

Introduced _____
Public Hearing _____
Council Action _____
Executive Action _____
Effective Date _____

County Council of Howard County, Maryland

2017 Legislative Session

Legislative Day No. 10__

Bill No. 55-2017

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

AN ACT pursuant to Section 612 of the Howard County Charter, approving a Lease Agreement between Howard County, Maryland and LSOP 3 MD 3, LLC, a Delaware limited liability company, for 8.84 acres of real property improved with two one-story office buildings known as 9820 and 9830 Patuxent Woods Drive, Columbia, to be used by several County agencies, quasi-governmental agencies, and non-profit agencies from time to time; authorizing the County Executive to enter into the Agreement and to make changes to the Agreement before executing it, under certain conditions; and generally relating to a multi-year lease of certain premises by Howard County.

Introduced and read first time _____, 2017. Ordered posted and hearing scheduled.

By order _____
Jessica Feldmark, Administrator

Having been posted and notice of time & place of hearing & title of Bill having been published according to Charter, the Bill was read for a second time at a public hearing on _____, 2017.

By order _____
Jessica Feldmark, Administrator

This Bill was read the third time on _____, 2017 and Passed ____, Passed with amendments ____, Failed ____.

By order _____
Jessica Feldmark, Administrator

Sealed with the County Seal and presented to the County Executive for his approval this ____ day of _____, 2017 at ____ a.m./p.m.

By order _____
Jessica Feldmark, Administrator

Approved/Vetoed by the County Executive _____, 2017.

Allan H. Kittleman, County Executive

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**, LSOP 3 MD 3, LLC, a Delaware limited liability company, dba
2 Greenfield Partners (the “Landlord”), by the deed dated January 30, 2014 and recorded
3 among the Land Records of Howard County, Maryland at Liber 15521, Folio 216 is the owner
4 of approximately 8.84 acres of real property shown as Parcel A-4 on Plat Number 9509 in
5 the Land Records and improved with two one-story office buildings known as 9820 and 9830
6 Patuxent Woods Drive, Columbia Maryland 21046 (referred to separately as “9820” and
7 “9830” and collectively as the “Buildings”); and

8
9 **WHEREAS**, the Buildings have 55,739 combined square feet of space including
10 related amenities and any additional facilities in subsequent years as may be determined by
11 Landlord to be reasonably necessary or desirable for the management, maintenance or
12 operation of the Buildings (collectively the “Property”); and

13
14 **WHEREAS**, the County wishes to lease the entirety of 9820 comprising
15 approximately 24,528 square feet of rentable area and the entirety of 9830 comprising
16 approximately 31,211 square feet of rentable area, the parking and grassed areas of the
17 Property and the roof of each of the Buildings (the “Leased Premises”), pursuant to a Lease
18 Agreement substantially in the form attached as Attachment1; and

19
20 **WHEREAS**, the County wishes to lease the Leased Premises for a term of 30 years,
21 to expire on June 30, 2038 with three (3) optional extension terms of three (3) years each;
22 and

23
24 **WHEREAS**, the County wishes to use the Leased Premises to house certain county
25 agencies, quasi-governmental agencies, and non-profit agencies which are being relocated
26 from the County’s Gateway Building on Gateway Drive; and

27
28 **WHEREAS**, the Lease Agreement requires the payment by the County of funds from
29 an appropriation in a later fiscal years and therefore requires County Council approval as a
30 multi-year agreement pursuant to Section 612 of the Howard County Charter.

31

1 **NOW, THEREFORE,**

2
3 **Section 1. Be It Enacted** by the County Council of Howard County, Maryland, that, in
4 accordance with Section 612 of the Howard County Charter, it approves the Lease
5 Agreement between Howard County, Maryland and LSOP 3 MD 3, LLC, a Delaware limited
6 liability company (DBA Greenfield Partners), substantially in the form attached as
7 Attachment 1.

8
9 **Section 2. And Be It Further Enacted** by the County Council of Howard County, Maryland,
10 that the County Executive is authorized to enter into the Lease Agreement in the name of and
11 on behalf of the County.

