

PARKING GARAGE LEASE AGREEMENT

BETWEEN

**THE MAYOR AND COUNCIL OF ROCKVILLE, MARYLAND,
“Landlord”**

AND

**STREET RETAIL, INC.,
“Tenant”**

_____, 2011

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PARKING GARAGE LEASE AGREEMENT

THIS PARKING GARAGE LEASE AGREEMENT (“**this Lease**”), is made and entered into this ____ day of August, 2011, by and between **THE MAYOR AND COUNCIL OF ROCKVILLE, MARYLAND**, a municipal corporation of the State of Maryland (“**Landlord**”), and **STREET RETAIL, INC.**, a corporation organized under the laws of Maryland (“**Tenant**”).

EXPLANATORY STATEMENT

A. Pursuant to a Deed of Condominium Unit dated April 28, 2005 from RTS Residential Block 1/2, LLC to Landlord and recorded among the Land Records (“**Land Records**”) of Montgomery County, Maryland (“**County**”) in Liber 29774, folio 403, Landlord owns the Parking Unit in Rockville Town Square Block 1/2 Condominium (“**Block 1/2 Condominium**”), as established by Declaration for Rockville Town Square Block 1/2 Condominium, dated April 8, 2005 and recorded April 26, 2005 among the Land Records in Liber 29752 at folio 001 (“**Block 1/2 Condominium Declaration**”), with Bylaws attached to and recorded with the Block 1/2 Condominium Declaration, and as shown on condominium plats entitled “Rockville Town Square Block 1/2 Condominium,” prepared by Macris, Hendricks & Glascock, P.A., recorded April 26, 2005 among the plat records of the County (“**Plat Records**”) as Plat Nos. 8720 through 8730, inclusive (“**Block 1/2 Parking Garage**”). The Block 1/2 Parking Garage has a street address of 215 North Washington Street, Rockville, Maryland.

B. Landlord owns the Parking Unit in Rockville Town Square Block 4 Condominium (“**Block 4 Condominium**”), as established by Declaration for Rockville Town Square Block 4 Condominium, dated April 8, 2005 and recorded April 26, 2005 among the Land Records in Liber 29752 at Folio 185 (“**Block 4 Condominium Declaration**”), with Bylaws attached to and recorded with the Block 4 Condominium Declaration, as shown on condominium plats entitled “Rockville Town Square Block 4 Condominium,” prepared by Macris, Hendricks & Glascock, P.A., recorded April 26, 2005 among the Plat Records as Plat Nos. 8743 through 8752, inclusive (“**Block 4 Parking Garage**”). The Block 4 Parking Garage has a street address of 330 Hungerford Drive, Rockville, Maryland.

C. Pursuant to a Deed of Condominium Unit dated April 28, 2005 from RTS Residential Block 5, LLC to Landlord and recorded among the Land Records in Liber 29774, folio 412, Landlord owns the Parking Unit in Rockville Town Square Block 5 Condominium (“**Block 5 Condominium**”), as established by Declaration for Rockville Town Square Block 5 Condominium (“**Block 5 Condominium Declaration**”; the Block 1/2 Condominium Declaration, the Block 4 Condominium Declaration, and the Block 5 Condominium Declaration are hereinafter collectively referred to as the “**Declarations**”), dated April 8, 2005 and recorded April 26, 2005 among the Land Records in Liber 29752 at folio 279, with Bylaws attached to and recorded with the Block 5 Condominium Declaration, and as shown on condominium plats entitled “Rockville Town Square Block 5 Condominium,” prepared by Macris, Hendricks & Glascock, P.A., recorded April 26, 2005 among the Plat Records as Plat Nos. 8753 through 8767, inclusive (“**Block 5 Parking Garage**”; the Block 1/2 Parking Garage, the Block 4 Parking Garage, and the Block 5 Parking Garage are hereinafter collectively referred to as the

“Premises” or “Garages”). The Block 5 Parking Garage has a street address of 30 Maryland Avenue, Rockville, Maryland.

D. Landlord desires to lease to Tenant, and Tenant desires to lease from Landlord, the Premises on the terms and conditions set forth in this Lease.

NOW, THEREFORE, in consideration of the foregoing Explanatory Statement, the covenants and agreements set forth below and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

WITNESSETH:

ARTICLE 1 -- DEFINITIONS

Landlord and Tenant agree that the following definitions shall apply to the various provisions of this Lease which refer to them.

1.1 “**ADA**”: the Americans with Disabilities Act of 1990, as amended, and any regulations issued pursuant thereto.

1.2 “**Additional Rent**”: all sums, other than Fixed Minimum Rent, payable by Tenant to Landlord pursuant to the terms of this Lease.

1.3 “**Applicable Environmental Law**”: defined in Section 5.7.

1.4 “**Bankruptcy Code**”: Title 11 of the United States Code or any successor statute.

1.5 “**Casualty**”: means loss or damage caused by fire or other casualty.

1.6 “**City Real Estate Taxes**” means that portion of the real estate taxes and assessments applicable to the Premises which are allocable to the City.

1.7 “**Commencement Date**”: September 1, 2011.

1.8 “**Common Areas**”: the “**Common Areas**”, as herein referred to, shall consist of any and all interior or exterior areas of the Property not specifically demised and leased to Tenant as part of the Premises, identified on Exhibit A attached hereto.

1.9 “**Claims and Costs**”: all claims, actions, causes of actions, suits at law or in equity, demands, damages, liabilities, losses, judgments, costs and expenses (including, without limitation, reasonable attorneys’ fees and expenses, investigative and discovery costs, and court costs and from any repair, restoration, and compliance costs), and any and all other sums that the Indemnified Parties may pay or become obligated to pay.

1.10 “**Default Rate**”: the lesser of: (i) the maximum interest rate allowed by applicable Legal Requirements; or (ii) twelve percent (12%) per annum.

1.11 “**Existing Agreements**”: defined in Section 6.2.1.

1.12 “**Expiration Date**”: the fiftieth (50th) anniversary of the Commencement Date; provided, however, that if this Lease is cancelled or terminated prior to (a) the fiftieth (50th) anniversary of the Commencement Date, then the Expiration Date shall be the date on which this Lease is so cancelled or terminated; and (b) the fiftieth (50th) anniversary of the Commencement Date by reason of an Event of Default by Tenant under this Lease, Tenant’s liability under the provisions of this Lease shall continue until the date this Lease would have expired had the cancellation or termination not occurred.

1.13 “**Fixed Minimum Rent**”: defined in Section 4.1.

1.14 “**Garages**”: means collectively the Block 1/2 Parking Garage, the Block 4 Parking Garage, and the Block 5 Parking Garage.

1.15 “**Gross Operating Revenues**”: all receipts, revenues, income, and proceeds of sales of every kind received by Tenant, directly or indirectly, from the operation of the Premises, including, without limitation: parking space rentals (including credits or refunds to guests or invitees), rent or other payments received from permitted subtenants, licensees, and concessionaires; the proceeds of insurance received by Landlord or Tenant for use and occupancy or business interruption insurance; and any amount recovered in any legal action or proceeding or settlement thereof arising out of the operation of the Premises (such amount net of reasonable legal fees and costs of collection). Gross Operating Revenues shall exclude all refunds of or credits against State/County Real Estate Taxes; sales and excise taxes and any similar taxes collected as direct taxes payable to taxing authorities; gratuities or service charges collected for payment to and paid to employees; proceeds of insurance, except for proceeds of insurance for use and occupancy or business interruption insurance; and proceeds of condemnation.

1.16 “**Hazardous Substances**”: defined in Section 5.7.

1.17 “**Impositions**”: Collectively, all taxes (including, without limitation, all Real Estate Taxes, ad valorem, sales and use, occupancy, single business, gross receipts, transaction privilege, rent, parking, franchise or similar taxes as the same relate to or are imposed upon Tenant or Landlord or Tenant’s business conducted upon the Premises), assessments (including, without limitation, all assessments for public improvements or benefit, regardless of whether commenced or completed prior to the Commencement Date and regardless of whether to be completed within the Term), ground rents, water, sewer, condominium fees or other rents and charges, excises, tax inspection, authorization and similar fees and all other governmental charges, in each case whether general or special, ordinary or extraordinary, foreseen or unforeseen, of every character in respect of the Premises or the business conducted thereon by Tenant (including all interest and penalties thereon caused by any failure in payment by Tenant), which at any time prior to, during, or with respect to the Term hereof may be assessed or imposed on or with respect to or be a lien upon (a) Landlord’s right, title, and interest in the Premises, and (b) any occupancy, operation, use, or possession of, or sales from, or activity conducted on or in connection with the Premises, or the leasing or use of the Premises or any part thereof by Tenant.

1.18 “**Indemnified Parties**”: collectively, Landlord, together with its officers, directors, employees, servants, and agents.

1.19 “**Landlord**”: defined in the Preamble of this Agreement.

1.20 “**Lease Year**”: means each 12 month period from and after the Commencement Date, except the last Lease Year shall end on the Expiration Date.

1.21 “**Legal Requirements**”: means all laws, orders, judgments, ordinances, regulations, codes, directives, permits, licenses, covenants and restrictions now or hereafter applicable to the Premises, and to the use and occupancy thereof, including, without limitation, the ADA.

1.22 “**Mortgage**”: defined in Section 14.2.1.

1.23 “**Mortgagee**”: defined in Section 14.2.1.

1.24 “**Net Income**”: as defined in Section 4.2.1.

1.25 “**New Equipment**”: as defined in Section 5.4.1.

1.26 “**Percentage Rent**”: as defined in Section 4.2 hereof.

1.27 “**Premises**”: collectively, the Block 1/2 Parking Garage, the Block 4 Parking Garage and the Block 5 Parking Garage identified on Exhibit B attached hereto. The Block 1/2 Parking Garage contains approximately 223 parking spaces, the Block 4 Parking Garage contains approximately 630 parking spaces and the Block 5 Parking Garage contains approximately 121 parking spaces.

1.28 “**Property**”: those certain parcels of real estate containing the Premises that are subject to the condominium regimes created pursuant to the Declarations.

1.29 “**Pro Rata Share**”: a fraction, the numerator of which shall be the number equal to the Square Footage of the Premises, and the denominator of which shall be the gross number of square feet in the improvements constructed on the Property, including the Premises.

1.30 “**Real Estate Taxes**” means, collectively, the State/County Real Estate Taxes, and the City Real Estate Taxes.

1.31 “**Release**”: defined in Section 5.7.

1.32 “**Rent**”: collectively, all sums of whatever nature due under this Lease from Tenant to Landlord, including, without limitation, all Fixed Minimum Rent, Percentage Rent, and Additional Rent payable hereunder.

1.33 “**State/County Real Estate Taxes**” means that portion of the real estate taxes and assessments applicable to the Premises which are allocable to the State and the County.

1.34 “**Systems**”: defined in Section 7.2.

1.35 “**Tax Contest**”: defined in Section 4.4.3.

1.36 “**Tax Year**”: each twelve (12) month period (or shorter period, if applicable) established as the tax year by the applicable taxing authorities. The first Tax Year shall be July 1, 2011 through June 30, 2012.

1.37 “**Tenant**”: defined in the Preamble of this Agreement.

1.38 “**Term**”: defined in Section 3.1.

1.39 “**Transfer**”: defined in Section 12.1.

ARTICLE 2 -- PREMISES

2.1 Demise of Premises. For the Term, at the Rent, and upon the provisions and conditions herein contained, Landlord does hereby lease to Tenant the Premises and Tenant does hereby rent and accept the same from Landlord.

2.2 Quiet Enjoyment. Landlord covenants that it has full right, power, and authority to make this Lease and that Tenant, upon the payment of the Rent and performance of the covenants and obligations upon Tenant’s part to be performed hereunder, shall and may peaceably and quietly have, hold, and enjoy the Premises and improvements thereon during the Term against any person claiming by, through or under Landlord.

2.3 Encumbrances. This Lease is subject to all easements, all applicable Legal Requirements, and all other encumbrances of record.

2.4 Condition of Premises. Notwithstanding anything to the contrary contained herein, the Premises have been inspected, or on or prior to the Commencement Date will be inspected, by Tenant who, by taking possession of the Premises, shall be deemed to have accepted the same in “AS IS” condition as of the Commencement Date and “WITH ALL FAULTS,” including the defects described in Exhibit E. Except as expressly set forth herein, no damage or destruction of the Premises or any other cause or event after the Commencement Date shall in any way affect this Lease or the Fixed Minimum Rent or Additional Rent due hereunder. No later than ten (10) days after the Commencement Date, any warranties issued to Landlord in connection with the construction, repair and operation of the Garages shall be assigned to Tenant to the extent such warranties are assignable without cost or expense to Landlord. If any of such warranties are not assignable, Landlord, at Tenant’s request and at Tenant’s sole expense, shall enforce such warranties on Tenant’s behalf. If any warranties are still in effect when this Lease expires, Tenant shall reassign those warranties to the Landlord.

2.4.1 Tenant Reimbursement. Landlord shall pay Tenant to correct certain defects in the Garages identified on Exhibit E, not to exceed \$22,250.00, within thirty (30) days of submittal of an invoice(s) from Tenant verifying that the work identified on Exhibit E has been completed.

