LEASE AGREEMENT
BETWEEN
MONTGOMERY COUNTY, MARYLAND
AND
MONTGOMERY VOLUNTEER DENTAL CLINIC, INC.

DATED 8/10/01

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LEASE AGREEMENT

THIS LEASE AGREEMENT (the "Lease") entered into this 10th day of August, 2001, by and between, MONTGOMERY COUNTY, MARYLAND, (the "County") located at 101 Monroe Street, Rockville, Maryland, 20850 and MONTGOMERY VOLUNTEER DENTAL CLINIC, INC., ("Lessee") (the County and the Lessee together the "Parties".)

WITNESSETH:

In consideration of the rent hereinafter reserved, and the covenants hereinafter contained, the Parties mutually agree as follows:

1. PREMISES: The County leases to Lessee and Lessee hereby leases from the County the Leased Premises described as approximately 938 square feet of space known as rooms 107, 109, 111, 113, 114, 115 located at 14015 New Hampshire Avenue, Colesville, Maryland (the "Building"). The Leased Premises are outlined in red on "Exhibit A" attached hereto and made a part hereof (the "Leased Premises").

2. LEASE TERM: The term of this Lease shall be three (3) years, commencing on April 1, 2001, and terminating on March 31, 2004 and subject to the provisions contained in Paragraph 25 herein (the "Lease Term"). Lessee shall have the right to terminate this Lease by providing the County with written notice of Lessee's intent to terminate, no less than 120 days prior to termination, but only in the event Lessee's funding is reduced to the extent the continuation of the program is fiscally prohibited.

3. USE: Lessee covenants and agrees that the Leased Premises shall be used for the purposes of providing a non-profit dental clinic and for no other purpose whatsoever. Lessee shall not use nor permit said Leased Premises or any part thereof to be used for any disorderly or unlawful purpose. The use and occupation by the Lessee of the Leased Premises shall include the use in common with others of the common areas, parking areas, service roads, loading facilities, sidewalks, and other facilities as may be designated from time to time by the County, subject however to the terms and conditions of this Lease and to reasonable rules and regulations for the use thereof as prescribed from time to time by the County. The Common Areas shall at all times be subject to the exclusive control and management of the County; and the County shall have the right from time to time to change the area, level,

location and arrangement of the Common Areas, to restrict parking for the tenants and their employees to employee parking areas, and to make all rules and regulations and do such thing from time to time as in the County's sole discretion may be necessary for the proper operation of said Common Areas. "Common Areas" shall be defined as all that portion of building improvements excepting that area which is presently leased to Lessee or is hereafter to be leased to Lessee. Common areas shall include the parking areas provided by the County for the building, the public conveniences of the building, and all other areas in the building now or hereafter constructed and intended to be used in common by the Lessee and/or customers of the building.

4. CONSIDERATION: In consideration for the rights and obligations provided for herein by and among the parties hereto, it shall be the Lessee's obligation to keep the Premises in neat and habitable condition, to maintain them in a good state of repair, and to perform routine grounds keeping duties as set forth in paragraph 11(B) below. The Lessor does hereby lease the Premises to the Lessee for the monetary consideration of ten dollars per year ($10.00), payable within 30 days of the commencement of the lease year.

5. SERVICES AND OPERATING EXPENSES:

A. By the County: the County agrees to provide within the Leased Premises and the building of which they are a part, at the County's sole cost and expense the following:

~~i. All custodial services within the Leased Premises;~~

ii. Heating, air conditioning and all utilities (except telephone);

iii. All maintenance and repair of the ceiling, walls, floors, and doors, including locks and hardware.

iv. All maintenance and repair of heating and air conditioning systems; electrical systems and fixtures; plumbing systems and fixtures; roof, windows, structural systems and grounds and related site improvements, and

v. Routine trash removal and pest control.

B. By Lessee: Lessee agrees to provide within the Leased Premises at Lessee's sole cost and expense the following:

i. Telephone service;

ii. Notwithstanding the obligations of the County, Lessee will be responsible for damage to the structure, grounds or of any part of the building belonging to the County due to the willful or negligent acts of Lessee, Lessee's employees, patrons or agents. In the event of such damage, the Lessee shall make the necessary repairs or replacement to the satisfaction of the County. In the event Lessee does not repair/or replace within a reasonable time after notice from the County, the County may, but is not obligated to so act, enter upon the Leased Premises and make repairs at cost to be paid by the Lessee immediately on demand by the County.

