



ARLINGTON COUNTY, VA

County Board Agenda Item
October 24, 2009

DATE: October 9, 2009

SUBJECT: Approval of an Amended and Restated Deed of Lease between Rosslyn Center Associates L.P. ("Landlord") and The County Board of Arlington County, Virginia ("Tenant") Concerning a Portion of the Real Property located at 1700 N. Moore St., Arlington, VA, RPC #16037001, 16037007 and 16037008; and Approval of a License Agreement between The Convention Store, Inc., as Licensee, and The County Board of Arlington County, Virginia, as Licensor, for the use of Such Space.

C. M. RECOMMENDATIONS:

1. Approve the attached Amended and Restated Deed of Lease, between Rosslyn Center Associates L.P. ("Landlord") and The County Board of Arlington County, Virginia ("Tenant") concerning a portion of the real property located at 1700 N. Moore St. ("Building"), Arlington, VA, RPC #16037001, 16037007 and 16037008; and Approval of a License Agreement between The Convention Store, Inc., as Licensee, and The County Board of Arlington County, Virginia, as Licensor, for the use of Such Space.
2. Approve the attached License Agreement between The Convention Store, Inc. and the County Board for the use of 1,758 Square Feet of Retail Space Located at 1700 N. Moore St., Arlington, Virginia (RPC #16037001, 16037007 and 16037008); and, Approval of a License Agreement between The Convention Store, as Licensee, and The County Board of Arlington County, Virginia, as Licensor, for the use of such space.
3. Authorize the Real Estate Bureau Chief to execute, on behalf of the County Board, the Lease, the License, and all related documents, including, without limitation, all documents, present or future, concerning subordination, non-disturbance, attornment, and estoppels, all subject to approval as to form by the County Attorney.

ISSUE: As a part of the lease process, the County Board is being requested to approve and authorize the execution of the Amended and Restated Deed of Lease ("Lease"), attached as Exhibit A, to extend the lease term for an additional five years for the Commuter Store in

County Manager: RC/MA

County Attorney: BAK/SAM

Staff: Linda DePersis, DES-Real Estate Bureau and Chris Hamilton, DES

Rosslyn, and approve the attached License Agreement, attached as Exhibit B, which permits the County's contractor to use the County's leased premises to operate a commuter store. There are no outstanding issues.

SUMMARY: The County has, through its own employees and contractors, operated the Commuter Store in Rosslyn for fifteen years. The Commuter Store provides residents, visitors and those working in Arlington with convenient, one-stop shopping for schedules, fares, and information about the many transportation options (whether by bus, rail, carpool, vanpool, or bicycle) available in the Washington Metropolitan Area. The attached Lease is needed for the County to continue this service.

BACKGROUND: By the Deed of Lease, dated October 25, 2004 ("Existing Lease"), the County entered into a new lease for The Commuter Store, for the total of approximately 1,721 square feet of rentable space in the Building, which was recently re-measured by DBI Architects. The Premises, known as Suite 235, was re-measured as 1,758 square feet of rentable area ("Premises"). Since the Existing Lease expires on October 31, 2009, staff finalized negotiation of the Lease, as shown on Exhibit A, to extend the Lease term for the Commuter Store in Rosslyn. A Vicinity Map is attached hereto as Attachment 1.

The County also entered into a contract, dated June 23, 2009 (the "Contract"), with The Convention Store, Inc. ("Contractor") for the operation of the Commuter Store. The Contract, among other things, requires the County to provide the Contractor with retail space to operate the Commuter Store. The attached License Agreement was developed to fulfill their requirement, as well as the requirements listed in Section 16 Assignment and Subletting in the Lease.

DISCUSSION: The Lease has been structured to: (1) provide a commercially viable agreement to protect the County's rights and needs as a local government; (2) be consistent with the office uses permitted by the Lease; and (3) enable the County and the Contractor to use and occupy the Premises. Some of the pertinent provisions of the Lease are as follows:

- The Lease commences on November 1, 2009.
- The County shall continue to lease and occupy the total of 1,758 square feet of rentable area in the Building.
- The initial Lease term is for five (5) years.
- The County has the right to renew the Lease for two (2) additional periods of five (5) years each, under the same Lease terms, subject to a 3 percent annual increase in base rent and related maintenance fees.
- The County has the option of terminating the Lease, without liability, at any time after October 31, 2012, as long as the County is not in default, upon serving a minimum of one hundred eighty (180) days advance written notice to the Landlord.
- Base rent is abated for the month of November. Thereafter, the Base Rent will be \$4,102.00 per month or \$49,224 per annum for the first Lease year. Base rent increases by 3 percent for the second through fifth Lease years.

- The County is required to pay 4.296% for its pro-rata share of increases in real estate taxes, over the tax year beginning on January 1, 2010 and ending on December 31, 2010.
- Commencing on December 1, 2009, the County is required to pay \$3.25 per square foot, as additional rent, for its pro-rata share of common area maintenance ("CAM Fee"). The CAM Fee increases by 3% per annum. The CAM Fee is \$476.13 per month, for the second through twelfth months of the first Lease Year.
- The County shall repair and maintain the County's Premises.
- The Landlord will maintain the common areas of the Building.

The attached License has also been structured to: (1) provide a commercially agreement to protect the County's rights and needs as a local government; (2) be consistent with the office uses permitted by the Lease; and (3) enable the County and the Contractor to use and occupy the Premises. Some of the pertinent provisions of the License are as follows:

- The term of the License begins when the License is executed on behalf of the County, and is co-terminus with the Contract, which ends on June 30, 2010.
- The County can extend the term of the License for additional one (1) year terms (the "Extension Term") under the same terms and conditions that are applicable during the Initial Term, if the County receives written notice from the Contractor that the Contract has been extended.
- Either the Contractor or the County can terminate the License by providing at least ninety (90) days prior written notice to the other party. The License will automatically terminate upon the expiration or early termination of either the Lease or the Contract.
- The License is being granted to the Contractor for nominal consideration because the Contract requires the County to provide the Contractor with retail space.
- The Contractor must comply with all conditions of the Lease and the Contract.
- The Contractor's use of the Premises is limited to retail and office uses, which includes commuter services offices and the SmartBenefits program. The SmartBenefits program assigns transit benefits to employees' SmartTrip cards, which are used to pay fares charged by the Metro system and many local transit systems.
- The Contractor and the County are required to maintain the commercially reasonable levels of insurance, as described in the Lease.
- The Contractor has no right to assign, sublet, or license the Premises.
- The License specifically provides that the County does not waive its rights as a local government.

FISCAL IMPACT: The lease costs for the first year of the Lease (starting on November 1, 2009) will be approximately \$55,000. Funding has been appropriated to the Department of Environmental Services in the FY 2010 adopted budget to cover the projected Lease costs.

EXHIBIT A

AMENDED AND RESTATED DEED OF LEASE

THIS AMENDED AND RESTATED DEED OF LEASE (“Lease”) is made this _____ day of _____, 2009, by and between **ROSSLYN CENTER ASSOCIATES L.P.** a Virginia limited partnership (“Landlord”) and **THE COUNTY BOARD OF ARLINGTON COUNTY, VIRGINIA**, a body corporate (“County” or “Tenant”), (jointly, “Parties”).

WHEREAS, Landlord is the owner of the Rosslyn Center Building located at 1700 North Moore Street, Arlington, Virginia 22202, RPC 16037001, 16037007 and 16037008 (“Building”). (A Vicinity Map is attached hereto and incorporated herein by reference as Attachment 1); and,

WHEREAS, by the Deed of Lease dated October 25, 2004 (the “Current Lease”), the Tenant leased from Landlord, those certain premises known as “The Commuter Store” on the second level of the concourse area of the building located at 1700 North Moore Street, Arlington, VA 22202 (the “Building”), consisting of a total of approximately one thousand seven hundred fifty-eight (1,758) square feet of rentable area of the Building (as re-measured by DBI Architects on September 30, 2009), commonly known as Suites 220, 225 and 235, as shown on Exhibit A attached hereto (“Premises”); and,

WHEREAS, the Parties now desire to amend and restate the Current Lease, in its entirety, by means of this Amended and Restated Deed of Lease.

NOW, THEREFORE, the Parties hereto agree as follows:

For and in consideration of the amount of One Dollar (\$1.00), the covenants and agreements set forth hereinafter, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby amend the Current Lease, in its entirety, as set forth in this Amended and Restated Deed of Lease to provide as follows:

1. PREMISES.

In consideration of the rents, covenants and agreements hereinafter provided and for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Landlord demises and leases to Tenant, and Tenant rents from Landlord, those certain Premises known as “The Commuter Store”, in Suites 220, 225 and 235, which is located on the second level of the concourse area of the Building, consisting of a total of approximately one thousand seven hundred fifty-eight (1,758) square feet of rentable area of the Building, as shown on Exhibit A attached hereto.

Notwithstanding anything to the contrary herein, the Landlord reserves space in the ceiling, walls and floor of the Premises, for necessary pipes and wires leading to and from the portion of the Building outside of the Premises to the inside of the Premises, provided that Landlord’s use of such reserved space shall not unreasonably interfere with Tenant’s use of the Premises.

2. TERM.

2.01 Initial Term and Lease Commencement Date: The initial term of the Lease is for five (5) years (the "Initial Term"), commencing on November 1, 2009 ("Commencement Date").

2.02 Option to Extend: The Tenant shall have the option to extend the term hereof for two (2) additional periods of five (5) years each (each, an "Extension Period"), provided:

(i) Tenant gives written notice to Landlord of Tenant's election to exercise such extension option no earlier than twelve (12) and no later than three (3) months prior to the expiration of the Initial Term or any Extension Period, as the case may be;

(ii) All terms and conditions of the Lease shall remain in full force and effect during each Extension Period, including, without limitation, all provisions governing the payment of Base Rent, annual increases in Base Rent, and Additional Rent (which shall include a 3% increase in CAM charges from the immediately preceding year), as hereinafter defined in Section 3.05.

2.03 Expiration Date: The Initial Term shall expire at 12:00 midnight on October 31, 2014 ("Expiration Date"), unless ended earlier under the terms of this Lease. Upon the expiration of the Initial Term, end of the applicable Extension Period, end of the month-to-month tenancy, or upon any other termination of this Lease, as the case may be, Tenant shall quit and deliver the Premises in good condition (taking into account the length of the Term and the permitted use hereunder), ordinary wear and tear, and damage by the elements, fire, and other unavoidable casualty, excepted. The Initial Term and Extension Period(s) shall hereinafter be referred to individually or collectively, as the context may require, as the "Term".

