



Investment Opportunity



LOCATION: 3037 Walton Road, Plymouth Township, Plymouth Meeting

PROPERTY HIGHLIGHTS:

- ◆ Investment
- ◆ 1 Stry Building-7,525 SF
- ◆ 1.57 Acres
- ◆ Childcare Facility/School
- ◆ For Sale \$2,000,000.00
- ◆ Playground
- ◆ Parking

Chris Yangello

610.716.4020

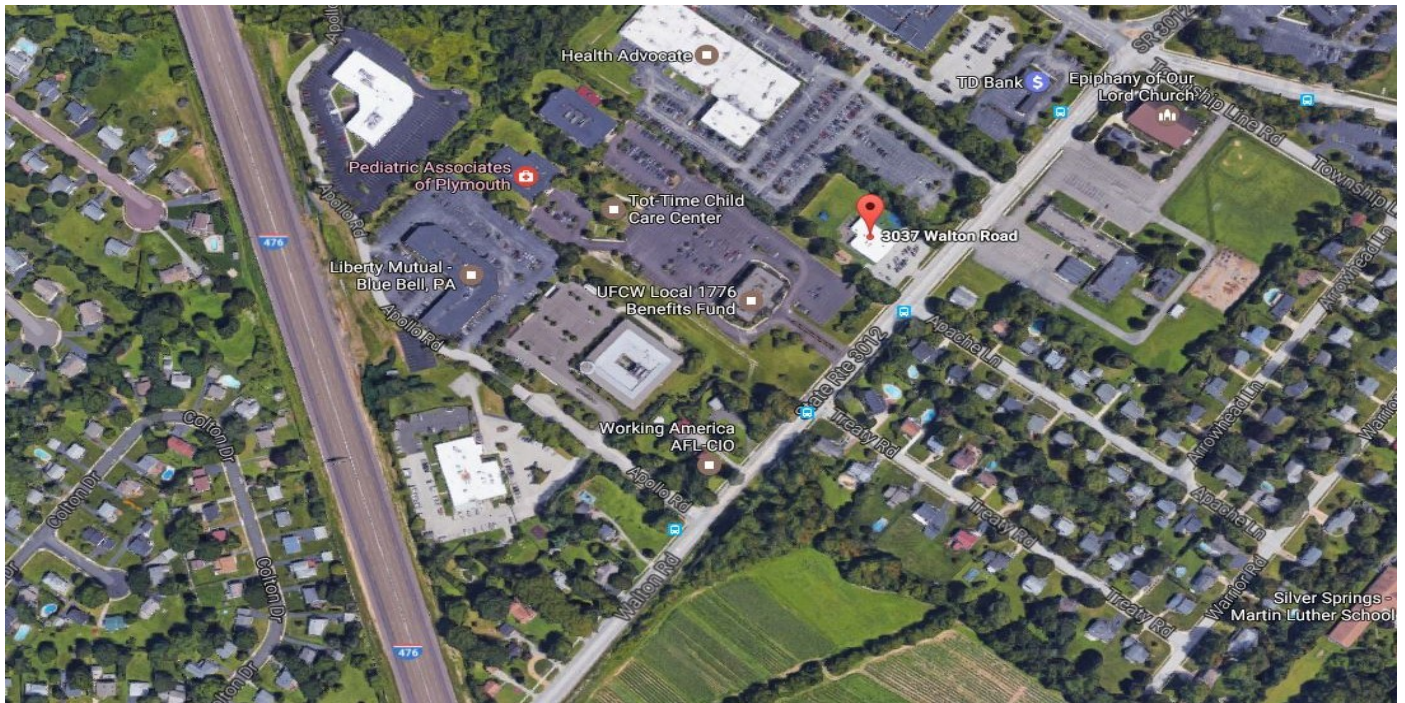
cyangelo@capitalcomre.com

3748 West Chester Pike, Newtown Square, PA 19073 * Phone: 610-359-9700 | Fax: 610-359-9750

The information above has been obtained from sources believed reliable. While we do not doubt its accuracy, we have not verified it and make no guarantee, warranty or representation about it. It is Buyer/Lessee responsibility to independently confirm its accuracy and completeness. This is not intended to solicit another Broker's listing.

CAPITAL
 Commercial Real Estate Group
610-359-9700
 www.CapitalComRe.com

Investment Opportunity



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INCOME AND EXPENSE REPORT

Property Address: 3037 Walton Road, Plymouth Township, Plymouth Meeting
Property Type: Investment

Unit #	Tenant Name	Lease Type	NRSF	Start Date	End Date	Renewal Option	Monthly Rent	Comments (Rent Escalations, Extension Options, Reimbursement)
	Creative Care	NNN	7,525	11/15/2009	12/31/21	No	\$ 13,103.00	
Total			7,525				\$ 13,103.00	

GROSS ANNUAL INCOME:

Rental Income	\$ 157,236
Vacancy (5%)	
CAM Reconciliation	
Gross Income	\$ 157,236.00

FINANCING CRITERIA:

Purchase Price:	\$ 2,000,000.00
Down Payment:	\$ 500,000.00
Amount Financed:	\$ 1,500,000.00
Annual Principal and Interest:	\$ 91,260.00

ANNUAL EXPENSES:

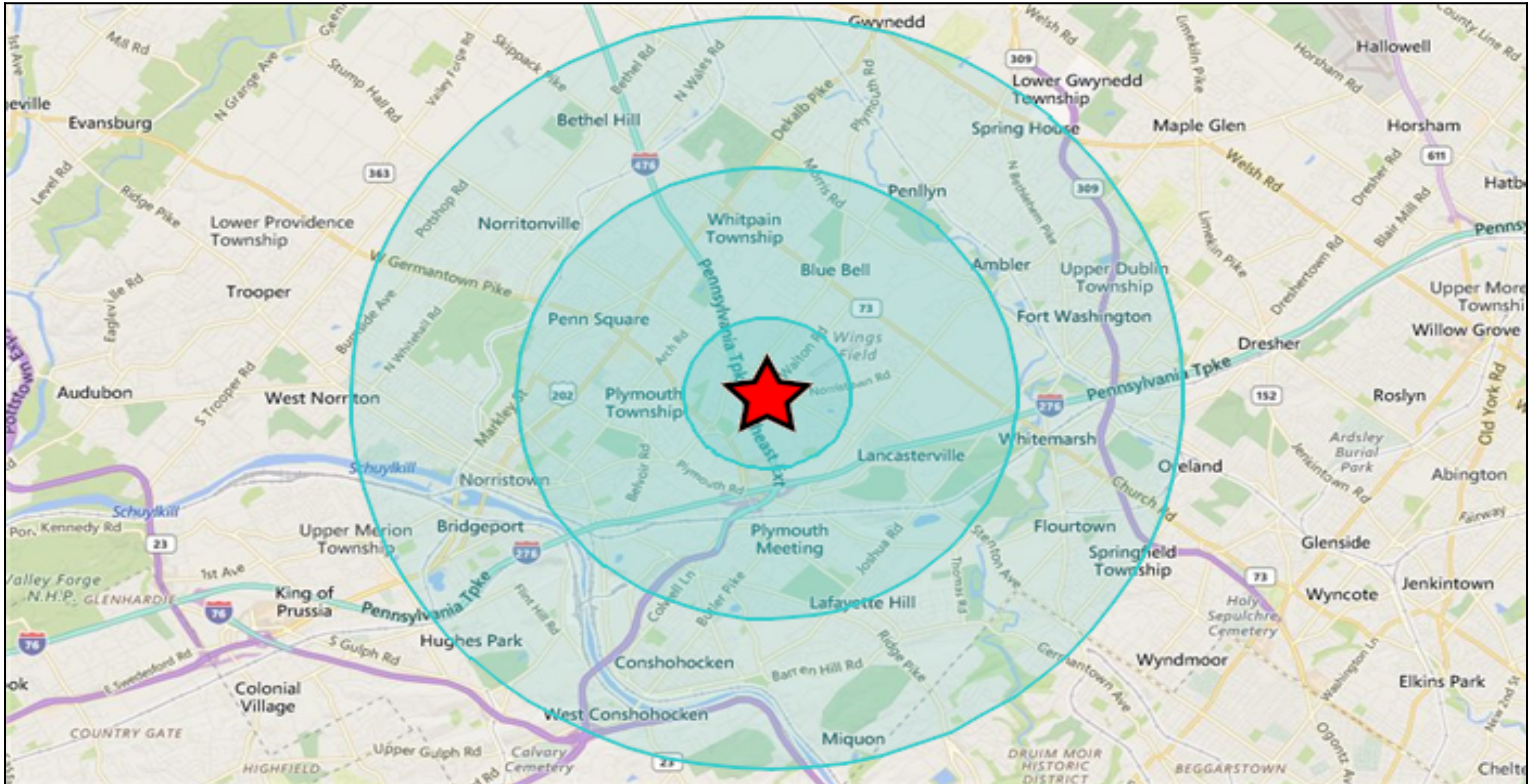
Taxes	Tenant
Insurance	Tenant
Water/Sewer	Tenant
Sewer	Tenant
Electric	Tenant
Landscape/Snow Removal	Tenant
Repairs/Maintenance (5%)	\$ -
Capital Reserve (4%)	\$ 6,289.44
Misc.	
Misc.	
Misc.	
Misc.	
Misc.	
Misc.	
NNN/CAM Expenses	
Total Expenses	\$ 6,289.44

