

LEASE AGREEMENT

between

DESA INVESTMENT, LLC

and

DC WILD FLOWER PUBLIC CHARTER SCHOOL

regarding

FIRST FLOOR

located in

**1516 GOOD HOPE ROAD, SE
AKA 1516 MARION BARRY AVENUE, SE
WASHINGTON, D.C.**

LEASE AGREEMENT

THIS LEASE AGREEMENT (this "Lease") is made as of the 5th, day of ^{February} 2023 by and between
DESA INVESTMENT, LLC, a District of Columbia limited liability company ("Landlord")
and
DC WILD FLOWER PUBLIC CHARTER SCHOOL
("Tenant").

RECITALS:

WHEREAS, Landlord is the owner of a Building located at 1516 Good Hope Road, SE AKA 1516 Marion Barry Avenue, SE, Washington, D.C. 20020; and

WHEREAS, Tenant desires to lease the first-floor space in the Building and Landlord is willing to demise and lease the first-floor space in the Building to Tenant upon the terms, conditions, covenants and agreements set forth herein.

NOW, THEREFORE, the parties hereto, intending legally to be bound, hereby covenant and agree as set forth below.

Article I. Basic Lease Information and Definitions

1.1 The following words used in this Lease, when capitalized, shall be deemed to be defined terms having the meanings set forth hereunder for purposes of this Lease, subject to any further limitations or conditions relating thereto as may be set forth herein:

- (a) **Building**: The Building located at 1516 Good Hope Road, SE AKA 1516 Marion Barry Avenue, SE, Washington, D.C. 20020.
- (b) **Premises**: The first floor of the Building consisting of approximately 2,654 square feet.
- (c) **Lease Term**: Eleven (11) Years from the Rent Commencement Date, subject to Tenant's right to extend for the Renewal Term hereinafter set forth.
- (d) **Renewal Term**: Two Additional Five (5) Year Renewal Terms.
- (e) **Lease Commencement Date**: The Date of this Lease as set forth above. Landlord agrees to abate Tenant's rent from the Lease Commencement Date until the Rent Commencement Date ("Abatement Period").

(e) **Rent Commencement Date:** June 1st, 2024.

(f) **Lease Expiration Date:** Eleven (11) years from Rent Commencement Date.

(g) **Board Approval:** Approval from the DC Public Charter School Board (the “Board”) of the Premises as Tenant’s school site.

(h) **Board Approval Date:** The date on which the Board Approval is obtained.

(i) **Tenant Access:** Tenant shall have early access to the Premises beginning on the Board Approval Date to begin its Tenant build-out work. Upon the Board Approval Date, Tenant shall have access to the Premises on a 24/7 basis.

(j) **Tenant Build-Out:** If Tenant desires to improve the Premises for its use and occupancy, then Tenant shall be responsible at its sole cost and expense for such improvements. In this regard, Tenant shall pull all necessary building permits and obtain its own Certificate of Occupancy to the extent required by applicable law.

(k) **Lease Year:** The term “Lease Year” shall mean each period of twelve (12) consecutive calendar months commencing on the Rent Commencement Date, and on each anniversary of such date.

(l) **Fixed Minimum Rent:** Commencing on the Lease Commencement Date, Tenant shall pay annual Fixed Minimum Rent in accordance with the following schedule:

PERIOD	MONTHLY FIXED MINIMUM RENT	ANNUAL FIXED MINIMUM RENT
Lease Term:		
Lease Commencement Date – May 31 st , 2024	\$0	\$0
June 1, 2024-May 31, 2025	\$6,000.00	\$72,000.00
June 1, 2025-May 31, 2026	\$6,180.00	\$74,160.00
June 1, 2026-May 31, 2027	\$6,365.40	\$76,384.80
June 1, 2027-May 31, 2028	\$6,556.36	\$78,676.34
June 1, 2028-May 31, 2029	\$6,753.05	\$81,036.63

June 1, 2029-May 31, 2030	\$6,955.64	\$83,467.73
June 1, 2030-May 31, 2031	\$7,164.31	\$85,971.77
June 1, 2031-May 31, 2032	\$7,379.24	\$88,550.92
June 1, 2032-May 31, 2033	\$7,600.62	\$91,207.45
June 1, 2033, May 31, 2034	\$7,828.64	93,943.67
June 1, 2034-May 31, 2035	\$8,063.50	\$96,762.00

The Fixed Minimum Rent during the Renewal Term, if any, shall be paid on a monthly basis, determined, calculated, and adjusted annually or otherwise, as set forth in this Lease.

(m) Tenant's Share of Real Estate Taxes: Tenant's Share of Real Estate Taxes is 19.45% (the commercial rate) of the assessed value. Further, solely with respect to real property taxes, the Premises are taxed at the tax rate for commercial property (which, as of the date hereof, is 1.65%) and accordingly, Tenant shall be responsible for the portion of Landlord's real property tax bill for the Building attributable to the Premises, i.e., 1.65% of 19.45% of the total Building taxable assessment. Tenant acknowledges that the District of Columbia may change the commercial property tax rate in the future.

(n) Triple Net Lease: Tenant shall be responsible for the payment of all of its operating expenses at the Premises, including Electricity, Gas, Water and Sewer provided solely to the Premises. The Premises are separately metered. It is intended that this Lease shall be a Triple Net or Absolute Net Lease. Landlord shall not be responsible for any expenses which the Tenant incurs in the use of and operation of its business from the Premises. Tenant shall not be responsible for any of the foregoing expenses until the Rent Commencement Date. Tenant shall not be responsible for any common area maintenance charges.

(o) Security Deposit: Tenant agrees to pay a non-refundable deposit of Fifteen Thousand Dollars (\$15,000.00) (the "Deposit") to Landlord at the signing of this Lease, pending Board Approval. In the event Board Approval is not issued on or before April 30th, 2024, the entire Deposit shall be forfeited to Landlord as liquidated damages and not as a penalty. If Board Approval is issued by such date, the Deposit shall be deemed to be and mean Six Thousand Dollars (\$6,000.00), and the remaining Nine Thousand Dollars (\$9,000.00) shall be applied as credit towards the next rent payments immediately coming due.

(p) Permitted Uses: The Permitted Uses of the Premises shall be general education and office use and business use in accordance with the Zoning Regulations of the District of Columbia.

(q) Landlord's Address for Notices:

721 Ellsworth Ave
Great Falls, VA 22066

With a copy to:
Griffin & Griffin
Att. Mark G. Griffin LLP
1320 19th Street, NW
Suite 800
Washington, DC 20036
mgriffin@washlaw.com

Tenant's Address for Notices:

At the Premises

With a copy to:
Pillsbury Winthrop Shaw Pittman LLP
Att. Jessica Lee
1650 Tysons Boulevard
14th Floor
McLean, VA 22102
Jessica.lee@pillsburylaw.com

(r) Rent Payment Address: Same as Landlord's Address for Notices, with Rent checks payable to Desa Investment, LLC.

(s) Parking: Landlord shall provide Tenant with two (2) reserved parking spaces behind the Building at no additional charge.

Article II. Premises

2.1 Landlord, in consideration of the rent to be paid and the other covenants and agreements to be performed hereunder by Tenant, hereby demises and leases to Tenant and Tenant

hereby leases from Landlord the Premises for the Lease Term and any Renewal Term (as hereinafter defined), in as-is and where is condition upon the terms, conditions, covenants and agreements herein provided and with the full understanding and agreement of the parties that the Landlord is making no representations or warranties to the Tenant as to the condition or the suitability of the Demised Premises.

2.2 Tenant's use and occupancy of the Premises includes the non-exclusive right, together with Landlord and other tenants of the Building and members of the public, to use the common public areas of the Building, but includes no other rights not specifically set forth herein. Landlord reserves the right to modify the size, location, finish, and other features of said common areas, provided any such modification shall be consistent with the common areas provided by other similar (in size, class and age) buildings in the central business district, subject to Section 26.1.

2.3 Except to the extent specifically provided otherwise in this Lease, Landlord reserves unto itself the use of the exterior walls, the roof of the Building, all of the walkways and other common areas and facilities of the Building, and the right to install, maintain, use, repair and replace pipes, ducts, conduits, utility lines and wires leading through hung ceiling space and partitions, in or beneath the floor slab, or above or below the Premises, in locations which will not materially interfere with Tenant's use thereof, subject to Section 26.1. Notwithstanding the foregoing, Tenant is hereby granted the non-exclusive right to use the common areas, including, (a) electrical, telephone and utility closets serving the Premises, access corridors, elevator foyers if applicable, (b) any and all non-exclusive grounds, outside sitting areas, sidewalks, pedestrian ways, loading docks, (d) conduits to and from the Premises to the roof and utility rooms and (e) generally all other common and public improvements on such land.

Article III. Term

3.1 **Lease Term**: This Lease shall be effective as of the Lease Commencement Date and shall continue for the Lease Term. Unless earlier terminated under the provisions hereof, this Lease shall terminate on the Lease Expiration Date, or on the last day of the Renewal Term, if any. Subject to the provisions of Section 3.2 hereinbelow, Tenant shall be entitled to possession and occupancy of the Premises on the Board Approval Date.

3.2 **Renewal Terms**: Provided that Tenant is not in an Event of Default, Tenant shall have the right to extend the Lease Term for two (2) additional terms of five (5) years each with written notification by Tenant to Landlord in each instance given no later than Twelve (12) months prior to Tenant's Lease Expiration Date or the expiration date of the applicable Option Term ("Tenant's Option Lease Term Expiration Date") and no earlier than Twenty-Four (24) months prior to Tenant's Lease Expiration Date or the Tenant's Option Lease Term Expiration Date at the case may be. The rental terms for option periods shall be based on the then fair market rents including market concessions ("Fair Market Rent") then prevailing. In the event that the Landlord and the Tenant are unable to agree on the Fair Market Rent, the Landlord and the Tenant shall

proceed to a three-broker arbitration method with each party picking one broker at their respective expense and the two brokers so chosen picking a third broker at the joint expense of the Landlord and the Tenant, The brokers so chosen, who in each instance shall have at least five (5) years of active experience as leasing brokers in the District of Columbia and be reputable in the field (and shall not have been engaged by Landlord or Tenant in the preceding two (2) years), shall provide their determination of the fair market rent of the Premises as of the renewal date and the Fair Market Rent shall be the amount that is neither the highest nor lowest of the determinations (or if two of the determinations are the same, then that such amount), provided however that in no case shall the Fair Market Rent during either Renewal Term be less than the Fixed Minimum Rent during the last year of the Lease Term or the last year of the Renewal Term as the case may be. If the three-broker method is chosen, then the determination of the Fair Market Rent shall be finalized in each instance no later than two (2) months prior to the expiration of the Lease Term or the Renewal Term.

Article IV. Fixed Minimum Rent

4.1 Tenant covenants and agrees to pay to Landlord, throughout the Lease Term (and Renewal Term, if any) elapsing from and after the Abatement Period, without set-off, deduction or demand (unless otherwise expressly provided in this Lease), fixed minimum rent for the Premises (“Fixed Minimum Rent”), in accordance with the schedule set forth in Section 1.1(k).

4.2 Tenant shall pay the first month’s installment of Fixed Minimum Rent on or before the Rent Commencement Date and thereafter shall pay each monthly installment of Fixed Minimum Rent monthly, in advance, on or before the first business day of each month during the Lease Term (and Renewal Term, if any).

