



## **Columbia Borough | Public Lease of Real Property by Sealed Bid**

**November 2017**

137 South Front Street, Columbia, PA 17512

### **BID PACKAGE MATERIALS**

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## **NOTICE OF PUBLIC LEASE OF REAL PROPERTY BY SEALED BID**

Notice is hereby given that the Borough Council of the Borough of Columbia, Lancaster County, PA (the "Borough") will accept sealed bids at Columbia Borough Hall, 308 Locust Street, Columbia, Pennsylvania 17512, for the lease of the Borough-owned real property located at 137 South Front Street, Columbia, Pennsylvania 17512. Such property will include existing structures containing approximately 26,000 square feet (the "Property"). Bids will be accepted until January 5, 2018 at 2:00 PM, at which time all bids received by the Borough will be publicly opened and the offered consideration read aloud.

The Property will be leased "AS-IS" with no warranty whatsoever guaranteeing its condition. Bidder must perform such inspections of the Property as it deems necessary for the lease of the Property, and Bidder must rely solely on the results of such inspections in its lease of the Property, and not on any representations or warranties of the Borough or anyone acting on the Borough's behalf.

Sealed bids shall be clearly marked "BID – LEASE OF 137 S FRONT STREET." All bidders must complete, sign and submit, with their sealed bid, a Lease Agreement in the form provided by the Borough.

The Borough reserves the right to reject any and all bids, to reject bids deemed to be insufficient, in whole or in part, or to waive any and all technical deficiencies in any bid.

The Bid Packet, consisting of Bidding Instructions and Lease Agreement may be obtained from Columbia Borough, 308 Locust Street, Columbia, Pennsylvania 17512, upon written request or in person during normal business hours. The Bid Packet can also be obtained from the Borough website at <http://www.columbiapa.net/>. Persons wishing to inspect the Property may arrange to do so through Rebecca Denlinger at [rsd@risingtidecollaborative.com](mailto:rsd@risingtidecollaborative.com) or 717-468-8222.

# INSTRUCTIONS FOR BIDDERS LEASE OF 137 SOUTH FRONT STREET

## 1. GENERAL INFORMATION FOR BIDDERS

- a. The Bid Packet specifies the place to which the bid must be delivered, the date, time and place of bid opening, the location and description of the property to be leased, the number of days or the date by which the lease shall take effect, and any special requirements.
- b. The Bid Packet consists of the following items (including all modifications thereof incorporated in any of the items before bid opening).
  - i. Notice of Public Lease by Sealed Bid ("Bid Notice").
  - ii. Instructions for Bidders.
  - iii. Bid Form.
  - iv. Lease Agreement.

## 2. PREPARATION AND SUBMISSION OF BIDS

- a. **General.** A bidder who desires to submit a bid for the lease of the property as described in the Bid Notice shall comply with the following conditions:
  - i. Obtain, thoroughly review, and be familiar with the Bid Packet documents.
  - ii. Adhere to the conditions, times, and terms of delivery of the bid.
  - iii. Complete and submit a signed Bid Form.
  - iv. Complete and submit a signed Lease Agreement with the bid.
  - v. Submit any proposed Addendum to Lease Agreement which Addendum may make changes to the following provisions of the Lease: the term as set forth in paragraph 3, the renewal term as set forth in paragraph 3, and the rental provisions as set forth in paragraph 4. Additionally, the Addendum may provide for any additional concessions or requests of the Borough to be made a part of the Lease Agreement including, financial assistance for concessions related to interior renovations or improvements, parking considerations and/or concessions, signage assistance and/or consideration, and other similar requests and/or concessions.
- b. **Site Investigation.** By submitting a bid for the lease of the property, the bidder acknowledges that it has satisfied itself as to the nature and location of the property, the general and local conditions, including but not limited to those bearing upon zoning, use and development of the property and as limited by the bid documents thereunder. The bidder further acknowledges that it has satisfied itself as to the condition, character, quality and quantity of surface and subsurface materials or obstacles to be encountered on the property, insofar as this information is reasonably ascertainable from an inspection of the property and any other information that may be available. The Borough does not assume any responsibility for any conclusions or interpretations made by the bidder based on the information made available by the Borough or obtained by the bidder. The Borough also does not assume responsibility for any understanding or representations made by its employees, officers or agents during or prior to the execution of the Lease Agreement.

c. **Lease Agreement.** By submitting a bid for the lease of the property, the bidder acknowledges that it has read, understands, and satisfied itself with the nature and terms of the Lease Agreement. Any failure by the bidder to acquaint itself with the Lease Agreement will not relieve the bidder from its responsibilities outlined in the Lease Agreement. The Borough does not assume any responsibility for any conclusions or interpretations made by the bidder with respect to the Lease Agreement. The Borough also does not assume responsibility for any understanding or representations made by its employees, officers or agents during or prior to the execution of the Lease Agreement.

d. **Bid.**

- i. All bids must be typed or printed in ink on the Bid Form provided by the Borough. No changes to the Bid Form will be accepted.
- ii. The Lease Agreement for the property shall be completed showing the bid amount as the lease price, dated, properly executed, and submitted to the Borough with the bid.
- iii. A bidder who wants to offer changes, revisions, or amendments to the Lease Agreement not allowed and covered by the Addendum must notify the Borough in writing, at least five (5) days prior to the scheduled bid opening. The written notification from the bidder must include a complete description of the proposed change, revision or amendment. Upon receipt of the notification, the Borough will determine whether the proposed change, revision, or amendment is acceptable. If the Borough, in its discretion, determines that the change, revision, or amendment is acceptable, the Borough will issue a change notice to the Bid Packet that revises the Bid Form or Lease Agreement. If no change notice is issued revising the Bid Packet, a bid offering the proposed change, revision, or amendment will not be considered for award.
- iv. Each bid shall be placed and delivered in an opaque, sealed envelope, clearly marked and addressed as follows:

BID – LEASE OF 137 S FRONT STREET  
Columbia Borough  
Attn: Rebecca Denlinger  
308 Locust Street  
Columbia, PA 17512

- v. A bid will not be considered which is not in the possession of an authorized representative of the Borough by the time indicated in the Bid Notice for the receipt of the bids.
- vi. A bid will not be accepted that does not contain all documents contained in the Bid Packet.
- vii. A bid must be signed as follows:
  1. If the bidder is an individual, by him personally.
  2. If the bidder is a partnership, by the name of the partnership followed by the name and signature of a general partner.

3. If the bidder operates under a fictitious name, by the name of the fictitious identity followed by the signature of the owner.
4. If the bidder is a corporation by the name of the corporation followed by the signature of an authorized officer and attested by the Secretary, with the corporate seal affixed.
5. If the bidder is a limited liability corporation, by the name of the corporation followed by the signature of a member.
6. If a bid is executed by an attorney-in-fact authorized to execute the Bid Packet on behalf of the bidding entity, a copy of the power of attorney dated or attested within thirty (30) days of the bid submission date shall be submitted with the bid.

e. **Bidder's Representation and Authorization.** Each bidder, by making its bid, understands, represents, and acknowledges that:

- i. The bidder has read and understands the terms and conditions of the Bid Packet and that the bid is made in accordance with those terms and conditions.
- ii. The amount of the bid has been arrived at independently and without consultation, communication, or agreement with any other bidder or potential bidder.
- iii. The amount of the bid has not been disclosed to any other firm or person who is a bidder or potential bidder, and it will not be disclosed before bid opening.
- iv. To the best of the knowledge of the person signing the bid for the bidder, the bidder, its affiliates, subsidiaries, officers, directors, and employees are not currently under investigation by any governmental agency and have not in the last four years been convicted or found liable for any act prohibited by state or federal law in any jurisdiction, involving conspiracy or collusion with respect to bidding on any public contract, except as disclosed by the bidder in its bid.

f. **Modification or Withdrawal of Bids.**

- i. Each and every bidder submitting a bid specifically waives any right to modify or withdraw its bid, except as hereinafter provided.
- ii. **Bid Modification Prior to Bid Opening.**
  1. Bids may be modified only by written notice, up to one (1) hour prior to the exact hour and date specified for bid opening.
  2. If a bidder intends to modify its bid by written notice, the notice must specifically identify the bid to be modified and must be signed by the bidder. The bidder must include evidence of authorization for the individual who signed the modification to modify the bid on behalf of the bidder. The bid modification must be received in a sealed envelope. The sealed envelope must state that enclosed in the envelope is a bid modification.
- iii. **Bid Withdrawal Prior to Bid Opening.**
  1. Bids may be withdrawn only by written notice or in person at least one hour prior to the exact time and date specified for bid opening.