2.5 Entry and Inspection; Ingress and Egress. Landlord, its agents, employees, or servants, or any person authorized by Landlord, may enter the Premises for the purpose of inspecting the condition of same, performing Landlord's obligations under this Lease, and exhibiting the Premises to prospective lenders or purchasers. Except in cases of emergency, any such entry and all work done by Landlord in the Premises shall be performed after reasonable prior notice to Tenant and in a manner that shall not unreasonably interfere with the normal business operations of Tenant. Landlord hereby reserves to itself and to its agents, employees, contractors, suppliers, representatives, guests, licensees, and invitees, the right of, and at all times such parties shall have adequate means of, ingress to and egress from various areas of the Property not hereby leased, and through and over the Premises hereby demised to Tenant; and Tenant expressly agrees to afford to Landlord and its agents, employees, contractors, suppliers, representatives, guests, licensees, and invitees, such rights of ingress and egress as may be reasonably required for the proper use and operation of the Garages and the Property.

2.6 Common Areas; Access to Private Parking Areas. Tenant, its employees, agents, contractors, suppliers, and representatives, in conjunction with the use, operation, repair and maintenance of the Premises, is hereby granted a non-exclusive license to access and use the Common Areas throughout the Term. Such non-exclusive license shall not interfere with or hinder the use of the Common Areas by Landlord and/or the other owners, tenants, or occupants of the Property. Tenant shall not interfere with, block, impede, or hinder access through the Premises to the non-public parking areas that are located within the Garages.

2.7 Net Lease/No Offset. This Lease is intended to be and shall be construed as an absolutely net lease to Landlord. Except as otherwise specifically provided herein, Landlord shall not, under any circumstances or conditions, be expected or required to make any payment of any kind whatsoever for the Premises or be under any other obligation or liability with respect to the Premises, all such obligations and liabilities being assumed by Tenant hereunder. The Fixed Minimum Rent payable under this Lease shall be paid to Landlord absolutely free and clear of all offsets, claims, and defenses of any nature whatsoever that Tenant may have against Landlord.

ARTICLE 3 -- TERM

3.1 Term. The term of this Lease ("**Term**") shall commence on the Commencement Date and, unless earlier terminated in accordance with the terms hereof, shall continue through the Expiration Date.

ARTICLE 4 -- RENT AND OTHER CHARGES PAYABLE BY TENANT

4.1 Fixed Minimum Rent. Effective upon the Commencement Date, Tenant shall pay to Landlord in advance, without demand, abatement, deduction or set-off except for the credit expressly provided for in this Section, monthly installments of annual rent ("**Fixed Minimum Rent**") on or before the first day of each calendar month during the Term. Payments of Fixed Minimum Rent for any fractional calendar month shall be prorated on a per diem basis. The obligation of Tenant to pay Fixed Minimum Rent and other sums to Landlord and the obligations of Landlord under this Lease are independent obligations. Tenant shall have no right at any time

to abate, reduce, or set-off any Rent, except that during each Lease Year throughout the Term, Tenant shall receive a credit against the Fixed Minimum Rent due for such Lease Year in an amount equal to the City Real Estate Taxes paid by Tenant. Following each payment by Tenant of City Real Estate Taxes, the credit shall be taken by applying the amount of the City Real Estate Taxes paid against the next succeeding monthly installments of Fixed Minimum Rent coming due until the credit for such payment has been fully applied. For the first Lease Year, the annual Fixed Minimum Rent shall be \$300,000.

4.1.1 CPI Increases. Fixed Minimum Rent shall be increased on each anniversary of the first day of the first full month during the Term (each an “**Adjustment Date**”) by multiplying the Fixed Minimum Rent payable immediately before such Adjustment Date by the percentage increase of the Price Index measured from the first day of the Lease Year immediately preceding the Adjustment Date to the last day of such Lease Year and adding the resulting amount to the Fixed Minimum Rent payable immediately before such Adjustment Date. Fixed Minimum Rent, as so adjusted, shall thereafter be due as provided herein. Fixed Minimum Rent adjustments for any fractional calendar month shall be prorated on a per diem basis. Tenant covenants and agrees that such escalated Fixed Minimum Rent shall thereafter be payable hereunder, in equal monthly installments, until the next Adjustment Date pursuant to the terms of this Lease. Landlord shall provide Tenant written notice of each adjustment of Fixed Minimum Rent made in accordance with this Section 4.1.1. Such notice shall set forth the manner of computation of the adjustment, including the Price Index figures used. Until receipt of such notice, Tenant shall make monthly payments of Fixed Minimum Rent at the preceding rate as provided in Section 4.1.1.2 and, upon receipt of such notice, Tenant shall make the retroactive payment, if any, required under Section 4.1.1.2.

4.1.1.1 Definitions. For purposes of this Section 4.1, “**Price Index**” means the “Consumer Price Index for All Urban Consumers” published by the Bureau of Labor Statistics of the United States Department of Labor, U.S. City Average, All Items, (1982-84=100) or any other successor or substitute index appropriately adjusted.

4.1.1.2 Figures Unavailable. If the Price Index is unavailable as of an Adjustment Date, Tenant shall continue to make monthly payments of Fixed Minimum Rent based on the monthly installments calculated for the preceding escalation of annual Fixed Minimum Rent until the Price Index is made available; at that time the annual Fixed Minimum Rent shall escalate in accordance with this Section and Tenant shall make a retroactive payment to Landlord equal to the difference between (a) the Fixed Minimum Rent due from the date the increase in Fixed Minimum Rent became effective until the increase was finally computed; and (b) the Fixed Minimum Rent actually paid by Tenant from the date the increase became effective until the date such increase was finally computed.

4.1.1.3 No Rent Decrease. In no event shall the annual Fixed Minimum Rent in a given Lease Year be less than the annual Fixed Minimum Rent for the immediately preceding Lease Year.

4.1.1.4 No Waiver. Any delay or failure of Landlord in computing or billing Tenant for the escalation of annual Fixed Minimum Rent as provided herein shall not constitute a waiver of or in any way impair the continuing obligation of Tenant to pay such escalation of annual Fixed Minimum Rent hereunder.

4.1.1.5 Survival. Tenant's obligation to pay the escalated annual Fixed Minimum Rent pursuant to this Section shall continue and shall cover all periods up to the Expiration Date, and shall survive any expiration or termination of this Lease.

4.1.1.6 Right to Use Old Figures. If the Price Index ceases to use 1982-84=100 as the basis of calculation, or if, in Landlord's reasonable judgment, a substantial change is made in the method used by the federal government to determine the Price Index or the items used to calculate the Price Index, then the Price Index shall be converted ("**Conversion**") to the figure that would have been calculated at (or as close to such figure as shall be practical) had the manner of calculating the Price Index in effect at the Commencement Date not been altered. For purposes of this paragraph, it shall be deemed a substantial change in the manner in which the Price Index is calculated if the federal government adjusts the method in which the Price Index is determined in an attempt to more accurately reflect changes in the cost-of-living. If, in Landlord's reasonable judgment, the Conversion is impossible or impractical, then the revised Price Index shall be deemed to replace the original Price Index for purposes of this Section.

4.2 Percentage Rent. In addition to the sums payable pursuant to Section 4.1 (Fixed Minimum Rent), Tenant shall pay to Landlord, within sixty (60) days after the end of each calendar year during the Term, an amount ("**Percentage Rent**") equal to thirty percent (30%) of the Net Income for the calendar year then ended.

4.2.1 Definition of Net Income. For purposes of calculating Percentage Rent, "**Net Income**" means the excess, during each calendar year (and proportionately for any period less than a calendar year) of Gross Operating Revenues over expenses and deductions incurred in the operation of the Premises by Tenant in fulfilling its obligations hereunder during such period, determined in accordance with generally accepted accounting principles consistently applied.

4.2.1.1 Deductions. In arriving at Net Income, the following operating expenses incurred or paid for by Tenant shall be proper deductions from Gross Operating Revenues insofar as they relate to the operation of the Premises: (a) salaries, wages, fringe benefits, payroll taxes, workers' compensation costs, and other costs related to the employees of Tenant or Tenant's contractors at the Premises; (b) management, administrative and general expenses (but excluding any overhead or profit of Tenant on such expenses); (c) ten percent (10%) return on the cost of the New Equipment until such time that the cumulative return equals the cost of the New Equipment; (d) the cost of all Utilities consumed in the

operation of the Premises; (e) repairs, maintenance, trash removal, and alterations to, from or with respect to the Premises (subject, as applicable, to clause (h) below), including the cost of maintenance contracts for equipment; (f) Fixed Minimum Rent; (g) State/County Real Estate Taxes and any payments made by Tenant in substitution for or in lieu of the same; (h) the annual amortization over its useful life on a straight-line basis of the costs of any capital improvements, provided that the costs that can be deducted shall not exceed \$100,000.00 per year (the "Capital Improvements Cap"), which Capital Improvements Cap shall be increased in the same manner as CPI Increases for the Fixed Minimum Rent are calculated in Section 4.1.1; (i) all costs of the insurance carried with respect to the Premises; and (j) all other reasonable operating expenses and fees incurred by Tenant in the proper and efficient operation of the Premises. If the amortized amount of any capital improvement costs in any calendar year exceed the Capital Improvements Cap applicable to that year, the excess amount shall be carried forward to the next succeeding calendar years within the Term.

4.3 Confirmation of Percentage Rent.

4.3.1 Records. Tenant shall utilize, or caused to be utilized, an accounting system for the Premises in accordance with its usual and customary practices, and in accordance with generally accepted accounting principles, international accounting standards, or other accounting standards commonly used by publicly traded companies in the U.S., that will accurately record all data necessary to compute Percentage Rent, and Tenant shall retain, for at least three (3) years after the expiration of each calendar year, reasonably accurate records conforming to such accounting system showing all data necessary for Landlord to audit and to compute Percentage Rent for the applicable calendar years. Tenant shall maintain such data in an electronic format that is readily available for review and analysis by Landlord.

4.3.2 Audit. Landlord shall have the right by its accountants or representatives to audit such information relating to the computation of Percentage Rent not more than once per calendar year during the Term, and to examine all of Tenant's records (including supporting data and sales and excise tax returns) reasonably required to complete such an audit and to verify Percentage Rent, subject to any prohibitions or limitations on disclosure of any such data under applicable Legal Requirements. If any such audit by Landlord discloses a deficiency in the payment of Percentage Rent, and Tenant agrees with the result of Landlord's audit or the matter is otherwise determined or compromised, Tenant shall pay to Landlord within fifteen (15) days after demand therefor the amount of the deficiency, as finally agreed or determined and, if the deficiency is ten percent (10%) or more, together with interest at the Default Rate from the date when such payment should have been made to the date of payment thereof. If any such audit by Landlord discloses an overpayment by Tenant, Tenant shall be entitled to a credit in the amount of such overpayment against the next ensuing payment of Percentage Rent.

4.3.3 Proprietary Information. Any proprietary information obtained by Landlord pursuant to the provisions of this Section 4.3 shall be treated as confidential,

except that (a) such information may be used, subject to appropriate confidentiality standards, in any litigation between the parties, and (b) Landlord may disclose such information to prospective purchasers, lenders, and investors, and to any other persons to whom disclosure is necessary to comply with applicable Legal Requirements.

4.3.4 Survival. The provisions of Section 4.3.3 shall survive the expiration or earlier termination of this Lease.

4.4 Payment of Impositions.

4.4.1 General. As Additional Rent hereunder, and subject to Section 4.4.3 relating to a Tax Contest, Tenant will pay, or cause to be paid, all Impositions before any fine, penalty, interest, or cost may be added or assessed for non-payment, such payments to be made directly to the taxing or other authorities where feasible, and will promptly furnish to Landlord copies of official receipts or other satisfactory proof evidencing such payments. If any such Impositions may lawfully be paid in installments (regardless of whether interest shall accrue on the unpaid balance of such Impositions), Tenant may exercise the option to pay the same (and any accrued interest on the unpaid balance of such Imposition) in installments payable during the Term and in such event, shall pay all such installments and any unpaid balance of such Impositions prior to the expiration or earlier termination of the Term and before any fine, penalty, premium, further interest, or cost may be added thereto. Tenant shall, at its expense, to the extent required or permitted by applicable Legal Requirements, prepare and file all tax returns and reports in respect of any Imposition as may be required by governmental authorities.

4.4.2 Refund. If any refund shall be due from any taxing authority in respect of any Imposition paid by Tenant, the same shall be paid over to or retained by Tenant if no Event of Default shall have occurred hereunder and be continuing. If any Event of Default hereunder shall have been declared by Landlord and be continuing, any such refund shall be paid over to or retained by Landlord, and may be applied by Landlord as provided in Section 13.2 (Landlord's Remedies for Event of Default). If Tenant receives a refund of any City Real Estate Taxes paid by Tenant, Tenant shall pay to Landlord, promptly after such receipt, an amount equal to the credit received by Tenant under Section 4.1 on account of Tenant's payment of such City Real Estate Taxes.

4.4.3 Tax Contests. Tenant may, upon notice to Landlord, at Tenant's option and at Tenant's sole cost and expense, protest, appeal, or institute such other proceedings (in its name) as Tenant may deem appropriate to effect a reduction of real estate or personal property assessments for those Impositions to be paid by Tenant (collectively, "**Tax Contest**"). Tenant shall indemnify, defend, and hold harmless Landlord from and against any claims, obligations, and liabilities against or incurred by Landlord in connection with such Tax Contest. Tenant shall keep Landlord reasonably apprised of the status of the Tax Contest.

4.4.4 Assessment Notices. To the extent received by it, Landlord shall furnish Tenant with copies of all assessment notices for real estate and personal property

Impositions in sufficient time for Tenant to file a protest and to pay such taxes without penalty.

4.4.5 Adjustments. Impositions payable by Tenant that are imposed for the Tax Year during which the Term expires or terminates shall be adjusted and prorated between Landlord and Tenant, whether such Imposition is imposed before or after such expiration or earlier termination, and Tenant's obligations to pay its Pro Rata Share thereof after expiration or earlier termination shall survive such expiration or earlier termination.