4.3 All rent shall be paid to Landlord in legal tender of the United States at the address to which notices to Landlord are to be given or to such other party or to such other address as Landlord may designate from time to time by written notice to Tenant. If Landlord shall at any time accept rent after it shall become due and payable, such acceptance shall not excuse a delay upon subsequent occasions or constitute or be construed as a waiver of any of Landlord’s rights hereunder. Tenant’s covenant to pay Fixed Minimum Rent, together with Additional Rent is independent of every other covenant set forth in this Lease.

4.4 If Tenant fails to make any payment of Fixed Minimum Rent or of Additional Rent on or before the date such payment is due and payable, Tenant shall pay to Landlord a late charge of five percent (5%) of the amount of such payment. In addition, if such payment becomes ten (10) or more calendar days past due, such payment shall bear interest at the rate per annum which is two percent (2%) higher than the “prime rate” as then published by the Wall Street Journal as the Prime Rate, from the date such payment became due to the date of payment thereof by Tenant; provided, however, that nothing contained herein shall be construed as permitting Landlord to charge or receive interest in excess of the maximum legal rate then allowed by law. Such late charge and interest shall constitute Additional Rent and shall be payable hereunder upon written

demand therefore. The foregoing notwithstanding, Landlord agrees to waive and abate the first such interest and late payment charge in any calendar year during the Lease Term provided that within five (5) days of written demand from Landlord advising Tenant that Landlord has not timely received the particular late payment, Tenant pays to Landlord the amount of not timely received.

Article V. Additional Rent

5.1 All payments required to be made by Tenant pursuant to this Lease, except for Fixed Minimum Rent, shall be additional rent ("Additional Rent"), whether or not specifically so defined, and shall be paid to Landlord, unless specifically stated otherwise herein, without set-off or deduction (unless otherwise expressly set forth in this Lease), in the same manner in which Fixed Minimum Rent is payable pursuant to Article IV hereof. Notwithstanding any dispute which may arise in connection with the computation or estimate of the amount due under this Article V, Tenant shall be obligated to pay the amount specified by Landlord, without set-off or deduction, pending the resolution of such dispute. Upon the request of Tenant, not more than once annually, Landlord shall provide Tenant with all documents reasonably requested related to the calculation of any Additional Rent. Thereafter, Landlord and Tenant shall true-up any underpayment or overpayment of Additional Rent and any such underpayment or overpayment shall be paid or refunded within thirty (30) days thereof.

5.2 "Real Estate Taxes" shall mean and include (i) all real property taxes, including general and special assessments, if any which are imposed upon Landlord or assessed against the Building; (ii) any other present or future taxes or governmental charges which are imposed upon Landlord, or assessed against the Building and/or the land upon which it is situated, which are in the nature of, or in substitution for, real property taxes, including but not limited to any business improvement district charges, any vault rental charges, or any tax levied on or measured by the rents payable by tenants in the Building which are in the nature of, or in substitution for, real property taxes; and (iii) all taxes which are imposed upon Landlord, which are assessed against the value of any improvements to the Premises made by Tenant or any machinery, equipment, fixtures or other personal property of Tenant used therein. The foregoing notwithstanding, in no event shall any of the following be included as a Real Estate Tax hereunder: (i) any tax imposed or computed on the basis of income of Landlord; (ii) any interest or penalties, (iii) any deed transfer, transfer (including transfer of economic interests) or recordation tax or any excess profit, franchise, capital stock, estate, gift or inheritance tax payable by Landlord; or (iv) any cost or expense that is duplicative of any cost or expense included in Operating Expense or that is expressly excluded as an Operating Expense.

5.3 Provision Omitted.

5.4 Commencing on June 1, 2024, and on the first day of each month thereafter throughout the Lease Term (and Renewal Term, if any), Tenant shall make estimated monthly payments to Landlord in the amount of \$1,250.00 on account of Tenant's Share of Real Estate Taxes as herein

below provided. For the avoidance of doubt, Tenant shall not be responsible for any Real Estate Taxes allocable to the period prior to June 1, 2024. Thereafter, at least fifteen (15) days before any subsequent adjusted payment is due, Landlord shall submit to Tenant a statement setting forth Landlord's reasonable estimate of the amount Tenant will be obligated to pay pursuant to Section 5.2 for the calendar year in question, which reasonable estimate may be revised from time to time during the calendar year, and Tenant shall pay to Landlord on the first (1st) day of each month following receipt of such statement during such calendar year an amount equal to such estimated amount multiplied by a fraction, the numerator of which is one (1) and denominator of which is the number of months during such calendar year to the extent falling within the Lease Term (or Renewal Term, if any) and follow the date of the foregoing statement. Within ninety (90) days after the expiration of such calendar year, or as soon thereafter as reasonably practical, Landlord shall submit to Tenant a statement showing any incremental increase in Real Estate Taxes incurred during such calendar year, Tenant's Share thereof and the aggregate amount of the estimated payments made by Tenant on account thereof. If the aggregate amount of such estimated payments exceeds Tenant's actual liability for such increase, Tenant shall deduct the net overpayment from its next estimated payment or payments of Fixed Monthly Rent. If Tenant's actual liability for such increase exceeds the estimated payments made by Tenant on account thereof, then Tenant shall within thirty (30) days' pay to Landlord the total amount of such deficiency.

5.5 Landlord shall, within ten (10) business days' written request from Tenant, provide to Tenant any information reasonably required in order for Tenant to submit its reimbursement or exemption or related request to the District of Columbia on account of Real Estate Taxes paid by Tenant.

5.6 Tenant shall pay before delinquency any business, rent, or other taxes, or any other such governmental charges that are now or hereafter levied, assessed, or imposed upon Tenant's use or occupancy of the Premises, the conduct of Tenant's business at the Premises, or Tenant's equipment, fixtures, furnishings, inventory, or personal property (individually and collectively, "Other Governmental Charges"). In the event that any of such Other Governmental Charges are enacted, changed or altered so that any of same are levied against Landlord, or the mode of collection of such Other Governmental Charges is changed so that Landlord is responsible for collection or payment thereof, Tenant shall pay as Additional Rent due hereunder the amount of any and all such Other Governmental Charges allocable to Tenant only. In no event shall any such Other Governmental Charges applicable to other tenants of the Building be included in Real Estate Taxes.

5.7 Real Estate Taxes for any calendar year during the Lease Term (and Renewal Term, if any) shall be apportioned so that Tenant shall pay only Tenant's Share of Real Estate Taxes being those taxes imposed on the Premises which is the only commercial space located in the building. Tenant's Share of such Real Estate Taxes for such year as falls within the Lease Term (or Renewal Term, if any) in the case of any periods elapsing after the first anniversary of the Lease Commencement Date. This provision shall survive the expiration or earlier termination of the Lease for a period of one (1) year.

Article VI. Security Deposit

6.1 On or before the execution of this Lease, Tenant shall deposit with Landlord the sum of Six Thousand Dollars (\$6,000.00) as a security deposit, and such sum shall be treated as the security deposit for the Premises (the "Security Deposit") upon the Lease Commencement Date. Landlord shall not be required hereunder to maintain said Security Deposit in a separate account, nor shall the Security Deposit earn interest, unless required to do so by any provision of law. The Security Deposit shall be security for the performance by Tenant of all of Tenant's obligations, covenants, conditions and agreements under this Lease, and Landlord shall have the right, but not the obligation, to use and apply all or any portion thereof toward (i) the payment of any past due Fixed Minimum Rent, Additional Rent or any other sum owed by Tenant to Landlord hereunder beyond any applicable notice and cure or grace period, (ii) the costs of repairing and restoring any physical damage (other than ordinary wear and tear) to the Premises or the Building pursuant to Section 10.2 hereof, or (iii) the payment of any compensation due to Landlord for any damage, deficiency, liability or loss incurred by reason of an Event of Default, including without limitation any costs arising in connection with the reletting of the Premises. If any portion of the Security Deposit is so used or applied, Tenant shall deposit with Landlord, within five (5) business days after written notice to Tenant of such use or application, cash in an amount sufficient to restore the Security Deposit to its original amount, and Tenant's failure to do so shall constitute an Event of Default under Article XXI hereinbelow. The Security Deposit is not to be used or applied by Tenant as a substitute for Fixed Minimum Rent or Additional Rent, but may be used or applied by Landlord for any of the foregoing purposes at any time, at Landlord's option.

6.2 Within forty-five (45) days after expiration of the Lease Term (or Renewal Term, if any), and provided that there shall then be no Event of Default (or after payment from the Security Deposit of any amount necessary to cure the Event of Default), Landlord shall return the Security Deposit to Tenant, less such portion thereof as Landlord shall have applied or be entitled to use or apply, in accordance with Section 6.1 hereinabove.

6.3 In the event of the sale or transfer of Landlord's interest in the Building, Landlord shall transfer the entire Security Deposit to the purchaser or transferee, in which event Tenant shall look only to the new landlord for the return of the Security Deposit, and after such transfer of the Security Deposit Landlord shall thereupon be released from all liability to Tenant for the return of the Security Deposit. In such event, Landlord shall provide Tenant with advance notice of any such transfer of the Security Deposit to the new landlord. Tenant hereby acknowledges that Tenant will not look to the holder of any mortgage encumbering the Building for return of the Security Deposit if such holder or its successors or assigns shall succeed to the ownership of the Building whether by foreclosure or deed in lieu thereof, except if and to the extent such Security Deposit is actually transferred to such holder.

Article VII. Use Of Premises And Operation Of Business

7.1 Tenant shall use and occupy the Premises solely for general education and office use and business use, in accordance with all requirements of the Zoning Regulations of the District of Columbia, and for no other use or purpose without the prior written consent of Landlord. Tenant shall not use or occupy the Premises for any unlawful purpose or in any manner that will constitute waste, nuisance or unreasonable annoyance to Landlord or other tenants of the Building. Tenant shall comply with all present and future laws, ordinances (including zoning ordinances and land use requirements), regulations, and orders of the United States of America, the District of Columbia, and any other public or quasi-public authority having jurisdiction over the Premises (collectively, "Governmental Requirements") concerning the use, occupancy, and condition of the Premises and all machinery, equipment, and furnishings therein. It is expressly understood that Landlord has previously obtained an occupancy permit for the Building. If any present or future law, ordinance, regulation, or order requires a new occupancy permit specifically for the Premises (and not for the Building), Tenant will obtain such permit at Tenant's sole expense; provided, however that in no event shall the foregoing obligate Tenant to correct or cure any violations of Governmental Requirements beyond the Premises or that were in existence within the Premises as of the Lease Commencement Date. Notwithstanding anything herein or in Section 10.3 below to the contrary, Tenant shall not be obligated to comply with any Governmental Requirements requiring (i) any structural alterations to the Building or alterations to the Building's mechanical, electrical, plumbing, life-safety or other systems unless the application of such Laws arises from (A) the specific manner and nature of Tenant's use or occupancy of the Premises, as distinct from general office or education use; (B) alterations made by Tenant; or (C) a breach by Tenant of any provisions of this Lease; or (ii) Tenant to remove any Hazardous Material caused by or attributable to a party other than Tenant or any Invitee of Tenant; or (iii) Tenant to perform any alterations or installations if Tenant's use without same is "grandfathered" under existing laws, rules or ordinances; or (iv) the correction or cure of any defect or deficiency in Landlord's construction whether within or beyond the Premises; or (v) the performance of any alterations or installations required by reason of the particular use or modification by another occupant in the Building.

