

**LEASE AGREEMENT**

**Dated as of January 23, 2002**

**Between**

**THE LANCASTER COUNTY CONVENTION CENTER AUTHORITY,  
as Landlord**

**and**

**PENN SQUARE PARTNERS,  
as Tenant**

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LEASE AGREEMENT

THIS LEASE AGREEMENT ("Lease") is made as of the 23rd day of January, 2002, by and between THE LANCASTER COUNTY CONVENTION CENTER AUTHORITY, a body politic and corporate existing under the laws of the Commonwealth of Pennsylvania (herein called "Landlord"), and PENN SQUARE PARTNERS, a Pennsylvania limited partnership (herein called "Tenant").

WITNESSETH:

In consideration of the rents, covenants and agreements hereafter reserved and contained on the part of Tenant to be observed and performed, Landlord demises and leases to Tenant, and Tenant rents from Landlord, those certain premises being a portion of a convention center to be constructed by Landlord in the City of Lancaster, Pennsylvania (herein called the "Project"), which premises consist of approximately 12,000 to 15,000 square feet (herein called the "Premises"), under and subject only to the Land Documents. The legal description of the Project is attached hereto as Exhibit A and a description of the Premises is attached hereto as Exhibit B, each of which exhibits are made a part hereof.

Landlord and Tenant further acknowledge that they are entering into this Lease in advance of acquisition and construction of the Project by Landlord, and in advance of Tenant's construction of a hotel facility adjacent to the Project (the "Hotel"). If a Termination Event (as defined in the Joint Development Agreement) occurs and either Landlord or Tenant terminates the Joint Development Agreement in accordance with the terms thereof, then this Lease shall be of no further force or effect.

Capitalized terms which are not otherwise defined herein are defined in Section 48 of this Lease.

LEASE SUMMARY

- |     |                           |  |
|-----|---------------------------|--|
| (a) | "Landlord's Address"      | The Lancaster County Convention Center Authority<br>P.O. Box 1622<br>Lancaster, PA 17608<br>Attention: James O. Pickard,<br>Chairman |
| (b) | "Tenant's Address"        | Penn Square Partners<br>1853 William Way<br>Lancaster, PA 17605-0008<br>Attention: Thomas D. Smithgall,<br>Vice President            |
| (c) | "Premises"                | As described on <u>Exhibit B</u> .   |
| (d) | "Premises Square Footage" | Approximately 12,000 to 15,000 square feet.  |
| (e) | "Project Square Footage"  | Approximately 160,000 to 181,000 square feet, as the same may be expanded.   |

- (f) "Commencement Date" The Commencement Date of this Lease shall be the date of issuance by the applicable governmental authority of a certificate of occupancy (or comparable evidence of completion) for the Premises.
- (g) "Lease Term" Ninety-nine (99) years from the later of the Commencement Date or the first day of the month immediately following the month in which the Commencement Date occurs if the Commencement Date does not occur on the first day of the month.
- (h) "Base Rent" Base Rent for each "Lease Year" (as defined in Section 1(b) below) shall be \$100.00, payable on the first day of each Lease Year.
- (i) "Proportionate Share" Tenant's share of "Common Area Maintenance Costs" (as defined in Section 5 below) is a percentage equal to the ratio that the (i) Premises Square Footage bears to (ii) Project Square Footage excluding the square footage of the Shared Areas (as defined in the REO Agreement).
- (j) "Permitted Uses" The Premises shall be used to host meetings, banquets, receptions, and other functions typically hosted by a full service hotel and for any other purpose permitted by law subject to any limitations set forth in the REO Agreement.

## 1. RENT

(a) All Base Rent payments, together with Tenant's Proportionate Share of Common Area Maintenance Costs (as defined below) and any other payments or charges that may be due or payable under this Lease (collectively, "Additional Rent"), shall be due and payable, without notice and without offset, abatement or deduction, at Landlord's Address or at such other place as may be designated in writing by Landlord, in advance without demand, on the first day of each month (except for Base Rent Payments which are due on the first day of each Lease Year) during the term of this Lease. In the event any amounts due hereunder have not been paid by the tenth (10th) day of the applicable month, all unpaid amounts shall bear interest from the first day of the month at the lesser of the Default Rate or the maximum rate allowed by law. The term "Rent" as used in this Lease shall include both Base Rent and Additional Rent. Tenant's obligations to pay Rent under this Lease are completely independent of any of Landlord's obligations under this Lease.

(b) Each twelve (12) month period commencing on the Commencement Date, or any anniversary thereof, is referred to in this Lease as a "Lease Year" provided that, if the Commencement Date is other than the first day of a calendar month, then the first Lease Year shall include such partial month together with the next succeeding twelve (12) months, and each succeeding Lease Year shall begin on the first day of the calendar month that

corresponds to the month following the Commencement Date. For the first Lease Year, and each Lease Year thereafter during the term of this Lease, the amount of Base Rent shall be as provided in the Lease Summary.

(c) Payment of prorated Rent from the Commencement Date of this Lease until the first day of the following month (when the first full monthly payment is due) shall be due and payable on the Commencement Date.

(d) All charges, costs and expenses that are due and payable by Tenant hereunder, together with all interest and late charges that may accrue thereon in the event of the failure of Tenant to pay those items or that may become due by reason of any default of Tenant or failure by Tenant to comply with the terms and conditions of this Lease, shall be deemed to be Additional Rent, and in the event of non-payment Landlord shall have all the rights and remedies as herein provided for failure to pay Base Rent.

(e) All sums payable by Tenant under this Lease, whether or not stated to be rent, minimum rent or additional rent, shall be collectible by Landlord as rent, and upon default in payment thereof Landlord shall have the same rights and remedies as for failure to pay Rent (without prejudice to any other right or remedy available therefor). All Base Rent, Additional Rent and other sums payable by Tenant under this Lease shall be paid, when due, without demand, offset, abatement, diminution or reduction. Additional Rent shall include all sums which may become due by reason of Tenant's failure to comply with any of the terms, conditions and covenants of the Lease to be kept and observed by Tenant.

(f) If and to the extent the Project becomes subject to real property taxes, then Tenant shall pay its Proportionate Share of such taxes monthly or otherwise when due as Additional Rent, whether collected by Landlord or collected directly by the governmental agency assessing the same. If and to the extent taxes are imposed or calculated on Tenant's rent or with respect to Tenant's use or occupancy of the Premises or Tenant's business or right to do business in the Premises, including, without limitation, a gross receipts tax or sales tax on rents or a business privilege tax or use or occupancy tax, whether such tax exists at the date of this Lease or is adopted hereafter during the term of this Lease or during any renewal or extension thereof, then Tenant shall pay such taxes monthly or otherwise when due as Additional Rent, whether collected by Landlord or collected directly by the governmental agency assessing the same. Notwithstanding anything to the contrary contained herein, Tenant shall not be required to pay any income, estate, inheritance or franchise tax imposed upon Landlord. Without limiting the foregoing, Tenant will pay promptly when due and in any event not later than fifteen (15) days after receipt of a bill (whether such bill be submitted by Landlord, the City of Lancaster or otherwise) all City of Lancaster or Lancaster School District Use and Occupancy Tax imposed upon the use and occupancy of the Premises. In addition to the foregoing, Tenant shall be responsible to pay when due all taxes imposed upon all personal property of Tenant. Any realty transfer taxes that are assessed as a result of this Lease or Tenant's occupancy of the Premises shall be payable from the funds in the Project Budget (as defined in the Professional Services Development Agreement) designated for such purposes.

## 2. COMMENCEMENT OF LEASE TERM

(a) The Commencement Date of this Lease shall be the date of issuance by the applicable governmental authority of a certificate of occupancy (or comparable

evidence of completion) for the Premises. The Lease Term shall continue for ninety-nine (99) years from the later of the Commencement Date or the first day of the month immediately following the month in which the Commencement Date occurs if the Commencement Date does not occur on the first day of the month.

(b) When the Commencement Date of this Lease has been determined, Tenant shall execute, acknowledge and deliver to Landlord an acceptance letter in the form attached hereto as Exhibit C, specifying, among other things, the Commencement Date. Tenant's failure to do so, after demand by Landlord, shall not affect the occurrence of the Commencement Date.

### 3. USE OF REMAINDER OF PROJECT BY TENANT

In addition to the Premises described in this Lease, Tenant is given the right (for the Lease Term) to (i) use the Common Areas consistent with the REO Agreement, and (ii) with the written consent of Landland, install, place upon, or affix to the roof and exterior walls of the Premises or elsewhere, equipment, antennas or other objects or structures used for communications purposes, provided the same shall not materially impair the structural integrity of the Project, subject to Tenant's compliance with the terms and conditions of this Lease and to the terms and conditions of the Land Documents.

### 4. COMPLETION OF PREMISES FOR TENANT'S OCCUPANCY

Landlord shall construct, complete and deliver the premises for Tenant's occupancy in accordance with the Project Schedule (as defined in the Professional Services Development Agreement) and the Plans and Specifications (as defined in the Professional Services Development Agreement). The rent reserved and covenanted to be paid herein and the term of this Lease shall not commence until possession of the Premises is given or the Premises are available for occupancy by Tenant.

