

LEASE AGREEMENT
BETWEEN
MONTGOMERY COUNTY, MARYLAND
AND
CRUSADER BAPTIST CHURCH OF GOD

DATED 11/17/92

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LEASE AGREEMENT

THIS LEASE AGREEMENT (hereinafter referred to as "Lease"), entered into this 17th day of November, 1992 by and between MONTGOMERY COUNTY, MARYLAND, a body corporate and politic (hereinafter referred to as "Lessor") and CRUSADER BAPTIST CHURCH OF GOD (hereinafter referred to as "Lessee").

WITNESSETH:

WHEREAS, the COUNTY is the owner in fee simple of a certain parcel of ground situate and lying in Montgomery County, Maryland, comprising approximately 1.78 acres and generally known as the Former Lincoln School, located in Rockville, Maryland (hereinafter referred to as the PROPERTY); and

WHEREAS, the PROPERTY was transferred to the County by the Board of Education of Montgomery County, Maryland through deeds dated September 30, 1991 and October 30, 1992, upon a determination by the Board of Education of Montgomery County, Maryland that the PROPERTY was no longer needed for public school purposes, and in accordance with Section 4-114 of the Education Article, Annotated Code of Maryland; and

WHEREAS, the COUNTY determined that it had no immediate need for the PROPERTY; and

WHEREAS, by Resolution No. 12-619, adopted April 21, 1992, the County Council for Montgomery County, Maryland, sitting as the District Council, approved the making of a lease to the Crusader Baptist Church of God with some space set aside for a museum,

NOW, THEREFORE, in consideration of the covenants hereinafter contained, and for other good and valuable consideration as hereinafter provided, the parties hereto mutually agree as follows:

1. PREMISES:

(A) Lessor does hereby lease and demise unto Lessee the premises described as a portion of the former Lincoln School, 595 North Stonestreet Avenue, Rockville, Maryland, (hereinafter referred to as "Leased Premises"). The Leased Premises shall include the buildings, walkways, parking lot, driveway and land contiguous to the buildings, as outlined in red on Exhibit A attached hereto and made a part hereof.

(B) Several buildings on the East side of the property are currently leased to "Old House Parts" under a month to month lease. Lessor shall give one month notice of termination to "Old House Parts" upon execution of this lease. Lessor will use its best efforts to assure that Old House Parts promptly vacates the premises. The Crusader Baptist Church of God's occupancy and enjoyment of this portion of the premises will begin when this tenant shall have vacated the premises.

2. TERM: The term hereby created shall be ten (10) years, commencing 11/17/1992, 1992 and expiring at midnight on 11/6/2002, 2002.

3. EARLY TERMINATION:

(A) In the event substantial unanticipated capital expenses arise, Lessee shall have the right to vacate the premises, and terminate the Lease upon 240 days notice.

(B) The Lessor shall have the right to recover possession if, in the sole judgment of the Lessor, the Lessee is not maintaining the premises to reasonable standards. This right will not be unreasonably exercised by Lessor.

4. CONSIDERATION:

(A) Lessor and Lessee acknowledge that the Leased Premises are in substandard condition, however, it is clearly understood that the Leased Premises are conveyed "as is". In consideration, herefore, Lessee agrees to restore the Leased Premises, including all improvements therein, to a habitable condition and to maintain them in a good state of repair throughout the term of this Lease and any extension thereof. Lessee agrees to keep the Leased Premises clean and neat in appearance at all times, and to keep grass trimmed, leaves raked and removed, trees treated and shrubbery pruned as necessary to maintain them in good condition and appearance.

(B) As additional consideration, Lessee shall pay to Lessor an annual rental of TEN AND 00/100 (\$10.00) DOLLARS, the receipt of which is hereby acknowledged for the entire term. Lessee is not entitled to any rebate of this acknowledged payment in the event of early termination. It is further understood that Lessor and Lessee acknowledge that actual and substantial consideration for this Lease is the repair, restoration and maintenance of the building and surrounding premises to be performed by Lessee at its sole expense, as provided hereinabove.

5. USE OF THE PREMISES: The premises shall be used for religious activities and may be used for museum, educational purposes and related activities, including day care and for no other purposes. There shall be no commercial food preparation on the premises. Any food prepared, cooked or served on the premises must be directly related to the above approved activities. The number of children or other occupants shall not violate any public health, safety or fire regulations, or any other County, State or Federal law or regulation.

6. ASSIGNMENT AND SUBLEASING:

(A) Lessee shall not be entitled to and shall not assign this Lease or sublease all or any part of the Leased Premises without the Lessor's express written consent thereto which consent shall not be unreasonably withheld. However, it is not necessary to obtain Lessor's consent to assign or sublease a portion of the premises for use as a museum.

(B) The Lessor's written consent to prospective sublessees or assignees shall be obtained in the following manner:

(i) The Lessee shall submit to Lessor copies of the proposed occupancy or sublease agreements, a description of the activities of the proposed sublessees or assigned and any other information pertinent to the proposed subleasee's or assignee's use and occupancy.

(ii) The Lessor shall respond in writing not later than sixty (60) days after receipt of the information cited in Article 6(B) (i) hereinabove.

(C) The Lessor and Lessee agree that the subleasing or assigning of all or any portion of the premises by the Lessee shall have as its primary goal the recovery of reasonable operating

expenses incurred by Lessee in the operation, maintenance and administration of the Leased Premises. The Lessee therefore agrees that any rental amounts charged to sublessees within the premises shall be limited to the sublessees prorated share of actual operating, maintenance and administrative expenses incurred by Lessee, plus an increment for actual rental paid by the lessee to the Lessor in accordance with the provisions of Article 4 hereinabove.

(D) In the event Lessor accepts and approves any assignment, sublease or transfer, Lessee shall nonetheless remain responsible for the payment of all sums and the performance of all obligations required of the Lessee.

7. PARKING: Lessee shall be entitled to full use of the parking facilities which are a part of the Leased Premises. Church or school vehicles, including buses, may be parked on the premises. No disabled vehicles may be stored or repaired on the premises. Lessee shall, at Lessee's risk and expense, be responsible for the ongoing maintenance, including but not limited to repaving, restriping, lighting, cleaning, ice and snow removal and repair of said parking facilities.

8. CAPITAL IMPROVEMENTS:

(A) Capital Improvements and Structural Alterations:

Lessee shall be responsible for all capital repairs and maintenance to the Leased Premises. The Lessor shall incur no responsibility, financial or otherwise, for these capital and non-capital expenses. The cost of any such alterations or improvements shall be borne solely by the Lessee.

(B) Consent of Lessor:

Lessee shall not undertake any alterations, changes or improvements to the Leased Premises without the prior written consent of the Lessor, which consent shall not be unreasonably withheld. Once Lessor's consent has been obtained, Lessee shall be responsible for the acquisition of any and all necessary permits and for the observance of all building and zoning ordinances and regulations then in effect. Failure to adhere to any previously approved plans, applicable ordinances or regulations shall be deemed to be a violation of this Lease.

(C) Lessor's Approval and Inspection:

In order to secure Lessor's approval of any structural alterations or improvements, Lessee shall submit to Lessor plans and specifications clearly setting forth the work to be performed. Lessor shall respond in writing within 45 days from receipt of plans and specifications. Lessor shall inspect the premise upon completion of the work to determine adherence to submitted specifications and compliance with applicable codes and regulations. In the event that the completed work is not reasonably satisfactory to Lessor, Lessee shall undertake any necessary corrections, at Lessee's risk and expense.

(D) Liens:

Lessee shall not do or suffer anything to be done whereby the Leased Premises shall be encumbered by any lien, including mechanic's liens. Lessee expressly covenants and agrees that it will, during the term hereof, within 60 days after the filing thereof, promptly remove or release, by the posting of a bond or otherwise, as required or permitted by law, any lien attached to or upon said premises or any portion thereof by reason or any act or omission on the part of Lessee, and hereby expressly agrees to save and hold harmless the Lessor from and against any such lien or claim of lien. In the event any such lien does attach, or any claim of lien is made against said Leased Premises, which may be occasioned by any act or omission upon the part of Lessee, and shall not be thus released within sixty (60) days after notice thereof, Lessor, in its sole discretion (but nothing herein contained shall be construed as requiring it so to do), may pay and discharge the said lien and relieve the said Leased Premises from any such lien, and Lessee agrees to pay and reimburse Lessor upon demand for or on account of any expense which may be incurred by Lessor in discharging such lien or claim, or, the Lessor, at the Lessor's election, may insist that the Lessee remove any such lien at the Lessee's expense.

9. OPERATING EXPENSES:

(A) Lessee shall be responsible for all utilities and operating expenses relating to the use and occupancy of the Leased Premises, including but not limited to all maintenance and repair of building and equipment, fixtures, roof, windows, electrical systems, utilities, janitorial services, refuse removal, snow and ice removal or treatment, grounds

maintenance, telephones, security, maintenance and repair of heating and air conditioning systems, plumbing systems, pest control, asbestos removal or containment, the inspection, testing and, if necessary, removal of any underground tanks now or formerly used for oil or fuel storage, and any other expense incurred by virtue of the Lessee's use and operation of the Leased Premises.