7.2 Except as specifically stated herein, Tenant shall not store, use or dispose of, or allow to be stored, used or disposed of, any Hazardous Materials in the Premises or the Building. The term "Hazardous Materials" as used in this Lease shall mean any product, substance, chemical, material or waste whose presence, nature, quantity and/or intensity of existence, use, manufacture, disposal, transportation, spill, release or effect, either by itself or in combination with other materials expected to be on the Premises, is either: (i) potentially injurious to the public health, safety or welfare, the environment or the Premises, (ii) regulated or monitored by any governmental authority, or (iii) a basis for liability of Landlord to any governmental agency or third party under any applicable statute or common law theory. Hazardous Materials shall include, but not be limited to, hydrocarbons, petroleum products, radioactive materials, friable asbestos, PCBs, etiological substances, or other hazardous or toxic substances. To the best of Landlord's knowledge and belief, the Building and Premises contain no such Hazardous Materials.

7.3 Tenant shall not knowingly engage in any activity in, on or about the Premises which constitutes or may constitute a Reportable Use (as hereinafter defined) of Hazardous Materials without the express prior written consent of Landlord and compliance in a timely manner (at Tenant's sole cost and expense) with all applicable law. For purposes of this Lease, "Reportable Use" shall include, without limitation (i) the installation or use of any above or below ground storage tank; (ii) the generation, possession, storage, use, transportation or disposal of Hazardous Materials that requires a permit from, or with respect to which a report, notice, registration or business plan is required to be filed with, any governmental authority; and (iii) the presence in, on or about the Premises of Hazardous Materials with respect to which any applicable law requires that a notice be given to persons entering or occupying the Premises or neighboring properties.

7.4 Notwithstanding the foregoing, Tenant may, in compliance with all applicable law, possess, use and store within the Premises any ordinary and customary materials (in retail quantities in their original labeled containers), which may include Hazardous Materials (such as copier toner and/or cleaning solvents), reasonably required to be used by in the normal course of use such as Tenant's permitted use of the Premises; provided, however, that any such possession, use or storage must not constitute a Reportable Use and must not expose the Premises, the Building or neighboring properties to any meaningful risk of contamination or damage or expose Landlord to any liability therefore. In addition, Landlord may, but shall not be obligated to, condition its consent to the use or presence of any Hazardous Materials (excluding any ordinary and customary materials as provided above) on the Premises upon Tenant's giving Landlord such additional assurances as Landlord, in its reasonable discretion, deems necessary to protect itself, the public, the Premises and the environment against damage, contamination or injury and/or liability therefrom or thereof, including, but not limited to, the installation (and removal on or before the expiration or earlier termination of this Lease) of reasonably necessary protective modifications to the Premises (such as concrete encasements).

7.5 Tenant shall be solely responsible for and shall indemnify, defend and hold harmless Landlord from all actions, claims, costs and expenses (including without limitation reasonable attorneys' fees), damages and liabilities of whatever nature arising from or related to any Hazardous Materials which Tenant or its agents, employees, contractors, invitees, or subtenants brought into the Building or the Premises, including the removal and clean-up of the Hazardous Materials and the work and materials necessary to return the Premises and the Building to their condition existing prior to the placement of said Hazardous Materials on the Premises.

7.6 Landlord represents to Tenant that it has no knowledge of any Hazardous Material at the Building, Land or in the Premises. Subject to the waiver of subrogation provisions contained in this Lease, Landlord agrees that it shall indemnify, defend and hold harmless Tenant from all actions, claims, costs and expenses (including reasonable attorneys' fees), damages and liabilities of whatever nature arising from or related to Landlord's use, storage, disposal, release, spill, discharge or emissions of any Hazardous Material. Landlord agrees to notify Tenant of any finding of Hazardous Materials at the Premises and any precautionary or corrective actions that are being taken by reason thereof.

Article VIII. Parking

8.1 Tenant shall be entitled to use two (2) parking Spaces at no additional cost located at the rear of the Building. Landlord shall reasonably review any requests by Tenant for additional parking.

Article IX. Assignment And Subletting

9.1 (a) Tenant shall not assign, transfer, mortgage, or otherwise encumber this Lease or its interest therein (collectively "assign") or sublet, rent or permit anyone to occupy the Premises, or any part thereof (collectively "sublet"), without obtaining the prior written consent of Landlord, which consent shall not be unreasonably conditioned, delayed, or withheld. Landlord agrees to respond to any request for its consent within the fifteen (15) days period set forth in section 9.1(b) below. No assignment or transfer of this Lease or the right of occupancy hereunder may be effectuated by operation of law or otherwise without the prior written consent of Landlord. The consent of Landlord to any assignment or subletting shall not be construed as a waiver or release of Tenant from liability for the performance of all covenants and obligations to be performed by Tenant under this Lease, nor shall the collection or acceptance of rent from any assignee, subtenant or occupant constitute a waiver or release of Tenant from any of its liabilities or obligations under this Lease. Furthermore, Landlord's consent to any subletting shall not be construed as requiring Landlord to deal directly with such sublessee, it being understood in such event that Landlord shall deal only with Tenant in any and every matter relating to this Lease or to the Premises. Landlord's consent to any assignment or subletting shall not relieve Tenant from the obligation of obtaining Landlord's prior written consent to any subsequent assignment or subletting. If Tenant is in default hereunder beyond any applicable notice and cure or grace period, Tenant hereby assigns to Landlord the rent due from any subtenant of Tenant and hereby authorizes each such subtenant to pay said rent directly to Landlord. Tenant agrees to and shall pay any and all costs, including but not limited to reasonable attorneys' fees, not to exceed \$1,500 in the aggregate, incurred by Landlord with respect to Tenant's request to assign or sublet, whether or not Landlord consents to any such assignment or subletting. The net profits of any rent accruing to Tenant as a result of said sublease over the rent then being paid by Tenant, after taking into account reasonable costs of Tenant ("Net Profits"), shall be shared equally by Tenant and Landlord.

(b) If Tenant desires to sublet all or any portion of the Premises or to assign or otherwise encumber this Lease, Tenant shall give to Landlord notice of Tenant's intention to do so not less than thirty (30) days prior to the proposed assignment or subletting. Tenant's notice shall set forth the name and address of the proposed sublessee or assignee, the rent and all other terms of the proposed subletting or assignment. Within fifteen (15) days after receipt by Landlord of said notice, (i) in the case of a notice of intent to sublease, which, individually or combined with any other previously approved sublease, would result in seventy-five percent (75%) or more of the Premises being sublet, then Landlord shall have the right, but shall not be obligated, to terminate

this Lease or sublet the Premises proposed to be sublet from Tenant upon the same terms as set forth in Tenant's notice of intent to sublet; provided, however, that Landlord shall not be required to incur any greater liability for such space recovered beyond that which Tenant would otherwise be required to pay Landlord for such space; or (ii) in the case of a proposed transfer or assignment, Landlord shall have the right to purchase Tenant's interest in this Lease, or take an assignment thereof, or to terminate this Lease upon payment to Tenant of the cash consideration or aggregate rent set forth in Tenant's notice of intent. In the event that the terms of the proposed assignment allow the assignee to pay the cash consideration for the assignment in installments or with a promissory note, Landlord shall be entitled at its sole option to make payment on such terms or, if Landlord chooses to make a lump sum payment, the value of the consideration shall be discounted to present value. If Landlord shall not elect to exercise the rights set forth in this Section 9.1(b), then Tenant shall have the right to sublet or assign all or any portion of the Premises as described in its notice(s) to Landlord delivered in accordance with the terms hereof, subject however to Landlord's approval rights as set forth hereinabove.

(c) Anything herein to the contrary notwithstanding, if Landlord shall not elect to exercise the rights set forth in the immediately preceding subparagraph (b), such election shall not under any circumstances be deemed a consent to the proposed subletting, assignment, sale or other transfer of Tenant's interest in and to this Lease and/or the Premises, and it is expressly understood that any determination by Landlord not to exercise such rights shall not preclude Landlord from reasonably withholding its consent to such proposed subletting, assignment, sale or other transfer, as the case may be.

9.2 If Tenant is a corporation, unincorporated association, partnership, limited liability company or limited liability partnership (i) a transfer, assignment or hypothecation of any stock or interest in such corporation, association or partnership by any stockholder, member or partner, or (ii) any dilution of such stock or interest in such corporation, association or partnership, which in either case of (i) or (ii) results in a change in the control thereof to someone or some entity other than one or more of the persons or entities currently owning a majority interest as of the date of this Lease, shall be deemed a voluntary assignment of this Lease and subject to the provisions of Section 9.1. However, the preceding sentence shall not apply to corporations the stock of which is traded through a national securities exchange (as defined in the Securities Exchange Act of 1934, as amended) or is traded in any recognized over-the-counter market.

9.3 Subject to the other provisions of this Article IX, Landlord shall not unreasonably withhold its consent hereunder to any proposed subletting or assignment, provided that all of the following conditions are met:

(i) The subtenant or assignee must have a credit rating, financial history and character reasonably satisfactory to Landlord, and it will be deemed satisfactory if the subtenant or assignee has substantially the same credit rating or financial history as Tenant as of the date of this Lease;

(ii) The sublease or assignment document must be expressly subject and subordinate to this Lease, must require that any subtenant or assignee comply with and abide by all of the terms of this Lease (except that the amount of rent payable thereunder may differ from the rent payable hereunder), and must provide that any termination of this Lease shall extinguish the sublease or assignee's rights to the Premises as well;

(iii) The subtenant or assignee may not change the permitted use of the Premises as set forth in Article VII above without Landlord's consent, or propose to conduct its business in a manner which, in Landlord's sole judgment, is not appropriate for a Building in Washington, D.C. of comparable quality and location;

(iv) The subtenant or assignee may not already be a tenant, subtenant or other occupant of any part of the Building (unless Landlord has no comparable sized and configured space available in the Building reasonably meeting the physical needs of the proposed subtenant or assignee);

(v) Tenant may not be in default beyond any applicable notice and cure period hereunder;

(vi) The sublease or assignment document, as the case may be, shall be substantially on Landlord's form or, at Landlord's election, approved in advance by Landlord; and

a. Landlord's consent to such assignment or sublease shall not be construed to mean that Landlord has approved any plans or specifications for renovations to the Premises intended by such assignee or subtenant, and that any such work to the Premises must be conducted in accordance with the terms of this Lease.

9.4

(a) Notwithstanding the above restrictions on subletting and assignments, and provided Tenant is not then in default under this Lease beyond any applicable notice and cure period, Tenant shall have the right, upon not less than thirty (30) days' prior written notice to Landlord but not without Landlord's prior written consent, which consent shall not be unreasonably conditioned, delayed or withheld, to assign this Lease or to sublet all or any part of the Premises to (i) an "Affiliate of Tenant" (as hereinafter defined), or (ii) a "Parent of Tenant" (as hereinafter defined), or (iii) any entity resulting from a merger or consolidation with Tenant (its corporate successors or assigns), or (iv) any corporation succeeding to substantially all of the business and assets of Tenant (its corporate successors or assigns), provided that (a) such assignee or subtenant has a creditworthiness (*e.g.*, assets and capitalization) and net worth (which shall be determined on a pro forma basis using

generally accepted accounting principles consistently applied and using the most recent financial statements) reasonably acceptable to Landlord; (b) the conditions set forth in Section 9.3 above are fully satisfied, as determined by Landlord in its sole but reasonable judgment; and (c) the sublease or assignment document with such person or entity is not a so-called “sham” transaction intended by Tenant to circumvent the provisions of this Article IX.

(b) For purposes of this Section 9.4, an “Affiliate of Tenant” shall mean any corporation, association, trust or partnership (i) which Controls (as hereinafter defined) Tenant, or (ii) which is under the Control of Tenant through stock ownership or otherwise, or (iii) which is under common Control with Tenant, or (iv) is a franchisee of Tenant, or (v) a school supported by Tenant. For purposes hereof, a “Parent of Tenant” shall mean any corporation, association, trust or partnership or other entity (i) which Controls Tenant, or (ii) which owns more than fifty percent (50%) of the issued and outstanding voting securities of Tenant. The terms “Control” or “Controls” as used in this Section 9.4 shall mean the power to directly or indirectly direct the management or policies of Tenant or such other entity.

