

Introduced _____
Public Hearing _____
Council Action _____
Executive Action _____
Effective Date _____

County Council Of Howard County, Maryland

2018 Legislative Session

Legislative Day No. **10**

Bill No. 51 -2018

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

AN ACT pursuant to Section 612 of the Howard County Charter, approving a Lease Agreement between Howard County, Maryland and NewTower Trust Company Multi-Employer Property Trust for the lease of space located at 6095 Marshalee Drive, ElkrIDGE, Maryland; and authorizing the County Executive to take certain actions in connection with the Lease Agreement.

Introduced and read first time _____, 2018. 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 _____, 2018.

By order _____
Jessica Feldmark, Administrator

This Bill was read the third time on _____, 2018 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 _____, 2018 at ____ a.m./p.m.

By order _____
Jessica Feldmark, Administrator

Approved/Vetoed by the County Executive _____, 2018

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**, as part of the construction of the new Circuit Court pursuant to Capital Project
2 C0290, the County needs to raze the existing Dorsey Building located at Bendix Road and relocate
3 the agencies, such as the Howard County Land Records and the Office of the Sheriff, from the
4 Dorsey to temporary office space; and

5
6 **WHEREAS**, and NewTower Trust Company Multi-Employer Property Trust (formerly
7 known as Riggs & Company, a division of Riggs Bank N.A., as Trustee of the Multi-Employer
8 Property Trust, a trust organized under 12 C.F.R. Section 9.18) by the deed dated August 17, 2000
9 and recorded among the Land Records of Howard County, Maryland (the “Land Records”) at Liber
10 5180, folio 91 is the owner of approximately 13.3754 acres of real property shown as Parcel B-2 on
11 the subdivision plat entitle “Lyndwood Square” recorded as Plat Number 14469 in the Land Records
12 and improved with a commercial office building comprised of 81,728 square feet of leasable space
13 known as 6095 Marshalee Drive, Elkridge, Maryland (the “Building”); and

14
15 **WHEREAS**, the County propose to lease a portion of the Building consisting of: 6,305
16 square feet of rentable space on the first floor of the building, and an additional 23,887 square feet of
17 rentable space on the second floor of the building, comprising a total of approximately 30,192 square
18 feet of rentable space in the Building, associated parking areas, and other related amenities
19 (collectively, the “Leased Premises”); and

20
21 **WHEREAS**, the County and the Landlord desire to enter into a Lease Agreement, for the
22 lease of the Leased Premises substantially in the form attached as Exhibit 1, for a term of five years
23 with one three-year option; and

24
25 **WHEREAS**, the Lease Agreement requires the payment by the County of funds from an
26 appropriation in later fiscal years 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,**

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22

Section 1. Be It Enacted by the County Council of Howard County, Maryland that in accordance with Section 612 of the Howard County Charter, it approves the Lease Agreement between Howard County and NewTower Trust Company Multi-Employer Property Trust) for the Leased Premise for a term of five years, and the renewal options, substantially in the form of Exhibit 1 attached to this Act.

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

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

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

LEASE AGREEMENT

**NEWTOWER TRUST COMPANY MULTI-EMPLOYER
PROPERTY TRUST**

Landlord

HOWARD COUNTY, MARYLAND

Tenant

6095 Marshalee Drive, Elkridge, MD 21075

Table of Contents

1. Leased Premises	1
2. Term	1
a. Extension Options	2
b. Extension Notice	2
c. Surrender of Leased Premises	2
d. Termination Option of Leased Premises.....	2
3. Rent	3
a. Annual Rent and Payment	3
b. Late Payment Charge	4
4. Operating Expenses	4
a. General.....	4
b. Inclusions in Operating Expenses.....	5
c. Exclusions from Operating Expenses	6
d. County's Proportionate Share	7
e. Invoices, Right to Audit	7
5. Delivery of Possession	7
6. Tenant Improvements	7
a. Timely Completion of Tenant Improvements	8
b. Landlord's Work	8
c. Tenant Improvement Allowance; Landlord's Obligation.....	8
d. County's Access.....	9
7. Use	9
8. Laws and Regulations	9
9. Assignment by County	10
10. Insurance, Subrogation and Indemnification	10
a. County's Self-Insurance	10
b. Landlords Insurance.....	10
c. Waiver of Subrogation and Indemnity	11
11. Alterations	11
12. Repairs and Maintenance	12
a. Maintenance of Interior of Leased Premises	12
b. Maintenance of Building and Exterior of Leased Premises	12
c. Intentionally Deleted.....	12
13. Services	12
a. Electricity	12
b. HVAC	13
c. Water and Sewer.....	13
d. Voice and Data.....	13
e. Miscellaneous	14
f. Loss of Service.....	14
14. Default	15
15. Damage	16
16. Parking and Grounds	16

17. Signs	17
18. Landlords Right of Entry	17
19. Expiration	17
20. Condemnation	18
21. Subordination; Recordation of Lease	18
22. Notices	18
23. Remedies Not Exclusive	19
24. Waivers	19
25. Performance	20
26. Final Agreement	20
27. Quiet Enjoyment	20
28. Estoppel Certificate	20
29. Environmental Requirements	20
30. Brokers	21
31. General	21
a. Governing Law	21
b. Efficiency Standards	21
c. Political Contribution Disclosure.....	21
d. Recycling Plan	21
e. Retention of Records	21
f. Representations and Warranties	22
g. Addendum.....	22
h. Lease Amendments	22
i. Interpretation	22
j. Public Information Act	22
k. Landlord and Landlord’s Authorized Agents	23
32. Intentionally Deleted	23
33. Right of First Refusal to Lease	23
34. Assignment by Landlord	24
35. Limitation on Recourse	24
Exhibit A- Depiction of Leased Premises	
Exhibit B- Declaration of Commencement Date	
Exhibit C- Work Agreement	
Exhibit D- Landlord’s Improvements	
Exhibit E- Supplemental HVAC Unit	
Exhibit F- Cleaning Schedule	
Exhibit G- Form of Estoppel Certificate	
Exhibit H- Rules and Regulations	
Exhibit I- Sustainability Provisions	

LEASE AGREEMENT

THIS **LEASE AGREEMENT** (the "Lease") is made this _____ day of _____, 2018 (the "Effective Date"), by and between **NEWTOWER TRUST COMPANY MULTI-EMPLOYER PROPERTY TRUST** (the "Landlord"), a trust organized under 12 C.F.R. Section 9.18, and **HOWARD COUNTY, MARYLAND** (the "County"), a body corporate and politic.

WITNESSETH, that County covenants and agrees with Landlord as follows:

1. **LEASED PREMISES.** Landlord (formerly known as Riggs & Company, a division of Riggs Bank N.A., as Trustee of the Multi-Employer Property Trust, a trust organized under 12 C.F.R. Section 9.18) by the deed dated August 17, 2000 and recorded among the Land Records of Howard County, Maryland (the "Land Records") at Liber 5180, folio 91 is the owner of approximately 13.3754 acres of real property shown as Parcel B-2 on the subdivision plat entitled "Lyndwood Square" recorded as Plat Number 14469 in the Land Records (the "Land"). The Land has been developed as two commercial office buildings known as 6085 and 6095 Marshalee Drive, ElkrIDGE, Maryland collectively consisting of 163,596 rentable square feet (the "Project"). The building having the address of 6095 Marshalee Drive (the "Building") has 81,798 square feet of leasable space including related amenities and any additional facilities in subsequent years as may be determined by Landlord to be reasonably necessary or desirable for the management, maintenance or operation of the buildings including the improvements constructed for the County herein (collectively the "Property").

Landlord hereby leases unto County, and County hereby leases from Landlord, a portion of the Building consisting of: 6,305 square feet of rentable space on the first floor of the Building, and an additional 23,887 square feet of rentable space on the second floor of the Building, comprising a total of approximately 30,192 square feet of rentable space in the Building (the "Leased Premises"), together with the right to use one hundred forty-eight (148) parking spaces in the unreserved parking areas of the Property and other related indoor and outdoor amenities as set forth in this Lease, as described and identified on the schematic of the Leased Premises within the Building and the parking lots shown on the Property in **Exhibit A** attached hereto and incorporated herein. (The County shall have the right to determine the rentable square feet of the Leased Premises pursuant to 2017 Builders, Owners, and Managers Association (BOMA) standards prior to execution of the Lease by a field measurement or test-fit performed by an architect or engineer which is acceptable to the County.)

2. **TERM.** The initial term of this Lease (the "Initial Term") shall commence on the date the Landlord delivers the Leased Premises with the Tenant Improvements by Landlord substantially completed in accordance with the terms herein and no later than February 15, 2019 (the "Commencement Date"), and end at 11:59 p.m. on the last day of the month at the completion of five (5) years and two (2) months from the Commencement Date (the "Term Expiration Date"), unless the Lease is earlier terminated or extended pursuant to any other provision of this Lease or applicable law.

The parties acknowledge that this Lease has been approved by the County Council of Howard County as a multi-year obligation in accordance with _____. The Landlord and the County shall execute the Declaration of Commencement Date (the "Declaration") the form of which is attached hereto as **Exhibit B** to confirm, among other things, the Commencement Date, the Initial Term and the Term Expiration Date. The Landlord shall complete and execute the Declaration after the Commencement Date and, if true and correct, County shall execute and return the Declaration to Landlord within twenty (20) days following County's receipt of same; otherwise County shall notify Landlord of its objections to the information contained in the Declaration within such twenty (20)-day period. Failure to execute the Declaration shall not affect the commencement or expiration of the Initial Term.

a. **Extension Options.** If, at the end of the Initial Term or subsequent Option Period (defined below) of this Lease, (a) County is not in default of any of the terms, conditions or covenants of this Lease, beyond any applicable notice and cure period, and (b) County has not assigned or sublet the Leased Premises, except as permitted herein, then County shall have the option to extend the Term (each an "Extension Option") for one (1) additional period of three (3) years (each an "Option Period") upon the same terms and conditions contained in this Lease. The Extension Option is personal to the County and may not be exercised or assigned, voluntarily or involuntarily, by or to any person or entity other than the County or another governmental or quasi-governmental department, division or agency of Howard County, Maryland or the State of Maryland (a "Government Agency"),

b. **Extension Notice.** If County desires to exercise the Extension Option to extend the Term (subject to County's compliance with the standards set forth herein), County shall notify Landlord in writing of County's intention to do so at least twelve (12) months prior to the Term Expiration Date of the Term. After proper and timely exercise of the Extension Option by County, all references in this Lease to "Term" shall be considered to mean the Initial Term or Option Period as extended, and all references in this Lease to the expiration date or to the end of the Term shall be considered to mean the termination or end of the applicable Option Period.

c. **Surrender of Leased Premises.** County shall, at the expiration of the Term or at the sooner termination thereof by forfeiture or otherwise, surrender the Leased Premises in the same good order and condition as existed at the beginning of the tenancy, reasonable wear and tear excepted and the Tenant Improvement shall remain. Provided there are no specialized improvements to the Leases Premises, to be agreed upon by Landlord, the County shall not be responsible for restoration.

d. **Termination Option of Leased Premises.** County Shall have a one (1) time right to terminate the Lease with respect to all or a portion of the Leased Premises at any time between the thirty-seventh (37th) and forty-second (42nd) month of the Initial Term by providing Landlord with written termination notice on the twenty-eighth (28th) month of the Initial Term (the "Termination Option"). The County's Termination Option notice shall state if the termination applies to: (i) all of the Leased

Premises, (ii) the first floor of the Leased Premises, (iii) the second floor of the Leased Premises, or (iv) the portion of the Leased Premises used by the Sheriff's Office and Land Records. As consideration for exercising the Termination Option, the County shall provide the termination payment in the amount equal to the sum of the unamortized portion (based on a five year amortization period) of (i) the cost of the Tenant Improvements for such portion of the Leased Premises terminated, as defined in Section 6 herein, paid with the Tenant Improvement Allowance, as defined Section 6(c.) herein, and (ii) the leasing commission paid to the County's broker related to the Lease, adjusted for the relative portion of the Leased Premises terminated. The termination payment shall be computed using eight percent (8%) amortization. The total Tenant Improvement Allowance used and leasing commission paid to the County's broker shall be listed in the Declaration of Commencement Date to be used in the mathematical formula of the termination payment calculation. The termination payment shall be paid at the time the County submits its termination notice for all or a portion of the Leased Premises, such payment being a condition to the effectiveness of the termination notice.

3. RENT.

a. **Annual Rent and Payment.** In consideration for the use of the Leased Premises under the Lease, the County shall pay to Landlord, in twelve (12) equal monthly installments, an annual rent ("Annual Rent") as shown in the rent schedule below which includes the base rent per square foot and the County's Proportionate Share of the Operating Expenses for the base year, as defined herein. The base rent per square foot portion of the Annual Rent shall be increased annually at the rate of two and one quarter percent (2.25%) after the 1st full year of the Initial Term. Increases in the County's Proportionate Share of Operating Expenses may be payable as set forth in Section 4 herein. The County shall receive two (2) months of Annual Rent abatement as to the Leased Premises (i.e. Annual Rent for the Leased Premises abates for the first two (2) months following the Commencement Date). Subject to the terms of the Work Agreement attached as **Exhibit C**, the County shall be granted early access to the Leased Premises up to four (4) weeks prior to the Commencement Date, free of charge, for the installation of the County's furniture, fixtures, cable, and equipment.

Landlord shall invoice the County for each monthly installment of the Annual Rent and shall specify on the invoice the amount due and the Landlord's employer identification number. Upon the receipt of such invoice, the County agrees to pay each monthly installment of the Annual Rent, promptly as and when due subject to the setoff rights of the County as expressly set forth in this Lease. Said rental shall be paid to: Lyndwood B – P0189B02, PO Box 209265, Austin, TX 78720-9265 or in such manner and at such other place or to such appointee of Landlord, as Landlord may from time to time designate on the invoice.

Period	Base Rent per square foot	Monthly Installment of Annual Rent Based on 30,192 square feet	Annual Rent Based on 30,192 square feet
Year 1 (two month of abatement)	\$ 21.00 per square foot	\$52,836	\$528,360 (indicates only 10 months of payment because of abatement)
Year 2	\$ 21.47 per square foot	\$54,018.52	\$648,222.24
Year 3	\$21.95 per square foot	\$55,226.20	\$662,714.40
Year 4	\$22.44 per square foot	\$56,459.04	\$677,508.48
Year 5	\$22.94 per square foot	\$57,717.04	\$692,604.48
Year 6 (partial) 2 months	\$23.45 per square foot	\$59,000.20	\$118,000.40

b. **Late Payment Charge.** Except for the rent due on July 1 of each lease year, if County fails to pay, when due and properly invoiced by Landlord, the monthly installment of Annual Rent, Operating Expenses or any other sum required by the terms of this Lease to be paid by County, then, the Landlord shall promptly notify the County that the payment of such amount has not been received and if the County does not remit the amount due within ten (10) days after such notice, Landlord may assess a late payment fee of \$500.00. The Landlord and the County agree that the rent due on July 1 of each lease year may be paid on or before July 20th without penalty, in order to accommodate the start of the new fiscal year of the County; provided that if the July 1 rent payment is not received by the Landlord on or before July 20, the late payment fee shall be automatically assessed without notice to the County. In no event shall the County be subject to interest on any portion of the Annual Rent herein.

