

LICENSE AGREEMENT
BETWEEN
MONTGOMERY COUNTY, MARYLAND
AND
KAPPA ALPHA PSI FRATERNITY INC.

DATE:

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LICENSE AGREEMENT

THIS LICENSE AGREEMENT (hereinafter referred to as "License"),made this day of _____, 2004, by and between MONTGOMERY COUNTY, MARYLAND, a body corporate and politic (the "County") and KAPPA APLHA PSI FRATERNITY INC. (the "Licensee"). (County and Licensee together the "PARTIES").

WITNESSETH:

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

1. PREMISES: County does hereby grant Licensee the privilege, license and right to use the premises known as 14015 New Hampshire Ave. , Rockville Maryland, the "Licensed Premises". The Licensed Premises is 600 square feet as outlined in red on **EXHIBIT A**. Licensee shall also have the use in common with the other tenants of the common areas of the improvements and contiguous grounds, walkways and parking area.

2. TERM: The term of this License shall be for a period of four (4) years, eleven months, commencing on June 15, 2004 and ending at midnight on June 14,

2009. Upon expiration of the License term , Licensee shall have no option to renew this License.

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

4. RENT: The Licensee shall pay Rent to the Licensor in the annual and quarterly amounts hereinafter set fourth:

<u>LICENSE YEAR</u>	<u>ANNUAL AMOUNT</u>	<u>QUARTERLY AMOUNT</u>
1. 06/15/04-06/14/05	\$3,763.80	\$940.95
2. 06/15/05-06/14/06	\$3,839.07	\$959.76
3. 06/15/06-06/14/07	\$3,915.85	\$978.96
4. 06/15/07-06/14/08	\$3,994.00	\$998.54
5. 06/15/08-06/14/09	\$4,073.00	\$1,018.47

All quarterly Rent payments shall be made by Licensee in advance, on or before the fifteenth day of each of the following months; June, September, December, March, without set-off, deduction or demand therefore from the Licensor to and at the offices of the Licensor as hereinafter designated. Said rental shall be payable to the Montgomery

County Government, Office of Real Estate , P.O. Box 75549, Baltimore, Maryland
21275-5549.

5. USE OF PREMISES: Licensee covenants and agrees that the Licensed Premises shall be used only for the KAPPA ALPHA PSI FRATERNITY. Licensee shall be responsible for obtaining Use and Occupancy Permit in the Licensee's name from the proper County authorities, and all other licenses and certifications required by State, Federal, and County law. Failure to obtain and maintain any certifications and licenses required under State, Federal, or Local law will constitute a breach of this License. Licensee will use and occupy the Licensed Premises continuously during the period hereof for no purpose other than the use specified. The demised premises are to be used only for Licensee's program and activities and for related activities as appropriate. Licensor will make the multi -purpose room available for use by the Licensee on a scheduled basis, provided Licensee gives the Licensor proper advance notice by contacting the Interagency Coordinating Board. Licensee is authorized to use the parking spaces in the Licensor's parking area at no additional rent or cost. Such parking spaces are to be used by Licensee on a first come basis in common with other Licensee's in the building. Licensor reserves the right to institute parking regulations and restrictions. Licensee is authorized to use grounds adjacent to the building on an occasional, but not regular, basis; provided, however, Licensee cleans the grounds of trash and litter after such use.

6. PARKING: Licensee agrees to keep the parking area litter free and neat in appearance. Licensee will also keep this area as well as contiguous walkways free of ice and snow.

7. ASSIGNMENT: This License must not be Assigned by Licensee.

8. CONDITION OF PREMISES: Licensee accepts the Licensed Premises in "as is" condition. Licensee agrees to maintain the Licensed Premises in good condition and state of repair and free of clutter throughout the term of this Agreement. Licensee is responsible for any damage to the structure, grounds or contents of the building belonging to County due to the willful or negligent acts of Licensee, Licensee's employees, patrons or agents. In the event of such damage, Licensee shall make the necessary repairs or replacement to the satisfaction of the County. Licensee acknowledges and agrees that at the end of the License, the Licensed Premises shall be returned to the County in the same condition as they were when Licensee accepted premises, with reasonable wear and tear excepted.

