

Non-Residential Lease Amendment #2 – Contraction and Second Extension at 7-1 Metropolitan Court

This lease amendment is dated on or about the 18 day of May 2017 and is between HALCYON ASSOCIATES, LLC (Landlord), a Maryland limited liability company and successor to Halcyon Associates, and the tenant, namely, MONTGOMERY COUNTY, MARYLAND (County), a body corporate and politic and a political subdivision of the State of Maryland. Landlord and the County (collectively, the “Parties”) agree as follows:

Article #1 Recitals

Parties state that:

a) By the initial lease document, dated on or about December 12, 2006, the County leased the original premises now known as 7-1 Metropolitan Court, Gaithersburg, Maryland 20878. The original premises is deemed to contain gross rentable area of 7,200 square feet.

b) By amendment #1, dated on or about June 13, 2010, the original premises was expanded and the term extended. The expanded premises is deemed to contain gross rentable area of 9,000 square feet. The term for the expanded premises was extended through January 31, 2017.

c) The County is in possession of the expanded premises and the term by amendment #2 is deemed to be extended through May 31, 2017.

d) The purposes of this amendment are, *inter alia*, (1) contract the area of the premises and (2) extend the term of the contracted premises.

Article #2 Priority

This lease now comprises the initial document as amended and this amendment. This amendment supersedes the initial document as amended but clauses in the initial document as amended that are not changed in this amendment remain unchanged and in force. Some unchanged clauses are repeated for convenience.

Article #3 Premises

The Premises is hereby reduced to the original premises, namely the non-residential space now known as 7-1 Metropolitan Court, Gaithersburg, Maryland 20878 and deemed to contain gross rentable area of 7,200 square feet.

Article #4 Second Extension

The term is hereby extended for a period of SEVEN non-calendar years and FOUR months. The starting date is June 1, 2017 and the scheduled termination date is September 30, 2024.

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Article #5 Rent

#5.1 Payments. The County shall (a) pay rent to Landlord without any deduction, set-off, notice, demand, or unless stated otherwise, invoice; and (b) send money to Landlord's present depository or to another party or address as Landlord may direct by written notice on one or more occasions. Rent may be paid by electronic funds transfer (EFT). If an EFT arrangement is not in effect, then Landlord's depository is now at:

Halcyon Associates, LLC
c/o Standard Properties, Inc.
5500 MacArthur Boulevard, N. W.
Washington, D. C. 20016

#5.2 Schedule. The County shall (a) pay monthly base rent installments in advance by the first day of each calendar month and (b) for this extension, pay base rent of \$1,347,888.00 (exclusive of additional rent, if any) by this schedule:

Second Extension Base Rent Installment Schedule

Period	Period starting date	No. of months	Monthly base rent installment (\$)	Period base rent (\$)
Lease year #11 part "A"	June 1, 2017	4	0.00	0.00
Lease year #11 part "B"	October 1, 2017	12	14,659.00	175,908.00
Lease year #12	October 1, 2018	12	15,099.00	181,188.00
Lease year #13	October 1, 2019	12	15,552.00	186,624.00
Lease year #14	October 1, 2020	12	16,018.00	192,216.00
Lease year #15	October 1, 2021	12	16,499.00	197,988.00
Lease Year #16	October 1, 2022	12	16,994.00	203,928.00
Lease year #17	October 1, 2023	12	17,503.00	210,036.00
Total base rent (exclusive of additional rent)				\$1,347,888.00

Article #6 Improvements

#6.1 Landlord's Work. Landlord shall provide and pay for the following Landlord's Work only; there is no other Landlord's Work. Except as noted, Landlord's Work will be Building Standard for general use. The extent and quality of Building Standard improvements will be reasonably

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determined by Landlord. If any building code requires upgrades because of the nature of the County's activities, then the County shall pay the cost premium only. Some Landlord's Work is already completed. Landlord shall:

a) Install two handicapped parking spaces in a location mutually agreed-on, including but limited to concrete work, sidewalk curb cuts, ramps and paving as required, signs, striping, and restriping of parking spaces.

#6.2 Timing. Landlord shall use reasonable efforts to complete this work within 30 days of full lease signing.

Article #7 Effects of Contraction

#7.1 Real Estate Taxes. The County shall pay increases in real estate taxes for GRA of 7,200 square feet as stated in articles #7 and #8 in the original lease document.

#7.2 Parking. The County's parking allocation, namely 29 spaces, is as stated in paragraph 6.D. Parking, in the original lease document.

Article #8 General

#8.1 Prior Options Void. In the initial document as amended, any options to extend the term are void.

#8.2 Third-party Brokers. Pertaining to this amendment, Landlord and the County state that they have not dealt with third-party real estate agents or brokers.

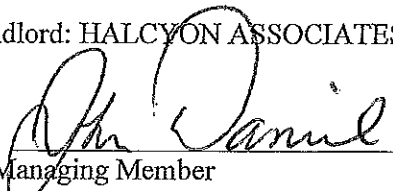
#8.3 Delivery Required. This amendment (a) is not an offer, option, nor reservation and (b) is binding only on both execution and delivery by both Landlord and the County.

This is the end of Article #8. Article #9, Signatures, follows next.

Article #9 Signatures

IN WITNESS WHEREOF, the Parties hereto have caused this Lease to be properly executed.


Landlord: HALCYON ASSOCIATES, LLC

By: 
Managing Member

Printed: JOHN DANIEL

Date signed: 5/11/2017

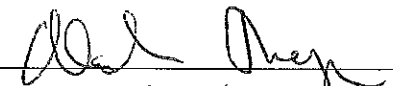
Tenant: MONTGOMERY COUNTY, MARYLAND

By: 
Ramona Bell-Pearson
Asst. Chief Administrative Officer

Date signed: 5/18/17

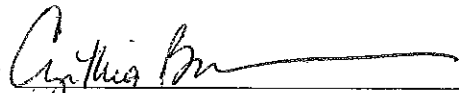
APPROVED AS TO FORM AND LEGALITY

OFFICE OF THE COUNTY ATTORNEY

By: 

Date signed: 5/3/2017

RECOMMENDED:

By: 

Cynthia L. Brenneman, Director
Office of Real Estate
Dept. of Public Works and Transportation

Date signed: 5/3/17

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