#27546.v3

OPTION AGREEMENT

THIS OPTION AGREEMENT (this "**Agreement**") is made as of this 25th day of September, 2003 (the "**Effective Date**"), by and between the Stadium Authority of the City of Pittsburgh ("**Optionor**"), and North Shore Developers, L.P. ("**Optionee**"), a Pennsylvania limited partnership formed pursuant to the Optionee's Certificate of Limited Partnership dated Aug. 20, 2003 and the Agreement of Limited Partnership of the Optionee dated Sept 05, 2003 (the "**Optionee Partnership Agreement**").

WITNESSETH

WHEREAS, Optionor owns approximately 9.17 acres of real estate located in the City of Pittsburgh, as depicted on the map attached hereto as **Exhibit A** (the "**Map**") as Parcels 4, 7.1, 7.2, 10.1, 10.2, 10.3, 10.4, 10.5, 12, 13, 14 and 15 (herein referred to collectively as the "**Property**," as further described below); and

WHEREAS, Optionor also owns Parcels 1, 2, 3, 6, 7.3 and 9, also shown on the Map; and

WHEREAS, Optionor and Optionee desire that the Property be developed to support the City of Pittsburgh and to serve public purposes; and

WHEREAS, Optionee desires to acquire the exclusive right and option to purchase and/or ground lease the Property under specified terms and conditions.

NOW, THEREFORE, the parties, intending to be legally bound, agree as follows:

I. OPTION

1.1 Grant of Option. In consideration of Optionee's payment to Optionor of the sum of Ten Dollars ($10.00) and other good and valuable consideration, Optionor grants to Optionee the exclusive right and option (the "**Option**") to purchase and/or ground lease the Property during the Option Term (as hereinafter defined), under and subject to the terms and conditions set forth in this Agreement.

The square footage of the Property shall initially be considered to be 397,268 sq. ft. (as designated on **Exhibit A**) (subject to adjustment as provided herein). The amount of the square footage may increase in accordance with Section 1.6, and may decrease in accordance with this Agreement. Such amount will also be adjusted to the extent a survey provides a more exact calculation of the square footage.

1.2 Option Term. The term of this Agreement shall commence on the Effective Date and continue until (and no Closing (as hereafter defined) shall occur later than) 5:00 p.m. on

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May 31, 2012, unless sooner terminated as provided for herein, subject to extension as set forth herein, and provided, further, that in no event (including, without limitation, any extensions of the rights to exercise the Option set forth herein) shall the term of this Agreement (or shall any Closing hereunder take place later than) May 31, 2021 (the "**Final Date**") (such term is referred to herein as the "**Option Term**").

1.3 Exercise of Option. (a) *Take Down Increment*. For the purpose of determining the price of the land and the Minimum Height Requirements (as defined below), the Property is divided into parcels, as identified on **Exhibit A** hereto (the "**Parcels**"). Each portion of the Property as to which Optionee exercises the Option shall be referred to herein as a "**Tract**." A Tract can be a whole Parcel or a portion of a Parcel. Optionee shall have the right to exercise the option on a Tract by Tract basis, as set forth herein provided, that to the extent that a Tract is less than an entire Parcel, the remaining portion of the Parcel must be economically developable as reasonably determined by Optionee, and agreed to by Optionor in its reasonable judgment.

In the event that Optionee elects to exercise the Option, Optionee must take title or enter into a ground lease (either transaction hereinafter referred to as a "**Take Down**") for one or more Tracts that, in the aggregate, measure at least 30,000 square feet (the "**First Option Tract**"), on or before July 31, 2003. In order for the Option to remain in effect, during each Option Period thereafter, subject to the provisions hereinafter provided, Optionee must Take Down one or more Tracts that, in the aggregate, measure at least the applicable "**Take Down Increment**" as set forth on **Exhibit C** hereto (the "**Take Down Schedule**"). As used herein, "**Option Period**" shall mean a consecutive twelve (12) month period beginning the day following the date of each Take Down (subject to extensions for density bonuses as described below); provided that the first Option Period shall be the period from the Effective Date to July 31, 2003.

The foregoing notwithstanding, Optionee shall have the right, subject to the terms and conditions of this Agreement, to exercise the Option with respect to Tracts which are made up of the entirety of Parcels 4, 10.1, 10.2, 10.3, 10.4, 12, 13, 14 or 15, regardless of whether the Tract meets the applicable square footage requirements set forth on **Exhibit C**. In such event, each such Tract shall be deemed to meet the required Take Down Increment for that Option Period.

Except as otherwise expressly provided in this Agreement (including, without limitation Section 8.8 of this Agreement), in the event that Optionee fails to Take Down the Take Down Increment during the applicable Option Period, the Option Term will terminate upon the expiration of such Option Period, this Agreement shall terminate and all Property not Taken Down shall be free of this Agreement.

(b) *Density Bonus*. Optionee agrees that, subject to the exceptions noted herein, development of the Property will meet certain minimum height (stories) requirements set forth on **Exhibit D** (the "**Minimum Height Requirements**"). Optionor and Optionee further agree that to the extent that the Site Improvement Plan provides for and Optionee does in fact

develop in excess of the applicable Minimum Height Requirement, the Option Period with respect to the next Take Down Increment shall be extended as follows:

(i) If the development is for the applicable Minimum Height Requirement plus one story, the next Option Period shall be extended by three (3) months, for a total of fifteen (15) months and each deadline or delivery requirement in connection with all subsequent Option Periods shall be extended by three (3) months,

(ii) If the development is for the applicable Minimum Height Requirement plus two stories, the next Option Period shall be extended by six (6) months, for a total of eighteen (18) months and each deadline or delivery requirement in connection with all subsequent Option Periods shall be extended by six (6) months.

A six (6) month extension is the maximum density bonus available; building in excess of the preferred height only entitles Optionee to a density bonus of six (6) months. In order to receive a density bonus, the actual development must meet the commitment made in the Site Improvement Plan. The Minimum Height Requirements and the preferred heights are set forth on **Exhibit D** hereto.

(c) *Failure to Meet Height Requirements.*

(i) Except with respect to all or any portion of Parcels 12, 13, 14 or 15, if Optionee submits a Site Improvement Plan as required by Section 4.3 hereof, but the Site Improvement Plan shows development at less than the Minimum Height Requirements, the same shall not be considered a default by Optionee, but Optionor shall, upon written notice to Optionee, either (1) approve and accept the lesser density, or (2) exercise Optionor's right to develop that Tract (as such right is described below). Such notice shall be given by Optionor within forty-five (45) days of receipt of the Site Improvement Plan and failure of Optionor to give such notice shall be deemed approval and acceptance of Optionee's Site Improvement Plan as submitted. In the event the Optionor accepts and approves (or is deemed to have accepted and approved) the proposed lesser density, development of the affected Tract(s) shall continue in accordance with the Take-Down Schedule and the Optionee shall close on the affected Tract(s) by the end of the applicable Option Period. In the event the Optionor exercises Optionor's right to construct, the Option Period related to the affected Tract(s) will terminate and the next Option Period shall commence on the date of the Optionor notice.

(ii) If the Optionor exercises its development rights pursuant to Section 1.3(c) (i) above, it must cause construction (by itself or a developer) on that Tract to begin within one (1) year and four (4) months from the date of such written notice ("**Optionor's Development Period**") and the construction must be for development that meets the Minimum Height Requirements (a "**Conforming Development**"). If Optionor does so begin construction for the Tract within the Optionor's Development Period, (1) Optionee has no further rights hereunder with respect to that Tract, (2) that Tract is no longer considered to be part of the Property and (3) the share of the Development Fund which would have been "earned" by Optionee if Optionee had developed the Tract is forfeited and becomes property of the Optionor.

(iii) If the Optionor is unable to cause such a Conforming Development on the affected Tract to so begin within the Optionor's Development Period, the Optionor may (1) develop or approve a proposal from a developer for density less than the Minimum Height Requirements, but in such case the Optionee must first be given a right of first refusal with respect to that development if it is at or below the density that was originally proposed by the Optionee in its Site Improvement Plan, such right of first refusal to be exercised by Optionee within sixty (60) days of written notice from Optionor of such proposal (such notice shall be given to Optionee no later than six (6) months prior to the end of the Optionor's Development Period), or (2) keep the Tract as part of the Property, provided, however, that a new proposal for development of that Tract at less than the Minimum Height Requirements cannot be made by Optionee until at least one other Tract is thereafter Taken Down first. If Optionee exercises its right of first refusal to develop per (1) above, the Option Period with respect to that Tract shall end upon the expiration of the Optionor's Development Period. It is recognized that this may cause Optionee to be developing two separate Tracts at the same time with two separate applicable Option Periods (see subpart (iv) below). In such case, the completion of this Option Period shall not trigger the start of a new Option Period. If Optionor develops the Tract pursuant to this subparagraph (iii), the share of the Development Fund which would have been earned by Optionee if Optionee had developed the Tract is forfeited and becomes property of the Optionor.

(iv) Unless otherwise agreed in writing, with respect to Tracts which make up the whole or a part of Parcel 12, 13, 14 or 15, the submission of a Site Improvement Plan showing development at less than the Minimum Height Requirements is an event of default under the terms of this Agreement; provided that an informal proposal for less than the Minimum Height Requirements shall not constitute an event of default hereunder.

(d) *Closing Date.* Optionee shall exercise the Option during each Option Period for a Tract by giving written notice thereof to Optionor per Section 4.1 hereof. Optionee shall be obligated to take title to the land or enter into a ground lease with respect to the land by the date (the "**Closing Date**") which is on or prior to the date that is the end of the Option Period. Optionee shall give Optionor at least thirty (30) days prior written notice of the Closing Date. Optionor shall be obligated to sell or lease the Tract to Optionee on the Closing Date, in accordance with the terms of this Agreement. The terms and conditions of the purchase and sale or ground lease of each Tract shall be governed by Article V below.

(e) *Purchase Price/Rental.* The total purchase price (the "**Purchase Price**") and/ or ground lease rental (the "**Rental**") for the Property has been agreed to as of the date of this Agreement and shall be allocated to each Parcel as set forth on **Exhibit E** hereto.

(f) *Extension of Option Period.* The expiration of an Option Period may be extended under the circumstances provided herein. In no case, however, will such extensions extend beyond May 31, 2021 or the termination of the Steelers Lease (subject to Section 7.2(b) of this Agreement) or the termination of the Pirates Lease (subject to Section 7.2(b) of this Agreement) or the termination of this Agreement, whichever is earlier. Except as otherwise provided in this Agreement, the extension of an Option Period, by definition, extends the start of the following Option Period including all deadline dates related thereto.

(g) *Concurrent Option Periods*. In certain instances there may be two or more Option Periods running concurrently. This would occur if (i) one Option Period began but was then delayed or suspended in accordance with the provisions of this Agreement (a "**Delayed Option Period**") and (ii) the Optionee is nevertheless required by this Agreement to begin a new Option Period (the "**Continuing Option Period**"). In such case, the conclusion of the Delayed Option Period does not trigger the start of a new Option Period. The start of the next Option Period, as described in Section 1.3(a), will be tied to the conclusion of the Continuing Option Period.

1.4 Recognition of Existing Interests. (a) *Existing rights of Alco Parking Corporation*. Optionor represents and warrants and Optionee acknowledges that ALCO Parking Corporation ("**ALCO**") currently has a parking lease with Optionor to use all or a portion of Parcels 4, 7.1, 10.1, 10.2, 10.3, 10.4, 10.5, 13, 14, and 15 for surface parking. Such parking lease (the "**Parking Lease**") is more specifically described as the Lease Agreement dated as of November 30, 1999 by and between Optionor, the Sports & Exhibition Authority of Pittsburgh and Allegheny County ("**SEA**") and ALCO. Optionor represents and warrants to Optionee that neither Optionor nor the SEA have entered into any agreements other than the Parking Lease relating to the Option Property that will adversely affect Optionor's obligations hereunder. Optionor agrees (and Optionee agrees to cooperate with Optionor, at no cost to Optionee) to obtain a termination of the Parking Lease with respect to each Tract prior to the Closing of each such Tract (each, an "**ALCO Termination**"), which may include exercising Optionor's rights under the Parking Lease to relocate all or any portion of the property subject to the Parking Lease (the "**Relocation Right**"). Optionor has delivered to Optionee an estoppel letter from ALCO reaffirming the Relocation Right in the form of **Exhibit K**, and Optionor agrees that it shall not modify or amend Section 9.02 of the Parking Lease in any manner which would detrimentally affect Optionee's rights under this Agreement. If Optionor fails to obtain the ALCO Termination for any Tract on or before the Closing with respect thereto, or ALCO otherwise fails to relocate from the affected Tract by such Closing Date, then Optionor shall promptly seek to enforce the Relocation Right against ALCO at Optionor's sole cost and expense, and (i) the Option Period will be deemed to be extended for an Extension Period to the extent there is a delay in obtaining the ALCO Termination for such Tract and ALCO does not relocate from the affected Tract and (ii) Optionee shall be entitled to seek specific performance to require Optionor to enforce Optionor's rights under the Relocation Right to the extent available (together with reasonable legal fees and costs in connection with pursuing specific performance if successful). An "**Extension Period**" shall be (x) a day for day extension for each of the first ninety (90) days of delay, plus (y) for delays between ninety-one (91) days and two hundred and seventy (270) days, the longer of (A) one hundred and eighty (180) days or (B) two days for each day of delay beyond ninety (90) days; plus (z) an additional day for day extension for each day of delay beyond two-hundred and seventy (270) days. The foregoing remedies are the exclusive remedies available to Optionee for a failure by Optionor to obtain the ALCO Termination.

(b) *Existing Rights of Mellon Bank, N.A.* Optionee acknowledges that pursuant to the Letter of Credit and Reimbursement Agreement, dated January 15, 2001 between the SEA and Mellon Bank, N.A. relating to the letter of credit securing the SEA's Parking Revenue Bond, Series of 2001, there are certain restrictions on the ability of the Optionor to

reduce the amount of surface parking spaces on the Property (the "**Mellon Pledge**"). Optionor agrees (and Optionee agrees to cooperate with Optionor, at no cost to Optionee), to obtain a termination of the Mellon Pledge with respect to each Tract prior to the Closing of each such Tract (each, a "**Restrictions Termination**"). If Optionor fails to obtain a Restrictions Termination for any Tract on or before the Closing with respect thereto and so long as all other material conditions for Closing have been met (other than the delivery of funds by Optionee), and so long as such failure continues Optionee shall have the option to (i) have the Option Period extended for the Extension Period to the extent there is a delay in obtaining the Restrictions Termination for such Tract or (ii) upon not less than thirty (30) days written notice (during which period Optionor may obtain the Restrictions Termination) remove the applicable Tract from the Property, in which event the portion of the Development Fund attributable to the applicable Tract will be earned by Optionee, or (iii) upon not less than thirty (30) days written notice (during which period Optionor may obtain the Restrictions Termination) remove the Tract from the Property, and recover from Optionor out-of-pocket costs incurred in connection with such Tract (provided that such damages shall in no event exceed $150,000 per Take Down and the applicable Tract will be removed from the denominator for purposes of calculating the Development Fund). The foregoing remedies are the exclusive remedies available to Optionee in such event. If Optionee elects (i) above and Optionor has not obtained the Restrictions Termination within two (2) years after a scheduled Closing, then, so long as such Restrictions Termination has not been obtained, Optionor may cause such Tract to be removed from the Property, in which event Optionee may choose remedy (ii) or (iii) above; Optionee will be deemed to have chosen Option (ii) if Optionee has not made such election within thirty (30) days after notice from Optionor. If Optionee elects remedy (ii) or (iii), the next Option Period commences upon notice of such election.

1.5 Development Fund. (a) Reference is hereby made to the Lease Agreement (as amended, the "**Pirates Lease**") by and between SEA and Pittsburgh Associates ("**PA**") dated as of June 2, 2000, and the Lease Agreement (as amended, the "**Steelers Lease**") by and between the SEA and PSSI Stadium Corp. ("**PSSI**") dated as of June 20, 2000 (collectively, the "**Team Leases**"). The Pirates North Shore Development Fund (as defined in the Pirates Lease) and the Steelers North Shore Development Fund (as defined in the Steelers Lease) are collectively referred to herein as the "**Development Fund.**" During the term hereof, certain revenues shall be deposited into the Pirates North Shore Development Fund and the Steelers North Shore Development Fund in accordance with Section 5.12.6(e) of the Pirates Lease and Section 7.7.7(e) of the Steelers Lease, respectively.

(b) On each Closing Date, Optionee will be entitled to i) a proportionate share of the balance of the Development Fund as of the Closing of the First Option Tract (the "**original amount**"), and ii) a proportionate share of each annual contribution thereafter made to the Development Fund ("**contribution amount**"). Such amounts shall be referred to as the "**earned**" amount of the Development Fund and the remaining amounts shall be referred to as the "**unearned**" amount. After reserving $500,000 to be available for release to Optionee for pre-development expense per Section 1.5 (c) (ii) below, the amount of Optionee's proportionate share of the "original amount" and each annual "contribution amount" will be equal to the percentage of the total number of Parcels Taken Down as of that date. As set forth on

Exhibit A, there are currently twelve (12) Parcels. When one Parcel is Taken Down, 1/12th of the fund is "earned." Take Down of a portion of a Parcel earns that portion of a 1/12th share.

The number of Parcels that make up the Property may increase above 12 or decrease to less than 12 in certain circumstances in accordance with the terms of this Agreement. If the number of Parcels are increased or decreased other than pursuant to Section 1.4(b)(ii), the earned amount shall be calculated based on a revised fraction with the denominator being the current number of Parcels (both developed and undeveloped). (The elimination of a portion of a Parcel does not change the fraction.)

Moneys shall be disbursed to Optionee from the Development Fund on each Closing Date, with respect to original and contribution amounts then on hand and allocable to that Take Down, and once a year on or before each December 31 with respect to subsequent contribution amounts. There shall be no restrictions on Optionee's use of any moneys paid to it from the Development Fund.

The Optionee's right to "earned" amounts of the Development Fund shall survive termination of this Agreement and shall continue for so long as both Team Leases are in full force and effect or the rights of Optionee have been assumed and assigned as permitted pursuant to Section 7.2(b) of this Agreement.

(c) (i) In addition to the disbursements under Section 1.5(b) above, to the extent PA, PSSI or Optionee is an equity investor or participant in the development of a given Tract (utilizing its own funds), the Optionor, in its good faith and reasonable discretion, may further release funds in the Pirates North Shore Development Fund and/or the Steelers North Shore Development Fund, as applicable, for legitimate project/development costs.

(ii) Further, Optionor will also release amounts from the Pirates North Shore Development Fund to PA totaling not greater than $250,000 for PA's documented and reasonable pre-development expenses, and amounts from the Steelers North Shore Development Fund to PSSI totaling not greater than $250,000 for PSSI's documented and reasonable predevelopment expenses, which shall be disbursed promptly after the Effective Date provided that appropriate documentation has been received by Optionor.

(iii) [Reserved]

(d) If, and only if, the entire Property is developed in accordance with this Agreement, any balance remaining in the Development Fund shall be paid to Optionee in accordance with Section 1.5(b) above. In the event of a termination of this Agreement by Optionor due to a failure by Optionee to exercise the Option (unless otherwise permitted in this Agreement), or after a default by Optionee and failure to cure beyond applicable periods, including Section 7.2 below, "unearned" moneys of the Development Fund shall remain in such fund for use by the Optionor for development.

1.6 Additional Parcels. (a) *Parcel 6*. Pursuant to the Steelers Lease, PSSI has certain option rights with respect to Parcel 6, as depicted on the Map attached hereto as **Exhibit A**. In

the event PSSI does not enter into an agreement with Optionor on or before September 1, 2004 (as such date may be extended by the parties thereto) for Parcel 6, Parcel 6 shall become part of the Property. In that instance, the square footage of the Property as referred to in Section 1.5 (b) above shall be increased by the square footage of Parcel 6 and the amount of the final Take Down Increment as reflected on **Exhibit C** will be increased by the number of square feet contained in Parcel 6. In such case, Parcel 6 will be viewed as a separate additional Parcel for purposes of earning the Development Fund (see Section 1.5 (b)).

