

RESOLUTION NO. 11-2023
Harrisburg Redevelopment Authority

RESOLVED, by the Redevelopment Authority of the City of Harrisburg that the Executive Director is hereby authorized to execute a commercial office lease with Harrisburg Transit News LLC for the main level Suite at the Harrisburg Transportation Center, in accordance with the following specifics.

Approximate Floor Area: 1220 square feet

Lease Term: 5 years, effective May 1, 2023

Renewal Options: An additional two (2) five-year term renewals.

Proposed Rent: \$21,600.00 yr./ \$1,800.00 mo. first two years of term
\$25,200.00 yr./ \$2,100.00 mo. third year of term (16.69%)
\$25,956.11 yr./ \$2,163.01 mo. fourth year of term (3%)
\$26,734.84 yr./ \$2,227.90 mo. fifth year of term (3%)

4/25/23
Date

Alexand G. Pelt
Secretary

COMMERCIAL LEASE

PARTIES

THIS AGREEMENT OF LEASE, is made this **1st** day of **May, 2023** between **THE REDEVELOPMENT AUTHORITY OF THE CITY OF HARRISBURG**, a Pennsylvania redevelopment authority, (for the purpose of this Lease to be known as "Lessor") and **Harrisburg Transit News LLC** (the purposes of this Lease collectively to be known as "Lessee").

LEASED PREMISES

WITNESSETH, that Lessor in consideration of the rents and covenants hereinafter mentioned, does demise and lease unto Lessee, all that certain space depicted in Exhibit A, attached hereto and made a part hereof, and hereinafter referred to as the "Leased Premises," and more specifically described as follows:

BUILDING: **The Harrisburg Transportation Center**

ADDRESS: **415 Market Street, Harrisburg, Pennsylvania 17101**

RENTABLE AREA

SUITE

FLOOR

1220

Main Level

Off of the Lobby

The Leased Premises extends to, but does not include, the window glazing line of all exterior walls and the centerline of walls between the Leased Premises and the Common Areas and Public Areas, or to any line where there is no wall, or the centerline of those walls (or prolongations thereof) separating the Leased Premises from the other Leased Premises or Common or Public Areas in The Harrisburg Transportation Center and including all columns and core areas within the perimeters of the Leased Premises; together with the appurtenances specifically granted in this Lease, including the use in common with others of the Common and Public Areas as hereinafter more fully provided, reserving however and excepting to Lessor (i) the use of (a) the exterior faces of the exterior walls, (b) the roof and (c) the space between the lower surface of the floor slab of any higher floor and the Lessee's finished ceilings; (ii) the right to install, maintain, use, repair, and replace pipes, ducts, conduits and wires leading through the Leased Premises in locations which will not substantially interfere with Lessee's use thereof, and serving other parts of the Harrisburg Transportation Center and the building or buildings containing the Harrisburg Transportation Center.

PERMITTED USE

Lessee's permitted use of the Leased Premises shall be retail only. Lessee shall always conduct its business in accordance with this Lease,

and to hold, establish and maintain a good reputation for the Harrisburg Transportation Center and Lessor. This Lease shall be subject to the Rules and Regulations of the Harrisburg Transportation Center attached hereto and incorporated herein as Exhibit B.

TERM

TO HAVE AND TO HOLD, unto Lessee, subject to the conditions of this Lease, for a five (5) year term beginning **May 1, 2023**, and ending **April 30, 2028**.

RENEWAL

At the option of Lessee, the Term of this Lease may be extended for an additional Two (2)- five (5) year term renewals, provided that Lessee furnishes Lessor written notice of the renewal no less than one hundred-eighty (180) day prior to the end of the current Term hereof. For any additional Term extension, the Rent specified herein shall be based upon this lease rate structure. For each such one (1) year term renewal, the Base Rent specified herein shall be increased by three (3.0) percent.

RENT

IN CONSIDERATION of which, Lessee agrees to pay Lessor for the use of the Leased Premises, the base rent of \$17.70/sf. The annual sum of Twenty-One Thousand, Six Hundred Dollars, and No Cents (\$21,600.00), shall be payable in advance on the first day of each calendar month during the first Two years of term beginning May 1, 2023, in the monthly amount of One Thousand, Eight Hundred Dollars and No Cents (\$1,800.00). Base Rent shall be computed on a square-foot basis. The Base Rent shall be defined as rent solely for purposes of collection under this Lease.

ESCALATION OF RENT

(a)Beginning May 1, 2025, until April 30, 2026 the annual rent shall be \$20.66/SF which is Twenty-Five Thousand, Two Hundred Dollars and No Cents (\$25,200.00), payable in advance in monthly installments of Two Thousand, One Hundred Dollars and No Cents (\$2,100.00) on the first day of each calendar month during the Term which reflects a 16.69% increase in base rent.

(b)Beginning May 1, 2026, until April 30, 2027 the annual Rent shall be \$21.28/SF which is Twenty-Five Thousand, Nine Hundred, Fifty-Six Dollars and Eleven Cents (\$25,956.11), payable in advance in monthly installments of Two Thousand, One Hundred, Sixty-Three Dollars and One Cent (\$2,163.01), on the first day of each calendar month during the Term which reflects a 3% increase in base rent.

(c) Beginning May 1, 2027 until April 30, 2028 the annual Rent shall be \$21.91/SF which is Twenty-Six Thousand, Seven Hundred, Thirty-four Dollars and Eighty-Four Cents (\$26,734.84), payable in advance in monthly installments of Two Thousand, Two Hundred, Twenty-Seven Dollars and Ninety Cents (\$2,227.90), on the first day of each calendar month during the Term which reflects a 3% increase in base rent.

PRORATION OF RENT

N/A

SECURITY DEPOSIT

The Lessee shall deposit with the Lessor the sum of One Thousand, Eight Hundred Dollars and No Cents (\$1,800.00) as security for the full, timely and faithful observance and performance by the Lessee of the provisions of this Lease on the part of the Lessee to be observed or performed. The said Security Deposit is due at the signing of this Lease and shall be held in an escrow account and the Lessee shall not be entitled to interest thereon.

If on the termination of the tenancy of the Lessee or for any other reason, the Lessee does not leave the Leased Premises in the same condition which they existed at the beginning of the term, reasonable wear and tear excepted, then, in addition to any and all other rights as remedies of which the Lessor may be possessed, the Lessor may appropriate and apply any portion of the Security Deposit, as may be reasonably necessary to return the Leased Premises to such condition.