2.04 Tenant's Option to Terminate: Tenant shall have the right and option, without liability, penalty or further obligation whatsoever, to terminate the Lease, at any time after October 31, 2012, and at any time during any Extension Period(s), thereafter, at Tenant's sole and absolute discretion ("Termination Right"). Such termination shall be effective as of the date that is specified by Tenant for the termination of the Lease ("Termination Date") subject to the following terms and conditions:

A. At the time of the exercise, by the Tenant, of the Termination Right, and at all times thereafter through the Termination Date, Tenant is not in default under this Lease, beyond any applicable notice and cure period; and

B. Tenant shall provide Landlord with a written notice of the exercise by Tenant of the Termination Right (the "Termination Notice") at least one hundred eighty (180) days prior to the Termination Date specified in the Termination Notice. Irrespective of when Tenant provides the Termination Notice to the Landlord, the termination of the Lease shall not be effective until the Termination Date.

C. If Tenant exercises the Termination Right as aforesaid, then the Lease shall terminate on the Termination Date set forth in the Tenant's notice in the same manner as if said date had been originally scheduled date for the expiration of the Term. Without limitation of any

other right of Tenant under the Lease, Tenant shall have no obligation to occupy or use all or any portion of the Premises at any time after the issuance by Tenant of the Termination Notice, provided Tenant shall remain fully liable for its obligations under this Lease through the Termination Date.

3. BASE RENT.

3.01 Notwithstanding any provision in this Lease to the contrary, the Landlord hereby agrees to abate and forgive all amounts due and payable under this Lease for a period of one (1) month starting on the Commencement Date. Commencing on November 1, 2009, Tenant shall pay to Landlord base rent (“Base Rent”) in monthly installments pursuant to the following schedule:

Lease Year	Base Rent per Rentable Square Foot (“RSF”)	Annual Base Rent	Monthly Base Rent
November 1, 2009 - November 30, 2009	abated	abated	abated
December 1, 2009 – October 31, 2010	28.00	\$49,224.00	\$4,102.00
November 1, 2010 – October 31, 2011	28.84	\$50,700.72	\$4,225.06
November 1, 2011 – October 31, 2012	29.71	\$52,221.74	\$4,351.81
November 1, 2012 – October 31, 2013	30.60	\$53,788.39	\$4,482.37
November 1, 2013 – October 31, 2014	31.51	\$55,402.05	\$4,616.84

Base Rent shall be paid and is due, without notice, demand, offset or deduction, by the first day of each month, during the Term, and to Rosslyn Center Associates L.P., P.O. Box 890478, Charlotte, North Carolina, 28289-0478, or as Landlord may specify in writing to Tenant from time to time.

3.02 Any Base Rent or Additional Rent payable for one or more full calendar months in a partial calendar year at the beginning or end of the Lease Term shall be prorated based upon the number of months in the calendar year. Any Base Rent or Additional Rent payable for a portion of a calendar month shall be prorated based upon the number of days in the applicable calendar month.

3.03 No payment by Tenant or receipt by Landlord of lesser amounts of Base Rent or Additional Rent other than those required by this Lease shall be deemed to be an accord and satisfaction. No endorsement or statement on any check or any letter accompanying any check or payment as Base Rent or Additional 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 Base Rent and Additional Rent or pursue any other remedy provided in this Lease. Any credit due to Tenant hereunder due to overpayment of Base Rent or Additional Rent shall first be applied to any Base Rent, Additional Rent or other sums owed to Landlord by Tenant as set forth elsewhere in this Lease or if Tenant shall be in default when said, no credit shall be owed.

- 3.04** The Base Rent installment for the first calendar month of the Term shall be paid at the time of execution and delivery of this Lease by the Tenant to the Landlord and shall be credited to Tenant's first full monthly Base Rent payment, as it becomes due.
- 3.05** If Tenant fails to pay part or all of the Base Rent or Additional Rent (a) within fifteen (15) days after it is due, Tenant shall also pay a late charge equal to five percent (5%) of the unpaid Base Rent and Additional Rent, (b) and if Tenant fails to pay Base Rent within thirty (30) days after it is due, then Tenant shall also pay interest at fifteen percent (15%) per annum, or the maximum rate then allowed by applicable law, whichever is less, (the "Late Rate") on the remaining unpaid balance until paid.

No payment by Tenant or receipt and acceptance by Landlord of a lesser amount than the Base Rent, Additional Rent or other payments to Landlord required hereunder shall be deemed to be other than part payment of the full amount then due and payable, nor shall any endorsement or statement on any check or any letter accompanying any check, payment of Base Rent, Additional Rent or other payment be deemed an accord and satisfaction, and Landlord may accept such part payment without prejudice to Landlord's right to recover the balance due and payable or pursue any other remedy in this Lease.

Any payments due to Landlord under this Lease, which are not otherwise identified as Base Rent, shall be deemed "Additional Rent". Unless otherwise specified in this Lease, Additional Rent shall be due within fifteen (15) days of Tenant's receipt of demand therefor.

- 3.06** Tenant shall use the Premises solely for the operation of a commuter store in Rosslyn, a part of an Arlington County Department of Environmental Services Commuter Assistance Program. Tenant covenants to continuously, actively and diligently conduct and operate its business in the whole Premises throughout the Term for the minimum hours of 10:00 a.m. through 6:00 p.m. on Monday through Friday (excluding holidays recognized by the County). A copy of the License Agreement between the Tenant and its present Contractor is attached hereto as Exhibit B.

4. REAL ESTATE TAXES.

Commencing on January 1, 2011, the Tenant shall pay its Pro Rata Share, as hereinafter defined in the following paragraph, of any increase in Real Estate Taxes over the tax year beginning on January 1, 2010 and ending on December 31, 2010 ("Base Year") for the Premises. For calculating the Tenant's Pro Rata Share, the total square footage for all uses in the Building (as re-measured by DBI Architects on September 30, 2009), is 409,148 rentable square feet. The Tenant's Pro Rata Share for Additional Rent equals 0.4297%.

Tenant's "Pro Rata Share" stipulated above represents the ratio that the total rentable area of the Premises bears to the total rentable area of the Building, which calculation shall be binding on the Tenant.

- 4.01** The term "Real Estate Taxes" shall mean (1) all taxes, assessments (including all assessments for public improvements or benefits, water, sewer, transportation or other excises, levies, Lease fees, permit fees, impact fees, inspection fees, and other authorization fees and other similar

charges, in each case whether general or special, levied or assessed, ordinary or extraordinary, foreseen or unforeseen, of every character (excluding all interest and penalties thereon), which at any time during or in respect to the Lease Term, may, by any governmental or taxing authority, be assessed, levied, confirmed, or imposed on or in respect of, or be a lien upon, the land and the building improvements of which the Premises are a part, together with (2) any other tax imposed on real estate or on owners of real estate generally, including taxes imposed on leasehold improvements which are assessed against the Landlord and taxes upon or with respect to any activity conducted on the land and improvements of which the Premises are a part, upon this Lease or any rent reserved or payable hereunder, (3) to the extent the following taxes are in lieu of or a substitute for any other taxes which are, or would be, payable by Landlord as Real Estate Taxes, (a) any income, excess profits, or other taxes of Landlord determined on the basis of its income, receipts, or revenues from the Building, and (b) any income, excess profits, or other taxes of Landlord determined on the basis of its income or revenue derived pursuant to this Lease, and (4) the reasonable cost of any services to achieve a reduction of, or to minimize the increase in, Real Estate Taxes. Except as otherwise provided in (3) immediately above, Real Estate Taxes shall not include any tax upon Landlord's net income or profits and shall also not include: business professional, occupational and license taxes (BPOL), federal, state or local income taxes, franchise, gift, transfer, excise, capital stock, estate, succession, or inheritance taxes. Landlord shall pay all Real Estate Taxes and assessments by the date due, and shall, upon Tenant's written request, furnish Tenant with evidence of such payment. Landlord shall not include in Real Estate Taxes any interest or penalties incurred by Landlord by reason of Landlord's failure to pay in a timely manner any Real Estate Taxes and assessments. Landlord shall not recover from tenants more than 100% of the Real Estate Taxes actually paid by Landlord.

4.02 If Real Estate Taxes accruing during the Base Year are subsequently reduced by any application or proceeding brought by or on behalf of Landlord for reduction in the amount of Real Estate Taxes payable by Landlord, then the Real Estate Taxes deemed to have accrued during the Base Year shall be decreased and Landlord may promptly bill Tenant for the Additional Rent not previously paid by Tenant for any calendar year during the Lease Term, based upon the reduced amount of Real Estate Taxes accruing during the Base Year.

5. ADDITIONAL RENT ESTIMATES AND ADJUSTMENTS.

5.01 Initial Additional Rent Adjustments: Landlord shall submit to Tenant by no later than December 1, 2010, a statement of Landlord's reasonable estimate of the total Building Operating Expenses increases and the Tenant's Pro Rata Share thereof, described in the Section 4 above, together with the amount of Tenant's Additional Rent which is estimated to result from such increases, in which event Tenant shall pay such estimated Additional Rent to Landlord in equal monthly installments beginning on the date set forth in Section 4, on the dates and in the manner required for the payment of Tenant's monthly installments of Base Rent.

5.02 Additional Rent Reconciliations: Within one hundred eighty (180) days after the end of each calendar year, Landlord shall submit to Tenant a certified, audited financial statement of the actual Real Estate Taxes for the preceding calendar year as well as the actual Real Estate Taxes assessed during the Base Year. Such statement shall also indicate the amount of

Tenant's excess payment or underpayment of Additional Rent based on Landlord's estimate described in Section 4. If Additional Rent paid by Tenant during the preceding calendar year shall be in excess of, or less than, the aggregate of its share of the actual increase in Real Estate Taxes, then Landlord and Tenant agree to make the appropriate adjustment to reconcile the Real Estate Taxes within thirty (30) days after the submission of Landlord's statement. Tenant shall either pay any Additional Rent due with the installment of Base Rent first due at least thirty (30) days after the submission of Landlord's statement, or pay any Additional Rent due within thirty (30) days if the Lease Term has expired or has otherwise been terminated. Tenant shall deduct its excess payment, if any, from the installment of Base Rent due for the month following submission of Landlord's statement, or following the expiration or earlier termination of the Lease Term, or, at Tenant's option, Tenant shall be reimbursed for any excess payments made, less any amounts then due Landlord under this Lease, upon demand.

5.03 Verification of Additional Rent: Tenant shall have the absolute right, on an annual basis, to have a certified public accounting firm or an employee of Tenant (who either is Tenant's Director of Finance or another employee supervised by Tenant's Director of Finance) audit on a non-contingent fee basis the Landlord's books and records pertaining only to Real Estate Taxes for the previous three (3) calendar years. Landlord, upon thirty (30) days written notice from Tenant, shall make available to Tenant in the Washington, D.C. metropolitan area all appropriate books and records, paid bill files, general ledgers, Real Estate Taxes billing files and contracts. Tenant shall be responsible for the cost of said audit unless an overstatement of the Real Estate Taxes greater than five percent (5%) for any calendar year is identified. In such instance, Landlord shall be responsible for the actual audit costs incurred by Tenant, not to exceed \$5,000.00. In the event of any overpayment of Real Estate Taxes by Tenant, Landlord shall promptly reimburse Tenant for said overpayment or, at Tenant's option, credit the amount of said overpayment to the next installment of rent due.