(b) *Parcel 9*. In the event that one or more Parcel 9 Conditions (as hereafter defined) have been satisfied, Parcel 9 shall become part of the Property. In that instance the square footage of the Property shall be increased by the square footage of Parcel 9 and the amount of the final Take Down Increment shall be increased by the square footage of Parcel 9. In such case Parcel 9 will be viewed as a separate additional Parcel for purposes of earning the Development Fund (see Section 1.5(b)).

The "**Parcel 9 Conditions**" are (i) agreement in writing by Optionor and Optionee that Parcel 9 becomes a part of the Property in accordance with this Section, or (ii) if (A) Optionor has not developed a parking garage on Parcel 9, (B) Optionee has Taken-Down and developed all the other Property (other than Tracts for which a Take Down Notice was given by Optionee and the applicable Tract was not Taken Down due solely to a failure by Optionor to obtain the ALCO Termination for such Tract, a failure by Optionor to obtain a Restrictions Termination with respect to such Tract, removal of a Tract pursuant to the terms of this Agreement or a default by Optionor), and (C) the Parcel 9 Conditions have been satisfied and Optionee has given Optionor written notice of the exercise of the Option with respect thereto on or before May 31, 2012. In addition, in all cases the obligation of the Optionor to convey or to permit the Take-Down of Parcel 9 is conditioned upon PSSI and PA granting a waiver or modification of their rights with respect to surface parking requirements provided in the respective Team Lease if Parcel 9 or any portion thereof is necessary to satisfy those requirements (as determined by SEA in its sole discretion) within six (6) months of the exercise of the Option. Optionor's obligation to convey or to permit the Take-Down of Parcel 9 is further conditioned on Optionor, within six (6) months of the exercise of the Option, obtaining the Restrictions Termination and the ALCO Termination with respect to such Parcel, each at no cost, expense or obligation of Optionor (failing which shall not give rise to any remedies hereunder, including, without limitation, the remedies set forth in Section 1.4(b)).

1.7 Subway. Optionee and Optionor recognize that the Port Authority of Allegheny County (the "**Port Authority**") is considering extending the light rail transit system to the North Shore and is presently contemplating that certain of those facilities will be located on the Property (below and/or above grade) (the "**Subway**"). The parties are aware of this and consider that such will be a benefit to the Property. The construction of the Subway will have no effect on the Take Down Schedule except that if all the Property has been developed except the one or more Parcels or portions thereof which are directly affected by the facilities or construction of the Subway or for which development costs, as reasonably determined by Optionee and Optionor, will be materially increased due to the placement or construction of the Subway (the "**Affected Tracts**"), the Take Down schedule will be extended with respect to the Affected Parcels until the earlier to occur of (i) substantial completion of the Subway, or the portion

thereof impacting the Affected Tract, or (ii) abandonment of the Subway as reasonably determined by Optionor and Optionee (abandonment to include, without limitation a determination that construction of the Subway will not commence during the Option Term), but in no event shall the Option be extended beyond the Final Date. If an Affected Tract is permanently rendered undevelopable due to the Subway, such Affected Tract shall be removed from the Property and the number of Parcels for purposes of the Development Fund shall be adjusted in accordance with the second paragraph of Section 1.5(b) above. Optionor shall have the right, in it sole and absolute discretion, to grant, and convey any and all rights (including without limitations, easements, rights-of-way, licenses and leases) in connection with the Subway (including without limitation conveying, portions of the Property, and/or subsurface and/or air rights) (collectively "**Subway Conveyances**") and retain any and all proceeds therefrom, any or all of which will survive any Take-Down; provided, however, that Optionor shall advise Optionee in advance of any Subway Conveyance on Parcels 4, 10.1, 10.2, 10.3, 10.4, 10.5 or 15 and shall provide Optionee with not fewer than ten (10) days to comment on any proposed Subway Conveyance of such Tracts. It is recognized that after a Tract is Taken-Down, Optionor has no right to encumber the Tract and all proceeds with respect to that Tract that are received after the Closing and relate to the period after the Closing, including condemnation proceeds, belong to Optionee.

1.8 Parking Commitment.

(a) Office Parking. Optionor will provide Required Parking for tenants of office buildings constructed on the Option Property ("**Office Buildings**"). The "**Required Parking**" means two (2) surface parking spaces for each 1,000 square feet of occupied office space in the Office Buildings developed, subject to the limitations described below. Of the two Required Parking spaces, one and one-quarter (1-1/4) spaces (up to an aggregate over time of 900 spaces) will be located on Parcels 1 and/or 2, and 3/4 of a space (up to an aggregate over time of 500 spaces) will be located in the parking lots commonly known as Lots 7A-J (or such other location reasonably agreed upon by the parties). The obligation to provide the Required Parking for each Office Building will begin on the commencement date of the lease for the first tenant in the applicable Office Building and end upon termination of the Team Leases as currently provided for therein.

Optionor will cap the parking rates for each Required Parking space for the initial tenants of each Office Building for the period commencing on the commencement date of such tenant's Office Building lease and ending on the earlier of (i) fifteen (15) years after such commencement date or (ii) the expiration or termination of the initial term of such Office Building lease; provided that these rate caps will not be applicable to any tenant whose Office Building lease commences more than three (3) years after the Office Building lease commencement date of the first tenant in the applicable Office Building. The applicable maximum parking rate will be the fair market monthly parking rate at the time of the first month of the parking license, as reasonably determined by the Optionor, increased by no more than 5% per annum on a cumulative basis.

The Required Parking spaces must be committed to by the office tenant on an annual basis. Once a year the office tenant will be required to advise Optionor or its designee

whether such office tenant will take the full number of spaces for that year. Failure to "take" any space for one year does not forfeit the ability to take the space for future years. The parking license may be in the name of the tenant or other name as the tenant identifies, including, without limitation, the names of the tenant's employees. If payment is not made for a space within thirty (30) days of the due date, that parking license may be cancelled by Optionor for the remainder of that year. The parking license will be under and subject to the standard license, rules and regulations, will not permit parking on weekends, New Year's Day, Memorial Day, July 4th, Labor Day, Thanksgiving (and the immediately succeeding Friday unless waived in writing by Optionee), and Christmas, and will require that the space not be available for games at PNC Park and Heinz Field as follows: (i) for Monday night, Thursday night and Preseason Steeler and Panther football games played at Heinz Field, spaces on Parcels 1 and/or 2 and Lots 7A-J must be vacated by 3:00 p.m., (ii) for Pirate post-season and All-Star weekday games played at PNC Park, spaces on Parcels 1 and/or 2 and Lots 7A-J must be vacated by 3:00 p.m. if the game is a night game.

The "Required Parking" may be increased by an additional one-quarter of a parking space (**"Additional Required Parking"**) with respect to each Office Building for which Optionee satisfies Optionor that such Additional Required Parking is required for the development of such Office Building, in which case (x) no maximum rate will be applicable to the Additional Required Parking, (y) the Additional Required Parking will be located in Parcels 1 and/or 2, a parking garage, or such other location reasonably agreed upon, and (z) the Additional Required Parking will for all other purposes be treated as "Required Parking" spaces.

(b) Retail Parking. Optionor will cooperate with the City of Pittsburgh and the Public Parking Authority of the City of Pittsburgh to cause metered, on-street parking to be established on the public roads between the Parcels anticipated to be on both sides of North Shore Drive, West General Robinson Street and Art Rooney Way, and the western side of the portion Mazeroski Way south of General Robinson Street. In such endeavors, Optionor will consult with Optionee regarding restrictions on the on-street parking (for example, free-times, no parking times to allow for traffic flow, pricing and parking time limits). Commencing on the completion of the Applicable Amount (as hereafter defined) of retail on the Property, and the opening of the Applicable Amount of retail for businesses to the public, and during the remainder of the Option Term (but only so long as at least the Applicable Amount of retail remains open to the public), on each business day, the SEA will hold back no less than the Applicable Percentage of the spaces located in the Required Garage until 9:30 a.m., which spaces will be located on the ground floor or such other location which Optionor reasonably believes would encourage short-term parking. As used above, if the **"Applicable Amount"** is at least 93,500 square feet, the **"Applicable Percentage"** will be 5%; if the Applicable Amount is at least 242,800 square feet, the Applicable Percentage will be 10%, it being understood that only one of the foregoing will be applicable.

II. INSPECTION OF PROPERTY AND DEVELOPMENT PLAN

2.1 Right to Inspect. Optionee, at its cost, shall initially make certain initial inspections and undertake certain due diligence to determine if the Property is suitable for Optionee's purposes and Optionee's planned development thereof. Optionee shall deliver copies of such reports (the "**Reports**") to Optionor. Furthermore, Optionee shall have the right to undertake additional due diligence to determine subsurface and environmental conditions on the Property.

2.2 Access for Investigation. Upon Optionee's request, Optionor will permit Optionee and its agents and representatives access to the Property for the purpose of conducting its investigation thereof and determining the suitability of the Property for Optionee's development project pursuant to a license agreement to be entered into by Optionor and Optionee, which license agreement shall be substantially in the form attached hereto as **Exhibit F** (the "**License Agreement**").

2.3 Monetary Liens. Prior to each Closing Date, Optionor shall be given notice of all monetary liens affecting title to the applicable Tract disclosed by a title report or of which Optionee otherwise becomes aware. Optionor shall be obligated to satisfy all monetary liens at the time of Take Down of the applicable Tract in accordance with Section 5.3 below.

2.4 Environmental Matters.

(a) The parties acknowledge that Optionee has, at Optionee's sole cost and expense, commissioned studies of environmental conditions of the Property. Optionee represents that Optionee has delivered true and complete copies of such Reports to Optionor.

Optionee will provide a study of environmental conditions specific to each Tract as required by Section 4.3 herein. As part of the Take Down Notice required by Section 4.1, Optionee shall notify Optionor of, and shall provide Optionor with all information Optionee has with respect to, any Contamination (as hereafter defined) on the Tract to be Taken Down, and shall advise whether or not Optionee seeks Optionor's contribution to remediation in accordance with this Section. Promptly after delivery of such Take Down Notice, if Optionee is seeking Optionor contribution, Optionor shall notify Optionee of its decision to either (a) permit the Optionee to remediate the identified Contamination at Optionor's expense in the manner described below (the "**Environmental Contamination Remediation Election**") or (b) take no action with respect to the Contamination (the "**As-Is Election**"). Such election shall be made by Optionor in its sole and absolute discretion.

If Optionor elects the Environmental Contamination Remediation Election, Optionor and Optionee shall collectively develop a plan for the remediation for the Contamination, such remediation to be as reasonably agreed upon and as necessary or appropriate for the Development (the "**Remediation Plan**"). The Remediation Plan shall not be amended without approval of both Optionor and Optionee. The Remediation Plan will be implemented by Optionee. Optionor will bear the cost of the Remediation Plan up to a maximum amount as agreed upon in the Remediation Plan, and such costs will be paid and/or

credited as agreed upon by the parties. At any time until the Remediation Plan is agreed upon in writing, Optionor may, in Optionor's sole and absolute discretion, withdraw Optionor's exercise of the Environmental Contamination Remediation Election in favor of the As Is Election. If Optionor elects the Environmental Contamination Remediation Election, Optionor's sole and exclusive liability will be for the costs incurred pursuant to and as agreed upon in the Remediation Plan. If the Optionor elects the As Is Election, then the Optionee will have the option to either (i) assume responsibility for the identified Contamination or (ii) remove the affected Tract from the Property, which Optionee election shall be made within thirty (30) days after notice by Optionor of its election (a failure by Optionee to make such election in such period shall be deemed to be an election under Subsection (i)).

With respect to each Take-Down, Optionee shall (x) require the Developer to execute and deliver a document in form and substance reasonably satisfactory to Optionor pursuant to which the ground tenant and its successors and assigns, agrees to indemnify, defend and hold harmless the Optionor Indemnified Parties (as defined in Section 6.5(a) below) for, and to pay to Optionor-Indemnified Parties the amount of Damages (as hereafter defined) one or more Optionor-Indemnified Parties may incur, arising directly or indirectly in whole or in part from or in connection with a Developer's failure to dispose of the Contamination in accordance with applicable Laws and, if the Environmental Contamination Remediation Election is made, any failure to implement the Remediation Plan, which obligations shall survive Closing, (y) require the Developer to execute and deliver a document in form and substance reasonably satisfactory to Optionor pursuant to which the Developer, on behalf of itself and its successors and assigns (including successor owners and ground lessees of the affected Tract), agrees to release and agrees not to sue or bring any actions against the Optionor-Indemnified Parties by reason of the existence of the Contamination, which obligations shall survive Closing, and (z) on behalf of Optionee and its successors and assigns (including successor owners and ground lessees of the affected Tract), enter into an agreement in form and substance reasonably satisfactory to Optionor pursuant to which it agrees not to sue or bring any actions against the Optionor-Indemnified Parties by reason of the existence of the Contamination, which obligations shall survive Closing; provided, however, that Optionee, its successors and assigns, including successor owners and ground lessors of the affected tract (collectively, **"Optionee Parties"**), shall not be precluded from joining the Optionor in a suit or action brought under an Applicable Law against any Optionee Party by one or more Specified Third Parties in connection with any Environmental Claim brought by reason of any Contamination. **"Specified Third Party"** means any party, including without limitation, any Governmental Authority, excluding (i) any Optionee Party and any affiliate thereof or successor thereto, (ii) Developer or any affiliate thereof, or any successors thereto, and (iii) any party with whom any Optionee Party has a contractual arrangement for the use and/or occupancy of the applicable Tract or any portion thereof. Optionor, on behalf of itself and the Optionor-Indemnified Parties, hereby agrees not to sue or bring any action against the Optionee-Indemnified Parties (as defined in Section 6.5(b) below) with respect to the Contamination except for failure by Optionee to cause the Developer to provide the indemnity in clause (x) and the covenant not to sue in clause and (y) which obligations shall survive Closing. If Optionor elects to remove a Tract from the Property as immediately aforesaid, (A) the number of Parcels for purposes of the Development Fund shall be adjusted in accordance with the second paragraph of Section 1.5(b) above, and the next Option Period shall commence immediately and (B) such Tract shall be subject to a right of first refusal

in favor of Optionee, as follows: if Optionor offers to sell such Tract to a third party on terms substantially more favorable to the purchaser than those set forth in this Agreement at any time on or before May 31, 2012, Optionor shall provide Optionee with a right to purchase such Tract on the terms offered to such third party, which right shall be exercised within thirty (30) days after written notice; a failure to exercise such right within such thirty (30) day period shall be a waiver of such right.

(b) As used in this Section 2.4:

"**Applicable Laws**" shall mean any applicable law (including, without limitation, any Environmental Law), enactment, statute, code, ordinance, administrative order, charter, tariff, resolution, order, rule, regulation, guideline, judgment, decree, writ, injunction, franchise, permit, certificate, license, authorization or other direction or requirement of any Governmental Authority, enacted, adopted, promulgated, entered or issued.

"**Contamination**" shall mean the presence of Regulated Substances in amounts which are not in compliance with Applicable Laws.

"**Damages**" shall mean any loss, liability, claim, damage and expense (including costs of investigation and defense and reasonable attorneys' fees), whether the action is for money damages, or otherwise at law, or for equitable or declaratory relief.

"**Environmental Law**" shall mean all Applicable Laws, including without limitation any consent decrees, settlement agreements, judgments, orders, directives, policies or programs issued by or entered into with a Governmental Authority pertaining or relating to: (i) pollution or pollution control; (ii) protection of human health or the environment; (iii) employee safety in the workplace; and (iv) the presence, use, management, generation, processing, treatment, recycling, transport, storage, disposal or release or threat of release of Regulated Substances.

"**Governmental Authority**" shall mean any national, federal, state, local or other government or political subdivision or any agency, authority, board, department or instrumentality thereof, or any court, arbitrator (to the extent required by the terms of this Agreement) or tribunal having jurisdiction over the Property.

"**Regulated Substances**" shall mean, without limitation, any substance, material or waste, regardless of its form or nature, defined under Environmental Laws as a "hazard substance," "hazardous waste," "toxic substance," "extremely hazardous substance," "toxic chemical," "toxic waste," "solid waste," "industrial waste," "residual waste," "municipal waste," "special handling waste," "mixed waste," "infection waste, chemotherapeutic waste," "medical waste," "regulated substance," "pollutant" or "contaminant" or any other substance, material or waste, regardless of its form or nature, which otherwise is regulated by Environmental Laws.

2.5 Developer and Development Plan. Optionee agrees that its purchase and/or leasing of the Property will be for the purpose of undertaking a mixed use development of the Property in accordance with a plan to be mutually agreed upon by Optionor and Optionee.

Optionee has appointed Continental/NorthShore Manager, LLC as the master developer for the Property and Optionor hereby consents to the appointment of such party as the master developer of the Property (the master developer of the Property is referred to herein as the "**Developer**"). Any replacement Developer or assignee thereof shall be subject to the approval of the Optionor (including any direct or indirect change in control of the Developer other than a change of control cause by death, disability or incapacity of Frank Kass provided that Continental Real Estate Companies remains an operating development business), such approval not to be unreasonably withheld provided that such successor is an experienced real estate developer with substantial financial resources as reasonably determined by Optionor. Optionee shall propose a plan of development for the Property prepared by the Developer (such plan and any amendments thereto, as approved by Optionor, the "**Development Plan**") to Optionor. The Development Plan shall contain, at a minimum, the detail set forth on **Exhibit G** and shall be in conformity with applicable federal, state and local laws, rules, ordinances and regulations and the North Shore Consensus Plan and Design Guidelines prepared by Urban Design Associates for North Shore Executive Committee dated September 2001 (marked "Draft") (as amended from time to time with agreement of Optionor and Optionee, the "**Design Guidelines**") and the North Shore Master Plan as received and acknowledged by the Planning Commission of the City of Pittsburgh on December 3, 2002 as the same may be amended from time to time (the "**Master Plan**") (collectively, "**Laws**"). To the extent that the Master Plan is inconsistent with the Design Guidelines, the Master Plan shall govern; to the extent either is inconsistent with this Agreement, the Agreement shall govern. The Development Plan is subject to the approval of Optionor. The Optionor's review is limited to an evaluation of the development with respect to its a) complying with this Agreement, b) providing for a mixed, taxable use, high density development, and c) complementing, supporting and not interfering with the development on the North Shore including, but not limited to, the ballpark, the stadium, the North Shore Riverfront Park and the Amphitheater. The parties agree that they will negotiate seriously and in good faith, using reasonable efforts, to reach agreement on a Development Plan acceptable to Optionor and Optionee.

Optionor agrees to review and either approve or provide reasonable comments on the Development Plan, based on the standards described in the preceding paragraph, within thirty (30) days of receipt of the Development Plan from Optionee. In the event that Optionor fails to approve or comment on the Development Plan within said thirty (30) day period, then the Development Plan shall be deemed to have been approved by Optionor as submitted. In the event that Optionor does provide reasonable comment on the Development Plan, Optionee shall, in response, revise the Development Plan and resubmit it to the Optionor within fifteen (15) days. Optionor will approve or provide reasonable comment on the revised Plan within fifteen (15) days. Failure of Optionor to comment or approve within the fifteen (15) days will constitute a deemed approval. In the event the parties are unable to agree on Development Plan revisions by this date, either party may submit the dispute to arbitration in accordance with Section 8.16 below and the Option Period (and any subsequent Option Period and each deadline or delivery requirement) shall be extended on a day-for-day basis until the dispute is resolved. Such process, however, does not extend the requirement of Optionee to accomplish matters with respect to the First Option Tract as provided in Article IV and to Take Down the First Option Tract by July 31, 2003 as required by Section 1.3 (a) above unless specifically agreed to by the parties.

