

## LEASE AGREEMENT

THIS LEASE AGREEMENT (the "**Lease**"), effective this 3<sup>rd</sup> day of September, 2021, is between **Commerce Drive Realty, LLC**, a Pennsylvania limited liability company, with an address of P.O. Box 2117, Bala Cynwyd, PA 19004 ("**Landlord**") and **Upper Dublin Township**, a Pennsylvania First Class Township, with an address of 370 Commerce Drive, Fort Washington, PA 19034 ("**Tenant**").

WITNESSETH:

### 1. PREMISES

1.01 Landlord hereby leases to Tenant and Tenant hereby leases from Landlord, upon the terms, covenants and conditions set forth herein, the entire building known as 370 Commerce Drive consisting of approximately twelve thousand five hundred (12,500) rentable square feet located at 370 Commerce Drive, Fort Washington, PA (hereinafter referred to as the "**Building**" or the "**Premises**"), in "AS IS" condition with all furniture, fixtures and equipment in place.

### 2. TERM

2.01. The term of this Lease shall commence on the Commencement Date (hereinafter defined) and shall terminate one (1) year after the Commencement Date (the "**Expiration Date**"). However, should the Commencement Date fall on anything other than the first day of the month, the Expiration Date shall be the last day of the month following the anniversary of the Commencement Date. Tenant may, at its option and upon sixty days notice prior to any term, extend this lease term on a month to month basis under the terms hereof for a cumulative period not to exceed one (1) year subject to the provisions of Section 29.01 of this Lease.

2.02. The reference herein to a "**lease year**" shall mean each fiscal period during the term of this Lease beginning on the first day of the first full month of the term of this Lease, and each anniversary of this Lease, and ending on the last day of the twelfth full month thereafter. An instrument formally establishing the Commencement Date, lease year and termination date of this Lease, as well as the acceptance of the Premises by Tenant, shall be executed at the time of Commencement Date establishment. In the event Landlord shall permit Tenant to occupy the Premises prior to the Commencement Date, such occupancy shall be subject to all the provisions of this Lease.

### 3. USE OF PREMISES

3.01. The Premises shall be occupied and used as township municipal offices and for no other purpose. Tenant shall not allow the Premises to be used for any improper, immoral, unlawful, or objectionable purpose. Tenant shall not do, permit or suffer in, on, or

about the Premises the sale of any alcoholic liquor without the written consent of Landlord first obtained. Tenant shall comply with all governmental laws, ordinances and regulations applicable to the use of the Premises and its occupancy and shall promptly comply with all governmental orders and directions for the correction, prevention and abatement of any violations in or upon, or in connection with, the Premises, all at Tenant's sole expense. Tenant shall not do or permit anything to be done on or about the Premises or bring or keep anything into the Premises which will in any way increase the rate of, invalidate or prevent the procuring of any insurance protecting against loss or damage to the Building or any of its contents by fire or other casualty or against liability for damage to property or injury to persons in or about the Building or any part thereof.

#### 4. RENT

4.01. Tenant shall pay the following, in advance, in equal monthly installments on the first day of each calendar month during the term of this Lease commencing on the Commencement Date: \$27.30 per square foot of the 12,500 net rentable space. Monthly payments for the first lease year shall be Twenty-Eight Thousand Four Hundred Thirty-Seven and 50/100 (\$28,437.50). If the commencement date shall fall on a day other than the first day of a calendar month, the rent shall be apportioned pro rata on a per diem basis for the period between the commencement date and the first day of the following calendar month; such apportioned sum shall be paid on such commencement date. Notwithstanding the foregoing, the rent for the first month shall be paid upon execution of the Lease. All Rent to be paid to Landlord shall be paid by electronic transfer of immediately available funds to Landlord per the wiring instructions to be provided by Landlord to Tenant.

4.02. Notwithstanding anything to the contrary contained herein, Tenant shall pay Landlord a one-time "wear-and-tear" fee of Fifty Thousand Dollars (\$50,000.00). Tenant shall pay the equivalent of one month's rent (Twenty-Eight Thousand Four Hundred Thirty-seven Dollars and 50/100 cents (\$28,437.50) upon execution of the Lease, and the remaining twenty-One Thousand Five Hundred Sixty-two Dollars and 50/100 cents (\$21,562.50) shall be paid upon the termination of the Lease, or any extension thereof.

4.03. During the term of this Lease, Tenant shall be responsible for paying all utilities used or consumed on the Premises as additional rent, including, but not limited to: heat, electric, gas, water, sewerage, cable, telephone, internet and any other utility used or consumed on the Premises. If billed to Landlord, items of additional rent shall be paid within 30 days of Tenant receiving Landlord's invoice therefore.

#### 5. COVENANT TO PAY RENT AND ADDITIONAL RENT

5.01. Tenant shall, without any demand therefor and without setoff, deduction or counterclaim, pay the said minimum rent, the additional rent and all other sums which may become due by Tenant under this Lease, on the first of each month in advance or at the times, at the place and in the manner herein provided. All sums which may be due by

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Tenant under this Lease shall be payable as rent for all purposes whether or not they would otherwise be considered rent. Without limiting the generality of the foregoing, if Tenant shall be in default in the performance of any of its obligations hereunder, Landlord may (but shall not be obligated to do so), in addition to any other rights it may have in law or equity or under this Lease, cure such default on behalf of Tenant, and Tenant shall reimburse Landlord for any sums paid or costs incurred by Landlord in curing such default, including interest at the rate of twelve (12%) percent per annum or the highest rate permitted by law, whichever is lower, on all sums paid and costs incurred by Landlord as aforesaid, which sums and costs together with interest thereon shall be deemed additional rent hereunder.

## 6. ASSIGNMENT AND SUBLETTING

6.01. Tenant may not assign the Lease, or sublet all or part of the Premises, without the prior written consent of Landlord, subject to the requirements set forth below.

6.02. In the event Tenant desires to sublet, or permit such occupancy of, the Premises, or any portion thereof, or assign this Lease, Tenant shall give written notice thereof to Landlord at least sixty (60) days but no more than one hundred eighty (180) days prior to the proposed commencement date of such subletting or assignment, which notice shall set forth the name of the proposed subtenant or assignee, the relevant terms of any sublease or assignment and copies of financial reports and other relevant financial reports and other relevant financial information of the proposed subtenant or assignee.

