

LEASE AGREEMENT

This Lease Agreement, made as of this 1st day of April, 2018 between **CLOCK TOWER INVESTMENTS, LLC**, a Maryland limited liability company with an address of 11 Public Square, Hagerstown, MD 21740 (the "**Landlord**"), and the **HAGERSTOWN/ WASHINGTON COUNTY MARYLAND CONVENTION AND VISITORS BUREAU, INC.**, a Maryland corporation with an address of 16 Public Square, Hagerstown, MD 21740 (the "**Tenant**").

WITNESSETH:

For and in consideration of the rental herein reserved, and of the covenants, conditions, agreements, and stipulations of the Tenant hereinafter expressed, the parties agree:

1. **Premises.** The Landlord hereby leases to Tenant, and Tenant hereby leases from Landlord, the following described premises:
 - a. Being generally known as the first (1st) floors of No. 15 and No. 16 Public Square, Hagerstown, Maryland, consisting of +/- 2,300 square feet as generally shown on the attached plat entitled "Final Plat of Parcels 1-4 for High Rock Investments, LLC" prepared by Frederick Seibert & Associates, Inc. and recorded as Plat No. 10495 among the Land Records of Washington County and attached hereto as **Exhibit A** and incorporated herein, hereinafter referred to as the "**Leased Premises.**" Said Leased Premises being within a building on a larger property containing other existing units (collectively the "**Property**") shown on **Exhibit A.**
 - b. Together with the right to use in common with Landlord, its employees and invitees, and other tenants or owners within the Property, the usual means of ingress and egress thereto.
2. **Term.**
 - a. The term of this Lease (the "Term") shall commence on April 1, 2018 (the "**Commencement Date**") and shall expire **FIVE (5) YEARS** thereafter (the "**Termination Date**").
 - b. During the Term, Tenant shall have access to the Leased Premises 24 hours per day and 7 days per week, 52 weeks per year.
 - c. This Agreement may be renewed for one (1) additional five (5) year term at the same terms and conditions as for the original Term (except for Rent as described in Section 3 hereof), by written notice from Tenant to Landlord. In the event that Tenant will not renew the Lease at the end of the Term, Tenant shall provide Landlord six (6) months' notice of its intention not to renew. In the event that such notice is not timely made, renewal will be automatic.

- d. Any holding over after the expiration of the term hereof, or of any renewal, shall be construed to be a tenancy from month-to-month. The monthly rental shall be Twenty Five Percent (25%) greater than the monthly rental applicable to the rent due for the last month under this Lease Agreement.
 - e. During the final three (3) months of the original Term and any renewal, Landlord shall be permitted to show prospective tenants the Leased Premises upon giving Tenant reasonable advanced notice.
 - f. The "Expiration Date" of this Lease shall be the expiration date of the original term or renewal term(s), as the case may be. The "Term" of this Lease shall include the original term of this Lease and also the renewal term(s), if any.
3. **Rent.** Tenant hereby covenants and agrees to pay to the Landlord at 11 Public Square, Hagerstown, MD 21740 or at such other place as the Landlord may from time to time designate in writing, as rent for said Leased Premises during the Term of this Lease, an annual base rent (the "Base Rent" or "Basic Rent"), payable monthly in advance and without demand, beginning on the first day of commencement of this Lease and continuing on the first day of each month thereafter for the entire term of this Lease as follows (rent for the first and last calendar months shall be pro-rated if the term hereunder commences on a day other than the first day of the month):
- a. During the first year of the original term, annual Base Rent shall be Eighteen Thousand Four Hundred Dollars and 00/100 (\$18,400.00), payable monthly in the amount of One Thousand Five Hundred Thirty-Three Dollars and 33/100 (\$1,533.33) per month; said rent calculated at \$8.00 per square foot and 2,300 square feet.
 - b. On each annual anniversary date of the Lease, Base Rent shall increase Two and One-Half percent (2.5%) over the most recent Base Rent amount. For example, on April 1, 2019, the annual Rent shall increase by 2.5% to \$18,860.00.
 - c. Tenant shall further pay Landlord all other sums and charges required to be paid by Tenant under this Lease, which sums and charges shall be deemed to be and are hereinafter referred to as "Additional Rent".
 - d. If rent payments are received after the tenth (10th) day of the month, then Tenant shall pay Landlord a late penalty fee of five (5%) percent of the amount of rent past due as Additional Rent along and interest on all past due amounts calculated at a rate of 10% annually collectible as Additional Rent.
4. **Insurance, Taxes, Water/Sewer.** It is intended that: (a) Landlord shall incur no cost or expense with respect to the Leased Premises during the Term, unless otherwise indicated herein, and (b) Rent shall be an absolute net return to Landlord throughout the Term of this Lease, without offset or deduction and free of all expenses, charges, diminution and other deductions whatsoever.

- a. From and after the Commencement Date, and throughout the tenancy or Terms of this Lease, Tenant shall pay as Additional Rent (Base Rent and Additional Rent, and each installment and increment thereof, are sometimes herein collectively called "Rent"), its share of costs and expenses incurred by Landlord for real estate taxes, special and general government assessments, water/sewer utility costs, and Landlord's insurance premiums.
- b. During any part of the term hereof, which shall be less than a full fiscal tax year, the taxes and assessments shall be prorated on a daily basis between the parties to the end that Tenant shall only pay such tax attributable to the portion of the fiscal tax year occurring within the term of this Lease.
- c. Landlord shall provide to Tenant on a quarterly basis a report detailing Landlord's Insurance, Taxes and assessments, and Water/Sewer charges to Tenant. Upon reporting, Tenant shall pay the charges within thirty (30) days. In the event of any non-payment thereof, Landlord shall have all the rights and remedies provided for herein or at law in the case of non-payment of rent.
- d. Tenant's share of Insurance, Taxes, and Water/Sewer shall be based on the percentage share of the square footage of the Lease Premises as compared to the total square footage of the Landlord's Property (percentage is calculated as a fraction, the numerator for which is the square footage of the Lease Premises and the denominator is the total square footage of the Landlord's Property).

