

LEASE

BETWEEN

CLUB LT LLC
(LANDLORD)

AND

MONTGOMERY COUNTY, MARYLAND

ADDRESS:

8230 GEORGIA AVENUE
SILVER SPRING, MD 20910

LEASE AGREEMENT

THIS LEASE AGREEMENT, made this 26th day of June, 2015 by and between CLUB LT LLC, a Maryland limited liability company (hereinafter called "Landlord") and MONTGOMERY COUNTY, MARYLAND, a body corporate and politic and a political subdivision of the State of Maryland, through the Department of Liquor Control (hereinafter called "County") the Landlord and the County collectively the "Parties".

WITNESSETH:

That in consideration of the rents and covenants hereinafter set forth, Landlord hereby leases to Tenant, and Tenant hereby rents from Landlord, premises located at 8230 Georgia Avenue, Silver Spring, MD, 20910, located in Montgomery County, Maryland, hereinafter referred to as the "Building". The Building and other facilities related hereto are located upon a parcel of land, hereinafter referred to as the "Property" as shown on the plat attached hereto and incorporated herein as Exhibit "A". This Lease shall be for the term, upon the rents, and subject to the terms and conditions hereinafter set forth as follows:

1. CONTINGENCY

This Lease is contingent upon Landlord purchasing and closing on the acquisition of the Property. If Landlord does not close on the Property by June 30, 2016, Landlord or Tenant shall have the right to terminate this Lease.

2. LEASED PREMISES

The portion of the Building leased hereunder is hereinafter referred to as the "Leased Premises" and contains approximately 5,053 square feet of ground floor retail leasehold space, including half of the shared common areas, as depicted as "FIRST FLOOR" on Exhibit "B", attached hereto and incorporated herein. For the purposes of determining the square footage of the Leased Premises, leasehold space is calculated by measuring from the outside exterior walls of the Leased Premises to the center line of any partitions constructed which separate the Leased Premises from the remaining or adjacent premises of the Building.

3. GRANT OF LEASEHOLD INTEREST

Landlord hereby demises and leases the Leased Premises to Tenant and Tenant hereby rents and takes the Leased Premises from Landlord, for the purposes and subject to the rents and other terms and conditions in this Lease (together with the Rules and Regulations including any additions or revisions from time to time adopted by Landlord) as the Building is now or to be constructed, together with a non-exclusive license to use, in common with Landlord and others to whom Landlord gives similar rights, all areas and facilities which may be designated by

Landlord as "Common Facilities" for general use by all customers, suppliers, employees and other business invitees of occupants of the Premises.

4. LANDLORD'S RESERVATIONS

Landlord reserves the right to change, enlarge, reduce, and otherwise modify any structure or improvement now or later constructed on the Property, and to change the size, appearance, character and other features of the Building, and/or any of the Appurtenant Facilities (as hereinafter defined). For example, Landlord may (a) change the locations and/or dimensions of parking areas, roads, entrances, exits, courtyards, corridors, footways and loading and other facilities of the Property; (b) place landscaping, plantings, decorative items, temporary structures and areas for retail sales and promotional activities in any courtyards, corridors, footways, and other elements of the Common Facilities; (c) make alterations and additions to and build additional floors on or above the Building in which the Leased Premises is located; (d) erect temporary scaffolds, protective barriers and other aides to construction on, around and about the exterior of the Leased Premises; (e) enter the Leased Premises to shore and support the foundations and/or walls to install, maintain, use, repair, replace, remove and inspect pipes, ducts, conduits and wires passing into, through, above or beneath the Leased Premises for service to other parts of the Building; and (f) cover over or enclose all or any portion of any courtyard, corridor, footways or other area intended for pedestrian passage of customers or other business invitees of occupants of the Building. If Landlord does any of the things cited above, it will not (1) invalidate or affect this Lease or any right hereunder, (2) constitute an eviction of Tenant or breach of this Lease, (3) give rise to any claim for abatement of rent or other obligation of Tenant, or (4) be the basis of a claim for damages by Tenant for any inconvenience, loss of business or other economic loss caused thereby (excepting only claims for property damage and/or bodily injury); provided, however, that none of the restrictions or regulations shall materially adversely interfere with access to or from the Leased Premises, or with the visibility of the storefront sign on the Leased Premises from, the proximate portion of the Common Facilities or reduce the parking facilities immediately adjacent to the Leased Premises below the minimum parking required by applicable codes or below the ten (10) parking spaces provided on the attached Site Plan which Tenant has the exclusive right to.

5. LEASEHOLD IMPROVEMENTS

(a) Except as expressly set forth below, Tenant shall accept the Leased Premises in "as-is" condition and shall fund and construct any leasehold improvements required for its use and occupation of the Leased Premises. Notwithstanding the above, Landlord shall deliver the Leased Premises, including all access points to the Leased Premises, in sound condition both structurally and mechanically; water tight; with all systems and utilities in good working order and stubbed to the Leased Premises, including a new HVAC unit at a capacity of one ton per 350 rentable square feet, which Landlord shall evidence by providing a certificate of inspection/commissioning performed within a month of delivery date; in compliance with

applicable laws, including ADA compliance with respect to the Landlord's Work described in Exhibit C, and free of materials that violate Federal, State or County environmental laws. In addition, Landlord shall construct the improvements described in the outline specifications set forth on Exhibit C attached hereto and incorporated herein. The Premises will be delivered broom clean, with the previous tenant's fixtures and alterations completely removed.

(b) Within ten (10) days from the Delivery Date (hereinafter defined), Tenant shall provide Landlord with a scaled plan and specifications, for the layout of the Leased Premises, including the location of all partitions, interior doors, lighting fixtures, lightpole switches, electrical outlets, telephone receptacles or systems, together with the specifications therefor and any other improvements Tenant desires to be made thereto. Following the Delivery Date (hereinafter defined), and upon approval of the plans and specifications by Landlord, which shall not be unreasonably withheld, conditioned or delayed Tenant shall, at its own expense, provide, construct and install in the Leased Premises, the improvements described in the approved plans and specifications. All said work by Tenant shall be performed in a professional and workmanlike manner using materials consistent with the level and quality used in the Building.

(c) Upon the completion of the improvements by Landlord as set forth on Exhibit C, Landlord shall deliver the Leased Premises to Tenant (the "Delivery Date") and Tenant shall then construct and install all improvements to the Leased Premises required by Tenant's plans and specifications at Tenant's sole cost and expense.

(d) Tenant shall not transport any safe, heavy machinery, heavy equipment, including computer terminals or other computer equipment (other than standard "personal computer" type computers), bulky matter or fixtures (the "equipment and machinery") into or out of the Building or Leased Premises without Landlord's prior written consent and approval, which shall not be unreasonably withheld, conditioned or delayed. In obtaining Landlord's approval as required under this paragraph, Tenant agrees to provide Landlord with all technical specifications concerning the equipment and machinery and to pay the costs of any and all structural changes which in the sole discretion of Landlord are required to be made in order to safely and efficiently accommodate the equipment or machinery to be transported into or out of the Building or Leased Premises. If such equipment or machinery requires special handling, Tenant agrees to employ only persons holding the proper license to do said work, and that all work in connection therewith shall comply with any applicable federal, state, city or other governing laws, rules or regulations. Tenant understands and agrees that it is liable for any damage done to the Building or Leased Premises resulting from the movement of any equipment or machinery by Tenant, its agents, employees or contractors.

(e) If a mechanic's lien or claim is filed against Landlord's property because of work, labor or services performed or materials furnished for Tenant or anyone authorized by Tenant, Tenant shall cause it to be discharged to the satisfaction of Landlord within fifteen (15) days of the receipt of notice of the filing; however, if Tenant shall fail to cause such lien or claim to be

discharged to the satisfaction of Landlord, Landlord may, in addition to any other right or remedy, discharge it by paying the amount claimed to be due. Any amount paid by Landlord and all related costs and expenses (including reasonable attorney's fees) together with interest thereon as provided for in this Lease, of all such amounts shall be due and payable by Tenant to Landlord on demand as compensation for Landlord's administrative expenses and this amount shall be considered Additional Rent payable by Tenant with the first installment of rental thereafter becoming due and payable. Tenant shall provide to Landlord a release of liens for any work on the Leased Premises which may be performed or authorized by Tenant.

(f) Tenant shall provide, at its own expense, for the removal of all waste, debris and excess materials resulting from its making the improvements described in this Section 5 and from its moving in and occupying the Leased Premises. At no time shall Tenant or Tenant's contractors place temporarily or otherwise any of said waste or debris either outside the Leased Premises or in or near those dumpsters provided in Section 20 (b) hereof, those dumpsters being intended for the sole purpose of holding the refuse of day to day business of Tenant and other tenants in the Building.

6. TERM

(a) This Lease shall commence on the date of mutual lease execution by Landlord and Tenant (hereinafter referred to as the "Commencement Date") and shall be for a term of ten (10) years, commencing on the Rent Commencement Date, as defined below, (hereinafter "Term"), plus the part of the month, if any, from the date of the commencement of the Term to the first day of the first full calendar month thereof. Six (6) months after the Delivery Date, Tenant shall commence paying Fixed Minimum Rent and Additional Rent as set forth in this Lease (hereinafter "Rent Commencement Date"). As soon as the Rent Commencement Date has been determined, each of the parties hereto agrees, upon demand of the other, to execute a declaration form expressing the commencement and termination dates of the Term.

(b) Tenant shall work diligently towards completing the leasehold improvements and opening for business to the public. If Tenant fails to take possession and to open the store for business fully fixtured, stocked and staffed within one hundred eighty (180) days after the Commencement Date, Landlord may, thereafter, in addition to any and all other remedies, collect not only all Fixed Minimum Rent and Additional Rents due under the Lease, but Additional Rent at the rate equal to twenty five percent (25%) of each monthly installment of Fixed Minimum Rent due and payable hereunder for each month or portion thereof occurring after for each and every day that Tenant shall fail to open for business.

(c) This Lease is subject to the Non-Appropriation as set forth in Section 65 of this Lease.

7. FIXED MINIMUM RENT

(a) Tenant covenants and agrees to pay to Landlord, upon the Rent Commencement Date, as Fixed Minimum Rent for the Leased Premises, for the first ten (10) years of the Lease Term, rent at the rate of Two Hundred Forty Thousand Nine Seventeen and 50/100 Dollars (\$240,017.50) per annum, payable in twelve (12) monthly installments of Twenty Thousand One and 46/100 Dollars (\$20,001.46), due in advance, on the first day of each full calendar month during the Term, subject to escalation as provided in Section 8.

(b) All rentals payable by Tenant to Landlord under this Agreement shall be due and paid to Landlord at the office of Landlord or at such place as Landlord may designate without prior demand therefor and, except as provided herein, *without any set-off or deduction whatsoever*. Tenant will promptly pay all rentals herein prescribed when and as the same shall become due and payable. Tenant shall pay a "late charge" of five percent (5%) of any installment of rental (or any other charge or payment as may be considered Additional Rent under this Lease) when paid more than ten (10) days after the due date thereof, to cover the extra expense involved in handling delinquent payments. If Landlord shall pay any money, or incur any expenses in correction of the violation of any covenants herein set forth, the amount so paid or incurred shall, at Landlord's option, and on written notice to Tenant, be considered Additional Rent payable by Tenant with the first installment of rental thereafter becoming due and payable. Notwithstanding the provisions of this Section 7(b), the late charge shall not be imposed upon the County for the first late payment made by the County during a calendar year, provided the County shall make such payment within fifteen (15) days of said payment being due.

8. ADJUSTMENTS TO FIXED MINIMUM RENT

Fixed Minimum Rent payable under Section 7 of this Agreement shall be increased on the fifth anniversary of the Rent Commencement Date at a rate equal to ten percent (10%) over the Fixed Minimum Rent payable during the preceding year, as set forth above in Section 7, for the next five (5) years of the Term.

9. THIS SECTION INTENTIONALLY OMITTED

10. THIS SECTION INTENTIONALLY OMITTED

11. TENANT'S BUSINESS OPERATIONS AND USE OF LEASED PREMISES

(a) The Leased Premises are leased to Tenant solely for the purpose of the operation of a retail beer/wine and liquor store, with the sale of corresponding accessories and for no other purposes. Tenant understands and agrees that its business is to be conducted for the exclusive purpose of selling to members of the general public only those services and/or items of merchandise listed on Exhibit "D" attached hereto, and incorporated by reference herein. Any changes in this list of merchandise/services to be sold by Tenant on the Leased Premises shall be submitted to

Landlord for written approval, which shall not be unreasonably withheld, conditioned or delayed. Tenant acknowledges and warrants that it has investigated its ability to obtain and maintain all licenses and permits required for the use and operation of its business within the Leased Premises and is satisfied that it will be able to obtain and maintain such licenses and permits during the Term hereof. Landlord disclaims all warranties and representations as to the requirements of local government agencies in connection with granting and/or maintaining for Tenant, its operating license and permits for the Leased Premises. In addition, no use shall be made or permitted to be made of the Leased Premises or acts done which will increase the existing rate of insurance on any structure or improvement within the Property, or cause the cancellation of any insurance policy covering any structure or improvement within the Property, nor shall Tenant sell or permit to be kept, used or sold in or about the Leased Premises, any article which may be prohibited by the standard form of fire insurance policies.

