

County Council of Howard County, Maryland

2017 Legislative Session

Legislative Day No. **13**

Bill No. 76 -2017

Introduced by: The Chairperson at the request of the County Executive

AN ACT pursuant to Section 612 of the Howard County Charter, approving a Multi-Year Lease Agreement between the County and KSM Timbers, LLC for the operation and maintenance of the Timbers at Troy Golf Course; authorizing the Executive to make changes to the Agreement, under certain conditions; authorizing the County Executive to execute the Agreement; and generally relating to the Agreement.

Introduced and read first time _____, 2017. Ordered posted and hearing scheduled.

By order _____
Jessica Feldmark, Administrator

Having been posted and notice of time & place of hearing & title of Bill having been published according to Charter, the Bill was read for a second time at a public hearing on _____, 2017.

By order _____
Jessica Feldmark, Administrator

This Bill was read the third time on _____, 2017 and Passed ____, Passed with amendments _____, Failed _____.

By order _____
Jessica Feldmark, Administrator

Sealed with the County Seal and presented to the County Executive for approval this ___ day of _____, 2017 at ___ a.m./p.m.

By order _____
Jessica Feldmark, Administrator

Approved/Vetoed by the County Executive _____, 2017

Allan H. Kittleman, County Executive

NOTE: [[text in brackets]] indicates deletions from existing law; TEXT IN SMALL CAPITALS indicates additions to existing law; ~~Strike-out~~ indicates material deleted by amendment; Underlining indicates material added by amendment

1 **WHEREAS**, the County is the fee simple owner of the public golf course known as
2 Timbers at Troy Golf Course located at 6500 Marshalee Drive in Elkridge, Maryland (the “Leased
3 Premises”) which it maintains, develops and operates, for the benefit of the public; and
4

5 **WHEREAS**, the County issued Request for Proposal No. 02-2016 for the Lease of
6 Timbers at Troy Golf Course (the “RFP”); and
7

8 **WHEREAS**, KSM Timbers LLC, a Maryland Limited Liability Company (“KSM”),
9 submitted a proposal to the County and KSM was selected by the County as the best and most
10 qualified proposer; and
11

12 **WHEREAS**, the County desires to enter into an agreement with KSM to carry out all facets
13 of operation of the Leased Premises including without limitation; total golf operations, golf course
14 and facility maintenance, pro shop operations, food and beverage operations, equipment leasing,
15 marketing and promotions; and
16

17 **WHEREAS**, KSM and the County desire to enter into a lease of the Leased Premises
18 pursuant to the terms and conditions of the Lease Agreement, substantially in the form attached as
19 Exhibit 1, for a term of 10 years, with one option to renew for 10 years; and
20

21 **WHEREAS**, the Lease Agreement requires that during each calendar year during the term
22 of the Lease Agreement, the County is responsible for the costs incurred for Capital Improvements
23 as defined in the Lease Agreement; and
24

25 **WHEREAS**, such a multi-year term requires the payment by the County of funds from an
26 appropriation in a later fiscal year and therefore requires County Council approval as a multi-year
27 agreement pursuant to Section 612 of the Howard County Charter.
28

29 **NOW, THEREFORE,**
30

1 **Section 1. Be It Enacted** by the County Council of Howard County, Maryland that in accordance
2 with Section 612 of the Howard County Charter, it approves the Lease Agreement, substantially
3 in the form of Exhibit 1 attached to this Act, between Howard County and KSM Timbers, LLC for
4 the management and operation of the Timbers at Troy Golf Course.

5
6 **Section 2. And Be It Further Enacted** by the County Council of Howard County, Maryland that
7 the County Executive is hereby authorized to execute the Lease Agreement for such term in the
8 name of and on behalf of the County.

9
10 **Section 3. And Be It Further Enacted** by the County Council of Howard County, Maryland that
11 the County Executive, prior to execution and delivery of the Lease Agreement, may make such
12 changes or modifications to the Agreement as he deems appropriate in order to accomplish the
13 purpose of the transactions authorized by this Act, provided that such changes or modifications
14 shall be within the scope of the transactions authorized by this Act; and the execution of the
15 Agreement by the County Executive shall be conclusive evidence of the approval by the County
16 Executive of all changes or modifications to the Agreement, and the Agreement shall thereupon
17 become binding upon the County in accordance with its terms.

18
19 **Section 4. And Be It Further Enacted** by the County Council of Howard County, Maryland that
20 this Act shall be effective immediately upon its enactment.

LEASE AGREEMENT
FOR
TIMBERS AT TROY GOLF COURSE

BETWEEN
HOWARD COUNTY, MARYLAND

AND

KSM TIMBERS LLC.

Dated __, 2017

Approved by the Howard County Council _____, 2017
Council Bill No. _____

LEASE AGREEMENT

THIS LEASE AGREEMENT (this "Lease") is made and entered into as of December__, 2017 ("Execution Date"), by and between **HOWARD COUNTY, MARYLAND**, a body corporate and politic, having its principal place of business at 3430 Court House Drive, Ellicott City, Maryland 21043 (the "County") and **KSM TIMBERS LLC.**, a Maryland limited liability company ("Lessee"), located at 500 Skokie Boulevard, Suite 444, Northbrook, Illinois 60062. Kemper Sports Management, Inc., an Illinois corporation and parent company of Lessee ("KSM"), is also executing this agreement for the purpose of agreeing to Section 40 hereof.

WITNESSETH:

WHEREAS, the County is the owner in fee simple title, and maintains, develops and operates, for the benefit of the public, the public golf course known as Timbers at Troy Golf Course located in Elkridge, Maryland, which is shown on Exhibit A and incorporated herein by this reference, together with all improvements thereon and appurtenances thereto pertaining (collectively the "Leased Premises");

WHEREAS, the County desires to enter into an agreement with Lessee to carry out all facets of operation of the Leased Premises including without limitation; total golf operations, golf course and facility maintenance, pro shop operations, food and beverage operations, equipment leasing, and marketing and promotions;

WHEREAS, County issued Request for Proposals No. 02-2016 for Lease of Timbers at Troy Golf Course, 6500 Marshalee Drive, Elkridge, MD 21075 dated June 22, 2015, ("RFP").

WHEREAS, Lessee submitted a proposal to the County, ("Lessee's Proposal"), and Lessee was selected by the County as the best and most qualified proposer;

WHEREAS, the County and Lessee have negotiated mutually satisfactory terms for the lease of the Leased Premises;

WHEREAS, the Howard County Council has approved the lease of the Leased Premises to Lessee;

WHEREAS, Lessee and the County desire to enter into an agreement to carry out the intentions of the RFP and enter into a lease for the Leased Premises pursuant to the terms and conditions of this Lease and its Exhibits;

NOW, THEREFORE, in consideration of the premises and the mutual covenants, conditions, and agreements set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. Leased Premises.

(a) County hereby leases and grants to Lessee the exclusive right to occupy, maintain, and operate the Leased Premises, in accordance with the terms and conditions hereinafter set forth

in this Lease, the RFP, and Lessee's Proposal, as well as the associated personal property inventory listed on Exhibit B attached hereto (the "Personal Property") for use in operation of the Leased Premises; and Lessee hereby accepts from the County the Leased Premises and the Personal Property for the purposes and under the terms set forth herein. The Leased Premises is leased subject to all easements, rights of way, deed restrictions, and other encumbrances, conditions and restrictions of record applicable to the Leased Premises. The Leased Premises, which is located in a public park, shall be available for use by the general public.

- (b) The Leased Premises includes, without limitation:
- (i) An 18-hole golf course on 208 acres of land (26 acres of maintained rough, 24 acres of fairway, 8 acres of driving range, 4 acres of tees and 4 acres of greens). The Lease Premises includes 19 greens and ±60 bunkers plus cart paths.
 - (ii) Concessions/grill room clubhouse with approximately 6,325 square feet of space, including pro shop, offices, restrooms and a deck.
 - (iii) 4,400 square feet of cart storage space beneath the clubhouse equipped with electrical outlets to accommodate the equipment chargers.
 - (iv) Maintenance Facility see Exhibit C
 - (v) Additional 1.5 acres for parking lot and unused open space.
 - (vi) Well one (1) near the pond with a capacity of 60 gpm, Well two (2) located on 17 Fairway with a capacity of 92 gpm, Well three (3) located on 17 Rough with a capacity of 30 gpm, Well four (4) located near 1 Green with a capacity of 7.5 gpm, and Well five (5) located on 4 Fairway with a capacity of 45 gpm

2. Term.

(a) Term. The term of this Lease shall begin upon the Commencement Date (defined below) and shall continue for a period of ten (10) years unless otherwise earlier terminated in accordance with this Lease (the "Term"). The Term may be extended for one (1) additional ten (10) year period upon mutual written agreement by the parties. The Commencement Date shall be January 1, 2018.

(b) Condition of Leased Premises. No less than thirty (30) days prior to the Commencement Date, the parties shall conduct a walk-through of the Leased Premises and inspect the Personal Property, and prepare a report, that is mutually agreed to, in the form of Exhibit D documenting the general conditions ("General Conditions") of the Leased Premises and Personal Property.

Within ten (10) days of the expiration or earlier termination of the Lease, the County and Lessee shall conduct a walk-through of the Leased Premises and inspect the Personal Property, and the County shall prepare a report documenting the general conditions and the environmental conditions thereof. Except as expressly stated herein, the County makes no representation or warranty, express or implied, as to the nature or condition of the Leased Premises or its Personal Property. Lessee represents that it has examined and is fully familiar with the physical condition of the Leased Premises, the improvements thereon, and the County's Personal Property, and shall accept the Leased Premises and Personal Property without recourse to the

County, "**AS IS**", in the condition and state in which it is in on the Commencement Date, except as expressly provided otherwise in this Lease.

Throughout the Term, if the Leased Premises becomes subject to any order of any federal, state or local agency to investigate, remove, remediate, repair, close, detoxify, decontaminate or otherwise clean up the Leased Premises, County shall, at its expense, carry out and complete any required investigation, removal, remediation, repair, closure, detoxification, decontamination or other cleanup of the Leased Premises; provided that such remediation activities shall be at Lessee's expense if such activities are required as a direct consequence of hazardous material being present in, on or under the Leased Premises solely as a result of actions undertaken by KSM. Owner acknowledges and agrees that Owner shall be solely responsible for any legal or other liability arising out of the presence of any hazardous material in, on or under the Leased Premises, except to the extent such hazardous material is present in, on or under the Leased Premises solely as a result of actions undertaken by KSM.

(c) [Intentionally Omitted]

(d) Notice of Expiration Not Required. Notwithstanding the provisions of law or any judicial decision to the contrary, the Initial Term shall expire on the date herein provided without notice being required from either party.

3. [Intentionally Omitted]

4. Annual Lease Terms for Payment and Profit Sharing and Other Requirements.

(a) Lessee shall, beginning with the Calendar Year during which the Commencement Date occurs, annually pay to the County \$300,000 as follows: \$100,000 by June 30th, \$100,000 by September 30th and \$100,000 by December 31st of each such Calendar Year (i.e. beginning June 30, 2018). In the event that the Net Operating Income in any Calendar Year during the Term is not sufficient to meet the Minimum NOI Payment, then Lessee shall make up the shortfall by paying the difference to the County. For instance, if the Net Operating Income in a Calendar Year is \$250,000, then Lessee shall pay that \$250,000 plus an additional \$50,000 to the County.

(b) After payment to the County of the Minimum NOI Payment set forth in Section 4(a) above, for each Calendar year during the Term, Lessee shall retain the next \$100,000 of Net Operating Income, or such lesser amount if less than \$100,000 of Net Operating Income remains after payment of the Minimum NOI Payment. For instance, if Net Operating Income for a Calendar Year is \$375,000, then after payment of the Minimum NOI Payment, Lessee would retain the remaining \$75,000.

(c) After payment of the amounts set forth in Sections 4(a) and 4(b) above, if available Lessee shall set aside in a reserve fund an amount equal to up to three percent (3%) of the annual Gross Revenues for mutually approved capital expenses (the "Capital Reserve Payment"). For instance, if Gross Revenues for a Calendar Year are \$2 million then, provided there is sufficient Net Operating Income after payment under Sections 4(a) and (b) above, then the Capital Reserve Payment would be \$60,000. As an example, if the NOI is \$450,000, then the Capital Reserve Payment would be \$50,000 (i.e. \$450,000 - \$300,000 - \$100,000 = \$50,000). If NOI is \$500,000 in the prior example, then the Capital Reserve Payment would be \$60,000 (i.e., \$500,000 - \$300,000 - \$100,000 = \$100,000).

(d) After payment of the amounts set forth in Sections 4 (a), (b) and (c) above, then the County and Lessee shall share any remaining Net Operating Income as follows: seventy percent (70%) to the County (the "County Residual NOI Share") and thirty percent (30%) to the Lessee. For example, if in a calendar year Gross Revenues are \$2 million and Net Operating Income is \$500,000, then Lessee and County would share available Net Operating Income as follows: \$500,000 - \$300,000 - 100,000 - \$60,000 = \$40,000. Of the available \$40,000, County would receive \$28,000 (i.e., \$40,000 x .70) and Lessee would receive \$12,000 (i.e., \$40,000 x .30). The County Residual NOI Share shall be paid to County by March 31 of the following calendar year (i.e., County Residual NOI Share for 2018 shall be due March 31, 2019).

The Minimum NOI Payment and the County Residual NOI Share (if any) are collectively referred to herein as the "Annual Lease Fee".

f) Late Fees. For any Annual Lease Fee payment that is received ten (10) days after the respective payment is due, the County shall have the right, at its option and without any further demand or notice, to require a late payment charge equal to one and one half percent (1.5%) of the delinquent amount per month until paid,. Provided however, that this Section 4(f) shall not be applicable if or to the extent that the application thereof is illegal or would affect the validity of this Lease. The obligations provided in this Section shall survive the expiration or early termination of this Lease.

(g) Calendar Year. The Calendar Year for Lessee and operations of the Leased Premises shall be from January 1st to December 31st. ("Calendar Year").

(h) Definitions

Gross Revenue. "**Gross Revenue**" shall mean all monthly receipts related to or derived from the operation of the Leased Premises from cash or credit transactions recognized during the Initial Term, computed on an accrual basis, including, but not limited to, annual pass/card sales, driving range fees, outing cash sponsor donations, room rentals, greens fees, cart rental fees, guest fees, income derived from the investment of Gross Revenues, the amount of all sales (wholesale or retail) of food, beverages, goods, wares, or merchandise on, at, or from the Leased Premises, or for services of any nature performed on, at, or from the Leased Premises, determined in accordance with generally accepted accounting principles applied on a consistent basis. Gross Revenues shall be reduced by any refunds, rebates, discounts, and credits of a similar nature given, paid, or returned by Lessee or County in obtaining such Gross Revenues.; provided however, Gross Revenue does not include the following:

- (i) Cash refunds or credits allowed on returns by customers;
- (ii) Sales tax, excise tax, gross receipts tax, use tax, and other similar taxes now imposed upon the sales of food, beverages, merchandise, or whether added to or included in the selling price;
- (iii) Fees charged for golf lessons and instruction to the extent that such fees or any portion thereof are retained by the golf professional giving lessons or instruction (including both instances where the fees, or portions thereof, are paid directly to the golf professionals and where the golf professionals receive payments based on the fees received from lessons or instruction);

- (iv) The actual uncollectible amount of any check or draft received by Lessee as payment for goods or services and returned to Lessee from customer's bank as uncollectible (commonly referred to as non-sufficient funds); provided that Lessee has used reasonable efforts to collect such amount;
- (v) The actual uncollectible amount of any charge or credit account (commonly referred to as bad debts) incurred by Lessee for the sale of merchandise or services; provided that Lessee has used reasonable efforts to collect such amount;
- (vi) Receipts in the form of refunds from or the value of merchandise, supplies or equipment to the shippers, suppliers, or manufacturers;
- (vii) The amount of any cash or quantity discount or rebates received from sellers, suppliers, or manufacturers;
- (viii) The amount of any gratuities paid or given by the customer to or for employees of Lessee;
- (ix) Meals served or provided to employees of Lessee to the extent such employees do not pay for the same; and
- (x) The discounted portion, if any, of any sales of merchandise to employees.
- (xi) Charity rounds provided by Lessee in its reasonable discretion.
- (xii) Proceeds paid as a result of an insurable loss, unless paid for the loss or interruption of business, to the extent such sums are used to remedy said loss;
- (xiii) Credit card fees.

