

## FIRST AMENDMENT TO SUBLEASE AGREEMENT

THIS FIRST AMENDMENT TO SUBLEASE AGREEMENT (this "**First Amendment**") is made and entered into as of the 17<sup>th</sup> day of October, 2009, by and between the **SPORTS & EXHIBITION AUTHORITY OF PITTSBURGH AND ALLEGHENY COUNTY**, a body corporate and politic, organized and existing pursuant to the Sports and Exhibition Authority Act (Act of July 28, 1953, P.L. 723, No. 230, § 2501-A, added October 30, 2000, P.L. 616, No. 85, § 6, 16 Purdon's Statutes 5501-A, et seq.) (the "**Authority**") and **PITTSBURGH ARENA OPERATING LP**, a Pennsylvania limited partnership (the "**Operator**").

### W I T N E S S E T H:

**WHEREAS**, the Authority and Lemieux Group LP ("**Lemieux Group**") entered into that certain Sublease Agreement dated as of September 18, 2007, to be effective as of the Commencement Date (as defined therein) (the "**Lease**"), pursuant to which Lemieux Group leased from the Authority, and the Authority leased to Lemieux Group, all or portions of certain real property located in the Third Ward of the City of Pittsburgh, Allegheny County, Pennsylvania, as more particularly described in Exhibit A-1 to the Lease, together with an agreed upon portion of the Central Medical Site (as defined in the Lease), which is more particularly described in Exhibit A-2 to the Lease, and such other properties in the proximity that the Authority acquires for purposes of development of the New Arena (as defined in the Lease; the New Arena now being known as "Consol Energy Center") (collectively, the "**Site**"); and

**WHEREAS**, by that certain Assignment and Assumption Agreement dated October 17, 2007, Lemieux Group assigned all of its rights and interest in, under and to the Lease to the Operator; and

**WHEREAS**, as contemplated by the first recital of the Lease, the exact location of the Site, together with a legal description thereof, would be shown on a site plan which will be subsequently prepared, attached to the Lease by an addendum and made a part thereof; and

**WHEREAS**, the Authority and the Operator desire to confirm that the Site consists of that certain parcel of real estate located in the City of Pittsburgh, Allegheny County, Pennsylvania, identified as Lot 2-R in that certain Arena Hotel Plan of Lots, prepared by Civil & Environmental Consultants, Inc. dated October 22, 2008 (the "**Subdivision Plan**"), filed on July 13, 2009 in the Real Estate Department of Allegheny County, Pennsylvania in Plan Book Volume 266, pages 31 to 32. The Site, as depicted in the Subdivision Plan, is also specifically described in Exhibit A-3 to the Lease, which is attached as Exhibit A-3 to this First Amendment and made a part hereof; and

**WHEREAS**, as contemplated by Section 5.12 of the Lease, the Operator has elected to cause the Authority to construct the Garage (as defined in the Lease), pursuant to a letter dated February 8, 2008, as modified by letter dated October 14, 2008, as further modified by

letter dated December 31, 2008, as further modified by letter dated January 30, 2009, as further modified by letter dated June 1, 2009 (as modified, the "**Garage Exercise Letter**"); and

**WHEREAS**, the Garage, upon its construction as contemplated by the Garage Exercise Letter, will consist of a five-story structure adjacent and connected to the New Arena; and

**WHEREAS**, in connection with the proposed development of a hotel on a parcel of real property located adjacent to the Site and owned by the Authority and identified as Lot 3 in that certain Arena Hotel Plan of Lots, prepared by Civil & Environmental Consultants, Inc. dated October 22, 2008, filed on July 13, 2009 in the Real Estate Department of Allegheny County, Pennsylvania in Plan Book Volume 266, pages 31 to 32 (the "**New Arena Hotel Site**") pursuant to the Option Agreement (as defined in the Lease) and that certain Agreement of Sale dated of even date herewith by and between the Authority and Pittsburgh Hotel Associates LP, a Pennsylvania limited partnership (the "**Hotel Developer**"), the Operator has elected pursuant to the Garage Exercise Letter for the Authority to construct the fifth story parking deck of the Garage (the "**Parking Deck**"), which shall be directly connected to the New Arena Hotel Site by vehicular and pedestrian ramps and shall be connected to the remainder of the Garage by exterior stairwells (the "**Stairwells**"); and

**WHEREAS**, the Operator and the Hotel Developer intend to enter into a Sublease Agreement, pursuant to which the Operator would sublease to the Hotel Developer, and the Hotel Developer would take and hire from the Operator, the Parking Deck, together with a non-exclusive right and license to use the Stairwells for pedestrian access between the Parking Deck and the remainder of the Garage and the Site (the "**Parking Deck Sublease**"). The Parking Deck Sublease is intended to be effective as of the later of the Commencement Date (as defined in the Lease) or the date on which the hotel proposed to be located on the New Arena Hotel Site shall first open for business with the general public with the Parking Deck Completed and open for parking in connection therewith. The form of the proposed Parking Deck Sublease has been previously provided to the Authority for review and approval, shall be Exhibit F to the Lease, and is attached to this First Amendment and made a part hereof; and

**WHEREAS**, because, inter alia, the Authority anticipates that the construction and operation of the Fifth Deck may affect the foundation and structural integrity of the Garage, the parties have agreed to modify the provisions of Section 10.4.4 of the Lease so as to reallocate the responsibility of the Authority and the Operator for the payment of major repairs and replacements that are reasonably necessary to maintain the foundation and structural integrity of the Garage; and

**WHEREAS**, the Authority and the Operator desire to amend the Lease in order to, among other things, (i) set forth the exact location of the Site, together with a legal description thereof, as contemplated by the Lease, (ii) clarify the exact size of the Garage and confirm that the entire Garage, upon construction thereof, shall be part of the Premises (as defined in the Lease), as contemplated by the Lease, (iii) reallocate the responsibility of the Authority and the Operator for the payment of major repairs and replacements that are reasonably

necessary to maintain the foundation and structural integrity of the Garage and (iv) set forth the Authority's approval of the Parking Deck Sublease, all on such terms and conditions as are hereinafter set forth.

**NOW, THEREFORE**, for good and valuable consideration, the receipt and legal sufficiency of which are hereby acknowledged, intending to be legally bound hereby, the Authority and the Operator hereby covenant and agree as follows:

1. **Incorporation of Recitals.** The recitals set forth above are incorporated into this First Amendment by reference as if set forth in full.
2. **Use of Capitalized Terms.** Capitalized terms used in this First Amendment, unless otherwise defined in this document, shall have the meanings ascribed in the Lease.
3. **Confirmation of Site.** In accordance with the first recital of the Lease, the Authority and the Operator hereby acknowledge and agree that the exact location of the Site is depicted on, and a legal description of the Site is set forth on, Exhibit A-3 attached to this First Amendment (which shall also be Exhibit A-3 to the Lease).
4. **Confirmation of Garage Premises.** Notwithstanding anything to the contrary set forth in the Lease, the Authority and the Operator hereby acknowledge and agree that the Garage, for purposes of the Lease, shall consist of a five-story structure (including the Parking Deck and the Stairwells) containing approximately six hundred forty three (643) total spaces adjacent and connected to the New Arena. All of the vehicular and pedestrian ramps and other appurtenant facilities which are located on the Site (but not on the New Arena Hotel Site), except for the "Pedestrian Bridge" and the "Fifth Deck Ramp" as those terms are defined in that certain Fifth Floor Garage Ramp and Pedestrian Bridge Easement Agreement executed contemporaneously herewith and recorded (the "**Ramp and Bridge Easement Agreement**"), shall constitute a portion of (a) the Premises, and (b) the Garage, for all purposes of the Lease. Notwithstanding the foregoing, upon the expiration or earlier termination of the Term of the Hotel Developer's Easements (as those terms are defined in the Ramp and Bridge Easement Agreement), the Operator and the Authority hereby acknowledge and agree that the Fifth Deck Ramp shall be treated as part of the Garage (as defined in the Lease) for purposes of Section 5.12.1, 10.4.1, 10.4.2, 10.4.3, and 10.4.4 of the Lease. The Garage, as contemplated by this Section 4, is more particularly depicted on Exhibit A-4 attached to this First Amendment (which shall also be Exhibit A-4 to the Lease).
5. **Re-Allocation of Payment for Major Garage Repairs.** The first sentence of Section 10.4.4 of the Lease is hereby amended and restated as follows: "Major repairs and replacements that are reasonably necessary to maintain the foundation and the structural integrity of the Garage shall be paid forty percent (40%) by the Authority and sixty percent (60%) by the Operator."
6. **Consent to Parking Deck Sublease.** In accordance with Section 6.1.4 of the Lease, the Authority hereby consents to the Parking Deck Sublease. The Authority hereby acknowledges that, notwithstanding the penultimate sentence of Section 6.1.4 of the Lease,

the Hotel Developer in its sublease of the Parking Deck pursuant to the Parking Deck Sublease shall only be obligated to comply with the restrictions and obligations imposed upon the Operator pursuant to the Lease that do not constitute "Excluded Provisions" and "Excluded Terms" under Section 5.2 of the Parking Deck Sublease. Provided further, in the event of any conflict between the terms and conditions of the Parking Deck Sublease and the terms and conditions of the Lease, the terms and conditions of the Lease shall control.

7. Surcharges for Parking Deck. The Authority and the Operator hereby acknowledge and agree that, notwithstanding anything to the contrary set forth in Section 4.2.3 of the Lease, the Authority will not impose any Surcharges on the parking spaces located on the Parking Deck to the extent that the same are used in connection with "Permitted Uses" (as defined in the Parking Deck Sublease).

