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January 29, 2016

VIA EMAIL

Jeffrey Benedetto, Chairman of the Board of Supervisors
Lower Makefield Township
1100 Edgewood Road
Yardley, PA 19067

Terry S. Fedorchak, Township Manager
Lower Makefield Township
1100 Edgewood Road
Yardley, PA 19067

Re: Artists of Yardley

Gentlemen:

Attached please find a blacklined and clean version of the proposed Lease that has incorporated the changes requested by Maggie Robinson aside from the volunteer hours credit. I do not know that she understands the Pennsylvania nonprofit corporation issue, so I have modified it to say a Pennsylvania corporation, but I believe they formed it as a nonprofit corporation. I can understand her reluctance to say that the State recognizes the nonprofit status, but with a 501C3 status, it accomplishes the same mission.

Please review and advise if you have any additional corrections or if you have any additional comments you would like to share.

Very truly yours,


Jeffrey P. Garton

JPG/njf
Attachment

{00743684}

LEASE AGREEMENT

This Lease Agreement (the "Lease") made and concluded on this _____ day of _____, 2016, by and between the **TOWNSHIP OF LOWER MAKEFIELD**, a political subdivision of the Commonwealth of Pennsylvania, maintaining a principal place of business at 1100 Edgewood Road, Yardley, Pennsylvania 19067 (the "Township") and the **ARTISTS OF YARDLEY**, a Pennsylvania nonprofit corporation maintaining a principal place of business at ~~529 Kings~~ 949 Mirror Lake Road, Yardley, Pennsylvania 19067 (the "Lessee").

WITNESSETH:

WHEREAS, the Township is the owner of a certain parcel of real property known as the Patterson Farm, which said farm is improved by various buildings and the like (the "Property"); and

WHEREAS, the Property contains an historic two-story farmhouse known as the "Janney-Brown Farmhouse" (the "Farmhouse"); and

WHEREAS, the Township desires to lease to the Lessee the Farmhouse (the "Leased Premises"); and

WHEREAS, the Lessee desires to lease the Leased Premises from the Township, all upon the terms and conditions as set forth herein.

NOW, THEREFORE, for and in consideration of mutual promises contained herein and for other good and valuable consideration, the parties hereto agree as follows:

I. Definitions.

A. Property. "Property" means all the improvements thereon, including but not limited to the Farmhouse, located at Route 332 and Mirror Lake Road, Lower Makefield Township, Bucks County, Pennsylvania 19067.

B. Leased Premises. The “Leased Premises” means the Janney-Brown Farmhouse, the lawn immediately surrounding it, and the small garage previously utilized by the Lessee for storage, and lawn immediately surrounding it, as defined in Exhibit “A,” located at 949 Mirror lake Road, Lower Makefield Township, Bucks County, Pennsylvania.

C. Lease Commencement Date. The “Lease Commencement Date” shall be August 1, 2016.

D. Intended Use of the Leased Premises. Except as noted hereafter in this Lease Agreement, the Leased Premises shall be used exclusively for meetings, exhibitions, auctions, educational facilities, classes, and the like in connection with Lessee’s mission of supporting and encouraging local visual artists. In addition to the Leased Premises, Lessee shall be authorized to use the paved road or driveway for the purpose of ingress and egress to and from the Leased Premises. Except as noted hereafter, Lessee shall not be permitted to use the Leased Premises for any other use whatsoever without the written consent of the Township.

E. Lease Year. For purposes hereof, the term “Lease Year” shall mean each consecutive period of twelve (12) months commencing on the Lease Commencement Date (or the first day of the month after the Lease Commencement Date, if the Lease Commencement date occurs on any day other than the first day of the month) and each yearly anniversary of such date during the term hereof.

II. Lease.

A. Lease of the Leased Premises. The Township hereby leases to Lessee, which Lessee hereby rents from the Township the Leased Premises.

B. Use of Leased Premises. The Leased Premises may be used and occupied for the purposes as set forth in Article 1, Section D of this Lease Agreement and for no other purpose. It shall be Lessee’s obligation, at its sole cost and expense, to secure any and all required

approvals, certifications, permits, and the like from the Township or any other governmental agency having jurisdiction over such matters.

C. Term. The term of the Lease (the “Term”) shall be for a period of ten (10) years commencing on August 1, 2016, and shall expire on July 31, 2026, unless extended or terminated pursuant to the terms hereof.

D. Termination of Prior Lease. By executing this Lease Agreement, the parties hereto acknowledge and agree that the lease date of September 27, 2010, shall be void and have no further effect as of the Lease Commencement Date noted herein.

E. Conditions Precedent. If not previously provided to the Township, the Lessee shall provide to the Township the following documents within thirty (30) days following the execution of this Lease Agreement:

1. Current certificate of good standing for Lessee from the Pennsylvania Department of State;
2. Copy of current Bylaws of Lessee;
3. Certified copy of the Articles of Incorporation by Lessee;
4. Certified and executed Resolution of the corporation appointing the officers and directors of the Lessee and authorizing the Lessee to enter into this Lease;
5. Evidence that Lessee has been designated as a tax exempt organization under Section 501 (c) (3) of the Internal Revenue Code of 1986, as amended; and
6. Proof that Lessee currently maintains insurance in such amounts, as required hereunder, with an insurance policy provided that is acceptable to the Township, along with Certificates of Insurance that designate the Township as an additional insured.

F. Rent. Rent shall be fixed at \$1,000 per month, commencing on August 1, 2016, and continuing throughout the Term of the Lease. Lessee may be permitted to offset rental

payments pursuant to provisions of this paragraph by undertaking and completing major repairs to the Farmhouse, but no such credit shall be afforded unless the work proposed to be completed, as credit for rental, has been preapproved by the Board of Supervisors of the Township at a public meeting, which said approval shall include the scope of the work and the estimated cost of the work. Furthermore, no credit shall be given until such time as the work is satisfactorily completed in a good and workmanlike manner.

G. Additional Rent. As additional rent (the “Additional Rent”), hereunder, Lessee shall pay to the Township the following on or before dates when such additional payments shall be due, which shall be ten (10) days after receipt of notice from the Township and shall consist of all sums which may become due by reason of the failure of Lessee to comply with any of the terms, covenants, and conditions of this Lease to be kept and observed by the Lessee, and any and all damages, costs, and expenses, including without limitation thereto, reasonable attorney’s fees, which the Township may suffer or incur by reason of any default of Lessee and any damages to the Leased Premises caused by any act or omission of the Lessee.

H. Late Charge. If any installment of rent or Additional Rent shall become overdue for a period in excess of ten (10) days, then a late charge of five (5%) percent of the rent or additional rent shall be paid to the Township for the purpose of defraying the expense incidental to handling such delinquent payment.

I. Satterthwaite Farmstead. The Township is the owner of a five (5)-acre parcel, together with improvements, adjoining the property, which is improved by a single family dwelling and other agricultural buildings. The Satterthwaite Farmstead is identified as Bucks County Tax Parcel 20-16-49-1. The Township herein advises the Lessee that the Township is, as of the execution of this Lease Agreement, in litigation with Sunflower Farm, LLC, with respect to whether or not Sunflower Farm, LLC, has any further interest in the Satterthwaite Homestead,

as a result of an Agreement of Sale executed in 2012. In the event the litigation is concluded favorable to the Township, such that the Township owns the property unfettered by an Agreements of Sale or other restrictions, the Township agrees that the Lessee, in cooperation with other interested parties including the Patterson Farm Preservation Nonprofit Corporation, and the Township to effectuate the rehabilitation of the Satterthwaite Homestead with the notion that if suitable arrangements can be achieved by the Lessee, the Township, and the Patterson Farm Preservation Nonprofit Corporation, that the Lessee shall have the opportunity to conduct art classes and other activities within the Satterthwaite Homestead. It is further understood and agreed, however, that the Satterthwaite Homestead may be used for other purposes, including displaying historic artifacts from the Township, including photographs and the like, memorializing the history of Lower Makefield Township, including the agricultural history. Nothing herein shall be binding upon the Township, as this paragraph is intended to be an expression of the intent of the parties. In the event an agreement can be reached amongst the interested parties in the discussions related to the rehabilitation of the Satterthwaite Home, that agreement shall be memorialized and shall constitute an amendment to the terms and conditions of the Lease. The amendment may include expanding the Leased Premises, the payment of higher rent, and the like.

J. Pack House. The Property is also improved by a Pack House, which is an agricultural building used to pack produce and farm products. The parties acknowledge and agree that the Pack House may have asbestos located in it. The Pack House may be beneficial to the Lessee of the agricultural lands located on the Property, and as such, the Lessee of the agricultural land shall have the first right or option to make use of the Pack House for agricultural purposes. However, if the Lessee of the agricultural lands has no need for the use of the Pack House or does not need to utilize the entire Pack House, then the Township agrees that

in good faith, it will negotiate with the Lessee so as to expand the Leased Premises to include all or a portion of the Pack House, which shall be memorialized as an amendment to the terms and conditions of this Lease. That amendment shall include the delineation of the Pack House or a portion thereof as an additional Leased Premises and any adjustment to rent as may be appropriate. Lessee confirms that it would propose to use a portion of the Pack House for a ceramic studio, which would include a kiln. However, as noted herein, nothing binds the Lessee to lease additional space in the Pack House or to utilize the additional space in the Pack House for a ceramic studio.

K. Weddings. The Township and Lessee agree that the Leased Premises is an appropriate venue for an occasional wedding function. The parties agree that weddings may occur on the Leased Premises, provided that both the Township and Lessee jointly agree to the conduct of the wedding, and the wedding does not involve the utilization of any of the interior of the Janney-Brown Farmhouse. Any wedding conducted on the Leased Premises shall have limitations on music, shall require portable restroom facilities, and such other restrictions as the Township and Lessee shall mutually agree are appropriate. The amount of rentals to be paid for the utilization of the Leased Premises for weddings shall be determined by the Township and Lessee, and the rental proceeds shall be split evenly, such that fifty (50%) percent of the rental proceeds shall be paid to the Township and fifty (50%) percent shall be paid to the Lessee. It is understood and agreed that the number of weddings are intended to be limited, and that the agreement on the part of the parties to conduct weddings on the Leased Premises is not intended to create the Leased Premises as a frequent wedding destination. Any agreement between the parties with respect to the conduct of a wedding shall be subject to a separate written or electronic document confirming the particulars of each and every wedding arrangement. Either

party may initiate the dialogue with respect to the conduct of weddings. Any approval from the Township shall be received from the Board of Supervisors of the Township.

L. Security Deposit.

1. Payment of Deposit. The Township acknowledges that the Lessee deposited with the Township contemporaneously with the execution of the Lease dated on or about September 27, 2010, the sum of One Thousand Two Hundred Fifty (\$1,250.00) Dollars, which shall be transferred as a security deposit for this Lease. Said security deposit is intended as security for the full and faithful performance of every provision of this Lease to be performed by Lessee. If Lessee defaults with respect to any provision of this Lease, the Township may use, imply, or retain all or any part of the security deposit for the payment of any rent or any sum due from Lessee or for the payment of any amount, which Township may spend or become obligated as a reason of Lessee's default. If any portion of the security deposit is used or applied, Lessee shall, within ten (10) days of written demand, deposit cash with Township in an amount sufficient to restore the security deposit to its original amount, and Lessee's failure to do so shall be an event of default of this Lease. This security deposit may not set off other charges, fees, or rents, including but not limited to any additional rent imposed hereunder.

2. Return of Deposit. If the Lessee performs all of Lessee's obligations hereunder, the security deposit, or so much thereof as had not been applied by the Township, shall be returned to Lessee without interest (or at the Township's option, to the last assignee, if any, of Lessee's interest hereunder) at the expiration of the Term hereof, and after Lessee has vacated the Leased Premises. No trust relationship is established herein between the Township and Lessee with respect to said security deposit.

M. Possession. Possession of the Leased Premises shall be given to Lessee by the Township at the Lease Commencement Date, but there shall be no obligation to provide any keys since the Lessee will be continuing with its possession of the Leased Premises following the expiration of the September 27, 2010, Lease. The parties acknowledge and agree that the Leased Premises are accepted by the Lessee in its existing condition of the date of the execution of this Lease. Lessee warrants that, prior to the execution of this Lease, it has completely inspected the Premises, has occupied the Premises for the preceding five (5) years, and accepts same on the condition existing at the date of execution hereof.

