

LEASE AGREEMENT – PARKING ONLY

THIS AGREEMENT of Lease, executed this 4th day of August 2015 between THE REDEVELOPMENT AUTHORITY OF THE CITY OF YORK, (hereinafter referred to as "LESSOR"), and Keystone Color Works Partnership, L.P. of York, PA, (hereinafter referred to as "LESSEE").

WITNESSETH:

I. PROPERTY LEASED and TERM

1. LESSOR, for and in consideration of the rent, covenants and agreements hereinafter more fully mentioned and reserved, does hereby lease to the LESSEE a portion of LESSOR's property known and numbered as 175 West Gay Avenue (also known as the *KEYSTONE COLOR WORKS PROPERTY*) said portion being comprised of an area of land approximately 16,942 square feet and containing approximate fifty-five (55) parking spaces situate along the eastern property line shared with LESSEE's property, all located in City of York, County of York, and as more fully depicted on Exhibit "A" attached hereto and made part hereof ("Demised Premises").
2. LESSOR agrees to let the demised premises to LESSEE for an term of Fifty (50) years beginning on August 10, 2015 and ending on August 9 2065 ("Lease Term"), renewing automatically for One (1) year terms unless terminated as stated below.

II. PAYMENT OF RENT

1. Rent is payable ANUALLY in the amount of ONE and no/100 (\$1.00) dollar.
2. Rent is due in advance on the first of the year in the above amount at LESSOR's business address located at 101 South George Street, York, PA 17405-0509 or to LESSOR'S assigns as LESSOR may designate from time to time in writing. During any renewal period for less than a full year, rent is due on the first of every month during the renewal period.

III. LESSEE'S OBLIGATION TO DEVELOP

1. In exchange for LESSOR'S willingness to lease the Demised Premises to LESSEE, LESSEE agrees to develop the Demised Premises into an open air parking facility in accordance with the City of York Subdivision and Land Development Ordinance and City of York Zoning Ordinance as well as all other applicable local, state and federal ordinances, laws and regulations related to the development of such commercial facilities.

IV. DEADLINE FOR LESSEE TO COMPLETE DEVELOPMENT

1. LESSEE shall have a period of one year from the date of this agreement in which to complete the development of the Demised Premises into an open air parking facility.

V. REVERTER TO LESSOR

1. During the Term of this Lease, LESSOR has the right to re-take the Demised Premises under the following conditions:
 - a) LESSOR provides LESSEE with 120-days written notice of LESSOR'S intent to take back the Demised Premises; and
 - b) Refund to LESSEE a portion of LESSEE'S Costs of Improvements to the Demised Premises based on the following sliding scale:
 - i) During Year One of the original Lease Term, LESSOR shall refund to LESSEE 4/5 of the Costs of Improvements;
 - ii) During Year Two of the original Lease Term, LESSOR will refund to LESSEE 3/5 of the Costs of Improvements;
 - iii) During Year Three of the original Lease Term, LESSOR will refund to LESSEE 2/5 of the Costs of Improvements;
 - iv) During Year Four of the original Lease Term, LESSOR will refund to LESSEE 1/5 of the Costs of Improvements;
 - v) Commencing on Year Five, no refund will be made to the LESSEE.
 - c) For purposes of this Section – "Costs of Improvements" shall mean those costs incurred by LESSEE in accordance with the Kinsley Construction Inc. Quotation dated July 20, 2105, not to exceed \$40,000.00.
 - d) LESSOR provides a comparable, alternative parking facility at a distance no more than 500 feet from the property line of the Demised Premises that is satisfactory to LESSEE. In this event, LESSEE shall be responsible for leasing the alternative spaces from LESSOR at the market rate for said spaces.