Operating Expenses. The term "Operating Expenses" shall mean all operating expenses of the Leased Premises incurred or paid during the Term, computed on an accrual basis, including, but not limited to, the following items:

- (i) Salaries, wages, employee benefits, and payroll expenses, including without limitation, payroll service bureau fees, payroll taxes, Leased Premises profit sharing programs, and insurance for all employees employed on-site in the direct operation of the Leased Premises, excluding, however, service charges, which are defined as percentage gratuities added to billings and paid to employees (collectively, the "Gross Payroll");
- (ii) Marketing, advertising, and promotional expenses;
- (iii) Purchase and replacement, as necessary, of inventories of maintenance parts and supplies, food stores and bar supplies;
- (iv) Purchase and replacement, as necessary, of silver, chinaware, glassware, cooking utensils, and other similar items of equipment;
- (v) Purchase and replacement, as necessary, of office supplies, computers, printers, facsimile machines, photocopiers, postage, printing, routine office expenses,
- (vi) Lease payments on any item of furniture, fixtures or Lessee Acquired Equipment;
- (vii) The costs of IT consultants and other consultants utilized for the Leased Premises;
- (viii) Reasonable travel expenses of on-site employees incurred exclusively in connection with the business of the Leased Premises;

- (ix) Accrual of a reserve for insurance (including workers' compensation) and property taxes each month in an amount or at a rate that is sufficient to pay such insurance premiums or property taxes when they become due and payable;
- (x) Insurance premiums, administrative and financing charges and expenses, property taxes, to the extent not provided for in the reserve established therefore and any deductible amounts required to be paid pursuant to Leased Premises insurance coverage;
- (xi) Accounts receivable previously included within Gross Revenues, to the extent they remain unpaid ninety (90) days after the first billing;
- (xii) Auditing and accounting costs, computer fees (including costs to license and maintain accounting software), and legal fees incurred in respect of the operation of the Leased Premises, including any reasonable financial management and reasonable accounting fees paid to third party accounting firms
- (xiii) Costs incurred for utilities, including, but not limited to, all electric, gas, and water costs, and any other private utility charges incurred in connection with the operation of the Leased Premises;
- (xiv) Ordinary maintenance and repairs, exclusive of any Capital Improvements;
- (xv) Expenses, including legal fees, damages or other costs, involved in defending any employment-related lawsuits, charges or claims involving personnel of the Leased Premises;
- (xvi) All other customary and reasonable expenses incurred in the operation of the Leased Premises.

Net Operating Income. The term "Net Operating Income" shall be computed as the sum of Gross Revenues less cost of goods sold, Gross Payroll and other Operating Expenses. Such calculation shall not include payments associated with Capital Improvements, interest expense, income taxes, depreciation and amortization.

(i) Financial Statements. Lessee shall submit monthly statements of Gross Revenue receipts from all categories of income to the County in accordance with generally accepted accounting principles and in a format approved by the County. Lessee is required to submit an annual Gross Revenue budget to the County no later than January 1st of each year during the term for the following Calendar Year. Within sixty (60) days after the end of each Calendar Year, Lessee shall submit a Gross Revenue statement from all categories of income to include Gross Revenues and Other Revenues for the past year's operation that will be subject to audit by the County. Lessee shall maintain cash handling and revenue control systems to ensure the accurate and complete deposit and recording of all revenues, in a format that is in accordance with generally accepted accounting principles and as acceptable to the County. Lessee will maintain accounting books and records in accordance with generally accepted accounting principles as applied to similar enterprises.

(j) Books, Records and Right to Audit. Lessee and its subcontractors shall maintain all books, documents, papers, accounting records and other evidence for the purpose of determining the accuracy of Gross Revenues of the Leased Premises and shall make such materials available during the term of this Lease and for three (3) years from the date of each applicable Annual Lease Fee payments due to County under this Lease, for inspection and/or

audit by the County upon three (3) days prior written notice to Lessee. Such inspection and/or audit shall take place at the Leased Premises at reasonable times and during normal business hours and County shall use its best efforts to not cause any disruptions in the operations of the Leased Premises in connection with such inspections and/or audits.

(k) Capital Improvements:

Definitions.

“Capital Improvements” shall mean improvements, and/or replacement of the buildings, golf course, practice facilities, clubhouse, pro shop, food and beverage facilities, maintenance facilities, fixed equipment, irrigation and other systems, which, (i) have a per-occurrence aggregate cost of \$5,000 or more, and (ii) have an expected useful life of greater than one year. Notwithstanding the foregoing, Capital Improvements shall not include Turf Equipment., finishing’s, furniture and non-fixed equipment.

Capital Improvements – Capital Reserve Account

Capital Improvements shall be funded each year from the Capital Reserve Account as agreed by the parties in the Capital Expenses Budget, except as otherwise mutually agreed in writing by the parties. County may, at its discretion, elect to fund from its own accounts Capital Improvements for which funds are not available from the Capital Reserve Account, provided, however that neither party shall be obligated to fund a Capital Improvement for which funds are not available in the Capital Reserve Account.

Capital Improvements General Terms

All Capital Improvements shall become the property of the County, at the expiration or earlier termination of the Lease. County shall assume all lease obligations outstanding at the expiration or earlier termination of the Lease for any Capital Improvement procured by Lessee via lease but which the parties mutually agree in writing will be owned by County upon termination or expiration of the Lease.

County shall be responsible for all aspects of performing approved Capital Improvements including without limitation, planning, pulling permits, installation, construction and contracting.

All Capital Improvements on the Leased Premises shall comply with all federal, state, and local laws, as well as governmental approvals and permits. All Capital Improvements shall be completed in such a manner so as to create a minimum amount of interference with golf course availability to customers.

All Capital Improvements need mutual agreement by Lessee and County, which approval shall be provided in good faith and not unreasonably delayed or denied.

In the event of a dispute between the parties regarding a proposed Capital Improvement, the parties agree to work in good faith for a period of thirty (30) days to resolve such dispute. If, after such period, the parties are not able to agree upon a resolution, then such matter shall promptly be referred to a mutually agreed upon third party with relevant expertise appropriate to render an informed decision regarding the Capital Improvement that is the subject of the dispute (the “Expert”). Such Expert shall be requested to render a decision within thirty (30) days and any such decision of the Expert shall be final and binding on the Parties, unless the parties otherwise mutually agree in writing. The cost of the Expert shall be borne equally by the parties.

Upon mutual written agreement, Lessee may perform Capital Improvements on behalf of County. Lessee shall not make any Capital Improvement in or to the Leased Premises prior to submitting a written request to the County with written estimates of the improvements. If the County consents to the request, Lessee shall submit design drawings and building plan/specifications to the County for written approval prior to commencing construction. The County shall have sixty (60) days to review, comment and approve (or reject) such submittal, unless such approval must be obtained from the County Council.

Prior to commencing construction of any Capital Improvements in excess of \$5,000 where Lessee intends to use an outside non-affiliated third party contractor, Lessee shall obtain and provide the County with a copy of payment and performance bonds in compliance with Section 4.127(b) of the Howard County Code, as amended and shall comply with insurance and safety specifications for the construction phases as required by the County.

Lessee will be required to retain a professional Maryland State-licensed/registered engineer, architect or landscape architect for design and filings of proposed Capital Improvements and to oversee any Capital Improvement projects which involve structural alterations to existing or new buildings. This supervising architect or engineer will be required to ensure that all construction conforms to the plans approved by County's Department of Planning and Zoning. Lessee shall submit the Engineer or Architect's qualifications to the County for approval.

No Capital Improvement projects or other land disturbing activities are permitted within the forest conservation areas, as shown on Exhibit F ("Forest Conservation Areas").

Upon completion of any Capital Improvements to the premises Lessee shall provide the County with "as built" plans.

(l) Lessee Acquired Equipment:

Definitions

"Lessee Acquired Equipment" shall mean any fixed or moveable equipment, but not including a Capital Improvement, which is acquired by Lessee by purchase, lease or otherwise, for use at the Leased Premises, including golf carts and Turf Equipment.

"Turf Equipment" shall mean golf course maintenance equipment acquired by Lessee by purchase, lease or otherwise for use on the golf course at the Leased Premises.

Initial Lessee Acquired Equipment.

KSM shall be responsible for making the remaining payments under the EZGO golf cart lease attached here to as Exhibit J, or in its sole discretion, to negotiate and enter into a new lease agreement. Costs incurred for the foregoing shall be Operating Expenses.

Lessee shall be responsible for procuring (via purchase or lease or otherwise) all Lessee Acquired Equipment to be used at the Licensed Premises during the Term. The costs incurred for such Lessee Acquired Equipment shall be considered an Operating Expense. Upon expiration or termination of the Lease, County hereby agrees to assume all lease obligations for Lessee Acquired Equipment (including golf carts and Turf Equipment), except as may otherwise be agreed by the parties in writing.

Beginning on January 1 of the Calendar Year following the Commencement Date, and continuing on January 1st of each year thereafter during the Lease Term, Lessee shall provide the County with a report which provides, (1) a list of all Lessee Acquired Equipment

acquired during the previous Calendar Year including the purchase price; (2) a copy of the receipt and warranty for each such purchase; and (3) a list of any repairs, restoration, or major maintenance performed for each item of Lessee Acquired Equipment.

Turf Equipment

Lessee shall be responsible for all aspects of procuring Turf Equipment, including the selection and contracting therefore.

(m) Lessee's Obligations of Maintenance and Repair.

Lessee shall be responsible for maintaining, and repairing as needed all Timbers at Troy equipment, facilities, and grounds including without limitation; golf carts, maintenance facility and vehicles, golf course, practice facilities, clubhouse, Pro Shop, food and beverage facilities, the course irrigation system, course bunkers and bunker drainage systems and well. Lessee shall be responsible for all snow removal and salting of the facility. Lessee shall be responsible for securing a service policy for annual maintenance of the heating systems and controls and air conditioning coils and fans. Regardless of the cost of repair, the Lessee shall notify the County immediately upon the occurrence of any maintenance problem that could cause additional damage to any property or injury to persons. All costs associated with all maintenance and repair obligations as set forth herein which are not Capital Improvements shall be Operating Expenses.

If Lessee refuses to properly carry out any maintenance or repair as required to the reasonable satisfaction of the County as exercised in good faith, the County may, but shall not be obligated, upon ten (10) days prior written notice (except in the case of emergency) perform such maintenance, repair and replacement without being liable for any loss or damage that may result to Lessee's merchandise, fixtures or other property except loss or damage resulting from the County's gross negligence or willful or intentional action; and Lessee shall pay to the County within thirty (30) days of the date of an invoice from the County, the County's cost relating to any such maintenance, repairs and replacements, plus interest at the rate of five percent (5%) per annum. Lessee agrees that the performance of any maintenance, repair and replacement by the County pursuant to this Section is not a re-entry or a breach of any covenant for quiet enjoyment contained in this Lease. Should Lessee fail to reimburse the County for such costs, said costs shall constitute a lien against the property of Lessee. Lessee's reimbursement obligations shall survive the expiration or early termination of this Lease and shall be considered Operating Expenses.

(n) Lessee's Other Expense Obligations:

Except as otherwise provided in this Lease, Lessee shall be responsible for all other expenses and costs associated with the operation and use of the Leased Premises including without limitation, grounds maintenance, staffing, marketing, advertising, supplies, food and beverage inventory, pro shop inventory, golf course inventory, room rental inventory, supplying all equipment used in the operation of the golf facility including golf carts, maintenance vehicles, and equipment, reservation system, and all other expenses and costs described in this Lease, all of which shall be Operating Expenses. Within five (5) business days prior to the Commencement Date, Lessee and County shall develop and agree upon a list of saleable pro shop inventory. County shall be entitled to invoice Lessee for such inventory, at its wholesale value, promptly following the Commencement Date, which cost shall be an Operating Expense.

The County shall convey to the Lessee all existing maintenance equipment on the Leased Premises, as set forth in the attached Schedule 1, upon the date of execution of this Lease

(o) Prorations. County and Lessee shall pro-rate certain assets and liabilities of the Leased Premises as of the Commencement Date. In connection therewith, the financial books and records of the Leased Premises shall be closed as of 11:59 p.m. on the day immediately preceding the Commencement Date and the parties shall determine the amount due to or from the Lessee (the "Proration Amount"), taking into account all income received prior to such time, receivables, accruals, prepaid items and advance deposits. The Lessee shall acquire the merchandise and food & beverage inventories and will assume the prepaid insurance as of the Commencement Date. The Lessee shall receive credit for any accrued and unpaid sales taxes, payroll, payroll taxes and other employee liabilities as well as any outing or other advanced deposits. Certain assets and liabilities of the Leased Premises as of the Commencement Date (including, but not limited to receivables, other prepaid assets, vendor payables, gift certificates issued through the commencement date) will remain the property and obligation of the County. All of the foregoing costs incurred by Lessee shall be Operating Expenses.

(p) Security. On the Commencement Date hereof, Lessee shall provide the County with a security deposit in the amount of Two Hundred and Fifty Thousand Dollars (\$250,000) in the form of surety bond, which shall be approved by the County Solicitor's Office. Such surety bond shall be renewed on an annual basis by Lessee and the commitment to provide a surety bond shall remain in effect for the duration of the Initial Term, and shall insure performance of all terms of the Lease by Lessee.

5. Use of the Leased Premises.

(a) Use. The Leased Premises are to be used for the operation of the Timbers at Troy Golf Course, which includes without limitation; golf course, driving range, facility, room rental, pro shop, and food and beverage operations. The parties contemplate that the golf course, pro shop and food and beverage service shall be open for business on a daily basis by no later than March 1, 2018, subject to weather, completion of Improvements, and any circumstances beyond each party's control, and shall be open daily except for temporary maintenance, repair, renovations or improvements. The Lease Premises shall be used and operated only for the purposes set forth herein and no other use is permitted without the prior written consent of the County, which consent may be withheld in the absolute discretion of the County. Lessee shall not make any unlawful, improper or offensive use of the Leased Premises or any use or occupancy thereof contrary to any federal, state or local laws now or hereafter made.

(i) Lessee will provide the County with three (3) agreed upon annual dates for County sponsored golf tournaments exempting green fees and cart fees;

(ii) Lessee will provide the County free use of the Grill Room for twelve (12) dates throughout the year on an annual basis, provided, however, the foregoing shall not include food and beverage products and services and such dates shall be limited to Monday through Thursday.

(b) Trash Removal. Lessee shall, as an Operating Expense, keep the Leased Premises clean, both inside and outside, and will remove all refuse from the Leased Premises. Lessee agrees to keep all accumulated trash in covered containers to have same removed regularly from the Leased Premises. Lessee shall not burn any materials or trash of any description upon

the Leased Premises. Lessee agrees to remove all yard waste and debris from the Leased Premises. Dumping of yard waste shall be in a mutually agreed upon area and is not permitted in the natural areas of the Leased Premises. All refuse and accumulated trash in covered containers shall be removed from the Leased Premises by the County before the first day of the Term.

(c) Golf Fees and Other Fees and Pricing. Throughout the Term, all prices charged, including green fees, cart fees, driving range fees, merchandise prices, food and beverage prices will be posted on the Leased Premises at those locations customary for daily-fee golf courses. Lessee contemplates that as of the Commencement Date, green fee and cart fee pricing shall be as set forth on Exhibit G ("Golf Rates"). Throughout the term hereof, Lessee may modify fees and pricing in its sole discretion including establishment of new periods, classifications and categories as it deems necessary and appropriate for the effective operation of the Leased Premises, provided, however, County approval is required for any modification of the Howard County Resident Discounts for golf rates as set forth in Exhibit G.