2. If a bidder intends to withdraw its bid by written notice, the notice shall specifically identify the bid to be withdrawn and shall be signed by the bidder. The bidder must include evidence of authorization for the individual who signed the bid withdrawal to withdraw the bid on behalf of the bidder. Except as provided herein, bid withdrawals received after the exact time and date specified for the receipt of bids shall not be accepted.
3. If the bidder chooses to attempt to provide such written notice by fax or email transmission, the Borough shall not be responsible or liable for errors in such fax or email transmission or failure to deliver a fax or email received to the depository for bids prior to the deadline for withdrawal of bids.
4. If a bidder intends to withdraw its bid in person, the individual who will withdraw the bid must arrive at the Borough building at least one hour prior to the bid opening time, show a picture identification and provide evidence of his/her authorization to withdraw the bid on behalf of the bidder.

iv. **Bid Withdrawal After Bid Opening.**

1. Bidders are permitted to withdraw erroneous bids after bid opening under the following circumstances:
  - a. The bidder submits a written request for withdrawal; and
  - b. The bidder presents credible evidence with the request that the reason for the higher bid price was a clerical mistake as opposed to a judgment mistake and was actually due to an unintentional arithmetical error or an unintentional omission made directly in the compilation of the bid; and
  - c. The request for relief and supporting evidence must be received by the Borough within three (3) business days after bid opening, but before award of the lease by the Borough Council.
  - d. In no instance will the Borough permit a bid withdrawal if it is determined that the bid withdrawal would result in the highest bidder being the same bidder, its partner, or a corporation or business venture owned by or in which the bidder has a substantial interest.

g. **Opening and Consideration of Bids.**

- i. Each bid shall be opened at the time and place called for in the Bid Notice. Each bid amount shall be announced publicly.
- ii. The Borough reserves the right to reject any and all bids, to waive technical defects or any informality in a bid, and to accept or reject any part of any bid if the best interests of the Borough are thereby served.
- iii. The Borough, in considering each bid, shall, prior to any determination and/or award thereon, investigate and evaluate the bidder for compliance with these instructions for bidders.
- iv. The Borough reserves the right, but is not obligated, to reject a bid if it is determined that the bidder has been found to be in violation of a Columbia Borough

ordinance or Pennsylvania statute or regulation with the past ten years. Such violation shall be considered as sufficient for a determination that the bid may be rejected.

- v. The Borough shall have up to sixty (60) days from the date of Bid Opening in which to investigate, evaluate and accept or reject the bids.
- vi. Each bid shall be accompanied by the Earnest Money, in the nature and amount as herein specified.
- vii. The Borough reserves the right to reject any and all bids and to accept such bid which, in the judgment of the Borough, provides for the highest and best use or reuse of the property. The bids are being considered to determine the bid which will have the best impact upon the Borough of Columbia including the rent to be paid, the length of the Lease, the use and nature of use of the property, and the ability of the bidder to comply with all of the Lease terms. All of such factors shall be considered in determining the most qualified and responsible bidder.

h. **Assignment of Bids.** The bidder may not assign its bid, or any of its rights or interests thereunder, without the written consent of the Borough.

### **3. AWARD**

- a. **General.** Subject to the provisions herein with respect to rejection of bids, when a bid received has been determined by the Borough to be satisfactory, a Lease Agreement will be accepted within thirty (30) calendar days of the date of the bid award. Lease in either case is subject to the Borough's right to reject any or all bids, as stated herein. Extensions of the date for the lease may be made as permitted by law by the mutual written consent of the Borough and the bidder.
- b. **Award of Lease.**
  - i. Unless all bids are rejected, and except as otherwise provided by law, the lease will be made by execution of the Lease Agreement between the Borough and the selected bidder.
  - ii. A bid shall not be considered binding upon the Borough until the Lease Agreement has been fully executed.

### **4. USE AND IMPROVEMENT OF PROPERTY**

- a. The Property is the Borough-owned real property located at 137 South Front Street, Columbia, Pennsylvania 17512, identified as Lancaster County Tax Parcel No. 110-67558-0-0000. The Property has previously been used as fire station / fire department headquarters. The property comprises approximately 0.6 acres, more or less. The structure contains approximately 26,000 aggregate square feet of floor area, and is located in the RC – Riverfront Commercial Zoning District.
- b. In any other respect, if the interior of the Property is to be improved, it shall be improved with the full approval of the Borough and in compliance with approved plans as well as all

applicable laws, regulations and ordinances of the Borough of Columbia and all other entities having appropriate jurisdiction.

- c. In any other respect, if the exterior of the Property is to be improved, it shall be improved with the full approval of the Borough and in compliance with approved plans as well as all applicable laws, regulations and ordinances of the Borough of Columbia and all other entities having appropriate jurisdiction.

## **5. END OF BID SPECIFICATIONS**

## **BID FORM | 137 SOUTH FRONT STREET, COLUMBIA, PA 17512**

The Undersigned, has familiarized themselves with the existing conditions at the property known as 137 South Front Street, Columbia, Pennsylvania 17512, identified as Lancaster County Tax Parcel No. 110-67558-0-0000. The Undersigned, having also familiarized themselves with the Bid Notice, Instructions for Bidders, Lease Agreement, and any other public information that may be made available by the Borough or obtained by the Bidder, does hereby propose to lease from Columbia Borough, Lancaster County, Pennsylvania that property known and identified as 137 South Front Street, Columbia, Pennsylvania 17512, identified as Lancaster County Tax Parcel No. 110-67558-0-0000.

### **GENERAL INFORMATION**

| <input checked="" type="checkbox"/> | Each item below must be provided in writing on this document by the Bidder  |           |           |           |          |  |  |     |  |  |
|-------------------------------------|---|-----------|-----------|-----------|----------|--|--|-----|--|--|
|                                     | <b>Name of Business:</b>  |           |           |           |          |  |  |     |  |  |
|                                     | <b>Contact Information:</b><br>Name:<br><br>Phone:<br><br>Email:<br><br>Address:  |           |           |           |          |  |  |     |  |  |
|                                     | <b>Amount of square footage requested for lease</b> (indicate 26,000 if using the entire space)<br><br>_____ Sq. Ft.  |           |           |           |          |  |  |     |  |  |
|                                     | <b>Number of Retained and New Fulltime and Part Time jobs planned for the Property</b><br><table border="1"><thead><tr><th>Jobs</th><th>Full Time</th><th>Part Time</th></tr></thead><tbody><tr><td>Retained</td><td></td><td></td></tr><tr><td>New</td><td></td><td></td></tr></tbody></table> | Jobs      | Full Time | Part Time | Retained |  |  | New |  |  |
| Jobs                                | Full Time   | Part Time |           |           |          |  |  |     |  |  |
| Retained                            |   |           |           |           |          |  |  |     |  |  |
| New                                 |   |           |           |           |          |  |  |     |  |  |

|  |  |        |        |        |        |         |
|--|--|--------|--------|--------|--------|---------|
|  | <b>Lease Rate (Monthly Amount) to be paid in each of the Five Years of the initial Lease (Years 1-5)</b>   |        |        |        |        |         |
|  |  | Year 1 | Year 2 | Year 3 | Year 4 | Year 5  |
|  | Rate (\$)  |        |        |        |        |         |
|  | <b>Lease Rate (Monthly Amount) to be paid in each of the Five Years of a subsequent Lease (Years 6-10)</b> |        |        |        |        |         |
|  |  | Year 6 | Year 7 | Year 8 | Year 9 | Year 10 |
|  | Rate (\$)  |        |        |        |        |         |

#### BID FORM CHECKLIST

|                                     |   |
|-------------------------------------|---|
| <input checked="" type="checkbox"/> | Each item below should be provided in writing on separate document(s) by the Bidder   |
|                                     | <b>Business Plan</b> (Even if not a formalized Business Plan, provide the following): <ul style="list-style-type: none"> <li>A. Company Description<br/>(Mission, Vision, Goals, Target Market, Industry, Legal Structure)</li> <li>B. Products and Services</li> <li>C. Marketing Plan</li> <li>D. Operational Plan</li> <li>E. Management and Organization<br/>(Biographies/Resumes, Advisors, Organizational Chart)</li> <li>F. Financial Plan<br/>(24-month Profit and Loss Projection, Cash Flow Projection, Projected Balance Sheet)</li> </ul> |
|                                     | <b>Statement on Renovations</b> (including the following elements): <ul style="list-style-type: none"> <li>A. Description of Interior and/or Exterior Renovations/Improvements Needed</li> <li>B. Estimated Cost of Interior and/or Exterior Renovations/Improvements</li> <li>C. (Dollar) Amount of Interior and/or Exterior Renovations/Improvements Bidder Expects Borough to Fund</li> </ul>  |
|                                     | <b>Timeline</b><br>To include completion of any planned improvements and anticipated opening of business  |
|                                     | <b>One original copy of the signed Lease Agreement</b>  |
|                                     | If desired, <b>Addendum to Lease Agreement</b> (per Section 2.a.v. of Bid Instructions)   |

By submitting this Bid, it is understood that Columbia Borough has reserved the right to reject any and all bids.

