- (8) the ADA trails on the Premises,
- (9) the turf and non-turf landscaping throughout the Premises, except that which is the Commission's responsibility to maintain under Section 9(b),
- (10) the portions of the water and sewer infrastructure outside of the Central Park Circle and Germantown Park Drive right-of-way shown to be Foundation's responsibility on the attached Exhibit E, and
  - (11) the Foundation signage described in Section 10(c).

Foundation's maintenance responsibilities shall include making or causing to be made all necessary repairs, alterations and/or replacements, interior, exterior, structural and nonstructural, to the aforesaid improvements. All such repairs, alterations and replacements shall be at least equal in quality to the original work. Foundation's maintenance responsibilities shall also include keeping the Premises free of trash and debris. Foundation shall place such trash and debris in trash cans and dumpsters provided by Foundation, and shall arrange for the regular removal of trash from such trash cans and dumpsters. Foundation shall also remove trash and debris from the entire area of the Park inside the Central Park Circle and empty all trash receptacles within such area within twenty-four (24) hours after the conclusion of all Tournaments. Foundation shall hold harmless and indemnify the Commission with respect to any liability in respect of maintenance or repair required under this Section 9(a). Foundation shall have the right to lock the Comfort Stations at all such times as the Comfort Stations are not being used for SoccerPlex events; provided, however, that Foundation shall leave the Comfort Stations opened at other times requested by Commission.

- (b) <u>Commission's Maintenance Responsibilities</u>. Commission shall, at Commission's sole cost and expense, throughout the Lease Term, keep the following improvements in good order and condition and shall make or cause to be made all necessary repairs, alterations and/or replacements thereto, interior, exterior, structural and nonstructural, reasonable wear and tear and damage by Casualty excepted:
  - (1) the Central Park Circle and the non-grass landscaping and lighting on the perimeter of the Central Park Circle,
  - (2) the non-grass landscaping along Schaeffer Road on the perimeter of the Premises,
  - (3) the Germantown Park Drive, the lighting on the perimeter of Germantown Park Drive, and the non-grass landscaping along and within the median strip of the Germantown Park Drive,
  - (4) the portions of the water and sewer infrastructure outside of the Central Park Circle and Germantown Park Drive right-of-way shown to be Commission's responsibility on the attached Exhibit E,
  - (5) the entrance roads from the Central Park Circle to the Parking Areas and the lighting for such entrance roads,

- stormwater management facilities, sand filters and outfalls, but only upon the first to occur of the following three events: (i) Foundation's delivery to Commission of written notification of Foundation's substantial completion of Phase III; (ii) Foundation's delivery to Commission of written notification of Foundation's decision not to proceed with the construction of Phase II; or (iii) Foundation's delivery to Commission of written notification of Foundation's decision not to proceed with the construction of Phase III. At whatever time Foundation transfers maintenance of the stormwater management facilities, sand filters and outfalls, these items must be completely constructed, including any and all punch list items related thereto, and, further must be fully operational, clean and in good working order. Upon Foundation's delivery of the notification set forth in (ii) or (iii) above, Foundation's interest in, and right to, any and all leasehold interest in all remaining unbuilt Phase(s) (if any) shall terminate. At such time, the Commission shall have full authority to enter and use any property to which Foundation relinquished its leasehold interest under this Section as if never subject to this Lease,
- (7) all of the non-ADA trails within the Premises (including soft trails, hiker/biker trails, trails connecting hiker/biker trails with off-site trails, and trails adjacent to the Central Park Circle),
- (8) the Commission signage described in Section 10(b) and the way-finding signage described in Section 10(d); provided however that such way-finding signage installed within the Park shall be maintained and repaired by Commission on a shared cost basis as described in Section 10(d), and
- (9) all portions of the Park except the Premises (including all improvements thereon), including, without limitation, maintaining, repairing and making necessary alterations and replacements to:
  - (i) roads and parking lots outside the Premises (including keeping such roads and parking lots free of snow and ice),
  - (ii) the area south of the Central Park Circle, east of the hiker/biker trail adjacent to Soccer Field 22, north of Schaeffer Road and west of and including the Germantown Park Drive, including landscaping, parking lots, parking lot lights and the Community Soccer Fields (including turf and irrigation),
    - (iii) the four (4) Baseball/Softball Fields,
  - (iv) the Park Maintenance Facility and the driveway and parking lot for the Park Maintenance Facility,
    - (v) the Pumping Station in the Central Park,
    - (vi) the BMX Track driveway and parking lot, and

(vii) all trails outside the Premises, including those in the Central Park.

All such repairs, alterations and replacements shall be at least equal in quality to the original work. Commission's maintenance responsibilities shall also include keeping all areas of the Park except the Premises free of trash and debris, and remove snow and ice from any Parking Areas used for non-SoccerPlex events during the winter months. Commission shall hold harmless and indemnify the Foundation with respect to any liability in respect of maintenance or repair required under this Section 9(b).

Facility can continually, during the Lease Term, accommodate both the Commission's and Foundation's use (without the obligation to expand such accommodation beyond the Foundation's workspace and use as of the Effective Date), which shall be without charge to the Foundation; provided however, Foundation shall reimburse Commission for (1) Foundation's Proportionate Share of the electricity supplied to the Park Maintenance Facility deemed to be 20% of the total, (2) fuel actually taken from the Commission owned tanks that is used by the Foundation, and (3) any additional, actual labor costs (excluding benefits) for services provided to the Foundation by employees and/or contractors of the Commission. Foundation's payment of any such labor costs shall not be deemed to have created an employer/employee relationship with any such employees or contractors of the Commission. Foundation shall keep the Park Maintenance Facility free of trash and debris as a result of its use thereof.

#### 10. Signage

- (a) <u>Park Signage Guidelines.</u> All signage installed in the Park by Foundation or Commission shall conform to the guidelines established by the Foundation and Commission for the size, shape, color and lettering style of all signage in the Park (the "Park Signage Guidelines").
- (b) <u>Commission Signage</u>. Except as set forth in Section 10(d), all signage installed by Commission on the Premises or other areas of the Park solely for Commission use shall be installed at Commission's expense and shall be maintained in good condition and repair by Commission, at its expense.
- (c) <u>Foundation Signage</u>. All signage installed by Foundation on the Premises or other areas of the Park solely for Foundation use shall be installed at Foundation's expense and shall be maintained in good condition and repair by Foundation, at its expense. Foundation's signage on the Premises may include signs identifying donors to and sponsors of the SoccerPlex. Foundation shall have the right to install and utilize event boards, so long as such event boards conform to the Park Signage Guidelines.
- (d) <u>Way-finding Signage within Park</u>. Commission and Foundation shall install within the Park way-finding signs to the Soccer Fields, the Community Soccer Fields and the Indoor Multi-Purpose Facility, in accordance with the Park Signage Guidelines. Foundation and Commission and any other tenants named on such signage shall share proportionately the cost of design, fabrication and installation of such way-finding signage. All such way-finding

signage installed within the Park shall be maintained in good condition and repair by Commission on a shared cost basis.

- (e) <u>Off-Park Signage</u>. If after the initial installation of the directional signage to the Park and the SoccerPlex in locations outside of the Park, any such signage is changed due to a change in the name of the SoccerPlex or any portion thereof, Foundation shall pay for the cost of such change.
- 11. Sponsorships and Naming Opportunities. Foundation shall have the right, subject to approval by Commission, which approval shall be in the sole and absolute discretion of the Commission, to name (a) the Championship Field, (b) the other Soccer Fields, (c) the Indoor Multi-Purpose Facility (which is currently known as the Discovery Sports Center), (d) the entire SoccerPlex, and (e) other SoccerPlex Improvements or elements thereof. Foundation shall have the right, without the necessity of approval by Commission, to offer event, activity and program sponsorship opportunities to organizations, companies or individuals, as an inducement to contribute funds to the Foundation for the construction and operation of the SoccerPlex, including for specific events and Tournaments ("Sponsors"); provided, however, the Foundation covenants that it will not, without Commission approval, permit certain Commission specified categories of sponsorships (e.g., gun, tobacco or alcohol manufacturers). In conjunction with such naming and/or sponsorship opportunities, Foundation may give Sponsors signage (subject to the Park Signage Guidelines) in the SoccerPlex, exclusive rights to sell their products at the SoccerPlex and such other rights as Foundation shall deem reasonable.