4.4.6 Tax Relief. Tenant shall have the right to negotiate and enter into an agreement (including, but not limited to, a payment in lieu of taxes) (collectively, a "**PILOT Agreement**") with State of Maryland or County agencies to reduce or eliminate the payment by Tenant of the Real Estate Taxes.

4.5 Interest. Tenant covenants and agrees to pay, upon demand, as Additional Rent hereunder, interest on all Rent not paid within ten (10) days of its due date, at a rate equal to the Default Rate. Such interest shall accrue from the original due date of such Rent (subject to Section 13.2.4 [Late Charge]) to the date of actual receipt by Landlord.

4.6 Due Dates for Payments. For both Tenant's and Landlord's accounting purposes, rental charges of every kind herein set forth shall begin to accrue on the Commencement Date and continue through the Expiration Date. The first monthly installment of Fixed Minimum Rent shall be due, in advance, on the Commencement Date. Each subsequent installment shall be due, in advance, on the first day of each succeeding month. For any partial month, Tenant shall pay a per diem amount equal to one thirtieth (1/30th) of the monthly amount for each day of such partial month during the Term.

4.7 Place of Payment. All Rent payable by Tenant hereunder to Landlord shall be paid, in lawful money of the United States of America, to Landlord at Landlord's notice address or to such other payee or address as Landlord may designate in writing to Tenant.

ARTICLE 5 -- USE AND MAINTENANCE OF PREMISES

5.1 Use. Tenant shall operate its business on the Premises during the Term under the name "**Town Center Garage**", or such other name as prescribed from time to time by Landlord, and shall use and operate the Premises only as a first-class public parking garage facility together with the right to provide such services as may be customarily provided to patrons of first-class public parking garage facilities in the Washington, D.C. metropolitan area. Tenant shall not use, or permit or suffer the use of the Premises or any part thereof, for any other business or purpose.

5.2 Nature of Use. Tenant shall use and occupy the Premises in a careful, safe, and proper manner and shall keep the Premises in a clean and safe condition in accordance with this Lease and applicable Legal Requirements.

5.3 Extra Hazardous Activity. Tenant shall not do or keep anything in or about the Premises that will contravene Landlord's policies insuring against loss or damage by fire or other

hazards, or that will prevent Landlord from procuring such policies in companies acceptable to Landlord.

5.4 Alterations or Improvements. Tenant shall have no right to make changes or alterations to the structure or operational systems of the Premises without first obtaining the written consent of Landlord, which consent shall not be unreasonably delayed, conditioned, or withheld.

5.4.1 Acquisition and Installation of New Equipment. By no later than the first (1st) anniversary of the Commencement Date, Tenant shall install, at its sole cost and expense, paid parking equipment in the Garages (“**New Equipment**”). Tenant shall provide Landlord with reasonably detailed documentation identifying the cost of acquiring and installing the New Equipment. The New Equipment shall be consistent with the type and quality of paid parking equipment installed by owners or operators of comparable structured parking facilities in the County.

5.4.2 Parking Equipment Currently in Garages. Tenant shall remove and return the parking equipment currently installed in the Garages (the “**Pay Stations**”) to the Landlord at Tenant’s sole cost and expense.

5.5 Rubbish and Trash. Tenant shall not permit the accumulation of rubbish, trash, garbage, or other refuse in or around the Premises. Tenant shall keep all refuse in proper containers and out of public sight on the interior of the Premises.

5.6 Signs. Notwithstanding any other provisions in this Lease, all signage by the Tenant on or in the Premises will be governed by the Revocable License and Maintenance Agreement between Landlord and Tenant and Section 7.2 of this Lease.

5.7 Environmental. As used herein, “**Applicable Environmental Law**” means any statutory law, regulation, or case law pertaining to health or the environment, or oil, or petroleum products, or Hazardous Substances, including, without limitation: (i) the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (“**CERCLA**”) as codified at 42 U.S.C. § 9601 *et seq.*, as amended; (ii) the Hazardous Materials Transport Act as codified at 49 U.S.C. § 1801 *et. seq.*, as amended; (iii) the Resource Conservation and Recovery Act as codified at 42 U.S.C. § 6901 *et. seq.*, as amended; and (iv) any so-called “Superfund” or “Superlien” law, or any other applicable Legal Requirement presently in effect or hereafter enacted. As used herein the terms “**Hazardous Substances**” and “**Release**” shall have the meaning specified for such terms in CERCLA; provided, however, that (a) if CERCLA is amended to broaden the meaning of any term defined thereby, such broadened meaning shall apply after the effective date of such amendment; (b) to the extent that Maryland law establishes a meaning for “Hazardous Substance” or “Release” that is broader than that specified in CERCLA, such broader meaning shall apply; and (c) “**Hazardous Substances**” shall also be defined to include oil, petroleum products, extremely flammable substances, explosives, and radioactive materials, and “**Release**” shall also be defined to include any disturbance or release of asbestos that would call for abatement or removal procedures under any Applicable Environmental Law.

5.7.1 No Releases. Tenant shall not suffer, allow, permit, or cause the generation, accumulation, storage, possession, Release, or threat of Release of Hazardous Substances; provided, however, the foregoing prohibition shall not be applicable to: (i) Hazardous Substances that are present on the Premises before the Commencement Date, provided Tenant shall have the burden of proving that such Hazardous Substances were present on the Premises before the Commencement Date; or (ii) normal and reasonable amounts of cleaning and pest control supplies necessary for normal maintenance of the Premises as a parking garage so long as such materials are properly, safely, and lawfully stored and used by Tenant and the quantity of same does not exceed a “reportable quantity” as defined under 40 C.F.R. 302, as amended.

5.7.2 Notification of Releases. Tenant shall notify Landlord immediately upon learning: (i) that any duty described in this Section 5.7 of this Lease has been violated; (ii) that there has been a Release, discharge, or disposal of any Hazardous Substance on any part of the Premises or the Property; or (iii) that the Property or improvements thereon are subject to any third-party claim or action, or threat thereof, because of any environmental condition at the Property or in or originating from the Property or arising in connection with the operation of the Property. Tenant shall promptly provide Landlord with copies of all correspondence to or from third parties regarding such claims or actions or regarding environmental conditions in or originating from the Property.

5.7.3 Remediation. In the event of a Release of any Hazardous Substance on, in, or from the Premises that was not caused by Landlord, Tenant shall immediately cause complete remediation of such Release and restore the Premises to the condition that existed prior to the Commencement Date. Landlord and its agents shall have the right, but not the obligation, to enter the Premises and remediate any environmental condition on the Premises to comply with all Applicable Environmental Laws during which time Tenant shall not be entitled to any abatement of Rent.

5.7.4 Costs; Indemnification. Tenant shall pay any judgments, fines, charges, fees, damages, losses, penalties, demands, actions, costs, and expenses (including, without limitation, legal fees and expenses), remedial and response costs, remediation plan preparation costs, and any continuing monitoring or closure costs arising from or pertaining to the application of any Applicable Environmental Law to the Premises due to a breach of Tenant’s obligations under this Section 5.7. Tenant shall indemnify and forever hold harmless the Indemnified Parties of and from any and all liabilities (including strict liability), judgments, fines, charges, fees, damages, losses, penalties, demands, actions, costs, and expenses (including, without limitation, legal fees and expenses), remedial and response costs, remediation plan preparation costs, and any continuing monitoring or closure costs incurred or suffered by the Indemnified Parties, or asserted by any third party against the Indemnified Parties, due to the breach of Tenant’s obligations set forth in this Section 5.7.

5.7.5 Surrender. At the Expiration Date, Tenant shall return the Premises to Landlord free of any Hazardous Substances in, on, or from the Premises that were not placed on the Premises by Landlord or present on the Premises prior to the Commencement Date.

5.7.6 Survival. The provisions of this Section 5.7 shall survive the expiration or earlier termination of this Lease.

5.8 Care of and Security for Parking and Common Areas. Tenant shall be solely responsible for operating and maintaining the Garages and for providing adequate security for same twenty-four (24) hours per day, seven (7) days per week. Tenant shall ensure that the parking and Common Areas are clean and orderly at all times.

ARTICLE 6 -- OPERATION OF PREMISES

6.1 Business Hours. Tenant agrees to keep the Premises open for business to the general public continuously for twenty-four (24) hours per day, seven (7) days per week during the Term, except that Tenant shall be allowed to restrict public parking (a) as required by applicable Legal Requirements, (b) as necessary to comply with any other requirement of this Lease (including temporary closures related to the performance of capital improvements or repair activities), (c) as necessary for temporary closures to address emergencies or public safety, or (d) as specifically permitted under this Lease.

6.2 Parking Rates and Billing Procedures. Tenant shall have the right to establish charges for hourly, daily, monthly and valet parking in the Garages in the exercise of Tenant's sole discretion, with the intent that such charges shall be comparable to those charges of other similar facilities of a first-class nature in the Rockville, Maryland area, and shall have the right to establish a validated parking program. Within ten (10) days after written request from Landlord from time to time and at no charge or expense to Landlord, Tenant shall deliver to Landlord a report in form and content reasonably acceptable to Landlord detailing the utilization of the Garages.

6.2.1 Existing Agreements. Tenant acknowledges that, as of the Commencement Date, Landlord has agreements (collectively, "**Existing Agreements**") with Choice Hotels International, Inc. ("**Choice**"), the County, and Gold's Holding Corp. for the use of certain parking spaces in the Garages pursuant to the terms and conditions of the Existing Agreements. Existing Agreements shall also include Landlord's agreements with the holders of parking coupons ("**Coupon Program**") for free parking in the Garages. As soon as reasonably possible after the Commencement Date (but in no event later than the removal of Landlord's Pay Stations by Tenant), Landlord shall terminate the Coupon Program. Effective as of the Commencement Date, Landlord hereby assigns to Tenant all of Landlord's right, title, and interest in and to the Existing Agreements, and Tenant hereby assumes all rights and obligations of Landlord under the Existing Agreements from and after the Commencement Date (subject to Landlord's obligation to terminate the Coupon Program as set forth above). The Existing Agreements, except for Landlord's agreements with the holders of parking coupons, are attached hereto as Exhibit C. From and after the Commencement Date, Tenant shall have the right to amend the Existing Agreements, provided, however, that with respect to the Existing Agreement with Choice ("**Choice Existing Agreement**"), Landlord shall have the right to approve (such approval not to be unreasonably withheld, delayed, or conditioned) any amendments thereto until a certificate of occupancy is issued to Choice

for the building to be located at the corner of Hungerford Drive and Middle Lane. Thereafter, Landlord shall not have the right to approve any amendments to the Choice Existing Agreement.

6.2.2 Police Parking. Landlord shall have the right, at no expense or charge, to use forty (40) designated parking spaces in the Block 4 Parking Garage for parking the private automobiles of police officers or police department staff. Landlord shall also have the right, at no expense or charge, to park its mobile communications vehicle in the area of the Block 4 Parking Garage identified on Exhibit D attached hereto.

6.2.3 Parking Way Finding Equipment. As of the Commencement Date, the Garages employ a parking way finding system (including all supporting structures and related computer systems and software) to assist patrons of the Garages in locating vacant parking spaces. Tenant shall, at its sole cost and expense, maintain, repair, and replace as necessary such system. Tenant acknowledges that (a) it agrees to accept such system in its “as is, where is, with all faults condition” on the Commencement Date, and (b) Landlord has not made any representation or warranty, express or implied, regarding the condition of the system or its suitability for Tenant’s use.

6.3 General Covenants of Tenant.

6.3.1 Compliance with Legal Requirements. After the Commencement Date, (a) Tenant shall comply with all applicable Legal Requirements for the use, operation, repair, maintenance, replacement, and occupancy of the Premises and the cleanliness and safety thereof, and (b) Tenant shall be the responsible entity for instituting a plan of compliance to ensure that the Premises remain in compliance with the ADA and Tenant shall make, from time to time during the Term at its sole cost and expense, any alterations that may be required to bring the Premises into compliance with any new requirements imposed by the ADA.

6.3.2 Rules and Regulations. Tenant shall have the right from time to time to develop, implement, and enforce reasonable rules and regulations for the use and care of the Premises. Tenant shall, at its sole cost and expense, use reasonable efforts to cause its customers, invitees, and licensees to comply with such rules and regulations.

6.3.3 Bicycle Racks. Tenant shall maintain an appropriate number of bicycle parking racks in each of the Garages sufficient to accommodate the average daily use of bicycle parking. Such bicycle racks shall be placed within each of the Garages in locations reasonably acceptable to Landlord.

