

LEASE

between

Montgomery County

as Landlord

and

**Blue Mash Golf Course, LLC
a Maryland Limited Liability Company, or assigns**

as Tenant

**For Premises Located in
Montgomery County, Maryland**

Dated November 2, 1999

THIS LEASE is made as of the 2ND day of November, 1999, by and between (a) Montgomery County, Maryland (hereinafter referred to as "Landlord") and (b) Blue Mash Golf Course, LLC, a Maryland limited liability company having an address at 5821-A Olney-Laytonsville Road, Laytonsville, Maryland 20882 (hereinafter referred to as "Tenant").

W I T N E S E T H :

WHEREAS, Landlord is the fee simple owner of all of certain parcels of land, containing approximately 8.9 acres, situate, lying and being in Montgomery County, Maryland as more particularly described and shown as areas "A", "B", "C" and "D" on Exhibit "A" annexed hereto and made part hereof (the "Land"), and:

WHEREAS, Tenant is the owner and developer of Blue Mash Golf Course (the "Golf Course") on land adjoining the Land and desires to lease the Land from Landlord for use associated with the Golf Course.

NOW, THEREFORE, in consideration of the respective covenants contained herein, and intending to be legally bound hereby, Landlord and Tenant hereby agree with each other as follows:

Section 1. PREMISES

Landlord hereby leases and lets to Tenant, and Tenant hereby takes and hires from Landlord, upon and subject to the terms, conditions, covenants and provisions hereof, the Land described and shown on Exhibit A, hereinafter referred to as the "Demised Premises".

Section 2. TERM

(a) The term of this Lease shall commence on the date hereof (hereinafter referred to as the "Commencement Date"), and shall expire ninety-seven (97) years after the Commencement Date, unless sooner terminated as herein provided.

Section 3. RENT

(a) Tenant covenants and agrees to pay in the manner specified below to Landlord, without offset or deduction or previous demand, except as otherwise limited in this lease agreement, fixed annual rent for the demised premises in the amount of \$2,460, which amount shall escalate annually at the rate of 2% of the rent for the preceding year. Rent shall be due and payable in advance on the 10th of January of each year. Rent for a partial year (or month) shall be pro-rated. Rent shall be payable at the office of the Landlord first above set forth or at such other place of which Landlord shall have given Tenant written notice at least thirty (30) days in advance.

Section 4. RENT TO BE NET TO LANDLORD

It is the intention of the parties that, except as may be otherwise set forth in this Lease, (a) the rent payable under this Lease shall be net to Landlord, so that this Lease shall yield to Landlord the net annual Rent specified herein during the term of this Lease, and (b) all costs, expenses and obligations of every kind and nature for the operation of the Demised Premises or the Planned Use and any other uses shall be paid by Tenant.

Section 5. USE OF PREMISES

The Demised Premises shall be used solely and exclusively for the construction and maintenance of certain golf holes, or portions thereof, comprising Blue Mash Golf Course, which shall be constructed and maintained substantially in accordance with the routing plan for the Golf Course as shown on Exhibit "B", and which may include, among other ancillary items, irrigation, drainage and golf cart pathway, that will be part of the Golf Course, hereinafter referred to as the

"Planned Use", and further subject to certain additional limitations as stated herein. Specifically, the use of the Demised Premises shall be restricted such that no buildings or permanent structures may be erected on the Demised Premises; and, additionally, the use of "Area C" of the Demised Premises shall be further restricted such that no live trees over 2" caliper shall be removed without prior written permission from both the Environmental Protection Manager of the Montgomery County Department of Public Works and Transportation and from the Environmental Planning Division of the Maryland-National Capital Park and Planning Commission, in accordance with the approved Forest Conservation Plan for Blue Mash Golf Course.

It is expressly understood that the Planned Use of the Demised Premises shall not change from the allowed use as described in this Section 5, and that the Planned Use of the Demised Premises as set forth in this Section 5 shall be binding upon the Tenant's heirs, successors, administrators and assigns.

Section 6. TAXES

(a) Tenant shall pay and discharge, as additional rent, punctually as and when the same shall become due and payable with respect to the Demised Premises, for the term of this Lease, all taxes, special and general assessments, rates and charges, and other such governmental impositions and charges, whether the same be deemed extraordinary or ordinary (collectively, the "Taxes"), and each and every installment thereof which shall or may be charged, levied, laid, assessed, imposed, become due and payable, or a lien upon or for or with respect to the Demised Premises or any part thereof or any appurtenance or equipment owned by Tenant thereon or therein, together with all interest and penalties thereon, under or by virtue of all present and future laws, ordinances, requirements, orders, directives, rules and regulations of the Federal, State, County, or of any other governmental authority whatsoever (all of which shall also be included in the term "Taxes").

(b) Tenant shall be deemed to have complied with Section 6(a) hereof if payment of such Taxes shall have been made within any period allowed by law or by the taxing authority during which payment is permitted without penalty or interest and before the Taxes shall become a lien upon the Demised Premises. Upon request by Landlord, Tenant shall produce and provide Landlord with satisfactory evidence of such payment.

(c) Tenant shall have the right to contest or review all such Taxes by legal proceedings, or in such other manner as Tenant may deem suitable, which, if instituted, Tenant shall conduct promptly and at its own cost and expense. Notwithstanding the foregoing, Tenant shall promptly pay all such Taxes if at any time the Demised Premises or any part thereof shall then be immediately subject to forfeiture. The legal proceedings referred to above include appropriate certiorari proceedings and appeals from orders therein and appeals from any judgments, decrees or orders. In the event of any reduction, cancellation or discharge of the Taxes or proceedings, Tenant shall pay the amount finally levied or assessed against the Demised Premises or adjudicated to be due and payable on any such contested Taxes.

(d) If there shall be any refunds or rebates on account of the Taxes paid by Tenant under this Lease, such refund or rebate shall belong to Tenant. Any such refunds received by Landlord shall be deemed trust funds and as such are to be received by Landlord in trust and paid to Tenant forthwith. Landlord shall, upon the request of Tenant, sign any receipts which may be necessary to secure the payment of any such refund or rebate, and shall pay over to Tenant such refund or rebate when and as received by Landlord. In each instance within ten (10) days after being requested by Tenant so to do from time to time, Landlord shall, but without cost to Landlord, make application individually (if legally required) or join in Tenant's application (if legally required) for separate tax assessments for the Demised Premises, provided that the present taxing procedures are changed to permit such separate assessments. Upon request of Tenant, Landlord shall execute such instruments, and give Tenant such assistance, in connection with such applications as shall be required by Tenant.

(e) Notwithstanding the foregoing, neither this Section 6 nor any other provision of this Lease shall require, or be construed to require, Tenant to pay any inheritance, estate,

succession, transfer, gift, franchise, rental, income or profit taxes that are or may be imposed upon Landlord, its successors or assigns.

(f) In the event that Tenant cannot directly pay said Taxes to the proper authorities because the Demised Premises and Tenant Improvements to the Demised Premises are not separately assessed by the proper assessing authority, Tenant shall promptly pay all such taxes and costs, and Landlord shall reimburse Tenant, within ten (10) days of receipt of Tenant's statement therefor, Landlord's proportionate share thereof. Landlord's proportionate share of the Taxes with respect to the land (as distinguished from and excluding the Tenant improvements) shall be determined based on the per acre value of tax parcels similar to the Demised Premises prior to any Tenant improvements (i.e. the amount of tax to the Landlord is equal to the amount of tax the Landlord would be liable to pay if the Tenant did not lease the Demised Premises from the Landlord). Tenant's proportionate share of the Taxes with respect to improvements (as distinguished from and excluding the land) shall be the additional tax liability (i.e. the amount that is due and payable as a result of the Tenant improvements); however, if the assessed value of any improvements upon the Demised Premises is separately stated by the taxing authorities or is readily obtainable from the assessor's work sheets, then Tenant's proportionate share of the Taxes with respect to the improvements shall be the Taxes therefor as shown in, or calculable from, said separate statement or said work sheets. Landlord covenants and agrees to promptly pay all Taxes applicable to the Demised Premises prior to the date that the same shall be due and payable and hereby agrees to indemnify and hold Tenant harmless against any and all expense, liability and damage, which Tenant may suffer as a result of Landlord's failure to pay in a timely manner any Taxes applicable to the Demised Premises. In the event Landlord shall fail to pay in a timely manner, the Taxes applicable to the Demised Premises, Tenant shall have the right and Landlord hereby appoints Tenant as its attorney in fact, to pay any and all delinquent taxes assessed against the Demised Premises and Landlord shall promptly reimburse Tenant for (i) any penalties incurred as a result of the delinquent payment of Taxes and (ii) the portion of Taxes as calculated hereinabove and allocable to the Demised Premises. In the event such reimbursement is not received by Tenant prior to the date the next installment of Rent shall be due or payable then, Tenant shall have the right to offset any such amounts paid against the next installment of Rent due and payable under the Lease.

