ntroduced
Public Hearing ————
Council Action —
Executive Action ————
Effective Date

# **County Council of Howard County, Maryland**

2017 Legislative Session Legislative Day No. 7

#### Bill No. 35 -2017

Introduced by: The Chairperson at the request of the County Executive

AN ACT pursuant to Section 612 of the Howard County Charter, approving a multi-year Amendment to Full Service Office Building Lease Agreements between Howard County, Maryland and PR FPR North Ridge, LLC, a Delaware limited liability company, for the lease of Suite 204 and Suite 209, both in the building located at 2850 North Ridge Road, Ellicott City; authorizing the County Executive to make changes to the Amendment, under certain conditions; authorizing the County Executive to execute the Amendment; and generally relating to the Amendment.

Having been posted and notice of time & place of hearing & title of Bil second time at a public hearing on	order Jessica Feldmark, Administrator
second time at a public hearing on	
second time at a public hearing on	Jessica Feldmark, Administrator
	order
This Bill was read the third time on, 2017 and Passed _	Jessica Feldmark, Administrator
	, Passed with amendments, Failed
By	order  Jessica Feldmark, Administrator
	Jessica Feldmark, Administrator
Sealed with the County Seal and presented to the County Executive for	r approval thisday of, 2017 at a.m./p.m.
Ву	order
·	Jessica Feldmark, Administrator
Approved/Vetoed by the County Executive, 20	17

NOTE: [[text in brackets]] indicates deletions from existing law; TEXT IN SMALL CAPITALS indicates additions to existing law; Strike out indicates material deleted by amendment; Underlining indicates material added by amendment

1	WHEREAS, 2850 North Ridge Road Associates, LLC, was the owner of
2	approximately 5.3 acres of real property located at 2850 North Ridge Road, Ellicott City
3	which is improved by a 3-story office building (the "Office Building"); and
4	
5	WHEREAS, 2850 North Ridge Road Associates, LLC assigned its interests,
6	including leases in 2850 North Ridge Road, to PR FPR North Ridge, LLC; and
7	
8	WHEREAS, Howard County, Maryland leases a portion of the second floor of the
9	Office Building containing approximately 7,067 square feet of rentable area commonly
10	known as Suite 204 pursuant to a Full Service Office Building Lease Agreement, attached
11	as Exhibit 1; and
12	
13	WHEREAS, Suite 204 is used as the Child Advocacy Center by the Family Crimes
14	and Sexual Assault Division within the Department of Police (aka the Child Advocacy
15	Center) and the initial term of the Full Service Office Building Lease Agreement was for
16	one year and expired on June 30, 2012; and
17	
18	WHEREAS, the initial Lease for Suite 204 has been renewed five times for one
19	year terms and the latest renewal term pursuant to a Fifth Renewal to Full Service Office
20	Building Lease Agreement, attached as Exhibit 2, is set to expire on June 30, 2017; and
21	
22	WHEREAS, Howard County, Maryland leases a portion of the second floor of the
23	Office Building containing approximately 1,570 square feet of rentable area commonly
24	known as Suite 209 pursuant to a Full Service Office Building Lease Agreement, attached
25	as Exhibit 3; and
26	
27	WHEREAS, Suite 209 is used as the Domestic Violence Center by the Domestic
28	Violence Section of the Family Crimes and Sexual Assault Division within the Department
29	of Police and the initial term of the Full Service Office Building Lease Agreement was for
30	one year and expired on June 30, 2013; and
31	

1	WHEREAS, the initial Lease for Suite 209 has been renewed four times for one
2	year terms and the latest renewal term pursuant to a Fourth Renewal to Full Service Office
3	Building Lease Agreement, attached as Exhibit 4, is set to expire on June 30, 2017; and
4	
5	WHEREAS, the County wishes to enter into an Amendment to Full Service
6	Office Building Lease Agreements, substantially in the form attached hereto as Exhibit 5,
7	in order to combine the leases for Suite 204 and 209 into one lease for a total of 8,637
8	square feet and to extend the term through June 30, 2022; and
9	
10	WHEREAS, such a renewal term requires the payment by the County of funds
11	from an appropriation in a later fiscal year and therefore requires County Council
12	approval as a multi-year agreement pursuant to Section 612 of the Howard County
13	Charter.
14	
15	NOW, THEREFORE,
16	
17	Section 1. Be It Enacted by the County Council of Howard County, Maryland that in
18	accordance with Section 612 of the Howard County Charter, it approves the Amendment
19	to Full Service Office Building Lease Agreements between Howard County, Maryland
20	and PR FPR North Ridge, LLC, substantially in the form attached as Exhibit 5.
21	
22	Section 2. And Be It Further Enacted by the County Council of Howard County,
23	Maryland that the County Executive is hereby authorized to enter the Amendment in the
24	name of and on behalf of the County.
25	
26	Section 3. And Be It Further Enacted by the County Council of Howard County,
27	Maryland that the County Executive, prior to execution and delivery of the Amendment,
28	may make such changes or modifications to the Amendment as he deems appropriate in
29	order to accomplish the purpose of the transactions authorized by this Act, provided that
30	such changes or modifications shall be within the scope of the transactions authorized by
31	this Act; and the execution of the Amendment by the County Executive shall be conclusive

- 1 evidence of the approval by the County Executive of all changes or modifications to the
- 2 Amendment, and the Amendment shall thereupon become binding upon the County in
- 3 accordance with its terms.

4

- 5 Section 4. And Be It Further Enacted by the County Council of Howard County,
- 6 Maryland that this Act shall be effective immediately upon its enactment.

## **FULL SERVICE OFFICE BUILDING LEASE AGREEMENT**

THIS LEASE AGREEMENT (the "Lease") is made this 17th day of October 2011 (the "Effective Date"), by and between 2850 NORTH RIDGE ASSOCIATES, LLC (the "Landlord"), a Maryland limited liability company, and HOWARD COUNTY, MARYLAND (the "Tenant"), a body corporate and politic.

WITNESSETH, that Tenant covenants and agrees with Landlord as follows:

1. <u>LEASED PREMISES.</u> Landlord is the owner of approximately 5.3 acres of real property located at 2850 North Ridge Road, Ellicott City Maryland 21043, improved by a 3-story office building comprising approximately 38,692 square feet of space (the "Building"), including related amenities and any additional facilities in subsequent years as may be determined by Landlord to be reasonably necessary or desirable for the management, maintenance or operation of the Building (collectively the "Property").

Landlord hereby leases unto Tenant, and Tenant hereby leases from Landlord, that portion of the Building on the second floor comprising a total of approximately 7,067 square feet of rentable area commonly known as Suite 204 (the "Leased Premises"), as identified on <a href="Exhibit A">Exhibit A</a> attached hereto and incorporated herein. Tenant shall have the right of access to the Leased Premises twenty-four (24) hours per day, seven (7) days per week during the Term; provided, however, Tenant hereby acknowledges and agrees that as of the date of this Lease, the doors of the Building are locked Saturday and Sunday and also between the hours of 6:00 p.m. and 7:00 a.m., Monday through Friday, such that access to the Leased Premises requires use of the Building's access control system. Landlord shall provide Tenant with use of the Building's access control system to access the Building during the hours that the Building is locked.

2. TERM. The initial term of this Lease (the "Initial Term") shall commence on the date which is the later of either (a) December 1, 2011, or (b) the date of substantial completion of Tenant improvements by Landlord, subject to Punch List Items (the "Commencement Date"), and end at 11:59 p.m. on June 30, 2012 (the "Initial Term Expiration Date"), unless the Lease is earlier terminated or extended pursuant to any other provision of this Lease or applicable law.

For the purposes of this Lease "Punch List Items" shall mean details of construction, decoration and mechanical adjustment which, in the aggregate, are minor in character and (i) do not prohibit the issuance of the occupancy permit and (ii) do not interfere with Tenant's use or enjoyment of the Leased Premises. Landlord shall complete any Punch List Items within twenty (20) business days after the Commencement Date, except for delays caused by Event of Force Majeure.

a. <u>Extension Options</u>. If, at the end of the Initial Term or subsequent Option Period (defined below) of this Lease, (a) Tenant is not in default of any of the terms, conditions or covenants of this Lease, beyond any applicable notice and cure period, and (b) Tenant has not assigned or sublet the Leased Premises, except as permitted herein, then Tenant shall have the option to extend the Term (each an "Extension Option") for six (6) individual renewal terms of one (1) year (each renewal term referred to as an "Option Period") upon the same terms and conditions contained in this Lease, except that the Annual Rent for each Option Period shall be as set forth in Section 3 below.

The Extension Options are personal to the original Tenant and may not be exercised or assigned, voluntarily or involuntarily, by or to any person or entity other than the original Tenant. Further, the Extension Options are not assignable separate and apart from this Lease. In the event that at the time an Extension Option is exercisable by Tenant, this Lease has been assigned or a sublease exists, the Extension Option shall automatically terminate and shall be deemed null and void, and Tenant, any assignee or any sublessee shall not have the right to exercise the Extension Option. Notwithstanding anything to the contrary contained herein, if an assignment or sublease has been made to another governmental or quasi-governmental department, division or agency of Howard County, Maryland or the

Northridge Bldg. HC Lease 10.03.11

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State of Maryland (a "Government Agency"), the Extension Options may be exercised by the Government Agency.

- b. Extension Notice. If Tenant desires to exercise an Extension Option (subject to Tenant's compliance with the standards set forth herein), Tenant shall notify Landlord in writing of Tenant's intention to do so at least one hundred eighty (180) calendar days prior to the expiration date of the Initial Term or the current Option Period. After proper and timely exercise of the Extension Option by Tenant, all references in this Lease to "Term" shall be considered to mean the Initial Term or Option Period, and all references in this Lease to the expiration date or to the end of the Term shall be considered to mean the termination of either the Initial Term or the end of the current Option Period.
- c. <u>Early Termination</u>. Notwithstanding anything to the contrary contained in this Lease, Tenant shall have the right to terminate this Lease prior to the end of the Term, without penalty or being in default by giving Landlord one hundred twenty (120) days' advanced written notice. In the event that Tenant terminates the Lease under this section, then Tenant shall be liable for the Reimbursement Payment as described below, unless otherwise provided for in this Lease.
- d. Reimbursement Payment. In the event that Tenant either exercises its early termination right or does not exercise its Extension Options, then Tenant shall reimburse Landlord the unamortized amount equal to all reasonable out-of-pocket costs actually incurred by Landlord in connection with the Landlord's Work (as defined in Section 5 below) (collectively, the "Reimbursable Costs") amortized on a straight-line basis over a six-year period beginning on the Commencement Date (the "Reimbursement Payment"). Notwithstanding the foregoing, to the extent applicable, neither the Reimbursable Costs or the Reimbursement Payments shall include costs or payments for the Landlord's Work that Tenant has already paid as part of the Annual Rent or Additional Rent as provided for in this Lease. Within ten (10) business days following Landlord's receipt of Tenant's Approval Notice, Landlord shall provide Tenant with the amount of the Reimbursable Costs together with invoices and other reasonably requested documentation evidencing such costs and the amount of the Reimbursement Payment that would be due upon the Initial Term Expiration Date or upon the subsequent, annual Term Expiration Dates if Tenant exercises an Extension Option, other than the Term Expiration Date of June 30, 2018 upon which no Reimbursable Costs or Reimbursement Payment will be due and owing. Tenant shall pay Landlord the applicable Reimbursement Payment upon receiving a written confirmation from Landlord that acknowledges the termination of this Lease and that Landlord has no, or waives all, claims against Tenant relating to the Lease and the termination thereof as of the termination date, excepting the payment of the Reimbursement Payment and all other amounts due and owing to Landlord pursuant to this Lease through the termination date. Tenant's obligation to pay Landlord the Reimbursement Payment shall survive the expiration or earlier termination of this Lease.

As of the Effective Date, the Reimbursable Costs for Landlord's Work equal \$290,000.00. As set forth above, the Reimbursement Payment shall be calculated as of the expiration of the Term as the then-current unamortized value of the Reimbursable Costs amortized on a straight-line basis over seventy-two (72) months (\$4,027.78 per month), which seventy-two (72) month amortization period commences on the Commencement Date. Tenant acknowledges that the payments of Annual Rent set forth in Section 3 of the Lease do not include any portion of any Reimbursement Payment or reflect any portion of the Reimbursable Costs. Landlord acknowledges that by amortizing the Reimbursable Costs as provided for in the Lease and this Amendment, the Reimbursement Payment will decrease over the Term of the Lease, to the extent that if Tenant exercises all of its Option Periods and the Term expires on or after the date which marks the end of the six-year amortization period, then no Reimbursement Payment will be due.

e. <u>Surrender Of Leased Premises</u>. Tenant shall, at the expiration of the Term or at the sooner termination thereof by forfeiture or otherwise, surrender the Leased Premises in the same good order and condition as existed at the beginning of the tenancy, reasonable wear and tear excepted.

### 3. <u>RENT.</u>

a. <u>Annual Rent.</u> Tenant shall pay to Landlord, in twelve equal monthly installments, an annual base rental ("Annual Rent") as shown in the rent schedule below. The Annual Rent is intended to be gross rent other than with respect to Tenant's obligations to pay (i) Tenant's Pro Rata Share (defined below) of Landlord's annual real estate taxes in excess of the real estate tax amount paid by Landlord for Fiscal Year 2012 as set forth in Section 6 (a), (ii) Tenant's Pro Rata Share of Landlord's estimated annual Operating Expenses in excess of the Operating Expenses paid by Landlord for calendar year 2012 as set forth in Section 6.b, and (iii) any charges or fees that Tenant has agreed in this Lease to pay directly to service providers or vendors.

Paried	Base Rent (Full Serwes, except cleane and janitohan)	Mertinliy	Arnual
12/1/2011 6/30/2012	\$22.50	\$13,250.63	\$92,754.41
7/1/2012 6/30/2013	\$23.06	\$13,580.42	\$162,965.04
7/1/2013 — 6/30/2014	\$23.64	\$13,921.99	\$167,063.88
7/1/2014 – 6/30/2015	\$24.23	\$14,328.34	\$171,940.08
7/1/2015 — 6/30/2016	\$24.84	\$14,628.69	\$175,544.28
7/1/2016 6/30/2017	\$25.46	\$14,993.82	\$179,925.84
7/1/2017 - 6/30/2018	\$26.10	\$15,370.73	\$184,448.76

Tenant agrees to pay each installment of the Annual Rent in advance on the first day of each and every month, promptly as and when due, without any setoff or deduction whatsoever. Said rental shall be paid to: 2850 North Ridge Associates, LLC, addressed C/O Manekin, LLC, 8601 Robert Fulton Drive, Suite 200, Columbia, MD 21046-2278, or in such manner and at such other place or to such appointee of Landlord, as Landlord may from time to time designate in writing.

Tenant shall pay, in advance, to Landlord the first monthly installment of Annual Rent due and payable under the rent schedule above upon Landlord signing the Lease.

- b. <u>Late Payment Charge</u>. If Tenant fails to pay when due the Annual Rent, Additional Rent or any other sum required by the terms of this Lease to be paid by Tenant, then, upon the happening of any such event, and in addition to any and all other remedies that may thereby accrue to Landlord may assess a one-time late charge against Tenant in the amount of Fifty Dollars (\$50.00). Additionally, if Tenant fails to pay any Annual Rent within seven (7) days, or any Additional Rent within twenty (20) days, from receipt of written notice that said Rent is due and payable, then such unpaid amounts shall bear interest from the due date thereof to the date of payment at a rate of ten percent (10%) per annum (the "Default Rate").
- c. <u>Tenant's Pro Rata Share</u>. For purposes of this Lease, Tenant's Pro Rata Share is based on a fraction, the numerator of which is the number of rentable square feet in the Leased Premises and the denominator of which is the number of square feet in the Building, subject to adjustment from time to time as such areas may change. As of the Effective Date, Tenant's Pro Rata Share is 18.3%.
- 4. ADDITIONAL RENT. All sums of money other than Annual Rent required to be paid by Tenant to Landlord pursuant to the terms of this Lease, unless otherwise specified herein, shall be

considered additional rent (hereinafter referred to as "Additional Rent"), and shall be collectible by Landlord as Additional Rent, in accordance with the terms of this Lease.

5. <u>DELIVERY OF POSSESSION.</u> Landlord agrees to deliver to Tenant, and Tenant agrees to accept from Landlord, possession of the Leased Premises when Landlord advises Tenant in writing that the Landlord's Work has been "Substantially Completed" (as defined below) and Tenant has completed its walk-through inspection and either accepts the Leased Premises "AS IS" or Tenant delivers a list of Punch List Items to Landlord to be completed by Landlord as soon as reasonably possible.

"Substantially completed" shall mean completion of Landlord's Work, except for Punch List Items, such that Tenant is legally permitted to occupy the Leased Premises without material impediment arising from incomplete or defective performance of Landlord's Work. Promptly following substantial completion of Landlord's Work, Landlord shall exercise its commercially reasonable efforts to obtain a certificate of use and occupancy issued by the Department of Inspections, Licensing and Permits of Howard County, Maryland as soon as reasonably possible.

Landlord anticipates delivering possession of the Leased Premises to Tenant on December 1, 2011. If Landlord encounters delays in delivering possession of the Leased Premises to Tenant, this Lease will not be void or voidable, nor will Landlord be liable to Tenant for any loss or damage resulting from such delay. Notwithstanding anything to the contrary contained herein, if the Leased Premises is not delivered to Tenant on or before March 1, 2012, subject to extension for Events of Force Majeure (as defined below) and completion of any Punch List Items, then Tenant may terminate this Lease without any further obligation or liability to Landlord, including without limitation the obligation to make any or all Reimbursement Payments. As used herein, the term "Events of Force Majeure" shall mean any delay encountered by Landlord in carrying out its obligations under this Section 5 resulting from strikes, lockouts, earthquakes, floods, unavailability of labor, inclement weather, unavailability of standard materials, customary facilities, equipment or supplies, governmental building moratoriums, governmental or administrative action or inaction, riot, insurrection, mob violence or civil commotion, war, acts of God, delays or inaction by utility providers, or other acts beyond the reasonable control of Landlord and not due to Landlord's acts or omissions or financial condition (individually or collectively "Events of Force Majeure").

As used herein, the term "Landlord's Work" shall mean all work to be completed by Landlord to build-out the Leased Premises in accordance with the construction proposal of Deerfield Construction Group, dated August 22 and August 26, as set forth in **Exhibit B** attached hereto and incorporated herein.

Subject to Reimbursement Payment, if any, all of Landlord's Work shall be performed at Landlord's expense and in a good and workmanlike manner and consistent with the layout of that certain space plan prepared by Hoffmann Associates, Inc. dated September 2, 2011 and attached hereto as <a href="Exhibit B-1"><u>Exhibit B-1</u></a> (the "Architect Plans"). Landlord's Work shall comply with all applicable governmental permits, laws, ordinances and regulations. Landlord shall obtain, at Landlord's expense, and comply with all permits required by all public authorities in connection with the performance of the Landlord's Work (collectively, the "Building Permits"). Within fifteen (15) days following the date of delivery of possession of the Leased Premises, Tenant shall deliver a punch list, if any, to Landlord. Landlord agrees to correct all such Punch List Items as soon as reasonably practicable, but in any event no later than twenty (20) business days from the date of the punch list.

Notwithstanding the foregoing, Landlord will not be obligated to deliver possession of any portion of the Leased Premises to Tenant until Landlord has received from Tenant (i) a copy of this Lease, fully executed by Tenant, and (ii) copies of policies of insurance or certificates thereof as required under Article 10 of this Lease.

## 6. ANNUAL TAX ADJUSTMENT AND EXCESS EXPENSE ADJUSTMENT.

- a. Real Property Tax Adjustment. Commencing on July 1, 2012 and on July 1 of each Option Period thereafter, Tenant shall pay, as Additional Rent, Tenant's Pro Rata Share of the amount of Landlord's annual real estate taxes in excess of the amount billed to and paid by Landlord for the base year of Fiscal Year 2012, if any, (the "Tenant's Tax Adjustment"). The parties acknowledge that the "Fiscal Year" commences on July 1 and ends on June 30. Whenever Tenant's Pro Rata Share is used to determine a charge it is understood that it may be subject to change due to a subsequent increase or decrease of the rentable area of the Leased Premises.
- b. <u>Excess Expense Adjustment.</u> Commencing on January 1, 2013 Tenant shall pay as Additional Rent, Tenant's Pro Rata Share of the amount of Operating Expenses in excess of the amount billed to and paid by Landlord, if any, for the base calendar year of 2012 (the "Operating Expense Adjustment").

As used herein, the "Operating Expenses" shall mean the sum of all reasonable costs of operating, managing, maintaining and repairing the Building, including the following: charges (including surcharges resulting from Tenant's use) for gas, water and sewer and any other utilities supplied to the Building not paid for directly by Tenant; the cost of public liability insurance and casualty insurance carried by Landlord in connection with the Building, including, but not limited to, casualty and liability insurance for Landlord's personal property used in connection with the Building's common areas; legal and accounting fees incurred in protest actions, petitions, arbitration, mediation or litigation that involve taxes, charges or fees assessed against the Property; management fees and personnel costs, including, but not limited to, reasonable salaries, wages, fringe benefits, taxes, insurance and other direct costs of engineers, superintendents, watchmen, or security guards or services; the cost of all service and maintenance contracts, including, but not limited to, access control and energy management services. security, window cleaning, and elevator maintenance; landscaping maintenance, including reasonable upgrades and replacements; parking facility maintenance, including repairs, re-striping, resurfacing, and removal of snow, ice and debris; traffic control; sanitary and drainage control; public address system; disposal of trash (except for amounts of trash generated by Tenant which are considered by Landlord, in Landlord's reasonable discretion, to be excessive, the cost of disposal of which Landlord reserves the right to charge Tenant, and Tenant agrees to pay on demand); the amortized cost of any capital improvements or alterations made by Landlord to the Building after the Rent Commencement Date of the Lease Term, that reduce other operating charges, or which are required under any governmental law or regulation that was not applicable to the Building at the time it was constructed, and such cost to be amortized over a period of not less than 20 years; equipment, materials and tools reasonably necessary for the operation, repair and maintenance of the Building; the Building's share of all costs to maintain, repair and/or replace as necessary any common driveways, facilities and structures pursuant to easements, covenants or similar agreements affecting the Building; charges of any kind imposed by any governmental authority in connection with the use or occupancy of the Building by Tenant, including any and all license, permit, and inspection fees; and any other reasonable costs and expenses incurred by Landlord in owning, maintaining or operating the Building.

