

FIRST AMENDMENT TO LEASE AGREEMENT

This FIRST AMENDMENT TO LEASE AGREEMENT ("**First Amendment**") is made and entered into on the 8th day of **April**, 2021 by and between HYPNOS SOLUTIONS LLC, a Maryland limited liability company, successor in interest to Search Rock, LLC ("**Landlord**"), and MONTGOMERY COUNTY, MARYLAND ("**County**"). The Landlord and the County, each a "Party" and collectively the "Parties."

RECITALS:

WHEREAS, Landlord and Tenant, entered into a Lease (**the "Lease"**) dated November 22, 2013 for 2,114 rentable square feet, commonly known as Suite 205, in the building known as 2301 Research Boulevard (**the "Building"**) located at 2301 Research Boulevard, Rockville, MD 20850 (**the "Leased Premises"**); and

WHEREAS, the current Lease expires on July 31, 2021 and Landlord and County now desire to amend the Lease to provide for a renewal of the Lease Term, all in accordance with the terms, conditions and other provisions set forth below.

FIRST AMENDMENT:

Now, therefore, for and in consideration of the foregoing Leased Premises and the mutual covenants and Leased Premises contained herein, the Parties agree to amend the Lease as follows:

1. **Recitals:** The foregoing recitals are hereby incorporated into this First Amendment, by reference.
2. **Renewal of Lease Term:** Commencing on August 1, 2021 ("**First Renewal Commencement Date**"), the Lease Term is hereby renewed for a term of one hundred and twenty (120) months ("**First Renewal Term**"), unless sooner terminated in accordance with the provisions of the Lease.
3. **Base Rent:**
 - (a) Prior to the First Renewal Commencement Date, County shall continue to pay Base Rent for the Leased Premises as set forth in the Lease.
 - (b) Beginning on the First Renewal Commencement Date, County shall pay a monthly Base Rent for the Leased Premises, during the First Renewal Term, as follows:

Months	Amount Per SF	Monthly Amount	Annual Rent
August 1, 2021 – January 31, 2022*	Abated	Abated	Abated
February 1, 2022 – July 31, 2023	\$ 22.50	\$ 3,963.75	\$ 47,565.00
August 1, 2023 – July 31, 2024	\$ 23.06	\$ 4,062.84	\$ 48,754.13
August 1, 2024 – July 31, 2025	\$ 23.64	\$ 4,164.41	\$ 49,972.98
August 1, 2025 – July 31, 2026	\$ 24.23	\$ 4,268.53	\$ 51,222.30
August 1, 2026 – July 31, 2027	\$ 24.84	\$ 4,375.24	\$ 52,502.86
August 1, 2027 – July 31, 2028	\$ 25.46	\$ 4,484.62	\$ 53,815.43
August 1, 2028 – July 31, 2029	\$ 26.09	\$ 4,596.73	\$ 55,160.82
August 1, 2029 – July 31, 2030	\$ 26.75	\$ 4,711.65	\$ 56,539.84
August 1, 2030 – July 31, 2031	\$ 27.41	\$ 4,829.44	\$ 57,953.33
August 1, 2031 – July 31, 2032	\$ 28.10	\$ 4,950.18	\$ 59,402.17

*In consideration for County's compliance with the terms and conditions set forth in the Lease as amended, County shall not be required to pay Base Monthly Rent for the six (6) month period commencing on the First Renewal Commencement Date and ending on January 31, 2022 (the "Rent Abatement Period"), for a total Base Monthly Rent abatement of Twenty Three, Thousand, Seven Hundred Eighty-Two dollars and 50/100 (\$23,782.50).

(c) County shall pay Base Monthly Rent for the First Renewal Term in the same manner as provided for in the Lease.

4. Tenant Improvement Allowance: County is in possession of and has accepted the Leased Premises in its "AS-IS" condition. Landlord is under no obligation to make any structural or other alterations, decorations, additions, improvements, renovations or other changes in or to the Leased Premises except that Landlord shall perform, using Building standard processes, materials and finishes, the following work within the Leased Premises: (a) replace and provide new flooring and other alterations as the County designates (the "Landlord Work"). Landlord shall provide the County a "**Tenant Improvement Allowance**" up to an amount of Forty Two Thousand Two Hundred Eighty and 00/100 dollars (\$42,280.00) or Twenty and 00/100 Dollars (\$20.00) per rentable square feet of the Leased Premises to be used towards the Landlord Work, and, at the option of the County, towards moving expenses, data/cabbling, security, and FF&E. Additionally, Landlord, at its sole cost and expense, shall provide County with a "**Refurbishment Allowance**" on the first (1st) day of fifty-fifth (55th) month of the First Renewal Term up to an amount of Twenty One Thousand One Hundred Forty and 00/100 (\$21,140.00) or Ten and 00/100 dollars (\$10.00) per rentable square feet to be applied to additional alterations made by County to the Leased Premises, provided that notwithstanding the foregoing, the Refurbishment Allowance may only be applied towards the cost of Additional Alterations made to the interior areas of the Leased Premises. Landlord shall send County written notice of the Refurbishment Allowance six (6) months in advance of fifty-fifth (55th) month of First Renewal Term. The County shall have until the sixty-first (61st) month of the First Renewal Term to use the Refurbishment Allowance.

