

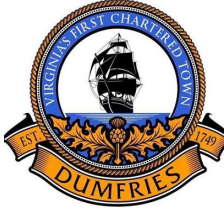
# Town of Dumfries Council Meeting Packet



Derrick R. Wood, Mayor  
Monaé S. Nickerson, Vice Mayor  
Tyrone Brown, Councilmember  
Shaun Peet, Councilmember  
Selonia B. Miles, Councilmember  
Cydney A. Neville, Councilmember  
Brian K. Fields, Councilmember

Keith C. Rogers, Jr., Town Manager  
Sharon E. Pandak, Town Attorney  
Tangi R. Hill, Town Clerk

May 17, 2022



## DUMFRIES, VIRGINIA

Virginia's Oldest Continuously Chartered Town  
CHARTERED 1749 INCORPORATED 1961

John Wilmer Porter Municipal Building  
17739 Main Street, Suite 200  
Dumfries, Virginia 22026  
Tel: 703-221-3400 / Fax: 703-221-3544  
[www.dumfriesva.gov](http://www.dumfriesva.gov)

### **DUMFRIES TOWN COUNCIL MEETING TUESDAY, MAY 17, 2022 AT 7:00 PM COUNCIL CHAMBERS**

- I. Call to Order and Roll Call
- II. Moment of Prayer and Pledge of Allegiance
- III. Adoption of Agenda
- IV. Awards and Proclamations
  - A. Proclamation Recognizing Menstrual Hygiene Month - Mayor Derrick Wood - Page 2
  - B. Proclamation Recognizing the Town of Dumfries as a Stroke Smart Town - Vice Mayor Monae Nickerson - Page 3
- V. Approval of Minutes
  - A. Minutes of the May 3, 2022 Dumfries Town Council Meeting - Page 4-6
- VI. Citizen Comment Period
- VII. Reports and Presentations
  - A. 3rd Quarter Financial Update - Finance Director Kimberly Goodwin - Pages 7-10
  - B. Property Use Plan for 3800 Graham Park Road - Town Manager Keith Rogers, Jr. - Pages 11- 14
  - C. Town Manager's Report - Town Manager Keith Rogers, Jr. - Pages15-16
- VIII. Action Items (Public Hearings)
  - A. Consideration of an Ordinance Authorizing the Town Manager to Execute a Lease Agreement for Town Owned Real Property at 17739 Main Street - Pages 17-54
- IX. Adjournment



**PROCLAMATION RECOGNIZING MENSTRUAL HYGIENE DAY  
MAY 28, 2022**

**WHEREAS**, Menstrual Hygiene Day (MH Day) is a global advocacy platform that brings together the voices and actions of non-profits, government agencies, individuals, the private sector and the media to promote good menstrual hygiene for all women and girls; and

**WHEREAS**, MH Day raises awareness about the stigma surrounding periods and calls for menstrual equity by providing marginalized communities with access to free menstrual hygiene products; and

**WHEREAS**, MH Day breaks the silence and changes negative social norms around menstrual health and hygiene and engages decision-makers to increase the political priority and catalyze action for menstrual health and hygiene, at global, national and local levels; and

**WHEREAS**, MH Day is a day when citizens can come together to recognize the effect of period poverty in our community. The Town of Dumfries supports organizations and individuals committed to raising awareness about the needs of the community through education, support, and community activities, to ensure health and well-being are improved.

**NOW, THEREFORE, BE IT RESOLVED** that, I Mayor Derrick Wood, on behalf of Dumfries Town Council, do hereby proclaim May 28, 2022 as “Menstrual Hygiene Day” in the Town of Dumfries.

**IN WITNESS THEREOF**, I have hereunto set my hand and caused a seal of Dumfries, Virginia to be affixed, on this, the 17<sup>th</sup> day of May, 2022

By Order of Council:

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Derrick R. Wood, Mayor  
Town of Dumfries



PROCLAMATION RECOGNIZING THE TOWN OF DUMFRIES AS A STROKE SMART TOWN

WHEREAS, 1 in 6 people will have a stroke in their lifetime; additionally, stroke is the leading cause of long-term disability, putting a tremendous financial burden on individuals, families, as well as society; and

WHEREAS, there are life-saving treatments that must be administered within 3-4 hours once symptoms begin, and only a very small percentage of patients get to the hospital within the treatment window because the majority of people do not know how to spot a stroke or the importance of calling 911 immediately; moreover, the stroke onset-to-911 time has not significantly changed for the last 25 years; and

WHEREAS, the Town of Dumfries public and private schools will be encouraged to make Stroke Smart: Spot-a-Stroke, Stop-a-Stroke, Save-a-Life part of their training for all students, faculty, and families; and

WHEREAS, all Town of Dumfries health and safety-focused entities such as hospitals, clinics, physicians' medical practices, health departments, pharmacies, fire, EMS, public safety, social services, and the departments of aging, and all Town employees will be urged to participate in improving Town of Dumfries stroke literacy through educating all employees, volunteers, and associated communities; and

WHEREAS, the Town of Dumfries will create a Stroke Smart Advocacy Group with an ongoing mission to educate those who live, work, pray, and play in the Town to recognize the signs and symptoms of a stroke and to know the urgency of calling 911 when they Spot-a-Stroke.

WHEREAS, the Town of Dumfries community, including businesses, civic organizations, senior communities, faith-based organizations, and inhabitants, will be encouraged to participate and contribute to the Stroke Smart: Spot-a-Stroke, Stop-a-Stroke, Save-a-Life campaign through active citizenship efforts; and

WHEREAS, the goal is to educate everyone in the Town of Dumfries about stroke recognition and the importance of dialing 911 immediately, and therefore reduce the onset of stroke to 911 interval to be measured by EMS and local hospital systems, and thereby be a model for other communities, cities, counties, commonwealths, and states as well as the nation, thereby advancing the vision of a Stroke Smart America.

THEREFORE, in support of making the Town of Dumfries Stroke Smart, I, Derrick R. Wood, Mayor of the Town of Dumfries, and on behalf of the Town of Dumfries, do hereby proclaim on this day 17<sup>th</sup> of May, 2022 that the Town of Dumfries will hereinafter be a Stroke Smart Town, listed as:

“STROKE SMART TOWN”  
in full support of “Spot-a-Stroke, Stop-a-Stroke, Save-a-Life.”

By Order of Council:

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Derrick R. Wood, Mayor  
Town of Dumfries

DUMFRIES TOWN COUNCIL  
MEETING MINUTES  
TUESDAY, MAY 3, 2022

MEETING HELD IN COUNCIL CHAMBERS

A video recording of this meeting is available on the Town's Website at [www.dumfriesva.gov](http://www.dumfriesva.gov) and YouTube Channel at <https://www.youtube.com/watch?v=IOkR-TLgLmc>

I. Call to Order and Roll Call

At 7:01 pm, Vice-Mayor Nickerson called the meeting to order. The following members were present: Fields, Neville, Nickerson, and Peet. Brown, Miles, and Wood were absent.

II. Moment of Prayer & Pledge of Allegiance

A moment of silent prayer was followed by the Pledge of Allegiance.

III. Adoption of the Agenda

On a motion made by Councilman Fields, seconded by Councilwoman Neville, to adopt the agenda, adding an Introduction item after Reports and Presentation to schedule a Public Hearing to Consider an Ordinance Vote 4-0 (Yes: Fields, Neville, Nickerson, and Peet; No: N/A; Abstain: N/A)

IV. Approval of the Minutes

On a motion made by Councilman Fields, seconded by Councilwoman Neville, to approve the minutes of the April 26, 2022 Town of Dumfries Council Meeting. Vote 4-0 (Yes: Fields, Neville, Nickerson, and Peet; No: N/A; Abstain: N/A)

V. Citizen Comment Period

VI. Mayor and Council Comments

During this time, the Vice Mayor and Council provided their comments.

VII. Reports and Presentations

Update on the School Division Budget and an Overview of How the Budget will Impact the Dumfries Elementary and Graham Park Schools – Justin Wilks, Potomac School Board Member, and Starr Granby, Dumfries Elementary School Principal

Potomac School Board Member Justin Wilks and Dumfries Elementary School Principal Starr Granby presented an update of the school division budget and an overview of its impact on Dumfries Elementary and Graham Park Schools.

VIII. Introduction Item

Consideration of an Ordinance Authorizing the Town Manager to Execute a Lease Agreement for Town Owned Real Property at 17739 Main Street (Public Hearing Date: May 17, 2022)

On a motion made by Councilman Peet, seconded by Councilwoman Neville, to hold a public hearing on Tuesday, May 17, 2022, at 7:00 pm, to consider an Ordinance Authorizing the Town Manager to Execute a Lease Agreement for Town Owned Real Property at 17739 Main Street. Vote 4-0 (Yes: Fields, Neville, Nickerson, and Peet; No: N/A; Abstain: N/A)

IX. Closed Session

One (1) Matter of Consideration of Prospective Candidate(s) for Appointment to the Board of Zoning Appeals (Va. Code §2.2-3711.A.1)

On a motion made by Councilwoman Neville, seconded by Councilman Peet, the Council convened in Closed Session at 7:56 pm pursuant to Va. Code § 2.2-3711.A.1 one (1) Personnel Matter Relating to the Consideration of a Prospective Candidate(s) for Appointment to the Board of Zoning Appeals. Vote 4-0 (Yes: Fields, Neville, Nickerson, and Peet; No: N/A; Abstain: N/A).

On a motion made by Councilman Neville, seconded by Councilman Peet, the Council concluded Closed Session. It reconvened its meeting in Open Session at 8:06 pm, certifying that only matters required in closed session were discussed in closed session. Vote 4-0 (Yes: Fields, Neville, Nickerson, and Peet; No: N/A; Abstain: N/A).

On a motion made by Councilman Fields, seconded by Councilwoman Neville, directing staff to move forward with the process of recommending

to the Circuit Court the reappointment of Robert Borke to the Board of Zoning Appeals. Vote 4-0 (Yes: Fields, Neville, Nickerson, and Peet; No: N/A; Abstain: N/A).

X. Adjournment

Vice-Mayor Nickerson adjourned the meeting at 8:07 pm.



## *3rd Quarter Finance Presentation*

Kimberly Goodwin, Director of Finance/Treasurer



# 3rd QUARTER KEY HIGHLIGHTS

- The Town is on a successful track of rebounding from COVID-19 Pandemic.
- Revenue is on the rise in the following areas:
  - Sales Tax remains strong, reaching 95%. Will exceed target goal before the end of the 4<sup>th</sup> QTR.
  - Gaming Tax has exceeded budget target in the 3<sup>rd</sup> by 135%.
  - Business License in all categories have exceed over 100% of their budget targets.
  - DMV has sored over budget by 509%. Customer Service Center continues to assist DMV headquarters with processing titles and registrations. Also, assisting local dealers though the Town and the County with vehicle registrations and titles.
  - Building and Permit has exceeded target by 110% and will continue before the end of the 4<sup>th</sup> QTR.



# 3rd QUARTER SPENDING

- Expenditures continue to progress as planned.
- Fuel prices are on the rise.
  - Economically, both unleaded and diesel fuels prices are the highest ever recorded. National average is \$4.36 per gallon.
- American Rescue Plan(ARPA)
  - Follow guidelines for eligible use
  - Funding must be spent by end of the calendar year 2024



# 3rd QUARTER REVIEW

QUESTIONS?





# Property Use Plan

3800 Graham Park Road

# SITE



# BACKGROUND

- Property Acquired by the Town in September 2021
- Source of Funds – American Rescue Plan Act (ARPA)
- Uses since that time
  - COVID-19 Testing
  - COVID-19 Vaccinations
  - Broadband/Wi-Fi (Strategic Infrastructure Site)



# FUTURE USES

- **Farmer's Market**  
*Start: June 2022*  
*Cost: \$50,000*  
*Funding Source: ARPA*
- **Recreational and Educational Programming - Prince William County**  
*Start: Summer 2022*  
*Cost: TBD (Service Cost Recovery)*  
*Funding Source: ARPA*
- **Workforce Development and STEM/ STEAM Education**  
*Start: TBD*  
*Cost: N/A*  
*Funding Source: N/A*





**Town Manager's Report**

May 11, 2022

Mayor Wood, Vice-Mayor Nickerson, Honorable Councilmembers,

My team and I, continue to persevere in the midst of the ongoing pandemic. Our focus since March 2020 has been on ensuring that the core functions of our government continue, despite the local emergency. I am pleased with the way we have been able to adapt and serve our residents. Please note the following updates by agency:

**Administration**

Goal	FY21 Target/Result	FY22 Target/Result	April FY22
<b>ADMINISTRATION</b>			
Submit Comprehensive Annual Financial Report by Statutory Deadline	YES/YES	YES/TBD	NO
Receive GFOA Distinguished Budget Presentation Award	YES/YES	YES/TBD	YES
Achieve 98% Collection Rate for Real Estate Taxes	98%/98%	98%/TBD	TBD
Increase Vehicle License Fee Collection Rate	98%/TBD	98%/TBD	N/A
Create and Establish Financial Policies Related to Unassigned Fund Balance, Rainy Day Fund, and Debt	Submitted and Adopted by Town Council by March 30, 2021/ No	Submitted and Adopted by Town Council by March 30, 2022/ TBD	TBD
Improve Average Customer Service Total Transaction Time	7 Minutes/ N/A	7 Minutes/TBD	6 Minutes
Improve Accounts Payable Processing Time	N/A	All payments will be Processed Within 21 Days / TBD	TBD
<b>PLANNING &amp; COMMUNITY DEVELOPMENT</b>			
Achieve Average Zoning Application Review Time	14 DAYS/ TBD	14 DAYS/ TBD	3 Days
Achieve Average Land Use Application Review Time	N/A	14 DAYS/ TBD	N/A



Goal	FY21 Target/Result	FY22 Target/Result	April FY22
<b>PUBLIC SAFETY</b>			
<b>Achieve Full Staffing Level (Authorized Strength -14 Sworn Personnel)</b>	14/TBD	14/TBD	YES
<b>Host Regular Community Educational Workshops</b>	N/A	1 PER MONTH	1 Community Event
<b>Improve Average Response Time</b>	N/A	TBD	TBD
<b>Reduce Property Crime Rate by 5%</b>	N/A	TBD	18 Calls for Crimes Against Property
<b>Reduce Violent Crime Rate by 5%</b>	N/A	TBD	28 Calls for Crimes Against Persons
<b>PUBLIC WORKS</b>			
<b>Achieve Average Permit Approval Time</b>	N/A	14 DAYS/ TBD	11
<b>Increase Inspections on Private BMPs</b>	N/A	50% PRIVATE 100% PUBLIC	TBD

Respectfully submitted,



Keith C. Rogers, Jr.