N. Obligations of the Parties. The Parties hereto shall be responsible for the payment of all costs, expenses, assessments, or other charges whatsoever during the Term of the Lease, following the Lease Commencement Date, in the following matter.

1. Lessee shall be solely responsible for:
 - a. All utilities used on the Leased Premises.
 - b. All insurance required to be maintained on the Leased Premises as set forth in this Lease, which said insurance shall name the Township as an additional insured.
2. The Township shall be solely responsible for:
 - a. All real estate taxes assessed against the Leased Premises following the Lease Commencement Date and due during the Term of this Lease.
 - b. All municipal water charges.

O. Cleaning. Lessee shall be responsible for cleaning and waste removal of the Leased Premises. All refuse and/or garbage materials resulting from Lessee's use of the Leased Premises will be disposed of at times and in a manner approved by the Township.

P. Maintenance, Alterations, and Repairs.

1. Lessee, at Lessee's sole expense, shall be responsible for the routine maintenance of the landscaping, sidewalks, the Janney-Brown Farmstead, and any all snow removal at the Farmhouse, but the Township shall be responsible for snow removal related to the ~~and the~~ access drive. For the purpose of this Agreement, routine maintenance shall not include the major structural systems, such as the roof, foundation, walls, floors, heater, hot water heater, electrical system, plumbing system, and any repairs that exceed One Thousand (\$1,000.00) Dollars in estimate cost. Unless an emergency shall occur, Lessee shall not undertake any repairs in excess of One Thousand (\$1,000.00) Dollars, which can be charged to the Township without the prior approval of the Township, which shall be manifested by written or electronic approval from the Township manager in the event time does not permit the Board of Supervisors to consider same at a public meeting.

2. Alterations. Only upon receipt of the Township's prior written consent may Lessee make alterations or modifications to the Leased Premises necessary for Lessee's use of the Leased Premises, but no alterations or modifications shall reduce the fair market value of the Leased Premises or violate any applicable law, ordinance, regulation, or order. Prior to commencing any alterations, Lessee must: present its plan for such alterations to the Township at least thirty (30) days prior to the date set to commence such alterations; obtain the prior written consent of the Township to engage in such alterations; and secure and pay for all applicable permits and authorizations of all municipal departments and governmental subdivisions having jurisdiction. The Township's approval shall be manifested by action of the Township Board of Supervisors. The Township's prior written consent may not be unreasonably withheld or delayed. Any alterations by Lessee shall be made promptly (unavoidable delays

excepted) and in good and workmanlike manner and in compliance with all applicable permits, authorizations, and building and zoning laws and with all other requirements of all governmental authorities having jurisdiction and any national or local board of fire underwriters or any other body hereafter exercising functions similar to those of any of the foregoing.

Q. Events of Default – Remedies.

1. The following events, or any one or more of them, shall be an “Event of Default” under the Lease:

a. Lessee shall fail to pay any rent or any Additional Rent or other sums payable hereunder when the same are due and payable; or

b. Lessee shall fail to perform or comply with any of the other terms, covenants, agreements, or conditions hereof; or

c. Lessee shall make a general assignment for the benefit of creditors or shall admit in writing its inability to pay its debts as they become due, or shall file a petition in bankruptcy or shall be adjudged bankrupt or insolvent, or shall file a petition seeking any reorganization, arrangement, composition, readjustment, liquidation, dissolution, or similar relief under any present or future statute, law, or regulation, or shall file an answer admitting or not contesting the material allegations of a petition against it in any such proceeding, or shall seek or consent to or acquiesce in the appointment of any trustee, receiver, or liquidator of Lessee, or any material part of its property; or

d. If within sixty (60) days after commencement of any proceedings against Lessee seeking any reorganization, arrangement, composition, readjustment, liquidation, or dissolution or similar relief under any present or

future statute, law, or regulation, such proceedings shall not have been dismissed or, if within sixty (60) days after the appointment without the consent or acquiescence of Lessee of any trustee, receiver or liquidator of the Lessee or any material part of its properties, such appointment shall not have been vacated; or

e. Lessee shall cease to be a ~~Pennsylvania nonprofit~~ corporation in good standing with the Commonwealth of Pennsylvania.

2. In the event of any such Event of Default (regardless of the pendency of any proceeding which has or might have the effect of preventing Lessee from complying with the terms of this Lease), the Township, at any time thereafter, may exercise any one or more of the following remedies:

a. Exclusion. The Township may change the locks on the Leased Premises and exclude Lessee, its servants, and employees from the right to occupy the Leased Premises, and such action shall not be deemed to constitute any eviction or surrender of the Lease by Lessee. Such action may be taken without prior notice to Lessee, and Lessee hereby releases the Township from any liability for any damages sustained by Lessee or its property arising from said changing of locks and exclusion from the Leased Premises, and Lessee hereby agrees to indemnify and save the Township harmless from any such liability. In addition, rental shall not abate during the period of said exclusion.

b. Termination of Lease. The Township may terminate this Lease, by notice to Lessee (the "Termination Notice") setting forth the date of the lease termination (the "Lease Termination Date"), without any right by Lessee to reinstate its rights by payment of rent due or other performance of the terms and conditions hereof. On or before the Lease Termination Date, Lessee shall

surrender possession of the Leased Premises to the Township and restore the Leased Premises to the condition required by the terms and conditions of this Lease. The Township shall immediately become entitled to receive from Lessee all unpaid installments of Holdover Rent (hereinafter defined), Additional Rent, rent, and other charges hereunder, accruing up to and including the Restoration Date (hereinafter defined).

c. Re-Leasing. Without terminating this Lease, the Township may re-enter and repossess the Leased Premises or any part thereof, which shall not constitute an eviction or a surrender of the Lease by Lessee, and lease them to any other person upon such terms as the Township shall deem reasonable for a term within or beyond the term of this Lease; provided, however, that any such re-leasing prior to termination shall be for the account of Lessee, and Lessee shall remain liable for:

i. the costs of undertaking and completing any repairs or any other work required as a result of Lessee's default, plus all additional or other sums that may be payable under this Lease by Lessee in the absence of such expiration, termination, or repossession, less

ii. the net proceeds, if any, of any re-leasing effort shall be applied to the account of Lessee after deducting from such proceeds without limitation, all repossession costs, broker's commissions, attorneys' fees and expenses, employees' expenses, alteration costs, and expenses of preparation for such re-leasing. If the Leased Premises are, at the time of default, sublet or leased by Lessee to others, the Township may, as Lessee's agent, collect rents due from any subtenant or other

tenant and apply such rents to the rent and other obligations due hereunder without in any way affecting Lessee's obligations to the Township hereunder. Such agency, being given for security, is hereby declared to be irrevocable.

3. Except as expressly provided herein, no repossession of the Leased Premises or any part thereof or exclusion of Lessee from the Leased Premises pursuant to subparagraph 2 above or otherwise shall relieve Lessee of its liabilities and obligations hereunder, all of which shall survive such exclusion, expiration, or repossession, and the Township may, at its option, sue for and collect rent and other charges due hereunder at any time and from time to time as and when such charges accrue or are accelerated.

4. With respect to any portion of the Leased Premises, which is vacant or which is physically occupied by Lessee, the Township may remove all persons and property therefrom and store such property in a public warehouse or elsewhere at the cost of and for the account of Lessee, without service of notice or resort to legal process (all of which Lessee expressly waives) and without being deemed guilty of trespass or becoming liable for any loss or damaged which may be occasioned thereby. The Township shall have a lien for the payment of all sums agreed to be paid by Lessee herein upon all Lessee's property, which lien is to be in addition to any landlord's lien now or hereafter provided by law.

5. The parties hereby waive trial by jury in any action, proceeding, or counterclaim brought by either of them against the other on any matters arising out of or in any way connected with this Lease, the relation of the Township and Lessee, Lessee's use or occupancy of the Leased Premises, and/or any claim of injury or damages. In the event the Township commences any proceedings for failure to comply with the terms and

conditions of this Lease, Lessee shall not interpose any counterclaim of any nature or description in any such proceedings. This shall not be construed, however, as a waiver of Lessee's right to assert any such claims in any separate action brought by Lessee.'

6. Lessee hereby expressly waives any and all rights of redemption granted by or under any present or future law in the event this Lease is terminated or Lessee is evicted or dispossessed by reason of violation by Lessee of any of the provisions of this Lease.

7. In the event of breach or threatened breach by Lessee of any provision of this Lease, the Township shall have the right of injunction as if other remedies were not provided for herein.

8. No right or remedy herein conferred upon or reserved to the Township is intended to be exclusive of any other right or remedy herein or by law provided, but each shall be cumulative and in addition to every other right or remedy given herein or now or hereafter existing at law or in equity or by statute.

9. If Lessee shall default in the performance of any covenant required to be performed by it under this Lease, the Township may perform the same for the account and at the expense of Lessee. If the Township at any time is compelled to pay or elects to pay any sum of money by reason of the failure of lessee to comply with any provisions hereof, or if the Township is compelled to incur any expense, including reasonable counsel fees, in instituting, prosecuting, or defending against any action or proceedings instituted by reason of any default of Lessee hereunder, the amount of such payments or expenses shall be paid by Lessee to the Township as Additional Rent, with ten (10) business days next following such payment or the incurring of such expenses, together with interest thereon at the rate set forth herein.

10. No waiver by the Township of any breach by Lessee of any of its obligations, agreements, or covenants hereunder shall be a waiver of any subsequent breach or of any other obligation, agreement, or covenant, nor shall any forbearance by the Township to seek a remedy for any breach by Lessee be a waiver by the Township of its rights and remedies with respect to such or any subsequent breach.

11. Lessee expressly waives any right of defense which it may have based on any purported merger of any cause of action, and neither the commencement of any actions or proceedings nor the settlement thereof or the entering of judgment therein shall bar the Township from bringing subsequent actions or proceedings from time to time.

DISCLOSURE AND WAIVER OF RIGHTS
REGARDING CONFESSION OF JUDGMENT

LESSEE ACKNOWLEDGES THAT THIS LEASE INCLUDES A POWER OF AUTHORITY FOR ANY ATTORNEY TO CONFESS JUDGMENT AGAINST THE LESSEE. IN GRANTING THIS WARRANT OF ATTORNEY TO CONFESS JUDGMENT AGAINST THE LESSEE, THE LESSEE, FOLLOWING CONSULTATION WITH (OR DECISION NOT TO CONSULT) SEPARATE COUNSEL FOR SUCH LESSEE AND WITH KNOWLEDGE OF THE LEGAL EFFECT THEREOF, HEREBY KNOWINGLY, INTENTIONALLY, VOLUNTARILY, INTELLIGENTLY, AND UNCONDITIONALLY WAIVES ANY AND ALL RIGHTS THE LESSEE HAS OR MAY HAVE TO PRIOR NOTICE AND AN OPPORTUNITY FOR HEARING UNDER THE RESPECTIVE CONSTITUTIONS AND LAWS OF THE UNITED STATES OF AMERICA, COMMONWEALTH OF PENNSYLVANIA, OR ELSEWHERE, INCLUDING, WITHOUT LIMITATION, A HEARING PRIOR TO GARNISHMENT AND ATTACHMENT OF THE LESSEE'S BANK ACCOUNTS AND OTHER ASSETS.

LESSEE ACKNOWLEDGES AND UNDERSTANDS THAT BY ENTERING INTO THE LEASE CONTAINING A CONFESSION OF JUDGMENT CAUSE THAT LESSEE IS VOLUNTARILY, INTELLIGENTLY, AND KNOWINGLY GIVING UP ANY AND ALL RIGHTS, INCLUDING CONSTITUTIONAL RIGHTS, THAT SUCH LESSEE HAS OR MAY HAVE TO NOTICE AND A HEARING BEFORE JUDGEMNT CAN BE ENTERED AGAINST SUCH LESSEE AND BEFORE THE LESSEE'S ASSETS, INCLUDING, WITHOUT LIMITATION, ITS BANK ACCOUNTS, PERSONAL PROPERTY, AND REAL ESTATE, MAY BE GARNISHED LEVIED, EXECUTED UPON, AND/OR ATTACHED. LESSEE UNDERSTANDS THAT ANY SUCH GARNISHMENT, LEVY, EXECUTION, AND/OR ATTACHMENT SHALL RENDER THE PROPERTY GARNISHED, LEVIED, EXECUTED UPON, OR ATTACHED IMMEDIATELY UNAVAILABLE TO LESSEE.