\_\_\_\_\_  
Signature of Bidder

\_\_\_\_\_  
Date

## Appendix A: Lancaster County Parcel Information

| Property Information |                   |                          |                     |
|----------------------|-------------------|--------------------------|---------------------|
| <b>Property ID</b>   | 110-67558-0-0000  | <b>Property Use</b>      | 600 - COMMUNIT-SRVC |
| <b>Tax Year</b>      | 2017 ▾            | <b>Land Use</b>          | 656 - POLICE&FIRE   |
| <b>Township</b>      | 110 Columbia Boro |                          | PROTECTION          |
| <b>Site Address</b>  | 137 S FRONT ST    | <b>Tax Status</b>        | Exempt              |
|                      |                   | <b>Clean &amp; Green</b> | No                  |

| Property Sketches & Photos |  |              |  |
|----------------------------|--|--------------|--|
| 1                          |  | Parcel photo |  |

| Related Names       |  |  |  |
|---------------------|--|--|--|
| <b>Parcel Owner</b> | BOROUGH OF COLUMBIA,<br>3RD & LOCUST STS<br>COLUMBIA, PA 17512 |  |  |
| <b>Status</b>       | Current  |  |  |

| Assessments    |               |                  |                  |            |                |             |
|----------------|---------------|------------------|------------------|------------|----------------|-------------|
| Annual Billing |               |                  |                  |            |                |             |
|                | Land          | Building         | Total            | Pref. Land | Pref. Building | Pref. Total |
| Non-Exempt     | 0             | 0                | 0                | 0          | 0              | 0           |
| Exempt         | 41,000        | 1,034,600        | 1,075,600        | 0          | 0              | 0           |
| <b>Total</b>   | <b>41,000</b> | <b>1,034,600</b> | <b>1,075,600</b> | <b>0</b>   | <b>0</b>       | <b>0</b>    |

**Note:** Preferential assessment values are used for taxation when preferential values are greater than zero.

| Property Characteristics |               |               |               |
|--------------------------|---------------|---------------|---------------|
| Electric                 | Gas           | Sewage        | Water         |
| HOOKED-UP                | PUBLIC SYSTEM | PUBLIC SYSTEM | PUBLIC SYSTEM |

### Market Land Valuation

| Property Type    | Land Type            | Sq. Ft. | Calc. Acres |
|------------------|----------------------|---------|-------------|
| COM - Commercial | 2 - PRIMARY HOMESITE | 26,136  | 0.6000      |

### Structure 1 of 4

| Property Type    | Description      | Finished Sq. Ft | Year Built |
|------------------|------------------|-----------------|------------|
| COM - Commercial | 1/1 FIRE-STA-VOL | 7,590           | 1981       |

#### Accommodations

|                     |        |
|---------------------|--------|
| Average Wall Height | 16.00  |
| Number of Stories   | 1.00   |
| Percent Heated      | 100.00 |
| Sprinkler Percent   | 0.00   |

#### Base Cost - 495

|                    |                    |
|--------------------|--------------------|
| FIRE-STA-VOL-MSNRY | 7590.00 Square Ft. |
|--------------------|--------------------|

#### Garages / Carports / Canopies

|             |                   |
|-------------|-------------------|
| 03 - CANOPY | 260.00 Square Ft. |
|-------------|-------------------|

#### Other by Quantity

|                  |      |
|------------------|------|
| 16 - OVRHD-DOORS | 3.00 |
|------------------|------|

#### Heating / Cooling

|                     |                    |
|---------------------|--------------------|
| HEAT - OF/MD/BNK/GT | 7590.00 Square Ft. |
|---------------------|--------------------|

#### Sprinkler

|                          |                 |
|--------------------------|-----------------|
| SPRINKLER - OF/MD/BNK/GT | 0.00 Square Ft. |
|--------------------------|-----------------|

#### Perimeter

|                          |             |
|--------------------------|-------------|
| PERIMETER - OF/MD/BNK/GT | 21.00 Ratio |
|--------------------------|-------------|

#### Wall Height

|                           |              |
|---------------------------|--------------|
| WALLHEIGHT - OF/MD/BNK/GT | 16.00 Height |
|---------------------------|--------------|

#### Structure 2 of 4

| Property Type             | Description        | Finished Sq. Ft | Year Built |
|---------------------------|--------------------|-----------------|------------|
| COM - Commercial          | 1/2 FIRE-STA-VOL   | 6,198           | 2002       |
| Accommodations            |                    |                 |            |
| Average Wall Height       | 15.00              |                 |            |
| Number of Stories         | 2.00               |                 |            |
| Percent Heated            | 100.00             |                 |            |
| Sprinkler Percent         | 0.00               |                 |            |
| Base Cost - 495           |                    |                 |            |
| FIRE-STA-VOL-MSNRY        | 6441.00 Square Ft. |                 |            |
| FIRE-STA-VOL-MSNRY        | 5955.00 Square Ft. |                 |            |
| Elevators                 |                    |                 |            |
| 17 - PSNGR-ELEVTR         | 1.00 Passengers    |                 |            |
| Other by Quantity         |                    |                 |            |
| 16 - OVRHD-DOORS          | 3.00               |                 |            |
| Porches                   |                    |                 |            |
| 24 - CVD-PORCH            | 64.00 Square Ft.   |                 |            |
| Sprinkler                 |                    |                 |            |
| SPRINKLER - OF/MD/BNK/GT  | 0.00 Square Ft.    |                 |            |
| Wall Height               |                    |                 |            |
| WALLHEIGHT - OF/MD/BNK/GT | 15.00 Height       |                 |            |

#### Structure 3 of 4

| Property Type         | Description        | Finished Sq. Ft | Year Built |
|-----------------------|--------------------|-----------------|------------|
| COM - Commercial      | Detached Structure | 0               | 1987       |
| Other / Miscellaneous |                    |                 |            |
| 056 - Paving, Asphalt | 5334.00 Square Ft. |                 |            |

#### Structure 4 of 4

| Property Type          | Description        | Finished Sq. Ft | Year Built |
|------------------------|--------------------|-----------------|------------|
| COM - Commercial       | Detached Structure | 0               | 1987       |
| Other / Miscellaneous  |                    |                 |            |
| 057 - Paving, Concrete | 800.00 Square Ft.  |                 |            |

No Exemptions

Sales History

| Year | Document # | Sale Type | Sale Date | Sold By | Sold To | Price |
|------|------------|-----------|-----------|---------|---------|-------|
| 1977 | 0-71-028   |           | 6/6/1977  |         |         | \$0   |

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### LEASE

**THIS LEASE** (“**Lease**”) is made this \_\_\_\_\_ day of \_\_\_\_\_, 2017 by and between the BOROUGH OF COLUMBIA (“**Landlord**”), and \_\_\_\_\_ (“**Tenant**”).

### RECITALS

**WHEREAS**, Landlord is the owner of that certain real property located at 137 South Front Street, Columbia, Pennsylvania 17512 which is improved with an approximately \_\_\_\_\_ square foot building and the related parking and other appurtenances thereon identified as Tax Parcels \_\_\_\_\_, \_\_\_\_\_ and \_\_\_\_\_ (collectively the “**Premises**”) as more particularly described on Exhibit A; and

**WHEREAS**, Landlord has agreed to lease the Premises to Tenant and Tenant has agreed to lease the same from Landlord, all upon the terms and subject to the conditions set forth in this Lease.

### TERMS

**NOW, THEREFORE**, in consideration of the rents in this Lease provided and of the covenants and agreements in this Lease contained, and intending to be legally bound hereby, Landlord and Tenant hereby covenant and agree as follows:

1. Incorporation of Recitals. The foregoing Recitals are incorporated by this reference in this Lease as if fully set forth in this Lease.

2. Demise; Tenant’s Permitted Use.

(a) Subject to all of the provisions of this Lease, Landlord hereby demises and leases to Tenant, and Tenant hereby takes and hires from Landlord, all of the Premises or such lesser portion thereof as set forth in the bid documents. Tenant acknowledges and agrees possession of the Premises shall be tendered to Tenant on the “Effective Date” (as defined in Section 3, below).

(b) Tenant shall occupy the Premises throughout the term and shall use the same for and only for a \_\_\_\_\_. Tenant shall at all times operate the Premises in accordance with applicable Laws, rules and regulations. All garbage, trash, rubbish and refuse shall be kept before disposition in sealed rat-proof containers in areas within the Premises approved in writing by Landlord and shall be removed from such containers by a commercial refuse collector on a regular basis. All deliveries shall be made at a location approved in writing by Landlord. Tenant shall not do or permit to be done in, on or about the Premises, nor bring or keep or permit to be brought or kept therein, anything which is prohibited by or will in any way conflict with any law, ordinance, rule, regulation or order now in force or which may hereafter be enacted, or which is prohibited by any insurance policy carried by Landlord for the Premises, or will in any way increase the existing rate of, or disallow any fire rating or sprinkler credit, or cause a cancellation of, or affect any insurance for the Premises. If Tenant causes any increase in the premium for any insurance

covering the Premises carried by Landlord, Tenant shall pay to Landlord, on written demand as Additional Rent, the entire amount of such increase. Tenant shall not do or permit anything to be done in or about the Premises which will in any way obstruct or interfere with the rights of Landlord or any other tenant. Tenant shall not use or allow the Premises to be used for any improper, immoral, unlawful or objectionable activity, nor shall Tenant cause, maintain or permit any nuisance in, on or about the Premises or commit or suffer to be committed any waste in, on or about the Premises.