AT A MEETING OF THE DUMFRIES TOWN COUNCIL HELD ON MAY 17, 2022, ON A MOTION DULY MADE BY \_\_\_\_\_, AND SECONDED BY \_\_\_\_\_, THE FOLLOWING ORDINANCE WAS ADOPTED BY THE FOLLOWING VOTE:

Tyrone A. Brown, \_\_\_\_\_ ;  
Brian K. Fields, \_\_\_\_\_ ;  
Selonia B. Miles, \_\_\_\_\_ ;  
Cydny A. Neville, \_\_\_\_\_ ;  
Monae S. Nickerson, \_\_\_\_\_ ;  
Shaun R. Peet, \_\_\_\_\_ ;  
Derrick R. Wood, \_\_\_\_\_ ;

ORDINANCE AUTHORIZING THE TOWN MANAGER ENTER INTO A LEASE AGREEMENT OF TOWN OWNED OFFICE SPACE LOCATED AT 17739 MAIN STREET

WHEREAS, Virginia Code§ 15.2-1800(B) provides any locality may lease, as lessor, its real property after the governing body has held a public hearing concerning such; and

WHEREAS, the Town Council has contracted with TriMark to manage the building located at 17739 Main Street; and

WHEREAS, TriMark has negotiated with a party regarding the lease of unoccupied office space on the third floor of 17739 Main Street; and

NOW, THEREFORE, BE IT ORDAINED by Town Council that the Town Manager is authorized to enter into a lease agreement for Town owned office space at 17739 Main Street, Dumfries, Virginia 22026.

By Order of Council:

\_\_\_\_\_  
Derrick R. Wood, Mayor

ATTEST: \_\_\_\_\_  
Town Clerk

**DEED OF LEASE**

**By and Between**

**Town of Dumfries  
("Landlord")**

**and**

**Fairway Independent Mortgage Corporation  
("Tenant")**

**\* \* \* \* \***

**17739 Main Street  
Dumfries, VA 22026**

## LEASE AGREEMENT

This Lease (the "Lease") is made as of \_\_\_\_\_, 2022 between Town of Dumfries, a Virginia municipal corporation (the "Landlord") and Fairway Independent Mortgage Corporation (the "Tenant").

Landlord, for and in consideration of the covenants and agreements hereinafter set forth, leases to Tenant, and Tenant leases from Landlord, the premises described, for the use set forth and for the term and at the rent reserved herein.

### ARTICLE 1. SPECIFIC PROVISIONS

#### 1.1 Premises:

- (a) Space Description: The Landlord leases to the Tenant, certain space in the building, deemed to contain approximately two thousand and twelve (2,012) rentable square feet known as Suite 310 on 3<sup>rd</sup> floor
- (b) Address of Building of which Premises is a part:  
John Wilmer Porter Municipal Building  
17739 Main Street  
Dumfries, VA 22026
- (c) Rentable Area of the Project: Approximately 44,900 square feet, measured in accordance with BOMA.
- (d) Use of Premises: The premises shall be used and occupied by Tenant for offices of a financial institution and for no other purpose without the prior written consent of Landlord. Landlord represents and warrants that Tenant's proposed use of the Premises does not, and will not, violate any zoning ordinances or other restrictions imposed by any government agency.

#### 1.2 Term of Lease:

- (a) Term: Three (3) years from the Rent Commencement Date
- (b) Renewal: Tenants' option to extend Lease for up to two (2), twelve (12) month term as per Section 21.1 hereunder.
- (c) Lease Commencement Date: May 18, 2022
- (d) Rent Commencement Date: August 1, 2022
- (e) Expiration Date: July 31, 2025 with Tenants options to extend per Section 1.2 (a).

**1.3 Rent:**

- (a) Base Rent shall be \$19.50 per square foot including utilities except for Tenant's phone and internet services. Beginning on the first anniversary of the Lease Commencement Date, and each anniversary thereafter, the Base Rental Rate shall be escalated by three percent (3%) every year for the duration of the lease term.

Lease Year	Rent Rate (3% Annual Escalation)	Monthly Base Rent
1*	\$19.50	\$3,269.50
2	\$20.09	\$3,367.59
3	\$20.69	\$3,468.61
4**	\$21.31	\$3,572.23

\* Rent Commencement of August 1, 2022

\*\* Three month carry over of initial rent abatement

**1.4 Pro Rata Share:** 4.49%

**1.5 Rent Deposit:** Intentionally omitted

**1.6 Security Deposit:** Tenant to place with Landlord a security deposit equal to one (1) month's Minimum Base Rent. The Security Deposit is due at lease execution. Landlord shall hold this amount for the entire term.

**1.7 Parking Spaces Available to Tenant:** Landlord shall provide Tenant, at no additional cost or expense, with nonexclusive parking spaces located on the Property. The Building has 187 free and unreserved parking spaces.

**1.8 Addresses for Notices:**

Tenant:

Fairway Independent Mortgage Corporation  
4750 S. Biltmore Lane  
Madison, WI 53718  
Attn: Leases Department

Landlord:

Town of Dumfries  
17739 Main Street, Suite 200  
Dumfries, VA 22026  
Attn. Town Manager

**1.9 Name of Brokers:**

Landlord: Trimark Corporation

Tenant: Colliers International

- 1.10 **Exhibits to Lease:**  
Exhibit A: Unit Plan  
Exhibit B: Rules and Regulations

## ARTICLE 2. PREMISES

- 2.1 **Premises.** Landlord hereby leases to Tenant, and Tenant hereby leases from Landlord for the term and upon the conditions hereinafter provided, the space described in paragraph (a) of Section 1.1 (the “Premises”) located in the building described in paragraph (b) of Section 1.1 (the “Building”). As used herein the term “Project” shall mean all buildings, improvements and real property located within the “Property.” As used herein the term “Property” shall mean the real property described in Exhibit A which is attached hereto and made a part hereof. The Premises is designated on the floor plan attached hereto as Exhibit A Suite 310 and made a part hereof.

## ARTICLE 3. TERM/POSSESSION

- 3.1 **Term.** The term of this Lease shall be for the period set forth in paragraph (a) of Section 1.2, commencing on the Lease Commencement Date, and expiring on the Expiration Date, as set forth in paragraphs (b) and (c), respectively, of Section 1.2.
- 3.2 **Delivery of Possession.** Landlord shall deliver possession of the Premises upon execution of the lease and completion of the Landlord work, or as soon thereafter as the Premises become available, in good and broom clean condition. If the Landlord is unable to give possession of the Premises on the proposed Lease Commencement Date by reason of holding over or retention of possession of the Premises by any tenant or occupant, or for any other reason, Landlord shall not be subject to any liability for failure to give possession on said date, and the Lease Commencement Date shall be extended until the date possession of the Premises is given to Tenant. No failure to give possession on the Lease Commencement Date shall affect the validity of this Lease or the obligations of the Tenant hereunder. If necessary, the Tenant shall execute and deliver to Landlord within five (5) days after receipt of a request therefore, an agreement setting forth the actual Lease Commencement Date and Expiration Date, consistent with the terms of this Lease.
- 3.3 **Early Access.** Lease Commencement Date and as soon as possible after Lease Execution, Landlord shall provide free access to the Tenant for the installation of equipment and furniture.

## ARTICLE 4. RENT

- 4.1 **Monthly Rent.** The first installment of Monthly Rent, to include Base and Additional Rent, shall be payable upon Tenant’s execution of this Lease and shall be applied toward the payment of Monthly Base Rent and Additional Rent on the Rent Commencement Date set forth in paragraph (d) of Section 1.2. The

remaining installments of Monthly Base Rent and Additional Rent shall be payable in advance on the first day of each and every calendar month during the term of this Lease. Each installment of Monthly Base Rent and Additional Rent shall be payable to Landlord in lawful money of the United States at the address set forth in Section 1.8 of this Lease, or to such other person or at such other place as Landlord may direct from time to time by written notice to Tenant. Rent for any partial month shall be pro-rated on a per diem basis.

**4.2 Increases in Monthly Base Rent.** As set forth in Section 1.3(a) “Monthly Base Rent” will increase three percent (3%) on each anniversary of the Lease Commencement Date. Additional Rent as set forth in Section 1.3(b) will not have annual increases.

**4.3 Operating Costs.**

(a) Definitions. For purposes of this section, the following terms shall be deemed to have the following definitions:

(1) “Operating Costs” shall mean the total of all costs and expenses of every kind and nature incurred by Landlord in operating, managing, insuring, equipping, lighting, heating, cooling, inspecting, repairing, resurfacing, replacing, cleaning, painting, maintaining, policing and protecting the Building, the Project, Property, the Common Areas and/or the Parking Areas, determined in accordance with GAAP (as applied in the real estate industry) including, but not limited to,; capital expenditures for equipment or systems which actually reduce directly applicable Operating Costs by more than the amortized cost thereof and/or are required by any governmental law, ordinance, regulation or order enacted after the date hereof, amortized over the useful life of such equipment or system. Capital expenditures shall be determined by standard GAAP accounting principles and, except for those described above, shall not be included in Operating Costs.

In addition, Operating Costs shall not include any of the following: painting or decorating other than public areas; utilities as covered in Base Rent, interest and amortization of mortgages or unsecured debts; depreciation of the Building, the Property, any Common Areas, Parking Areas or other portions of the Project; ground rent; salary or other compensation paid to any partners, shareholders, officers, directors or executives of the Landlord or its management agent; income, estate, gift, entertainment, capital gains, transfer, recording or franchise taxes or other such taxes imposed or measured by the net income of the Landlord from the operation of the Building or Project; expenses for repairs, replacements or maintenance to the extent such expenses are either (i) reimbursable to Landlord by virtue of insurance or warranties from contractors or suppliers or (ii) result by reason of deficiencies in design or workmanship; cost of expenses associated with leasing space in the Building or the Project, including, without limitation, advertising and marketing, commissions or any amounts paid for or on behalf of any tenant such as space planning, moving costs, rental and other tenant concessions; reserves for repairs, maintenance, and replacements; any amounts paid to any person, firm, or corporation related to or otherwise affiliated with Landlord or any general partner, officer or director of Landlord or any of its general partners to the

extent they exceed arms-length competitive prices paid in Prince William County, Virginia for the services or goods provided; costs of any special service provided to other tenants, or service in excess of that furnished to Tenant whether or not Landlord receives reimbursement from such tenants as an additional charge; costs of repairs incurred by reason of fire or other casualty or condemnation whether or not Landlord receives compensation therefore through the proceeds of insurance or condemnation awards; costs of renovating space vacated by any tenant or any other work which Landlord performs for any tenant; interest, penalties or liens arising by reason of Landlord's failure to timely pay any operating cost or real estate tax due; costs incurred for maintenance of any retail areas of the Building or Project; costs relating to maintaining Landlord's existence, as a corporation, partnership or other entity, such as trustee's fees, annual fees, corporate or partnership organization or administration expenses, deed recordation expenses; costs (including fines and penalties imposed) incurred by Landlord to remove or remediate any hazardous or toxic wastes, materials or substances from either the Building or Project; general corporate overhead and general and administrative expenses; costs resulting from the willful misconduct of Landlord or its agents, contractors or employees; expenses and costs not normally, in accordance with generally accepted accounting principles, included by landlords of comparable office buildings in the Prince William County, Virginia area; or costs of selling, syndicating, financing, refinancing, mortgaging or hypothecating any part of or interest in the Building or Project, any management fee in excess of three percent (3%) of base rent.

(2) "Parking Areas" shall mean: (a) all areas which serve as parking facilities for the benefit of Landlord, Tenant, other Building tenants and their employees, customers, visitors, licensees, and invitees; (b) access roads and driveways located in such areas; and (c) all easements appurtenant to such areas.

(3) "Common Areas" shall mean all portions of the Building, the Project and the Property which are not leased or held for lease for the exclusive use of the Tenant or other Building tenants (except as hereinafter set forth or as otherwise designated by Landlord), including, but not limited to, public stairs, escalators, elevators, lobbies, public elevator shafts, equipment and service areas (including all heating, ventilating and air conditioning (HVAC) equipment, flues, vents, ducts and shafts not exclusively servicing Tenant or any other Building tenant).