### 5. COMMON AREA MAINTENANCE COSTS

(a) Landlord shall have responsibility for operation and maintenance of all Common Areas of the Project, and Landlord agrees to operate and maintain the Common Areas in good order in a manner consistent with the Quality Standard and the REO Agreement. Tenant shall pay, as Additional Rent, on a monthly basis, its Proportionate Share of all of the following costs and expenses incurred in operating, maintaining and repairing the Common Areas ("Common Area Maintenance Costs"); provided however that in no event shall Tenant's Proportionate Share include any costs and expenses incurred in operating, maintaining and repairing the Shared Areas (as defined in the REO Agreement) which are paid pursuant to the REO Agreement. The Common Area Maintenance Costs shall include and be limited to: lawn care and landscaping; insurance; repairs; lighting; refuse removal; water and sewer charges, the cost of personnel to implement such services and to maintain the Common Areas; utilities; maintenance contracts and repair costs for equipment, including, without limitation, heating, ventilation, and air conditioning equipment; maintenance contracts and repair costs for the elevators in the Project; janitorial and/or security services for the Common Areas; electricity (to the extent not charged directly to Tenant as provided in Section 6 below); cost of insurance for and relating to the Project, including fire and extended coverage or "All-Risk" coverage, if available (or such greater coverages as Landlord may be required to carry), elevator, boiler,

sprinkler leakage, water damage, public liability and property damage, plate glass, personal property owned by Landlord, fixtures, and rent protection; costs of tools, supplies and services; costs of repairs to the Project made pursuant to any governmental requirements; sales, use or excise taxes on supplies and services and on any of the other items enumerated herein; and other costs or expenses necessary to maintain or repair the Common Areas in accordance with this Lease. Tenant acknowledges that the retention by Landlord, on behalf of Tenant, of a maintenance contractor for air conditioning or other equipment for which Tenant has responsibility for repair or replacement under Section 8 below, shall not diminish such obligations of Tenant in any respect, it being acknowledged that Landlord is under no duty other than to cause its property management company to use its best efforts to retain a qualified and licensed contractor for such purpose.

(b) Landlord shall estimate the Common Area Maintenance Costs annually in advance, and Tenant shall pay its Proportionate Share of the estimated amount monthly in advance as Additional Rent. These estimated charges shall then be adjusted annually or semi-annually, as determined by Landlord, based on actual costs. If the total of the monthly payments actually made by Tenant shall be less than its Proportionate Share of the Common Area Maintenance Costs, Tenant shall pay to Landlord the amount of such difference within twenty (20) days after notice of the amount due. If Tenant shall have paid more than its Proportionate Share of the Common Area Maintenance Costs, Landlord shall credit the excess against Tenant's next Rent payment(s) coming due or, if after the end of the Lease Term, reimburse such amount to Tenant promptly.

(c) Landlord shall keep at the principal office of Landlord complete, true and accurate records of the Common Area Maintenance Costs throughout the Lease Term. Upon Tenant's written request, the records shall be made available for inspection or audit from time to time, but not more frequently than annually, by Tenant or its duly authorized representative at Landlord's offices during regular business hours and for a period of two (2) years after each Lease Year. If any inspection or audit of such records results in the conclusion that Tenant was overcharged for Common Area Maintenance Costs for any Lease Year, then Tenant may provide written notice of such alleged variance that shall identify, with specificity, the basis for Tenant's assertion to Landlord, within thirty (30) days after receipt of Tenant's notice, Landlord shall either (i) in the event Tenant was overcharged by less than five percent (5%), reimburse Tenant such overcharged amount, (ii) in the event Tenant was overcharged by five percent (5%) or more, reimburse Tenant such overcharged amount and all of Tenant's costs and expenses associated with such inspection and/or audit or (iii) notify Tenant in writing that it disagrees with the alleged variance in which case Tenant's claim shall be resolved by arbitration in accordance with the provisions of Paragraph 53 of this Lease if Landlord and Tenant are not otherwise able to reach agreement.

## 6. PUBLIC UTILITIES

(a) Landlord shall, at its sole cost and expense, arrange for the initial hook-up of, installation and maintenance of all utilities, telephone services and equipment required by Tenant in the use of the Premises. To the extent that charges for usage of utilities are separately metered for all or a portion of the Premises, Tenant shall pay the charges directly and in addition to Tenant's Proportionate Share of the Common Area Maintenance Costs. Any such charges that are not separately metered will be included in Tenant's Proportionate Share of the Common Area Maintenance Costs.

(b) To the extent that charges for water and sewer usage are sub-metered for all or a portion of the Premises, Tenant shall pay the charges directly and in addition to Tenant's Proportionate Share of the Common Area Maintenance Costs. Any such charges that are not sub-metered will be included in Tenant's Proportionate Share of the Common Area Maintenance Costs. In addition, pursuant to Section 5 above, Tenant shall pay its Proportionate Share of all water and sewer charges for the Common Areas, which payment shall be made monthly in advance as part of the Common Area Maintenance Costs.

7. [RESERVED]

8. REPAIRS; MAINTENANCE OF PREMISES

(a) Landlord shall maintain, repair and replace the roof, all structural elements and the exterior walls of the Premises, all in accordance with the Quality Standard; provided that if any repair is required by reason of the negligence or intentional misconduct of Tenant or any of its agents, employees, or invitees, Landlord may make such repairs and add the cost thereof to the next installment of Rent thereafter coming due. Tenant shall give Landlord written notice of the necessity of any repairs. Landlord and Tenant shall repair, maintain, alter, replace, and modify the Premises or any part thereof, and any electrical, plumbing, heating, air conditioning, or other mechanical installation in accordance with the REO Agreement. Any failure by Landlord to furnish, or delay in furnishing, any maintenance or services that are required of Landlord under this Section 8 when such failure is caused by an event of Force Majeure, shall not constitute a default by Landlord under this Lease and shall not render Landlord liable for any damages directly or indirectly resulting from such failure or delay, provided, however, that until such failure is cured by Landlord, Tenant shall be permitted to abate Rent and shall otherwise be relieved from its obligations under this Lease.

(b) Except as set forth in the REO Agreement, Tenant shall keep the Premises in good order and clean and attractive appearance consistent with the overall condition of the Project and the Quality Standard, making all repairs and alterations at its own cost and expense. Landlord shall have the right to obtain an air conditioning maintenance contract for the entire Project, and in such event the cost thereof shall be added to Common Area Maintenance Costs. Except as set forth in the REO, Tenant shall have sole responsibility for repair of any electrical, heating and air conditioning equipment that serves solely the Premises, which shall be done in a timely manner when needed by a licensed and insured contractor approved by Landlord, without regard to the retention by Landlord of a routine maintenance contractor for any such equipment as part of the Common Area Maintenance Costs. Landlord agrees to assign to Tenant all applicable warranties on such equipment for this purpose. Tenant shall, upon the request of Landlord from time to time, provide Landlord with copies of maintenance contracts entered into with respect thereto, as well as written service records that shall be maintained by Tenant or its contractor during the Lease Term.

(c) Except as provided in Section 9 below, at the expiration or earlier termination of this Lease, Tenant shall surrender the Premises in the same condition as when received, reasonable wear and tear and, subject to Tenant's obligations under this Lease, casualty or condemnation excepted.

## 9. ALTERATIONS

(a) Tenant may make non-structural alterations, improvements, and additions to the Premises, including (without limitation) drilling into, or securing any fixture, apparatus, or equipment of any kind to, any part of the Premises. All such alterations, improvements, and additions made by Tenant shall remain upon the Premises at the expiration or earlier termination of this Lease and shall become the property of Landlord, unless Landlord shall, prior to or simultaneously with such expiration or termination, have given written notice to Tenant to remove same, in which event Tenant shall remove such alterations, improvements, and additions and restore the Premises to the same good order and condition as at the Commencement Date, reasonable wear and tear and, subject to Tenant's obligations under this Lease, casualty or condemnation excepted. Upon default by Tenant, Landlord may perform such restoration and collect the cost thereof from Tenant as Additional Rent. Tenant shall not make any structural alterations, improvements or additions to the Premises without the prior written consent of Landlord. Tenant's obligations under this Section 9 shall, in all events, be carried out in conformance with the provisions of Section 10(h) below.

(b) Landlord shall not make any structural or non-structural alterations, improvements or additions to the Project which could have a Material Adverse Effect on the Premises without the prior written consent of Tenant. Landlord and Tenant shall make alterations, improvements and additions to the Project, including the replacement of furniture, fixtures and equipment, in accordance with the REO Agreement.

## 10. AFFIRMATIVE COVENANTS OF TENANT

Tenant covenants that it shall:

- (a) Pay all Rent at the times, and in the manner, set forth in this Lease.
- (b) Comply with the terms of all statutes, ordinances and regulations applicable to Tenant or its use of the Premises, and save Landlord harmless from penalties, fines, costs, expenses, or damages resulting from Tenant's failure to do so; provided, however, that Tenant shall have the right on a timely basis to contest or challenge the applicability of any such statute, ordinance or regulation and shall not be deemed to have breached this Lease because of any such contest or challenge. Tenant shall provide to Landlord copies of each licensure inspection report within ten (10) days after receipt of same, and shall provide to Landlord, within ten (10) days following the applicable deadline for corrective action, evidence of compliance with any corrective action recommended or required as a result of any such inspection.
- (c) Comply with the terms and conditions set forth herein relating to the use, operation, and maintenance of the Premises and the Common Areas.
- (d) Give to Landlord prompt written notice of any accident, fire, or damage occurring on or to the Premises or the Common Areas.
- (e) Conduct its operations at the Premises in a professional manner and keep the Premises in condition consistent with the Quality Standard.
- (f) Comply with all rules and regulations of Landlord with respect to the Common Areas or the Project, whether in effect at the time of execution of this Lease or

amended or promulgated from time to time thereafter by Landlord in its reasonable discretion, including (without limitation) the installation of fire extinguishers and other safety equipment as Landlord may require and compliance with the recommendations of Landlord's insurance carriers and their rate-making bodies.

(g) Comply with all terms and provisions of the Land Documents affecting all or any portion of the Project.