Notwithstanding anything to the contrary, Operating Expenses shall not include: (i) ground rent and interest on and amortization of mortgages, (ii) salaries of Landlord's employees not engaged in the operation, management, maintenance or repair of the Building or Property, (iii) leasing commissions, advertising expenses and other such expenses incurred in leasing or marketing space within the Building, (iv) expenses incurred by Landlord to prepare, renovate, repaint or redecorate any space leased to any other tenant or other occupant of the Building, provided however Landlord many recover such expenses in the Event of Default pursuant to applicable sections of this Lease, (v) expenses for the replacement of any item covered under warranty, (vi) costs correcting any penalty or fine incurred by Landlord due to Landlord's violation of any federal, state, or local law or regulation and any interest or penalties due for late payment by Landlord of any of the Operating Expenses, (vii) expenses for any item or service which Tenant pays directly to a third party or separately reimburses Landlord, and expenses

incurred by Landlord to the extent the same are reimbursable (pursuant to the terms of leases or contracts at the Property) or reimbursed from any other tenants, occupants of the Property, or third parties (other than through the payment of Operating Expense under other leases), (viii) Landlord's general overhead and administrative expenses, (ix) any cost or other sum incurred as a result of the negligence of Landlord or any agent, employee, contractor or invitee of Landlord, (x) cost of capital improvements other than as set forth in the above definition of Operating Expenses, (xi) legal fees other than as set forth in the above definition of Operating Expenses, (xii) cleaning and janitorial services, and (xiii) cost of any service provided by Landlord in other premises in the Building which service is not provided by Landlord to the Premises pursuant to the terms of this Lease.

c. <u>Billing</u>. Within sixty (60) days after July 1 of each lease year, Landlord shall submit a statement (hereinafter referred to as the "Tax Adjustment Statement") to Tenant setting forth the actual real estate taxes for FY 2012 and the actual real estate taxes for the current Fiscal Year and the amount of Tenant's Tax Adjustment, if any. The Tax Adjustment Statement shall include a copy of all pertinent bills and budget pages, including without limitation a copy of the FY 2012 real property tax bill and the current Fiscal Year real property tax bill.

On November 1 of each lease year, Landlord shall submit a statement (hereinafter referred to as the "Operating Expense Adjustment Statement") to Tenant setting forth the actual Operating Expenses for calendar year 2012 and the actual real Operating Expenses for the current calendar year and the amount of Operating Expense Adjustment, if any. The Operating Expense Adjustment Statement shall include a copy of all pertinent bills and budget pages for all Operating Expenses charged to Tenant.

If Tenant has no dispute regarding the Tax Adjustment Statement or the Operating Expense Adjustment Statement, Tenant will pay the total amount of Tenant's Tax Adjustment or the Operating Expense Adjustment, as applicable, with the next monthly payment of Annual Rent that is at least thirty (30) days from the date of the Landlord's billing statement. If Tenant disputes the amount owed, then Tenant shall provide written notice to Landlord within 30 days after receiving Landlord's statement that Tenant disagrees with the statement and specify the items and amounts in dispute. Landlord and Tenant shall resolve the discrepancy in a diligent and timely manner, and Tenant, shall pay Landlord the agreed upon amount within thirty (30) days from receipt of the revised adjustment statement. For any Operating Expense Adjustment due that may be estimated, Landlord shall provide an updated and actual cost statement within sixty (60) days of the estimated bill and provide a credit to Tenant if due. The right to the payment of or a credit for either Tenant's Tax Adjustment or the Operating Expense Adjustment shall survive the expiration or termination of this Lease for a period of one (1) year.

- 7. <u>USE</u>. Tenant shall use and occupy the Leased Premises for general office use and other legally permitted uses as approved by Landlord, which approval shall not be unreasonably withheld, conditioned or delayed.
- 8. LAWS AND REGULATIONS. Landlord and Tenant shall observe and comply with all laws, orders, rules, requirements, ordinances and regulations of the United States and the State and City or County in which the Leased Premises are located, and of all governmental authorities or agencies and of any board of the fire underwriters or other similar organization (collectively the "Legal Requirements"), with respect to the Property, Building and the Leased Premises and the manner in which the Property, Building and Leased Premises are used by Landlord, Tenant and, as applicable, other tenants of the Building. In no way limiting the generality of this section, Landlord and Tenant shall complete all improvements or alterations to the Property, Building and/or Leased Premises, as applicable, in accordance with the Americans with Disability Act of 1990 (42 U.S.C., Section 12101 et seq.) and regulations and guidelines promulgated thereunder, as amended and supplemented from time to time, (collectively the "ADA").
- 9. ASSIGNMENT AND SUBLET. Tenant shall not assign, mortgage, pledge, hypothecate, encumber, or permit any lien to attach to, or otherwise transfer this Lease or any interest hereunder,

permit any assignment or other such foregoing transfer of this Lease or any interest hereunder by operation of law, sublet the Leased Premises or any part thereof, or permit the use of the Leased Premises by any persons other than Tenant or a Government Agency (all of the foregoing are hereinafter sometimes referred to collectively as "Transfers" and any person to whom any Transfer is made or sought to be made is hereinafter sometimes referred to as a "Transferee") without Landlord's prior written consent, which consent shall not be unreasonably withheld, conditioned or delayed. Tenant shall make any request for Landlord's consent to a Transfer by written notice to Landlord. Any Transfer made without Landlord's prior written consent shall be null, void and of no effect, and shall constitute a default by Tenant under this Lease. Each time Tenant requests Landlord's consent to a proposed Transfer, whether or not Landlord shall grant consent, within thirty (30) days after written request by Landlord, as Additional Rent hereunder, Tenant shall pay to Landlord Five Hundred Dollars (\$500.00) for Landlord's review and processing fees.

Notwithstanding anything to the contrary contained in the Lease, Landlord shall have the option, by giving written notice to Tenant within thirty (30) days after receipt of any written notice requesting Landlord's consent to a Transfer, to recapture the space that is the subject of Tenant's request for consent (the "Subject Space"). Such recapture notice shall cancel and terminate this Lease with respect to the Subject Space as of the date stated in the written notice requesting Landlord's consent to a Transfer as the effective date of the proposed Transfer until the last day of the term of the Transfer as set forth in the written notice requesting Landlord's consent to a Transfer. If this Lease shall be canceled with respect to less than the entire Leased Premises, the Annual Rent reserved herein shall be prorated on the basis of the number of rentable square feet retained by Tenant in proportion to the number of rentable square feet contained in the Leased Premises, and this Lease as so amended shall continue thereafter in full force and effect, and upon request of either party, the parties shall execute written confirmation of the same. If Landlord declines, or fails to elect in a timely manner to recapture the Subject Space under this Section, then, provided Landlord has consented to the proposed Transfer, Tenant shall be entitled to proceed to transfer the Subject Space to the proposed Transferee. Landlord shall be entitled to any additional considerations over and above those stated in this Lease, which are obtained in or for the Transfer. If Landlord consents to such assignment or subletting, Tenant shall not be relieved from any liability whatsoever under this Lease, unless in the event that the assignee or sublessee has a financial status equal to or better than Tenant's (which the parties acknowledge may be satisfied only by another Government Agency).

#### 10. INSURANCE, SUBROGATION and INDEMNIFICATION.

- a. <u>Tenant's Insurance</u>. Landlord acknowledges that Tenant is self-insured and will maintain or appropriate reasonable reserves or funds, as the case may be, to cover claims, losses and damages that might arise or be incurred during its occupancy of the Leased Premises which otherwise may be covered by Business Personal Property Insurance covering Special Causes of Loss, Commercial General Liability insurance (written on an occurrence basis) which, unless approved by Landlord in writing, in no event shall be for coverage less than One Million Dollars (\$1,000,000) combined single limit per occurrence with a One Million Dollar (\$1,000,000) annual aggregate, and Workers' Compensation insurance including Employer's Liability insurance, which, unless approved by Landlord in writing, such Workers' Compensation insurance shall be for the statutory benefits in the jurisdiction in which the Leased Premises are located.
- b. Landlord's Insurance. Throughout the term of this Lease, Landlord shall obtain and maintain (i) Real Property Insurance against Special Causes of Loss and said insurance shall be subject to Replacement Cost valuation covering the Building and all of Landlord's property therein in an amount required by its insurance company to avoid the application of any coinsurance provision, and (ii) Commercial General Liability insurance (written on an occurrence basis) and said insurance shall include Contractual Liability coverage insuring the obligations assumed by Landlord under this Lease, Leased Premises and Operations coverage, Personal Injury Liability coverage, Independent Contractor's Liability coverage. Such Commercial General Liability insurance shall be in amounts not less than One Million

Dollars (\$1,000,000) combined single limit per occurrence with a Two Million Dollar (\$2,000,000) annual aggregate.

### c. Waiver Of Subrogation And Indemnity.

- (i) As long as all of Landlord's insurance policies provide for a waiver of subrogation against Tenant, its successors, employees, agents, representatives and any other party required to be the recipient of such a waiver under the terms of any written contract or agreement with Tenant pertaining to this Lease and/or to the Leased Premises, in connection with any loss or damage covered by such policy, either all insurance maintained by Tenant, or Tenant under its self-insurance structure, shall provide that the insurer thereunder waives all right of recovery by way of subrogation against Landlord, its partners, employees, agents, representatives and any other party required to be the recipient of such a waiver under the terms of any written contract or agreement with Landlord pertaining to this Lease and/or to the Leased Premises, in connection with any loss or damage covered by such policy.
- (ii) Subject to Maryland's Local Government Tort Claims Act, approved budget appropriations and applicable law, Tenant shall indemnify and hold harmless Landlord from and against all claims, damages, losses, liabilities, judgments, costs and/or expenses (i) relating to or arising out of Tenant's sole acts or omissions from the use and occupancy of the Leased Premises, or (ii) due to or arising out of any mechanic's lien filed against the Building, or any part thereof, for labor performed or for materials furnished or claimed to be furnished to Tenant which have not been bonded by the County or contested by the County in accordance with the State court procedures. The provisions of this Section shall survive the termination of this Lease for a period of one (1) year with respect to any claims or liability accruing prior to such termination. Notwithstanding anything to the contrary contained in this section, Tenant will act in good faith to secure appropriations sufficient to meet its obligations under this Section. Nothing contained in this Section 10(b)(2) or this Lease shall be construed as the Tenant waiving any of the defenses of immunity provided to it under law.

## 11. <u>ALTERATIONS.</u>

- a. <u>Landlord Approval.</u> Tenant shall make no alterations, installations, additions or improvements beyond the Landlord's Work in the Leased Premises (herein collectively referred to as "Alterations") in or to the Leased Premises without the Landlord's prior written consent, which consent shall not be unreasonably withheld, conditioned or delayed in the case of non-structural alterations, and may be withheld in Landlord's sole and absolute discretion in the case of structural alterations, and then only by contractors or mechanics reasonably approved by Landlord, and at such times and in such manner as Landlord may from time to time reasonably designate,
- b. Plans. If Tenant desires to make any Alterations, plans for the same shall first be delivered to Landlord, and the Alterations shall be constructed by Landlord's contractors or mechanics, unless other contractors or mechanics are approved by Landlord, all at Tenant's expense, and the cost of said Alterations shall be due and payable to Landlord as Additional Rent. In the event that a building permit is required, Landlord shall have the first option to submit the permit application on behalf of the Tenant. Any permit cost shall be at Tenant's expense. Such Alterations shall become the property of Landlord as soon as they are affixed to the Leased Premises and all rights, title and interest therein of Tenant shall immediately cease, unless otherwise agreed to in writing. Landlord may from time to time make available to tenants of the Building the services of its architect to provide test fits.
- 12. REPAIRS AND MAINTENANCE. Tenant shall maintain the interior of the Leased Premises in good order and condition, ordinary wear and tear excepted. Landlord shall maintain, repair and replace, as applicable, all (i) windows, doors, interior and exterior walls, ceilings, flooring and floor coverings, (ii) mechanical, electrical and plumbing systems, HVAC equipment and systems, (iii) common areas, the roof and the exterior of the Building, as well as the structure thereof, and (iv) the parking facilities, private drives and ways and sidewalks, so that the Leased Premises, the Building and the Property remain in good order and repair, reasonable wear and tear excepted, and safe for occupancy and use.

## 13. SERVICES.

- a. <u>Electricity</u>. Landlord shall furnish the Property, Building and Leased Premises with electricity and the electricity supplied to the Leased Premises shall be suitable for Tenant's intended use as general office space. The electricity for the Leased Premises shall be separately metered and paid for directly by Tenant. If Tenant requires electrical current or installs electrical equipment including but not limited to, electrical heating, additional or supplemental air conditioning equipment, or machines or equipment using current in excess of 110 volts, which will in any way increase the amount of the electricity usually furnished for use as general office space, Tenant shall obtain Landlord's written approval, which will not be unreasonably withheld, conditioned or delayed, and Tenant shall pay directly for any additional expense related to the electrical upgrades.
- **b.** <u>HVAC</u>. Landlord shall maintain, repair and replace the HVAC system and equipment for the Building and the Leased Premises such that heating and air conditioning are supplied for the comfortable use and occupancy of the Leased Premises. Tenant shall be able to regulate heating and air conditioning from within the Leased Premises.
- c. <u>Water and Sewer</u>. Landlord shall maintain and supply adequate water and sewer services for the Building, including without limitation the Leased Premises.
- d. <u>Janitorial</u>. Tenant shall contract directly with a janitorial company for janitorial services.
- e. <u>Voice and Data</u>. Tenant shall contract directly for the installation and maintenance of its voice and data systems and a telecommunications service provider for all phone, internet and network services. Tenant and Landlord shall coordinate during the period of Landlord's Work to determine if voice and data installation should take place during this time. Landlord shall have reasonable approval rights for wiring installation.
- f. <u>Miscellaneous</u>. Landlord shall furnish, supply and maintain, repair and replace, as applicable, all hallways, stairways, lobbies, elevators, restroom facilities and maintain the Building grounds, parking facilities and other common areas of the Property, all at Landlord's expense, except as may be otherwise provided in this Lease. Landlord shall provide necessary passenger elevator service twenty-four (24) hours per day, seven (7) days per week in a manner that does not compromise Landlord's security system and policies for the Building. Tenant shall obtain Landlord's written consent prior to using the elevators for any use other than passenger service. Landlord reserves the right to exclude any other use than passenger service of the elevators during regular business hours of the Building.

Landlord shall have no liability or responsibility to supply heat, air conditioning, elevator, plumbing, cleaning, and/or electric service, when prevented from so doing by laws, orders or regulations of any Federal, State, County or Municipal authority or by strikes, accidents, or by any other cause whatsoever, beyond Landlord's control and shall have no liability whatsoever for any interruptions in utility services, except for the interruptions caused by Landlord's non-payment, gross negligence or willful misconduct.

14. <u>DEFAULT</u>. If Tenant fails (i) to pay installments of Annual Rent and such failure continues for seven (7) days after Landlord has given written notice to Tenant, or to pay installments of Additional Rent and such failure continues for twenty (20) days after Landlord gives written notice to Tenant, or (ii) to comply with any of the non-monetary provisions, covenants, or conditions of this Lease, on its part to be kept and performed, and such default shall continue for a period of thirty (30) days after Landlord has given written notice to Tenant, unless Tenant has promptly commenced curing such default within the thirty (30) days upon which the cure period shall be extended to sixty (60) days, then, upon the happening of any such

event, and in addition to all other remedies that may thereby accrue to Landlord, Landlord may do the following:

- a. Landlord's Election To Retake Possession Without Termination Of Lease. Landlord may retake possession of the Leased Premises and shall have the right, without being deemed to have accepted a surrender thereof, and without terminating this Lease, to relet the same for the remainder of the Term upon terms and conditions satisfactory to Landlord; and if the rent received from such reletting does not at least equal the rent payable by Tenant hereunder, Tenant shall pay and satisfy the deficiency between the amount of rent so provided in this Lease and the rent received through reletting the Leased Premises.
- b. <u>Landlord's Election to Terminate Lease.</u> Landlord may terminate the Lease and repossess the Leased Premises and be entitled to recover as damages a sum of money equal to the total of the following amounts:
  - i. any unpaid rent or any other outstanding monetary obligation of Tenant to Landlord under the Lease:
  - ii. damages for the wrongful withholding of the Leased Premises by Tenant;
     iii. all court costs and other reasonable costs incurred in exercising its rights under the Lease; and
  - iv. all reasonable costs incurred in recovering the Leased Premises, and restoring the Leased Premises to good order and condition, less the aggregate amount of the Reimbursement Payments collected under this Lease and the improvement costs paid for by the replacement tenant.
- 25. DAMAGE. In the case of the total destruction of the Leased Premises by fire, other casualties, the elements, or other cause, or of such damage thereto as shall render the same totally unfit for occupancy by Tenant for more than ninety (90) days, this Lease, upon surrender and delivery to Landlord by Tenant of the Leased Premises, together with the payment of the Annual Rent to the date of such occurrence and a proportionate part thereof to the date of surrender, shall terminate, and the parties shall have no further obligations or liabilities under this Lease from the date of said termination, except as provided for in provisions of this Lease which by their terms survive the expiration or earlier termination of the Term. If the Leased Premises are rendered partly untenantable by any cause mentioned in the preceding sentence, Landlord shall, at its own expense, within one hundred twenty (120) days from the date of the damage restore the base, shell, and core of the Leased Premises with reasonable diligence, including without limitation modifications required by zoning and building codes and other laws or by the holder of a mortgage on the Building, and the rent shall be abated proportionately for the period of said partial untenantability and until the base, shell, and core of the Leased Premises are fully restored by Landlord.

Notwithstanding the terms of the foregoing paragraph, Landlord may elect not to rebuild and/or restore the Leased Premises and/or Building and instead terminate this Lease by notifying Tenant in writing of such termination within sixty (60) days after the date of damage, such notice to include a termination date giving Tenant ninety (90) days, from the date of said notice, to vacate the Leased Premises, Notwithstanding the foregoing, Landlord may elect this option of termination only if the Building is damaged by fire or other casualty or cause, whether or not the Leased Premises are affected, and one or more of the following conditions is present: (i) repairs cannot reasonably be completed within twenty (120) days from the date of damage (when such repairs are made without the payment of overtime or other premiums), (ii) the holder of any mortgage on the Building or ground or underlying lessor with respect to the Property and/or the Building shall require that the insurance proceeds or any portion thereof be used to retire the mortgage debt, or shall terminate the ground or underlying lease, as the case may be, or (iii) the damage is not fully covered, except for deductible amounts, by Landlord's insurance policies. In addition, if the Leased Premises or the Building is destroyed or damaged to any substantial extent during the last nine (9) months of the Term, then notwithstanding anything contained in this Section, Landlord or Tenant shall have the option to terminate this Lease by giving written notice to the other of the exercise of such option within thirty (30) days after such damage or destruction, in which event this Lease shall terminate as of the date of such

notice. Upon any such termination of this Lease pursuant to this section, Tenant shall pay the Annual Rent and Additional Rent properly apportioned up to such date of termination, and thereafter both parties shall be released and discharged of all further obligations hereunder, except as provided for in provisions of this Lease which by their terms survive the expiration or earlier termination of the Term.

- **BANKRUPTCY.** In the event of the appointment of a receiver or trustee for Tenant by any Federal or State court, in any legal proceedings under any provision of the Bankruptcy Act, which is not vacated within sixty (60) days, or in the event Tenant is adjudicated bankrupt or insolvent, or shall make an assignment for the benefit of its creditors, then in any of said events, Landlord may, at its option, terminate this Lease by ten (10) days written notice, and re-enter upon said Leased Premises.
- 17. PARKING. During the Term, Tenant shall have the non-exclusive right to use the parking available for the Property free of charge; provided, however, Tenant acknowledges that other tenants of the Building shall also have the right to use such parking spaces and Landlord makes no representation or warranty with respect to the number of parking spaces available for Tenant's use, except that there should be approximately 4 spaces per One Thousand (1,000) rentable square feet in the Building.
- 18. <u>SIGNS.</u> Signage criteria for the Building has been established by Landlord and all such information for Tenant's suite sign and directory strip sign shall be submitted to Landlord for Landlord's approval of confirmation to this criteria, which approval shall not be unreasonably withheld, conditioned or delayed. Once approved by Landlord, Landlord will order and install Tenant's signage on the Building's directory and next to the main entrance to the Leased Premises, using building standard designs and materials. The cost to manufacture the signage shall be solely at Landlord's expense.
- 19. RIGHT OF ENTRY. It is understood and agreed that Landlord, and its agents, servants, and employees, including any builder or contractor employed by Landlord, shall have, upon reasonable notice to Tenant, the right, license and permission, at any and all reasonable times, (i) to inspect the Leased Premises for maintenance and repair, (ii) to show the Leased Premises to any prospective lender, purchaser or tenant, or (iii) to make any alteration, improvement or repair to the Leased Premises. Notwithstanding the foregoing, (i) Landlord, and its agents, servants, and employees, including any builder or contractor employed by Landlord, shall not interfere with the business or operations of Tenant, and (ii) if Tenant is conducting sensitive, confidential matters or case work at the time planned for a entry by Landlord or anyone acting by, through or under Landlord, then Landlord shall reschedule such entry with Tenant to a mutually agreeable date and time.
- 20. EXPIRATION. It is agreed that the Term expires on the Term Expiration Date, without the necessity of any notice by or to any of the parties hereto. If Tenant occupies the Leased Premises after such expiration, it is understood that, in the absence of any written agreement to the contrary, Tenant shall hold the Leased Premises as a holdover "Tenant from month to month", subject to all the other terms and conditions of this Lease, at one and one-half (1½) times the highest monthly rental installments reserved in this Lease or agreed to by Landlord and Tenant in writing with respect to the Option Period, if applicable; provided that Landlord shall, upon such expiration, be entitled to the benefit of all public general or public local laws relating to the speedy recovery of the possession that may be now in force or may hereafter be enacted, excluding the recovery of consequential damages. As used in this Lease, a "month-to-month" tenancy shall mean that during such period either Landlord or Tenant may terminate this Lease upon thirty (30) days' notice to the other party.

Not more than seven (7) days prior to expiration, Tenant agrees to schedule an inspection with Landlord to confirm that the Leased Premises will be in the condition as provided in this Lease.

21. <u>CONDEMNATION.</u> It is agreed in the event that condemnation proceedings are instituted against the Leased Premises and title taken by any Federal, State, Municipal or other body, then this Lease shall become null and void at the date of settlement of condemnation proceedings and Tenant shall not be entitled to recover any part of the award which may be received by Landlord.

