LEASE AGREEMENT

Kennett Square Borough, Landlord

AND

Genesis Administrative Services, LLC. Tenant

AT

600 South Broad Street, Annex Kennett Square, PA 19348

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LEASE AGREEMENT

THIS LEASE AGREEMENT ("Lease"), made the _____ day of ____ 2021, by and between Kennett Square Borough ("Landlord"), and Genesis Administrative Services, LLC ("Tenant"), a Pennsylvania limited liability company.

1. Basic Lease Terms and Definitions.

- (a) **Premises**: The portion of real estate located 600 South Broad Street, Kennett Square, Pennsylvania known as the Annex Building and depicted on the Plan at Exhibit A attached hereto ("Annex Building"), together with the right to use _____ parking spaces on the Property, and the rights and appurtenances pertaining thereto except as otherwise reserved by Landlord herein.
- (b) **Term**: The lease shall be for a term of four (4) months beginning on January 1, 2022 (the "Initial Term"). In the event that Tenant validly exercises the month to month Renewal Option pursuant to Section 1 of this Lease, then all references herein to the "Term" shall be deemed to include the Initial Term and Renewal Term.
 - (c) **Commencement Date**: Upon the date this lease is fully executed by Landlord and Tenant.
 - (d) **Expiration Date**: 11:59 p.m. on the last day of the Term.

(e) Renewal Option:

- (i) Tenant shall have the continuous option to extend the Term of the Lease for the leased Premises by additional periods of thirty (30) days ("Renewal Option"), under and subject to the following terms and conditions.
- (ii) The renewal term ("Renewal Term") shall be for one (1)-month periods commencing on the day immediately following the expiration of the Initial Term (or prior Renewal Term) and expiring on the day immediately preceding one (1)-month from the beginning of the Renewal Term. The Renewal Term shall continue from month to month until such time as either Landlord or Tenant provide thirty (30) days notice prior to the expiration of the then-current Term of the intent to terminate the Lease.
- (iii) As a condition to Tenant's exercise of the Renewal Option, at the time Tenant delivers its notice of election to exercise the Renewal Option to Landlord, there shall be no Event of Default, this Lease shall be in full force and effect, and Tenant shall not have assigned this Lease or sublet the Premises.
- (iv) Except as set forth in this Section 1, there shall be no further options to renew the term of the Lease.
- (f) **Rent**: The Rent for the Initial Term and any Renewal Term is Payable in equal monthly installments ("Monthly Rent"). Rent for the first year shall be \$2,500 per month; Rent for any Renewal Term after the first year shall reflect an annual increase of 2%.
 - (g) **Operating Expenses**: To be paid by Tenant in accordance with Section 6.
 - (h) Use: Office space.

(i) **Security Deposit**: One Month's Rent - \$2,500

At the time of signing this Lease, Tenant shall deposit with Landlord the Security Deposit to be retained by Landlord as cash security for the faithful performance and observance by Tenant of the provisions of this Lease. Tenant shall not be entitled to any interest on the Security Deposit. Landlord shall have the right to commingle the Security Deposit with its other funds. Landlord may use the whole or any part of the Security Deposit for the payment of any amount as to which Tenant is in default or to compensate Landlord for any loss or damage it may suffer by reason of Tenant's default under this Lease. If Landlord uses all or any portion of the Security Deposit as herein provided, within 10 days after demand, Tenant shall pay Landlord cash in an amount equal to that portion of the Security Deposit used by Landlord. If Tenant complies fully and faithfully with all of the provisions of this Lease, the Security Deposit shall be returned to Tenant after the Expiration Date and surrender of the Premises to Landlord.

- (j) Landlord's Work: None. Tenant agrees to accept the Premises in "as is" condition.
- (k) **Notice**: Any notice, consent or other communication under this Lease shall be in writing and addressed to Landlord or Tenant at their respective addresses specified below (or to such other address as either may designate by written notice to the other). Each notice or other communication shall be deemed given if sent by prepaid overnight delivery service or by certified mail, return receipt requested, postage prepaid or in any other manner, with delivery in any case evidenced by a receipt, and shall be deemed to have been given on the day of actual delivery to the intended recipient or on the business day delivery is refused. The giving of notice by Landlord's attorneys, representatives and agents under this Section shall be deemed to be the acts of Landlord.

Landlord: Tenant:

Borough of Kennett Square Attn: Kyle Coleman, Manager 120 Marshall Street Kennett Square, PA 19348

Genesis Administrative Services, LLC 101 East State Street Kennett Square, PA 19348 Attn: Ginger Meyer

With a copy (which shall not constitute Notice) to:

Michael G. Crotty, Esquire Siana Law, LLP Ludwigs Corner Professional Center 941 Pottstown Pike, Suite 200 Chester Springs, PA 19425 Email: mgcrotty@sianalaw.com With a copy (which shall not constitute Notice) to:

lawdepartment@genesishcc.com

- (1) Additional Definitions: See Rider 1 for the definitions of other capitalized terms.
- (m) **Contents**: The following are attached to and made a part of this Lease:

Rider – Additional Definitions Exhibits: "A" – Building Rules

2. Premises.

(a) Landlord leases to Tenant and Tenant leases from Landlord the Premises. Tenant accepts the Premises "AS IS", without relying on any representation, covenant, or warranty by Landlord other than as expressly set forth in this Lease.

3. <u>Use.</u>

(a) Tenant shall occupy and use the Premises only for the Use specified in Section 1 above. Tenant shall not use or permit the use of any portion of the Property for outdoor storage or installations outside of the Premises.

4. Term; Possession.

(a) The Term of this Lease shall commence on the Commencement Date and shall end on the Expiration Date, unless sooner terminated in accordance with this Lease. If Landlord is delayed in delivering possession of all or any portion of the Premises to Tenant as of the Commencement Date, Tenant will take possession on the date Landlord delivers possession, which date will then become the Commencement Date. Notwithstanding anything to the contrary herein, the Expiration Date will be extended so that the length of the Term remains unaffected by such delay. Landlord shall not be liable for any loss or damage to Tenant resulting from any delay in delivering possession due to the holdover of any existing tenant or other circumstances outside of Landlord's reasonable control.

