlord assumes no responsibility, and shall not be held liable, for any damage or loss to any automobiles parked in the parking facilities or to any personal property located therein, or for any injury sustained by any person in or about the parking facilities, unless such damage, injury or loss is the result of the gross negligence or willful misconduct of Landlord, its employees or agents. For the avoidance of doubt, in the event Landlord or its employees are involved in an automobile accident in the parking facilities, the appropriate automobile insurance will be applicable.
- (iii) Tenant shall use its best efforts to avoid having delivery vehicles parking illegally in the vicinity of the Building.
- Interruption of Use. Notwithstanding the foregoing, under no circumstances will (e) Landlord be liable in damages or otherwise to Tenant or Tenant's permittees, licensees, invitees, clients, customers, employees, or contractors, if any, if the Common Area services are interrupted or terminated because of repairs, installation, or improvements, or because of causes beyond Landlord's control, nor shall any interruption or termination be construed as an eviction (actual or constructive) of Tenant, nor be deemed a cause for abatement of rent by Tenant, nor relieve Tenant from fulfillment of any covenant, condition, or term of this Lease. Landlord may, without giving notice to Tenant and without liability to Tenant for damages or otherwise, change the dimensions, location, shape, size, character, and decor of Common Areas, and may in its sole discretion determine and change the manner and degree of Common Area maintenance and services provided, if any. If, in Landlord's sole discretion, the nature or volume of Tenant's business necessitates that Landlord provide Common Area maintenance or services additional to or different from those generally provided, Landlord may, at its option (and without prejudice to any other rights of Landlord under this Lease), provide such additional maintenance or services, the cost of which Tenant shall pay to Landlord as additional rent within thirty (30) days after Tenant's receipt of Landlord's invoice.

(f) <u>Tenant Rights</u>. Tenant and its permittees shall, during the time that the Premises are opened for business, have a nonexclusive license to use the access road, driveway, garage, sidewalks, loading dock and retail trash area, but not to the other portions of the Common Areas, it being acknowledged and agreed that Tenant's employees, invitees and patrons shall enter and exit the Premises from the sidewalks and streets adjacent thereto without accessing or using any other lobbies or entrances within the Project. Such use shall be in common with Landlord and all others to whom Landlord has granted or may hereafter grant such license or permission, subject to such reasonable Rules and Regulations as Landlord may from time to time impose as addressed in Section 9. Tenant shall be solely liable for property damage to Common Areas (beyond ordinary wear and tear) caused by the negligence or wrongful actions of Tenant or its employees.

15. <u>Construction, Alterations & Improvements.</u>

(a) <u>Construction by Landlord</u>. Landlord has constructed the Building in which the Premises is to be located in accordance with the Shell Building Specifications attached hereto as <u>Exhibit J</u>. Tenant has had an opportunity to examine the Premises and accepts the Premises "as is."

(b) Tenant's Work.

- (i) Any work in or upon the Premises shall be Tenant's Work and shall be performed in accordance with <u>Exhibit C</u> by Tenant, at its sole cost and expense. When designing, constructing and operating its business, Tenant shall take into account the Tenant Improvement Guidelines for Sustainability attached hereto as <u>Exhibit K</u>. Tenant is responsible for coordinating its plans with the Building's plans.
- (ii) Tenant shall simultaneously submit Tenant's plans to Landlord and apply for its building permit within twelve (12) months of the Commencement Date. Tenant covenants to promptly respond to the local jurisdiction's comments until a building permit is granted. If Landlord does not approve of Tenant's plans and notifies Tenant of same within fifteen (15) business days after Tenant has applied for its building permit, Tenant shall have fifteen (15) business days following receipt of Landlord's notice to re-submit Tenant's plans to Landlord for approval. Thereafter, the parties shall respond to each other in no more than fifteen (15) Business Days until final, approved plans are approved by Landlord. If the approved plans contain changes from the initial plans submitted for the building permit that require a re-submission, then Tenant shall do so within five (5) Business Days of Landlord's approval of the final plans.
- (iii) Tenant acknowledges and agrees that the Premises is in a very visible location in the Building and that the good appearance and condition of the Premises is important to Landlord and to the success of the Project.
- (iv) <u>Permits</u>. Tenant shall be responsible for obtaining, at Tenant's expense, any and all approvals, permits or licenses necessary for Tenant's Work and Tenant's occupancy of the Premises for the purposes permitted hereunder. Tenant shall promptly apply for and diligently pursue the issuance of all such approvals, permits and licenses ("Permits"). Tenant's failure to procure such Permits shall not affect or change the Delivery Date or the Rent Commencement Date.

(c) <u>Alterations or Improvements by Tenant</u>. Except for the performance of Tenant's Work as described in <u>Exhibit C</u> and in this Section 15, Tenant shall not paint, decorate or erect any partitions, or make any alterations or improvements in the Premises, or do any nailing, boring or screwing into the ceilings, walls or floors thereof, or paint any exterior walls of the Premises, without the prior written consent of Landlord. Tenant hereby agrees that all alterations and improvements made in, to, or on the Premises shall, unless otherwise provided by written agreement, be the property of Landlord and shall remain upon and be surrendered with the Premises on the Expiration Date or other termination of this Lease. Except for the Tenant's Work as described in Exhibit C, at Landlord's request, all alterations and improvements to the Premises made during the Lease Term shall be removed by Tenant at its sole cost, and the Premises shall be restored to their original condition by the Expiration Date, ordinary wear and tear excepted.

16. Signs, Awnings and Canopies.

- (a) Tenant will not place or suffer to be placed or maintained on any exterior surface, door, wall or window of the Premises any sign or awning, or advertising matter or other thing of any kind, and will not place or maintain any decoration, lettering or advertising matter on or within twenty-four (24) inches from the interior plane of the glass of any window or door of the Premises (the "Approval Area") without first obtaining Landlord's written approval. Landlord and Tenant agree that Landlord will have the right to pre-approve the placement of a community bulletin board within the Approval Area and Tenant will not need to seek approval for any item posted on that community board. Tenant may also place temporary signs on the doors or glass without Landlord approval to notify patrons of Tenant that the Library is unexpectedly closed. Any sign, awning, decoration, lettering, advertising matter, or other thing as may be approved, shall be constructed and installed by Tenant at Tenant's sole expense and shall be maintained by Tenant in good condition and repair at all times. Any of said items so installed without such written approval and consent may be removed by Landlord at Tenant's expense.
- (b) Tenant agrees that Landlord has the right, at Landlord's discretion, at any time during the Lease Term, to remodel or change the signage and/or other exterior surfaces of the Building. Tenant understands that during such remodeling, it might be necessary to remove Tenant's existing sign(s) and that said sign(s) may not be suitable for reinstallation after the remodeling is completed. Said sign(s), or part thereof, which Tenant had installed, shall remain the property of Tenant. If Landlord materially damages the Tenant's signage, Landlord agrees to provide replacement signage, as approved by Tenant, at Landlord's sole cost and expense. Landlord shall give Tenant notification as to the approximate date that said remodeling will commence, as well as the anticipated completion date. During the remodeling, Tenant agrees to cooperate with Landlord and execute any necessary documentation required to facilitate the remodeling process as may be required in its capacity as a Tenant under this Lease. It may be necessary to erect scaffolds or other construction equipment during the remodeling, but access to the Premises shall not be denied for more than two (2) business days or as otherwise agreed to by Landlord and Tenant, and visibility of the Premises shall not be unreasonably impaired, except for and during temporary periods due to such remodeling permitted hereunder.
- (c) At the expiration of Tenant's occupancy of the Premises, Tenant shall be responsible for removing Tenant's sign and satisfactorily restoring the surfaces damaged by the sign removal. In the event Tenant does not remove its sign upon the expiration of its occupancy of the Premises, then

Landlord may cause the removal of said sign(s) in accordance with the foregoing, at the sole cost and expense of Tenant. In such event, the sign(s) shall be deemed abandoned and Landlord may dispose of same as it sees fit.

(d) Tenant shall be responsible for the day-to-day maintenance of its sign, including but not limited to the replacement of light bulbs, and for the maintenance and repair of its sign, and for the utility charges necessary to illuminate the sign as reasonably estimated by Landlord. Damage to the sign by fire, or other casualty, shall be Tenant's responsibility to repair or replace unless same is caused by Landlord, its agents or employees, in which event Landlord shall be responsible for the repair or replacement of Tenant's sign.

17. <u>Intentionally Omitted</u>.

18. Intentionally Omitted.

19. Covenant Against Assignment and Subletting by Tenant.

- (a) Tenant shall not assign, mortgage or encumber this Lease, or any right hereunder, nor sublet the Premises or any part thereof, nor permit the Premises to be used by others without the prior written consent of Landlord, which consent may be given or withheld in Landlord's sole and absolute discretion.
- (b) Without the prior written consent of Landlord, this Lease and the interest of Tenant, or any assignee of Tenant, shall not pass by operation of law, nor shall it be subject to garnishment or sale under execution in any suit or proceeding which may be brought against or by Tenant, or any assignee of Tenant. No assignment or sublease with or without Landlord's consent or collection of rent from an assignee or subtenant shall relieve Tenant of its obligations hereunder. If Tenant assigns or sublets the Premises in violation of the terms of this Section 19, the Minimum Rent shall be increased during the term of the assignment or sublet by an additional twenty-five percent (25%).
- In the event Tenant desires to assign this Lease or sublease the Premises, Tenant shall request, in writing, Landlord's consent thereto, and together with such request Tenant shall (i) if the assignment is to an entity affiliated with the Tenant (specifically, a governmental agency or quasi-governmental agency of Montgomery County) or for a third-party entity unaffiliated with Tenant, provide to Landlord full particulars and information on the proposed assignee or Subtenant, including, but not limited to, a current financial statement prepared by an independent accountant, a business resume, and a full copy of the agreement by which Tenant proposes to assign or sublease the Premises, and (ii) if the assignment is to a third-party entity, unaffiliated with the Tenant, Tenant will also pay to Landlord a non-refundable processing fee of One Thousand Five Hundred Dollars (\$1,500.00) to compensate Landlord for its administrative and legal expenses incurred in the course of considering Tenant's request. If the Tenant wishes to assign this Lease or sublease the Premises for non-governmental uses, Landlord will need to obtain an opinion or advice from bond counsel to ensure that such use would not violate the rules of any tax-exempt bond financing on the Property. For the avoidance of doubt, Landlord will not be required to consent to any transfers that jeopardize Landlord's tax-exempt bond financing. Notwithstanding anything to the contrary contained in this Section 19, in the event that Landlord

consents in writing to a proposed assignment or sublease, Tenant shall remain fully and primarily liable for the performance of all of the terms required to be performed by Tenant hereunder throughout the Lease Term.

- (d) Landlord shall be entitled to any and all consideration provided to Tenant in the aggregate from any assignment of this Lease and/or any subletting of the Premises over and above the rent and charges due to Landlord from Tenant under the terms of this Lease.
- (e) Landlord's rights under this Lease may be assigned in accordance with Section 27(c) hereof.

20. Defaults.

- (a) <u>Tenant's Default.</u> A default by the Tenant under this Lease shall be defined as the occurrence of any one or more of the following events ("Tenant Default"):
- (i) If Tenant shall refuse to take possession of the Premises on the Rent Commencement Date, subject to Landlord's delivery of the Premises per the requirements of Section 3(b);
- (ii) If Tenant shall vacate the Premises and permit the same to remain unoccupied and unattended, for a period of thirty (30) days or more, or shall remove, attempt to remove or manifest an intent to remove, not in the ordinary course of business, Tenant's personal property from or out of the Premises, without first having satisfied Landlord for all Rent which may or have become due during the Lease Term;
 - (iii) If Tenant shall not operate its business pursuant to Sections 6 and 7;
- (iv) If any execution, levy, attachment or other process of law shall occur upon Tenant's goods, fixtures or interest in the Premises, with the exception of the automatic stay provisions of the Act, and the same shall not be released, bonded over, or discharged within sixty (60) days;
 - (v) If an Act of Bankruptcy occurs pursuant to the terms of Section 22;
- (vi) If Tenant shall attempt to assign this Lease or to sublease all or a portion of the Premises without Landlord's written consent in violation of Section 19;
- (vii) If Tenant shall fail to pay Rent, when the same shall become due and payable, and such failure shall continue for ten (10) days after notice from Landlord; provided, however, that Landlord will not be required to provide more than three (3) such notices in any one (1) Lease Year;
- (viii) If Tenant shall fail to submit any plans for construction of the Tenant Improvements at such time that said plans are required to be submitted to Landlord for Landlord's review and approval;

- (ix) If Tenant shall fail to perform or observe any other material term, provision, covenant, condition or requirement of this Lease (not hereinbefore specifically referred to) on the part of Tenant to be performed or observed, and such failure shall continue for thirty (30) days after written notice from Landlord and such cure period may be extended for such an additional period of time as may reasonably be necessary to cure such Tenant Default, provided that Tenant commences the cure within said 30-day period and use reasonable and diligent efforts to pursue the same thereafter and such cure period does not exceed one hundred twenty (120) days; or
- (x) If Tenant shall cause or suffer the same three (3) non-monetary defaults within any one (1) Lease Year, notwithstanding any subsequent cure of such Tenant Default.
- (b) <u>Consequences</u>. Upon the happening of any Tenant Default, this Lease shall, at Landlord's option, cease and terminate and any termination notice provided to Tenant shall also operate as a notice to quit, and will include the date by which Tenant needs to vacate the Premises. Landlord may proceed to recover possession of the Premises by virtue of any legal process as may at the time be in operation and force in like cases relative to proceedings between landlords and tenants, and Tenant shall pay for any and all costs in connection with the foregoing, including, without limitation, all court costs relative to such proceedings and reasonable attorneys' fees that are awarded by a court of law, or Landlord may, at Landlord's option, re-enter and re-rent the Premises for the account of Tenant, and in such event, subject to Section 60, Tenant shall remain liable to Landlord for any and all deficiencies in the Rent under this Lease (including, without limitation, the Rent for the unexpired portion of the Lease Term). For the avoidance of doubt, if the Tenant notifies Landlord that it has failed to receive appropriations from the Montgomery County Council sufficient to meet its obligations under this Lease, please refer to Section 60.
- Landlord's Default. Landlord's failure to perform any material obligation of Landlord under this Lease shall be considered a default under this lease (such default, a "Landlord Default"). No Landlord Default shall have been deemed to have occurred unless notice of such default is delivered to Landlord by Tenant, and Landlord fails to cure such default within thirty (30) days after delivery of such notice, to the extent such a cure is reasonably able to be effected within said 30-day period, and such cure period shall be extended for such an additional period of time as may reasonably be necessary to cure such Landlord Default (including, without limitation, in order to obtain the approval of the Housing Opportunities Commission for such remedial action, if necessary), provided that Landlord commences the cure within said 30-day period and use reasonable and diligent efforts to pursue the same thereafter such cure period does not exceed one hundred twenty (120) days. Upon the occurrence of a Landlord Default, Tenant shall be entitled (a) to terminate this Lease by written notice to Landlord, in which event both parties shall be relieved of any further liability under this Lease except for any obligations or liabilities that expressly survive the termination of this Lease, (b) to obtain a decree of specific performance to enforce the obligations of Landlord under this Lease where Tenant's remedy at law would otherwise be inadequate or unavailable, or (c) to seek actual monetary damages provided, however, that in no event shall Landlord be liable for any consequential, special or punitive damages in connection with this Lease or any of Landlord's obligations hereunder. Nothing contained herein shall be deemed to limit the right of Tenant to enforce the indemnification obligations of Landlord established under this Lease, all of which such obligations shall survive any termination of this Lease.