(d) Reservation System. Lessee shall use a convenient Internet tee time reservation system with comparable customer service benefits to systems offered with the local/regional market for the reservation of tee times at the Timbers at Troy Golf Course. In lieu of paying fees for use or participation in the system, Lessee may provide to the company that operates the reservation system compensation in the form of up to two non-peak tee times of golf per day at Timbers of Troy Golf Course. Nothing in this Section limits or waives Lessee's compliance with the other provisions of this Lease, including but not limited to payment of the Annual Lease Fee. Any free rounds of golf provided by Lessee under this Section are not part of Lessee's Gross Revenues under this Lease.

(e) Coordination Provided by County. County shall designate a Representative who will, on behalf of the County, coordinate with Lessee and administer this Lease according to the terms and conditions contained herein and in the Exhibits hereto. It shall be the responsibility of Lessee to coordinate with the designated County's Representative to the extent provided herein. The County's Representative shall be the Director of Recreation and Parks, or his designee.

(f) Liquor License. Lessee shall obtain and maintain a liquor license from Howard County, Maryland in order to sell alcoholic beverages on the Leased Premises. All Lessee staff handling the distribution of alcoholic beverages must meet the Howard County Liquor Control Board's mandated training requirements and all other applicable laws governing the sale of alcoholic beverages on the Leased Premises.

(g) Marketing and Advertising. Lessee shall market and advertise the Leased Premises as provided in Lessee's Proposal, and as required by the RFP.

(h) County and Lessee Meetings. The County and Lessee shall meet on at a minimum of one (1) time per month each year at dates and times mutually agreed to review course conditions, general maintenance conditions and discuss any issues affecting the course and prioritize corrective actions as needed.

(i) Annual Personal Property Report. Beginning on January 1, 2019 and continuing on January 1st of each year, Lessee shall provide the County with a report which updates the list of Personal Property set forth in Exhibit B for the previous Calendar Year.

6. Taxes. The Lessee will be required to pay all taxes applicable to the operation of the golf facility, which taxes shall be Operating Expenses, except for the amount of any federal, state or county taxes that are paid by the Lessee against its sales, which shall be excluded from Gross Revenues and shall not be Operating Expenses. County represents that property taxes for the Premises for the most recent annual period were approximately \$8,000. The parties acknowledge and agree that they will work together in good faith to make any necessary adjustments to maintain the economics of this Lease arrangement in the event of any increase in such property tax amount during the Term that is significantly above the past rate of increase over the past five (5) years.

7. Notices. All notices under this Lease shall be delivered by certified mail, return receipt requested, or by other delivery with receipt to the following:

As to the County:

Howard County, Maryland
7120 Oakland Mills Road
Columbia, MD 21046
Attn: Director of Howard County Recreation and Parks
Phone: (410) 313-4662
Facsimile: (410) 313-4660

with a copy to:

Howard County Office of Law
3450 Courthouse Drive
Ellicott City, MD 21043
Attn: County Solicitor
Phone: (410) 313-2100
Facsimile: (410) 313-3292

As to Lessee:

KSM Timbers, LLC
c/o Kemper Sports Management, Inc.
500 Skokie Boulevard, Suite 444
Northbrook, Illinois 60062
Attn: Steve Skinner, Chief Executive Officer
Phone: (847) 850-1818
Facsimile: (847) 291-0271

8. Laws, Ordinances and Regulations. Except as otherwise provided herein, Lessee shall comply, at its sole expense, with all present and future laws, including without limitation, laws, ordinances and regulations of the Federal government, State of Maryland, Maryland Department of Natural Resources, and the County. Notwithstanding the foregoing, the County shall be responsible for compliance with the Americans with Disabilities Act with regard to the buildings and structures that exist as of the Commencement Date. Lessee shall make no illegal, unlawful, or unsafe use of the Leased Premises, nor shall Lessee use the Leased Premises for

any purpose that is hazardous, or which constitutes a nuisance. Lessee shall comply with all regulations including those with respect to health, sanitation, and use of pesticides, insecticides, and herbicides. Lessee shall comply with all laws regarding its repair and maintenance of the Leased Premises. Lessee and the County shall forward to the other party any notice from any governmental entity with respect to the Leased Premises. Lessee and/or the County, may, in good faith, dispute the validity of any complaint or action taken, may defend against same, and in good faith diligently conduct any necessary proceedings to prevent and avoid any adverse consequences. Lessee agrees that any such contest shall be prosecuted to a final conclusion as speedily as possible, and shall indemnify and save harmless the County, including the payment of the County's attorney's fees, with respect to any actions taken by any governmental authorities resulting from Lessee's illegal, unlawful, or unsafe use of the Leased Premises.

9. Signage. In accordance with the Howard County Code, the County hereby authorizes Lessee to place signs, in a form approved by the County, on the perimeter, exterior and interior of the Leased Premises, including without limitation, on-course signage. Such signs must pertain to the use, maintenance, and/or operation of the Leased Premises, to any events or activities lawfully conducted on the Leased Premises, or be way-finding in nature. The County may place signs or other banners that acknowledge the establishment, ownership and/or names of the current elected officials, however, all such signs shall not be political in nature. The parties agree that such signs may not conflict with or interfere with Lessee's duties under this Lease.

10. Utilities and Maintenance.

(a) Utilities.

(i) Lessee shall pay the cost of water, sewer, storm water fees, gas, electricity, fuel, light, telephone, and all other utilities or services furnished to the Leased Premises or used by Lessee in conjunction therewith. Such cost shall include water and sewer charges assessed by the County for usage and shall be at market rates. Notwithstanding the foregoing, the parties acknowledge and agree that the Wells (as defined in Section 1(b)(vii)) are currently used as a water source for irrigation of the golf course on the Leased Premises and County hereby authorizes Lessee to continue to use the Wells for such irrigation during the Term. All such costs incurred by Lessee shall be Operating Expenses.

(ii) Lessee shall pay all fees associated with the purchase of public utility supplies, water and any other costs for water usage that may be legally binding for such water usage, for irrigation or other uses including potable uses, as may be imposed by the County, state or federal governments, commissions or authorities. All such fees shall be Operating Expenses.

(iii) Lessee shall contract directly for trash collection services which will be billed directly to and paid by Lessee. Lessee shall provide all dumpsters on the Leased Premises. Lessee hereby agrees not to place hazardous or toxic substances or materials in the trash collection facilities, wastewater or sewage systems. All such costs incurred by Lessee shall be Operating Expenses.

11. Liens.

(a) Lessee shall not directly or indirectly create or permit to be created or to remain, and shall discharge, any mortgage, lien, security interest, encumbrance or charge created, caused, suffered or permitted by Lessee with respect to the Leased Premises or any part thereof, other than liens for impositions not yet payable.

(b) Lessee shall (a) immediately after it is filed or claimed, have released and discharged (by bonding or otherwise) any mechanic's, material man's or other lien filed or claimed against any or all of the Leased Premises, or any other property owned or licensed by County, by reason of labor or materials provided for Lessee or any of its contractors or subcontractors, or otherwise arising out of Lessee's use or occupancy of the Leased Premises, and (b) defend, indemnify and hold harmless County against and from any and all liability, claim of liability or expense (including, without limitation, reasonable attorneys' fees) incurred by County on account of any such lien or claim caused by Lessee. Lessee shall satisfy and discharge any judgment entered therein within thirty (30) days from the entering of such judgment by payment thereof or filing a bond or otherwise; and on demand shall pay all damages, costs and expenses, including reasonable attorneys' fees, suffered or incurred by the County in connection therewith. Nothing in the provisions of this Lease shall be deemed in any way to give Lessee any right, power or authority to contract for or permit to be furnished any service or materials which would give rise to the filing of any mechanics' or materialmen's lien against County's estate or interest in and to the Leased Premises, it being expressly agreed that no estate or interest of County in and to the Leased Premises shall be subject to any lien arising in connection with any alteration, addition or improvement made by or on behalf of Lessee.

(c) Nothing contained in this Lease shall constitute any consent or request by the County, express or implied, for the performance of any labor or services or the furnishing of any materials or other property in respect of the Leased Premises or any part thereof, nor as giving Lessee any right, power or authority to contract for or permit the performance of any labor or services or the furnishing of any materials or other property in any fashion that would permit the filing or making of any lien or claim against the County or the Leased Premises.

12. Quiet Enjoyment. The County covenants and agrees that Lessee, upon paying the Annual Lease Payment , and performing the covenants herein required, shall and may peaceably and quietly hold and enjoy the Leased Premises for the term aforesaid subject, nevertheless, to the terms of this Lease.

13. County's Right to Inspect and Enter. The County shall have the right, at reasonable times and with reasonable notice during the term of this Lease (or at any time in the event of an emergency), to enter the Leased Premises for the purpose of examining or inspecting same. Quarterly inspections will be made by the County staff to confirm that Lessee is performing its maintenance obligations in accordance with Section 4(h)(ii) "Lessee's Obligations of Maintenance and Repairs" hereof.

14. Fire or Casualty.

(a) In the event that the Leased Premises, or any portion thereof, is damaged or destroyed by fire or other casualty (a "Casualty"), which is as a result of a negligent or intentional act of Lessee, Lessee shall restore the Leased Premises, and any part thereof, to substantially the same condition as existed prior to such damage or destruction; provided that if the Casualty (a) is not as a result of a negligent or intentional act of Lessee, and (b) causes damage to the

Leased Premises that would require closing the operations for more than six (6) months or cost more than five hundred thousand dollars (\$500,000) to repair, Lessee shall have the right to terminate this Lease by giving the County written notice within thirty (30) days of the Casualty. If Lessee is obligated to restore the Leased Premises, the Annual Lease Fee during such period shall be tolled and Lessee shall be obligated, at its sole cost and expense, to diligently commence and expeditiously pursue the repair of such damage so as to restore the Leased Premises to substantially the same condition as existed prior to such damage or destruction.

In the event that the Leased Premises, or any portion thereof, is damaged or destroyed by a Casualty which is not the a result of a negligent or intentional act of Lessee, County shall restore the Leased Premises, and any part thereof, to substantially the same condition as existed prior to such damage or destruction; subject to Lessee's right to terminate as provided above. If County is obligated to restore the Leased Premises as set forth above, the Annual Lease Fee during such period shall be tolled and County shall be obligated, at its sole cost and expense, to diligently commence and expeditiously pursue the repair of such damage so as to restore the Leased Premises to substantially the same condition as existed prior to such damage or destruction.

In all cases where a Casualty loss is covered by property insurance, the insurance proceeds shall be used to finance repairs to the Leased Premises without regard for the cause of the loss or the party responsible for restoring the Leased Premises. Exceptions may be made by mutual agreement of the parties.

(b) If Lessee elects to terminate this Lease, in accordance with Section 14(a), the County shall be entitled to all of the proceeds of any insurance policies covering the casualty. Lessee's obligations under this Section 14 shall survive the termination of this Lease.

15. Condemnation. If any material part of the Leased Premises is taken by eminent domain or condemnation or voluntarily transferred to such authority under the threat thereof, this Lease shall not terminate automatically, but Lessee may, at its sole option, terminate the Lease by giving written notice to County within forty-five (45) days after the taking. So long as the Lease is not terminated, on the date of such taking, the Annual Lease Fee will be abated in proportion to the impairment of the use that Lessee can reasonably make of the balance of the Leased Premises, it being expressly acknowledged by both parties hereto that the successful operation of the Leased Premises requires a fully operational clubhouse, practice facility, and 18 playable golf course holes. If the Leased Premises are damaged, or if access to the Leased Premises is impaired by reason of such taking, and Lessee elects not to terminate this Lease as provided herein, County will promptly rebuild or repair the damage to the extent possible within the limitations of the available condemnation award made to the County. The parties hereby agree that, upon condemnation of part or all of the Leased Premises, Lessee shall be entitled to receive compensation equal to the amount that it would be entitled to receive as a tenant with full rights to diminution in the value of its leasehold estate, including but not limited to the cumulative Capital Improvements expended between January 1, 2017 and the date of condemnation, less depreciation.

16. Assignment and Sub-Lease.

Except as otherwise provided herein, Neither party shall transfer, hypothecate, mortgage, pledge, assign or convey its interest in the Lease or sublet or, in the case of Lessee,

give a license for the Leased Premises or any part thereof without the prior written consent of the other, which consent shall not be unreasonably withheld or delayed. If the Lease is assigned or subleased, Lessee shall continue to be responsible for all obligations under this Lease unless the parties expressly agree otherwise in writing. The foregoing restrictions shall not apply to Lessee's use of third parties for catering services or the services of golf professionals for golf instruction.

17. Holdover. Any holding over by Lessee after the expiration or early termination of this Lease shall be construed as a tenancy at sufferance (unless such occupancy is with the written consent of the County) in which event Lessee will be a tenant from month to month, upon the same terms and conditions of this Lease. During the holdover period, Lessee shall pay 150% of the Annual Lease Fee in effect for the Calendar Year preceding such holdover, which shall be considered damages caused by the holdover, as well as all other fees required by this Lease. Acceptance by the County of monies after such expiration or early termination shall not constitute a renewal. During the holdover period, all other terms of this Lease shall remain in full force and effect.

18. Insurance, Indemnification, Waiver and Safety Requirements.

(a) Indemnity. See Exhibit H "Insurance, Indemnification, Waiver and Safety Requirements".

(b) Insurance Required of Lessee. As of the Commencement Date hereof and throughout the Initial Term, if any, Lessee shall provide and maintain insurance in accordance with Exhibit H "Insurance, Indemnification, Waiver and Safety Requirements".

19. Access and Operation. Lessee shall have access to the Leased Premises at all hours of the day or night. Lessee understands and agrees that County shall have no duty to provide security services to Lessee or the Leased Premises. Lessee shall provide and maintain procedures and systems to ensure the security of the golf course and the clubhouse, including but not limited to, a fire and burglar alarm system, as well as a carbon monoxide alarm connected to the County Police Department or other Alarm monitoring company capable of notifying the County Police Department.

20. Default and Termination.

(a) Events of Default. The following shall be deemed events of default ("Event of Default"):

(i) Lessee shall fail to make payment of the Annual Lease or any other fees, charges or expenses herein to be paid by Lessee when same becomes due and payable, and to cure such failure within ten (10) days after written notice of the failure from the County;

(ii) Either party shall fail to perform any of the material terms, covenants, conditions, or provisions of this Lease (other than Lessee's requirement to pay the Annual Lease Fee or any other fee, charge or expense required to be paid as set forth above), and to cure such failure within thirty (30) days (or such later time as may be determined in the sole and absolute discretion of the non-breaching party), after written notice of the failure from the other party;

(iii) *[Intentionally omitted]*;

(iv) Lessee shall not have the golf course, pro shop or food and beverage service closed for business during the period of April 1st through November 1st during the Initial Term or Renewal Term(s), weather permitting, for longer than five (5) consecutive days, except as provided in Sections 27,

(v) Lessee shall file a voluntary petition under any bankruptcy, or insolvency law,

(vi) An involuntary petition is filed against Lessee under any bankruptcy or insolvency law and Lessee fails to obtain the dismissal of such proceeding within ninety (90) days of the commencement date,

(vii) A receiver is appointed for Lessee's property and such proceeding is not dismissed within sixty (60) days of the commencement date; or

(viii) Lessee makes an assignment for benefit of creditors.

21. Expiration or Termination of this Lease.

(a) This Lease may terminate, after an Event of Default has occurred as follows:

(i) The Events of Default provided in Paragraphs 20(a), (v), (vii), and (viii) have no cure period, and therefore, the County shall have the right, in its sole and absolute discretion, to terminate this Lease on the date the County has notice of the occurrence of such Events of Default.

(ii) If a party does not cure the Events of Default provided in Paragraphs 20(a)(i), (ii) or (vi) in the time periods provided, then the non-breaching party shall have the right, in its sole and absolute discretion, to terminate this Lease at midnight of the last calendar day of the time limit imposed and pursue any available legal remedies whether at law, in equity or by statute.