Any remaining Security Deposit not so applied pursuant to paragraph 2 of this Article shall be returned by Lessor to Lessee without demand, without interest, within thirty (30) days after the end of the Term.

The Lessee acknowledges that the Security Deposit is not to be considered as the final monthly rent.

REAL ESTATE TAX

If the Harrisburg Transportation Center, by reason of a change in the tax status of the Harrisburg Transportation Center, becomes taxable, Lessee shall pay Lessee's Share of said tax based on a percentage of the square footage of Lessee's space as a percentage (the numerator) of the total space available for lease in the entire building (the denominator). If tax exempt status is lost, lessee will be given 60 days to determine if they want to terminate lease and move.

LATE CHARGE

Any rent, including parking rent, not received within Five (5) days of its due date shall be subject to a ten percent (10%) late charge of the then-due monthly amount. Payments, when received by Lessor, shall be applied first to delinquent rents and late charges, if any.

PLACE OF PAYMENT

The rent reserved shall be promptly paid on the several days and times specified herein without deduction or abatement, unless hereinafter provided to the contrary, at the principal office of Lessor or such other address as Lessor may from time to time designate in writing.

INABILITY TO GIVE POSSESSION

Lessor shall not be liable to Lessee for any damage, which may be caused to Lessee by the failure of Lessor to give possession of the Leased Premises by the date above first specified, if the failure is not due to any fault on the part of the Lessor, unless hereinafter provided to the contrary. If the lessee is not able to give possession, the lessee is not liable for rent.

PARKING

One (1) automobile parking space shall be provided by Lessor to Lessee through this Agreement of Lease for the additional rent consideration of Ninety Dollars and No Cents (\$90.00) per month, which shall be due and payable concurrently with and subject to the other terms and conditions applicable to rent pursuant to this Agreement of Lease.

* See Attached Rules and Regulations for parking ordinances.

UTILITIES & SERVICES, ETC.

In addition to all rent due and payable hereunder, Lessee agrees to provide and pay for (including but not limited to) the following:

Janitorial service within the Leased Premises.

Telephone system and service.

All electric services used in or upon the Leased Premise are separately metered. Tenant agrees to pay the actual cost thereof, without addition or surcharge by Lessor.

Lessor agrees to provide and pay for the following:

Services:

Janitorial service in the Common Areas only.

Snow Removal (required removal of snow and ice from the pavement(s), Driveway(s), and parking area(s), if any).

Building Repairs (building standard repairs including the changing of light bulbs and fluorescent tubes, plumbing, electrical repairs too and maintenance of existing systems).

UTILITIES

Electricity (sufficient to provide an adequate level of illumination throughout the Leased Premises, together with sufficient electrical draw to operate a computer network system plus peripherals and conventional office machines including but not limited to copy machines, office microwaves, office refrigerator and office coffee maker.)

Heat, ventilation, and air conditioning.

Water (hot and cold).

Public sewer.

Removal and disposal of refuse (with the exception of any refuse which would come under the classification "Biohazard," "Infectious Waste." Or "Chemotherapeutic Waste" such as a medical facility, in which case removal and disposal would be the Lessee's responsibility).

LEASED PREMISES MODIFICATION:

If Lessee desires to introduce computer or telephone wires and instruments, the Lessor will place or direct the placing of same as to where, and how, and to what extent they are to be placed, and without such direction, no boring or cutting for wires will be permitted. The attaching of wires to the outside of the Building is absolutely prohibited. No attachment shall be made to the electrical system of the Building for the running of electric fans or motors, for the storing of electricity, or for any other purpose without the written consent of the Lessor. Further, the electricity supplied to the demised premises shall not be used for any other purpose than lighting fluorescent, LED and incandescent lamps, typewriters, adding machines, electric clocks, letter folders, dictating equipment, personal computers, and other office equipment that will not require an unusual amount of electricity, without the written consent of the Lessor. The Lessor, in all cases, reserves and retains the right to require the placing and using of electrical protecting devices to prevent the transmission of excess currents of electricity in, to, or through the Building, and to require the changing of wires and their placing and arrangement as the Lessor may deem necessary; and further, to require compliance on the part of all using or seeking access to such wires with such rules as the Lessor may establish relating thereto, and in the event of noncompliance with the requirements and rules, the Lessor shall have the right to immediately cut and prevent the use of such wires. In case the Lessee, in the reasonable judgment of the Lessor, uses electricity in an extravagant or unreasonable manner, said Lessor may require said Lessee to put in a meter or meters and pay for the amount used (if such would occur, the rental payments would be reduced by the amount allocated therein for the costs incident to supplying a reasonable amount of electricity to the demised premise), or in default thereof, the supply to be cut off.

LESSOR'S PROPERTY INSURANCE

Lessor shall maintain insurance against loss from the perils commonly insured under standard fire and extended coverage policies and boiler and machinery policies in an amount equal to no less than eighty percent (80%) of the cost of replacement of the Harrisburg Transportation Center Project and its alterations, additions, or improvements not required to be insured by the Lessee. Such insurance shall not cover Lessee's improvements and betterments, contents, or other property of Lessee. Lessee shall not violate or permit the violation of, any condition imposed by Lessor's insurance policies, and shall not do, or permit anything to be done, or keep or permit anything to be kept in the Leased Premises which would increase the fire or other property or casualty insurance rate on the building or buildings in which the Harrisburg Transportation Center is located or the property therein over the rate which would otherwise then be in effect or which would result in insurance companies of good standing refusing to insure the same or any of such property in amounts and at normal rates reasonably satisfactory to Lessor. If, by any reason of any negligent act or omission on the part of Lessee, the rate of property insurance on the Harrisburg Transportation Center Project or equipment or other property of Lessor, or any other owner or occupant of the premises, or other Lessees shall be higher than it would otherwise be, Lessee shall immediately cease and terminate such act or correct such omission upon demand by Lessor do so and, Lessee shall reimburse Lessor on demand, for that part of the premiums for property insurance paid by Lessor because of such act or omission on the part of Lessee, which sum shall be deemed additional rent for purposes of collection only. The Lessor shall promptly provide to Lessee a copy of the restrictions contained in such policy and will provide Lessee with written notice of any changes to such restrictions at least fifteen (15) days in advance of the effective date of such changes.