(c) Tenant covenants that it will not use, generate, treat, store, dispose of, discharge or otherwise introduce any hazardous substances, pollutants, contaminants, hazardous wastes, residual wastes or solid wastes (as defined below or in any environmental law, statute, regulation or ordinance) into, upon, within or on the Premises, and will not cause, suffer, allow or permit anyone else to do so, in violation of any applicable law, statute, regulation or ordinance. Tenant agrees to pay for all cleanup, remediation, removal and testing of any such hazardous substances, pollutants, contaminants, hazardous wastes, residual wastes or solid wastes used, generated, treated, stored, disposed of, discharged or otherwise introduced to the Premises by Tenant and hereby indemnifies and agrees to defend and hold Landlord harmless from and against all loss, liability, damage, expense, costs and claims arising out of any such violation by Tenant, including payment of all court costs and attorney's fees. The foregoing agreement and indemnification (shall survive the termination of this Lease and shall not apply to any violation of the foregoing prior to Tenant's original occupancy of the Premises. The terms "hazardous substance, pollutant or contaminants" are defined in Section 101 of the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA), 42 U.S.C. Section 9601, as amended by the Super Fund Amendments and Reauthorization Act of 1986 (PUB.L.No 99-499, 100 Stat. 1613 (1986) (SARA) or 40 CFR Part 261 whichever is applicable, The terms "hazardous waste, residual waste or solid waste" are defined in Section 103 of the Pennsylvania Solid Waste Management ACT, 33 P.S. Section 6018.103 and/or 25 Pa. Code Sections 75.260 and 75.261.

3. Term of Lease. The term of this Lease (the "**Term**") shall commence on the date that last party to this Lease signs the Lease ("**Effective Date**"), shall continue until the date which is \_\_\_\_\_ months after the Effective Date. Tenant shall commence paying Base Rent on the date which is \_\_\_\_\_ months after Effective Date of this Lease ("**Rent Commencement Date**"). Tenant shall have the right, upon not less than one hundred twenty (120) days prior written notice to extend the Term for \_\_\_\_\_ additional \_\_\_\_\_ year periods.

4. Rent.

(a) Tenant covenants and agrees to pay minimum annual rent ("**Base Rent**") to Landlord, at 308 Locust Street, Columbia, Pennsylvania 17512, or at such other place as may be designated by Landlord from time to time, without any demand, notice, set-off, abatement or deduction, commencing as of the Rent Commencement Date, and continuing thereafter throughout the Term at the following annual rates:

| Lease Year | Monthly Installment | Annual Rent |
|------------|---------------------|-------------|
| 1          | \$ _____            | \$ _____    |
| 2          | \$ _____            | \$ _____    |
| 3          | \$ _____            | \$ _____    |
| 4          | \$ _____            | \$ _____    |
| 5          | \$ _____            | \$ _____    |

If the Lease is extended pursuant to Section 3 above, the following annual rates shall apply:

| Lease Year | Monthly Installment | Annual Rent |
|------------|---------------------|-------------|
| 6          | \$ _____            | \$ _____    |
| 7          | \$ _____            | \$ _____    |
| 8          | \$ _____            | \$ _____    |
| 9          | \$ _____            | \$ _____    |
| 10         | \$ _____            | \$ _____    |

Base Rent for each month after the Rent Commencement Date month during the Term shall be due and payable to Landlord not later than the first day of the calendar month. If the Rent Commencement Date is other than on the first day of a calendar month, the Base Rent for such month shall be prorated.

(b) Tenant also covenants and agrees to pay real estate taxes, water and sewer rents, and insurance for the Premises, without any demand, notice, set-off, abatement or deduction as additional rent (“**Additional Rent**”) which shall be paid from and after the Effective Date of the Lease. Tenant shall provide Landlord with evidence of payments of such taxes, water and sewer rents and insurance and shall pay such expenses prior to any delinquency.

(c) Tenant shall also be responsible for all utility charges with respect to the Premises. The utilities are separately metered and Tenant shall contact the service providers to change the utilities into Tenant’s name and pay such charges directly to the providers. At the request of Landlord, Tenant shall provide Landlord with evidence of payment of such charges.

(d) Late Payment. Tenant acknowledges that the late payment by Tenant of any monthly installment of Base Rent or Additional Rent will cause Landlord to incur costs and expenses, the exact amount of which is extremely difficult and impractical to fix. Such costs and expenses will include administration and collection costs and processing and accounting expenses. Therefore, if any monthly installment of Base Rent or Additional Rent is not received by Landlord within five (5) days after such installment is due, Tenant shall immediately pay to Landlord a late charge equal to five percent (5%) of such delinquent installment. Landlord and Tenant agree that such late charge represents a reasonable estimate of such costs and expenses and is fair reimbursement to Landlord. In no event shall such late charge be deemed to grant to Tenant a grace period or extension of time within which to pay any monthly rent or prevent Landlord from exercising any right or enforcing any remedy available to Landlord upon Tenant’s failure to pay each installment of monthly rent due under this Lease when due, including the

right to terminate this Lease and recover all damages from Tenant. All amounts of money payable by Tenant to Landlord hereunder, if not paid when due, shall bear interest from the due date until paid at the rate of ten percent (10%) per annum ("Interest"), and Tenant shall pay such Interest to Landlord on written demand.

(e) No Accord and Satisfaction. No payment by Tenant or receipt by Landlord of a lesser amount of monthly Base Rent or any other sum due hereunder, shall be deemed to be other than on account of the earliest due rent or payment, nor shall any endorsement or statement on any check or any letter accompanying any such check or payment be deemed an accord and satisfaction, and Landlord may accept such check or payment without prejudice to Landlord's right to recover the balance of such rent or payment or pursue any other remedy available in this Lease, at law or in equity. Landlord may accept any partial payment from Tenant without invalidation of any contractual notice required to be given herein (to the extent such contractual notice is required) and without invalidation of any notice required by any law pertaining to eviction or summary remedy for regaining possession of real property in the event of tenant default.

(f) No Right of Set-Off. This Lease shall be construed as though the covenants herein between Landlord and Tenant are independent, and not dependent, and except for Landlord repairs performed by Tenant as set forth in Section 5(a)(i) below and payment of unpaid taxes by Landlord as set forth in Section 4(b) which Landlord fails to pay which Tenant chooses (but is obligated) to pay after five days' prior notice to Landlord, Tenant shall not be entitled to any set-off of the rent or other amounts owing hereunder against Landlord if Landlord fails to perform its obligations set forth herein.

## 5. Landlord's Obligations; Tenant's Obligations.

(a) (i) Landlord shall maintain and repair the foundations, the exterior walls (which shall not include windows, glass or plate glass, doors, special fronts, entries, or the interior surfaces of exterior walls, all of which shall be the responsibility of Tenant), the roof, and structural systems in good condition, reasonable wear and tear excepted. Tenant shall give Landlord written notice of the need for any maintenance or repair for which Landlord is responsible, after which Landlord shall have thirty (30) days to perform the maintenance or make the repair, provided however, Landlord shall have such additional time as is necessary if the maintenance or repair cannot be performed within such thirty (30) day period, provided Landlord shall have commenced such maintenance or repair within the initial thirty (30) day period and shall diligently pursue its completion. If Landlord fails to perform maintenance or repairs within the foregoing time period, Tenant shall have the right, after written notice to Landlord, to make such repair or perform such maintenance at Landlord's expense which shall be reimbursed by Landlord within thirty (30) days of presentation of an invoice therefor from Tenant. Landlord's liability with respect to any maintenance or repair for which Landlord is responsible shall be limited to the cost of the maintenance or repair. Any damage to any part of the Premises for which Landlord is responsible that is caused by Tenant or any agent, officer, employee, contractor, licensee or invitee of Tenant shall be repaired by Landlord at Tenant's expense and Tenant shall pay to Landlord, upon billing by Landlord, as Additional Rent, the cost of such repairs incurred by Landlord. From and after this date, all systems, including boilers, plumbing, electrical and mechanical, and all window glass shall be the responsibility of Tenant.

(b) Obligations of Tenant. Tenant shall, at all times during the Term of this Lease and at Tenant's sole cost and expense, maintain and repair the Premises and every part thereof (except only the parts for which Landlord is expressly made responsible under this lease) and all equipment, fixtures and improvements therein (including windows, glass, plate glass, doors, special fronts, entries, the interior surfaces of exterior walls, interior walls, floors, heating and air conditioning systems, plumbing fixtures and equipment, electrical components and mechanical systems), parking lots, driveways, landscaping, sidewalks and keep all of the foregoing clean and in good order and operating condition, ordinary wear and tear excepted. Tenant shall not damage the Premises or disturb the integrity and support provided by any wall. Tenant shall, at Tenant's expense, promptly repair any damage to the Premises caused by Tenant or any agent, officer, employee, contractor, licensee or invitee of Tenant. Tenant shall take good care of the Premises and keep the Premises free from dirt, rubbish, waste and debris at all times. Tenant shall, at Tenant's expense, if requested by Landlord, enter into a regularly scheduled preventative maintenance and service contract with a maintenance contractor approved by Landlord for servicing all hot water, heating and air conditioning systems and equipment in the Premises. Tenant shall at all times conduct maintenance on the HVAC equipment at the Premises in accordance with all Federal, state or local laws. In the event of a replacement of a part or portion of the HVAC equipment which is warranted by the manufacturer and/or guaranteed by the installer, Tenant shall provide the Landlord with a duplicate original of the warranty and/or guarantee. Tenant shall, at the end of the Term of this Lease, surrender to Landlord the Premises and all alterations, additions, fixtures and improvements therein or thereto in the same condition as when received, ordinary wear and tear excepted.