Tenant's share is 14.5%.

- e. Tenant shall be responsible for all personal property taxes levied on its furniture, equipment and other items of personal property kept or maintained on the Leased Premises.
- f. Tenant shall have the right from time to time to contest or appeal, at Tenant's sole cost and expense, the amount or validity, in whole or in part, of any Tax affecting the Leased Premises, by appropriate proceedings diligently conducted by Tenant in good faith, but only after payment of such Tax. Tenant shall provide to Landlord for its reasonable review and approval prior to filing any applications, affidavits and like supporting documentation required in connection with such effort, Landlord shall have reasonably approved such contest or appeal and Tenant shall consult with Landlord as requested in connection with such process, and if undertaken, such contest or appeal shall be prosecuted with diligence and in good faith by Tenant. Landlord shall reasonably cooperate with Tenant (including signing applications and the like, if so requested by Tenant) subject to and in accordance with the conditions set forth in this paragraph.

5. **Security Deposit.** Landlord does not require a Security Deposit upon the execution of

this Lease. However, upon an Event of Default, Landlord may demand, and Tenant shall pay within ten (10) days of demand, a Security Deposit not to exceed two (2) months of Base Rent and two (2) months of Insurance and Taxes which (i) shall be retained by the Landlord as security for the Tenant's payment of the Rent and performance of all of its other obligations under the provisions of this Lease, (ii) shall not be deemed to represent payment of any Rent or any other obligation, (iii) which may be commingled by Landlord with its other funds and (iv) shall be retained by Landlord without liability for interest. On the occurrence of an Event of Default, the Landlord shall be entitled, at its sole discretion, to apply any or all of such sum in payment of: (i) any Rent or other obligations then due and unpaid, (ii) any expense incurred by the Landlord in curing any such default, and/or (iii) any damages incurred by the Landlord by reason of such default (including, by way of example rather than of limitation, reasonable attorney's fees), in which event the Tenant shall, immediately on its receipt of a written demand therefor from the Landlord, pay to the Landlord a sum equaling the amount so applied, so as to restore the said security deposit to its original amount. On the termination of this Lease, any of such sum which is not so applied or retained shall be returned to the Tenant within forty-five (45) days of Tenant's vacating the premises.

6. Use of Premises.

- a. Tenant shall only use said premises for the occupancy of Tenant and for **professional office uses associated with Tenant's convention and visitors bureau business.**
- b. Landlord warrants that use of the Leased Premises is not prohibited by any deed, covenant, instrument, or agreement affecting the Leased Premises, or the property the Leased Premises forms a part. Tenant shall comply with all present and future laws or ordinances applicable to the Leased Premises, in particular, Tenant shall not keep within or about the Leased Premises any dangerous, flammable, toxic or explosive material, unless such material is safely and properly stored and contained in accordance with all applicable federal, state and local laws, ordinances and regulations. Tenant shall not commit or suffer waste on the premises, or use or permit anything on the premises which may be illegal, or constitute a private or public nuisance, or conflict with or invalidate or increase the cost of any of Landlord's fire and extended coverage insurance, or which may be dangerous to persons or the property of the Landlord or other tenants of Landlord's building, their agents, servants, employees, and customers.

7. Repairs & Maintenance.

- a. Except as indicated in Section 6.b. immediately below, Tenant shall, at its expense, keep in good order and maintain, repair, or replace, as needed, the interior of the Leased Premises, interior plumbing and fixtures, interior wiring, interior HVAC systems serving the Leased Premises, including the fixtures and equipment therein or used in connection therewith, which repairs shall be in quality and class equal to the original work. By way of illustration and not of limitation, Tenant shall bear all costs to replace light bulbs, ballasts, furnace or A/C filters, fuses, circuit breakers, broken glass, window and door hardware,

carpet and flooring, and all other similar tasks of routine maintenance and repair. If Tenant fails to perform its obligations of maintenance or repair hereunder, after written notice from Landlord to Tenant and adequate time for Tenant to cure, if Tenant fails to so cure Landlord is authorized to come onto the Leased Premises, make such repairs, and upon billing to the Tenant by the Landlord, Tenant shall reimburse the Landlord for the costs of such repairs plus interest thereon at the prime rate.

- b. Landlord shall, at its expense, keep in good order and maintain as needed, the structure of the Leased Premises, including the roof; exterior walls; foundations and the permanent parts of floors; and exterior water and sewer lines. However, all repairs or replacements necessitated by the negligent actions or neglect of the Tenant or the Tenant's agents or employees shall be at the expense of the Tenant, unless covered by Landlord's insurance policy.

Landlord shall be responsible for required repairs and replacements of any rooftop HVAC system.

Existing mechanical, electrical, and plumbing systems will be delivered by Landlord in good working order and condition.

- c. Tenant, at its sole cost and expense, shall regularly monitor the premises for the presence of mold or any conditions that reasonably can be expected to give rise to mold and shall promptly notify the Landlord in writing if Tenant suspects mold at the premises.
- d. **Unless otherwise indicated herein, the Lease Premises are delivered "As-Is".** Tenant accepts the Premises "As Is" as a result of whatever inspecting and testing Tenant deemed necessary, and not as a result of or in reliance upon any agreement, representation, understanding, obligation of Landlord to perform any other alternation, repair or improvement, or warranty of any nature whatsoever by Landlord, or any employee or agent of Landlord. Tenant represent that the Leased Premises are free from Hazardous Substances, and other materials, substances, devices or equipment defined as being hazardous or otherwise controlled under governmental law, rule or regulation. In the event such materials, substances, devices or equipment are discovered, they shall promptly be removed at Tenant's expense.

8. Changes, Modifications & Alterations.

- a. Tenant may make interior, non-structural alterations, changes and improvements in and to the Leased Premises that Tenant deems necessary or suitable for the conduct of its business ("**Tenant Improvements**"). All such work shall be at Tenant's effort and expense and shall be done in a good and workmanlike manner and without impairing the structural soundness of the Leased Premises or lessening the value thereof, and shall be done in compliance with all building and zoning laws, with all other ordinances, rules and regulations of all governmental authorities, and with the rules, regulations, requirements and

orders of the Board of Fire Underwriters or any other body or bodies exercising similar functions. Tenant shall not make Tenant Improvements without Landlord's prior written consent.