(4) "Tenant's Pro Rata Share (Operating Expenses)," as of the date hereof, shall be as provided in Section 1.4, representing the ratio that the rentable area of the Premises bears to the total rentable area of office space in the Building. If either the rentable area of the Premises or the total rentable area of the Building, shall be increased or decreased, as reasonably determined by Landlord, or if Landlord elects to aggregate Operating Expenses, Tenant's Pro Rata Share (Operating Expenses) shall be adjusted accordingly.

(5) "Tenant's Pro Rata Share (Real Estate Taxes)," *Intentionally omitted*



(6) "Base Year" means calendar year 2022

(ii) All monies received from Tenant as Tenant's Pass-Through Costs shall be received by Landlord to pay Operating Expenses and Real Estate Taxes of the Building and the Land. Notwithstanding the foregoing, Landlord shall have the right to commingle Tenant's Pass-Through Costs with other funds collected by Landlord.

(iii) Tenant's obligation to pay Tenant's Pass-Through Costs shall survive the expiration or other termination of this Lease with respect to any period during the Term hereof and with respect to any holdover period of occupancy following the expiration of the Term.

(iv) Any dispute with respect to Landlord's calculations of Additional Rent shall be resolved by the parties through consultation in good faith within sixty (60) days after notice by Tenant to Landlord. However, if the dispute cannot be resolved within such period, the parties shall request a review of the disputed matter from an independent, certified public accountant selected by Landlord and reasonably acceptable to Tenant, whose decision shall be based on generally accepted accounting principles and shall be final and binding on the parties. If there is a variance of five percent (5%) or more between such decision and the Landlord's determination of Additional Rent, Landlord shall pay the costs of said review and shall credit any overpayment toward the next Base Rent payment falling due or pay such overpayment to Tenant within thirty (30) days. If the variance is less than five percent (5%), Tenant shall pay the cost of said review.

**4.4 Late Payment Charge.** If Tenant shall fail to pay any installment of Monthly Base Rent or Additional Rent within five (5) days of the date such payment is due, Landlord shall be entitled to a late payment charge from Tenant (to cover Landlord's administrative and overhead expenses of processing late payments) equal to five percent (5%) of the delinquent installment for each and every calendar month or portion thereof that the delinquent installment remains unpaid after its due date. Such late payment charge shall be deemed Additional Rent and shall be payable on demand there for. Such late payment charge shall be waived by Landlord one time during each calendar year.

**4.5 Returned Check Charge.** If any installment of Monthly Base Rent or Additional Rent is paid by a check which is returned due to insufficient funds or stop payment order, then:

- (a) Such installment will be treated as a late payment which will entitle Landlord to collect a late payment charge on such installment in accordance with the provisions of Section 4.4;
- (b) If two or more checks are returned due to insufficient funds. Landlord, may, at its option, require that all future installments of Monthly Base Rent or Additional Rent be remitted in the form of certified funds or by wire transfer, whether by money order or Cashier's Check.

**4.6 Survival of Obligations.** Any provision of this Lease which obligates Landlord or Tenant to pay an amount with respect to Base Rent and Additional Rent or perform an obligation after the expiration of the Term (including but not limited to indemnity obligations) shall be binding and enforceable notwithstanding that payment or performance is not within the Term, and the same shall survive the expiration of the Term.

**4.7 Reconciliation.** Landlord shall provide an annual reconciliation to Tenant within ninety (90) days after the close of each calendar year.

**4.8 Cap.** Landlord and Tenant agree that Landlord shall cap Controllable Operating Costs (as defined herein) not to exceed four percent (4%) annually on a cumulative basis (the "Cap") with calendar year 2022 being the base year to establish the baseline for the Cap. The term "Controllable Operating Costs" shall mean all Operating Expenses except ad valorem and related property taxes, insurance premiums, water/sewer/utility charges for Common Areas and Common Facilities, snow/ice removal, costs incurred to comply with governmental requirements, and other costs beyond the reasonable control of Landlord.

**4.9 Failure to Provide Annual Reconciliation.** If Landlord fails to provide Tenant the annual reconciliation when due as required herein, Tenant's obligation to pay any further Taxes, Insurance and Common Area Maintenance shall be suspended until Landlord provides the annual reconciliation, at which time Tenant shall pay within thirty (30) days after the receipt of the annual reconciliation all suspended payments. If Landlord fails to provide Tenant the annual reconciliation within one (1) year after the end of the calendar year during which such Taxes, Insurance and Common Area Maintenance were incurred, Landlord shall waive all rights to seek any deficiency payments from Tenant for that calendar year. Landlord acknowledges that Tenant's ability to budget and incur expenses depends on the finality of the annual reconciliation, and accordingly agrees that time is of the essence of this Section.

**4.10 Landlord's Duty To Provide Timely Demand.** Landlord shall have the affirmative duty to timely provide all demands for payment of Rent or other amounts owing hereunder to Tenant. Any demand for payment of Rent or other amounts owing hereunder to Tenant provided to Tenant after one (1) year after Landlord has knowledge of such charges shall be deemed untimely. Landlord acknowledges that Tenant's ability to budget and incur expenses depends on Landlord's timeliness, and accordingly agrees that time is of the essence of this Section.

## **ARTICLE 5. SECURITY DEPOSIT**

**5.1 Posting and Application of Security Deposit.** Tenant is to place with Landlord a security deposit equal to one (1) month's Minimum Base Rent. The security deposit is due at the execution of the lease by the Tenant. Landlord shall hold this amount for the entire term. If any Event of Default occurs under this Lease, Landlord may, in addition to its other rights and remedies under this Lease, apply or appropriate the whole or any part of the Security Deposit to the extent required for the payment of any rental or for the curing of any defaults by Tenant hereunder. Should all or any portion of the Security Deposit be applied or appropriated by Landlord under the foregoing provision, then Tenant shall deposit with Landlord, within ten (10) days after written notice to Tenant, a sufficient amount in cash to restore the Security Deposit so applied or

appropriated so that Landlord shall have the full Security Deposit at all times during the Lease Term. Failure of Tenant to restore the full Security Deposit as provided above shall constitute an Event of Default under this Lease.

**5.2 Rent Deposit *intentionally omitted***

**5.3 Refund of Security Deposit.** If applicable, within Sixty (60) days after the Expiration Date, Landlord shall refund the Security Deposit (without interest, less any portions used, applied or retained in accordance with the provisions of Section 5.1) to Tenant provided: (a) Tenant has vacated the Premises, and (b) Tenant is not in default under the Lease or would not be in default with the giving of any applicable notice and the expiration of any applicable grace period. If the Landlord retains all or part of a security deposit, Landlord shall give to Tenant the balance of the security deposit, if any, together with a written description and itemized list of all deductions. Landlord's failure to provide a written description and itemized list of all deductions within said sixty (60) days shall forfeit its right to retain any portion of the security deposit or to bring suit against Tenant for damages to the Premises and will be liable to Tenant for Tenant's reasonable attorney's fees and costs in a suit to recover the deposit.

## **ARTICLE 6. USE AND OPERATION**

**6.1 Use of Premises.** Tenant shall use and occupy the Premises solely for the use set forth in paragraph (d) of Section 1.1 and in accordance with all applicable zoning and other governmental regulations. Tenant shall comply with all present and future laws, ordinances, regulations, and orders of the United States of America, the jurisdiction in which the Property is located, and any other public authority having jurisdiction over the Property which may be applicable to Tenant's use of the Premises.

**6.2 Rules and Regulations.** Tenant and its employees, agents, contractors, clients, sublessees, customers, concessionaires, invitees, guests and licensees (collectively, "Tenant's Agents") shall at all times abide by, observe and comply with the rules and regulations in **Exhibit B** attached hereto and by this reference made a part hereof. Landlord shall be permitted to amend such rules and regulations from time to time for the operation and maintenance of the Building provided that such rules or regulations are not inconsistent with the provisions of this Lease with a copy sent to Tenant where Tenant shall use all reasonable efforts to cause its invitees, licensees, customers, clients and guests to abide by and observe such rules and regulations. To the extent such rules and regulations are inconsistent with the provisions of this Lease, the provisions of this Lease shall govern. Tenant's failure to keep and observe said rules and regulations, or Tenant's failure to cause the Tenant's Agents to keep and observe said rules and regulations, shall constitute a breach of the terms of this Lease in the same manner as if the same were contained herein as covenants, provided Tenant shall first receive written notice thereof from Landlord and have fifteen (15) days to cure the same. Landlord shall endeavor to enforce the rules and regulations in a non-discriminatory manner as to all tenants in the Building. However, nothing contained in this Lease shall be construed as imposing upon Landlord any duty or obligation to enforce such rules and regulations, or the terms, conditions or covenants contained in any other lease, against any other tenant, and Landlord

shall not be liable to Tenant for the violation of such rules or regulations by any other tenant or its employees, agents, contractors, clients, sublessees, customers, concessionaires, invitees, guests or licensees.

### **6.3 Use of Common Areas.**

- (a) Non-Exclusive Use. In addition to its use and occupancy of the Premises, Tenant shall have the nonexclusive right to use the areas designated by Landlord from time to time as public portions of the Common Areas for the purpose of ingress to and egress from the Premises, and, to the extent necessary in order for Tenant to use the Premises for designated purposes, the right to access the mechanical rooms, telephone rooms and electrical closets located in the Building.
  
- (b) Management and Control. As between Landlord and Tenant, Landlord shall, at all times during the term of this Lease, have the sole and exclusive control, management and direction of the Common Areas, and may at any time and from time to time during the term of this Lease, exclude and restrain any person from use or occupancy thereof, excepting, however, Tenant and other Building tenants and bona fide invitees of either who make use of the Common Areas in accordance with the rules and regulations established by Landlord from time to time with respect thereto.
  
- (c) Scope of Common Areas. Notwithstanding anything to the contrary contained in this Lease, Tenant agrees that Landlord shall, at all times during the term of this Lease, have the right and privilege of determining the nature and extent of the Common Areas, and of making such changes, rearrangements, additions or reductions therein and thereto from time to time, which Landlord, in its sole and absolute discretion, deems to be desirable and in the best interest of all persons using the Common Areas to make repairs or changes or to such extent as may, in the opinion of the Landlord, be necessary to prevent a dedication thereof or the accrual of any rights to any person or to the public therein, or which are required as a result of any federal, state or local environmental protection or other law, rule, regulation, guideline or order. Landlord may from time to time temporarily close the Common Areas and perform such other acts in and to the Common Areas as Landlord shall determine to be advisable, in the exercise of good business judgment, to accomplish such purposes. The parties agree that Landlord's rights under this paragraph are subject to the condition that neither Tenant's access or use of to the Premises nor its use of the Common Areas be impaired in any material adverse manner.

- 6.4 Signs.** No sign, advertising or notice shall be inscribed, affixed or displayed on any part of the outside or the inside of the Building, except as approved in writing in advance by Landlord, and then only in such place, number, size, color and style as approved by Landlord. If any such sign, advertisement or notice is improperly exhibited, Tenant shall be liable for any and all reasonable expenses incurred by Landlord by said removal. Any such permitted use, including directories and nameplates, shall be at Tenant's sole cost and expense except as otherwise provided. Landlord, at its cost, shall provide standard building signs in the building directory located in the lobby and the suite entry door.

- 6.5 Excessive Floor Load.** Tenant will not install or place in the Premises any articles, fixtures, equipment or machinery that will place a load upon the floor exceeding the designed floor load capacity. All damage done to the Premises and/or the Building as a result of the placement or installation of any personal property of Tenants, shall be repaired at Tenant's sole cost and expense.
- 6.6 Tenant's Equipment.** Tenant shall not install any other equipment of any kind or nature whatsoever which will or may necessitate any changes, replacements or additions to, or in the use of, the water system, heating system, plumbing system, air conditioning system, or electrical system of the Premises or the Building (except customary office equipment, including computer server room) without first obtaining the prior written consent of Landlord, which consent shall not be unreasonably withheld, conditioned or delayed. Tenant shall have the right to install CAT 5 internet drops.

## **ARTICLE 7. LEASEHOLD IMPROVEMENTS AND ALTERATIONS**

- 7.1 Leasehold Improvements.** Landlord, at its sole cost and expense, shall (i) paint the interior walls of the Premises with one (1) coat of building-standard paying and (ii) install new building-standard carpeting in the carpeted areas of the Premises prior to the commencement date.
- 7.2 Alterations.** Tenant may not make any alterations, changes, installations, additions or improvements to the Premises (hereinafter "Alterations"), except for the removal or addition of movable furniture without the prior written approval of Landlord, which approval shall not be unreasonably withheld, conditioned or delayed. Any Alteration, if approved by Landlord, shall be:
- (a) Done by a contractor approved by Landlord, which approval shall not be unreasonably withheld, conditioned or delayed in accordance with such terms and conditions as may be reasonably established by Landlord;
  - (b) Done in a good and workmanlike manner, using only new and first-class quality furnishings, fixtures, equipment, and material (or properly recycled materials);
  - (c) Done so as to not interfere with the operation of the Project or the Building or the quiet enjoyment and access of other Building tenants to the premises and/or the Common Areas;
  - (d) Appropriately shielded from view of the Common Areas so as not to detract from them;
  - (e) In keeping with all applicable building codes, ordinances and regulations;
  - (f) Made so as to in no way harm or impair the structure of the Premises, or diminish the value thereof; and
  - (g) All piping, wiring, duct work and cabling shall be fully concealed in the floor, in the walls or above the ceiling.