(iii) Either party may terminate the Lease for convenience effective as of the second (2nd) anniversary of the Commencement Date by providing no less than one hundred twenty (120) days prior written notice (i.e. on or before September 2, 2019) to the other party of its desire to exercise the foregoing option as of such date. If neither party receives such written notice from the other in accordance with the preceding sentence, then the foregoing one-time right to terminate the Lease for convenience as of the second anniversary of the Commencement Date as set forth herein shall expire.

(b) Upon the expiration or early termination of this Lease, Lessee shall quit and peacefully surrender the Leased Premises within seven (7) days, in good repair, without any payment by the County, without further notice, and without institution of legal proceedings. Except as provided herein, Lessee shall pay County for any unpaid portion of the Annual Lease Fee, and any other monies due and owing up to the date of expiration or early termination. Lessee's obligation to pay any monies required by this Lease shall survive the expiration or early termination of this Lease. Lessee shall deliver upon the Leased Premises, the County's Personal Property, and all Capital Improvements made during the Initial and Renewal Term(s) (at the County's option), and all equipment which was on the Leased Premises in as good order and condition as when Lessee took possession, except for ordinary wear and tear, loss by fire or casualty, or loss by and cause beyond Lessee's control. Lessee shall have the right to remove its personal property at any time prior to or at the expiration or early termination of the Initial Term of the Lease, including but not limited to, concession and pro shop inventory, and

other items that are not the County's Personal Property or Capital Improvements. If any personal property is removed by Lessee, such property shall be removed without substantial injury to the Leased Premises and Lessee shall restore the Leased Premises to as good a state of repair as it was prior to the occupancy, reasonable wear and tear excepted. No injury shall be considered substantial if it is promptly corrected by restoration to the condition existing prior to the installation of such property, to the reasonable satisfaction of the County. Lessee shall leave the Leased Premises in a clean and neat condition. Notwithstanding the foregoing, all improvements and fixtures that are incorporated into the structure of the Leased Premises (whether such improvements and fixtures were constructed during the Initial Term), shall remain on and be surrendered with the Leased Premises and become the property of the County without costs to the County.

(c) County's Additional Remedies on Termination. The County shall have the right and option upon the expiration or early termination of the Lease to re-enter the Leased Premises, expel Lessee or anyone claiming right through it, by force or otherwise, without being chargeable in any manner with trespass and expressly without prejudice to any remedies of arrears of monies owed to the County or breach of covenant. Notwithstanding such re-entry, Lessee shall remain liable for any monies owed to the County including late fees and interest as provided in Section 4 herein and as provided in Section 21(a)(ii) above..

22. [Intentionally Omitted]

23. [Intentionally Omitted]

24. Trees, Landscape and Ponds.

(a) Except as provided herein, no tree or landscaping on the Leased Premises shall be destroyed, removed, or moved without the prior written permission of the County, which shall not be unreasonably withheld. Notwithstanding the foregoing, Lessee, may, without consent of the County undertake the following: Pruning, removal of dead trees and plant material; removal of noxious and/or invasive vegetation; basic landscape bed maintenance to include weeding; mulching; edging; planting or replacing plant materials, destructive insect treatment, watering and fertilizing. Tree pruning must be conducted in accordance with ANSI Standards. In addition, land disturbing activities are prohibited within the Forest Conservation Areas of the Leased Premises, as shown on Exhibit F. Diseased or hazardous trees or limbs may be removed to prevent personal injury or property damage after reasonable notice to the County, unless such notice is not practical in an emergency. Once removed, Lessee shall plant any replacement trees as may be required by the County Forester in accordance with the County's Forest Conservation Manual. Lessee shall not engage in, or permit, any construction, excavation, grading, erection of any structure, or any other activity on the Leased Premises in a manner that damages, kills, or injures any tree without approval of the County Forester and other appropriate County agency. Utilities may be installed on the Leased Premises only with the written permission of the County or other required County permits. In addition, Lessee shall apply and attain Audubon Cooperative Sanctuary certification for the Leased Premises during the Term.

(b) The Lessee shall maintain and treat the two (2) storm water management and irrigation ponds that are located on the Leased Premises ("Ponds"), which are shown on Exhibit I. Lessee shall be responsible for maintenance of the golf course grounds surrounding the Ponds, however, it shall not mow the areas surrounding the pond edges. Lessee has the right, but is

not obligated, to take measures to reduce or eliminate algae growth in the Ponds, adjust the water quality, and to mitigate the salt content of the Ponds. Lessee may, but is not obligated to, install the pond fountains that are listed as part of the County's Personal Property provided in Exhibit B. Any substance or materials placed in the Ponds by the County or Lessee must not violate any environmental regulations or laws. Lessee shall be responsible for removal of any trash that is located in the Ponds.

(c) The County shall maintain and repair the overflow structures, and dredge the Ponds, if necessary. The County shall make best efforts to minimize disruption to the golf course operations in doing such work.

25. Hazardous Substances.

(a) Lessee Covenant. Lessee covenants and agrees that it shall not cause or permit any Hazardous Substances (the "Hazardous Substances" as hereinafter defined) to be installed, placed, stored, held, located, released or disposed of in, on, at, or under the Leased Premises (excepting any substance or instrumentality in common use or storage on properties such as the Leased Premises, including, without limitation, pesticides, herbicides, nematicides, fertilizer, lubricants, fluids, and petroleum products) without County's prior written consent. Future changes in the use of Hazardous Substances will be submitted for County approval, said approval not to be unreasonably withheld or delayed, provided they pose no greater risk than substances currently being used by Lessee. Lessee shall have a County approved plan for responding to hazardous waste, fuels, and other chemical spills prior to commencement of operations on the Leased Premises that would involve such materials. No Hazardous Substances, or petroleum products will be stored or brought into the Leased Premises except those necessary for the customary maintenance of the Leased Premises and those necessary for Lessee's operations conducted in the Leased Premises provided same are used, stored and disposed of in accordance with all applicable laws, rules, ordinances and regulations. Lessee shall also immediately notify the County in writing of any environmental concerns of which Lessee is or becomes aware and which are raised by any private party or government agency with regard the Leased Premises. Lessee shall also notify the County immediately of any hazardous substance spills at the Leased Premises and of any other hazardous waste or hazardous substances of which Lessee becomes aware. Lessee shall defend, indemnify and hold the County harmless against any liability, loss, cost or expense, including reasonable attorneys' fees and costs (whether or not legal action has been instituted) for any liability originating from Lessee's violation of federal, State, or local environmental laws, including waste management requirements. Lessee shall be responsible for any and all fines imposed by Federal, State or local jurisdictions. Lessee shall, at its sole cost and expense, undertake any and all steps which may be required for compliance as aforesaid. In addition, Lessee shall be solely responsible for restoring, remediating, encapsulating, and repairing any damage to the Leased Premises caused by or resulting from such compliance or failure to comply. In the event Lessee fails to comply as aforesaid with the clean-up, removal, remediation, and/or encapsulation of Hazardous Substances when so required within the period of time permitted or promulgated, the County may, but shall not be obligated to, undertake said work. Should the County undertake said work, the County shall render an invoice to Lessee for the cost and expense of said work plus a charge of ten (10%) percent for administrative costs and expenses. Lessee shall pay such amount within sixty (60) days of the date of the invoice. The provisions of this Section shall survive the expiration or earlier termination of this Lease. The County shall also have the right to enter the Leased Premises at any time to conduct tests to discover the

facts of any alleged or potential environmental problem, provided the conducting of such tests does not unreasonably interfere with Lessee's business.

(b) Existing Conditions. Except for violations caused by Lessee, Lessee is not liable for (a) any violation of Environmental Laws occurring in, on, or at the Leased Premises before the Commencement Date and, (b) if related to underground storage tanks or Hazardous Substances existing in, on, or at the Leased Premises as of the Commencement Date, any Release of or contamination by Hazardous Substances or other violation of Environmental Laws occurring subsequent to the Commencement Date except those Releases or violations arising from the act or omission of Lessee, its agents, contractors, employees, and invitees. The provisions of this subsection shall survive the expiration or earlier termination of this Lease.

(c) County's Responsibility. To the extent permitted by law, the County is responsible for any Hazardous Substances identified as existing in or released in, on, or at the Leased Premises before the Commencement Date and any Release of Hazardous Substances or other violation of Environmental Laws occurring subsequent to the Commencement Date except those Releases or violations arising from the act or omission of Lessee, its agents, contractors, employees, and invitees. The County shall immediately notify Lessee in writing of any environmental concerns or Hazardous Substances or Releases of which the County is or becomes aware or which are raised by any private party or government agency with regard to the Leased Premises. The provisions of this subsection shall survive the expiration or earlier termination of this Lease.

d) Definition of Hazardous Substances. For the purposes of this Section, "Hazardous Substances" shall have the same meaning as the term is defined in the Resource Conservation and Recovery Act (42 U.S.C. 6901 et seq.) as amended, as administered by the United States Environmental Protection Agency.

(e) Definition of Release. For the purposes of this Section, "Release" means any spill, leak, emission, pumping, pouring, discharging, leaching, dumping, pulverizing, causing to become airborne, percolation or disposing into or on any property or the environment.

(f) Pesticides. Lessee agrees to implement and comply with, and refrain from using any pesticide that is prohibited by, any federal, state, and local laws, and policies, as amended, governing pesticide use.

(g) Agriculture Nutrient Management Program. Lessee shall comply with the State of Maryland Department of Agriculture's Nutrient Management Program as attached in Exhibit J.

26. Representations and Warranties.

(a) Representations and Warranties of County. Without limiting the representations, covenants and warranties of County contained elsewhere in this Lease, as a material inducement for Lessee to enter into this Lease, County represents and warrants to Lessee (and unless otherwise specified, such representations and warranties are true as of the date hereof and will continue and be effective at all times, as if continuously reiterated, during the Initial Term, of this Lease) that:

(i) County is a body corporate and politic duly incorporated under the laws of the State of Maryland. County has full power and authority to execute and deliver this Lease and all

documents, if any, now or hereafter to be executed and delivered by it pursuant to this Lease (collectively referred to "County's Documents"), and to perform all obligations arising thereunder; and

(ii) County's Documents will each constitute the legal, valid, and binding obligations of County, enforceable in accordance with their respective terms, covenants, and conditions; and

(iii) County's Documents do not and will not contravene any provision of the powers of County, any judgment, order, decree, writ or injunction, or any provision of any applicable law or regulation, and the delivery of this Lease and County's Documents will not result in a breach of, constitute a default under, or require consent pursuant to any law or regulation or any credit agreement, license, indenture, mortgage, deed of trust, purchase agreement, guaranty or other instrument to which County is a party or by which County is bound or affected.

(b) Representations and Warranties of Lessee. Without limiting the representations, covenants and warranties of Lessee contained elsewhere in this Lease, as a material inducement for the County to enter into this Lease, Lessee represents and warrants to County (and unless otherwise specified, such representations and warranties are true as of the date hereof and will continue and be effective at all times, as if continuously reiterated, throughout the Initial Term, of this Lease) that:

(i) Lessee is an Illinois corporation, duly organized and validly existing under the laws of the State of Illinois and qualified to do business in the State of Maryland. Lessee has full power and authority to execute and deliver this Lease and all documents, if any, now or hereafter to be executed and delivered by it pursuant to this Lease (collectively referred to as "Lessee's Documents") and to perform all obligations arising under this Lease and under Lessee's Documents; and

(ii) Lessee's Documents will each constitute the legal, valid and binding obligations of Lessee, respectively, enforceable in accordance with their respective terms, covenants, and condition; and

(iii) This Lease and Lessee's Documents do not and will not contravene any provision of the corporate powers of Lessee, any judgment, order, decree, writ or injunction or any provision of any applicable law or regulation, and the delivery of this Lease and Lessee's Documents will not result in a breach of, constitute a default under, or require consent pursuant to, any credit agreement, license, indenture, mortgage, deed of trust, purchase agreement, guaranty or other instrument to which Lessee is a party or by which Lessee or its assets are bound or affected.

27. Force Majeure. If the County or Lessee shall be delayed in, hindered in or prevented from the performance of any act required hereunder (other than performance requiring the payment of a sum of money) by reason of strikes, lockouts, labor troubles, inability to procure materials, failure of power, restrictive governmental laws, regulations or actions, riots, insurrection, the act, failure to act or default of the other party, war or other reason beyond such party's reasonable control (excluding the unavailability of funds or financing), then the performance of such act shall be excused for the period of the delay and the period for the performance of any such act as required herein shall be extended for a period equivalent to the period of such delay.

28. Successors and Assigns/Personal Liability. The County and Lessee each bind the other and their respective successors and assigns in all respects to all of the terms, conditions,

covenants and provisions of this Lease, and any assignment or transfer by Lessee of its interests in this Lease without the prior written consent of the County shall be void, in the sole and absolute discretion of the County. Nothing herein shall be construed as creating any personal liability on the part of any officer, official, employee or agent of the County.

29. No Third Party Beneficiaries. This Lease shall be for the sole benefit of the parties hereto, and no other person or entity shall be entitled to rely upon or receive any benefit from this Lease or any provisions hereof.

30. Remedies. All of the rights and remedies of any party under this Lease and the Exhibits are intended to be distinct, separate, and cumulative, and no such right or remedy herein or therein mentioned is intended to be in exclusion of or a waiver of any of the others.

31. Relationship of the Parties. Nothing herein contained shall be deemed or construed as creating the relationship of principal and agent or of partnership or joint venture between the parties hereto; it being understood and agreed that the method of computing rent, any provision contained herein, or any acts of the parties hereto shall not be deemed to create any relationship between the parties other than that of landlord and tenant.

32. Construction of Language. Words of any gender used in this Lease shall be held to include any other gender, and words in the singular number shall be held to include the plural when the sense requires. The section headings and titles are not a part of this Lease and shall have no effect upon the construction or interpretation of any part hereof. Both parties acknowledge that they have had meaningful input into the terms and conditions contained in this Lease. Therefore any doubtful or ambiguous provisions contained herein shall not be construed against the party who physically prepared this Lease.

33. Provisions Severable. If any term or provision of this Lease or the application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this Lease or the application of such term or provision to persons or circumstances other than those 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, and interpreted to best reflect the intent of the parties.

34. Recitals and Exhibits. The "Whereas" recitals, at the beginning of this Lease are true and correct and, by this reference, are made a part hereof and are incorporated herein. Similarly, all Exhibits and other attachments to this agreement that are referenced in this Lease are, by this reference made a part hereof and are incorporated herein.

35. Order of Precedence. In the event of any conflict between or among the provisions of this Lease and any exhibit attached hereto or of any amendment, the priority, in decreasing order of precedence shall be: (1) any fully executed amendment to this Lease or the Exhibits; (2) provisions in this Lease; (3) all other Exhibits to this Lease.

36. Modification. No modification, alteration or amendment to this Lease shall be binding unless in writing and executed by both of the parties hereto.

37. Broker's Commission. Neither the County nor Lessee have retained or used a broker in the negotiation or consummation of this Lease.

38. Governing State Law; Venue. The rights, obligations and remedies of the parties as specified under this Lease shall be interpreted and governed in all aspects by the laws of the State of Maryland. Venue for litigation of this Lease shall be in courts of competent jurisdiction located in Howard County, Maryland.

39. Waivers. No provision of this Lease shall be deemed to have been waived by a party unless such waiver be in writing signed by the waiving party and addressed to the non-waiving party, nor shall any custom or practice which may grow up between the parties in the administration of the provisions hereof be construed to waive or lessen the right of either party to insist upon the performance by the other party in strict accordance with the terms hereof. Failure by either party to insist upon strict performance of any of the provisions hereof, either party's failure or delay in exercising any rights or remedies provided herein, payment by Lessee or acceptance by the County of the or any part or combination thereof, or any purported oral modification or rescission of this Lease by an employee or agent of either party, shall not release either party of its obligations under this Lease, shall not be deemed a waiver of any rights of either party to insist upon strict performance hereof, or of either party's rights or remedies under this Lease or by law, and shall not operate as a waiver of any of the provisions hereof.