Cure of Landlord's Default by Tenant. Without prejudice to any other right or remedy of Tenant provided for herein, if there shall be a Landlord Default which has not been cured by Landlord within the time period provided for in Section 20(c), Tenant shall deliver to Landlord a second notice of such default and, if Landlord has not cured or commenced cure of such Landlord Default within ten (10) days after delivery of such second notice, then Tenant may cure the same at the expense of Landlord immediately and with simultaneous notice to Landlord, but only in the case of (a) Emergency or (b) where such Landlord Default shall result in a violation of Legal Requirements (unless such violation does not need to be cured immediately in order to avoid incurring any fines, penalties or other sanctions) or the cancellation of any insurance policy maintained by Tenant. All reasonable costs incurred by Tenant in curing such Landlord Default, including, without limitation, reasonable attorneys' fees that are awarded by a court of law, shall be reimbursable by Landlord within thirty (30) days after Tenant's delivery to Landlord of a written demand therefor, together with interest thereon from the date such costs were paid by Tenant, at the Default Rate. In the event Landlord fails to pay such costs within thirty (30) days of receipt of written demand and all back-up documentation for such cost, Tenant shall be entitled to abate its payment of the Rent in an amount equal to the reimbursement amount included in the written demand. Notwithstanding the foregoing, in the exercise of its rights under this Section 20(d), Tenant shall not affect the Common Areas, structural or residential elements of the Building or the façade of the Building, and shall not pursue any remedy or cure which would require any modifications to the any existing governmental approvals, including, but not limited to site approval, it being the express agreement of the parties that Tenant's self-help remedies be limited in the foregoing manner. For purposes of this Section 20(d), the term "Emergency" shall mean a situation in which immediate action is necessary to avoid imminent personal injury, imminent material property damage or suspension of any necessary services to the Premises.

21. <u>Landlord's Remedies</u>.

- (a) Upon the occurrence of a Tenant Default, in addition to any other right or remedy provided at law, in equity, under this Lease or otherwise, Landlord shall have the right, at its discretion, then or at any time thereafter either:
- (i) To give Tenant written notice of Landlord's intent to terminate this Lease on the date of the notice or on any later date specified in the notice, and on such date Tenant's right to possession of the Premises shall cease and this Lease shall thereupon be terminated; or
- (ii) Without demand or notice, to reenter and take possession of all or any part of the Premises, to expel Tenant and those claiming through Tenant, and to remove the property of Tenant and any other person, either by summary proceedings or by action at law, in equity or otherwise, without being deemed guilty of trespass and without prejudice to any remedies for nonpayment or late payment of rent for breach of covenant.
- (b) If Landlord elects to reenter, Landlord may terminate this Lease, or, from time to time without terminating this Lease, may relet all or any part of the Premises for such term(s), and at such rental and upon such other terms and conditions as Landlord may deem acceptable, with the right of Landlord to make alterations and repairs to the Premises. No such reentry or taking of possession of the Premises by Landlord shall be construed as an election on Landlord's part to terminate this Lease unless notice of such intention is given to Tenant under Section 21(a)(i) above

or unless the termination is decreed by a court of competent jurisdiction at the insistence of Landlord. Landlord shall in no event be under any obligation to relet all or any part of the Premises. Notwithstanding the foregoing, should Landlord take possession of the Premises after a Tenant Default, Landlord shall use reasonable commercial efforts to try to mitigate its damages by trying to relet the Premises upon such terms as Landlord, in its sole, but reasonable judgment, deems advisable, but in no event shall Landlord be required (i) to relet the Premises prior to leasing other vacant space in the Building; (ii) to market the Premises in a way other than Landlord's standard methods of marketing vacant space; or (iii) to incur any expenses in connection with improvements to the Premises in order to increase the marketability of the Premises.

- If Landlord terminates this Lease or reenters the Premises, Tenant shall, subject to (c) Section 60, remain liable for: (i) any unpaid Rent due at the time of termination, plus interest thereon from the due date thereof at the rate of twelve percent (12%); provided, however, that if such interest is limited by law to a lesser amount, Landlord shall be entitled to the maximum amount of interest permitted by law; (ii) Rent payable from the date of termination through the earlier of (x) the June 30th after the date of termination, or (y) the date on which all funds appropriated for the payment of Rent are used to pay such Rent under this Lease, (iii) any and all expenses (including, without limitation, all reasonable attorneys' fees, disbursements and brokerage fees) incurred by Landlord in reentering and repossessing the Premises, in making good any Tenant Default, in painting, altering, repairing or dividing the Premises, in protecting and preserving the Premises by use of watchmen and caretakers and in reletting the Premises; and (iv) any other amount necessary to compensate Landlord for any other detriment incurred by Landlord due to Tenant's failure to perform its obligations under this Lease or that in the ordinary course of things would likely result therefrom; provided that in no event shall Tenant be liable for consequential damages, less the net proceeds received by Landlord from any reletting prior to the date this Lease would have expired if it had not been terminated. Tenant agrees to pay to Landlord the amount so owed above for each month during the Lease Term on the first day of each such month. Any suit brought by Landlord to enforce collection of such amount for any one month shall not prejudice Landlord's right to enforce the collection of any such amount for any subsequent month. In addition to the foregoing, and without regard to whether this Lease has been terminated, each party in any litigation to enforce the provisions of this Lease will pay for their own litigation costs, unless otherwise directed or are awarded by a court of law. Tenant's liability shall survive the institution of summary proceedings and the issuance of a warrant or writ thereunder. If for any period during a Tenant Default, Landlord obtains sums in the excess of the Rent due from Tenant, any such sum shall be the sole property of Landlord and Tenant will not be entitled to a credit therefor.
 - (d) Intentionally Omitted.
- (e) Tenant waives any and all rights of redemption, or reentry onto the Premises, or any right to restore the operation of this Lease following entry of any judgment in favor of Landlord by a court of competent jurisdiction..
- (f) In the event of any breach by Tenant or any persons claiming through Tenant of any of the provisions contained in this Lease, Landlord shall be entitled to enjoin such breach and shall have the right to invoke any right or remedy allowed at law, in equity, or otherwise, as if reentry, summary proceedings or other specific remedies were not provided for in this Lease.

- (g) Intentionally Omitted.
- (h) All rights and remedies of Landlord under this Lease shall be cumulative and shall not be exclusive of any other rights and remedies provided to Landlord now or hereafter existing under law.
 - (i) Intentionally Omitted.
- (j) Landlord and Tenant agree to waive against the other party any claims for consequential damages arising out of any breach of this Lease.

22. <u>Intentionally Omitted</u>

23. <u>Subordination</u>.

- (a) General. Tenant agrees that this Lease is subject and subordinate to the lien of any first mortgages or deeds of trust now on or which at any time may be made a lien upon the Building, or any part thereof, and to all advances made or hereafter to be made upon the security thereof. This subordination provision shall be self-operative and no further instrument of subordination shall be required. Tenant agrees to execute and deliver to Landlord within fifteen (15) days after receipt thereof, such further instrument or instruments reasonably approved by Tenant confirming this subordination as shall be desired by Landlord or by any mortgagee or proposed mortgagee. Tenant further agrees that, at the option of the holder of any first mortgage or of the trustee under any first deed of trust, this Lease may be made superior to said first mortgage or first deed of trust by the insertion therein of a declaration that this Lease is superior thereto. Notwithstanding such subordination, Tenant's right to quiet possession of the Premises shall not be disturbed if Tenant is not in default and so long as Tenant shall pay all Base Monthly Rent and Additional Rent and shall observe and perform all of the provisions of this Lease, unless this Lease is otherwise terminated pursuant to the terms hereof.
- (b) Attornment. In the event any proceedings are brought for the foreclosure of or in the event of exercise of the power of sale under any deed of trust to secure debt given by Landlord and covering the Premises, the party secured by any such deed of trust shall have the right to recognize this Lease and, in the event of any foreclosure sale under such deed of trust, this Lease shall continue in full force and effect at the option of the party secured by such deed of trust or the purchaser under any such foreclosure sale; and Tenant shall attorn to the purchaser upon any such foreclosure or sale and recognize such purchaser as the owner and landlord under this Lease, provided such owner, as landlord, shall recognize Tenant's rights to continue to occupy the Premises and exercise and enjoy all of its rights hereunder, and so long as Tenant complies with the terms and provisions of this Lease.
- **24.** Estoppel Certificates. Tenant agrees, at any time and from time to time, upon not less than ten (10) Business Days prior written notice by Landlord, to execute, acknowledge and deliver to Landlord a statement in writing (a) certifying that this Lease is unmodified and in full force and effect (or if there have been modifications the nature of same), (b) stating the dates to which the Base Annual Rent and Additional Rent have been paid by Tenant, (c) stating whether or not to the best knowledge of Tenant, Landlord is in default in the performance of any covenant, agreement or condition contained in this Lease, and, if so, specifying each such default of which Tenant may have knowledge, and (d) stating the address to which notice to Tenant should be sent. Any such statement delivered

pursuant hereto may be relied upon by an owner of the Project, any prospective purchaser of the Project, any mortgagee or prospective mortgagee of the Project, or of Landlord's interest therein, or any prospective assignee of any such mortgage. Without limiting the foregoing, Tenant agrees that the form Tenant Estoppel Certificate attached hereto as Exhibit I-1 and the Subordination, Non-Disturbance and Attornment Agreement attached hereto as Exhibit I-2 are each acceptable.

25. <u>Damage by Fire or Other Casualty</u>.

- (a) If the Premises shall be damaged by fire or other casualty, except as otherwise provided in subparagraph (b), Tenant, at its option, may (i) repair, alter, change, substitute for, restore, replace, or rebuild the same, to such extent, condition, and character as Tenant shall determine, in its reasonably exercised business judgment, taking into account then existing market conditions (individually "Repair", and collectively, "Repairs"), or (ii) make safe and secure, and sightly, the damaged or destroyed Premises, removing any of the Tenant Work as Tenant shall reasonably determine ("Secure") until such time as Tenant may elect to proceed under clause (i). Tenant shall proceed expeditiously to effect a Repair, subject to Landlord and Tenant's rights under this Article 25. All costs to Repair and Secure shall be borne by Tenant, regardless of whether such casualty loss is covered by insurance and whether the insurance proceeds are sufficient to cover Tenant's expenses. All Repairs shall be made in conformity with the provisions of this Sublease, including, but not limited to the following provisions:
- (i) All Repairs shall be in accordance with all legal requirements, including applicable zoning laws, as then in effect and any recorded documents impacting the Premises.
- (ii) For any Repair, Tenant shall submit to Landlord for Landlord's review and approval (i) a description of the Repair, (ii) any proposed revisions to this Lease, (iii) the methods, schedules, plans and drawings for the Reconstruction Activity, and (iv) any other information reasonably requested by Landlord ("Submission").
- Landlord's approval shall not be unreasonably withheld, delayed or conditioned and, within thirty (30) Business Days of Landlord's receipt of the Submission, Landlord shall deliver written notice to Tenant (i) rejecting the Repairs, (ii) approving the Repairs with no comments, or (iii) conditionally approving the Repairs, subject to Landlord's detailed comments. If the Tenant disagrees with the Landlord's determination concerning the Repairs, the Parties shall negotiate the Landlord's determination and shall finalize any negotiations with respect to the Repairs within sixty (60) days from Tenant's initial Submission. If necessary, the Parties shall execute an amendment to this Lease to reflect the results of such negotiations. To the extent that Landlord's comments include revisions to plans and drawings, Tenant shall incorporate into the drawings such changes as are reasonably necessary to satisfy the detailed comments from Landlord and Landlord shall be included in any and all processing of the plans and drawings with the applicable governmental authorities. Upon receiving an unconditional approval from Landlord of the Repairs, the Submission shall not be modified without the prior written review and approval of Landlord, which approval shall not be unreasonably withheld. A Repair shall not begin until Tenant has received the prior written approval of Landlord, if required, in accordance with the provisions of this Section 25.
 - (iv) Landlord shall have access to the construction site for any Repairs or

inspections solely for the purpose of determining whether the work or improvements are being performed in accordance with the terms of this Sublease and the Landlord's approval of the Repairs, provided that Landlord inspections shall not unduly disrupt or delay Tenant's work and shall be scheduled in advance with the active cooperation of the construction supervisor of Tenant. By inspecting, having the right to inspect, or requiring the correction of any construction, Landlord accepts no liability for any construction defects, flaws, or mistakes, and waives none of its legal rights. No inspection conducted by Landlord shall be construed to be a warranty, guarantee, or assurance of the adequacy of Tenant's or any contractor's work, or of the improvements constructed. The inspection conducted is for Landlord's sole benefit, and is for no other party's benefit, including but not limited to, Tenant's.

- (v) Landlord accepts no liability and waives no rights under this Lease by reason of its approval of the method, schedule, plans, and construction drawings or specifications for any Repairs, nor shall its approval be construed to be a warranty regarding the quality or means of construction.
- (b) If the Premises shall be substantially damaged or are rendered substantially untenantable by fire or other casualty, or if Landlord's architect certifies that the Premises cannot be repaired within one hundred eighty (180) business days and Landlord elects not to repair the Premises, said period commencing with the start of the repair work, or if Landlord shall decide not to restore or repair the same, or shall decide to demolish the Building or to rebuild it, then Landlord shall, within ninety (90) days after such fire or other casualty, give Tenant a notice in writing of such decision, and thereupon the term of this Lease shall expire by lapse of time upon the third day after such notice is given, and Tenant shall vacate the Premises and surrender the same to Landlord within thirty (30) days. Upon the termination of this Lease under the conditions hereinbefore provided, Tenant's liability for Base Annual Rent shall cease as of the day following the casualty.
- (c) Whenever any part of the Premises is damaged or destroyed, Tenant shall promptly make proof of loss and shall proceed promptly to endeavor to collect all valid claims which may have arisen against insurers or others based upon any such damage or destruction. All sums payable for loss and damage arising out of the casualties covered by the fire and extended coverage policies shall be used to restore and, if necessary, rebuild the Premises existing or being constructed prior to such casualty. All amounts for the Premises received upon such policies whether Landlord's or Tenant's policies, as applicable and any interest thereon, shall be used, to the extent required, for the repair of the damaged Premises so that such Premises shall be restored to a condition comparable to the condition prior to the loss or damage (or, upon agreement by Landlord and or Tenant, as the case may be), replaced or partially replaced with new property of a design and density which are consistent with the former Premises, the use permitted under this Lease, and any applicable legal requirements.

Condemnation.