Article X. Maintenance And Repairs

10.1 Tenant will keep and maintain the Premises and all fixtures and equipment located therein in a clean, safe and operable condition, will take good care thereof and make all legally required repairs thereto, will suffer no waste or injury thereto, and will, at the expiration or other termination of the Lease Term (or Renewal Term, if any), surrender the Premises, broom clean, in the same order and condition they were in on the Lease Commencement Date, ordinary wear and tear and damage by casualty or the elements or condemnation excepted. Notwithstanding anything to the contrary in this Lease, Tenant shall not be required to remove any of its initial improvements, including to restore any doors and demising walls that Tenant removes during its initial build-out. Landlord, at Landlord’s sole cost and expense, shall maintain the surface lot behind the Building. Landlord, at its cost, shall provide and install all original fluorescent tubes within the Premises necessary to provide required lighting and all replacement tubes for such lighting; all other bulbs, tubes, and lighting fixtures for the Premises shall be provided and installed by Tenant at Tenant’s sole cost and expense.

10.2 Except as otherwise provided in Article XIX hereof, all injury, breakage and damage to the Premises and to any other part of the Building caused by any act or wrongful omission of Tenant or any agent, employee, subtenant, licensee, contractor, customer, client, family member or invitee of Tenant, shall be repaired by and at the sole expense of Tenant, except that Landlord shall have the right, at its sole option, to make such repairs if Tenant fails to do so after written demand therefor and to charge Tenant, after providing Tenant with invoices for the same, for all reasonable costs and expenses incurred in connection therewith as Additional Rent hereunder. The liability of Tenant for such costs and expenses shall be reduced by the amount of

any insurance proceeds received by Landlord on account of such injury, breakage, or damage.

10.3 During the Lease Term (and Renewal Term, if any), and subject to the provisions of Section 7.1 above, Tenant shall, at its own cost and expense, promptly observe and comply with all present and future laws, ordinances, requirements, orders, directives, rules and regulations of the Federal, state, county, town, village and city governments and of all other governmental authorities with jurisdiction over the Premises and appurtenances thereto or any part thereof, whether the same are in force at the Lease Commencement Date or may in the future be passed, enacted, or directed, and Tenant shall pay all costs, expenses, liabilities, losses, damages, fines, penalties, claims, and demands, including reasonable counsel fees, that do in any manner arise out of or are imposed because of the failure of Tenant to comply with the covenants of this Section 10.3.

10.4 Landlord will keep and maintain, or cause to be so kept and maintained, the Building in safe and proper order, repair and condition, and will keep and maintain the exterior of the Building in good condition, reasonably free from snow and ice. Landlord's obligations shall include maintaining, in good working order and at Landlord's expense, all structural elements of the Building and core portions of the Building's systems, including the roof and foundation, exterior and demising walls and common areas, but excluding the branch lines of all mechanical, plumbing, heating, ventilating, air conditioning and electrical systems exclusively serving the Premises which shall have been delivered by the Landlord to the Tenant at the Lease Commencement Date in working order and which thereafter the sole responsibility of the Tenant to maintain, repair or replace.

Article XI. Tenant Alterations

11.1 The Tenant shall be responsible for the construction and payment of all Tenant Alterations, the specifics of which shall be by agreement of the parties.

11.2 Tenant shall not make or permit anyone to make any alterations, decorations, additions or improvements without the prior written consent of Landlord, which consent shall not be unreasonably withheld, conditioned or delayed provided that such improvements do not, in Landlord's sole but reasonable judgment, adversely affect the Building's structural integrity or external appearance, or any of the Building's mechanical, electrical, plumbing or other systems. When granting its consent, Landlord may impose any conditions it reasonably deems appropriate, including without limitation, the reasonable approval of plans and specifications, reasonable approval of the contractor or other persons to perform the work, and the obtaining of specified (but reasonable) insurance. All improvements permitted by Landlord must conform to applicable rules and regulations established from time to time by the Board of Fire Underwriters having jurisdiction or any similar body exercising similar functions, and to all laws, regulations, and requirements of the Federal or District of Columbia governments, in each case having jurisdiction over the Premises. All improvements made by Tenant shall be constructed and completed in a good and workmanlike manner. As a condition precedent to such written consent of Landlord, Tenant agrees

to obtain and deliver to Landlord, upon completion of construction, written, unconditional waivers of mechanic's and materialmen's liens against the Building and the land upon which it is situated from all work, labor, and services to be performed and materials to be furnished in connection with improvements to the Premises. If, notwithstanding the foregoing, any mechanic's or materialmen's lien is filed against the Premises, the Building and/or the land upon which it is situated for work claimed to have been done for, or materials claimed to have been furnished to, the Premises by Tenant, such lien shall be discharged by Tenant within thirty (30) days after notice, at Tenant's sole cost and expense, by the payment thereof or by the filing of a bond. If Tenant shall fail to discharge any such mechanic's or materialmen's lien, Landlord may, at its sole option, discharge such lien and treat the cost thereof (including reasonable attorney's fees incurred in connection therewith) as Additional Rent payable with the next Fixed Minimum Rent payment falling due. It is expressly agreed that such discharge by Landlord shall not be deemed to waive or release the default of Tenant in not discharging such lien (until repayment of such cost therefor as Additional Rent). It is further understood and agreed that any alterations, decorations, additions, or improvements to the Premises shall be conducted on behalf of Tenant and not on behalf of Landlord, and that Tenant shall not be deemed to be the agent of Landlord. It is further understood and agreed that in the event Landlord shall give its written consent to the making of any improvements to the Premises, such written consent shall not be deemed to be an agreement or consent by Landlord to subject its interest in the Premises, the Building or the land upon which it is situated to any mechanic's or materialmen's liens which may be filed in connection therewith.

11.3 Tenant shall indemnify and hold Landlord harmless from and against any and all third-party expenses, liens, claims, liabilities and damages based on or arising directly or indirectly by reason of the making of any improvements to the Premises by or on behalf of Tenant. If any improvements are made without the prior written consent of Landlord, Landlord shall have the right to remove and correct such improvements and restore the Premises to their condition immediately prior thereto and Tenant shall be liable for all expenses reasonably incurred by Landlord in connection therewith. All improvements to the Premises or the Building made by the Tenant shall immediately become the property of Landlord and shall remain upon and be surrendered with the Premises as part thereof at the end of the Lease Term (or Renewal Term, if any) except that if Tenant is not in default beyond any applicable notice and cure period under this Lease at the end of the Lease Term, Tenant shall have the right to remove, at its expense, within five (5) days of the expiration or termination of the Lease Term (or Renewal Term, if any), all movable furniture, furnishings and equipment installed and paid for by Tenant in the Premises. All damage and injury to the Premises or any part of the Building caused by such removal shall be repaired by Tenant, at Tenant's sole cost and expense. If such property of Tenant is not removed by Tenant within five (5) business days of the expiration or termination of this Lease, the same shall become the property of Landlord and shall be surrendered with the Premises as a part thereof.

Article XII. Signs and Furnishings

12.1 No sign, advertisement or notice referring to Tenant or any of its subtenants, if any,

shall be inscribed, painted, affixed or otherwise displayed on any part of the exterior or the interior of the Building except as approved and designated by the Landlord, and then only in such place, number, size, color and style as are compatible with the Building design, signage and graphic program as reasonably approved by the Landlord; provided, however, Tenant (i) shall be entitled to exterior signage at the cost of Tenant, and (ii) may affix coverings and decals on the interior of the windows consistent with the use of the Premises for education purposes, e.g., to provide shade during class quiet time. If any sign, advertisement or notice that has not been approved by Landlord is exhibited or installed by Tenant, Landlord shall have the right to remove the same at Tenant's expense. Landlord shall have the right to prohibit any advertisement of or by Tenant which in Landlord's opinion tends to impair the reputation of the Building or its desirability as a high-quality building and, upon written notice from Landlord, Tenant shall immediately refrain from and discontinue any such advertisement. Any such sign shall be installed and maintained in compliance with all applicable laws and regulations and solely at Tenant's expense. Landlord reserves the right to affix, install and display signs, advertisements and notices on any part of the exterior or interior of the Building except the Premises and the area for Tenant's exterior signage.

12.2 Landlord shall have the right to reasonably prescribe the weight and location of file systems, safes, computer systems and other heavy items, equipment and fixtures to be brought within the Premises by or for Tenant, any or all of which shall, if considered necessary by Landlord, be placed upon the Premises in consultation with Landlord in order to distribute their weight; provided, however that to the extent Landlord has approved placement of any of the foregoing in any drawings provided by or on behalf of Tenant, Landlord shall not be entitled to require relocation of any of the foregoing. Any and all damage or injury to the Premises or the Building caused by or on behalf of Tenant moving its property into or out of the Premises, or due to the same being in or upon the Premises, shall be repaired by and at the sole cost of Tenant. No furniture, equipment or other bulky matter of any description will be received into any part of the Building or carried in the elevators except as reasonably approved by Landlord, and all such furniture, equipment and other bulky matter shall be delivered only through the designated delivery entrance of the Building and the designated freight elevator. All moving of furniture, equipment and other materials shall be under the direct control and supervision of Landlord or Landlord's agent who shall not, however, be responsible for any damage to or charges for moving the same. Landlord shall make itself reasonably available for any such moving by Tenant. Tenant agrees promptly to remove from the sidewalks adjacent to the Building any of Tenant's furniture, equipment or other materials there delivered or deposited.

Article XIII. Tenant's Equipment

13.1 Tenant will not install or operate in the Premises any equipment or machinery other than normal and usual office and education equipment and appliances without first obtaining the prior written consent of Landlord, who may condition such consent upon the payment by Tenant for the cost of any additional wiring or apparatus that is occasioned by the operation of such equipment or machinery. Tenant shall not install any equipment of any type or nature that will or

may necessitate any changes, replacement or additions to, or in the use of, the water system, heating system, plumbing system, air conditioning system or electrical system of the Premises or in any part of the Building, without first obtaining the prior written consent of Landlord. Nothing contained herein shall obligate Landlord to install any additional wiring or apparatus, or otherwise change any such systems, to accommodate Tenant's machinery and equipment. Business machines and mechanical equipment, excluding normal and customary office and education equipment such as copy machines, belonging to Tenant which cause noise or vibrations that may be transmitted to the structure of the Building, or to any space therein, to such a degree as to cause a nuisance to Landlord or to any tenant in the Building shall be installed and maintained by Tenant, at Tenant's expense, on vibration eliminators or other devices sufficient to reduce such noise and vibration to a level reasonably satisfactory to Landlord.

Article XIV. Inspection By Landlord

14.1 Tenant will permit Landlord or its agents or representatives to enter the Premises, without charge therefor to Landlord and without diminution of the rent payable by Tenant, at any reasonable times or at any time in the event of an emergency, and, except in cases of emergency, upon reasonable prior notice to Tenant and accompaniment by an agent or employee of Tenant, to examine, inspect and protect the Premises and the Building; to supply any service to be provided by Landlord hereunder; to make such alterations and/or repairs as in Landlord's sole but reasonable judgment may be deemed necessary; to post notices of non-responsibility; or to exhibit the Premises to prospective mortgagees, purchasers, and, during the last six (6) months of the Lease Term (or Renewal Term, if any), to exhibit the Premises to prospective tenants and to affix and display "For Rent" signs. In connection with any such entry, Landlord shall use reasonable efforts to minimize the disruption to Tenant's use of the Premises, but shall have no obligation to employ labor or contractors at overnight, nighttime, holiday, or other premium rates. In accordance with the foregoing, Landlord shall have at all times a functioning set of passkeys, if any, for the Premises, as may be updated from time to time by Tenant (at Tenant's sole cost and expense) for its own security. Landlord acknowledges that Tenant may be required to take additional reasonable security measures in connection with the presence of children on the Premises. No such security measures shall unreasonably restrict other tenants of the Building from entering or leaving the Building.