4. **OPERATING EXPENSES.**

a. **General.** The County shall pay, in monthly installments, the County's Proportionate Share of Operating Expenses for the calendar year in question in excess of Operating Expenses incurred during calendar year 2019 (the "Base Year"). If any portion of the Building is not fully occupied during the Base Year or any subsequent lease year, Landlord shall gross up Operating Expenses that vary with occupancy for such period so that Operating Expenses are computed as though the Building had been ninety five percent (95%) occupied during the affected year. If any expense (including without limitation any tax or insurance premium) included within the Operating Expenses incurred during the Base Year is thereafter reduced or eliminated (an "Expense Reduction"), then for the purpose of calculating the County's Proportionate Share of Operating Expenses, the applicable Base Year amount shall be reduced to reflect the Expense Reduction. By April 30th of each year (and as soon as practical after the expiration or termination of this Lease or, at Landlord's option, after a sale of the Property), Landlord shall provide the County with a statement of Operating Expenses for

the preceding calendar year or part thereof. Such statement shall include copies of invoices for taxes and insurance of the Project and a detailed breakdown of the other actual Operating Expenses incurred for the Building. Within sixty (60) days after delivery of the statement of Operating Expenses (including the indicated detail) to the County and after any questioned expenses have been satisfactorily explained or disputed as set forth below, County shall pay to the Landlord the remaining portion of the County's Proportionate Share of the actual Operating Expenses for the Leased Premises. In the event the County's Proportionate Share of the actual Operating Expenses incurred is less than the total payments of Operating Expenses made by the County for the preceding Calendar year, the Landlord shall refund such overpayment within sixty (60) days after any expenses questioned by the County have been satisfactorily explained or disputed. The Landlord specifically agrees that Controllable Operating Expenses shall not increase by more than five percent (5%) per year in the aggregate over the Initial Term of the Lease on a non-cumulative and non-compounding basis. Controllable Operating Expenses shall mean all Operating Expenses that are reasonably controllable by Landlord and shall expressly exclude taxes, insurance, utilities, snow and ice removal and security. Landlord's and the County's obligation to reconcile the Operating Expenses due the other pursuant to this Section shall survive the expiration or termination of this Lease.

b. **Inclusions in Operating Expenses.** "Operating Expenses" means all costs, fees, charges and expenses incurred or charged by Landlord in connection with the ownership, operation, maintenance and repair of, and services provided to, the Property, including, but not limited to:

(i) The actual charges to Landlord for the janitorial and operation and maintenance of Building's mechanical (HVAC), plumbing, electrical, and fire suppression systems.

(ii) The cost of insurance premiums carried by Landlord for the Building.

(iii) Landlord's cost to maintain the Property.

(iv) The cost of trash collection or recycling programs instituted at the Building.

(v) To the extent not otherwise payable by the County pursuant to this Lease, all real estate taxes with respect to the Buildings.

With respect to costs associated with the entire Project, e.g., taxes, landscaping, exterior maintenance, snow removal, and parking lot maintenance, the Building's share of such Project costs shall be included in the Operating Expenses.

Landlord shall endeavor to take advantage of discounts offered for the early or prompt payment of any Operating Expense, such as real estate taxes during any discount period and Landlord shall apply the benefit of any such discounted payment to the Operating Expenses. Landlord shall have the right to directly perform (by itself or through an affiliate) any services provided under this Lease provided that the Landlord's

charges included in Operating Expenses for any such services shall not exceed competitive market rates for comparable services in Howard County, Maryland.

c. **Exclusions from Operating Expenses.** Notwithstanding anything to the contrary in this Lease, Operating Expenses described above shall not include:

(i) Ground rent and interest on and amortization of mortgages or other loans of Landlord or the costs of refinancing the Building or portion thereof.

(ii) Salaries of Landlord's employees not engaged in the operation, management, maintenance or repair of the Building.

(iii) Leasing commissions, advertising expenses and other such expenses incurred in leasing or marketing space within the Building.

(iv) Expenses incurred by Landlord to prepare, renovate, repaint or redecorate any space leased to any other tenant or other occupant of the Building.

(v) Expenses for the replacement of any item covered under warranty.

(vi) Costs correcting any penalty or fine incurred by Landlord due to Landlord's violation of any federal, state, or local law or regulation and any interest or penalties due for late payment by Landlord of any of the Operating Expenses.

(vii) Expenses for any item or service which County pays directly to a third party (i.e., electricity and security for the Leased Premises) or separately reimburses Landlord, and expenses incurred by Landlord to the extent the same are reimbursable (pursuant to the terms of leases or contracts at the Property) or reimbursed from any other tenants, occupants of the Building, or third parties (other than through the payment of Operating Expense under other leases).

(viii) Landlord's general overhead and administrative expenses.

(ix) Any cost or other sum incurred as a result of the gross negligence of Landlord or any agent, employee, contractor or invitee of Landlord.

(x) Landlord's legal fees.

(xi) Depreciation expense of the Building and amortization expenses.

(xii) Income, excess profits or corporate capital stock tax imposed or assessed upon Landlord.

(xiii) Cost of any service provided by Landlord for a tenant or former tenant or for other premises in the Building which service is not provided by Landlord to the Leased Premises pursuant to the terms of this Lease.

(xiv) Any cost to repair the common areas which are covered by insurance of Landlord or any other insured party (but only to the extent of amounts recovered from the insurer).

(xv) Interest or penalties resulting from delinquent payments by Landlord.

(xvi) Any costs of work covered by a warranty or guaranty for which the Landlord is liable.

(xvii) Any costs not associated with the Property, such as travel costs, entertainment costs, expenses and fees to remain in good standing in the state of Maryland, and any costs incurred by an affiliate of Landlord.

(xviii) The cost of any improvements to the Property that are capital improvements except capital expenditures incurred in good faith either to (i) reduce Operating Expenses, provided that the Landlord documents the cost savings, or (ii) to comply with the requirements of any law, order or regulation of any governmental, quasi-governmental, public or other authority not applicable to the Building as of the date of this Lease provided that the County was informed of the improvement. Such included capital expenditures shall be amortized over the estimated useful life of the capital improvement as reasonably determined by the Landlord, but only the annual amortization of principal and interest attributable to the Lease Term shall be an Operating Expense.

d. **County's Proportionate Share** "The County's Proportionate Share" means the percentage obtained by dividing the rentable square feet of the Leased Premises by the rentable square feet of the Building or thirty-six and 91/100 percent (36.91%). If the rentable square feet of the Leased Premises are re-measured by Landlord or otherwise changes as a result of an increase or decrease in the rentable square footage of the Leased Premises in accordance with this Lease, then the County's Proportionate Share will be revised accordingly.

e. **Right to Audit**. The County may physically audit the Landlord's records to determine the validity of reimbursement due under this Lease. All financial records and tenant statements for the Project shall be prepared in accordance with generally accepted accounting and management principles consistently applied and made available to County as reasonably requested from time to time, but not later than 90 days after the County's receipt of the annual Operating Expense statement. No such audit shall be performed on a contingency basis. If County exercises the right to audit the books and records associated with this Lease, County shall pay the expense of auditing the books and records. However, Landlord shall pay all audit expenses if County is found to have been overcharged by 5% or more in any calendar year related to Operating Expenses. The Landlord shall reimburse the amount of the overpayment of such expenses to the County and, if applicable, reimburse the County for the cost of the audit.

5. **DELIVERY OF POSSESSION.** Landlord agrees to deliver to County, and County agrees to accept from Landlord, possession of the Leased Premises when Landlord advises County in writing that the Tenant Improvements are completed as set forth herein. The parties intend for the Leased Premises to be delivered to the County as a "turn-key" build out (subject to the cost limitations set forth herein) ready for the intended use as office space.

6. **TENANT IMPROVEMENTS.** The Landlord and the County have entered into a Work Agreement hereby incorporated herein and attached hereto as **Exhibit C** for the completion of the improvements to the Leased Premises for the County's use of the Leased Premises throughout the Term. The improvements to the Leased Premises as specified in the Work Agreement and any plans or drawings referenced in the Work Agreement are the "Tenant Improvements".

a. **Timely Completion of Tenant Improvements.** The Landlord agrees that the timely completion of the Tenant Improvements is a material term of this Lease as the County is relocating its agencies to accommodate a P-3 capital project. Accordingly, the Landlord agrees that the Tenant Improvements shall be Substantially Complete on or before the Completion Date as set forth in the Work Agreement. For purposes of this Lease, the Tenant Improvements shall be considered “Substantially Complete” on the date the certificate of use and occupancy is issued by the Department of Inspections, Licensing and Permits of Howard County, Maryland. If Landlord encounters delays in delivering possession of the Leased Premises to County due to Events of Force Majeure, this Lease will not be void or voidable, nor will Landlord be liable to County for any loss or damage resulting from such delay. As used herein, the term “Events of Force Majeure” shall mean any delay encountered by Landlord in carrying out its obligations under this Section 6 resulting from strikes, lockouts, earthquakes, floods, unavailability of labor, inclement weather, unavailability of standard materials, customary facilities, equipment or supplies, governmental building moratoriums, governmental or administrative action or inaction, riot, insurrection, mob violence or civil commotion, war, acts of God, delays or inaction by utility providers, or other acts beyond the reasonable control of Landlord and not due to Landlord’s acts or omissions or financial condition (individually or collectively “Events of Force Majeure”). Tenant shall provide the Design Intent Plan for the Leased Premises and Landlord agrees to complete the design process in accordance with the Work Agreement in order to accommodate the timely completion of the Tenant Improvements.

b. **Landlord’s Work.** As used herein, the term “Landlord’s Work” shall mean (i) the Tenant Improvements to be completed by Landlord under the terms of the Work Agreement and subject to the Tenant Improvement Allowance herein and (ii) other amenities or improvements to the Building or Property at the Landlord’s expense (not included in the Tenant Improvement Allowance), as defined herein, including such improvements required in order for the Building or Property to comply with the Legal Requirements, as shown in **Exhibit D**, attached hereto and hereby incorporated herein. All of Landlord’s Work shall be performed by Landlord and shall comply with all Legal Requirements, as defined herein. Landlord shall obtain, at Landlord’s expense, and comply with all permits required by the Legal Requirements in connection with the performance of the Landlord’s Work (collectively, the “Building Permits”). “Punch list” items, as referred to in this Section 6 are items that will require correction but that will not materially interfere with, or cause a delay to, County’s occupancy of the Leased Premises as contemplated herein. Punch list work shall be identified and addressed in accordance with the Work Agreement.

c. **Tenant Improvement Allowance; Landlord’s Obligations.** The Landlord has agreed to provide a Tenant Improvement Allowance for the completion of the Tenant Improvements in the amount of Thirty-Two Dollars (\$32.00) per square foot of leasable space for a total of Nine Hundred Sixty-Six Thousand One Hundred Forty-Four Dollars (\$966,144.00) based on 30,192 total rentable square feet in the Leased Premises. The County shall have the right to review the estimated construction costs for the Landlord’s Work in accordance with the Work Agreement. To the extent the

agreed upon Tenant Improvements costs are more than the Tenant Improvement Allowance and the Landlord can substantiate the additional cost, the County shall be responsible to Landlord of such additional cost. The County shall reimburse the Landlord in accordance with the Work Agreement. In no event shall the County be liable to any contractor or other third party performing the Landlord's Work. The Landlord's Work shall be warranted for a repair and replacement for a period of one (1) year. The County shall have the ability to utilize part of the Tenant Improvement Allowance for the construction of restrooms and a secured space within the Leased Premises. All Tenant Improvements shall be in accordance with a mutually agreed upon space plan. The County shall have the ability to participate in the Tenant Improvements' design and build-out process.

d. **County Access.** County and its contractors, subcontractors and agents will be permitted, upon reasonable prior notice to Landlord, to enter and access the Leased Premises for up to four weeks before the anticipated Commencement Date (and without triggering any obligation to pay Rent hereunder) solely for the purpose of installing furniture, fixtures, cabling and equipment, and any critical items needed prior to occupancy including security. County's contractors, workers and suppliers shall work in harmony with and not interfere with workers or contractors of Landlord or other tenants of Landlord.

7. **USE.** County shall use and occupy the Leased Premises for office use and legally permitted uses by a government. County shall have the right to access the Leased Premises and parking lots twenty-four (24) hours per day, seven (7) days per week, fifty-two (52) weeks per year during the Term. Landlord shall provide the County with Building card keys for access after business hours, number of Building card keys will be determined prior to occupancy. County shall have the right to house not more than two (2) canines in the Leased Premises. The County may allow the State's agencies, quasi-governmental agencies, or non-profit entities to use a portion of the Leased Premises from time to time, in the County's sole discretion, and such uses shall not be deemed an assignment or subletting of this Lease.

8. **LAWS AND REGULATIONS.**

a. Landlord and County shall observe and comply with all laws, orders, rules, requirements, ordinances and regulations of the United States and the State and City or County in which the Leased Premises are located, and of all governmental authorities or agencies and of any board of the fire underwriters or other similar organization (collectively the "Legal Requirements"), with respect to the Property, Building and the Leased Premises and the manner in which the Property, Building and Leased Premises are used by Landlord, County and, as applicable, other tenants of the Building. In no way limiting the generality of this section, Landlord and County shall complete all improvements or alterations to the Property, Building and/or Leased Premises, as applicable, in accordance with the Americans with Disability Act of 1990 (42 U.S.C., Section 12101 *et seq.*) and regulations and guidelines promulgated

thereunder, as amended and supplemented from time to time, (collectively the "ADA"). Landlord, at its sole cost, shall be responsible to ensure the Lease Premises and Property are ADA compliant at occupancy and throughout the term of this Lease.

b. County shall observe such reasonable rules and regulations as may be adopted and published by the Landlord from time to time for the safety, care and cleanliness of the Premises and the Building, and for the preservation of good order in the Building and for the administration and management of the Building. Current Rules and Regulations are attached to this Lease as **Exhibit H**.

c. The Building is certified under certain Green Agency Ratings or operated pursuant to Landlord's sustainable building practices, as same may be in effect or modified from time to time. County shall comply with Landlord's sustainability requirements, which are more particularly set forth in **Exhibit I**.

9. **ASSIGNMENT BY COUNTY.** Landlord acknowledges that the County may allow agencies of the state of Maryland, quasi-governmental agencies and non-profits entities serving the citizens of the County to utilize a portion of the Leased Premises from time to time, subject to the terms and conditions of Section 7 above.

10. **INSURANCE, SUBROGATION and INDEMNIFICATION.**

a. **County's Self-Insurance.** Landlord acknowledges that County is self-insured and will maintain or appropriate reasonable reserves or funds, as the case may be, to cover claims, losses and damages that might arise or be incurred during its occupancy of the Leased Premises which otherwise may be covered by Business Personal Property Insurance covering Special Causes of Loss, Commercial General Liability insurance (written on an occurrence basis) which, unless approved by Landlord in writing, in no event shall be for coverage less than One Million Dollars (\$1,000,000) combined single limit per occurrence with a One Million Dollar (\$1,000,000) annual aggregate, and Workers' Compensation insurance including Employer's Liability insurance, which, unless approved by Landlord in writing, such Workers' Compensation insurance shall be for the statutory benefits in the jurisdiction in which the Leased Premises are located.

b. **Landlord's Insurance.** Throughout the term of this Lease, Landlord shall obtain and maintain:

(i) Real Property Insurance against Special Causes of Loss and said insurance shall be subject to Replacement Cost valuation covering the Building and all of Landlord's property therein in an amount required by its insurance company to avoid the application of any coinsurance provision, and

(ii) Commercial General Liability insurance (written on an occurrence basis) and said insurance shall include Contractual Liability coverage insuring the obligations assumed by Landlord under this Lease, Leased Premises and Operations coverage, Personal Injury Liability coverage, Independent Contractor's Liability coverage.