VI. TERMINATION

1. Notwithstanding the foregoing related to re-taking the Demises Premises, either party may terminate this lease at the end of the term herein by giving the other written notice of at least sixty (60) days prior thereto, but in default of such notice this lease shall continue upon the same terms and conditions for a further period Three (3) months, and so on from month to month until terminated by either party giving to the other party thirty (30) days written notice, in which event this lease shall terminate on the last day of the month following the end of the 30th day.

VII. DEFAULT BY LESSEE

- 1) Failure to Pay:

The failure of LESSEE to pay, when due, any installment of rent or additional rent or any

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other sum payable by LESSEE under this Lease, which failure shall continue unremedied by LESSEE for a period of ~~five (5)~~ days after written notice thereof shall have been given to LESSEE by LESSOR shall constitute default of this Lease Agreement, provided, however, that, if LESSEE defaults in making its payments of rent or additional rent requiring LESSOR'S written notice on three (3) occasions within any twelve (12) month period, then, at LESSOR'S election, such third (or subsequent) default shall not be capable of cure by LESSEE.

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2) Breach of Covenants:

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The failure of LESSEE to comply with any of the promises, obligations or covenants herein, which failure shall continue unremedied by LESSEE for a period of ~~five (5)~~ days after written notice thereof shall have been given to LESSEE by LESSOR shall constitute default of this Lease Agreement.

3) If LESSEE fails to comply by correcting said defaults, and if proceedings shall then be commenced by LESSOR to recover possession, either at the end of the term or sooner termination of this lease, LESSEE waives any further right to any statutory notice and agrees that ~~five (5)~~ days written notice shall be sufficient.

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VIII. POSSESSION

1. Possession of the demised premises shall begin August 10 2015.

IX. USE OF PREMISES

1. It is understood and agreed that LESSEE shall use the Demised Premises for non-commercial vehicular parking only.

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2. It is understood and agreed that LESSEE'S use of the Demised Premises shall not include the use of hazardous waste or regulated materials as defined by the Pennsylvania Department of Environmental Resources Regulations and the United States Environmental Protection Agency Regulations or any other regulatory body, without first obtaining the written consent of LESSOR. In the event LESSOR consents to such use, treatment or handling of hazardous waste or regulated material in and upon the demised premises, LESSEE hereby covenants and agrees to deliver and surrender to LESSOR possession of the demised premises upon expiration of this lease or its earlier termination as herein provided, free and clear of such hazardous waste or regulated material. LESSEE shall comply with all prescribed rules, regulations, and statutes of all federal, state, and local governmental bodies when treating, using, handling, and/or disposing of such hazardous waste or regulated material. In the event LESSEE fails to comply with this provision of this lease agreement, LESSEE shall protect and save and keep the LESSOR forever harmless and indemnified against and from any penalty or damage or

charges imposed for any violation of any law or ordinance, whether occasioned by the neglect of LESSEE or those holding under LESSEE, and that LESSEE will at all times protect, indemnify and save and keep harmless the LESSOR against and from all claims, loss, costs, damage or expense arising out of or from any accident or occurrence on or about the demised premises causing injury to any person or property whomsoever or whatsoever, and will protect, indemnify, save and keep harmless the LESSOR against and from any and all claims and against any and all loss, cost, damage or expense arising out of any failure of LESSEE in any respect to comply with and perform all the requirements and provisions of this lease or to comply with any government, law, rule, or regulation. LESSEE shall further reimburse LESSOR for all costs incurred by LESSOR in treating, handling, disposing of, and cleaning up said hazardous waste or regulated material from or about the demised premises.

X. MAINTENANCE

1. LESSEE agrees to keep and maintain the Demised Premises including snow removal and resurfacing.
2. LESSEE shall be prepared for and shall exercise prudence in the elimination of hazards to its invitees.

