

SECOND AMENDMENT TO LEASE

THIS SECOND AMENDMENT TO LEASE made this 2nd day of December 2018 (“Amendment”), by and between TFG West Watkins Property, LLC (“Landlord”) and MONTGOMERY COUNTY, MARYLAND (“County” or “Tenant”), the Landlord and County together the “Parties.”

WHEREAS, Landlord (as successor-in-interest to ARE-25/35/45 W. Watkins Corp.) and County are parties to that certain Lease dated July 29, 2009, as amended by that certain First Amendment to Lease, dated December 20, 2012 (collectively, the “Lease”), whereby County leased certain premises consisting of approximately 18,924 square feet of office space (“Premises”) in the building located at 45 West Watkins Mill Road, Gaithersburg, Maryland (“Building”); and

WHEREAS, the Term of the Lease is scheduled to expire on December 31, 2018; and

WHEREAS, effective January 1, 2019, County desires to extend the Term of the Lease for seven (7) years and zero (0) months and Landlord is willing to extend the Term of the Lease for such period; and

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

WITNESSETH:

NOW, THEREFORE, the Parties desire to modify the terms of the Lease Agreement only as set forth herein.

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. Extended Lease Term. The Term of the Lease is hereby extended for seven (7) years commencing January 1, 2019, and terminating December 31, 2025 (the “Extended Lease Term”).
4. Annual Rent. County shall pay in advance, beginning on the commencement date of the Extended Lease Term, and on the first day of each calendar month thereafter during said term, monthly rent in accordance with the schedule below, payable without demand or counterclaim except as otherwise provided in the Lease. Monthly rent shall be prorated for any partial month.

Dates	Annual Rent	Monthly Rent
Lease Year 1: 1/1/2019 to 12/31/2019	\$321,708.00	\$26,809.00
Lease Year 2: 1/1/2020 to 12/31/2020	\$428,818.00	\$35,735.00

Lease Year 3: 1/1/2021 to 12/31/2021	\$441,682.00	\$36,807.00
Lease Year 4: 1/1/2022 to 12/31/2022	\$454,933.00	\$37,911.00
Lease Year 5: 1/1/2023 to 12/31/2023	\$468,581.00	\$39,048.00
Lease Year 6: 1/1/2024 to 12/31/2024	\$482,638.00	\$40,220.00
Lease Year 7: 1/1/2025 to 12/31/2025	\$497,117.00	\$41,426.00

5. Landlord Right to Terminate. Notwithstanding anything to the contrary contained in this Amendment or the Lease, Landlord shall have the right to terminate this Lease at any time by providing the County with at least eighteen (18) months advance written notice. In such case, the Lease shall terminate as of the date set forth in such notice as though such date were the original expiration date of the Extended Lease Term.

6. Deletion of Tenant's Additional Termination Right. Landlord and Tenant acknowledge that Section 3 of the First Amendment to Lease is hereby deleted in its entirety, and reference to such section in the last paragraph of Section 5 of the First Amendment to Lease is of no force or effect.

7. Brokers. Each party represents to the other that it has not dealt with any broker in connection with this Amendment. County 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 County or with whom County has dealt. Landlord shall indemnify and hold County 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.

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

9. Except as amended hereby, all of the terms and provisions of the Lease shall be and remain in full force and effect.

10. This Amendment will not be binding upon any party until this document has been executed by all parties thereto.

SIGNATURE BLOCKS CONTAINED ON THE FOLLOWING PAGE

Execution Version

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

Witness/Attest:

Julie L White

COUNTY:
MONTGOMERY COUNTY, MARYLAND

By: Ramona Bell-Pearson (Seal)
Name: Ramona Bell-Pearson
Title: Assistant Chief Administrative Officer

Fed Tax ID Number:

LANDLORD:

TFG WEST WATKINS PROPERTY, LLC

By: Scott MacPhee (Seal)
Name: Scott MacPhee
Title: President

APPROVED AS TO FORM & LEGALITY
OFFICE OF THE COUNTY ATTORNEY

By: [Signature]

RECOMMENDED:

By: [Signature] (Seal)
Name: Cynthia Brenneman GREGORY OSSADINT
Title: Director of Real Estate