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**AMENDED AND RESTATED**

**COMPREHENSIVE OPTION AGREEMENT**

**BY AND AMONG**

**SPORTS & EXHIBITION AUTHORITY OF PITTSBURGH AND  
ALLEGHENY COUNTY ("SEA"),**

**URBAN REDEVELOPMENT AUTHORITY OF PITTSBURGH ("URA")  
(SEA AND URA ARE COLLECTIVELY REFERRED TO IN THIS  
AGREEMENT AS "SELLER")**

**AND**

**PITTSBURGH ARENA REAL ESTATE REDEVELOPMENT LP  
("OPTIONEE")**

**June 20, 2018**

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Exhibit A	-	Civic Arena Site Description
Exhibit B	-	Melody Tent Site Description
Exhibit C	-	Map
Exhibit D	-	Form of Deed
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Exhibit F	-	Form of License Agreement
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**SCHEDULES**

Schedule 1	-	Schedule of Definitions
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## AMENDED AND RESTATED COMPREHENSIVE OPTION AGREEMENT

**THIS AMENDED AND RESTATED COMPREHENSIVE OPTION AGREEMENT** (this "**Agreement**") is made as of this 20 day of June, 2018, by and among the **Sports & Exhibition Authority of Pittsburgh and Allegheny County ("SEA")**, the **Urban Redevelopment Authority of Pittsburgh ("URA")** (SEA and URA are collectively referred to in this Agreement as "**Seller**"), and **Pittsburgh Arena Real Estate Redevelopment LP ("Optionee")**.

### WITNESSETH

**WHEREAS**, SEA owns two (2) lots comprising in the aggregate approximately 19.53 acres of land located in the Third (3rd) Ward of the City of Pittsburgh, as specifically described on **Exhibit A**, (which property is sometimes referred to herein collectively as the "**Civic Arena Site**"), and which is further depicted on the map attached hereto as **Exhibit C** (the "**Map**"); and

**WHEREAS**, URA owns one (1) lot comprising approximately 9.16 acres of land located in the Third (3rd) Ward of the City of Pittsburgh, which is adjacent to and located east of the Civic Arena Site, as specifically described on **Exhibit B** and further depicted on the Map (which property is sometimes referred to herein as the "**Melody Tent Site**"); and

**WHEREAS**, the Melody Tent Site and the Civic Arena Site, comprising approximately 28.69 acres in the aggregate (the "**Option Premises**"), of which approximately 7.19 acres (net) are expected to be public rights of way for interior and perimeter roads and sidewalks such that there will be approximately 21.50 acres of developable land (including 2.96 acres of urban open space), and of which 0.66 acres has been released (see Section 3.5 e(iii)) as of the date hereof, as depicted on the Map; and

**WHEREAS**, in their desire that the Option Premises be developed to serve public purposes and support growth within the City of Pittsburgh and Allegheny County through the pursuit of high quality mixed use projects that are sustainable, establish a renewed connection between downtown Pittsburgh and the Greater Hill District, create a balance between density and use consistent with an urban environment, and promote the cultural legacy of the Greater Hill District, all in a manner consistent with the PLDP and the Zoning Text Amendment (and, in particular, with the "**Goals and Objectives**" section of the PLDP), as such terms are hereinafter defined (collectively, the "**Development Standard**"), Seller and Optionee (joined for certain specified purposes by Lemieux Group LP ("**Lemieux Group**")) entered into that certain Comprehensive Option Agreement dated as of September 11, 2014 (the "**Original Option Agreement**"), pursuant to which, *inter alia*, Seller granted to Optionee the exclusive right and option to purchase and/or ground lease the Option Premises under specified terms and conditions as set forth therein; and

**WHEREAS**, pursuant to the Original Option Agreement, Seller and Optionee have both undertaken certain actions prior to the date of this Agreement with respect to the development of the Option Premises, including without limitation (i) Optionee prepared and obtained final

approvals from the City of Pittsburgh Planning Commission (the "**Planning Commission**") and Pittsburgh City Council ("**City Council**") for (A) the designation of the Option Premises, together with the Site (as defined in the Lease) and the area of the I-579 CAP Project (as hereinafter defined), as a Specially Planned District (the "**SP District**") under the Zoning Code of the City of Pittsburgh, Pennsylvania (the "**Zoning Code**", (B) the preliminary land development plan for the Option Premises in accordance with the requirements of the Zoning Code (the "**PLDP**"), (C) the accompanying zoning text language to the Zoning Code (the "**Zoning Text Amendment**") and (D) a subdivision plan depicting the entire SP District (the "**Site Improvement Subdivision Plan**"); (ii) Optionee registered the overall development of the Option Premises as a LEED® Gold for Neighborhood Development Plan (LEED-ND) with the U.S. Green Building Council; (iii) Seller secured public funding for, and constructed (or caused to be constructed), certain streets, roads, walkways, intersections, street lighting and storm and sanitary sewers and water lines ("**Initial Infrastructure**") on the Option Premises; and (iv) Seller secured certain public funding for the construction of a landscaped "cap" and related improvements above I-579 adjacent to the Option Premises (the "**I-579 CAP Project**", and together with the Initial Infrastructure, the "**Infrastructure**"); and

**WHEREAS**, Seller and Optionee desire to amend and restate in its entirety the Original Option Agreement, in order to, *inter alia*, modify the Option Term (as defined herein) and revise the process for the Take Down of Tracts (as defined herein), as more particularly set forth herein.

**NOW, THEREFORE**, the parties hereto, intending to be legally bound, hereby, covenant and agree as follows:

## **SECTION 1. OPTION**

### **1.1 Use of Terms.**

All capitalized terms shall have the meaning set forth in this Agreement and in the exhibits and schedules hereto. Any capitalized terms that are not specifically defined herein shall have the meanings set forth in that certain Sublease Agreement by and between SEA and Lemieux Group dated September 18, 2007, as assigned by Lemieux Group to Pittsburgh Arena Operating LP ("**Operator**") pursuant to an Assignment and Assumption Agreement dated October 17, 2007, as amended by (i) that certain First Amendment to Sublease Agreement by and between SEA and Operator dated October 19, 2009, (ii) that certain Second Amendment to Sublease Agreement dated as of February 16, 2010 by and between SEA and Operator and (iii) that certain Third Amendment to Sublease Agreement dated as of January 1, 2013, effective as of August 1, 2010, each by and between SEA and Operator (as assigned and amended from time to time, the "**Lease**"); Operator is an affiliate of Optionee. All references to "Seller" in this Agreement shall mean the URA and the SEA collectively; where the approval of Seller is required, (i) the approval of the SEA shall be obtained for all matters, and (ii) the approval of the URA shall also be obtained for all matters until the entire portion of the Option Premises located on the Melody Tent Site has been Taken Down.

## 1.2 Grant of Option.

In consideration of Optionee's payment to Seller of the sum of Ten Dollars (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and intending to be legally bound, Seller grants to Optionee the exclusive right and option (the "**Option**") to take down the Option Premises during the Option Term (as hereinafter defined), under and subject to the terms and conditions set forth in this Agreement.