(h) Have no power or authority to create any lien or permit any lien to attach to the Premises (except the lien of a leasehold mortgage on Tenant's leasehold interest in the Premises), or any interest of Landlord in the Premises or the Project, and all suppliers, contractors, artisans, mechanics, laborers and other persons contracting with Tenant with respect to the Premises or any part thereof shall be so notified in writing by Tenant. Tenant agrees to do all things necessary to prevent the filing of any mechanic's or other liens against the Premises or the Project or any part thereof by reason of work, labor, services, or materials supplied or claimed to have been supplied to Tenant, or anyone holding the Premises, or any part thereof, through or under Tenant. If any such lien shall at any time be filed against the Premises or the Project, Tenant shall cause the same to be discharged of record within thirty (30) days after Tenant has notice of the filing of the same. If Tenant shall fail to discharge the lien within such period of time, then, in addition to any other right or remedy of Landlord resulting from Tenant's default, Landlord may, but shall not be obligated to, discharge the same by paying the amount claimed to be due, procuring the discharge of the lien by giving security, or taking such other action as may be permitted by law. Notice is hereby given that Landlord is not and shall not be liable for any labor, services or materials furnished to or on behalf of Tenant, and that no construction, mechanic's or other lien for any such labor, services or materials shall attach to or affect the interest of Landlord in and to the Premises or the Project.

(i) Repay to Landlord as Additional Rent, on demand, any and all liabilities, costs or expenses incurred by Landlord as a result of the breach of any covenant set forth in this Section 10 or in Section 11 below, and interest thereon at the lesser of the Default Rate or the maximum amount allowed by law.

## 11. NEGATIVE COVENANTS OF TENANT

Tenant covenants that it shall not do any of the following without obtaining the prior written consent of Landlord:

(a) Use or operate any machinery or permit the emission of any noises or noxious odors from the Premises that are harmful to persons or property, or otherwise take any act or permit or suffer any occurrence or the continuation of any condition that disturbs or interferes with the normal use of the Project.

(b) Do, or suffer to be done, anything at the Premises or the Project that causes the fire insurance or any other insurance now in force or hereafter to be placed on the Premises or the Project to become void or suspended, or be rated as a more hazardous risk than at the Commencement Date. In the case of a breach of this covenant, in addition to all other remedies of Landlord hereunder, Tenant shall pay to Landlord as Additional Rent any increase of premiums on insurance carried by Landlord on the Project caused in any way by the occupancy of Tenant.

(c) Commit, or suffer to be committed, any waste upon the Premises or Common Areas.

(d) Tenant shall neither use nor occupy the Premises or any part thereof for any unlawful, disreputable, or ultra-hazardous purpose, nor operate or conduct its practice or business in a manner constituting a nuisance of any kind in the reasonable judgment of Landlord. Tenant shall, immediately on discovery or notice of any unlawful, disreputable, or ultra-hazardous use, take action to halt such activity.

## 12. HAZARDOUS WASTE DISPOSAL

(a) For purposes of this Lease, "Hazardous Materials" shall mean any material, substance or waste that is or has the characteristic of being hazardous, toxic, ignitable, reactive or corrosive, including, without limitation, (i) petroleum, PCBs, asbestos, materials known to cause cancer or reproductive problems; (ii) any materials, substances and/or wastes which are or hereafter become regulated by any local governmental authority, the Commonwealth of Pennsylvania or the United States; and (iii) substances defined as "hazardous substances," "hazardous materials," "toxic substances" or "hazardous wastes" in the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended, 42 U.S.C. Section 9601 et seq.; the Hazardous Materials Transportation Act, 49 U.S.C. Section 1801 et seq.; the Resource Conservation and Recovery Act, 42 U.S.C. Section 6901 et seq.; and all other corresponding or related Commonwealth of Pennsylvania and local statutes, ordinances and regulations, including, without limitation, any dealing with underground storage tanks; and any other environmental law, regulation or ordinance now existing or hereinafter enacted (collectively, "Hazardous Materials Laws").

(b) Tenant, and all of its officers, directors, employees, representatives, agents, contractors, subcontractors, successors, assigns, lessees, sublessees, concessionaires, invitees and any other occupants of the Premises (collectively, "Tenant Representatives"), shall abide by all Hazardous Materials Laws and other municipal, county, state and federal statutes, laws, ordinances, administrative rules and regulations and guidelines applicable to the disposal of Hazardous Materials. Tenant shall not use, handle, deposit or dispose of any Hazardous Materials which requires special handling into the waste disposal facilities provided by Landlord. Tenant shall, at Tenant's expense, employ or engage private waste management services to dispose of any and all waste of Tenant which must be handled in any manner other than general waste collection provided by Landlord through public or private waste collection service. Without limiting the foregoing, Tenant shall employ or engage a licensed waste disposal service to provide any required containers or storage facilities and to remove any Hazardous Materials which Tenant must handle in a manner as provided for by Hazardous Materials Laws. The provisions of this Section 12(b) are further subject to the limitations on Tenant's use of Hazardous Materials set forth in Section 12(d) below.

(c) Tenant shall indemnify, defend and hold harmless Landlord and the holder of any mortgage ("Mortgagee") encumbering all or any portion of the Project or the real property upon which the Project is situated ("Mortgage"), and their respective partners, shareholders, directors, officers, agents and employees (the "Indemnified Parties") from and against any and all claims arising from or in connection with any act, omission or negligence of Tenant, or any of its subtenants or licensees or its or their partners, directors, officers, agents, employees or contractors, relating to or arising out of the disposal of Hazardous Materials from

the Premises, such indemnity to include all costs, expenses and liabilities incurred in or in connection with each such claim, action or proceeding with respect thereto, including, without limitation, all attorney's fees and expenses. In the event any Indemnified Party shall be made a party to any litigation or proceeding commenced by or against Tenant, then Tenant shall indemnify, defend and hold such Indemnified Party harmless with respect thereto, and Tenant shall pay all costs, expenses and reasonable attorneys' fees (in all proceedings) incurred or paid by such Indemnified Party in connection with such litigation or proceeding, or in enforcing the covenants and agreements of this Section. **TENANT ACKNOWLEDGES AND AGREES THAT IT IS THE SOLE RESPONSIBILITY OF TENANT TO ASCERTAIN AND COMPLY WITH THE HANDLING AND DISPOSAL OF HAZARDOUS MATERIALS OR ANY OTHER MATERIALS FROM THE PREMISES.**

(d) Tenant hereby agrees that Tenant and Tenant's Representatives shall not use, generate, manufacture, refine, produce, process, store or dispose of, on, under or about the Premises or the Project, or transport to or from the Premises or the Project in the future for the purpose of generating, manufacturing, refining, producing, storing, handling, transferring, processing or transporting Hazardous Materials, except those materials commonly used in cleaning premises such as the Premises or those materials commonly used in connection with the Permitted Use and then only in compliance with all applicable Hazardous Materials Laws. Furthermore, Tenant shall, at its own expense, procure, maintain in effect and comply with all conditions of any and all permits, licenses and other governmental and regulatory approvals required for the storage or use by Tenant or any of Tenant's Representatives of Hazardous Materials on the Premises, including (without limitation) discharge of (appropriately treated) materials or wastes only as provided by law.

(e) If at any time during the Lease Term (or any extended term) any contamination of the Premises or the Project by Hazardous Materials shall occur, where such contamination is caused by the act or omission of Tenant or Tenant's Representatives ("Tenant Contamination"), then Tenant, at its sole cost and expense, shall promptly and diligently remove such Hazardous Materials from the Project or the groundwater underlying the Project to the extent reasonably possible in accordance with the requirements of the applicable Hazardous Materials Laws and industry standards then prevailing in the Hazardous Materials management and remediation industry in Pennsylvania. However, Tenant shall not take any required remedial action in response to any Tenant's Contamination in or about the Project or enter into any settlement agreement, consent, decree or other compromise in respect to any claims relating to any Tenant's Contamination without first notifying Landlord and any Mortgagee of Tenant's intention to do so, and affording Landlord and any Mortgagee the opportunity to appear, intervene or otherwise appropriately assert and protect their interests with respect thereto.

(f) In addition to all other rights and remedies of Landlord or any Mortgagee, if Tenant does not promptly and diligently take all steps to prepare and obtain all necessary approvals of a remediation plan for any Tenant's Contamination and thereafter commence the required remediation of any Hazardous Materials released or discharged in connection with Tenant's Contamination within thirty (30) days after Landlord and any Mortgagee have reasonably approved Tenant's remediation plan and all necessary approvals and consents have been obtained, and thereafter continue to prosecute said remediation to completion in accordance with the approved remediation plan, then Landlord or any Mortgagee, at their sole discretion, shall have the right, but not the obligation, to cause said remediation to be accomplished, and Tenant shall reimburse, within fifteen (15) business days of demand for

reimbursement, all amounts reasonably paid by Landlord (together with interest on said amounts at the highest lawful rate until paid), when said demand is accompanied by proof of payment of the amounts demanded. Tenant shall promptly deliver to Landlord and any Mortgagee copies of hazardous waste manifests reflecting the legal and proper disposal of all Hazardous Materials removed from the Project as part of Tenant's remediation of any Tenant's Contamination.

(g) To the extent not otherwise provided in the REO Agreement, Landlord shall indemnify, defend and hold harmless Tenant and Tenant's partners, shareholders, directors, officers, agents and employees from and against any and all claims arising from or in connection with Landlord's violation of any Hazardous Materials Laws or any act, omission or negligence of Landlord, or any of its agents, employees or contractors, relating to or arising out of the disposal of Hazardous Materials from the Project, such indemnity to include all costs, expenses and liabilities incurred in or in connection with each such claim, action or proceeding with respect thereto, including, without limitation, all attorney's fees and expenses.