5. Rent; Taxes.

(a) Tenant shall pay the Rent, in advance, on the first day of each calendar month during the Term, at Landlord's address designated in Section 1 above unless Landlord designates otherwise. If the Commencement Date is not the first day of the month, the Monthly Rent for that partial month shall be apportioned on a per diem basis and shall be paid on or before the Commencement Date. Tenant shall pay Landlord a service and handling charge equal to 5% of any Rent not paid within five (5) business days after the date due. In addition, any Rent, including such charge, not paid within five (5) business days after the due date will bear interest at the Interest Rate from the date due to the date paid. Tenant shall pay before delinquent all taxes levied or assessed upon, measured by, or arising from: (a) the conduct of Tenant's business; (b) Tenant's leasehold estate; or (c) Tenant's property and trade fixtures. Additionally, Tenant shall pay to Landlord all sales, use, transaction privilege, or other excise tax that may at any time be levied or imposed upon, or measured by, any amount payable by Tenant under this Lease.

6. Operating Expenses.

(a) Notwithstanding anything to the contrary herein, Tenant shall be obligated to pay all Operating Expenses except: (i) Landlord shall be responsible for payment of real estate property taxes and (ii) cost of Landlord's insurance as required in Section 8. Tenant shall be solely responsible for payment of all other costs associated with maintenance, utilities, janitorial, snow removal, and any other Operating Expense. Landlord shall invoice Tenant for any Operating Expenses incurred on behalf of Tenant by Landlord and payment shall be made by Tenant to Landlord within thirty (30) days after receipt of such invoice.

7. Utilities.

- (a) Tenant shall pay proportionally for water, gas, sewer, electricity, heat, power, telephone and other communication services and any other utilities supplied to the Premises. Tenant shall, to the extent practicable, obtain utility service in its own name and timely pay all charges directly to the provider. To the extent a utility service is not able to be directly metered and billed to Tenant or for utilities serving the Common Areas, Tenant shall be responsible for payment of said utilities based upon Tenant's Share. Landlord shall not be responsible or liable for any interruption in such services, nor shall such interruption affect the continuation or validity of this Lease. Landlord shall have the exclusive right to select, and to change, the companies providing such services to the Building or Premises. Any wiring, cabling or other equipment necessary to connect Tenant's telecommunications equipment shall be Tenant's responsibility, and shall be installed in a manner approved by Landlord.
- (b) From time to time, at Landlord's option, Landlord may estimate the monthly cost for all utilities that are not being directly metered and billed to Tenant and bill Tenant the estimated amount therefor based upon Tenant's Share. All such estimated amounts shall be paid together with Monthly Rent. Landlord shall deliver to Tenant at least annually (or more frequently at Landlord's election) a statement indicating the actual amount of Tenant's share of such utilities based upon the actual utility invoiced (as may be applicable). If any reconciliation of utilities reveals that any additional payments are due, Tenant shall pay such deficiency to Landlord within fifteen (15) days after invoice therefor. If the reconciliation reveals that Tenant has overpaid utilities for such period, Landlord shall credit such overpayment against Rent hereunder, or if the Term has expired, pay such amount to Tenant. Landlord's and Tenant's obligation to pay any overpayment or deficiency due the other pursuant to this Section shall survive the expiration or termination of this Lease.

8. <u>Insurance; Waivers; Indemnification.</u>

- (a) Landlord shall maintain insurance against loss or damage to the Premises with coverage for perils as set forth under the "Causes of Loss-Special Form" or equivalent property insurance policy in an amount equal to the full insurable replacement cost of the Premises (excluding coverage of Tenant's personal property and any Alterations by Tenant), and such other insurance, including rent loss coverage, as Landlord may reasonably deem appropriate or as any Mortgagee may require.
- (b) Tenant, at its expense, shall keep in effect commercial general liability insurance, including blanket contractual liability insurance, covering Tenant's use of the Premises, with such coverages and limits of liability as Landlord may reasonably require, but not less than a \$3,000,000 for injury or death to any one person, \$5,000,000.00 for any one accident; however, such limits shall not limit Tenant's liability hereunder. The policy shall name Landlord and any other associated or affiliated entity as their interests may appear and at Landlord's request, any Mortgagee(s), as additional insureds, on a "claims made" basis and shall be endorsed to provide that it is primary to and not contributory to any policies carried by Landlord and to provide that it shall not be cancelable or reduced without at least thirty (30) days prior notice to Landlord. In the event the claims made coverage is canceled, evidence of a three-year extended reporting period will be provided. The insurer shall be authorized to issue such insurance, licensed to do business and admitted in the state in which the Premises is located and rated at least A VII in the most current edition of *Best's Insurance Reports*. Tenant shall deliver to Landlord on or before the Commencement Date or any earlier date on which Tenant accesses the Premises, and at least thirty (30) days prior to the date of each policy renewal, a certificate of insurance evidencing such coverage.

(c) Except to the extent caused by the negligence or willful misconduct of Landlord or its Agents, Tenant will indemnify, defend, and hold harmless Landlord and its Agents from and against any and all claims, actions, damages, liability and expense (including fees of attorneys, investigators and experts) which may be asserted against, imposed upon, or incurred by Landlord or its Agents and arising out of or in connection with loss of life, personal injury or damage to property in or about the Premises or arising out of the occupancy or use of the Premises by Tenant or its Agents or occasioned wholly or in part by any act or omission of Tenant or its Agents, whether prior to, during or after the Term. Tenant's obligations pursuant to this subsection shall survive the expiration or termination of this Lease.