## 1.3 Option Term.

(a) The term of this Agreement (such term is referred to herein as the "**Option Term**"), and the period during which portions of the Option Premises may be Taken Down by Optionee for redevelopment, shall commence on October 22, 2014 (the "**Effective Date**"), and shall expire on October 22, 2025 (the "**Termination Date**"), as such Termination Date may be extended only in accordance with Sections 5.8 and 8.2 hereof, except, however, for continuing parking rights, if any, as described in Section 3.2 below.

(b) Upon commencement of the Option Term, except as otherwise set forth herein, Optionee shall be obligated to take down Tracts (as defined herein) on the schedule set forth in Section 3.1 below, and thereafter diligently proceed with development of such Tracts, in each instance in accordance with the provisions hereof. In the event that all of the Option Premises have not been Taken Down as provided herein by the Termination Date (as the same may be extended as provided herein), this Agreement shall terminate and be of no further force and effect.

(c) Under no circumstances shall the Option Term extend beyond March 22, 2028.

## 1.4 Selection of Redeveloper.

(a) Seller and Optionee contemplate that the take down of the Option Premises will be for the purpose of achieving the Development Standard. Optionee may act as developer of the entire Option Premises or any portion thereof, in its own capacity, but shall also have the right to designate a master developer for the entire Option Premises, or more than one developer for designated parts of the Option Premises, in each case in accordance with this Section 1.4. Whether Optionee elects to undertake development itself or desires to designate another developer, the entity undertaking the development must be a redeveloper satisfying the following requirements, as confirmed by Seller pursuant hereto, or otherwise approved by Seller in writing (a "**Redeveloper**"). Unless otherwise approved by Seller in writing, a proposed Redeveloper shall: (i) have at least five (5) years' experience developing mixed use projects in urban environments; (ii) have successfully completed (on time, within budget) at least two (2) comparable projects within the previous five (5) years; (iii) have sufficient financial resources to perform its obligations with respect to the Option Premises; (iv) have key personnel dedicated to the Option Premises project who have experience on comparable projects; (v) not be subject to claims or judgments from previous projects, including safety claims; (vi) not have failed to complete any prior project in breach of its obligations; and (vii) have received positive recommendations from at least one (1) other government entity or public authority.

(b) As part of Seller's approval process pursuant to **Exhibit H-4**, Optionee shall identify its proposed redeveloper and provide to Seller documentation for Seller to confirm that the proposed redeveloper meets the criteria for a Redeveloper. Seller shall not unreasonably withhold, condition or delay such confirmation; provided that Seller shall have the right to approve in its sole discretion any proposed redeveloper that does not meet all criteria for a Redeveloper. An assignment by Optionee to a proposed Redeveloper shall be by separate instrument in the form attached hereto as **Exhibit T** (the "**Assignment**") and shall be limited to an assignment of Optionee's right to Take Down the applicable Tract and any obligations under this Agreement and the Closing Documents (as hereinafter defined) with respect to the applicable Tract after the date of the Take Down, and no other rights or obligations under this Agreement may be assigned.

(c) Any consideration received by Optionee from a proposed Redeveloper in connection with the assignment of Optionee's right to Take Down a Tract shall be the sole property of Optionee.

1.5 Intentionally Omitted.

1.6 Intentionally Omitted.

1.7 LEED® for Neighborhood Development.

As described in clause (ii) of the fifth (5<sup>th</sup>) recital hereof, Optionee registered the overall development of the Option Premises as a LEED® Gold for Neighborhood Development Plan with the U.S. Green Building Council in accordance with Sections 1.7(a) and (b) of the Original Option Agreement. Optionee shall use commercially reasonable efforts to achieve LEED-ND certifications at the highest reasonable level of certification for a LEED-ND built neighborhood (Stage 3 in LEED version 3 or similar designation in applicable version) to the extent that changes to standards in subsequent versions of LEED-ND do not preclude the development from achieving certification, according to the following schedule:

(a) Within one (1) year following the issuance of the Certificate of Completion (as hereinafter defined) for the final Tract (as hereinafter defined) developed by a Redeveloper, Optionee shall submit for LEED-ND certification of the built neighborhood (unless otherwise approved by Seller).

(b) On or before each July 1, the checklist and project timeline referred to above must be updated and submitted to Seller. In addition, Optionee shall provide backup required for LEED-ND documentation to Seller upon request.

(c) With respect to any Infrastructure that Seller has constructed or undertakes to construct hereunder, Seller will cooperate with Optionee in connection with Optionee's commercially reasonable efforts to achieve LEED-ND certifications pursuant to this Section 1.7, including without limitation providing Optionee with all information necessary with respect to such Infrastructure for Optionee to prepare plans and documentation in connection with such LEED-ND certifications and taking any other commercially reasonable actions to secure LEED-ND points for the Option Premises in connection with design and construction of the foregoing Infrastructure.



## **SECTION 2. LAND DEVELOPMENT**

### 2.1 Intentionally Omitted.

### 2.2 Preliminary Land Development Plan and SP District.

(a) As described in clause (ii) of the fifth (5<sup>th</sup>) recital hereof, Optionee received (i) approval of the PLDP from the Planning Commission on December 2, 2014 and March 27, 2015, (ii) approval for the creation of the SP District and the Zoning Text Amendment from City Council on February 3, 2015 and (iii) approval for the Site Improvement Subdivision from the Planning Commission on April 21, 2015 (final drawings approved September 1, 2015), which was recorded in the Department of Real Estate of Allegheny County, Pennsylvania on September 3, 2015 at Plan Book Volume 285, page 23; provided, that the Site Improvement Subdivision Plan shall be revised by Optionee, as needed, and approved by Seller, when design of the perimeter roads surrounding the Option Premises is complete, when construction of the interior roads is complete and when the road rights of way are dedicated and accepted by the City of Pittsburgh. It is recognized that the PLDP and the SP District include areas beyond the Option Premises; the provisions of this Agreement, however, apply only to the development of the Option Premises.

(b) Any material amendments or modifications to the PLDP initiated by Optionee after its original approval by the Planning Commission shall be subject to the prior approval of Seller, such approval not to be unreasonably withheld.

(c) From time to time upon the reasonable request of any applicable governmental agency in connection with any proposed amendment or modification of the PLDP or the Site Subdivision Plan hereunder, Seller shall provide reasonable proof of its ownership and control of the Option Premises, or any applicable portion thereof.

### 2.3 Intentionally Omitted.

### 2.4 Final Land Development Plan.

Prior to the Take Down of each Tract, the applicable Tract will have received approval of the Planning Commission of a final land development plan for the planned development of that Tract, all in accordance with Applicable Laws and consistent with the PLDP (each a "**Final Land Development Plan**").

## **SECTION 3. EXERCISE OF OPTION**

### 3.1 Exercise of Option.

(a) Pursuant to the PLDP and the Site Improvement Subdivision Plan, the Option Premises are divided into development parcels (the "**Parcels**") substantially as set forth on the Map. Each portion of the Option Premises as to which Optionee exercises an Option shall be referred to herein as a "**Tract**" or a "**Take Down Tract**". A Tract can be a whole Parcel or a portion of a Parcel; provided, that to the extent that a Tract is less than an entire Parcel, the remaining portion of the Parcel must be (i) of a shape and location, either individually or in conjunction with other Parcels (or portions thereof) that have not been developed so as to be

economically developable and subdividable, and (ii) not less than three quarters (3/4) of an acre unless the Director of City Planning determines that a lesser parcel satisfies clause (i) hereof. Optionee shall be responsible for undertaking any required Future Subdivision Plan in order to establish a Tract, in accordance with Section 5.4 below.

