

BUCKS PROSPECTUS

A Newsletter for Bucks County's Business & Industry Communities



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SPOTLIGHT ON BUCKS | AFFINITY LAND SERVICES

First Loan Closed Using the Diverse Business Financing Initiative (DBFI)

Affinity Land Services, LLC is a full-service title insurance agency providing title services throughout Pennsylvania, New Jersey and Virginia. Affinity comes to you with a title staff full of extensive backgrounds in real estate, mortgage, and title.



Affinity has a motto of thinking outside the box. Promise small and deliver big. When you are purchasing or refinancing a home, title insurance is something that is a must-have. The protection a policy provides to the lender and the owner can sometimes be invaluable. A title policy protects a buyer and

lender from previous liens, mortgages, and other issues. A title search is completed, and any issues found will be cleared up prior to closing to be able to provide free and clear title to the new buyer.

Starting in 1992, Nicole Malcolm, owner of Affinity, started her career in the real estate and mortgage industry. In 2005, Nicole embarked upon title and realized this was her passion. So, in 2008, while the market was still raw from the real estate crash, the challenge of creating a successful title agency was formed. After a partnership split in 2012, Nicole went on her own and Affinity Land Services, LLC was created.

Employing her three children and mom, Nicole believes having the ability to work with family is one of the best

Continued ...

SPOTLIGHT ON BUSINESS | AFFINITY LAND SERVICES, LLC

Affinity Land Services continued

accomplishments of her career. Family businesses can be very challenging but having the strong support and backbone of people that believe in your dreams can make all the difference.

Having a headquarters in Bucks County has been a great source of growth for Affinity along with a satellite office in Wildwood Crest, NJ, which is ran by Marge Swanson. Marge's extensive forty plus years in the mortgage industry has provided a level of service to clients that sets them apart from most other title companies. The knowledge Marge possesses has complimented her career in

title and has proved immeasurable in some instances.

Renting for several years and seeing the benefits of owning a building, Nicole searched out to find a place to call home for her company. After coming across a wonderful historic building within Newtown Township, she was able to access financing as a certified Women Owned Business through the Bucks County Economic Development Corporation. Already being certified as a Women Owned Business, this enabled her to qualify for the special financing programs available to women. This loan

has helped with the rehabilitation costs of the new building she has recently purchased. The process was simple and easy and working with the staff of BCEDC was great.

To learn more about the program, please contact BCEDC, 215.348.9031 or www.bcedc.com/funding-sources/loan-programs/other/dbfi.

For more about Land Affinity Services contact, Nicole R. Malcolm, Owner/ Title Agent, 9 South Sycamore Street, Newtown, PA 18940, 215-579-8800 ext. 201 or www.deedsearchers.com.

NOTEWORTHY NEWS | DIVERSE BUSINESS FUNDING INITIATIVES

Third Party Certifications No Longer Needed to Apply for the DBFI Loan Program

Several lenders had expressed their concerns to DCED that requiring third party certifications presents an undue burden and expense to the diverse business owners targeted by the initiative, to the point that they are having difficulties making loans using the funds. Consequently, the PA Department of Community and Economic Development (DCED) has decided to eliminate the need for third party certifications. Applicants still need to fall under the guidelines.

The Diverse Business Financing Initiative (DBFI) was created to support and grow qualifying diverse businesses committed to full-time job creation and retention. Small businesses operated by minorities, women, veterans, service-disabled veterans, LGBT individuals, and more qualify for low-interest loans packaged and underwritten by the Bucks County Economic Development Corporation (BCEDC) in partnership with PIDA.

The DBFI is Designed for Diverse Businesses

The BCEDC will loan to businesses operated by:

- minorities
- women
- veterans
- service-disabled veterans
- disabled individuals
- LGBT individuals

Loans will be issued for the following uses:

- Land and building acquisitions
- Building construction and renovation costs
- Machinery and equipment
- Working capital

To learn more about the program, please contact BCEDC, 215.348.9031 or www.bcedc.com/funding-sources/loan-programs/other/dbfi.

Download DBFI Fact Sheet

www.bcedc.com/images/pdfs/New_NEW_PA_DBFI_Fact_Sheet.pdf

NOTEWORTHY NEWS | PPL

Transmission – The Backbone of the Grid

It's a beautiful day – sun is shining, blue skies. Your family just arrived at your beach rental, ready to start your week-long vacation. And then, the power goes out. Five minutes pass...then five hours...then two days. There is no air conditioning, no refrigeration and the town has limited power. Angry, upset, frustrated, you turn your car around and head home. Your vacation is over before it began.