- SUBORDINATION. It is agreed that Landlord shall have the right to place a mortgage or 22. any form of mortgages on the Leased Premises and this Lease is subject and subordinate to all present and future ground leases of the Property and to the lien of any mortgages or deeds of trust, now or hereafter in force against the Property and the Building, if any, and to all renewals, extensions, modifications, consolidations and replacements thereof, and to all advances made or hereafter to be made upon the security of such mortgages or deeds of trust, unless the holders of such mortgages or deeds of trust, or the lessors under such ground lease or underlying leases, require in writing that this Lease be superior thereto. Notwithstanding the foregoing, Landlord shall use commercially reasonable efforts to obtain a subordination, non-disturbance and attornment agreement signed by the lien holder and Tenant. Tenant covenants and agrees in the event any proceedings are brought for the foreclosure of any such mortgage, or if any ground or underlying lease is terminated, to attorn, without any deductions or set-offs whatsoever, to the purchaser upon any such foreclosure sale, or to the lessor of such ground or underlying lease, as the case may be, if so requested to do so by such purchaser or lessor, and to recognize such purchaser or lessor as the lessor under this Lease. Tenant shall, within five (5) business days of request by Landlord, execute such further instruments or assurances as Landlord may reasonably deem necessary to evidence or confirm the subordination or superiority of this Lease to any such mortgages, deeds of trust, ground leases or underlying leases.
- 23. NOTICES. Any written notice required by this Lease shall be deemed sufficiently given, on the day it is hand delivered if there is a verified signed receipt, or within three (3) business days if sent via first class mail, postage pre-paid, certified mail and there is a signed return receipt, or on the next business day if sent by overnight courier service if there is a verified signed receipt.

Any notice required by this Lease is to be sent to Landlord at:

2850 North Ridge Associates, LLC C/O Michael Abrams, FPR Medical Properties, LLC 9600 Blackwell Road, Suite 200, Rockville, MD 20850

Any notice required by this Lease is to be sent to Tenant at the Leased Premises with a copy to:

Tina Hackett, Chief Real Estate Services Division George Howard Building 3430 Court House Drive Ellicott City, Maryland 21043

- 24. REMEDIES NOT EXCLUSIVE. No remedy conferred upon either Landlord or Tenant at law or in equity shall be considered exclusive of any other remedy, but shall be in addition to every other remedy available to Landlord or Tenant as to claims arising under this Lease. Every remedy available to Landlord or Tenant may be exercised concurrently or from time to time, as often as the occasion may arise.
- 25. WAIVERS. It is understood and agreed that nothing shall be construed to be a waiver of any of the terms, covenants and conditions herein contained, unless the same be in writing, signed by the party to be charged with such waiver, and no waiver of the breach of any covenant shall be construed as the waiver or the covenant of any subsequent breach thereof.
- 26. <u>PERFORMANCE</u>. It is agreed that the failure of either Landlord or Tenant to insist in any one or more instances upon a strict performance of any covenant of this Lease or to exercise any right provided for herein shall not be construed as a waiver or relinquishment for the future of such covenant or right, but the same shall remain in full force and effect, unless otherwise expressed in writing by Landlord or Tenant.

- 27. <u>FINAL AGREEMENT</u>. This Lease contains the final and entire agreement between the parties hereto, and neither they nor their agents shall be bound by any terms, conditions or representations not herein written.
- 28. QUIET ENJOYMENT. Tenant, upon paying the Annual Rent and Additional Rent, and other charges herein provided, and observing and keeping all of its covenants, agreements, and conditions in this Lease, shall have the right of quiet enjoyment to the Leased Premises during the Term without hindrance or molestation by anyone claiming by, through or under Landlord.
- 29. ESTOPPEL CERTIFICATE. Within ten (10) business days following a request in writing by Landlord, Tenant shall execute and deliver to Landlord an estoppel certificate, which, as submitted by Landlord, shall be substantially in the form of Exhibit C attached hereto and incorporated herein (or such other form as reasonably may be required by any prospective mortgagee or purchaser of the Property, or any portion thereof), indicating any exceptions thereto that may exist at that time, and shall also contain any other information reasonably requested by Landlord or Landlord's mortgagee or prospective mortgagee or purchaser. Failure of Tenant to timely execute and deliver such estoppel certificate shall constitute an acknowledgment by Tenant that statements included in the estoppel certificate are true and correct, without exception. Tenant shall, at any time during the Term or any renewal thereof, upon request of Landlord, execute, acknowledge, and deliver to Landlord or its designee, a statement in writing, certifying that this Lease is unmodified and in full force and effect if such is the fact that the same is in full force. Notwithstanding the foregoing, Landlord shall use commercially reasonable efforts to obtain a subordination, non-disturbance and attornment agreement signed by the lien holder at the same time that Tenant is presented with any estoppels certificate or similar certification.
- 30. ENVIRONMENTAL REQUIREMENTS. Tenant shall not use or allow another person or entity to use any part of the Leased Premises for the storage, use, treatment, manufacture or sale of Hazardous Material. Landlord acknowledges, however, that Tenant will maintain products in the Leased Premises which are incidental to the operation of its general office use, including, without limitation, photocopy supplies, secretarial supplies and limited janitorial supplies, which products contain chemicals which are categorized as Hazardous Materials. Landlord agrees that the use of such products in the Leased Premises in the manner in which such products are designed to be used and in compliance with applicable laws shall not be a violation by Tenant of this section. As used in this Lease, the term "Hazardous Materials" shall mean any substance that is or contains petroleum, asbestos, polychlorinated biphenyls, lead, or any other substance, material or waste which is now or is hereafter classified or considered to be hazardous or toxic under any federal, state or local law, rule, regulation or ordinance relating to pollution or the protection or regulation of human health, natural resources or the environment (collectively, "Environmental Laws").
- 31. **EXCULPATION CLAUSE**. Subject to applicable law, no principal, partner, member, officer, director, or trustee of Landlord (collectively, "Landlord Affiliates") shall have any personal liability under any provision of this Lease.
- 32. <u>RULES AND REGULATIONS</u>. Tenant agrees to be bound by the Rules and Regulations as set forth on the schedule attached hereto and labeled <u>Exhibit D</u> and made a part hereof. Landlord shall have the right, from time to time, to issue additional or amended Rules and Regulations regarding the use of the Building and Property. Tenant covenants that said additional or amended Rules and Regulations shall likewise be faithfully observed by Tenant, the employees of Tenant and all persons invited by Tenant into the Building.
- 33. BROKERS. Landlord and Tenant hereby warrant to each other that they have had no dealings with any real estate broker or agent in connection with the negotiation of this Lease, except that Landlord has a commission agreement with Manekin (the "Broker") and Tenant has a consultant agreement with Jones Lang LaSalle (the "Consultant"), and that they know of no other real estate broker or agent who is entitled to a commission or fee in connection with this Lease. Each party agrees to indemnify and defend the other party against and hold the other party harmless from any and all claims,

demands, losses, liabilities, lawsuits, judgments, and costs and expenses with respect to any leasing commission or equivalent compensation alleged to be owing on account of the indemnifying party's dealings with any real estate broker or agent other than the Broker or the Consultant. Landlord shall pay all commissions earned by and due to the Broker and the Consultant pursuant to the terms of separate agreements with Broker and Consultant (the "Brokerage Commissions").

[Signatures follow on next page.]

IN WITNESS WHEREOF, the parties execute this lease, under seal, the day and year first above written:

WITNESS/ATTEST:

LANDLORD:

2850 NORTH RIDGE ASSOCIATES, LLC

a Delaware limited liability company

By: Rockledge Realty Partners, LLC

Mana

Name: Heather Metzger

Ву:

Michael Abrams, Managing Member

& Authorized Signatory

Date: 10-17-11

[Tenant's signature follows on next page.]

## WITNESS/ATTEST:

Lonnie Robbins
Chief Administrative Officer

TENANT: HOWARD COUNTY, MARYLAND

By: Ken I Ilman

Ken Ulman
County Executive
Date: 10-13-11

(SEAL)

RECOMMENDED FOR APPROVAL:

William MgMahon, Chief of Police

RECOMMENDED FOR APPROVAL

James M. Irvin, Director Department of Public Works

APPROVED FOR SUFFICIENCY OF FUNDS:

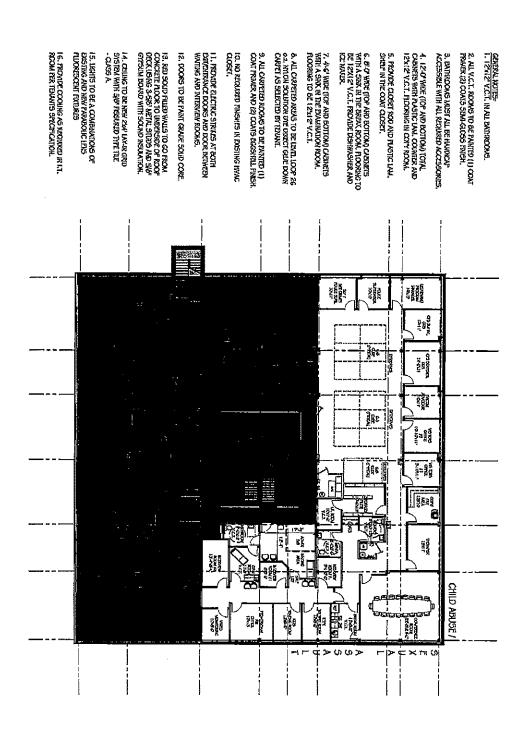
Stanley J. Milesky, Director Department of Finance

Approved for Form and begal Sufficiency on this Zday of 2011:

Margaret Ann Nolan County Solicitor

# EXHIBIT A DEPICTION OF LEASED PREMISES

[See attached]



Northridge Bldg. HC Lease 10.03.11

11-70 main: 11-70

FLOORFIAN

SCALE: 916" = 140"

HOWARD COUNTY CHILD ADVOCACY CENTER 2850 NORTHBUGGERD. HOWARD COUNTY, MARYLAND

# <u>EXHIBIT B</u> LANDLORD'S WORK

[See attached]

Northridge Bldg. HC Lease 10,03,11 Howard County
Family Justice Center
2850 North Ridge Road
Ellicott City, Maryland
Space Plan dated 8/26/11

Description	Amount
Project Manager	\$6,500
Project Superintendent	14,900
Professional Fee	Excluded
Temporary Heat	Excluded
Temporary Fence	Excluded
Temporary Water	Excluded
Temporary Electric	Excluded
Consumables	400
Small Tools	250
Construction Clean Up & Job Labor	2,050
Clean Up Sub	1,160
Dumpsters/Debris Removal	4,200
Plans	475
Building Permit	3,600
Temp Protection	1,425
Postage & Insurance	360
General Demolition/Core Drill	7,960
Roofing	1,540
Milwork	8,200
Carpentry	650
Doors, Frames & Hardware	7,240
Drywall and Acoustical	47,920
Flooring	15,145
Painting	9,340
Blinds Allowance	1,200
Plumbing (WSSC Fees not required due to exisiting fixture count)	20,100
Fire Protection Sprinkler	9,200
Mechanical	27,600
Electrical	54,320
Fee	19,659
Total	\$265,394

#### **ADD ALTERNATES**

- 1. The cost to add a separate cooling unit for the IT Room will be \$7,800.00
- 2. The cost to remove and replace the air handler located adjacent to the Women's Room and the roof top condenser will be \$6.460.00.
- 3. To provide the bathroom half glass door for the Teen Waiting area ADD \$478.00.
- The removal of the half wall and the additional cost of the work station wiring will have no increase in cost.

DCG

Page 1

9/14/2011

# DEERFIELD

## CONSTRUCTION GROUP

August 22, 2011

Foulger-Pratt Rockledge Medical Properties, LLC Suite 200 9500 Blackwell Road Rockville, MD 20850

Attn: Mr. Michael Abrams via email

 Howard County Family Justice Center 2850 North Ridge Road Ellicott City, MD 21043

Dear Michael,

Deerfield Construction Group, Inc. is pleased to provide you this estimate based on the design propared by Hofmann Associates, Inc. dated April 8, 2011, the modifications to the design discussed during the August 19, 2011, site meeting, and the following scope of work:

#### SCOPE OF WORK

#### General

- 1. We exclude professional fees.
- We include the building permit fee.
- We include normal work hours.
- The demolition of the interior includes flooring, walls, doors, plumbing, mechanical diffusers, and electrical per the partition identification noted on the drawings.

#### New Work

- 5. Partitions
  - a. The conference room, bathrooms, break room, video monitoring room, and interview rooms will be full height, insulated partitions, 3-5/8" metal frame with 5/8" drywall each side.
  - b. The remaining walls will be under grid insulated partitions 3-5/8" metal frame with 5/8" drywall on each side.
- 6. Ceilings
  - a. A new 2x4, 15/16\* grid with standard lay-in tile.
- 7. Painting
  - a. Doors and jambs to be painted in semi-gloss finish.
  - b. All walls to be painted in low sheen finish.
- 8. Flooring
  - All bathrooms, breakroom, exam room and the video monitoring room to receive 12"x1/8" VCT and 4" vinyl cove base.
  - All other areas except the existing mechanical rooms to receive Bigelow New Basics 28 oz. nylon carpet and 4<sup>th</sup> vinyl cove base.
- 9. Blinds
  - a. We included an allowance for blind repair.
- 10. Doors
  - All new and existing doors to be solid-core, paint-grade with matching A.D.A. compliant lever hardware.
  - b. Three (3) doors will have electric latch releases.

610 Professional Drive, Suite 210, Gaithersburg, MD 20879 + (301) 947-4701 + Fax: (301) 947-4499

Mr. Michael Abrams Howard County Family Justice Center August 22, 2011 - Revision 1 Page 2 of 2

#### 11. Millwork

- a. One (1) 8' long break room base and wall cabinet.
- b. One (1) 5' long exam room cabinet.
  c. 8'-9" i.f. of 30" high x 24" deep work top with 6 i.f. of 12" wide transaction top, with 3' at 34" for A.D.A. compliance, 42" A.F.F, and (1) 36" wide work top with A.D.A.
- d. 10 l.f. of closet rod and shelf.

#### 12. Sprinkler

a. Modify sprinkler to meet NFPA13.

### 13. Plumbing

- a. Three (3) new A.D.A. bathrooms with A.D.A. sink and accessories.
- b. One (1) kitchen sink with disposal and one (1) exam sink.

#### 14. Mechanical

- a. Install new 2x2 diffuses and modify existing branch ductwork.
- b. Install three (3) new bathroom exhaust fans.

#### 15. Electrical

- a. Reinstall existing 2x4 parabolic fixtures in the corridor, open work area. conference room and reception area.
- b. Reinstall existing 2x4 prismatic lights in all other areas.
- Install (3) outlets per office, interview room, exam room, waiting room.
- d. Install (30) data drops.
- e. Install three (3) dedicated 20 amp quad outlets in the video room.
- Install (5) G.F.I. outlets.
- g. Install light sensor switches per Code.
- h. Install new fire alarm devices per Code.
- Install new emergency lighting per Code.
- Provide three (3) systems furniture power whips.

Thank you for the opportunity to present this proposal. Should you have any questions, please don't hesitate to call.

Sincerely President DJE/cr Attachment Approved by: Foulger-Pratt Rockledge Medical Properties, LLC Date

# EXHIBIT B-1 ARCHITECT PLANS

[See attached]



# HOWARD COUNTY CHILD ADVOCACY CENTER

2850 NORTH RIDGE RD ELLICOTT CITY, MD

ARCHITECTS
HORSANN ASSOCIATES INC.
606 BALTIMORE AVENUE SUITE 102
TOWSON, MARYLAND 21204
410-828-9090 FAX. 410-828-4433

MECHANICAL/ELECTRICAL ENGINEER PROFITE DESIGN GROUP LTD. 913 RIDGEBROOK ROAD, SUITE 316 9FARRS, MD 21152 410-785-3202 FAX, 410-785-3204

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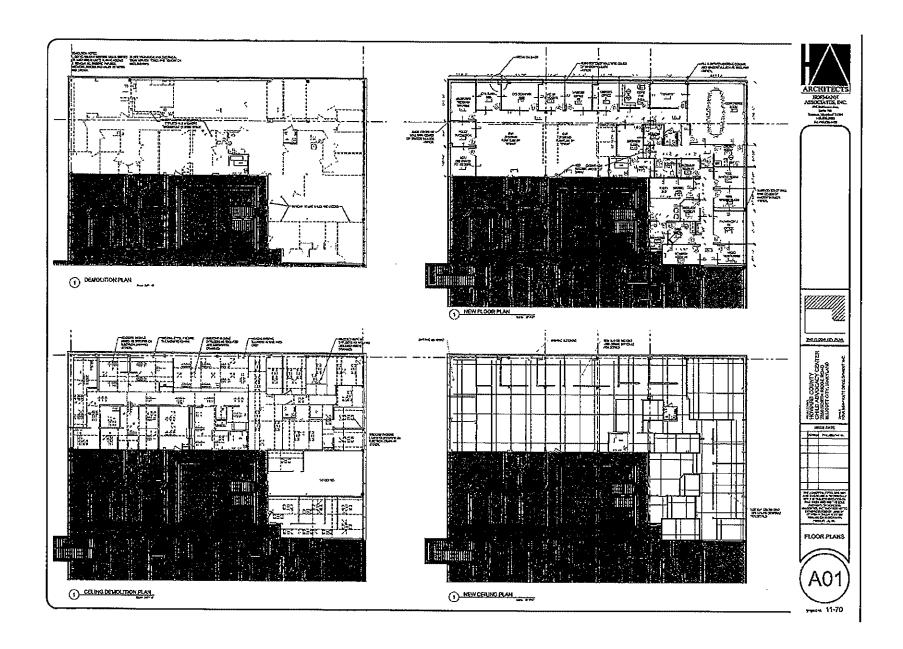
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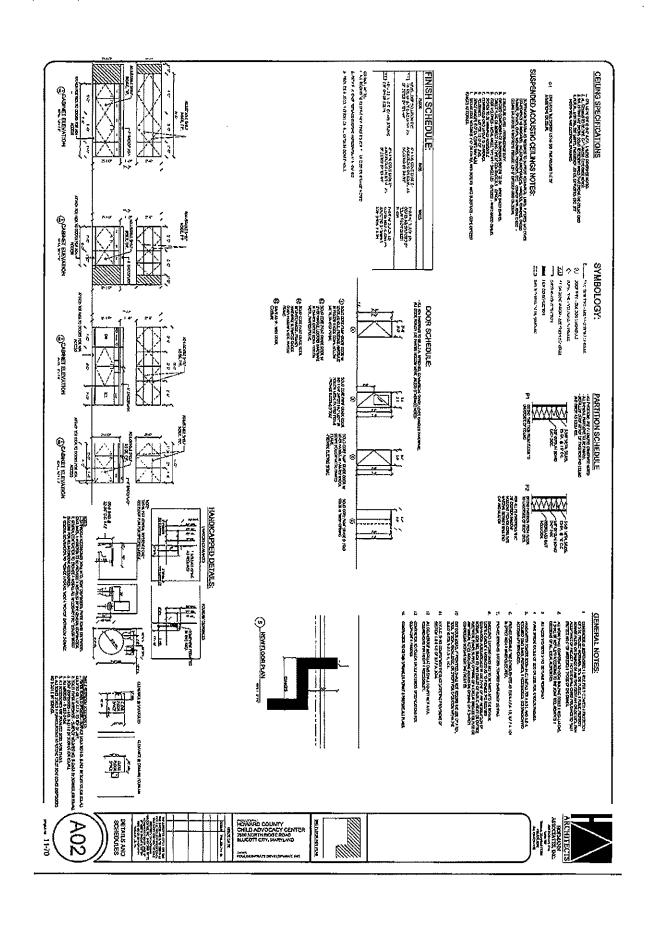
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Northridge Bldg. HC Lease 09.27.11



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## <u>EXHIBIT C</u> Form Of Tenant Estoppel Certificate

The undersigned (the "Tenant") hereby certifies that it is the lessee under the Lease described in **Exhibit A**, attached hereto and made a part hereof. Tenant hereby further acknowledges that it has been advised that the Lease may be assigned to a purchaser of, and/or collaterally assigned in connection with a proposed financing secured by, the property on which the "Leased Premises" under the Lease are located, and certifies both to the landlord under the lease (the "Landlord") and to any and all prospective purchasers (the "Purchasers") and mortgagees of such property, including any trustee on behalf of any holders of notes or other similar instruments, and any holders from time to time of such notes or other instruments, and their respective successors and assigns (collectively the "Mortgagees") that as of the date hereof:

- 1. The information set forth in Exhibit A is true and correct.
- 2. Tenant is in occupancy of the Leased Premises and the Lease is in full force and effect and, except as set forth in <u>Exhibit A</u>, has not been modified, assigned, supplemented or amended since its original execution, nor are there any other agreements between Landlord and Tenant concerning the space rented under the Lease, oral or written.
- 3. All material conditions and agreements under the Lease to be satisfied or performed by Landlord have been satisfied and performed.
- 4. Tenant is not in default under the Lease, Tenant has not received any notice of default under the Lease, and, to Tenant's knowledge, there are no events which have occurred that with the giving of notice or the passage of time or both, would result in a default by Tenant under the Lease.
- 5. Tenant has not paid any rents or sums due under the Lease more than 30 days in advance of the date due under the Lease and Tenant has no rights of setoff, counterclaim, concession or other rights of diminution of any rent or sums due and payable under the Lease except as set forth in **Exhibit A**.
- 6. To Tenant's knowledge, there are no uncured defaults on the part of the Landlord under the Lease, Tenant has not sent any notice of default under the Lease to the Landlord, and there are no events which have occurred that, with the giving of notice or the passage of time or both, would result in a default by Landlord thereunder, and at the present time Tenant has no claim against Landlord under the Lease.
- 7. Except as expressly set forth in **Exhibit A**, there are no provisions for, and Tenant has no rights with respect to, renewal or extension of the initial term of the Lease, terminating the term, or leasing or occupying additional space or purchasing the Leased Premises.
- 8. No action, voluntary or involuntary, is pending against Tenant under federal or state bankruptcy or insolvency laws.
  - 9. Tenant has the authority to execute and deliver this estoppel certificate.
- 10. This estoppel certificate shall be binding upon the successors, assigns and representatives of Tenant and shall inure to the benefit of all Purchasers and Mortgagees.