8. Architect/Engineer Coverage for Garage. Notwithstanding anything to the contrary set forth in Article 12 of the Lease, the Authority and the Operator hereby acknowledge that the architects and engineers errors and omissions insurance described in Section 12.1.8 of the Lease with respect to the initial design and construction of the Garage is and shall be maintained by Graves Architects (the Authority's architect in connection with the design and construction of the Garage), and the Operator shall not be responsible for maintaining such insurance with respect to the initial design and construction of the Garage as contemplated by the Lease and the New Arena Development Agreement dated as of November 14, 2008, as amended.

9. Ratification of Lease. Except as specifically modified by this First Amendment and as previously modified by Section 6 of that certain First Amendment to New Arena Development Agreement dated as of November 14, 2008 (the "**Development Agreement Amendment**"), the Lease remains in full force and effect. All terms, covenants and conditions of the Lease shall continue to be valid, effective and in force, and are hereby ratified and affirmed.

10. Entire Agreement. The Lease, as amended hereby and by Section 6 of the Development Agreement Amendment, is the entire agreement of the parties with respect to the subject matter thereof; there are no verbal representations, warranties and understandings, stipulations, agreements or promises pertaining to the Lease not incorporated in writing therein or in this First Amendment or the Development Agreement Amendment except to the extent that this First Amendment specifically so states.

11. No Oral Modification. The Lease, as amended by this First Amendment may not be altered, waived, amended, terminated or extended except by an instrument in writing signed by the Authority and the Operator.

12. Successors and Assigns. All rights, remedies, liabilities, covenants, conditions and agreements herein imposed upon either of the parties or imposed upon either of the parties pursuant to the provisions of the Lease shall inure to and be binding upon the successors and assigns of the Authority and the Operator.

13. Counterparts. This First Amendment may be executed in counterparts, both of which shall constitute one and the same instrument.

**[Remainder of page intentionally left blank]**

[Signature page to First Amendment to Sublease Agreement]

**EXECUTED AND DELIVERED**, intending to be legally bound hereby, as of the date set forth above.


ATTEST/WITNESS:

  
\_\_\_\_\_

**OPERATOR:**

**PITTSBURGH ARENA OPERATING LP**,  
a Pennsylvania limited partnership

By: **Pittsburgh Arena Operating LLC**,  
its general partner

By   
Name: *Travis E. Williams*  
Title: *Senior Vice President, Business Affairs*  
*General Counsel*

**AUTHORITY:**

ATTEST/WITNESS:

\_\_\_\_\_

**SPORTS & EXHIBITION AUTHORITY OF  
PITTSBURGH AND ALLEGHENY  
COUNTY**, a body corporate and politic

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**[Signature page to First Amendment to Sublease Agreement]**

**EXECUTED AND DELIVERED**, intending to be legally bound hereby, as of the date set forth above.

ATTEST/WITNESS:

\_\_\_\_\_

**OPERATOR:**

**PITTSBURGH ARENA OPERATING LP,**  
a Pennsylvania limited partnership

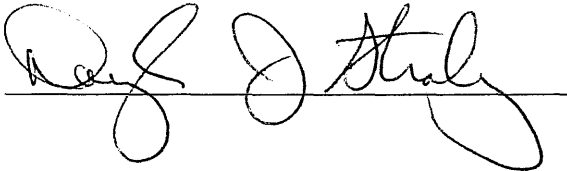
By: **Pittsburgh Arena Operating LLC,**  
its general partner

By \_\_\_\_\_  
Name:  
Title:

**AUTHORITY:**

**SPORTS & EXHIBITION AUTHORITY OF  
PITTSBURGH AND ALLEGHENY  
COUNTY,** a body corporate and politic

ATTEST/WITNESS:

  
\_\_\_\_\_

By:   
Name: *Mary K Conturo*  
Title: *Executive Director*

**Exhibit A-3**

**New Arena Site**

That certain parcel of real estate located in the City of Pittsburgh, Allegheny County, Pennsylvania, identified as Lot 2-R in that certain Arena Hotel Plan of Lots, prepared by Civil & Environmental Consultants, Inc. dated October 22, 2008, filed on July 13, 2009 in the Real Estate Department of Allegheny County, Pennsylvania in Plan Book Volume 266, pages 31 to 32.



**Exhibit F**

**Parking Deck Sublease Agreement**

[Attached]

## **SUBLEASE AGREEMENT**

This **SUBLEASE AGREEMENT** (this "**Sublease**") is made and entered into as of the \_\_\_\_ day of October, 2009, to be effective on the first date of the Sublease Term (as defined below), by and between **PITTSBURGH ARENA OPERATING LP**, a Pennsylvania limited partnership ("**Sublandlord**") and **PITTSBURGH ARENA HOTEL ASSOCIATES, LP**, a Pennsylvania limited partnership ("**Subtenant**").

### **WITNESSETH:**

WHEREAS, Lemieux Group LP ("**Lemieux Group**") and the Sports & Exhibition Authority of Pittsburgh and Allegheny County, a body corporate and politic, organized and existing pursuant to the Sports and Exhibition Authority Act (Act of July 28, 1953, P.L. 723, No. 230, § 2501-A, added October 30, 2000, P.L. 616, No. 85, § 6, 16 Purdon's Statutes 5501-A, et seq.) (the "**Authority**") entered into that certain Sublease Agreement, dated as of September 18, 2007, to be effective as of the Commencement Date (as defined therein), as amended by that certain First Amendment to Sublease Agreement of even date herewith (as the same may be further amended or supplemented from time to time, the "**Prime Lease**"; a true and correct copy of the Prime Lease, as in effect on the date of this Sublease, is attached hereto as Exhibit A and made a part hereof), pursuant to which Sublandlord leased to Lemieux Group certain property located in the Third Ward of the City of Pittsburgh, Allegheny County, Pennsylvania, as more particularly described in Exhibit A-3 to the Prime Lease (the "**Site**");

WHEREAS, pursuant to the Prime Lease, Lemieux Group and the Authority agreed to locate on the Site the following proposed improvements: (i) a multi-purpose sports and entertainment facility known as "Consol Energy Center" (the "**New Arena**"), (ii) a multi-level parking garage adjacent and connected to the New Arena (the "**Garage**"); and (iii) a retaining wall on the southeast corner of the Site (the "**Retaining Wall**"); the Site, the New Arena, the Garage, the Retaining Wall and the Equipment (as defined in the Prime Lease) to be located in the New Arena and the Garage being referred to herein collectively as the "**Premises**"; and

WHEREAS, by that certain Assignment and Assumption Agreement dated October 17, 2007, Lemieux Group assigned all of its rights and interest in, under and to the Prime Lease to Sublandlord; and

WHEREAS, Subtenant and Pittsburgh Arena Real Estate Redevelopment LP (an affiliate of Sublandlord) (the "**Redeveloper**") have entered into one or more agreements pursuant to which, *inter alia*, Subtenant would undertake the development of a hotel (the "**New Arena Hotel**") on a parcel of real property located adjacent to the Site and owned by Subtenant (the "**New Arena Hotel Site**"), as more particularly described in that certain Development Agreement dated of even date herewith by and among Subtenant, Sublandlord, the Redeveloper and Pittsburgh Arena Development LP (the "**Arena Developer**") (the "**Hotel Development Agreement**"); and

WHEREAS, pursuant to the New Arena Development Agreement by and between the Authority and the Arena Developer dated May 28, 2008, effective as of September 30, 2007, as

amended by that certain First Amendment to New Arena Development Agreement dated as of November 14, 2008 (as amended, the "**New Arena Development Agreement**"), the development of the New Arena Hotel Site and the construction of the New Arena Hotel thereon shall include, without limitation, the construction of a fifth (5<sup>th</sup>) level parking deck to the Garage (the "**Parking Deck**"), which shall be directly connected to the New Arena Hotel Site by vehicular and pedestrian ramps and shall be connected to the remainder of the Garage by exterior stairwells (the "**Stairwells**"); the Parking Deck is more particularly depicted and described on Exhibit B attached hereto and made a part hereof; and

WHEREAS, upon completion of the Parking Deck in accordance with the terms of the Hotel Development Agreement, the Parking Deck shall constitute a portion of the Garage and, accordingly, shall be included within the Premises leased by the Authority to Sublandlord pursuant to the Prime Lease; and

WHEREAS, Sublandlord desires to sublease to Subtenant, and Subtenant desires to take from Sublandlord, the Parking Deck, together with right and license to utilize the Stairwells in connection therewith, to Subtenant for a term commencing effective as of the first date of the Sublease Term and expiring on the Sublease Expiration Date (as defined herein), and upon the other terms and conditions described herein.

NOW, THEREFORE, in consideration of the mutual promises, undertakings and covenants hereinafter set forth, and intending to be legally bound hereby, Sublandlord and Subtenant covenant and agree as follows:

## **ARTICLE 1**

### **RECITALS; CAPITALIZED TERMS**

The Recitals set forth above are incorporated herein by this reference as if set forth herein in full. Capitalized terms used and not otherwise defined herein shall have the meaning given such terms in the Prime Lease.

## **ARTICLE 2**

### **SUBLEASE**

Sublandlord hereby demises and subleases to Subtenant and Subtenant hereby takes and hires from Sublandlord, the Parking Deck, together with the non-exclusive right and license to use the Stairwells for pedestrian access between the Parking Deck and the remainder of the Garage and the Site, for the Sublease Term (as defined in Article 3 below), and upon the terms, conditions and covenants set forth herein.