(a) If the whole of the Premises shall be taken by any public or quasi-public authority under the power of condemnation, eminent domain or expropriation, or in the event of conveyance of the whole of the Premises in lieu thereof, this Lease shall terminate as of the day possession shall be taken by such authority. If twenty-five percent (25%) or less of the floor space of the Premises shall be so taken or conveyed, this Lease shall terminate only in respect of the part so

taken or conveyed as of the day possession shall be taken by such authority. If more than twenty-five percent (25%) of the floor space of the Premises shall be so taken or conveyed, this Lease shall terminate only in respect of the part so taken or conveyed as of the day possession shall be taken by such authority, but either party shall have the right to terminate this Lease upon notice given to the other party within thirty (30) days after such taking of possession. If more than fifteen percent (15%) of the Building shall be so taken or conveyed, or if so much of the parking facilities shall be so taken or conveyed that the number of parking spaces necessary, in Landlord's sole judgment, for the continued operation of the Building shall not be available, then in any such event Landlord may, by notice to Tenant, terminate this Lease as of the day possession shall be taken. The above provisions notwithstanding, Tenant, in its' sole judgement, may terminate this Lease in the event that the square footage of the Premises is reduced to such an extent that Tenant, in its sole judgement, cannot, efficiently and economically, operate the use which existed in the Premises as of the date of the loss.

If this Lease shall continue in effect as to any portion of the Premises not so taken or conveyed, the Base Annual Rent and Additional Rents shall be computed as of the day possession shall be taken on the basis of the remaining floor space of the Premises. Except as specifically provided in this Lease, in the event of any such taking or conveyance there shall be no reduction in Base Annual Rent or Additional Rent. If this Lease shall continue in effect, Landlord shall, at its expense but only to the extent of the net award or other compensation (after deducting all expenses in connection with obtaining same) available to Landlord for the improvements taken or conveyed (excluding any award or other compensation for land or for the unexpired portion of the term of any ground or underlying lease) make all necessary alterations so as to constitute the remaining Building a complete architectural and tenantable unit, except for tenants' stock in trade, trade fixtures, furniture, furnishings, removable floor coverings, equipment, signs and other property, and Tenant shall make all alterations or replacements to its stock in trade, trade fixtures, furniture, furnishings, removable floor coverings, equipment, signs and all other property of Tenant and decorations in and around the Premises. All awards and compensation for any taking or conveyance, whether for the whole or a part of the Building, the Premises or otherwise, shall be the property of Landlord, and Tenant hereby assigns to Landlord all of Tenant's right, title and interest in and to any and all such awards and compensation, including, without limitation, any award or compensation for the value of the unexpired portion of the Lease Term. Tenant shall be entitled to claim, prove and receive in the condemnation proceeding such award or compensation as may be allowed for its trade fixtures and for loss of business, good will, depreciation or injury to and cost of removal of materials and equipment and any other such losses as may be legally permissible, but only if such award or compensation shall be made by the condemning authority in addition to, and shall not result in a reduction of, the award or compensation made by it to Landlord.

27. <u>Landlord's Reserved Rights</u>.

- (a) <u>Remodeling</u>. Landlord reserves the right to decorate, remodel, repair, alter or otherwise prepare the Premises for re-occupancy during the last one hundred eighty (180) days of the Lease Term, if during or prior to that time Tenant vacates the Premises; and
- (b) <u>"For Rent" Signs.</u> Landlord reserves the right to show the Premises to prospective tenants or brokers during the last three hundred sixty-five (365) days of the term of this Lease; to

show the Premises to prospective purchasers at all reasonable times provided that prior notice is given to Tenant in each case and that Tenant's use and occupancy of the Premises shall not be materially inconvenienced by any such action of Landlord; and to place and maintain a "FOR RENT" sign on the doors or in the windows of the Premises during the last three hundred sixty-five (365) days of the term of this Lease.

- (c) Assignment by Landlord. It is expressly understood and agreed that this Lease and all rights of Landlord hereunder shall be fully and freely assignable by Landlord without notice to, or consent of, Tenant. If rent payments are to be redirected, Landlord shall give Tenant thirty (30) days written notice, including new payment information. The new Landlord will cooperate with the Tenant in registering in an electronic system to qualify to receive rent payments. In the event of the transfer and assignment by Landlord of its interest in this Lease, Landlord shall thereby be released from any further responsibility hereunder, and Tenant agrees to look solely to such successor in interest of Landlord for performance of such obligations, provided that the assignment documents include a written acknowledgement by the transferee that transferee is expressly accepting such liability. The term "Landlord" as used in this Lease shall mean the owner of the Project, at the time in question. In the event of a transfer (whether voluntary or involuntary) by such owner of its interest in the Project, such owner shall thereupon be released and discharged from all covenants and obligations of this Lease thereafter accruing, but such covenants and obligations shall be binding during the Lease Term upon each new owner for the duration of such owner's ownership.
- **28.** Landlord's Liability. Landlord, or its agents, shall not be liable for any injury or damage to persons or property resulting from fire, explosion, failing plaster, steam, gas, electricity, water, rain, or snow or leaks from any part of the Premises or Building, including the roof, or from the pipes, conduits, appliances or plumbing works, or from the roof, street or subsurface or from any other place or by dampness or by any other cause of whatsoever nature, unless caused by or due to the negligence or willful misconduct of Landlord, its agents, servants, or employees. Neither Landlord, the Housing Opportunities Commission of Montgomery County ("HOC"), or their respective partners, members, directors, officers, Commissioners, agents, servants, or employees (together, the "Landlord Parties"), shall be liable to Tenant for any loss, injury, or damage to Tenant or to any other person, or to its or their property, unless caused by or resulting from the negligence or willful misconduct of Landlord in the operation or maintenance of the Building, excluding the Premises. All personal property and equipment located in the Premises shall be at the risk of Tenant unless damage to such personal property and equipment is directly caused by the negligence or willful misconduct of Landlord, its employees or volunteers.

Notwithstanding anything contained in this Lease to the contrary, in consideration of the benefits accruing hereunder, Tenant acknowledges and agrees that it must look solely to the interest of Landlord in the Project (including the rents, receipts and proceeds therefrom if and to the extent received after the date of the default by Landlord for which enforcement by Tenant is sought) for the enforcement of any claims against or liability of Landlord. No present or future officer, director, employee, trustee, member, partner, or agent of Landlord or Tenant shall have any personal liability hereunder, directly or indirectly, and recourse shall not be had against any such officer, director, employee, trustee, member, investment manager or agent under or in connection with this Lease. The covenants and agreements contained in this Section are enforceable by Landlord and Tenant and also by each present or future officer, director, employee,

trustee, member, or agent of Landlord and Tenant as third party beneficiaries to the protections of this Section.

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

30. <u>Indemnity</u>.

- (a) Tenant will indemnify, defend, and hold harmless the Landlord Parties from and against any and all claims, actions, losses, liens, costs, demands, judgments, damages, injuries (including death, personal injury, and damage to property), expenses (including reasonable attorneys' fees and litigation expenses), and liabilities ("Claims") asserted against or incurred by the Landlord Parties arising from or in any way related to Tenant's negligent acts or omissions, willful misconduct, failure to perform any obligations under this Lease, or its use, occupancy, management, and operation of the Premises. Subject to appropriations, Tenant shall also indemnify Landlord and HOC against any penalty, damage, loss, cost, expense, or charge incurred or imposed by reason of Tenant's violation of any legal requirements. Upon written notice from Landlord, Tenant shall defend and pay all Claims and penalties incurred by or on behalf of the Landlord Parties to defend against any Claims, including but not limited to Claims brought by or related to Vendors (as defined below) or users, guests, invitees, subtenants, and licensees of the Premises.
- If Tenant invites third-party contractors, subcontractors or service providers (collectively, the "Vendors") into the Premises to perform services therein, and which are not covered by the foregoing insurance or indemnity requirements, then Tenant shall require a contract with the Vendor that includes the following: (1) that Vendor is required to defend, indemnify, and hold Tenant, Landlord and HOC harmless from and against any and all claims, liability, injury, and costs (including attorney's fees and litigation expenses) arising out of Vendor's breach of such contract, failure to perform any obligations under such contract, or Vendor's negligent acts or omissions, gross negligence, fraud, or willful misconduct; (2) that Vendor is required to carry sufficient insurance, to be determined by Tenant, and, if applicable, to list Landlord and HOC as additional insureds, as their interests may appear, under any such insurance policies; (3) require that Vendor is responsible for the acts and omissions of their subcontractors; (4) require that the Vendor's insurance is primary and non-contributory; and (5) require the Vendor, if requested, to provide to Tenant with certificates of insurance evidencing their insurance coverage before they enter onto the Premises. Notwithstanding the foregoing, Tenant shall require that each Vendor carry at least \$1,000,000 in commercial general liability coverage, \$1,000,000 in excess/umbrella coverage, \$1,000,000 in automobile coverage, and statutorily required workers' compensation coverage; provided, however, if the Vendor cannot meet such insurance requirements, Tenant will contact Landlord who will determine, in its sole discretion, whether to accept lower insurance

amounts and/or to waive the insurance requirement.

- (c) Landlord will indemnify Tenant, its officers, directors, members, shareholders, partners, agents and employees against, and hold them harmless from, any and all demands, claims, causes of action, fines, penalties, damages (including without limitation consequential damages), losses, liabilities, judgments and expenses (including without limitation attorneys' fees) related to the Common Areas, unless caused by the grossly negligent or intentional act of Tenant or its employees. If any action or proceeding is brought against Tenant, its shareholders, partners, employees or agents, by reason of any such claim, Landlord, upon notice from Tenant, will defend the claim at Landlord's expense with counsel reasonably satisfactory to Tenant.
- (d) Any obligation of the Tenant arising from this Lease, including maintenance and insurance, is subject to, limited by, and contingent upon the appropriation and availability of funds. Reference is hereby made to the Local Government Tort Claims Act, Md. Code Ann., Cts. & Jud. Proc. §§ 5-301, et seq. (the "LGTCA") and Md. Code Ann., Cts. & Jud. Proc. §5-5A-02 (together with the LGTCA, the "County Tort Claims Statutes"), each as amended from time to time. The liability of Tenant shall be limited by the County Tort Claims Statutes for any claims against or with respect to Tenant and which are within the scope of the County Tort Claims Statutes. Any indemnification given by Tenant in this Lease is not intended to create any rights or causes of action in any third parties, excluding Landlord, HOC and their respective affiliates. Any increases in any caps shall apply to this Lease automatically.
- (e) The indemnifying party shall promptly pay, or cause to be promptly paid, any and all damages, losses, costs, and judgments of every kind and nature that may be incurred by, or rendered against, one or more of the indemnified parties to whom payment is owed pursuant to 30 above provided that the indemnified party tendered its defense.
 - (f) The above indemnifications will survive the expiration or termination of this Lease.

31. Insurance.

Tenant's Insurance. Tenant shall self-insure, either through the SIP Program (as defined below) or, at Tenant's option, through another program reasonably acceptable to Landlord. The Tenant is a member of the Montgomery County Self-Insurance Program ("SIP Program") and the Tenant agrees to provide certificates of insurance evidencing general liability coverage in the amounts of \$800,000 in the annual aggregate and \$400,000 per occurrence. These are the maximum limits of liability for which the SIP Program is responsible, as provided by the LGTCA (defined below). Additionally, Tenant shall have the right to self-insure the first \$250,000 of any claim under such property insurance policy through the Montgomery County Self-Insurance Program (established and regulated by Article 20-37 of the Montgomery County Code). If the Montgomery County Self-Insurance Program increases the maximum available limit on the selfinsurance portion of Tenant's property insurance, Tenant shall have the right to increase the amount of self-insurance hereunder accordingly and shall promptly notify Landlord of such increase in the portion of such property insurance covered under the Montgomery County Self-Insurance Program. Landlord and Tenant acknowledge that, as of the date hereof, a waiver of subrogation is not available under the self-insurance portion of Tenant's property insurance but is available for the balance of Tenant's property insurance.

- (b) Insurance Does Not Waive Tenant's Obligations. No acceptance or approval of any insurance by Landlord shall (a) relieve or release, or be construed to relieve or release, Tenant from any liability, duty, or obligation assumed by, or imposed upon, it by the provisions of this Lease or (b) impose any obligation upon Landlord; provided, however, that Landlord waives any rights of recovery against Tenant and its trustees, officers, directors, employees, agents, and contractors for injury or loss on account of hazards covered by and actually paid under the Landlord's insurance.
- (c) **Deficiencies in Coverage and Failure to Maintain Insurance**. The insurance policies required by this Section 31 shall not be cancelled, terminated or modified (except to increase the amount of coverage) without at least thirty (30) calendar days prior written notice from the Tenant to Landlord. If Tenant fails to maintain any insurance policies as provided in this Lease, Landlord may, upon at least fifteen (15) calendar days prior written notice to Tenant (during which period Tenant may obtain insurance), purchase reasonably necessary insurance and Tenant will reimburse the Landlord for the expense, subject to appropriations. Landlord shall notify Tenant in writing of the date, purposes, and amounts of any such payments made by it for the insurance, and any amounts of money paid therefor by Landlord shall be repaid to Landlord, if appropriated, within thirty (30) calendar days after written demand. If the required insurance policies are not reinstated or replaced by Tenant on or before the date the insurance policies renew (irrespective of any other notice, default, discussion or cure provisions or procedures in this Lease), then such failure to replace or reinstate shall constitute a Tenant Default. This provision is not intended to contract away the budgetary discretion of the County Executive or the Montgomery County Council.
- (d) **Primary and Noncontributory.** Tenant's insurance coverage shall be primary and noncontributory insurance with respect to Landlord, its trustees, officials, employees, agents, and representatives.
- Commercial Insurance. Notwithstanding the foregoing, Tenant shall have the right during the Term of this Lease to obtain commercial insurance in conjunction with selfinsuring under the SIP Program. In the event that Tenant elects to obtain commercial insurance, it shall obtain and maintain commercial general liability, property, business interruption, automobile liability, professional liability, and employment practices liability in amounts and on terms reasonably acceptable to Landlord in all respects; workers compensation (including employer's liability) will remain under the SIP Program All such insurance shall (a) be procured from financially sound and reputable insurers licensed to do business in the State of Maryland and rated by A.M. Best as an A-X or above or the equivalent, (b) provide a waiver of subrogation that includes a clause or endorsement stating, in essence, that in the event of any payment by the insurer under the policy, the insurer waives its right of recovery against any person or entity with respect to which the insured has waived its right of recovery, and stating that the coverage will not be prejudiced in any way by any such waiver by Tenant, and (c) be evidenced by an initial certificate of insurance and annual renewal certificates of insurance delivered to Landlord stating that Landlord (and such others as Landlord may reasonably determine) is/are loss payees (as their interest may appear) on applicable policies. Further, Tenant waives any rights of recovery against Landlord and its trustees, officers, directors, employees, agents, and contractors for injury or loss on account of hazards covered by the insurance required to be carried (with the exception of the property coverage deductible, which remains the responsibility of Tenant). At any time during the

Term, but not more frequently, than once every twelve (12) months, upon the request by Landlord and the showing of a reasonable basis for such request, Tenant shall make available for Landlord's review copies of all policies of insurance required by this Lease. The below include minimum requirements for commercial insurance that may be procured to fulfill the coverage needs of this Lease:

ТҮРЕ	LIMIT NOT TO BE LESS THAN
Commercial General Liability	\$1,000,000 per occurrence and \$2,000,000 in the
	annual aggregate for bodily injury, personal injury,
	and broad form property damage, including the
	following coverages: Contractual Liability,
	Premises and Operations; Products & Completed
	Operations; Assault & Battery; Independent
	Contractors & Subcontractors; Sexual Molestation
	and Abuse. Coverage shall be endorsed to apply on
	a per project or per contract basis.
Umbrella/Excess Liability	Umbrella/Excess Liability insurance coverage with
	a limit of liability of at least \$2,000,000 with no
	exclusions that limit the coverages required under
	the Commercial General Liability, and Automobile
	Liability.
Professional / Management	\$1,000,000 per claim and \$2,000,000 in the annual
Liability/Errors and Omissions	aggregate that covers professional errors and
	omissions, negligent acts, contingent bodily injury
	and misconduct or lack of ordinary skill during the
	term of the Agreement.
Automobile Liability	\$1,000,000 combined single limit for bodily injury
	and property damage coverage per occurrence
	including the following: owned automobiles, hired
	automobiles, non-owned automobiles, and loading
D I	and unloading.
Property Insurance	With a limit equal to the actual replacement value
	of real property (physical building, i.e. the shell),
	improvements, contents & betterments and business
England A Donation Links	income.
Employment Practices Liability	A minimum limit of \$1,000,000 covering wrongful
	acts arising from Tenant's employment processes
	such as wrongful termination, discrimination,
	sexual harassment, and retaliation.