6.03. Notwithstanding any assignment or subletting, permitted or otherwise, Tenant shall at all times remain directly, primarily and fully responsible and liable for the payment of the rent specified in this Lease and for compliance with all of its other obligations under the terms, provisions and covenants of this Lease. Upon the occurrence of an Event of Default, if the Premises or any part of them are then assigned or sublet, Landlord, in addition to any other remedies provided in this Lease or provided by law, may, at its option, collect directly from such assignee or subtenant all rents due and becoming due to Tenant under such assignment or sublease and apply such rent against any sums due to Landlord from Tenant under this Lease, and no such collection shall be construed to constitute a novation or release of Tenant from the further performance of Tenant's obligations under this Lease.

6.04. An assignment within the meaning of this Lease is intended to mean not only the voluntary action of Tenant, but also any levy or sale on execution or other legal process against Tenant's goods or other property or the leasehold, and every assignment of assets for the benefit of creditors, and the filing by or against Tenant of any petition or order or any adjudication in bankruptcy or under any insolvency, reorganization or other voluntary or compulsory procedure, and the calling of a meeting of creditors, and the filing by or against Tenant of any petition or notice for a composition with creditors, and any assignment by operation of Law. Unless such interests are publicly traded, in which event the following restriction shall not be applicable, if Tenant is a corporation, a partnership, or a limited liability company, any transfer, sale, pledge or other disposition, in any single transaction or

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cumulatively from the date hereof until the expiration of the term of this Lease, of fifty (50%) percent or more of (i) the stock of Tenant if Tenant is a corporation, (ii) the membership interests of Tenant if Tenant is a limited liability company or (iii) a change in the control of general partnership interests in Tenant if Tenant is a partnership, shall be deemed an assignment of this Lease and, therefore, prohibited without the prior consent of Landlord. No assignment or subletting or other occupancy with or without Landlord's consent shall in any way relieve or release Tenant from liability for performance of all the terms, covenants and conditions of this Lease. Furthermore, no assignment will be valid unless the assignee shall first execute and deliver to Landlord an assumption of liability agreement in such form and with such terms, covenants and conditions as may be required by Landlord; and no subletting will be valid unless the subtenant shall first enter into a written agreement with Landlord, in such form and with such terms and conditions as may be required by Landlord. Landlord shall be entitled to, and Tenant shall promptly remit to Landlord, any profit which may inure to the benefit of Tenant as a result of any subletting of the Premises or assignment of this Lease whether or not consented to by Landlord.

## 7. ALTERATIONS AND FINISHING

7.01. No alterations, additions, wiring, security systems, or improvements of any nature shall be made to the Premises by or on behalf of Tenant unless Tenant shall first submit on each occasion a detailed description thereof to Landlord and Landlord shall consent thereto in writing at Landlord's sole discretion. Tenant shall, if requested by Landlord, furnish complete plans and specifications for such alterations, additions, and improvements. All alterations, additions, wiring, security systems, or improvements made by or on behalf of Tenant and all fixtures attached to or used in connection with the Premises shall immediately, upon the completion or installation thereof, be and become a part of the Premises and the property of Landlord without payment therefore by Landlord and shall remain at the Premises or, at Landlord's option, any or all of the foregoing which may be designated by Landlord shall be removed at the cost of Tenant before the expiration or sooner termination of this Lease and in such event Tenant shall repair all damage to the Premises caused by the installation and/or removal.

7.02. In the event Landlord consents to the making of any such alteration, addition or improvement by Tenant, the same shall be made using a contractor approved by Landlord ("**Approved Contractor**") at Tenant's sole cost and expense. If Tenant shall employ any contractor other than an Approved Contractor and such other contractor or any subcontractor of such other contractor shall employ any non-union labor or supplier, Tenant shall be responsible for and hold Landlord harmless from any and all delays, damages and extra costs suffered by Landlord as a result of any dispute with any labor unions concerning the wage, hours, terms or conditions of the employment of any such labor. In any event Landlord may charge tenant a reasonable charge to cover its overhead as it relates to such proposed work.

7.03. Notwithstanding the foregoing, Tenant shall have the right to install in the



Premises trade fixtures required by Tenant in its business and to remove such trade fixtures upon termination of this Lease; provided, however, that: (i) Tenant provides Landlord with at least fifteen (15) days' written notice of its intent to install any such trade fixtures within the Premises subsequent to the Effective Date; and (ii) no such installation or removal shall affect the structural portions of the Premises or the Building. Tenant shall repair and restore before the expiration or sooner termination of this Lease any damage or injury to the Premises caused by the installation and/or removal of any such trade fixtures.

## 8. LIENS

8.01. Tenant shall have no power to do any act or to make any contract which may create or be the foundation for any lien, mortgage or other encumbrance upon the Building or the Premises or any estate of Landlord or of any interest of Landlord in the Premises, or in the Building or fixtures and machinery therein contained.

8.02. Tenant shall not suffer or permit any liens to stand against the Premises, the Building or any part thereof by reason of any work, labor, services or materials done for, or supplied, or claimed to have been done for, or supplied to, Tenant or anyone holding the Premises, or the Building or any part thereof through or under Tenant.

8.03. In the event Landlord shall permit Tenant to make any alterations, additions or improvements to the Premises, prior to the making of any such alterations, additions or improvements, Tenant shall, if allowed by applicable law, cause to be duly filed and recorded in the appropriate offices a Waiver of Mechanic's and Materialmen's Liens in form satisfactory to Landlord, such waivers to be binding on all subcontractors and materialmen.

8.04. Under any circumstance, should any lien be filed for work claimed to be done at the request of Tenant, Tenant must discharge such lien within fifteen (15) days, at Tenant's own expense.