12
13 **Section 3. And Be It Further Enacted** by the County Council of Howard County, Maryland,
14 that the County Executive, prior to execution and delivery of the Lease Agreement, may make
15 such changes or modifications to the Lease Agreement as he deems appropriate in order to
16 accomplish the purpose of the transaction authorized by this Act, provided that such changes
17 or modifications shall be within the scope of the transaction authorized by this Act; and the
18 execution of the Lease Agreement by the County Executive shall be conclusive evidence of
19 the approval by the County Executive of all changes or modifications to the Lease Agreement,
20 and the Lease Agreement shall thereupon become binding on the County in accordance with
21 its terms.

22
23 **Section 4. And Be It Further Enacted** by the County Council of Howard County, Maryland,
24 that this Act shall become effective immediately upon its enactment.

LEASE AGREEMENT

LSOP 3 MD 3, LLC

Landlord

HOWARD COUNTY, MARYLAND

Tenant

9820 and 9830 Patuxent Woods Drive, Columbia, Maryland 21046

LEASE AGREEMENT

THIS **LEASE AGREEMENT** (the "Lease") is made this ____ day of _____, 2017 (the "Effective Date"), by and between **LSOP 3 MD 3, LLC**, a Delaware limited liability company (DBA Greenfield Partners) (the "Landlord"), registered with and in good standing with the Maryland State Department of Assessments and Taxation and **HOWARD COUNTY, MARYLAND** (the "County"), a body corporate and politic.

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

1. **LEASED PREMISES.** Landlord by the deed dated January 30, 2014 and recorded among the Land Records of Howard County, Maryland (the "Land Records") at Liber 15521, Folio 216 is the owner of approximately 8.84 acres of real property shown as Parcel A-4 on Plat Number 9509 in the Land Records and improved with two (2) one-story office buildings known as 9820 and 9830 Patuxent Woods Drive, Columbia Maryland 21046 (herein referred to separately as "9820" and "9830" and collectively as the "Buildings"). The Buildings have 55,739 square feet of leasable space 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 Buildings (collectively the "Property").

Landlord hereby leases unto County, and County hereby leases from Landlord, the entirety of 9820 comprising a total of approximately 24,528 square feet of rentable area and the entirety of 9830 comprising approximately 31,211 square feet of rentable space, the parking and grassed areas of the Property and the roof of each of the Buildings (the "Leased Premises"), as identified on Exhibit A attached hereto and incorporated herein. County shall have the right of access to the Leased Premises twenty-four (24) hours per day, seven (7) days per week during the Term. The Landlord and County have agree to reserve ____ (__) parking spaces for the exclusive use of the County as shown on Exhibit A.

2. **TERM.** The initial term of this Lease (the "Initial Term") shall commence on the date which is the earlier of either (a) September 1, 2017, or (b) the date of substantial completion of Tenant improvements by Landlord to County's reasonable satisfaction and after an occupancy permit has been obtained (the "Commencement Date"), and end at 11:59 p.m. on June 30, 2038 (the "Initial Term Expiration Date"), unless the Lease is earlier terminated or extended pursuant to any other provision of this Lease or applicable law. The parties acknowledge that the term of this Agreement is subject to the approval of the County Council of Howard County, Maryland as a multi-year obligation.

a. **Extension Options.** If, at the end of the Initial Term or subsequent Option Period (defined below) of this Lease, (a) County is not in default of any of the terms, conditions or covenants of this Lease, beyond any applicable notice and cure period, and

(b) County has not assigned or sublet the Leased Premises, except as permitted herein, then County shall have the option to extend the Term (each an “Extension Option”) for three (3) additional periods of three years each (each 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 County and may not be exercised or assigned, voluntarily or involuntarily, by or to any person or entity other than the original County. 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 County, this Lease has been assigned or a sublease exists, the Extension Option(s) shall automatically terminate and shall be deemed null and void, and County, any assignee or any sublessee shall not have the right to exercise such 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 County desires to exercise an Extension Option to extend the Term (subject to County’s compliance with the standards set forth herein), County shall notify Landlord in writing of County’s intention to do so at least two hundred seventy (270) calendar days prior to the expiration date of the Term. After proper and timely exercise of the Extension Option by County, all references in this Lease to “Term” shall be considered to mean the Initial Term or Option Period as extended, and all references in this Lease to the expiration date or to the end of the Term shall be considered to mean the termination or end of the applicable Option Period.

c. Surrender Of Leased Premises. County 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. The rent for the first eight (8) months of the Initial Lease Term is waived. Beginning with the ninth (9th) month of the Initial Lease Term, County 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 includes all of County’s obligations to Landlord including Landlord’s cost of maintenance and repairs to the Buildings and grounds (including parking surfaces), security, janitorial and other services for the Leased Premises; exclusive of electric costs and other charges or fees that County has agreed in this Lease to pay directly to service providers or vendors. The annual escalated portion of the Annual Rent shall be increased annually at the rate of two percent (2%) after the 3rd year.

