COUNTY COUNCIL

OF

TALBOT COUNTY

2018 Legislative Session, Legislative Day No.: January 23, 2018

Resolution No.: 257

Introduced by: Mr. Bartlett, Mr. Callahan, Mr. Pack, Ms. Price, Ms. Williams

A RESOLUTION TO APPROVE EXECUTION OF A LEASE OF APPROXIMATELY 9,600 SQUARE FEET OF SPACE AT THE TALBOT COUNTY BUSINESS CENTER, 28712 GLEBE ROAD, EASTON, MARYLAND 21601, FURTHER DESCRIBED AS TAX MAP 25, PARCEL 58, TO EASTON UTILITIES COMMISSION, FOR A TERM OF ONE (1) YEAR WITH BASE RENT OF THIRTY-EIGHT THOUSAND DOLLARS ($38,000.00) PER YEAR

By the Council: January 23, 2018

Introduced, read the first time, and ordered posted, with Public Hearing scheduled on Tuesday, February 13, 2018 at 6:30 p.m. in the Bradley Meeting Room, South Wing, Talbot County Courthouse, 11 North Washington Street, Easton, Maryland 21601.

By order: Susan W. Moran

Susan W. Moran, Secretary

A RESOLUTION TO APPROVE EXECUTION OF A LEASE OF APPROXIMATELY 9,600 SQUARE FEET OF SPACE AT THE TALBOT COUNTY BUSINESS CENTER, 28712 GLEBE ROAD, EASTON, MARYLAND 21601, FURTHER DESCRIBED AS TAX MAP 25, PARCEL 58, TO EASTON UTILITIES COMMISSION, FOR A TERM OF ONE (1) YEAR WITH BASE RENT OF THIRTY-EIGHT THOUSAND DOLLARS ($38,000.00) PER YEAR

WHEREAS, Local Government Article ("LG") § 10-312, Md. Code Ann., states that the County may dispose of any real or leasehold county property provided that "before the county makes any disposition, grant, or lease of county property, the county shall publish notice of the disposition, grant, or lease once a week for 3 successive weeks in at least one newspaper of general circulation in the county and shall include the terms of compensation to be received and give opportunity for objections."

NOW, THEREFORE, BE IT RESOLVED by the County Council of Talbot County, Maryland that:

1. The County Council finds that:

   (a) The County has duly advertised the proposed transfer and given opportunity for public comment pursuant to LG § 10-312;

   (b) The requirements of LG § 10-312 have been fulfilled; and,

   (c) The subject space is not needed for public use during the lease term and the County is lawfully authorized to lease the space on the terms and conditions set forth herein.

2. The terms of the proposed lease are attached hereto as Exhibit "A", which is incorporated by reference herein, shall be and are hereby APPROVED.

BE IT FURTHER RESOLVED, that this Resolution shall take effect immediately upon its date of passage.

PUBLIC HEARING

Having been posted and Notice, Time and Place of Hearing, and Title of Resolution No. having been published, a public hearing was held on _____ in the Bradley Meeting Room, South Wing, Talbot Courthouse, 11 North Washington Street, Easton, Maryland.

BY THE COUNCIL

Read the second time:

Enacted: _____

By Order: _____
Susan W. Moran, Secretary

Williams -

Price -

Bartlett -

Pack -

Callahan -

EXHIBIT "A"

LEASE AGREEMENT

THIS LEASE AGREEMENT ("Lease"), made this 1st day of February, 2018, and executed in duplicate, by and between **TALBOT COUNTY, MARYLAND**, a political subdivision of the State of Maryland, with its principal office at 11 N. Washington St., Easton, MD 21601 ("Landlord"); and **THE EASTON UTILITIES COMMISSION**, an agency organized and established under the Charter of the Town of Easton, Maryland, with its principal office at 201 N. Washington St. Easton, MD, 21601 ("Tenant").