(f) Landlord's Insurance. Landlord will obtain property insurance for the Property. As set forth in the definition of "Operating Expenses", specifically Section 4(d)(ii), Landlord will bill the Tenant for the Tenant's share of the property insurance, as calculated based on the square footage of the Premises plus Tenant's share of the Common Areas plus the number of parking spaces allocated to the Tenant.

- **Waiver of Subrogation**. Landlord and Tenant mutually covenant and agree that each party, in connection with insurance policies required to be furnished in accordance with the terms and conditions of this Lease, or in connection with insurance policies which they obtain insuring such insurable interest as Landlord or Tenant may have in its own properties, whether personal or real, shall expressly waive any right of subrogation on the part of the insurer against Landlord or Tenant as the same may be applicable, which right to the extent not prohibited or violative of any such policy is hereby expressly waived, and Landlord and Tenant each mutually waive all right of recovery against each other, their agents, or employees for any loss, damage or injury of any nature whatsoever to property or person for which either party is required by this Lease to carry insurance.
- 33. No Liens Permitted. Tenant will not permit to be created or to remain undischarged any lien, encumbrance or charge (arising out of any work done or materials or supplies furnished, or claimed to have been done or furnished, by any contractor, mechanic, laborer or materialman or any mortgage, conditional sale, security agreement or chattel mortgage, or otherwise by or for Tenant) which might be or become a lien or encumbrance or charge upon the Premises or the Building or any part thereof or the income therefrom. Tenant will not suffer any other matter or thing whereby the estate, rights and interests of Landlord in the Project or any part thereof might be impaired. If any lien, or notice of lien on account of an alleged debt of Tenant or any notice of contract by a party engaged by Tenant or Tenant's contractor to work on the Premises shall be filed against the Premises or the Building or any part thereof, Tenant, within sixty (60) days after notice of the filing thereof, will cause the same to be discharged of record by payment, deposit, bond, order of a court of competent jurisdiction or otherwise. If Tenant shall fail to cause such lien or notice of lien to be discharged within the period aforesaid, then, in addition to any other right or remedy, Landlord may, but shall not be obligated to, discharge the same either by paying the amounts claimed to be due or by procuring the discharge of such lien by deposit or by bonding proceedings and in any such event Landlord shall be entitled, if Landlord so elects, to compel the prosecution of an action for the foreclosure of such lien by the lienor and to pay the amount of the judgment in favor of the lienor with interest, costs and allowances. Any amount so paid by Landlord and all costs and expenses, including attorneys' fees that are awarded by a court of law, incurred by Landlord in connection therewith, shall constitute Additional Rent payable by Tenant under this Lease and shall be paid by Tenant to Landlord on demand. Nothing herein contained shall obligate Tenant to pay or discharge any lien created by Landlord.
- **34.** Notice of Fire and Accident. Tenant shall give Landlord prompt notice in case of fire or accidents in the Premises, and in case of fire or accidents in the Building if involving Tenant, its agents, employees or invitees.

35. <u>Surrender and Inspection</u>.

(a) <u>Surrender</u>. Tenant, at its expense at the expiration of the Lease Term or any earlier termination of this Lease, shall (i) promptly surrender to Landlord possession of the Premises (including any fixtures or other improvements which are owned by Landlord) in good order and repair (except for ordinary wear and tear and damage by fire or the elements) and in broom clean condition, (ii) remove therefrom all signs, goods, effects, machinery, fixtures and equipment used in conducting Tenant's trade or business which are neither part of the Building service equipment nor owned by Landlord, and (iii) repair any damage caused by such removal. If Tenant fails to

surrender the Premises in the condition required in this subsection (a), then Landlord may take all necessary action to do so and the cost thereof shall be the responsibility of Tenant.

- (b) <u>Inspection</u>. Tenant shall have the right to be present at time of final inspection of the Premises to determine if any damage was done thereto, if Tenant notifies Landlord by certified mail of its intention to move, date of moving and new address. The notice shall be mailed at least fifteen (15) days prior to the date of moving. Upon receipt of notice, Landlord shall notify Tenant by certified mail of time and date when the Premises are to be inspected. The inspection shall occur within five (5) days before or five (5) days after Tenant's date of moving, said inspection date to be designated by Landlord. Tenant shall be deemed to have been advised of its rights under this paragraph by execution of this Lease.
- (c) <u>Fixtures and Personal Property</u>. Tenant shall have the right to remove any Tenant trade fixtures from the Premises, provided that they are removed before the expiration of the term of this Lease and that Tenant immediately repairs any damage caused by such removal. If Tenant does not remove Tenant's furniture, equipment machinery, trade fixtures, floor coverings and all other items of personal property of every kind and description from the Premises prior to the Expiration Date, then Tenant shall be conclusively presumed to have conveyed the same to Landlord under this Lease as a bill of sale without further payment or credit by Landlord to Tenant.
- **Tenant Holding Over.** If Tenant continues to occupy the Premises after the expiration of the Lease Term or any earlier termination of this Lease with Landlord's express, written consent thereto (which consent Landlord may grant or withhold in the exercise of its sole and absolute subjective discretion), then:
- (a) such occupancy (unless the parties hereto otherwise agree in writing) shall be deemed to be under a month-to-month tenancy, which shall continue until either party hereto notifies the other in writing, at least one (1) month before the end of any calendar month, that the notifying party elects to terminate such tenancy at the end of such calendar month, in which event such tenancy shall so terminate;
- (b) anything in this Section to the contrary notwithstanding, the Rent payable for each such monthly period shall equal the sum of (i) one-twelfth (1/12) of that amount which is equal to one hundred twenty-five percent (125%) of the Base Annual Rent for the Lease Year, plus (ii) the Additional Rent payable hereunder (the "Holdover Rent"); and
- (c) except as in subparagraph (b) above, such month-to-month tenancy shall be on the same terms and subject to the same conditions as those set forth in this Lease; provided, however, that if Landlord gives Tenant, at least one (1) month before the end of any calendar month during such month-to-month tenancy, written notice that such terms and conditions (including any thereof relating to the amount and payment of Rent) shall, after such month, be modified in any manner specified in such notice, then such tenancy shall, after such month, be upon the said terms and subject to the said conditions, as so modified. If Landlord and Tenant extend the Lease Term in writing or enter into a new lease agreement, the penalty portion of the Holdover Rent will be credited against the County's first rental payment in the new lease.

- **Quiet Enjoyment**. So long as Tenant shall observe and perform all the covenants and agreements binding on it hereunder, Tenant shall at all times during the term herein granted, peacefully and quietly have and enjoy possession of the Premises without any encumbrance or hindrance by or from anyone lawfully claiming through Landlord, except as provided for elsewhere under this Lease.
- 38. Waiver of Jury Trial. LANDLORD AND TENANT EACH HEREBY WAIVES TRIAL BY JURY in any action, proceeding or counterclaim brought by either party with respect to any matter arising out of or in any way connected with this Lease or the use and occupancy of the Premises. Tenant also agrees to waive any and all counterclaims Tenant may have in any suit for possession by Landlord (other than mandatory counterclaims which would be waived if not asserted at that time) it being understood that the subject of any such counterclaim may be asserted by Tenant but only in a separate action brought by Tenant against Landlord. Venue for any action to enforce the provisions of this Lease shall be the Montgomery County Circuit or District Court, as applicable.

39. <u>Interpretation</u>.

- (a) <u>Captions</u>. The captions, marginal references and table of contents appearing in this Lease are inserted only as a matter of convenience and in no way amplify, define, limit, construe, or describe-the scope or intent of this Lease nor in any way affect this Lease.
- (b) <u>Gender</u>. The neuter, feminine or masculine pronoun when used herein shall each include each of the other genders and the use of the singular shall include the plural.
- (c) <u>Covenants</u>. The parties hereto agree that all the provisions of this Lease are to be construed as covenants and agreements as though the words importing such covenants and agreements were used in each separate provision hereof.
- (d) <u>Interpretation</u>. Although the printed provisions of this Lease were drawn by Landlord, this Lease shall not be construed for or against Landlord or Tenant, but this Lease shall be interpreted in accordance with the general tenor of the language in an effort to reach the intended result.
- (e) <u>Counterparts</u>. This Lease may be executed in several counterparts, but all such counterparts shall constitute one and the same legal document.
- (f) <u>No Partnership</u>. Nothing contained in this Lease shall be deemed or construed to create a partnership or joint venture of or between Landlord and Tenant, or to create any other relationship between the parties other than that of Landlord and Tenant.
- (g) <u>Applicable Law</u>. The laws of the State of Maryland shall govern the validity, performance and enforcement of this Lease.
- **40.** <u>Notices</u>. All notices to be given under this Lease shall be in writing, hand-delivered or mailed by United States Certified or Registered Mail, return receipt requested, postage prepaid, or by

reputable overnight courier which provides receipt of delivery, or electronically via email. Notices should be delivered as follows:

- (a) To Landlord at the business offices, mailing addresses or email addresses of Landlord as specified in Section 1(a)26; and
- (b) To Tenant at Tenant's mailing address or email addresses as specified in Section 1(a)25, and with a copy to Tenant at the Premises, subsequent to the Commencement Date.

Any such notice shall be deemed to be served on the date evidenced on the return receipt or the date it is hand-delivered as evidenced by a signed receipt. If notice is provided via email, notice shall be deemed to be serviced one (1) Business Day after being emailed (as recorded on the device from which the sender sent the email) unless the sender receives an automated message that the email as not been delivered. Notices provided via email must have the subject line "Notice re Library Lease at The Sage" and include the date in the subject line. Landlord and Tenant shall each have the right to change the person and/or address to which notices shall be delivered upon notice thereof to the other party sent pursuant to the provisions of this paragraph.

- **41.** <u>Time</u>. Landlord and Tenant acknowledge that time is of the essence in the performance of any and all obligations, terms, and provisions of this Lease.
- 42. Postponement of Performance. In the event that either party hereto shall be delayed or hindered in or prevented from the performance of any act required hereunder by reason of strikes, labor troubles, inability to procure labor or materials, failure of power, restrictive governmental laws or regulations, riots, insurrection, war, acts of God, pandemic or epidemic, fire or other casualty or other reason of a similar or dissimilar nature beyond the reasonable control of the party delayed in performing work or doing acts required under the terms of this Lease, then performance of such act shall be excused for the period of the delay and the period for the performance of any such act shall be extended for a period equivalent to the period of such delay. The provisions of this paragraph shall not operate to excuse Tenant from the prompt payment of Base Annual Rent or Additional Rent and shall not operate to extend the term of this Lease. Delays or failures to perform resulting from lack of funds shall not be deemed delays beyond the reasonable control of a party, except as described in Section 60, Non-Appropriations.
- 43. <u>Broker</u>. Landlord and Tenant warrant and represent that there was no broker or agent acting on either Landlord's or Tenant's behalf in consummating this Lease and that no conversations or prior negotiations were had by Tenant with any other broker or agent on Tenant's behalf concerning the renting of the Premises. Landlord and Tenant agree to indemnify and hold harmless each other against any claims for brokerage or other commissions arising by reason of a breach by either party of the aforesaid representation and warranty.
- 44. <u>No Waiver</u>. No waiver of any breach by either party of any of the terms, covenants, agreements, or conditions of this Lease shall be deemed to constitute a waiver of any succeeding breach thereof, or a waiver of any breach of any of the other terms, covenants, agreements, and conditions herein contained.

No provision of this Lease shall be deemed to have been waived by either party, unless such waiver be in writing signed by the waiving party. No employee of Landlord or of Landlord's agents

shall have any authority to accept the keys of the Premises prior to termination of this Lease, and the delivery of keys to any employee of Landlord or Landlord's agents shall not operate as a termination of this Lease or a surrender of the Premises. The receipt by Landlord of any payment of Base Annual Rent or Additional Rent with knowledge of the breach of any covenant of this Lease shall not be deemed a waiver of such breach. No payment by Tenant or receipt by Landlord of a lesser amount than the Base Monthly Rent herein stipulated shall be deemed to be other than on account of the earliest stipulated rent, nor shall any instrument accompanying any check or payment as rent be deemed an accord and satisfaction, and Landlord may accept such check or payment without prejudice to Landlord's right to recover the balance on such rent or pursue any other remedy in this Lease provided. The failure of Landlord to enforce any of the Rules and Regulations made a part of this Lease, or hereafter adopted, against Tenant or any other tenant in the Building shall not be deemed a waiver of any such Rules and Regulations.

- **Entire Agreement; Amendments**. This Lease contains the entire agreement between the parties, and any agreement hereafter made shall be ineffective to change, modify, discharge or effect an abandonment in whole or in part unless such agreement is in writing and signed by the party against whom enforcement of the change, modification, discharge or abandonment is sought.
- **46. No Representations by Landlord**. Neither Landlord nor any agent of Landlord has made any representations or promises with respect to the Premises or the Project except as herein expressly set forth, and no rights, privileges, easements or licenses are granted to Tenant except as herein expressly set forth.
- 47. <u>Limitation of Landlord's Liability</u>. In consideration of the benefits accruing hereunder, Tenant and all successors and assigns of Tenant covenant and agree that in the event of any actual or alleged failure, breach, or default hereunder by Landlord: (a) the sole and exclusive remedy shall be against the interest of Landlord in the Project; (b) neither Landlord nor (if Landlord is a partnership) any partner of Landlord nor (if Landlord is a corporation) any shareholder of Landlord shall be personally liable with respect to any claim arising out of or related to this Lease; (c) any judgment granted against any partner or shareholder of Landlord may be vacated and set aside at any time as if such judgment had never been granted; and (d) these covenants and agreements are enforceable both by Landlord and also by any partner or shareholder of Landlord.
- 48. Transfer of the Project. In the event of the sale or other transfer of Landlord's right, title and interest in the Premises or the Project (except in the case of a sale-leaseback financing transaction in which Landlord is the tenant), Landlord shall transfer and assign to such purchaser or transferee all amounts of prepaid Base Annual Rent and/or Additional Rent, as applicable, and Landlord thereupon and without further act by either party hereto shall be released from all liability and obligations hereunder derived from this Lease arising out of any act, occurrence or omission relating to the Premises or this Lease occurring after the consummation of such sale or transfer. Tenant shall have no right to terminate this Lease or to abate Base Annual Rent nor to deduct from, nor set-off, nor recoup, nor counterclaim against Base Annual Rent because of any sale or transfer (including, without limitation, any sale-leaseback) by Landlord or its successors or assigns. Upon any sale or other transfer as above provided (other than a sale-leaseback), or upon any assignment of Landlord's interest herein, it shall be deemed and construed conclusively, without further agreement between the parties, that the purchaser or other transferee or assignee has assumed and agreed to perform the obligations of Landlord thereafter accruing.

