

AGENDA
MONTGOMERY TOWNSHIP
BOARD OF SUPERVISORS
April 28, 2014

www.montgomerytp.org

Joseph P. Walsh
Robert J. Birch
Candyce Fluehr Chimera
Michael J. Fox
Jeffrey W. McDonnell

Lawrence J. Gregan
Township Manager

ACTION MEETING – 8:00 PM

1. Call to Order by Chairman
2. Pledge of Allegiance
3. Public Comment
4. Announcement of Executive Session
5. Consider Approval of Minutes of the April 14, 2014 Meeting
6. Public Hearing – Conditional Use Application - #C-62 – Integral Development Associates for 976 Bethlehem Pike
7. Announce Commemoration Day Events – May 17, 2014
8. Presentation of 1st Quarter 2014 Budget Report
9. Consider 1st Quarter 2014 Budget Amendments
10. Consider Escrow Release #1 – LDS #664OHB – Maple Brook Estates
11. Consider Payment of Bills
12. Other Business
13. Adjournment

Future Public Hearings/Meetings:

05-05-14 @ 7:00 PM – 300th Committee
05-06-14 @ 7:30 PM – Zoning Hearing Board
05-12-14 @ 8:00 PM – Board of Supervisors

NOTICE: Please be advised that all regular and special meetings of the Board of Supervisors are recorded for replay on the Township cable channels, Comcast 22 and Verizon 34.

MONTGOMERY TOWNSHIP BOARD OF SUPERVISORS
BOARD ACTION SUMMARY

SUBJECT: Public Comment

MEETING DATE: April 28, 2014

ITEM NUMBER: #3

MEETING/AGENDA: WORK SESSION


ACTION XX

NONE

REASON FOR CONSIDERATION: Operational: XX Information: Discussion: Policy:

INITIATED BY: Lawrence J. Grogan
Township Manager

BOARD LIAISON: Joseph P. Walsh, Chairman



BACKGROUND:

The Board needs to remind all individual(s) making a comment that they need to identify themselves by name and address for public record.

The Board needs to remind the public about the policy of recording devices. The individual(s) needs to request permission to record the meeting from the chairman and needs to identify themselves, by name and address for public record.

ZONING, SUBDIVISION OR LAND DEVELOPMENT IMPACT:

None.

PREVIOUS BOARD ACTION:

None.

ALTERNATIVES/OPTIONS:

None.

BUDGET IMPACT:

None.

RECOMMENDATION:

None.

MOTION/RESOLUTION:

None.

DISTRIBUTION: Board of Supervisors, Frank R. Bartle, Esq.

MONTGOMERY TOWNSHIP BOARD OF SUPERVISORS
BOARD ACTION SUMMARY

SUBJECT: Announcement of Executive Session

MEETING DATE: April 28, 2014

ITEM NUMBER: #4

MEETING/AGENDA: WORK SESSION

ACTION XX

NONE

REASON FOR CONSIDERATION: Operational: XX Information: Discussion: Policy:

INITIATED BY: Lawrence J. Gregan
 Township Manager

BOARD LIAISON: Joseph P. Walsh, Chairman

BACKGROUND:

Frank Bartle will announce that the Board of Supervisors met in Executive Session and will summarize the matters discussed.

ZONING, SUBDIVISION OR LAND DEVELOPMENT IMPACT:

None.

PREVIOUS BOARD ACTION:

None.

ALTERNATIVES/OPTIONS:

None.

BUDGET IMPACT:

None.

RECOMMENDATION:

None.

MOTION/RESOLUTION:

None.

DISTRIBUTION: Board of Supervisors, Frank R. Bartle, Esq.

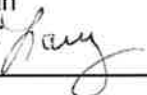
TOWNSHIP BOARD OF SUPERVISORS
BOARD ACTION SUMMARY

SUBJECT: Consider Approval of Minutes for April 14, 2014

MEETING DATE: April 28, 2014 ITEM NUMBER: #5

MEETING/AGENDA: WORK SESSION ACTION XX NONE

REASON FOR CONSIDERATION: Operational: XX Information: Discussion: Policy:

INITIATED BY: Lawrence J. Grogan
Township Manager  BOARD LIAISON: Joseph P. Walsh, Chairman

BACKGROUND:

Just a reminder – Please call Deb Rivas or Shirley Snyder on Monday, April 28, 2014 before noon with any changes to the minutes.

ZONING, SUBDIVISION OR LAND DEVELOPMENT IMPACT:

None.

PREVIOUS BOARD ACTION:

None.

ALTERNATIVES/OPTIONS:

None.

BUDGET IMPACT:

None.

RECOMMENDATION:

None.

MOTION/RESOLUTION:

None.

DISTRIBUTION: Board of Supervisors, Frank R. Bartle, Esq.

**MINUTES OF MEETING
MONTGOMERY TOWNSHIP BOARD OF SUPERVISORS
APRIL 14, 2014**

Chairman Joseph Walsh called the action meeting to order at 8:00 p.m. In attendance were Supervisors Candyce Fluehr Chimera, Michael Fox and Jeffrey McDonnell. Robert Birch was absent. Also in attendance were Frank Bartle, Esquire, Lawrence Gregan, Chief J. Scott Bendig, Richard Lesniak, Shannon Drosnock, Stacy Crandell, Kevin Costello, Bruce Shoupe, Rich Grier, Deb Rivas, Sharon Tucker, Margaret Ferrante and Shirley Snyder.

Following the Pledge of Allegiance, Chairman Joseph Walsh welcomed the members of a Montgomery Township Boy Scout Troop who were in attendance at the meeting as part of their efforts to meet the requirements for Citizen Merit Badge.

Chairman Joseph Walsh called for public comment from the audience. Sam Dugan, a resident of Montgomery Township inquired as to how information on the new mandated stormwater regulations will be made available to the residents of the Township. Township Manager Lawrence Gregan explained the history of the Act 167 Stormwater Management Plan for the Neshaminy Creek Watershed and the requirement of the Township to adopt new stormwater management regulations as provided in the plan. He further explained the effort by the Township to incorporate revisions to the 167 Plan and Stormwater Ordinance to reduce/mitigate the costs for compliance on projects with less than 1000 square feet increase in impervious coverage and to provide for a FILO for projects less than 5000 square feet which would be used to improve existing basins owned by the Township. Montgomery Township, through the efforts of Supervisor Michael Fox, took the lead role in working with Montgomery County and Bucks County in making recommendations to the "draft" plan that would be less of a burden on the residents of the Township while providing FILO funds to improve existing basins.

Chairman Joseph Walsh made a motion and Supervisor Michael Fox seconded the motion to approve the minutes of the March 24, 2014 Board meeting. The minutes of the meeting were unanimously approved as submitted.

Township Solicitor Frank Bartle, Esquire reported that the Board had met in an executive session earlier in the evening at 7:00 p.m. Mr. Bartle reported that the Board discussed personnel matters and three potential litigation matters. Mr. Bartle also reported that these matters are legitimate subjects of executive session pursuant to Pennsylvania's Sunshine Law.

Township Manager Lawrence Gregan announced that Recreation Coordinator, Sharon Tucker will be taking on a new role as Human Resources Specialist in the Administration Department. Ms. Tucker has a background in Human Resources and previously worked in personnel. Resolution #1 made by Supervisor Michael Fox, seconded by Chairman Joseph Walsh and adopted unanimously, recognized and congratulated Sharon Tucker in her promotion to Human Resources Specialist in the Administration Department effective April 1, 2014.

Township Manager Lawrence Gregan announced the upcoming retirements of Margaret (Peggy) Ferrante and Shirley Snyder. Mrs. Ferrante has served as the Finance Department's Accounts Payable Associate since July 6, 1999, completing almost fifteen years of service with the Township. Mrs. Ferrante coordinated the distribution of invoices, ensuring that invoices were accurate and accounted for in accordance with the Township budget, and that expenses were processed in a timely manner. Mrs. Snyder has served as the Administration Department's Administrative Secretary since April 10, 2002, completing just over twelve years of service with the Township. In her position, Mrs. Snyder served as the Administration Department's Administrative Secretary since April 10, 2002, completing just over twelve years of service with the Township. Mrs. Snyder has served as the Recording Secretary for the Board of

Supervisors, coordinated the preparation of the Board agenda and packets, coordinated the list of residents serving on various Township volunteer committees and maintained the official minute and ordinance binders, as well as various other projects. Resolution #2 made by Supervisor Michael Fox, seconded by Chairman Joseph Walsh and adopted unanimously, recognized the retirements of Margaret Ferrante and Shirley Snyder and thanked them for their commitment to public service during their employment at Montgomery Township.

Assist to the Township Manager Stacy Crandell announced the Commemoration Day Event scheduled for May 17, 2014 to celebrate the Township's 300th Anniversary. A 5K Run will be held on May 17, 2014 at 9:00 a.m. at the William F. Maule Park at Windlestrae. The proceeds of this run will be donated to the Wounded Warrior Project. The run is limited to the first 300 runners. Sixty six runners are currently signed up for the event. This run is made possible through the donations of approximately eighteen sponsors, whom the Board of Supervisors thanked for their participation in supporting this event.

Director of Finance Shannon Drosnock reported that Montgomery Township has received The Certificate of Achievement in Financial Reporting from the GFOA. This is the third consecutive year that the Township has achieved this award, which recognizes the Township efforts to present its residents with an outstanding Annual Financial Report. Resolution #3 made by Chairman Joseph Walsh, seconded by Supervisor Michael Fox and adopted unanimously, recognized the Certificate of Achievement in Financial Reporting presented by the GFOA.

Director of Finance Shannon Drosnock reported that the current 'death benefit' and 'vested benefit' language in the Police Pension Plan Document was inconsistent with Act 600 which governs police pension plans. To correct the inconsistency and comply with the Auditor General's Finding, the Township was required to revise the language in the Police Pension Plan

Document. In order to adopt the revised language, it is necessary that a Side Agreement be executed between the Police Collective Bargaining Unit (CBU) and the Township in order to authorize the adoption of the changes to the pension document. Resolution #4 made by Supervisor Michael Fox, seconded by Supervisor Candyce Chimera and adopted unanimously authorized the execution of the 'Side Agreement Between the Township of Montgomery and the Montgomery Township Police Officer's Collective Bargaining Unit' as executed by the Collective Bargaining Unit on March 19, 2014. Resolution #5 made by Supervisor Michael Fox, seconded by Supervisor Candyce Chimera and adopted unanimously, amended the Montgomery Township Police Pension Plan to ensure compliance with current law.

Township Manager Lawrence Gregan reported that at the January 27, 2014 Board of Supervisors meeting the Board authorized the solicitation of Bids for five prime contracts for the construction of an approximately 39,000 square foot Community/Recreation Center to be located at 1030 Horsham Road. Sealed bids were received on March 6, 2014 at 10:00 a.m. and publicly opened and read. In total, ten bids were received for General Construction, six for Electrical, seven for Mechanical, with one withdrawal, nine for Plumbing and three for Fire Protection. Resolution #6 made by Chairman Joseph Walsh, seconded by Supervisor Michael Fox and adopted unanimously awarded the bids to the following low bidders: General Construction, E. R. Stuebner with a base bid of \$7,514,000, Electrical Construction, Lenni Electric with a base bid of \$919,986, Plumbing Construction, Apex Plumbing with a base bid of \$309,500, Mechanical Construction, Worth & Company with a base bid of \$530,000 and Fire Protection, Apex Plumbing with a base bid of \$99,000.

Township Manager Lawrence Gregan reported that staff obtained four proposals for Owners Representative Services for the Community/Recreation Center project. Resolution #7 made by Chairman Joseph Walsh, seconded by Supervisor Michael Fox and adopted

unanimously awarded the contract for Owners Representative Services for the Community/Recreation Center building project to J. D. Bravo Company of Malvern, PA as outlined in their proposal for the not to exceed amount of \$109,000.

Director of Planning and Zoning Bruce Shoupe announced that the Shade Tree Commission will be sponsoring its annual event to celebrate Arbor Day on Saturday, April 26, 2014 at the Montgomery Township Building. Montgomery Township has been named as a 2013 Tree City USA recipient with the presentation of the award during the event. Resolution #8 made by Chairman Joseph Walsh, seconded by Supervisor Michael Fox and adopted unanimously announced the Arbor Day Celebration on Saturday, April 26, 2014.

Director of Planning and Zoning Bruce Shoupe reported that Avalon Way, LLC, the applicant for a proposed subdivision of an existing 1.24 acre parcel into two new lots located on Stevers Mill Road in the R-2 Residential Zoning District. Mr. Shoupe advised that the plan has been reviewed by all of the Township's consultants and found to comply with the Township Zoning and Land Development regulations with eight waiver exceptions. Jason Smeland, P.E. of Lenape Valley Engineering was present, and stated that the applicant has requested eight waivers, which are recommended by the Township Engineering Consultants, as part of the approval. The applicant is proposing to provide 11 of the 17 required trees, and making a fee in lieu of payment for the remaining six trees. Mr. Shoupe reported that there had been a question on the location of a school bus stop and the matter was discussed with Traffic Planning and Design, who determined it was not a problem. If the location of the bus stop becomes a concern, the matter will be referred to the North Penn School District. Resolution #9 made by Chairman Joseph Walsh, seconded by Supervisor Candyce Chimera and adopted unanimously, approved the final land development plan for the 127 Stevers Mill Road Subdivision – LDS #671.

Director of Planning and Zoning Bruce Shoupe reported that BJ's Warehouse is seeking preliminary/final land development plan approval for the store to be located at 640 Cowpath Road within the Five Points Plaza Shopping Center (former American Signature Furniture location). The plan proposes the expansion of the existing building to a total of 89,732 square feet to accommodate the proposed BJ's Warehouse retail store, adding an additional 2,787 square feet of base building area. Robert Brant, Esquire was present representing the applicant and reported that the applicant is in agreement to comply with all conditions of the Consultants review letters and has requested thirteen minor waivers which are recommended by the Township's Engineering Consultants. Resolution #10 made by Chairman Joseph Walsh, seconded by Supervisor Candyce Chimera and adopted unanimously approved the preliminary/final land development plan for Sommerville Montgomery – BJ's Warehouse at 640 Cowpath Road – LDS #673.

Director of Planning and Zoning Bruce Shoupe reported that Chick Fil A has received final Conditional Land Development approval to construct a 4,900 square foot fast food restaurant that will replace the currently vacant, former K & G retail store on Bethlehem Pike. One of the conditions is to obtain Act 537 Sewage Facilities planning approval for sewer service to the facility. The DEP sewage facilities planning module, submitted by the applicant, has been reviewed and recommended for approval by the Montgomery Township Planning Commission. Resolution #11 made by Chairman Joseph Walsh, seconded by Supervisor Candyce Chimera and adopted unanimously, approved the DEP Sewage Facilities Planning Module for Chick Fil A – LDS #669.

Director of Planning and Zoning Bruce Shoupe reported that BJ's Wholesale Club has received final Conditional Land Development approval to construct an additional 10,000 square feet onto the existing building formerly occupied by American Signature Furniture. One of the

conditions is to obtain Act 537 Sewage Facilities planning approval for sewer service to the facility. The DEP sewage facilities planning module has been reviewed and recommended for approval by the Montgomery Township Planning Commission. Resolution #12 made by Chairman Joseph Walsh, seconded by Supervisor Candyce Chimera and adopted unanimously, approved the DEP Sewage Facilities Planning Module for BJ's Wholesale Club at Five Points Plaza, 640 Cowpath Road – LDS #673.

Township Manager Lawrence Gregan reported that the Township is obligated to adopt a new Stormwater Management Ordinance by May 22, 2014 in order to comply with the Neshaminy Creek Act 167 Stormwater Plan. A draft Ordinance has been prepared for advertisement for consideration for adoption at the Boards May 12, 2014 meeting. The draft ordinance includes provisions for exemption of activities disturbing less than 1000 square feet; small projects regulations and “fee in lieu of” options for projects disturbing less than 5000 square feet. Resolution #13 made by Supervisor Michael Fox, seconded by Chairman Joseph Walsh and adopted unanimously, authorized advertisement of the Draft Ordinance establishing a Township Stormwater Management Ordinance, subject to final revisions by the Township Solicitor, for consideration at the Board of Supervisors meeting on May 12, 2014.

Under other business, Township Manager Lawrence Gregan reported that the traffic signal improvements providing left turn controls at the intersection of North Wales and Knapp Roads have been installed and are operational.

Chairman Joseph Walsh made a motion to approve the payment of bills. Supervisor Michael Fox seconded the motion. The payment of bills was unanimously approved as submitted.

There being no further business to come before the Board, the meeting adjourned at 9:00 p.m.

MONTGOMERY TOWNSHIP BOARD OF SUPERVISORS
BOARD ACTION SUMMARY

SUBJECT: Public Hearing – Conditional Use #C-62– Integral Development Associates –
976 Bethlehem Pike

MEETING DATE: April 28, 2014 ITEM NUMBER: #6

MEETING/AGENDA: WORK SESSION ACTION XX NONE

REASON FOR CONSIDERATION: Operational: XX Information: Discussion: Policy:

INITIATED BY: Bruce Shoupe BOARD LIAISON: Joseph P. Walsh
Director of Planning and Zoning Chairman

BACKGROUND:

Attached is an application for conditional use approval from Integral Development Associates. They wish to lease the former Lane Furniture store space with The Tile Shop. The proposed use will not proposing any changes to the exterior improvement (building footprint, parking lot, or access drives) other than new building signage. The proposed use is a specialty retailer of natural stone, ceramic, porcelain and glass materials for interior and exterior floor and wall applications in patio, kitchens and bathroom renovations.

The applicant represents that they meet the requirements of Section 230-227B(1) of the Montgomery Township Zoning Code, that this would be considered a specialty retail store, limiting retail sales specializing in wall and floor tiling, therefore a specialty retail use which is authorized in the HLI-II District as a conditional use.

Adjoining property owners were notified of this hearing. The property was also posted.

Review letters from the Township consultants are attached.

PREVIOUS BOARD ACTION:

This hearing was advertised for this date.

ALTERNATIVES/OPTIONS:

Approve or not approve the conditional use application.

BUDGET IMPACT:

None.

RECOMMENDATION:

That the conditional use application be approved.

MOTION/RESOLUTION:

The Resolution is attached.

MOTION _____ SECOND _____

WHEREAS, Integral Development Associates has submitted an application to the Township of Montgomery for Conditional Use approval to consider the leasing of a specialty retail store, The Tile Shop, to be located at 976 Bethlehem Pike, within the HLI-II – Highway Limited Industrial II District; and

WHEREAS, said application was submitted in compliance with Section 230-156.2 and Section 230-227.B (1) of the Zoning Code; and

WHEREAS, the Board has considered said application, the evidence presented at this hearing, the recommendations of the Township consultants, and the opinions of the citizens of the Township.

NOW, THEREFORE, BE IT RESOLVED by the Board of Supervisors of Montgomery Township that we hereby approve the Conditional Use Application for Integral Development Associates.

MOTION BY:

SECOND BY:

VOTE:

DATE:

xc: Applicant, F. Bartle, R. Dunlevy, B. Shoupe, M. Stoerrle, MCPC, MTPC, K. Johnson, Minute Book, Resolution File, File

Proof of Publication of Notice in *The Reporter*

COPY

COPY OF NOTICE in PUBLICATION

MONTGOMERY TOWNSHIP LEGAL NOTICE

On Monday, April 28, 2014, after 8:00PM, the Montgomery Township Board of Supervisors, during its regularly scheduled meeting, will conduct a conditional use hearing on the application of Integral Development Associates for approval to lease 19,906 square-feet of the existing 37,640 square-foot building (previously occupied by Lane Furniture) to The Tile Shop, on the property located at 976 Bethlehem Pike, Montgomery Township, further identified as Tax Parcel 46-00-00312-00-2, within the HLI-II Highway Limited Industrial II District, by conditional use under Chapter 230, Article XXXI, Section 230-227B(1) [definition of "Specially Retail Use"]; Article XXXI, Section 230-234 [requiring conditional use approval for a change in use]; and Article XXI, Section 230-156.2 [procedures and standards for conditional use approval].

All interested parties are invited to attend. A copy of the application may be examined at the Township building, Monday through Friday, during normal business hours: 9:00AM to 4:00PM. Persons with disabilities wishing to attend the public meeting/hearing and requiring auxiliary aid or other accommodations to participate should contact the Montgomery Township Human Resources Coordinator 215-393-6900.

LAWRENCE J. GREGAN
Township Manager
LAN Apr 11, 18 - 1a

COPY

State of Pennsylvania } ss
County of Montgomery

Maureen Schmid

designated agent of *THE REPORTER*, being duly sworn, deposes and says that *THE REPORTER*, a daily newspaper of general circulation, published at Lansdale, Montgomery County, Pennsylvania, was established in the year of 1870, and has been regularly issued and published in Montgomery County continuously thereafter and for a period of more than six months immediately prior hereto, the printed notice or publication attached is an exact copy of a notice published in the regular edition and issues of *THE REPORTER* on the following dates, viz

April 11, 2014

April 18, 2014

and that said advertising was inserted in all respects as ordered.

Affiant further deposes that he/she is the proper person duly authorized by *THE REPORTER*, a newspaper of general circulation, to verify the foregoing statement under oath and that affiant is not interested in the subject matter of the aforesaid notice or advertisement, and that all allegations in the foregoing statements as to time, place and character of publication are true.

Maureen Schmid

Sworn to and subscribed before me this

22nd day of April, 2014

Marcia B Burns
Notary Public

COMMONWEALTH OF PENNSYLVANIA

NOTARIAL SEAL

MARCIA B. BURNS, Notary Public
Upper Dublin Twp., Montgomery County
My Commission Expires November 20, 2015

INTEGRAL DEVELOPMENT ASSOCIATES

E-MAIL
MITCHRUSSELL11@GMAIL.COM

93 OLD YORK ROAD
JENKINTOWN, PA 19046
(215) 887-5979

FACSIMILE
(215) 887-5939

March 17, 2014

Montgomery Township Board of Supervisors
Montgomery Township
1001 Stump Road
Montgomeryville, PA 18936
Attn: Ms. Marita Stoerrle

Re: Integral Development Associates/Conditional Use Approval for the Tile Shop, 976 Bethlehem Pike

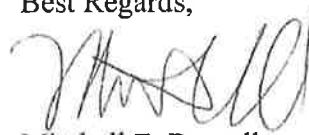
Gentlemen and/or Ladies:

Please accept this e-mail as notice from Integral Development Associates (which I serve as counsel and as a principal) for a 30 day extension of time for holding a public hearing on the consideration of our Conditional Use Approval for the Tile Shop, as a potential occupant of the premises we own at 976 Bethlehem Pike (formerly occupied by Lane Furniture).

We would certainly appreciate your efforts to reschedule for as soon as April 28th, as we anticipate the need for only a very brief presentation (since there is no exterior construction, modification of parking areas, or other exterior modifications required for this use).

Thank you for your courtesies.

Best Regards,



Mitchell E. Russell

INTEGRAL DEVELOPMENT ASSOCIATES

93 Old York Road, Suite 300
Jenkintown, PA 19046
(215) 887-5979
(215) 887-5939
MitchRussell11@gmail.com

February 26, 2014

BY HAND DELIVERY

Board of Supervisors
Montgomery Township
1001 Stump Road
Montgomeryville, PA 18936-9605

Re: Integral Development Associates – 976 Bethlehem Pike

Gentlemen and/or Ladies:

Attached please find our Application for Conditional Use Approval and attachments (as described below), along with the following checks: (i) \$1,000.00 to Montgomery Township for the Non-Residential Application Fee, (ii) \$1,500.00 to Montgomery Township for the Escrow, and (iii) \$210.00 to Montgomery County.

We are seeking the approval of a new tenant to replace Lane Furniture (who has vacated the premises and rejected their lease as part of their bankruptcy filing). The new tenant, "The Tile Shop", will be leasing the entire space formerly leased by Lane Furniture, and is not requiring any additions to the building or any changes to the existing parking fields, landscaping or loading areas. The Tile Shop is a specialty retail use within the definition of Section 230-227(B)(1) of the Montgomery Township Zoning Ordinance.

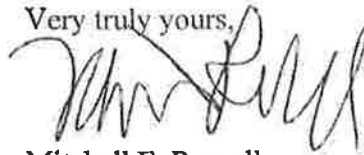
Per the Check Off Sheet provided as part of the Application, the following are the attachments to the Application, as applicable:

- A (Tab 1) – Appeal (10 copies attached)
- B (Tab 2)—Plans (10 copies of the final subdivision and land development plan attached—no changes planned to lots, roads, easements, water courses, tree masses or open space)
- B (Tab3)—Plans (10 copies of the variation to the sizes of the buildings on the subject property that occurred as a result of the previous conditional use approvals for La-Z-Boy and Lane Furniture stores)
- C (Tab 4)—Tax Map (10 copies attached)
- D—Deed (not applicable)
- E (Tab 5)—Lease Agreement (10 copies attached)
- F (Tab 6)—Plan of Proposed Structure (structure is not changing—10

copies of original building drawings for Lane Furniture are attached)
G—Exhibits (not applicable)
H (Tab 7)—List of Adjacent Property Owners (10 copies attached)

Please note, I am a licensed Pennsylvania attorney (as well as a principal of the ownership entity), and I intend to represent the owner (Integral Development Associates) both as principal and as attorney at the conditional use approval hearing.

Please let me know if you have any questions regarding any of the foregoing.

Very truly yours,

Mitchell E. Russell

APPLICATION
FOR
CONDITIONAL USE

MONTGOMERY TOWNSHIP
1001 STUMP ROAD
MONTGOMERYVILLE, PA 18936

Application for Conditional Use

Township of Montgomery, Montgomery County, Pennsylvania

Notice Of Appeal

Appellant: Name: INTEGRAL DEVELOPMENT ASSOCIATES
Address: 93 OLD YORK RD., SUITE 300
JENKINTOWN PA 19046
Phone: 215-887-5979 Fax: 215-887-5939
E-Mail: MITCHRUSSELL@RUSSELLLAWGROUP.NET

Owner: Name: INTEGRAL DEVELOPMENT ASSOCIATES
Address: 93 OLD YORK RD., SUITE 300
JENKINTOWN PA 19046
Phone: 215-887-5979 Fax: 215-887-5939
E-Mail: MITCHRUSSELL@RUSSELLLAWGROUP.NET

Attorney: Name: MITCHELL E. RUSSELL, ESQ.
Address: RUSSELL LAW GROUP, PC, 93 OLD YORK RD., SUITE 300
JENKINTOWN PA 19046
Phone: 215-887-5979 Fax: 215-887-5939
E-Mail: MITCHRUSSELL@RUSSELLLAWGROUP.NET

Notice of Appeal
Page 2

Interest of appellant, if not owner (agent, lessee, etc.):

OWNER

1. Brief Description of Real Estate Affected:

Block and Unit Number BLOCK 11, UNIT 8

Location 976 BETHLEHEM PIKE, MONTGOMERYVILLE

Lot Size 182,019 S.F.

Present Use SPECIALTY RETAIL

Present Zoning Classification HLI II -- HIGHWAY LIMITED INDUSTRIAL II

Present Improvements Upon Land 37,640 S.F. RETAIL BUILDING CONTAINING TWO RETAIL PREMISES

Deed Recorded at Norristown in Deed Book 5410 Page 1190

2. Specific reference to section of the Zoning Ordinance upon which application is based.

ARTICLE XXXI, SECTION 230-227B (1) (DEFINITION OF "SPECIALTY RETAIL USE")
ARTICLE XXXI, SECTION 230-234 (REQUIRING CONDITIONAL USE APPROVAL FOR A CHANGE
ARTICLE XXI, SECTION 230-156 IN USE)
(PROCEDURES AND STANDARDS FOR
CONDITIONAL USE APPROVAL)

3.

Action desired by appellant or applicant (statement of proposed use)

TO LEASE 19,906 PORTION OF EXISTING BUILDING FORMERLY OCCUPIED BY LANE
FURNITURE TO THE TILE SHOP, LLC, A RETAIL STORE THAT SELLS HOUSEHOLD TILES
(KITCHEN, BATHROOMS, ENTRYWAYS) AND GROUT

4. Reasons appellant believes Board should approved desired action (refer to section(s) of Ordinance under which it is felt that desired action may be allowed, as well as regulations contained in Article XVII, Signs, Article XIX, Off Street Parking and Loading and Article XXI, Miscellaneous Provisions.

(1) USER IS SPECIALTY RETAIL USE (§230-227B(1))

(2) RETAIL USE GENERATES LOW TRAFFIC VOLUME SINCE IT IS SPECIALTY RETAIL USE

(3) EXISTING BUILDING, LOADING AND PARKING WILL NOT BE MODIFIED FOR NEW USER
(ACCORDINGLY EXISTING DIMENSIONAL STANDARDS OF §230-229 REMAIN IN CURRENT
STATUS/COMPLIANCE)

(4) USE IS 19,906 SQ. FT., MEETING THE 15,000 SQUARE FOOT MINIMUM GROSS FLOOR
AREA REQUIRED BY §230-227B

5. Has previous application for conditional use been filed in connection with these premises?

☒ Yes ☐ No

YES: CONDITIONAL USE APPROVAL FOR EXISTING FURNITURE STORE (LA-Z-BOY) AND
FORMER OCCUPANT (LANE FURNITURE) WERE PREVIOUSLY GRANTED

NOTE:

If more space is required, attach a separate sheet and make specific reference to the question being answered.

I, hereby depose and say that all of the above statements and the statements contained in any papers or plans submitted herewith, are true to the best of my knowledge and belief.

SWORN TO AND SUBSCRIBED BEFORE ME THIS

25 DAY OF FEBRUARY 2014

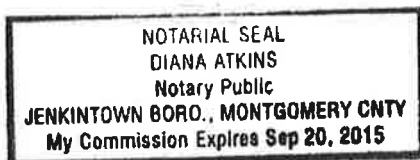
INTEGRAL DEVELOPMENT ASSOCIATES

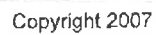
Diana Atkins

Notary Public

[Signature]

Appellant's or Owner's Signature





LEASE AGREEMENT

AGREEMENT OF LEASE made this 22nd day of January, 2014, by and between **INTEGRAL DEVELOPMENT ASSOCIATES**, a Pennsylvania limited partnership, with its principal place of business at 93 Old York Road, Suite 300, Jenkintown, PA 19046 ("**Landlord**"), party of the first part, and **THE TILE SHOP, LLC**, with a place of business at 14000 Carlson Parkway, Plymouth, MN 55441 ("**Tenant**"), party of the second part.

WITNESSETH THAT, for and in consideration of the rents, covenants and agreements herein contained and intending to be legally bound hereby, the parties hereto covenant and agree as follows:

1. Reference Data. As used in this Lease, the following terms shall be defined as indicated and refer to the data set forth in this section 1.

PREMISES: the 19,906 rentable square foot portion of a 37,640 square foot building (the "**Building**") located at 976 Bethlehem Pike, Montgomery Township, Montgomeryville, Pennsylvania (the "**Premises**"), as further identified in Exhibit "**A**" attached hereto and made a part hereof. Exhibit "**A**" is intended to include the legal description of the Building, as well as the entire Montgomeryville Center Shopping Center (the "**Shopping Center**") of which the Building is a part, as well as a drawing of the physical location of the Premises within the Shopping Center.

COMMON AREAS: all common areas and facilities located on or pertaining to the Building, including any and all parking areas, driveways (including the access drive from the Shopping Center to Witchwood Road), passageways, sidewalks, walkways, curbs, entrances, exits, landscaped areas, loading facilities, elevators, lobbies, equipment, signs (including the pylon sign) and facilities, furnished by Landlord in, on, upon or pertaining to the Shopping Center, now and from time to time hereafter for the common or joint use and benefit of the other occupants in the Shopping Center.

TERM: Commencing on the Lease Commencement Date, and terminating June 30, 2025, subject to three (3) options to extend the Term for an additional five (5) years in each such option, as more particularly described herein.

LEASE COMMENCEMENT DATE:

The date that is not less than forty-five (45) days following Landlord's receipt of the conditional use approval for Tenant's use and occupancy of the Premises from Montgomery Township, but in no event later than July 1, 2014.

RENT COMMENCEMENT DATE:

December 1, 2014.

BASE RENT: See Exhibit "**B**" attached hereto and made a part hereof.

ADDITIONAL RENT:

Sums not including Base Rent which Tenant is obligated to pay to Landlord from time to time pursuant to the terms of this Lease. The Additional Rent shall include, without limitation, the "Expense Rent" defined in Section 5 below.

RENT:

Base Rent, Expense Rent, Additional Rent, and all other sums that are due from Tenant to Landlord pursuant to the terms of this Lease are sometimes referred to herein as "Rent".

TENANT'S PROPORTIONATE SHARE:

52.89% --The percentage determined by dividing the rentable square footage of the Premises (19,906) by the rentable square footage of the Building (37,640).

PERMITTED USES:

Tenant shall use and occupy the Premises for retail sales or as otherwise permitted under the zoning and subdivision laws of Montgomery Township, Pennsylvania, subject to the terms of the Reciprocal Easement and Operation Agreement ("REA") dated May 9, 2002, and recorded on May 30, 2002 in Book 5410, page 1280, et seq.

GUARANTY:

The Guaranty of certain of Tenant's obligations under this Lease delivered by Tile Shop Holdings, Inc. ("Guarantor"), as more particularly described in Section 34, below.

2. Demise. Landlord hereby demises and lets to Tenant and Tenant hereby leases from Landlord the Premises for the Term, upon the conditions and limitations set forth herein. Tenant shall also have the non-exclusive right of access to, egress from, and use of all Common Areas during the Term, upon the conditions and limitations set forth herein. The Common Areas shall also include the pylon sign located at the Shopping Center; the name of Tenant (or Tenant's trade name) shall be maintained on the foregoing pylon sign during the term of this Lease, in the location and manner as shown on Exhibit "C" attached hereto which are hereby approved by Landlord; provided, however: (i) such pylon signage shall be subject to all laws and regulations of applicable governmental authorities, and (ii) the fabrication and installation of Tenant's pylon signage shall be at Tenant's sole cost and expense.

3. Construction.

A. Tenant accepts the Premises in "as-is", "where-is" condition, in accordance with the as-built plans and specifications of the Premises previously delivered to Tenant and referenced to the following URL: <https://www.dropbox.com/home/Montgomeryville%20Lane%20Plans>.

B. On or prior to the Lease Commencement Date, the Premises shall be delivered to Tenant for the commencement of the Tenant Work. Tenant shall, at Tenant's sole cost and expense (subject to the "Tenant Improvement Allowance" described below), complete, alter or improve the Premises for Tenant's use (the "Tenant Work"). On the later to occur of (i) sixty (60) days after Tenant opens for business at the Shopping Center, or (ii) September 1, 2014, Landlord shall pay Tenant a Tenant Improvement Allowance equal to \$10.00 per rentable square foot; provided, however, that the payment of the Tenant Improvement Allowance by Landlord to Tenant shall be further conditioned upon the delivery by Tenant to Landlord of releases of liens from all contractors and subcontractors who provided labor or materials for the Tenant Work.

C. Tenant shall have the right to retain its own reputable contractors, designers, engineers and construction management firm to perform the Tenant Work at the Premises, subject to Landlord's approval which approval shall not be unreasonably withheld.

D. As a condition precedent to the performance of the Tenant Work, or any other construction by or on behalf of Tenant as may be permitted by this Lease, Tenant shall (i) submit to Landlord for Landlord's approval the Plans and Specifications and such other drawings as shall be reasonably requested by Landlord (the "Tenant Plans"), which approval by Landlord shall not be unreasonably withheld with respect to any non-structural, interior improvements intended to be made by Tenant (Tenant hereby acknowledging and agreeing that all construction work of a structural nature or which affects any structural components or any of the Building's systems shall be subject to Landlord's approval, to be granted or withheld in Landlord's sole and absolute discretion), (ii) provide to Landlord satisfactory evidence that Tenant has received all financing required to complete the construction of the Tenant Work, and (iii) provide to Landlord satisfactory evidence of insurance as required herein. All Tenant Work shall be performed in compliance with all applicable laws, rules, regulations and ordinances. Tenant shall indemnify, defend and hold harmless Landlord from and against any and all losses, costs, liabilities and expenses (including reasonable counsel fees and costs of litigation) on account of injuries to persons or damage to property which Landlord may suffer, incur or be exposed to as a result of the Tenant Work.

E. Tenant's occupancy of the Premises for the purpose of commencing the Tenant Work shall be deemed a full and complete acceptance of the Premises and such acceptance shall also be deemed to be a complete waiver by Tenant of all defects, imperfections, claims and liabilities respecting the delivery of the Premises.

4. Rent.

A. Tenant shall pay to Landlord during the Term the Base Rent, without notice or demand, in the monthly installments specified in Exhibit "B", in advance on the first day of each calendar month of the Term commencing on the Rent Commencement Date. If the Rent Commencement Date and/or the expiration date of this Lease are other than the first or last day of a calendar month, as the case may be, the Base Rent shall be prorated for each such partial month.

B. Tenant shall pay to Landlord during the Term, as of the Rent Commencement Date, the Expense Rent, without notice or demand, in the monthly installments estimated by Landlord in accordance with Section 5 below, in advance on the first day of each calendar month of the Term. The estimated Expense Rent as of the Rent Commencement Date is equal to [REDACTED] per month.

C. The first monthly installment of Base Rent and Expense Rent for the period of December 1, 2014 through December 31, 2014 shall be paid by Landlord to Tenant on or before the later to occur of (i) ten (10) days after Tenant opens for business at the Shopping Center, or (ii) July 1, 2014.

D. If Tenant fails to pay when due any Rent or any other sum within five (5) days after its due date, then Tenant shall pay a late charge in the amount of five percent (5%) of the amount of such delinquent payment or payments, as the case may be. Such late charge is intended to compensate Landlord for additional expenses incurred by Landlord in processing such late payments. The late charge provided for herein is in addition to and is cumulative with all other rights and remedies of Landlord provided for hereunder. Nothing herein contained is intended to violate any applicable law, code or regulation, and in all instances all such charges shall be automatically reduced to any maximum applicable legal rate or charge. Such charge shall be imposed monthly for each late payment.

5. Real Estate Taxes, Insurance; Common Area Expenses.

Tenant shall pay as Additional Rent its Proportionate Share of Real Estate Taxes, Insurance and Common Area Expenses (together, the "Expense Rent") applicable to the Building. In addition to Base Rent, Tenant shall pay monthly one twelfth (1/12) of Tenant's pro rata share of the amount of the Expense Rent estimated by Landlord. Landlord shall cause to be kept books and records showing Real Estate Taxes, Insurance and Common Area Expenses in accordance with generally accepted accounting principles. Within 180 days following the close of each calendar year, Landlord shall cause the amount of the Expense Rent for such calendar year to be computed based on the Real Estate Taxes, Insurance and Common Area Expenses for such calendar year, and Landlord shall deliver to Tenant a statement of such amount and Tenant shall pay any deficiency as shown by such statement to Landlord with the next due Base Rent installment. If the total of the estimated monthly installments paid by Tenant during any calendar year exceed the actual amounts due from Tenant for such calendar year, then such excess shall be credited against payments currently due hereunder. Landlord shall make available for Tenant's inspection at Landlord's offices, Landlord's records relating to the Real Estate Taxes, Insurance and Common Area Expenses for any period requested by Tenant. Any such inspection by Tenant shall be performed by Tenant's employees, and may not be conducted by third party expense auditing company. Any overpayment by Tenant reflected by such inspection shall be promptly refunded to Tenant.

(i) As used herein, "Real Estate Taxes" shall mean real estate taxes and other taxes or charges levied in lieu of such taxes, general and special public assessments, charges imposed by any governmental authority pursuant to anti-pollution or environmental legislation other than charges or penalties imposed on Landlord, prior owners or other tenants in the Building for which Tenant is not responsible, taxes on the rentals of the Shopping Center or the use, occupancy or renting of space therein;

(ii) As used herein, "Insurance" shall mean premiums and fees for fire and extended coverage insurance and public liability insurance, all in amounts and coverages (with additional policies against additional risks) as may be required by Landlord or the holder of any mortgage on the Building.