6. COMMON AREA MAINTENANCE.

Effective December 1, 2009, Tenant shall pay Three and 25/100 Dollars (\$3.25) per square foot, as Additional Rent for Tenant's Pro Rata Share of Common Area Maintenance fees ("CAM") for the Premises. CAM charges shall be payable on a monthly basis on the first day of each month during the Term, together with Base Rent, in accordance with the following schedule:

Lease Year	CAM Fee per RSF	Annual CAM Fee	Monthly CAM Fee
December 1, 2009 – October 31, 2010	3.25	\$5,713.50	\$476.13
November 1, 2010 – October 31, 2011	3.35	\$5,884.91	\$490.41
November 1, 2011 – October 31, 2012	3.45	\$6,061.45	\$505.12
November 1, 2012 – October 31, 2013	3.55	\$6,243.30	\$520.27
November 1, 2013 – October 31, 2014	3.66	\$6,430.59	\$535.88

7. ACCEPTANCE OF SPACE.

Tenant accepts the Premises in its existing “as is” condition and shall be obligated for the payment of Base Rent and Additional Rent hereunder from and after the Commencement Date. Landlord shall have no obligation to perform any construction or repairs, or provide any allowances or abatements in connection with the Premises.

8. TENANT’S ALTERATIONS.

Tenant will not make or permit any additional improvements, additions, alterations, fixed decorations, substitutions, replacements or modifications, structural or otherwise, to the Premises or to the Building (hereinafter referred to as “Alterations”) without the prior written consent of Landlord. Alterations include, but are not limited to, the installation or modification of carpeting, partitions, counters, doors, air conditioning ducts, plumbing, piping, lighting fixtures and wiring of any kind, hardware, locks, ceilings and window and wall coverings. If Landlord consents to any Alterations, Landlord may upon the approval of plans and specifications, make periodic inspections of the work by Landlord’s architect or contractor. Landlord’s consent to any Alteration and approval of any plans and specifications constitutes approval of no more than the concept of such Alteration and not a representation or warranty with respect to the quality or functioning of such Alteration, plans, and specifications.

Alterations may be made only at Tenant’s expense by contractors or subcontractors, and only after Tenant has obtained any necessary permits from governmental authorities having jurisdiction, and furnished copies of such permits to Landlord. Prior to commencing any Alterations (excluding any work being performed by the Tenant’s own forces), the Tenant shall provide Landlord with evidence of insurance carried by each contractor and subcontractor, which shall be in form and substance reasonably satisfactory to Landlord. In addition, Tenant shall cause any contractor performing work on the Premises to indemnify and save harmless the Landlord and its agents, their servants, agents and employees against and from all claims, actions, damages, liabilities and expenses of any kind or nature (including reasonable attorney’s and other professional fees) arising from the performance of such work or the contractor’s entry into the Building and the Premises. All Alterations must conform to all rules and regulations established from time to time by the Board of Fire Underwriters having jurisdiction or similar body exercising similar functions and to all laws, regulations and requirements of federal, state, county and municipal governments having jurisdiction. Tenant shall obtain and deliver to Landlord written, unconditional waivers of mechanic’s and materialmen’s liens against the Building and the Land from all contractors, subcontractors and material suppliers for all work performed and materials furnished in connection with the Alterations. Notwithstanding the foregoing, if any mechanic’s lien is filed against the Premises, the Building or the Land for work done for or materials furnished to Tenant, or claimed to have been done for or furnished to Tenant, the lien shall be discharged by Tenant within thirty (30) days thereafter, solely at Tenant’s expense, by paying off, bonding, or removal of the lien pursuant to a judicial order. If Tenant shall fail to cause such lien to be removed within such time period, then Landlord may do so and treat the cost thereof as Additional Rent; but such discharge by Landlord shall not be deemed to waive the default of Tenant in not removing the same. If any Alteration is made without the prior written consent of Landlord, Landlord may correct or remove the Alteration at Tenant’s expense, and all costs and expenses incurred by Landlord in connection with the removal of any mechanic’s lien or the correction or removal of any Alteration shall be payable as Additional Rent with the next due

payment of Base Rent. All signage in the Premises (or outside of the Premises) that is visible from outside of the Premises shall be subject to the Landlord's review and approval.

9. PARKING.

Tenant, its employees, and contractors, shall have the right to purchase parking permits at the ratio of one (1) per 1,000 square feet of the Premises. The parking rate shall be at the then-prevailing market rate charged to other tenants in the Building, which rate currently is \$155.00 per space, monthly for the term of the Lease. The building parking garage is presently managed by MarcPark.

10. SECURITY.

A card reader security system exists for the Building, and an access card to the garage entrance shall be provided to each of the Tenant's employees and each of the Tenant's Contractor's employees at no charge to Tenant (not in excess of nine (9) access cards). Landlord may charge the Tenant or its Contractor, as the case may be, for the reasonable cost of additional, lost or stolen access cards.

11. ACCESS/HOURS OF OPERATION.

Tenant shall have access to the Building (including elevator access to the parking garage) and the Premises twenty-four (24) hours per day each day of the year.

12. CONSTRUCTION OF NEW BUILDING.

Landlord may construct a new tower adjacent to the Building on the north side. There is no specific date for this construction to begin. Tenant acknowledges that during the construction process, the construction activities may cause noise, dust and other inconvenience to the Tenant. However, such construction activities shall not materially interfere with the Tenant's use of the Premises. When the new office tower is completed, some Tenant's north side views will be impacted. No rights to Tenant as to views, light, orientation, or other rights or privileges to the exterior of the building are to be leased or conveyed to Tenant.

13. TERMINATION OPTION.

At any time during the Term, Landlord has the right to terminate this Lease in connection with the demolition of the Eatery and Concourse and the construction of a second tower adjacent to the Building upon the issuance of the Certificate of Occupancy for the second tower. In such event, Landlord shall provide Tenant with a not less than nine (9) months prior written notice of the date of termination. Landlord, at its sole cost and expense, shall use commercially reasonable efforts to relocate Tenant to an alternative store location, under the same terms and conditions of this Lease, within the Building, if space is available, or if the store can remain open, then Landlord shall provide limited access to the Premises as long as there is no interference with the construction necessary for the new building. In the event that Landlord cannot relocate Tenant in the Building, and Tenant cannot remain open during construction, Landlord agrees to reimburse Tenant within thirty (30) days after written demand (accompanied by proof of expenses) for Tenant's relocation costs to a new location.

14. INSURANCE.

14.01 Tenant shall, at its cost and expense, obtain and maintain during the term of this Lease, Commercial General Liability insurance, or materially similar self insurance. The limits for such insurance shall be in amounts as follows:

- One Million Dollars (\$1,000,000.00) per occurrence; and
- Two Million Dollars (\$2,000,000.00) in the aggregate,

If such insurance is subject to a deductible of any amount, Tenant shall bear the burden of same.

14.02 Tenant shall, at its cost and expense, obtain and at all times during the term hereof maintain in effect, insurance covering (a) the improvements to the Premises made by or on behalf of Tenant, at Tenant's expense, prior to the date of commencement of this Lease, (b) Tenant's machinery, if any, (c) plate glass, trade fixtures, furnishing, equipment and inventory of merchandise located in the Premises, and (d) all alterations, additions, and changes made in or to the Premises during the term of this Lease at Tenant's expense. Notwithstanding anything to the contrary contained herein, Landlord and Tenant hereby mutually waive and release their respective rights of recovery against each other for any loss of its property (in excess of a deductible amount for each of Landlord and Tenant that is reasonable in light of the size and status of each of Landlord and Tenant and applicable market conditions) capable of being insured against by fire and extended coverage insurance or any insurance policy providing property damage coverage, whether carried or not. Each party shall apply to its insurer to obtain said waiver and obtain any special endorsement, if required by its insurer to evidence compliance with the aforementioned waiver, and shall bear the cost therefore. The proceeds of such insurance, so long as this Lease remains in effect, shall be used to repair or replace the items so insured in the event of loss because of fire or other casualty.

Both Landlord and Tenant shall include in each of its property damage insurance policies a waiver of the insurer's right of subrogation against the other party and the officers, directors, agents and employees of, and the partners and members in, the other party and any insurance company of such other party. If such waiver ceases to be obtainable, the insuring party shall so notify the other party promptly after notice thereof and such insuring party shall with all diligence obtain other property damage insurance policies that contain such waiver of subrogation and furnish the other party with reasonably detailed written evidence that such other property damage insurance so contains such waiver of subrogation.

14.03 All insurance policies required of Tenant hereunder shall be issued by reputable companies, licensed to do business in the jurisdiction of the Premises and on forms reasonably satisfactory to Landlord, and copies of such policies of such insurance or certificates evidencing such insurance shall be delivered to Landlord by Tenant. No such policy shall be cancelable except after thirty (30) days written notice to Landlord. All such policies shall be written as primary policies and not contributing with, or in excess of, any coverage that Landlord may carry and all purchased policies shall name the Landlord, as an additional insured.

14.04 Tenant shall not do or permit to be done any act or thing upon the Premises which will invalidate or be in conflict with fire and extended coverage insurance policies covering the Premises, or any part thereof, or fixtures and property therein, and shall comply with all rules, orders, regulations or requirements of the Board of Fire Underwriters having jurisdiction, or any other similar body, and shall

not do, or permit anything to be done, in or upon the Premises, or bring or keep anything therein, which shall increase the rate of fire insurance on the Premises or any portion of the Premises, or which shall adversely affect the insurability thereof. If by reason of failure of Tenant to comply with the provisions of this paragraph, the fire and extended coverage insurance rate shall at any time be higher than it otherwise would be, then Tenant shall reimburse Landlord on demand for that part of all insurance premiums which shall have been charged because of such violation by Tenant and which Landlord shall have paid on account of any increase in rate in its own policies of insurance. In any action or proceeding wherein Landlord and Tenant are parties, a schedule or "makeup" of rate for the Premises issued by the Fire Insurance Exchange having jurisdiction or other body making the fire and extended coverage insurance rates for said Premises, shall be conclusive evidence of the facts therein stated and of the several items and changes in the fire and extended coverage insurance rate then applicable to said Premises.