(c) Maintenance Contracts. Tenant shall hire a maintenance contractor to maintain and inspect the fire suppression systems and equipment as frequently as necessary to comply with applicable laws and keep the fire suppression system operating properly. Tenant shall hire a certified pest control contractor to service the Premises, including without limitation, the trash storage areas, to eliminate insects, rodents, vermin and other pests as frequently as necessary.

## 6. Indemnity and Insurance.

(a) Tenant shall protect, indemnify and save and hold Landlord harmless from and against all losses, costs, expenses, damages and liabilities (including, without limitation, reasonable counsel fees and disbursements) of every kind and nature whatsoever, incurred by Landlord by reason of or arising out of (A) any accident, death, injury or damage which shall happen in, on about or in connection with, the Premises or any part thereof after the Effective Date of the Lease, or any matter involving the condition, occupancy, maintenance (except maintenance to be performed by Landlord unless Tenant undertakes the performance of such maintenance), alteration, repair, use, or operation of the Premises or any part thereof performed by Tenant after the Effective Date of the Lease, (B) any act or failure to act by Tenant to perform or observe any of the agreements, terms, covenants or conditions of this Lease on Tenant's part to be performed or observed or (C) failure by Tenant to vacate the Premises and surrender the Premises in the condition required under this Lease on or before the expiration of the Term or earlier termination of this Lease, except to the extent any of the foregoing is caused by the gross negligence or willful misconduct of Landlord.

(b) Tenant shall, at all times during the Term of this Lease and at Tenant's sole cost and expense, obtain and keep in force the insurance coverages and amounts set forth in this Section 6. Tenant shall maintain commercial general liability insurance, including contractual liability, broad form property damage liability, fire legal liability, premises and completed operations, and medical payments, with limits not less than One Million Dollars (\$1,000,000) per occurrence and in the aggregate, insuring against claims for bodily injury, personal injury and property damage arising from the use, occupancy or maintenance of the Premises. Tenant shall maintain umbrella excess liability insurance on a following form basis in excess of the required commercial general liability and employers liability insurance with limits not less than Two Million Dollars (\$2,000,000) per occurrence and in the aggregate. Tenant shall carry workers' compensation insurance for all of its employees in statutory limits in the state in which the Premises is located and employers liability insurance which affords not less than Five Hundred Thousand Dollars (\$500,000) for each coverage. Tenant shall maintain all risk property insurance for all personal property of Tenant and improvements, fixtures and equipment constructed or installed by Tenant in the Premises in an amount not less than the full replacement cost, which shall include business income and extra expense coverage with limits not less than one hundred percent (100%) of gross revenues for a period of twelve (12) months. If required by Landlord, Tenant shall maintain boiler and machinery insurance against loss or damage from an accident from the equipment in the Premises in an amount determined by Landlord and plate glass insurance coverage against breakage of plate glass in the Premises. Any deductibles selected by Tenant shall be the sole responsibility of Tenant and shall not exceed \$10,000.00.

(c) All insurance and all renewals thereof shall be issued by companies with a rating of at least "A-" "VIII" or better in the current edition of Best's Insurance Reports and be licensed to do and doing business in the state in which the Premises is located. Each policy shall expressly provide that the policy shall not be canceled or materially altered without thirty (30) days' prior written notice to Landlord and shall remain in effect notwithstanding any such cancellation or alteration until such notice shall have been given to Landlord and such period of thirty (30) days shall have expired. All liability insurance (except employers liability) shall name Landlord and any other parties designated by Landlord (including any mortgagee, investment manager, asset manager or property manager) as an additional insured, shall be primary and noncontributing with any insurance which may be carried by Landlord, shall afford coverage for all claims based on any act, omission, event or condition that occurred or arose (or the onset of which occurred or arose) during the policy period, and shall expressly provide that Landlord, although named as an insured, shall nevertheless be entitled to recover under the policy for any loss, injury or damage to Landlord. All property insurance shall name Landlord as loss payee as respects Landlord's interest in any improvements and betterments. Tenant shall deliver certificates of insurance, acceptable to Landlord, to Landlord at least ten (10) days before the Effective Date and at least ten (10) days before expiration of each policy. If Tenant fails to insure or fails to furnish any such insurance certificate, Landlord shall have the right from time to time to effect such insurance for the benefit of Tenant or Landlord or both of them, and Tenant shall pay to Landlord on written demand, as Additional Rent, all premiums paid by Landlord.

(d) Tenant waives on behalf of all insurers under all policies of property insurance now or hereafter carried by Tenant insuring or covering the Premises, or any portion or any contents thereof, or any operations therein, all rights of subrogation which any such insurer might otherwise, if at all, have to any claims of Tenant against Landlord. Landlord waives on

behalf of all insurers under all policies of property insurance now or hereafter carried by Landlord insuring or covering the Premises, or any portion or any contents thereof, or any operations therein, all rights of subrogation which any such insurer might otherwise, if at all, have to any claims of Landlord against Tenant. Tenant shall procure from each of the insurers under all policies of property insurance now or hereafter carried by Tenant insuring or covering the Premises, or any portion or any contents thereof, or any operations therein, a waiver of all rights of subrogation which the insurer might otherwise, if at all, have to any claims of Tenant against Landlord as required by this Section 6.

(e) This Section 6 shall survive the expiration of the Term or earlier termination of this Lease.

7. **Notices.** All notices, requests, demands, consents, approvals and other communications under this Lease (each, a “**Notice**” and, collectively, “**Notices**”) shall be in writing and sent by United States certified mail, return receipt requested, postage prepaid, or by recognized overnight courier, addressed as follows:

To Tenant: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
Attn: \_\_\_\_\_

Either party may at any time, in the manner set forth for giving notices to the other, specify a different address to which notices to it shall thereafter be sent. All notices shall be effective upon receipt or rejection of receipt by the addressee.

8. **Assignment and Subletting.** Tenant shall neither, voluntarily, by operation of law or otherwise, (i) assign, transfer or encumber this Lease, (ii) suffer or permit to exist any assignment of this Lease or any lien or charge upon Tenant's right, title or interest in or to this Lease nor (iii) sublet or permit the Premises or any part thereof to be used by any person or entity other than Tenant and its employees without the prior written consent in each instance of the Landlord, and without the consent of the Landlord, which may be withheld in Landlord's sole discretion, shall be null and void and of no force and effect as to assignee or transferee of Tenant. Tenant shall, by written notice, advise the Landlord of Tenant's intention on a stated date (which shall not be less than forty-five (45) days after the date of Tenant's notice) to sublet, assign, transfer or encumber Tenant's rights and interest pursuant to this Lease and shall provide the name and address of the proposed Tenant, assignee, transferee or pledgee, and a true and correct copy of the Lease, assignment, pledge or other conveyance and all related documentation shall be delivered to the Landlord. Landlord's consent shall be at its sole discretion. Without limiting the Landlord's right to withhold consent, no consent shall be given to a Lease if the Tenant or assignee, in the sole judgement of the Landlord, (i) is of a character or engaged in a business or proposes to use the Premises in an manner not in keeping Premises, or (ii) has an

unfavorable reputation or credit standing, or (iii) has an unfavorable financial condition or a financial condition that is less favorable than the Tenant.

9. Condition of Premises. Tenant accepts the Premises in their present "AS IS", "WHERE IS" condition and acknowledges that it has been given the opportunity to inspect the Premises and all equipment, furniture and fixtures thereon. Tenant acknowledges that no representations have been made to Tenant with respect to the condition of the Premises or any equipment, furniture or fixtures and that in entering into this Lease, Tenant has relied exclusively upon its own examination of the Premises and the equipment, furniture and fixtures. Tenant specifically acknowledges and agrees that Landlord has and shall have no obligation to perform any work in connection with this Lease.

10. No Alterations by Tenant.

(a) Tenant shall not make any alterations, additions or improvements in or to the Premises or any part thereof, or attach any fixtures or equipment thereto, without Landlord's prior written consent, which consent shall not be unreasonably withheld. All alterations, additions and improvements in or to the Premises to which Landlord consents shall be made by Tenant at Tenant's sole cost and expense as follows: Tenant shall submit to Landlord, for Landlord's written approval, complete plans and specifications for all work to be done by Tenant. Such plans and specifications shall be prepared by responsible licensed architect(s) and engineer(s), shall comply with all applicable codes, laws, ordinances, rules and regulations, shall not adversely affect any systems, components or elements of the Premises, shall be in a form sufficient to secure the approval of all government authorities with jurisdiction over the Premises, and shall be otherwise satisfactory to Landlord in Landlord's sole discretion.

(b) Tenant shall obtain all required permits for the work. Tenant shall engage responsible licensed contractor(s), reasonably acceptable to Landlord, to perform all work. Tenant shall perform all work in accordance with the plans and specifications approved by Landlord, in a good and workmanlike manner, in full compliance with all applicable laws, codes, ordinances, rules and regulations, and free and clear of any mechanics' liens. Tenant shall pay for all work (including the cost of all utilities, permits, fees, taxes, and property and liability insurance premiums in connection therewith) required to make the alterations, additions and improvements. Tenant shall pay to Landlord all direct costs and shall reimburse Landlord for all expenses incurred by Landlord in connection with the review, approval and supervision of any alterations, additions or improvements made by Tenant. Under no circumstances shall Landlord be liable to Tenant for any damage, loss, cost or expense incurred by Tenant on account of design of any work, construction of any work, or delay in completion of any work.