9. Maintenance and Repairs.

- Subject to the remainder of this Section 9 and all provisions in this Lease relating to damage, destruction, or condemnation of the Premises and to Tenant's indemnification of Landlord, Landlord shall maintain, repair, replace and keep in good order, condition and repair and at least the same condition as of the Effective Date (ordinary wear and tear excepted) the foundation, the roof, any roof coverings, and exterior walls (excluding the interior and exterior finish surfaces of exterior walls, windows, window frames, and doors) of any building on the Premises. If Landlord shall be called on to make any such repairs occasioned by the negligent act or negligent failure to act by Tenant or Tenant's agents, servants, employees, contractors or subcontractors, or customers and other invitees or by reason of any use of the Premises by Tenant which is not normal wear and tear, the entire cost of such repair shall be borne by Tenant and be immediately due to Landlord as Rent. Except as provided above, it is intended by the Parties hereto that Landlord have no obligation, in any manner whatsoever, to repair and maintain the Premises, or the equipment therein, all of which obligations are intended to be that of Tenant. It is the intention of the Parties that the terms of this Lease govern the respective obligations of the Parties as to maintenance and repair of the Premises, and they expressly waive the benefit of any statute now or hereafter in effect to the extent it is inconsistent with the terms of this Lease. Landlord shall use reasonable efforts to cause any necessary repairs to be made promptly; provided, however, that Landlord shall have no liability whatsoever for any delays in causing such repairs to be made, including, without limitation, any liability for injury to or loss of Tenant's business, nor shall any delays entitle Tenant to any abatement of Rent or damages, or be deemed an eviction of Tenant in whole or in part.
- (b) Subject to provisions in this Lease relating to damage, destruction, or condemnation of the Premises, Tenant shall, at Tenant's sole expense, keep the Premises in good order, condition, and repair (whether or not the need for such repair occurs as a result of Tenant's use, any prior use, the elements, or the age of such portion of the Premises), including, but not limited to, all equipment or facilities, such as plumbing, heating, ventilating, air-conditioning, electrical, lighting facilities, boilers, pressure vessels, fire protection system, fixtures, interior walls, the interior and exterior finish surface of exterior walls, ceilings, floors, windows, doors, plate glass, skylights, landscaping, driveways, parking lots, fences, retaining walls, signs, sidewalks, and parkways located in, on, or adjacent to the Premises. Tenant, in keeping the Premises in good order, condition, and repair, shall exercise and perform good maintenance practices. Tenant's obligations shall include restorations, replacements, or renewals when necessary to keep the Premises and all improvements thereon or a part thereof in good order, condition, and state of repair. Tenant shall, during the Term of this Lease, keep the exterior appearance of the Premises in the same condition as it was on the Commencement Date consistent with the exterior appearance of other similar facilities of comparable age and size in the vicinity, including, when necessary, the exterior repair of the Premises. Tenant is responsible for removal of snow and ice from the Premises and any sidewalks adjacent to the Premises.

(c) If as a part of Tenant's fulfillment of its obligations under this Section 9, any individual repair, improvement or replacement to the Premises is paid for by Tenant which costs in excess of One Thousand Dollars (\$1,000.00), Landlord shall reimburse Tenant for the cost of the repair less the sum of (i) One Thousand Dollars (\$1,000.00); provided, however, that Landlord shall not be obligated to reimburse Tenant under this Section 9(c) for any repairs, replacements, or maintenance occasioned by or arising from any act or conduct of Tenant, its employees, agents, assigns, invitees, licensees or any and all persons on the Premises as a result of Tenant's occupation thereof.

10. Compliance.

- (a) Tenant will, at its expense, comply with all Laws now or subsequently pertaining to the Premises or Tenant's use or occupancy and obtain all Permits necessary for Tenant's use, occupancy and/or business conducted at the Premises. Neither Tenant nor its Agents shall use the Premises in any manner that under any Law would require Landlord to make any Alteration to or in the Premises (without limiting the foregoing, Tenant shall not use the Premises in any manner that would cause the Premises to be deemed a "place of public accommodation" under the ADA if such use would require any such Alteration). Tenant shall be responsible for compliance with the ADA, and any other Laws regarding accessibility, with respect to the Premises.
 - (b) Tenant will comply, and will cause its Agents to comply, with the Building Rules.
- (c) Tenant agrees not to do anything or fail to do anything which will increase the cost of Landlord's insurance or which will prevent Landlord from procuring policies (including public liability) from companies and in a form satisfactory to Landlord. If any breach of the preceding sentence by Tenant causes the rate of fire or other insurance to be increased, Tenant shall pay the amount of such increase as additional Rent within 30 days after being billed.
- Tenant agrees that (i) no activity will be conducted on the Premises that will use or produce (d) any Hazardous Materials, except for activities which are part of the ordinary course of Tenant's business and are conducted in accordance with all Environmental Laws ("Permitted Activities"); (ii) the Premises will not be used for storage of any Hazardous Materials, except for materials used in the Permitted Activities which are properly stored in a manner and location complying with all Environmental Laws; (iii) no portion of the Premises or Property will be used by Tenant or Tenant's Agents for disposal of Hazardous Materials; (iv) Tenant will deliver to Landlord copies of all Material Safety Data Sheets and other written information prepared by manufacturers, importers or suppliers of any chemical; and (v) Tenant will immediately notify Landlord of any violation by Tenant or Tenant's Agents of any Environmental Laws or the release or suspected release of Hazardous Materials in, under or about the Premises, and Tenant shall immediately deliver to Landlord a copy of any notice, filing or permit sent or received by Tenant with respect to the foregoing. If at any time during or after the Term, any portion of the Premises is found to be contaminated by Tenant or Tenant's Agents or subject to conditions prohibited in this Lease caused by Tenant or Tenant's Agents, Tenant will indemnify, defend and hold Landlord harmless from all claims, demands, actions, liabilities, costs, expenses, attorneys' fees, damages and obligations of any nature arising from or as a result thereof, and Landlord shall have the right to direct remediation activities, all of which shall be performed at Tenant's cost (which cost shall include the Administrative Fee). Tenant's obligations pursuant to this subsection shall survive the expiration or termination of this Lease.

11. Signs.

(a) Tenant shall not place any signs on the Premises without the prior consent of Landlord, other than signs that are located wholly within the interior of the Premises and not visible from the exterior of the Premises. Tenant shall maintain all signs installed by Tenant in good condition. Tenant shall remove its signs at the termination of this Lease, shall repair any resulting damage, and shall restore the Premises to its condition existing prior to the installation of Tenant's signs.

