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Delaware Water Gap National Recreation Area
Bushkill, Pennsylvania
Request for Proposals
Cliff Park Inn and Golf Course in Milford, Pennsylvania
Issued December 1, 2011

For Further Information Please Contact:

Janel Kenas
Leasing Program Manager
Delaware Water Gap National Recreation Area
1 River Road
Bushkill, Pennsylvania 18324
570-426-2418
Email: janel_kenas@nps.gov

Cliff Park Inn and Golf Course

Delaware Water Gap National Recreation Area
John J. Donahue, Superintendent
Janel A. Kenas, Leasing Program Manager
570-426-2418

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REQUEST FOR PROPOSALS

This Request for Proposals (RFP) provides the opportunity for interested individuals and organizations to submit proposals to the National Park Service (NPS) to lease a Federal property: A hotel, restaurant and a nine-hole golf course in Delaware Water Gap National Recreation Area (DEWA) under the following general terms and conditions.

I. The National Park Service and Delaware Water Gap National Recreation Area

A. The National Park Service and its Mission

The National Park System was created by Congress to "Conserve the scenery and the natural and historic objects and the wild life therein, and to provide for the enjoyment of the same in such a manner and by such means as will leave them unimpaired for the enjoyment of future generations." Additionally, the Congress has declared that National Park Units should be "Preserved and managed for the benefit and inspiration of all the people of the United States."

To learn more about the NPS, visit www.nps.gov. This site includes information about mission, policies and individual parks.

B. The Park Area – Delaware Water Gap National Recreation Area

Delaware Water Gap National Recreation Area Park Headquarters Building is located in Bushkill, Pennsylvania. The park encompasses nearly 70,000 acres of land along the Delaware River's Pennsylvania and New Jersey shores, stretching from the Delaware Water Gap northward almost to the New York state line. The Middle Delaware National Scenic and Recreational River is a designated 40-mile section entirely within the recreation area. It is located in parts of Sussex and Warren counties in New Jersey, and Monroe, Northampton and Pike counties in Pennsylvania. The Appalachian Trail runs along much of the eastern boundary in New Jersey. At the south end of the park, the river cuts eastward through the Appalachian Mountains at the scenic Delaware Water Gap. Throughout the park, visitors can see waterfalls, rural scenery, historic villages, canoe, hike, camp, swim, picnic, bicycle, cross country ski, and horseback ride. Fishing and hunting are permitted in season with state licenses. In addition, the park rangers interpret events and the lives of the diverse population during the years when the surrounding area was inhabited by Dutch settlers. Approximately 5 million visitors per year travel to the park.

The mission of Delaware Water Gap National Recreation Area is to provide outdoor recreation opportunities while conserving the natural, cultural and scenic resources of the park. In so doing, park managers work cooperatively with surrounding communities and the public to achieve their conservation goals.

To learn more please visit the park website at: www.nps.gov/dewa

C. Lease Objectives

The primary objective is to ensure an accessible, safe and fully functional facility/operation. This objective will be fulfilled, in part, by the completion of the real property improvements described below,

all of which will be at the expense of the Lessee and must be completed within 3 years of the effective date of the lease.

II. The Lease Premises – Cliff Park Inn and Golf Course

A. History

In the nineteenth century, local farming was an important part of the economic base of Pike County and the Milford area. Over the course of the twentieth century, the local economy changed with industries such as farming decreasing as tourism increased. Beginning around the turn of the century farming started to decline in the community and farmers began opening up their homes to summer borders to supplement their incomes. The Buchanan family made the decision to shift from sheep farming to catering to the growing tourist industry during this period. Part of this change involved the construction of the golf course for the enjoyment of visitors. The Cliff Park Inn is an excellent example of a resort in the Delaware Water Gap, offering a variety of recreational activities amid a historic rural atmosphere.

B. Property (Leased) Description

The property is located at 155 Cliff Park Road, Milford, Pennsylvania, Pike County, within Dingmans Township. The property contains 59.03 acres of land which lies in an irregular configuration between State Road 2001 and the edge of a ±600-foot vertical cliff overlooking the Delaware River. The nine-hole, par 35, golf course sits on approximately 45.3 acres of the 59.03 acre property. The buildings and properties included in the lease are identified in Appendix A.

C. Building Description

The Cliff Park Inn hotel and restaurant is a four level structure (including the basement) consisting of 14,244 square feet. The main house, originally constructed as a farmhouse circa 1820, was converted into a small summer lodge around the turn of the 20th century and was subsequently enlarged over the years to its present size. Only portions of the original farmhouse building are apparent from the exterior; the interior has been expanded significantly.

The Cliff Park Inn hotel and restaurant has 12 guest rooms. Two rooms are suites. Six guestrooms are located on the second floor and six are located on the third floor. Each guestroom has a full bathroom which has been renovated and updated. The Cliff Park Inn is currently unfurnished.

Construction of the main house includes a stone or concrete block foundation, partial basement, mostly standing-seam metal roof with some asphalt shingle, wood frame exterior, mostly wood double hung windows with some double pane insulated, covered front porch approximately 11 feet deep, porte-cochere, and enclosed porch. There is no elevator. Two staircases access the second floor and one staircase accesses the third floor.

A two-room fine dining area, each with a fireplace, is located on the first floor. A larger casual wood-paneled restaurant with bar area is adjacent, all served by a shared commercial kitchen. A reception area, golf-pro shop, main salon, smaller parlor, both with a fireplace, and restroom are located on the first floor. The lower level has a bar and snack area (no cooking facilities) intended for golfers. Additional office space and storage is located below the golf-pro shop.

The condition of the Inn is poor. Please see Appendix A for areas requiring immediate attention.

The Cliff Park Inn is not listed on the National Register of Historic Places; however it was nominated by the Buchanan family through a nomination prepared by Taylor & Taylor Associates and found eligible for listing by the Pennsylvania Historical and Museum Commission (PHMC) on March 19, 1998. It is listed on the Pennsylvania Register of Historic Places, a precursor to listing on the National Register. The nomination is pending National Park Service action. It is located within a historic district and is subject to applicable laws related to cultural and historical resource protection.

D. Personal Property

The Cliff Park Inn is currently unfurnished with the exception of fixed assets which are the personal property of the United States Government. These assets include, without limitation, commercial kitchen equipment, all counters, upper and lower bars, fireplaces, light fixtures, claw foot bathtubs, other bathtubs, bathroom sinks, showers, faucets, some office furniture, stove and refrigeration units, and a key card system to the rooms. The Lessee must purchase all personal property necessary for the operations of Cliff Park Inn and Golf Course.

E. Proposed Use and Minimum Lease Requirements:

a. **Use:** The new Lessee will be authorized to operate a hotel, restaurant, bar and golf course. Hours of operation will be subject to NPS approval, and it is anticipated that the restaurant and upper dining room bar area will not be approved to operate after midnight and before 6:00 am. The basement bar area will not be approved to operate after 2:00 am and before 6:00 am. The Lessee will be authorized to serve breakfast, lunch and/or dinner, including alcohol, subject to obtaining all appropriate licenses and permits from government authorities.

   The Cliff Park Inn is part of DEWA Tract 12190. See Appendix A for land assignment, legal description, site map of the property, and basic floor plan for lease.

b. **Improvements:** The new lease requires the immediate installation of a new roof on the hotel/restaurant building as well as structural and drywall repair on the second and third floors prior to any business operation. The National Park Service has estimated the cost to complete required improvements to be approximately $1,000,000. This is only an estimate and actual costs incurred may vary significantly and are the sole responsibility of the Lessee.

   All improvements are further outlined in the Draft Lease Appendix B, and any other improvements required to make the subject building fully compliant with other building code requirements are to be completed within 3 years of the effective day of the lease. All plans must be approved by the NPS.

   The Fair Market Rent Value has been established at $ 5,419.66 a month or $65,036.00 annually. We are willing to consider an offset up to 100% of the rent for the length of the ten year lease toward expenses incurred for required improvements. Actual costs incurred for improvements are the sole responsibility of the Lessee.

Prior to award of the Lease, the proposed Lessee will be required to post a surety bond acceptable to NPS to cover the entire cost, as estimated by NPS, of the Lessee's required improvements.

c. **Term of Lease:** The lease will have a term of 10 years, with a target commencement date on or about June 1, 2012.

d. **Conditions:** National Park Service will enter into a Letter of Intent with the selected Offeror prior to entering into a lease. Selection of a proposal does not guarantee a lease for the Offeror. The responsive proposal judged best under the proposal selection criteria will be given an opportunity to negotiate a final lease agreeable to both the Offeror and NPS.

e. **Lease Provisions:** The lease to be awarded under this RFP will contain the provisions required by 36 C.F.R. Part 18.12 as well as other provisions determined by NPS to be necessary to assure use of the leased property in a manner consistent with the purposes of the park area. Required provisions include, without limitation:

   i. A termination for cause or default provision;
   ii. Appropriate provisions requiring the Lessee to maintain the leased property in good condition throughout the term of the lease;
   iii. Appropriate provisions stating that subletting of a portion of the leased property and assignment of a lease, if permissible under the terms of the lease, must be subject to the written approval of NPS;
   iv. Appropriate provisions requiring the Lessee to pay for use of all utilities used by the Lessee and to pay all taxes and assessments imposed by Federal, state, or local agencies applicable to the leased property or to Lessee activities;
   v. Appropriate provisions stating that the Lessee has no rights of renewal of the lease or to the award of a new lease upon lease termination or expiration;
   vi. Appropriate provisions stating that the Lessee may not construct new buildings or structures on leased property except in limited circumstances and with the written approval of the NPS;
   vii. Appropriate provisions requiring that any improvements to or demolition of leased property to be made by the Lessee may be undertaken only with written approval from the NPS; and
   viii. Appropriate provisions that describe and limit the type of activities that may be conducted by the Lessee on the leased property.

   See Appendix B (Draft Lease). The Draft Lease will be general basis for negotiation of the final lease. However, the final lease, as developed by NPS, may differ from the draft. Among other matters, additional terms and conditions may be added to reflect the content of the proposal selected.

Rent: The property shall be rented for a minimum of the Fair Market Value Rent as determined by 36 CFR Part 18

The Fair Market Rent Value has been established at $ 5,419.66 a month or $65,036.00 annually. With the approved, successful proposal, we are willing to offset up to 100% of the rent for the length of the ten year lease toward expenses incurred for required improvements. Actual costs

incurred for improvements are the sole responsibility of the Lessee. However, the Offerors are required to make their own estimates of the cost of required improvements, and the Lessee shall be required to make the required improvements regardless of actual cost. The lease does not provide for adjustments of any nature in the event of cost overruns.

f. **Other Terms and Conditions:** The proposed terms and conditions of the offered lease are as described in this RFP and 36 CFR Part 18. Final terms and conditions will be negotiated between NPS and the selected Offeror.

F. Competitive Process

This lease opportunity is open to all interested persons on a competitive basis. Whoever submits the responsive proposal judged best under the proposal selection criteria will be given an opportunity to negotiate final lease agreeable to both the Offeror and NPS.

G. Site Tour, Pre-Submittal Conference and Q&A period

A pre-submittal conference and site tour of the offered property will be held on **Friday, March 30, 2012**, at 10:00 am. Please contact Janel Kenas by e-mail at janel_kenas@nps.gov to make a reservation.

If you do not understand something in this request for proposals, you must submit your questions in writing via email to janel_kenas@nps.gov no later than **April 15, 2012**. The questions must be in an electronic format that allows the NPS to copy the questions to Microsoft Word. Your questions must specify the section of the request for proposals that is the subject of your inquiry. The NPS will respond to your questions in writing and will provide the questions and responses to all those who have either 1) asked questions, or 2) made a reservation for the site visit. Questions submitted after the deadline above may not be answered.