Such Commercial General Liability insurance shall be in amounts not less than One Million Dollars (\$1,000,000) combined single limit per occurrence with a Two Million Dollar (\$2,000,000) annual aggregate.

c. **Waiver of Subrogation and Indemnity.**

(i) If either party hereto is paid any proceeds under any policy of insurance naming such party as an insured on account of any loss or damage, then such party and its insurer hereby releases the other party, to the extent of the amount of such proceeds including applicable deductibles, from any and all liability for such loss or damage, notwithstanding that such loss, damage or liability may arise out of the negligent or intentionally tortious act or omission of the other party, its agents, invitees or employees; provided that such release shall be effective only as to loss or damage occurring while the appropriate policy of insurance of the releasing party provides for the insured's ability to recover thereunder. Each party shall assure that its insurance carriers agree to waive subrogation in the event of a loss.

(ii) Subject to Maryland's Local Government Tort Claims Act, approved budget appropriations and applicable law, County shall indemnify and hold harmless Landlord from and against all claims, damages, losses, liabilities, judgments, costs and/or expenses (i) relating to or arising out of County's sole acts or omissions from the use and occupancy of the Leased Premises, or (ii) due to or arising out of any mechanic's lien filed against the Building, or any part thereof, for labor performed or for materials furnished or claimed to be furnished to County, which have not been bonded by the County or contested by the County in accordance with the State court procedures, or (iii) relating to or arising out of County's exercise of a self-help remedy permitted by this Lease. The provisions of this Section shall survive the termination of this Lease for a period of one (1) year with respect to any claims or liability accruing prior to such termination. Notwithstanding anything to the contrary contained in this section, County will act in good faith to secure appropriations sufficient to meet its obligations under this Section. Nothing contained in this Section 10(c)(2) or this Lease shall be construed as the County having waived any of the defenses of immunity provided to it under law.

11. **ALTERATIONS.** Except for any improvements required to maintain and repair the interior of the Leased Premises in accordance with this Lease or the installation of trade fixtures, furniture and equipment necessary for the County use of the Leased Premises, the County shall make no alterations, installations, additions or improvements beyond the Landlord's Work in the Leased Premises (herein collectively referred to as "Alterations") in or to the Leased Premises without the Landlord's prior written consent, which consent shall not be unreasonably withheld, conditioned or delayed in the case of non-structural alterations, and may be withheld in Landlord's sole and absolute discretion in the case of structural alterations, and then only by contractors or mechanics reasonably approved by Landlord, and at such times and in such manner as Landlord may from time to time reasonably designate.

12. REPAIRS AND MAINTENANCE.

a. **Maintenance of Interior of Leased Premises.** County shall maintain the interior of the Leased Premises in good order and condition, ordinary wear and tear excepted. The County shall be responsible for the installation, repair and maintenance of any security system serving the Leased Premises, including any security cameras along “or on” the exterior of the Building. Prior to the installation of any security camera or other security system hardware outside the Leased Premises, the County shall obtain the written consent of the Landlord as to location and manner of installation, which consent shall not be unreasonably withheld. Upon expiration or other termination of this Lease, the County shall be responsible for removal of the security system and restoration of the installation site to its prior condition at the County’s sole cost and expense unless the Landlord waives the County’s obligation for removal of the security system.

b. **Maintenance of Building and Exterior of Leased Premises.** Landlord shall maintain, repair and replace, as applicable, all (i) windows, doors, interior and exterior walls, ceilings, flooring and floor coverings, suite entrance, and signs; (ii) mechanical, electrical and plumbing systems, HVAC equipment (including the supplemental HVAC unit) and systems; (iii) common areas, the roof and the exterior of the Building, as well as the structure thereof; and (iv) the parking facilities, private drives and ways and sidewalks, so that the Leased Premises, the Building and the Property remain in good order and repair, reasonable wear and tear excepted, and safe for occupancy and use. Such repair and maintenance shall include the seasonal services of landscaping and grass cutting of the Property and the removal of snow and ice from driveways and sidewalks, as needed. The Landlord acknowledges that the County’s use of the Leased Premises requires continuous access and snow or ice removal from the driveway and parking area may be performed by the County to ensure that the County has such access and the Landlord shall reimburse the County for its costs incurred in performing the snow or ice removal. Prior to the County exercising its right to remove the snow or ice from the driveway and parking area, the County shall telephone the individual noted in this Lease as the contact to ensure that the Landlord does not have a service arriving within one (1) hour of the telephone call. In addition, not later than November 15, 2018, Landlord and County will use best efforts to establish procedures to assure continuous County access in the event of a snow or ice storm while minimizing duplication of snow and ice removal efforts and costs associated with such efforts.

c. **Intentionally Deleted**

13. **SERVICES.** The following services to be provided by the Landlord will be provided to the Leased Premises twenty- four (24) hours per day three hundred sixty-five (365) days per year.

a. **Electricity.** Landlord shall furnish the Property, Buildings and Leased Premises with electricity and the electricity supplied to the Leased Premises shall be suitable for County’s intended use as general office space. The electricity for the

Leased Premises shall be separately metered (or sub-metered) at County's expense. Landlord shall have the meter re-calibrated and re-certified on an annual basis. Landlord shall provide the County with a monthly invoice of the exact electricity supplied which includes a thirty (30) day log for the exact electricity supplied. County shall pay the cost of the exact electricity supplied to the Leased Premises.

b. **HVAC**. Landlord shall maintain, repair and replace the HVAC system and equipment for the Building and the Leased Premises such that heating and air conditioning are supplied for the comfortable use and occupancy of the Leased Premises, as determined by the County. County shall have sole control over the temperature of the Leased Premises to regulate heating and air conditioning from within the Leased Premises. Landlord shall supply (i) HVAC services Monday-Friday, 7:00am to 6:00pm and on Saturday from 9:00am to 1:00pm and (ii) a supplemental HVAC unit to be located in a mutually agreed upon area with a thermostat to provide constant HVAC service to the portion of the Leased Premises on the second floor of the Building as shown in **Exhibit E** attached hereto and incorporated herein. County shall be responsible for costs of the electrical utilized to operate the supplemental HVAC unit. No other charge shall be assessed for HVAC overtime usage on an hourly basis to the County for HVAC provided from the supplemental HVAC unit. County shall have control over the thermostat operating the supplemental HVAC unit.

c. **Water and Sewer**. Landlord shall maintain and supply adequate water and sewer services for the Building, including without limitation the Leased Premises.

d. **Voice and Data**.

i. County shall contract directly for the installation and maintenance of its voice and data systems and a telecommunications service provider for all of County's phone, internet and network services, including the use of the roof of the Building subject to the rights of other tenants of the Project and the provisions herein. County and Landlord shall coordinate during the period of Landlord's Work to determine if voice and data installation should take place during this time. Landlord shall allow County early access two (2) to three months prior to the Commencement Date to install and test voice and data systems. Landlord shall have reasonable approval rights for wiring installation. The County shall extend its fiber optic service to the Leased Premises at its own cost.

ii. County acknowledges that space on the Building rooftop and in Building risers, equipment rooms and equipment closets is limited. Unless otherwise required by law, neither Tenant, nor its provider of telecommunication services to County, in the future shall be entitled to locate or install telecommunication facilities in, on or about the Building without first obtaining the Landlord's, prior written consent (given in its reasonable discretion). Upon notice from Landlord, County shall remove any and all telecommunication facilities from the Leased Premises at the expiration or

termination of the Lease Term, and shall repair and be liable for any damage to the Building caused by such removal.

e. **Miscellaneous.** Landlord shall furnish, supply and maintain, repair and replace, as applicable, all hallways, light fixtures (including light bulbs), stairways, lobbies, restroom facilities and maintain the Building's grounds, parking facilities and other common areas of the Property at its sole cost and expense (subject to inclusion in Operating Expenses), in a safe and sanitary condition and the County's share of cost for maintenance and repairs in excess of that incurred during the Base Year shall be passed through to the County as an Operating Expense as set forth herein. At the Landlord's election, the preceding services shall be performed during building standard hours (M-F 7:00 am – 6:00 PM) except in the case of emergency. The Landlord shall use its commercially reasonable efforts to clear snow and ice from the driveways and sidewalks within the Property in a manner to allow the continued business operations of the County. Any person performing cleaning and janitorial services in the Premises shall be subject to a criminal background investigation performed by Tenant at its expense. Any person not passing such investigation shall not be permitted to enter the Premises. County may elect, at such time throughout the year as directed by Landlord, either of the following options for the cleaning and janitorial services within the Leased Premises: (i) the County may provide its own cleaning and janitorial service in the Leased Premises and, in calculating the County's Proportionate Share of Operating Expenses, Landlord shall not include the County's pro rata share of the cost of cleaning and janitorial service in the Leased Premises for the Base Year or for each year that the County provides its own cleaning and janitorial service; or (ii) the Landlord shall provide cleaning and janitorial services, which shall be performed during Tenant's business hours and provided as set forth on **Exhibit F** and the County shall bear the actual increase in cleaning costs, which as of July 1, 2018 are estimated to be \$2,300.00 per month (but are subject to change), resulting from the work being done during business hours rather than after hours. The County shall have access to the Building's amenities provided by the Landlord which include an on-site building engineer to address tenant concerns during building standard hours, tenant lounge on the second floor of the Building with free Wi-Fi access, and outdoor tenant recreation area with tables and chairs.

f. **Loss of Service.** Landlord shall have no liability or responsibility to supply heat, air conditioning, plumbing, cleaning, and/or electric service, when prevented from so doing by laws, orders or regulations of any Federal, State, County or Municipal authority or by strikes, accidents, or by any other cause whatsoever, beyond Landlord's control and shall have no liability whatsoever for any interruptions in utility services. Notwithstanding the foregoing, if any of the foregoing services is interrupted due solely to the non-payment, gross negligence or willful misconduct of Landlord such that the County cannot and does not reasonably conduct its permitted use in the Leased Premises from the standpoint of prudent business management and the interruption continues for more than (1) one business day following Landlord's receipt of notice from the County, then Annual Rent shall abate as to the portion of the Leased Premises

rendered unusable during the period beginning on business day of the interruption and ending on the date the service is restored.

14. **DEFAULT.** If County fails (i) to pay installments of Annual Rent and such failure continues for ten (10) days after Landlord has given written notice to County, or (ii) to pay installments of Operating Expenses and such failure continues for ten (10) days after Landlord gives written notice to County or (iii) to perform any other obligation of County under this Lease and such failure continues for thirty (30) days after Landlord has given written notice to County then, upon the happening of such event Landlord may terminate the Lease and repossess the Leased Premises and be entitled to recover as damages a sum of money equal to the total of the following amounts: (i) any unpaid rent or any other outstanding monetary obligation of County to Landlord under the Lease for the remainder of the then current Term of the Lease and (ii) all reasonable costs incurred in recovering the Leased Premises, and restoring the Leased Premises to good order and condition. The foregoing shall not limit any other remedies Landlord may have as a result of such default, it being acknowledged and agreed that Landlord shall be entitled to all remedies available at law and equity for any default by the County hereunder. County hereby waives its right of redemption pursuant to Section 8-401(e) of the Real Property Article of the Annotated Code of Maryland, as amended from time to time. Landlord shall endeavor to complete its maintenance and repair obligations within the Leased Premises within three (3) business days after notice from County of the need for maintenance or repair or such longer period as may be reasonable under the circumstances so long as Landlord has commenced to perform its obligations and is diligently working to complete such obligations. If Landlord fails to complete such maintenance or repair obligation within three (3) business days or to notify County of the additional time needed to complete the maintenance or repair if it cannot reasonably be completed with three (3) business days (e.g., time needed to order a replacement part), then County shall have the right to perform such obligation on Landlord's behalf subject to the following: (i) County gives Landlord written notice (which may be transmitted electronically by electronic mail or fax) that County will perform the maintenance or repair obligation if Landlord does not complete the maintenance or repair work within three (3) additional business days after receipt of such written notice; (ii) the failure of Landlord to perform such obligations materially affects County's ability to operate its business; (iii) County uses licensed employees or contractors that have been approved by Landlord; (iv) County performs such obligations in a good and workmanlike manner in accordance with all governmental requirements; (v) such maintenance and repair obligations do not pertain to any life/safety system, any system that services any portion of the Building outside the Leased Premises, or any system or equipment under warranty; and (vi) County promptly pays the cost of such work so that no liens or impositions are filed against the Leased Premises. Upon completion of such maintenance or repairs by County, County may deliver a reasonably detailed invoice for the actual, reasonable costs incurred by County in performing such obligation, and Landlord will reimburse such actual and reasonable costs within thirty (30) days after receipt of such invoice.

15. **DAMAGE.** In the case of the total destruction of the Leased Premises by fire, other casualties, the elements, or other cause, or of such damage thereto as shall render the same totally unfit for occupancy by County for more than one hundred fifty (150) days, then at the election of County, this Lease, upon surrender and delivery to Landlord by County of the Leased Premises, together with the payment of the Annual Rent to the date of such occurrence and a proportionate part thereof to the date of damage, shall terminate, and the parties shall have no further obligations or liabilities under this Lease from the date of said termination, except as provided for in provisions of this Lease which by their terms survive the expiration or earlier termination of the Term. If the Leased Premises are rendered partly untenable by any cause mentioned in the preceding sentence, Landlord shall, at its own expense, as soon as practicable, but in any event within one hundred fifty (150) days (subject to extension for Events of Force Majeure) from the date of the damage restore the Leased Premises with reasonable diligence, including without limitation modifications required by zoning and building codes and other laws or by the holder of a mortgage on the Building, and the rent shall be abated proportionately for the period of said partial untenability and until the Leased Premises are fully restored by Landlord to the prior or better condition.

Notwithstanding the terms of the foregoing paragraph, Landlord may elect not to rebuild and/or restore the Leased Premises and/or Building and instead terminate this Lease by notifying County in writing of such termination within sixty (60) days after the date of damage, such notice to include a termination date giving County ninety (90) days, from the date of said notice, to vacate the Leased Premises. Notwithstanding the foregoing, Landlord may elect this option of termination only if the Building is damaged by fire or other casualty or cause, whether or not the Leased Premises are affected, and one or more of the following conditions is present: (i) repairs cannot reasonably be completed within two hundred forty (240) days from the date of damage (when such repairs are made without the payment of overtime or other premiums), (ii) the holder of any mortgage on the Building or ground or underlying lessor with respect to the Property and/or the Building shall require that the insurance proceeds or any portion thereof be used to retire the mortgage debt, or shall terminate the ground or underlying lease, as the case may be, or (iii) the damage is not fully covered, except for deductible amounts, by Landlord's insurance policies. In addition, if the Leased Premises or the Building is destroyed or damaged to any substantial extent during the last year of the Term, then notwithstanding anything contained in this Section, Landlord or County shall have the option to terminate this Lease by giving written notice to the other of the exercise of such option within thirty (30) days after such damage or destruction, in which event this Lease shall terminate as of the date of such notice. Upon any such termination of this Lease pursuant to this section, County shall pay the Annual Rent and Operating Expenses properly apportioned up to such date of termination, and thereafter both parties shall be released and discharged of all further obligations hereunder, except as provided for in provisions of this Lease which by their terms survive the expiration or earlier termination of the Term.