### 12. Right to Enter.

- (a) <u>By Commission</u>. Any member, employee or agent of Commission may, at all reasonable hours, enter onto the Premises or any Improvements on the Premises.
- (b) <u>By WSSC</u>. Foundation shall grant any member, employee or agent of Washington Suburban Sanitary Commission (WSSC) access, at all reasonable hours, to the Premises and any Improvements to the Premises.

# 13. Operation and Management of Soccer Facilities.

- (a) <u>Scheduling of Park Events</u>. The parties agree that activities within and throughout the Park must not exceed Traffic Standards and can be accommodated by the available parking spaces in the Park, and therefore, the following shall apply:
  - (1) The Commission acknowledges that all tenants and facilities in the Park managed and/or maintained by the Parks Department will be subject to the Traffic and Parking Management Plan and that it will require all tenants or other primary users, including the Foundation and the Commission, to enter into a Traffic and Parking Management Plan for the coordination of events and activities in the Park so that such uses, including during construction of the improvements for any such use, are coordinated to stay within the Traffic Standards and can be accommodated by the available parking spaces in the Park. The Commission acknowledges that it will require this provision for a Traffic and Parking Management Plan to be included in all of its Leases, Operating Agreements, other

contracts and/or other arrangements for use of the Park with all tenants and other primary users in the Park, including the Swim Center, the Tennis Center, and the Golf Driving Range.

- (2) Commission shall obtain Foundation's written permission prior to scheduling on Tournament days any event in the Park, which (i) is likely to generate traffic in the park in excess of the Traffic Standards, or (ii) is likely to generate parking in the Parking Areas in excess of available parking spaces, until the Traffic and Parking Management Plan is completed.
- (3) Commission shall coordinate with the Foundation all other events during Outdoor Soccer Seasons on non-Tournament days, which (i) are likely to generate traffic in the Park in excess of Traffic Standards, or (ii) are likely to generate parking in the Parking Areas in excess of available parking spaces, until the Traffic and Parking Management Plan is completed.
- (4) Nothing in this Lease shall permit the Foundation to require closure of the Park or to require the interruption of routine activities in the Park.
- (b) <u>SoccerPlex Usage and Scheduling</u>. Foundation shall establish an Advisory Board as defined in Section 2(b) herein. The Foundation shall consider the following guidelines in scheduling the use of the SoccerPlex:
  - (1) All prospective users of the Soccer Fields and the Indoor Multi-Purpose Facility will be required to obtain a permit from the Foundation for any use of the Soccer Fields and the Indoor Multi-Purpose Facility, including practice, pickup games and informal, unscheduled team play, in accordance with Section 6(a)(2), unless such user has obtained a scholarship from the Foundation.
  - (2) Foundation's maintenance and resting schedule for the Soccer Fields shall dictate the availability of the Soccer Fields for use.
  - (3) The scheduling of the use of the Soccer Fields must not exceed Traffic Standards, and once developed and agreed to, shall be in conformance with the Traffic and Parking Management Plan.
  - (4) When allocating and scheduling the use of the Soccer Fields, Foundation shall comply with its Field Usage Allocation Guidelines.
  - (5) Foundation shall provide scholarships for payment of Field-Use Fees for the Soccer Fields to individuals and groups unable to afford to pay such fees, in such amounts as Foundation may deem reasonable.
  - (6) Foundation shall be responsible for scheduling Tournaments at the SoccerPlex; provided however, Tournaments shall only be scheduled for a period of no more than three (3) days, unless a fourth (4<sup>th</sup>) day does not interfere with regularly scheduled play.

- (7) More than two (2) teams may be permitted to play on the same Soccer Field at the same time, so long as the traffic from such usage is anticipated to be in conformance with the Traffic Standards, and once developed and agreed to, the Traffic and Parking Management Plan.
- (8) The soccer fields in the Indoor Multi-Purpose Facility may be used throughout the year in accordance with the Purpose and Permitted Uses as set forth in Article 6 herein.
  - (9) The Hours of Operation of the SoccerPlex shall be as follows:
  - (i) For the Indoor Multi-Purpose Facility, 7:00 a.m. to 12:00 midnight; provided, however, the Director of Parks may waive the hours of operation on a case-by-case basis for any Permitted Use that takes place in the Indoor Multi-Purpose Facility.
  - (ii) For the Championship Field, all games and events, including operational support and warm-up activities shall commence at or after 7:00 a.m., and shall end by 12:00 midnight.
  - (iii) For all other Soccer Fields (whether lighted or non-lighted), all games and events, including operational support and warm-up activities shall commence at or after 7:00 a.m., and shall end by 11:00 p.m. All users shall be warned in advance of such closing.
- (c) <u>Community Soccer Fields</u>. Commission shall make the Community Soccer Fields (shown as fields A and B on the attached Exhibit A) available to Foundation for use during Tournaments. Commission shall use reasonable efforts to keep the Community Soccer Fields in Tournament-quality condition. The Community Soccer Fields shall be rested periodically to recover from potential overuse or weather-related damage.
- (d) Security and Traffic Control. Throughout the Lease Term, Commission's police department (the "Park Police") shall provide routine security patrols of the SoccerPlex, at no cost, as well as of the rest of the Park. Foundation shall provide supplemental security and signage (e.g., no parking on the grass) for Tournaments and other events at the SoccerPlex, if appropriate. Foundation shall consult with the Division Chief of the Park Police to determine the level of police services needed for Tournaments and other events. If Foundation elects to hire police force representatives to provide additional security, the Park Police shall have a right of first refusal to provide such security, at the rate then in effect under the Commission's contract with the Fraternal Order of Police. Foundation may elect to hire private security companies to provide additional security. Commission shall be responsible for providing security services and directing traffic for Commission-sponsored events held in areas of the Park other than the SoccerPlex, and shall use reasonable efforts to direct traffic for such events in such a manner as to not materially interfere with the operation of the SoccerPlex.
- (e) <u>Commission's Obligations Regarding Trails</u>. Commission shall have the right to construct hiker/biker trails, asphalt trails and soft-surface trails in the SoccerPlex, some of which may have connections to neighborhoods adjacent to the Park. If Foundation reports

vandalism to the SoccerPlex Improvements by persons entering the SoccerPlex from an adjacent neighborhood using such a trail, then Commission shall use reasonable efforts to prevent such vandalism.

- (f) <u>Commission's Obligation's Regarding Roads and Park Construction.</u> Commission shall use reasonable efforts to ensure that traffic in the Park for events scheduled in areas of the Park other than the SoccerPlex does not unreasonably interfere with SoccerPlex activities or the traffic for such activities. Commission shall also use reasonable efforts to ensure that construction in areas of the Park other than the SoccerPlex does not unreasonably interfere with SoccerPlex activities or the traffic for such activities. All such traffic regulation shall be performed in compliance with the Traffic Standards, and upon its completion, in conformance with the Traffic and Parking Management Plan.
- comply, and require their respective agents, employees, contractors, subtenants, concessionaires, licensees and invitees to comply, with the Maryland-National Capital Park and Planning Commission Regulations Governing Use of Commission Park and Recreation Facilities in Prince George's and Montgomery Counties (the "Park Regulations"), as the same may be amended by Commission from time to time, in their use and occupancy of the Park (including the SoccerPlex). In the event of any conflict between the Park Regulations and the provisions of this Lease, the Park Regulations shall govern, except as provided in the following sentence. Notwithstanding anything to the contrary in the Park Regulations, Commission shall not close the SoccerPlex or the Park Infrastructure Improvements serving the SoccerPlex during the Hours of Operation or any other time Foundation is entitled to the use thereof in accordance with the terms of this Lease, except under emergency circumstances. The Commission's obligation to the Foundation under this Section does not limit the Commission's authority to close the Park to the public, which authority it may exercise in accordance with the Commission's normal operational procedures.

## 14. Use of Proceeds from Operation of SoccerPlex.

- (a) <u>Priority of Use</u>. Foundation shall apply the proceeds it receives from the operation of the SoccerPlex and the contributions received for the SoccerPlex as follows:
  - (1) First, to the payment of the principal of, interest on and all other fees and charges to be paid in connection with any and all Leasehold Mortgage-Secured Debt, as and when the same become due and payable; provided, however, that notwithstanding anything contained in this Lease to the contrary, any pledge paid to Foundation (whether before, on or after the date such pledge is scheduled to be paid to Foundation) may be used by Foundation to pay Leasehold Mortgage-Secured Debt, without regard to whether any such payment constitutes a prepayment of Leasehold Mortgage-Secured Debt;
  - (2) Second, to the expenses of operating the SoccerPlex and performing its maintenance responsibilities under this Lease, as and when such expenses become due and payable, and to the expenses of improvements and

upgrades to the SoccerPlex, including the Capital Improvements as set forth in Section 2(h) and as approved in accordance with Section 14(c);

- (3) Third, to the establishment and replenishment of a reserve fund for improvements, replacements and contingencies, which reserve fund shall be maintained during the Lease Term in the amount of Four Hundred Fifty Thousand and No/100 Dollars (\$450,000.00) (the "Reserve Fund"), in accordance with the Payment Schedule attached hereto as Exhibit J, which Reserve Fund shall be held in a separate federally-insured bank account and shall not be commingled with Foundation's operating funds; and
- (4) Fourth, to the extent funds are available, on an annual basis (and not on a retroactive basis)
  - (i) fifty percent (50%) to reimburse the Commission annually for all direct maintenance costs incurred by the Commission for maintenance of (A) the entrance roads from the Central Park Circle to the Parking Areas, (B) stormwater management ponds and sand filters, exclusive of the Central Park pond, and (C) fifty percent (50%) of the cost of public water for irrigation of the Soccer Fields (provided, however, that Foundation may, at its option, assume the responsibility for maintenance of the items described in clauses (A) and (B) above, rather than reimbursing Commission for its costs of maintaining those items), and
  - (ii) fifty percent (50%) to prepay the Leasehold Mortgage-Secured Debt, with the exception of refinancings for the purpose of funding Capital Improvements and Repairs, to the extent any such prepayment is permitted without premium or penalty.
- (b) <u>Irrigation Water</u>. At the commencement of the eleventh Lease Year, Foundation shall assume payments to WSSC for one hundred percent (100%) of the cost of water used thereafter for irrigation of the Soccer Fields, pursuant to Section 16(b).
- (c) <u>Construction of Additional Improvements and Facilities</u>. Except for the Capital Improvements which are hereby permitted, any material improvements constructed by Foundation in or on the SoccerPlex shall require the prior written approval of Commission. Foundation shall not renovate or construct any soccer facilities elsewhere, with proceeds from the operation of the SoccerPlex, without the prior written consent of Commission.
  - (d) <u>Use of Revenues off the Premises</u>. [Intentionally deleted.]
- (e) Expenses of SoccerPlex. For the purposes of Section 14(a), the "expenses of constructing the SoccerPlex" shall be deemed to include, but not be limited to, all payments of principal, interest and other amounts required to be paid during the construction of the SoccerPlex with respect to Foundation's Line of Credit with Bank of America, N.A. in the amount of \$8 million, which indebtedness is expected to be refinanced with Leasehold Mortgage-Secured Debt, and with respect to any Leasehold Mortgage-Secured Debt.

#### 15. Foundation Reporting to Commission.

- (a) On or before March 31 of each calendar year, Foundation shall provide to Commission, for review and comment, audited financial statements, including a calculation of the amount, if any, due to the Commission in accordance with Section 14(a)(4) (prepared by a certified public accountant in accordance with generally accepted accounting principles) with respect to Foundation's operation of the SoccerPlex during the preceding fiscal year of the Foundation.
- (b) On or before December 20 of each calendar year, Foundation shall provide to Commission, for review and comment, (1) operating projections for the forthcoming calendar year, (2) its Field Usage Allocation Guidelines, and Field-Use Fees for use of the Soccer Fields and for the Indoor Multi-Purpose Facility for the forthcoming calendar year, and actual usage and fees for the previous year, (3) a comparison of the past year's projections and actual figures, (4) all waivers requested under Section 6(c), indicating all waiver requests that were both granted and denied; a description of each event held pursuant to a waiver, including the number of attendees, revenue generated, and additional expenses incurred; projected waiver requests for the upcoming year; a list of all sport-related requests for use of the Premises that were not scheduled because of conflicting events scheduled pursuant to a waiver; (5) a calendar showing the actual uses of the SoccerPlex the previous year all uses scheduled at the SoccerPlex for the upcoming year, and (6) any other information reasonably requested by Commission.
- (c) Upon completion, but in no event later than 45 days after each quarter of each calendar year, Foundation shall provide to Commission, for review and comment, quarterly income statements with updated year-end income projections, which income statements shall be treated as confidential commercial information, and the Commission must not share such information or disclose such information outside of the Commission without the express written consent of the Foundation.
- (d) Each of the reports required under this Section 15(a), (b) and (c) shall be provided by the Foundation to the Commission's Secretary-Treasurer. Additionally, Foundation shall provide Commission with copies of any amendments executed in connection with any Leasehold Mortgage, certified by the Foundation to be a true and correct copy of such instrument.
- (e) No less than once each calendar year, Foundation shall appear before the Commission and make a presentation of the Foundation's operation of the SoccerPlex during the preceding calendar year, including, (1) significant activities conducted by the Foundation in support of its purpose under this Lease, including how the Foundation is complying with the purposes of this Lease, (2) a summary and representation of its compliance with the terms of this Lease, (3) actual and anticipated game allocations, and (4) any other information reasonably requested by Commission.
- (f) <u>Audit and Inspection</u>. In the event of credible, documented evidence of fraud as determined by the Commission in its reasonable judgment, the Commission shall have the right, but not the obligation, to access, at all reasonable times, all the Foundation's personnel, books, records, correspondence, instructions, plans, drawings, receipts, vouchers, financial

accounts, data stored in computer files or microfiche, and memoranda of every description pertaining to any of the matters related to the fraud alleged ("Services"). Commission shall have the right to reproduce any of these documents. Foundation shall include the necessary provisions in its contracts to cause its contractors and venders to preserve all such documents for a period of three (3) years after completion of it services under the relevant contract. Commission shall not be liable for costs resulting from an audit hereunder. No inspection or approval will relieve Foundation of any and obligations hereunder or it's contractors of any warranties granted. This Article survives termination or expiration of this Lease.

### 16. <u>Utilities</u>.

(a) <u>Electricity</u>. Foundation shall pay the utility company for the electricity supplied to the Indoor Multi-Purpose Facility, the Parking Areas, the Comfort Stations on the Premises, the Championship Field lights, any other Soccer Field lights and the irrigation system on the Premises. Commission shall pay the utility company for all other electricity supplied to the Park. (In accordance with Section 9(c), Foundation shall reimburse Commission for Foundation's proportionate share of the electricity supplied to the Park Maintenance Facility.)

#### (b) Water and Sewer.

- (1) <u>Water During Construction</u>. All water used during construction on the Premises during each Phase shall be paid for by Foundation. For purposes of this paragraph, construction of a Soccer Field shall be presumed to be completed upon the first mowing of grass thereon.
- (2) <u>Indoor Multi-Purpose Facility and Comfort Station Water and Sewer</u>. Throughout the Lease Term, Foundation shall pay the Washington Suburban Sanitary Commission ("WSSC") for all water and sewer service supplied to the Indoor Multi-Purpose Facility and the restroom fixtures within the Comfort Stations on the Premises.
- (3) <u>Irrigation Water</u>. Except as provided in Section 14 and this Section 16, Commission shall pay WSSC for all water used to irrigate the Premises (including the Championship Field and the other Soccer Fields). At the time set forth in Section 14(a)(4), Foundation shall reimburse Commission for up to fifty percent (50%) of the cost of such irrigation water; provided, however, that Commission shall not pay more than Five Thousand Six Hundred Twenty-five Dollars (\$5,625.00) per Soccer Field per year for irrigation water, which amount shall, in the event of a WSSC rate increase above Four and 06/100 Dollars (\$4.06) per one thousand (1,000) gallons, be increased proportionately with such rate increase. Said reimbursement shall be made within thirty (30) days after Commission's submission to Foundation of an invoice for such cost. Commencing at the beginning of the eleventh (11th) Lease Year, and thereafter throughout the remaining Lease Term, Foundation shall pay WSSC for all water used to irrigate the Premises.

- (4) Other Park Water and Sewer. Except as set forth in subparagraphs (1), (2) and (3) of this Section 16(b), Commission shall be responsible for the cost of all water and sewer service supplied to the Park.
- (5) Foundation shall not use groundwater for any purpose in the construction or operation of the SoccerPlex, except as may be necessary solely for water monitoring purposes pursuant to Section 17. However, Commission intends to pursue a water appropriation permit from the appropriate State agency for use of groundwater as part of the development of Central Park, which is not part of the SoccerPlex or the Premises.
- 17. Stream and Ground Water Monitoring. Foundation and Commission agree to implement the Water Monitoring Program attached hereto as Exhibit K. Any Council approvals, based on water quality, which are necessary for the commencement of Phase II or Phase III, shall be based on the standards set forth in the Water Monitoring Program attached hereto as Exhibit K.

#### 18. Hazardous Materials.

## (a) <u>Commission's Responsibilities</u>.

- Throughout the Lease Term, during any period when Park (1) Infrastructure Improvements or SoccerPlex Improvements are being constructed in the Park. Commission, at its expense, shall retain an environmental engineering consulting firm to advise Commission on how to deal with any Hazardous Materials found at the Park. If any Hazardous Materials are discovered in the Park during construction of the Park Infrastructure Improvements or the SoccerPlex Improvements, Commission, at its expense, shall promptly remove such Hazardous Materials from the Park and restore the Park to its condition prior to the introduction of such Hazardous Materials to the Park. Commission shall coordinate such remediation work with the Contractors performing the construction of the Park Infrastructure Improvements and the SoccerPlex Improvements, so as not to interfere with or delay such construction. If any such remediation work does interfere with or delay such construction, Commission shall work diligently with Foundation to find means of eliminating such interference or delay.
- (2) During the Lease Term, Commission shall use, store, manage and dispose of Hazardous Materials in the Park in accordance with all applicable Laws. If Commission breaches the obligations stated in the preceding sentence, or if the presence of Hazardous Material in the Park caused or permitted by Commission results in contamination of the Park or of properties located in the proximity of the Park, then without any waiver of the Commission's immunities under state law Commission shall indemnify, defend and hold Foundation harmless from any and all claims, judgments, damages, penalties, fines, costs, liabilities or losses (including, without limitation, attorneys' fees, consultant fees and expert fees) which arise during or after the Lease Term as a result of such

contamination. This indemnification of Foundation by Commission includes, without limitation, costs incurred in connection with any investigation of site conditions or any cleanup, remedial, removal, or restoration work required by any federal, state or local governmental agency or political subdivision because of Hazardous Material present in the soil or ground water on or under the Park or the adjacent properties. Without limiting the foregoing, if the presence of any Hazardous Material in the Park and/or the adjacent properties caused or permitted by Commission results in any contamination of the Park and/or the adjacent properties, Commission, at Commission's expense, shall promptly take all actions as are necessary to return the Park and/or the adjacent properties to the condition existing prior to the introduction of any such Hazardous Material to the Park and/or the adjacent properties.

- (3) Throughout the Lease Term, Commission shall promptly notify Foundation of any Hazardous Materials discovered in the area of the Park inside the Central Park Circle, and shall provide Foundation with copies of any environmental studies performed on the area of the Park inside the Central Park Circle.
- Foundation's Responsibilities. Foundation shall use, store, manage and (b) dispose of all Hazardous Materials on the Premises in accordance with all applicable Laws. If Foundation breaches the obligations stated in the preceding sentence, or if the presence of Hazardous Material on the Premises caused or permitted by Foundation results in contamination of the Premises or of properties located in the proximity of the Premises, then Foundation shall indemnify, defend and hold Commission harmless from any and all claims, judgments, damages, penalties, fines, costs, liabilities or losses (including, without limitation, attorneys' fees, consultant fees and expert fees) which arise during or after the Lease Term as a result of such contamination. This indemnification of Commission by Foundation includes, without limitation, costs incurred in connection with any investigation of site conditions or any cleanup, remedial, removal, or restoration work required by any federal, state or local governmental agency or political subdivision because of Hazardous Material present in the soil or ground water on or under the Premises or the adjacent properties. Without limiting the foregoing, if the presence of any Hazardous Material on the Premises and/or the adjacent properties caused or permitted by Foundation results in any contamination of the Premises and/or the adjacent properties, Foundation, at Foundation's expense, shall promptly take all actions as are necessary to return the Premises and/or the adjacent properties to the condition existing prior to the introduction of any such Hazardous Material to the Premises and/or the adjacent properties.

#### 19. Foundation's Insurance.

- (a) <u>Required Insurance</u>. Foundation shall, at its own cost and expense, carry (or cause to be carried by concessionaires and licensees) with companies reasonably acceptable to Commission the following insurance in respect of the SoccerPlex and the SoccerPlex Improvements:
  - (1) Commercial general liability insurance written on an occurrence basis with respect to the SoccerPlex and the business operated by Foundation and

any subtenants, concessionaires, or licensees of Foundation in the SoccerPlex with minimum combined single limits of Two Million Dollars (\$2,000,000.00) per occurrence and in the aggregate. Such liability insurance shall, in addition, extend, through contractual liability insurance, to any liability of Foundation arising out of the indemnities provided in this Lease. Such liability insurance shall also include broad form endorsement coverage, including personal injury/advertising injury coverage. From time to time, but no more frequently than once every five (5) years, the minimum amount of liability insurance required hereunder may be increased to such amounts as are commonly insured for in the case of premises similarly situated.

- (2) Automobile liability coverage for all claims of bodily injury and/or property damage arising out of the use of any owned, non-owned or hired vehicles by Foundation in the Park, with a minimum combined single limit of Two Million Dollars (\$2,000,000.00).
- (3) With respect to the SoccerPlex Improvements, insurance against loss or damage by fire and other risks covered by all-risk ("special" form) extended coverage casualty and property damage insurance (including demolition coverage) in an amount not less than one hundred percent (100%) of the full insurable replacement value of such SoccerPlex Improvements (exclusive of cost of excavation, foundation, and footings below the ground floor), without reduction for depreciation, and in amounts sufficient to prevent Foundation from becoming a co-insurer under such policies of insurance.
- (4) With respect to the Foundation's personal property located within the Park Maintenance Facility, insurance against loss or damage by fire and other risks covered by all-risk ("special" form) extended coverage casualty and property damage insurance in an amount not less than one hundred percent (100%) of the full insurable replacement value of such personal property, without reduction for depreciation, and in amounts sufficient to prevent Foundation from becoming a co-insurer under such policies of insurance.
- (5) During any period in which substantial construction activities are being performed in connection with the SoccerPlex Improvements, builder's all-risk insurance for the protection and benefit of Commission and Foundation in an amount equal to the full replacement cost of the SoccerPlex Improvements.
- (6) To the extent required by law, Workers' Compensation or similar insurance affording statutory coverage and containing statutory limits.
- (7) Such other insurance against other insurable hazards as are from time to time commonly insured against in the case of premises similarly situated.
- (b) <u>Policy Requirements</u>. With respect to all insurance required to be maintained hereunder by Foundation:

- (1) Each such policy shall be from an insurance company licensed to do business in the state where the SoccerPlex is located and which has a rating of A or better from Best Company or BBB from Standard and Poor;
- (2) Each liability policy (except any Worker's Compensation policy) shall include Commission as an additional insured, and shall be endorsed to state that such policy is to be considered as primary coverage for the additional insured and not be contributing with or in excess of any other similar coverage available to such additional insured;
  - (3) Each policy shall contain only reasonable deductible amounts;
- (4) A certificate of each liability insurance policy and evidence of each property insurance policy, together with evidence of payment of premiums, shall be deposited with Commission at the commencement of the Lease Term, and renewal certificates or evidence of renewal policies shall be delivered to Commission at least thirty (30) days prior to the expiration date of any policy.
- (5) Foundation shall, at Foundation's sole cost and expense, observe and comply with all policies of insurance in force with respect to the SoccerPlex;
- (6) Each insurance policy shall, to the extent obtainable, contain an agreement by the insurer that such policy shall not be materially changed, amended, canceled for any cause or not renewed without at least thirty (30) days' prior written notice from the insurer to Commission; and
- (7) Each insurance policy shall, to the extent obtainable, contain provisions that no act or negligence of Foundation or any concessionaire, licensee or occupant of the SoccerPlex, or its or their contractors or subcontractors or their agents or employees, which might otherwise result in a forfeiture of such insurance or any part thereof, shall in any way affect the validity or enforceability of such insurance insofar as Commission is concerned.
- (8) Foundation shall not, without Commission's prior written consent, which consent may be granted or withheld in Commission's sole discretion, self-insure any of the coverages required under this Section 19.
- (c) <u>Commission's Right to Procure</u>. If Foundation shall fail to maintain any such insurance required hereunder, or if Foundation shall fail to deliver a renewal certificate or copy of a renewal policy to Commission by the fifteenth (15th) day prior to the expiration date of any policy, Commission may, at Commission's election, after five (5) days' written notice to Foundation, procure the same, and the premium cost shall be Additional Rent, immediately due and payable, it being hereby expressly covenanted and agreed that payment by Commission of any such premium shall not be deemed to waive or release the obligation of Foundation to make payment thereof or any of Commission's other rights hereunder.

#### 20. Commission's Insurance.

- (a) Property Insurance. Commission shall, at its own cost and expense, carry the following insurance against loss or damage by fire and other risks covered by all-risk ("special" form) extended coverage casualty and property damage insurance (including demolition coverage) in an amount not less than one hundred percent (100%) of the full insurable replacement value of the Park Maintenance Facility (exclusive of cost of excavation, foundation, and footings below the ground floor), without reduction for depreciation, and in amounts sufficient to prevent Commission from becoming a co-insurer under such policy of insurance.
- (b) <u>Self Insurance</u>. Except as provided in Section 20(a), Commission may provide self-insurance for its obligations under this Lease, provided that Commission provides Foundation with a copy of Commission's self insurance agreement. Such self insurance agreement shall be attached hereto as Exhibit M.

#### 21. Indemnity.

- (a) <u>By Foundation</u>. Except when caused by the negligence, willful misconduct or other wrongful conduct of Commission, its agents, employees or contractors, and to the extent of insurance available to Foundation, Foundation shall indemnify and save Commission harmless against and from, and shall reimburse Commission for, all liabilities, obligations, damages, fines, penalties, claims, demands, costs, charges, judgments, and expenses, including but not limited to reasonable attorneys' fees, which may be imposed upon or incurred or paid by or asserted against Commission or Commission's fee interest in the SoccerPlex by reason of or in connection with any of the following:
  - (1) any occurrence on any part of the SoccerPlex, except (i) the trails thereon, and (ii) when opened for use by the general public at Commission's request, the Parking Areas and Comfort Stations thereon;
  - (2) any breach or default in the performance of any of Foundation's obligations under this Lease;
  - (3) any other acts or omissions of Foundation, its agents or employees; or
  - (4) any claim by a concessionaire, licensee, invitee, member of Foundation for any occurrence on any part of the SoccerPlex.

In case any action or proceeding is brought against Commission by reason of any claims described in this Section 21(a), Foundation, if Commission gives Foundation reasonable notice thereof, shall, at Foundation's expense, defend such action or proceeding. Foundation's obligations under this Section 21(a) shall survive the expiration or termination of the Lease Term.

(b) <u>By Commission</u>. Except when caused by the negligence, willful misconduct or other wrongful conduct of Foundation, its agents, employees or contractors, and to the extent of its statutory liability, Commission shall indemnify and save Foundation harmless against and from, and shall reimburse Foundation for, all liabilities, obligations, damages, fines,

penalties, claims, demands, costs, charges, judgments, and expenses, including but not limited to reasonable attorneys' fees, which may be imposed upon or incurred or paid by or asserted against Foundation by reason of or in connection with any of the following:

- (1) any occurrence on the trails in the SoccerPlex, on the roads in the Park, or on any other non-SoccerPlex area of the Park, or the Parking Areas or Comfort Stations in the SoccerPlex when such Parking Areas or Comfort Stations are opened for use by the general public at Commission's request;
- (2) any breach or default in the performance of any of Commission's obligations under this Lease; or
- (3) any other acts or omissions of Commission, its agents or employees.

In case any action or proceeding is brought against Foundation by reason of any claims described in this Section 21(b), Commission, if Foundation gives Commission reasonable notice thereof, shall, at Commission's expense, defend such action or proceeding. Commission's obligations under this Section 21(b) shall survive the expiration or termination of the Lease Term.

#### 22. Condemnation/Casualty.

### (a) <u>Condemnation</u>.

- (1) In the event of a Minor Taking, this Lease shall terminate as to that portion of the Premises taken as of the date when title vests in the condemning authority. Commission shall be obligated to diligently commence and expeditiously pursue restoration of the Park Infrastructure Improvements in the remaining portion of the Premises, and Foundation shall be obligated to diligently commence and expeditiously pursue restoration of the SoccerPlex Improvements in the remaining portion of the Premises. Subject to Section 24(a)(2), Foundation shall be entitled to claim, prove and receive a portion of the condemnation award for the SoccerPlex equal to the replacement value of the SoccerPlex Improvements taken plus the remaining value of the Foundation's leasehold interest in the Soccer Fields taken. Subject to Section 24(a)(2), the remaining condemnation award for the value of the SoccerPlex shall be paid to Commission. The parties shall request that the condemning authority specify what portion of the condemnation award is for the SoccerPlex Improvements and what portion is for the Foundation's leasehold interest in the Soccer Fields.
- (2) In the event of a Temporary Taking, this Lease shall remain in full force and effect for the duration of such temporary taking. There shall be no adjustment to the Base Annual Rent. Subject to Section 24(a)(2), the full amount of the condemnation award for the Temporary Taking shall belong to Foundation.
- (3) In the event of a "Major Taking," Foundation, by written notice to Commission, may terminate this Lease on the date when title vests in such condemning authority, in which event the Base Annual Rent shall be prorated

between Commission and Foundation as of such termination date. Subject to Section 24(a)2, Foundation shall be entitled to claim, prove and receive a portion of the condemnation award for the SoccerPlex equal to the remaining value of all of the SoccerPlex Improvements plus the replacement value of Foundation's leasehold interest in the Soccer Fields (whether or not taken or condemned in such Major Taking), and the remaining condemnation award for the value of the SoccerPlex shall be paid to Commission. The parties shall request that the condemning authority specify what portion of the condemnation award is for the SoccerPlex Improvements and what portion is for the Foundation's leasehold interest in the Soccer Fields.

## (b) <u>Casualty</u>.

- (1) In the event that the Improvements, or any portion thereof, are damaged or destroyed by fire or other casualty ("Casualty"), Foundation shall be obligated to restore the SoccerPlex Improvements, and Commission shall be obligated to restore the Park Infrastructure Improvements, to substantially the same condition as existed prior to such damage or destruction; provided that if the Casualty occurs with fewer than five (5) Lease Years remaining in the Lease Term, and causes damage to the SoccerPlex Improvements that would cost more than seventy-five percent of the original cost of construction to repair, Foundation shall have the right to terminate this Lease by giving Commission written notice within thirty (30) days of the Casualty, in which event the provisions of Sections 22(b)(3) and 22(b)(4) shall govern.
- (2) If Foundation is obligated to restore the SoccerPlex Improvements, Foundation shall continue to pay Rent during such period and shall be obligated, at its sole cost and expense, to diligently commence and expeditiously pursue the repair of such damage so as to restore the SoccerPlex Improvements to substantially the same condition as existed prior to such damage or destruction. In such event, Commission, at its sole cost and expense, shall diligently commence and expeditiously pursue the repair of the damage to the Park Infrastructure Improvements so as to restore the Park Infrastructure Improvements to substantially the same condition as existed prior to such damage or destruction.
- (3) If Foundation elects to terminate this Lease, in accordance with Section 22(b)(1), and if Commission so requests, Foundation shall demolish and remove the SoccerPlex Improvements from the Premises, and place the Premises from which such SoccerPlex Improvements were removed in a safe and sanitary condition, within one hundred twenty (120) days after the effective termination date; provided, however, that Foundation shall not be required to expend for such demolition, removal and restoration any amount in excess of any proceeds of casualty and builder's risk insurance policies received by Foundation with respect to the Casualty. Upon completion of such removal, or if removal is not required, Commission shall be entitled to all of the proceeds of any casualty and builder's risk insurance policies which have not been applied by Foundation to the cost of

any such required demolition, removal and restoration. Foundation's obligations under this Section 22(b)(3) shall survive termination of this Lease.

- (4) If Foundation terminates this Lease under Section 22(b)(1), Foundation's obligation to pay Base Annual Rent due hereunder shall cease as of the date of such damage or destruction.
- (c) The provisions of this Section 22 regarding the application of any condemnation awards or insurance proceeds payable to Foundation are subject to the provisions of Section 24(a)(2).

## 23. Assignment, Subletting and Change of Corporate Structure.

- (a) Assignment by Commission. With the exception of an assignment to the United States, the State of Maryland or Montgomery County, Maryland, Commission shall not assign this Lease or Commission's reversion hereunder, without the prior written consent of Foundation, which consent shall not be unreasonably withheld. In the event of the transfer and assignment by Commission of its interest in this Lease, Commission shall be released from any responsibility for obligations hereunder accruing after the date of the assignment, and Foundation agrees to look solely to such successor in interest of the Commission for performance of such obligations. The term "Commission" as used in this Lease shall mean the owner of the Premises at the time in question. In the event of a transfer (whether voluntary or involuntary) by such owner of its interest in the Premises, such owner shall thereupon be released and discharged from all covenants and obligations of the Lease thereafter accruing, but such covenants and obligations shall be binding during the Lease Term upon each new owner for the duration of such owner's ownership.
- Except as permitted by Section 24, Assignment by Foundation. Foundation shall have no right to transfer or assign this Lease, in whole or in part, or sublet all or any part of the Premises, by operation of law or otherwise, without the prior written consent of Commission, which consent may be withheld in the sole and absolute subjective discretion of Commission. Any transfer, assignment or subletting consented to by Commission shall be at all times subject to this Lease and the prior right, title, and interest of Commission in and to the Premises. In the event of an assignment of this Lease by Foundation, Foundation shall be released from any responsibility for obligations hereunder accruing after the date of the assignment, and Commission agrees to look solely to such successor in interest of the Foundation for performance of such obligations. Upon any assignment or transfer of Foundation's interests under this Lease pursuant to realization by a Leasehold Mortgagee on any Leasehold Mortgage (whether by foreclosure or deed-in-lieu thereof), the Commission shall, upon request by the assignee or transferee, execute a new lease, effective as of the date of termination, with such assignee or transferee ("New Lease") for the remainder of the then effective term of this Lease, at the Rent and Additional Rent, and upon the same terms, covenants and conditions set forth in this Lease and applicable to the remainder of the then effective term of this Lease (including all options to renew but excluding requirements which are not applicable or which have already been fulfilled) of this Lease, provided:

- (1) Such Leasehold Mortgagee shall make written request upon Commission for such New Lease within sixty (60) days after the date such Leasehold Mortgagee receives Commission's notice of termination of this Lease.
- (2) Such Leasehold Mortgagee or its designee shall pay or cause to be paid to Commission, at the time of the execution and delivery of such New Lease, any and all sums which would at the time of execution and delivery thereof be due pursuant to this Lease but for such termination and, in addition thereto, all reasonable expenses, including reasonable attorney's fees, which Commission shall have incurred by reason of such termination and the execution and delivery of the New Lease and which have not otherwise been received by Commission from Foundation or other party in interest under Foundation.
- (3) Such Leasehold Mortgagee or its designee shall agree to remedy any of Foundation's defaults of which said Leasehold Mortgagee was notified by Commission's notice of termination and which are reasonably susceptible of being so cured by Leasehold Mortgagee or its designee.
- (4) The tenant under any such New Lease shall be liable to perform the obligations imposed on the tenant by such New Lease only during the period such person has ownership of such leasehold estate.
- (5) The New Lease is otherwise acceptable to Commission, it being understood and agreed that Commission shall not have the right to seek or include in such New Lease any term, condition or qualification which is inconsistent with any of the foregoing provisions of this Section.
- (6) If more than one Leasehold Mortgagee shall request a New Lease pursuant to this Lease, Commission shall enter into such New Lease with the Leasehold Mortgagee whose mortgage is prior in lien, or with the designee of such Leasehold Mortgagee. Commission, without liability to Foundation or any Leasehold Mortgagee with an adverse claim, may rely upon a mortgagee title insurance policy issued, without expense to Commission, by a responsible title insurance company doing business within the state in which the Premises is located as the basis for determining the appropriate Leasehold Mortgagee who is entitled to such New Lease.
- (c) <u>Licenses or Concessions</u>. Foundation shall have the right to grant licenses and concessions for retail, food and beverage and other Permitted Uses allowed under this Lease within the Premises. Such licenses or concessions may be granted for the Premises, without the necessity of obtaining the consent or permission of Commission, subject to permitting as may be required by any Laws. Such licensees or concessionaires may distribute their products anywhere within the Premises. Any license or concession shall be at all times subject to this Lease and to the prior right, title, and interest of Commission in and to the Premises. Licenses and concessions entered into by Foundation shall provide that the licensee or concessionaire agrees to recognize Commission as the landlord of the Premises. Foundation hereby assigns to Commission the fees or any other amounts due from any licensee or concessionaire and hereby

authorizes each licensee and concessionaire to pay said fees and other amounts directly to Commission, at Commission's option, in the case of an Event of Default by Foundation under the terms of this Lease; provided, however, that Commission's right to receive such fees and other amounts shall be subject to the rights of any Leasehold Mortgagee to receive the same. Nothing contained in this Lease or any license, concession or other agreement shall require or obligate Commission to cure any abrogation of any obligation of Foundation under any license or concession. If this Lease is terminated, for any reason, prior to the expiration of the Lease Term, Landlord shall permit all licensees and concessionaires to remain on the Premises for the remaining terms of their respective license or concession agreements, and such agreements shall become direct agreements between Commission and such licensees and concessionaires.

- (d) Foundation 501(c)(3) Status. Foundation agrees to maintain its Section 501(c)(3) status throughout the Lease Term; provided, however, that the foregoing requirement shall not apply to any Leasehold Mortgagee (or any entity owned or controlled by any Leasehold Mortgagee) that succeeds to the interest of Foundation under this Lease (whether by foreclosure or deed-in-lieu thereof).
- (e) Foundation Board. During the Lease Term, Foundation agrees to confer membership on its governing board by providing one voting seat to a member, which member will be a current employee of the Commission at the senior management or policy-making level, selected by the Commission and reasonably approved by the Foundation. The member's term will end on the earlier of the first anniversary of the selection date or the date that the member is no longer an employee of the Commission, whereupon a new member shall be selected by the Commission and reasonably approved by the Foundation for a new one-year term. Notwithstanding the foregoing, the Commission's selection shall not become a member of the Foundation's governing board unless and until such person signs a certification regarding his/her obligations of confidentiality and fiduciary responsibility to the governing board and the Foundation.
- (f) <u>Dissolution of Foundation</u>. If Foundation is dissolved, any funds and assets then in Foundation's possession after payment of all debts and satisfaction of all obligations due and payable with respect to Foundation's obligations as, and in the order set forth, in Section 14 of this Lease shall be distributed to the Montgomery County Parks Foundation, Inc. (provided that it has Section 501(c)(3) status), with the stipulation that such funds and assets be used to promote and facilitate soccer. If the Montgomery County Parks Foundation, Inc. does not have Section 501(c)(3) status, then such funds and assets shall be distributed to an organization, designated by Commission, with Section 501(c)(3) status, which promotes soccer, or if no such organization can be found, then to an organization with Section 501(c)(3) status, which promotes recreational sports.

# 24. Mortgage of Foundation's Interest in Indoor Multi-Purpose Facility.

(a) <u>Foundation's Right to Mortgage</u>. Foundation shall have the right at any time and from time to time to assign, mortgage, pledge and otherwise encumber Foundation's interest in the Premises (which shall include, without limitation, the right to receive, any and all pledges, fees, revenue, income, rents and other proceeds related thereto) to an Institutional Lender as security for a loan in connection with the Premises or to refinance such a loan,

provided that any such Leasehold Mortgage complies with the requirements of Section 23(b) and this Section 24. Any Leasehold Mortgage shall include a provision to the effect that an Event of Default under this Lease shall constitute grounds for an Event of Default under the Leasehold Mortgage. Any Leasehold Mortgage shall affect and encumber only the right, title and interest of Foundation in and to the leasehold estate under this Lease (which shall include, without limitation, the right to receive any and all pledges, fees, revenues, income, rents and other proceeds related thereto). No Leasehold Mortgage or any extension, modification or amendment thereof made by Foundation shall be a lien or encumbrance upon the estate or interest of Commission in the Premises or any part thereof. Any Leasehold Mortgage shall contain and/or otherwise be subject to the following provisions:

- That the Leasehold Mortgage is executed upon the condition that no purchaser at any foreclosure sale (or purchaser by deed-in-lieu of foreclosure) or purchaser from such purchaser shall acquire any right, title or interest in or to the Lease, unless the purchaser, or the person or entity to whom or to which such purchaser's right has been assigned, (i) has been approved by Commission, provided, however, that Commission's approval shall not be required in the event that the purchaser at any foreclosure sale (or purchaser by deed-in-lieu of foreclosure), or purchaser from such purchaser, or the person or entity to whom or to which such purchaser's right has been assigned is the Leasehold Mortgagee or an entity owned or controlled by the Leasehold Mortgagee, and (ii) in the instrument transferring to such purchaser or to such assignee the interest of Foundation under this Lease, shall unconditionally assume and agree to perform all of the terms, covenants and conditions of this Lease to be observed or performed on the part of the Tenant with respect to the Premises, that no further or additional mortgage or assignment of the leasehold interest in the Premises shall be made except in accordance with the provisions contained in this Lease, and that a duplicate original of said instrument containing such assumption agreement, duly executed and acknowledged by such purchaser or such assignee and in recordable form, is delivered to Commission under this Lease immediately after the consummation of such sale, or, in any event, prior to taking possession of the Premises.
- Foundation pursuant to this Lease and the proceeds of any condemnation award granted to Foundation at any time, except with respect to a casualty or taking which occurs within the final two (2) years of the Lease Term, shall be applied, at the option of Commission, to the Leasehold Mortgage-Secured Debt or to the restoration of the SoccerPlex Improvements. The proceeds of any insurance policy and the proceeds of any condemnation award granted to Foundation with respect to a casualty or taking which occurs within the final two (2) years of the Lease Term shall be applied first to the Leasehold Mortgage-Secured Debt, and the remainder, if any, to the restoration of the SoccerPlex Improvements. The application of any insurance proceeds or condemnation award to the Leasehold Mortgage -Secured Debt shall not relieve Foundation of any obligation it may have under this Lease with respect to the restoration of the SoccerPlex Improvements. In furtherance of the foregoing obligation to restore, Foundation

shall employ its best efforts to obtain replacement financing in the event net available insurance proceeds or condemnation awards are insufficient for any reason to repair or rebuild; subject, however, to the provisions of Section 22(b)(1).

(3) That the Leasehold Mortgage and all rights of the Leasehold Mortgagee thereunder are, without the necessity for the execution of any further documents, subject and subordinate to the rights of Commission under this Lease, as this Lease may have been previously modified, amended or renewed, or may thereafter be modified, amended or renewed with the consent of the Leasehold Mortgagee.

Clauses shall be added to any and all insurance policies required to be carried hereunder by Foundation or any successor-in-interest to Commission, which clauses shall provide that the Leasehold Mortgagee will be named as an additional insured with respect to liability insurance and as a mortgagee with respect to property, builder's risk and similar insurance provided that the insurance proceeds are to be applied in the manner specified in this Lease.

- (b) Second Mortgage. Notwithstanding anything to the contrary herein, Foundation shall not grant a second priority Leasehold Mortgage, unless (i) such second priority Leasehold Mortgage secures a loan to finance the cost of construction of Capital Improvements or performance of Capital Repairs, (ii) such second priority Leasehold Mortgage is granted to the holder of the first priority Leasehold Mortgage, and (iii) the Executive Director of the Commission consents to such second priority Leasehold Mortgage, which consent may be granted or withheld in her sole discretion. Promptly after granting any Leasehold Mortgage, Foundation shall provide Commission with an original of each instrument (including such core instruments as loan documents, financing statements and amendments thereto, but excluding documents such as correspondence) creating, effecting and/or executed in connection with such Leasehold Mortgage, certified by the Leasehold Mortgagee to be a true and correct copy of such instrument, and a notice containing the name and address of the Leasehold Mortgagee.
- Leasehold Mortgagee Right to Notice and Cure. Mortgagee with respect to which Commission has received a written notice specifying the name and address of such Leasehold Mortgagee, shall be given (by personal delivery or by certified mail, return receipt requested) by Commission a copy of each notice of default by Foundation or other notice or demand to or upon Foundation, at the same time as and whenever such notice of default or other notice or demand shall thereafter be given by Commission to Foundation, addressed to such Leasehold Mortgagee at the address last furnished to Commission. No notice of a default by Foundation or demand upon Foundation shall be deemed to have been given by Commission to Foundation unless and until a copy thereof shall have been given to each Leasehold Mortgagee with respect to which Commission has been notified. Commission will accept within the periods of time set forth in Section 25(c), performance by any such Leasehold Mortgagee of any covenant, condition or agreement on Foundation's part to be performed hereunder with the same force and effect as though performed by Foundation, and any Leasehold Mortgagee which performs any covenant, condition or agreement shall be subrogated to any and all rights of Foundation with respect thereto. Nothing contained in this Lease shall obligate any Leasehold Mortgagee to cure any default of Foundation under this Lease or constitute an

assumption by any Leasehold Mortgagee of the obligations of Foundation under this Lease. Notwithstanding anything contained in this Lease to the contrary, in the case of any Event of Default described in Section 25 that cannot reasonably be cured by the Leasehold Mortgagee without first obtaining possession and control of the Premises, then the applicable cure period set forth in Section 25(b) shall be extended by such amount of time as is reasonable to permit the Leasehold Mortgagee to obtain possession and control of the Premises and thereafter cure such Event of Default so long as the Leasehold Mortgagee commences efforts to obtain possession and control of the Premises within such applicable cure period and thereafter diligently pursues such efforts to completion and, after obtaining such possession and control, cures the applicable Event of Default within forty-five (45) days.

- (d) Commission Right to Notice and Cure of Leasehold Mortgage Default. Any Leasehold Mortgage shall require that Commission be given (by personal delivery or by certified mail, return receipt requested, addressed to Commission at the address set forth herein or to such other address as may have been furnished by Commission to such Leasehold Mortgagee) by the Leasehold Mortgagee a copy of each notice of default by Foundation under the Leasehold Mortgage, at the same time as and whenever such notice of default be given by the Leasehold Mortgagee to Foundation. If a notice of default by Foundation is not provided by a Leasehold Mortgagee to Commission as provided above, such Leasehold Mortgagee shall be prohibited from foreclosing upon or otherwise exercising its rights and remedies against the Premises until such notice of default is provided by such Leasehold Mortgagee to Commission as provided above. Each Leasehold Mortgage shall require the Leasehold Mortgagee to accept within the time periods set forth in the Leasehold Mortgage for the benefit of Foundation performance by Commission of any covenant, condition or agreement on Foundation's part to be performed under the Leasehold Mortgage with the same force and effect as though performed by Foundation, and if Commission performs any such covenant, condition or agreement, it shall be subrogated to any and all rights of Foundation with respect thereto; provided, however, that no such subrogation shall result in a merger of the respective estates of Foundation and Commission unless the Leasehold Mortgage - Secured Debt has been paid in full and the Leasehold Mortgage has been released of record. Nothing contained in this Lease shall obligate Commission to cure any default of Foundation under any Leasehold Mortgage, or constitute an assumption by Commission of the obligations of Foundation under any Leasehold Mortgage.
- (e) <u>Commission Right to Cure After Second Notice</u>. Any Leasehold Mortgage shall require that if Foundation fails to cure any default under such Leasehold Mortgage within the time limits set forth therein, the Leasehold Mortgagee shall give written notice of such failure (an "Uncured Default Notice") to Commission (by personal delivery or by certified mail, return receipt requested, addressed to Commission at the address set forth herein or to such other address as may have been furnished by Commission to such Leasehold Mortgagee). If Commission receives an Uncured Default Notice, Commission shall have the right to cure any default described in that notice, by doing the following:
  - (1) In the case of a monetary default,
  - (i) within thirty (30) days after receipt of such Uncured Default Notice, giving written notice to the Leasehold Mortgagee and

Foundation of Commission's intent to cure such default (an "Intent to Cure Notice"), and

- (ii) as soon as reasonably practicable, and in all events within sixty (60) days after delivering the Intent to Cure Notice, paying all amounts past-due under such Leasehold Mortgage, including penalties, it being agreed that Commission shall diligently pursue funding to pay such amounts commencing promptly after it delivers the Intent to Cure Notice.
- (2) In the case of a nonmonetary default,
- (i) within thirty (30) days after receipt of such Uncured Default Notice, giving an Intent to Cure Notice to the Leasehold Mortgagee and Foundation, and
- (ii) if the default is capable of being cured without possession of the Premises, curing such default within thirty (30) days after delivering the Intent to Cure Notice, or
- if the default is not capable of being cured without possession of the Premises, curing such default within one hundred twenty (120) days after delivering the Intent to Cure Notice; provided, however, that if Commission, by due diligence, cannot recover possession of the Premises and cure such default within such one hundred twenty (120) day period, then such one hundred twenty (120) days period shall be extended for such amount of time as is reasonably required for Commission to recover possession of the Premises and process such cure to completion; provided that (A) Commission shall commence proceedings to recover possession of the Premises promptly after delivery of the Intent to Cure Notice and continuously process the same to completion, and upon recovering possession of the Premises, shall diligently commence the curing of such default and continuously process the same to completion, (B) Commission shall cause all monetary defaults to be cured pursuant to Section 24(e)(1) and thereafter continue to cause payments to be made with respect to the Leasehold Mortgage - Secured Debt such that no additional monetary defaults shall occur during the cure period provided in this Section 24(e)(2)(iii), and (C) in any event, Commission shall cause the default to be cured within 180 days after delivering the Intent to Cure Notice.

Any Leasehold Mortgage shall provide that if Commission cures all defaults described in an Uncured Default Notice, the Leasehold Mortgagee shall be obligated to permit Commission to assume the obligations of Foundation under such Leasehold Mortgage. Commission agrees to execute any documents reasonably requested by any Leasehold Mortgagee to confirm Commission's rights and/or obligations under this Section 24(e).

(f) <u>Leasehold Mortgagee as Holder of Foundation's Interest</u>. If, after Commission elects to cure any default by Foundation, as and when provided above, Commission fails to cure such a default, or if the cure periods set forth in the Lease expire without cure by

either Foundation or Commission, the Leasehold Mortgagee (or any entity owned and/or controlled by the Leasehold Mortgagee) shall, in addition to all other rights and remedies afforded to the Leasehold Mortgagee pursuant to the Leasehold Mortgage or otherwise, have the right to become the legal owner and holder of Foundation's leasehold interest in the Premises upon foreclosure of its Mortgage, or as a result an assignment in lieu of foreclosure, whereupon (but in no event before becoming such legal owner or holder) such Leasehold Mortgagee (or any entity owned and/or controlled by the Leasehold Mortgagee) shall immediately become and remain liable for Foundation's obligations with respect to the Premises under this Lease, so long as (but no longer than) such Leasehold Mortgagee (or any entity owned and/or controlled by the Leasehold Mortgagee) remains the legal owner or holder of Foundation's leasehold interest in the Premises.

- (g) <u>Certain Restrictions During Leasehold Mortgage</u>. So long as any Leasehold Mortgage is in existence, and no default exists hereunder which has not been cured (by Foundation or any Leasehold Mortgagee) within the period of time provided herein, Commission shall not accept a surrender of the all or any portion of the Premises or a termination or modification of this Lease, prior to the expiration of this Lease, without the prior written consent of all Leasehold Mortgagees (of whom Commission has received prior written notice). Any right or remedy which permits Foundation to terminate this Lease shall be conditioned on the written consent to such termination by all Leasehold Mortgagees.
- (h) <u>Lease Modifications for Financing</u>. In the event any Leasehold Mortgagee requires, as a condition of providing financing, that modifications to this Lease be obtained, and provided that such modifications do not, in Commission's sole judgment, unreasonably increase Commission's obligations or reduce Commission's rights under this Lease, then Foundation shall submit to Commission a written request for amendment to this Lease stating such required modifications, and Commission may execute such amendment and deliver the same to Foundation.
- (i) <u>Notice of Mortgages</u>. Foundation shall give Commission notice of any recorded mortgages or liens upon Foundation's leasehold interest in the Premises in connection with the financing of the SoccerPlex.
- (j) Refinancing. Any refinancing loan secured by a Leasehold Mortgage in the Premises, which loan will increase the principal amount of the Leasehold Mortgage Secured Debt by more than the amount of reasonable transaction costs incurred in connection with such a refinancing, shall require the prior written consent of Commission, which consent may be withheld in the sole and absolute subjective discretion of Commission. Any refinancing loan secured by a Leasehold Mortgage in the Premises which will not increase the principal amount of the Leasehold Mortgage Secured Debt by more than the amount of reasonable transactions costs incurred in connection with such a refinancing, shall require the prior written consent of Commission which consent shall not be unreasonably withheld, delayed or conditioned and which consent shall be deemed given unless written notice to the contrary is received by Foundation within ten (10) Business Days of Commission's receipt of written notification from Foundation of Foundation's intent to refinance, which notification will be accompanied by a complete set of substantially final loan documents.