(h) Each party hereto (for purposes of this Section 12, a "Notifying Party") shall immediately notify the other party (the "Notice Recipient") in writing of (i) any enforcement, clean-up, removal or other governmental or regulatory action instituted, contemplated or threatened concerning the Project pursuant to any Hazardous Materials Laws; (ii) any claim made or threatened by any person against the Notifying Party or the Project relating to damage contribution, cost recovery, compensation, loss or injury resulting from or claimed to result from any Hazardous Materials on or about the Project; and (iii) any reports made to any environmental agency arising out of or in connection with any Hazardous Materials in or removed from the Project including any complaints, notices, warnings or asserted violations in connection therewith, all upon receipt by the Notifying Party of actual knowledge of any of the foregoing matters. Notifying Party shall also supply to Notice Recipient as promptly as possible, and in any event within five (5) business days after Notifying Party first receives or sends the same, copies of all claims, reports, complaints, notices, warnings or asserted violations relating in any way to the Premises or Tenant's use thereof.

### 13. RIGHTS OF LANDLORD

In addition to any other rights of Landlord reserved herein, Landlord reserves the following rights with respect to the Premises:

(a) At all reasonable times after prior notice to Tenant, by itself or its duly authorized agents, to enter into the Premises to inspect same and, to make repairs, required by the REO or otherwise authorized under the Lease; to take photographs of the Premises for promotional or other purposes of Landlord; and, after notice from either party of intention to terminate this Lease (given in accordance with any rights to terminate expressly provided for in this Lease), at any time within twelve (12) months prior to the expiration of the Lease Term or any extension term, or in connection with a potential sale or refinancing of the Project or any portion thereof, to show the Premises. If Tenant does not make itself available or otherwise refuses to admit Landlord or its agents to the Premises during regular business hours after prior notice from Landlord, or if an entry into the Premises shall be necessary in the case of an emergency, Landlord or Landlord's agents may make forcible entry without rendering Landlord or such agents liable therefor and without in any manner affecting the obligations and covenants of Tenant under this Lease. Tenant hereby irrevocably grants Landlord the necessary licenses to carry out the terms of this subsection.

(b) To install, place upon, or affix to the roof and exterior walls of the Premises or elsewhere, equipment, signs, displays, antennas, or other objects or structures of any kind, provided the same shall not materially impair the structural integrity of the Project or unreasonably interfere with Tenant's Permitted Use of the Premises.

(c) To enter into the Premises in the case of an emergency to make repairs, alterations, and additions thereto. The exercise of any right reserved to Landlord in this Section 13 shall not be deemed an eviction or disturbance of Tenant's use and possession of the Premises, and shall not render Landlord liable in any manner to Tenant, any of Tenant's or to any other person.

(d) To amend, modify or terminate any of the Land Documents, or to enter into additional Land Documents from time to time, provided, however, that Tenant shall not be bound by any such amendment, modification, termination or additional Land Document entered into without Tenant's agents or employees prior written consent.

#### 14. CASUALTY

The provisions of the REO Agreement shall govern in the event of damage or destruction to the Project or the Premises by fire or other casualty.

#### 15. INDEMNIFICATION AND INSURANCE REQUIREMENTS

(a) Tenant shall:

(i) Subject to the provisions of Section 15(g), indemnify, defend and save the Indemnified Parties harmless from and against any and all claims, actions, damages, liability, and expense, including, without limitation, reasonable attorney's fees and costs in all proceedings, in connection with loss of life, personal injury, or damage to property occurring in or about the Premises, as well as any loss of life, personal injury, or damage to property occurring in or about the Project, including the Common Areas if caused by the acts or omissions of Tenant or any of Tenant's agents or employees.

(ii) At all times during the term hereof, keep in force, at Tenant's expense, commercial property insurance on any and all furniture, fixtures, equipment, supplies and other property owned, leased, held or possessed by Tenant, against all risk of physical loss in an amount not less than one hundred percent (100%) of the actual replacement cost of such personal property (less any deductible); provided, however, that if the full insurable value of such personal property is less than the actual replacement cost of such property, then Tenant may reduce the amount of such insurance coverage to one hundred percent (100%) of the full insurable value of such property.

(iii) At all times during the term hereof, keep in force, at its own expense, commercial liability insurance protecting and indemnifying Landlord against any and all claims for damages to person or property or for loss of life or of property occurring upon, in or about the Premises, with a limit of not less than Two Million Dollars (\$2,000,000) per occurrence with umbrella coverage of not less than Twenty Million Dollars (\$20,000,000);

(iv) At all times during the term hereof, keep in force, at its own expense, worker's compensation (including employer's liability insurance) covering Tenant's employees providing the statutory benefits required under Pennsylvania law.

(b) Landlord shall:

(i) Subject to the provisions of Section 15(g), indemnify, defend and save Tenant harmless from and against any and all claims, actions, damages, liability, and expense, including, without limitation, reasonable attorney's fees and costs in all proceedings, in connection with loss of life, personal injury, or damage to property occurring in or about the Project, including the Common Areas, if caused by the acts or omissions of Landlord or any of Landlord's agents or employees.

(ii) At all times during the term hereof, keep in force, at Landlord's expense, commercial property insurance on the improvements constituting the Project, any and all furniture, equipment, supplies and other property owned, leased, held or possessed by Landlord and contained in the Project, against all risk of physical loss in an amount not less than one hundred percent (100%) of the actual replacement cost of such improvements (excluding foundation); provided, however, that if the full insurable value of such improvements is less than the actual replacement cost of such improvements, then Landlord may reduce the amount of such insurance coverage to one hundred percent (100%) of the full insurable value of such improvements (excluding foundation).

(iii) At all times during the term hereof, keep in force, at its own expense, commercial liability insurance protecting and indemnifying Tenant against any and all claims for damages to person or property or for loss of life or of property occurring upon, in or about the Project, with a limit of not less than Two Million Dollars (\$2,000,000) per occurrence with umbrella coverage of not less than Twenty Million Dollars (\$20,000,000);

(c) All of the policies of insurance provided for in this Lease shall be with reputable companies licensed and authorized to issue such policies in such amounts in the Commonwealth of Pennsylvania. Such insurance may be carried under blanket policies that include other properties and provide separate coverage for the insured property. Upon request, Landlord and Tenant shall each deliver certificates showing such insurance to be in full force and effect to the other party. Such certificates shall be endorsed to show the receipt by the issuer of the premiums for such insurance or shall be accompanied by other evidence of payment of such premiums. If the premium covers more than one (1) year and may be paid in installments, then only an annual installment must be paid in advance. Such policies shall contain express waivers by the insurer of any rights of subrogation against the other party. The deductible amount for any insurance coverage required to be carried by a party shall not exceed five percent (5%) of the policy amount without written approval of the other party.

(d) All insurance required by this Section 15 shall name the carrying party as insured and the other party as additional insured and may, at the option of either party, name any Mortgagee or any other persons, all as their respective interests may appear.

(e) Each policy of insurance required to be maintained under this Lease shall provide that it may not be cancelled by the insurer for nonpayment of premiums or

otherwise until at least thirty (30) days after service of notice of the proposed cancellation upon the non-carrying party.

(f) Each party shall be solely responsible for the premiums for the insurance policies required to be maintained by it hereunder.

(g) To the extent permitted by applicable law, Landlord and Tenant each release the other from any and all liability or responsibility to the other or anyone claiming through or under it by way of subrogation or otherwise for any loss or damage to property caused by fire or any other perils insured in policies of insurance covering such property, even if such loss or damage shall have been caused by the fault or negligence of the other party, or anyone for whom such party may be responsible; provided, however, that this release shall be applicable and in force and effect only to the extent that such release shall be lawful at that time.

#### 16. WAIVER OF CLAIMS BY TENANT

Landlord and its agents, employees, and contractors shall not be liable for, and Tenant hereby releases all claims for damages to person or property sustained by Tenant or any person claiming by, through or under Tenant resulting from, any fire, accident, occurrence, or condition in or upon the Premises or Landlord's property, including, but not limited to, claims for damage resulting from: (i) any defect in or failure of plumbing, heating, or air conditioning equipment, electrical wiring or installation thereof, water pipes, stairs, railings, or walks; (ii) any equipment or appurtenances becoming out of repair; (iii) the bursting, leaking, or running of any tank, washstand, water closet, waste pipe, drain or any other pipe or tank in, upon or about the Premises or the Project; (iv) the backing-up of any sewer pipe or downspout, (v) the escape of steam or hot water; (vi) water being upon or coming through the roof or any other place upon or near the Premises; (vii) the falling of any fixture, plaster, or stucco; (viii) broken glass; (ix) any act, negligence, or omission of Tenant or other occupants of the Project; and (x) vandalism or theft. Any release by Tenant given hereunder shall not be deemed to be a waiver or release of any claims by Tenant against Landlord's insurers pursuant to insurance policies carried by Landlord.

#### 17. FIXTURES

(a) Any and all improvements to the Premises, regardless of whether such improvements constitute fixtures, but excluding Tenant's trade fixtures, shall remain a part of the Premises, and in no event may be removed by or on behalf of Tenant during the Lease Term or any extension thereof, or upon the expiration or earlier termination of this Lease or any extension thereof.

(b) Any trade fixtures installed in the Premises by Tenant shall remain the property of Tenant and shall be removable at the expiration or earlier termination of this Lease or any extension thereof, provided Tenant shall not at such time be in default hereunder; and, provided further, that in the event of such removal, Tenant shall, at the time of removal, repair the damage caused by such removal and promptly restore the Premises to its original improved order and condition, reasonable wear and tear and, subject to Tenant's obligations under this Lease, casualty and condemnation excepted. Any such trade fixture not removed at or prior to expiration or earlier termination of this Lease shall become the property of Landlord. Without limitation of the foregoing, light fixtures, cabinetry, and plumbing equipment, whether

or not installed by Tenant, shall not be removable at the expiration or earlier termination of this Lease, or at the expiration of any extension thereof, and shall be the property of Landlord. If the removal of trade fixtures would leave any wall or floor indentations or other non-standard improvement finishes, then the obligation of Tenant to restore the Premises (as a condition of removal of any such trade fixtures) includes the obligation to eliminate any such indentations or other non-standard improvement finishes and paint or otherwise finish the applicable areas in the same manner as surrounding areas, such that, in the reasonable judgment of Landlord, Landlord shall not be required to incur any expense to make the Premises ready for a successor tenant as relates to the areas of the Premises from which trade fixtures have been removed.