6. LIABILITY, PROPERTY DAMAGE AND FIRE INSURANCE:

A. Lessee agrees to obtain and maintain, during the full term of this Lease, any extension thereof and until all of Lessee's obligations which survive termination of this Agreement have been completed, a policy of general liability insurance with a minimum limit of liability of $1,000,000 (one million dollars) for bodily injury and property damage, including fire legal liability in the same limit of $1,000,000 issued by an insurance company licensed in the State of Maryland and acceptable to the County.

B. Lessee agrees to obtain and maintain, during the term of the Lease, a policy of workers compensation and employers liability coverage in the amount of $100,000 for bodily injury by accident (each person) or by disease (each person) and $500,000 for bodily injury by disease (policy limits).

C. Property Insurance - The Lessee is required to provide evidence of property coverage for their owned contents and any improvements to the Leased Premises. Coverage shall be on a

replacement cost basis for "all risks of direct physical loss or damage except as specifically excluded." The County does not provide any coverage for tenant owned contents and improvements to the Leased Premises.

D. Lessee's general liability policy must list Montgomery County as additional insured and all insurance policies obtained by the Lessee as required by this Lease must provide that Lessee will give Montgomery County written notice of amendment, cancellation, termination, or non-renewal, no later than 45 days prior to amendment, cancellation, termination, or non-renewal.

E. Lessee shall, within ten (10) days from execution of this Lease, deliver to the County a certificate(s) of insurance evidencing the coverage required above. The certificate(s) must be issued to Montgomery County, Maryland, c/o Department of Facilities and Services, 101 Orchard Ridge Road, Suite 200, Gaithersburg, Maryland 20878. Lessee shall be solely responsible for payment of premium for all of Lessee's Insurance. The limits of Lessee's insurance shall in no event limit Lessee's liability under the Lease, at law, or in equity.

F. If a casualty or other occurrence which should be covered by the insurance required by this Lease shall occur, Lessee shall look solely to its insurer for reimbursement and Lessee shall cause such insurance to be so written that Lessee's insurer waives all rights of subrogation and shall have no cause of action against the County or its agents or employees as a result of such casualty or other occurrence. Lessee hereby waives and releases all right of recovery which it might otherwise have against the County or its agents and employees by reason of any loss or damage resulting from such casualty or other occurrence, to the extent that Lessee would be covered by insurance if Lessee had complied with the requirements of this paragraph.

7. ACCESS: Lessee without prior notice from the County will allow the County or the County's agents or employees to have access to the Leased Premises at all reasonable times for the purpose of routine inspection, or in the event of fire or other property damage, or for the purpose of performing any maintenance and repairs the County may in its sole discretion consider necessary or desirable.

8. ALTERATIONS:

A. Lessee will not make any alterations, additions, or improvements of any kind to the Leased Premises without the County's prior written consent, which consent shall not be unreasonably withheld. All alterations, additions, or improvements made by either of the Parties upon the Leased Premises shall become the property of the County and shall remain upon and be surrendered with the Leased Premises upon the termination of this Lease without cost to the County. Lessee shall, with the County's prior written consent, have the right to install any furniture or office machinery necessary in the conduct of its business within the Leased Premises, and the same shall remain the property of the Lessee, and may be removed by Lessee upon the termination of this Lease. Upon removal of Lessee's property, Lessee at its sole expense shall repair any damage to the Leased Premises caused by such removal so that the Leased Premises are in substantially the same condition as at the commencement of the lease term, reasonable wear and tear excepted.

B. The County reserves and shall at all times have the right to alter any and all utilities, and related equipment, serving the Leased Premises. Lessee shall execute and deliver to the County without delay such documentation as may be required by the County concerning any alteration.