(c) Tenant shall give written notice to Landlord of the date on which construction of any work will be commenced at least five (5) days prior to such date. Tenant shall keep the Premises free from mechanics', materialmen's and all other liens arising out of any work performed, labor supplied, materials furnished or other obligations incurred by Tenant. Tenant shall promptly and fully pay and discharge, or bond off, all claims on which any such lien could be based. Tenant shall have the right to contest the amount or validity of any such lien, provided Tenant gives prior written notice of such contest to Landlord, prosecutes such contest by appropriate proceedings in good faith and with diligence, and, upon request by Landlord,

furnishes such bond as may be required by law or such security as Landlord may require to protect the Premises from such lien. Landlord shall have the right to post and keep posted on the Premises any notices that may be provided by law or which Landlord may deem to be proper for the protection of Landlord, the Premises from such liens, and to take any other action Landlord deems necessary to remove or discharge liens or encumbrances at the expense of Tenant.

(d) All alterations, additions, fixtures and improvements, whether temporary or permanent in character, made in or to the Premises, shall become part of the Premises and Landlord's property. Upon termination of this Lease, Landlord shall have the right, at Landlord's option, by giving written notice to Tenant at any time before or within sixty (60) days after such termination, to retain all such alterations, additions, fixtures and improvements in the Premises, without compensation to Tenant, or to remove all such alterations, additions, fixtures and improvements from the Premises, repair all damage caused by any such removal, and restore the Premises to the condition in which the Premises existed before such alterations, additions, fixtures and improvements were made and in the latter case Tenant shall pay to Landlord, upon billing by Landlord, the cost of such removal, repair and restoration. All movable furniture, equipment, trade fixtures, computers, office machines and other personal property in the Premises on the Effective Date shall remain the property of Landlord.

(e) Alterations, additions and improvements shall be made in accordance with all applicable laws, rules and regulations, including laws regarding municipal contracts but not limited to those dealing with prevailing wages.

11. Brokers and Incorporation of Bidding Documents. Landlord and Tenant each warrant and represent to the other that it had no dealing with any broker or finder concerning this Lease to Tenant. Each party agrees to indemnify and hold the other harmless from any and all liabilities and expenses, including, without limitation, reasonable attorneys, fees, arising out of claims against the other party by any other broker, consultant, finder or like agent claiming to have brought about this Lease based upon the alleged acts of the indemnifying party. This Lease is being executed pursuant to a Notice of Public Lease of Real Property by Sealed Bid, Instructions for Bidders and corresponding bid documents and bid specifications, all of which are incorporated herein by reference, and the terms and conditions of which are made a part hereof. This Section 11 shall survive the expiration of the Term or earlier termination of this Lease.

12. Surrender of Premises. At the expiration of the Term or earlier termination of the Term, Tenant shall quit and surrender the Premises broom clean, in as good condition as it was at the beginning of the Term, reasonable wear and tear alone excepted. Without limiting the generality of the foregoing, Tenant shall on or before the expiration or termination of this Lease, (i) remove all of Tenant's personal property and repair any damage caused by such removal and (ii) remove all trash and broom sweep the Premises. If any personal property of Tenant shall remain in the Premises after the termination of this Lease, at the election of Landlord, (i) it shall be deemed to have been abandoned by Tenant and may be retained by Landlord as its own property or (ii) such property may be removed and disposed of by Landlord at the expense of Tenant. Tenant's obligations under this Section 12 shall survive the expiration of the Term or earlier termination of this Lease.

13. **No Waiver.** The failure of Landlord to insist in any one or more instances upon the strict performance of any of the covenants, agreements, terms, provisions or conditions of this Lease, or to exercise any election or option contained in this Lease, shall not be construed as a waiver or relinquishment, or the future or in any other instance, of such covenant, agreement, term, provision, condition, election or option.

14. **Holdover.** If Tenant shall unlawfully hold possession of the Premises after the end of the Term then without limitation of Landlord's rights and remedies under this Lease, Tenant shall pay to Landlord the greater of (i) any amounts owed by Landlord to the Landlord as a result of Tenant's holding over, or (ii) monthly holdover rent equal to one hundred fifty percent (150%) of the Base Rent and Additional Rent in effect for the month immediately preceding said holding over, computed on a per month basis, for each month or part thereof (without reduction for any such partial month) that Tenant thus remains in possession plus all attorneys' fees and other costs and expenses associated with such holding over.

15. **Default.** The occurrence of any one or more of the following events (each an "Event of Default") shall constitute a breach of this Lease by Tenant:

(a) Tenant fails to pay any Base Rent or any Additional Rent or other amount of money or charge payable by Tenant hereunder as and when such rent becomes due and payable and such failure continues for more than five (5) days after Landlord gives written notice thereof to Tenant; provided, however, that after the second such failure in a calendar year, only the five (5) days passage of time, but no further written notice, shall be required to establish an Event of Default in the same calendar year; or

(b) Tenant fails to perform or breaches any other agreement or covenant of this Lease to be performed or observed by Tenant as and when performance or observance is due and such failure or breach continues for more than ten (10) days after Landlord gives written notice thereof to Tenant; provided, however, that if, by the nature of such agreement or covenant, such failure or breach cannot reasonably be cured within such period of ten (10) days, an Event of Default shall not exist as long as Tenant commences with due diligence and dispatch the curing of such failure or breach within such period of ten (10) days and, having so commenced, thereafter prosecutes with diligence and dispatch and completes the curing of such failure or breach; or

(c) Tenant (i) files, or consents by answer or otherwise to the filing against it of, a petition for relief or reorganization or arrangement or any other petition in bankruptcy or for liquidation or to take advantage of any bankruptcy, insolvency or other debtors' relief law of any jurisdiction, (ii) makes an assignment for the benefit of its creditors, or (iii) consents to the appointment of a custodian, receiver, trustee or other officer with similar powers of Tenant or of any substantial part of Tenant's property; or

(d) Without consent by Tenant, a court or governmental authority enters an order, and such order is not vacated within thirty (30) days, (i) appointing a custodian, receiver, trustee or other officer with similar powers with respect to Tenant or with respect to any substantial part of Tenant's property, or (ii) constituting an order for relief or approving a petition for relief or reorganization or arrangement or any other petition in bankruptcy or for

liquidation or to take advantage of any bankruptcy, insolvency or other debtors' relief law of any jurisdiction, or (iii) ordering the dissolution, winding-up or liquidation of Tenant; or

(e) This Lease or any estate of Tenant hereunder is levied upon under any attachment or execution and such attachment or execution is not vacated within thirty (30) days; or

(f) Tenant vacates or abandons the Premises.

16. Remedies of Landlord Upon an Event of Default. Landlord shall have the following rights and remedies:

(a) Landlord shall be entitled to damages computed in accordance with Subsection 16(f) below.

(b) Landlord may re-enter the Premises and, at the option of Landlord, remove all persons and all or any property therefrom, either by summary dispossess proceedings or by any suitable action or proceeding at law or otherwise and Landlord may repossess and enjoy the Premises. Upon recovering possession of the Premises by reason of or based upon or arising out of a default on the part of Tenant, Landlord may, at Landlord's option, either terminate this Lease or make such alterations and repairs as may be necessary, as reasonably determined by Landlord, in order to relet the Premises and may relet the Premises or any part or parts thereof, either in Landlord's name or otherwise, for a term or terms which may, at Landlord's option, be less than or exceed the period which would otherwise have constituted the balance of the Term and at such rent or rents and upon such other terms and conditions as in Landlord's sole discretion may seem advisable and to such person or persons as may in Landlord's discretion seem best; upon each such reletting all rents received by Landlord from such reletting shall be applied as follows: first, to the payment of any costs and expenses of such reletting, including all costs of repairs; second, to the payment of any indebtedness other than Base Rent, Additional Rent or other charges due hereunder from Tenant to Landlord; third, to the payment of Base Rent, Additional Rent and other charges due and unpaid hereunder; and the residue, if any, shall be held by Landlord and applied in payment of future rent as it may become due and payable hereunder. If rentals received from reletting during any month are less than that to be paid during that month by Tenant, Tenant shall pay any such deficiency to Landlord. Such deficiency shall be calculated and paid monthly. No such re-entry or taking possession of the Premises or the making of alterations or improvements thereto or the reletting thereof shall be construed as an election on the part of Landlord to terminate this Lease unless written notice of termination is given to Tenant. Landlord shall in no event be liable in any way whatsoever for failure to relet the Premises or, in the event that the Premises or any part or parts thereof are relet, for failure to collect the rent therefrom under such reletting. Notwithstanding any such reletting without termination, Landlord may at any time thereafter elect to terminate this Lease for such previous breach.