6.4 No Liens and Encumbrances. Under applicable law, a mechanics lien cannot be placed on property owned by The Mayor and Council of Rockville Maryland. Tenant, in any event, will not permit to be created nor to remain undischarged any lien, encumbrance, or charge of any kind whatsoever that might be or become a lien or encumbrance or charge upon the Premises or any part thereof or the income therefrom, Tenant’s leasehold interest therein, or Landlord’s interest therein, and Tenant will not suffer any other matter or thing whereby the estate, right, and interest of Landlord in the Premises or any part thereof might be impaired. This

prohibition against liens expressly includes any liens, encumbrances or charges arising out of any work of any contractor, mechanic, laborer or materialman and any mortgage, leasehold mortgage, conditional sale, security agreement or chattel mortgage, or otherwise. If any lien or notice of lien on account of an alleged debt of Tenant or any notice of contract by a party engaged by Tenant to work on the Premises shall be filed against the Premises or any part thereof, Tenant, within twenty (20) days after notice of the filing thereof, will cause the same either (a) to be discharged of record by payment, deposit, order of a court of competent jurisdiction, or otherwise, or (b) to be bonded with a surety reasonably acceptable to Landlord pending the resolution of such filing. If Tenant shall fail to cause such lien to be discharged or bonded within such time period, then, in addition to any other right or remedy and upon seven (7) days' notice to Tenant, Landlord may, but shall not be obligated to, discharge the same either by paying the amounts claimed to be due or by procuring the discharge of such lien by deposit or by bonding proceeding. If Landlord so discharges such lien or encumbrance, Landlord shall have the right, at its election, to compel the prosecution of an action for the foreclosure of such lien by the lienor and to pay the amount of the judgment in favor of the lienor with interest, costs, and allowances. Tenant shall pay to Landlord, as Additional Rent, within ten (10) days after demand, any amount so paid by Landlord together with all costs and expenses, including reasonable attorneys' fees, incurred by Landlord in connection therewith, together with interest thereon at the Default Rate from the respective dates of Landlord's making of the payment or incurring of the cost and expense.

6.5 Tenant's Taxes. Tenant shall pay before delinquency all Impositions levied, assessed, or imposed upon its business operation in the Premises as well as upon its trade fixtures, leasehold improvements, and other personal property in or upon the Premises, and provide evidence of payment of same to Landlord promptly upon request.

6.6 Police Booster Antennae System. Tenant acknowledges and understands that Landlord maintains in the Garages, and will continue to use and maintain in the Garages, an antennae system designed and intended to boost the communication signals for Landlord's emergency communication systems ("**Police Booster Antennae System**"). Landlord and its agents and employees shall have the right to enter the Garages from time to time on reasonable notice to Tenant for the purpose of installing, repairing, maintaining, and replacing the Police Booster Antennae System. Tenant shall not install any communication equipment or devices on or about the Garages that interferes with or impedes the effective operation of the Police Booster Antennae System.

ARTICLE 7 -- REPAIRS AND MAINTENANCE

7.1 Operation. Tenant shall, at its sole cost and expense, operate the Garages in a good, clean, sanitary, and safe condition and in "first-class order," ordinary wear and tear excepted. For purposes of this Lease, "**first-class order**" means a quality of maintenance and operation comparable in quality to other first-class parking garages of comparable age serving comparable facilities in the greater Washington, D.C. metropolitan area. Tenant shall keep the Premises in good order and repair, and shall permit no waste, damage, or injury to the Premises. Tenant shall initiate and carry out a program of regular maintenance and repair of the Premises, so as to impede, to the greatest extent possible, deterioration by ordinary wear and tear and to

keep the same in a first-class order. Tenant shall be responsible for any damage done to all or any part of the Premises caused by the acts or omissions of Tenant or its agents, employees, guests, invitees, or contractors.

7.2 Customer Service Tenant shall install signage in each of the Garages reasonably acceptable to Landlord directing patrons of the Garages to contact a specific telephone number or website address for handling complaints, refunds, or other customer service matters. Tenant shall respond promptly to such matters.

7.3 Repairs and Maintenance. Tenant shall, at its sole cost and expense but subject to the terms of Section 7.3.1, (a) make all necessary repairs to the Premises, including, but not limited to, all structural repairs and replacements, repairs to the ceilings, foundation, floors, interior columns, ramps and foundations, exterior walls and all plumbing, drainage, mechanical, electrical, heating, ventilation, air conditioning, and lighting systems serving the Premises as a whole (all of the foregoing building elements and systems being referred to collectively as “**Systems**”), and (b) keep all Systems in good order and repair.

7.3.1 Notwithstanding the provisions of Section 7.3 above, if during the last ten (10) year period of the Term a component of the Systems (“**Component**”) is in need of replacement, Landlord shall replace the Component (the replacement Component being referred to in this paragraph as the “**Replacement Component**”) at Landlord’s cost subject to the provisions of this paragraph. The cost of the Replacement Component shall be amortized in accordance with the Formula (as defined below) and reimbursed to Landlord as Additional Rent over the remainder of the Term. For purposes of this paragraph, “**Formula**” means that number, the numerator of which shall be the number of months of the Term remaining after the date on which the Replacement Component is installed, and the denominator of which shall be the amortization period (in months) equal to the useful life of the Replacement Component, such fraction multiplied by the cost of the Replacement Component. Landlord shall pay for the Replacement Component and during the remainder of the Term Tenant shall reimburse Landlord as Additional Rent for Tenant’s amortized share thereof (determined as set forth above, but not more than the full cost of the Replacement Component) in equal monthly installments in the same manner as the payment by Tenant to Landlord of monthly installments of Fixed Minimum Rent. Despite the foregoing, if, at the time a Replacement Component becomes necessary, a binding determination has been made in accordance with the Declarations that the Property will be redeveloped such that the Garages will be demolished or substantially re-constructed upon expiration of this Lease and, in light of such determination, the installation of the Replacement Component, in Landlord’s reasonable judgment, would not be economically prudent, Landlord may elect not to install the Replacement Component. For a period of thirty (30) days after receipt of notice from Landlord of such election, if in Tenant’s reasonable judgment, the Replacement Component materially effects the operation of the Garages, Tenant shall have the right to terminate this Lease by giving notice of termination to Landlord. Upon any such notice, this Lease shall terminate as of the date that is sixty (60) days from the last day of the month in which the termination notice is given with the same effect as if such date were the Expiration Date.

ARTICLE 8 -- UTILITIES

8.1 Provision of Utilities. Tenant shall be responsible for providing to the Premises all public and private utilities needed for operation of the Garages, including water, sewer, gas (if required by Tenant's operations and available to the Premises), electric, heating and air conditioning (as appropriate for the season in the elevator mechanical rooms), telephone, trash removal and other reasonably required utility services (collectively, "**Utilities**") available to the Premises. Tenant shall make application and arrange for any services required by Tenant directly with the utility provider. Tenant shall be solely responsible for payment, as the same shall become due, of all charges for the Utilities that at any time during the Term become due and payable for the Premises. Tenant acknowledges that the utilities serving the Premises are separately metered.

8.2 Failure of Utilities. Notwithstanding anything herein to the contrary, Landlord shall have no responsibility or liability to Tenant for failure to perform any of the foregoing obligations on Landlord's part contained in this Article 8 or for any failure or interruption in service of any Utilities. Tenant shall cause all Utilities to be transferred from Landlord to Tenant as of the Commencement Date.

ARTICLE 9 -- DAMAGE TO PREMISES

9.1 General. If a Casualty partially damages or destroys the Premises, Landlord shall diligently proceed to repair and restore fully, at its own cost, the structural elements of the Premises substantially to their condition before the Casualty. Due allowance, however, shall be given for the time required to adjust and settle insurance claims, and for such other delays as may result from government restrictions, any controls on construction, and for strikes, emergencies, and other conditions beyond Landlord's reasonable control. Tenant shall diligently proceed to repair and restore fully, at Tenant's sole cost, the improvements located in, or alterations made to, the Premises (except the structural elements of the Premises) to their condition existing before their damage or destruction; provided, however, that failure by Tenant to maintain its insurance coverage as required by this Lease shall not excuse Tenant from its repair and restoration obligations. If a Casualty partially damages or destroys the Premises, this Lease will continue in full force and effect, but if the damage or destruction is such so as to make the Premises or any substantial part thereof untenable or unusable as reasonably determined by Landlord and Tenant and Tenant ceases to use such untenable or unusable area, then the Rent that Tenant is obligated to pay under this Lease will abate proportionately (based on the number of parking spaces made unusable) as of the first business day after the Casualty until the *earlier* of (a) the date Tenant again uses such space, or (b) the date that the repair and/or restoration work that Landlord is obligated to perform hereunder has been Substantially Completed. For purposes of this Section, "Substantially Completed" means at such time as (i) all items of construction work have been completed, subject only to punchlist items of work that do not materially interfere with Tenant's intended use of the Premises, (ii) all utilities serving the Premises have been re-installed or restored and are in working order, and (iii) all requirements of any governmental, quasi-governmental, public, or other authority having jurisdiction over the Building applicable to the construction of the structural elements of the Premises are satisfied.

9.2 Casualty—Premises. If (a) a Casualty damages the Premises, (b) the damage to the Premises is so extensive that more than fifty percent (50%) of the Premises is untenable, and (c) the repair and/or restoration work that Landlord and Tenant are obligated to perform hereunder cannot be Substantially Completed within one hundred eighty (180) days from the date such work starts (or in any event within one (1) year from the date of the Casualty), then Tenant within sixty (60) days from the date of such Casualty may terminate this Lease by notice to Landlord, specifying an effective date, not less than twenty (20) days nor more than forty (40) days after the giving of such notice, on which the Lease Term will expire as fully and completely as if such date were the date originally fixed for the expiration of the Lease Term. If a Casualty occurs as described in this Section 9.2, Rent will be abated as described in Section 9.1 (General).

9.3 Casualty Near End of Lease Term. If a Casualty makes fifty (50%) or more of the Premises untenable during the last year of the Lease Term, Landlord or Tenant may end this Lease if it notifies the other party within ninety (90) days after such Casualty and specifies an effective date, not less than twenty (20) days nor more than forty (40) days after it notifies the other party, on which date the Lease Term will expire as fully and completely as if such date were the date originally fixed for the expiration of the Lease Term. If either Landlord or Tenant ends this Lease pursuant to this Section 9.3, Rent will be abated as described in Section 9.1 (General).

9.4 Proceeds. The proceeds payable under all fire and other hazard insurance policies Landlord maintains on the Premises will belong to and are Landlord's property, and Tenant has no right to such proceeds. Tenant will look only to its own fire and hazard insurance policies if the improvements located in, or alterations made to, the Premises are damaged.

9.5 Declarations. The provisions of this Article 9 are expressly subject and subordinate to the terms and conditions of the Declarations, as amended from time to time. In case of a conflict between the provisions of this Article 9 and the provisions of the Declarations, the provisions of the Declaration shall control and govern in all respects.

ARTICLE 10 -- INSURANCE

10.1 Tenant's Insurance Obligations. Tenant shall carry and maintain, at its sole cost and expense, a commercial general liability insurance policy in respect of the Premises during the Term, with terms reasonably satisfactory to Landlord, with single limit coverage for bodily injury, death, and "all risk, replacement cost coverage" property damage liability equal to the amounts as required to cover the cost of replacement of all contents and personal property of Landlord without incurring the effect of co-insurance and personal and advertising injury liability at a minimum of Five Million Dollars (\$5,000,000) ("**Minimum Coverage**"). Tenant may maintain such coverage through a combination of primary and excess insurance policies. On every fifth (5th) anniversary of the Commencement Date, the Minimum Coverage shall be adjusted to reflect increases in the Price Index (or any successor index published by such agency or any other agency of the United States and reflecting substantially the same information) during the preceding five (5) year period.

10.1.1 Casualty Insurance. Tenant shall carry and maintain, at its sole cost and expense, a policy of insurance against fire and such other risks as are from time to time included in standard fire and extended coverage insurance, for not less than one hundred percent (100%) of the full replacement value, covering the Premises and the trade fixtures, furnishings, equipment, and all other items of personal property of Tenant located on or within the Premises. Each such policy shall name Landlord and Tenant as joint payees.

10.1.2 Automobile Liability Insurance. Tenant shall carry and maintain, or cause its management company for the Garages to carry or maintain, Automobile Liability Insurance, to include owned, hired, and non-owned coverage as well as Garagekeeper's Liability coverage with a combined single-limit of not less than One Million Dollars (\$1,000,000) per occurrence.

10.1.3 Workers' Compensation Insurance. Tenant shall carry and maintain Workers' Compensation and Employers Liability coverage at statutory amounts with a waiver of subrogation endorsement provided to Landlord.

10.1.4 Other Insurance. Tenant shall carry and maintain, at its sole cost and expense, such other policies of insurance or coverages with respect to the Garage as are required under any bond, mortgage, or deed of trust encumbering the Property of which Tenant is notified, which policies and coverages are not specifically required hereunder to be maintained by Landlord.

10.1.5 Requirements. Each policy evidencing the insurance to be carried by Tenant under this Lease shall contain a clause that such policy and the coverage evidenced thereby shall be primary and that any coverage carried by the Landlord shall be excess insurance. Each such policy shall contain an endorsement that names Landlord as an additional insured, and shall contain a clause that the insurer shall not cancel or change the insurance without first giving Landlord, and any such other additional insureds, at least thirty (30) days prior written notice.

10.1.6 Master Policy. Tenant may satisfy its insurance obligations hereunder by including the Premises in a master policy. Such master policy shall contain an endorsement that names Landlord as an additional insured, references the Premises, and guarantees a minimum limit available for the Premises equal to the amounts required in this Lease.

10.2 Approval of Insurance Underwriters. All policies obtained by Tenant and required herein shall be procured from insurance companies approved to do business in Maryland and from companies that have a policyholder rating of not less than A and a financial category rating of at least Class X in "Best's Insurance Guide" (or such successor ratings if Best's is no longer published or if such ratings are discontinued).

10.3 Tenant's Failure to Provide Insurance. On or before the Commencement Date and at least ten (10) days before any insurance policy required herein shall expire, Tenant shall deliver to Landlord certificates of such insurance or renewals thereof, as the case may be,

together with evidence of payment of applicable premiums. If Tenant fails to furnish Landlord with such certificates of insurance as above required, Landlord may (but shall not be obligated to) obtain such insurance coverages and Tenant agrees to pay to Landlord, as Additional Rent, within ten (10) days after written demand, the costs of obtaining such coverages, together with interest thereon at the Default Rate from the date incurred by Landlord until reimbursed by Tenant. This remedy is in addition to any other remedy Landlord may have under this Lease, at law or in equity.