H. Proposal Submission

Proposals under this RFP must be received by **4:30 pm on May 1, 2012**. See Section III, 4 for more information. If no acceptable RFP is received by May 1, 2012, the NPS reserves the right to continue to accept proposals every Friday until an acceptable RFP is received.

I. Authority

This RFP is issued under the authority of 36 CFR Part 18. This RFP and the offered lease are subject to and incorporate all terms and conditions of 36 CFR Part 18 as applicable. In the event of any conflict between the terms of this RFP and 36 CFR Part 18 or the lease, 36 CFR Part 18 and the lease shall prevail.

III. The Proposal Package

1. Proposal Instructions

a. Proposals submitted in response to this RFP should follow the format described below. Please respond to the questions or supply specific information in response to specified items.

b. Please label your responses correspondingly and respond fully and accurately to all questions/requests.

c. Please provide the identification and credit information described in Attachment 1 to this RFP, if the Offeror is not a business. If the Offeror is a business, please provide the identification and credit information described in Attachment 2 to this RFP under the applicable category (sole proprietorship, partnership, or corporation).

d. Please submit with the proposal an executed letter to NPS which states that the Offeror, in submitting its proposal, accepts and agrees to be bound by the terms and conditions of this RFP, including, without limitation, capital improvements, accessible restroom installation, other improvements necessary to comply with the ADA and any improvements necessary for Use and Occupancy Permits. A sample transmittal letter is provided in Attachment 3.

2. **Selection Criteria:** The NPS will select the best responsive proposal received under this RFP under the following selection criteria:

a. **Proposed Use:** The compatibility of the proposal's intended use of the leased property with respect to operations, resource protection, and visitor enjoyment of the park area;

b. **Financial Capability:** The Offeror's financial ability to carry out the terms of the lease;

c. **Professional Experience:** The Offeror's ability to demonstrate the managerial capability to carry out the terms of the lease;

d. **Environmental Enhancement:** The ability and commitment of the Offeror to conduct its activities in the park area in an environmentally enhancing manner through, among other programs and actions, energy, conservation, waste reduction, and recycling; LEEDS certification; green purchasing;

e. **Rent Offered:** The amount of rent offered. If the amount of rent is 100 percent offset, the amount of rent offered will not be considered in the proposal package.

3. Proposal Content

a. Proposed Use

Describe your proposed food and beverage operation on the property. Information should include the following: Operational concept, vision for operation, type of food and beverage offered, type of customer service: table service, counter service, or other target customers,

marketing channels, organizational structure, number of employees, hours of operation, your proposed lodging and your golf course operation.

The narrative response for sections b through e below will be limited to a total of 5 pages, not including attachments.

b. Financial Capability

Please submit documentation of the source and availability of the funds necessary to carry out your obligations under the terms of the proposed lease, including, without limitation, any improvement requirements. This documentation should include: bank statements, bank financing commitment letters, or similar documents that convincingly substantiate your financial capability. See Attachment 4 for financial capability information.

Demonstrate that you have a credible, proven track record of meeting your financial obligations, that your proposal is financially viable and that you understand the financial obligations of the lease.

Submit documentation of the cost estimates for all building improvements, operating expenses and all other startup costs.

Submit the source and availability of the funds necessary to carry out your obligations under the terms of the proposed lease, which includes, at a minimum, the Financial Capability Information and comprehensive supporting documentation outlined in Attachments 1, 2 and 4. Include in this documentation the accessibility improvements as well as estimates for any other proposed internal or external improvements.

c. Professional Experience

Explain how your experience and background qualifies you as managerially capable of satisfactorily performing the terms and conditions of the offered lease.

d. Environmental Enhancement

Please explain your proposal for managing and using the property in an environmentally enhancing manner through, among other programs and actions you may propose, energy conservation, waste reduction, and recycling, green purchasing, Leeds certification. An energy management plan identifies methods and procedures used that will reduce the amount of energy usage. Energy improvements include physical improvements to the leased building.

e. Rent Offered

Rent offered will not be a consideration in the criterion by which the proposal is evaluated for this lease.

4. Proposal Submission Requirements

Please submit four (4) copies of your proposal accompanied by the transmittal letter signed by a principal of the proposed Lessee. The copies should be on 8-1/2" x 11" paper, with double-sided copying, unstapled, and in a 3-ring binder. Also include one (1) electronic version of your proposal via CD identical to the hard copies.

The proposal must be enclosed in sealed envelope(s), and received at the following NPS office by **4:30pm on May 1, 2012**. The face of the sealed envelope shall show the Offeror's name and address and the receiver's address as shown here:

Superintendent
Delaware Water Gap National Recreation Area
Bushkill, Pennsylvania 18324
Attn: Cliff Park Inn and Golf Course Proposal

Telephonic proposals, faxes, e-mail, and other means of transmittal will not be considered. Proposals will not be returned.

5. Additional Information and Modifications of Proposals

Additional information or written clarification on a proposal may be requested from any Offeror. However, proposals may not be amended after the submission date unless permitted by NPS. The NPS may not permit an amendment of a proposal unless all Offeror that submitted responsive proposals are given an opportunity to amend their respective proposals.

6. NPS Evaluation and Selection of the Best Proposal

NPS will review all responses to this RFP through an evaluation panel assisted by technical consultants.

All proposals will first be screened for adherence to the requirements of this RFP. NPS will not consider non-responsive proposals. A non-responsive proposal is a proposal that was not timely submitted or fails to meet the material terms and conditions of this RFP.

It is the intention of the NPS to select the best-submitted responsive proposal as determined under the selection criteria without further submittals or presentations. If this cannot be done, NPS will select those responsive lease proposals that appear most suitable under the selection criteria, and from that group will request additional information or presentations.

NPS will award the lease to the Offeror determined to have submitted the best responsive proposal under the selection criteria, subject to successful final lease negotiations. If the selected Offeror does not agree to the final terms of the lease within 30 days of presentation, the selection may be terminated and NPS may negotiate with other Offerors. If there is no offered lease, this solicitation will be terminated without liability to any person.

In order to structure lease negotiations with the selected Offeror, NPS and the selected Offeror, promptly after selection, will enter into a Letter of Intent to negotiate and award the final lease. The letter of intent will include, among other matters, applicable timelines for negotiation, development of any necessary additional plan and specifications for building improvements, and issuance of any required permits for improvements to the premises. If the NPS and the selected Offeror are unable to agree upon the terms and conditions of the Letter of Intent as proposed by NPS within ten days, NPS may choose to terminate the selection and NPS may negotiate with other Offerors for award of the offered lease or terminate the lease solicitation without liability to any person.

7. Confidentiality of Proposals

If you believe that a proposal contains trade secrets or confidential commercial and financial information that you do not want to be made public, please include the following sentence on the cover page of each copy of the proposal:

"This proposal contains trade secrets and/or confidential commercial or financial information that the Offeror believes to be exempt from disclosure under the Freedom of Information Act. The Offeror requests that this information not be disclosed to the public, except as may be required by law."

In addition, you must specifically identify what you consider to be trade secret information or confidential commercial and financial information on the page of the proposal on which it appears, and you must include the following sentence on each such page:

"This page contains trade secrets, or confidential commercial or financial information that the Offeror believes to be exempt from disclosure under the Freedom of Information Act, and which is subject to the non-disclosure statement on the cover page of this proposal."

Information so identified will not be made public by NPS except in accordance with the requirements of the Freedom of Information Act.

APPENDIX
Appendix A: Map, Land Assignment and Floorplan of Property for Lease
Appendix B: Draft Lease with Improvements

ATTACHMENTS
Attachment 1: Identification and Credit Information (Individual/Partnership)
Attachment 2: Identification and Credit Information (Business/LLC)
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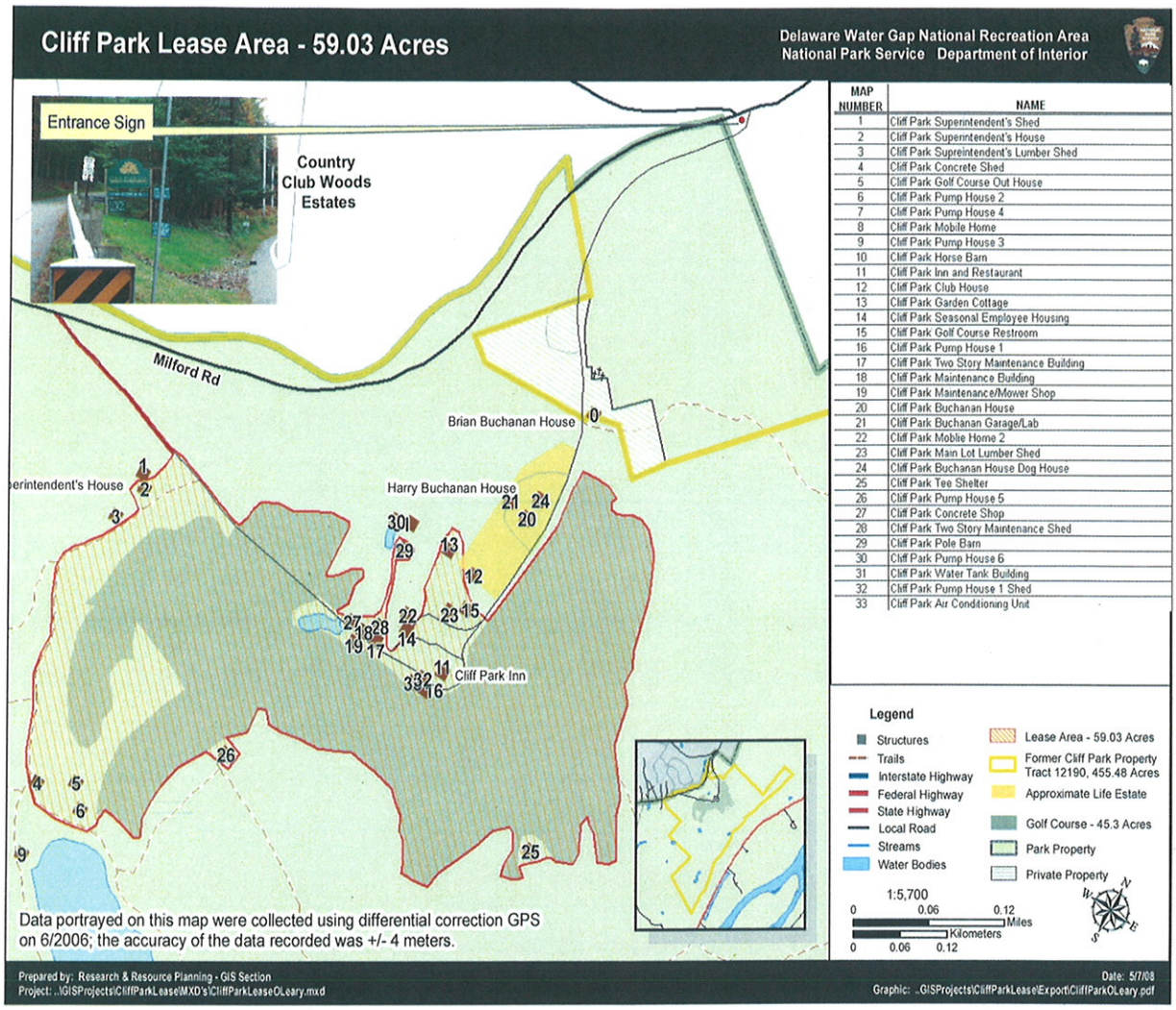
APPENDIX A:

MAP, LAND ASSIGNMENT AND FLOORPLAN OF PROPERTY FOR LEASE

SITE LOCATION
Delaware Water Gap
National Recreation Area
Cliff Park Inn & Golf Course
SAWKILL RD
CLIFF PARK RD
Milford
DELORME
Data use subject to license
© 2006 DeLorme. Street Atlas USA® 2007 Plus.
www.delorme.com
Data Zoom 13-0



The Cliff Park Lease Area does not include the following:

Areas 1,2,and 3 relating to the Superintendent's House.