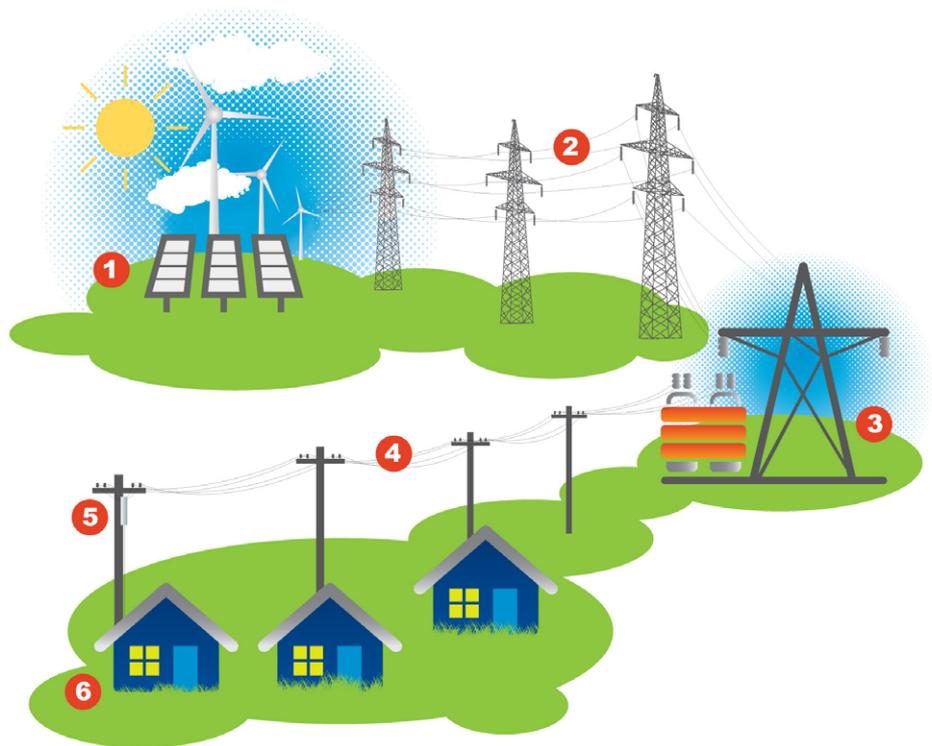
Power is something we take for granted, especially on beautiful summer days. But about two years ago, the above scenario was a reality. The Outer Banks, North Carolina experienced more than a week-long outage when a transmission line was accidentally hit during bridge construction work. Thousands of vacations were ruined and millions in small business revenue was lost.

Why would a problem on one power line affect such a large area? It has to do with what type of line was hit.

There are two major types of lines when thinking about the large, interconnected electric grid – transmission and distribution.

Transmission lines (#2) transport high-voltage power over long distances to substations (#3) where voltage is reduced and sent out over distribution lines to serve homes and businesses (#4 and #5).

You can think of it like the highway and local roadway system. Transmission lines



are the highways – moving electricity efficiently and safely over long distances. Distribution lines are like the local roadways, delivering electricity directly to our homes and businesses.

Transmission is the backbone of the grid. It enables a cleaner energy future by connecting us to wind, solar and hydroelectric power. It helps reliability, by getting power to where it's needed most. It provides affordable power, by connecting consumers to hundreds of large-scale generators. It assists national security by providing a strong, integrated structure

to respond to the increasing number and severity of weather, physical and cyber threats. And, it also drives local economies by delivering the electricity that powers all aspects of our lives.

The importance of transmission and of a safe, secure and resilient grid will continue to increase. By investing now, we're helping to reduce outages and keeping reliability strong.

To learn more about all we do to keep the lights on, visit ppelectric.com and click on the Reliability tab.

BCEDC BUSINESS HAPPENINGS

Remodeling Concepts, Inc. was approved to borrow \$400,000 from PIDA, a total project cost of \$1,100,000. The funds will be used to purchase a building in **Langhorne, Middletown Township** and renovate it. It is 12,075 square foot that will employ 21 current employees with room for future hiring.

Remodeling concepts, Inc. is a local contractor that services both residential and commercial property owners doing any sort of construction services from the ground up.