Section 7. IMPROVEMENTS, REPAIRS, ADDITIONS, REPLACEMENTS

(a) Tenant shall have the right, at its own cost and expense, to construct on any part or all of the Demised Premises, at any time and from time to time, the Planned Use. Any and all improvements constructed by Tenant on the Demised Premises shall be at Tenant's own cost and expense.

(b) Tenant shall not be obligated under this Lease to construct or occupy the Demised Premises or the Planned Use thereon.

(c) Tenant may, at its option and at its own cost and expense, at any time and from time to time, make such alterations, changes, replacements, improvements and additions on the Demised Premises consistent with the Planned Use (such alterations, etc. being hereinafter referred to, collectively, as "Alterations"), as it may deem desirable. However, at no time shall such alterations include the erection of any buildings on the Demised Premises.

(d) Until the expiration or sooner termination of this Lease, title to any and all improvements made by Tenant on the Demised Premises and any and all alterations, changes and additions made thereto by Tenant shall remain solely in Tenant, its successors and assigns. Tenant alone shall be entitled to all available depreciation deductions and tax credits for such improvements, as applicable.

(e) Except as provided in Sections 13 and 14 hereof, on the last day or sooner termination of the term of this Lease, Tenant shall quit and surrender the Demised Premises, and the permanent improvements then thereon; however, notwithstanding the foregoing, Tenant reserves the right to remove and retain (without making substitution therefor) any signs, fixtures, machinery or equipment then located thereon which Tenant has installed.

Section 8. REQUIREMENTS OF PUBLIC AUTHORITY

(a) During the term of this Lease, Tenant shall at its own cost and expense, promptly observe and comply with all present and future laws, ordinances, requirements, orders, directives, rules and regulations of the Federal, State, or County Government affecting the Demised Premises or any part thereof, whether the same are in force at the commencement of the term of this Lease or may in the future be passed, enacted or directed. Tenant shall pay all costs, expenses, liabilities, losses, damages, fines, penalties, claims and demands, including counsel fees, that may in any manner arise out of or be imposed because of a failure of Tenant to comply with the covenants of this Section 8.

(b) Tenant shall have the right to contest, with proper notice to Landlord, by appropriate legal proceedings diligently conducted in good faith, in the name of the Tenant, or Landlord (if legally required), or both (if legally required), without cost or expense to Landlord, the validity or application of any law, ordinance, rule, regulation or requirement of the nature referred to in Section 8(a) above. If by the terms of any such law, ordinance, order, rule, regulation or requirement, compliance therewith may legally be delayed pending the prosecution of any such proceeding, Tenant may delay such compliance until the final determination of such proceeding.

Section 9. COVENANT AGAINST LIENS

If, because of any act or omission of Tenant, any mechanic's lien or other lien, charge or order for the payment of money shall be filed against Landlord or any portion of the Demised Premises, Tenant shall, at its own cost and expense, cause the same to be discharged of record or bonded within ninety (90) days' after written notice from Landlord to Tenant of the filing thereof. Tenant shall indemnify and save harmless Landlord against and from all costs, liabilities, suits, penalties, claims and demands, including counsel fees, resulting from such a lien, charge or order caused by an act or omission of Tenant.

Section 10. ASSIGNMENT, SUBLETTING AND SALES

(a) Subject to the Landlords consent, not to be unreasonably withheld, conditioned or delayed, Tenant may assign and otherwise encumber this Lease, in whole or in part or parts. Tenant may sublease (in whole or in part or parts) the Demised Premises. After completion of the Planned Use, Tenant or any Leasehold Mortgagee acquiring leasehold title to the Demised Premises may sell, assign, sublease (in whole or in part or parts), and otherwise encumber this Lease or any sublease of the Demised Premises, all without requiring Landlord's consent therefor. The foregoing notwithstanding, Landlord's consent shall not be required and Tenant shall have the free, unencumbered right to assign this Lease without the necessity of obtaining such consent to (i) an entity controlling, controlled by or under common control with Tenant, (ii) an assignee or sublessee possessing experience in operating golf course facilities or (iii) in connection with any Leasehold Mortgage (as defined in Section 15(b)(iv) hereof) including without limitation any sale by the Leasehold Mortgagee of the Demised Premises arising pursuant to or following a foreclosure sale, deed in lieu of foreclosure or other acquisition of leasehold title to the Demised Premises by the Leasehold Mortgagee. Upon a permitted assignment of this Lease, Tenant shall thereafter be relieved of any and all further liability or obligation arising or accruing after the date of such assignment.

(b) Any act required to be performed by Tenant pursuant to the terms of this Lease may be performed by any sublessee of Tenant occupying all or any part of the Demised Premises, and the performance of such act by such sublessee shall be deemed to be performance by Tenant and shall be acceptable as Tenant's act by Landlord.

Section 11. INDEMNITY

Tenant hereby agrees to indemnify and defend Landlord against, and to hold Landlord harmless from, any and all claims, actions, losses, expenses, fines, fees, verdicts, judgments, or any other damages, obligations or liabilities arising: from Tenant's performance or non-performance of any of Tenant's obligations under this Lease; from the loss of life, personal injury

or property damage occurring or caused upon the Demised Premises; from the violation by Tenant of any ordinance, permit, order, law, regulation, statute, legislation, judgment, or decree; or from any other use by Tenant of the Demised Premises, including but not limited to any act or omission of Tenant's agents, employees, contractors, lessees, subtenants, invitees, customers or concessionaires upon the Demised Premises.

Section 12. INSURANCE

(a) Tenant shall provide, at its own expense, and keep in force during the term of this Lease, general liability insurance for the Golf Course, including the Demised Premises, in the amount of at least One Million Dollars (\$1,000,000.00) with respect to injury or death to any one person, Three Million Dollars (\$3,000,000.00) with respect to injury or death to more than one person in any one accident or other occurrence, and Five Hundred Thousand Dollars (\$500,000.00) with respect to damages to the entire golf course property. Such policy or policies shall include Landlord and each "Leasehold Mortgagee" (as defined in Section 15(b)(v) hereof) as additional insureds, as their respective interests may appear. Tenant agrees to deliver certificates of such insurance to Landlord within ten (10) days after the beginning of the term of this Lease and thereafter not less than ten (10) days prior to the expiration of any such policy.

(b) The insurance required to be provided by Tenant pursuant to this Lease may be provided by blanket insurance covering the Demised Premises and other locations of Tenant provided such blanket insurance complies with all of the other requirements of this Lease with respect to the insurance involved.

(c) The insurance required pursuant to this Section 12 shall also provide coverage up to the limits stated herein, against personal injury or casualty incurred by Landlord at the adjacent Oaks Landfill and resulting from the activities of Tenant on the Demised Premises.

