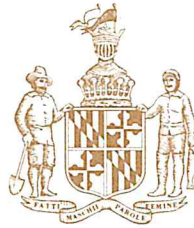


FRANK M. CONAWAY  
Legislative District 40  
Baltimore City

Judiciary Committee



*Annapolis Office*  
The Maryland House of Delegates  
6 Bladen Street, Room 314  
Annapolis, Maryland 21401  
410-841-3189 · 301-858-3189  
800-492-7122 Ext. 3189  
Fax 410-841-3079 · 301-858-3079  
Frank.Conaway@house.state.md.us

THE MARYLAND HOUSE OF DELEGATES  
ANNAPOLIS, MARYLAND 21401

*District Office*  
3020E Liberty Heights Avenue  
Baltimore, Maryland 21215  
410-466-8008 · Fax 410-466-8009

February 23, 2021

Delegate Marvin E. Holmes, Jr,  
6 Bladen Street  
Room 364  
Annapolis, Maryland 21401

Dear Delegate Holmes,

Attached is a copy of an actual lease with estoppel certificates from HB 0960 mentioned on page 3 of the lease. Also on page 3 you will find an example of HB 1218. Page 2 shows an example of HB 1201. Page 6 shows an example of HB 1220. Also attached please find an amendment to House Bill 1201 correcting the word "residential" to "commercial".

Thank you.

Sincerely,

A handwritten signature in black ink that reads "Frank M. Conaway, Jr." in a cursive style.

Frank M. Conaway, Jr.

CC: Environment and Transportation



HB1201/793720/1

AMENDMENTS  
PREPARED  
BY THE  
DEPT. OF LEGISLATIVE  
SERVICES

23 FEB 21  
14:12:10

BY: Delegate Conaway

(To be offered in the Environment and Transportation Committee)

AMENDMENTS TO HOUSE BILL 1201

(First Reading File Bill)

AMENDMENT NO. 1

On page 1, in line 2, strike "**Residential**" and substitute "**Commercial**"; in lines 4 and 8, in each instance, strike "residential" and substitute "**commercial**"; and strike in their entirety lines 9 through 18 and substitute:

"BY adding to

Article - Real Property

Section 8-119

Annotated Code of Maryland

(2015 Replacement Volume and 2020 Supplement)".

AMENDMENT NO. 2

On pages 1 and 2, strike beginning with "8-208" in line 22 on page 1 down through "INCLUDING" in line 15 on page 2 and substitute:

"8-119.

**(A) THIS SECTION APPLIES ONLY TO LEASES FOR PROPERTY THAT IS USED FOR BUSINESS, COMMERCIAL, MANUFACTURING, MERCANTILE, OR INDUSTRIAL PURPOSES, OR FOR ANY OTHER PURPOSE THAT IS NOT PRIMARILY RESIDENTIAL.**

**(B) A LEASE SHALL CONTAIN";**

and strike beginning with the semicolon in line 18 down through the period in line 20 and substitute a period.

LEASE AGREEMENT

THIS LEASE AGREEMENT (hereinafter "Lease") is made this [redacted] day of [redacted] hereinafter referred to as "Landlord"; and [redacted], hereinafter referred to as "Tenant."

WITNESSETH:

1. Lease and Term. That for and in consideration of the mutual covenants hereinafter contained and for other good and valuable consideration, Landlord does hereby lease to Tenant, and Tenant does hereby rent and lease from Landlord, the premises located at [redacted], hereinafter referred to as the "Premises." Landlord leases the Premises unto Tenant and Tenant rents the same from the Landlord for a term of two (2) years, beginning on the Lease Commencement Date (hereinafter defined), and terminating without further notice on the day immediately preceding the second (2nd) anniversary date of the Lease Commencement Date (the "Term"). The Term shall commence on [redacted] (the "Lease Commencement Date") and shall expire on [redacted] (the "Lease Expiration Date").

2. Rent.

The fixed rental (herein called "minimum") during the Term of this Lease shall be payable in consecutive monthly installments, in advance, on the first day of each calendar month during the Term hereof, without the right of offset and without deduction of any kind, all in accordance with the following:

<u>Lease Year</u>	<u>Monthly Rent</u>
First Lease Year	[redacted]
Second Lease Year	[redacted]

3. Payments. All payment of rent shall be made by the Tenant, without notice or demand, to the Landlord at [redacted], as the place for making rental payments. The United States Postal Service may also be used. The Tenant, upon payment of the rent herein reserved, and upon performance of all the terms of this Lease, shall peaceably and quietly enjoy the Premises without disturbance from the Landlord.