Article XV. Insurance

15.1 Tenant shall not conduct or permit to be conducted any activity, or place any equipment in or about the Premises or the Building, which will in any way increase the rate of fire insurance or other insurance on the Building. If any increase in the rate of fire insurance or other insurance is stated by any insurance company or by the applicable Insurance Rating Bureau to be due to any activity or equipment of Tenant, such statement shall be conclusive evidence that the increase in such rate is due to such activity or equipment and, as a result thereof, Tenant shall be liable for the incremental amount of such increase. Tenant shall reimburse Landlord for such

amount within thirty (30) days of written demand from Landlord and any such sum shall be considered Additional Rent payable hereunder.

15.2 Throughout the Lease Term (and Renewal Term, if any), Tenant shall insure the contents of the Premises, including its furnishings, fixtures and equipment used or installed in the Premises by Tenant, and any other personal property of Tenant in the Premises, against loss due to fire and other casualties included in standard extended coverage insurance policies, in minimum amounts reasonably approved by Landlord from time to time. Throughout the Lease Term (and Renewal Term, if any), Tenant shall obtain and maintain comprehensive general liability insurance in a company or companies licensed to do business in the District of Columbia and approved by Landlord. Such insurance shall be in minimum amounts of One Million Dollars (\$1,000,000.00) per occurrence plus a general aggregate of Two Million Dollars (\$2,000,000.00) for injury to persons or damage to property and shall be for a minimum term of one (1) year. In addition, each of said policies of insurance shall name Landlord, the managing agent and the holder of any mortgage or deed of trust on the Building as additional insureds thereunder. A certificate of insurance shall be delivered by Tenant at least annually upon Landlord's request, and each such policy shall contain an endorsement prohibiting cancellation or reduction of coverage without first giving Landlord and the holder of any mortgage or deed of trust on the Building at least thirty (30) days prior written notice of such proposed action.

15.3 Landlord shall carry at its expense for the benefit of Landlord and any party secured by a deed of trust encumbering the Building the following types of insurance: (i) insurance on the Building against loss or damage by fire and against such risks as are comprehended within the term "extended coverage", and against such other insurable risks as may from time to time be customarily insured by prudent owners of comparable buildings in the Washington, D.C. metropolitan area, in an amount at least equal to ninety (90%) of the full replacement value thereof, exclusive of the foundation; (ii) insurance against explosion on all steam boilers, pressure vessels and other such apparatus, if present in the Building and as are generally insured from time to time by prudent owners of comparable buildings in the Washington, D.C. area; (iii) workmen's compensation insurance in statutory limits; and (iv) general public liability insurance against all claims for bodily injury, death or property damage occurring upon, in or about any part of the Building with limits of at least One Million Dollars (\$1,000,000.00) per occurrence plus a general aggregate of Two Million Dollars (\$2,000,000.00). Such insurance policies shall be issued by responsible insurance companies and may provide for a commercially reasonable deductible.

15.4 Landlord and Tenant each hereby release the other and their respective agents, employees, invitees and contractors, from any claims for damage or loss to any person or the Premises, the Building and any property contained therein or thereon caused by or resulting from any risks insured against under any insurance policy carried by Landlord or Tenant (or that are required to be carried by Landlord or Tenant which would have been in force if not for the failure by the applicable party to carry said insurance) at the time of any such damage or loss, and that permit (or would have permitted had the insured complied with its obligations) such a release by the insured party of liability on the part of the other party to this Lease, regardless of the cause of

the damage or loss. The foregoing release is not intended to fully release any party benefiting therefrom from all liability it might otherwise have to the other, but only for the portion of such liability that equals the amount of collectible insurance proceeds. Each policy obtained by Landlord and Tenant pursuant to the provisions of this Article XV shall include a waiver of the insurer's right of subrogation against Tenant or Landlord, as the case may be.

Article XVI. Services and Utilities

16.1 If Tenant is unable to get utilities to the Premises due to an issue with the Building's systems or structure or there is a leak in the Premises, for a period of five (5) consecutive business days following Landlord's receipt from Tenant of a written notice regarding the issue, the restoration of which is within Landlord's reasonable control, then Tenant shall, as its exclusive remedy be entitled to a reasonable abatement of Fixed Minimum Rent and Additional Rent for each consecutive day (after such 5-day period) that the issue remains outstanding.

16.2 Intentionally Deleted

16.3 The parties hereto agree to comply with all mandatory energy, water or other conservation controls or requirements applicable to the Building instituted by the Federal or District of Columbia governments having jurisdiction over the Premises including, without limitation, controls on the permitted range of temperature settings in buildings or requirements necessitating curtailment of the volume of energy consumption or the hours of operation of the Building. Any terms or conditions of this Lease that conflict or interfere with compliance with such controls or requirements shall be suspended for the duration of such controls or requirements. It is further agreed that compliance with such controls or requirements shall not be considered an eviction, actual or constructive, of Tenant from the Premises; shall not be considered a breach of Landlord's covenant of quiet enjoyment; and shall not entitle Tenant to terminate this Lease or to an abatement or reduction of any rent payable hereunder.

Article XVII. Liability of Landlord

17.1 Landlord shall not be liable to Tenant, its employees, agents, business invitees, licensees, customers, clients, family members or guests for any damage, injury, loss, compensation or claim, including but not limited to claims for the interruption or loss of Tenant's business, based on, arising out of, or resulting from any cause whatsoever, including but not limited to the following: repairs to any portion of the Premises or the Building; interruption in the use of the Premises; any accident or damage resulting from the use or operation (by Landlord, Tenant or any other person or persons) of elevators, or of the heating, cooling, electrical or plumbing equipment or apparatus; the termination of this Lease by reason of the destruction of the Premises; any fire, robbery, theft, mysterious disappearance and/or any other casualty; the actions of any other tenants of the Building or of any other person or persons; any leakage in any part or portion of the Premises

or the Building, or from water, rain or snow that may leak into, or flow from, any part of the Premises, or from drains, pipes or plumbing work in the Building. Any goods, property or personal effects stored or placed by Tenant or its employees in or about the Premises or any part of the Building shall be at the sole risk of Tenant, and Landlord shall not in any manner be held responsible therefore. It is understood that the employees of Landlord are prohibited from receiving any packages or other articles delivered to the Building for Tenant, and if any such employee receives any such package or articles, such employee shall be acting as the agent of Tenant for such purposes and not as the agent of Landlord. Notwithstanding the foregoing provisions of this Section 17.1, Landlord shall not be released from liability to Tenant for any damage, loss, compensation, claim or injury based on, arising out of, or resulting from the gross negligence or willful misconduct of Landlord or its employees, agents, contractors, or guests.

17.2 Except when due to the gross negligence or willful misconduct of Landlord, its agents, employees, guests, or contractors, Tenant hereby agrees to indemnify and hold Landlord harmless from and against all demands, actions, causes of action, costs, damages, claims, liabilities and expenses (including reasonable attorneys' fees) suffered by or claimed against Landlord, directly or indirectly, based on, arising out of, or resulting from (i) Tenant's use and occupancy of the Premises or the business conducted by Tenant therein, (ii) any act or wrongful omission by Tenant or its employees, agents or invitees, (iii) any breach or default by Tenant in the performance or observance of its covenants or obligations under this Lease, or (iii) Tenant's improvements at the Premises. Landlord hereby agrees to indemnify and hold Tenant harmless from and against all demands, actions, causes of action, costs, damages, claims, liabilities and expenses (including reasonable attorneys' fees) suffered by or claimed against Tenant, directly or indirectly, based on, arising out of or resulting from any occurrence in the common areas of the Building, unless the same are the result of the gross negligence or misconduct of Tenant or its agents, employees, guests or other claimants. Under no circumstances shall Landlord or Tenant be liable for consequential, special, or punitive damages.

17.3 If at any time Landlord shall sell or transfer the Building, or any part thereof, the Landlord named herein shall not be liable to Tenant for any obligations or liabilities based on or arising out of events or conditions occurring on or after the date of such sale or transfer. Furthermore, Tenant agrees to attorn to any such purchaser or transferee upon all the terms and conditions of this Lease in accordance with Section 23.

17.4

(a) If at any time during the Lease Term (or Renewal Term, if any) Tenant shall have a claim against Landlord, absent procurement of a final non-appealable judgment against Landlord, Tenant shall not have the right to deduct the amount allegedly owed to Tenant from any rent or other sums payable to Landlord hereunder, it being understood that Tenant's sole method for recovering upon such claim shall be to institute an independent action against Landlord.

(b) If either the Landlord or the Tenant breaches this Lease and a non-breaching party retains legal counsel to enforce its rights hereunder, the non-breaching party shall be entitled to

recover against the breaching party, in addition to any other damages recoverable against any breaching party, all of its reasonable legal expenses incurred in enforcing its rights under this Lease, whether or not suit is filed, and in obtaining, enforcing and/or defending any judgment related thereto. Should any tribunal of competent jurisdiction determine that more than one party to the dispute has breached this Lease, then all such breaching parties shall bear their own costs, unless the tribunal determines that one party is the “substantially prevailing party”, in which case the substantially prevailing party shall be entitled to recover all of its reasonable legal expenses incurred in enforcing its rights under this Lease, whether or not suit is filed, and in obtaining, enforcing and/or defending any judgment related thereto.

17.5 Tenant agrees that if Tenant is awarded a money judgment against Landlord, Tenant’s sole recourse for satisfaction of such judgment shall be limited to execution against Landlord’s interest in the Building. In no event shall any partner, shareholder, officer, director, or any principal of Landlord or any other persons be held to have any personal liability for satisfaction of any claims or judgments that Tenant may have against Landlord. In no event shall any partner, shareholder, officer, director, or any principal of Tenant or any other persons be held to have any personal liability for satisfaction of any claims or judgments that Landlord may have against Tenant.

17.6 This Article XVII shall not be deemed to be nor shall it constitute a legal basis for any third party (not a party to this Lease or expressly identified hereunder) to bring a claim against either Landlord or Tenant based upon the terms of this Article, it being the sole purpose and express intent of Landlord and Tenant, in adopting this Article, to provide exclusively for the waiver and indemnification provisions expressly set forth herein.

Article XVIII. Rules and Regulations

18.1 Tenant and its agents, employees, invitees, licensees, customers, clients, family members, guests and permitted subtenants shall at all times abide by and observe the rules and regulations promulgated from time to time by Landlord provided that notice thereof is given to Tenant and such rules and regulations are not inconsistent with provisions of this Lease and do not unreasonably interfere with Tenant’s use of the Premises or parking. Nothing contained in this Lease shall be construed as imposing upon Landlord any duty or obligation to enforce such rules and regulations or the terms, conditions, or covenants contained in any other lease, as against any other tenant, and Landlord shall not be liable to Tenant for the violation of such rules or regulations by any other tenant or its employees, agents, business invitees, licensees, customers, clients, family members or guests. Landlord agrees that it will not enforce such rules and regulations in a discriminatory manner against Tenant.

Article XIX. Damage or Destruction

19.1

(a) If during the Lease Term (or Renewal Term, if any) the Premises or the Building are totally or partially damaged or destroyed from any cause, thereby rendering the Premises totally or partially inaccessible or unusable, Landlord shall diligently (taking into account the time necessary to effectuate a satisfactory settlement with any insurance company involved) restore and repair the Premises and the Building to substantially the same condition they were in prior to such damage; provided, however, if (i) the repairs and restoration cannot be completed within one hundred eighty (180) days after the occurrence of such damage (taking into account the time needed for removal of debris, preparation of plans, and issuance of all required governmental permits), or (ii) more than forty percent (40%) of the Premises or fifty percent (50%) of the Building is rendered inaccessible or unusable as a result of such damage, then Landlord shall have the right, at its sole option, to terminate this Lease by giving written notice of termination to Tenant within sixty (60) days after the occurrence of such damage. If this Lease is terminated pursuant to the preceding sentence, all rent payable hereunder shall be apportioned and paid to the date of the occurrence of such damage, and neither party shall have any further rights or remedies against the other pursuant to this Lease or otherwise.

(b) If, within sixty (60) days after the occurrence of the damage or destruction described in Section 19.1(a) above, Landlord determines in its reasonable discretion that the repairs and restoration cannot be completed within one hundred eighty (180) days after the date of such damage or destruction, and provided that Landlord does not elect to terminate this Lease pursuant to Section 19.1(a), then Landlord shall promptly notify Tenant of such determination. For a period continuing through the sixtieth (60th) day after receipt of such notice, Tenant shall have the right to terminate this Lease by providing written notice thereof to Landlord, and the Lease Term (or Renewal Term, if any) shall end on the date of the giving of such notice as if such date were the date originally provided herein as the Lease Expiration Date (or the expiration date of the Renewal Term as aforesaid). If Tenant does not so elect to terminate this Lease within such period, and provided Landlord does not elect to terminate this Lease as provided above, then Landlord shall proceed to repair and restore the Premises and Building. In addition, if Landlord fails to complete the required restoration within sixty (60) days following the date estimated for such restoration in the estimate provided Tenant, as such period may be extended by any delay caused by Tenant or its agents or employees or by reason of any Force Majeure not in excess of sixty (60) days in the aggregate for all Force Majeure events, Tenant shall be further entitled to terminate this Lease, by written notice to Landlord, which notice shall be effective in the absence of the completion of the restoration within thirty (30) days following Landlord's receipt of such notice. Notwithstanding any of the foregoing to the contrary, Tenant shall not have the right to terminate this Lease if the act or wrongful omission of Tenant or any of its employees, agents, licensees, subtenants, invitees, customers, clients, family members or guests shall have caused the damage or destruction.

(c) If this Lease is not terminated in accordance with the provisions of Section 19.1(a) or Section 19.1(b), and provided that such damage was not caused by the act or wrongful omission of Tenant or any of its employees, agents, licensees, subtenants, customers, clients, family members or guests, until the repair and restoration of the Premises is completed Tenant shall be

required to pay, Fixed Minimum Rent and Additional Rent only for that part of the Premises that Tenant is able to use, in substantially the same manner as prior to the damage or destruction, while repairs are being made, based on the ratio that the amount of usable rentable area bears to the total rentable area in the Premises, recognizing that if by reason of the damage to only a portion of the Premises, Tenant is not able to operate in the remainder of the Premises in substantially the same manner as prior to the damage or destruction, all Rent shall abate. Landlord shall bear the costs and expenses of repairing and restoring the Premises, subject to and limited by its receipt of sufficient insurance proceeds.

19.2 If Landlord repairs and restores the Premises as provided in Section 19.1, Landlord shall not be required in any event to repair or restore any decorations, nor to repair or restore any alterations or improvements to the Premises previously made by or at the expense of Tenant, or any trade fixtures, furnishings, equipment or personal property belonging to Tenant. It shall be Tenant's sole responsibility to repair and restore all such items. Landlord shall restore any improvements made by Landlord to the Premises to the extent that, after it restores the Building and the Premises, there are sufficient proceeds left from its insurance to do so.

19.3 Notwithstanding anything to the contrary contained herein, if (i) the holder of any Landlord's mortgage secured by the Building fails or refuses to make insurance proceeds available for such repair and restoration, (ii) zoning or other applicable laws or regulations do not permit such repair and restoration, or (iii) there is a destruction of the Building that exceeds twenty-five percent (25%) of the replacement value of the Building from any risk, whether or not the Premises are damaged or destroyed, Landlord shall have the right to terminate this Lease by written notice to Tenant, which notice must be given no later than sixty (60) days after the insurance company's written notice to Landlord of the amount of insurance proceeds to be disbursed and the terms by which the proceeds will be disbursed.

Article XX. Condemnation

20.1 If the whole or a substantial part (as hereinafter defined) of the Premises and/or the Building or the use or occupancy of the Premises shall be taken or condemned by any governmental or quasi-governmental authority for any public or quasi-public use or purpose (including a sale thereof under threat of such taking), then this Lease shall terminate on the date title thereto vests in such governmental or quasi-governmental authority, and all rent payable hereunder shall be apportioned as of such date, and neither party shall have any further rights or remedies against the other pursuant to this Lease or otherwise.. If less than a substantial part of the Premises (or the use and occupancy thereof) is taken or condemned by any governmental or quasi-governmental authority for any public or quasi-public use or purpose (including a sale thereof under threat of such a taking), this Lease shall continue in full force and effect, but the Fixed Minimum Rent and Additional Rent thereafter payable hereunder shall be equitably adjusted (on the basis of the ratio of the number of square feet of rentable area taken to the total rentable area in the Premises prior to such taking) as of the date title vests in the governmental or quasi-

governmental authority. For purposes of this Section 20.1, a substantial part of the Premises shall be considered to have been taken if more than ten percent (10%) (in the case of a temporary taking only if for a term greater than one hundred eighty (180) days) of the Premises is rendered unusable as a result of such taking.

20.2 All awards, damages and other compensation paid by the condemning authority on account of the taking or condemnation (or sale under threat of such a taking) shall belong to Landlord, and Tenant hereby assigns to Landlord all rights to such awards, damages and compensation. Tenant agrees not to make any claim against Landlord or the condemning authority for any portion of such award or compensation attributable to damages to the Premises, the value of the unexpired term of this Lease, the loss of profits or goodwill, leasehold improvements or severance damages. Nothing contained herein, however, shall prevent Tenant from pursuing a separate claim against the condemning authority for the value of furnishings, equipment, trade fixtures and other personal property installed in the Premises at Tenant's expense and for relocation expenses, provided that such claim shall in no way diminish the award or compensation payable to or recoverable by Landlord in connection with such taking or condemnation.

Article XXI. Default by Tenant

21.1 The occurrence of any of the following shall constitute an event of default ("Event of Default") by Tenant under this Lease:

(a) Tenant's failure to make any payment of the Fixed Minimum Rent, Additional Rent or any other sum payable by Tenant hereunder on or before such payment's due date, provided that, on up to one (1) occasion in any twelve (12) month period, there shall exist no Event of Default unless Landlord gives to Tenant written notice of such failure and Tenant shall have failed to make such payment within five (5) business days following the giving of such notice;

(b) Tenant's violation or failure to perform any other term, condition, covenant, or agreement to be performed or observed by Tenant under this Lease within thirty (30) calendar days after notice thereof from Landlord (unless a shorter period is specifically provided pursuant to this Lease, in which case such shorter period shall be controlling); or if such violation or failure is remediable but is of such a nature that it cannot be remedied within such thirty (30) calendar day (or shorter, if applicable as aforesaid) period, then for such extended period as may reasonably be required, provided that Tenant promptly commences and diligently pursues such remedy to completion;

(c) Tenant's abandonment of the Premises for more than a two-week period; if the Tenant wishes to not occupy the Premises for a period longer than two weeks, Tenant shall request from Landlord in writing no less than ten (10) days prior to the requested non-occupancy period and Landlord, if it determines in its sole discretion that good cause exists for this non-occupancy period, may allow the non-occupancy period; in such event, Tenant's obligations to pay Rent and

Additional Rent shall remain in full force and effect; and for clarity, school vacations, days off or other similar lapses in attendance shall not be deemed an abandonment of the Premises.

(d) An Event of Bankruptcy as specified in Article XXII with respect to Tenant or any Guarantor; or

(e) Tenant's dissolution or liquidation.

21.2 If there shall be an Event of Default, then Landlord shall have the right, at its sole option, to terminate this Lease. With or without terminating this Lease, Landlord may re-enter and take possession of the Premises and the provisions of this Article XXI shall operate as a notice to quit, and any other notice to quit or notice of Landlord's intention to re-enter the Premises is hereby expressly waived. If necessary, Landlord may proceed to recover possession of the Premises under and by virtue of the laws of the District of Columbia, or by such other proceedings, including re-entry and possession, as may be applicable. Tenant expressly agrees that if Landlord elects to terminate this Lease, or elects to recover possession of the Premises by judicial proceeding after an Event of Default, with or without terminating the Lease, then neither the termination of this Lease, the institution of suit for possession, the entry of a judgment for possession, or other re-entry shall release Tenant from Tenant's responsibility for the payment of Fixed Minimum Rent or Additional Rent that would otherwise have become due through the unexpired portion of the Lease Term (or Renewal Term, if any). Whether or not this Lease and/or Tenant's right of possession is terminated by reason of an Event of Default, Landlord may, but shall not be obligated to, relet the Premises or any part thereof for such rent and upon such terms as Landlord deems reasonable under the circumstances and, if the full rental provided herein plus the costs, expenses and damages described below shall not be realized by Landlord, Tenant shall be liable for all damages sustained by Landlord, including, without limitation, Fixed Minimum Rent and Additional Rent to be paid by Tenant through the remainder of the Lease Term (or Renewal Term, if any), reasonable attorneys' fees, brokerage fees and the expenses of placing the Premises in comparable rentable condition consistent with buildings of comparable age, quality and size in the District of Columbia. If Landlord leases the Premises as a part of a larger amount of space or for a term longer than the unexpired Lease Term, the cost of reletting the Premises shall be amortized over the unexpired Lease Term and Tenant shall be liable only for the portion allocable to the Premises and allocable to the remaining Lease Term. In the event Tenant defaults and vacates the Premises, Landlord agrees to make reasonable efforts to relet the Premises. Any damages or loss of rent sustained by Landlord may be recovered by Landlord, at Landlord's option, at the time of the reletting or in separate actions, from time to time, as said damage shall have been made more easily ascertainable by successive relettings, or, at Landlord's option, may be deferred until the expiration of the Lease Term (or Renewal Term, if any), in which event Tenant hereby agrees that the cause of action shall not be deemed to have accrued until the Lease Expiration Date identified in Article I hereof (or the expiration date of the Renewal Term, if applicable). The provisions contained in this Section 21.2 shall be in addition to, and shall not prevent the enforcement of, any claim Landlord may have against Tenant for anticipatory breach of this Lease.