INSURANCE COVERAGES

Lessee shall, at Lessee's sole expense, always maintain in effect during the Term, insurance coverage with limits of not less than those set forth below with insurers licensed to do business in Pennsylvania and reasonably acceptable to Landlord and under forms of policy reasonably satisfactory to Landlord. None of the requirements contained herein as to types, limits, or Landlord's approval of insurance coverage to be maintained by Lessee is intended to or shall in any manner limit, qualify or quantify the liabilities and obligations of either Landlord or Lessee under this Lease or otherwise provided by law.

(a) LESSEE'S PROPERTY INSURANCE

Lessee shall carry fire and extended coverage, and vandalism and malicious mischief insurance on all improvements and betterments, equipment, furniture, fixtures, inventory and supplies or other property of Lessee's in the amount of at least eighty percent (80%) of the cost of replacement thereof.

(b) **WORKERS' COMPENSATION**

Workers' Compensation

Statutory Limits

(c) **COMMERCIAL GENERAL LIABILITY**

Bodily Injury/Property Damage \$1,000,000 each occurrence;
(occurrence basis) subject to a \$2,000,000 aggregate

This policy shall be in a form reasonably acceptable to Landlord, endorsed to include the Landlord as an additional insured, contain cross-liability and severability of interest endorsement, state that this insurance is primary insurance as regards any other insurance carried by Landlord, and shall include the following coverages: (i) premises/operations, (ii) independent contractors, (iii) broad form contractual liability consistent with the provisions of this Lease, (iv) broad form property damage, and (v) personal injury liability with employees and contractual exclusions removed.

(d) **Umbrella Excess Liability Insurance**

Bodily Injury/Property Damage \$1,000,000 per occurrence;
(occurrence basis) \$2,000,000 aggregate

This policy shall be written on a following form umbrella excess basis the above coverages described in Subparagraph (b) and Subparagraph (c) above and shall be endorsed to include Landlord as an additional insured.

EVIDENCE OF INSURANCE

Evidence of insurance coverage required to be maintained by Lessee under section titled Insurance Coverage, represented by Certificates of Insurance issued by the insurance carrier or carriers, **shall be furnished to Landlord prior to the Term Commencement Date.** Certificates of Insurance shall specify the additional insured status mentioned above as well as the waiver of subrogation. Such Certificates of Insurance shall state that Landlord shall be notified in writing (30) days prior to cancellation, material change or non-renewal of insurance. Timely renewal certificates will be provided to Landlord as coverage renews.

LESSEE'S USE OF LEASED PREMISES

(a) **OPERATIONS** Except when and to the extent that the Leased Premises may be untenable by reason of damage by fire or other casualty, Lessee shall continuously and uninterruptedly use, occupy, and operate for the specified purposes of all the Leased Premises and shall furnish and install all trade fixtures and permitted signs. The design, size, location, and overall appearance of such sign shall be subject, however, to the approval of the Lessor.

(b) **LIMITATIONS ON USE** Subject to Lessee's right to use the Leased Premises for a snack and newspaper retail operation only. Lessee shall not suffer or permit the Leased Premises or any part thereof to be used in any manner, or anything to be done therein or suffer or permit anything to be brought into or kept therein, which would in any way (i)

violate any Legal Requirements or Insurance Requirements; (ii) cause structural injury to The Harrisburg Transportation Center Project or any part thereof; (iii) constitute a public or private nuisance; (iv) impair the appearance of The Harrisburg Transportation Center Projects; (v) materially impair or interfere with the proper and economic cleaning, heating, ventilating or air conditioning or The Harrisburg Transportation Center Project or the proper and economic functioning of any other common service facility or common utility of The Harrisburg Transportation Center Project; (vi) impair or interfere with the physical convenience of any of the other Lessees or occupants of the Harrisburg Transportation Center Project and the building or buildings and premises of which they are a part; (vii) impair or interfere with Lessor's Services or (viii) violate any of Lessee's other obligations under this Lease.

(c) **GOVERNMENTAL APPROVALS** If any governmental license or permit shall be required for the proper and lawful conduct of Lessee's business in the Leased Premises or any part thereof, and if failure to secure such license or permit would in any way adversely affect Lessor, Lessee, at its sole expense, shall duly procure and thereafter maintain such license or permit and submit the same to inspection by Lessor. Lessee shall at all times comply with the terms and conditions of each license or permit.

(d) **CLEAN CONDITION** Throughout the terms of this Lease, the Leased Premises shall be kept clean and in good condition and order. The Lessor shall have the reasonable right to select or approve any vendor or contractor performing such work and to schedule same, which approval shall not be unreasonably withheld.

(e) **VENDING, FOOD, AND GAME MACHINES AND SERVICE** Lessee shall be permitted to sell and/or provide the following products or services in areas of the Leases Premises: Fresh pretzels and popcorn, and any similar snacks, ATN machines, lottery, and bill payer machines and equipment. Other than the aforesaid, Lessee shall not operate or allow the operation of, including but not limited to, vending, game, and video machines in areas of the Leases Premises not exclusively restricted to Lessee's employees.

NEGATIVE COVENANTS OF LESSEE

(a) **Waste, Damage, or Injury to Premises; Restoration**

No waste, damage, or injury to the Leased Premises shall be committed, and at the end of the term the Leased Premises shall be restored, at the option of the Lessor, to the same condition in which it was at the commencement of the term, and the cost shall be treated as an additional rent due and owing under the terms of this Lease. This paragraph is subject to the exceptions of ordinary wear and tear and unavoidable damage by fire, elements, casualty, or other cause happening not due to Lessee's negligence.

(b) **Lawful Possession, Fire Precautions, Machinery, Weights**

Lessee shall not carry on any unlawful or immoral business in or about the Leased Premises, and shall not carry on any business, which will endanger the Building from fire or cause a forfeiture of any fire insurance that Lessor has or may hereinafter have on the Building. Lessee shall use commercially reasonable precautions against fire or activities which would cause a forfeiture of any fire insurance. Lessee shall not operate any machinery or equipment that may be harmful to the Building or disturbing to other occupants of the Building, nor place weights in any portion of the Leased Premises beyond the safe Carrying capacity of the structure.

(c) **Signs**

The nature, size, shape, and installation of Lessee's business signs within the Leased Premises or in, on or adjacent to the Harrisburg Transportation Center must be approved by the Lessor before installation. A written request along with specifications/drawing of the sign must be provided to the Lessor.