- **49.** <u>Severability</u>. If any term or provision of this Lease or the application thereof to any person or circumstances shall, to any extent, be invalid or unenforceable, the remainder of this Lease or the application of such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby and each other term and provision of this Lease shall be valid and enforceable to the fullest extent permitted by law.
- **50. <u>Binding Effect.</u>** This Lease shall be binding upon and shall inure to the benefit of the parties hereto, and the respective heirs, personal representatives, successors and assigns of said parties.
- **Solution** Secondation. It is agreed that Tenant and Landlord may mutually agree to record this Lease and/or its Exhibits or a Memorandum of Lease.
- **52.** Authority. The individuals executing this Lease on behalf of Landlord and Tenant represent and warrant that he or she is duly authorized to execute and deliver this Lease. Landlord represents that Landlord is a duly organized corporation, limited liability company, association or partnership under the laws of the state of its incorporation or formation is in good standing under the laws of the state of its incorporation or formation and the laws of the jurisdiction in which the Building is located. Landlord and Tenant each represent that it is qualified to do business in the jurisdiction in which the Building is located, has the power and authority to enter into this Lease, and that all corporate, partnership or other type of action requisite to authorize Landlord and Tenant to enter into this Lease has been duly taken.
- **53.** Examination of Lease. Submission of this Lease for examination or signature by Tenant shall not constitute reservation of or option for Lease, and the same shall not be effective as a Lease or otherwise until execution and deliver by both Landlord and Tenant.
- 54. <u>Intentionally Omitted</u>.
- 55. Intentionally Omitted.
- 56. <u>Intentionally Omitted</u>.
- 57. Intentionally Omitted.
- **58.** <u>Intentionally Omitted.</u>
- Rating (as hereinafter defined) or operated pursuant to Landlord's sustainable Building practices, as the same may be in effect or modified from time to time. Landlord's sustainability practices address, without limitation, whole Building operations and maintenance issues including chemical use, indoor air quality, energy efficiency, water efficiency, recycling programs, exterior maintenance programs and systems upgrades in an effort to meet green building energy, water, indoor air quality and lighting performance standards. Landlord reserves the right to change electricity providers for the Building at any time upon no less than sixty (60) days' advance written notice to Tenant and to purchase green or renewable energy provided such electricity is competitively priced and will not adversely impact Tenant's systems that utilize such electricity. Tenant shall make a reasonable effort to comply with Landlord's sustainability practices and with the minimum standards and specifications as outlined by the Green Agency Rating in addition to

all governmental requirements in connection with all construction, maintenance and repairs to be made by Tenant to the Premises, so long as the same do not require Tenant to make any structural or capital repairs or improvements to the Premises or the Building. Where economically feasible, Tenant shall exercise reasonable efforts to use proven energy and carbon reduction measures, including energy efficient bulbs in task lighting, use of lighting controls, daylighting measures to avoid over-lighting interior spaces, closing shades on the south side of the Building to avoid over-heating the space and turning off lights and equipment where feasible at the end of the work day. As used herein, "Green Agency Rating" means any one or more of the following ratings, as the same may be in effect or amended or supplemented from time to time: the U.S. EPA's Energy Star rating and/or Design to Earn Energy Star, the Green Building Initiative's Green Globes for Continual Improvement of Existing Buildings (Green Globes-CIEB), the U.S. Green Building Council's Leadership in Energy and Environmental Design (LEED) rating system, LEED EBOM (existing buildings operations and maintenance) and any applicable substitute third party or government mandated rating systems.

60. Non-Appropriation

- (a) Any obligation or liability of the Tenant arising in any way under the Lease with the Landlord is subject to, limited by, and contingent upon the appropriation and availability of funds, as well as any applicable damage caps and notice requirements provided for in state law, including the Local Government Tort Claims Act. Landlord specifically acknowledges that Tenant has represented that Tenant has appropriated funds for the payment of Base Annual Rent and any Additional Rent and other monetary obligations owing under the Lease, including but not limited to utilities, common area maintenance, trash and real estate taxes (collectively, "Rent") only for the first Lease Year of the Lease Term. Landlord further acknowledges and agrees that Tenant's obligation under the Lease to pay Rent and other monetary obligations in future years is subject to, limited by and contingent upon the appropriation and availability of funding for such purpose in future years. Tenant makes no warranty, guarantee, or representation and undertakes no obligation to request or obtain an appropriation of funds in future years for payment of Rent. The term "Tenant", as used in this Lease, includes: the Montgomery County Executive, the Montgomery County Council, and all Montgomery County employees and agents of Tenant.
- (b) Landlord acknowledges and agrees that Tenant's budget constitutes an executive and legislative function that cannot be contracted away. Landlord irrevocably waives any claim for unpaid Rent or other damages of any kind or nature whatsoever against Tenant if funds are not appropriated in future years for payment of Rent, including any claim that the failure to appropriate such funds constitutes a breach of any express or implied covenant of good faith and fair dealing or any other implied obligation on the part of Tenant to appropriate funds or that failure to appropriate funds constitutes a Tenant Default. Notwithstanding the foregoing to the contrary, it is agreed and understood that the limitation of appropriation of funds for payment of Rent does not in any way limit Tenant's obligations (both monetary and non-monetary) that arose prior to the expiration of the Term or earlier termination of this Lease and which, per the express terms of this Lease, survive the expiration of the Term or earlier termination of this Lease.
- (c) If the Montgomery County Executive does not include appropriations for payment of Rent in their recommended County budget for a Lease Year, Tenant will notify the Landlord in writing within thirty (30) days after delivery of the proposed County budget to the Montgomery

County Council. Landlord acknowledges and agrees that the County Executive's recommended budget is not determinative of what may or may not be included in the final County budget as approved by the County Council, and any action or inaction by Landlord in response to Tenant's notice will be at Landlord's sole risk.

- (d) Tenant shall give Landlord notice, in writing, no later than ten (10) business days after a final decision not to appropriate funds sufficient for Tenant to pay Rent for a full fiscal year under this Lease. Such notice will clearly state the number of months, if any, in the upcoming fiscal year for which Tenant has appropriated funds sufficient to pay Rent and will state the date by which Tenant will vacate the Premises (the "Non-Appropriation Date"). This Lease will automatically terminate at 11:59 p.m. on the Non-Appropriation Date.
- (e) For the avoidance of doubt, this Lease is not intended to create any rights or causes of action in any third parties or to increase the Tenant's liability above the caps established by law.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties have executed this Lease under seal.

LANDLORD:

HOC AT WESTSIDE BUILDING B, LLC,

a Maryland limited liability company

By: HOC EYA Westside Building B, LLC,

its sole member

By: HOC MM Westside Building B, LLC,

its Sole Member

By: Housing Opportunities Commission of

Montgomery County, its Sole Member

President / Executive Director

Date:

12 / 15 / 2025

TENANT:

MONTGOMERY COUNTY,

a body corporate and politic of State of Maryland

Printed Name: Paige Gentry

Title: Daputy aniet Administrative unicer

Date: 12-15-2025

EXHIBIT A

DESCRIPTION OF THE PROJECT

[attached behind]

VIKA Maryland, LLC 20251 Century Blvd. Suite 400 Germantown, MD 20874 301-916-4100 Vika.com

EXHIBIT A

NOVEMBER 1, 2023

DESCRIPTION OF PART OF

THE PROPERTY OF

MONTGOMERY COUNTY

LIBER 4499 FOLIO 180

9TH ELECTION DISTRICT,

MONTGOMERY COUNTY, MARYLAND

Being part of the property acquired by Montgomery County, Maryland, a municipal corporation, from Eugene B. Casey and Virginia K. Casey Visnich by deed dated February 25, 1974 and recorded in Liber 4499 at Folio 180 among the Land Records of Montgomery County, Maryland and being more particularly described in the datum of Maryland State Plane (NAD 83/2011) as follows:

Beginning for the same at a point marking the southwesterly end of the South 58" 12" 12" West, 74.45 foot plat line of Parcel B, Block V, recorded as Plat No. 25555 among the aforesaid Land Records, said point also being on the common deed line of the property of C.S.X. Transportation Inc., recorded in Liber EBP 31 at Page 249 among the aforesaid Land Records; thence leaving said deed line of C.S.X. Transportation Inc. and running with the common plat lines of Parcels A and B, Block V, recorded as the aforesaid Plat No. 25555, the following three (3) courses and distances

- 1. North 58° 12' 12" East, 135.46 feet to a point; thence
- North 31" 49" 35" West, 23.54 feet to a point; thence
- North 13° 10' 25" East, 16.97 feet to a point on the common plat line of Parcel D, Block C, Baxter Street, Private Road; thence leaving said common plat line of Parcel A, Block V, and running with said common plat line of Parcel D, Block C, the following two (2) courses and distances
- 4. North 58" 10' 25" East, 285.67 feet to a point; thence
- South 81° 52′ 19″ East, 7.67 feet to a point on the common plat line of Parcel A, Block D, Columbus Avenue, Private Road, recorded as Plat No. 24942 among the aforesaid Land Records; thence leaving said common plat line of Parcel D, Block C and running with said common plat line of Parcel A, Block D, the following three (3) courses and distances
- 50.21 feet along the arc of a non-tangent curve to the left having a radius of 130.00 feet and a chord bearing and distance of South 54° 05' 04" East, 49.90 feet to a point; thence
- South 65° 08' 59" East, 28.23 feet to a point; thence
- 8. 8.47 feet along the arc of a tangent curve to the right having a radius of 14.00 feet and a chord bearing and distance of South 47° 49' 37" East, 8.34 feet to a point on the common plat line of Parcel A, Block A, Columbus Avenue, Private Road, recorded in the aforesaid Plat No. 24942; thence leaving said common plat line of Parcel A, Block D, and running with said common plat line of Parcel A, Block A, the following three (3) courses and distances

Our Site Set on the Future.



- 112.53 feet along the arc of a non-tangent curve to the left having a radius of 73.50 feet and a chord bearing and distance of South 45° 14' 10" East, 101.85 feet to a point; thence
- 10. 12.49 feet along the arc of a tangent curve to the right having a radius of 12.50 feet and a chord bearing and distance of South 60° 27' 39" East, 11.98 feet to a point; thence
- 11. South 31° 49′ 35″ East, 267.04 feet to a point on the deed line of the property of Washington Metropolitan Area Transit Authority, recorded in Liber 8863 at Folio 776 among the aforesaid Land Records; thence running with said deed line, the following two (2) courses and distances
- 12. South 65° 50' 16" West, 352.87 feet to a point; thence
- 13. South 41° 37' 32" West, 162.30 feet to a point on the aforesaid common deed line of the property of C.S.X. Transportation Inc.; thence leaving said deed line of Washington Metropolitan Area Transit Authority and running with said common deed line of C.S.X. Transportation Inc.
- North 31° 47′ 48″ West, 423.04 feet to the point of beginning, containing 207,817 square feet or 4.7708 acres of land as shown on Exhibit B attached herewith.

The undersigned hereby states that the metes and bounds description hereon was prepared by myself or under my direct supervision and that it complies with the Minimum Standards of Practice for Metes and Bounds Descriptions as established in Title 9, Subtitle 13, Chapter 6, Section .08 and .12 of the Code of Maryland Regulations (COMAR) as enacted and amended.

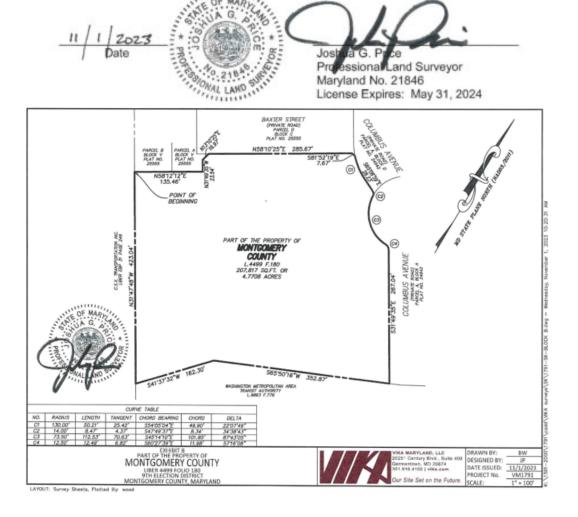


EXHIBIT B

DEPICTION OF TENANT'S PREMISES



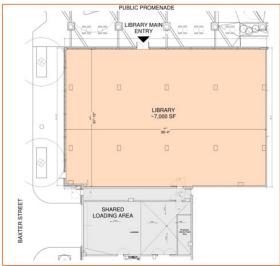


EXHIBIT C

DESCRIPTION OF TENANT'S WORK

- A. Tenant's Work in and upon the Premises shall include, but shall not be limited to, the following items:
 - 1. All interior plumbing and all wiring and electrical work.
 - 2. All painting, floor coverings and other interior décor.
 - 3. All signs and electrical work relating thereto.
 - 4. All interior HVAC requirements.
 - 5. All design and architectural expenses related to Tenant's Work.
 - 6. All permit fees and costs related to Tenant's Work.
 - B. General Requirements and Procedures for Tenant's Work:
- 1. All Tenant Work shall be subject to Landlord's written approval prior to installation, which approval shall not be unreasonably withheld or delayed. All improvements shall be completed with the highest quality materials and standards. Tenant shall submit plans to Landlord for approval prior to filing for a building permit. All Work to be performed by Tenant shall be in accordance with detailed plans and specifications for same to be prepared by Tenant ("Tenant's Plans") and submitted to Landlord within forty-five (45) days of the execution of this Lease, for Landlord's written approval. Tenant's Plans shall include a sample board showing all decor materials and finishes and photographs of equipment and fixtures to be installed in the Premises, and such other items and information as Landlord shall reasonably require to evaluate Tenant's Work. All Tenant's Work shall be in accordance with all applicable laws, codes and regulations. It is expressly agreed that Tenant shall not commence any such Work until said plans and specifications have been so approved by Landlord.
- 2. Tenant's contractors and subcontractors shall be required to provide the following types of insurance, in the minimum amounts indicated, naming Landlord (and Landlord's mortgagee, if required by Landlord) as additional insured:
- (a) Workmen's Compensation with full statutory limits for employer's liability.
- (b) Commercial General Liability Insurance including direct and contingent liability in the aggregate amount of One Million Dollars and No Cents (\$1,000,000.00) combined single limit coverage per occurrence for personal injury, death or property damage.
- (c) The Liability Policy shall include coverage for Broad Form Hold Harmless Agreement as is contained in the standard contract.

(d) Automobile Liability insurance with bodily injury limits of One Million Dollars (\$1,000,000) per person, One Million Dollars (\$1,000,000) per accident, and Two Hundred Fifty Thousand Dollars (\$250,000) per accident for Property Damage.

Original policies or copies of all of the foregoing insurance shall be delivered to Landlord before construction of Tenant's Work is started and before Tenant's contractor's equipment is placed upon the Premises. In all other respects, the insurance coverage above mentioned shall comply with the Lease provisions.