12. Alterations.

(a) Tenant shall not make or permit any Alterations in or to the Premises without first obtaining Landlord's consent. With respect to any Alterations made by or on behalf of Tenant: (i) not less than 10 days prior to commencing any Alteration, Tenant shall deliver to Landlord the plans, specifications and necessary permits for the Alteration, together with certificates evidencing that Tenant's contractors and subcontractors have adequate insurance coverage naming Landlord and any other associated or affiliated entity as their interests may appear as additional insureds, (ii) Tenant shall obtain Landlord's prior written approval of any contractor or subcontractor not to be unreasonably withheld, (iii) the Alteration shall be constructed with new materials, in a good and workmanlike manner, and in compliance with all Laws and the plans and specifications delivered to, and, if required above, approved by Landlord, (iv) Tenant shall pay Landlord all reasonable costs and expenses in connection with Landlord's review of Tenant's plans and specifications, and of any supervision or inspection of the construction Landlord deems necessary, and (v) upon Landlord's request Tenant shall, prior to commencing any Alteration, provide Landlord reasonable security against liens arising out of such construction. Any Alteration by Tenant shall be the property of Tenant until the expiration or termination of this Lease; at that time without payment by Landlord the Alteration shall remain on the Premises and become the property of Landlord unless Landlord gives notice to Tenant to remove it, in which event Tenant will remove it, will repair any resulting damage and will restore the Premises to the condition existing prior to Tenant's Alteration. At Tenant's request prior to Tenant making any Alterations, Landlord will notify Tenant whether Tenant is required to remove the Alterations at the expiration or termination of this Lease. Tenant may install its trade fixtures, furniture and equipment in the Premises, provided that the installation and removal of them will not affect any structural portion of the Property, any Building System or any other equipment or facilities serving the Premises.

13. Landlord's Right of Entry.

(a) Tenant shall permit Landlord and its Agents to enter the Premises at all reasonable times following reasonable notice (except in an emergency) to inspect, Maintain, or make Alterations to the Premises, to exhibit the Premises for the purpose of sale or financing, and, to exhibit the Premises to any prospective tenant. Landlord will make reasonable efforts not to inconvenience Tenant in exercising such rights, but Landlord shall not be liable for any interference with Tenant's occupancy resulting from Landlord's entry.

14. Damage by Fire or Other Casualty.

(a) If the Premises or Common Areas shall be damaged or destroyed by fire or other casualty, Tenant shall promptly notify Landlord, and Landlord, subject to the conditions set forth in this Section, shall repair such damage and restore the Premises or Common Areas to substantially the same condition in which they were immediately prior to such damage or destruction, but not including the repair, restoration or replacement of the fixtures, equipment, or Alterations installed by or on behalf of Tenant.

Landlord shall notify Tenant, within 30 days after the date of the casualty, if Landlord anticipates that the restoration will take more than 120 days from the date of the casualty to complete; in such event, either Landlord or Tenant (unless the damage was caused by Tenant or Tenant's Agents) may terminate this Lease effective as of the date of casualty by giving notice to the other within 10 days after Landlord's notice. If a casualty occurs during the Term, Landlord may terminate this Lease at any time. Moreover, Landlord may terminate this Lease if the loss is not covered by the insurance required to be maintained by Landlord under this Lease. Tenant will receive an abatement of Minimum Rent and Annual Operating Expenses to the extent the Premises are rendered untenantable as a result of the casualty, except if caused by Tenant or Tenant's Agents and not covered by Landlord's insurance proceeds.

15. Condemnation.

(a) If (i) all of the Premises are Taken, (ii) any part of the Premises is Taken and the remainder is insufficient in Landlord's opinion for the reasonable operation of Tenant's business, or (iii) any of the Building is Taken, and, in Landlord's opinion, it would be impractical or the condemnation proceeds are insufficient to restore the remainder, then this Lease shall terminate as of the date the condemning authority takes possession. If this Lease is not terminated, Landlord shall restore the Building to a condition as near as reasonably possible to the condition prior to the Taking, the Minimum Annual Rent shall be abated for the period of time all or a part of the Premises is untenantable in proportion that such rentable square foot area that is untenantable bears to the rentable square foot of the Premises, and this Lease shall be amended appropriately. The compensation awarded for a Taking shall belong to Landlord. Except for any relocation benefits to which Tenant may be entitled, Tenant hereby assigns all claims against the condemning authority to Landlord, including, but not limited to, any claim relating to Tenant's leasehold estate.

16. Quiet Enjoyment.

(a) Landlord covenants that Tenant, upon performing all of its covenants, agreements and conditions of this Lease, shall have quiet and peaceful possession of the Premises as against anyone claiming by or through Landlord, subject, however, to the terms of this Lease.

17. Assignment and Subletting.

(a) Tenant may not assign this agreement or sublet the Premises without the prior written consent of the Landlord. Any assignments, sublease or other purported license to use the Premises without the Landlord's consent shall be void and shall (at the landlord's option) terminate this lease.

18. Subordination; Mortgagee's Rights.

(a) Tenant accepts this Lease subject and subordinate to any Mortgage now or in the future affecting the Premises, provided that Tenant's right of possession of the Premises shall not be disturbed by the Mortgagee so long as there is no Event of Default under this Lease. This clause shall be self-operative, but within 10 days after request, Tenant shall execute and deliver any further instruments confirming the subordination of this Lease and any further instruments of attornment that the Mortgagee may reasonably request. However, any Mortgagee may at any time subordinate its Mortgage to this Lease, without Tenant's consent, by giving notice to Tenant, and this Lease shall then be deemed prior to such Mortgage without regard to their respective dates of execution and delivery; provided that such subordination shall not affect any Mortgagee's rights with respect to condemnation awards, casualty insurance proceeds, intervening liens or any right which shall arise between the recording of such Mortgage and the execution of this Lease.