## **ARTICLE 3**

### **TERM**

#### **3.1 Sublease Term.**

The term of this Sublease (the "**Sublease Term**") shall commence on the later of (a) the date on which the New Arena Hotel shall first open for business to the general public with the Parking Deck completed and open for parking in connection with the use of the New Arena

Hotel (the "**Hotel Opening Date**") or (b) August 1, 2010, or such later date on which the "Commencement Date" shall be deemed to have occurred under the Prime Lease with respect to the Garage (the "**Arena Commencement Date**"; the actual commencement date of the Sublease Term shall be referred to herein as the "**Sublease Commencement Date**"), and shall continue thereafter until June 29, 2040 (the "**Sublease Expiration Date**"), unless otherwise terminated in accordance with the terms of this Sublease. Notwithstanding anything to the contrary set forth herein, if the term of the Prime Lease is terminated prior to the expiration of the Sublease Term, the Sublease Term shall be automatically terminated on the same date as the term of the Prime Lease.

### 3.2 Duties of Subtenant on the Sublease Expiration Date.

On or before the Sublease Expiration Date, Subtenant will terminate or cause to be terminated (a) any management agreement with respect to the Parking Deck (or, if Subtenant is party to any management agreement with respect to the New Arena Hotel that includes the Parking Deck, the portion of such management agreement applicable to the Parking Deck) and (b) any permitted contracts, licenses and other agreements, written or oral, relating in any manner to the Parking Deck. On the Sublease Expiration Date, Subtenant will deliver the Parking Deck back to Sublandlord free and clear of any Lien created or imposed by Subtenant or its agents during the Sublease Term or other obligation of Subtenant and relating to the use of the Parking Deck by Subtenant under this Sublease. At the expiration or earlier termination of the Sublease Term, Subtenant shall surrender the Parking Deck in good condition and repair, normal wear and tear and damage by fire or other casualty excepted.

## **ARTICLE 4** **BASE RENT**

Subtenant shall pay, beginning on the first day of the Sublease Term and continuing on the first anniversary date thereof for the remainder of the Sublease Term, the sum of Ten and 00/100 Dollars (\$10.00) as "**Base Rent**" hereunder, at the address set forth in Article 14, or at such other address as may be given in writing by Sublandlord to Subtenant. All Base Rent shall be paid on the applicable due date, without notice, demand, counterclaim, offset or deduction.

## **ARTICLE 5** **PRIME LEASE**

### 5.1 Incorporation of Terms of Prime Lease.

To the extent not otherwise inconsistent with the terms of this Sublease, and except as provided in Section 5.2 and Article 6 of this Sublease, all the terms, covenants and conditions of the Prime Lease are by this reference incorporated in this Sublease and made a part of this Sublease with the same force and effect as if fully set forth in this Sublease; provided, however, that for purposes of such incorporation, (a) the terms "lease" or "Lease" as used in the Prime Lease shall refer to this Sublease, (b) all references to the Authority in the Prime Lease shall refer to Sublandlord (except as otherwise set forth in this Sublease), (c) the term "Operator" as used in the Prime Lease shall refer to Subtenant and (d) the term "Premises" or "New Arena" as

used in the Prime Lease shall refer to the Parking Deck (except as otherwise set forth in this Sublease).

## 5.2 Excluded Provisions.

The following sections of the Prime Lease are not incorporated in this Sublease (except to the extent that any provisions set forth in the Prime Lease are referred to in this Sublease): Articles 3 and 4, Article 5 (other than Sections 5.3, 5.8 and 5.9 thereof), Section 6.1, Article 7 (other than Sections 7.1.5(a)-(d), 7.1.6 and 7.1.9-7.1.11 thereof), Article 8, Sections 10.1-10.4 (other than the definitions set forth therein), 10.5.2, Article 11, Sections 12.1.5, 12.1.6 and 12.1.7, 12.8, 13.3, 14.1.3, 14.1.8, 14.1.9 and 14.8, Articles 15, 16 and 17 and Exhibits D and E (collectively, the “**Excluded Provisions**”). In addition to the foregoing, all references in the Prime Lease to the terms “Related Agreement”, “Team Affiliate”, “Franchise”, “NHL” or “NHL Rules and Regulations”, or any singular or plural variations thereof (to the extent that any such terms are set forth in the provisions of the Prime Lease that are incorporated into this Sublease) (collectively, the “**Excluded Terms**”) shall not be incorporated in this Sublease. Notwithstanding anything to the contrary contained in this Sublease and in addition to the rights related to the Excluded Provisions and the Excluded Terms, Subtenant shall not have the benefit of any of the following provisions of the Prime Lease: (1) provisions relating to the extension of the term of the Prime Lease, (2) any right to expand, alter or otherwise modify the Parking Deck or any part thereof, (3) any right to terminate the Prime Lease or (4) any rights to dispose of the proceeds of any policy of hazard insurance or any award in a condemnation action (except as otherwise expressly set forth in this Sublease).

## 5.3 Subject to the Prime Lease.

This Sublease is and shall be subject and subordinate in all respects to the Prime Lease and to all of its terms, covenants and conditions; provided that the Excluded Provisions and the Excluded Terms shall not apply as between Sublandlord and Subtenant. In the event of any conflict between the terms and conditions of this Sublease, and the terms and conditions of the Prime Lease, the terms and conditions of the Prime Lease shall be controlling. Subtenant shall not do, or permit or suffer to be done, any act or omission by Subtenant, its agents, employees, contractors or invitees which is prohibited by the Prime Lease, or which would constitute a violation or default under the Prime Lease, and Subtenant shall indemnify Sublandlord and its Affiliates and hold them harmless from and against any such act, omission, violation or default.

5.3.1. Approval of Authority. In all provisions of the Prime Lease requiring the approval or consent of the Authority, Subtenant shall be required to obtain the approval or consent of the Authority as well as Sublandlord.

5.3.2. Cooperation with Authority Requests. To the extent that Sublandlord is obligated to provide any reports or information to the Authority pursuant to the Authority’s rights set forth in the Prime Lease (including, without limitation, any rights set forth in the Excluded Provisions), or to permit the Authority to access any portion of the Premises (including the Parking Deck) to make inspections or as otherwise permitted under the Prime Lease, Subtenant agrees to cooperate with Subtenant and to provide to Sublandlord (or, at

Sublandlord's direction, directly to the Authority) such information, and to permit the Authority to have such access to the Parking Deck, as may be requested by the Authority from time to time.

5.3.3 Survival. Sections 5.3.1 and 5.3.2 hereof shall survive the expiration of the Sublease Term or the earlier termination of this Sublease.

5.3.4. Sublandlord Covenants. Sublandlord shall not voluntarily agree to terminate the Prime Lease or amend the Prime Lease in any way which increases the obligations of Subtenant in any way pursuant to this Sublease during the Sublease Term without the prior written consent of Subtenant, which may not be unreasonably withheld, conditioned or delayed.

5.4 Authority's Obligations.

Sublandlord shall in no way be liable to Subtenant for any failure of the Authority to provide services, utilities, insurance, work, alterations, repairs or maintenance to be provided by the Authority under the Prime Lease (collectively, "**Authority Obligations**") and, with respect to any Authority Obligations, Sublandlord's sole obligation with respect thereto shall be to request the same and the Authority's compliance therewith, upon request in writing by Subtenant. Subtenant agrees to indemnify Sublandlord and its Affiliates, and hold Sublandlord and its Affiliates harmless, from and against all expenses (including, without limitation, attorneys' fees and costs) incurred by Sublandlord or its Affiliates arising from Subtenant's request that Sublandlord provide such cooperation in connection therewith, and the same shall be payable by Subtenant within ten (10) days after notice from Sublandlord that such amounts are due and owing.

**ARTICLE 6**  
**USE OF PARKING DECK**

6.1 Suitability for Use; Disclaimer of Warranties.

6.1.1. Acceptance. By accepting the Parking Deck and the Stairwells on the Sublease Term Commencement Date, Subtenant shall be deemed to have conclusively acknowledged that the Parking Deck and the Stairwells are for their intended purposes and suitable for use as of the first date of the Sublease Term. Such acceptance shall be conclusively evidenced by (a) the delivery by Subtenant to Sublandlord, on or prior to the Sublease Commencement Date, of a certificate of occupancy for the New Arena Hotel issued by the applicable Governmental Authority and (b) the receipt by Subtenant from the Authority of the documentation with respect to the Fifth Deck and the Stairwells which the Authority is obligated to provide to the Arena Developer pursuant to Section 5.12(c) of the New Arena Development Agreement; provided, that Sublandlord shall request the Authority, prior to the Sublease Commencement Date, to deliver such documentation directly to Subtenant.

6.1.2. No Representation by Sublandlord. Except as expressly set forth in this Sublease, Sublandlord, presently and for the duration of the Sublease Term, hereby expressly disclaims any and all warranties, express or implied, relating in any way to the Parking Deck or the Stairwells, including, without limitation, any warranty provided for under statutory or common law or the Uniform Commercial Code, including, but not limited to, warranties of merchantability and fitness for a particular purpose. Subtenant and Sublandlord are acting at arm's length to protect their own interests, and Subtenant will use its own independent business judgment concerning its decision to accept the Parking Deck and the Stairwells.

6.2 Use of Parking Deck.

Subtenant shall use and operate the Parking Deck solely for the parking of motor vehicles by (a) the employees, contractors, agents, licensees and guests of the New Arena Hotel and the attendees of any functions held at the New Arena Hotel and (b) the employees, contractors, agents, licensees and patrons of any restaurant, concessionaire or other business located in the New Arena Hotel (collectively, the "**Permitted Uses**"). Subtenant and any persons permitted to use the Parking Deck in accordance with the preceding sentence shall have the right to utilize the Stairwells solely in connection with the Permitted Uses. Unless otherwise agreed to in writing by Sublandlord in its sole discretion from time to time, Subtenant shall not use, or permit any other person to use, the Parking Deck or the Stairwells for any purposes other than the Permitted Uses. For purposes of this Sublease, the term "Permitted Uses" shall include the use of the Parking Deck in connection with the use of the New Arena Hotel or the New Arena Site for office or residential uses to the extent such other uses are expressly permitted pursuant to Section 4(e)(i) of that certain Agreement of Sale dated of even date herewith by and between Subtenant and the Authority (the "**New Arena Hotel Agreement of Sale**").