Area 12, Cliff Park Club House.

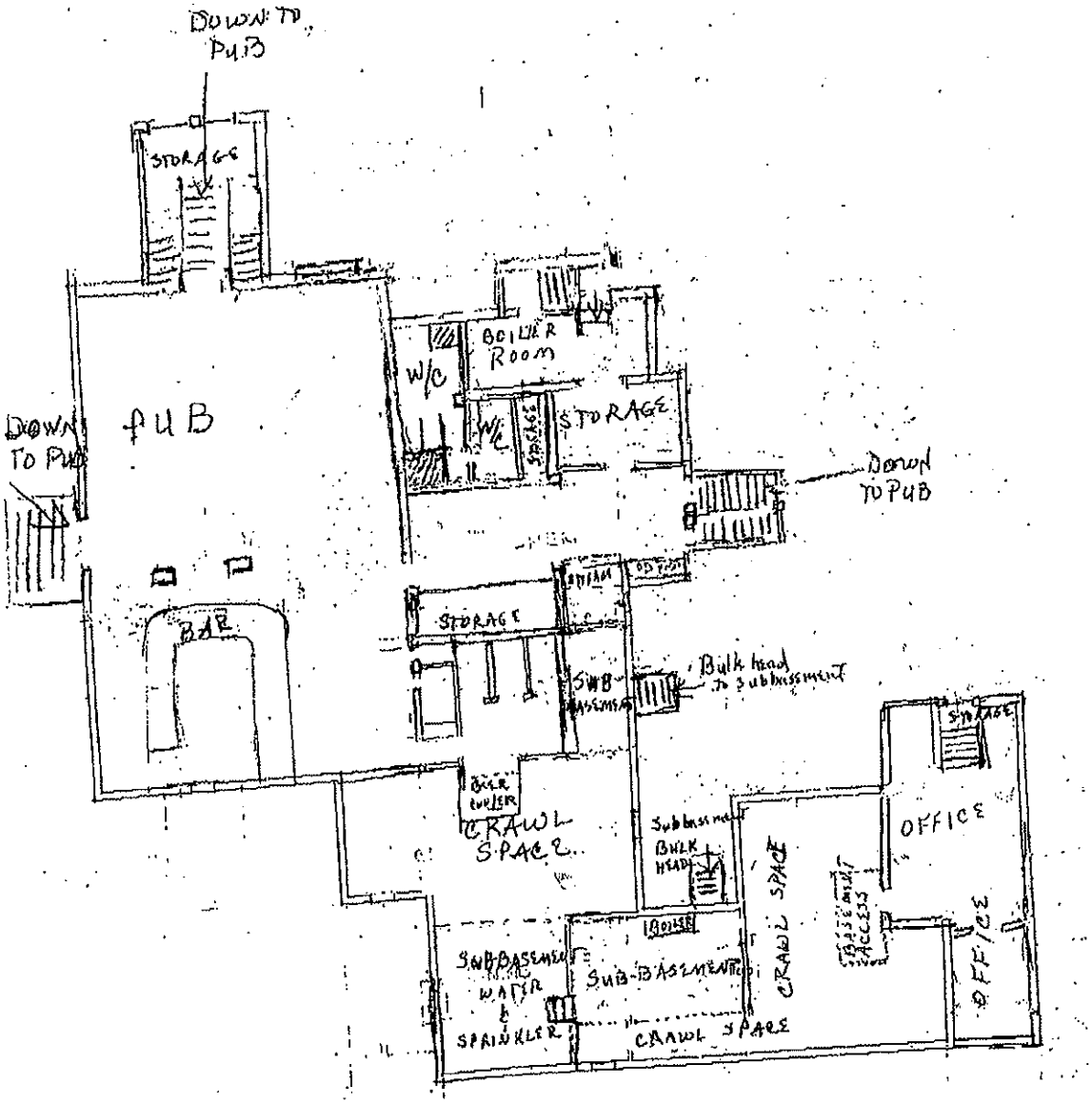
Area 13, Cliff Park Garden Cottage.

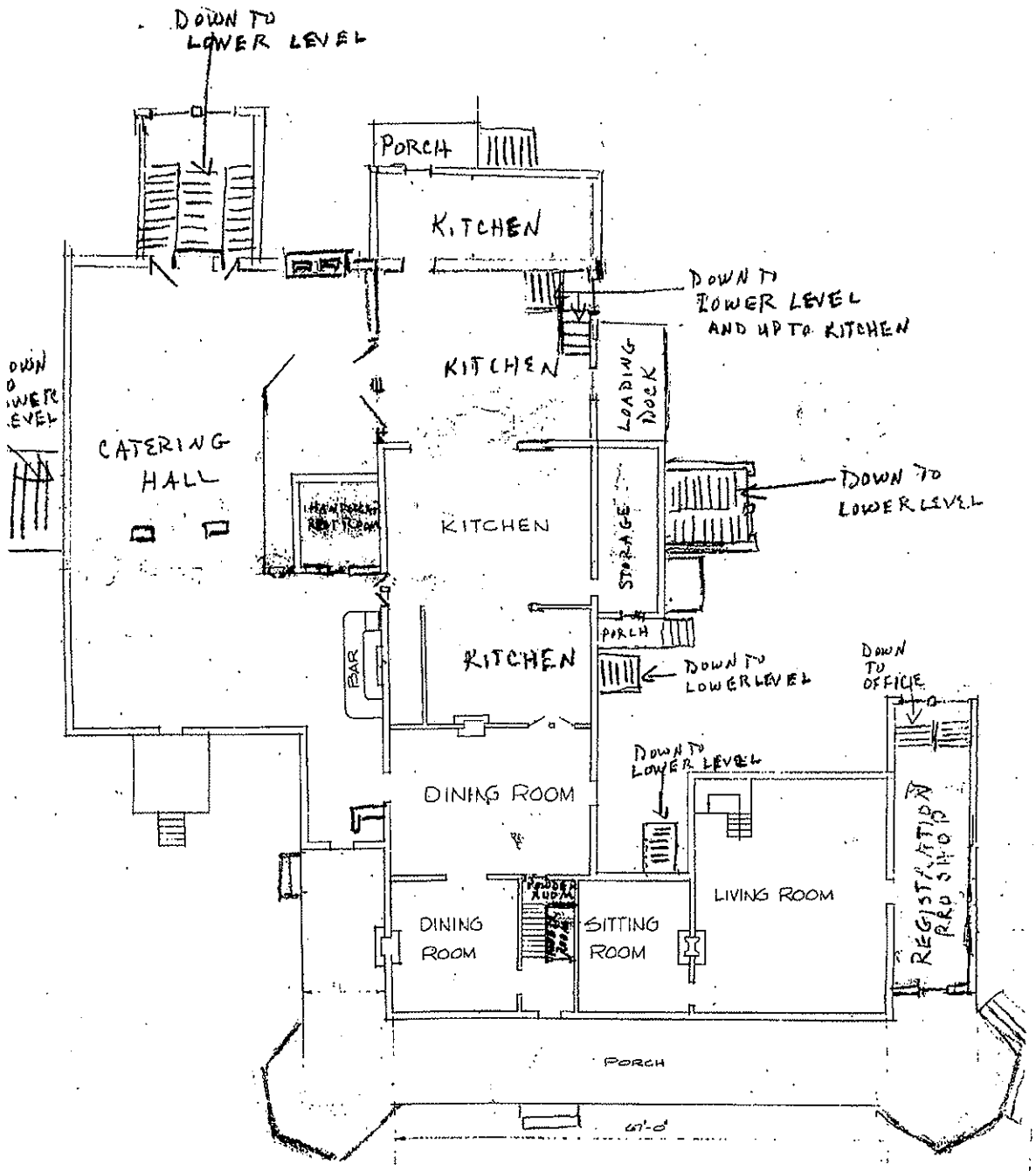
Golf Course Layout

White 68.9/115	289	475	197	380	182	511	549	161	409	3153		
Par	4	4	3	4	3	5	5	3	4	35		
Handicap	7	1	4	3	9	6	5	8	2			
Hole	1	2	3	4	5	6	7	8	9	Total	Hcp	Net
Red 70.9/114	260	459	160	357	140	466	278	132	374	2626		
Par	4	5	3	4	3	5	4	3	5	36		
Handicap	6	1	5	3	8	4	7	9	2			