- i. The Tenant Improvements will be made in accordance with plans and specifications to be prepared by Tenant and submitted to Landlord at least thirty (30) days prior to construction, subject to Landlord's approval and consent which shall not be unreasonably withheld, conditioned or delayed.
 - ii. Tenant shall provide notice to Landlord of the identity of the contractor(s) that will complete the Tenant Improvements prior to Tenant executing any contracts for construction, said selection of contractor(s) to be subject to Landlord's approval and consent which shall not be unreasonably withheld, conditioned or delayed.
 - iii. Tenant or its contractor(s) shall apply for and obtain all necessary permits required for the Tenant Improvements. Landlord will cooperate with Tenant in securing any permit or permission for Tenant Improvements.
 - iv. Landlord shall not contribute any monetary consideration to Tenant Improvements.
 - v. Tenant shall not make any alteration or change that would reduce the value of the Leased Premises or that would affect the structural elements of any improvements or the use of the Premises for the intended use. Landlord reserves the right to withhold approval for any alteration adversely affecting the structure, safety or security of the Leased Premises or the Property.
- b. Before the Expiration Date or earlier termination date of this Lease, after notice is provided by Tenant, Landlord shall decide which, if any, Tenant Improvements or other alterations shall remain on the Leased Property. Landlord shall have the right to retain or require Tenant to remove any Tenant Improvements, alterations, changes, replacements, additions to or improvements upon the Leased Premises. If Landlord elects to retain any such Tenant Improvements, alteration, change, installation, replacement, addition or improvement, whether or not made with the Landlord's consent, the same shall remain upon the Leased Premises and be surrendered therewith on the Expiration Date or earlier termination date of this Lease. If Landlord shall elect to require removal of any particular Tenant Improvements, alteration, change, installation, replacement, addition, or improvement, Tenant shall remove at its effort and expense the same on or before the Expiration Date or earlier termination date of this Lease, and if Tenant shall fail to do so, Landlord shall have the right to remove the same at Tenant's expense. Tenant shall immediately reimburse Landlord for the reasonable cost of any such removals undertaken by Landlord, together with any damages suffered by Landlord in consequence of Tenant's failure to remove the

same, and any damages suffered by Landlord in consequence of Tenant's removal of any Tenant Improvements, alterations, changes, installations, replacements, additions or improvements, and any such unreimbursed costs and damages shall thereafter be deemed Additional Rent due under this Lease. Tenant hereby waives any claim to the Tenant Improvements or other alterations or any claim of increased value of the Leased Premises or Property.

c. Notwithstanding anything in this Lease to the contrary:

i. In the event Landlord shall fail to approve Tenant's plans and specifications, such disapproval shall be based upon Landlord acting in good faith and being reasonable at all times.

ii. Landlord shall approve or disapprove Tenant's plans and specifications or any modifications thereof within thirty (30) days after submittal thereof by Tenant. In the event that Landlord disapproves Tenant's plans and specifications or any modifications thereof, Landlord shall explain, in reasonable detail, the reasons for such disapproval. If Tenant does not receive written notice of Landlord's approval or disapproval (and in the case of disapproval, an explanation in reasonable detail of the reasons for disapproval) within said thirty (30) day period, Tenant's plans and specifications or any such modifications thereof shall be deemed approved by Landlord in all respects.

9. **Surrender.** Upon the expiration of or prior termination of this Lease, the Tenant shall remove all personal property of the Tenant from the Leased Premises, and surrender the Leased Premises to the Landlord "broom clean" and ordinary wear and tear, and damage by casualty, excepted. Any furniture, trade fixtures, furnishings, business equipment and other personal property belonging to Tenant or its employees, agents, guests and invitees which shall remain upon the Leased Premises after the Expiration Date or earlier termination date of this Lease may, at Landlord's option, be deemed abandoned, and may be retained or disposed of by Landlord without accountability or compensation to Tenant or any other person. For purposes of this Lease, Tenant agrees that repairs to walls or doors due to nail, tack, or other holes, however caused, and damage to any of Landlord's real or personal property, however caused, is not considered ordinary wear and tear and that such repairs shall be the responsibility of Tenant. Burns or odor due to smoking will is not considered ordinary wear and tear and remedy of burns or odor caused by smoke, including but not limited to re-painting and carpet replacement, shall be the responsibility of Tenant.

10. **Utilities.** Tenant shall pay when due all charges, including any required deposits, for separately metered gas, electricity, telephone, trash disposal and any other utilities or services consumed upon the Leased Premises or otherwise arising from use and occupancy thereof. Any utilities which have not been paid when due and which Landlord may pay or become required to pay shall thereafter be deemed Additional Rent due under this Lease.

11. **Janitorial Services/Snow & Ice.** The Tenant shall perform and provide for all of Tenant's janitorial services required on the Leased Premises. Tenant shall dispose of all

rubbish and garbage in a dumpster. Tenant shall be responsible for removal and treatment of snow and ice in front of the Leased Premises.

12. Damage to Tenant's Property or Premises.

- a. The Landlord and its agents shall not be liable in damages, by abatement in rent or otherwise, for any damage either to the person or the property of the Tenant, any tenant improvements, or for the loss of or damage to any property of the Tenant by theft or from any other cause whatsoever, whether similar or dissimilar to the foregoing, unless caused by Landlords negligence or willful action. The Landlord or its agents shall not be liable for any injury or damage to persons or property, or loss or interruption to business resulting from fire, explosion, falling plaster, steam, gas, electricity, water, rain, snow, or leaks from any part of the building, or from the pipes, appliances, or plumbing works, or from the roof, street, or subsurface, or from any other place, or by dampness, or by any cause of whatsoever nature; nor shall the Landlord or its agents be liable for any damage caused by other tenants or persons in said building, or caused by operations in construction of any private or public or quasi-public work. None of the limitations of the liability of Landlord or its agents provided for in this subsection (a) shall apply if such loss, injury, or damages are proximately caused by the negligence, intentional act, or breach of this Lease Agreement by the Landlord, its agents, employees, or independent contractor.
- b. The Tenant shall be liable for any damage to the building or property of which the Leased Premises forms a part which may be caused by its act or negligence, or the acts of his agents or employees, and the Landlord may, at its option, repair such damage, and the said Tenant shall thereupon reimburse and compensate the Landlord as additional rent, within Ten (10) days after rendition of a statement by the Landlord, for the total cost of such repair and damage, except as hereinafter provided.