## 9. REPAIRS AND CONDITIONS OF PREMISES

9.01. Tenant shall, at least thirty (30) days before the last day of the Term, arrange to meet Landlord for a joint inspection of the Premises. In the event of Tenant's failure to arrange such joint inspection to be held prior to vacating the Premises, Landlord's inspection at or after Tenant's vacating the Premises shall be conclusively deemed correct for purposes of determining Tenant's responsibility for repairs and restoration. During the term of this Lease Tenant shall keep the Premises, and upon expiration of this Lease shall leave the Premises, in good order and condition, ordinary wear and tear (payment for which is being compensated as set forth in paragraph 4.02 above) and damage by fire or other casualty alone excepted; and for that purpose and except as stated, Tenant will promptly make all necessary repairs and replacements whether foreseen or unforeseen, ordinary or extraordinary. Without limiting the foregoing, Tenant shall be responsible for, and shall pay to Landlord upon demand for, the cost of repair and restoration of any damage to any ducts, pipes, wires or other building

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equipment caused by the negligence, omission or misconduct of Tenant or those claiming under Tenant or their respective employees, agents, contractors, customers or invitees. Tenant will use every reasonable precaution against fire and other damage and will give Landlord prompt notice of any damage to or accident upon the Premises. At the expiration or other termination of this Lease, Tenant will have theretofore removed all its property from the Premises so that Landlord may again have and possess the Premises. Upon expiration of the Lease and surrender of the Premises, should Tenant not remove all of its property from the Premises, Landlord can, but is not obligated to, dispose of Tenant's property left in the premises, with no legal ramifications to Landlord. Tenant is then responsible for all costs incurred and damages assessed by Landlord for same and shall remit promptly to Landlord monies for all such charges within ten (10) days after notice by Landlord. In addition, Landlord may pursue all legal remedies available to Landlord regarding same. The provisions of this Section shall survive the expiration or termination of this Lease.

9.02. If at any time during the last three (3) months of the term of this Lease, Tenant and/or Landlord shall have removed all or substantially all of Tenant's property from the Premises, Landlord may enter to alter, renovate and redecorate the Premises, without abatement of rent, or in any other manner modifying the rights and obligations of either party to this Lease. If Tenant shall have substantially vacated the premises and not be personally present to open and permit an entry into the Premises at any time when for any reason an entry shall be necessary or permissible, Landlord or Landlord's agents may, upon not less than 5 days notice to Tenant of the time and date, enter by a master key, or may forcibly enter at its own risk, without in any manner affecting the rights or obligations of either party to this Lease, provided Landlord or its agents shall accord reasonable care to Tenant's property.

9.03. Landlord shall be responsible for customary and routine maintenance and repairs of the Building and Premises as described elsewhere in this Lease, other than those resulting from Tenant's negligence or willful misconduct. Landlord is not responsible for any maintenance of personal property, trade fixtures, office equipment, private heating or air conditioning units, improvements not approved by Landlord and, in any case, Landlord is not responsible for the replacement of any improvements except where and how provided for under the insurance provision of this Lease. Landlord shall not be liable for any failure to make any repairs or to perform any maintenance unless such failure shall persist for an unreasonable time after written notice of the need of such repairs or maintenance is given to Landlord by Tenant.

## 10. FIRE OR OTHER CASUALTY

10.01. If, during the term of this Lease or any renewal or extension thereof, the Building is so damaged by fire, or any other cause such that (i) either the Building or the Premises is rendered substantially unfit for occupancy (whether or not the Premises are damaged) as reasonably determined by Landlord, or (ii) the Building is damaged to the extent that Landlord shall decide to demolish or to not rebuild the Building, then, at Landlord's



option in either of such events, the term of this Lease, upon sixty (60) days prior written notice from Landlord, shall terminate as of the date of the occurrence of such damage. In such case, Tenant shall pay the rent apportioned to the time of such termination, Landlord shall repay to Tenant all prepaid rents for periods beyond such termination date and Landlord may enter upon and repossess the Premises without further notice. If Landlord does not so elect to terminate the term of this Lease, or if the Building shall be damaged so that such damage renders neither the Building nor the Premises substantially unfit for occupancy (and Landlord elects not to demolish or to not rebuild the Building), Landlord will in either of such events restore the damage to the Building with reasonable promptness (taking into account the time required by Landlord to effect a settlement with and procure insurance proceeds, if any, from the insurer) to substantially the same condition of the Building immediately prior to such damage, and Landlord may enter and possess all or any portion of the Premises for that purpose, and, while Tenant is deprived of the use of the Premises or any part thereof, the minimum fixed monthly rent shall be suspended in the proportion to the number of square feet of the Premises rendered substantially unfit for occupancy. The time for commencement and completion of restoration shall be extended for a period of time lost by Landlord because of causes beyond Landlord's reasonable control. Landlord's obligation or election to restore the Building under this Article shall not include the repair, restoration or replacement of the fixtures, improvements, alterations, furniture or any other property owned, installed or made by Tenant.

#### 11. INSURANCE AND WAIVER OF SUBROGATION

11.01. Landlord, at its sole expense, shall maintain all risk property insurance covering the full replacement cost of the Building or such lesser coverage amount as Landlord may elect. Landlord shall not be held responsible for, and is hereby expressly relieved from, any and all liability by reason of any injury, loss or damage to any person or property in or about the Premises or the Building due to any cause whatsoever other than Landlord's gross negligence or gross neglect (including, without limitation, damage caused by theft or by water, rain, snow or airborne matter which may leak into, issue or flow from any part of the Building or from the tanks, pipes or plumbing of the Building or from any other place), and whether the loss, injury or damage be to the person or property of Tenant or any other person,. Tenant's insurance policies relating to the Premises shall contain clauses permitting the foregoing release.

11.02. Tenant shall, at its sole cost and expense, maintain and keep in force throughout the term hereof, insurance for all of Tenant's contents and property in the Premises, business interruptions with limit of liability representing loss of at least approximately six months of income and commercial general liability insurance with minimum limits of \$1,000,000 combined single limit/\$2,000,000 aggregate with a \$1,000,000 per occurrence limit for personal injury and \$500,000 for property damage or such larger amount as Landlord may prudently require from time to time. Tenant shall provide Landlord with certificates evidencing such insurance coverage and naming Landlord and Landlord's managing agent as additional insureds under such liability policies. Tenant's certificate will also exhibit a thirty

(30) day Notice of Cancellation, citing notice to be issued to Landlord prior to any insurance being cancelled. Each of the aforesaid policies shall (a) be provided at Tenant's expense; (b) name the Landlord and the management company as additional insureds and (c) be issued by an insurance company with a minimum Best's rating of "A:VII" or better during the Term.