To learn more www.remodelingconcepts.net.



THE BOTTOM LINE | WHAT IS A CONTRACT?

What is a Contract: Part 3: Conditions - When Is a Promise No Longer a Promise?

This post continues my series explaining the main elements of a contract, which are outlined on the attached infographic. My goal is to demystify some of these basic provisions to help business owners have a better general understanding of what they are signing.

Another key element of a typical contract is a condition. A condition is an event that must occur or a fact that must be true before a party is obligated to perform his obligations under a contract. Conditions are used to allocate risk by making a party's obligations, which would otherwise be absolute, dependent on circumstances that are usually outside of that party's control. The risk of those circumstances not occurring is thus shifted to the other party. For example, your agreement to buy a parcel of real estate might be conditioned on your ability to obtain financing. If you are unable to get financing, you are not obligated to proceed with the sale. Your failure to perform your obligations is excused and is not a breach; the seller will have no claim for damages against you based on your failure to perform. A condition is not necessarily tied to a third party's performance of an action (such as a bank agreeing to lend money to the buyer) but is sometimes linked to the performance of an obligation by the other party. Some conditions are dependent on weather or similar events that are altogether outside of the contracting parties' and third parties' control.

Sometimes a condition is drafted so that its non-fulfillment excuses some, but not all, of a party's obligations under the agreement. As a result, if the condition is not met, the agreement remains in force as to all other obligations. On the other hand, a condition may be drafted so that the entire agreement will

terminate if the condition is not satisfied (such as the property sale example above). It is important to note that the party benefitting from the condition may choose to waive the condition and proceed with performance under the agreement. Further, if the party whose obligations are conditioned performs those obligations even though the condition has not been satisfied, he may be deemed to have waived the condition.

Conditions are not necessarily identified in a single specific section of a contract, but often are sprinkled throughout the agreement where the parties' obligations are identified. Because of the impact of an unsatisfied condition, it is important to be able to recognize conditions on the other party's obligations before you enter into the agreement. Look for words such as "if", "provided that", "in the event that", "subject to", "on the condition that", "conditioned on", and "contingent on".

Before you sign any contract, you should be sure to assess whether any of your obligations should be conditioned on the occurrence of facts or events. If so, it is important that those conditions be clearly identified. Similarly, you should review the agreement to identify any conditions to the other party's obligations and their impact on the agreement overall and your rights under the agreement. Ask yourself:

- Does the agreement set out unrealistic, vague or unpredictable conditions under which the other party could be released from its contractual obligations to me? Will I have incurred unnecessary expenses prior to the determination whether the condition has been satisfied (e.g., purchase of supplies or services)? What impact will a release of the other party's obligations have on my business (e.g., finding a substitute vendor)?

Continued ...

THE BOTTOM LINE | WHAT IS A CONTRACT?

What is a Contract? continued

- What actions or omissions (by me or key staff) could result in a release of the other parties' contractual obligations?
- Are any conditions on my performance needed to provide a way out in the case of prohibitive or unacceptable changes in circumstances down the line?

In summary, contractual agreements will ultimately only yield the intended benefits to your business if they are enforceable, and that means understanding under what conditions some or all of the other party's obligations might be excused.

Stay tuned for Part 4 of this series, which will move on to the next contract element shown on the infographic: Representations, Warranties, and Covenants.



Anheil Maslow & MacMinn, LLP
Contact Joanne M. Murray at 215-230-7500 or jmurray@ammlaw.com.



LOOK WHAT'S HAPPENING



October 17, 2019
Begins at 11:45 AM

Greater BucksMont Chamber State of the County Luncheon

Great networking opportunity – bring your friends, neighbors and business associates.

The Greater BucksMont Chamber of Commerce presents The State of the County Luncheon featuring our guest speakers, Bucks County Commissioners Diane M. Ellis-Marseglia and Bucks County Commissioner Chairman Rob Loughery. We will have a Q&A for YOU to ask the questions you always wanted to ask!

Open to the public: \$30.00 Members • \$35.00 Non-Members

Location: Mike's York Street Bar and Grill, 544 York Road, Warminster, PA 18974

Pre-register online at <http://bucksmontchamber.com/calendar.cfm?eventid=141051> or call 215.280.0599.