5. All Additional Rent: In addition to Base Rent, County shall continue to be responsible for County's Share of Operating expenses, County's Share of Real Estate Taxes, Landlord's Enforcement costs (collectively, "**Additional Rent**") as mentioned in the lease and hereinafter. Reconciliation of all Additional Rent shall continue to be calculated as set forth in the Lease except Base year of Operating Year per Section 5(A) of the Lease shall be changed to **2022**.

7. **Section 35 of Lease of Landlord's Notice and Payment Addresses:** Landlord's notice and payment addresses set forth in the Lease are hereby deleted and the following are substituted in lieu thereof:

“Landlord’s Notice Addresses:

Hypnos Solutions LLC
1400 W Lombard Street, PMB 323,
Baltimore, MD 21223

With copies to:

Mali Subbiah
539 W Commerce Street, Ste 1962
Dallas, TX 75208

Landlord’s Address for Payment of Rent:

If delivered via US Mail:

*Cheque Payable to: **HYPNOS SOLUTIONS LLC***
Mail to: First Financial Bank NA
Attn: Nisha Naran
1000 Forest Park Boulevard
Fort Worth, TX 76110
Ph: (682) 703-6414

If delivered via overnight courier:

*Cheque Payable to: **HYPNOS SOLUTIONS LLC***
Mail to: First Financial Bank NA
Attn: Nisha Naran
1000 Forest Park Boulevard
Fort Worth, TX 76110
Ph: (682) 703-6414

Or such other place as Landlord may designate from time to time.”

6. **Defined Terms:** Each capitalized term used in this First Amendment and not defined herein will have the meaning assigned to such term in the Lease.
7. **Conflict:** In the event of a conflict between the provisions of this First Amendment and the Lease, the provisions of this First Amendment will govern and control.
8. **Binding Effect:** Except as expressly modified by this First Amendment, the terms and provisions of the Lease shall continue to govern the rights and obligations of the Parties and all provisions and covenants of the Lease, as herein amended, remain in full force and effect. The Lease and this First Amendment constitute the entire understanding and agreement between Landlord and County regarding the subject matter thereof and supersede all other prior written or oral understandings and agreements between Landlord and County with respect thereto and shall constitute but one instrument.
9. **Authority:** The person executing this First Amendment on behalf of the Landlord and the County hereby represent and warrant that such person (a) is duly authorized and empowered to execute this First Amendment, (b) has full right and authority to enter into this First Amendment, and (c) upon full execution, this First Amendment constitutes the valid and binding obligations of such Party, as herein provided.
10. **Brokers:** Landlord and County each represent and warrant to the other that it has not dealt with any broker or agent in connection with the negotiation or execution of this First Amendment, except for **Jones Lang LaSalle**, representing the Landlord (the "Broker"). County and Landlord shall each indemnify the other against all costs, expenses, attorney fees and other liability for commissions or other compensation claimed by any broker or agent other than the Broker, if such claim arises by, through or under such party. Landlord shall be responsible to pay the Broker under a separate written agreement.
11. **Counterparts:** This First Amendment may be executed in any number of counterparts, each of which shall be deemed to be an original, but any number of which, taken together, shall constitute one and the same instrument.

{Signature page follows}

IN WITNESS WHEREOF, Landlord and County have executed and delivered this Fourth Amendment under seal on the date first above written.

Witness/Attest:

Julie White

COUNTY:
MONTGOMERY COUNTY

By: A. Jerome Fletcher
Name: Jerome Fletcher
Title: Asst. Chief Administrative Officer
Date: 4/8/21

APPROVED AS TO FORM AND LEGALITY OFFICE OF THE COUNTY ATTORNEY

RECOMMENDED

By: Neal Anker
Name: Neal Anker
Title: Associate County Attorney
Date: 4/6/2021

By: Cynthia Brenneman
Name: Cynthia Brenneman
Title: Director Office of Real Estate
Date: 05/04/2021

Witness: Bhaktasagar Behera
Name: Bhaktasagar Behera

LANDLORD:
HYPNOS SOLUTIONS LLC, a Maryland limited liability company.

By: M. Subbiah
Name: Mali Subbiah, CEO
Date: March 24, 2021