16. **PARKING AND GROUNDS.** During the Term, County, at no additional charge, shall have the non-exclusive right to use up to one hundred forty-eight (148)

parking spaces (based upon a parking ratio of 4.9 parking spaces per 1,000 rentable square feet of the Leased Premises) in the parking lot serving the Building. The parking lot serving the Building shall have electric car parking and plug-ins and shall provide the requisite number of ADA compliant parking spaces. Landlord shall allow County to install additional electric car parking and plug-ins at County sole cost. Landlord shall permit the County to install bike racks and outdoor seating areas on the grounds adjacent to the Building in a location, manner of installation and materials approved by Landlord, such approval not to be unreasonably withheld, conditioned or delayed.

17. **SIGNS.** Landlord, at Landlord's sole expense shall provide the County, with building-signage on the Building's entrance directory and/or suite entry door if required by the County. Except as expressly provided in this Section 17, the County shall not inscribe an inscription, or post, place, or in any manner display any sign, notice, picture, placard or poster, or any advertising matter whatsoever, anywhere in or about the Land or Building at places visible (either directly or indirectly as an outline or shadow on a glass pane) from anywhere outside the Leased Premises without first obtaining the Landlord's prior written consent, which the Landlord may withhold in its sole and absolute discretion. Notwithstanding the language to the contrary in this Section, Landlord shall permit directional signage on the Property near the entrance of the Property for the Howard County Land Records Office, subject to the Landlord's reasonable approval as the location and size of the sign.

18. **LANDLORD'S RIGHT OF ENTRY.** Provided that an employee of the County (including emergency personnel) is present on the Leased Premises the Landlord, and its agents, servants, and employees, including any builder or contractor employed by Landlord, shall have, upon reasonable advance notice to County, the right, license and permission, at any and all reasonable times, (i) to inspect the Leased Premises for maintenance and repair, or (ii) to make any alteration, improvement or repair to the Leased Premises. Notwithstanding the foregoing, (i) Landlord, and its agents, servants, and employees, including any builder or contractor employed by Landlord, shall not interfere with the business or operations of County, and (ii) if County is conducting sensitive, confidential matters, or case work at the time planned for an entry by Landlord or anyone acting by, through or under Landlord, then Landlord shall reschedule such entry with County to a mutually agreeable date and time. Any persons entering the Leased Premises on behalf of Landlord must be escorted by an employee of the County. If Landlord needs access to any portion of the Leased Premises for emergency repair or maintenance (e.g., broken sprinkler head), Landlord shall contact the persons provided to Landlord as the contact for access to the affected portion of the Leased Premises in no more than 30 minutes after request by Landlord on a 24/7 basis.

19. **EXPIRATION.** It is agreed that the Term expires on the Term Expiration Date, without the necessity of any notice by or to any of the parties hereto. If County occupies the Leased Premises after such expiration, it is understood that, in the absence of any written agreement to the contrary, County shall hold the Leased Premises as a holdover "Tenant from month to month", subject to all the other terms and conditions of this Lease, at 150% of the highest monthly rental installments

reserved in this Lease or agreed to by Landlord and County in writing with respect to the Option Period, if applicable; provided that Landlord shall, upon such expiration, be entitled to the benefit of all public general or public local laws relating to the speedy recovery of the possession that may be now in force or may hereafter be enacted, including the recovery of consequential damages awarded to the Landlord. As used in this Lease, a “month-to-month” tenancy shall mean that during such period either Landlord or County may terminate this Lease upon thirty (30) days’ notice to the other party.

Not more than seven (7) days prior to expiration, County agrees to schedule an inspection with Landlord to confirm that the Leased Premises will be in the condition as provided in this Lease.

20. **CONDEMNATION.** It is agreed in the event that condemnation proceedings are instituted against a material portion of the Leased Premises and title taken by any Federal, State, or the County, then this Lease shall become null and void at the date of settlement of condemnation proceedings and County shall not be entitled to recover any part of the award which may be received by Landlord.

21. **SUBORDINATION; RECORDATION OF LEASE.** Landlord shall use commercially reasonable efforts to obtain a subordination, non-disturbance and attornment agreement from its lender, if any, holding a deed of trust on the Leased Premises on such lender’s standard form, subject to such commercially reasonable modifications as the County and such lender shall mutually agree upon. The parties agree that neither this Lease nor a memorandum of this Lease shall be recorded among the Land records of Howard County.

22. **NOTICES.** Any written notice required by this Lease shall be deemed sufficiently given, on the day it is hand delivered if there is a verified signed receipt, or within three (3) business days if sent via first class mail, postage pre-paid, certified mail and there is a signed return receipt, or on the next business day if sent by overnight courier service if there is a verified signed receipt.

Any notice required by this Lease as well as service of process to the Landlord, is to be sent to Landlord at:

Bentall Kennedy (U.S.) Limited Partnership
Attn: Senior Vice President – Asset Management
(Lyndwood)
7315 Wisconsin Avenue
Suite 200W
Bethesda, MD 20814
With copy to:

c/o Bentall Kennedy (U.S.) Limited Partnership
Attn: Senior Vice President – Asset Management (Lyndwood)
1215 Fourth Avenue, Suite 2400
Seattle, WA 98161

and to Landlord:

NewTower Trust Company Multi-Employer Property Trust
c/o NewTower Trust Company, Trustee
Attn: President/MEPT
or Robert Edwards (Lyndwood)
7315 Wisconsin Avenue
Suite 350W
Bethesda, MD 20814

And to Landlord's property manager:

CBRE, Inc.
100 East Pratt Street
17th Floor
Baltimore, Maryland 21202
Name: _____
Telephone Number for 24 hour access: _____
Email Address: _____
FAX Number: _____

Any notice required by this Lease is to be sent to County at the Leased Premises with a copy to:

Chief Real Estate Services Division
Department of Public Works
George Howard Building
3430 Court House Drive
Ellicott City, Maryland 21043

Chief of Bureau of Facilities
Department of Public Works
Dorsey Building
9250 Bendix Road
Columbia, Maryland 21045

23. **REMEDIES NOT EXCLUSIVE.** No remedy conferred upon either Landlord or County at law or in equity shall be considered exclusive of any other remedy, but shall be in addition to every other remedy available to Landlord or County as to claims arising under this Lease. Every remedy available to Landlord or County may be exercised concurrently or from time to time, as often as the occasion may arise.

24. **WAIVERS.** It is understood and agreed that nothing shall be construed to be a waiver of any of the terms, covenants and conditions herein contained, unless the

same be in writing, signed by the party to be charged with such waiver, and no waiver of the breach of any covenant shall be construed as the waiver or the covenant of any subsequent breach thereof.

25. **PERFORMANCE.** It is agreed that the failure of either Landlord or County to insist in any one or more instances upon a strict performance of any covenant of this Lease or to exercise any right provided for herein shall not be construed as a waiver or relinquishment for the future of such covenant or right, but the same shall remain in full force and effect, unless otherwise expressed in writing by Landlord or County.

26. **FINAL AGREEMENT.** This Lease contains the final and entire agreement between the parties hereto, and neither they nor their agents shall be bound by any terms, conditions or representations not herein written.

27. **QUIET ENJOYMENT.** County, upon paying the Annual Rent and Operating Expenses, and other charges herein provided, and observing and keeping all of its covenants, agreements, and conditions in this Lease, shall have the right of quiet enjoyment to the Leased Premises during the Term without hindrance or molestation by anyone claiming by, through or under Landlord. Landlord shall schedule Landlord's construction in or on the Building so that the noise and inconvenience of the construction does not unreasonably interfere with the County's use of the Leased Premises.

28. **ESTOPPEL CERTIFICATE.** Within fifteen (15) business days following a request in writing by Landlord, County shall execute and deliver to Landlord an estoppel certificate, which, as submitted by Landlord, shall be substantially in the form of **Exhibit G** attached hereto and incorporated herein (or such other form as reasonably may be required by any prospective mortgagee or purchaser of the Property, or any portion thereof), indicating any exceptions thereto that may exist at that time, and shall also contain any other information reasonably requested by Landlord or Landlord's mortgagee or prospective mortgagee or purchaser.

29. **ENVIRONMENTAL REQUIREMENTS.** County shall not use or allow another person or entity to use any part of the Leased Premises for the storage, use, treatment, manufacture or sale of Hazardous Material. Landlord acknowledges, however, that County will maintain products in the Leased Premises which are incidental to the operation of its general office use, including, without limitation, photocopy supplies, secretarial supplies and limited janitorial supplies, which products contain chemicals which are categorized as Hazardous Materials. Landlord agrees that the use of such products in the Leased Premises in the manner in which such products are designed to be used and in compliance with applicable laws shall not be a violation by County of this section. As used in this Lease, the term "Hazardous Materials" shall mean any substance that is or contains petroleum, asbestos, polychlorinated biphenyls, lead, or any other substance, material or waste which is now or is hereafter classified or considered to be hazardous or toxic under any federal, state or local law, rule,

regulation or ordinance relating to pollution or the protection or regulation of human health, natural resources or the environment (collectively, "Environmental Laws").

30. **BROKERS.** Landlord and County hereby warrant to each other that it has not dealt with any broker, agent or finder entitled to any commission, fee or others compensation by reason of the execution of the Lease, except that the County has retained Chartwell Enterprises, LLC as the County's broker ("County's Broker"), and that the Landlord has retained Newmark Knight Frank as the Landlord's broker ("Landlord's Broker) and that they know of no other real estate agent broker or agent who is entitled to a commission or fee in connection with this Lease. Landlord shall pay County's Broker in accordance with the terms of a separate commission agreement entered into between the Landlord and County's Broker. Each party agrees to indemnify and defend the other party against and hold the other party harmless from any and all claims, demands, losses, liabilities, lawsuits, judgments, and costs and expenses with respect to any leasing commission or equivalent compensation alleged to be owing on account of the indemnifying party's dealings with any real estate broker or agent other than the Broker.

31. **GENERAL**

a. **Governing Law.** The provisions of the Lease shall be governed by the laws of the Howard County and the State of Maryland. The Landlord agrees that any dispute arising under this Lease shall be filed in the Circuit Court of Maryland for Howard County.

b. **Efficiency Standards.** Landlord shall endeavor to maintain current International Building Code efficiency standards for all fixtures in the Leased Premises; to detect and repair leaks in distribution lines and plumbing fixtures; to retrofit or replace fixtures as required; to manage system pressure so as to reduce usage; and when feasible, install efficient landscape design and irrigation techniques and wastewater reclamation and recycling of water for non-potable applications.

c. **Political Contribution Disclosure.** The Landlord shall comply with Sections 14-101 through 14-108 of the Election Law Article of the Annotated Code of Maryland.

d. **Recycling Plan.** The Landlord shall ensure and facilitate the County's participation in applicable recycling plans and shall collect and properly recycle recyclable materials.

e. **Retention of Records.** The Landlord shall retain and maintain all records and documents relating to this Lease for three years after final payment by the County hereunder or for such time period specified under any applicable statute of limitations, whichever is longer, and shall make said records available for inspection and audit by authorized representatives of the County or its designee, at all reasonable times.

f. **Representations and Warranties**. The Landlord hereby represents and warrants that:

(i) It is not in arrears with respect to the payment of any monies due and owing Howard County, Maryland or the State of Maryland, including but not limited to the payment of taxes and employee benefits, and that it shall not become so in arrears during the term of this Lease;

(ii) It shall comply with all federal, state and local laws, regulations, and ordinances applicable to its activities and obligations under this Lease; and

(iii) It shall obtain at its expense, all licenses, permits, insurance, and governmental approvals, if any, necessary to the performance of its obligations under this Lease.

g. **Addendum**. The Landlord agrees to fully complete, execute and/or comply with the exhibits, affidavits and addenda that are attached to the Lease and fully incorporated as a part of the Lease by reference thereto.

h. **Lease Amendments**. The Lease may be amended, but only in writing, signed and executed with all formalities and signatures with which this Lease is signed and executed.

i. **Interpretation**. As used herein, all references made (a) in the neuter, masculine or feminine gender shall be deemed made in all such genders, (b) in the singular or plural number shall be deemed made in the plural or singular number as well, (c) to Landlord or County shall be deemed to refer to each person so named above and its successors and assigns, and (d) to a Section, subsection, paragraph or subparagraph shall, unless expressly stated to the contrary therein, be deemed made to such part of this Lease. The headings of such parts are provided herein only for convenience of reference, and shall not be considered in construing their contents. Any writing or plat referred to herein as being attached hereto as an exhibit or otherwise designated herein as an exhibit hereto is hereby made a part hereof. The Lease may be signed in counterparts, each of which shall be deemed an original and all of which, taken together, shall constitute one and the same document.

j. **Public Information Act**. The County is subject to the Maryland Public Information Act, which requires public access to most of the County's records and documents, such as this Lease. Proposals will be available for public inspection after the award announcement, except to the extent that a proposal designates trade secrets or other proprietary data to be confidential. Material designated as confidential must be readily separable from the remainder of the proposal. The designation of material as confidential will not necessarily be conclusive, and the owner may be required to provide justification why such material should not be disclosed, on request, under the

Maryland Access to Public Records Act, State Government Article, Sections 10-611 through 10-628, of the Annotated Code of Maryland.

k. **Landlord and Landlord's Authorized Agents.** Landlord certifies that (i) it is the fee simple owner of the Property; (ii) NewTower Trust Company is the Trustee of the Landlord, (iii) notwithstanding anything contained in the Lease to the contrary, NewTower Trust Company (the Trustee of Landlord) and Bentall Kennedy (U.S.), LP (the Authorized Signatory of Landlord) are the only entities authorized to amend, renew or terminate this Lease or to compromise any of Landlord's claims under this Lease or to bind Landlord in any manner with respect to this Lease, and (iv) the officers signing on behalf of Bentall Kennedy (US) Limited Partnership are authorized to bind Bentall Kennedy (US) Limited Partnership and, therefore, Landlord. Without limiting the effect of the previous sentence, no property manager or broker shall be considered an authorized agent of Landlord to amend, renew or terminate this Lease, to compromise any of Landlord's claims under this Lease or to bind Landlord in any manner. Landlord further certifies that it does not have a designated agent for service of process.

32. INTENTIONALLY DELETED

33. RIGHT OF FIRST OFFER TO LEASE

a. Provided no default has occurred and at least two (2) years remain before the Term Expiration Date, the County shall have a right of first offer on all contiguous space on the first (1st) floor and second (2nd) floor of the Building (the "Offer Space"), subject to rights of existing tenants.

b. Landlord shall offer the Offer Space to the County upon the same terms, covenants and conditions as provided in this Lease for the Leased Premises, except that (a) the Annual Rent, the County's payment of expenses, and the tenant improvement allowance (subject to adjustment as provided herein) and other economic terms may be adjusted as agreed upon between the Landlord and the County and (b) the parties shall negotiate a work letter addressing the procedure for preparation and approval of the plans for any tenant improvements in the Offer Space, as well as the construction thereof (the "Offer"). If the Offer is for a longer period than remains under this Lease, the term of the lease of the Offer Space shall be co-terminus with the Term of the Lease, and the Annual Rent rates, tenant improvement allowances and other concessions set forth in the Offer shall be adjusted, as Landlord shall determine, to reflect any lesser term remaining under the Term of the Lease. Except for the tenant improvement allowance contained in the Offer, the County shall accept the Offer Space "As-Is," and the County shall have no further rights with respect to the Offer Space. For avoidance of doubt, if the County exercises this Right of First Offer, the County shall be required to lease the entire space referred to in the Offer, not just the portion thereof which is part of the Offer Space, unless Landlord elects, in its sole and absolute discretion, to only lease the County the portion thereof located within the Offer Space.

c. If the County notifies Landlord in writing of the acceptance of the Offer within ten (10) business days (the "Offer Period") after Landlord has delivered the Offer to the County, Landlord and the County shall enter into a written agreement modifying and supplementing the Lease and specifying that such Offer Space accepted by the County is a part of the Leased Premises, and containing other appropriate terms and conditions relating to the addition of the Offer Space to this Lease (including specifically any increase or adjustment of the rent as a result of such addition). If the County exercises the right to lease the Offer Space, said lease and the rent on the Offer Space shall commence the later of thirty (30) days after the County's notice exercising the right, or the date the Offer Space is available for occupancy, and shall continue for the duration of the Term of the Lease.

d. If the County does not notify Landlord in writing of its acceptance of the Offer in the Offer Period, Landlord shall thereafter be able to lease the applicable portion of the Offer Space to others upon such terms and conditions as Landlord may determine.