9. ALTERATIONS AND IMPROVEMENTS:

A. Licensee shall not undertake any alterations, changes or improvements to the Licensed Premises without the prior written consent of the County. Once the County's consent has been obtained, Licensee shall be responsible for the acquisition of any and all necessary permits and for the observance of all building and

zoning ordinances and regulations then in effect. Failure to adhere to any previously approved plans, applicable ordinances or regulations shall be deemed to be a breach of this License.

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

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

sixty (60) day period, the County, in its sole discretion (but nothing herein contained shall be construed as requiring it so to do), may pay and discharge the said lien and relieve the said Licensed Premises from any such lien, and Licensee agrees to pay and reimburse the County upon demand for or on account of any expense which may be incurred by the County in discharging such lien or claim.

11. SERVICES AND OPERATING EXPENSES:

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

1. All custodial services and pest control services for the common hallways/corridors and restrooms of the building which are not part of the Licensed Premises ;
2. Heating and air conditioning (existing systems and equipment only); electricity; fuel oil; and water /sewer;
3. All maintenance and repair of ceiling , walls, floors and doors which are not part of the Licensed Premises; and

4. All maintenance and repair of heating system and air conditioning systems; electrical systems and fixtures; plumbing systems and fixtures; roof; windows; structural systems; and grounds and related site improvements.

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

1. All custodial, trash removal, pest control, and security services. Such services shall include the furnishing and installing of burned out light tubes and bulbs; and
2. All maintenance and repair of the ceiling, walls, floors and doors including locks and hardware. Such maintenance and repair also includes painting as may be required.
3. All telephone service.

A summary of such repairs shall be transmitted quarterly to the Department of Public Works and Transportation, Office of Real Estate , 101 Monroe Street, Rockville Md. 20850.

12. FIXTURES AND EQUIPMENT: All items which are attached to the building, or are a part of the building's systems at the time the building is delivered to Licensee, shall remain with the building and shall be delivered to Licensee along with the building. Plumbing, electrical and heating fixtures and all other fixtures, except trade fixtures, installed by the Licensee shall remain in the Licensed Premises at end of term. All items installed within the Licensed Premises at Licensee's expense shall remain the property of Licensee and shall be removed by Licensee at the expiration or other termination of this License. Licensee shall, however, repair any damage caused by reason of said removal. Any personal property remaining within the Licensed Premises after termination of the License shall become property of the County. The County shall dispose of any such property in the manner it deems appropriate.

13. LIABILITY, PROPERTY DAMAGE AND FIRE INSURANCE:

A. Licensee agrees to obtain and maintain, during the full term of this License, a policy of liability insurance with minimum combined bodily injury and property damage in the amount of ONE MILLION AND NO/100 DOLLARS (\$1,000,000.00) for each occurrence, and ONE MILLION AND NO/100 DOLLARS (\$1,000,000.00) in the aggregate, issued by an insurance company licensed in the State of Maryland and acceptable to the County.

B. Licensee agrees to obtain and maintain, during the term of this License, a policy of Workers' Compensation and Employers' Liability coverage. The

Workers' Compensation policy must be in amounts as required by statute and the Employers' Liability Policy must be in amounts of ONE HUNDRED THOUSAND AND NO/100 DOLLARS (\$100,000) for each accident for bodily injury by accident, FIVE HUNDRED THOUSAND (\$500,000) DOLLARS for policy limits for bodily injury by disease and ONE HUNDRED THOUSAND AND NO/100 DOLLARS (\$100,000) each employee for bodily injury by disease.

C. Licensee must maintain adequate fire, theft and vandalism insurance for the contents of the Licensed Premises.

D. The County must maintain the County's normal fire and liability insurance on the Licensed Premises. The County reserves the right to self-insure.