40. Corporate Guarantee. This Lease is expressly contingent upon Lessee's corporate parent, Kemper Sports Management, Inc. executing a Guaranty Agreement substantially in the form of Exhibit E.

41. Entire Agreement/Amendments. This Lease constitutes the entire agreement between the parties hereto for the Leased Premises, and no rights are to be conferred upon either party until Lessee and County have executed this Lease. It is agreed between the parties that neither County nor Lessee nor any of their agents have made any statements, promises or agreements, verbally or in writing, in conflict with the terms of this Lease. No statement, representation, writing, understanding, agreement, course of action or course of conduct, made by either party, or any representative of either party, which is not expressed herein shall be binding. All changes to, additions to, modifications of, or amendment to this Lease, or any of the terms, provisions and conditions hereof, shall be binding only when in writing and signed by the authorized officer, agent or representative of each of the parties hereto.

<SIGNATURE PAGE FOLLOWS>

IN WITNESS WHEREOF, the parties executed this Lease as of the Execution Date.

ATTEST

LESSEE

KSM Timbers LLC.

By: _____

Name:

Title:

Date: _____

LESSOR

ATTEST:

HOWARD COUNTY, MARYLAND

Lonnie R. Robbins
Chief Administrative Officer

By: _____ (SEAL)

Allan H. Kittleman
County Executive

Date: _____

APPROVED:

John R. Byrd, Director
Department of Recreation and Parks

APPROVED FOR SUFFICIENCY OF FUNDS:

Stanley J. Milesky, Director
Department of Finance

APPROVED FOR FORM AND LEGAL SUFFICIENCY
this ____ day of _____, 2017.

Gary W. Kuc
County Solicitor

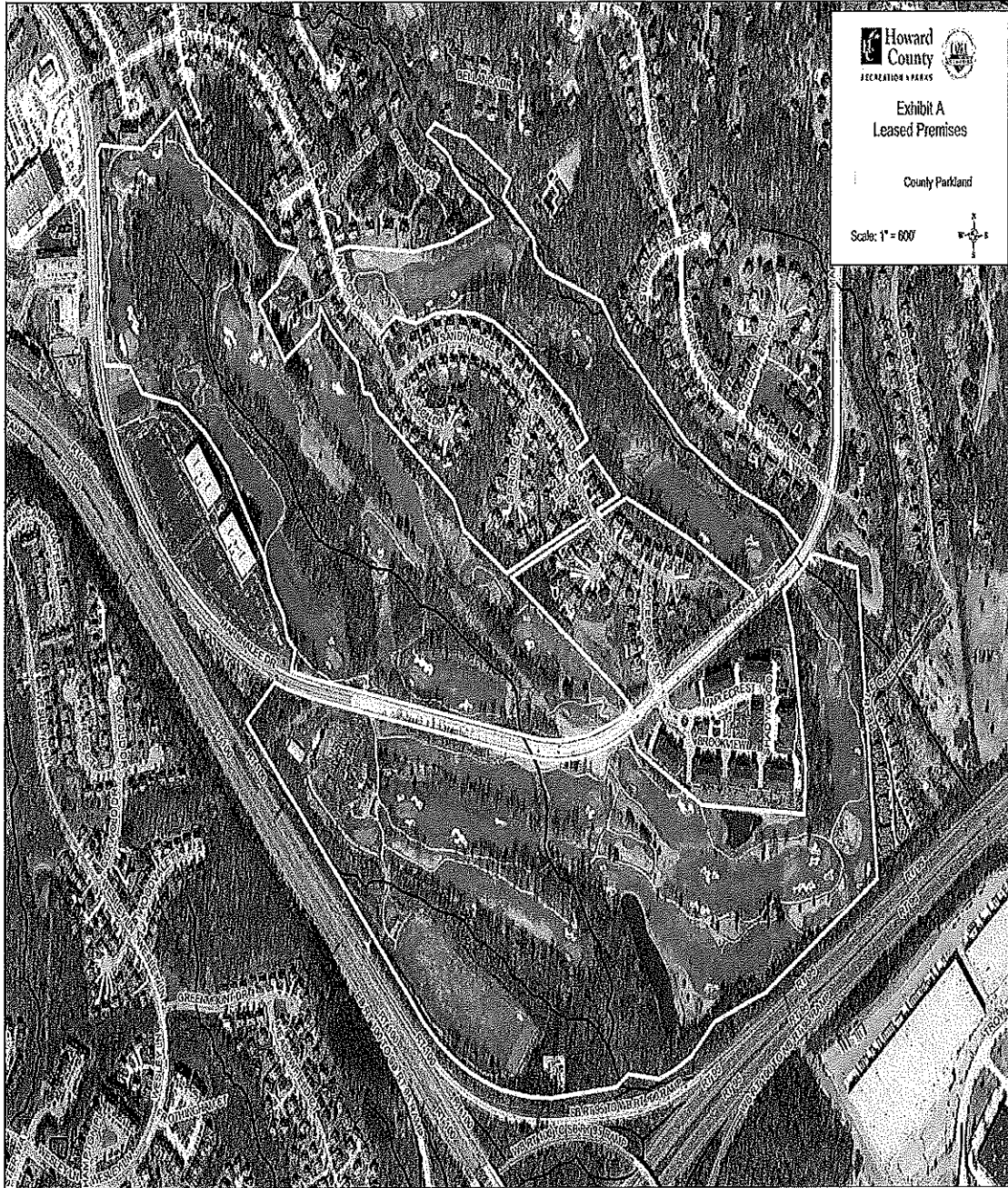
Reviewing Attorney:

Constance A. Tucker
Senior Assistant County Solicitor

The Undersigned hereby certify that this Lease was prepared by me or under my supervision, an attorney, licensed to practice in the State of Maryland.

Constance A. Tucker
Attorney at Law

EXHIBIT A LEASED PREMISES



TOT.lease2.12.16 v3

**EXHIBIT B
COUNTY'S PERSONAL PROPERTY**

See Attached

The Timbers At Troy GC

Full Inventory Variance Report

Item #	Description	System			Count		Variance	
		Value	Units	Cost	Units	Value	Units	Value
Department: Pro Shop								
Item Category: MISC GIFT ITEMS								
1775	Soft Spikes Pulsar	\$0.00	0	\$0.40	0	\$0.00	0	\$0.00
MISC GIFT ITEMS Total		\$0.00				\$0.00		\$0.00
Sub-Department: Merchandise								
Item Category: MENS SHIRTS								
2166	Footjoy Base Layer Shirt	\$0.00	0	\$26.67	0	\$0.00	0	\$0.00
2326	Footjoy Lisle Shirt	\$1,839.49	50	\$36.79	47	\$1,729.12	-3	(\$110.37)
2619	Ravens Polo C&b	\$0.00	0	\$27.35	0	\$0.00	0	\$0.00
2650	Orioles Half Zip	\$0.00	0	\$43.70	0	\$0.00	0	\$0.00
2655	Ravens Black Half Zip Cutter & Buck	\$0.00	0	\$34.51	0	\$0.00	0	\$0.00
2657	Ravens Mock Cutter & Buck	\$0.00	0	\$37.00	0	\$0.00	0	\$0.00
2669	C&b Stripe Polo	\$0.00	0	\$28.40	0	\$0.00	0	\$0.00
2670	C&b Print Polo	\$0.00	0	\$31.05	0	\$0.00	0	\$0.00
2674	Footjoy Performance Polo	\$0.00	0	\$33.66	0	\$0.00	0	\$0.00
2682	Nike Major Polo	\$0.00	0	\$39.52	0	\$0.00	0	\$0.00
2683	New Nike Polo	\$0.00	0	\$37.30	1	\$37.30	1	\$37.30
2685	Adidas Sport Polo	\$0.00	0	\$31.85	0	\$0.00	0	\$0.00
2693	Nike Performance Polo	\$0.00	0	\$37.00	0	\$0.00	0	\$0.00
2695	Adidas Clima Cool Polo Shirt	\$665.71	19	\$35.04	18	\$630.68	-1	(\$35.04)
2740	Adidas Performance Sweater	\$0.00	0	\$26.74	0	\$0.00	0	\$0.00
2748	Footjoy Smooth Pique	\$30.05	1	\$30.05	1	\$30.05	0	\$0.00
2749	Footjoy Heather Lisle	(\$96.14)	-3	\$32.05	0	\$0.00	3	\$96.14
2750	Footjoy Diamond Jacquard	\$0.00	0	\$30.05	0	\$0.00	0	\$0.00
2764	Adidas Polo	(\$29.67)	-1	\$29.67	0	\$0.00	1	\$29.67
2799	Orioles Solid Nike Polo	\$0.00	0	\$26.26	0	\$0.00	0	\$0.00
2809	Footjoy Lexington Collection	\$77.46	2	\$38.73	2	\$77.46	0	\$0.00
2826	Adidas Clima Cool Perf-Shirt	\$315.32	11	\$28.67	11	\$315.32	0	\$0.00
2827	Adidas Club Vest	\$369.76	12	\$30.81	12	\$369.76	0	\$0.00
2833	Cutter & Buck O's Drytec Polo	\$90.98	3	\$30.33	3	\$90.98	0	\$0.00
2834	Cutter & Buck O's Catapult Polo	\$87.40	3	\$29.13	3	\$87.40	0	\$0.00
2842	Footjoy Vest	\$143.40	3	\$47.80	3	\$143.40	0	\$0.00
2848	Under Armour Camo Print Polo	\$33.23	1	\$33.23	1	\$33.23	0	\$0.00
2850	Under Armour Playoff Polo	\$142.70	4	\$35.68	4	\$142.70	0	\$0.00
2851	U S Open Polo	\$87.82	3	\$29.27	3	\$87.82	0	\$0.00
MENS SHIRTS Total		\$3,757.51				\$3,775.21		\$17.70
Item Category: MENS PANTS SHORTS								
1979	Belt Fancy	\$34.06	2	\$17.03	2	\$34.06	0	\$0.00
2152	Cutter & Buck Shorts	\$0.00	0	\$17.08	0	\$0.00	0	\$0.00
2691	Nike Shorts	\$0.00	0	\$33.78	0	\$0.00	0	\$0.00
2784	Footjoy Shorts	\$380.07	10	\$38.01	10	\$380.07	0	\$0.00
MENS PANTS SHORTS Total		\$414.13				\$414.13		\$0.00
Item Category: MENS OUTERWEAR								
1313	Foot Joy Hydrolite Jacket	\$352.81	4	\$88.20	4	\$352.81	0	\$0.00
1314	Foot Joy Hydrolite Pants	\$117.57	2	\$58.78	2	\$117.57	0	\$0.00
1411	Foot Joy Hydrolite Shirt	\$289.55	4	\$72.39	4	\$289.55	0	\$0.00
1927	Hot Hand Warmers	\$45.41	49	\$0.93	50	\$46.34	1	\$0.93
2165	Nike 1/2 Zip	\$163.78	5	\$32.76	5	\$163.78	0	\$0.00
2513	Nike Nfi Mock	\$0.00	0	\$38.72	0	\$0.00	0	\$0.00
2668	C&b Half Zip	\$0.00	0	\$40.05	0	\$0.00	0	\$0.00
2692	Nike Rain Shield	\$0.00	0	\$37.50	0	\$0.00	0	\$0.00
2726	C&b Half Top Summit Half Zip	\$0.00	0	\$39.13	0	\$0.00	0	\$0.00
2727	C&b Jacket	\$0.00	0	\$32.84	0	\$0.00	0	\$0.00
2738	Cbuk Half Zip	\$0.00	0	\$21.58	0	\$0.00	0	\$0.00
2739	Clique Jacket	\$0.00	0	\$19.32	0	\$0.00	0	\$0.00
2741	Under Armour Vest	\$0.00	0	\$42.75	0	\$0.00	0	\$0.00
2747	Footjoy Spunpoly Half Zip	\$144.20	4	\$36.05	4	\$144.20	0	\$0.00
2757	Footjoy Short Sleeve Windshirt	\$363.40	9	\$40.38	9	\$363.40	0	\$0.00
2758	Footjoy Windshirt	\$636.64	14	\$45.47	14	\$636.64	0	\$0.00

The Timbers At Troy GC

Full Inventory Variance Report

Item #	Description	System			Count		Variance	
		Value	Units	Cost	Units	Value	Units	Value
2766	Adidas Windshirt	\$144.27	4	\$36.07	4	\$144.27	0	\$0.00
2841	Footjoy 1/2 Zip Long Sleeve	\$157.80	3	\$52.60	3	\$157.80	0	\$0.00
MENS OUTERWEAR Total		\$2,415.43				\$2,416.36		\$0.93
Item Category: LADIES TOPS								
2839	Footjoy Ls Layer Top	\$140.11	3	\$46.70	3	\$140.11	0	\$0.00
2840	Footjoy Ladies Mid Berry Top	\$169.36	3	\$56.45	3	\$169.36	0	\$0.00
LADIES TOPS Total		\$309.47				\$309.47		\$0.00
Item Category: GLOVES								
1091	Glove - Titleist Perma-Soft	\$1,589.98	174	\$9.14	174	\$1,589.98	0	\$0.00
1256	Glove - Foot-Joy Weather-Sof	\$1,478.78	202	\$7.32	209	\$1,530.03	7	\$51.24
1590	Gloves Rain Grip	\$351.43	34	\$10.34	33	\$341.09	-1	(\$10.34)
1802	Glove Nike Dura Feel	\$0.00	0	\$5.90	0	\$0.00	0	\$0.00
2018	Nike All Weather Gloves	\$49.62	4	\$12.41	4	\$49.62	0	\$0.00
2333	Titleist Winter Cart Mitts	\$137.51	6	\$22.92	6	\$137.51	0	\$0.00
2354	Glove Footjoy 2-Pack	\$475.11	53	\$8.96	52	\$466.14	-1	(\$8.96)
2430	Glove-Nike Tech Extreme	\$555.44	70	\$7.93	66	\$523.70	-4	(\$31.74)
2538	Nike Mitts	\$0.00	0	\$15.36	0	\$0.00	0	\$0.00
2745	Glove - Footjoy Camo Spectrum Golf Glove	\$145.04	13	\$11.16	13	\$145.04	0	\$0.00
2746	Glove - Footjoy Stasof Glove	\$544.34	43	\$12.66	43	\$544.34	0	\$0.00
2847	Glove Taylor Made All Weather	\$273.76	41	\$6.68	41	\$273.76	0	\$0.00
GLOVES Total		\$5,601.00				\$5,601.20		\$0.21
Item Category: HEADWEAR								
1160	Titleist Cap	\$2,823.31	230	\$12.28	225	\$2,761.92	-5	(\$61.39)
1245	Titleist Mlb Cap	\$176.93	11	\$16.08	8	\$128.68	-3	(\$48.25)
1463	Titleist Bucket Cap	\$0.00	0	\$11.45	0	\$0.00	0	\$0.00
1488	Titleist Visor	\$61.55	5	\$12.31	19	\$233.89	14	\$172.34
1996	Timbers Hat	\$0.00	0	\$5.49	0	\$0.00	0	\$0.00
2094	Titleist Winter Hat	\$99.52	10	\$9.95	10	\$99.52	0	\$0.00
2147	Titleist Aussie Hat	\$0.00	0	\$18.67	0	\$0.00	0	\$0.00
2328	Pukka Ribbed	\$41.25	5	\$8.25	5	\$41.25	0	\$0.00
2429	Taylor Made Hat W/timbers Logo	\$0.00	0	\$7.41	0	\$0.00	0	\$0.00
2510	Titleist Pom Pom Winter Hat	\$125.00	10	\$12.50	10	\$125.00	0	\$0.00
2568	Nike Tour Flex Hat	\$0.00	0	\$16.72	0	\$0.00	0	\$0.00
2678	Nike Flex Fit O's Hats	\$0.00	0	\$14.00	0	\$0.00	0	\$0.00
2729	Nike Reversible Knit Cap	\$50.96	4	\$12.74	4	\$50.96	0	\$0.00
2742	Pukka Winter Hat	\$85.50	9	\$9.50	9	\$85.50	0	\$0.00
2786	Titleist Promo Hat	\$0.00	0	\$9.00	0	\$0.00	0	\$0.00
2796	Ladies Pukka Visor	\$0.00	0	\$10.45	0	\$0.00	0	\$0.00
2800	Nike Orioles Cap	\$0.00	0	\$15.38	0	\$0.00	0	\$0.00
2805	Callaway Label Hat	\$94.50	7	\$13.50	7	\$94.50	0	\$0.00
2806	Callaway Heritage Hat	\$27.20	2	\$13.60	2	\$27.20	0	\$0.00
2807	Callaway Sun Hat	\$0.00	0	\$21.77	0	\$0.00	0	\$0.00
2813	Titleist Striped Beanie	\$99.99	10	\$10.00	10	\$99.99	0	\$0.00
2825	Tm Performance Hat	\$123.77	10	\$12.38	9	\$111.39	-1	(\$12.38)
2838	Footjoy Dryjoy Bucket Hat	\$0.00	0	\$19.02	0	\$0.00	0	\$0.00
HEADWEAR Total		\$3,809.47				\$3,859.79		\$50.32
Item Category: FOOTWEAR								
2012	Nike Ankle	\$0.00	0	\$3.19	0	\$0.00	0	\$0.00
2017	Nike Crew Socks	\$156.21	39	\$4.01	39	\$156.21	0	\$0.00
2133	Foot-Joy Green-Joys	\$0.00	0	\$33.44	0	\$0.00	0	\$0.00
2149	Nike Air Rival	\$46.00	1	\$46.00	1	\$46.00	0	\$0.00
2356	Nike Air Range	\$0.00	0	\$57.30	0	\$0.00	0	\$0.00
2441	Nike Swingtip Suede	\$0.00	0	\$66.01	0	\$0.00	0	\$0.00
2551	Nike Fi Impact	\$0.00	0	\$84.14	0	\$0.00	0	\$0.00
2553	Footjoy 3-Pack Socks	\$202.64	26	\$7.79	26	\$202.64	0	\$0.00
2672	Footjoy Hydrolite Shoes	\$0.00	0	\$65.99	0	\$0.00	0	\$0.00
2675	Nike Cypress Shoes	\$0.00	0	\$61.80	0	\$0.00	0	\$0.00
2676	Nike "new" Rivals	\$48.37	1	\$48.37	1	\$48.37	0	\$0.00
2688	Chauncey Winbush	\$0.00	0	\$103.92	0	\$0.00	0	\$0.00