21.3 At Landlord's sole option, if Landlord terminates this Lease by reason of an Event of Default, then Tenant shall pay to Landlord, upon demand, as liquidated and agreed final damages in lieu of Tenant's liability under Section 21.2, an accelerated lump sum amount equal to the amount by which Landlord's commercially reasonable estimate of the aggregate amount of Rent, including but not limited to Fixed Minimum Rent, Additional Rent, any payments owed or to be owed by Tenant to Landlord for improvements to the Premises, and all other sums owed or to be owed by Tenant to Landlord at any time during the Lease Term (or Renewal Term, if any shall have been theretofore exercised by Tenant), exceeds Landlord's commercially reasonable estimate of the fair rental value of the Premises for the same period (after giving effect to the time needed to relet the Premises), both discounted to present value at the rate equal to 2.75% in excess of the rate at which U.S. Treasuries are then yielding for a term closest to the scheduled Lease Expiration Date. In the event that Landlord chooses not to accelerate the amounts due as herein permitted, Tenant shall remain liable for any deficiency between Fixed Minimum Rent and other amounts received by Landlord upon reletting, if any, of the Premises as compared with the Fixed Minimum Rent and other amounts reserved which Landlord would have been entitled to receive over the unexpired portion of the Lease Term (or Renewal Term, if any). Tenant also shall not be entitled to receive any excess of any such rents collected over the rents reserved herein.

21.4 All rights and remedies of Landlord and Tenant set forth herein are in addition to all other rights and remedies available to Landlord or Tenant at law or in equity. All rights and remedies available to Landlord or Tenant hereunder at law or in equity are expressly declared to be cumulative. The exercise by Landlord or Tenant of any such right or remedy shall not prevent the concurrent or subsequent exercise of any other right or remedy. No delay in the enforcement or exercise of any such right or remedy shall constitute a waiver of any default by the other party hereunder or of any rights or remedies of a party hereto in connection therewith. Neither Landlord nor Tenant shall be deemed to have waived any default by the other hereunder unless such waiver is set forth in a written instrument signed by the party against such waiver shall be asserted. If either party waives in writing any default by the other, such waiver shall not be construed as a waiver of any covenant, condition, or agreement set forth in this Lease except as to the specific circumstances described in such written waiver.

21.5 If Landlord shall institute proceedings against Tenant and a compromise or settlement thereof shall be made, the same shall not constitute a waiver of the same or any other covenant, condition or agreement set forth herein nor of any of Landlord's rights hereunder unless otherwise agreed by Landlord and Tenant. Neither the payment by Tenant of a lesser amount than the installments of Fixed Minimum Rent, Additional Rent, or of any sums due hereunder nor any endorsement or statement on any check or letter accompanying a check for payment of rent or other sums payable hereunder shall be deemed an accord and satisfaction, and Landlord may accept such check or payment without prejudice to Landlord's right to recover the balance of such rent or other sums or to pursue any other remedy available to Landlord. No re-entry by Landlord, and no acceptance by Landlord of keys from Tenant, shall be considered an acceptance of a surrender of this Lease.

21.6 If Tenant defaults in the making of any payment or in the doing of any act herein required to be made or done by Tenant after the expiration of any notice and cure or grace period, then Landlord may, but shall not be required to, make such payment or do such act. If Landlord elects to make such payment or do such act, all costs and expenses incurred by Landlord, plus interest thereon at the rate per annum which is two percent (2%) higher than the "prime rate" or subsequent reference rate then published by the Wall Street Journal, from the date paid by Landlord to the date of payment thereof by Tenant, shall be immediately paid by Tenant to Landlord; provided, however, that nothing contained herein shall be construed as permitting Landlord to charge or receive interest in excess of the maximum legal rate then allowed by law. The taking of such action by Landlord shall not be considered as a cure of such default by Tenant or prevent Landlord from pursuing any remedy it is otherwise entitled to pursue in connection with such default.

Article XXII. Bankruptcy

22.1 The following shall be "Events of Bankruptcy" under this Lease: (a) Tenant or a Guarantor becoming insolvent, as that term is defined in Title 11 of the United States Code (the "Bankruptcy Code"), or under the insolvency laws of any state (the "Insolvency Laws"); (b) appointment of a receiver or custodian for any property of Tenant or a Guarantor, or the institution of a foreclosure or attachment action upon any property of Tenant or a Guarantor; (c) filing of a voluntary petition by Tenant or a Guarantor under the provisions of the Bankruptcy Code or Insolvency Laws; (d) filing of an involuntary petition against Tenant or a Guarantor as the subject debtor under the Bankruptcy Code or Insolvency Laws, which either (i) is not dismissed within sixty (60) days of filing, or (ii) results in the issuance of an order for relief against the debtor; (e) Tenant or a Guarantor making or consenting to an assignment for the benefit of creditors or a composition of creditors; or (f) Tenant or a Guarantor admitting in writing its inability to pay its debts as they mature.

Article XXIII. Subordination and Attornment

23.1 This Lease and all rights of Tenant hereunder shall be and are subject and subordinate at all times to any deeds of trust, mortgages, installment sale agreements and other instruments or encumbrances, as well as to any ground leases or primary leases, that now or hereafter cover all or any part of the Building, the Land or any interest of Landlord therein, and to any and all advances made on the security thereof, and to any and all increases, renewals, modifications, consolidations, replacements and extensions of any of such deeds of trust, mortgages, installment sale agreements, instruments, encumbrances or leases, as well as any substitutions therefor, all automatically and without the necessity of any further action on the part of Tenant to effectuate such subordination. Provided, however, that notwithstanding the foregoing, the party secured by any such deed of trust shall have the right to recognize this Lease, and in the event of any foreclosure sale under such deed of trust, this Lease shall continue in full force and effect at the option of the party secured by such deed of trust or the purchaser under any

such foreclosure sale, in which event Tenant shall attorn to such party secured by such deed of trust or purchaser and shall recognize such party secured by such deed of trust or purchaser as the Landlord under this Lease. Tenant shall, upon demand at any time execute, acknowledge and deliver to Landlord's mortgagee (including the beneficiary under any deed of trust) or other holder any and all reasonable instruments and certificates that, in the judgment of Landlord's mortgagee, may be necessary or proper to confirm or evidence such attornment. Upon such attornment such party secured by such deed of trust or purchaser shall not be (a) bound by any payment of Fixed Minimum Rent or Additional Rent more than one (1) month in advance, (b) bound by any amendment of this Lease made without the consent of the holder of the deed of trust existing as of the date of such amendment, (c) liable for damages for any breach, act or omission of any prior landlord, or (d) subject to any offsets or defenses which Tenant might have against any prior landlord; provided, however, that after succeeding to Landlord's interest, such party secured by such deed of trust or purchaser shall perform, in accordance with the terms of this Lease, all obligations of Landlord arising after the date of acquisition of title to the Building or the Land. Within fifteen (15) days after the request of Landlord's successor, Tenant shall execute, acknowledge, and deliver any requisite or appropriate reasonable document submitted to Tenant confirming such attornment. Landlord agrees to use commercially reasonable efforts to procure a non-disturbance agreement for Tenant's benefit from any existing and future mortgagee or ground lessor.

23.2 Tenant covenants and agrees that it will, at the written request of the party secured by any such deed of trust, execute, acknowledge and deliver any reasonable instrument that has for its purpose and effect the subordination of said deed of trust to the lien of this Lease. At the option of any landlord under any ground or underlying lease to which this Lease is now or may hereafter become subject or subordinate, Tenant agrees that neither the cancellation nor termination of such ground or underlying lease shall, by operation of law or otherwise, result in cancellation or termination of this Lease or the obligations of Tenant hereunder and Tenant covenants and agrees to attorn to such landlord or to any successor to Landlord's interest in such ground or underlying lease, and in that event, this Lease shall continue as a direct lease between Tenant herein and such landlord or its successor.

23.3 After receiving notice from any person, firm or other entity that it holds a mortgage or deed of trust or other interest on the Building or the Land, no notice from Tenant to Landlord alleging any default by Landlord shall be effective unless and until a copy of the same is given to such holder, provided that Tenant shall have been furnished with the name and address of such holder. Any such holder shall have thirty (30) days, or such additional time as may reasonably be necessary not to exceed sixty (60) days in the aggregate, after receipt of notice from Tenant of a default by Landlord under this Lease to cure such default before Tenant may exercise any remedy hereunder. The curing of any of Landlord's defaults by such holder shall be treated as performance by Landlord.

23.4 In the event that any lender providing construction or permanent financing or any refinancing for the Building or the Land requires, as a condition of such financing, that

modifications to this Lease be obtained, and provided that such modifications (i) are reasonable; (ii) do not adversely affect in a material manner Tenant's use of the Premises or parking as herein permitted; and (iii) do not increase the rent or other sums to be paid by Tenant hereunder, Landlord may submit to Tenant a written amendment to this Lease incorporating such required changes, and Tenant hereby covenants and agrees to execute, acknowledge, and deliver such amendment to Landlord within fifteen (15) days of Tenant's receipt thereof.

23.5 Tenant shall have the right to obtain financing in connection with this Lease and to record a mortgage in connection therewith, provided that such financing shall not encumber Landlord's fee interest in the Premises and provided that Landlord shall have the right to reasonably review such mortgage to confirm that it does not conflict with Landlord's mortgage or related financing documents. Landlord hereby waives any lien rights, whether arising out of statute or otherwise, in Tenant's property or any proceeds thereof.

Article XXIV. Holding Over

24.1 In the event that Tenant shall not immediately surrender the Premises on the Lease Expiration Date (or the expiration date of the Renewal Term, if any), Tenant shall become a Tenant by the month at one hundred fifty percent (150%) of the Fixed Minimum Rent in effect during the last month of the Lease Term (or Renewal Term as aforesaid), plus one hundred percent (100%) of all Additional Rent in effect during the last month of the Lease Term (or Renewal Term as aforesaid). Said monthly tenancy shall commence on the first day following the expiration of the Lease Term (or Renewal Term as aforesaid). Landlord agrees to prorate on a per diem basis any such amount in the case of a holdover of less than ten (10) days. As a monthly Tenant, Tenant shall be subject to all the terms, conditions, covenants and agreements of this Lease, except as to the amount of the monthly rent, which shall be in the amount specified in this Section 24.1. Tenant shall give to Landlord at least thirty (30) days' written notice of any intention to quit the Premises, and Tenant shall be entitled to thirty (30) days' written notice to quit the Premises, unless Tenant is in default beyond any applicable notice and cure period hereunder, in which event Tenant shall not be entitled to any notice to quit, the usual thirty (30) days' notice to quit being hereby expressly waived. Notwithstanding the foregoing provisions of this Section 24.1, in the event Tenant shall hold over after the expiration of the Lease Term (or Renewal Term as aforesaid), and if Landlord shall desire to regain possession of the Premises promptly at the expiration of the Lease Term (or Renewal Term as aforesaid), then at any time prior to Landlord's acceptance of rent from Tenant as a monthly tenant hereunder, Landlord, at its option, may forthwith reenter and take possession of the Premises without process, or by any legal process in force in the District of Columbia. Tenant shall also pay to Landlord all damages sustained by Landlord resulting from retention of possession by Tenant, including the loss of any proposed subsequent tenant for all or any portion of the Premises.

Article XXV. Quiet Enjoyment

25.1 Landlord covenants that it has the right to make and perform this Lease for the term aforesaid and to grant the estate demised, and that if Tenant shall pay all rent when due and punctually perform all of the covenants, terms, conditions and agreements of this Lease to be performed by Tenant, subject to any notice and cure or grace periods, Tenant shall have the right, during the Lease Term (and Renewal Term, if any) hereby created, to freely, peaceably and quietly occupy and enjoy the full possession of the Premises without molestation or hindrance by Landlord or any party claiming through or under Landlord, subject to the provisions of this Lease.