(d) **Alterations and Improvements**

Lessee shall make no alterations, additions, or improvements in or about the Leased Premises without Lessor's prior written consent, which consent shall not unreasonably be withheld. All such work shall be done at such time and in such a manner as to minimize any inconvenience to other occupants of the Building. As a condition precedent to Lessor's consent, Lessee shall deliver to Lessor written plans and specifications for all work and written plans and specifications for all heating, ventilating, and air-conditioning alterations and/or improvements to the Leased Premises including but not limited to changing of door locks. Lessee shall comply with all governmental rules and regulations in connection with such work and shall prevent any lien or obligation from being created against or imposed upon the Building and will discharge all liens and charges for services rendered or materials furnished immediately after said liens occur or such charge becomes due and payable. Any permanent alterations, additions, or improvements made by Lessee and any permanent fixtures installed as part thereof, shall at Lessor's option become the property of the Lessor upon the expiration or sooner termination of this Lease; provided, however, that Lessor shall have the right to require Lessee to remove such fixtures or improvements and restore the Leased Premises to its original condition at Lessee's cost upon the expiration or sooner termination of this Lease.

LESSOR'S RIGHTS

(a) **Right of Inspection**

It is agreed and understood that Lessor, Lessor's duly authorized agents, contractors, and employees may enter the Leased Premises at reasonable times during the term for the purpose of inspecting upon first giving 24 hours advance notice. Or at any time in the event of an emergency.

(b) **Rules and Regulations**

Lessor establishes reasonable Rules and Regulations for the safety, care, and cleanliness of the Leased Premises and the Harrisburg Transportation Center, and for the preservation of good order therein. Said Rules and Regulations shall form a part of this Lease and are attached hereto as Exhibit B. The Lessor may from time to time modify said Rules and Regulations, which modifications shall amend the attached Exhibit B upon written notice supplied by Lessor to Lessee. In the event of a conflict between this Lease and the Rules and Regulations, the Lease shall dominate.

REMEDIES OF LESSOR

If Lessee shall be in default of any installment of rent for the period of ten (10) days after written notice to Lessee of such default, or should there be a default in any of the covenants or conditions as herein contained, and should Lessee fail to remedy such default within twenty (20) days after written notice, or if Lessee should become insolvent, or make an assignment for the benefit of creditors, or if a petition in bankruptcy is filed by or against Lessee or a Bill of Equity or other proceeding for the appointment of a receiver for Lessee is filed, or if proceedings for reorganization or for composition with creditors under any state or federal law be instituted against Lessee, or if the real or personal property of Lessee shall be sold after levy by any Sheriff, Marshal, or Constable, then in that event, Lessor shall have the right to forfeit and terminate this Lease; the said forfeiture to be effected by giving notice in writing to Lessee herein or to the person then in charge of the Leased Premises.

RESPONSIBILITY OF LESSEE

(a) **Damages or Injury to the Property**

All damages or injuries done to the Leased Premises by Lessee and/or Lessee's customers, clerks, servants, agents, employees, visitors of Lessee, and individuals for whom Lessee is responsible, other than those caused by wear and tear, shall be repaired by Lessee at its expense. Lessee covenants and agrees to commence making such repairs upon twenty (20) days' written notice given to Lessee by Lessor, and if Lessee shall neglect to make said repair or commence to make the same within twenty (20) days after receiving such notice, Lessor shall have the right to make such repairs at the expense and cost of the Lessee, and the amount thereof may be collected as additional rent accruing for the month following the date of the said repairs, and if said expense is made at the expiration of the term, then the cost so made may be collected by the Lessor as additional rent for the use of the Leased Premises during the entire term.

(b) **Payment of Judgment, Etc.**

Lessee shall bear, pay, and discharge when and as the same become due

and payable all judgments and lawful claims for damages or otherwise against Lessor, arising from Lessee's use or occupancy of the Leased Premises and will assume the burden and expense of defending all such suits, whether brought before or after the expiration of this Lease, and will protect, indemnify, and save harmless Lessor, or Lessor's agents, servants, employees, and the public at large.

(c) **Partial or Total Destruction of Property**

In the event that the portion of the Building or the Leased Premises that is not being leased and/or occupied by the Lessee, shall be totally or substantially damaged by fire or other casualty or happening, this Lease shall not terminate, but in such event Lessor agrees to repair, restore, or rebuild the Leased Premises as the case may be, subject to the availability of insurance proceeds, to its condition immediately prior to such damage or destruction with due diligence and within four (4) months after such damage; and in the event that the demised premises as described above, cannot be repaired, restored, or rebuilt as aforesaid, within such four (4) month's period, either party shall have the right to cancel and terminate this Lease without further liability on the part of either party. The rent payable hereunder shall entirely abate in the case the demised premises are substantially destroyed or damaged as to be rendered untenable, or abate proportionately according to the extent of the injury or damage sustained by the Leased Premises, if it is not substantially destroyed but rendered partially untenable, until the Leased Premises shall have been restored, repaired, or rebuilt, as the case may be, and put in proper condition for use and occupancy. Lessor agrees to institute such repairs immediately after such damage and to complete the same with due diligence and within a reasonable time. Partial destruction shall be restored within ninety (90) days from the date of destruction, and complete destruction has been completely rebuilt within one hundred twenty (120) days from the date of destruction to the extent feasible. Should the portion of the Building or Leased Premises that Lessee occupies and/or leases under this Lease be substantially or totally damaged by fire or other casualty or happening, Lessee shall have the right to terminate this Lease, without penalty, within 10 days of such event, casualty or happening.

(d) **Damage for Interruption of Use**

Lessor shall not be liable for any damage, compensation, or claim by reason of inconvenience or annoyance arising from the necessity of making repairs, alterations, and/or additions to any portion of the Leased Premises, the interruption of use of the Leased Premises, or the termination of this Lease by reason of the destruction of the Leased Premises.