- (B) It is anticipated that the water line serving this property and the Board of Education facilities on the west side of North Stonestreet Avenue will be submetered. This will allow the proper water and perhaps sewer charges for the demised property to be determined. These charges will be billed to the Lessor. The Lessor will then look to the Lessee for reimbursement.

10. FIXTURES AND EQUIPMENT: All items which are attached to the building, or are a part of the building's systems at the time the building is delivered to Lessee, shall remain with the building and shall be delivered to Lessee along with the building. All moveable partitions and trade fixtures installed within the Leased Premises at Lessee's expense shall remain the property of Lessee and may be removed by Lessee at the expiration or other termination of this Lease. Lessee shall, however, repair any damage caused directly by reason of said removal. Plumbing, electrical and heating fixtures and all other fixtures (not trade fixtures) installed by the Lessee shall remain in the premises at end of term. Any personal property remaining within the Leased Premises after termination by the Lessee shall become property of the Lessor. The Lessor shall dispose of any such property in the manner it deems appropriate.

11. LIABILITY, PROPERTY DAMAGE AND FIRE INSURANCE:

- (A) Lessee agrees to obtain and maintain, during the full term of this Lease, a policy of liability insurance with minimum bodily injury limits of FIVE HUNDRED THOUSAND AND NO/100 (\$500,000.00) DOLLARS for an accident or death to one person, and ONE MILLION AND NO/100 (\$1,000,000.00) DOLLARS for each occurrence, and property damage limits of at least ONE HUNDRED THOUSAND AND NO/100 (\$100,000.00) DOLLARS for each occurrence, issued by an insurance company licensed in the State of Maryland and acceptable to Lessor.

- (B) Lessee agrees to obtain and maintain, during the term of this Lease, a policy of Fire, Extended Coverage and Vandalism insurance on the Leased Premises with minimum limits of at least ONE HUNDRED THOUSAND AND NO/100 (\$100,000.00) DOLLARS for each occurrence.
- (C) Lessee is responsible for fire, theft and vandalism insurance on the contents of the Leased Premises.
- (D) Lessor shall maintain Lessor's normal fire and liability insurance on the Leased Premises. Lessor reserves the right to self-insure. Lessor and Lessee agree to waive any right of subrogation against the other.
- (E) Lessee shall, within thirty (30) days from execution of this instrument, deliver to Lessor the said policies or certificates of insurance, evidencing the coverage hereinabove stated.

12. HOLD HARMLESS: Lessee agrees to hold harmless and defend the Lessor from any and all claims of liability, actions, damages and expenses arising out of or related to Lessee's use or possession of the premises, including play fields and play areas, occasioned wholly or in part by any act or omission of Lessee, its agents, contractors, guests or employees, except such claims as may be occasioned by the negligent acts or omissions of the Lessor, the Lessor's employees, agents and contractors. Lessee further specifically agrees to hold Lessor harmless and defend Lessor from any claim of public liability made in connection with any construction or installation of equipment within the Leased Premises, notwithstanding that any such construction or equipment may or may not be deemed to be a part of the premises hereinabove described.

13. RESPONSIBILITIES OF LESSEE: Lessee covenants and agrees as follows:

- (A) Lessee shall not keep gasoline or other flammable material or any explosive within the Leased Premises which will increase the rate of fire insurance on the Leased Premises beyond the ordinary risk established for the type of operations described in Paragraph 5 hereof. Any such increase in the insurance rate due to the above, or due to Lessee's special operations within the Leased Premises, shall be borne by

Lessee. Lessee shall not willfully do any act or thing in or about the Leased Premises which may make void or voidable any insurance on the Leased Premises, and Lessee agrees to conform to all rules and regulations established from time to time by the Lessor, the Maryland Insurance Rating Bureau, or any other authority having jurisdiction over such matters.