34. **ASSIGNMENT BY LANDLORD.** The Landlord shall have the right to transfer and assign, in whole or in part, its rights and obligations under this Lease and in any and all of the Land or Building. If the Landlord sells or transfers the Building, including the Leased Premises, Landlord and Landlord's agents shall, upon consummation of such sale or transfer, be released automatically from any liability relating to obligations or covenants under this Lease to be performed or observed after the date of such transfer, and in such event, County agrees to look solely to Landlord's successor-in-interest with respect to such liability.

35. **LIMITATION ON RECOURSE.** Liability with respect to the entry and performance of this Lease by or on behalf of the Landlord, however it may arise, shall be asserted and enforced only against the Landlord's estate and equity interest in the Building (and any insurance proceeds due the Landlord), so that in no event shall County be entitled to a deficiency judgment against the Landlord. Neither the Landlord nor any of Landlord's agents shall have any personal liability in the event of any claim against the Landlord arising out of or in connection with this Lease, the relationship of landlord and tenant or County's use of the Premises. No officer, employee, director, or member of County or County's agents shall have any personal liability for County's obligations under this Lease, unless otherwise expressly set forth in this Lease. Notwithstanding the forgoing, such limitations shall not apply in the case of fraud, gross negligence, or breach of the insurance provisions of this Lease.

[Signatures follow on next page.]

IN WITNESS WHEREOF, the parties execute this lease, under seal, the day and year first above written:

LANDLORD:

NewTower Trust Company Multi-Employer
Property Trust, a trust organized under 12
C.F.R. Section 9.18

By: Bentall Kennedy (U.S.) Limited
Partnership, Authorized Signatory

By: Bentall Kennedy (U.S.) G.P., LLC, its
General Partner

By: _____
Name: _____
Its: _____

By: _____
Name: _____
Its: _____

ATTEST:

HOWARD COUNTY, MARYLAND

Lonnie Robbins
Chief Administrative Officer

By: _____(SEAL)
Allan H. Kittleman
County Executive

RECOMMENDED FOR APPROVAL:

James M. Irvin, Director
Department of Public Works

APPROVED FOR SUFFICIENCY OF FUNDS:

Janet R. Irvin, Director
Department of Finance

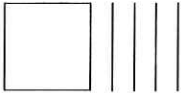
Approved for Form and Legal Sufficiency
on this ____ day of _____, 2018:

Gary W. Kuc
County Solicitor

Lisa S. O'Brien
Senior Assistant County Solicitor

EXHIBIT A
DEPICTION OF LEASED PREMISES

[to be added at time of signing]



First Floor Plan
1/8" = 1'-0"

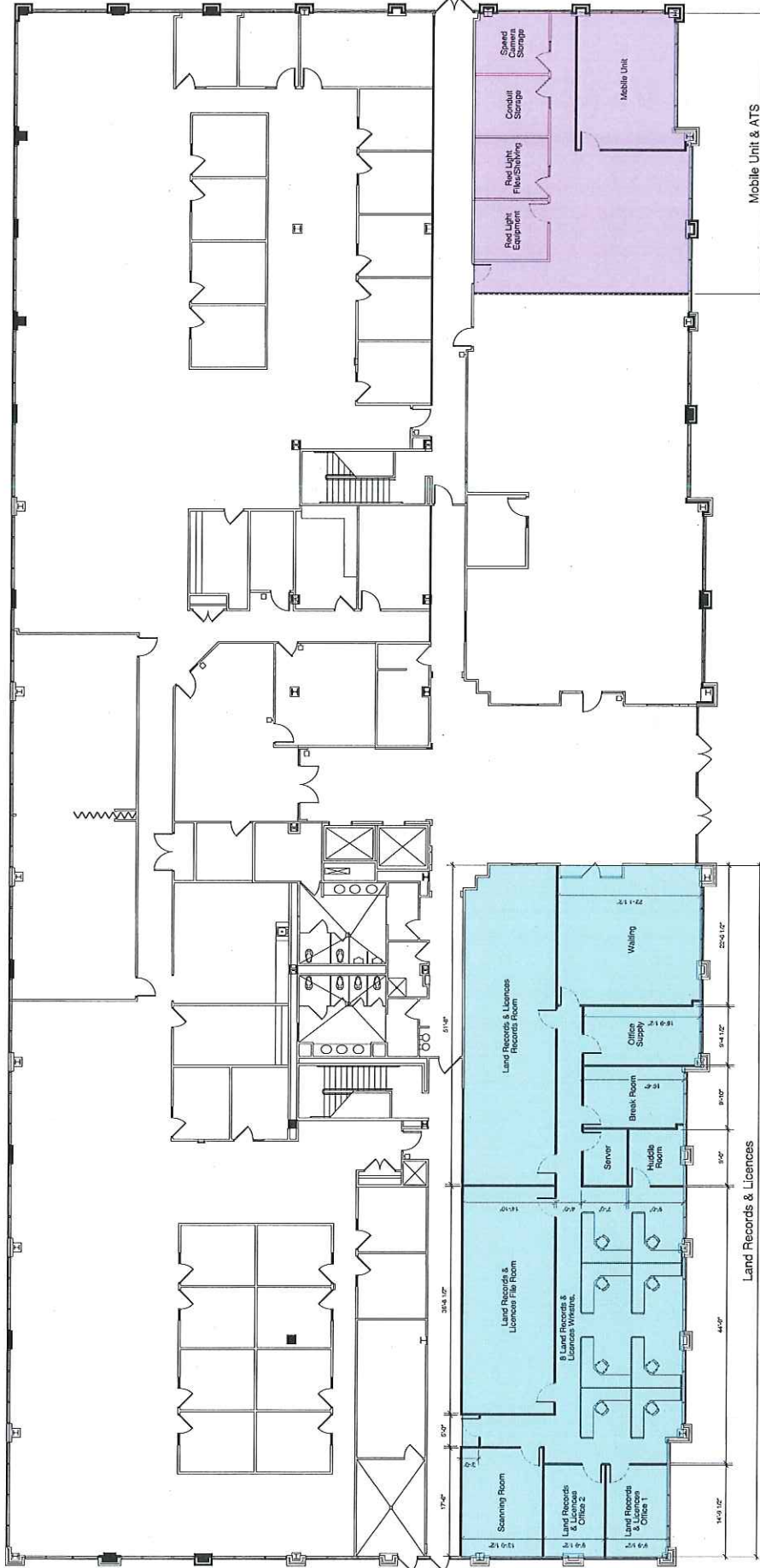
Lloyd James ARCHITECTS P.A.
1205 Gwynn Street, Highland, Maryland 21077

Land Records & Licenses, Police TMD, Mobile Unit

First Floor Plan
6885 Marshburne Dr.
Elkridge, Maryland

30 Apr 18

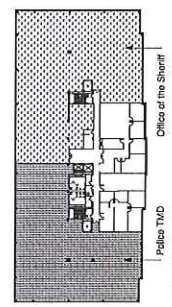
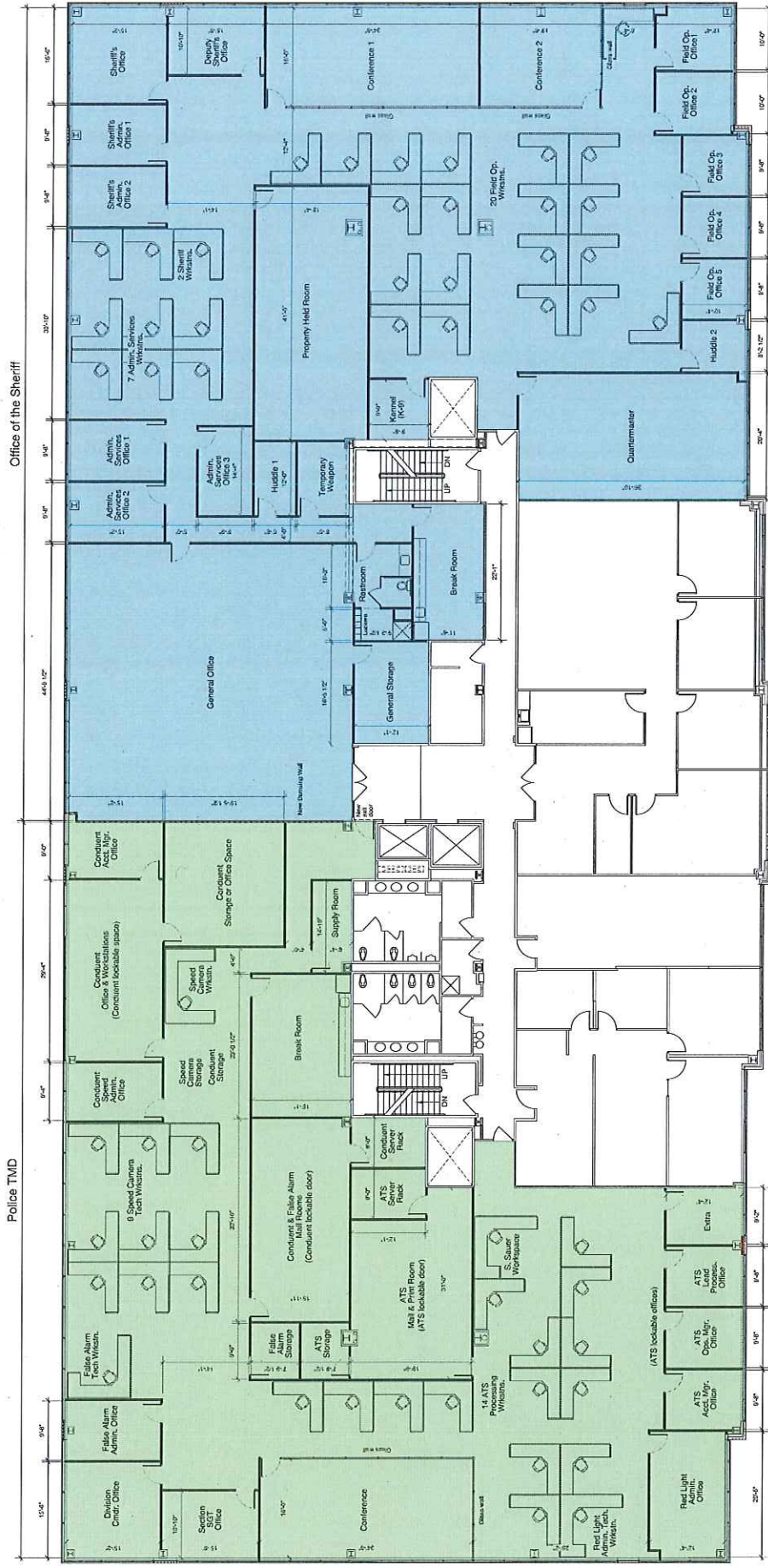
SK100



	4,054 usable sq. ft.
	4,561 rentable sq. ft. (12.5%)
	1,550 usable sq. ft.
	1,744 rentable sq. ft. (12.5%)

1st Floor Plan
Scale: 1/8" = 1'-0"
By: [Signature] In accordance with the contract documents.
As noted.

Floor Plan Legend
 Existing Construction to Remain
 New Construction



9,643 usable sq. ft.
10,848 rentable sq. ft. (12.5%)

11,590 usable sq. ft.
13,039 rentable sq. ft. (12.5%)

2nd Floor Plan
Scale: 1/8" = 1'-0"
Notes:
1. Refer to all unannotated callouts.

Floor Plan Legend
 - - - - - Change/Correction to Revision
 - - - - - Annotation
 - - - - - Demolition

EXHIBIT B
DECLARATION OF COMMENCEMENT DATE

This Declaration of Commencement Date is made as of _____, 20__, by NewTower Trust Company Multi-Employer Property Trust ("Landlord"), and _____ ("County"), who agree as follows:

1. Landlord and County entered into a Lease Agreement dated _____, 20__ (the "Lease"), in which Landlord leased to County, and County leased from Landlord, certain Leased Premises described therein in the office building located at _____ (the "Building"). All capitalized terms herein are as defined in the Lease.

2. Pursuant to the Lease, Landlord and County agreed to and do hereby confirm the following matters as of the Commencement Date of the Term:

a. the Commencement Date of the Lease is _____;

b. the Expiration Date of the Lease is _____;

c. the number of rentable square feet of the Leased Premises is _____;

d. Tenant's Proportionate Share of Operating Expenses is _____ %;

e. Total Tenant Improvement Allowance used for the build-out \$_____. This amount shall be used in the mathematical formula for the Termination Option Payment Calculation.

f. Leasing Commission Paid to County's Broker \$_____. This amount shall be used in the mathematical formula for the Termination Option Payment Calculation.

3. County confirms that:

a. it has accepted possession of the Leased Premises as provided in the Lease but subject to all the terms thereof;

b. Landlord has fulfilled all of its obligations under the Lease as of the date hereof except as follows: _____; and

c. the Lease is in full force and effect and has not been modified, altered, or amended, except as follows.

4. The provisions of this Declaration of Commencement Date shall inure to the benefit of, or bind, as the case may require, the parties and their respective successors and assigns, and to all

mortgagees of the Building, subject to the restrictions on assignment and subleasing contained in the Lease, and are hereby attached to and made a part of this Lease.

