



**Mosites
Development
Company**

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December 29, 2023

Jan Pini and Sandy Conley
Co-Presidents
McMurray Art League
4069 Washington Rd
McMurray, PA 15317

Dear Jan & Sandy,

After careful consideration of your letter dated December 18, 2023, we do not agree to your request of revising the lease language. The replacement of the Roof Top Unit ("RTU") shall remain the tenant's responsibility.

The repair and replacement responsibilities of a Lease Agreement are dependent on the economics of the deal of which the primary factor is the rental rate. The more responsibility that is put on the Landlord for these items, the higher the rental rate. This is the generally accepted practice industry wide, and the intent is not to treat tenants unfairly, but to the contrary, making larger operating expenditures financially feasible for the Tenant with Landlord bearing the initial burden of cost and Tenant paying Landlord back over the course of the Lease.

Since February of 2004, the McMurray Art League has welcomed the generosity afforded to them by Landlord who has provided a space to operate at the McDowell Shops, void of the responsibility of paying not only base rent but also their proportionate share of Real Estate Taxes, Common Area Maintenance gas and electric and Insurance. At today's market rates, this value over the past 19 years is equivalent to a loss of income for Landlord in excess of \$500,000.

A resolution that is in line with that we would propose to any of our Tenants at this shopping center is to replace the RTU at our initial expense of the quoted \$9,206.00 by Denillo Heating & Cooling (Trane Unit) and amortize this cost at 6.5% compounded interest over the course of one (1) year. This would be broken into twelve (12) equal monthly payments of \$794.80, the first payment to be remitted on February 1, 2024, and the final payment on January 1, 2025. If this is agreeable to McMurray Art League we will be happy to extend your occupancy another year under the existing Lease language.

Sincerely,

Anthony P. Malanos
President

cc: Erin Bell via Electronic Transmission
Jan Pini via Electronic Transmission
Sandy Conley via Electronic Transmission