WITNESSETH:

1. PREMISES

In consideration of the payment of the rental and performance of the covenants and agreements hereinafter set forth, Landlord hereby leases to Tenant, and Tenant accepts from Landlord the following, being a portion of the Talbot County Business Center ("Building") located at 26812 Glebe Rd., Easton, MD 21601 **("Property")**:

(1) The exclusive use and possession, during the term of this Lease, of that certain portion of the first floor of the Building consisting of approximately 9,600 square feet of interior space, which area is shown as "Easton Utilities" on the plan sheet titled "Talbot Business Center Space Allocation," revised through December 20, 2017, and which plan sheet is attached hereto as Exhibit "A" and made a part hereof ("Leased Premises");

(2) The nonexclusive right to use in common, with all others legally entitled to the use thereof, those certain common areas located on the first floor of the Building and being more particularly shown and depicted as "Common" on Exhibit "A," subject to the Landlord's right to reconfigure and/or re-designate these areas so long as Tenant's use of the Leased Premises is not materially affected ("Common Areas"); and

(3) The nonexclusive right to use, in common with all others legally entitled to the use thereof, those existing parking facilities located on the Property and to the south of the Building as well as the entry drive providing access to and from Glebe Road, subject to the Landlord's right to reconfigure and/or re-designate these areas so long as Tenant's use of the Leased Premises is not materially affected ("Shared Parking Facilities").

2. QUIET ENJOYMENT

Landlord covenants that Tenant, upon the payment of the rents herein stipulated and the performance of all the covenants and conditions herein contained and on its part to be performed, shall have the peaceful and quiet possession, use and enjoyment of the Leased Premises.

3. TERM

The term of this Lease shall be one (1) year commencing on February 1, 2018 and ending at 11:59 PM (EST) on January 31, 2019 ("Term").

4. RENT

During the Term of the Lease, Tenant shall pay to Landlord for the use of the Leased Premises monthly rent, which shall be due in advance on the first day of each and every calendar month, in the amount of Three Thousand One Hundred Sixty-Six Dollars and Sixty-Seven Cents ($3,166.67).

5. USE

5.1. The Leased Premises shall be used and occupied by Tenant for storage space and uses customarily related thereto and for no other uses unless approved in writing in advance by Landlord.

5.2. Tenant shall, at all times, use the Leased Premises in a safe, careful, proper and prudent manner and shall, at its expense, comply with all Federal, State and local laws, ordinances, orders, rules, regulations, all agreements and covenants of public record pertaining to the Leased Premises now or hereafter in force.

5.3. Tenant shall not keep on the Leased Premises any hazardous materials of a dangerous, flammable or explosive character that might unreasonably increase the danger of fire or explosion on the Leased Premises or that might be considered hazardous or extra hazardous by Landlord's insurance company.

5.4 Tenant has the non-exclusive right to use the Common Areas and Shared Parking Facilities. Tenant acknowledges and agrees that Landlord, and / or others, also have the right to use the Common Areas and the Shared Parking Facilities. Tenant may only use the Common Areas and the Shared Parking Facilities for their designed and intended purposes, and may not unreasonably interfere with the rights of others to use the same. Tenant covenants to Landlord to not damage or abuse the Common Areas or the Shared Parking Facilities, and to not allow any of Tenant's guests or other invitees to damage or abuse the same.

6. TAXES AND ASSESSMENTS

6.1. Landlord shall pay all taxes, assessments, duties, impositions, burdens and charges levied, assessed, charged or imposed by the appropriate authorities upon the Building and the Property.

6.2. Tenant shall pay all personal property taxes and inventory taxes, if any, levied against any personal property or inventory owned by Tenant and located on or in the Leased Premises.

7. UTILITIES AND SERVICES

7.1. Landlord shall provide electric and HVAC services to the Leased Premises at levels adequate for ordinary usage as commercial storage space.

7.2. Tenant shall, at its expense, be responsible for any utility services desired by Tenant and not listed above in Paragraph 7.1.

8. TRADE FIXTURES, MACHINERY AND EQUIPMENT

Landlord agrees that all trade fixtures, machinery, equipment and other personal property of whatever kind and nature kept or installed on the Leased Premises by Tenant (other than such alterations, or improvements to the Leased Premises as may be approved by Landlord pursuant to the terms of the following Paragraph 9) shall not become the property of Landlord or a part of the realty and may be removed by Tenant at any time and from time to time during the term of this Lease, provided that Tenant shall repair any damage to the Leased Premises caused by such removal.