Section 13. DESTRUCTION

(a) In the event that, any time during the term of this Lease, the improvements on the Demised Premises or other parcels included in the Golf Course shall be destroyed or damaged in whole or in part by fire or other cause and as a result of such damage or destruction more than thirty-five percent (35%) of the aggregate area of the Demised Premises or other parcels included in the Golf Course immediately prior to such damage or destruction shall become untenable for use as a golf course, then, Tenant shall have the right, but not the obligation, to terminate this Lease by giving written notice of termination to Landlord within three (3) months after the occurrence of such damage or destruction, in which event the term of this Lease shall expire and come to an end on the last day of the calendar month in which such notice shall be given with the same force and effect as if said day had been originally fixed herein as the expiration date of the term of this Lease, whereupon neither party shall have any further rights or liabilities under this Lease, at law or in equity, except with respect to any breaches of the Lease which shall have theretofore occurred.

(b) If this Lease shall terminate or be terminated pursuant to Section 13(a) above, then the rent and other charges payable hereunder shall be adjusted to the date of termination.

Section 14. EMINENT DOMAIN

(a) If the Tenant Improvements on the Demised Premises or if all or part of other parcels included in the Golf Course shall be taken for any public or any quasi-public use under any statute or by right of eminent domain or by purchase in lieu thereof (a "Taking"), such that the Golf Course would not, in Tenant's sole and absolute opinion, have substantially the same economic value and usefulness that existed immediately before such taking (or purchase), Tenant shall have the right to terminate this Lease by giving written notice of termination to Landlord within three (3) months after the date of such taking (or purchase), in which event the term of this Lease shall expire and come to an end on the last day of the calendar month in which such notice is given with the same force and effect as if said day had been originally fixed herein as the expiration date of the term of this Lease, whereupon neither party shall have any further

rights or liabilities under this Lease, at law or in equity, except with respect to any breaches which shall have theretofore occurred.

(b) If this Lease shall terminate or be terminated pursuant to Section 14(a) above, then the Rent and other charges payable hereunder shall be adjusted to the date of termination.

(c) In the event of a temporary Taking of the right to possession and use of all or part of the Demised Premises, then Tenant shall be entitled to the entire Taking award of proceeds to the extent that the award or proceeds relates to a period within the Term, and there shall be no reduction hereunder.

(d) In the event of a Taking as described in Section 14(a) above, the net Taking award or proceeds, including damages or interest (after deduction of all expenses, including fees of attorneys, appraisers and expert witnesses), shall be paid to Landlord and Tenant pari passu as follows:

(i) To Tenant, a sum equal to the value of its improvements and the value to the Tenant of the unexpired term of the Lease, less the amount paid to the Leasehold Mortgagee.

(ii) To Landlord, a sum equal to the value of the Landlord's reversionary (fee) interest in the Leased Premises subject to this Lease.

(iii) Any remaining balance of the Taking or proceeds shall be payable to Landlord. Tenant shall be entitled to any separately allocated award or proceeds in respect of moving expenses, or loss of good will or profit or in respect of fixtures and other property of Tenant, and/or the cost or expense for the repair and removal of such fixtures and other property.

(e) Landlord shall give Tenant and any Mortgagees immediate written notice of any pending or threatened Taking.

(f) In the event of damage to the value of the Demised Premises by reason of change of grade, access rights, street alignments or any other governmental or quasi-governmental act in the nature of condemnation (but not resulting in an actual physical taking of any portion of the Demised Premises), then the Tenant alone shall be entitled to claim and receive the entire net payment or award made on account thereof and, if the resulting value of the Demised Premises is impaired thereby, there shall also be an equitable reduction in the Rent to reflect the impairment of value.

Section 15. LEASEHOLD MORTGAGES

(a) On one or more occasions, without Landlord's prior consent, Tenant may (i) take back a purchase money leasehold mortgage upon a sale and assignment of the leasehold estate created by this Lease or (ii) may mortgage or otherwise assign and/or encumber Tenant's leasehold estate under one or more Leasehold Mortgages (as defined in Section 15(b)(iv) hereof) and assign this Lease as security for such mortgage or mortgages; provided Tenant shall provide Landlord with prior notice of any proposed leasehold mortgage and provided further that Landlord shall receive copies of all documents to be executed by Tenant and the Leasehold Mortgagee.

(b) (i) (1) If Tenant shall, on one or more occasions, take back a purchase money leasehold mortgage upon a sale and assignment of the leasehold estate or shall mortgage Tenant's leasehold estate, and if the holder of such Leasehold Mortgage shall provide Landlord with notice of such Leasehold Mortgage together with a true copy of such Leasehold Mortgage and the name and address of the Mortgagee, Landlord and Tenant agree that, following receipt of such notice by Landlord, the provisions of this Section 15 shall apply in respect to each such Leasehold Mortgage.

(2) In the event of any assignment of a Leasehold Mortgage or in the event of a change of address of a Leasehold Mortgagee or of an Assignee of such Leasehold Mortgage, notice of the new name and address shall be provided to both Landlord and Tenant.

(ii) Landlord shall promptly upon receipt of a communication purporting to constitute the notice provided for by Section 15(b)(i) above acknowledge, by an instrument in recordable form, receipt of such communication as constituting the notice provided for by Section 15(b)(i) above or, in the alternative, notify the Tenant and the Leasehold Mortgagee of the rejection of such communication as not conforming with the provisions of Section 15(b)(i) and specify the specific basis of such rejection.

(iii) After Landlord has received the notice provided for by Section 15(b)(i) above, the Tenant shall, within ten (10) days after being requested to do so by Landlord, provide Landlord with copies of the note or other obligation secured by such Leasehold Mortgage and of any other documents pertinent to the Leasehold Mortgage as specified by the Landlord. The Tenant shall thereafter also provide the Landlord from time to time with a copy of each amendment or other modification or supplement to such instruments. All recorded documents shall be accompanied by the appropriate certification of the custodian of the recording office as to their authenticity as true and correct copies of official records and all non-recorded documents shall be accompanied by a certification by Tenant that such documents are true and correct copies of the originals. From time to time upon being requested to do so by Landlord, Tenant shall also notify Landlord of the date and place of recording and other pertinent recording data with respect to such instruments as have been recorded.

(iv) The term "Leasehold Mortgage" as used in this Lease shall include a mortgage, a deed of trust, a deed to secure debt, or other security instrument by which Tenant's leasehold estate is mortgaged, conveyed, assigned, or otherwise transferred, to secure a debt or other obligation including, without limitation, any sale leaseback, equity participation or syndicated financing arrangement.

(v) The term "Leasehold Mortgagee" as used in this Lease shall refer to a holder of a Leasehold Mortgage in respect to which the notice provided for by Section 15(b) hereof has been given and received and as to which the provisions of this Section 15 are applicable.

(c) No modification of this Lease shall be effective as to any Leasehold Mortgagee unless consented to in writing by such Leasehold Mortgagee.

(d) Landlord, upon providing Tenant any notice of default under this Lease, a termination of this Lease, or a matter on which Landlord may predicate or claim a default shall, at the same time, provide a copy of such notice to every Leasehold Mortgagee as to the existence of which Landlord has received notice; Tenant shall provide each Leasehold Mortgagee with a copy of every such notice upon receipt from Landlord. From and after such notice has been given to a Leasehold Mortgagee, such Leasehold Mortgagee shall have the same period, after the giving of such notice upon it, for remedying any default or acts or omissions which are the subject matter of such notice or causing the same to be remedied, as is given Tenant after the giving of such notice to Tenant, but, in any event, not less than ninety (90) days to remedy, commence remedying or cause to be remedied the defaults or acts or omissions which are the subject matter of such notice specified in any such notice. Landlord shall accept such performance by or at the instigation of such Leasehold Mortgagee as if the same had been done by Tenant. Tenant authorizes each Leasehold Mortgagee to take any such action at such Leasehold Mortgagee's option and does hereby authorize entry upon the Demised Premises by the Leasehold Mortgagee for such purpose.