(c) Landlord hereby waives any Landlord's statutory, possessory, contractual or other kind of lien, right of distraint or levy, security interests or other interests which Landlord may now or hereafter have in any of Tenant's trade fixtures, personal property, equipment, inventory and other goods ("Tenant's Property") now or hereafter located at or on the Premises. The creation of a lien on Tenant's Property in favor of a third party shall not be deemed a breach of this Lease and Landlord shall acknowledge and consent thereto.

#### 18. ASSIGNING AND SUBLETTING

(a) Except as permitted in section 18(b) below, Tenant covenants that it shall not, by operation of law or otherwise, assign this Lease, sublease all or any part of the Premises, or permit the Premises to be used by others without the prior written consent of Landlord in each instance. The consent by Landlord to any assignment, subletting or use of the Premises by others shall not constitute a waiver of Landlord's right to withhold its consent to any other assignment, subletting or use by others of the Premises. Whether or not Landlord's consent shall be granted to any proposed assignment or subletting, Tenant shall reimburse Landlord its expenses, including, without limitation, reasonable attorneys' fees and disbursements, incurred by Landlord in connection with Tenant's request for such consent. In addition, Tenant shall pay to Landlord, as Additional Rent, all reasonable direct and indirect expenses incurred by Landlord due to any such assignee or sublessee taking possession of the Premises, including freight elevator operation, security service, cleaning service, janitorial service and rubbish removal.

(b) Notwithstanding anything to the contrary set forth herein, no consent by Landlord shall be required for (i) an assignment of this Lease to any successor to Tenant's interest in the Hotel or to any affiliate of Tenant, or (ii) Tenant's sublease, license, rental agreement or any other arrangement whereby Tenant permits third parties to use the Premises for any of the Permitted Uses.

(c) Notwithstanding anything to the contrary set forth herein, Tenant may, without the requirement for any consent by Landlord, assign this Lease and mortgage Tenant's leasehold interest in the Premises to any lender providing financing to Tenant. Landlord shall enter into customary leasehold mortgage agreements requested by any such lender provided the same are on a commercially reasonable basis and are approved by any mortgagee of Landlord's interest in the Project.

## 19. SUBORDINATION; ATTORNMENT

(a) This Lease is subject and subordinate to the Land Documents and any Mortgages, and to any renewals, modifications, increases, extensions, replacements, and substitutions of any of the foregoing subject to the condition, as to all such matters, that such Mortgagee executes and delivers, in recordable form and in form and substance reasonably satisfactory to Tenant, a nondisturbance agreement in Tenant's favor providing that this Lease and the leasehold estate hereunder, and the rights granted and provided to Tenant by this Lease, shall remain in full force and effect so long as no event of default hereunder by Tenant has occurred and is continuing. This provision shall be self-operative and no further instrument of subordination shall be required; provided, however, that Tenant shall execute, acknowledge and deliver such further instrument(s) in recordable form confirming this subordination as may be reasonably requested by Landlord or any Mortgagee. At the option of any Mortgagee, this Lease shall be made superior to such Mortgage.

(b) If any Mortgagee succeeds to the rights of Landlord under this Lease, whether through foreclosure, deed-in-lieu of foreclosure, delivery of a new lease or otherwise (a "Successor Landlord"), then at the request of the Successor Landlord and upon Successor Landlord's written agreement to accept Tenant's attornment, Tenant shall attorn to and recognize such Successor Landlord as Tenant's Landlord under this Lease. This provision shall be self-operative and no further instrument of attornment shall be required; provided, however, that Tenant shall execute, acknowledge and deliver such further instrument(s) conforming such attornment as may be reasonably requested by such Successor Landlord. Upon such attornment, this Lease shall continue in full force and effect as a direct lease between Successor Landlord and Tenant upon all of the terms set forth in this Lease.

## 20. PERFORMANCE OF TENANT'S COVENANTS

Tenant shall perform all of the covenants and conditions on its part to be performed under this Lease, and upon receipt of written notice from Landlord (where notice of non-performance is required by this Lease) will immediately comply with the requirements of such notice. If Tenant shall violate any covenant or condition of this Lease after applicable notice and the right to cure, but only in instances where notice and/or the right to cure are specifically provided for in this Lease, Landlord may, at its option, do or cause to be done any or all of the things required by this Lease. In so doing Landlord shall have the right to cause its agents, employees, and contractors to enter upon the Premises, and in such event shall have no liability to Tenant, its agents and employees, for any loss or damages resulting in any way from such action. Tenant hereby grants Landlord all necessary licenses required to carry out the terms of this Section. Tenant shall pay to Landlord, within ten (10) days of demand, any monies paid or expenses incurred by Landlord in taking such actions, including, without limitation, attorney's fees and costs in all proceedings, and such sums shall be collectible from Tenant as Additional Rent hereunder.

## 21. CUSTOM AND USAGE; NO WAIVER

Any law, usage, or custom to the contrary notwithstanding, Landlord shall have the right at all times to enforce the covenants and conditions of this Lease in strict accordance with the terms hereof, notwithstanding any conduct or custom on the part of Landlord in refraining from so doing at any time or times. The waiver by Landlord of any term, covenant or

condition in this Lease shall not be deemed to be a waiver of any subsequent breach of the same or of any other term, covenant or condition herein. The subsequent acceptance of Base Rent, Additional Rent or any other monetary obligation of Tenant hereunder by Landlord shall not be deemed to be a waiver of any preceding breach or default by Tenant of any term, covenant or condition of this Lease, other than the failure of Tenant to make the particular payment so accepted, regardless of Landlord's knowledge of such preceding breach or default at the time of acceptance of such payment. No covenant, term or condition of this Lease shall be deemed to have been waived by Landlord unless such waiver is in writing and executed by Landlord.

## 22. SURRENDER AND HOLDING OVER

(a) Tenant, upon expiration or termination of this Lease, either by lapse of time or otherwise, shall peaceably surrender the Premises to Landlord in broom clean condition and in good repair as required in this Lease, reasonable wear and tear and, subject to Tenant's obligations under this Lease, casualty or condemnation excepted. In the event that Tenant shall fail to surrender the Premises upon demand, Landlord, in addition to all other remedies available to it hereunder or at law or in equity, shall have the right to receive, as liquidated damages for all the time Tenant shall so retain possession of the Premises or any part thereof, an amount equal to the greater of twice the Base Rent specified in this Lease as applied to such period, or twice the fair market rental rate for the Premises, together with an amount equal to one hundred fifty percent (150%) of all other payments required hereunder as Additional Rent, provided that Tenant shall nonetheless be a tenant at sufferance.

(b) If Tenant remains in possession of the Premises with Landlord's consent but without a new lease in writing and duly executed by Landlord, Tenant shall be deemed to be occupying the Premises as a Tenant from month to month, but otherwise subject to all the covenants and conditions of this Lease.

## 23. ADDITIONAL CONSTRUCTION

Landlord reserves the right at any time, and from time to time, to make alterations or additions to the Project, and to build adjoining the same, subject to the provisions of the REO Agreement and the Other Documents. Landlord also reserves the right to construct other, or add to other, buildings or improvements in the Project or surrounding property, and to permit others to do so from time to time. In the event of such additional construction, Landlord shall not unreasonably interfere with Tenant's occupancy.

## 24. CONDEMNATION

The provisions of the REO Agreement shall govern in the event all or a Substantial Part of the Project (which shall have the same meaning as "Substantial Part of a Facility," as defined in the REO Agreement) shall be taken by condemnation, power of eminent domain, or sale in lieu thereof.

## 25. FORCE MAJEURE

With the exception of the obligation of Tenant to pay Rent and all other amounts that may be due from time to time under this Lease, if either party shall be delayed or hindered in or prevented from doing or performing any act or thing required hereunder by reason of any event of Force Majeure, then such party shall not be liable or responsible for any such delays and

the doing or performing of such act or thing shall be extended for a period equivalent to the period of such delay. In such event, this Lease and the obligations of both parties to perform and comply with all of the other terms and provisions of this Lease shall in no way be affected, impaired, or excused.

## 26. ESTOPPEL STATEMENT

Within ten (10) days after request therefor by either party hereto or any mortgagee, the party receiving such request shall deliver in recordable form (and signed by a duly authorized representative of such party) a statement to the requesting party, any mortgagee, or any proposed mortgagee or transferee of the Project or the Hotel (as the case may be), certifying (if such be the case) that this Lease is in full force and effect, that Tenant is in possession of the Premises, that Tenant has commenced the payment of Rent, that Tenant has not paid Rent for more than one month in advance, and that there are no defenses or offsets to this Lease claimed by Tenant, as well as any other information reasonably requested. If either party fails or refuses to give a certificate hereunder within the time period herein specified, then the information contained on such certificate as submitted by the requesting party shall be deemed correct for all purposes.