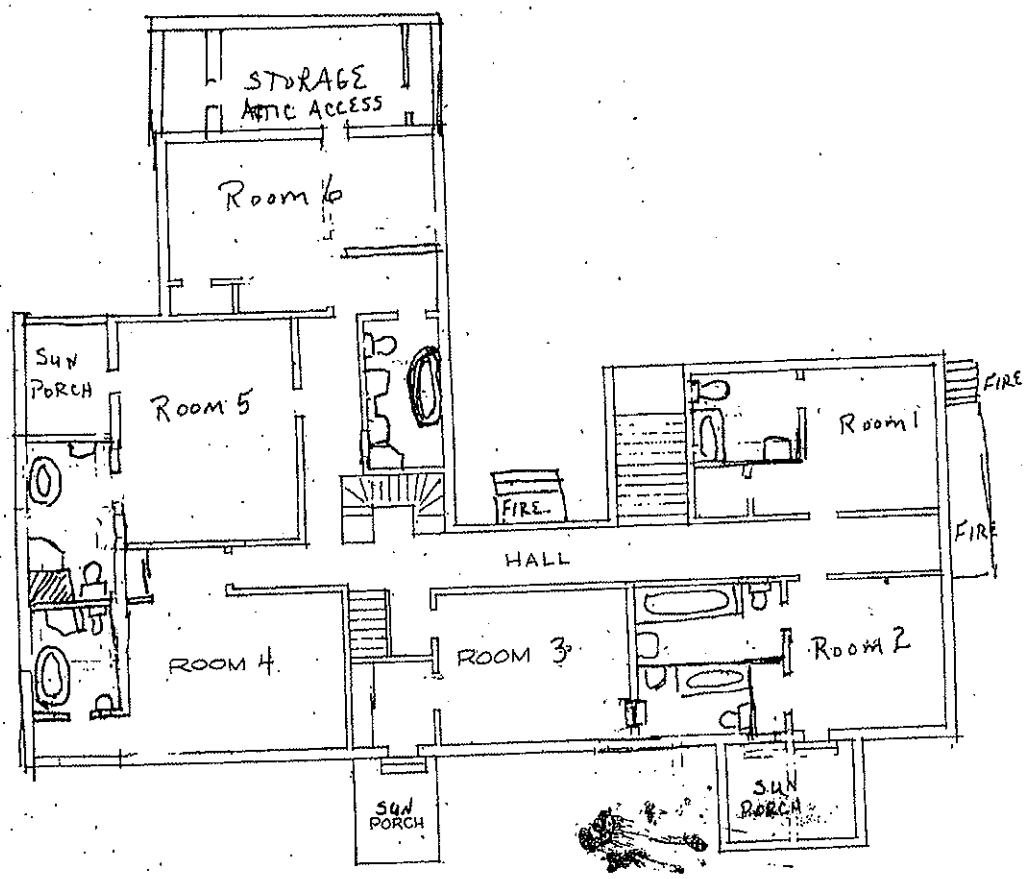
10: Janel Kenas
570426.2407

Cliff Park
Basement floor plan

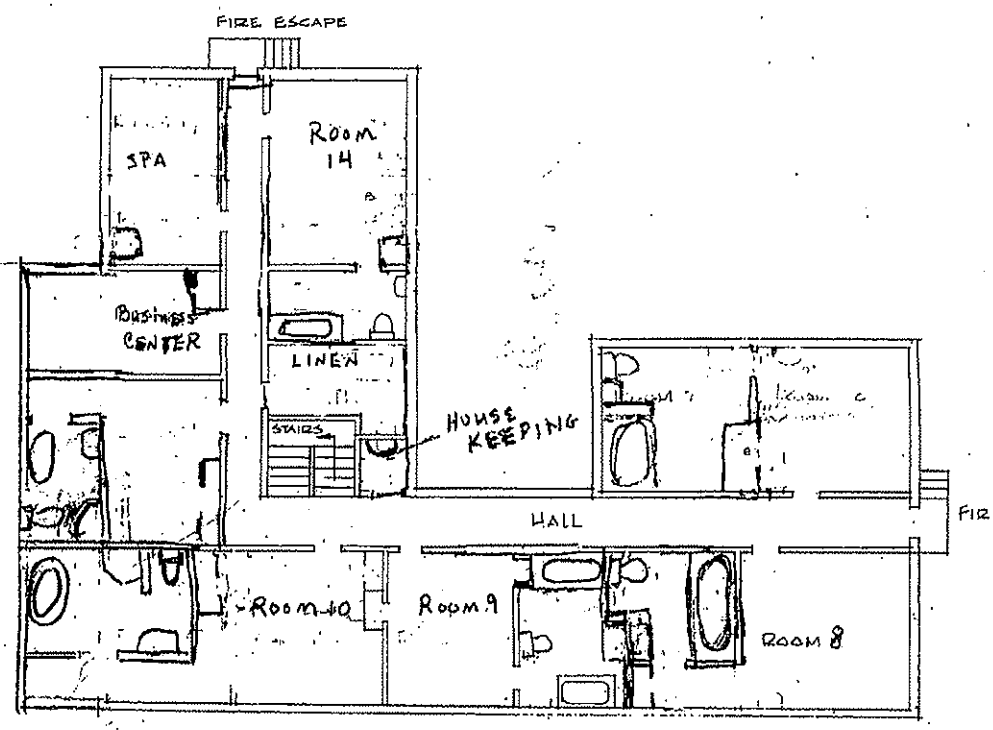




GROUNDFLOOR PLAN



SECOND FLOOR PLAN



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Section 1. DEFINITIONS

As used in this Lease, the following defined terms are applicable to both singular and plural forms.

1.1. Alterations - means any construction, physical modifications, rehabilitation, reconstruction, and/or restoration of the Premises.

1.2. Applicable Laws - means all present and future laws, statutes, requirements, ordinances, judgments, regulations, and administrative and judicial determinations that are applicable by their own terms to the Premises or the LESSEE, even if unforeseen or extraordinary, of every governmental or quasi-governmental authority, court or agency claiming jurisdiction over the Premises now or hereafter enacted or in effect (including, but not limited to, Part 18 and the Park Area's General Management Plan, environmental laws and those relating to accessibility to, usability by, and discrimination against, disabled individuals), and all covenants, restrictions, and conditions now or hereafter of record which may be applicable to the LESSEE or to all or any portion of the Premises, or to the use, occupancy, possession, operation, and maintenance of the Premises even if compliance therewith results in interference with the use or enjoyment of all or any portion of the Premises.

1.3. Annual Rent - means the annual fixed rent to be paid to LESSOR by LESSEE under Section 5.

1.4. Assignment - means the transfer, whether it is direct or indirect, voluntary or by operation of law, assignment, sale, or conveyance, of the LESSEE'S leasehold estate, or the LESSEE'S rights under this Lease in whole or part. Such transfer may be designated as a sale, a conveyance, or an assignment. The sale, conveyance, or assignment (including by consolidation, merger or reorganization) of a controlling interest in the LESSEE (if such entity is a corporation), or any sale or other transfer of a controlling interest in the partnership interests (if such entity is a partnership), whether in a single transfer or in a series of related transfers, and whether directly or by sales or transfers of underlying partnership or corporate ownership interests, is an assignment. For a corporate entity, the term controlling interest means an interest, beneficial or otherwise, of sufficient outstanding voting securities or capital of the LESSEE so as to permit exercise of managerial authority over the actions and operations of the LESSEE. For a partnership, limited partnership, joint venture, limited liability company, or individual entrepreneur, controlling interest means the beneficial ownership of the capital assets of the LESSEE so as to permit exercise of managerial authority over the actions and operations of the LESSEE.

1.5. Commencement Date - means the first day of the Lease term as stated in Section 4 of this Lease.

1.6. Encumbrance - means the direct or indirect, voluntary or by operation of law, encumbrance, pledge, mortgage, or other hypothecation of the LESSEE'S interest or rights under this Lease and/or the Premises or LESSEE'S leasehold estate.

1.7. Expiration Date - means the last day of the Lease Term as stated in Section 4 of this Lease.

1.8 FF&E - means all furniture, fixtures and equipment in or on the Premises.

1.9. Hazardous Materials - means any material or other substance: (a) that requires investigation or correction under Applicable Laws; (b) that is or becomes defined as a hazardous waste, hazardous substance, pollutant, or contaminant, under Applicable Laws; (c) that is toxic, explosive, corrosive, flammable, infectious, radioactive, carcinogenic, mutagenic, or otherwise hazardous, and is or becomes regulated under Applicable Laws; (d) that, without limitation of the foregoing, contains gasoline, diesel fuel or other petroleum hydrocarbons; (e) that, without limitation of the foregoing, contains polychlorinated biphenyls (PCBs), asbestos or urea formaldehyde foam insulation; or (f) without limitation of the foregoing, contains radon gas. The term Hazardous Materials as used in this Lease includes Pre-Existing Hazardous Materials unless otherwise stated in a particular provision of this Lease.

1.10. Hazardous Materials Occurrence - means any use, treatment, keeping, storage, sale, release, disposal, migration, transport, or discharge of any hazardous materials from, on, under, or into the Premises or other Park Area property that occurs during the Lease Term.

1.11 Historic Property - means building(s) and land located within the boundaries of the Park Area that are part of a pre-historic or historic district or site included on, or eligible for inclusion on, the National Register of Historic Places.

1.12 Interest Rate - means the percentage of interest charged based on the current value of funds to the United States Treasury that is published annually in the Federal Register or successor publication.

1.13 Inventory and Condition Report - means a document used to assess all current inventory and conditions on the Premises for the Lease prior to the commencement date.

1.14 Lease Term - is the term of this Lease as stated in Section 4 of this Lease.

1.15 Lease Year - means a year of the Lease Term. The first Lease Year shall commence on the Commencement Date and shall end on the expiration of the twelfth full calendar month following thereafter. Each subsequent Lease Year shall commence on the next day following the expiration of the preceding Lease Year, and shall end on the expiration of the twelfth full calendar month following thereafter, or on the last day of the Lease Term, whichever occurs first.

1.16 Notice of Default - means an instrument in writing from the LESSOR to the LESSEE providing notice that the LESSEE is in default of the lease.

1.17 NPS 28 - means the National Park Service document entitled A Cultural Resource Management Guideline that is hereby made a part of this Lease by reference.

1.18 Park Area - means [Delaware Water Gap National Recreation Area].

1.19 Part 18 - means Part 18 of Volume 36 of the Code of Federal Regulations.

1.20 Personal Property - means all furniture, fixtures, equipment, appliances, and apparatus placed in or on the Premises-that are neither permanently attached to or form a part of the Premises.

1.21 Pre-existing Hazardous Materials - means hazardous materials (including storage tanks) that existed in, on, or under the Premises or other Park Area property prior to the Commencement Date.

1.22 Premises - means the property of the Park Area that is described in Section 2 of this Lease.

1.23 Preservation Maintenance Plan - is a document that sets forth a plan for the LESSEE'S repair and maintenance of Historic Property.

1.24 Rent - means the rent to be paid LESSOR by LESSEE described in Section 5 of this Lease and any additional Rent this Lease may require.

1.25 Secretary's Treatment Standards - shall mean the Secretary of the Interior's Treatment Standards for Historic Property (36 Code of Federal Regulations Part 68) that are hereby made a part of this Lease by reference.

1.26 Sublease - means an agreement under which the LESSEE grants a person or entity (a Sublessee) the right to use, occupy, or possess a portion of the Premises.

1.27 Termination Date - means the date this Lease may be terminated or cancelled in accordance with its terms prior to the Expiration Date.

Section 2. LEASE OF PREMISES

2.1. Lease of Premises; Reservation of Rights

(a) The LESSOR hereby leases and demises to the LESSEE under the authority of Part 18, and the LESSEE hereby leases, upon and subject to the covenants and agreements contained in this Lease, from the LESSOR, the Premises described as follows:

The Cliff Park Inn is a 12 room Inn. It is a 14,244 square foot four story building (including the basement). The subject property, a tract of land containing 59.03 acres, is improved with a 9-hole golf course and various support structures. It is located at 155 Cliff Park Road, Milford Pennsylvania in Dingman Township, Pike County, Pennsylvania. The site is located along both sides of Cliff Park Road, about 2 miles southwest of the center of the Borough of Milford via Pennsylvania SR 2001; approximately 4 miles south of Exit 46, Interstate Highway 84; about 133 miles north of the City of Philadelphia and approximately 152 miles northeast of the City of Harrisburg, the state capital. It is located on tract # 12190.

Specifically, the leased area includes: An existing 9-hole golf course, driving range near the golf course, an existing inn, support buildings, lake. (See Appendix A for a Map of the Area and Buildings).

The Lease Premises does not include any furniture, office equipment, personal property, commercial equipment or liquor license that may have been previously or is currently located on the property; which is and shall remain the personal property of the NPS. An inventory of all property will be completed by the LESSOR and new LESSEE before the lease begins. The LESSEE shall be responsible for providing all furniture,

office equipment, commercial equipment, personal and professional items, and liquor license needed for operating the Inn and Golf Course. LESSOR makes no representations or warranties regarding such property.

The portion of the Property subject to the recorded Deed of Grant of Life Estate, belonging to Mr. Harry and Barbara Buchanan (see Appendix A for Map of Life Estate Area) is not included in the leased area.

(b) Subject to all Applicable Laws, and all liens, encumbrances, restrictions, rights and conditions of law or of record or otherwise; and

(c) Excepting and reserving to the LESSOR the right, at reasonable times and (except in case of emergency) following advance notice to the LESSEE, to enter and to permit any governmental agency, public or private utilities and other persons to enter upon the Premises as may be necessary for the purposes of the administration of this Lease and/or the Park Area as determined by the LESSOR and to close the Premises when immediate danger to life or property is discovered;

(d) Excepting and reserving exclusive rights to all oil, gas, hydrocarbons, and other minerals in, under, or on the Premises and ownership of any current or future water rights applicable to the Premises.

2.2 Waiver The LESSEE hereby waives any claims for damages for any injury or inconvenience to or interference with the LESSEE'S use and occupancy of the Premises, any loss of occupancy or quiet enjoyment of the Premises or any other loss occasioned by the LESSOR'S exercise of its rights under this Lease or by the LESSOR'S actions taken for the management and protection of the Park Area's resources and visitors.

2.3 Easements Nothing contained in this Lease shall give or be deemed to give the LESSEE a right to grant any type of easement or right-of-way affecting the Premises. LESSOR agrees to execute, if otherwise appropriate as determined by the LESSOR, such easements for utilities as LESSEE shall require in connection with the use and operation of the Premises.

2.4 Ownership of the Premises This Lease does not vest in the LESSEE any fee interest in the Premises. Title to the Premises at all times is with and shall remain solely with the LESSOR.