IN WITNESS WHEREOF, Tenant has duly execu	ted this Certificate this _	day of	, 20
	By: Name: Title:		

# EXHIBIT A TO TENANT ESTOPPEL CERTIFICATE

# Lease, Lease Terms and Current Status

A.	Date of Lease:	
B.	Parties:	
	1. Landlord:	
	2. Tenant d/b/a:	
C.	Leased Premises known as:	
D.	Modifications, Assignments, Supplements or Amendments to Lease:	
Ē,	Commencement Date:	
F.	Expiration of Current Term:	
G.	Rights to renew, to extend, to terminate, to rent or occupy additional space or to purchase any portion of the property:	
H.	Security Deposit Paid to Landlord: None	
l.	Current Fixed Minimum Rent (Annualized): \$	
J.	Current Additional Rent (Annualized): \$	
K.	Current Total Rent: \$	
L.	Square Feet Demised:	

# EXHIBIT D RULES AND REGULATIONS

[See attached]

# EXHIBIT D Rules And Regulations

- 1. The Common Areas, and the sidewalks, driveways, and other public portions of the Building (herein "Public Areas") shall not be obstructed or encumbered by any tenant or used for any purpose other than ingress and egress to and from its premises, and no tenant shall permit any of its employees, agents, licensees or invitees to congregate or loiter in any of the Public Areas. No tenant shall invite to, or permit to visit, its premises persons in such numbers or under such conditions as may interfere with the use and enjoyment by others of the Public Areas. Fire exits and stairways are for emergency use only, and they shall not be used for any other purposes by any tenant, or the employees, agents, licensees or invitees of any tenant. Landlord reserves the right to control and operate, and to restrict and regulate the use of, the Public Areas and the public facilities, as well as facilities furnished for the common use of the tenants, in such manner as it deems best for the benefit of the tenants generally, including the right to allocate certain elevators for delivery service, and the right to designate which Building entrances shall be used by persons making deliveries in the Building. No doormat of any kind whatsoever shall be placed or left in any public hall or outside any entry door of any premises.
- 2. No awnings or other projections shall be attached to the outside walls of the Building. No curtains, blinds, shades or screens shall be attached to or hung in, or used in connection with, any window or door of any tenant's premises, without the consent of Landlord. Such curtains, blinds, shades or screens must be of a quality, type, design and color, and attached in the manner, approved by Landlord. In order that the Building can and will maintain a uniform appearance to those persons outside of the Building, each tenant occupying the perimeter areas of the Building shall (a) use only building standard lighting in areas where lighting is visible from the outside of the Building and (b) use only building standard blinds in window areas which are visible from the outside of the Building.
- 3. No sign, insignia, advertisement, lettering, notice or other object shall be exhibited, inscribed, painted or affixed by any tenant on any part of the exterior or interior of any tenant's premises or the Building or on doors, corridor walls, the Building directory or in the elevator cabs without the prior approval of Landlord as to size, color, style, content and location and tenant shall obtain all necessary approvals and permits from governmental or quasi-governmental authorities in connection with such signs. Such signs shall, at the expense of each tenant, be inscribed, painted or affixed by sign-makers approved by Landlord. In the event of the violation of the foregoing by any tenant, Landlord may remove such signs without any liability, and may charge the expense incurred in such removal and subsequent surface restoration to the tenant or tenants violating this Rule.
- 4. No bicycles, vehicles, animals (except seeing eye dogs) fish or birds of any kind shall be brought into, or kept in or about any premises within the Building.
- 5. No noise, including, but not limited to, music, the playing of musical instruments, recordings, radio or television, which, in the judgment of Landlord, might disturb other tenants in the Building, shall be made or permitted by any tenant. Nothing shall be done or permitted by any tenant which would impair or interfere with the use or enjoyment by any other tenant or any other space in the Building.
- 6. Nothing shall be done or permitted in the tenant's premises, and nothing shall be brought into, or kept in or about the premises, which would impair or interfere with any of the HVAC, plumbing, electrical, structural components of the Building or the services of the Building or the proper and economic heating, cleaning or other services of the Building or the premises, nor shall there be installed by any tenant any ventilating, air-conditioning, electrical or other equipment of any kind which, in the judgment of Landlord, might cause any such impairment or interference. No tenant, nor the employees, agents, licensees or invitees of any tenant, shall at any time bring or keep upon the premises any flammable, combustible or explosive fluid, chemical or substance, except as allowed for cleaning purposes.
- 7. No additional locks or bolts of any kind shall be placed upon any of the doors or windows by any tenant, nor shall any changes be made in locks or the mechanism thereof, without Landlord's prior written consent, which consent will not be unreasonably withheld, conditioned or delayed. Duplicate keys for the premises and tollet rooms shall be procured only from Landlord, and Landlord may make a reasonable charge therefor. Tenant shall not permit any duplicate keys to be made. Each tenant shall, upon the expiration or sooner termination of the Lease of which these Rules and Regulations are a

part, turn over to Landlord all keys to stores, offices and toilet rooms, either furnished to, or otherwise procured by, such tenant, and in the event of the loss of any keys furnished by Landlord, such tenant shall pay to Landlord the cost of replacement locks.

- 8. All removals, or the carrying in or out of any safes, freight, furniture, packages, boxes, crates or any other object or matter of any description shall take place only during such hours and in such elevators as Landlord may from time to time determine, which may involve overtime work for Landlord's employees. Tenant shall reimburse Landlord for extra reasonable costs incurred by Landlord including reserving the right to inspect all objects and matter to be brought into the Building and to exclude from the Building all objects and matter which violate any of these Rules and Regulations or the Lease of which these Rules and Regulations are a part. Landlord may require any person leaving the Building with any package or other object or matter to submit a pass, listing such package or object or matter, from the tenant from whose premises the package or object or matter is being removed, but the establishment and enforcement of such requirement shall not impose any responsibility on Landlord for the protection of any tenant against the removal of property from the premises of such tenant. Landlord shall in no way be liable to any tenant for damages or loss arising from the admission, exclusion or ejection of any person to or from the premises or the Building under the provisions of this Rule 8 or of Rule 14 hereof.
- 9. No tenant shall use or occupy, or permit any portion of its premises to be used or occupied, as an office for a public stenographer or public typist, or for the possession, storage, manufacture or sale of narcotics or similar dangerous substances or as a barber, beauty or manicure shop, telephone or telegraph agency, telephone or secretarial service, messenger service, wholesale or discount shop for sale of merchandise, retail service shop, labor union, classroom, company engaged in the business of renting office or desk space, or as a hiring or employment agency, or as a storage area for goods, wares or merchandise, except for usual storage of supplies to be used by the tenant in the conduct of its business. No tenant shall engage or pay any employee on its premises, except those actually working for such tenant on the premises, nor advertise for laborers giving an address at the Building. Except as specifically approved by Landlord in writing, no tenant shall use its premises or any part thereof, or permit its premises or any part thereof to be used, as a restaurant, shop, booth or other stand, or for the conduct of any business or occupation which predominantly involves direct patronage of the general public, or for manufacturing, or for the sale at auction of merchandise, goods or property of any kind.
- 10. Landlord shall have the right to prohibit any advertising or identifying sign for or by any tenant which, in the judgment of Landlord, tends to impair the appearance or reputation of the Building or the desirability of the Building as a building for offices, and upon written notice from Landlord such tenant shall refrain from and discontinue such advertising or identifying sign.
- 11. Each tenant, before closing and leaving its premises at any time, shall see that all lights, typewriters, copying machines and other electrical equipment are turned off. All entrance doors in its premises shall be kept securely locked by each tenant when its premises are not in use. Entrance doors shall not be left open at any time.
- 12. No tenant's premises shall be used for lodging or sleeping, for the preparation of catered foods or for any illegal purpose.
- 13. The requirements of tenants will be attended to only upon application at the office of the Building. Employees of Landlord shall not perform any work or do anything outside of their regular duties, unless under special instructions from Landlord.
- 14. Canvassing, soliciting and peddling in the Building are prohibited and each tenant shall cooperate to prevent the same.
- 15. There shall not be used in any space, or in the Common Areas of the Building, either by any tenant or by others, in the moving, delivery or receipt of safes, freight, furniture, packages, boxes, crates, paper, office material or any other matter or thing, any hand trucks except those equipped with rubber tires, side guards and such other safeguards as Landlord shall require.
- 16. No tenant shall cause or permit any odors of cooking or other processes, or any unusual or objectionable odors, to emanate from its premises which would annoy other tenants or create a public or private nuisance. No cooking, except the microwaving of a tenant's employees' meals during the

employees' working hours, shall be done in a tenant's premises except as is expressly permitted in the Lease of which these Rules and Regulations are a part, or otherwise consented to in writing by the Landlord.

- 17. All paneling, door, trim or other wood products not considered furniture shall be treated with fire-retardant materials. Before installation of any such materials, certification of the materials fire-retardant characteristics shall be submitted to and approved by Landlord, and all such materials shall be installed in a manner approved by Landlord.
- 18. Whenever any tenant shall submit to Landlord any plan, agreement or other document for the consent or approval of Landlord, such tenant shall pay to Landlord, on demand, a processing fee in the amount of the reasonable fees for the review thereof, including the services of any architect, engineer or attorney employed by Landlord to review such plan, agreement or document.
- 19. Plumbing facilities shall not be used for any purpose other than those for which they were constructed; and no sweepings, rubbish, ashes, newspapers or other substances of any kind shall be thrown into them. Waste and excessive or unusual use of electricity or water is prohibited.
- 20. No vending machine of any kind shall be installed in the Building or on or about the Building without the prior written consent of the Landlord.
- 21. When electric wiring of any kind is installed, it must be connected as directed by Landlord, and no stringing or cutting of wires will be allowed, except with the prior written consent of Landlord, and shall be done only by contractors approved by Landlord. The number and locations of telephones, telegraph instruments, electric appliances, call boxes, etc., shall be subject to Landlord's approval. No wires shall be run in any part of the Building except by or under the direction of the Landlord. No tenant shall lay linoleum or other similar floor covering so that the same shall be in direct contact with the floor of the premises; and if linoleum or other similar floor covering is desired to be used, an interlining of builder's deadening felt shall be first affixed to the floor by a paste or other material, the use of cement or other similar adhesive material being expressly prohibited.
- 22. Landlord hereby reserves to itself any and all rights not granted to tenant hereunder, including, but not limited to, the following rights which are reserved to Landlord for its purposes in operating the Building:
- (a) the exclusive right to use of the name of the Building for all purposes, except that a tenant may use the name as its business address and for no other purposes;
- (b) the right to change the name or address of the Building, without incurring any liability to any tenant for so doing as long as notice of the name or address change is provided to Licensee at least 90 days prior to such change, unless any such change occurs more than one time in a period of three (3) years;
- (c) the right to install and maintain a sign or signs on the exterior of the Building;
  - (d) the exclusive right to use or dispose of the use of the roof of the Building;
  - (e) the right to limit the space on the directory of the Building to be allotted to a

tenant; and

- (f) the right to grant anyone the right to conduct any particular business or undertaking in the Building.
- 23. Tenant and its employees shall park their cars only in those paved portions of the parking lots as designated by Landlord. Any vehicle parked in any other location on the Building or within public road rights-of-way may be towed without notice at the expense of the tenant responsible therefor.
- 24. Landlord shall have the right to close and securely lock the Building during generally accepted holidays and during such other times as Landlord may deem to be an emergency and advisable for the security of the Building and its tenants. Notwithstanding the foregoing, except in the event of an emergency, Landlord shall give Tenant twenty-four (24) hours notice before so closing and securely

locking the Building and shall make a reasonable effort to assure access to the Leased Premises by tenants during such closing.

- 25. All chairs in carpeted areas shall have carpet shields or other similar devices to protect the carpeting.
- 26. All glass, locks and trimming, in or about the doors and windows of the premises and all electric fixtures on the premises which belong to the Building shall be kept whole, and whenever broken by tenant or such tenant's employees, agents, guests, invitees or licensees, such tenant shall immediately notify Landlord of the breakage. This breakage shall be repaired by Landlord at the tenant's expense or may be repaired by such tenant at tenant's expense at the option of the Landlord.

### FIFTH RENEWAL TO FULL SERVICE OFFICE BUILDING LEASE AGREEMENT

THIS FIFTH RENEWAL TO FULL SERVICE OFFICE BUILDING LEASE AGREEMENT (this "Fifth Renewal") is made this Head of April 2016, by and between PR FPR NORTH RIDGE, LLC, successor-in-interest to 2850 NORTH RIDGE ASSOCIATES, LLC, (the "Landlord"), a Delaware limited liability company, and HOWARD COUNTY, MARYLAND (the "Tenant"), a body corporate and politic.

WHEREAS, the Tenant and Landlord entered into a Full Service Office Building Lease Agreement dated October 17, 2011 (the "Lease"), for the lease of the premises comprising approximately 7,067 square feet commonly known as Suite 204 (the "Leased Premises"), within the building owned by the Landlord and located at 2850 North Ridge Road, Ellicott City, Howard County, Maryland (the "Building").

WHEREAS, the Initial Term of the Lease commenced on December 1, 2011 and expired at 11:59 p.m. on June 30, 2012.

WHEREAS, by First Renewal to Full Service Office Building Lease Agreement dated June 6, 2012, the Tenant and Landlord amended the Lease to extend the Term of the Lease for the first Option Period to June 30, 2013.

WHEREAS, by Second Renewal to Full Service Office Building Lease Agreement dated May 31, 2013, the Tenant and Landlord amended the Lease to extend the Term of the Lease for the second Option Period to June 30, 2014.

WHEREAS, by Third Renewal to Full Service Office Building Lease Agreement dated June 10, 2014, the Tenant and Landlord amended the Lease to extend the Term of the Lease for the third Option Period to June 30, 2015. (The Lease, the First Renewal, the Second Renewal and the Third Renewal described in these recitals collectively referred to herein as the "Lease".)

WHEREAS, by Fourth Renewal to Full Service Office Building Lease Agreement dated April 24, 2015, the Tenant and Landlord amended the Lease to extend the Term of the Lease for the fourth Option Period to June 30, 2016. (The Lease, the First Renewal, the Second Renewal, the Third Renewal and the Fourth Renewal described in these recitals collectively referred to herein as the "Lease".)

WHEREAS, the Tenant desires to exercise its right of renewal for the fifth Option Period and the Landlord has agreed to extend the Term of the Lease for the fifth Option Period as set forth herein.

NOW, THEREFORE, in consideration of the mutual premises herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Landlord and the Tenant agree as follows:

- 1. <u>Defined Terms</u>. Capitalized terms and phrases used in this Fifth Renewal, unless otherwise indicated, shall have the same meaning ascribed to them in the Lease.
- 2. <u>Term.</u> Pursuant to Section 2 of the Lease, Tenant hereby exercises its right to extend the Term of the Lease by the fifth Option Period and the fifth Option Period shall commence on July 1, 2016 and expire at 11:59 p.m. on June 30, 2017 (the "Fifth Option Period").
- 3. Rent. The Rent for the Fifth Option Period shall be paid in accordance with the rent schedule in Section 3.a of the Lease, in equal monthly installments, in advance, on or before the first of the month. The annual Rent is One Hundred Seventynine Thousand Nine Hundred Twenty-five Dollars and eighty-four cents (\$179,925.84) payable at a rate of Fourteen Thousand Nine Hundred Ninety-three Dollars and eighty-two cents (\$14,993.82) per month.

### 4. <u>Miscellaneous</u>.

- a. Except as modified by this Fifth Renewal, the terms and provisions of the Lease shall remain in full force and effect.
- b. In the event of any inconsistency or ambiguity between the provisions of this Fifth Renewal and the provisions of the Lease, the provisions of this Fifth Renewal control.

[Signatures follow on the next page.]

IN WITNESS WHEREOF, the Landlord and Tenant have caused this Fifth Renewal to be executed and delivered by its duly authorized officers or officials, under seal, on the date first above written.

### LANDLORD:

### ATTEST/WITNESS:

PR FPR NORTH RIDGE, LLC a Delaware limited liability company

By: PR FPR NORTH RIDGE HOLDING, LLC, its sole member

By: PR North Ridge LLC, its managing Member

By: PRISA LHC LLC, its sole member

By: PRISA UHC LLC, its sole member

By: The Prudential Insurance Company of America, on behalf of and for the benefit of and with its liability limited to the Assets of its separate account, PRISA

1) Coustantine Name: 4 cole constantine BY: Indas Marks (SEAL)

Title: Uce Pacidas

Date: 3/16/16

[Signatures follow on the next page.]

TENANT:

ATTEST		_	
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HOWARD COUNTY, MARYLAND

∠onnte Ř. Robbins Chief Administrative Officer

County Executive,

RECOMMENDED FOR APPROVAL:

Gary L. Gardner, Chief of Police

APPROVED:

James M. Trvin, Director Department of Public Works

APPROVED FOR SUFFICIENCY OF FUNDS:

Stanley J. Milesky, Director Department of Finance

APPROVED FOR FORM AND LEGAL SUFFICIENCY this 30 day of March, 2016

Gary W. Kuc County Solicitor

Reviewing Attorney:

Morenike Euba Oyenusi, Sr. Assistant County Solicitor (SEAL)

#### **FULL SERVICE OFFICE BUILDING LEASE AGREEMENT**

THIS LEASE AGREEMENT (the "Lease") is made this 20th day of 1014, 2012 (the "Effective Date"), by and between 2850 NORTH RIDGE ASSOCIATES, LLC (the "Landlord"), a Maryland limited liability company, and HOWARD COUNTY, MARYLAND (the "Tenant"), a body corporate and politic.

WITNESSETH, that Tenant covenants and agrees with Landlord as follows:

1. <u>LEASED PREMISES.</u> Landlord is the owner of approximately 5.3 acres of real property located at 2850 North Ridge Road, Ellicott City Maryland 21043, improved by a 3-story office building comprising approximately 38,933 square feet of space (the "Building"), including related amenities and any additional facilities in subsequent years as may be determined by Landlord to be reasonably necessary or desirable for the management, maintenance or operation of the Building (collectively the "Property").

Landlord hereby leases unto Tenant, and Tenant hereby leases from Landlord, that portion of the Building on the second floor comprising a total of approximately 1,570 square feet of rentable area commonly known as Suite 209 (the "Leased Premises"), as identified on <a href="Exhibit A">Exhibit A</a> attached hereto and incorporated herein. Tenant shall have the right of access to the Leased Premises twenty-four (24) hours per day, seven (7) days per week during the Term; provided, however, Tenant hereby acknowledges and agrees that as of the date of this Lease, the doors of the Building are locked Saturday and Sunday and also between the hours of 6:00 p.m. and 7:00 a.m., Monday through Friday, such that access to the Leased Premises requires use of the Building's access control system. Landlord shall provide Tenant with use of the Building's access control system to access the Building during the hours that the Building is locked.

2. <u>TERM.</u> The initial term of this Lease (the "Initial Term") shall commence on the date which is the later of either (a) August 1, 2012, or (b) the date of substantial completion of Tenant improvements by Landlord, subject to Punch List Items (the "Commencement Date"), and end at 11:59 p.m. on June 30, 2013 (the "Initial Term Expiration Date"), unless the Lease is earlier terminated or extended pursuant to any other provision of this Lease or applicable law.

For the purposes of this Lease "Punch List Items" shall mean details of construction, decoration and mechanical adjustment which, in the aggregate, are minor in character and (i) do not prohibit the issuance of the occupancy permit and (ii) do not interfere with Tenant's use or enjoyment of the Leased Premises. Landlord shall complete any Punch List Items within twenty (20) business days after the Commencement Date, except for delays caused by Event of Force Majeure.

a. <u>Extension Options</u>. If, at the end of the Initial Term or subsequent Option Period (defined below) of this Lease, (a) Tenant is not in default of any of the terms, conditions or covenants of this Lease, beyond any applicable notice and cure period, and (b) Tenant has not assigned or sublet the Leased Premises, except as permitted herein, then Tenant shall have the option to extend the Term (each an "Extension Option") for five (5) individual renewal terms of one (1) year (each renewal term referred to as an "Option Period") upon the same terms and conditions contained in this Lease, except that the Annual Rent for each Option Period shall be as set forth in Section 3 below.

The Extension Options are personal to the original Tenant and may not be exercised or assigned, voluntarily or involuntarily, by or to any person or entity other than the original Tenant. Further, the Extension Options are not assignable separate and apart from this Lease. In the event that at the time an Extension Option is exercisable by Tenant, this Lease has been assigned or a sublease exists, the Extension Option shall automatically terminate and shall be deemed null and void, and Tenant, any assignee or any sublessee shall not have the right to exercise the Extension Option. Notwithstanding anything to the contrary contained herein, if an assignment or sublease has been made to another governmental or quasi-governmental department, division or agency of Howard County, Maryland or the

State of Maryland (a "Government Agency"), the Extension Options may be exercised by the Government Agency.

- b. Extension Notice. If Tenant desires to exercise an Extension Option (subject to Tenant's compliance with the standards set forth herein), Tenant shall notify Landlord in writing of Tenant's intention to do so at least one hundred eighty (180) calendar days prior to the expiration date of the Initial Term or the current Option Period. After proper and timely exercise of the Extension Option by Tenant, all references in this Lease to "Term" shall be considered to mean the Initial Term or Option Period, and all references in this Lease to the expiration date or to the end of the Term shall be considered to mean the termination of either the Initial Term or the end of the current Option Period.
- c. <u>Early Termination</u>. Notwithstanding anything to the contrary contained in this Lease, Tenant shall have the right to terminate this Lease prior to the end of the Term, without penalty or being in default by giving Landlord one hundred twenty (120) days' advanced written notice. In the event that Tenant terminates the Lease under this section, then Tenant shall be liable for the Reimbursement Payment as described below, unless otherwise provided for in this Lease.
- Reimbursement Payment. In the event that Tenant either exercises its early termination right or does not exercise its Extension Options, then Tenant shall reimburse Landlord the unamortized amount equal to all reasonable out-of-pocket costs actually incurred by Landlord in connection with the Landlord's Work (as defined in Section 5 below) (collectively, the "Reimbursable Costs") amortized on a straight-line basis over a six-year period beginning on the Commencement Date (the "Reimbursement Payment"). Notwithstanding the foregoing, to the extent applicable, neither the Reimbursable Costs or the Reimbursement Payments shall include costs or payments for the Landlord's Work that Tenant has already paid as part of the Annual Rent or Additional Rent as provided for in this Lease. Within ten (10) business days following Landlord's receipt of Tenant's Approval Notice, Landlord shall provide Tenant with the amount of the Reimbursable Costs together with invoices and other reasonably requested documentation evidencing such costs and the amount of the Reimbursement Payment that would be due upon the Initial Term Expiration Date or upon the subsequent, annual Term Expiration Dates if Tenant exercises an Extension Option, other than the Term Expiration Date of June 30, 2018 upon which no Reimbursable Costs or Reimbursement Payment will be due and owing. Tenant shall pay Landlord the applicable Reimbursement Payment upon receiving a written confirmation from Landlord that acknowledges the termination of this Lease and that Landlord has no, or waives all, claims against Tenant relating to the Lease and the termination thereof as of the termination date, excepting the payment of the Reimbursement Payment and all other amounts due and owing to Landlord pursuant to this Lease through the termination date. Tenant's obligation to pay Landford the Reimbursement Payment shall survive the expiration or earlier termination of this Lease.

