LEASE AGREEMENT

BETWEEN

4848 CORDELL AVENUE PARTNERSHIP

AND

MONTGOMERY COUNTY, MARYLAND

DATED 9/5/95

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LEASE AGREEMENT

THIS AGREEMENT, entered into this 5th day of June, 1995, by and between, 4848 Cordell Avenue Partnership, hereinafter jointly referred to as "Lessor" and MONTGOMERY COUNTY, MARYLAND, a body corporate and politic, hereinafter referred to as "Lessee".

WITNESSETH:

WHEREAS, the LESSOR is the owner of property located at 4848 Cordell Avenue, Bethesda, Montgomery County, Maryland (also identified as Lot 587 in the subdivision known as "Woodmont" as recorded in plat 4402, Plat Book 55) and comprising approximately 4,000 square feet of space; and

WHEREAS, the LESSEE under authority of Article 25A of the Annotated Code of Maryland, has authority to acquire by purchase, lease, or otherwise, property required for and in furtherance of public purposes; and

WHEREAS, the LESSEE desires to operate an Emergency Shelter facility, and an office and/or health clinic on the property; and

WHEREAS, appropriate notice of the terms of the proposed Lease has been made, in accordance with the provisions of Article 25A, 5(B) of the Annotated Code of Maryland;

NOW, THEREFORE, in consideration of the covenants hereinafter contained, the parties hereto mutually agree as follows:

1. PREMISES: Lessor does hereby lease and demise unto Lessee the premises described as 4848 Cordell Avenue, Bethesda, Montgomery County, Maryland (the same being Lot 587 in the subdivision known as "Woodmont" as is recorded in plat 4402, Plat Book 55, among the Land Records of the State of Maryland) and comprising approximately 4,000 square feet of space.

2. TERM: The term of this Lease shall be five (5) years, commencing on June 1, 1995, and terminating on the thirty-first day of May, 2000. After the end of the second lease year, Lessee shall have the right to terminate this Lease and all obligations hereunder, on the last day of any month, by providing to Lessor one hundred twenty (120) days' notice of Lessee's intention to terminate.

3. RENT: Annual rental payment for the first Lease year shall be EIGHTY-FOUR THOUSAND AND NO/100 ($84,000.00) DOLLARS payable in equal monthly installments of SEVEN THOUSAND AND 00/100 ($7,000.00) DOLLARS. All payments are to be made in advance on the first day of each month during each lease year at the offices of 4848 Cordell Avenue Partnership, 11151 Viers Mill Road, Wheaton, Maryland 20902, Attn: Steven J. Rotter, or at such other location as may be from time to time directed by Lessor.

4. RENT ADJUSTMENT: It is agreed between the parties that the base rent payable by the Lessee as set forth in Paragraph 3 hereinabove shall be adjusted at the beginning of the second (2nd) lease year, and each year thereafter, based on an increase of two and one half percent (2.5) of the previous year's base rent.

5. REAL ESTATE TAXES:

(A) Lessee agrees to pay to Lessor the real estate taxes which are levied or imposed by lawful taxing authorities against the land and improvements comprising the leased premises each year of the lease term.

(B) "Real estate taxes" shall be deemed to mean all taxes, rates and assessments, general and specific, levied or imposed with respect to the land and improvements comprising the leased premises, including all taxes, rates and assessments, general and specific, levied or imposed for schools, public betterment, general or local improvements and operations, and taxes imposed in connection with any special taxing district.

(C) Lessor shall forward to Lessee an annual statement setting forth the amount of Real Estate taxes (as hereinbefore defined) levied or imposed against the land and improvements which comprise the leased premises within ten days of Lessor's receipt of the Real Estate tax billings. Lessors' annual statement to Lessee shall contain copies of Real Estate tax billings. Lessee shall pay to Lessor, upon receipt of the Lessor's statement, but in no event more than 30 days after receipt of Lessor's statement, the total amount of real estate taxes. Lessee shall not be responsible for any late charges imposed against Lessor by the taxing authorities.

6. USE AND OCCUPANCY: Lessee covenants and agrees that said premises shall be used and occupied only for the purposes of office and/or health clinic activities, including but not limited to, an Emergency Shelter facility, and for other purposes not more

hazardous or objectionable by reason of fire or otherwise. Lessee shall have the right to occupy and use the premises twenty-four hours a day, seven days a week.

