

LEASE

THIS LEASE AGREEMENT made this 15th day of June 2008.

BETWEEN the Township of Egg Harbor, a Municipal Corporation in the County of Atlantic, State of New Jersey (hereinafter referred to as "Landlord") whose address is 3515 Bargaintown Road, Egg Harbor Township, New Jersey 08234-8321,

AND Cygnus Creative Arts Centre, Inc., a non-profit corporation of the State of New Jersey (hereinafter referred to as "Tenant") whose address is 3056 English Creek Avenue, Egg Harbor Township, New Jersey 08234;

WITNESSETH THAT, the Township Committee of the Township of Egg Harbor has determined that it would be in the public interest to encourage the establishment and maintenance of a creative arts center; that Tenant has agreed to establish and maintain such a program; that the Landlord does hereby lease to the Tenant and the Tenant does hereby rent from the Landlord, pursuant to N.J.S.A. 40A:12-14 and 15 the following described premises: The Egg Harbor Township Community located at 5045 English Creek Avenue, at Block 3201, Lot 50, in the Township of Egg Harbor, (see attachment A), for a term of five (5) years commencing on the date first written above, and ending five (5) years later, to be used and occupied only and for no other purpose than a creative arts center. Tenant has the right to utilize Room 120 and multi-purpose room subject to availability.

UPON THE FOLLOWING CONDITIONS AND COVENANTS:

1. **PAYMENT OF RENT.** The Tenant covenants and agrees to pay to the Landlord, as rent for and during the term hereof, the sum of One Dollar (\$1) per year.
2. **REPAIRS AND CARE.**
 - A. *Tenant.* The Tenant has examined the premises and has entered into this Lease without any representation on the part of the Landlord as to the condition thereof. The Tenant shall at the Tenant's own cost and expense, make all repairs, including painting and decorating, and shall maintain the premises in good condition and state of repair. At the end or other expiration of the term hereof, Tenant shall deliver up the rented premises in good order and condition, except wear and tear from a reasonable use thereof, and damage by the elements not resulting from the neglect or fault of the Tenant. Landlord shall be responsible for janitorial services. The Tenant shall pay landlord One Thousand Forty-Six Dollars (\$1,046) per month for janitorial services. The Tenant shall neither encumber nor obstruct the sidewalks, driveways, yards, entrances, and hallways. In case of the destruction of or any damage to the glass in the leased premises, or the destruction of or damage of any kind whatsoever to the said premises, caused by the carelessness, negligence or improper conduct on the part of the Tenant or the Tenant's agents, employees, guests, licensees, invitees, subtenants, assignees or successors, the Tenant shall repair the said damage or replace or restore

any destroyed parts of the premises, as speedily as possible, at the Tenant's own cost and expense.

- B. *Landlord.* Notwithstanding, in paragraph 2(A), the Landlord shall be responsible for structural maintenance of the exterior of the structure (including the roof and utilities); and shall keep and maintain the grounds in a clean condition, free from debris, trash, refuse, snow and ice. Landlord shall be responsible for trash pickup and disposal.

3. **ALTERATIONS, IMPROVEMENTS.** No alterations, additions or improvements (including painting) shall be made. No climate regulating, air conditioning, cooling, heating or sprinkler systems, television or radio antennas, heavy equipment, apparatus and fixtures, shall be installed in or attached to the leased premises, without the prior written consent of the Landlord. Unless otherwise provided herein, all such alterations, additions or improvements and systems, when made, installed in or attached to the said premises, shall belong to and become the property of the Landlord and shall be surrendered with the premises and as part thereof upon the expiration or sooner termination of this lease.
4. **SIGNS.** The Tenant shall be permitted one (1) sign to be placed, upon, in or about the said premises. In case the Landlord or the Landlord's agents, employees or representatives shall deem it necessary to remove any such signs in order to make any repairs, alterations or improvements in or upon said premises or any part thereof, they may be so removed, but shall be replaced at the Landlord's expense when the said repairs, alterations or improvements have been completed. Any signs permitted by the Landlord shall at all times conform with all municipal ordinances or other laws and regulations applicable thereto.
5. **UTILITIES.** All utilities shall be the responsibility of the Landlord to pay.
6. **COMPLIANCE WITH LAWS, ETC.** The Tenant shall promptly comply with all laws, ordinances, rules, regulations, requirements and directives of the Federal, State, and Municipal Governments or Public Authorities and of all their departments, bureaus and subdivisions, applicable to and affecting the said premises, their use and occupancy, for the correction, prevention and abatement of nuisances, violations or other grievances in, upon, or connected with the said premises, during the term hereof; and shall promptly comply with all orders, regulations, requirements and directives of the Board of Fire Underwriters or similar authority and of any insurance companies which have issued or are about to issue policies of insurance covering the said premises and its contents for the prevention of fire or other casualty, damage or injury, at the Tenant's own cost and expense.
7. **LIABILITY INSURANCE.**
- A. *Tenant.* The Tenant, at Tenant's own cost and expense, shall obtain or provide and keep in full force for the benefit of the Landlord, during the term hereof, a general public liability insurance, for its operations as a creative arts center, insuring the Landlord against any and all liability or claims of liability arising out of, occasioned by or resulting from any