Period	Base Rent	Monthly	Annual
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	(Full Services, except electric)	Based on 55,739 square feet	Based on 55,739 square feet
Commencement Date to End of Eighth Consecutive month	Rent is waived	Rent is waived	Rent is waived
Ninth month - 20th month- Year 1	\$19.00 square foot	\$88,253	\$1,059,041
Year 2	\$19.00 square foot	\$88,253	\$1,059,041
Year 3	\$19.00 square foot	\$88,253	\$1,059,041
Year 4	\$19.38 square foot	\$90,018	\$1,080,222
Year 5	\$19.77 square foot	\$91,819	\$1,101,826
Year 6	\$20.16 square foot	\$93,655	\$1,123,863
Year 7	\$20.57 square foot	\$95,528	\$1,146,340
Year 8	\$20.98 square foot	\$97,439	\$1,169,267
Year 9	\$21.40 square foot	\$99,388	\$1,192,652
Year 10	\$21.83 square foot	\$101,375	\$1,216,505
Year 11	\$22.26 square foot	\$103,403	\$1,240,835
Year 12	\$22.71 square foot	\$105,471	\$1,265,652
Year 13	\$23.16 square foot	\$107,580	\$1,290,965
Year 14	\$23.62 square foot	\$109,732	\$1,316,784
Year 15	\$24.10 square foot	\$111,927	\$1,343,120
Year 16	\$24.58 square foot	\$114,165	\$1,369,982
Year 17	\$25.07 square foot	\$116,449	\$1,397,382
Year 18	\$25.57 square foot	\$118,777	\$1,425,330
Year 19	\$26.08 square foot	\$121,153	\$1,453,836
Year 20	\$26.60 square foot	\$123,576	\$1,482,913

County 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: LSOP 3 MD 3, LLC, addressed c/o Greenfield Partners, 2 Post Road West, Westport, CT 06880 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.

b. Late Payment Charge. If County 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 County, 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 County in the amount of Fifty Dollars (\$50.00).

4. **ADDITIONAL RENT.** All sums of money other than Annual Rent required to be paid by County 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. **DELIVERY OF POSSESSION.** Landlord agrees to deliver to County, and County agrees to accept from Landlord, possession of the Leased Premises when Landlord advises County in writing that the Landlord’s Work has been “Substantially Completed” (as defined below) and County has completed its walk-through inspection and either accepts the Leased Premises “AS IS” or County delivers a punch list of items to Landlord to be completed by Landlord as soon as reasonably possible. The parties intend for the premises to be delivered to the County as a “turn-Key” build out.

“Substantially completed” shall mean completion of Landlord’s Work, except for punch list items, such that County 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 County on November 1, 2017. If Landlord encounters delays in delivering possession of the Leased Premises to County, this Lease will not be void or voidable, nor will Landlord be liable to County for any loss or damage resulting from such delay. 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 including (i) the Tenant Improvements to be completed by Landlord to build-out the Leased Premises in accordance with the construction proposal of «Architect», dated «Space_Plan_Date» attached hereto as Exhibit B; including the demolition of walls as shown on Exhibit B, in addition to the Tenant Improvements; (ii) the installation of site amenities around the Buildings as agreed upon and at Landlord’s expense up to \$25,000; (iii) the installation of separate utility meters for 9820 and 9830; and (iv) the design and construction of a six (6) foot wide path from the Patuxent Crossing development to the the adjacent and existing

Patuxent Branch Trail, all as set forth in Exhibit B attached hereto and incorporated herein. The Landlord shall pay the County \$1,560,692 as the agreed upon allowance for the Tenant Improvements.

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 to be provided by the County . 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"). "Punch list" items, as referred to in this Section 5, are items that will require correction but that will not materially interfere with, or cause a delay to, County's occupancy of the Leased Premises as contemplated herein. Within fifteen (15) days following the date of delivery of possession of the Leased Premises, County 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 County until Landlord has received from County (i) a copy of this Lease, fully executed by County, and (ii) copies of policies of insurance or certificates thereof as required under Article 10 of this Lease.