- (B) Lessee shall not use or allow to be used the Leased Premises or any part thereof for any illegal, unlawful or improper purpose or for any activity which will constitute a nuisance to adjacent properties or the adjacent neighborhood.
- (C) Lessee shall not place upon the Leased Premises any placard, sign, lettering or awning except such, and in such place and manner as shall have been first approved in writing by Lessor. Lessor's approval shall not be unreasonably withheld.
- (D) Lessee acknowledges that all responsibilities of Lessee relating to the use or misuse of the Leased Premises and anything therein shall be construed to include use or misuse thereof by Lessee's agents, employees, patrons and sublessees.
- (E) Lessee shall comply with all reasonable rules and regulations with regard to the use of the Leased Premises that may be from time to time promulgated by Lessor, and any violation of said rules and regulations shall be deemed to constitute a violation of this Lease. It is understood that such rules and regulations shall not interfere with or prevent the intended uses of the demised premises as set forth in this Lease.
- (F) Lessee covenants at the expiration or other termination of this Lease to remove all goods and effects from the Leased Premises not the property of the Lessor and to yield to Lessor the Leased Premises and all keys, locks and other fixtures connected therewith (except trade fixtures belonging to Lessee) in good repair, order and condition in all respects, reasonable wear and use thereof and damage by fire or other casualty and damage from any risk for which Lessee is not herein expressly made liable excepted.

14. DESTRUCTION OF PREMISES: In the event that the Leased Premises are destroyed or damaged from whatever cause so as to render all or a substantial portion of the premises unfit for the purposes for which the premises were leased, and the repair of said destruction or damage cannot reasonably be accomplished by Lessee within ninety (90) days from the date of such damage, Lessee and Lessor shall each be entitled to terminate this Lease by written notice to the other within thirty (30) days after the destruction or damage occurred, and Lessee shall not be entitled to any compensation or payment from Lessor for the value of any remaining term of the Lease, including reimbursement for any capital or non-capital improvements made by Lessee to the Leased Premises.

15. DEFAULT:

- (A) Lessee shall be considered in default of this Lease upon the occurrence of any of the following:
- (i) Failure to perform under any term, covenant or condition of this Lease and the continuance thereof for thirty (30) days after written notice from Lessor specifying said failure.
 - (ii) The commencement of any action or proceeding for the dissolution or liquidation of Lessee, or for the appointment of a receiver or trustee of Lessee's property, and the failure to discharge any such action within thirty (30) days.
 - (iii) The making of any assignment for the benefit of Lessee's creditors.
 - (iv) The abandonment of the Leased Premises by Lessee.
- (B) In the event that the Lessee shall be found in default as hereinabove stated, and shall fail to cure said default within thirty (30) days after written notice from the Lessor (or such period as may be reasonably required to correct the default with exercise of due diligence), then and in every such case thenceforth, at the option of the Lessor or Lessor's assigns, the Lessee's right of possession shall thereupon end, and the Lessor may proceed to recover possession under the laws of the State of Maryland, and Lessor shall be entitled to any other remedy which is provided by law.

16. EMINENT DOMAIN:

(A) In the event that the Leased Premises shall be taken by any governmental or quasi-governmental authority pursuant to its power of eminent domain, Lessee shall not be entitled to recover from Montgomery County any capital expenditures for improvements and betterments made by Lessee to the Leased Premises at the Lessee's expense and shall make no further claim for compensation or assert any other right which Lessee may have to any portion of any award made as a result of such governmental taking.

(B) Nothing contained hereinabove shall be construed to preclude Lessee from claiming, proving and receiving, in a separate claim filed by Lessee against the authority exercising the power of eminent domain, such sums to which the Lessee may be entitled as compensation, provided that such a separate claim does not interfere with or reduce the Lessor's award.

17. ACCESS: Lessee shall allow Lessor and Lessor's employees or agents to have access to said Leased Premises at all reasonable times and after reasonable notice for the purpose of inspection, or in the event of fire or other property damage, or for the purpose of performing any work required to be performed by Lessor, or which Lessor considers necessary or desirable, or for any other purpose pursuant to the reasonable protection of the Leased Premises. Lessee shall not alter or change the exterior locks installed on the premises without approval, and in the event of an approved change, shall provide Lessor with keys to the facility.

18. SURRENDER OF POSSESSION: Lessee covenants, at the expiration or other termination of this Lease, to remove all goods and effects from the Leased Premises not the property of Lessor, and to yield up to Lessor the Leased Premises and all keys, locks and other fixtures connected therewith (except trade fixtures belonging to Lessee), in good repair, order and condition in all respects, reasonable wear and use thereof and damage by fire or other casualty and damage from any risk with respect to which Lessee is not herein expressly made liable excepted.

19. HOLDOVER: In the event that the Lessee shall continue to occupy said Leased Premises or any part thereof after the conclusion of the term of this Lease, the tenancy thus created shall be deemed to be upon a month-to-month basis and may be terminated by either party giving the other not less than sixty (60) days' written notice, to expire on the day of the month from which the tenancy commenced. During any month-to-month tenancy, both parties shall continue to observe all agreements and covenants contained in this Lease.