11.03. Waiver of Subrogation - Each of the parties hereto hereby releases the other and the other's partners, agents, employees and contractors, from any and all liability for any loss or damage, to the extent of the required coverage under the terms of this Lease, which may be inflicted upon the property of such releasing party even if such loss or damage shall be brought about by the fault or negligence of the other party, its partners, agents, contractors or employees. Each party shall obtain an endorsement to its insurance policies permitting such Waiver of Subrogation. Such waiver shall be kept current at all times and shall provide that no cancellation shall be effective until after thirty (30) days' written notice to the benefiting party. Proof of such Waiver shall be noted on Tenant's certificate to Landlord.

11.04. Whenever Tenant shall undertake any alterations, additions or improvements in, to or about the Premises ("**Work**") the aforesaid insurance protection must extend to and include injuries to persons and damage to property arising in connection with such Work, without limitation including liability under any applicable structural work act, and such other insurance as Landlord shall require; and the policies of or certificates evidencing such insurance must be delivered to Landlord prior to the commencement of any such Work.

## 12. INSURANCE VIOLATIONS

12.01. Tenant will not do or commit, or suffer or permit to be done or committed, any act or thing whereby, or in consequence whereof, the policy or policies of insurance of any kind on or in connection with the Building containing the Premises shall become void or suspended, or whereby or in consequence whereof the insurance risk on such Building according to the insuring companies shall be rendered more hazardous, and Tenant shall pay as additional rent any increase of premiums for the entire Building payable to any insurers, whether the same or substituted insurers, caused by reason of the breach of this covenant.

## 13. COMPLIANCE WITH LAW

13.01. With respect to the Premises and any property appurtenant thereto, Tenant agrees throughout the term of this Lease and all renewals and extensions thereof, at Tenant's own cost and expense, to comply promptly with all laws and ordinances and other notices, requirements and regulations of any and all the federal, state, county or municipal authorities or of the Board of Fire Underwriters or any insurance organizations, associations or companies.

## 14. SERVICES





14.01. Tenant is responsible for repairs and maintenance in the interior of the Building, shall be responsible for snow and ice removal from the parking lot, sidewalks, and walkways, and will provide its own cleaning and janitorial service in the Building.

14.02. As to heat, air conditioning, cleaning service, electricity, and any other services, Landlord shall not be responsible or liable in any way for, and Tenant agrees that there shall be no abatement of rent in the event of, any failure, interruption, suspension or inadequacy in quantity or quality of such service where due to causes beyond Landlord's reasonable control.

14.03. Should Tenant require any additional work or service, as described above, including services furnished outside Business Hours specified above, Landlord may, on terms to be agreed, upon reasonable advance notice by Tenant, furnish such additional service and Tenant agrees to pay Landlord such charges as may be agreed upon, including any tax imposed thereon, but in no event at a charge less than Landlord's actual cost plus overhead for such additional service and, where appropriate, a reasonable allowance for depreciation of any systems being used to provide such service.

14.04. Landlord shall be responsible for structural repairs and maintenance to the Building (including roof cover), parking lot repairs, lawn care and site landscaping.

14.05. The use of the parking areas shall be at the sole risk of Tenant and the users of the parking areas provided hereunder, and Tenant hereby releases Landlord and its agents and employees from any and all liability or responsibility to Tenant or any user of the parking area provided hereunder for any death, injury, loss or damage to persons or property occurring during such use.

#### 15. LANDLORD'S RIGHT TO ENTER

15.01. Tenant will permit Landlord, Landlord's agents or employees or any other person or persons authorized by Landlord, to inspect the Premises at any time during normal business hours, and to enter the Premises, if Landlord shall so elect, at any reasonable times for making alteration, improvements or repairs to the Building or the Premises (including without limitation all ducts, pipes, wires and building equipment) or for any purpose in connection with the operation or maintenance of the Building; and no such entry or work shall be treated as a deprivation of Tenant's use of the Premises. Landlord shall not be liable for inconvenience, annoyance, disturbance or other damage to Tenant by reason of making such alterations, improvements or repairs or performing such operation or maintenance; provided, however, that Landlord shall make reasonable efforts to avoid materially interfering with Tenant's use of the Premises, but nothing contained herein shall obligate Landlord to make such alterations, improvements or repairs or perform such operation or maintenance other than during normal business hours. Nothing herein shall imply any duty upon the part of Landlord to do any such work which under any provision of this Lease Tenant may be required to perform and the performance thereof by Landlord shall not constitute a waiver of Tenant's default in

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failing to perform the same. During the term of this Lease or any renewal or extension thereof, Landlord, with notice, shall have the right to exhibit the Premises. Landlord is not required to give notice to enter the Premises in case of an emergency and, in any case, shall not be responsible for reasonable interference with Tenant's business.

16. LANDLORD'S REMEDIES. If: (i) Tenant does not pay in full when due any and all installments of minimum rent, additional rent or any other charge or payment whether or not herein included as rent; or (ii) Tenant violates or fails to perform or otherwise breaks any covenant or condition therein contained or any other obligation imposed upon Tenant; or (iii) Tenant abandons the Premises or removes or attempts to remove Tenant's goods or property therefrom other than in the ordinary course of business without having first paid to Landlord in full all minimum rent, additional rent and other charges that may have become due as well as all which will become due thereafter; or (iv) Tenant transfers its ownership to a third party, or Tenant is sold to any person or legal entity, or becomes insolvent in any sense or makes an assignment for the benefit of creditors or offers a composition or settlement to creditors or calls a meeting of creditors for any such purpose, or if a petition in bankruptcy or for reorganization or for an arrangement with creditors under any federal or state act is filed by or against Tenant, or if a bill in equity or other proceeding is filed in any court for the appointment of a receiver, trustee, liquidator, custodian, conservator or similar official for any of Tenant's assets, or if any of the real or personal property of Tenant shall be levied upon by any sheriff, marshal or constable; or (v) any of the events enumerated in (iv) of this Section shall happen to any guarantor of this Lease; then, and in any such event, Landlord shall have the following rights:

16.01. To accelerate the whole or any part of the rent for the entire unexpired balance of the term of this Lease, as well as all other charges, payments, costs and expenses herein agreed to be paid by Tenant, and any rent or other charges, payments, costs and expenses if so accelerated shall, in addition to any and all installments of rent already due and payable and in arrears, and/or any other charge or payment herein reserved, included or agreed to be treated or collected as rent and/or any other charge, expense or cost herein agreed to be paid by Tenant which may be due and payable and in arrears, shall be deemed due and payable as if, by the terms and provisions of this Lease, such accelerated rent and other charges, payments, costs and expenses were on that date payable in advance.