2.5 Historic Property The Premises is not a Historic Property.

Section 3. ACCEPTANCE OF THE PREMISES

3.1 As Is Condition of the Premises The LESSEE agrees to lease the Premises in their existing "as is" condition and acknowledges that in entering into this Lease, the Lessee does not rely on, and the LESSOR does not make, any express or implied representations or warranties as to any matters including, without limitation, any characteristics of the Premises or improvements thereon, the suitability of the Premises for the intended use, the likelihood of deriving trade from or other characteristics of the Park Area, the economic or programmatic feasibility of the LESSEE'S use and occupancy of the Premises, or hazardous materials on or in the vicinity of the Premises.

3.2 Lessee's Due Diligence Prior to entering into this Lease, the LESSEE in the exercise of due diligence has made a thorough, independent examination of the Premises and all matters relevant to the LESSEE'S decision to enter into this Lease, and the LESSEE is thoroughly familiar with all aspects of the Premises and is satisfied that they are in an acceptable condition and meet the LESSEE'S needs.

3.3 Inventory and Condition Report In the exercise of its due diligence, LESSOR will complete an Inventory and Condition Report with the new LESSEE.

Section 4. LEASE TERM AND ABANDONMENT

4.1 Lease Term

The Lease Term shall be a period of ten (10) years commencing on or about **June 1, 2012,** or ending on such earlier date as this Lease may be terminated.

4.2 Abandonment

The LESSEE shall continue to utilize the Premises during the entire Lease Term. If it fails to do so, the LESSEE may be determined as in Default for abandoning the Premises. Occupancy is not required if the LESSOR determines it infeasible because of the construction of Improvements.

Section 5. RENT

5.1. Net Lease and Rent Payments (If rent is offset 100%, for the length of the lease; sections 5.1, 5.2 and 5.3 are not applicable).

(a) All rent shall be paid to LESSOR on the first of the Month for the month. Example, June 2012, rent shall be paid on June 1, 2012. Rent shall be paid to LESSOR without any abatement, deduction, counterclaim, or offset. LESSEE shall pay all costs, expenses and charges of every kind and nature relating to the Premises, including, without limitation, all taxes and assessments.

(b) All rent payments consisting of $10,000 or more shall be deposited electronically by the LESSEE using the Treasury Financial Communications System. At LESSOR'S option, rent payments may be payable by wire transfer or other electronic means to such account as LESSOR may designate. Interest and administrative costs will be assessed on overdue Rent payments. The LESSOR may also impose penalties for late Rent payments to the extent authorized by Applicable Law.

5.2 Annual Rent During the Lease Term, LESSEE shall pay to LESSOR Annual Rent for the Premises in the determined aggregate annual amount (as adjusted for CPI if provided below) payable in advance in equal monthly installments on the first day of each calendar month.

5.3 CPI Adjustment The Annual Rent will increase effective as of the beginning of the second Lease Year and annually thereafter during the Lease Term to reflect the proportionate cumulative increase in the CPI, if any, during the previous Lease Year. For purposes of this section, CPI means the United States Department of Labor, Bureau of Labor Statistics, All Cities Average Consumer Price Index, or if such index is no longer published, a successor or substitute index designated by the LESSOR, that shows changes in consumer prices in the locale of the Park Area.

Section 6. USE OF PREMISES

6.1 Authorized Uses LESSEE shall have the right to use the Lease Premises for the sole purpose of operating an inn and nine-hole golf course and such activities customarily associated with the use of an inn and golf course including but not limited to use as for a spa, corporate retreats, weddings, and similar events (Permitted Use),

provided that LESSEE shall use the Lease Premises for Permitted Use in full compliance with all applicable local, State and Federal laws and regulations and shall be responsible, at its sole cost and expense, for securing and maintaining all applicable local, State and Federal permits, approvals and licenses; LESSOR makes no representation or warranty regarding the suitability of the Lease Premises for the Permitted Use.

6.2 Changes to Authorized Uses The LESSEE may amend or change approved uses subject to the prior written approval of the LESSOR. No change of the uses of the Premises shall be approved unless the LESSOR, among other matters, determines the proposed use to be consistent with Part 18, the Park Area's General Management Plan, all other Applicable Laws, and that the proposed change will not have an adverse impact on the LESSOR'S ability to manage and protect the Park Area's resources and visitors.

6.3 Applicable Laws The LESSEE shall comply with all Applicable Laws in its use and occupancy of the Premises.

6.4 Forbidden Uses In no event shall the Premises be used for any purpose that is not permissible under Part 18 or, even if so permissible, may be dangerous to life, limb, property or public health; that in any manner causes or results in a nuisance; that is of a nature that it involves substantial hazard, such as the manufacture or use of explosives, chemicals or products that may explode, or that otherwise harms the health or welfare of Park Area resources and/or visitors; or that results in any discharge of Hazardous Materials in, on or under the Premises.

6.5 Site Disturbance LESSEE shall neither cut any timber nor remove any other landscape features of the Premises such as shrubs or bushes without LESSOR'S prior written consent. The LESSEE shall conduct no mining or drilling operations, remove no sand, gravel or similar substances from the ground, and commit no waste of any kind.

6.6 Protection of Cultural and Archeological Resources The LESSEE shall ensure that any protected sites and archeological resources within the leased area are not disturbed or damaged by the Lessee except in accordance with Applicable Laws and only with the prior written approval of the LESSOR. Discoveries of any archeological resources by the LESSEE shall be promptly reported to the LESSOR. The LESSEE shall cease work or other disturbance, which may impact any protected site or archeological resource until the LESSOR may grant approval to continue upon such terms and conditions as the LESSOR deems necessary to protect the site or resource.

6.7 Signs The LESSEE may not post signs on the Premises of any nature without the LESSOR'S prior written approval. Any approval of a sign that may be given by the LESSOR shall specify the type, size, and other appropriate conditions concerning its display. The LESSOR may post signs on the Premises as appropriate for the administration of the Park Area.

6.8 Permits and Approvals Except as otherwise may be provided in this Lease, the LESSEE shall be solely responsible for obtaining, at its expense, any permit or other governmental action necessary to permit its activities under this Lease.

6.9 Alterations The LESSEE shall not make Alterations of any nature to the Premises without the written permission of the LESSOR. Any such permission that may be given will be subject to an amendment of this Lease to incorporate appropriate terms and conditions regarding the nature of the Alterations and construction requirements, including, without limitation, construction insurance requirements.

Section 7. RECORDS AND AUDITS The LESSEE shall provide the LESSOR and its agents and affiliates, including without limitation, the Comptroller General of the United States, access to all books and records relating to the Premises and the LESSEE'S use of the Premises under this Lease for the purpose of conducting audits to verify the LESSEE'S compliance with the terms and conditions of this Lease for any of the five (5) preceding Lease Years. The LESSEE shall keep and make available to the LESSOR these books and records at a location in the Premises or within the locale of the Park Area. The LESSEE shall, if requested by the LESSOR, provide the LESSOR with complete information and data concerning the LESSEE'S operations and operating results, including without limitation, information and data regarding [specify particular types that relate to the lessee's particular operations.] Note: Section 7 is not applicable to residential use.

Section 8. MAINTENANCE AND REPAIR

Lessee's Responsibilities

(a) The LESSEE shall be responsible for all maintenance, operation and repair of the Lease Premises, including, but not limited to maintenance and repair of the grounds and the interior, exterior, structural elements, electrical, mechanical, and plumbing systems of all improvements, and shall keep the Lease Premises is a safe and orderly condition suitable for the Permitted Use in compliance with all applicable local, State and Federal laws and regulations.

(b) The LESSEE shall request and receive prior written approval of LESSOR before beginning any alteration, renovation, improvement, or other change of the Lease Premises; if LESSOR is required by law or other duly constituted authority to make any alteration, renovation, improvement, or other change to the Lease Premises, LESSEE shall assume and discharge such responsibility.

(c) LESSEE shall renovate and improve the existing inn within the Lease Premises in a manner that will retain the building's historic appearance; before beginning any such work, LESSEE shall provide LESSOR plans for the proposed work and receive written approval of said plans from LESSOR.

(d) LESSEE shall make and conduct all maintenance, repair, alteration, renovation and improvement of the Lease Premises in a good and workmanlike manner and to the complete satisfaction of LESSOR.

(e) LESSEE shall make and conduct all maintenance, repair, alteration, renovation and improvement of the Lease Premises at its sole cost and expense without compensation or reimbursement by LESSOR. The building must meet all operable codes for health and safety. A work plan for all improvements will be required to be submitted to the National Park Service prior to work starting. LESSEE shall pay when due all invoices, bills and costs incurred for services and materials provided for such work and indemnify and hold LESSOR harmless from any liability or claim of liability for such costs; LESSEE shall not create or allow to be created, and if created, shall immediately act to have released, any mechanics', materialmen's or other lien filed or claimed against any or all of the Lease Premises or Property for services and materials provided for such work; the Lease shall not constitute any express or implied consent or request by LESSOR that any contractors, subcontractors, laborers or materialmen provide any services or materials for such work; this Lease shall not provide LESSEE any right, power or authority to contract for or permit to be furnished any services or materials if doing so would give rise to the filing of any mechanics' or materialmen's lien against any or all of the Lease Premises or Property.

(f) Inspections: Per Section 2.1 (c) of the Lease, the park reserves the right to enter any structure to conduct inspections, but all such inspections will be conducted in conjunction with the LESSEE. Reasonable notice will be provided for inspections. Emergency situations will be dealt with immediately. A regular annual inspection will be conducted of all facilities and/or grounds by the LESSOR. Annual inspections will produce a maintenance record that prescribes and schedules necessary actions required to be completed by the LESSEE.

A Condition Assessment Inspection Team performed and concluded an inspection of the Inn at Cliff Park and surrounding grounds from August to November 2011. The current cost estimate to complete all necessary work at Cliff Park is approximately $1,000,000. The specific issues the LESSEE will be responsible for include:

1. Electrical Issues. There is a maze of electric wires throughout crawl spaces and basements to include approximately 50 electrical panel boxes. Some circuits are identified and some are not. In addition, many of the electrical system components do not comply with the National Electrical Code. An overall evaluation of the electrical systems by an electric engineer is recommended in order to determine required repairs and upgrades.

2. Electrical Distribution System. The incoming power from the utility company first goes to a distribution building that is near the back-up generator. The building distributes power to all other buildings. This system is outdated and does not meet code. There are no electrical prints. Electrical runs to all buildings need to be evaluated and upgraded.

3. Roof. A tarp has been installed on the main roof as an interim measure. The tarp is projected to last for one year. However, previous to the tarp placement, the roof has been leaking for well over a year. As a result, the roof substrate may have become impacted from the continued wet conditions. Further evaluation for structural integrity should be included as part of the roof assessment/replacement.

4. Mold. In addition to the damage and cost for roof replacement, the water and moisture damage from the roof leak has caused observable mold growth throughout the damaged areas. Due to the extended nature of the roof leak, additional mold growth could be occurring in less visible areas such as water impacted drywall and insulation. Repairs to correct the effects of the water and moisture damage could be extensive, and should be completed before the mold mitigation. Further in-depth investigation of the water impacted areas is needed. Upon further investigation, there may be a need to tear down interior fabric to inspect further which will add costs to remediation.

5. Septic System. The wastewater system at the Inn is not functioning properly. A new properly designed system, whether it's a traditional in-ground, sand mound, spray, or drip system, is needed. Observation test pits and soil tests did reveal promising results for several wastewater disposal field options. A septic system feasibility study is being conducted by the NPS and should be completed by August 2012.

6. Fire Suppression System. The fire suppression system (sprinkler) does not meet NFPA 25 and other deficiencies were noted as per NFPA 13. Deficiencies

included replacing/repairing and/or relocating sprinkler heads and installing test connection to perform dry system test. The fire hydrants (5) are not operable. The hydrants are currently tagged as "out of service." Further evaluation of the entire system is required in order to determine the viability of the system.