All improvements and fixtures, other than trade fixtures made or installed by it, shall immediately become the property of Landlord and shall remain upon the Premises, unless Landlord requires that Tenant at Tenant's cost, remove such alterations or improvements prior to the Expiration Date. Tenant shall, at its sole expense, promptly repair all damage caused by such removal. Tenant shall not be compensated for any alteration or improvements left in the Premises at the end of the Term. Except for installation of fixtures and other work to be performed by it in strict accordance with plans and specifications showing in reasonable detail any and all interior and/or exterior alterations or improvements that Tenant proposes to make to the Premise as approved by Landlord, Tenant shall not cut or drill into or secure any fixture, apparatus or equipment of any kind to any part of the Premises without first obtaining Landlord's written consent. If any alterations which Tenant causes to be constructed result in Landlord being required to make any alterations and/or improvements to other portions of the Shopping Center in order to comply with Laws, Tenant shall reimburse Landlord upon demand for all reasonable costs and expenses incurred by Landlord in making such alterations or improvements.

- 7.3** **Mechanics' Liens.** Tenant covenants and agrees not to suffer or permit any mechanics' or materialmen's liens to be filed against any portion of the Property, by reason of labor performed or materials supplied to Tenant or anyone holding the Premises or any part thereof by, through or under Tenant. If any such mechanics' or materialmen's lien shall at any time be filed against any portion of the Property, Tenant shall, within thirty (30) days after receiving notice of the filing thereof, cause the same to be discharged of record by payment, deposit, bond, order of a court of competent jurisdiction or otherwise, and Tenant hereby agrees to indemnify and save Landlord harmless from any and all losses, expenses and liabilities which Landlord may reasonably incur (including, but not limited to, reasonable attorneys' fees and expenses) as a result of the filing of any such lien.

## **ARTICLE 8. SERVICES AND UTILITIES**

### **8.1** **Services.**

- (a) **Services to be Furnished by Landlord.** Landlord shall provide the following first-class services to the Building and/or the Premises, to the extent normally furnished by Landlords of comparable first-class office buildings in the jurisdiction in which the Property is Located:
- (1) Hot and cold water and lavatory supplies for Common Area restrooms.
  - (2) Elevator service.
  - (3) Building security controls.
  - (4) Trash removal service.
  - (5) Heat and air-conditioning in such quantities as necessary to provide reasonably comfortable uniform temperatures within the Premises, Monday through Friday of each week during normal business hours, except on holidays recognized by the United States Government, with temperatures between 72 and 75 degrees during all business hours.

- (6) Maintenance, painting and electric lighting service for all public portions of the Common Areas and special service areas in the Building designated by Landlord.
- (7) Sufficient electricity for the permitted equipment of Tenant, not less than 6 watts per rentable square foot for Tenant's business uses.
- (8) Snow removal of Common Areas and Parking Lot at those times deemed necessary in Landlord's reasonable judgement.
- (9) Extermination to control vermin and pests on a regular basis. Such extermination services shall be supplied in all areas where food is prepared, dispensed or stored and in all areas where trash is collected and deliveries are made.

Tenant shall be responsible for the maintenance and repair of all glass in or on the Premises. It is recommended the Tenant insure the risk.

- (b) Disruption of Services. In no event shall Landlord be liable to Tenant for any damages whatsoever due to any delay, diminution, or disruption of the services described in paragraph (a) above as a direct or indirect result from mechanical breakdown, scheduled or preventative maintenance, energy or fuel shortages, or causes beyond the reasonable control of Landlord. Landlord will, however, use reasonable efforts to restore such services without unreasonable delay if Landlord is responsible for furnishing such services.

Notwithstanding the foregoing, if any suspension or interruption of the services described in paragraph (a) above, including Landlord's failure to provide reasonably comfortable uniform temperatures within the Premises per the above specifications, shall continue for more than three (3) consecutive business days (in the case of matters within Landlord's control) or more than five (5) consecutive business days (in the case of matters beyond Landlord's control), then and in such event all Annual Base Rent and Additional Rent payable hereunder for the Premises shall be abated for the period beginning on the fourth (4<sup>th</sup>) or sixth (6<sup>th</sup>) (as the case may be) consecutive business day of such failure and shall continue until such suspension or interruption is remediated.

## **8.2 Utilities**

- (a) Utilities to be Furnished By Landlord. As of the Lease Commencement Date and continuing throughout the Lease term, Landlord agrees to furnish to Tenant the electricity, water, sewer, and gas (if appropriate) which Tenant requires in the Premises on a "rent inclusion" basis. There shall be no charge to Tenant therefor by way of measuring the same on any meter or otherwise, the total charge for these utilities being included in the Monthly Base Rent set forth in this Lease. The Tenant shall not pay Tenant's Pro Rata Share of increased costs of such utilities as described and set forth in to Section 4.3. Landlord shall not in any way be liable or responsible to Tenant for any loss or damage or expense which Tenant may sustain or incur if either the volume or character of service of any of the utilities is changed. Tenant shall arrange for any other utilities not set forth in this paragraph (a) which Tenant requires, and Tenant shall pay the full costs therefor directly to the public utility company supplying same.

- (b) Utility Consumption/Expansion. Tenant covenants and agrees that, at all times during the term of this Lease, its use of any utility shall never exceed the capacity of such utility, including, without limitation, the mains, feeders, ducts, conduits and wires bringing the same to the Premises. Tenant may request that Landlord increase the capacity of any utility. Such request shall be subject to (a) Landlord's prior written approval, which shall not be unreasonably withheld, conditioned or delayed and (b) Tenant's agreement to pay Landlord's designee, in advance, an amount reasonably estimated by Landlord and/or Landlord's designee as the cost of all necessary work to increase such utility capacity. Upon completion of such work, Tenant shall pay to Landlord or Landlord's designee all reasonable costs incurred in performing such work which exceed the estimated costs previously paid by Tenant, or Landlord or Landlord's designee shall refund to Tenant any excess advance payments made by Tenant, as the case may be. Tenant shall also be responsible for the cost of any maintenance and repair thereof, and the costs of additional utility consumption.
- (c) Disruption of Utilities. In no event shall Landlord be liable to Tenant for any damages whatsoever due to any delay, diminution, or disruption in any utility furnished to the Premises as a direct or indirect result of mechanical breakdown, scheduled or preventive maintenance, energy or fuel shortages, regulations described in paragraph (e) below, or other causes beyond the reasonable control of Landlord. Landlord will, however, use reasonable efforts to restore such utility without unreasonable delay if Landlord is responsible for furnishing such utility. Landlord shall use reasonable efforts not to interrupt or reduce utility services during normal business hours for purposes of making discretionary alterations, improvements or repairs, and shall, if feasible, give Tenant at least twenty-four (24) hours telephonic notice of any such interruption of utility service. Notwithstanding anything in this Section to the contrary, in the event of a suspension or disruption of utility services described in this Section, Tenant shall have the right to abate Annual Base Rent and Additional Rent in the same manner as set forth in Section 8.1(b).
- (d) Landlord shall have no obligation to provide alternative utility or telecommunications providers access to the Building or Premises other than those currently serving the Project.

## ARTICLE 9. MAINTENANCE AND REPAIRS

- 9.1 Maintenance and Repairs. Tenant shall, at its sole cost and expense, keep and maintain in good order and repair the Premises and all fixtures and equipment located therein including but not limited to, office equipment, furniture, appliances, carpeting, paint, doors and hardware, window treatments, private fixtures, all dedicated plumbing, and IT infrastructures.

It is specifically agreed that Landlord shall perform all maintenance, repair, and renovations of every kind and nature required to maintain the Building common area in a clean, safe, and sanitary condition. In addition, Landlord agrees, at its sole cost and expense, to keep the all structural elements of the Premises, and all



of the systems servicing the Premises, including the HVAC, electrical, and fire, life safety and sprinkler systems and components, and the elevator(s) thereof and the Parking Areas referred to in Section 4.5(a)(2), all in good repair, order and condition, and in compliance with applicable governmental laws, rules and orders, in accordance with the standards customarily employed by other landlords of similar first class office buildings located within the Prince William County, Virginia area. Landlord's obligations hereunder shall include the provision of replacements when necessary. However, any damage to the Premises caused by Tenant and/or any of its subtenants, or their respective agents, employees, contractors, or licensees, shall be repaired promptly by and at the expense of Tenant.

Landlord shall make all repairs and replacements with due diligence and due care in a good and workmanlike manner and in compliance with all applicable local, state and Federal regulations, ordinances and laws and in making such repairs shall use reasonable efforts to prevent any interference with Tenant's use of the Premises. Landlord shall promptly restore any damage to any portion of the Premises resulting from any act or omission of Landlord, its agents, servants, employees or contractors.

- (a) Subject to the provisions of Section 10.7 hereof, all breakage, damage, or injury to the Premises, including damage to carpeting, wall coverings, and finishes in any way caused by Tenant or its agents, employees, contractors, visitors, guests, or invitees, shall be repaired by Landlord at Tenant's expense, ordinary wear and tear excepted. Any such expense shall be due and payable by Tenant as Additional Rent pursuant to Article 4 Thirty (30) days after Tenant receives invoice for such work from Landlord. Landlord, its employees, agents and licensees, shall have the right to enter the Premises at all reasonable hours with reasonable prior notice for maintenance purposes or to make any improvements, alterations, and repairs to the Building or Premises.
- (b) Landlord shall in no event be liable for the inconvenience, annoyance, disturbance, loss of business, or other damage of Tenant by reason of the performance of any work on the Premises or Building; and except as hereinafter provided, no compensation or claim or diminution of Base Rent or Additional Rent shall be allowed or paid by Landlord, by reason of inconvenience, annoyance, disturbance, or injury to Tenant's business or other damage of Tenant. In connection with the doing of any work, Landlord shall use reasonable efforts to minimize the inconvenience, annoyance, or disturbance caused to Tenant during such work.
- (c) Landlord will maintain, clean or repair standard materials and equipment such as auxiliary air-conditioning equipment and any other similar items upon Tenant's request.

The cost of all maintenance, cleaning or repairs of special equipment and above standard materials together with related plumbing or electrical services, whether installed by Tenant or by Landlord on behalf of Tenant, shall be paid for by the Tenant.

Notwithstanding the provisions above, in the event that maintenance, cleaning or repairs required to be made by Tenant become immediately

necessary to avoid possible injury or damage to persons or property, Landlord may make repairs to Tenant equipment at Tenant's expense. Within ten (10) days after Landlord renders a bill for the cost of said repairs, Tenant shall reimburse Landlord.

- (d) The Landlord will furnish and install light bulbs for the building standard fluorescent or incandescent fixtures only. For special fixtures, the Tenant will stock his own bulbs which will be installed by the Landlord when so requested by Tenant.
- (e) Landlord will provide Tenant with 5 keys to access the suite. Key cards for accessed controlled areas of the building will not be provided as access to the common area of the building is not required by the Tenant. Replacement or additional key cards may be purchased by the Tenant at \$50.00 per card.

## **ARTICLE 10. INSURANCE**

- 10.1 Insurance to be Maintained by Tenant.** The Tenant shall maintain at its expense, throughout the Term, insurance against loss or liability in connection with bodily injury, death, property damage or destruction, occurring within the Premises or arising out of the use of or presence on the Premises by Tenant of its agents, employees, officers or invitees, , under one or more policies of general public liability insurance having such limits as are reasonably required by the Landlord from time to time, but in any event not less than (a) ONE MILLION DOLLARS (\$1,000,000.00) combined single limit for bodily injury to or death of any one person and property damage during any one occurrence, (b) TWO MILLION DOLLARS (\$2,000,000.00) combined single limit for bodily injury to or death of all persons and property damage in the aggregate for a given policy year. Each such policy shall (a) name as the insureds thereunder the Landlord and the Tenant (and, at the Landlord's request, any Mortgagee), (b) by its terms, not be cancelable without at least thirty (30) days prior written notice to the Landlord (and, at the Landlord's request, any such Mortgagee), and (c) be issued by an insurer of recognized responsibility licensed to issue such policy in Virginia and which carries a Best rating of no less than "A".
- 10.2 Delivery of Evidence of Insurance.** Certificates of Insurance of insurance required under this Article shall be delivered to Landlord within ten (10) days after the Lease Commencement Date. Tenant shall furnish Landlord with evidence of renewal of such policies within five (5) days prior to the expiration of the term of each such policy.
- 10.3 Failure of Tenant to Obtain.** If Tenant fails to procure and/or maintain any insurance required under this Article, or fails to carry insurance required by law or governmental regulation, Landlord may (but without obligation to do so) at any time or from time to time, and upon at least ten (10) business days prior written notice, procure such insurance, and Tenant shall reimburse Landlord for the cost thereof (plus an administrative fee of ten percent) as Additional Rent with the next installment of Monthly Base Rent coming due under this Lease.

