

SIXTH AMENDMENT TO LEASE

THIS SIXTH AMENDMENT TO LEASE made this 26 day of July, 2023 ("Sixth Amendment"), by and between **CIRCLE PROPERTIES, INC.**, a Maryland corporation ("Landlord") and **MONTGOMERY COUNTY, MARYLAND**, a body corporate and politic and a political subdivision of the State of Maryland ("County"). (The Landlord and the County together, the "Parties").

WHEREAS, Landlord and County entered into a Lease Agreement dated October 15, 1997; as amended by that certain First Amendment to Lease dated January 2, 2002; as amended by that certain Second Amendment to Lease Agreement dated January 13, 2008; as amended by that certain Third Amendment to Lease dated February 24, 2013; as amended by that certain Fourth Amendment to Lease dated October 9, 2014; and as amended by that certain Fifth Amendment to Lease dated June 28, 2018 (collectively, and as amended, the "Lease") for the premises described as 1,695 square feet of space in Suite 304 on the third floor of the building ("Leased Premises") located at 47 State Circle, Annapolis, Maryland 21401 (the "Building"); and

WHEREAS, the term of the Lease expired on May 31, 2023; and

WHEREAS, the County desires to extend the Term of the Lease for five (5) years and Landlord is willing to extend the Term of the Lease for such period which shall be called the "Sixth Extended Term"; and

WHEREAS, Landlord and the County desire to amend the Lease upon the terms, conditions, covenants and agreements set forth in this Sixth Amendment; and

NOW THEREFORE, for the mutual promises herein contained and for other valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties hereby agree as follows:

1. The recitals contained above are true to the best of the Parties' knowledge and are incorporated by reference herein.
2. Defined Term. Any term used herein that is defined in the Lease shall have the same meaning as specified in the Lease unless otherwise specifically provided herein.
3. Effective Date. Upon the Parties full execution of this Sixth Amendment, this Sixth Amendment shall be effective, retroactively, as of June 1, 2023 (the "Effective Date").
4. Term. The term shall be extended for five (5) years and shall commence on June 1, 2023 and shall expire on May 31, 2028 (the "Sixth Extended Term Expiration Date").
5. Rent.
 - (a) Annual Rent. The Annual Rent for the first (1st) year of the Sixth Extended Term shall be Sixty-Seven Thousand, Eight Hundred and 00/100 Dollars (\$67,800.00) payable in equal monthly installments in the amount of Five Thousand, Six Hundred Fifty

and 00/100 Dollars (\$5,650.00).

(b) Annual Adjustments. There shall be no annual adjustments to the Base Annual Rent throughout the Sixth Extended Term.

Lease Year	Annual Rent	Monthly Rent
Lease Year 1	\$67,800.00	\$5,650.00
Lease Year 2	\$67,800.00	\$5,650.00
Lease Year 3	\$67,800.00	\$5,650.00
Lease Year 4	\$67,800.00	\$5,650.00
Lease Year 5	\$67,800.00	\$5,650.00

6. Improvements and General Maintenance.

(a) Tenant Improvements. The County agrees to retain possession of the Leased Premises in its "where-is" and "as-is" condition. Landlord shall not be held responsible for any improvements for the County's Leased Premises, except as follows.

(b) Landlord General Maintenance & Repairs. Landlord acknowledges responsibility for the General Maintenance and Repairs of the Leased Premises and Building. Landlord, at its sole cost and expense shall conduct the following:

1) Ensure that the HVAC system is working efficiently and providing uniform temperatures and acceptable air quality and humidity levels throughout the Leased Premises.

2) Any leaks in the ceiling and/or windows of the Leased Premises should be identified and remediated.

Landlord shall warrant that all Building systems are operational and in working order. All of the Landlord General Maintenance and Repairs shall be completed within ninety (90) days after the full execution of this Sixth Amendment. If these Landlord General Maintenance and Repairs have not been completed within the aforesaid specified timeframes, the County shall fully abate its Base Rent for everyday thereafter until the Landlord General Maintenance and Repairs are completed.