16.02. To enter the Premises and without further demand or notice proceed to distress and sale of the goods, chattels and personal property there found, to levy the rent and/or other charges herein payable as rent, and Tenant shall pay all costs and officers' commissions, including watchmen's wages and sums chargeable to Landlord and further including the five (5%) percent chargeable by the Act of Assembly as commissions to the constable or other person making the levy, and in such case all costs, officer's commission and other charges shall immediately attach and become part of the claim of Landlord for rent, and any tender of rent without said costs, commissions and charges made, after the issuance of a warrant of distress, shall not be sufficient to satisfy the claim of Landlord.

16.03. To re-enter the Premises and remove all persons and all or any property therefrom either by summary dispossession proceedings or by any suitable action or proceeding at law, or by force or otherwise, without being liable to indictment, prosecution or damages therefor, and repossess and enjoy the Premises, together with all additions, alterations and improvements. Upon recovering possession of the Premises by reason of or based upon or arising out of a default on the part of the Tenant, Landlord may, at Landlord's option, either terminate this Lease or make such alterations and repairs as may be necessary in order to 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 of this Lease and at such rent or rents and upon such other terms and conditions as in Landlord's sole discretion may deem advisable and to such person or persons as may in Landlord's discretion deem best; upon each such reletting all rents received by Landlord from such reletting shall be applied: first, to the payment of any indebtedness other than rent due hereunder from Tenant to Landlord; second, to the payment of any costs and expenses of such reletting, including brokerage fees and attorney's fees and all costs of such alterations and repairs; third, to the payment of rent 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 such rentals received from such reletting during any month shall be less than that to be paid during that month by Tenant hereunder, 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 and/or improvements thereto or the reletting thereof shall be construed as an election on the part of the Landlord to terminate this Lease unless written notice of such intention be 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 thereof under such reletting. Tenant, for Tenant and Tenant's successors and assigns, hereby irrevocably constitutes and appoints Landlord as Tenant's agent to collect the rents due and to become due under all subleases of the Premises or any parts thereof without in any way affecting Tenant's obligation to pay any unpaid balance of rent due or to become due hereunder. Notwithstanding any such reletting without termination, Landlord may at any time thereafter elect to terminate this Lease for such previous breach.

16.04. To terminate this Lease and the term hereby created without any right on the part of Tenant to waive the forfeiture by payment of any sum due or by other performance of any condition, term or covenant broken.

16.05. **Tenant Waivers.** Tenant waives in favor of Landlord all rights under the Pennsylvania Landlord and Tenant Act of 1951 and all supplements and amendments thereto that have been or may hereafter be passed, and authorizes the sale of any goods distrained upon for Rent at any time after (5) business days from said distraint without any appraisal and/or condemnation thereof. If proceedings shall be commenced by Landlord to recover possession, either at the end of the Lease Term or upon occurrence of any Default by Tenant hereunder, Tenant expressly waives all right to notice in

excess of five (5) business days required by Landlord and Tenant Act, and agrees that in either or any such case, five (5) business days' notice shall be sufficient. Without limitation of or by the foregoing, the Tenant hereby waives any and all demand, notices of intention and notices of action or proceedings which may be required by law to be given or taken prior to any entry or re-entry by summary proceedings, ejectment or otherwise, by Landlord, except as hereinbefore expressly provided with respect to the five (5) days' notice.

16.06. Any action taken by Landlord under this Section shall not operate as a waiver of any right or remedy which Landlord would otherwise have against Tenant for rent hereby reserved or otherwise, and Tenant shall remain responsible to Landlord for any loss and/or damage suffered by Landlord by reason of Tenant's default or breach.

16.07. Any mention in this Section of the rent or rental herein reserved after the termination of this Lease as in this Section provided, or of termination of Tenant's possession by re-entry, summary dispossess proceedings or any other method as herein provided, shall be deemed to refer to the minimum monthly rental plus additional rental and such additional sums as Tenant shall be obligated to pay to Landlord under any of the terms, covenants and conditions of this Lease, whether or not designated or indicated herein to be payable as additional rent.

16.08. The failure of Landlord to insist in any one or more instances upon the performance of any of the covenants or conditions of this Lease or to exercise any right or privilege herein conferred shall not be construed as thereafter waiving or relinquishing any such covenants, conditions, rights or privileges and the same shall continue and remain in full force and effect, and waiver of one default or right shall not constitute waiver of any other default; and the receipt of any rent by Landlord from Tenant or any assignee or subtenant of Tenant, whether the same be rent that originally was reserved or that which may become payable under any covenants herein contained, or of any portion thereof, shall not operate as a waiver of the right of Landlord to enforce the payment of the additional rent or of any of the other obligations of this Lease by such remedies as may be appropriate, and shall not waive or void the right of Landlord at any time thereafter to elect to terminate this Lease, on account of any such assignment, subletting, transferring of this Lease or any other breach of any covenant herein, or condition of this Lease, unless evidenced by Landlord's express written waiver.