9. ALTERATIONS AND IMPROVEMENTS

With the prior written approval of Landlord, which approval shall not be unreasonably withheld, conditioned or delayed, Tenant may make any alterations or improvements to the Leased Premises that may be reasonably necessary to facilitate the operation of the use described in Paragraph 5.1. Any such approved alterations or improvements made by Tenant shall become the property of Landlord unless Landlord shall require Tenant to remove some or all of such alterations, or improvements upon the expiration or termination of the Term of this Lease, in which event Tenant shall remove the alterations or improvements promptly and shall repair any damage to the Leased Premises caused by such removal. In the event that Tenant shall fail to remove the alterations, or improvements specified by Landlord at the expiration or termination of the Term of this Lease or if Tenant shall fail to repair any damage caused by the removal of such items, Landlord may make such removals or repairs and shall have the right to seek recovery of the cost thereof, including any attorney's fees incurred by Landlord in connection with the recovery of Landlord's costs, in the District or Circuit Court for Talbot County, Maryland. Landlord and Tenant further agree that this provision for recovery of costs by Landlord shall survive the expiration or termination of the Term of this Lease.

10. MAINTENANCE

10.1. Except as provided for in Paragraph 10.2, Landlord shall, at its expense, maintain the Building and the Leased Premises in good order, repair and condition and will make all

necessary repairs and replacements thereto, provided, however, if the cost of any such repair and/or replacement required to comply with this Paragraph 10.1 shall be projected to exceed Fifty Thousand Dollars ($50,000), as determined by Landlord in its sole and absolute discretion, then Landlord shall have the right to terminate this Lease and the rent and other sums payable hereunder shall be prorated and adjusted between Landlord and Tenant on a per diem basis to the date of Landlord's written notice to Tenant of its election to terminate pursuant to this Paragraph 10.1. Upon receipt of payment by the party due to be paid under such adjustment, this Lease shall be null and void with no further obligations, rights or duties surviving between the parties hereto except as otherwise specifically provided for herein.

10.2. Tenant shall, at its expense, maintain the interior of the Leased Premises in good order, repair and condition, shall conduct routine maintenance procedures thereon and shall repair any damage whatsoever caused by Tenant's negligence or fault. Other than repairs or replacements caused by Tenant's negligence or fault, Tenant shall not be required to undertake or perform any item of repair or replacement to the Leased Premises.

10.3. Upon the expiration of the Term of this Lease and except as otherwise approved by Landlord, in writing, Tenant shall surrender the Leased Premises in the same condition as the same existed on the commencement date, reasonable wear and tear excepted.

10.4. Landlord shall maintain the Common Areas and Shared Parking Facilities in good order, repair and condition. Tenant shall be liable to Landlord for all costs associated with the repair of any damage whatsoever to the Common Areas and/or Shared Parking Facilities caused by Tenant's negligence or fault.

11. CASUALTY INSURANCE

11.1. During the term of this Lease, Landlord shall maintain an "All Risk" form of insurance in full force and effect on the Building insuring the same against loss or damage by fire, water, wind, the elements, unavoidable accident and any other causes included under said form of insurance in an amount equal to at least eighty percent (80%) of the full insurable value thereof.

11.2. Tenant shall carry insurance on all of its contents and personal property located within the Leased Premises. Tenant covenants and agrees that said insurance shall include protection against all the hazards covered by the broad Fire and Extended coverage form of insurance policy for said property and shall be in amounts which, in the event of damage or destruction, will yield funds adequate to fully compensate Tenant for its loss.

11.3 Landlord shall be named as a co-insured on the insurance policies to be obtained by Tenant and all such policies shall provide for at least ten (10) days written notice to Landlord before cancellation or material amendment. Such policies or certificates thereof showing the same to be in force and effect shall be furnished by Tenant to Landlord on or before the commencement of the Term of this Lease.

12. GENERAL LIABILITY INSURANCE

12.1. During the term of this Lease, Tenant shall maintain in full force and effect insurance covering the risks generally included in general liability and property damage insurance policies in the sum of not less than One Million Dollars ($1,000,000) per occurrence and Two Million Dollars ($2,000,000) in the aggregate on account of bodily injury, death or property damage as a result of any one occurrence with a carrier acceptable to Landlord, to protect Landlord and Tenant to that extent from any suits arising out of accidents or injuries to persons or property that may occur on the Leased Premises.

12.2. Landlord shall be named as a co-insured on said policies and said policies shall provide for at least ten (10) days written notice to Landlord before cancellation or material amendment. Such policies or certificates thereof showing the same to be in force and effect shall be furnished by Tenant to Landlord on or before commencement of the Term of this Lease.