(b) Tenant shall not commit or suffer to be committed any waste upon the Leased Premises or any public or private nuisance or any other act or thing which may disturb the quiet enjoyment of any other tenant in the Building. Tenant agrees to maintain the Leased Premises in a clean and orderly condition and shall be kept free from vermin and rodents. Tenant shall contract for and continuously utilize pest and rodent extermination services for the Leased Premises with a contractor approved by Landlord which approval shall not be unreasonably withheld, conditioned or delayed. The cost of this service contract shall be borne by Tenant and a copy of same must be mailed to Landlord within thirty (30) days of occupancy in the initial year of the Term of the Lease and within thirty (30) days after the first day of each and every subsequent year of occupancy during the Term of this Lease. Tenant shall not use the Leased Premises or permit the same to be used in whole or in part for any purpose or use that is deemed to be in violation of any of the laws, ordinances, regulations or rules of any public authority or organization at any time.

(c) Tenant acknowledges that the Leased Premises is intended to be part of an integrated retail and office facility to be operated as a unified commercial center and that Tenant's operation of the uses permitted under this Section will be supportive of and supported by the operations of other tenants and occupants of the Building. Therefore, Tenant also acknowledges that any failure by Tenant to conduct its operations at the Leased Premises in accordance with this Lease and the Rules and Regulations adopted from time to time by Landlord and in general conformity with the operations of other tenants of the Building will cause Landlord to suffer substantial injuries by, among other things, jeopardizing the value of the Property and the improvements thereon.

(d) During the Term of this Lease, Tenant will continue to operate or cause its business to be operated continuously and diligently, in good faith, adequately staffed and, unless prevented by reason of strikes or other labor disputes which are not within the control of Tenant, adequately stocked with seasonable merchandise of a kind and type which Tenant is permitted to sell under this Section 11 and in the manner of other Montgomery County liquor stores. Throughout the

Term of this Lease, Tenant will cause its business at the Leased Premises to remain open each Monday through Saturday, inclusive (excepting legal holidays), from not later than 10 am. until at least 9 p.m. Tenant will operate and advertise its business at the Leased Premises only under Tenant's trade name unless and until the use of another name is approved in writing by Landlord. Tenant will operate its business solely within the interior of the Leased Premises and no use of the adjacent sidewalks, parking lot or common areas may be used for the display, sale or storage of Tenant's products, services or wares. Notwithstanding anything to the contrary contained in this Lease, Tenant may, but shall not be required, to remain open on Sundays, Montgomery County, Maryland holiday's or national holidays.

(e) During the Term, Tenant shall not directly or indirectly own or operate either by itself or with others in any similar or competing business within a radius of one (1) mile from the outside boundary of the Building.

(f) As a material inducement for Landlord to enter into this Lease, Tenant acknowledges the need to protect all tenants, customers and invitees to the Building from all noxious odors and/or smells emitted from the Leased Premises. Tenant represents and warrants that it will continuously provide and employ the necessary ventilation systems that are customarily operated by similar stores to prevent noxious odors and smells originating in the Leased Premises and from being detectable outside of the Leased Premises and in the Building. Failure to perform this covenant and obligation shall be deemed a default of this Lease and Landlord may avail itself of all remedies available to it in this Lease.

(g) Tenant acknowledges that Landlord is concerned that Tenant's type of operation and that of other tenants in the Building may have tendencies to attract or draw loitering outside of such locations. The Leased Premises hereunder is a part of integrated commercial Building and is essentially surrounded by the common areas of the Building shared and utilized by other tenants of the Building and subsequently, any loitering would have a negative effect upon the Landlord and other tenants of the Building, both tangible in the way of increased common area expenses, as well as not so tangible impacts upon the business of others. Consequently, Tenant hereby covenants and agrees to take such actions to discourage and prevent any loitering in or about the Leased Premises, including, if determined necessary in Landlord's reasonable discretion, arranging for the employment of a properly trained security guard(s) to work on a part time basis as Landlord may require, sufficient to disburse and keep disbursed any loiterers on or about the Leased Premises. If, within thirty (30) days after receiving written notice from Landlord requiring same, Tenant has not employed such service, Landlord may employ such service on behalf of Tenant and Tenant shall immediately upon invoice from Landlord, reimburse Landlord for the full cost of such service.

12. COMMON AREAS AND FACILITIES

(a) During the Term of this Lease, Tenant shall have the right of non-exclusive use, in common with others, of any courtyards, corridors, stairwells, driveways, footways, loading facilities and other common areas and facilities, shown on Exhibit "A" provided that such use shall be subject to such Rules and Regulations as Landlord may from time to time prescribe governing the same; and provided that Landlord shall at all times have full and exclusive control, management and direction thereof. Tenant understands and agrees that none of the rights granted herein extend to the use of any of the Appurtenant Facilities (as hereinafter defined in Section 19(e)) of any other tenant located in the Building. Landlord shall further have the right to police all common areas; to close temporarily all or any portion of the common areas as may be required for proper maintenance and/or repair; to change the location, layout and arrangement of the common areas and facilities, driveways and footways from time to time; and, to do and perform such other acts in and to such areas as, in the use of its business judgment, Landlord shall determine to be advisable in order to improve the overall operation and/or make more convenient the use thereof by tenants of the Building.

(b) It is understood and agreed by Tenant that Landlord shall not be required to employ any security system or personnel for either the Building or the Leased Premises. However, in the event that Landlord does employ any of the aforementioned security personnel or system, Landlord shall provide and employ said personnel or system and the costs thereof shall be borne by Tenant based on the square foot percentage that Tenant's Leased Premises bears to the total leasehold premises occupied by all tenants of the Building.

(c) Tenant shall have the exclusive right to ten (10) parking spaces in the parking area designated for that purpose on Exhibit "J", by the Landlord. Landlord will not be obligated to enforce the exclusive parking, including towing of cars parked in the designated area. In addition, Tenant and its customers shall have the non-exclusive right to all other parking on the Property designated as customer parking, except for those spaces reserved exclusively for other tenants at the Property. Tenant shall not park its delivery trucks at the Building except for periodic visits for loading and/or unloading and under no circumstances shall there be long term or overnight parking.

13. COMMON AREAS EXPENSE

(a) Landlord will, at its expense (subject to the reimbursement provisions hereinafter set forth), operate and maintain the common areas and facilities described in Section 12. For the purpose of this Section, "Landlord's Operating Costs" shall be those of operating and maintaining the Common Facilities in a manner deemed by Landlord, in its sole discretion, to be reasonable and appropriate and for the best interests of the tenants in the operation of the Building, including, without limitation, the following:

(1) All costs and expenses of operating, maintaining, decorating, repairing, lighting, cleaning, painting, striping, and insuring (including liability for personal injury, death and property damage and workmen's compensation insurance covering personnel) the

Property and removing snow, ice and debris from the Property, and/or the amortization of machinery and equipment used for such operations; and

(2) All costs and expenses, for the repair or replacement of paving, curbs, parking areas, roofs, canopies, walkways, landscaping, common area HVAC, drainage, plumbing and lighting facilities; and

(3) All costs and expenses of grass cutting, fertilizing, planting, replanting and replacing flowers, shrubs or other exterior decorations within the Property; and

(4) Painting and decorating of all Common Facilities; and

(5) All costs and expenses necessary for operating, maintaining and repairing the sprinkler system, if any, installed in the Leased Premises and in the other areas of the Building containing the Leased Premises; and

(6) All other expenses which would be considered as an expense of owning, maintaining, managing, operating or repairing the Property under accepted accounting principles for shopping centers.

(b) In each Rental Year, Tenant will pay Landlord, as Additional Rent, its proportionate share of Landlord's Operating Costs. Tenant's proportionate share is fifty (50%) percent. The charge required hereunder shall be paid by Tenant in monthly installments in such amounts as are estimated and billed by Landlord at the beginning of each twelve (12) month period commencing and ending on dates designated by Landlord, each installment being due on the first day of each month. During the twelve (12) month period designated by Landlord, Landlord shall have the right at the expiration of any quarter therein, to adjust the amount of the remaining monthly installments to be paid by Tenant under this paragraph. Within ninety (90) days after the end of each twelve (12) month period, Landlord shall deliver to Tenant a statement of Landlord's Operating Costs for such twelve (12) month period and the monthly installments paid or payable shall be adjusted between Landlord and Tenant, each party hereby agreeing to pay to the other within thirty (30) days of receipt of such statement, such amount as may be necessary to effect adjustment to the agreed proportionate share of the preceding twelve (12) month calendar period. After Tenant's written request, Landlord shall make available for Tenant's inspection (at Landlord's office during normal business hours) Landlord's records relating to Landlord's Operating Costs for such preceding period.

14. REAL ESTATE TAXES

(a) As used herein, the term "Taxes" shall mean and include all present and future real estate and other ad valorem taxes, including front foot benefit charges and all other governmental impositions and/or levies, whether or not now customary, and regardless of whether the same shall be extraordinary or ordinary, general or specific, foreseen or unforeseen, or similar or dissimilar to any of the foregoing, relating to the Property and all land, buildings or other improvements therein.

(b) If at any time during the Term hereof the method and/or basis of taxation prevailing at the commencement of the Term shall be altered so that in addition to, or in lieu of or as a

substitute for the whole or any part of the Taxes now levied, assessed or imposed on real estate as such, there shall be levied, assessed or imposed (1) a tax on the rents received from such real estate, or (2) a license fee measured by the rent receivable by Landlord from the Property, or (3) a tax or license fee imposed upon Landlord which is otherwise measured by or based in whole or in part upon rents derived from the Property then, in any of such events, the same shall be included in the computation hereunder of Taxes.

(c) Tenant shall pay Landlord, as Additional Rent, its proportionate share of the Taxes levied upon the Property for each year (or any part thereof) during the Term of this Lease. Tenant's proportionate share of the Taxes shall be equal to fifty (50%) percent of the Taxes for the Property. The official tax bill or bills, as the case may be, issued by the appropriate taxing authorities shall be conclusive evidence as to the amount of the Taxes levied upon the Property. Taxes shall be paid by Tenant in the following manner:

(1) With each payment of the monthly Fixed Minimum Rent provided for in Section 7 above during the Term of the Lease, Tenant shall pay to Landlord a sum to be estimated and billed by Landlord which will be Tenant's proportionate share of the estimated Taxes for the first tax year within the Term of this Lease.

(2) Commencing with the first month of each tax year during the Term of this Lease, and each month thereafter during the Term of this Lease, Tenant shall pay to Landlord a sum to be estimated and billed by Landlord representing one twelfth (1/12) of Tenant's proportionate share of the estimated Taxes for the next succeeding tax year; provided, however, that where the Term expires during such tax year, Tenant shall only be liable for a commensurate portion of its proportionate share of the Taxes therefor.

(d) Landlord shall have the exclusive right to protest any special assessments and any increase in land or building assessments upon or affecting the Property, to petition for reduction of such assessments, and to appeal such protests and petitions and file and prosecute such actions as Landlord, in its sole discretion, shall deem appropriate. All reasonable expenses incurred by Landlord (including attorney's fees and costs) in contesting, appealing and/or negotiating against any increase in the assessment of the Property shall be included as an item of Taxes for the purpose of computing Additional Rent due hereunder.

(e) In the event that the tax base or other basis upon which such Taxes are levied or assessed includes, as is reasonably determined by Landlord, the value of any improvements, betterments, furnishings, fixtures, and the like ("leasehold improvements") installed by Tenant in the Leased Premises and Landlord has not estimated and billed for such Taxes, then Tenant shall pay to Landlord, within ten (10) days of Landlord's rendering a statement therefor, the entire amount of Taxes attributable to such leasehold improvements. For the purpose of determining any increase in Taxes due to leasehold improvements, Tenant agrees that it will certify by affidavit to Landlord, within thirty (30) days of taking possession of the Leased Premises, the actual cost of all leasehold improvements constructed within the Leased Premises and paid by Tenant. This figure will be multiplied by 0.5 (or any future percentage used by any taxing authorities to adjust fair market value to assessed value) and the resulting number will then be multiplied by the current tax rate. For example, if leasehold improvements for the Leased Premises total \$5,000.00, a base of \$2,500.00 would then be multiplied by the tax rate, say \$3.00 per \$100.00 of

assessed valuation, for a total tax of \$75.00 payable to Landlord for the tax year in question. The resulting number would be the Taxes attributable to the leasehold improvements and shall be paid to Landlord in addition to any proportionate share of Taxes otherwise payable by Tenant under this Lease.

(f) Tenant shall at all times be solely responsible for all taxes assessed or levied against any leasehold interest hereunder or any personal property of any kind owned or insured by Tenant.

15. UTILITIES

(a) Landlord and Tenant agree that Tenant shall have separate electrical services for the Leased Premises and, accordingly, shall be billed directly for all electrical services to the Leased Premises. In the event that electrical service is transferred from Landlord (or its general contractor) to Tenant without interruption of service, the date upon which Tenant shall be responsible for the payments under this Section 15 shall be the date that the Leased Premises are delivered as defined under Section 5 of this Agreement.

(b) Tenant shall pay as Additional Rent promptly when due the charges for all such utility services rendered or furnished to the Leased Premises (whether by meter or sub-meter) by Landlord, together with all taxes, levies or other charges on such utilities. In the event Tenant is not provided such services by the local municipality through an individual meter or account, Tenant charges for water and sewer service (if any) furnished to the Leased Premises shall be a pro-rata share of the respective bill for the Building based upon the metered volume consumed within the Leased Premises. If Tenant defaults in the payment of any such charges or taxes, Landlord may, at its option, pay the same for and on Tenant's account, in which event Tenant shall promptly reimburse Landlord therefor. Landlord will provide and maintain the necessary mains and electrical conduits to bring water and electricity to the Leased Premises. Tenant shall be responsible for maintaining the lines and conduits located within or beneath the Leased Premises. Landlord shall under no circumstances be liable to Tenant in damages or otherwise for any interruption in utility services to the Leased Premises caused by the making of any repairs or improvements to the Building or to the Property.