13. Indemnity, Liability Insurance, Premises Insurance, Waiver of Subrogation.

- a. The Tenant hereby indemnifies and agrees to hold the Landlord free from any claims, losses, damages and causes of action arising from or related to (i) the death, bodily injury or damage to any person or property on or about the Leased Premises; or (ii) Tenant's use of the Leased Premises. If Tenant fails to contest such claims, or contests such claims and is not successful in its defense, Tenant shall pay for all damages paid out by Landlord in settlement of such claim or judgment, as well as for all reasonable expenses and reasonable attorney's fees incurred in connection therewith.
- b. Tenant, at its expense and during the entire term of this Lease and any renewal hereof, shall maintain public liability insurance coverage in an amount not less than One Million Dollars (\$1,000,000.00) for personal injury(s) to any one person, Two Million Dollars (\$2,000,000.00) for personal injury(s) arising out of any one accident, and Five Hundred Thousand Dollars (\$500,000.00) for property damage. Landlord shall be named as an additional insured and, when requested by Landlord, Tenant shall furnish Landlord with a certificate or certificates evidencing such insurance. Evidence of insurance shall provide that the coverage may not be modified or canceled without thirty (30) days' notice to Landlord.

- c. Landlord will keep the Leased Premises insured against loss or damage by fire or other casualty insurable under standard fire and extended coverage insurance in an amount equal to the full current replacement cost of said building. Tenant shall pay Landlord's premium as indicated in Section 4 herein.
- d. With respect to damage, the risks of which are required to be insured against hereunder, no insurer against such risks shall have a right of subrogation against either of the parties hereto. Each party shall, upon request, obtain and deliver to the other an endorsement from its insurer(s) providing that the waivers contained herein do not affect the insured's coverage.

14. Damage or Destruction to Premises.

- a. If the Leased Premises, or any portion thereof, shall be damaged during the Term by fire or any casualty insurable under the standard fire and extended coverage insurance policies maintained by Landlord, but are not wholly untenable, the Landlord shall repair and/or rebuild the same as promptly as possible, provided that the proceeds from Landlord's insurance policies are available to Landlord and will cover 100% of the costs of construction. The Landlord shall not be required to repair or rebuild any fixtures, installations, improvements, or leasehold improvements made to the interior of the Leased Premises by Tenant, nor Tenant's exterior signs, unless they were covered by Landlord's insurance. If not covered by Landlord's insurance policy, such repairs and/or replacements are to be made by Tenant. In such event, the Lease shall not terminate, but shall remain in full force and effect, and a proportionate reduction in the fixed monthly rent shall be made from the time of such fire or casualty until said premises are repaired or restored, except (i) if the Tenant can use and occupy the Leased Premises without substantial inconvenience; or (ii) if said repairs are delayed at the request or by reason of any act on the part of the Tenant which prevents or delays the repair of said premises by Landlord, there shall be no reduction in rent while said premises are being repaired, nor for any period of delay caused by or requested by Tenant. Landlord's and Tenant's obligation to repair shall be subject to any delays from labor troubles, material shortages, insurance claim negotiations, or any other causes, whether similar or dissimilar to the foregoing, beyond their control.
- b. If the Leased Premises are rendered wholly untenable by fire or other cause, or if the Leased Premises should be damaged or destroyed by fire or other casualty, to the extent of 50% or more of the monetary value of either thereof, or so that 50% or more of the floor space shall be rendered untenable, then, and in that event, Landlord may, at its option, terminate this Lease or elect to repair or rebuild the same. If, as a result of any damage either to the Leased Premises or to the building of which they are a part, the Landlord determines to demolish or rebuild the premises, or the building of which they are a part, then, and in any such event, the Landlord may also terminate this Lease. In any of the foregoing instances, the Landlord shall notify the Tenant as to its election within 60 days after the casualty in question. If the Landlord elects to terminate this Lease, then

the same shall terminate 30 days after such notice is given, and the Tenant shall immediately vacate the Leased Premises and surrender the same to the Landlord, paying the rent to the time of such damage. If the Landlord does not elect to terminate this Lease, the Landlord shall repair and/or rebuild the Leased Premises as promptly as possible, subject to any delay from causes beyond its reasonable control, and the term shall continue in full force and effect, subject to equitable abatement in the monthly rental from the time of said damage or destruction until said premises are repaired or restored. If the premises are not fully restored by Landlord within three (3) months of the date of the damage occurred, Tenant may terminate this Lease, keep the insurance proceeds under its policy, and Landlord shall return Tenant's security deposit.

- c. If the Leased Premises shall be damaged, destroyed or rendered untenantable for their accustomed uses by fire or other casualty during the last two (2) years of the Lease Term, then Tenant shall have the right to terminate this Lease effective as of the date of such casualty by giving to the Landlord, within thirty (30) days after the happening of such casualty, written notice of such termination. If such notice is given, this Lease shall terminate and Landlord shall promptly repay to Tenant any rent theretofore paid in advance which was not earned at the date of such casualty.