NOI:	\$ 150,946.56
Less P&I:	\$ 91,260.00
ROI:	\$ 59,686.56
Cash on Cash Return:	11.9%
4.5% - 25 Year Amortization	

Net Operating Income	\$ 150,946.56
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SALES PRICE: \$2,000,000.00

CAP RATE: 7.5%



Description	1 Mile	3 Mile	5 Mile
Area & Density :			
Area (Square Miles) :	2.922772	30.302011	83.575265
Density(Population Per Square Mile) :	1,923.2	1,787	2,084
Population By Year			
Population (1990) :	5,539	50,705	161,200
Population (2000) :	4,900	51,660	165,169
Population (2010) :	5,562	53,999	173,829
Population (Current) :	5,621	54,149	174,173
Population (5 Yr. Forecast) :	5,811	55,886	179,586
Percent Growth (Current Yr./Previous Yr.) :	1.11	.23	.14
Percent Forecast (5 Yr. Forecast/Current Yr.) :	3.36	3.21	3.12
Households By Year			
Households (1990) :	2,113	19,742	61,704
Households (2000) :	1,856	20,343	64,817
Households (2010) :	2,281	21,921	69,077
Households (Current) :	2,301	21,984	69,239
Households (5 Yr. Forecast) :	2,397	22,885	72,047
Percent Growth (Current Yr./Previous Yr.) :	1	.24	.15
Percent Forecast (5 Yr. Forecast/Current Yr.) :	4.16	4.1	4.05

Description	1 Mile	3 Mile	5 Mile
General Population Characteristics			
Male :	2,509	26,027	83,175
Female :	3,112	28,122	90,998
Density :	1,923.2	1,787	2,084
Urban :	5,621	54,149	172,982
Rural :			1,191
General Household Characteristics			
Households (Current) :	2,301	21,984	69,239
Families :	1,590	14,511	44,348
Average Size of Household :	2.45	2.52	2.54
Median Age of Householder :	59	51	50
Median Value Owner Occupied (\$) :	292,435.93	312,172.50	305,755.72
Median Rent (\$) :	1,045.39	1,038.70	981.41
Median Vehicles Per Household :	2	2	2
General Housing Characteristics			
Housing Units :	2,395	23,295	74,427
Owner Occupied Units :	1,984	16,205	48,456
Renter Occupied Units :	317	5,779	20,783
Vacant Units :	94	1,311	5,188
Population By Race			
White Alone :	4,785	41,685	131,943
Black Alone :	341	6,577	21,926
Asian Alone :	405	3,716	9,431
Native American and Alaska Native Alone :	1	70	297
Other Race Alone :	14	1,055	6,662
Two or More Races :	75	1,046	3,914
Population By Ethnicity			
Hispanic :	104	2,724	14,595
White Non-Hispanic :	4,707	40,377	126,051
General Income Characteristics			
Median Household Income (\$) :	89,900.27	90,987.30	86,508.22
Total Household Income (\$) :	245,460,255	2,301,362,749	6,935,516,503
Average Household Income (\$) :	106,675	104,684	100,168
Per Capita Income (\$) :	43,668	42,501	39,820
Consumer Expenditures			
Total Consumer Expenditures (\$) :	145,895	1,344,888	4,146,229
Total Retail Sales (\$) :	58,913	701,134	3,140,656
Employment By Place Of Business			
Total Employees :	3,871	35,046	131,917
Total Establishments :	184	1,951	6,837

MIDWAY ASSOCIATES
SUMMIT REAL ESTATE GROUP
c/o LARRY J. SCHWARTZ
101 Shire Drive
Eagleville, PA 19403
Telephone: (215) 643-4464
Cell: (215) 577-4464
Ljs542@verizon.net

RTT Rebecca Holland
10/11/16
Signed copy

October 6, 2016

Rebecca Holland
Creative Care
2118 West Main Street
Jeffersonville, PA 19403

RE: Lease for 3037 Walton Road

Dear Rebecca,

The purpose of this letter is to set forth in writing the modifications to the Lease Agreement for 3037 Walton Road that you and I have agreed to. We have agreed that the term of the lease for this property will be extended for an additional two years and that the rent schedule payable under the remaining term of the lease shall be modified as more fully set forth below. The changes that we have agreed to are as follows:

1.) Lease Term. The term of the lease shall be extended for an additional two years and shall end on December 31, 2021.

2.) Monthly Rent. The schedule for the monthly rent payments shall be modified as follows:

- a.) The base monthly rent for calendar year 2016 will be \$12,722.00 per month.
- b.) The base monthly rent for calendar years 2017 and 2018 shall be \$13,103.00 per month.
- c.) The base monthly rent for calendar years 2019, 2020 and 2021 shall be \$13,901.00 per month.

3.) Lease Provisions. All other terms and provisions of the lease agreement for 3037 Walton Road shall remain the same except as specifically modified by the above revisions.

Please sign at the place provided below to signify your agreement to these new lease terms. Please return a signed original copy of this correspondence to me for the records of Midway Associates.

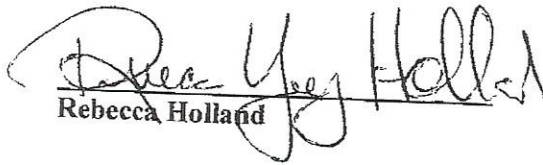
I will prepare a formal lease modification agreement to reflect the changes to the lease terms that we have agreed to.

If there are any questions, please give me a call at my cell 267-577-4464.

Very truly yours,



Larry J. Schwartz



Rebecca Holland

10/7/15
Date

Lease Agreement

This Agreement, MADE THE day of November

1. Parties
..... (2009), by and between.....
Midway Associates, LP, 9 Sweetwater Circle, Lower Gwynedd, PA 19002

(hereinafter called Lessor), of the one part, and.....
JHA Services, Inc. t/a Creative Child Care Center
2118 W. Main St., Jeffersonville, PA 19403

(hereinafter called Lessee), of the other part.

2. Premises
WITNESSETH THAT: Lessor does hereby demise and let unto Lessee all that certain approx. 7,525 SF one-story
building & existing playground equipment situate on approximately 1.57 Acres of
land at 3037 Walton Rd., Plymouth Township, Plymouth Meeting

in the County of Montgomery State of Pennsylvania, to be used and occupied as child care center
and for no other purpose, for the term of five (5) years & 1.5 months

3. Term
beginning the 16th day of November (2009),
and ending the 31st day of December (2014),
for the minimum rental of.....

4. Minimum Rent
(See Rent Schedule in Paragraph #30) Dollars (\$.....)
lawful money of the United States of America, payable in monthly installments in advance during the said term of this lease, or any renewal
hereof, in sums of..... Dollars (\$.....)
on-the..... day of each month, rent to begin from the.....
day of.....

the first installment to be paid at the time of signing this lease. The first rental payment to be made during the occupancy of the premises shall be adjusted to pro-rate a partial month of occupancy, if any, at the inception of this lease.

5. Inability to give Possession
If Lessor is unable to give Lessee possession of the demised premises, as herein provided, by reason of the holding over of a previous occupant, or by reason of any cause beyond the control of the Lessor, the Lessor shall not be liable in damages to the Lessee therefor, and during the period that the Lessor is unable to give possession, all rights and remedies of both parties hereunder shall be suspended, and if Lessor is unable for any reason to give possession of the demised premises within 5 days of Lessee's demand therefor following commencement of the term hereof Lessee shall have the option, by notice to Lessor, to cancel this lease agreement and receive return of any prepaid rents and security deposit in full and final settlement of any and all claims against Lessor.