(iii) As used herein, "Common Area Expenses" shall mean all expenses, costs and disbursements (other than Real Estate Taxes and Insurance) of every kind and nature (determined for

the applicable calendar year on an accrual basis) paid or incurred by Landlord in connection with the management, operation, maintenance and repair of the Common Areas of the Building or the Shopping Center (including amounts due or payable by Landlord under the REA), together with an administrative charge thereon equal to 10% of the Common Area Expenses; but Common Area Expenses shall exclude the following:

- (A) Costs of alterations of any tenant's premises;
- (B) Principal or interest payments on loans secured by mortgages or trust deeds on the Building;
- (C) Costs of roof repairs or capital improvements, except that Common Area Expenses shall include the cost, as amortized over the useful life of such capital improvements (as determined in accordance with generally accepted accounting principles consistently applied), of any capital improvements primarily made or installed which, (1) in Landlord's reasonable opinion, will have the effect of reducing any component cost included within Common Area Expenses, or (2) under generally accepted accounting principals ("GAAP") consistently applied, may be expensed or treated as deferred expenses (and the amortization and interest so determined for each calendar year shall be included in Common Area Expenses for that calendar year);
- (D) Leasing commissions for space in the Building;
- (E) Depreciation of the Building;
- (F) Any charitable or political contributions of Landlord;
- (G) Any Building or Shopping Center marketing fund;
- (H) Legal fees incurred negotiating terms or enforcing leases;
- (I) Management fees; or
- (J) Any administrative fee other than the 10% administrative fee set forth in Section 5(iii), above.

6. Use and Occupancy Tax. Tenant shall pay any Use and Occupancy Tax imposed on Tenant's occupancy of the Premises. In the event collection of the Use and Occupancy Tax is imposed on Landlord, Tenant shall pay to Landlord, within fifteen (15) days of the submission by Landlord of a bill thereof. Landlord shall have the same remedies for the non-payment of such Use and Occupancy Tax that it has upon Tenant's failure to pay Basic Rent hereunder. Landlord agrees to pay any sums collected by it to the proper governmental authorities in a timely fashion.

7. Maintenance of Premises.

(a) Landlord shall be responsible, at its sole cost and expense, to keep the Common Areas of the Building, the roofs and exterior walls, interior structural members, the foundation and concrete slab of which the Premises is a part, and the roof top air conditioning units (for a period of five (5) years from the Lease Commencement Date with respect to the roof top units only), in good order and repair, except

for any damage thereto caused by the Tenant Work or by the breach by Tenant of any of Tenant's obligations contained herein (including, without limitation, any parts thereof which are installed by Tenant as part of the Tenant Work, and Tenant's maintenance and repair obligations contained in Section 7(b) below); provided that Tenant shall give Landlord reasonable notice of the need for such repair. Except as set forth in this Section 7, all expenses associated with the repair, maintenance and operation of the Common Areas shall be paid by Landlord, it being the intent of the parties that the Expense Rent shall be Tenant's sole responsibility with respect to Common Areas charges.

(b) Tenant shall, throughout the term, and at its sole cost and expense, take good care of the Premises and the other improvements now or hereafter comprising all or any part of the Premises, the fixtures and appurtenances in the Premises and maintain the same in good order and condition, and promptly at Tenant's own cost and expense make all repairs necessary to maintain such good order and condition, except for repairs which Landlord agrees to make pursuant to the previous paragraph. Tenant shall, at its sole cost and expense, repair and replace all damage or injury to the Premises, including any portion of the Premises which Landlord is obligated to maintain pursuant to the previous paragraph of this Section 7, caused by (i) the negligence or willful conduct of Tenant or its employees, agents, invitees, licensees, subtenants, or contractors, or (ii) as the result of all or any of them moving in or out of the Premises or by installation or removal of furniture, fixtures or other property, which repairs and replacements shall be in quality and class equal to the original work or installations. If Tenant fails to make any repairs or replacements required herein after thirty (30) days' prior written notice from Landlord (with the exception of emergencies, which shall not require prior notice), the same may be made by Landlord and such expense shall be collectible as Additional Rent and paid by Tenant within fifteen (15) days after rendition of a bill therefor.

(c) Landlord shall not be liable by reason of any injury to or interference with Tenant's business arising from the making of any repairs, alterations, additions or improvements in or to the Premises or to any appurtenances or equipment therein, except to the extent such repairs, etc., are necessitated by the negligence or willful act of Landlord, its agents, employees or contractors. There shall be no abatement of rent because of such repairs, alterations, additions or improvements.

8. Utilities. From and after the Lease Commencement Date, Tenant shall be solely responsible for and shall promptly pay all rents, costs and charges for electricity, telephone, security systems, water, sewer, gas, and any other service used or consumed in or servicing the Premises and all other costs and expenses involved in the care and use thereof. In the event any such services are not separately metered and billed to Tenant, Tenant shall pay such amounts as Additional Rent within fifteen days of Landlord's submission of any bills therefor. Notwithstanding the foregoing, all utility expenses associated with the Common Areas shall be paid by Landlord (subject only to the partial payment therefor by Tenant by reason of Tenant's payment of the Expense Rent).

9. Insurance.

A. Tenant, at Tenant's expense, shall maintain in effect throughout the Term, general comprehensive public liability insurance against claims for personal injury (including death) and property damage, with respect to Tenant's activities and property in, on and about the Premises, and with respect to occurrences arising out of or related to this Lease and/or Tenant's use or occupancy of the Premises, the Building and the Shopping Center and the activities therein, thereon and thereabout of Tenant and any subtenants and their respective servants, employees, agents, invitees and licensees, with coverage on an

occurrence basis in all cases of not less than a combined single limit of \$1,000,000.00 per occurrence and not less than \$3,000,000 aggregate coverage per one (1) accident or disaster and (ii) business interruption insurance against loss or damage resulting from the same risks as are covered by the insurance set forth in clause (i) above in an amount equal to the aggregate of the then current Lease Year's Base Rent and Expense Rent.

B. Prior to the Lease Commencement Date, Tenant shall provide Landlord with certificates of the insurance policies herein required of Tenant. All policies shall provide that coverage thereunder may not be reduced or terminated without at least thirty (30) days prior written notice to Landlord. Tenant shall furnish to Landlord throughout the Term replacement certificates at least thirty (30) days prior to the expiration date of the then current policies and, upon request of Landlord, shall supply to Landlord copies of all policies herein required of Tenant. The insurance policy referred to in subsection A above shall name both Landlord and Tenant as insured parties.

C. Each of the parties hereto hereby releases the other from all liability for all injury, loss or damage which may be inflicted upon persons or the property of such party, even if such liability results from the negligence of the other party; provided, however, that this release shall be effective only (i) during such time as the applicable insurance policy carried by such party names the other party as a co-insured or contains a clause to the effect that this release shall not affect said policy or the right of the insured to recover thereunder, and (ii) to the extent of the coverage of such policy. If any policy does not permit such a waiver, and if the party to benefit therefrom requests that such a waiver be obtained, the other party agrees to obtain an endorsement to its insurance policies permitting such waiver of subrogation, if available, and if an additional premium is charged for such waiver, the party benefiting therefrom shall pay same promptly upon being billed therefor.

10. Casualty.

A. If the Premises shall be damaged or destroyed by fire or other casualty, Tenant shall promptly notify Landlord, and Landlord shall repair the damaged portions of the Premises (but not any of the Tenant's property therein or improvements or alterations made by the Tenant), except that if, in Landlord's reasonable judgment, the damage would require more than sixty days work to repair, or if the insurance proceeds (excluding rent insurance) which Landlord anticipates receiving must be applied to repay any mortgages encumbering the Building or are otherwise inadequate to pay the cost of such repair, then the Landlord shall have the right to terminate this Lease by so notifying Tenant, which notice shall specify a termination date not less than fifteen (15) days after its transmission. If Landlord is so required to repair, the work shall be commenced promptly and completed with due diligence, taking into account the time required by Landlord to effect a settlement with, and procure insurance proceeds from, the insurer, except for delays due to governmental regulation, scarcity of or inability to obtain labor or materials, or causes beyond Landlord's reasonable control.

B. If Landlord does not restore the Premises or the affected portion to tenantability within one hundred and eighty (180) days after such casualty (or such longer period of time as Landlord and Tenant may agree following such casualty), Tenant may then terminate this Lease, retroactive to the date of casualty.

11. Condemnation.

A. If all or a substantial portion of the Premises is taken through the exercise of the power of eminent domain, this Lease shall terminate on the date when possession of the Premises is acquired by the condemning authority. If only part of the Premises is taken, then (i) if the condemnation award is insufficient to restore the remaining portion of the Premises or if such award must be applied to repay any mortgages encumbering the Premises, or (ii) if a substantial portion of the Premises is so taken, and it is commercially impossible for Tenant to continue its business within the Premises, then Landlord in the case of (i) above and Tenant in the case of (ii) above shall have the right to terminate this Lease on the date when the condemned portion of the Premises is required to be delivered to the condemning authority, which right shall be exercisable by the exercising party so notifying the other party no later than thirty (30) days prior to such date.

B. If this Lease is not so terminated after a partial condemnation, then after the date when the condemned portion of the Premises is delivered to the condemnor, the Base Rent shall be reduced effective as of the date of delivery in the proportion which the condemned area bears to the entire area of the Premises.

C. Tenant shall have the right to claim against the condemnor only for removal and moving expenses and business dislocation damages which may be separately payable to tenants in general under Pennsylvania law, provided such payment does not reduce the award otherwise payable to Landlord. Subject to the foregoing, Tenant hereby waives all claims against Landlord with respect to a condemnation, and hereby assigns to Landlord all claims against the condemnor including, without limitation, all claims for leasehold damages and diminution in the value of Tenant's leasehold estate. Tenant shall also have the right to make claim for the loss of leasehold improvements and fixtures installed by Tenant at its expense so long as the payment for the taking of such leasehold improvements or fixtures does not reduce the award otherwise payable to Landlord.

12. Tenant's Fixtures. Tenant shall have the right to install trade fixtures, machinery and equipment (excluding alterations, improvements and additions which are governed by Section 13) required by Tenant or used by it in its business, provided that same do not impair the structural strength of the Building and further provided that such trade fixtures, machinery and equipment shall be limited to items normally used in a retail building. Tenant shall remove all such trade fixtures, machinery and equipment prior to the end of the Term, and Tenant shall repair and restore any damage to the Premises caused by such installation or removal.

13. Alterations. Tenant shall not, without on each occasion, first obtaining Landlord's prior written consent, make any alterations, improvements or additions to the Premises, except that Tenant may, without the consent of Landlord but with prior written notice to Landlord, make minor improvements to the interior of the Premises provided that they do not impair the structural strength, operation or value of the Premises. Tenant agrees to pay for such alterations, improvements or additions, and to indemnify, save and hold Landlord harmless from any cost, expense or liens arising in connection therewith. All alterations, improvements and additions, except for minor alterations and improvements as aforesaid, upon completion of construction thereof, shall become part of the Premises and the property of Landlord without payment therefor by Landlord and shall be surrendered to Landlord at the end of the Term; provided, however, that Tenant shall, prior to the end of the Term, remove all such alterations and improvements, or the parts thereof specified by Landlord, from the Premises and shall repair all damage caused by installation and removal. For purposes of this Section 13, "minor improvements" shall be defined as those improvements costing no more than \$10,000.

14. Liens.

A. Landlord's Lien. In addition to any statutory Landlord's lien and as security for payment of Rent, damages and all other payments required to be made by Tenant under this Lease, Tenant hereby grants to Landlord a lien upon and security interest in all property of Tenant now or subsequently located upon the Premises. Upon a third or subsequent occurrence of default under Section 22(A)(i)-(ii) or any other occurrence of any Event of Default specified in this Lease, Landlord may enter upon the Premises, by legal process, and take possession of all or any part of such property, and may sell all or any part of such property at a public or private sale, in one or successive sales, with or without having such property at the sale, to the highest bidder for cash, and, on behalf of Tenant, sell and convey all or part of such property to the highest bidder, delivering to the highest bidder all of Tenant's title and interest in the property sold. The proceeds of the sale of such property shall be applied by Landlord toward the reasonable costs and expenses of the sale, including attorneys' fees, and then toward the payment of all sums then due by Tenant to Landlord under the terms of this Lease. Any excess remaining shall be paid to Tenant or any other person entitled thereto by law; and Tenant shall pay any deficiency forthwith.

B. Uniform Commercial Code. This Lease is intended as and constitutes a security agreement within the meaning of the Uniform Commercial Code of the state in which the Premises are situated. Landlord, in addition to the rights prescribed in this Lease, shall have all of the rights, titles, liens and interests in and to Tenant's property, now or hereafter located upon the Premises, which may be granted a secured party (as that term is defined under such Uniform Commercial Code), under this Lease. Tenant will on request execute and deliver to Landlord a financing statement (or continuation statement) for the purpose of perfecting Landlord's security interest under this Lease. Landlord may file this Lease, a photographic or other reproduction of this Lease, or a memorandum of this Lease as a financing statement.

C. Liens Arising from Tenant's Work. Tenant shall not suffer or permit the interest of Landlord in either the Premises or the Building to be subject to any construction, mechanics', materialman's liens or liens of any kind. All parties with whom Tenant may deal are put on notice that Tenant has no power to subject Landlord's interest to any claim or lien of any kind or character, and all such persons so dealing with Tenant must look solely to the credit of Tenant, and not to Landlord's assets or interest. Tenant shall put all such parties with whom Tenant may deal on notice of the terms of this Section. If at any time a lien or encumbrance is filed against either the Premises or the Building as a result of Tenant's work, materials, or obligations, Tenant shall promptly discharge said lien or encumbrance by payment or bond.

15. Use of Premises. Tenant shall use the Premises only for the Permitted Use. Tenant will not occupy or use the Premises, or permit any portion of the Premises to be occupied or used, for any business or purpose other than the Permitted Use or for any use or purpose which is unlawful, in part or in whole, disreputable in any manner, in violation of the REA, or extra hazardous on account of fire, nor permit anything to be done which shall in any way cause substantial noise, vibrations, fumes, or increase the rate of insurance on the Building or contents or cause any cancellation of any insurance policy covering the Building or any portion of its contents; and in the event that there shall be any increase in the rate of insurance on the Building or contents created by Tenant's acts or conduct of business, Tenant hereby agrees to pay to Landlord the amount of such increase on demand. Tenant will conduct its business and control its agents, employees and invitees in such a manner as not to create any nuisance, nor interfere with or disturb the possession of other tenants or Landlord in the management of the Building or the Shopping Center.

16. Environmental Matters. Without limiting the generality of Section 15 hereof, Tenant shall conduct all activity in compliance with all federal, state, and local laws, statutes, ordinances, rules, regulations, orders and requirements of common law concerning protection of the environment or human health ("Environmental Law"). Tenant shall also cause its subtenants (if subtenants are permitted by this Lease), licensees, invitees, agents, contractors, subcontractors and employees to comply with all Environmental Laws. Tenant and its permitted subtenants, licensees, invitees, agents, contractors and subcontractors shall obtain, maintain, and comply with all necessary environmental permits, approvals, registrations and licenses.

Tenant shall not use or store Hazardous Materials (as hereafter defined) in the Premises except for such Hazardous Materials of the types and quantities as are commonly used in retail operations similar to Tenant's, including by way of example and not limitation, photocopier toner fluid and correction fluid (the "Excepted Materials"). In addition to and not in limitation of the foregoing, Tenant, its permitted subtenants, licensees, invitees, agents, contractors, subcontractors and employees shall not generate, refine, produce, transfer, process or transport Hazardous Materials on, above, beneath or near the Premises or the Shopping Center, provided that nothing herein is intended to prohibit the lawful transfer to and from the Premises of the Excepted Materials. As used herein, the term "Hazardous Materials" shall include, without limitation, all of the following: (1) hazardous substances, as such term is defined in the Comprehensive Environmental Response, Compensation and Liability Act ("CERCLA"), 42 U.S.C. Section 9601 (14), as amended by the Superfund Amendments and Reauthorization Act of 1986, Pub. L. No. 99-499, 100 Stat. 1613 (Oct. 17, 1986) ("SARA"); (2) regulated substances, within the meaning of Title I of the Resource Conservation and Recovery Act, 42 U.S.C. Sections 6991-6991(I), as amended by SARA; (3) any element, compound or material which can pose a threat to the public health or the environment when released into the environment; (4) hazardous waste as defined in the Pennsylvania Solid Waste Management Act, Pa Stat. Ann. Title 35 Section 6018.103 (Purdon Supp. 1987); (5) hazardous material designated under the Pennsylvania Hazardous Materials Transportation Act Pa. Stat. Ann Title 75 Sections 8303 Purdon Supp. 1987); (6) any substance which may be the subject of liability pursuant to the Pennsylvania Clean Streams Law, Pa Stat. Ann. Title 35, Sections 691.1 to 691.1001 (Purdon Supp. 1987); (7) an object or material which is contaminated with any of the foregoing; (8) any other substance designated by any of the Environmental Laws or a federal, state or local agency as detrimental to public health, safety and the environment.

a. Tenant, its permitted subtenants, licensees, invitees, agents, contractors, subcontractors and employees shall not release, spill, pump, pour, emit, empty, dump or otherwise discharge or allow to escape Hazardous Materials into the environment, and Tenant shall take all action necessary to remedy the results of any such release, spillage, pumping, pouring, emission, emptying, dumping, discharge or escape.

b. Tenant shall protect, indemnify and save Landlord harmless from and against any and all liability, loss, damage, cost or expense (including reasonable attorneys' fees) that Landlord may suffer or incur as a result of any claims, demands, damages, losses, liabilities, costs, charges, suits, orders, judgments or adjudications asserted, assessed, filed or entered against Landlord or the Shopping Center, by any third-party, including without limitation, any governmental authority, arising from the breach of Environmental Laws by Tenant, its subtenants, licensees, or otherwise arising from the alleged generation, refining, production, storage, handling, use, transfer, processing, transportation, release, spillage, pumping, pouring, emission, emptying, dumping, discharge or escape of Hazardous Materials on,

from or affecting the Premises or the Shopping Center as the result of the act or omission of Tenant, its subtenants, licensees, invitees, agents, contractors, subcontractors and/or employees including, without limitation, liability for costs and expenses of abatement, correction, clean-up or other remedy, fines, damages, bodily injury (including death) and property damage.

c. Tenant shall supply Landlord with copies of any written communication between Tenant and any governmental agency or instrumentality concerning or relating to Environmental Laws.

17. Rules and Regulations; REA. Tenant covenants and agrees that Tenant, its employees, agents, invitees, licensees and other visitors, shall observe faithfully, and comply strictly with, such reasonable Rules and Regulations as Landlord or Landlord's agents may, after notice to Tenant, from time to time adopt with respect to the Building and common areas, and the REA, as the same may be amended from time to time.

18. Governmental Regulations. Tenant shall throughout the term of this Lease, at Tenant's sole cost and expense, promptly comply with all laws and ordinances and notices, orders, rules, regulations and requirements of all federal, state and municipal governments and appropriate departments, commissions, boards and officers thereof, and notices, orders, rules and regulations of the National Board of Fire Underwriters, or any other body now or hereafter constituted exercising similar functions, relating to the use and occupancy of the Premises by Tenant, exterior as well as interior, foreseen or unforeseen, ordinary as well as extraordinary, or to the fixtures and equipment thereof; provided, however, that Tenant shall not be required to comply with the foregoing laws, ordinances and notices with respect to the exterior walls unless the need for such compliance arises out of Tenant's use, manner of use or occupancy of, or installations within or upon the Premises. Without limiting the generality of the foregoing, Tenant shall keep in force at all times all licenses, consents and permits necessary for the lawful use of the Premises for the purposes herein provided and Tenant shall pay all personal property taxes, income taxes, license fees, and other taxes which are or may be assessed, levied or imposed upon Tenant in connection with Tenant's operation of its business upon the Premises. Tenant shall likewise observe and comply with the requirements of all policies of public liability, fire and other policies of insurance at any time in force with respect to the Premises.

19. Landlord's Entry. Landlord and its agents, contractors and invitees shall have the right to enter the Premises at all reasonable times to inspect the same, to exhibit same to prospective purchasers and mortgagees, and to make any necessary repairs thereto. Notwithstanding the foregoing, except in the case of emergency repairs, Landlord shall schedule all such inspections and repairs with Tenant in order to minimize any interference with Tenant's use of the Premises. Landlord shall have the right during the Term to enter the Premises during reasonable hours to exhibit the Premises to prospective tenants.

20. Indemnification. The parties hereto shall each indemnify the other from and against any and all losses, costs (including reasonable counsel fees), claims, suits, actions and causes of action, whether legal or equitable, sustained or arising by reason of the indemnifying party's default in any of its obligations hereunder, or of the fault or neglect of the indemnifying party or of the failure by the indemnifying party or any of its officers, agents, employees or invitees to fulfill any duty toward the public, or any person or persons whomsoever, which the indemnifying party, by reason of its occupancy or use of the Premises, may owe.

21. Curing Tenant's Defaults. If Tenant shall default in performing any of its obligations hereunder, Landlord may (but shall not be so obliged), in addition to Landlord's other rights and remedies and without waiver of such default, cure such default on behalf of Tenant, thereby entering and possessing the Premises if deemed necessary by Landlord, provided that Landlord shall have first given Tenant written notice of such default and Tenant shall have failed within seven (7) days following said written notice to cure or diligently to pursue the cure of said default (which notice and opportunity to cure shall not be required in case of emergency). Tenant, upon demand of Landlord, shall reimburse Landlord for all costs (including reasonable counsel fees, not to exceed five percent (5%) of the amount so demanded) incurred by Landlord with respect to such default, and, if Landlord so elects, Landlord's efforts to cure the same, which costs shall be deemed Additional Rent hereunder.

22. Default.

A. Events of Default. If

i) Tenant fails to pay any installment of Base Rent when due and such failure continues for a period of five (5) days after notice by or on behalf of Landlord; provided, however, that Landlord need not give any such notice, and Tenant shall not be entitled to any such period of grace, more than once in any twelve (12) month period,

ii) Tenant fails to pay any Additional Rent or any other monetary obligation herein when due and such failure continues for a period of five (5) days after written notice from Landlord; provided, however, that Landlord need not give any such notice, and Tenant shall not be entitled to any such period of grace, more than once in any twelve (12) month period,

iii) Tenant fails to observe or perform any of Tenant's other obligations herein contained and such failure continues for more than fifteen (15) days after written notice from Landlord, provided that if such Event of Default is incapable of cure within fifteen (15) days, Tenant fails to commence and diligently proceed to cure such Event of Default,

iv) Tenant makes an assignment for the benefit of creditors,

v) Tenant commits an act of bankruptcy or files a petition or commences any proceeding under any bankruptcy or insolvency law,

vi) a petition is filed or any proceeding is commenced against Tenant under any bankruptcy or insolvency law and is not dismissed within thirty (30) days,

vii) Tenant is adjudicated a bankrupt,

viii) a receiver or other official is appointed for Tenant or for a substantial part of Tenant's assets or for Tenant's interests in this Lease, or

ix) a default by Guarantor under the Guaranty, or the occurrence of any of the events described in (iv) through (viii) herein with respect to Guarantor,

an Event of Default shall be deemed to exist and Tenant shall be in default hereunder.

B. Landlord's Remedies. Upon a third or subsequent occurrence of default under Section 22(A)(i)-(ii) or any other occurrence of any Event of Default specified in this Lease, Landlord shall have the option to pursue any one or more of the following remedies without any notice or demand whatsoever:

(i) Declare due and payable and sue for and recover, all unpaid Basic Rental and Additional Rent for the unexpired period of the Lease Term as if by the terms of this Lease the same were payable in advance, together with all legal fees and other expenses incurred by Landlord in connection with the enforcement of any of Landlord's rights and remedies hereunder. For purposes of determining the amount of Additional Rent payable for the unexpired portion of the Lease Term, such amount shall not be less than the highest annual amounts of such additional rent payable by Tenant during the two years preceding the Event of Default.

(ii) Distrain, collect or bring action for such rent as being in arrears, and enter judgment therefore as herein elsewhere provided for in case of rent in arrears, or file a proof of claim in any bankruptcy or insolvency proceeding for such rent, or institute any other proceedings, whether similar or dissimilar to the foregoing, to enforce payment thereof.

(iii) Terminate this Lease in which event Tenant shall immediately surrender the Premises to Landlord, and if Tenant fails to do so, Landlord may, without prejudice to any other remedy which it may have for possession or arrearage in rent, enter upon and take possession of the Premises and expel or remove Tenant and any other person who may be occupying the Premises or any part thereof, by force if necessary, without being liable for prosecution or any claim for damages therefor, and Tenant agrees to pay to Landlord on demand the amount of all loss and damage which Landlord may suffer by reason of such termination, whether through inability to relet the Premises on satisfactory terms or otherwise, including the loss of rental for the remainder of the Lease Term.

(iv) Enter upon and take possession of the Premises and expel or remove Tenant and any other person who may be occupying the Premises or any part thereof, by force if necessary, without being liable for prosecution or any claim for damages therefore, and if Landlord so elects, relet the Premises on such terms as Landlord shall reasonably deem advisable and receive the rent therefore, and Tenant agrees to pay to Landlord on demand any deficiency that may arise by reason of such reletting for the remainder of the Lease Term.

(v) Enter upon the Premises, by force if necessary, without being liable for prosecution or any claim for damages therefore, and do whatever Tenant is obligated to do under the terms of this Lease; and Tenant agrees to reimburse Landlord on demand for any expense which Landlord may incur in thus effecting compliance with Tenant's obligations under this Lease, and Tenant further agrees that Landlord shall not be liable for any damages resulting to the Tenant from such action.

(vi) intentionally omitted.

(vii) In addition to any other remedy set forth in this Lease, if an Event of Default occurs hereunder, Tenant shall reimburse Landlord, within five (5) days of demand, the unamortized amount of the leasing commission paid to any broker in connection with this Lease and the unamortized amount of the Tenant Improvement Allowance (both amounts amortized over a ten-year period, at a six percent (6%) interest rate).

(viii) Exercise any other rights and remedies available to Landlord at law or in equity. No reentry or taking possession of the Premises by Landlord shall be construed as an election on its part to terminate this Lease unless a written notice of such intention is given to Tenant. Neither pursuit of any of the foregoing remedies provided nor any other remedies provided herein or by law shall constitute a forfeiture or waiver of any rent due to Landlord hereunder or of any damages accruing to Landlord by reason of the violation of any of the terms, provisions and covenants herein contained. Landlord's acceptance of rent following an Event of Default hereunder shall not be construed as Landlord's waiver of such Event of Default. No waiver by Landlord of any violation or breach of any of the terms, provisions and covenants herein contained shall be deemed or construed to constitute a waiver of any other violation or default. The loss or damage that Landlord may suffer by reason of termination of this Lease or the deficiency from any reletting as provided for above shall include the expense of repossession and any repairs or remodeling undertaken by Landlord following possession. Should Landlord at any time terminate this Lease for any Event of Default, Tenant shall not be relieved of its liabilities and obligations hereunder and, in addition to any other remedy Landlord may have, Landlord may recover from Tenant all damages Landlord may incur by reason of such Event of Default, including the cost of recovering the Premises and the loss of rental for the remainder of the Lease Term. Tenant's obligations and liabilities under this Lease shall also survive repossession and reletting of the Premises by Landlord pursuant to the foregoing provisions of this Section 22.

All rights and remedies of Landlord and Tenant herein enumerated shall be cumulative, and none shall exclude any other right or remedy allowed by law. Notwithstanding any provision herein or under Pennsylvania law to the contrary, Landlord shall use commercially reasonable efforts to minimize its damages resulting from an Event of Default by Tenant under this Lease.

C. Interest Due on Unpaid Amounts. Any sums payable by Tenant hereunder which are not paid within ten (10) days after the same shall be due shall bear interest from that day until paid at a rate of twelve percent (12%) or two percent (2%) over the then prime rate being charged by Bank of America, N.A. (or its successors) for ninety (90) day loans to major corporate borrowers, whichever is greater (unless such rate be usurious as applied to Tenant, in which case the highest permitted legal rate shall apply).

D. Waivers by Landlord, etc. No act or forbearance by Landlord shall be deemed a waiver or election of any right or remedy by Landlord with respect to Tenant's obligations hereunder, unless and to the extent that Landlord shall execute and deliver to Tenant a written instrument to such effect, and any such written waiver by Landlord shall not constitute a waiver or relinquishment for the future of any obligation of Tenant. Landlord's acceptance of any payment from Tenant (regardless of any endorsement on any check or any writing accompanying such payment) may be applied by Landlord to Tenant's obligations then due hereunder, in any priority as Landlord may elect, and such acceptance by Landlord shall not operate as an accord and satisfaction or constitute a waiver of any right or remedy of Landlord with regard to Tenant's obligations hereunder.

23. Quiet Enjoyment. So long as Tenant is not in default under the covenants and agreements of this Lease, Tenant's quiet and peaceful enjoyment of the Premises shall not be disturbed or interfered with by Landlord or by any person claiming by, through or under Landlord.

24. Assignment and Subletting.

A. Tenant shall not assign, pledge, mortgage or otherwise transfer or encumber this Lease, nor sublet all or any part of the Premises or permit the same to be occupied or used by anyone other than Tenant without Landlord's prior written approval, not to be unreasonably withheld. It shall be reasonable for Landlord to condition its approval of any such assignment, pledge, mortgage, transfer or sublet of the Premises on its receipt of written confirmation from Guarantor that the Guaranty will remain in full force and effect on its existing terms following any such assignment, pledge, mortgage, transfer or sublet. Tenant's request for approval shall be in writing and contain the name, address and description of the business of the proposed assignee or subtenant, its most recent financial statement and other evidence of financial responsibility, its intended use of the Premises, and the terms and conditions of the proposed assignment or subletting. Within fifteen (15) days from receipt of such request, Landlord shall either grant or refuse consent. Failure of Landlord to notify Tenant timely of its decision to grant or refuse consent to a proposed assignment or sublease shall be deemed a refusal of Landlord's consent.

B. Each assignee or sublessee of Tenant's interest hereunder shall assume and be deemed to have assumed this Lease and shall be and remain liable jointly and severally with Tenant for all payments and for the due performance of all terms, covenants, conditions and provisions herein contained on Tenant's part to be observed and performed. No assignment shall be binding upon Landlord unless the assignee shall deliver to Landlord an instrument in recordable form containing a covenant or assumption by the assignee, but the failure or refusal of an assignee to execute the same shall not release assignee from its liability as set forth herein.

C. Any consent by Landlord hereunder shall not constitute a waiver of strict future compliance by Tenant of the provisions of this Section 24 or a release of Tenant from the full performance by Tenant of any of the terms, covenants, provisions or conditions in this Lease contained.

25. Subordination.

A. This Lease is and shall be subject and subordinate at all times to all mortgages and other encumbrances now or hereafter placed upon the Premises without the necessity of any further instrument or act on the part of Tenant to effectuate such subordination. Tenant shall from time to time execute and deliver within fifteen (15) days following the request of Landlord or Landlord's mortgagee, grantee or lessor, recordable instruments evidencing such subordination and Tenant's agreement to attorn to the holder of such prior right. Notwithstanding the foregoing, any mortgagee may, at any time, subordinate its mortgage to this Lease, without Tenant's consent, by notice in writing to Tenant, whereupon this Lease shall be deemed prior to such mortgage without regard to their respective dates.

B. The subordination of this Lease and Tenant's interest herein as provided in this paragraph 25A above is subject to the condition that (i) in the event any action or proceeding is instituted to foreclose any such mortgage, the mortgagee shall agree that such action or proceeding shall not result in a cancellation or termination of the term of this Lease and (ii) if the mortgagee shall succeed to the rights of the Landlord under this Lease, whether through possession or foreclosure action or delivery of a deed, or if the Premises shall be sold as a result of any action or proceeding to foreclose the mortgage, this Lease shall continue in full force and effect as, or as if it were, a direct lease between Tenant and the successor landlord, upon the terms, covenants and conditions as set forth in this Lease, except that the successor landlord shall not be liable for any previous act or omission of Landlord under this Lease, or be subject to any offset not expressly provided for in this Lease which shall have theretofore accrued to Tenant against Landlord, or be bound by any previous modification of this Lease not expressly provided for in this Lease,

or by any previous prepayment of more than one month's fixed rent unless such modification or prepayment shall have been expressly approved in writing by the mortgagee.

C. In the event of an act or omission by Landlord which would give Tenant the right to terminate this Lease or to claim a partial or total eviction, Tenant will not exercise any such right until it has given written notice ("Mortgagee Notice") of such act or omission, or, in the case of the Premises or any part thereof becoming untenable as the result of damage from fire or other casualty, written notice of the occurrence of such damage, to any Mortgagee whose name and address shall be furnished to Tenant in writing, by delivering such notice of such act, omission or damage addressed to such Mortgagee at said address or if such Mortgagee hereafter furnishes another address to Tenant in writing at the last address of such Mortgagee so furnished to Tenant. Beginning on the date on which Mortgagee receives a Mortgagee Notice, Mortgagee shall have a period thirty (30) days in which to cure the breach or default by Landlord. Mortgagee shall have no obligation to cure (and shall have no liability or obligation for not curing) any breach or default by Landlord, except to the extent that Mortgagee agrees or undertakes otherwise in writing. In addition, as to any breach or default by Landlord the cure of which requires possession and control of the Premises, provided only that the Mortgagee undertakes to Tenant by written notice to Tenant within thirty (30) days after receipt of the Mortgagee Notice to exercise reasonable efforts to cure or cause to be cured by a receiver such breach or default within the period permitted by this paragraph, Mortgagee's cure period shall continue for such additional time (the "Extended Cure Period") as Mortgagee may reasonably require either (i) to obtain possession and control of the Premises with due diligence and thereafter cure the breach or default with reasonable diligence and continuity, or (ii) to obtain the appointment of a receiver and for such receiver thereafter to cure the breach or default with reasonable diligence and continuity.

26. Tenant's Certificates. Tenant shall, from time to time, within fifteen (15) days after Landlord's request, execute and deliver to Landlord a recordable written instrument(s) certifying that this Lease is unmodified and in full effect (or if there have been modifications, that it is in effect as modified), and the dates to which rental charges have been prepaid by Tenant, if any, and whether or not Landlord is in default of any of its obligations hereunder, along with such additional provisions as may be reasonably requested by any mortgagee, purchaser or assignee of Landlord. Tenant agrees that such statement may be relied upon by any mortgagee, purchaser or assignee of Landlord's interest in this Lease or the Premises. Landlord shall, from time to time, within ten (10) days after Tenant's request, execute and deliver to Tenant an instrument containing similar certifications.

27. Surrender. Tenant shall, at the end of the Term, promptly surrender the Premises in good order and condition and in conformity with the applicable provisions of this Lease, excepting only reasonable wear and tear and damage by fire or other insured casualty.

28. Holding Over. This Lease shall expire absolutely and without notice on the last day of the Term, provided that if Tenant, with the prior written consent of Landlord, retains possession of the Premises or any part thereof after the termination of this Lease by expiration of the Term or otherwise, a month-to-month tenancy shall be deemed to exist, and Tenant shall continue to pay the Base Rent and Additional Rent due hereunder. If such holding over exists without Landlord's prior written consent, Tenant shall pay Landlord, as partial compensation for such unlawful retention, an amount calculated on a per diem basis for each day of such continued unlawful retention, equal to 150% the Base Rent for the time Tenant thus remains in possession. Such payments for unlawful retention shall not limit any rights or remedies of Landlord resulting by reason of the wrongful holding over by Tenant or create any right in Tenant to continue in possession of the Premises.

29. Notices. All notices, requests and consents herein required or permitted from either party to the other shall be in writing and shall be deemed given when received or rejected by the addressee, registered or certified mail, return receipt requested, postage prepaid, addressed to Landlord at its address aforesaid, with a copy to any mortgagee designated by Landlord, or, as the case may be, addressed to Tenant at its address aforesaid, or to such other address as the party to receive same may designate by notice to the other.

30. Broker. Landlord and Tenant represent and warrant to each other that neither has dealt with any broker or agent in connection with the negotiation for or the obtaining of this Lease, other than Metro Commercial Real Estate, Inc., and GreatStreet Realty Partners, LLC (the "Brokers"), to whom Landlord shall pay a commission pursuant to a separate agreement. Landlord and Tenant shall indemnify and hold harmless the other from and against all cost, liability or claim for commission or other compensation by any broker or agent claiming to be employed or contracted by it with respect to the Premises in breach of the foregoing representation and warranty.

31. Definition of Parties. The word "Landlord" is used herein to include the Landlord named above and any subsequent person who succeeds to the rights of Landlord herein, each of whom shall have the same rights and remedies as he would have had he originally signed this Lease as Landlord, but neither Landlord nor any such person shall have any liability hereunder after he ceases to hold a fee or leasehold interest in the Premises, except for obligations which may have theretofore accrued; and in all events, Tenant shall look solely to the Premises and rent derived therefrom for enforcement of any obligation hereunder or by law assumed or enforceable against Landlord or such other person. The word Tenant is used herein to include the party named above as Tenant as well as its or their respective heirs, personal representatives, successors and assigns, each of whom shall be under the same obligations, and disabilities and have only such rights, privileges and powers as he would have possessed had he originally signed this Lease as Tenant.

32. Sale of Property. Upon any conveyance, sale or exchange of the Premises or assignment of this Lease, Landlord shall be and is hereby entirely free and relieved of all liability under any and all of its covenants and obligations contained in or derived from this Lease arising out of any act, occurrence, or omission relating to the Premises or this Lease occurring after the consummation of such sale or exchange and assignment.

33. Renewal Terms.

(a) Provided no Event of Default under this Lease has occurred and is continuing, Tenant shall have the right and option, exercisable by giving written notice thereof to Landlord at least nine (9) months prior to the expiration of the initial Term, to renew the term of this Lease for one (1) additional five (5) year term (the "First Renewal Term") and upon the giving of any such notice the Lease Term shall automatically be renewed for an additional period of five years, and no further instrument of renewal need be executed. As used in this Lease, the term "Lease Term" shall mean the original term and any renewal term for which Tenant has given notice of its intention to renew. If Tenant fails to give timely notice of its intention to renew the Lease Term, this Lease shall automatically terminate upon the expiration of the then-current Lease Term, and Tenant shall have no further rights of renewal.

(b) The First Renewal Term shall be upon the same terms and conditions as set forth herein for the immediately preceding term except that the Base Rent payable during each year of the First Renewal Term shall be as set forth in Exhibit "B" hereto, and there shall be no further renewal term(s) except as set forth in paragraphs (c) and (e) below.

(c) Provided no Event of Default under this Lease has occurred and is continuing, and provided there has been no sublet or assignment of all or any portion of the Premises, Tenant shall have the right and option, exercisable by giving written notice thereof to Landlord at least nine (9) months prior to the expiration of the First Renewal Term, to renew the term of this Lease for one (1) additional five (5) year term (the "Second Renewal Term") and upon the giving of any such notice the Lease Term shall automatically be renewed for an additional period of five years, and no further instrument of renewal need be executed. If Tenant fails to give timely notice of its intention to renew the Lease Term for the Second Renewal Term, this Lease shall automatically terminate upon the expiration of the First Renewal Term, and Tenant shall have no further rights of renewal. The Second Renewal Term shall be upon the same terms and conditions as set forth herein for the First Renewal Term except that the Base Rent payable during each year of the Second Renewal Term shall be as set forth in Exhibit "B" attached hereto, and there shall be no further renewal terms.

(e) Provided no Event of Default under this Lease has occurred and is continuing, and provided there has been no sublet or assignment of all or any portion of the Premises, Tenant shall have the right and option, exercisable by giving written notice thereof to Landlord at least nine (9) months prior to the expiration of the Second Renewal Term, to renew the term of this Lease for one (1) additional five (5) year term (the "Third Renewal Term") and upon the giving of any such notice the Lease Term shall automatically be renewed for an additional period of five years, and no further instrument of renewal need be executed. If Tenant fails to give timely notice of its intention to renew the Lease Term for the Third Renewal Term, this Lease shall automatically terminate upon the expiration of the Second Renewal Term, and Tenant shall have no further rights of renewal. The Third Renewal Term shall be upon the same terms and conditions as set forth herein for the Second Renewal Term except that the Base Rent payable during each year of the Third Renewal Term shall be as set forth in Exhibit "B" attached hereto, and there shall be no further renewal terms.