6. **USE.** County shall use and occupy the Leased Premises for offices and other uses determined by the County as necessary for the health and welfare of the County's citizens as long as such uses are legally permitted uses by a government. The County may allow the State's agencies, quasi governmental agencies or non-profit entities to uses a portion of the Leased Premises from time to time.

7. **LAWS AND REGULATIONS.** Landlord and County 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, County and, as applicable, other tenants of the Building. In no way limiting the generality of this section, Landlord and County 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.** The Landlord acknowledges that the County may allow agencies of the state of Maryland, quasi governmental agencies and non-profits entities serving the citizens of the County to utilize a protion of the leased Premises from time to time. County shall not assign, mortgage, pledge, hypothecate,

encumber, or permit any lien to attach to, or otherwise transfer this Lease or permit the use of the Leased Premises by any persons other than a non-profit serving the citizens of the County, a County 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. County shall make any request for Landlord's consent to a Transfer by written notice to Landlord.

10. INSURANCE, SUBROGATION and INDEMNIFICATION.

a. County's Insurance. Landlord acknowledges that County 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 County, 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 County 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 County, or County 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, County 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 County'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 County, 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, County 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 County having waived any of the defenses of immunity provided to it under law.

11. **ALTERATIONS.**

a. **Landlord Approval.** County 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 County 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 County'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 County. Any permit cost shall be at County'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 County 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.** County 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. Landlord agrees to provide an allowance of \$5.00 per square foot (\$278,695) for the refurbishment of the Leased Premises at the end of the tenth year of this Lease.

13. SERVICES. All services to be provided 24 hrs / day 365 days/ year.

a. Electricity. Landlord shall furnish the Property, Buildings and Leased Premises with electricity and the electricity supplied to the Leased Premises shall be suitable for County's intended use as general office space. The electricity for the Leased Premises shall be separately metered and paid for directly by County. If County 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, County shall obtain Landlord's written approval, which will not be unreasonably withheld, conditioned or delayed, and County shall pay directly for any additional expense related to the electrical upgrades.

b. HVAC. 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. County shall be able to regulate heating and air conditioning from within the Leased Premises.

c. Water and Sewer. Landlord shall maintain and supply adequate water and sewer services for the Building, including without limitation the Leased Premises.

d. Voice and Data. County 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, including the use of the roof of each Building. County 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.

e. Miscellaneous. Landlord shall furnish, supply and maintain, repair and replace, as applicable, all hallways, stairways, lobbies, 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. The agreed upon standards for janitorial services to be provided by Landlord are attached hereto and incorporated herein as Exhibit E.

Landlord shall have no liability or responsibility to supply heat, air conditioning, 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. DEFAULT. If County fails (i) to pay installments of Annual Rent and such failure continues for seven (7) days after Landlord has given written notice to County, or to pay installments of Additional Rent and such failure continues for twenty (20) business days after Landlord gives written notice to County then, upon the happening of such event 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 County to Landlord under the Lease and (ii) all reasonable costs incurred in recovering the Leased Premises, and restoring the Leased Premises to good order and condition.

15. 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 County for more than sixty (60) days, this Lease, upon surrender and delivery to Landlord by County 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 damage, 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 untenable by any cause mentioned in the preceding sentence, Landlord shall, at its own expense, within ninety (90) days from the date of the damage restore 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 untenability and until the Leased Premises are fully restored by Landlord to the prior or better condition.

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 County in writing of such termination within sixty (60) days after the date of damage, such notice to include a termination date giving County 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 ninety (90) 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 County 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, County 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 County 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 County 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, County shall have the exclusive right to use the parking available for the Property free of charge.

18. SIGNS. The County may provide, install and maintain an exterior sign (with an electronic display) up to approximately 4 feet tall and 10 feet long with appropriate County logo near the entrance to the Patuxent Woods Road and the Buildings.

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 County, 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 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 County, and (ii) if County 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 County 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 County occupies the Leased Premises after such expiration, it is understood that, in the absence of any written agreement to the contrary, County 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 County 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 County may terminate this Lease upon thirty (30) days' notice to the other party.