6. Additional Rent
(a) Lessee agrees to pay as rent in addition to the minimum rental herein reserved any and all sums which may become due by reason of the failure of Lessee to comply with all of the covenants of this lease and any and all damages, costs and expenses which the Lessor may suffer or incur by reason of any default of the Lessee or failure on his part to comply with the covenants of this lease, and each of them, and also any and all damages to the demised premises caused by any act or neglect of the Lessee.

(b) Lessee further agrees to pay as rent in addition to the minimum rental herein reserved all taxes assessed or imposed upon the demised premises and/or the building of which the demised premises is a part during the term of this lease, in excess of and over and above those assessed or imposed at the time of making this lease. The amount due hereunder on account of such taxes shall be apportioned for that part of the first and last calendar years covered by the term hereof. The same shall be paid by Lessee to Lessor on or before the first day of July of each and every year.

SEE ADDENDUM
(c) Lessee further agrees to pay to Lessor as additional rent all increase or increases in fire insurance premiums upon the demised premises and/or the building of which the demised premises is a part, due to an increase in the rate of fire insurance in excess of the rate on the demised premises at the time of making this lease, if said increase is caused by any act or neglect of the Lessee or the nature of the Lessee's business.

(d) Lessee further agrees to pay as additional rent, if there is a metered water connection to the said premises, all charges for water consumed upon the demised premises in excess of the yearly minimum meter charge and all charges for repairs to the said meter or meters on the premises, whether such repairs are made necessary by ordinary wear and tear, freezing, hot water, accident or other causes, immediately when the same become due.

(e) Lessee further agrees to pay as additional rent, if there is a metered water connection to said premises, all sewer rental or charges for use of sewers, sewage system, and sewage treatment works servicing the demised premises in excess of the yearly minimum of such sewer charges, immediately when the same become due.

7. Place of Payment
All rent shall be payable without prior notice or demand at the office of Lessor, Midway Associates
or at such other place as Lessor may from time to time designate by notice in writing, 9 Sweetwater Circle, Lower Gwynedd PA 19002

8. Affirmative Covenants of Lessee
(a) Payment of Rent
Lessee covenants and agrees that he will without demand
(a) Pay the rent and all other charges herein reserved as rent at the times and at the place that the same are payable, without fail; and if Lessor shall at any time or times accept said rent or rent charges after the same shall have become delinquent, such acceptance shall not excuse delay upon subsequent occasions, or constitute or be construed as a waiver of any of Lessor's rights. Lessee agrees that any charge or payment herein reserved, included, or agreed to be treated or collected as rent and/or any other charges, expenses, or costs herein agreed to be paid by Lessee may be proceeded for and recovered by Lessor by legal process in the same manner as rent due and in arrears.

(b) Cleaning, Repairing, etc.
(b) Keep the demised premises clean and free from all ashes, dirt and other refuse matter; replace all glass windows, doors, etc., broken; keep all waste and drain pipes open; repair all damage to plumbing and to the premises in general; keep the same in good order and repair as they are now, reasonable wear and tear and damage by accidental fire or other casualty not occurring through negligence of Lessee or those employed by or acting for Lessee alone excepted. The Lessee agrees to surrender the demised premises in the same condition in which Lessee has herein agreed to keep the same during the continuance of this lease.

(c) Requirements of Public Authorities
(c) Comply with any requirements of any of the constituted public authorities, and with the terms of any State or Federal statute or local ordinance or regulation applicable to Lessee or his use of the demised premises, and save Lessor harmless from penalties, fines, costs or damages resulting from failure so to do.

(d) Fire
(d) Use every reasonable precaution against fire.

(e) Rules and Regulations
(e) Comply with rules and regulations of Lessor promulgated as hereinafter provided.

(f) Surrender of Possession
(f) Peaceably deliver up and surrender possession of the demised premises to the Lessor at the expiration or sooner termination of this lease, promptly delivering to Lessor at his office all keys for the demised premises.

(g) Notice of Fire, etc.
(g) Give to Lessor prompt written notice of any accident, fire, or damage occurring on or to the demised premises.

(h) Condition of Pavement
(h) Lessee shall be responsible for the condition of the pavement, curb, cellar doors, awnings and other erections in the pavement during the term of this lease; shall keep the pavement free from snow and ice; and shall be and hereby agrees that Lessee is solely liable for any accumulation of snow and ice.

- (c) Signs
- (d) Alterations
Improvement
- (e) Machinery
- (f) Weights
- (g) Fire Insurance
- (h) Removal of
Goods
- (i) Vacate
Premises
- 10. Lessor's Rights
 - (a) Inspection of
Premises
 - (b) Rules and
Regulations
 - (c) Sign or Rent
Sign
Prospective
Purchasers or
Tenants
 - (d) Discontinue
Facilities and
Service
- 11. Responsibility of
Lessee
 - (a) Total Destruction
of Premises
 - (b) Partial Destruction
of Premises
 - (c) Repairs by
Lessor
 - (d) Damage for
Interruption
of Use
 - (e) Representation
of Condition
of Premises
 - (f) Zoning
- 13. Miscellaneous
Agreements and
Conditions
 - (a) Effect of Repairs
on Rent
 - (b) Agency
 - (c) Waiver of
Custom
 - (d) Conduct of
Lessee
 - (e) Failure of
Lessee to Repair
 - (f) Waiver of
Subrogation

(c) Place or allow to be placed any stand, booth, sign or show case upon the doorsteps, vestibules or outside walls or pavements of said premises, or paint, place, erect or cause to be painted, placed or erected any sign, projection or device on or in any part of the premises. Lessee shall remove any sign, projection or device painted, placed or erected, if permission has been granted and restore the walls, etc., to their former conditions, at or prior to the expiration of this lease. In case of the breach of this covenant (in addition to all other remedies given to Lessor in case of the breach of any conditions or covenants of this lease) Lessor shall have the privilege of removing said stand, booth, sign, show case, projection or device, and restoring said walls, etc., to their former condition, and Lessee, at Lessor's option, shall be liable to Lessor for any and all expenses so incurred by Lessor.

(d) ~~Make any alterations, improvements, or additions to the demised premises. All alterations, improvements, additions or fixtures, whether installed before or after the execution of this lease, shall remain upon the premises at the expiration or sooner determination of this lease and become the property of Lessor, unless Lessor shall, prior to the determination of this lease, have given written notice to Lessee to remove the same, in which event Lessee will remove such alterations, improvements and additions and restore the premises to the same good order and condition in which they now are. Should Lessee fail so to do, Lessor may do so, collecting, at Lessor's option, the cost and expense thereof from Lessee as additional rent.~~

(e) Use or operate any machinery that, in Lessor's opinion, is harmful to the building or disturbing to other tenants occupying other parts thereof.

(f) Place any weights in any portion of the demised premises beyond the safe carrying capacity of the structure.

(g) Do or suffer to be done, any act, matter or thing objectionable to the fire insurance companies whereby the fire insurance or any other insurance now in force or hereafter to be placed on the demised premises, or any part thereof, or on the building of which the demised premises may be a part, shall become void or suspended, or whereby the same shall be rated as a more hazardous risk than at the date of execution of this lease, or employ any person or persons objectionable to the fire insurance companies or carry or have any benzine or explosive matter of any kind in and about the demised premises. In case of a breach of this covenant (in addition to all other remedies given to Lessor in case of the breach of any of the conditions or covenants of this lease) Lessee agrees to pay to Lessor as additional rent any and all increase or increases of premiums on insurance carried by Lessor on the demised premises, or any part thereof, or on the building of which the demised premises may be a part, caused in any way by the occupancy of Lessee.

(h) Remove, attempt to remove or manifest an intention to remove Lessee's goods or property from or out of the demised premises otherwise than in the ordinary and usual course of business, without having first paid and satisfied Lessor for all rent which may become due during the entire term of this lease.

(i) Vacate or desert said premises during the term of this lease, or permit the same to be empty and unoccupied.

Lessee covenants and agrees that Lessor shall have the right to do the following things and matters in and about the demised premises:

(a) At all reasonable times by himself or his duly authorized agents to go upon and inspect the demised premises and every part thereof, and/or at his option to make repairs, alterations and additions to the demised premises or the building of which the demised premises is a part.

(b) At any time or times and from time to time make such reasonable rules and regulations as may be necessary or desirable for the safety, care, and cleanliness of the demised premises and/or of the building of which the demised premises is a part and of real and personal property contained therein and for the preservation of good order. Such rules and regulations shall, when communicated in writing to Lessee, form a part of this lease.