(b) At Closing, Optionee or a proposed Redeveloper must either (i) acquire title to the Tract pursuant to a special warranty deed substantially in the form attached hereto as **Exhibit D** (a "**Deed**"), or (ii) enter into a ground lease for the Tract pursuant to the ground lease terms set forth on **Exhibit E** (either transaction hereinafter referred to as a "**Take Down**").

(c) Until Closing of a Take Down hereunder with respect to such Take Down Tract), it is hereby acknowledged that Operator has and shall continue to have the right to operate, manage and retain all revenues from surface parking on the Option Premises pursuant to (i) that certain Parking Lot Agreement dated effective as of October 22, 2012 by and between SEA and Operator and (ii) that certain Parking Lease Agreement dated as of August 2004, effective as of July 1, 1998, by and between URA and SMG Pittsburgh, L.P. (each, a "**Parking Agreement**" and collectively, the "**Parking Agreements**"), through and until October 22, 2023 (or such later dates as may be provided in Section 3.2(b) below), and Seller shall not terminate such rights under either of the Parking Agreements, or amend such Parking Agreements, prior to October 22, 2023. Notwithstanding anything contained herein to the contrary, except as specifically set forth in Section 3.2 of this Agreement, in no event shall Optionee, Operator or any other affiliated operator have any rights to conduct surface parking operations on the Option Premises after October 22, 2023.

(d) An aggregate amount of at least 6.45 acres of the Option Premises (calculated in accordance with Section 3.1(h) below) must be Taken Down as of October 22, 2020 (the "**First Interim Takedown Requirement**"). If the First Interim Take Down Requirement is not met for any reason other than a Public Development Delay as provided in Article VIII below, then Optionee and Operator shall forfeit their respective rights to receive twenty percent (20%) of the Net Revenues (as defined herein) from their continued operation of surface parking spaces on the Option Premises from and after October 23, 2020 through October 22, 2023 (the "**Forfeited Revenues**"). Within sixty (60) days after the expiration of each full calendar quarter of the Option Term between January 1, 2021 and December 31, 2023, Optionee shall cause the applicable amount of Forfeited Revenues attributable to the immediately preceding calendar quarter to be deposited into an escrow fund jointly established by Optionee and Seller (the "**Escrow Fund**"). Prior to such deposit being made, Optionee, Seller and the administrator of the Escrow Fund shall enter into a commercially reasonable and customary escrow agreement in connection with the administration of the Escrow Fund and disbursements therefrom as provided below.

(e) An aggregate amount of at least 10.75 acres of the Option Premises (calculated in accordance with Section 3.1(h) below) must be Taken Down as of October 22, 2023 (the "**Second Interim Force Requirement**"; each of the First Interim Takedown Requirement and the Second Interim Takedown Requirement may be referred to as an "**Interim Takedown Requirement**"). If Optionee does not meet the Second Interim Take Down Requirement for a reason other than a Public Development Delay as provided in Article VIII below or a Material Adverse Effect (as defined below), then (i) the Forfeited Revenues deposited

into the Escrow Fund pursuant to Section 3.1(d) above shall be released from the Escrow Fund and deposited into the Greater Hill District Reinvestment Fund established in accordance with the CCIP (as hereinafter defined) (the “**Greater Hill District Reinvestment Fund**”) and (ii) an additional twenty percent (20%) of the Net Revenues received by Optionee and Operator from their continued operation of surface parking spaces on the Option Premises from and after October 23, 2020 through October 22, 2023 shall be deemed to be Forfeited Revenues hereunder and the full amount thereof shall be deposited by Optionee into the Greater Hill District Reinvestment Fund no later than December 31, 2023.

(f) If Optionee meets the First Interim Takedown Requirement but does not meet the Second Interim Takedown Requirement for a reason other than a Public Development Delay as provided in Article VIII below or a Material Adverse Effect as provided below, then twenty percent (20%) of the Net Revenues received by Optionee and Operator from their continued operation of surface parking spaces on the Option Premises from and after October 23, 2020 through October 22, 2023 shall be deemed to be Forfeited Revenues hereunder and the amount thereof shall be deposited by Optionee into the Greater Hill District Reinvestment Fund. If Optionee does not meet the First Interim Takedown Requirement for a reason other than a Public Development Delay as provided in Article VIII below but meets the Second Interim Takedown Requirement, then all Forfeited Revenues deposited into the Escrow Fund shall be released to Optionee.

(g) For purposes of this Agreement, the term “**Material Adverse Effect**” shall mean (i) a material change in financial or market conditions, (ii) unreasonable governmental opposition to a proposed Redeveloper or its proposed redevelopment project or (iii) an event of Force Majeure (as defined below) that, individually or collectively, has a material adverse effect on the ability of prospective Redevelopers from taking down the number of Take Down Tracts necessary for Optionee to meet the Second Interim Takedown Deadline as provided in Section 3.1(e) above.

(h) For purposes of calculating the minimum aggregate amount of acres of the Option Premises that must be Taken Down to meet either Interim Takedown Requirement under Section 3.1(d) or (e) above, (i) the acreage of the Garage Parcel (as defined herein) shall be excluded from such amount, (ii) the acreage of the Block H Urban Open Space (as defined herein) shall be excluded from such amount unless the CAP Note (as defined herein) shall have been paid in full on or prior to the date of the applicable Interim Takedown Requirement (in which case the acreage of the Block H Urban Open Space shall be included in such amount) and (c) the acreage of any Urban Open Space Taken Down on or prior to the date of the applicable Interim Takedown Requirement shall be included in such amount.

### 3.2 Redevelopment Credits.

(a) Except as provided in Section 8.2 below, the \$14,525,000.00 in “**Redevelopment Credits**” (as defined and described in the Original Option Agreement) are forever and irrevocably eliminated as of the date of this Agreement.

(b) In the event that there is a Public Development Delay as provided in Article VIII below and any Interim Deadline Liquidated Damages (as defined herein) are payable by

Seller as provided therein, the amount of such Interim Deadline Liquidated Damages shall be deemed a "**Shortfall Amount**" for purposes of this Agreement and the following provisions shall apply:

(i) The Shortfall Amount shall bear interest from the Termination Date until paid in full at the rate of seven percent (7%) per annum. The Optionee (or Operator, if so directed by Optionee) shall continue to have the right to operate and retain revenue from surface parking on the remaining portion of the Option Premises (less any portion that is thereafter developed by Seller or sold or ground leased to a third party, in which case the Optionee's parking rights with respect to such portion to be developed, sold or ground leased may be terminated as provided in Section 3.2(b)(iv) below (a "**Seller Development Tract**")), until the date that the Shortfall Amount, together with all interest accrued thereon, has been paid in full. Notwithstanding anything to the contrary contained herein, the Seller may, at its option, pay the Shortfall Amount and any accrued interest in full or part at any time. All of the Net Revenues derived by the Optionee or Operator from the operation of such surface parking shall constitute a dollar-for-dollar offset against the Shortfall Amount and all interest accrued thereon, as and when actually received by the Optionee or Operator or its agent or contractor.

