23000

SUBLEASE AGREEMENT

THIS SUBLEASE AGREEMENT (the "Sublease") is made as of the 20th day of December, 2024, by and between Apex Systems, LLC a Virginia limited liability company registered to conduct business in the State of Maryland, with an address of 26745 Malibu-Hills-Road, Calabasas, CA 91301 ("Sublandlord") 44の COX Kd, and Montgomery County, Maryland, a body corporate and politic and a political subdivision of the State of allen, VA Maryland, with an address of 101 Monroe Street, Rockville, MD 20850 ("Subtenant").

RECITALS:

WHEREAS, pursuant to the terms and conditions of that certain Lease Agreement dated October 17, 2019 (the "Prime Lease"), by and between Sublandlord, as tenant, and GS Property 6116 LLC, as landlord ("Landlord"), Landlord leases to Sublandlord, as tenant, that certain premises containing approximately four thousand six hundred fifty-five (4,655) rentable square feet of office space commonly known as Suite 610 located on the sixth floor (the "Prime Lease Premises") of the building located at 6116 Executive Blvd., Rockville, MD 20852 (the "Building"). A true copy of the Prime Lease is attached hereto as Exhibit A; and

WHEREAS, Sublandlord desires to sublease to Subtenant and Subtenant desires to sublease from Sublandlord the entirety of the Prime Lease Premises in accordance with the provisions of this Sublease.

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

Sublease of Premises. Sublandlord does hereby sublease to Subtenant, and Subtenant does hereby sublease from Sublandlord, for the term and upon the conditions hereafter provided, the entire Prime Lease Premises, as outlined in red on the plan attached hereto as Exhibit B (the "Subleased Premises").

Tanuary 6, 2025
The Term of this Sublease shall commence Nevember 1, 2024 (the "Commencement Date") and shall expire on June 30, 2025 (the "Term"), unless otherwise terminated as hereinafter provided.

3. Rent.

On the Commencement Date, Subtenant shall pay to Sublandlord, in lawful money of the United States, one lump sum payment of fifty thousand dollars (\$50,000) as advance payment in full for all rent and other costs and expenses owing for the Term of this Sublease.

- 4. Reserved.
- Use. Subtenant will use and occupy the Subleased Premises solely for general office purposes. Subtenant has inspected the Subleased Premises and will accept the Subleased Premises in its condition existing on the date Subtenant takes occupancy of the Subleased Premises.
 - 6. Reserved.
- Furniture. The Subleased Premises is furnished and Subtenant may enjoy the free use of all such furniture during the Term. Subtenant will have no obligation to remove the furniture from the Subleased Premises at the expiration or earlier termination of this Sublease.
- Parking. The Subtenant shall have the right to use the fifteen (15) garage parking spaces available to the Sublandlord under the terms of the Prime Lease at no cost during the Sublease Term.

- 9. <u>Security of Leased Premises</u>: Subject to all applicable terms and provisions of the Prime Lease, including the obligation to obtain Landlord's consent, Sublandlord hereby agrees that Subtenant may install an entry security system comprised of card readers or individual mechanical locks on both the demised entry to the Subleased Premises and on internal office doors at Subtenant's sole cost and expense. Sublandlord will be furnished with cards, codes and/or keys to allow Sublandlord and Landlord access in accordance with the Prime Lease.
- 10. <u>Use of Building Amenities</u>. Subtenant shall have full use of all building amenities that are generally available to all building tenants, including the conferencing center, training rooms, open terrace, fitness center, lounge spaces and any other building amenities. Subtenant shall comply with Landlord's procedures for scheduling use of amenities and following any regulations pertaining to the use of the amenities.
- 11. <u>Termination of the Prime Lease</u>. If for any reason the term of the Prime Lease is terminated prior to the anticipated expiration date of this Sublease, this Sublease shall thereupon terminate, and Sublandlord shall not be liable to Subtenant by reason thereof for damages or otherwise, except those arising out of Sublandlord's failure to remit rent to Landlord if rent hereunder is actually received by Sublandlord from Subtenant, and Sublandlord shall return to Subtenant rent paid in advance by Subtenant prorated as of the date of the termination of the Prime Lease.
- Subordination to and Incorporation of Terms of Prime Lease. This Sublease is in all respects subject and subordinate to any mortgage, deed, deed of trust, ground lease or other instrument now or hereafter encumbering the Building or the land on which it is located, to the terms and conditions of the Prime Lease and to the matters to which the Prime Lease, including any amendments thereto, is or shall be subordinate. The terms, provisions, covenants, stipulations, conditions, rights, obligations, remedies and agreements of the Prime Lease are incorporated into this Sublease by reference and made a part hereof as if herein set forth at length, and shall, as between Sublandlord and Subtenant (as if they were the Landlord and the Tenant, respectively, under the Prime Lease and as if the Subleased Premises were the Prime Lease Premises demised under the Prime Lease), constitute the terms of this Sublease, except to the extent that they do not relate to the Subleased Premises or are inapplicable to, or modified or eliminated by, the terms of this Sublease. Sublandlord and Subtenant each agree to observe and be bound by each and every covenant, condition and provision of the Prime Lease insofar as any such covenant, condition or provision affects the Subleased Premises or Subtenant's use thereof. acknowledges that it has reviewed and is familiar with the Prime Lease. In confirmation of the subordination provided for in this paragraph, Subtenant shall, at Sublandlord's reasonable request, promptly execute any requested or appropriate certificate or other document.

