LEASE

THIS LEASE (the "Lease") dated this 24th day of September, 2005, by and between FORSGATE VENTURE II, L.L.C., a New Jersey limited liability company, its successors and assigns (the "Landlord") and MONTGOMERY COUNTY, MARYLAND, a political subdivision of the State of Maryland (the "County") (the County and the Landlord together the "Parties").

1. PREMISES:

The Landlord leases to the County and the County leases from the Landlord the leased premises (the "Premises" or "Leased Premises") described as approximately 9,823 square feet of warehouse space located at Building Two, 22610 Gateway Center Drive, Suite 300 Clarksburg, Maryland (the "Building"). The Leased Premises are described in Exhibit A, which is incorporated by reference and made a part of this Lease. The Leased Premises are leased "as is, where is" to the County. The Leased Premises include the non-exclusive right to use parking and other common areas as set forth in this Lease. The campus at Gateway 270 West is a tract of land improved by a 254,625 square foot development that consists of six buildings of varying size used as office and flex warehouse space and described in this lease as the complex (the "Complex").

2. LEASE TERM:

A. Term: The term of this Lease is for five (5) years, commencing on the later of October 1, 2005, or the date Landlord delivers possession of the Leased Premises to the County (the "Commencement Date"), and terminating at midnight on the last day of the term which shall be five (5) years after the Commencement Date (the "Term").

B. The County's Option to Extend Term: In accordance with this Lease, the County may extend the Term for two (2) one (1) year periods (the "Optional Terms"), provided that: (1) the County is not in default of any of the provisions of this Lease; (2) the Lease is in full force and effect; (3) the Lease has not been assigned and the Leased Premises have not been sublet; (4) the Landlord has not given the County notice of the Landlord's intention to terminate the Lease; and (5) the County gives the Landlord written notice that the County will exercise any of its options to extend the Term at least six (6) months prior to the expiration of the Term or the first Optional Term.

C. Recording the Lease or a Memorandum of Lease: If the Term of this Lease is for longer than seven (7) years, the County will record the Lease among the Land Records of Montgomery County, Maryland, within thirty (30) days of execution of the Lease by the Parties. The County may, at its own expense record the Lease regardless of the Term. If recorded, the Parties agree that the end of the County's tenancy, whenever that occurs, to execute and acknowledge a mutually agreeable instrument in recordable form confirming the expiration or termination
of this Lease (a “Release”) and to cause the Release to be recorded promptly after the expiration or earlier termination of this Lease.

3. USE:

A. Use: The Leased Premises shall be used by the County for a fire station and for no other purpose (the “Permitted Use”). Other agencies of the County may be permitted to utilize the Leased Premises with the Landlord’s consent, which shall not be unreasonably withheld or delayed. The Landlord may impose reasonable conditions in the event other agencies of the County utilize the Leased Premises.

B. Standard of Use: For the duration of this Lease, including any Optional Terms, the County must use the Leased Premises solely for the Permitted Use, and for no other purpose without the prior written consent of the Landlord, which shall not be unreasonably withheld, and in a manner consistent with other uses in the Complex. The Parties acknowledge that the County will use the Leased Premises for a fire station which includes special needs such as access twenty four (24) hour per day, seven (7) days per week, overnight occupation by fire station personnel, installation of emergency communications equipment, and parking vehicles inside the building.

4. RENT:

A. Rent: For the first lease year (the “Base Year”), the County will pay to the Landlord rent in the amount of $10.79 per square foot for an annualized rental amount of One Hundred Five Thousand Nine Hundred Nineteen Dollars and Seventeen Cents ($105,990.17) payable in equal monthly installments of Eight Thousand Eight Hundred Thirty Two Dollars and Fifty One Cents ($8,832.51). The rent shall commence on the Commencement Date of the Lease. If the Commencement Date occurs on a date other than the first day of the month, the monthly rent shall be prorated for such partial month. After the first (1st) lease year, the rent will be increased annually by an amount equal to (3%) in accordance with the Rent Table, below. All rental payments are to be made in advance on or before the first day of each month during each lease year, and must be payable by check to the Landlord as follows: Forsgate Ventures II, L.L.C., c/o Forsgate Industrial Partners, 400 Hollister Road, Teterboro, New Jersey, 07608.

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<th>Lease Year</th>
<th>Amount per Sq. Ft.</th>
<th>Annual Rent</th>
<th>Monthly Installment</th>
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B. **Additional Rent:** The County will pay to the Landlord throughout the Term of this Lease, as Additional Rent, the County’s proportionate share of the common area expenses (the “Common Area Expenses”) as defined in Paragraph 5 below. In the event that the commencement date or expiration date of this Lease are other than the first day of a calendar year, then the County’s proportionate share of expense and tax increases will be adjusted to reflect the actual period of occupancy during the calendar year. All sums payable by the County as Additional Rent, and except as otherwise set forth in this Lease, must be payable by check to the Landlord, on or before the 1st day of the month as follows:

Forsgate Ventures II, L.L.C., c/o Forsgate Industrial Partners, 400 Hollister Road, Teterboro, New Jersey, 07608.

C. **Annual Reconciliation:** Within one hundred twenty (120) days after the end of each calendar year, the Landlord shall submit a statement to the County showing the actual Common Area Expenses (to the extent billed back to the County by the Landlord) and Real Estate Taxes (to the extent billed back to the County by the Landlord) for such calendar year and the County’s proportionate share (or responsibility in relation to) of the amount. If, for any calendar year, the County’s estimated monthly payments exceed the amount determined to be due from the County pursuant to such annual reconciliation, the Landlord must give the County a credit in the amount of the overpayment toward the County’s next monthly payment of Additional Rent. If, for any calendar year, the County’s estimated monthly payments are less than the amount determined to be due from the County pursuant to such annual reconciliation, the County shall pay the total amount of such deficiency to the Landlord within thirty (30) days after receipt of the statement from the Landlord. The Landlord and the County’s obligations with respect to any overpayment or underpayment of Additional Rent shall survive the expiration or termination of this Lease.

D. **The County’s Right to Audit:** In the event the County shall dispute the amount set forth in the Landlord’s annual reconciliation of actual Common Area Expenses and Real Estate Taxes, the County shall have the right, not later than sixty (60) days following receipt of such statement, to cause the Landlord’s books and records with respect to the preceding calendar year to be audited by an independent Certified Public Accountant mutually acceptable to the Landlord and the County. Such audit shall occur upon no less than five (5) days prior written notice to the Landlord, at the Landlord’s place of business or the actual location of the Landlord’s books and records if different from the Landlord’s place of business, during the Landlord’s normal business hours. The amounts payable under this Section by the Landlord to the County or by the County to Landlord, as the case may be, shall be appropriately adjusted on the basis of such audit. If such audit discloses a liability for further refund by the Landlord to the County in excess of ten (10%) percent of the payments previously made by the County for such calendar year, the cost of such audit shall be borne by the Landlord and shall not be considered as a Common Area Expense for purposes of this Lease;
otherwise, the cost of such audit shall be borne by the County. If the County does not request an audit in accordance with the provisions of this section within sixty (60) days of receipt of the Landlord’s annual reconciliation of actual Common Area Expense and Real Estate Tax Expense, such statement shall be conclusively binding upon the Landlord and the County.

E. **Obligation Subject to Appropriation:** The Landlord and the County acknowledge and agree that, so long as Montgomery County, Maryland is the tenant under this Lease, payment of Rent and/or Additional Rent is subject to the annual appropriation of funds by the County Council for Montgomery County, Maryland.

F. **Effect of Failure to Appropriation:** If the County fails to appropriate, on or before May 31st of any calendar year, sufficient funds for full payment of the rent and performance of the County’s other obligations under this Lease for the County’s next fiscal year (i.e., the period commencing on the next July 1st and ending the following June 30th), the County will promptly notify Landlord of such fact, and this Lease will automatically terminate at 11:59 p.m. on June 30th of the current fiscal year. The County shall give Landlord a minimum of thirty (30) days notice of the lack of appropriation. If this Lease is terminated pursuant to this section, the County shall not make or be entitled to make any claim for reimbursement of any kind, whether for improvements or prepaid items.

G. **Default:** The County’s failure to pay Rent or Additional Rent, except for reason of non-appropriation as set forth in this Section, including any and all late fees, when due and after fifteen (15) days after written notice from the Landlord constitutes an “Event of Default” as set forth in Article 14 for which the Landlord may pursue any and all remedies set forth in Article 15.

5. **SERVICES AND OPERATING EXPENSES:**

A. **By the Landlord:** The Landlord agrees to provide within the Leased Premises and the Building of which they are a part, at the Landlord’s sole cost and expense the following:

   1. All major roof and building envelope components.

B. **By the County:** The County agrees to provide within the Leased Premises at County’s sole cost and expense the following:

   1. Electric, Gas, and telephone utilities.
   2. Maintenance and cleaning services.
   3. All cost of building elements caused by fit out of Leased Premises including major plumbing, HVAC and electric systems.
C. **Common Areas**: Common Areas are all that portion of the Complex except the Leased Premises and other portions of the Complex leased by Landlord to other tenants. Common areas include the parking areas provided by the Landlord for the Building, the public conveniences of the Building, and all other areas in the Building now or later constructed and intended to be used in common by the County and/or other tenants, clients, and customers of the building. The use and occupation by the County of the Leased Premises shall include the use in common with others of the Common Areas, parking areas, service roads, loading facilities, sidewalks, and other facilities as may be designated from time to time by the Landlord, subject however to the terms and conditions of this Lease and to the rules and regulations attached to this Lease as Exhibit D. The Common Areas will at all times be subject to the exclusive control and management of the Landlord; and the Landlord has the right from time to time to change the area, level, location and arrangement of the Common Areas, to restrict parking for the tenants and their employees to employee parking areas, and to make all rules and regulations and do such thing from time to time as in the Landlord’s sole discretion may be necessary for the proper operation of the said Common Areas, except that Landlord may not restrict the County’s use of parking spaces at the rear of the Leased Premises shown crossed hatched on Exhibit E to this Lease. Parking spaces at the rear of Leased Premises shall be dedicated to the County, the stripes will be removed by Landlord, and “no parking” signs will be posted by Landlord. It is the specific understanding of the Parties that the area shown on Exhibit E will be used by the County for ingress and egress to the Leased Premises by fire equipment and large vehicles.

D. **Common Area Expenses**: The following terms shall have the meanings hereinafter set forth:

(i) "Computation Year" shall mean each twelve (12) consecutive month period commencing January 1 of each year during the Term, provided that Landlord, upon notice to County may change the Computation Year from time to time to any other twelve (12) consecutive month period and, in the event of any such change, County's Share of Excess Taxes (as hereinafter defined) shall be equitably adjusted for the Computation Years involved in any such change.

(ii) "Rentable Area of the Complex" shall be computed by measuring each Building by the exterior drip line, and totaling the Rentable Area of all Buildings in the Complex. The Rentable Area of the Premises shall be computed by measuring the Premises to the exterior drip line of the Premises. The Rentable Area of all Buildings in the Campus at Gateway 270 West is currently 254,625 square feet.

(iii) "County's Share" shall mean 3.86% ("County's Share of the Complex"), unless the Landlord, in its sole discretion, determines that a particular cost or expense should be shared by the tenants of one Building, and for
that particular cost or expense 32.09% ("County's Share of the Building") shall be used. County's Share of the Complex has been computed by dividing the Rentable Area of the Premises by the Rentable Area of the Complex. County's Share of the Building has been computed by dividing the Rentable Area of the Premises by the Rentable Area of the Building. In the event that the Rentable Area of the Premises, the Rentable Area of the Building or the Rentable Area of the Complex is changed, County's Share will be appropriately adjusted by Landlord, which adjustment shall be conclusive and binding on County and, as to the Computation Year in which such change occurs, for purposes of this Section 5, County's Share shall be determined on the basis of the number of days during such Computation Year at each such percentage.

(iv) "Taxes" shall mean any and all of the following imposed by any federal, state, municipal, political, public or other governmental or quasi-governmental entity upon or with respect to the Premises, Building or Complex or any personal property of Landlord used in the operation thereof: (i) all real and personal property taxes, general assessments and special assessments, (ii) water and sewer front foot benefit charges, (iii) charges, fees or other assessments, if any, with respect to services from transit housing, police, fire protection, security or other governmental services or benefits charged with respect to the Building or the Complex, (iv) any service payment made in lieu of taxes, (v) taxes, assessments, levies or charges wholly or partially as a capital levy or otherwise on the rents received therefrom, (vi) taxes, assessments, levies or charges imposed on Landlord in connection with this Lease or any other lease in the Complex, (vii) any license fees or permit fees or other charges imposed upon or levied on Landlord's interest in the Complex, Landlord's right to income therefrom and/or the business of renting space in, or on the occupancy or use of, the Building or Complex, that are now or hereafter levied or assessed against Landlord, and (viii) all increases in any of the foregoing (whether foreseeable or unforeseeable) and other governmental charges of like kind and nature. Taxes shall not include franchise, transfer, inheritance or capital stock taxes or income taxes measured by the net income of Landlord from all sources, unless, due to a change in the method of taxation, any of such taxes is levied or assessed against Landlord as a substitute for or as an addition to, as a whole or in part, any other tax that would otherwise constitute a Tax. If any Taxes are specially assessed by reason of the occupancy or activities of one or more specific tenants and not the occupancy or activities of the tenants as a whole, such Taxes shall be allocated by Landlord to the specific tenants.

(v) "Common Expenses" shall mean the aggregate amount of:

(1) the total costs and expenses paid or incurred by Landlord in connection with the operation, repair and maintenance of the Common Areas, the Building and the Complex, including, without limitation, parking areas, loading and unloading areas, trash areas, roadways, driveways,
walkways, landscaped areas, striping, bumpers, lighting facilities, fences and gates;

(2) the cost of fire, extended coverage, boiler, sprinkler, public liability, property damage, rent, earthquake, flood, and other insurance obtained by Landlord in connection with the Complex or its interest therein and the deductible portion of any insured loss otherwise covered by such insurance;

(3) the cost of any trash disposal services (if provided by Landlord), snow removal services, landscaping services and window washing services;

(4) the cost of producing and maintaining tenant directories;

(5) the cost of operating, repairing, maintaining and monitoring life safety systems, including, without limitation, sprinkler systems;

(6) the cost of security services, if, but not required to be, provided by Landlord;

(7) water and sewer charges that are not billed directly to individual tenants, and the cost of water, sewer, electricity, gas and any other utilities used in connection with the operation, maintenance and repair of the Common Areas;

(8) permits, licenses and certificates necessary to operate the Complex;

(9) costs and expenses for legal, accounting, consulting and other professional fees and expenses (including in-house or outside counsel) that are incurred in the operation of the Complex;

(10) the amount of any unreimbursed deductible, which is incurred by the Landlord in connection with any fire, windstorm or other casualty in the Complex;

(11) the cost of any capital improvements made to the Complex, to comply with laws enacted after permits for construction of the Complex were obtained or for cost saving purposes, or if made after the date of this Lease, such cost to be amortized over the useful life of the improvements made or over a period of fifteen (15) years (whichever is shorter); the amortized cost of the capital improvement, together with an interest rate charge on the unamortized balance equal to twelve percent (12%) per annum or such higher interest rate paid by Landlord on funds borrowed for said capital improvement, shall be included in the Common Expenses;
(12) the cost of any other service generally provided to the tenants of the Complex by Landlord;

(13) the cost of all supplies (including cleaning supplies), hand tools and other materials used in the repair, maintenance or operation of the Complex, and sales and other taxes thereon;

(14) salaries and wages, benefits of employees of Landlord engaged in the repair, operation and/or maintenance of the Complex, and of employees of Landlord engaged in the management of the Building or the Complex, but not to include Executive positions of the Landlord or management company higher than the property manager position; and

(15) management costs and fees in the amount of three and one half percent (3 1/2%) of the total Rent and Additional Rent.

(16) the assessments paid to the Clarksburg Gateway Center Association for common area costs including insurance, landscaping and sediment control.

The computation of Common Expenses shall be made in accordance with generally accepted accounting principles. Within a reasonable time after the expiration of each Computation Year, Landlord shall furnish County with a statement (herein called "Landlord's Expense Statement") setting forth in reasonable detail the Common Expenses for such Computation Year, and County's Share of such Common Expenses. If the actual Common Expenses for such Computation Year exceed the estimated Common Expenses paid by County for such Computation Year, County shall pay to Landlord the difference between the amount paid by County and the actual Common Expenses within thirty (30) days after the receipt of Landlord's Expense Statement, and if the total amount paid by County for any such Computation Year shall exceed the actual Common Expenses for such Computation Year, such excess shall be credited against the next installment(s) of the estimated Common Expenses due from County to Landlord hereunder.

(vi) County shall pay to Landlord as Additional Rent one-twelfth (1/12) of County's Share of the Taxes and Common Expenses for each Computation Year on or before the first day of each month in advance, in an amount estimated by Landlord and included in the Estimated Monthly Additional Rent Expense. Landlord shall have the right initially to determine monthly estimates and to revise such estimates from time to time. With reasonable promptness after Landlord has received the tax bills for any Computation Year, Landlord shall furnish County with a statement (herein called "Landlord's Tax Statement") setting forth the amount of Taxes for such Computation Year, and County's Share of the Taxes. In the event that the Premises are assessed at a
proportionately higher value than the Complex as a whole, the Landlord shall have the right to increase the County's Share of the Taxes accordingly. If the actual Taxes for such Computation Year exceed the estimated Taxes paid by County for such Computation Year, County shall pay to Landlord the difference between the amount paid by County and the actual Taxes within thirty (30) days after the receipt of Landlord's Tax Statement, and if the total amount paid by County for any such Computation Year shall exceed the actual Taxes for such Computation Year, such excess shall be credited against the next years installments of Estimated Monthly Additional Rent Expense due from County to Landlord hereunder.

(vii) If the Commencement Date shall occur on a date other than the first day of a Computation Year, or if the Expiration Date shall occur on a date other than the last day of a Computation Year, County's Share of Taxes and Common Expenses for the Computation Year shall be prorated.

(viii) If a Computation Year ends after the expiration or termination of this Lease, the Additional Rent payable under this Section shall be pro-rated to correspond to that portion of the Computation Year occurring within the Term of the Lease.

(ix) Landlord's failure to deliver a Landlord's Expense Statement or a Landlord's Tax Statement shall not in any way be deemed to be a waiver of Landlord's rights to collect any amounts due as Additional Rent. County's liability to pay the amounts due under this Section, and Landlord's obligation to reimburse County under this Section for overpayments of Common Expenses or Taxes shall survive the expiration of this Lease.

F. Signage: All signs must comply with Montgomery County's sign ordinance, Chapter 59-F of the Montgomery County Code (2004) as amended (the "County Sign Ordinance"). Landlord, at the County's sole cost, shall place exterior signage and monument signage similar to signage offered to other tenants in the Complex. The Parties agree that the County may require that the sign contain the County seal. The Parties agree that Landlord must obtain County approval of the design for the sign prior to fabrication, which approval may not be unreasonably conditioned, withheld or delayed. County approval under this Paragraph must not be construed to constitute governmental approvals or permits required by the County Sign Ordinance.

6. LIABILITY, PROPERTY DAMAGE, & FIRE INSURANCE

A. The County agrees to obtain and maintain, during the full term of this Lease, any Optional Terms, and until all of the County's obligations which survive termination of this Lease have been completed, a policy of general
liability insurance for bodily injury (or death) and property damage limits of One Million Dollars ($1,000,000) per occurrence, Three Million Dollars ($3,000,000) aggregate per location, with additional umbrella coverage of Ten Million Dollars ($10,000,000). The County shall deliver Landlord a copy of its certificate of insurance within thirty (30) days after execution of this Lease. County hereby agrees to insure Landlord from and against any cost, damage, claim, liability or expense (including reasonable attorneys' fees) incurred by or claimed against Landlord, directly or indirectly, which is occasioned by or results from (i) any act, omission, fault, negligence or misconduct on the part of County, its agents, employees, contractors, invitees, licensees, customers, clients, personnel of a fire company or rescue company, and guests or family members of any of the foregoing, or (ii) from County's use and occupancy of the Leased Premises or in any other manner which relates to the operations of the County and/or the Fire and Rescue Services Division and/or their vehicles within the Complex.

B. **Insurance for Personal Property:** The County further agrees that all personal property in the Leased Premises shall be and remain at County’s sole risk, and Landlord shall not be liable for any damage to or loss of such personal property. The County is required to provide evidence of property coverage for their owned contents and any improvements to the Leased Premises. Coverage shall be on a replacement cost basis for “all risks of direct physical loss or damage except as specifically excluded.” The County reserves the right to self-insure as provided in this Section, Paragraph C.

C. **County’s Self-Insurance:** If and for so long as the County is a tenant under this Lease, the County shall have the right to self-insure as provided in Montgomery County Code (2004) as amended §§ 20-37 with respect to the risks otherwise required to be insured by the County in this Lease on the condition that the County shall deliver to Landlord not less than thirty (30) days after execution of this Lease a certificate of insurance evidencing adequate insurance coverage for this use. The certificate of insurance for the County’s Self-Insurance Program evidences limits of insurability for general liability coverage in the amounts of $500,000 aggregate and $200,000 each occurrence and $20,000 per person, $40,000 per accident for bodily injury and $15,000 for property damage for automobile liability and State of Maryland statutory limits for worker’s compensation. These are the maximum limits of liability for which the Montgomery County Self-Insurance Program is responsible, as determined by the Local Government Tort Claims Act, 1986 (LGTCA), MD. Ann. Code, Cts & Jud. Proc. Sect. 5-301 et seq. (2002 Repl. Vol) as amended.

D. **Landlord’s Insurance:** The Landlord shall procure and maintain throughout the Term of this Lease (1) a property insurance policy or policies (written on an “All Risk” basis) insuring the Building (including Tenant Improvements) and the Common Areas, for not less than the full replacement cost of said property, exclusive of footings and foundations, (2) commercial general
liability insurance providing on an occurrence basis, a minimum combined single
limit of One Million Dollars ($1,000,000), including fire legal liability,
contractual liability endorsement must cover the Landlord’s indemnity obligations
under this Lease, and (3) rent loss insurance in an amount sufficient to cover the
Landlord’s obligations to provide a rent abatement to the County in accordance
with Section 12 Paragraph B of this Lease and any obligations to provide similar
rent abatements to other tenants of the Building. Montgomery County, Maryland
must be named as an additional insured on liability policies. All such insurance
required to be carried by the Landlord: (a) shall be with an insurance company
licensed to do business in the State of Maryland and rated not lower than A-XII in
the A.M. Best Rating Guide, (b) may, with respect to the liability insurance
described in this Section, consist of a combination of primary insurance coverage
and umbrella insurance coverage, and (c) may be insured under a blanket
insurance policy covering multiple properties or locations, provided the minimum
amount required to be applicable to the Building shall not be diminished by
virtue of such blanket coverage. The Landlord’s property insurance shall provide
or contain an endorsement that such policy shall remain in full force and effect
notwithstanding that the insured has released its right of action against any party
before the occurrence of a loss. Landlord must send the County a copy of its
certificate of insurance within thirty (30) days after execution of this Lease.
Landlord has a continuing obligation to provide current certificates of insurance
each year for the Complex to the County.

7. RIGHT OF ENTRY

A. Routine Repairs and Inspection: The County shall permit the Landlord, its
agents or employees, at reasonable times and upon reasonable prior notice (not
less than 48 hours prior notice) to enter the Leased Premises without charge and
without diminution of rent to: (1) examine, inspect and protect the Leased
Premises; (2) to make such alterations and repairs or perform such maintenance
which the Landlord is authorized to perform under this Lease; and (3) to exhibit
the Leased Premises to prospective purchasers or tenants or to present or future
mortgagees. The County may deny access to the Landlord at any time that the
Landlord’s presence interferes with the County’s use of the Leased Premises as a
Fire Station. The Parties will work together to facilitate reasonable access for the
Landlord without compromising public safety.

B. Emergency Access: In cases of emergency involving imminent risk of
injury or death to persons or damage to property, the Landlord, its agents or
employees, without prior notice to the County, may enter the Leased Premises,
however, the Landlord will attempt, but is not required to notify the County of
any such entry under this section as soon as is practicable under the circumstance.
The Parties acknowledge that this emergency access will rarely, if ever be
necessary because the County would be the first responder in any emergency
situation.
8. DESIGN AND CONSTRUCTION

The Parties agree that Landlord shall construct and fit out the Leased Premises according to a mutually agreed upon architectural plan (the “Tenant Improvements”) prepared by the firm of DNC Architects of Rockville, Maryland. The preliminary architectural plans (“Preliminary Architectural Plans”) have been submitted to the County for its review and are attached as Exhibit B. The approved architectural plans (“Approved Architectural Plans”), with change orders, will later be substituted for the Preliminary Architectural Plans and attached to this Lease as Exhibit B. The Tenant Improvements shall be constructed by the firm of Coakley Williams Construction of Gaithersburg, Maryland, in accordance with the design and construction management criteria attached to this lease as Exhibit C. The County shall reimburse Landlord the cost of Tenant Improvements.

9. ALTERATIONS

The County will not make or permit any alterations, additions, or improvements of any kind to the Leased Premises without the Landlord’s prior written consent. The Landlord may impose any reasonable conditions to its consent, including, but not limited to: (1) prior approval of the plans and specifications and the County’s contractors with respect to the alterations; and (2) the right of the Landlord’s representatives to inspect the alterations during the course of their installation.

10. ASSIGNMENT:

The County shall not assign, transfer, mortgage or otherwise encumber this Lease or sublet or rent (or permit a third party to occupy or use) the Leased Premises, or any part of the Leased Premises.

11. COUNTY’S DUTIES & COVENANTS:

A. The County will not strip, overload, damage, or deface the Leased Premises or any part of the Premises, including, but not limited to, hallways, stairways, or elevators.

B. The County will not permit any trade or occupation to be carried on or use made of the Leased Premises outside of the scope of this Lease (Article 3). Further, the County will obey any and all federal, state, county and local laws and regulations relating to their operation and closure of business on and in the Leased Premises and Building.

C. The County will not move any furniture or equipment which is the property of the Landlord into or out of the Leased Premises or Building without the Landlord’s prior written consent.
D. The County will conform to all rules and regulations established from time to time by appropriate insurance rating organizations and to comply with all Rules and Regulations established from time to time by the Landlord and provided to the County.

E. The County will not interfere with the Landlord’s use, or other Tenant’s use of the Premises, Building and Land.

F. The County will pay all of its bills and expenses relating to the County’s use of the Leased Premises including, but not limited to utilities and Common Area Expenses on time and must not permit any disruption in any service, including but not limited to, utilities, to any portion of the Leased Premises.

G. The County agrees to and must perform any and all obligations under this Lease in a timely manner.

H. Upon removal of the County’s property from the Leased Premises, the County at its sole expense must repair any damage to the Leased Premises caused by such removal so that the Leased Premises are in substantially the same condition as at the commencement of the Lease Term, reasonable wear and tear excepted. This provision must not be construed to modify the Landlord’s obligation to restore the Leased premises as provided in Paragraph 13.D.

12. DAMAGES/DESTRUCTION OF LEASED PREMISES:

A. Notice: Within two (2) business days, the County will provide the Landlord with notice of accidents on or damages to the structure, equipment, or fixtures of the Leased Premises or of defects in the roof, plumbing, electric and heating and cooling systems of the Building, or to any defects or damages to the Land.

B. Less than Substantial Damage: In the event of damages or partial destruction comprising less than substantial damage to the Leased Premises by fire or any other casualty, not the fault of the County, this Lease shall not be terminated but the Leased Premises shall be promptly and fully repaired and restored as the case may be by the Landlord. Due allowance, however, shall be given for reasonable time required for adjustment and settlement of insurance claims, and for such other delays as may result from government restrictions, and controls on construction, if any, for strikes, national emergencies, or other conditions beyond the control of the Landlord. The Landlord will proceed at its expense and as expeditiously as possible as may be practicable to repair the damage. The County will be entitled to a partial rent abatement the amount of which is determined by a reduction of the County’s monthly rent by the percentage of the square footage of the Leased Premises which are damaged. Less than substantial damage is defined as damage to the Leased Premises which equals less than twenty (20%) of the cost of replacement.
C. **Substantial Damage:** In the event of damages or partial destruction comprising substantial damage to the Leased Premises by fire or any other casualty, not the fault of the County, the Landlord may, at its sole option, decide not to repair or restore the Leased Premises or the Premises, in which event, the County may terminate this Lease, by giving Landlord a written notice of its intention to terminate this Lease within thirty (30) days after the date of the casualty. In the event County terminates the Lease under the provision of this Paragraph 12.C, the Landlord shall reimburse County a pro-rated share of the Final Cost of Work and any excess as defined in Exhibit C of this Lease, such pro-ration shall be calculated for the period between the date of termination and the end of the Term. If County remains, County will be entitled to a partial rent abatement the amount of which is determined by a reduction of the County’s monthly rent by the percentage of the square footage of the Leased Premises that are damaged. Substantial damage is defined as damages to the Leased Premises which equals more than twenty (20%) of the cost of replacement.

D. **Total Destruction:** In the event of damages or total destruction to the Premises by fire or any other casualty, not the fault of the County, either the County or the Landlord may terminate this Lease with no cost or obligation.

13. **RETURN OF THE LEASED PREMISES:**

A. At the conclusion of the Lease Term as set forth in Article 2, or following the termination of this Lease for any other cause the County will remove all of its goods and effects from the Leased Premises and return to the Landlord all keys, locks, and other fixtures belonging to the Landlord.

B. The County will return the Leased Premises to the Landlord in “broom clean” condition, basic systems will be in proper operating condition, with the agreement the Landlord is responsible for the restoration of the Leased Premises as provided for in this Lease.

C. At the time of termination of this Lease and at the Landlord’s option, the County will participate in a walk-through with the Landlord’s agent or employee to inspect the Leased Premises.

D. Landlord shall be responsible for the restoration of the Leased Premises. It is understood by the Parties that restoration of the Leased Premises by the Landlord is factored into the Rent paid by the County over a seven (7) year period as summarized in Paragraph 4.A of this Lease.

E. In the event the County terminates this Lease prior to the expiration of the Term, either through failure to appropriate or by mutual agreement of the Parties, the County will pay to Landlord as a lump sum the unamortized cost of
demolition and restoration of the Leased Premises, which sum equals Twelve Thousand Six Hundred Seventy One Dollars and Sixty Seven ($12,671.67) per annum for the remainder of the Term, which represents the outstanding amount due for the restoration of the Leased Premises. The County will make this payment to Landlord not later than thirty (30) days following termination.

F. In the event the County does not exercise its option to extend the Term as provided in Paragraph 2.B, the County will pay the Landlord prior to the expiration of the Term, as a lump sum Twenty Two Thousand Five Hundred Dollars and No Cents ($22,500.00), for the unamortized cost of restoration of the Leased Premises which is factored into the rent paid by the County as provided in Paragraph 13.D of this Lease. Likewise, in the event the County does exercise its option to extend the Term as provided in Paragraph 2.B for the first Option Term, and the County subsequently does not extend the Term beyond the first Optional Term, the County will pay the Landlord prior to the expiration of the first Optional Term as a lump sum Eleven Thousand Nine Hundred Forty Dollars and No Cents ($11,940.00) for the unamortized cost of restoration of the Leased Premises which is factored into the rent paid by the County as provided in Paragraph 13.D of this Lease.

14. DEFAULT:

A. Default by the County: Each of the following will constitute an “Event of Default”: (1) the County fails to pay Rent or Additional Rent when due, and the same continues for thirty (30) days after written notice from the Landlord; or (2) the County is in violation of any federal, state, county or local law or regulation involving the use or conduct of its business in or on the Premises or Leased Premises; or (3) the County is using the Leased Premises for an unlawful purpose; or (4) the County is engaging or has engaged in conduct that would increase the danger of fire or other casualty to the Premises or Leased Premises or that could result in an increase of insurance premiums or cancellation of insurance coverage; or (5) the County fails to observe or perform any other material term, condition or covenant under this Lease binding upon or obligating the County within thirty (30) days after notice from the Landlord specifying the failure (or, in the case of any such failure which cannot with due diligence be cured within thirty (30) days, within such additional period, if any, as may be reasonably required by the County to cure such failure with due diligence).

B. Default by the Landlord: If the Landlord or the Landlord’s assigns shall fail or neglect to keep and perform each and every one of the Landlord’s covenants, conditions and agreements as contained in this Lease, and such failure or neglect is not remedied within thirty (30) days (or longer period as may reasonably be required to correct the default with exercise of due diligence) after written notice from the County specifying the default, then the County may pursue legal remedies available to the County including actions necessary to mitigate damages, including any termination, rescission or action for damages.
C. **Force Majeure:** Except as otherwise provided, neither the Landlord nor the County shall be considered in default of an obligation under this Lease nor liable for loss or damage for failure to perform an obligation (nor shall the other party be released from any of its obligations under this Lease if the non-performing party is delayed in performing an obligation), where the performance of such obligation by the non-performing party is delayed as a result of an event of "force majeure" which shall mean any acts of God, strikes, lockouts, labor difficulties, materials shortages, moratoria, explosions, sabotage, accidents, riots, civil unrest, acts of war, results of any warfare or warlike conditions in this or any foreign country, fire or casualty, unusually inclement weather, unusual governmental delay(s), legal requirements, energy shortages or other causes beyond the reasonable control of the non-performing party, Landlord’s inability to remove an existing tenant from the Leased Premises, provided that in no event shall financial inability to pay be considered an event of “force majeure”.

15. **LANDLORD’S REMEDIES:**

A. **Upon occurrence of an Event of Default by the County,** the Landlord is entitled to all remedies available at law or in equity, including, but not limited to, the right to terminate the Lease, the right to re-let the Premises (if the Lease has been terminated), and the right to collect past due amounts from the County, all through appropriate proceedings brought in a court of competent jurisdiction located in Montgomery County, Maryland.

B. **In the event of any deficiency in the payment of Rent and Additional Rent during the Term which is not cured by the County within thirty (30) days after receipt of written demand from the Landlord, or if the County shall not vacate or abandon the Leased Premises, as may be required under this Lease, the Landlord may, by appropriate proceedings, recover the rents then due from the County plus, in the case of any deficiency in the payment of Rent or Additional Rent, late fees as provided in this Paragraph. Late fees are an additional charge of five percent (5%) of the then overdue installment of Rent or Additional Rent.**

C. **In the event that proceedings shall at any time be commenced for recovery of possession and a compromise or settlement shall be effected either before or after judgment whereby the County shall be permitted to retain possession of the Leased Premises, then such proceedings do not constitute a waiver of any condition or agreement contained in this Lease or of any subsequent breach of this Lease. No waiver of any breach of any condition contained in this Lease shall be construed to be a waiver of that condition or of any subsequent breach of this Lease.**

D. **Except as otherwise expressly set forth, all remedies granted in this section or otherwise provided by law shall be cumulative and, unless inconsistent, may be exercised separately, concurrently or successively.**
16. **RULES AND REGULATIONS:**

Existing Rules and Regulations that are applicable to the County are incorporated by reference and made a part of this Lease as Attachment D. The rules and regulations may only be modified by written agreement of the Parties.

17. **COUNTY’S RIGHT OF QUIET ENJOYMENT:**

If the County pays all rent, and performs all of its obligations under this Lease, the County shall at all times during the term of this Lease, and any extensions of this Lease, have the peaceable and quiet enjoyment and possession of the Leased Premises for the purposes stated in this Lease.

18. **WAIVER:**

The waiver at any time by either of the Parties of any particular covenant, condition, obligation, or duty under this Lease shall extend to the particular case only, and for the particular time and in the particular manner specified, and such waiver must not be construed or understood as waiving any further or other rights of either Party.

19. **NON-DISCRIMINATION:**

The Landlord agrees to comply with the non-discrimination policies as required in §§ 11B-33 and Chapter 27 of the Montgomery County Code, (2004), as amended as well as all other applicable county, state, and federal laws and regulations regarding employment discrimination. The Landlord assures the County that in accordance with applicable law; it does not, and agrees that it will not discriminate in any manner on the basis of race, color, religious creed, sex, marital status, national origin, ancestry, disability, sexual orientation or genetic status.

20. **ETHICS REQUIREMENT:**

The Landlord understands and agrees that unless authorized pursuant to Section 11B-52 and Chapter 19A of the Montgomery County Code (2004) as amended, that it is unlawful for any person or entity transacting business with the County to employ a public employee for employment contemporaneous with his or her public employment.

21. **CONTRACT SOLICITATION/BROKER’S FEES OR COMMISSIONS:**

The Landlord represents that it has not retained anyone to solicit or secure this Lease from Montgomery County, Maryland, upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee, except
from bona fide employees or bona fide established commercial, selling or leasing agencies retained by the Landlord for the purpose of securing business or an attorney rendering professional legal service consistent with applicable canons of ethics. The Landlord shall pay all real estate commissions due to Landlord’s broker, Transwestern Commercial Services. The County is not responsible for payment of any broker’s fees in connection with this Lease.

22. **EMINENT DOMAIN:**

If 25% or more of the Premises shall be taken or condemned by any governmental or quasi-governmental authority for any public or quasi-public use or purpose (including, without limitation, sale under threat of such a taking), then the Term shall cease and terminate as of the date when title vests in such governmental or quasi-governmental authority, and rent shall be prorated to the date when title vests in such governmental or quasi-governmental authority. If less than 25% of the Premises is taken or condemned by any governmental or quasi-governmental authority for any public or quasi-public use or purpose (including, without limitation, sale under threat of such a taking), rent and the County’s proportionate share shall be reduced by the ratio that the portion so taken bears to the rentable square footage of the Premises before such taking, effective as of the date when title vest in such governmental or quasi-governmental authority, and this Lease shall otherwise continue in full force and effect. The County shall have no claim against the Landlord (or otherwise) as a result of such taking, and the County agrees to make no claim against the condemning authority for any portion of the amount that may be awarded as compensation or damages as a result of such taking; provided, however, that the County may, to the extent allowed by law, claim an award for moving expenses and for the taking of any of the County’s property (other than its leasehold interest in the Premises) which does not, under the terms of this Lease, become the property of the Landlord at the termination of this Lease, as long as such claim is separate and distinct from any claim of the Landlord and does not diminish the Landlord’s award.

23. **HOLDOVER:**

A. **No Right to Holdover:** The County shall have no right to holdover and continue to occupy the Leased Premises upon expiration or termination of this Lease without first obtaining the prior written permission of the Landlord.

B. **Holdover with Consent:** If the County holds over the expiration of this Lease with the Landlord’s consent, the tenancy created by such holding over will be a month to month tenancy, but in all other respects will be governed by the terms of this Lease, provided, however, that (1) in all cases (except a default by the County) a thirty (30) day notice will be required to terminate the tenancy created by such consented hold-over; and (2) the monthly rent payable under this
Lease during any such holdover period will be 125% of the Rent in effect for the last month of the Term then ending; and provided that (a) if, upon the expiration of this Lease, the County and the Landlord are actively engaged in good faith negotiations for a renewal or extension of this Lease, the Landlord agrees (on the condition the remainder of such holdover rent is paid timely) to defer payment of the excess of such holdover rent above the rental in effect immediately prior to the expiration of the Lease until the earlier of the one hundred twentieth (120th) day after the expiration of the Term or the date on which such negotiations cease, and (b) if, on or before the one hundred twentieth (120th) day after the expiration of the Term, the County and the Landlord execute and deliver a renewal or extension of this Lease, then the Landlord agrees to waive payment of the amount of holdover rent deferred pursuant to this Section.

C. Holdover without Consent: Notwithstanding the foregoing, if the County holds over after the expiration of this Lease without the Landlord’s consent, the County must, in the absence of any agreement to the contrary, be the tenant at sufferance and shall pay to the Landlord holdover damages equal to 200% of the Rent in effect for the last month of the Term ending plus Additional Rent in effect immediately prior to the expiration of the Term for each month during the entire period of such tenancy at sufferance.

24. ENTIRE AGREEMENT:

This Lease (which contains and includes the Attachments) is the entire agreement between the Parties, and no representations, inducements, or agreement, oral or otherwise, between the Parties not contained in this Lease shall be of any force of effect.

25. MODIFICATION:

This Lease including the Rules and Regulations, which may be changed from time to time, must not be modified in any manner except by an instrument in writing executed by both Parties with the same formality as this Lease.

26. NOTICES:

All notices required or desired to be given in accordance with this Lease by either party must be given by first class mail with a nationally recognized receipted delivery service, postage prepaid, addressed to the County or Landlord, respectively. Notices to the Parties must be addressed as follows:
27. GOVERNING LAW:

   This Lease and its performance is to be governed, interpreted, construed, and regulated by the laws of Montgomery County and the State of Maryland.

28. CLAIMS:

   Any claim or action brought by or on behalf of either Party in connection with the performance of this Lease must be filed and maintained in a court of competent jurisdiction in Montgomery County, Maryland.
29. **NO PARTNERSHIP:**

Nothing contained in this Lease shall be deemed or construed to create a partnership or joint venture of or between the Landlord and the County, or to create any other relationship between the Landlord and the County other than that of landlord and tenant.

30. **SALE:**

In the event that the original Landlord, or any successor owner of the Premises shall sell or convey the Premises, all liabilities and obligations on the part of the original Landlord, or such successor owner, under this Lease occurring thereafter shall terminate as of the day of such sale, and all such liabilities and obligations shall be binding on the new owner. The County agrees to attorn to such new owner. Any successor to the Landlord's interest shall not be bound by (i) any payment of Base Rent or Additional Rent for more than one (1) month in advance other than the pre-payment by the County of demolition and restoration costs or (ii) as any mortgagee or any purchaser at foreclosure, any amendment or modification of this Lease made without the consent of such mortgagee.

31. **WAIVER OF TRIAL:**

IN CONSIDERATION OF THE RECIPROCAL WAIVER GRANTED BY THE OTHER PARTY PURSUANT TO THIS SECTION THE LANDLORD AND THE COUNTY: (1) COVENANT AND AGREE NOT TO ELECT A TRIAL BY JURY OF ANY ISSUE TRIABLE OF RIGHT BY A JURY, AND (2) WAIVE ANY RIGHT TO TRIAL BY JURY FULLY TO THE EXTENT THAT ANY SUCH RIGHT SHALL NOW OR LATER COME TO EXIST, WITH RESPECT TO EACH AND EVERY ACTION, CLAIM, COUNTERCLAIMS, PROCEEDING, OR SUIT RELATED TO THIS LEASE IN WHICH THE LANDLORD AND THE COUNTY ARE ADVERSE PARTIES OR TAKE ADVERSE POSITIONS. THIS WAIVER OF RIGHT TO TRIAL BY JURY IS SEPARATELY GIVEN, KNOWINGLY AND VOLUNTARILY. THE PARTIES ARE AUTHORIZED AND REQUESTED TO SUBMIT THIS LEASE PROVISION TO ANY COURT HAVING JURISDICTION OVER THE SUBJECT MATTER AND THE PARTIES TO THIS LEASE, SO AS TO SERVE AS CONCLUSIVE EVIDENCE OF THE WAIVER OF THE RIGHT TO JURY TRIAL.

32. **INDEMNIFICATION BY COUNTY:**

County hereby agrees to defend, indemnify and hold Landlord harmless from and against any cost, damage, claim, liability or expense (including reasonable attorneys' fees) incurred by or claimed against Landlord, directly or indirectly, which is occasioned by or results from (i) any act, omission, fault, negligence or misconduct on the part of County, its employees, and personnel of a
fire company or rescue company, or (ii) from County's use and occupancy of the
Leased Premises or in any other manner which relates to the operations of the
County and/or the Fire and Rescue Services Division and/or their vehicles within
the Complex.

Any indemnification given in this Lease by the County is subject to the notice
requirements and damages limitations stated in the Local Government Tort
Proc. § 5-604 (2002 Repl. Vol.), (together the “County Indemnification
Statutes”), all as amended from time to time, and that any indemnification given
by the County in this Lease is not intended to create any rights or causes of action
in any third parties or to increase the County’s liability above the caps provided in
the County Indemnification Statutes, as applicable.

33. ESTOPPEL CERTIFICATE:

The County agrees that upon not less than thirty (30) days prior written notice by
Landlord, to execute and deliver to Landlord a statement in writing: (i) that the
Lease is unmodified and in full force and effect (or if there have been
modifications, the Lease as amended is in full force and effect); (ii) stating the
dates to which the Base Rent and Additional Rent have been paid by the County;
(iii) stating whether or not to the best knowledge of the County, Landlord is in
default in the performance of any covenant, agreement or condition contained in
this Lease, and, if so, specifying each such default of which the County may have
knowledge; and (iv) stating the address to which notice to the County should be
sent. The Estoppel Certificate must be in the form attached to this Lease as
Exhibit F, and incorporated as if fully set forth.

34. SUBORDINATION:

Landlord shall have the absolute right to encumber the Premises and the
Lease, at the sole option of Landlord and without any further writing signed or to
be signed by the County, shall be subordinate to such encumbrance or
ecumbrances. The County agrees to sign subordination instruments that are
legally permissible and acceptable to the County not later than (30) days after
Landlord’s written request, upon the express condition that the Lease must be
recognized by the holder of the encumbrance and the rights of the County shall
remain in full force and effect during the Term or any Optional Term so long as
the County is not in default under the Lease. In the event of a sale or transfer of
the title to the Leased Premises, any transferee shall be entitled to have this Lease
subordinated to the lien and effect of any first deed of trust or mortgage to secure
purchase money. The County agrees to sign subordination instruments that are
legally permissible and acceptable to the County not later than (30) days after
written request by the Landlord’s successor, upon the express condition that the Lease must be recognized by the holder of the encumbrance and the rights of the County shall remain in full force and effect during the Term or any Optional Term so long as the County is not in default under the Lease.

SIGNATURE PAGEfollows
IN WITNESS WHEREOF, the PARTIES hereto have duly signed these presents and affixed their respective seals the day and year first above written.

LANDLORD:

FORSGATE VENTURES II, LLC

Witness: Sherry K. Komnider

By: 
Name: Stephen Seiden
Title: Managing Member

COUNTY:

MONTGOMERY COUNTY, MARYLAND
A body corporate and politic and a Political subdivision of the State of Maryland

Witness: Rebecca Romark

By: Joseph F. Beach
Name: Joseph F. Beach
Title: Assistant Chief Administrative Officer

Approved as to form and legality
Office of the county Attorney

Recommended:

By: Eileen T. Basaman
Name: Eileen T. Basaman
Title: Assoc. County Attorney

By: Cynthia Brenneman
Name: Cynthia Brenneman
Title: Director, Office of Real Estate
EXHIBIT B

Architectural Plans

(plans to be attached)
EXHIBIT C

DESIGN SCHEDULE AND CONSTRUCTION MANAGEMENT

DESIGN SCHEDULE

1. Landlord, at County’s request and expense, has previously retained DNC Architects to prepare its permit and construction drawings (the “Construction Documents” or “Architectural Plans”) for the Tenant Improvements to the Leased Premises to be made at County’s expense.

2. County shall have five (5) business days to accept or reject the Construction Documents after receipt from Landlord. County shall notify Landlord if the Construction Documents are accepted or rejected by County. In the event the Construction Documents are rejected, the Landlord will take steps to correct the same and resubmit to County for approval.

3. Within five (5) business days of the later of: (i) the execution of this Lease; or (ii) Landlord's receipt of the Construction Documents in acceptable form to Landlord and the County, Landlord shall have five (5) business days to submit the Construction Documents to its general contractor, Coakley Williams Construction to obtain a cost of work as to all material portions of the construction work.

4. Upon receipt, Landlord shall promptly provide the County with a copy of the cost of work submitted to the Landlord. Landlord shall have ten (10) business days to review and qualify the cost of work, and to submit to the County for its approval the final cost of work, which shall include the design fees, permit fees, WSSC fees, construction costs, the general contractor's fee and all other costs and fees incurred to complete the Tenant Improvements (the "Final Cost of Work"). Thereafter, the County shall have three (3) business days to approve or disapprove the Final Cost of Work.

CONSTRUCTION MANAGEMENT

1. The County will have access to the space while the Landlord is completing the Tenant Improvements. The Tenant Improvements shall be deemed complete upon receipt of final release of liens certificate from Coakley Williams Construction.

2. At County's expense, Landlord has engaged a general contractor to manage the design and construction of the Tenant Improvements. The Landlord's and general contractor's charges for construction management and coordination fees associated with the Tenant Improvements shall be included in the Final Cost of Work. County may inspect the work to assure that it has been completed in a workmanlike manner and in accordance with the Construction Documents. County shall be solely responsible for the amount of the Final Cost of Work and any excess. Unless otherwise agreed to by the Landlord and the County, invoices
(together with appropriate supporting documentation) will be submitted monthly and shall be paid by County within fifteen (15) business days of receipt. The invoice amount will be for the work completed and stored as of the invoice date less five percent (5%) retainage. The final invoice shall be submitted upon completion of the work, which is defined as the date upon which: (i) the improvements to be constructed are substantially completed, notwithstanding that minor or insubstantial details of construction, mechanical adjustment or decoration remain to be performed, the non-completion of which would not materially affect County's use or the appearance of the Leased Premises; (ii) final inspections have been successfully completed for all work requiring final inspections under the required permits; and (iii) Landlord delivers possession of the Leased Premises to the County. Upon taking possession of the Leased Premises, the County shall thereby accept the condition of the Leased Premises, subject to punch list items.

3. Landlord and County shall use commercially reasonable efforts to complete any punch list items on the list of items submitted by County to Landlord, within thirty (30) days following the completion date or such additional period as may be reasonably required. The term "Punch List Items" shall mean details of construction, decoration and mechanical adjustment which, in the aggregate, are minor in character and do not materially interfere with County's use or enjoyment of the Leased Premises.

4. Landlord shall transfer all assignable warrantees for the Tenant Improvements to County.

5. Notwithstanding anything to the contrary stated herein or in the Lease, in the event that the County terminates the Lease or the agreement for Landlord to construct the Tenant Improvements for any reason, other than Landlord's default, the County shall immediately upon termination pay the Landlord all unpaid amounts incurred to the date of termination, which are part of the Final Cost of Work, and all other reasonable costs and expenses incurred by the Landlord in connection with the Lease and the Leased Premises.
EXHIBIT D
RULES AND REGULATIONS

For purposes hereof, the terms “Landlord,” “County,” “Complex,” “Building” and “Premises” are defined as those terms are defined in the Lease to which these Rules and Regulations are attached. Wherever County is obligated under these Rules and Regulations to do or refrain from doing an act or thing, such obligation shall include the exercise by County of its best efforts to secure compliance with such obligation by the servants, employees, contractors, jobbers, agents, invitees, licensees, guests and visitors of County. The term “Building” shall include the Premises, and any obligations of County hereunder with regard to the Building shall apply with equal force to the Premises and to other parts of the Building.

(a) The sidewalks, entrances, passages, courts, vestibules, stairways, corridors, parking lots or other parts of the Complex not occupied by County shall not be obstructed or encumbered by County or used for any purpose other than ingress and egress to and from the Premises. Landlord shall have the right to control and operate the public portions of the Complex, and the facilities furnished for the common use of the tenants, in such manner as Landlord deems best for the benefit of the tenants generally. No tenant shall permit the visit to the Premises of persons under such conditions as to interfere with the use and enjoyment by other tenants of the entrances, parking lot and other public portions of facilities of the Building.

(b) No awnings, air conditioning units or other projections shall be attached to the outside walls or window sills of the Building on the Property or otherwise project from the Building.

(c) The County shall not stack merchandise or materials against the walls of the Premises so as to create a load or weight factor upon the walls. The County shall not tie in any racking system with such walls, nor hang shelves, equipment or any materials from or otherwise load the walls, ceiling or structural parts of the Building without the express written consent of the Landlord.

(d) The Leased Premises shall be used for a Montgomery County fire station, as uses incidental, related and accessory to the main use, which incidental uses shall include all uses of a County fire station. The County recognizes that the Leased Premises are located in an office park and fire and rescue units operating in the Complex shall use reasonable efforts to minimize disruption to other tenants.

(e) Except for service animals, no animals, birds or pets of any kind shall be brought into or kept in or about the Premises. County shall not cause or permit any unusual or objectionable odors to originate from the Premises.

(f) No inflammable, combustible or explosive fluid, chemical or substances shall be brought into or kept upon the Premises, except for such amounts and
uses thereof that are normal to the permitted use of the Premises as a Fire Station and in compliance with all federal, state and local laws and regulations.

(g) County shall install and maintain at County’s expense fire extinguishers per local government regulation or law.

(h) County shall ensure that the doors of the Premises are closed and locked and that all water faucets, water apparatus and utilities are shut off before County or County’s employees leave the Premises so as to prevent waste or damage (except that adequate heat shall be left on to prevent freezing of pipes), and for any default or carelessness in this regard

(i) County shall not install any radio or television antenna, loudspeaker, siren or other device on the roof or exterior walls of the Building without the Landlord’s approval. No TV or radio or recorder shall be played in such a manner as to cause a nuisance to any other tenant.

(j) County shall store all its trash and garbage within the Premises or in the trash dumpsters designated by Landlord. No material shall be place in the trash dumpsters or receptacles if such material is of such nature that it may not be disposed of in the ordinary and customary manner of removing and disposing of trash and garbage for similar type complexes in Montgomery County without being in violation of any law or ordinance governing such disposal. County shall not place or allow to be placed in the trash dumpsters or other trash receptacles any trash not produced within the Premises (i.e. no dumping of off-site materials or debris), any hazardous or dangerous material or any undue amount of trash. Large materials, such as engine blocks, machine parts and other items shall not be placed in the dumpster; County shall be responsible for such trash removal.

(k) The plumbing facilities shall not be used for any other purpose than that for which they are intended, and no foreign substance of any kind shall be thrown therein, and the expense of any breakage, stoppage of the sewer line or resulting damage caused by County shall be borne by the County. County shall be responsible for the prompt repair, at its expense, of dripping faucets, running toilets, etc. caused by tenant.

(l) No wall or roof penetrations will be allowed without the written consent of the Landlord. When allowed, the cutting and patching of the roof will be at the County’s expense and will be done by the Roofing Contractor guaranteeing the roof system.

(m) No fundraiser shall be conducted at the Leased Premises.

(n) Canvassing, soliciting, distribution of handbills or any other written material and peddling in the Complex are prohibited, and County shall cooperate to prevent same.
(o) The exterior areas immediately adjoining the Premises shall be kept clean and free from snow, ice, dirt and rubbish by County to the satisfaction of Landlord, and County shall not place or permit any obstructions in such areas.

(p) County, its agents, and employees may not park any unlicensed or junk cars within the Complex or any portion thereof at any time.

(q) County shall not commit or suffer to be committed any waste upon the Premises or any nuisance or other act or thing which may disturb the quiet enjoyment of any other tenant in the Complex other than normal activities required by operation of a fire station.

(r) The windows in the Premises shall not be covered or obstructed by County, nor shall articles be placed on the windowsills or in the halls or in any other part of the Building, nor shall any articles be thrown out of the doors or windows of the Premises.

(s) No additional locks or bolts of any kind shall be placed upon any of the doors or windows by County, and County shall, upon the termination of this tenancy, deliver to Landlord all keys to the Premises either furnished to, or otherwise procured by, County and, in the event of the loss of any keys so furnished, County shall pay to Landlord the cost thereof.

(t) Landlord shall use his best efforts to uniformly apply such Rules and Regulations, but Landlord shall not be responsible to County for the non-observance or violation of any of these Rules and Regulations by any other tenants.

(u) The County shall not erect, make or maintain on, or attach or affix to any part of the Premises, including the windows and doors, any sign, picture or other representation or advertisement or notice of any kind without the express written consent of the Landlord obtained in advance.

(v) The County reserves the right to remove snow from the parking areas, driveways, sidewalks, and ramps on the Property as well as other areas to ensure safe ingress and egress of fire and rescue vehicles to Gateway Center Drive.

(w) Except for electrical wires or conduits, no article shall be fastened to, or holes drilled, or nails or screws driven in the block walls or block partitions, nor shall the block walls or block partitions be painted, papered or otherwise covered, or in any way marked or broken.