16.09. In the event of any breach of this Lease by Tenant, Landlord may, without notice, cure such breach for the account and at the expense of Tenant. If, at any time, Landlord so elects to cure such breach or is forced to incur any other expense arising out of such breach by Tenant (including, without limitation, reasonable attorney's fees and disbursements in instituting, prosecuting or defending any suits, actions or proceedings to enforce Landlord's rights under this or any other section of this Lease or otherwise) the sum or sums so paid by Landlord with all interest, as per Section 5 of this Lease, costs and damages, shall be paid by Tenant to Landlord on demand.

## 17. REMEDIES CUMULATIVE



17.01. All remedies available to Landlord hereunder and at law and in equity shall be cumulative and concurrent. No termination of this Lease nor taking or recovering possession of the Premises shall deprive Landlord of any remedies or actions against Tenant for minimum rent, additional rent, for charges or for damages for the breach of any covenant or condition herein contained, nor shall the bringing of any such action for minimum rent, additional rent, charges or breach of covenant or condition, nor the resort to any other remedy or right for the recovery of minimum rent, additional rent, charges or damages for such breach, be construed as a waiver or release of the right to insist upon the forfeiture and to obtain possession.

#### 18. LEASE SUBORDINATED

18.01. This Lease and Tenant's rights hereunder shall be subject and subordinate at all times to the lien of any mortgages now existing or hereafter created on or against the Premises and/or the Building and all renewals, modifications, consolidations and extensions thereof, without the necessity of any further instrument or act on the part of Tenant. Tenant agrees, at the election of any mortgagee to attorn to any holder of any mortgage to which this Lease is subject and subordinate. Tenant further agrees, within five (5) days after Landlord's written request to execute, acknowledge and deliver such instruments confirming such subordination and such further instruments of attornment as shall be desired by any existing or proposed mortgagee or by any other person. Tenant hereby appoints Landlord attorney-in-fact of Tenant irrevocably (such power of attorney being coupled with an interest) to execute, acknowledge and deliver any such instrument or instruments for and in the name of Tenant and to record the same. Notwithstanding the foregoing, the holder of any mortgage may at any time subordinate its mortgage to this Lease, without Tenant's consent, by notice in writing to Tenant, and thereupon this Lease shall be deemed prior to such mortgage without regard to their respective dates of execution and delivery and in that event such mortgagee shall have the same rights with respect to this Lease as though this Lease had been executed prior to the execution and delivery of the mortgage and had been assigned to such mortgagee. The word "**mortgage**" is used herein to include any lien, ground rent or encumbrance on the Premises and/or the Building or any part of or interest in or appurtenance to any of the foregoing including without limitation any ground Lease if Landlord's interest is or becomes a leasehold estate. The word "**mortgagee**" is used herein to include the holder of any mortgage, ground rent or encumbrance or any ground lessor, if Tenant's interest is or becomes a leasehold estate, including any representative or servicing agent of any such mortgagee.

#### 19. CONDEMNATION

19.01. If during the term of this Lease or any renewal or extension thereof the Building or any part of the Building is taken or condemned for a public or quasi- public use, Landlord may, at its option upon notice to Tenant, terminate this Lease as of the date when possession is surrendered to the condemnor, and the rent reserved hereunder shall abate and cease proportionately for the balance of the Term. If Landlord fails to elect to terminate this



Lease upon such taking or condemnation, this Lease shall terminate, as to the part of the Premises taken or condemned, as of the date when possession is surrendered to the condemnor, and the rent reserved hereunder shall abate in proportion to the square feet of the Premises taken or condemned. In any such events, Tenant waives all claims for leasehold damages, diminution of the value of Tenant's leasehold interest and all other damages of any kind against Landlord and against the condemnor, except for moving and related expenses.

## 20. TENANT CERTIFICATE

20.01. Tenant agrees at any time and from time to time, within five (5) days after Landlord's written request, to execute, acknowledge and deliver to Landlord a written instrument in recordable form certifying that (i) this Lease is unmodified and in full force and effect; (ii) the date to which minimum rent, additional rent and other charges have been paid in advance, if any; (iii) the amount of any prepaid rents or credits due Tenant, if any; (iv) Tenant has accepted possession of the Premises and the date on which term of the Lease commenced; (v) stating whether or not, to the best knowledge of the signer of such certificate, Landlord is in default in the performance of any covenant, agreement or condition of this Lease; and (vi) stating any other fact or certifying any other condition reasonably requested, it being intended that any such statement delivered pursuant to this Section may be relied upon by any prospective purchaser of the Building or any mortgagee thereof or any assignee or Landlord's interest in this Lease or of any mortgage upon the fee of the Premises or the Building, or any part thereof and Tenant shall be liable for all loss, cost or expense resulting from the failure of any sale or funding of any loan caused by any material misstatement contained in such certificate. Tenant irrevocably agrees that if Tenant fails to execute and deliver such certificate within such five (5) day period Landlord or Landlord's beneficiary or agent may execute and deliver such certificate on Tenant's behalf, and that such certificate shall be fully binding on Tenant.

## 21. NOTICES

21.01. All notices required or permitted hereunder from either of the parties hereto to the other must be in writing and sent by certified mail, return receipt requested, postage prepaid or by overnight mail service with receipt postage prepaid furnishing a written record of attempted or actual delivery, and shall be deemed to be delivered when tendered for delivery to the addressee at its address set forth above, or at such other address as it has then last specified by written notice delivered in accordance with this Section 21, or if to Tenant at either its aforesaid address or its last known registered office, whether or not actually accepted or received by the addressee. If Landlord requests, Tenant shall send to any mortgagee designated by Landlord a copy of notices to Landlord. Either party may at any time, by notice given as aforesaid, change the address to which notices shall be sent.

## 22. DEFINITION OF LANDLORD

22.01. The word "**Landlord**" is used herein to include the Landlord named above and any subsequent owner of such Landlord's interest in the Building, as well as their

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respective heirs, personal representatives, successors and assigns each of whom shall have the same rights, remedies, powers, authorities and privileges as it would have had had it originally signed this Lease as Landlord, but any owner of such interest in the Building, whether or not named herein, shall have no liability hereunder after it ceases to hold such interest except for such obligations which may have theretofore accrued. Neither Landlord nor any principal of Landlord, whether disclosed or undisclosed, shall be under any personal liability with respect to any of the provisions of this Lease, and if Landlord is in breach of default with respect to Landlord's obligations under this Lease or otherwise, Tenant shall look solely to the equity of Landlord in the Building for the satisfaction of Tenant's remedies. It is expressly understood and agreed that Landlord's liability under the terms, covenants, conditions, warranties and obligations of this Lease shall in no event exceed the loss of Landlord's equity in its interest in the Building. The obligations of Landlord under this Lease are not intended to and shall not be personally binding on, nor shall any resort be had to the private properties of, any of its partners, directors and officers, as the case may be, its property manager, the shareholders, directors, officers and employees thereof, or any beneficiaries, stockholders, employees, or agents of Landlord or the property manager.