LESSEE AND THE TOWNSHIP HEREBY CONSENT TO THE JURISDICTION OF THE COURT OF COMMON PLEAS OF BUCKS COUNTY, PENNSYLVANIA, FOR ANY PROCEEDING IN CONNECTION HEREWITH, AND HEREBY WAIVE OBJECTIONS AS TO VENUE AND CONVENIENCE OF FORUM IF VENUE IS IN BUCKS COUNTY, PENNSYLVANIA. IN ANY ACTION OR SUIT UNDER THIS LEASE, SERVICE OF PROCESS MAY BE MADE UPON LESSEE BY MAILING A COPY OF THE PROCESS BY FIRST CLASS MAIL TO THE RECEIPIENT AT THE RESPECTIVE ADDRESS SET FORTH IN THE NOTICE PARAGRAPH OF THIS LEASE, INFRA. THE TOWNSHIP AND LESSEE HEREBY WAIVE ANY AND ALL OBJECTIONS TO SUFFICIENCY OF SERVICE OF PROCESS IF DULY SERVED IN THIS MANNER.

12. UPON THE OCCURRENCE OF ANY EVENT OF DEFAULT, WHICH IS NOT CURED WITHIN ANY PERIOD OF TIME HEREIN PROVIDED, IF ANY, LESSEE, WITH UNDERSTANDING OF THE RELINQUISHMENT OF CERTAIN

RIGHTS TO WHICH LESSEE WOULD OTHERWISE BE ENTITLED AS A MATTER OF LAW AND DUE PROCESS, INCLUDING THE RIGHT TO NOTICE AND JUDICIAL HEARING, HEREBY IRREVOCABLY EMPOWERS ANY PROTHONOTARY, CLERK, OR ATTORNEY OF ANY COURT OF THE COMMONWEALTH OF PENNSYLVANIA TO APPEAR FOR LESSEE, WITH OR WITHOUT DECLARATION FILED, AS OF ANY TERM, AND THEREIN TO CONFESS OR ENTER JUDGMENT AGAINST LESSEE FOR RENT AND/OR THE CHARGES, PAYMENTS, COSTS, AND EXPENSES HEREIN RESERVED AS RENT, OR HEREIN AGREED TO BE PAID BY LESSEE, AND THEN DUE AND UNPAID AND FOR INTEREST AND COSTS, TOGETHER WITH A REASONABLE ATTORNEY'S COMMISSION OF NOT LESS THAN FIVE (5%) PERCENT OF SUCH RENTS OR OTHER CHARGES OR EXPENSES THEN DUE. SUCH AUTHORITY SHALL NOT BE EXHAUSTED BY ONE EXERCISE THEREOF, BUT JUDGMENT MAY BE CONFESSED, AS AFORESAID, FROM TIME TO TIME AS OFTEN AS ANY OF SAID RENT AND/OR OTHER CHARGES RESERVED AS RENT OR AGREED TO BE PAID BY LESSEE SHALL FALL DUE OR BE IN ARREARS.

13. UPON THE OCCURRENCE OF ANY EVENT OF DEFAULT, WHICH IS NOT CURED WITHIN ANY PERIOD OF TIME HEREIN PROVIDED, LESSEE, WITH THE UNDERSTANDING OF THE RELINQUISHMENT OF CERTAIN RIGHTS TO WHICH LESSEE WOULD OTHERWISE BE ENTITLED TO AS A MATTER OF LAW AND DUE PROCESS INCLUDING THE RIGHT TO NOTICE AND JUDICIAL HEARING, HEREBY AUTHORIZES AND EMPOWERS ANY ATTORNEY OF ANY COURT OF RECORD IN THE COMMONWEALTH OF

PENNSYLVANIA AS ATTORNEY FOR LESSEE, AS WELL AS FOR ALL PERSONS CLAIMING UNDER, BY OR THROUGH LESSEE, TO APPEAR FOR LESSEE AND ENTER IN ANY COMPETENT COURT, IN ACCORDANCE WITH THE THEN APPLICABLE RULES OF SUCH COURT, AN ACTION IN EJECTMENT FOR POSSESSION OF THE LEASED PREMISES, WITHOUT ANY STAY OF EXECUTION OR APPEAL, AGAINST LESSEE AND ALL PERSONS CLAIMING UNDER, BY OR THROUGH LESSEE AND THEREIN CONFESS JUDGMENT FOR THE RECOVERY BY THE TOWNSHIP OF POSSESSION OF THE LEASED PREMISES, FOR WHICH THIS LEASE (OR A COPY OF THEREOF) SHALL BE SUFFICIENT WARRANT, WHEREUPON IF THE TOWNSHIP SO DESIRES, A WRIT OF POSSESSION MAY BE ISSUED FORTHWITH, WITHOUT ANY PRIOR WRIT OR PROCEEDING WHATSOEVER. IT IS HEREBY EXPRESSLY AGREED THAT IF FOR ANY REASON, AFTER SUCH ACTION HAS BEEN COMMENCED, THE SAME SHALL BE DISCONTINUED, MARKED SATISFIED OF RECORD, OR TERMINATED, OR POSSESSION OF THE LEASED PREMISES REMAIN IN OR BE RESTORED TO LESSEE, THE TOWNSHIP SHALL HAVE THE RIGHT FOR THE SAME DEFAULT, OR ANY SUBSEQUENT DEFAULT, TO BRING ONE OR MORE ACTIONS IN THE MANNER HEREIN SET FORTH TO RECOVER POSSESSION OF THE LEASED PREMISES.

14. IN ANY ACTION INVOLVING A CONFESSION OF JUDGMENT BY THE TOWNSHIP AGAINST LESSEE, THE TOWNSHIP SHALL FIRST CAUSE TO BE FILED IN SUCH ACTION AN AFFIDAVIT MADE BY IT OR SOMEONE ACTING FOR IT, SETTING FORTH THE FACTS NECESSARY TO AUTHORIZE THE ENTRY OF JUDGMENT, AND A TRUE COPY OF THIS LEASE (AND SUCH

AFFIDAVIT SHALL BE SUFFICIENT EVIDENCE OF THE TRUTH OF THE COPY) BE FILED IN SUCH ACTION, AND IT SHALL NOT BE NECESSARY TO FILE THE ORIGINAL AS WARRANT OF ATTORNEY, ANY RULE OF COURT, CUSTOM OR PRACTICE TO THE CONTRARY NOTWITHSTANDING. LESSEE HEREBY RELEASES THE TOWNSHIP AND ANY AND ALL ATTORNEYS WHO MAY APPEAR FOR LESSEE, FROM ALL LIABILITY FOR ALL ERRORS IN SAID PROCEEDINGS.

LESSEE FULLY AND COMPLETELY UNDERSTANDS THE RIGHTS THAT ARE BEING GIVEN UP IF THE LESSEE SIGNS THE LEASE CONTAINING THE CONFESSION OF JUDGMENT, LESSEE NEVERTHELESS KNOWINGLY AND VOLUNTARILY WAIVES SAID RIGHTS AND CHOOSES TO SIGN THE LEASE. LESSEE FURTHER UNDERSTANDS THAT THE TOWNSHIP HAS RELIED UPON THIS WAIVER IN ORDER TO ENTER INTO THIS LEASE AND THE ACCOMMODATIONS EVIDENCED OR SECURED BY THE LEASE.

15. If proceedings shall be commenced by the Township to recover possession under the Acts of Assembly and Rules of Civil Procedure, either at the end of the term or earlier termination of this Lease, or for nonpayment of rent or any other reason, Lessee specifically waives the right to the three (3) month notice and to the fifteen (15) or thirty (30) days' notice required by the Landlord and Lessee Act of 1951, and agrees that notice under either Pa. R.C.P. 2973.2 or Pa. R.C.P. 2973.3, as amended from time to time, shall be sufficient in either or any such case.

R. Surrender of Leased Premises. Upon the termination or expiration of this Lease as provided herein, Lessee shall promptly surrender the Leased Premises free of debris and in good condition, reasonable wear and tear excepted.

S. Environmental Matters. Lessee's use and operation of the Leased Premises shall at all times be in compliance with all "Environmental Laws," as hereinafter defined. Lessee shall not generate, manufacture, produce, process, refine, handle, treat, store, deposit, bury, inject, release, place, dump, or dispose of on the Leased Premises or the Property any "Hazardous Substances," as hereinafter defined, in any manner which would violate any of the environmental laws. Lessee shall protect, indemnify, and save and hold harmless the Township from and against any and all liability, losses, damages, costs, charges, and expenses that the Township may suffer or incur as a result of any claims, suits, actions, demands, orders, judgments, or adjudications asserted, assessed, filed, or entered against the Township by any third party, including any local, state, or federal governmental authority, arising from or in any way related to the alleged generation, selling, manufacturer, production, processing, refining, handling, treatment, storage, deposit, disposal, burial, dumping, injecting, spilling, leaking, or other use, placement, or release in, on, or affecting the Leased Premises, the Property of a Hazardous Substance or otherwise arising from any other alleged violation of any of the environmental laws, including, but not limited to, liability for costs and expenses of abatement, correction, or clean-up, fines, damages, response costs, and penalties, and liability for personal injury or property damage caused by lessee or its employees, agents, invitees, licensees, or contractors or as a result of Lessee's intended use of the property. In the event of Lessee's failure to comply in full with this Section, the Township may, at its option, perform any and all of Lessee's obligations, as aforesaid, and all reasonable costs and expenses incurred by the Township in the exercise of this right shall be deemed to be payable upon demand. For purposes of this Lease, the term "Environmental Laws" shall mean all federal, state, and local laws, statutes, ordinances, rules, regulations, and policies now or hereafter existing which govern or otherwise relate to the protection of health or the environment. For purposes of this Lease, the

term "Hazardous Substances" shall mean any flammable substance, explosive, radioactive material, hazardous material, hazardous waste, toxic substance, pollutant, contaminant, or any other substance regulated under the Environmental Laws, including, but not limited to, asbestos, PCBs, and any hazardous substance as that term is defined in Section 101(14) of the Comprehensive Environmental Response, Compensation and Liability Act, as amended by the Superfund Amendments and Reauthorization Act of 1986, 42 U.S.C. Section 9601(14). Failure to comply with the terms hereof shall constitute an Event of Default under the Lease.

T. Casualty Damage. If the Leased Premises are damaged by fire or other casualty, Lessee shall promptly notify the Township and the Township shall repair the damaged portions of the Leased Premises (but not any of Lessee's property therein or improvements or alterations made by Lessee), except that if, in the Township's reasonable judgment, the damage would require more than one hundred eighty (180) days of work to repair, or if the insurance proceeds (excluding rent insurance), which the Township anticipates receiving are inadequate to pay the cost of such repair, then the Township or Lessee shall have the right to terminate this Lease by so notifying the other party, which notice shall specify a termination date not less than fifteen (15) days after its transmission. If the Township is so required to repair, the work shall be commenced and completed with due diligence, taking into account the time required for the Township to procure insurance proceeds, construction delays due to shortages of labor or material, or other causes beyond the Township's reasonable control.

U. Hold Harmless; Waiver of Subrogation.

1. Lessee covenants and agrees to exonerate, indemnify, defend, protect, and save the Township harmless from and against any and all such claims, demands, expenses, losses, suits, and damages as may be occasioned by reason of any accident or matter occurring on the Leased Premises to the extent caused by Lessee or its employees,

invitees, guests, or agents, in or about the Leased Premises or Property, which causes injury to persons (including death) or damage to property; the failure of Lessee to fully and faithfully perform the obligations and observe the conditions of this Lease; or the negligent or otherwise tortious act of Lessee or anyone in or about the Leased Premises or Property on behalf or at the invitation or right of Lessee.

2. The Township and Lessee hereby release the other from any and all liability or responsibility to the other or anyone claiming through or under them by way of subrogation or otherwise for any loss or damage to property covered by and any insurance then in force, even if such loss or damage shall have been caused by the fault or negligence of the other party, or anyone for whom such party may be responsible; provided, however, that this release shall be applicable and in force and effect only to the extent of and with respect to any loss or damage occurring during such time as the policy or policies of insurance covering said loss shall contain a clause or endorsement to the effect that this release shall not adversely affect or impair said insurance or prejudice the right of the insured to recover thereunder.