2.6 Covenants of Optionor. (a) Subject to conformity by Optionee with all material terms and conditions of this Agreement, and except with respect to Optionor Mortgages as described hereinafter (and which will be released prior to the affected Parcel or Tract being Taken Down), a sale or assignment to another public body which is subject to the terms of this Agreement, and except as otherwise provided in this Agreement, the Optionor will not offer to sell, or sell, transfer, convey or otherwise encumber or burden with easements or other matters any part of the Property not Taken Down to any third party, without the prior written consent of Optionee, which may be granted or withheld in Optionee's reasonable discretion. Such approved sale or conveyance shall be subject to the terms of this Agreement and the License Agreement.

(b) Except as otherwise provided in this Agreement, Optionor shall not cause any change in the condition of the Property which would materially interfere with the future development thereof as described in the Development Plan as determined by Optionee in its commercially reasonable judgment.

(c) For a period of 30 years from the date of this Agreement, Optionor and Optionee agree that "Adult Entertainment Establishments," "Gambling Casinos" and "Gambling Establishments" will be prohibited on Parcels 4, 7.1, 7.2, 10.1, 10.2, 10.3, 10.4, 10.5, 12, 13, 14, 15, 6, 7.3, 9 and 3 and that development of those Parcels will be in accordance with the Design Guidelines. "Adult Entertainment Establishment" means any theater, magazine shop, bookstore or other establishment which at any time displays motion pictures, video tapes, books, magazines and/or forms of live entertainment of a sexual nature or content, including, but not limited to, the display of any motion picture, video tape, book, magazine, dancing or any other form of live "entertainment" which is "X-rated", has been judged to be pornographic or obscene, depicts any live or simulated sex act, or includes exposed male or female genitalia in an aroused state. Adult Entertainment Establishment shall not include: (i) a theatre exhibiting films rated under the rating system established by the Motion Picture Association of America as "R" or "NC-17", or any subsequently adopted ratings by the Motion Picture Association of America restricting or prohibiting admission to persons aged seventeen (17) and under; and (ii) bookstores, magazine stands and stores, and video tape stores in which materials which would otherwise be prohibited comprise no more than ten percent (10%) of the merchandise available for sale or rent in such establishments, including national chain bookstores acting in the normal course of their operation. "Gambling Casino" and "Gaming Establishment" means any building, room, place or establishment licensed by the Commonwealth of Pennsylvania for wagering of any kind. The provisions of this subsection 2.6(c) shall be a covenant running with the land the provisions of which may be amended only by a writing signed by the Optionor and the Optionee.

III. PUBLIC IMPROVEMENTS

3.1 Road. The parties agree that except as otherwise set forth in this Agreement, Optionor has no obligation to provide any additional infrastructure improvements other than the following:

(a) The one road shown on the Map between Parcels 6 and 7.2 is referred to herein as the "**West Roadway.**" The Optionor agrees to cause the West Roadway to be built in substantially the location shown on the Map or in such other locations as the parties mutually

agree provided that the total lineal footage is within 10% of the total lineal footage of the boundary between Parcel 6 and 7.2. Optionor agrees to cause the West Roadway to be built and substantially completed by the earlier to occur of (i) June 30, 2006, (ii) the opening for public events of the amphitheater to be located on Parcel 6 (the "**Amphitheater**") or (iii) the opening to the public of the development on a Tract on Parcel 7.2 fronting on the West Roadway.

(b) To the extent the parties agree that it is feasible (considering all factors including, but not limited to, no significant additional costs with respect to construction or property ownership issues due to the fact that it is located under a PennDOT overpass and eligibility and availability of Federal funds), a roadway (of up to four (4) lanes) will be built by Optionor in Parcel 9, under the existing PennDOT overpass at the border to Parcels 10.3, 10.4 and 10.5 (the "**East Roadway**") (the East Roadway and West Roadway are referred to herein individually as a "**Roadway**" and collectively as the "**Roadways**"). The East Roadway is not depicted on the Map. The Optionor agrees to cause the East Roadway to be built in substantially that location or such other location on Parcels 10.3, 10.4 and 10.5 as the parties mutually agree, provided that Optionor obtains funding and the total lineal footage is within 10% of the total lineal footage of a roadway which would have been located under the overpass. If the parties agree that the East Roadway is to be built, Optionor agrees that it will be built and substantially completed by the later of (a) eighteen (18) months after agreement on the feasibility and location, or (b) within eighteen (18) months of the date that construction has begun on Parcels 10.3, 10.4 and 10.5. In addition if agreement is not reached by the parties on the feasibility of and the exact location of construction of the East Roadway on or before May 31, 2006, Optionor will have no obligation to build the East Roadway.

(c) Optionor covenants to build the Roadways to the standards required by the City of Pittsburgh with materials and designs consistent with those used in the construction of North Shore Drive, West General Robinson Street, Tony Dorsett Drive, Art Rooney Avenue and Mazeroski Way, as they are located in the Option Area. Optionor shall take all actions reasonably necessary to dedicate the Roadways for public use.

(d) To the extent there is any delay by Optionor with respect to the construction of either Roadway, as described above, if such delay unreasonably interferes with Optionee's development of the Property, except delays caused in whole or in substantial part by or on behalf of Optionee, except as provided in Subsection (f) below, (i) the applicable Option Period and each deadline or delivery requirement in connection with such Option Period, and each Subsequent Option Period, shall be extended for an Extension Period to the extent the Roadway is not substantially complete by the date required in Subsection (b) above, or (ii) Optionee may terminate this Agreement in which event Optionor shall keep the Development Fund. The foregoing are the sole remedies available to Optionee for a default by Optionor under this Section except as set forth in (e) below. A failure by Optionee to make an election hereunder in writing within thirty (30) days after such failure, time being of the essence, shall constitute an election under (i). In the event that Optionee extends the Option Period as aforesaid, and Optionor has not performed in accordance with this Section for two (2) years after obligated to do so, the parties will discuss the impact of such failure and potential changes to this Agreement resulting therefrom and in any case if the Optionor has not performed in accordance with this Section within three (3) years after obligated to do so, and so long as such failure

continues, Optionor may terminate this Agreement, in which event the remaining Development Fund shall be paid to Optionee (which shall be Optionor's sole liability hereunder).

(e) Optionor covenants to take all reasonable actions necessary or appropriate to obtain Federal and state funding for the construction of the Roadways. Optionee shall cooperate, assist and take all reasonable actions necessary or appropriate to facilitate obtaining Federal and state funding for the Roadways, including without limitation, advocating for such funding. The parties agree that if Federal, state or other funds are not available for the construction of the East Roadway, Optionor will seek tax increment financing for the costs.

(f) Notwithstanding Subsections (b), (c) and (e) above, at any time that the East Roadway is not complete, Optionor may, in its discretion, upon written notice to Optionee, notify Optionee that Optionor is exercising the right under this Subsection (f) (the "**Access Road Option**"). If Optionor exercises the Access Road Option, Optionor will grant to Optionee, at no cost to Optionee, a perpetual, exclusive easement over Parcel 9 connecting the road known as Tony Dorsett Drive and the parking lot to be built on Parcel 10.5 in accordance with Section 3.2(b) below and the other development on Parcels 10.1, 10.2 and 10.3 (the "**Parcel 9 Easement**"), under terms and conditions to be agreed upon, including the exact location of the access road, and providing that the Parcel 9 Easement will be used solely for a public roadway to be constructed by the Optionee at the Optionee's sole cost and expense, to the standards outlined in Subsection (c) above, all maintenance to be borne by Optionee at the Optionee's sole cost and expense, with insurance and indemnification obligations of the Optionee to be agreed upon. Upon exercise of the Access Road Option, Optionor will be released of all obligations relating to the East Roadway hereunder.

3.2 Required Garage.

(a) Optionor hereby agrees that it is obligated to deliver (x) a public parking garage containing not fewer than 1,100 public parking spaces on Parcel 3 (but using commercially reasonable efforts to contain 1,500 spaces) (the "**Parcel 3 Garage**") and (y) a public parking garage containing not fewer than 500 public parking spaces on Parcel 7.3 (the "**Parcel 7.3 Garage**") (the Parcel 3 Garage and Parcel 7.3 Garage are referred to herein collectively as the "**Required Garages**"); provided, however, that the size of each Required Garage may be adjusted by Optionor if Optionor's expert concludes that such adjusted size is appropriate in light of roadways, the size of the applicable Parcel, and other relevant factors, provided, further, that the parking garage size would be increased only if Optionor were satisfied that such an increase were financially justified and supportable and in no case shall Optionor be obligated to provide more than 1,600 public parking garage spaces in the Option Area. (Parcel 3 and Parcel 7.3 are herein referred to as a "**Garage Parcel**" or the "**Garage Parcels**"). Optionor is obligated to substantially complete and open the Parcel 3 Garage (the "**Parcel 3 Garage Completion Date**") within 18 months of the date that is the earlier to occur of (i) the date construction commences on the improvements on the second Take-Down Tract and construction has substantially commenced on either the Amphitheatre or the Subway, or (ii) the date construction commences on the improvements on the third Take-Down Tract (the "**Trigger Date**"). Optionor is obligated to substantially complete and open the Parcel 7.3 Garage within 18 months of the date construction commences on the fifth tract that is Taken Down after the

"Trigger Date" for the Parcel 3 Garage (the "**Parcel 7.3 Garage Completion Date**") (the Parcel 3 Garage Completion Date and Parcel 7.3 Garage Completion Date are referred to herein collectively as the "**Garage Completion Dates**"); provided however, that if the parties each agree that demand increases require the Parcel 7.3 Garage Completion Date to be accelerated, an earlier date may be set.

If the Optionor does not deliver an open, operating Required Garage by the applicable Garage Completion Date, then Optionee shall have the right to: (A) extend the date by which the Optionee is obligated to Take Down the next Tract, each deadline or delivery requirement in connection with such Option Period, and each subsequent Option Period will be extended for the Extension Period to the extent Optionor delays in performing such obligation, or (B) terminate this Agreement, in which event the entire Development Fund shall be paid to Optionee, or (C) disregard such failure in which event the Agreement shall continue and Optionee and Optionor shall have no further rights or duties under this Section with respect to such Required Garage, or (D) exercise the remedy set forth in Section 3.5 if the conditions thereto exist. A failure by Optionee to make any election hereunder in writing within sixty (60) days after the applicable Garage Completion Date, time being of the essence, shall be deemed to be an election under Subsection (C). In the event that Optionee extends the Option Period under Subsection (A) above, and Optionor has not performed in accordance with this Section for two (2) years after obligated to do so, the parties will discuss the impact of such failure and potential changes to this Agreement resulting therefrom, and in any case if the Optionor has not performed in accordance with this Section within three (3) years after obligated to do so, and so long as such failure continues, Optionor may then terminate the Agreement, in which event the Development Fund shall be paid to Optionee (which shall be Optionor's sole liability hereunder). The foregoing shall be the sole remedies available to Optionee for a default by Optionor hereunder.

(b) The Optionor may, in its sole discretion, choose to build a third public parking garage on the Property. The location of the parking garage (or garages) to be built by Optionor will be on a site on the Property mutually agreed to by the parties. From and after being so designated for such use, that site will no longer be considered to be part of the Property. In such case, the Take Down Increment for the final Take Down, as described on **Exhibit C**, will be reduced by the square footage of the garage site (s) and the total square footage of the Property, as that term is used in Section 1.1 will be reduced by the square footage of the garage site(s).

(c) [Reserved]

(d) It is intended that the Urban Redevelopment Authority of Pittsburgh (the "**URA**"), will develop, construct, finance and own a garage to be built on Parcel 10.5 providing only residential parking for the residential units intended to be developed on the Property and not being available for any other parking "event" or otherwise. It is expected that this garage will have up to 525 spaces; provided, however, in the event that the Parcel 3 Garage and the Parcel 7.3 Garage, the lots on Parcels 1 and 2 and any other Optionor provided surface parking located in the area between Heinz Field and PNC Park provide, in total, less than 3,100 spaces, the size of the Tract 10.5 Garage may be expanded to make up the shortfall, and those additional spaces would be available for all uses, not just residential. To the extent the URA develops this

garage, the land will be removed from the Option Area, the number of parcels for purposes of Section 1.5(b) will be reduced, and the Optionee will not have "earned" any Development Fund moneys as result of the development. To the extent the URA owns and develops this garage, the minimum height requirements will not apply to Parcel 10.5.

3.3 All Other Improvements. Other than as described in 3.1 and 3.2 above, all other improvements to the Property, including but not limited to utility tap in fees, shall be the responsibility of and the cost of the Optionee.

3.4 SEA. The parties recognize and agree that Optionor has or will assign its obligations to construct the improvements referred to in Sections 3.1 and 3.2 to the SEA and that the SEA will assume Optionor's obligations thereunder. Optionee consents to and acknowledges such assignment to and assumption by the SEA; provided, however, Optionor shall remain contingently liable for the SEA's full and complete performance of such obligations.

The Optionor will cause the SEA to enter into an agreement, which will provide that during the Option Term, so long as SEA owns the North Shore Riverfront Park, SEA will not construct any material, permanent improvements on the portion of the North Shore Riverfront Park fronting the Option Area, other than public facilities servicing the North Shore Riverfront Park, and, without the prior written consent of Optionee (which consent shall not be unreasonably withheld), will not grant, access easements through that portion of the North Shore Riverfront Park to any commercial facility intending to permanently attach or dock at the river's edge except docks, wharves and other like structures constructed by or permitted by the City of Pittsburgh to service water taxies and other forms of public transportation and transient, non-commercial, recreational watercraft. SEA, Optionor and Optionee agree that it may be desirable to cause an assessment district and/or maintenance association covering the Property and North Shore Riverfront Park to be established under terms and conditions and for such purposes to be discussed, and the parties intend to explore such opportunities (without being bound), generally to deal with maintenance, marketing and programming of the Option Area and the North Shore Riverfront Park (with a financial commitment by Optionee).

3.5 Failure to Build Required Garages. If Optionor fails to commence construction of either required Garage within one year of the applicable Trigger Date, and Optionee is otherwise in compliance with this Agreement, Optionee may exercise the remedy set forth in this Section 3.5 (the "**Self-Help Remedy**"); provided, however, that the date within one year of the applicable Trigger Date shall be extended as provided for Option Periods in Section 4.6 below. The exercise of the Self-Help Remedy is an exclusive remedy, and shall be in lieu of all other rights or remedies available to Optionee. Upon notice of exercise of the Self-Help Remedy, the applicable Garage Parcel shall become part of the Option Property under and subject to the following: (a) Optionee may exercise the option to purchase the applicable Garage Parcel no later than 10 months after the exercise of the Self-Help Remedy (with no extensions) and the garage must be completed within 18 months after notice of exercise of the Self-Help Remedy; (b) Optionee must Take-Down all of the applicable Garage Parcel and not a portion thereof; (c) the exercise of the Self-Help Remedy will have no effect on the Development Fund and Optionee will not be entitled to any portion of the Development Fund based upon Optionee's Take-Down of applicable Garage Parcel; (d) the applicable Garage Parcel will be conveyed

subject to a covenant which will run with the land that for a period of at least 50 years, the applicable Garage Parcel will be used solely for the purpose of the Parking Garage and no other purpose. If a Reconveyance Event, as hereafter determined, occurs, then Optionor (or its assigns) will have a right to purchase Garage Parcel for the fair market value of the Garage Parcel (as defined by an appraiser selected by Optionor). A "**Reconveyance Event**" will be a failure by Optionee to operate the Required Garage for a period of 60 continuous days (except for casualty or condemnation). If Optionee exercises the Self Help Remedy and builds the Garage in accordance with this section, the moneys which would have been available to Optionor pursuant to Section 3.2(c) or Section 5.9 shall be transferred to Optionee (but not to exceed the cost of the construction of the Required Garage).

If Optionee does not exercise any remedy with respect to a failure of the Optionor to timely build a required garage, including the Self-Help Remedy, such Garage Parcel shall be subject to a right of first refusal in favor of Optionee, as follows: if Optionor offers to sell such Garage Parcel to a third party on terms substantially more favorable to the purchaser than those set forth in this Agreement at any time on or before May 31, 2012, Optionor shall provide Optionee with a right to purchase such Tract on the terms offered to such third party, which right shall be exercised within thirty (30) days after written notice. A failure to exercise such right within such thirty (30) day period shall be a waiver of such right. In no event shall a Garage Parcel be sold to a third party prior to May 31, 2012 for use other than as a Required Garage.

IV. TAKE DOWN SCHEDULE

4.1 Notice to Optionor of Take Down Tract. By the date which is no later than ten (10) months prior to the end of the applicable Option Period (except July 1, 2003 in the case of the first Option Period), Optionee shall notify Optionor in writing of the Tract(s) which Optionee intends to Take Down during the Option Period (a "**Take Down Notice**") provided that, except with respect to the first Take Down, in no event shall a Take Down Notice for a Tract be given later than ninety (90) days prior to the Closing Date with respect to such Tract.

4.2 Subdivision Plan. If a Tract is not a legally subdivided parcel, Optionee shall, at Optionee's cost, prepare a subdivision plan with respect to such Tract as development is planned ("**Subdivision Plan**"). The Subdivision Plan, together with a timetable for applicable governmental approvals, shall be submitted to Optionor for approval by a date not later than the date eight (8) months prior to the end of the relevant Option Period (except July 1, 2003 in the case of the first Option Period). The Subdivision Plan will, among other things, divide the Property into developable Tracts. The exact lot lines for the Tracts, the location of accessways and all other material matters depicted on the Subdivision Plan must be acceptable to Optionor, in its reasonable and good faith determination, and shall be subject to Optionor's prior written approval, which approval shall not be unreasonably withheld, conditioned or delayed. Failure of Optionor to approve or comment on the Subdivision Plan within forty-five (45) days (fifteen (15) days in the case of the first Take Down) from the date of submission to Optionor shall be deemed approval of the Subdivision Plan as submitted.

Once such approval has been given, Optionee, on behalf of Optionor, shall submit the Subdivision Plan for preliminary approval to the proper governmental officials and

thereafter the subdivision application and approval process shall be diligently pursued by Optionee (and, in any event, within the schedule submitted to Optionor subject to delays not caused by Optionee, Developer or their agents, employees or contractors). All costs related to the subdivision shall be the responsibility of Optionee. Optionor shall cooperate with Optionee in connection with the subdivision approval process and shall execute such forms and applications as may be necessary as the owner of the Tract. To the extent a delay in approval of the Subdivision Plan delays a Closing on a Tract, and such delay is not caused in whole or in part by Optionee, Developer, or their agents, employees or contractors, the Option Period related thereto shall be extended by the period of the delay as provided in Section 4.6 below; provided, however, that upon a final decision (whether favorable or not) with respect to that Tract, Optionee must close on the Tract or another Tract within four (4) months; provided, further, that an appeal pending with respect to the Subdivision Plan does not delay the start of the next Option Period. The next Option Period shall begin on the date the applicable Option Period would have ended but for the extension due to the appeal of the Subdivision Plan.

4.3 Site Improvement Plan etc. By the date which is four (4) months prior to the end of each Option Period (except by July 1, 2003 in the case of the first Option Period), Optionee shall exercise the option with respect to one or more Tracts, which in the aggregate meet the Take Down Increment, by providing written notice thereof to Optionor of the exercise with respect to specific Tracts. Such notice shall be accompanied by an updated title report with respect to Tract to be Taken Down. In addition, Optionee shall submit to Optionor for its approval the following with respect to such Tract or Tracts by such date (except July 1, 2003 in the case of the first Option Period) (collectively, when approved by the Optionor, the "**Site Improvement Plan**"):

(a) site plan showing Optionee's proposed development project and plans for the Tract, including, at a minimum, the detail set forth on **Exhibit G** hereto;

(b) evidence that all necessary zoning, subdivision and land use approvals have been requested or applied for from the appropriate governmental bodies;

(c) a financing plan;

(d) proposed use or uses, floor plans, site signage;

(e) construction plans, specifications, progress schedule, identity of contractor and architect, or if not available, such information in this regard as is reasonably acceptable to Optionor.