7. Oil Fuel Tank Storage. The two fuel tanks (8,000 and 1,000 gallon) immediately adjacent to the Inn (under the paved patio) have been taken out of service due to a failed leak detection test. The LESSOR plans to remove the two tanks. In addition, removing these tanks from service has impacted current heating oil storage for the Inn. Two (2) - 275 gallon (above-ground) tanks have been installed as an interim measure. However, this is insufficient to provide adequate heating oil storage for operation of the Inn's heating system.

8. Lead Paint / Asbestos. During the site acquisition process, lead paint and asbestos were identified. Some lead paint and asbestos has been mitigated, some has not. Some of the identified asbestos has now become friable and therefore is considered a health hazard. Abatement of this hazard should be considered a priority before occupancy is re-established.

9. Interior Finishes. Floors, walls ceilings and trim. Due to extensive roof leaks, the drywall and insulation has extensive water damage and will need to be repaired or replaced.

10. The Inn is currently unfurnished with the exception of some commercial kitchen equipment, ground floor bar, basement bar, bath tubs, sinks, toilets, showers, and light fixtures.

(g) Heating: Whether occupied or unoccupied, in order to protect the interior finishes and keep the pipes from freezing, the LESSEE must maintain the heat in the Inn at a minimum of 45 degrees during the heating season.

(h) The LESSEE will secure the Inn if it is ever in a position of not being in use. Vandalism, break-ins and damage to facilities must be reported to Delaware Water Gap National Recreation Area Park Dispatch at (570) 426-2457 or 1-800-543-4295 as soon as possible.

(i) The following apply to all grounds managed by the LESSEE under the terms of this agreement:

(1) Alterations: No vegetation – excluding routine trimming of brush and trees around buildings – may be cut or destroyed without first obtaining written approval from the Park Superintendent. Requests to cut trees must be submitted to the Park.

(2) Additions: No new plantings – trees, flowers, gardens, etc. – are permitted without written approval from the Park Superintendent. Guidance on such changes is provided by the Service's directive on cultural landscapes and by Executive Orders.

(3) Pesticides/Herbicides: Pesticides and/or herbicides are prohibited, except as approved by the Park's integrated pest management (IPM) coordinator (570-296-6952 ext 27).

(4) Animal-Proof Containers: If determined to be necessary by the LESSOR, the LESSEE will acquire and maintain animal-proof garbage and trash containers or employ locks and chains to secure such containers at all times when not in use.

(5) Signs: Regulatory and NPS signs will be provided by the Park. All other signs must be approved in writing by the Park Superintendent prior to placement. Hand-written signs are expressly prohibited.

(6) Any repair and maintenance actions that may result in Alterations to the Premises require the prior written approval of the LESSOR.

Section 9. UTILITIES, GARBAGE AND SNOW REMOVAL

The LESSEE at its sole expense shall make all arrangements with appropriate utility, garbage and snow removal providers for all services furnished to the Premises, including, without limitation, gas, electricity, other power, water, cable, telephone and other communication services, sewage, waste removal and snow removal.

Section 10. HAZARDOUS MATERIALS

The LESSEE shall comply with the following provisions concerning Hazardous Materials:

(a) No Hazardous Materials shall be used, treated, kept, stored, sold, released, discharged or disposed of from, on, about, under, or into the Premises except in compliance with all Applicable Laws and as approved by the LESSOR in writing;

(b) The LESSEE shall use, manage, treat, keep, store, release discharge and dispose of its approved Hazardous Materials in accordance with all Applicable Laws. The LESSEE is responsible for timely acquisition of any permits required for its Hazardous Materials and related activities and will be fully responsible for compliance with the provisions and conditions of such permits;

(c) If any Hazardous Materials Occurrence caused by LESSEE results in any contamination of the Premises, other Park Area property or neighboring property, the

LESSEE shall promptly take all actions at its sole expense as are required to comply with Applicable Laws and to allow the Premises or such other property to be used free of any use restriction imposed under Applicable Laws as a result of the Hazardous Materials Occurrence. Except in cases of emergency, the LESSOR'S written approval of such actions shall first be obtained;

(d) LESSEE at its expense shall be responsible for the abatement of Hazardous Materials in accordance with Applicable Laws in, on, or under the Premises as of the Commencement Date and thereafter; and

(e) If the LESSEE discovers any unapproved Hazardous Materials in or on the Premises or becomes aware of a Hazardous Materials Occurrence related to the Premises, the LESSEE shall immediately notify the LESSOR.

Section 11. INSURANCE AND INDEMNIFICATION

11.1 Insurance During the Lease Term

At all times during the Lease Term and at the LESSEE'S sole expense, it shall obtain and keep in force for the benefit of the LESSEE and LESSOR the insurance coverages set forth in Exhibit B to this Lease under the terms and conditions of Exhibit B.

11.2 Insurance Requirements Modification

If the LESSOR at any time, but not more than annually, believes that the limits or extent of coverage, conditions, deductibles or self insurance retention, with respect to any of the insurance required by this Lease are insufficient for a prudent owner of property of the nature of the Premises, the LESSOR may determine the proper and reasonable limits and extent of coverage, conditions, deductibles and self insurance retention limits for such insurance and such insurance shall thereafter be carried by the LESSEE until changed pursuant to the provisions of this section.

11.3. Disposition of Insurance Proceeds

All insurance proceeds received by or payable with respect to damage or destruction of the Premises (except proceeds of insurance covering loss or damage of the LESSEE'S Personal Property), less actual expenses incurred in connection with their collection, shall be held by the LESSEE in an interest bearing account, with all interest accrued thereon deemed proceeds of insurance for purposes of this Lease. However, if required by the LESSOR, an insurance trustee acceptable to the LESSOR shall hold such proceeds for application in accordance with this Lease.

11.4 Inadequate Insurance Coverage

The LESSEE'S responsibilities under this Lease for the repair or replacement of the Premises assumes full risk and responsibility for any inadequacy of insurance coverage or any failure of insurers. No approval by the LESSOR of any insurer, or the terms or conditions of any policy, or any coverage or amount of insurance, or any deductible amount shall be construed as a representation by the LESSOR of the solvency of the insurer or the sufficiency of any policy or any coverage or amount of insurance or deductible.

11.5 Indemnity

The LESSEE shall indemnify, defend, save and hold the United States of America, its employees, successors, agents and assigns, harmless from and against, and reimburse the United States of America for any and all claims, demands, damages, injuries, losses, penalties, fines, costs, liabilities, causes of action, judgments, and expenses, including without limitation expenses incurred in connection with or arising in any way out of this Lease, the use, occupancy or manner of use or occupancy of the Premises by the LESSEE or any other person or entity, the design, construction, maintenance, or condition of any improvements on the Premises, the condition of the Premises, and/or any accident or occurrence on the Premises from any cause whatsoever; provided, however, that the LESSEE shall not be liable to the extent that the damages, expenses, claims or suits result from the willful misconduct or negligence of the United States of America, or its employees, contractors, or agents; provided, further, that the United States of America shall be liable only to the extent such claims are covered by the Federal Tort Claims Act (28 USC 2671 et seq.).

The provisions of this section shall survive the Expiration Date or Termination Date of this Lease.

Section 12. DAMAGE OR DESTRUCTION

12.1 Damage or Destruction; Duty to Restore

If the Premises or any portion thereof are damaged or destroyed at any time during the Lease Term, one of the following will occur as directed by the LESSOR:

(a) the LESSEE, as promptly as reasonably practicable and with all due diligence, subject to the written prior approval of the LESSOR, shall repair

or replace the damaged or destroyed Premises to the condition that existed prior to the damage or destruction; or

(b) the LESSOR may terminate this Lease without liability and the LESSEE shall pay to the LESSOR as additional rent the insurance proceeds resulting from the damaged or destroyed Premises.

12.2 No Termination; No Effect on Rental Obligation

No loss or damage by fire or other cause resulting in either partial or total destruction of the Premises, the improvements thereon, any other property on the Premises shall operate to terminate this Lease except as provided in Section 12.1 of this Lease. No such loss or damage shall affect or relieve the LESSEE from the LESSEE'S obligation to pay the Rent required by this Lease and in no event shall the LESSEE be entitled to any prorated return or refund of Rent paid hereunder. Unless this Lease is terminated under Section 12.1, no such loss or damage shall relieve or discharge the LESSEE from the payment of taxes, assessments, or other charges as they become due and payable, or from performance of other the terms and conditions of this Lease.

13. LIENS

13.1. No Power in Lessee to Create

The LESSEE shall have no power to take any action that may create or be the foundation for any lien, mortgage or other encumbrance upon the reversion, fee interest or other estate of the LESSOR or of any interest of the LESSOR in the Premises, except as otherwise may be expressly approved by the LESSOR in writing in accordance with the terms of this Lease.

13.2. Discharge of Liens by Lessee

The LESSEE shall not suffer or permit any liens known to the LESSEE to stand against the Premises for any reason. If a lien is filed against the Premises, the LESSEE shall cause it to be discharged of record within sixty calendar (60) days after notice to the LESSOR of filing the lien. If the LESSEE fails to discharge or contest the lien within this period and the failure shall continue for a period of fifteen calendar (15) days after notice by the LESSOR, then, in addition to any other right or remedy of the LESSOR, the LESSOR may, but shall not be required, to procure the discharge of the lien either by paying the amount claimed to be due, by deposit in court, or by bonding. All amounts paid or deposited by the LESSOR for any of these purposes, and all other expenses of the LESSOR and all necessary disbursements in connection with them,

shall become due and payable forthwith by the LESSEE to the LESSOR upon written demand therefore as additional Rent.

13.3 No Consent or Waiver by LESSOR

Nothing in this Lease shall be deemed to be or be construed in any way as constituting the consent or request of the LESSOR, expressed or implied, by inference or otherwise, to any person, firm or corporation, for performance of any labor or the furnishing of any materials in connection with the Premises.

Section 14. ASSIGNMENTS AND ENCUMBRANCES

14.1 Assignments and Subleases

The LESSEE shall not effectuate an Assignment of this Lease, in whole or in part, or any real property on the Premises, nor Sublease the Premises to a Sublessee or any part thereof or any property thereon, nor grant any interest, privilege or license whatsoever in connection with this Lease, without the express prior written permission of the LESSOR. Approval of any Assignment is in the discretion of the LESSOR and in no event shall the LESSOR grant an approval unless it is able to determine that the proposed assignee or Sublessee is financially and managerially capable of carrying out the terms of this Lease.

With respect to proposed assignments and without otherwise limiting the criteria upon which the LESSOR may withhold its consent to any proposed assignment, the LESSEE shall furnish to the LESSOR the following information: [1] all instruments proposed to implement the transaction; [2] a statement as to the existence of any litigation questioning the validity of the proposed transaction; [3] a description of the management qualifications and financial background of the proposed transferee, if any; [4] a detailed description of the financial aspects of the proposed transaction including but not limited to prospective financial forecast statements that have been examined by an independent accounting firm and that demonstrate to the satisfaction of the LESSOR that terms of the transfer do not impede or interfere with the financial ability of the LESSEE to perform the requirements of this Lease; [5] if the transaction may result in an encumbrance on the LESSEE'S assets, full particulars of the terms and conditions of the encumbrance; and [6] such other information as the LESSOR may reasonably require. The LESSOR shall have the right to approve the form of any assignment.

Any consideration for transfers of leasehold interests (as such costs are approved by the LESSOR) received by the LESSEE from an assignee for or in connection with an assignment of this Lease shall be payable to the LESSOR.

The LESSOR has an unconditional right to assign this Lease or any or all of its rights and obligations under it at any time.

14.2 Encumbrances

The LESSEE may not effectuate an Encumbrance on the Premises with the prior written permission of the LESSOR. Approval of any Encumbrance is in the discretion of the LESSOR and in no event shall an encumbrance be approved unless the LESSOR is able to determine that it only grants its holder, in the event of a foreclosure, to assume the responsibilities of the LESSEE under this Lease or to select a qualified new LESSEE subject to the written approval of the LESSOR, and that it does not grant its holder any rights to alter or amend in any manner the terms and conditions of this Lease.