9. NOTICE OF DEFECTS: Within three (3) business days, Lessee shall provide the County with notice of accidents on or damages to the structure, equipment, or fixtures of the Leased Premises, or defects in the roof, plumbing, electric and heating systems;

10. LEASE NOT ASSIGNABLE: This Lease may not be sold, assigned or transferred at any time by Lessee.

11. LESSEE'S COVENANTS: Lessee covenants and agrees:

A. Lessee shall indemnify, defend and hold the County and the County's other tenants, agents, and employees (collectively, the "Indemnities) harmless from and against all liabilities, obligations, damages, judgments, penalties, claims, costs, charges and expenses, including, without limitation, reasonable architects and attorneys fees, which may be imposed upon, incurred by, or asserted against any of the Indemnities and arising, directly or indirectly, out of or in connection with (i) Lessee's breach of its obligations under this Lease, (ii) the acts or negligence of Lessee, it agents, contractors, and employees in the Building or on the Leased Premises and (iii) the use or occupancy of the Leased Premises by Lessee's invitees while within the Leased Premises, and by Lessee, its agents, servants, employees, and contractors. In case any action or proceeding is brought against any of the Indemnities by reason of any of the foregoing, Lessee shall reimburse to the County the cost of defending such action or proceeding or, upon the County's written demand and at Lessee's sole cost and expense, the Lessee must defend such action and proceeding by counsel approved by the County.

B. Not to strip or overload, damage or deface the Leased Premises or any part of the Building, including by way of example and not of limitations the hallways, stairways, elevators or other approaches to the Leased Premises.

C. Not to suffer or permit any trade or occupation to be carried on or use made of the Leased Premises outside of the scope of this lease (Paragraph 3) which shall be unlawful, noisy, offensive or injurious to any person or property, including by way of example and not of limitations, to increase the danger of fire or make void or voidable any insurance on the Building.

D. Not to move any furniture or equipment which is the property of the County into or out of the Leased Premises without the County's prior consent.

E. Not to place upon the exterior of the Building or the Leased Premises any placard, sign, covering or advertising matter, except such and in such place as shall have been first approved in writing by the County. The County's approval shall not be unreasonably withheld. Lessee further agrees to maintain in good condition and repair at all times such sign, awning, canopy, decoration, lettering and advertising matter as may be approved. Any of said items so installed without such written approval and consent might be removed by the County at Lessee's expense. The Lessee must pay the County for any expenses incurred by the County under this paragraph immediately on demand by the County.

F. To conform to all rules and regulations from time to time established by appropriate insurance rating organizations, and to comply with all reasonable rules and regulations from time to time established by the County and provided to the Lessee.

12. DESTRUCTION OF LEASED PREMISES:

A. LESS THAN SUBSTANTIAL DAMAGE:

In the event of less than substantial damage or destruction of the Leased Premises by fire or any other casualty, this Lease shall not be terminated, but the Leased Premises shall be promptly and fully repaired and restored as the case may be by the County at its own cost and expense. Due allowance, however, shall be given for reasonable time required for adjustment and settlement of insurance claims, and for such other delays as may result from government restrictions, and controls on construction, if any, for strikes, national emergencies and other conditions beyond the control of the County. The County will proceed at its expense and as expeditiously as may be practicable to repair the damage. Less than substantial damage is defined as damage to the Leased

Premises which equals less than twenty-five percent (25%) of the cost of replacement.

B. SUBSTANTIAL DAMAGE:
In the event of substantial damage or destruction of the Leased Premises, the County may at its sole option decide not to repair or restore the Leased Premises or the Building, in which event, the County may terminate this Lease, by giving Lessee a written notice of its intention to terminate this Lease within ninety (90) days after the date of the casualty. The County will pay no compensation or claim, for inconvenience, annoyance, or disruption of or injury to the Lessee's business, arising from the necessity of repairing the Leased Premises or any portion of the Building. Substantial damage is defined as damage to the Leased Premises, which equals more than twenty-five percent (25%) of the cost of replacement.

13. DELIVERY OF THE LEASED PREMISES: Lessee covenants that upon the expiration or other termination of this Lease, Lessee will remove all of Lessee's goods and effects from the Leased Premises and will yield the Leased Premises and all keys, locks and other fixtures connected therewith (except trade fixtures and other fixtures belonging to Lessee) to the County, in good repair, order and condition in all respects, except for reasonable wear and use or lack of repair that is the responsibility of the County. In the event of the termination of the Lease in accordance with Paragraph 12, the condition of the Leased Premises at termination will be accepted by the County in an "as is" condition. Any trade fixtures or other personal property remaining in the Leased Premises after expiration or termination of this Lease will be the property of the County.

14. DEFAULT: If Lessee fails or neglects to keep and perform each and every one of the terms of this Lease, and such failure or neglect continues for more than thirty (30) days, after written notice from the County specifying the default, then at the option of the County, the Lessee's right of possession shall immediately end. In the event Lessee fails to vacate the Leased Premises, the Lessor and its assigns may proceed to recover possession under the laws of the State of Maryland. If Lessee vacates, abandons or ceases to continuously operate the Leased Premises as required by this Lease for a period of 30 days or more, then

the Lessee will be deemed to be in default of the terms of this Lease without further notice from the County.

Upon the occurrence of any default by the Lessee under this Lease, the County shall have the immediate right to terminate this Lease and be entitled to all the rights and remedies available at law or in equity. The County shall have a duty to mitigate damages resulting from the event of Lessee vacating prior to the end of the Lease Term.

15. RULES AND REGULATIONS: The County may from time to time promulgate rules and regulations pertaining to the use of the Leased Premises by Lessee. Existing Rules and Regulations are attached to this Lease as Exhibit B, and incorporated into the Lease. Lessee will be required to comply with and observe any and all reasonable rules and regulations adopted by the County and provided to the Lessee. In the event of a conflict between the Rules and Regulations and the Lease, the Lease is controlling. Lessee's failure to keep and observe Rules and Regulations adopted by the County shall constitute a breach of the terms of this Lease.

16. QUIET POSSESSION: Contingent on the performance of all covenants, conditions and agreements herein contained to be performed by Lessee, Lessee shall at all times during the term of this Lease and extensions thereof, have the peaceable and quiet enjoyment and possession of the Leased Premises for the purposes stated in this Lease without interruption by the County or anyone lawfully claiming through or under the County.

17. STATUTORY PROVISIONS: It is understood, agreed and covenanted by and between the Parties that the Parties will promptly comply with, observe and perform all of the requirements of all statutes, ordinances, rules, orders and regulations now in effect or hereinafter promulgated whether required by the Federal government, the State of Maryland, Montgomery County, or any local government.

18. WAIVER: The waiver at any time by either of the Parties of any particular covenant or condition of this Lease shall extend to the particular case only, and for the particular time and in the particular manner specified, and such waiver shall not be construed or understood as waiving any further or other rights of any character whatever.

19. NON-DISCRIMINATION: Lessee agrees to comply with the non-discrimination in employment policies in County contracts as required in Section 11B-33 and

Section 27-19 of the Montgomery County Code 1994 as amended, as well as all other applicable state and federal laws and regulations regarding employment discrimination. The Lessee assures the County that in accordance with applicable law, it does not, and agrees that it will not discriminate in any manner on the basis of age, color, creed, national origin, race, religious belief, sexual preference or disability.

20. CONTRACT SOLICITATION: Lessee represents that it has not retained anyone to solicit or secure this Lease from the County, upon an agreement or understanding for a commission, percentage, brokerage or contingent fee, except for bona fide employees or bona fide established, licensed commercial selling or leasing agencies maintained by the Lessee for the purpose of securing business or an attorney rendering professional legal services consistent with applicable canons of ethics.

21. PUBLIC EMPLOYMENT: Lessee understands that unless authorized under Section 11B-52 and Chapter 19A of the Montgomery County Code 1994, as amended, it is unlawful for any person transacting business with the County, to employ a public employee for employment contemporaneous with his or her public employment.

22. EMINENT DOMAIN: In the event the Leased Premises or any part thereof shall be taken by any governmental or quasi-governmental authority pursuant to the power of eminent domain, Lessee shall make no claim for compensation in the proceeding, and thereby assigns to the County any rights which Lessee may have to any portion of any award made as a result of such taking.

23. MEDICAL WASTES:

(i)To the extent Tenant's Permitted Use of the Premises in any way involves the handling, use, disposal and/or processing of medical waste, including but not limited to (A) human or animal tissue, blood, urine and/or other body fluids, materials and/or biological byproducts, and (B) medical supplies (such as, but not limited to, used syringes, gauze and bandages, etc.) (hereinafter, collectively, "Medical Waste"), Tenant shall be solely responsible for the proper use, storage, removal and disposal of same from the Premises. Tenant shall make arrangements with a reputable and duly licensed deposal company or contractor for the proper disposal of Medical Waste, in accordance with lawfully permitted methods of Medical Waste disposal, and Tenant shall pay all costs associated with such disposal. Tenant shall not place any Medical Waste in any of the Common Areas without Landlord's prior consent. In its processing, use and disposal of Medical Waste, Tenant shall

comply with all applicable laws, regulations and ordinances governing the generation, use, processing and disposal thereof, as well as any additional requirements which Landlord may reasonably establish from time to time by written notice to Tenant.

(ii)Tenant shall bear all costs and liability resulting from the presence of Medical Waste which is caused or permitted by Tenant (or Tenant's agent, employees or contractors) in, on or under the Premises, (including without limitation, liability arising from the transportation of Medical Waste to or from the Premises, Building and/or Project and the cleanup of Medical Waste therefrom.)

(iii)Subject to Section 4.2(E), Tenant shall Indemnify Landlord and its Agents from and against any and all claims, losses, damages, liabilities and expenses (including reasonable attorneys' fees) incurred, suffered or sustained by (or brought against) Landlord arising from or associated with: (I) the acts or omissions of Tenant, its agents, employees or contractors with respect to the presence of Medical Waste at the Premises and the Building (including without limitation, liability arising from the transportation of Medical Waste to or from the Premises or the cleanup of Medical Waste); (ii) the storage and disposal of Medical Waste by Tenant, its agents, employees or contractors; or (iii) Tenant's operations at the Premises related to the processing, use and disposal of Medical Waste. This indemnification shall survive termination of the lease

24. HOLDOVER: Lessee shall have no right to holdover and continue to occupy the Leased Premises without first obtaining prior written permission of the County. Any holdover rights to the Leased Premises, which are negotiated, are subject to all applicable terms and conditions of this Lease Agreement.

25. ENTIRE AGREEMENT: It is further understood and agreed that this Lease contains the entire agreement between the Parties and shall not be modified in any manner except by an instrument in writing duly executed by the Parties.

26. TERMINATION FOR CONVENIENCE OF THE GOVERNMENT: Performance under this Lease may be terminated in whole or in part, whenever the Chief Administrative Officer of Montgomery County shall determine that termination of this Lease is in the best interest of Montgomery County. Termination hereunder shall be effected by delivery to the Lessee of written Notice of Termination not less than thirty (30) days prior to

the date on which the termination is to become effective. Upon termination of this Lease, the attached service contract will automatically terminate.

27. MAIL NOTICES: All notices required or desired to be given hereunder by either party to the other shall be given by certified or registered mail, postage prepaid, addressed to the County or Lessee, respectively. Notices to the respective parties shall be addressed as follows:

THE COUNTY:
Montgomery County, Maryland
Division of Facilities & Services.
Leasing Management
101 Orchard Ridge Drive, 2nd Floor
Gaithersburg, Maryland 20878

LESSEE:
MONTGOMERY VOLUNTEER
DENTAL CLINIC, INC.
14015 New Hampshire Avenue
Colesville, Maryland 20904

27. GOVERNING LAW: This Agreement and the performance thereof shall be governed, interpreted, construed, and regulated by the laws of the State of Maryland.

SIGNATURE PAGE FOLLOWS

EAR: tm/h: users51/ear/montgomery volunteer dental clinic, inc.