ACCEPTANCE OF NOTICE TO QUIT: DISPOSSESSION; WAIVER OF REMEDIES BY LESSEE; WAIVER OF DEMAND

Lessee hereby accepts notice to quit, remove from, and surrender up possession of the Leased Premises to Lessor at the expiration of the term hereof, whenever it may be determined. On failure to pay rent due for twenty (20) days, or upon breach of any other condition of this

Lease, as possibly modified by the Paragraph entitled "Remedies of Lessor" hereof, despite the distraint, Lessee shall be a non-tenant, subject to dispossession by Lessor, without further notice or process of law, with release of error and damages, and Lessor may reenter the premises and dispossess Lessee without thereby becoming a trespasser. Lessee hereby waives the benefit(s) of all exemption laws of this Commonwealth that are now in force or may hereinafter be in force, or in any action or actions that may accrue on this Lease, and in any distress or distresses that maybe made for collection of the whole of said rent, or any part thereof. The lease also waives the benefit of stay of execution, inquisition, extension, right of appeal, certiorari, and all errors in all proceedings arising out of this Lease. Lessee does also hereby waive any and all demand for payment of the rent herein provided for, either on the day due or on any other day, either on the land itself or in any other place and agrees that such demand shall not be a condition of reentry or of recovery of possession without legal process or by means of any action or proceeding whatsoever.

CONFESSION OF JUDGMENT

If Lessee shall be in default, which default has not been cured after the required written notice has been given to Lessee, Lessor, before confessing judgment as set forth herein, shall give Lessee another written notice with a right to cure of twenty (20) days. If Lessee remains in default after this additional notice, Lessee hereby empowers any Prothonotary or Attorney of any court of Record to appear for Lessee, in any and all actions which may be brought for rent and/or the charges, payments, costs, and expenses reserved as rent, or agreed to be paid by Lessee and/or to sign for Lessee an agreement for entering into any competent court an amicable action or actions for the recovery of rent or other charges or expenses, and in said suit(s) or in said amicable action or actions to confess judgment against Lessee for all or any part of the rent specified in this Lease and then unpaid including the rent for the entire unexpired balance of the term of this Lease, and/or other charges, payments, costs, and expenses reserved as rent or agreed to be paid by the Lessee, and for interest and costs together with an attorney's commission of ten percent (10%), but in no event less than \$500; and judgment in ejectment as herein provided may be entered concurrently therewith. Judgment may be confessed repeatedly until any deficiency is collected, without any one confession waiving the right of Lessor for further confessed judgments.

When this Lease and the term or any extension or renewal thereof shall be determined by forfeiture or expiration of the term, or upon the breach of any of the conditions of this Lease after the additional notice thereof as aforesaid, it shall be lawful for any attorney of any court of record to appear as attorney for Lessee, in which the Lessor, its successors and assigns, shall be plaintiff, and that the Lessee, and all who come into possession during the term or continuance of this Lease by, through or under the Lessee, shall be defendants, and to sign an agreement for entering in any court of competent jurisdiction, an amicable action in ejectment for the

recovery by Lessor of possession of the Leased Premises for which this Lease shall be sufficient warrant, and an appropriate writ of possession may issue forthwith, without any prior writ or proceedings whatsoever. Nothing herein shall prevent Lessor from bringing any further action for ejectment in the event Lessee has been restored to possession by any prior exercise by Lessor of the rights granted it herein. Further, in any action for ejectment under this paragraph, an affidavit by Lessor or its representative shall be sufficient evidence of the original of this Lease, without the necessity of actually filing the original hereof.

RELEASE AND INDEMNIFICATION

Lessee will be responsible for and will and does hereby release and relieve Lessor and hold and defend it harmless from and against any and all liabilities, obligations, damages, penalties, claims, costs, charges and expenses, including reasonable attorney's fees, which may be imposed upon or incurred by Lessor by reason of loss of life, personal injury and/or damages to property occurring in any part of the Harrisburg Transportation Center occasioned in whole or in part by the negligence of Lessee, its agents, or employees against and from all liabilities, obligations, damages, penalties, claims, costs and expenses which may be imposed or incurred by or asserted against Lessor and/or its agents by reason of Lessee's occupancy of the premises or the activities of Lessee or Lessee's contractors, subcontractors, servants, licensees, invitees, agents, and employees within and upon the Harrisburg Transportation Center and the building or buildings of which it is a part, and failure on the part of Lessee to perform or comply with any of the covenants, agreements, terms, provisions, conditions, or limitations contained in this lease on its part to be performed by it or complied with by it.

Landlord will protect, indemnify and hold harmless Lessee and its agents from and against any and all claims, actions, damages, liability and expense (including fees of attorneys) in connection with loss of life, bodily injury or damage to persons or property in and about the Harrisburg Transportation Center occasioned by any act or omission of Landlord or its Agents, except to the extent such loss, injury or damage was caused by the negligence of Lessee or its Agents.

POSSESSION DEFINED

Possession of the Leased Premises includes the exclusive use of the same, together with the use, in common with any other occupants of the Building, of the hallways, stairs, elevator(s), if any, toilet rooms, parking area, if any, heat, air conditioning, electricity, lighting, and water.

REMEDIES CUMULATIVE

All remedies under this Lease shall be cumulative and concurrent.

CONDEMNATION

In the event the Leased Premises or any part thereof is taken or condemned for a public or quasi-public use, this Lease shall, as to the part so taken, terminate as of the date title shall vest in the condemnor, and rent shall abate in proportion to the square feet of leased space taken or condemned or shall cease if the entire Leased Premises be so taken. If a part taken substantially and unreasonably interferes with the function and efficiency of Lessee's business, Lessee may terminate this Lease on the remaining portion of the Leased Premises by delivering a fifteen (15) day written notice to Lessor. In any event, Lessee waives all the claims against Lessor and the condemning authority by reason of the complete or partial taking of the Leased Premises, including any claim which would be paid from proceeds of the Lessor's award, including a claim for leasehold bonus value.

QUIET ENJOYMENT

Lessee, upon paying the said rent and fulfilling the covenants of its Lease, on its part to be performed, shall and may peaceably and quietly have, hold and enjoy the Leased Premises for the term aforesaid and any herein duly authorized additional term.

EXCLUSIVE OPERATION

Lessor shall not allow the operation of any other snack shop or newsstand operation that sells books or souvenirs in the Harrisburg Transportation Center, provided, however, that Lessor shall have the right to permit a portion or all the existing vending operation at the bus terminal level to continue. Lessee shall have the right to place one (1) sign in said vending area for the purpose of identifying Lessee's business nature and location within the Harrisburg Transportation Center, as well as Tenant's hours of operation; the design, size, content, and location of said sign shall be subject to Lessor's approval, which shall not be unreasonably withheld.

ACCESS TO LEASED PREMISES

(a) Common Area Access

Lessor will provide access, seven days a week, Monday through Friday, 5:00 a.m. to 11:00 p.m.; Saturday and Sunday, 6:00 am to 11:00 pm. to the Leased Premises by means of the common corridor, elevator, and stair tower, and through the elevator lobby to the exterior door at the Transportation Center Plaza.