- (b) No Mortgagee shall be (i) liable for any act or omission of a prior landlord, (ii) subject to any rental offsets or defenses against a prior landlord, (iii) bound by any amendment of this Lease made without its written consent, or (iv) bound by payment of Monthly Rent more than one month in advance or liable for any other funds paid by Tenant to Landlord unless such funds actually have been transferred to the Mortgagee by Landlord.
- (c) The provisions of Sections 14 and 15 above notwithstanding, Landlord's obligation to restore the Premises after a casualty or condemnation shall be subject to the consent and prior rights of any Mortgagee.

19. Surrender.

- (a) On the date on which this Lease expires or terminates, Tenant shall return possession of the Premises to Landlord in good condition, except for ordinary wear and tear, and except for casualty damage or other conditions that Tenant is not required to remedy under this Lease. Prior to the expiration or termination of this Lease, Tenant shall remove from the Premises all furniture, trade fixtures, equipment, wiring and cabling (unless Landlord directs Tenant otherwise), and all other personal property installed by Tenant or its assignees or subtenants. Tenant shall repair any damage resulting from such removal and shall restore the Premises to good order and condition. Any of Tenant's personal property not removed as required shall be deemed abandoned, and Landlord, at Tenant's expense, may remove, store, sell or otherwise dispose of such property in such manner as Landlord may see fit and/or Landlord may retain such property or sale proceeds as its property. If Tenant does not return possession of the Premises to Landlord in the condition required under this Lease, Tenant shall pay Landlord all resulting damages Landlord may suffer.
- (b) If Tenant remains in possession of the Premises after the expiration or termination of this Lease, Tenant's occupancy of the Premises shall be that of a tenancy at sufferance. Tenant's occupancy during any holdover period shall otherwise be subject to the provisions of this Lease (unless clearly inapplicable), except that the Monthly Rent shall be double the Monthly Rent payable for the last full month immediately preceding the holdover. No holdover or payment by Tenant after the expiration or termination of this Lease shall operate to extend the Term or prevent Landlord from immediate recovery of possession of the Premises by summary proceedings or otherwise. Any provision in this Lease to the contrary notwithstanding, any holdover by Tenant shall constitute a default on the part of Tenant under this Lease entitling Landlord to exercise, without obligation to provide Tenant any notice or cure period, all of the remedies available to Landlord in the event of a Tenant default, and Tenant shall be liable for all damages, including consequential damages, that Landlord suffers as a result of the holdover.

20. Defaults - Remedies.

- (a) It shall be an Event of Default:
 - (i) If Tenant does not pay in full when due any and all Rent and, except as provided in Section 20(c) below, Tenant fails to cure such default on or before the date that is 10 days after Landlord gives Tenant notice of default;
 - (ii) If Tenant enters into or permits any Transfer in violation of Section 17 above;
 - (iii) If Tenant fails to observe and perform or otherwise breaches any other provision of this Lease, and, except as provided in Section 20(c) below, Tenant fails to cure the default on or before the date that is 10 days after Landlord gives Tenant notice of default; provided,

however, if the default cannot reasonably be cured within 10 days following Landlord's giving of notice, Tenant shall be afforded additional reasonable time (not to exceed 30 days following Landlord's notice) to cure the default if Tenant begins to cure the default within 10 days following Landlord's notice and continues diligently in good faith to completely cure the default; or

- (iv) If Tenant becomes insolvent or makes a general assignment for the benefit of creditors or offers a settlement to creditors, or if a petition in bankruptcy or for reorganization or for an arrangement with creditors under any federal or state law is filed by or against Tenant, or a bill in equity or other proceeding for the appointment of a receiver for any of Tenant's assets is commenced, or if any of the real or personal property of Tenant shall be levied upon; provided that any proceeding brought by anyone other than Landlord or Tenant under any bankruptcy, insolvency, receivership or similar law shall not constitute an Event of Default until such proceeding has continued unstayed for more than 60 consecutive days.
- (b) If an Event of Default occurs, Landlord shall have the following rights and remedies:
- (i) Landlord, without any obligation to do so, may elect to cure the default on behalf of Tenant, in which event Tenant shall reimburse Landlord upon demand for any sums paid or costs incurred by Landlord (together with the Administrative Fee) in curing the default, plus interest at the Interest Rate from the respective dates of Landlord's incurring such costs, which sums and costs together with interest at the Interest Rate shall be deemed additional Rent;
- (ii) To enter and repossess the Premises, by breaking open locked doors if necessary, and remove all persons and all or any property, by action at law or otherwise, without being liable for prosecution or damages. Landlord may, at Landlord's option, make Alterations and repairs in order to relet the Premises and relet all or any part(s) of the Premises for Tenant's account. Tenant agrees to pay to Landlord on demand any deficiency (taking into account all costs incurred by Landlord) that may arise by reason of such reletting. In the event of reletting without termination of this Lease, Landlord may at any time thereafter elect to terminate this Lease for such previous breach;
- (iii) To terminate this Lease and the Term without any right on the part of Tenant to save the forfeiture by payment of any sum due or by other performance of any condition, term or covenant broken.
- (c) Any provision to the contrary in this Section 20 notwithstanding, (i) Landlord shall not be required to give Tenant the notice and opportunity to cure provided in Section 20(a) above more than once during the Term period, and (ii) Landlord shall not be required to give such notice prior to exercising its rights under Section 20(b) if Tenant fails to comply with the provisions of Sections 20 or in an emergency.
- (d) No waiver by Landlord of any breach by Tenant shall be a waiver of any subsequent breach, nor shall any forbearance by Landlord to seek a remedy for any breach by Tenant be a waiver by Landlord of any rights and remedies with respect to such or any subsequent breach. Efforts by Landlord to mitigate the damages caused by Tenant's default shall not constitute a waiver of Landlord's right to recover damages hereunder. No right or remedy herein conferred upon or reserved to Landlord is intended to be exclusive of any other right or remedy provided herein or by law, 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. No payment by Tenant or receipt or acceptance by Landlord of a lesser amount than the total amount due

Landlord under this Lease shall be deemed to be other than on account, nor shall any endorsement or statement on any check or payment be deemed an accord and satisfaction, and Landlord may accept such check or payment without prejudice to Landlord's right to recover the balance of Rent due, or Landlord's right to pursue any other available remedy.