- It is agreed that Tenant assumes the entire responsibility and liability due to its negligence, including statutory or common law, for any and all injuries or death of any or all persons, including its contractor, subcontractors and employees, and for any and all damages to property caused by or resulting from or arising out of any act or omission on the part of Tenant, its contractor, subcontractors or employees, in the prosecution of the work thereunder. With respect to such work Tenant agrees to indemnify and hold harmless Landlord, its ground landlord, its mortgagee, architect, engineers and their employees and all other tenants of the Building from and against all losses and expense, including reasonable legal fees, which they may suffer or pay as the result of claims or lawsuits due to, because of, or arising out of any and all such injuries, death or damage, whether real or alleged; and Tenant, its contractor and subcontractors shall assume and defend at its own expense all such claims or lawsuits. Tenant agrees to insure this assumed liability in its Comprehensive General Liability Policy. For the avoidance of doubt, tenant will also comply with Section 30(b) during any and all of the Tenant's Work. Upon written notice from Landlord, Tenant shall defend and pay all Claims and penalties incurred by or on behalf of the Landlord Parties to defend against any Claims, including but not limited to Claims brought by or related to Vendors (as defined below) or users, guests, invitees, subtenants, and licensees of the Public Use Unit. Upon written notice from Landlord, Tenant shall defend and pay all Claims and penalties incurred by or on behalf of the Landlord Parties to defend against any Claims, including but not limited to Claims brought by or related to Vendors (as defined in the Lease) or users, guests, invitees, subtenants, and licensees of the Premises.
- 4. For and during the period of constructing Tenant's Work, Tenant shall provide and pay for all utilities consumed upon the Premises during said period and for the removal of all temporary connections.
- 5. For and during the period of Tenant's Work, Landlord shall have the right to inspect the Premises at all reasonable times.
- 6. Tenant, at Tenant's sole cost and expense, shall procure any telephone service to and within the Premises and shall make all necessary arrangements with the local telephone company or other supplier for such service.
- 7. With respect to Tenant's Work, it shall be the sole responsibility of Tenant to file all drawings and specifications, pay all fees and obtain all permits and applications from any governmental authorities having jurisdiction, and to obtain any certificates or approvals required to enable Tenant to open for business to the public.

8. <u>Window Signage</u>. During Tenant's construction of Tenant's Work, Tenant shall be required to install window signage with graphics and announcements, as approved by Landlord, relevant to Tenant's opening for business at the Premises, which signage shall be further defined during Tenant's design, planning and coordination process.

EXHIBIT D

RULES AND REGULATIONS

Tenant shall, and shall insure that Tenant's agents, servants, employees, invitees and guests, faithfully keep, observe and perform the following rules and regulations, and such other reasonable rules and regulations as Landlord may make, and which in Landlord's sole judgment are appropriate for the general well being, safety, care and cleanliness of the Premises and the Building and its related exterior appurtenances, unless waived in writing by Landlord.

- 1. Tenant shall not obstruct the sidewalks, entries, passages, elevators, public corridors, stairways or other common areas of the Project, and shall not allow such areas to be used for any purpose other than ingress and egress.
- 2. Tenant shall not install or permit the installation of any awnings, shades, mylar films, sunfilters, or the like, on windows.
- 3. Tenant shall keep the doors to the Premises closed during business hours, except when such doors are being used for ingress or egress. No doors shall be propped open at any time.
- 4. Tenant shall not make, or permit to be made, any noises which may be heard outside of such Tenant's Premises; nor shall Tenant disturb or interfere with other tenants or occupants of the Building or neighboring buildings or premises, whether by the use of any musical instrument, radio, television set, or other audio device, unmusical noise, whistling, singing, or in any other way. Nothing shall be thrown out, or off, of any doors, windows, balconies or skylights or down any passageways.
- 5. Tenant shall keep floor distribution boxes for electric and telephone wires accessible at all times.
- 6. No bicycles, vehicles or animals of any kind, except service animals, shall be brought into or kept or permitted on or about the Premises or the Building.
- 7. Tenant shall not make any room-to-room solicitation of business from other tenants in the Building and Tenant acknowledges that canvassing and peddling of any kind in the Building are prohibited. Tenant shall not distribute any handbills or other advertising matter on automobiles parked in the parking area. Canvassing, soliciting, and peddling in the Building are prohibited, and Tenant shall cooperate in seeking their prevention.
- 8. Water closets, wash closets, and other plumbing fixtures in the Premises or in the Project shall not be used for any purposes other than those for which they were constructed, and no sweepings, rubbish, rags, or other substances (including, without limitation, coffee grounds) shall be thrown therein.
- 9. Tenant shall not store any merchandise or other materials in any area determined by Landlord to cause a health or safety danger or to interfere with any equipment of Landlord, Tenant or other tenants, including the storage of material within two (2) feet of any ventilation ducts, equipment exhausts, fire exists, sprinkler devices or other fire or safety equipment.

- 10. Tenant shall not cause or permit any obnoxious odors to emanate from the Premises.
- 11. Landlord shall have the right to prohibit any advertising by Tenant which, in Landlord's opinion, tends to impair the reputation of the Project or its desirability as a retail shopping Center, and upon notice from Landlord, Tenant shall refrain from or discontinue such advertising.
 - 12. Tenant shall ensure that all entrance doors are locked before leaving the Premises.
- 13. Tenant shall not use the Premises, or permit the Premises to be used, for lodging or sleeping.
- 14. All equipment and machinery belonging to Tenant which causes noise, vibration or electrical interference that may be transmitted to the structure of the Project or to any space therein to such degree to be objectionable to Landlord or any other tenant in the Building shall be installed and maintained by Tenant, at Tenant's expense, on vibration eliminators or other devices sufficient to eliminate such noise or vibration.
- 15. All loading and unloading of goods shall be done only between 7:00 a.m. and 8:00 p.m. in the areas designated for such purposes by Landlord, and only through the back door of the Premises.
- 16. The delivery or shipping of merchandize, supplies and fixtures to and from the Premises shall be subject to such rules and regulations as in the judgment of Landlord are necessary for the proper operation of the Premises or the Project.
- 17. If the Premises are equipped with heating and/or air conditioning facilities separate from those in the remainder of the Project, Tenant shall keep the Premises at a reasonable temperature commensurate with temperatures in adjoining areas.
- 18. Tenant shall not burn trash or garbage of any kind in or about the Premises or the Project.
- 19. Tenant shall immediately notify Landlord's security personnel in the event of an accident or injury occurring in the Common Areas of the Project, but take no further action. All motor vehicle accidents in the parking areas of the Project should immediately be reported to Landlord's security personnel and the Montgomery County Police Department.
- 20. Tenant shall at all times keep a dry chemical fire extinguisher on the Premises in a location accessible in the event of a fire or related hazard. The fire extinguisher shall meet all applicable minimum requirements, including those relating to frequent inspections.
- 21. Unless specifically authorized by Tenant's lease, Tenant shall keep all exterior surfaces, including sidewalks adjacent to the Premises, free of chairs and other objects that would tend to hinder the movement of customers around the Project.

Landlord shall in no event be liable to Tenant for Landlord's failure to enforce any rules or regulations or for the breach of any rules or regulations by any other tenant of the Project.

EXHIBIT E

CERTIFICATE OF COMMENCEMENT

TH		CERTIFICATE OF COMMENCEMENT ("Certificate") is made this day, 20, by and between HOC AT WESTSIDE BUILDING B, LLC, a Maryl	
limited		ility company ("Landlord") and, ("Tenant).	
W	HEF	REAS , Landlord and Tenant have entered into a Lease dated, 20 ("Lease	;");
		REAS , the Rent Commencement Date of the Term of the Lease, as described in Secrependent upon the occurrence of certain events; and	tion
	Rer	REAS , those certain events have occurred and Landlord and Tenant now desire nt Commencement Date of the Term of the Lease for purposes of establishing the tenancement Date of the Term of the Lease for purposes of establishing the tenancement Date of the Term of the Lease for purposes of establishing the tenancement Date of the Term of the Lease for purposes of establishing the tenancement Date of the Term of the Lease for purposes of establishing the tenancement Date of the Term of the Lease for purposes of establishing the tenancement Date of the Term of the Lease for purposes of establishing the tenancement Date of the Term of the Lease for purposes of establishing the tenancement Date of the Term of the Lease for purposes of establishing the tenancement Date of the Term of the Lease for purposes of establishing the tenancement Date of the Term of the Lease for purposes of establishing the tenancement Date of the Term of the Lease for purposes of establishing the tenancement Date of the Term of the Lease for purposes of establishing the tenancement Date of the Term of the Lease for purposes of establishing the tenancement Date of the Date of the Term of the Date of the Da	
considerati	on,	THEREFORE, in consideration of the premises, and for other good and valuate the receipt and sufficiency of which is hereby acknowledged, Landlord and Tempresent each to the other as follows:	
1.		The Premises have been accepted by Tenant as being substantially completed the Lease.	d in
	2.	Tenant has possession of the Premises.	
Section 3.	3.	The Rent Commencement Date is, 20, pursuant	t to
	4.	The first Lease Year shall end on, 20	
	5.	The Lease Term expires on	
		[Signatures appear on the following page]	

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

WITNESS:	<u>LANDLORD</u> :
9	HOC AT WESTSIDE BUILDING B, LLC, a Maryland limited liability company
	By:HOC EYA Westside Building B, LLC, its sole member
	By: HOC MM Westside Building B, LLC, its Managing Member
	By: Housing Opportunities Commission of Montgomery County, its Sole Member
Printed Name:	By:(SEAL) Chelsea J. Andrews President/Executive Director
	Date:
	<u>TENANT</u> :
	a
Printed Name:	By:(SEAL) Name:
	Title:
	Date:

EXHIBIT F

OPERATING EXPENSES

<u>Description</u>	<u>Budget</u>	\$/SF
Retail CAM/Insurance	\$ 37,623	\$ 5.37
Retail Management Fee ¹	\$ 9,600	\$ 1.37
Total Shared Operating Expenses	\$ 47.223	\$ 6.74

¹ Retail Management Fee is the greater of 3% or \$800 per month

² Library may be exempt from real estate taxes based on its structure and use. Tax exemption status is subject to confirmation, by Tenant, with the County Tax Assessor's Office.

EXHIBIT G

INTENTIONALLY OMITTED

EXHIBIT H

USE PROVISIONS

The following provisions are made a part of the Retail Lease to which it is attached as if fully set forth in the body thereof:

- 1. **Exhaust Duct**. If required by applicable law, including without limitation, applicable fire code, Tenant agrees to maintain in good working order and repair an exhaust duct for the Premises, including a roof exhaust fan for Tenant's exhaust duct, which shall be installed by Landlord as part of the Landlord Improvements. Tenant shall clean same on an as needed basis and in no event less than is required by applicable law: (i) the exhaust duct within the Premises, the roof exhaust fan unit and the vertical vent stack leading to such fan unit, on at least a quarterly basis; and (ii) the kitchen hoods, including replacement of the filters. Tenant shall provide Landlord with copies of its cleaning contract for its exhaust duct on a yearly basis or sooner if requested by Landlord.
- 2. **HVAC**. Tenant shall, at its sole cost and expense, maintain the HVAC system servicing the Premises and keep it in good working order. Tenant shall provide Landlord with a copy of a contract with a licensed, qualified and reputable contractor to provide, at a minimum, quarterly preventative maintenance for the HVAC system.
- 3. **Pest Control**. Tenant shall keep the Premises free from insects, pests and vermin of all kinds, and, for that purpose, Tenant shall maintain a pest extermination contact. Tenant shall provide Landlord with copies of its pest extermination contract on a yearly basis or sooner if requested by Landlord.
- Noise/Music: In connection with the permitted uses of the Premises, the Tenant may play 4. amplified music in the Premises during regular business hours, which are currently 6:00 a.m. to 10:00 p.m. Monday through Friday and 8:00 a.m. to 9:00 p.m. on Saturdays and Sundays. Amplified music may also be played during special events and/or third-party events, provided that the music played during such events must end by midnight. Any proposed use by the Tenant of music outside such hours shall require the prior approval of Landlord, not to be unreasonably withheld, conditioned or delayed. Tenant acknowledges that the Condominium consists of a mixed-use project and that the upper floors of the project contain multifamily apartment units. The Tenant shall use Commercially Reasonable Best Efforts to prevent such amplified music from emanating into other portions of the Condominium. If issues arise concerning music or other noise emanating from the Premises, Tenant shall comply with Landlord's direction regarding such issues, which direction may include, for example, revised hours during which music is played in the Premises or a physical alteration to the Premises such as sound proofing and vibration reducing measures. For the purposes of this provision, "Commercially Reasonable Best Efforts" means the diligent and timely satisfaction of the following standards in the context of a Parties' responsibilities: (a) undertaking all actions (including, without limitation, payment and performance obligations) that would usually and customarily be undertaken or performed by a diligent and experienced real estate developer and construction manager in performance of the terms of this Sublease and (b) undertaking such additional commercially reasonable actions as are appropriate in the context of unanticipated or unusual events, circumstances or obstacles to lawfully achieve such Parties' responsibilities hereunder.

EXHIBIT I-1

TENANT ESTOPPEL CERTIFICATE

Re:	Lease dated	and as amended on	("Lease"), executed by
and b		("Landlord"), and Montgomery Co	
	De	ring approximately(_evelopment (the "Project"), with an address ("Leased Premises")	ess of
	ficate as permitted	llord's request that the County provide the under the terms of the Lease, the County	
Tena	lete copy of the L nt; is in full force	all amendments to the Lease attached as lease and represents the entire agreement and effect; and, has not been modified, somendments, if any, attached as part of Extending the state of t	between the Landlord and the applemented, or amended in any
(2)		commenced on The current term Lease provides for extensions of the	-
under	' (as such term is of the Lease is	ayment of rent under the Lease commence defined in the Lease). The initial annual The Tenant will not particle of its due date.	net rent payable by the Tenant
(4) secur	The County pai ity deposit.	d no security deposit, and the Lease does	not require the County to pay a
and a Impro	ct to the leasing of greements relating ovements (as defin	esents the entire agreement between the Test of the Leased Premises, including, but not go to the construction or installation of any ned in the Lease) by the Landlord, and the ded Premises by the Tenant.	limited to, all understandings y County Leasehold
	y default by Landl	hat this Certificate is issued by the Count lord other than those specified in Exhibit d by the County, the County has no know	B, attached. As of the date that

deduction or claim against Landlord other than those listed in Exhibit B, attached.

