

**LEASING OPPORTUNITY AT VALLEY FORGE NATIONAL HISTORICAL PARK;
KENNEDY-SUPPLEE PROPERTY
REQUEST FOR BIDS**

A. Summary

This Request for Bids (RFB) provides the opportunity for interested individuals and organizations to submit Bids to the National Park Service (NPS) to lease NPS property at Valley Forge National Historical Park under the following general terms and conditions.

1. Property Offered for Lease.

The leased property (Premises) is described as follows and depicted in Exhibit A:

- The Kennedy Supplee Carriage House is a 19.5-foot by 29.5-foot masonry structure located to the north of the Kennedy-Supplee Mansion built in 1852. It is located in Upper Merion Township at the eastern edge of Valley Forge National Historical Park off of Pennsylvania State Route 23 and is visible from U.S. Route 422.
- A 0.4 acre parking lot on the south side of the Mansion
- An additional 0.99 acre parcel located south of the parking lot

2. Uses of the Leased Property.

The lessee will use the property for the following authorized uses:

- Vehicle and construction material storage

3. Term of Lease

The term of the lease will be negotiated with the selected applicant.

4. Fair Market Value Rent

The lessee will be required by the lease to pay at least fair market value rent to the NPS. Based on the terms included in the attached Lease (Section 5. Rent), the fair market value rent has been determined to be \$12,000/acre/year.

The lessee shall pay to the United States as rent one thousand dollars and No Cents (\$1,000.00) per month/per acre as the base rent payable to the National Park Service and forwarded by the lessee to the Superintendent, Valley Forge National Historical Park. Rent checks will be mailed to Valley Forge National Historical Park, 1400 North Outerline Drive, King of Prussia, PA 19406, attention Superintendent. The term rent

shall be paid on the 1st day of each month in advance monthly installments of One Thousand Dollars and no cents (\$1,000.00).

5. Other Terms and Conditions

Tenants agree to follow the rules and regulations set forth in Lease Exhibit D

6. Competitive Process.

This lease opportunity is open to all interested persons on a competitive basis. The bidder submitting a responsive bid offering the highest monthly rent will be selected for award of the lease (subject to a determination of financial capability and reference check). A responsive bid is a bid that meets the material terms and conditions of this request for bids (see attached lease terms). The bid must offer a rental amount that is no less than fair market value (\$1,000 per month/per acre). If two or more bids are equal, a drawing shall make the lease award by lot limited to the equal responsive bids received.

7. Proposal Submission Date

Bids under this RFB must be received by 11:00 AM Friday, June 10, 2016 in the form and at the address stated on the following pages. Beginning Friday, June 17, 2016, a public bid opening will occur every Friday until a responsive bid has been submitted or until NPS terminates the solicitation.

8. Authority

This RFB is issued under the authority of federal law and regulations. The applicable law is found in United States Code at 16 U.S.C. 1a-2(k), recodified at 54 U.S.C. 102102, and leasing regulations may be found in the Code of Federal Regulations at 36 CFR Part 18. This RFB and the offered lease are subject to and incorporate all terms and conditions of Part 18 as applicable. In the event of any conflict between the terms of this RFB and Part 18, Part 18 controls.

For Further Information Please Contact:
Patrick Madden, Business Manager
Valley Forge National Historical Park
1400 Outerline Drive
King of Prussia, PA 19046
Phone: 610-783-1005 E-mail: pat_madden@nps.gov

B. The National Service and Valley Forge National Historical Park

1. The National Park Service and its Mission

America's National Park Service 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 the National Park System should be, “...preserved and managed for the benefit and inspiration of all the people of the United States.” The National Park Service has as its overall mission the preservation and public enjoyment of significant aspects of the nation’s natural and cultural heritage.

To learn more about the National Park Service, visit our website at www.nps.gov. This site includes information about who we are, our mission, NPS policies and individual parks.

2. The Park Area

Valley Forge National Historical Park was established in 1976 and is located in Valley Forge, Pennsylvania. Containing approximately 3,500 acres, the park preserves cultural and natural resources associated with the winter encampment of General George Washington and the Continental Army. Few places outside Valley Forge evoke the spirit of patriotism and independence, represent individual and collective sacrifice, and demonstrate the resolve, tenacity and determination of the people of the United States to be free.

The park hosts over 1.2 million visitors a year and foresees a rise in visitation as park events and programming increase. The purpose of Valley Forge National Historical Park is to educate and inform our visitors, and future generations, about the sacrifices and achievements of General George Washington and the Continental Army at Valley Forge through preservation of the cultural and natural resources that embody and commemorate the Valley Forge experience and the American Revolution.

C. Submission of Bid

In General

Bids submitted in response to the RFB require you to supply specific information. Please respond directly on forms A and B which are included in this RFB.