The Timbers At Troy GC

Full Inventory Variance Report

Item #	Description	System			Count		Variance	
		Value	Units	Cost	Units	Value	Units	Value
2694	Nike Lunar Mont Royal	\$0.00	0	\$57.41	0	\$0.00	0	\$0.00
2751	Footjoy Freestyle Shoes	\$298.55	3	\$99.52	3	\$298.55	0	\$0.00
2752	Footjoy Greenjoy Retro Shoes	\$74.24	2	\$37.12	2	\$74.24	0	\$0.00
2753	Footjoy Superlite Ct Shoes	\$186.38	3	\$62.13	3	\$186.38	0	\$0.00
2754	Footjoy Superlite Shoes	\$112.75	2	\$56.38	2	\$112.75	0	\$0.00
2771	Ladies Footjoy Socks	\$0.00	0	\$3.85	0	\$0.00	0	\$0.00
2772	Footjoy Mens Fashion Socks	\$101.77	21	\$4.85	21	\$101.77	0	\$0.00
2773	Footjoy Lowcut Socks	\$24.01	5	\$4.80	5	\$24.01	0	\$0.00
2774	Women's Emerge Golf Shoes	\$237.29	4	\$59.32	4	\$237.29	0	\$0.00
2811	George Hasenauer	\$0.00	0	\$125.97	0	\$0.00	0	\$0.00
2814	Footjoy Pro/sl (diok Ray)	\$0.00	0	\$99.99	0	\$0.00	0	\$0.00
2828	Footjoy Contour Fit Shoes	\$1,012.85	13	\$77.91	13	\$1,012.85	0	\$0.00
2829	Footjoy Energize Shoes	\$397.65	6	\$66.28	6	\$397.65	0	\$0.00
2830	Footjoy Hyperflex li Shoes	\$421.10	4	\$105.28	4	\$421.10	0	\$0.00
2831	Footjoy Originals Shoe	\$156.83	3	\$52.28	3	\$156.83	0	\$0.00
2832	Footjoy Pro Sl Shoe	\$194.13	2	\$97.06	2	\$194.13	0	\$0.00
FOOTWEAR Total		\$3,670.76				\$3,670.76		\$0.00
Item Category: BAGS ACCESSORIES								
1128	Titleist Golf Bag	\$132.60	1	\$132.60	1	\$132.60	0	\$0.00
1780	Tees (3" Bag Of 10)	\$224.95	537	\$0.42	493	\$206.52	-44	(\$18.43)
1792	Ball Marker	\$0.00	0	\$1.11	0	\$0.00	0	\$0.00
1793	Hat Clip	\$62.17	18	\$3.45	20	\$69.08	2	\$6.91
1794	Divot Repair Tool	\$201.88	29	\$6.96	29	\$201.88	0	\$0.00
1858	Sunglasses	\$611.41	80	\$7.64	79	\$603.77	-1	(\$7.64)
2033	Titleist Players Towel	\$0.00	0	\$12.15	0	\$0.00	0	\$0.00
2366	Callaway Players Towel	\$0.00	0	\$14.19	0	\$0.00	0	\$0.00
2561	Mlb Orioles Sunglasses	\$156.00	12	\$13.00	12	\$156.00	0	\$0.00
2673	Footjoy Belt	\$533.83	14	\$38.13	14	\$533.83	0	\$0.00
2705	Rory "dog" Headcover	\$0.00	0	\$0.01	0	\$0.00	0	\$0.00
2761	Titleist Light Weight Stand Bag	\$397.80	3	\$132.60	3	\$397.80	0	\$0.00
2762	Titleist Microfiber Towel	\$98.72	8	\$12.34	8	\$98.72	0	\$0.00
2763	Titleist Sack Pack	\$0.00	0	\$15.33	0	\$0.00	0	\$0.00
2836	Callaway Ori. Cart Bag	\$0.00	0	\$195.46	0	\$0.00	0	\$0.00
BAGS ACCESSORIES Total		\$2,419.36				\$2,400.19		(\$19.17)
Item Category: GOLF CLUBS								
1248	Titleist Vokey Wedge	(\$594.39)	0	\$80.00	0	\$0.00	0	\$594.39
1760	Titleist Fairway Wood	\$0.00	0	\$170.12	0	\$0.00	0	\$0.00
2585	Odyssey White Hot Pro Rh	\$0.00	0	\$97.97	0	\$0.00	0	\$0.00
2699	Titleist Hybrid	\$0.00	0	\$175.64	0	\$0.00	0	\$0.00
2702	TaylorMade Daytona Putter	\$0.00	0	\$100.71	0	\$0.00	0	\$0.00
2703	TaylorMade Maranello Putter	\$0.00	0	\$100.71	0	\$0.00	0	\$0.00
2707	Taylor Made Demo Wedge	\$178.01	2	\$89.00	2	\$178.01	0	\$0.00
2744	Titleist Sm6 Vokey Wedge	\$407.52	4	\$101.88	4	\$407.52	0	\$0.00
2856	Callaway Sub Zero Driver	\$0.00	0	\$369.68	0	\$0.00	0	\$0.00
GOLF CLUBS Total		(\$8.86)				\$585.52		\$594.39
Item Category: GOLF BALLS								
1137	Titleist Ball Dt	\$13.23	3	\$4.41	3	\$13.23	0	\$0.00
1400	Pinnacle Logo Jar Balls	\$97.45	115	\$0.85	119	\$100.84	4	\$3.39
1432	Titleist Ball Pro V I	\$1,030.34	117	\$8.81	122	\$1,074.37	5	\$44.03
1479	Titleist Ball NXT	\$1,211.61	193	\$6.28	189	\$1,186.49	-4	(\$25.13)
1851	Nike Power Distance	\$0.00	0	\$3.14	0	\$0.00	0	\$0.00
2041	Nike Mojo 2-Pack	\$0.00	0	\$13.56	0	\$0.00	0	\$0.00
2362	Titleist Velocity	\$5.34	1	\$5.34	0	\$0.00	-1	(\$5.34)
2453	Pinnacle Bling Sleeves	\$0.00	0	\$3.59	0	\$0.00	0	\$0.00
2492	Ravens Logo Ball	\$0.00	0	\$1.04	0	\$0.00	0	\$0.00
2549	Nike Rzn Blak & Platinum	\$0.00	0	\$7.20	0	\$0.00	0	\$0.00
2598	Joe Marks Golf Balls	\$0.00	0	\$422.94	0	\$0.00	0	\$0.00
2659	Ultra 15 Ball Pack	\$0.00	0	\$8.34	0	\$0.00	0	\$0.00
2701	Noodle 15 Ball Pack	\$0.00	0	\$10.97	0	\$0.00	0	\$0.00

The Timbers At Troy GC

Full Inventory Variance Report

Item #	Description	System			Count		Variance	
		Value	Units	Cost	Units	Value	Units	Value
2708	Taylormade Project A Golf Balls	\$5.97	1	\$5.97	0	\$0.00	-1	(\$5.97)
2756	Pinnacle Rush Dozen	\$675.79	55	\$12.29	55	\$675.79	0	\$0.00
2803	Pinnacle Supersoft	\$0.00	0	\$18.58	0	\$0.00	0	\$0.00
2804	Callaway Supersoft Golf Balls	\$0.00	0	\$18.58	0	\$0.00	0	\$0.00
2837	Taylor Made Tp5x	\$7.97	1	\$7.97	1	\$7.97	0	\$0.00
2859	Volvik Sleeve	\$0.00	0	\$6.19	0	\$0.00	0	\$0.00
GOLF BALLS Total		\$3,047.70				\$3,058.68		\$10.98
Item Category: MISC GIFT ITEMS								
1320	Soft Spike Black Widow	\$154.94	669	\$0.23	669	\$154.94	0	\$0.00
1392	Titleist Den Caddy	\$59.26	1	\$59.26	1	\$59.26	0	\$0.00
1399	Softspikes Pulsar Kit	\$316.86	42	\$7.54	42	\$316.86	0	\$0.00
1536	Sun Block (Solar Sport)	\$111.49	30	\$3.72	37	\$137.50	7	\$26.01
1815	Titleist Dri-Hood	\$40.00	2	\$20.00	2	\$40.00	0	\$0.00
1995	Hole In One Plaque	\$60.00	1	\$60.00	1	\$60.00	0	\$0.00
2003	Bug Spray	\$159.35	28	\$5.69	28	\$159.35	0	\$0.00
2034	Tee Time Golf Pass	\$0.00	0	\$42.00	0	\$0.00	0	\$0.00
2077	Poker Golf Chips	\$0.00	0	\$1.03	0	\$0.00	0	\$0.00
2225	Adidas Belt	\$0.00	0	\$30.63	0	\$0.00	0	\$0.00
2330	Titleist Double Umbrella	\$55.23	2	\$27.61	2	\$55.23	0	\$0.00
2386	Timbers Towel	\$0.00	0	\$9.90	0	\$0.00	0	\$0.00
2458	Lip Balm Sunblock	\$70.01	50	\$1.40	50	\$70.01	0	\$0.00
2612	Timbers Flags	\$65.23	3	\$21.74	3	\$65.23	0	\$0.00
MISC GIFT ITEMS Total		\$1,092.36				\$1,118.37		\$26.01
Merchandise Total		\$26,528.31				\$27,209.68		\$681.37
Pro Shop Total		\$26,528.31				\$27,209.68		\$681.37
Grand Total		\$26,528.31				\$27,209.68		\$681.37

TIMBERS REAL PROPERTY LIST, DECEMBER 2016 - KITCHEN

QUANTITY	ITEM	SIZE	
1	KEGERATOR BEER COOLER	REACH-IN	✓
1	ROLL-A-GRILL	12X12	✓
4	FOOD WARMER		✓
1	COOLER WALK IN	REACH-IN	✓
2	HEAT LAMP		✓
1	PREP TABLE	\$300	✓
1	SINK	3 BASIN	✓
1	STORAGE RACK	6 SHELVES	✓
1	ICE MACHINE		✓
1	FREEZER	REACH-IN	✓
1	COOLER FRIDGE	WALK-IN	✓
1	MICROWAVE/TOASTER		✓
1	DEEP FRYER		✓
1	GRILL	FLAT TOP	✓
1	2 BURNER UNIT		✓
3	REFRIGERATOR STORAGE UNDER GRILL REACH-IN	REACH-IN	✓
1	MINI PREP TABLE NA		

TIMBERS REAL PROPERTY LIST, DECEMBER 2016 - CLUBHOUSE

LOCATION	QUANTITY	ITEM	SIZE
	10 ✓	TABLES	36X36
	40 ✓	CHAIRS	STD
	1 ✓	SNACK RACK	5 SHELVES
	2 ✓	COFFEE URN	
	1 ✓	COMPUTER	
KIM MCPHAUL	1 ✓	COMPUTER	
KEVIN SMITH	2 ✓	COMPUTER	
PROSHOP	2 ✓	POS COMPUTER	
PROSHOP	1 ✓	COUNTER DISPLAY	
<i>GRILLE ROOM</i>	1 ✓	DESK <i>HANDICAP COMPUTER</i>	
	2 ✓	COMPUTER STANDS	
	1 ✓	TV	52"
KIM MCPHAUL	2 ✓	FILE CABINET	
KEVIN SMITH	1 ✓	FILE CABINET	

TIMBERS REAL PROPERTY LIST, DECEMBER 2016 - DECK

QUANTITY	ITEM	SIZE
4	TABLE ✓	ROUND/DECK FURNITURE
20	CHAIR ✓	
4	UMBRELLA ✓	

TIMBERS REAL PROPERTY LIST, DECEMBER 2016 - GRILL ROOM

QUANTITY	ITEM	SIZE	
10	STOOLS/ <i>GRILLE ROOM</i>	ROUND	<i>SQUARES</i>
4	TABLES ✓	36X36	<i>SQUARES</i>
11 12	CHAIRS	STD	✓
2	TABLES	6'	✓
2	BEER BOXES		✓
2 1	COOLERS/ <i>SANDWICH STATION</i>	REACH-IN	✓
1	SOFT DRINK COOLER	REACH-IN	✓
2	TV/ <i>GRILLE ROOM</i>	27"	✓
1	TV/ <i>GRILLE ROOM</i>	50"	✓