15. **Eminent Domain.** If the Leased Premises, or any part thereof, shall be taken under eminent domain proceedings, or transferred to a public authority in lieu of such proceedings, Landlord may terminate this Lease as of the date when possession is taken. All damages awarded for such taking shall belong to and be the property of Landlord. Tenant shall have no claim against Landlord by reason of such taking or termination and shall not have any claim or right to any portion of the amount that may be awarded or paid to Landlord as a result of any such taking, except that Tenant shall have the right to make a claim against such public authority for its loss of business, amortized value of its improvements, cost of moving, and for any other relief available to Tenant by law in the event such taking involves the physical taking of all or a portion of the Leased Premises, and, in such event, Tenant shall also have the right to terminate this Lease as of the date when possession is taken by the public authority.

16. **Estoppel Certificate Statement, Attornment, Subordination, and Execution of Documents.**

- a. Tenant agrees that at any time and from time to time at reasonable intervals, of not more than once per twelve (12) month period, within ten (10) business days after receipt of written request by Landlord, Tenant will execute, acknowledge, and deliver to Landlord, Landlord's mortgagee, or others designated by Landlord, an estoppel certificate in such form as may from time to time be provided, ratifying this Lease and certifying:
 - i. that this Lease is in full force and effect, and has not been assigned, modified, supplemented, or amended in any way, or, if applicable, that there has been an assignment, modification, supplement, or amendment, and identifying the same;

- ii. that this Lease, and any identified assignment, modification, supplement, or amendment, represents the entire agreement between Landlord and Tenant as to the Leased Premises;
 - iii. the Commencement Date and Termination Date of this Lease;
 - iv. that all conditions under this Lease to be performed by Landlord have been satisfied and, if not, what conditions remain unperformed;
 - v. that to the best of Tenant's knowledge no default exists in the enforcement of this Lease by Landlord or specifying each default, defense, or offset of which the Tenant may have knowledge;
 - vi. that no rent has been paid in advance other than for the month in which such certificate is signed by Tenant;
 - vii. the amount of the security deposited with Landlord pursuant to this Lease Agreement; and
 - viii. the date to which all rent due hereunder has been paid under this Lease.
- b. In the event that any person shall succeed to all or any part of Landlord's interest in the Leased Premises or the property of which the Leased Premises forms a part, whether by purchase or otherwise, Tenant shall, upon request, attorn to such successor-in-interest and shall pay to such successor-in-interest all Base Rent, Additional Rent and other sums due from Tenant under this Lease, and keep and perform all the covenants, terms, provisions, conditions, and limitations of this Lease.
- c. This Lease shall be subject to and subordinate to the liens of any fee mortgages now or hereafter placed upon or affecting the property or building of which the Leased Premises forms a part, including any renewals, extensions, modifications, replacements or consolidations thereof, and to all advances made or hereafter to be made upon the security thereof. Upon Landlord's request, Tenant shall execute and deliver to Landlord or its mortgagees any reasonable documents necessary to evidence or confirm such subordination; provided, however, that a condition precedent to Tenant's requirement to subordinate hereunder shall be that Tenant, upon any default in the terms of such financing by Landlord, shall have the right to pay the rent due hereunder directly to the mortgagee or other persons to whom Landlord may be obligated under such financing and, as long as Tenant does so pay the rent as herein provided, this Lease and all Tenant's rights and options hereunder shall remain in full force and effect as to such mortgagee or other financing obligee of Landlord.

17. Default.

- a. If the Tenant shall, at any time, be in default of the payment of either rent or any payments required of Tenant hereunder or any part thereof, for more than ten (10) days after the same shall be due hereunder and Landlord shall have given written notice of the nonpayment, and Tenant has failed to make such payment within ten (10) days of receipt of such notice, or if Tenant shall be in default of any of the other covenants and conditions of this Lease to be kept, observed, and performed by Tenant for more than thirty (30) days after the receipt of written notice by the Landlord to the Tenant of such default, or if Tenant shall vacate or abandon the premises, or fail to take possession of the premises and actively operate its business therein, or if Tenant shall file bankruptcy or be adjudged a bankrupt, or if a receiver or trustee shall be appointed and shall not be discharged within 180 days from the date of such appointment, then and in any such events the Landlord may terminate this Lease and re-enter the Leased Premises by legal proceedings, and thereupon may under Court Order expel all persons and remove all property therefrom, without becoming liable to prosecution therefor, and may, among other remedies, elect:
 - i. To terminate this Lease upon five (5) days written notice to Tenant. Upon such termination, Tenant shall immediately quit and surrender and deliver up to Landlord full possession of the Leased Premises; provided, however, that such termination shall not affect any duty, obligation or liability to Landlord under any other covenant, term, provision, condition or limitation of this Lease; and
 - ii. With or without terminating this Lease, to commence any summary proceeding or other suitable action or proceeding to terminate this Lease, recover possession of the Leased Premises, obtain a lien of distress upon Tenant's property, reduce any unpaid Base Rent, Additional Rent, other sums due from Tenant hereunder, and damages to judgment, or otherwise enforce any covenant, term, provision, condition, or limitation of this Lease or any provision of any applicable law or pursue any remedy under this Lease or applicable law. Tenant shall be liable to Landlord and shall immediately reimburse Landlord for all expenses reasonably incurred in commencing and prosecuting any such proceeding or action, including court costs and reasonable attorney fees, and any such unreimbursed costs shall thereafter be deemed Additional Rent under this Lease.
- b. If this Lease shall terminate pursuant to the foregoing provisions of this Section, by operation of law, or if Tenant shall fail to surrender and deliver up to Landlord full possession of the Leased Premises or any part thereof on the Expiration Date or earlier termination date of this Lease, then:

- i. Landlord may re-enter and resume possession of the Leased Premises and remove all persons and property therefrom either by summary proceeding, by other suitable court action or proceeding, and shall not be liable to Tenant or any other person for any damage caused thereby; and
- ii. Landlord may re-let all or any part of the Leased Premises for a period equal to, greater or less than the unexpired balance of the Term of this Lease, at such rental and upon such terms and conditions as reasonable, to any tenant it may deem suitable, and for any use and purpose it may deem appropriate. Provided that Landlord shall have made reasonable efforts to re-let the Leased Premises at commercially fair and reasonable terms and conditions, Landlord shall not be liable in any way for any failure to re-let the Leased Premises or, in the event of such re-letting, for any inadequacy of or failure to collect the rent due thereunder, and any sums received by Landlord, including amounts in excess of the Base Rent reserved hereunder, and shall offset amounts owed to Landlord by Tenant belong solely to Landlord.