(7)	The County is not in default under	the Lease.	
	•	ease or sublet all or any portion of the Leased ached. Any sublease or assignment documents are	
(9)	Any notices to be sent to the Count	ty should be sent in the form required in the Lease to	
	Montgomery County, Mary 101 Monroe Street 9th Floor Rockville, MD 20850	rland, Office of Real Estate	
	With a copy that does not constitute notice to:		
	Office of the County Attorn 101 Monroe Street, 3rd Flo Rockville, MD 20850		
(10)	The undersigned is duly authorized	I to execute this Certificate.	
		TENANT:	
		MONTGOMERY COUNTY, MARYLAND, a body corporate and politic	
		By:	
		Assistant Chief Administrative Officer	
	ROVED AS TO FORM & LEGALIT CE OF THE COUNTY ATTORNEY		

Director

Office of Real Estate

By:_____

By: _____

to:

EXHIBIT I-2

FORM OF SUBORDINATION, NON-DISTURBANCE AND ATTORNMENT <u>AGREEMENT</u>

[attached behind]

SUBORDINATION, NON-DISTURBANCE, AND ATTORNMENT AGREEMENT

41.	This Subordination, Non-Disturbance and Attornment Agreement ("Agreement") made
tnis _	day of, 20 among ("Lender"), with an address of, ("Landlord"), with an address of, ("Landlord"), with an address of, and MONTGOMERY COUNTY, MARYLAND, a body wrate and politic and a political subdivision of the State of Maryland ("Tenant"), with an
	, and MONTGOMERY COUNTY, MARYLAND, a body
corpo	rate and politic and a political subdivision of the State of Maryland ("Tenant"), with an
addre	ss of 101 Monroe St, Rockville, MD 20850 (the Lender, the Landlord, and the Tenant are
reterr	ed to collectively as the "Parties
	RECITALS
	A. The Landlord and the Tenant entered into a Lease Agreement dated as
amen	ded on (the "Lease"), whereby the Tenant leased from the lord those certain premises, containing approximately () square feet
Land	lord those certain premises, containing approximately () square feet
(Lea	sed Premises") located within the Building, with an address of ("Building") with the Leased Premises and the Building
being	("Building"), with the Leased Premises and the Building more particularly described in EXHIBIT A , attached and incorporated as if fully set forth
herei	
	B. The Lender and the Landlord have represented to the Tenant that the Lender will
make	a loan to the Landlord in the principal amount not to exceed
) ("Loan"), secured by a mortgage or deed of trust which will be recorded among
	and Records for Montgomery County, Maryland, and which may be amended or modified
	rtgage") and the Mortgage contains an assignment of leases and rents from the Landlord to
the L	ender, which covers the Building, including the Leased Premises.
	C. The Tenant agrees that the Lease shall be subject to and subordinate to the Mortgage,
•	ded that the Tenant is assured of continued occupancy of the Leased Premises under the
terms	of the Lease.
	NOW THEREFORE, for and in consideration of the mutual covenants made among the
	es in this Agreement and the payment of the sum of \$10.00 by the Lender to the Tenant, and
	her good and valuable consideration, the receipt and sufficiency of which is acknowledged
by the	e Parties, the Parties agree as follows:
	1. Subordination and Consent. The Parties agree that the Lease is and shall continue to
	bject and subordinate to the Mortgage and to any renewals, modifications, consolidations,
	cements, and extensions of the Mortgage and to all advances made under the Mortgage. The
	nt acknowledges that the Landlord will execute and deliver to the Lender an assignment of ease as security for the Loan, and the Tenant expressly consents to the assignment. The
	nt agrees that if there is a default by the Landlord in performance of the Loan that the
	er may, at the Lender's option, demand, in writing sent to the Tenant by overnight delivery
or by	first class mail, postage prepaid and certified mail to the address provided below, that all
paym	ents of rent and Additional Rent due under the Lease (as provided in Article II of the

Lease) must be paid directly by the Tenant to the Lender at the address specified below or as

otherwise specified in writing by the Lender to the Tenant. The Tenant agrees that not more than 30 days after receiving the Lender's written demand for payment of rent directly to the Lender that the Tenant will remit all payments of rent and Additional Rent due under the Lease to the Lender at the address provided by the Lender in writing. THE PARTIES AGREE THAT PAYMENTS OF RENT AND ADDITIONAL RENT MADE BY THE TENANT TO THE LENDER IN ACCORDANCE WITH THE REQUIREMENTS OF THE LEASE AND THIS AGREEMENT WILL CONSTITUTE PERFORMANCE OF THE TENANT'S PAYMENT OBLIGATIONS UNDER THE LEASE, AND THAT NEITHER THE LANDLORD NOR THE LENDER WILL HAVE ANY CLAIMS AGAINST THE TENANT FOR ANY RENT, ADDITIONAL RENT, OR OTHER PAYMENTS MADE BY TENANT IN CONFORMANCE WITH THE TERMS OF THE LEASE, THIS AGREEMENT, AND AT THE WRITTEN DIRECTION OF THE LENDER. Further, the Lender will defend the Tenant for any claim for payment made by the Landlord, or any party claiming through the Landlord, for payments made by Tenant to the Lender under this Agreement.

- 2. Nondisturbance. The Lender agrees with the Tenant that, in the event that the Lender becomes the fee simple owner of the Leased Premises, so long as the Tenant complies with and performs all of Tenant's material obligations under the Lease: (a) the Lease will remain in full force and effect as a direct Lease between the Lender or the Lender's successors and assigns, and the Tenant, subject to all of the terms, covenants and conditions of the Lease, for the balance of the Initial Term, as extended, and that Lender and Lender's successors and assigns will not disturb the Tenant's possession of the Leased Premises, and (b) the Lender and the Lender's successors and assigns will recognize the Tenant as the tenant of the Leased Premises for the remainder of the Initial Term, as extended, in accordance with the Lease. THE PARTIES AGREE THAT IF THE LENDER OR THE LENDER'S SUCCESSORS OR ASSIGNS BECOMES THE FEE SIMPLE OWNER OF THE LEASED PREMISES, THE LENDER WILL NOT BE: (I) SUBJECT TO ANY CLAIMS, OFFSETS, OR DEFENSES WHICH THE TENANT MIGHT HAVE AGAINST LANDLORD; OR (II) LIABLE FOR ANY ACT OR OMISSION OF THE LANDLORD; OR (III) BOUND BY ANY RENT OR ADDITIONAL RENT PAID MORE THAN ONE MONTH IN ADVANCE OR ANY SECURITY DEPOSIT OR OTHER PREPAID CHARGE PAID TO THE LANDLORD; OR (IV) BOUND BY ANY AMENDMENT OR MODIFICATION OF THE LEASE UNLESS WRITTEN NOTICE OF THE AMENDMENT OR MODIFICATION WAS PROVIDED TO THE LENDER IN ADVANCE.
- 3. Attornment. The Tenant agrees that if the Lender becomes the fee simple owner of the Building and provides the Tenant with written notice of the change in ownership, the Tenant will attorn to and recognize the Lender or the Lender's successors or assigns as the landlord under the Lease for the remainder of the Initial Term, as extended, and the Tenant will continue to perform all of its obligations under the Lease.
- 4. Lender's Option to Cure Lease Defaults. If the Landlord fails to perform or observe any of the terms, conditions, or agreements in the Lease, the Tenant will give written notice to the Lender and the Lender will have the right, but not the obligation, to cure the default or defaults on behalf of the Landlord. The Tenant will not terminate or rescind the Lease or withhold payments of rent or Additional Rent under the Lease for a period of 30 days following

receipt of written notice from the Lender of the Lender's intention to cure the default so long as the Lender proceeds to promptly cure the default. If the Lender acts promptly upon notice from the Tenant to cure the default and, despite the Lender's prompt, diligent, and continuous efforts to cure the default the Lender is unable to complete the cure within 30 days, then the Lender and the Tenant may agree that the time within which the cure must be completed may be extended for a reasonable period of time not to exceed 60 days as may be necessary for the Lender to complete the cure.

- 5. Obligations and Liability of Lender. Except as provided in Section 4, above, unless otherwise agreed in writing, the Lender shall have no obligations under the Lease unless the Lender becomes the fee simple owner of the Building. So long as the Lender remains a mortgagee with bare legal title to the Building securing repayment of the Loan to the Landlord, then the Lender is not responsible for any of Landlord's obligations under the Lease other than the Lender's voluntary efforts to cure defaults as provided above in this Agreement. If Lender becomes the fee simple owner of the Building, then Lender will step into the shoes of the Landlord with respect to the Landlord's obligations under the Lease until such time as the Lender transfers fee simple ownership of the Building to a new owner, who must assume all of Landlord's obligations under the Lease.
- 6. Severability. If any provision of this Agreement is found by a court to be unenforceable, then all provisions not invalidated or found by the court to be unenforceable will remain in full force and effect.
- 7. Governing Law and Choice of Forum. This Agreement is governed by and must be construed under the laws of the State of Maryland without regard to conflicts of laws principles. Any claim or action to enforce, interpret, or invalidate this Agreement must be filed and maintained in a court of competent jurisdiction located in Montgomery County, Maryland.
- 8. Notices. All notices required to be given under this Agreement will be deemed to be satisfactorily given if mailed, first class, postage prepaid and certified with return receipt, or by overnight delivery or hand delivery by a nationally recognized receipted delivery service to:

If to the Lender:	
If to the Landlord:	
If to the County:	Montgomery County, Maryland Department of General Services

101 Monroe Street, 9th Floor Rockville, MD 20850

Attn: Director, Office of Real Estate

With a copy that does

not constitute notice to: Office of the County Attorney

101 Monroe Street, 3rd Floor

Rockville, MD 20850 Attn: County Attorney

Notices will be deemed effective three (3) business days following deposit of first class and certified mail copies with the U.S. Postal Service or on the first business day following overnight or hand delivery to the addressee. Parties must provide written notice of address changes to all other Parties as provided in this Paragraph. Any notice of address change will be effective 30 days after the date of the notice.

- 9. Successors and Assigns. This Agreement will be binding upon and inure to the benefit of the Parties and their successors, and assigns.
- 10. Tenant's Personal Property. The Mortgage may not, under any circumstances, encumber any of the Tenant's moveable trade fixtures, business equipment, furniture, signs, or other personal property placed or kept at any time on the Leased Premises.
- 11. Headings. The headings and captions used in this Agreement are for convenience only and shall not affect interpretation of this Agreement.

SIGNATURES ON THE FOLLOWING PAGE

IN WITNESS WHEREOF, the Parties' authorized representatives have executed this Agreement effective on the date first written above.

LENDER:

	By:
	Printed Name:
	Date:
	LANDLORD:
	By:
	Printed Name:
	Date:
	TENANT:
	MONTGOMERY COUNTY, MARYLAND
	By: Name: Assistant Chief Administrative Officer
APPROVED AS TO FORM & LEG	GALITY RECOMMENDED:
OFFICE OF THE COUNTY ATTO	RNEY OFFICE OF REAL ESTATE
By:	By:

EXHIBIT J

SHELL BUILDING SPECIFICATIONS

General Building Criteria and Requirements:

- 1. If the Tenant does not use the base building Structural Engineer of Record (SEOR) for all structural related items, then the SEOR must review and sign off on any structural work prior to commencing such work, including, but not limited to:
 - a. Anchors, attachments, or connections to the base building structure;
 - b. Core drilling, slab penetrations, or any structural modifications;
 - c. Modifications to base building framing, slabs, columns, or shear walls;
 - d. Any loads imposed on the base building structure, including mechanical, racking, or suspended systems;
 - e. All Ground Penetrating Radar (GPR) scan results, which much be submitted and reviewed and approved by the SEOR prior to any coring or penetration activities.
- 2. For the avoidance of doubt, Landlord will be responsible for the costs of the SEOR review.
- 3. Tenant must comply with Landlord Rules and Regulations, attached to the Lease as Exhibit D.

Landlord's Delivery Conditions

BUILDING EXTERIOR WALLS:

- 1. The Landlord shall provide a complete exterior wall system, including but not limited to the exterior storefront system, metal studs, exterior sheathing, and exterior veneer (masonry, block, panel system, etc.). Note: Interior insulation or gypsum wallboard will not be provided, except in corridors and lobbies.
- 2. All code-required separations, including but not limited to fire and building code separations between the retail space and adjacent uses, shall be installed by the Landlord.
- 3. If required by code, the slab between the retail space and any unconditioned areas, whether horizontal or vertical, shall be insulated by the Landlord.

BUILDING INTERIOR WALLS:

- 1. All interior walls separating retail areas from the lobbies, service corridors, core element and pass through ventilation shafts are to be per code. If stud walls are utilized, then partitions shall be double-sided complete walls fully insulated and fireproofed as required by code. If CMU partitions are utilized, then CMU shall be rough finished and ready for primer and paint on tenants side.
- 2. If a shared corridor with overall building, Landlord shall be responsible for all service corridors inclusive of lighting, ventilation, painted masonry or painted drywall. One metal 3'-0"x7'-0" exterior or service door with commercial grade hardware for shell occupancy. All shared service corridors shall be a minimum of 5' wide and lit to 20 fc with a door and frame painted on the outside of tenant space only.
- 3. Loading dock scope shall include electrical rough-in for convenience outlets, floor drain to allow for wash down, frost-proof hose bib, ventilation and unit heaters. The exterior overhead coiling door shall be installed with appropriate isolation and design as permitted with the authority having jurisdiction.

BUILDING EXTERIOR SIGNAGE:

Where indicated on plans, Landlord shall provide blocking for a designated "tenant sign" area at the building exterior wall for tenant signage. Blocking will be adequate for standard surface mounted signage, blade sign or projected style sign. Additionally, provide exterior grade junction box and conduit/pull string back to retail demised premises. Tenant will be responsible for submitting the signage design to the base building EOR for review and approval prior to fabrication and installation.

RETAIL FLOOR DEPRESSION:

The retail demised premises shall have the structural slab depressed 2" below final finish floor for installation of tenant provided floor finish.

SANITARY SEWER:

A 6" PVC sewer line and 4" vent will be located below each of the retail spaces, generally located towards the rear for the demised premises. Depth of the sewer line will be such that normal fixtures will reasonably gravity drain from anywhere within the retail space

SEWER RISER AND HUNG PIPING:

Exposed sanitary sewer or storm water risers and/or ceiling hung piping within the retail shell, which serves the residential components above, shall be PVC. Residential sewer and/or vent risers shall be located near columns (or walls) and horizontal hung piping shall be kept within 20" of the underside of the concrete slab. If required by code, residential sanitary lines in retail spaces to include drip pans that will tie to a drain.

TOILET EXHAUST:

Tenant shall be responsible for installing the bathroom exhaust system during the interior fit-out. The exhaust must be vented to the roof unless the tenant submits an alternative location, which must be reviewed and approved by the Landlord prior to construction.

POTABLE WATER:

- 1. Landlord will supply a 1-1/2" CPVC domestic water line to the retail space. A capped 2" tee with shut off value, shall be provided in each of the retail demised premises for connection of submeter provided by Landlord.
- 2. Hose bibs to be installed, one (1) within loading dock.

NATURAL GAS:

Landlord will supply a 2" threaded black steel gas main (@2psi), near the ceiling, within the rear third of the retail shell, with shut-off valve for connection by Tenant. Tenant shall be responsible for its gas piping within the demised premises and connections to dedicated meter. It is the tenant's responsibility to coordinate the service with the local jurisdiction Gas Company.

MAKE-UP AIR:

For spaces the Landlord shall provide louvers with blank off panels for make-up air. Tenants shall be responsible for connection to louver(s), fans, ductwork, controls, electrical, etc. needed for proper operation.

HVAC:

- 1. Temporary heat to be provided using electric unit heaters sufficient to prevent freezing and meet applicable codes. Retail HVAC is predicated on split system roof mounted condenser units no larger than 5 tons. Landlord to provide a commercially customary number of 6" diameter PVC pipe raceways from each retail demised premise space to the roof to provide a path for refrigerant lines, control and electrical wiring.
- 2. Provide adequate support and space proximate to the retail space to allow installation of retail condensing units, and grease rated, vertical discharge utility fans. Location and support requirements for equipment load for future retail equipment shall be established in the Agreement

FIRE SPRINKLER:

A fire protection sprinkler system will be provided with up-turned sprinkler heads installed per code requirement for shell condition. Sprinkler shall be separate zone from residential to permit isolation or retail modifications. All modification to the fire sprinkler system necessitated by the Tenant Improvements work shall be completed by the Landlord's fire sprinkler subcontractor at the Tenant's expense.