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

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

22. SUBORDINATION; REORDATION OF LEASE. Landlord shall obtain a subordination, non-disturbance and attornment agreement from its current lender holding a deed of trust on the Leased Premises. The parties agree that this Lease shall be recorded among the Land records of Howard County and any lender having a deed of trust or any form of mortgages on the Leased Premises after the recordation of this Lease shall be subject and subordinate to all the Lease and to all renewals, extensions, modifications, consolidations and replacements thereof.

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:

LSOP 3 MD 3, LLC
c/o Greenfield Partners
2 Post Road West
Westport, CT 06880
Attention: _____

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

Chief Real Estate Services Division
Department of Public Works
George Howard Building
3430 Court House Drive
Ellicott City, Maryland 21043

24. REMEDIES NOT EXCLUSIVE. No remedy conferred upon either Landlord or County 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 County 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 County 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 County.

27. FINAL AGREEMENT. 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. County, 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, County shall execute and deliver to Landlord an estoppel certificate, which, as submitted by Landlord, shall be substantially in the form of Exhibit F 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. 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 County is presented with any estoppels certificate or similar certification.

30. ENVIRONMENTAL REQUIREMENTS. County 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 County 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 County 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. BROKERS. Landlord and County 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 Cushman & Wakefield of Maryland, Inc. (the "Broker") 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. Landlord shall pay all commissions earned by and due to the Broker.

33. RIGHT OF FIRST REFUSAL TO LEASE. In the event at any time or from time to time during the term of this Lease, any space in any building located on 9770-9830 Patuxent Woods Drive in Columbia, Maryland and owned or controlled by the Landlord or any of its affiliates is available for lease, such leasable space shall be offered first to the County on terms consistent with or better than the terms of this Lease. The County may exercise its option to lease all or a portion of such leasable space by giving written notice of its intention to obtain the requisite approvals to enter into such lease. The County shall have the exclusive right to enter into a lease for such space for a period of 90 (ninety) days.

34. OPTION TO PURCHASE BUILDINGS OR ONE OF THE BUILDINGS. Landlord agrees that in the event at any time or from time to time during the term of this Lease, Landlord or any of its affiliates desires to sell one or more of its buildings located on 9770-9830 Patuxent Woods Drive in Columbia, Maryland the Landlord or Landlord's affiliate shall first offer the building to the County for purchase at a price equal to the assessed value of the building and land as of the prior January 1 as determined by the State Department of Assessments and Taxation.

[Signatures follow on next page.]

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

LANDLORD:

WITNESS/ATTEST:

LSOP 3 MD 3, LLC
a Delaware limited liability company

(SEAL)

By: _____

Name: _____
Title: _____
[Member and Authorized Signatory]

ATTEST:

HOWARD COUNTY, MARYLAND

Lonnie Robbins
Chief Administrative Officer

By: _____(SEAL)
Allan H. Kittleman
County Executive

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 Legal Sufficiency
on this ____ day of _____, 2017:

Gary W. Kuc

County Solicitor

Lisa S. O'Brien
Senior Assistant County Solicitor

EXHIBIT A
DEPICTION OF LEASED PREMISES

[See attached]

EXHIBIT B
LANDLORD'S WORK

Tenant Improvements prepared by Architect

Removal of Interior Walls

Completion of outdoor trail connecting Patuxent Crossing Development to The Patuxen
Branch Trail

Landscaping and exterior improvements

[Plans to be attached prior to execution]

EXHIBIT C
COUNTY PLANS

[See attached]

Exhibit D
Cleaning and Maintenance Schedule

[insert specific tasks on Daily, Weekly, Monthly, Semi-Annual, and Annual Biawsis

Painting
Carpet Replacement]

EXHIBIT E
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 **Exhibit A**, 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 executed this Certificate this _____ day of _____, 20__.

ATTEST:

HOWARD COUNTY, MARYLAND

Chief Administrative Officer

By: _____ (SEAL)

County Executive

RECOMMENDED FOR APPROVAL:

_____, Director
Department of Public Works

APPROVED FOR SUFFICIENCY OF FUNDS:

_____, Director
Department of Finance

Approved for Form and Legal Sufficiency
on this ____ day of _____, 2017:

County Solicitor

Senior Assistant County Solicitor

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:
- E. 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
- I. Current Fixed Minimum Rent (Annualized): \$
- J. Current Additional Rent (Annualized): \$
- K. Current Total Rent: \$
- L. Square Feet Demised: