THIRD AMENDMENT TO SUBLEASE AGREEMENT

THIS THIRD AMENDMENT TO SUBLEASE AGREEMENT (this "Third Amendment") is made and entered into as of the <u>l</u> day of January 2013, effective as of August 1, 2010 (the "Effective Date"), by and between the SPORTS & EXHIBITION AUTHORITY OF PITTSBURGH AND ALLEGHENY COUNTY, a body corporate and politic, organized and existing pursuant to the Sports and Exhibition Authority Act (Act of July 28, 1953, P.L. 723, No. 230, § 2501-A, added October 30, 2000, P.L. 616, No. 85, § 6, 16 Purdon's Statutes 5501-A, et seq.) (the "Authority") and PITTSBURGH ARENA OPERATING LP, a Pennsylvania limited partnership (the "Operator").

WITNESSETH:

WHEREAS, the Authority is the landlord under that certain Sublease Agreement dated as of September 18, 2007 (the "Original Lease"), by and between Authority and Lemieux Group LP as tenant, as assigned by the Lemieux Group LP to Operator pursuant to that certain Assignment and Assumption Agreement dated as of October 17, 2007, as amended by that certain First Amendment to Sublease Agreement dated October 19, 2009 between the Authority and Operator, as amended by that certain Second Amendment to Sublease Agreement dated as of February 16, 2010 between the Authority and Operator (the Original Lease as assigned and amended being referred to herein as the "Existing Lease");

WHEREAS, Authority and Operator desire to amend the Existing Lease in order (i) to amend the meaning of "Site" by reference to that certain Pittsburgh Arena, URA Plan of Lots, dated June 13, 2012, prepared by Civil & Environmental Consultants, Inc. and recorded on January________, 2013 at Plan Book $\frac{276}{276}$, Page $\underline{34}$ in the Department of Real Estate of Allegheny County ("Revised Arena Plan of Lots"), which Revised Arena Plan of Lots, among other things, adds to the Site certain additional real estate referred to herein as the "Expanded Service Yard", as more particularly described and depicted herein and (ii) to acknowledge that Operator has certain rights and obligations with respect to a subsurface foundation and above ground retaining wall encroaching onto Our Way, referred to herein as the "Encroachment", as more particularly described and depicted herein; and

WHEREAS, the Operator desires to utilize the Expanded Service Yard as an expanded service yard and staging area for the New Arena and for ingress, egress and regress to and from the Premises and the public rights-of-way of adjoining streets (the "Use"), on the terms and conditions more particularly set forth herein.

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

1. <u>Incorporation of Recitals</u>. The recitals set forth above are incorporated into this Third Amendment by reference as if set forth in full.

2. <u>Use of Capitalized Terms</u>. Capitalized terms used in this Third Amendment, unless otherwise defined in this document, shall have the meanings ascribed in the Existing

Lease. All references herein to the Lease shall mean the Existing Lease, as amended by this Third Amendment.

3. <u>Re-Classification of Site</u>. Authority and the Operator hereby agree that the Site shall mean Lot 2R, Third Revision in the Revised Arena Plan of Lots, as more particularly depicted and described on <u>Exhibit A</u> attached hereto. The Expanded Service Yard, which shall be included within the Site, is more particularly depicted and described on <u>Exhibit B</u> attached hereto.

4. <u>Encroachment</u>. The Authority and Operator hereby agree that Encroachment shall mean that certain subsurface foundation and retaining wall encroaching into Our Way between the Site and Magee Street, as permitted by the City of Pittsburgh Encroachment Permit issued pursuant to Resolution 22 adopted December 31, 2012, a copy of which is attached hereto as <u>Exhibit C</u> (the "Encroachment Resolution"), and as such Encroachment is depicted and described on <u>Exhibit C</u>. The Encroachment shall not be part of the Site, but the Authority and Operator hereby agree that (i) Operator shall be entitled to exercise all rights and privileges, and Operator hereby assumes all obligations, of the Authority related to the Encroachment as provided in the Encroachment Resolution and (ii) of the Encroachment also shall be subject to the applicable terms and conditions of the Lease as if the Encroachment were part of the Premises.

5. <u>Title and Permitted Encumbrances</u>. The Authority representations of Section 16.1.6 of the Existing Lease are not applicable to the Expanded Service Yard. The Authority and Operator hereby acknowledge and agree that the matters set forth on <u>Exhibit D</u> hereof shall be included within the definition of "Permitted Encumbrances" under the Lease, thereby supplementing the matters set forth on Exhibit C to the Existing Lease.

6. <u>Use of Expanded Service Yard</u>. The Expanded Service Yard shall be used for the Use.

7, <u>Additional Rent for Expanded Service Yard</u>. Section 4.2.1 of the Original Lease is hereby amended to provide for additional Rent pertaining to the Expanded Service Yard, as follows:

(a) Section 4.2.1(c) of the Original Lease is amended by deleting the period at the end of the subsection and replacing it with a comma followed by the word "and".

(b) The following new Section 4.2.1(d) is added:

(d) The sum of One Hundred Thousand Dollars (\$100,000.00) per year, payable commencing on September 25, 2010 and continuing each September 25 thereafter through and including September 25, 2039 (the "**Expanded Service Yard Rent**"). The Authority will deposit each installment of the Expanded Service Yard Rent in the Capital Reserve Fund ; provided however, that the Authority shall have the right to transfer the sum of \$80,368.50 from the Capital Reserve Fund to pay the

expenses related to the acquisition of the Expanded Service Yard and related matters as set forth on Exhibit E.

(c) The Authority hereby acknowledges receipt from Operator, prior to the execution date of this Third Amendment, of the first three (3) installments of the Expanded Service Yard Rent payable hereunder.

8. <u>Memorandum of Lease Amendment</u>. At the request of Operator, the parties shall execute a Memorandum of Third Amendment to Lease in form acceptable to the parties that may be recorded at Operator's expense in the Department of Real Estate of Allegheny County, evidencing the transactions described herein on terms and conditions acceptable to Operator and the Authority.

9. <u>Ratification of Lease</u>. Except as specifically modified by this Third Amendment, the Lease remains in full force and effect. All terms, covenants and conditions of the Lease shall continue to be valid, effective and in force, and are hereby ratified and affirmed.

10. <u>Entire Agreement</u>. <u>Exhibit A</u>, <u>Exhibit B</u>, <u>Exhibit C</u>, <u>Exhibit D</u> and <u>Exhibit E</u> attached to this Third Amendment are incorporated herein and made a part hereof. The Lease, as amended hereby, is the entire agreement of the parties with respect to the subject matter thereof; there are no verbal representations, warranties and understandings, stipulations, agreements or promises pertaining to the Lease not incorporated in writing therein or in this Third Amendment except to the extent that this Third Amendment specifically so states.

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

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

13. <u>Counterparts</u>. This Third Amendment may be executed in counterparts, both of which shall constitute one and the same instrument.

[Remainder of page intentionally left blank]

[Signature page to Third Amendment to Sublease Agreement]

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

OPERATOR:

PITTSBURGH ARENA OPERATING LP, a Pennsylvania limited partnership

By: Pittsburgh Arena Operating LLC, its general partner

By____ Paris E. Wil Name: 600 Title:

AUTHORITY:

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

By:		
Name:		
Title:		

JOINDER OF LEMIEUX GROUP

Lemieux Group LP joins into this Third Amendment in order to confirms its guaranty of obligations under the Existing Lease as amended by this Third Amendment.

LEMIEUX GROUP LP

By: Team Lemieux LLC, general partner

By: -Travis E. Williams Name: (DD /Genera Title:

ATTEST/WITNESS:

ATTEST/WITNESS:

[Signature page to Third Amendment to Sublease Agreement]

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

OPERATOR:

PITTSBURGH ARENA OPERATING LP, a Pennsylvania limited partnership

By: Pittsburgh Arena Operating LLC, its general partner

Ву	
Name:	
Title:	

AUTHORITY:

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

By: Name: Title: Exercity

JOINDER OF LEMIEUX GROUP

Lemieux Group LP joins into this Third Amendment in order to confirms its guaranty of obligations under the Existing Lease as amended by this Third Amendment.

LEMIEUX GROUP LP

By: Team Lemieux LLC, general partner

By:	
Name:	
Title:	

ATTEST/WITNESS:

ATTEST/WITNESS:

List of Exhibits

Exhibit A - Depiction and Description of Site (Lot 2R Third Revision)

Exhibit B - Depiction of Expanded Service Yard (included within the Site)

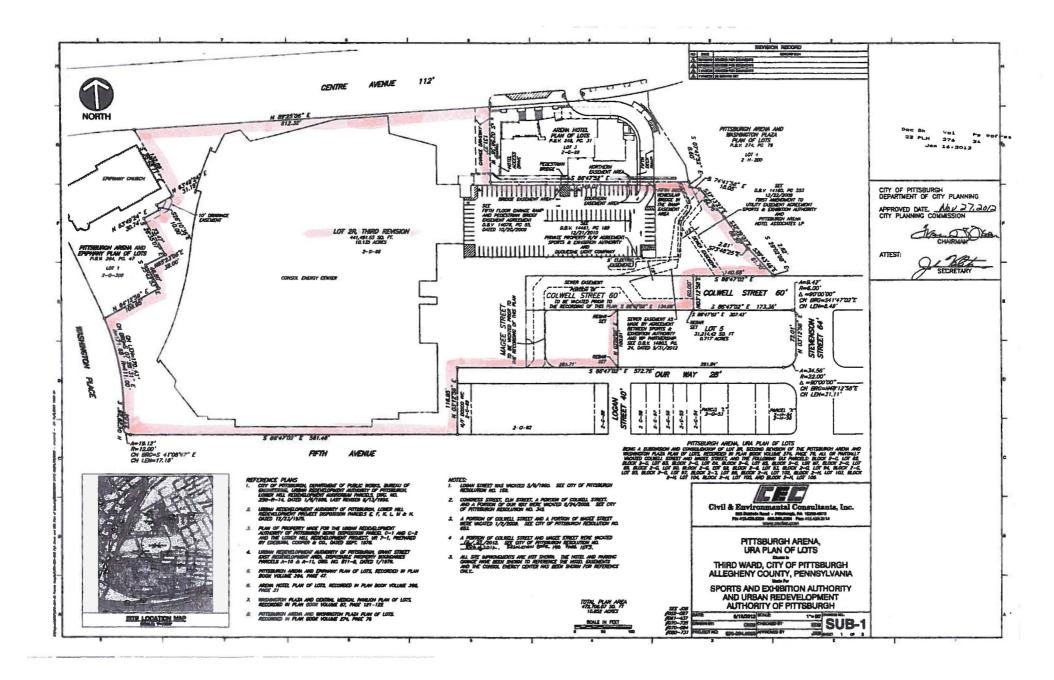
Exhibit C - Description of Encroachment, Encroachment Resolution and Drawings

Exhibit D - Additional Permitted Encumbrances

Exhibit E - Reimbursements to Authority

Exhibit A

Depiction and Description of Lot2R Third Revision



PROPERTY DESCRIPTION LOT 2R, THIRD REVISION OF THE PITTSBURGH ARENA, URA PLAN OF LOTS

All that certain lot or parcel of land situate in the 3rd Ward, City of Pittsburgh, County of Allegheny, Commonwealth of Pennsylvania, being Lot 2R, Third Revision of the Pittsburgh Arena, URA Plan of Lots, to be recorded, more particularly bounded and described as follows:

Beginning at a point on the southerly right of way line of Centre Avenue, 112' wide, at the dividing line of Lot 1 of the Pittsburgh Arena and Epiphany Church Plan of Lots, recorded in Plan Book Volume 264, page 47 and property herein described; thence along the southerly right of way line of Centre Avenue, 112' wide, North 89°25'06" East, 612.32' to a point at the northwest corner of Lot 3 of the Arena Hotel Plan of Lots, recorded in Plan Book Volume 266, Page 31; thence along the dividing line of Lot 3 of the Arena Hotel Plan of Lots and property herein described, the following two (2) courses and distances, viz: South 02°56'36" West, 131.27' to a point; thence South 86°47'52" East, 349.02' to a point at the westerly line of Lot 4 of the Pittsburgh Arena and Washington Plaza Plan of Lots, recorded in Plan Book Volume 274, Page 76; thence along the dividing line of Lot 4 of the Pittsburgh Arena and Washington Plaza Plan of Lots and property herein described, the following seven (7) courses and distances, viz: South 07°47'52" East, 8.60' to a point; thence South 74°41'56" East, 18.05' to a point; thence South 37°13'27" East, 64.76' to a point; thence South 32°39'07" East, 68.20' to a point; thence South 73°48'25" East, 2.81' to a point; thence South 39°43'46" East, 61.70' to a point; thence South 29°02'08" East, 2.62' to a point on the northerly right of way line of Colwell Street, 60' wide; thence along the northerly right of way line of Colwell Street, 60' wide, North 86°47'02" West, 140.68' to a point on the westerly right of way line of Colwell Street, 60' wide; thence along the westerly right of way line of Colwell Street, 60' wide, South 03°12'58" West, 60.00' to a point on the northerly line of Lot 5 of the Pittsburgh Arena, URA Plan of Lots, to be recorded; thence along the dividing line of Lot 5 of the Pittsburgh Arena, URA Plan of Lots and property herein described, the following two (2) courses and distances, viz: North 86°47'02" West, 134.06' to a point; thence South 03°00'02" West, 100.01' to a point on the northerly right of way line of Our Way, 28' wide; thence along the northerly right of way line of Our Way, 28' wide, North 86°47'02" West, 281.71' to a point; thence along the westerly right of way line of Our Way, 28' wide and along the westerly line of property now or formerly Dosco Inc., South 03°12'58" West, 116.95' to a point on the northerly right of way line of Fifth Avenue; thence along the northerly right of way line of Fifth Avenue, North 86°47'02" West, 561.46' to a point on the easterly right of way line of Washington Place; thence along the easterly right of way line of Washington Place, the following three (3) courses and distances, viz: by an arc of a circle deflecting to the right in a northwestwardly direction, having a radius of 12.00', an arc distance of 19.12' (chord bearing and distance, North 41°08'47" West, 17.16') to a point; thence North 04°29'28" East, 23.04' to a point; thence by an arc of a circle deflecting to the left in a northwestwardly direction, having a radius of 411.00', an arc distance of 171.68' (chord bearing and distance, North 07°28'31" West, 170.43') to a point at the southwest corner of Lot 1 of the Pittsburgh Arena and Epiphany Church Plan of Lots; thence along the dividing line of Lot 1 of the Pittsburgh Arena and Epiphany Church Plan of Lots and property herein described, the following eight (8) courses and distances, viz: North 64°12'59" East, 106.95' to

a point; thence North 25°42'53" West, 46.80' to a point; thence North 65°23'06" East, 38.00' to a point; thence North 26°35'07" West, 73.47' to a point; thence North 63°49'24" East, 30.74' to a point; thence North 26°10'36" West, 10.00' to a point; thence North 63°49'24" East, 31.19' to a point; thence North 25°48'11" West, 132.89' to the place of beginning.

Contains 441,491.65 Sq. Ft. or 10.135 Acres

Exhibit B

Depiction of Expanded Service Yard (included within Site)

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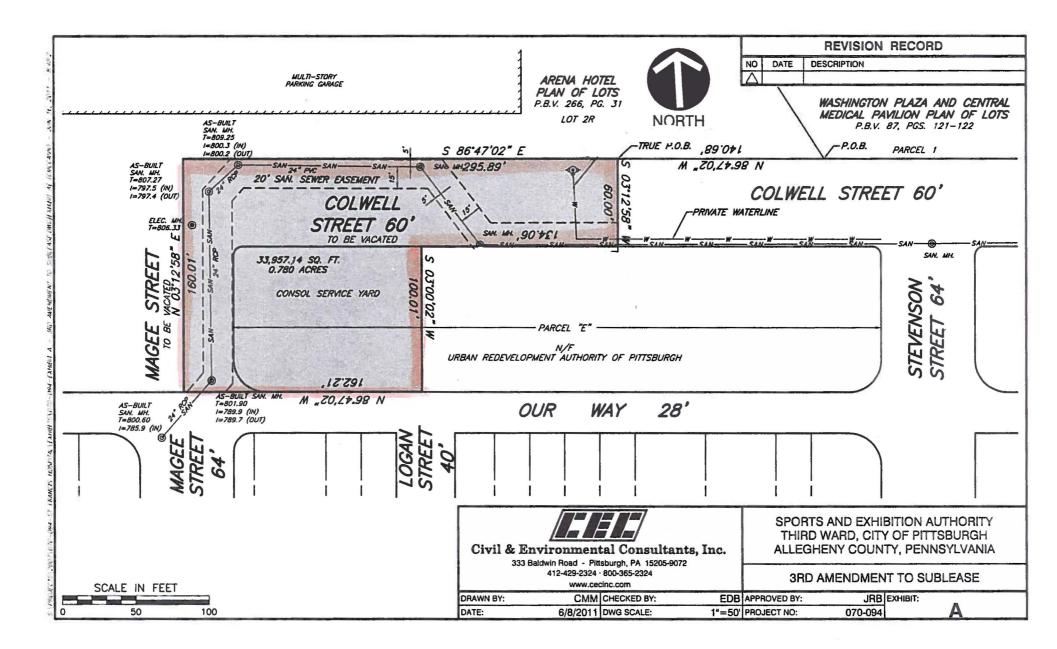


Exhibit C

Description of Encroachment

A subsurface foundation and above-ground retaining wall located along Our Way between Consol Energy Center and Magee Street, the subsurface portion of such encroachment having a depth of approximately 4 feet below road surface and extending beneath the roadway approximately 5 feet for a distance of approximately 70 feet along the right of way line of Our Way, and said above-ground encroachment extending 3 feet into the roadway for a distance approximately 70 feet along the right of way line of Our Way, as depicted on the drawings attached to this exhibit.

(Encroachment Resolution and Drawings Attached)



City of Pittsburgh Certified Copy

510 City-County Building 414 Grant Street Pittsburgh, PA 15219

State of Pennsylvania

Bill No: 2012-1031

I, Linda M. Johnson-Wasler, the duly appointed Clerk of Council of the City of Pittsburgh, do hereby certify that the foregoing is a true and correct copy of:

Resolution No. 802

Resolution granting unto the Sports & Exhibition Authority 171 10th Street, 2nd Floor, Pittsburgh, PA 15222, their own cost and expense a subsurface encroachment to support a retaining wall ramp on Our Way in the 3rd Ward, 6th Council District of the City of Pittsburgh.

Be it resolved by the Council of the City of Pittsburgh as follows:

Section 1. That the Sports & Exhibition Authority 171 10th Street, 2nd Floor, Pittsburgh, PA 15222, their successors and assigns, are hereby granted the privilege to construct, maintain and use at their own cost and expense, a subsurface foundation and retaining wall located on Our Way between Consol Energy Center and Magee Street, said encroachment having a depth of approximately 4 feet below road surface and extending beneath the roadway 5feet for a distance approximately 70 feet along the right of way line of Our Way in the 3rd Ward, 6th Council District of the City of Pittsburgh.

The said encroachment shall conform to the provisions of their resolution and in accordance with the Plan identified as Accession D-730 on file in the Division of Surveys, Department of Public Works.

Section 2. The said Grantee prior to the beginning of the construction of said encroachment shall submit to the Director of the Department of Public Works of the City of Pittsburgh a complete set of plans, in triplicate, showing the location and all details of said construction. Said plans and said construction shall be subject to the approval and supervision of the Director of the Department of Public Works.

Section 3. The encroachment herein granted shall be subject and subordinate to the rights of the City of Pittsburgh and its powers and supervision over City streets, and also to Resolutions of the City of Pittsburgh relating thereto, and to the provisions of any general Resolutions which have been or may be hereafter passed relating to said construction, maintenance and its use on City streets and compensation for same.

Section 4. The said Grantee shall bear the full cost and expense of the repair of any street pavement damaged, repair of sewer, water lines and other surface and sub-surface structures which may be in any way damaged or disturbed by reason of the construction, maintenance, use and operation of said construction. All work, including the repaying and repairing of any portion of the street damaged, shall be done in the manner and at such times as the Director of the Department of Public Works may order and shall be subject to their approval and supervision.

Section 5. The rights and privileges granted by their Resolution are granted upon the express condition that the City of Pittsburgh, without liability, reserves the right to cause the removal of said construction upon giving to the said Grantee at least three (3) months written notice through the proper officers, pursuant to a resolution of Council, to the said the Sports & Exhibition Authority 171 10th Street, 2nd Floor, Pittsburgh, PA 15222, their successors and assigns, to that effect and that the said Grantee shall when so notified at the expiration of the said three (3) months forthwith remove said construction and replace street to its original condition at their own cost and expense.

Section 6. That The Sports & Exhibition Authority 171 10th Street, 2nd Floor, Pittsburgh, PA 15222, shall be responsible for and shall assume all liability, either of said The Sports & Exhibition Authority 171 10th Street, 2nd Floor, Pittsburgh, PA 15222, or the City of Pittsburgh, for damages to persons or property by reason of the construction, maintenance and use of said encroachment and it is a condition of their grant that the City of Pittsburgh assumes no liability for damage to either persons, or property on account of their grant, and that Sports & Exhibition Authority 171 10th Street, 2nd Floor, Pittsburgh, PA 15222, for themselves, his successors and assigns, shall, by accepting the terms of their Resolution, hereby indemnify, save harmless and defend the City of Pittsburgh from any and all damages and claims for damages arising by reason of said construction, maintenance and use.

That The Sports & Exhibition Authority 171 10th Street, 2nd Floor, Pittsburgh, PA 15222, shall maintain in effect during the entire period of their license the following insurance for the protection of the City of Pittsburgh, all premiums being at the expense of the licensee, which insurance shall be non-cancelable except upon thirty (30) days written notice to said City and which insurance shall cover and name said City as an additional insured:

 Public Liability
 \$ 100,000.00 - \$ 300,000.00

 Property Damage
 \$ 50,000.00

Prior to commencement of their license and as required by said City, from time to time licensee shall submit proof of the above insurance in the form of a certificate, duly attested by the proper officers or authorized representatives of a responsible insurance company.

Section 7. The foregoing rights and privileges are granted subject to the following conditions, to wit: Their Resolution shall become null and void unless within 120 days after its approval the said The Sports & Exhibition Authority 171 10th Street, 2nd Floor, Pittsburgh, PA 15222, his successors and assigns, shall file with the Department of Public Works their certificate of acceptance of the provisions there of, said certificate to be executed by the Sports & Exhibition Authority 171 10th Street, 2nd Floor, Pittsburgh, PA 15222.

Finally, that any Ordinance or Resolution or part thereof conflicting with the provisions of this Resolution, is hereby repealed so far as the same affects this Resolution.

Mayor's Approval Date: January 03, 2013

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IN WITNESS WHEREOF, I have hereunto set my hand this 7th day of January, A.D. 2013.

in

Linda M. Johnson-Wasler, City Clerk

December 31, 2012

Effective Date

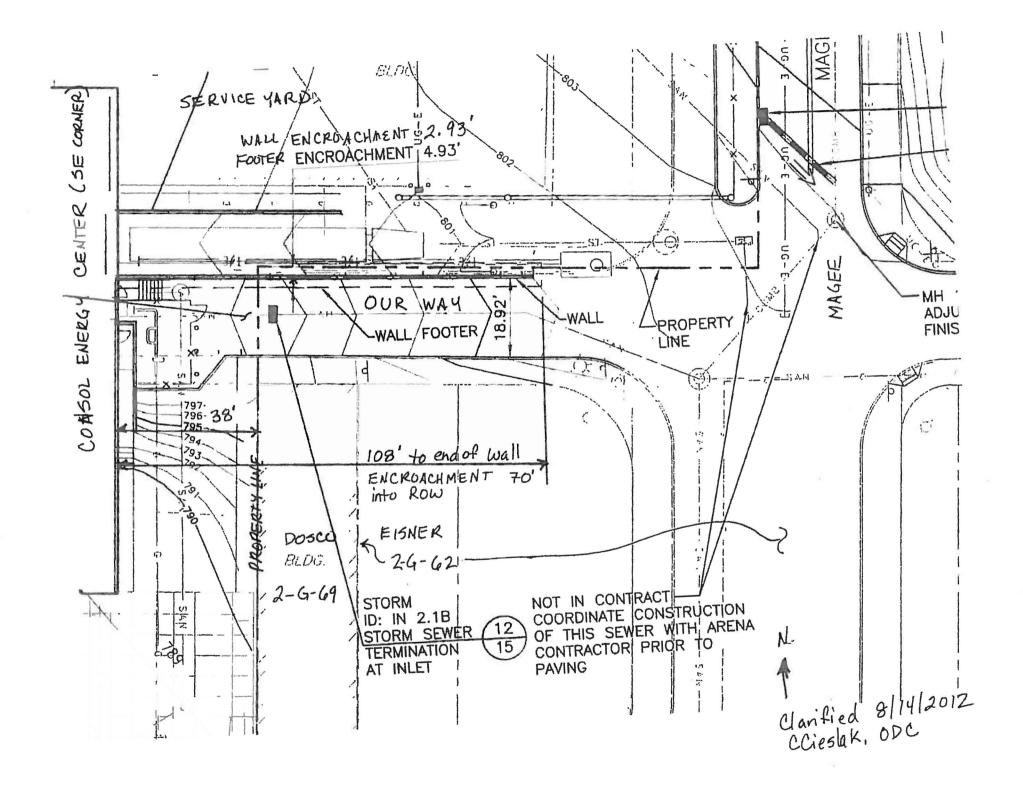


Exhibit D

Additional Permitted Encumbrances

- Restrictive Covenants and the Permitted Exceptions set forth in Special Warranty Deed from the Urban Redevelopment Authority of Pittsburgh to the Sports & Exhibition Authority of Pittsburgh and Allegheny County ("SEA") and recorded in the Allegheny County Department of Real Estate on <u>April 22, 2013</u> at Deed Book Volume <u>15213</u>, Page <u>15</u>
- Restrictive Covenants in Quitclaim Deed from the Urban Redevelopment Authority of Pittsburgh to the SEA and recorded in the Allegheny County Department of Real Estate on <u>April 22, 2013</u> at Deed Book Volume <u>152.13</u>, Page <u>24</u>
- Agreement re: Easement and Maintenance of Certain PWSA Improvements between SEA and Pittsburgh Water and Sewer Authority recorded in the Allegheny County Department of Real Estate on <u>April 22, 2013</u> at Deed Book Volume <u>15213</u>, Page <u>4</u>.
- 4. Sanitary Sewer Line Easement Agreement by and between SEA and WP Partnership recorded in the Allegheny County Department of Real Estate on May 31,2002 at Deed Book Volume 14903, Page 24.
- 5. Right of Way granted by SEA to Duquesne Light Company and recorded on December 21, 2010 in the Allegheny County Department of Real Estate at Deed Book Volume 14461, Page 189.
- 6. Fifth Floor Garage Ramp and Pedestrian Bridge Easement Agreement recorded on October 20, 2009 in the Allegheny County Department of Real Estate at Deed Book Volume 14076, Page 55.
- 7. Utility Easement Agreement by and between SEA and Pittsburgh Arena Hotel Associates LP recorded in the Allegheny County Department of Real Estate on October 20, 2009, at Deed Book Volume 13974, Page 433.
- 8. First Amendment to Utility Easement between SEA and Pittsburgh Hotel Associates LP recorded in the Allegheny county Department of Real Estate on Jan 20,201, at Deed Book Volume 14160, Page 553.
- 9. Storm Sewer Line Construction Easement and Maintenance Agreement by and among SEA, Epiphany Church, Pittsburgh Arena Operating LP and Pittsburgh Arena Development LP recorded July 8, 2009, at Deed Book Volume 13974, Page 433.
- Right of Way from Urban Redevelopment Authority of Pittsburgh to the Bell Telephone Company of Pennsylvania dated February 16, 1960, in Deed Book Volume 3845, Page 631.
- 11. All matters set forth in Pittsburgh Arena URA Plan of Lots recorded in the Allegheny County Department of Real Estate on January 16, 2013 at Plan Book Volume 276, Page 34.
- All matters set forth in the Pittsburgh Arena and Washington Plaza Plan of Lots, recorded in the Allegheny County Department of Real Estate on May 22, 2012, at Plan Book Volume 274, Page 76.

- 13. All matters set forth in the Arena Hotel Plan of Lots recorded in the Allegheny County Department of Real Estate on July 13, 2009, at Plan Book Volume 266, Page 31.
- 14. All matters set forth in the Pittsburgh Arena and Epiphany Plan of Lots recorded in the Allegheny County Department of Real Estate on December 8, 2008, at Plan Book Volume 264, Page 47.

<u>Exhibit E</u>

Reimbursements to Authority

1. Rent/License Fee payable to URA for Expande	\$55,680.00				
2. Reimbursement, WP Closing expenses incurred to facilitate Colwell Street swap:					
 Reduction in purchase price paid by WP: Transfer tax for Colwell Street property Recording fee Colwell Street property Subtotal: 	\$20,000.00 \$ 800.00 \$ 84.50	\$20,884.50			
3. Engineering Costs to CEC for Plan of Lots	\$ 2,500.00				
4. Recording costs					
 Special Warranty Deed from URA Quitclaim Deed from URA Deed for Colwell Street Property Pittsburgh Arena URA Plan of Lots PWSA Easement for Sewer Subtotal 	\$ 150.00 \$ 150.00 \$ 150.00 \$ 240.00 \$ 150.00	\$ 574.00			
5. Payment to City Treasurer for Street Vacation		\$ 150.00			
6. Title Search	\$ 250.00				
7. Plan Review Fee charged by City Planning		\$ 330.00			
TOTAL	\$80,634.50				