14.05 Notwithstanding anything in this Lease to the contrary, in order to comply with the provisions of this Lease requiring Tenant to provide insurance coverage, Tenant shall have the right to self-insure as to all or any portion of the insurance coverage or coverage which would otherwise have been required by a third party insurance carrier. If Tenant elects to self-insure any risk, Tenant shall provide Landlord with a letter outlining the program of self insurance.

14.06 LANDLORD'S INSURANCE.

(a) Landlord shall, at its cost and expense, at all times during the Term of this Lease maintain in effect a policy or policies of insurance covering the Premises providing protection against any peril included under insurance industry practices within the classification "fire and extended coverage", providing protection to the extent of not less than ninety percent (90%) of the insurable value of the Premises, together with insurance against vandalism and malicious mischief. Landlord hereby waives any and all right of recovery against Tenant, except those losses which are due to negligence or misconduct of tenant, for any loss occurring to the Premises on account of fire or other casualty, and the aforesaid policy or policies of insurance shall contain appropriate provision recognizing this release by Landlord and waiving all rights of subrogation by the insurance carrier.

(b) Landlord shall obtain and maintain a policy or policies of insurance written by a responsible company or companies covering the parking and common areas and providing Commercial General Liability insurance coverage for bodily injury and property damage, the limits for which shall be in amounts as follows:

- One Million Dollars (\$1,000,000.00) per occurrence; and
- Two Million Dollars (\$2,000,000.00) in the aggregate.

Such insurance may be blanketed with other insurance carried by Landlord so long as such blanketing with other insurance does not reduce the amount of insurance available to pay any claim with respect to the Building. Landlord shall provide Tenant with a certificate of insurance evidencing the coverage required by this Section 14.07 prior to the commencement of this Lease and thereafter on an annual basis during the Term of the Lease.

15. FIRE AND OTHER CASUALTY.

- 15.01** If the Premises shall be partially damaged by fire or other casualty, such damages shall be repaired by and at expense of Landlord, provided, however, the obligation of Landlord to repair such damages shall be limited to that portion of the Premises, such as the foundations, walls, roof, and floor, at Landlord's expense, and shall not include any such construction installed at Tenant's expense. Tenant, until such damages are repaired, shall apportion the rent, according to the part of the Premises that is usable. If Tenant, its employees, agents, customers, visitors, subtenants, Tenants, or concessionaires cause any damage or injury by fire or other casualty, there shall be no apportionment or abatement of rent.
- 15.02** If the Premises are totally destroyed or are rendered substantially or wholly untenable by fire or other casualty and Landlord shall in such circumstances decide not to restore or rebuild the same, or if the building shall be so damaged that Landlord shall decide for the time being not to restore or rebuild the same, whether or not the Premises shall be affected thereby, then and in any of such events Landlord may, without any liability to Tenant, within ninety (90) days after such fire or other casualty, give Tenant notice in writing of such decision, and thereupon the term of this Lease shall expire, and Tenant shall vacate the Premises and surrender the same to Landlord without prejudice to any and all claims Landlord may have against Tenant for accrued and unpaid rent to the date of such expiration, and if Tenant shall vacate the Premises and surrender the same to Landlord without prejudice to any and all claims Landlord may have against Tenant for accrued and unpaid rent to the date of such expiration, and if Tenant shall not be in default under this Lease, Tenant's liability for rent shall cease as of the day on which the damage or destruction occurred. Unless this Lease shall be terminated as provided in this paragraph, if the Premises shall have been so damaged or rendered untenable, Landlord and Tenant shall promptly commence and diligently prosecute to completion the restoration or reconstruction of those portions of the Premises originally installed or constructed by each party respectively, and Tenant's liability for rent shall temporarily cease as of the day on which the damage or destruction occurred and shall only recommence as of the day the Premises shall be made available for reoccupancy by Tenant, provided that Tenant's vacation of the Premises and surrender of same to Landlord shall be without prejudice to any and all claims Landlord may have against Tenant for accrued and unpaid rent to the date of such damage or destruction.
- 15.03** For the purposes of this Article 15, "partially damaged" shall mean damage to the Premises, which is less than one-half (1/2) of the insurable value of such Premises; and "totally destroyed or rendered substantially or wholly untenable" shall mean damage to the Premises, which is in excess of one-half (1/2) of the insurable value thereof.
- 15.04** The term "insurable value" as used in this lease, shall mean the actual current replacement cost of such property, without regard to depreciation.

16. ASSIGNMENT AND SUBLEASING.

Tenant shall not assign, transfer, mortgage, pledge or otherwise encumber this Lease or all or any of Tenant's rights hereunder or interest herein, or sublet, rent or permit anyone to occupy the Premises, or any part thereof, without obtaining the prior written consent of Landlord, which such consent

shall not be unreasonably withheld, conditioned or delayed. The prohibition against assignment or subletting shall be construed to include a prohibition against any assignment or subletting by operation of law. Any attempted assignment, transfer, mortgaging, pledging or other encumbering of this Lease or any of Tenant's rights hereunder and any attempted subletting or grant of a right to use or occupy the Premises in violation of the provisions of the immediately preceding sentence shall be null and void.

Landlord hereby approves the License Agreement, attached hereto as Exhibit B, between Tenant and The Convention Store, Inc. ("Contractor").

17. REPAIR AND MAINTENANCE. Tenant, at Tenant's sole cost and expense, shall keep the Premises and the fixtures, appurtenances, equipment and improvements in the Premises in good order and condition, reasonable wear and tear excepted. Tenant shall not commit waste.

18. DEFAULTS AND REMEDIES.

18.01 Default: Each of the following constitutes a default under this Lease ("Default"):

- A. Tenant's failure to pay Rent or Additional Rent within fifteen (15) days such Rent or Additional Rent are due;
- B. Tenant's assignment, transfer, mortgage, encumbrance, subletting or permitting the use of the Premises by others except as permitted by this Lease;
- C. Tenant's failure to provide the estoppel certificate within the time period as set forth in this Lease;
- D. Tenant's failure to perform or observe any other Tenant obligation after a period of fifteen (15) days or the additional time, if any, that is reasonably necessary to promptly and diligently cure the failure, if the failure can be cured and if Tenant diligently and continuously pursues such cure, after it receives notice from Landlord setting forth in reasonable detail the nature and extent of the failure;
- E. Tenant's abandoning the Premises, whether or not Base Rent is in Default at the time such abandonment commences;
- F. a petition in bankruptcy is filed by or against Tenant, but if filed against Tenant, Tenant shall have sixty (60) days from the date of filing to vacate or stay the petition;
- G. Tenant is adjudicated as bankrupt or insolvent;
- H. a receiver, trustee or liquidator is appointed for all or a substantial part of Tenant's property; or
- I. Tenant makes an assignment for the benefit of creditors.

purpose under any statute or by right of eminent domain (which taking shall include a sale by Landlord to any public or quasi public authority, either under threat of condemnation or while condemnation proceedings are pending), and Tenant shall within thirty (30) days of such appropriation or taking notify Landlord in writing that the Premises are not reasonably adequate for conduct of Tenant's business, and upon inspection by Landlord if it is agreed by the Parties hereto that such is the case, then this Lease shall terminate at the time of actual physical taking of possession by such governmental authority, and Landlord and Tenant shall thereupon be released from all liabilities thereafter accruing under this Lease.

20.02 In the event of any taking under the power of eminent domain which does not so result in a termination of this Lease, the minimum rental payable hereunder shall be reduced, effective as of the date on which the condemning authority takes possession, in the same proportion which the floor area of the portion of the Premises taken bears to the floor area of the entire Premises prior to the taking. Landlord shall promptly at its expense restore the portion of the Premises not so taken to as a near its former condition as is reasonably possible, and this Lease shall continue in full force and effect.

21. SUBORDINATION. Tenant's rights under this Lease are subordinate to: (i) all present and future ground or underlying leases affecting all or any part of the mall; and (ii) any easement, Lease, mortgage, deed of trust or other security instrument now or hereafter recorded affecting the mall (those documents referred to in (i) and (ii) above being collectively referred to as a "Mortgage" and the Person or Persons having the benefit of same being collectively referred to as a "Mortgagee"). Notwithstanding the foregoing, Tenant shall, within fifteen business (15) days of request by Landlord, execute such further instruments or assurances as Landlord may reasonably deem necessary to evidence or confirm the subordination of this Lease to any Mortgage.

Notwithstanding anything to the contrary contained herein, Landlord agrees, upon written request to use commercially reasonable efforts to obtain a non-disturbance agreement from the above described persons, entities, and holders of the above rights so as to not disturb Tenant's use and occupancy of the Premises so long as Tenant shall not be in default under the Lease.

22. ATTORNMEN. If any person, or entity succeeds to all or part of Landlord's interest in the Premises, whether by purchase, foreclosure, deed in lieu of foreclosure, power of sale, termination of lease or otherwise, Tenant shall, without charge, attorn to such successor-in-interest upon request from Landlord provided such successor-in-interest agrees to recognize Tenants rights under this Lease and agrees to assume all of Landlord's obligations under the Lease.

23. ESTOPPEL CERTIFICATE. Each of Landlord and Tenant, within twenty (20) days after receiving notice from, and without charge or cost to, the other, shall certify by written instrument to the other or any other person designated by Landlord or Tenant: (i) that this Lease is in full force and effect and unmodified (or if modified, stating the modification); (ii) the dates, if any, to which each component of the Rent due under this Lease has been paid; and (iii) whether Landlord or Tenant has given notice of a failure of the other party to perform any covenant, term or condition under this Lease, and the nature of Landlord's or Tenant's failure, if any.

24. QUIET ENJOYMENT. Landlord covenants that it has full right, power and authority to enter into this Lease and that Tenant, upon performing all of Tenant's obligations under this Lease and timely

paying all Rent, shall peaceably and quietly have, hold and enjoy the Leased Premises during the Term without hindrance, ejection or molestation by any Person lawfully claiming by, through or under Landlord, subject, however, to all Mortgages, encumbrances, easements, and matters of record to which this Lease is or may become subject, provided, that as to a Mortgagee, Tenant has entered into a non-disturbance agreement with such Mortgagee.