7. Property Damage and Liability Insurance.

Except for its section heading, Paragraph 10 of the Lease is hereby deleted in its entirety and replaced with the following:

"Lessee agrees to indemnify Lessor and save it harmless from and against any and all claims, actions, damages, liability and expense in connection with personal injury and/or damage to property arising from or out of any occurrence upon or at the Leased Premises, or the occupancy or use by the Lessee of the Leased Premises or any part thereof occasioned wholly or in part, to



such extent, by any negligent act or omission of the Lessee, except in the case of the negligence, wrongful act or omissions of the Lessor, its agents or employees. Lessee's liability under this paragraph is subject to, limited by, and contingent upon the appropriation and availability of funds, as well as the damage caps and notice requirements stated in the Local Government Tort Claims Act, Md. Code Ann., Cts. & Jud. Proc. § 5-301, et seq. (2017); Md. Code Ann., Cts. & Jud. Proc. § 5-303, et seq. and Md. Code Ann., Cts. & Jud. Proc. § 5-509 (2017), and Md. Code Ann., Cts. & Jud. Proc. § 5-5A-02 (together the "County Indemnification Statutes"), all as amended from time to time. This indemnification is not intended to create any rights or causes of action in any third parties or to increase the Lessee's liability above the caps provided in the County Indemnification Statutes, as applicable.

Lessee agrees that it will not keep in or upon the Leased Premises any article which may be prohibited by the standard form of fire or hazard insurance policy. In the event Lessee's occupancy of the Leased Premises causes any increase in Lessor's insurance premium for the Leased Premises, Lessee shall pay the additional premiums as they become due.

All of Lessee's personal property at the Leased Premises shall be and remain at Lessee's sole risk, and Lessor shall not be liable for any loss or damage to such personal property, excepting loss or damage resulting from the acts or omissions of Lessor, its agents, employees or representatives.

Within thirty (30) days of the Lessor's request, the Lessee shall deliver to Lessor a certificate of insurance evidencing the coverage required in this Lease."

8. Option to Extend Term. In accordance with this Lease, the County shall have the right to further extend the Lease Term for an additional five (5) years, being herein referred to as the "Seventh Extended Term", and, if exercised, shall be included in the definition of Term. The option to extend the Term shall be exercisable provided that: (1) the County is not in default of any of the provisions of this Lease beyond any applicable notice and cure periods as of the commencement date of the Seventh Extended Term; (2) the Lease is in full force and effect; and (3) the County provides the Landlord with written notice that the County is electing to exercise its option to extend the Lease Term no later than ninety (90) days prior to the Sixth Extended Term Expiration Date. The Seventh Extended Term shall be on the same terms, covenants and conditions except that the Annual Rent payable during the extension term shall be at a mutually negotiated rate.

9. Broker. Landlord and County each represent and warrant to the other that it has not employed any broker in connection with this Sixth Amendment. Landlord and County each shall indemnify and hold harmless the other from and against any claims for brokerage or other commission arising by reason of a breach by the indemnifying party of the aforesaid representation and warranty.

10. Captions. Section headings are used for convenience only and shall not be considered when construing this Lease.

11. Ratification of Terms. Except as amended hereby, all of the terms and provisions of

the Lease shall be and remain in full force and effect.

12. This Sixth Amendment will not be binding upon any party until it has been executed by both Parties hereto.

IN WITNESS WHEREOF, Landlord and County have executed under seal and delivered this Sixth Amendment under seal on the Effective Date above written.

WITNESS:

LANDLORD:

CIRCLE PROPERTIES, INC.,
a Maryland corporation

By: _____

By: *Sharon Sharigan*
Name: NANCY SHARIGAN
Title: V.P. & Treasurer

Date: 7/17/23

WITNESS:

COUNTY:

MONTGOMERY COUNTY, MARYLAND,
a political subdivision of the State of Maryland

By: *Adrianne Cramer*

By: *Fariba Kassiri*
Name: Fariba Kassiri
Title: Deputy Chief Administrative Officer

Date: 7/26/23

APPROVED AS TO FORM & LEGALITY
OFFICE OF THE COUNTY ATTORNEY

RECOMMENDED:

By: *Neal Anker*
Name: Neal Anker
Title: Associate County Attorney

Date: 7/20/2023

By: *Cynthia Brenneman*
Name: Cynthia Brenneman
Title: Director Office of Real Estate

Date: 07/20/2023

(Handwritten mark)