(c) Landlord shall under no circumstances be liable to Tenant in damages or otherwise, for any interruption in the service of water, electricity, gas, heating, air conditioning, sprinkler system or other utilities or services caused by an unavoidable delay, by the making of any necessary repairs or improvements, or by any cause beyond Landlord's reasonable control.

16. INSURANCE

Tenant shall pay Landlord as Additional Rent its pro-rata share (50%) of the cost of the insurance premium for the Property, therefor in monthly installments of Additional Rent. Tenant will not do or suffer to be done, or keep or suffer to be kept, anything in, upon or about the Leased Premises which will contravene the policies insuring the Leased Premises against loss of damage by fire or other hazards, or which will prevent Landlord from procuring such policies in

companies acceptable to Landlord. If anything done, omitted to be done, or suffered by Tenant to be kept in, upon or about the Leased Premises shall cause the rate of fire or other insurance on the Leased Premises or on other property of Landlord or others within the Building to be increased beyond the minimum rate from time to time applicable to the Leased Premises for the uses permitted therein, or to any other property for the use or uses made thereof, Tenant will pay, as Additional Rent, the amount of any such increase upon Landlord's demand.

17. THIS SECTION INTENTIONALLY OMITTED

18. RULES AND REGULATIONS

(a) Tenant agrees to be bound by the Rules and Regulations as adopted, promulgated and amended by Landlord pertaining to and for the purpose of maintaining and operating all Appurtenant Facilities (as hereinafter defined) and structures and improvements within the Property in a clean and orderly manner, preserving the safety and good order thereof, and furthering the convenience and welfare of all of the tenants of the Property. A copy of these Rules and Regulations is attached hereto and made a part hereof and may be reasonably amended from time to time by Landlord. Said Rules and Regulations and any reasonable amendments, changes or additions thereto which Landlord may hereafter make are hereby incorporated in this Lease and shall be binding upon Tenant as if fully set forth herein, provided that said Rules and Regulations shall in no way be in conflict with any of the terms and conditions of this Lease. Any amendments or additions to the Rules and Regulations shall be effective upon seven (7) days' prior written notice thereof to Tenant in the manner provided in Section 38 hereof.

(b) If Tenant permits or causes any condition, action, omission or pattern of actions or omissions which in the sole judgment of Landlord violates any Rule or Regulation (as amended or supplemented), Landlord will give Tenant written notice of the violation. If Tenant permits or causes the same or substantially similar condition, action, omission or pattern of action or omission to occur or continue after receiving notice-from Landlord/Tenant shall be deemed to be an event of Default and both Landlord and the County shall have the rights and remedies as provided for Section 35 of this Lease.

19. REPAIRS

(a) Except as herein expressly provided, Landlord shall be under no liability, nor have any obligation to do any work or make any repairs in or to the Leased Premises, and any work which may be necessary to outfit the Leased Premises for Tenant's occupancy or for the operation of Tenant's business therein is the sole responsibility of Tenant and shall be performed by Tenant at its own cost and expense, in accordance with the provisions of this Lease.

(b) Tenant will keep the interior of the Leased Premises, together with all plate glass doors, rear doors and windows and all electrical, plumbing and mechanical installations therein, including heating, ventilation, and air conditioning equipment servicing the Leased Premises, and all Appurtenant Facilities (as hereinafter defined), in good order and repair and will make all

replacements and repairs at its own expense. Landlord will make all necessary repairs to the exterior walls and roof (the roof shall not include any HVAC, Tenant signs, or other system components or any other materials placed upon the roof unless previously approved and assumed by Landlord as its responsibility) of the Building in which the Leased Premises are located and shall have a reasonable time in which to complete such repairs. Tenant shall not access the roof without consent of Landlord and only Landlord's contractor shall perform or access the roof. Tenant shall be responsible for any repairs or damage to the roof caused by Tenant, its agents or employees. Tenant will surrender the Leased Premises at the expiration of the Term or at such other time as it may vacate the Leased Premises, in as good condition as when received, and in accordance with Section 56 hereof, reasonable wear and tear excepted. Tenant must engage the services of a licensed, reputable heating, ventilating and air conditioning company and obtain on an annual basis, a one-year service policy for the heating, ventilating and air conditioning equipment (HVAC) for the Leased Premises, and replacing of filters contained within the equipment on at least a semi-annual basis. Cost of this policy shall be borne by Tenant and a copy of same must be mailed to Landlord within thirty (30) days of occupancy in the initial year of the Term of the Lease and thirty (30) days after the first day of each and every subsequent year of occupancy during the Term of this Lease.

(c) If Tenant fails to obtain an annual service policy as herein described, or fails to provide Landlord with a copy of said policy within thirty (30) days as required herein, Landlord shall have the right to obtain such policy and charge Tenant for the cost of said policy, plus the sum of Two Hundred Dollars (\$200.00) as reimbursement to Landlord for the time and expense of procuring said policy, said cost to be paid by Tenant as Additional Rent.

(d) Tenant will promptly repair at its own expense any damage to the Leased Premises caused by bringing into the Leased Premises any property for Tenant's use or by the installation or removal of such property, regardless of fault or by whom such damage shall be caused, unless caused by Landlord, its agents, employees or contractors; and, in default of such repairs by Tenant, Landlord shall make the same and Tenant agrees to pay the cost thereof to Landlord promptly upon Landlord's demand therefor.

(e) As used herein, "Appurtenant Facilities" shall be defined as those facilities pertaining to Tenant's use and occupancy of the Leased Premises, wherever located, including but without limitation, the exterior and interior portion of all doors, door checks, windows, plate glass, store front, all plumbing and sewage facilities within the Leased Premises including free flow up to the main sewer line, fixtures, heating and air conditioning and electrical systems (whether or not located in the Leased Premises), sprinkler system, signs, loading docks, and waste containers (if not shared with other tenants), as opposed to those facilities in common with other tenants.

20. JANITORIAL SERVICES AND TRASH REMOVAL

(a) Tenant shall provide, at its own expense, such janitorial services as are necessary to maintain the Leased Premises in a sanitary, good and safe condition. It is understood and agreed by Tenant that the Landlord shall not employ a janitor or furnish janitorial services to the Leased Premises. However, Landlord shall provide cleaning and maintenance services for the common areas and facilities of the Property as described within the definition of "Landlord's Operating Costs" in Section 13 of this Agreement.

(b) Trash removal services shall be provided by the Landlord and the cost of providing such services shall be borne by each of the tenants in the Building based upon the individual use and need of each tenant, as set forth in a percentage determined by Landlord. Trash removal services to be provided by the Landlord shall be limited to the providing of a trash dumpster at a location upon the Property satisfactory to the Landlord and the removal of trash contained within the dumpster on a periodic basis. Tenant agrees that Landlord's determination in this matter shall be final and binding upon Tenant.

21. WATER DAMAGE

Landlord shall not be liable to Tenant, its agents, employees, contractors, customers or other visitors for any injury of damage to person, property or the operation of business resulting from water, rain, snow or dampness which may leak or issue from or through any part of the Building other than caused by the failure of Landlord to make any repairs which it is required to make hereunder after having a reasonable opportunity in which to make same.

22. ALTERATIONS BY TENANT

(a) Tenant will not make any alteration to the Leased Premises, or any part thereof without first obtaining Landlord's written approval of such alteration, which shall not be unreasonably withheld, conditioned or delayed; and Tenant agrees that any improvements made by it shall immediately become the property of Landlord and shall remain upon the Leased Premises in the absence of any agreement to the contrary; however, Landlord shall have the right to require the restoration of the Leased Premises to its original condition at the time of delivery to Tenant and in accordance with any and all applicable county, state and municipal codes in effect at that time, in which event Tenant shall comply with such requirements prior to the expiration or other termination of this Lease. Tenant will not cut or drill into or secure any fixtures, apparatus or equipment of any kind to any part of the Leased Premises without first obtaining Landlord's written consent, which shall not be unreasonably withheld, conditioned or delayed. Notwithstanding the foregoing, in any given year, improvements costing \$30,000 or less may be made by County without first obtaining the written approval of Landlord, provided that any such improvement does not alter the exterior appearance of the Leased Premises or any of the structural components of the Leased Premises or the Building or any of the Building's operating systems, including, but not limited to, any operating systems serving the Leased Premises.

(b) Alterations by Tenant shall be subject to the following conditions:

(1) All of Tenant's alterations shall be performed in a way which will not interfere with Landlord or any other tenant's business in the Building;

(2) Tenant shall keep the common areas free of building materials and equipment used in connection with Tenant's work;

(3) Tenant shall provide for the removal of all refuse and debris in connection with Tenant's work in accordance with Section 5(f).

(4) Tenant shall continue to perform all duties and obligations imposed by this Lease during the period in which alterations are made. Except for Landlord, Landlord's employees,

agents and/or contractor's negligent acts, Landlord will not be responsible or liable to Tenant or its agents, employees, licensees or contractors for any bodily injury or property loss or damage occurring prior to the Lease Commencement Date, and subject to statutory limitations set forth in this Lease, Tenant will indemnify, defend and hold harmless Landlord and Landlord's contractors against all claims and liabilities resulting from the performance of Tenant's alterations. Tenant shall provide Landlord with certificate of insurance for both workers compensation and general liability for each and every contractor or subcontractor working at the Leased Premises.

(5) Tenant, at its sole cost and expense, shall pay for all alterations, additions or improvements desired and/or required inside or outside the Leased Premises as a result of Tenant's use, including any changes in occupancy permits required at any time from time to time during the Term by any federal, state, or local governmental agency.

(c) Each request for Landlord's approval shall be accompanied by reasonably detailed plans and specifications for the proposed alteration. Landlord's approval will not constitute the assumption of any responsibility by Landlord for the accuracy or sufficiency of the plans or specifications submitted as Tenant shall be solely responsible for such matters.

23. LANDLORD'S SIGN POLICY

(a) Tenant will have the right, at its sole cost and expense, to affix signage containing Tenant's name and business on the exterior of the Leased Premises. The size of Tenant's signage may not exceed fifty percent (50%) of the maximum exterior signage permitted by Montgomery County law or regulations. Tenant's sign shall be subject to Landlord's approval, which approval shall not be unreasonably withheld, conditioned, or delayed, and in accordance with the Sign Policy of Landlord set forth in Exhibit "E" attached hereto and made a part hereof. Said Sign Policy and any reasonable amendments, changes or additions thereto which Landlord may hereafter make are hereby incorporated in this Lease and shall be binding upon Tenant as if fully set forth herein, provided that said policy shall in no way be in conflict with any of the terms and conditions of this Lease. Any amendments, changes or additions to the Sign Policy shall be effective upon prior written notice thereof to Tenant in the manner provided in Section 38 hereof. All sign designs shall be submitted to Landlord in writing for review and Landlord's written approval must be obtained prior to the installation of any sign on or about the Leased Premises. Said approval by Landlord shall not be unreasonably withheld, conditioned or delayed. All signs must be designed, fabricated and installed in accordance with all codes and municipal approvals. Landlord agrees that any of the County's signage shall contain the County's trade name and the County "Seal."

(b) Other than as provided in Landlord's Sign Policy, Tenant will not place or suffer to be placed or maintained on the exterior of the Leased Premises any other sign, advertising matter or any other thing of any kind whatsoever. Landlord shall permit Tenant, subject to Landlord's prior review and written approval which shall not be unreasonably withheld, conditioned or delayed, to install reasonable neon signage and posters on the inside windows of the Leased Premises. Tenant further agrees to maintain its entrance door sign and any other signs *as* may be approved by Landlord and provided for in Landlord's Sign Policy, in good condition and repair at all times. Tenant shall not install or allow to be installed any amusement device, food

or drink vending machine, music device, telephone, coin operated device or any other apparatus on the outside of the Leased Premises.

24. INSURANCE

24.1 County Property Damage and Liability Insurance.

(a) The County (as Tenant hereunder) shall obtain and maintain, during the full term of this Lease, and any extension thereof, a policy of commercial general liability insurance with bodily injury limits of \$200,000 (Two Hundred Thousand Dollars) for injury (or death) to one person, \$500,000 (Five Hundred Thousand Dollars) per occurrence, and limits for damage to the property of others of \$200,000 (Two Hundred Thousand Dollars). The County shall have the right to self-insure. These are the maximum limits of liability for which the Montgomery County Self-Insurance Program is responsible, under the Local Government Tort Claims Act, Ann. Code, Cts & Jud. Proc. Sect. 5-301 et seq. (2013 Repl. Vol) as amended. The County shall also maintain workers compensation coverage in statutorily required amounts.

(b) The County agrees that it will not keep in or upon the Leased Premises any article which may be prohibited by the standard form of fire or hazard insurance policy.

(c) 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, excepting damages arising out of the negligent acts or the omissions of the Landlord, the Landlord agents, contractors or employees.

(d) On or before the Delivery of Possession Date, and as a condition precedent to the obligation of Landlord to deliver the Premises to County, and, thereafter, within, thirty (30) days of Landlord's request, the County shall deliver to Landlord a certificate of insurance evidencing the coverage hereinabove described.

24.2 Landlord Property Damage and Liability Insurance.

(a) Landlord shall obtain and maintain, during the full term of this Lease, and any extension thereof, a policy of commercial general liability insurance with limits of not less than One Million Dollars (\$1,000,000) per occurrence for bodily injury and damage to the property of others. Montgomery County must be named as Additional Insured on all liability policies. Landlord shall provide County with notice in the event of cancellation or non-renewal not less than thirty (30) days prior to policy cancellation.

B. The Landlord shall obtain and maintain a Special Form-Causes of Loss Property Policy to protect the interest of the Landlord against loss caused by the perils insured in the amount of One Hundred Percent (100%) of the Landlord's insurable interests of the Property.

C. Within thirty (30) days of the County's written request, Landlord shall provide a certificate of insurance evidencing the coverage hereinabove described within thirty (30 days) from execution of this Lease.

D. Landlord shall also have the right to maintain such additional types of insurance (including business interruption insurance and rent loss insurance) as are customary, prudent or reasonable for similar buildings. Landlord's obligation to carry the insurance provided for herein may be satisfied by blanket policies if the coverage required hereunder is satisfied.

25. INDEMNITY BY TENANT

The County shall indemnify and hold harmless Landlord (excluding, however, the intentional or negligent acts of Landlord) and as limited by the damages caps stated in the Immunity Statutes defined below to the extent applicable, from and against all claims, demands, liabilities, damages, judgments, orders, decrees, actions, fines and penalties arising from or relating to any violation of law, loss of life, damage or injury to persons, property or business occurring in, about or from the Leased Premises or the Property in connection with the County's use and/or occupancy of the Leased Premises or Property. Any indemnification given by the County under this Lease is expressly limited by the damages caps and notification requirements, to the extent applicable to the occurrence giving rise to such indemnity obligation, specified in the Local Government Tort Claims Act (the "LGCTA"), Md. Code Ann. Cts. & Jud. Proc. §§ 5-301 et seq. (2013 Repl. Vol.) Md. Code Ann. art. 2B §§ 15-201 et seq. (2011 Repl. Vol.) and Md. Code Ann. Cts. & Jud. Proc. §§ 504 et seq. (2013 Repl. Vol.) (the "Department of Liquor Control Immunity Statutes"), (the LGCTA and the Department of Liquor Control Immunity Statutes together the "Immunity Statutes"). Any indemnification given by the County is not intended to create any rights in any third parties or to increase the County's liability above the caps provided in the County Indemnification Statutes, as applicable.

26. FIRE OR OTHER CASUALTY

If the Leased Premises, or any other portion of the Building shall, through no fault of Tenant or Tenant's agents, servants, employees, or licensees, be damaged by fire, the elements, unavoidable accident or other casualty, but the Leased Premises shall be rendered untenable only in part, Landlord shall promptly, at its own expense, cause the damage to be repaired, and the rent meanwhile "shall be abated proportionately as to the portion of the Leased Premises rendered untenable. If by reason of such occurrence the Leased Premises shall be rendered substantially untenable, Landlord shall promptly, at its own expense, cause such damage to be repaired, and the rent meanwhile shall be abated in whole, unless within sixty (60) days after said occurrence Landlord shall give Tenant written notice that it has elected not to reconstruct the destroyed Leased Premises in which event, this Lease and the tenancy hereby created shall cease as of the date of said occurrence, the rent to be adjusted as of such date. All of the above notwithstanding, if Landlord, in its absolute discretion, shall desire, within a reasonable time after the occurrence of any such accident or casualty (even though the Leased Premises may not have been affected by the same) to demolish, and not rebuild or reconstruct the Building, then, upon written notice from Landlord to Tenant, this Lease shall terminate on a date to be specified in such notice, and all rent payable hereunder shall be adjusted as of the time of any such accident or casualty.

27. THIS SECTION INTENTIONALLY OMITTED

28. INSPECTION BY LANDLORD

Tenant will permit, and hereby authorizes Landlord, its agents, employees and contractors to enter the Leased Premises and all parts thereof during business hours and upon reasonable notice (or at any time in case of any emergency) to inspect the same and to enforce or carry out any provision of the Lease.

29. NO ASSIGNMENTS OR SUBLETTING

Tenant will not assign this Lease in whole or in part, nor sublet all or any part of the Leased Premises.

30. NOTICE OF DEFAULT TO LANDLORD AND MORTGAGEE AND RIGHT TO CURE

If Landlord shall fail to perform any covenant, term or condition of this Lease required to be performed by Landlord, Tenant shall give, by registered or certified mail, a notice of default to Landlord, which shall specifically set forth the nature of the non-performance by Landlord and shall give Landlord thirty (30) days within which to cure such default or non-performance. Said notice of default shall be a condition precedent to the institution by Tenant of any judicial proceedings for nonperformance or default against Landlord. Tenant agrees to give any mortgagee and/or trust deed holder, by registered or certified mail, a copy of any notice of default served upon Landlord, provided that prior to such notice, Tenant has been notified, in writing, of the address of such mortgagees and/or trust deed holder (by way of Notice of Assignment of Rents and Leases or otherwise). Tenant further agrees that if Landlord shall fail to cure such default within the time provided for in this Lease Agreement, then the mortgagees and/or trust deed holder shall have an additional thirty (30) days within which to cure such default or, if such default cannot be cured within that time, then such additional time as may be necessary if within such thirty (30) days, any mortgagee and/or trust deed holder has commenced and is diligently pursuing the remedies necessary to cure such default (including but not limited to commencement of foreclosure proceedings, if necessary to effect such cure), in which event this Lease shall not be terminated while such remedies are being so diligently pursued.

31. LIMITATION ON TENANT REMEDIES

If Landlord shall fail to perform any covenant, term or condition of this Lease upon Landlord's part to be performed, and, as a consequence of such default, Tenant shall recover a money judgment against Landlord, such judgment shall be satisfied only (1) out of the proceeds of sale received upon the execution of such judgment and levy thereon against the rights, title and interest of Landlord in the property of which the Leased Premises are a part; (2) out of the rents or other incomes of the property receivable by Landlord of which the Leased Premises are part; and/or (3) out of the consideration received or receivable by Landlord from the sale or other disposition of all or any part of Landlord's right, title and interest in the property of which the Leased Premises are a part. In the event Landlord shall sell, transfer, assign or in any manner dispose of its interest in the Leased Premises which are the subject matter of this Lease, Landlord's right, obligations

and covenants contained in this Lease, as to this Landlord, shall thereupon cease and be no longer binding or effective from the date the new owners take ownership of the Leased Premises. Further, in the event the owner of Landlord's interest in the Lease is at any time a partnership joint venture or unincorporated association, Tenant agrees that the members or partners of such partnership, joint venture or unincorporated association shall not be personally or individually liable or responsible for the performance of any of Landlord's obligations hereunder.

32. THIS SECTION INTENTIONALLY OMITIED

33. PERFORMANCE BY TENANT

Tenant covenants and agrees that it will perform all agreements and covenants herein expressed on its part to be performed, and that it will promptly upon receipt of written notice specifying action desired by Landlord in connection with any such covenant, commence to comply with such notice; and further, that if Tenant shall not commence and proceed diligently to comply with such notice to the reasonable satisfaction of Landlord within ten (10) days after the receipt of such notice, then Landlord may, at its option, enter upon the Leased Premises and do the things specified in said notice, and Landlord shall not be liable to Tenant for any loss or damage resulting in any way from such action by Landlord, and Tenant agrees to pay promptly upon demand the reasonable expense incurred by Landlord in taking such action.

34. CONDEMNATION

(a) If, during the Term of this Lease, all or a substantial part of the Leased Premises shall be taken by or under power of eminent domain, this Lease shall terminate as of, and the rent (Fixed Minimum Rent and Additional Rent) shall be apportioned to and abate from and after, the date of taking. Tenant shall have no right to participate in any award or damages for such taking and hereby assigns all of its right, title and interest therein to Landlord. For the purposes of this paragraph, "a substantial part of the Leased Premises" shall mean such part that the remainder thereof is rendered inadequate for Tenant's business and that such remainder cannot practicably be repaired and improved so as to be rendered adequate to permit Tenant to carry on its business with substantially the same efficiency as before the taking.

(b) If, during the Term, less than a substantial part of the Leased Premises (as hereinabove defined) is taken by or under power of eminent domain, this Lease shall remain in full force and effect according to its terms; and Tenant shall not have the right to participate in any award or damages for such taking and Tenant hereby assigns all of its right, title and interest in and to the award to Landlord. In such event Landlord shall, at its expense, promptly make such repairs and improvements as shall be necessary to make the remainder of the Leased Premises adequate to permit Tenant to carry on its business to substantially the same extent and with substantially the same efficiency as before the taking; provided that in no event shall Landlord be required to expend an amount in excess of the award received by Landlord for such taking, plus any insurance received by Landlord. If, as a result of such taking, any part of the Leased Premises is rendered permanently unusable, the Fixed Minimum Rent reserved hereunder shall be reduced in such amount as may be fair and reasonable, which amount shall not exceed the proportion which the area so taken or made unusable bears to the total area which was usable

by Tenant prior to the taking. If the taking does not render any part of the Leased Premises permanently unusable, there shall be no abatement of rent.

(c) For purposes of this Section, "taking" shall include a negotiated sale or lease and transfer of possession to a condemning authority under bona fide threat of condemnation for public use, and Landlord alone shall have the right to negotiate with the condemning authority and conduct and settle all litigation connected with the condemnation. As hereinabove used, the words "award or damages" shall, in the event of such sale or settlement, include the purchase or settlement price.

(d) Although all damages in the event of any condemnation are to belong to the Landlord whether such damages are awarded as compensation for diminution in value of the leasehold or to the fee of the Leased Premises, the County shall retain the right to claim and recover from the condemning authority, but not from Landlord, such compensation as may be separately awarded or recoverable by County in County's own right on account of any and all damage to County's business by reason of the condemnation and for or on account of any cost or loss to which County might be put in removing County's merchandise, furniture, fixtures, leasehold improvements and equipment.

35. DEFAULT

(a) Any of the following events shall constitute a default by Tenant:

(1) If Tenant is at any time in default of its obligation to pay any rent (Fixed Minimum Rent or Additional Rent when payable hereunder and such failure continues seven (7) business days after receipt of written notice to Tenant;

(2) If Tenant is in default in the prompt and full performance of any of its obligations under this Lease and such default continues more than ten (10) business days after written notice specifying the nature of such default; provided, however, that if the County begins to cure such failure during such ten (10) business day period but such obligation is of a nature that it cannot with reasonable diligence be cured within such period, and provided the County notifies Landlord of such fact within such ten (10) business day period and diligently continues to take all reasonable acts to expeditiously cure such failure, then such period shall be extended for a period of thirty (30) days to effect such cure in such manner.

(3) If the Leased Premises are vacant, unoccupied or deserted for a period of twenty (20) consecutive days or more at any time after opening for business during the Term; or

(4) If this Lease is terminated as a result of Non-Appropriation as set forth in this Lease, it shall not be deemed an event of Default under this Lease.

(b) In the event of default as defined in paragraph (a) hereof, Landlord, in addition to any and all legal and equitable remedies it may have, shall have the following remedies:

(1) To distraint for any rent or Additional Rent in default; and

(2) At any time after default, with notice, to declare this Lease terminated and enter the Leased Premises through legal process; and in such event Landlord shall have the benefit of all provisions of law now or hereafter in force respecting the speedy recovery of possession from Tenant's holding over or proceedings in forcible entry and detainer.

(c) Subject to the statutory limitations of the indemnifications set forth in this Lease, the Montgomery County Charter and the Montgomery County Code (2004), as amended, Tenant further agrees that, notwithstanding such reentry and/or termination, Tenant shall remain liable to Landlord for all damages sustained by Landlord as a result of Tenant's default, including, but not limited to, the reasonable cost of reletting the Leased Premises, any broker's commissions payable as a result thereof, any administrative overhead attendant with the marketing or reletting of the Leased Premises, and other similar costs, all of Landlord's costs and expenses (including actual attorneys' fees) in connection with such default and recovery of possession, and Tenant shall further be liable for damages to be calculated at the option of Landlord in either the following manners:

(1) liquidated damages, in an amount which, at the time of such termination is equal to the installments of Fixed Minimum Rent and the aggregate of all sums payable hereunder as Additional Rent (the "Additional Rent") (for such purpose considering the annual amount of such Additional Rent to be equal to the amount thereof paid in the rental year or annualized portion thereof immediately preceding such default) reserved hereunder, for the period which would otherwise have constituted the unexpired portion of the then current Term of this Lease, discounting both such amounts to present worth at a discount rate equal to one percentage point above the discount rate then in effect at the Federal Reserve Bank in Baltimore; or

(2) damages (payable in monthly installments, in advance, on the first day of each calendar month following such termination and continuing until the date originally fixed herein for the expiration of the then current Term of this Lease) in an amount or amounts equal to the sum of (a) an amount equal to the amount of the installments of Fixed Minimum Rent which would have been payable by Tenant hereunder in respect of such calendar month had this Lease and the Term not been so terminated and (b) the monthly average of the Additional Rent paid in the rental year or annualized portion thereof immediately preceding such default, over the rents, if any, in fact, collected by Landlord in respect of such calendar month pursuant to either re-renting, or from any existing permitted subleases. Any suit, action or proceeding brought to collect the amount of the deficiency for any calendar month shall not prejudice in any way the rights of Landlord to collect the deficiency for any subsequent month by a similar proceeding; provided, however, that in no event shall Landlord be required to exert any efforts whatsoever to re-rent the Leased Premises at any time or times that Landlord shall be seeking to rent other space in the Building.

(d) Notwithstanding any language to the contrary in Subsection (c) hereof, Landlord shall be permitted to recover damages in accordance with Subsection (c)(2) for the amount of rent due from Tenant to Landlord from the date of default until the date of the filing of any lawsuit by Landlord for the recovery of rent and Additional Rent, and Landlord shall also be permitted to recover all other sums due thereafter in the same lawsuit pursuant to the terms of Subsection (c)(1) hereof. By way of example, if Tenant shall have abandoned the Leased Premises on January 1, and Landlord files suit for unpaid rent and Additional Rent on June 1 of the same year, then, although the Lease does not terminate until December 31 of the same year, Landlord shall be permitted to recover all

rent and Additional Rent due for the period January - June pursuant to Subsection (c)(2) hereof, and, in the same lawsuit, to recover all rent and Additional Rent due for the period July - December pursuant to the terms of Subsection (c)(1) hereof.