(c) Landlord shall have the right at any time to give a written termination notice to Tenant and, on the date specified in such notice, Tenant's right to possession shall terminate and this Lease shall terminate. Upon such termination, Landlord shall have the full and immediate right to possession of the Premises and Landlord shall have the right to recover

from Tenant all unpaid rent which had been earned at the time of termination, and all unpaid rent for the balance of the Term of this Lease after termination and all other amounts necessary to compensate Landlord for all the detriment proximately caused by Tenant's failure to perform all of Tenant's obligations under this Lease or which in the ordinary course of things would be likely to result therefrom.

(d) In addition to the foregoing, the Landlord shall also have the following remedy available:

Confession of Judgment. UPON THE OCCURRENCE OF AN EVENT OF DEFAULT OR UPON THE EXPIRATION OF THE TERM OF THIS LEASE, FOR THE PURPOSE OF OBTAINING POSSESSION OF THE PREMISES, TENANT HEREBY AUTHORIZES AND EMPOWERS THE PROTHONOTARY OR ANY ATTORNEY OF ANY COURT OF RECORD IN THE COMMONWEALTH OF PENNSYLVANIA OR ELSEWHERE, AS ATTORNEY FOR TENANT AND ALL PERSONS CLAIMING UNDER OR THROUGH TENANT, TO APPEAR FOR AND CONFESS JUDGMENT AGAINST TENANT FOR POSSESSION OF THE PREMISES, AND AGAINST ALL PERSONS CLAIMING UNDER OR THROUGH TENANT, IN FAVOR OF LANDLORD, FOR RECOVERY BY LANDLORD OF POSSESSION THEREOF, FOR WHICH THIS LEASE OR A COPY HEREOF VERIFIED BY AFFIDAVIT, SHALL BE A SUFFICIENT WARRANT; AND THEREUPON A WRIT OF POSSESSION MAY IMMEDIATELY ISSUE FOR POSSESSION OF THE PREMISES WITHOUT ANY PRIOR WRIT OR PROCEEDING WHATSOEVER AND WITHOUT ANY STAY OF EXECUTION IF FOR ANY REASON AFTER SUCH ACTION HAS BEEN COMMENCED THE SAME SHALL BE TERMINATED AND THE POSSESSION OF THE PREMISES REMAINS IN OR IS RESTORED TO TENANT, LANDLORD SHALL HAVE THE RIGHT UPON THE OCCURRENCE OF ANY SUBSEQUENT EVENT OF DEFAULT TO CONFESS JUDGMENT IN ONE OR MORE FURTHER ACTIONS IN THE MANNER AND FORM SET FORTH ABOVE TO RECOVER POSSESSION OF SAID PREMISES FOR SUCH SUBSEQUENT DEFAULT. TENANT WAIVES ALL ERRORS IN CONNECTION WITH ANY SUCH CONFESSION OF JUDGMENT. NO SUCH TERMINATION OF THIS LEASE, NOR TAKING, NOR RECOVERING POSSESSION OF THE PREMISES SHALL DEPRIVE LANDLORD OF ANY REMEDIES OR ACTION AGAINST TENANT FOR BASE RENT, ADDITIONAL RENT OR FOR OTHER SUMS DUE HEREUNDER OR FOR DAMAGES DUE OR TO BECOME DUE FOR THE BREACH OF ANY CONDITION OR COVENANT HEREIN CONTAINED, NOR SHALL THE BRINGING OF ANY SUCH ACTION FOR RENT AND/OR OTHER SUMS DUE HEREUNDER, OR BREACH OF COVENANT OR CONDITION NOR THE RESORT TO ANY OTHER REMEDY HEREIN PROVIDED FOR THE RECOVERY OF RENT AND/OR OTHER SUMS DUE HEREUNDER OR DAMAGES FOR SUCH BREACH BE CONSTRUED AS A WAIVER OF THE RIGHT TO INSIST UPON THE FORFEITURE AND TO OBTAIN POSSESSION IN THE MANNER HEREIN PROVIDED.

(e) AFTER AN EVENT OF DEFAULT, TENANT HEREBY IRREVOCABLY AUTHORIZES AND EMPOWERS THE PROTHONOTARY OR ANY ATTORNEY OF ANY COURT OF RECORD TO APPEAR FOR TENANT IN ANY SUCH COURT AT ANY TIME THEREAFTER TO WAIVE THE ISSUANCE AND SERVICE OF PROCESS AND TO CONFESS AND ENTER JUDGMENT AGAINST TENANT AND IN

FAVOR OF LANDLORD FOR SUCH AGGREGATE AMOUNT OF BASE RENT, ADDITIONAL RENT AND OTHER SUMS DUE TO LANDLORD AS IS UNPAID UNDER THIS LEASE (INCLUDING THE ACCELERATED RENT COMPONENT) TOGETHER WITH COSTS AND ATTORNEYS FEES EQUAL TO THE LESSER OF ONE THOUSAND DOLLARS (\$1,000.00) OR FIVE PERCENT (5%) OF SUCH UNPAID AMOUNTS. TENANT HEREBY RATIFIES AND CONFIRMS ALL THAT THE ATTORNEY MAY DO BY VIRTUE HEREOF AND WAIVES AND RELEASES ALL ERRORS WHICH MAY INTERVENE IN SUCH PROCEEDINGS. IF A COPY OF THIS LEASE SHALL BE PRODUCED IN ANY PROCEEDINGS BROUGHT UPON THE WARRANT OF ATTORNEY CONTAINED IN THIS SECTION, SUCH COPY SHALL BE CONCLUSIVE EVIDENCE OF SUCH PROTHONOTARY'S AND/OR ATTORNEY'S AUTHORITY TO TAKE THE ACTION SPECIFIED HEREIN AND IT SHALL NOT BE NECESSARY TO PRODUCE THE ORIGINAL INSTRUMENT. THE AUTHORITY GRANTED HEREIN TO CONFESS JUDGMENT AGAINST TENANT SHALL NOT BE EXHAUSTED BY ANY EXERCISE THEREOF, BUT MAY BE EXERCISED FROM TIME TO TIME AS OFTEN AS THERE IS OCCASION THEREFOR UNTIL PAYMENT IN FULL OF ALL AMOUNTS DUE UNDER THIS LEASE.

(f) Damages Without Termination. If Landlord shall not elect to terminate this Lease pursuant to Subsection (c) above, notwithstanding reentry upon the Premises by Landlord and in addition to and without limiting Landlord's right to other damages upon the occurrence of an Event of Default, Tenant shall be and remain liable to Landlord in an amount computed as follows: (a) an amount equal to the sum of all rent then in arrears plus the aggregate of all rent which is payable under this Lease for the balance of the Term, computed as if no Event of Default had occurred and any reentry had not been made; plus (b) all costs and expenses incurred by Landlord in connection with the Event of Default and any reletting of the Premises, including, without limitation, (i) costs of reentry, repair and renovation, (ii) the value of all inducements granted or paid to new tenants of the Premises in connection with reletting including, without limitation, construction allowances and the value of rent-free periods, (iii) brokers' commissions and advertising expenses, (iv) watchman's wages and any sheriff's, marshal's, constable's or other officials' commissions, whether chargeable to Landlord or Tenant, and (v) attorneys' fees, costs and expenses; plus (c) Interest accrued on the aggregate of the aforesaid sums from the date each was payable (or, with respect to sums owing under clause (b) from the date each was incurred by Landlord) until paid by Tenant (whether before or after judgment); which sum shall be credited with (d) all rentals actually received by Landlord during the remainder of the Term from any replacement Tenant to which the Premises are relet.

(g) Remedies Cumulative. Upon the occurrence of an Event of Default, Landlord shall have the right to exercise and enforce all rights and remedies granted or permitted by law. The remedies provided for in this Lease are cumulative and in addition to all other remedies available to Landlord at law or in equity by statute or otherwise. Exercise by Landlord of any remedy shall not be deemed to be an acceptance of surrender of the Premises by Tenant, either by agreement or by operation of law. Surrender of the Premises can be effected only by the written agreement of Landlord and Tenant.

17. Damage or Destruction.

(a) Restoration. If the Premises, or any part thereof, is damaged by fire or other casualty before the Effective Date or during the Term of this Lease, and this Lease is not terminated pursuant to subsection (b) hereof, Landlord shall repair such damage and restore the Premises to substantially the same condition in which the Premises existed before the occurrence of such fire or other casualty and this Lease shall, subject to this Section 17, remain in full force and effect. If such fire or other casualty damages the Premises necessary for Tenant's use and occupancy of the Premises and if such fire or other casualty is not the result of the negligence or willful misconduct of Tenant or Tenant's agents, officers, employees, contractors, licensees or invitees, then, during the period the Premises is rendered unusable by such damage, Tenant shall be entitled to a reduction in Base Rent in the proportion that the area of the Premises rendered unusable by such damage bears to the total area of the Premises. Landlord shall not be obligated to repair any damage to, or to make any replacement of, any movable furniture, equipment, trade fixtures or personal property in the Premises. Tenant shall, at Tenant's sole cost and expense, repair and replace all such movable furniture, equipment, trade fixtures and personal property.