ELECTRICAL:

- 1. The Landlord shall provide a six (6) 4" empty conduit, with pull string, from the main electric room to the rear of the retail demised premise. Other than building master meter, electrical service for the premises shall be individually metered by Tenant from common meter room or service location.
- 2. Service to premises shall be sized for future 1200 amps (120/208V). At the trough Landlord will provide a 400A disconnect that feeds a 400A panel in the retail space for all the temporary power (lighting, power, and unit heaters).
- 3. Any additional electrical requirement will be the responsibility of the Tenant to be located within the retail demised premises.
- 4. Provide 2" conduit and pull string to each of the retail spaces from the telecom / cable room / demarcation.

FIRE ALARM:

The Landlord shall provide an addressable, base building fire alarm system as required by code to complete its shell obligations. The system shall be designed to accommodate anticipated retail device needs. All modifications to the fire alarm system necessitated by the Tenant Improvement work shall be completed by the Landlord's Fire Alarm subcontractor at the Tenant's expense and shall be compatible with and shall tie into the Base Building Fire Alarm system as required by code. Landlord will invoice Tenant for such costs and Tenant will pay within thirty (30) days of delivery of such invoice.

PHONE, DATA, CABLE:

Tenant shall be responsible for its phone, data and cable infrastructure which will be provided to the utility demarcation room.

RETAIL CLEARANCE:

The Retail Demised premises shall have a clear height of no less than 12 feet clearance to structural elements.

PARKING:

Landlord shall provide a concrete parking structure, striped, and illuminated. This shall include safe pathways for pedestrians accessing the Premises from the parking lot and appropriate signage, including way finding and designated parking signs. Landlord shall provide and maintain ingress and egress roads to and from the building. Landlord shall provide the following parking spaces: 22 standard spaces, 2 standard EV spaces, 1 Handicap EV space, and 1 Handicap Van EV space for a total of 26 designated parking spaces for the Tenant.

WASTE MANAGEMENT:

Landlord and Tenant shall work together to determine how Tenant's Waste Management can be accomplished with existing trash room as well as within Tenant's Premises. Currently, Landlord will provide Tenant with an enclosed area within the loading dock for three bins 80"x49" and a 13' x 7'-6" enclosed area for baled cardboard to be shared with the Residential Tenant.

ALL CONSTRUCTION SHALL COMPLY WITH ANY LOCAL CODES AND SUCH CODE REQUIREMENTS SHALL SUPERCEDE ALL OF THE ABOVE ITEMS. TENANT, AT TENANT'S SOLE COST, SHALL BE RESPONSIBLE FOR ANY ADDITIONAL IMPROVEMENTS REQUIRED IN CONNECTION WITH TENANT'S SPECIFIC USE OF THE LEASED PREMISES THAT ARE IMPOSED BY LOCAL CODE.

EXHIBIT K

TENANT IMPROVEMENT GUIDELINES FOR SUSTAINABILITY

1. Lighting Design

Tenant lighting power, which is the total installed Wattage of lighting within the tenant space, cannot exceed 0.95 Watts per square foot.

2. Energy Metering and Monitoring

Montgomery County adopted the 2012 International Green Construction Code (IgCC) which has mandatory metering and energy monitoring requirements under Section 603, Energy Metering, Monitoring and Reporting. These sections of the code will apply to tenant buildout of their space. Section 603 criteria are described below. Note, content is directly from the 2012 IgCC.

603.2, Energy distribution design requirements and load type isolation in buildings. Energy distribution systems within, on or adjacent to and serving a building shall be designed such that each primary circuit, panel, feeder, piping system or supply mechanism supplies only one energy use type as defined in Sections 603.2.1 through 603.2.5. The energy use type served by each distribution system shall be clearly designated on the energy distribution system with the use served, and adequate space shall be provided for installation of metering equipment or other data collection devices, temporary or permanent, to measure their energy use. The energy distribution system shall be designed to facilitate the collection of data for each of the building energy use categories in Section 603.4 and for each of the end use categories listed in Sections 603.2.1 through 603.2.5. Where there are multiple buildings on a building site, each building shall comply separately with the provisions of Section 603.

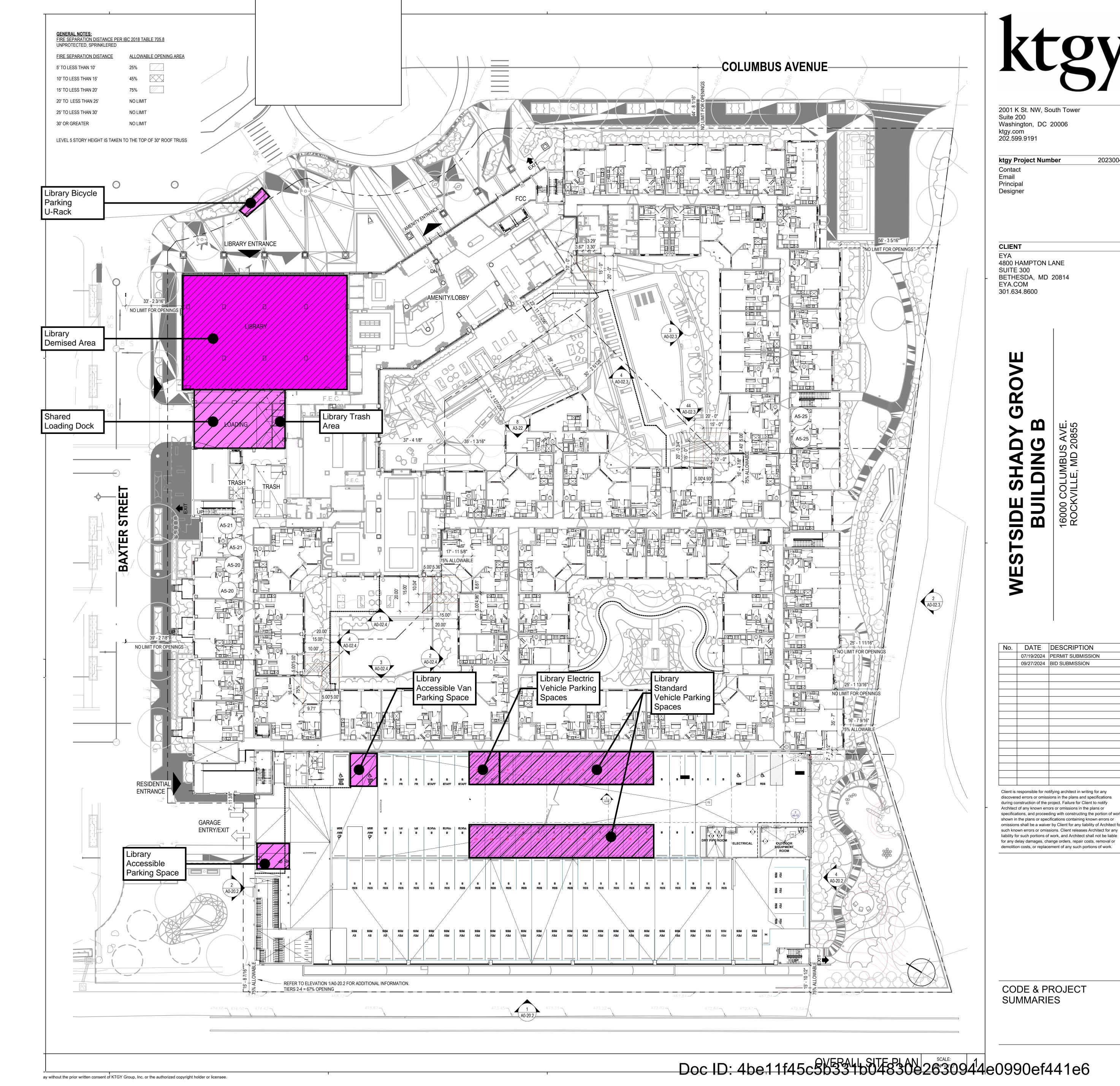
Exception: Buildings designed and constructed such that the total usage of each of the load types described in Sections 603.2.1 through 603.2.5 shall be permitted to be measured through the use of installed sub-meters or other equivalent methods as approved.

- 603.2.1, HVAC system total energy use. The HVAC system total energy use category shall include all energy used to heat, cool, and provide ventilation to the building including, but not limited to, fans, pumps, boiler energy, chiller energy and hot water.
- **603.2.2, Lighting system total energy use.** The lighting system total energy use category shall include all interior and exterior lighting used in occupant spaces and common areas.
- **603.2.3, Plug loads.** The plug loads energy use category shall include all energy use by devices, appliances and equipment connected to convenience receptacle outlets.
- **603.2.4, Process loads.** The process loads energy use category shall include the energy used by any single load associated with activities within the building, such as, but not limited to, data centers, manufacturing equipment and commercial kitchens, that exceeds 5 percent of the peak connected load of the whole building.

- 603.2.5, Energy used for building operations loads and other miscellaneous loads. The category of energy used for building operations loads and other miscellaneous loads shall include all vertical transportation systems, automatic doors, motorized shading systems, ornamental fountains and fireplaces, swimming pools, inground spas, snow-melt systems, exterior lighting that is mounted on the building or used to illuminate building facades and the use of any miscellaneous loads in the building not specified in Sections 603.2.1 through 603.2.4.
- 603.3, Energy-type metering. Buildings shall be provided with the capability to determine energy use and peak demand as provided in this section for each of the energy types specified in Sections 603.3.1 through 603.3.7. Utility energy meters or supplemental sub-meters are permitted to be used to collect whole building data, and shall be equipped with a local data port connected to a data acquisition system in accordance with Section 603.5
- **603.3.1, Gaseous fuels.** Gaseous fuels including, but not limited to, natural gas, LP gas, coal gas, hydrogen, landfill gas, digester gas and biogas shall be capable of being metered at the building site to determine the gross consumption and peak demand of each different gaseous fuel by each building on a building site.
- **603.3.4, Electric power.** Electric power shall be capable of being metered at the building site to allow a determination of the gross consumption and peak demand by each building on a building site. The installation of electric meters and related wiring shall be in accordance with NFPA 70.
- **603.4, Energy load type sub-metering.** For buildings that are not less than 25,000 square feet in total building floor area the energy use of the categories specified in Section 603.2 shall be metered through the use of sub-meters or other approved, equivalent methods meeting the capability requirements of Section 603.3.
- 603.5.1, Annual emissions. The data acquisition and management system shall be capable of providing the data necessary to calculate the annual CO2e emissions associated with the operation of the building and its systems using the results of annual energy use measured in accordance with Section 603.5. The calculation shall be based on energy measured for each form of energy delivered to the site on an annual basis. Where reporting of emissions is required, the determination of emissions shall be in accordance with Section 602.2.3.
- **603.6 Energy display.** A permanent, readily accessible and visible display shall be provided adjacent to the main building entrance or on a publicly available Internet web site. The display shall be capable of providing all of the following:
- 1. The current energy demand for the whole building level measurements, updated for each fuel type at the intervals specified in Section 603.3.
- 2. The average and peak demands for the previous day and the same day the previous year.
 - 3. The total energy usage for the previous 18 months.

EXHIBIT L

COMMON AREAS



20230042

07/19/2024	PERMIT SUBMISSION
09/27/2024	BID SUBMISSION

specifications, and proceeding with constructing the portion of work shown in the plans or specifications containing known errors or omissions shall be a waiver by Client for any liability of Architect for such known errors or omissions. Client releases Architect for any liability for such portions of work, and Architect shall not be liable

EXHIBIT M

EXCLUDED USES

- 1. Warehouse, assembling, manufacturing, distilling, refining, smelting, storage, or mining operation;
- 2. "Second-hand" store, surplus store, flea market, thrift shop, salvation army type store, "goodwill" type store, and any similar business, excluding an antique store and upscale second-hand clothes shops;
- 3. Fire, going out of business, relocation, bankruptcy or similar sales (unless required by law), or any auction house operation;
- 4. Subject to the terms of the Lease, selling, servicing, repairing, leasing or displaying of automobiles, trucks, boats, motor vehicles, trailers, or recreational vehicles;
- 5. Funeral home or mortuary;
- 6. Car wash or gasoline or service station;
- 7. Massage parlor (provided that massage services may be offered as part of a retail spa or beauty salon);
- 8. Living quarters, sleeping apartments or lodging rooms;
- 9. Tattoo parlor;
- 10. Any use which creates a nuisance or extra-normal levels of dust, odor, smoke or gases, or extra-normal risk of fire, explosion or radiation, or which involves the use or handling of hazardous materials;
- 11. Any unlawful use;
- 12. Bailbondsman;
- 13. Shooting gallery;
- 14. Any "Pornographic Use", which shall include, without limitation, a store displaying for sale or exhibition books, magazines or other publications containing any combination of photographs, drawings or sketches of a sexual nature, which are not primarily scientific or educational, or a store offering for exhibition, sale or rental video cassettes, DVD's or other medium capable of projecting, transmitting or reproducing, independently or in conjunction with another device, machine or equipment, an image or series of images, the content of which has been rated or advertised generally as NC-17 or "X" or unrated by the Motion Picture Rating Association, or any successor thereto; the parties hereto acknowledge and agree the sale of videotapes, DVD's, books, magazines and other publications by a national bookstore or video store of the type normally located in first-class shopping centers in the Montgomery County, Maryland

metropolitan area (such as, for example, Barnes & Noble, as said store currently operates) shall not be deemed a "pornographic use" hereunder;

- 15. Pawn shop;
- 16. Unemployment agency;
- 17. Food stamp center;
- 18. Dance hall, disco or night club;
- 19. Any use inconsistent with the customary character of a first-class retail shopping center (such as, without limitation, a "sex", "head" or "pawn" shop use);
- 20. Bingo or similar games of chance;
- 21. Veterinary hospital, animal raising facilities or pet shop;
- 22. Auto parts store;
- 23. Church, temple, synagogue or other place of worship;
- 24. Gambling facility or operation, including, but not limited to, off-track or sports betting parlor, table games such as black-jack or poker, slot machines, video poker/black-jack/keno machines or similar devices, or bingo parlor; or
- 25. Health and beauty aids store, a greeting card and gift store, a vitamin store, a pharmacy mail order facility, a drug store, a pharmacy prescription department and/or a discount, 99 cents store or "dollar store" which sells general merchandise (a "Dollar Store"). Examples of a Dollar Store (without limiting such Dollar Stores only to those listed) are stores such as Fred's, Dollar Store, Dollar General, or Family Dollar. The term "pharmacy prescription department" shall include the dispensing, distribution or furnishing of prescription drugs by pharmacists, physicians, dentists, other health care practitioners or entities such as health maintenance organizations for a fee or profit and a facility which accepts prescriptions from customers which are filled elsewhere and delivered to the customer. A "pharmacy prescription department" shall not include the distribution or furnishing of free samples of prescription drugs by physicians, dentists, other health care practitioners, or entities such as clinics or health maintenance organizations. The term "health and beauty aids store" shall mean a store which devotes more than 15% of its retail selling space to the display and sale of health and beauty aids.