- 10.4 Blanket Policy.** Notwithstanding anything to the contrary contained herein, Tenant's obligation to carry insurance under this Article may be brought within the coverage of a blanket policy or policies of insurance carried and maintained by Tenant; provided, however, that Landlord and Landlord's designees shall be named as additional insureds thereunder as their interests may appear and that the coverage afforded Landlord will not be reduced or diminished by reason of the use of such blanket policy of insurance, and provided further that the requirements set forth in this Article are otherwise satisfied. To ensure that the coverage afforded Landlord will not be reduced or diminished by reason of the use of such blanket policy, Tenant shall obtain an endorsement to such policy which provides that the aggregate limits set forth in Section 10.1 shall apply to each location covered by such policy.
- 10.5 Increased insurance Risks.** Tenant agrees that it will not, at any time during the term of this Lease, conduct or permit to be conducted any activity, or place any goods or equipment in or about the Premises, which will, in any way, increase the insurance rates for insurance on the Building or carried by other Building tenants beyond the rates customarily charged for general office use. If any increase in the rate of insurance on the Building is stated by any insurance company or by the applicable Insurance Rating Bureau to be due to activity or equipment or goods in or about the Premises, other than Tenant's general office use or equipment or goods customarily used in connection therewith, then (regardless of whether Landlord shall have consented to such activity or presence of goods or equipment): (a) such statement shall be conclusive evidence that the increase in such rate is due to such activity or presence of such goods or equipment (b) Landlord shall have the option of requiring Tenant to immediately cease such activity or remove such goods or equipment; and (c) Tenant shall be liable for such increase which shall be payable as Additional Rent with the next installment of Monthly Base Rent coming due under this Lease (and, if Landlord permits Tenant to continue such activity or permit such goods or equipment to remain, Tenant shall be liable for and continue to pay for the increase in the insurance rate resulting therefrom in whatever manner Landlord shall determine). If Tenant shall conduct any activity in or permit the presence of goods or equipment in the Premises which shall result in an increase in the rate of insurance carried by other Building tenants and Landlord shall be held liable therefor, then Tenant shall save and hold Landlord harmless from any and all damages, losses or claims resulting therefrom.
- 10.6 Insurance to be Maintained by Landlord.** Landlord shall obtain and maintain in effect, during the Term of this Lease, insurance policies providing public liability insurance with respect to the Building and Common Facilities, to afford protection with limits, per person and for each occurrence, with respect to personal injury and death and property damage. Said policies shall be part of the total policies package carried for and on behalf of the Landlord. Landlord shall also carry Blanket Builder's Risk, All-risk property and casualty insurance, at full replacement value, covering the Building. Landlord shall not be required to carry insurance of any kind on Tenant's improvements installed within the Premises by or on behalf of Tenant or on any other property of Tenant, and Landlord shall not be obligated to repair any damage thereto or replace the same.
- 10.7 Waiver of Subrogation.** To the fullest extent of the law, Landlord and Tenant each hereby release and relieve the other and waive their entire right of recovery

against the other for loss or damage arising out of perils covered by property damage insurance, which perils occur in, on or about the Premises, whether due to the negligence of Landlord or Tenant or their agents or employees. Landlord shall, upon obtaining the policies of insurance required hereunder, give notice to their insurance carriers that the foregoing mutual waiver of subrogation is contained in this Lease.

- 10.8 Indemnification.** Tenant shall indemnify, defend and hold the Landlord Indemnitees harmless from and against all liabilities, obligations, damages, judgments, penalties, claims, costs, charges and expenses, including, without limitation, reasonable architects' and attorneys' fees, which may be imposed upon, incurred by, or asserted against any of the Landlord Indemnitees and arising, directly or indirectly, out of or in connection with (i) Tenant's breach of its obligations under this Lease, (ii) the acts or negligence of the Tenant Parties, (iii) any loading platform area for Tenant's exclusive use from the Premises, and/or (iv) the use or occupancy of the Premises by the Tenant Parties. If any action or proceeding is brought against any of the Landlord Indemnitees by reason of any of the foregoing, Tenant's insurance company shall defend the Landlord Indemnitees by counsel chosen by Tenant's insurance company. If Tenant's insurance company declines to defend the Landlord Indemnitees, Tenant shall reimburse the Landlord Indemnitees the reasonable cost of defending such action or proceeding. Any such cost, damage, claim, liability or expense incurred by the Landlord Indemnitees for which Tenant is obligated to reimburse the Landlord Indemnitees under this Lease shall be deemed Additional Rent due and payable within five (5) days after notice to Tenant that payment is due.

## **ARTICLE 11. DAMAGE AND/OR DESTRUCTION**

- 11.1 Total Destruction of Building.** In the event that the Premises shall be damaged or destroyed by fire or other cause, Landlord will, at Landlord's expense, promptly repair or restore the improvements so damaged or destroyed to their condition immediately prior to such damage or destruction. In the event that the Premises are rendered partially untenable as a result of such fire or other cause, but the condition of the Premises does not preclude use of the Premises for the purposes stated in Article 1.1 (d), the rent shall abate in the proportion that the area of the improvements prior to such damage or destruction. In the event that the damage is so extensive as to render the improvements entirely untenable or the condition of the improvements precludes the effective use of the Premises for the purposes stated in Article 1.1 (d), all rent shall cease until Landlord completes such repairs or restoration.

Whether such casualty results in partial or complete destruction, Tenant shall have the right to terminate this Lease if the repairs or restoration are not completed within four (4) months of the date of the casualty. In the event that the Premises are entirely or substantially destroyed by fire or other cause within the last twelve (12) months of the term of this Lease, Landlord shall not be obligated to restore the Premises. All insurance proceeds from Landlord's policy will be paid directly to Landlord for the purpose of such repair or restoration. Landlord shall not in any event be liable for interruption to Tenant's business or for damage to or replacement or repair of Tenant's personal property.

- 11.2 **Tenant's Intentional Acts.** Anything contained in any provision of this Lease to the contrary notwithstanding, if any such damage to the Premises, the Building or both are caused by or result from the intentionally tortious act or omission of the Tenant, Tenant's employee(s) or Tenant's invitee (s), then the Rent shall not be suspended or apportioned as aforesaid.

## ARTICLE 12. ASSIGNMENTS AND SUBLEASES

- 12.1 **Consent.** Without Landlord's prior written consent, which shall not be unreasonably withheld, delayed conditioned or denied, and subject to the provisions in Section 12.7. Tenant shall not assign, sublet, mortgage, pledge, encumber, license or permit the Premises or any part thereof to be used by others, or otherwise transfer, voluntarily, by operation of law, or otherwise, this Lease or the Premises or any interest herein or therein. Any transaction made in violation of the first sentence of this Section shall be void. Notwithstanding anything contained herein to the contrary, if Tenant is in default hereunder, Tenant shall not be permitted to make a Transfer. Landlord's consent to an assignment of this Lease or a subletting of the entire Premises may be withheld in Landlord's sole discretion. Neither the Premises, nor any part thereof, will be used, occupied or managed, or permitted to be used, occupied or managed, by anyone other than Tenant, or used for any purpose other than as permitted under this Lease, or be advertised for subletting. A sale of Tenant's business (whether structured as a sale of the equity interest in the business entity comprising Tenant, or a sale of Tenant's assets) will be deemed a Transfer hereunder, and shall require Landlord's consent, if the transaction involves Tenant's interest in the Lease. A sale, transfer, assignment, conveyance, endorsement or other disposition of (a) a general partnership interest, if Tenant is partnership, (b) a managing member's interest, if Tenant is a limited liability company or (c) fifty percent (50%) or more of the capital stock of Tenant (if Tenant is a corporation) or of the interest in capital, profits, or losses of Tenant (if Tenant is a partnership, limited liability company or partnership) shall be deemed to be an assignment of this Lease within the meaning of this Section, unless such sale or transfer is made by (i) a publicly owned corporation, (ii) involves the sale or issuance of securities registered under the Securities Act of 1933, as amended, (iii) is made entirely amongst the existing stockholders or interest holders of Tenant, or (iv) results from the death of a stockholder or interest holder of Tenant. Transactions described in this Article are sometimes referred to as a "**Transfer**", and the person to whom Tenant's interest is transferred shall be referred to as a "**Transferee**."
- 12.2 **Notice.** If Tenant desires to sublet the entire Premises, or assign this Lease, Tenant shall give Landlord at least sixty (60) days prior written notice. The notice shall include: (i) the proposed Transferee's name, (ii) the balance sheets and profit and loss statements for the proposed Transferee or any other person to be liable for Tenant's obligations under this Lease covering the prior three (3) years (or for such shorter period as the proposed Transferee or other person may have been in existence), all certified as true and correct by the proposed Transferee, or an authorized officer thereof or such other person as may be liable for Tenant's obligation under this Lease, (iii) a full description of the terms and conditions of the proposed Transfer, including copies of any and all documents and instruments, any purchase agreements, sublease, assignment and all other relevant agreements concerning the proposed Transfer, (iv) a description of the proposed use of the Premises by the proposed Transferee, including any required

or desired alterations or improvements to the Premises that may be undertaken by such Transferee in order to facilitate its proposed use, (v) a business plan for the proposed Transferee's operations at the Premises, including a statement of projected income, expense, and cash flow for such operation for the two (2) years following the proposed effective date of the Transfer, (vi) a list of personal, business and credit references of the proposed Transferee, (vii) the same information set forth in (i) through (iv) and (vi) of this Section pertaining to any guarantor or other person who will be liable in any manner for the payment of any amounts under the Lease, and (viii) any other information Landlord may reasonably request.

**12.3 Recapture.** If Tenant requests Landlord's consent for a subletting or assignment, Landlord may, in its sole discretion, terminate this Lease, Landlord shall exercise such option by giving Tenant written notice within sixty (60) days following Landlord's receipt of Tenant's written notice and the information required by Section 12.2. In such event, the Term shall end on the date stated in Tenant's notice as the effective date for the Transfer as if that date had been originally fixed in this Lease for the expiration of the Term.

Notwithstanding anything to the contrary contained in this Section 12.3, Tenant shall have the right to void Landlord's notice of termination pursuant to this Section 12.3 if, within fifteen (15) days of Tenant's receipt of such notice, Tenant provides notice to Landlord ("**Tenant's Rescission Notice**") that it rescinds its request for Landlord's consent to an assignment or subletting, and Tenant shall continue to operate in the Premises pursuant to the terms of this Lease. In such event, Tenant shall be prohibited from seeking to assign this Lease or sublet all or any portion of the Premises for a period of two (2) years after the date of Tenant's Rescission Notice.

**12.4 No Waiver.** Landlord's consent to any assignment, subletting or other Transfer shall not include or be construed as consent to any Transfer by Tenant or its Transferee. Further, Landlord's consent to a Transfer shall not relieve Tenant, any guarantor or any of their Transferees from obtaining the consent in writing of Landlord to any further Transfer, nor shall the same release or discharge Tenant from any liability under this Lease, and Tenant shall continue fully liable in all respects hereunder.

**12.5 Profit.** Notwithstanding Landlord's consent, if Tenant sells, sublets, assigns, or otherwise Transfers this Lease and at any time receives periodic rent or other consideration which exceeds that which Tenant would at that time be obligated to pay Landlord under this Lease, Tenant shall pay to Landlord one hundred percent (100%) of the gross increase in rent as and when Tenant receives such rent and from the Transferee.

**12.6 Assumption.** Should Landlord consent to a Transfer, Tenant, its proposed Transferee and Landlord shall execute an agreement acceptable to Landlord in its reasonable discretion, under which the proposed Transferee shall be bound by the terms and conditions of this Lease. All of the provisions of this Article 12 shall apply to any proposed Transfer by any Transferee and their respective Transferees.