(c) ~~To display a "For Sale" sign at any time and also after notice from either party of intention to determine this lease, or at any time within three months prior to the expiration of this lease, a "For Rent" sign, or both "For Rent" and "For Sale" signs; and all of said signs shall be placed upon such part of the premises as Lessor may elect and may contain such matter as Lessor shall require. Persons authorized by Lessee to inspect the premises at reasonable hours during the said periods.~~

(d) Lessor may discontinue at any time, any or all facilities furnished and services rendered by Lessor not expressly covenanted for herein or required to be furnished or rendered by law; it being understood that they constitute no part of the consideration for this lease.

(a) Lessee agrees to relieve and hereby relieves the Lessor from all liability by reason of any injury or damage to any person or property in the demised premises, whether belonging to the Lessee or any other person caused by any fire, breakage, or leakage in any part or portion of the building of which the demised premises is a part or from water, rain or snow that may leak into, issue or flow from any part of the said premises, or of the building of which the demised premises is a part, from the drains, pipes, or plumbing work of the same, or from any place or quarter, unless such breakage, leakage, injury or damage be caused by or result from the negligence of Lessor or its servants or agents.

(b) ~~Lessee also agrees to relieve and hereby relieves Lessor from all liability by reason of any damage or injury to any property or to Lessee or Lessee's guests, servants or employees which may arise from or be due to the use, misuse or abuse of all or any of the elevators, hatches, openings, stairways, hallways of any kind whatsoever which may exist or hereafter be erected or constructed on the said premises or the sidewalks surrounding the building of which the demised premises is a part, from defective construction, failure of water supply, light, power, electric wiring, plumbing or machinery used, lightning, storm or any other cause whatsoever on the said premises or the building of which the demised premises is a part, unless such damage, injury, use, misuse or abuse be caused by or result from the negligence of Lessor, its servants or agents.~~

(c) In the event the demised premises are totally destroyed or so damaged by fire or other casualty that, in the opinion of a licensed architect retained by Lessor, the same cannot be repaired and restored within ninety days from the happening of such injury this lease shall absolutely cease and determine, and the rent shall abate for the balance of the term.

(b) If the damage be only partial and such that the premises can be restored, in the opinion of a licensed architect retained by Lessor, to approximately their former condition within ninety days from the date of the casualty loss Lessor may, at Lessor's option, restore the same with reasonable promptness, reserving the right to enter upon the demised premises for that purpose. Lessor also reserves the right to enter upon the demised premises whenever necessary to repair damage caused by fire or other casualty to the building of which the demised premises is a part, even though the effect of such entry be to render the demised premises or a part thereof untenable. In either event the rent shall be apportioned and suspended during the time Lessor is in possession, taking into account the proportion of the demised premises rendered untenable and the duration of Lessor's possession. If a dispute arises as to the amount of rent due under this clause, Lessee agrees to pay the full amount claimed by Lessor, but Lessee shall have the right to proceed by law to recover the excess payment, if any.

(c) Lessor shall make such election to repair the premises or terminate this lease by giving notice thereof to Lessee at the leased premises within thirty days from the day Lessor received notice that the demised premises had been destroyed or damaged by fire or other casualty.

(d) Except to the extent hereinbefore provided, Lessor shall not be liable for any damage, compensation, or claim by reason of the necessity of repairing any portion of the building, the interruption in the use of the premises, any inconvenience or annoyance arising as a result of such repairs or interruption, or the termination of this lease by reason of damage to or destruction of the premises.

(e) ~~Lessor has let the demised premises in their present "as is" condition and without any representations, other than those specifically endorsed hereon by Lessor, through its officers, employees, servants and/or agents. It is understood and agreed that Lessor is under no duty to make repairs, alterations, or decorations at the inception of this lease or at any time thereafter unless such duty of Lessor shall be set forth in writing endorsed hereon.~~

(f) It is understood and agreed that the Lessor hereof does not warrant or undertake that the Lessee shall be able to obtain a permit under any Zoning Ordinance or Regulation for such use as Lessee intends to make of the said premises, and nothing in this lease contained shall obligate the Lessor to assist Lessee in obtaining said permit; the Lessee further agrees that in the event a permit cannot be obtained by Lessee under any Zoning Ordinance or Regulation, this lease shall not terminate without Lessor's consent, and the Lessee shall use the premises only in a manner permitted under such Zoning Ordinance or Regulation.

(a) No contract entered into or that may be subsequently entered into by Lessor with Lessee, relative to any alterations, additions, improvements or repairs, nor the failure of Lessor to make such alterations, additions, improvements or repairs as required by any such contract, nor the making by Lessor or his agents or contractors of such alterations, additions, improvements or repairs shall in any way affect the payment of the rent or said other charges at the time specified in this lease, except to the extent and in the manner hereinbefore provided.

Aprior Commercial Realtors

(b) ~~It is hereby expressly agreed and understood that the said [Aprior Commercial Realtors] is acting as agent only and shall not in any event be held liable to the owner or to Lessee for the fulfillment or non-fulfillment of any of the terms or conditions of this lease, or for any action or proceedings that may be taken by the owner against Lessee, or by Lessee against the owner.~~

(c) It is hereby covenanted and agreed, any law, usage or custom to the contrary notwithstanding, that Lessor shall have the right at all times to enforce the covenants and provisions of this lease in strict accordance with the terms hereof, notwithstanding any conduct or custom on the part of the Lessor in refraining from so doing at any time or times; and, further, that the failure of Lessor at any time or times to enforce his rights under said covenants and provisions strictly in accordance with the same shall not be construed as having created a custom in any way or manner contrary to the specific terms, provisions and covenants of this lease or as having in any way or manner modified the same.

(d) This lease is granted upon the express condition that Lessee and/or the occupants of the premises herein leased shall not conduct themselves in a manner which is improper or objectionable, and if at any time during the term of this lease or any extension or continuation thereof Lessee or any occupier of the said premises shall have conducted himself in a manner which is improper or objectionable, Lessee shall be taken to have broken the covenants and conditions of this lease, and Lessor will be entitled to all of the rights and remedies granted and reserved herein, for the Lessee's failure to observe all of the covenants and conditions of this lease.

(e) In the event of the failure of Lessee promptly to perform the covenants of Section 8 (b) hereof, Lessor may go upon the demised premises and perform such covenants, the cost thereof, at the sole option of Lessor, to be charged to Lessee as additional and delinquent rent.

(f) Lessor and Lessee hereby agree that all insurance policies which each of them shall carry to insure the demised premises and the contents therein against casualty loss, and all liability policies which they shall carry pertaining to the use and occupancy of the demised premises shall contain waivers of the right of subrogation against Lessor and Lessee herein, their heirs, administrators, successors, and assigns.

Lessor as Lessee's agent to collect the rents due from such assignee or sub-lessee and apply the same to the rent due hereunder without in any way affecting Lessee's obligation to pay any unpaid balance of rent due hereunder; or

(2) At the option of Lessor, this lease and the terms hereby created shall determine and become absolutely void without any right on the part of Lessee to reinstate this lease by payment of any sum due or by other performance of any condition, term, or covenant broken; whereupon, Lessor shall be entitled to recover damages for such breach in an amount equal to the amount of rent reserved for the balance of the term of this lease, less the fair rental value of the said demised premises for the remainder of the lease term.

15. Further Remedies of Lessor

In the event of any default as above set forth in Section 14, Lessor, or anyone acting on Lessor's behalf, at Lessor's option:

(a) May let said premises or any part or parts thereof to such person or persons as may, in Lessor's discretion, be best; and Lessee shall be liable for any loss of rent for the balance of the then current term. Any such re-entry or re-letting by Lessor under the terms hereof shall be without prejudice to Lessor's claim for actual damages, and shall under no circumstances, release Lessee from liability for such damages arising out of the breach of any of the covenants, terms, and conditions of this lease.

(b) May proceed as a secured party under the provisions of the Uniform Commercial Code against the goods in which Lessor has been granted a security interest pursuant to Section 13 (g) hereof; and

(c) May have and exercise any and all other rights and/or remedies, granted or allowed landlords by any existing or future Statute, Act of Assembly, or other law of this state in cases where a landlord seeks to enforce rights arising under a lease agreement against a tenant who has defaulted or otherwise breached the terms of such lease agreement; subject, however, to all of the rights granted or created by any such Statute, Act of Assembly, or other law of this state existing for the protection and benefit of tenants; and

(d) May have and exercise any and all other rights and remedies contained in this lease agreement, including the rights and remedies provided by Sections 16 and 17 hereof.

