

Non-Residential Lease Amendment #3 – Expansion and Second Extension at 7-1 Metropolitan Court

This lease amendment is dated on or about the ¹⁴~~6~~ day of ~~SEPTEMBER~~ 2017 and is between HALCYON ASSOCIATES, LLC (“Landlord”), a Maryland limited liability company and successor to Halcyon Associates, and the tenant, namely, MONTGOMERY COUNTY, MARYLAND (“County”), a body corporate and politic and a political subdivision of the State of Maryland. Landlord and the County (collectively, the “Parties”) agree as follows:

Article #1 Statement of Facts

Parties state that:

a) By the initial lease document, dated on or about December 12, 2006, the County leased the original premises now known as 7-1 Metropolitan Court, Gaithersburg, Maryland 20878. The original premises is deemed to contain gross rentable area of 7,200 square feet.

b) By amendment #1, dated on or about June 13, 2010, the original premises was expanded to a total gross rentable area of 9,000 square feet (“Entire Premises”) and the term was extended, for the first extension, through January 31, 2017.

c) Because the second extension was not memorialized by the scheduled end of the first extension, Parties agreed that lease year #10 (of the first extension) would be extended until the start of the second extension.

d) Amendment #2, dated on or about May 5, 2017, stated that (1) the area of the premises would be reduced and (2) the term of the lease would be extended for the second extension.

e) But after amendment #2 was fully executed, Parties agreed that (1) the area of the premises would not be reduced, (2) the term would be extended for the Entire Premises, and (3) the dates of the second extension would be changed.

f) The primary purpose of this amendment is to extend the term for the Entire Premises.

Article #2 Premises

The Entire Premises is unchanged and is deemed to contain gross rentable area of 9,000 square feet.

Article #3 Second Extension

The term is hereby extended the second extension, namely, a period of SEVEN non-calendar years and FOUR months. The starting date is October 1, 2017, and the scheduled termination date is January 31, 2025.

Article #4 Rent

#4.1 Payments. Unless stated otherwise in this lease, the County shall (a) pay rent to Landlord without any deduction, set-off, notice, or demand; and (b) send money to Landlord’s present depository or to another party or address as Landlord may direct by written notice on one or more occasions. Rent may be paid by electronic funds transfer (EFT). If an EFT arrangement is not in effect, then Landlord’s depository is now at:

Halcyon Associates, LLC
 c/o Standard Properties, Inc.
 5500 MacArthur Boulevard, NW
 Washington, DC 20016

#4.2 Schedule. The County shall (a) pay monthly base rent installments in advance by the first day of each calendar month and (b) for this extension, pay base rent of \$1,555,224.00 (exclusive of additional rent) by this schedule:

Second Extension Base Rent Installment Schedule

Period	Period starting date	No. of months	Original Space Monthly Base Rent Installment	Expansion Space Monthly Base Rent Installment	Total Monthly Base Rent Installment	Period base rent (\$)
LY #11 part “A”	Oct. 1, 2017	4	0.00	0.00	0.00	0.00
LY #11 part “B”	Feb. 1, 2018	12	14,659.00	2,255.00	16,914.00	202,968.00
LY #12	Feb. 1, 2019	12	15,099.00	2,322.00	17,421.00	209,052.00
LY#13	Feb. 1, 2020	12	15,552.00	2,392.00	17,944.00	215,328.00
LY #14	Feb. 1, 2021	12	16,018.00	2,464.00	18,482.00	221,784.00
LY #15	Feb. 1, 2022	12	16,499.00	2,538.00	19,037.00	228,444.00
LY #16	Feb. 1, 2023	12	16,994.00	2,614.00	19,608.00	235,296.00
LY #17	Feb. 1, 2024	12	17,503.00	2,693.00	20,196.00	242,352.00
Total base rent (exclusive of additional rent)						\$1,555,224.00

#4.3 Schedule Notes. The separate columns for monthly base rent installments, partially titled “Original Space” and “Expansion Space,” are for Parties’ administrative convenience only and do not mean that the premises or rent are separate. “LY” means lease year.

Article #5 Improvements

#5.1 Landlord's Work. Landlord shall provide and pay for the following Landlord's Work only; there is no other Landlord's Work. Except as noted, Landlord's Work will be Building Standard for general use. The extent and quality of Building Standard improvements will be reasonably determined by Landlord. If any building code requires upgrades because of the nature of the County's activities, then the County shall pay the cost premium only. Some Landlord's Work may already be completed. Landlord shall:

a) Install two handicapped parking spaces in a location mutually agreed-on, including but limited to concrete work, sidewalk curb cuts, ramps and paving as required, signs, striping, and restriping of parking spaces.

#5.2 Timing. Landlord shall use reasonable efforts to complete this work within 30 days of full lease signing.

Article #6 General

#6.1 Priority. This lease now comprises the initial document as amended and this amendment. This amendment supersedes the initial document as amended but clauses in the initial document as amended that are not changed in this amendment remain unchanged and in force. Some unchanged clauses are repeated for convenience.

#6.2 Amendment #2 Void. Amendment #2 is hereby deemed void *ab initio*.

#6.3 Tenancy Between Extensions. Lease Year #10 (as stated in amendment #1) is hereby extended through September 30, 2017.

#6.4 Options Void. In the initial document as amended, options to extend the term, if any, are void.

#6.5 No Third-party Brokers. Pertaining to this amendment, Landlord and the County state that they have not dealt with third-party real estate agents or brokers.


#6.6 Delivery Required. This amendment (a) is not an offer, option, nor reservation and (b) is binding only on both execution and delivery by both Landlord and the County.

This is the end of Article #6. Signature page follows next.

Signatures

IN WITNESS WHEREOF, the Parties hereto have caused this Lease to be properly executed.


Landlord: HALCYON ASSOCIATES, LLC

By: 
Managing Member

Printed: JOHN DANIEL

Date signed: 9/6/17


Tenant: MONTGOMERY COUNTY, MARYLAND

By: 
Ramona Bell-Pearson
Asst. Chief Administrative Officer

Date signed: 9/14/17


APPROVED AS TO FORM AND LEGALITY

OFFICE OF THE COUNTY ATTORNEY

By: 

Date signed: 8-29-17

RECOMMENDED:

By: 

Cynthia L. Brenneman, Director
Office of Real Estate
Department of General Services

Date signed: 8/29/17