LANDLORD:

NewTower Trust Company Multi-Employer
Property Trust, a trust organized under 12
C.F.R. Section 9.18

By: Bentall Kennedy (U.S.) Limited Partnership,
Authorized Signatory

By: Bentall Kennedy (U.S.) G.P., LLC, its
General Partner

By: _____
Name: _____
Its: _____

By: _____
Name: _____
Its: _____

EXHIBIT C
WORK AGREEMENT

NewTower Trust Company Multi-Employer Property Trust. Landlord
and Howard County, Maryland, Tenant

Leased Premises: 6095 Marshalee Drive, Elkridge, Maryland 21075

Capitalized terms not otherwise defined in this Work Agreement shall have the meanings set forth in the Lease between Landlord and Tenant. In the event of any conflict between the terms of this Work Agreement and the other terms of the Lease, the terms set forth in this Work Agreement shall govern the design and construction of the Tenant Improvements. The Landlord and Tenant agree that the Tenant Improvements are to be delivered to the County as a turnkey project and Landlord has agree to provide an Improvement Allowance of \$966,144.00 (based on 30,192 rentable square feet at \$32 per rentable square foot), as set forth in the Tenant Improvement Budget, attached hereto as Schedule A. **The Landlord agrees that time is of the essence for the completion of the Tenant Improvements and delivery of the possession of the Leased Premises to the County no later than February 15, 2019 (the "Completion Date"). The Landlord and County agree that if the delivery of the possession of the Leased Premises to County does not occur on or before February 15, 2019, subject to extension for Events of Force Majeure, the Landlord shall provide an Annual Rent credit in an amount equal to one thousand five-hundred and no/100 Dollars (\$1,500.00) per day until delivery of the possession of the Leased Premises to the County.**

A. TENANT IMPROVEMENTS. Landlord shall furnish and install in the Leased Premises in accordance with the terms of this Work Agreement, the improvements set forth in the Tenant's Plans (hereinafter defined) which shall have been approved by County in accordance with Paragraph B below (the "Tenant Improvements"). The Tenant Improvements shall utilize the Building standard materials and comply with the Building standards for construction set forth on Schedule B-1 attached hereto (collectively, the "**Building Standards**"). Except as otherwise set forth herein, the costs of all space planning, and architectural and engineering work for or in connection with the Tenant Improvements, including without limitation all drawings, plans, specifications, permits or other approvals relating thereto, and all insurance, bonds and other requirements and conditions hereunder, and all costs of demolition and construction shall be paid for by County, subject to the application of the Improvement Allowance in accordance with the terms of this Work Agreement. Landlord shall coordinate with its contractors for the County to install the telecommunications, fiber, and security systems, at County's expense. Landlord shall also coordinate with the County for the delivery of the County's furnishings for the Leased Premises. Landlord, or Landlord's contractor, shall apply for all building permits required for the Tenant Improvements. Landlord shall provide, at Landlord's expense, all life-safety systems and equipment, including, but not limited to fire protection, sprinkler protection and fire alarms devices.

B. LANDLORD'S IMPROVEMENTS. Landlord shall provide, at Landlord's expense in addition to the Tenant Improvements subject to the Improvement Allowance, the following: all construction elements needed to remove any barriers for access to the Premises in accordance with the Americans with Disabilities Act and other elements that may be required to bring the Leased Premises in compliance with the Legal Requirements, as set forth in the agreed upon plans and the supplemental HVAC unit to provide HVAC 24/7 to the portion of the Sheriff's Office space identified in Exhibit E of the Lease. Upon the completion of the Landlord's Improvements, the County shall inspect the Landlord's Improvements and provide to Landlord a punch list of items of Landlord's Improvements that need to be repaired or replaced to acceptable for County's use of the Leased Premises. All of Landlord's Improvements shall be warranted for repair and replacement for a period of two (2) years.

C. PLANS AND SPECIFICATIONS

1. Design Intent Plan. The County shall provide the Landlord with a space concept plan for the Leased Premises (the "**Design Intent Plan**") showing, inter alia, the layout of the Leased Premises upon completion of the Tenant Improvements, and certain materials, finishes and architectural details to be included in the Tenant Improvements, which Design Intent Plan may be embellished by the Landlord's Architect, _____ (the "Architect"), who shall be licensed to practice in the state of Maryland. The County shall be provided with an opportunity to review and approve any changes to the Design Intent Plan.

2. Architect. Landlord shall cause the Architect and, together with the Engineers (hereinafter defined), to prepare the Construction Documents (hereinafter defined) consistent with the Design Intent Plan. The parties expressly acknowledge and agree that, unless expressly provided to the contrary in the Design Intent Plan with respect to particular components of the Tenant Improvements, all Tenant Improvements depicted in the Construction Documents shall be in conformance with the Building Standards. The cost of preparation of the Construction Documents shall be borne by Landlord and paid from the Improvement Allowance. The Architect shall provide a hardware and A/V consultant.

3. Engineers. Landlord shall retain the services of an engineering firm, selected by Architect or the Landlord and reasonably acceptable to the County (the "**Engineers**"; and, together with the Architect, the "**Design Professionals**") to: (i) design the type, number and location of all mechanical systems in the Leased Premises, including without limitation the heating, ventilating and air conditioning system therein, and to prepare all of the mechanical plans; (ii) assist with the electrical design of the Leased Premises, including the location and capacity of light fixtures, electrical receptacles and other electrical elements, and to prepare all of the electrical plans; (iii) assist with plumbing-related issues involved in designing the Leased Premises and to prepare all of the plumbing plans; (iv) assist with the structural elements of the Design Professionals' design of the Leased Premises and to prepare all

the structural plans; and (v) prepare the fire suppression and life-safety systems for the Leased Premises.

4. County Review and Approval. County acknowledges and agrees that the Tenant Improvements shall be designed and constructed in conformity with the Design Intent Plan and the Building Standards or other comparable materials approved by Landlord and which are readily available in the Baltimore metropolitan area. County shall be provided the draft Construction Documents from the Design Professionals and estimated construction costs in the process of the final design development: at the 50% completion and at 90% completion. At each stage of completion, the County shall provide its written comments on the Construction Documents for the Design Professionals to address in the Construction Documents no later than ten (10) business days after the County's receipt of the Construction Documents. The Construction Documents shall include an estimate of the costs for each line item in the Tenant Improvement Budget. The County shall approve the Construction Documents for release to Bid only after comments for the 50% and 90% completion have been resolved by the Design Professionals and Landlord.

5. Landlord's Approval. Landlord's approval of the Construction Documents (including revisions thereto) shall not be unreasonably withheld, conditioned or delayed. Landlord shall note with reasonable particularity those items, if any, shown on the Construction Documents which are not acceptable to Landlord.

6. Tenant Plans. The Construction Documents, once approved by Landlord and County in accordance with the terms of this Section C and as may be thereafter modified by Landlord-approved Change Orders, are referred to collectively as the "**Tenant Plans.**"

D. CHANGES TO TENANT PLANS.

1. Change Order. Any and all changes to the Tenant Plans or Tenant Improvements requested by County shall be in writing (each a "**Change Order**"). All Change Orders shall be subject to the prior approval of Landlord, which approval may be withheld by Landlord in its reasonable discretion.

2. Change Order Statement. Upon County's written request made at the time County requests any Change Order, Landlord shall deliver to County a written statement ("**Change Order Statement**") specifying (a) the estimated increase in the cost of Tenant Improvements resulting from a Change Order, as reasonably determined by Landlord, and (b) any delay in the anticipated date of substantial completion of the Tenant Improvements resulting from such Change Order. Within three (3) business days following Landlord's delivery of a Change Order Statement to County, County shall provide Landlord with written notice electing to either (a) reaffirm County's request for the Change Order, or (b) revoking its request for the Change Order. County's failure to respond to Landlord within the foregoing three (3) business day period may, at Landlord's election, be deemed a revocation by County of its request for the Change

Order. If County reaffirms County's request for a Change Order within such three (3) business day period, Landlord shall have the right to proceed with the work in such Change Order and County shall be responsible for any and all costs and delays associated with such Change Order; provided, however, County hereby acknowledges and agrees that the Change Order Statement (i) represents Landlord's good-faith estimate of the costs and delays associated with any Change Order, (ii) is provided solely as an accommodation to County, and (iii) shall not be deemed to limit County's responsibility for all costs and delay associated with any Change Order regardless of whether such costs and/or delay exceed the costs and/or delay set forth in the Change Order Statement.

3. Change Order Costs and Delays. Landlord shall not be responsible for delay in occupancy by County, nor shall the Commencement Date be delayed, because of any delay caused by Change Orders (whether or not such Change Order is approved by Landlord, or revoked (or deemed revoked) by County). County shall be solely responsible for all costs and expenses associated with any Change Order, with the exception of any Change Order caused by any error or omission from Architect (subject to application of the Improvement Allowance), and for any and all delay resulting therefrom, including without limitation costs or expenses relating to (i) any additional architectural or engineering services and related design expenses, (ii) any changes to materials in process of fabrication, (iii) cancellation or modification of supply or fabricating contracts, or (iv) removal or alteration of work or plans completed or in process. All such costs and expenses shall be deemed Construction Costs. Notwithstanding the foregoing, the Landlord's contractor Change Orders mark-up shall be no greater than a combined ten percent (10%) overhead plus profit and the maximum mark-up of all subcontractor or C/O shall not exceed a combined total of eight percent (8%) of overhead plus mark-up.

E. COST OF TENANT IMPROVEMENTS

1. Construction Costs. All costs of design and construction of the Tenant Improvements, including without limitation the costs of all space planning, architectural and engineering work related thereto, all governmental and quasi-governmental approvals and permits required therefor, all construction costs, contractors' overhead and profit, insurance and other requirements, costs associated with any Change Orders, and all other costs and expenses incurred in connection with the Tenant Improvements (collectively, "**Construction Costs**"), shall be paid by County, subject, however, to the application of the Improvement Allowance as set forth herein. Notwithstanding the foregoing to the contrary, Construction Costs shall not include, and County shall not be liable for the payment of: (i) any changes to common areas of the Building (such as, for example only, common area restrooms) that may be required by Legal Requirements as a result of the construction of those Tenant Improvements; it being agreed that the costs of any such changes which are required as a result of any Tenant Improvements which are not Standard Improvements (such as, for example only, any general assembly space) may be included in Construction Costs; or (ii) costs incurred by Landlord to cure

any violation of Legal Requirements existing as of the Effective Date, or (iii) the Landlord's Work.

2. Improvement Allowance. Landlord agrees to grant County an improvement allowance ("**Improvement Allowance**") in the amount of \$966,144.00 (or \$32.00 per rentable square foot of the Leased Premises if the rentable square footage of the Leased Premises is different from 30,192 RSF), to be applied only against the Construction Costs incurred by Landlord and as otherwise provided in this Work Agreement.

3. Costs Exceeding Improvement Allowance. All Construction Costs in excess of the Improvement Allowance shall be paid by County (or if previously paid by Landlord, shall be reimbursed to Landlord by County) within thirty (30) days of receipt by County of appropriate supporting documents and invoices therefor, including an accounting of the Improvement Allowance balance to date. County shall have the right to review and approve the Architect's fees, contractor bids, shop drawings, change orders and pay applications.

4. Excess Improvement Allowance. If the Improvement Allowance exceeds the Construction Costs, such excess Improvement Allowance may be applied as a rent credit against Annual Rent.

F. CONSTRUCTION

1. Contractor; Bid Package.

a. Landlord shall prepare a bid package (the "**Bid Package**"), requiring a competitive bid format developed by Landlord and reasonably acceptable to County, that provides for the parties' ability to easily identify and understand all material cost elements of the bid responses, including without limitation subcontractor costs, add alternates and deducts, long lead items, clarifications, exclusions, general conditions, fees and change order mark up, appropriate insurance coverage, and will contain such other requirements as County may reasonably request or as Landlord in its reasonable discretion shall determine. The bid package shall require warranties of workmanship and supplies of no less than one (1) year shall be required and inure to the benefit of the County and Landlord. The Landlord shall solicit bids from at least three (3) licensed contractors (at least two (2) of which shall be designated by Landlord and one (1) of which shall be designated by County and approved by Landlord (provided that, if County does not give Landlord its designation within five (5) business days after Landlord requests such designation, then County shall be deemed to have waived its right to make any such designation)). The Landlord with input from the County, Engineers, and Architect shall select the successful bidder for the contract for construction of the Tenant Improvements (the "**Construction Contract**"). Following the execution of the Construction Contract, Landlord shall cause Contractor to commence and diligently pursue to completion by the Completion Date, in a good and

workmanlike manner, the construction of the Tenant Improvements in accordance with the Tenant Plans and the Legal Requirements.

b. All construction contracts for the Tenant Improvements and any alteration to the Leased Premises made after the Commencement Date must meet the Union Requirement (as defined below) as a requirement of the Landlord and its ownership. The previous sentence shall apply whether it is Landlord or County performing or contracting for any such alterations, additions, improvements or installations, with the exception of County subcontractors for Audio/Visual, Security and Data. As used herein, "Union Requirement" means the obligation that the general contractor and each subcontractor of every tier shall for the duration of its contract (a) be a party to or bound by a collective bargaining agreement applicable to the geographic area in which the Land is located, applicable to the trade or trades in which the work under the contract is to be performed, and entered into with one or more labor organizations affiliated with the Building and Construction Trades Department of the AFL-CIO or with an independent, nationally recognized labor organization or one of its affiliated locals, and (b) solely employ members of such labor organizations to perform work within their respective traditional jurisdictions. With the specific, prior written approval of Landlord, which may be withheld in Landlord's sole and absolute discretion, in the preceding sentence the following substitutions may be made with respect to clause (a): a project labor agreement in place of a collective bargaining agreement.

c. Tenant and its contractors, subcontractors and agents will be permitted, upon reasonable prior notice to Landlord, to enter and access the Leased Premises for up to four weeks before the anticipated Commencement Date (and without triggering any obligation to pay Rent hereunder) solely for the purpose of installing furniture, fixtures, cabling and equipment, and any critical items needed prior to occupancy including security. Tenant's contractors, workers and suppliers shall work in harmony with and not interfere with workers or contractors of Landlord or other tenants of Landlord. Tenant and Landlord shall coordinate the County's access to the Leased Premises to avoid such interference.

2. Contractor Draw Requests. Landlord shall submit to County, for County's review, a copy of each draw request delivered by Contractor under the Construction Contract (each a "**Contractor Draw Request**") prior to Landlord's payment of same. County's failure to object to Landlord's payment of any Contractor Draw Request within five (3) business days after receipt shall be deemed County's approval of such Contractor Draw Request.

3. Construction Supervision. All Tenant Improvements shall be performed by the Contractor. Landlord may, at its expense, retain another construction supervisor ("**Construction Supervisor**") as Landlord's construction supervisor in connection with the construction of the Tenant Improvements.

4. Periodic Inspection; Construction Meetings. County's designated representative herein is authorized by Landlord to make periodic inspections of the

Leased Premises during construction during reasonable business hours, provided County is accompanied by a representative of Landlord or the Contractor. County shall be notified of the regularly scheduled construction progress meetings and may attend such meetings. In the event that the County's observations of the construction of the Tenant Improvements are inconsistent with the Construction Documents, the County shall report such observations to the Landlord for the Landlord to address or raise such concerns at the Construction meetings.

5. Delays.

a. If Landlord shall be delayed in substantially completing the Tenant Improvements or in delivering the Leased Premises to County, as a result of any act, neglect, failure or omission of County, its employees or agents, such delay shall be deemed a "**Tenant Delay**", excluding all acts by County and its employees and contractors in exercising its regulatory duties.

b. Except as otherwise expressly provided herein, in the event that Landlord submits any drawings, plans or other materials to County for County's approval, County shall, in writing, within ten (10) business days thereafter, either: (i) approve such drawings, plans or other submittals in writing; or (ii) request that Landlord make specific changes thereto. County's failure to respond to any such written request for County's approval within the foregoing ten (10) business day period shall result in a day of Tenant Delay for each day thereafter in which no response is made, and such failure may, at Landlord's election, be deemed an approval of Landlord's submission.