16. Confession of Judgment for Money

Lessee covenants and agrees that if the rent and/or any charges reserved in this lease as rent (including all accelerations of rent permissible under the provisions of this lease) shall remain unpaid five (5) days after the same is required to be paid, then and in that event, Lessor may cause judgment to be entered against Lessee, and for that purpose Lessee hereby authorizes and empowers Lessor or any Prothonotary, Clerk of Court or Attorney of any Court of Record to appear for and confess judgment against Lessee and agrees that Lessor may commence an action pursuant to Pennsylvania Rules of Civil Procedure No. 2950 et seq. for the recovery from Lessee of all rent hereunder (including all accelerations of rent permissible under the provisions of this lease) and/or for all charges reserved hereunder as rent, as well as for interest and costs and Attorney's commission, for which authorization to confess judgment, this lease, or a true and correct copy thereof, shall be sufficient warrant. Such judgment may be confessed against Lessee for the amount of rent in arrears (including all accelerations of rent permissible under the provisions of this lease) and/or for all charges reserved hereunder as rent, as well as for interest and costs; together with an attorney's commission of five percent (5%) of the full amount of Lessor's claim against Lessee. Neither the right to institute an action pursuant to Pennsylvania Rules of Civil Procedure No. 2950 et seq. nor the authority to confess judgment granted herein shall be exhausted by one or more exercises thereof, but successive complaints may be filed and successive judgments may be entered for the aforesaid sums five days or more after they become due as well as after the expiration of the original term and/or during or after expiration of any extension or renewal of this lease.

17. Confession of Judgment for Possession of Real Property

Lessee covenants and agrees that if this lease shall be terminated (either because of condition broken during the term of this lease or any renewal or extension thereof and/or when the term hereby created or any extension thereof shall have expired) then, and in that event, Lessor may cause a judgment in ejectment to be entered against Lessee for possession of the demised premises, and for that purpose Lessee hereby authorizes and empowers any Prothonotary, Clerk of Court or Attorney of any Court of Record to appear for Lessee and to confess judgment against Lessee in Ejectment for possession of the herein demised premises, and agrees that Lessor may commence an action pursuant to Pennsylvania Rules of Procedure No. 2970 et seq. for the entry of an order in Ejectment for the possession of real property, and Lessee 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. Lessee further covenants and agrees, that if for any reason whatsoever, after said action shall have commenced the action shall be terminated and the possession of the premises demised hereunder shall remain in or be restored to Lessee, Lessor shall have the right upon any subsequent 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 confession in Ejectment for possession of the premises demised hereunder.

18. Affidavit of Default

In any procedure or action to enter Judgment by Confession for Money pursuant to Section 16 hereof, or to enter Judgment by Confession in Ejectment for possession of real property pursuant to Section 17 hereof, if Lessor shall first cause to be filed in such action an affidavit or averment of the facts constituting the default or occurrence of the condition precedent, or event, the happening of which default, occurrence, or event authorizes and empowers Lessor to cause the entry of judgment by confession, such affidavit or averment shall be conclusive evidence of such facts, defaults, occurrences, conditions precedent, or events; and if a true copy of this lease (and of the truth of which such affidavit or averment shall be sufficient evidence) be filed in such procedure or action, it shall not be necessary to file the original as a Warrant of Attorney, any rule of court, custom, or practice to the contrary notwithstanding.

19. Waivers by Lessee of Errors, Right of Appeal, Stay, Exemplification, Inquisition

Lessee hereby releases to Lessor and to any and all attorneys who may appear for Lessee all errors in any procedure or action to enter Judgment by Confession by virtue of the warrants of attorney contained in this lease, and all liability therefor. Lessee further authorizes the Prothonotary or any Clerk of any Court of Record to issue a Writ of Execution or other process, and further agrees that real estate may be sold on a Writ of Execution or other process. If proceedings shall be commenced to recover possession of the demised premises either at the end of the term or sooner termination of this lease, or for non-payment of rent or for any other reason, Lessee specifically waives the right to the three (3) months' notice to quit and/or the fifteen (15) or thirty (30) days' notice to quit required by the Act of April 6, 1951, P.L. 69, as amended, and agrees that five (5) days' notice shall be sufficient in either or any such case.

20. Right of Assignee of Lessor

The right to enter judgment against Lessee by confession and to enforce all of the other provisions of this lease herein provided for may at the option of any assignee of this lease, be exercised by any assignee of the Lessor's right, title and interest in this lease in his, her, or their own name, any statute, rule of court, custom, or practice to the contrary notwithstanding.

21. Remedies Cumulative

All of the remedies hereinbefore given to Lessor and all rights and remedies given to it by law and equity shall be cumulative and concurrent. No determination of this lease or the taking or recovering possession of the premises shall deprive Lessor of any of its remedies or actions against the Lessee for rent due at the time or which, under the terms hereof would in the future become due as if there had been no determination, nor shall the bringing of any action for rent or breach of covenant, or the resort to any other remedy herein provided for the recovery of rent be construed as a waiver of the right to obtain possession of the premises.

22. Condemnation

In the event that the premises demised herein, 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 premises be so taken. In either event the Lessee waives all claims against the Lessor by reason of the complete or partial taking of the demised premises.

23. Subordination

This Agreement of Lease and all its terms, covenants and provisions are and each of them is subject and subordinate to any lease or other arrangement or right to possession, under which the Lessor is in Control of the demised premises, to the rights of the owner or owners of the demised premises and of the land or buildings of which the demised premises are a part, to all rights of the Lessor's landlord and to any and all mortgages and other encumbrances now or hereafter placed upon the demised premises or upon the land and/or the buildings containing the same; and Lessee expressly agrees that if Lessor's tenancy, control, or right to possession shall terminate either by expiration, forfeiture or otherwise, then this lease shall thereupon immediately terminate and the Lessee shall, thereupon, give immediate possession; and Lessee hereby waives any and all claims for damages or otherwise by reason of such termination as aforesaid.

24. Termination of Lease

~~It is hereby mutually agreed that either party hereto may determine this lease at the end of said term by giving to the other party written notice thereof at least 90 Days prior thereto, but in default of such notice, this lease shall continue upon the same terms and conditions in force immediately prior to the expiration of the term hereof as are herein contained for a further period of one month and so on from month to month unless or until terminated by either party hereto, giving the other 90 Days written notice for removal previous to expiration of the then current term; PROVIDED, however, that should this lease be continued for a further period under the terms hereinabove mentioned, any allowances given Lessee on the rent during the original term shall not extend beyond such original term, and further provided, however, that if Lessor shall have given such written notice prior to the expiration of any term hereby created, of his intention to change the terms and conditions of this lease, and Lessee shall not within 30 days from such notice notify Lessor of Lessee's intention to vacate the demised premises at the end of the then current term, Lessee shall be considered as Lessee under the terms and conditions mentioned in such notice for a further term as above provided, or for such further term as may be stated in such notice. In the event that Lessee shall give notice, as stipulated in this lease, of intention to vacate the demised premises at the end of the present term, or any renewal or extension thereof, and shall fail or refuse so to vacate the same on the date designated by such notice, then it is expressly agreed that Lessor shall have the option either (a) to disregard the notice so given as having no effect, in which case all the terms and conditions of this lease shall continue thereafter with full force precisely as if such notice had not been given; or (b) Lessor may, at any time within thirty days after the present term or any renewal or extension thereof, as aforesaid, give the said Lessee ten days' written notice of his intention to terminate the said lease; whereupon the Lessee expressly agrees to vacate said premises at the expiration of the said period of ten days specified in said notice. All powers granted to Lessor by this lease may be exercised and all obligations imposed upon Lessee by this lease shall be performed by Lessee as well during any extension of the original term of this lease as during the original term itself.~~

All notices must be given by certified mail, return receipt requested.

SEE ADDENDUM ATTACHED HERETO PARAGRAPHS #30 THROUGH #59.

In Witness Whereof, the parties hereto have executed these presents the day and year first above written, and intend to be legally bound thereby.

SEALED AND DELIVERED IN THE PRESENCE OF:

APTCOR COMMERCIAL, REALTORS

BY: Bradley S. Hoodah Agent

(LESSOR) Midway Associates, LP

BY: [Signature]
Managing General Partner



(LESSEE) JHA Services, Inc.
t/a Creative Child Care Center

BY: [Signature]
President

BY: _____
Secretary

LEASE

TO

Premises.....