10.4 Waiver of Subrogation. Landlord and Tenant hereby release the other from any and all liability to the other or anyone claiming through or under them by way of subrogation or otherwise for any loss or damage to property caused by fire or any of the extended coverage casualties, even if such fire or other casualty shall have been caused by the fault or negligence of the other party or anyone for whom such party may be responsible; provided, however, that this release shall not adversely affect or impair such policies or prejudice the right of the releasor to recover thereunder and shall be applicable and in force and effect only with respect to loss or damage occurring during such time as the releasor's policies shall permit such waiver of subrogation. Landlord and Tenant each agree that each will notify the other if such waiver of subrogation adversely affects or impairs such policies or prejudices the right of the releasor to recover thereunder or is not so permitted; if one party so notifies the other, such mutual release shall be void.

ARTICLE 11 -- INDEMNIFICATION

Between the Commencement Date and continuing through the Expiration Date, Tenant shall indemnify the Indemnified Parties and defend and save them harmless against any Claims and Costs arising from or in connection with loss of life or death, bodily or mental injury, property damage, and personal, business, or advertising injury, arising from or out of any occurrence in, upon, or at the Premises, or as a result of the occupancy or use by Tenant, its agents, contractors, employees, servants, invitees, subtenants, or concessionaires of the Premises, the Common Areas, or any part thereof. Tenant shall indemnify the Indemnified Parties and defend and save them harmless from and against any and all Claims and Costs arising out of or in connection with the compliance with the provisions of Section 6.3.1 (Compliance with Legal Requirements), including, without limitation, all compliance requirements set forth in the ADA, those relating to the use, renovation, or alteration of the Premises, and any changes necessary because of the specific needs of Tenant's employees or invitees. This indemnity of the Indemnified Parties is required in addition to the insurance required under this Lease. If any action or proceeding is brought against the Indemnified Parties by reason of any such Claims and Costs, Landlord may approve the attorney(s) and participate in the litigation, and Tenant agrees to pay, as Additional Rent, all costs and expenses of the defense. This paragraph shall survive the termination or earlier expiration of this Lease. Excluded from the within and foregoing indemnification and hold harmless agreement are any such Claims and Costs arising solely and directly out of the gross negligence or willful and intentional misconduct of Landlord or Landlord's agents, employees, contractors, or representatives.

ARTICLE 12 -- ASSIGNMENT, SUBLETTING, OWNERSHIP

12.1 Assignment/Subletting. Subject to Section 12.5, Tenant shall not assign this Lease or any interest herein or sublet the Premises or any portion thereof, or otherwise transfer, encumber, or hypothecate Tenant's right, title, or interest in this Lease or the Premises (each, a "**Transfer**"), without the prior written consent of Landlord, and the holder of any mortgage or deed of trust on the Property, which consent may be granted or withheld in Landlord's or such holder's sole and absolute subjective discretion. With each consent request, Tenant shall submit to Landlord the terms of the proposed transaction; the identity of the parties to the transaction; the proposed documentation for the transaction; all information reasonably necessary for Landlord to investigate the credit standing of the proposed Transferee (as defined below); the specific business plan of the proposed Transferee that shall include, but not be limited to, a detailed written description of the proposed operation, revenue projections for the remaining Term, and description of the previous applicable experience of the proposed Transferee; and all other information reasonably requested by Landlord concerning the proposed transaction and the parties involved therein. Nothing in this Section or otherwise in this Lease shall prohibit, or require Tenant to obtain any consent for, (i) any agreement which Tenant may enter into with a parking management company with respect to the management and operation of the Premises, or (ii) any agreements which Tenant may enter into providing for monthly or other periodic parking rights in the Garages.

12.2 Landlord's Review. Tenant shall reimburse Landlord, as Additional Rent, for Landlord's reasonable costs, fees, and expenses (including, without limitation, reasonable attorneys' fees) incurred in conjunction with the processing and documentation of any proposed Transfer (regardless of whether Landlord ultimately consents to the proposed Transfer). The consent by Landlord to any proposed Transfer shall not constitute a waiver of the necessity for such consent to any subsequent attempted Transfer.

12.3 Assumption of Tenant's Obligations. Each Transfer to which there has been consent shall be by instrument in writing, in a form satisfactory to Landlord, and shall be executed and delivered to Landlord by the transferor, assignor, sublandlord, licensor, assignee, subtenant, licensee, concessionaire, mortgagee, or other transferee (collectively, "**Transferee**"), in which such Transferee shall agree in writing for the benefit of Landlord to assume, to be bound by, and to perform the terms, covenants, and conditions of this Lease to be done, kept, and performed by Tenant. Failure to first obtain in writing Landlord's consent or failure to comply with the provisions of this Article shall render any such proposed Transfer void and of no force or effect, and shall, at the option of Landlord, terminate this Lease. In the case of any permitted Transfer in accordance with this Article, Tenant shall automatically be released from any and all liability and obligation accruing under this Lease from and after the date of the Transfer, but not any liability or obligation which accrued prior to the Transfer.

12.4 Tenant's Ownership. If the entity status or control of Tenant changes at any time during the Term, Tenant shall promptly notify Landlord of such change. Landlord, at its option, may, by giving thirty (30) days prior written notice to Tenant, declare such a default by Tenant under this Lease. The provisions of the preceding sentence, however, shall not be applicable if control of the corporation changes as the result of a public stock offering, or as a result of trading of Tenant's stock on a nationally recognized stock exchange.

12.5 Permitted Transfers. Notwithstanding anything else contained in this Article or otherwise in this Lease, Tenant shall have the right to assign its right, title, and interest in this Lease, without the consent of Landlord or the holder of any mortgage or deed of trust on the Property, in any of the following events: (i) a sale by Tenant of all or substantially all of the retail condominium units owned by Tenant within the Block 1/2 Condominium, the Block 4 Condominium, and the Block 5 Condominium (collectively, “**Retail Condo Units**”) in a single transaction to a third party (“**New Retail Condo Owner**”), (ii) a Transfer to any affiliate or affiliates of Tenant, (iii) any merger, consolidation, or other corporate restructuring of Federal Realty Investment Trust (“FRIT”) or Tenant or any successor of either, (iv) a sale of all or substantially all of the assets of FRIT, Tenant or any successor of either, (v) any sale of shares in FRIT, Tenant or any successor of either, and (vi) any granting of a mortgage on Tenant’s interest in the Premises. Any assignee pursuant to this Section shall assume all of the rights and obligations of “Tenant” under this Lease accruing from and after the date of the assignment, provided, however, that no mortgagee shall be deemed to have assumed any liability or obligation under this Lease unless and until such mortgagee has taken possession of the Premises. Tenant shall notify Landlord in writing of any Transfer permitted under this Section in advance of or, if such advance notification is prohibited or restricted by applicable Legal Requirements, promptly after the date of such Transfer. Any merger or consolidation, or such acquisition or assumption, as the case may be, as described in clauses (ii), (iii), or (iv) above shall be for a good business purpose and not principally for the purpose of transferring this Lease.

ARTICLE 13 -- EVENTS OF DEFAULT/REMEDIES

13.1 Events of Default by Tenant. This Lease is made upon the condition that Tenant shall punctually and faithfully perform all covenants and agreements as herein set forth. The happening of any one or more of the following listed events of default shall constitute an event of default (“**Event of Default**”) of this Lease by Tenant:

13.1.1 Failure to Pay Rent. The failure of Tenant to pay when due any part, portion, or component of any Rent payable by Tenant; provided, however, that Landlord will give Tenant notice and an opportunity to cure any failure to pay Rent within five (5) days of any such notice not more than once in any twelve (12) month period and Tenant agrees that such notice shall be in lieu of and not in addition to, or shall be deemed to be, any notice required by law;

13.1.2 Taking of Leasehold. The taking of the leasehold on execution or other process of law in any action against Tenant;

13.1.3 Abandonment. The abandonment of the Premises, or cessation of Tenant’s business within all or a substantial portion of the Premises;

13.1.4 Bankruptcy. The filing by Tenant of any petition or answer seeking any reorganization, liquidation, arrangement, readjustment, or similar relief for itself under any present or future Legal Requirement and the failure of Tenant to secure a discharge thereof within ninety (90) days; provided, however, that if Landlord shall not be

permitted to terminate this Lease because of the provisions of the Bankruptcy Code, then Tenant as debtor-in-possession, or any trustee, receiver, or liquidator appointed for Tenant's benefit, must provide adequate assurance of performance of the terms this Lease, which shall include, without limitation, adequate assurance: (i) of the source of Rent reserved hereunder; (ii) that the assumption of this Lease will not breach any provision hereunder; and (iii) that the assumption or assignment of this Lease will be to an operator of equal experience in the operation and management of similar facilities; and if the trustee does not cure such defaults and provide such adequate assurances of the foregoing under the Bankruptcy Code within the applicable time periods provided by the Bankruptcy Code, then this Lease shall be deemed rejected and Landlord shall have the right to immediate possession of the Premises and shall be entitled to all remedies provided by the Bankruptcy Code for damages for a default or termination of this Lease;

13.1.5 Waste. The commission of waste by Tenant with respect to the Premises or the removal by Tenant of any leasehold improvements therefrom without replacement thereof;

13.1.6 Failure to Maintain Required Insurance. The failure of Tenant to secure the insurance coverages and provide evidence thereof to Landlord as required by this Lease in accordance with the time periods set forth herein; or

13.1.7 Other Defaults. The failure of Tenant, within thirty (30) days after receipt of written notice from Landlord, to comply with any of the other provisions of this Lease (other than those described in Sections 13.1.1 through 13.1.6 above), or the Revocable License and Maintenance Agreement between Landlord and Tenant, including all exhibits and schedules attached hereto and incorporated herein by reference, all of which terms, provisions, and covenants shall be deemed material; provided, however, that if any such default shall be a default that cannot be cured by the payment of money and cannot with diligence be cured within such thirty (30) day period, and if the cure of such default shall be promptly commenced and prosecuted with diligence, the period within which such default may be cured shall be extended for an additional period of time, not to exceed an additional sixty (60) days, as may be reasonably necessary to cure such default as long as Tenant prosecutes such cure with diligence and continuity and provided Landlord receives periodic reports with respect thereto.

13.2 Landlord's Remedies for Tenant Event of Default.

13.2.1 General. Upon the occurrence of any Event of Default by Tenant, regardless of whether enumerated in this Article, Landlord shall have the option, at Landlord's election, to pursue any one or more of the following in addition to, and not in limitation of, any other remedy or right permitted Landlord by this Lease or at law or in equity:

13.2.1.1 Termination. Landlord may cancel and terminate this Lease and dispossess Tenant;

13.2.1.2 Re-entry. Landlord may elect to enter and repossess the Premises and relet the Premises for Tenant's account, holding Tenant liable for any damages for all reasonable expenses incurred in any such reletting and for any difference between the amount of Rent received from such reletting and the amount due and payable under the terms of this Lease; and

13.2.1.3 Costs. Landlord may enter upon the Premises and do whatever Tenant is obligated to do under the terms of this Lease. Tenant shall reimburse Landlord, within ten (10) days after written demand, for any costs and expenses (including, without limitation, reasonable attorneys' fees) that Landlord may incur in effecting compliance with Tenant's obligations under this Lease, together with interest thereon at the Default Rate from the date incurred by Landlord to the date reimbursed by Tenant.

13.2.2 Damages. Should Landlord, as a result of any Event of Default, elect to terminate this Lease, Landlord shall be entitled to collect from Tenant as damages: (i) the unpaid Rent and other charges that may be due and unpaid by Tenant at the time of termination; (ii) the unpaid Rent and other charges that would have come due after termination until the time of award; (iii) the amount by which the unpaid Rent and other charges for the balance of the Term after the time of award exceeds the amount of rental loss which could have been avoided, computed by discounting the amount otherwise recoverable by Landlord at the discount rate of the Federal Reserve Bank closest to the Property at the time of the award; and (iv) all other reasonable amounts necessary to compensate Landlord for all detriment caused by Tenant's failure to perform or that are likely to result therefrom including, but not limited to, reasonable attorneys' fees, costs of repossession, costs of removing persons or property from the Premises, costs of repairs to the Premises, cost of reasonable alterations to the Premises to make the space tenantable to prospective replacement tenants, costs of re-leasing the space, brokerage fees, and the like. All computations of the amounts recoverable by Landlord as stipulated herein shall be computed by allowing interest at the Default Rate on amounts past due from Tenant. In calculating the amount of the unpaid Rent under clause (iii) above, the Fixed Minimum Rent shall be assumed to increase by three percent (3%) annually, on a compounded basis.

13.2.3 Re-Entry. If Landlord shall elect, as a result of any Event of Default, to reenter the Premises, Landlord shall not be liable to Tenant for any damages by reason of such entry.

13.2.4 Late Charge. Tenant acknowledges that late payment by Tenant to Landlord of any part, portion, or component of any Rent or any other charge due to Landlord hereunder will cause Landlord to incur costs not contemplated by this Lease, the exact amount of such costs being extremely difficult and impractical to fix. Such costs include, without limitation, processing and accounting charges, and late charges that may be imposed on Landlord by the terms of any encumbrance covering the Premises. Therefore, if any rental payment or any other charge due to Landlord hereunder shall not be received by Landlord within five (5) days of the date when due, Tenant shall pay Landlord, upon demand, as Additional Rent, an additional sum of five percent (5%) of

the amount of any such part, portion, or component of any such overdue rental payment or any such overdue charge as a late charge, in addition to payment of interest on such sum at the Default Rate from the date originally due until paid by Tenant (provided that, once per calendar year, Tenant shall not be required to pay such late charge upon the first occurrence of a late payment by Tenant of Fixed Minimum Rent during such calendar year). The parties agree that this late charge represents a fair and reasonable estimate of the costs that Landlord will incur by reason of late payment by Tenant. Acceptance of any late charge shall not constitute waiver of the Event of Default with respect to the overdue amount, or prevent Landlord from exercising any of the other rights and remedies available to Landlord hereunder or at law or in equity.