(ii) Net Revenues, as used herein, shall mean adjusted gross operating revenues, calculated at not less than market rates, minus commercially reasonable operating expenses which are paid to unrelated third parties ("**Net Revenues**"), all determined in accordance with **Exhibit U** attached here. For as long as there is a Shortfall Amount or unpaid accrued interest, the Optionee shall continue to provide to the Seller the reports required in Section 8.1 and 8.2 of the Parking Agreement by and between Operator and the SEA, the provisions of which are incorporated herein by reference. In addition, Optionee shall provide on a monthly basis, the revenue and expense information, parking vehicle counts, employment and other information in accordance with **Exhibit U**. All reports so provided under this Section 3.2(a) shall be certified by Optionee's chief financial officer as being true and accurate.

(iii) The Net Revenues determination set forth in such reports shall be subject to review and verification from time to time by a certified public accountant engaged by Seller at Seller's own expense. If any such review determines that Net Revenues were not determined accurately in any material respect or in a manner inconsistent with **Exhibit U**, then (A) Net Revenues shall be redetermined by such certified public accountant, and (B) if the resulting Net Revenues are greater than 103% of the amount certified by Optionee, Optionee shall reimburse Seller for the cost of its audit.

(iv) Notwithstanding anything to the contrary set forth herein, Seller shall not terminate the right of Optionee or Operator to operate and retain revenue from any surface parking on any Seller Development Tract as provided in Section 3.2(b)(i) above until either (A) Seller commences construction in connection with the redevelopment of such Seller Development Tract, or (B) a closing on the sale or ground lease by Seller to a third party on such Seller Development Tract occurs. Seller shall provide Optionee and Operator at least thirty (30) days' prior written notice (or at least sixty (60) days' prior written notice during any time when NHL Home Games (including pre-season and playoff games) are played at the New Arena) of any event that would result in the termination of surface parking pursuant to the preceding sentence.

### 3.3 Covenants of Seller.

(a) So long as this Agreement remains in full force and effect in accordance with its terms, Seller will not, directly or indirectly, sell, convey, or transfer or create or permit to exist any security interest, mortgage, pledge, lien or other encumbrance on or against or with respect to, any portion of the Option Premises, except (i) for any Seller Development Tract(s), (ii) as necessary for the construction or modification of Infrastructure in connection with (but whether on or off-site) the Option Premises, (iii) Permitted Exceptions (as defined in Section 6.3(c) below) or (iv) as otherwise provided for in this Agreement.

(b) Seller shall not perform any work on the Option Premises which would materially interfere with the future development thereof as described in the PLDP, except for the design and/or development of Infrastructure which, if undertaken by Seller, will be done in accordance with the Site Improvements Subdivision and as otherwise provided in this Agreement.

### 3.4 Dedication of Infrastructure Rights of Way.

(a) The parties acknowledge that development will involve dedicating rights of way for roads and certain other Infrastructure to the City of Pittsburgh. Seller and Optionee contemplate that Seller and the City will enter into a cooperation agreement (the "**Cooperation Agreement**") prior to the initial Take Down, which Cooperation Agreement will provide that the City will maintain and repair any roads and certain other Infrastructure after construction thereof and pending final acceptance of the dedication, except that each Redeveloper will be obligated to repair any damage to the roads and other Infrastructure caused by such Redeveloper or its agents and contractors.

(b) Portions of the Option Premises over which rights of way are intended to be dedicated will not be conveyed pursuant to Take Downs; however, in the event that the Planning Commission or other applicable government agencies require access to or other rights in Tracts which have been taken down in connection with such rights of way, Optionee and the proposed Redeveloper shall cooperate with such requirements, adjustments and modifications and shall provide access or such other rights for no consideration.

### 3.5 Urban Open Space.

(a) The parties acknowledge that 2.96 acres of the Option Premises to be improved as urban open space. Urban Open Space shall be improved in compliance with all requirements of Section 909.01.D.3(c) of the Zoning Code and with the PLDP. Optionee desires that the required urban open space be aggregated into designated areas located and identified on the Map as "**Block A Urban Open Space,**" "**Block C Urban Open Space,**" "**Block F Urban Open Space,**" and "**Block H Urban Open Space**" (each an "**Urban Open Space**" and collectively, the "**Urban Open Space**"). Notwithstanding the foregoing, Seller and Optionee acknowledge that Optionee may modify the PLDP with respect to the configuration of Urban Open Space, subject to all necessary approvals including those set forth in Section 2.2(c) above.

(b) The Block C Urban Open Space is to be developed as part of the development of the first adjoining Tract and is not eligible to be developed in phases.

(c) With respect to all other Urban Open Space, each is to be developed in the same manner as other Tracts under this Agreement; provided, however, that (A) Urban Open Space must be purchased, rather than ground leased, (B) a Take Down of Urban Open Space must include the entire land area for such Urban Open Space, (C) a Redeveloper of Urban Open Space must Take Down, develop and maintain such Urban Open Space as and when required by the terms hereof, the PLDP, the Zoning Text Amendment, the Approved Development Plan and other Applicable Laws and pursuant to the covenants applicable to Urban Open Space set forth in the applicable Deed and the Disposition Agreement, and (D) a Redeveloper of Urban Open Space must provide a maintenance plan, maintenance agreement required by Section 909.01D.3(c)(3) of the Zoning Code and assurances that the Urban Open Space will be properly maintained in the form of guaranties, letters of credit or other security in amounts and in form and substance reasonably satisfactory to Seller. A separate Letter of Intent, Take Down Notice, Disposition Contract and Closing Documents shall be provided and/or entered into for any Take Down of such Urban Open Space even if such Take Down occurs simultaneously with another Tract. The Disposition Contracts and Closing Documents for non-Urban Open Space may contain provisions with respect to related Urban Open Space, as applicable. The Take Down of these Urban Open Spaces shall be counted for purposes of satisfying Optionee's required Take Down Increments.

(d) Except as provided in (b) above, the Disposition Contract and the Approved Development Plan for an Urban Open Space Tract may allow for the improvements to be completed in phases, provided, however, that (A) 100% construction drawings pertaining to all phases have been approved by Seller at the time of Take Down and shall be included in the Approved Development Plan, (B) the Approved Development Plan and Disposition Contract shall clearly identify the phases and the schedule for commencement and completion; (C) a Completion Guaranty and/or completion bond acceptable to Seller shall be provided at Closing assuring completion of all phases according to the agreed to schedule; (D) the phasing is provided for in the Final Land Development Plan, and (E) the Certificate of Completion will not be issued until all phases are completed.

(e) Urban Open Space shall be Taken Down and developed in accordance with (b) above and the following schedule. References to "Blocks" as set forth in the schedule shall mean the Blocks depicted on the Map:

(i) The Take Down of Block A Urban Open Space must occur by the earlier of the first Take Down for any of Blocks A, B or C, and all improvements on such Block A Urban Open Space shall be completed as required by the Disposition Contract but in no case later than the issuance of the final occupancy permit for the second-to-last Tract to be developed of Blocks A, B or C.