Optionee also agrees to provide final uses, floor plan, site signage, construction plans, specifications, progress schedule and identity of contractor and architect when available but in no case later ten (10) days prior to the Closing.

The Site Improvement Plan is subject to the prior review and approval of the Optionor. The scope of such review is limited to (i) compliance with the Development Plan, the Master Plan, the Design Guidelines and the terms of this Agreement, (ii) assessment of the

likelihood that the development of the Tract will be completed as proposed considering, inter alia, financial factors (including the financial strength of the guarantor under the completion guaranty referred to in Section 5.7 hereof) and land use approvals needed and (iii) complementing, supporting and not interfering with the development on the North Shore including, but not limited to, the ballpark, the stadium, the North Shore Riverfront Park and the Amphitheater. The parties agree that they will negotiate seriously and in good faith, using reasonable efforts, to reach agreement on a Site Improvement Plan acceptable to both parties. Commencing on the Third Take Down Tract and continuing for each Take Down Tract thereafter, Optionor will not unreasonably withhold Optionor's consent to a proposed Site Improvement Plan under Subsection (iii) above based upon the architecture, signage or iconography if any of such matters are consistent with such matters in the first two (or any subsequent) Take-Down Tracts (as reasonably determined by Optionor). Optionor agrees to review and either approve or comment on a Site Improvement Plan within thirty (30) days (fifteen (15) days in the case of the first Take Down) of receipt from Optionee. In the event that Optionor fails to approve or comment on the Site Improvement Plan within the said thirty (30) day period, then such shall be deemed to have been approved by Optionor as submitted. In the event that Optionor does comment on the Site Improvement Plan, Optionee shall, in response, revise the Site Improvement Plan and resubmit it to the Optionor within fifteen (15) days. Optionor will approve or comment on the revised information within fifteen (15) days. Failure of Optionor to comment or approve the revised Site Improvement Plan within the fifteen (15) days will constitute a deemed approval. In the event the parties are unable to agree by this date, either party may submit the dispute to arbitration in accordance with Section 8.16 below. Such process, however, does not extend the requirement of Optionee to accomplish matters with respect to the Tract by the required Take Down date, unless the matter is submitted to arbitration. If submitted to arbitration, the required Take Down date, and each deadline or delivery requirement with respect to such Take Down or Option Period will be extended on a day for day basis for each day from the date of the submission to arbitration until receipt of the decision, provided, however, that such extension will not delay the start of the next Option Period. The next Option Period shall begin on the date the Delayed Option Period would have ended but for the extension due to the dispute regarding the Site Improvement Plan.

Optionor shall reasonably cooperate and take reasonable actions to assist Optionee in obtaining necessary approvals with respect to any applicable zoning, building or land use laws.

4.4 Government Approvals. Optionee shall diligently take all actions reasonably necessary to obtain all governmental, regulatory and administrative approvals required by applicable Governmental Authorities to permit the development of each Tract by Optionee in accordance with the Take Down Schedule set forth on **Exhibit C** (collectively, "**Governmental Approvals**"). All drawings, plans and specifications prepared by Optionee, and all work by Optionee with respect to the development of the Tract and construction of improvements thereon, shall be in conformity with all Laws. Except as otherwise specifically set forth in this Agreement, Optionee shall be responsible for all costs and expenses associated with its activities under this Agreement including obtaining the Governmental Approvals. Optionor shall cooperate with Optionee in connection with Optionee's Governmental Approval process and

shall execute such forms and applications as may be necessary as the owner of the Tract. Optionee agrees to keep Optionor advised of the status of the Governmental Approval process by submitting to Optionor, upon Optionor's request, a written status report.

4.5 MBE/ WBE. Optionee will and will require the Developer to make good faith efforts to provide for participation of minority and women's business enterprises in the development of the Property.

4.6 Delay in Governmental Approval. Anything to the contrary in this Agreement notwithstanding, the expiration of an Option Period (and each deadline or delivery requirement in connection with such Option Period) may be extended on a day for day basis for each day in excess of sixty (60) days after the date that any substantially complete and reasonable request for land use approval, zoning approval or other local governmental approvals (including, without limitation, any request(s) for issuance of building permits(s)) is pending with the City of Pittsburgh or other relevant local government authority; provided that the "in excess of sixty (60) days" shall not be applicable with respect to the first Option Period. In order to receive such an extension, Optionee must request the extension in writing, Optionee must have complied with an application and approval schedule approved in advance by Optionor and Optionee must continually and diligently pursue such approval during the extension period. Optionor shall not deny such extension request so long as Optionee complies with the terms of this Section 4.6. The delay as described herein shall not delay the start of the next Option Period. The next Option Period shall begin on the date the Delayed Option Period would have ended but for the extension due to the delay in the receipt of the use approval.

4.7 Easements. Optionor agrees to cooperate with Optionee in granting easements across the Property for the purpose of providing utilities to Tracts, as requested, provided that such easements do not adversely affect the value of the affected Property or the developability thereof, as determined by Optionor in Optionor's sole and absolute discretion. Optionor will consider requests from Optionee for construction easements and conditions related thereto, including compensation, on a case-by-case basis.

V. TERMS OF SALE OR GROUND LEASE

5.1 Closings. The consummation of the purchase and sale or ground lease of a Tract (a "**Closing**") shall take place prior to expiration of the Option Period then in effect and at a time and location mutually acceptable to the parties. In the case of the purchase by Optionee of a Tract, Optionee shall pay to Optionor, at the Closing, by immediately available funds, the Purchase Price of the Tract being purchased, plus or minus prorations and credits.

5.2 Title Update. Prior to each Closing, the Optionee may cause the title commitment delivered to Optionor pursuant to Section 2.1 to be updated for the relevant Tract by the title company and brought down to the Closing Date. On each Closing Date, Optionee may cause the title company to issue a title insurance policy at Optionee's cost insuring Optionee's fee simple title to or ground leasehold interest in the Tract as of the Closing Date, in accordance with the title commitment together with such endorsements as shall be desired by Optionee. The failure to obtain such title insurance policy shall not relieve Optionee of its obligation to Take Down the

Tract.

5.3 State of Title to be Delivered at Closing. (a) In the case of the purchase by Optionee of a Tract, Optionor shall deliver at the Closing a special warranty deed (in the form attached as hereto **Exhibit H**) to Optionee in recordable form, conveying to Optionee good and marketable fee simple title in and to the Tract, subject, however, to all Permitted Exceptions (as defined below). The deed will contain any environmental disclosures required by Applicable Law, as reasonably determined by Optionor (subject to approval by Optionee, not to be unreasonably withheld), and will reflect the provisions of Sections 5.7, 6.3(b) and 6.4. In the case of the ground leasing by Optionee of a Tract, Optionor and Optionee shall execute and deliver, at the Closing, a ground lease in a form agreed to by the parties and meeting the requirements set forth in Section 5.7 below, and Optionor shall deliver possession of the leasehold estate free and clear of all liens, encumbrances, restrictions and reservations to Optionee, subject only to Permitted Exceptions.

"Permitted Exceptions" shall mean (i) all matters which would be shown in an accurate and complete title commitment or on an accurate and complete survey for the Property (except for a monetary lien or judgment against the Property as set forth in Section 5.3(c) below), (ii) all matters and items shown on the Master Plan, Development Plan, Subdivision Plan or the Site Improvement Plan, (iii) all non-monetary matters which the title company is willing to insure over without additional premium or indemnity and which, in the exercise of Optionee's reasonable business judgment, do not have a material adverse impact on the ownership or leasing, operation, or value of the Tract or the leasehold estate in the Tract, as the case may be, (iv) applicable zoning ordinances, (v) all easements, utility lines including water, gas, electric, cable and other services existing on the Effective Date, (vi) all standard pre-printed title exceptions contained in Schedule BII of the title commitment; provided, however, that Optionor shall be obligated to execute an affidavit at each Closing in the form of **Exhibit L**, (vii) all matters caused, permitted or created by Optionee or its affiliates, (viii) all public roads and right of ways, (ix) all federal, state and local laws, statutes, ordinances, resolution and administrative regulation, (x) such other matters affecting title to the Tract as are permitted hereby or approved or accepted by Optionee in writing prior to the Closing, (xi) the Subway or potential Subway, including without limitation, all rights, privileges, easements and conveyances related to or in connection therewith and (xii) those matters identified on **Exhibit I**.

(b) With respect to a Tract to be deeded, any mortgage or deed of trust granted or assumed by Optionor and encumbering a Tract (an **"Optionor Mortgage"**) will be satisfied or released by Optionor on or prior to the Closing Date for such Tract, or if not so satisfied or released, shall be satisfied or released at the Closing out of the proceeds otherwise payable to Optionor.

(c) *Monetary liens.* With respect to any Tract on which a monetary lien or judgment exists at the Closing, Optionor shall discharge the same out of the proceeds of the sale, allow a credit to Optionee against the Purchase Price or Rent in the amount of such lien or judgment sufficient to enable Optionee to satisfy such lien or judgment in full, or take such other action(s) reasonably acceptable to Optionee's title insurance company (including, without limitation, provide an indemnity or other security reasonably satisfactory to the title company).

(d) *Other title issues and updated Reports*. Between the Effective Date and each Closing, except as otherwise provided in this Agreement (including, without limitation, Sections 1.7 and 8.1 hereof), Optionor shall not grant any easements, rights-of-way or licenses over or with respect to the Property which would survive the Closing without the Optionee's prior written consent (such a grant without prior consent is sometimes referred to herein as a "**Prohibited Encumbrance**"). Prior to each Closing, Optionee shall have the option to obtain an updated title report. If a Prohibited Encumbrance or an unrecorded easement, right of way, license, encumbrance or other agreement which was not otherwise disclosed on the original title commitment (an "**Undisclosed Matter**") is disclosed prior to Closing (other than Permitted Exceptions or monetary liens which shall be satisfied by Optionor pursuant to Section 5.3(c) above) and as a result such Tract(s) is not suitable for Optionee's development project, Optionee shall give Optionor written notice of such Prohibited Encumbrance or Undisclosed Matter. In such case, Optionor shall have the right, in its sole and absolute discretion, to cure such Prohibited Encumbrance or Undisclosed Matter, and the Option Period shall be extended on a day to day basis until such cure is effected. If Optionor fails to cure the Prohibited Encumbrance or Undisclosed Matter, Optionee will have the right, as its sole and exclusive remedy, to either (i) remove the affected Tract from the Property, and in the event of a Prohibited Encumbrance the Optionor will pay Optionee for the Damages it has incurred resulting from the affected Tract (not to exceed $150,000) or (ii) continue with the Closing in which event the Optionee shall take the Tract subject to the Prohibited Encumbrance or Undisclosed Matter, as the case may be, with a reduction in the purchase price (only in the case of a Prohibited Encumbrance) solely for such Tract (but not less than zero) in an amount, reasonably agreed upon which is (A) the cost necessary to remove the Prohibited Encumbrance if the Prohibited Encumbrance is likely to materially adversely affect the Development Plan or (B) the lesser of (1) the reduction in the value of the affected Tract or (2) the cost necessary to remove the Prohibited Encumbrance, if the Prohibited Encumbrance is not likely to materially adversely affect the Development Plan.

5.4 Prorations and Adjustments. Water and sewer rents, assessments, rentals, taxes, utility charges (based on meter readings ordered by Optionor or invoices, as appropriate), premiums on existing insurance policies, if assigned to and accepted by Optionee, with respect to the Tract shall be prorated and adjusted as of the Closing Date.

5.5 Closing Costs. Charges incident to the recording of the deeds shall be paid by Optionee. The cost of documentary transfer taxes and deed stamps will be paid by the Development Fund, to the extent funds are then available therein, and to the extent there are insufficient funds in the Development Fund, any additional amounts due and owing will be paid by Optionee. Optionor and Optionee agree to execute any real estate transfer declarations required by the state, county or municipality in which the Property is located. Each party shall be responsible for the fees and expenses of its respective legal counsel and any brokers employed. All other cost of the Closing shall be paid by Optionee.

5.6 "As Is" Purchase or Lease. EXCEPT AS PROVIDED IN THIS AGREEMENT, OR IN A DEED, OR A GROUND LEASE, IT IS AGREED THAT THE PROPERTY SHALL BE AND IS CONVEYED BY OPTIONOR AND ACCEPTED BY OPTIONEE "AS IS" "WHERE IS" AND WITH ALL FAULTS AND THAT EXCEPT AS

PROVIDED HEREIN OR IN A DEED OR A GROUND LEASE FOR A TRACT, OPTIONOR IS MAKING NO REPRESENTATIONS OR WARRANTIES REGARDING THE CONDITION OF THE PROPERTY, INCLUDING BUT NOT LIMITED, TO THE PRESENCE OF REGULATED SUBSTANCE, THE DEVELOPMENT POTENTIAL OF THE PROPERTY OR ITS SUITABILITY FOR ANY PARTICULAR USE OR PURPOSE, NOR REGARDING COMPLIANCE OF THE PROPERTY OR THE USE THEREOF WITH ANY APPLICABLE ZONING, BUILDING OR LAND USE LAWS OR OTHER LAWS OR ORDINANCE, NOR REGARDING THE COMPLIANCE OF THE PROPERTY WITH ANY PRIOR, CURRENT OR FUTURE ENVIRONMENTAL LAWS, NOR, REGARDING THE PHYSICAL CONDITION OF THE PROPERTY, INCLUDING SOILS AND GEOLOGY, GROUNDWATER OR SURFACE WATER, OR OF ANY STRUCTURES, IMPROVEMENTS, FIXTURES OR EQUIPMENT CONSTITUTING A PART THEROF, NOR REGARDING ANY LICENSES, PERMITS, AUTHORIZATIONS OR BONDS THAT BUYER MAY NEED TO OBTAIN TO OWN, LEASE OR USE THE PROPERTY IN ACCORDANCE WITH ITS EXISTING OR ANY CONTEMPLATED USES, OPERATIONS, CONSTRUCTION DEVELOPMENT OR ACTIVITIES, NOR REGARDING WHETHER THE PROPERTY MAY BE SITUATED IN A FLOOD HAZARD ZONE AS DESIGNATED ON ANY SPECIAL FLOOD ZONE AREA MAP, NOR REGARDING WHETHER ANY PORTION OF THE PROPERTY CONSISTS OF WETLANDS AS DEFINED AND REGULATED UNDER APPLICABLE ENVIRONMENTAL LAWS, NOR, WHETHER ANY PORTION OF THE PROPERTY INCLUDES OR CONSISTS OF AN ENVIRONMENTALLY SENSITIVE AREA, NOR EXCEPT AS OTHERWISE PROVIDED IN THIS AGREEMENT, REGARDING ANY OTHER MATTER OR THING WHATSOEVER, IT BEING UNDERSTOOD THAT OPTIONEE HAS OBTAINED ITS OWN INDEPENDENT ASSURANCES AS TO ALL SUCH MATTERS TO SUCH EXTENT AS OPTIONEE, IN ITS DISCRETION BUT IN ACCORDANCE WITH CURRENT COMMERCIAL OR CUSTOMARY PRACTICES, HAS DEEMED NECESSARY OR APPROPRIATE. OPTIONEE ACKNOWLEDGES THAT IT IS ENTERING INTO THE PURCHASE OF THE PROPERTY ON THE SOLE BASIS OF OPTIONEE'S OWN INDEPENDENT INVESTIGATION AND INSPECTION OF THE CONDITION OF THE PROPERTY AND A REVIEW OF ALL REASONABLY ASCERTAINABLE INFORMATION RELATING OR PERTAINING TO THE PROPERTY, AND EXCEPT AS OTHERWISE SET FORTH IN THIS AGREEMENT, ANY DEED OR GROUND LEASE, OPTIONEE ASSUMES THE RISK THAT ADVERSE CONDITIONS MAY HAVE NOT BEEN REVEALED BY ITS OWN INVESTIGATION, INSPECTION OR REVIEW OF ALL SUCH REASONABLY ASCERTAINABLE INFORMATION. OPTIONEE FURTHER ACKNOWLEDGES THAT EXCEPT AS OTHERWISE PROVIDED IN THIS AGREEMENT, ANY DEED OR ANY GROUND LEASE, OPTIONOR, OPTIONOR'S PREDECESSOR IN TITLE, OPTIONOR'S AGENTS AND ANY OTHER PERSONS ACTING ON BEHALF OF OPTIONOR, HAVE MADE NO REPRESENTATION OR WARRANTY OF ANY KIND IN CONNECTION WITH ANY MATTER RELATING TO THE CONDITION, VALUE, FITNESS OR USE OF THE PROPERTY UPON WHICH OPTIONEE HAS RELIED DIRECTLY OR INDIRECTLY FOR ANY PURPOSE.

EXCEPT AS OTHERWISE SET FORTH IN THIS AGREEMENT, INCLUDING WITHOUT LIMITATION SECTION 2.4 HEREOF OR IN ANY DEED, ANY ENVIRONMENTAL

AGREEMENT AND COVENANT NOT TO SUE FOR ANY PARTICULAR TRACT, OR GROUND LEASE, OPTIONEE HEREBY WAIVES, RELEASES, REMISES, ACQUITS AND FOREVER DISCHARGES OPTIONOR, OPTIONOR'S PREDECESSOR IN TITLE AND OPTIONOR'S AGENTS OR ANY OTHER PERSONS ACTING ON BEHALF OF OPTIONOR OF AND FROM ANY CLAIMS, CAUSES OF ACTION, ACTIONS, ASSESSMENTS, DEMANDS, RIGHTS, LIABILITIES, LOSSES COSTS, DAMAGES, EXPENSES DEFICIENCIES OR COMPENSATION WHATSOEVER, DIRECT OR INDIRECT, KNOWN OR UNKNOWN, FORESEEN OR UNFORESEEN, REGARDLESS OF WHETHER ANY ARISES BY VIRTUE OF COMMON LAW, ENVIRONMENTAL LAWS, OR ANY OTHER LAW, STATUTE, ORDINANCE, RULE, REGULATION OR OTHERWISE ASSOCIATED WITH THE CONDITION OF THE PROPERTY, THE PRESENCE OF REGULATED SUBSTANCES ON, IN OR EMANATING TO OR FROM THE PROPERTY, THE COMPLIANCE OF THE PROPERTY WITH ANY PRIOR, CURRENT OR FUTURE LAWS OR ANY LAW, STATUTE, ORDINANCE, RULE OR REGULATION APPLICABLE THERETO, WHETHER FEDERAL, STATE OR LOCAL. THIS SECTION 5.6 SHALL BE BINDING ON OPTIONEE, DEVELOPER AND SUCCESSOR OWNERS AND GROUND LESSEES OR TENANTS AND ALL SUCCESSORS AND ASSIGNS THEREOF. THIS SECTION 5.6 WILL BE REFLECTED IN THE DEED.