6.3 Revenues from Parking Deck.

Subtenant shall be entitled to all revenues derived from the use and operation of the Parking Deck for the Permitted Uses during the Sublease Term. Sublandlord and Subtenant shall mutually agree in good faith on the allocation of any revenues derived from the use and operation of the Parking Deck during the Sublease Term for any uses other than the Permitted Uses.

6.4 Taxes from Use of Parking Deck.

Subtenant shall be responsible for the payment of (a) all real estate taxes and assessments, general and special, ordinary or extraordinary, foreseen or unforeseen, that may be imposed upon the Parking Deck or with respect to the ownership thereof or Subtenant's leasehold interest therein (collectively, "**Real Estate Taxes**") and (b) all other taxes or fees that may be imposed by any Governmental Entity with respect to the Permitted Uses, including without limitation all City of Pittsburgh Parking Tax with respect to all parking "transactions" (as defined in the City of Pittsburgh City Code, Title Two, Fiscal, Chapter 253, as the same may be amended from time to time) occurring on the Parking Deck, and on all parking transactions subject to tax under any other tax, assessment, fee, imposition, charge, or other excise, however

described, that may in the future be levied or assessed as a substitute for, or as an addition to, the City of Pittsburgh Parking Tax, or otherwise measured by or imposed upon parking or fees related thereto) (collectively, "**Parking Use Taxes**"; the Real Estate Taxes and the Parking Use Taxes may be referred to herein collectively as the "**Taxes**"). Sublandlord shall promptly remit to Subtenant any notices of or invoices for Taxes that may be received by Sublandlord from time to time, and Subtenant shall remit payment of such Taxes in full to the applicable Governmental Authorities on or prior to the due date for payment thereof.

## **ARTICLE 7**

### **ASSIGNMENT AND SUBLETTING**

#### **7.1     General Prohibition of Assignment.**

Subtenant hereby acknowledges that neither this Sublease nor Subtenant (nor any party thereof or interest therein) may be sold, transferred or otherwise assigned prior to the Sublease Commencement Date except as permitted by Section 4(e)(iv)(1) of the New Arena Hotel Agreement of Sale, the provisions of which are incorporated herein by reference. Except as provided in Section 7.2 below, for the period beginning on the Sublease Commencement Date and ending on the tenth (10<sup>th</sup>) anniversary of the Sublease Commencement Date, there shall be no sale or transfer (including, without limitation, any sublease or grant of licenses or concessions by Subtenant) of all or a portion of the Parking Deck, or a Change in Control (as defined below) of Subtenant without the prior written consent of Sublandlord and the Authority, which shall not be unreasonably withheld, conditioned or delayed. For purposes hereof, a "**Change of Control**" shall be deemed to have occurred if (a) fifty percent (50%) or more of the general partnership interests of Subtenant are transferred through one or more transactions to a person or entity other than the Redeveloper or Horizon Hospitality PA, LLC ("**Horizon**"), or (b) fifty percent (50%) or more of the voting securities or ownership interests of Horizon are transferred through one or more transactions to a person other than Rod Piatt. Notwithstanding anything to the contrary set forth herein, except as provided in Section 7.2 below, no assignment, transfer or sublease shall be permitted (i) to result in the Parking Deck being used for any purpose other than the Permitted Uses or (ii) under any circumstances except in connection with a sale or other transfer of the New Arena Hotel Site by Subtenant.

#### **7.2     Collateral Assignment of Sublease to Lender.**

Notwithstanding the provisions of Section 7.2 above, Sublandlord hereby consents to the collateral assignment of this Sublease and Subtenant's rights hereunder to Manufacturers and Traders Trust Company or its successor (the "**Lender**") in connection with a secured financing obtained by Subtenant from the Lender effective as of the date of this Sublease; provided, however, notwithstanding any term, covenant or condition in any document or instrument required by the Lender and related to such financing, in the event of any enforcement of remedies by that Lender against the applicable estate of Subtenant or any Affiliate, or any other rights or interests granted by Subtenant or such Affiliate to the Lender, the Subtenant will cause the Lender to be bound by, and shall cause the rights of the Lender to be subordinate to, all terms, covenants and conditions of this Sublease, except as may otherwise be specifically agreed in writing between Sublandlord, the Authority and the Lender. Subtenant will ensure that the terms of this Article 7 are disclosed to the Lender, and reference to this



Article 7 will be made in the Memorandum of Sublease (as defined in Section 14.2 below). The collateral assignment of this Sublease, or the mortgage, pledge or other encumbrance of Subtenant's leasehold interest herein, will be further subject to such pertinent terms as are set forth in Section 6.2 of the Prime Lease.

### 7.3 Effect of Revesting of New Arena Hotel Site.

If the Authority shall retake title to the New Arena Hotel Site following a Revesting Event (as defined in the New Arena Hotel Agreement of Sale), then, notwithstanding anything to the contrary set forth herein, as of the date the Revesting Event shall occur all of Subtenant's right, title and interest in and to this Sublease shall automatically terminate and be of no further force or effect. In the event that the Authority sells the New Arena Hotel Site following a Revesting Event, the future purchaser of the New Arena Hotel Site shall have a right to enter into a sublease with Sublandlord on the same terms and conditions as this Sublease (or as may otherwise be agreed to by the Authority and Sublandlord). Further, and notwithstanding anything set forth in this Section 7.3 or elsewhere in this Sublease, the provisions of that certain Redevelopment Option Agreement dated as of June 1, 2009, as amended, shall be applicable if a Revesting Event occurs, including without limitation Subsections 2(b)(iv)(D)&(E) thereof, which Subsections are hereby incorporated into this Sublease by this reference.

## **ARTICLE 8** **OPERATIONS**

### 8.1 Subtenant's Covenants.

8.1.1. Management and Operations. At all times during the Sublease Term, Subtenant shall operate the Parking Deck in a manner consistent with the operation of the remainder of the Garage, at the sole cost of Subtenant, subject to Article 9 below.

8.1.2. Retention and Delegation of Management Authority. Subtenant shall have the right to utilize an independent management agent for the operation of the Parking Deck, whether solely for the Parking Deck or in conjunction with the operation of the New Arena Garage (the "**Management Agent**"), so long as (a) such Management Agent, prior to entering into any management agreement with Subtenant with respect to the Parking Deck (the "**Management Agreement**"), agrees in writing to abide by the terms of this Sublease and the terms of the Prime Lease applicable hereto and (b) the selection of such Management Agent is acceptable to Sublandlord. Subtenant acknowledges that Sublandlord may require the removal and replacement of the Management Agent in accordance with the exercise of the Sublandlord's rights pursuant to Section 5.3 of the Prime Lease (as the same is incorporated herein pursuant to Section 5.1 hereof with respect to Sublandlord). Notwithstanding the foregoing, Subtenant hereby acknowledges and agrees that Sublandlord shall have the right, from time to time in its sole discretion, to act as the Management Agent, or to designate any Person to act as the Management Agent on behalf of Sublandlord, with respect to the Parking Deck. In such event, Sublandlord or its designee and

Subtenant shall enter into a Management Agreement on mutually acceptable and customary terms, and such Management Agreement shall remain in effect until the earliest of the termination of such Management Agreement by Sublandlord or its designee upon not less than sixty (60) days' notice to Subtenant, or otherwise in accordance with its terms, or the termination or sooner expiration of the Sublease Term.

8.1.3. Security. Subtenant (directly or through the Management Agent) will, at its sole cost, maintain adequate security for the Parking Deck (including, without limitation, regulating the entry and exit of vehicles and pedestrians between the Parking Deck and the New Arena Hotel Site) at all times during the Sublease Term.

8.1.4. Signs. Other than directional signs for the benefit of users of the Parking Deck, none of which shall exceed four (4) square feet in area, Subtenant will install no signs of any kind on the Parking Deck or the Stairwells without the prior written approval of Sublandlord and the Authority.

8.1.5. Compliance with CBA. With respect to its operation and management of the Parking Deck as provided herein, Subtenant shall, and shall cause the Management Agent (if any) and any permitted sub-sublessee, licensee or concessionaire to, comply with all applicable provisions of that certain Hill District Community Benefits Agreement dated as of August 19, 2008 by and among One Hill Neighborhood Coalition, the Authority, the Redeveloper, Sublandlord, the Arena Developer and certain other Persons (collectively, as amended or supplemented from time to time, the "CBA").

8.1.6. Statement of Principles. Subtenant hereby acknowledges that it has received the Statement of Principles issued in connection with the CBA by the Sublandlord, the Redeveloper and the Arena Developer.

## **ARTICLE 9**

### **REPAIRS AND MAINTENANCE; UTILITIES**

#### **9.1 Subtenant's Covenants**

At all times during the Sublease Term, and subject to such provisions for Capital Repairs as provided herein, Subtenant shall at its sole cost and expense: (a) keep and maintain the Parking Deck in compliance with all Applicable Laws, and in good, clean, safe and sanitary condition and repair (ordinary wear and tear excepted), in a manner similar to how the remainder of the Garage is kept and maintained, and make all ordinary and necessary repairs and replacements required for the day to day operation of the Parking Deck; (b) maintain or cause to be maintained all necessary licenses, permits, approvals and authorizations for the operation of the Parking Deck; (c) perform ordinary maintenance required to keep the Parking Deck in a neat and orderly condition, free of litter, debris, snow and ice; (d) not commit waste or destroy, demolish, vacate or abandon any part of the Parking Deck; and (e) comply with those terms of

Article 10 of the Prime Lease applicable to the maintenance and repair of the Parking Deck. Subtenant may delegate the performance of any of the covenants described in clauses (a), (b) or (c) above to the Management Agent (including, without limitation, Sublandlord or its designee acting in its capacity as the Management Agent) pursuant to the Management Agreement.