D. Bid Submission Requirements

This selection process will continue until a selection is made. The NPS will open bids on a weekly schedule until a responsive bid has been submitted or until the NPS terminates the solicitation. Every Friday, after the initial bid opening, a public bid opening will occur as described in section F of this RFB. Bid Forms must be enclosed in a sealed envelope and received at the following National Park Service (NPS) office by Friday June 10th, 2016. The face of the sealed envelope shall show the bidder’s name and address, and the receiver’s address as shown here:

Superintendent
Valley Forge National Historical Park
Bid on Lease of NPS Lund House
1400 Outer Line Dr
King of Prussia, PA 19406

Telephonic bids, faxes, e-mail, and other means of transmittal will not be considered. Bid submittals will not be returned.

E. Additional Information

NPS may request from any bidder after the submission date additional information or written clarification of a bid. However bids may not be amended after the submission date unless permitted by NPS. NPS may not permit amendment of a bid unless all offerors that submitted responsive bids are given an opportunity to amend their respective bids.

F. NPS Selection of the Highest Bid

NPS will review all responses to this RFB as follows:

- Bids must refer to the public notice that advertised this business opportunity
- Bids must include the amount of Total Rent offered, which will determine the highest bidder selected for award of the lease.
- Bids must include the dated signature of the bidder.
- Bid forms must be enclosed in a sealed envelope and received by the Superintendent of Valley Forge National Historical Park before June 10th, 2016. The face of the sealed envelope shall show the bidder's name and address, along with the receiver's address as follows:

Superintendent
Valley Forge National Historical Park
1400 Outerline Drive
King of Prussia, PA 19406

- Bids will only be considered if received timely at the location designated above.
- Bids will be opened publicly at: Valley Forge NHP's Visitor Center/Headquarters at 1400 Outerline Drive, King of Prussia, PA 19406 at 11:00 a.m. Friday June 10th, 2016 . Bidders or their representatives may attend the bid opening. The bidder submitting a responsive bid offering the highest monthly rent will be selected for award of the lease (subject to a determination of financial capability and a positive reference check). A responsive bid meets the material terms and conditions of this request and the attached lease. No bid in an amount less than the fair market rental value shall be accepted. If two or more bids are equal, a drawing shall make the lease award by lot limited to equal responsive bids received.

NPS may terminate this solicitation without liability to any person.

G. Confidentiality of Bids

If you believe that a bid package 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 the bid package:

“This bid package contains trade secrets and/or confidential commercial and financial information that the Bidder believes to be exempt from disclosure under the Freedom of Information Act. The Bidder 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 bid package on which it appears, and you must include the following sentence on each such page:

“This page contains trade secrets or confidential commercial and financial information that the Bidder believes to be exempt from disclosure under the Freedom of Information Act, and which is subject to the non-disclosure statement on the first page of this bid package.”

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

H. Determination of Financial Capability

The bidder submitting the highest responsive bid shall submit to NPS the following documents along with the Bid:

Credit Report - A complete credit report in the name of the successful bidder that includes scores and is dated within thirty (30) days prior to the date of submission to NPS. The report must be from a major credit reporting company such as Equifax, Experian, TRW, or Dun & Bradstreet. If the successful bidder is not yet formed, include a credit report for each the individuals or entities that will have ownership interests or control of the Lessee.

Bank Statement(s) – Current bank financial statement(s) that verify the bidder’s ability to pay three (3) months Annual Rent in the amount offered by the winning bidder and to make the Initial Rent payment described above.

(The bidder that is determined by the NPS to be the highest responsive bidder may also be subject to background investigations to be conducted by the United States and must comply with same.)

The determined highest responsive bidder must execute and return the final Offered Lease within 30 calendar days after delivery by the NPS. If the declared high bidder fails to execute the final lease, the NPS may choose to enter into the Offered Lease with the next responsive highest bidder.

The NPS may reject any and all bids in its discretion and re-solicit or cancel a lease solicitation at any time without liability or obligation to any person.

BID FORM ATTACHMENTS

OFFERED LEASE:

Exhibit A: Land Assignment

Exhibit B: Sample Lease and Insurance Requirements

EXHIBIT A: LAND ASSIGNMENT



EXHIBIT B: SAMPLE LEASE

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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 the document contained in Lease Exhibit A to this Lease that describes the FF&E in the Premises and the condition of the Premises (including FF&E) as of 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 of that the Lessee is in default of the lease.

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

1.18 Park Area - means Valley Forge National Historical Park

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 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 US Department of Interior, National Park Service, Valley Forge National Historical Park (Lessor) hereby leases and demises to **Tenant Name** (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 Kennedy Supplee Carriage house and associated land as depicted in Exhibit C of this Lease.
- 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.
- e) Executive Order 13658- Establishing a Minimum Wage for Contractors, and its implementing regulations, including the applicable contract clause, are incorporated by reference into this contract as if fully set forth in this contract. The applicable contract clause is available at <https://federalregister.gov/a/2014-23533>.

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 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, Lessee has taken into account the Inventory and Condition Report (Exhibit A) and acknowledges that it is complete and accurate.

Section 4. LEASE TERM AND ABANDONMENT

4.1 Lease Term

The Lease Term shall start on, or around, _____ 2016 (Commencement Date) and will expire on _____ (Expiration Date) or ending on such earlier date as this Lease may be terminated in accordance with its terms (Termination Date).

4.2 Abandonment

The Lessee shall occupy 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

All Rent shall be absolutely net to Lessor without any abatement, deduction, counterclaim, set-off 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.

5.2 Annual Rent

(a) During the Lease Term, Lessee shall pay to Lessor Rent for the Premises of **(at least) \$1,400.00** dollars per month. At Lessor's option, payments of Rent shall be payable by wire transfer or other electronic means to such account as Lessor may from time to time designate. Interest at the current bank Interest Rate will be assessed on overdue Annual Rent payments and any other Rent this lease may require. The Lessor may also impose penalties for late payment to the extent authorized by Applicable Law.

5.3 Security Deposit

(a) Lessee shall pay to Lessor upon execution of this Lease the sum of **(one month's rent)** in lawful money of the United States as security for the faithful performance of all terms, agreements, covenants, conditions and provisions of this Lease. Lessee agrees that Lessor may (but shall not be required to) apply the security deposit in whole or in part to remedy any damage to the premises caused by Lessees, its agents or invitees, or any failure of Lessee to perform any other terms, agreements, covenants, conditions or provisions contained in this Lease, without waiving any of Lessor's other rights and remedies hereunder or at law or in equity. Should Lessor use any portion of the security deposit to cure any event of default by Lessee hereunder, Lessee shall immediately replenish the security deposit to the original amount, and Lessee's failure to do so within five (5) days of Lessor's notice shall constitute a material event of default under this Lease. Lessor's obligations with respect to the security deposit are solely that of debtor and not trustee. Lessor shall not be required to keep the security deposit separate from its general funds, and Lessee shall not be entitled to any interest on such deposit. The amount of the security deposit shall not be deemed to limit Lessee's liability for the performance of any of its obligations under this Lease. (b) At the expiration of the Term and/or any Extension of this Lease, and subsequent to Lessee's satisfaction of the requirements of Section 16.1 of this Lease, Lessor will within forty-five (45) days refund the security deposit to Lessee, less any amounts which Lessor is entitled to pursuant to the provisions of this Lease. Lessor will, in conjunction with the refund, provide a full accounting to Lessee of the disposition of the security deposit.

Section 6. USE OF PREMISES

6.1 Authorized Uses

The Lessee may utilize the Premises only for the following purposes:

- Light industrial/outdoor storage use of the 0.4 acre parking lot on the south side of the Mansion and the 0.99 acre parcel located south of the parking lot. Access to the interior of the Kennedy Supplee Carriage House is not permitted without repairs being made to the carriage house and an occupancy permit issued by the NPS.

Should the Lessee propose any work to be performed on the premises or grounds, the Lessee will submit a written plan for performance of such work for Lessor review and prior written approval. If it is determined that work is necessary for maintenance of property, Lessor will schedule work. Lessee agrees to provide necessary access for accomplishment of work. Lessee shall not undertake any personal preference improvements or alterations on the Premises (including temporary equipment of facilities) without the prior written approval of Lessor.

Rules and Regulations: The Lessee agrees to follow the rules and regulations set forth in Lease Exhibit D.

Accommodating Park Visitors/Park Contractors: The Lessee shall cooperate with NPS hired contractors, and authorized staff performing necessary repairs or using the area surrounding house for intended park purposes. The Lessee will not interfere with the NPS visitor's park experience.

6.2 Changes to Authorized Uses

No change of the Authorized Uses of the Premises shall be permitted.

6.3 Applicable Laws

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

6.4 Forbidden Uses

The Parties hereby acknowledge and agree that Lessee's covenant that the Premises shall be used as set forth in Section 6 is a material consideration for Lessor's agreement to enter into this Lease. The Parties further acknowledge and agree that any violation of said covenant shall constitute a Default under this Lease.

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 nor remove any timber or ornamental trees nor cut or remove any other landscape features of the Premises such as shrubs, bushes or perennial plants 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 Park 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.

Cultural Landscape and Historic Structure Preservation

All portions of the leased property shall at all times be protected and maintained in good order and in a clean and sanitary condition by the Lessee and Lessor as contained in Section 8.1. To maintain the historic appearance of the structure and the cultural landscape, modern outdoor furniture, decorations, trash receptacles, grills, etc must be kept in the back yard so they are not visible to the public from the street. In addition, during any period of non-use, Lessee shall be responsible for arranging for continuation of all Lessee required maintenance. Smoking is not permitted in the structure. Use of fireplaces is not allowed without Lessor's prior written approval only. Pets are not allowed without Lessor's prior written approval.

6.7 Signs/Decorations

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. Lessee shall make no holes which damage plaster walls. Pictures may be hung with approved hangers. Curtain and drapery brackets and rods are provided. No other hardware may be installed without Lessor's prior written approval.

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 if applicable 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.

Section 8. MAINTENANCE AND REPAIR

8.1 Lessor and Lessee Responsibilities

The Lessor shall be responsible for the repair and maintenance of the Kennedy Supplee Carriage House during the Lease Term. The Lessee shall be responsible for the repair and maintenance of the associated lands during the Lease Term.

Note: If unforeseen repairs, maintenance, capital improvements, etc. are required by code as necessary to maintain the Premises in a safe, usable condition in good order, the Lessor will make reasonable attempts to accommodate and facilitate completion of these repairs using the current fiscal year's uncommitted rental receipts from this Lease. In no case is Lessor obligated to commit funds in excess of this amount.

Any repair and maintenance actions that may result in Alterations to the Premises require the prior written approval of the Lessor.

8.2 Lessee Maintenance Plan

N/A

8.3 Preservation Maintenance

The Premises are Historic Property. The Lessee shall repair and maintain all portions of the Premises only as approved in advance by the Lessor, and as appropriate.

Section 9. UTILITIES

The Lessee at its sole expense shall make arrangements with appropriate utility providers (including the Lessor where applicable), for all utilities furnished to the Premises, including, without limitation, gas, electricity, cable, telephone and other communication services. Any utility service provided by Lessor will be subject to the Lessor's established policies and procedures for provision of utility services to third parties.

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 Lease Exhibit B to this Lease under the terms and conditions of Lease Exhibit B.

11.2 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; 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 and that the Lessor determines that the Premises is unusable as residential space as a result of fire or other casualty the Lessor may terminate this Lease without liability.

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 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 Lessee 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

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 written notice of at least fifteen (15) calendar days in the case of monetary defaults and thirty calendar (30) days in the case of non-monetary defaults of the Lessor's intention to terminate if the default is not cured within the applicable time period. If the Lessor terminates this Lease, all of the rights of the Lessee under this Lease and in the Premises shall terminate.

15.2 Bankruptcy

The Lessor may terminate this Lease, in its discretion, in the event of a filing or execution of: (a) a petition in bankruptcy by or against the Lessee which is not dismissed within ninety calendar (90) days of its filing; (b) a petition seeking relief of the same or different kind under any provision of the Bankruptcy Act or its successor; (c) an assignment for the benefit of creditors; (d) a petition or other proceeding against the Lessee for the appointment of a trustee, receiver or liquidator; or (e) the taking by any person of the leasehold created by this Lease or any part thereof upon execution, attachment or other process of law.

15.3 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.

15.4 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 therefor 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:

National Park Service
Superintendent
Valley Forge National Historical Park
1400 Outerline Drive, King of Prussia, PA 19406

If to the Lessee:

Tenant Name
1940 Britton Rd, Phoenixville, PA 19406

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 Lessor warrants that any person or selling agency employed or retained to solicit or secure this Lease upon an agreement or understanding for a commission, percentage, brokerage or contingent fee has been paid in full.

(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 sale or other 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, but, at the option of the Lessor, shall either terminate any or all existing subleases hereunder or operate as an assignment to the Lessor of any or all of 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, the Lessee may construct minor additions, buildings and/or structures determined by the Lessor to be necessary for support of the uses authorized by this Lease.

(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

Michael A. Caldwell
Regional Director
Northeast Region

Date _____

LESSEE

By

Tenant Name

Date _____

LEASE EXHIBIT A: Inventory and Condition Report (to be developed at Lease Commencement)

LEASE EXHIBIT B: 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. In general.

(a) Property and Liability Insurance - The Parties hereby expressly acknowledge and agree to the following: (i) the Lessor neither keeps nor has any obligation to obtain and keep any insurance of any kind for the premises, (ii) no portion of the rent, or any fee, payment or other consideration made to the Lessor by the Lessee pursuant to the terms, agreements, covenants, conditions and provisions of this Lease shall be applied to the cost and expense of obtaining and keeping insurance for the premises,

(b) Other - Lessee will obtain and maintain Commercial General Liability Insurance, naming the United States of America as an additional insured, 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 (\$1,000,000) per incident and (\$3,000,000) in the aggregate for the Premises. Such insurance shall insure the performance by the Lessee of its indemnity obligations under this Lease.

LEASE EXHIBIT C: Land Assignment



LEASE EXHIBIT D: Rules and Regulations (To be developed)