(e) (i) Anything contained in this Lease to the contrary notwithstanding, if any default shall occur which entitles Landlord to terminate this Lease, Landlord shall have no right to terminate this Lease unless, following the expiration of the period of time given Tenant and the Leasehold Mortgagee to cure such default or the act or omission which gave rise to such default, Landlord shall notify every Leasehold Mortgagee of Landlord's intent to so terminate at least fifteen (15) days in advance of the proposed effective date of such termination if such default is capable of being cured by the payment of money, and at least thirty (30) days in advance of the proposed effective date of such termination if such default is not capable of being

cured by the payment of money. The provisions of Section 15(f) below shall apply if, during such fifteen (15) or thirty (30)-day termination notice period, any Leasehold Mortgagee shall:

(1) notify Landlord of such Leasehold Mortgagee's desire to nullify such notice

(2) pay or cause to be paid all rent, additional rent, and other payments then due and in arrears as specified in the termination notice to such Leasehold Mortgagee and which may become due during such fifteen (15) or thirty (30)-day period

(3) comply or in good faith, with reasonable diligence and continuity, commence to comply with all nonmonetary requirements of this Lease then in default and reasonably susceptible of being complied with by such Leasehold Mortgagee.

(ii) Any notice to be given by Landlord or Tenant to a Leasehold Mortgagee pursuant to any provision of this Section 15 shall be deemed properly addressed if sent to the Leasehold Mortgagee who served the notice referred to in Section 15(b)(i)(1) hereof unless notice of a change of Mortgage ownership has been given to Landlord and Tenant pursuant to Section 15(b)(i)(2) hereof.

(f) (i) If Landlord shall elect to terminate this Lease by reason of any default of Tenant and a Leasehold Mortgagee shall have proceeded in the manner provided for by Section 15(e) hereof, the specified date for the termination of this Lease as fixed by Landlord in its termination notice shall be extended for a period of six (6) months, provided that such Leasehold Mortgagee shall, during such six (6) month period:

(1) pay or cause to be paid the rent, additional rent and other monetary obligations of Tenant under this Lease as the same become due, and continue its good faith efforts to perform all of Tenant's other obligations under this Lease, excepting any past nonmonetary obligations then in default and not reasonably susceptible of being cured by such Leasehold Mortgagee; and

(2) if not enjoined or stayed, take steps to acquire or sell Tenant's interest in this Lease by foreclosure of the Leasehold Mortgage or other appropriate means and prosecute the same to completion with due diligence.

(ii) If at the end of such six (6)-month period such Leasehold Mortgagee is complying with Section 15(f)(i) hereof, this Lease shall not then terminate, and the time for completion by such Leasehold Mortgagee of its proceedings shall continue so long as such Leasehold Mortgagee is enjoined or stayed and thereafter for so long as such Leasehold Mortgagee proceeds to complete steps to acquire or sell Tenant's interest in this Lease by foreclosure of the Leasehold Mortgage or by other appropriate means with due diligence and continuity, provided the Leasehold Mortgage continues to comply with Section 15(f)(i) hereof and further provided that the said six (6)-month period shall not be extended beyond twenty-four (24) months from the end of the six (6) months. Nothing in this Section 15(f), however, shall be construed to extend this Lease beyond the original term thereof as the same may be extended by any options to extend the term of this (if any) Lease properly exercised by Tenant or a Leasehold Mortgagee in accordance with Section 2 hereof, nor to require a Leasehold Mortgagee to continue such foreclosure proceedings after the default has been cured. If the default shall be cured and the Leasehold Mortgagee shall discontinue such foreclosure proceedings, this Lease shall continue in full force and effect as if Tenant had not defaulted under this Lease.

(iii) If a Leasehold Mortgagee is complying with Section 15(f)(i) hereof, upon the acquisition of Tenant's estate herein by such Leasehold Mortgagee or its designee or any other purchaser at a foreclosure sale or otherwise, this Lease shall continue in full force and effect as if Tenant had not defaulted under this Lease.

(iv) For the purposes of Section 10 hereof, the making of a Leasehold Mortgage shall not be deemed to constitute an assignment or transfer of this Lease or of the leasehold estate hereby created, nor shall any Leasehold Mortgagee, as such, be deemed to be an

assignee or transferee of this Lease or of the leasehold estate hereby created or required as such, to assume the performance of any of the terms, covenants or conditions on the part of the Tenant to be performed hereunder; but the purchaser at any sale of this Lease and of the leasehold estate hereby created in any proceedings for the foreclosure of any Leasehold Mortgage, or the assignee or transferee of this Lease and of the leasehold estate hereby created under any instrument of assignment or transfer in lieu of the foreclosure of any Leasehold Mortgage shall be deemed to be an assignee or transferee within the meaning of this Section 15, and shall be deemed to have agreed to perform all of the terms, covenants and conditions on the part of the Tenant to be performed hereunder accruing from and after the date of such purchase and assignment, but only for so long as such purchaser or assignee is the owner of the leasehold estate.

(v) Any Leasehold Mortgagee or other acquirer of the leasehold estate of Tenant pursuant to foreclosure, assignment in lieu of foreclosure or other proceedings may, upon acquiring Tenant's leasehold estate, without further consent of Landlord, sell and assign the leasehold estate to such persons and organizations as are acceptable to such Mortgagee or acquirer, provided that such assignee has delivered to Landlord such assignee's written agreement to be bound by all of the provisions of this Lease. Thereafter, such Mortgagee or acquirer shall be relieved of all further obligations under this Lease, both at law and in equity.

(vi) Notwithstanding any other provisions of this Lease, any sale of this Lease and of the leasehold estate hereby created in any proceedings for the foreclosure of any Leasehold Mortgage, or the assignment or transfer of this Lease and of the leasehold estate hereby created in lieu of the foreclosure of any Leasehold Mortgage, shall be deemed to be a permitted sale, transfer or assignment of this Lease and of the leasehold estate hereby created.

(g) In the event of the termination of this Lease as a result of Tenant's default, Landlord shall, in addition to providing the notices of default and termination as required by Sections 15(e) and (f) above, provide each Leasehold Mortgagee with written notice that this Lease has been terminated, together with a statement of all sums which would at that time be due under this Lease but for such termination, and of all other defaults, if any, then known to Landlord. Landlord agrees to enter into a new lease ("New Lease") of the Demised Premises with such Leasehold Mortgagee or its designee for the remainder of the term of this Lease, effective as of the date of termination, at the rent and additional rent, and upon the terms, covenants and conditions (but excluding requirements which are not applicable or which have already been fulfilled) of this Lease, provided:

(i) Such Leasehold Mortgagee shall make written request upon Landlord for such New Lease within thirty (30) days after the date such Leasehold Mortgagee receives Landlord's notice of termination of this Lease given pursuant to this Section 15(g).

(ii) Such Leasehold Mortgagee or its designee shall pay or cause to be paid to Landlord, at the time of the execution and delivery of such New Lease, any and all sums which would at the time of execution and delivery thereof be due pursuant to this Lease but for such termination and, in addition thereto, all reasonable expenses, including reasonable attorney's fees, which Landlord shall have incurred by reason of such termination and the execution and delivery of the New Lease and which have not otherwise been received by Landlord from Tenant or other party in interest under Tenant. In the event of a controversy as to the amount to be paid to Landlord pursuant to this Section 15(g)(ii), the payment obligation shall be satisfied if Landlord shall be paid the amount not in controversy, and the Leasehold Mortgagee or its designee shall agree to pay any additional sum ultimately determined to be due, plus interest thereon at the Going Rate, and such obligation shall be adequately secured.

(iii) Such Leasehold Mortgagee or its designee shall agree to remedy any of Tenant's defaults of which said Leasehold Mortgagee was notified by Landlord's notice of termination and which are reasonably susceptible of being so cured by Leasehold Mortgagee or its designee.

(iv) The Tenant under any such New Lease shall be liable to perform the obligations imposed on the Tenant by such New Lease only during the period such person has ownership of such leasehold estate.