Section 15. DEFAULTS AND LESSOR'S REMEDIES

15.1 Termination for Default

The LESSOR may terminate this Lease for default if the LESSEE fails to keep and perform any of the terms and conditions of this Lease, provided that the LESSOR shall first give the LESSEE a written Notice of Default at least fifteen (15) calendar days prior to the LESSOR'S intention to terminate. If the LESSEE does not correct the default within the applicable time period, the LESSOR will issue a Notice of Termination which will terminates the lease, all of the rights associated with the lease and the LESSEE shall vacate the Premises immediately.

15.2 No Waiver

No failure by the LESSOR to insist upon the strict performance of any of the terms and conditions of this Lease or to exercise any right or remedy upon a default, and no acceptance by the LESSOR of full or partial rent during the continuance of any default shall constitute a waiver of any default or of such terms and conditions. No terms and conditions of this Lease may be waived or modified except by a written instrument executed by the LESSOR. No waiver of any default shall affect or alter this Lease, but each and every term and condition of this Lease shall continue in full force and effect with respect to any other then existing or subsequent default.

15.3 LESSOR'S Right to Cure Defaults

If a default occurs under the terms of this Lease and the LESSEE fails to correct the default within the applicable grace period, the LESSOR may choose to correct the

default (entering upon the Premises for such purposes if necessary), and the LESSOR shall not be liable or in any way responsible for any loss, disturbance, inconvenience, or damage resulting to the LESSEE as a result, and the LESSEE shall pay to the LESSOR upon demand the entire expense of the correction as additional Rent, including, without limitation, compensation to the agents, consultants and contractors of the LESSOR and related expenses. The LESSOR may act upon shorter notice or no notice at all if necessary in the LESSOR'S judgment to meet an emergency situation or governmental time limitation or to protect the LESSOR'S interest in the Premises.

Section 16. SURRENDER AND HOLDING OVER

16.1 Surrender of the Premises

(a) On or before the Expiration Date or Termination Date of this Lease, the LESSEE shall surrender and vacate the Premises, remove LESSEE'S Personal Property, and return the Premises, including the FF&E, to as good an order and condition as that existing upon the Commencement Date.

(b) For these purposes, the LESSOR and LESSEE shall prepare an inventory and condition report of the Premises to constitute the basis for settlement by the LESSEE to the LESSOR for LESSOR'S FF&E, or elements of the Premises shown to be lost, damaged or destroyed. Any such FF&E, or other elements of the Premises shall be either replaced or returned to the condition required under this Section by the LESSEE, ordinary wear and tear excepted, or, at the election of the LESSOR, reimbursement made therefore by the LESSEE at the then current market value thereof.

16.2 Holding Over This Lease shall end upon the Expiration Date or Termination Date and any holding over by the LESSEE or the acceptance by the LESSOR of any form of payment of rent or other charges after such date shall not constitute a renewal of this Lease or give the LESSEE any rights under this Lease or in or to the Premises.

Section 17. EQUAL OPPORTUNITY LAWS

The LESSEE and LESSEE'S Agent's shall comply with the requirements of (a) Title VII of the Civil Rights Act of 1964 (as amended), as well as Executive Order 11246 of September 24, 1965, as amended by Executive Order 11375 of October 13, 1967; (b) Title V, Sections 503 and 504 of the Rehabilitation Act of September 26, 1973, Public Law 93-112 (as amended), which prohibits discrimination on the basis of disability and requires government contractors and subcontractors to take Affirmative Action to employ and advance in employment qualified handicapped individuals; (c) 41 C.F.R.

Chapter 60, which prescribes affirmative action requirements for government contractors and subcontractors; (d) the Age Discrimination in Employment Act of December 15, 1967 (as amended); (e) the Americans with Disabilities Act, 42 U.S.C. Sections 12101 et seq.; (f) and all other Applicable Laws relating to nondiscrimination in employment and in providing facilities and services to the public. The LESSEE shall do nothing in advertising for employees that will prevent those covered by these laws from qualifying for such employment.

Section 18. NOTICES

Except as otherwise provided in this Lease, any notice, consent or other communication required or permitted under this Lease shall be in writing and shall be delivered by hand, sent by courier, sent by prepaid registered or certified mail with return receipt requested and addressed as appropriate to the following addresses (or to such other or further addresses as the parties may designate by notice given in accordance with this section):

If to the LESSOR:

Superintendent
Delaware Water Gap National Recreation Area
1 River Road
Bushkill, Pennsylvania 18324
Attn: Superintendent

If to the LESSEE:

[Lessee's address and name of person to whom the notice should be addressed]

Section 19. GENERAL PROVISIONS

The following general provisions apply to this Lease:

(a) The LESSOR is not for any purpose a partner or joint venture participant of the LESSEE in the development or operation of the Premises or in any business conducted on the Premises. The LESSOR under no circumstances shall be responsible or obligated for any losses or liabilities of the LESSEE. The LESSEE shall not publicize, or otherwise circulate, promotional or other material of any nature that states or implies endorsement of the LESSEE or its services or products by the LESSOR or any other governmental agency.

(b) This Lease shall not, nor be deemed nor construed to, confer upon any person or entity, other than the parties hereto, any right or interest, including, without limiting the generality of the foregoing, any third party beneficiary status or any right to enforce any provision of this Lease.

(c) This Lease provides no right of renewal or extension to the LESSEE, nor does it provide the LESSEE with the right to the award of a new lease upon termination or expiration of this Lease. No rights shall be acquired by virtue of this Lease entitling the LESSEE to claim benefits under the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, Public Law 91-646.

(d) The LESSEE warrants that no person or selling agency has been employed or retained to solicit or secure this Lease upon an agreement or understanding for a commission, percentage, brokerage or contingent fee. For breach or violation of this warranty, the LESSOR shall have the right to terminate this Lease for Default.

(e) In case any one or more of the provisions of this Lease shall for any reason be held to be invalid, such invalidity shall not affect any other provision of this Lease, and this Lease shall be construed as if the invalid provisions had not been contained in this Lease.

(f) All Exhibits that may be referenced in this Lease are hereby attached to and incorporated in this Lease.

(g) Time is of the essence to this Lease and all of its terms and conditions.

(h) The laws of the United States shall govern the validity, construction and effect of this Lease.

(i) This Lease constitutes the entire agreement between the LESSOR and LESSEE with respect to its subject matter and supersedes all prior offers, negotiations, oral and written. This Lease may not be amended or modified in any respect except by an instrument in writing signed by the LESSOR and LESSEE.

(j) The voluntary surrender of this Lease by the LESSEE to the LESSOR, or a mutual cancellation, or the termination by the LESSOR pursuant to any provision of this Lease, shall not work a merger. There will not be any subleases.

(k) If more than one LESSEE is named in this Lease, each LESSEE shall be jointly and severally liable for performance of the obligations of this Lease.

(l) Any and all remedies available to LESSOR for the enforcement of the provisions of this Lease are cumulative and are not exclusive, and LESSOR shall be entitled to pursue either the rights enumerated in this Lease or remedies authorized by law, or both. LESSEE shall be liable for any costs or expenses incurred by LESSOR in enforcing any term of this Lease, or in pursuing legal action for the enforcement of LESSOR'S rights, including, but not limited to, court costs.

(m) The LESSEE shall not construct new buildings or structures on the Premises, except that, with the prior written approval of the LESSOR.

(n) Nothing contained in this Lease shall be construed as binding the LESSOR to expend, in any fiscal year, any sum in excess of the appropriation made by Congress for that fiscal year or administratively allocated for the subject matter of this Lease, or to involve the LESSOR in any contract or other obligation for the future expenditure of money in excess of such appropriations. Nothing in this Lease shall be construed as preventing the cancellation of this Lease by the LESSOR in the exercise of sovereign authority otherwise provided by Applicable Laws.

IN WITNESS WHEREOF, the, Regional Director, Northeast Region, National Park Service, acting on behalf of the United States, in the exercise of the delegated authority from the Secretary of the Interior, as LESSOR; and the LESSEE have executed this Lease by proper persons thereunto duly authorized as of the date heretofore written.

LESSOR

THE UNITED STATES DEPARTMENT OF THE INTERIOR, NATIONAL PARK SERVICE

By_____

Dennis R. Reidenbach, Regional Director

Northeast Region

LESSEE

_____

By _____

Title _____

EXHIBIT A: Insurance Requirements

During the term of this Lease, the LESSEE shall maintain the following insurance coverage (where applicable as determined by the LESSOR) under the following general terms and conditions and under such specific terms and conditions as the LESSOR may further require with respect to each particular insurance policy.

1. Types of Insurance

(a) Property Insurance - An all risk or special form, including fire, vandalism and malicious mischief insurance. The amount of such insurance shall be the full insurable value of the Premises. All such policies shall specify that proceeds shall be payable whether or not any damaged or destroyed improvements are actually rebuilt. All such policies shall waive any requirement that a building or structure be replaced at its original site.

(b) General Liability - Comprehensive Farm Liability and/or Commercial General Liability through one or more primary and umbrella liability policies against claims for bodily injury and property damage occurring on the Premises, the improvements thereon, or the streets, curbs or sidewalks adjoining the Premises, with such limits as may be required by the LESSOR, but in any event not less than _____($_____) per incident and _____ ($_____) aggregate for the Premises. Such insurance shall insure the performance by the Lessee of its indemnity obligations under this Lease.

(c) Other - All other insurance that the LESSEE should maintain to adequately protect the Premises, LESSOR, and LESSEE.

2. Conditions of Insurance

(a) The policy or policies required under this section shall provide that in the event of loss, the proceeds of the policy or policies shall be payable to the LESSEE to be used solely for the repair or replacement of the property damaged or destroyed, as approved and directed by the LESSOR, with any balance of the proceeds not required for repair or replacement; provided, however, that the insurer, after payment of any proceeds to the LESSEE, will have no obligation or liability with respect to the use or disposition of the proceeds by the LESSEE.

(b) All property and liability insurance policies shall name the United States as an additional insured.

(c) All of the insurance required by this section and all renewals shall be issued by one or more companies of recognized responsibility licensed to do business in the state in which the Park Area is located with a financial rating of at least a Class B+ (or equivalent) status, as rated in the most recent edition of Best's Insurance Reports (or equivalent) or as otherwise acceptable to the LESSOR.

(d) All insurance policies shall provide that such policies shall not be cancelled, terminated or altered without thirty (30) days prior written notice to the LESSOR. The LESSEE must provide to the LESSOR a copy of each policy and a certificate of the policy executed by a properly qualified representative of the insurance company evidencing that the required insurance coverage is in full force and effect on or before the Commencement Date, and annually thereafter. The LESSEE shall maintain all policies provided throughout the Lease Term and the LESSEE shall renew such policies before the expiration of the term of the policy.

(e) If the LESSOR at any time, but not more than annually, believes that the limits or extent of coverage, deductibles or self insurance retention, with respect to any of the insurance required by this section are insufficient for a prudent owner of property of the nature of the Premises, the LESSOR may determine the proper and reasonable limits and extent of coverage, deductibles and self insurance retention limits for such insurance and such insurance shall thereafter be carried by the LESSEE until changed pursuant to the provisions of this section.

(f) The LESSEE assumes full risk and responsibility for any inadequacy of insurance coverage or any failure of insurers. No approval by the LESSOR of any insurer, or the terms or conditions of any policy, or any coverage or amount of insurance, or any deductible amount shall be construed as a representation by the LESSOR of the solvency of the insurer or the sufficiency of any policy or any coverage or amount of insurance or deductible.