7. ACCESS: Lessee will allow Lessor or Lessor's agents to have access to the premises at all reasonable times for the purpose of inspection or in the event of fire or other property damage, or for the purpose of performing any maintenance and repairs Lessor may consider necessary or desirable.

8. SERVICES: Lessee shall provide at its sole cost and expense all utilities; housekeeping and janitorial services; trash, snow and ice removal; pest control; and for the repair and maintenance of mechanical, electrical and plumbing systems and fixtures, and for all other routine maintenance and repairs to the premises and property. Lessor shall be responsible for repairs to the roof, structure and foundation. Lessor shall also be responsible for "major repairs" to the mechanical, electrical and plumbing systems. "Major repair" is defined as any single repair to any of the foregoing building elements that cost in excess of $2,500.00. Lessor, however, shall not be responsible for any major repair if the necessity of such repair is caused by the negligence of the Lessee, or its employees, agents or invitees. In the event Lessor fails to respond in a reasonable period of time to correct major maintenance and repair problems, Lessee shall have the right to correct these problems and deduct the cost thereof from the rent, provided that Lessor shall have the right to obtain its own cost estimate from a reputable and bondable contractor for the maintenance and repairs identified and corrected by Lessee. If Lessors cost estimate is less than the cost incurred by Lessee, Lessee may deduct only the amount of the Lessor's cost estimate from the rent.

9. CONSTRUCTION: The leased premises are accepted "as configured". No construction will be required.

10. ALTERATIONS: Lessee will not make any alterations, additions, or improvements of a structural nature to the premises without the Lessor's written consent, which consent shall not be unreasonably withheld. All alterations, additions, or improvements made by either of the parties hereto upon the premises shall become the property of the Lessor and shall remain upon and be surrendered with the premises at the termination of this lease. Lessee shall with Lessor's written consent, have the privilege of installing any signs, fixtures, furniture or machinery necessary in the conduct of its business within the demised premises, and the same shall remain the property of the Lessee, and may be removed by Lessee upon the termination of this lease. Notwithstanding any language to the contrary contained in the foregoing, Lessee shall at its sole cost and expense, restore the premises to the condition it was in at the time it assumed occupancy, normal wear and tear

expected, if the Lessor shall so request, including the removal of any alterations, addition or improvement installed by Lessee or at Lessee's request, when Lessee vacates.

11. NOTICE OF DEFECTS: Lessee shall provide Lessor with prompt notice of accidents or damages to the premises and prompt notice of any major repair that it desires to have Lessor undertake.

12. ASSIGNMENT AND SUBLEASING: Lessee shall not have the right to transfer possession or occupancy of the leased premises, nor sublet or assign this lease to any person or persons without the written consent of the Lessor. The Lessor must be satisfied as to the desirability and financial stability of the proposed sub-lessee or assignee. Lessor's consent shall not be unreasonably or unduly withheld.

13. PROPERTY DAMAGE AND LIABILITY INSURANCE:

(A) Tenant shall obtain and maintain, during the full term of this Agreement and any extension thereof, a policy of public liability insurance with bodily injury limits of TWO HUNDRED THOUSAND ($200,000.00) DOLLARS for injury (or death) to one person. FIVE HUNDRED THOUSAND ($500,000.00) DOLLARS per occurrence, and property damage insurance with a limit of ONE HUNDRED THOUSAND ($100,000.00) DOLLARS.

(B) Tenant agrees that it will not keep in or upon the Leased Premises any article which may be prohibited by the standard form of fire or hazard insurance policy. In the event Tenant's articles causes any increase in the insurance premiums for the Leased Premises or any part thereof, Tenant shall pay the Additional premiums as they become due. Tenant has the right to review the Landlord's policy(ices) premium and rates.

(C) Tenant agrees to hold harmless and hereby indemnifies Landlord, from and against any and all claims, actions, damages, liability and expense in connection with loss of life, personal injury and/or damage to property arising from or out of any occurrence, or occasioned wholly or in part by any act or omission of Tenant or its employees at or upon the Premises, or the occupancy or use by Tenant, of the Premises or any part thereof, or the Tenant's use of the exterior areas designated by Landlord for the comfort and convenience of Tenant. Tenant shall not,

however, be liable for damage or injury occasioned by the negligence or willful violation of this Lease by Landlord or its agents.