V. Compliance with Law. Lessee shall at all times comply with all requirements of all constituted public authorities and with the terms of any state or federal statute or local ordinance or regulation applicable to the Leased Premises and Lessee's Intended Use of the Leased Premises. Failure to so comply shall constitute an Event of Default under this Lease and Lessee further agrees to defend and indemnify the Township for any and all claims, judgments, fines, and actions of whatever nature for failure to comply with the terms of this paragraph.

W. Insurance. Lessee will, at all times following the date on which possession of the Leased Premises is delivered to Lessee, and at Lessee's cost and expense, maintain insurance with insurance policy providers acceptable to the Township of the following character:

1. Comprehensive general public liability insurance covering the legal liability of the Township and Lessee against claims for bodily injury or death, occurring on, in, or about the Leased Premises in the minimum amounts of One Million (\$1,000,000.00) Dollars for each claim with respect to any one death or bodily injury, and One Million (\$1,000,000.00) Dollars for property damage.

2. Lessee shall comply with all applicable Pennsylvania workmen's compensation laws, and shall maintain such insurance if and to the extent necessary for such compliance.

3. Rent or rental value insurance against loss due to fire and the risks customarily covered by the extended coverage endorsement.

4. Such other coverages as may be reasonable be required by the Township. Lessee shall keep its personal property, improvements, betterments, and trade fixtures in the Leased Premises insured with "all risks" insurance in an amount to cover 100 (100%) percent of the replacement cost of the personal property, improvements, betterments, and trade fixtures.

All policies carried hereunder will include the Township as an additional named insured with respect to ownership of the Leased Premises and Equipment.

Every policy of insurance required by this Section shall provide that the issuer thereof waives all rights of subrogation against the Township, any successor to the Township's interest in the Leased Premises, and any mortgagee or assignee of the Township's interest in the Leased Premises; that thirty (30) days' prior written notice of cancellation, modification, or amendment thereof shall be given to the Township or any such mortgagee or assignee thereof; and that such policy shall neither be invalidated by any foreclosure or other proceedings or notices thereof relating to the Leased Premises or any interest therein, nor by any change in the title of

ownership of the Property or any interest therein. No such policy shall contain a provision relieving the issuer thereof of liability for any loss by reason of the existence of other policies or insurance covering the Property against the peril involved.

Lessee may carry additional insurance of any nature for its own benefit and in its own name.

Insurance policies required to be carried by Lessee under this Lease shall:

1. Be issued by insurance companies licensed to do business in the Commonwealth of Pennsylvania, with general policyholder's ratings of at least A and a financial rating of at least XI in the most current Best's Insurance Reports available on the date of issuance. If the Best's ratings are changed or discontinued, the Township shall designate, by notice to Lessee, an equivalent method of rating insurance companies;
2. Prove that the insurance not be cancelled or materially changed in scope or amount of coverage unless thirty (30) days' advance notice is given to the Township;
3. Be primary policies—not contributing with, or in excess of the coverage that the Township may carry;
4. Be permitted to be carried under a "blanket policy." However, a specific minimum limit must be listed, which is applicable to the Leased Premises and acceptable to the Township.
5. Be maintained during the entire Term and any Holdover Term of this Lease.
6. By the Lease Commencement Date and upon each renewal of its insurance policies, Lessee shall provide certificates of insurance to the Township by notice hereunder. The certificates shall specify amounts, types of coverage, the waiver of subrogation, as specified herein, and the insurance criteria listed in this Section. The

policies shall be renewed or replaced and maintained by Lessee. If Lessee fails to give any required certificate within the time provided herein, the Township may obtain and pay for that insurance and receive reimbursement from Lessee as Additional Rent, any other provision of this Lease notwithstanding.

X. Signs. Lessee shall not place any sign in or about the Leased Premises, except with the express prior written consent of the Township and provided Lessee demonstrates to the Township compliance with all applicable zoning regulations and requirements of the Township of Lower Makefield, County of Bucks, Pennsylvania, and same is necessary for the Intended use of the Leased Premises by Lessee.

Y. Inspection. The Township or its agents or employees shall have the right to inspect the Leased Premises and to enter the Leased Premises at all reasonable times upon 24 hours' notice (except in the case of an emergency, in which case no prior notice is necessary) for the purpose of inspecting the Leased Premises and making any repairs that may be necessary to cause the Leased Premises to comply with the laws, rules, or regulations of any governmental authority having jurisdiction or that may become necessary by reason of the failure of Lessee to maintain the Leased Premises, as required under this Lease.

Z. Mechanic's Liens. Lessee shall not permit any mechanic's, materialman's, or similar liens to remain upon the Leased Premises for labor or material furnished to Lessee or claimed to have been furnished to Lessee in connection with work of any character performed or claimed to have been performed on the Leased Premises or at the direction or with the consent of Lessee, whether or not such work was performed or materials furnished before or after the commencement of the term of this Lease. Lessee may, however, contest the validity of any such lien or claim, provided Lessee shall give the Township such reasonable security to insure payment and to prevent any sale, foreclosure, or forfeiture of the Premises by reason of such

nonpayment as the Township may require. Upon final determination of the validity of any such lien or claim, Lessee shall immediately pay any judgment or decree rendered against Lessee or the Township with all proper costs and charges, and shall cause such lien to be released of record without cost to the Township. Notwithstanding anything contained herein to the contrary, Lessee shall at all times require all contractors to post a bond guaranteeing payment for the labor and materials supplied by any subcontractor. Lessee shall not commence any such work until and unless the Township issues its prior written approval.

AA. Notice and Grace Periods. Neither party shall be in default under this Lease unless a payment due hereunder is not made or any nonmonetary term or condition of the Lease is not complied with within thirty (30) days after written notice from the other party.

BB. Waste. Lessee agrees not to commit or allow to be committed any waste upon the Leased Premises, or any nuisance.

CC. Accidents. Lessee shall give the Township prompt written notice of any accidents to, or defects in, the Leased Premises. The Township shall not be responsible for any injury or damage that may happen to the person or goods of Lessee, or those claiming under Lessee, or its employees, either on or about the Leased Premises.

DD. Assignment of Lease and Subletting. Lessee may not assign the Lease, or sublet all or any part of the Leased Premises or permit the same to be occupied or used by anyone other than Lessee or its employees without the Township's prior written consent, which consent may be withheld or conditioned for any reason whatsoever, in the Township's sole discretion.

EE. Holding Over. If Lessee remains in possession of the Leased Premises after the Township has cancelled the term of the Lease, or the Township has exercised its rights to terminate the Lease, or after the expiration of the term of this Lease (a "Holding Over"), without the prior written consent of the Township, such Holding Over shall create a Holding Over

tenancy from month to month, commencing on the day after the Lease Termination Date (the “Holdover Term”), with respect to the Leased Premises on all of the same terms and conditions as are in effect on the last day of the preceding term, except that on the first business day of each month, the Lessee shall pay to the Township One Thousand Five Hundred (\$1,500.00) Dollars, the “Holdover Rent.” Notwithstanding anything set forth to the contrary, the Township may cancel the Holdover Term at any time within such Holding Over tenancy upon five (5) days prior notice to Lessee, but such cancellation notwithstanding, Holdover Rent shall accrue and shall be payable by Lessee until such time (the “Restoration Date”) as Lessee vacates fully the Leased Premises and restores the same to the condition required hereunder.

FF. The Township’s Representations and Warranties. In order to induce Lessee to enter into this Lease, the Township warrants, represents, and covenants that:

1. The entering into this Lease will not constitute a violation or breach of any of the terms of any contract or other instrument to which the Township is a party or to which the Township is subject.

2. The Township has fee simple title to the Property and the Leased Premises and has the authority to enter into this Lease and to complete the transactions contemplated herein.

3. The zoning for the Property is “Residential Low-Density (R-1).”

GG. Lessee’s Representations and Warranties. In order to induce the Township to enter into this Lease, Lessee warrants, represents, and covenants that:

1. Lessee is under no legal impediment and has full legal and corporate authority to enter into this Lease.

2. There are no legal impediments or adverse financial conditions (including, but not limited to insolvency or bankruptcy) that would prevent Lessee from leasing the

Leased Premises or obtaining the other approvals mentioned herein, to the best of Lessee's knowledge, information, and belief.

3. No litigation is pending or, to Lessee's knowledge, proposed, threatened, or anticipated that would prevent Lessee from leasing the Leased Premises or entering into this Lease in any court or before or by any federal, state, county, or municipal department, commission, board, bureau, or agency, or other governmental instrumentality.

4. Lessee is a Pennsylvania ~~nonprofit~~ corporation recognized by their good standing with the Commonwealth of Pennsylvania.

5. Lessee is a duly registered tax-exempt organization pursuant to Section 501 (c) (3) of the Internal Revenue Code of 1986, as amended, and no action or proceeding has been taken or is currently pending that would rescind or otherwise adversely affect such registration.

HH. Quiet Enjoyment. Notwithstanding anything herein contained to the contrary, Lessee's possession will not be interfered with by any person claiming by, through, or under the Township, or by any successor of the Township, so long as Lessee complies with the terms of this Lease and is not in default hereunder.

II. Notices. All notices sent or required by this Lease shall be in writing and shall be sent by registered or certified United States mail, postage prepaid, or via overnight courier, prepaid with written proof of delivery thereof, to the addresses of the parties as follows:

If to the Township: Township of Lower Makefield
Attention: Township Manager
1100 Edgewood Road
Yardley, PA 19067

With Copies to: Township Solicitor

If to Lessee: Artists of Yardley
529 Kings-949 Mirror Lake Road
Yardley, PA 19067

With copies to: (none)

Any notice(s) given by one party to the other pursuant to this Section GG, shall be deemed effectively given on that date which is two (2) business days after the date any such notice(s) is/are postmarked, provided that any such notice(s) is/are properly addressed and mailed as required under this Section GG. Either party may change the address to which notice is to be sent to it by providing the other party with written notice of such change in accordance with the terms of this Paragraph.

JJ. Broker. The Township and the Lessee represent and warrant that they have not dealt with any other broker, agent, or finder in connection with the Property, the Leased Premises, or the transaction contemplated by this Lease, and that no broker, agent, or finder is entitled to a brokerage or finder's fee in connection therewith. Each party shall indemnify, defend, and hold the other harmless from and against any and all claims, lawsuits, or costs incurred by the other party, including reasonable attorneys' fees, for any claims for such a fee or commission made by any broker, agent, or finder because of the alleged actions or inactions of the indemnitor with respect to this Lease.

KK. Entire Agreement. This Lease contains the entire agreement of the parties with respect to the matters covered herein, and no other agreement, statement, or promise made by any party hereto, or any employee, officer, or agent of any party hereto, which is not contained herein, shall be binding and valid.

LL. Binding Effect. This Lease shall be binding upon the parties hereto and their respective administrators and successors, and to the extent assignable, on the assigns of the parties hereto.

MM. Time of the Essence. All times set forth in this Lease shall be of the essence and may not be amended, except by the written agreement of the parties.

NN. Construction. Captions of the articles or parts of this Lease are for convenience only, and shall not be considered or referred to in resolving questions of interpretation or construction. The language in all parts of this Lease shall in all cases be construed as a whole and in accordance with its fair meaning, and shall not be construed strictly for or against the Township or Lessee.

OO. Governing Law. This Lease shall be governed by, construed, and enforced in accordance with the laws of the Commonwealth of Pennsylvania.

IN WITNESS WHEREOF, the undersigned, intending to be legally bound hereby, has duly executed this Lease as of the day and year set forth above.