G. ACCEPTANCE OF LEASED PREMISES.

1. **Punch List.** Approximately three (3) business day prior to the delivery of possession of the Leased Premises, Landlord, County, Design Professionals, and the Contractor shall inspect the Leased Premises to determine whether the construction and installation of the Tenant Improvements has been completed in accordance with the Tenant Plans and to prepare a punch list (the "**Punch List**") of work requiring correction or completion by Contractor. Any disputes between Landlord and County concerning any Punch List item not resolved by Landlord and County shall be decided by Space Planner and an independent third-party architect selected by Landlord and reasonably acceptable to County, and any such decision reached by such architects shall be binding on Landlord and County. Except with respect to Latent Defects (hereinafter defined), a failure by County to include on the Punch List any failure of the Tenant Improvements to comply with the Tenant Plans which failure was discoverable upon reasonably diligent inspection and inquiry shall constitute County's acceptance of the Tenant Improvements with such errors or omissions and Landlord shall have no obligation to correct any such errors or omissions in the Tenant Improvements. Landlord shall use commercially reasonable efforts to cause Contractor to correct or complete all Punch List items prior to the delivery of possession of the Leased Premises and no later than fifteen (15) business days following date of inspection of the Tenant Improvements. The County shall not be obligated to accept possession of the Leased Premises if the

Punch List contains any item or items which would materially and adversely interfere with the use of the Leased Premises for general office purposes.

2. Latent Defects. In the event a Latent Defect is discovered by County and written notice thereof is received by Landlord within two hundred seventy (270) days following the Commencement Date, Landlord will diligently pursue and seek to enforce any warranties provided by Contractor with respect to such Latent Defect. As used herein, the term "**Latent Defect**" means any failure of the Tenant Improvements to comply with the Tenant Plans (as the same may have been revised pursuant to the terms of this Work Agreement) which failure was not discoverable with reasonably diligent inspection and inquiry prior to the Commencement Date.

3. Warranties. Intentionally Deleted.

H. TENANT IMPROVEMENTS REMAIN. Unless Landlord has notified Tenant in conjunction with Landlord's review and approval of the Tenant Plans that any particular element of the Tenant Improvements must be removed at the end of the Lease Term, all items of the Tenant Improvements, whether or not the cost is covered by the Improvement Allowance, shall become the property of Landlord upon expiration or earlier termination of the Lease and shall remain on the Leased Premises upon the termination of the Lease.

I. COUNTY'S REPRESENTATIVE. County hereby designates Mark Stromdahl, Chief Bureau of Facilities, Department of Public Works, whose email address is mcstromdahl@howardcountymd.gov and whose telephone number is 410-313-5757 and his designated project manager for the Leased Premises, to act as County's representative for purposes of authorizing and executing any and all documents, work letters, plans, specifications, cost estimates, or other writings and changes thereto needed to effect this Work Agreement, and any and all changes, additions or deletions to the work contemplated herein, and Landlord shall have the right to rely on any documents executed by such authorized party. Landlord shall not be required to proceed with any Tenant Improvements without written authorization from County's Representative. Neither County nor County's Representative shall be authorized to direct Landlord's contractors or subcontractors in the performance of the Tenant Improvements, and in the event that Landlord's contractors or subcontractors perform any of the Tenant Improvements under the direction of County or County's Agent, then Landlord shall have no liability for the cost of such Tenant Improvements, for the cost of corrective work required as a result of such Tenant Improvements, for any legal noncompliance or for any delay that may result from the performance of such Tenant Improvements.

SCHEDULE B-1
BUILDING STANDARDS AND BASIS-OF-DESIGN INFORMATION
COUNTY'S BUILDING STANDARDS:

PARTITIONS:

- (A) Office: 5/8" sheetrock each side of 3 5/8" metal studs to underside of deck with interior batt insulation.
- (B) Demising: 5/8" sheetrock each side of 3 5/8" metal studs to structure with interior batt insulation.

DOORS:

- (A) Office: 3'-0" X 7'-0" - 1 3/4" solid core wood, single clear lite glazing, premium grade paint. 5-1/2" nominal top rail and stiles and 11" nominal bottom rail.
- (B) Miscellaneous: 3'-0" X 7'-0" - 1 3/4" solid core wood, premium grade paint.
- With the exception of main entrance doors, all doors and hardware leading into the Tenant space from the public corridor will be Building Standard and are to be recessed if the door swings out.
- Design of main entrance must be submitted to the building management for approval.

INTERIOR DOOR FRAMES:

- Three-piece, knock-down, hollow metal door frames.
- Finish: Paint selected by County.

HARDWARE:

- **Lock/latch sets:**
 - o Standard is Sargent with Best Cylinders - LB key way (Alternate: Yale, Schlage, or approved equal).
 - o Finish for all door hardware shall be (Satin Chrome) unless otherwise noted.
 - o Lever lockset is standard interior doors.
 - o Mortise lockset is standard suite entry doors.
 - o Latch set - Passage Function; Satin Stainless Steel with Floor Stop.
 - o Lockset- Keyed - Office Function (outside key/inside always unlocked) Brushed Stainless Steel, Floor Stop.
 - o Lever latch set - Office Lock Function -ANSI F82 (Function Outside Key/ Inside Push-Button Lock) with Floor Stop.
 - o Floor stop: (1st Choice) - Dome floor stop IVES 436 Dome Stainless Steel or equal.
 - o Wall stop: (2nd Choice) - IVES 407 CCV Stainless Steel or equal.
 - o Closer: LCN 4010T (pull side) or 4110 (push side); LCN 3130 concealed in door or equal.
 - o Hinges: McKinney TB2314 or equal (Standard weight, ball bearing, SST, Full Mortise).
 - o Silencers: Ives #20 or equal.

ACOUSTIC CEILING PANEL & GRID:

- Manufacturer: Armstrong, Prelude XL or equal 2' x 4' Beveled Tegular Ceiling Tiles 15/16".

CARPET:

- Carpet tile. Case by case basis and is to be approved by County.

HARD SURFACE FLOORING:

- Case by case basis and is to be approved by County.

FLOOR TILE:

- Case by case basis and is to be approved by County.

PAINT:

- Case by case basis and is to be approved by County.

BASE:

- 4" rubber cove base. Case by case basis and is to be approved by County.

WINDOW TREATMENT:

- Where and if applicable, Window Treatment to match Landlord Standard

FIRE PROTECTION:

- The building, or portions thereof, shall be completely sprinkled by a combination wet sprinkler-standpipe system. Building standard sprinkler heads are to be semi-recessed sprinkler heads. The entire system shall be in accordance with NFPA 13 and 14 and shall meet all requirements of State and local authorities and the Owner's Insurance Underwriter.

NORMAL POWER:**Receptacles and Equipment Connections**

- Industrial heavy-duty specification grade switches and receptacles shall be provided. Receptacles shall be 20A, 125V rated wide body style with triple wipe brass power contacts, mounting strap with integral ground contacts and an impact resistant nylon face. Switches shall be 20A, 125/277V rated FSUL WS 896-E and UL 20 approved.
- County to select receptacle face plate type. All receptacle face plates shall be professionally (label maker) labeled with panel and circuit number(s).
- Where applicable, miscellaneous mechanical equipment shall be fed from 480-volt motor control centers, distribution panels, or branch circuit panelboards as appropriate. Miscellaneous equipment such as overhead doors, elevators, etc. shall be supplied from 480 volts or 208 volts branch panelboards as required.

LIGHTING SYSTEMS:

- All interior spaces shall be provided with lighting fixtures designed to enhance the aesthetics and to provide illumination levels consistent with current standards as defined by the Illuminating Engineering Society of North America (IESNA) "Lighting Handbook". In general, all interior lighting fixtures will match the building standard, that is 3500K Fluorescent Lighting.
- Exit lights to match Landlord Standard.

LIGHTING CONTROLS:

- Switches shall be provided for all spaces. Interior offices, file room, and restrooms shall have occupancy sensor controlled switches. Vacancy Sensors or Occupancy Sensors, whichever applies, should be installed in all areas unless directed otherwise.
- County to select switch face plate type.

EMERGENCY LIGHTING:

- Emergency lighting shall be provided throughout the egress paths, equipment rooms, and exit ways. All exit signs and egress lighting within the County space must comply with County, State, and Federal Codes and ADA Regulations.
-

FIRE ALARM SYSTEMS:

- The Owner's Fire Alarm system may need to be upgraded to meet current Life Safety Codes. If so, a complete multiplexed addressable fire alarm system shall be provided throughout the building in accordance with the requirements of NFPA and ADA devices (speaker/strobes), shall be provided as required by NFPA and ADA. Concealed duct detectors shall have remote alarm lights located in tenant corridors mounted 72" above the floor. All fire alarm wiring shall be installed in EMT conduit.

EXHIBIT D
LANDLORD'S IMPROVEMENTS

[NONE]

EXHIBIT E
DEPICTION OF SUPPLEMENTAL HVAC UNIT

[to be added at time of signing]

EXHIBIT F
CLEANING SCHEDULE

DAILY (5 times per week)

1. Empty all waste baskets and receptacles. Replace soiled liners and transport to dumpster area for removal. Adhere to recycling program. Any spillage is to be cleaned immediately.
2. Empty and damp wipe all exterior ashtrays where applicable.
3. Dust all uncluttered horizontal surfaces on the following: Desks, Credenzas, Bookcases, Chairs, File and Storage cabinets, Tables, Pictures and Frames (as needed), Counters, Ledges, Shelves, and Telephones.
4. Vacuum all carpeted traffic areas and remove minor carpet stains.
5. Sweep all resilient tile floor coverings with chemically treated dry mop.
6. Damp mop all resilient tile floor surfaces as required to remove spillage.
7. Clean, disinfect and polish all drinking fountains.
8. Remove all fingerprints, severe or light scuff marks, water marks or stains on floors, doors, walls, and ceilings.
9. Service/clean all restrooms.

WEEKLY

1. Dust high partition ledges and moldings.
2. Detail vacuum all carpeted areas.
3. Spot clean doors and outlet switch plates.
4. Stiff brush or vacuum furniture (to remove lint and dirt).
5. Dust windowsills.

MONTHLY

1. Dust ceiling vents and grates as required.
2. Spray buff tile floors.
3. Dust window blinds.

SEMI-ANNUALLY

1. Clean interior window glass.
2. Clean light fixtures.

ANNUALLY

1. Strip and refinish tile floors.
2. Clean exterior window glass.

EXHIBIT G
FORM OF TENANT ESTOPPEL CERTIFICATE

The undersigned (the "Tenant") hereby certifies that it is the County under the Lease described in **Exhibit A**, attached hereto and made a part hereof. Tenant hereby further acknowledges that it has been advised that the Lease may be assigned to a purchaser of, and/or collaterally assigned in connection with a proposed financing secured by, the property on which the "Leased Premises" under the Lease are located, and certifies both to the landlord under the lease (the "Landlord") and to any and all prospective purchasers (the "Purchasers") and mortgagees of such property, including any trustee on behalf of any holders of notes or other similar instruments, and any holders from time to time of such notes or other instruments, and their respective successors and assigns (collectively the "Mortgagees") that as of the date hereof:

1. The information set forth in **Exhibit A** is true and correct.
2. Tenant is in occupancy of the Leased Premises and the Lease is in full force and effect and, except as set forth in **Exhibit A**, has not been modified, assigned, supplemented or amended since its original execution, nor are there any other agreements between Landlord and Tenant concerning the space rented under the Lease, oral or written.
3. All material conditions and agreements under the Lease to be satisfied or performed by Landlord have been satisfied and performed.
4. Tenant is not in default under the Lease, Tenant has not received any notice of default under the Lease, and, to Tenant's knowledge, there are no events which have occurred that with the giving of notice or the passage of time or both, would result in a default by Tenant under the Lease.
5. Tenant has not paid any rents or sums due under the Lease more than 30 days in advance of the date due under the Lease and Tenant has no rights of setoff, counterclaim, concession or other rights of diminution of any rent or sums due and payable under the Lease except as set forth in **Exhibit A**.
6. To Tenant's knowledge, there are no uncured defaults on the part of the Landlord under the Lease, Tenant has not sent any notice of default under the Lease to the Landlord, and there are no events which have occurred that, with the giving of notice or the passage of time or both, would result in a default by Landlord thereunder, and at the present time Tenant has no claim against Landlord under the Lease.
7. Except as expressly set forth in **Exhibit A**, there are no provisions for, and Tenant has no rights with respect to, renewal or extension of the initial term of the Lease, terminating the term, or leasing or occupying additional space or purchasing the Leased Premises.

8. No action, voluntary or involuntary, is pending against Tenant under federal or state bankruptcy or insolvency laws.

9. Tenant has the authority to execute and deliver this estoppel certificate.

10. This estoppel certificate shall be binding upon the successors, assigns and representatives of Tenant and shall inure to the benefit of all Purchasers and Mortgagees.

IN WITNESS WHEREOF, Tenant has duly executed this Certificate this _____ day of _____, 20__.

ATTEST:

HOWARD COUNTY, MARYLAND

Chief Administrative Officer

By: _____(SEAL)

County Executive

RECOMMENDED FOR APPROVAL:

_____, Director
Department of Public Works

APPROVED FOR SUFFICIENCY OF FUNDS:

_____, Director
Department of Finance

Approved for Form and Legal Sufficiency
on this ____ day of _____, 201__:

County Solicitor

Senior Assistant County Solicitor

EXHIBIT A TO TENANT ESTOPPEL CERTIFICATE

Lease, Lease Terms and Current Status

- A. Date of Lease:
- B. Parties:
 - 1. Landlord:
 - 2. Tenant d/b/a:
- C. Leased Premises known as:
- D. Modifications, Assignments, Supplements or Amendments to Lease:
- E. Commencement Date:
- F. Expiration of Current Term:
- G. Rights to renew, to extend, to terminate, to rent or occupy additional space or to purchase any portion of the property:
- H. Security Deposit Paid to Landlord: None
- I. Current Annual Rent (Annualized): \$
- J. Current Operating Expenses (Annualized): \$
- K. Current Total Rent: \$
- L. Square Feet Demised:

EXHIBIT H

RULES AND REGULATIONS

1. No sign, placard, picture, advertisement, name or notice shall be installed or displayed on any part of the outside or inside of the Building or Land without the prior written consent of the Landlord. Landlord shall have the right to remove, at Tenant's expense and without notice, any sign installed or displayed in violation of this rule. All approved signs or lettering on doors and walls shall be printed, painted, affixed or inscribed at the expense of Tenant by a person chosen by Landlord.
2. If Landlord objects in writing to any curtain, blind, shade, screen or hanging plant or other similar object attached to or used in connection with any window or door of the Leased Premises, Tenant shall immediately discontinue such use. No awning shall be permitted on any part of the Leased Premises. Tenant shall not place anything against or near glass partitions or doors or windows that may appear unsightly from outside the Leased Premises.
3. Tenant shall not obstruct any sidewalk, halls, passages, exits, entrances, elevators, escalators, or stairways of the Building. The halls, passages, exits, entrances, elevators, escalators and stairways are not open to the general public. Landlord shall in all cases retain the right to control and prevent access to such areas of all persons whose presence in the judgment of Landlord would be prejudicial to the safety, character, reputation and interest of the Land, Building and the Building's tenants; provided that, nothing in this Lease contained shall be construed to prevent such access to persons with whom any Tenant normally deals in the ordinary course of its business, unless such persons are engaged in illegal activities.
4. With respect to Tenant, the directory of the Building will be provided exclusively for the display of the name and location of Tenant, the name of each of Tenant's professionals and other employees, and the name of any approved subtenants, and Landlord reserves the right to exclude any other names therefrom. Tenant shall be provided with its pro rata share of directory strips at Landlord's expense.
5. All cleaning and janitorial services for the Building and the Premises shall be provided exclusively by contractors approved by Landlord and shall be an Operating Expense unless otherwise agreed by Landlord and Tenant. Any person performing cleaning and janitorial services in the Premises shall be subject to a criminal background investigation performed by Tenant at its expense. Any person not passing such investigation shall not be permitted to enter the Premises. Cleaning and janitorial services shall be performed during Tenant's business hours and provided as set forth on Exhibit F in accordance with Tenant's election as set forth in the Lease. Tenant shall not cause any unnecessary labor by carelessness or indifference to the good order and

cleanliness of the Leased Premises. Landlord shall not in any way be responsible to any Tenant for any loss of property on the Leased Premises, however occurring, or for any damage to any Tenant's property by the janitor, any of Landlord's agents or any other person.

6. Landlord will furnish Tenant, free of charge, an initial allotment of twelve (12) Datawatch keycards per 1,000 rentable square feet of the Premises. Landlord may make a reasonable charge for any additional or replacement keycards, which charge as of the date of this Lease is \$11 per keycard. Tenant may install (i) locks on interior doors and (ii) security measures within or at the entrances to the Leased Premises (excluding the door to the Building). Tenant, upon the termination of its tenancy, shall deliver to Landlord the keys or keycards of all doors which have been furnished to Tenant, and in the event of loss of any keys or keycards so furnished, shall pay Landlord therefor.
7. The Building is a non-smoking facility. Landlord shall have the right, from time to time in its sole discretion, to establish "smoke-free" perimeters surrounding the Building entrances and exits within which smoking shall not be permitted.
8. Tenant shall not place a load upon any floor of the Leased Premises which exceeds the load per square foot that such floor was designed to carry and that is allowed by Legal Requirements. Landlord shall have the right to prescribe the weight, size and position of all equipment, materials, furniture or other property brought into the Building. Heavy objects shall, if considered necessary by Landlord, stand on such platforms as determined by Landlord to be necessary to properly distribute the weight. Business machines and mechanical equipment belonging to Tenant that cause noise or vibration that may be transmitted to the structure of the Building or to any space in the Building or to any other tenant in the Building shall be placed and maintained by Tenant, at Tenant's expense, on vibration eliminators or other devices sufficient to eliminate noise or vibration. The persons employed to move such equipment in or out of the Building must be acceptable to Landlord. Landlord will not be responsible for loss of, or damage to, any such equipment or other property from any cause, and all damage done to the Building by maintaining or moving such equipment or other property shall be repaired at the expense of Tenant.
9. Tenant shall not use or keep in the Leased Premises any kerosene, gasoline or inflammable or combustible fluid or material other than those limited quantities permitted by the Lease. Tenant shall not use or permit to be used in the Leased Premises any foul or noxious gas or substance, or permit or allow the Premises to be occupied or used in a manner offensive or objectionable to Landlord or other occupants of the Building by reason of noise, odors or vibrations nor shall Tenant bring into or keep in or about the Premises any birds or animals except as expressly permitted by the Lease.
10. Tenant shall not use any method of heating or air-conditioning other than that supplied by Landlord or as expressly permitted under the Lease.

11. Tenant shall not waste any utility provided by Landlord and agrees to cooperate fully with Landlord to assure the most effective operation of the Building's HVAC and to comply with any governmental energy-saving rules, laws or regulations of which Tenant has actual notice.
12. Landlord reserves the right, exercisable without notice and without liability to Tenant, to change the name of the Building if notice is provided three (3) months in advance.
13. Landlord reserves the right to exclude from the Building between the hours of 6 p.m. and 7 a.m. the following day, or such other hours as may be established from time to time by Landlord, and on Saturdays, Sundays and Holidays, any person unless that person is known to the person or employee in charge of the Building and has a pass or is properly identified. Tenant shall be responsible for all persons for whom it requests passes and shall be liable to Landlord for all acts of such persons. Landlord shall not be liable for damages for any error with regard to the admission to or exclusion from the Building of any person. Landlord reserves the right to prevent access to the Building in case of invasion, mob, riot, public excitement or other commotion by closing the doors or by other appropriate action.
14. At the end of each work day, Tenant shall close and lock the doors of its Leased Premises and ensure that any manually controlled water faucets and lighting fixtures and other electrical equipment that is customarily turned off when not in use within the Leased Premises are turned to the off position. Tenant shall be responsible for any damage or injuries sustained by other tenants or occupants of the Building or by Landlord for noncompliance with this rule, to the extent such damage or injuries were solely caused by the Tenant's noncompliance with this rule.
15. Tenant shall not obtain for use on the Leased Premises ice, towel or other similar services, except under such regulations as may be fixed by Landlord.
16. The toilet rooms, toilets, urinals, wash bowls and other apparatus shall not be used for any purpose other than that for which they were constructed and no foreign substance of any kind whatsoever shall be deposited in them. The expenses of any breakage, stoppage or damage resulting from the violation of this rule shall be borne by Tenant if it or its employees or invitees shall have caused the violation.
17. Tenant shall not sell, or permit the sale at retail, of newspapers, magazines, periodicals, theater tickets or any other goods or merchandise to the general public in or on the Leased Premises. Tenant shall not make any room-to-room solicitation of business from other tenants in the Building. Tenant shall not use the Leased Premises for any business or activity other than that specifically provided for in the Lease.

18. Except as set forth in the Lease, Tenant shall not install any radio or television antenna, loudspeaker or other device on the roof or exterior walls of the Building. Tenant shall not interfere with radio or television broadcasting or reception from or in the Building or elsewhere. Other than the usual and customary cellular telephones, Tenant shall not install or utilize any wireless telecommunication facilities, including antenna and satellite receiver dishes within the Leased Premises or on, in, or about the Building without first obtaining Landlord's prior written consent and Landlord at its option may require the entry of a supplemental agreement with respect to such construction or installation. Tenant shall comply with all instructions for installation and shall pay or shall cause to be paid the entire cost of such installations. Supplemental rules and regulations may be promulgated by Landlord specifying the form of and information to be included with the application and establishing procedures, regulations and controls with respect to the installation and use of such wireless telecommunication facilities.
19. Tenant shall not mark, drive nails, screws or drill into the partitions, woodwork or plaster or in any way deface the Leased Premises, except to hang or display artwork or similar decorations. Landlord reserves the right to direct electricians as to where and how telephone and telegraph wires are to be introduced to the Premises and all fire-stopping required by Landlord. Tenant shall not cut or bore holes for wires except as needed for Tenant's voice and data installations that are permitted under the terms of this Lease. Tenant shall not affix any floor covering to the floor of the Premises in any manner except as approved by Landlord. Tenant shall repair any damage resulting from noncompliance with this rule.
20. Tenant shall not install, maintain or operate upon the Premises any vending machine without the written consent of Landlord; provided that Tenant may install vending machines for drinks and snacks in the Premises for the exclusive use of Tenant's employees.
21. Canvassing, soliciting and distribution of handbills or any other written material, and peddling in the Building or Land are prohibited, and Tenant shall cooperate to prevent the same.
22. Landlord reserves the right to exclude or expel from the Building and Land any person who, in Landlord's judgment, is intoxicated, under the influence of liquor or drugs or in violation of any of these Rules and Regulations.
23. Tenant shall store all of its trash and garbage within the Leased Premises. Tenant shall not place in any trash box or receptacle any material that cannot be disposed of in the ordinary and customary manner of trash and garbage disposal. All garbage and refuse disposal shall be made in accordance with directions issued from time to time by Landlord.
24. The Leased Premises shall not be used for lodging or any improper or immoral or

objectionable purpose. No cooking shall be done or permitted by Tenant, except that use by Tenant of Underwriters' Laboratory approved equipment for microwaving food, brewing coffee, tea, hot chocolate and similar beverages and foods shall be permitted; provided that, such equipment and its use is in accordance with all Legal Requirements.

25. Tenant shall not use in the Premises or in the public halls of the Building any hand truck except those equipped with rubber tires and side guards or such other material-handling equipment as Landlord may approve in writing. Tenant shall not bring any other vehicles of any kind into the Building, with the exception of moving into the Leased Premises.
26. Without the prior written consent of Landlord, Tenant shall not use the name of the Building in connection with or in promoting or advertising the business of Tenant except as Tenant's address.
27. Tenant shall comply with all safety, fire protection and evacuation procedures and regulations established by Landlord or any governmental agency.
28. Tenant assumes any and all responsibility for protecting the Leased Premises from theft, robbery and pilferage, which includes keeping doors locked and other means of entry to the Leased Premises closed.
29. The requirements of Tenant will be attended to only upon appropriate application to the Manager of the Building by an authorized individual. Employees of Landlord are not required to perform any work or do anything outside of their regular duties unless under special instructions from Landlord, and no employee of Landlord is required to admit Tenant to any space other than the Premises without specific instructions from Landlord.
30. Tenant shall not park its vehicles in any parking areas designated by Landlord as areas for parking by visitors to the Building or Land. Tenant shall be able to leave vehicles in the Parking Area overnight. Tenant may park up to 25 marked or tagged vehicles overnight in the Parking Area in the area agreed upon by Tenant and Landlord. Au Tenant shall not park any vehicles in the Parking Area other than automobiles, motorcycles, motor driven or non-motor driven bicycles or four-wheeled trucks.
31. The Landlord may, upon request by any tenant waive the compliance by such tenant of any of the foregoing rules and regulations, provided that (i) no waiver shall be effective unless signed by Landlord or Landlord's agent, (ii) any such waiver shall not relieve such tenant from the obligation to comply with such rule or regulation in the future unless expressly consented to by Landlord, and (iii) no waiver granted to any tenant shall relieve any other tenant from the obligation of complying with the foregoing rules and regulations unless such other tenant has received a similar waiver in writing from Landlord. Notwithstanding the foregoing, Landlord shall enforce the Rules or Regulations in a uniform and non-

discriminatory manner.

32. These Rules and Regulations are in addition to, and shall not be construed to in any way modify or amend, in whole or in part, the covenants and conditions of any lease of premises in the Building. If any provision of these Rules and Regulations conflicts with any provision of the Lease, the terms of the Lease shall prevail.
33. Landlord reserves the right to make such other and reasonable Rules and Regulations as, in its judgment, may from time to time be needed for safety and security, the care and cleanliness of the Building and Land, the preservation of good order in the Building and the maintenance or enhancement of the value of the Building as a rental property. Tenant agrees to abide by all the Rules and Regulations stated in this exhibit and any additional rules and regulations that are so made by Landlord as long as they are reasonable.
34. Tenant shall be responsible for the observance of all of the foregoing rules by Tenant and Tenant's agents.

EXHIBIT I

SUSTAINABILITY PROVISIONS

Green Agency Rating

As used herein, “Green Agency Rating” means any one or more of the following ratings, as the same may be in effect or amended or supplemented from time to time: The U.S. EPA’s Energy Star® rating and/or Design to Earn Energy Star, the Green Building Initiative’s Green Globes™ for Continual Improvement of Existing Buildings (Green Globes™-CIEB), the U.S. Green Building Council’s Leadership in Energy and Environmental Design (LEED) rating system, LEED EBOM (existing buildings operations and maintenance) and any applicable substitute third party or government mandated rating systems.

Design of Tenant Improvements

Tenant acknowledges and agrees that the Tenant Improvements must be designed consistent with the Landlord’s sustainability practices and certain Green Agency Ratings (as determined by Landlord), specifically the SMACNA “IAQ Guidelines for Occupied Buildings under Construction” 1995, Chapter 3. Tenant further agrees to engage a third-party LEED or Green Globe Accredited Professional or similarly qualified professional with respect to the design and construction of the Tenant Improvements. Landlord will seek and Tenant will maintain LEED for Commercial Interiors certification and that Landlord will register the Premises with the U.S. Green Building Council.

Use and Conduct in Building

The Tenant shall not use or operate the Leased Premises in any manner that will cause the Building or any part thereof not to conform with Landlord’s sustainability practices or the certification of the Building issued pursuant to any Green Agency Rating.

Sustainable Building Operations

The Building is certified under certain Green Agency Ratings or operated pursuant to Landlord’s sustainable building practices, as the same may be in effect or modified from time to time. Landlord’s sustainability practices address, without limitation, whole-building operations and maintenance issues including chemical use; indoor air quality; energy efficiency; water efficiency; recycling programs; exterior maintenance programs; and systems upgrades to meet green building energy, water, indoor air quality, and lighting performance standards. All of Tenant’s and Landlord’s construction and maintenance methods and procedures, material purchases, and disposal of waste must be in compliance with minimum standards and specifications as outlined by the Green Agency Ratings, in addition to all Legal Requirements.

Tenant shall use proven energy and carbon reduction measures, including energy efficient bulbs in task lighting; use of lighting controls; daylighting measures to avoid overlighting interior spaces; closing shades on the south side of the Building to avoid over heating the space; turning off lights and equipment at the end of the work day; and purchasing ENERGY STAR® qualified equipment, including but not limited to lighting, office equipment, commercial and residential quality kitchen equipment, vending and ice machines; and purchasing products certified by the U.S. EPA's Water Sense® program.

Recycling and Waste Management:

Tenant covenants and agrees, at its sole cost and expense: (a) to comply with all Legal Requirements regarding the collection, sorting, separation, and recycling of garbage, trash, rubbish and other refuse (collectively, "trash"); (b) to comply with Landlord's recycling policy, as stated in the Rules and Regulations (as such policy may be amended or supplemented from time to time), as part of Landlord's sustainability practices where it may be more stringent than applicable Legal Requirements, including without limitation, recycling such categories of items designated by Landlord and transporting such items to any recycling areas designated by Landlord; (c) to sort and separate its trash and recycling into such categories as are provided by Legal Requirements or Landlord's then-current sustainability practices; (d) that each separately sorted category of trash and recycling shall be placed in separate receptacles as directed by Landlord; (e) that Landlord reserves the right to refuse to collect or accept from Tenant any waste that is not separated and sorted as required by Legal Requirements, and to require Tenant to arrange for such collection at Tenant's sole cost and expense, utilizing a contractor satisfactory to Landlord; and (f) that Tenant shall pay all costs, expenses, fines, penalties or damages that may be imposed on Landlord or Tenant by reason of Tenant's failure to comply with the provisions of this paragraph. County shall provide recycling receptacles for its use at the Building and Landlord is responsible for the collection of recycled material from the recycling receptacles.

Additions to Operating Costs:

(1) insurance endorsements or insurance policies purchased in order to repair, replace and re-commission the Building for re-certification pursuant to any Green Agency Rating (or, in the event the Building has not achieved any certification under any Green Agency Rating, such insurance that is purchased in order to facilitate rebuilding the building upon a casualty so as to achieve such certification) or support achieving energy and carbon reduction targets; (2) all costs of maintaining, managing, reporting, commissioning, and recommissioning the Building or any part thereof that was designed and /or built to be sustainable and conform with any Green Agency Rating, and all costs of applying, reporting and commissioning the Building or any part thereof to seek certification under any Green Agency Rating.

Utilities

Landlord reserves the right to change electricity providers for the Building at any time and to purchase green or renewable energy. At the time of such election by Landlord, Landlord shall notify the Tenant of any projected material increase in the cost of electricity resulting from the Landlord's change in electricity providers for the Building.

If Tenant installs any Supplemental Utilities Equipment, any such equipment will be operated on sensors or timers that limit the operation of such Supplemental Utilities Equipment to hours of occupancy in the areas immediately adjacent to the occupying personnel. If the Leased Premises are separately sub-metered for electricity, Landlord may request the Tenant to provide electricity consumption data and costs on an annual basis..

Tenant's Maintenance Obligations

All maintenance and repairs made by Tenant must comply with Landlord's sustainability practices and any applicable Green Agency Rating, as the same may change from time to time.