(D) All the furnishings, fixtures, equipment, effects and property of every kind, nature and description belonging to Tenant or to any Tenant person claiming by, through or under Tenant which, during the continuance of this Lease of any occupancy of the Premises by Tenant or anyone claiming under Tenant, shall be at the sole risk of Tenant, shall be at the sole risk of Tenant, and if the whole or any part thereof shall be destroyed or damaged by fire, water or otherwise, or by the leakage or bursting of water pipes, steam pipes, or other pipes, by theft, or from any other cause, no part of said loss or damage is to be charged to or to be borne by Landlord unless due to the negligence of Landlord or Landlord's failure to comply with its obligations hereunder.

(E) Tenant shall deliver to Landlord a certificate of insurance evidencing the coverage hereinabove described within (30) days from execution of this Agreement. Tenant reserves the right to self insure. Tenant and Landlord hereby waive any right of subrogation against the other to the extent that the liability arises from a cause covered by insurance and only to the extent of the insurance proceeds recovered, and provided that the parties' insurance policies permit such a waiver.

14. DESTRUCTION OF PREMISES: If during the term of this lease the building is so damaged by fire and or otherwise that the demised premises are rendered wholly unfit for occupancy and the demised premises cannot be repaired within ninety (90) days from the event of such injury, then this lease shall cease and terminate from the date of said injury, provided that the Lessee is given written notice within (30) days after said casualty. In such case, Lessee shall pay rent apportioned to the date of such damages and shall surrender the demised premises to the Lessor. If the casualty is such that the demised premises can be repaired within ninety (90) days thereafter, Lessor shall enter and repair at Lessor's expense, with reasonable promptitude, and this lease shall not be affected except that rent shall be abated while such repairs are being made. In case of damage(s) which shall not render the demised premises unfit for occupancy, this lease shall not be affected, but Lessor may enter upon, and shall repair the said premises with reasonable promptitude.

15. DELIVERY OF THE PREMISES: Lessee covenants, at the expiration or other termination of this lease, to remove all goods and effects from the demised premises not the property of Lessor, and to yield to Lessor the demised premises and all keys, locks and other fixtures connected therewith (except trade fixtures and other fixtures belonging to Lessee), in good repair, order and condition in all respects, reasonable wear and use thereof and damage by fie or other casualty and damage from any risk to which Lessee is not herein expressly made liable excepted.

16. DEFAULT:

(A) By Lessee: If the rent, or any installment thereof, shall remain unpaid after it becomes due and payable, within ten (10) days after written notice having been made to the Lessee for same, or if Lessee of his assigns shall fail or neglect to keep and perform each and every one of the terms of this lease, and such failure to neglect continues for more than thirty (30) days (or such period as may reasonably be required to correct the default with exercise of due diligence), after written notice from the Lessor specifying the default, then at the option of the Lessor, the Lessee's right of possession shall thereupon end and the Lessor and his assigns may proceed to recover possession under the laws of Maryland. Lessor shall also have the option of terminating the lease and may avail himself of any and all other legal remedies available to Lessor.

(B) By Lessor: If the Lessor or his assigns shall fail or neglect to keep and perform each and every one of the covenants, conditions, and agreements contained herein, and such failure or neglect is not remedied within thirty (30) days (or such period as may reasonably be required to correct the default with exercise of due diligence) after written notice from the Lessee of his assigns specifying the default, then the Lessee or his assigns, at Lessee's options may terminate this lease and/or pursue any legal remedies available to Lessee.

17. HOLDOVER: In the event Lessee continues to occupy the demised premises or any part thereof after the conclusion of the term of this lease, Lessee's tenancy shall be deemed to be upon a month-to-month basis. The tenancy thus created shall be subject to all applicable terms and conditions of this lease, excepting the expiration date hereof, and can be terminated by either party providing the other not less than thirty (30) days' written notice, to expire on the day of the month from which the tenancy commenced to run.

18. QUIET POSSESSION: Contingent on the performance of all covenants, conditions and agreements herein contained to be performed on Lessee's part, Lessee shall at all times during the term of this lease have the peaceable and quiet enjoyment and possession of the Leased Premises for the purposes herein cited.