Article XXVI. Certain Rights Reserved by Landlord

26.1 Landlord hereby reserves to itself and its successors and assigns the following rights (all of which are hereby consented to by Tenant): (i) to change the street address and/or name of the Building (provided that if Landlord shall change the address of the Building, Landlord shall reimburse Tenant within thirty (30) days of written demand the reasonable costs incurred by Tenant to change its stationery, business cards, website and other materials designating its address) and/or the arrangement and/or location of entrances, passageways, doors, doorways, corridors, elevators, stairs, toilets, or other public parts of the Building and to change the design or configuration of the Building, but only to the extent required by any governmental authority; (ii) to decorate and make repairs, alterations, additions and improvements, whether structural or otherwise, in, to and about the Building and any part thereof, and, during the continuance of any of such work, to temporarily close doors, entry ways and common areas in the Building, and to interrupt or temporarily suspend Building services and facilities, all without affecting Tenant's obligations hereunder, so long as the Premises remain reasonably accessible to Tenant, Tenant's customers and business invitees; (iii) to alter, relocate, reconfigure and reduce the common areas of the Building, as long as the Premises remain reasonably accessible to Tenant's customers or business invitees and the Building continues to be maintained and have the appearance consistent with buildings of comparable age, quality and size in the District of Columbia; (iv) to alter, relocate, reconfigure, reduce and withdraw the common areas located outside the Building, including parking and access roads, but not so as to render the Premises reasonably inaccessible and so long as the Building continues to be maintained and have the appearance consistent with buildings of comparable age, quality and size in the District of Columbia; (v) to erect, use and maintain pipes and conduits in and through the Premises; and (vi) to grant to anyone the exclusive right to conduct any particular lawful business or undertaking in the Building. Landlord may exercise any or all of the foregoing rights without being deemed to be guilty of an eviction, actual or constructive, or a disturbance or interruption of the business of Tenant or of Tenant's use or occupancy of the Premises or giving rise to any claim for set-off, abatement of rent or otherwise. However, in connection with exercising such rights, Landlord shall: (w) cause all services to the Premises to continue with minimal interruption, (x) take reasonable steps to avoid any denial of access to the Premises and to avoid any denial of use of parking as provided in this Lease, (y) at Landlord's expense, move Tenant's entrance doorway, if access thereto is materially impaired, and

(z) if Landlord enters the Premises in connection with any of the foregoing matters, comply with clause (x) above. Landlord's exercise of the foregoing shall be consistent with other similar in size, class (as of the date of this Lease) and age buildings in Washington, D.C., and subject to Landlord's obligation not to modify or reduce in any substantial manner the facilities presently afforded tenants of the Building, or which would increase the costs to conduct normal office or education use within the Premises. Insofar as any such actions taken by Landlord hereunder, Landlord agrees to use commercially reasonable efforts to minimize any interference with the business operations of Tenant and its permitted subtenants or licensees. Landlord shall provide Tenant with ten (10) days' prior written notice to exercise any of its rights reserved hereunder.

Article XXVII. Financial Statements

26.1 Tenant agrees to provide to Landlord, within fourteen (14) days of request by Landlord, the most recent annual financial statements of Tenant, including balance sheets, income statements, and financial notes, to the extent that they are available, and annual tax returns ("Statements"). Tenant hereby consents to Landlord's release of the Statements, or disclosure of any information therein contained, to Landlord's subsidiaries, affiliates, lenders, advisors, joint venture partners, or potential purchasers of the Building for the purposes of evaluating Tenant's financial condition with respect to performance under this Lease or to any third party pursuant to any valid order of any governmental agency or court. Except as stated herein, Landlord shall keep the Statements confidential and shall not release or disclose any of the information therein contained to any third party. Notwithstanding the foregoing, Landlord shall not be permitted to request financial statements more than one (1) time every twelve (12) months. Tenant has provided its financial statements to Landlord as of the date of this Lease.

Article XXVIII. General Provisions

28.1 **No Representations.** Tenant acknowledges that neither Landlord nor any broker, agent or employee of Landlord has made any representations or promises with respect to the Premises or Building except as herein expressly set forth, and no rights, privileges, easements or licenses are acquired by Tenant except as herein expressly set forth. Any references herein to any extension or renewal of this Lease, or to any period during which Tenant may be in possession of the Premises after the expiration of the Lease Term (or Renewal Term, if any), shall not be deemed to imply that any such extension or renewal, or any such continuation by Tenant in possession of the Premises after the expiration of the Lease Term (or Renewal Term, if any), is contemplated or permitted hereby, except as may be specifically provided herein.

28.2 **No Partnership.** Nothing contained in this Lease shall be construed as creating a partnership or joint venture of or between Landlord and Tenant, or to create any other relationship between the parties hereto other than that of Landlord and Tenant.

28.3 **Broker.** Landlord agrees to pay a Leasing Commission to Demers Real Estate, Inc,

and Cresa, in accordance with the terms of a separate agreement executed by the Landlord.

28.4 Tenant Estoppel Certificates. Tenant agrees, at any time from time to time, upon not less than ten (10) business days' prior written notice by Landlord, to execute, acknowledge and deliver to Landlord a statement in writing (i) certifying that this Lease is unmodified and in full force and effect (or if there have been modifications, that the Lease is in full force and effect as modified and stating the modifications); (ii) stating the dates to which the rent and any other charges hereunder have been paid by Tenant; (iii) stating whether or not, to the best knowledge of Tenant's knowledge, Landlord is in default in the performance of any covenant, agreement or condition contained in this Lease and, if so, specifying the nature of such default; (iv) stating that, to the best of Tenant's knowledge, all Tenant work has been satisfactorily completed or, if not, providing a list of items excepted; (v) any other certification reasonably required by Landlord; and (vi) stating the address to which notices to Tenant are to be sent. Any such statement delivered by Tenant may be relied upon by any owner of the Building or the land upon which it is situated, any prospective purchaser of the Building or such land, any mortgagee or prospective mortgagee of the Building or such land or of Landlord's interest therein, or any prospective assignee of any such mortgagee.

28.5 Waiver of Jury Trial. LANDLORD AND TENANT EACH HEREBY WAIVE TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM BROUGHT BY EITHER OF THEM AGAINST THE OTHER IN CONNECTION WITH ANY MATTER ARISING OUT OF OR IN ANY WAY CONNECTED WITH THIS LEASE, THE RELATIONSHIP OF LANDLORD AND TENANT HEREUNDER, TENANT'S USE OR OCCUPANCY OF THE PREMISES, AND/OR ANY CLAIM OF INJURY OR DAMAGE.

28.6 Notices. All notices or other communications hereunder shall be in writing and shall be deemed duly given if hand-delivered in person (with receipt therefor), sent via facsimile, sent by established overnight commercial courier (such as Federal Express) with delivery charges prepaid, or sent by United States Mail, registered or certified, return receipt requested, postage prepaid, to the Notice Addresses for Landlord and Tenant set forth in Article I hereof. Either party, its agent or attorney, may change its address for the giving of notices by notice given in accordance with this Section 28.6.

Any notice, demand or request which shall be served upon either of the parties in the manner aforesaid shall be deemed sufficiently given for all purposes hereunder (i) at the time such notice, demand or request is hand-delivered in person or sent via facsimile, (ii) one (1) business day after such notice is delivered to an overnight commercial courier (e.g. Federal Express), or (iii) on the third day after the mailing of such notice, demand or request in accordance with this Section 28.6.

28.7 Enforcement of Law. If any provision of this Lease or the application thereof to any person or circumstances shall to any extent be invalid or unenforceable, the remainder of this Lease, or the application of such provision to persons or circumstances other than those as to which

it is invalid or unenforceable, shall not be affected thereby, and each provision of this Lease shall be valid and enforced to the fullest extent permitted by law.

28.8 Pronouns. Feminine or neuter pronouns shall be substituted for those of masculine form, and the plural shall be substituted for the singular number, in any place or places herein in which the context may require such substitution.

28.9 Successors and Assigns. The provisions of this Lease shall be binding upon, and shall inure to the benefit of, the parties hereto and each of their respective representatives, successors and assigns, subject to the provisions hereof prohibiting assignment or subletting by Tenant.

28.10 Entire Agreement. This Lease and the Exhibits hereto contain the entire agreement of the parties hereto, and no representations, inducements or agreements, oral or otherwise, not contained in this Lease shall be of any force or effect. This Lease may not be modified or changed in whole or in part in any manner other than by an instrument in writing duly signed by both parties hereto.

28.11 District of Columbia Law. This Lease shall be governed by and construed in accordance with the laws of the District of Columbia.

28.12 Section Headings. Article and section headings are used herein for the convenience of reference and shall not be considered when construing or interpreting this Lease.

28.13 No Offer. The submission of an unsigned copy of this document to Tenant for Tenant's consideration does not constitute an offer to lease the Premises or an option to or for the Premises. This document shall become effective and binding only upon the execution and delivery of this Lease by both Landlord and Tenant.

28.14 Multiple Counterparts. This Lease may be executed in multiple counterparts, each of which shall be deemed an original and all of which together shall constitute one and the same document.

28.15 Time of Essence. TIME IS OF THE ESSENCE IN TENANT'S CARRYING OUT EACH AND EVERY TERM AND PROVISION OF THIS LEASE.

28.16 Conflict. In the event of any conflict between the Lease and the Rules and Regulations of this Lease, this Lease shall prevail.

28.17 Execution by Tenant. If Tenant signs as a corporation or as a Limited Liability Company ("LLC"), each of the persons executing this Lease on behalf of Tenant does hereby covenant and warrant as an officer or manager of said corporation or LLC that Tenant is a duly authorized and existing corporation or LLC qualified to do business in the District of Columbia,

that said corporation or LLC has full right and authority to enter into this Lease, and that each and both of the persons signing on behalf of said corporation or LLC were authorized to do so.

28.18 Force Majeure. In the event that either party hereto shall be delayed or hindered in or prevented from the performance of any act required hereunder by reason of a labor strike, lockout, pandemic or epidemic, inability to procure materials, failure of power, riot, insurrection, war or other reason of a like nature not the fault of the party delayed in performing work or doing acts required under the terms of this Lease, then performance of such act shall be excused for a period equivalent to the period of such delay. The provisions of this Section 28.18 shall not operate to excuse Tenant from prompt payment of Fixed Minimum Rent, Additional Rent or any other payment required by the terms of this Lease.

28.19 No Construction of Lease Against Drafter. Should any provision of this Lease require judicial interpretation, it is agreed that the court interpreting or considering same shall not apply the presumption that the terms hereof shall be more strictly construed against a party by reason of the rule or conclusion that a document should be construed more strictly against the party who itself or through its agent prepared the same, it being agreed that all parties hereto have participated in the preparation of this Lease and that legal counsel was consulted by each party hereto (or opportunity for such legal consultation afforded to each party) before the execution of this Lease.

28.20 Counsel. Tenant hereby acknowledges that it has had the opportunity and has in fact had this Lease reviewed by its counsel of choice.

28.21 Termination Right. Notwithstanding anything to the contrary in this Lease, Landlord and Tenant acknowledge that Tenant is seeking Board Approval, which Tenant anticipates will be confirmed in March of 2024. Accordingly, Tenant shall have the option to terminate this Lease if Board Approval is not issued, by providing Landlord with written notice of such termination within ten (10) business days of the Board's decision. In any case, this Lease shall automatically terminate if Board Approval is not issued by April 30th, 2024.

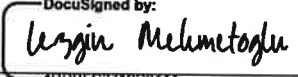
IN WITNESS WHEREOF, Landlord and Tenant have executed this Lease under seal on the day and year first above written.

WITNESS:

WITNESS:

LANDLORD:

DESA INVESTMENT, LLC,
a District of Columbia limited liability
company

By 
Lezgin Mehmetoglu, Manager

TENANT:

**DC WILD FLOWER PUBLIC
CHARTER SCHOOL**

By: *Rachel Kimboko*
Rachel Kimboko, Executive Director