34. Guaranty. This Lease is conditioned upon Tenant causing the delivery to Landlord of the lease guaranty and surety agreement in form attached hereto as Exhibit "D" and hereby made a part hereof.

35. Landlord's Liability. The liability of Landlord for any breach or default by Landlord under the terms of this Lease, or otherwise for whatever reason regarding this Lease or the Building, whether such liability is in contract, tort or otherwise, shall, in each instance, be limited to the interest of Landlord in the Building, and Tenant agrees to look solely to Landlord's interest in the Building as the same may then be encumbered, for the recovery of any judgment against Landlord, it being intended and agreed that neither Landlord nor, in any event, any person or entity comprising, owning or affiliated with Landlord, or any of the partners, shareholders, directors, officers, employees and representatives of Landlord or any such person or entity, shall ever be personally liable for any judgment or deficiency.

36. Sale of Property. Upon any conveyance, sale or exchange of the Premises or assignment of this Lease, Landlord shall be and is hereby entirely free and relieved of all liability under any and all of its covenants and obligations contained in or derived from this Lease arising out of any act, occurrence, or omission relating to the Premises or this Lease occurring after the consummation of such sale or exchange and

assignment.

37. Time is of the Essence. The timely performance of all of the covenants, conditions and agreements of this Lease is of the essence.

38. Corporate Authority. If Tenant executes this Lease as a corporation or a partnership (general or limited) or other entity, Tenant and each person executing this Lease on behalf of Tenant hereby personally represents and warrants that: Tenant is a duly authorized and existing corporation or partnership (general or limited) or other entity as provided herein; Tenant is qualified to do business in the state in which the Premises are located, the corporation or partnership (general or limited) or other entity as provided herein has full right and authority to enter into this Lease; each person signing on behalf of the corporation or partnership (general or limited) or other entity as provided herein is authorized to do so; and the execution and delivery of the Lease by Tenant will not result in any breach of, or constitute a default under any mortgage, deed of trust, lease, loan, credit agreement, partnership agreement, or other contract or instrument to which Tenant is a party or by which Tenant may be bound. If any representation or warranty contained in this Section is false, each person who executes this Lease shall be jointly and severally liable, individually, as Tenant hereunder.

39. Waiver. Failure of Landlord to declare a default immediately upon its occurrence, or delay in taking any action in connection with a default, shall not constitute a waiver of the default, but Landlord shall have the right to declare the default at any time and take such action as is lawful or authorized under this Lease. Pursuit of any one or more of the remedies set forth in Article 22 above shall not preclude pursuit of any remedy hereunder or at law constitute forfeiture or waiver of any rent or damages accruing to Landlord by reason of the violation of any of the terms, provisions or covenants of this Lease. Failure by Landlord to enforce one or more of the remedies provided hereunder or at law upon any event of default shall not be deemed or construed to constitute a waiver of the default or of any other violation or breach of any of the terms, provisions and covenants contained in this Lease. Landlord may collect and receive rent due from Tenant without waiving or affecting any rights or remedies that Landlord may have at law or in equity or by virtue of this Lease at the time of such payment. Institution of a forcible detainer action to re-enter the Premises shall not be construed to be an election by Landlord to terminate this Lease.

40. Act of God. Neither Landlord nor Tenant shall be required to perform any covenant or obligation in this Lease, or be liable in damages to the other, so long as the performance or non-performance of the covenant or obligation is delayed, caused or prevented by an act of God, force majeure or by the other party; provided, however, the foregoing shall not impact the obligation of Tenant to pay any installment of rent or any other payment required pursuant to this Lease.

41. Attorneys' Fees. If Tenant defaults in the performance of any of the terms, covenants, agreements or conditions contained in this Lease and Landlord places in the hands of any attorney the enforcement of all or any part of this Lease, the collection of any rent or other sums due or to become due, or recovery of the possession of the Premises, Tenant agrees to pay Landlord's costs and expenses incurred, including reasonable attorneys' fees, whether suit is actually filed or not.

42. Sales Information. Within fifteen (15) days of Landlord's request, not more than once per calendar year, Tenant shall deliver to Landlord sales information relating to the Premises (on a monthly, quarterly and annual basis) for such period(s) as may be requested by Landlord up to the previous five (5) years of operations at the Premises, certified as true, correct and complete by a financial officer of Tenant or Guarantor. Such information may be reviewed by Landlord, Landlord's current or prospective lenders, or by

potential purchaser(s) of the Building provided that Landlord and any such party shall agree to maintain such information confidential, and to execute and deliver at the request of Tenant such confidentiality agreements as may be reasonably requested by Tenant.

43. Entire Agreement; Interpretation. This Lease constitutes the entire agreement between the parties hereto with respect to the Premises and there are no other agreements or understandings. This Lease shall not be modified except by written instrument executed by both parties. The captions herein are for convenience only, and are not part of the Lease. This Lease shall be construed in accordance with the laws of the Commonwealth of Pennsylvania. **The submission of this Lease to Tenant shall not be construed as an offer, nor shall Tenant have any rights with respect thereto unless and until Landlord shall, or shall cause its managing agent to, execute a copy of this Lease and deliver the same to Tenant.**

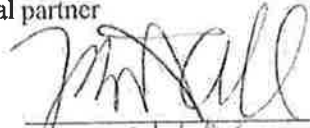
IN WITNESS WHEREOF, the parties hereto have executed this Lease, under seal, as of the day and year first above written.

LANDLORD:

INTEGRAL DEVELOPMENT ASSOCIATES, a
Pennsylvania limited partnership

By: Integral Development Corporation, its sole
general partner

By:


Name: Mitchell E. Russell
Title: P.O.

TENANT:

THE TILE SHOP, LLC

By:

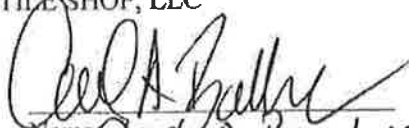
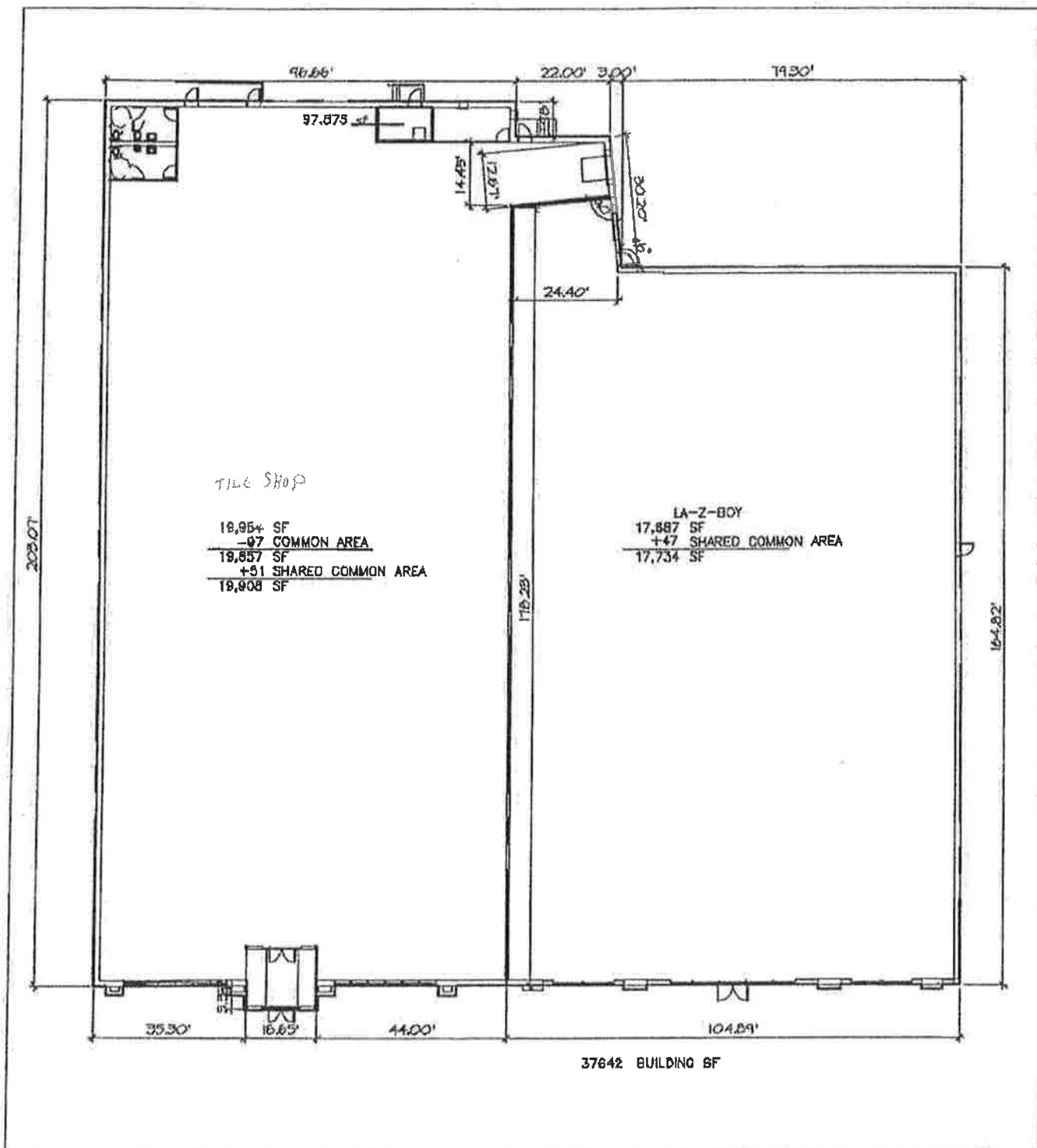

Name: Carl A. Romdaz
Title: Sr. VP Retail

EXHIBIT "A"

LEGAL DESCRIPTION OF BUILDING;
PHYSICAL PLAN OF SHOPPING CENTER



date: 7/1/05	project no: 0414	drawing no: SKI-7/7/05
drawn by: AR	project name: MONTGOMERYVILLE PLAZA	drawing title: BUILDING C
scale: 1"=80'	building name: BUILDING C	area plan
revision:	location: MONTGOMERY TOWNSHIP PA RT 804 & STUMP RD	

PolatnickZachary
ARCHITECTS
6812-16 RIDGE AVENUE
215 / 483-1415
PHILADELPHIA, PA 19126
FAX 215 / 483-0484

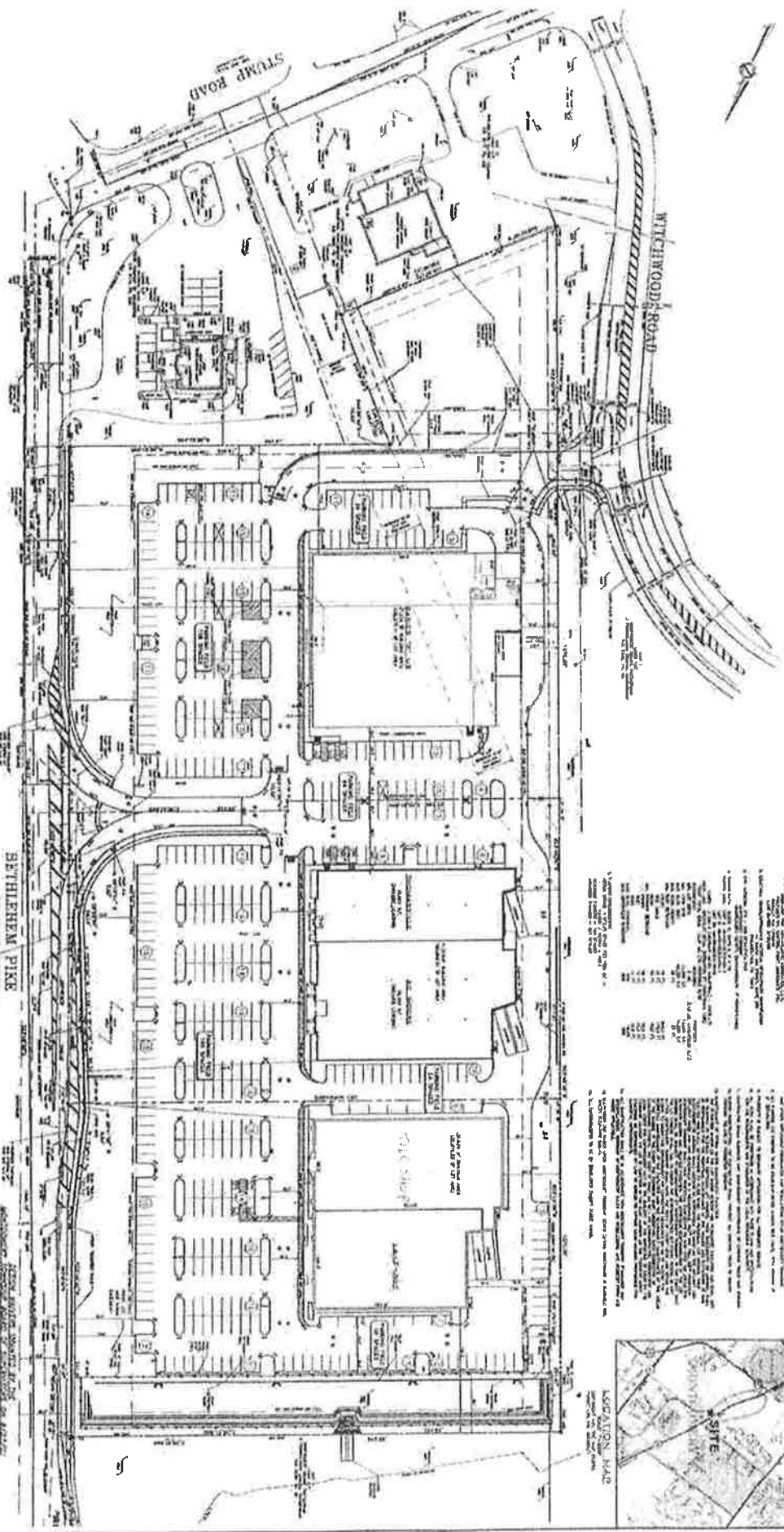


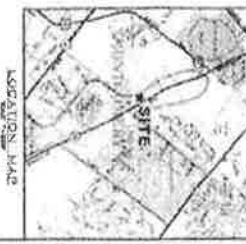
TABLE 1

Summary of Building Areas and Volumes

Building	Area (sq. ft.)	Volume (cu. ft.)
Building A	10,000	100,000
Building B	15,000	150,000
Building C	20,000	200,000
Building D	25,000	250,000
Building E	30,000	300,000
Building F	35,000	350,000
Building G	40,000	400,000
Building H	45,000	450,000
Building I	50,000	500,000
Building J	55,000	550,000
Building K	60,000	600,000
Building L	65,000	650,000
Building M	70,000	700,000
Building N	75,000	750,000
Building O	80,000	800,000
Building P	85,000	850,000
Building Q	90,000	900,000
Building R	95,000	950,000
Building S	100,000	1,000,000

1. The site plan is based on the following assumptions:

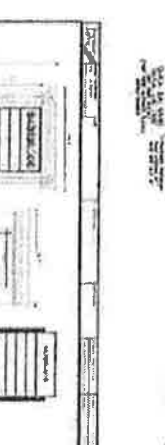
- a. The site is a flat, open area with no existing structures or utilities.
- b. The site is bounded by Birch Road to the north and Stump Road to the south.
- c. The site is divided into three main sections: Building A, Building B, and Building C.
- d. The site is divided into three main sections: Building A, Building B, and Building C.



MONTGOMERY COUNTY PLANNING COMMISSION

APPROVED FOR THE BOARD OF SUPERVISORS

DATE: 10/1/80



BOHLER ENGINEERING INC.

10000 BOHLER DRIVE, SUITE 100, DALLAS, TEXAS 75243

PHONE: (214) 343-1234

FAX: (214) 343-1235

ALL INFORMATION CONTAINED HEREIN IS UNCLASSIFIED

DATE: 10/1/80

BY: [Signature]

APPROVED FOR THE BOARD OF SUPERVISORS

DATE: 10/1/80

APPROVED FOR THE BOARD OF SUPERVISORS

DATE: 10/1/80

APPROVED FOR THE BOARD OF SUPERVISORS

DATE: 10/1/80

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DATE: 10/1/80

APPROVED FOR THE BOARD OF SUPERVISORS

DATE: 10/1/80

APPROVED FOR THE BOARD OF SUPERVISORS

DATE: 10/1/80

EXHIBIT "B"

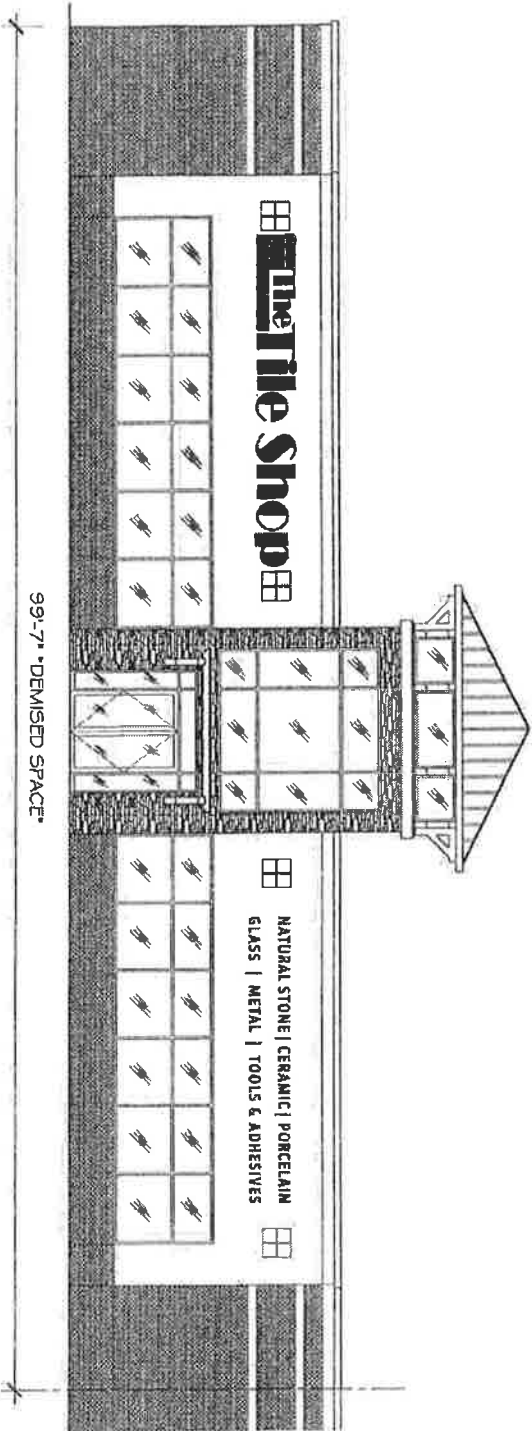
RENT SCHEDULE

	<u>Base Rent</u> <u>(p.s.f.)</u>	<u>Annual</u> <u>Base Rent</u>	<u>Base Rent</u> <u>(Month)</u>
<u>Base Term</u>			
Lease Commencement			
Date-11/30/14*	N.A.	N.A.	N.A.
12/1/14-6/30/20	\$16.00	\$318,496.00	\$26,541.33
7/1/20-6/30/25	\$17.50	\$348,355.00	\$29,029.58
<u>First Renewal Term</u>			
7/1/25-6/30/30	\$19.00	\$378,214.00	\$31,517.83
<u>Second Renewal Term</u>			
7/1/30-6/30/35	\$20.00	\$398,120.00	\$33,176.67
<u>Third Renewal Term</u>			
7/1/35-6/30/40	\$21.00	\$418,026.00	\$34,835.50

* Reflects free rent period

Rentable Square Feet	19,906
----------------------	--------

EXHIBIT "C"
TENANT'S SIGNAGE



FRONT ELEVATION (NORTHEAST)
SCALE: 1/4" = 1'-0"

THE Tile Shop
1400 CARSON PARKWAY
PITTSBURGH, PA 15206
PH: 724-261-7447 FAX: 724-261-1411

**MONTGOMERYVILLE
PENNSYLVANIA**

SCALE: 1/4" = 1'-0"

DRAWN BY: B. ALDERMAN DATE: 01/21/14

SIGNATURES:

BIG RUCKER

CARL HANCOCK

DAVE ALBRECHT

DAVID ALDERMAN

NOTES:

SHEET

STORE #102

EXHIBIT "D"

GUARANTY AND SURETY AGREEMENT

THIS GUARANTY AND SURETY AGREEMENT (the "Guaranty") is made as of January 23 2014, by TILE SHOP HOLDINGS, INC., a _____ corporation ("Guarantor"), having its principal place of business at 14000 Carlson Parkway, Plymouth, MN 55441, to and for the benefit of INTEGRAL DEVELOPMENT ASSOCIATES ("Landlord"), a Pennsylvania limited partnership, having its principal place of business at 93 Old York Road, Suite 300, Jenkintown, PA 19046.

RECITALS

A. WHEREAS, Landlord is the owner of a certain building located in the township of Montgomery, County of Montgomery, State of Pennsylvania (the "Premises") known as 976B Bethlehem Pike, Montgomeryville, Pennsylvania; and

B. WHEREAS, by a certain lease dated January 22, 2014 (the "Lease") between Landlord, as landlord and The Tile Shop, LLC as tenant (the "Tenant"), Landlord is demising to Tenant the Premises, as more particularly described in the Lease; and

C. WHEREAS, the Guarantor is a corporate affiliate of Tenant, and as such derives material value from the Lease and Tenant's operation of the business at the Premises; and

D. WHEREAS, as a condition to entering into the Lease, Landlord requires that Guarantor guarantee the performance of Tenant's obligations under the Lease.

NOW THEREFORE, in consideration of the execution of the Lease by Landlord, and for other valuable consideration, the receipt and adequacy of which is hereby acknowledged, Guarantor hereby covenants and agrees as follows:

AGREEMENT

1. Guaranty.

(a) Guarantor irrevocably, unconditionally and absolutely guarantees to Landlord and become surety for: the prompt payment of the Rent (including, without limitation, Base Rent, Expense Rent and Additional Rent) obligations which may be due to Landlord from Tenant under the Lease, together with all interest and penalties related thereto; the prompt payment of all other sums due to Landlord under the terms of the Lease including but not limited to, the repayment of commissions, if any, and free rent, as defined in the Lease, by Tenant; and the prompt and complete compliance with and performance by the Tenant of all representations, warranties, covenants, agreements and other obligations to Landlord under the terms of the Lease. The payment, compliance and performance obligations hereinabove guaranteed by Guarantor are hereinafter collectively referred to as the "Guaranteed Obligations".

(b) If an Event of Default occurs under the Lease, as therein defined, and continues beyond applicable notice and grace periods set forth therein, Guarantor shall pay, comply with and perform such of the Guaranteed Obligations as Landlord shall direct, irrespective of whether the Guaranteed Obligations directed by Landlord to be paid, complied with and performed by Guarantor are those which give rise to the Event of Default. This Agreement may be enforced against Guarantor or any other guarantor under a Guaranty and Suretyship Agreements executed in connection with the Lease, separately or against all guarantors jointly.

(c) If an Event of Default occurs under the Lease, as therein defined, and continues beyond applicable notice and grace periods set forth therein, Landlord shall have the right to require Guarantor to pay, comply with and perform the Guaranteed Obligations and shall have the right to proceed immediately against Guarantor for such payment, compliance and performance without being required to make any demand upon or bring any proceeding or take any other action of any kind against the Tenant, any guarantor under any other guaranty, or any other person or entity in connection with the Lease, or resort to or seek to realize upon the security held by Landlord, as a condition precedent to bringing an action upon this Agreement against Guarantor, the liability of Guarantor hereunder being a primary obligation of Guarantor and independent of and separate from the liability of the Tenant. This Agreement shall be deemed an agreement of suretyship.

(d) intentionally omitted.

(e) Until all of the Guaranteed Obligations are completely fulfilled to the satisfaction of Landlord and each and every one of the terms, covenants and conditions of this Agreement are fully performed, the liability of Guarantor under this Agreement shall in no way be released or affected (a) by any act or circumstance which might, but for this paragraph, be deemed a legal or equitable discharge of any guarantor or surety, or (b) by reason of the death of any Guarantor, or (c) by reason of the alteration, extension, modification, endorsement, release or waiver of the Lease or any of the terms, covenants and conditions contained therein, or (d) by reason of any waiver, extension, modification, forbearance or delay or other act or omission of Landlord or its failure to proceed promptly or otherwise with respect to the Guaranteed Obligations or this Agreement, or (e) by the commencement, existence or completion of any proceeding against the Tenant or otherwise related to the collection and enforcement of the Guaranteed Obligations, or (f) by reason of any action taken or omitted or circumstance which might vary the risk or affect the rights or remedies of Guarantor with respect to the Guaranteed Obligations or this Agreement. Guarantor hereby expressly waives and surrenders any defenses to their liability hereunder based upon any of the foregoing acts, omissions, agreements or waivers of Landlord, it being the purpose and intent of the parties hereto that the obligations of Guarantor hereunder are absolute and unconditional.

2. Guarantor Consent. Guarantor consents to all of the terms, covenants and conditions of Lease. Guarantor hereby irrevocably waives any notice of any compromise, forbearance, indulgence, amendment, modification, endorsement, extension or renewal of any of the Guaranteed Obligations or any of the terms, covenants or conditions of the Lease.

3. Guarantor Representations and Warranties. Guarantor represents and warrants that:

(a) Guarantor has full power, authority and legal right to execute, deliver and comply with this Agreement.

(b) all actions of Guarantor and other authorizations necessary or appropriate for the execution

and delivery of and compliance with this Agreement have been taken or obtained and this Agreement constitutes the valid and legally binding obligations of Guarantor enforceable against him in accordance with its terms.

(c) No consent, approval or other authorization of or by any court, administrative agency or other governmental authority is required in connection with any of Guarantor's execution and delivery of or compliance with this Agreement.

(d) Guarantor's execution and delivery of and compliance with this Agreement will not conflict with or result in a breach of any applicable law, judgment, order, writ, injunction, decree, rule or regulation of any court, administrative agency or other governmental authority, or of any agreement or other document or instrument to which any of Guarantor is a party or by which any of them are bound, and such action by Guarantor will not result in the creation or imposition of any lien, charge or encumbrance upon any property of Guarantor in favor of anyone other than the Landlord.

(e) There is no action, suit or proceeding pending or, to the knowledge of Guarantor, threatened against or affecting Guarantor before or by any court, administrative agency or other governmental authority, or which brings into question the validity of the transactions contemplated hereby.

(f) Guarantor has not applied for or consented to the appointment of a receiver, trustee or liquidator for himself or any of said Guarantor's property, admitted in writing said Guarantor's inability to pay said Guarantor's debts as they mature, made a general assignment for the benefit of creditors, been adjudicated a bankrupt or insolvent or filed a voluntary petition in bankruptcy, or a petition or an answer seeking reorganization or an arrangement with creditors or to take advantage of any bankruptcy, reorganization, insolvency, readjustment of debt, dissolution or liquidation law or statute, or an answer admitting the material allegations of a petition filed against said Guarantor in any proceeding under any such law, and no action has been taken by said Guarantor for the purpose of effecting any of the foregoing. No order, judgment or decree has been entered by any court of competent jurisdiction approving a petition seeking reorganization of any of Guarantor's or all or a substantial part of the assets of Guarantor, or appointing a receiver, sequestrator, trustee or liquidator of said Guarantor or any of said Guarantor's property. Guarantor has received and read Lease and the Lease is and will be of direct interest, benefit and advantage to Guarantor.

(g) intentionally omitted.

4. Indemnity. Guarantor shall fully indemnify from and pay, upon demand by Landlord, any and all costs, expenses and losses arising from any default by Tenant under the Lease or from the enforcement by Landlord of its rights and remedies under this Agreement.

5. Independent Obligation/Joinder. Guarantor's liability under this Guaranty is independent of the obligations of Tenant or of any other person or entity and a separate action or actions may be brought and prosecuted against Guarantor whether or not any action is brought or prosecuted against Tenant or whether or not Tenant is joined in any such action.

6. Modification of Lease. Guarantor's obligations under this Guaranty shall not be extinguished, discharged, diminished or reduced in any way by any modification or amendment of the Lease including, but not limited to, any modification of payment dates or amounts.

7. No Waiver. All of the Landlord's rights and remedies under the Lease or under this Guaranty are intended to be distinct, separate and cumulative, and no failure on the part of Landlord to pursue any remedy under the Lease or this Guaranty shall constitute a waiver on the part of Landlord of its right to pursue such remedy on the basis of the same or a subsequent default.

8. Waiver of Exoneration. The obligations of the Guarantor hereunder shall not be released by Landlord's receipt, application or release of security given for the performance and observance of covenants and conditions required to be performed or observed by Tenant under the Lease nor shall the Guarantor be released by the maintenance of or execution upon any lien which Landlord may have or assert against Tenant and/or Tenant's assets.

9. Waiver of Subrogation. Until the obligations of Tenant under the Lease have been performed in full, the Guarantor subordinates any liability or indebtedness of the Tenant now or hereafter held by the Guarantor to the obligations of Tenant to the Landlord under the Lease.

10. Other Guaranty Waivers. Without limiting the generality of the preceding paragraphs, Guarantor hereby waives all rights and defenses to:

(a) All defenses by reason of any lack of authority of Tenant arising under the Lease or this Guaranty;

(b) Any and all rights it may have now or in the future to require or demand that Landlord pursue any right or remedy Landlord may have against Tenant or any other third party;

(c) Any defense it may have as a surety; and

(d) Any defenses based upon an election of remedies by Landlord, including any election which destroys or impairs any right of subrogation, reimbursement or contribution which Guarantor may have, or any rights or benefits under any provisions of applicable law in any way qualifying, conditioning or limiting the obligations of Guarantor based on any steps or procedures that landlords should take before proceeding against Guarantor.

11. Bankruptcy. This Guaranty will continue unchanged by any bankruptcy, reorganization or insolvency of Tenant, or by any disaffirmation or abandonment by a trustee of Tenant. Notwithstanding any modification, discharge or extension of the indebtedness or any amendment, modification, stay or cure of Landlord's rights which may occur in any bankruptcy or reorganization case or proceeding concerning Tenant, whether permanent or temporary, and whether assented to by Landlord, Guarantor hereby agrees that it shall be obligated to pay Rent in accordance with the terms of the Lease and the terms of this Guaranty. Guarantor understands and acknowledges that by virtue of this Guaranty, Guarantor has specifically assumed any and all risks of a bankruptcy or reorganization case or proceeding with respect to Tenant.

12. Governing Law. This Guaranty shall be construed and interpreted in accordance with the laws of the State in which the Premises are located.

13. Notices. Any notice, demand or request by Landlord shall be in writing, and shall be deemed to have been duly given or made if either delivered personally to Guarantor or mailed by certified

mail or registered mail addressed to the Guarantor's address set forth above.

14. Binding upon Heirs, Successors and Assigns. This instrument shall inure to the benefit of Landlord and Landlord's heirs, successors and assigns and shall be binding upon and enforceable against Guarantor and Guarantor's heirs, successors and assigns.

15. Captions. The paragraph headings appearing herein are for purposes of identification and reference only and shall not be used in interpreting this Guaranty.

16. Interpretation; Severability. It is agreed that if any provision of this Guaranty or the application of any provision to any person or any circumstance shall be determined to be invalid or unenforceable, such determination shall not affect any other provisions of this Guaranty or the application of such provision to any other person or circumstance, all of which other provisions shall remain in full force and effect. It is the intention of the parties that if any provision of this Guaranty is capable of two constructions one of which would render the provision valid, the provision shall have the meaning, which renders it valid. This Guaranty represents the result of negotiations between Landlord and Guarantor, each of which has been (or has had opportunity to be) represented by counsel of its own selection, and neither of which has acted under duress or compulsion, whether legal, economic or otherwise. Consequently, Landlord and Guarantor agree that the language in all parts of this Guaranty shall in all cases be construed as a whole according to its fair meaning and neither strictly for nor against Landlord or Guarantor.

17. Attorneys Fees. If either party commences legal proceedings to enforce, interpret or recover damages as a result of the breach of this Guaranty, the party prevailing in such proceedings shall be entitled to recover from the other party all costs, including without limitation, reasonable attorneys' fees, incurred by the prevailing party in such proceedings.

19. Complete Agreement. This Guaranty sets forth all of the promises, inducements, agreements, conditions and understandings between Landlord and Guarantor relative to the guaranty of the Lease, and there are no promises, agreements, conditions or understandings, either oral or written, express or implied between them, other than as set forth herein. This Agreement may not be changed, modified, discharged or terminated orally or in any manner other than by an arrangement in writing signed by Guarantor and Landlord.

IN WITNESS WHEREOF, the Parties have executed this Guaranty and Surety Agreement as of the dated first herein above set forth.

LANDLORD

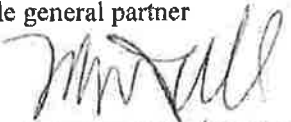
GUARANTOR

INTEGRAL DEVELOPMENT
ASSOCIATES


TILE SHOP HOLDINGS, INC.,
a Delaware corporation

By: Integral Development Corporation,
its sole general partner

By:

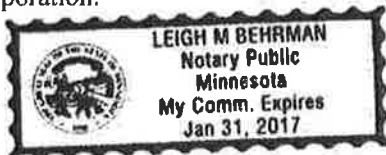

Name: Mitchell C. Russell
Title: V.P.

By:


Name: Carl Randazzo
Title: Sr. VP Retail

STATE OF MINNESOTA)
) SS.
COUNTY OF Hennepin)

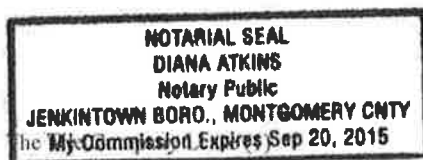
On this, the 23 day of January, 2014, before me, the undersigned officer, personally appeared Carl Randazzo, to me known, who, being by me duly sworn, did depose and say that he is the Sr. VP Retail of Tile Shop Holdings, Inc., the corporation described in and which executed the foregoing instrument; and that he signed his name thereto by order of the board of directors of said corporation.

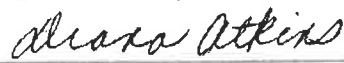



Notary Public

STATE OF PENNSYLVANIA)
) SS.
COUNTY OF Montgomery)

On this, the 4 day of February, 2014, before me, the undersigned officer, personally appeared Mitchell C. Russell, to me known, who, being by me duly sworn, did depose and say that he is the Vice Pres. Gen'l of Integral Development Corporation, a Pennsylvania corporation, the corporation described in and which executed the foregoing instrument as the sole general partner of Integral Development Associates, a Pennsylvania limited partnership; and that he signed his name thereto by order of the board of directors of said corporation.




Notary Public

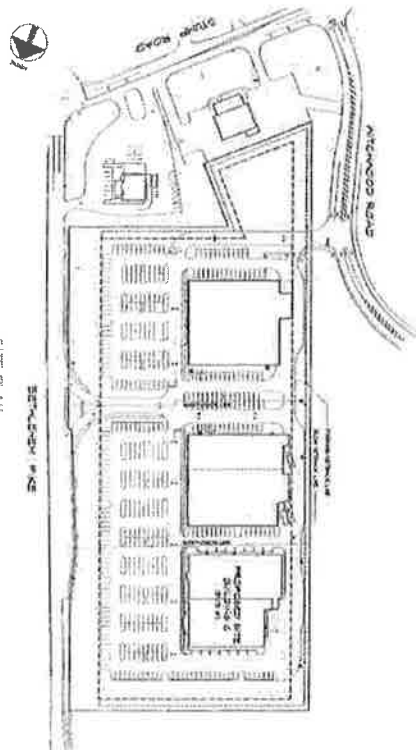
**BETHLEHEM PIKE (RT 309) & STUMP ROAD
MONTGOMERY TOWNSHIP, PENNSYLVANIA**

ARCHITECTS
POLATNICK ZACHARJASZ ARCHITECTS
ELKINS PARK PENNSYLVANIA

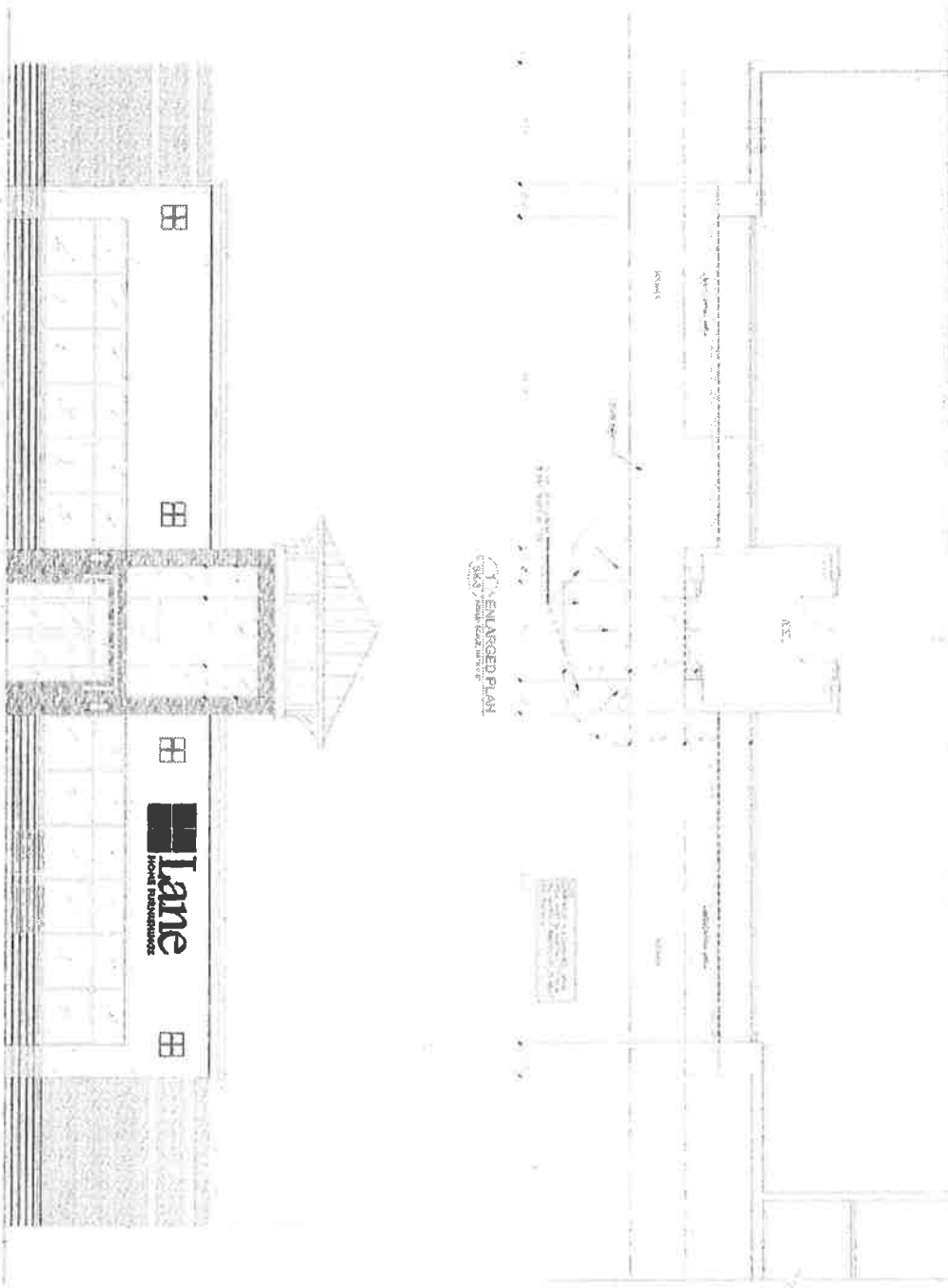
[illegible][illegible]

The diagram shows a hand-drawn layout of a school. At the top center is a cloud-shaped area labeled "NOTES". To the left of this cloud is a rectangular area labeled "LIST OF DRINKS". To the right is another rectangular area labeled "LIST OF DRINKS". Below the "NOTES" cloud is a large rectangular area labeled "SCHOOL LAYOUT". This area is divided into several sections: "CLASSROOMS" (top left), "LIBRARY" (top right), "CAFETERIA" (middle left), "GYMNASIUM" (middle right), "OFFICES" (bottom left), and "BOILER ROOM" (bottom right). The "CAFETERIA" section is further divided into "KITCHEN" and "DINING HALL". The "GYMNASIUM" section is further divided into "GYMNASIUM" and "BOILER ROOM". The "OFFICES" section is further divided into "OFFICES" and "BOILER ROOM". The "BOILER ROOM" section is further divided into "BOILER ROOM" and "BOILER ROOM".