13.3 Remedies Cumulative. All rights, options, and remedies of Landlord contained in this Lease shall be construed and held to be cumulative and the exercise of one or more rights, remedies, or options shall not be taken to exclude or waive the right to the exercise of any other. All such rights, remedies, and options may be exercised and enforced concurrently and whenever and as often as deemed desirable. Landlord shall have the right to pursue any one or all of such remedies that may be provided herein or by law or in equity. For the purpose of any suit by Landlord brought or based on this Lease, this Lease shall be construed to be a divisible contract, to the end that successive actions may be maintained as successive periodic sums shall mature under this Lease. The failure to include in any suit or action any sum or sums then matured shall not be a bar to the maintenance of any suit or action for the recovery of such sum or sums so omitted. Landlord shall have no duty to mitigate its damages under this Lease.

13.4 Limited Recourse. As long as Tenant owns all of the Retail Condo Units, the liability of Tenant, its successors and assigns, under this Lease shall be limited solely to Tenant's right, title, and interest in the Retail Condo Units, including the rental income and proceeds from sale and any insurance or condemnation proceeds received because of damage or condemnation to, or of, the Retail Condo Units that are available for use by Tenant. Notwithstanding the foregoing language, Landlord's remedies shall not be limited to money judgments, as Landlord may seek specific performance, an injunction or other remedy permitted at law or in equity.

ARTICLE 14 -- SUCCESSION TO LANDLORD'S INTEREST

14.1 Attornment. Tenant shall attorn and be bound to any of Landlord's successors under all of the terms, covenants, and conditions of this Lease, provided such successors recognize Tenant's rights under this Lease.

14.2 Subordination.

14.2.1 Prior Rights. Tenant's rights under this Lease shall not be subject or subordinate to the operation and effect of any mortgage, deed of trust, or other security instrument constituting a mortgage lien upon the Property or any portion thereof now or hereafter encumbering the Property ("**Mortgage**"; the party or parties having the benefit of the same whether as Landlord, mortgagee, trustee, beneficiary, or note holder, being hereinafter referred to as a "**Mortgagee**"), unless the Mortgagee executes and delivers a non-disturbance agreement in form reasonably acceptable to Tenant.

14.2.2 Election by Mortgagee. Notwithstanding subordination of this Lease in accordance with the provisions of Section 14.2.1 (Prior Rights), if a Mortgagee shall so elect by notice to Tenant or by the recording of a unilateral declaration of subordination, this Lease and Tenant's rights hereunder shall be superior and prior in right to the Mortgage of which such Mortgagee has the benefit, with the same force and effect as if this Lease had been executed, delivered, and recorded prior to the execution, delivery, and recording of such Mortgage.

14.3 Estoppel Certificate. Whenever reasonably requested by the other party, each party from time to time will execute and deliver, within fifteen (15) days of the request, to or at the direction of the other, and without charge, a written certificate as follows: (i) stating that this Lease is unmodified and in full force and effect according to its original terms, or if there have been modifications, identifying them and stating that this Lease is in full force and effect as so modified; (ii) stating the dates to which all Rent and any other sums of money payable under this Lease have been paid; (iii) stating that either the certifying party has no knowledge of any default under this Lease or identifying all such defaults, as the case may be; (iv) stating that there are no known then current offsets or defenses to the enforcement of this Lease in accordance with its terms or, if there are any, identifying them; and (v) stating any other readily ascertainable factual information that may reasonably be required to confirm the current status of this Lease.

ARTICLE 15 -- NOTICES

Any and all notices, elections, or demands permitted or required to be made under this Lease shall be in writing, and shall be delivered personally, or sent by overnight courier service by a company regularly engaged in the business of delivering business packages (such as Federal Express), or sent by certified mail, return receipt requested, to the other party at the following addresses:

If to Landlord:

City of Rockville
Attention: City Manager
111 Maryland Avenue
Rockville, Maryland 20850

With concurrent copies to:

Debra Y. Daniel, Esquire
City Attorney
111 Maryland Avenue
Rockville, Maryland 20850

Paul T. Glasgow, Esquire
Venable LLP
One Church Street
Fifth Floor
Rockville, Maryland 20850

Kevin L. Shepherd, Esquire
Venable LLP

Suite 900
750 East Pratt Street
Baltimore, Maryland 21202

If to Tenant:

Street Retail, Inc.
c/o Federal Realty Investment Trust
Attention: Robin McBride
1626 East Jefferson Street
Rockville, Maryland 20852-4041

With a concurrent copy to:

Federal Realty Investment Trust
Attention: Legal Department
1626 East Jefferson Street
Rockville, Maryland 20852-4041

or at such other address as may be specified in writing from time to time by either party to the other. The date of personal delivery or, if sent by mail or overnight courier, then the date of delivery or refusal thereof as evidenced by the carrier's or courier's receipt, shall be the effective date of such notice, election, or demand. Either party may change its address for notices by notice to the other party in accordance with the terms of this Section at least ten (10) days prior to the effective date of such change. If any Mortgagee shall notify Tenant that it is the holder of a Mortgage affecting the Property, no notice, request, or demand thereafter sent by Tenant to Landlord shall be effective unless and until a copy of the same shall also be sent to such Mortgagee in the manner prescribed in this Article 15 and to such address as such Mortgagee designates.

ARTICLE 16 -- EMINENT DOMAIN

16.1 Condemnation or Taking. If all or any part of the Premises shall be taken or condemned either permanently or temporarily for any public or quasi-public use or purpose by any competent authority in appropriation proceedings or by any right of eminent domain (including sale under threat of such a taking) (a "**Taking**"), then in any such event, but subject to the provisions of Section 16.2 (Claims for Tenant's Damages) regarding repair and restoration, the entire compensation award therefor, including, but not limited to, all damages as compensation for diminution in value of the leasehold created hereby, reversion, and fee, shall belong to Landlord without any deduction therefrom for any present or future estate of Tenant. Tenant hereby assigns to Landlord all its right, title, and interest in and to any such award. The Lease will end as of the date of the Taking, and all Rent will be abated as of such date. If less than substantially all of the Garages are the subject of a Taking, the Rent will be equitably adjusted as of the date of the Taking and this Lease will otherwise continue in full force and effect. Notwithstanding the foregoing, if a Taking occurs of so substantial a part of the Garages that Landlord and Tenant conclude, in their reasonable discretion, that it is impracticable to continue to operate the Garages, then Landlord, at its option, may terminate this Lease by notifying Tenant and specifying a date not earlier than thirty (30) days after the date of such

notice as of which date this Lease will terminate. On the termination of this Lease, all Rent will be abated as of the date of termination.

16.2 Claims for Tenant's Damages. Although all damages in the event of any Taking are to belong to Landlord, whether such damages are awarded as compensation for diminution in value of the leasehold, reversion, or fee of the Premises, Tenant shall have the right to claim and recover from the condemning authority, but not from Landlord, such compensation as may be separately awarded or recoverable by Tenant in Tenant's own right on account of any and all damage to Tenant's business by reason of the Taking and for or on account of any cost or loss that Tenant might incur in removing Tenant's merchandise, furniture, fixtures, leasehold improvements and equipment, provided Landlord's award is not reduced thereby.

16.3 Declarations. The provisions of this Article 16 are expressly subject and subordinate to the terms and conditions of the Declarations, as amended from time to time. In case of a conflict between the provisions of this Article 16 and the provisions of the Declarations, the provisions of the Declaration shall control and govern in all respects.

ARTICLE 17 -- BROKER'S COMMISSION

Each of the parties represents and warrants that there are no claims for brokerage commissions, finders' fees, or negotiating fees in connection with the execution of this Lease; and each party agrees to indemnify the other against, and hold it harmless from, all liability arising from any such claim of any alleged broker, finder, or representative claiming to have dealt with the indemnifying party, including, without limitation, reasonable attorneys' fees in connection therewith.

ARTICLE 18 -- SURRENDER AND HOLDING OVER

Tenant shall deliver and surrender to Landlord possession of the Premises upon the Expiration Date, in good condition and repair (ordinary wear and tear and damage by fire and other perils covered by standard fire and extended coverage insurance only excepted) free of debris and litter. Should Tenant or any party claiming under Tenant remain in possession of all or any part of the Premises after any expiration or earlier termination of this Lease, no tenancy or interest in the Premises shall result therefrom but such holding over shall be an unlawful detainer and all such parties shall be subject to immediate eviction and removal, and Tenant shall pay Landlord, without demand, a sum equal to double the Rent as specified herein then payable at the time of expiration or earlier termination of this Lease, for any period during which Tenant shall hold the Premises after the stipulated Term shall have terminated.

ARTICLE 19 -- SALE OF PREMISES BY LANDLORD

19.1 Sale. In the event of: (i) any sale or exchange of all or any part of the Property by Landlord; or (ii) any assignment of this Lease by Landlord, then, in either such event, Landlord shall, after the consummation of such sale, exchange, or assignment, be thereafter entirely freed and relieved of all liability under all covenants and obligations of "Landlord" under this Lease with respect to the portion of the Property sold arising out of any act, occurrence, or omission

relating to the Premises or this Lease occurring after the consummation of such sale, exchange, or assignment, and the person or entity to whom Landlord shall have made such sale, exchange, or assignment shall assume and thereafter be liable for all covenants and obligations of “Landlord” under this Lease, and Tenant shall attorn and be bound to and recognize the person or entity to whom Landlord shall have made such sale, exchange or assignment as the “Landlord” under this Lease.

19.2 Right of First Offer. Landlord hereby grants to Tenant the right, at Tenant’s option (“**Right of First Offer**”), to purchase the Garages. Landlord shall deliver to Tenant written notice of Landlord’s decision to sell the Garages (“**Offer Notice**”) before listing or marketing the Garages for sale to any third party. Landlord’s Offer Notice shall state the material terms and conditions for the sale of the Garages, including, but not limited to, the purchase price (“**Offer Terms**”).

19.2.1 Exercise. If Tenant wishes to exercise Tenant’s Right of First Offer pursuant to the Offer Notice then, within thirty (30) days after delivery of the Offer Notice to Tenant (“**Election Date**”), Tenant shall deliver written notice to Landlord (“**Tenant’s Election Notice**”) pursuant to which Tenant shall elect either to (a) purchase the Garages on the Offer Terms set forth in the Offer Notice; (b) decline to purchase the Garages on the Offer Terms set forth in the Offer Notice, specifying that such refusal is not based upon the Offer Terms, but upon Tenant’s decision not to acquire the Garages for any reason, in which event Landlord may enter into a contract of sale for the sale of the Garages to any person or entity on any terms Landlord desires for a period of nine (9) months (“**Nine Month Period**”) and Tenant’s Right of First Offer shall, for such Nine Month Period, thereupon terminate and be of no further force or effect; or (c) decline to purchase the Garages on the Offer Terms set forth in the Offer Notice, specifying that such refusal is based upon the Offer Terms set forth in the Offer Notice, in which event Tenant shall also specify in Tenant’s Election Notice revised Offer Terms (which Offer Terms shall be proposed by Tenant in good faith) upon which Tenant would be willing to purchase the Garages from Landlord. If Tenant does not so respond in writing to the Offer Notice by the Election Date, Tenant shall be deemed to have elected the option described in clause (b) above.

19.2.2 Permitted Sales Terms. If Tenant timely delivers to Landlord Tenant’s Election Notice pursuant to Section 19.2.1(c), Landlord may elect either to: (a) sell the Garages to Tenant on Tenant’s revised Offer Terms specified in Tenant’s Election Notice; or (b) sell the Garages to any third party upon the Offer Terms, except that the purchase price to the third party may be reduced to an amount which is not less than 92.5% of the purchase price set forth in the Offer Terms (“**Permitted Sales Terms**”); provided, however, that (i) unless Tenant has elected the option described in Section 19.2.1(b), Landlord shall provide Tenant with a new Offer Notice before Landlord agrees to terms and conditions of sale of the Garages that are not in accordance with the Permitted Sales Terms, and (ii) if Landlord does not so enter into a contract of sale for the sale of the Garages to a third party upon the Permitted Sales Terms within the Nine Month Period, then Landlord shall be required to provide Tenant with a new Offer Notice in accordance with this Section 19.2 before selling the Garages to any third party.

19.2.3 Closing. If Tenant elects to purchase the Garages pursuant to the Offer Notice, the terms and conditions of sale, including title to be conveyed, shall be specified in a

mutually acceptable contract of sale to be negotiated in good faith by Landlord and Tenant and executed and delivered between Tenant and Landlord within thirty (30) days after Tenant's election to exercise its Right of First Offer. If Tenant does not elect to exercise the Right of First Offer to purchase the Garages and Landlord thereafter accepts an offer to purchase from a third party on Permitted Sales Terms, then Landlord shall be free to enter into such a transaction with such third party on any terms and conditions as Landlord deems in Landlord's sole judgment to be appropriate, without any liability or obligations of any kind or nature to Tenant, provided, however, that the purchase price to the third party shall not be less than 92.5% of the purchase price set forth in the Offer Terms and the material economic terms (including, by way of example, the amount of the earnest money deposit or the allocation of the applicable recordation and transfer taxes) of the sale to the third party shall not otherwise be on terms materially more advantageous to the third party than those set forth in the Offer Terms. Upon the transfer of title to the Garages to a third party in accordance with this Section, the Right of First Offer shall automatically terminate and be of no further force or effect.