(ii) The Take Down of Block F Urban Open Space must occur by the earlier of: (A) the first Take Down of Block D, E, or G; or (B) the first Take Down of Block F; provided, however, that if the Take Down of Block F Urban Open Space is triggered by clause (A), upon provision of adequate security to Seller for quality development of Block F Urban Open Space, the obligation to Take Down Block F Urban Open Space may be delayed for up to two (2) years. In any case, all improvements on such Block F Urban Open Space shall be finally completed as required by the Disposition Contract but in no event later than the earlier of (x) nine (9) calendar months after the date described in clause (A) above, as the same may be

extended pursuant to the previous sentence, or (y) the issuance of the final occupancy permit for the last Tract to be developed of Block F.

(iii) In order to advance the development of the I-579 CAP Project, the Block H Urban Open Space has been reconfigured as depicted on **Exhibit C**, page 2 and as further identified in the Lower Hill Planned Development District Subdivision Plan No.2 recorded at Plan Book Volume 295, page 61 (December 21, 2017) and re-recorded in Plan Book Volume 295, page 101. SEA will transfer title to the reconfigured Block H Urban Open Space to the City of Pittsburgh and such Block H Urban Open Space will become part of the I-579 CAP Project. Optionee hereby agrees that the reconfigured Block H Urban Open Space is released from the Option Premises and is not subject to any of the rights or restrictions set forth in this Agreement; provided, however, that Optionee (or Operator, if so directed by Optionee) shall continue to have the right to operate and retain revenue from surface parking on the reconfigured Block H Urban Open Space until the applicable Governmental Authority issues a "Notice to Proceed" for the start of construction of the I-579 CAP Project. Additionally, Optionee agrees that it shall support the maintenance of the public surface areas of the I-579 CAP Project in accordance with a Maintenance Contribution Agreement (the "**CAP Maintenance Agreement**") to be entered into by Optionee and SEA not later than thirty (30) days following the date of this Agreement. Additionally, Seller and Optionee hereby acknowledge that Optionee has delivered to the SEA a \$900,000 promissory note dated of even date herewith, evidencing Optionee's contribution to the I-579 CAP Project (the "**CAP Note**"), which note shall be payable in full upon the earlier of the Take Down of the commercial portion of Block H (as shown on the Map) or the Take Down of a cumulative total of 16.32 developable acres (as referenced in the Map) (the "**Block H Urban Open Space Due Date**"). Notwithstanding the foregoing, if the Block H Urban Open Space Due Date has not occurred by the Termination Date (as the same may be extended hereunder), the CAP Note shall be deemed satisfied by the forfeiture of Optionee's rights in and to the remaining Option Premises on the Termination Date in accordance with this Agreement. In the event Optionee fails to pay any amounts due and payable under the CAP Note, then Seller may, in addition to other remedies at law and equity, reduce any Interim Deadline Liquidated Damages due hereunder by the amounts due and unpaid under the CAP Note.

#### **SECTION 4. INSPECTION; TITLE AND ENVIRONMENTAL MATTERS**

##### **4.1 Right to Inspect; Access for Investigation.**

(a) Seller and Optionee acknowledge that Seller has, prior to the date hereof, delivered to Optionee true and complete copies of reports and other information that are in Seller's possession or control with respect to the Option Premises which are identified on **Exhibit K** attached to this Agreement (the "**Seller Reports**"), provided that Seller makes no representation or warranty as to the information contained in the Seller Reports.

(b) Upon Optionee's request and the execution and delivery of a License Agreement as hereinafter described, Seller will permit Optionee or a proposed Redeveloper, if authorized by Optionee, access to the Option Premises from time to time (whether in connection with a proposed Take Down of a Tract or otherwise) for the purpose of conducting investigations thereof and determining the suitability of the Option Premises for development. Notwithstanding

the foregoing, if the proposed Redeveloper or its designees intend to undertake any investigation of the environmental condition of any portion of the Option Premises, it will do so only after the Redeveloper has submitted a Letter of Intent in the form of **Exhibit H-1** (a "**Letter of Intent**") for one or more Tracts (or on an earlier date, if Optionee in writing, identifies to Seller an entity it is proposing as a Redeveloper and such proposed Redeveloper is a reputable and established real estate developer in the Pittsburgh market or another comparable market). The Letter of Intent shall be accompanied by a non-refundable proposal fee as set forth in the form of Letter of Intent attached hereto as **Exhibit H-1**. In addition to the foregoing, if a proposed Redeveloper intends to undertake future additional phases of development on the Option Premises, it may conduct environmental testing of the Tract identified in the Letter of Intent as well as other portions of the Option Premises simultaneously so long as all conditions set forth in this Agreement for such testing have been satisfied. Each license agreement to be entered into by a proposed Redeveloper pursuant to this Section 4.1(b) shall be substantially in the form attached hereto as **Exhibit F** (the "**License Agreement**").

(c) Any reports obtained by Optionee and its assigns, agents and representatives (including a proposed Redeveloper) as a result of its investigations are referred to herein as "Optionee Reports" ("**Optionee Reports**"). Optionee shall provide, and shall require each Redeveloper to provide, copies of all Optionee Reports to Seller by the following dates: (i) if Optionee or the Redeveloper has received the report prior to submitting a Letter of Intent for the applicable Tract, the earlier of thirty (30) days after receipt or the date of submission of such Letter of Intent; or (ii) if Optionee or the Redeveloper has received the report on or after submitting a Letter of Intent for the applicable Tract, ten (10) business days after receipt, but in no event later than thirty (30) days prior to the date the proposed Take Down is to be submitted for Seller's Preliminary Board Approval.

#### 4.2 Title Matters.

Seller and Optionee acknowledge that Optionee has obtained a title report for the Option Premises that identifies the title matters described on **Exhibit I** to this Agreement and that such title matters and any other title matters in existence as of the date hereof shall constitute Permitted Exceptions. Optionee and any proposed developer shall have the right to obtain further updated title reports and commitments with respect to any Tract identified for Take Down hereunder. Optionee may, by written notice to Seller promptly following receipt of the title report or commitment but in any event prior to delivery of a Closing Date Notice with respect to the applicable Tract, object to any title encumbrance that is (i) a Seller Mortgage (as defined in Section 6.3(d) below) or a Voluntary Monetary Lien (as defined in Section 6.3(e) below) or (ii) is not otherwise a Permitted Exception and the title company issuing the title report is not willing to insure over or otherwise remove as a title policy exception (any such non-permitted title matters that Optionee objects to being referred to herein as "**Title Defects**"). Any Title Defect which constitutes a Seller Mortgage or a Voluntary Monetary Lien shall be discharged by Seller prior to Take Down of the applicable Tract affected by the same in accordance with Sections 6.3(d) or 6.3(e) below.