XI. SURRENDER OF DEMISED PREMISES

1. LESSEE covenants and agrees to deliver up and surrender to LESSOR possession of the Demised Premises in good condition upon expiration of this lease, or its earlier termination as herein provided

XII. TAXES AND ASSESSMENTS

1. LESSEE shall be responsible for the payment of all real estate taxes levied against the Demised Premises.

XIII. INSURANCE

1. LESSEE shall be responsible for insuring any item or contents stored on the Demised Premises against such hazards as it may decide.
2. LESSOR shall not be responsible for any loss or theft of property of LESSEE or its agents, invitees, employees, contractors or assigns.

XIV. LIABILITY INSURANCE

1. LESSEE agrees to indemnify and save harmless the LESSOR from any casualty claim or loss arising by reason of LESSEE'S use or misuse on or about the Demised Premises, or by reason of an accident or damage to any person or property happening on or about the Demised Premises arising out of the acts of LESSEE, their officers, employees, invitees, agents or visitors. LESSEE agrees that it will provide a policy or policies of insurance

in an amount not less than One Million Dollars (\$1,000,000.00) combined single limit, bodily injury and property damage liability for each occurrence and aggregate. LESSOR SHALL BE NAMED AS AN ADDITIONAL INSURED IN ANY INSURANCE POLICY OR POLICIES OR CERTIFICATES AS EVIDENCE THEREOF. Certificates of insurance shall be provided to LESSOR by LESSEE. Such certificates shall provide that the insurance may not be canceled without the LESSOR receiving written notice from LESSEE'S insurance carrier at least ten (10) days prior to such cancellation.

2. Certificates of such insurance shall be delivered to LESSOR a minimum of Fifteen (15) days following possession of the Demised Premises by LESSEE with renewals thereof delivered to LESSOR a minimum of thirty (30) days prior to the expiration of any such policies. If requested to do so, LESSEE shall also provide LESSOR with copies of the pertinent portions of all such policies and shall also permit LESSOR to examine the original policies. Each policy and certificate evidencing the same shall contain an agreement by the insurer that such policy shall not be cancelled or modified without ten (10) days' written notice to LESSOR and that no act or omission of LESSEE shall invalidate the interest of LESSOR under such insurance. If LESSEE fails to obtain and maintain any such insurance or to deliver any of the certificates as required in this Lease, LESSOR may, in addition to any other remedy under this Lease, procure such insurance at the expense of LESSEE and pay the cost thereof. Such cost shall be deemed additional rent and shall be payable by LESSEE to LESSOR immediately upon demand, together with interest until paid.

XV. ASSIGNMENT

1. LESSEE shall not assign and underlet this lease in any manner without the written consent of the LESSOR, which consent shall not be unreasonable withheld.

XVI. LESSEE ALTERATIONS

1. LESSEE, at LESSEE'S expense may make alterations to the premises with the written permission of LESSOR, which permission shall not be unreasonably withheld.
2. All work shall be done in a professional and workmanship type manner.
3. LESSEE shall not permit any mechanic's or other lien or claim for lien or notice in respect thereto to be filed against the demised. If any such lien or claim be made or filed, LESSEE shall, within ~~ten (10)~~ ^{thirty (30)} days after notice of the filing thereof, cause such said lien, notice or claim for lien to be effectively removed and discharged of record; provided, however, that LESSEE shall have the right to contest the amount or validity, in whole or in part, of any such lien, notice or claim by appropriate proceedings, but, in any event, LESSEE shall promptly bond such lien, notice or claim with a surety company satisfactory to LESSOR and shall prosecute such proceedings with all due diligence and dispatch. If LESSEE fails to so discharge or bond such lien, LESSOR may, at its election, remove or discharge such lien, notice or claim by paying the full amount thereof, or otherwise, and without any investigation or contest of validity thereof, and LESSEE shall pay to LESSOR, upon demand, as additional rent, the amount paid by the LESSOR, including LESSOR'S costs, expenses and counsel fees.

4. In the event of reversion to the LESSOR as provided herein, LESSOR shall pay to LESSOR the lesser of 1) the depreciated value of the LESSEE improvements as determined by a third party appraisal OR 2) in kind by providing alternate parking in LESSOR's other facility(ies) at no cost to LESSEE.

XVII. LESSOR INSPECTION

1. LESSOR shall have the right to enter the premises during all hours for the purpose of inspecting the Demised Premises leased.

XVIII. CONDEMNATION

1. If, during the term of this lease, the whole or any part of the Demised Premises shall be taken under the power of Eminent Domain by any public, quasi-public, or private authority, then in such event, the proceeds of said condemnation shall be paid to LESSOR.
2. In the event the taking of the Demised Premises shall result in a reduction in the size of the premises such that the remaining areas are not reasonably suited to LESSEE'S use, then LESSEE may terminate this lease, at LESSEE'S election, by giving LESSOR sixty (60) days notice of its election to terminate.
3. In the event the taking of the Demised Premises shall result in a reduction in the size of the property and such reduction does not unreasonably affect LESSEE's use, then in such event, this Lease shall continue in full force and effect except that the rental shall be reduced proportionately based on the reduction of the demised area.
4. At such time as a notice of intent to condemn is received by LESSOR, LESSOR will immediately notify LESSEE of said action, and LESSEE may elect to participate in the negotiation for the purpose of limiting the damages from such condemnation and securing any claims which LESSEE may have for damages to its business, damages to the real estate excepted.

XIX. ADDITIONAL REMEDIES OF LESSOR

1. In addition to all other remedies of the LESSOR, in the event of default by LESSEE, as Herein before provided, the following remedies shall, at the option of the LESSOR, be available:

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- a. If said rent or part thereof shall remain in arrears and unpaid for a period of ~~five~~ ^{thirty (30)} days following written notice from LESSOR or LESSOR'S agent, LESSOR may at its option re-enter and resume possession of the premises and declare this lease and the tenancy hereby created terminated, and LESSOR may thereupon
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remove all persons and property from the premises, with or without resort to process of any court, by force or otherwise. If proceedings shall be commenced by LESSOR to recover possession, either at the end of the term or sooner termination of this lease for non-payment of rent, LESSEE specifically waives any right to any statutory notice and agrees that ~~five (5)~~ thirty (30) days written notice shall be sufficient. LESSEE further agrees that notwithstanding such termination, it shall remain liable for any rent due to LESSOR or damages caused to LESSOR prior thereto.

- b. In the event LESSEE fails to pay any installment of rent when due, keep all covenants of this lease or remove from the premises at the termination of this lease, then LESSEE hereby authorizes and empowers any attorney, or any Court of Record of Pennsylvania or elsewhere, to appear in said Court and confess judgment in an amicable action of ejectment for the premises above described, and LESSEE authorizes the immediate issuance of a Writ of Possession for the premises.
- c. Except in the case of default in rental payments as set forth above, LESSOR agrees that in the event of default, LESSEE shall be afforded a period of thirty (30) days after written notice by Certified Mail of such default, to cure same, before such default shall become actionable under any provision of this lease.
- d. If LESSEE shall become insolvent or be declared a bankrupt or shall make an assignment for the benefit of creditors, or have an execution issued against LESSEE, the whole of the rent for the then entire term shall immediately become due and payable.

XX. NOTICES

1. Any notice provided for herein shall be given by registered or certified mail, addressed:

a. If to the LESSEE as follows:

815 N George St Suite A
York, PA 17404

b. With a copy to:
Jeffrey Lobach, Esquire
Barley Snyder
100 East Market Street
York, PA 17401

c. If to the LESSOR as follows:

REDEVELOPMENT AUTHORITY OF THE CITY OF YORK
101 South George Street, P.O. Box 509
York, PA 17405-0509

d. With a copy to:
Donald B. Hoyt, Esquire

Blakey, Yost, Bupp & Rausch, LLP
17 East Market Street
York, PA 17401

XXI. HOLDING OVER

1. Any holding over after the expiration of the term of this Lease or any renewals thereof shall, at LESSOR'S option upon notice to LESSEE, be construed to be a tenancy from year to year at the rent and other payments herein specified and shall otherwise be subject to the conditions, covenants and agreements of this Lease. If LESSEE shall hold over after the termination of this Lease for any reason whatsoever, and LESSOR has notified LESSEE in writing that such holding over shall not be permitted, LESSEE shall pay monthly \$500.00 as liquidated damages. Nevertheless, the acceptance of such amount by LESSOR shall be without prejudice to any other rights or remedies of LESSOR at law or in equity or under this Lease.

XXII. NON-WAIVER

1. The failure of LESSOR to insist in any one or more instances upon a strict performance of any covenant of this lease, or to exercise any right herein contained, shall not be construed as a waiver for the future of such covenant or right, but the same shall continue in full force and effect, unless the contrary is expressed in writing by LESSOR to LESSEE.
2. In every instance where approval is required by LESSOR or LESSEE, such approval shall not be unreasonably withheld and a response shall be promptly given.

XXIII. QUIET ENJOYMENT

1. LESSOR covenants that LESSEE, on paying said rental and performing covenants and conditions in this lease contained, shall and may peaceably and quietly have, hold and enjoy the demised premises for the entire term hereof, including any renewal term, subject to all the provisions of this lease.

XXIV. ATTORNMENT

1. So long as LESSEE has quiet enjoyment of the premises, LESSEE, for itself and its successors and assigns, agrees to attorn to any person who shall acquire title to the property by virtue of a foreclosure of a mortgage or deed given in lieu of such foreclosure, or otherwise, and the LESSEE further agrees to execute and deliver, upon request, an appropriate agreement memorializing the attornment.

XXV. SUBORDINATION

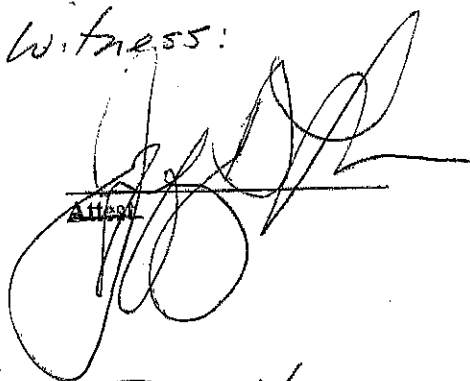
1. This lease, at LESSOR'S option, will be subordinate to any form of security now or later placed on the property and to all advances made on the security and to all renewals, modifications, consolidations, replacements, and extensions. If any mortgagee, trustee, or ground lessor elects to have this lease be prior to the lien of its security, and gives written notice to LESSEE, this lease will be deemed prior to said security, whether dated before or after the date of the recording date of the security. LESSEE agrees to execute any required documents, and LESSEE irrevocably appoints LESSOR as LESSEE'S attorney-in-fact to do so if LESSEE fails to do so within ten (10) days after written demand.

XXVI. DESCRIPTIVE HEADINGS

1. The descriptive headings in this agreement are inserted for convenience in reference only and do not constitute a part of this agreement.
2. It is the intention of the parties hereto to be legally bound hereby and this lease shall be binding upon the said parties hereto, their respective heirs, executors, administrators, successors, and/or assigns.

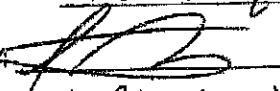
IN WITNESS WHEREOF, the parties have hereunto set their hands and seals the day and year first above written.

Witness:


 Attest

LESSEE:

Keystone Color Works Partnership, L. P.
~~XXXXXXXXXXXXXXXXXXXX~~


By:  Date 8/4/15

Seth Redix (Member) Member of Distinct Equities, IV,
 General Partner

LESSOR:

REDEVELOPMENT AUTHORITY OF THE CITY OF YORK

By:  Date 8.10.15


 Attest Solicitor