(e) Landlord and Tenant waive the right to a trial by jury in any action or proceeding based upon or related to, the subject matter of this Lease.

21. CONFESSION OF JUDGMENT FOR POSSESSION OF REAL PROPERTY.

(a) TENANT COVENANTS AND AGREES, IF THIS LEASE SHALL BE TERMINATED (EITHER BECAUSE OF AN UNCURED EVENT OF DEFAULT DURING THE TERM OR WHEN THE TERM SHALL HAVE EXPIRED AND TENANT HAS NOT VACATED THE LEASED PREMISES AS REQUIRED HEREUNDER), LANDLORD MAY CAUSE A JUDGMENT IN EJECTMENT TO BE ENTERED AGAINST TENANT FOR POSSESSION OF THE LEASED PREMISES, AND AGREES THAT LANDLORD MAY COMMENCE AN ACTION PURSUANT TO PENNSYLVANIA RULES OF CIVIL PROCEDURE §2970 ET SEQ. FOR THE ENTRY OF AN ORDER IN EJECTMENT FOR THE POSSESSION OF REAL PROPERTY, AND TENANT FURTHER AGREES THAT A WRIT OF POSSESSION PURSUANT THERETO MAY ISSUE FORTHWITH, FOR WHICH AUTHORIZATION TO CONFESS JUDGMENT AND FOR THE ISSUANCE OF A WRIT OR WRITS OF POSSESSION PURSUANT THERETO, THIS LEASE, OR A TRUE AND CORRECT COPY THEREOF, SHALL BE SUFFICIENT WARRANT. TENANT FURTHER COVENANTS AND AGREES, THAT IF FOR ANY REASON WHATSOEVER AFTER SAID ACTION SHALL HAVE BEEN COMMENCED THE ACTION SHALL BE TERMINATED AND THE POSSESSION OF THE LEASED PREMISES HEREUNDER SHALL REMAIN IN OR BE RESTORED TO TENANT, LANDLORD SHALL HAVE THE RIGHT UPON SUBSEQUENT EVENTS OF DEFAULT OR DEFAULTS, OR UPON THE TERMINATION OF THIS LEASE AS ABOVE SET FORTH TO COMMENCE SUCCESSIVE ACTIONS FOR POSSESSION OF REAL PROPERTY AND TO CAUSE THE ENTRY OF SUCCESSIVE JUDGMENTS BY CONFESSIONS IN EJECTMENT FOR POSSESSION OF THE LEASED PREMISES

22. Liability of Landlord.

(a) The word "Landlord" in this Lease includes the Landlord executing this Lease as well as its successors and assigns, each of which shall have the same rights, remedies, powers, authorities and privileges as it would have had it originally signed this Lease as Landlord. Any such person or entity, whether or not named in this Lease, shall have no liability under this Lease after it ceases to hold title to the Premises except for obligations already accrued (and, as to any unapplied portion of Tenant's Security Deposit, Landlord shall be relieved of all liability upon transfer of such portion to its successor in interest). Tenant shall look solely to Landlord's successor in interest for the performance of the covenants and obligations of the Landlord hereunder which subsequently accrue. Landlord shall not be deemed to be in default under this Lease unless Tenant gives Landlord written notice specifying the default and Landlord fails to cure the default within a reasonable period following Tenant's written notice. In no event shall Landlord be liable to Tenant for any loss of business or profits of Tenant or for consequential, punitive or special damages of any kind. Neither Landlord nor any principal of Landlord nor any owner of the Premises, whether disclosed or undisclosed, shall have any personal liability with respect to any of the provisions of this Lease or the Premises; Tenant shall look solely to the equity of Landlord in the Premises for the satisfaction of any claim by Tenant against Landlord.

23. Miscellaneous.

- (a) The captions in this Lease are for convenience only, are not a part of this Lease and do not in any way define, limit, describe or amplify the terms of this Lease.
- (b) This Lease represents the entire agreement between the parties hereto and there are no collateral or oral agreements or understandings between Landlord and Tenant with respect to the Premises. No rights, easements or licenses are acquired in the Premises or any land adjacent to the Premises by Tenant by implication or otherwise except as expressly set forth in this Lease. This Lease shall not be modified in any manner except by an instrument in writing executed by the parties. The masculine (or neuter) pronoun and the singular number shall include the masculine, feminine and neuter genders and the singular and plural number. The word "including" followed by any specific item(s) is deemed to refer to examples rather than to be words of limitation. The word "person" includes a natural person, a partnership, a corporation, a limited liability company, an association and any other form of business association or entity. Both parties having participated fully and equally in the negotiation and preparation of this Lease, this Lease shall not be more strictly construed, nor any ambiguities in this Lease resolved, against either Landlord or Tenant.
- (c) Each covenant, agreement, obligation, term, condition or other provision contained in this Lease shall be deemed and construed as a separate and independent covenant of the party bound by, undertaking or making the same, not dependent on any other provision of this Lease unless otherwise expressly provided. All of the terms and conditions set forth in this Lease shall apply throughout the Term unless otherwise expressly set forth herein.
- (d) If any provisions of this Lease shall be declared unenforceable in any respect, such unenforceability shall not affect any other provision of this Lease, and each such provision shall be deemed to be modified, if possible, in such a manner as to render it enforceable and to preserve to the extent possible the intent of the parties as set forth herein. This Lease shall be construed and enforced in accordance with the laws of the state in which the Premises is located.
- (e) This Lease shall be binding upon and inure to the benefit of Landlord and Tenant and their respective heirs, personal representatives and permitted successors and assigns. All persons liable for the obligations of Tenant under this Lease shall be jointly and severally liable for such obligations.
 - (f) Tenant shall not record this Lease or any memorandum without Landlord's prior consent.