With respect to any other Title Defect to which Optionee objects as provided herein, Seller may elect by written notice to Optionee within ten (10) business days after receipt of Optionee's objection (which shall be in Seller's sole discretion) to clear title of, or insure over,



such Title Defect. If Seller fails to notify Optionee of its election, Seller will be deemed to have refused to clear title of or insure over such Title Defect.

If Seller elects not to clear title of, or insure over such Title Defect, and if such is not an Involuntary Monetary Lien (as defined below), Optionee will be deemed to have waived such Title Defect.

If Seller elects not to clear title of, or insure over such Title Defect, and if such Title Defect is an Involuntary Monetary Lien (as defined below), Optionee shall thereafter have the right exercisable by written notice to Seller within ten (10) business days after Seller's notice to elect to (i) direct that (A) Seller use good faith efforts to discharge, or cause to be discharged, such Title Defect prior to Take Down of the applicable Tract affected by the same and (B) the First Interim Take Down Requirement and the Second Interim Take Down Requirement as provided in Section 3.1 above shall be reduced by the size of the Tract affected for so long as such Involuntary Monetary Lien remains outstanding and has not been discharged by Seller) or (ii) waive such Title Defect and Take Down the applicable Tract. If Optionee fails to make an election, Optionee will be deemed to have waived the Title Defect. "**Involuntary Monetary Lien**" shall mean a monetary lien that Seller has not intentionally granted, which shall in no event include monetary liens resulting from matters caused, permitted or created by Optionee, Operator, the Redeveloper or their respective agents, contractors and affiliates.

#### 4.3 Environmental Matters.

(a) Seller and Optionee acknowledge that the Seller Reports identify certain environmental matters (the "**Existing Site Conditions**") with respect to the Option Premises.

(b) Following submission of a Letter of Intent, Optionee may authorize its proposed Redeveloper and its agents and representatives to enter into a License Agreement and commission Optionee Reports of the environmental condition of any Tract(s) for which a Letter of Intent has been submitted.

(c) As used in this Section 4.3 or elsewhere in this Agreement:

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

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

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

"**Environmental Law**" shall mean all Applicable Laws, including without limitation any consent decrees, settlement agreements, judgments, orders, directives, policies or

programs issued by or entered into with a Governmental Authority pertaining or relating to: (i) pollution or pollution control; (ii) protection of human health or the environment; (iii) employee safety in the workplace; (iv) the presence, use, management, generation, processing, treatment, recycling, transport, storage, disposal or release or threat of release of Regulated Substances; and (v) the clean up of sites affected by Regulated Substances, including without limitation the Land Recycling and Environmental Remediation Standards Act (Act 2), 35 Purdon's Statutes Annotated Section 6026.101, et seq. and the Hazardous Sites Cleanup Act, 35 Purdon's Statutes Section 6020.101, et seq.

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

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

## **SECTION 5. REQUIREMENTS APPLICABLE TO TAKE DOWN OF TRACTS**

### **5.1 Take Down Process Generally.**

(a) Procedures for the pre-closing period and for the closing of the Take Down shall be undertaken in accordance with **Exhibit H-4** to this Agreement. The terms and conditions of the purchase or ground lease of each Tract shall be further governed by Articles SECTION 3-SECTION 6 hereof, including all exhibits referenced therein, and the Closing Documents.

(b) Following Optionee's submission of a Letter of Intent and Seller's preliminary approval of a proposed Redeveloper as meeting the criteria for a "Redeveloper" under Section 1.4 and without limiting Optionee's obligations hereunder, Optionee may authorize such proposed Redeveloper to make submissions required hereunder and to otherwise communicate and negotiate, as Seller and Redeveloper may determine in each of their sole discretion, provisions of the Closing Documents (as hereinafter defined) directly with Seller. Optionee shall be deemed to have acknowledged and consented to all matters agreed to by Seller and the proposed Redeveloper, and Optionee shall confirm the same in writing at Seller's reasonable request.

5.2 Intentionally Omitted.

5.3 Intentionally Omitted.

5.4 Future Subdivision Plans.

(a) The parties hereby acknowledge that the Site Improvement Subdivision Plan shall be completed prior to the first Take Down of a Tract hereunder. In addition, Optionee or the proposed Redeveloper for such Tract (if authorized by Optionee), shall, at Optionee's or the proposed Redeveloper's cost, prepare, or cause to be prepared, one (1) or more future subdivision plans (each a "**Future Subdivision Plan**") with respect to such Tract to be Taken Down.

(b) The exact lot lines for each Tract to be subdivided, the location of access ways and all other material matters depicted on the Future Subdivision Plan must be acceptable to Seller in its reasonable determination, as evidenced by Seller's execution thereof, and must be consistent with the PLDP and the Zoning Text Amendment.

(c) Once Seller's approval of the Future Subdivision Plan has been given, Optionee or the proposed Redeveloper for such Tract (if permitted by Optionee) shall submit the Future Subdivision Plan for preliminary approval to the proper Governmental Authorities and thereafter the subdivision application and approval process shall be diligently pursued by Optionee or proposed Redeveloper (and, in any event, within the schedule submitted to Seller subject to delays not caused in whole or in part by Optionee or proposed Redeveloper or its agents, employees or contractors). All costs related to any Future Subdivision Plan shall be the responsibility of Optionee or proposed Redeveloper. Seller shall cooperate with Optionee and proposed Redeveloper in connection with the subdivision approval process and, following Seller's approval, shall execute such forms and applications as may be necessary as the owner of the Tract.

5.5 Development Plans and Additional Procedures Prior to Take Down.

(a) The parties acknowledge that the items required to be provided by Optionee pursuant to **Exhibit H-1** in connection with any Letter of Intent, together with any supplemental or modified materials submitted to Seller with a take down notice in the form attached hereto as **Exhibit H-2** (a "**Take Down Notice**") or otherwise prior to Final Board Approval (as defined in Section 5.5(d) below), including but not limited to a MBE/WBE plan, work force utilization plan, sustainability plan and economic impact report, as described in **Exhibits P, Q, R** and **S** hereto, collectively constitute a conceptual development plan (the "**Conceptual Development Plan**") for the Tract.

(b) The Conceptual Development Plan is subject to the prior review and approval of the Seller, which shall not be unreasonably withheld, conditioned or delayed. The parties, including the proposed Redeveloper, will work together in good faith, using commercially reasonable efforts, to reach agreement on a Conceptual Development Plan for the applicable Tract that achieves the Development Standard in a manner consistent with the PLDP and the Zoning Text Amendment and is acceptable to all parties.

(c) Seller agrees to promptly review and either approve or comment on a Conceptual Development Plan (subject to the procedures described in **Exhibit H-4** to this Agreement). In the event that Seller comments on the Conceptual Development Plan, Optionee shall, in response, revise the Conceptual Development Plan and resubmit it to the Seller.

(d) Seller and Optionee acknowledge that, subsequent to the delivery of a Letter of Intent and Take Down Notice and provided the parties have reached agreement on a Conceptual Development Plan pursuant to this Section 5.5, Seller, Optionee and the proposed Redeveloper for the Tract will be required to undertake certain procedures and obtain certain internal and public Seller approvals for the Take Down pursuant to the process outlined in **Exhibit H-4**. An initial approval (the "**Preliminary Board Approval**") and a final approval (the "**Final Board Approval**") are required by public action of the governing board of the Seller in order for a Take Down to occur. Optionee and the proposed Redeveloper will timely provide all necessary information and will cooperate with Seller to facilitate such approvals.

(e) A Conceptual Development Plan reviewed and approved as provided in this Section 5.5, including obtaining Final Board Approval, is referred to herein as an "**Approved Development Plan**," and shall be made part of the disposition contract for the Tract(s), which disposition contract shall be in the form attached hereto as **Exhibit H-3**, with such additional and/or modified provisions specific to each Take Down as described in Section 5.1(b) (the "**Disposition Contract**"). Among other things, the Disposition Contract sets forth the conditions for issuance by Seller of a certificate of completion (the "**Certificate of Completion** ") for each Tract.

(f) Following the Take Down of each Tract, the proposed Redeveloper will provide reports with respect to the MBE/WBE plan, workforce utilization, sustainability and economic impact of the Project as provided in **Exhibits P, Q, R and S** hereto.

#### 5.6 Government Approvals.

Optionee or the proposed Redeveloper (if authorized by Optionee to act on its behalf) shall diligently take all actions reasonably necessary to obtain all governmental, regulatory and administrative approvals required by applicable Governmental Authorities to permit the development of each Tract (collectively, "**Governmental Approvals**") in accordance with the Approved Development Plan. All drawings, plans and specifications, and all work with respect to the development of the Tract and construction of improvements thereon, shall be in conformity with all Applicable Laws. Except as otherwise specifically set forth in this Agreement, Optionee or the proposed Redeveloper shall be responsible for all costs and expenses associated with its activities under this Agreement including obtaining the Governmental Approvals. Seller shall reasonably cooperate with Optionee and the proposed Redeveloper in connection with the Governmental Approval process, in accordance with the provisions of Section 5.5 and shall execute such forms and applications as may be necessary as the owner of the Tract. Optionee or the proposed Redeveloper, as the case may be, agree to keep Seller advised of the status of the Governmental Approval process by submitting to Seller, upon Seller's request, a written status report.

## 5.7 Closing.

(a) Unless otherwise agreed in writing by the parties, a proposed Redeveloper shall be obligated to take fee simple title to the Tract(s) or enter into a ground lease with respect to the Tract (a "**Closing**") by a date (the "**Closing Date**") which is on or prior to the Termination Date (as the same may be extended as provided herein). Optionee or the proposed Redeveloper shall give Seller and (if given by the proposed Redeveloper) Optionee at least sixty (60) days prior written notice ("**Closing Date Notice**") of the desired Closing Date (which shall in no event be later than the Termination Date (as the same may be extended as provided herein)). Seller shall be obligated to sell or lease the Tract(s) to the proposed Redeveloper on the Closing Date, in accordance with the terms of this Agreement.

(b) At the Closing, the proposed Redeveloper, Optionee and Seller shall deliver C reasonably necessary to effectuate the transaction, including without limitation the Disposition Contract and such other documents as are described in **Exhibit H-5** to this Agreement (the "**Closing Documents**").

(c) Notwithstanding anything to the contrary set forth in Section 5.7(a) above, any failure to consummate the Closing within two hundred ten (210) days after submittal of a Take Down Notice will nullify the effect of the applicable Letter of Intent and Take Down Notice, but otherwise would not constitute an event of default by Optionee under this Agreement or result in any liability to Optionee or a Redeveloper.

## 5.8 Pauses.

(a) If Optionee has not Taken Down all of the Option Premises by the scheduled Termination Date of October 22, 2025, Optionee shall have the right to extend the Termination Date hereunder by purchasing a "**Pause**" on the terms and conditions set forth in this Section 5.8 for all (but not less than all) of such remaining Option Premises. Each Pause purchased hereunder shall be for a period of six (6) calendar months from the last day of the scheduled Termination Date or the immediately preceding Pause period hereunder as applicable, unless Optionee and Seller agree in writing on a shorter time period for a Pause in their reasonable discretion; provided, however, that no Pause requested hereunder shall be for a period of less than one (1) calendar month. Optionee shall be entitled to purchase Pauses pursuant to this Section 5.8 for an aggregate Pause period of up to twenty four (24) calendar months.

(b) The fee to purchase a Pause (the "**Pause Fee**") shall be Six Thousand and 00/100 Dollars (\$6,000.00) per acre (or a pro rata share thereof for a partial acre) of the remaining portion of the Option Premises per calendar month. By means of example, and for illustrative purposes only, if Optionee requests a Pause with respect to the remaining 2.15 acres, then the Pause Fee payable with respect to such Pause shall be \$12,900.00 for each calendar month of the requested Pause. The Pause Fee shall be paid to Seller in cash not later than the first day of the applicable Pause period purchased hereunder.

(c) In no event shall the aggregate Pauses purchased hereunder extend the Termination Date beyond October 22, 2027, except to the extent that the underlying Option Term has been extended pursuant to Section 8.2 below and in such event, no later than March 22, 2028.

(d) Except for the Pauses described in this Section 5.8, there shall be no other Pauses under this Agreement. All Pauses purchased and Pause Fees paid and accrued pursuant to the Original Option Agreement prior to the date of this Agreement are hereby eliminated as of the date of this Agreement together with the Redevelopment Credits as described in Section 3.2(a) above.

#### 5.9 Easements.

Seller and Optionee shall cooperate with each other for the development of the Option Premises. Seller and Optionee will, upon the request of the other party, grant such easements, licenses and consents as may be necessary to develop the Option Premises for the purpose of achieving the Development Standard, in a manner consistent with the PLDP and the Zoning Text Amendment, including but not limited to those relating to the installation of roads and utility services. Upon the request of a proposed Redeveloper, Optionee or Seller, the parties shall reasonably cooperate with each other or their assignees in providing temporary construction easements and/or licenses on the Option Premises at locations when and as required to facilitate redevelopment projects in accordance herewith. The requesting party will submit any request hereunder in writing.

#### 5.10 Environmental Condition, Remediation and Mitigation.

(a) If any Optionee Report identifies the presence of any Contamination on a Tract(s) to be Taken Down in accordance with Section 5.1, Optionee shall provide notice to Seller of such Contamination (the "**Conditions Notice**"), together with all material information Optionee has with respect to such Contamination (including, without limitation, the cost of proposed remediation or other appropriate actions and whether such remediation may achieve appropriate cleanup standards under the Pennsylvania Land Recycling and Environmental Standards Act, Act of May 19, 1995, P.L. 4, No. 2 ("**Act 2**") or such lesser standards as may be available under applicable Environmental Laws with respect to the applicable Redeveloper's proposed redevelopment project on such Tract).