19. STATUTORY PROVISIONS: It is understood, agreed and covenanted by and between the parties hereto that the Lessor and Lessee, each at his own expense, will promptly comply with, observe and perform all of the requirements of all the statutes, ordinances, rules, orders and regulations now in effect or hereinafter promulgated whether required by Federal Government, State of Maryland, Montgomery County Government, or Montgomery County Fire Marshal's Office, and whether required of the Lessor of the Lessee.

20. WAIVER: The waiver at any time by the Lessor or Lessee 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 whatsoever.

21. NON-DISCRIMINATION: Lessor agrees to comply with the non-discrimination in employment policies in County contracts as required by Section 11B-3 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 Landlord assures the County that in accordance with applicable laws, 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 handicap.

22. NON-APPROPRIATION: This lease shall terminate automatically on July 1 of any year for which Montgomery County Council fails to make an appropriation of funds to pay the rent herein stated. Lessee shall give Lessor at least thirty (30) days written notice of the lack of appropriation. The Lessee shall not make or be entitled to any claim for reimbursement of any kind, whether for improvements or prepaid items.

23. CONTRACT SOLICITATION: Lessor represents that it has not retained anyone to solicit or secure this lease from Montgomery County, Maryland, 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 Tenant for the purpose of securing business or an attorney rendering professional legal service consistent with applicable canons of ethics.

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

25. CONDEMNATION: In the event that the premises, or any part thereof, or more than twenty-five percent (25%) of the building of which the Leased Premises are a part is taken or condemned for public use or purpose by any competent authority, Lessee shall have no claim against the Lessor and shall not have any claim or right to any portion of the amount that may be awarded as damages or paid as a result of any such condemnation; and all rights of the Lessee to damages therefore, if any, are hereby assigned by the Lessee to the Lessor. Upon such condemnation or taking, the term of this lease shall cease and terminate from the date of such governmental taking or condemnation and the Lessee shall have no claim against the Lessor for the value of any unexpired term of this lease. The foregoing notwithstanding, Lessee shall be entitled to claim, prove and receive in the condemnation proceedings such awards as may be allowed for relocation expenses and for fixtures and other equipment installed by Lessee which shall not, under the terms of this Lease, be or become the property of Lessor at the termination hereof, but only if such an award is made by condemning authorities in addition to and stated separately from the award made for the land and the building or parts thereof so taken.

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

27. SUBORDINATION: Lessor shall have the absolute right to encumber the premises set forth in this lease and the lease, at the option of Lessor, shall be subordinate to such encumbrance or encumbrances. Lessee agrees to sign all papers for subordination when requested, provided such subordination shall be upon the express condition that the lease shall be recognized by the holder of the encumbrance and the rights of Lessee shall remain in full force and effect during the initial lease term or any extension thereof, notwithstanding any default by the Lessor with respect to the conditions of said encumbrance or any foreclosure thereof, so long as there shall be no default on Lessee's part of any of the covenants and conditions of this lease. In the event of a sale or transfer of the title to the aforesaid land and premises, any transferee shall be entitled to have this lease subordinated to the lien and effect of any first deed of trust or mortgage to secure purchase money. Lessee agrees to execute any subordination documents required by Purchaser, subject only to the reservations recited in this paragraph.

28. BENEFIT AND BURDEN: 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.

29. 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, in accordance with paragraph 3 hereof. Notices to the respective parties shall be addressed as follows:

LESSOR:

4848 Cordell Avenue Partnership
11151 Viers Mill Road
Silver Spring, Maryland 20910

LESSEE:

Montgomery County Government
Dept. of Facilities & Services
Office of Real Estate Management
110 N Washington Street, Room 318
Rockville, Maryland 20850

(Signature Page Follows)

IN WITNESS WHEREOF, the parties hereto have caused this agreement to be properly executed.

WITNESS:

By: _____

LESSOR:
4848 CORDELL AVENUE
PARTNERSHIP

By: _____

Title: _____

Date: 6/5/95

WITNESS:

By: _____

LESSEE:
MONTGOMERY COUNTY,
MARYLAND

By: _____
Gordon Aoyagi, Senior Assistant
Chief Administrative Officer

Date: 6/03/95

APPROVED AS TO FORM & LEGALITY
COUNTY ATTORNEY'S OFFICE

By: _____

RECOMMENDED BY:

By: _____
Gloria W. Kratz, Chief
Real Estate Management

Date: June 1, 1995

Date: 6/27/95

GR. HOME DISK\4848COR.LSE