WITNESS:

TOWNSHIP OF LOWER MAKEFIELD:

By: _____ [SEAL]

Date of Execution: _____

ATTEST:

LESSEE:

By: _____ [SEAL]

COMMONWEALTH OF PENNSYLVANIA :
: ss
COUNTY OF BUCKS :

On this _____ day of _____, 2016, before me, a Notary Public, personally appeared _____, known to me, who acknowledged herself to be the President of the Board of the Directors of the Artists of Yardley, whose name is subscribed to the within instrument, and acknowledged that she executed the same for purposes therein contained.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

Notary Public

COMMONWEALTH OF PENNSYLVANIA :
: ss
COUNTY OF BUCKS :

On this _____ day of _____, 2016, before me, a Notary Public, personally appeared Terry S. Fedorchak, who acknowledged himself to be the Township Manager of Lower Makefield Township, whose name is subscribed to the within instrument, and acknowledged that he executed the same for purposes therein contained.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

Notary Public

COMMONWEALTH OF PENNSYLVANIA :
: ss
COUNTY OF BUCKS :

On this _____ day of _____, 2016, before me, a Notary Public, personally appeared Jeffrey Benedetto, who acknowledged himself to be the Chairman of the Board of Supervisors of Lower Makefield Township, whose name is subscribed to the within instrument, and acknowledged that he executed the same for purposes therein contained.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

Notary Public

LEASE AGREEMENT

This Lease Agreement (the "Lease") made and concluded on this _____ day of _____, 2016, by and between the **TOWNSHIP OF LOWER MAKEFIELD**, a political subdivision of the Commonwealth of Pennsylvania, maintaining a principal place of business at 1100 Edgewood Road, Yardley, Pennsylvania 19067 (the "Township") and the **ARTISTS OF YARDLEY**, a Pennsylvania nonprofit corporation maintaining a principal place of business at 949 Mirror Lake Road, Yardley, Pennsylvania 19067 (the "Lessee").

WITNESSETH:

WHEREAS, the Township is the owner of a certain parcel of real property known as the Patterson Farm, which said farm is improved by various buildings and the like (the "Property"); and

WHEREAS, the Property contains an historic two-story farmhouse known as the "Janney-Brown Farmhouse" (the "Farmhouse"); and

WHEREAS, the Township desires to lease to the Lessee the Farmhouse (the "Leased Premises"); and

WHEREAS, the Lessee desires to lease the Leased Premises from the Township, all upon the terms and conditions as set forth herein.

NOW, THEREFORE, for and in consideration of mutual promises contained herein and for other good and valuable consideration, the parties hereto agree as follows:

I. Definitions.

A. Property. "Property" means all the improvements thereon, including but not limited to the Farmhouse, located at Route 332 and Mirror Lake Road, Lower Makefield Township, Bucks County, Pennsylvania 19067.

B. Leased Premises. The “Leased Premises” means the Janney-Brown Farmhouse, the lawn immediately surrounding it, and the small garage previously utilized by the Lessee for storage, as defined in Exhibit “A,” located at 949 Mirror lake Road, Lower Makefield Township, Bucks County, Pennsylvania.

C. Lease Commencement Date. The “Lease Commencement Date” shall be August 1, 2016.

D. Intended Use of the Leased Premises. Except as noted hereafter in this Lease Agreement, the Leased Premises shall be used exclusively for meetings, exhibitions, auctions, educational facilities, classes, and the like in connection with Lessee’s mission of supporting and encouraging local visual artists. In addition to the Leased Premises, Lessee shall be authorized to use the paved road or driveway for the purpose of ingress and egress to and from the Leased Premises. Except as noted hereafter, Lessee shall not be permitted to use the Leased Premises for any other use whatsoever without the written consent of the Township.

E. Lease Year. For purposes hereof, the term “Lease Year” shall mean each consecutive period of twelve (12) months commencing on the Lease Commencement Date (or the first day of the month after the Lease Commencement Date, if the Lease Commencement date occurs on any day other than the first day of the month) and each yearly anniversary of such date during the term hereof.

II. Lease.

A. Lease of the Leased Premises. The Township hereby leases to Lessee, which Lessee hereby rents from the Township the Leased Premises.

B. Use of Leased Premises. The Leased Premises may be used and occupied for the purposes as set forth in Article 1, Section D of this Lease Agreement and for no other purpose. It shall be Lessee’s obligation, at its sole cost and expense, to secure any and all required

approvals, certifications, permits, and the like from the Township or any other governmental agency having jurisdiction over such matters.

C. Term. The term of the Lease (the "Term") shall be for a period of ten (10) years commencing on August 1, 2016, and shall expire on July 31, 2026, unless extended or terminated pursuant to the terms hereof.

D. Termination of Prior Lease. By executing this Lease Agreement, the parties hereto acknowledge and agree that the lease date of September 27, 2010, shall be void and have no further effect as of the Lease Commencement Date noted herein.

E. Conditions Precedent. If not previously provided to the Township, the Lessee shall provide to the Township the following documents within thirty (30) days following the execution of this Lease Agreement:

1. Current certificate of good standing for Lessee from the Pennsylvania Department of State;
2. Copy of current Bylaws of Lessee;
3. Certified copy of the Articles of Incorporation by Lessee;
4. Certified and executed Resolution of the corporation appointing the officers and directors of the Lessee and authorizing the Lessee to enter into this Lease;
5. Evidence that Lessee has been designated as a tax exempt organization under Section 501 (c) (3) of the Internal Revenue Code of 1986, as amended; and
6. Proof that Lessee currently maintains insurance in such amounts, as required hereunder, with an insurance policy provided that is acceptable to the Township, along with Certificates of Insurance that designate the Township as an additional insured.

F. Rent. Rent shall be fixed at \$1,000 per month, commencing on August 1, 2016, and continuing throughout the Term of the Lease. Lessee may be permitted to offset rental

payments pursuant to provisions of this paragraph by undertaking and completing major repairs to the Farmhouse, but no such credit shall be afforded unless the work proposed to be completed, as credit for rental, has been preapproved by the Board of Supervisors of the Township at a public meeting, which said approval shall include the scope of the work and the estimated cost of the work. Furthermore, no credit shall be given until such time as the work is satisfactorily completed in a good and workmanlike manner.

G. Additional Rent. As additional rent (the “Additional Rent”), hereunder, Lessee shall pay to the Township the following on or before dates when such additional payments shall be due, which shall be ten (10) days after receipt of notice from the Township and shall consist of all sums which may become due by reason of the failure of Lessee to comply with any of the terms, covenants, and conditions of this Lease to be kept and observed by the Lessee, and any and all damages, costs, and expenses, including without limitation thereto, reasonable attorney’s fees, which the Township may suffer or incur by reason of any default of Lessee and any damages to the Leased Premises caused by any act or omission of the Lessee.

H. Late Charge. If any installment of rent or Additional Rent shall become overdue for a period in excess of ten (10) days, then a late charge of five (5%) percent of the rent or additional rent shall be paid to the Township for the purpose of defraying the expense incidental to handling such delinquent payment.

I. Satterthwaite Farmstead. The Township is the owner of a five (5)-acre parcel, together with improvements, adjoining the property, which is improved by a single family dwelling and other agricultural buildings. The Satterthwaite Farmstead is identified as Bucks County Tax Parcel 20-16-49-1. The Township herein advises the Lessee that the Township is, as of the execution of this Lease Agreement, in litigation with Sunflower Farm, LLC, with respect to whether or not Sunflower Farm, LLC, has any further interest in the Satterthwaite Homestead,

as a result of an Agreement of Sale executed in 2012. In the event the litigation is concluded favorable to the Township, such that the Township owns the property unfettered by an Agreements of Sale or other restrictions, the Township agrees that the Lessee, in cooperation with other interested parties including the Patterson Farm Preservation Nonprofit Corporation, and the Township to effectuate the rehabilitation of the Satterthwaite Homestead with the notion that if suitable arrangements can be achieved by the Lessee, the Township, and the Patterson Farm Preservation Nonprofit Corporation, that the Lessee shall have the opportunity to conduct art classes and other activities within the Satterthwaite Homestead. It is further understood and agreed, however, that the Satterthwaite Homestead may be used for other purposes, including displaying historic artifacts from the Township, including photographs and the like, memorializing the history of Lower Makefield Township, including the agricultural history. Nothing herein shall be binding upon the Township, as this paragraph is intended to be an expression of the intent of the parties. In the event an agreement can be reached amongst the interested parties in the discussions related to the rehabilitation of the Satterthwaite Home, that agreement shall be memorialized and shall constitute an amendment to the terms and conditions of the Lease. The amendment may include expanding the Leased Premises, the payment of higher rent, and the like.

J. Pack House. The Property is also improved by a Pack House, which is an agricultural building used to pack produce and farm products. The parties acknowledge and agree that the Pack House may have asbestos located in it. The Pack House may be beneficial to the Lessee of the agricultural lands located on the Property, and as such, the Lessee of the agricultural land shall have the first right or option to make use of the Pack House for agricultural purposes. However, if the Lessee of the agricultural lands has no need for the use of the Pack House or does not need to utilize the entire Pack House, then the Township agrees that

in good faith, it will negotiate with the Lessee so as to expand the Leased Premises to include all or a portion of the Pack House, which shall be memorialized as an amendment to the terms and conditions of this Lease. That amendment shall include the delineation of the Pack House or a portion thereof as an additional Leased Premises and any adjustment to rent as may be appropriate. Lessee confirms that it would propose to use a portion of the Pack House for a ceramic studio, which would include a kiln. However, as noted herein, nothing binds the Lessee to lease additional space in the Pack House or to utilize the additional space in the Pack House for a ceramic studio.

K. Weddings. The Township and Lessee agree that the Leased Premises is an appropriate venue for an occasional wedding function. The parties agree that weddings may occur on the Leased Premises, provided that both the Township and Lessee jointly agree to the conduct of the wedding, and the wedding does not involve the utilization of any of the interior of the Janney-Brown Farmhouse. Any wedding conducted on the Leased Premises shall have limitations on music, shall require portable restroom facilities, and such other restrictions as the Township and Lessee shall mutually agree are appropriate. The amount of rentals to be paid for the utilization of the Leased Premises for weddings shall be determined by the Township and Lessee, and the rental proceeds shall be split evenly, such that fifty (50%) percent of the rental proceeds shall be paid to the Township and fifty (50%) percent shall be paid to the Lessee. It is understood and agreed that the number of weddings are intended to be limited, and that the agreement on the part of the parties to conduct weddings on the Leased Premises is not intended to create the Leased Premises as a frequent wedding destination. Any agreement between the parties with respect to the conduct of a wedding shall be subject to a separate written or electronic document confirming the particulars of each and every wedding arrangement. Either

party may initiate the dialogue with respect to the conduct of weddings. Any approval from the Township shall be received from the Board of Supervisors of the Township.

L. Security Deposit.

1. Payment of Deposit. The Township acknowledges that the Lessee deposited with the Township contemporaneously with the execution of the Lease dated on or about September 27, 2010, the sum of One Thousand Two Hundred Fifty (\$1,250.00) Dollars, which shall be transferred as a security deposit for this Lease. Said security deposit is intended as security for the full and faithful performance of every provision of this Lease to be performed by Lessee. If Lessee defaults with respect to any provision of this Lease, the Township may use, imply, or retain all or any part of the security deposit for the payment of any rent or any sum due from Lessee or for the payment of any amount, which Township may spend or become obligated as a reason of Lessee's default. If any portion of the security deposit is used or applied, Lessee shall, within ten (10) days of written demand, deposit cash with Township in an amount sufficient to restore the security deposit to its original amount, and Lessee's failure to do so shall be an event of default of this Lease. This security deposit may not set off other charges, fees, or rents, including but not limited to any additional rent imposed hereunder.

2. Return of Deposit. If the Lessee performs all of Lessee's obligations hereunder, the security deposit, or so much thereof as had not been applied by the Township, shall be returned to Lessee without interest (or at the Township's option, to the last assignee, if any, of Lessee's interest hereunder) at the expiration of the Term hereof, and after Lessee has vacated the Leased Premises. No trust relationship is established herein between the Township and Lessee with respect to said security deposit.

M. Possession. Possession of the Leased Premises shall be given to Lessee by the Township at the Lease Commencement Date, but there shall be no obligation to provide any keys since the Lessee will be continuing with its possession of the Leased Premises following the expiration of the September 27, 2010, Lease. The parties acknowledge and agree that the Leased Premises are accepted by the Lessee in its existing condition of the date of the execution of this Lease. Lessee warrants that, prior to the execution of this Lease, it has completely inspected the Premises, has occupied the Premises for the preceding five (5) years, and accepts same on the condition existing at the date of execution hereof.

N. Obligations of the Parties. The Parties hereto shall be responsible for the payment of all costs, expenses, assessments, or other charges whatsoever during the Term of the Lease, following the Lease Commencement Date, in the following matter.

1. Lessee shall be solely responsible for:
 - a. All utilities used on the Leased Premises.
 - b. All insurance required to be maintained on the Leased Premises as set forth in this Lease, which said insurance shall name the Township as an additional insured.
2. The Township shall be solely responsible for:
 - a. All real estate taxes assessed against the Leased Premises following the Lease Commencement Date and due during the Term of this Lease.
 - b. All municipal water charges.