PROJECT DATA CODE ANALYSIS



5176 PLAIN
WALL 10100000



2 FRONT ELEVATION

1 ENLARGED PLAN

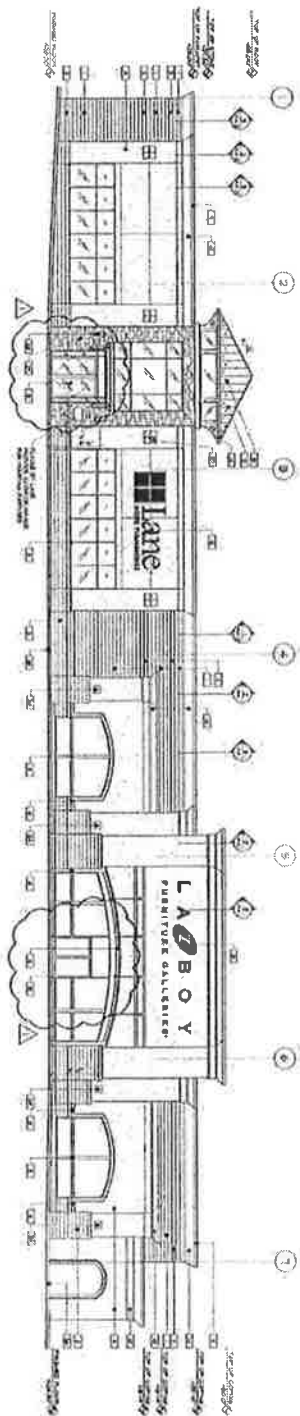
Lane
HOME FURNISHINGS

CDC
1574 KENNEDY BLVD
ST. LOUIS, MO 63101
PROJECT MANAGERS

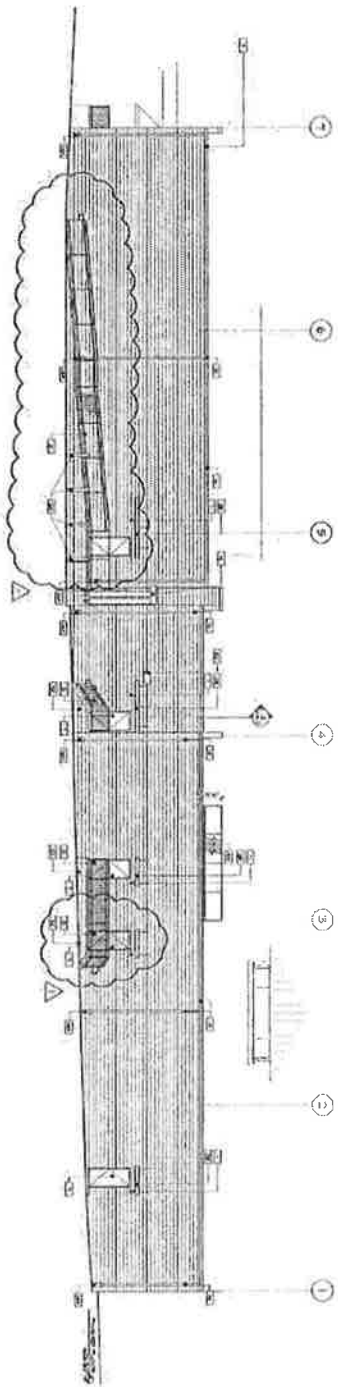
PROPOSED ENTRY
SCHEME
LANE HOME FURNISHINGS
MONTGOMERYVILLE, PA

SK-3

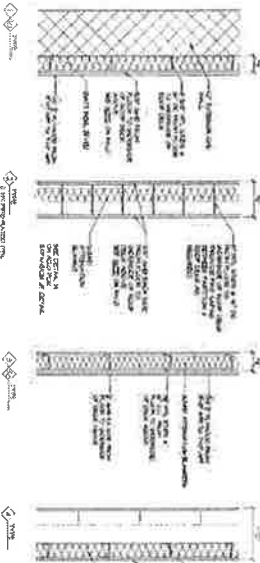
Lane
HOME FURNISHINGS



FRONT ELEVATION



REAR ELEVATION



PARTITION TYPES

GENERAL NOTES

LEGEND

NOTES	LEGEND
1. ALL WORK TO BE DONE IN ACCORDANCE WITH THE LATEST EDITIONS OF THE BUILDING CODES AND SPECIFICATIONS.	1. ALL WORK TO BE DONE IN ACCORDANCE WITH THE LATEST EDITIONS OF THE BUILDING CODES AND SPECIFICATIONS.
2. THE CONTRACTOR SHALL BE RESPONSIBLE FOR OBTAINING ALL NECESSARY PERMITS AND APPROVALS FROM THE APPROPRIATE AGENCIES.	2. THE CONTRACTOR SHALL BE RESPONSIBLE FOR OBTAINING ALL NECESSARY PERMITS AND APPROVALS FROM THE APPROPRIATE AGENCIES.
3. THE CONTRACTOR SHALL BE RESPONSIBLE FOR PROTECTING ALL EXISTING UTILITIES AND STRUCTURES DURING CONSTRUCTION.	3. THE CONTRACTOR SHALL BE RESPONSIBLE FOR PROTECTING ALL EXISTING UTILITIES AND STRUCTURES DURING CONSTRUCTION.
4. THE CONTRACTOR SHALL BE RESPONSIBLE FOR MAINTAINING ACCESS TO ALL ADJACENT PROPERTIES AT ALL TIMES.	4. THE CONTRACTOR SHALL BE RESPONSIBLE FOR MAINTAINING ACCESS TO ALL ADJACENT PROPERTIES AT ALL TIMES.
5. THE CONTRACTOR SHALL BE RESPONSIBLE FOR DISPOSING OF ALL DEBRIS AND WASTE MATERIALS IN ACCORDANCE WITH LOCAL REGULATIONS.	5. THE CONTRACTOR SHALL BE RESPONSIBLE FOR DISPOSING OF ALL DEBRIS AND WASTE MATERIALS IN ACCORDANCE WITH LOCAL REGULATIONS.
6. THE CONTRACTOR SHALL BE RESPONSIBLE FOR INSTALLING ALL SAFETY BARriers AND SIGNS DURING CONSTRUCTION.	6. THE CONTRACTOR SHALL BE RESPONSIBLE FOR INSTALLING ALL SAFETY BARriers AND SIGNS DURING CONSTRUCTION.
7. THE CONTRACTOR SHALL BE RESPONSIBLE FOR MAINTAINING ADEQUATE DRAINAGE AND EROSION CONTROL MEASURES.	7. THE CONTRACTOR SHALL BE RESPONSIBLE FOR MAINTAINING ADEQUATE DRAINAGE AND EROSION CONTROL MEASURES.
8. THE CONTRACTOR SHALL BE RESPONSIBLE FOR PROTECTING ALL EXISTING TREES AND LANDSCAPE FEATURES.	8. THE CONTRACTOR SHALL BE RESPONSIBLE FOR PROTECTING ALL EXISTING TREES AND LANDSCAPE FEATURES.
9. THE CONTRACTOR SHALL BE RESPONSIBLE FOR MAINTAINING ADEQUATE ACCESS TO ALL ADJACENT PROPERTIES AT ALL TIMES.	9. THE CONTRACTOR SHALL BE RESPONSIBLE FOR MAINTAINING ADEQUATE ACCESS TO ALL ADJACENT PROPERTIES AT ALL TIMES.
10. THE CONTRACTOR SHALL BE RESPONSIBLE FOR DISPOSING OF ALL DEBRIS AND WASTE MATERIALS IN ACCORDANCE WITH LOCAL REGULATIONS.	10. THE CONTRACTOR SHALL BE RESPONSIBLE FOR DISPOSING OF ALL DEBRIS AND WASTE MATERIALS IN ACCORDANCE WITH LOCAL REGULATIONS.
11. THE CONTRACTOR SHALL BE RESPONSIBLE FOR INSTALLING ALL SAFETY BARriers AND SIGNS DURING CONSTRUCTION.	11. THE CONTRACTOR SHALL BE RESPONSIBLE FOR INSTALLING ALL SAFETY BARriers AND SIGNS DURING CONSTRUCTION.

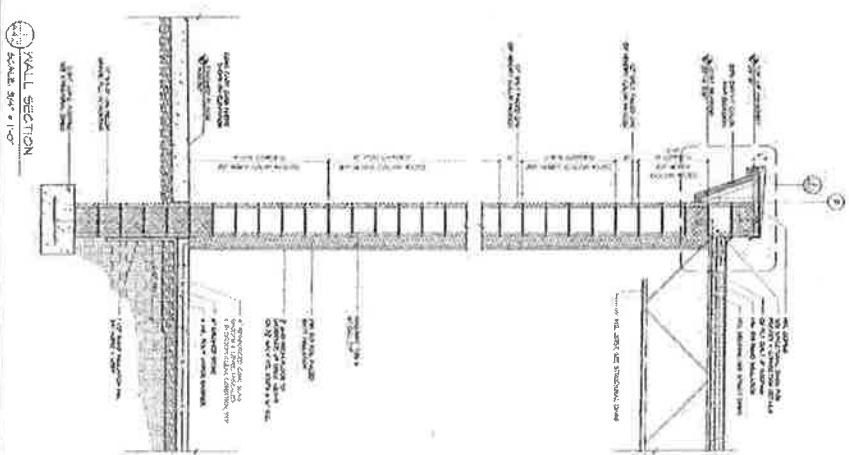
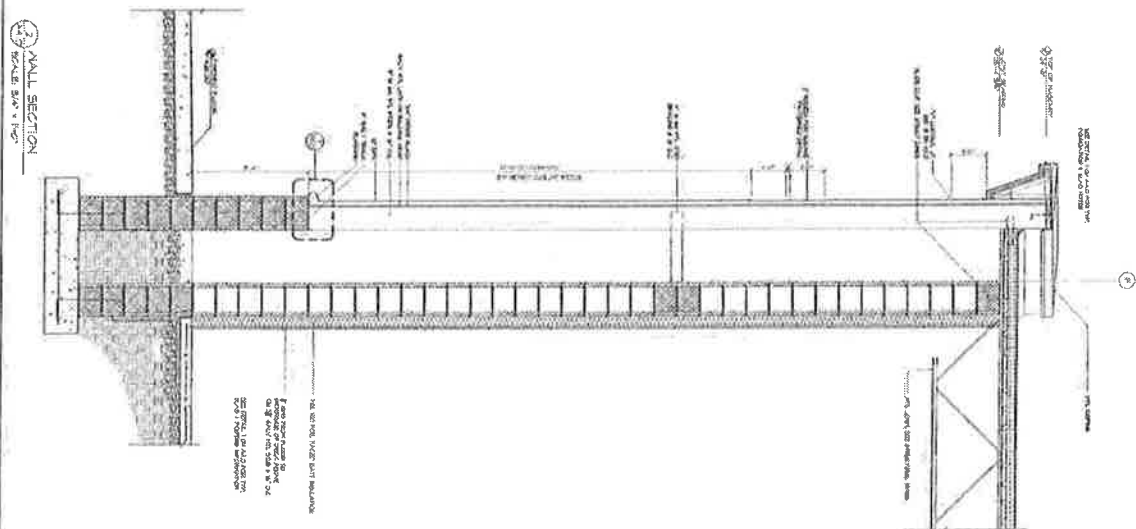
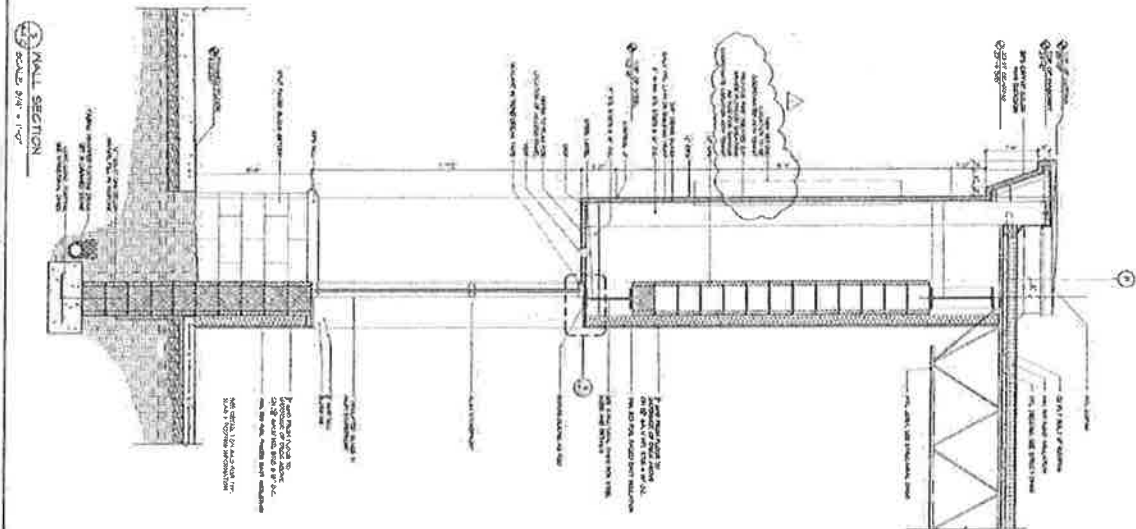
MONTGOMERYVILLE PLAZA BUILDING "C"

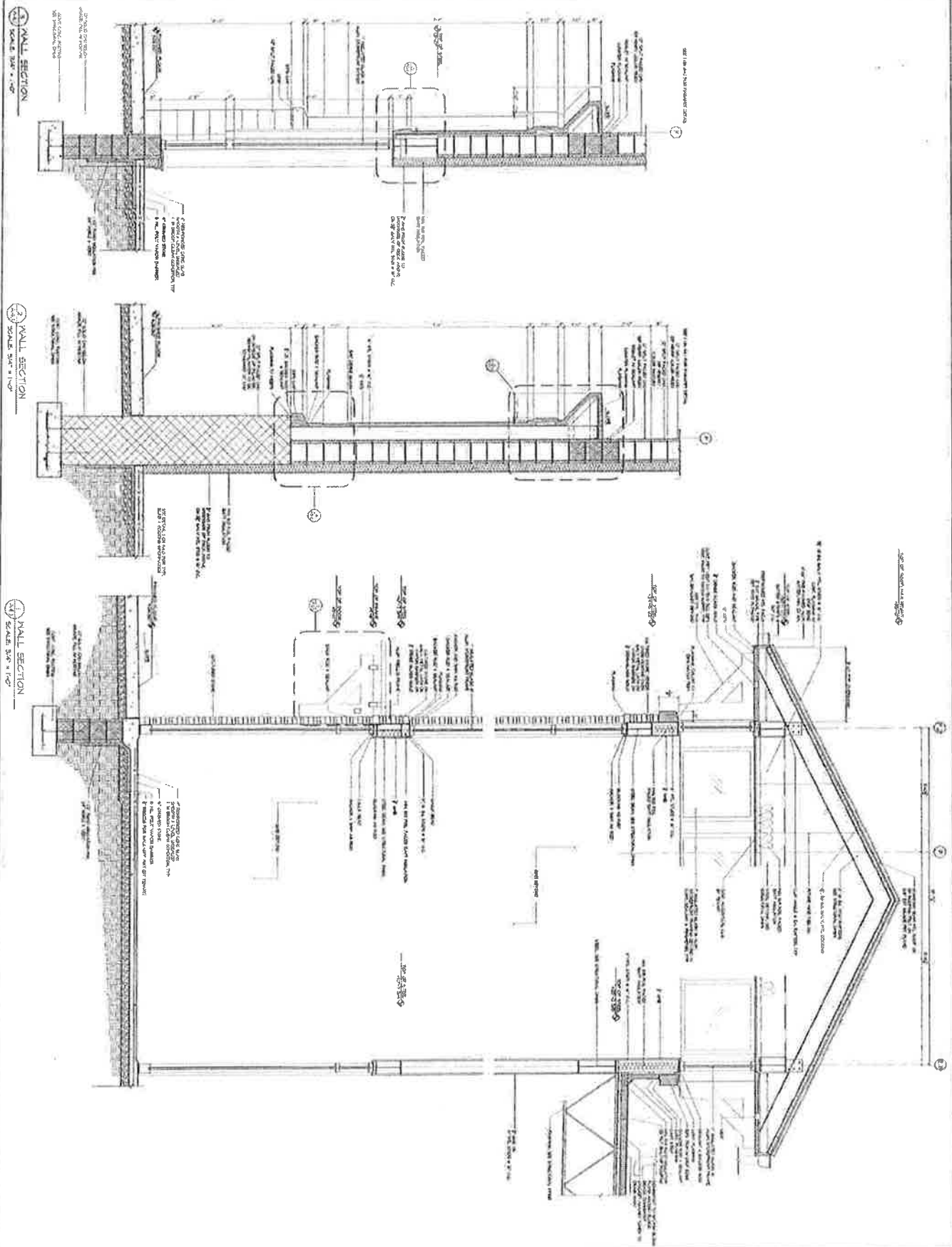
ARCHITECT: POLETNICK ZACHARJASZ
1000 N. MARKET AVENUE
SUITE 200
MONTGOMERYVILLE, PA 17138

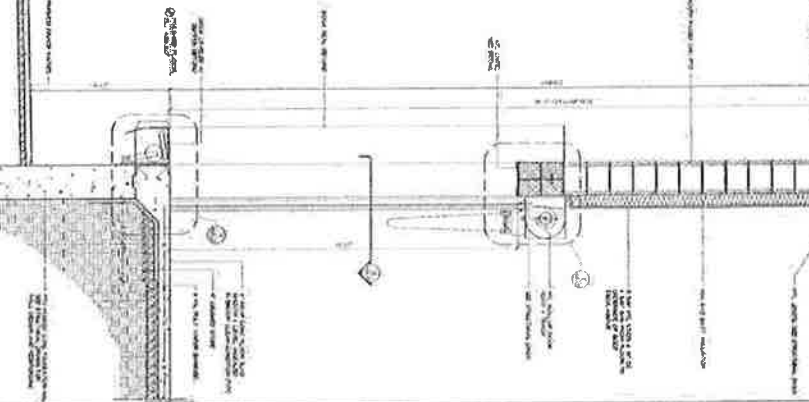
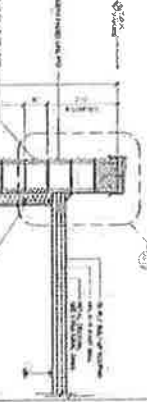
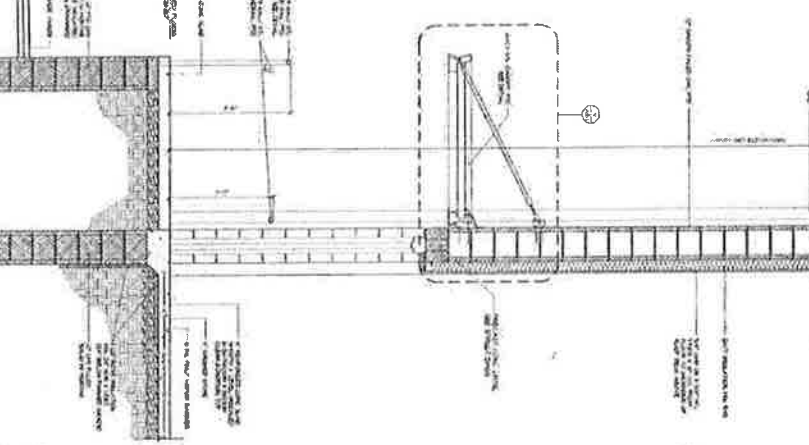
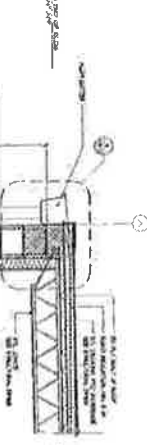
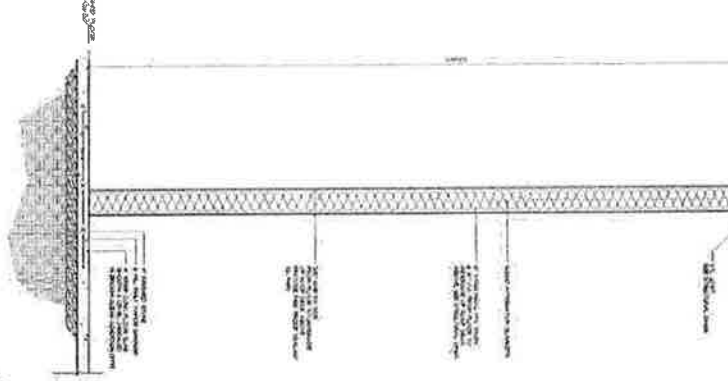
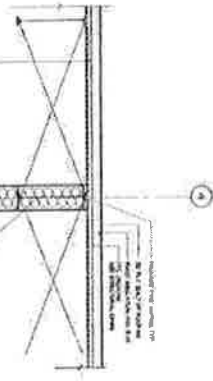
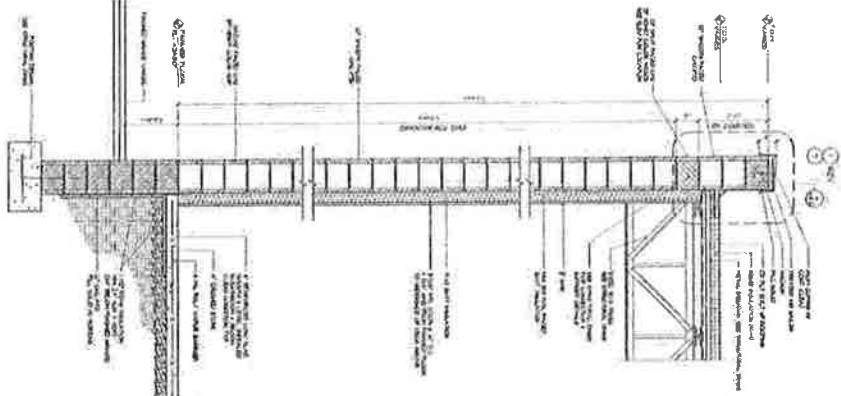
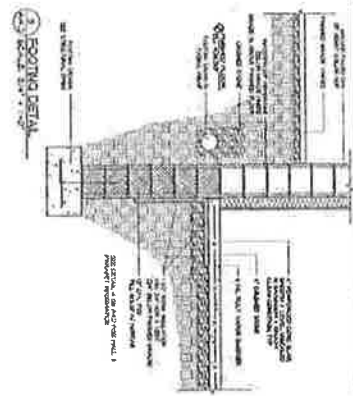
POLETNICK ZACHARJASZ
ARCHITECTS
1000 N. MARKET AVENUE
SUITE 200
MONTGOMERYVILLE, PA 17138

EXTERIOR ELEVATIONS

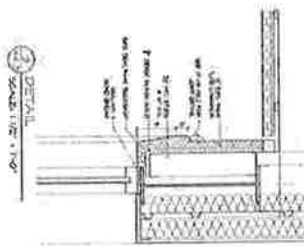
A2.10



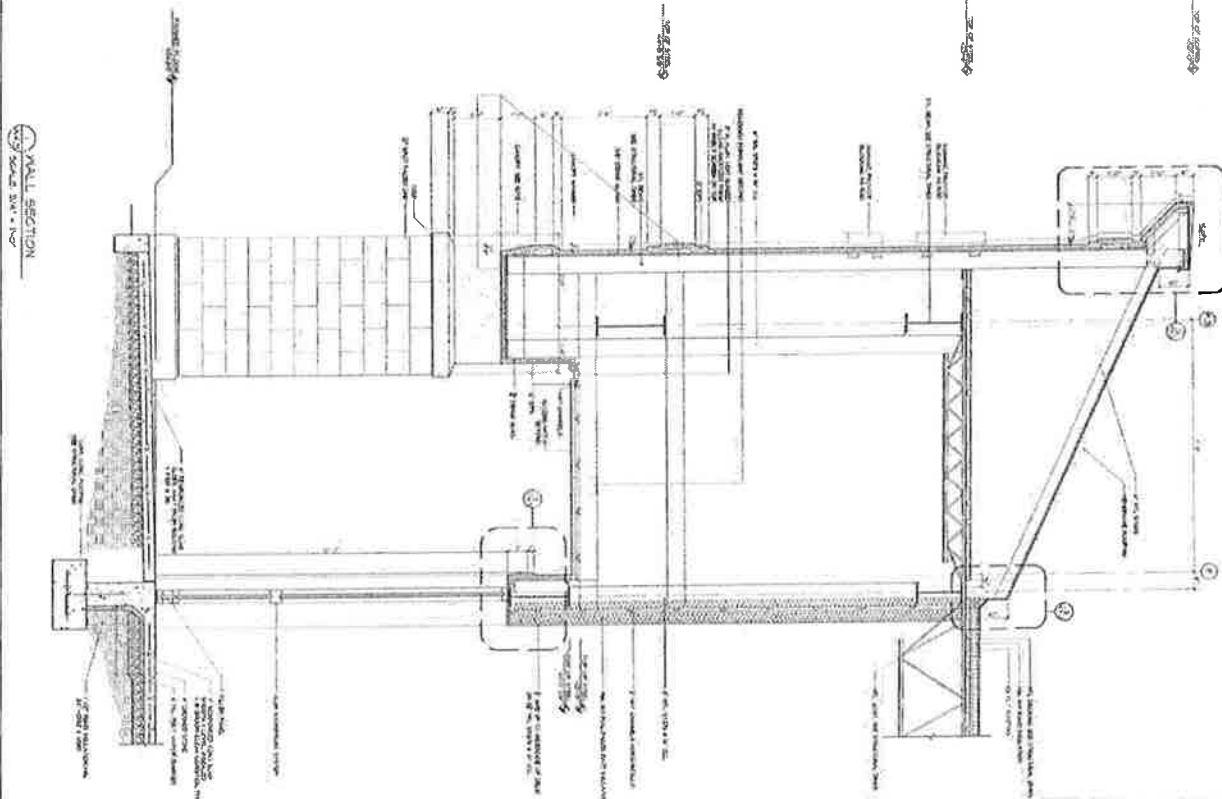
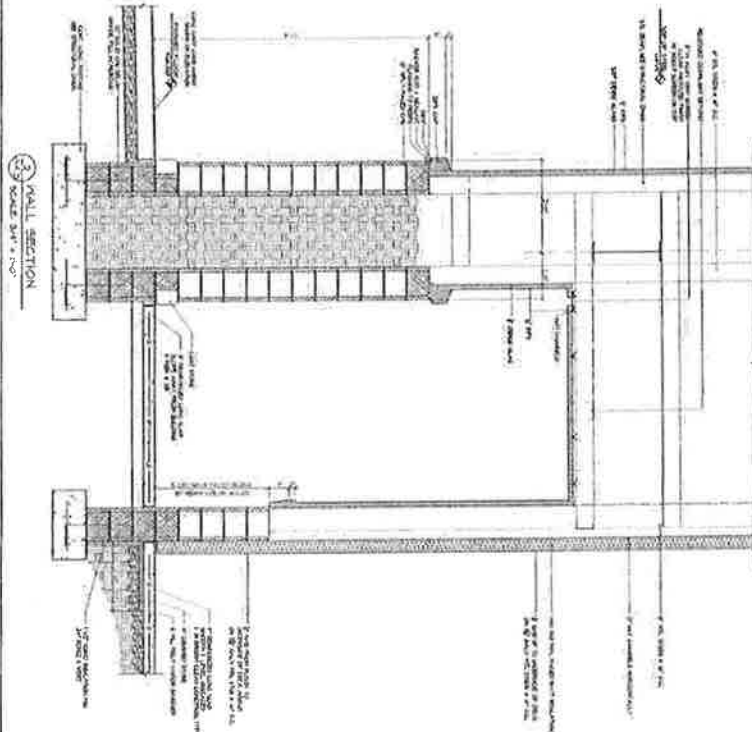


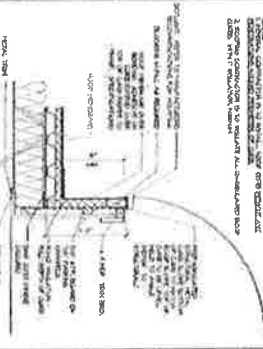
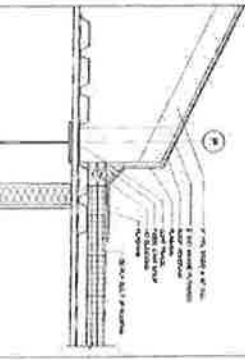
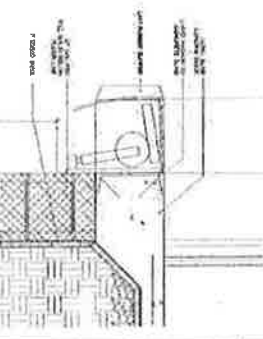
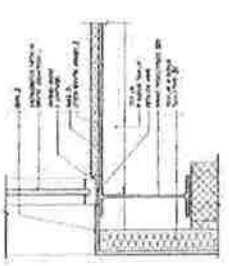
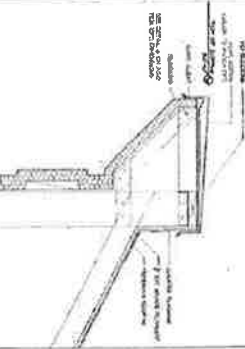
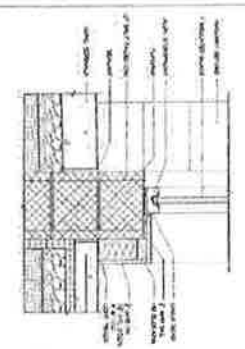
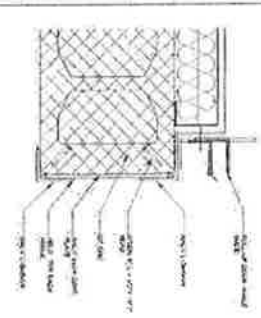
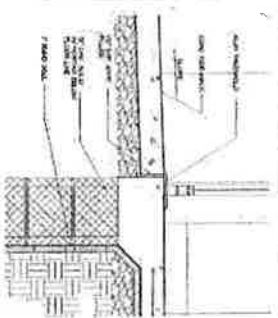
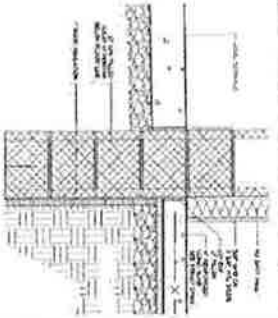
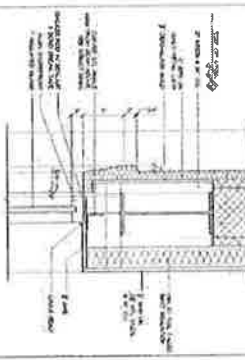
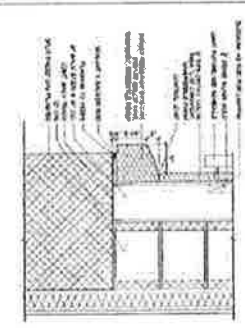
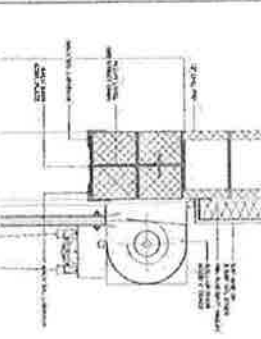
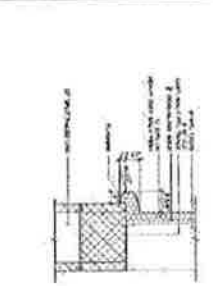
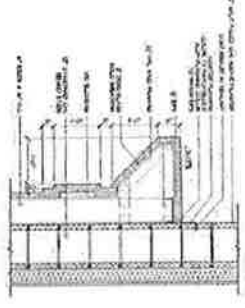
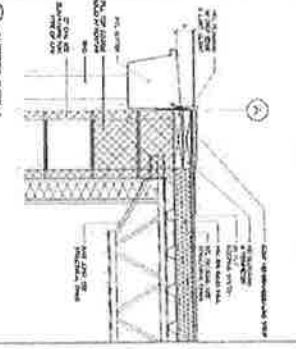
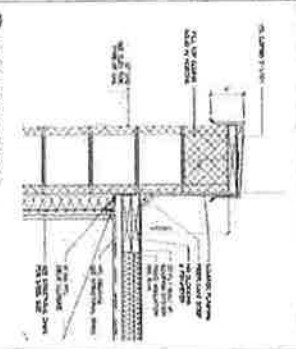
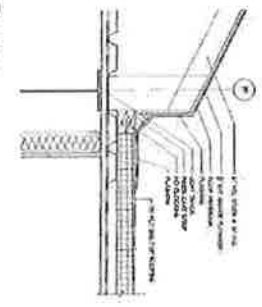
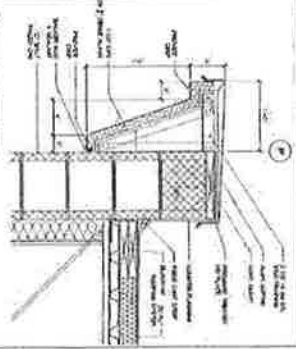
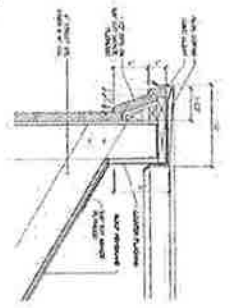


WALL SECTION SCALE: 3/4" = 1'-0" 1/4" = 1'-0"	<table border="1"> <tr> <td>DATE</td> <td>2010-08-01</td> <td>BY</td> <td>AW</td> </tr> <tr> <td>SCALE</td> <td>3/4" = 1'-0"</td> <td>DATE</td> <td>2010-08-01</td> </tr> </table>	DATE	2010-08-01	BY	AW	SCALE	3/4" = 1'-0"	DATE	2010-08-01	MONTGOMERYVILLE PLAZA BUILDING "C" MONTGOMERYVILLE PLAZA, PHILADELPHIA, PA DESIGNER: POLATNICK ZACHARJESZ ARCHITECTS 1515 HUNTER STREET, PHILADELPHIA, PA 19102 TEL: 215-592-1722 FAX: 215-592-1728	SHEET NO. 101
		DATE	2010-08-01	BY	AW						
SCALE	3/4" = 1'-0"	DATE	2010-08-01								
A4.12											



SEE 1, A1.3 FOR PARAMET DETAILS



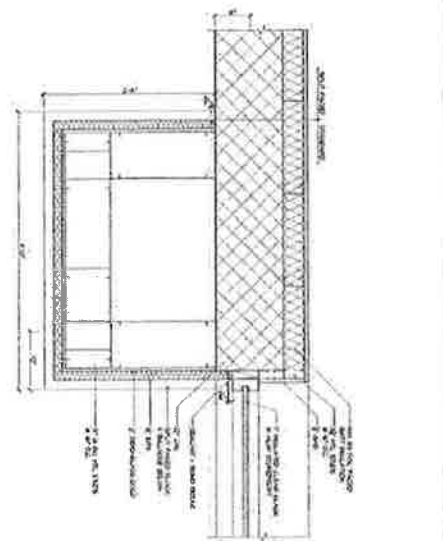


**MONTGOMERYVILLE PLAZA
BUILDING "C"**
MONTGOMERY TOWNSHIP, PENNSYLVANIA
DEVELOPER: MONTGOMERY TOWNSHIP

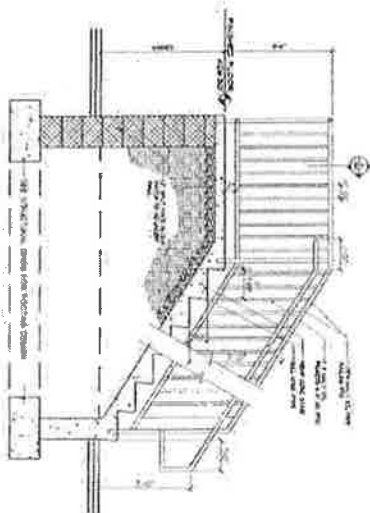
Polnick Zachary
ARCHITECTS
1010 JEFFERSON AVENUE
215 / 398-1100
1140 N. 22ND ST. #100
PHILADELPHIA, PA 19103

A.D.D.

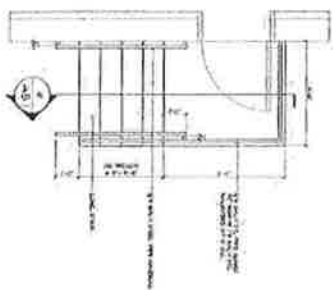
DETAILS



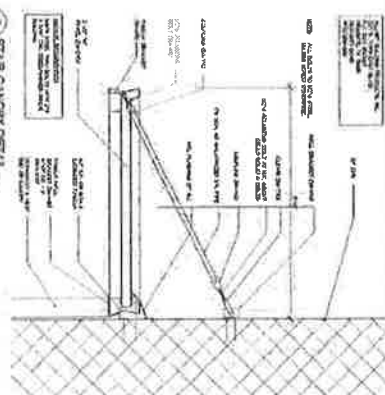
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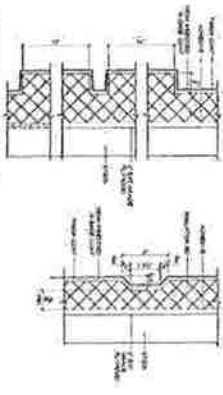
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SCALE: 1/2" = 1'-0"



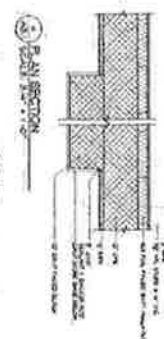
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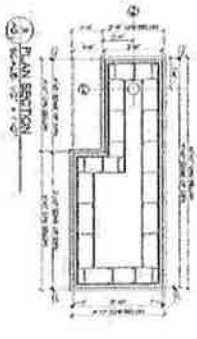
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SCALE: 1/2" = 1'-0"



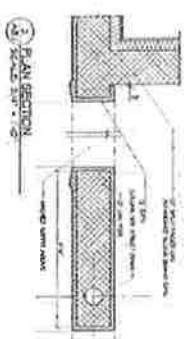
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SCALE: 1/2" = 1'-0"



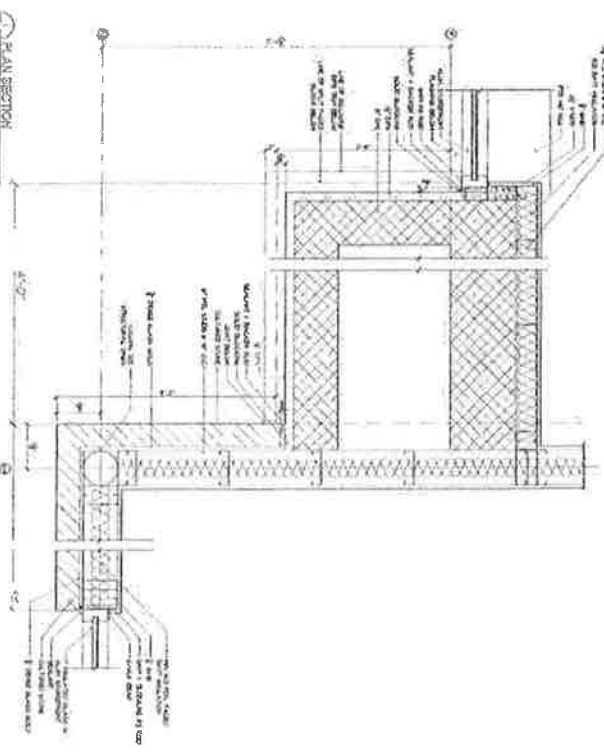
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16. PLAN SECTION
SCALE: 1/4" = 1'-0"



17. PLAN SECTION
SCALE: 1/4" = 1'-0"

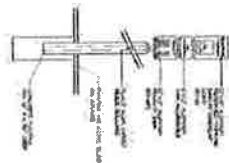


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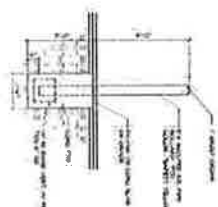
Polatnick Zachary
ARCHITECTS
7810 SPRING AVE. S.W.
215 / 352 / 1100

**MONTGOMERYVILLE PLAZA
BUILDING "C"**
MONTGOMERY TOWNSHIP, PENNSYLVANIA
DETHLEFEN PIKE RD. / STATE ROAD

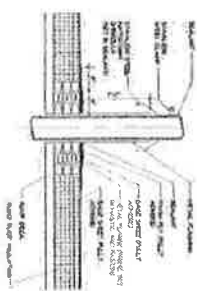
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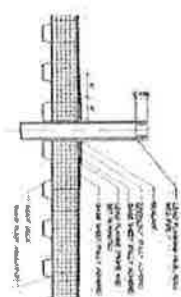
Handicap Signage Detail



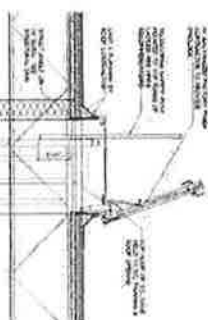
3 BOLLARD DETAIL



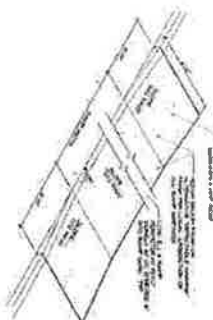
3 ROOF PENETRATION DETAIL



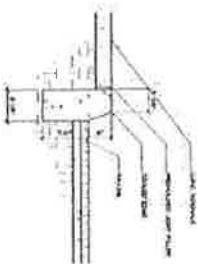
HOOFPENNINGEN DE AL



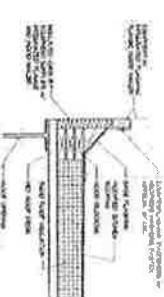
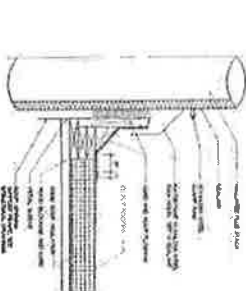
PROFESSOR DR. J. H. W. VAN DIJK



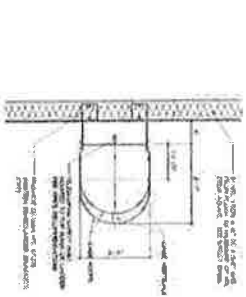
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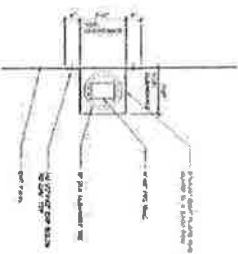
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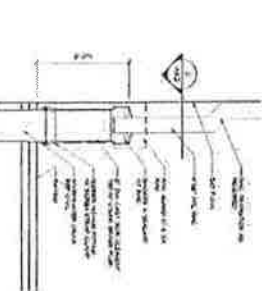
CURBS DETAIL
DATE: 11-17-82
BY: J.C.



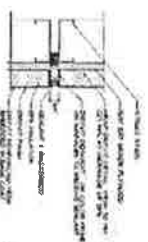
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CAGE PLAN DETAIL



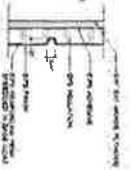
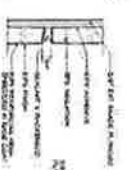
RAILWAY WATER CONDUCTOR GUARD



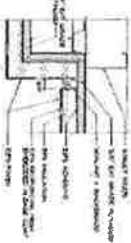
12. RAINWATER CONDUCTOR GUARD



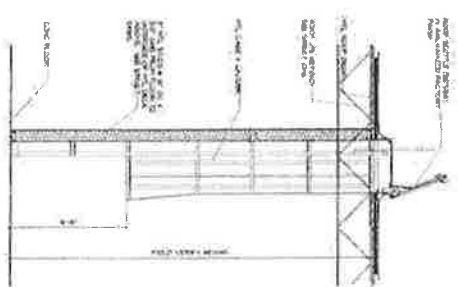
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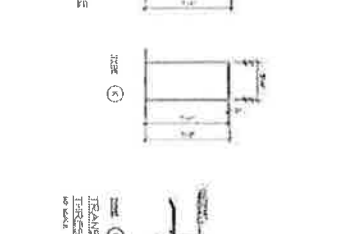
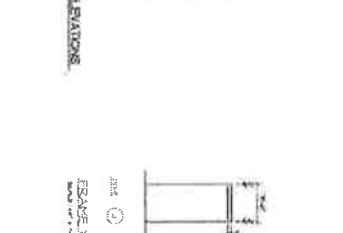
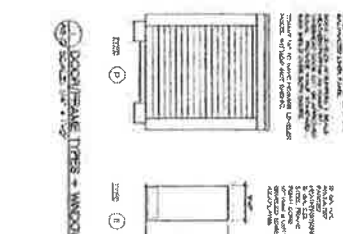
THE [S]
BORNHOLDEN AND HOLLAND



Page 5



15 LADDER ELEVATION



Form 10-100 (Rev. 1-65)									
Name of the vessel		Date of departure		Date of arrival		Port of origin		Port of destination	
Vessel No.		Date		Date		Port		Port	
1	2	3	4	5	6	7	8	9	10
11	12	13	14	15	16	17	18	19	20
21	22	23	24	25	26	27	28	29	30
31	32	33	34	35	36	37	38	39	40
41	42	43	44	45	46	47	48	49	50
51	52	53	54	55	56	57	58	59	60
61	62	63	64	65	66	67	68	69	70
71	72	73	74	75	76	77	78	79	80
81	82	83	84	85	86	87	88	89	90
91	92	93	94	95	96	97	98	99	100

Diagram of the vessel's engine and propulsion system, showing the arrangement of the engine, propeller, and shafts.

Diagram of the vessel's hull and superstructure, showing the arrangement of the deck, cabin, and other structures.

Diagram of the vessel's interior layout, showing the arrangement of the cabin, living quarters, and other internal spaces.

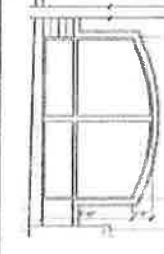
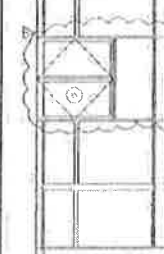
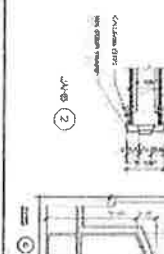
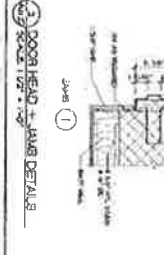
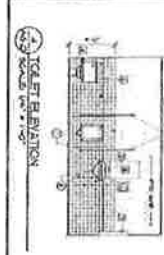
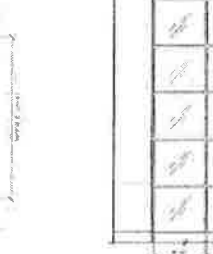
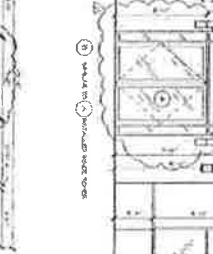
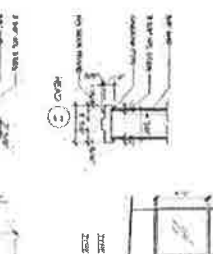
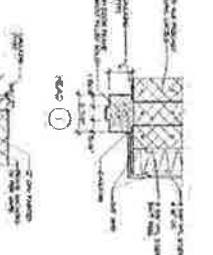
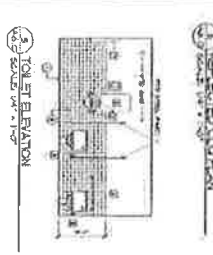
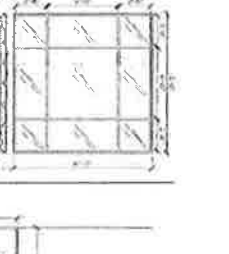
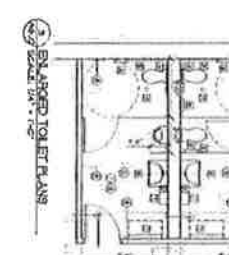
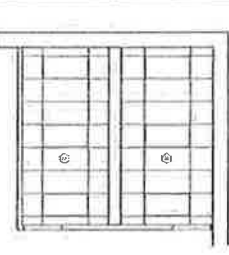
Diagram of the vessel's electrical system, showing the arrangement of the battery, generator, and other electrical components.

Diagram of the vessel's communication system, showing the arrangement of the radio, telephone, and other communication equipment.

Diagram of the vessel's safety equipment, showing the arrangement of the lifeboats, fire extinguishers, and other safety gear.

Diagram of the vessel's navigation equipment, showing the arrangement of the compass, sextant, and other navigation tools.

Diagram of the vessel's maintenance equipment, showing the arrangement of the tools, spare parts, and other maintenance gear.



1. EXISTING REFLECTED GRA PLAN
SCALE: 1/8" = 1'-0"

2. EXISTING PLAN
SCALE: 1/8" = 1'-0"

3. ROOF PLAN
SCALE: 1/8" = 1'-0"

4. FLOOR PLAN
SCALE: 1/8" = 1'-0"

NOTE: SEE SHEET A1.0 FOR FINISHES.

FLOOR PLAN +
ROOF PLAN


ALL WORK SHALL BE IN ACCORDANCE WITH THE LATEST EDITIONS OF THE BUILDING CODES AND STANDARDS.

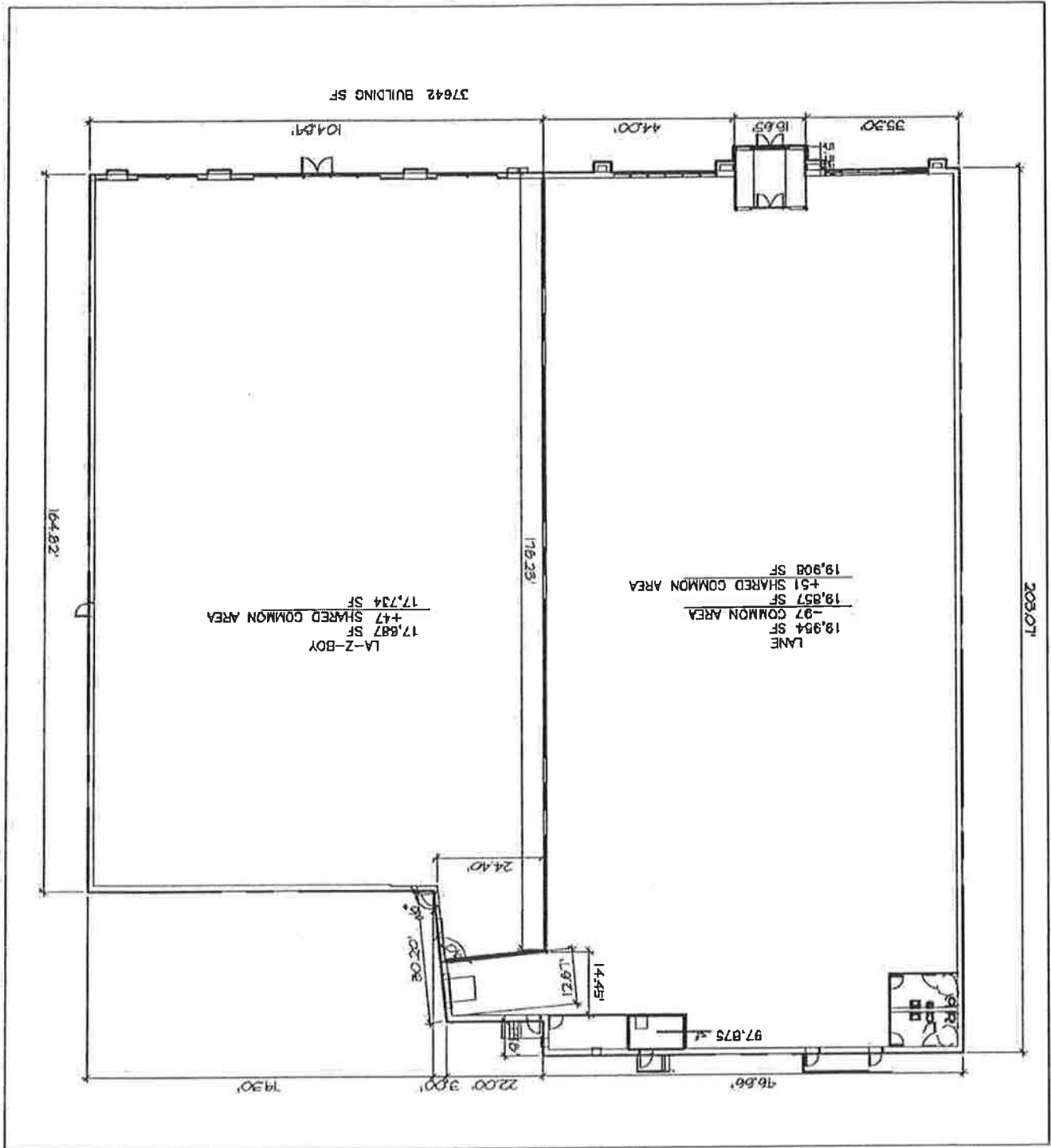
MONTGOMERYVILLE PLAZA
BUILDING "C"

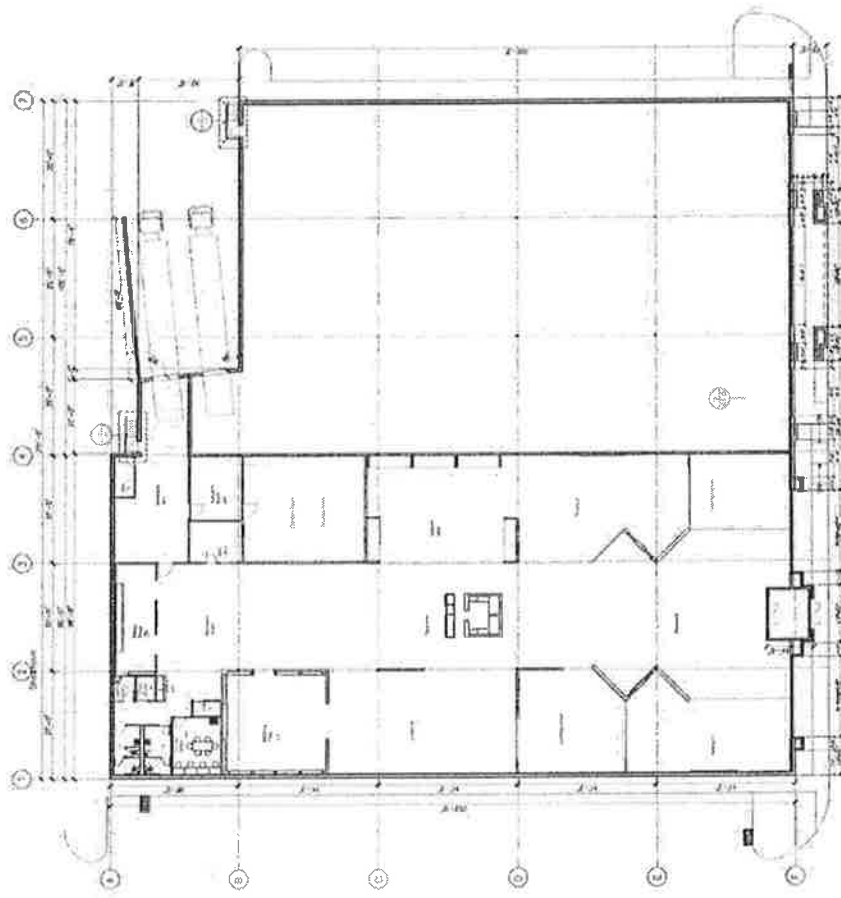
MONTGOMERYVILLE, PENNSYLVANIA
DEVELOPER: MONTGOMERYVILLE PLAZA

PolatnickZacharysz
ARCHITECTS

2010 WEST 10TH STREET, SUITE 100, MONTGOMERYVILLE, PA 17175
TEL: 717-261-1111 FAX: 717-261-1115

date: 7/10/05	drawn by: AR	scale: 1"=80'	revision:
 PolinckZachary, Inc. ARCHITECTS 5812-10 RIDGE AVENUE PHILADELPHIA, PA. 19126 215 / 482-1415 FAX 215 / 480-0484			
project no: 0414	project name: MONTGOMERYVILLE PLAZA BUILDING C	MONTGOMERY TOWNSHIP PA RT 304 & SMITH RD	
drawing no: SK1-7/7/05	drawing title: BUILDING AREA PLAN		





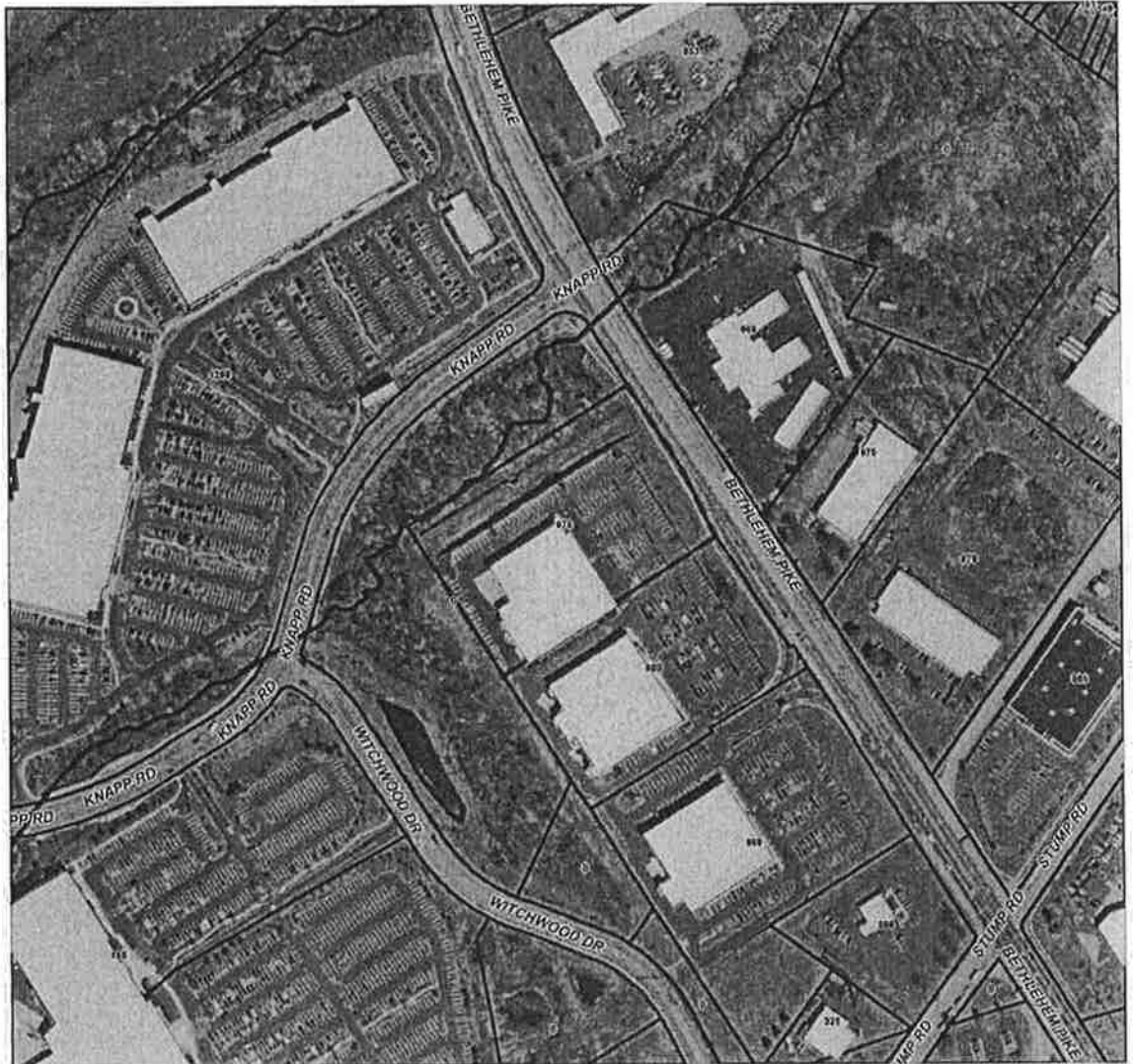
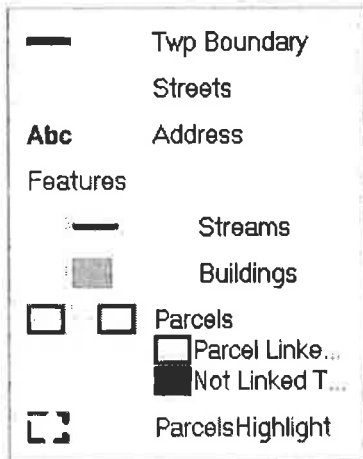
ATTACHMENT "H" (Tab 7)

**INTEGRAL DEVELOPMENT ASSOCIATES—APPLICATION FOR CONDITIONAL
USE**

Adjoining Property Owners

Address	Tax Parcel #	Owner Name	Owner Address
980 Bethlehem Pike	46-0000-313-001	BLDG 2007 RETAIL LLC & NETARC LLC	417 Fifth Avenue New York, NY 10016
Knapp Road Space #1	46-0000316-088	KIR Montgomery 049 LLC	3333 New Hyde Park Road New Hyde Park, NY 11042
969 Bethlehem Pike	46-0000-118-007	Joshi Ramesh Kailash & Ketan & Trushi	969 Bethlehem Pike Montgomeryville, PA 18936
975 Bethlehem Pike	46-0000-121-004	EA Dages Inc.	975 Bethlehem Pike Montgomeryville, PA 18936

Montgomery Twp

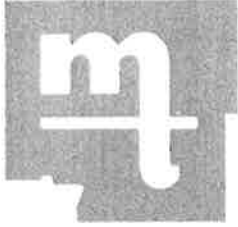


SCALE 1 : 4,365



N





**MONTGOMERY TOWNSHIP
DEPARTMENT OF PLANNING AND
ZONING**

1001 STUMP ROAD
MONTGOMERYVILLE, PA 18936-9605
Telephone: 215-393-6920 • Fax: 215-855-1498
www.montgomerytp.org

BRUCE S. SHOUPÉ
Director of Planning and Zoning

MARIANNE J. McCONNELL
Deputy Zoning Officer

March 28, 2014

RE: Conditional Use Application #C-62
Integral Development Associates
976 Bethlehem Pike

Dear Property Owner:

This letter is to advise you that Integral Development Associates has applied to the Montgomery Township Board of Supervisors for Conditional Use approval for the leasing of a specialty retail store, The Tile Shop, to be located at 976 Bethlehem Pike, in the space formerly occupied by Lane Furniture. No additions to the building are proposed. This is within the HLI-II Highway Limited Industrial II District.

In order to receive public comment on this request, the Board of Supervisors has set Monday, April 28, 2014, after 8:00 p.m., in the Township Building, as the date, time and place for a public hearing.

This letter is being sent to you because you are either an adjacent or nearby property owner or have previously expressed an interest in the disposition of this application. Copies of the proposed map, conditional use application and deed are available for inspection during normal office hours.

Sincerely,

Bruce S. Shoupe
Director of Planning and Zoning

R & F MONTGOMERYVILLE LP
7248 MORGAN RD
P O BOX 220 LIVERPOOL NY 13088

JOSHI RAMESH & KAILASH & KETAN &
969 BETHLEHEM PIKE
MONTGOMERYVILLE PA 18936

EA DAGES INC
975 BETHLEHEM PIKE
MONTGOMERYVILLE PA 18936

HOPKINS NEIL C & KESSELL
374 MAPLE AVE
DOYLESTOWN PA 18901

EAGLE POWER & EQUIPMENT CORP
953 BETHLEHEM PIKE
MONTGOMERYVILLE PA 18936

MCER LLC
947 BETHLEHEM PIKE
MONTGOMERYVILLE PA 18936

UNION NATL BK & TR CO OF
10 W BROAD ST
SOUDERTON PA 18964

INTEGRAL DEV ASSOCIATES
200 WITMER RD
HORSHAM PA 19044

BLDG 2007 RETAIL LLC & NETARC LLC
417 FIFTH AVE 4TH FL
NEW YORK NY 10016

TOYS R US PROPERTY COMPANY II
1 GEOFFREY WAY
WAYNE NJ 07470

MARTMARK ASSOCIATES LP
422 S WOODBINE AVE
NARBERTH PA 19072

309 AUTOMALL PROPERTIES LP
119 KEYSTONE DR
MONTGOMERYVILLE PA 18936

TARGET CORP T-1159
PO BOX 9456
MINNEAPOLIS MN 55440 9456

KIR MONTGOMERY 049 LLC
3333 NEW HYDE PARK RD
P O BOX 5020 NEW HYDE PARK NY
11042 0020

KIR MONTGOMERY 049 LLC
3333 NEW HYDE PARK RD
P O BOX 5020 NEW HYDE PARK NY
11042 0020

KIR MONTGOMERY 049 LLC
3333 NEW HYDE PARK RD
P O BOX 5020 NEW HYDE PARK NY
11042 0020

MONTGOMERY SQUARE
585 SKIPPACK PIKE STE 200
BLUE BELL PA 19422

KIR MONTGOMERY 049 LLC
3333 NEW HYDE PARK RD
P O BOX 5020 NEW HYDE PARK NY
11042 0020

KIR MONTGOMERY 049 LLC
3333 NEW HYDE PARK RD
P O BOX 5020 NEW HYDE PARK NY
11042 0020

MONTGOMERY SQUARE
892 ANDORRA RD
LAFAYETTE HILL PA 19444

COMMONWEALTH OF PENNSYLVANIA
OFFICE OF CHIEF COUNSEL
PO BOX 8212 HARRISBURG PA 17105
8212

MONTGOMERY CIDA
425 STUMP RD
MONTGOMERYVILLE PA 18936

MONTGOMERY TOWNSHIP
1001 STUMP RD
MONTGOMERYVILLE PA 18936

PECO
2301 MARKET ST
PHILADELPHIA PA 19103

MONTGOMERY TOWNSHIP
1001 STUMP RD
MONTGOMERYVILLE PA 18936



AVAILABLE

METRO COMMERCIAL

NOW LEASING

GLENN MARWIN
610-825-5222
www.metrocommercial.com

04/11/2014

ZONING NOTICE

Integral Development Associates
has appealed to the ~~Board of Supervisors~~ Board of Supervisors for con-
sideration of A Conditional Use application for the
Leasing of a specialty retail store, the tile shop,
to be located at 996 Southlawn Ave. This is
within the HLI-II Highway Limited Industrial II
District.

The ~~Board of Supervisors~~ Board of Supervisors under authority
of the MONTGOMERY TOWNSHIP ZONING ORDINANCE
invites all interested parties to appear and be heard at a
PUBLIC HEARING to be held in the Montgomery Township
Building located at 1001 Stump Road, on April 28, 2014
at 5:00 p.m.

THIS ZONING NOTICE must be displayed in a conspicuous
place in FRONT of the premises PLAINLY VISIBLE TO
PASSERSBY and kept there for the Seven Days preceding
the PUBLIC HEARING. The applicant is responsible for
the maintenance of this notice and should it be destroyed or
removed, must immediately obtain another copy.

04/11/2014

**MONTGOMERY COUNTY
BOARD OF COMMISSIONERS**

JOSH SHAPIRO, CHAIR
LESLIE S. RICHARDS, VICE CHAIR
BRUCE L. CASTOR, JR.



**MONTGOMERY COUNTY
PLANNING COMMISSION**

MONTGOMERY COUNTY COURTHOUSE • PO Box 311
NORRISTOWN, PA 19404-0311
610-278-3722
FAX: 610-278-3941 • TDD: 610-631-1211
WWW.MONTCOPA.ORG

JODY HOLTON, AICP
EXECUTIVE DIRECTOR

March 26, 2014

Mr. Lawrence Gregan, Manager
Montgomery Township
1001 Stump Road
Montgomeryville, Pennsylvania 18936

Re: MCPC #14-0048-001; #C-61
Plan Name: Conditional Use for
Integral Development Associates
Situate: Bethlehem Pike (west)/
Knapp Road (south)
Montgomery Township

Applicant's Name and Address
Integral Development Associates
93 Old York Road—Suite 300
Jenkintown, PA 19046

Contact: Mitchell Russell, Esq.
Phone: 215-887-5979
mitchrussell@russelllawgroup.com

Dear Mr. Gregan:

We have reviewed the above referenced Conditional Use application as requested by the township in a letter received in this office on March 4, 2014. We forward this letter as a report of our review and recommendations.

Background

The application a new proposal seeking "conditional use approval" for a change in land use for a vacant 37,640-square foot commercial building located at 976 Bethlehem Pike. The new tenant, "The Tile Shop" will renovate and occupy a portion of the building at this address. The subject property is Tax Parcel #46-00-00312-00-2 situated on 3.72 acres and the commercial structure houses two separate retail spaces.

One portion of the building space, 19,906 square feet, was formerly occupied by the Lane Co. (La-Z-Boy) furniture retailer, which the application states in a bankruptcy filing. The former furniture retailing use obtained conditional use approval and the applicant seeks to lease a portion of the building to "The Tile Shop, LLC" which retails, kitchen, bathroom and entryway materials.

According to §230-234 and several other zoning regulations (§230-156.2; §230-227.B.1) a change in use requires conditional use approval by the Township. The applicant documentation states the new use is a "specialty retail use" according to the definition of §230-227(B)(1). The proposal according to the plan does not propose any changes to the site's building footprint, parking lot, or access drives in its implementation. The applicant's parcel is situated in the HLI II- Highway Limited Industrial District II Zoning District.

Comment

We have not identified any significant land use, transportation, design, or other issues that should be addressed in the township's consideration this conditional use application. Therefore, we have no substantive comments. Nevertheless, the municipal staff should ensure that the plan meets all appropriate municipal land use regulations and other codes prior to granting approval.

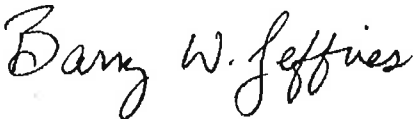
Recommendation

We recommend approval of the conditional use proposal, provided the proposed plan complies with your municipal land use regulations and all other appropriate regulations.

Please note that the review comments and recommendations contained in this report are advisory to the municipality and final disposition for the approval of any proposal will be made by the municipality.

Should the governing body approve a final plat of this proposal, the applicant must present the plan to our office for seal and signature prior to recording with the Recorder of Deeds office. A paper copy bearing the municipal seal and signature of approval must be supplied for our files.

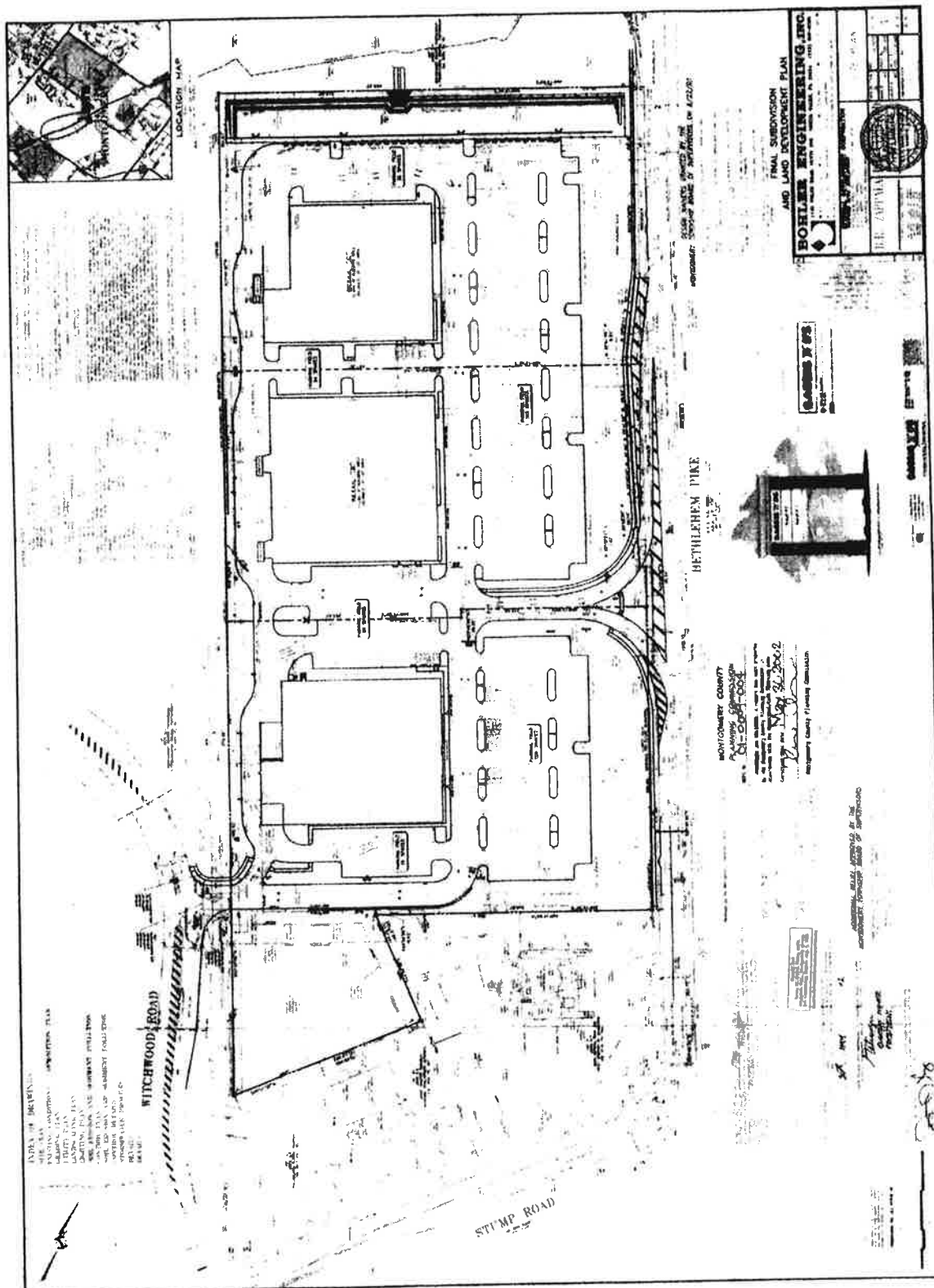
Sincerely,

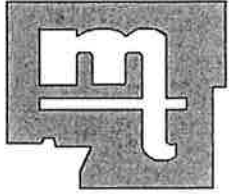


Barry W. Jeffries, ASLA, Senior Design Planner
610-278-3444 – bjeffrie@montcopa.org

c: Integral Development Associates, Applicant
Jonathan Trump, Chrm., Twp. Planning Commission
Frank Bartle, Twp. Solicitor
Russell Dunlevy, Twp. Engineer

Recorded Site Plan, 2001





MEMORANDUM

TO: Board of Supervisors

FROM: Planning Commission
Jonathan Trump, Chairman

DATE: March 20, 2014

RE: Conditional Use Application
Integral Development Associates C-62

The Planning Commission has reviewed the Conditional Use Application for Integral Development Associates and would like to recommend to the Board of Supervisors that the application be approved, subject to satisfactory compliance with all comments of the Township review agencies.



GILMORE & ASSOCIATES, INC.
ENGINEERING & CONSULTING SERVICES

April 16, 2014

File No. 14-03074

Bruce S. Shoupe, Director of Planning and Zoning
Montgomery Township
1001 Stump Road
Montgomeryville, PA 18936-9605

Reference: Integral Development Associates
Conditional Use Application Review #C-62
967 Bethlehem Pike
Tax Block #46-00-00312-00-2

Dear Bruce:

Pursuant to your request, Gilmore & Associates, Inc. has reviewed the Conditional Use Application for the above-referenced project and offers the following comments for consideration by the Montgomery Township Board of Supervisors:

I. SUBMISSION

- A. Application for Conditional Use, as prepared by Integral Development Associates, dated February 25, 2014.

II. GENERAL

The subject property is an existing development containing a 37,640 square foot multi-tenant retail building with associated parking and stormwater facilities on 4.18 acres located at 976 Bethlehem Pike, Montgomeryville, PA. The site is within the Highway Limited Industrial Overlay District II (HLI-II) and has access to Bethlehem Pike (S.R. 0309) to the east and to Witchwood Road to the west through adjacent properties. This application intends to fill the 19,906 square foot vacancy in the multi-tenant space. The previous tenant (Lane Furniture) received conditional use approval and the applicant is currently seeking approval for a new tenant to occupy the space.

The new tenant, The Tile Shop, is a retail store selling tile and grout for bathrooms, kitchens and entryways. The use is considered a "specialty retail use" under section 230-227.B(1) and requires authorization as a conditional use. This proposal does not include changes to the existing building footprint, parking, landscaping or loading configurations and only considers to change in use.

III. APPLICATION FOR CONDITIONAL USE

The Applicant has applied for a Conditional Use Approval for a Change in Use as required in §230-234 and appears to meet the requirements outlined for the application per §230-156.2.C (Standards for a Conditional Use Approval). The required supporting materials are attached to the application.

The new tenant meets the requirements established in §230-227.B. The existing property has the required secondary access in addition to the drive on Bethlehem Pike (S.R. 0309). Additionally, the minimum gross floor area of 15,000 SF is met with the 19,906 SF space to be leased to the tenant.

The "specialty retail use" criteria is met for the tenant as it will carry an inventory limited to one specific market segment, tile floor and wall coverings.

In our opinion the proposed use of the existing retail space on the subject property meets the requirements established for the conditional specialty retail use in the Highway Limited Overlay District II. We note that building signage presented with the lease agreement provided with the application for conditional use will require review and approval of the Township Zoning Officer to ensure compliance with the applicable regulations and was not considered as part of this review..

If you have any questions regarding the above, please contact this office.

Sincerely,



Russell S. Dunlevy, P.E.
Executive Vice President
Township Engineers



James P. Dougherty, P.E.
Senior Project Engineer
Township Engineers

RSD/JPD/atw

cc: Lawrence J. Gegan, Manager – Montgomery Township
Marita A. Stoerrle, Development Coordinator – Montgomery Township
Kevin Johnson, P.E. – Traffic Planning & Design, Inc.
Judith Stern Goldstein, ASLA, R.L.A. – Boucher & James, Inc.
Ken Amey, AICP
Mitchell E. Russell – Principal/ Attorney, Integral Development Associates



Boucher & James, Inc.
CONSULTING ENGINEERS

AN EMPLOYEE OWNED COMPANY
INNOVATIVE ENGINEERING

Fountainville Professional Building
1456 Ferry Road, Building 500
Doylestown, PA 18901
215-345-9400
Fax 215-345-9401

2738 Runrock Drive
Stroudsburg, PA 18360
570-629-0300
Fax 570-629-0306

www.bjengineers.com

April 11, 2014

Lawrence Gregan, Township Manager
Montgomery Township
1001 Stump Road
Montgomeryville, PA 18936

**SUBJECT: INTEGRAL DEVELOPMENT
CONDITIONAL USE APPLICATION
TOWNSHIP NO. C-62
PROJECT NO. 1455273R**

Dear Mr. Gregan:

Please be advised that we have reviewed the Conditional Use Application provided by Integral Development Associates dated February 26, 2014. The application seeks approval of a specialty retail use ("The Tile Shop") to be located within the space formerly leased by Lane Furniture. The site fronts on Bethlehem Pike, within the HLI II Highway Limited Industrial II District. No improvements are proposed.

It does not appear that there are any issues related to landscape requirements with regard to the request for Conditional Use Approval.

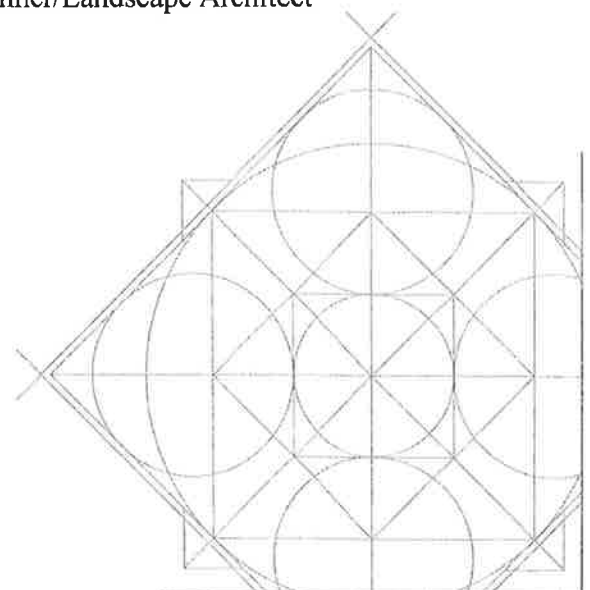
Sincerely,

Judith Stern Goldstein, ASLA, R.L.A.
Managing Director

Valerie L. Liggett, ASLA, R.L.A.
ISA Certified Arborist®
Planner/Landscape Architect

JSG/vll/kam

cc: Board of Supervisors
Planning Commission
Bruce Shoupe, Director of Planning and Zoning
Marita Stoerrle, Development Coordinator
Marianne McConnell, Deputy Zoning Officer
Jim Dougherty, P.E., Gilmore & Associates
Kevin Johnson, P.E., Traffic Planning & Design
Ken Amey, AICP
Mitchell E. Russell, Esq., Russell Law Group, PC.



TRAFFIC PLANNING AND DESIGN, INC.



2500 E. High Street | Suite 650 | Pottstown, PA | 19464
610.326.3100 | TPD@TrafficPD.com

April 16, 2014

Mr. Bruce S. Shoupe
Township Director of Planning and Zoning
Montgomery Township
1001 Stump Road
Montgomeryville, PA 18936-9605

Re: Integral Development Associates
The Tile Shop
Montgomery Township Conditional Use # C-62
TPD# MOTO-A-00083

Dear Bruce:

In our role as Township Traffic/Street Lighting Engineer, Traffic Planning and Design, Inc. (TPD) has reviewed the Conditional Application for the above referenced project. Based on our review, we offer the following comments:

Traffic Engineering Comments

1. The proposed 19,906 square foot retail use, The Tile Shop, will have similar characteristics relative to traffic volumes and traffic distribution patterns as the previous retail use, Lane Furniture store. Therefore, in accordance with §230-156.2C(3),(4),(5) and (12), any traffic impacts associated with The Tile Shop to the surrounding roadways are not anticipated to be any greater than those experienced with the previously approved use, Lane Furniture.

We reserve the right to make additional comments as additional information is submitted. Please call if you have any questions.

Sincerely,

Kevin L. Johnson, P.E.
President

cc: Larry Gregan, Township Manager
Marita Stoerrle, Township Development Coordinator
Kevin Costello, Township Public Works Director
Russ Dunlevy, P.E., Township Engineer
Joseph Platt, P.E., TPD
Mitchell Russell, Esq., Applicant

KENNETH AMEY, AICP
professional land planner

April 21, 2014

(via e-mail)

Lawrence J. Gegan, Township Manager
MONTGOMERY TOWNSHIP
1001 Stump Road
Montgomeryville, PA 18936

Re: Integral Development
Conditional Use Application
Township File #C-62

Dear Mr. Gegan:

I have reviewed the above referenced application submitted by Integral Development Associates, and dated February 26, 2014. The applicant proposes to use the space previously occupied by Lane Furniture for a specialty tile use conforming to the "specialty retail use" permitted within the HLI II District. No additional improvements are proposed.

This proposal appears to conform to the requirements of the HLI II District and does not seem to have any specific planning issues which should be addressed prior to the Conditional Use Hearing.

If there are any questions, please let me know.

Very truly yours,



Kenneth Amey

cc: Bruce S. Shoupe, Township Director of Planning and Zoning
Marita Stoerrle, Development Coordinator
Marianne McConnell, Deputy Zoning Officer
Russell Dunlevy, PE, Township Engineer
Frank Bartle, Esq., Township Solicitor
Judith Stern Goldstein, ASLA, Township Landscape Architect
Kevin Johnson, PE, Township Traffic Engineer
Mitchell E. Russell, Esq., Applicant's Attorney

1122 Old Bethlehem Pike
Lower Gwynedd, PA 19002



phone: 215.283.9619

fax: 215.646.3458

kenamey@aol.com

MONTGOMERY TOWNSHIP BOARD OF SUPERVISORS
BOARD ACTION SUMMARY

SUBJECT: Announce Commemoration Day Events – May 17, 2014

MEETING DATE: April 28, 2014

ITEM NUMBER: #7

MEETING/AGENDA:

ACTION

NONE

REASON FOR CONSIDERATION: Operational: Policy: Discussion: xx Information:

INITIATED BY: Stacy Crandell
Assistant to the Township Manager

BOARD LIAISON: Joseph P. Walsh, Chairman
Board of Supervisors/300th Committee

BACKGROUND:

In honor of Montgomery Township's 300th Anniversary Celebration, the Township is organizing a 5K Run on May 17, 2014 at 9AM at the William F. Maule Park at Windlestrae. The proceeds of this run will be donated to the Wounded Warrior Project®. The run is limited to first 300 runners.

The Township would like to thank the following sponsors of the run:

Gold Sponsor

NSM Insurance Group

Bronze Sponsor

Abington Memorial Hospital -Lansdale Hospital
Bee Bergvall & Co.
Deb Grasso- Re/Max Action Realty
Doylestown Hospital
Walsh Pancio, LLC

T-Shirt Sponsor

Barnes & Noble
Fulton Bank
Hand and Stone Massage & Facial Spa- Montgomeryville
Kenneth Amey, AICP
Planet Fitness Montgomeryville
Wawa
Wegmans

In-Kind Donations

Arctic Glacier
Costco
State Representative Todd Stephens
State Senator Stewart Greenleaf
Trader Joe's
Univest Bank

ZONING, SUBDIVISION OR LAND DEVELOPMENT IMPACT:

None.

PREVIOUS BOARD ACTION:

None.

ALTERNATIVES/OPTIONS:

None.

BUDGET IMPACT:

None.

RECOMMENDATION:

Township Staff recommends announcing the date and encouraging people to sign-up for the run to support this great cause.

MOTION/RESOLUTION:

None.

DISTRIBUTION: Board of Supervisors, Frank R. Bartle, Esq.



CELEBRATE THE MONTGOMERY TOWNSHIP'S 300th ANNIVERSARY BY SUPPORTING THE WOUNDED WARRIOR PROJECT®!

THE GENERAL HANCOCK 5K RUN

Proceeds of the run will be donated to the Wounded Warrior Project®.

Saturday, May 17, 2014 - 9AM – North Wales, PA

LOCATION/REGISTRATION: The run will take place at the William F. Maule Park at Windlestrae (1143 Kenas Road, North Wales, PA 19454) and parking is available at this location. Registration will begin at 8AM.

COURSE: Wheel Measured Course; the run will take place along a paved trail and on a street. A Map of the 5K Run Route is available.

AMENITIES: T-shirt to all pre-registrants of 5K (*If registered by April 15th*); "goodie" bag for all runners. Refreshments for finishers, time clock at finish and instant results. Held rain or shine. No refunds or mailed awards. Results on www.pretzelcitysports.com in 24-72 hours.

AWARDS: Awards for the top male & female winners and runner-ups in 6 age categories plus grab bags for all finishers.

ENTRY: \$25 if postmarked by or registered online by April 15 to receive a t-shirt. Afterwards, inc. day of race, \$15 with no shirt.
REGISTRATION IS LIMITED TO FIRST 300 REGISTRANTS!

MAIL CHECK PAYABLE TO "Montgomery Township 300" & FORM BELOW TO: MONTGOMERY TOWNSHIP, 1001 STUMP ROAD, MONTGOMERYVILLE PA 18936. ATTENTION: Stacy Crandell (215)393-6900, scrandell@montgomerytpa.org. Online registration is available at www.pretzelcitysports.com.

.....Please Print Clearly.....

Last Name: _____ First Name: _____

Address: _____

City/State: _____ Zip: _____ Race day Age: _____ Date of Birth: ____/____/____

Sex: M F Phone: (____) _____

Shirt Size (circle one): S M L XL Email _____

Already Getting Emails from Pretzel City Sports Regularly? _____ Yes _____ No

WAIVER: I know that running a road race is a potentially hazardous activity. I should not enter and run unless I am medically able and properly trained. I also know that there will be traffic on the course and assume the risk for running in traffic. I also assume any or all other risks associated with running or attending the race including but not limited to falls, contact with other participants, the affects of the weather and the condition of the roads, all such risks being known and appreciated by me. Knowing these facts, and in consideration of your accepting my entry fee, I hereby for myself, my heirs, executors, administrators or anyone else who might claim on my behalf, covenant not to sue, and waive, release and discharge Pretzel City Sports, Montgomery Township and any subcontractors it utilizes, all municipalities in which the race is held, the race committee, volunteers, any and all sponsors including their agents, employees, assigns or anyone acting for on their behalf, or anyone else associated in any way with the race, from any or all claims or liability for death, personal injury or property damage of any kind of nature what so ever arising out of, or in the course of, my participation in this event(s). This waiver extends to all claims of every kind or nature what so ever, foreseen or unforeseen, known or unknown. I HAVE READ AND UNDERSTAND THIS WAIVER: (if under 18, legal guardian must sign)

Signature: _____ Date ____/____/ 2014

MONTGOMERY TOWNSHIP BOARD OF SUPERVISORS
BOARD ACTION SUMMARY

SUBJECT: Presentation of 1st Quarter 2014 Budget Report

MEETING DATE: April 28, 2014


ITEM NUMBER: #8

MEETING/AGENDA:

ACTION

NONE

REASON FOR CONSIDERATION: Operational: Policy: Discussion: xx Information:

INITIATED BY: Shannon Q. Drosnack
Finance Director 

BOARD LIAISON: Robert J. Birch, Supervisor
Liaison – Finance Committee

BACKGROUND:

The Finance Department has completed its' 1st Quarter 2014 Budget Report. Please see the attached documentation.

ZONING, SUBDIVISION OR LAND DEVELOPMENT IMPACT:

None.

PREVIOUS BOARD ACTION:

None.

ALTERNATIVES/OPTIONS:

None.

BUDGET IMPACT:

None.

RECOMMENDATION:

Accept the 1st Quarter budget report.

DISTRIBUTION: Board of Supervisors, Frank R. Bartle, Esq.



**MONTGOMERY TOWNSHIP
BOARD OF SUPERVISORS**

1001 STUMP ROAD
MONTGOMERYVILLE, PA 18936-9605
Telephone: 215-393-6900 • Fax: 215-855-6656
www.montgomerytp.org

ROBERT J. BIRCH
CANDYCE FLUEHR CHIMERA
MICHAEL J. FOX
JEFFREY W. McDONNELL
JOSEPH P. WALSH

LAWRENCE J. GREGAN
TOWNSHIP MANAGER

To: Distribution

From: Shannon Q. Drosnock, Finance Director

Date: April 21, 2014

Subject: Budget Status as of March 31, 2014

This memo will summarize the Year-to-Date operating results through March 31, 2014 and identify the significant activities in fund balance, revenues and expenditures. This summary was prepared based on the financial records enclosed in this packet.

- Exhibit A - Statement of Changes in the General Fund Balance. This statement helps us monitor our annual General Fund budget as well as our current General Fund balance.
- Exhibit B - Report of Fund Balances for All Funds. This report helps us monitor our available balances in each of the Township's eighteen operating/reserve funds and three fiduciary (pension) funds.
- Exhibit C - Capital Reserve Fund Analysis. This report shows balances held in Capital Reserve for both designated and undesignated purposes.
- Exhibit D - Chart Comparing General Fund Cash Balances 2013 – 2014. This report shows our general Fund Cash position during the year as compared to the prior year and assists us in projecting cash flow needs for investment purposes.
- Exhibit E – Local Enabling Tax Revenue comparison graph for 2013-2014 detailing each of the tax revenue streams for the General Fund.
- Exhibit F – Earned Income Tax Revenue comparison for 2009-2014 and projection for 2014.
- Additional Report included – Tax Collector's Monthly Report, Technology Manager's Monthly Report

General Fund 01 - Fund Balance

During the 1st Quarter of 2014, the Township received \$4.4M or 37.3% of 2014 General Fund Budgeted Revenues, which was 5.0% lower than the \$4.6M in revenues received during the 1st Quarter 2012 but is in line with the 2014 budget. General Fund Expenditures during the 1st Quarter 2014 were \$2.15M which amount was 15% higher than the \$1.8M in Expenditures during the 1st Quarter 2012. This increase is mostly a result of the weather this winter and the costs associated with maintaining the Township's superior road conditions. Overall, expenditures in each department are consistent with the 2014 budgeted expenditures.

At the end of the 1st Quarter 2014 the General Fund Balance was \$5.342M, an increase of 5.6% above the 1st Quarter 2012 fund balance of \$5.056M. The various Revenue and Expenditure details are discussed in more detail below.

General Fund Revenues

- Tax Revenues - These revenues represent 83% of all budgeted General Fund revenues.
 - Real Estate Tax revenues for March are down 8.3% (\$20.3K) as compared to same period prior year. However, data indicates that this is related to the timing of some receipts. The end of April will be a more telling indicator of the revenues for the year as April 30th is the end of the discount period for Real Estate Taxes.
 - Earned Income Tax (EIT) revenues for March are down 16.9% (\$255K) from same period prior year, however are in line with the 2014 budget. This decrease was anticipated as the 2013 fiscal year was a one-time anomaly resulting from the full implementation of ACT 32. EIT receipts are trending upward as compared to prior years with the exclusion of 2013.
 - Mercantile Tax revenues are up 5.3% (\$89K) and Business Privilege revenues are down 2.2% (\$13K) from March 2013. The due date for these taxes was March 15th. Over 90% of the anticipated taxes have been received and revenues are currently 10% below of budget. It is anticipated that these revenues will reach their target budget by year end.
 - LST revenues are up 9% from March 2013. Tax receipts are within 1% of budget for this year to date.

Budget Status Report 1st Quarter 2014

- Permits and License Fees – This collective group of revenues is reporting 7.3% (\$20.8K) above the prior year and is within 1% of budget for the year. Permit activities tend to increase entering the late spring/early summer months.
- Other Revenue Sources include fines, interest, grants, etc. These revenues make up only 7% of the total budgeted revenues. They are 47.2% (\$45K) below prior year revenues for March and 3.6% below budget the anticipated budget for this period of time. This is related mainly to the revenue from the sale of surplus equipment in 2013.

- Expenditures

Overall expenditures for March are 15.2% (\$284K) above prior year. As discussed early, this increase is mostly a result of the weather this winter and the costs associated with maintaining the Township's superior road conditions. Total General Fund expenditures are within 1% of the budgeted expenditures for the 1st Quarter of 2014.

FUNDS 04 – 99

Fire Fund - 04 **Revenues and Expenditures**

Expenditures through the 1st Quarter 2014 for the Fire Fund were \$169K or 12% of budget. Revenues through the 1st Quarter 2014 were \$186K or 11.8% of Budget. The 1st Quarter revenues include the transfer of 25% of the \$310,000 EIT allocation to the Fire Fund and a transfer of 25% of the Local Services Tax receipts budgeted to equal \$175K to the Fire Fund for 2014. In summary, the Fire Fund is performing on target with the budget.

Park and Recreation Fund - 05 **Revenues and Expenditures**

Expenditures through the 1st Quarter for the Park and Recreation Fund were \$97K or 22.2% of budget. Revenues through the 1st Quarter 2014 are \$224K or 25% of budget. The 1st Quarter revenues include the transfer of 25% of the \$100K EIT allocation to the Park and Recreation Fund. In Summary, no significant budget variances have been identified at this time.

Basin Maintenance Fund - 06
Revenues and Expenditures

Expenditures through the 1st Quarter for the Basin Maintenance Fund were \$13K or 16% of budget. The current Township policy is that detention basins will remain the responsibility of the contractor or a Home Owner's Association. Therefore, the only revenue to this fund will be interest and the fund balance will continue to be drawn down for maintenance of existing Township basins. This fund may be impacted in the future by the new Stormwater Management regulations.

Street Light Fund - 07
Revenues and Expenditures

Expenditures through the 1st Quarter for the Street Light Fund were \$33.7K or 24% of budget. Revenues to this fund are derived from the annual street light assessments billed with the real-estate tax bill. Revenues through the 1st Quarter 2014 are \$20K or 15% of budget.

Capital Projects Fund - 19
Revenues and Expenditures

The Township uses this fund to account for major capital projects such as improvement projects to Township parks. The 2014 budget does not include projects in this fund as the Recreation and Community Center project is being handled through the new Fund 08.

Debt Service Fund - 23
Revenues and Expenditures

Expenditures through the 1st Quarter for the Debt Service Fund were \$60K or 9% of budget. Revenues for debt service payments are derived from interest earnings and the Debt Service portion of the Real Estate Tax (.24 mills) and totaled \$73.5K or 15% of budget. Both revenues and expenditures are on target with the budget at this time.

Debt service payments are scheduled at various times throughout the year on a monthly, semi-annual or annual basis. Payments for the 2013 Community/Recreation Center bond issue are included in this fund.

Capital Reserve Fund - 30
Revenues and Expenditures

Expenditures through the 1st Quarter for the Capital Reserve Fund were \$41.7K or 5% of the 2014 Budget.

A report on expenditure and revenues for the individual reserve accounts in Fund 30 has been included in Exhibit D to this report.

Park Development Fund – 31
Revenues and Expenditures

There are no expenditures budgeted from this fund for 2014. Revenues are received from developers for new residential units per the Land Development Agreement. To date this year, revenues for this fund are from interest earnings.

Liquid Fuels Fund - 35
Revenues and Expenditures

The revenues of this fund are received from the State as part of the State Liquid Fuels Program. The annual Liquid Fuels Fund allocation is expected in the amount of \$511K for 2014.

The major expenditures from this fund are for Liquid Fuel Fund eligible expenditures associated with the annual street resurfacing and curb/sidewalk replacement program. There were no expenditures from the Liquid Fuel Fund during the 1st Quarter 2014. The bulk of expenditures will take place between May and August when the Department of Public Works performs the annual Curb/Sidewalk repair/replacement work and street resurfacing work which will be minimal this year.

Fire Relief Fund - 50
Revenues and Expenditures

The State Fire Relief allocation for 2014 will be received in September. These funds, estimated at \$283K for 2014, are by law distributed by to the FDMT Relief Association and are used by the Relief Association to make safety related expenditures on behalf of the Fire Department of Montgomery Township Volunteers.

Police Donation Fund - 92
Revenues and Expenditures

This fund accounts for private contributions made by residents and businesses to the Police Department and is used to fund programs and expenditures not otherwise budgeted in the Police operating or capital budgets. Contributions of \$1,500 and expenditures of \$475 have been incurred in this fund during the 1st Quarter of 2014.

Environmental Fund - 93
Revenues and Expenditures

Revenues from this fund are primarily received from the Northern Montgomery County Recycling Commission (NMCRC), representing the Township's share of the DEP Recycling Performance Grant. Receipts of \$56.3K were received in the 1st Quarter of 2014.

Replacement Tree Fund - 94
Revenues and Expenditures

Expenditures through the 1st Quarter 2014 for the Replacement Tree Fund were \$1.5K or 1.8% of budget. The bulk of the expenses for this fund are for Arbor Day which will be celebrated this year on April 26th. Revenues to this fund come from Developer contributions and interest earnings; however there have not been any development contributions made year to date.

Autumn Festival Fund - 95
Revenues and Expenditures

Expenditures and commitments for the 1st Quarter were \$10.5K or 41% of budget. The Festival is scheduled to be held on September 29th this year in celebration of the Township's 300th Anniversary. Therefore expenditures will be incurred mostly during the 2nd and 3rd Quarters of this year. Revenues to the fund are from contributions solicited from residents and businesses in the Township and the Township has provided for a \$7k contribution from the General Fund in the 2014 Budget.

Budget Status Report
1st Quarter 2014

Restoration Fund - 96
Revenues and Expenditures

This fund accounts for the use of developer contributions for the Knapp Farm House restoration. The Montgomery Township Historical Society manages the restoration projects with expenses being reimbursed from this fund. The original contribution made in 2004 was for \$400K of which \$23.6K remains for future projects.

Cc:	R. J. Birch	L. J. Gregan
	C. Fluehr Chimera	D. Rivas
	M. J. Fox	S. Bendig
	J. W. McDonnell	K. A. Costello
	J. P. Walsh	R. Lesniak
	A. Shade	V. Zidek
	B. Shoupe	

MONTGOMERY TOWNSHIP
STATEMENT OF CHANGES IN FUND BALANCE
GENERAL FUND
AS OF MARCH 31, 2014

March							DOLLAR	PERCENT
	2014 BUDGET (1)	2014 ACTUAL (2)	% of TOTAL (3)	2013 BUDGET (4)	2013 ACTUAL (5)	% of TOTAL (6)	VARIANCE 2013-2014 ACTUAL (2 - 5)	VARIANCE 2013-2014 ACTUAL (2 - 5)
REVENUES								
Taxes								
Real Estate Tax	1,590,800	222,975	5.0%	1,584,400	243,266	5.2%	(20,292)	-8.3%
Earned Income Tax	4,390,000	1,253,965	28.3%	3,935,000	1,509,040	32.4%	(255,075)	-16.9%
Real Estate Transfer Tax	700,000	70,870	1.6%	650,000	88,561	1.9%	(17,692)	-20.0%
Mercantile Tax	1,875,000	1,766,556	39.9%	1,930,000	1,676,933	36.0%	89,623	5.3%
Local Services Tax	544,000	155,795	3.5%	542,000	142,967	3.1%	12,828	9.0%
Amusement Tax	77,000	12,881	0.3%	77,000	15,846	0.3%	(2,965)	-18.7%
Business Privilege Tax	760,000	587,106	13.3%	830,000	600,428	12.9%	(13,322)	-2.2%
Total Taxes	9,936,800	4,070,148	91.9%	9,548,400	4,277,042	91.8%	(206,895)	-4.8%
Permits and Licenses								
Building Permits	525,150	129,592	2.9%	595,000	123,233	2.6%	6,360	5.2%
Cable TV	500,000	144,429	3.3%	480,000	131,962	2.8%	12,467	9.4%
All Others	70,800	33,702	0.8%	65,800	31,666	0.7%	2,036	6.4%
Total Permits and Licenses	1,095,950	307,723	6.9%	1,140,800	286,861	6.2%	20,862	7.3%
Other Sources								
Fines	168,000	33,688	0.8%	135,000	43,191	0.9%	(9,503)	-22.0%
Interest	18,800	2,052	0.0%	29,500	4,351	0.1%	(2,299)	-52.8%
Grants	503,000	-	0.0%	426,500	989	0.0%	(989)	-100.0%
Department Services	70,900	15,001	0.3%	74,900	24,947	0.5%	(9,946)	-39.9%
Other Financing Sources	76,000	-	0.0%	85,000	22,600	0.5%	(22,600)	-100.0%
	836,700	50,741	1.1%	750,900	96,078	2.1%	(45,338)	-47.2%
TOTAL REVENUES	11,869,450	4,428,611	100.0%	11,440,100	4,659,981	100.0%	(231,370)	-5.0%
EXPENSES								
Administration	1,254,685	231,017	10.7%	1,157,320	208,297	11.2%	22,720	10.9%
Finance	1,077,260	191,510	8.9%	858,600	166,494	8.9%	25,017	15.0%
Police	6,196,050	1,174,850	54.6%	5,994,410	1,107,212	59.3%	67,638	6.1%
Code	887,735	130,239	6.1%	829,430	133,668	7.2%	(3,429)	-2.6%
Public Works	1,973,625	423,334	19.7%	1,928,780	250,999	13.4%	172,334	68.7%
Other Financing Uses	-	-	0.0%	-	-	0.0%	0	
TOTAL EXPENSES	11,389,355	2,150,950	100.0%	10,768,540	1,866,671	100.0%	284,279	15.2%
NET REVENUES/(EXPENSES)	480,095	2,277,662		671,560	2,793,311		(515,649)	-18.5%
INCOMING TRANSFERS	442,650	25,775		232,220	-		25,775	
OUTGOING TRANSFERS	(896,408)	(269,114)		(866,090)	(271,032)		1,917	-0.7%
{DEFICIT}/SURPLUS	26,337	2,034,322		37,690	2,522,279		(487,957)	-19.3%
BEGINNING FUND BALANCE	2,820,561	2,995,701		2,820,561	3,208,857		(213,156)	-6.6%
ENDING FUND BALANCE	2,846,898	5,030,023		2,858,251	5,731,136		(701,113)	-12.2%

**MONTGOMERY TOWNSHIP
STATEMENT OF CHANGES IN FUND BALANCE
GENERAL FUND
AS OF MARCH 31, 2014**

March				DOLLAR	PERCENT
	March 2014 Monthly Budget	2014 YTD BUDGET (1)	2014 ACTUAL (2)	VARIANCE Monthly Budget to Actual	VARIANCE Monthly Budget to Actual
REVENUES					
Taxes					
Real Estate Tax	164,898	1,590,800	222,975	58,077	3.7%
Earned Income Tax	1,235,404	4,390,000	1,253,965	18,561	0.4%
Real Estate Transfer Tax	93,812	700,000	70,870	(22,942)	-3.3%
Mercantile Tax	1,683,229	1,875,000	1,766,556	83,327	4.4%
Occupation Privilege Tax/Local Services Tax	163,160	544,000	155,795	(7,365)	-1.4%
Amusement Tax	12,474	77,000	12,881	407	0.5%
Business Privilege Tax	611,771	760,000	587,106	(24,665)	-3.2%
Total Taxes	3,964,747	9,936,800	4,070,148	105,400	1.1%
Permits and Licenses					
Building Permits	153,284	525,150	129,592	(23,692)	-4.5%
Cable TV	134,800	500,000	144,429	9,629	1.9%
All Others	31,636	70,800	33,702	2,067	2.9%
Total Permits and Licenses	319,720	1,095,950	307,723	(11,997)	-1.1%
Other Sources					
Fines	49,646	168,000	33,688	(15,958)	-9.5%
Interest	1,368	18,800	2,052	684	3.6%
Grants	17,364	503,000	-	(17,364)	-3.5%
Department Services	12,162	70,900	15,001	2,839	4.0%
Other Financing Sources	619	76,000	-	(619)	-0.8%
Total Other Sources	81,159	836,700	50,741	(30,418)	-3.6%
TOTAL REVENUES	4,365,626	11,869,450	4,428,611	62,986	0.5%
EXPENSES					
Administration	225,599	1,254,685	231,017	5,418	0.4%
Finance	213,417	1,077,260	191,510	(21,907)	-2.0%
Police	1,145,969	6,196,050	1,174,850	28,881	0.5%
Code	136,415	887,735	130,239	(6,176)	-0.7%
Public Works	298,347	1,973,625	423,334	124,986	6.3%
Other Financing Uses	-	-	-	-	-
TOTAL EXPENSES	2,019,747	11,389,355	2,150,950	131,202	1.2%
NET REVENUES/(EXPENSES)	2,345,878	480,095	2,277,662	(68,217)	-3.0%

- FUND ACCOUNTING
DATE: 04/11/14
TIME: 12:10:07

MONTGOMERY TOWNSHIP
SIDE BY SIDE BALANCE SHEET

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REPORT ID: 00498

SELECTION CRITERIA: Yr='14'

LINE	DESCRIPTION	FUND 01 MARCH 2014	FUND 04	FUND 05	FUND 06	FUND 07
5	ASSETS					
10	SHORT TERM ASSETS					
15	CASH & CASH EQUIVALENTS	4,773,591.47	251,868.69	727,116.30	102,260.05	578,598.17
17	INVESTMENTS	0.00	0.00	0.00	0.00	0.00
20	DUE TO/FROM	92.09	0.00	0.00	0.00	0.00
25	ACCOUNTS RECEIVABLE	1,222,064.92	17,566.49	11,488.69	114.55	1,321.48
30	PREPAID ASSETS	0.00	0.00	0.00	0.00	0.00
35	SUBTOTAL SHORT TERM ASSETS	5,995,748.48	269,435.18	738,604.99	102,374.60	579,919.65
40	LONG TERM ASSETS					
45	FIXED ASSETS	0.00	0.00	0.00	0.00	0.00
50	ACCUMULATED DEPRECIATION FIXED ASSETS	0.00	0.00	0.00	0.00	0.00
55	INFRASTRUCTURE	0.00	0.00	0.00	0.00	0.00
57	ACCUMULATED DEPRECIATION INFRASTRUCTURE	0.00	0.00	0.00	0.00	0.00
60	SUBTOTAL LONG TERM ASSETS	0.00	0.00	0.00	0.00	0.00
65						
67	TOTAL ASSETS	5,995,748.48	269,435.18	738,604.99	102,374.60	579,919.65
75	LIABILITIES					
80	SHORT TERM LIABILITIES					
85	ACCOUNTS PAYABLE	0.00	0.00	0.00	0.00	0.00
90	ACCRUALS AND OTHER PAYABLES	278,464.53	0.00	0.00	0.00	0.00
95	DEPOSITS	0.00	0.00	0.00	0.00	0.00
100	DEFERRED REVENUE	687,261.09	5,162.87	5,769.74	0.00	0.00
105	SUBTOTAL SHORT TERM LIABILITIES	965,725.62	5,162.87	5,769.74	0.00	0.00
110	FUND BALANCE					
115	BEGINNING FUND BALANCE	2,995,700.73	247,521.39	605,902.49	115,352.14	593,216.91
120	CURRENT YEAR REVENUE/LOSS	2,034,322.13	16,750.92	126,932.76	-12,977.54	-13,297.26
125	SUBTOTAL FUND BALANCE	5,030,022.86	264,272.31	732,835.25	102,374.60	579,919.65
130	TOTAL LIABILITIES AND FUND BALANCE	5,995,748.48	269,435.18	738,604.99	102,374.60	579,919.65

- FUND ACCOUNTING
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SELECTION CRITERIA: Y1='14'

MONTGOMERY TOWNSHIP
SIDE BY SIDE BALANCE SHEET

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LINE	DESCRIPTION	FUND 08	FUND 19	FUND 23	FUND 30	FUND 31
5	ASSETS					
10	SHORT TERM ASSETS					
15	CASH & CASH EQUIVALENTS	7,809,090.25	0.00	718,791.77	13,569,183.47	307,104.73
17	INVESTMENTS	0.00	0.00	0.00	0.00	0.00
20	DUE TO/FROM	0.00	0.00	0.00	0.00	0.00
25	ACCOUNTS RECEIVABLE	0.00	0.00	14,209.93	9,856.50	193.90
30	PREPAID ASSETS	0.00	0.00	0.00	0.00	0.00
35	SUBTOTAL SHORT TERM ASSETS	7,809,090.25	0.00	733,001.70	13,579,039.97	307,298.63
40	LONG TERM ASSETS					
45	FIXED ASSETS	0.00	0.00	0.00	0.00	0.00
50	ACCUMULATED DEPRECIATION FIXED ASSETS	0.00	0.00	0.00	0.00	0.00
55	INFRASTRUCTURE	0.00	0.00	0.00	0.00	0.00
57	ACCUMULATED DEPRECIATION INFRASTRUCTURE	0.00	0.00	0.00	0.00	0.00
60	SUBTOTAL LONG TERM ASSETS	0.00	0.00	0.00	0.00	0.00
65						
67	TOTAL ASSETS	7,809,090.25	0.00	733,001.70	13,579,039.97	307,298.63
75	LIABILITIES					
80	SHORT TERM LIABILITIES					
85	ACCOUNTS PAYABLE	0.00	0.00	0.00	0.00	0.00
90	ACCRUALS AND OTHER PAYABLES	8,768,108.00	0.00	0.00	-0.01	0.00
95	DEPOSITS	245,889.00	0.00	0.00	0.00	0.00
100	DEFERRED REVENUE	0.00	0.00	7,288.41	0.00	0.00
105	SUBTOTAL SHORT TERM LIABILITIES	9,013,997.00	0.00	7,288.41	-0.01	0.00
110	FUND BALANCE					
115	BEGINNING FUND BALANCE	-1,137,831.08	0.00	712,798.00	13,568,257.16	300,931.42
120	CURRENT YEAR REVENUE/LOSS	-67,075.67	0.00	12,915.29	10,782.82	6,367.21
125	SUBTOTAL FUND BALANCE	-1,204,906.75	0.00	725,713.29	13,579,039.98	307,298.63
130	TOTAL LIABILITIES AND FUND BALANCE	7,809,090.25	0.00	733,001.70	13,579,039.97	307,298.63

- FUND ACCOUNTING
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MONTGOMERY TOWNSHIP
SIDE BY SIDE BALANCE SHEET

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LINE	DESCRIPTION	FUND 35	FUND 50	FUND 91	FUND 92	FUND 93
5	ASSETS					
10	SHORT TERM ASSETS					
15	CASH & CASH EQUIVALENTS	628,522.97	0.00	484,582.51	11,474.16	758,825.51
17	INVESTMENTS	0.00	0.00	0.00	0.00	0.00
20	DUE TO/FROM	0.00	0.00	-73,355.74	0.00	0.00
25	ACCOUNTS RECEIVABLE	0.00	0.00	-329,419.06	0.00	678.29
30	PREPAID ASSETS	0.00	0.00	0.00	0.00	0.00
35	SUBTOTAL SHORT TERM ASSETS	628,522.97	0.00	81,807.71	11,474.16	759,503.80
40	LONG TERM ASSETS					
45	FIXED ASSETS	0.00	0.00	0.00	0.00	0.00
50	ACCUMULATED DEPRECIATION FIXED ASSETS	0.00	0.00	0.00	0.00	0.00
55	INFRASTRUCTURE	0.00	0.00	0.00	0.00	0.00
57	ACCUMULATED DEPRECIATION INFRASTRUCTURE	0.00	0.00	0.00	0.00	0.00
60	SUBTOTAL LONG TERM ASSETS	0.00	0.00	0.00	0.00	0.00
65						
67	TOTAL ASSETS	628,522.97	0.00	81,807.71	11,474.16	759,503.80
75	LIABILITIES					
80	SHORT TERM LIABILITIES					
85	ACCOUNTS PAYABLE	0.00	0.00	0.00	0.00	0.00
90	ACCRUALS AND OTHER PAYABLES	0.00	0.00	0.00	0.00	0.00
95	DEPOSITS	0.00	0.00	0.00	0.00	0.00
100	DEFERRED REVENUE	0.00	0.00	0.00	0.00	0.00
105	SUBTOTAL SHORT TERM LIABILITIES	0.00	0.00	0.00	0.00	0.00
110	FUND BALANCE					
115	BEGINNING FUND BALANCE	117,475.75	0.00	62,729.92	10,433.31	703,110.35
120	CURRENT YEAR REVENUE/LOSS	511,047.22	0.00	19,077.79	1,040.85	56,393.45
125	SUBTOTAL FUND BALANCE	628,522.97	0.00	81,807.71	11,474.16	759,503.80
130	TOTAL LIABILITIES AND FUND BALANCE	628,522.97	0.00	81,807.71	11,474.16	759,503.80

- FUND ACCOUNTING
DATE: 04/11/14
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MONTGOMERY TOWNSHIP
SIDE BY SIDE BALANCE SHEET

PAGE NUMBER: 4
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SELECTION CRITERIA: Yr='14'

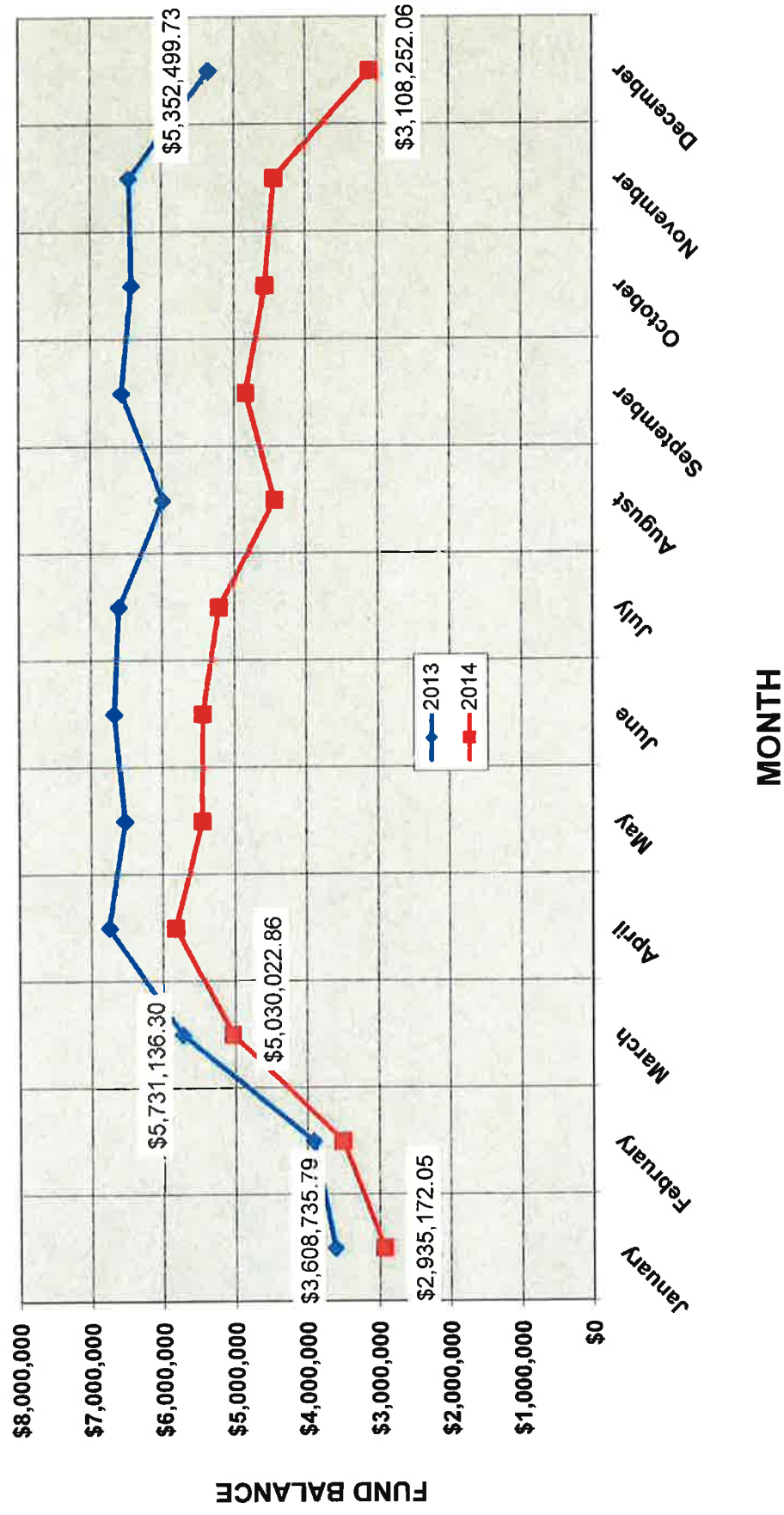
LINE	DESCRIPTION	FUND 94	FUND 95	FUND 96	TOTAL
5	ASSETS				
10	SHORT TERM ASSETS				
15	CASH & CASH EQUIVALENTS	602,881.28	39,719.29	23,604.89	31,387,215.51
17	INVESTMENTS	0.00	0.00	0.00	0.00
20	DUE TO/FROM	0.00	0.00	0.00	-73,263.65
25	ACCOUNTS RECEIVABLE	605.45	0.00	0.00	948,681.14
30	PREPAID ASSETS	0.00	0.00	0.00	0.00
35	SUBTOTAL SHORT TERM ASSETS	603,486.73	39,719.29	23,604.89	32,262,633.00
40	LONG TERM ASSETS				
45	FIXED ASSETS	0.00	0.00	0.00	0.00
50	ACCUMULATED DEPRECIATION FIXED ASSETS	0.00	0.00	0.00	0.00
55	INFRASTRUCTURE	0.00	0.00	0.00	0.00
57	ACCUMULATED DEPRECIATION INFRASTRUCTURE	0.00	0.00	0.00	0.00
60	SUBTOTAL LONG TERM ASSETS	0.00	0.00	0.00	0.00
65					
67	TOTAL ASSETS	603,486.73	39,719.29	23,604.89	32,262,633.00
75	LIABILITIES				
80	SHORT TERM LIABILITIES				
85	ACCOUNTS PAYABLE	0.00	0.00	0.00	0.00
90	ACCRUALS AND OTHER PAYABLES	0.00	0.00	0.00	9,046,572.52
95	DEPOSITS	0.00	0.00	0.00	245,889.00
100	DEFERRED REVENUE	0.00	0.00	0.00	705,482.11
105	SUBTOTAL SHORT TERM LIABILITIES	0.00	0.00	0.00	9,997,943.63
110	FUND BALANCE				
115	BEGINNING FUND BALANCE	603,956.43	43,940.95	23,615.71	19,567,111.58
120	CURRENT YEAR REVENUE/LOSS	-469.70	-4,221.66	-10.82	2,697,577.79
125	SUBTOTAL FUND BALANCE	603,486.73	39,719.29	23,604.89	22,264,689.37
130	TOTAL LIABILITIES AND FUND BALANCE	603,486.73	39,719.29	23,604.89	32,262,633.00

Montgomery Township		1/1/14	DETAIL	REVENUES	EXPENDITURES	INCOMING TRANSFERS	OUTGOING TRANSFERS	PROJECTED BALANCE BEGINNING 01/01/14	BALANCE ENDING 03/31/14
Capital Reserve Fund (30)		2014 Actual							
CAPITAL RESERVE (30)									
DESIGNATED RESERVES									
16 Year Road Plan, curbing, sidewalk								1,145,000.00	1,143,265.87
CDBG (\$76K from grant funds)			91,000.00						
Road Paving Paving Materials			0.00						
Extra curb, sidewalk and aprons			20,000.00		1,734.13				
Non Liquid Fuel Curb & Sidewalk & Apron			191,300.00						
			<u>302,300.00</u>						
10 Year Equipment Plan									
Transfer to General Fund			442,650.00				25,774.94	1,680,000.00	1,654,225.06
Curb and sidewalk - Public Safety								98,500.00	99,500.00
North Wales Road Sidewalk			50,000.00			4,200.00		418,300.00	421,777.85
Park Equipment Plan									
Transfer to Park and Recreation Fund			85,600.00			30,000.00	2,493.40	1,073,625.00	1,101,131.80
Fire Equipment Plan									
Replace Engine 18-1			577,400.00					237,350.00	237,350.00
Basin Equipment Plan								50,000.00	50,000.00
Township Building								223,000.00	223,000.00
Roof Replacement (8th of 10 yr Plan)								145,000.00	145,000.00
HVAC System Upgrades for Township Building								680,550.00	680,550.00
Operating Contingency								127,100.00	126,950.00
NPDES Permit			2,500.00						
Yr. 11 Requirements NPDES permit			12,500.00		150.00				
New Permit			10,000.00						
TMDL Design			14,500.00						
Replace Township Fuel Station			<u>35,500.00</u>						
Storm Water Pipe Replacement Reserve								50,000.00	50,000.00
Drainage Projects			400,000.00		260.00			506,800.00	506,540.00
Storm Pipe Winter Drive			<u>400,000.00</u>						
Knapp Lane Rd Expansion				3,995.66				300,000.00	296,004.34
Five Points Project									
Engineering and Construction/Oversite			10,000.00					92,150.00	92,150.00
Route 202 /Route 309								82,500.00	82,500.00
Rt 202 - 71 ITS			5,000.00					95,000.00	94,772.50
County Line Road Improvements				227.50				10,000.00	10,000.00
County Line and Doylestown Rd Over:			10,000.00					109,000.00	109,000.00
Route 63 ITS								3,154,182.15	3,131,975.92
Oversight and Design			10,000.00						
Capital Improvements from Developers				22,206.23				290,600.00	290,600.00
Open Space								1,370,000.00	1,370,000.00
Zahr			100,000.00					131,200.00	131,200.00
Park Capital Plan								421,600.00	421,600.00
Community/Recreation Center									
Police Radios									
Technology Improvements									
Subtotal Designated Reserves				0.00	28,573.52	34,200.00	28,990.49	12,492,457.15	12,489,093.14

Montgomery Township		1/1/14		PROJECTED		BALANCE	
Capital Reserve Fund (30)				BALANCE		ENDING	
2014 Actual				BEGINNING		03/31/14	
CAPITAL RESERVE (30)				01/01/14		BALANCE ENDING 12/31/14	
UNDESIGNATED RESERVES				PROJ. BEG. BALANCE			
		DETAIL	REVENUES	EXPENDITURES	INCOMING TRANSFERS	OUTGOING TRANSFERS	
		DETAIL	REVENUE	EXPENDITURE			
INTEREST			18,376.29				
ADMINISTRATION							
Adobe Premier - video editing		2,300.00					
4 drawer fire proof cabinet		1,400.00					
4 drawer lateral locking cabinet		1,000.00					
Blinds for Twp meeting room		5,000.00					
		<u>9,700.00</u>					
FINANCE							
Network Hard Drive		2,500.00					
PC for IT Technician		1,500.00		2,283.76			
		<u>4,000.00</u>					
POLICE							
Cott Law Enforcement Carbine		1,000.00		(5,357.50)			
Network Storage Device In-car camera data		1,000.00		1,143.20			
Chairs Squad Room		1,200.00					
Network Storage Device Video files		1,000.00					
Illuminated Police Sign		8,000.00					
		<u>12,200.00</u>					
FIRE							
Emergency Vehicle Equipment		3,500.00					
Portable Radios (from grant)		15,000.00					
		<u>18,500.00</u>					
PLANNING							
Handheld GPS Device		5,000.00					
PUBLIC WORKS							
PARK AND RECREATION							
Small Boom Sprayer		4,900.00					
CapturePoint Reservation Module		1,500.00					
Tables and Benches		3,000.00					
		<u>9,400.00</u>					
Subtotal Undesignated Expenditures			18,376.29	(1,970.54)	0.00	0.00	1,075,987.41
Total All Reserves			18,376.29	26,602.98	34,200.00	28,990.49	13,565,239.97

Montgomery Township Capital Reserve Fund (30) 2014 Actual 1/1/14 CAPITAL RESERVE (30)						
DETAIL	REVENUES	EXPENDITURES	INCOMING TRANSFERS	OUTGOING TRANSFERS	PROJECTED BALANCE BEGINNING 01/01/14	BALANCE ENDING 03/31/14
					GL Amount	13,679,039.97
	REVENUES					
	Interest		18,376.29		Difference	13,800.00
	Grants				*Drumheller PO rolled over for Hartman Road sidewalk	
	Miscellaneous					
	Total		18,376.29			
	Tie Out					
	Revenues		52,576.29			
	expenditures		55,593.47			

**GENERAL FUND CASH BALANCE
2013 ACTUAL VS 2014 PROJECTION
AS OF MARCH 31, 2014**



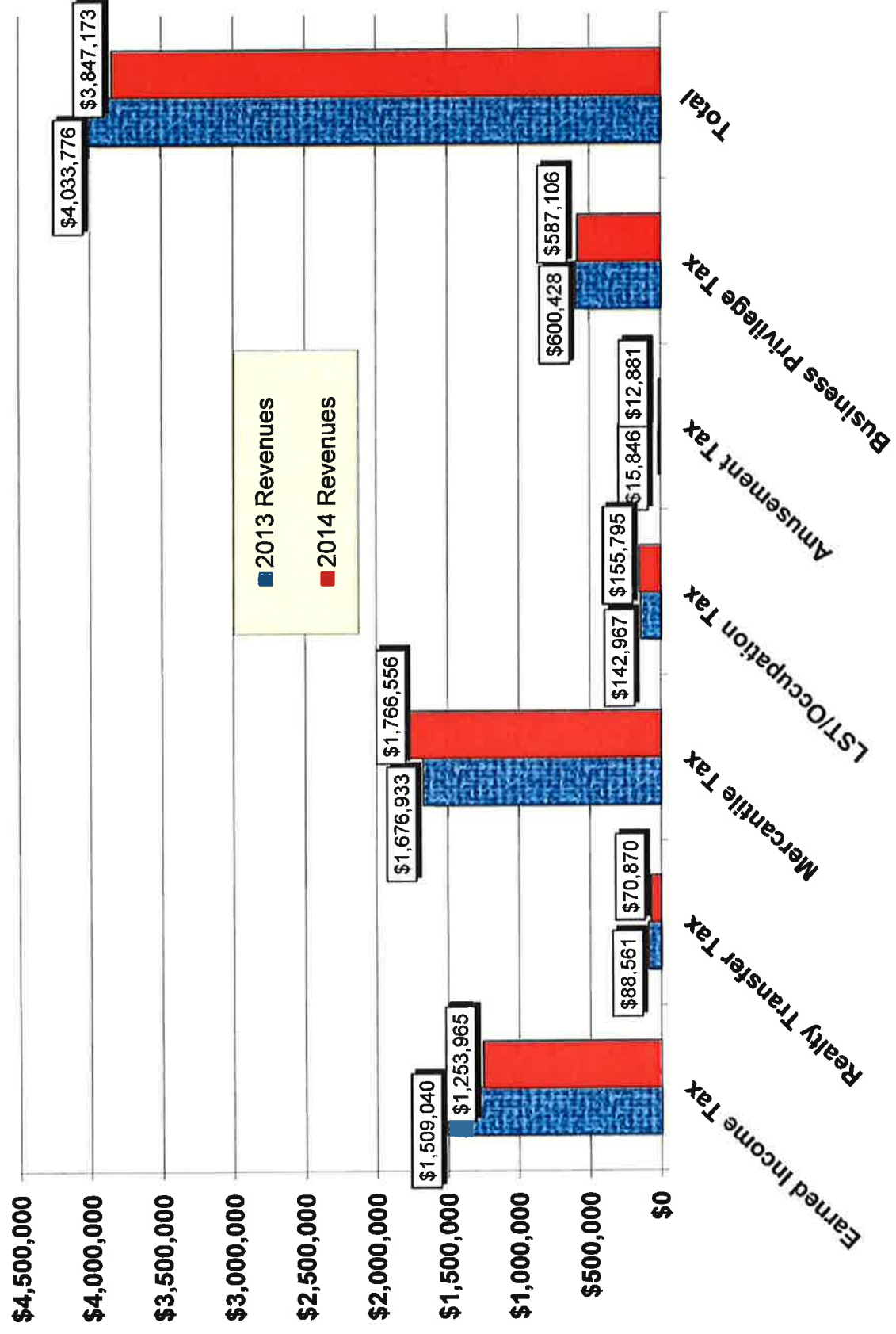
Cash Balance - General Fund 2013

	Beginning Bal	Revenues	Expenditures	Ending Balance
January	\$3,208,857.09	\$783,578.71	\$383,700.01	\$3,608,735.79
February	\$3,608,735.79	\$1,077,039.38	\$778,801.40	\$3,906,973.77
March	\$3,906,973.77	\$2,799,363.31	\$975,200.78	\$5,731,136.30
April	\$5,731,136.30	\$1,863,594.58	\$851,475.87	\$6,743,255.01
May	\$6,743,255.01	\$743,207.15	\$964,843.49	\$6,521,618.67
June	\$6,521,618.67	\$974,067.56	\$828,811.65	\$6,666,874.58
July	\$6,666,874.58	\$909,696.50	\$975,701.77	\$6,600,869.31
August	\$6,600,869.31	\$568,394.25	\$1,186,093.68	\$5,983,169.88
September	\$5,983,169.88	\$1,319,364.24	\$741,474.27	\$6,561,059.85
October	\$6,561,059.85	\$715,375.52	\$852,430.62	\$6,424,004.75
November	\$6,424,004.75	\$944,630.09	\$911,764.22	\$6,456,870.62
December (prior to surplus balance transfer)	\$6,456,870.62	\$704,793.21	\$1,809,164.10	\$5,352,499.73
	PROJECTED	\$13,403,104.50	\$11,259,461.86	
	FINAL BUDGET	\$11,672,320.00	\$11,834,630.00	
	OVER/(UNDER)	\$1,730,784.50	(\$575,168.14)	
	OVER/(UNDER)	14.83%	-4.86%	

General Fund Cash Balance Projection 2014

January	\$2,995,700.73	\$544,631.00	\$605,159.68	\$2,935,172.05
February	\$2,935,172.05	\$1,436,359.09	\$868,882.74	\$3,502,648.40
March	\$3,502,648.40	\$2,473,396.21	\$946,021.75	\$5,030,022.86
April	\$5,030,022.86	\$1,711,899.12	\$929,087.99	\$5,812,834.00
May	\$5,812,834.00	\$682,710.54	\$1,052,789.08	\$5,442,755.46
June	\$5,442,755.46	\$894,779.06	\$904,357.92	\$5,433,176.60
July	\$5,433,176.60	\$835,647.76	\$1,064,637.09	\$5,204,187.27
August	\$5,204,187.27	\$522,127.31	\$1,294,206.24	\$4,432,108.33
September	\$4,432,108.33	\$1,211,968.80	\$809,059.73	\$4,835,017.41
October	\$4,835,017.41	\$657,144.39	\$930,129.76	\$4,562,032.03
November	\$4,562,032.03	\$867,737.78	\$994,871.63	\$4,434,898.19
December	\$4,434,898.19	\$647,423.47	\$1,974,069.60	\$3,108,252.06
	PROJECTED	\$12,485,824.53	\$12,373,273.20	
	BUDGET	\$12,312,100.00	\$12,285,763.00	
	OVER/(UNDER)	\$173,724.53	\$87,510.20	
	OVER/(UNDER)	1.41%	0.71%	

Local Enabling Tax Revenue Comparison 2013 - 2014 As of March 31, 2014



EIT Revenues - All Funds 2009-2014

	2009	2010	2011	2012	2013	2014
	Actual	Actual	Actual	Actual	Actual	Projection
January	\$ 198,653.38	\$ 155,295.63	\$ 158,257.14	\$ 197,259.13	\$ 535,759.55	\$ 249,949.20
February	\$ 514,210.32	\$ 572,852.38	\$ 410,595.47	\$ 538,222.66	\$ 397,017.02	\$ 813,824.55
March	\$ 339,228.16	\$ 277,442.94	\$ 464,181.56	\$ 307,230.24	\$ 666,263.64	\$ 292,691.28
April	\$ 356,292.49	\$ 389,664.19	\$ 383,464.33	\$ 496,591.48	\$ 381,095.99	\$ 381,095.99
May	\$ 721,936.71	\$ 799,890.40	\$ 534,941.46	\$ 476,145.96	\$ 320,503.58	\$ 320,503.58
June	\$ 276,479.82	\$ 142,114.32	\$ 353,990.62	\$ 301,908.59	\$ 653,590.27	\$ 653,590.27
July	\$ 105,750.48	\$ 129,589.83	\$ 166,301.55	\$ 356,442.04	\$ 390,585.66	\$ 390,585.66
August	\$ 632,303.66	\$ 587,764.98	\$ 386,899.05	\$ 359,978.62	\$ 297,611.83	\$ 297,611.83
September	\$ 203,019.57	\$ 205,802.98	\$ 487,611.63	\$ 241,508.20	\$ 443,941.20	\$ 443,941.20
October	\$ 158,849.96	\$ 142,752.49	\$ 110,403.82	\$ 390,398.27	\$ 240,987.76	\$ 240,987.76
November	\$ 577,861.85	\$ 449,050.83	\$ 488,346.94	\$ 352,140.12	\$ 604,921.93	\$ 604,921.93
December	\$ 62,726.74	\$ 305,104.26	\$ 340,772.63	\$ 426,915.26	\$ 414,332.39	\$ 414,332.39
Subtotal collections	\$ 4,147,313.14	\$ 4,157,325.23	\$ 4,285,766.20	\$ 4,444,740.57	\$ 5,346,610.82	\$ 5,104,035.64
		0.24%	3.09%	3.71%	20.29%	-4.54%

Tax Collector's Monthly Report to Taxing Districts
For the Month of MAR 2014
Montgomery Township

	Real Estate	Interim 2013	Interim 2014	Street Light
A. Collections				
1. Balance Collectable - Beginning of Month	2,927,288.80	\$ 1,558.82	\$ 5,743.90	\$ 135,820.00
2A. Additions: During the Month (*)			\$ 8,678.40	
2B. Deductions: Credits During the Month - (from line 17)	\$ 6,163.42			
3. Total Collectable	\$ 2,921,125.38	\$ 1,558.82	\$ 14,422.30	\$ 135,820.00
4. Less: Face Collections for the Month	\$ 396,620.03	\$ 182.24	\$ 24.82	\$ 19,670.00
5. Less: Deletions from the List (*)				
6. Less: Exonerations (*)				
7. Less: Liens/Non-Lienable Installments (*)				
8. Balance Collectable - End of Month	\$ 2,524,505.35	\$ 1,376.58	\$ 14,397.48	\$ 116,150.00
B. Reconciliation of Cash Collected				
9. Face Amount of Collections - (must agree with line 4)	\$ 396,620.03	\$ 182.24	\$ 24.82	\$ 19,670.00
10. Plus: Penalties	\$ -			\$ -
11. Less: Discounts	\$ 7,932.50	\$ 1.63	\$ 0.49	\$ 393.40
12. Total Cash Collected per Column	\$ 388,687.53	\$ 180.61	\$ 24.33	\$ 19,276.60
13. Total Cash Collected - (12A + 12B + 12C + 12D)				\$ 408,169.07

(*) ATTACH ANY SUPPORTING DOCUMENTATION REQUIRED BY YOUR TAXING DISTRICT

C. Payment of Taxes

15.	Amount Paid with this Report Applicable to this Reporting Month	Transaction #
16.	Total Remitted This Month	\$ 408,169.07

18. Interest Earnings (if applicable) \$ _____

TAXING DISTRICT USE (OPTIONAL)

Frank B. Baker *4/29/16*
Tax Collector Date

Ending Balance

I verify this is a complete and accurate reporting of the balance collectable, taxes collected and remitted for the month.

Date:

I acknowledge the receipt of this report.

Tax Collector's Monthly Report to Taxing Districts
For the Month of MAR 2014
Montgomery Township Court Stip

	Court Stip				
A. Reconciliation of Cash Collected					
1. Balance Collectable - Beginning of Month				2,448.84	
2A. Additions: During the Month (*)					
2B. Deductions: Credits During the Month - (from line 17)					
3. Total Collectable				\$ 2,448.84	
4. Less: Face Collections for the Month					
5. Less: Deletions from the List (*)					
6. Less: Exonerations (*)					
7. Less: Liens/Non-Lienable Installments (*)					
8. Balance Collectable - End of Month				\$ 2,448.84	
B. Reconciliation of Cash Collected					
9. Face Amount of Collections - (must agree with line 4)					
10. Plus: Penalties					
11. Less: Discounts					
12. Total Cash Collected per Column					
13. Total Cash Collected - (12A + 12B + 12C + 12D)					

C. Payment of Taxes

14. Amount Remitted During the Month (*)

[illegible]

18. Interest Earnings (if applicable)

TAXING DISTRICT USE (OPTIONAL)

Carryover from Previous Month

Amount Collected This Month

Less Amount Paid this Month

Ending Balance

6A

Tax Collector _____ Date _____

I verify this is a complete and accurate reporting of the balance collectable, taxes collected and remitted for the month.

Received by (taxing district):

Title: _____ Date: _____

I acknowledge the receipt of this report.

Statement of Account

Montgomery Township
Investment Management Account
U/A dated 8/27/12

Account Number : 31277100

For the Period March 1, 2014 Through March 31, 2014

Please contact your administrator- James M. Spindler (267) 898-0532
with any questions concerning your account.

Montgomery Township
1001 Stump Road
Montgomeryville, PA 18936-9605

March 01, 2014 To March 31, 2014

Account Name : Montgomery Township

Account No : 31277100

Portfolio Summary

March 31, 2014

	Portfolio %	Cost Basis	Market Value	Estimated Ann Inc	Current Yield
Fixed Income	88.64%	13,950,000.00	13,947,292.50	88,740.00	0.64%
Cash Equivalents	11.36%	1,786,810.99	1,786,810.99	3,573.62	0.20%
Total Portfolio	100.00 %	15,736,810.99	15,734,103.49	92,313.62	0.59%
Net Cash			0.00		
Total Market Value			15,734,103.49		

Portfolio Components May Not Equal 100% Due To Rounding

March 01, 2014 To March 31, 2014

Account No : 31277100

Account Name : Montgomery Township

Summary Of Investment Holdings

Shares or Par Value	Investment Category	Cost Basis	Unit Value	Market Value	Estimated Ann Inc	Curr Yield	% Port
<u>Money Market Funds -Uninvest</u>							
1,699,875.34	Univest Public Funds Money Market UNPFMM	1,699,875.34	100.00	1,699,875.34	3,399.75	0.20%	10.80%
86,935.65	* Univest Public Funds Money Market UNPFMM	86,935.65	100.00	86,935.65	173.87	0.20%	0.55%
	Totals	1,786,810.99		1,786,810.99	3,573.62	0.20%	11.35%
<u>C/D-Own Bank</u>							
50,000	Univest #140334822	50,000.00	1.00	50,000.00	200.00	0.40%	0.32%
20,000	Univest #140334830	20,000.00	1.00	20,000.00	90.00	0.45%	0.13%
180,000	Univest #140334808	180,000.00	1.00	180,000.00	1,800.00	1.00%	1.14%
	Dtd 11/27/12, 4 yr CD, 1.00% 1.00% APY, monthly int						
	Totals	250,000.00		250,000.00	2,090.00	0.84%	1.59%
<u>C/D-Other Commercial Banks</u>							
250,000	First Natl Bank of Omaha	250,000.00	1.00	250,000.00	1,375.00	0.55%	1.59%
250,000	Beal Bank USA	250,000.00	1.00	250,000.00	1,000.00	0.40%	1.59%
250,000	Dated 11/7/12 Synovus Bank GA	250,000.00	1.00	250,000.00	1,000.00	0.40%	1.59%
250,000	Dated 11/8/12 Keybank National Association	250,000.00	1.00	250,000.00	875.00	0.35%	1.59%
250,000	Dated 1/16/13 Doral Bank	250,000.00	1.00	250,000.00	1,375.00	0.55%	1.59%
250,000	Dated 1/31/13 Plainscapital Bank	250,000.00	1.00	250,000.00	875.00	0.35%	1.59%
250,000	Dated 1/31/13 First Premier Bank	250,000.00	1.00	250,000.00	750.00	0.30%	1.59%
250,000	Dated 2/15/13 Bank of China NY	250,000.00	1.00	250,000.00	1,625.00	0.65%	1.59%
250,000	Dtd 9/12/12 Sovereign Bank	250,000.00	1.00	250,000.00	2,000.00	0.80%	1.59%
250,000	Dtd 9/12/12 Merrick Bank	250,000.00	1.00	250,000.00	1,375.00	0.55%	1.59%
	Dated 9/19/12						

Port Sum and Holdings - HLDCTB

March 01, 2014 To March 31, 2014

Account Name : Montgomery Township

Account No : 31277100

Summary Of Investment Holdings

Shares or Par Value	Investment Category	Cost Basis	Unit Value	Market Value	Estimated Ann Inc	Curr Yield	% Port
250,000	State Bank of India New York Dated 10/12/12	250,000.00	1.00	250,000.00	2,250.00	0.90%	1.59%
250,000	Wex Bank Dated 4/17/13	250,000.00	1.00	250,000.00	875.00	0.35%	1.59%
250,000	Oriental Bank & Trust Dated 3/27/13	250,000.00	1.00	250,000.00	875.00	0.35%	1.59%
250,000	The Private Bank & Trust Com Dated 4/19/13	250,000.00	1.00	250,000.00	875.00	0.35%	1.59%
250,000	Comenity Capital Bank Dated 11/9/12	250,000.00	1.00	250,000.00	1,125.00	0.45%	1.59%
250,000	Citizens State Bank Dated 11/30/12	250,000.00	1.00	250,000.00	1,000.00	0.40%	1.59%
250,000	Bankers Bank of Kansas Dated 12/21/12	250,000.00	1.00	250,000.00	1,000.00	0.40%	1.59%
250,000	Brand Banking Corporation Dated 12/27/12	250,000.00	1.00	250,000.00	1,250.00	0.50%	1.59%
250,000	Fifth Third Bank This is a custodial CD held by J P Morgan per Barry Milstein	250,000.00	1.00	250,000.00	1,125.00	0.45%	1.59%
250,000	Virginia Heritage Bank Dated 1/25/13	250,000.00	1.00	250,000.00	1,000.00	0.40%	1.59%
250,000	US Ameribank Dated 7/27/12	250,000.00	1.00	250,000.00	1,250.00	0.50%	1.59%
250,000	Crescent Bank & Trust First Bank of Richmond VA	250,000.00	1.00	250,000.00	1,000.00	0.40%	1.59%
250,000	Marlin Business Bank Dated 5/23/13	250,000.00	1.00	250,000.00	1,000.00	0.40%	1.59%
250,000	The Provident Bank .3000% 06 Dated 5/31/13	250,000.00	1.00	250,000.00	750.00	0.30%	1.59%
250,000	Towne Bank Dated 5/31/13	250,000.00	1.00	250,000.00	1,000.00	0.40%	1.59%
250,000	Ally Bank UT Dtd 9/14/12	250,000.00	1.00	250,000.00	2,875.00	1.15%	1.59%

Port Sum and Holdings - HLDCTB

March 01, 2014 To March 31, 2014

Account No : 31277100

Account Name : Montgomery Township

Summary Of Investment Holdings

Shares or Par Value	Investment Category	Cost Basis	Unit Value	Market Value	Estimated Ann Inc	Curr Yield	% Port
250,000	Safra National Bank	250,000.00	1.00	250,000.00	2,000.00	0.80%	1.59%
250,000	BMW Bank of NA	250,000.00	1.00	250,000.00	2,500.00	1.00%	1.59%
250,000	Dated 9/21/12 Union Bank NA	250,000.00	1.00	250,000.00	2,250.00	0.90%	1.59%
250,000	Dated 9/26/12 Heritage Bank of Commerce	250,000.00	1.00	250,000.00	1,250.00	0.50%	1.59%
250,000	Dated 11/27/12 Farm Bureau Bank	250,000.00	1.00	250,000.00	1,125.00	0.45%	1.59%
250,000	Dated 11/27/12 Georgia Bank & Trust Co.	250,000.00	1.00	250,000.00	1,250.00	0.50%	1.59%
250,000	Dated 12/21/12 Gorham Savings Bank (ME)	250,000.00	1.00	250,000.00	1,250.00	0.50%	1.59%
250,000	Dated 12/21/12 First Business Bank	250,000.00	1.00	250,000.00	1,250.00	0.50%	1.59%
250,000	Dated 12/28/12 The Bank of Holland	250,000.00	1.00	250,000.00	1,250.00	0.50%	1.59%
250,000	Dated 1/16/13 Luana Savings Bank	250,000.00	1.00	250,000.00	1,000.00	0.40%	1.59%
250,000	Dated 2/8/13 First National Bank Waupaca	250,000.00	1.00	250,000.00	1,250.00	0.50%	1.59%
250,000	Dated 2/13/13 Fox Chase Bank	250,000.00	1.00	250,000.00	1,125.00	0.45%	1.59%
200,000	Dated 2/15/13 American West Bank	200,000.00	1.00	200,000.00	900.00	0.45%	1.27%
250,000	Dated 2/19/13 Sallie Mae Bank	250,000.00	1.00	250,000.00	3,250.00	1.30%	1.59%
250,000	GE Capital Bank	250,000.00	1.00	250,000.00	3,375.00	1.35%	1.59%
250,000	Dtd 9/7/12 Discover Bank	250,000.00	1.00	250,000.00	3,125.00	1.25%	1.59%
250,000	Dtd 9/12/12 Goldman Sachs Bk USA	250,000.00	1.00	250,000.00	3,375.00	1.35%	1.59%
	Dtd 9/12/12						

March 01, 2014 To March 31, 2014

Account Name : Montgomery Township

Account No : 31277100

Summary Of Investment Holdings

Shares or Par Value	Investment Category	Cost Basis	Unit Value	Market Value	Estimated Ann Inc	Curr Yield	% Port
250,000	Banco Poplar NA Dated 9/26/12	250,000.00	1.00	250,000.00	2,125.00	0.85%	1.59%
250,000	American Express Cent Bk	250,000.00	1.00	250,000.00	3,375.00	1.35%	1.59%
250,000	Enerbank USA	250,000.00	1.00	250,000.00	1,875.00	0.75%	1.59%
250,000	Medallian Bank	250,000.00	1.00	250,000.00	1,875.00	0.75%	1.59%
250,000	Dated 10/19/12 Eaglebank	250,000.00	1.00	250,000.00	1,750.00	0.70%	1.59%
250,000	Dated 11/8/12 United Bankers (MN)	250,000.00	1.00	250,000.00	2,000.00	0.80%	1.59%
250,000	Dated 11/29/12 GE Capital Retail Bank	250,000.00	1.00	250,000.00	2,625.00	1.05%	1.59%
Totals		12,700,000.00		12,700,000.00	79,400.00	0.63%	80.77%
<u>C/D-Savings Banks</u>							
250,000	Apple Bank for Savings	250,000.00	1.00	250,000.00	1,000.00	0.40%	1.59%
250,000	Dated 10/24/12 Sterling Savings Bank	250,000.00	1.00	250,000.00	1,000.00	0.40%	1.59%
Totals		500,000.00		500,000.00	2,000.00	0.40%	3.18%
<u>U S Government Agency</u>							
500,000	Federal Home Loan Bank	500,000.00	99.46	497,292.50	5,250.00	1.06%	3.16%
Dated 3/27/14 Callable 6/27/14 @ par (quarterly call thereafter w/min 5 bus days notice)							
Totals		500,000.00		497,292.50	5,250.00	1.06%	3.16%
Total Investments		15,736,810.99		15,734,103.49	92,313.62	0.59%	100.00%
Plus Net Cash				0.00			
Total Market Value				15,734,103.49			

Note : '**' Denotes Invested Income

March 01, 2014 To March 31, 2014

Account Name : Montgomery Township

Account No : 31277100

Account Summary

	Current March 1, 2014 To March 31, 2014	Year To Date January 1, 2014 To March 31, 2014
<i>Beginning Market Value :</i>	\$ 13,872,984.49	\$ 13,866,520.57
<i>Receipts :</i>		
Cash Deposits :	1,850,000.00	1,850,000.00
Asset Deposits :	0.00	0.00
Total Receipts :	1,850,000.00	1,850,000.00
<i>Payments :</i>		
Disbursements :	0.00	0.00
Withdrawals and Distributions :	0.00	0.00
Administrative Expenses :	-1,712.50	-5,137.50
Total Payments :	-1,712.50	-5,137.50
<i>Investment Income :</i>		
Tax Free Income :	0.00	0.00
Taxable Interest :	15,539.00	25,427.92
Dividends :	0.00	0.00
Return of Capital (Income Assets Only) :	0.00	0.00
Other Income :	0.00	0.00
Total Investment Income :	15,539.00	25,427.92
<i>Investment Change :</i>		
Total Investment Change :	-2,707.50	-2,707.50
<i>Ending Market Value :</i>	\$ 15,734,103.49	\$ 15,734,103.49

March 01, 2014 To March 31, 2014

Account Name : Montgomery Township

Account No : 31277100

Account Transactions

Date	Description	Income	Principal
	Starting Balances	\$ 0.00	\$ 0.00
	Dividends and Interest		
03/03/2014	Citizens State Bank .400% 12/01/14	-76.71	
03/03/2014	Reversing Tran #19312341 On 02/28/2014		
	Sallie Mae Bank 1.300% 08/29/16	-1,611.64	
03/03/2014	Reversing Tran #19312324 On 02/28/2014		
	United Bankers (MN) .800% 11/29/16	-153.42	
03/03/2014	Reversing Tran #19312343 On 02/28/2014		
	Sallie Mae Bank 1.300% 08/29/16	1,629.45	
03/03/2014	United Bankers (MN) .800% 11/29/16	164.38	
03/03/2014	Citizens State Bank .400% 12/01/14	79.45	
03/04/2014	Enerbank USA .750% 10/04/16	143.84	
03/04/2014	Crescent Bank & Trust .400% 01/30/15	76.71	
03/05/2014	Univest Public Funds Money Market UNPFMM	15.32	
	Interest From 02/01/2014 To 02/28/2014	10.71	
03/05/2014	Univest Public Funds Money Market UNPFMM		
	Interest From 02/01/2014 To 02/28/2014		
03/07/2014	GE Capital Bank 1.350% 09/07/16	1,673.63	
03/10/2014	Eaglebank .700% 1 11/08/16	134.25	
03/10/2014	Comenity Capital Bank .450% 11/16/14	86.30	
03/11/2014	Univest #140334830 .450% 12/10/14	6.91	
03/11/2014	Univest #140334822 .400% 06/10/14	15.34	
03/11/2014	Fifth Third Bank .450% 01/12/15	86.30	
03/12/2014	Ally Bank UT 1.150% 09/14/15	1,425.68	
03/12/2014	Goldman Sachs Bk USA 1.350% 09/12/16	1,673.63	
03/12/2014	Discover Bank 1.250% 09/12/16	1,549.66	
03/12/2014	Sovereign Bank .800% 09/12/14	991.78	
03/12/2014	Bank of China NY .650% 09/12/14	805.82	
03/13/2014	First National Bank Waupaca .500% 02/12/16	95.89	
03/14/2014	Everbank FL .500% 03/14/14	619.86	
03/14/2014	Safra National Bank .800% 09/14/15	991.78	
03/14/2014	First Bank Puerto Rico .650%	124.66	
03/17/2014	Fox Chase Bank .450% 02/16/16	86.30	
03/19/2014	Merrick Bank .550% 09/19/14	105.48	
03/19/2014	Medallian Bank .750% 10/19/16	143.84	
03/19/2014	American West Bank .450% 02/19/16	69.04	
03/21/2014	BMW Bank of NA 1.000% 09/21/15	1,239.73	
03/21/2014	Gorham Savings Bank (ME) .500% 12/21/15	95.89	

March 01, 2014 To March 31, 2014

Account No : 31277100

Account Name : Montgomery Township

Account Transactions

Date	Description	Income	Principal
03/21/2014	Georgia Bank & Trust Co. .500% 12/21/15	95.89	
03/21/2014	Bankers Bank of Kansas .400% 12/22/14	76.71	
03/25/2014	Virginia Heritage Bank .400% 01/26/15	76.71	
03/26/2014	Union Bank NA .900% 09/28/15	1,115.75	
03/26/2014	Banco Poplar NA .850% 09/26/16	1,053.77	
03/27/2014	Heritage Bank of Commerce .500% 11/27/15	95.89	
03/27/2014	US Ameribank .500% 01/27/15	95.89	
03/27/2014	Farm Bureau Bank .450% 11/30/15	86.30	
03/27/2014	Brand Banking Corporation .500% 12/26/14	95.89	
03/27/2014	Oriental Bank & Trust .350% 10/20/14	67.12	
03/28/2014	Univest #140334608 1.000% 11/27/16	138.13	
03/31/2014	Citizens State Bank .400% 12/01/14	82.19	
03/31/2014	United Bankers (MN) .800% 11/29/16	158.90	
	Sub Total	15,539.00	0.00
	Purchases		
03/14/2014	GE Capital Retail Bank 1.050% 03/14/17		-250,000.00
	250000 Units @ \$ 100.00		
03/27/2014	Federal Home Loan Bank 1.050% 06/27/17		-500,000.00
	500000 Par Val @ \$ 100.00		
	Sub Total	0.00	-750,000.00
	Sales, Maturities or Redemptions		
03/14/2014	Everbank FL .500% 03/14/14		250,000.00
	Matured 250000 Units @ \$ 1.00		
03/14/2014	First Bank Puerto Rico .650%		250,000.00
	Matured 250000 Units @ \$ 1.00		
	Sub Total	0.00	500,000.00
	Cash Receipts		
03/06/2014	Contribution		1,850,000.00
	transfer from checking acct #911-68179-9		
	Sub Total	0.00	1,850,000.00
03/05/2014	Fee For Period Ending 03/31/2014		
	Sub Total	-1,712.50	
	MONEY MARKET ACTIVITY		
17	Purchases (s) For		-2,117,084.10
3	Sale (s) For		503,257.60
	Ending Balances	\$ 0.00	\$ 0.00

MONTGOMERY TOWNSHIP BOARD OF SUPERVISORS
BOARD ACTION SUMMARY

SUBJECT: Consider Approval of 1st Quarter 2014 Budget Amendments

MEETING DATE: April 28, 2014

ITEM NUMBER: #9

MEETING/AGENDA:

ACTION

NONE

REASON FOR CONSIDERATION: Operational: Policy: Discussion: xx Information:

INITIATED BY: Shannon Q. Drosnock
Finance Director

BOARD LIAISON: Robert J. Birch, Supervisor
Liaison – Finance Committee

BACKGROUND:

Several projects, grants and activities, as detailed below, have occurred during the 1st Quarter of 2014 that require amendments to the 2014 budget in order to accurately reflect these revenues and expenditures.

Traffic Light Improvements at North Wales and Knapp Roads

During the 1st Quarter of 2014, the Board of Supervisors authorized the purchase of equipment necessary for the traffic improvements at the intersection of North Wales and Knapp Roads. Funding for this project was received by Wegman's in 2013 and resides in the Capital Reserve Fund. A budget amendment is necessary to accurately reflect the Boards' authorization to spend a portion of these funds in the 2014 budget year.

Replacement Vehicle

A police vehicle was struck by another vehicle while en route to a call. The vehicle was deemed a total loss by the Township's insurance carrier. The Board authorized the replacement of this vehicle in February 2014. The net cost to the Township to replace the vehicle required the use of \$6,400 of unbudgeted funds. A budget amendment is necessary to accurately reflect the Boards' authorization to spend these funds.

Both of the above described amendments are detailed in attached Exhibit A.

ZONING, SUBDIVISION OR LAND DEVELOPMENT IMPACT: NONE

PREVIOUS BOARD ACTION:

Authorization to spend the funds during the first quarter.

ALTERNATIVES/OPTIONS: NONE

BUDGET IMPACT:

With the approval of these Budget Amendments, the Township will continue to operate in accordance with all internal and external controls.

RECOMMENDATION:

Staff recommends that the Board approve the 1st Quarter budget amendments as presented.

MOTION/RESOLUTION:

BE IT RESOLVED by the Board of Supervisors of Montgomery Township that we hereby approve the 2014 1st Quarter Budget Amendments to the General Fund and the Capital Reserve Fund as per attached Exhibit A.

MOTION: _____ SECOND: _____

ROLL CALL:

Robert J. Birch	Aye	Opposed	Abstain	Absent
Candyce Fluehr Chimera	Aye	Opposed	Abstain	Absent
Michael J. Fox	Aye	Opposed	Abstain	Absent
Jeffrey W. McDonnell	Aye	Opposed	Abstain	Absent
Joseph P. Walsh	Aye	Opposed	Abstain	Absent

DISTRIBUTION: Board of Supervisors, Frank R. Bartle, Esq.

Montgomery Township
Proposed 2014 1st Quarter Budget Amendments

Fund/Org	Account	Title	Current Budget	Expense/Revenue Increase	Amended Budget
Capital Reserve Fund					
30-433	4700	Capital New - DPW Traffic North Wales and Knapp Rd Improvement	\$ -	\$ 24,000.00	\$ 24,000.00
General Fund					
01-411	4750	Capital Replacement - Police Vehicle Net cost of replacement for vehicle in accident	\$ -	\$ 6,400.00	\$ 6,400.00

MONTGOMERY TOWNSHIP BOARD OF SUPERVISORS
BOARD ACTION SUMMARY

SUBJECT: Consider Approval of Escrow Release #1 LD/S #664OHB for Maple Brook Estates

MEETING DATE: April 28, 2014

ITEM NUMBER: #10

MEETING/AGENDA: WORK SESSION ACTION XX NONE

REASON FOR CONSIDERATION: Operational: XX Information: Discussion: Policy:

INITIATED BY: Bruce Shoupe
Director of Planning and Zoning

BOARD LIAISON: Joseph P. Walsh
Chairman

BACKGROUND:

Attached is a construction escrow release for Maple Brook Estates as recommended by the Township Engineer. The original amount of the escrow was \$1,018,665.65, held as a Performance Bond. This release is in the amount of \$ 334,046.02. This is the first escrow release for this project. The new balance is \$684,619.63.

ZONING, SUBDIVISION OR LAND DEVELOPMENT IMPACT:

None

PREVIOUS BOARD ACTION:

None

ALTERNATIVES/OPTIONS:

Approve or not approve the construction escrow release.

BUDGET IMPACT:

None.

RECOMMENDATION:

That this construction escrow be released.

MOTION/RESOLUTION:

The Resolution is attached.

MOTION _____

SECOND _____

ROLL CALL:

Robert J. Birch	Aye	Opposed	Abstain	Absent
Candyce Fluehr Chimera	Aye	Opposed	Abstain	Absent
Michael J. Fox	Aye	Opposed	Abstain	Absent
Jeffrey W. McDonnell	Aye	Opposed	Abstain	Absent
Joseph P. Walsh	Aye	Opposed	Abstain	Absent

DISTRIBUTION: Board of Supervisors, Frank R. Bartle, Esq.

RELEASE OF ESCROW FORM

Russell S. Dunlevy, P.E.
Executive Vice President
Gilmore & Associates, Inc.
65 East Butler Avenue, Suite 100
New Britain, PA 18901
215-345-4330

Date: 03/28/2014

Development Name: Maple Brook Estates – LD/S#664OHB

G&A Project #: 2011-12033

Release #: 1

Dear Mr. Dunlevy:

This is an escrow release request in the amount of \$ 374,198.52. Enclosed is a copy of our escrow spreadsheet with the quantities noted.

ESCROW RELEASE REQUESTS ARE LIMITED TO ONE PER MONTH.

Mr. Lawrence Gregan
Township Manager
Montgomery Township
1001 Stump Road
Montgomeryville, PA 18936

Date: 04/22/2014

Dear Mr. Gregan:

We have reviewed the developer's request for an escrow release. We therefore, recommend that \$ 334,046.02 be released. These improvements will be subject to a final observation prior to dedication and again at the end of the maintenance period. Any deficiencies will be required to be corrected by the developer.

 For RSA

Russell S. Dunlevy, P.E., Executive VP, Gilmore & Associates, Inc.

Resolution # _____

WHEREAS, a request for release of escrow was received from Orleans Homes for Maple Brook Estates – LD/S#664OHB, in the amount of \$ 374,198.52, on the representation that work set forth in the Land Development Agreement to the extent has been completed and; WHEREAS, said request has been reviewed by the Township Engineer who recommends release of \$ 334,046.02; NOW, THEREFORE, BE IT RESOLVED by the Board of Supervisors of Montgomery Township that we do hereby authorize release of \$ 334,046.02; in accordance with the developer's request, and the officers of the Township are authorized to take the necessary action to obtain release of said sum. BE IT FURTHER RESOLVED that Township records indicate that escrow has been deposited via Performance Bond with Montgomery Township in total sum of \$ 1,018,665.65 pursuant to a signed Land Development Agreement and that \$ 0.00 has previously been released from escrow. Therefore, the action of the Board releasing said sum leaves a new balance of \$ 684,619.63 in escrow.

MOTION BY: _____

VOTE: _____

SECOND BY: _____

DATED: _____

RELEASED BY: _____

Department Director



GILMORE & ASSOCIATES, INC.

ENGINEERING & CONSULTING SERVICES

April 22, 2014

File No. 2011-12033

Mr. Lawrence Gregan, Township Manager
Montgomery Township
1001 Stump Road
Montgomeryville, PA 18936

Reference: Financial Security Release 1
Maple Brook Estates – LD/S #664OHB

Dear Larry:

We have received and reviewed the Request for Escrow Release for the above-referenced project. This letter is to certify that the improvements attached to this letter in the amount of \$334,046.02 have been completed. Please find enclosed a copy of our escrow calculations and the application for release of funds for your use.

Please be advised that these improvements will be subject to a final inspection prior to dedication and again at the end of the maintenance period. Any deficiencies will be required to be corrected by the developer.

Should you have any further questions or require any additional information, please do not hesitate to contact our office.

Sincerely,

James P. Dougherty, P.E.
Gilmore & Associates, Inc.
Township Engineers

JPD/

Enclosures: As Referenced

cc: Bruce S. Shoupe, Director of Planning and Zoning
Marita A. Stoerrle, Development Coordinator - Montgomery Township
Kevin Johnson, P.E. - Traffic Planning & Design, Inc.
Judith Stern Goldstein, ASLA, R.L.A. - Boucher & James, Inc.
Kenneth S. Neff, Land Development Manager – OHB

BUILDING ON A FOUNDATION OF EXCELLENCE

65 E. Butler Avenue | Suite 100 | New Britain, PA 18901
Phone: 215-345-4330 | Fax: 215-345-8606
www.gilmore-assoc.com

GILMORE & ASSOCIATES, INC.
ENGINEERING AND CONSULTING SERVICES

4/22/2014

ESCROW STATUS REPORT



SUMMARY OF ESCROW ACCOUNT														
PROJECT NAME:	Maple Brook Estates - LD/S #6640HB	TOTAL CONSTRUCTION:	\$ 926,059.68	ORIGINAL ESCROW AMOUNT:	\$ 1,018,665.65									
PROJECT NO.:	2011-12033	TOTAL CONSTRUCTION CONTINGENCY:	\$ 92,605.97											
PROJECT OWNER:	Orleans Homes	TOTAL ESCROW POSTED:	\$ 1,018,665.65	AMOUNT OF THIS RELEASE:	\$ 334,046.02									
MUNICIPALITY:	Montgomery Township	TOTAL ENGINEERING/LEGAL (CASH ACCOUNT):	\$ 45,000.00	PRIOR ESCROW RELEASED:	\$ -									
ESCROW AGENT:		TOTAL ADMINISTRATION (CASH ACCOUNT):	\$ 5,000.00	TOTAL ESCROW RELEASED TO DATE:	\$ 334,046.02									
TYPE OF SECURITY:	Performance Bond No. 1096854			BALANCE AFTER CURRENT RELEASE:	\$ 684,619.63									
AGREEMENT DATE:		RELEASE NO.:	1											
		RELEASE DATE:	22-Apr-2014											
ESCROW TABULATION														
CONSTRUCTION ITEMS	UNITS			UNIT		TOTAL		CURRENT RELEASE		RELEASED TO DATE		AVAILABLE FOR RELEASE		RELEASE REQ # 1
	QUANTITY	PRICE	AMOUNT	QUANTITY	AMOUNT	QUANTITY	AMOUNT	QUANTITY	AMOUNT	QUANTITY	AMOUNT	QUANTITY	AMOUNT	QUANTITY
III. EARTHWORK (cont'd)														
2. Roadway (Interior)														
A. Grading	SF	66,418	\$	0.03	\$	1,992.54	0.00	\$	-	0.00	\$	-	66,418.00	\$ 1,992.54
B. Cut To Fill	CY	1,317	\$	2.25	\$	2,963.25	0.00	\$	-	0.00	\$	-	1,317.00	\$ 2,963.25
C. Compaction	CY	1,160	\$	1.23	\$	1,426.80	0.00	\$	-	0.00	\$	-	1,160.00	\$ 1,426.80
D. Topsoil 6" (ROW & Slopes)	CY	483	\$	3.02	\$	1,458.66	0.00	\$	-	0.00	\$	-	483.00	\$ 1,458.66
E. Rake & Seed (ROW & Slopes)	SF	26,070	\$	0.06	\$	1,564.20	0.00	\$	-	0.00	\$	-	26,070.00	\$ 1,564.20
3. Basins														
A. Grading	SF	56,033	\$	0.03	\$	1,680.99	56,033.00	\$	1,680.99	56,033.00	\$	1,680.99	0.00	\$ -
B. Cut To Fill	CY	3,311	\$	2.25	\$	7,449.75	3,311.00	\$	7,449.75	3,311.00	\$	7,449.75	0.00	\$ -
C. Compaction	CY	1,510	\$	1.23	\$	1,857.30	1,510.00	\$	1,857.30	1,510.00	\$	1,857.30	0.00	\$ -
D. Keyway	CY	441	\$	4.68	\$	2,063.88	441.00	\$	2,063.88	441.00	\$	2,063.88	0.00	\$ -
E. Topsoil 6"	CY	851	\$	3.02	\$	2,570.02	425.00	\$	1,283.50	425.00	\$	1,283.50	425.00	\$ 1,286.52
F. Rake & Seed	SF	45,698	\$	0.06	\$	2,741.88	28,442.00	\$	1,706.52	28,442.00	\$	1,706.52	17,256.00	\$ 1,035.36
4. Lawns & Walks														
A. Grading	SF	194,536	\$	0.03	\$	5,836.08	97,268.00	\$	2,918.04	97,268.00	\$	2,918.04	97,268.00	\$ 2,918.04
B. Cut To Fill	CY	3,527	\$	2.25	\$	7,935.75	1,763.00	\$	3,966.75	1,763.00	\$	3,966.75	1,764.00	\$ 3,969.00
C. Compaction	CY	5,811	\$	1.23	\$	7,147.53	2,905.00	\$	3,573.15	2,905.00	\$	3,573.15	2,906.00	\$ 3,574.38
D. Topsoil 6"	CY	3,622	\$	3.02	\$	10,938.44	0.00	\$	-	0.00	\$	-	3,622.00	\$ 10,938.44
E. Rake & Seed	SF	195,608	\$	0.06	\$	11,736.48	0.00	\$	-	0.00	\$	-	195,608.00	\$ 11,736.48
5. Open Space														
A. Grading	SF	31,405	\$	0.03	\$	942.15	0.00	\$	-	0.00	\$	-	31,405.00	\$ 942.15
B. Cut To Fill	CY	26	\$	2.25	\$	58.50	0.00	\$	-	0.00	\$	-	26.00	\$ 58.50
C. Compaction	CY	1,400	\$	1.23	\$	1,722.00	0.00	\$	-	0.00	\$	-	1,400.00	\$ 1,722.00
D. Topsoil 6"	CY	584	\$	3.02	\$	1,763.68	0.00	\$	-	0.00	\$	-	584.00	\$ 1,763.68
F. Rake & Seed	SF	31,527	\$	0.06	\$	1,891.62	0.00	\$	-	0.00	\$	-	31,527.00	\$ 1,891.62



ESCROW STATUS REPORT

SUMMARY OF ESCROW ACCOUNT										
PROJECT NAME:	Maple Brook Estates - LD/S #664OHB	TOTAL CONSTRUCTION:	\$ 926,059.68	ORIGINAL ESCROW AMOUNT:	\$ 1,018,665.65					
PROJECT NO.:	2011-12033	TOTAL CONSTRUCTION CONTINGENCY:	\$ 92,605.97							
PROJECT OWNER:	Orleans Homes	TOTAL ESCROW POSTED:	\$ 1,018,665.65	AMOUNT OF THIS RELEASE:	\$ 334,046.02					
MUNICIPALITY:	Montgomery Township	TOTAL ENG/INSP/LEGAL (CASH ACCOUNT):	\$ 45,000.00	PRIOR ESCROW RELEASED:	\$ -					
ESCROW AGENT:		TOTAL ADMINISTRATION (CASH ACCOUNT):	\$ 5,000.00	TOTAL ESCROW RELEASED TO DATE:	\$ 334,046.02					
TYPE OF SECURITY:	Performance Bond No. 1096854			BALANCE AFTER CURRENT RELEASE:	\$ 684,619.63					
AGREEMENT DATE:		RELEASE NO.:	1							
		RELEASE DATE:	22-Apr-2014							
ESCROW TABULATION										
CONSTRUCTION ITEMS		UNITS			UNIT PRICE		TOTAL AMOUNT		CURRENT RELEASE	
		UNITS	QUANTITY			PRICE		TOTAL AMOUNT	QUANTITY	TOTAL AMOUNT



GILMORE & ASSOCIATES, INC.
ENGINEERING AND CONSULTING SERVICES

ESCROW STATUS REPORT

SUMMARY OF ESCROW ACCOUNT												
PROJECT NAME:	Maple Brook Estates - LD/S #6640HB	TOTAL CONSTRUCTION:	\$ 926,059.68	ORIGINAL ESCROW AMOUNT:	\$ 1,018,665.65							
PROJECT NO.:	2011-12033	TOTAL CONSTRUCTION CONTINGENCY:	\$ 92,605.97	AMOUNT OF THIS RELEASE:	\$ 334,046.02							
PROJECT OWNER:	Orleans Homes	TOTAL ESCROW POSTED:	\$ 1,018,665.65	PRIOR ESCROW RELEASED:	\$ -							
MUNICIPALITY:	Montgomery Township	TOTAL ENG/INSP/LEGAL (CASH ACCOUNT):	\$ 45,000.00	TOTAL ESCROW RELEASED TO DATE:	\$ 334,046.02							
ESCROW AGENT:		TOTAL ADMINISTRATION (CASH ACCOUNT):	\$ 5,000.00	BALANCE AFTER CURRENT RELEASE:	\$ 684,619.63							
TYPE OF SECURITY:	Performance Bond No. 1096854	RELEASE NO.:	1									
AGREEMENT DATE:		RELEASE DATE:	22-Apr-2014									
ESCROW TABULATION												
CONSTRUCTION ITEMS		UNITS	QUANTITY	UNIT PRICE	TOTAL AMOUNT	CURRENT RELEASE		RELEASED TO DATE		AVAILABLE FOR RELEASE		RELEASE REQ # 1
						QUANTITY	AMOUNT	QUANTITY	AMOUNT	QUANTITY	AMOUNT	QUANTITY
IV. STORM SEWER (cont'd)												
F. Rip-Rap		TN	146	\$ 33.15	\$ 4,839.90	146.00	\$ 4,839.90	146.00	\$ 4,839.90	0.00	\$ -	
G. 6" FES Poly		EA	1	\$ 437.75	\$ 437.75	1.00	\$ 437.75	1.00	\$ 437.75	0.00	\$ -	
H. Outlet Structure		EA	1	\$ 3,825.00	\$ 3,825.00	0.00	\$ -	0.00	\$ -	1.00	\$ 3,825.00	
I. Antiseep Collars		EA	2	\$ 956.25	\$ 1,912.50	2.00	\$ 1,912.50	2.00	\$ 1,912.50	0.00	\$ -	
J. Enkamat Spillway		SF	2,413	\$ 1.96	\$ 4,729.48	2,413.00	\$ 4,729.48	2,413.00	\$ 4,729.48	0.00	\$ -	
K. 4" Gate Valve/Box		EA	1	\$ 850.00	\$ 850.00	0.00	\$ -	0.00	\$ -	1.00	\$ 850.00	
L. Basin Access Grading		SY	500	\$ 0.85	\$ 425.00	0.00	\$ -	0.00	\$ -	500.00	\$ 425.00	
5. Rain Garden												
A. Wet Meadow Seeding Mixture		SF	3,000	\$ 0.15	\$ 450.00	0.00	\$ -	0.00	\$ -	3,000.00	\$ 450.00	
B. Amended Soil		CY	225	\$ 27.00	\$ 6,075.00	0.00	\$ -	0.00	\$ -	225.00	\$ 6,075.00	
C. Orange Construction Fence		LF	240	\$ 2.55	\$ 612.00	0.00	\$ -	0.00	\$ -	240.00	\$ 612.00	
D. 4" Underdrain		LF	140	\$ 9.35	\$ 1,309.00	0.00	\$ -	0.00	\$ -	140.00	\$ 1,309.00	
E. 6" PVC		LF	130	\$ 14.45	\$ 1,878.50	130.00	\$ 1,878.50	130.00	\$ 1,878.50	0.00	\$ -	
F. 6" FES Poly		EA	1	\$ 437.75	\$ 437.75	1.00	\$ 437.75	1.00	\$ 437.75	0.00	\$ -	
G. 4" Gate Valve/Box		EA	1	\$ 850.00	\$ 850.00	0.00	\$ -	0.00	\$ -	1.00	\$ 850.00	
6. Infiltration Bed												
A. Grading		SF	7,055	\$ 0.03	\$ 211.65	0.00	\$ -	0.00	\$ -	7,055.00	\$ 211.65	
B. Excavate Trench		CY	2,091	\$ 3.19	\$ 6,670.29	0.00	\$ -	0.00	\$ -	2,091.00	\$ 6,670.29	
C. Compaction		CY	1,699	\$ 4.34	\$ 7,373.66	0.00	\$ -	0.00	\$ -	1,699.00	\$ 7,373.66	
D. Geotextile		SF	14,998	\$ 0.17	\$ 2,549.66	0.00	\$ -	0.00	\$ -	14,998.00	\$ 2,549.66	
E. Stone		TN	795	\$ 20.40	\$ 16,218.00	0.00	\$ -	0.00	\$ -	795.00	\$ 16,218.00	
F. Orange Construction Fence		LF	440	\$ 2.55	\$ 1,122.00	0.00	\$ -	0.00	\$ -	440.00	\$ 1,122.00	
G. 4" Underdrain		LF	50	\$ 9.35	\$ 467.50	0.00	\$ -	0.00	\$ -	50.00	\$ 467.50	
H. 4" Gate Valve/Box		EA	1	\$ 850.00	\$ 850.00	0.00	\$ -	0.00	\$ -	1.00	\$ 850.00	
V. CONCRETE												
1. Belgian Block Curb		LF	2,380	\$ 16.58	\$ 39,460.40	780.00	\$ 12,932.40	780.00	\$ 12,932.40	1,600.00	\$ 26,528.00	
2. Concrete Curb		LF	90	\$ 17.26	\$ 1,553.40	0.00	\$ -	0.00	\$ -	90.00	\$ 1,553.40	
3. Cut Subgrade for Curb		LF	2,273	\$ 1.28	\$ 2,909.44	780.00	\$ 998.40	780.00	\$ 998.40	1,493.00	\$ 1,911.04	
4. Backfill Curb		LF	2,273	\$ 0.85	\$ 1,932.05	780.00	\$ 663.00	780.00	\$ 663.00	1,493.00	\$ 1,269.05	
5. Concrete Sidewalk & Apron		SF	9,950	\$ 7.00	\$ 69,650.00	0.00	\$ -	0.00	\$ -	9,950.00	\$ 69,650.00	
6. Curb Ramps		EA	5	\$ 1,200.00	\$ 6,000.00	0.00	\$ -	0.00	\$ -	5.00	\$ 6,000.00	

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GILMORE & ASSOCIATES, INC.
ENGINEERING AND CONSULTING SERVICES

4/22/2014

ESCROW STATUS REPORT

SUMMARY OF ESCROW ACCOUNT

PROJECT NAME: Maple Brook Estates - LD/S #6640HB
 PROJECT NO.: 2011-12033
 PROJECT OWNER: Orleans Homes
 MUNICIPALITY: Montgomery Township
 ESCROW AGENT: Performance Bond No. 1096854
 TYPE OF SECURITY: AGREEMENT DATE:
 TOTAL CONSTRUCTION: \$ 926,059.68
 TOTAL CONSTRUCTION CONTINGENCY: \$ 92,605.97
 TOTAL ESCROW POSTED: \$ 1,018,665.65
 ORIGINAL ESCROW AMOUNT: \$ 1,018,665.65
 AMOUNT OF THIS RELEASE: \$ 334,046.02
 PRIOR ESCROW RELEASED: \$ -
 TOTAL ESCROW RELEASED TO DATE: \$ 334,046.02
 BALANCE AFTER CURRENT RELEASE: \$ 684,619.63
 RELEASE NO.: 1
 RELEASE DATE: 22-Apr-2014

ESCROW TABULATION				CURRENT RELEASE		RELEASED TO DATE		AVAILABLE FOR RELEASE		RELEASE REQ # 1
CONSTRUCTION ITEMS	UNITS	QUANTITY	UNIT PRICE	TOTAL AMOUNT	QUANTITY	TOTAL AMOUNT	QUANTITY	TOTAL AMOUNT	QUANTITY	AMOUNT
IX. LANDSCAPING (con't)										
Shrubs										
12. Red Chokeberry, 24" Min.	EA	34	\$ 65.00	\$ 2,210.00	0.00	\$ -	0.00	\$ -	34.00	\$ 2,210.00
13. Red Osier Dogwood, 24" Min.	EA	26	\$ 65.00	\$ 1,690.00	0.00	\$ -	0.00	\$ -	26.00	\$ 1,690.00
14. Inkberry, 18" Min.	EA	28	\$ 65.00	\$ 1,820.00	0.00	\$ -	0.00	\$ -	28.00	\$ 1,820.00
15. Winterberry, 24" Min	EA	26	\$ 65.00	\$ 1,690.00	0.00	\$ -	0.00	\$ -	26.00	\$ 1,690.00
16. Northern Bayberry, 24" Min.	EA	60	\$ 65.00	\$ 3,900.00	0.00	\$ -	0.00	\$ -	60.00	\$ 3,900.00
17. Arrowwood Viburnum, 24" Min.	EA	51	\$ 65.00	\$ 3,315.00	0.00	\$ -	0.00	\$ -	51.00	\$ 3,315.00
18. Leatherleaf Viburnum, 24" Min.	EA	39	\$ 65.00	\$ 2,535.00	0.00	\$ -	0.00	\$ -	39.00	\$ 2,535.00
X. MISCELLANEOUS										
1. Construction Stakeout	LS	1	\$ 30,000.00	\$ 30,000.00	0.00	\$ -	0.00	\$ -	1.00	\$ 30,000.00
2. As-Built Surveys & Plans	LS	1	\$ 8,000.00	\$ 8,000.00	0.00	\$ -	0.00	\$ -	1.00	\$ 8,000.00
3. Monumentation	EA	71	\$ 200.00	\$ 14,200.00	0.00	\$ -	0.00	\$ -	71.00	\$ 14,200.00
4. Lot Pins	EA	30	\$ 75.00	\$ 2,250.00	0.00	\$ -	0.00	\$ -	30.00	\$ 2,250.00
XI. LOWER STATE ROAD IMPROVEMENTS										
1. Earthwork										
A. Grading	SF	18,730	\$ 0.09	\$ 1,685.70	18,730.00	\$ 1,685.70	18,730.00	\$ 1,685.70	0.00	\$ -
B. Cut	CY	490	\$ 17.00	\$ 8,330.00	490.00	\$ 8,330.00	490.00	\$ 8,330.00	0.00	\$ -
C. Fill	CY	140	\$ 8.50	\$ 1,190.00	140.00	\$ 1,190.00	140.00	\$ 1,190.00	0.00	\$ -
D. Boxout	SY	960	\$ 2.34	\$ 2,246.40	960.00	\$ 2,246.40	960.00	\$ 2,246.40	0.00	\$ -
E. Topsoil 6"	CY	170	\$ 6.80	\$ 1,156.00	170.00	\$ 1,156.00	170.00	\$ 1,156.00	0.00	\$ -
F. Rake & Seed	SF	10,000	\$ 0.09	\$ 900.00	10,000.00	\$ 900.00	10,000.00	\$ 900.00	0.00	\$ -
2. Storm Sewer										
A. Pipe	LF	202	\$ 44.20	\$ 8,928.40	202.00	\$ 8,928.40	202.00	\$ 8,928.40	0.00	\$ -
1. 19" x 30" ERCP										
B. Structures	EA	2	\$ 2,040.00	\$ 4,080.00	2.00	\$ 4,080.00	2.00	\$ 4,080.00	0.00	\$ -
1. 24" DW Endwall										



ESCROW STATUS REPORT

SUMMARY OF ESCROW ACCOUNT												
PROJECT NAME:	Maple Brook Estates - LD/S #664OHB	TOTAL CONSTRUCTION:	\$ 925,059.68	ORIGINAL ESCROW AMOUNT:	\$ 1,018,665.65							
PROJECT NO.:	2011-12033	TOTAL CONSTRUCTION CONTINGENCY:	\$ 92,605.97	AMOUNT OF THIS RELEASE:	\$ 334,046.02							
PROJECT OWNER:	Orleans Homes	TOTAL ESCROW POSTED:	\$ 1,018,665.65	PRIOR ESCROW RELEASED:	\$ -							
MUNICIPALITY:	Montgomery Township	TOTAL ENG/INSP/LEGAL (CASH ACCOUNT):	\$ 45,000.00	TOTAL ESCROW RELEASED TO DATE:	\$ 334,046.02							
ESCROW AGENT:	Performance Bond No. 1096854	TOTAL ADMINISTRATION (CASH ACCOUNT):	\$ 5,000.00	BALANCE AFTER CURRENT RELEASE:	\$ 684,619.63							
TYPE OF SECURITY:		RELEASE NO.:	1									
AGREEMENT DATE:		RELEASE DATE:	22-Apr-2014									
ESCROW TABULATION												
CONSTRUCTION ITEMS		UNITS	QUANTITY	UNIT PRICE	TOTAL AMOUNT	CURRENT RELEASE		RELEASED TO DATE		AVAILABLE FOR RELEASE		RELEASE REQ # 1
						QUANTITY	TOTAL AMOUNT	QUANTITY	TOTAL AMOUNT	QUANTITY	TOTAL AMOUNT	QUANTITY
XI. LOWER STATE ROAD IMPROVEMENTS (con't)												
3. Paving												
A. Fine Grading	SY	960	\$	0.85	\$ 816.00	960.00	\$ 816.00	960.00	\$ 816.00	0.00	\$ -	
B. 8" Modified Stone Base	SY	960	\$	8.50	\$ 8,160.00	960.00	\$ 8,160.00	960.00	\$ 8,160.00	0.00	\$ -	
C. 8" BCBC	SY	960	\$	30.60	\$ 29,376.00	960.00	\$ 29,376.00	960.00	\$ 29,376.00	0.00	\$ -	
D. 2-1/2" HMA Binder Course	SY	960	\$	8.93	\$ 8,572.80	960.00	\$ 8,572.80	960.00	\$ 8,572.80	0.00	\$ -	
E. Tack & Sweep	SY	960	\$	0.55	\$ 528.00	960.00	\$ 528.00	960.00	\$ 528.00	0.00	\$ -	
F. 1-1/2" HMA Wearing Course	SY	960	\$	7.23	\$ 6,940.80	960.00	\$ 6,940.80	960.00	\$ 6,940.80	0.00	\$ -	
G. Key Cut	LF	135	\$	1.70	\$ 229.50	135.00	\$ 229.50	135.00	\$ 229.50	0.00	\$ -	
H. Neat Cut	LF	135	\$	1.70	\$ 229.50	135.00	\$ 229.50	135.00	\$ 229.50	0.00	\$ -	
I. Leveling	TN	1	\$	76.50	\$ 76.50	1.00	\$ 76.50	1.00	\$ 76.50	0.00	\$ -	
J. Joint Seal	LF	135	\$	0.30	\$ 40.50	135.00	\$ 40.50	135.00	\$ 40.50	0.00	\$ -	
K. Traffic Control	LS	1	\$	1,275.00	\$ 1,275.00	1.00	\$ 1,275.00	1.00	\$ 1,275.00	0.00	\$ -	
4. Traffic Control												
A. Signage & Pavement Markings	LS	1	\$	1,000.00	\$ 1,000.00	1.00	\$ 1,000.00	1.00	\$ 1,000.00	0.00	\$ -	
XII. CONTINGENCY												
		1	\$	92,605.97	\$ 92,605.97	0.00	\$ -	0.00	\$ -	0.00	\$ -	

MONTGOMERY TOWNSHIP BOARD OF SUPERVISORS
BOARD ACTION SUMMARY

SUBJECT: Consider Payment of Bills

MEETING DATE: April 28, 2014

ITEM NUMBER: #11

MEETING/AGENDA: WORK SESSION

ACTION XX

NONE

REASON FOR CONSIDERATION: Operational: XX Information: Discussion: Policy:

INITIATED BY: Lawrence J. Gregan
Township Manager

BOARD LIAISON: Joseph P. Walsh, Chairman

BACKGROUND:

Please find attached a list of bills for your review.

ZONING, SUBDIVISION OR LAND DEVELOPMENT IMPACT:

None.

PREVIOUS BOARD ACTION:

None.

ALTERNATIVES/OPTIONS:

None.

BUDGET IMPACT:

None.

RECOMMENDATION:

Approve all bills as presented.

MOTION/RESOLUTION:

None.

DISTRIBUTION: Board of Supervisors, Frank R. Bartle, Esq.

Montgomery Township Check Register

Check Number	Check Date	Vendor No	Payee	Amount
25773	4/24/14	00000499	MONTGOMERY TWP. PROFESSIONAL	170.26
25774	4/24/14	1264	MORGAN STANLEY SMITH BARNEY INC	5,878.62
57224	4/23/14	00000958	WILLIAM KEUCHER	971.50
57225	4/28/14	00000209	BOUCHER & JAMES, INC.	21,288.85
57226	4/28/14	00000085	CHAMBERS ASSOCIATES, INC.	970.75
57227	4/28/14	00000125	DISCHELL, BARTLE DOOLEY	26,800.00
57228	4/28/14	00001902	ELLIOTT GREENLEAF &	1,175.00
57229	4/28/14	00000817	GILMORE & ASSOCIATES, INC.	22,552.37
57230	4/28/14	00001282	KENNETH AMEY	552.50
57231	4/28/14	00001972	ROBERT L. BRANT	2,535.00
57232	4/28/14	00001984	TRAFFIC PLANNING AND DESIGN, INC.	19,249.97
57233	4/28/14	00000001	VICTOR T. CRAIG	49.00
57234	4/28/14	00000340	ADVENT SECURITY CORPORATION	501.06
57235	4/28/14	00000683	ALEXANDER J. DEANGELIS	15.00
57236	4/28/14	00902858	ANNA O'KEEFE	15.00
57237	4/28/14	00000031	AT&T	263.35
57238	4/28/14	00000561	ATLANTIC TACTICAL	2,857.90
57239	4/28/14	00000043	BERGEY'S	57.95
57240	4/28/14	00902855	BERNICE A. BOTT	154.00
57241	4/28/14	00000466	BILL MITCHELL'S AUTO SERVICE, INC.	40.94
57242	4/28/14	00001938	BILL WIEGMAN	90.00
57243	4/28/14	00000448	BISHOP WOOD PRODUCTS, INC	322.00
57244	4/28/14	00001903	BRIAN JANSSENS	30.00
57245	4/28/14	00000700	BROTHERHOOD AMERICA'S OLDEST WII	347.75
57246	4/28/14	00000069	C L WEBER CO INC.	22.95
57247	4/28/14	00000693	C.S.I.	400.00
57248	4/28/14	00000231	CARROT-TOP INDUSTRIES INC.	197.71
57249	4/28/14	00000694	LINDA CARYN ROGERS	60.00
57250	4/28/14	00001601	CDW GOVERNMENT, INC.	3,653.24
57251	4/28/14	00000181	NCH CORPORATION	487.39
57252	4/28/14	00902354	CHRISTOPHER SIMON	7.00
57253	4/28/14	00000333	CODE INSPECTIONS INC.	931.25
57254	4/28/14	00000363	COMCAST CABLE	217.90
57255	4/28/14	00000335	COMCAST CORPORATION	945.93
57256	4/28/14	00000222	COMMONWEALTH PRECAST, INC.	1,955.00
57257	4/28/14	00001937	STEPHEN P. DIGIOVANNI	160.12
57258	4/28/14	00000108	COUNTY ELECTRIC SUPPLY COMPANY, I	1,506.86
57259	4/28/14	00000692	CRYSTAL ENVIRONMENTAL SERVICES C	606.50
57260	4/28/14	00000695	DAVE HARDING	25.00
57261	4/28/14	00000024	DAVID P. BENNETT	30.00
57262	4/28/14	00001945	DAVID S. WOLFE	15.00
57263	4/28/14	00001941	DAVID W. VASCONEZ	30.00
57264	4/28/14	00001202	AIRGAS, INC.	179.13
57265	4/28/14	00001627	DEER PARK DIRECT	119.50

Montgomery Township Check Register

Check Number	Check Date	Vendor No	Payee	Amount
57266	4/28/14	00000118	DEL-VAL INTERNATIONAL TRUCKS, INC.	924.11
57267	4/28/14	00000208	DELL MARKETING L.P.	3,657.53
57268	4/28/14	00000146	E.A. DAGES, INC.	53.30
57269	4/28/14	00000092	E.M. KUTZ, INC.	367.60
57270	4/28/14	00001332	EAGLE POWER & EQUIPMENT CORP	26.39
57271	4/28/14	00902856	EILEEN MARTIN	230.00
57272	4/28/14	00000099	EQUITY APPRAISAL COMPANY, INC.	2,400.00
57273	4/28/14	00000160	ERB & HENRY EQUIPMENT INC.	5,022.70
57274	4/28/14	00000171	THE GGS GROUP INC	168.94
57275	4/28/14	00000180	FRANK CALLAHAN COMPANY, INC.	53.07
57276	4/28/14	00001524	GEMPLER'S	171.95
57277	4/28/14	00001842	GLEN ROETMAN	30.00
57278	4/28/14	00001323	GLICK FIRE EQUIPMENT COMPANY INC	2,454.38
57279	4/28/14	00000060	GRAF ENGINEERING, LLC	4,135.00
57280	4/28/14	00000229	GRAINGER	145.18
57281	4/28/14	00001266	HANFORD PUBLISHING COMPANY	69.00
57282	4/28/14	00000903	HOME DEPOT CREDIT SERVICES	1,324.74
57283	4/28/14	00000102	INTERSTATE BATTERY SYSTEMS OF	215.90
57284	4/28/14	00001639	ITI TRAILERS AND TRUCK BODIES, INC.	261.68
57285	4/28/14	00000148	JONATHAN S. BEER	250.00
57286	4/28/14	00000522	JOE BIFOLCO	80.00
57287	4/28/14	00001964	JOHN CATALDI	30.00
57288	4/28/14	00000890	JOHN H. MOGENSEN	30.00
57289	4/28/14	00001581	JOSEPH J. SIMES	60.00
57290	4/28/14	00001843	JOSEPH M. BENNETT	30.00
57291	4/28/14	00001837	ESI EQUIPMENT, INC.	175.00
57292	4/28/14	00000740	K.J. DOOR SERVICES INC.	1,968.25
57293	4/28/14	00000620	KAFMO - KEYSTONE ATHLETIC	55.00
57294	4/28/14	00000377	KATHY'S JUST DESSERTS, INC.	100.00
57295	4/28/14	00000107	KENNEDY CULVERT & SUPPLY CO., INC.	207.60
57296	4/28/14	00000270	JDN BLOCK INC.	542.58
57297	4/28/14	00000697	LEHIGH VALLEY ZOO	463.50
57298	4/28/14	00000284	LIZELL OFFICE FURNITURE	1,280.00
57299	4/28/14	00001065	MAILLIE LLP	5,000.00
57300	4/28/14	00000055	MARK MANJARDI	244.50
57301	4/28/14	00000578	MARVIN MOSEBY	45.00
57302	4/28/14	00000440	MARY NEWELL	30.00
57303	4/28/14	00001330	MCCALLION STAFFING SPECIALISTS	297.00
57304	4/28/14	00001920	MICHAEL H. BEAN	60.00
57305	4/28/14	00002016	MICHAEL SHINTON	40.00
57306	4/28/14	00000912	MICHENER'S GRASS ROOTS, INC.	217.72
57307	4/28/14	00001054	NEW BRITAIN TOWNSHIP	241.08
57308	4/28/14	00000356	NORTH WALES WATER AUTHORITY	95.64
57309	4/28/14	00001134	OFFICE DEPOT, INC	457.27

Montgomery Township Check Register

Check Number	Check Date	Vendor No	Payee	Amount
57310	4/28/14	00000186	JAROTH INC.	178.12
57311	4/28/14	00000095	PAUL SMITH	35.00
57312	4/28/14	00000399	PECO ENERGY	10,365.74
57313	4/28/14	00000397	PECO ENERGY	5,558.26
57314	4/28/14	00000595	PENN VALLEY CHEMICAL COMPANY	36.41
57315	4/28/14	00000009	PETTY CASH	500.00
57316	4/28/14	00001880	PHILIP C. STUMP	75.00
57317	4/28/14	00000446	PHISCON ENTERPRISES, INC.	100.00
57318	4/28/14	00000945	PIPERSVILLE GARDEN CENTER, INC.	428.39
57319	4/28/14	00001155	PITNEY BOWES GLOBAL FINANCIAL	708.81
57320	4/28/14	00000345	PRINTWORKS & COMPANY, INC.	169.15
57321	4/28/14	00000425	PSATS - UC GROUP TRUST FUND	20,536.74
57322	4/28/14	00000657	PUBLIC AGENCY TRAINING COUNCIL, INC.	295.00
57323	4/28/14	00000519	RACHEL TROUTMAN	45.00
57324	4/28/14	00902762	REBECCA NISZCZAK	165.00
57325	4/28/14	00000439	RED THE UNIFORM TAILOR	12.50
57326	4/28/14	00000278	RICHARD LESNIAK	234.98
57327	4/28/14	00000117	RIGGINS INC	4,116.24
57328	4/28/14	00000115	RIGGINS, INC	4,708.52
57329	4/28/14	00002013	RR DONNELLEY	235.90
57330	4/28/14	00000653	SCATTON'S HEATING & COOLING, INC.	1,723.74
57331	4/28/14	00000467	SNAP-ON INDUSTRIAL	37.08
57332	4/28/14	00000588	SOUTHWEST PUBLIC SAFETY	94.31
57333	4/28/14	00000015	NEXTEL PARTNERS OPERATING CORP	407.10
57334	4/28/14	00902854	ST. BALDRICK'S FOUNDATION	100.00
57335	4/28/14	00001394	STANDARD INSURANCE COMPANY	7,283.29
57336	4/28/14	00001847	STAPLES CONTRACT & COMMERCIAL, INC.	748.87
57337	4/28/14	00001200	SYNATEK	296.00
57338	4/28/14	00000496	21ST CENTURY MEDIA NEWSPAPER LLC	163.19
57339	4/28/14	00002020	THOMSON REUTERS	105.00
57340	4/28/14	00000699	TURF EQUIPMENT AND SUPPLY CO.	490.91
57341	4/28/14	00000702	U.S. BANK	300.00
57342	4/28/14	00000500	U.S. BANK, NATIONAL ASSOCIATION	338,646.88
57343	4/28/14	00000032	VISA	2,380.58
57344	4/28/14	00000328	USA MOBILITY WIRELESS, INC	208.52
57345	4/28/14	00000040	VERIZON	474.21
57346	4/28/14	00001033	VERIZON CABS	546.93
57347	4/28/14	00000170	VERIZON COMMUNICATIONS, INC.	129.99
57348	4/28/14	00000038	VERIZON WIRELESS SERVICES, LLC	10.30
57349	4/28/14	00000038	VERIZON WIRELESS SERVICES, LLC	480.30
57350	4/28/14	00001839	VINAY SETTY	95.00
57351	4/28/14	00000442	VINCENT ZIRPOLI	120.00
57352	4/28/14	00001191	WARREN FUCHS	45.00
57353	4/28/14	00001329	WELDON AUTO PARTS - LANSDALE (NAF	599.81

Montgomery Township Check Register

Check Number	Check Date	Vendor No	Payee	Amount
57354	4/28/14	00000249	WILLIAM R. GOLTZ	90.00
57355	4/28/14	00000537	WILLIAM R. PEOPLES	193.57
57356	4/28/14	00902857	XIAN ZHANG	2,307.60
57357	4/28/14	00000590	YOCUM FORD	685.78
57358	4/28/14	00001722	ZOLL MEDICAL CORPORATION	693.75
TOTAL				560,113.33

MONTGOMERY TOWNSHIP ELECTRONIC PAYROLL TAX PAYMENTS

<u>DATE</u>	<u>VENDOR NAME</u>	<u>REASON FOR PAYMENT</u>	<u>AMOUNT</u>
04/15/2014	PA UC Fund	1 st Qtr. UC-2 Payment	\$1,298.19
04/17/2014	Commonwealth of PA	State Tax Payment	\$8,020.47
04/18/2014	Berkheimer	1 st Qtr. EIT Payment	\$21,067.96
04/24/2014	IRS	941 Payment	\$72,901.64
04/24/2014	BCG	401/457 Plan Payment	\$24,308.32
04/24/2014	PA-SCDU	Withholding Payment	\$2,907.06
Total Paid as of 04/28/2014			\$130,503.64