Rent.....

Dated.....

Term.....

P 51939

FOR VALUE RECEIVED.....hereby assign, transfer and set over unto.....

ADDENDUM TO LEASE AGREEMENT dated November 2009, by and between Midway Associates, LP, ("Lessor"), and JHA Services, Inc. t/a Creative Child Care Center, ("Lessee"), for approximately 7,525 SF free-standing one-story building and existing playground equipment situate on approximately 1.57 Acres of land at 3037 Walton Road, Plymouth Township, Montgomery County, Pa. ("Premises")

Addendum paragraphs 30 through 59 are hereby incorporated into this Lease as follows:

30 **MINIMUM RENT** Minimum rent shall be payable as follows:

	Annual	Monthly
11/15/2009 to 12/31/2009	\$ 0.00	\$ 0.00
1/1/2010 to 12/31/2010	\$131,688	\$10,974
1/1/2011 to 12/31/2011	\$135,636	\$11,303
1/1/2012 to 12/31/2012	\$139,704	\$11,642
1/1/2013 to 12/31/2013	\$143,904	\$11,992
1/1/2014 to 12/31/2014	\$148,212	\$12,351

Lessee shall be given possession of the Premises at the execution hereof for the purpose of commencing Lessee's intended improvements, performing inspections and obtaining necessary occupancy and State licensing permits allowing Lessee to operate a child care center at the Premises ("Fit-Out Period"). If Lessee is unable to open for business by 1/1/2010, Lessee shall not be required to pay the minimum rent until the earlier of 1/16/2010 or the date Lessee opens for business.

If, without the express consent of the Lessor, Lessee shall hold possession of the Premises after the end of the term of this Lease, Lessor shall have the right, at its sole option and discretion, to determine the nature of Lessee's possession of the Premises after the end of the term of the Lease in accordance with the following provisions:

- (a) If Lessor so desires, Lessee shall be deemed to be occupying the Premises as a Lessee, from month to month, at one hundred and fifty percent (150%) the fixed minimum annual rent, adjusted to a monthly basis, and subject to all other provisions and obligations of this Lease insofar as the same are applicable, or as the same shall be adjusted to a month-to-month tenancy; or
- (b) If Lessor so desires, Lessee may be treated as a trespasser, and Lessor shall be entitled to the benefit of all laws related to the speedy recovery of the possession of the Premises.
- (c) Unless Lessor notifies Lessee, in writing, to the contrary, within thirty (30) days after the expiration of this Lease, the provisions of subparagraph (a) shall apply and said Lease shall automatically become a month-to-month Lease, and Lessee's possession hereunder a month-to-month tenancy.

31 **SECURITY DEPOSIT** Lessee does herewith deposit with Lessor the sum of \$10,974 to be held as security for the full and faithful performance by Lessee of Lessee's obligations under this Lease and for payment of damages to the Premises. Lessor shall not be required to hold said Security Deposit in a separate escrow account. Except for such sum as shall be lawfully applied by Lessor to satisfy valid claims arising against Lessee from defaults under this Lease or by reason of damages to the Premises, the Security Deposit shall be returned to the Lessee at the expiration of the term of this Lease or any renewals or extensions thereof. It is understood that no part of any security deposit is to be considered as the last rental due under the terms of this Lease. No interest shall be paid on the Security

33 **LATE CHARGE** Lessee agrees to pay immediately to Lessor a late charge of 5% of the gross monthly rental for rents not paid by the 10th day of the month. Further, for each additional ten (10) day period for which the said payment remains unpaid, there shall be an additional two and one-half percent (2.5%) late fee. All rents are due on the first day of each month. A charge of \$50.00 is applicable for any checks returned from the bank.

34 **AGENCY** It is expressly agreed by the parties hereto that APTCOR COMMERCIAL, REALTORS ("Agent"), is acting as agent only, and in no case whatsoever will be liable to the parties for the performance or non-performance of the terms or covenants of this Lease. As agent for this transaction, APTCOR COMMERCIAL, REALTORS, has earned and shall receive from Lessor, as commission, one-half of the first full month's rent plus six (6%) percent of the minimum monthly rent during the term of this Lease, or any extensions, renewals, expansions, or any new construction on adjacent lands by Lessor for Lessee thereafter. It is understood APTCOR COMMERCIAL, REALTORS shall be paid the aforesaid commissions after the expiration of the original term of the Lease so long as the Lessor, or its successors or assigns, maintains a "Landlord-Tenant" relationship with Lessee. In the event of a sale of the Premises to Lessee, its heirs, successors or assigns, it is agreed APTCOR COMMERCIAL, REALTORS shall receive from Lessor as commission, such amount as shall have been agreed to in a separate agreement between Agent and Lessor, at the time of such sale, whether paid by Lessor, its heirs, executors, administrators, successors, or assigns.

35 **TENANT INSTALLATIONS, ALTERATIONS AND PERMITS** Notwithstanding anything else set forth herein to the contrary, Lessor grants permission to Lessee to install at Lessee's own expense, the necessary plumbing, fixtures and equipment, electrical installations, and improvements necessary for the operation of its business. All installation work shall be done in accordance with all governmental codes and regulations as well as insurance writers' regulations, and in a good and workmanlike manner with reasonable good appearance. The Lessee agrees no change or alterations shall at any time be made which shall impair the structural soundness or diminish the value of the building or the demised premises; no change or alteration shall be undertaken until Lessee shall have procured and paid for all required municipal and other governmental permits and authorizations of the various municipal departments and governmental sub-divisions having jurisdiction; as approved by Lessor prior to its undertaking and in compliance with all applicable laws and regulations. Any and all alterations, installations and improvement which may be done by Lessee during the initial fit-out period shall remain and become part of the Lease Premises. With the exception of the alterations, installations and improvements done by Lessee during the initial fit-out period, Lessee shall make no other alterations, installations or improvements to the Premises without Lessor's written approval and consent which approval and consent shall not be unreasonably withheld. Except to the extent that it has been agreed by and between the parties that the alterations, installations and improvements shall remain and become part of the Premises, Lessee shall remove any alterations, installations and improvements and the Premises shall be restored to the same good order and condition in which they are as of the completion of the fit-out period. Lessee shall indemnify Lessor against the filing of any Mechanic's Liens or expenses as a result of any such work and agrees that the filing of any Mechanic's Liens shall be a default of this Lease.

36 **SIGNAGE & PERMITS** It shall be the Lessee's sole responsibility and cost to obtain any and all licenses and permits from any Federal, State or Local governmental authorities for Lessee's use, occupancy, improvements, or sign facings in or about the leased premises. Lessee may display, at its own cost and expense any signage deemed to be in accordance with all local ordinances. Removal of any signage shall be in accordance with

Lessor may inspect the Premises Monday thru Saturday during hours that do not conflict with Lessee's business and only after reasonable notice to Lessee. Lessor agrees that in undertaking any of its rights under this Paragraph, it will take all reasonable efforts to refrain from interfering with Lessee and Lessee's business, and the privacy rights of Lessee and Lessee's employees, clients, vendors, or independent contractors.

37 **LIABILITY INSURANCE AND WORKERS COMPENSATION INSURANCE**

Lessee shall at its expense provide and keep in force "commercial general liability insurance" in which Lessor and APTCOR COMMERCIAL, REALTORS shall be named as an additional insured with limits of liability not less than \$1,000,000 per person, \$2,000,000 per occurrence combined bodily injury and property damage. Such policy shall provide for at least thirty (30) days notice to Lessor before cancellation. Lessee shall furnish to Lessor annually a certificate of such insurance. Upon Lessee's failure to supply and maintain same, Lessor shall have the right to purchase such insurance or any part thereof, and the cost of such insurance shall become due and payable as additional rent hereunder, to be collectable by the Lessor in the same manner as herein provided for the collection of rent, or Lessor may terminate this Lease.

Lessee shall also be responsible for WORKER'S COMPENSATION INSURANCE coverage as may be required for the benefit of Lessee's employees.