ARTICLE 20 -- TENANT'S AUTHORITY

20.1 Due Authorization. Tenant represents and warrants that it has full right and authority to enter into this Lease and by doing so does not violate any existing agreement or indenture to which it is a party or by which it is bound or affected, or any provisions of its Articles of Incorporation, By-Laws, or other governing or enabling documents or regulations; that the execution and delivery of this Lease has been duly authorized by all necessary action on the part of Tenant, and upon request of Landlord, Tenant will deliver to Landlord a true, correct and certified copy of the enabling resolutions adopted by Tenant; that the person executing this Lease on behalf of Tenant has full power and authority to execute this Lease on behalf of Tenant and to bind Tenant under this Lease; and that this Lease constitutes the legal, valid, and binding obligation of Tenant, enforceable against Tenant in accordance with its terms.

ARTICLE 21 -- ATTORNEYS' FEES

Tenant agrees to pay Landlord, or to pay on Landlord's behalf, as Additional Rent, upon demand, a reasonable attorney or other professional fee if Landlord employs an attorney or other professional for any of the following purposes: (i) to collect any Rent due hereunder by Tenant; (ii) to protect the interest of Landlord if Tenant is adjudicated or adjudged bankrupt; or (iii) to protect Landlord's rights if legal process is levied upon the goods, furniture, effects, or personal property of Tenant upon the Premises or upon the right, title, and interest of Tenant in this Lease or in the Premises; or (iv) to prevent Tenant from violating, or to rectify the violation of, any of the terms, conditions, or covenants on the part of Tenant herein contained. Tenant shall pay, as Additional Rent, all other reasonable costs and expenses incurred by Landlord in securing the performance by Tenant of all such terms, conditions, or covenants of this Lease. Such reasonable fees shall be at not less than actual cost to Landlord for such services. Reasonable fees shall be deemed to be not less than the normal hourly rate or rates charged by Landlord's professionals for other similar work performed by such professionals. The billing and collection of such professional fees and other costs shall not require Landlord filing suit against Tenant for the performance of the terms, conditions, and obligations of this Lease. If Landlord is the

prevailing party in any litigation to enforce its rights under this Lease, Tenant shall pay to Landlord the reasonable attorneys' fees and costs of suit, including fees and costs of appeal, incurred by Landlord.

ARTICLE 22 -- MISCELLANEOUS

22.1 Exhibits. All Exhibits attached hereto are deemed incorporated herein by reference as though made an integral part hereof.

22.2 Interpretation. Whenever either the word "Landlord" or "Tenant" is used in this Lease, it shall be considered as meaning "Landlords" or "Tenants" respectively, wherever the context permits or requires, and when the singular and/or neuter pronouns are used herein, the same shall be construed as including all persons and entities designated respectively as Landlord or Tenant in the heading of this instrument wherever the context requires.

22.3 Severability. If any covenant, agreement, or condition of this Lease or the application thereof to any person or entity or to any circumstances, shall to any extent be invalid or unenforceable, the remainder of this Lease, or the application of such covenant, agreement, or condition to persons or entities or to circumstances other than those as to which it is invalid or unenforceable, shall not be affected thereby. Each covenant, agreement, or condition of this Lease shall be valid and enforceable to the fullest extent permitted by applicable Legal Requirements.

22.4 Headings. The article, section, and other headings are inserted only as a matter of convenience and for reference and in no way define, limit, or describe the scope or intent of this Lease nor in any way affect this Lease.

22.5 Counterparts. This Lease may be executed in several counterparts, each of which shall be deemed an original, but all of which shall constitute but one and the same document.

22.6 No Partnership. Landlord does not, in any way or for any purpose, become a partner of Tenant in the conduct of its business, or otherwise, or joint venturer or a member of a joint enterprise with Tenant as a result of execution of this Lease.

22.7 Construction of Terms. None of the covenants, terms, or conditions of this Lease to be kept and performed by either party shall in any manner be altered, waived, modified, changed, or abandoned, except by a written instrument, duly signed, acknowledged, and delivered by the other party. Landlord and Tenant agree that in construing this Lease all provisions shall be construed to give them effect. Landlord and Tenant agree that the rule construing language most strongly against the party who prepared the language shall not be enforced as to this Lease and both the parties hereby expressly waive the right to claim the application and result of the above rule.

22.8 Lease Memorandum. Each party shall have the right, at its sole cost and expense (including the payment of all recordation and transfer taxes), to record a short form or memorandum of this Lease (but not the Lease itself) and, promptly upon request, the other party

shall execute and deliver to the requesting party such short form or memorandum in recordable form and otherwise in form and substance as reasonably requested.

22.9 Governing Law. This Lease shall be construed and enforced in accordance with the laws of the State of Maryland.

22.10 Lease Inures to Benefit of Assignees. The Lease and all the covenants, provisions, and conditions herein contained shall inure to the benefit of and be binding on the successors and permitted assigns, respectively, of the parties hereto; provided, however, that no assignment or other Transfer by, from, through or under Tenant not in strict compliance with the provisions hereof shall vest in the assignee or Transferee any right, title, or interest whatever in this Lease or in the Premises.

22.11 Performance of Landlord's Obligations by Mortgagee. Tenant shall accept performance of any of Landlord's obligations hereunder by any Mortgagee, provided such Mortgagee elects to assume Landlord's obligations hereunder. This Section shall not be construed to mean that any Mortgagee is required to assume Landlord's obligations hereunder.

22.12 No Option. The submission of this Lease for examination does not constitute a reservation of or option for the Premises or any other portion of the Property and shall vest no right in either party. This Lease becomes effective as a lease only upon execution and delivery thereof by both of the parties hereto.

ARTICLE 23 -- WAIVER

23.1 No Waiver. No waiver of any covenant, condition, or legal right or remedy shall be implied by the failure of Landlord to declare a default, or for any other reason, and no waiver of any condition or covenant shall be valid unless it be in writing signed by Landlord. No waiver by Landlord in respect to the waiver of a breach of any condition or covenant be claimed or pleaded to excuse a future breach of the same condition or covenant. No waiver of any default by Tenant shall be implied from any acceptance by Landlord of any Rent or other payments due or by any omission by Landlord to take any action on account of such default if such default persists or is repeated, and no express waiver shall affect any other default other than as specified in such waiver.

23.2 No Accord and Satisfaction. No payment by Tenant or receipt by Landlord of a lesser amount than the Rent herein stipulated shall be deemed to be other than on account of the earliest stipulated Rent nor shall any endorsement or statement on any check or any letter accompanying any check or payment be deemed an accord and satisfaction, and Landlord may accept such check or payment without prejudice to Landlord's right to recover the balance of such Rent or pursue any other remedy provided for in this Lease or available at law or in equity.

23.3 Tenant's Waiver for Loss or Damage to Property and as to Security. Tenant waives all claims against the Indemnified Parties for any Claims and Costs that Tenant may pay or become obligated to pay with respect to: (i) any damage to persons or property located on the Premises sustained by Tenant or any person claiming through Tenant; and (ii) the loss of or damage to any property of Tenant or of others by theft or otherwise. Tenant understands that

Landlord is under no obligation to provide security to the Property or the Premises and expressly waives all claims against the Indemnified Parties for any Claims and Costs that Tenant may pay or become obligated to pay for any security service that may be provided by Landlord or its agents, or the failure of Landlord to provide any security. The waiver given in this paragraph shall be effective whether such damage or loss is caused by other tenants or persons on the Property, or occupants of adjacent property, or the public, or operations in construction of any private, public or quasi-public work, or the storage or of failure to store Tenant's properties after Tenant's default hereunder. All property of Tenant kept or stored on the Premises shall be so kept or stored at the risk of Tenant only. Any personal property left in the Premises by Tenant after the Expiration Date, shall, at Landlord's sole option and without notice to Tenant, become the property of Landlord.

23.4 Tenant's Waiver of Redemption. Tenant hereby expressly waives any and all rights of redemption granted by or under any present or future laws in the event of Tenant being evicted or dispossessed for any cause, or in the event of Landlord obtaining possession of the Premises by reason of the violation by Tenant of any of the covenants and conditions of this Lease or otherwise. The rights given to Landlord herein are in addition to any rights that may be given to Landlord by any statute or otherwise.

23.5 Waiver of Jury Trial by Both Parties. Tenant and Landlord hereby waive mutually and willingly any right to a trial by jury on any claim, counterclaim, setoff, demand, action or cause of action brought by either of the parties hereto against the other on any matters whatsoever arising out of or in any way pertaining or relating to: (i) this Lease; (ii) the relationship of Landlord and Tenant; (iii) the use and occupancy of the Premises; or (iv) in any way connected with or pertaining or relating to or incidental to any dealings of the parties hereto with respect to this Lease, or any other matter or controversy whatsoever between the parties under this Lease; in all of the foregoing cases whether now existing or hereafter arising. Tenant and Landlord agree that either or both of them may file a copy of this paragraph with any court as written evidence of the knowing, voluntary, and bargained for agreement between the parties irrevocably to waive trial by jury, and that any dispute or controversy whatsoever between them shall instead be tried in a court of competent jurisdiction by a judge sitting without a jury. Tenant hereby certifies that no representative or agent of Landlord, including Landlord's counsel, has represented, expressly or otherwise, that Landlord would not, in the event of such dispute or controversy, seek to enforce the provisions of this paragraph, and Tenant acknowledges that Landlord has, in part, been induced to enter into this Lease and to let the Premises to Tenant in reliance on the provisions of this paragraph.

ARTICLE 24 -- REPRESENTATIONS

Tenant hereby represents to Landlord and Landlord hereby represents to Tenant that this Lease, with its exhibits, sets forth the entire agreement between the parties relating to the leasing of the Premises. Each party further represents to the other that it has not been induced, persuaded, or motivated by any promise or representation that is not contained in this Lease. Any prior conversations, understandings, oral agreements not herein reduced to writing, prior writings or any other item not contained herein are hereby merged herein and extinguished. Tenant represents to Landlord that Tenant (i) is entering into this Lease based solely on the

writing contained herein, (ii) has not relied and is not relying on any representation, whether written or oral, not contained in writing in this Lease, (iii) will not assert in any way any claim that Landlord, its agents or employees, in any way represented, misrepresented, promised, agreed, or had any understanding regarding the lease of the Premises not contained herein, and (iv) Tenant has completely read and fully understands all the provisions of this Lease or that Tenant was represented by competent counsel who read and/or explained all provisions to Tenant. Tenant acknowledges that Landlord and its agents have made no representations or promises with respect to the Premises or the Property except as herein expressly set forth.

IN WITNESS WHEREOF, the parties hereto have caused this Lease to be executed as of the day and year first above mentioned.

LANDLORD:

**THE MAYOR AND COUNCIL OF
ROCKVILLE, MARYLAND**

By: _____
Name: _____
Title: _____

TENANT:

STREET RETAIL, INC.

By: _____
Name: _____
Title: _____

EXHIBIT A

Common Areas

All areas, improvements and facilities on the Property designated as General Common Elements on the Condominium Plats.

EXHIBIT B
Premises Description

EXHIBIT C**Existing Agreements****Parking Terms of Agreement between City and Choice Hotel**

The City has agreed to provide Choice Hotels International, Inc. (Company) up to 275 parking spaces within the Town Square public parking garage located at 355 and Beall Avenue.

The City is committed in providing the Company with the right to utilize up to 275 parking spaces in the Town Square public parking garage located at 355 and Beall Avenue. Choice employees must park in parking spots reserved for monthly hangtag purchasers. At the City's sole discretion, that may include parking spots in one or both of the other Town Square public garages located at 215 North Washington St. and 355 Maryland Avenue.

The City will offer a \$35 discount per parking space tag per month from the prevailing rate it charges other public users. For instance, as of March 10, 2010, the prevailing monthly rate per parking space is \$65.00, so the Company or its employees would be allowed to purchase the parking space tag at a reduced rate of \$30/month.

Choice will be given a right to purchase up to a maximum of 275 parking space tags per month for ten years from issuance of the final occupancy permit for the Project. Purchases will be made in bulk by Choice no more than one time per month using a single check. The bulk pass purchases will be handed to a single Choice representative.

In order to maximize the public benefit while allowing flexibility to both the Company and the City, the Company must, by December 15 of each year during the 10 year period following final occupancy permit issuance, inform the City in writing of the maximum number of anticipated parking space requirement ("Annual Maximum Tag") for the following calendar year. The Annual Maximum Tag can be different from year to year but must be between 100 to 275, and the Company must purchase at a minimum 80% of the annual Maximum Tag. In any given month, upon mutual consent of both parties, the Company has the option to purchase up to the maximum of 275 parking spots.



Memo of Understanding

This memo of understanding serves as an interim agreement between the City of Rockville (City) and Gold's Holding Corp. (Gold's) for the long-term rental of 70 parking spaces by Gold's on level P4 of the 355 Garage, located at 330 Hungerford Drive, Rockville, MD, until such time as a formal lease agreement can be put in place. That agreement shall be executed within the initial rental month.

A fixed rate of \$58.50 per space (10% discount off the base monthly space rate) is set forth in this agreement for the 70 spaces, subject to Gold's termination rights, and/or City Mayor and Council mandated changes in the base monthly rate, for an initial period of March 15, 2010 through March 15, 2011, with optional years, terms and conditions, to be specified in the later lease agreement.