(g) The LESSEE and LESSEE'S Agents shall not do anything, or permit anything to be done, in or about the Premises or on adjacent or nearby property that would invalidate or be in conflict with the provisions of any fire or other insurance policies covering the Premises or result in a refusal by insurance companies of good standing to insure the Premises in the amounts required under this section.

ATTACHMENT 1: IDENTIFICATION AND CREDIT INFORMATION (INDIVIDUAL / PARTNERSHIPS)

BUSINESS ORGANIZATION AND CREDIT INFORMATION Individual / Partnerships

Complete separate form for the submitting corporation and any and all parent entities.

Name of Entity	
Address	
Telephone Number	
Fax Number	
Email Address	
Contact Person	
Title	
Tax ID#	
Form of Business: **( ) Partnership** **( ) Sole Proprietor** **( ) Other** **(describe)_____**	
Year In Business	

OWNERSHIP			
Names and Addresses of Each Partner or Sole Proprietor	**Percentage of Ownership**	**Current Value of Business**	**Role in Providing Concession Services**

ATTACHMENT 2: IDENTIFICATION AND CREDIT INFORMATION (BUSINESS LLC)

BUSINESS ORGANIZATION AND CREDIT INFORMATION Corporation / Limited Liability Company

Complete separate form for the submitting corporation and any and all parent entities.

Name of Entity	
Address	
Telephone Number	
Fax Number	
Email Address	
Contact Person	
Title	
Tax ID#	
State of Incorporation	
Date of Incorporation	

OWNERSHIP	NUMBER AND TYPE OF SHARES OR PERCENTAGE OF OWNERSHIP	CURRENT VALUE OF INVESTMENT
Names and addresses of those With controlling interest of key principals		
Total of All		
Total Shares Outstanding		

CORPORATE OFFICERS AND BOARD OF DIRECTORS OR MANAGING MEMBERS	ADDRESS	TITLE AND/OR AFFILIATION

Attach a copy of the following:

1. Certificate from state of incorporation indicating that the entity is in "Good Standing."
2. Description of relationship of submitting corporation and all parent entities to the Applicant.

ATTACHMENT 3: SAMPLE OFFEROR TRANSMITTAL LETTER

Sample Offeror's Transmittal Letter

To: Regional Director
Northeast Region
National Park Service
200 Chestnut Street
Philadelphia, Pennsylvania 19106

Attention: Commercial Services Leasing Program Manager

Dear Regional Director:

The Offeror hereby agrees to provide visitor services and facilities within Delaware Water Gap National Recreation Area (DEWA) in accordance with the terms and conditions specified in the in the Request for Proposal (RFP) to lease a National Park Service property, issued by the public notice as listed on www.fedbizopps.gov, and to execute the draft sample lease without substantive modification (except as may be required by the National Park Service pursuant to the terms of the RFP).

The Offeror is enclosing the required "PROPOSAL" which, by this reference, is made a part hereof.

The Offeror certifies that the information furnished herewith is complete, true, and correct, and recognizes that false statements may subject the Offeror to criminal penalties of 18 U.S.C. 1001. The Offeror agrees to meet all the minimum requirements of the draft sample lease, and the RFP, and that the Offeror has provided all of the mandatory information specified in the RFP.

The Offeror certifies in accordance with 2 C.F.R. Part 180 and 1400 the following:

- None of the individuals or entities seeking participation in this Lease are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from a public transaction by a federal department or agency.
- Within the three years preceding submission of the Proposal, none of the individuals or entities seeking participation in this Lease have been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction, or for violation of federal or state antitrust statutes or for commission of embezzlement, theft, forgery, bribery, falsification of records, making false statements, or receiving stolen property.
- None of the individuals or entities seeking participation in this Lease are presently indicted for or otherwise criminally or civilly charged by a federal, state or local unit of the government with commission of any of the aforementioned offenses.
- The individuals or entities seeking participation in this Lease have not had one or more public transactions (federal, state or local) terminated for cause or default within the three-year period preceding the submission of the Proposal.

The Offeror, by submitting this Proposal hereby agrees, if selected for award of the new Lease:

1) To the minimum requirements of the RFP package and to comply with the requirements of 2 C.F.R. Part 180 and Part 1400 (available at www.accessgpo.gov).

2) To complete the execution of the final Lease within thirty working days after it is presented by the National Park Service.

3) To make required real property improvements within three (3) years of the effective date of the new Lease.

4) To commence operations under the new Lease within 120 days of the effective date of the new Lease.

5) [Include only if the Offeror is not to be the Lessee] To provide the entity that is to be the Lessee under the draft sample lease with the funding, management, and other resources described in our proposal.

BY _____ DATE _____
(Type or Print Name)

ORIGINAL SIGNATURE _____

TITLE _____

ADDRESS _____

_____

_____

ATTACHMENT 4: FINANCIAL CAPABILITY INFORMATION

FINANCIAL CAPABILITY

Note to Applicant:
In the event the Applicant is not the legal entity that is to be the Lessee, provide the information described below with respect to both the Applicant, including all partners in a joint venture, and the proposed Lessee. Also describe the Applicant's financial relationship to the proposed Lessee. If the entity that is to be the Lessee is not formally in existence as of the time of submission of a proposal, a proposal must demonstrate that the individuals or organizations that intend to establish the entity that will become the Lessee have the ability and are legally obliged to cause the entity to be financially and managerially capable of carrying out the terms of the Lease. In addition, the Applicant must unconditionally state and guarantee in its proposal that the Applicant will provide the Lessee with all funding, management and other resources that the proposal offers.

1. Demonstrate that you have a credible, proven track record of meeting your financial obligations by providing the following:

    a. The completed **Business History Information** form provided at the end of this section.

    b. Audited financial statements for the two most recent fiscal years, with all notes to the financial statements. Financial statements should be provided for the Applicant AND all parent companies. Personal financial statements must be provided for any owners of a sole proprietorship or general Partners within a partnership

    -OR-

    If the requested information is not available or not representative of your financial history, present an Explanation in sufficient detail to enable a reviewer to fully understand the reasons why, and provide comparable evidence, accompanied by a description, of your financial track record.

    c. A current credit report (within the last six months) in the name of the Applicant from a major credit reporting agency such as Equifax, Experian, or Dunn & Bradstreet.

2. Demonstrate that your proposal is financially viable and that you understand the financial obligations of the Lease by providing the following:

    a. Your estimate of the acquisition and start-up costs of this business using the **Initial Investment and Start-Up Expenses** form (a sample of this form is located at the end of this Attachment section). In a separate document, explain fully the methodology and the assumptions used to develop the estimate. The information provided should be of sufficient detail to allow a reviewer to fully understand how the estimates were determined.

b. Complete the **Proforma Income Statement** form, **Proforma Income Statement Assumptions** form, and the **Proforma Cash Flow Statement** form (samples of this form is located at the end of this Attachment section.. Provide estimates of prospective revenues and expenses of the concession Business in the form of annual prospective income and cash flow statements for the entire term of the Lease.

3. Demonstrate your ability to obtain the required funds by providing credible, compelling documentation. Fully explain the financial arrangements you propose using the following guidelines:

   a. If funds are to be obtained from operating cash flows, document each source and availability of these funds by referencing your previous and current audited financial statements.

   b. If funds are to be obtained from lending institutions, (banks, savings and loan, etc), provide financing agreements, letters of commitment, or similar supporting documents. The support documents must, at a minimum, include the amount of the loan, the interest rate, the term of the loan and any encumbrances on the loan. Also, include a letter (addressed to the National Park Service from the (Lender), which provides compelling documentation as to the likely amount of funds available to the Applicant at the start of the Lease. Include the lending institution contact name on the letter and authorize the lending institution to release any information to the National Park Service concerning relevant financing arrangement.

   c. If funds are to be obtained from an individual, or a corporation whose primary fund source is an individual, provide the following as appropriate:

      - Current personal financial statement for the primary source of funds.
      - Documentation of any assets to be sold.
      - Written funding commitment from the individual or corporation.
      - Any other assurances of documentation that makes a compelling demonstration that the funds are available.

   d. If funds are to be obtained from working capital liabilities (such as advanced deposits or accounts payable), please provide estimates and a rationale for each estimate. The information provided should be of sufficient detail to allow a reviewer to fully understand how the estimates were determined.

   e. If funds are to be obtained from another source (i.e., a corporation whose primary fund source is not an individual), provide the following as appropriate:

      - Written funding commitment from the fund source.
      - Any other documentation that is necessary to create a compelling demonstration that the funds required to operate this business opportunity are available.

BUSINESS HISTORY INFORMATION

Business History Information should be provided for the Applicant AND all parent companies.

The information provided below is for the entity: _____

1) Has the Applicant ever defaulted from or been terminated from a management contract or lease, or been forbidden from contracting by a public agency or private company?

( ) Yes ( ) No If YES, provide full details of the circumstances.

2) List any Foreclosures, Bankruptcies, Transfers in Lieu of Foreclosures, and/or Work-Out/Loan Modification Transactions during the past 5 years. (If none, then so indicate). Attach an explanation of Circumstances, including resolution, bankruptcy plan, and/or other documentation as appropriate.

Name of Property	City/State	Property Type	Approximate Loan Amount	Lender	Year of Event

3) Describe any pending litigation or current lawsuits (other than those covered adequately by insurance), which if adversely resolved would materially impact the financial position of the Applicant.

SAMPLE FORM

INITIAL INVESTMENT & START-UP COSTS

SAMPLE FORM

Company Name:

ASSETS

Acquisition of Existing Assets
(Assets necessary to the operation that will be acquired by the Applicant if awarded the Lease)

Furniture, Equipment, Systems	$_____
Inventory and Supplies	$_____
Other, Maintenance	$_____
Subtotal	$_____

Immediate Purchase of New Assets

New Furniture, Equipment Syst.	$_____
Inventory and Supplies	$_____
Other, Maintenance	$_____
Real Property Improvements	$_____
Other (Describe)	$_____
Subtotal	$_____
TOTAL	$_____

OTHER

Start- Up Expense	$_____
Working Capital	$_____
Other, (Describe)	$_____

TOTAL INITIAL INVESTMENTS AND START –UP EXPENSES $

SAMPLE FORM

PROFORMA INCOME STATEMENT
SAMPLE FORM

Company Name:

	2012	2013	2014	2015	2016	2017	2018	2019	2020
Revenue									
Food & Bev									
Other (Describe)									
Total Gross Revenue									
Cost of Sales									
Food & Beverage									
Other (Describe)									
Total Cost of Sales									
Gross Profit									
Direct Expenses									
Direct Salaries, Wages, Payroll, Taxes and Benefits									
Operating Supplies									
Equipment Rental									
Other (Describe)									
Total Direct Expenses									
Indirect Expenses									
Direct Salaries, Wages, Payroll, Taxes and Benefits									
Operating Supplies									
Equipment Rental									
Other (Describe)									
Total Indirect Expenses									
Fixed Expenses									
Rent - Fixed									
Rent - % of Gross Revenue									
Insurance									
Other (Describe)									
Total Fixed Expenses									
Total Operating Expenses									
EBITDA									
Interest Expense									
Depreciation									
Net Profit Before Taxes									
Net Income									

SAMPLE FORM

PROFORMA CASH FLOW STATEMENT
SAMPLE FORM

Company Name:

	2012	2013	2014	2015	2016	2017	2018	2019	2020
Operating Activities									
Net Income									
Depreciation									
Amortization									
Change in Working Capital									
Other (Describe)									
Other (Describe)									
Food & Beverage									
Other (Describe)									
Net Cash Provided by Operating Activities									
Financing Activities									
Dividend									
Notes Payable									
Other (Describe)									
Other (Describe)									
Net Cash Used in Financing Activities									
Investment Activities									
Acquisition of Existing Assets									
Purchase of New Assets									
Working Capital									
Other (Describe)									
Net Cash Used in Investing Activities									
Total Cash Flow									