38 **FIRE AND CASUALTY INSURANCE** Lessor shall, during the term and any renewals of this Lease, at Lessee's cost and expense, as additional rent due hereunder, keep the Premises insured at full replacement value against fire and all of the other perils comprehended within the standard fire and casualty insurance policy. Said policy or policies shall name Lessor as insured, with proceeds payable to Lessor, subject to a standard mortgagee clause. Should Lessee fail to pay the cost thereof within 30 days of Lessor's invoice to Lessee for said insurance premium, Lessor shall have the right to do so, and shall have the right to recover the cost thereof, together with all reasonable expenses incidental thereto, in the same manner as unpaid money payments of rent may be recovered. Lessee agrees to comply, at its own cost and expense, with any recommendation rule and regulation of any authorized insurance rating bureau which will enable the Lessor to effect a reduction in the Fire Insurance rate on the building of which the Premises is a part. Lessor, at Lessor's sole option, shall permit Lessee to secure and pay for the aforesaid fire and casualty insurance which complies with all of the requirements of this paragraph.

39 **WAIVER OF SUBROGATION; RIGHTS UNDER INSURANCE POLICIES**

Each of the parties hereto, for itself, its assigns and subrogees, hereby releases to the other, to the extent of each party's insurance coverage, from any and all liability for any loss or damage which may result directly or indirectly from damage to the property of such party even if such loss or damage shall be brought about by the fault or negligence of the other party, its agents, servants, employees, licensees, permitted visitors or invitees; provided, however, that this release shall not affect said policy or the right of the insured to recover thereunder.

40 **FIRE EXTINGUISHERS** Lessee shall have at least four (4) approved fire extinguishers in accordance with national standards on the premises. Once in operation, engineer from insurance company shall inspect at reasonable intervals, and it shall be Lessee's responsibility to maintain premises according to the safety standards set up by said engineer and to make reasonable changes as recommended by him.

collectable by Lessor as rent hereunder. In no event shall Lessor be liable for any interruption or failure in the supply of any utilities or other services unless the same shall have been caused by the gross negligence of Lessor. Lessee is responsible for Lessee's trash disposal, which trash shall be kept in an appropriate container, and will be disposed of on regular scheduled collections.

42 **MAINTENANCE, REPAIRS AND REPLACEMENTS** During the term of this Lease, Lessor shall be responsible for repairs or replacements to the roof, structure, and any HVAC repairs or replacements in excess of \$3,000 per occurrence except when such repairs are due to the negligence of Lessee. Lessor will deliver possession to the premises having completed the following work:

Any required roof repairs, roof to be delivered in sound condition and free of leaks; HVAC system to be delivered in good working order; any backed-up storm drains to be cleared and in good working condition.

The Lessee at his sole cost and expense shall complete all other work. Lessee shall be responsible for repairs to the following: all plumbing fixtures and plumbing systems, light fixtures, and electrical systems, doors, plate glass, floors, interior walls, ceilings, and any repairs which are the result of its own negligence or those of Lessee's visitors, employees, invitees, or clientele. Lessee shall keep the HVAC system under annual service contract with a contractor approved by Lessor.

It shall be the Lessee's responsibility to keep driveways, entranceways, and walkways to the leased premises free of litter, debris, and accumulation of snow and ice and shall keep the exterior of the premises well landscaped.

43 **LIMITATION OF LIABILITY AND INDEMNITY** Notwithstanding any provision of this Lease to the contrary, unless caused by Lessor, its agents, employees, or others acting by or under any of them, the Lessor shall not be liable to Lessee, or any of its agents, employees, servants, patrons, or invitees, for any damage to persons or property due to the condition or design or any defect in the building or its mechanical systems which may exist or subsequently occur, and Lessee, with respect to itself and its agents, employees, servants, patrons, or invitees, hereby expressly assumes all risks and damage to persons and property, either proximate or remote by reason of the present or future condition of the Premises or the building.

Lessee agrees it will indemnify and hold harmless Lessor of, from, and against all suits, claims, and actions of every kind by reason of breach, violation, or nonperformance of any term or conditions on the part of the Lessee hereunder. Additionally, unless caused by Lessor, its agents, employees, or others acting by or under any of them, Lessee agrees to indemnify and hold Lessor harmless of, from, and against, all claims, actions, damages, liabilities, and expenses asserted against the Lessor on account of injuries to persons or damage to property when and to the extent that any such damage or injury may be caused, either proximate or remote, wholly or in part by any act or omission, whether negligent or not, of Lessee or any of its agents, employees, servants, patrons, contractors, or invitees (while such invitees are on the Premises), or of any other person entering upon the Premises under or with the expressed or implied invitation of Lessee, or if any such injury or damage may in any other way arise from or out of the occupancy or use of Lessee, its agents, employees, and invitees of the Premises, or from conduct of Lessee's business or from any activity, work, or things done, permitted or suffered by Lessee including, but not limited to, the storage of any hazardous waste or the violation of any environmental law or statute, in or about the Premises or the premises of which the Premises are a part of elsewhere, and from and against all costs, attorneys' fees, expenses and liabilities incurred in the defense of any

44 **HAZARDOUS MATERIALS** As used in this Lease, the term "Hazardous Material" means any flammable items, explosives, radioactive materials, hazardous or toxic substances, material or waste related materials, including any substances defined as or included in the definition of "Hazardous substances", "hazardous wastes", "hazardous materials" or "toxic substances" now or subsequently regulated under any applicable federal, state or local laws or regulation, including without limitation, petroleum-based products, paints, solvents, lead, cyanide, DDT, arsenic, TCE, PCE, printing inks, acids, pesticides, ammonia compounds and other chemical products, asbestos, PCB's and similar compounds, and including any different products and materials which are subsequently found to have an adverse effect on the environment or the health and safety of persons. Lessee shall not cause or permit any Hazardous Material to be generated, produced, brought upon, used, stored, treated or disposed of in or about the Property or aquifers affecting the Property by Lessee, its agents, employees, contractors, subleases or invitees without the prior written consent of the Lessor. Lessor shall be entitled to take into account such other factors or facts as Lessor may determine to be relevant in determining whether to grant or withhold consent to Lessee's proposed activity with respect to Hazardous Material. In no event, however, shall Lessor be required to consent to the installation or use of any storage tanks on the Property. In the event it is determined Lessee has caused any Hazardous Material to affect the property, Lessee shall be solely liable for the cleanup and costs associated with said cleanup including legal fees, and agrees to fully indemnify Lessor of such liability.

45 **AMERICANS WITH DISABILITIES ACT** Lessee, at Lessee's sole cost, shall be responsible for compliance with all provisions of the Americans with Disabilities Act, as amended, with regard to all interior spaces of the Premises, including ingress and egress doors or openings. Lessee shall indemnify Lessor for any violations of the provisions of the Americans with Disabilities Act in accordance with the indemnification provisions of the Lease. Lessor shall be responsible for compliance with the Americans with Disabilities Act for those portions of the Premises other than the Lessee's demised premises.

46 **TAXES AND PRORATIONS** Lessee shall pay, as additional rent hereunder, all taxes attributable to the Premises effective from the date of commencement of this Lease. Lessor shall furnish Lessee with the tax bills promptly so Lessee may take advantage of any discounts for prompt payment and Lessor shall reimburse Lessee for any additional costs incurred by Lessee if said bills are not promptly furnished to Lessee. Nonpayment of any taxes by Lessee by the time such taxes are considered past due by the taxing authorities, shall be considered a default of the Lease, and in such event, Lessor shall have the right to make such payment and to recover the cost thereof from Lessee, along with all reasonable costs incidental thereto. Lessee may, without postponement of payment, contest any taxes or charges against the Premises in its own name or in the name of Lessor, and Lessor agrees to assist Lessee, and to cooperate fully in such contest. The cost of such contest shall be borne solely by Lessee. If any term hereunder shall include less than a full tax year, any tax assessed during such tax year shall be prorated on a daily basis between the parties based on the number of days during the applicable tax year that this lease has been in effect so that Lessee only shall pay the tax attributable to the portion of the tax year occurring within the term of this Lease.

47 **MORTGAGE REQUIREMENTS** Lessee shall cooperate with Lessor with respect to the requirements of Lessor's present or future mortgages and execute such documents or estoppel letters as Lessor's mortgagees may require with respect to the status of this Lease and the leased premises from time to time; provided however, that so long as Lessee is in compliance with the terms hereof, Lessee shall be entitled to the quiet enjoyment of the demised premises.

