

LEASE FOR REAL ESTATE

THIS AGREEMENT, made this 11th day of September, 1995, between MILLERSVILLE UNIVERSITY OF THE PENNSYLVANIA STATE SYSTEM OF HIGHER EDUCATION, hereinafter called the LESSOR, and PENN MANOR SCHOOL DISTRICT hereinafter called the LESSEE.

WHEREAS, LESSEE is a public school district organized and existing under the laws of the Commonwealth of Pennsylvania, and is engaged in providing public, primary, and secondary education services to its residents; and

WHEREAS, LESSEE is undertaking the construction and improvement of various facilities with the intent of upgrading the quality of said services; and

WHEREAS, LESSEE owns insufficient land to stall sufficient parking spaces which will be required to satisfy local zoning ordinances, and it appears necessary, or reasonably required, for the benefit of both LESSOR and LESSEE and the public to improve parking availability; and

WHEREAS, LESSOR is authorized, under Act 188 of 1982 as amended, to lease real property under its jurisdiction as owner or possessor, and

WHEREAS, the leased premises are wholly controlled, used by, and under the jurisdiction of LESSOR;

NOW, THEREFORE, THIS AGREEMENT WITNESSETH:

1. In contemplation of the relationship to be established, and for good and valuable consideration, LESSOR hereby grants to LESSEE, subject to the supervision of LESSOR, a Lease to install, use, operate, patrol, maintain, renew, replace with the same or like equipment and materials a two-tiered parking garage, together with reasonable and necessary ingress and egress,

the specific and location of said garage and appurtenances being shown on Drawings - for project No. PDEIO- of Penn Manor dated September, 1995, and the description thereof, 1968 School District both of which are attached hereto as Exhibit "A" and made a part hereof.

2. In lieu of rent, LESSEE agrees to allow LESSOR primary use of the lower tier of the parking garage constructed pursuant to this agreement. LESSEE shall have primary use of the upper tier of the parking garage. LESSEE and LESSOR will permit each other to use the other party's tier when the party who is entitled to primary use determines that such use will not interfere with its need to use its tier.

3. LESSEE may designate a name for the facility, subject to written consent of LESSOR. LESSEE may at its own expense, erect and maintain a sign or signs to identify the facility; however, the location, type, number, size, style, design, and color of the sign shall first be approved in writing by LESSOR. Approval will not be unreasonably withheld.

4. In accordance with applicable Commonwealth Law 49 P.S. 1303, the parties hereto hereby specifically waive the right to file any mechanics or other lien or claim for work done or material furnished in or about the performance of this Agreement, and it is hereby expressly agreed that no such claim or claims shall be filed by anyone and that LESSEE shall not file nor permit any SUBLESSEE, material man, mechanics or other person under him to file, nor shall any such LESSEE, SUBLESSEE, material man or other person file any mechanics or other lien or claim for work done or material furnished in or about the performance of this Contract against the System, the Commonwealth of Pennsylvania, and/or the ground upon which the structure or work herein provided for is erected or done, or against any structure thereon erected or to be erected, or against any structure or property whatsoever covered by the Agreement.

5. LESSEE shall accept all conditions as found upon examination of the site, and take field measurements and verify field conditions and compare carefully such measurements and conditions with its contract Drawings before commencing activities. If LESSEE, in the course of construction finds any conflict, error or discrepancy on or among the Drawings, such conflict, error or discrepancy shall be immediately referred to the Professional in writing to the LESSOR and LESSEE's professional advisors.

6. LESSEE shall obtain and pay for all permits, licenses and certificates required by Law and/or any public authority for the proper execution and completion of its work.

7. LESSEE shall confine operations at the site to areas permitted by law, ordinances, permits and the Contract Documents and shall not unreasonably encumber the site with any materials or equipment, unless otherwise permitted by LESSOR. LESSEE shall at all times keep the work site free from accumulation of waste materials or rubbish carried by his operations.

8. LESSEE shall be responsible to obtain all approvals and certificates of occupancies from local and state authorities having jurisdiction over the project, and submit the completed documents to LESSOR.