THE BOTTOM LINE | HOME REPAIR PROGRAM

PA Tax Credits for Businesses Helping Lower-Income Homeowners with Home Repairs

We need your help to make it happen, and your business can benefit, too. Through our Home Repair Program, Habitat Bucks partners with lower-income homeowners to make home repairs or modifications that preserve their home, making it safe and adapting it to be accessible for everyone. We provide both interior and exterior repairs, as well as critical repairs such as roof replacement and major system repairs like plumbing and HVAC. Interior projects include: grab bars, electrical work, bathroom modifications, kitchen repair, railings, door repairs, flooring and lighting. Exterior repairs include railings, windows, steps, doors and porches, roof patching, gutters, walkways, and ramps. Many of our homeowners are seniors or disabled individuals who cannot afford the market cost of repairs or modifications. With Habitat Bucks, these are easy repairs and the homeowner repays an affordable amount – just a fraction of the cost. The balance is subsidized by program income and contributions.

To meet the growing need for home repairs that are affordable, our goal for FY20 is to complete 40 home repair projects – double the number we completed last year. As part of this expansion, Habitat Bucks is applying to the Pennsylvania Neighborhood Assistance Program (NAP). The NAP program provides tax credits that are available for use by the contributing businesses, who in turn receive Pennsylvania tax credits for their project contribution. Here's a few recent home repairs:

How does my business benefit from supporting Habitat Bucks' Home Repair Program?

Habitat Bucks is applying under the Special Program Priority within the NAP Program – this means tax credits for business contributions would be 75% per fiscal year! For example, a

\$10,000 donation would only cost \$2,500 as you would receive \$7,500 in Pennsylvania tax credits for business contributions.

How does it work?

- Businesses provide a letter to Habitat Bucks confirming the amount they will contribute if the project is approved for the tax credit program. The business is not obligated to contribute if the application is not approved.
- Habitat Bucks submits the application by June 28, 2019.
- Additional contributors may be added to the application through September 30th.
- If approved, the business will be notified by the PA DCED. Eligible contributions must be received by Habitat Bucks before June 30, 2020.



If my business is interested, what should I do?

- Review Exhibit B, Tax Benefits for Business Firms, which has been provided by the NAP. It illustrates what types of businesses can benefit from the tax credits and how they can be applied.
- All contributors are advised to consult their tax specialist before making a commitment.
- Contact Candace Clarke, Resource Development Director, Habitat for Humanity of Bucks County, c.clarke@habitat-bucks.org or (215) 822-2812, 316.



FINANCIAL TOOLBOX

PIDA & SBA 504 rates announced for the Third Quarter of 2019

PIDA announced that its two interest rates for the third quarter of 2019 (July 2019 to September 2019) will feature a fixed rate of 3.00% or the option to have a variable rate of 2.00% (half the term of the loan). The term for a PIDA loan is up to fifteen years for real estate, up to ten years for machinery and equipment, and one year for working capital (but can be renewed annually up to a maximum of six years). The maximum loan amounts are \$2 million for real estate, \$400,000 for machinery and equipment (or 50% of the total project cost, whichever is less), and \$100,000 for working capital. Eligible applicants can borrow \$35,000 for every full-time job retained and/or \$50,000 for every full-time job created within three years of closing of the loan. Applications can be

submitted through the assistance of BCEDC, Commonwealth of PA, certified economic organization, (EDO)

The SBA 504 June 2019 rates are starting at 3.983% fixed for twenty years and 4.09% fixed for twenty-five years for real estate loans. The June 2019 rate for machinery and equipment is starting at 4.365% fixed for up to ten years. The maximum loan amount for eligible businesses is \$5 million or 40% of the total project cost, whichever is less. The business's tangible net worth cannot exceed \$15 million and the business's average net income after federal income taxes (excluding carry-over losses) for the two full fiscal years prior to application cannot exceed \$5 million. Eligible applicants can borrow \$65,000 for every new full-time job created.

LOOK WHAT'S HAPPENING



Friday
September 13, 2019
8:00 AM - 11:00 AM

2019 Global Business Summit

Stay connected and informed on the State of Global Commerce & Trade in NJ & beyond!