24. Tenant's Certificate.

(a) Within 10 days after Landlord's request from time to time, (a) Tenant shall execute, acknowledge and deliver to Landlord, for the benefit of Landlord, Mortgagee, any prospective Mortgagee, and any prospective purchaser of Landlord's interest in the Premises, an estoppel certificate in a form reasonably requested by Landlord, modified as necessary to accurately state the facts represented.

25. Broker.

(a) Tenant represents and warrants to Landlord that Tenant has dealt with no broker, agent or other intermediary in connection with this Lease other than Tenant's Broker, and that insofar as Tenant knows, no other broker, agent or other intermediary negotiated this Lease or introduced Tenant to Landlord or brought the Building to Tenant's attention for the lease of space therein. Tenant agrees to indemnify, defend and hold Landlord and its affiliates, partners, members, employees, agents, their partners,

members, shareholders, directors, officers, and trustees, harmless from and against any claims made by any broker, agent or other intermediary other than Tenant's Broker, with respect to a claim for any broker's commission or fee or similar compensation brought by any person in connection with this Lease, provided that Landlord has not in fact retained such broker, agent or other intermediary. Landlord agrees to pay all commissions payable to Tenant's Broker pursuant to a separate, written agreement between Landlord and Tenant's Broker.

*** THIS SPACE IS INTENTIONALLY BLANK***

*** SIGNATURE PAGE FOLLOWS***

Landlord and Tenant have executed this Lease on the respective date(s) set forth below.

Landlord: Kennett Square Borough

, 2022	By:Name: J. Douglas Doerfler
	Title: Council President Tenant: Genesis Administrative Services, LLC
	By:
	Name: Ginger Meyer
	Title: Director KSQ Campus & Community Relations
, 2022	

RIDER ADDITIONAL DEFINITIONS

- "ADA" means the Americans With Disabilities Act of 1990 (42 U.S.C. § 1201 et seq.), as amended and supplemented from time to time.
- "Administrative Fee" means fifteen percent (15%) of the costs incurred by Landlord in curing Tenant's default or performing Tenant's obligations hereunder.
- "Affiliate" means (i) any entity controlling, controlled by, or under common control of, Tenant or Landlord, (ii) any successor to Tenant or Landlord by merger, consolidation or reorganization, and (iii) any purchaser of all or substantially all of the assets of Tenant or Landlord as a going concern.
- "Agents" of a party mean such party's employees, agents, representatives, contractors, licensees or invitees.
- "Alteration" means any addition, alteration or improvement to the Premises or Property, as the case may be
- "Building Rules" means the rules and regulations attached to this Lease as Exhibit "A" as they may be amended from time to time.
- "Building System" means any electrical, mechanical, structural, plumbing, heating, ventilating, air conditioning, sprinkler, life safety or security systems serving the Building.
- "Environmental Laws" means all present or future federal, state or local laws, ordinances, rules or regulations (including the rules and regulations of the federal Environmental Protection Agency and comparable state agency) relating to the protection of human health or the environment.
- "Event of Default" means a default described in Section 20 of this Lease.
- "Hazardous Materials" means pollutants, contaminants, toxic or hazardous wastes or other materials the removal of which is required or the use of which is regulated, restricted, or prohibited by any Environmental Law.
- "Interest Rate" means interest at the rate of 1 ½% per month.
- "Laws" means all laws, ordinances, rules, orders, regulations, guidelines and other requirements of federal, state or local governmental authorities or of any private association or contained in any restrictive covenants or other declarations or agreements, now or subsequently pertaining to the Property or the use and occupation of the Property.
- "Maintain" means to provide such maintenance, repair and, to the extent necessary and appropriate, replacement, as may be needed to keep the subject property in good condition and repair.
- "Monthly Rent" means the monthly installment of Rent.
- "Mortgage" means any mortgage, deed of trust or other lien or encumbrance on Landlord's interest in the Premises or any portion thereof, including without limitation any ground or master lease if Landlord's interest is or becomes a leasehold estate.
- "Mortgagee" means the holder of any Mortgage, including any ground or master lessor if Landlord's interest is or becomes a leasehold estate.

"Operating Expenses" means all costs, fees, charges and expenses incurred or charged by Landlord in connection with the ownership, operation, maintenance and repair of, and services provided to, the Premises, including, but not limited to, (i) the charges at standard retail rates for any utilities serving the Common Areas and any utilities provided by Landlord pursuant to Section 7 of this Lease, (ii), Landlord's cost to Maintain the Premises, subject to the provisions of Section 9 of this Lease, and all costs and expenses of personnel and vendors or contractors required in connection therewith, inclusive of any property caretakers or administrators; (iii) the cost of trash collection, (iv) snow removal, and grounds-keeping and landscaping of the Common Areas. The foregoing notwithstanding, Operating Expenses will not include: (i) the cost of insurance carried by Landlord pursuant to Section 8 of this Lease together with the cost of any deductible paid by Landlord in connection with an insured loss (ii) depreciation on the Building, (iii) financing and refinancing costs (except as provided above), interest on debt or amortization payments on any mortgage, or rental under any ground or underlying lease, (iv) the cost of any capital improvement made to the Building of which the Premises is a part. (v) leasing commissions, advertising expenses, tenant improvements or other costs directly related to the leasing of the Premises, or (vi) income, excess profits or corporate capital stock tax imposed or assessed upon Landlord, unless such tax or any similar tax is levied or assessed in lieu of all or any part of any taxes includable in Operating Expenses above. If Landlord elects to prepay real estate taxes during any discount period, Landlord shall be entitled to the benefit of any such prepayment. Landlord shall have the right to directly perform (by itself or through an affiliate) any services provided under this Lease provided that the Landlord's charges included in Operating Expenses for any such services shall not exceed competitive market rates for comparable services.

"Parking Area" means the private driveways, parking areas, and other paved areas on the exterior portions of the Premises limited to _____ parking spaces.

"Permits" means any permits, certificates of occupancy, consents, environmental permits and approvals, authorization, variances, waivers, licenses, certificates or approvals required by any governmental or quasi-governmental authority.

"Rent" means the Rent, Operating Expenses and any other amounts payable by Tenant to Landlord under this Lease.