13. INDEMNITY

To the fullest extent permitted by law, Tenant hereby waives all claims against Landlord and its officers, directors, employees and other agents (collectively, the "Indemnitees") for damage to any property or injury to or death of any person in, upon or about the Property and the Leased Premises arising at any time and from any cause. To the extent allowed by law, Tenant shall hold Indemnitees harmless from and defend Indemnitees from and against all claims, liabilities, judgments, demands, causes of action, losses, damages, costs and expenses, including reasonable attorneys' fees, for damage to any property or injury to or death of any person arising from (a) the use or occupancy of the Property or Leased Premises by Tenant or persons claiming under Tenant, except such as is caused by the sole negligence or willful misconduct of Landlord, its agents, employees or contractors, (b) the negligence or willful misconduct of Tenant in, upon or about the Property or Leased Premises, or (c) any breach or default by Tenant under this Lease.

14. LIENS OR ENCUMBRANCES

Tenant shall not suffer the Leased Premises or any improvements thereon to become subject to any lien, charge or encumbrance whatsoever, and shall indemnify Landlord against all such liens, charges and encumbrances.

15. FIRE OR OTHER CASUALTY

If the Leased Premises and / or the Building shall be damaged, then the rights of the parties shall be determined as follows:

(a) If less than all of the Leased Premises is destroyed and the extent of the damage is such that Tenant is not prevented from conducting its business on the Leased Premises

to substantially the same extent as before the occurrence of the damage and provided that the cost of repair for the Leased Premises and / or the Building shall be less than Fifty Thousand Dollars ($50,000), Landlord shall, at its expense, promptly repair said damage and restore the Leased Premises and the Building to its condition prior to the damage. During the restoration and repair period, Tenant's liability for rent and other sums payable hereunder shall be reduced by a percentage equal to that portion of the Leased Premises rendered unsuitable for the normal operation of Tenant's business.

(b) If the extent of the damage to the Leased Premises is such that Tenant is forced to abandon the Leased Premises because it is prevented from conducting its business on the Leased Premises to substantially the same extent as before the occurrence of the damage or if the cost of repair for the Leased Premises and / or the Building shall exceed Fifty Thousand Dollars ($50,000), then either party shall have the right to terminate this Lease and the rent and other sums payable hereunder shall be prorated and adjusted between Landlord and Tenant on a per diem basis to the date of the occurrence of the damage. Upon receipt of payment by the party due to be paid under such adjustment, this Lease shall be null and void with no further obligations, rights or duties surviving between the parties hereto except as otherwise specifically provided for herein.

16. CONDEMNATION

If during the Term of this Lease, more than twenty percent (20%) of the Leased Premises and/or the Building shall be taken by eminent domain, either Landlord or Tenant may terminate this Lease as of the date the condemning authority takes title or possession, by delivering notice to the other within ten (10) days after receipt of written notice of such taking (or in the absence of such notice, within ten (10) days after the condemning authority takes title or possession). If neither party terminates, this Lease will remain in effect as to the portion of the Leased Premises not taken, except that the rent will be reduced in proportion to the reduction in the floor area of the Leased Premises, if any. Any condemnation award or payment will be paid to Landlord. Tenant will have no claim against Landlord for the value of the unexpired lease term or otherwise; provided, however, Tenant may make a separate claim with the condemning authority for its personal property and/or moving costs so long as Landlord's award is not reduced thereby.

17. SUBORDINATION OF LEASE

Tenant agrees that this Lease is, and shall be, subject and subordinate to the lien of any bona fide mortgages or deeds of trust that may now or at any time hereafter be placed against the Leased Premises. Tenant agrees, at any time hereafter, on demand, to execute any instruments, releases or other documents that may be required by Landlord for the purpose of subjecting and subordinating this Lease to the lien of any such mortgage or deed of trust, whether original or substituted. Tenant further agrees that, if the interests of Landlord in the Leased Premises shall be transferred to and owned by a party secured ("Secured Party") by the aforesaid lien by reason of foreclosure or other proceedings brought by Secured Party, or by any other manner, Tenant

shall be bound to Secured Party under all of the terms, covenants and conditions of this Lease for the balance of the term hereof remaining and any extensions or renewals thereof which may be affected in accordance with any option therefor in this Lease, with the same force and effect as if Secured Party were Landlord under this Lease, and Tenant does hereby agree to attorn to Secured Party as Landlord, said attornment to be effective and self-operative without the execution of any further instruments on the part of any of the parties hereto immediately upon transfer of the interest of Landlord in the Leased Premises to Secured Party. Tenant agrees, at any time hereafter, on demand, to execute any reasonable instruments, leases or other documents that may be required by Landlord for the purpose of subjecting and subordinating this Lease to the lien of any such mortgage or deed of trust, whether original or substituted, provided the terms of such mortgages, deeds of trust, instruments, releases or other documents do not modify the terms of this Lease.