9. During construction, LESSEE shall be responsible for any damage caused either directly or indirectly to surrounding property and bear the cost of remedying any damage caused or hazards created during the course of construction. Further, LESSEE shall take all reasonable precautions for the safety of, and shall provide all reasonable protection to prevent damage, injury or loss to:

- A. All employees on the work, and all other persons who may be affected thereby;
- B. Other property at the site or adjacent thereto, including trees,

shrubs, lawns, walks, pavements, roadways, structures and utilities not designated for removal, relocation or replacement in the course of construction.

10. LESSEE shall comply with all applicable, laws, ordinances, rules, regulations and orders of any public authority having jurisdiction of the safety of persons or property or to protect them from damage, injury or loss. LESSEE shall erect and maintain as required by existing conditions and progress of the work, until the acceptance of the completion of his portion of the project, all reasonable safeguards for safety and protection, including posting danger signs and other warnings against hazards, promulgating safety regulations and notifying owners and users of adjacent utilities.

11. LESSOR reserves the right to use or cultivate the premises occupied by the facility, provided that such use or cultivation shall not interfere with or obstruct the Lease herein granted and that no obstructions of any kind which would interfere with LESSEE'S free and uninterrupted use of this license shall be placed or erected by LESSOR, its successors or assigns.

12. All costs and expenses incident to the construction of said facility shall be borne by LESSEE.

13. All costs and expenses incident to the use, operation, patrol, maintenance, renewal, replacement, enlargement and removal of said facility, shall be borne by LESSEE.

14. LESSEE assumes all risks and liabilities for injury to or death of any person or damage to any property, in any manner arising out of possession, use, operation, condition or storage of any piece of equipment by LESSEE arising out of the installation of said parking garage, whether such injury or death be with respect to agents or employees of LESSEE or of

third parties, and whether such property damage be to LESSEE'S property or the property of others; provided, however, that said damage or injury results from the negligence of LESSEE, its agents or employees, and provided that judgment has been obtained against LESSEE. This provision shall not be construed to limit the sovereign immunity of LESSOR OR LESSEE.

15. During the term of this Lease, LESSEE shall obtain at its own expense public liability insurance in the amount of not less than \$500,000 per occurrence for personal injury and/or death, not less then \$500,000 per occurrence for personal property damage, and an all risk policy with building replacement coverage, subject to such deductible amounts as reasonably specified by LESSEE.

16. LESSEE shall, at all times, save harmless and indemnify LESSOR from and against all losses, damages, expenses, claims, demands, suits and actions arising out of, or cause in any manner by the erection, construction, operation, maintenance, presence, use or removal of said facility, including, but not limited to all claims for personal injuries and property damages, provided, however, that said damage or injury results from the negligence of LESSEE, its agents or employees, and provided that judgment has been obtained against LESSEE. This provision shall not be construed to limit the sovereign immunity of LESSOR, nor shall it waive or limit any governmental immunity available to LESSEE.

17. The term of this Lease shall be for forty years (40) unless terminated by either party as provided herein. The term shall begin on the date of this Lease and end June 30, 2037. At the end of this term, (the parties hereby agree to negotiate in good faith an extension of this Lease). If the parties have not reached agreement as to renewal, LESSOR shall have the option to either take complete possession of the facility and premises or to require LESSEE to restore the site to its original condition (as shown in the photographs attached hereto as Exhibit "B") prior to this

agreement at LESSEE's expense.

18. If at any time during the term of this Lease, the premises shall be totally or partially destroyed, by fire, earthquake, or other calamity, then LESSEE shall have the option to rebuild or repair the same, provided written notice of such intent shall be sent to LESSOR within the period of 60 Days after the damaging event, and to rebuild or repair the same in as good condition as they were immediately prior to such calamity. In case, however, LESSEE elects not to rebuild or repair said premises, LESSEE shall restore the site to its original condition prior to this agreement at LESSEE's expense, and thereupon this Lease shall terminate.