"Taken" or "Taking" means acquisition by a public authority having the power of eminent domain by condemnation or conveyance in lieu of condemnation.

"Tenant Delay" means any delays that are caused, in whole or in part, by Tenant or Tenant's Agents for any reason, including but not limited to, (i) any interference by Tenant or Tenant's Agents with Landlord's obtaining the Permits or Landlord's construction of the Landlord's Work, (ii) any delays caused by changes to the Landlord's Work specifications attached hereto as Exhibit "C", including, without limitation, revising the construction drawings, materials or specifications and obtaining new Permits for the Landlord's Work, (iii) Tenant's failure to approve construction drawings, permit plans or any matter relating to the Landlord's Work within three (3) business days following Tenant's receipt of Landlord's request, or (iv) the performance of any work or activity in the Property by Tenant or Tenant's Agents (including, without limitation, the installation of Tenant's equipment, cabling, racking systems or furniture).

"Transfer" means (i) any assignment, transfer, pledge or other encumbrance of all or a portion of Tenant's interest in this Lease, (ii) any sublease, license or concession of all or a portion of Tenant's interest in the Premises, or (iii) any transfer of a controlling interest in Tenant.

EXHIBIT "A"

Building Rules

- 1. Any sidewalks shall not be obstructed or used by Tenant for any purpose other than ingress and egress from and to the Premises. Landlord shall in all cases retain the right to control or prevent access by all persons whose presence, in the judgment of Landlord, shall be prejudicial to the safety, peace or character of the Premises.
- 2. The toilet rooms, toilets, urinals, sinks, faucets, plumbing or other service apparatus of any kind shall not be used for any purposes other than those for which they were installed, and no sweepings, rubbish, rags, ashes, chemicals or other refuse or injurious substances shall be placed therein or used in connection therewith or left in any lobbies, passages, elevators or stairways.
- 3. Tenant shall not impair in any way the fire safety system and shall comply with all safety, fire protection and evacuation procedures and regulations established by Landlord or any governmental agency. No person shall go on the roof without Landlord's prior written consent.
- 4. Skylights, windows, doors and transoms shall not be covered or obstructed by Tenant, and Tenant shall not install any window covering which would affect the exterior appearance of the Premises, except as approved in writing by Landlord. Tenant shall not remove, without Landlord's prior written consent, any shades, blinds or curtains in the Premises.
- 5. Without Landlord's prior written consent, Tenant shall not hang, install, mount, suspend or attach anything from or to any sprinkler, plumbing, utility or other lines. If Tenant hangs, installs, mounts, suspends or attaches anything from or to any doors, windows, walls, floors or ceilings, Tenant shall spackle and sand all holes and repair any damage caused thereby or by the removal thereof at or prior to the expiration or termination of the Lease.
 - 6. Tenant shall not change any locks nor place additional locks upon any doors.
- 7. Tenant shall not use nor keep in the Premises any matter having an offensive odor, nor explosive or highly flammable material, nor shall any animals other than handicap assistance dogs in the company of their masters be brought into or kept in or about the Premises.
- 8. If Tenant desires to introduce electrical, signaling, telegraphic, telephonic, protective alarm or other wires, apparatus or devices, Landlord shall direct where and how the same are to be placed, and except as so directed, no installation boring or cutting shall be permitted. Landlord shall have the right to prevent and to cut off the transmission of excessive or dangerous current of electricity or annoyances into or through the Premises and to require the changing of wiring connections or layout at Tenant's expense, to the extent that Landlord may deem necessary, and further to require compliance with such reasonable rules as Landlord may establish relating thereto, and in the event of non-compliance with the requirements or rules, Landlord shall have the right immediately to cut wiring or to do what it considers necessary to remove the danger, annoyance or electrical interference with apparatus in any part of the Premises. All wires installed by Tenant must be clearly tagged at the distributing boards and junction boxes and elsewhere where required by Landlord, with the number of the office to which said wires lead, and the purpose for which the wires respectively are used, together with the name of the concern, if any, operating same.
 - 9. Tenant shall not place weights anywhere beyond the safe carrying capacity of the Premises.
 - 10. The use of rooms as sleeping quarters is strictly prohibited at all times.
- 11. Tenant shall have the right, at Tenant's sole risk and responsibility, to exclusively use the <u>XXX</u> parking spaces. No vehicles shall be left in the parking area overnight without Landlord's prior written

approval. Notwithstanding the foregoing, parked vehicles shall not be used for vending or any other business or other activity while parked in the parking area. All vehicles entering or parking in the Parking Area shall do so at owner's sole risk and Landlord assumes no responsibility for any damage, destruction, vandalism or theft. Each vehicle owner shall promptly respond to any sounding vehicle alarm or horn, and failure to do so may result in temporary or permanent exclusion of such vehicle from the parking area. Any vehicle which violates the parking regulations may be cited, towed at the expense of the owner, temporarily or permanently excluded from the parking area, or subject to other lawful consequence.

- 12. As the Premises is a non-smoking building, Tenant and its Agents shall not smoke in the Premises nor at the entrances and exits.
- 13. Landlord consents to Tenant having a dumpster at the Premises and Tenant shall locate the dumpster to the rear of the Premises and shall keep and maintain the dumpster clean and painted with lids and doors in good working order and, at Landlord's request, locked.
- 14. Tenant shall provide Landlord with a written identification of any vendors engaged by Tenant to perform services for Tenant at the Premises (examples: cleaners, security guards/monitors, trash haulers, telecommunications installers/maintenance).
 - 15. Tenant shall cause all of Tenant's Agents to comply with these Building Rules.
- 16. Upon reasonable advance notice to Tenant, Landlord reserves the right to rescind, suspend or modify any rules or regulations and to make such other rules and regulations as, in Landlord's reasonable judgment, may from time to time be needed for the safety, care, maintenance, operation and cleanliness of the Premises. Notice of any action by Landlord referred to in this section, given to Tenant, shall have the same force and effect as if originally made a part of the foregoing Lease. New rules or regulations will not, however, be unreasonably inconsistent with the proper and rightful enjoyment of the Premises by Tenant under the Lease.