(b) **Elevator**

Lessor will have, and keep in operation, an automatic-type passenger elevator and keep the same in good repair; all ordinary cleaning of, and repair to said elevator shall be affected so far as possible, out of business hours, but all extraordinary repairs or improvements rendered necessary by accident or other cause may be made at any time, and in such case, Lessor shall not be responsible for the suspension of elevator service, provided such repairs or improvements be made with reasonable diligence.

NOTICE OF TERMINATION

(a) **Completion of Lease Term**

If Lessee remains in possession of the Leased Premises after the expiration of the Lease, such will result in the renewal of this Lease for a further Term of thirty (30) days, and so on from month to month and the renewal(s) shall be under and subject to all the provisions as contained in this Lease; provided, however, that such renewal(s) shall be one hundred fifty percent (150%) of the monthly rental rate upon expiration of the Term of the Lessee, unless Lessor amicably agrees to allow the Lessee to occupy the Leased Premises for a lesser amount.

(b) **Lessor Default**

If Lessor defaults in the performance of any term, covenant or condition required to be performed under this Lease, Lessee may terminate this lease by giving at least (45) days written notice to Lessor of such intention, thereby terminating this lease on the date designated in such notice, unless Lessor shall have cured such default prior to expiration of the forty-five (45) day period. However, if any default shall occur which cannot with due diligence be cured within a period of forty-five (45) days, and Lessor prior to the expiration of forty-five (45) days, after receiving written notice from Lessee, commences to eliminate the cause of such default and proceeds diligently and with reasonable dispatch to take all steps to do all work required to cure such default, and through such effort the default is cured, the Lessee shall not have the right to declare the said term ended by reason of such default unless such default materially interferes with Lessee's ability to conduct its business from the Leased Premises.

PLACE OF NOTICE

Any notice or demand from Lessee to Lessor or from Lessor to Lessee shall be in writing and shall be delivered by deposit in the mails of the United States, postage prepaid, via registered or certified mail. If to Lessee, in an envelope addressed to the attention of:

Bryan K. Davis, Executive Director
Redevelopment Authority of the City of Harrisburg
P. O. Box 2157
Harrisburg, Pennsylvania 17105-2157

If to Lessee, in an envelope addressed to the attention of:

Mr. Abdul Razak Surti
C/O Harrisburg Transit News LLC
415 Market Street, First Floor
Harrisburg, PA 17101

COMPLIANCE WITH LAWS

Lessee shall give prompt notice to Lessor of any notice it receives of the violation of any law or requirement of public authority, and at Lessee's own expense shall comply with all legal requirements which shall, with respect to the Leased Premises or the use and occupation thereof, or the abatement of any nuisance, impose any violation, order or duty on Lessor or Lessee arising from (i) Lessee's use of the Leased Premises, (ii) the manner of conduct of Lessee's business or operation of its installations, equipment or other property therein, (iii) any cause or condition created by or at the instance of Lessee, or (iv) breach of any Lessee's obligations hereunder.

SURRENDER OF PREMISES

At the expiration or earlier termination the term of this Lease, Lessee shall peaceably surrender the Leased Premises in as good condition as the Leased Premises were on the Commencement Date of this Lease, ordinary wear and tear excepted, to the extent, if necessary and unless waived by Lessor, of removing any and all improvements, structures, modifications, or other additions to the Leased Premises by Lessee or made during Lessee's occupancy thereof pursuant to the Lease. Lessor hereby waives its right to require Lessee to remove the carpet and paint which Lessee may install in the Leased Premises as part of the initial modifications to the Leased Premises. Lessee shall deliver all keys for the Leased Premises to Lessor at the place then fixed the payment of Rent and shall notify Lessor in writing of all combinations of locks, safes, and vaults, if any, in the Leased Premises. Ordinary wear and tear shall be deemed not to include damage or injury caused by moving Lessee's property or equipment into or out of the Leased Premises. Lessee's obligation to observe and fulfil these covenants set forth in this section shall survive the expiration or earlier termination of the term of this Lease.

LESSOR'S RIGHT OF ENTRY

Notwithstanding the foregoing, except in the event of an emergency, Lessor shall give Lessee no less than twenty-four (24) hours notice in

the event Lessor requires access to the Leased Premises. Lessor shall have the right to enter upon the Leased Premises at all reasonable times, whether or not during normal business hours, to examine same and to make such repairs, alterations, replacements or improvements in the Leased Premises as Lessor deems necessary, but Lessor assumes no obligation to make repairs in the Leased Premises other than those expressly provided for in this Lease. Lessor agrees, however, that any such repairs, replacements or improvements shall be made with minimum amount of inconvenience to the Lessee and the Lessor will diligently proceed therewith to completion. Lessor and Lessor's agents shall also have the right to enter upon the Leased Premises at reasonable times to show them to actual or prospective mortgagees. During the 60 days prior to the expiration of the term of the Lease, Lessor may show the Leased Premises to prospective lessees. If, during the last 30 days of the term of this Lease, Lessee shall have removed all or substantially all of the Lessee's property there from, Lessor may immediately enter, alter, renovate and redecorate the Leased Premises without elimination or abatement of rent or other compensation and such acts shall have no effect upon this Lease.

ASSIGNMENT AND SUBLETTING

Lessee shall have the right to sublet the Leased Premises, with the prior written approval of the Lessor, of which approval shall not be unreasonably withheld. Any assignment or subleasing shall not relieve Lessee from its liability under the terms and conditions of this Lease, and any assignee of Lessee shall be bound unconditionally by and perform all of the obligations of Lessee hereunder.

Lessee may, without Lessor's consent, assign or sublet all or a portion of this Lease or the Leased Premises to an Affiliate (defined below). A Transfer to an Affiliate does not release Lessee from any liability or obligation under this Lease.

"Affiliate" means any entity that, directly or indirectly, controls, is controlled by or is under common control with Lessee.

NONDISCRIMINATION

Lessee and Lessee's employees and agents shall not discriminate against any individual or group for any reasons of race, religion, sex, age, physical handicap, or national origin and shall comply with all applicable Federal, State and City laws and regulations with respect to nondiscrimination.

LEASED PREMISES PREPARATION

It is clearly understood that the demised Leased Premises shall be rented by the Lessee on an "as is" basis.