25. **FORCE MAJEURE.** In the event that Landlord or Tenant shall be delayed or hindered in or prevented from the performance of any act required hereunder by reasons of strikes, lock-outs, labor troubles, inability to procure materials, failure of power, restrictive governmental laws or regulations, riots, insurrection, war not the fault of the Landlord, or Tenant, as the case may be, then performance of such act (other than the payment of Base Rent and Additional Rent) shall be excused for the period of the delay and the period for the performance of any such act shall be extended for a period equivalent to the period of such delay; provided, however, that the party requesting or relying upon the period of delay or period for extension of performances shall have provided, to the other Party, written notice of such expected delay or extension upon the occurrence of the event or events giving rise thereto; and further provided that the failure to pay any rent or Additional Rent hereunder, for any reason, shall not be considered to be beyond the reasonable control of Tenant.
26. **TENANT HOLDING OVER.** If the Tenant shall not immediately surrender possession of the Premises at the expiration or other termination of this Lease, and upon not less than fifteen (15) days prior written notice from Landlord, then the Tenant shall become a tenant from month to month and Base Rent shall thereafter increase to 150% of the Base Rent, provided rent shall be paid to and accepted by the Landlord, in advance, but unless and until the Landlord shall accept such rental from the Tenant, the Landlord shall continue to be entitled to retake or recover possession of the Premises as hereinbefore provided in case of default on the part of the Tenant. If the Tenant shall fail to surrender possession of the Premises immediately upon the expiration of the term hereof, the Tenant hereby agrees that all the obligations of the Tenant and all rights of the Landlord applicable during the term shall apply to any subsequent occupancy, by the Tenant, whether or not a month-to-month tenancy shall have been created as aforesaid. Landlord reserves the right to adjust the monthly rental in accordance with the provisions of Article 3 for any and all such holdover periods.
27. **ROLE OF THE TENANT/TENANT DECISIONS; NO WAIVER.** Landlord hereby acknowledges that Tenant has entered into this Lease in its role as Tenant under the Lease and not as a governing authority. Accordingly, the Tenant's execution of this Lease shall neither constitute nor be deemed to be governmental approval for any actions or interests contemplated herein. Whenever in this Lease Tenant is required to join in, consent, give its approval, or otherwise act under this Lease, it is understood that such obligations are meant to apply to the Tenant acting in its capacity as a tenant and not in its capacity as a governing authority. Further, Landlord hereby acknowledges that any and all decisions, determinations, consents, notifications or any other actions taken or to be taken by Tenant pursuant to this Lease, whether or not specifically contemplated hereunder, may be taken by the County Manager or by another Arlington County official or body pursuant to any means, mechanism or process as determined by Arlington County in its sole discretion, and Landlord shall have no right to question or challenge the propriety, authority or legality of any such Arlington County official or body, or means, mechanism or process by which any such decision, determination, consent, notification, or other action is taken or to be taken hereunder by Tenant. Notwithstanding the foregoing, nothing in this Lease shall be construed to waive any of Tenant's powers, rights or obligations as a governing authority or local governing body, whether or not

affecting the Building or Premises, including, but not limited to its police power, right to grant or deny permits, right to collect taxes or other fees, or any other power, right or obligation whatsoever.

28. INTENTIONALLY OMITTED.

29. COMPLIANCE WITH LAWS. Tenant shall comply with all applicable laws, ordinances, rules and regulations of governmental authorities regarding the Premises and the Building, including, but not limited to, those which pertain to the particular manner in which Tenant uses the Premises, or which relate to the lawful use of the Premises and with which only the occupant can comply, such as laws governing maximum occupancy, workplace smoking, and illegal business operations, such as gambling.

30. LANDLORD LIABILITY. In no event shall Landlord, its employees, officers, agents, or partners, including any successor or assignee of all or any portion of Landlord's interest in the Building, be personally liable or accountable with respect to any provision of this Lease. If Landlord shall be in breach or default with respect to any obligation hereunder or otherwise, Tenant agrees to look for satisfaction solely and only to the equity of Landlord in the Building and the Land, as the same may then be constituted and encumbered, and the Landlord shall not be liable for any deficiency. The liability of the Landlord shall in no event exceed the amount of such equity and no other assets or property held by the Landlord (or any partners, stockholders, or officers of the Landlord) shall be subject to levy, execution or other procedures for the satisfaction of Tenant's remedies. In the event Landlord transfers this Lease, other than as security for a mortgage, the Landlord (and, in case of any subsequent transfers or conveyances, the then grantor) shall, upon such transfer and acceptance by the transferee be relieved from all liability and obligations hereunder arising after such transfer provided notice of such transfer is provided to the Tenant at the time of transfer. This paragraph is neither intended to limit the amount payable under any casualty or liability insurance policy nor to imply that Landlord is liable to make double payment of any claim paid by any insurance policy.

31. BROKER WARRANTY. Tenant represents and warrants that it did not retain any broker, agent or real estate salesperson with respect to carrying out negotiations or any other dealings related to this Lease. Landlord represents and warrants that it retained Woodmark, a J Street Company, as its broker ("Broker"). Landlord, and not Tenant, shall compensate Broker according to a separate agreement. Landlord shall hold Tenant harmless from all claims, demands, liability and obligation arising out of Landlord's agreement with Broker. Additionally, Landlord agrees to pay all commissions and costs to any and all other brokers or agents entitled to any commission or compensation in connection with the Lease pursuant to the terms of separate agreements, and Landlord shall hold Tenant harmless therefrom.

32. NO RIGHTS IN THIRD PARTIES. The Parties hereto mutually agree that no provision of this Lease shall create in the public, or in any person or entity other than those signing this Lease as Parties hereto, rights as a third party beneficiary hereunder, or authorize any person or entity, not a party hereto, to maintain any action for personal injury, property damage, or breach of contract pursuant to the terms of this Lease or otherwise.

33. ENTIRE AGREEMENT AND AMENDMENTS. This Lease, contains the entire agreement of the Parties hereto with respect to the subject matter hereof. No representations, inducements, or agreements, oral or otherwise, between the Parties not contained in this Lease shall be of any force

and effect. This Lease may not be modified, changed, or terminated, in whole or in part, in any manner other than by an agreement in writing signed by duly authorized representatives of the Parties hereto. This Lease shall be construed and enforced in accordance with the laws of the Commonwealth of Virginia. The courts of Arlington County, Virginia, shall be the forum for all disputes arising hereunder.

34. **APPLICABLE LAW.** This Lease shall be governed by and construed under the laws of the Commonwealth of Virginia. Any action brought to enforce or interpret this Lease shall be brought in the Circuit Court of Arlington County, Virginia, which shall be the proper forum, for any dispute arising hereunder, and in no other court.
35. **LANDLORD'S AUTHORITY.** Landlord and each individual executing this Lease on behalf of Landlord hereby represents and covenants that he is duly authorized to execute and deliver this Lease and that Landlord is, a duly organized limited partnership, or other legal entity, under the laws of the Commonwealth of Virginia, is qualified to do business in the Commonwealth of Virginia, is in good standing under the laws of the Commonwealth of Virginia, and has the power and authority to enter into this Lease, and that all necessary and required actions requisite to authorize Landlord to enter into this Lease have been duly taken.
36. **APPROPRIATION OF FUNDS.** Notwithstanding any other term or condition of this Lease, all of Tenant's obligations under this Lease are subject to appropriation of funds by the County Board of Arlington County, Virginia for the specific purpose of satisfying the payment and performance of such obligations. In the event that funds are not appropriated at the beginning of any Tenant's fiscal year for the specific purpose of satisfying the obligations of the Tenant under this Lease, then this Lease shall become null and void and shall terminate on the last day of the Tenant's fiscal year for which appropriations were received for such purpose, without any termination fee or other liability whatsoever to the Tenant. If funds for the Tenant's obligations under this Lease are not appropriated, then the Tenant shall vacate the Premises prior to the beginning of the Tenant's next fiscal year.

It is agreed by both Landlord and Tenant that, notwithstanding any provision in this Lease to the contrary, this clause shall supersede any and all obligations imposed by any other provision of this Lease or the Exhibits or any Addenda hereto. No subsequent Amendment of, or Addendum to, this Lease shall compromise the full legal implication of this Section between the Parties hereto or their respective successors or assigns.

37. **APPROVAL OF LEASE BY TENANT.** This Lease shall not become effective unless and until the County Board approves this Lease. Such approval by the County Board shall be evidenced by the execution of this Lease on behalf of the County Board. Upon the execution and delivery by Landlord of a Lease that is acceptable to the County Manager, he shall use reasonable efforts to promptly obtain the approval of the County Board to the Lease consistent with the County process for the review and submission of documents to the County Board for consideration. If this Lease is not approved by the County Board, then no liability whatsoever shall accrue to the Landlord or Tenant and the Landlord and Tenant shall have no obligations whatsoever to each other.
38. **NO INDEMNIFICATION OR HOLD HARMLESS BY TENANT.** Notwithstanding any other term or provision of this Lease to the contrary, Tenant shall have no obligation to explicitly or

implicitly indemnify or hold harmless the Landlord or any third party or Parties from any liability whatsoever. Notwithstanding, the Tenant shall cause any contractor exclusively occupying the Premises to indemnify and save harmless the Landlord and its agents, their servants, agents and employees against and from all claims, actions, damages, liabilities and expenses of any kind or nature (including reasonable attorney's and other professional fees) in connection with or arising from claims for mechanic's liens filed against the Building or any part thereof.

39. **NO WAIVER OF SOVEREIGN IMMUNITY BY TENANT.** Notwithstanding any other provision of this Lease to the contrary, nothing in this Lease nor any action taken by Tenant pursuant to this Lease nor any document which arises out of this Lease shall constitute or be construed as a waiver of either the sovereign immunity or governmental immunity of the Tenant, or of its elected and appointed officials, officers and employees.
40. **BINDING EFFECT.** The submission of an unsigned copy of this document to Tenant for examination or signature shall not constitute an option, reservation or offer to lease space in the Building. This Lease shall become effective and binding only upon execution and delivery by both Landlord and Tenant, and shall be enforceable in accordance with its terms from and after the date this Lease is fully executed and delivered by Landlord and Tenant.
41. **UNENFORCEABILITY.** Any provision of this Lease which is determined by a government body or court of competent jurisdiction to be invalid, unenforceable or illegal shall be ineffective only to the extent of such holding and shall not affect the validity, enforceability or legality of any other provision, nor shall such determination apply in any circumstance or to any party not controlled by such determination.
42. **CONSTRUCTION OF CERTAIN TERMS.** Defined terms used in this Lease may be used interchangeably in singular or plural form, and pronouns cover all genders. Unless otherwise provided herein, all day from performance shall be calendar days, and a "business day" is any day other than Saturday, Sunday and days on which Lender is closed for legal holidays, by government order or weather emergency.
43. **COUNTERPARTS.** This Lease may be executed in any number of counterparts, each of which shall be deemed an original and all of which together constitute a fully executed Lease even though all signatures do not appear on the same document. The failure of any party hereto to execute this Lease, or any counterpart hereof, shall not relieve the other signatories from their respective obligations hereunder.
44. **RECITALS.** The Recitals are incorporated into this Lease.

IN WITNESS WHEREOF, the Parties hereto have executed the Lease effective the date first above stated.

LANDLORD: ROSSLYN CENTER ASSOCIATES L.P.