O. Cleaning. Lessee shall be responsible for cleaning and waste removal of the Leased Premises. All refuse and/or garbage materials resulting from Lessee's use of the Leased Premises will be disposed of at times and in a manner approved by the Township.

P. Maintenance, Alterations, and Repairs.

1. Lessee, at Lessee's sole expense, shall be responsible for the routine maintenance of the landscaping, sidewalks, the Janney-Brown Farmstead, and any snow removal at the Farmhouse, but the Township shall be responsible for snow removal related to the access drive. For the purpose of this Agreement, routine maintenance shall not include the major structural systems, such as the roof, foundation, walls, floors, heater, hot water heater, electrical system, plumbing system, and any repairs that exceed One Thousand (\$1,000.00) Dollars in estimate cost. Unless an emergency shall occur, Lessee shall not undertake any repairs in excess of One Thousand (\$1,000.00) Dollars, which can be charged to the Township without the prior approval of the Township, which shall be manifested by written or electronic approval from the Township manager in the event time does not permit the Board of Supervisors to consider same at a public meeting.

2. Alterations. Only upon receipt of the Township's prior written consent may Lessee make alterations or modifications to the Leased Premises necessary for Lessee's use of the Leased Premises, but no alterations or modifications shall reduce the fair market value of the Leased Premises or violate any applicable law, ordinance, regulation, or order. Prior to commencing any alterations, Lessee must: present its plan for such alterations to the Township at least thirty (30) days prior to the date set to commence such alterations; obtain the prior written consent of the Township to engage in such alterations; and secure and pay for all applicable permits and authorizations of all municipal departments and governmental subdivisions having jurisdiction. The Township's approval shall be manifested by action of the Township Board of Supervisors. The Township's prior written consent may not be unreasonably withheld or delayed. Any alterations by Lessee shall be made promptly (unavoidable delays excepted) and in good and workmanlike manner and in compliance with all applicable

permits, authorizations, and building and zoning laws and with all other requirements of all governmental authorities having jurisdiction and any national or local board of fire underwriters or any other body hereafter exercising functions similar to those of any of the foregoing.

Q. Events of Default – Remedies.

1. The following events, or any one or more of them, shall be an “Event of Default” under the Lease:

a. Lessee shall fail to pay any rent or any Additional Rent or other sums payable hereunder when the same are due and payable; or

b. Lessee shall fail to perform or comply with any of the other terms, covenants, agreements, or conditions hereof; or

c. Lessee shall make a general assignment for the benefit of creditors or shall admit in writing its inability to pay its debts as they become due, or shall file a petition in bankruptcy or shall be adjudged bankrupt or insolvent, or shall file a petition seeking any reorganization, arrangement, composition, readjustment, liquidation, dissolution, or similar relief under any present or future statute, law, or regulation, or shall file an answer admitting or not contesting the material allegations of a petition against it in any such proceeding, or shall seek or consent to or acquiesce in the appointment of any trustee, receiver, or liquidator of Lessee, or any material part of its property; or

d. If within sixty (60) days after commencement of any proceedings against Lessee seeking any reorganization, arrangement, composition, readjustment, liquidation, or dissolution or similar relief under any present or future statute, law, or regulation, such proceedings shall not have been dismissed

or, if within sixty (60) days after the appointment without the consent or acquiescence of Lessee of any trustee, receiver or liquidator of the Lessee or any material part of its properties, such appointment shall not have been vacated; or

e. Lessee shall cease to be a corporation in good standing with the Commonwealth of Pennsylvania.

2. In the event of any such Event of Default (regardless of the pendency of any proceeding which has or might have the effect of preventing Lessee from complying with the terms of this Lease), the Township, at any time thereafter, may exercise any one or more of the following remedies:

a. Exclusion. The Township may change the locks on the Leased Premises and exclude Lessee, its servants, and employees from the right to occupy the Leased Premises, and such action shall not be deemed to constitute any eviction or surrender of the Lease by Lessee. Such action may be taken without prior notice to Lessee, and Lessee hereby releases the Township from any liability for any damages sustained by Lessee or its property arising from said changing of locks and exclusion from the Leased Premises, and Lessee hereby agrees to indemnify and save the Township harmless from any such liability. In addition, rental shall not abate during the period of said exclusion.

b. Termination of Lease. The Township may terminate this Lease, by notice to Lessee (the "Termination Notice") setting forth the date of the lease termination (the "Lease Termination Date"), without any right by Lessee to reinstate its rights by payment of rent due or other performance of the terms and conditions hereof. On or before the Lease Termination Date, Lessee shall surrender possession of the Leased Premises to the Township and restore the

Leased Premises to the condition required by the terms and conditions of this Lease. The Township shall immediately become entitled to receive from Lessee all unpaid installments of Holdover Rent (hereinafter defined), Additional Rent, rent, and other charges hereunder, accruing up to and including the Restoration Date (hereinafter defined).

c. Re-Leasing. Without terminating this Lease, the Township may re-enter and repossess the Leased Premises or any part thereof, which shall not constitute an eviction or a surrender of the Lease by Lessee, and lease them to any other person upon such terms as the Township shall deem reasonable for a term within or beyond the term of this Lease; provided, however, that any such re-leasing prior to termination shall be for the account of Lessee, and Lessee shall remain liable for:

i. the costs of undertaking and completing any repairs or any other work required as a result of Lessee's default, plus all additional or other sums that may be payable under this Lease by Lessee in the absence of such expiration, termination, or repossession, less

ii. the net proceeds, if any, of any re-leasing effort shall be applied to the account of Lessee after deducting from such proceeds without limitation, all repossession costs, broker's commissions, attorneys' fees and expenses, employees' expenses, alteration costs, and expenses of preparation for such re-leasing. If the Leased Premises are, at the time of default, sublet or leased by Lessee to others, the Township may, as Lessee's agent, collect rents due from any subtenant or other tenant and apply such rents to the rent and other obligations due hereunder

without in any way affecting Lessee's obligations to the Township hereunder. Such agency, being given for security, is hereby declared to be irrevocable.

3. Except as expressly provided herein, no repossession of the Leased Premises or any part thereof or exclusion of Lessee from the Leased Premises pursuant to subparagraph 2 above or otherwise shall relieve Lessee of its liabilities and obligations hereunder, all of which shall survive such exclusion, expiration, or repossession, and the Township may, at its option, sue for and collect rent and other charges due hereunder at any time and from time to time as and when such charges accrue or are accelerated.

4. With respect to any portion of the Leased Premises, which is vacant or which is physically occupied by Lessee, the Township may remove all persons and property therefrom and store such property in a public warehouse or elsewhere at the cost of and for the account of Lessee, without service of notice or resort to legal process (all of which Lessee expressly waives) and without being deemed guilty of trespass or becoming liable for any loss or damaged which may be occasioned thereby. The Township shall have a lien for the payment of all sums agreed to be paid by Lessee herein upon all Lessee's property, which lien is to be in addition to any landlord's lien now or hereafter provided by law.

5. The parties hereby waive trial by jury in any action, proceeding, or counterclaim brought by either of them against the other on any matters arising out of or in any way connected with this Lease, the relation of the Township and Lessee, Lessee's use or occupancy of the Leased Premises, and/or any claim of injury or damages. In the event the Township commences any proceedings for failure to comply with the terms and conditions of this Lease, Lessee shall not interpose any counterclaim of any nature or

description in any such proceedings. This shall not be construed, however, as a waiver of Lessee's right to assert any such claims in any separate action brought by Lessee.'

6. Lessee hereby expressly waives any and all rights of redemption granted by or under any present or future law in the event this Lease is terminated or Lessee is evicted or dispossessed by reason of violation by Lessee of any of the provisions of this Lease.

7. In the event of breach or threatened breach by Lessee of any provision of this Lease, the Township shall have the right of injunction as if other remedies were not provided for herein.

8. No right or remedy herein conferred upon or reserved to the Township is intended to be exclusive of any other right or remedy herein or by law provided, but each shall be cumulative and in addition to every other right or remedy given herein or now or hereafter existing at law or in equity or by statute.

9. If Lessee shall default in the performance of any covenant required to be performed by it under this Lease, the Township may perform the same for the account and at the expense of Lessee. If the Township at any time is compelled to pay or elects to pay any sum of money by reason of the failure of lessee to comply with any provisions hereof, or if the Township is compelled to incur any expense, including reasonable counsel fees, in instituting, prosecuting, or defending against any action or proceedings instituted by reason of any default of Lessee hereunder, the amount of such payments or expenses shall be paid by Lessee to the Township as Additional Rent, with ten (10) business days next following such payment or the incurring of such expenses, together with interest thereon at the rate set forth herein.

10. No waiver by the Township of any breach by Lessee of any of its obligations, agreements, or covenants hereunder shall be a waiver of any subsequent breach or of any other obligation, agreement, or covenant, nor shall any forbearance by the Township to seek a remedy for any breach by Lessee be a waiver by the Township of its rights and remedies with respect to such or any subsequent breach.

11. Lessee expressly waives any right of defense which it may have based on any purported merger of any cause of action, and neither the commencement of any actions or proceedings nor the settlement thereof or the entering of judgment therein shall bar the Township from bringing subsequent actions or proceedings from time to time.

**DISCLOSURE AND WAIVER OF RIGHTS
REGARDING CONFESSION OF JUDGMENT**

LESSEE ACKNOWLEDGES THAT THIS LEASE INCLUDES A POWER OF AUTHORITY FOR ANY ATTORNEY TO CONFESS JUDGMENT AGAINST THE LESSEE. IN GRANTING THIS WARRANT OF ATTORNEY TO CONFESS JUDGMENT AGAINST THE LESSEE, THE LESSEE, FOLLOWING CONSULTATION WITH (OR DECISION NOT TO CONSULT) SEPARATE COUNSEL FOR SUCH LESSEE AND WITH KNOWLEDGE OF THE LEGAL EFFECT THEREOF, HEREBY KNOWINGLY, INTENTIONALLY, VOLUNTARILY, INTELLIGENTLY, AND UNCONDITIONALLY WAIVES ANY AND ALL RIGHTS THE LESSEE HAS OR MAY HAVE TO PRIOR NOTICE AND AN OPPORTUNITY FOR HEARING UNDER THE RESPECTIVE CONSTITUTIONS AND LAWS OF THE UNITED STATES OF AMERICA, COMMONWEALTH OF PENNSYLVANIA, OR ELSEWHERE, INCLUDING, WITHOUT LIMITATION, A HEARING PRIOR TO GARNISHMENT AND ATTACHMENT OF THE LESSEE'S BANK ACCOUNTS AND OTHER ASSETS.

LESSEE ACKNOWLEDGES AND UNDERSTANDS THAT BY ENTERING INTO THE LEASE CONTAINING A CONFESSION OF JUDGMENT CAUSE THAT LESSEE IS VOLUNTARILY, INTELLIGENTLY, AND KNOWINGLY GIVING UP ANY AND ALL RIGHTS, INCLUDING CONSTITUTIONAL RIGHTS, THAT SUCH LESSEE HAS OR MAY HAVE TO NOTICE AND A HEARING BEFORE JUDGEMNT CAN BE ENTERED AGAINST SUCH LESSEE AND BEFORE THE LESSEE'S ASSETS, INCLUDING, WITHOUT LIMITATION, ITS BANK ACCOUNTS, PERSONAL PROPERTY, AND REAL ESTATE, MAY BE GARNISHED LEVIED, EXECUTED UPON, AND/OR ATTACHED. LESSEE UNDERSTANDS THAT ANY SUCH GARNISHMENT, LEVY, EXECUTION, AND/OR ATTACHMENT SHALL RENDER THE PROPERTY GARNISHED, LEVIED, EXECUTED UPON, OR ATTACHED IMMEDIATELY UNAVAILABLE TO LESSEE.