LEASE CONTAINS ALL AGREEMENTS

It is expressly understood by the parties that the whole agreement between them is embodied in this Lease (executed in duplicate or triplicate as the case may be) and that no part or items are omitted, unless the same is hereinafter modified by written agreement(s).

HEIRS, ETC.

This Lease shall be binding upon the parties hereto and their respective successors and/or assigns.

IN WITNESS WHEREOF the parties have thereunto set their hands as individuals or the hands and seals of their respective corporation or partnership, hereunto duly authorized, intending fully to be bound thereby.

LESSOR: REDEVELOPMENT AUTHORITY OF THE CITY OF HARRISBURG
Bryan K. Davis, Executive Director

_____ Title: Executive Director

WITNESS: _____ **Date:** _____

LESSEE: Harrisburg Transit News LLC

_____ Title: _____

_____ Title: _____

WITNESS: _____ **Date:** _____

EXHIBIT A

main level / First Floor

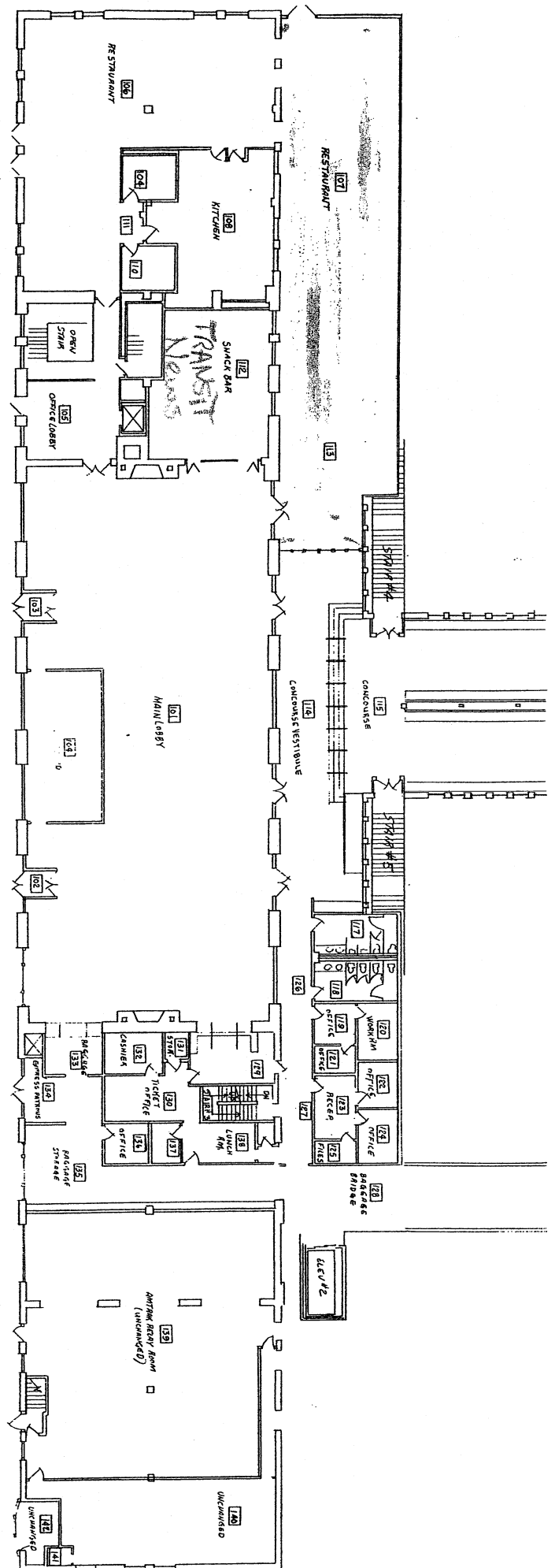


EXHIBIT B

Harrisburg Transportation Center

Rules and Regulations

1. Main lobby opening and closing time will be adjusted to accommodate Lessee=s operating requirements, upon receipt of thirty (30) days= written notice in advance of date change requested. Lessees will be advised of changes in main lobby opening and closing time by twenty (20) days= written notice from Lessor.

The main lobby will be open as follows: Monday through Friday, 5:00 a.m. to 11:00 p.m.; Saturday and Sunday, 6:00 a.m. to 11:00 p.m.

NO SMOKING IN THE HARRISBURG TRANSPORTATION CENTER, THIS INCLUDES ALL LESSEE SUITES. SMOKING ONLY PERMITTED OUTSIDE THE BUILDING.

2. The hours for Lessee move-in or move-out are between 9 A.M. and 3 P.M. Elevator must not be tied up during peak public/passenger usage.

The Elevator locks access to the 2nd and 3rd floors at 6:30 pm. At 6:00 am. It unlocks. Access is by key only during off hours. There is no access after 6:30 pm. Friday evening through 6:00 am. Monday morning.

3. The sidewalk, entrances, passages, courts, plazas, elevators, vestibules, stairways, corridors, halls and Common Use and Public Areas of the Harrisburg Transportation Center shall not be obstructed or encumbered by Lessee or the servants, agents, guests, licensees or invitees of Lessee or used for any purpose other than the ingress and egress to and from the Leased Premises except for such use of the Common Use and Public Areas as Lessor may from time to time authorize.
4. No awnings or other projections shall be attached to the exterior surface of the walls enclosing the Leased Premises. No curtains, blinds, shades, or screens shall be attached to or hung in or used in connection with, any window or door of Lessee=s space without the prior written approval of the Lessor as to the quality, type, design, color, and manner of attaching the same. No protective screen, grating, shade or other enclosing device shall be used on the part of the Leased Premises abutting the Common Use or Public Areas, courts, or public corridors without Lessor=s prior written approval as to the quality, type, design, color and manner of attaching the same, to the end that all facades facing the said Common Use and Public Areas will be comparable in appearance.