Except in case of emergency, Landlord shall not be in default unless it fails to perform the obligations required of Landlord by this Lease Agreement within ten (10) days after notice by Tenant to Landlord specifying which obligation(s) Landlord has failed to perform. Provided, however, that if the nature of the specified obligation(s) is such that more than 10 days are required for performance, then Landlord shall not be in default if it commences performance within such 10-day period and thereafter diligently prosecutes the same to completion. If Landlord has not cured or commenced to cure the default set forth in said notice within said 10-day period, Tenant may at his option either (i) cure such default and deduct the reasonable costs and expenses incurred from the next and succeeding rent payment(s) or (ii) hold Landlord in default of this lease. In case of Emergency Landlord shall immediately perform its obligations. Landlord will protect, indemnify and save harmless the Tenant and any approved assignee of Tenant from and against any and all losses, damages, costs, expenses (including attorneys' fees), liabilities, claims, demands, and causes of action of any nature whatsoever, and any expenses incidental to the defense thereof by the Tenant, arising from or out of (i) environmental pollution present prior to Tenant taking possession of the premises; (ii) any condition, maintenance or repair of the Demised Premises which is the responsibility of the Landlord, or (iii) failure of the Landlord to comply with this Lease.

18. Subletting and Assigning. The Tenant shall not sublet any portion of the Leased Premises nor assign this Lease in whole or in part without the prior, express written consent of the Landlord as to both the terms of such assignment or sublease and the identity of such assignee or subtenant. Tenant shall be permitted to sublet to a parent, subsidiary, or affiliate company without the requirement of Landlord consent. In any event, Tenant shall nevertheless remain obligated to Landlord under the terms of this Lease Agreement.

19. Signs. Tenant, at its expense, shall have the right to place upon the Leased Premises a suitable identification sign of such size, design and character and at such designated

location as Landlord shall have first approved in writing. Such sign shall comply with all applicable zoning and other rules or regulations of the Building. Tenant, at its expense, shall maintain such sign and remove the same on or before the Expiration Date or earlier termination date of this Lease.

20. **Mechanics Liens.** If any mechanics lien shall be filed against the Leased premises or the Property as a result of any act by Tenant or anyone claiming under or through Tenant, Tenant, within thirty (30) days after written notice thereof, shall promptly take such action as will remove or satisfy such lien, by bonding or otherwise, and if Tenant shall fail to do so, Landlord shall have the right to take any action reasonably necessary to remove or satisfy such lien at Tenant's expense. Tenant shall immediately reimburse Landlord for the reasonable cost of any actions so undertaken, including court costs and reasonable attorney fees, and any such unreimbursed costs shall thereafter deemed Additional Rent due under this Lease.
21. **Quiet Enjoyment.** The Landlord covenants and agrees with the Tenant that upon the Tenant paying the said rent and performing all the covenants and conditions aforesaid on the Tenant's part to be observed and performed, the Tenant shall and may peaceably and quietly have, hold, and enjoy the Leased Premises, for the term aforesaid.
22. **Memorandum of Lease.** Tenant agrees that it will not record this Lease or otherwise make it a matter of public record unless required in any litigation involving Tenant. If the Tenant or Landlord request, the parties will enter into a short form lease, describing the Leased Premises and the term of this Lease, and including any other terms necessary to permit the recording of such short form lease. All fees and taxes resulting from recording shall be at the cost and expense of Tenant.
23. **Notices.** All notices to be given under this Lease shall be in writing and shall be sent by certified mail, return receipt requested, or by a responsible overnight delivery service, and shall be deemed to have been given on the date of delivery, or the date of attempted delivery, if refused, unclaimed, or undeliverable. Notices to Landlord shall be sent to the address set forth in the preamble hereof or such other address as the Landlord may specify in written notice to Tenant. Notices to Tenant shall be sent to the mailing address of the Leased Premises, or such other addresses as the Tenant may specify in written notice to Landlord.
24. **Broker's Commission.** The parties hereto represent and warrant that no real estate broker or agent was involved in procuring this transaction on behalf of Landlord or Tenant. Each party agrees to indemnify and save the other harmless from and against all claims for commissions arising from their respective dealings with any broker or person real estate agent or person claiming a fee or commission because of this Lease.
25. **Interest.** Any amount due from Tenant to Landlord under this Lease which is not paid when due shall bear interest at the prime rate as set by the Bank of America, from the date due until paid; provided, however, the payment of such interest shall not excuse or cure the default upon which such interest is accrued.

26. **Waiver of Jury Trial & Expense of Enforcement.** Landlord and Tenant waive trial by jury of any issues or action arising under this Lease and agree that if either Landlord or Tenant should prevail in any litigation by or against the other party related to this Lease, or if either party should become a party to any litigation instituted by or against the other with respect to any third party, then as between Landlord and Tenant, the losing party shall indemnify and hold the prevailing party harmless from all costs and reasonable attorney's fees incurred by the prevailing party in connection with litigation.
27. **Jurisdiction & Venue.** It is an essential term of this Lease that any disputes arising out of this Lease be resolved within Washington County, Maryland. To that end, the parties consent to the personal jurisdiction and venue of the state courts of Washington County, Maryland. Failure of Tenant to resolve disputes within the jurisdiction of venue of the state courts of Washington County, Maryland is a breach of this Lease and Tenant agrees to bear all costs, including food, travel, lodging and attorney fees, incurred by Landlord if Tenant initiates a dispute in contravention of this Section.
28. **Inspection.** Tenant will permit Landlord, its agents, employees, and contractors to enter all parts of the Leased Premises to inspect the same and to enforce or carry out any provisions of this Lease.
29. **Cumulative Remedies.** The specific rights and remedies to which Landlord and Tenant may resort under this Lease are cumulative and are not intended to be exclusive of any other rights or remedies to which either may be lawfully entitled under this Lease or under any applicable law in the event of any breach or threatened breach by the other of any term, covenant, condition, provision or limitation of this Lease.
30. **Limitation of Landlord's Liability.** It is specifically understood and agreed that there shall be no personal liability of Landlord's members, agents, successors or assigns, with respect to any of the covenants or conditions of this Lease.
31. **Non-Waiver.** Landlord's or Tenant's failure to insist upon strict performance of any covenant of this Lease or to exercise any option or right herein contained shall not be a waiver or relinquishment for the future of such covenant, right, or option, but the same shall remain in full force and effect.
32. **Captions.** The captions and headings herein are for convenience and reference only and should not be used in interpreting any provision of this Lease.
33. **Applicable Law.** This Lease shall be governed by and construed under the laws of the State of Maryland. If any provision of this Lease, or portion thereof, or the application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this Lease shall not be affected thereby, and each provision of this Lease shall be valid and enforceable to the fullest extent permitted by law. It is the intention of the parties that, if any provision of this Lease is susceptible of two or more constructions, one of which would render the provision enforceable and the other or others of which would render the provision unenforceable, then the provision shall have the meaning that renders it enforceable.

34. **Time of the Essence.** For all rent payments, time is of the essence in this Lease.
35. **Successors.** This Lease and the covenants and conditions herein shall inure to the benefit of and be binding upon Landlord, its heirs, executors, administrators, successors, and assigns; and shall inure to the benefit of and be binding upon Tenant, its heirs, executors, administrators, assigns and successors, but only to the benefit of and binding upon such assigns to whom the assignment has been consented to by Landlord.
36. **Force Majeure.** The time within which any of the parties hereto shall be required to perform any act or acts under this Lease, including the performance of Landlord's and Tenant's work, shall be extended to the extent that the performance of such act or acts shall be delayed by acts of God, fire, windstorm, flood, explosion, collapse of structures, riot, war, labor disputes, delays, or inability to obtain or use necessary materials, or any cause beyond the reasonable control of such party, other than lack of monies or inability to procure monies to fulfill its commitment or obligation under this Lease; *provided, however,* that the party entitled to such extension hereunder shall give prompt notice to the other party of the occurrence causing such delay. The provisions of this paragraph shall not operate to excuse Tenant from prompt payment of rent, additional rent, or any other payments required by the terms of this Lease.
37. **Amendments in Writing.** This Lease and the Exhibits attached hereto and forming a part hereof set forth all the covenants, promises, agreements, conditions, and understandings between Landlord and Tenant concerning the Premises, and there are no covenants, promises, agreements, conditions, or understandings, oral or written, between them other than are herein set forth. Except as herein otherwise provided, no subsequent alteration, amendment, change, or addition to this Lease shall be binding upon Landlord and Tenant unless reduced to writing and signed by both parties.
38. **Authority.** Tenant, if a corporation or limited liability company, warrants and represents to Landlord that Tenant's execution of this Lease has been duly authorized by the Tenant's Board of Directors.
39. **Environmental Matters.**
- a. **Definition of Environmental Law.** "Environmental Law" shall mean (a) whenever enacted or promulgated, any applicable federal, state, foreign and local law, statute, ordinance, rule, regulation, license, permit, authorization, approval, consent, court order, judgment, decree, injunction, code, requirement or agreement with any governmental entity, (i) relating to pollution (or the cleanup thereof), or the protection of air, water vapor, surface water, groundwater, drinking water supply, land (including land surface or subsurface), plant, aquatic and animal life from injury caused by a Hazardous Material or (ii) concerning exposure to, or the use, containment, storage, recycling, reclamation, reuse, treatment, generation, discharge, transportation, processing, handling, labeling, production, disposal or remediation of any hazardous material, hazardous substance, hazardous condition or hazardous activity, in each case as amended and as now or hereafter in effect, and (b) any common law or equitable doctrine (including, without limitation, injunctive

relief and tort doctrines such as negligence, nuisance, trespass and strict liability) that may impose liability or obligations for injuries or damages due to or threatened as a result of the presence of, exposure to, or ingestion of, any Hazardous Material. The term Environmental Law includes, without limitation, the federal Comprehensive Environmental Response Compensation and Liability Act of 1980, the Superfund Amendments and Reauthorization Act, the federal Water Pollution Control Act, the federal Clean Air Act, the federal Clean Water Act, the federal Resources Conservation and Recovery Act of 1976 (including the Hazardous and Solid Waste Amendments to RCRA), the federal Solid Waste Disposal Act, the federal Toxic Substance Control Act, the federal Insecticide, Fungicide and Rodenticide Act, the federal Occupational Safety and Health Act of 1970, the federal National Environmental Policy Act and the federal Hazardous Materials Transportation Act, each as amended and as now or hereafter in effect and any similar state or local Law.

- b. Definition of Environmental Violation. "Environmental Violation" shall mean (a) any direct or indirect discharge, disposal, spillage, emission, escape, pumping, pouring, injection, leaching, release, seepage, filtration or transporting of any Hazardous Materials (hereinafter defined) at, upon, under, onto or within the Leased Premises, or from the Leased Premises to the environment, in violation of any Environmental Law or in excess of any reportable quantity established under any Environmental Law or which could result in any liability to Landlord, Tenant or any lender, any Federal, state or local government or any other person for the costs of any removal or remedial action or natural resources damage or for bodily injury or property damage, (b) any deposit, storage, dumping, placement or use of any Hazardous Materials (hereinafter defined) at, upon, under or within the Leased Premises or which extends to any adjoining property in violation of any Environmental Law or in excess of any reportable quantity established under any Environmental Law or which could result in any liability to any Federal, state or local government or to any other person for the costs of any removal or remedial action or natural resources damage or for bodily injury or property damage, (c) the abandonment or discarding of any barrels, containers or other receptacles containing any Hazardous Materials (hereinafter defined) in violation of any Environmental Laws, (d) any activity, occurrence or condition which could result in any liability, cost or expense to Landlord or any lender or any other owner or occupier of the Leased Premises, or (e) any violation of or noncompliance with any Environmental Law.
- c. Definition of Hazardous Materials. "Hazardous Materials" means any hazardous or toxic substance, material or waste (including constituents thereof) which is or becomes regulated by one or more applicable governmental or other authority. The words "Hazardous Material" include any material or substance which is (a) listed or defined as a "hazardous waste", "extremely hazardous waste", "restricted hazardous waste", "hazardous substance" or "toxic substance" under any applicable law, rule, regulation or order, (b) petroleum and its by-products, (c) asbestos, radon gas, urea formaldehyde foam insulation, (d) polychlorinated biphenyl, or (e) designated as a pollutant, contaminant, hazardous or toxic waste or substance or words of similar import pursuant to any Environmental Law.

- d. Environmental Covenants. Tenant covenants that no Hazardous Materials shall be brought onto, or stored, disposed of or used at the Leased Premises by Tenant or any of its employees, agents, independent contractors, licensees, subtenants or invitees, except for Hazardous Materials that are typically found, brought into, stored or used at businesses comparable to Tenant's business, provided that the same is done in compliance with all Environmental Laws. Tenant further covenants that it shall not cause, suffer to cause or permit to exist a violation of any Environmental Laws within or upon the Leased Premises or any areas adjoining the Leased Premises resulting from a condition on the Leased Premises or caused by Tenant or any of its employees, agents, independent contractors, licensees, subtenants or invitees. Except for Hazardous Materials that are typically used in the maintenance and/or operation of plumbing or waste treatment systems of office buildings, no Hazardous Materials shall be placed into the plumbing or waste treatment systems of the Leased Premises.
- e. Notification of Hazardous Materials. Tenant shall promptly (but in any case within 14 days of the occurrence of any of the following events) notify Landlord when Tenant becomes aware of (i) the presence of Hazardous Materials in violation of this Lease, (ii) the release or suspected release on or from the Leased Premises and areas immediately adjoining or in the air of Hazardous Materials, whether or not caused or permitted by Tenant or any subtenant, (iii) the issuance to Tenant, any subtenant or any sub-subtenant of space in, or any other user of, the Leased Premises or any assignee of Tenant of any written communication, notice, complaint or order of violation or non-compliance or liability, of any nature whatsoever, with regard to the Leased Premises or the use thereof with respect to any law, rule regulation or order applicable thereto, and (iv) any written notice of any applicable governmental or other authority of a pending or threatened investigation as to whether Tenant's (or Tenant's permitted subtenant's or assignee's) operation on the Leased Premises are not in compliance with any such laws applicable thereto. Such notice shall include as much detail as reasonably possible, including identity of the location, type and quantity, circumstance, date and time of release and Tenant's response or proposed response to such release. Tenant, at its sole expense, shall promptly (but in any case within 14 days of the occurrence of any of the following events) give any notices to any applicable governmental or other authorities with respect to such release or suspected release, and shall promptly take all actions to remediate the Leased Premises in accordance with the laws, rules, orders and regulations applicable thereto, and return the Leased Premises to the condition existing prior to the events which resulted in any such release and shall provide to Landlord a detailed description of all such actions, along with copies of communications with or from applicable governmental or other authorities or other third parties, and any reports, opinions and data developed from those actions. Tenant has not and will not, and will not permit any of its employees, agents, independent contractors, licensees, subtenants, affiliates or invitees to, engage in any activity at or on the Leased Premises that will result in liability or potential liability under any environmental or other law, rule, order or regulation.

- f. Landlord Access. Tenant shall allow Landlord access to the Leased Premises from time to time during the Term for the purpose of conducting such environmental assessments, investigations or tests as Landlord deems necessary or desirable to assess compliance with the terms of this Section.
- g. Environmental Audit and Remediation. At any time after (i) an Event of Default, (ii) a violation of any Environmental Law or (iii) a violation of the terms of this Lease, Landlord may perform or cause to be performed at its sole cost and expense an environmental audit or risk assessment of the relevant portion of the Leased Premises and the uses thereof. Such an environmental audit or assessment shall be performed by an environmental consultant selected by Landlord and shall include a review of the uses of the Leased Premises and an assessment of the possibility of violation or non-compliance of the same with Environmental Laws. Tenant shall promptly take all actions to remediate the Leased Premises as suggested by such environmental audit or risk assessment (or the interpretation thereof by Landlord, Landlord's lender or their respective environmental consultant), in accordance with the laws, rules, orders and regulations applicable thereto and shall provide to Landlord a detailed description of all such actions, along with copies of communications with or from applicable governmental or other authorities or other third parties, and any reports, opinions and data developed from those actions.
- h. Survival. The terms of this Section shall survive the expiration or termination of the Lease.

40. Counterparts. This Lease may be executed in multiple counterparts, any one of which may be considered and used as an original.

41. Reasonable. Landlord and Tenant acknowledge their duties to exercise their rights and remedies and to perform their obligations reasonably and in good faith. Wherever Landlord's consent or approval is required, such consent or approval shall not be unreasonably withheld, conditioned, or delayed. Whenever the provisions of this Lease allow the Landlord or the Tenant to perform or not perform some act at their option, in their judgment, or to their satisfaction, or in their opinion, the decision of the Landlord and Tenant to perform or not perform such act must be commercially reasonable. Consent shall be given or denied, in writing, within fifteen days of written request therefor, otherwise be deemed given. If denial should be made, such shall be accompanied with the reasons therefor.

[SIGNATURES ON NEXT PAGE]

IN WITNESS WHEREOF, the parties have hereto executed this instrument on the day and year first written above.

WITNESSES:

LANDLORD

CLOCK TOWER INVESTMENTS, LLC
a Maryland limited liability company

Name:

By: _____

TENANT

HAGERSTOWN/ WASHINGTON COUNTY
MARYLAND CONVENTION AND VISITORS
BUREAU, INC.
a Maryland corporation

Name:

By: _____

EXHIBIT "A"

Plat No. 10495

(Showing Landlord's Property and No. 15 and No. 16 Public Square, Hagerstown, MD)