#### 9.2 Major Garage Repairs.

Sublandlord and Subtenant hereby acknowledge that, pursuant to Section 10.4.4 of the Prime Lease, the Authority is responsible for forty percent (40%) of the cost of major repairs and replacements that may be necessary to maintain the foundation and the structural integrity of the Garage (the "**Major Garage Repairs**") and the Sublandlord is responsible for sixty percent (60%) of the Major Garage Repairs. Subtenant shall be responsible for twenty percent (20%) of the portion of such Major Garage Repairs which are payable by Sublandlord.

#### 9.3 Unavailability of Capital Reserve Fund.

Subtenant's obligation to fund its applicable share of the costs of Major Garage Repairs pursuant to Section 9.2 above shall not be affected by any unavailability of the Capital Reserve Fund to fund the Authority's proportionate share of the cost of such repairs or replacements under the Prime Lease. In the event of any such unavailability of the Capital Reserve Fund (regardless of whether such unavailability is attributable to an alleged default by the Authority in the performance of the applicable Authority Obligations) and the Authority's consequent failure to fund its proportionate share of the applicable repairs or replacements, Subtenant shall be responsible for funding 20% of the total cost of such repairs or replacements, without any liability or obligation of Sublandlord with respect thereto.

#### 9.4 Payment for Utilities and Services.

Subtenant hereby acknowledges that certain Utilities and Services provided with respect to the Garage (including, without limitation, electrical service for overhead pole lighting of the Parking Deck) shall be separately sub-metered to the Parking Deck and shall be directly payable by Subtenant to the applicable utility or service provider. With respect to all other Utilities and Services that may be provided with respect to the Garage and are not separately sub-metered to the Parking Deck, (a) Sublandlord shall be responsible for the payment of such Utilities and Services in accordance with the provisions of Article 9 of the Prime Lease, as the same are applicable to Sublandlord thereunder and (b) Sublandlord shall provide Subtenant with an invoice, on a monthly basis, setting forth (i) the total amount paid by Sublandlord with respect to Utilities and Services provided to the Garage during the immediately preceding calendar month and (ii) the amount equal to twenty percent (20%) of the amount specified in clause (i) above (the "**Subtenant's Utility Share**"). Within thirty (30) days after provision of the Subtenant's Utility Share by Sublandlord to Subtenant pursuant to this Section 9.4, Subtenant shall pay the Subtenant's Utility Share to Sublandlord, in legal tender of the United States by wire transfer or check drawn on a U.S. bank (subject to collection), without demand, deduction or setoff, at the address to which notices to Sublandlord or to such other party or such other address as Sublandlord may designate in writing. Sublandlord's acceptance of Subtenant's Utility Share after it shall have become due and payable shall not excuse a delay upon any subsequent occasion.

9.5. Applicability of Prime Lease.

Subtenant further acknowledges that, (a) there will be periodic inspections of the Parking Deck under Subsection 10.5.1 of the Prime Lease, (b) the periodic capital repair audits authorized under Subsection 10.5.2 of the Prime Lease will also result in inspections of the Parking Deck, and (c) that pursuant to Article 10 of the Prime Lease, the Authority has certain rights and powers to require and to perform maintenance and repair to the New Arena (as defined therein) and related facilities, subject to such terms as are set forth in the Prime Lease.

**ARTICLE 10**  
**INDEMNIFICATION**

10.1 Indemnification and Payment of Damages by Subtenant.

Subtenant will indemnify, defend and hold harmless Sublandlord and its Affiliates, the Authority, the Commonwealth, the City and the County, and each of their respective elected officials, appointed officials, board members, officers, employees, agents and attorneys (collectively, the "**Indemnified Persons**") for, and will pay to the Indemnified Persons the amount of any Damages, whether or not involving a third-party claim arising, directly or indirectly, from or in connection with:

10.1.1. any material breach of any representation or warranty made by Subtenant in this Sublease or any certificate or document delivered by Subtenant to Sublandlord pursuant to this Sublease;

10.1.2. any material breach by Subtenant of any covenant or obligation of Subtenant in this Sublease;

10.1.3. any Taxes imposed in connection with the Fifth Deck or the Permitted Uses;

10.1.4. any claim by any Person for Damages in connection with the violation by Subtenant or any of its Affiliates, or any employee or agent of Subtenant or any of its Affiliates or any employee, consultant, agent, licensee, guest or patron of the New Arena Hotel or the Parking Deck or any business located therein, of any Applicable Law or the CBA or any other agreement to which Subtenant or any Affiliate may be a party or by which it may be bound; or

10.1.5. otherwise arising in any manner out of, or related to the occupancy of the Parking Deck or the Stairwells pursuant to this Sublease, except to the extent caused by the gross negligence or willful misconduct of Sublandlord or any of its employees or agents.

If Subtenant fails to make any payment of any sums payable by Subtenant to Indemnified Persons when due, which failure shall continue for thirty (30) days, then such payment shall bear interest at the Default Rate.

## 10.2 Defense Of Indemnified Claims.

10.2.1. Notice of Claims. Promptly after receipt by an Indemnified Person of the notice of the commencement of a claim against it for which Indemnified Person would be entitled to receive indemnification under Section 10.1 (a "**Proceeding**"), such Indemnified Person will give notice to Subtenant of the commencement of such claim, but the failure to notify Subtenant will not relieve Subtenant of any liability that it may have to any Indemnified Person, except to the extent that failure to give such notice materially prejudices Subtenant or its rights under this Sublease. Subtenant shall promptly give written notice to Sublandlord of any claim, including a claim for damages, against an Indemnified Person, of which Subtenant receives written notice.

10.2.2. Assumption of Defense by Subtenant. If any Proceeding referred to in Section 10.2.1 is brought against an Indemnified Person and it gives notice to Subtenant of the commencement of such Proceeding, Subtenant will, at its sole cost and expense, be required to assume the defense of such Proceeding with counsel reasonably satisfactory to the Indemnified Person, and, after written notice from Subtenant to Sublandlord and the Indemnified Person that it has undertaken to assume the defense of such Proceeding (the "**Assumption Notice**"). After Subtenant delivers its Assumption Notice: (i) it will be conclusively established between the parties to this Sublease (but shall not constitute an admission of liability as to any third party claimant) that the claims made in that Proceeding are within the scope of and subject to indemnification; (ii) no compromise or settlement of such claims may be effected by Subtenant without the Indemnified Person's consent unless (A) there is no finding or admission of any violation of Applicable Laws or any violation of the rights of any person and no effect on any other claims that may be made against an Indemnified Person, and (B) the sole relief provided is monetary damages that are paid in full by Subtenant; (iii) Subtenant will not be responsible to pay additional counsel fees incurred by Sublandlord, and (iv) Indemnified Persons will have no liability with respect to any compromise or settlement of such claims effected without its consent. If notice is given to Subtenant of the commencement of any Proceeding and Subtenant does not, within twenty (20) days after the Indemnified Person's notice is given, deliver the Assumption Notice, Subtenant will be bound by any determination made in such Proceeding or any compromise or settlement effected by the Indemnified Person, including the payment of money damages.

10.2.3. Indemnified Person's Defense of Claims. If an Indemnified Person determines in good faith that there is a reasonable probability that a Proceeding may adversely affect it or its Affiliates other than as a result of monetary damages for which it would be entitled to indemnification under this Sublease, such Indemnified Person may, by notice to Subtenant, assume the exclusive right to defend, compromise, or settle such Proceeding, and Subtenant will reimburse the Indemnified Person for all legal fees and costs incurred but Subtenant will not be bound by any determination of a Proceeding so defended or

any compromise or settlement effected without its consent (which will not be unreasonably withheld, conditioned or delayed).

10.2.4. Jurisdiction. Subject to the other provisions of this Article 10, Subtenant may contest the jurisdiction of any court in which a Proceeding is brought against an Indemnified Person if Subtenant determines, in its reasonable discretion, that such jurisdiction may not be appropriate with respect to the claim out of which such Proceeding arises.

### 10.3 Survival.

The indemnification undertakings of this Article 10 shall survive the expiration or earlier termination of this Sublease to the extent they relate to matters arising or occurring prior to such expiration or termination.

## **ARTICLE 11** **INSURANCE AND CONDEMNATION**

### 11.1 Insurance.

11.1.1 Insurance Policies. Subject to the terms of this Article 11, Subtenant covenants and agrees that Subtenant, at its sole cost and expense, shall obtain, maintain, and keep (or cause to be obtained, maintained or kept), in full force and effect with respect to the Parking Deck and Subtenant's use thereof, the insurance coverage set forth in Sections 12.1.1-12.1.4., 12.1.6 and 12.1.9, in accordance with the terms and conditions of Article 12 of the Prime Lease (to the extent the same are incorporated herein pursuant to Section 5.1 of this Sublease); provided, however, notwithstanding anything to the contrary set forth in Article 12 of the Prime Lease, the applicable limits of the insurance coverage maintained by Subtenant pursuant to this Article 11 shall be as follows:

(a) Commercial General Liability Insurance. Combined single limit for each occurrence of \$1,000,000 per occurrence and \$2,000,000 annual policy aggregate. Operator shall not be required to maintain by separate policy or endorsement pollution legal liability coverage.