49 **OPTION TO RENEW** Lessee shall have the right to renew this Lease for a 5 year renewal term, commencing on the day immediately following the expiration of the initial term hereof, on the same terms and conditions as are in effect immediately prior to the expiration of the initial term hereof except for the adjustment of the minimum rental as hereinafter set forth, provided that:

- A. Lessee shall give Owner written notice of his election to renew this Lease for the renewal term of at least 180 days prior to the expiration of the initial term hereof, or by no later than 6/30/2014.
- B. Lessee shall not be in default of this Lease as of the date of the giving of such notice of election to renew or as of the commencement date of the renewal term.
- C. The adjusted minimum monthly rental during the renewal term shall be as follows:

	Annual		Monthly Rent
1/1/2015 to 12/31/2015	\$152,664	/	\$12,722
1/1/2016 to 12/31/2016	\$157,236	/	\$13,103
1/1/2017 to 12/31/2017	\$161,952	/	\$13,496
1/1/2018 to 12/31/2018	\$166,812	/	\$13,901
1/1/2019 to 12/31/2019	\$171,756	/	\$14,318

- D. There shall be no further right to renew this Lease.

50 **SPECIAL PROVISIONS:**

A. Lessor agrees to a covenant not to compete with Lessee in the operation of a child care center, either directly or indirectly, as owner, officer or director for a period of 5 years, in a radius of 3 miles from the Premises. Lessor also agrees that Lessor will not lease to any child care center within 3 miles of the Premises. Lessor agrees that a breach of such covenant shall be damaging to Lessee's business interests and shall be subject to civil damages and injunctive relief.

B Lessee acknowledges and understands that this Lease Agreement contains Confession of Judgment clauses for money and possession and that he has reviewed with its legal counsel the legal effect and impact of such clauses and does specifically agree to be bound by such clauses.

C In order to induce the Lessor to enter into this Lease, simultaneously with the execution of this Lease, Rebecca Young Holland, as Guarantor will execute a guarantee in the form attached hereto as Exhibit A. All of the terms and conditions of said Guaranty upon the execution by the Guarantor shall be incorporated into this Lease by reference.

51 **SEVERABILITY** If for any reason a provision of the Lease is deemed unconstitutional or illegal; such finding shall not affect the validity and full effect of the remainder. Also, if the provisions of this addendum shall conflict with any of the printed portion of the attached "FORM 50", the provisions of the addendum shall control.

52 **NOTICES** All Notices to be given by either party to the other hereunder shall be in writing and shall be delivered in person or given by certified mail, postage prepaid, return receipt requested, addressed to the party for him it is intended at the address set forth in the beginning of this Lease or such other address which the parties may hereby designate in writing.

54 **LEASE CONTAINS ALL AGREEMENTS** It is expressly understood and agreed by and between the parties hereto that this Lease, and any Exhibits attached hereto and forming a part hereof, set forth all of the promises, agreements, conditions and understandings between Lessor, his Agent, and Lessee relative to the Premises, and that there are no promises, agreements, conditions or undertakings, either oral or written, between parties other than herein set forth. It is further understood and agreed that except as herein otherwise provided, no subsequent alteration, amendment, change or addition to this Lease shall be binding upon Lessor or Lessee unless reduced to writing or signed by them.

55 **HEIRS AND ASSIGNEES** All rights and liabilities herein given to or imposed upon the respective parties hereto shall extend to and bind the several and respective heirs, executors, administrators and assigns of said parties; and if there shall be more than one Lessee, they shall all be bound jointly and severally by the terms, covenants and agreements herein and the word "Lessee" shall be deemed and taken to mean each and every person or party mentioned as Lessee herein all being the same one or more. The word "his" and "him" wherever stated herein shall refer to the "Lessor" or "Lessee", whether such Lessor or Lessee be singular or plural and irrespective of gender.

56 **INTEREST ON PAST DUE OBLIGATIONS** Except as expressly herein provided, any amount due to Lessor not paid when due shall bear interest at the maximum rate then allowable by law from the due date. Payment of such interest shall not excuse or cure any default by Lessee under this Lease; provided, however, that the interest shall not be payable on the late charges incurred by Lessee, nor on any amounts upon which late charges are paid by Lessee.

57 **WAIVERS** No waiver by Lessor of any provisions hereof shall be deemed a waiver of any other provision or of any subsequent breach by Lessee of the same or any other provision. Lessor's consent to, or approval of, any act shall not be deemed to render unnecessary the obtaining of Lessor's consent to, or approval of, any subsequent act by Lessee. The acceptance of rent hereunder by Lessor shall not be a waiver of any preceding breach by the Lessee of any provision hereof other than the failure of the Lessee to pay the particular rent so accepted, regardless of Lessor's knowledge of such preceding breach at the time of the acceptance of such rent.

58 **ATTORNEYS FEES, INTERPRETATION, AND AUTHORITY** If either party named herein brings an action to enforce the terms of this Lease, or declare rights hereunder, the prevailing party at any such action, on trial or appeal, shall be entitled to its costs and reasonable attorney fees, including all appeals to be paid by the losing party as fixed by the Court.

The parties agree that both have had the opportunity to review this Lease and that, for purposes of interpretation, neither shall be considered to be the drafting party.

Lessor and Lessee each represent to the other that the persons executing this Lease are authorized to do so and have full authority to bind the respective party.

59 **DESCRIPTIVE HEADINGS** The descriptive headings used herein are for convenience only and they are not intended to indicate all of the matter, or matters, in the sections which follow them. Accordingly, they have no affect whatsoever in determining the rights or obligations of the party.

IN WITNESS WHEREOF, the parties hereto have executed these presents the day and year first above written, and intend to be legally bound thereby.

APTCOR COMMERCIAL REALTORS

BY: Bradley E Goodrich

MIDWAY ASSOCIATES, LP (LESSOR)

BY: [Signature]
Managing General Partner

JHA Services, Inc. t/a Creative Child Care Center (LESSEE)

BY: [Signature]
President

ATTEST: _____
Secretary

GUARANTY OF REBECCA YOUNG HOLLAND

In consideration of the letting of certain Premises at 3037 Walton Road, Plymouth Township, Montgomery County, PA, to JHA Services, Inc. t/a Creative Child Care Center ("Lessee") under a Lease dated November __, 2009 ("Lease") and of One Dollar (\$1.00) paid to the undersigned by Midway Associates, LP ("Lessor") receipt of which is hereby acknowledged, the undersigned hereby guarantees to Lessor, its successors and assigns, the payment of the rent and the full and faithful performance of all the terms, covenants and conditions in the foregoing Lease, for the term thereof and any extension or renewal thereof, to be paid and performed by Lessee, its assignees and subleases. The undersigned will well and truly pay said rent or any arrears that may remain due thereon, and also all damages that may arise in consequence of the non-performance of said terms, covenants and conditions, or any of them, without requiring notice of any such default. The undersigned expressly waives notice of defaults and agrees that the waiver of any rights by Lessor against Lessee arising out of defaults by Lessee or otherwise shall not in any way modify or release the obligations of the undersigned. This is a contract of suretyship.

The undersigned hereby waives notice of acceptance of this Guaranty and further agrees that this Guaranty shall be a continuing Guaranty of payment, and that the undersigned's liability hereunder shall in no way be affected or diminished by reason of any assignment of this Lease by Lessee, or by reason of any extension of time that may be granted by Lessor to Lessee, its successors or assigns, or by reason of any modification, renewal or extension, or if the Lessee holds over beyond the term or by any delay in the prosecution by Lessor, or its successors in interest, of its rights under the Lease or under this Guaranty.

Guarantor waives any right to require that resort be had to any security or to any other credit in favor of Lessee.

Guarantor expressly agrees (without in any way limiting its liability under any other provision of this Guaranty) that Guarantor shall, at the request of Lessor, enter into a new lease with Lessor on the same terms and conditions as contained in the Lease immediately prior to its termination, for a term commencing on the termination date of the Lease and ending on the expiration date of the Lease, if the Lease shall be terminated due to a default by Lessee hereunder.

Neither Guarantor's obligation to make payment in accordance with the terms of this Guaranty nor any remedy for the enforcement thereof shall be impaired, modified, released or limited in any way by any impairment, modification, release or limitation of the liability of Lessee or its estate in bankruptcy, resulting from the operation of any present or future provision of the Bankruptcy Code of the United States or from the decision of any court interpreting the same. Guarantor specifically waives any and all rights of subrogation and reimbursement that Guarantor may have against Lessee for payments hereunder, either before or after any filing under the Bankruptcy Code by Lessee.

If Guarantor becomes insolvent or files for Bankruptcy and can no longer perform its obligations under this agreement, Lessee must deliver a creditworthy substitute Guarantor.

The liability of Guarantor is coextensive with that of Lessee and also joint, and several, and action may be brought against Guarantor and carried to final judgment either with or without making Lessee a party thereto.

When all obligations under the Lease are fully performed, Guarantor (a)