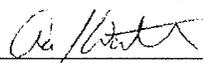
The City shall provide and install, at its cost, signage designating the 70 spaces as reserved for Gold's, as well as remove the existing space numbers painted on the concrete and the pay stations.

Gold's shall provide and furnish, at its cost, decals to its members. Decals are to be displayed by those members utilizing the reserved spaces. Gold's shall be responsible for the instruction of its members to properly display the decals and park in the designated reserved parking section. Members

parking outside the designated reserved section, shall be subject to the City's standard parking rates, regardless of decal.

The City shall provide parking enforcement by ticketing vehicles that do not display the Gold's decals. Violation revenue shall be the sole property of the City.

Gold's will arrange for a check to be generated in the amount of \$6,418.77 (70 spaces @ \$58.50 per space) for the initial period of March 15,2010 through April 30, 2010) made payable to the City of Rockville, prior to the initial rental period.

Gold's Holding Corp; By: <u></u> Name: Aaron Watkins Title: SVP – Finance and Accounting	Date: <u>3/5/10</u>
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City of Rockville
 111 Maryland Avenue
 Rockville, Maryland
 20850-2364
www.rockvillemd.gov

Recreation & Parks
 111 Maryland Avenue
 240-314-8600
 TTY 240-314-8137
 FAX 240-314-8659

Civic Center
 603 Edmonston Drive
 240-314-8660

Croydon Creek Nature Center
 852 Avery Road
 240-314-8770

Lincoln Park
 Community Center
 357 Frederick Avenue
 240-314-8780

Parks Maintenance
 14625 Rothgeb Drive
 240-314-8700
 FAX 240-314-3719

RedGate Golf Course
 14500 Avery Road
 240-314-8730

Senior Center
 1150 Carnation Drive
 240-314-8800

Swim Center
 355 Martins Lane
 240-314-8750

Twinbrook Community
 Recreation Center
 12920 Twinbrook Parkway
 240-314-8830

Thomas Farm
 Community Center
 700 Falls Grove Drive
 240-314-8840

MAYOR
 Phyllis Marcuccio

COUNCIL
 John B. Britton
 Piotr Gajewski
 Bridget Donnell Newton
 Mark Pierzchała

CITY MANAGER
 Scott Ullery

CITY CLERK
 Claire F. Funkhouser

CITY ATTORNEY
 Debra Yerg Daniel

June 11, 2010

EXHIBIT C

ATTACHMENT A

John J. Fisher
 Associate County Attorney
 Office of the County Attorney
 101 Monroe Street, 3rd Floor
 Rockville, Maryland 20850

Dear Mr. Fisher,

This letter addresses the Rockville Library Parking Agreement as it applies to Montgomery County Library employees and other County employees assigned to work at the Rockville Library. Currently, based on the Agreement, and the City's current monthly parking rate of \$65, the County is paying \$0.35 per hour for parking in the City's garages.

The City is concerned that this current rate of \$0.35 per hour is significantly below the market rate of \$1 per hour, and generates the need for our taxpayers to subsidize County employees parking in the Town Square garages. According to our records approximately one-third of County employees using the Town Square garages park on a full-time, 40 hours per week schedule. The remaining two-thirds of employees are essentially hourly parkers, with about one-quarter parking less than 50 hours per month.

The City proposes to modify the Rockville Library Parking Agreement effective July 1, 2010 such that the County purchases parking spaces according to the City's standard group rate for long-term parking, which is \$58.50 per month per space. It would appear that the County would need to purchase approximately 125 spaces each month to accommodate all of the employees who are currently using coupon numbers.

With the proposed change to the Agreement the City will no longer be in a position of subsidizing the cost of County employee parking the garages. The July 1 implementation of this modification to the Agreement is close at hand. It is therefore important that we receive a response from you at your earliest convenience.

Please contact me at 240-314-8602, or bhall@rockvillemd.gov so that this modification to the Library Employee Parking Agreement may be finalized.

Sincerely,

Burt Hall
 Director of Recreation and Parks

cc: Scott Ullery, City Manager
 Gavin Cohen, Director of Finance
 Lew Dronenburg, Facilities Property Manager
 Noel Gonzalez, Town Square Property Manager



**FIRST AMENDMENT TO
ROCKVILLE LIBRARY PARKING AGREEMENT**

This First Amendment to the Rockville Library Parking Agreement (this "Amendment") is entered into, by and between the Mayor and Council of Rockville, a political subdivision of the State of Maryland (the "City"), and Montgomery County, Maryland, a political subdivision of the State of Maryland (the "County"), effective retroactively to July 1, 2010 (the "Effective Date"). The City and the County hereinafter being collectively referred to as the parties (the "Parties").

Recitals

WHEREAS, the City and the County previously entered into that certain Rockville Library Parking Agreement dated March 7, 2008 (the "Agreement") with respect to the charges for hourly parking for County employees and patrons of the Rockville Library (the "Library") at three (3) public parking garages (the "Garages"); and

WHEREAS, the Parties now wish to amend the Agreement.

NOW THEREFORE, in consideration of the promises and covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Agreement is hereby amended by the Parties as follows:

1. Effective July 1, 2010, the County will no longer pay for patron parking at the Garages for Library patrons.
2. Effective August 1, 2010, the County will pay for employee parking in the Garages by (a) purchasing approximately 111 monthly parking passes at \$58.50 per monthly pass (exact number of monthly passes may vary from month to month), and (b) pay \$1.00 per hour for parking in the Garages for the remaining County employees using the Garages. Approximately one week prior to the beginning of each month, the County will provide the City with an exact count of monthly parking passes to be purchased for the upcoming month.
3. Billing and payment for the monthly parking passes shall be based on the exact count of monthly parking passes received by the City from the County approximately one week prior to the beginning of the billing month. Billing and payment for hourly charges shall be paid in arrears based on the actual number of parking hours utilized by County employees in the previous month. Payment will be made within 15 days of receipt of the monthly invoice.
4. The expiration date of this Amendment and the Agreement is July 1, 2011 (the "Expiration Date").

- 5. The term of this Amendment and the remaining term of the Agreement is from the Effective Date to the Expiration Date (the "Term").
- 6. The monthly parking rate charged to the County for Employee parking in the Garages will be the lowest available rate based on current City fee policies. The County will receive any group purchase discount that is available. The current group discount, based on purchase of ten (10) or more passes, is ten percent (10%). There are no discounted rates available for hourly parking. If the rate is increased, the County, subject to appropriation, will pay such rate. In the absence of appropriation, the County may make such other arrangements as the County and the City may agree upon.

All other terms of the Agreement not expressly amended herein shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have duly executed this First Amendment to the Rockville Library Parking Agreement as of the day and year first-above written.

MAYOR AND COUNCIL OF ROCKVILLE

By: [Signature]

Name: SCOT A. ALLERY

Title: CITY MANAGER

MONTGOMERY COUNTY, MARYLAND

By: [Signature]

Name: Diane R. Schwartz Jones

Title: Assistant CAO

Recommended by:

[Signature]

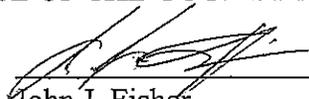
Far

Arthur Holmes
Director, Department of Transportation

Approved as to form and legality:

OFFICE OF THE COUNTY ATTORNEY

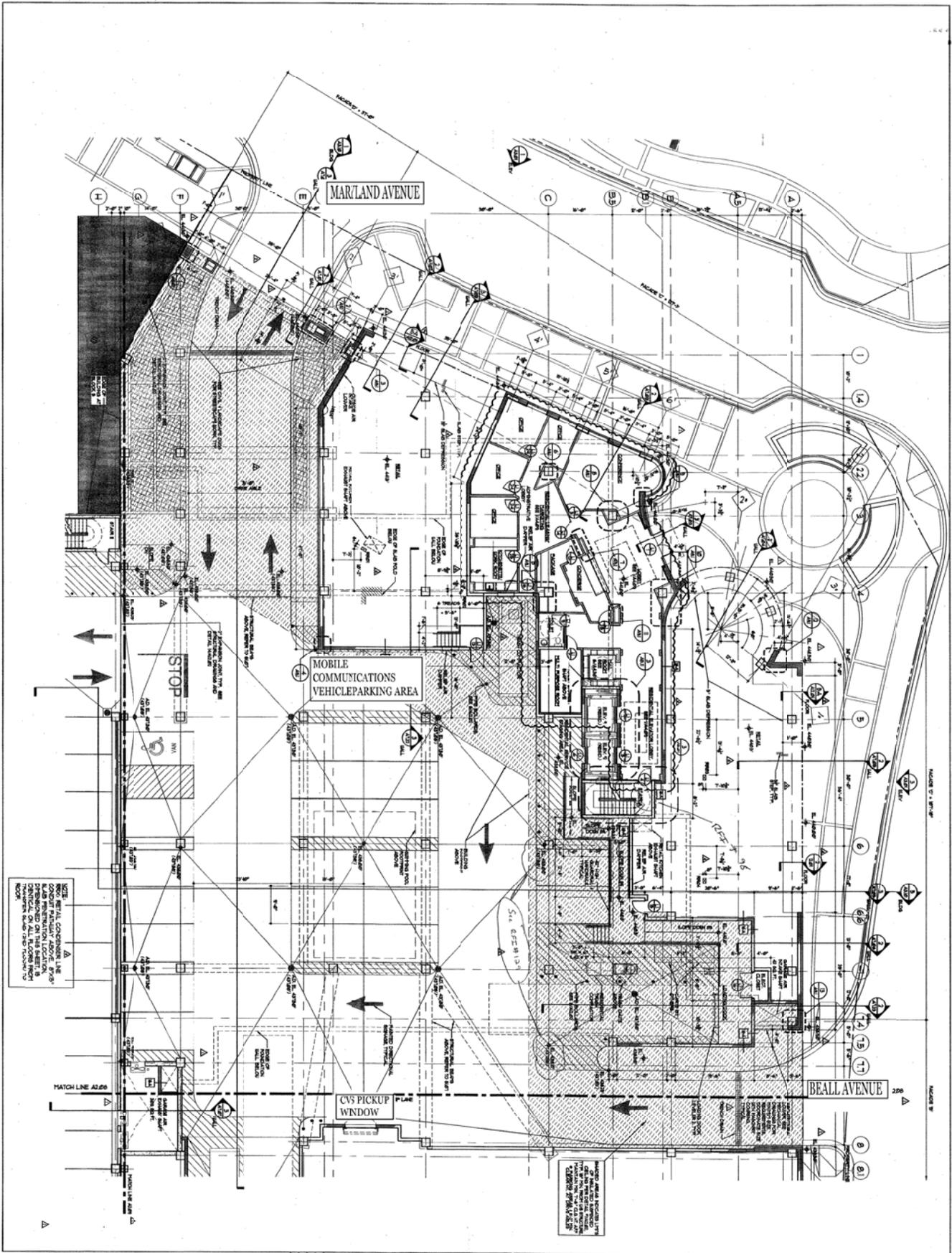
By:



John J. Fisher
Associate County Attorney

EXHIBIT D

Location of Mobile Communications Vehicle Parking Area



NOTE: NEW METAL CORNER LINE CONCRETE FINISH, APPROX. 7/5/18, IS INDICATED ON THIS SHEET AS SHOWN THROUGH SHADING. THIS FINISH IS TO BE MATCHED TO THE FINISH OF THE ADJACENT BLOCK.

NOTE: THIS SHEET IS A PART OF THE SET OF ARCHITECTURAL DRAWINGS FOR THE PROJECT. IT IS TO BE USED IN CONJUNCTION WITH THE OTHER SHEETS OF THE SET. THE PROJECT NUMBER IS 18-001-001.

Scale: 1/8" = 1'-0"
A2.07

1st Floor Plan
 Part A

Rockville 50 Back 4
 Maryland Avenue
 Rockville, Maryland

R/D Rockville, L.L.C.
 300 Maryland Avenue, Suite 100
 Rockville, MD 20850
 Tel: 301.581.1000
 Fax: 301.581.1001

GENERAL CONTRACTOR
 1001 Rockville Parkway
 Rockville, Maryland 20850
 Tel: 301.581.1000
 Fax: 301.581.1001

ARCHITECT
 WDC ARCHITECTURE
 1001 Rockville Parkway
 Rockville, Maryland 20850
 Tel: 301.581.1000
 Fax: 301.581.1001

WDC ARCHITECTURE

1001 Rockville Parkway
 Rockville, MD 20850
 Tel: 301.581.1000
 Fax: 301.581.1001
 www.wdcarch.com

Exhibit E**Deficiencies to be Corrected by Tenant****Structure**

215 N. Washington Garage

- Seal floor cracks in slab of lower level B1 (150 lf.)
- Rout and grout cracks in slab at Grade level (350 lf.)
- Seal leaking drains (2) in Grade level slab

355 Garage

- Correct spalling and patch exposed reinforcement bar on level P1, Col H-8.3
- Correct spalling and patch concrete, level P5/P4, Col. K-5

MD Ave Garage

- Repair concrete and seal Trench Drain at entrance

HVAC

215 N. Washington Garage

- None

355 Garage

- Replace belts/repair Exhaust fans (5)
- on levels P1, P2, P3

MD Ave. Garage

- None

Electrical

215 N. Washington Garage

- Oversized 50 amp breaker needs replaced to appropriate 30 amp breaker

355 Garage

- None

MD Ave. Garage

- Panel GHY section main lugs have corrosion that needs to be cleaned/corrected

Wayfinding

215 N. Washington Garage

- None

355 Garage

- Replace faulty ramp detectors (2)

MD Ave. Garage

- None