## 27. EVENTS OF DEFAULT

The occurrence of any of the following shall, in addition to any other events of default provided herein, constitute an event of default hereunder:

- (a) Failure of Tenant to pay any Rent provided for in this Lease within ten (10) days after receipt of written notice from Landlord that the same is overdue;
- (b) Failure of Landlord or Tenant to pay any sum other than Rent required to be paid by Landlord or Tenant under this Lease within ten (10) days after written notice from the other party.
- (c) The filing of a petition by or against Tenant for relief under the United States Bankruptcy Code ("Bankruptcy Code"), reorganization, or appointment of a receiver or trustee of Tenant or Tenant's property; or an assignment by Tenant for the benefit of creditors; or the taking of possession of the property of Tenant by any governmental officer or agency pursuant to statutory authority for the dissolution or liquidation of Tenant; or if a temporary or permanent receiver or trustee shall be appointed for Tenant or for Tenant's property and such temporary or permanent receiver or trustee shall not be discharged within ninety (90) days from the date of appointment; or any other execution, levy, attachment or other process of law upon Tenant's leasehold interest hereunder (or any part thereof); or if any judgment entered against Tenant has not been satisfied or bonded within ninety (90) days of the date of the judgment.
- (d) If Tenant fails to take actual bona-fide occupancy or manifests an intention not to take actual, bona fide occupancy or if Tenant vacates or abandons the Premises during the term hereof or removes or manifests an intention to remove any of Tenant's goods or property therefrom other than in the ordinary and usual course of Tenant's business.

(e) Tenant's removal or attempted removal of its goods or property from the Premises, other than in the ordinary and usual course of business, without having first paid and satisfied Landlord for all Rent which may become due during the entire Lease Term (or extension term, as applicable).

(f) The transfer or attempted transfer of any legal or equitable interest, whether by operation of law or otherwise, of this Lease or Tenant's interest in this Lease, except strictly in accordance with the express terms of this Lease.

(g) Landlord's or Tenant's failure to perform or observe any other provision of this Lease (including, without limitation, Tenant's covenants not to change the Permitted Use without the prior written consent of Landlord), within fifteen (15) days after written notice and demand from the other party, provided that, if such failure is of a character as not to permit immediate compliance, then an event of default shall not occur if Landlord or Tenant proceeds diligently and immediately upon receipt of notice to commence the cure of such failure, and thereafter to complete such cure with all reasonable diligence within a reasonable period thereafter.

## 28. REMEDIES UPON DEFAULT

(a) Upon the occurrence of any event of default by Tenant as set forth in this Lease, Landlord, at its option, may at such times as it may determine, concurrently or successively, without being deemed to have waived any rights or to have made an election of remedies in any circumstance, do any or all of the following:

(i) terminate this Lease on at least five (5) days' notice to Tenant and, on the date specified in such notice, this Lease and the term hereby demised and all rights of Tenant hereunder shall expire and terminate and Tenant shall thereupon quit and surrender possession of the Premises to Landlord in the condition elsewhere herein and provided Tenant shall remain liable to Landlord for damages equal to the Rent and other charges payable hereunder by Tenant through the date of termination; and/or

(ii) enter upon and repossess the Premises, by force, summary proceedings, ejectment or otherwise, and dispossess Tenant and remove Tenant and all other persons and property from the Premises and have, hold and enjoy the Premises and the rents and profits therefrom.

(b) Upon the occurrence of any event of default by Landlord as set forth in this Lease, Tenant, at its option, shall have all remedies available to it at law or in equity.

(c) If rent or any other sum due from either party to the other shall be overdue for more than ten (10) days, it shall thereafter bear interest until paid at the rate equal to the lesser of the Default Rate or the maximum rate allowed by law.

(d) Subject to the limitations set forth in Sections 28(a) and 30 of this Lease, no right or remedy herein conferred upon or reserved to Landlord is intended to be exclusive of any other right or remedy herein or by law provided, but each shall be cumulative and in addition to every other right or remedy given herein or now or hereafter existing at law or in equity or by statute.

29. AUTHORITY

All persons executing this Lease on behalf of Landlord and Tenant personally represent and warrant that they have been authorized to execute this Lease by such party. Evidence of such authority shall be provided upon request.

30. LIMITATION ON LIABILITY

(a) Tenant shall look solely to Landlord's interest in the Project and Landlord's personal property used in connection with the Project for the satisfaction of any judgment or decree requiring the payment of money by Landlord, based upon any default hereunder, and no other property or asset of Landlord shall be subject to levy, execution, or other enforcement procedure for the satisfaction of such judgment or decree.

(b) Landlord shall look solely to Tenant's interest in the Hotel and Tenant's personal property used in connection with the Hotel for the satisfaction of any judgment or decree requiring the payment of money by Tenant, based upon any default hereunder, and no other property or asset of Tenant shall be subject to levy, execution, or other enforcement procedure for the satisfaction of such judgment or decree.

(c) Tenant shall be in exclusive control and possession of the Premises, and Landlord shall not be liable for any injury or damages to any property or to any person on or about the Premises, nor for any injury or damage to any property of Tenant except to the extent caused by the negligence or intentional misconduct of Landlord or its agents. The provisions herein permitting Landlord to enter and inspect the Premises are made to ensure that Tenant is in compliance with the terms and conditions hereof and to make repairs that Tenant has failed to make. Landlord shall not be liable to Tenant for any entry on the Premises for inspection purposes, except with respect to the gross negligence or intentional misconduct of Landlord or its agents.

31. LEGAL EXPENSES

If any legal action or other proceeding is brought for the enforcement of this Lease, or because of an alleged dispute, breach, default or misrepresentation in connection with any provisions of this Lease, the successful or prevailing party or parties shall be entitled to recover reasonable fees of attorneys, paralegals, and legal assistants, court costs and all expenses even if not taxable as court costs (including, without limitation, all such fees, costs and expenses incident to appeals), together with any sales tax thereon, incurred in that action or proceeding, in addition to any other relief to which such party or parties may be entitled.

32. LAND DOCUMENTS; RULES AND REGULATIONS

The parties shall be bound by all existing Land Documents and the Rules and Regulations, in the form of Exhibit D hereto, governing the Premises and the Project or any part thereof as same may be amended. The Rules and Regulations shall be subordinate to the terms and provisions of this Lease.

33. TIME OF THE ESSENCE

Time is of the essence in all provisions of this Lease, except as to the conditions relating to the delivery of possession of the Premises to Tenant.

34. QUIET ENJOYMENT

Landlord warrants that Tenant shall have peaceable and quiet enjoyment of the Premises, free from any eviction or interference by any party, if Tenant pays the Rent and other charges provided herein and otherwise fully and punctually performs and complies with the terms, conditions, and provisions of this Lease.

35. SIGNS

Without the prior written consent of Landlord, no sign or other promotional or informational materials of any nature shall be placed on the exterior of the Premises, in any window visible from the exterior of the Project, or in the main lobby, elevators or other Common Areas. Signage shall be permitted only as provided in Exhibit E.

36. SCOPE AND INTERPRETATION OF AGREEMENT

This Lease and all Exhibits set forth all of the covenants, promises, agreements, conditions, and understandings between Landlord and Tenant concerning the Premises, and there are no covenants, promises, conditions, or understandings, either oral or written, other than as set forth herein. No subsequent alteration, change or addition to this Lease shall be binding upon Landlord or Tenant unless reduced to writing and signed by both parties. The laws of the Commonwealth of Pennsylvania shall govern the validity, interpretation, performance, and enforcement of this Lease. This Lease shall not be more strictly enforced against either party regardless of who was more responsible for its preparation. Except at Landlord's option, no part of this Lease or any memorandum thereof may be recorded in the public records of any municipality or county.

37. INVALID PROVISIONS

If any provision of this Lease shall be determined to be void by any court of competent jurisdiction or by any law enacted subsequent to the date hereof, then such determination shall not affect any other provisions hereof, all of which other provisions shall remain in full force and effect.

38. CAPTIONS

Any headings preceding the text of the provisions and subparagraphs hereof are inserted solely for convenience of reference and shall not constitute a part of this Lease, nor shall they affect its meaning, construction or effect.

39. SUCCESSORS AND ASSIGNS

All rights, obligations, and liabilities given to, or imposed upon, the parties hereto shall extend to and bind the respective heirs, executors, administrators, successors, sublessees, licensees, concessionaires and assigns of such parties, subject to the terms of Section 18 hereof.

No rights, however, shall inure to the benefit of any assignee or sublessee of Tenant unless the assignment or sublease has been approved by Landlord in writing as required under this Lease. Nothing contained in this Lease shall in any manner restrict Landlord's right to assign or encumber this Lease. The original Landlord named herein, and each successive owner of the Project, shall be liable only for obligations accruing during the period of its ownership.

#### 40. NOTICES

Any notice, consent, approval, statement, demand or other communication which is provided for or required by this Lease must be in writing and may be, at the option of the party giving notice, delivered in person (including delivery by national overnight couriers such as Federal Express) to any party or may be sent by registered or certified U.S. mail, with postage prepaid, return receipt required. Any such notice or other written communications shall be deemed to have been given (i) in the case of personal delivery, on the date of delivery to the person to whom such notice is addressed as evidenced by a written receipt signed by such person, (ii) in the case of overnight delivery, on the next business day following the day it shall have been deposited with a national overnight courier, and (iii) in the case of registered or certified mail, three (3) business days following the day it shall have been posted. For purposes of notice or other written communications, the addresses may be changed at any time by written notice given in accordance with this provisions:

(1) If to Landlord:

The Lancaster County Convention Center Authority  
P.O. Box 1622  
Lancaster, PA 17608  
Attention: James O. Pickard, Chairman

with a copy to:

Stevens & Lee  
P.O. Box 11670  
Harrisburg, PA 17108-1670  
Attention: Christopher M. Cicconi, Esquire

(2) If to Tenant:

Penn Square Partners  
1853 William Penn Way  
Lancaster, PA 17605-0008  
Attention: Thomas D. Smithgall, Vice President

with a copy to:

Ballard Spahr Andrews & Ingersoll, LLP  
1735 Market Street, 51st Floor  
Philadelphia, PA 19103  
Attention: Howard I. Grossman, Esquire

Landlord and Tenant each agree that upon giving of any notice, it shall use its reasonable efforts to advise the other by telephone or facsimile that a notice has been sent hereunder. Such telephonic or faxed advice shall not, however, be a condition to the effectiveness of notice hereunder.