5.7 Construction. (a) Optionee shall commence or cause to be commenced construction on a Tract in accordance with the approved Site Improvement Plan and shall cause the Developer or the ground lessee of the applicable Tract to provide to Optionor a guaranty that construction will be commenced and completed in accordance with the Site Improvement Plan. The guaranty will be in a form and substance substantially similar to that typically required by a commercial lender in connection with construction financing, and reasonably acceptable to Optionor. The commencement guaranty will be delivered at the Take Down and the completion guaranty (**"Completion Guaranty"**) will be delivered to Optionor within (60) days after the Closing Date with respect to the applicable Tract (and no later than simultaneously with the delivery of the Completion Guaranty to the construction lender for the applicable Tract (**"Construction Lender"**)). Should Optionee fail to complete a construction contract with a firm date and commence or cause to be commenced construction on the applicable Tract within sixty (60) days after the Closing Date (a **"Commencement Default"**), or fail to substantially complete or cause to be substantially completed, construction on the applicable Tract in accordance with the approved Site Improvement Plan within twenty-four (24) months after the Closing Date for the Applicable Tract (the **"Completion Default"**) subject at all times and in either case to Section 8.8 of this Agreement, entitled "Force Majeure", and if such failure to commence or to complete, as the case may be, is not cured or remedied within thirty (30) days with respect to a Commencement Default or six (6) months with respect to a Construction Default, as applicable, after written demand delivered to Optionee and the guarantors by Optionor to do so (the **"Demand Notice"**), then Optionor shall have the right to: (i) with respect to a Commencement Default, as its sole right and remedy, to terminate this Agreement with respect to Optionee's right to Take Down additional Tracts and reenter and take possession and/or title of the Tract in question (the **"Revesting Event"**) in accordance with Subsection 5.7(b) below; and (ii) with respect to a Completion Default, as its sole right and remedy, to terminate this Agreement with respect to Optionee's right to Take Down Additional Tracts and sue under the Completion Guaranty and enforce its rights thereunder; provided, however, that (A) prior to exercising any

rights under this Section 5.7, Optionor will first give any mortgage holder of the affected Tract (including, without limitation, any leasehold mortgagee) reasonable notice of the Commencement Default or the Completion Default, as the case may be, and an opportunity to cure in the same amount of time and (B) Optionor will not terminate this Agreement on account of a Completion Default if and so long as the Optionee is diligently pursuing its remedies under the completion guaranty of the Developer in favor of Optionee, as such guaranty is required under the Development Agreement, and is provided to the Optionor at the Take Down, with information provided to Optionor regarding Optionee's pursuit of the Optionee's completion guaranty given to Optionor from time to time upon request by Optionor as a condition to this extension, provided that in no event shall the date for such delay in Optionor's termination of this Agreement be extended later than 12 months after the applicable Demand Notice and (C) so long as a Commencement Default or a Completion Default has occurred and is continuing, at the Optionor's option, the Optionee may not Take-Down any Tracts (with no delay in the applicable Option Periods). If the Take-Down is a Ground Lease of the applicable Tract, the Revesting Event shall include a termination of the applicable Ground Lease. Upon commencement of construction on the applicable Tract, Optionor will execute and record an instrument stating that the applicable Tract is no longer subject to the reconveyance right. Optionee and the Developer shall execute any and all documents reasonably requested by Optionor to effect this Section at the applicable Closing. The rights set forth in this Section shall be contained in the applicable Deed, and the Deed shall expressly provide that such covenants will run with the land and will be enforceable by the Optionor, and enforceable against the Optionee or the Developer, and their successors and assigns to or of the Property or any part thereof or any interest therein. The Developer or its architect shall notify the Optionor in writing five (5) days prior to the commencement of construction.

(b) Upon a Revesting Event, Optionor may re-enter and take possession of the Tract which is subject to the Commencement Default (the "**Revesting Tract**") and to terminate (and revest in the Optionor) the estate conveyed by the Deed, it being the intent of this provision that the conveyance of the Revesting Tract shall be made subject to, and that the Deed shall contain, a condition subsequent to the effect that in the event of the Revesting Event, the Optionor, at its option, may declare a termination in favor of the Optionor of the title and of all the rights and interests in and to the Revesting Tract, and that such title and all rights and interests of the Developer, and any successors and assigns in interest to and in the Revesting Tract, shall revert to the Optionor; provided, that such condition subsequent and any revesting of title as result thereof in the Optionor shall always to subject to and limited by, and shall not defeat, render invalid, or limit in any way the lien of a Permitted Mortgage. A "**Permitted Mortgage**" is a mortgage placed on the Tract by the purchaser of the Tract securing a loan of a portion of the Purchase Price (and no other obligations) from an independent third party, provided that the amount of such mortgage shall not exceed the Purchase Price. Except as provided below, upon the revesting in the Optionor of title to the Revesting Tract or any part thereof as provided herein, the Optionor shall use its commercially reasonable efforts to resell the Revesting Tract or part thereof (subject to the Permitted Mortgage) as soon and in such manner as the Optionor shall find feasible and consistent with the objectives of Optionor to a qualified and responsible third party or parties (as determined by the Optionor). Upon such resale of the Revesting Tract, the proceeds thereof shall be applied:

(1) First, to reimburse the Optionor for all costs and expenses incurred by the Optionor, including, but not limited to, salaries of personnel, in connection with the recapture, management, and resale of the Revesting Tract or part thereof (but less any income derived by the Optionor from the Revesting Tract or part thereof in connection with such management); all taxes, assessments, and water and sewer charges with respect to the Revesting Tract or part thereof (or, in the event the Revesting Tract is exempt from taxation or assessment or charges during the period of ownership thereof by the Optionor, an amount, if paid, equal to such taxes, assessment, or charges [as determined by the appropriate assessing official] as would have been payable if the Revesting Tract were no so exempt); any payments made or necessary to be made to discharge any encumbrances or liens existing on the Revesting Tract or part thereof at the time of revesting of the title thereof in the Optionor or to discharge or prevent from attaching or being made any subsequent encumbrances or liens due to obligations, defaults, or acts of the Optionor or Developer, their successors or transferees; any expenditures made or obligations incurred with respect to the making or completion of the improvements or any part thereof on the Revesting Tract or part thereof, and any amounts otherwise owing the Optionor by the Optionee, Developer or their successors or transferees; and

(2) Second, to reimburse the Optionee, the Developer, their successors or transferees, up to the amount equal to: (i) the sum of the Purchase Price paid by it for the Revesting Tract (or allocable to the part thereof), including without limitation, the payment of any ground rent under any applicable Ground Lease (less the portion of the Development Fund actually paid to Optionor as it relates to the Revesting Tract) and the cash actually invested by any of them in making any of the improvements on the Revesting Tract or part thereof, less (ii) any gains or income withdrawn or made by them from Revesting Tract. Any balance remaining after such reimbursements shall be retained by the Optionor as its property.

Notwithstanding the foregoing, Optionor may, at any time within one (1) year after the Revesting Event, determine that Optionor does not wish to resell the Revesting Tract, in its sole and absolute discretion, in which event Optionor shall pay to Optionee the Purchase Price (including, without limitation, the payment of any ground rent under any applicable Ground Lease) for the Revesting Tract less the sum of (A) the portion of the Development Fund actually paid with respect to such Revesting Tract and (B) the amounts identified in Subsection 5.7(b)(1) above.

5.8 Terms of Ground Lease. (a) Each Ground Lease will include the terms provided for in Section 5.7, 6.3, and 6.4 hereof. The term of each Ground Lease shall be 99 years, with the right to purchase at anytime in fee simple at the price set on **Exhibit E** attached hereto and made a part hereof. The rent shall be as set forth on Exhibit E. Optionee is responsible to pay all real estate taxes, assessments and other charges assessed against the leased property. Transfer taxes shall be paid from the Development Fund (if funds are available), otherwise by the Optionee.

(b) Optionee shall have the right to enter into agreements with utility companies and governmental agencies creating easements in favor of such utility companies or governmental agencies in order to service any improvements on the leased premises, and Optionor covenants and agrees to consent thereto and to execute any and all documents and to

undertake any and all actions in order to effectuate the same, as long as same do not materially adversely affect the Optionor or the Property.

(c) Subject to the limitations set forth herein, Optionee shall have the right to assign a Ground Lease, or to sublet all or any portion of the leased premises, provided that (i) subsequent to any such subletting Optionee remains primarily liable for the payment and performance of Optionee's obligations under the Ground Lease and, (ii) in the case of an assignment, the assignee shall assume all of Optionee's liabilities and obligations under the Ground Lease and Optionee shall be fully relieved of all liabilities and obligations under the lease arising from and after the date of such assignment. Optionee shall send the Optionor a copy of any sublease or assignment and assumption agreement within fifteen (15) days after the full execution and delivery thereof by Optionee and the subtenant or assignee, and Optionor shall be obligated to enter into a non-disturbance and recognition agreement with the subtenant of an affected Tract provided that such subtenant executes a subordination agreement in form and substance satisfactory to Optionor. In all events, any assignee or subtenant shall agree to be bound by the Development Plan, and applicable leases, and any assignee shall demonstrate financial viability acceptable to the Optionor, as determined by Optionor in its commercially reasonable judgment.

(d) Optionee shall at all times have the right to encumber by mortgage or other instrument in the nature thereof as security for any debt, all of Optionee's right, title and interest under the ground lease including, without limiting the generality of the foregoing, Optionee's right to use and occupy the premises together with its rights and interest in and to all building, improvements, and fixtures now or hereafter placed on the premises; in all respects, however, subordinate and inferior to the Optionor's rights, title, privileges and interests as may be provided in the lease; provided that Optionee shall, in no event, except as provided in Optionee's option to purchase the fee interest as set forth above, have the right to, in anyway encumber the Optionor's fee simple title and reversionary interest in and to the leased premises. Provided, however, that Optionor agrees that it shall enter into agreements reasonably requested by a lender to protect the interest of the lender in the leasehold estate. If required by Optionee or Optionee's mortgagee, a memorandum of the lease shall be executed and acknowledged by the parties, describing the premises and setting forth the term of the lease, which memorandum may be recorded at the cost and expense of Optionee. So long as any such leasehold mortgage is in effect, the following provisions shall apply: (i) the Optionor shall serve a copy of any notice of default required to be served on Optionee under the ground lease upon such leasehold mortgagee, (ii) in the event of a default by Optionee under any ground lease, a leasehold mortgagee shall, within the period allowed Optionee to cure such default, have the right to cure such default, and the Optionor shall accept such performance by or on behalf of such leasehold mortgagee as if the same had been made by Optionee, and (iii) upon the occurrence of an event of default, the Optionor shall take no action to terminate the ground lease without first giving to the leasehold mortgagee written notice thereof and a reasonable time thereafter within which either (A) to obtain possession of the lease premises and the improvements thereon or (B) to institute, prosecute, and complete foreclosure proceedings or otherwise acquire Optionee's interest in the lease. In the event the default is nonpayment of money, the payments due must be brought current, and the reasonable time shall be ten (10) business days.

(e) Prior to offering any part of the premises ground leased by Optionee for sale to third parties, the Optionor shall first notify Optionee of its intention to sell the parcel, and unless Optionee notifies the Optionor within one hundred and twenty (120) days that Optionee will purchase such parcel or parcels at the price set by the process in (a) above, the Optionee may sell the parcel or parcels to a third party, under and subject to the lease, and Team shall have no further right or option to purchase that parcel.

(f) The Ground Lease shall contain such additional terms and provisions as are commonly contained in commercial ground leases executed by sophisticated parties in the Pittsburgh area, as the parties hereto may reasonably agree; **PROVIDED HOWEVER, THAT (I) UNDER NO CIRCUMSTANCES SHALL THE OPTIONOR'S FEE SIMPLE INTEREST IN THE PROPERTY BE SUBORDINATE TO ANY LIENS, ENCUMBRANCES OR INTERESTS CREATED BY OR FILED AGAINST OPTIONEE, AND (II) OPTIONOR SHALL HAVE NO PERSONAL LIABILITY UNDER ANY OF THE TERMS, CONDITIONS OR COVENANTS OF THE GROUND LEASE, AND OPTIONEE SHALL LOOK SOLELY TO THE EQUITY OF THE OPTIONOR IN THE PROPERTY FOR THE SATISFACTION OF ANY CLAIM, REMEDY OR CAUSE OF ACTION ACCRUING TO OPTIONEE AS A RESULT OF THE BREACH OF THE GROUND LEASE BY OPTIONOR.**

5.9 Proceeds Escrow Funds. Optionor agrees to deposit sale and/or ground lease proceeds received with respect to the Property in a separate, segregated account of Optionor. Optionor agrees that it will expend those moneys only as follows: (a) $250,000, per garage, may be expended, at any time, for predevelopment and other costs related to the construction of Required Garages; (b) $750,000, per Roadway, may be expended, at any given time, for predevelopment, matching local share, and other costs related to the Roadways; (c) $400,000 may be expended, at any time, for costs related to the public spaces between Parcels 10 and 11, and between Parcels 12 and 13; and (d) upon Take Down of Tract 10.3, moneys equal to the projected parking revenues lost for that year due to the Take Down may be deposited to the Revenue Fund of the North Shore Parking Garage in order to obtain the necessary termination of the Mellon Pledge. In addition, to the above expenditures, (i) when construction begins, or financing is closed whichever is earlier, on the first Required Garage, all money then on hand in the fund may be expended, and (ii) when construction begins, or financing is closed, whichever is earlier, on the second Required Garage, all money then on hand may be expended and thereafter Optionor is no longer obligated to maintain the Proceeds Escrow Fund.

VI. REPRESENTATIONS, WARRANTIES AND COVENANTS

6.1 Representations and Warranties of Optionor. Optionor represents and warrants to Optionee, which representations and warranties are now and on the Closing Date shall be true and correct, as follows:

(a) Optionor is a municipal authority duly organized and validly existing under the laws of the Commonwealth of Pennsylvania.

(b) This Agreement and the other documents, instruments and agreements

required hereunder or contemplated hereby, and to be executed and delivered pursuant hereto, when executed and delivered by Optionor will have been duly authorized, executed and delivered by Optionor, and this Agreement constitutes and such other agreements and documents when executed and delivered by Optionor will constitute legal, valid and binding obligations of Optionor, enforceable against Optionor in accordance with their respective terms, except as the enforceability thereof may be affected by applicable bankruptcy, reorganization, insolvency, moratorium or similar laws affecting the enforcement of creditors' rights generally and the possible unavailability of certain equitable remedies, including the remedy of specific performance.

(c) Optionor has taken all necessary action to authorize and approve this Agreement, the consummation of the transactions contemplated hereby and the performance by Optionor of all of the terms and conditions hereof on the part of Optionor to be performed. The execution and delivery by Optionor of this Agreement and each and every other agreement, instrument, certificate or other documents to which Optionor is a party that is to be executed, delivered and performed by Optionor pursuant thereto and the consummation of the transactions contemplated hereby and thereby do not and will not: (i), to the best of Optionor's knowledge, violate any Law or any provision of any judicial or administrative order, award, judgment or decree applicable to Optionor, or (ii) conflict with any of the provisions of the constituent documents of Optionor.

(d) There is no litigation, at law or in equity, or any proceedings before any commission or other governmental authority, pending against Optionor or the Property which could reasonably be expected to impair the ability of Optionor to consummate the transactions contemplated by this Agreement.

6.2 Representations and Warranties of Optionee. Optionee hereby represents and warrants to Optionor, which representations and warranties are now and on the Closing Date shall be true and correct, as follows:

(a) Optionee is a duly organized and validly existing limited partnership under the laws of the Commonwealth of Pennsylvania.

(b) Optionee has taken all necessary action to authorize and approve this Agreement, the consummation of the transactions contemplated hereby and the performance by Optionee of all of the terms and conditions hereof on the part of Optionee to be performed. The execution and delivery by Optionee of this Agreement and each and every other agreement, instrument, certificate or other documents to which Optionee is a party that is to be executed, delivered and performed by Optionee pursuant thereto and the consummation of the transactions contemplated hereby and thereby do not and will not: (i) to the best of Optionee's knowledge violate any Law or any provision of any judicial or administrative order, award, judgment or decree applicable to Optionee, or (ii) conflict with any of the provisions of the constituent documents of Optionee.

(c) This Agreement and the other documents, instruments and agreements required hereunder or contemplated hereby, and to be executed and delivered pursuant hereto,

when executed and delivered by Optionee will have been duly authorized, executed and delivered by Optionee, and this Agreement constitutes and such other agreements and documents when executed and delivered by Optionee will constitute legal, valid and binding obligations of Optionee, enforceable against Optionee in accordance with their respective terms, except as the enforceability thereof may be affected by applicable bankruptcy, reorganization, insolvency, moratorium or similar laws affecting the enforcement of creditors' rights generally and the possible unavailability of certain equitable remedies, including the remedy of specific performance.

(d) There is no litigation, at law or in equity, or any proceedings before any commission or other governmental authority, pending or, to the knowledge of Optionee, threatened against Optionee which could reasonably be expected to impair the ability of Optionee to consummate the transactions contemplated by this Agreement.

6.3 Taxes.

(a) It is the expectation of the parties that each Take Down will be subject to real estate transfer taxes. Optionee agrees that it will not file for exemption from such tax.

(b) It is the expectation of the parties that from and after each Take Down each Tract will be subject to real estate taxes. The Optionee hereby agrees that neither it nor its assignees or transferees will file for any exemption from real estate taxes with respect to any Tract, for the period provided below. Moreover, if in any instance the Tract nevertheless becomes exempt from real estate taxes after Take Down of such Tract, it is agreed that the owner ground lessee shall pay to the affected taxing body, an annual payment equal to that which would have been due as real estate taxes had the property not been exempt. Such taxes shall be based on the fair market value of the land and all improvements constructed thereon. Optionee agrees that it will include this provision in any lease or transfer document it shall enter into with respect to any Tract, and further agrees that this provision shall be a covenant running with the land and shall remain in effect until May 31, 2053.

(c) The provisions of this Agreement are not intended to limit, with respect to any Tract, the Optionee's, owner's or ground lessor's ability to protest the amount of transfer taxes or real estate taxes.

(d) Optionee or its assignee or transferee will be responsible for the payment of all assessments and other charges which accrue with respect to a Tract after the Closing Date for such Tract, including, without limitation, fees incurred in connection with the widening of roads, traffic signals, installation of sewer lines and sanitary and storm drainage systems (the "**Infrastructure Impact Fees**"); provided that Optionee shall not be responsible for Infrastructure Impact Fees relating to the construction of the Roadways if and to the extent construction thereof is undertaken by Optionor in accordance with Section 3.1 hereof.

(e) Optionor will cause SEA to reasonably pursue acceptance of the dedication of North Shore Drive and West General Robinson Street and pending the acceptance, will be responsible for the maintenance of North Shore Drive and West General Robinson Street.

Optionor will and will cause SEA to consent to a subdivision of the Property to show existing roadways (excluding Art Rooney Way), or will enter into an easement agreement with Optionee, at no cost to Optionee, related to the roadways, and will be responsible for the maintenance of the roadways (including Art Rooney Way) until the dedication is accepted.

6.4 Surface Parking. The Tracts once Taken Down will not be used by Optionee, its assignees or transferees for any surface parking. This provision shall be a covenant running with the land and shall remain in effect until May 31, 2053 and will be included in the recorded deed or memorandum of lease with respect of each Tract.

6.5 Indemnity.

(a) Optionee will indemnify, defend and hold harmless the Optionor, SEA, the City of Pittsburgh and Allegheny County, and each of their respective elected officials, appointed officials, board members, officers, employees, agents and attorneys (collectively, the "**Optionor-Indemnified Parties**") for, and will pay to the Optionor- Indemnified Parties the amount of Damages, arising directly or indirectly from or in connection with:

(i) any claim by any person for Damages in connection with the violation of any Law by Optionee (or any of its members) with respect to activities pursuant to or otherwise related to this Agreement prior to the Closing of a particular Tract; or

(ii) any claim of any third party arising in any manner out of or related to the Optionee's (or any of its members) activities pursuant to or otherwise related to this Agreement other than any matter arising out of (x) a breach by the Optionor-Indemnified Party of any Law, (y) the gross negligence or willful misconduct of the Optionor-Indemnified Party, its employees, agents, representatives or contractors, except that this Section 6.5(a)(ii) shall not be applicable to Contamination which is subject to Section 2.4(a) above or (z) matters relating to a Tract after the Take Down of such Tract; or

(iii) a breach of a representation by Optionee pursuant to Section 6.2 above.

(b) Optionor will indemnify, defend and hold harmless the Optionee and its respective members, officers, employees, attorneys and agents (collectively, the "**Optionee-Indemnified Parties**") for, and will pay the Optionee-Indemnified Parties the amount of Damages arising, directly or indirectly, from or in connection with a breach of a representation by Optionor pursuant to Section 6.1 above.