E. Licensee shall, within the earlier of thirty (30) days from execution of this License or Licensee's entry onto the Licensed Premises, deliver to the County the required policies or certificates of insurance, evidencing the coverage hereinabove stated and naming the County as an additional insured and/or loss payee. The policies shall provide 45 days notice of cancellation to the County. Licensee has the obligation, without notice, to assure that the County always has a valid unexpired Certificate of Insurance.

G. The certificate holder shall be Montgomery County Government, Department of Public Works and Transportation, Office of Real Estate, 101 Monroe Street, Rockville Md., 20850

14. HOLD HARMLESS: Licensee agrees to hold harmless and defend the County from and against any and all claims of liability, actions, damages and expenses arising out of or related to Licensee's breach of this agreement or use or possession of the Licensed Premises occasioned wholly or in part by any act or omission of Licensee, its agents, contractors, guests or employees, except such claims arising solely from the negligent acts or omissions of the County, the County's employees, agents and contractors. Licensee further specifically agrees to hold the County harmless and defend the County from and against any claim of public liability made in connection with any construction or installation of equipment performed by Licensee, its agents, employees or contractors, within the Licensed Premises, notwithstanding that any such construction or equipment may or may not be deemed to be a part of the Licensed Premises hereinabove described, or such construction or installation of equipment shall have been approved by the County.

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

A. Licensee shall not keep gasoline or other flammable material or any explosive within the Licensed Premises which will increase the rate of fire

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

B. Licensee shall not use or allow the Licensed Premises or any part thereof to be used for any illegal, unlawful or improper purpose or for any act or thing that may be a nuisance, annoyance, inconvenience, or cause damage to the Licensed Premises, adjacent properties or the adjacent neighborhood.

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

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

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

F. Licensee shall comply with all reasonable rules and regulations with regard to the use of the Licensed Premises that may be from time to time promulgated by the County, and any violation of said rules and regulations shall be deemed to constitute a violation of this License. It is understood that such rules and regulations shall not unreasonably interfere with or prevent the intended uses of the Licensed Premises as set forth in this License.

G. Licensee acknowledges that all glass is in good condition at time of occupancy and Licensee will be responsible for the breakage of all glass in the Licensed Premises, and agrees to replace the same without delay regardless of how the same was broken. Licensee further acknowledges that all appliances and equipment are in working order.

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

I. Licensee must require all entrance doors and windows in the Licensed Premises shall be closed and locked when said Licensed Premises are not in use. Further, Licensee before closing and leaving the premises at any time, must close all windows and doors and secure the Licensed Premises. No additional locks or bolts of any kind shall be placed upon any of the entrance or interior doors or windows by Licensee nor shall any changes be made in existing locks or the mechanisms thereof without prior written approval of the County and in the event of an approved change, shall provide the County with keys to the facility. Licensee shall, upon the termination of its license, restore to the County all keys of the building, offices, and bathrooms, either furnished to, or otherwise procured by, the Licensee, and in the event of the loss of any keys so furnished the Licensee shall pay to the County the cost thereof.

J. Licensee must establish and post in the Licensed Facility an appropriate fire evacuation plan and hold fire drills as required. All occupants of the Licensed Premises shall be trained regarding the safe and proper operation of all appliances and equipment in the Licensed Premises.

K. Licensee must be responsible for on site management of the Licensed Premises and must keep posted the Licensee's responsibilities and obligations as specified in Sections 11 and 15 of this License Agreement. Licensee must keep a copy of this License Agreement at the Licensed Premises and ensure the Licensee's on site representative is adhering to the terms and conditions herein.

16. DESTRUCTION OF PREMISES:

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

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

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

- i. Failure to perform under any term, covenant or condition of this License.
- ii. The commencement of any action or proceeding for the dissolution or liquidation of Licensee, or for the appointment of a receiver or trustee of Licensee's property.
- iii. The making of any assignment for the benefit of Licensee's creditors.
- iv. The abandonment of the Licensed Premises by Licensee.
- v. Any other default or breach of the terms and conditions this License.