By: Rosslyn Center, Inc., and Teos Center, Inc, General Partners

By: _____ (SEAL)
Dario Zucchi, President

Date: _____

**TENANT: THE COUNTY BOARD OF ARLINGTON
COUNTY, VIRGINIA**

BY: _____

TITLE: _____

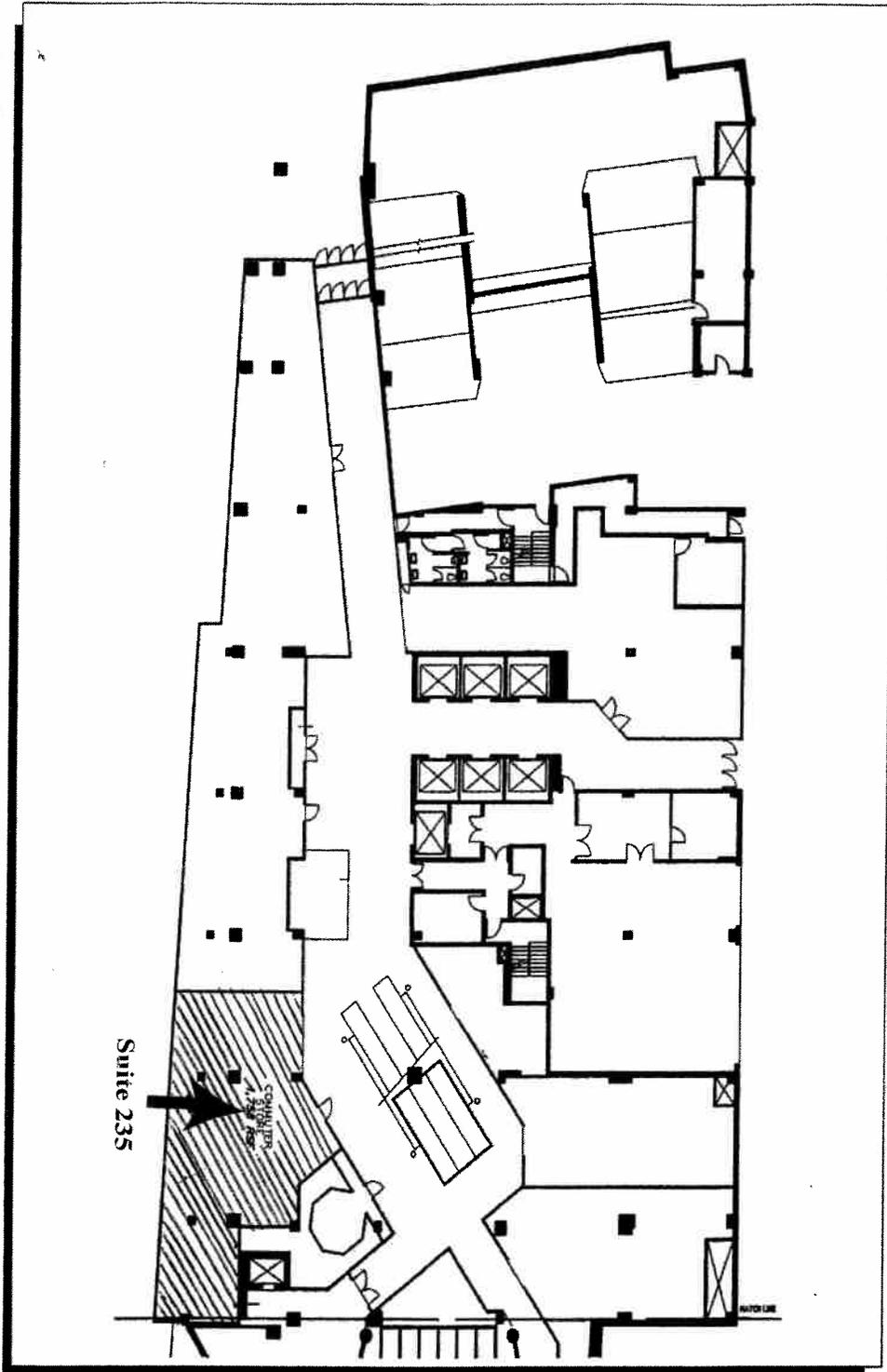
DATE: _____

Approved as to Form:

County Attorney

Rosslyn Center, 1700 North Moore Street, Arlington, Va.

Exhibit A Premises



J:\9600\Area Codes\dwg\Rosslyn Center Area

D/B/

/ MALL LEVI
/ LEASE EXH

/ 09.30.09

EXHIBIT B
TENANT'S LICENSE AGREEMENT WITH CONTRACTOR
LICENSE AGREEMENT

THIS LICENSE AGREEMENT (this "License"), dated this ____ day of _____, 2009, by and between **THE COUNTY BOARD OF ARLINGTON COUNTY, VIRGINIA**, a body corporate and politic (the "Licensor") and **THE CONVENTION STORE, Inc.**, a District of Columbia corporation authorized to do business in the Commonwealth of Virginia (the "Licensee").

RECITALS

WHEREAS, the Licensor and the Licensee entered into an agreement, entitled, "Agreement No. 191-07", dated June 18, 2007, (the "Agreement"), whereby the Licensee agrees to, among other things, create and provide the Licensor with management of paratransit operations, including, but not limited to, operation of a call intake center with trip scheduling functions, providing trip requests to contract service providers, and verification of compliance of contract service providers with the service delivery requirements of their contracts, and the Licensor agrees to provide office space to the Licensee to provide such services; and

WHEREAS, the term of the Agreement, has been extended annually thereafter, and presently ends on June 30, 2010, subject, however, to the Licensor's right, upon the Licensee's satisfactory performance of its obligations under the Agreement, and with the consent of the Licensee, to extend the term of the Agreement for not more than six (6) additional twelve (12) month periods from July 1, 2011 to June 30, 2016; and

WHEREAS, under the terms of the Agreement, the Licensor agrees to provide Licensee with office space, including all of the furnishings and equipment, including, but not limited to desks, chairs, systems furniture, brochure racks, bulletin boards, storage shelves, safes, personal computers, computer servers, printers, cash registers, credit card authorization communicators, telephone equipment, and office supplies; and

WHEREAS, by this License, the Licensor grants a license to the Licensee for the use of the Licensed Premises, as hereinafter defined, and the Licensee accepts such license from the Licensor for the use the Licensed Premises pursuant to the terms and conditions herein.

W I T N E S S E T H:

NOW, THEREFORE, for and in consideration of the mutual promises and covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and each with intent to be legally bound, the Licensor and the Licensee agree as follows:

1. Licensed Premises. In accordance with the Amended and Restated Deed of Lease, dated the ____ day of _____, 20____, by and between Rosslyn Center Associates L.P., a Virginia limited partnership (the "Landlord"), as Landlord, and Licensor, as Tenant (the "Lease"), a copy of which is attached hereto as Exhibit A, the Landlord leased to the Licensor certain space containing approximately One Thousand seven hundred fifty-eight (1,758) rentable square feet of office space (the "License Premises") in the building located at 1700 North Moore Street, Arlington, Virginia (the

"Building"), Licensor hereby grants to Licensee permission to use, upon the terms hereinafter provided, the Licensed Premises. The Licensed Premises is more particularly shown on the floor plan attached hereto as Exhibit B. Licensee accepts the Licensed Premises in its "AS IS" condition as of the License Commencement Date (as hereinafter defined).

2. Term. The term of this License ("Term") shall begin on the date that this License is executed on behalf of the Licensor and delivered to Licensee (the "License Commencement Date") and shall continue through June 30, 2010 or as extended by a Procurement Officer in the Office of the Purchasing Agent for Arlington County, Virginia, through the issuance of an another Award Notice, (the "Expiration Date"), unless sooner terminated as described in Section 14, herein, or as provided by law. Notwithstanding the foregoing, if the Licensor extends the Term of the Agreement pursuant to the terms thereof, then, upon receipt by the Real Estate Bureau Chief, Department of Environmental Services, Engineering and Capital Projects Division (the "REB Chief") of written notice from the Licensee indicating that the Term of the Agreement has been extended by the Licensor, the Term of this License shall automatically extend for an equal period of time as the extension of the Term of the Agreement.

3. Permitted Uses. Licensee is permitted to use the Licensed Premises solely to provide the services as authorized by the Agreement ("Permitted Uses"), and in accordance with applicable zoning regulations, laws, rules, orders, ordinances and regulations of the Licensor, and of any applicable governmental authority, and of any landlord, and for no other purposes. Notwithstanding any provision in this License to the contrary, Licensee shall not use or occupy the Licensed Premises for any unlawful purpose or for any purpose or use not specifically permitted by the Lease, this License, and by the Agreement, as any of the foregoing documents may be amended.

4. License Fee. Licensee shall pay to the Licensor, without set off, deduction or counterclaim, a fee of One and 0/100ths Dollars (\$1.00) ("Fee") per year. The Fee shall be payable in advance upon the License Commencement Date. The Fee, and all other amounts to be paid by Licensee under this License, shall be made by certified or cashiers check payable to Treasurer, Arlington County, Virginia and paid at the address designated by the Licensor.

5. Compliance with Lease/Indemnification of Landlord.

(a) Licensee shall at all times comply with all applicable provisions of the Lease.

(b) This License is subject and subordinate to the Lease. Without limiting the foregoing, and notwithstanding any provision of this License to the contrary, this License shall automatically terminate without cost or liability to the Licensor upon the expiration or earlier termination of the Lease.

(c) Licensee shall indemnify and hold Landlord and its shareholders, members, partners, contractors, licensees, invitees, ground lessors and the holder of any mortgage or deed of trust secured by the Building ("Mortgages"), and their respective employees, agents, officers and directors, harmless from and against all costs, damages, claims, liabilities and expenses, including attorneys' fees, suffered by or claimed against Landlord, directly or indirectly, in connection with the assertion of liability by third parties based on, arising out of or resulting from: (i) Licensee's use and occupancy of the Licensed Premises or the business conducted therein or Licensee's presence in the Building; and (ii) any negligent act or omission of Licensee or its employees, agents or invitees.

6. Hazardous Materials.

(a) Definition. As used in this License, the term "Hazardous Material" means any flammable items, explosives, radioactive materials, hazardous or toxic substances, material or waste or related materials, including any substances defined as or included in the definition of "hazardous substances", "hazardous wastes", "infectious wastes", "hazardous materials" or "toxic substances" now or subsequently regulated under any applicable laws including oil, petroleum-based products, paints, solvents, lead, cyanide, DDT, printing inks, acids, pesticides, ammonia compounds and other chemical products, asbestos, PCBs and similar compounds, and including any different products and materials which are subsequently found to have adverse effects on the environment or the health and safety of persons. For purposes of this License, Hazardous Materials shall include, but are not limited to, asbestos or asbestos containing materials.