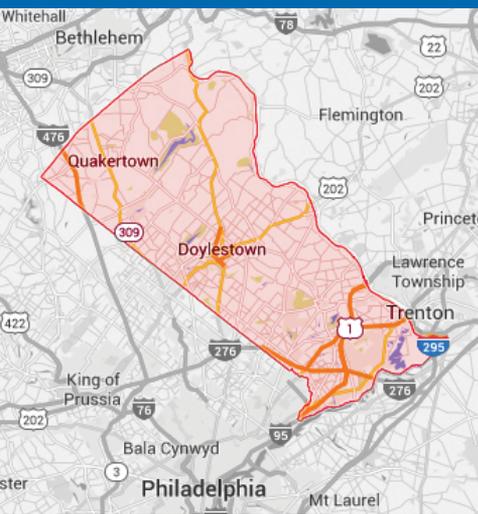
Keynote: Ian Steff, "How the New US - Mexico - Canada Agreement (USMCA) Facilitates Global Business"

Ian Steff is Deputy Assistant Secretary for Manufacturing, performing the non-exclusive functions and duties of the Assistant Secretary for Global Markets and Director General of the US and Foreign Commercial Service, US Department of Commerce, International Trade Administration.

This event will include: multi-chamber networking, international and regional business connections, full breakfast buffet, and exhibitor interactions.

Location: Doubletree by Hilton of Princeton

For more information: <https://web.princetonmercerchamber.org/events/GlobalBusiness%20Summit-793/details>



COMPANIES ON THE MOVE | COLLIERS

Colliers Q2 Regional Research for Industrial and Office Markets is Now Available

Colliers International released their Q2 Regional Reports for the Greater Philadelphia region covering the Industrial and Office sectors preview. Here's what we're seeing as we hit the halfway mark of 2019:

Regional Industrial Market

- Regional vacancy rate remained at 5.9% during the first two quarters of 2019.
- Year-to-date absorption topped 3.2 million sq. ft., below the six-month totals for the previous five years.
- Asking rents increased by 1.4% with the Southern I-81 corridor and Southern New Jersey registering the largest increases.
- Construction deliveries were down, but the level of buildings under construction was 60% higher than one year ago.
- User and investor sales volume increased and is likely to surpass 2018's level.

[Download Regional Industrial Market full report.](#)

Regional Office Market

- The regional office market vacancy rate increased slightly to 12.3% from 12.1% at the end of 2018.
- Absorption for the first half of 2019 totaled 472,088 square feet, below 2018's six-month total.
- The weighted average asking rent increased by 1.0% to \$27.27 per square feet, full service.
- Investment volume decreased from 2018.

[Download Regional Office Market full report.](#)

About Colliers International

Colliers International Group Inc. (NASDAQ: CIGI) (TSX: CIGI) is an industry-leading real estate services company with a global brand operating in 69 countries and a workforce of more than 15,400 skilled professionals serving clients in the world's most important markets. Colliers is the fastest-growing publicly listed global real estate services company, with 2017 corporate revenues of \$2.3 billion (\$2.7 billion including affiliates). With an enterprising culture and significant employee ownership and control, Colliers professionals provide a full range of services to real estate occupiers, owners and investors worldwide. Services include strategic advice and execution for property sales, leasing and finance; global corporate solutions; property, facility and project management; workplace solutions; appraisal, valuation and tax consulting; customized research; and thought leadership consulting.



COMPANIES ON THE MOVE | NAPPEN & ASSOC.

Celebrating 50 Years!

Nappen & Associates announces its latest new development of a 125,000 square foot industrial/flex building. The building, now under construction, is on Milford Square Pike, Milford Township, Quakertown, Pennsylvania. The facility offers LED lighting, ESFR (early suppression fast response) sprinkler system, 16 tailgate doors with levelers, 4 drive-in doors, and 33' clear height. This state-of-the-art facility will be minutes from the Pennsylvania Turnpike (Quakertown Interchange) & Route 309.

This will be Nappen's third venture on Milford Square Pike with a fourth coming soon on AM Drive, also close to the Pennsylvania Turnpike (.09 miles from the Quakertown Interchange). The first two buildings, 2700 and 2800 Milford Square Pike, were completed in 2014 and are 100% leased.