(b) Termination of Lease. If the Premises, or any part thereof, is damaged by fire or other casualty before the Effective Date or during the Term of this Lease and (a) such fire or other casualty occurs during the last twelve (12) months of the Term of this Lease and the repair and restoration work to be performed by Landlord in accordance with Section 17 hereof cannot, as reasonably estimated by Landlord, be completed within two (2) months after the occurrence of such fire or other casualty, or (b) the insurance proceeds received by Landlord in respect of such damage are not adequate to pay the entire cost, as reasonably estimated by Landlord, of the repair and restoration work to be performed by Landlord in accordance with Section 17 hereof (including inadequacy resulting from the requirement of the holder of any indebtedness secured by a mortgage or deed of trust covering the Premises that the insurance proceeds be applied to such indebtedness), or (c) the repair and restoration work to be performed by Landlord in accordance with Section 17 hereof cannot, as reasonably estimated by Landlord, be completed within two (2) months after the occurrence of such fire or other casualty, then, in any such event, Landlord shall have the right, by giving written notice to Tenant within sixty (60) days after the occurrence of such fire or other casualty, to terminate this Lease as of the date of such notice. If Landlord does not exercise the right to terminate this Lease in accordance with this Section 17, Landlord shall repair such damage and restore the Premises in accordance with section (a) hereof and this Lease shall, subject to section (a) hereof, remain in full force and effect.

18. Eminent Domain.

(a) Condemnation. Landlord shall have the right to terminate this Lease if a substantial portion of the Premises is taken by exercise of the power of eminent domain before the Effective Date or during the Term of this Lease. Tenant shall have the right to terminate this Lease if a substantial portion of the Premises is taken by exercise of eminent domain before the Effective Date or during the Term of this Lease and the remaining portion of the Premises is not reasonably suitable for Tenant's purposes. In such case Landlord or Tenant shall exercise such termination right by giving written notice to the other within thirty (30) days after the date of such taking. If either Landlord or Tenant exercises such right to terminate this Lease in

accordance with this Section 18(a), this Lease shall terminate as of the date of such taking. If neither Landlord nor Tenant exercises such right to terminate this Lease in accordance with this Section 18(a), this Lease shall terminate as to the portion of the Premises so taken as of the date of such taking and shall remain in full force and effect as to the portion of the Premises not so taken, and the Base Rent shall be reduced as of the date of such taking in the proportion that the area of the Premises so taken bears to the total area of the Premises. If all of the Premises is taken by exercise of the power of eminent domain before the Effective Date or during the Term of this Lease, this Lease shall terminate as of the date of such taking.

(b) Award. If all or any part of the Premises is taken by exercise of the power of eminent domain, all awards, compensation, damages, income, rent and interest payable in connection with such taking shall, except as expressly set forth in this subsection (b), be paid to and become the property of Landlord, and Tenant hereby assigns to Landlord all of the foregoing. Without limiting the generality of the foregoing, Tenant shall have no claim against Landlord or the entity exercising the power of eminent domain for the value of the leasehold estate created by this Lease or any unexpired Term of this Lease. Tenant shall have the right to claim and receive directly from the entity exercising the power of eminent domain only the share of any award determined to be owing to Tenant for (i) the taking of improvements installed by Tenant at Tenant's sole cost and expense in the portion of the Premises so taken based on the unamortized cost actually paid by Tenant for such improvements, (ii) for the taking of Tenant's movable furniture, equipment, trade fixtures and personal property, (iii) loss of goodwill, (iv) interference with or interruption of Tenant's business, and (v) removal and relocation expenses.

(c) Definition of Taking. As used herein, a "taking" means the acquisition of all or part of the Premises for a public use by exercise of the power of eminent domain or voluntary conveyance in lieu thereof and the taking shall be considered to occur as of the earlier of the date on which possession of the Premises (or part so taken) by the entity exercising the power of eminent domain is authorized as stated in an order for possession or the date on which title to the Property (or part so taken) vests in the entity exercising the power of eminent domain.

19. Limitation of Liability. As used in this Lease, the term "Landlord" shall refer only to the owner from time to time of Landlord's interest in the Lease and the Property. If Landlord shall assign its interest in the Lease or the Landlord as an estate is distributed to its beneficiaries, then the assignor or the estate shall be entirely freed from all obligations, covenants and duties under this Lease thereafter accruing, provided that the assignee, or the beneficiary assumes the liability of Landlord for all such obligations, covenants and duties under this Lease thereafter accruing.

20. Landlord Right to Cure. If Tenant shall at any time fail to perform any of its obligations under this Lease, Landlord may, but shall not be obligated to, cure such failure for the account of and at the expense of Tenant, and the amount of any costs, payments or expenses incurred by Landlord in connection with such cure (including reasonable counsel fees) shall be deemed Additional Rent and payable by Tenant on demand under this Lease.

21. Estoppe Certificates. Each party agrees to periodically furnish, within ten (10) business days of request by the other party, a certificate signed by the other party certifying (to the extent same is true); (a) this Lease is in full force and effect and unmodified; (b) the Term

has commenced and the full rent is then accruing under this Lease; (c) Tenant has accepted possession of the Premises and that any improvements required by the terms of this Lease, if any, to be made by Landlord have been completed to the satisfaction of Tenant; (d) the date to which rent has been paid; (e) no rent has been paid more than thirty (30) days in advance of its due date; (f) the address for Notices to be sent to the certifying party is as set forth in this Lease (or has been changed by Notice duly given and is as set forth in the certificate); (g) to the knowledge of the certifying party, the other party is not then in default under this Lease; and (h) such other factual matters as may be requested by such party.

22. Subordination. Tenant's rights under this Lease are and shall always be subordinate to the operation and effect of any mortgage or deed of trust now or hereafter placed upon the Premises, or any part thereof, by the Landlord or its successors or assigns. Notwithstanding anything to the contrary set forth in this Lease, Tenant hereby agrees to attorn to any person, firm, corporation or other type entity purchasing or otherwise acquiring the Premises or any interest therein at any sale or other transfer including any proceeding or other exercise of any rights, powers or remedies under any mortgages or deeds of trust as if such person, firm or corporation or other entity had been named as Landlord herein under the then existing terms and conditions of the Lease.

23. Authority. Each party represents and warrants to the other party: (a) the execution, delivery and performance of this Lease has been duly approved by such party, and that no further limited liability company action is required on the part of Tenant to execute, deliver and perform this Lease; (b) the person(s) executing this Lease on behalf of such party have all requisite authority to execute and deliver this Lease; and (c) this Lease, as executed and delivered by such person(s), is valid, legal and binding on such party, and is enforceable against such party in accordance with its terms.

24. Signage. Tenant shall be permitted to install at Tenant's sole cost and expense, signage on the Premises that is permitted under governing ordinances.

25. Miscellaneous.

(a) This Lease: (i) contains the entire agreement of the parties with respect to the subject matter which it covers; (ii) supersedes all prior or other negotiations, representations, understandings and agreements of, by or between the parties, which shall be deemed fully merged in this Lease; (iii) shall be construed and governed by the laws of the Commonwealth of Pennsylvania; and (iv) may not be changed or terminated orally.

(b) This Lease may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which shall constitute one and the same instrument.

(c) The captions in this Lease are inserted only as a matter of convenience and for reference and in no way define, limit, construe or describe the scope of this Lease or the meaning or intent of any provision of this Lease.

(d) This Lease shall be binding upon and inure to the benefit of the parties hereto and their respective permitted successors and assigns.

(e) Any action brought to enforce or interpret this Lease shall be brought in a court of appropriate jurisdiction. Should any provision of this Lease require judicial interpretation, it is agreed that the court interpreting or considering same shall not apply the presumption that the terms of this Lease shall be more strictly construed against a party by reason of the rule or conclusion that a document should be construed more strictly against the party who itself or through its agent prepared the same, it being agreed that all parties hereto have participated in the preparation of this Lease and that legal counsel was consulted by each responsible party before the execution of this Lease.

(f) No waiver of any provision of this Lease shall be effective unless set forth in a writing executed by the party against which enforcement is sought.

(g) If any provision of this Lease is declared invalid or unenforceable, the remainder of the Lease shall continue in full force and effect.

(h) By its execution, delivery and performance of this Lease, Landlord has not, and shall not be deemed to have, in any way or for any purpose, become a partner of Tenant in the conduct of its business, or otherwise, or joint venturer or a member of a joint enterprise with Tenant.

(i) Tenant will permit Landlord, its agents, servants and employees and contractors to enter all parts of the Premises during Tenant's normal business hours to inspect the same and to enforce or carry out any provisions of this Lease. Any emergency repairs may be made at any time by Landlord who is given a right of access for the same.

(j) Time is of the essence of every provision of this Lease.

(k) LANDLORD AND TENANT KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVE TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM BROUGHT BY EITHER PARTY AGAINST THE OTHER IN CONNECTION WITH ANY MATTER ARISING OUT OF OR CONNECTED WITH THE LEASE, TENANT'S USE OR OCCUPANCY OF THE PREMISES AND/OR ANY CLAIM OF INJURY OR DAMAGE.

(l) There are no third party beneficiaries of this Lease, either express or implied.

[REMAINDER OF PAGE LEFT BLANK INTENTIONALLY]

**IN WITNESS WHEREOF**, the parties hereto have duly executed this Lease the day and year first above written.

**LANDLORD:**

WITNESS:

BOROUGH OF COLUMBIA

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By:\_\_\_\_\_

**TENANT:**

WITNESS:

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By:\_\_\_\_\_

EXHIBIT A

Description of Property