19. Should LESSEE make an assignment for the benefit of creditors or be adjudged as bankrupt, either by voluntary or involuntary proceedings, or if a receiver should be appointed by any court of competent jurisdiction for LESSEE because of any insolvency, the occurrence of any such event shall be deemed a breach of this Lease, and, in such event, LESSOR shall have the option forthwith to terminate this Lease and to re-enter the premises and take possession thereof, Whereupon LESSEE shall quit and surrender peaceably the Premises to Lessor.

20. LESSEE agrees to pay in addition to the payment specified herein any additional charges or costs assessed against LESSOR for the premises in question during the life of the Lease.

21. LESSEE agrees to comply with the requirements of any constituted public authority, with terms of any state or federal statute or local ordinance or regulation applicable to LESSEE or his use of the demise premises and save LESSOR harmless from penalties, fines, costs or damages resulting from the failure to do so.

22. LESSEE covenants and agrees that it will without demand keep the upper tier of the parking garage clean and free of ashes, dirt, refuse and replace or repair any mechanical,

electrical or architectural features of the building, will remove and/or cover any graffiti which appears thereon and in general keep the same as in good order and repair as they are at the beginning of the term of this Lease or upon completion of initial construction and installation of said parking garage. LESSOR shall perform the foregoing with respect to the lower tier of the parking garage.

23. LESSEE covenants and agrees that it will not enlarge, alter, modify, this facility without the express written approval of LESSOR'S authorized agents.

24. LESSEE covenants and agrees that it will not assign, mortgage or pledge this Lease or underlet or sublease the demise premises or any part thereof or permit any other persons, firm or corporation to occupy the demise premises or any part thereof without additional written consent by the agents of LESSOR.

25. LESSOR agrees to permit LESSEE to occupy and have unlimited and unhindered access to the facility for purposes of constructing, operating, and maintaining the facility.

26. LESSEE will be responsible for all utility services connections and charges including but not limited to: water; sewer; refuse removal; gas; electricity; heating and cooling systems; janitorial services and supplies; and lighting fixtures. LESSOR shall be responsible for LESSOR's emergency and intra-institutional telephone service.

27. LESSEE will be responsible for all maintenance of the upper tier of the parking garage and premises. The standard of maintenance shall be the same as that exercised by LESSOR on its surrounding properties except for maintenance of the lower tier of the parking garage which shall be LESSOR's responsibility.

28. LESSEE will be responsible for providing reasonable safety and security services for that portion of the facility which it retains for its primary use.

29. LESSOR reserves the right to revoke this Lease for reasonable cause upon one year written notice by LESSOR and also after like notice for violation of such terms and conditions as contained herein, but only if such violation is not remedied by LESSEE to LESSOR'S satisfaction within said one year notice. LESSOR and LESSEE shall at all times deal with each other fairly and in good faith respecting this Lease and the transactions intended to be effected under this Lease.

30. LESSEE shall have the right to terminate this Lease at any time provided however that all structures, equipment, electric lines and other modifications made to the site by LESSEE are removed and the site restored to the satisfaction of LESSOR.

31. The Commonwealth's nondiscrimination clause prohibiting discrimination on account of race, color, religious creed, ancestry, national origin, age, sex or handicap, as set forth in 16 Pa. Code, is incorporated herein by reference, and LESSEE assumes all obligations stated in that clause with regard to unlawful discrimination.

32. This Agreement contains all the terms and conditions agreed to by the parties hereto, and no other agreements, oral or otherwise, regarding the subject matter of this Agreement exist.

33. This Agreement shall be binding on the parties hereto, their heirs, executors, administrators, successors and assigns, but it may not be assigned by LESSEE without the prior written consent of LESSOR.

ATTEST:

PENN MANOR SCHOOL DISTRICT

By: _____

By: _____

Title: _____

Title: _____

By: _____

Title: _____

ATTEST:

MILLERSVILLE UNIVERSITY

By: _____

By: _____

Title: _____

Title: _____

ATTEST:

LEGAL COUNSEL

By: _____

By: _____

Title: _____

Title: _____

ATTEST:

STATE SYSTEM OF HIGHER EDUCATION

By: _____

By: _____

Title: _____

Title: _____

APPROVED:

Deputy Attorney General