(b) Payment of Damages:

(1) Notwithstanding anything contained in this License to the contrary, Licensee agrees that it will pay to Licensor (including any of Licensor's elected and appointed officials, officers, employees or agents) all direct monetary damages for personal injury or property damage plus any statutory liability arising from Licensee's acts or omissions that constitute a breach of this Section 6 by Licensee within fifteen (15) days following the issuance by a court of competent jurisdiction of a final unappealable judgment or order for same.

(2) Licensee shall indemnify, defend and hold harmless Licensor (including Licensor's elected and appointed officials, officers, employees and agents), Landlord, Landlord's managing agent and all Mortgagees from and against any and all actions (including remedial or enforcement actions of any kind, administrative or judicial proceedings, and orders or judgments arising out of or resulting therefrom), costs, claims, damages (including attorneys', consultants', and experts' fees, court costs and amount paid in settlement of any claims or actions), fines, forfeitures or other civil, administrative or criminal penalties, injunctive or other relief (whether or not based upon personal injury, property damage, or contamination of, or adverse effects upon, the environment, water tables or natural resources), liabilities or losses arising from a breach of this Section 6 by Licensee or any of its agents, employees or contractors.

(c) General Prohibition. Except for paint and adhesives which Licensee is specifically permitted to store in locked, appropriately rated cabinets within the Licensed Premises, neither Licensee nor Licensor shall cause or permit any Hazardous Material to be generated, produced, brought upon, used, stored, treated, discharged, released, spilled or disposed of on, in, under or about the Licensed Premises or the Building (hereinafter referred to collectively as the "Property") by Licensee. Notwithstanding the foregoing, Licensor recognizes and acknowledges that Licensee or its agents may use and store within the Building reasonable quantities of customary office and cleaning supplies, paint and adhesives, and other materials commonly used in connection with the uses of the Licensed Premises permitted by this License; provided such items are stored, used and disposed of in accordance with applicable laws.

(d) Notice. In the event that Hazardous Materials are discovered upon, in, or under the Property, and any governmental agency or entity having jurisdiction over the Property requires the removal or other treatment of such Hazardous Materials, Licensee shall be responsible for the removal or

other treatment of those Hazardous Materials only to the extent that the Licensee failed to adhere to the environmental covenants of the Lease. Likewise, in the event that Hazardous Materials are discovered upon, in, or under the Property, and any governmental agency or entity having jurisdiction over the Property requires the removal or other treatment of such Hazardous Materials, Licensor shall be responsible for the removal or other treatment of those Hazardous Materials arising out of or related to the use or occupancy of the Property by Licensor or Licensor's other licensees (but specifically excluding Licensee), employees, or agents, including the disturbance of any pre-existing Hazardous Materials. Notwithstanding the foregoing, neither Licensee nor Licensor shall take any remedial action in or about the Property or any portion thereof without first notifying the other party to this License of its intention to do so and affording the other party to this License the opportunity to protect the other parties' interest with respect thereto. Licensor and Licensee immediately shall notify the other party to this License of: (i) any spill, release, discharge or disposal of any Hazardous Material in, on or under the Property or any portion thereof; (ii) any enforcement, cleanup, removal or other governmental or regulatory action instituted, contemplated, or threatened (if Licensee has notice thereof) pursuant to any laws respecting Hazardous Materials; (iii) any claim made or threatened by any person against Licensor or Licensee, as the case may be, or the Property or any portion thereof relating to damage, contribution, cost recovery, compensation, loss or injury resulting from or claimed to result from any Hazardous Materials; and (iv) any reports made to any governmental agency or entity arising out of or in connection with any Hazardous Materials in, on, under or about or removed from the Property or any portion thereof, including any complaints, notices, warnings, reports or asserted violations in connection therewith. Licensor and Licensee also shall supply to the other party to this License as promptly as possible, and in any event within five (5) business days after Licensor or Licensee first receives or sends the same, copies of all claims, reports, complaints, notices, warnings or asserted violations relating in any way to the Licensed Premises, the Property or Licensor's or Licensee's use or occupancy thereof.

(e) Survival. The respective rights and obligations of Licensor and Licensee under this Section 6 shall survive the expiration or earlier termination of this License.

7. No Assignment or Occupancy. This License is personal to the Licensee and is neither assignable nor transferable by the Licensee.

8. No Alterations or Signs. Licensee shall make no alterations, installations, additions or improvements in or to the Licensed Premises, including without limitation, the placement of any signs, other than those permitted by the applicable County ordinances, County regulations, and the Lease or any lease or license between the Licensor and others. Licensee shall maintain the Licensed Premises in clean, safe and sanitary condition; take good care thereof; and suffer no waste or injury thereto. Notwithstanding the foregoing, Licensor shall place, at Licensor's request and sole cost and expense, a sign at a location determined by the Licensor to identify Licensee, subject to any applicable restrictions contained in the Lease. Licensee shall not be entitled to any additional signage or identification within the Licensed Premises.

9. Access to Licensed Premises and Licensee's Obligation to Secure the Same. The Licensee shall have access to the Licensed Premises twenty-four (24) hours a day, seven (7) days a week, exclusive of other licensees or contractors of the Licensor, but not excluding the Licensor or its employees who are authorized to enter the Licensed Premises without prior written notice to the Licensee. At the beginning of the Term, Licensor shall provide Licensee with two (2) sets of keys to the Building and the Licensed Premises. If the Licensor loses or damages any keys, Licensor shall provide

replacement keys to the Licensee at the Licensee's sole cost and expense. Licensee shall be solely responsible for unlocking and locking the door to the Licensed Premises, and otherwise securing the Licensed Premises, on a daily basis. If the Licensee is not able to properly secure the Licensed Premises for any reason, then the Licensee shall immediately notify the Arlington County Department of Environmental Services Transportation Operations Coordinator verbally (e.g. via telephone) and in writing (e.g. via email). In the event that the Licensee is unable to properly secure the Licensed Premises, Licensee shall bear the sole responsibility, cost, and/or liability for any resulting loss within the Licensed Premises.

10. Licensee's Use of Licensor's Personal Property. Per the terms of the Agreement, Licensor owns all office equipment within the Licensed Premises, including, but not limited to, all cubicles and other office systems furniture, all computer workstations and computer server hardware and software, and all telephone system hardware and software ("Licensor's Personal Property"). Licensee hereby further acknowledges that all Licensor's Personal Property within the Licensed Premises is solely owned by Licensor, and that Licensee has no, and shall have no, claim or ownership interest in any of the Licensor's Personal Property. Licensee shall promptly notify the Licensor of any damage or malfunction to any portion of Licensor's Personal Property. Licensee shall keep all Licensor's Personal Property in good condition, and shall cause no waste to any of Licensor's Personal Property.

11. No Liability; Indemnification.

(a) All personal property of Licensee, its employees, agents, contractors, business invitees, licensees, customers, clients, and guests in and on the Licensed Premises, shall be and remain therein under any and all circumstances at the sole risk of the above described persons and entities. The Licensor shall not be liable to any such person or entity for any damage to, or loss of such personal property. The Licensee hereby agrees to defend, indemnify and hold harmless Licensor and its elected and appointed officials, officers, employees, contractors and agents from any liability, cost and expenses for lost, stolen, damaged or destroyed personal property.

(b) The Licensee acknowledges that the Licensor, its elected and appointed officials, officers, employees, contractors and agents shall not be liable for any special, consequential, punitive damages or otherwise, as a result of any claim relating to this License or Licensee's use of the Licensed Premises or Licensor's Personal Property.

(c) Licensee hereby agrees to defend, indemnify and hold harmless Licensor, and its elected and appointed officials, officers, employees, contractors, agents, successors and assigns, from and against all claims, causes of action, liabilities, losses, costs and expenses arising from or in connection with any injury or other damage to any person or property; (i) which occurs in the Licensed Premises; or (ii) which occurs in any part of the Building or the Licensed Premises and is caused by (1) the negligence or willful misconduct of Licensee, its agents, contractors, employees, customers, or invitees, (2) Licensee's use and occupancy of the Licensed Premises or the business conducted therein or Licensee's presence in the Building, (3) Licensee's use of Licensor's Personal Property pursuant to Section 10, herein (e.g., inter alia, all cubicles and other office systems furniture, all computer workstations and computer server hardware and software, and all telephone system hardware and software), (4) any act or omission of Licensee or its employees, agents or invitees, and (5) any breach or default by Licensee in the observance or performance of this License, as applicable. The indemnification in this Section 11 shall survive the expiration or termination of this License.

12. Insurance. Licensee, at its sole expense, shall obtain and maintain a policy of commercial general liability insurance, throughout the Term, from an insurance carrier satisfactory to Licensor, providing coverage for claims arising from or in connection with the exercise of the permission granted hereunder by Licensee for personal injury, death, property damage or loss suffered by any person, thing or interest with a minimum of not less than One Million Dollars (\$1,000,000) per occurrence. Such insurance coverage shall protect from liability the persons and entities indemnified under Section 11 of this License. License shall maintain such insurance coverage in full force and effect continuously at all times during the Term. The insurance policy and policy limits shall not operate as a limit of Licensee's liability to Licensor under this License, nor as a limit of Licensee's duty of indemnification hereunder. Prior to the beginning of the Term, and at the beginning of each year thereafter (if applicable), Licensee shall furnish Licensor with certificates of insurance indicating that the insurance is prepaid for a one year policy period insuring all activity contemplated under this License, and containing a thirty (30) day notice provision prior to termination, cancellation, non-renewal, material change, or reduction of coverage. The policy shall provide, among other things, that the actions or omissions of any insured party shall not invalidate the policy as against any other insured party or otherwise adversely affect the rights of any other insured party under the policy. No provision contained in this License shall act as a waiver of any rights of subrogation of the Licensor's Self Insurance Program or Licensor insurance carrier(s). The insurance required to be carried by Licensee herein shall be with an insurance company licensed to do business in the Commonwealth of Virginia and rated not lower than A-X in the A.M. Best Rating Guide. Such insurance (i) shall contain an endorsement that such policy shall remain in full force and effect notwithstanding that the insured has released its right of action against any party before the occurrence of a loss; (ii) shall name Licensor and others listed hereinafter as additional insureds and loss payees; and (iii) shall provide that the policy shall not be canceled, failed to be renewed or materially amended without at least thirty (30) days' prior written notice to Licensor. At Licensor's written request, an original of the policy (including any renewal or replacement policy) or a certified copy thereof, together with evidence satisfactory to Licensor of the payment of all premiums for such policy, shall be delivered to Licensor. Licensor, its elected and appointed officials, officers, employees, contractors and agents shall be named as additional insureds under all coverage maintained by Licensee hereunder and the certificate of insurance, or the certified policy must so state. Coverage afforded under this Section 12 shall be primary as respects the Licensor, its elected and appointed officials, officers, employees, contractors and agents. The following definition of the term "Licensor" applies to all policies issued under this License:

"The County Board of Arlington County, Virginia and any affiliated or subsidiary Board, Authority, Committee, or Independent Agency (including those newly constituted), provided that such affiliated or subsidiary Board, Authority, Committee, or Independent Agency is either a Body Politic created by the County Board of Arlington County, Virginia, or one in which controlling interest is vested in Arlington County; or Arlington County Constitutional Officers."