18. ASSIGNMENT OR SUBLEASE

Tenant shall not have the right to assign this Lease or sublet the Leased Premises or any part thereof without the prior written consent of Landlord, which consent may be withheld by Landlord for any reason whatsoever.

19. ACCESS TO LEASED PREMISES

Landlord and its authorized agents shall have the right to enter the Leased Premises at all reasonable hours for the purpose of making any inspections, repairs, alterations, additions or improvements to the Leased Premises. All such inspections, repairs, alterations, additions and improvements shall be done in a manner so as not to unreasonably interfere with Tenant's use of the Leased Premises.

20. DEFAULT BY TENANT

20.1. The following shall be deemed a default by Tenant under the terms of this Lease ("Event of Default"):

(a) The failure by Tenant to pay any rent or other sum of money due hereunder within ten (10) days after the date on which such payment shall be due;

(b) The failure by Tenant to perform any other of the terms, conditions or covenants of this Lease to be observed or performed by Tenant for more than fifteen (15) days after written notice from Landlord of such default, unless such default is of a nature that it cannot practically be cured within such thirty (30) day period and Tenant is proceeding with due diligence to cure such default;

(c) The making by Tenant of an assignment for the benefit of creditors;

(d) The filing of a petition by or against Tenant for adjudication as a bankrupt under the Bankruptcy Code, as now or hereafter amended or supplemented, or for reorganization within the meaning of Chapter 11 of the Bankruptcy Code, or the commencement of any action or proceeding for the dissolution or liquidation of Tenant, whether instituted by or against Tenant, or for the appointment of a receiver or trustee of the property of Tenant, provided that no such filing or proceeding instituted by a third party shall be regarded as a default hereunder if Tenant shall promptly move to have the same dismissed, rescinded or rendered inoperative and Tenant prosecutes such action with due diligence and continues to perform and discharge all of the covenants and obligations on its part to be performed or discharged under this Lease during the pendency of such proceedings;

(e) The suspension of business by Tenant or any act by Tenant amounting to a business failure;

(f) Tenant's causing or permitting the Leased Premises to be vacant, or the abandonment of the Leased Premises by Tenant; or

(g) The failure by Tenant to comply with the covenant set forth in Paragraph 5.1. of this Lease.

20.2. Upon the occurrence of an Event of Default, Landlord shall have the immediate right of re-entry and possession of the Leased Premises and to relet the same, which such right shall remain continuous until such time as Tenant shall have cured such Event of Default. Notwithstanding such re-entry and possession of the Leased Premises by Landlord, Tenant shall remain liable for the rent and other sums payable hereunder whether or not the Leased Premises are relet by Landlord and for all expenses which Landlord may incur in re-entering the Leased Premises and repairing and maintaining the same less such proceeds, if any, which may result from the reletting of the Leased Premises.

20.3. Additionally, upon the occurrence of any Event of Default, Landlord shall have the right to terminate this Lease by written notice of such intention to Tenant. In the event Landlord elects to terminate this Lease, Tenant's liability for rent and other sums payable hereunder and to perform any other term, condition, covenant or agreement on its part to be performed under this Lease shall cease and terminate as to any period subsequent to the date on which Landlord delivers to Tenant written notice of such termination. Tenant shall remain liable, however, for all rent and the performance of all terms, conditions, covenants and agreements relating to matters prior to the date of such termination.