20. NOTICE OF DEFECTS: Lessee shall give to Lessor prompt written notice of accidents in or damages to the Leased Premises.

21. QUIET POSSESSION: Lessor covenants and agrees that, if Lessee shall perform all the 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 leased without hindrance from any person or persons whomsoever. Lessee acknowledges that a holdover tenant may continue to occupy a portion of the premises as described in Paragraph 1(B) herein, and that Lessor will use its best efforts toward granting quiet possession to Lessee of the entire Leased Premises.

22. COMPLIANCE WITH LAWS: It is understood, agreed and covenanted by and between the parties hereto that Lessee, at Lessee's expense, will promptly comply with, observe and perform all of the requirements of all of the statutes, ordinances, rules, orders and regulations now in effect or hereinafter promulgated whether required by the Federal Government, State of Maryland, Montgomery County Government, Montgomery County Department of Environmental Protection or Montgomery County Fire Marshal's Office. The foregoing shall not be construed to preclude the Lessee from exercising its legal right to contest the validity of legislation through judicial process, provided that the Lessee shall continue to fully comply with the provisions of this paragraph pending the outcome of the Lessee's efforts.

23. 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 successors, assignees or representatives.

24. DISPUTES: Lessor and Lessee agree that any dispute concerning a question of fact arising under this Lease which is not resolved by agreement of the parties shall be decided by the Chief Administrative Officer of Montgomery County, who shall notify the parties in writing of the determination made. The Lessee and Lessor shall be afforded an opportunity to be heard and offer evidence in support of their respective positions. Pending final decision of a dispute hereunder, Lessee and Lessor shall proceed diligently with the performance of all provisions under this Lease Agreement. The decision of the Chief Administrative Officer shall be final and conclusive. This paragraph does not preclude consideration of questions of law in connection with the aforesaid decisions.

25. WAIVER: No waiver of any breach of any covenant, condition or agreement herein contained shall operate as a waiver of the covenant, condition or agreement itself or of any subsequent breach thereof.

26. NON-DISCRIMINATION: Tenant 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 1984, as amended, as well as all other applicable state and federal laws and regulations regarding employment discrimination. The Tenant 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 handicap.

27. CONTRACT SOLICITATION: Lessee represents that Lessee 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, excepting for bona fide employees or bona fide established commercial, selling or leasing agencies maintained by Lessee for the purpose of securing business or an attorney rendering professional legal services consistent with applicable canons of ethics.

28. PUBLIC EMPLOYMENT: Lessee understands that unless authorized under Sections 11B-46 or 11B-54 of the Montgomery County Code 1984, as amended, 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.

29. MAILING NOTICES: All notices required or desired to be given hereunder by either party to the other shall be given by certified or registered mail and shall be deemed to be effective when received or refused by the addressee. Notices to the respective parties shall be addressed as follows:

LESSEE:

CRUSADER BAPTIST CHURCH OF GOD
595 North Stonestreet Avenue
Rockville, Maryland

LESSOR:

MONTGOMERY COUNTY, MARYLAND
Dept. of Facilities & Services
Office of Real Estate Management
110 N. Washington St., Suite 318
Rockville, Maryland 20850

30. PROHIBITION OF HAZARDOUS SUBSTANCES: The Lessee agrees not to store or bring hazardous substances onto the premises. The Lessee shall be responsible for any personal injuries or personal and real property damage as a result of any hazardous substance being brought on the premises by the Lessee, its agents, contractors, employees or guests.

31. HISTORY MUSEUM:

(A) The Lessee has agreed to make a portion of the building available for use as an ethnic museum. The frame portion of the building, as shown in Exhibit B, will be made available for this purpose. The Lessee may charge the museum operators, on a pro-rata basis, for utilities, maintenance, housekeeping and capital repairs and betterments.

(B) This use of a portion of the property is contingent upon the museum being in and remaining in compliance with all governmental requirements, including zoning requirements of the City of Rockville.

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

WITNESS:

By: Kathy Barber

LESSOR:

MONTGOMERY COUNTY, MARYLAND

By: Alastair McArthur
Alastair McArthur, Deputy
Chief Administrative Officer

Date: 11/17/92

WITNESS:

By: Geraldine Payton
Geraldine Payton
Corporate Secretary

LESSEE:

CRUSADER BAPTIST CHURCH OF GOD

By: Rodney T. Davis
Rodney T. Davis
Pastor and Founder

Date: _____

APPROVED AS TO FORM AND LEGALITY
OFFICE OF THE COUNTY ATTORNEY

By: [Signature]
Date: 8/3/92

RECOMMENDED:

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

Date: 11-9-92

4658G