(b) Workers Compensation. As set forth in Section 12.1.2 of the Prime Lease.

(c) Automobile Coverage. As set forth in Section 12.1.3 of the Prime Lease.

(d) Property Insurance. In sufficient amounts to allow full replacement of the Parking Deck, with full replacement cost, exclusive of excavations, footings and foundations of the Garage.

(e) Garage Keepers Insurance. Limits similar to comparably sized and situated garage facilities in southwestern Pennsylvania servicing hotels of similar size and quality, and containing similar restaurant and other amenities, as the New Arena Hotel.

(f) Umbrella Coverage. Limits amounting to \$4,000,000 in excess of the underlying limits and containing an aggregate limit of \$4,000,000.

Except as expressly set forth in clauses (a) through (f) above, all other applicable provisions of Article 12 of the Prime Lease shall be applicable to the insurance coverage maintained by Subtenant with respect to the Parking Deck and Subtenant's use thereof pursuant to this Article 11.

11.1.2 Payment of Insurance Proceeds. Without limitation of anything set forth above or Article 12 of the Prime Lease, all insurance proceeds payable as the result of any damage to the Parking Deck where the proceeds payable are in excess of the sum set forth in Section 12.7 of the Prime Lease (whether individually or in combination with insurance proceeds payable as a result to any other portion of the Premises) shall be payable into the Restoration Fund to the extent required by, and shall be disbursed in accordance with the applicable provisions of, the Prime Lease.

11.2 Condemnation.

11.2.1. Partial Taking. If, at any time during the Sublease Term, a condemnation or taking of a portion of the Parking Deck occurs, and the proceeds of such condemnation or taking are less than the aggregate cost of construction of the Parking Deck, as such is certified pursuant to Section 2(c) of the Hotel Development Agreement (the "**Construction Cost**"), as such sum may be adjusted during the Sublease Term based upon CPI Increases, the proceeds of such condemnation or taking will be payable to Subtenant, which, subject to the adequacy and availability of such proceeds, will promptly restore the remainder of the Parking Deck to a condition comparable to that previously existing, subject to such plans and specifications, and pursuant to such contracts, as are approved by Sublandlord in the manner applicable to Alterations under the Prime Lease (as incorporated herein pursuant to Section 5.1 of this Sublease). If the proceeds of taking exceed the Construction Cost, such proceeds will be payable to Sublandlord and deposited initially into the Restoration Fund to be expended by the Authority in accordance with the Prime Lease. Provided, however, Subtenant shall not be required to expend more upon such restoration than the total amount of proceeds received by Subtenant as a result of such condemnation or taking. Any proceeds of condemnation or taking paid to either Subtenant or Sublandlord under this Section, and not required to be utilized to restore the Parking Deck, will be paid to Sublandlord. Subtenant will have no claim for damages arising out of any condemnation or taking of any portion of the Parking Deck, except that Subtenant

shall have the right to make a separate claim for damages for any items of personal property of Subtenant that are taken, and relocation payments.

11.2.2. Total Taking. If a condemnation or taking of the entire Parking Deck occurs, or if a constructive total taking occurs, Subtenant shall have the right to terminate this Sublease as of the date of vesting of title in the condemning authority. The term "constructive total taking" shall mean a condemnation or taking of such scope that in the reasonable judgment of Subtenant the uncondemned or untaken portion of the Parking Deck is insufficient to permit restoration of the Parking Deck so as to constitute an improvement substantially similar to the Parking Deck immediately prior to such condemnation or taking, and which is not, in the reasonable judgment of Subtenant, suitable to be used for its intended purposes for the Permitted Uses. In the event of a condemnation or taking of the entire Parking Deck, or in the event of a constructive total taking, the award or awards for said taking, shall be paid as follows:

(a) Subtenant shall first be entitled to receive such portion of the award or awards with interest thereon as shall equal the then unpaid balance of Subtenant debt incurred to finance the development and construction of the Parking Deck; and

(b) Sublandlord and Subtenant shall then share any balance of the award or awards as their interests may appear.

## **ARTICLE 12**

### **DEFAULT AND REMEDIES**

#### 12.1 Sublease Events of Default.

Each of the following shall constitute an event of default under this Sublease (a "**Sublease Event of Default**"):

12.1.1. Failure of Payment. Subtenant's failure to pay when due any payment due under this Sublease, including without limitation, any portion of Base Rent, which failure is not cured within five (5) days following the date when due;

12.1.2 Failure to Construct New Arena Hotel. Subtenant's failure to complete the construction of the New Arena Hotel or the retaining wall to be constructed by Subtenant in connection therewith on or prior to the respective dates set forth therefor in Section 2(g)(i) of the Hotel Development Agreement;

12.1.3. Abandonment. Subtenant (or any Affiliate of Subtenant operating the New Arena Hotel) shall vacate or abandon the Parking Deck or the New Arena Hotel, at any time during the Sublease Term.



12.1.4. Use as Hotel. The New Arena Hotel ceases to be used as (a) a hotel of substantially similar size and quality as on the Hotel Opening Date or (b) such other use as may be expressly permitted pursuant to Section 4(e)(i) of the New Arena Hotel Agreement of Sale.

12.1.5. Other Default. Subtenant's violation or failure to perform or observe any other covenant or condition of this Sublease, which failure or violation shall continue for thirty (30) days after receipt of written notice by Subtenant identifying with particularity the failure or violation; provided that if such failure or violation is susceptible to cure but is not capable of being cured within such thirty (30) day period, there shall exist no Sublease Event of Default provided that Subtenant promptly advises Sublandlord of Subtenant's intention duly to institute all steps necessary to cure such default and Subtenant promptly commences cure of such failure or violation, and diligently pursues such cure to completion;

12.1.6. Default Under Other Agreement. Subtenant or any Affiliate thereof shall violate, or fail to perform or observe, any material covenant or condition in any contract or agreement to which Subtenant or such Affiliate is a party or by which Subtenant or such Affiliate is bound with respect to the New Arena Hotel, the New Arena Hotel Site or the Parking Deck (including, without limitation, the New Arena Hotel Agreement of Sale or any other agreement between Subtenant and the Redeveloper, the Authority or the Lender, or the Management Agreement, if any) (collectively, the "**New Arena Hotel Agreements**"), which failure or violation shall continue beyond the grace period, if any, set forth therein or the occurrence of any "default" or "event of default" in any of the New Arena Hotel Agreements (it being understood that, to the extent that any such default or event of default occurs under a New Arena Hotel Agreement to which Sublandlord is a party, such default or event of default shall be an additional Sublease Event of Default hereunder and shall not be construed to be in substitution of any other Sublease Events of Default).

## 12.2 Sublandlord Remedies Upon Default.

12.2.1 Legal Remedies. Following the occurrence of a Sublease Event of Default, and after the expiration of any applicable grace or cure period, Sublandlord shall have the right, at its election and without further notice and in addition to any remedies available to Sublandlord under any New Arena Hotel Agreement (if applicable), (a) to terminate this Sublease upon giving written notice thereby to Subtenant, and in such event, this Sublease and the term and estate hereby granted shall terminate upon delivery of notice, or (b) to terminate the right of Subtenant to occupy the Parking Deck, leaving this Sublease in effect, but in either case Subtenant shall remain liable for damages as provided herein or pursuant to law, or pursuant to any New Arena Hotel Agreement, or (c) to assert such other right or exercise such other remedy as may be available to the Authority under Pennsylvania law. In addition, with or without terminating this Sublease, Subtenant or its agents, may, solely through

legal process, by summary proceedings or by any suitable judicial action or proceeding at law under and by virtue of the laws of the Commonwealth of Pennsylvania, reenter into or upon the Parking Deck or any part thereof, terminate Subtenant's right of possession and take possession of the Parking Deck. If Sublandlord elects to terminate this Sublease and/or elects to terminate the right of possession of Subtenant, such election shall be made without prejudice to Sublandlord's right to recover from Subtenant all sums for which Subtenant is obligated under this Sublease. Whether or not this Sublease is terminated and/or Sublandlord elects to terminate Subtenant's right of possession, Subtenant nevertheless shall remain liable for any sums or damages which may be due or sustained by Sublandlord prior or subsequent to such default, together with all costs, fees and expenses (including without limitation reasonable fees and expenses incurred in placing the Parking Deck in useable condition) incurred by Sublandlord in pursuit of its remedies.

12.2.2. Repossession. If at any time during the Sublease Term, Subtenant abandons the New Arena Hotel or the Parking Deck, Sublandlord may, without institution of legal process, retake control of the Parking Deck, including possession of any personal property left at the Parking Deck, and Sublandlord may dispose of that personal property in such manner as it considers appropriate without any liability to the Subtenant. No action taken by Sublandlord under this subpart will be construed to constitute a termination of this Sublease, or acceptance of termination by the Subtenant, and Sublandlord will continue to possess all rights and remedies of lessor under this Sublease.

12.2.3. Equitable Remedies. Subtenant acknowledges that the rights reserved and/or granted by this Sublease to Sublandlord are of a unique and special nature, and that any Sublease Event of Default will result in immediate and irreparable harm to Sublandlord. In the event of any actual or threatened Sublease Event of Default under any of the provisions of this Sublease, Sublandlord shall be entitled as a matter of right to an injunction or a decree of specific performance without bond from any equity court of competent jurisdiction, which action may be instituted in the Court of Common Pleas of Allegheny County, Pennsylvania. Subtenant agrees that Court shall, unless otherwise specifically elected in writing by Sublandlord, have exclusive jurisdiction of matters instituted by Sublandlord under this Section 12.2. Moreover, Subtenant waives the right to assert the defense that any such actual or threatened Sublease Event of Default can be compensated adequately in damages in an action at law.