4. Security Deposit.

Tenant shall deposit a Security Deposit in the amount of [redacted] with Landlord upon the execution of this Lease to assure Tenant's performance of all terms, provisions, and conditions of this Lease.

Landlord may use or retain the whole of any part of the Security Deposit for any monetary obligation of Tenant arising under the terms of this Lease. Any unused portion of the Security Deposit shall be refunded to Tenant within forty five (45) days after termination of the tenancy and delivery of possession of the Premises to Landlord. Tenant shall not be entitled to any interest on the Security Deposit.

The Security Deposit may not be used by the Tenant as rent or as a deduction from the last month's rent. In the event that any part of the Security Deposit is utilized by Landlord, Tenant shall immediately upon demand, deposit with Landlord, a sum equal to the utilized amount. This shall insure that the Landlord has the full Security Deposit on hand at all times during the term of the Lease, including any extension, renewal or holdover term.



5. Covenants. Tenant covenants and agrees that:

A. Tenant will promptly pay all electricity, water, sewer, telephone and other utility bills as the same shall become due. Tenant shall maintain the Premises and the surrounding areas, including the parking lot of the Premises, in a neat and orderly fashion. Tenant shall be responsible for clearing all snow and ice from the Premises and the surrounding areas. Should Tenant violate this covenant, Landlord may take such corrective action as it shall deem necessary. In such event, Tenant shall pay the costs and expenses of such corrective action as additional rent immediately upon demand therefor in accordance with the provisions of this Lease.

B. Tenant will not use or permit said Premises, or any part thereof, to be used for any disorderly or unlawful purpose. Tenant will, at its own expense, promptly comply with all lawful statutes, ordinances, rules, orders, regulations, and requirements of the federal, state, county or municipal governments now in force or hereafter enacted insofar as the conduct of its business in the Premises shall pertain to the same.

C. Tenant will not permit refuse, trash or waste of any nature to accumulate in or around the Premises, but will remove the same at its own expense and will keep the Premises free of insects, rodents, and other pests; furthermore, that it will not permit refuse, trash, waste or debris to accumulate in any manner on or around the building. Tenant covenants to contain all trash and debris generated in conjunction with its use of the Premises in containers approved by the Landlord and in locations approved by Landlord. Should Tenant violate this covenant, Landlord may take such corrective action as it shall deem necessary for the storage and removal of such trash and debris. In such event, Tenant shall pay the costs and expenses of such corrective action as additional rent immediately upon demand therefor in accordance with the provisions of this Lease.

D. All personal property in the Premises and all Tenant improvements to the Premises shall be and remain at its sole risk, and the Landlord shall not be liable for any damage to or loss of such personal property or Tenant improvements except in the case of Landlord's negligence. Landlord shall under no circumstances be liable to Tenant in damages or otherwise for any interruption in service of water, electricity, or any other utilities, caused by any unavoidable delay or by the making of any necessary repairs or improvements. Tenant, at its own expense, shall carry fire insurance with extended coverage on its fixtures, equipment, stock in trade and other personal property.

6. Condition. Tenant has inspected the Premises and accepts the Premises in "as is" and "where is" condition. Landlord covenants and agrees to make all necessary repairs during the Term of this Lease to: (i) the roof of the building of which the Premises are a part; and (ii) all structural components of the improvements, including exterior walls and foundations (but not windows and doors), provided such repairs are not made necessary through misuse of the same by the Tenant or its invitees. Tenant shall be solely responsible for repairing and maintaining, at its own cost and expense, all remaining portions of the Premises, including the plumbing, mechanical and electrical systems, and HVAC system. It is understood and agreed that the Landlord, and its agents, servants, and employees, including any builder or contractor employed by the Landlord, shall have, and the Tenant hereby gives them and each of them, the right, license and permission, at any and all reasonable times, and for any reasonable purpose whatsoever, to enter through or upon the Premises or any part thereof, and, at the option of the Landlord, to make such reasonable repairs to or changes in the Premises as the Landlord may deem necessary or proper.

7. Use. The Tenant is leasing the Premises primarily for the purpose of conducting an office and any and all activities incidental thereto. Tenant shall not modify or enlarge said use without the prior written consent of Landlord. The Tenant shall not do or permit anything to be done upon the Premises which: (i) is

HB1201



in violation of any fire insurance policy thereon, (ii) would adversely affect the premiums on said policy, or (iii) violate any other federal, state or local statute, regulation or ordinance of any nature or any type. Further, Tenant shall not perform or offer to perform any automobile detailing or car wash services at the Premises.

8. **Surrender.** Upon the Lease Expiration Date (or Termination Date, as applicable), the Tenant agrees to surrender the Premises to the Landlord in as good a condition at the time of occupancy by Tenant, and in as good a condition as it was on date of installation with respect to any improvements that are made by Landlord or on Landlord's account after the date of occupancy by Tenant, reasonable use and wear, or damage caused by fire which was not caused by negligence or carelessness of Tenant, or damage caused by an act of God, excepted. No act or thing done by Landlord, or any of its agents, during the Term of this Lease shall be deemed an acceptance by them of a surrender by Tenant of the Premises, and no agreement to accept surrender shall be valid unless in writing, signed by Landlord. A mere delivery of keys by Tenant to the Landlord without such written agreement from Landlord shall not operate as a termination of this Lease or of the Premises, but shall act as an authorization to Landlord by Tenant to sublease the Premises for Tenant so as to mitigate any damages to Landlord which may accrue as a result of Tenant's actions.

9. **Inspection.** Landlord and its representatives may enter the Premises, at any reasonable time and upon twenty-four (24) hours' prior written notice, for the purpose of: (i) inspecting said Premises, or (ii) performing any work which the Landlord elects to undertake or made necessary by reason of a Tenant default under this Lease, or (iii) performing any alterations or improvements the Landlord may deem advisable or desirable, or (iv) exhibiting the Premises to prospective real estate brokers and/or purchasers for the purpose of selling the Premises. Rent shall not abate by reason of any such entrance, and such entrance will not be deemed an eviction of the Tenant.

10. **Signage.** Tenant agrees that no sign, awning, advertisement or notice shall be inscribed, affixed or displayed on any part of the Premises, unless first approved in writing by the Landlord, which approval shall not be unreasonably withheld, delayed or conditioned. Such signage shall further be subject to all requirements and regulations of applicable governmental authorities having jurisdiction over the installation, placement and appearance of signs. Existing signs are deemed approved.

11. **Estoppel Certificates.** Upon Landlord's request, Tenant shall execute and deliver to Landlord any estoppel certificates or SNDAs.

12. **Damage.** If the Premises is rendered totally unfit for the purposes of the Tenant during the Term by (i) fire caused by any reason other than the negligence or carelessness of the Tenant, (ii) tempest, (iii) the acts of rioters or public enemies, or (iv) an act of God, then this Lease shall immediately terminate; PROVIDED, HOWEVER, in the case of damage which can be repaired within one hundred twenty (120) days from the date of said damage, this Lease shall remain in full force and effect except that during the period of time required for the repairs when the Tenant is unable to conduct its business in a normal manner in the Premises, the rent shall be abated and shall not again commence until such time as the Tenant is able to conduct its business in a normal manner.

13. **Assignment.** Tenant shall not assign or transfer either the benefits of or burdens under this Lease without the prior written consent of Landlord, which consent shall not be unreasonably withheld, conditioned or delayed. If the Lease is assigned, or the Premises is sublet, in both cases with the written consent of Landlord, Tenant herein shall remain primarily liable for the payment of rent herein reserved, and for performance of all other lease terms. The provision herein requiring written consent of Landlord for any assignment or subletting of the Premises is a continuing provision for the benefit of Landlord, regardless of the number of times that Landlord may have agreed to an assignment or subletting.

H13  
1218



14. Indemnity. Landlord shall not be liable for, and Tenant agrees to indemnify and hold Landlord harmless for, any personal injury to Tenant or its agents, employees, visitors, invitees or any other user of any part of the Premises, nor shall Landlord be liable for any damage to any property of the above, unless such injury or damage shall be the direct result of the negligence, fault, misconduct, or omission of Landlord or its agents and shall occur within some area not under the exclusive control of Tenant.

15. Default. Acceptance of basic monthly or additional rent in arrears from Tenant by Landlord does not cure the Tenant's default for late payment. Where such a rental payment is delinquent by five (5) days or more, there shall be a late payment charge equal to five percent (5%) of such delinquent rental payment, which late payment charge shall be considered additional rental hereunder. Where such rental payment is delinquent for ten (10) days or more, in addition to the foregoing late charge, interest shall bear on the past-due amount at eighteen percent (18%) per annum.

16. Maryland Law. This Lease shall be governed by, construed, and enforced in accordance with Maryland law. In construing this Lease, the feminine and the neuter shall be substituted for the masculine in form, and vice versa, and plural terms shall be substituted for singular and singular for plural where the context requires. If any provision of the Lease is declared invalid or unenforceable, the remainder shall continue in full force and effect. The parties further agree that, as a material term of this Lease, any dispute which may result hereunder or with respect to the Premises shall be subject to the exclusive venue and jurisdiction of the District Court for Baltimore City, Maryland or the Circuit Court for Baltimore City, Maryland as applicable.

17. Insolvency. If proceedings in state insolvency shall be filed against Tenant or if a writ of attachment or execution of any nature be levied on the property of Tenant, and such proceedings or levy are not released or dismissed within sixty (60) days thereafter, or if a sale of the leasehold interest hereby created should be made under any judicial process, or if Tenant shall make an assignment for benefit of creditors, or shall voluntarily institute state insolvency proceedings or have such proceedings involuntarily instituted against it, Landlord, at its option, may reenter and take possession of the Premises and remove all persons therefrom and may, at Landlord's option, terminate this Lease.

18. Integration. The covenants, terms, and provisions contained herein shall extend to and be binding on the heirs, personal representatives, executors, administrators, successors and assigns (as to Tenant only after written approval of Landlord) of the respective parties hereto. This Lease contains the entire agreement between the parties, and cannot be changed or modified, unless by written agreement signed by all the parties hereto. Any remedies of the Landlord specified herein for breach of any of the terms herein are cumulative, and are not intended to be exclusive of any other lawful remedies. Time is of the essence with respect to each and every provision of this Lease.

19. Remedies.

A. If Tenant shall be in default of payment of rent or any other condition of this Lease for a period of ten (10) days following the receipt by Tenant of written notice and demand therefor from Landlord, the Landlord may serve upon Tenant notice of its intent to terminate this Lease and a notice to quit, and Tenant hereby agrees that such notices shall effectively operate to terminate the Lease and the Term hereunder shall be conclusively considered to have expired upon receipt of the aforesaid notices. Tenant shall thereafter be considered a Tenant holding over beyond the termination of the Lease. Landlord may reenter the Premises after the expiration of the Lease and/or the Term hereunder, or may avail themselves of any further remedy they have under the Laws of the State of Maryland; provided, however, that Landlord shall be obligated to use commercially-reasonable efforts to relet the Premises, and if the Premises is relet in whole or in part, Tenant shall be entitled to a credit in the net amount of the minimum rent or additional rent received by



Landlord as a result (after deducting all reasonable costs incurred by Landlord in finding a new tenant, including brokerage fees, agent's commissions, redecorating costs, attorneys' fees and any other reasonable costs and expenses incident thereto). Tenant further agrees that it shall be responsible for payment of rent for the period of time between receipt of the notices aforesaid and actual vacation of the Premises.

B. In the event Landlord shall determine that Tenant shall be in breach of the performance of a monetary covenant hereunder (i.e., the payment of any Rent), Landlord shall be required to give written notice thereof to Tenant. Tenant shall have ten (10) days following the mailing of such written notice to cure such monetary default described in such notice. In the event Landlord does not receive the payment (including all late charges, fees and/or other costs described herein) within such ten (10)-day period, then Landlord shall be entitled to pursue any right, remedy or action described herein or otherwise provided at law, against Tenant as a result of such monetary default. It is understood and agreed by the parties that any monetary default (the failure by Tenant to pay any amounts hereunder) shall be considered a material default of this Lease and shall entitle Landlord to above-stated remedies. In the event Landlord shall determine that Tenant shall be in breach of the performance of any of the covenants on its part to be performed hereunder (other than a monetary default as described herein), Landlord shall be required to give written notice thereof to Tenant. Tenant shall have fifteen (15) days following the mailing of such written notice to cure the non-monetary default described in such notice, unless Landlord shall agree in writing to any extension of such period.

C. In the event of default by Tenant, Landlord shall be entitled to recover from Tenant, in addition to all other available remedies, reasonable attorney's fees and costs incurred in the enforcement of the terms of this Lease.