accident or otherwise in or about the leased premises, for injuries to any person or persons, for limits of not less than \$500,000 for injuries to one person and \$500,000 for injuries to more than one (1) person, in any one accident or occurrence, and for loss or damage to the property of any person or persons, for not less than \$500,000. The policy or policies shall name the Township of Egg Harbor as an additional named insured. The policy or policies of insurance shall be of a company or companies authorized to do business in this State and shall be delivered to the Landlord, together with evidence of the payment of the premiums therefor, not less than fifteen (15) days prior to the commencement of the term hereof or of the date when the Tenant shall enter into possession, whichever occurs sooner. At least fifteen (15) days prior to the expiration or termination date of any policy, the Tenant shall deliver a renewal or replacement policy with proof of the payment of the premium therefor. The Tenant also agrees to and shall save, hold and keep harmless and indemnify the Landlord from and for any and all payments, expenses, costs, attorney fees and from and for any and all claims and liability for losses or damage to property or injuries to persons occasioned wholly or in part by or resulting from any acts or omissions by the Tenant or the Tenant's agents, employees, guests, licensees, invitees, subtenants, assignees or successors, or for any cause or reason whatsoever arising out of or by reason of the occupancy by the Tenant and the conduct of the Tenant's business.

B. *Landlord.* The Landlord shall maintain liability insurance on the building and premises (but not Tenant's operation) through the Atlantic County Municipal Joint Insurance Fund.

8. **ASSIGNMENT.** The Tenant shall not assign, mortgage or hypothecate this lease, nor sublet or sublease the premises or any part thereof. However, the Township Department of Recreation may utilize one (1) of the dance studio's within the lease area up to a maximum of eight (8) hours per week if they choose to and it does not displace any existing scheduled programs or activities.
9. **RESTRICTION OF USE.** The Tenant shall not occupy or use the leased premises or any part thereof, nor permit or suffer the same to be occupied or used for any purposes other than as herein limited, nor for any purpose deemed unlawful, disreputable, or extra hazardous, on account of fire or other casualty.
10. **FIRE AND OTHER CASUALTY.** In case of fire or other casualty, the Tenant shall give immediate notice to the Landlord. If the premises shall be partially damaged by fire, the elements or other casualty, the Landlord shall repair the same as speedily as practicable, but the Tenant's obligation to pay the rent hereunder shall not cease. If, in the opinion of the Landlord, the premises be so extensively and substantially damaged as to render them uninhabitable, then the rent shall cease until such time as the premises shall be made tenantable by the Landlord. However, if, in the opinion of the Landlord, the premises be totally destroyed or so extensively and substantially damaged as to require practically a rebuilding

thereof, then the rent shall be paid up to the time of such destruction and then and from thenceforth this lease shall come to an end. In no event however, shall the provisions of this clause become effective or be applicable, if the fire or other casualty and damage shall be the result of the carelessness, negligence or improper conduct of the Tenant or the Tenant's agents, employees, guests, licensees, invitees, subtenants, assignees or successors. In such case, the Tenant's liability for the payment of the rent and the performance of all the covenants, conditions and terms hereof on the Tenant's part to be performed shall continue and the Tenant shall be liable to the Landlord for the damage and loss suffered by the Landlord. If the Tenant shall have been insured against any of the risks herein covered, then the proceeds of such insurance shall be paid over to the Landlord to the extent of the Landlord's costs and expenses to make the repairs hereunder, and such insurance carriers shall have no recourse against the Landlord for reimbursement.

11. **REIMBURSEMENT OF LANDLORD.** If the Tenant shall fail or refuse to comply with and perform any conditions and covenants of the within lease, the Landlord may, if the Landlord so elects, carry out and perform such conditions and covenants, at the cost and expense of the Tenant, and the said cost and expense shall be payable as rent, but in no case later than one month after such demand. This remedy shall be in addition to such other remedies as the Landlord may have hereunder by reason of the breach by the Tenant of any of the covenants and conditions in this lease contained.
12. **INSPECTION AND REPAIR.** The Tenant agrees that the Landlord and the Landlord's agents, employees or other representatives shall have the right to enter into and upon the said premises or any part thereof, at all reasonable hours, for the purpose of examining the same or making such repairs or alterations therein as may be necessary for the safety and preservation thereof. This clause shall not be deemed to be a covenant by the Landlord nor be construed to create an obligation on the part of the Landlord to make such inspection or repairs.
13. **RIGHT TO EXHIBIT.** The Tenant agrees to permit the Landlord and the Landlord's agents, employees or other representatives to show the premises wishing to rent or purchase the same, and Tenant agrees that on and after the date six months before the expiration of the term hereof, the Landlord or the Landlord's agents, employees or other representatives shall have the right to place notices on the front of said premises or any part thereof, offering the premises for rent or for sale; and the Tenant hereby agrees to permit the same to remain thereon without hindrance or molestation.
14. **INCREASE OF INSURANCE RATES.** If for any reason it shall be impossible to obtain fire and other hazard insurance on the buildings and improvements on the leased premises, in an amount acceptable to the Landlord, the Landlord may, if the Landlord so elects at any time thereafter, terminate this lease and the term hereof, upon giving to the Tenant fifteen (15) days' notice in writing of the Landlord's intention so to do, and upon the giving of such notice, this lease and the term thereof shall terminate. If by reason of the use to which the premises

are put by the Tenant or character of or the manner in which the Tenant's business is carried on, the insurance rates for fire and other hazards shall be increased, the Tenant shall upon demand, pay to the Landlord, as rent, the amounts by which the premiums for such insurance are increased. Such payment shall be paid within one month after such demand.

15. **REMOVAL OF TENANT'S PROPERTY.** Any equipment, goods or other property of the Tenant, not removed by the Tenant upon the termination of this lease, or upon any quitting, vacating or abandonment of the premises by the Tenant, or upon the Tenant's eviction, shall be considered as abandoned and the Landlord shall have the right, without any notice to the Tenant, to sell or otherwise dispose of the same, at the expense of the Tenant, and shall not be accountable to the Tenant for any part of the proceeds of such sale, if any.
16. **REMEDIES UPON TENANT'S DEFAULT.** If there should occur any default on the part of the Tenant in the performance of any conditions and covenants herein contained, or if during the term hereof the premises or any part thereof shall be or become abandoned or deserted, vacated or vacant, or should the Tenant be evicted by summary proceedings or otherwise, the Landlord, in addition to any other remedies herein contained or as may be permitted by law, may either by force or otherwise, without being liable for prosecution therefor, or for damages, re-enter the said premises and the same have and again possess and enjoy; and as agent for the Tenant or otherwise, relet the premises and receive the rents therefore and apply the same to the payment of such expenses, reasonable attorney fees and costs, as the Landlord may have been put to in re-entering and repossessing the same and in making such repairs and alterations as may be necessary. The Tenant shall remain liable for such charges as may be in arrears.
17. **TERMINATION ON DEFAULT.** Upon the occurrence of any of the contingencies set forth in the preceding clause, or should the Tenant be adjudicated a bankrupt, insolvent or placed in receivership, or should proceedings be instituted by or against the Tenant for bankruptcy, insolvency, receivership, agreement of composition or assignment for the benefit of creditors, or if this lease or the estate of the Tenant hereunder shall pass to another by virtue of any court proceedings, writ of execution, levy, sale, or by operation of law, the Landlord may, if the Landlord so elects, at any time thereafter, terminate this lease and the term hereof, upon giving to the Tenant or to any trustee, receiver, assignee or other person in charge of or acting as custodian of the assets or property of the Tenant, five days' notice in writing, of the Landlord's intention so to do. Upon the giving of such notice, this lease and the term hereof shall end on the date fixed in such notice as if the said date was the date originally fixed in this lease for the expiration hereof; and the Landlord shall have the right to remove all persons, goods, fixtures and chattels therefrom, by force or otherwise, without liability for damages.
18. **NONLIABILTY OF LANDLORD.** The Landlord shall not be liable for any damage or injury which may be sustained by the Tenant or any other person, as a consequence of the failure, breakage, leakage or obstruction of the water,

plumbing, steam, sewer, waste or soil pipes, roof, drains, leaders, gutters, valleys, down spouts or the like or of the electrical, gas, power, conveyor, refrigeration, sprinkler, air conditioning or heating systems, or by reason of the elements; or resulting from the carelessness, negligence or improper conduct on the part of any other Tenant or of the Landlord or the Landlord's or this or any other Tenant's agents, employees, guests, licensees, invitees, subtenants, assignees or successors; or attributable to any interference with, interruption of or failure, beyond the control of the Landlord, of any services to be furnished or supplied by the Landlord.

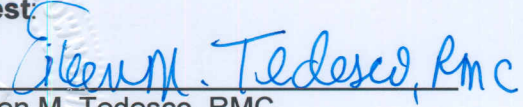
19. **NONWAIVER BY LANDLORD.** The various rights, remedies, options and elections of the Landlord, expressed herein, are cumulative, and the failure of the Landlord to enforce strict performance by the Tenant of the conditions and covenants of this lease or to exercise any election or option or to resort or have recourse to any remedy herein conferred or the acceptance by the Landlord of any installment of rent after any breach by the Tenant, in any one or more instances, shall not be construed or deemed to be a waiver or a relinquishment for the future by the Landlord of any such conditions and covenants, options, elections or remedies, but the same shall continue in full force and effect.
20. **NONPERFORMANCE BY LANDLORD.** This lease and the obligation of the Tenant to pay the rent hereunder and to comply with the covenants and conditions hereof, shall not be affected, curtailed, impaired or excused because of the Landlord's liability to supply any service or material called for herein, by reason of any rule, order, regulation or preemption by any governmental entity, authority, department, agency or subdivision or for any delay which may arise by reason of negotiations for the adjustment of any fire or other casualty loss or because of strikes or other labor trouble or for any cause beyond the control of the Landlord.
21. **VALIDITY OF LEASE.** The terms, conditions, covenants and provisions of this lease shall be deemed to be severable. If any clause or provision herein contained shall be adjudged to be invalid or unenforceable by a court of competent jurisdiction or by operation of any applicable law, it shall not affect the validity of any other clause or provision herein, but such other clauses or provisions shall remain in full force and effect.
22. **NOTICES.** All notices required under the terms of this lease shall be given and shall be complete by mailing such notices by certified or registered mail, return receipt requested, to the address of the parties as shown at the head of this lease, or to such other address as may be designated in writing, which notice of change of address shall be given in the same manner.
23. **TITLE AND QUIET ENJOYMENT.** The Landlord covenants and represents that the Landlord is the owner of the premises herein leased and has the right and authority to enter into, execute and deliver this lease; and does further covenant that the Tenant on paying the rent and performing the conditions and covenants herein contained, shall and may peaceably and quietly have, hold and enjoy the leased premises for the term aforementioned.