12.2.4. Remedies Cumulative. All of Sublandlord's rights and remedies set forth in this Sublease are cumulative and in addition to Sublandlord's rights and remedies at law or in equity or in the New Arena Hotel Agreements. Each exercise by Sublandlord of any such right or remedy shall not prevent the concurrent or subsequent exercise of any other right or remedy. Sublandlord's delay or failure to exercise or enforce any rights or remedies shall not constitute a waiver of any such rights, remedies or obligations. Sublandlord

shall not be deemed to have waived any default unless such waiver is expressly set forth in an instrument signed by Sublandlord. If Sublandlord waives in writing any default, then such waiver shall not be construed as a waiver of any covenant or condition set forth in this Sublease except as to the specific circumstances described in such written waiver. Neither payment of a lesser amount than the sum due hereunder nor endorsement or statement on any check or letter accompanying such payment shall be deemed an accord and satisfaction, and Sublandlord may accept the same without prejudice to the right to recover the balance of such sum or to pursue any other remedy. No act or thing done by Sublandlord or its agents shall be deemed an acceptance of surrender of the Parking Deck and no agreement to accept such surrender shall be valid, unless in writing and signed by Sublandlord.

12.2.5. Waiver. If proceedings shall be commenced to recover possession of the Parking Deck either at the end of the Sublease Term or sooner termination of this Sublease, for any reason, Subtenant specifically waive the right to the three (3) months' notice to quit and/or the fifteen (15) or thirty (30) days' notice to quit required by the Act of April 6, 1951, P.L. 69, as amended, and agrees that the notices required by this Sublease shall be sufficient. Subtenant waives and surrenders all right and privilege that Subtenant might have under or by reason of any present or future law to redeem the Parking Deck or to have a continuance of this Sublease after Subtenant is dispossessed or ejected therefrom by process of law or under the terms of this Sublease or after any termination of this Sublease.

12.2.6 Remedies Subject to Rights of Other Parties. Notwithstanding anything to the contrary set forth in this Section 12.2, to the extent that a Sublease Event of Default also constitutes an event of default under any of the New Arena Hotel Agreements, the exercise of any applicable remedies by Sublandlord following the occurrence of such Sublease Event of Default hereunder shall be subject to the exercise of remedies that may be available to the Authority, the Lender or any other applicable party under the applicable New Arena Hotel Agreements that may arise out of such event of default thereunder (taking into account any applicable notice or cure period available under such New Arena Hotel Agreement). The exercise of remedies by Sublandlord under this Sublease, including without limitation this Section 12.2, shall be further subject to such terms as are set forth in Section 7.3 of this Sublease.

### 12.3 Events of Default Under Prime Lease.

In addition to the Sublease Events of Default described in Section 12.1 above, all "Events of Default" under the Prime Lease (except those described in Sections 14.1.3, 14.1.6, 14.1.8 and 14.1.9 of the Prime Lease) shall be defaults under this Sublease. To the extent available to Sublandlord under the Prime Lease, all notice requirements and cure or grace periods set forth in the Prime Lease with respect to an Event of Default thereunder shall apply to this Sublease. Sublandlord shall be entitled to exercise any and all remedies available to the Prime Landlord under the Prime Lease if there is a default under this Sublease.

**ARTICLE 13**  
**REPRESENTATIONS AND WARRANTIES**

**13.1 Representations and Warranties of Sublandlord.**

Sublandlord hereby represents and warrants to Subtenant, the following as of the date of execution of this Sublease:

13.1.1. Organization and Good Standing. Sublandlord is duly organized and validly subsisting under the laws of the Commonwealth of Pennsylvania and has full power and authority to own or lease and operate its properties, as applicable, and to conduct its affairs as now conducted.

13.1.2. Authorization, Validity and Enforceability. All partnership action of Sublandlord necessary for the authorization, execution, delivery and performance of all obligations of Sublandlord under this Sublease has been taken. All consents and approvals of any Person (including the sole general partner of Sublandlord) required in connection with the execution of this Sublease have been obtained. This Sublease constitutes a valid and legally binding obligation of Subtenant enforceable in accordance with its terms, except as enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or similar laws and subject to general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law).

13.1.3. No Conflicts. The execution, delivery and performance of this Sublease will not result in a violation, in any material respect, of any provision of any other agreements, instruments, contracts, judgments or decrees to which Sublandlord is a party, or by which Sublandlord or its assets may be bound or affected, including without limitation Sublandlord's organizational documents and any bylaws of Sublandlord or its general partner.

13.1.4. No Violation of Laws. Except as otherwise previously disclosed in writing to Subtenant, Sublandlord has complied in all material respects with all Applicable Laws, statutes, rules, regulations or orders with respect to the transactions contemplated in and by this Sublease; and Sublandlord is not in default or violation with respect to any judgment, order, injunction or decree of any court, administrative agency, or other governmental authority which is in any respect material to Sublandlord or the transactions contemplated in and by this Sublease. Neither the execution, delivery nor, performance of this Sublease by Sublandlord violates Sublandlord's certificate of organization or agreement of limited partnership, or any other agreement or instrument to which Sublandlord is subject or by which Sublandlord is bound, or of any Applicable Laws.

### 13.2 Representations and Warranties of Subtenant.

Subtenant hereby represents and warrants to Sublandlord the following as of the date of execution of this Sublease:

13.2.1. Organization and Good Standing. Subtenant is a limited partnership duly organized and validly subsisting under the laws of Pennsylvania, and has full power and authority to own or lease and operate its properties, as applicable, and to conduct its affairs as now conducted. Subtenant has all requisite partnership power and authority to enter into this Sublease.

13.2.2. Authorization, Validity and Enforceability. All partnership action of Subtenant necessary for the authorization, execution, delivery and performance of all obligations of Subtenant under this Sublease has been taken. All consents and approvals of any Person (including the sole general partner of Subtenant) required in connection with the execution of this Sublease have been obtained. This Sublease constitutes the valid and legally binding obligation of Subtenant enforceable in accordance with its terms, except as enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or similar laws and subject to general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law).

13.2.3. No Conflicts. The execution, delivery and performance of this Sublease will not result in a violation, in any material respect, of any provision of any other agreements, instruments, contracts, judgments or decrees to which Subtenant is a party, or by which Subtenant or its assets may be bound or affected, including without limitation Subtenant's organizational documents and any bylaws of Subtenant or its general partner.

13.2.4. No Violation of Laws. Subtenant has received no written notice as of the date of execution of this Sublease asserting any noncompliance in any material respect by Subtenant with applicable statutes, rules and regulations of the United States of America, the Commonwealth of Pennsylvania, or of any other state or municipality or agency having jurisdiction over and with respect to the transactions contemplated in and by this Sublease; and Subtenant is not in default with respect to any judgment, order, injunction or decree of any court, administrative agency, or other governmental authority which is in any respect material to the transactions contemplated in and by this Sublease.

## **ARTICLE 14** **MISCELLANEOUS**

### 14.1 Form of Notices; Addresses.

All notices, demands or requests required under this Sublease shall be in writing. All such notices, demands and requests required under this Sublease shall be deemed to have been properly given if (i) served personally, or (ii) if sent by United States registered or certified mail,

or (iii) if sent by overnight delivery service, (iv) or sent by telecopy if followed within twenty-four (24) hours by service under one of the other subparts above, to the parties as follows (or at such other address as a party may from time to time designate by notice given pursuant to this Article). Each notice shall be deemed given and received upon receipt:

To Subtenant:	Pittsburgh Arena Hotel Associates, LP 375 Southpointe Boulevard, Suite 410 Canonsburg, PA 15317 Attention: Rodney L. Piatt Telecopy: _____
With a copy to:	Cohen & Grigsby, P.C. 625 Liberty Avenue Pittsburgh, PA 15222-3152 Attention: Mark I. Baseman, Esquire Telecopy: (412) 209-0672
To Sublandlord:	Pittsburgh Arena Operating LP One Chatham Center, Suite 400 Pittsburgh, PA 15219 Attention: Travis E. Williams, Esq., Senior Vice President, Business Affairs/General Counsel Telecopy: (412) 642-1813
With a copy to:	Pepper Hamilton LLP One Mellon Center 500 Grant Street, 50th Floor Pittsburgh, PA 15219 Attention: Charles M. Greenberg, Esquire Telecopy: (412) 281-0717
To the Authority:	Sports & Exhibition Authority of Pittsburgh and Allegheny County Regional Enterprise Tower, Suite 2750 425 Sixth Avenue Pittsburgh, PA 15219 Attn.: Executive Director Telecopy: (412) 393-0204
With a copy to:	Buchanan Ingersoll & Rooney, PC One Oxford Centre 301 Grant Street, 20th Floor Pittsburgh, PA 15219 Attn.: Mark R. Hornak, Esquire Telecopy (412) 562-8859

14.2 Entire Agreement; Memorandum of Sublease.

This Sublease and the documents which are Exhibits to this Sublease contain the sole and entire agreement between the parties with respect to their subject matter and supersede any and all other prior written or oral agreements, and all contemporaneous oral agreements, between them with respect to such subject matter. At the option of either party, a memorandum of this Sublease may be placed of record in the Real Estate Department of Allegheny County, Pennsylvania; the form of memorandum of sublease is attached to this Sublease as Exhibit C.

14.3 Amendment.

No amendment or modification of this Sublease shall be valid unless in writing and duly executed by the party affected by the amendment or modification.

14.4 Binding Effect.

This Sublease shall be binding upon Sublandlord and Subtenant, and their respective successors and assigns, subject to such limitations on transfer as may be set forth in this Sublease.

14.5 Trial by Jury.

Sublandlord and Subtenant each waive trial by jury in any action in connection with this Sublease.