For the last 50 years, Nappen & Associates specialized in the development, construction and continuing management of industrial/flex space in Bucks and Montgomery Counties. Having developed approximately 3.5 million square feet ranging in size from 2,200 to 340,000 square feet, Nappen and its affiliated companies successfully meet and maintain the needs of a wide variety of tenants. For more information, www.nappen-associates.com

BUCKS COUNTY LEASE ACTIVITY JUNE - JULY 2019

(Information provided by Colliers)

BENSALEM	SQ FT
Industrial	6,350
Grand Total	6,350
FAIRLESS HILLS	SQ FT
Industrial	60,429
Grand Total	60,249
LANGHORNE	SQ FT
Industrial	28,428
Office	4,964
Grand Total	33,392
WARMINSTER	SQ FT
Industrial	108,994
Flex	22,002
Grand Total	130,996

MEMBERS' CORNER



TMA Bucks Welcomes a New Project Coordinator, Ashley Sulon to the Team

TMA BUCKS is pleased to announce that Ashley Sulon has been added to their team as a project coordinator! Ashley is a Langhorne resident and Bloomsburg University graduate with a background in event planning.

Welcome board Ashley!

WELCOME NEW BCEDC MEMBER

Jesse Kovach
Westrum Development

MEMBERS' CORNER

BCEDC Board of Director throws out the first pitch

Hundreds of survivors, families, friends, staff, and members of the Fox Chase Cancer Center community celebrated cancer survivorship on Saturday, July 13 as the Philadelphia Phillies game.

BCEDC, Board of Director, Dick Millham, threw out the first pitch of the game. Dick is a merkle cell carcinoma survivor and a member of the Bucks County chapter of the Fox Chase Board of Associates.

The event raised over \$8,000 for the Fox Chase Cancer Center.



Dick's grandson Barry Millham, Dick Millham, Dick's son, Rick Millham.



Dick Millham with Phillies Phanatic.

Bob Cormack, BCEDC Executive Director Attended Centric Bank's Ribbon Cutting Ceremony

Centric Bank President and CEO Patti Husic and her team hosted a ribbon-cutting ceremony on Wednesday, July 10, 2019 to introduce the financial center's new design and personalized services to the community. They were joined by Bucks County Commissioner Diane Ellis-Marseglia, as well as members of the Central Bucks Chamber, Lower Bucks Chamber, Eastern Montgomery County Chamber, Bucks County Economic Development Corporation.

Bob Cormack, was happy to attend the ribbon cutting ceremony of a BCEDC member. Bob commented, "It is an unique approach to customer focused banking which allows for continuity of services with the same team member especially when most business seem to be less customer and service oriented."

"Continuing to unlock capacity and potential for our customers means responding to their needs with a new level of presence and accessibility," said Husic. "At our Doylestown Financial Center, we're introducing Concierge Banking — full-service banking that's streamlined, personalized, and nearly instantaneous.

"Giving back to the communities we call home is integral to our culture, and we were thrilled to present a \$2,500 cash donation to Habitat for Humanity of Bucks County Executive Director Florence Kawoczka and Development Director Candace Clarke."

Formally a lending office, the space was renovated into a non-traditional branch layout featuring Universal Banker (a hybrid of a teller and a personal banker) workstations to assist customers with every banking service from securing a personal loan to opening a checking account.

"In one stop, customers can visit with the Universal Banker and have all of their needs met without being transferred to different team members within the location," said Husic.

About Centric Financial Corporation and Centric Bank

Founded in 2007, Pennsylvania-based Centric Bank has financial centers located in Harrisburg, Hershey, Mechanicsburg, and Camp Hill, offices in Devon, loan production offices in Lancaster and Doylestown, and an Operations and Executive Office campus in Hampden Township, Cumberland County. To learn more about Centric Bank, call 717.657.7727 or visit CentricBank.com. Connect with them on Twitter, Facebook, LinkedIn, and Instagram.



BUCKS PROSPECTUS

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Bucks Prospectus is the bimonthly newsletter of the Bucks County Economic Development Corporation (BCEDC).

Bucks County Economic Development Corporation (BCEDC) is a non-profit, non-political economic development organization established in 1958 to support economic growth in Bucks County. BCEDC is a Commonwealth of Pennsylvania certified economic development agency. BCEDC offers low cost financing options for land/building, machinery and equipment. These and other incentive programs offered through BCEDC create a strong and vital economy for Bucks County and in return create and retain jobs for Bucks County residents.



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PUBLISHING DEADLINES FOR THE BUCKS PROSPECTUS

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9-17-2019

11-19-2019

PUBLISH DATE

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12-17-2019

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October

December

For archived issues go to www.bcedc.com/newsletters

To submit an article with business advice suitable to the Bucks Prospectus, please contact Kelly Doughty at 215.348.9031 or KellyD@bcedc.com.

Opinions expressed within this newsletter are not necessarily the opinions held by the BCEDC.