24. **MINUTES OF MEETING.** Tenant shall supply Landlord a copy of minutes of all of its meetings (regular, special and emergency) so that the Landlord may monitor the activities of the Tenant and evaluate the progress toward self-sufficiency of the Tenant.
25. **ENTIRE CONTRACT.** This lease contains the entire contract between the parties. No representative, agent or employee of the Landlord has been authorized to make any representations or promises with reference to the within letting or to vary, alter or modify the terms hereof. No additions, changes or modifications, renewals or extensions hereof, shall be binding unless reduced to writing and signed by the Landlord and the Tenant.
26. **MECHANICS' LIENS.** If any mechanics' or other liens shall be created or filed against the leased premises by reason of labor performed or materials furnished for the Tenant in the erection, construction, completion, alteration, repair or addition to any building or improvement, the Tenant shall upon demand, at the Tenant's own cost and expense, cause such lien or liens to be satisfied and discharged of record together with any Notices of Intention that may have been filed. Failure so to do shall entitle the Landlord to resort to such remedies as are provided herein in the case of any default of this lease, in addition to such as are permitted by law.
27. **WAIVER OF SUBROGATION RIGHTS.** The Tenant waives all rights of recovery against Landlord or Landlord's agents, employees or other representatives, for any loss, damages or injury of any nature whatsoever to property or persons for which the Tenant is insured.
28. **CONFORMATION WITH LAWS AND REGULATIONS.** The Landlord may pursue the relief or remedy sought in any invalid clause, by conforming the said clause with the provisions of the statutes or the regulations of any governmental agency in such case made and provided as if the particular provisions of the applicable statutes or regulations were set forth herein at length.
29. **RENEWAL.** Not later than six months before the expiration of this lease, either party may notify the other, in writing, of their intention to renew or not renew this lease. If no notice is received by the Landlord by that date, it shall be assumed that the Tenant will vacate the premises on the last day of the lease term.
30. **REFERENCES.** In all references herein to any parties, persons, entities or corporations the use of any particular gender or the plural or singular number is intended to include the appropriate gender or number as the text of the within instrument may require. All the terms, covenants and conditions herein contained shall be for and shall inure to the benefit of and shall bind the respective parties hereto, and their heirs, executors, administrators, personal or legal representatives, successors and assigns.
31. **AUTHORIZATION.** This lease is authorized by Ordinance No. 41-1993, N.J.S.A.

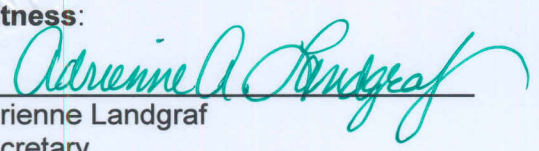
40A:12-14 and 15 and as otherwise permitted by law.

In Witness Whereof, the parties hereto have hereunto set their hands and seals, or caused these presents to be signed by their proper corporate officers and their property corporate seal to be hereto affixed, the day and year first above written.

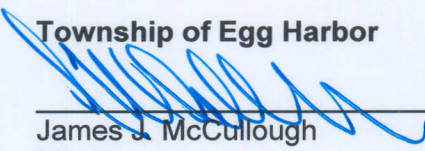
Attest:


Eileen M. Tedesco, RMC
Township Clerk

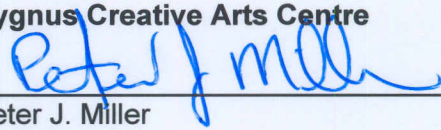
Witness:


Adrienne Landgraf
Secretary

Township of Egg Harbor


James J. McCullough
Mayor

Cygnus Creative Arts Centre


Peter J. Miller
President

BUILDING OCCUPAN	
1.	A. ALL PURPOSE WING.
2.	B. ART WING.
3.	C. RECREATION WING.
	D. ENTRY LOBBY.
	VESTIBULE.
14	TOTAL
	E. HIGH EQUIP MEZZANINE
14	GRAND TOTAL

THE BUILDING WILL BE FULLY
EQUIPPED WITH A FIRE
SYSTEM IN ACCORD
NFPA-72

 DENOTES EXIT, EXIT
CORRIDOR, AISLE,
PASSAGEWAY

 DENOTES STORAGE SEPARATED FROM THE BUILDING WITH BARRIER (45 MIN. [SHUTTERS])

 DENOTES EXIT
 DENOTES DIREC TIC TRAVEL

— DENOTES MIN. I-HA

C-45 DENOTES UL-LABE
RATING IN MINUTES
SHUTTERS (OPENIN

TYPE OF CONSTRUCTION: 2E,
TOTAL BUILDING AREA: 593'

NOTE: 2-HR FIRE WALLS PER
AND WEST SIDES OF ENTRY 1
SEPARATE BUILDING INTO (2)

FIRE AREAS:

FIRE AREA * (33,951 SF); BL
LOBBY W/2 INCLUDES MEZZ

FIRE AREA 2 (13,000 S.F.) E
LOBBY 102.

FIRE AREA 'B' (12,361 SF). BI