21. SECURITY DEPOSIT

21.1. Landlord hereby acknowledges receipt of the sum of Three Thousand One Hundred Sixty-Six Dollars and Sixty-Seven Cents ($3,166.67), deposited with Landlord contemporaneously with the execution of this Lease, and to be held by Landlord without interest, as security for the performance by Tenant of all of the terms, covenants and conditions of this

Lease. If the rent herein reserved or any other sum payable by Tenant to Landlord hereunder shall be overdue and unpaid, then Landlord may, at its option, apply all or any portion of said deposit to the payment of such overdue rent or other sum or to the satisfaction of any other default or unfulfilled obligation of Tenant under this Lease. In the event the security deposit or any portion thereof is so applied, Tenant shall after written notice by Landlord remit to Landlord a sufficient amount in cash to restore said security to the original sum deposited and Tenant's failure to do so within five (5) days after receipt of such written notice shall constitute a breach of this Lease. If Tenant complies with all of the covenants and conditions of this Lease, the Security Deposit or any balance thereof shall be returned to Tenant promptly after expiration of the term thereof.

21.2. In the event of the conveyance of Landlord's interest in the Leased Premises and upon the delivery by Landlord of the funds deposited hereunder to the grantee of said interest, Landlord shall thereupon be discharged from any further liability with respect to said deposit.

22. REMEDIES CUMULATIVE

No mention in this Lease of any specific right or remedy shall preclude either party from exercising any other right or from having any other remedy or from maintaining any action to which it may be otherwise entitled either at law or in equity.

23. WAIVER

The failure of either party to insist in any one or more instances upon a strict performance of any covenant of this Lease or the waiver by either party of any breach of any term, covenant or condition herein contained shall not be deemed to be a waiver or relinquishment of such term, covenant or condition or any subsequent breach of the same or any other term, covenant or condition herein contained. No covenant, term or condition of this Lease shall be deemed to have been waived by either party unless waived by written instrument.

24. BROKER

Each of the parties represents and warrants that there are no claims for brokerage commissions or finder's fees in connection with the execution of this Lease, and agrees to indemnify the other against, and hold it harmless from all liabilities arising from any such claim (including, without limitation, the cost of attorney's fees and other costs in connection therewith).

25. LANDLORD'S RIGHT TO TERMINATE

Landlord acquired the Property for the purposes of addressing certain obstruction removal requirements associated with the Easton Airport. Tenant acknowledges that Landlord or its successors may elect to demolish all or part of the Leased Premises at some point in the future. If during the Term of this Lease, Landlord or its successors shall desire, in its sole and

absolute discretion, to demolish all or part of the Leased Premises, then Landlord shall have the absolute right to terminate this Lease upon written determination to Tenant of Landlord's election to demolish all or part of the Leased Premises, provided, however, upon such election, Landlord shall refund to Tenant any amounts that may have been paid hereunder in advance as rent for any period(s) of time beyond the effective termination date. Landlord shall provide Tenant with thirty (30) days written notice of termination for Tenant to make other arrangements.

26. COMPLIANCE WITH LOCAL GOVERNMENT ARTICLE OF MD CODE

Landlord is a political subdivision of the State of Maryland and is therefore subject to the requirements of the Local Government Article of the Maryland Code, which requires Landlord to make certain findings and take certain actions in connection with the leasing of real property. Tenant acknowledges and agrees that this Lease shall be contingent in its entirety upon Landlord's compliance with all requirements set forth in the Local Government Article of the Maryland Code. A duly authorized representative of Landlord may sign this Lease prior to the completion of all steps needed to comply with the Local Government Article. In that event, Tenant may move into and occupy the Leased Premises subject to the terms and conditions herein; provided, however, that Landlord has the right to terminate this Lease if all necessary steps are not completed as determined in Landlord's sole discretion.

27. MISCELLANEOUS PROVISIONS

27.1. Landlord and Tenant hereby agree that any notice required or permitted by this Lease to be given by either party to the other may be either personally delivered or sent by certified mail properly addressed and prepaid, to the following addresses of the parties:

To Landlord:	Talbot County, Maryland Attn: Andrew Hollis, County Manager 11 N. Washington Street Easton, MD 21601
To Tenant:	Easton Utilities Commission Attn: Hugh Grunden, President & CEO 201 N. Washington Street Easton, MD. 21601

unless another address shall have been substituted for such address by notice in writing given by Landlord to Tenant or given by Tenant to Landlord. The date of giving of such notice shall be the date of depositing the same in the mail (which may be evidenced by the postmark) or date of personal delivery.

27.2. No change or modification of this Lease shall be valid unless the same is in writing and signed by the parties. This Lease contains the entire agreement between the parties and there are no promises, agreements, conditions, undertakings, warranties or representations, oral or written, expressed or implied between them other than herein set forth. This Lease is intended by the parties to be an integration of all prior or contemporaneous promises, agreements, conditions and undertakings between them.