20. Miscellaneous.

A. This Lease may be signed in two counterparts, each of which is as effective as an original.

B. Landlord covenants and agrees, provided Tenant performs the terms, conditions and covenants of this Lease, to take all necessary steps to secure and to maintain for the benefit of Tenant the quiet and peaceful possession of the Premises and the common building facilities for the Term of this Lease, without hindrance, claim or molestation by Landlord or any other person. Landlord and Tenant acknowledge their duties to exercise their rights and remedies, and perform their obligations reasonably and in good faith. Wherever a party's consent or approval is required, such consent or approval shall not be unreasonably withheld or delayed. Whenever the provisions of this Lease allow the Landlord or the Tenant to perform or not perform some act at its option, in its judgment, or to its satisfaction, the decision of the Landlord and Tenant to perform or not perform such act must be commercially reasonable.

C. Notwithstanding anything to the contrary, the subordination of this Lease to any mortgage or deed of trust is expressly conditioned upon the holder or beneficiary and trustees thereof expressly agreeing in the mortgage or deed of trust, or in a separate instrument that (i) Tenant will not be named or fined in any proceeding (or trustee's sale) to enforce the mortgage or deed of trust unless such be required by law in order to perfect the proceeding (or sale), (ii) enforcement of any mortgage or deed of trust shall not terminate this Lease or disturb Tenant in the possession and use of the Premises (except in the case where Tenant is in default beyond the period, if any, provided in this Lease to remedy such default), (iii) any party succeeding to the interest of Landlord as a result of the enforcement of any mortgage or deed of trust shall be bound to Tenant, and Tenant shall be bound to it, under all the terms, covenants, and conditions of this Lease for the balance of the term of this Lease, including Option Terms, with the same force and effect as if such party were the original Landlord under this Lease and (iv) insurance proceeds and condemnation awards shall be first applied to restore the Shopping Center and the Premises as required by the terms of this Lease.

D. Except for Tenant's obligations to pay rent under this Lease, neither Landlord nor Tenant shall be required to perform any of its obligations under this Lease, nor shall such party be liable for loss or damage for failure to do so, nor shall the other party thereby be released from any of its obligations under this Lease, where such failure by the non-performing party arises from or through acts of God, strikes, lockouts, labor difficulties, explosions, sabotage, accidents, riots, civil commotions, acts or war, results of any warfare or warlike conditions in this or any foreign country, fire or casualty, legal requirements, energy shortage or other causes beyond the reasonable control of the non-performing party, unless such loss or damage results from the willful misconduct or gross negligence of the non-performing party.

E. Any notice required or provided for in this Lease shall be in writing and delivered via: (i) personal hand delivery, (ii) overnight courier (i.e., Fed Ex, Airborne, UPS, etc.), (iii) facsimile, with confirmation copy by overnight courier service, or (iv) first-class, registered or certified mail, return receipt requested, postage prepaid. Such notices shall be deemed to have been given: (i) when received if by personal hand delivery; (ii) one (1) business day after the date sent if by overnight courier; (iii) when sent if by facsimile; or (iv) on the third (3rd) business day after it is deposited in the United States mail, as set forth above, as the case may be. The addresses for service of notices on Landlord and Tenant are as follows:

HB  
1220





HB1201/793720/1

AMENDMENTS  
PREPARED  
BY THE  
DEPT. OF LEGISLATIVE  
SERVICES

23 FEB 21  
14:12:10

BY: Delegate Conaway

(To be offered in the Environment and Transportation Committee)

AMENDMENTS TO HOUSE BILL 1201

(First Reading File Bill)

AMENDMENT NO. 1

On page 1, in line 2, strike “**Residential**” and substitute “**Commercial**”; in lines 4 and 8, in each instance, strike “residential” and substitute “commercial”; and strike in their entirety lines 9 through 18 and substitute:

“BY adding to

Article - Real Property

Section 8-119

Annotated Code of Maryland

(2015 Replacement Volume and 2020 Supplement)”.

AMENDMENT NO. 2

On pages 1 and 2, strike beginning with “8-208” in line 22 on page 1 down through “INCLUDING” in line 15 on page 2 and substitute:

“8-119.

(A) THIS SECTION APPLIES ONLY TO LEASES FOR PROPERTY THAT IS USED FOR BUSINESS, COMMERCIAL, MANUFACTURING, MERCANTILE, OR INDUSTRIAL PURPOSES, OR FOR ANY OTHER PURPOSE THAT IS NOT PRIMARILY RESIDENTIAL.

(B) A LEASE SHALL CONTAIN”;

and strike beginning with the semicolon in line 18 down through the period in line 20 and substitute a period.