**12.7 Reasons to Refuse Consent.** Without limiting the generality of this Article 12, it will be reasonable for Landlord to refuse consent to any Transfer if, at the time of either Tenant's notice of the proposed Transfer or the proposed commencement date thereof (i) there shall exist an Event of Default or matter which will become an Event of Default with passage of time or the giving of notice, or both, unless

cured; (ii) the proposed Transferee is an entity (aa) with which Landlord is already in negotiation as evidenced by the issuance of a written proposal; (bb) which is already an occupant of the Shopping Center; (cc) which is incompatible with the character of occupancy of the Shopping Center; or (dd) which would subject the Premises to a use which would (1) involve increased insurance, personnel or wear upon the building, (2) violate any exclusive rights or restrictions contained in the lease of another tenant of the building, or conflict with the primary use of another tenant, (3) require any addition to (including improvements thereon) or modification of the Premises, or all or any portion of the building, or any additional action by Landlord, in order to comply with building code or other governmental requirements, or (4) increase the governmental parking requirements for the Premises or the building; (iii) the tangible net worth (exclusive of good will) of the Transferee, immediately prior to and following such Transfer, is less than the aggregate tangible net worth (exclusive of good will) of Tenant and any guarantors on the Effective Date of Lease or on the date of the Transfer, whichever is greater; (iv) the Transferee has less than five (5) years' experience with respect to owning and operating the same type of business as the Permitted Use; (v) the nature of the proposed Transferee's proposed or likely use of the Premises would involve any increased risk of the use, release or mishandling of any Hazardous Substances (hereinafter defined); (vi) the business reputation or character of the proposed Transferee or the business reputation or character of any of its affiliates is not reasonably acceptable to Landlord; (vii) Landlord has not received assurances acceptable to Landlord in its sole discretion that all past due amounts owing from Tenant to Landlord (if any) will be paid and all other defaults on the part of Tenant (if any) will be cured prior to the effectiveness of the proposed Transfer; (viii) Landlord is not satisfied that the proposed Transferee's assets, businesses or inventory would not be subject to seizure or forfeiture under any Laws related to criminal or illegal activities; or (ix) the Transferee will not qualify as a replacement tenant under any co-tenancy or other similar provision in any other lease or agreement in or affecting Landlord or the building. In no event may Tenant mortgage, pledge or otherwise encumber its leasehold interest as collateral for a debt. The foregoing are only examples of reasons for which Landlord may withhold its consent and shall not be deemed exclusive of any other permitted reason for reasonably withholding consent, whether similar or dissimilar to the foregoing examples

**12.8 Continuing Liability.** Notwithstanding any permitted Transfer, Tenant shall at all times remain directly and primarily liable for the payment of Rent and for compliance with all of its other obligations under this Lease. Upon the occurrence of an Event of Default under Article 14 of this Lease, if the Premises or any part of the Premises are then assigned or sublet, in addition to any other remedies provided in this Lease or by law, Landlord may collect directly from the assignee or subtenant all rents due and becoming due to Tenant under the sublease and apply the rent against sums due Landlord from Tenant under this Lease. The collection of any Rent directly from an assignee or subtenant shall not be construed to constitute a novation or release of Tenant from the further performance of Tenant's obligations nor shall such acceptance of Rent be construed as a waiver of any Tenant violation under Article 12. Any guaranty executed as consideration for this Lease shall remain in full force and effect before and after any Transfer. Landlord may require Tenant to execute a guaranty of this Lease before Landlord consents to any Transfer. Landlord may proceed directly against Tenant without first exhausting any remedies for default which Landlord may have against any Transferee. In the event of a termination, re-entry or dispossession by Landlord following a sublease by Tenant, Landlord may, at Landlord's option, take over all of the right, title and interest of Tenant (as

sublandlord) under such sublease, and the subtenant shall, at Landlord's option, attorn to Landlord pursuant to the provisions of such sublease.

- 12.9 Bankruptcy.** Anything contained in this Lease to the contrary notwithstanding, and without prejudice to Landlord's right to require a written assumption from each Transferee, any person or entity to whom this Lease is transferred including, without limitation, assignees pursuant to the provisions of the Bankruptcy Code, shall automatically be deemed to have assumed all obligations of Tenant arising under this Lease. If this Lease is assigned to any person or entity pursuant to the provisions of the Bankruptcy Code, any and all monies or other consideration payable or otherwise to be delivered in connection with such assignment shall be paid or delivered to Landlord and shall remain the exclusive property of Landlord and not constitute the property of Tenant or Tenant's estate within the meaning of the Bankruptcy Code. All such money or other consideration not paid or delivered to Landlord shall be held in trust for the benefit of Landlord and shall be promptly paid or delivered to Landlord.

### ARTICLE 13. CONDEMNATION

- 13.1 Complete Taking of Premises.** If all of the Premises shall be taken or condemned by right of eminent domain, or other exercise of a power in the nature of eminent domain, including private sale under threat of such taking (collectively "Condemnation"), then this Lease shall cease and terminate as of the date of taking.
- 13.2 Partial Taking of Premises.** In the event of the Condemnation of any portion of the Premises and such Partial Condemnation shall render the remaining portion of the Premises unsuitable for the business of Tenant, then this Lease shall cease and terminate as of the date of taking. If such partial Condemnation is not extensive enough to render the remaining portion of the Premises unsuitable for the business of Tenant, then this Lease shall continue in effect except that the Annual Base Rent shall be reduced in the same proportion that the rentable area of the Premises taken bears to the total rentable area of the Premises and Tenant's Pro Rata Share shall also be appropriately adjusted, and Landlord shall, upon receipt of the award in Condemnation, make all necessary repairs or alterations to the Premises so as to render the portion not taken a complete architectural unit, provided such work shall not exceed the scope of the work to be done by Landlord in originally constructing the Premises, nor shall Landlord be required, in any event, to spend for such work an amount in excess of the amount received by Landlord as damages for the portion of the Premises condemned. "Amount received by Landlord" shall mean that portion of the award in Condemnation which Landlord receives after deducting any sums required to be paid by Landlord to the holder of any mortgage and/or ground lease on the property so condemned, as well as all expenses and appraisers' and attorneys' fees incurred by Landlord in connection with the Condemnation proceedings.
- 13.3 Partial Taking of Building/Project.** In the event of the Condemnation of twenty-five percent (25%) or more of the rentable area of the Building and/or the Project, irrespective of whether the Premises is affected thereby, Landlord may, by written notice to Tenant, terminate this Lease, which termination shall be effective as of the date on which title vests in the condemning authority.



- 13.4 Termination of Lease/ Proration of Rent.** If this Lease is terminated as a result of Condemnation in accordance with this Article, then the Annual Base Rent and Additional Rent required to be paid by Tenant under this Lease shall be prorated to the effective date of termination of this Lease, and Tenant shall have no claim against either Landlord or the condemning authority for the value of an unexpired portion of the term of this Lease. Landlord agrees that to the extent that such rents have been paid in advance by Tenant, the same shall be equitably refunded to Tenant provided that Tenant is not then otherwise in default of any of the obligations required to be performed by it under this Lease, and would not be in default with the giving of any applicable notice and the expiration of any applicable grace period.
- 13.5 Condemnation Award.** In the event of any Condemnation, whether whole or partial, Landlord reserves unto itself the full amount of any damages and compensation awarded in connection therewith, and Tenant shall have no claim, right, title or interest whatsoever therein. To effectuate the intent of the foregoing, Tenant hereby assigns to Landlord all such rights to damages and compensation as may accrue by reason of a Condemnation whether total or partial. The foregoing shall not be construed as prohibiting the application by Tenant (if permitted by law) to the applicable condemning authority for a separate award which is related solely to Tenant's interest in the Premises and/or moving expenses; provided, however, that any such award would not result in the diminution in any award relating to the interests of Landlord or any mortgagee or ground lessor of Landlord.

#### **ARTICLE 14. DEFAULTS AND REMEDIES**

- 14.1 Default.** It is agreed that if Tenant shall fail to pay the rent, or any installments thereof as aforesaid, at the time the same shall become due and payable and/or any additional rent as herein provided, although no demand shall have been made for the same (except as set forth in Section 14.2); or Tenant shall violate or fail to neglect to keep and perform any of the covenants, conditions and agreements herein contained on the part of Tenant to be kept and performed and in the case of any such events above described in this Section 14.1 such event shall not be remedied by Tenant pursuant to Section 14.2 below, then and in such event Tenant shall be in default hereunder.
- 14.2 Cure.** If Tenant shall fail in the performance and/or observance of any such event set forth in Section 14.1 above, Tenant shall cure such default to the reasonable satisfaction of Landlord within thirty (30) days after Tenant's receipt of written notice of default (which notice shall specify such default) to Landlord or, if such cure cannot reasonably be completed within/thirty (30) days, Tenant shall commence to cure immediately upon delivery of notice and thereafter proceed with due diligence to complete the cure.
- 14.3 Remedies.** Upon the occurrence of an Event of Default:
- (a) Landlord may terminate this Lease and/or any services provided to Tenant under this Lease, by giving notice of such termination to Tenant, whereupon this Lease shall automatically cease and terminate, and Tenant shall be obligated to immediately quit the Premises. Any other notice to quit or notice

of Landlord's intention to re-enter the Premises is hereby expressly waived. If Landlord elects to terminate this Lease, everything contained in this Lease on the part of Landlord to be done and performed shall cease, without prejudice, however, to the right of Landlord to recover from Tenant all Rent accrued up to the time of termination or recovery of possession by Landlord, whichever is later, and any and all other monetary damages and/or loss of and/or deficiency in Rent sustained by Landlord.

(b) Upon the occurrence of an Event of Default, whether or not this Lease is terminated pursuant to this Section, Landlord may proceed to recover possession of the Premises under and by virtue of the provisions of the Laws of the Commonwealth of Virginia, or by such other proceedings, including re-entry and possession, as may be applicable.

(c) If Tenant shall fail to pay any installment of Rent pursuant to the terms of this Lease, then Landlord may, by giving notice to Tenant, require a security deposit or additional security deposit to be paid to Landlord within three (3) days of such notice, in an amount not to exceed the Rent reserved during the next six (6) months.

(d) Any damages and/or loss of and/or deficiency in Rent sustained by Landlord may be recovered by Landlord, at Landlord's option: (i) in one (1) or more separate actions, at any time and from time to time, as and to the extent that said damages and/or Rent shall have accrued; or (ii) in a single action deferred until on or after the Expiration Date (in which event the cause of action shall not be deemed to have accrued until the Expiration Date), or (iii) in a single proceeding prior to either the time of reletting or the Expiration Date, in which event Tenant shall pay Landlord the positive difference, if any, between (x) all Rent reserved under this Lease from the date of breach through the original Expiration Date, and (y) the estimated fair market value of the Premises during such time period (taking into account estimated vacancy periods and reletting expenses), with the amounts in both (x) and (y) being reduced to present value using an eight percent (8%) discount rate.

(e) Nothing contained herein shall prevent the enforcement of any claim Landlord may have against Tenant for anticipatory breach of the unexpired Term. In the event of a breach or anticipatory breach by Tenant of any of the covenants or provisions hereof, Landlord shall have the right of injunction, the right to specific performance, and all other remedies allowed at law or in equity or under this Lease.

**14.4 Landlord's Right to Relet.** Should this Lease be terminated before the expiration of the term of this Lease by reason of Tenant's default, or if Tenant shall abandon or vacate the Premises before the expiration or termination of the term of this Lease, then Landlord shall have the right, but shall not be obligated, to relet the Premises for such rent and upon such terms as are reasonable under the circumstances. If the rent reserved under this Lease (and any of the costs, expenses or damages indicated below) shall not be realized by Landlord, Tenant shall be liable for all reasonable damages sustained by Landlord, including, without limitation, deficiency in rent, reasonable attorney's fees, brokerage fees pro-rated to reflect only those fees attributable to the portion of the relet term which coincides with the balance of the term remaining hereunder at the time of Tenant's uncured default, and expenses of placing the premises in first class rentable condition. Landlord, in putting the premises in good order or preparing the same

for re-rental may, at Landlord's option, make such alterations, repairs, or replacements in the Premises as Landlord, in Landlord's reasonable business judgment, considers advisable and necessary for the purpose of reletting the premises, and the making of such alterations, repairs, or replacements shall not operate or be construed to release Tenant from liability hereunder as aforesaid. Provided that Landlord uses commercially reasonable efforts to relet the Premises, Landlord shall in no event be liable in any way whatsoever for failure to relet the premises, or in the event that the premises are relet, for failure to collect the rent thereof under such reletting. In no event shall Tenant be entitled to receive any excess, if any, of such net rent collected over the sums payable by Tenant to Landlord hereunder. Notwithstanding anything to the contrary contained in this Section 14.4, Landlord agrees to use commercially reasonable efforts to mitigate its damages following its recovery of possession of the Premises.

**14.5 Recovery of Damages.** Any damage or loss of rent sustained by Landlord may be recovered by Landlord, at Landlord's option, at the time of the reletting, or in separate actions, from time to time, as said damage shall have been ascertained by successive relettings, or, in a single proceeding deferred until the expiration of the Term of this Lease (in which event Tenant hereby agrees that the cause of action shall not be deemed to have accrued until the date of expiration of said Term), or in a single proceeding prior to either the time of reletting or the expiration of the Term of this Lease, in which event Tenant agrees to pay Landlord the difference between the present value of the rent reserved under this Lease on the date of breach, discounted at ten percent (10%) per annum, and the fair market value of the Lease on the date of breach, similarly discounted. In the event Tenant becomes the subject debtor in a case under the Bankruptcy Code, the provisions of this Section 14.5 may be limited by the limitations of damage provisions of the Bankruptcy Code.

**14.6 Non-Waiver.** No payment by Tenant or receipt by Landlord of lesser amounts of rent than those herein stipulated shall be deemed to be other than on account of the earliest unpaid stipulated rent. No endorsement or statement on any check or any letter accompanying any check or payment as rent shall 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 in this Lease.

**14.7 Anticipatory Repudiation.** If, prior to the commencement of the term of this Lease, Tenant notifies Landlord of an intention to repudiate this Lease, Landlord may, at its option, consider such anticipatory repudiation a breach of this Lease. In addition to any other remedies available to it hereunder or at law or in equity, Landlord may retain all rent paid upon execution of the Lease and the security deposit, if any, to be applied to damages of Landlord incurred as a result of such repudiation, including without limitation reasonable attorneys' fees, brokerage fees, costs of reletting, loss of rent, etc. Tenant shall pay in full for all Tenant improvements constructed or installed within the Premises to the date of the breach, and for materials ordered at its request for the Premises.

**14.8 Tenant Abandonment of Premises.**

(a) Abandonment. If the Premises shall be deserted or vacated by Tenant for thirty (30) consecutive days or more without notice to Landlord, and Tenant

shall have failed to make the current rental payment, the Premises may be deemed abandoned. Landlord may consider Tenant in default under this Lease and may pursue all remedies available to it under this Lease or at law.