(c) Simultaneously with the execution of this Agreement, Optionee will cause the Developer to deliver an indemnity to Optionor in the form of Section 6.5(a) relating to Developer's activities, which shall be in the form of **Exhibit J**, and shall cause any future Developer to deliver an agreement in substantially the same form.

VII. DEFAULT

7.1 Event of Default. The occurrence of any to the following events shall, at the non-defaulting party's option, constitute an event of default hereunder.

(a) The lease or purchase of a Tract is not consummated on the scheduled Closing Date (subject to any applicable extensions) due to Optionee's or Optionor's failure or refusal to close and all of the conditions to close as to the Tract have been satisfied or waived by the non-defaulting party and such is not consummated within thirty (30) days after written notice from the non-defaulting party;

(b) Optionee or Optionor shall become insolvent or unable to pay its debts as the same shall mature;

(c) Optionee or Optionor shall file a voluntary petition in bankruptcy or voluntary petition seeking reorganization or to effect a plan or an arrangement with or for the benefit of its creditors;

(d) Optionee or Optionee shall apply for or consent to the appointment of a receiver, trustee or conservator for any portion of its property or such appointment shall be made without its consent and shall not be removed within thirty (30) days following appointment or application;

(e) Default in the performance of any term, condition, covenant or agreement set forth in this Agreement and continuing for a period in excess of thirty (30) days (unless a greater or lesser period is specified herein) after written notice of the same to defaulting party;

(f) Any representation or warranty made by Optionee or Optionor shall prove false or misleading in any material respect when made;

(g) (i) (x) Default (after applicable notice and cure period) by PA under Section 14.1.2, 14.1.3, 14.1.4, or 14.1.8 of the Pirate Lease, or (y) default (after applicable notice and cure period) by PA under Section 14.1.1 (payment default) or failure to comply with Section 10.1 of the Pirate Lease, but in such cases if the violation or failure to perform is disputed, such will not be a default under this Agreement until thirty (30) days after the dispute is resolved or finally determined by an arbitrator, mediator or court of law, as applicable, or (z) any other default (after applicable notice and cure period) by PA under Section 14.1 of the Pirate Lease for which SEA has terminated the Pirate Lease;

(ii) (x) Default (after applicable notice and cure period) by PSSI under Section 14.1.2, 14.1.3, 14.1.4 or 14.1.9 of the Steeler Lease, or (y) default (after applicable notice and cure period) by PSSI under Section 14.1.1 (payment default) or failure to comply with Section 10.1 of the Steeler Lease, but in such cases if the violation or failure to perform is disputed, such will not be a default under this Agreement until thirty (30) days after the dispute is resolved or finally determined by an arbitrator, mediator or court of law, as applicable, or (z) any other default (after applicable notice and cure period) by PSSI under Section 14.1 of the Steeler

Lease for which SEA has terminated the Steeler Lease;

(h) The assignment of this Agreement in violation of the Section 8.6 hereof.

7.2 Optionor Remedies. (a) If Optionor declares an event of default by Optionee, then, except when Optionor's remedy is otherwise specifically set forth elsewhere in this Agreement, Optionor may (a) seek specific performance to the extent available (together with reasonable legal fees and costs in connection with pursuing specific performance if successful), or (b) terminate this Agreement and retain all "unearned" moneys of the Development Funds as well as all "earned" moneys not yet distributed from the Development Fund. These are the sole and exclusive remedies available to Optionor.

(b) Notwithstanding the foregoing, if Optionor declares an event of default for reasons described in Section 7.1(g), Optionor shall allow the Optionee a period of thirty (30) days in which to notify Optionor that the Optionee or its constituent partners other than:

(i) the partners which are affiliates of PA if the event of default occurs under Section 7.1(g)(i) (the "**PA Affiliated Partners**"), or

(ii) the partners which are affiliates of PSSI if the event of default occurs under Section 7.1(g)(ii) (the "**PSSI Affiliated Partners**"),

has (or have) undertaken the remedial actions under Section 3.9.3 and 3.9.5 of the Optionee Partnership Agreement to remove from the management, control and participation in the future Operation of the Optionee:

(i) the PA Affiliated Partner if the event of default occurs under Section 7.1(g)(i), or

(ii) the PSSI Affiliated Partner if the event of default occurs under Section 7.1(g)(ii),

and upon the Optionee's certification to the Optionor that such remedial actions have been undertaken Optionor shall consider the event of default under Section 7.1(g) to have been cured and this Agreement shall remain in effect as to the Optionee.

7.3 Optionee Remedies. If Optionee declares an event of default by Optionor, then, except when Optionee's remedy is otherwise specifically set forth elsewhere in this Agreement, Optionee, may, as its sole remedy, terminate this Agreement, in which event Optionee will have been considered to have Taken Down the Property, as applicable, only for the purpose of calculating the amount of earned Development Fund moneys in accordance with Section 1.5 hereof and such amount is due as liquidated damages and not as a penalty; provided, that in lieu of the foregoing remedy, Optionee may, as an alternate and exclusive remedy, pursue specific performance upon Optionor's failure to convey or lease a Tract in accordance with this Agreement to the extent available (together with reasonable legal fees and costs in connection with pursuing specific performance if successful). These are the sole and exclusive remedies

available to Optionee; Optionee is not entitled to money damages against Optionor.

7.4 Termination. Except as otherwise provided herein, in the event Optionee elects not to exercise any Option for any Option Period provided for hereby, or if this Agreement is terminated by either party as permitted by the provisions hereof, then Optionee shall forfeit its rights hereunder, except with respect to "earned" moneys of the Development Fund as provided in Section 1.5 hereof.

7.5 Limitation of Damages. In no event shall either party hereto or their successors or assigns (or the SEA or its successors and assigns) be liable for incidental, consequential or punitive damages (including, without limitation, lost profits).

VIII. MISCELLANEOUS

8.1 Condemnation. Except with respect to the Subway, if during the Option Term any portion of the Property with respect to which a Closing has not yet occurred is condemned or sold under threat of condemnation, or becomes the subject of a condemnation proceeding or notice of an intention to take, Optionor shall give Optionee prompt written notice thereof and Optionee shall have the right to either:

(a) Terminate this Agreement as to the portion of the Property so affected by notice to Optionor given not less than 30 days after Optionor's notice to Optionee, in which case all compensation awarded for any taking of the Property shall belong to Optionor, provided that Optionee shall be entitled to apply for and receive compensation for the loss of Optionee's rights under this Agreement. In such case, such land shall no longer be considered part of the Property; or

(b) Not terminate this Agreement with respect to the portion of Property so affected, in which case compensation awarded for any taking of the Property shall belong to the Optionor and the Optionee, as their interests may appear; provided, however, that the amount belonging to Optionee shall only be paid to Optionee if and when Optionee Takes Down the relevant Tract.

8.2 Recordation. Optionee may record a memorandum of this Agreement in the real estate records of Allegheny County. At the request of Optionee, Optionor shall execute such memorandum. Optionee shall do, make, execute and deliver all such additional and further acts and instruments as Optionor may reasonably request to more completely vest in Optionor its rights in the event of a termination of this Agreement. In the event that the Optionor requests that Optionee provide and/or execute any such documents and Optionee fails to provide them within thirty (30) days of written request from Optionor, Optionee, for good and valuable consideration and intending to be legally bound, hereby irrevocably authorizes Optionor, or its designee at Optionee's expenses to prepare and record such documents and/or deeds and hereby appoints Optionor as Optionee's attorney-in-fact to execute any and all such documents and/or deeds as may be required by Optionor. This power, being coupled with an interest, is irrevocable. Further, Optionee acknowledges and agrees that (a) the power of attorney herein granted shall in no way be construed as a benefit Optionee and (b) Optionor herein granted this

power of attorney shall have no duty to exercise any powers granted hereunder for the benefit of such Optionee. Optionee and Optionor acknowledge, agree and consent that in accordance with the legislative intent and as allowed by 20 Pa. Section 5601(a), the provisions of 20 Pa. C.S. Section 5601 shall not apply to this power of attorney or nay power granted herein.

8.3 Entire Agreement etc. This Agreement, together with exhibits and attachments hereto, contains to the entire understanding of the parties and supercedes any prior understanding and agreements among them regarding the subject matter of this Agreement, including but not limited to the Pirates Lease and Steeler Lease and Exhibit G to each and the Revenues Agreement. This Agreement may be amended or modified only by a written instrument executed in the same manner as this Agreement. If a provision of this Agreement is declared null and void, the remaining provisions of this Agreement shall remain in full force and effect.

Execution of this Agreement shall conclusively mean that Optionor and Optionee have entered into an Option Agreement during the Option Negotiation Period such that the provisions of subsection 7.7.7(f) and the last sentence of 7.7.7(b) of the Steeler Lease are no longer operative; subsection 5.12.6(f) and the last sentence of subsection 5.12.6(b) of the Pirates Lease are no longer operative; and upon completion of the Required Garages, SEA shall be deemed to have satisfied the obligations of Sections 7.7.6 and 5.12.5 of the Steelers Lease and Pirates Lease. Section 1.6(a) hereof with respect to Parcel 6 supersedes Section 7.7.7 of the Steelers Lease as it relates to Parcel 6 and the Pirates Lease with respect to any rights to Parcel 6 created thereunder. The parties specifically agree that nothing contained in this Agreement modifies or amends the SEA's obligations to provide general parking spaces or permanent surface parking spaces as provided in Sections 7.7.1, 7.7.2, 7.7.3, 7.7.4, 7.7.5 and 7.7.7(c) of the Steelers Lease, and Sections 5.12.1, 5.12.2, 5.12.3, 5.12.4 and 15.12.6(c) of the Pirates Lease. Except as specifically provided herein, specifically Sections 1.8, 3.2 and 3.5, nothing in this Agreement modifies or amends the obligations of the SEA to provide parking or the arrangements regarding parking revenues or other matters related to parking as provided in the Team Leases.

8.4 Expenses. Except as otherwise provided herein, Optionee and Optionor shall each pay its own costs and expenses in connection with this Agreement and the transactions contemplated hereby, including, but not limited to, the costs of their respective legal counsel, and neither Optionee nor Optionor will have any obligation with respect to costs and expenses incurred by the other in connection herewith, except as may be otherwise provided herein.

8.5 Time of Essence. Time is of the essence as to all parties in performance required by this Agreement.

8.6 Assignment. (a) Optionor may assign or transfer its rights hereunder without restriction; provided, however, that the assignee is the owner of the Property and is bound by the terms of this Agreement.

(b) Optionee shall have the right to assign, in accordance with the terms and simultaneously with an assignment by the Team (s) of the Team Lease (s) and the related Development and Operating Agreement(s), its rights under this Agreement to a new joint

venture, acceptable to Optionor, comprised of the purchasers and owners of PA and PSSI's Team franchises who agree to assume and perform Optionee's obligations hereunder.

(c) To the extent provided for in the Site Development Plan, at each Closing, Optionee may designate that a Tract will be Taken Down directly by the Developer, provided that the Developer executes and delivers to Optionor an agreement in form and substance satisfactory to Optionor pursuant to which the Developer agrees to be bound by the covenants in the deed, agrees to make the representations of the Optionee pursuant to Section 6.2, be bound by any indemnity agreement entered into pursuant to Section 2.4(b) and the indemnification in Section 6.5 and 8.19, and be bound by Sections 4.5, 5.4, 5.5, 5.6, 6.3(b), 7.5, 8.8, 8.11 and 8.16 hereof.

Otherwise, Optionee may transfer rights under this Agreement only with the prior written approval of Optionor which will include, without limitation, any assignment of this Agreement or any rights hereunder, or the transfer or assignment of any direct or indirect ownership of the Optionee.

8.7 Survival. The provisions of Sections 1.5(b), 1.8(a), 2.6(c), 4.5, 5.6, 5.7, 6.3(b), 6.3(e), 6.4, 6.5, 7.5, 8.2, 8.8, 8.11, 8.16 and 8.19 hereof shall survive any Closing and any termination of this Agreement.

8.8 Force Majeure. In the event that Optionor or Optionee shall be delayed or hindered in or prevented from doing or performing any act or thing required hereunder (other than payment of any sum due hereunder by Optionee or Optionor) by reason of civil commotion, war, sabotage, employee strikes, terroristic act, unavoidable fire, flood, earthquake or other acts of God (referred to in this Option Agreement as "force majeure"), then such party shall not be liable or responsible for any such delays, and the doing or performing of such act or thing shall be excused for the period of delay due to the force majeure. Provided, however, that the party seeking the benefit of this provision shall, within five (5) days after the beginning of any such delay, have first notified the other party in writing of the cause(s) thereof and requested an extension, and further provided that the requesting party must diligently seek removal or avoidance of the hindrance. In no event shall any party's performance be excused for more than two (2) years for matters of force majeure (or one (1) year for matters relating to an employee strike).

8.9 NOTICE. -- THIS DOCUMENT MAY NOT SELL, CONVEY, TRANSFER, INCLUDE OR INSURE THE TITLE TO THE COAL AND RIGHT OF SUPPORT UNDERNEATH THE SURFACE LAND DESCRIBED OR REFERRED TO HEREIN, AND THE OWNER OR OWNERS OF SUCH COAL MAY HAVE THE COMPLETE LEGAL RIGHT TO REMOVE ALL OF SUCH COAL AND IN THAT CONNECTION, DAMAGE MAY RESULT TO THE SURFACE OF THE LAND AND ANY HOUSE, BUILDING OR OTHER STRUCTURE ON OR IN SUCH LAND. THE INCLUSION OF THIS NOTICE DOES NOT ENLARGE, RESTRICT OR MODIFY ANY LEGAL RIGHTS OR ESTATES OTHERWISE CREATED, TRANSFERRED, EXCEPTED OR RESERVED BY THIS INSTRUMENT. (This notice is set forth in the manner provided in Section 1 of the Act of July 17, 1957, P.L. 984, as amended, and is not intended as notice of unrecorded instruments, if any).

8.10 Counterparts, Section Headings. This Agreement may be executed in counterparts, each of which shall be deemed an original but all of which shall constitute one and the same instrument. The section headings of this Agreement are for convenience of reference only and shall not affect the construction or interpretation of any of the provisions hereof.

8.11 Third Party Beneficiaries. Nothing expressed or implied in this Agreement is intended or will be construed to confer upon or give any person other than the parties hereto and the Sports & Exhibition Authority of Pittsburgh and Allegheny County rights or remedies under or by reason of this Agreement or any transaction contemplated hereby, and, other than as provided above, there are no intended third party beneficiaries hereof.

8.12 Waivers. No delay or failure of Optionor or Optionee in exercising any right, power or privilege, nor any single or partial exercise thereof or any abandonment or discontinuance of step to enforce such a right, power or privilege, shall preclude any further exercise thereof. Any waiver, permit, consent or approval of any kind or character on the part of either party of any breach of default under this Agreement or any waiver of any provision or condition of this Agreement must be in writing and shall be effective only to the extent specifically set forth in such writing.

8.13 Applicable Law etc. This Agreement shall be governed by and construed under the laws of the Commonwealth of Pennsylvania, without regard to conflict of law provisions. Each of the parties to this Agreement (i) agrees that any suit, action, or other legal proceeding arising here from shall be brought in the Court of Common Pleas of Allegheny County in the Commonwealth of Pennsylvania; (ii) consents to the jurisdiction of such court in any such suit, action or proceeding; and (iii) waives any objection which it may have to the laying of venue of such suit, action or proceeding in such court.

8.14 Notices. Any notices or other communications, which may be permitted or required under this Agreement shall be in writing and shall for all purposes be deemed dated, effective and received on the next business day after the delivery thereof to a national overnight courier service, or on the second business day after the mailing thereof, or if personally delivered, upon the receipt thereof. All notices shall be hand delivered, delivered by overnight courier service or mailed through the United States Postal Service, postage prepaid, certified mail, return receipt requested, and addressed to Optionor as follows:

Stadium Authority of the City of Pittsburgh
DL Clark Building
503 Martindale Street, 4th Floor
Pittsburgh, PA 15212
Attention: Chairman

with a copy to:

Sports & Exhibition Authority of Pittsburgh
and Allegheny County

Regional Resource Center
Suite 2750
425 6th Avenue
Pittsburgh, PA 15219
Attention: Executive Director

and to Optionee as follows:

North Shore Developers, L.P.
c/o PSSI Stadium Corp., Managing General Partner
3400 South Water Street
Pittsburgh, PA 15203
Attn: Mark Hart

with a copy to:

Klett Rooney Lieber & Schorling,
a Professional Corporation
One Oxford Centre
301 Grant Street
40th Floor
Pittsburgh, PA 15219
Attn: John A. Barbour

or at such other addresses as either party hereto shall from time to time designate to the other party by notice in writing as provided in this paragraph.

8.15 Compliance with Laws. The Optionee and Optionor shall fully obey and comply with all federal, state and local laws, statutes, ordinances, resolutions and administrative regulations, which are or shall become applicable to this Agreement and/or the Property.

8.16 Arbitration. Except when pursuing specific performance, the parties shall resolve disagreements with respect to this Agreement by either party submitting the matter to arbitration administered as set forth in this Section 8.16. Each party shall choose an impartial arbitrator (collectively, the "**Initial Arbitrators**") within ten (10) days of a written request from either party for arbitration and the two Initial Arbitrators shall choose a third impartial arbitrator within three (3) days of the date that both Initial Arbitrators are appointed (said third arbitrator is hereinafter referred to as the "**Arbitrator**") who shall alone decide the matter and whose decision shall be binding on the parties, be final, and shall not be subject to appeal. If the two Initial Arbitrators fail to agree on the third arbitrator within the required period, then within three (3) days after such period, Optionor and Optionee shall so notify the Chief Judge of the United States District Court for the Western District of Pennsylvania who will appoint the Arbitrator within ten days of such notice. If any party fails to timely designate an arbitrator, such dispute or disagreement shall automatically be deemed resolved by the single arbitrator appointed (who in such case shall be deemed the Arbitrator). The arbitrators will have a minimum of ten (10) years' experience in the practice of commercial law or in a profession related to the subject

matter of the dispute and in Pittsburgh, Pennsylvania, and will use the then-prevailing Commercial Arbitration Rules of the American Arbitration Association (the "**AAA Rules**") to govern the proceeding. The arbitration shall occur in Pittsburgh at a site chosen by the Arbitrator. The arbitration will be conducted on an accelerated basis, with the scope of discovery, if any, limited in the manner determined by the Arbitrator, and an limited hearing, all with an expectation of an expeditious conclusion. Both parties shall continue performing their obligations under this Agreement pending the determination of the arbitration proceeding, except as otherwise provided in this Agreement. The Arbitrator shall have no power to change the provisions and the Arbitrator shall base his/her decision on the provisions of this Agreement and, as appropriate, shall apply the law of the Commonwealth of Pennsylvania. The Arbitrator shall have no power to award punitive, consequential or exemplary damages. The Arbitrator shall submit his/her decision in writing within thirty (30) days of the Arbitrator's appointment. The decision of the Arbitrator shall be binding on both Optionor and Optionee and shall be final and non-appealable and the expense of the arbitration shall be shared equally by Optionor and Optionee.

8.17 Binding Effect. This Option Agreement shall extend to and be binding upon the assigns and successors of the parties to this Option Agreement.

8.18 Exhibits. The following exhibits are attached to this Agreement and are deemed to be part of this Agreement:

A- Map
B- Parcel Size
C- Take Down Increment
D- Density Bonus
E- Purchase Price/ Rental
F- Form of License Agreement
G- Requirements of Development Plan and Site Plan
H- Form of Deed
I - Unrecorded Permitted Exceptions
J - Developer Indemnification Agreement
K- Form of ALCO Estoppel Certificate
L- Form of Owner Affidavit

8.19 Brokers. Optionor and Optionee each warrant and represent to the other that neither has had any dealings with any broker, agent, or finder relating to the sale of the Property or the transactions contemplated hereby, and each agrees to indemnify and hold the other harmless against any claim for brokerage commissions, compensation or fees by any broker, agent, or finder in connection with the sale or lease of the Property or the transactions contemplated hereby resulting from the acts of the indemnifying party. The provisions of this Section 8.19 shall survive Closing or any termination of this Agreement.