All insurance policies and certificates of insurance required of Licensee hereunder shall be endorsed to include the following provision: "It is agreed that this policy is not subject to cancellation, non material change, or reduction in coverage until thirty (30) days prior written notice has been given to Arlington County, Virginia." Therefore, the words "endeavor to" and "but failure to mail such notice shall impose no obligation of liability of any kind upon the company, its agents or representatives" are to be eliminated from the cancellation provision of any standard ACORD certificates of insurance.

13. Default. This License shall, at the option of Licensor, cease and terminate if Licensee shall violate or fail to perform any of the conditions, covenants or agreements of this License, including, without limitation, any applicable provision of the Lease, provided that any such violation or failure to perform any of such conditions, covenants or agreements shall continue for a period of Ten (10) days after written notice thereof has been delivered by Licensor to Licensee. In such event Licensee shall however remain liable to Licensor for all monetary and other damages arising from such default. Upon the termination or expiration of this License, Licensor shall have the right to prevent Licensee's entry to or access upon the Licensed Premises and to immediately remove any property of Licensee located upon the Licensed Premises at Licensee's sole risk and expense. In the event of any default or dispute arising under this License, Licensee shall reimburse Licensor promptly for any and all attorneys' fees and court costs incurred by Licensor, for exercising the Licensor's rights upon Licensee's default or resolving any such dispute.

14. Termination; Closure of Licensed Premises. Notwithstanding anything herein to the contrary, both Licensor and Licensee shall have the right to terminate this License at any time, without cause, liability, cost, or penalty, by providing at least ninety (90) days prior written notice of such termination to the other party. The termination of this License does not relieve the Licensee or the Licensor of their respective obligations under the Agreement (including, but not limited to, the Licensor's obligation to provide the Licensee with office space). Further notwithstanding anything herein to the contrary, upon the expiration or earlier termination of the term of either the Lease or the Agreement, this License shall automatically terminate. If Licensee fails to terminate its use of the Licensed Premises on the Expiration Date or the earlier termination of this License, then Licensee shall be deemed a trespasser. Thereafter, Licensor may immediately remove Licensee and Licensee's property from the Licensed Premises, at Licensee's sole risk and expense. The Licensor has the right to temporarily or permanently close the Licensed Premises in the interest of public health, safety and welfare, without liability to the Licensor or others.

15. Notices. All notices or other communications hereunder shall be in writing and shall be given to the other party by hand delivery or by certified mail, return receipt requested, at the following addresses or such other addresses hereafter provided by notice to the other party:

To Licensor: County Manager
Arlington County, Virginia
2100 Clarendon Boulevard, Suite 302
Arlington, Virginia 22201
Phone: (703) 228-3120
Fax: (703) 228-3295

With a copy to: Real Estate Bureau Chief
ACG Real Estate Bureau
2100 Clarendon Boulevard, Suite 800
Arlington, Virginia 22201
Phone: (703) 228-4354
Fax: (703) 228-7542

and a copy to: Procurement Officer
Purchasing Agent for Arlington County
2100 Clarendon Boulevard, Suite 501
Arlington, Virginia 22201
Phone: (703) 228-3415
Fax: (703) 228-3401

and a copy to: Commuter Services (ACCS) Chief
Arlington County-DES
2100 Clarendon Boulevard, Suite 900
Arlington, Virginia 22201
Phone: (703) 228-3681
Fax: (703) 228-3594

To Licensee: President
The Convention Store
2981 Solomons Island Road
Edgewater, MD 21037
Phone: 410-956-0001
Fax: 410-956-6592

and a copy to: Rosslyn Center Associates L.P.
Clover Management Corporation
1700 N. Moore Street
Suite 2200
Arlington, VA 22209

Where verbal notice to the Licensor is required, such notice shall be given to the Commuter Services (ACCS) Chief of the Arlington County Department of Environmental Services, Transportation Division, at (703) 228-3725, or to such other person at such other telephone number as the Licensor may designate in writing to the Licensee. All notices shall be effective upon receipt.

16. No Partnership or Lease. It is agreed that nothing contained in this License shall be deemed or construed as creating: a partnership; joint venture; the relationship of landlord and tenant between the Licensor and the Licensee; or a leasehold interest. The Licensor reserves the right to enter at any time upon, and to inspect or use the Licensed Premises without prejudice to the Licensee's use hereunder.

17. Non-Appropriation Clause.

(a) All of the Licensor's obligations under this License are subject to appropriation of funds by the County Board of Arlington County, Virginia for the specific purpose of satisfying the payment and performance of such obligations. In the event that funds are not appropriated at the beginning of any fiscal year of the Licensor for the specific purpose of satisfying the obligations of the Licensor under this License, then this License shall become null and void and shall terminate on the last day of the Licensor's fiscal year for which appropriations were received for such purpose, without any termination fee or other liability whatsoever to the Licensor. If funds for the Licensor's obligations under

this License are not appropriated, then the Licensor shall vacate the Licensed Premises prior to the beginning of the Licensor's next fiscal year.

(b) It is agreed by both the Licensee and the Licensor that, notwithstanding any provisions in this License to the contrary, this Section 17 shall supersede any and all obligations imposed by any other provision of this License or Exhibits hereof. No subsequent Amendment of, or Addendum to, this License shall compromise the full legal implication of this Section 17 between the parties hereto or their respective successors or assigns.

18. Role of the Licensor/Licensor Decisions; No Waiver. The Licensee hereby acknowledges that the Licensor has entered into this License in its role as licensor under this License and not as a governing authority. Accordingly, the Licensor's execution of this License shall neither constitute nor be deemed to be governmental approval for any actions or interests contemplated herein, including without limitation, for the construction and occupancy of the Licensed Premises, or for any other governmental approval or consent required to be obtained by the Licensee. Whenever in this License the Licensor is required to join in, consent, give its approval, or otherwise act under this License, it is understood that such obligations are meant to apply to the Licensor acting in its capacity as a licensor and not in its capacity as a governing authority. Further, the Licensee hereby acknowledges that any and all decisions, determinations, consents, notifications or any other actions taken or to be taken by the Licensor pursuant to this License, whether or not specifically contemplated hereunder, may be taken by the County Manager or by another Arlington County official or body pursuant to any means, mechanism or process as determined by Arlington County in its sole discretion, and the Licensee shall have no right to question or challenge the propriety, authority or legality of any such Arlington County official or body, or means, mechanism or process by which any such decision, determination, consent, notification, or other action is taken or to be taken hereunder by the Licensor. Notwithstanding the foregoing, nothing in this License shall be construed to waive any of the Licensor's powers, rights or obligations as a governing authority or local governing body, whether or not affecting the Building or Licensed Premises, including, but not limited to its police power, right to grant or deny permits, right to collect taxes or other fees, or any other power, right or obligation whatsoever.

19. No Waiver of Sovereign Immunity by the Licensor. Notwithstanding any other provisions of this License to the contrary, nothing in this License nor any action taken by the Licensor pursuant to this License nor any document which arises out of this License shall constitute or be construed as a waiver of either the sovereign immunity or governmental immunity of the Licensor, or of its elected and appointed officials, officers and employees.

20. No Rights in Third Parties. The parties hereto mutually agree that no provision of this License shall create in the public, or in any person or entity other than those signing this License as parties hereto, rights as a third party beneficiary hereunder, or authorize any person or entity, not a party hereto, to maintain any action for personal injury, property damage, or breach of contract pursuant to the terms of this License or otherwise.

21. No Indemnification or Hold Harmless. Notwithstanding any other term or provision of this License to the contrary, the Licensor shall have no obligation to explicitly or implicitly indemnify or hold harmless the Licensee or any third party or parties from any liability whatsoever.

22. Entire Agreement/Applicable Law/Proper Venue and Enforcement. This License contains the entire agreement of the parties hereto with respect to the subject matter hereof. All representations, inducements, or agreements, oral or otherwise, between the parties not contained in this License shall be of no force and effect. This License shall not be modified, changed or terminated, in whole or in part, in any manner other than by an agreement in writing signed by duly authorized representatives of the Licensor and the Licensee. This License shall be construed and enforced in accordance with the laws of the Commonwealth of Virginia. The parties hereto agree that all disputes arising hereunder shall be brought in the Circuit Court of Arlington County, Virginia, which shall be the proper forum for any dispute arising hereunder, and in no other courts. In the event of any dispute arising from the Licensee's default in the performance hereunder, or any other covenant, condition or obligation hereunder, the Licensee shall be obligated to pay the Licensor for all court costs and reasonable attorneys' fees incurred by the Licensor to enforce or defend its rights hereunder or at law.

23. Landlord and County Board Consent.

(a) Notwithstanding any provision in this License to the contrary, the Licensee acknowledges and agrees that this License is contingent upon, and shall not be effective until, the Landlord consents hereto in writing, if such consent is required and applicable. The Licensee shall pay, on the License Commencement Date, any fee or charge required by the Landlord in connection with obtaining the Landlord's consent to this License. Either the Licensor or the Licensee may terminate this License by written notice to the other if the Landlord has not granted its consent within thirty (30) days after the date that the Licensor executes this License.

(b) Additionally, this License shall not become effective unless and until the Licensee executes this License, the Landlord approves this License, the County Board approves this License, and it is executed on behalf of the Licensor. If this License is not approved by the County Board, then no liability whatsoever shall accrue to the Licensor or the Licensee, and the Licensor and the Licensee shall have no obligations whatsoever to each other.

24. The Licensee's Trading Name. The Licensee hereby represents and warrants to the Licensor that the Licensee is a legally established, cognizable entity.

25. Incorporation of Recitals. The foregoing recitals are fully incorporated into this License by this reference.

IN WITNESS WHEREOF, the Licensor and the Licensee have caused this License to be executed and delivered as their respective acts, intending to be legally bound by its terms.

**LICENSOR: THE COUNTY BOARD OF
ARLINGTON COUNTY, VIRGINIA,**
a body public

By: _____ (seal)
Uri Arkin, Real Estate Bureau Chief

**LICENSEE: THE CONVENTION STORE, a
District of Columbia** corporation authorized to do
business in Virginia

By: _____ (seal)
Name: _____
Title: _____

Approved as to form:

County Attorney

ATTACHMENT 1
VICINITY MAP