#### 41. USE OF PREMISES

Tenant shall use and occupy the Premises only for the Permitted Use and for no other purpose, without the prior written consent of Landlord.

#### 42. GENERAL PROVISIONS GOVERNING TENANT'S IMPROVEMENTS

(a) This section shall apply to all alterations, improvements, or additions (collectively, "improvements") made to the Premises during the Lease Term, as permitted in this Lease.

(b) Before entering the Premises for the purpose of performing improvements, Tenant shall deposit with Landlord certificates of workers' compensation insurance and liability insurance of Tenant's general contractor, or, if none, from each of Tenant's independent contractors. Liability insurance shall be in an amount not less than \$1,000,000 per occurrence, or such greater amount as Landlord may reasonably require from time to time, and shall name Landlord and each Mortgagee as additional insureds. The liability insurance shall be on a comprehensive form, and shall cover all hazards related to any work performed by any such contractor on the Premises.

(c) Any damage to the Premises or the Project caused by Tenant or any of its employees, contractors, or workmen shall be repaired promptly by and at the expense of Tenant. Tenant shall be responsible for the disposal of waste generated with respect to its work.

(d) All improvements within the Premises shall be completed with new materials, unless otherwise approved in writing by Landlord. Materials used and workmanship performed shall be of a uniformly high quality in accordance with the best standards of practice, and shall be subject to the approval of Landlord.

(e) The opinion of Landlord's architect shall be final and binding upon Landlord and Tenant respecting all matters of dispute regarding any improvements, including the state of completion and whether or not the work is completed in a good and workmanlike manner.

(f) Upon completion of the improvements, Tenant shall cause to be furnished to Landlord a final contractor's affidavit, stating that there are no liens outstanding against the Premises or the Project on account of the improvements, and that all accounts for work, service and materials have been paid in full.

#### 43. WAIVER OF JURY TRIAL

LANDLORD AND TENANT HEREBY KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVE THE RIGHT EITHER MAY HAVE TO A TRIAL BY JURY

WITH RESPECT TO ANY LITIGATION BASED HEREON, OR ARISING OUT OF, UNDER OR IN CONNECTION WITH THIS LEASE OR THE OBLIGATIONS EVIDENCED HEREBY, OR ANY OTHER DOCUMENT OR INSTRUMENT CONTEMPLATED TO BE EXECUTED IN CONJUNCTION HEREWITH, OR ANY COURSE OF CONDUCT, COURSE OF DEALING, STATEMENTS (WHETHER VERBAL OR WRITTEN) OR ACTIONS OF ANY PARTY. THIS PROVISION IS A MATERIAL INDUCEMENT TO EACH OF LANDLORD AND TENANT IN ENTERING INTO THIS LEASE.

#### 44. INSOLVENCY OR BANKRUPTCY

Upon the filing of a petition by or against Tenant under the Bankruptcy Code, Tenant, as debtor and as debtor in possession, and any trustee who may be appointed, agree as follows:

- (a) to perform each and every obligation of Tenant under this Lease until such time as Tenant's interest in this Lease is either rejected or assumed by order of the U.S. Bankruptcy Court;
- (b) to pay monthly in advance, on the first day of each month, as reasonable compensation for use and occupancy of the Premises, an amount equal to all Rent and other charges due pursuant to this Lease;
- (c) to reject or assume this Lease within 60 days after the filing of such petition under Chapter 7 of the Bankruptcy Code or within 120 days (or such shorter term as Tenant, in its sole discretion, may deem reasonable so long as notice of such period is given) of the filing of a petition under any other Chapter;
- (d) to give Landlord at least 45 days prior written notice of any proceeding relating to any assumption of this Lease;
- (e) to give at least 30 days' prior written notice of any abandonment of the Premises; any such abandonment to be deemed a rejection of this Lease;
- (f) to do all other things of benefit to Landlord otherwise required under the Bankruptcy Code;
- (g) to be deemed to have rejected this Lease in the event of the failure to comply with any of the above; and
- (h) to have consented to the entry of an order by an appropriate U.S. Bankruptcy Court providing all of the above, and waiving notice and hearing prior to the entry of such order. No default of this Lease by Tenant, either prior to or subsequent to the filing of such petition, shall be deemed to have been waived unless expressly done so in writing by Landlord, and included within and in addition to any other conditions or obligations imposed upon Tenant or its successor in the event of assumption and/or assignment of this Lease are the following:
  - (i) the cure of any monetary defaults and the reimbursement of pecuniary loss within not more than 30 days of assumption and/or assignment of the Lease; and

(ii) the use of the Premises strictly in accordance with the requirements of this Lease.

45. NO REPRESENTATIONS; NO OFFER

(a) Tenant acknowledges and agrees that it has not relied upon any statements, representations, agreements or warranties except those expressed in this Lease, and that this Lease contains the entire agreement of the parties hereto with respect to the subject matter hereof except as otherwise expressly provided herein.

(b) The submission of this document for examination and review does not constitute an option, an offer to lease space, or an agreement to lease space. This document shall have no binding effect on the parties unless and until executed and delivered by both Landlord and Tenant, and will be effective only upon Landlord's execution and delivery of the same.

46. BROKERS

Landlord and Tenant each represent and warrant that it has not dealt with any brokers, finders or like agents in connection with the negotiation, execution or delivery of this Lease. Landlord and Tenant each agree to, indemnify, defend and hold the other harmless from and against obligations, losses, claims, liabilities, damages, costs and expenses, including, without limitation, all attorneys' fees and disbursements incurred by reason of any claim or of liability to any broker, finder, like agent or other person for commissions or other compensation or charges with respect to the negotiation, execution and delivery of this Lease, and such obligations shall survive the expiration or sooner termination of this Lease.

47. CONSENTS

Any consent or approval required of either party hereunder shall not be unreasonably withheld or delayed.

48. DEFINITIONS

(a) "Common Areas" means only those portions of the Project intended for common use and not for exclusive use by either Landlord or Tenant, including but not limited to, lobby areas, public restrooms, hallways, stairs, escalators, ramps, elevators, accessways and walkways. "Common Areas" shall specifically exclude the Shared Areas (as defined in the REO Agreement), parking areas and driveways, the grand ballroom, exhibition space and all meeting space located in the Project.

(b) "Default Rate" means a rate equal to four percent (4%) per annum over the "prime rate" as published in *The Wall Street Journal* under the heading "Prime Rate" on the "Money Rates" page, or in the event *The Wall Street Journal* ceases publication or ceases to publish the prime rate, as published in a comparable publication in which the prime rate is readily ascertainable and approved by the Parties.

(c) "Force Majeure" means any of the following which may have a Material Adverse Effect on the project or the Hotel or market in which the Project or the Hotel operates (i) an act of God, (ii) acts of war, (iii) acts of terrorism, (iv) civil disturbance, (v) labor

disputes among Project or Hotel employees or providers of services, material or equipment, (vi) reasonably unforeseeable weather conditions, (vii) reasonably unforeseeable unavailability of materials, supplies or equipment and delays in transportation, (viii) governmental action (including revocation of any license or permit necessary for the development, construction and/or operation of the Project or the Hotel not caused by the act or omission of the Landlord in the case of the Project and Tenant in the case of the Hotel), or (ix) any other causes, other than downturns in the local or national economy, that are beyond the control of either Landlord or Tenant.

(d) "Hotel License Agreement" means that certain Marriott Hotel License Agreement dated September 25, 2001 between Tenant and Marriott International, Inc. (as the same may be amended, modified, supplemented or replaced) in connection with the presently intended operation of the Hotel as a Marriott hotel.

(e) "Joint Development Agreement" means that certain Joint Development Agreement dated December 20, 2001 between Landlord and Tenant (as the same may be amended, modified, supplemented or replaced) which provides for the joint development of the Project and the Hotel.

(f) "Land Documents" means those documents set forth on Exhibit F attached hereto.

(g) "Material Adverse Effect" means any circumstance or event which individually or in the aggregate could have a material adverse effect on the Project or the Hotel, or both of them, or their use, occupancy or operation.

(h) "Professional Services Development Agreement" means that certain Professional Services Development Agreement dated December 20, 2001 between Landlord and High Associates, Ltd. (as the same may be amended, modified, supplemented or replaced).

(i) "Quality Standard" means the standards of use, operation, maintenance, repair and housekeeping for the Project and the Hotel pursuant to the Hotel License Agreement, including but not limited to standards regarding daily maintenance and routine upkeep, security, signage, temperature control and lighting, more fully described on Exhibit attached hereto and made a part hereof.

(j) "REO Agreement" means that certain Reciprocal Easement, Operating and Use Agreement between the parties dated December 20, 2001 between Landlord and Tenant (as the same may be amended, modified, supplemented or replaced).

#### 49. EXHIBITS

The following exhibits are a part of this Lease and are incorporated herein by reference:

- |             |   |                                  |
|-------------|---|----------------------------------|
| Exhibit "A" | - | Legal Description of the Project |
| Exhibit "B" | - | Description of the Premises      |
| Exhibit "C" | - | Acceptance Letter                |
| Exhibit "D" | - | Rules and Regulations            |

- Exhibit "E" - Sign Requirements
- Exhibit "F" - Land Documents
- Exhibit "G" Quality Standard

50. CONFLICT WITH REO AGREEMENT – In the event of a conflict between the provisions of this Lease and the provisions of the REO Agreement, the provisions of the REO Agreement shall control.

51. MEMORANDUM OF LEASE

As soon following the Commencement Date as is reasonably practical, the parties shall record a memorandum of lease confirming the essential terms hereof in a form acceptable to Landlord and Tenant.

52. ARBITRATION OF DISPUTES

Any dispute which is subject to mandatory arbitration shall be immediately (and in no event later than five (5) days after actual notice that the dispute has occurred) submitted to a panel of three (3) arbitrators of the American Arbitration Association to conduct a binding arbitration in Lancaster, Pennsylvania of such dispute, with no right of judicial appeal, pursuant to the Uniform Arbitration Act of 1980 (P.L. 693, No. 142), 42 Pa. C.S.A. §§ 7302 et seq. (2001). Each of the three (3) arbitrators shall have at least five (5) years' experience in convention center and hotel design, construction, development, operation, management or ownership, one (1) to be appointed by each of Landlord and Tenant and the third (3rd) to be appointed by the American Arbitration Association. If the Parties have not jointly initiated arbitration within such five (5) days, the arbitration may be initiated by either Landlord or Tenant by giving notice to the other of the date, which shall be not less than (5) days after delivery of notice, in which event the American Arbitration Association shall select two (2) of the three (3) arbitrators. Landlord and Tenant hereby agree that such arbitration proceeding shall be prosecuted without delay and that such proceeding shall be concluded and decision rendered thereon within thirty (30) days after the commencement thereof, it being recognized and agreed that any delay will have a Material Adverse Effect on the Project and the Hotel. Any arbitration under this Agreement shall be in accordance with the rules of the American Arbitration Association. The decision of the arbitrators shall be binding upon Landlord and Tenant and no appeal of any kind of the decision shall be made by either party. The costs and expenses of the arbitration proceedings shall be paid by the non-prevailing party.

*[Remainder of page intentionally left blank]*

IN WITNESS WHEREOF, the parties, intending to be legally bound, have caused this Lease to be executed as of the day and year first above written.

TENANT:

PENN SQUARE PARTNERS

By: Penn Square General Corporation, its general partner

By: Thomas D. Smithgall  
Thomas D. Smithgall,  
Vice President

LANDLORD:

THE LANCASTER COUNTY CONVENTION  
CENTER AUTHORITY

By: James O. Pickard  
James O. Pickard,  
Chairman

EXHIBIT "A"

LEGAL DESCRIPTION OF THE PROJECT

LCCCA.com

EXHIBIT "B"

DESCRIPTION OF THE PREMISES

Those portions of the Project consisting of the junior ballroom, as the same may be further divided into separate conference/meeting suites, together with the conference/meeting suites adjacent to the junior ballroom, all as depicted on Schedule 1 attached hereto and made a part hereof.

LCCCA.com

EXHIBIT "C"

TENANT ACCEPTANCE LETTER

Date: \_\_\_\_\_, \_\_\_\_\_

Penn Square Partners  
1853 William Way  
Lancaster, PA 17605-0008  
Attention: Thomas D. Smithgall,  
Vice President

Re: Lease Agreement ("Lease") dated as of \_\_\_\_\_, 2001, between The Lancaster County Convention Center Authority ("Landlord") and Penn Square Partners ("Tenant")

Please confirm the following information by filling in any spaces below, as applicable, and counter-signing this letter as provided below:

1. The Commencement Date (as defined in the Lease) occurred on \_\_\_\_\_.
2. All alterations and improvements required to be performed by Landlord pursuant to the provisions of the Lease to prepare the entire Premises for Tenant's initial occupancy have been satisfactorily completed.
3. As of the date hereof, Landlord has fulfilled all of its obligations under the Lease.
4. The Lease is in full force and effect and has not been modified, altered, or amended, except as follows [if none, state "None"]:
5. There are no offsets or credits against Base Rent or Additional Rent (as defined in the Lease).

Very truly yours,  
THE LANCASTER COUNTY CONVENTION  
CENTER AUTHORITY

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

AGREED TO AND ACCEPTED  
as of \_\_\_\_\_, \_\_\_\_\_.

PENN SQUARE PARTNERS  
By: Penn Square General Corporation,  
its general partner

By: \_\_\_\_\_  
Thomas D. Smithgall,  
Vice President

## EXHIBIT "D"

### RULES AND REGULATIONS

Subject to the provisions of the REO Agreement (as defined in the Lease) which shall control in the event of a conflict with these Rules and Regulations, Tenant covenants and agrees with Landlord to obey the following Rules and Regulations:

- (a) All deliveries of shipments of any kind to and from the Premises, including loading and unloading of goods, shall be made only at such locations and times reasonably designated by Landlord, and all deliveries shall be unloaded in accordance with any jurisdictional rights of any interested labor unions as determined by Landlord. Any damage to the Project caused by Tenant's movers or personnel shall be reimbursed to Landlord within ten (10) days of receipt of and invoice therefor.
- (b) All garbage and refuse shall be kept in the kind of container specified by Landlord, and shall be placed outside of the Premises prepared for collection in the manner and at the times and places specified by Landlord. Landlord shall provide or designate a service for picking up refuse and garbage, and the cost thereof shall be included as a Common Area Maintenance Cost.
- (c) No antenna, dish or other communication device shall be erected on the roof, exterior walls, or grounds of the Project without, in each instance, the written consent of Landlord, which may be withheld in Landlord's sole and absolute discretion. Any antenna, dish or other communication device so installed without such written consent shall be subject to removal without notice at any time, at the expense of Tenant.
- (d) No loudspeakers, televisions, phonographs, radios, or other devices shall be used in a manner so as to be heard or seen outside of the Premises, without the prior written consent of Landlord.
- (e) Tenant and Tenant's employees shall park their cars in those portions of the parking areas designated for that purpose by Landlord.
- (f) The plumbing facilities shall not be used for any purpose other than that for which they are constructed, no foreign substance of any kind shall be thrown therein, and the expense of any breakage, stoppage, or damage resulting from a violation of this rule shall be borne by Tenant.
- (g) Landlord shall provide or designate a termite and pest extermination service for the Premises, and the cost thereof shall be included as a Common Area Maintenance Cost.
- (h) Tenant shall not burn any trash or garbage of any kind in or about the Premises.
- (i) The sidewalks, entrances, passages, courts, elevators, vestibules, stairways, corridors, and halls shall not be obstructed or encumbered by Tenant or Landlord.

(j) Tenant shall not at any time, without first obtaining Landlord's written consent which Landlord may grant or withhold in its sole discretion:

(i) Conduct or permit any fire, bankruptcy, auction, "going out of business", stock reduction, or any similar type of sale, whether real or fictitious, in the Premises, or utilize any unethical method of business operation.

(ii) Use, or permit to be used, the sidewalk adjacent to, or any other place outside, the Premises for display, sale or any other similar undertaking.

(k) Tenant agrees that Landlord may amend, modify, delete, or add new and additional reasonable rules and regulations for the use and care of the Premises and the Project. Tenant agrees to comply with all such rules and regulations upon notice to Tenant from Landlord, or upon the posting of the same in such place within the Project as Landlord may designate.

## EXHIBIT "E"

### SIGNAGE REQUIREMENTS

All signage shall be building standard as determined by Landlord. Exterior signage shall be subject to approval by Landlord (and all governmental authorities, as applicable) which Landlord may grant or withhold in its sole discretion. Tenant will be provided with door entry signage for each meeting room/suite occupied by it, the design and coloring of which will be approved by Landlord and standard for all suites. The cost of such signage shall be charged to Tenant as Additional Rent.

Any requests for changes in signage from time to time by Tenant shall be granted or denied in Landlord's sole discretion, and, if granted, shall be coordinated by Landlord and the costs thereof shall be charged to Tenant as Additional Rent.

The provisions of this Exhibit E are subject to the provisions of the REO Agreement (as defined in the Lease) which shall control in the event of a conflict with the provisions hereof.

EXHIBIT "F"  
LAND DOCUMENTS

LCCCA.com

EXHIBIT "G"  
QUALITY STANDARD

LCCCA.com

## EXECUTIVE SUMMARY OF FACILITIES LEASE

### I. INTRODUCTION

The parties to the Lease Agreement are The Lancaster County Convention Center Authority ("Authority") as landlord, and Penn Square Partners ("PSP"), as tenant. The purpose of the Lease Agreement is to provide for the use of certain space, consisting of the junior ballroom and the conference/meeting suites adjacent to the junior ballroom, in the convention center by PSP in connection with PSP's hotel operations. The availability of this space to PSP enables it to fulfill requirements of its franchise agreement for a full service Marriott hotel.

### II. KEY PROVISIONS

#### A. Term

The term of the Lease Agreement will be 99 years.

#### B. Rent

PSP will be required to pay base rent in the amount of \$100.00 per year. PSP will also be required to pay its proportionate share, defined by comparing the square footage of the premises leased to PSP to the square footage of the convention center (excluding certain shared areas), of all expenses of operating and maintaining the convention center.

#### C. Taxes, Maintenance And Utilities

PSP will be responsible to pay for all maintenance and utilities attributable to the leased premises. PSP will also be responsible to maintain and repair the leased premises subject to the Authority's obligations under the Reciprocal Easement, Operating and Use Agreement. PSP will also be responsible for (i) its proportionate share of any real estate taxes imposed on the convention center, and (ii) taxes imposed or calculated on PSP's rent or with respect to PSP's use or occupancy of the leased premises.

#### D. Insurance and Indemnification

PSP is required to provide insurance providing coverage for loss of or damage to its personal property as well as liability insurance coverage. The Authority is required to provide property insurance on the convention center building as well as liability insurance coverage. The Authority and PSP are each required to indemnify the other against loss or damage occurring in the convention center to the extent resulting from the indemnifying party's acts or omissions.

#### E. Resolution of Disputes

The Agreement provides that disputes under the Agreement shall be submitted to binding arbitration. The Agreement also provides that the prevailing party in any proceeding shall be entitled to recover its attorney's fees and expenses.