5. No sign, streamer, banner, advertisement, notice or other lettering shall be exhibited, inscribed, appointed, or affixed by Lessee at any place outside the Leased Premises or inside of the Leased Premises so that the same is visible from outside the Leased Premises without the prior written consent of the Lessor as to form, color, quality, and manner of attachment. In the event of the violation of the foregoing by Lessee, Lessor will notify Lessee to remove same. Should Lessee fail to remove same, Lessor may remove the same at Lessee=s expense.
6. Lessee will, at Lessee=s expense, be responsible to maintain the Leased Premises in a clean, orderly, and sanitary condition and free of insects, vermin, rodents, and other pests; no refuse, trash or garbage shall be suffered by Lessee to remain in the Leased Premises at night after normal working hours. All refuse, trash and garbage and containers of types approved by Lessor for the same will be so placed in the Leased Premises as to be not visible from the exterior of the Leased Premises or from the interior areas of the Leased Premises normally used by the public.
7. Nothing shall be thrown or swept out of doors or windows of the Leased Premises on sidewalks, entrances, passangers, courts, elevators, escalators, plazas, vestibules, stairways, corridors, halls or the Common Use or Public Areas of the Harrisburg Transportation Center.
8. The water and wash closets and other plumbing fixtures shall not be used for any purposes other than those for which they were constructed, and no sweepings, rubbish, rags or other substances shall be thrown therein.
9. Only contractors licensed to do business in the City of Harrisburg will be allowed to conduct lessee improvements in the leased space and building permits must be secured if required by code, including any low voltage or electrical work.
10. No Lessee shall make, paint, drill into or in any way deface any part of the Leased Premises and no boring, cutting, or stringing of wires shall be permitted, except as the prior written consent of the Lessor may direct.
11. Except as may occur in the ordinary course of Lessees business, no bicycles, vehicles, or animals of any kind shall be brought into or kept or permitted in or about the Leased Premises, Common Use or Public Areas of the Harrisburg Transportation Center without prior written consent of the Lessor.
12. Unless Lessee is specifically permitted by the Lease to operate a restaurant, no cooking shall be done or permitted by the Lessee on the Leased Premises without prior consent of the Lessor. Coffeemakers and microwave ovens of the types customarily accessory to an office setting are exempt from this prohibition. Under no circumstance shall Lessee cause or permit any unusual or objectionable noise or odor to be produced upon or emitted from the Leased Premises.

13. Lessee shall not solicit business nor distribute any handbills or other advertising matter in the Common Use or Public Areas, nor shall Lessee use or permit the use of advertising media such as loudspeakers, phonographs, public address systems, sound amplifiers, radio, or broadcasts within the Common Use or Public Areas or within Lessee's Leased Premises so as to be audible in the Common Use or Public Areas, nor shall Lessee use or permit any use of Lessee's Leased Premises except in a manner consistent with the highest standards of merchandising and services.

Lessees having access to the public address system and schedule display systems shall use said system in accordance with operating directions. No advertising by Lessees is permitted over or through these systems. Canvassing, soliciting, and peddling are totally prohibited, and each Lessee shall cooperate to prevent the same.

14. Lessor reserves the right to exclude from the Harrisburg Transportation Center any time commencing one-half hour after Lessee closes or is required to close its Leased Premises for business with the public and ending one-half hour before Lessee opens or is required to open its Leased Premises for business with the public, any person who does not present a valid Lessee employee identification, unless Lessee or its authorized representative is present at the Harrisburg Transportation Center and specifically requests that the person be admitted. Lessee will be responsible for the conduct of any person admitted to the Harrisburg Transportation Center during hours for which Lessee requested the admittance to the Harrisburg Transportation Center.

Unless specifically provided for Lessee will be responsible for its own security within the Leased Premises.

15. Lessee shall use Harrisburg Transportation Center as the name of the building and grounds of the Harrisburg Transportation Center in all local advertising and on localized stationery, billheads, invoices, envelopes in lieu of street address.
16. Lessee, when closing the Leased Premises, shall see that all windows and exit doors from Lessee's Leased Premises are closed and locked. Lessee shall furnish Lessor "after-hours" emergency telephone numbers and keys to the Leased Premises. Keys to the Leased Premises are under a master system and shall not be changed without advance written permission from the Lessor.
17. Lessor reserves the right to close and keep locked any and all entrances and exit doors of the Harrisburg Transportation Center and gates or doors closing any parking areas therefore during such hours as Lessor may deem to be advisable for the adequate protection of the Harrisburg Transportation Center and all Lessees therein.
18. Lessor may limit weight, size and position of all safes, fixtures and other equipment used in the Leased Premises. Lessee upon Lessor's approval to install said equipment shall pay all installation, structural or otherwise, costs.

19. Lessor reserves the right to exclude or expel from the Harrisburg Transportation Center any person who, in the judgment of the Lessor, is intoxicated or under the influence of liquor or drugs or is loitering or who shall in any manner do any act in violation of the rules and regulations of the Harrisburg Transportation Center.
20. Lessor reserves the right to waive any rule in any particular instance or as to any particular person or occurrence and further, Lessor reserves the right to amend or rescind any of these rules or make, amend or rescind new rules to the extent Lessor in its sole judgment deems suitable for the safety, care and cleanliness of the Harrisburg Transportation Center. Lessee agrees to conform to such new or amended rules upon receiving written notice of the same.
21. Whenever any notice, approval, consent, request, or election is given or made pursuant to these Rules and Regulations it shall be in writing. No consent or waiver, expressed or implied by Lessor or Lessee to or of any breach of any rules or regulations, shall be construed as a consent or waiver of any other breach of the same or any other rule or duty. Whenever any approval or consent by Lessor or Lessee is expressly required by these Rules and Regulations, the approval or consent shall not be unreasonably withheld.

PARKING ORDINANCES

- A. In the case that Lessee has commissioned parking spaces; Lessee agrees to park only in their designated/Contracted parking space(s). Lessee agrees to be responsible for and to relieve, indemnify and hold harmless the Lessor from all liability caused by Lessee's use of the parking lot. Lessor shall not be responsible for any damage(s) to Lessee's property while in the parking lot.
- B. Lessee shall not use the parking space(s) for any other purposes other than parking.
- C. Lessee is to notify the Lessor of any changes in vehicles or the license number of vehicle(s).
- D. Lessee vehicle(s) must have a license plate, a current state inspection and be operable. If a vehicle is found out of compliance, Lessor will give Lessee written notice and fifteen (15) days to remedy the non-compliance. If Lessee fails to remedy the non-compliance after fifteen (15) days, the non-compliant vehicle will be towed away at the Lessor's expense.
- E. Lessee may request additional parking spaces at any time. The additional parking fees would be prorated if starting on a day other than the first of a month. However, in the case of ending/terminating parking, Lessee must give at least thirty (30) days written notice to cancel any or all parking. Adding or Deleting parking spaces constitutes an Addendum to the Lease Agreement.