IN WITNESS WHEREOF, and intending to be legally bound hereby, the parties have set their hands and seals as of the day and year first above written.

OPTIONOR:

STADIUM AUTHORITY OF THE CITY OF PITTSBURGH

By:______________________________
Name:____________________________
Title:_____________________________

OPTIONEE:

NORTH SHORE DEVELOPERS, L.P.

By: NShore General, LLC

Its: General Partner

By:______________________
Name: Arthur J. Rooney, II
Title: President

By: Home Run Development, LLC

Its: General Partner

By:______________________
Name: Kevin McClatchy
Title: President

Acknowledged and agreed to the
provisions of Sections 1.6, 3.2 and 8.3,
intending to be legally bound:

PSSI STADIUM CORP.

By:________________________________

Acknowledged and agreed to the
provisions of Sections 1.6, 3.2 and 8.3,
intending to be legally bound:

PITTSBURGH ASSOCIATES

By:________________________________

Acknowledged and agreed to the
extent provided in Section 3.4, 6.3(e) and 8.3,
intending to be legally bound:

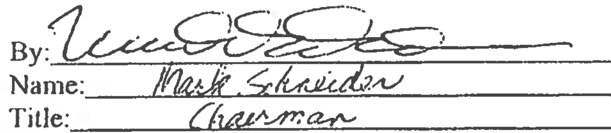
Sports & Exhibition Authority of
Pittsburgh and Allegheny County

By________________________________

IN WITNESS WHEREOF, and intending to be legally bound hereby, the parties have set their hands and seals as of the day and year first above written.

OPTIONOR:

STADIUM AUTHORITY OF THE CITY OF PITTSBURGH



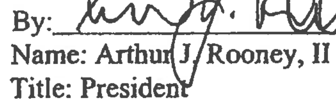
By:____________________________
Name: Mark Schneider
Title: Chairman

OPTIONEE:

NORTH SHORE DEVELOPERS, L.P.

By: NShore General, LLC

Its: General Partner



By:____________________________
Name: Arthur J. Rooney, II
Title: President

By: Home Run Development, LLC

Its: General Partner

By:____________________________
Name: Kevin McClatchy
Title: President

IN WITNESS WHEREOF, and intending to be legally bound hereby, the parties have set their hands and seals as of the day and year first above written.

OPTIONOR:

STADIUM AUTHORITY OF THE CITY OF PITTSBURGH

By:____________________
Name:____________________
Title:____________________

OPTIONEE:

NORTH SHORE DEVELOPERS, L.P.

By: NShore General, LLC

Its: General Partner

By:____________________
Name: Arthur J. Rooney, II
Title: President

By: Home Run Development, LLC

Its: General Partner

By:____________________
Name: Kevin McClatchy
Title: President

Acknowledged and agreed to the
provisions of Sections 1.6, 3.2 and 8.3,
intending to be legally bound:

PSSI STADIUM CORP.

By:________________________________

Acknowledged and agreed to the
provisions of Sections 1.6, 3.2 and 8.3,
intending to be legally bound:

PITTSBURGH ASSOCIATES

By: Pittsburgh Baseball, Inc. its General Partner

By:

By: Kevin McClatchy
Title: Chief Executive Officer

By:________________________________

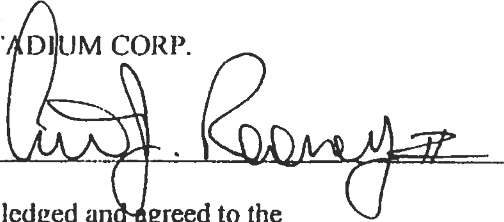
Acknowledged and agreed to the
extent provided in Section 3.4, 6.3(e) and 8.3,
intending to be legally bound:

Sports & Exhibition Authority of
Pittsburgh and Allegheny County

By________________________________

Acknowledged and agreed to the
provisions of Sections 1.6, 3.2 and 8.3,
intending to be legally bound:

PSSI STADIUM CORP.



By:____________________________________

Acknowledged and agreed to the
provisions of Sections 1.6, 3.2 and 8.3,
intending to be legally bound:

PITTSBURGH ASSOCIATES

By: Pittsburgh Baseball, Inc. its General Partner

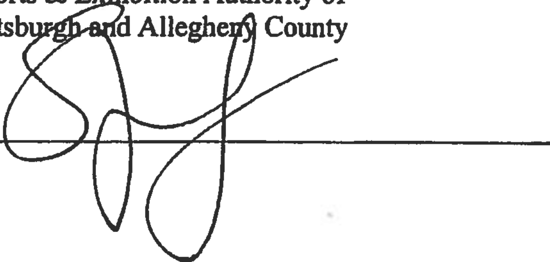
By: ______________________________

By: Kevin McClatchy
Title: Chief Executive Officer

By:____________________________________

Acknowledged and agreed to the
extent provided in Section 3.4, 6.3(e) and 8.3,
intending to be legally bound:

Sports & Exhibition Authority of
Pittsburgh and Allegheny County



By____________________________________

EXHIBIT A
Map

OHIO RIVER BLVD. ROUTE 65 NORTH

REEDSDALE STREET

TONY DORSETT DR. VARIABLE R/W

WEST GENERAL ROBINSON STREET VARIABLE R/W

NORTH SHORE DRIVE 70' R/W

ART ROONEY AVENUE 75' R/W

PARCEL 1 & 2
9.13 AC.

PARCEL 3
3.73 AC.

PARCEL 4
0.39 AC.

PARCEL 8
3.92 AC.

PARCEL 7.2
1.19 AC.

PARCEL 7.3
1.49 AC.

PARCEL 7.1
0.94 AC.

PARCEL 9
1.23 AC.

L.P. 1821
OVERHEAD
EASEMENT

PARCEL 10.3
0.33 AC.

PARCEL 10.4
0.39 AC.

PARCEL 10.5
0.73 AC.

PARCEL 12
0.82 AC.

PARCEL 13
0.32 AC.

PARCEL 14
0.73 AC.

PARCEL 11
0.87 AC.

EXHIBIT B
Parcel Size

Parcel Number (1)	Square Feet	Acres
4	25,700	0.59
7.1	41,818	0.96
7.2	52,272	1.20
10.1	28,750	0.66
10.2	24,394	0.56
10.3	33,977	0.78
10.4	25,700	0.59
10.5	40,511	0.93
12	36,155	0.83
13	16,988	0.39
14	33,106	0.76
15	37,897	0.87
Total	397,268	9.09

(1) Adjustments to be made in accordance with Section 1.1.

EXHIBIT C
Take Down Increment

Take Down	Closing Date (No Density Bonus)	Take Down Increment (2)	Cumulative Take Down Requirement(4)	Closing Date (Max Density Bonus)(1)
1	July 31, 2003	30,000	30,000	July 31, 2003
2	May 31, 2004	40,000	70,000	Nov 30, 2004
3	May 31, 2005	40,000	110,000	May 31, 2006
4	May 31, 2006	40,000	150,000	Nov 30, 2007
5	May 31, 2007	40,000	190,000	May 31, 2009
6	May 31, 2008	40,000	230,000	Nov 30, 2010
7	May 31, 2009	40,000	270,000	May 31, 2012
8	May 31, 2010	40,000	310,000	Nov 30, 2013
9	May 31, 2011	40,000	350,000	May 31, 2015
10	May 31, 2012	49,446 (3)	397,268	Nov 30, 2016

(1) Assumes full density bonus with each Take-Down

(2) Take Down of Parcels 4, 10.1, 10.2, 10.3 2, 13, 14 or 15, in their entirety, satisfies the take down requirements even if the square footage is l the stated increment

(3) Estimated number, actual number is to be the remaining Property

(4) So long as Optionee meets the Cumulative Take Down Requirement by the applicable Closing Date, Optionee shall be deemed to have complied with its obligation to Take Down one or more Tracts during each Option Period as required by Section 1.3 of the Option Agreement.

EXHIBIT D

Density Bonus

Parcel Number (2)	Minimum Height (stories)	Preferred Height (1) (stories)
4	4	6
7.1	6	8
7.2	4	6
10.1	4	6
10.2	4	6
10.3	6	8
10.4	6	8
10.5	6	8
12	4	6
13	6	8
14		8
15		6

(1) Full density bonus; pro rata partial density bonus is given for stories less than preferred height but greater than minimum height

(2) Parcels 6 and 9 if developed pursuant to Section 1.6 of the Agreement: minimum height- four (4) stories, preferred height- six (6) stories

EXHIBIT E
Purchase Price/ Rental

Purchase Price:

Parcels 12, 13, 14 and 15- $15/sq ft
Parcels 4, 7.1, 7.2, 10.1, 10.2, 10.3, 10.4 and 10.5- $8/sq ft[(1)]

Ground Lease Rent:

8.75%, annually, of the purchase price; option to purchase at the fixed Purchase Price provided above.

[(1)] Parcels 6 and 9 are included in this category if they become part of the Property pursuant to Section 1.6 of the Agreement and Parcels 3 and 7.3 are included in this category if they become part of the Property pursuant to Section 3.5 of the Agreement.

EXHIBIT F
Form of License Agreement

THIS LICENSE AGREEMENT is made and entered into this ____ day of ____________, 2001, by and between the STADIUM AUTHORITY OF CITY OF PITTSBURGH (the "Licensor") in favor of OPTIONEE (the "Licensee").

1. **Grant of License**. Licensor owns those certain pieces or parcels of real property situated in Pittsburgh, Pennsylvania as more particularly described on Exhibit A attached to and made a part of this Agreement (the "Property"). Pursuant to a certain Option Agreement between the Licensor and the Licensee (the "Option Agreement"), the Licensee has been granted the option to purchase or ground lease the Property. For One Dollar and other good consideration, Licensor hereby grants to Licensee a license (the "License"), subject to the terms and conditions set forth in this Agreement, to enter upon the Property for the purposes set forth below.

2. **License Period.** The period of the License shall commence on the date of execution hereof and shall expire on the date of termination of the Option Agreement.

3. **Purpose of License**. The purpose of the License shall be for Licensee and its agents, to enter upon the Property at all reasonable times to conduct inspections and tests at the Property, including, without limitation, subsurface exploration tests and environmental assessments. In conducting its investigation Optionee shall have the right to make or cause to be made any examinations, tests, studies and the like which it deems relevant, including, without limitation, soil and sub-soil tests, environmental tests, topographical studies, traffic studies, market surveys, analysis of storm water run-off and the like. The cost of all of such work shall be the sole responsibility of Licensee unless otherwise agreed to by the parties in writing. As a condition to the License, Licensee agrees to deliver to Licensor copies of all reports, studies and tests and any other materials relative to Licensee's activities at the Property.

4. **Undertaking Work or Activities**. Licensee shall be given at least seven (7) days notice of any activities pursuant hereto to be undertaken on the Property. To the extent the schedule of the activity is objected to by Licensor, Licensor shall so notify Licensee at least four (4) days prior to the scheduled activity and the activity shall be rescheduled to a mutually acceptable time. Licensor and Licensee shall work in good faith to find a time that meets the needs of both parties. Licensor shall have the right to have one or more representatives present at all times when such work or activities occur. In the event that any damage shall occur to the Property pursuant to Licensee's activities hereunder, Licensee shall repair and replace the Property to its condition prior to such activities being undertaken. The provisions of this section shall survive any Closing, termination of the Option Agreement and termination of this Agreement.

Licensee should take all actions and implement all protections necessary to ensure that actions taken under this Agreement, and equipment, materials, and substances generated, used or brought onto the Property by Licensee, its employees, agents, contractors, and consultants pose no threat to the safety or health of persons or the environment, and cause no damage to any

person.

5. **Insurance**. Licensee will secure, pay for and maintain or cause Licensee's contractors to secure and maintain the following insurance during the continuance of any work on the Property performed by or on behalf of Licensee or any contractors retained by or on behalf of Licensee: (a) worker's compensation and employer's liability insurance, (b) comprehensive general liability insurance, (c) comprehensive automobile liability insurance, and (d) "all risk" builder's insurance, all in limits, amounts and form acceptable to Licensor and otherwise satisfactory in all respects to Licensor. All policies (except the worker's compensation policy) shall be endorsed to include Licensor and the Sports & Exhibition Authority of Pittsburgh and Allegheny County (the "SEA") as additional insured's. All policies shall be occurrence based policies. The insurance policy endorsements shall also provide that Licensor and SEA shall be given thirty (30) days' prior written notice of any reduction, cancellation or non-renewal of coverage and shall provide that the insurance coverage afforded to Licensor and to SEA thereunder shall be primary to any insurance carried independently by Licensor or SEA. Additionally, where applicable, each policy shall contain contractual indemnity endorsements and severability of interest clause. All insurance carriers hereunder shall be rated at least A- and X in Best's Insurance Guide. Certificates for all such insurance shall be delivered to Licensor and SEA before any work is commenced or any equipment of any of Licensee's contractors is moved onto Property.

6. **Indemnity**. Licensee agrees that it shall enter upon the Property at its sole cost and at its sole risk and Licensee hereby agrees to and shall indemnify, defend and hold harmless Licensor, the SEA, the City of Pittsburgh, and the County of Allegheny, and their respective employees, officers, directors, elected officials, representatives, agents, attorneys, accountants, consultants, successors or assigns (collectively, the "**Indemnified Parties**") from any claims, demands, liabilities, damages, costs and expenses, including reasonable attorneys' fees and costs for personal injury or property damage incurred by reason of, or arising out of, any entry upon or work performed upon the Property by Licensee, its agents, employees or contractors or any testing, surveying, engineering, inspection or any other activities performed by or upon request of Licensee or by any contractor retained by Licensee. Licensee hereby agrees to and shall indemnify and hold harmless the Indemnified Parties from and against any and all liabilities, suits, claims, losses, damages, costs and expenses, including, without limitation, court costs and reasonable attorneys' fees sustained by or asserted against the Indemnified Parties or the Property, including, but not limited to, physical damage, physical injury to Licensee's employees, agents or contractors and any mechanics' and materialmen's liens, caused as a result or arising out of or in connection with any work, testing, surveying, construction, engineering, inspection or any other activities performed by or upon request of Licensee or by any contractor retained by Licensee. The provisions of this section shall survive any Closing, termination of the Option Agreement and the termination of this Agreement.

7. **Personal Property**. Licensee acknowledges and agrees that Licensor shall have no obligation or liability to insure, secure or protect the personal property, if any, of Licensee or of any agent, contractor, invitee, vendor, supplier, employer or others (the "**Third Parties**") located on the Property or Licensee's interest in the Property. Risk of loss of any such personalty of Licensee or any of the Third Parties shall be borne solely by Licensee or such Third Parties and Licensor shall have no liability or responsibility therefor. Licensee hereby releases Licensor from any and all claims, demands, liabilities, damages, costs and expenses relating to or arising

in connection with any such property or interest of Licensee or by Licensee on behalf of any of the Third Parties.

8. **Confidentiality**. Licensee shall treat all information obtained by Licensee pursuant to this Agreement as strictly confidential, except that Licensee may provide such information to its employees, agents, lenders and members of its financing working group, if any, all subject to this confidentiality paragraph to which such parties shall agree to be bound. This section, shall survive any Closing, termination of the Option Agreement and the termination of this Agreement.

9. **No Transfer**. This License is non-assignable and nontransferable.

10. **Miscellaneous**. This Agreement shall be governed by and construed in accordance with the internal laws of the Commonwealth of Pennsylvania, without regard to the conflict of law principles. This Agreement may be executed in one or more counterparts, each of which shall be an original but all of which, taken together, shall constitute one and the same instrument. If any part of this Agreement or any other agreement entered into pursuant hereto is contrary to, prohibited by or deemed invalid under applicable law or regulation, such provision shall be inapplicable and deemed omitted to the extent so contrary, prohibited or invalid, but the remainder hereof shall not be invalidated thereby and shall be given full force and effect so far as possible. Nothing contained herein is intended or shall be deemed to create or confer any rights upon any third person not a party hereto, whether as a third-party beneficiary or otherwise, except as expressly provided herein, nor shall anything herein be construed to create any relationship or partnership, agency, joint venture or the like between Licensor and Licensee.

All capitalized terms used herein and not otherwise defined herein are used with the meaning set forth in the Option Agreement.

IN WITNESS WHEREOF, intending to be legally bound, the undersigned has executed this instrument on the day and year first above written.

STADIUM AUTHORITY OF THE CITY OF PITTSBURGH

By:______________________________
Name:____________________________
Title:_____________________________

NORTH SHORE DEVELOPERS, L.P.

By:______________________________

EXHIBIT G

Requirements of Development Plan and Site Plan

Development Plan

The Development Plan is comprised of the following:

1) North Shore Master Plan dated October 2002, as approved by the Planning Commission of the City of Pittsburgh on December 3, 2002 (the "Master Plan"). The Master Plan explains various factors that impact the planning framework for the site, including, Heinz Field, PNC Park, the proposed Subway, the I-279 Overpass, the Allegheny River, the North Shore Riverfront Park, parking and the roadways and esplanade recently constructed on the site. The Master Plan provides a general overall plan describing the Developer's vision of mixed use development on the site, combining office, residential and retail uses, and the Developer's proposed framework to establish and reinforce the connections between the site, its immediate environs and the City of Pittsburgh. In addition, the Master Plan addresses the following elements:

- Public spaces and public art;
- Streets, including the construction of two new secondary streets and pedestrian-oriented alleys;
- Sidewalks and other pedestrian spaces;
- Architecture, including a discussion of the general conditions of the development and building heights, facades, materials and relation of buildings to the streetscape and the riverfront; and
- Signage and iconography.

2) MBE/ WBE plan describing the good faith efforts it will make to provide for participation of minority/ women's business enterprises in the development of the Property.

Site Plan

The Site Plan will be a drawing at a scale of not less than 1:20 and it must explain in detail the resolution of the proposed development with the existing site. The following elements must be included:

- legal description of the property;
- description of site boundaries;
- location and dimensions of existing easements, set backs, utility lines and proposed utility connections;
- identification of zoning, building code and other applicable regulatory issues;
- location and dimensions of proposed new structures (including roofs and other overhangs), proposed paving, walkways, loading areas, parking;
- intended use of the property, construction design, materials and anticipated schedule;
- detailed environmental report specific to the Tract and reflective of the proposed use;
- description of traffic and pedestrian flow;
- discussion of green spaces and the relationship between the site and the North Shore Riverfront Park, the esplanade and other public spaces impacting the site;
- proposed grading plan; and

- identification and location of existing and proposed new plant materials, fencing, water features and other landscape features.

A more detailed description of the matters set forth in the Development Plan as they relate to the specific Tract to be developed pursuant to the Site Plan. A more detailed MBE/WBE plan specific to the Tract shall be submitted for approval to the Optionor. The plan shall identify the MBE/WBE opportunities and work/tasks available for MBE/WBE business, the plan by which MBE/WBE businesses will be solicited and will include monitoring and reporting requirements.

EXHIBIT H
Form of Special Warranty Deed

MADE the _______ day of ________________, 200_ (the "Effective Date") between **Stadium Authority of the City of Pittsburgh**, a body corporate and politic existing under the laws of the Commonwealth of Pennsylvania (hereinafter called "Grantor"), and _______________________, a ________________ (hereinafter called "Grantee").

WITNESSETH, That the said Grantor in consideration of ____________________________________ ($____________) paid to Grantor by Grantee, receipt of which is hereby acknowledged, does grant, bargain, sell and convey to Grantee, its heirs and assigns the property situate in Allegheny County, Pennsylvania, along with all improvements thereon, as more particularly described on **Exhibit "A"** attached hereto and made a part hereof (the "Property").

TOGETHER with all and singular, the buildings and improvements, ways, easements, rights of way, permits, streets, alleys, passages, waters, water courses, rights, liberties, privileges, hereditaments and appurtenances whatsoever thereunto belonging, or in anywise appertaining, and the reversions and remainders, awards, rents, issues and profits thereof; and all the estate, right, title, interest, property, claim and demand whatsoever of the said Grantor, in law, equity or otherwise, howsoever, of, in and to the same and every part thereof.

UNDER AND SUBJECT to matters listed in **Exhibit "B"** attached hereto and made a part hereof.

TO HAVE AND TO HOLD the same to and for the use of Grantee, its successors and assigns, forever, and Grantor, for its successors and assigns, hereby covenant and agree that they will **WARRANT SPECIALLY** the property hereby conveyed.

REVESTING EVENT:

Grantee covenants and agrees that Grantee shall commence or cause to be commenced construction on the Property in accordance with a Site Improvement Plan approved in accordance with the terms of the Option Agreement between Grantor and North Shore Developers, L.P. ("Optionee"), dated June __, 2003 (as the same may be amended from time to time, the "Option Agreement"). Grantee or its architect shall notify the Grantor in writing five (5) days prior to the commencement of construction on the Property. Should Grantee fail to complete a construction contract with a firm date and commence or cause to be commenced construction on the Property within sixty (60) days after the Effective Date (a "Commencement Default"), subject at all times to Section 8.8 of the Option Agreement, entitled "Force Majeure", and if such failure to commence is not cured or remedied within thirty (30) days after written demand delivered to Grantee to do so (the "Demand Notice"), then Grantor shall have the right to, as its sole right and remedy, to terminate the Option Agreement with respect to Optionee's right to Take Down (as defined in the Option Agreement) additional Tracts (as defined in the Option Agreement) and reenter and take possession and/or title of the Property (the "Revesting Event"); provided, however, that (A) prior to exercising such rights, Grantor will first give any mortgage holder of the Property reasonable notice of the

Commencement Default and an opportunity to cure in the same amount of time and (B) so long as a Commencement Default has occurred and is continuing, at the Grantor's option, the Optionee may not Take-Down any Tracts (with no delay in the applicable Option Periods (as defined in the Option Agreement)). Upon commencement of construction on the Property, Grantor will execute and record an instrument stating that the Property is no longer subject to this reconveyance right.

Upon a Revesting Event, Grantor may re-enter and take possession of the Property and to terminate (and revest in the Grantor) the estate conveyed by this Deed. The conveyance of the Property is hereby made subject to a condition subsequent that in the event of the Revesting Event, the Grantor, at its option, may declare a termination in favor of the Grantor of the title and of all the rights and interests in and to the Property, and such title and all rights and interests of the Grantee, and any successors and assigns in interest to and in the Property, shall revert to the Grantor; provided, that such condition subsequent and any revesting of title as result thereof in the Grantor shall always to subject to and limited by, and shall not defeat, render invalid, or limit in any way the lien of a Permitted Mortgage. A "Permitted Mortgage" is a mortgage placed on the Property securing a loan of the purchase price for the Property (or a portion thereof) paid to the Grantor (and no other obligations) from an independent third party, provided that the amount of such mortgage shall not exceed such purchase price.

Except as provided below, upon the revesting in the Grantor of title to the Property or any part thereof as provided herein, the Grantor shall use its commercially reasonable efforts to resell the Property or part thereof (subject to the Permitted Mortgage) as soon and in such manner as the Grantor shall find feasible and consistent with the objectives of Grantor to a qualified and responsible third party or parties (as determined by the Grantor). Upon such resale of the Property, the proceeds thereof shall be applied:

(1) First, to reimburse the Grantor for all costs and expenses incurred by the Grantor, including, but not limited to, salaries of personnel, in connection with the recapture, management, and resale of the Property or part thereof (but less any income derived by the Grantor from the Property or part thereof in connection with such management); all taxes, assessments, and water and sewer charges with respect to the Property or part thereof (or, in the event the Property is exempt from taxation or assessment or charges during the period of ownership thereof by the Grantor, an amount, if paid, equal to such taxes, assessment, or charges as determined by the appropriate assessing official as would have been payable if the Property were no so exempt); any payments made or necessary to be made to discharge any encumbrances or liens existing on the Property or part thereof at the time of revesting of the title thereof in the Grantor or to discharge or prevent from attaching or being made any subsequent encumbrances or liens due to obligations, defaults, or acts of the Grantee or Optionee, their successors or transferees; any expenditures made or obligations incurred with respect to the making or completion of the improvements or any part thereof on the Property or part thereof, and any amounts otherwise owing the Grantor by the Optionee, Grantee or their successors or transferees; and

(2) Second, to reimburse the Grantee and its successors or transferees, up to the amount equal to: (i) the sum of the purchase price paid by it for the Property (or allocable to the part thereof), including without limitation, the payment of any ground rent under any applicable Ground Lease (as defined in the Option Agreement) (less the portion of the Development Fund (as

defined in the Option Agreement) actually paid to Grantor as it relates to the Property) and the cash actually invested by any of them in making any of the improvements on the Property or part thereof, less (ii) any gains or income withdrawn or made by them from Property. Any balance remaining after such reimbursements shall be retained by the Grantor as its property.

Notwithstanding the foregoing, Grantor may, at any time within one (1) year after the Revesting Event, determine that Grantor does not wish to resell the Property, in its sole and absolute discretion, in which event Grantor shall pay to Grantee the purchase price paid to the Grantor for the Property (including, without limitation, the payment of any ground rent under any applicable Ground Lease for the Property) less the sum of (A) the portion of the Development Fund actually paid with respect to such Property and (B) the amounts identified in Subsection (1) above.

The rights set forth in this Section shall run with the land and will be enforceable by the Grantor, its successors and assigns, and will enforceable against the Grantee and its successors and assigns to or of the Property or any part thereof or any interest therein. Grantee and Optionee, and their successors and assigns, and all successor owners of all or any portion of the Property, shall execute and deliver any and all documents and agreements necessary or appropriate to effect the intent of this provision, including without limitation, any documents deemed necessary or appropriate by Grantor to effect the reconveyance contemplated herein.

COVENANTS RUNNING WITH THE LAND:

To and until May 31, 2053 Grantee agrees not to file or permit the filing of any application or document seeking any exemption of the Property from real estate taxation. If and to the extent the Property or any portion of the Property is nevertheless deemed to be exempt from real estate taxation, Grantee shall make payments to the taxing bodies, in amounts equivalent to the real estate taxes that would be due if the Property were taxable. Such payment shall be made when taxes would otherwise be payable. Such payment will be based upon the fair market value of the land and all improvements constructed therein. This covenant shall run with the land and the provisions hereof shall be binding upon any subsequent purchaser, lessee, assignee or transferee of the Property or any portion thereof to and until May 31, 2053. The foregoing covenant is not intended to limit the ability of Grantee or any subsequent purchaser, lessee, assignee or transferee of the Property to protest the amount of transfer taxes or real estate taxes.

Grantee, for itself, its successors and assigns, covenants and agrees that the Property shall not be used for surface parking. This covenant shall be a covenant running with the land and the provisions hereof shall be binding upon any subsequent purchaser, lessee, assignee or transferee of the Property or any portion thereof to and until May 31, 2053.

[ENVIRONMENTAL MATTERS:

If Contamination is found, disclosure of the Contamination, and release of Optionor-Indemnified Parties by Grantee and successors and assigns, and subsequent purchasers, lessees, assignees or transferees, and assigns to be included here].

NOTICE - THIS DOCUMENT MAY NOT SELL, CONVEY, TRANSFER, INCLUDE

OR INSURE THE TITLE TO THE COAL AND RIGHT OF SUPPORT UNDERNEATH THE SURFACE LAND DESCRIBED OR REFERRED TO HEREIN, AND THE OWNER OR OWNERS OF SUCH COAL MAY HAVE THE COMPLETE LEGAL RIGHT TO REMOVE ALL OF SUCH COAL AND, IN THAT CONNECTION, DAMAGE MAY RESULT TO THE SURFACE OF THE LAND AND ANY HOUSE, BUILDING OR OTHER STRUCTURE ON OR IN SUCH LAND. THE INCLUSION OF THIS NOTICE DOES NOT ENLARGE, RESTRICT OR MODIFY ANY LEGAL RIGHTS OR ESTATES OTHERWISE CREATED, TRANSFERRED, EXCEPTED OR RESERVED BY THIS INSTRUMENT. [This notice is set forth in the manner provided in Section 1 of the Act of July 17, 1957, P.L. 984, as amended, and is not intended as notice of unrecorded instruments, if any.]

This Deed is made under and by virtue of a Resolution of the ____________________ of the Grantor duly passed at a regular meeting thereof, held on the _____ day of ____________, 200_, a full quorum being present, authorizing and directing the same to be done.

IN WITNESS WHEREOF, the said Grantor has caused its common and corporate seal to be affixed to these presents and its name to be affixed hereto the day and year first above written.

Witness:

____

GRANTOR:

STADIUM AUTHORITY OF THE CITY OF PITTSBURGH

By: ________________________________
Name:_______________________________
Title:_______________________________

THE UNDERSIGNED, AS EVIDENCED BY THE SIGNATURE(S) TO THIS NOTICE AND THE ACCEPTANCE AND RECORDING OF THIS DEED, IS FULLY COGNIZANT OF THE FACT THAT THE UNDERSIGNED MAY NOT BE OBTAINING THE RIGHT OF PROTECTION AGAINST SUBSIDENCE, AS TO THE PROPERTY HEREIN CONVEYED, RESULTING FROM COAL MINING OPERATIONS AND THAT THE PURCHASED PROPERTY, HEREIN CONVEYED, MAY BE PROTECTED FROM DAMAGE DUE TO MINE SUBSIDENCE BY A PRIVATE CONTRACT WITH THE OWNERS OF THE ECONOMIC INTEREST IN THE COAL. THIS NOTICE IS INSERTED HEREIN TO COMPLY WITH THE BITUMINOUS MINE SUBSIDENCE AND LAND CONSERVATION ACT OF 1966, as amended 1980, Oct. 10, P.L. 874, No. 156 § 1.

WITNESS:

____

GRANTEE

By:______________________________
Name:____________________________
Title:_____________________________

COMMONWEALTH OF PENNSYLVANIA }
} ss:
COUNTY OF ALLEGHENY }

On this, the ______ day of ________________, 200_, before me ________________, the undersigned officer, personally appeared ________________ who acknowledged himself to be the ______________________ of Stadium Authority of the City of Pittsburgh, a body corporate and politic existing under the laws of the Commonwealth of Pennsylvania, and that he/she as such, being authorized to do so, executed, the foregoing instrument for the purposes therein contained by signing the name of the corporation be himself/herself as the ____________________________.

IN WITNESS WHEREOF, I HEREUNTO SET MY HAND AND OFFICIAL SEAL.

____
NOTARY PUBLIC

My Commission expires

This instrument was prepared by:

____
____
____
____

After Recording Return to:

____
____
____
____
____

CERTIFICATE OF RESIDENCE

I hereby certify that the precise residence of the Grantee herein is

____
____
____

Deed

EXHIBIT A
Legal Description
[to be inserted]

Prior Instrument Reference: Official Record ________, Page _______ of the ____________ County, Pennsylvania records.

Deed
EXHIBIT B
Permitted Exceptions

(i) [list all matters shown on the final marked title commitment for the Property, including the standard title exceptions contained in Schedule B-II of the title commitment;]

(ii) all matters disclosed by an accurate and complete survey of the Property;

(iii) all matters and items shown on the Master Plan, Development Plan, Subdivision Plan or the Site Improvement Plan;

(iv) [list all non-monetary matters which the title company is willing to insure over without additional premium or indemnity and which, in the exercise of Grantee's reasonable business judgment, do not have a material adverse impact on the ownership or leasing, operation, or value of the Tract;]

(v) all applicable zoning and use ordinances;

(vi) all matters caused or created by Grantee or its affiliates;

(vii) all public roads and right of ways;

(viii) all federal, state and local laws, statutes, ordinances, resolutions and administrative rules and regulations.

(ix) all easements, utility liens, including water, gas, electric, cable and other services existing on May __, 2003;

(x) [list all other matters affecting title to the Property which are approved or accepted by Optionee or Grantee in writing prior to the Closing];

(xi) the subway or potential subway, including without limitation, rights, privileges, easements and conveyances related to or in connection therewith;

(xii) the unrecorded easements to Duquesne Light Company and PWSA [if not recorded, and to be more fully described].

(xiii) [list Prohibited Encumbrances and Undisclosed Matters accepted pursuant to Section 5.3(d) of the Option Agreement

EXHIBIT I
Unrecorded Permitted Exceptions

Pittsburgh Water and Sewer Authority, substantially as identified in the letter from Erica Robinson, project assistant to Mary Conturo, to Suzanne Ewing, dated November 26, 2002, and the attachments thereto.

EXHIBIT J

Developer Indemnification Agreement

The indemnification agreement is made and entered into as of the ___________ day of ___, by and between [Developer] and the Stadium Authority of the City of Pittsburgh, a public body and body corporate and politic organized and existing under the Pennsylvania Sports and Exhibition Authority Act, 16 P.S. Section 5501-A et. seq., as amended (the "**Optionor**")

WITNESSETH

WHEREAS, the Optionor has entered into an Option Agreement dated as of ___, 2003 (as amended from time to time, the "**Option Agreement**") with the North Shore Developers, L.P. (the "**Optionee**") for the development of certain land owned by Optionor on the North Shore of the City of Pittsburgh;

WHEREAS, Optionee has contracted with [illegible] to undertake certain development activities in furtherance of Optionee's rights and obligations under [illegible]on Agreement;

WHEREAS, a precondition to Optionor entering into the Option Agreement, was Developer entering into this Option Agreement.

NOW, THEREFORE, the parties, intending to be legally bound, agree as follows:

1. Developer agrees and does hereby indemnify, defend, and hold harmless the Optionor, the Sports & Exhibition Authority of Pittsburgh and Allegheny County, and each of their respective elected officials, appointed officials, board members, officers, employees, agents and attorneys, (collectively, the "**Optionor-Indemnified Parties**") for, and will pay to the Optionor- Indemnified Parties the amount of Damages, arising directly or indirectly from or in connection with:

(i) any claim by any person for Damages in connection with the violation of any Law by Developer (or any of its members), or any of its employees, agents or contractors with respect to activities pursuant to or otherwise related to the Option Agreement prior to the Closing of a particular Tract; or

(ii) any claim of any third party arising in any manner out of or related to the activities of the Developer or any of its member, or any of their employees, agents or contractors pursuant to or otherwise related to the Option Agreement other than any matter arising out of a breach by the Optionor-Indemnified Party employees, agents, representatives or contractors, except that this subpart (ii) shall not be applicable to Contamination; or

(iii) a breach of a representation or warranty by Developer contained herein.

2. Developer hereby represents and warrants to Optionor that the following now and continuing to each closing date for which it takes down property are true and correct.

(a) Developer is a duly organized and validly existing ________ under the laws of the Commonwealth of Pennsylvania.

(b) Developer as taken all necessary action to authorize and approve this agreement and the same does not and will not: (i) to the best of Developer's knowledge violate any Law or any provision of any judicial or administrative order, award, judgment or decree applicable to Developer, or (ii) conflict with any provisions of the constituent documents of the Developer.

(c) There is no litigation, at law or in equity, or any proceedings before any commission or other governmental authority, pending, or to the knowledge of Developer, threatened

against Developer which could reasonably be expected to impair the ability of Developer to perform hereunder.

3. All capitalized terms used herein and not otherwise defined herein are used with the meanings set forth in the Option Agreement.

4. The Sports & Exhibition Authority of Pittsburgh and Allegheny County and the other Optionor-Indemnified Parties are third party beneficiaries hereof.

5. This agreement shall be governed by and construed under the laws of the Commonwealth of Pennsylvania, without regard to conflict of law provisions. Each of the parties to this agreement (i) agrees that any suit, action, or other legal proceeding arising here from shall be brought in the Court of Common Pleas of Allegheny County in the Commonwealth of Pennsylvania; (ii) consents to the jurisdiction of such court in any such suit, action, or proceeding; and (iii) waves any objection which it may have to the laying of venue of such suit, action or proceeding in such court.

6. This agreement contains the entire understanding of the parties and supercedes any prior understanding and agreements regarding the subject matter hereof. The agreement may be amended or modified only in writing by the parties.

IN WITNESS HEREOF, and intending to be legally bound hereby, the parties have set their hands and seals as of the day and year first above written.

Optionor
Stadium Authority of the City of Pittsburgh

____

Developer

____

EXHIBIT K
ALCO Estoppel Certificate

ALCO PARKING CORPORATION ("ALCO") intending to be legally bound, hereby certifies as follows:

1. Exhibit A attached hereto is a full, true and complete copy of Section 9.02 (the "Substitute Space Provision") of that certain Lease Agreement dated as of November 30, 1999, by and among the Stadium Authority of the City of Pittsburgh (the "Authority"), the Sports & Exhibition Authority of Pittsburgh and Allegheny County ("SEA"), and ALCO (the "Lease"), which Lease covers certain premises described as the "Parking Leased Premises" in the Lease. ALCO has not entered into any agreement with the Authority or the SEA relating to the Parking Leased Premises other than the Lease.

2. The Substitute Space Provision is in full d effect and has not been modified or amended.

3. ALCO not has assigned its interest in the Lease, and ALCO has not sublet any portion of the Parking Leased Premises.

4. To the best of ALCO's knowledge and belief, the Authority is not in default under any of its obligations under the Lease.

5. The Lease constitutes the valid and binding obligations of ALCO, enforceable in accordance with its terms.

6. ALCO has no option to purchase the parking facilities referred to as Lot 4 and Lot 5 in the Lease.

ALCO understands and acknowledges that this Certificate is being delivered for the benefit of, and may be relied upon, by North Shore Developers, L.P. and Continental Real Estate Developers and their respective successors and assigns.

IN WITNESS WHEREOF, the undersigned has executed this Certificate as of the _____ day of _______________, 2003.

ATTEST/WITNESS:

By:_______________________________

Title:_____________________________

ALCO PARKING CORPORATION

By:_____________________________________

Title:___________________________________

EXHIBIT L

BILTMORE ABSTRACT LIMITED PARTNERSHIP

OWNER AFFIDAVIT

COMMONWEALTH OF PENNSYLVANIA) CASE NO:
) ss:
COUNTY OF ALLEGHENY) PREMISES:

Allegheny County, Pennsylvania

ON THE ___ day of ____________, ____, before me, the undersigned officer, personally appeared the undersigned, ______________________________________, the ________________ of The Stadium Authority of the City of Pittsburgh (the "Grantor"), who being duly sworn according to law and intending to be legally bound, deposes and says that with respect to the above described Premises to the actual knowledge of the undersigned:

1. That there have been no repairs, additions or improvements made, ordered or contracted to be made on or to the Premises or materials ordered therefor within the past one hundred twenty (120) days for which there remain any outstanding and unpaid bills for labor, materials or supplies for which a lien or liens might be claimed by anyone (except for actions by Optionee, Developer or their agents).

2. That the Grantor is in actual possession of the entire Premises, and as of the date hereof the Grantor is not aware of any leases or unrecorded agreements affecting the Premises or any part thereof outstanding, other than those disclosed in the Option Agreement between the Grantor and North Shore Developers, L.P., dated ________________. 2003, as the same may have been amended (the "Option Agreement") (including the Permitted Exceptions).

This affidavit is made for the purpose of inducing Biltmore Abstract Limited Partnership, as Agent for Lawyers Title Insurance Corporation, to hold settlement on the above Premises, and to issue its title insurance policy or policies, insuring the title thereto, and deponent avers that each of the foregoing statements are true and correct to the its actual knowledge. Except as defined in this Affidavit, capitalized terms have the definitions ascribed thereto in the Option Agreement.

SWORN TO AND SUBSCRIBED before me the date and year aforesaid

THE STADIUM AUTHORITY OF THE CITY OF PITTSBURGH

____

By: ______________________________
Name: ______________________________
Title: ______________________________

MY COMMISSION EXPIRES: ________________

Sports & Exhibition Authority