As of the Effective Date, the Reimbursable Costs for Landlord's Work equal \$75,000.00. As set forth above, the Reimbursement Payment shall be calculated as of the expiration of the Term as the thencurrent unamortized value of the Reimbursable Costs amortized on a straight-line basis over seventy-two (72) months (\$1,041.66 per month), which seventy-two (72) month amortization period commences on the Commencement Date. Tenant acknowledges that the payments of Annual Rent set forth in Section 3 of the Lease do not include any portion of any Reimbursement Payment or reflect any portion of the Reimbursable Costs. Landlord acknowledges that by amortizing the Reimbursable Costs as provided for in the Lease and this Amendment, the Reimbursement Payment will decrease over the Term of the Lease, to the extent that if Tenant exercises all of its Option Periods and the Term expires on or after the date which marks the end of the six-year amortization period, then no Reimbursement Payment will be due.

e. <u>Surrender Of Leased Premises</u>. Tenant shall, at the expiration of the Term or at the sooner termination thereof by forfeiture or otherwise, surrender the Leased Premises in the same good order and condition as existed at the beginning of the tenancy, reasonable wear and tear excepted.

### 3. RENT.

a. Annual Rent. Tenant shall pay to Landlord, in twelve equal monthly installments, an annual base rental ("Annual Rent") as shown in the rent schedule below. The Annual Rent is intended to be gross rent other than with respect to Tenant's obligations to pay (i) Tenant's Pro Rata Share (defined below) of Landlord's annual real estate taxes in excess of the real estate tax amount paid by Landlord for Fiscal Year 2013 as set forth in Section 6 (a), (ii) Tenant's Pro Rata Share of Landlord's estimated annual Operating Expenses in excess of the Operating Expenses paid by Landlord for Fiscal Year 2013 as set forth in Section 6.b, and (iii) any charges or fees that Tenant has agreed in this Lease to pay directly to service providers or vendors.

Periods 1	Base Rent	Monthly	A (Annual)
	electriciand janitonal) s		
7/1/2012 — 6/30/2013	\$23.06	\$13,580.42	\$162,965.04
7/1/2013 — 6/30/2014	\$23.64	\$13,921.99	\$167,063.88
7/1/2014 6/30/2015	\$24.23	\$14,328.34	\$171,940.08
7/1/2015 — 6/30/2016	\$24.84	\$14,628.69	\$175,544.28
7/1/2016 — 6/30/2017	\$25,46	\$14,993.82	\$179,925.84
7/1/2017 6/30/2018	\$26,10	\$15,370.73	\$184,448.76

Tenant agrees to pay each installment of the Annual Rent in advance on the first day of each and every month, promptly as and when due, without any setoff or deduction whatsoever. Said rental shall be paid to: 2850 North Ridge Associates, LLC, addressed C/O Manekin, LLC, 8601 Robert Fulton Drive, Suite 200, Columbia, MD 21046-2278, or in such manner and at such other place or to such appointee of Landlord, as Landlord may from time to time designate in writing.

Tenant shall pay, in advance, to Landlord the first monthly installment of Annual Rent due and payable under the rent schedule above upon Landlord signing the Lease.

- b. <u>Late Payment Charge</u>. If Tenant fails to pay when due the Annual Rent, Additional Rent or any other sum required by the terms of this Lease to be paid by Tenant, then, upon the happening of any such event, and in addition to any and all other remedies that may thereby accrue to Landlord may assess a one-time late charge against Tenant in the amount of Fifty Dollars (\$50.00). Additionally, if Tenant fails to pay any Annual Rent within seven (7) days, or any Additional Rent within twenty (20) days, from receipt of written notice that said Rent is due and payable, then such unpaid amounts shall bear interest from the due date thereof to the date of payment at a rate of ten percent (10%) per annum (the "Default Rate").
- c. <u>Tenant's Pro Rata Share</u>. For purposes of this Lease, Tenant's Pro Rata Share is based on a fraction, the numerator of which is the number of rentable square feet in the Leased Premises and the denominator of which is the number of square feet in the Building, subject to adjustment from time to time as such areas may change. As of the Effective Date, Tenant's Pro Rata Share is 18.15%.
- 4. <u>ADDITIONAL RENT.</u> All sums of money other than Annual Rent required to be paid by Tenant to Landlord pursuant to the terms of this Lease, unless otherwise specified herein, shall be considered additional rent (hereinafter referred to as "Additional Rent"), and shall be collectible by Landlord as Additional Rent, in accordance with the terms of this Lease.

5. <u>DELIVERY OF POSSESSION.</u> Landlord agrees to deliver to Tenant, and Tenant agrees to accept from Landlord, possession of the Leased Premises when Landlord advises Tenant in writing that the Landlord's Work has been "Substantially Completed" (as defined below) and Tenant has completed its walk-through inspection and either accepts the Leased Premises "AS IS" or Tenant delivers a list of Punch List Items to Landlord to be completed by Landlord as soon as reasonably possible.

"Substantially completed" shall mean completion of Landlord's Work, except for Punch List Items, such that Tenant is legally permitted to occupy the Leased Premises without material impediment arising from incomplete or defective performance of Landlord's Work. Promptly following substantial completion of Landlord's Work, Landlord shall exercise its commercially reasonable efforts to obtain\_a certificate of use and occupancy issued by the Department of Inspections, Licensing and Permits of Howard County, Maryland as soon as reasonably possible.

Landlord anticipates delivering possession of the Leased Premises to Tenant on August 1, 2012. If Landlord encounters delays in delivering possession of the Leased Premises to Tenant, this Lease will not be void or voidable, nor will Landlord be liable to Tenant for any loss or damage resulting from such delay. Notwithstanding anything to the contrary contained herein, if the Leased Premises is not delivered to Tenant on or before October 15, 2012, subject to extension for Events of Force Majeure (as defined below) and completion of any Punch List Items, then Tenant may terminate this Lease without any further obligation or liability to Landlord, including without limitation the obligation to make any or all Reimbursement Payments. As used herein, the term "Events of Force Majeure" shall mean any delay encountered by Landlord in carrying out its obligations under this Section 5 resulting from strikes, lockouts, earthquakes, floods, unavailability of labor, inclement weather, unavailability of standard materials, customary facilities, equipment or supplies, governmental building moratoriums, governmental or administrative action or inaction, riot, insurrection, mob violence or civil commotion, war, acts of God, delays or inaction by utility providers, or other acts beyond the reasonable control of Landlord and not due to Landlord's acts or omissions or financial condition (individually or collectively "Events of Force Majeure").

As used herein, the term "Landlord's Work" shall mean all work to be completed by Landlord to build-out the Leased Premises in accordance with the construction proposal of Deerfield Construction Group, dated 6/20/12, as set forth in **Exhibit B** attached hereto and incorporated herein.

Subject to Reimbursement Payment, if any, all of Landlord's Work shall be performed at Landlord's expense and in a good and workmanlike manner and consistent with the layout of that certain space plan prepared by Hofmann Associates dated June 14, 2012 and attached hereto as <a href="Exhibit B-1">Exhibit B-1</a> (the "Architect Plans"). Landlord's Work shall comply with all applicable governmental permits, laws, ordinances and regulations. Landlord shall obtain, at Landlord's expense, and comply with all permits required by all public authorities in connection with the performance of the Landlord's Work\_(collectively, the "Building Permits"). Within fifteen (15) days following the date of delivery of possession of the Leased Premises, Tenant shall deliver a punch list, if any, to Landlord. Landlord agrees to correct all such Punch List Items as soon as reasonably practicable, but in any event no later than twenty (20) business days from the date of the punch list.

Notwithstanding the foregoing, Landlord will not be obligated to deliver possession of any portion of the Leased Premises to Tenant until Landlord has received from Tenant (i) a copy of this Lease, fully executed by Tenant, and (ii) copies of policies of insurance or certificates thereof as required under Article 10 of this Lease.

### 6. ANNUAL TAX ADJUSTMENT AND EXCESS EXPENSE ADJUSTMENT.

- a. Real Property Tax Adjustment. Commencing on July 1, 2013 and on July 1 of each Option Period thereafter, Tenant shall pay, as Additional Rent, Tenant's Pro Rata Share of the amount of Landlord's annual real estate taxes in excess of the amount billed to and paid by Landlord for the base year of Fiscal Year 2013, if any, (the "Tenant's Tax Adjustment"). The parties acknowledge that the "Fiscal Year" commences on July 1 and ends on June 30. Whenever Tenant's Pro Rata Share is used to determine a charge it is understood that it may be subject to change due to a subsequent increase or decrease of the rentable area of the Leased Premises.
- **b.** Excess Expense Adjustment. Commencing on August 1, 2013, Tenant shall pay, as Additional Rent, Tenant's Pro Rata Share of the amount of Operating Expenses in excess of the amount billed to and paid by Landlord, if any, for Fiscal Year 2013 (the "Operating Expense Adjustment").

As used herein, the "Operating Expenses" shall mean the sum of all reasonable costs of operating, managing, maintaining and repairing the Building, including the following: charges (including surcharges resulting from Tenant's use) for gas, water and sewer and any other utilities supplied to the Building not paid for directly by Tenant; the cost of public liability insurance and casualty insurance carried by Landlord in connection with the Building, including, but not limited to, casualty and liability insurance for Landlord's personal property used in connection with the Building's common areas; legal and accounting fees incurred in protest actions, petitions, arbitration, mediation or litigation that involve taxes, charges or fees assessed against the Property; management fees and personnel costs, including, but not limited to, reasonable salaries, wages, fringe benefits, taxes, insurance and other direct costs of engineers, superintendents, watchmen, or security guards or services; the cost of all service and maintenance contracts, including, but not limited to, access control and energy management services, security, window cleaning, and elevator maintenance; landscaping maintenance, including reasonable upgrades and replacements; parking facility maintenance, including repairs, re-striping, resurfacing, and removal of snow, ice and debris; traffic control; sanitary and drainage control; public address system; disposal of trash (except for amounts of trash generated by Tenant which are considered by Landlord, in Landlord's reasonable discretion, to be excessive, the cost of disposal of which Landlord reserves the right to charge Tenant, and Tenant agrees to pay on demand); the amortized cost of any capital improvements or alterations made by Landlord to the Building after the Rent Commencement Date of the Lease Term, that reduce other operating charges, or which are required under any governmental law or regulation that was not applicable to the Building at the time it was constructed, and such cost to be amortized over a period of not less than 20 years; equipment, materials and tools reasonably necessary for the operation, repair and maintenance of the Building; the Building's share of all costs to maintain, repair and/or replace as necessary any common driveways, facilities and structures pursuant to easements, covenants or similar agreements affecting the Building; charges of any kind imposed by any governmental authority in connection with the use or occupancy of the Building by Tenant, including any and all license, permit, and inspection fees; and any other reasonable costs and expenses incurred by Landlord in owning, maintaining or operating the Building.

Notwithstanding anything to the contrary, Operating Expenses shall not include: (i) ground rent and interest on and amortization of mortgages, (ii) salaries of Landlord's employees not engaged in the operation, management, maintenance or repair of the Building or Property, (iii) leasing commissions, advertising expenses and other such expenses incurred in leasing or marketing space within the Building, (iv) expenses incurred by Landlord to prepare, renovate, repaint or redecorate any space leased to any other tenant or other occupant of the Building, provided however Landlord many recover such expenses in the Event of Default pursuant to applicable sections of this Lease, (v) expenses for the replacement of any item covered under warranty, (vi) costs correcting any penalty or fine incurred by Landlord due to Landlord's violation of any federal, state, or local law or regulation and any interest or penalties due for late payment by Landlord of any of the Operating Expenses, (vii) expenses for any item or service which Tenant pays directly to a third party or separately reimburses Landlord, and expenses

incurred by Landlord to the extent the same are reimbursable (pursuant to the terms of leases or contracts at the Property) or reimbursed from any other tenants, occupants of the Property, or third parties (other than through the payment of Operating Expense under other leases), (viii) Landlord's general overhead and administrative expenses, (ix) any cost or other sum incurred as a result of the negligence of Landlord or any agent, employee, contractor or invitee of Landlord, (x) cost of capital improvements other than as set forth in the above definition of Operating Expenses, (xi) legal fees other than as set forth in the above definition of Operating Expenses, (xii) cleaning and janitorial services, and (xiii) cost of any service provided by Landlord in other premises in the Building which service is not provided by Landlord to the Premises pursuant to the terms of this Lease.

c. <u>Billing</u>. Within sixty (60) days after July 1 of each lease year, Landlord shall submit a statement (hereinafter referred to as the "Tax Adjustment Statement") to Tenant setting forth the actual real estate taxes for Fiscal Year 2013 and the actual real estate taxes for the current Fiscal Year and the amount of Tenant's Tax Adjustment, if any. The Tax Adjustment Statement shall include a copy of all pertinent bills and budget pages, including without limitation a copy of the Fiscal Year 2013 real property tax bill and the current Fiscal Year real property tax bill.

On August 1 of each lease year, Landlord shall submit a statement (hereinafter referred to as the "Operating Expense Adjustment Statement") to Tenant setting forth the actual Operating Expenses for Fiscal Year 2013 and the actual real Operating Expenses for the current calendar year and the amount of Operating Expense Adjustment, if any. The Operating Expense Adjustment Statement shall include a copy of all pertinent bills and budget pages for all Operating Expenses charged to Tenant.

If Tenant has no dispute regarding the Tax Adjustment Statement or the Operating Expense Adjustment Statement, Tenant will pay the total amount of Tenant's Tax Adjustment or the Operating Expense Adjustment, as applicable, with the next monthly payment of Annual Rent that is at least thirty (30) days from the date of the Landlord's billing statement. If Tenant disputes the amount owed, then Tenant shall provide written notice to Landlord within 30 days after receiving Landlord's statement that Tenant disagrees with the statement and specify the items and amounts in dispute. Landlord and Tenant shall resolve the discrepancy in a diligent and timely manner, and Tenant, shall pay Landlord the agreed upon amount within thirty (30) days from receipt of the revised adjustment statement. For any Operating Expense Adjustment due that may be estimated, Landlord shall provide an updated and actual cost statement within sixty (60) days of the estimated bill and provide a credit to Tenant if due. The right to the payment of or a credit for either Tenant's Tax Adjustment or the Operating Expense Adjustment shall survive the expiration or termination of this Lease for a period of one (1) year.

- 7. <u>USE</u>. Tenant shall use and occupy the Leased Premises for general office use and other legally permitted uses as approved by Landlord, which approval shall not be unreasonably withheld, conditioned or delayed.
- 8. LAWS AND REGULATIONS. Landlord and Tenant shall observe and comply with all laws, orders, rules, requirements, ordinances and regulations of the United States and the State and City or County in which the Leased Premises are located, and of all governmental authorities or agencies and of any board of the fire underwriters or other similar organization (collectively the "Legal Requirements"), with respect to the Property, Building and the Leased Premises and the manner in which the Property, Building and Leased Premises are used by Landlord, Tenant and, as applicable, other tenants of the Building. In no way limiting the generality of this section, Landlord and Tenant shall complete all improvements or alterations to the Property, Building and/or Leased Premises, as applicable, in accordance with the Americans with Disability Act of 1990 (42 U.S.C., Section 12101 et seq.) and regulations and guidelines promulgated thereunder, as amended and supplemented from time to time, (collectively the "ADA").
- 9. ASSIGNMENT AND SUBLET. Tenant shall not assign, mortgage, pledge, hypothecate, encumber, or permit any lien to attach to, or otherwise transfer this Lease or any interest hereunder,

permit any assignment or other such foregoing transfer of this Lease or any interest hereunder by operation of law, sublet the Leased Premises or any part thereof, or permit the use of the Leased Premises by any persons other than Tenant or a Government Agency (all of the foregoing are hereinafter sometimes referred to collectively as "Transfers" and any person to whom any Transfer is made or sought to be made is hereinafter sometimes referred to as a "Transferee") without Landlord's prior written consent, which consent shall not be unreasonably withheld, conditioned or delayed. Tenant shall make any request for Landlord's consent to a Transfer by written notice to Landlord. Any Transfer made without Landlord's prior written consent shall be null, void and of no effect, and shall constitute a default by Tenant under this Lease. Each time Tenant requests Landlord's consent to a proposed Transfer, whether or not Landlord shall grant consent, within thirty (30) days after written request by Landlord, as Additional Rent hereunder, Tenant shall pay to Landlord Five Hundred Dollars (\$500.00) for Landlord's review and processing fees.

Notwithstanding anything to the contrary contained in the Lease, Landlord shall have the option, by giving written notice to Tenant within thirty (30) days after receipt of any written notice requesting Landlord's consent to a Transfer, to recapture the space that is the subject of Tenant's request for consent (the "Subject Space"). Such recapture notice shall cancel and terminate this Lease with respect to the Subject Space as of the date stated in the written notice requesting Landlord's consent to a Transfer as the effective date of the proposed Transfer until the last day of the term of the Transfer as set forth in the written notice requesting Landlord's consent to a Transfer. If this Lease shall be canceled with respect to less than the entire Leased Premises, the Annual Rent reserved herein shall be prorated on the basis of the number of rentable square feet retained by Tenant in proportion to the number of rentable square feet contained in the Leased Premises, and this Lease as so amended shall continue thereafter in full force and effect, and upon request of either party, the parties shall execute written confirmation of the same. If Landlord declines, or falls to elect in a timely manner to recapture the Subject Space under this Section, then, provided Landlord has consented to the proposed Transfer. Tenant shall be entitled to proceed to transfer the Subject Space to the proposed Transferee. Landlord shall be entitled to any additional considerations over and above those stated in this Lease, which are obtained in or for the Transfer. If Landlord consents to such assignment or subletting, Tenant shall not be relieved from any liability whatsoever under this Lease, unless in the event that the assignee or sublessee has a financial status equal to or better than Tenant's (which the parties acknowledge may be satisfied only by another Government Agency).

### 10. INSURANCE, SUBROGATION and INDEMNIFICATION.

- a. <u>Tenant's Insurance</u>. Landlord acknowledges that Tenant is self-insured and will maintain or appropriate reasonable reserves or funds, as the case may be, to cover claims, losses and damages that might arise or be incurred during its occupancy of the Leased Premises which otherwise may be covered by Business Personal Property Insurance covering Special Causes of Loss, Commercial General Liability insurance (written on an occurrence basis) which, unless approved by Landlord in writing, in no event shall be for coverage less than One Million Dollars (\$1,000,000) combined single limit per occurrence with a One Million Dollar (\$1,000,000) annual aggregate, and Workers' Compensation insurance including Employer's Liability insurance, which, unless approved by Landlord in writing, such Workers' Compensation insurance shall be for the statutory benefits in the jurisdiction in which the Leased Premises are located.
- b. Landlord's Insurance. Throughout the term of this Lease, Landlord shall obtain and maintain (i) Real Property Insurance against Special Causes of Loss and said insurance shall be subject to Replacement Cost valuation covering the Building and all of Landlord's property therein in an amount required by its insurance company to avoid the application of any coinsurance provision, and (ii) Commercial General Liability insurance (written on an occurrence basis) and said insurance shall include Contractual Liability coverage insuring the obligations assumed by Landlord under this Lease, Leased Premises and Operations coverage, Personal Injury Liability coverage, Independent Contractor's Liability coverage. Such Commercial General Liability insurance shall be in amounts not less than One Million

Dollars (\$1,000,000) combined single limit per occurrence with a Two Million Dollar (\$2,000,000) annual aggregate.

### Waiver Of Subrogation And Indemnity.

- (i) As long as all of Landlord's insurance policies provide for a waiver of subrogation against Tenant, its successors, employees, agents, representatives and any other party required to be the recipient of such a waiver under the terms of any written contract or agreement with Tenant pertaining to this Lease and/or to the Leased Premises, in connection with any loss or damage covered by such policy, either all insurance maintained by Tenant, or Tenant under its self-insurance structure, shall provide that the insurer thereunder waives all right of recovery by way of subrogation against Landlord, its partners, employees, agents, representatives and any other party required to be the recipient of such a waiver under the terms of any written contract or agreement with Landlord pertaining to this Lease and/or to the Leased Premises, in connection with any loss or damage covered by such policy.
- (ii) Subject to Maryland's Local Government Tort Claims Act, approved budget appropriations and applicable law, Tenant shall indemnify and hold harmless Landlord from and against all claims, damages, losses, liabilities, judgments, costs and/or expenses (i) relating to or arising out of Tenant's sole acts or omissions from the use and occupancy of the Leased Premises, or (ii) due to or arising out of any mechanic's lien filed against the Building, or any part thereof, for labor performed or for materials furnished or claimed to be furnished to Tenant, which have not been bonded by the County or contested by the County in accordance with the State court procedures. The provisions of this Section shall survive the termination of this Lease for a period of one (1) year with respect to any claims or liability accruing prior to such termination. Notwithstanding anything to the contrary contained in this section, Tenant will act in good faith to secure appropriations sufficient to meet its obligations under this Section. Nothing contained in this Section 10(b)(2) or this Lease shall be construed as the Tenant waiving any of the defenses of immunity provided to it under law.

### 11. ALTERATIONS.

- a. <u>Landlord Approval</u>. Tenant shall make no alterations, installations, additions or improvements beyond the Landlord's Work in the Leased Premises (herein collectively referred to as "Alterations") in or to the Leased Premises without the Landlord's prior written consent, which consent shall not be unreasonably withheld, conditioned or delayed in the case of non-structural alterations, and may be withheld in Landlord's sole and absolute discretion in the case of structural alterations, and then only by contractors or mechanics reasonably approved by Landlord, and at such times and in such manner as Landlord may from time to time reasonably designate.
- b. <u>Plans</u>. If Tenant desires to make any Alterations, plans for the same shall first be delivered to Landlord, and the Alterations shall be constructed by Landlord's contractors or mechanics, unless other contractors or mechanics are approved by Landlord, all at Tenant's expense, and the cost of said Alterations shall be due and payable to Landlord as Additional Rent. In the event that a building permit is required, Landlord shall have the first option to submit the permit application on behalf of the Tenant. Any permit cost shall be at Tenant's expense. Such Alterations shall become the property of Landlord as soon as they are affixed to the Leased Premises and all rights, title and interest therein of Tenant shall immediately cease, unless otherwise agreed to in writing. Landlord may from time to time make available to tenants of the Building the services of its architect to provide test fits.
- 12. REPAIRS AND MAINTENANCE. Tenant shall maintain the interior of the Leased Premises in good order and condition, ordinary wear and tear excepted. Landlord shall maintain, repair and replace, as applicable, all (i) windows, doors, interior and exterior walls, ceilings, flooring and floor coverings, (ii) mechanical, electrical and plumbing systems, HVAC equipment and systems, (iii) common areas, the roof and the exterior of the Building, as well as the structure thereof, and (iv) the parking facilities, private drives and ways and sidewalks, so that the Leased Premises, the Building and the Property remain in good order and repair, reasonable wear and tear excepted, and safe for occupancy and use.

### 13. SERVICES.

- a. <u>Electricity</u>. Landlord shall furnish the Property, Building and Leased Premises with electricity and the electricity supplied to the Leased Premises shall be suitable for Tenant's intended use as general office space. The electricity for the Leased Premises shall be separately metered and paid for directly by Tenant. If Tenant requires electrical current or installs electrical equipment including but not limited to, electrical heating, additional or supplemental air conditioning equipment, or machines or equipment using current in excess of 110 volts, which will in any way increase the amount of the electricity usually furnished for use as general office space, Tenant shall obtain Landlord's written approval, which will not be unreasonably withheld, conditioned or delayed, and Tenant shall pay directly for any additional expense related to the electrical upgrades.
- b. <u>HVAC</u>. Landlord shall maintain, repair and replace the HVAC system and equipment for the Building and the Leased Premises such that heating and air conditioning are supplied for the comfortable use and occupancy of the Leased Premises. Tenant shall be able to regulate heating and air conditioning from within the Leased Premises.
- c. <u>Water and Sewer</u>. Landlord shall maintain and supply adequate water and sewer services for the Building, including without limitation the Leased Premises.
- d. <u>Janitorial</u>. Tenant shall contract directly with a janitorial company for janitorial services.
- e. <u>Voice and Data</u>. Tenant shall contract directly for the installation and maintenance of its voice and data systems and a telecommunications service provider for all phone, internet and network services. Tenant and Landlord shall coordinate during the period of Landlord's Work to determine if voice and data installation should take place during this time. Landlord shall have reasonable approval rights for wiring installation.
- f. Miscellaneous. Landlord shall furnish, supply and maintain, repair and replace, as applicable, all hallways, stairways, lobbies, elevators, restroom facilities and maintain the Building grounds, parking facilities and other common areas of the Property, all at Landlord's expense, except as may be otherwise provided in this Lease. Landlord shall provide necessary passenger elevator service twenty-four (24) hours per day, seven (7) days per week in a manner that does not compromise Landlord's security system and policies for the Building. Tenant shall obtain Landlord's written consent prior to using the elevators for any use other than passenger service. Landlord reserves the right to exclude any other use than passenger service of the elevators during regular business hours of the Building.

Landlord shall have no liability or responsibility to supply heat, air conditioning, elevator, plumbing, cleaning, and/or electric service, when prevented from so doing by laws, orders or regulations of any Federal, State, County or Municipal authority or by strikes, accidents, or by any other cause whatsoever, beyond Landlord's control and shall have no liability whatsoever for any interruptions in utility services, except for the interruptions caused by Landlord's non-payment, gross negligence or willful misconduct.

14. <u>DEFAULT.</u> If Tenant fails (i) to pay installments of Annual Rent and such failure continues for seven (7) days after Landlord has given written notice to Tenant, or to pay installments of Additional Rent and such failure continues for twenty (20) days after Landlord gives written notice to Tenant, or (ii) to comply with any of the non-monetary provisions, covenants, or conditions of this Lease, on its part to be kept and performed, and such default shall continue for a period of thirty (30) days after Landlord has given written notice to Tenant, unless Tenant has promptly commenced curing such default within the thirty (30) days upon which the cure period shall be extended to sixty (60) days, then, upon the happening of any such

event, and in addition to all other remedies that may thereby accrue to Landlord, Landlord may do the following:

- a. <u>Landlord's Election To Retake Possession Without Termination Of Lease.</u> Landlord may retake possession of the Leased Premises and shall have the right, without being deemed to have accepted a surrender thereof, and without terminating this Lease, to relet the same for the remainder of the Term upon terms and conditions satisfactory to Landlord; and if the rent received from such reletting does not at least equal the rent payable by Tenant hereunder, Tenant shall pay and satisfy the deficiency between the amount of rent so provided in this Lease and the rent received through reletting the Leased Premises.
- b. <u>Landlord's Election to Terminate Lease.</u> Landlord may terminate the Lease and repossess the Leased Premises and be entitled to recover as damages a sum of money equal to the total of the following amounts:
  - i. any unpaid rent or any other outstanding monetary obligation of Tenant to Landlord under the Lease;
  - ii. damages for the wrongful withholding of the Leased Premises by Tenant;
     iii. all court costs and other reasonable costs incurred in exercising its rights under the Lease; and
  - iv. all reasonable costs incurred in recovering the Leased Premises, and restoring the Leased Premises to good order and condition, less the aggregate amount of the Reimbursement Payments collected under this Lease and the improvement costs paid for by the replacement tenant.
- DAMAGE. In the case of the total destruction of the Leased Premises by fire, other casualties, the elements, or other cause, or of such damage thereto as shall render the same totally unfit for occupancy by Tenant for more than ninety (90) days, this Lease, upon surrender and delivery to Landlord by Tenant of the Leased Premises, together with the payment of the Annual Rent to the date of such occurrence and a proportionate part thereof to the date of surrender, shall terminate, and the parties shall have no further obligations or liabilities under this Lease from the date of said termination, except as provided for in provisions of this Lease which by their terms survive the expiration or earlier termination of the Term. If the Leased Premises are rendered partly untenantable by any cause mentioned in the preceding sentence, Landlord shall, at its own expense, within one hundred twenty (120) days from the date of the damage restore the base, shell, and core of the Leased Premises with reasonable diligence, including without limitation modifications required by zoning and building codes and other laws or by the holder of a mortgage on the Building, and the rent shall be abated proportionately for the period of said partial untenantability and until the base, shell, and core of the Leased Premises are fully restored by Landlord.

Notwithstanding the terms of the foregoing paragraph, Landlord may elect not to rebuild and/or restore the Leased Premises and/or Building and instead terminate this Lease by notifying Tenant in writing of such termination within sixty (60) days after the date of damage, such notice to include a termination date giving Tenant ninety (90) days, from the date of said notice, to vacate the Leased Premises. Notwithstanding the foregoing, Landlord may elect this option of termination only if the Building is damaged by fire or other casualty or cause, whether or not the Leased Premises are affected, and one or more of the following conditions is present: (i) repairs cannot reasonably be completed within twenty (120) days from the date of damage (when such repairs are made without the payment of overtime or other premiums), (ii) the holder of any mortgage on the Building or ground or underlying lessor with respect to the Property and/or the Building shall require that the insurance proceeds or any portion thereof be used to retire the mortgage debt, or shall terminate the ground or underlying lease, as the case may be, or (iii) the damage is not fully covered, except for deductible amounts, by Landlord's insurance policies. In addition, if the Leased Premises or the Building is destroyed or damaged to any substantial extent during the last nine (9) months of the Term, then notwithstanding anything contained in this Section, Landlord or Tenant shall have the option to terminate this Lease by giving written notice to the other of the exercise of such option within thirty (30) days after such damage or destruction, in which event this Lease shall terminate as of the date of such notice. Upon any such termination of this Lease pursuant to this section, Tenant shall pay the Annual Rent and Additional Rent properly apportioned up to such date of termination, and thereafter both parties shall be released and discharged of all further obligations hereunder, except as provided for in provisions of this Lease which by their terms survive the expiration or earlier termination of the Term.

- 16. BANKRUPTCY. In the event of the appointment of a receiver or trustee for Tenant by any Federal or State court, in any legal proceedings under any provision of the Bankruptcy Act, which is not vacated within sixty (60) days, or in the event Tenant is adjudicated bankrupt or insolvent, or shall make an assignment for the benefit of its creditors, then in any of said events, Landlord may, at its option, terminate this Lease by ten (10) days written notice, and re-enter upon said Leased Premises.
- 17. PARKING. During the Term, Tenant shall have the non-exclusive right to use the parking available for the Property free of charge; provided, however, Tenant acknowledges that other tenants of the Building shall also have the right to use such parking spaces and Landlord makes no representation or warranty with respect to the number of parking spaces available for Tenant's use, except that there should be approximately 4 spaces per One Thousand (1,000) rentable square feet in the Building.
- 18. Signs. Signage criteria for the Building has been established by Landlord and all such information for Tenant's suite sign and directory strip sign shall be submitted to Landlord for Landlord's approval of confirmation to this criteria, which approval shall not be unreasonably withheld, conditioned or delayed. Once approved by Landlord, Landlord will order and install Tenant's signage on the Building's directory and next to the main entrance to the Leased Premises, using building standard designs and materials. The cost to manufacture the signage shall be solely at Landlord's expense.
- 19. RIGHT OF ENTRY. It is understood and agreed that Landlord, and its agents, servants, and employees, including any builder or contractor employed by Landlord, shall have, upon reasonable notice to Tenant, the right, license and permission, at any and all reasonable times, (i) to inspect the Leased Premises for maintenance and repair, (ii) to show the Leased Premises to any prospective lender, purchaser or tenant, or (iii) to make any alteration, improvement or repair to the Leased Premises. Notwithstanding the foregoing, (i) Landlord, and its agents, servants, and employees, including any builder or contractor employed by Landlord, shall not interfere with the business or operations of Tenant, and (ii) if Tenant is conducting sensitive, confidential matters or case work at the time planned for a entry by Landlord or anyone acting by, through or under Landlord, then Landlord shall reschedule such entry with Tenant to a mutually agreeable date and time.
- 20. EXPIRATION. It is agreed that the Term expires on the Term Expiration Date, without the necessity of any notice by or to any of the parties hereto. If Tenant occupies the Leased Premises after such expiration, it is understood that, in the absence of any written agreement to the contrary, Tenant shall hold the Leased Premises as a holdover "Tenant from month to month", subject to all the other terms and conditions of this Lease, at one and one-half (1½) times the highest monthly rental installments reserved in this Lease or agreed to by Landlord and Tenant in writing with respect to the Option Period, if applicable; provided that Landlord shall, upon such expiration, be entitled to the benefit of all public general or public local laws relating to the speedy recovery of the possession that may be now in force or may hereafter be enacted, excluding the recovery of consequential damages. As used in this Lease, a "month-to-month" tenancy shall mean that during such period either Landlord or Tenant may terminate this Lease upon thirty (30) days' notice to the other party.

Not more than seven (7) days prior to expiration, Tenant agrees to schedule an inspection with Landlord to confirm that the Leased Premises will be in the condition as provided in this Lease.

21. <u>CONDEMNATION.</u> It is agreed in the event that condemnation proceedings are instituted against the Leased Premises and title taken by any Federal, State, Municipal or other body, then this Lease shall become null and void at the date of settlement of condemnation proceedings and Tenant shall not be entitled to recover any part of the award which may be received by Landlord.

- SUBORDINATION. It is agreed that Landlord shall have the right to place a mortgage or any form of mortgages on the Leased Premises and this Lease is subject and subordinate to all present and future ground leases of the Property and to the lien of any mortgages or deeds of trust, now or hereafter in force against the Property and the Building, if any, and to all renewals, extensions, modifications, consolidations and replacements thereof, and to all advances made or hereafter to be made upon the security of such mortgages or deeds of trust, unless the holders of such mortgages or deeds of trust, or the lessors under such ground lease or underlying leases, require in writing that this Lease be superior thereto. Notwithstanding the foregoing, Landlord shall use commercially reasonable efforts to obtain a subordination, non-disturbance and attornment agreement signed by the lien holder and Tenant. Tenant covenants and agrees in the event any proceedings are brought for the foreclosure of any such mortgage, or if any ground or underlying lease is terminated, to attorn, without any deductions or set-offs whatsoever, to the purchaser upon any such foreclosure sale, or to the lessor of such ground or underlying lease, as the case may be, if so requested to do so by such purchaser or lessor, and to recognize such purchaser or lessor as the lessor under this Lease. Tenant shall, within five (5) business days of request by Landlord, execute such further instruments or assurances as Landlord may reasonably deem necessary to evidence or confirm the subordination or superiority of this Lease to any such mortgages, deeds of trust, ground leases or underlying leases.
- 23. NOTICES. Any written notice required by this Lease shall be deemed sufficiently given, on the day it is hand delivered if there is a verified signed receipt, or within three (3) business days if sent via first class mail, postage pre-paid, certified mail and there is a signed return receipt, or on the next business day if sent by overnight courier service if there is a verified signed receipt.

Any notice required by this Lease is to be sent to Landlord at:

2850 North Ridge Associates, LLC C/O Michael Abrams, FPR Medical Properties, LLC 9600 Blackwell Road, Suite 200, Rockville, MD 20850

Any notice required by this Lease is to be sent to Tenant at the Leased Premises with a copy to:

Tina Hackett, Chief Real Estate Services Division George Howard Building 3430 Court House Drive Ellicott City, Maryland 21043

- 24. <u>REMEDIES NOT EXCLUSIVE</u>. No remedy conferred upon either Landlord or Tenant at law or in equity shall be considered exclusive of any other remedy, but shall be in addition to every other remedy available to Landlord or Tenant as to claims arising under this Lease. Every remedy available to Landlord or Tenant may be exercised concurrently or from time to time, as often as the occasion may arise.
- 25. WAIVERS. It is understood and agreed that nothing shall be construed to be a waiver of any of the terms, covenants and conditions herein contained, unless the same be in writing, signed by the party to be charged with such waiver, and no waiver of the breach of any covenant shall be construed as the waiver or the covenant of any subsequent breach thereof.
- 26. PERFORMANCE. It is agreed that the failure of either Landlord or Tenant to insist in any one or more instances upon a strict performance of any covenant of this Lease or to exercise any right provided for herein shall not be construed as a waiver or relinquishment for the future of such covenant or right, but the same shall remain in full force and effect, unless otherwise expressed in writing by Landlord or Tenant.

- 27. <u>FINAL AGREEMENT</u>. This Lease contains the final and entire agreement between the parties hereto, and neither they nor their agents shall be bound by any terms, conditions or representations not herein written.
- 28. QUIET ENJOYMENT. Tenant, upon paying the Annual Rent and Additional Rent, and other charges herein provided, and observing and keeping all of its covenants, agreements, and conditions in this Lease, shall have the right of quiet enjoyment to the Leased Premises during the Term without hindrance or molestation by anyone claiming by, through or under Landlord.
- 29. ESTOPPEL CERTIFICATE. Within ten (10) business days following a request in writing by Landlord, Tenant shall execute and deliver to Landlord an estoppel certificate, which, as submitted by Landlord, shall be substantially in the form of Exhibit C attached hereto and incorporated herein (or such other form as reasonably may be required by any prospective mortgagee or purchaser of the Property, or any portion thereof), indicating any exceptions thereto that may exist at that time, and shall also contain any other information reasonably requested by Landlord or Landlord's mortgagee or prospective mortgagee or purchaser. Failure of Tenant to timely execute and deliver such estoppel certificate shall constitute an acknowledgment by Tenant that statements included in the estoppel certificate are true and correct, without exception. Tenant shall, at any time during the Term or any renewal thereof, upon request of Landlord, execute, acknowledge, and deliver to Landlord or its designee, a statement in writing, certifying that this Lease is unmodified and in full force and effect if such is the fact that the same is in full force. Notwithstanding the foregoing, Landlord shall use commercially reasonable efforts to obtain a subordination, non-disturbance and attornment agreement signed by the lien holder at the same time that Tenant is presented with any estoppels certificate or similar certification.
- 30. <u>ENVIRONMENTAL REQUIREMENTS</u>. Tenant shall not use or allow another person or entity to use any part of the Leased Premises for the storage, use, treatment, manufacture or sale of Hazardous Material. Landlord acknowledges, however, that Tenant will maintain products in the Leased Premises which are incidental to the operation of its general office use, including, without limitation, photocopy supplies, secretarial supplies and limited janitorial supplies, which products contain chemicals which are categorized as Hazardous Materials. Landlord agrees that the use of such products in the Leased Premises in the manner in which such products are designed to be used and in compliance with applicable laws shall not be a violation by Tenant of this section. As used in this Lease, the term "Hazardous Materials" shall mean any substance that is or contains petroleum, asbestos, polychlorinated biphenyls, lead, or any other substance, material or waste which is now or is hereafter classified or considered to be hazardous or toxic under any federal, state or local law, rule, regulation or ordinance relating to pollution or the protection or regulation of human health, natural resources or the environment (collectively, "Environmental Laws").
- 31. <u>EXCULPATION CLAUSE</u>. Subject to applicable law, no principal, partner, member, officer, director, or trustee of Landlord (collectively, "Landlord Affiliates") shall have any personal liability under any provision of this Lease.
- 32. RULES AND REGULATIONS. Tenant agrees to be bound by the Rules and Regulations as set forth on the schedule attached hereto and labeled Exhibit D and made a part hereof. Landlord shall have the right, from time to time, to issue additional or amended Rules and Regulations regarding the use of the Building and Property. Tenant covenants that said additional or amended Rules and Regulations shall likewise be faithfully observed by Tenant, the employees of Tenant and all persons invited by Tenant into the Building.
- 33. BROKERS. Landlord and Tenant hereby warrant to each other that they have had no dealings with any real estate broker or agent in connection with the negotiation of this Lease, except that Landlord has a commission agreement with Manekin (the "Broker") and Tenant has a consultant agreement with Jones Lang LaSalle (the "Consultant"), and that they know of no other real estate broker or agent who is entitled to a commission or fee in connection with this Lease. Each party agrees to indemnify and defend the other party against and hold the other party harmless from any and all claims,

demands, losses, liabilities, lawsuits, judgments, and costs and expenses with respect to any leasing commission or equivalent compensation alleged to be owing on account of the indemnifying party's dealings with any real estate broker or agent other than the Broker or the Consultant. Landlord shall pay all commissions earned by and due to the Broker and the Consultant pursuant to the terms of separate agreements with Broker and Consultant (the "Brokerage Commissions").

[Signatures follow on next page.]

IN WITNESS WHEREOF, the parties execute this lease, under seal, the day and year first above written:

WITNESS/ATTEST:

LANDLORD:

2850 NORTH RIDGE ASSOCIATES, LLC,

a Delaware limited liability company

By: Rockledge Realty Partners, LLC

Mana

Name: How Montain (h)

Michael Abrams, Managing Member

& Authorized Signatory

Date: 1-26-17-

[Tenant's signature follows on next page.]

### WITNESS/ATTEST:

TENANT:

HOWARD COUNTY, MARYLAND

Weller 2/16/12 Chief Administrative Officer

Ву: Ken Ulman

County Executive
Date: 7-20-12

(SEAL)

RECOMMENDED FOR APPROVAL:

William McMahon, Chief of Police

RECOMMENDED FOR APPROVAL:

Department of Public Works

APPROVED FOR SUFFICIENCY OF FUNDS:

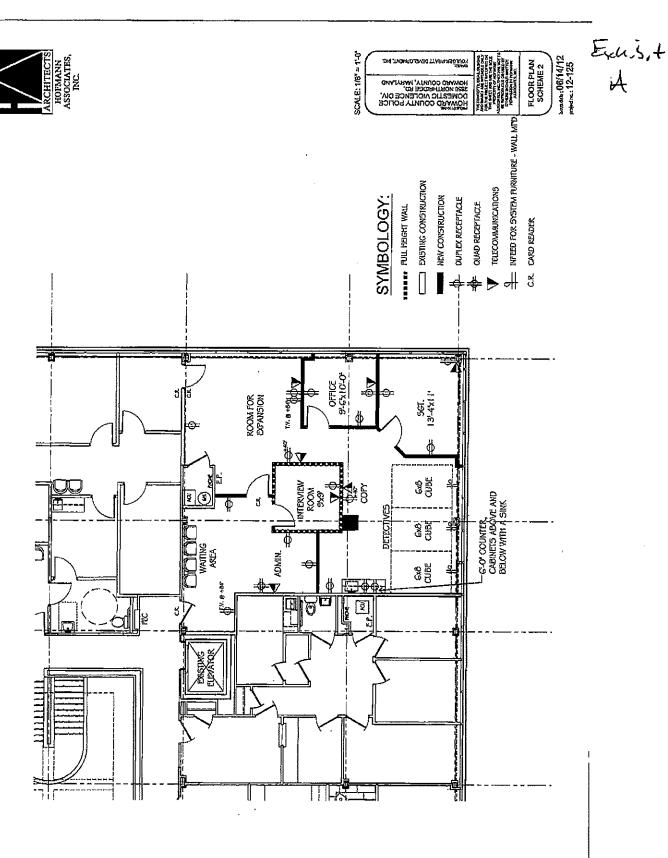
Stanley J. Wiesky, Director Department of Finance

Approved for Form and Legal Sufficiency on this / 3day of July , 2012

Margaret Ann Nolan County Splicitor

# EXHIBIT A DEPICTION OF LEASED PREMISES

[See attached]



### EXHIBIT B LANDLORD'S WORK

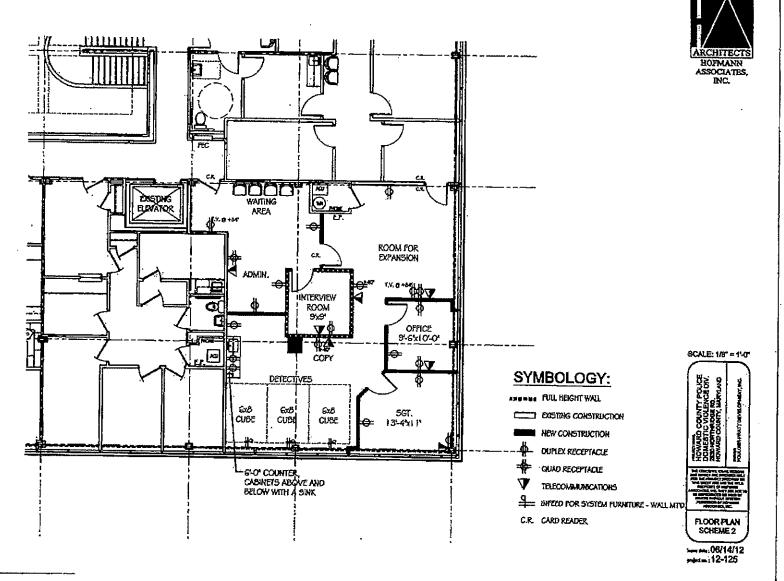
[See attached]

### Exh.S.1 B

### Howard County Domestic Violence Revised 6/20/12

Description	Low Bid
Project Manager	1,500
Project Superintendent	3,500
Professional Fee	Excluded
Temporary Heat	Excluded
Temporary Fence	Excluded
Temporary Water	Excluded
Temporary Electric	Excluded
Consumables	400
Small Tools	250
Construction Clean Up & Job Labor	750
Clean Up Sub	825
Dumpster/Debris Removal	1,350
Plans	250
Building Permit	Excluded
Temporary Protection	1,000
Postage & Insurance	125
General Demolition	1,500
Core Drill	675
Patch Concrete Penetrations	550
Millwork	3,100
Carpentry	450
Tollet Accessories	0
Doors, Frames & Hardware	4,025
Drywall & Acoustical	11,525
Flooring	3,765
Painting	3,050
Blinds Allowance	700
Plumbing	1,750
Sprinkler	3,225
Mechanical	3,580
Electrical	12,110
Fee	4,796
Total Amount	\$64,751

Basel on Holman plan dated 6/14/12 Schewe Z

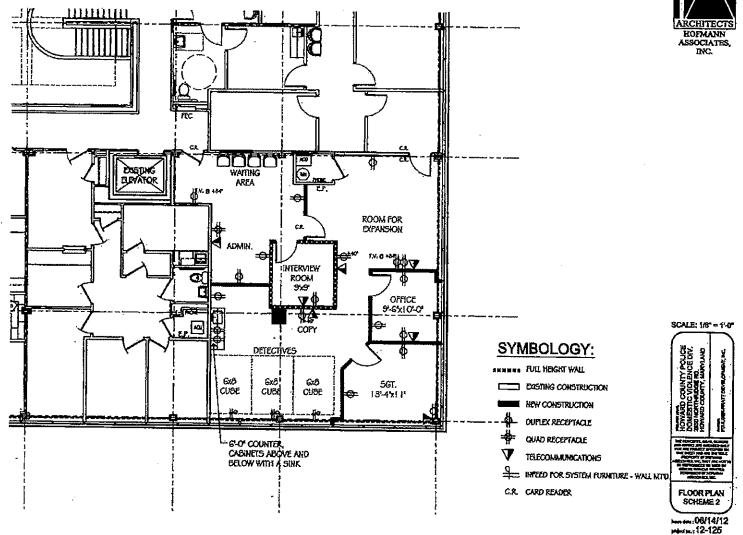


Exhists

# EXHIBIT B-1 ARCHITECT PLANS

[See attached]





# EXHIBIT C Form Of Tenant Estoppel Certificate

The undersigned (the "Tenant") hereby certifies that it is the lessee under the Lease described in **Exhibit A**, attached hereto and made a part hereof. Tenant hereby further acknowledges that it has been advised that the Lease may be assigned to a purchaser of, and/or collaterally assigned in connection with a proposed financing secured by, the property on which the "Leased Premises" under the Lease are located, and certifies both to the landlord under the lease (the "Landlord") and to any and all prospective purchasers (the "Purchasers") and mortgagees of such property, including any trustee on behalf of any holders of notes or other similar instruments, and any holders from time to time of such notes or other instruments, and their respective successors and assigns (collectively the "Mortgagees") that as of the date hereof:

- 1. The information set forth in **Exhibit A** is true and correct.
- 2. Tenant is in occupancy of the Leased Premises and the Lease is in full force and effect and, except as set forth in <u>Exhibit A</u>, has not been modified, assigned, supplemented or amended since its original execution, nor are there any other agreements between Landlord and Tenant concerning the space rented under the Lease, oral or written.
- 3. All material conditions and agreements under the Lease to be satisfied or performed by Landlord have been satisfied and performed.
- 4. Tenant is not in default under the Lease, Tenant has not received any notice of default under the Lease, and, to Tenant's knowledge, there are no events which have occurred that with the giving of notice or the passage of time or both, would result in a default by Tenant under the Lease.
- 5. Tenant has not paid any rents or sums due under the Lease more than 30 days in advance of the date due under the Lease and Tenant has no rights of setoff, counterclaim, concession or other rights of diminution of any rent or sums due and payable under the Lease except as set forth in **Exhibit A**.
- 6. To Tenant's knowledge, there are no uncured defaults on the part of the Landlord under the Lease, Tenant has not sent any notice of default under the Lease to the Landlord, and there are no events which have occurred that, with the giving of notice or the passage of time or both, would result in a default by Landlord thereunder, and at the present time Tenant has no claim against Landlord under the Lease.
- 7. Except as expressly set forth in **Exhibit A**, there are no provisions for, and Tenant has no rights with respect to, renewal or extension of the initial term of the Lease, terminating the term, or leasing or occupying additional space or purchasing the Leased Premises.
- 8. No action, voluntary or involuntary, is pending against Tenant under federal or state bankruptcy or insolvency laws.
  - 9. Tenant has the authority to execute and deliver this estoppel certificate.
- 10. This estoppel certificate shall be binding upon the successors, assigns and representatives of Tenant and shall inure to the benefit of all Purchasers and Mortgagees.

IN WITNESS WHEREOF, Tenant has duly exec	outed this Certificate this day of, 20	
	By:	
Markettee Did-	Name: Title:	

Northridge Bldg, HC Lease DVC 05,08.12

### EXHIBIT A TO TENANT ESTOPPEL CERTIFICATE

### Lease, Lease Terms and Current Status

A.	Date of Lease:		
В.	Parties:		
	1.	Landlord;	
	2.	Tenant d/b/a:	
C.	Leased Premises known as:		
D.	Modifications, Assignments, Supplements or Amendments to Lease:		
E.	Commencement Date:		
F,	Expiration of Current Term:		
G.	Rights portion	to renew, to extend, to terminate, to rent or occupy additional space or to purchase any of the property:	
H.	Security	Deposit Paid to Landlord: None	
	Current Fixed Minimum Rent (Annualized): \$		
J	Current	Additional Rent (Annualized): \$	
<b>≺</b> .	Current	Total Rent: \$	
<b>→•</b>	Square	Feet Demised:	

### EXHIBIT D RULES AND REGULATIONS

[See attached]

# EXHIBIT D Rules And Regulations

- 1. The Common Areas, and the sidewalks, driveways, and other public portions of the Building (herein "Public Areas") shall not be obstructed or encumbered by any tenant or used for any purpose other than ingress and egress to and from its premises, and no tenant shall permit any of its employees, agents, licensees or invitees to congregate or loiter in any of the Public Areas. No tenant shall invite to, or permit to visit, its premises persons in such numbers or under such conditions as may interfere with the use and enjoyment by others of the Public Areas. Fire exits and stairways are for emergency use only, and they shall not be used for any other purposes by any tenant, or the employees, agents, licensees or invitees of any tenant. Landlord reserves the right to control and operate, and to restrict and regulate the use of, the Public Areas and the public facilities, as well as facilities furnished for the common use of the tenants, in such manner as it deems best for the benefit of the tenants generally, including the right to allocate certain elevators for delivery service, and the right to designate which Building entrances shall be used by persons making deliveries in the Building. No doormat of any kind whatsoever shall be placed or left in any public hall or outside any entry door of any premises.
- 2. No awnings or other projections shall be attached to the outside walls of the Building. No curtains, blinds, shades or screens shall be attached to or hung in, or used in connection with, any window or door of any tenant's premises, without the consent of Landlord. Such curtains, blinds, shades or screens must be of a quality, type, design and color, and attached in the manner, approved by Landlord. In order that the Building can and will maintain a uniform appearance to those persons outside of the Building, each tenant occupying the perimeter areas of the Building shall (a) use only building standard lighting in areas where lighting is visible from the outside of the Building and (b) use only building standard blinds in window areas which are visible from the outside of the Building.
- 3. No sign, insignia, advertisement, lettering, notice or other object shall be exhibited, inscribed, painted or affixed by any tenant on any part of the exterior or interior of any tenant's premises or the Building or on doors, corridor walls, the Building directory or in the elevator cabs without the prior approval of Landlord as to size, color, style, content and location and tenant shall obtain all necessary approvals and permits from governmental or quasi-governmental authorities in connection with such signs. Such signs shall, at the expense of each tenant, be inscribed, painted or affixed by sign-makers approved by Landlord. In the event of the violation of the foregoing by any tenant, Landlord may remove such signs without any liability, and may charge the expense incurred in such removal and subsequent surface restoration to the tenant or tenants violating this Rule.
- 4. No bicycles, vehicles, animals (except seeing eye dogs) fish or birds of any kind shall be brought into, or kept in or about any premises within the Building.
- 5. No noise, including, but not limited to, music, the playing of musical instruments, recordings, radio or television, which, in the judgment of Landlord, might disturb other tenants in the Building, shall be made or permitted by any tenant. Nothing shall be done or permitted by any tenant which would impair or interfere with the use or enjoyment by any other tenant or any other space in the Building.
- 6. Nothing shall be done or permitted in the tenant's premises, and nothing shall be brought into, or kept in or about the premises, which would impair or interfere with any of the HVAC, plumbing, electrical, structural components of the Building or the services of the Building or the proper and economic heating, cleaning or other services of the Building or the premises, nor shall there be installed by any tenant any ventilating, air-conditioning, electrical or other equipment of any kind which, in the judgment of Landlord, might cause any such impairment or interference. No tenant, nor the employees, agents, licensees or invitees of any tenant, shall at any time bring or keep upon the premises any flammable, combustible or explosive fluid, chemical or substance, except as allowed for cleaning purposes.
- 7. No additional locks or bolts of any kind shall be placed upon any of the doors or windows by any tenant, nor shall any changes be made in locks or the mechanism thereof, without Landlord's prior written consent, which consent will not be unreasonably withheld, conditioned or delayed. Duplicate keys for the premises and toilet rooms shall be procured only from Landlord, and Landlord may make a reasonable charge therefor. Tenant shall not permit any duplicate keys to be made. Each tenant

Northridge Bidg. HC Lease DVC 05.08,12 shall, upon the expiration or sooner termination of the Lease of which these Rules and Regulations are a part, turn over to Landlord all keys to stores, offices and toilet rooms, either furnished to, or otherwise procured by, such tenant, and in the event of the loss of any keys furnished by Landlord, such tenant shall pay to Landlord the cost of replacement locks.

- 8. All removals, or the carrying in or out of any safes, freight, furniture, packages, boxes, crates or any other object or matter of any description shall take place only during such hours and in such elevators as Landlord may from time to time determine, which may involve overtime work for Landlord's employees. Tenant shall reimburse Landlord for extra reasonable costs incurred by Landlord including reserving the right to inspect all objects and matter to be brought into the Building and to exclude from the Building all objects and matter which violate any of these Rules and Regulations or the Lease of which these Rules and Regulations are a part. Landlord may require any person leaving the Building with any package or other object or matter to submit a pass, listing such package or object or matter, from the tenant from whose premises the package or object or matter is being removed, but the establishment and enforcement of such requirement shall not impose any responsibility on Landlord for the protection of any tenant against the removal of property from the premises of such tenant. Landlord shall in no way be liable to any tenant for damages or loss arising from the admission, exclusion or ejection of any person to or from the premises or the Building under the provisions of this Rule 8 or of Rule 14 hereof.
- 9. No tenant shall use or occupy, or permit any portion of its premises to be used or occupied, as an office for a public stenographer or public typist, or for the possession, storage, manufacture or sale of narcotics or similar dangerous substances or as a barber, beauty or manicure shop, telephone or telegraph agency, telephone or secretarial service, messenger service, wholesale or discount shop for sale of merchandise, retail service shop, labor union, classroom, company engaged in the business of renting office or desk space, or as a hiring or employment agency, or as a storage area for goods, wares or merchandise, except for usual storage of supplies to be used by the tenant in the conduct of its business. No tenant shall engage or pay any employee on its premises, except those actually working for such tenant on the premises, nor advertise for laborers giving an address at the Building. Except as specifically approved by Landlord in writing, no tenant shall use its premises or any part thereof, or permit its premises or any part thereof to be used, as a restaurant, shop, booth or other stand, or for the conduct of any business or occupation which predominantly involves direct patronage of the general public, or for manufacturing, or for the sale at auction of merchandise, goods or property of any kind.
- 10. Landlord shall have the right to prohibit any advertising or identifying sign for or by any tenant which, in the judgment of Landlord, tends to impair the appearance or reputation of the Building or the desirability of the Building as a building for offices, and upon written notice from Landlord such tenant shall refrain from and discontinue such advertising or identifying sign.
- 11. Each tenant, before closing and leaving its premises at any time, shall see that all lights, typewriters, copying machines and other electrical equipment are turned off. All entrance doors in its premises shall be kept securely locked by each tenant when its premises are not in use. Entrance doors shall not be left open at any time.
- 12. No tenant's premises shall be used for lodging or sleeping, for the preparation of catered foods or for any illegal purpose.
- 13. The requirements of tenants will be attended to only upon application at the office of the Building. Employees of Landlord shall not perform any work or do anything outside of their regular duties, unless under special instructions from Landlord.
- 14. Canvassing, soliciting and peddling in the Building are prohibited and each tenant shall cooperate to prevent the same.
- 15. There shall not be used in any space, or in the Common Areas of the Building, either by any tenant or by others, in the moving, delivery or receipt of safes, freight, furniture, packages, boxes, crates, paper, office material or any other matter or thing, any hand trucks except those equipped with rubber tires, side guards and such other safeguards as Landlord shall require.

- 16. No tenant shall cause or permit any odors of cooking or other processes, or any unusual or objectionable odors, to emanate from its premises which would annoy other tenants or create a public or private nuisance. No cooking, except the microwaving of a tenant's employees' meals during the employees' working hours, shall be done in a tenant's premises except as is expressly permitted in the Lease of which these Rules and Regulations are a part, or otherwise consented to in writing by the Landlord.
- 17. All paneling, door, trim or other wood products not considered furniture shall be treated with fire-retardant materials. Before installation of any such materials, certification of the materials' fire-retardant characteristics shall be submitted to and approved by Landlord, and all such materials shall be installed in a manner approved by Landlord.
- 18. Whenever any tenant shall submit to Landlord any plan, agreement or other document for the consent or approval of Landlord, such tenant shall pay to Landlord, on demand, a processing fee in the amount of the reasonable fees for the review thereof, including the services of any architect, engineer or attorney employed by Landlord to review such plan, agreement or document.
- 19. Plumbing facilities shall not be used for any purpose other than those for which they were constructed; and no sweepings, rubbish, ashes, newspapers or other substances of any kind shall be thrown into them. Waste and excessive or unusual use of electricity or water is prohibited.
- 20. No vending machine of any kind shall be installed in the Building or on or about the Building without the prior written consent of the Landlord.
- 21. When electric wiring of any kind is installed, it must be connected as directed by Landlord, and no stringing or cutting of wires will be allowed, except with the prior written consent of Landlord, and shall be done only by contractors approved by Landlord. The number and locations of telephones, telegraph instruments, electric appliances, call boxes, etc., shall be subject to Landlord's approval. No wires shall be run in any part of the Building except by or under the direction of the Landlord. No tenant shall lay linoleum or other similar floor covering so that the same shall be in direct contact with the floor of the premises; and if linoleum or other similar floor covering is desired to be used, an interlining of builder's deadening felt shall be first affixed to the floor by a paste or other material, the use of cement or other similar adhesive material being expressly prohibited.
- 22. Landlord hereby reserves to itself any and all rights not granted to tenant hereunder, including, but not limited to, the following rights which are reserved to Landlord for its purposes in operating the Building:
- (a) the exclusive right to use of the name of the Building for all purposes, except that a tenant may use the name as its business address and for no other purposes;
- (b) the right to change the name or address of the Building, without incurring any liability to any tenant for so doing as long as notice of the name or address change is provided to Licensee at least 90 days prior to such change, unless any such change occurs more than one time in a period of three (3) years;
- (c) the right to install and maintain a sign or signs on the exterior of the Building;
  - (d) the exclusive right to use or dispose of the use of the roof of the Building;
  - (e) the right to limit the space on the directory of the Building to be allotted to a

tenant; and

- (f) the right to grant anyone the right to conduct any particular business or undertaking in the Building.
- 23. Tenant and its employees shall park their cars only in those paved portions of the parking lots as designated by Landlord. Any vehicle parked in any other location on the Building or within public road rights-of-way may be towed without notice at the expense of the tenant responsible therefor.

- 24. Landlord shall have the right to close and securely lock the Building during generally accepted holidays and during such other times as Landlord may deem to be an emergency and advisable for the security of the Building and its tenants. Notwithstanding the foregoing, except in the event of an emergency, Landlord shall give Tenant twenty-four (24) hours notice before so closing and securely locking the Building and shall make a reasonable effort to assure access to the Leased Premises by tenants during such closing.
- 25. All chairs in carpeted areas shall have carpet shields or other similar devices to protect the carpeting.
- 26. All glass, locks and trimming, in or about the doors and windows of the premises and all electric fixtures on the premises which belong to the Building shall be kept whole, and whenever broken by tenant or such tenant's employees, agents, guests, invitees or licensees, such tenant shall immediately notify Landlord of the breakage. This breakage shall be repaired by Landlord at the tenant's expense or may be repaired by such tenant at tenant's expense at the option of the Landlord.

### FOURTH RENEWAL TO FULL SERVICE OFFICE BUILDING LEASE AGREEMENT

THIS FOURTH RENEWAL TO FULL SERVICE OFFICE BUILDING LEASE AGREEMENT (this "Fourth Renewal") is made this // Day of APRIZ.

2016, by and between PR FPR NORTH RIDGE, LLC, successor-in-interest to 2850 NORTH RIDGE ASSOCIATES, LLC, (the "Landlord"), a Delaware limited liability company, and HOWARD COUNTY, MARYLAND (the "Tenant"), a body corporate and politic.

WHEREAS, the Tenant and Landlord entered into a Full Service Office Building Lease Agreement dated July 20, 2012 (the "Original Lease"), for the lease of a portion of the premises described as Suite 209, comprising 1,570 square feet, (the "Leased Premises"), within the building owned by the Landlord and located at 2850 North Ridge Road, Ellicott City, Howard County, Maryland (the "Building").

WHEREAS, by First Amendment to Full Service Office Building Lease Agreement dated December 17, 2012, the Tenant and Landlord amended the Original Lease to correct the Annual Rent schedule set forth in Section 3.a and certain other provisions of the Original Lease.

WHEREAS, the Initial Term of the Lease commenced on August 1, 2012 and expired at 11:59 p.m. on June 30, 2013,

WHEREAS, by First Renewal to Full Service Office Building Lease Agreement dated May 31, 2013, the Tenant and Landlord amended the Original Lease, as amended, to extend the Term of the Lease for the first Option Period to June 30, 2014.

WHEREAS, by Second Renewal to Full Service Office Building Lease Agreement dated June 10, 2014, the Tenant and Landlord amended the Original Lease, as amended, to extend the Term of the Lease for the second Option Period to June 30, 2015.

WHEREAS, by Third Renewal to Full Service Office Building Lease Agreement dated April 16, 2015, the Tenant and Landlord amended the Original Lease, as amended, to extend the Term of the Lease for the third Option Period to June 30, 2016. (The Original Lease, the First Amendment, First Renewal, Second Renewal and Third Renewal described in these recitals collectively referred to herein as the "Lease".)

WHEREAS, the Tenant desires to exercise its right of renewal for the fourth Option Period and the Landlord has agreed to extend the term of the Lease for the fourth Option Period as set forth herein.

- **NOW, THEREFORE**, in consideration of the mutual premises herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Landlord and the Tenant agree as follows:
- 1. <u>Defined Terms</u>. Capitalized terms and phrases used in this Fourth Renewal, unless otherwise indicated, shall have the same meaning ascribed to them in the Lease.
- 2. <u>Term</u>. Pursuant to Section 2 of the Lease, Tenant hereby exercises its right to extend the Initial Term of the Lease by the fourth Option Period and the fourth Option Period shall commence on July 1, 2016 and expire at 11:59 p.m. on June 30, 2017 (the "Fourth Option Period").
- 3. Rent. The Rent for the Fourth Option Period shall be paid in accordance with the rent schedule in Section 3.a of the Lease, in equal monthly installments, in advance, on or before the first day of the month. The annual Rent is Thirty-nine Thousand Nine Hundred Seventy-two Dollars and twenty-four cents (\$39,972.24) payable at a rate of Three Thousand Three Hundred Thirty-one Dollars and two cents (\$3,331.02) per month.

## 4. Miscellaneous.

- a. Except as modified by this Fourth Renewal, the terms and provisions of the Lease shall remain in full force and effect.
- b. In the event of any inconsistency or ambiguity between the provisions of this Fourth Renewal and the provisions of the Lease, the provisions of this Fourth Renewal shall control.

[Signatures follow on the next page.]

IN WITNESS WHEREOF, the Landlord and the Tenant have signed this Fourth Renewal to Full Service Office Building Lease Agreement, with the intent that it be a sealed document, on the date hereinabove written.

LANDLORD:

PR FPR NORTH RIDGE, LLC

a Delaware limited liability company

By: PR FPR NORTH RIDGE HOLDING, LLC,

its sole member

By: PR North Ridge LLC, its managing

Member

By: PRISA LHC LLC, its sole member

By: PRISA UHC LLC, its sole member

By: The Prudential Insurance Company of America, on behalf of and for the benefit of and with its liability limited to the

Assets of its separate account, PRISA

Mame: NICOLA CONSTANTINE

ATTEST/WITNESS:

DV.

Y: -

Sarah A. Down

Vice President

Date:

[Signatures continue on the next page.]

ATTEST  Lonnie R. Robbins Chief Administrative Officer	TENANT: HOWARD COUNTY, MARYLAND  BY: Allan H. Kittleman County Executive Date: 4/11/246	(SEAL)
RECOMMENDED FOR APPROVAL: Gary L. Gardner, Chief of Police		
APPROVED:  James M. Iryin, Director Department of Public Works		
APPROVED FOR SUFFICIENCY OF FU Stanley J. Milesky, Director Department of Finance	JNDS:	·
APPROVED FOR FORM AND LEGAL S this 302 day of Many 2016  Gav W Kuc County Solicitor	SUFFICIENCY	

Reviewing Attorney:

Morenike Euba Oyenusi, Sr. Assistant County Solicitor

### AMENDMENT TO FULL SERVICE OFFICE BUILDING LEASE AGREEMENTS

This AMENDMENT TO FULL SERVICE OFFICE BUILDING LEASE AGREEMENTS (this "Amendment") is made as of April \_\_\_\_\_, 2017 (the "Effective Date") by and between PR FPR NORTH RIDGE, LLC, a Delaware limited liability company (as successor in interest to 2850 North Ridge Associates, LLC) ("Landlord") and HOWARD COUNTY, MARYLAND, a body corporate and politic ("Tenant").

# RECITALS

- A. Landlord and Tenant are parties to that certain Lease dated as of October 17, 2011, as amended by that certain (i) First Renewal dated June 6, 2012, (ii) Second Renewal dated May 31, 2013, (iii) Third Renewal dated June 10, 2014, (iv) Fourth Renewal dated April 24, 2015, and (v) Fifth Renewal dated April 4, 2016 (as so amended, the "Consolidated Lease"), for certain premises consisting of 7,067 square feet commonly known as Suite 204 (the "Suite 204 Premises") within the building located at 2850 North Ridge Road, Ellicott City, Howard County, Maryland (the "Building").
- B. Landlord and Tenant are parties to that certain Lease Agreement dated as of July 20, 2012, as amended by that certain (i) First Amendment dated December 17, 2012, (ii) First Renewal dated May 31, 2013, (iii) Second Renewal dated June 10, 2014, (iv) Third Renewal dated April 16, 2015, and (v) Fourth Renewal dated April 11, 2016 (as so amended, the "Suite 209 Lease"), for certain premises consisting of 1,570 square feet commonly known as Suite 209 (the "Suite 209 Premises") within the Building. The Consolidated Lease and Suite 209 Lease may be referred to herein collectively as the "Leases", and the Suite 209 Premises and Suite 204 Premises may be referred to herein collectively as the "Existing Premises".
- C. Landlord and Tenant wish to amend the Leases to (i) terminate the Suite 209 Lease and have the Suite 209 Premises governed by the terms and conditions of the Consolidated Lease during the Extension Term (as hereinafter defined), (ii) extend the Term of the Consolidated Lease with respect to the Existing Premises, and (iii) amend certain other terms of the Consolidated Lease, all as hereinafter set forth.

## AGREEMENTS

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby mutually acknowledged, Landlord and Tenant agree as follows:

1. <u>Recitals; Capitalized Terms</u>. All of the foregoing recitals are true and correct. Unless otherwise defined herein, all capitalized terms used in this Amendment shall have the meanings ascribed to them in the Consolidated Lease, and all references herein or in the Consolidated Lease to the "Lease" or "this Lease" or "herein" or "hereunder" or similar terms or

to any section thereof shall mean the Consolidated Lease, or such section thereof, as amended by this Amendment.

- 2. <u>Termination of the Suite 209 Lease</u>. The Suite 209 Lease shall terminate and be of no further force and effect on June 30, 2017 (the "**Suite 209 Lease Termination Date**") and thereafter Landlord and Tenant shall be released of their respective obligations under the Suite 209 Lease, except those obligations which specifically survive the expiration or earlier termination of the Suite 209 Lease, including, without limitation, indemnification obligations. From and after the Extension Term Commencement Date (as hereinafter defined), the "Leased Premises" set forth in the Consolidated Lease shall be deemed to consist of both the Suite 204 Premises and the Suite 209 Premises and the rentable area of the Existing Premises shall be deemed to consist of 8,637 square feet.
- 3. <u>Extension Term.</u> The Term of the Consolidated Lease is hereby extended five (5) years, commencing on July 1, 2017 (the "**Extension Term Commencement Date**") and expiring at the close of day on June 30, 2022 (the "**Extension Term**"), unless extended or sooner terminated in accordance with the terms and conditions of the Consolidated Lease. The Extension Term shall be upon all of the terms and conditions of the Consolidated Lease, except as modified or amended by the terms of this Amendment. From and after the Extension Term Commencement Date, the phrase or phrase "Lease Term" or "Term" or "term of the Lease" or the "initial term" or "original term" as used in the Consolidated Lease shall be deemed to refer to the Term of the Consolidated Lease as herein modified for the Extension Term.

4. <u>Amendment of Annual Rent</u>. From and after the Extension Term Commencement Date, Tenant shall pay Annual Rent with respect to the Existing Premises during the Extension Term in the following amounts:

PERIOD	BASE RENT	MONTHLY	ANNUAL
July 1, 2017 – June 30, 2018	\$23.00	\$16,544.25	\$198,651.00
July 1, 2018 – June 30, 2019	\$23.57	\$16,964.51	\$203,574.09
July 1, 2019 – June 30, 2020	\$24.16	\$17,389.16	\$208,669.92
July 1, 2020 – June 30, 2021	\$24.77	\$17,828.21	\$213,938.49
July 1, 2021 – June 30, 2022	\$25.39	\$18,274.45	\$219,293.43

All such Annual Rent shall be payable by Tenant at the times and in the manner set forth in the Consolidated Lease.

- 5. <u>Tenant's Pro Rata Share</u>. From and after the Extension Term Commencement Date and thereafter during the Extension Term, Tenant shall continue to pay all Additional Rent with respect to the Existing Premises in accordance with the terms of the Consolidated Lease, except that during the Extension Term, (i) the base year for Tenant's Pro Rata Share of the amount of Landlord's annual real estate taxes shall be Fiscal Year 2018, and (ii) the base year for Tenant's Pro Rata Share of the amount of Operating Expenses in excess of the amount billed to and paid by Landlord, if any, shall be calendar year 2017.
- Condition of Premises. The Existing Premises are being leased to Tenant for the Extension Term in its AS IS condition, WITHOUT REPRESENTATION OR WARRANTY by Landlord, and Tenant agrees that Landlord has absolutely no obligation to perform or pay for any additions, alterations, improvements, demolition or other work therein or pertaining thereto to prepare or improve the same for Tenant's use during the Extension Term or to pay any improvement or other allowances to Tenant with respect to the Extension Term. Notwithstanding the foregoing, Landlord shall, at Landlord's sole cost and expense, and in a good and workmanlike manner (i) paint the Existing Premises using one (1) coat of building standard paint in a color selected by Tenant (not to exceed one (1) color selection for the entire Existing Premises), excepting any areas where there are wall murals, and (ii) re-carpet within the Existing Premises using building standard designs and materials (the "Existing Premises **Tenant Improvements**"). Tenant acknowledges that Landlord will be performing the Existing Premises Tenant Improvements at the same time that Tenant will be occupying the Existing Premises and conducting business therein, provided that Landlord agrees to perform such work in a manner so as to minimize interference with Tenant's use and occupancy and to perform such work outside of Tenant's normal business hours of 8:00 a.m. and 6:00 p.m., Monday through Friday. Landlord agrees to work diligently to perform Existing Premises Tenant Improvements as soon as reasonably practicable, subject to Tenant Delay (as hereinafter defined) and/or force Tenant acknowledges that Tenant may be inconvenienced during the performance of Existing Premises Tenant Improvements and Tenant hereby agrees that its obligations to pay all rent under the Consolidated Lease shall not be diminished, reduced or affected by the performance of the Existing Premises Tenant Improvements during the Term, nor shall Tenant have any right to make a claim for constructive eviction, or to terminate the Consolidated Lease or otherwise claim a defense to the full and timely performance of its obligations under the Consolidated Lease as a result of the performance of the Existing Premises Tenant Improvements during the Term and while Tenant is in occupancy of the Existing Premises. In the event that Landlord is delayed in completing the Existing Premises Tenant Improvements as a result of (i) any act or omission of Tenant or any of Tenant's agents, contractors or employees, (ii) any request by Tenant or any of its agents that delays the performance of any portion of the Existing Premises Tenant Improvements, including, without limitation, any request by Tenant that Landlord modify the nature or scope of the Existing Premises Tenant Improvements, or (iii) failure of Tenant to timely provide Landlord with access to the Existing Premises to perform Existing Premises Tenant Improvements (the foregoing individually or collectively may be referred to as "Tenant Delay"), then Landlord shall be deemed to have substantially completed the applicable portion of the Existing Premises Tenant Improvements on the date on which the Existing Premises Tenant Improvements would have been substantially completed by Landlord but for such Tenant Delay; provided, however, Landlord shall remain obligated to complete the Existing Premises Tenant Improvements.

- 7. <u>Amendment of Terms; Inapplicable Provisions</u>. From and after the Effective Date, the following amendments or additions shall be made to the Consolidated Lease:
- (a) Section 2(a)-(d), Section 5, Section 18, Exhibit A, and Exhibit B of the Consolidated Lease are no longer applicable and of no further force or effect. Except as otherwise stated herein, Tenant shall have no further right to (a) renew or extend the Term of the Consolidated Lease, or (b) terminate the Consolidated Lease prior to the end of the Extension Term.
- 8. <u>Notices</u>. From and after the Effective Date, all notices to Landlord under the Consolidated Lease shall be sent to the addresses listed below:

PR FPR North Ridge, LLC c/o FPR Medical Properties, LLC 12435 Park Potomac Avenue, Suite 200 Rockville, Maryland 20854 Attention: Corporate Counsel

with a copy to:

PR FPR North Ridge, LLC c/o PRISA UHC, LLC 7 Giralda Farms Madison, New Jersey 07940 Attention: Asset Manager

From and after the Effective Date, all notices to Tenant under the Consolidated Lease shall be sent to the addresses listed below:

Howard County Office of Law Carroll Building 3450 Court House Drive Ellicott City, Maryland 21043 Attention: Ms. Morenike Oyenusi

with a copy to:

Howard County Real Estate Services George Howard Building 3430 Court House Drive Ellicott City, Maryland 21043 Ms. Melanie Bishop

#### 9. Insurance.

(a) <u>Tenant's Insurance</u>. Landlord acknowledges that Tenant is self-insured and will maintain or appropriate reasonable reserves or funds, as the case may be, to cover claims, losses and damages that might arise or be incurred during its occupancy of

the Leased Premises which otherwise may be covered by Business Personal Property Insurance covering Special Causes of Loss, Commercial General Liability insurance (written on an occurrence basis) which, unless approved by Landlord in writing, in no event shall be for coverage less than One Million Dollars (\$1,000,000.00) combined single limit per occurrence with a One Million Dollar (\$1,000,000.00) annual aggregate, and Workers' Compensation insurance including Employer's Liability insurance, which, unless approved by Landlord in writing, such Workers' Compensation insurance shall be for the statutory benefits in the jurisdiction in which the Leased Premises are located.

- (b) <u>Landlord's Insurance</u>. Throughout the term of this Lease, Landlord shall obtain and maintain (i) Real Property Insurance against Special Causes of Loss and said insurance shall be subject to Replacement Cost valuation covering the Building and all of Landlord's property therein in an amount required by its insurance company to avoid the application of any coinsurance provision, and (ii) Commercial General Liability insurance (written on an occurrence basis) and said insurance shall include Contractual Liability coverage insuring the obligations assumed by Landlord under this Lease, Leased Premises and Operations coverage, Personal Injury Liability coverage, Independent Contractor's Liability coverage. Such Commercial General Liability insurance shall be in amounts not less than One Million Dollars (\$1,000,000.00) combined single limit per occurrence with a Two Million Dollars (\$2,000,000.00) annual aggregate.
- (c) Section 10.c.(i) of the Consolidated Lease is hereby deleted and replaced by the following:
  - Notwithstanding anything herein to the contrary, Landlord and (i) Tenant each hereby waives any and all rights of recovery, claim, action, or cause of action against the other, its agents, employees, licensees, or invitees for any loss or damage to or at the Existing Premises or the Building or any personal property of such party therein or thereon by reason of fire, the elements, or any other cause which would be insured against under the terms of (i) fire and extended coverage insurance or (ii) the liability insurance referred to in paragraph (a) of this Section 9, to the extent of such insurance, regardless of cause or origin, including omission of the other party hereto, its agents, employees, licensees, or invitees. Landlord and Tenant covenant that no insurer shall hold any right of subrogation against either of such parties with respect thereto. This waiver shall be ineffective against any insurer of Landlord or Tenant to the extent that such waiver is prohibited by the laws and insurance regulations of Maryland. The parties hereto agree that any and all such insurance policies required to be carried by either shall be endorsed with a subrogation clause, substantially as follows: "This insurance shall not be invalidated should the insured waive, in writing prior to a loss, any and all right of recovery against any party for loss occurring to the Building described therein," and shall provide that such party's insurer waives any

right of recovery against the other party in connection with any such loss or damage.

- 10. Provided that, at the time of such exercise and at the Option to Extend. commencement of the Additional Extended Term (as hereinafter defined), (i) the Consolidated Lease is in full force and effect, and (ii) Tenant is not in default of any terms, conditions or covenants of the Consolidated Lease, beyond any applicable notice and cure period, and (iii) Tenant has not assigned the Consolidated Lease or sublet more than ten percent (10%) of the Existing Premises (any of which conditions described in clauses (i), (ii), and (iii) may be waived by Landlord in writing at any time in Landlord's sole discretion), Tenant shall have the right and option to extend the Term of the Consolidated Lease for one (1) extended term (the "Additional Extended Term") of three (3) years by giving written notice to Landlord not later than twelve (12) months and not sooner than eighteen (18) months prior to the then expiration of the Term. The effective giving of such notice of extension by Tenant in accordance with this Section 10 shall automatically extend the Term of the Consolidated Lease for the Additional Extended Term, and no instrument of renewal or extension need be executed. In the event that Tenant fails timely to give such notice to Landlord, the Consolidated Lease shall automatically terminate at the end of the Extension Term, and Tenant shall have no further option to extend the Term of the Consolidated Lease. The Additional Extended Term shall be on all the terms and conditions of the Consolidated Lease, except: (i) during the Additional Extended Term, Tenant shall have no further option to extend the Term, (ii) the Annual Rent for each year of the Additional Extended Term shall be increased by 2.5% annually, and (iii) Landlord shall not be required to furnish any materials or perform any work to prepare the Existing Premises for Tenant's occupancy during the Additional Extended Term and Landlord shall not be required to provide any work allowance or reimburse Tenant for any alterations made or to be made by Tenant, or to grant Tenant any rent concession. Tenant's right under this Section 10 shall be personal to Tenant and shall not apply in favor of or be exercisable by any assignee of the Consolidated Lease, nor any sublessee of all or any portion of the Existing Premises.
- 11. Prohibited Persons and Transactions. Tenant represents and warrants that Tenant is not, nor will it become, a person or entity with whom U.S. persons or entities are restricted from doing business under regulations of the Office of Foreign Asset Control ("**OFAC**") of the Department of the Treasury (including those named on OFAC's Specially Designated and Blocked Persons List) or under any statute, executive order (including the September 24, 2001, Executive Order Blocking Property and Prohibiting Transactions with Persons Who Commit, Threaten to Commit, or Support Terrorism), or other governmental action and will not Transfer the Consolidated Lease, excepting a Transfer to a Government Agency under Section 9 of the Consolidated Lease.
- 12. <u>ERISA Compliance</u>. To induce Landlord to enter into the Consolidated Lease, and in order to enable The Prudential Insurance Company of America ("**Prudential**") to satisfy its compliance with the Employee Retirement Income Security Act of 1974, as amended ("**ERISA**"), Tenant represents and warrants to Landlord and Prudential that to the best of its knowledge and to the extent applicable to Tenant as a governmental entity: (i) neither Tenant nor any of its affiliates (within the meaning of Part VI(c) of Prohibited Transaction Exemption 84-14 granted by the U.S. Department of Labor ("PTE 84-14")) has, or during the immediately preceding year has exercised, the authority to appoint or terminate Prudential as investment

manager of any assets of the employee benefit plan whose assets are held by Prudential or to negotiate the terms of any management agreement with Prudential on behalf of any such plan; (ii) the transaction evidenced by the Consolidated Lease is not specifically excluded by Part I(b) of PTE 84-14); (iii) the undersigned as a governmental entity is not a related party of Prudential (as defined in VI(h) of PTE 84-14, and (iv) the terms of the Consolidated Lease have been negotiated and determined at arm's length, as such terms would be negotiated and determined by unrelated parties." Tenant, as a governmental entity, and Tenant's employee benefit plans, are exempt from ERISA. Nothing contained in this Section 12 shall be deemed to indicate that Tenant is subject to ERISA or any of the afore-mentioned regulations.

Service Provider. If Landlord or any affiliate of Landlord has elected to qualify 13. as a real estate investment trust (a "REIT"), any service required or permitted to be performed by Landlord pursuant to the Consolidated Lease, the charge or cost of which may be treated as impermissible tenant service income under the laws governing a REIT, may be performed by a taxable REIT subsidiary that is affiliated with either Landlord or Landlord's property manager, or by an independent contractor of Landlord or Landlord's property manager (the "Service **Provider**"); provided, however, that the Service Provider shall comply with the terms and conditions of the Consolidated Lease regarding the provision of such service. If Tenant is subject to a charge under the Consolidated Lease for any such service, then, at Landlord's written direction, Tenant will pay such charge either to Landlord for further payment to the Service Provider or directly to the Service Provider, and, in either case, (i) Landlord will credit such payment against any charge or Additional Rent for such service made by Landlord to Tenant under the Consolidated Lease, and (ii) such payment to the Service Provider will not relieve Landlord from any obligation or liability under the Consolidated Lease concerning the provisions of such service. Notwithstanding the foregoing, in no event shall Tenant have any liability or obligation for Landlord's or Landlord's property manager's (or their respective affiliates') compliance with REIT requirements applicable to Landlord, Landlord's property manager or such affiliates.

# 14. <u>Brokerage</u>. Section 33 of the Consolidated Lease is hereby deleted and replaced by the following:

"Landlord and Tenant each represent and warrant to the other that neither of them has employed or dealt with any broker, agent or finder in carrying on the negotiations relating to this Amendment other than MacKenzie Commercial Real Estate Services, LLC and Chartwell Enterprises (the "Brokers"). Tenant shall indemnify and hold Landlord harmless from and against any claim or claims for brokerage or other commissions relating to this Amendment asserted by any broker, agent or finder engaged by Tenant or with whom Tenant has dealt other than Brokers. Landlord shall indemnify and hold Tenant harmless from and against any claim or claims for brokerage or other commissions relating to this Amendment asserted by any broker, agent or finder engaged by Landlord or with whom Landlord has dealt other than Brokers. indemnification obligations contained in this Section 14 of this Amendment or elsewhere in the Consolidated Lease are subject to Maryland's Local Government Tort Claims Act, Section 5-301 et seg. of the Courts Judicial Proceedings Article, Maryland Annotated Code, approved budget appropriations and applicable law. As a condition of indemnification, Landlord agrees to notify Tenant of any suits, claims or potential claims

within ten (10) days of Landlord's own notice of such suits, claims or potential claims. The foregoing indemnification is not to be deemed as a waiver of any immunity that may exist in any action against Tenant for its officers, agents, volunteers and employees."

- 15. <u>Ratification</u>. Except as expressly modified by this Amendment, the Consolidated Lease shall remain in full force and effect, and as further modified by this Amendment, is expressly ratified and confirmed by the parties hereto. This Amendment shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns, subject to the provisions of the Consolidated Lease regarding assignment and subletting.
- Governing Law; Interpretation and Partial Invalidity. This Amendment shall be governed and construed in accordance with the domestic laws of the State of Maryland, without reference to its conflict of law principles. If any term of this Amendment, or the application thereof to any person or circumstances, shall to any extent be invalid or unenforceable, the remainder of this Amendment, or the application of such term to persons or circumstances other than those as to which it is invalid or unenforceable, shall not be affected thereby, and each term of this Amendment shall be valid and enforceable to the fullest extent permitted by law. The titles for the paragraphs are for convenience only and not to be considered in construing this Amendment. This Amendment contains all of the agreements of the parties with respect to the subject matter hereof, and supersedes all prior dealings between them with respect to such subject matter. No delay or omission on the part of either party to this Amendment in requiring performance by the other party or exercising any right hereunder shall operate as a waiver of any provision hereof or any rights hereunder, and no waiver, omission or delay in requiring performance or exercising any right hereunder on any one occasion shall be construed as a bar to or waiver of such performance or right on any future occasion.
- 17. <u>Effectiveness of this Amendment</u>. The effectiveness of this Amendment is expressly contingent upon Tenant receiving the approval of the terms and conditions of this Amendment by the Howard County Council (the "Council"). In the event that (a) the Council will not approve of the terms and conditions of this Amendment, or (b) Landlord does not receive the Council's written approval of this Amendment within thirty (30) days following the Effective Date, then Landlord may elect to terminate this Amendment by delivery of written notice to Tenant whereupon this Amendment will be null and void and of no force and effect.

#### 18. Counterparts and Authority.

(a) This Amendment 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. Tenant hereby represents and warrants to Landlord that (i) Tenant has full power and authority to carry on its business, enter into this Amendment and consummate the transaction contemplated by this Amendment, (ii) the individual executing and delivering this Amendment on Tenant's behalf has been duly authorized to do so, (iii) the Consolidated Lease and this Amendment constitute a valid, legal, binding and enforceable obligation of Tenant (subject to bankruptcy, insolvency or creditor rights laws generally, and principles of equity generally), and (iv) subject to Section 17 of this Amendment, all consents, approvals, authorizations, orders or filings of or with any court or governmental agency or body, if any, required on the part of

Tenant for the execution, delivery and performance of this Amendment have been obtained or made.

(b) Landlord hereby represents and warrants to Tenant that (i) Landlord has full power and authority to carry on its business, enter into this Amendment and consummate the transaction contemplated by this Amendment, (ii) the individual executing and delivering this Amendment on Landlord's behalf has been duly authorized to do so, (iii) the Consolidated Lease and this Amendment constitute a valid, legal, binding and enforceable obligation of Landlord (subject to bankruptcy, insolvency or creditor rights laws generally, and principles of equity generally), and (iv) all consents, approvals, authorizations, orders or filings of or with any court or governmental agency or body, if any, required on the part of Landlord for the execution, delivery and performance of this Amendment have been obtained or made.

[Signatures commence on following page]

IN WITNESS WHEREOF, the undersigned executed this Amendment as a sealed instrument as of the date and year first written above.

#### LANDLORD:

# PR FPR NORTH RIDGE, LLC,

a Delaware limited liability company

By: PR FPR North Ridge Holding, LLC,

its sole member

By: PR North Ridge LLC, its managing member

By: PRISA LHC LLC, its sole member

By: PRISA UHC LLC, its sole member

By: The Prudential Insurance Company of America, on behalf of and for the benefit of and with its liability limited to the assets of its separate account, PRISA

Ву: _	
Name:_	
Title: _	

	TENANT:		
ATTEST:	HOWARD COUNTY, MARYLAND, a body corporate and politic		
Lonnie R. Robbins Chief Administrative Officer	By: Allan H. Kittleman County Executive Date:		
RECOMMENDED FOR APPROV	AL:		
Gary L. Gardner, Chief of Police  APPROVED:			
James M. Irvin, Director Department of Public Works  APPROVED FOR SUFFICIENCY O	OF FUNDS:		
Stanley J. Milesky, Director Department of Finance			
APPROVED FOR FORM AND LEG this, 201			
Gary W. Kuc County Solicitor			
Reviewing Attorney:			
Morenike Euba Oyenusi, Sr. Assistan	t County Attorney		