27.3. All references in this Lease to "the term of this Lease," "Lease Term" or a phrase of similar context shall mean the Term or any hold over period.

27.4. This Lease and the covenants and conditions herein contained shall inure to the benefit of and be binding upon Landlord, its successors and assigns, and shall inure to the benefit of and be binding upon Tenant, its successors and assigns.

27.5. The captions and headings throughout this Lease are for convenience only and the words contained therein shall, in no way, be held or deemed to define, limit, describe, explain, modify, amplify or add to the interpretation, construction or meaning of any provision or the scope or intent of this Lease, or in any way affect this Lease. Whenever herein the singular number is used, the same shall include the plural and the neuter gender shall include the feminine and masculine genders.

27.6. Nothing contained in this Lease shall be deemed or construed by the parties hereto, or by any third party, as creating a relationship of principal and agent, or a partnership or joint venture between the parties hereto, it being understood and agreed that nothing herein shall be deemed to create any relationship between the parties hereto other than the relationship of Landlord and Tenant.

27.7. This Lease and the terms and provisions hereof shall be construed and determined in accordance with the laws of Maryland.

27.8. Tenant shall give written notice of any failure by Landlord to perform any of its obligations under this Lease to Landlord. Landlord shall not be in default under this Lease unless Landlord fails to cure such non-performance within 30 days after receipt of Tenant's notice or such longer period as may be required to diligently complete such matter. If Landlord cannot perform any of its obligations due to events beyond its reasonable control, the time provided for performing such obligations will be extended by a period of time equal to the duration of such events. Events beyond Landlord's reasonable control include, but are not limited to, acts of God, war, civil commotion, labor disputes, strikes, fire, flood or other casualty or weather conditions, shortages of labor or material, and Legal Requirements.

28.9 If Tenant does not vacate the Leased Premises upon the expiration or earlier termination of this Lease, (i) Tenant will indemnify Landlord against all damages, costs, liabilities and expenses, including attorneys" fees, which Landlord incurs on account of Tenant's failure to vacate and (ii) the rent will increase to Two Hundred Percent (200%) of the rent then in

effect. Any holdover by Tenant does not constitute an extension of the Lease or recognition by Landlord of any right of Tenant to remain in the Leased Premises.

28.10 In any enforcement proceeding brought by either party with respect to this Lease, the non-prevailing party shall pay to the prevailing party in such proceeding all costs, including reasonable attorneys' fees and court costs, incurred by such other party with respect to said proceeding and any appeals therefrom.

IN WITNESS WHEREOF, the parties hereto have executed and sealed this Lease as of the day and year first above written, and for the purposes hereof, such date shall be the last date any of the parties hereto executes this Lease.

WITNESS:

TALBOT COUNTY, MARYLAND,
a political subdivision of the State of Maryland

_____

_____ (SEAL)
By: Jennifer Williams, Pres.
Talbot County Council

STATE OF MARYLAND, COUNTY OF TALBOT, TO WIT:

I HEREBY CERTIFY, that on this _____ day of _____, 2017, before me, a Notary Public of said State, personally appeared JENNIFER WILLIAMS, who acknowledged herself to be the President of the Talbot County Council of TALBOT COUNTY, MARYLAND, a political subdivision of the State of Maryland, and that she as such President, being authorized to do so, acknowledged that she executed the foregoing instrument for purposes therein contained, by signing the name of Talbot County, Maryland by herself as President of the Talbot County Council.

WITNESS my hand and Notarial Seal.

_____
Notary Public

My Commission Expires:_____

"Landlord"

WITNESS: THE EASTON UTILITIES COMMISSION

01.17.18 (SEAL)

By: Hugh Grunden, President & CEO

STATE OF MARYLAND, COUNTY OF Talbot, TO WIT:

I HEREBY CERTIFY, that on this 17th day of January, ~~2017~~ 2018, before me, a Notary Public of said State, personally appeared HUGH GRUNDEN, who acknowledged himself to be the President & CEO of The Easton Utilities Commission, known to me (or satisfactorily proven) to be the person whose name is subscribed to the foregoing instrument, and acknowledged that he executed the same for the purposes therein contained as the duly authorized President & CEO of said entity by signing the name of The Easton Utilities Commission by himself as President & CEO of such.