TIMBERS REAL PROPERTY LIST, DECEMBER 2016 - PAVILION

QUANTITY	ITEM	SIZE
15	TABLES	85" ✓
120 116	CHAIRS	PLASTIC ✓
1	GRILL	CHAR-BROIL ✓
1	FREEZER	REACH-IN ✓

TIMBERS REAL PROPERTY LIST, DECEMBER 2016 - GREENSKEEPING

BRAND	MODEL#	SERIAL#	DESCRIPTION	YEAR	HOURS	DO WE USE
TORO	3550D	30822	ROUGH MOWER	2002	5234 5898	IN USE ✓
TORO	5800D	41593	SPRAYER	2011	944 1591	IN USE ✓
SMITHCO	13-550-C	6311	SANDTRAPRAKE	2000	N/A	IN USE ✓
TRUTURF	RS48-11B	R6208	GREENS ROLLER	2012	N/A	IN USE ✓
TRUTURF	R648-11B	R8352	GREENS ROLLER		N/A	IN USE ✓
AGRIMETAL	BW630	20248	3 POINT HITCH BLOWER	N/A	N/A	IN USE ✓
RYAN	5448458	98500768	SOD CUTTER	1997	N/A	IN USE ✓
LELY	203201-801-1	10709-1332	3 POINT SPREADER	1998	N/A	IN USE ✓
JOHN DEERE	TC1500	X030250	FAIRWAY AERIFIER	N/A	N/A	IN USE ✓
TORO	GM100	4052	WALKING GREENS MOWER	1993	N/A	NOT IN USE
TORO	GM1000	4052	WALKING GREENS MOWER	1995	N/A	NOT IN USE
TORO	GM1000	4052	WALKING GREENS MOWER	1995	N/A	NOT IN USE
TORO	GM1000	4052	WALKING GREENS MOWER	1998	N/A	NOT IN USE
TORO	GM1000	4052	WALKING GREENS MOWER	2001	N/A	IN USE ✓
TORO	SEEDER	44830	SLIT SEEDER	1995	N/A	NOT IN USE ✓
TORO	GM3000	4350	RIDING TEE MOWER	1993	6524	NOT IN USE ✓
TORO	GM3000	4350	RIDING TEE MOWER	1993	5311	NOT IN USE ✓
TORO	SP504	8705	BUNKER RAKE	2012	1036 1644	IN USE ✓
TORO	BUNKER PUMP	8765	BUNKER PUMP	2012	N/A	IN USE ✓
SANDMAN	850	85-11653	SAND SIFTER	2012	N/A	IN USE ✓
FORD PICKUP	THX25H0SKA	80853	PICKUP TRUCK	1995	145,964 MILES	NOT IN USE ✓
TORO	3500D	30822	ROUGH MOWER	2002	4001 4842	IN USE ✓
TORO	SP3000	8883	BUNKER RAKE	1995	6833 7187	IN USE ✓
TORO	GM4600D	30857	ROUGH MOWER	2011	2287 4052	IN USE ✓
TORO	AERIFIER	9120	GREENS ARIFIER	2000	N/A	IN USE ✓
TORO	MP5800	41568	SPRAYER	2004	2129 2149	NOT IN USE ✓
CUSHMAN TRUCKSTE	84056	2444760	TOPDRESSER	2009	625 706	IN USE ✓
TORORM52000D	3540	220000369	FAIRWAY MOWER	2002	4357 5510	IN USE ✓
TORORM52000D	3540	220000337	FAIRWAY MOWER	2002	3314 3940	IN USE ✓
JOHN DEERE	4610	60443	UTILITY TRACTOR	2002	5768 6435	IN USE ✓
JOHN DEERE	5225	180645231	UTILITY TRACTOR	2002	1002 1196	IN USE ✓
JOHN DEERE	SKID STEER 240	T00240A915103	LOADER	2004	1144 1357	IN USE ✓
JOHN DEERE	2500A		TEE & APPROACH MOWER	2003	2002 2603	IN USE ✓
JOHN DEERE	2500A	TC250AY-010612	GREENS MOWER	2003	2648 3108	IN USE ✓

ALL IN USE

FORD PICKUP F250

OUT OF SERVICE

664

2004

BRAND	MODEL#	SERIAL#	DESCRIPTION	YEAR	HOURS	DO WE USE
TOROGM3000	4350	50876	TEE & APPROACH MOWER	1995	3345	NOT IN USE ✓
TOROGM3100	4353	200000817	TEE & APPROACH MOWER	2000	3064 3761	IN USE ✓
FOLEY	600	94160001508	REEL GRINDER	1992	N/A	IN USE ✓
FOLEY	610	4918100231	BEDKNIFE GRINDER	1992	N/A	IN USE ✓
JOHN DEERE	2500A	TC250AG-001610	GREENS MOWER	2003	2327 3187	IN USE ✓

**EXHIBIT C
TIMBERS MAINTENANCE FACILITY**



EXHIBIT D GENERAL, PROPERTY AND ENVIRONMENTAL CONDITIONS

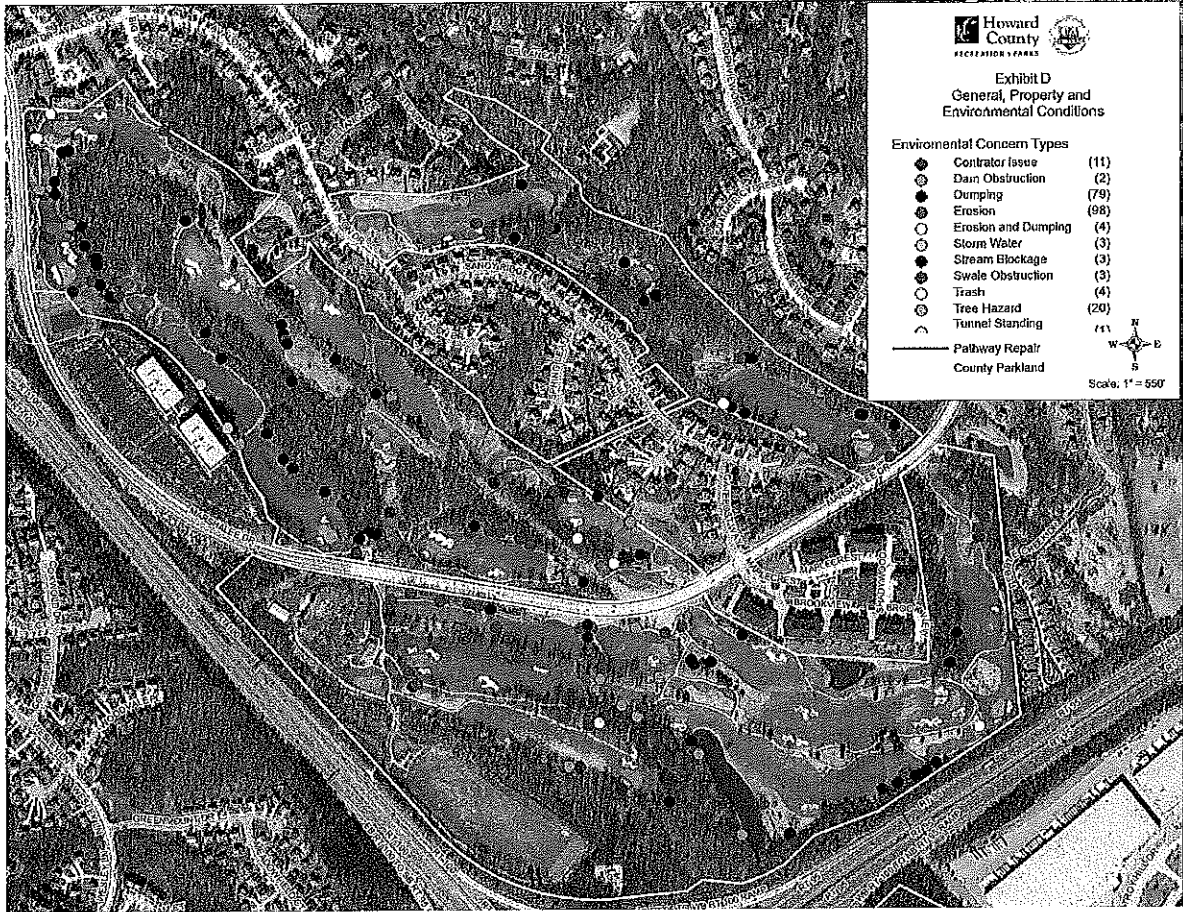


EXHIBIT E

GUARANTY AGREEMENT

The undersigned, **KEMPER SPORTS MANAGEMENT, INC.** (the "Guarantor"), whose address is 500 Skokie Boulevard, Suite 444, Northbrook, Illinois 60062 in consideration of the leasing of the Premises (as defined in the Lease) to **KSM TIMBERS, LLC** (the "Tenant"), as described in the that certain Lease Agreement for Timbers at Troy between Howard County, Maryland (the "Landlord") and Tenant dated as of _____, 2017 (the "Lease"), hereby covenants and agrees that:

1. Subject to the terms and conditions of the Lease, including without limitation with respect to notice requirements and cure periods, if the Tenant shall default, at any time during the term of the Lease, in the performance of any of the covenants and obligations of the Lease to be performed by Tenant, then the Guarantor shall on written demand perform the covenants and obligations of the Lease on behalf of Tenant and shall on written demand pay to Landlord all sums due to Landlord under the Lease, including all damages and expenses that might arise from Tenant's default. Further, the Guarantor hereby does waive all requirements of notices of the acceptance of the Guaranty and all requirements of notice of breach of nonperformance by Tenant.

2. The Guarantor, at Landlord's option, may be joined in any action or proceeding commenced by Landlord against Tenant relating to any covenants and obligations in the Lease, and the Guarantor hereby waives all rights to demand that Landlord take any action of any nature whatsoever against Tenant.

3. This Guaranty shall remain and continue in full force and effect as to any renewal, extension, modification or amendment of the Lease and as to any assignment of Tenant's interest in the Lease, and the Guarantor waives notice of such renewals, extensions, modifications, amendments or assignments.

4. The Guarantor's obligations hereunder shall remain binding notwithstanding that Landlord may waive one or more defaults by Tenant, extend the time of performance by Tenant, release, return or misapply other collateral given as additional security (including other guaranties) or release Tenant from the performance of its obligations under the Lease.

5. This Guaranty shall remain in full force and effect notwithstanding the institution by or against Tenant of bankruptcy, reorganization, readjustment, receivership or insolvency proceedings of any nature, or the disaffirmance of the Lease in any such proceedings or otherwise.

6. If the Guaranty is signed by more than one party, their obligations shall be joint and several, and the release of one of the guarantors shall not release any other guarantor.

7. This Guaranty shall be applicable to and binding upon the heirs, representatives, successors and assigns of Landlord, Tenant and Guarantor.

8. This Guaranty is irrevocable, absolute and unconditional, direct, immediate and primary. This Guaranty guarantees payment and not just collection. Further, this Guaranty makes the Guarantor, and the Guarantor so intends to be, a surety to the Landlord with respect to the Tenant's covenants and obligations under the Lease.

9. [Intentionally Omitted]

10. This Guaranty shall be effective and enforceable immediately upon its execution. The effectiveness and enforceability of this Guaranty is not in any way conditioned or contingent upon any event, occurrence or happening. Both Guarantor and Landlord have been represented by counsel in the negotiation and preparation of this Guaranty, therefore in the event of any finding of ambiguity by a court, this Guaranty shall not be considered or deemed to have been prepared by Landlord and thus construed against Landlord.

11. As a matter of policy, Guarantor does not provide copies of its financial statements to third parties. Notwithstanding the foregoing, however, prior to the signing of the Lease, Guarantor will make available its audited annual financial statements for the most recent three (3) available years for physical inspection (no copies) by Landlord in a private and confidential setting at a County office location agreed upon by the parties in good faith. Additionally, Guarantor agrees to make available subsequent available audited annual financial statements on an annual basis in the same fashion as described in the preceding sentence upon written request from Landlord.

IN WITNESS WHEREOF, the Guarantor has executed the Guaranty, with the intent that it be a sealed instrument, as of this _____ day of _____, 2017.

WITNESS:

GUARANTOR:

KEMPER SPORTS MANAGEMENT, INC.

By: _____(SEAL)

Name:

Title:

EXHIBIT F FOREST CONSERVATION AREAS



EXHIBIT G GOLF RATES

MONDAY-THURSDAY		
	Walk	Ride
18 Holes	\$40	\$57
Twilight (Times seasonal)	\$27	\$44
Mid-Day (Times seasonal)	\$34	\$51
9 Holes	\$24	\$34
Seniors		
	Walk	Ride
18 Holes	\$35	\$52
Twilight (Times seasonal)	\$22	\$39
Mid-Day (Times seasonal)	\$28	\$45
9 Holes	\$21	\$31
Howard County Resident Discounts		
	Walk	Ride
18 Holes	\$35	\$52
Mid-Day (Times seasonal)	\$31	\$48
18 Holes Senior (60+)	\$30	\$47
Mid-Day (Times seasonal)	\$26	\$43
Valid drivers license required for resident discounts		
FRIDAY		
	Walk	Ride
18 Holes	\$45	\$62
Twilight (Times seasonal)	\$31	\$48
Mid-Day (Times seasonal)	\$38	\$55
9 Holes (Available after 1pm)	\$27	\$37
SATURDAY-SUNDAY		
	Walk	Ride
18 Holes	\$52	\$69
18 Holes (12pm-Twilight)	\$44	\$61
Twilight (Times seasonal)	\$31	\$48
9 Holes (Available after 1pm)	\$30	\$40
Walk On Discounts		
	Walk	Ride
18 Holes	\$47	\$64
JUNIOR RATES		
	Walk	Ride
18 Holes	\$20	\$37
9 Holes	\$13	\$23
SUPER TWILIGHT		
	Walk	Ride
Monday-Thursday	\$20	\$35
Friday/Saturday/Sunday	\$24	\$39
Super Twilight rates start 2 hours after the posted twilight rates.		
<p>Junior rates are available anytime Monday thru Thursday or after 1pm Friday thru Sunday & holidays for golfers 17 years of age & younger. Juniors 12 & under must be accompanied by an adult. Cart fees for juniors are \$17 for 18 holes & \$10 for 9 holes, but there must be an adult, 18 & older, in the group & cart operators must have a valid drivers license (not learners permit). Observation fees for non golfer is a cart fee applicable for 9 or 18 holes.</p>		
<p>www.timbersgolf.com</p>		

EXHIBIT H

INSURANCE, INDEMNIFICATION, WAIVER AND SAFETY REQUIREMENTS

Part 1: Insurance:

Insurance to be maintained by the Lessee.

The Lessee shall purchase and maintain at its expense, throughout the Term, including any renewals thereof, such policies of insurance reasonably acceptable to the County as shall protect the Lessee and the County from claims or losses, regardless of whether such claims or losses result from the Lessee's actions or omissions or those of a contractor or those of anyone directly or indirectly employed by any of them or anyone for whose acts any of them may be liable. The following coverages are mandatory but may not be all inclusive, based on the parameters of the operations.

(a) **Workers Compensation Insurance** with statutory benefits as required by Maryland law, including standard "other states" coverage and **Employers' Liability Insurance** with minimum limits of:

- (i) \$500,000 each accident for bodily injury by accident;
- (ii) \$500,000 each employee for bodily injury by disease; and
- (iii) \$500,000 policy limit for bodily injury by disease.

The minimum limits may be satisfied with a combination of employers' liability and umbrella excess liability insurance. This insurance shall include NCCI form WC 00 03 13 "Waiver of Our Right of Recovery from Others Endorsement", or its equivalent naming Howard County, MD, its elected and appointed officials, officers, employees and authorized volunteers on the schedule therein. A copy of this endorsement must accompany any certificate of insurance provided to the County.

(b) **Business Auto Liability Insurance** with combined single limits of liability of at least \$1,000,000 per accident. Coverage for owned, non-owned and hired autos shall be included. Include ISO Endorsement CA 04 44 "Waiver of Transfer of Rights of Recovery Against Others to Us (Waiver of Subrogation)" or its equivalent, naming Howard County, MD, its elected and appointed officials, officers, employees and authorized volunteers on the schedule therein.

(c) **Commercial General Liability Insurance** that insures against claims for bodily injury, property damage, personal and advertising injury arising out of or in connection with any operations or Work under the Lease Agreement, whether such operations are by Lessee, its employees or subcontractors or their employees. The minimum limits of liability for this insurance are as follows:

- (i) \$1,000,000 combined single limit - each occurrence;
- (ii) \$1,000,000 personal and advertising injury;

- (iii) \$2,000,000 combined single limit - general aggregate; and
- (iv) \$2,000,000 combined single limit - products/completed operations aggregate.