Notwithstanding the foregoing, and for the avoidance of doubt, the Parties agree that the following sections of the Prime Lease shall not apply to Subtenant:

Sections 1.1, 1.2, 1.3, all of Section 2, 4.2, 10, all of Section 14; Sections 17.26 and 17.27; all of Section 20 and all of Section 21.

Reserved.

- 14. <u>Building Rules and Regulations</u>. Subtenant shall comply with all rules and regulations of the Building which are attached to the Prime Lease as Exhibit C. Subtenant shall be given thirty days written notice of any changes to the Building Rules and Regulations.
- 15. <u>Alterations</u>. Notwithstanding anything to the contrary contained in the Prime Lease, Subtenant shall not make any improvements, alterations or changes to the Subleased Premises whatsoever, including without limitation, structural or non-structural changes, without the prior written consent of Sublandlord and Landlord.
 - 16. Insurance. Subtenant shall obtain and at all times during the Term hereof maintain, at its

sole cost and expense, policies of insurance in amounts acceptable to Sublandlord and Landlord covering its fixtures, property and equipment installed and located in the Subleased Premises and providing general liability coverage. Before taking occupancy of the Subleased Premises, Subtenant shall provide Sublandlord with proof of such insurance. Subtenant hereby waives and shall cause its respective insurance carriers to waive any and all rights of recovery, claims, actions or causes of action against the other for any loss or damage with respect to personal property, fixtures and equipment, including rights, claims, actions and causes of action based on negligence, which loss or damage is (or would have been, had the insurance required by this Sublease been carried) covered by insurance required to be carried by such party hereunder. Subject to, limited by, and contingent upon the appropriation and availability of funds by the Montgomery County Council, Subtenant shall obtain and maintain, during the full term of this Sublease and any extension thereof, coverage for liability insurance with limits of liability of \$400,000 (four hundred thousand dollars) per individual claim and \$800,000 (eight hundred thousand dollars) per total claims that arise from the same occurrence. Subtenant shall have the right to self-insure. These are the maximum limits of liability for which the Montgomery County Self-Insurance Program is responsible, as determined by the Local Government Tort Claims Act, Maryland Code, Courts & Judicial Proceedings, Section 5-301 et seq., and 5-509 (the "LGTCA"). If the LGTCA is amended to increase any of these limits, then the increased limits shall automatically apply to this Sublease.