LESSEE AND THE TOWNSHIP HEREBY CONSENT TO THE JURISDICTION OF THE COURT OF COMMON PLEAS OF BUCKS COUNTY, PENNSYLVANIA, FOR ANY PROCEEDING IN CONNECTION HEREWITH, AND HEREBY WAIVE OBJECTIONS AS TO VENUE AND CONVENIENCE OF FORUM IF VENUE IS IN BUCKS COUNTY, PENNSYLVANIA. IN ANY ACTION OR SUIT UNDER THIS LEASE, SERVICE OF PROCESS MAY BE MADE UPON LESSEE BY MAILING A COPY OF THE PROCESS BY FIRST CLASS MAIL TO THE RECEIPIENT AT THE RESPECTIVE ADDRESS SET FORTH IN THE NOTICE PARAGRAPH OF THIS LEASE, INFRA. THE TOWNSHIP AND LESSEE HEREBY WAIVE ANY AND ALL OBJECTIONS TO SUFFICIENCY OF SERVICE OF PROCESS IF DULY SERVED IN THIS MANNER.

12. UPON THE OCCURRENCE OF ANY EVENT OF DEFAULT, WHICH IS NOT CURED WITHIN ANY PERIOD OF TIME HEREIN PROVIDED, IF ANY, LESSEE, WITH UNDERSTANDING OF THE RELINQUISHMENT OF CERTAIN

RIGHTS TO WHICH LESSEE WOULD OTHERWISE BE ENTITLED AS A MATTER OF LAW AND DUE PROCESS, INCLUDING THE RIGHT TO NOTICE AND JUDICIAL HEARING, HEREBY IRREVOCABLY EMPOWERS ANY PROTHONOTARY, CLERK, OR ATTORNEY OF ANY COURT OF THE COMMONWEALTH OF PENNSYLVANIA TO APPEAR FOR LESSEE, WITH OR WITHOUT DECLARATION FILED, AS OF ANY TERM, AND THEREIN TO CONFESS OR ENTER JUDGMENT AGAINST LESSEE FOR RENT AND/OR THE CHARGES, PAYMENTS, COSTS, AND EXPENSES HEREIN RESERVED AS RENT, OR HEREIN AGREED TO BE PAID BY LESSEE, AND THEN DUE AND UNPAID AND FOR INTEREST AND COSTS, TOGETHER WITH A REASONABLE ATTORNEY'S COMMISSION OF NOT LESS THAN FIVE (5%) PERCENT OF SUCH RENTS OR OTHER CHARGES OR EXPENSES THEN DUE. SUCH AUTHORITY SHALL NOT BE EXHAUSTED BY ONE EXERCISE THEREOF, BUT JUDGMENT MAY BE CONFESSED, AS AFORESAID, FROM TIME TO TIME AS OFTEN AS ANY OF SAID RENT AND/OR OTHER CHARGES RESERVED AS RENT OR AGREED TO BE PAID BY LESSEE SHALL FALL DUE OR BE IN ARREARS.

13. UPON THE OCCURRENCE OF ANY EVENT OF DEFAULT, WHICH IS NOT CURED WITHIN ANY PERIOD OF TIME HEREIN PROVIDED, LESSEE, WITH THE UNDERSTANDING OF THE RELINQUISHMENT OF CERTAIN RIGHTS TO WHICH LESSEE WOULD OTHERWISE BE ENTITLED TO AS A MATTER OF LAW AND DUE PROCESS INCLUDING THE RIGHT TO NOTICE AND JUDICIAL HEARING, HEREBY AUTHORIZES AND EMPOWERS ANY ATTORNEY OF ANY COURT OF RECORD IN THE COMMONWEALTH OF

PENNSYLVANIA AS ATTORNEY FOR LESSEE, AS WELL AS FOR ALL PERSONS CLAIMING UNDER, BY OR THROUGH LESSEE, TO APPEAR FOR LESSEE AND ENTER IN ANY COMPETENT COURT, IN ACCORDANCE WITH THE THEN APPLICABLE RULES OF SUCH COURT, AN ACTION IN EJECTMENT FOR POSSESSION OF THE LEASED PREMISES, WITHOUT ANY STAY OF EXECUTION OR APPEAL, AGAINST LESSEE AND ALL PERSONS CLAIMING UNDER, BY OR THROUGH LESSEE AND THEREIN CONFESS JUDGMENT FOR THE RECOVERY BY THE TOWNSHIP OF POSSESSION OF THE LEASED PREMISES, FOR WHICH THIS LEASE (OR A COPY OF THEREOF) SHALL BE SUFFICIENT WARRANT, WHEREUPON IF THE TOWNSHIP SO DESIRES, A WRIT OF POSSESSION MAY BE ISSUED FORTHWITH, WITHOUT ANY PRIOR WRIT OR PROCEEDING WHATSOEVER. IT IS HEREBY EXPRESSLY AGREED THAT IF FOR ANY REASON, AFTER SUCH ACTION HAS BEEN COMMENCED, THE SAME SHALL BE DISCONTINUED, MARKED SATISFIED OF RECORD, OR TERMINATED, OR POSSESSION OF THE LEASED PREMISES REMAIN IN OR BE RESTORED TO LESSEE, THE TOWNSHIP SHALL HAVE THE RIGHT FOR THE SAME DEFAULT, OR ANY SUBSEQUENT DEFAULT, TO BRING ONE OR MORE ACTIONS IN THE MANNER HEREIN SET FORTH TO RECOVER POSSESSION OF THE LEASED PREMISES.

14. IN ANY ACTION INVOLVING A CONFESSION OF JUDGMENT BY THE TOWNSHIP AGAINST LESSEE, THE TOWNSHIP SHALL FIRST CAUSE TO BE FILED IN SUCH ACTION AN AFFIDAVIT MADE BY IT OR SOMEONE ACTING FOR IT, SETTING FORTH THE FACTS NECESSARY TO AUTHORIZE THE ENTRY OF JUDGMENT, AND A TRUE COPY OF THIS LEASE (AND SUCH

AFFIDAVIT SHALL BE SUFFICIENT EVIDENCE OF THE TRUTH OF THE COPY) BE FILED IN SUCH ACTION, AND IT SHALL NOT BE NECESSARY TO FILE THE ORIGINAL AS WARRANT OF ATTORNEY, ANY RULE OF COURT, CUSTOM OR PRACTICE TO THE CONTRARY NOTWITHSTANDING. LESSEE HEREBY RELEASES THE TOWNSHIP AND ANY AND ALL ATTORNEYS WHO MAY APPEAR FOR LESSEE, FROM ALL LIABILITY FOR ALL ERRORS IN SAID PROCEEDINGS.

LESSEE FULLY AND COMPLETELY UNDERSTANDS THE RIGHTS THAT ARE BEING GIVEN UP IF THE LESSEE SIGNS THE LEASE CONTAINING THE CONFESSION OF JUDGMENT, LESSEE NEVERTHELESS KNOWINGLY AND VOLUNTARILY WAIVES SAID RIGHTS AND CHOOSES TO SIGN THE LEASE. LESSEE FURTHER UNDERSTANDS THAT THE TOWNSHIP HAS RELIED UPON THIS WAIVER IN ORDER TO ENTER INTO THIS LEASE AND THE ACCOMMODATIONS EVIDENCED OR SECURED BY THE LEASE.

15. If proceedings shall be commenced by the Township to recover possession under the Acts of Assembly and Rules of Civil Procedure, either at the end of the term or earlier termination of this Lease, or for nonpayment of rent or any other reason, Lessee specifically waives the right to the three (3) month notice and to the fifteen (15) or thirty (30) days' notice required by the Landlord and Lessee Act of 1951, and agrees that notice under either Pa. R.C.P. 2973.2 or Pa. R.C.P. 2973.3, as amended from time to time, shall be sufficient in either or any such case.

R. Surrender of Leased Premises. Upon the termination or expiration of this Lease as provided herein, Lessee shall promptly surrender the Leased Premises free of debris and in good condition, reasonable wear and tear excepted.

S. Environmental Matters. Lessee's use and operation of the Leased Premises shall at all times be in compliance with all "Environmental Laws," as hereinafter defined. Lessee shall not generate, manufacture, produce, process, refine, handle, treat, store, deposit, bury, inject, release, place, dump, or dispose of on the Leased Premises or the Property any "Hazardous Substances," as hereinafter defined, in any manner which would violate any of the environmental laws. Lessee shall protect, indemnify, and save and hold harmless the Township from and against any and all liability, losses, damages, costs, charges, and expenses that the Township may suffer or incur as a result of any claims, suits, actions, demands, orders, judgments, or adjudications asserted, assessed, filed, or entered against the Township by any third party, including any local, state, or federal governmental authority, arising from or in any way related to the alleged generation, selling, manufacturer, production, processing, refining, handling, treatment, storage, deposit, disposal, burial, dumping, injecting, spilling, leaking, or other use, placement, or release in, on, or affecting the Leased Premises, the Property of a Hazardous Substance or otherwise arising from any other alleged violation of any of the environmental laws, including, but not limited to, liability for costs and expenses of abatement, correction, or clean-up, fines, damages, response costs, and penalties, and liability for personal injury or property damage caused by lessee or its employees, agents, invitees, licensees, or contractors or as a result of Lessee's intended use of the property. In the event of Lessee's failure to comply in full with this Section, the Township may, at its option, perform any and all of Lessee's obligations, as aforesaid, and all reasonable costs and expenses incurred by the Township in the exercise of this right shall be deemed to be payable upon demand. For purposes of this Lease, the term "Environmental Laws" shall mean all federal, state, and local laws, statutes, ordinances, rules, regulations, and policies now or hereafter existing which govern or otherwise relate to the protection of health or the environment. For purposes of this Lease, the

term "Hazardous Substances" shall mean any flammable substance, explosive, radioactive material, hazardous material, hazardous waste, toxic substance, pollutant, contaminant, or any other substance regulated under the Environmental Laws, including, but not limited to, asbestos, PCBs, and any hazardous substance as that term is defined in Section 101(14) of the Comprehensive Environmental Response, Compensation and Liability Act, as amended by the Superfund Amendments and Reauthorization Act of 1986, 42 U.S.C. Section 9601(14). Failure to comply with the terms hereof shall constitute an Event of Default under the Lease.

T. Casualty Damage. If the Leased Premises are damaged by fire or other casualty, Lessee shall promptly notify the Township and the Township shall repair the damaged portions of the Leased Premises (but not any of Lessee's property therein or improvements or alterations made by Lessee), except that if, in the Township's reasonable judgment, the damage would require more than one hundred eighty (180) days of work to repair, or if the insurance proceeds (excluding rent insurance), which the Township anticipates receiving are inadequate to pay the cost of such repair, then the Township or Lessee shall have the right to terminate this Lease by so notifying the other party, which notice shall specify a termination date not less than fifteen (15) days after its transmission. If the Township is so required to repair, the work shall be commenced and completed with due diligence, taking into account the time required for the Township to procure insurance proceeds, construction delays due to shortages of labor or material, or other causes beyond the Township's reasonable control.

U. Hold Harmless; Waiver of Subrogation.

1. Lessee covenants and agrees to exonerate, indemnify, defend, protect, and save the Township harmless from and against any and all such claims, demands, expenses, losses, suits, and damages as may be occasioned by reason of any accident or matter occurring on the Leased Premises to the extent caused by Lessee or its employees,

invitees, guests, or agents, in or about the Leased Premises or Property, which causes injury to persons (including death) or damage to property; the failure of Lessee to fully and faithfully perform the obligations and observe the conditions of this Lease; or the negligent or otherwise tortious act of Lessee or anyone in or about the Leased Premises or Property on behalf or at the invitation or right of Lessee.

2. The Township and Lessee hereby release the other from any and all liability or responsibility to the other or anyone claiming through or under them by way of subrogation or otherwise for any loss or damage to property covered by and any insurance then in force, even if such loss or damage shall have been caused by the fault or negligence of the other party, or anyone for whom such party may be responsible; provided, however, that this release shall be applicable and in force and effect only to the extent of and with respect to any loss or damage occurring during such time as the policy or policies of insurance covering said loss shall contain a clause or endorsement to the effect that this release shall not adversely affect or impair said insurance or prejudice the right of the insured to recover thereunder.

V. Compliance with Law. Lessee shall at all times comply with all requirements of all constituted public authorities and with the terms of any state or federal statute or local ordinance or regulation applicable to the Leased Premises and Lessee's Intended Use of the Leased Premises. Failure to so comply shall constitute an Event of Default under this Lease and Lessee further agrees to defend and indemnify the Township for any and all claims, judgments, fines, and actions of whatever nature for failure to comply with the terms of this paragraph.

W. Insurance. Lessee will, at all times following the date on which possession of the Leased Premises is delivered to Lessee, and at Lessee's cost and expense, maintain insurance with insurance policy providers acceptable to the Township of the following character:

1. Comprehensive general public liability insurance covering the legal liability of the Township and Lessee against claims for bodily injury or death, occurring on, in, or about the Leased Premises in the minimum amounts of One Million (\$1,000,000.00) Dollars for each claim with respect to any one death or bodily injury, and One Million (\$1,000,000.00) Dollars for property damage.

2. Lessee shall comply with all applicable Pennsylvania workmen's compensation laws, and shall maintain such insurance if and to the extent necessary for such compliance.

3. Rent or rental value insurance against loss due to fire and the risks customarily covered by the extended coverage endorsement.

4. Such other coverages as may be reasonable be required by the Township. Lessee shall keep its personal property, improvements, betterments, and trade fixtures in the Leased Premises insured with "all risks" insurance in an amount to cover 100 (100%) percent of the replacement cost of the personal property, improvements, betterments, and trade fixtures.

All policies carried hereunder will include the Township as an additional named insured with respect to ownership of the Leased Premises and Equipment.

Every policy of insurance required by this Section shall provide that the issuer thereof waives all rights of subrogation against the Township, any successor to the Township's interest in the Leased Premises, and any mortgagee or assignee of the Township's interest in the Leased Premises; that thirty (30) days' prior written notice of cancellation, modification, or amendment thereof shall be given to the Township or any such mortgagee or assignee thereof; and that such policy shall neither be invalidated by any foreclosure or other proceedings or notices thereof relating to the Leased Premises or any interest therein, nor by any change in the title of

ownership of the Property or any interest therein. No such policy shall contain a provision relieving the issuer thereof of liability for any loss by reason of the existence of other policies or insurance covering the Property against the peril involved.

Lessee may carry additional insurance of any nature for its own benefit and in its own name.

Insurance policies required to be carried by Lessee under this Lease shall:

1. Be issued by insurance companies licensed to do business in the Commonwealth of Pennsylvania, with general policyholder's ratings of at least A and a financial rating of at least XI in the most current Best's Insurance Reports available on the date of issuance. If the Best's ratings are changed or discontinued, the Township shall designate, by notice to Lessee, an equivalent method of rating insurance companies;
2. Prove that the insurance not be cancelled or materially changed in scope or amount of coverage unless thirty (30) days' advance notice is given to the Township;
3. Be primary policies—not contributing with, or in excess of the coverage that the Township may carry;
4. Be permitted to be carried under a "blanket policy." However, a specific minimum limit must be listed, which is applicable to the Leased Premises and acceptable to the Township.
5. Be maintained during the entire Term and any Holdover Term of this Lease.
6. By the Lease Commencement Date and upon each renewal of its insurance policies, Lessee shall provide certificates of insurance to the Township by notice hereunder. The certificates shall specify amounts, types of coverage, the waiver of subrogation, as specified herein, and the insurance criteria listed in this Section. The

policies shall be renewed or replaced and maintained by Lessee. If Lessee fails to give any required certificate within the time provided herein, the Township may obtain and pay for that insurance and receive reimbursement from Lessee as Additional Rent, any other provision of this Lease notwithstanding.

X. Signs. Lessee shall not place any sign in or about the Leased Premises, except with the express prior written consent of the Township and provided Lessee demonstrates to the Township compliance with all applicable zoning regulations and requirements of the Township of Lower Makefield, County of Bucks, Pennsylvania, and same is necessary for the Intended use of the Leased Premises by Lessee.

Y. Inspection. The Township or its agents or employees shall have the right to inspect the Leased Premises and to enter the Leased Premises at all reasonable times upon 24 hours' notice (except in the case of an emergency, in which case no prior notice is necessary) for the purpose of inspecting the Leased Premises and making any repairs that may be necessary to cause the Leased Premises to comply with the laws, rules, or regulations of any governmental authority having jurisdiction or that may become necessary by reason of the failure of Lessee to maintain the Leased Premises, as required under this Lease.

Z. Mechanic's Liens. Lessee shall not permit any mechanic's, materialman's, or similar liens to remain upon the Leased Premises for labor or material furnished to Lessee or claimed to have been furnished to Lessee in connection with work of any character performed or claimed to have been performed on the Leased Premises or at the direction or with the consent of Lessee, whether or not such work was performed or materials furnished before or after the commencement of the term of this Lease. Lessee may, however, contest the validity of any such lien or claim, provided Lessee shall give the Township such reasonable security to insure payment and to prevent any sale, foreclosure, or forfeiture of the Premises by reason of such

nonpayment as the Township may require. Upon final determination of the validity of any such lien or claim, Lessee shall immediately pay any judgment or decree rendered against Lessee or the Township with all proper costs and charges, and shall cause such lien to be released of record without cost to the Township. Notwithstanding anything contained herein to the contrary, Lessee shall at all times require all contractors to post a bond guaranteeing payment for the labor and materials supplied by any subcontractor. Lessee shall not commence any such work until and unless the Township issues its prior written approval.

AA. Notice and Grace Periods. Neither party shall be in default under this Lease unless a payment due hereunder is not made or any nonmonetary term or condition of the Lease is not complied with within thirty (30) days after written notice from the other party.

BB. Waste. Lessee agrees not to commit or allow to be committed any waste upon the Leased Premises, or any nuisance.

CC. Accidents. Lessee shall give the Township prompt written notice of any accidents to, or defects in, the Leased Premises. The Township shall not be responsible for any injury or damage that may happen to the person or goods of Lessee, or those claiming under Lessee, or its employees, either on or about the Leased Premises.

DD. Assignment of Lease and Subletting. Lessee may not assign the Lease, or sublet all or any part of the Leased Premises or permit the same to be occupied or used by anyone other than Lessee or its employees without the Township's prior written consent, which consent may be withheld or conditioned for any reason whatsoever, in the Township's sole discretion.

EE. Holding Over. If Lessee remains in possession of the Leased Premises after the Township has cancelled the term of the Lease, or the Township has exercised its rights to terminate the Lease, or after the expiration of the term of this Lease (a "Holding Over"), without the prior written consent of the Township, such Holding Over shall create a Holding Over

tenancy from month to month, commencing on the day after the Lease Termination Date (the “Holdover Term”), with respect to the Leased Premises on all of the same terms and conditions as are in effect on the last day of the preceding term, except that on the first business day of each month, the Lessee shall pay to the Township One Thousand Five Hundred (\$1,500.00) Dollars, the “Holdover Rent.” Notwithstanding anything set forth to the contrary, the Township may cancel the Holdover Term at any time within such Holding Over tenancy upon five (5) days prior notice to Lessee, but such cancellation notwithstanding, Holdover Rent shall accrue and shall be payable by Lessee until such time (the “Restoration Date”) as Lessee vacates fully the Leased Premises and restores the same to the condition required hereunder.

FF. The Township’s Representations and Warranties. In order to induce Lessee to enter into this Lease, the Township warrants, represents, and covenants that:

1. The entering into this Lease will not constitute a violation or breach of any of the terms of any contract or other instrument to which the Township is a party or to which the Township is subject.

2. The Township has fee simple title to the Property and the Leased Premises and has the authority to enter into this Lease and to complete the transactions contemplated herein.

3. The zoning for the Property is “Residential Low-Density (R-1).”

GG. Lessee’s Representations and Warranties. In order to induce the Township to enter into this Lease, Lessee warrants, represents, and covenants that:

1. Lessee is under no legal impediment and has full legal and corporate authority to enter into this Lease.

2. There are no legal impediments or adverse financial conditions (including, but not limited to insolvency or bankruptcy) that would prevent Lessee from leasing the

Leased Premises or obtaining the other approvals mentioned herein, to the best of Lessee's knowledge, information, and belief.

3. No litigation is pending or, to Lessee's knowledge, proposed, threatened, or anticipated that would prevent Lessee from leasing the Leased Premises or entering into this Lease in any court or before or by any federal, state, county, or municipal department, commission, board, bureau, or agency, or other governmental instrumentality.

4. Lessee is a Pennsylvania corporation recognized by the Commonwealth of Pennsylvania.

5. Lessee is a duly registered tax-exempt organization pursuant to Section 501 (c) (3) of the Internal Revenue Code of 1986, as amended, and no action or proceeding has been taken or is currently pending that would rescind or otherwise adversely affect such registration.

HH. Quiet Enjoyment. Notwithstanding anything herein contained to the contrary, Lessee's possession will not be interfered with by any person claiming by, through, or under the Township, or by any successor of the Township, so long as Lessee complies with the terms of this Lease and is not in default hereunder.

II. Notices. All notices sent or required by this Lease shall be in writing and shall be sent by registered or certified United States mail, postage prepaid, or via overnight courier, prepaid with written proof of delivery thereof, to the addresses of the parties as follows:

If to the Township: Township of Lower Makefield
Attention: Township Manager
1100 Edgewood Road
Yardley, PA 19067

With Copies to: Township Solicitor

If to Lessee: Artists of Yardley
949 Mirror Lake Road
Yardley, PA 19067

With copies to: (none)

Any notice(s) given by one party to the other pursuant to this Section GG, shall be deemed effectively given on that date which is two (2) business days after the date any such notice(s) is/are postmarked, provided that any such notice(s) is/are properly addressed and mailed as required under this Section GG. Either party may change the address to which notice is to be sent to it by providing the other party with written notice of such change in accordance with the terms of this Paragraph.

JJ. Broker. The Township and the Lessee represent and warrant that they have not dealt with any other broker, agent, or finder in connection with the Property, the Leased Premises, or the transaction contemplated by this Lease, and that no broker, agent, or finder is entitled to a brokerage or finder's fee in connection therewith. Each party shall indemnify, defend, and hold the other harmless from and against any and all claims, lawsuits, or costs incurred by the other party, including reasonable attorneys' fees, for any claims for such a fee or commission made by any broker, agent, or finder because of the alleged actions or inactions of the indemnitor with respect to this Lease.

KK. Entire Agreement. This Lease contains the entire agreement of the parties with respect to the matters covered herein, and no other agreement, statement, or promise made by any party hereto, or any employee, officer, or agent of any party hereto, which is not contained herein, shall be binding and valid.

LL. Binding Effect. This Lease shall be binding upon the parties hereto and their respective administrators and successors, and to the extent assignable, on the assigns of the parties hereto.

MM. Time of the Essence. All times set forth in this Lease shall be of the essence and may not be amended, except by the written agreement of the parties.

NN. Construction. Captions of the articles or parts of this Lease are for convenience only, and shall not be considered or referred to in resolving questions of interpretation or construction. The language in all parts of this Lease shall in all cases be construed as a whole and in accordance with its fair meaning, and shall not be construed strictly for or against the Township or Lessee.

OO. Governing Law. This Lease shall be governed by, construed, and enforced in accordance with the laws of the Commonwealth of Pennsylvania.

IN WITNESS WHEREOF, the undersigned, intending to be legally bound hereby, has duly executed this Lease as of the day and year set forth above.

WITNESS:

TOWNSHIP OF LOWER MAKEFIELD:

By: _____ [SEAL]

Date of Execution: _____

ATTEST:

LESSEE:

By: _____ [SEAL]

COMMONWEALTH OF PENNSYLVANIA :
: ss
COUNTY OF BUCKS :

On this _____ day of _____, 2016, before me, a Notary Public, personally appeared _____, known to me, who acknowledged herself to be the President of the Board of the Directors of the Artists of Yardley, whose name is subscribed to the within instrument, and acknowledged that she executed the same for purposes therein contained.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

Notary Public

COMMONWEALTH OF PENNSYLVANIA :
: ss
COUNTY OF BUCKS :

On this _____ day of _____, 2016, before me, a Notary Public, personally appeared Terry S. Fedorchak, who acknowledged himself to be the Township Manager of Lower Makefield Township, whose name is subscribed to the within instrument, and acknowledged that he executed the same for purposes therein contained.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

Notary Public

COMMONWEALTH OF PENNSYLVANIA :
: ss
COUNTY OF BUCKS :

On this _____ day of _____, 2016, before me, a Notary Public, personally appeared Jeffrey Benedetto, who acknowledged himself to be the Chairman of the Board of Supervisors of Lower Makefield Township, whose name is subscribed to the within instrument, and acknowledged that he executed the same for purposes therein contained.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

Notary Public