- (b) Landlord Right to Enter and to Relet. Landlord may, at its option, enter into the Premises without being liable for any prosecution therefor or for damages by reason thereof. In addition to any other remedy, Landlord, as agent of Tenant, may relet the whole or any part of the Premises for the whole or any part of the then unexpired lease term. For the purposes of such reletting, Landlord may make any alterations or modifications of the Premises considered desirable in its reasonable business judgment.
- (c) Right to Dispose of Tenant Property. If Tenant vacates or abandons the Premises as defined above, any property that Tenant leaves on the Premises shall be deemed to have been abandoned and may either be retained by Landlord as the property of the Landlord or may be disposed of at public or private sale in accordance with applicable law as Landlord sees fit. The proceeds of any public or private sale of Tenant's property, or the then current fair market value of any property retained by Landlord, shall be applied by Landlord against (i) the reasonable expenses of Landlord for removal, storage or sale of the property; (ii) the arrears of rent or future rent payable under this Lease; and (iii) any other damages to which Landlord may be entitled hereunder.
- (d) Transfer of Tenant Property to Creditors. If Tenant vacates or abandons the Premises, as defined above, Landlord may, upon presentation of evidence of a claim valid upon its face of ownership or of a security interest in any of Tenant's property abandoned in the Premises, turn over such property to the claimant with no liability to Tenant.

## ARTICLE 15. LIABILITY

- 15.1 Personal Property.** Any goods, property or personal effects stored or placed by Tenant, its employees, agents, invitees, licensees, customers, contractors, or guests, in or about the Premises or the Building shall be and remain at their sole risk. Landlord shall not be liable for any damage to or loss of such property arising from: (a) the act of any other person; (b) the leaking of the roof; (c) the bursting, leaking or overflowing of water, sewer or steam pipes, or heating or plumbing fixtures or air-conditioning pipeline, unless caused by the negligence or willful misconduct of Landlord or its employees or agents.
- 15.2 Public Liability.** Either party shall not be liable for any accident, injury, or damage to any person or property in or about the Premises which is caused by the conduct and operation of either parties business.
- 15.3 Force Majeure.** In the event that either party shall be delayed or prevented from the performance of any obligation hereunder by reason of strikes, lock-outs, labor disputes, inability to procure materials, failure of power, restrictive government laws or regulations, riots, insurrection, war or other cause beyond the reasonable control of such party, then performance of such obligation shall be extended for a

period equivalent to the period of such delay, provided, however, that this Section shall not apply to any obligations to pay money under this Lease.

**15.4 Limitation of Landlord's Liability.** In the event of any default or breach by Landlord with respect to any of the terms, covenants and conditions of this Lease to be observed and performed by Landlord, Tenant shall look solely to the property of Landlord, in the Premises for the collection of any sum of money on a judgment, or for the payment or expenditure of any money under any decree of specific performance, injunctive relief or other equitable relief (or other judicial process) requiring performance by Landlord of any obligation under this Lease, including without limitation any proceeds of rent, insurance, refinancing, casualty or condemnation.

The term "Landlord" shall mean only the owner at the time in question of the then current Landlord's interest in the Premises, and in the event of a sale or transfer of the Premises (by operation of law or otherwise), transferor shall be and hereby is automatically and entirely released and discharged, from and after the date of such sale or transfer of all liability in respect of the performance of any of the terms of this Lease on the part of Landlord thereafter to be performed; after the date of transfer provided, however, that the purchaser or transferee (the "Transferee") shall be deemed to have assumed and agreed to perform, during and in respect of the Transferee's period of ownership of Landlord's interest under this Lease all of the terms of this Lease on the part of Landlord accruing and to be performed during and with respect to such period of ownership, which obligation shall be deemed to run with the land, it being intended that Landlord's obligations hereunder shall, as limited by his subsection, be binding on Landlord, its successors and assigns, only during and in respect of their respective successive periods of ownership.

Virginia is a Dillon Rule state. Unless specifically permitted by statute, indemnification or attempt to have the Town "hold harmless" others is invalid and unenforceable or an impermissible waiver of the Town's sovereign immunity which may create potential future debt in violation of Virginia Constitutional and statutory requirements. The Town does not waive its sovereign immunity.

## **ARTICLE 16. SUBORDINATION, ATTORNMENT AND ESTOPPEL**

**16.1 Subordination.** This Lease is subject and subordinate to all ground or underlying leases and to any first Mortgage(s) which may now or hereafter affect such leases or the Land and to all renewals, modifications, consolidations, replacements and extensions thereof. This subordination shall be self-operative; however, in confirmation thereof, Tenant shall execute promptly any instrument that Landlord or any first Mortgagee may reasonably request confirming such subordination. Notwithstanding the foregoing, before any foreclosure sale under a Mortgage, the Mortgagee shall have the right to subordinate the Mortgage to this Lease, and, in the event of a foreclosure, this Lease may continue in full force and effect and Tenant shall attorn to and recognize as its landlord the purchaser of Landlord's interest under this Lease. Tenant shall, upon the request of a Mortgagee or purchaser at foreclosure, execute, acknowledge and deliver any instrument that has for its purpose and effect the subordination of the lien of any Mortgage to this Lease or Tenant's attornment to such Purchaser.

- 16.2 Mortgage Protection.** Tenant agrees to give any Mortgagee actually known by Tenant, by certified mail, return receipt requested, a copy of any notice of default served upon Landlord, provided that before such notice Tenant has been notified in writing of the address of such Mortgagee. Tenant further agrees that if Landlord shall have failed to cure such default within the time provided for in this Lease, then Mortgagee shall have an additional thirty (30) days within which to cure such default; provided, however, that if such default cannot be reasonably cured within that time, then such Mortgagee shall have such additional time as may be necessary to cure such default so long as Mortgagee has commenced and is diligently pursuing the remedies necessary to cure such default (including, without limitation, the commencement of foreclosure proceedings, if necessary), in which event this Lease shall not be terminated or Rent abated while such remedies are being so diligently pursued. In the event of the sale of the Land or the Building, by foreclosure or deed in lieu thereof, the Mortgagee or purchaser at such sale shall be responsible for the return of the Security Deposit only to the extent that such Mortgagee or purchaser actually received the Security Deposit.
- 16.3 Modification Due to Financing.** If, in connection with obtaining construction or permanent financing for the Premises, the Building or the Land, any lender (or Mortgagee) shall require reasonable modifications of this Lease as a condition to such financing, Tenant shall promptly execute a modification of this Lease, provided such modifications do not increase the financial obligations of Tenant hereunder or adversely affect the leasehold interest herein or Tenant's reasonable use and enjoyment of the Premises.
- 16.4 Estoppel Certificate.** Tenant shall without charge, at any time and from time to time ten (10) days after request therefor by Landlord, Mortgagee, or any purchaser of the Land or Building or any other interested person, execute, acknowledge and deliver to such requestor a written estoppel certificate certifying, as of the date of such estoppel certificate, the following: (i) that this Lease is unmodified and in full force and effect (or if modified, that the Lease is in force and effect as modified and setting forth such modifications); (ii) that the Term has commenced (and setting forth the Lease Commencement Date and Expiration Date); (iii) that Tenant is presently occupying the Premises; (iv) the amounts of Base Rent and Additional Rent due and payable by Tenant; (v) that any Alterations required by the Lease to have been made by Landlord have been made to the satisfaction of Tenant; (vi) that there are no existing service charges, liens, claims or defenses against the enforcement of any right hereunder, including (vii) that no Base Rent (except the first installment thereof) has been paid more than thirty (30) days in advance of its due date; (viii) that Tenant has no knowledge of any then uncured default by Landlord of its obligations under this Lease (or, if Tenant has such knowledge, specifying the same in detail); (ix) that Tenant is not in default; and that the address to which notices to Tenant should be sent is as set forth in the Lease (or, if not, specifying the correct address); and (xi) any other certifications reasonably requested by Landlord.

## ARTICLE 17. QUIET ENJOYMENT

- 17.1 Quiet Enjoyment.** Landlord covenants that so long as there is not a default by Tenant beyond the applicable notice and cure period which remains uncured.

Tenant shall during the Term peaceably and quietly occupy and enjoy possession of the Premises without molestation or hindrance by Landlord or any party claiming through or under Landlord, subject to the provisions of the Lease and any Mortgage to which this Lease is subordinate and easements, conditions and restrictions of record affecting the Land. Notwithstanding the foregoing, Landlord hereby represents and warrants to Tenant that none of such easements, conditions or restrictions will adversely affect in any material manner the ability of Tenant to occupy or enjoy the use of the Premises for office and administrative purposes, or use the Common Areas.

## ARTICLE 18. ACCESS

- 18.1 Access.** Subject to Tenant's security requirements Tenant shall allow Landlord, its agents or employees, to enter the Premises at all reasonable times after at least 24 hours prior notice (except in the event of emergency), without charge therefore to Landlord, and without diminution of the rent payable by Tenant in order to: (a) examine, inspect, protect, or prevent damage or injury to the Premises, (b) to make such alterations and repairs as Landlord may deem necessary; (c) to exhibit the same to prospective tenants during the last twelve (12) months of the term of this Lease; or (d) to exhibit the same to prospective purchasers of the Building or Property at any time during the term of this Lease. Landlord agrees to use commercially reasonable efforts to minimize any disturbance to Tenant's business operations in the Premises when entering the Premises for any of the aforesaid purposes.

## ARTICLE 19. DELIVERY AT END OF LEASE TERM

- 19.1 Surrender of Premises.** On the Expiration Date, Tenant shall quit and surrender the Premises broom clean and in good condition and repair (ordinary wear and tear and damage by fire or other casualty or condemnation excepted), together with all alterations, installations, additions, and improvements which may have been made in or attached to the Premises. Notwithstanding the foregoing, Tenant shall not remove any alterations, installations, additions, improvements and equipment that was included as part of the original build-out unless Tenant requests Landlord's approval of the installation of same, or Landlord requests in writing that such alterations, installations, additions, and improvements be removed from the Premises at the expiration or termination of the Term. Upon surrender, Tenant shall remove its personal property and repair any damage to the Premises caused thereby. Any property of Tenant not promptly removed shall be deemed to have been abandoned by Tenant and to have become the property of Landlord and may be retained by Landlord or disposed of at Tenant's expense (Tenant hereby agreeing to remain liable for the reasonable cost thereof even though this Lease shall have terminated) as Landlord shall so desire.
- 19.2 Holding Over.** If Tenant or any party claiming under Tenant remains in possession of the Premises, or any part thereof, after the Expiration Date, such holding over by Tenant shall create a month-to-month tenancy subject to all of the terms, covenants and conditions set forth in this Lease insofar as the same are applicable to a month-to-month tenancy, except beginning at the third month of the holdover period, Tenant shall pay a Monthly Base Rent equal to one and a quarter (1.25)

times the monthly base rent in effect during the last month of the term of the Lease. If tenant holds over, Tenant shall give to Landlord at least thirty (30) days prior written notice of any intention to quit the Premises and Tenant shall be entitled to thirty (30) days prior written notice to quit the Premises except in the event of nonpayment of rent in advance or the breach of any other covenant by Tenant, in which event Tenant shall not be entitled to any notice to quit, the usual thirty (30) days notice to quit being hereby expressly waived.

## ARTICLE 20. PARKING

- 20.1 Parking.** Landlord shall provide Tenant, at no additional cost, with nonexclusive access to parking spaces located on the Property.

## ARTICLE 21. LEASE OPTIONS

- 21.1 Renewal Option.** Tenant has the option to extend this lease for up to two (2) twenty four (24) month period(s) at Base and NNN market rates. In order to exercise such renewal option(s), Tenant shall give written notice to Landlord at least ninety (90) days prior to the then Expiration Date (as such date may have been extended if Tenant shall have exercised a previous renewal option). Tenant's failure to timely give the written notice required hereunder shall render Tenant's right of renewal options herein granted null and void, un-exercisable and of no further force or effect. Provided that Tenant has properly exercised the renewal option, the Lease Term shall be extended by the Renewal Term, and all terms, covenants and conditions of this Lease shall remain unmodified and in full force and effect.
- 21.2 Termination Option** Tenant shall have the option (the "Termination Option") to terminate the Lease with respect to all, but not part, of the Premises, effective as of the last day of the initial Lease Term. The Termination Option is granted subject to the following terms and conditions:
- (a) Terms If Tenant timely and properly exercises the Termination Option in writing to the Landlord, (i) all rent payable under the Lease (including without limitation, additional rent) shall be paid through an apportioned as of the Termination Date; (ii) neither party shall have any rights, estates, liabilities, or obligations under the Lease for the period accruing after the Termination Date, except those which, by the provisions of the Lease, expressly survive the expiration or termination of the Term of the Lease; (iii) Tenant shall surrender and vacate the Premises and deliver possession thereof to Landlord on or before the Termination Date in the condition required under the Lease for surrender of the Premises; and (iv) at Landlord's option, Landlord and Tenant shall enter into a written agreement reflecting the termination of the Lease upon the terms provided for herein, which agreement shall be executed within thirty (30) days after Tenant exercises the Termination Option.
  - (b) Termination The Termination Option shall automatically terminate and become null and void upon the earlier to occur of; (1) the termination of Tenant's right to possession of the Premises; (2) the failure of Tenant to



timely or properly exercise the Termination Option; of (3) any assignment or subletting of any of Tenant's interest in the Lease or the Premises.