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

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

20. SURRENDER OF POSSESSION: Licensee covenants and agrees that, at the expiration or other termination of this License the Licensee must remove all goods and effects from the Licensed Premises not the property of the County, and to yield up to the County the Licensed Premises and all keys, locks and other fixtures connected to the Licensed Premises, in good repair, order and condition in all respects, reasonable wear and use thereof and damage by fire or other casualty and damage from any risk with respect to which Licensee is not herein expressly made liable excepted. Licensee shall

pay for all damages to the Licensed Premises, its fixtures, and appurtenances, as well as all damages sustained by Licensee or occupants of the Licensed Premises due to any waste, misuse, or neglect of said Premises, its fixtures, and appurtenances, by said Licensee, its employees, or any other person or persons upon the premises by Licensee's permission.

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

22. COMPLIANCE WITH LAWS: It is understood, agreed and covenanted by and between the Parties that Licensee, at Licensee's expense, shall promptly comply with, observe and perform all of the requirements of all of the codes, statutes, ordinances, rules, orders and regulations now in effect or hereinafter promulgated whether required by the Federal Government, State of Maryland, Montgomery County Government and the municipality in which Licensed Premises are located, Montgomery County Department of Environmental Protection or Montgomery County Fire Marshal's Office.

23. BENEFIT AND BURDEN: The provisions of this License are personal to the Parties.

24. WAIVER: No waiver of any breach of any covenant, condition or agreement herein contained shall operate as a waiver of the covenant, condition or agreement itself or of any subsequent breach thereof.

25. NON-DISCRIMINATION: Licensee agrees to comply with the non-discrimination in employment policies in County contracts as required by Section 11B-33 and Section 27-19 of the Montgomery County Code 1994, as amended, as well as all other applicable state and federal laws and regulations regarding employment discrimination. The Licensee assures the County that in accordance with applicable law, it does not, and agrees that it will not discriminate in any manner on the basis of race, color, religious creed, ancestry, national origin, age, sex, marital status, disability, sexual orientation, or genetic status.

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

27. MAILING NOTICES: All notices required or desired to be given hereunder by either party to the other shall be given by certified or registered mail and

shall be deemed to be effective when received or refused by the addressee. Notices to the respective parties shall be addressed as follows:

Licensee:
KAPPA ALPHA PSI FRATERNITY INC.
P.O. Box 4006
Silver Spring Md. 20914

Licensor:
MONTGOMERY COUNTY,
MARYLAND
Department of Public Works and
Transportation,
Office of Real Estate
101 Monroe Street, 10th floor
Rockville, Md. 20850

With a copy to:
Montgomery County Government
Office of the County Attorney
101 Monroe Street, 2nd Floor
Rockville, Maryland 20850

28. RESIDENT AGENT: The Resident Agent for the Licensee is and its address for receipt of notices and service of process is Robert Works, 13709 Purnmore Road, Silver Spring, Maryland, 20906. Licensee must immediately notify Licensor of any change in resident agent or address as provided herein.

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

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

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

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

SIGNATURE PAGE FOLLOW

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

WITNESS:

By: Rebecca S. Domaruk

LICENSOR:
MONTGOMERY COUNTY,
MARYLAND

By: Joseph F. Beach
Joseph F. Beach, Assistant
Chief Administrative Office

Date: 5/25/04

WITNESS:

By: John T. Anderson

LICENSEE:

By: Christopher S. Hill
Title: President

Date: 5/15/04

APPROVED AS TO FORM & LEGALITY
OFFICE OF THE COUNTY ATTORNEY

RECOMMENDED

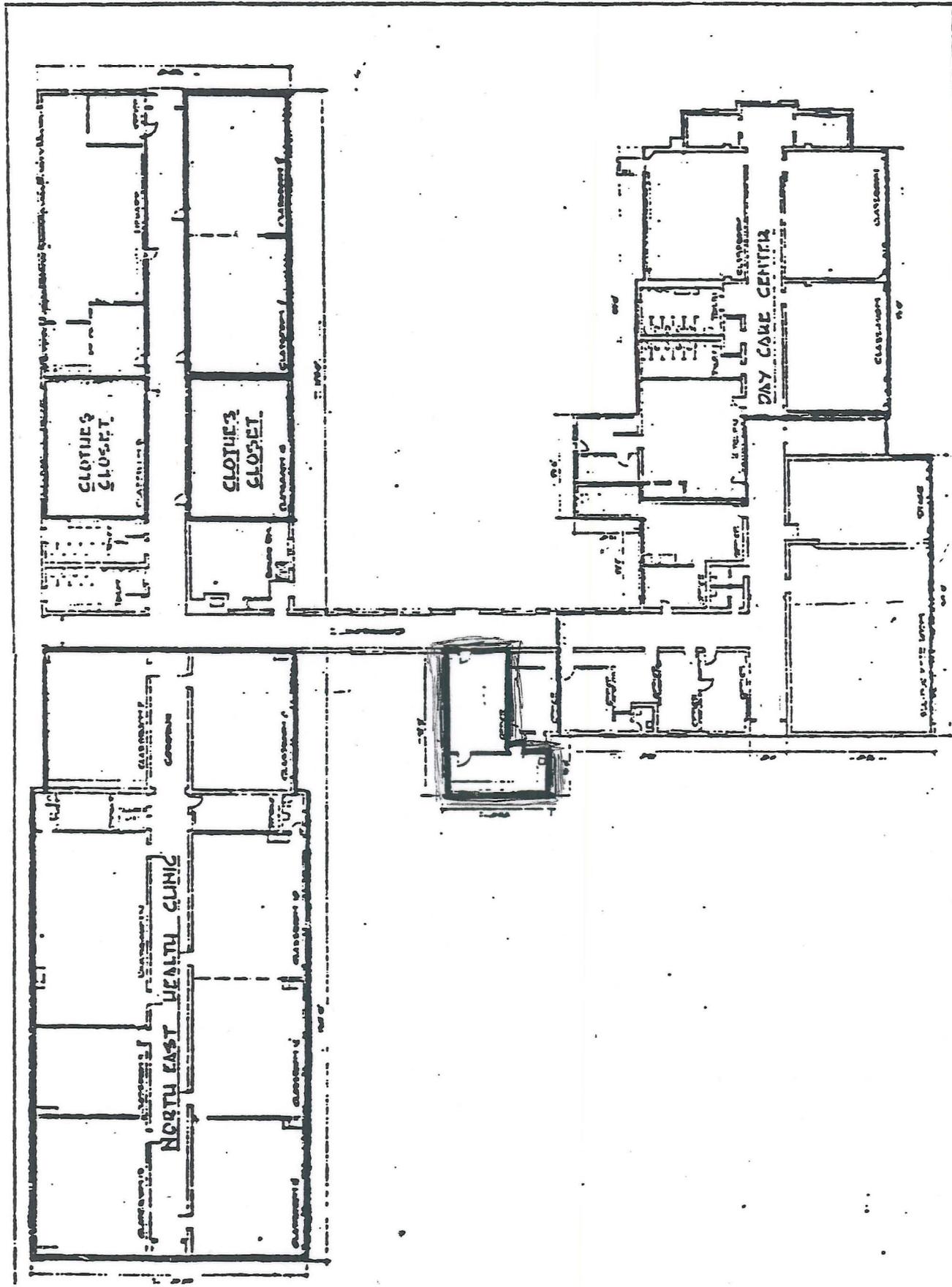
By: Gileen J. Brennan

By: C. Brennan
Cynthia Brenneman, Director
Office of Real Estate

Date: 4/21/2004

Date: 4/14/04

EXHIBIT "A"



OFFICE OF ARCHITECTURAL SERVICES
FEBRUARY 1978

COLLETSVILLE SCHOOL
EXISTING CONDITIONS

FLOOR PLAN: SPACE ALLOCATION