#### 23. DEFINITION OF TENANT

23.01. The word "**Tenant**" is used herein to include each and every of the persons named above as Tenant as well as their heirs, personal representatives, and assigns of a Tenant who is an individual and the successors and assigns of a Tenant who is an entity, each of whom shall be under the same obligations, liabilities and disabilities and have only such rights, privileges and powers as it would have possessed had it originally signed this Lease as Tenant. However, no such rights, privileges and powers shall inure to the benefit of any assignee of Tenant, unless such assignment has been approved in writing by Landlord. Each and every of the persons named above as Tenant shall be bound jointly and severally by the terms, covenants and agreements contained herein. Any notice required or permitted by the terms of this Lease may be given by or to any one of the persons named above as Tenant, and shall have the same force and effect as if given by or to all thereof.

#### 24. RULES AND REGULATIONS

24.01. The rules and regulations attached to this Lease as Exhibit A, and such additions or modifications thereof as may from time to time be made by Landlord upon written notice to Tenant, shall be deemed a part of this Lease, as conditions, with the same effect as though written herein, and Tenant also covenants that said rules and regulations will be faithfully observed by Tenant, Tenant's employees, and all others visiting the Premises or claiming under Tenant. Landlord shall not be responsible to Tenant for the nonperformance by any other tenant or occupant of the Building of any such rules and regulations.

#### 25. QUIET ENJOYMENT

25.01. Tenant, upon paying the minimum rent, additional rent and other

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charges herein provided for and observing and keeping all covenants, agreements and conditions of this Lease on its part to be kept, shall quietly have and enjoy the Premises during the Term of this Lease without hindrance or molestation by anyone claiming by or through Landlord, subject, however, to the exceptions, reservations and conditions of this Lease including, without limitation, the rights of the holder of any mortgage to which this Lease is subordinate.

26. TITLES FOR CONVENIENCE ONLY

26.01. The titles appearing in connection with various sections of this Lease are for convenience only. They are not intended to indicate all of the subject matter in the text and they are not to be used in interpreting this Lease nor for any other purpose in the event of any controversy.

27. SEVERABILITY

27.01. If all or a portion of any provision of this Lease or the applications thereof to any person or circumstance shall, to any extent, be held invalid or unenforceable, the remainder of this Lease or the application of those provisions to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby, and each provision of this Lease shall be valid and be enforced to the fullest extent permitted by law.

28. GOVERNING LAW

28.01. The law of the Commonwealth of Pennsylvania shall govern the interpretation and enforcement of this Lease.

29. HOLDING OVER

29.01. If Tenant remains in possession of all or any part of the Premises after the expiration or termination of this Lease without Landlord's written consent, the Lease shall be extended on a month-to-month basis, and either party shall have the right to terminate the Lease upon 60-day written notice sent to the other party. During the period of any such holding over, all provisions of this Lease Agreement shall be and remain in effect.

29.02. In the event Tenant remains in possession of all or any part of the Premises after the expiration or termination of the Lease without the written consent of Landlord, Tenant shall, in addition to being liable under all provisions of this Lease, indemnify and hold Landlord harmless from and against any and all liability resulting from such failure of Tenant to surrender possession of the Premises.

30. ENTIRE AGREEMENT

30.01. This Lease and the riders, if any, attached hereto and forming part





hereof set forth all the promises, agreements and conditions between Landlord and Tenant relative to the Premises and this leasehold. No rights, easements or licenses are acquired in the Building, or any land adjacent to the Building by Tenant by implication or otherwise except as expressly set forth in the provisions of this Lease. No subsequent alteration, amendment, understanding or addition to this Lease shall be binding upon Landlord or Tenant unless reduced to writing and signed by them. The masculine (or neuter) pronoun singular number shall include the masculine, feminine and neuter genders and the singular and plural number.

### 31. TENANT'S AUTHORITY

31.01. If Tenant signs as a corporation each of the persons executing this Lease on behalf of Tenant represents and warrants that Tenant has been and is qualified to do business in the state in which the Building is located, that the corporation has full right and authority to enter into this Lease, and that all persons signing on behalf of the corporation were authorized to do so by appropriate corporate action. If Tenant signs as a partnership, limited liability company, trust or other legal entity, each of the persons executing this Lease on behalf of Tenant represents and warrants that Tenant has complied with all applicable laws, rules and governmental regulations relative to its right to do business in the state and that such entity on behalf of the Tenant was authorized to do so by any and all appropriate partnership, trust or other actions. Tenant agrees to furnish promptly upon request a corporate resolution, proof of due authorization by partners, or other appropriate documentation evidencing the due authorization of Tenant to enter into this Lease.

### 32. EXAMINATION NOT OPTION

32.01. Submission of this Lease shall not be deemed to be a reservation of the Premises. Landlord shall not be bound by this Lease until it has received a copy of this Lease duly executed by Tenant and has delivered to Tenant a copy of this Lease duly executed by Landlord, and until such delivery Landlord reserves the right to exhibit and lease Premises to other prospective tenants. Notwithstanding anything contained in this Lease to the contrary, Landlord may withhold delivery of possession of the Premises from Tenant until such time as Tenant has paid to Landlord any security deposit or initial fee required by Landlord, the first month's rent, the insurance policy or policies or certificate(s) thereof as set forth herein and any sum owed pursuant to this Lease.

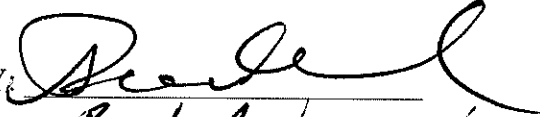
### 33. RECORDATION

33.01. Tenant shall not record or register this Lease or a short form memorandum hereof without the prior written consent of Landlord, and then shall pay all charges and taxes incident such recording or registration.

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


TENANT:

UPPER DUBLIN TOWNSHIP

BY:   
Paul A. Leonard

LANDLORD: Twp Assn

COMMERCE DRIVE REALTY, LLC

BY: 

**EXHIBIT A**  
**RULES AND REGULATIONS**

1. The parking areas, driveways, sidewalks, lobbies, passages, elevators and stairways shall not be obstructed by Tenant or used by Tenant for any purpose other than parking of motor vehicles and ingress and egress from and to Tenant's offices. Landlord shall in all cases retain the right to control or prevent access thereto of all persons whose presence, in the judgment of Landlord, shall be prejudicial to the safety, peace, character, or reputation of the Building or of any of the tenants. Tenant shall observe, and use only for their designated purpose, and shall cause its employees, contractors, guests and invitees to observe and use only for their designated purpose, all handicapped parking spaces, loading zones and fire lanes as established by Landlord from time to time.
2. The toilet rooms, water closets, sinks, faucets, plumbing or other service apparatus of any kind shall not be used by Tenant for any purposes other than those for which they were installed, and no sweepings, rubbish, rags, ashes, chemicals or other refuse or injurious substances shall be placed therein or used in connection therewith by Tenant or left by Tenant in the lobbies, passages, elevators or stairways.
3. Nothing shall be placed by Tenant on the outside of the Building or on its window sills or projections. Skylights, windows, doors and transoms shall not be covered or obstructed by Tenant, and no window shades, blinds, curtains, screens, storm windows, awnings or other materials shall be installed or placed on any of the windows or in any of the window spaces, except as approved in writing by Landlord. If Landlord has installed or hereafter installs any shades, blinds or curtains in the Premises, Tenant shall not remove them without the prior written consent of Landlord.
4. No signs, lettering, insignia, advertisement, or notice, shall be inscribed, painted, installed, erected or placed in any portion of the Premises which may be seen from outside the Building, or on any windows or in any window spaces or any other part of the outside or inside of the Building, unless first approved in writing by Landlord, other than signs which identify Tenant's use of the property and directional signs for the benefit of public access. Names on suite entrances shall be provided for Tenant by Landlord and not otherwise, and at Tenant's expense. In all instances, the lettering is to be of design and form consistent with the other lettering in the Building, and must first be approved in writing by Landlord. Tenant shall not erect or place or cause or allow to be erected or placed any stand, booth or showcase or other article of matter in or upon the Premises and/or the Building without the prior written consent of Landlord.
5. Tenant shall not place additional locks upon any doors without first obtaining Landlord's prior written consent and shall surrender all keys for all locks and all security cards and devices at the end of Tenant's tenancy.
6. Tenant shall not do or commit, or suffer to be done or committed, any act or

thingwhereby, the Building will be damaged. Tenant shall not use nor keep nor permit to be used or to be kept in the Building any matter having an offensive odor, nor any kerosene, gasoline, benzine, camphene, fuel or other explosive or highly flammable material. No birds, fish or other animals shall be brought into or kept in or about the Premises.

7. If Tenant desires to introduce signaling, telegraphic, telephonic, protective alarm or other wires, apparatus or devices, Landlord shall direct where and how the same are to be placed, and except as so directed, no installation, boring or cutting shall be permitted. Landlord shall have the right to prevent and to cut off the transmission of excessive or dangerous current of electricity or annoyances into or through the Building or the Premises and to require the changing of wiring connections or layout at Tenant's expense, to the extent that Landlord may deem necessary, and further to require compliance with such reasonable rules as Landlord may establish relating thereto, and in the event of non-compliance with the requirements or rules, Landlord shall have the right immediately to cut wiring or to do what it considers necessary to remove the danger, annoyance or electrical interference with apparatus in any part of the Building. All wires installed by Tenant must be clearly tagged at the distributing boards and junction boxes and elsewhere where required by Landlord, with the number of the office to which said wires lead, and the purpose for which the wires respectively are used, together with the name of the concern, if any, operating same. At Landlord's option, all of the foregoing shall be removed at the cost of Tenant before the expiration or sooner termination of this lease.

8. The cost of repairing any damage to the Building caused by taking in or out furniture, safes or any articles or any damage caused while the same shall be in the Premises, shall be paid by Tenant.

9. Landlord reserves the right to rescind, suspend or modify any rules or regulations and to make such other rules or regulations as, in Landlord's reasonable judgment, may from time to time be needful for the safety, care, maintenance, operation and cleanliness of the Building, or for the preservation of good order therein. Notice of any action by Landlord referred to in this paragraph, given to Tenant, shall have the same force and effect as if originally made a part of the foregoing lease.

10. The use of the Premises as sleeping quarters is strictly prohibited at all times.

11. Tenant shall keep the windows and doors of the Premises, including those opening on corridors and all doors between rooms or spaces entitled to receive heating or air conditioning service and rooms and spaces not entitled to receive such service, closed during the respective times that the heating or air conditioning system is operating, in order to conserve the service and effectiveness of the heating and air conditioning systems as the case may be. Tenant shall comply with all reasonable rules and regulations from time to time promulgated by Landlord to conserve such services.

12. The rules and regulations are not intended to give Tenant any rights or claims in the event that Landlord does not enforce any of them against other tenants or if Landlord does

not have the right to enforce them against any other tenants and such non-enforcement will not constitute a waiver as to Tenant.

13. No cooking other than the preparation of light lunch meals shall be done or permitted at any time on the Premises, and no parties or catered receptions shall be permitted without prior notice to, and written approval of, Landlord. If such approval shall be granted, Tenant shall have full complete responsibility to make arrangements and pay for proper clean up, utilizing Landlord's maintenance staff or contractor.

14. Cigarette, cigar or pipe smoking shall not be allowed in the restrooms, fire towers, lobbies, hallways, elevators or any common areas of the Building as well as not being allowed within any leased or vacant office building space.