- 17. <u>Sublandlord's Obligations</u>. Subject to Section 11 hereof, Sublandlord shall provide, or cause to be provided, to Subtenant all of the services and shall make (or cause to be made) all of the repairs and/or restorations that the Landlord has agreed to provide or make, or cause to be provided or made, under the Prime Lease. Subtenant agrees not to contact Landlord directly concerning the provisions of such services and/or the making of such repairs or restorations. Point of contact at Sublandlord for such service requests will be ______ at __email:_____phone:_____.
- 18. <u>Assignment and Further Sublease</u>. Subtenant shall not assign or encumber, or permit to be encumbered, its right or interest under this Sublease, nor sublet the whole or any part of the Subleased Premises without Sublandlord's prior written consent.
- 19. <u>Surrender</u>. Upon expiration of the Term or other termination of this Sublease, Subtenant shall quit and surrender to Sublandlord the Subleased Premises and remove all of its furniture (subject to Section 7, above), furnishings, personal property and equipment in order to leave the Subleased Premises broom clean and in as good order and condition as they were on the date the Term of this Sublease commenced, ordinary wear and tear excepted. The obligations of Subtenant to perform this covenant shall survive the expiration or other termination of this Sublease.
- 20. <u>Default: Remedies.</u> In the event Subtenant defaults in the performance of any of the covenants, conditions or agreements contained in this Sublease and fails to cure such default after ten (30) days written notice from Sublandlord, unless such default is of a nature which cannot be cured through reasonable diligence within ten (30) days, in which case Subtenant shall have ten (30) days to commence a cure and sixty (90) days to achieve such cure, provided Subtenant at all times pursues said cure with reasonable diligence, Sublandlord shall be entitled to exercise and pursue any remedies it may have at law or in equity.
- 21. <u>Indemnification</u>. Subtenant shall indemnify and hold harmless Sublandlord from and against any and all losses, claims, damages, liabilities, actions, costs and expenses including reasonable attorneys' fees awarded by a court of law) incurred by Sublandlord arising out of or related to the negligent acts of Subtenant connected with (1) this Sublease or (2) the Subleased Premises, unless caused by the acts or negligence of Sublandlord its agents or employees. This indemnification shall survive termination of this Sublease. Subtenant's indemnification is subject to, limited by, and contingent upon the appropriation and availability of funds by the Montgomery Council.
- 22. <u>Notices.</u> Any notice required or permitted to be given hereunder shall be in writing and may be given by certified mail, return receipt requested, personal delivery, Federal Express or other delivery service. If notice is given by certified mail, return receipt requested, notice shall be deemed given three (3) days after the notice is deposited with the U.S. Mail, postage prepaid, addressed to Subtenant or to

Sublandlord at the address set forth below. If notice is given by personal delivery, Federal Express or other delivery service, notice shall be deemed given on the date the notice is actually received by Sublandlord or Subtenant. Either party may by notice to the other specify a different address for notice purposes.

If to Sublandlord:

Apex Systems, LLC 4400 Cox Road, Suite 200 Glen Allen, VA 23060

ATTN: Legal Department

If to Subtenant:

Montgomery County, MD

Director,Office of Real Estate_____

Dept of General Services_ 101 Monroe Street, 9th FL Rockville, MD 20850_

with a copy to:

Montgomery County, MD Office of the County Attorney 101 Monroe Street, 3rd FL Rockville, MD 20850

If Sublandlord receives any notice from Landlord which affects Subtenant or the Subleased Premises, Sublandlord shall provide Subtenant with a copy thereof.

- 23. <u>Modification.</u> This Sublease may only be modified by written agreement signed by Sublandlord and Subtenant.
- 24. Governing Law. The terms and provisions of this Sublease shall be governed by the laws of the State of Maryland. Venue for any dispute arising under this Sublease shall be the Montgomery County District or Circuit Court, as appropriate. The parties knowingly waive their right to a jury trial.
- 25, <u>Consent</u>. In accordance with the Prime Lease, this Sublease shall be effective upon obtaining the written consent of Landlord.
- 26. <u>Authority</u>. Each party executing this Sublease warrants to the other party that (i) it has taken all action necessary to authorize the execution and performance of this Lease, and (ii) the person(s) executing this Sublease on behalf of such party are all of the persons required to execute this Sublease in order to bind the party, and that the person signing on its behalf is authorized to do so.
- 27. <u>Counterparts, Electronic Signatures.</u> This Sublease may be executed in counterparts, which taken together shall constitute one instrument, notwithstanding the fact that all signatures are not contained on the same copy. This Sublease may be transmitted by electronic mail in portable document format ("pdf") and signatures appearing on electronic mail instruments shall be treated as original signatures.
- 28. <u>Appropriations.</u> Except for the rent that Subtenant is paying in advance per Section 2 above, all obligations of Subtenant under this Sublease are subject to, limited by, and contingent upon the appropriation and availability of funds by the Montgomery Council.

[SIGNATURES APPEAR ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the Sublandlord and Subtenant have each executed this Sublease effective as of the date first above written.

SUBLANDLORD:

By: Cari Edward Comohundro, TR

Its: Chief Administrative Officer

SUBTENANT

By: Kenneth Hartman

Its: Assistant Chief Administrative officer

c/o Fariba Kassiri, Deputy Chief Administrative Officer

Approved for form and legality

Office of the County Attorney:

Neal Anker

Assistant County Attorney