(v) The New Lease is otherwise acceptable to Landlord, it being understood and agreed that Landlord shall not have the right to seek or include in such New Lease any term, condition or qualification which is inconsistent with any of the foregoing provisions of this Section 15(g).

(h) If more than one Leasehold Mortgagee shall request a New Lease pursuant to Section 15(g)(i) hereof, Landlord shall enter into such New Lease with the Leasehold Mortgagee whose mortgage is prior in lien, or with the designee of such Leasehold Mortgagee. Landlord, without liability to Tenant or any Leasehold Mortgagee with an adverse claim, may rely upon a mortgagee title insurance policy issued by a responsible title insurance company doing business within the state in which the Demised Premises is located as the basis for determining the appropriate Leasehold Mortgagee who is entitled to such New Lease.

(i) Nothing contained in this Section 15 shall require any Leasehold Mortgagee or its designee, as a condition to its exercise of any of its rights hereunder, to cure any personal default of Tenant not susceptible of being cured by such Leasehold Mortgagee or its designee with the exercise of due diligence, in order to comply with the provisions of Section 15(f) or (g) hereof, or as a condition of entering into the New Lease provided for by Section 15(g) hereof.

(j) Tenant's share, as provided by Section 15 of this Lease, of the proceeds arising from an exercise of the power of eminent domain shall, subject to the provisions of such Section 15, be disposed of as provided for by any Leasehold Mortgagee.

(k) A standard mortgagee clause naming each Leasehold Mortgagee may be added to any and all insurance policies required to be carried by Tenant hereunder on condition that the insurance proceeds are to be applied in the manner specified in this Lease and the Leasehold Mortgage shall so provide; except that the Leasehold Mortgage may provide a manner for the disposition of such proceeds, if any, otherwise payable directly to the Tenant (but not such proceeds, if any, payable jointly to the Landlord and the Tenant) pursuant to the provisions of this Lease.

(l) Landlord and Tenant shall each give each Leasehold Mortgagee prompt notice of any legal proceedings between Landlord and Tenant involving obligations under this Lease. Each Leasehold Mortgagee shall have the right to intervene in any such proceedings and be made a party to such proceedings, and the parties hereto do hereby consent to such intervention. In the event that any Leasehold Mortgagee shall not elect to intervene or become a party to any such proceedings, Landlord and Tenant shall each give the Leasehold Mortgagee notice of, and a copy of any award or decision made in any such proceedings, which shall be binding on all Leasehold Mortgagees not intervening after receipt of notice.

(m) So long as any Leasehold Mortgage is in existence, unless all Leasehold Mortgagees shall otherwise expressly consent in writing, the fee title to the Demised Premises and the leasehold estate of Tenant therein created by this Lease shall not merge but shall remain separate and distinct, notwithstanding the acquisition of said fee title and said leasehold estate by Landlord or by Tenant or by a third party, by purchase or otherwise.

(n) Notices from Landlord to the Leasehold Mortgagee shall be mailed to the address furnished Landlord pursuant to Section 15(b) hereof, and those from the Leasehold Mortgagee to Landlord shall be mailed to the address designated pursuant to the provisions of Section 32 hereof. Such notices, demands and requests shall be given in the manner described in Section 32 and shall in all respects be governed by the provisions of that Section.

(o) A Leasehold Mortgagee having made any payment to Landlord pursuant to Landlord's wrongful, improper or mistaken notice or demand shall be entitled to the return of any such payment or portion thereof provided he shall have made demand therefor not later than one (1) year after the date of its payment.

Section 16. FEE MORTGAGES

Landlord shall have the right and power to mortgage or otherwise create one or more Fee Mortgages, subject, however, to the following:

(a) The Fee Mortgage documents shall allow Tenant to utilize any insurance proceeds or condemnation payable to Tenant as a result of casualty or condemnation to the Demised Premises in accordance with the terms of this Lease and any Leasehold Mortgage.

(b) The rights acquired by a mortgagee under any such Fee Mortgage shall be subject to the rights and interest of Tenant under this Lease, the covenants, conditions and restrictions set forth herein, the leasehold estate created hereunder, and any mortgage given by Tenant hereunder; provided, however, Tenant shall not have the right to require the subordination of Landlord's fee simple estate in the Demised Premises to the lien or effect of a Leasehold Mortgage.

(c) The Mortgagee shall not, in the exercise of any of its rights arising or which may arise out of any such mortgage, or any instrument modifying or amending the same or entered into in substitution or replacement thereof, disturb or deprive Tenant or any Leasehold Mortgagee of Tenant in or of its possession or its right to possession of the Demised Premises, or of any part thereof under this Lease, or any right or privilege created for or inuring to the benefit of Tenant or the Leasehold Mortgagee under this Lease, so long as Tenant is not in default beyond applicable grace periods under the terms of this Lease and subject to the Leasehold Mortgagee's rights under Section 15 of this Lease.

(d) The Fee Mortgage Documents shall provide that the Fee Mortgagee, upon serving the Landlord with any notice of default under such mortgage, will simultaneously send a copy of such notice to the Tenant.

(e) Landlord and its mortgagee shall, upon request, execute, acknowledge and deliver to Tenant, an agreement, prepared at the sole cost and expense of Tenant, in form reasonably satisfactory to Tenant and its mortgagee, between Landlord, Tenant and the holder of such mortgage, agreeing to all of the provisions of subsections (a), (b), (c) and (d) of this Section 16.

(f) The term "mortgage" as used in this Section 16 shall include a deed of trust, security agreement and financing statement, collateral assignment of leases and rent, and other similar security instruments, provided, however that a Fee Mortgagee shall not be entitled to any of the rights of a Leasehold Mortgagee pursuant to Section 15 of this Lease.

Section 17. LANDLORD'S REPRESENTATIONS, WARRANTIES AND CERTAIN COVENANTS

(a) That the Landlord is vested with the full power, authority and legal right to own the Demised Premises and execute, deliver and perform this Lease; and that neither the execution, delivery nor performance of this Lease conflicts with, or results in a breach of, or constitutes a default under, the current charter documents or bylaws of the Landlord, any law or any order, writ, injunction or decree of any court or governmental authority, or any agreement or instrument to which the Landlord is a party or by which it is bound.

(b) That, to the best of Landlord's knowledge, information and belief, there are no threatened or pending annexation or condemnation proceedings or other litigation or proceedings against or affecting any part of the Demised Premises.

Section 18. TITLE

(a) On the Commencement Date and on the Rent Commencement Date, title to the Demised Premises shall be free of liens and encumbrances merchantable, good of record and in fact, and insurable without exceptions (other than Permitted Exceptions) at standard rates by a recognized title insurance company licensed to do business in the State in which the Demised Premises is located, subject, however, to those matters (if any) affecting title to the Demised

Premises which are set forth in the Title Commitment attached to and made a part of this Lease as Exhibit "C."

(b) After the date of this Lease, Landlord shall not lease or otherwise encumber the Demised Premises, execute any easements, covenants, conditions, or restrictions with respect to the Demised Premises, otherwise alter or permit the alteration of title to the Demised Premises, or seek any zoning changes or other governmental approvals with respect to the Demised Premises.

(c) Upon request by Tenant, Landlord shall execute such affidavits, indemnities, and other similar type instruments as are required by Tenant's title insurance company for the elimination of any standard or printed exceptions in Tenant's final policy of title insurance, or for compliance with tax reporting or disclosure requirements.

Section 19. [INTENTIONALLY OMITTED]

Section 20. QUIET ENJOYMENT

Tenant, upon paying the rent and additional rent and all other sums and charges to be paid by it as herein provided, and observing and keeping all covenants, warranties, agreements and conditions of this Lease on its part to be kept, shall quietly have and enjoy the Demised Premises throughout the term of this Lease, without hindrance or molestation by anyone.

Section 21. DEFAULTS

(a) In the event any one or more of the following events shall have occurred and shall not have been remedied as hereinafter provided:

(i) Tenant's failure to pay any installment of Rent when the same shall be due and payable and the continuance of such failure for a period of thirty (30) days after receipt by Tenant of notice in writing from Landlord specifying in detail the nature of such failure, then and in that event, Landlord may, at its option, give to Tenant a notice terminating this Lease upon a date specified in such notice, which date shall be not less than twenty (20) business days (Saturdays, Sundays and legal holidays excluded) after the date of Tenant's receipt of such termination notice from Landlord. In that event, upon the date specified in said notice, the term and estate hereby vested in Tenant shall cease and any and all other right, title and interest of Tenant hereunder shall likewise cease without further notice or lapse of time, as fully and with like effect as if the entire term of this Lease had elapsed. The curing of any default(s) within the above time limits by any Leasehold Mortgagee or sublessee shall constitute a curing of any default(s) hereunder with like effect as if Tenant had cured same hereunder.

(b) Notwithstanding anything to the contrary contained in this Section 21, in the event that any default(s) of Tenant shall be cured in any manner hereinabove provided for all purposes of this Lease, such default(s) shall be deemed never to have occurred and Tenant's rights hereunder shall continue unaffected by such default(s).

(c) Upon any termination of the term of this Lease pursuant to Section 21(a), or at any time thereafter, Landlord may, in addition to and without prejudice to any other rights and remedies Landlord may have at law or in equity, re-enter and take possession of the Demised Premises.

(d) Landlord's rights and remedies in the event of a default by Tenant are expressly made subject to the provisions of Section 15, hereof.

(e) If at any time a dispute shall arise as to any amount or sum of money to be paid by Tenant to the Landlord under the provisions hereof, Tenant shall have the right to make payment "under protest", in which event such payment shall not be regarded as a voluntary payment and there shall survive the right on the part of Tenant to institute suit for the recovery of such sum, and if it shall be adjudged that there was no legal obligation on the Tenant to pay such sum or any part thereof, Tenant shall be entitled to recover such sum or so much thereof as it was not

legally required to pay under the provisions of this Lease, plus interest thereon at the Going Rate. If at any time a dispute shall arise between the parties hereto as to any work to be performed by either of them under the provisions hereof, the Tenant or Landlord against whom the obligation to perform the work is asserted may perform such work and pay the cost thereof "under protest", in which event the performance of such work shall in no event be regarded as a voluntary performance and there shall survive the right upon the part of said Tenant and/or Landlord to institute suit for the recovery of the cost of such work, and if it shall be adjudged that there was no legal obligation on the part of said Tenant and/or Landlord to perform the same or any part thereof, said Tenant and/or Landlord shall be entitled to recover the cost of such work or the cost of so much thereof as said Tenant or Landlord was not legally required to perform under the provisions of this Lease.

(f) In the event that the Landlord shall fail to perform any obligation to be performed by Landlord hereunder within ninety (90) days after receipt of written notice from Tenant, or commence to cure within said ninety (90) days and diligently proceed to cure any matter which cannot be cured within said ninety (90)-day period, Tenant shall have the right to perform such obligation and to deduct the costs thereof, from the next ensuing rental payments due hereunder. Notwithstanding the foregoing, Landlord shall in all events perform its obligations under this Lease within such shorter applicable time periods as are specified herein, and Tenant shall not be obligated to postpone the curing of Landlord's defaults in the case of a bona fide emergency.

(g) In addition to any other rights or remedies that Tenant may have pursuant to this Lease, or at law or in equity, if Landlord fails to execute, acknowledge or deliver any instrument(s) reasonably required of Landlord, including any when and as due under the terms of this Lease or to effectuate the provisions of this Lease, then, in addition to all other rights and remedies available to Tenant, Tenant shall be entitled to specific performance.

Section 22. WAIVERS

Failure of Landlord or Tenant to complain of any act or omission on the part of the other party hereto, no matter how long the same may continue, shall not be deemed to be a waiver by said party of any of its rights hereunder. No waiver by Landlord or Tenant at any time, express or implied, of any breach of any provision of this Lease shall be deemed a waiver of a breach of any other provision of this Lease or a consent to any subsequent breach of the same or any other provision. No acceptance by Landlord of any partial payment shall constitute an accord and satisfaction, but shall only be deemed a partial payment on account.

Section 23. TEST AND STUDIES

From and after the date hereof and subject to Landlord's prior approval not to be unreasonably withheld, conditioned or delayed, Tenant, and its agents, employees and contractors, shall have the right, at the sole expense and risk of Tenant, to go on and upon the Demised Premises in order to make test borings, surveys, architectural, engineering, and other tests and studies (including, but not limited to, market analyses, development and economic feasibility studies, and cost estimates) upon and of the Demised Premises and the Planned Use (collectively, the "Test and Studies"). Tenant agrees to indemnify and hold Landlord harmless from any liability, loss and damages arising out of or resulting from Tenant's entry onto the Demised Premises in connection with such Test and Studies. Landlord shall not interfere with Tenant in Tenant's efforts to make such Tests and Studies.

Section 24. RIGHT OF FIRST REFUSAL

Subject to applicable laws, rules and regulations, if Landlord, or its successors or assigns, shall desire at any time and from time to time during the term of this Lease, to sell or assign all or any part of the Demised Premises, Landlord shall first obtain a bona fide written offer for such purchase, of all or part thereof. Landlord shall promptly give written notice to Tenant of such written offer. A true copy of the offer containing all of the terms and conditions of the proposed purchase with the name and address of the purchaser, shall be attached to the written notice. For a period of thirty (30) days from the receipt of such written notice, Tenant shall have the exclusive right and option to make the purchase of the Demised Premises, at the same price (less

brokerage commissions, if any), terms and conditions as are set out in the offer. If Tenant timely exercises its option, settlement and/or lease execution (as the case may be) shall be made within the same time, and upon the same terms and conditions as set forth in the bona fide written offer, but in no event sooner than one hundred twenty (120) days after the exercise of the option by Tenant. If the option is not timely exercised, the Landlord shall be free to make the sale and/or lease to the bona fide offeror; provided, however, that the sale and/or lease shall be made within the time provided in the bona fide written offer and in strict accordance with the price, terms and conditions as are set forth in the bona fide written offer. In the event Tenant fails to exercise the aforesaid right of first refusal, then such right shall be deemed extinguished upon consummation of the sale and/or lease pursuant to the bona fide written offer; however, if such sale and/or lease is not consummated pursuant to the bona fide written offer, the right of first refusal shall remain in effect, and this right of first refusal shall remain in effect as to any purchaser of fee title to the land.

Section 25. LIMITATION ON LIABILITY

Notwithstanding anything to the contrary contained in Section 21 or any other provision of this Lease, it is specifically agreed and understood that there shall be absolutely no personal liability on the part of Tenant or the individual partners of Tenant (or the officers, directors, and shareholders of the partners) or any assignee or successor in interest of Tenant with respect to any of the obligations, terms, covenants, and conditions of this Lease, and Landlord shall look solely to the equity of Tenant or such assignee or successor in interest in the leasehold estate of Tenant in the Demised Premises for the satisfaction of each and every remedy of Landlord in the event of any breach by Tenant or by such assignee or successor in interest of any of the obligations, terms, covenants and conditions of this Lease to be performed by Tenant, such exculpation of personal liability to be absolute and without any exception whatsoever. The foregoing shall not relieve any individual or party from liability in its or their individual capacity (and not in the capacity of Tenant) for such party's tortious conduct.

Section 26. SHORT FORM LEASE

The parties will at any time, at the request of either one, promptly execute duplicate originals of an instrument, in recordable form, which will constitute a short form of lease, setting forth the names and addresses of the parties hereto, a description of the Demised Premises, the term of this Lease, the provisions of Section 15 hereof, and such information as is required under law to be included therein in order for the same to be fully effective as a memorandum of this Lease. Tenant shall have the right at any time, on or after the Commencement Date, to record said short form, in which event the cost of such recording (including stamps, transfer and other recording taxes) shall be paid for by Tenant.

Section 27. BROKERAGE

Each party hereto warrants unto the other that it (the party making the warranty hereunder) has not dealt with any real estate broker, agent or finder in connection with this transaction. Each party hereto (the indemnifying party) agrees to hold the other harmless from and against any and all losses, damages, and expenses (including, but not limited to, reasonable attorneys' fees) which such other party may suffer due to any breach of the foregoing warranty by the indemnifying party.

Section 28. [INTENTIONALLY OMITTED]

Section 29. HOLDING OVER

Tenant hereby waives notice to vacate the Demised Premises and agrees that, if Tenant shall wrongfully hold over, Landlord shall be entitled to the benefit of all provisions of law respecting the summary recovery of possession of Demised Premises from a tenant holding over to the same extent as if statutory notice had been given.

Section 30. RELEASE OF LANDLORD'S LIEN

In order to enable Tenant and/or its sublessees to secure financing for the purchase of furniture, fixtures, equipment and other personalty to be located on or within the Demised Premises (whether such financing is to be evidenced or secured by a security agreement and financing statement, chattel mortgage, or other form of security instrument), Landlord shall, in each instance within twenty (20) days after request therefor, from time to time, execute and deliver a waiver of its "landlord's" and other statutory and common law liens securing payment of rent or performance of any of Tenant's other covenants under this Lease.

Section 31. FORCE MAJEURE

In the event that Tenant or Landlord shall be delayed, hindered, or prevented from performing any act required under this Lease (other than monetary obligations) by reason of a strike, lockout, labor trouble, inability to procure materials, failure of power, restrictive governmental laws or regulations, governmental error or delay, riot, insurrection, war, the act or failure to act or default of the other party hereto, or any other cause beyond the reasonable control of the party required to perform, then and in any such event, performance of such act (other than monetary obligations) shall be excused for the period of the delay and the period for the performance of such act shall be extended for a period equivalent to the period of such delay not to exceed one hundred eight (180) days for each such event.

Section 32. NOTICES

No notice, approval, consent or other communication authorized or required by this Lease shall be effective unless the same shall be in writing and sent by registered or certified mail, return receipt requested, first class postage prepaid, directed to the other party hereto at its address hereinabove first mentioned, or at such other address as either party may hereafter designate from time to time by notice given to the other party hereto in accordance with this Section. The rent payable by Tenant hereunder shall be paid to Landlord at the same place where a notice to Landlord is herein required to be directed. Simultaneously with giving any notice, approval, consent, or other communication to Tenant hereunder, Landlord shall, simultaneously, send a copy thereof to (a) each Leasehold Mortgagee in accordance with the provisions of Section 16 hereof, and (b) each sublessee designated by Tenant to receive such notice, such designation to be in the form of a notice from Tenant to Landlord so designating the sublessee and containing the name and address of the sublessee. Such copies shall be mailed in the same manner as Landlord is required to use in delivering notice to Tenant hereunder. However, Landlord shall not, in any instance, be required to send copies to more than three (3) such sublessees. Upon its receipt of any such notice, approval, consent or other communication from Landlord, Tenant shall send a copy thereof to (a) each Leasehold Mortgagee in accordance with the provisions of Section 16 hereof, and (b) each sublessee designated by Tenant as aforesaid.

Section 33. CERTIFICATES

Either party shall, without charge, at any time and from time to time hereafter, within fifteen (15) days after written request of the other, certify by written instrument, duly executed and acknowledged, to any mortgagee or purchaser, or proposed mortgagee or proposed purchaser, or any other person, firm or corporation specified in such request: (a) as to whether this Lease has been supplemented or amended, and, if so, the substance and manner of such supplement or amendment; (b) as to the validity, force and effect of this Lease in accordance with its terms as then constituted, and, if there be any challenge thereto, a description of the items so challenged and the basis therefor; (c) as to the existence of any default under this Lease, and, if so, a description of each such default; (d) as to the existence of any offsets, counterclaims or defenses on the part of the responding party with respect to its obligations under this Lease, and, if so, the nature and amount of such offsets, counterclaims or defenses; (e) as to the commencement and expiration dates of the term of this Lease; and (f) as to any other matters as may reasonably be so requested. Any such certificate may be relied upon by the party requesting it and any other person, firm or corporation to whom the same may be exhibited or delivered, and the contents of such certificate shall be binding on the party executing same.

Section 34. GOVERNING LAW

This Lease and the performance thereof shall be governed, interpreted, construed and regulated by the laws of the State of wherein the Demised Premises is located.

Section 35. PARTIAL INVALIDITY

If any term, covenant, condition or provision of this Lease, or the application thereof to any person or circumstance, shall, at any time or 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. Each term, covenant, condition and provision of this Lease shall be valid and be enforced to the fullest extent permitted by law.

Section 36. INTERPRETATION

(a) Wherever herein the singular number is used, the same shall include the plural, and the masculine gender shall include the feminine and neuter genders, and vice versa, as the context shall require. The section headings used herein are for reference and convenience only, and shall not enter into the interpretation hereof. This Lease may be executed in several counterparts, each of which shall be an original, but all of which shall constitute one and the same instrument.

(b) Notwithstanding any of the words of any clause or provision of this Lease, the following language shall control the provisions of this Lease in all respects.

Section 37. ENTIRE AGREEMENT

No oral statement or prior written matter shall have any force or effect. Landlord and Tenant each agrees that it is not relying on any representations or agreements other than those contained in this Lease. This agreement shall not be modified or canceled except by writing subscribed by all parties.

Section 38. CONSENT

Whenever the consent or approval is required of Landlord or Tenant under the terms of this Lease, such consent or approval shall not be arbitrarily or unreasonably withheld. Unless otherwise specified herein, any consent or approval hereunder shall be in writing.

Section 39. LIMITATION OF TENANT'S LIABILITY

The term "Tenant" as used in this Lease so far as covenants or obligations on the part of the Tenant are concerned shall be limited to mean and include only the owner or owners at the time in question of the leasehold estate in and to the Leased Premises granted and conveyed pursuant to this Lease, and in the event of any permitted transfer or assignment of this Lease, Tenant herein named (and in case of any subsequent transfers or assignments the then assignor) shall be automatically relieved from and after the date of such transfer or conveyance of all personal liability as respects the performance of any covenants or obligations on the part of Tenant contained in this Lease thereafter to be performed.

Section 40. ANNUAL APPROPRIATION

Any financial obligation of Landlord hereunder shall be subject to annual appropriation in accordance with applicable law. Notwithstanding the foregoing, the term and all other provisions of this Lease shall not be affected thereby.

Section 41. BINDING EFFECT

Except as herein otherwise expressly provided, the covenants, conditions and agreements contained in this Lease shall bind and inure to the benefit of Landlord and Tenant and their

respective heirs, successors, administrators and assigns. If the Landlord consists of more than one person or entity, their liability under this Lease shall be joint and several.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties hereto have hereunto set their hands and seals the day and year first above written.

WITNESS:

Rebecca Demarick

LANDLORD:

Montgomery County, Maryland

William M. Rooney
ACAD

WITNESS:

Mario Nacos

TENANT:

Blue Mash Golf Course, LLC
Maryland

By: Joseph Q. Hills
Joseph Q. Hills

Managing Member

APPROVED AS TO FORM AND LEGALITY.
OFFICE OF COUNTY ATTORNEY
BY Ernest A. Lepore
DATE 10/29/99

* * *

STATE OF

*
*

to wit:

COUNTY OF Montgomery

I HEREBY CERTIFY that on this 2 day of November, 1999, before me, a Notary Public in and for the State and County aforesaid, personally appeared William M. Money, Jr., known to me (or satisfactorily proven) to be the person whose name is subscribed to the foregoing and annexed instrument and acknowledged that said individual executed the same for the purposes therein contained.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

Cindy A. Sullivan
Notary Public

My Commission Expires: CINDY A. SULLIVAN
NOTARY PUBLIC STATE OF MARYLAND
My Commission Expires January 31, 2000

[NOTARIAL SEAL]

* * *

STATE OF Maryland *

*

wit:

COUNTY OF Montgomery *

I HEREBY CERTIFY that on this 8th day of October, 1999, before me, a Notary Public in and for the State and County aforesaid, personally appeared Joseph Q. Hills, known to me (or satisfactorily proven) to be the Managing Member of Blue Mash Golf Course, LLC, a Maryland limited liability company, and that such corporate officer, being authorized to do so, executed the foregoing and annexed instrument for the purposes therein contained by signing the name of the said corporation.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

Karen D.M. Smith
Notary Public

My Commission Expires: 12/01/02

[NOTARIAL SEAL]

KAREN D.M. SMITH
NOTARY PUBLIC STATE OF MARYLAND
My Commission Expires 12/01/02

Exhibit "A"

Demised Premises

Area "A"

Beginning at a rebar with cap at the end of the N33°16' 43" E, 1398.55 feet line as recorded in the land records of Montgomery County, Maryland in Liber 2967 at Folio 101, thence binding reversely on said line as now surveyed,

- 1) S 33°18' 16"W, 761.34 feet to a point on the edge of a 250 feet wide Pepco R/W, Liber 2413 at Folio 495, thence binding with edge of said Pepco R/W.
- 2) S 76°31'37"W, 568.22 feet to a point, thence leaving said Pepco R/W.
- 3) N 47°37'07"E, 274.92 feet to a point, thence
- 4) N 38°49' 24"E, 240.86 feet to a point, thence
- 5) N 29°53' 03"E, 587.78 feet to a point, thence
- 6) S 70°36 '55"E, 343.14 feet to a place of beginning, containing 6.5918 Acres of land, more or less.

Area "B"

Beginning for the same at a rebar with cap at the end of the N33-16-43E, 1398.55 feet line as recorded in the land records of Montgomery County, Maryland in Liber 2967 at Folio 101, thence

- 1) N 56°41' 44" W, 51.17 feet to a point, thence
- 2) N 05°16' 29" W, 878.15, feet to a point, thence
- 3) N 38°11' 52" E, 58.14 feet to a stone at the end of the N 05°17' 17" W, 895.88 feet line as recorded as Liber 2907 at Folio 101, thence binding with said line.
- 4) S 05°16' 29" E, 895.05 feet to place of beginning, containing 0.7831 Acres of land, more or less.

Area "C"

Beginning at a stone found at the end of the S 75°29' 42" E, 1778.95 feet line as recorded in the Land Records of Montgomery County, Maryland at Liber 2967 at Folio 101 thence binding reversely with said line as now surveyed.

- 1) N 75°28' 09" W, 1125.00 feet to a point on said line, thence
- 2) N 62°15' 26" E, 74.33 feet to a point, thence
- 3) S 75° 28' 09" E, 1005.11 feet to a point, thence
- 4) N 00°14' 30" W, 100.11 feet to a point, thence
- 5) N 89°45' 30" E, 50.00 feet to a point on the N 00°16' 03" W, 455.81 feet line as recorded in previously mentioned deed, thence binding reversely with said line as now surveyed
- 6) S 00°14' 30" E, 165.00 feet to a place of beginning, containing 1.3747 Acres of land, more or less.

Area "D"

Beginning at a stone found at the end of the S 06°13' 55" W, 476.41 feet line as recorded in the Land Records of Montgomery County, Maryland in Liber 802 at Folio 377 thence binding reversely with said line as now surveyed

- 1) N 06°16' 25" E, 120.00 feet to a point on said line, thence
- 2) S 35°26' 10" E, 179.17 feet to a point on the Deed line S 77°02' 17" E, 198.96 feet line as recorded in Liber 2967 at Folio 101, binding reversely on said line as now surveyed
- 3) N 77°08' 45" W, 120.00 feet to a point of beginning, containing 0.1642 Acres, more or less

L:\Notes\General\descriptions\driveway\description.wpd

AREA "B"

34,112 SQ. FT.
0.7831 ACRES

N 38°11'52" E
58.14'

S 75°28'09" E
1779.16'

N 05°16'29" W 878.15'

DEED N 05°17'17" W 895.88'
N 05°16'29" W 895.65'

N 56°41'44" W
51.17'

REBAR W/CAP

P.O.B.

S 70°36'55" E 343.14'

AREA "A"
287,143 SQ. FT.
6.5918 ACRES

MAYNE
L. 2967 F. 101
DEED PARCEL THREE (A)

S 33°18'16" W 761.34'
DEED N 33°16'43" E 1398.55'

250' PEPCO R/W

Job No.841-001
Scale 1"=200'
Field Dates

MONTGOMERY COUNTY, MARYLAND
(OAKS LANDFILL)
L.5253 F.170 & L.1017 F.160

EXISTING ASPHALT DRIVE
N 29°53'03" E 587.78'

N 38°49'24" E 240.86'

N 47°37'07" E 274.92'
S 76°31'37" W 568.22'
N 76°31'37" E 643.22'

OLNEY-
LAYTONSVILLE RD.
CHD. RTE. #108



O'CONNELL & LAWRENCE, INC.
SURVEYORS, ENGINEERS & LAND PLANNERS
17904 Georgia Avenue, Suite 302, Olney, Maryland 20832
Tel: (301) 924-4570 • Fax: (301) 924-5872

METES AND BOUNDS SKETCH
BLUE MASH GOLF COURSE
MONTGOMERY COUNTY, MARYLAND

MONTGOMERY COUNTY, MARYLAND

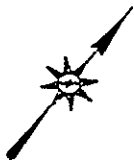
(OAKS LANDFILL)

L5253 F.170 & L1017 F.160

N 62°15'26" E
74.33'

DEED S 75°29'42" E
1778.95'

S 75°28'09" E 1005.11'
N 75°28'09" W 1125.00'



AREA "C"

59880 SQ. FT.
1.3747 ACRES

N 89°45'30" E
50.00'

N 00°14'30" W
100.11'

S 00°14'30" E
165.00'

STONE

P.O.B.

AREA "D"

7143 SQ. FT.
0.1642 ACRES

STONE

P.O.B.

DEED N 00°16'03" W 455.81'

DEED S 06°13'55" W 476.41'

DEED S 77°02'17" E
198.96'

120.00'
N 06°16'25" E

S 35°26'10" E
179.17'

N 77°08'45" W
120.00'

Job No. 841-001

Scale 1" = 200'

Field Dates

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METES AND BOUNDS SKETCH
BLUE MASH GOLF COURSE
MONTGOMERY COUNTY, MARYLAND

AREA "B"
34,112 SQ. FT.
0.7831 ACRES

N 38°11'52" E 58.14'

S 75°28'09" E 1779.16'



MONTGOMERY COUNTY, MARYLAND
(OAKS LANDFILL)
L.5253 F.170 & L.1017 F.160

EXISTING ASPHALT DRIVE

AREA "A"
287,145 SQ. FT.
6.5948 ACRES

WAYNE
L. 2967 F. 101
PARCEL THREE (A)

OLNEY -
LAYTONSVILLE RD.
(MD. RTE. #108)

N 47°37'07" E 274.92'
S 76°31'37" E 643.22'
N 76°31'37" E 643.22'
N 38°19'24" E 240.86'
N 29°33'03" E 597.78'

250' PERIOD P.W.

JOHN H. O'CONNELL
15200
FED. 207EE
Cart path

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METES AND BOUNDS SKETCH
BLUE MASH GOLF COURSE
MONTGOMERY COUNTY, MARYLAND

Exhibit "B"

Golf Course Routing



Blue Mash Golf Course Montgomery County, Maryland

Arthur Hills & Associates
golf course architects
7351 Wood Run Road, Toledo, Ohio 43615 (419) 841-4723

Routing			
Scale	1" = 100'	Date	July 1, 1998
Author	Arthur Hills & Associates	Reviewer	

SD
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