This insurance shall include coverage for all of the following:

- (i) Any general aggregate limit shall apply per location;
- (ii) Liability arising from premises and operations;
- (iii) [Intentionally Omitted];
- (iv) Liability arising from products and completed operations with such coverage to be maintained for three (3) years after final acceptance;
- (v) Contractual liability including protection for Lessee from bodily injury and property damage claims assumed under the Lease Agreement; and
- (vi) Liability arising from the explosion, collapse and underground (XCU) hazards;
- (vii) ISO Endorsement CG 20 11 04 13 “Additional Insured – Managers or Lessors of Premises” or its equivalent, naming Howard County, MD, its elected and appointed officials, officers, employees and authorized volunteers as additional insureds;
- (viii) To the extent Lessee uses or maintains equipment owned by the County, ISO Endorsement CG 20 28 04 13, “Additional Insured – Lessors of Leased Equipment” or its equivalent, naming Howard County, MD, its elected and appointed officials, officers, employees and authorized volunteers as additional insureds;
- (ix) ISO Endorsement CG 20 08 04 13 “Additional Insured – Users of Golfmobiles” or its equivalent; and
- (x) ISO Endorsement CG 24 04 “Waiver of Transfer of Rights of Recovery” or its equivalent, naming Howard County, MD, its elected and appointed officials, officers, employees and authorized volunteers on the schedule therein.

The endorsements required in (vii), (viii) and (x) above must be submitted in conjunction with certificates of insurance. The endorsements required in (vii) and (viii) shall provide primary and non-contributory coverage to Howard County, MD, its elected and appointed officials, officers, employees and authorized volunteers as additional insureds.

- (d) **Liquor Liability Insurance** with the following minimum limits:
 \$1,000,000 each common cause; and
 \$1,000,000 annual aggregate.

This coverage shall name Howard County, MD, its elected and appointed officials, officers, employees and authorized volunteers as additional insureds.

- (e) **Umbrella Excess Liability Insurance.** Umbrella excess liability or excess liability insurance with minimum limits of:

- (i) \$5,000,000 combined single limit - each occurrence;
- (ii) \$5,000,000 aggregate other than products/completed operations and auto liability; and
- (iii) \$5,000,000 products/completed operations aggregate.

This insurance shall include all of the following coverages on the applicable schedule of underlying insurance:

- (i) Commercial general liability;
- (ii) Liquor liability;
- (ii) Business auto liability; and
- (iii) Employers' liability.

This insurance shall afford insured status to all individuals and entities required to be insureds on underlying insurance to the same extent as the underlying insurance.

(f) **All Risk Property Insurance** on the full Leased Premises and Personal Property of Timbers at Troy Golf Course including but not limited to the golf course, club house and contents, maintenance building and contents, cart storage building and contents, golf carts, picnic pavilion, parking lots, driving range, outdoor lights, fences, signs, gazebos and sheds, paths, tees, greens, fairways, irrigation system, fine arts and mobile equipment. Coverage shall insure against "all risk" perils (ISO Form CP 10 30 Special Form - Causes of Loss or its equivalent) and the following perils or causes of loss:

- (i) Equipment breakdown perils (ISO Form CP 10 46 "Equipment Breakdown Cause of Loss" or its equivalent");
- (ii) Debris removal;
- (iii) Earthquake, volcanic activity, and other earth movement;
- (iv) Flood;
- (v) Water damage (other than that caused by flood);
- (vi) [Intentionally Omitted]
- (vii) Demolition occasioned by enforcement of Laws and Regulations; and
- (viii) Terrorism.

The following additional provisions are required:

- (i) This insurance shall be in an amount not less than the full replacement value of the covered property and equipment.
- (ii) Deductibles shall be such that are ordinarily provided for similar golf courses and equipment. Lessee shall be responsible for payment of all deductibles associated with losses.
- (iii) Any coinsurance condition shall be waived.
- (iv) Greens, Tees, Fairways and sprinkler systems shall be covered with appropriate sublimits of not less than \$50,000. Lessee shall be responsible for losses in excess of sublimits. Sublimits are permitted for paths and parking lots.

- (v) Equipment Breakdown coverage shall include State inspection services. Such inspections shall be reported to the County's Office of Risk Management.
 - (vi) The Lessee's owned or leased Property within the full property of Timbers at Troy Golf Course belongs to the Lessee, and the Lessee bears the sole risk of loss of the Lessee's Property whether it is covered by insurance or not.
 - (vii) Business income and extra expense insurance in sufficient amounts to protect Lessee's interests, including any amounts due under the Lease Agreement.
 - (viii) Howard County, MD shall be a named insured and loss payee as its interests may appear.
- (e) **Pollution Liability Insurance** with combined single limits of \$5,000,000 per occurrence, naming Howard County, MD, its elected and appointed officials, officers, employees and authorized volunteers as Additional Insured. Coverage shall apply to Underground and Aboveground petroleum storage tanks. Appropriate maintenance and record keeping involving tanks shall be the responsibility of Lessee.
- (f) **Crime Coverage** with sufficient limits to protect against loss of operating funds and revenues.

Part 3: Terms and Conditions Applicable to all Phases:

Lessee acknowledges and confirms that the County's requirements for insurance as it pertains to this Lease Agreement may change and the Lessee shall be obligated to maintain the insurance as required by the County. Requirements for coverage may not be all inclusive and may be changed at the reasonable but sole discretion of the County if there are changes to the golf course operations that change the risk during the term of the Lease Agreement. Lessee shall be obligated to purchase and maintain all coverage required and the parties will negotiate in good faith to make adjustments to the Annual Lease Fee to account of increased insurance costs occasioned by any requirements to purchase and maintain additional insurance coverage.

No Increase in risk. The Lessee and Contractor (a) shall not do or permit to be done any act which might result in either (a) any insurance or policy of insurance relating to the full property of Timbers at Troy Golf Course to be voided or suspended, or (b) the insurance risk and the premium or cost under any such policy to be increased, and (b) shall pay as an Additional Lease Fee the amount of any increase in any costs and/or premium for such insurance resulting from any breach of such covenant within ten (10) days after receipt of written notice from the County of such increase.

If any of the liability insurance policies required under this Lease Agreement are written on a claims-made basis, the party that purchased such insurance shall continue to maintain such

insurance for a period of three (3) years after substantial completion of the capital construction project or the Term of the Lease Agreement as applicable. The limits of liability and the extensions to be included remain the same. Lessor or Contractor must comply with one of the following additional conditions:

- (i) Agree to provide certificates of insurance to the County evidencing the claims-made insurance for the period above. Such certificates shall evidence a retroactive date no later than the beginning of any work or operations under the Lease Agreement; or
- (ii) Purchase an extended reporting period endorsement for each such claims-made policy in force as of the date of substantial completion of the capital construction project or the term of the Lease Agreement as applicable, and evidence the purchase of this extended reporting period endorsement by means of a certificate of insurance and a copy of the endorsement itself. Such certificate or copy of the endorsement shall evidence a retroactive date no later than the beginning of any Work or operations under the Lease Agreement.

All policies of insurance shall be underwritten by companies allowed to do business in the State of Maryland and acceptable to the County. The insurers must have a Best's Financial Strength Rating of "A-" or better, and a Financial Size Category of "Class VII" or higher, unless the County grants specific approval for an exception.

The Lessee and Contractor shall assure that all contractors performing services in accordance with this Lease Agreement carry identical insurance coverage required of the Lessee or Contractor based on who hires them, either individually or as an Additional Insured on the policies of the Lessee or Contractor. Exceptions may be made only with the approval of the County.

The Lessee shall not commence operations or Work under the Lease Agreement or any contract or occupy the full property of Timbers at Troy Golf Course until evidence of all required coverage, including all coverage that Lessee requires to be carried and maintained by Lessee's contractors and subcontractors, is received by the County. Further, the Lessee shall continue to provide the County with evidence of policy renewals for three (3) years after termination or expiration of the Lease Agreement and shall not reduce or cancel or change any of the required coverages without thirty (30) days' notice of such change to the County. Evidence of coverage shall be in the form of complete copies of policies or certificates of insurance with required endorsements, at the County's sole discretion.

Providing the insurance required herein does not relieve the Lessee of any responsibilities or obligations assumed by the Lessee under this Lease Agreement, which the Lessee may be liable by law or otherwise.

Failure to provide and continue to maintain such insurance as required herein shall be deemed to be a material breach of the Lease Agreement and shall operate as an immediate termination hereof. Further, a default under this section is a Class A civil offense and the County Purchasing Agent may take action under the terms and provisions of the RFP.

Waiver of Right of Recovery. To the extent permitted by law, Lessee shall waive all rights against the County, its elected and appointed officials, officers, employees and authorized volunteers for any and all loss of or damage to the full property of Timbers at Troy Golf Course and Lessee's property, equipment and materials (including any consequential loss of income or extra expenses as a result of such loss or damage). Lessee shall also require that subcontractors also waive any and all rights against the County, its elected and appointed officials, officers, employees and authorized volunteers for loss of or damage to subcontractor's property, equipment and materials (including any consequential loss of income or extra expenses as a result of such loss or damage) in all subcontract agreements. Any insurance policies maintained by Lessee and any subcontractors shall permit such waivers of rights of recovery by endorsement or otherwise.

To the extent permitted by law, Contractor shall be required to waive all rights against the County, its elected and appointed officials, officers, employees and authorized volunteers for any and all loss of or damage to the full property of Timbers at Troy Golf Course and Contractor's property, equipment and materials (including any consequential loss of income or extra expenses as a result of such loss or damage). Contractor shall also require that subcontractors also waive any and all rights against the County, its elected and appointed officials, officers, employees and authorized volunteers for loss of or damage to subcontractor's property, equipment and materials (including any consequential loss of income or extra expenses as a result of such loss or damage) in all subcontract agreements. Any insurance policies maintained by Contractor and any subcontractors shall permit such waivers of rights of recovery by endorsement or otherwise.

Indemnification. To the fullest extent permitted by law Lessee shall indemnify, defend and hold harmless the County, its elected and appointed officials, officers, employees and authorized volunteers from and against all claims, costs, losses, and damages (including but not limited to all fees and charges of engineers, architects, attorneys, and other professionals and all court or arbitration or other dispute resolution costs) arising out of or relating to the Lease Agreement, provided that any such claim, cost, loss, or damage is attributable to bodily injury, sickness, disease, or death, or to injury to or destruction of tangible property, including the loss of use resulting therefrom but only to the extent caused in whole or in part by any negligent act or omission of Lessee, any subcontractor or any individual or entity directly or indirectly employed by any of them to perform any of the work or anyone for whose acts any of them may be liable.

In case the County shall, without fault on its part, be made a party to any litigation commenced by or against Lessee, Lessee shall protect, indemnify, and defend with counsel reasonably acceptable to County, and hold County harmless and shall pay all costs, expenses and reasonable attorneys' fees incurred or paid by County in connection with such litigation. The obligations set forth in this paragraph shall survive the expiration or sooner termination of this Lease.

To the extent provided by the Local Government Tort Claims Act, found at Sections 5-301 through 5-304 of the Courts and Judicial Proceedings Article of the Maryland Annotated Code, as supplemented from time to time, and the limitations of liability set forth therein, and subject to appropriations by the Howard County Council, County shall indemnify, defend and hold harmless the Lessee, and its affiliates and each of their shareholders, members, officers, directors, managers, employees, agents, representatives and authorized volunteers from and against all claims, costs, losses, and damages arising out of or relating to the Lease Agreement, provided that any such claim, cost, loss, or damage is attributable to bodily injury, sickness, disease, or death, or to injury to or destruction of tangible property, including the loss of use resulting therefrom but only to the extent caused in whole or in part by any negligent act or omission of County, any subcontractor or any individual or entity directly or indirectly employed by any of them to perform any of the work or anyone for whose acts any of them may be liable.

As a condition of indemnification, Lessee agrees to notify Howard County, MD, of any suits, claims or potential claims within 10 days of its own notice of such suits, claims or potential claims. The foregoing indemnification is not to be deemed as a waiver of any immunity that may exist in any action against Howard County, MD for its officers, agents, volunteers and employees.

EXHIBIT I STORM WATER MANAGEMENT PONDS



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EXHIBIT J NUTRIENT MANAGEMENT PROGRAM

This is the guideline for nutrient and fertility management for the Timbers at Troy Golf Club during a typical 12 month period. It is a guideline, and as such will be modified based on environmental factors experienced and testing throughout a given year. Our intention is to provide the highest quality facility possible with the most prudent use of nutrients possible. The following are the Guidelines for fertility from the University of Maryland:

Table 1:

Recommended Annual Nitrogen Rates for Maintenance of
Golf Course Turf in Maryland (Annual Rate*)

Pounds Nitrogen/1000 ft²:

<p>GREENS Creeping bentgrass 2.5 - 5.0</p>	<p>TEES Creeping bentgrass 2.0 - 4.0 Kentucky bluegrass 3.0 - 5.0 Perennial ryegrass 2.0 - 4.0 Bermudagrass 2.0 - 4.0 Zoysiagrass 1.0 - 3.0</p>
<p>FAIRWAYS Creeping bentgrass 2.0 - 4.0 Kentucky bluegrass 2.5 - 4.0 Perennial ryegrass 2.0 - 4.0 Bermudagrass 2.0 - 4.0 Zoysiagrass 0 - 2.0</p>	<p>NON-IRRIGATED ROUGHS Fine fescue 0 - 1.5 Kentucky bluegrass 2.5 - 3.0 Perennial ryegrass 2.0 - 3.0 Turf-type tall fescue 2.0 - 2.5 Bermudagrass 1.0 - 3.0</p>
<p>IRRIGATED ROUGHS Creeping bentgrass 2.0 - 3.5 Kentucky bluegrass 2.5 - 3.5 Perennial ryegrass 2.0 - 3.5 Turf-type tall fescue 2.0 - 3.0 Bermudagrass 2.0 - 3.0 Zoysiagrass 0 - 2.0</p>	

It is the objective of Timbers at Troy to be within these guidelines.

The following paragraphs are comments from our independent soils consultant M&M Consulting Inc. M&M provides guidance to numerous golf courses in the Mid-Atlantic region. They sell no products so their data and recommendations are highly regarded within the industry.

Generally, the water used at Timbers at Troy for irrigation is of good quality. This year, the surface water had a touch of sodium in it (most likely from road runoff) but historically sodium is not a factor. The well water is calcium dominant and contains a bicarbonate load. If we become well dependent, we will need to take steps to insure that the bicarbonates do not create any issues in the soils, especially the greens. The primary methods of management will be application of materials to feed bicarbonates and acidification of the well water to destroy them. An acid injection system on our well water is something to consider.

The greens that were tested are generally in solid shape nutritionally. Basic applications, based on testing, of 0-0-7 and 0-0-50 on a regular basis will maintain desired chemistry. Nitrogen applications can range between 2-4#/M2 annually based on desired clipping yield and recovery. We will lean towards the lower end of that scale based on our desire to speed up our aeration process on the greens. Finally, we will apply manganese sulfate on a regular basis this winter to elevate levels above 25ppm. This will enhance color and improve disease resistance.

The fairways had a small high calcium limestone requirement per testing. We will apply limestone as needed on an annual basis. We will apply 1000#/acre of high calcium limestone as recommended. We have room to slightly increase the phosphorus levels in the soil, therefore will use MAP on the fairways especially if seeding or promoting recovery. We are bound by the Maryland regulations which prohibit nitrogen applications between December 1 through March 1. MAP is a water soluble fertilizer. In order to manage organic matter production Timbers at Troy will keep the nitrogen inputs on the fairways to 1-3#/M2 annually.

The roughs are typically a reflection of the fairways and should be managed similarly. Nitrogen input rate should be on the lower end of the scale.

The tees are in solid shape nutritionally. Do not apply any fertilizer containing phosphorus on the tees. The tees at Timbers at Troy are cool season grasses. Our nitrogen application range for the tees is 2-4#/M2 annually. Due to the small size of several of the tees we will consider a split nitrogen rate based on tee size and wear with the smaller tees having a higher nitrogen application rate to promote more tissue production.

In Maryland, nitrogen applications are prohibited from December 1 until March 1 annually. The limit for water soluble nitrogen is .7#/M2 actual nitrogen. The limit for slow release nitrogen is .9#/M2 actual nitrogen. The limit for Enhanced Efficiency Nitrogen applications is up to 2.5#/M2 nitrogen as long as 80% of the annual rate for the given turfgrass species is not exceeded.