## ARTICLE 22. MISCELLANEOUS

- 22.1 No Partnership.** Nothing contained in this Lease shall be construed to create a partnership, joint venture, or other relationship between the parties hereto other than Landlord and Tenant.
- 22.2 No Representations by Landlord.** Neither Landlord nor any agent or employee of Landlord, has made any representations or promises, with respect to the Premises or the Building except as herein expressly set forth, and no rights, privileges, easements or licenses are acquired by Tenant except as herein set forth.
- 22.3 Waiver of Jury Trial.** Landlord and Tenant hereby waive trial by jury in any action, proceeding, or counterclaim brought against the Landlord or Tenant respecting any matter arising out of or in any way connected with this Lease.
- 22.4 No Waiver.** If, under the provisions hereof, either party shall institute proceedings and a compromise or settlement thereof shall be made, the same shall not constitute a waiver of any covenant herein contained nor of any of either party's rights hereunder unless expressly provided for in any such compromise or settlement agreement. No waiver by either party of any breach of any covenant, condition or agreement herein contained shall operate as a waiver of such covenant, condition, or agreement itself, or of any subsequent breach thereof. No payment by Tenant or receipt by Landlord of an amount less than the Monthly Base Rent herein stipulated shall be deemed to be other than on account of the earliest stipulated Monthly Base Rent nor shall any endorsement or statement on any check or letter accompanying a check for payment of Monthly Base Rent 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 installment or Monthly Base Rent or to pursue any other right or remedy to which Landlord may be entitled at law or in equity, including, but not limited to, those set forth in Section 14.2. No reentry by Landlord, and no acceptance by Landlord of keys from Tenant shall be considered an acceptance of a surrender of the Lease.
- 22.5 Brokers.** Landlord and Tenant each represent and warrant to the other that except for the broker set forth in Section 1.9, neither of them recognizes any additional broker in procuring this Lease. Commission to be paid pursuant to a separate agreement. Landlord shall indemnify and hold Tenant harmless and Tenant shall indemnify and hold Landlord harmless from and against any claim for a brokerage or other commission arising from the breach of the foregoing representation.
- 22.6 Notices.** All notices required to be given hereunder shall be either (a) sent by certified or registered mail, return receipt requested, first class, postage prepaid, or (b) hand delivered to the parties at the addresses set forth in Section 1.8. If notice is given by mail, it shall be deemed given four days following the date deposited into the United States mail. If notice is given by personal delivery, it shall be deemed given on the day delivered or refused. Either party may, by written notice, designate a new address to which such notices shall be directed. In

emergencies, Landlord may contact Tenant at [leases@fairwaymc.com](mailto:leases@fairwaymc.com) or 866-912-4800 and Tenant may contact Landlord at [nanzilotti@trimarkcorporation.com](mailto:nanzilotti@trimarkcorporation.com) or 703-891-2600.

- 22.7 Successors and Assigns.** The provisions of this Lease shall be binding upon, and shall inure to the benefit of, the parties hereto, their respective heirs, executors, administrators, successors and permitted assigns. Landlord may freely and fully assign its interest hereunder.
- 22.8 Severability.** The unenforceability, invalidity, or illegality of any provision of this Lease shall not affect the enforceability, validity, or legality of any other provision of this Lease.
- 22.9 Gender Plural.** Feminine or neuter provisions shall be substituted for those of the masculine form, and the plural shall be substituted for the singular number, and vice versa, in any place herein in which the context may require such substitution.
- 22.10 Captions.** All captions and headings in this Lease are for the convenience of the parties only and shall not be construed to either limit or amplify the provisions of this Lease.
- 22.11 Governing Law.** The provisions of this Lease shall be governed by and construed in accordance with the jurisdiction in which the Property is located.
- 22.12 Counterparts.** This Lease, for the convenience of the parties, may be executed in one or more counterparts, all of which are identical and any one of which is deemed to be an original but all of which shall constitute one and the same instrument.
- 22.13 Entire Agreement.** This Lease, together with the accompanying Exhibits set forth in Section 1.10 constitute the entire agreement of the parties hereto, and no representations, inducements, or agreements, oral or otherwise not contained herein shall be of any force or effect. This Lease may not be modified, discharged or terminated orally or in any other matter other than by an agreement in writing and signed by both parties.
- 22.14 Lease Execution** The parties executing the Lease on behalf of the Landlord and Tenant may do so by electronic signature, which shall have the same legal force, effect and enforceability as if it was made in non-electronic form.

**IN WITNESS WHEREOF**, the parties hereto have executed this Deed of Lease under seal on the day and year first above written.

**LANDLORD:**

**TOWN OF DUMFRIES,**  
a Municipal Corporation of the  
Commonwealth of Virginia

By: \_\_\_\_\_ (SEAL)

Name: \_\_\_\_\_

Title: \_\_\_\_\_

**TENANT:**

Fairway Independent Mortgage Corporation  
a Texas corporation

By: \_\_\_\_\_ (SEAL)

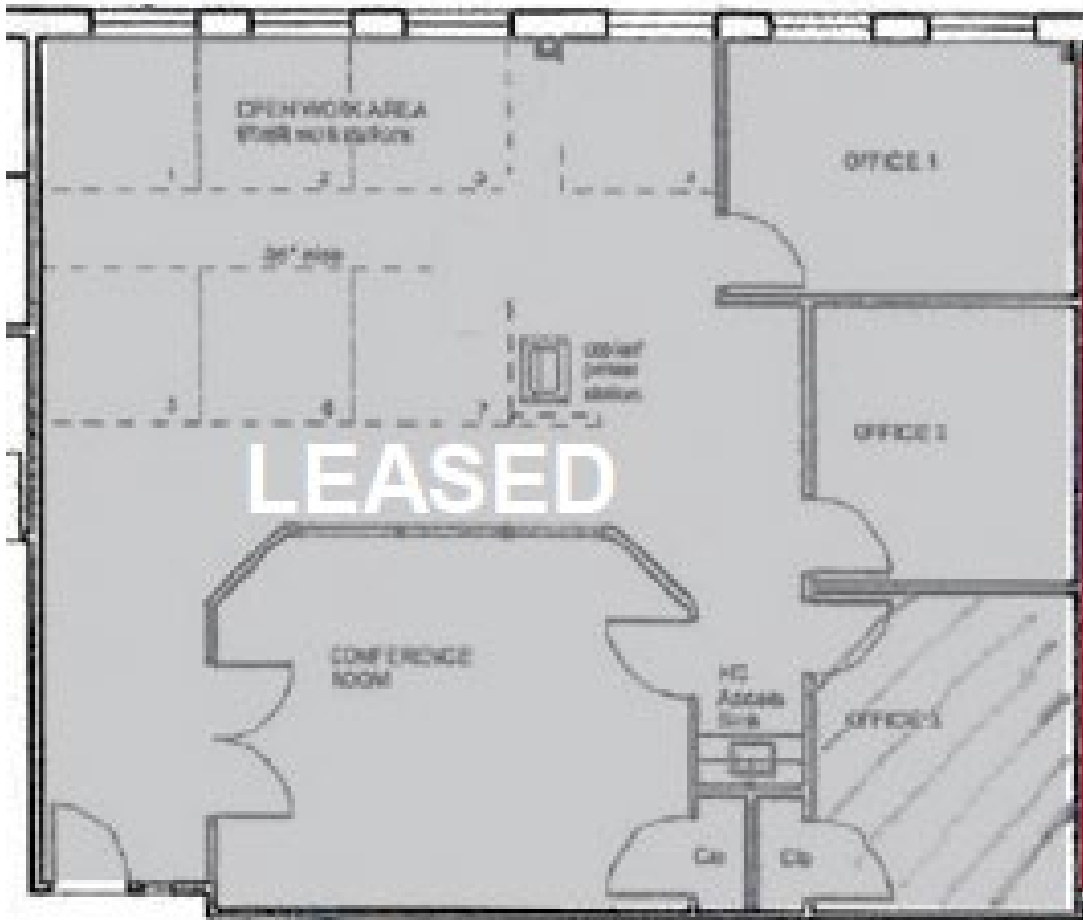
Name: \_\_\_\_\_

Title: \_\_\_\_\_

**EXHIBIT A**

Suite address and space plan

17739 Main Street  
Suite 310  
Dumfries, Virginia 22026



## **EXHIBIT B**

### **Rules and Regulations**

The following Rules and Regulations have been formulated for the safety and well-being of all tenants of the Building and to insure compliance with all municipal and other requirements. Strict adherence to these rules and regulations is necessary to guarantee that each and every tenant will enjoy a safe and unannoyed occupancy in the Project in accordance with the Lease. Any consistent violation of these rules and regulations by Tenant, after notice from Landlord, shall be deemed to be an Event of Default under the Lease.

1. All approved signs or lettering on doors shall be printed, painted, affixed or inscribed at the expense of Tenant and with the approval of Landlord.

Tenant shall not place anything or allow anything to be placed near the glass or any window, door partition or wall which may appear unsightly from outside the Premises; provided, however, that Landlord may furnish and install a Building standard window covering at all exterior windows. Tenant shall not without prior written consent of Landlord cover or otherwise sunscreen any window.

2. The sidewalk, halls, passages, exits, entrances, elevators and stairways shall not be obstructed by any of the tenants or used by them for any purpose other than for ingress and egress from their respective Premises.

3. Subject to tenant's security requirements, the Tenant shall not alter any lock or install any new or additional locks or any bolts on any doors or windows of the Premises without prior written consent of the Landlord.

4. The toilet rooms, urinals, wash bowls and other apparatus shall not be used for any purpose other than that for which they were constructed, and no foreign substance of any kind whatsoever shall be thrown therein and the expense of any breakage, stoppage or damage resulting from the violation of this rule shall be borne by the Tenant or Tenant's employees or invitees who caused such damage.

5. Tenant shall not in any way deface the Premises or any part thereof.

6. Tenant shall not use, keep or permit to be used or kept any foul or noxious gas or substance in the Premises, or permit or suffer the Premises to be occupied or used in a manner offensive or objectionable to the Landlord or other occupants of the Building by reason of noise, odors and/or vibrations, or interfere in any way with other tenants or those having business therein.

7. Landlord will direct electricians as to where and how telephone and other wires are to be introduced. No boring or cutting for wires will be allowed without the written consent of the Landlord. The locations of telephones, call boxes and other office equipment affixed to the Premises shall be subject to the approval of Landlord, such approval not to be unreasonably withheld, conditioned or delayed.

8. Landlord reserves the right to exclude or expel from the Building any person who, in the judgment of Landlord is intoxicated or under the influence of liquor or drugs, or who shall in any manner do any act in violation of any of the rules and regulations of the Project.

9. Tenant shall not disturb, solicit, or canvass any occupant of the Project and shall cooperate to prevent same.

10. Without written consent of Landlord, which shall not be unreasonably withheld, Tenant shall not use the name of the Building in connection with or in promoting or advertising the business of Tenant except as Tenant's address.

12. Landlord shall have the right to control and operate the public portions of the Project, and the public facilities, and heating and air conditioning, as well as facilities furnished for the common use of the tenants, in such manner as it deems best for the benefit of the tenants generally.

13. All entrance doors in the Premises shall be left locked when the Premises are not in use.

14. Tenant shall not permit any radio or other form of musical sound instrument to emit music or any other noise from the interior of the Premises into the adjoining premises or to the outside of the Building.

15. Tenant agrees that employees of Landlord are prohibited as such from receiving any package or articles delivered to said Building for Tenant, and from handling any furniture, or other property of Tenant within the Premises or Project, and that should any such employee receive or handle any such packages, articles, furniture, or other property, he in doing so shall be the agent of Tenant and not Landlord.

16. The Premises shall not, at any time, be used for lodging or sleeping or any immoral or illegal purpose.

17. Landlord's employees shall not perform any work or do anything outside of their regular duties, unless under special instruction from the management of the Project. The requirements of Tenant will be attended to only upon application to Landlord, or Landlord's authorized agent, and any such special requirements shall be billed to Tenant (and paid with the next installation of rent due) at the schedule of charges maintained by Landlord, or Landlord's authorized agent, from time to time or at such charge as is agreed upon in advance by Landlord and Tenant.

18. The Landlord may, upon request by any tenant, waive the compliance of such tenant of any of the rules and regulations, provided that (i) no waiver shall be effective unless signed by Landlord or Landlord's authorized agent, (ii) any such waiver shall not relieve such tenant from the obligation to comply with such rule or regulation in the future unless again expressly consented to by Landlord, and (iii) no waiver granted to any tenant shall relieve any other tenant from the obligation of complying with the foregoing rules and regulations unless such other tenant has received a similar waiver in writing from the Landlord.

19. Smoking shall not be permitted in the Building. Outside the Building, smoking shall be permitted only in areas designated by Landlord.



## **AGENDA ITEM REQUEST FORM**

### **Item Type**

Award     Proclamation     Resolution/Ordinance     Motion     Discussion

### **Statement of Purpose**

Consideration of an Ordinance Authorizing the Town Manager to Execute a Lease Agreement for Town Owned Real Property at 17739 Main Street

### **Background/References**

Trimark has completed negotiations on behalf of the Town with Fairway Independent Mortgage, to lease currently unoccupied office space on the 3<sup>rd</sup> Floor of the J. Wilmer Porter Municipal Building.

### **Fiscal Impact**

Approximately \$39,250 annually in additional municipal building agency revenue

### **Suggested Motion**

Motion to Approve

### **Requested Meeting Date**

May 17, 2022

### **Attachments**

- [Lease Ordinance 517.docx](#)