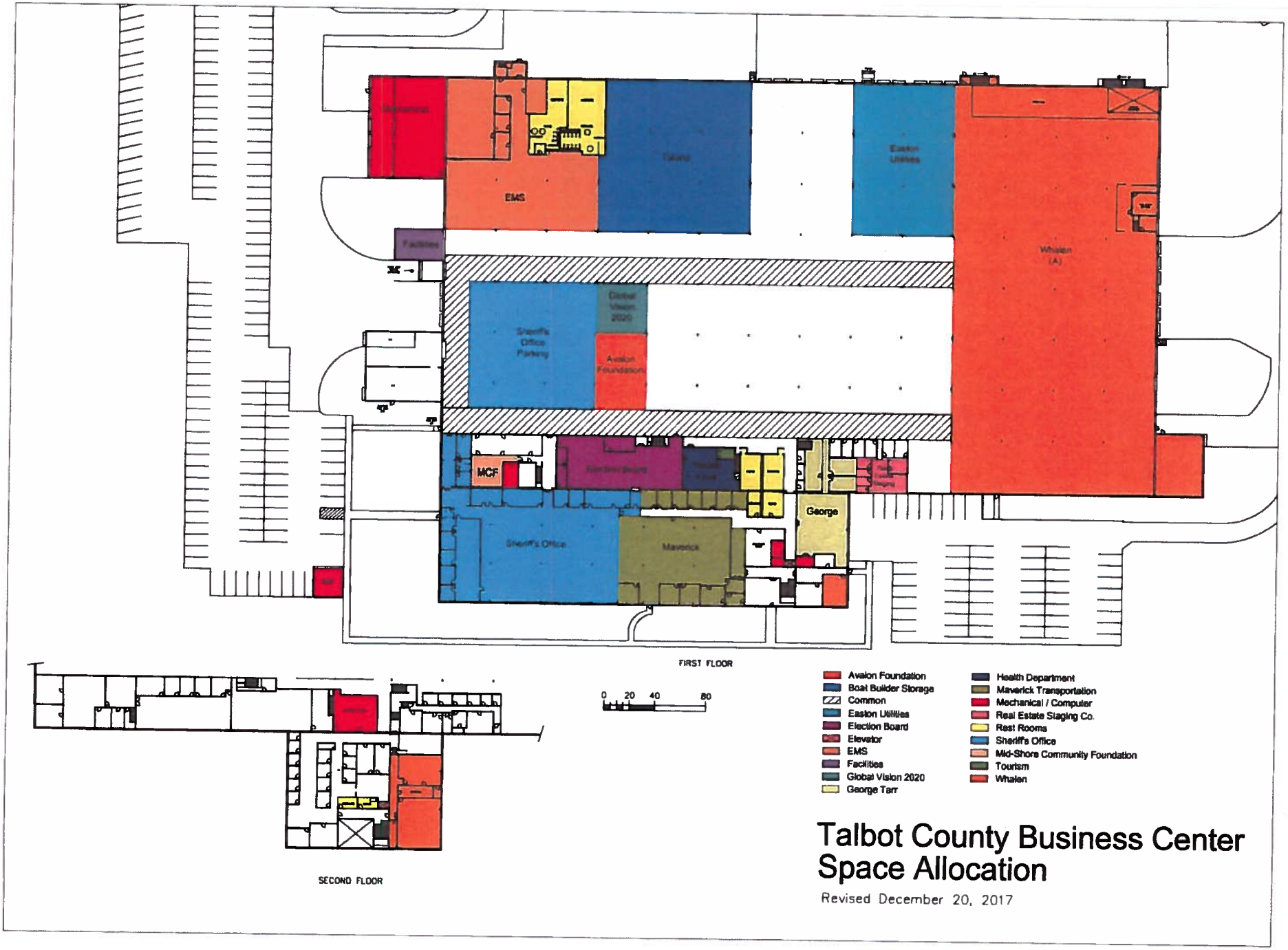
WITNESS my hand and Notarial Seal.

Cheryl W. Bryan
NOTARY PUBLIC
Talbot County, Maryland
My Commission Expires 4/15/2019

Cheryl W. Bryan
Notary Public

My Commission Expires:_____

EXHIBIT "A" to Lease Agreement



Talbot County Business Center Space Allocation

Revised December 20, 2017