14.6 Waiver.

Waiver by any party of any breach of any provision of this Sublease shall not be considered as or constitute a continuing waiver or a waiver of any other breach of the same or any other provision of this Sublease.

14.7 Captions.

The captions contained in this Sublease are inserted only as a matter of convenience or reference and in no way define, limit, extend or describe the scope of this Sublease or the intent of any of its provisions.

14.8 Construction.

In the construction of this Sublease, whether or not so expressed, words used in the singular or in the plural, respectively, include both the plural and the singular and the masculine, feminine and neuter genders include all other genders.

14.9 Article and Exhibit References.

All references contained in this Sublease to Articles and Exhibits shall be deemed to be references to Articles of, and Exhibits attached to, this Sublease, except to the extent that any such reference specifically refers to another document. All references to Articles shall be

deemed to also refer to all subsections of such Articles, if any. The definitions of terms defined in this Sublease shall apply to the Exhibits, unless the context otherwise indicates.

#### 14.10 Severability.

If any term or provision of this Sublease or the application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this Sublease, or the application of such term or provision to persons or circumstances other than those as to which it was held invalid or unenforceable, shall not be affected thereby, and each term or provision of this Sublease shall be valid and enforceable to the fullest extent permitted by Applicable Laws.

#### 14.11 Other Documents.

The parties shall take all such actions and execute all such documents which may be reasonably necessary to carry out the purposes of this Sublease, whether or not specifically provided for in this Sublease.

#### 14.12 Governing Law.

This Sublease and the interpretation of its terms shall be governed by the laws of the Commonwealth of Pennsylvania, without application of conflicts of law principles. Venue for any judicial, administrative or other action to enforce or construe any term, covenant or condition of this Sublease, or arising from or relating to this Sublease, shall lie exclusively in the Commonwealth Court of Pennsylvania or the Court of Common Pleas of Allegheny County, Pennsylvania.

#### 14.13 Counterparts.

This Sublease may be executed and delivered in counterparts, each of which shall be deemed to be an original and both of which, taken together, shall be deemed to be one Sublease.

#### 14.14 Relationship of Parties.

It is agreed that nothing contained in this Sublease shall be deemed or construed as creating a partnership or joint venture between Sublandlord and Subtenant, or between Sublandlord and any other party, or cause Sublandlord to be responsible in any way for the debts or obligations of Subtenant or any other party.

#### 14.15 Quiet Enjoyment.

If and so long as Subtenant shall comply with all of the covenants, conditions and provisions of this Sublease on Subtenant's part to be observed and performed hereunder, Subtenant shall peaceably and quietly have, hold and enjoy the Parking Deck for the Sublease Term, subject nevertheless to all of the provisions of this Sublease.



#### 14.16 Estoppel Certificate.

Subtenant, agrees that at any time and from time to time upon not less than ten (10) Business Days' prior request by Sublandlord, Subtenant will execute, acknowledge and deliver to Sublandlord a statement in writing certifying: (a) that this Sublease is unmodified and in full force and effect or, if there have been modifications, that the same are in full force and effect as modified and identifying the modifications); (b) the date to which Base Rent and any other sums payable under this Sublease have been paid; (c) that neither Subtenant, nor to the knowledge of Subtenant, Sublandlord, is in default under any provisions of this Sublease or, if there has been a default, the nature of said default; (d) that all work with respect to the Parking Deck to be performed by Subtenant and Sublandlord under this Sublease or any other agreement has been performed, or if not so performed, specifying the work to be performed; and (e) any other matter that Sublandlord or such prospective mortgagee or other lender shall reasonably request, it is intended that any such statement may be relied upon by any person, prospective mortgagee of, or assignee of any mortgage, upon such interest.

#### 14.17 Tax-Exempt Financing.

In the event the Authority determines, from time to time in accordance with the terms of the Prime Lease, that continued compliance with the provisions of this Sublease by the parties hereto could adversely affect the tax-exempt status of the interest on any bonds issued by the Authority to finance a portion of the costs of the Premises, the parties agree to make such reasonable efforts, including amendment of the provisions of this Sublease, to the extent necessary to preserve such tax-exempt status; provided, that such amendment will not have a material adverse impact or result in a substantial additional cost to Subtenant or Sublandlord.

#### 14.18 Termination of Sublease Prior to Delivery of Premises.

Notwithstanding anything to the contrary set forth herein, upon (i) any termination of the Prime Lease by Subtenant pursuant to Section 17.24(c) of the Prime Lease or (ii) any termination of the Hotel Development Agreement prior to the Sublease Commencement Date, this Sublease shall automatically terminate and be of no force or effect (except for those provisions hereof which shall survive such termination by their express terms).

**[THE REMAINDER OF THIS PAGE HAS BEEN INTENTIONALLY LEFT BLANK]**

WITNESS the due execution hereof as of the date set forth at the beginning of this  
Sublease:

**SUBLANDLORD:**

ATTEST/WITNESS:

**PITTSBURGH ARENA OPERATING LP**

By: Pittsburgh Arena Operating LLC,  
its sole general partner

By: \_\_\_\_\_

By: \_\_\_\_\_  
Name:  
Title:

ATTEST/WITNESS:

**SUBTENANT:**

**PITTSBURGH ARENA HOTEL  
ASSOCIATES, LP**

By: Horizon Hospitality PA, LLC,  
its sole general partner

By: \_\_\_\_\_

By: \_\_\_\_\_  
Name:  
Title:

**Exhibit A**

**Copy of Prime Lease**

See attached

**Exhibit B**

**Depiction and Legal Description of Parking Deck**

See attached

**Exhibit C**

**Form of Memorandum of Sublease**

**MEMORANDUM OF SUBLEASE**

Made this \_\_\_\_ day of \_\_\_\_\_, 20\_\_:

**Name and Address of Sublandlord:**

Pittsburgh Arena Operating LP  
One Chatham Center, Suite 400  
Pittsburgh, PA 15219

**Name and Address of Tenant:**

Pittsburgh Arena Hotel Associates, LP  
375 Southpointe Boulevard, Suite 410  
Canonsburg, PA 15317

**Date of Execution of Sublease:**

\_\_\_\_\_, 20\_\_

**Description of Premises:**

All that certain lot or piece of ground situate in the Third (3rd) Ward of the City of Pittsburgh, Allegheny County, Pennsylvania, being bounded and described on Exhibit 1, attached hereto and incorporated herein by this reference.

**Term of the Sublease:**

The term of the Sublease commences on the later of (i) the date on which the New Arena Hotel (as defined in the Sublease) shall first open for business to the general public with the premises completed and open for parking in connection with the use of the New Arena Hotel or (ii) August 1, 2010 or such later date on which the "Commencement Date" shall be deemed to have occurred under the Prime Lease (as defined below) with respect to the Garage (as defined in the Prime Lease), and expires on June 29, 2040. Notwithstanding the foregoing, if the term of that certain Sublease Agreement, dated as of September 18, 2007, as evidenced of record by that certain Memorandum of Sublease dated October 10, 2007, recorded in the Allegheny County Department of Real Estate at Deed Book Volume 13411, page 216 (the "Prime Lease"), is terminated prior to the expiration of the term of the Sublease, the term of the Sublease shall be automatically terminated on the same date as the term of the Prime Lease.

**Rights of Extension or Renewal:**

None

Right of Purchase or Refusal:

None

Expansion Rights:

None

Conflict with Sublease:

If there is any conflict between the terms of this Memorandum of Sublease, and the terms of the Sublease, the terms of the Sublease shall be applicable.

Other Provisions:

Pursuant to Article 7 of the Sublease, Subtenant may mortgage or encumber the estate created by the Sublease as security for financing furnished to Subtenant by M&T Bank (the "Lender"), as secured by that certain [Mortgage] dated \_\_\_\_\_, recorded in the Real Estate Department of Allegheny County in Mortgage Book Volume \_\_\_\_\_, page \_\_\_\_\_; provided that in the event of the enforcement of any remedies by the Lender arising out of such financing, the Lender will be bound by all terms of the Sublease.

WITNESS the due execution hereof:

**SUBLANDLORD:**

**PITTSBURGH ARENA OPERATING LP**

By: Pittsburgh Arena Operating LLC,  
its sole general partner

By: \_\_\_\_\_  
Name:  
Title:

**SUBTENANT:**

**PITTSBURGH ARENA HOTEL  
ASSOCIATES, LP**

By: Horizon Hospitality PA, LLC,  
its sole general partner

By: \_\_\_\_\_  
Name:  
Title:

COMMONWEALTH OF PENNSYLVANIA           )  
   ) SS:  
COUNTY OF WASHINGTON                   )

On this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, before me, a notary public, personally appeared \_\_\_\_\_, who acknowledged himself to be the \_\_\_\_\_ of Horizon Hospitality PA, LLC, a Pennsylvania limited liability company, sole general partner of Pittsburgh Arena Hotel Associates LP, a Pennsylvania limited partnership, and that he, as such officer being authorized to do so, executed the foregoing instrument for the purposes therein contained by signing the name of the limited liability company as such general partner by himself as such officer.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

Notary Public

My commission expires:

COMMONWEALTH OF PENNSYLVANIA           )  
  ) SS:  
COUNTY OF ALLEGHENY                     )

On this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, before me, a notary public, personally appeared \_\_\_\_\_, who acknowledged himself to be the \_\_\_\_\_ of Pittsburgh Arena Operating LLC, a Pennsylvania limited liability company, sole general partner of Pittsburgh Arena Operating LP, a Pennsylvania limited partnership, and that he, as such officer being authorized to do so, executed the foregoing instrument for the purposes therein contained by signing the name of the limited liability company as such general partner by himself as such officer.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

Notary Public

My commission expires: