

REAFFIRMATION, SETTLEMENT AND AMENDMENT AGREEMENT

THIS REAFFIRMATION, SETTLEMENT AND AMENDMENT AGREEMENT (this "Agreement") is made and entered into as of the 30th day of December, 2008 (the "Amendment Effective Date") between the Stadium Authority of the City of Pittsburgh (the "Optionor") and NorthShore Developers, L.P. (the "Optionee"),

WITNESSETH:

WHEREAS, Optionor and Optionee entered into that certain Option Agreement, dated September 25, 2003 (the "Option Agreement"), whereby Optionor granted Optionee the exclusive option to purchase and/or ground lease the Property; and

WHEREAS, the parties have disagreed as to the status of the Option Agreement; and

WHEREAS, as a means of continuing the development of the Property, and to avoid further disagreements, the parties wish to enter into this Agreement,

NOW, THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, and intending to be legally bound hereby, the parties hereto agree as follows:

1. Defined Terms. Capitalized terms used herein, but not otherwise defined herein, have the meanings given to them in the Option Agreement. As used in the Option Agreement, the term "this Agreement" or "the Option Agreement" shall mean the Option Agreement, as amended by this Agreement.

2. Parcel 9 and Fourth Take-Down.

(a) Optionee and Optionor acknowledge and agree that none of the Parcel 9 Conditions have been or will be satisfied; therefore, in accordance with Section 1.6(b) of the Option Agreement, Parcel 9 is not part of the Property. A legal description for Parcel 9 is attached hereto as Exhibit A and made a part hereof. Accordingly any conveyance of Parcel 9 shall not be considered a Take Down. Optionor shall convey Parcel 9 to Continental/RockBridge North Shore Hotel, L.P. ("Buyer") by a special warranty deed in substantially the form attached hereto as Exhibit C (the "Deed") and Section 1.6(b) of the Option Agreement shall terminate and be of no further force or effect. The parties hereto acknowledge and agree that the purchase price for Parcel 9 shall be \$977,204.00. Any real estate transfer taxes imposed in connection with the conveyance of Parcel 9 shall be the sole cost and expense of Optionee and Buyer, jointly and severally, and such obligation shall survive the Hotel Closing.

(b) With respect to the Fourth Take Down, Optionor and Optionee acknowledge and agree that, in full satisfaction of Section 4.1 of the Option Agreement, Optionee is Taking Down, and agrees to purchase, a portion of Parcels 10.3, 10.4 and 10.5 aggregating approximately 42,963 square feet (the "Parcel 10 Option Area"). A legal description for the Parcel 10 Option Area is attached hereto as Exhibit B and made a part hereof. The Take Down of the Parcel 10 Option Area shall constitute the fourth (4th) Take Down Tract under the Option Agreement. The remainder of Parcels 10.3, 10.4 and 10.5 shall constitute one (1) Parcel, with

minimum height requirements of six (6) stories and preferred height of eight (8) stories, and the number of Parcels under Section 1.5(b) of the Option Agreement is hereby reduced from twelve (12) to eleven (11). In accordance with the terms of Section 8.6(c) of the Option Agreement, Optionee hereby designates that the Parcel 10 Option Area be conveyed directly to Buyer. In satisfaction of Section 8.6(c) of the Option Agreement, Buyer, the Developer and Optionor shall execute, at the Hotel Closing (as hereinafter defined), the Developer Assumption and Indemnification Agreement attached hereto as Exhibit D and made a part hereof. The Parcel 10 Option Area shall be conveyed to Buyer by the Deed. The parties hereto acknowledge and agree that the purchase price for the Parcel 10 Option Area shall be \$343,703.00.

(c) Parcel 9 and the Parcel 10 Option Area are depicted on Exhibit E attached hereto and made a part hereof, and are referred to herein collectively as the "Hotel Property". The Hotel Property shall be developed by Buyer in accordance with the terms and conditions set forth in this Agreement and the Developer Assumption and Indemnification Agreement. Notwithstanding any requirement to the contrary in the Option Agreement, the Closing Date for the purchase and sale of the Hotel Property (the "Hotel Closing") shall occur on a date agreed by the parties but in no event later than December 31, 2008, time being of the essence (the "Hotel Closing Date"). Any real estate transfer taxes imposed in connection with the conveyance of the Parcel 10 Option Area, including, without limitation, the conveyance of Optionee's rights, in and to the Parcel 10 Option Area to Buyer, shall be the sole cost and expense of Optionee and Buyer, jointly and severally, and such obligation shall survive the Hotel Closing.

(d) Optionee represents and warrants that Buyer has prepared and delivered to Optionor the documentation sufficient to cause the Parcel 9 and the Parcel 10 Option Area, upon the recordation of such documentation, to be consolidated as a single, legally subdivided parcel and in accordance with all applicable laws and that such recordation will be done concurrent with the Hotel Closing. A legal description of such consolidated parcel containing Parcel 9 and the Parcel 10 Option Area is attached hereto as Exhibit F and made a part hereof and shall be attached to the Deed as the legal description for the Hotel Property conveyed pursuant thereto.

(e) The parties confirm that the Hotel Property will be subject to Section 6.4 of the Option Agreement, pursuant to which the Property will not be used for surface parking. Notwithstanding this prohibition: (i) a portion of the Hotel Property identified on the Site Improvement Plan may be used for surface parking upon completion of the Hotel (as defined below), (ii) the Hotel Property may not be subdivided and the surface parking of the Hotel Property may not be separated from the structured improvements constructed on the Hotel Property through lease or otherwise without the prior written consent of the Optionor (in the Optionor's sole and absolute discretion), and (iii) to the extent that all or any portion of the Hotel Property is used for parking prior to commencement of construction of the Hotel ("Parking Operations Period"), all parking revenues shall be retained by the Optionor, subject to the terms of Section 1.5(a) of the Option Agreement, and to that end Optionor will continue to operate the Hotel Property as a parking lot during the Parking Operations Period and shall retain the revenues therefrom. At the Hotel Closing, and in connection with the foregoing, Optionor and Buyer shall enter into the parking license agreement attached hereto as Exhibit G. Further, Optionee and Buyer shall comply with all applicable laws and ordinances. The foregoing will be reflected in the Deed.

(f) Except as expressly set forth in this Agreement, the purchase and sale of the Hotel Property shall be governed by the Option Agreement, including without limitation, Sections 5.6 and 7.1 thereof.

(g) The Hotel Property shall be constructed and initially operated as a seven (7) story Hyatt Place hotel (the "Hotel"). Optionee and Optionor acknowledge and agree that the site plan and drawings submitted by the Buyer for the development to the Hotel, as more fully referenced and described in those certain letters from WTW Architects to the Optionor, dated November 14, 2008 and December 22, 2008, respectively (collectively, the "Site Plan") have been approved by Optionor.

(h) Optionee is responsible for relocating, at Optionee's cost, the revenue control equipment from the Tony Dorsett entrance to another entrance in Parking Lot 4 acceptable to Optionor including the necessary utilities, guiderail, restriping and lighting, and constructing the necessary curb cuts, and granting to Optionor a utility easement across the Hotel Property (on commercially reasonable terms) so that electrical service can be provided to such revenue control equipment. Optionee must secure a curb cut permit with the City of Pittsburgh in cooperation with the Optionor for ingress and egress into Parking Lot 4 off North Shore Drive. Optionee is responsible for the expense of the improvements described in this subparagraph (h). The Optionee shall provide Optionor with an acceptable plan for the foregoing improvements fifteen (15) days before the start of construction of the Hotel and such improvements shall be completed by the start of construction of the Hotel.

(i) At the Hotel Closing, (1) the Deed shall contain a commencement guaranty in accordance with Section 5.7 of the Option Agreement (except that construction in accordance with the approved Site Improvement Plan shall be required to commence within one hundred and twenty (120) days after the Hotel Closing rather than sixty (60) days as provided in Section 5.7 of the Option Agreement); provided, that no construction on the Hotel Property shall be permitted to commence until the Buyer's Construction Financing (as hereinafter defined) is closed and funds are available to Buyer pursuant thereto but the one hundred and twenty (120) day period to commence construction shall nonetheless commence to run on the Hotel Closing Date., and (2) the Optionee shall cause to be delivered a Completion Guaranty in accordance with Section 5.7 of the Option Agreement as executed by Buyer and either (i) Franklin E. Kass and John E. Lucks, Jr., or (ii) David E. Kass and Jonathan E. Kass; provided, that evidence reasonably satisfactory to the Optionor is provided demonstrating the financial wherewithal of those individuals listed in this item (ii) to undertake the obligations set forth in the Completion Guaranty (in either case, Buyer and said individuals being collectively referred to herein as the "Guarantors") The form of commencement guaranty is set forth in the Deed attached hereto at Exhibit C and the Completion Guaranty is attached hereto as Exhibit H and made a part hereof.

(j) Optionee shall provide all remaining documentation with respect to the Hotel Property in connection with notice of exercise (Section 4.3 of the Option Agreement) on or before November 30, 2008, as the same has thereafter been and will be supplemented as reasonably requested by Optionor from time to time.

(k) Optionee hereby advises that it does not seek Optionor's contribution to remediate any environmental conditions, if any, of the Hotel Property. At the Hotel Closing, Optionee and Buyer shall each execute the Environmental Agreement and Covenant Not to Sue with Optionor, in the form attached hereto as Exhibit I-1 and Exhibit I-2, respectively.

(l) The obligation of the Optionor to sell the Hotel Property pursuant to the Option Agreement (as amended by this Agreement) is expressly conditioned upon and subject to the satisfaction (unless waived by the Optionor) of each of the following conditions, which conditions Optionee agrees to satisfy prior to the Hotel Closing Date:

- (i) Optionor shall have approved the Site Plan for the Hotel Property;
- (ii) Optionee delivers to Optionor all information required for a "Take-Down" under Sections 2.4 and 4 of the Option Agreement;
- (iii) Optionee provides Optionor with reasonably satisfactory evidence of an executed management or franchise agreement with Hyatt Place; and
- (iv) Optionee provides Optionor with evidence of financing sufficient for the construction of the Hotel reasonably satisfactory to the Optionor ("Buyer's Construction Financing").

3. Future Option Periods. Notwithstanding any requirement to the contrary in the Option Agreement, the Closing Date for the fifth (5th) Take Down Tract shall be no later than December 31, 2010. In addition, and notwithstanding anything to the contrary contained in the Option Agreement, all subsequent Option Periods shall begin with the date of each Take Down and end twelve months thereafter unless otherwise provided in the Option Agreement. Time is of the essence of these dates. The parties agree that, absent an extension, a failure to comply with a Take Down constitutes a termination of the Option Agreement. Any extensions are expressly subject to approval by the Board of the Optionor, must be in writing signed by the parties, and may be granted or denied in the Optionor's discretion and may be conditioned upon, among other things, payments or other penalties. Notwithstanding the foregoing, in the event a Commencement Default or a Completion Default (as those terms are defined in the Deed) occurs and is not cured within the applicable cure period set forth in the Deed, in addition to Optionor's rights and remedies set forth in the Deed and Completion Guaranty, Optionor shall have the right to terminate the Option Agreement with respect to Optionee's right to Take Down additional Tracts.

4. East Roadway. Optionor's obligation to construct the East Roadway or to otherwise provide the Parcel 9 Easement, if any, as described in Sections 3.1(b) and (f), respectively, of the Option Agreement, is hereby terminated and of no further force or effect.

5. Development Fund.

(a) Notwithstanding any requirement to the contrary in the Option Agreement, the parties agree that all "unearned amounts" in the Development Fund, as described in Section 1.5 of the Option Agreement, for each of the calendar years 2006 through 2010 for PSSI and for calendar year 2006 for PA shall be transferred to the Optionor to be applied by Optionor to pay debt service for the financing of the Parcel 3 Garage (the West General Robinson Garage).

(b) The Parcel 10 Option Area shall constitute one Parcel for purposes of calculating the Development Fund. Parcel 9 shall not constitute a Parcel for purposes of earning the Development Fund.

6. Proceeds Escrow Fund. Section 5.9 of the Option Agreement is hereby terminated and of no further force or effect. Without limitation of the foregoing, Section 5.9 of the Option Agreement shall not apply to the purchase of the Hotel Property.

7. Parcel 7.3 Garage.

(a) The parties acknowledge and agree that for purposes of the last sentence of the first paragraph of Section 3.2(a) of the Option Agreement, the Parcel 7.3 Garage Completion Date for the Parcel 7.3 Garage is eighteen (18) months after the date construction commences on the eighth (8th) tract Take Down (it being agreed that the purchase of the Hotel Property, if consummated, constitutes the fourth Take Down).

(b) Notwithstanding Section 3.2(a) of the Option Agreement, however, Optionor will not have the obligation to construct the Parcel 7.3 Garage unless the Optionor is satisfied as to the feasibility of the Parcel 7.3 Garage and received a third party report engaged by Optionor, acceptable to Optionor, showing that the Parcel 7.3 Garage is feasible (*i.e.*, a parking system financial analysis projecting revenues and expenses for a 10 year period evidencing the ability of net operating income to cover debt service). The analysis is to be done separately for (1) the existing Parcel 3 Garage (the West General Robinson Street Garage), (2) the new proposed Parcel 7.3 Garage, and (3) the Parcel 3 Garage (the West General Robinson Street Garage) and proposed Parcel 7.3 Garage combined. If it is shown to be feasible in accordance with the foregoing, then Optionor shall be obligated to construct the Parcel 7.3 Garage.

8. West Roadway. The Optionor's obligations with respect to the West Roadway under Section 3.1(a) of the Option Agreement shall remain in effect only if Optionor and Optionee specifically agree that the roadway is necessary. If agreed, then such obligations are modified as follows: (i) the Optionor's financial commitment shall be limited to Federal funds available through its Brighton Road Extension authorization of SAFETEA-LU ID #697, (ii) the Optionor will cooperate with Optionee to obtain satisfactory additional funding to the extent necessary and to the extent the parties agree that a road is required (which will not include tax increment financing), (iii) if the City does not accept the dedication of the West Roadway, Optionee shall take title to the West Roadway, (iv) the parties shall agree upon the completion date for the construction of such road, and (v) plans and specifications for the West Roadway are subject to the Optionor's prior approval, such approval to not be unreasonably withheld.

9. Contribution Agreement. At the Hotel Closing, Optionor, Continental/North Shore Manager, LLC, Continental/NorthShore I, L.P. and Continental/NorthShore II, L.P. shall enter into a Contribution Agreement substantially in the form attached as Exhibit J.

10. Surface Parking Revenues; Surface Parking Requirements.

(a) Daily surface parking revenue in the Property is currently pledged to the North Shore Garage financing. The parties will cooperate to amend necessary documents to permit that pledge to be restated to secure a financing and/or refinancing of the North Shore Garage, Parcel 3 Garage (West General Robinson Garage) and/or Parcel 7.3 Garage, if applicable.

(b) Optionee shall provide a waiver or modification of rights from PSSI and PA 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.

11. Revisions to North Shore Subdivision Plan. Buyer shall submit a revised subdivision plan for the entire Property (showing all recorded PWSA and Port Authority easements outside of the right of ways) and consolidating the Property. The revised subdivision plan shall be in recordable form, and subject to approval of Optionor, not to be unreasonably withheld. The revised subdivision plan will be due within six months after the Hotel Closing subject to delays Buyer incurs in obtaining information from third parties such as Optionor or the PWSA or Port Authority.

12. Construction License Agreement and Encroachment and Utility Easement Agreement. At the Hotel Closing, Optionor and Buyer shall execute (i) the Construction License Agreement substantially in the form attached hereto as Exhibit K and made a part hereof, and (ii) the Encroachment and Utility Easement Agreement substantially in the form attached hereto as Exhibit L and made a part hereof.

13. Parcel 6. Optionor and Optionee acknowledge and agree that pursuant to that certain Release and Waiver by Optionee, PSSI Stadium Corp., and Pittsburgh Associates in favor of Optionee, dated as of October 31, 2008, Parcel 6 is no longer subject to the Option Agreement.

14. Multiple Counterparts. This Agreement may be executed in a number of identical counterparts. If so executed, each of such counterpart is to be deemed an original for all purposes, and all such counterparts shall, collectively, constitute one agreement.

15. Reaffirmation; Settlement; Amendment. This Agreement shall serve as an amendment to the Option Agreement. Except as expressly provided in this Agreement, the Option Agreement remains in full force and effect. The parties acknowledge that there has been a disagreement as to whether or not the Option Agreement remains in effect. By this Agreement, the parties hereby reaffirm the Option Agreement and agree that it remains in full force and effect (as amended by this Amendment). The parties hereby acknowledge and agree that this Agreement is being entered into for the purpose of avoiding the expense and delay of litigation, and settlement of such disagreement, and nothing contained herein shall be deemed to be an admission.

16. Entire Agreement. The Option Agreement, as amended by this Agreement, contains the entire understanding of the parties and supersedes any prior understanding and agreements among them regarding the subject matter. The Option Agreement, as amended by this Agreement, may be modified or amended only by a written instrument executed in the same manner as the Option 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.

17. Further Assurances. The parties will take all actions necessary and appropriate to effect the transactions contemplated herein, including but not limited to executing any and all documents necessary and appropriate as requested by the other party.

18. Costs and Expenses. The parties' costs and expenses shall be allocated in the manner described in the Option Agreement, except that Optionee shall pay Optionor's reasonable legal costs and expenses in connection with entering into this Agreement and the Hotel Closing subject to a maximum amount of \$10,000.

IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement the day and year first above written.

ATTEST/WITNESS:

Douglas J. Straley
Approved as to Form

Optionor's Solicitor

ATTEST/WITNESS:

[Signature]

ATTEST/WITNESS:

OPTIONOR:

STADIUM AUTHORITY OF THE CITY OF PITTSBURGH

By: Mary K. Conturo
Mary K. Conturo
Executive Director

OPTIONEE:

NORTH SHORE DEVELOPERS, L.P.

By: NShore General, LLC
Its: General Partner

By: [Signature]
Title: Partner

By: HOME RUN DEVELOPMENT, LLC
Its: General Partner

By: _____
Title: _____

Acknowledged and Agreed:

SPORTS & EXHIBITION AUTHORITY OF PITTSBURGH AND ALLEGHENY COUNTY

By: Mary K. Conturo
Title: Executive Director

CONTINENTAL/NORTH SHORE MANAGER, LLC

By: _____
Title: _____

CONTINENTAL/ROCKBRIDGE NORTH SHORE HOTEL, L.P.

By: Continental/Rockbridge Hotel GP, LLC
Its: General Partner

By: Continental Hotel Holdings, Ltd.
Its: Authorized Manager

By: _____
Barry C. Ford
Vice President

IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement the day and year first above written.

ATTEST/WITNESS:

OPTIONOR:

Approved as to Form

STADIUM AUTHORITY OF THE CITY OF
PITTSBURGH

Optionor's Solicitor

By: _____
Mary K. Conturo
Executive Director

ATTEST/WITNESS:

OPTIONEE:

NORTH SHORE DEVELOPERS, L.P.

By: NShore General, LLC
Its: General Partner

By: _____
Title: _____

ATTEST/WITNESS:

By: HOME RUN DEVELOPMENT, LLC
Its: General Partner

By: _____
Title: Treasurer & Secretary

Acknowledged and Agreed:

SPORTS & EXHIBITION AUTHORITY OF
PITTSBURGH AND ALLEGHENY COUNTY

CONTINENTIAL/NORTH SHORE
MANAGER, LLC

By: _____

By: _____

Title: _____

Title: Vice President

CONTINENTAL/ROCKBRIDGE NORTH SHORE HOTEL, L.P.

By: Continental/Rockbridge Hotel GP, LLC
Its: General Partner

By: Continental Hotel Holdings, Ltd.
Its: Authorized Manager

By: _____
Barry C. Ford
Vice President