(e) With the exception of Non-Appropriation as set forth in Paragraph 65 of this Lease, no act or thing done by Landlord shall be deemed to be an acceptance of a surrender of the Leased Premises or a termination of Tenant's liabilities hereunder, unless Landlord shall execute a written release of Tenant. Tenant's liability hereunder shall not be terminated by the execution of a new lease of the Leased Premises by Landlord. Separate actions may be maintained each month by Landlord against Tenant to recover the damages then due, without waiting until the end of the Term of this Lease to determine the aggregate amount of such damages.

(f) In the event Tenant fails to take possession of the Premises after Landlord delivers the Leased Premises to the Tenant, Tenant and Landlord agree that, in addition to any other right available to Landlord pursuant to the terms and conditions of this Lease or Maryland law for the remedy of such breach of Lease, the proper measure of the damages for which Tenant shall be liable to Landlord (i.e., the excess of the rent reserved under the Lease over the reasonable rental value of the Leased Premises at the time of Tenant's default) shall be equivalent to the amount of Fixed Minimum Rent that would have been paid by Tenant to Landlord from the Lease Commencement Date to the Lease Termination Date, discounting such amount to present worth at a discount rate equal to one (1) percentage point above the discount rate then in effect at the Federal Reserve Bank in Baltimore. The parties hereto agree that said sum shall not preclude Landlord from recovering any special damages which may have resulted from Tenant's breach. Neither Landlord nor Tenant shall be required to mitigate its damages upon default by either party as set forth in this Section 35(f).

36. REMEDIES CUMULATIVE

No mention in this Lease of any specific right or remedy shall preclude Landlord or the County from exercising any other right or from having any other remedy, or from maintaining any action to which it may otherwise be entitled at law or equity; and the failure of Landlord or the County to insist in any one or more instances upon a strict performance of any covenant of this Lease or to exercise any option or right herein contained shall not be construed as a waiver or relinquishment for the future of such covenant, right or option, but the same shall remain in full force and effect unless the contrary is expressed in writing by Landlord or the County.

37. SUCCESSORS AND ASSIGNS

This Lease and the covenants and conditions herein contained shall inure to the benefit of and be binding upon Landlord, its successors and assigns, and shall be binding upon Tenant, its successors and assigns, and shall inure to the benefit of Tenant and only such assigns of Tenant to whom the assignment has been consented to by Landlord.

38. NOTICES

All notices, demands and requests required under this Lease shall be in writing. All such notices, demands and requests shall be deemed to have been properly given if (1) delivered in

person or by a national overnight air courier providing written evidence of delivery, or (2) sent by United States registered or certified mail, return receipt requested, postage paid, addressed as follows:

(a) If to Landlord:

Club LT LLC
c/o Lerch Early & Brewer, Chartered
Attention: Lawrence G. Lerman
3 Bethesda Metro Center, Suite 460
Bethesda, Maryland 20814

(b) If to Tenant:

Department of Liquor Control
201 Edison Park Drive
Gaithersburg, MD 20878

With a copy to

Montgomery County Maryland
Department of General Services/Office of Real Estate
101 Monroe Street, 9th floor
Rockville, MD 20850

With a copy not to
constitute notice to:

Office of the County Attorney for Montgomery County,
Maryland
101 Monroe Street, 3rd floor
Rockville, MD 20850

Either party may designate a change of address by delivering written notice to the other party. Thereafter, all notices to such parties shall be sent to such substitute address.

39. APPLICABLE LAW

The rights of the parties are governed by the terms of this Lease which is to be interpreted in accordance with federal law (where applicable) and in accordance with the laws of the State of Maryland, with respect to all other provisions. Any dispute between the Parties must be brought in a Court of proper jurisdiction in Montgomery County, Maryland.

40. CAPTIONS AND HEADINGS

The captions and headings throughout this Lease are for convenience and reference only and the words contained therein shall in no way be held or deemed to define, limit, describe, explain, modify, amplify or add to the interpretation, construction or meaning of any provision or the scope or intent of this Lease and do not in any way affect this Lease.

41. LEASE RECORDING

It is understood and agreed that Landlord shall not record the Lease among the Land Records of Montgomery County, Maryland for any purpose. It is understood and agreed that the County may record the Lease among the Land Records of Montgomery County, Maryland, provided the County pays all costs associated with recording the Lease.

42. SUBORDINATION

Tenant accepts this Lease, and the tenancy created hereunder, subject and subordinate to any other lease or master lease and the first leasehold mortgage constituting a lien upon or affecting the Building or the Property, or any part thereof. Tenant shall, at any time hereafter, within thirty (30) days after the receipt of the written request by Landlord, execute an instrument substantially in the form attached hereto as Exhibit "T" that may be required by any mortgage or mortgagee or over landlord for the purpose of subjecting or subordinating this Lease and the tenancy created hereunder, to the lien of any such mortgage or mortgagees or underlying lease or master lease.

43. ESTOPPEL CERTIFICATES

At any time and from time to time, within thirty (30) days after Landlord's receipt of the written request, Tenant will execute, acknowledge and deliver to Landlord or to such mortgagee or other party as may be designated by Landlord, an Estoppel Certificate substantially in the form attached hereto as Exhibit "H".

44. ATTORNMEN

In the event of any foreclosure sale or sales pursuant to the terms of any mortgages or deeds of trust or other security instruments now or hereafter constituting a lien upon or affecting the Building or Property or any part thereof, by virtue of judicial proceedings or otherwise, this Lease shall, at the option of the mortgagee or beneficiary under the deed of trust or other security instrument (including any master lease), continue in full force and effect and Tenant thereunder will, upon request, attorney to and acknowledge the foreclosure purchaser or purchasers at such sale, as Landlords hereunder.

45. QUIET ENJOYMENT

If and so long as Tenant pays Fixed Minimum Rent and Additional Rent reserved by this Lease, and performs and observes all the covenants and provisions hereof, Tenant shall quietly enjoy the Leased Premises, subject, however, to the terms and provisions hereof.

46. TERMINATION

This Lease and the tenancy hereby created shall cease and terminate at the end of the Term, or any extension or renewal thereof, without the necessity of any notice from either Landlord or Tenant to terminate the same, and Tenant hereby waives notice to vacate the Leased Premises and agrees that Landlord shall be entitled to the benefit of all provisions of law respecting the summary recovery of possession of premises from a tenant holding over to the same extent as if

statutory notice had been given. For the period of three (3) months prior to the expiration of the Term or any extension or renewal thereof, Landlord shall have the right to display on the exterior of the Leased Premises (but not in any window or doorway thereof) the customary sign "For Lease" and during such period Landlord may show the Leased Premises, with prior notice to the Tenant, if reasonable time allows, and all parts thereof to the prospective tenants between the hours of 10:00 am. and 6:00p.m. on any day except Sunday and any legal holiday on which Tenant shall not be open for business.

Tenant agrees to surrender the Leased Premises to Landlord at the end of the Term in the same condition as received by Tenant from Landlord, and in accordance with the following:

- (1) no damage to the Leased Premises exists beyond normal wear and tear;
- (2) entire Leased Premises are clean and in order;
- (3) there are no unpaid charges or delinquent rents;
- (4) all keys are turned over to Landlord, as well as all combinations to locks, safes and vaults (if any) in the Leased Premises;
- (5) all debris, rubbish and discards are placed in proper trash containers;
- (6) forwarding address for Tenant is provided to Landlord;
- (7) in the event Landlord allows Tenant to remove the store identification sign from the building fascia, sign fascia has been restored to the condition as it existed prior to Tenant's installation of the sign;
- (8) in accordance with Section 56 hereof, Tenant shall remove all of its trade fixtures;
- (9) if so required pursuant to Section 22 hereof and if requested by Landlord, Tenant shall remove any alterations or improvements (also repairing any damage to the Leased Premises caused thereby), and in all events place the Leased Premises in compliance with any and all applicable county, state and municipal codes in effect at that time, before surrendering the Leased Premises as aforesaid; and
- (10) all (if any) hazardous or regulated substances as described in Section 57 hereof shall be removed by Tenant.

Tenant's obligation to observe or perform the covenants described in this Section 46 shall survive the expiration or other termination of the Term.

47. HOLDING OVER

It is agreed that the Term of this Lease expires in accordance with the terms and conditions of this Lease, without the necessity of any notice by or to any of the parties hereto. If Tenant shall occupy said Leased Premises after such expiration, it is understood that, in the absence of any written agreement to the contrary, said Tenant shall hold premises as a Tenant from month to month, subject to all the other terms and conditions of this Lease, at one and one-quarter of the current monthly rental installments last reserved in this Lease; provided that Landlord shall, upon such expiration, be entitled to the benefit of all public general or public local laws relating to the speedy recovery of the possession of lands and tenements held over by tenants that may be now in force or may hereafter be enacted. Notwithstanding the foregoing, the words "one and one-quarter shall be deemed to be omitted from the preceding sentence if, during negotiations to enter into a new lease, the Landlord waives such requirement in writing or Landlord and Tenant consummate a new Lease transaction (i.e., a Lease renewal).

48. OPTION TO EXTEND TERM.

Provided that (i) the Lease is in full force and effect, (ii) Tenant is in possession of the Premises, and (iii) Tenant is not in default of its duties and obligations under this Lease, Tenant shall have two (2) options to renew this Lease for a term of five (5) years each under all of the same terms, covenants and conditions as applicable to the initial term of the Lease, except that Fixed Minimum Rent for the first year of each renewal term shall be subject to an increase of ten percent (10%) of the Fixed Minimum Rent in effect for the immediately preceding Lease Year and Tenant shall then have one less option to renew. Tenant must notify Landlord of its intent to renew in writing not later than six (6) months but not more than twelve (12) months prior to expiration of the then current Lease Term. Tenant's failure to deliver the notice of exercise prior to such deadline shall be deemed to be a waiver by Tenant of its right to renew the Term of the Lease, time being of the essence. Tenant shall be required to exercise its option to renew with respect to all (and not less than all) of the Premises then under this Lease, unless otherwise mutually agreed upon. The period of time within which each option to renew may be exercised shall not be extended or enlarged by reason of Tenant's inability to exercise such option because of an uncured default by Tenant under the Lease.

49. WAIVER

(a) The failure of either party to insist, in any one or more instances, upon a strict performance of any of the covenants of this Lease, or to exercise any option herein contained, shall not be construed as a waiver, or a relinquishment for the future, of such covenant or option, but the same shall continue and remain in full force and effect. The receipt by Landlord of rent, with knowledge of the breach of any covenant hereof, shall not be deemed a waiver of such breach and no waiver by either party of any provision hereof shall be deemed to have been made unless expressed in writing and signed by waiving party.

(b) Landlord and Tenant hereby mutually waive any and all rights which either may have to request a jury trial in any proceeding between them at law or in equity.

50. ENTIRE AGREEMENT

This writing is intended by the parties as a final expression of their agreement and as a complete and exclusive statement of the terms thereof, all negotiations, considerations and representations between the parties having been incorporated herein. No course of prior dealings between the parties or their affiliates shall be relevant or admissible to supplement, explain or vary any of the terms of this Lease. Acceptance of, or acquiescence in, a course of performance rendered under this or any prior agreement between the parties or their affiliates shall not be relevant or admissible to determine the meaning of any of the terms of this Lease. No representations, understandings or agreements have been made or relied upon in the making of this Lease other than those specifically set forth herein. This Lease can only be modified by a writing signed by all of the parties hereto or their duly authorized agents.

51. THIS SECTION IS INTENTIONALLY OMITTED

52. THIS SECTION IS INTENTIONALLY OMITTED

53. SEVERABILITY

If Any term or provision, or any portion thereof, of this Lease, or the application thereof to any person or circumstances shall to any extent be invalid or unenforceable, the remainder of this Lease, or the application or such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby, and each term and provision of this Lease shall be valid and be enforced to the fullest extent permitted by law.

54. FORCE MAJEURE

The occurrence of any of the following events shall excuse such obligations of Landlord or Tenant as are thereby rendered impossible or reasonably impracticable for so long as such event continues: strikes; lockouts; labor disputes; acts of God; inability to obtain labor, materials or reasonable substitutes therefor; governmental restrictions, regulations or controls; judicial orders; enemy or hostile governmental action; civil commotion; fire or other casualty; and other causes beyond the reasonable control of the party obligated to perform. Notwithstanding the foregoing, the occurrence of such events shall not excuse Tenant's obligations to pay Fixed Minimum Rent and Additional Rent or excuse such obligations as this Lease may otherwise impose on the party to obey, remedy or avoid such event.

55. THIS SECTION IS INTENTIONALLY OMITTED

56. TRADE FIXTURES

(a) Trade fixtures originally installed at Tenant's expense shall remain the property of Tenant and shall be removed at the end of the Lease provided:

- (1) Tenant shall not at that time be in default;

(2) Tenant has paid in full all rents and other sums payable by Tenant and has satisfied in full all other obligations of Tenant under all terms, covenants and conditions of this Lease; and

(3) Tenant shall repair any damage to the Leased Premises caused by the removal of trade fixtures.

(b) If Tenant fails to remove any such trade fixtures at the end of this Lease, at Landlord's option, the trade fixtures shall be deemed abandoned and shall become the property of Landlord. Lighting fixtures, heating and air conditioning equipment, plumbing and electrical systems and fixtures, wall covering, floor covering and ceiling finishes shall not be deemed to be trade fixtures whether installed by Tenant or by anyone else and shall not be removed from the Leased Premises but shall, upon installation, become the property of Landlord without compensation to Tenant.

57. ENVIRONMENTAL PROVISIONS

Tenant shall not cause or permit the release of any hazardous substance/material or oil into the septic, sewage or other waste disposal system serving the Leased Premises and/or the Building, nor cause or permit the use, generation, release, disposal or storage of any hazardous substance/material or oil on the Property, provided the same is used and stored in compliance with any and all federal, state, and local laws, ordinances and regulations governing the same), nor commit or suffer to be committed in or on the Leased Premises any act which would require the filing of notice pursuant to applicable law. In addition, Tenant shall not cause or permit the transportation of any hazardous substance/material or oil to or from the Leased Premises without the prior written consent of Landlord, and then only in compliance with any and all federal, state and local laws, ordinances and regulations governing such transportation. The phrase "hazardous substance/ material or oil" as used in this Section shall have the same meaning as defined and used in 42 USC §9601, et. seq., as the same may be amended from time to time, or as defined in any other federal, state or local laws, ordinances and regulations applicable to the Leased Premises and/or the Property. Tenant shall forthwith give Landlord notice of the accidental or other introduction of any such hazardous substance/material or oil, or the release or threat of release from the demised premises of any such hazardous substance/material or oil.

58. PAYMENTS

(a) Tenant shall pay as Additional Rent any money required to be paid pursuant to sections 5, 7, 8, 9, 10, 13, 14, 15, 16, 18, 19, 20, 24, 56, 57, 58 and all other sums of money or charges required to be paid by Tenant under this Lease, whether or not the same be designated "Additional Rent". If such amount or charges are not paid at the time provided in this Lease, they shall nevertheless if not paid when due, be collectible as Additional Rent with the next installment of Fixed Minimum Rent thereafter falling due hereunder but nothing herein contained shall be deemed to suspend or delay the payment of any amount of money or charge at

the time the same becomes due and payable hereunder or limit any other remedy of Landlord, except as set forth in Section 65 of the Lease, entitled, Non-Appropriation.

(b) Fixed Minimum Rent, Additional Rent and any other payments described herein, reports and statements required of Tenant shall be paid and delivered to Landlord at the management office of Landlord or at such other place as Landlord may from time to time designate in a written notice to Tenant. Any payment by Tenant or acceptance by Landlord of Fixed Minimum Rent, Additional Rent or any other sum described herein, in a lesser amount than due shall be treated as a payment on account. The acceptance by Landlord of a check for a lesser amount with an endorsement or statement thereon, or upon any letter accompanying such check, that such lesser amount is payment in full, shall be given no effect, and Landlord may accept such check without prejudice to any other rights or remedies which Landlord may have against Tenant. Landlord, acting in its sole discretion, shall have the right to apply any payments made by Tenant to the satisfaction of any debt or obligation of Tenant to Landlord regardless of the instructions of Tenant as to application of any sum. The acceptance by Landlord of a check or checks drawn by others than Tenant shall in no way affect Tenant's liability hereunder nor shall it be deemed an approval of any assignment of this Lease by Tenant.

59. THIS SECTION IS INTENTIONALLY OMITTED

60. BROKERS

Tenant represents that Tenant has dealt directly with and only with Landlord's Broker, KIMMEL COMPANY, and JONES LASALLE BROKERAGE INC., on behalf of Tenant, whom Landlord will compensate through a separate agreement, in connection with this Lease and that no other broker negotiated or procured this Lease or is entitled to any commission in connection herewith and the Parties shall indemnify and hold each other harmless if a claim for commission arises by a third party not identified in this Lease.

61. TIME IS OF THE ESSENCE

Time is of the essence with respect to this Lease.

62. NO JOINT VENTURE

Nothing contained in this Lease shall be deemed or construed as creating a partnership or joint venture between the parties.

63. PROHIBITED USES

Attached to this Lease and made a part hereof is Exhibit "G" Prohibited Uses. Tenant shall not under any circumstance, engage in any of those uses described in said Exhibit "G". However, the provisions of this Section 63 are only intended to outline some specific uses prohibited in the Leased Premises. It shall in no way broaden or modify the use provisions of Section 11 hereof

and Tenant shall restrict all operations conducted within the Leased Premises to those described in Section 11 of the Lease.

64. NON-DISCRIMINATION:

Landlord agrees to comply with the non-discrimination policies in County contracts as required by Section 11B-33 and Section 27 of the Montgomery County Code 2004, as amended, as well as all other applicable 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.

65. NON-APPROPRIATION:

Landlord acknowledges that the County has appropriated funds only for payment of rent for the first year of the term of this Lease. Landlord further acknowledges and agrees that the County's obligation under the Lease, to pay rent in future years, is subject to the appropriation of funding for such purpose in future years by the County. The term County, as used herein, includes the County Executive, the County Council, and all County employees and agents of the County. The County makes no warranty, guarantee, or representation and undertakes no obligation to request or obtain an appropriation of funds in future years for payment of rent. Landlord acknowledges and agrees that the County's budget constitutes an executive and legislative function that cannot be contracted away. The Landlord irrevocably waives any claim for unpaid rent or other damages, of any kind or nature whatsoever, against the County if funds are not appropriated in future years for payment of rent, including any claim that the failure to appropriate such funds constitutes a breach of any express or implied covenant of good faith and fair dealing or any other implied obligation on the part of the County to appropriate funds.

If the County, in its sole discretion, elects not to appropriate funds for payment of rent in future years of this Lease, then this Lease shall automatically terminate at 11:59 p.m. on the last day for which funding is appropriated.

The County's fiscal year begins July 1 and ends June 30. It is anticipated that the final action on the County's budget will take place each May, for the upcoming fiscal year, between the 15th and 31st of the month. The County shall give the Landlord notice, in writing, seven (7) business days after the County makes a final decision not to appropriate funds sufficient for the County to pay rent for a full fiscal year under this Lease. Such notice will clearly state the number of months, if any, in the upcoming fiscal year for which the County has appropriated funds sufficient to pay rent and will state the date by which the County will vacate the Leased Premises. If Montgomery County does not appropriate funds for this Lease, Tenant shall give Landlord no less than thirty (30) days written notice of the non-appropriation and this Lease shall terminate on July 1 of the calendar year in which Montgomery County does not appropriate funds. In the event this Lease is so terminated, notwithstanding anything to the contrary in this

Section 65, the County will repay to Landlord the unamortized portion of Landlord's Leasehold Improvement costs, legal fees and the unamortized Brokerage commissions paid pursuant to the separate agreement between Landlord and the County's respective brokers to this Lease as set forth in Section 60.

66. PUBLIC EMPLOYMENT:

Landlord understands that unless authorized under Chapter 19A and Section IIB-52 of the Montgomery County Code (2004), 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.

Signatures on the following page

IN WITNESS WHEREOF, the parties hereto have executed this Lease Agreement as of the day and year first above written.

LANDLORD: CLUB LT LLC

By: [Signature] (SEAL)

Name: Henry S. Marshall

Its: Mgr.

TENANT: MONTGOMERY COUNTY,
MARYLAND

By: Ramona Bell Pearson (SEAL)

Name: Ramona Bell Pearson

Its: Asst. Chief Admin. Officer

APPROVED AS TO FORM AND
LEGALITY OFFICE OF THE COUNTY
ATTORNEY:

By: Alexandra Thompson (SEAL)

Name: Alexandra Thompson

Its: Assoc. County Attorney

RECOMMENDED:

By: [Signature] 5/20/15 (SEAL)

Name: Cynthia Brenneman

Its: Director, Office of Real Estate

IN WITNESS WHEREOF, Landlord and Tenant have signed this Rider as a sealed instrument this ___ day of _____.

LANDLORD:

By: Club LT LLC

Name: [Signature]

Its: mgr.

TENANT:

MONTGOMERY COUNTY, MARYLAND

By: [Signature]

Name: Ramona Bell Pearson

Its: Asst. Chief Admin. Officer

APPROVED AS TO FORM & LEGALITY
OFFICE OF THE COUNTY ATTORNEY

By: [Signature]

RECOMMENDED:

By: [Signature]

Name: Cynthia Brenneiman

Its: Director, Office of Real Estate

EXHIBIT "A"

PROPERTY

EXHIBIT A - Property

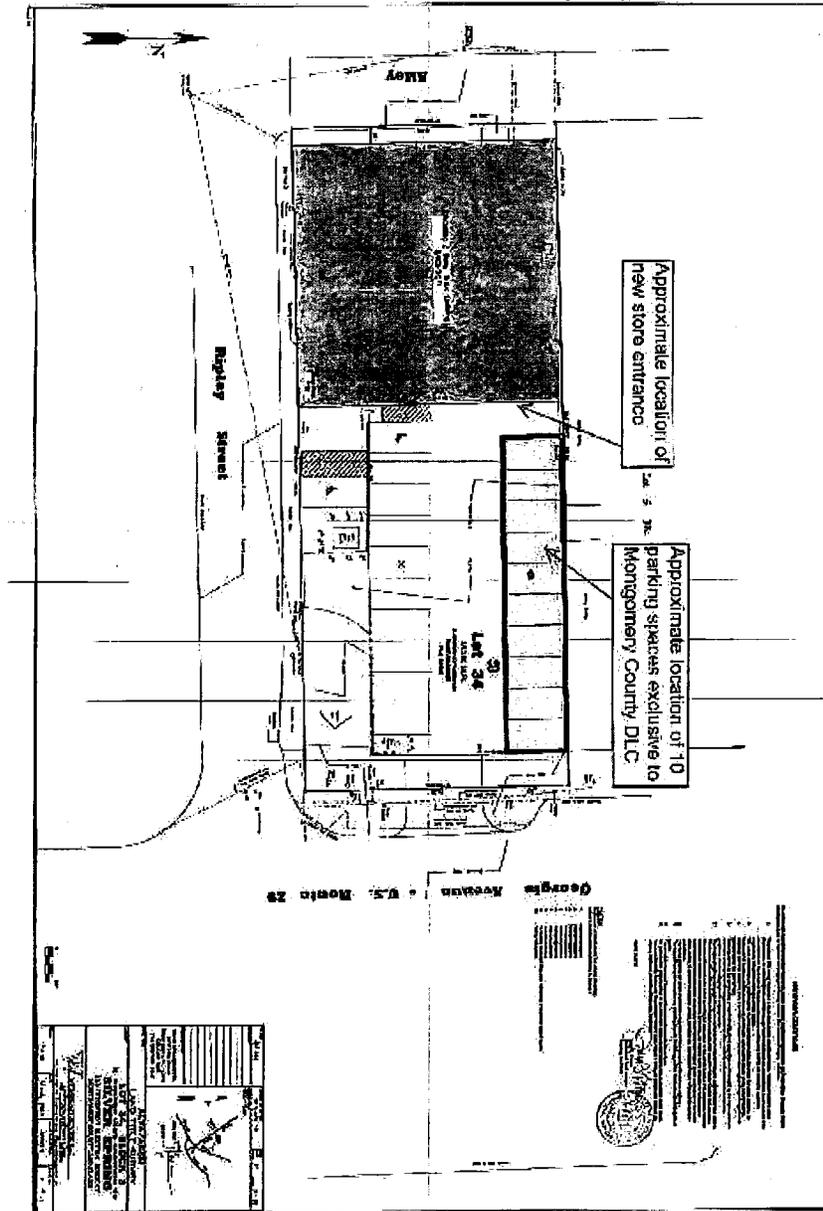


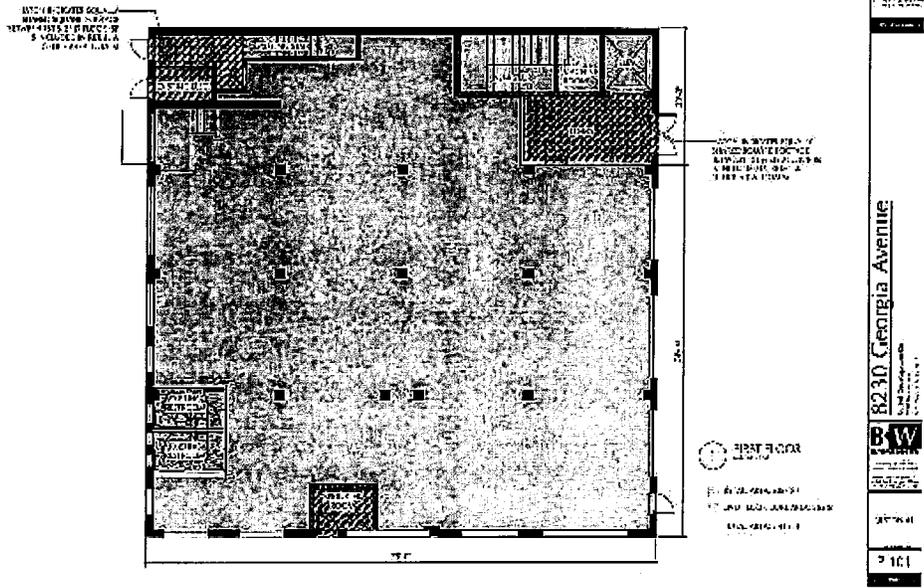
EXHIBIT "B"

LEASED PREMISES

1924471.6

83580.001

EXHIBIT B
Leased Premises



1924471.6

83580.001

EXHIBIT "C"

LANDLORD'S WORK

Landlord will deliver the Premises to Tenant:

- A. With the existing concrete floor smooth, level, and ready to accept Tenant's floor finishes;
- B. A new retail storefront glass and rear delivery entrance (with a new, security overhead door for the rear loading dock) in accordance with the schematic produced by Landlord and mutually agreed to by Landlord and Tenant;
- C. Two (2) ADA compliant restrooms;
- D. Completely demised and secure from the office space on the second floor of the Building; and
- E. With a new HVAC unit at a capacity of one ton per 350 rentable square feet.

EXIDBIT "D"
MERCHANDISE / SERVICE LIST

Not Applicable

EXHIBIT "E"

LANDLORD'S SIGN POLICY

I. GENERAL NOTES AND SPECIFICATIONS

- A. Each Tenant is to have one illuminated channel letter sign, one service door sign, and one storefront address.
- B. The character, design, color and layout of all signs shall be subject to Landlord's prior written approval and shall be in accordance with these criteria. Each Tenant will supply artwork and shop drawings to Landlord for review and approval.
- C. The advertising or informative content of all signs shall be limited to letters designating the store name only. Any designation of the store type shall be by general descriptive terms and shall not include any specifications of the merchandise offered for sale or the services rendered.
- D. Each Tenant must submit to the Landlord for approval, prior to fabrication, two (2) copies of detailed design shop drawings to scale, which include all details of sign construction, materials, thickness, colors, wiring, tubing, transformer specifications, raceway (if applicable) and mounting details. Format must indicate sign size, layout, design and color(s) specified below, superimposed upon the actual demised Tenant premises in an Elevation and Section format (show a front elevation, and a section thru the sign and façade mounting condition).
- E. Each Tenant shall submit plans and specifications for its exterior signs to Landlord for approval prior to submitting the plans and specifications to the local authorities for permitting.
- F. Tenant or Tenant's Contractor shall obtain all necessary permits required by the appropriate governmental or regulatory agency for sign specifications and installation. All signs shall be in compliance with all applicable laws, regulations and rules.
- G. Tenant's Contractor is required to provide the Landlord with a Certificate of Insurance in accordance with the Landlord's insurance requirements.

II. ILLUMINATED CHANNEL LETTER SIGNS AT IN-LINE STORE

- A. **Type:** Tenant illuminated signs installed on the sign band and the open sign areas under the canopy are to be internally illuminated, acrylic face.
- B. **Location:** The sign shall be centered vertically on the sign band and centered horizontally from lease line to lease line. The total sign width shall not exceed 80% of the storefront width, or local jurisdictional zoning ordinances.

- C. **Channel Letter Size:**
i. **Single Line:** Letter height shall not exceed eighteen (18) inches.
- D. **Font:** Channel letters shall be upper and/or lower case using Helvetica Medium or other font of tenant's choice that meets with Landlord's approval. With respect to national or regional chain stores, specific "trade name" fonts will be allowed if approved in advance by Landlord.
- E. **Channel Color/Finish:** Letters shall be constructed of .040, 5" deep aluminum returns painted black and .063 aluminum back panel with white interior finish and shall not project more than five (5) inches out from the face of the fabricated aluminum raceway. Channel letters are to be vertically centered on the facade. All metal exterior letter surfaces shall be painted black satin finish exterior sign-grade acrylic polyurethane over a compatible primer coat.
- F. **Face Color/Finish:** Shall be 3/16" (minimum) white translucent acrylic. Faces can remain white translucent or covered with applied Avery (A9) Translucent Pantone colors or equivalent. Color (options include): White translucent acrylic, Pantone 200C, Pantone 186C, Pantone 187 C, Pantone 188 C, Pantone 2622 C or Burgundy A9370-T.
- G. **Trim:** Letters are to be trimmed with one inch **black** plastic trim cap. Letters on building façade mount directly to 6" deep x 8" high x .063 fabricated aluminum raceway painted to match bulkhead. Landlord to provide color specifications for façade. Raceway mounts to wall with 3/8" Diameter Non-corrosive fasteners as required. 60 MA. Transformers standard.
- H. **For signs that hang below the canopy:** Channel letters suspended beneath soffit attach to .090 black aluminum mounting plate with a 3" wide margin outlining the perimeter of the channel letters providing a black aluminum background that hides the raceway. Letters and mounting plate centered on the adjacent soffit and mount to fabricated, black aluminum 6" X 8" raceway. Raceway suspended from soffit by 2" x 2" square tubing covered in 4" x 4" black aluminum "hangers."
- I. **Mounting:** Channel letters are to be directly mounted to raceway on canopy façade, or to raceway suspended in open sign area. See paragraph (G.)
- J. **Caulking:** The top along the raceway for wall mounted signs and wall where the power supply comes into the building must be caulked with waterproof caulking.
- K. **Transformer:** Shall be a 60-milliamp transformer, housed within the raceway.
- L. **Illumination:** Within letters is to be **15 mm** double stroke (13mm if necessary, with approval by Landlord), 6500k white neon tubing that contains exterior gas. All secondary power connections must be made through PK Housings or equal to

meet U.L. approved installation and material requirements and all secondary-wiring jumps must be made through liquid-tite Greenfield conduits. Each letter is to have at least one (1) 1/4" weep hole.

- M. All wiring and transformers shall be contained within the raceway installed on canopy.
- N. All signs shall be fabricated and installed in compliance with all applicable building and electrical codes and bear a U.L. label. All primary and secondary wiring must be U.L. approved and the sign shall have a U.L. label attached to exterior, as required.

III. RESTRICTIONS

The fabrication, installation and operation of all signs shall be subject to the following restrictions:

- A. No sign should be fabricated or placed in final position without written approval from the Landlord.
- B. Signs previously used by Tenant or sign contractors must conform to the conditions and limitations of these criteria.
- C. No flashing, moving lights or floodlight illumination shall be permitted.
- D. No animation, moving lights or floodlight illumination shall be permitted.
- E. The name and/or stamp of the sign contractor or sign company or both shall not be exposed to the view. If required by code, place in an inconspicuous location.
- F. No exposed fluorescent tubing, incandescent lamps, ballast boxes, electrical transformers crossovers, conduit or sign cabinets shall be permitted.

IV. PROHIBITED SIGNS

The following type signs are prohibited:

- A. Box type signs.
- B. Paper signs or stickers utilized as signs, inside or outside of glass storefront.
- C. Signs of a temporary character or purpose, irrespective of the composition of the sign or material used.
- D. Painted or printed signs.

E. Outrigger signs.

F. Moving signs, rooftop signs, parapet signs or pylon signs.

V. Landlord agrees that any of the County's signage shall contain the County's trade name and the County "Seal"

EXHIBIT "F"

Intentionally Deleted

EXHIBIT "G"

PROHIBITED USES

NONE

RULES AND REGULATIONS

Tenant expressly covenants and agrees, at all times during the Term, and at such other times as Tenant occupies the Leased Premises or any part thereof, to comply, at its own cost and expense, with the following:

1. LOADING - All loading and unloading of goods, merchandise, supplies and fixtures shall be done only at such times, in the areas, and through the entrances, designated for such purposes by Landlord that do not interfere, or interrupt the other Tenants in the Center except armored truck deliveries of short duration. Any truck or machine used for handling freight or making deliveries in the Leased Premises or in the Center shall have rubber wheels only.
2. TRASH - All garbage and refuse shall be kept in the kind of container specified by Landlord, and shall be placed in the dumpster provided by Landlord for collection in the manner and at the times and places specified by Landlord.
3. ANTENNAS/NOISE - Tenant shall not (i) suffer, allow or permit any vibration, noise, odor or flashing or bright light to emanate from the Leased Premises or from any machine or other installation located therein, or otherwise suffer, allow or permit the same to constitute a nuisance to or interfere with the safety, comfort or convenience of Landlord or of any other occupant or user of the Center; (ii) paint or cause to be displayed, painted or placed, any handbills, bumper stickers or other advertising devices on any vehicle(s) parked in the parking area(s) of the Shopping Center, whether belonging to Tenant, its employee(s), or any other person(s); (iii) solicit business, distribute, or cause to be distributed, in the Common Areas, any handbills, promotional materials or other advertising; (iv) conduct or permit any other activities in the Leased Premises that might constitute a public or private nuisance; (v) permit the parking of any vehicles or the placement of any displays, trash receptacles or other items, so as to interfere with the use of any driveway, fire lane, corridor, walkway, parking area, mall or any other Common Area; or (vi) use or occupy the Leased Premises or do or permit anything to be done therein which in any manner might cause injury or damage in or about the Center. No radio or television antenna or similar device shall be installed without first obtaining in each instance Landlord's consent in writing. No aerial shall be erected on the roof or exterior walls of the demised premises, or on the grounds, without obtaining, in each instance, the prior written consent of Landlord. Any aerial installed without such written consent shall be subject to removal without notice at any time. No loudspeakers, television, phonographs, radios or other devices shall be used in a manner so as to be heard outside of the demised premises. To the extent required by Landlord, or any environmental or other law, rule, regulation, guideline or order, Tenant shall provide sound barriers for all mechanical systems serving the Leased Premises.
4. MORAL JUDGEMENT - Tenant shall not sell, distribute, display or offer for sale any item which, in Landlord's good faith judgment, is inconsistent with the quality of operation of the Shopping Center, or may tend to injure or detract from the moral character or image of the Shopping Center within the community. Without limiting the generality of the foregoing, Tenant shall not sell, distribute, display or offer for sale any paraphernalia commonly employed in the use or ingestion of illicit drugs, or any x-rated pornographic, lewd, or so-called "adult"

newspaper, book, magazine, film, picture, video tape or video disk. Excluding, however, the leasing of adult films in conjunction with the operation of a video leasing business provided such business represents less than ten percent (10%) of the overall business.

5. PLUMBING - Tenant shall use, and allow to be used, the plumbing within the Leased Premises and the Center only for the purpose for which it is designed. Tenant shall be solely responsible for any breakage, stoppage or damage resulting from its violation of this provision, and shall pay any costs associated therewith to Landlord upon demand as additional Rent.

6. EXTERMINATION - Tenant shall contract for and utilize termite and pest exterminations services for the Leased Premises as, and with such contractor as, Landlord may from time to time designate. Tenant shall not be obligated to pay more for such service than the prevailing competitive rate charged by reputable, independent contractors. If Landlord does not designate such contractor, Tenant may employ a reputable contractor of its choosing, subject to Landlord's prior written consent.

7. DISPLAYS - Tenant may install and maintain at all times a display of merchandise in the display windows (if any) of the Leased Premises. All articles, and the arrangement, style, color and general appearance thereof shall be in keeping with the character and standards of the Center as reasonably determined by Landlord.

8. CLEANING - Tenant shall participate in any window cleaning program that may be established by Landlord. Tenant shall not be obligated to pay more for its participation in such window cleaning program than the prevailing competitive rate charged by reputable independent window cleaning contractors for equal service on a direct and individual basis. The outside areas immediately adjoining the demised premises shall be kept clean and free from snow, ice dirt and rubbish by Tenant to the satisfaction of Landlord, and Tenant shall not place or permit any rubbish or merchandise in such areas.

9. LABOR DISPUTES - Tenant shall not take any action which would violate any labor contracts affecting the Shopping Center, or which would cause any work stoppage, picketing, labor disruption or dispute, or any interference with the business of Landlord or any other tenant of the Shopping Center, or with the rights and privileges of any person lawfully in the Shopping Center. At Landlord's request, Tenant shall immediately suspend any construction work being performed in the Leased Premises giving rise to such labor problems, until such time as Landlord shall have given its written consent for the resumption of such work. Tenant shall have no claim for damages of any nature against Landlord in connection therewith, nor shall the Commencement Date be extended as a result thereof.

10. PERMITS - Tenant shall promptly obtain all permits, including occupancy permits, for the Leased Premises or its use thereof. Tenant shall pay before delinquency all license and permit fees, and other charges of a similar nature, for the conduct of any business in, or any use of, the Leased Premises.

11. MINIMUM HOURS OF OPERATION - Tenant shall conduct business hours in the Leased Premises beginning no later than 10:00 A.M. and ending no earlier than 6:00 P.M. on Monday through Saturday and on Sunday beginning no later than 12:00 P.M. and ending no earlier than

5:00 P.M. Notwithstanding anything to the contrary contained in this Lease, Tenant may, but shall not be required, to remain open on Sundays, Montgomery County, Maryland holiday's or national holidays.

12. SALES - Tenant shall not conduct or permit to be conducted any auction, fire, "going out of business" or similar type of sale (whether real or fictitious) from the Leased Premises; provided, however that this provision shall not restrict the absolute freedom (as between Landlord and Tenant) of Tenant to determine its own selling prices nor shall it preclude periodic, seasonal, promotional or clearance sales held in the ordinary course of business. The lobbies, vestibule, sidewalks and driveways contiguous to the demised premises shall not be used for outdoor displays or sales areas.

13. VOLUME - Tenant shall not place a load on any floor in the Shopping Center which exceeds the load which it was designed to carry, or which may result in improper weight distribution on such floors.

14. ELECTRICAL - Tenant shall not install, operate or maintain in the Leased Premises or in any other area of the Shopping Center any electrical equipment which does not bear the Underwriters Laboratories seal of approval, or which would overload the electrical system or any part thereof beyond its capacity for proper, efficient and safe operation as determined by Landlord.

15. COMPLIANCE - Tenant shall comply with and shall cause the Leased Premises to comply with all statutes, laws, rules, orders, regulations and ordinances affecting the Leased Premises (including, without limitation, environmental, health, safety, cleanliness, occupational and use regulations), including the orders or recommendations of any insurance underwriters, safety engineers, and loss prevention consultants as may from time to time be consulted by Landlord. In no event shall Tenant use the Leased Premises for purposes which are prohibited by zoning or similar laws or regulations, or covenants, conditions or restrictions of record.

16. ADDITIONAL RULES - Landlord reserves the right to make such reasonable amendments or additions to these Rules and Regulations as is deemed necessary to the proper administration and care of the Center.

17. CONFLICT - In the event of conflict between these Rules and Regulations and the terms and provisions of the Lease, the terms and provisions of the Lease shall control; and, in the event the Lease provides for more stringent provisions or restrictions regarding any subject matter described in these Rules and Regulations, the provisions or restrictions set forth in the Lease shall control.

EXHIBIT "H"

Form of Estoppel

TENANT ESTOPPEL CERTIFICATE

Re: Agreement of Lease dated ___ and as amended on _____ ("Lease"), executed by and between Club LT LLC ("Landlord"), and Montgomery County Maryland, through the Department of Liquor Control ("Tenant") for leasing a certain premises containing approximately five thousand fifty three (5,053) square feet with an address at 8230 Georgia Avenue, Silver Spring, MD 20910 ("Leased Premises").

Landlord has requested that the County provide Landlord with an Estoppel Certificate as permitted from time to time under the terms of the above-referenced Lease. The County hereby acknowledges the following:

- (1) The Lease and all amendments to the Lease attached as Exhibit "A" is a true, correct, and complete copy of the Lease, as amended; is in full force and effect; and has not been modified, supplemented, or amended in any way other than in writing attached as part of Exhibit A. The Lease as amended in Exhibit A represents the entire agreement between the Landlord and Tenant as to the Premises or any part of the Premises.
- (2) The Lease Term commenced on _____ . The current term of the Lease will expire on _____ . The Lease provides for two (2) extensions of the Lease for five (5) years each.
- (3) The Tenant shall commence the payment of rent under the Lease on the "Rent Commencement Date" (as such term is defined in the Lease). The initial annual net rent payable by the Tenant under the Lease is equal to \$240,017.50 per annum. No rent under the Lease has been or will be paid more than thirty (30) days in advance of its due date.
- (4) The County paid no security deposit under the terms of the Lease.

(5) The Lease represents the entire agreement between the Tenant and the Landlord with respect to the leasing of the Leased Premises, including, but not limited to, all understandings and agreements relating to the construction or installation of any leasehold improvements by the Landlord, and to the conditions precedent to the occupancy of the Leased Premises by the Tenant.

(6) As of the date that this Certificate is issued by the County, the County has no knowledge of any default by Landlord other than those specified in Exhibit B, attached hereto. As of the date that this Certificate is issued by the County, the County has no knowledge of any offset, defense, deduction or claim against Landlord other than those listed in Exhibit B, attached hereto.

(7) The County is not in default under the Lease.

(8) The County has not assigned the Lease or sublet all or any portion of the Premises, except as listed in Exhibit C, attached hereto. Any sublease or assignment documents are attached as part of Exhibit C.

(9) Any notices to be sent to the County should be sent in the form required in the Lease to:

Montgomery County, Maryland
Office of Real Estate
101 Monroe Street
9th Floor
Rockville, MD 20850

With a copy that does not constitute notice to: Office of the County Attorney

101 Monroe Street, 3rd Floor
Rockville, MD 20850
Attn: County Attorney

(10) The undersigned is duly authorized to execute this Certificate.

TENANT:

MONTGOMERY COUNTY, MARYLAND, a
body corporate and politic

By: _____

_____, Assistant Chief Administrative
Officer

APPROVED AS TO FORM & LEGALITY
OFFICE OF THE COUNTY ATTORNEY

RECOMMENDED:

By: _____

By: _____

_____ Director, Office of Real Estate

EXHIBIT "I"

Form of Subordination, Non-disturbance and Attornment Agreement

SUBORDINATION, NON-DISTURBANCE, AND ATTORNMENT AGREEMENT

This Subordination, Non-Disturbance and Attornment Agreement (the "Agreement") made this ____ day of _____, 201__ among _____ (the "Lender"), with an address at _____, CLUB LT LLC, ("Landlord"), with an address at _____, and MONTGOMERY COUNTY, MARYLAND, a body corporate and politic and a political subdivision of the State of Maryland (the "Tenant"), with an address at _____, (the Lender, the Landlord, and the Tenant together the "Parties").

RECITALS

- A. WHEREAS, Landlord and Tenant entered into a Lease Agreement dated _____ as amended by the ____ (the "Lease"), whereby Tenant leased from Landlord those certain premises, containing approximately five thousand fifty three (5,053) square feet ("Leased Premises") with an address at 8230 Georgia Avenue, Silver Spring, MD 20910 and more particularly described on **EXHIBIT A**, attached and incorporated as if fully set forth (the "Property").
- B. Lender and the Landlord have represented to the Tenant that the Lender will make a loan to the Landlord in the principal amount not to exceed (\$ _____) (the "Loan"), secured by a mortgage or deed of trust which will be recorded among the Land Records for Montgomery County, Maryland, and which may be amended or modified from time to time (the "Mortgage") and an assignment of leases and rents from the Landlord to the Lender, which covers the Property, including the Leased Premises.
- C. Tenant has agreed that the Lease shall be subject to and subordinate to the Mortgage held by the Lender, provided Tenant is assured of continued occupancy of the Premises under the Terms of the Lease.

NOW, THEREFORE, for and in consideration of the mutual covenants made among the Parties in this Agreement and the payment of the sum of \$10.00 by the Lender to the Tenant, and for other good and valuable consideration, the receipt and sufficiency of which is acknowledged by the Parties, the Parties agree as follows:

1. Subordination and Consent. The Parties agree that the Lease is and shall continue to be subject and subordinate to the Mortgage and to any renewals, modifications, consolidations, replacements and extensions of the Mortgage and to all advances made under the Mortgage. Tenant acknowledges that Landlord will execute and deliver to the Lender an assignment of the Lease as security for the Loan, and Tenant expressly consents to the assignment. Tenant agrees that if there is a default by the Landlord in performance of the terms of the Loan that Lender may, at Lender's option, demand in writing sent to the Tenant by first class mail, postage prepaid and certified mail to the address provided below, that all payments of rent and additional rent due under the Lease must be paid directly by Tenant to the Lender at the address specified below or as

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

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

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

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

If to the Lender, to:

If to the Landlord, to:

Montgomery County Government
Department of Liquor Control
210 Edison Drive
Gaithersburg, Maryland 20850

With a copy to:

Montgomery County Government
Department of General Services
101 Monroe Street, 9th Floor
Rockville, Maryland 20850
Attn: Director, Office of Real Estate

With a copy that does not constitute notice to:

Office of the County Attorney
101 Monroe Street, 3rd Floor
Rockville, Maryland 20850
Attn: County Attorney

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

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

IN WITNESS WHEREOF, the Parties have executed this document effective the date first written above.

LENDER:

By: _____

Printed Name: _____

Date:

LANDLORD:

By: Club LT LLC

Printed Name: _____

Date:

TENANT:

MONTGOMERY COUNTY, MARYLAND

By: _____
Assistant Chief Administrative Officer

APPROVED AS TO FORM & LEGALITY
OFFICE OF THE COUNTY ATTORNEY

RECOMMENDED:

By: _____

By: _____
Director
Office of Real Estate

STATE OF MARYLAND

COUNTY OF MONTGOMERY

On this ____ day of _____, On this ____ day of _____, 20____, before me, a notary public in and for the State of Maryland, personally appeared _____, who acknowledged herself/himself to be the managing member/authorized person of _____, and that she/he, as managing member/authorized person, being authorized to do so, executed the foregoing instrument for the purposes therein contained, by signing the name of the association by himself/herself as managing member/authorized person of _____.

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

Notary Public

My Commission Expires On:

STATE OF MARYLAND

COUNTY OF MONTGOMERY

On this ____ day of _____, On this ____ day of
_____, 20 __, before me, a notary public in and for the State of Maryland,
personally appeared _____, who
acknowledged herself/himself to be the managing member person of
_____, and that he as managing member/authorized person, being
authorized to do so, executed the foregoing instrument for the purposes therein contained, by
signing the name of the association by himself as managing member/authorized person of
_____.

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

Notary Public

My Commission Expires On:

STATE OF MARYLAND

COUNTY OF MONTGOMERY

On this ____ day of _____, On this ____ day of _____, 20 __, before me the undersigned officer, personally appeared to me to be an Assistant Chief Administrative Officer for Montgomery County, Maryland, and that she, as such Assistant Chief Administrative Officer, being authorized to do so, executed the foregoing Agreement by signing the name of Montgomery County, Maryland by herself as Assistant Chief Administrative Officer.

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

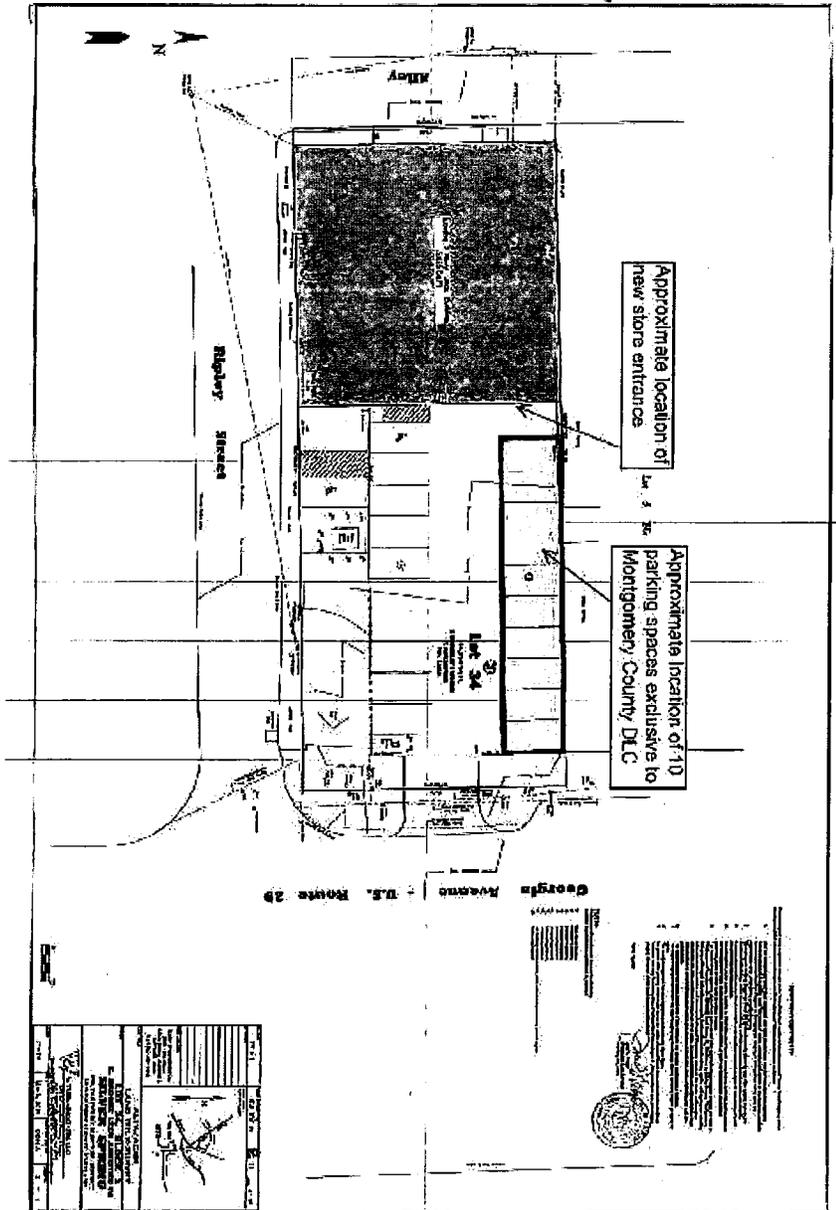
Notary Public

My Commission Expires On:

EXHIBIT "J"

Parking

EXHIBIT J - Parking



TERM EXTENSION RIDER

THIS RIDER is attached to and made part of a certain Lease of even date between the undersigned Landlord and Tenant in respect of Leased Premises known as 8230 Georgia Avenue, Silver Spring, MD 20910.

1. Options

Provided that (i) the Lease is in full force and effect, (ii) Tenant is in possession of the Premises, and (iii) Tenant is not in default of its duties and obligations under this Lease, Tenant shall have two (2) options to renew this Lease for a term of five (5) years each under all of the same terms, covenants and conditions as applicable to the initial term of the Lease, except that Fixed Minimum Rent for the first year of each renewal term, shall be subject to an annual increase of ten percent (10%) of the Fixed Minimum Rent in effect for the immediately preceding Lease Year and Tenant shall then have one less option to renew. Tenant must notify Landlord of its intent to renew in writing not later than six (6) months but not more than twelve (12) months prior to expiration of the then current Lease Term. Tenant's failure to deliver the notice of exercise prior to such deadline shall be deemed to be a waiver by Tenant of its right to renew the Term of the Lease, time being of the essence. Tenant shall be required to exercise its option to renew with respect to all (and not less than all) of the Premises then under this Lease, unless otherwise mutually agreed upon. The period of time within which each option to renew may be exercised shall not be extended or enlarged by reason of Tenant's inability to exercise such option because of an uncured default by Tenant under the Lease. Each period added to the Term of this Lease by exercise of an option shall be called an Extended Term.

2. Limitations of Exercise of Options

- (a) If any option to extend the Term of this Lease is not timely exercised, all unexercised options to extend shall at Landlord's option become null and void.
- (b) Each right to extend the Term of this Lease may be exercised only by the undersigned Tenant for its continued use and occupancy of the Leased Premises and only if it is in possession of the Leased Premises and operating a permitted use therein when it exercised the right.
- (c) If Tenant shall default under the Lease, and such default shall extend beyond any applicable cure period set forth in the Lease, all unexercised rights to extend the Term of the Lease shall automatically be extinguished and become null and void.