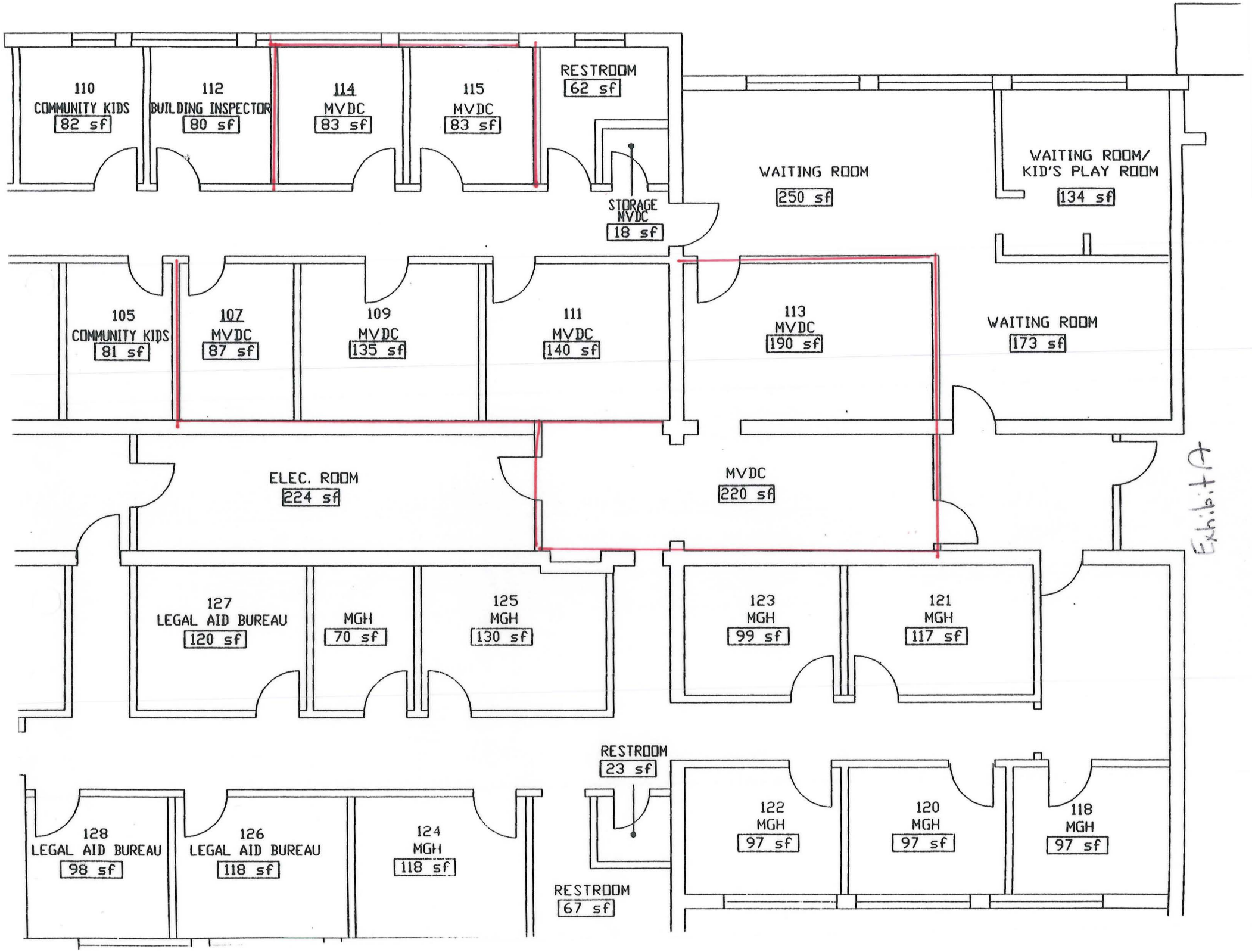
110
COMMUNITY KIDS
82 sf
112
BUILDING INSPECTOR
80 sf
114
MVDC
83 sf
115
MVDC
83 sf
RESTROOM
62 sf
STORAGE
MVDC
18 sf
WAITING ROOM
250 sf
WAITING ROOM/
KID'S PLAY ROOM
134 sf
105
COMMUNITY KIDS
81 sf
107
MVDC
87 sf
109
MVDC
135 sf
111
MVDC
140 sf
113
MVDC
190 sf
WAITING ROOM
173 sf
ELEC. ROOM
224 sf
MVDC
220 sf
127
LEGAL AID BUREAU
120 sf
MGH
70 sf
125
MGH
130 sf
123
MGH
99 sf
121
MGH
117 sf
RESTROOM
23 sf
128
LEGAL AID BUREAU
98 sf
126
LEGAL AID BUREAU
118 sf
124
MGH
118 sf
RESTROOM
67 sf
122
MGH
97 sf
120
MGH
97 sf
118
MGH
97 sf

Exhibit A

IN WITNESS WHEREOF, the Parties have executed this Lease under seal on the date first written above.

WITNESS:

John Edenrode
Board member

By: George Grillon DMD
President

LESSOR:
MONTGOMERY COUNTY, MARYLAND a body corporate and politic and a political subdivision of the State of Maryland

By: William M. Mooney
William M. Mooney, Assistant Chief Administrative Officer

Rebecca S Domarak

Date: 8/10/01

ATTEST:

By: Susan W Polydorff RDH
Corporate Secretary

LESSEE:
MONTGOMERY VOLUNTEER DENTAL CLINIC, INC.

By: George Grillon DMD

Title: President

Date: 7/12/01

APPROVED AS TO FORM AND LEGALITY
OFFICE OF THE COUNTY ATTORNEY

By: Eileen T. Brasman

Date: 5/18/2001

RECOMMENDED

By: _____
J. Ronald Smith, Chief
Facilities Services Section

Date 8/2/01

EAR:tm/h:user51/ear/montgomery volunteer dental clinic, inc.