(b) Optionee shall have the right, in its discretion and at Optionee's sole cost, to cause such Take Down Tract(s) to achieve such appropriate cleanup standards under Act 2 or such lesser standards as may be available under applicable Environmental Laws, based in each instance upon the proposed use and permitted zoning classification of such Tract(s). The applicable designated Redeveloper will be involved in the foregoing process; however, Optionee shall be responsible for coordinating activities between itself and such Redeveloper. Upon request by Optionee, Seller shall use commercially reasonable efforts to assist Optionee and a Redeveloper with (i) preparing all documentation and securing all approvals of any applicable Governmental Authority in connection with achieving such cleanup standards, and (ii) identifying (and, in its required capacity as the owner of the Option Premises, securing) any funding from a Governmental Authority which may be available to achieve such cleanup standards or otherwise remediate any Contamination on such Tract(s). Seller and Optionee acknowledge that all costs incurred by Seller related to the foregoing prior to the date of this Agreement are subject to the terms of that certain Reimbursement Agreement dated effective February 24, 2017 by and between the URA, Optionee and McCormack Baron Salazar, Inc. (the "**Reimbursement Agreement**"), and shall be reimbursed to Seller in accordance with the

Reimbursement Agreement. Seller will not be required to incur any other additional material costs in applying for or securing approvals in connection with achieving any cleanup standards, or provide any funding to achieve any cleanup standards or otherwise remediate any Contamination without a commitment (reasonably acceptable to Seller) by Optionee or its Redeveloper to reimburse Seller for such costs. Except as provided in Article VIII below, no failure hereunder shall give rise to any (i) liability of Seller or (ii) extensions of the Option Term or other time periods provided under this Agreement.

(c) Optionee, each Redeveloper and such Redeveloper's applicable Guarantor (as defined in Section 6.8(a)), shall deliver at the Closing for all Tracts, including an affected Tract, (i) an environmental agreement in the form attached as **Exhibit N** to this Agreement and (ii) such other documentation reasonably requested by Seller in connection with the existence of Contamination on such Tract and any associated release and covenant not to sue or bring any actions against the Seller-Indemnified Parties by reason of such Contamination, which release shall survive Closing.

#### 5.11 Indemnification Agreement.

Each Redeveloper and its applicable Guarantor shall indemnify, defend and hold harmless Seller, the City of Pittsburgh, and the County of Allegheny, and such other parties as are identified in the form of indemnification agreement attached as **Exhibit M** to this Agreement from and against any claims as a result of activities of Redeveloper on the Tract and such other matters as are specified in the indemnification agreement.

### **SECTION 6. TERMS OF SALE OR GROUND LEASE**

#### 6.1 Closings.

Closing of the purchase and sale or ground lease of a Tract shall take place during the Option Term at a time and location mutually acceptable to the parties. In the case of the purchase of a Tract by a Redeveloper, the Redeveloper shall pay to Seller, at the Closing, by immediately available funds, the Purchase Price of the Tract being purchased. In the case of the ground lease of a Tract by a Redeveloper, the Redeveloper shall pay Seller in immediately available funds, the Rental as and when due pursuant to the Ground Lease. For purposes of this Agreement, (i) the "**Purchase Price**" for each Tract hereunder (including Urban Open Space) shall be \$10.00 and (ii) the "**Rental**" for each Tract hereunder shall be \$10.00 per annum.

#### 6.2 Title Update.

Prior to each Closing, Optionee or the proposed Redeveloper for the applicable Tract (if authorized by Optionee) may obtain an updated title report or commitment for such Tract through the Closing Date and may cause the title company to issue a title insurance policy at Redeveloper's cost insuring Redeveloper's fee simple title to or ground leasehold interest in the Tract as of the Closing Date. Optionee's or the proposed Redeveloper's objection to any title matter disclosed by the updated title report or commitment shall not relieve Optionee of its obligation to Take Down the Tract, except as provided in Section 4.2 above.

6.3 State of Title to be Delivered at Closing.

(a) In the case of the purchase by Optionee of a Tract, Seller shall deliver to the proposed Redeveloper at the Closing the Deed in recordable form, conveying to the Redeveloper good and marketable fee simple absolute title in and to the Tract, free and clear of all liens, encumbrances, restrictions and reservations and subject only to the Permitted Exceptions (as defined below) and any other matters which Optionee or the Redeveloper agreed to accept pursuant to Section 4.2. The Deed will contain any environmental disclosures required by Applicable Law, as reasonably determined by Seller (subject to approval by Optionee and Redeveloper, not to be unreasonably withheld), and will reflect the provisions provided for by this Agreement and the Disposition Contract for the Tract.

(b) In the case of a ground lease of a Tract, Seller and the Redeveloper shall execute and deliver, at the Closing, a ground lease ("**Ground Lease**") on the terms provided for by this Agreement and the Disposition Agreement for the Tract, and Seller shall deliver possession of the leasehold estate free and clear of all liens, encumbrances, restrictions and reservations to the Redeveloper, subject only to Permitted Exceptions and any other matters which are agreed to be accepted. The parties will record a memorandum of ground lease that will reflect the provisions thereof.

(c) "**Permitted Exceptions**" shall mean (i) those matters identified on **Exhibit I** and/or any other title matters in existence as of the date hereof, (ii) all matters and items set forth in the PLDP, or the applicable Site Improvement Subdivision Plan, Future Subdivision Plan or Final Development Plan (as hereinafter defined), (iii) all non-monetary matters which the title company is willing to insure over without additional premium or indemnity and which, in the exercise of Optionee's or the Redeveloper's reasonable business judgment, do not have a material adverse impact on the ownership or leasing, operation, or value of the Tract or the leasehold estate in the Tract, as the case may be, (iv) applicable zoning ordinances, (v) all easements, licenses and other matters permitted by Sections 3.3(a) or 5.9 above, (vi) all standard pre-printed title exceptions contained in Schedule B-II of the applicable title commitment; provided, however, that Seller shall be obligated to execute an affidavit at each Closing in the form attached hereto as **Exhibit J**, (vii) all matters caused, permitted or created by Optionee, Operator, the Redeveloper or their respective agents, contractors and affiliates, (viii) all public and private rights of way for streets, roads and walkways, (ix) all Governmental Approvals and Applicable Laws, (x) such other matters affecting title to the Tract as are permitted hereby or approved or accepted by Optionee or the Redeveloper in writing prior to the Closing, (xi) such matters as are set forth in the Deed, and (xii) any other matters which would be shown in an accurate and complete title insurance commitment or on an accurate and complete survey for the Option Premises (except for a Seller Mortgage as described in Section 6.3(d) below or any Voluntary Monetary Lien described in Section 6.3(e) below).

(d) Seller Mortgage. With respect to a Tract to be Taken Down, any mortgage or deed of trust granted or assumed by Seller and encumbering such Tract (a "**Seller Mortgage**") will be satisfied or released by Seller on or prior to the Closing Date for such Tract, or if not so satisfied or released, such Seller Mortgage shall be satisfied or released at the Closing at Seller's sole expense.



(c) Monetary Liens. With respect to a Tract on which Seller has intentionally granted a monetary lien (a "**Voluntary Monetary Lien**") (which shall in no event include monetary liens resulting from matters caused, permitted or created by Optionee, Operator, the Redeveloper or their respective agents, contractors and affiliates), Seller shall satisfy or release such Voluntary Monetary Lien on or prior to the Closing Date for such Tract, or if not so satisfied or released, such Voluntary Monetary Lien shall be satisfied or released at the Closing at Seller's sole expense.

(f) Other Title Issues and Updated Reports. Between the Effective Date and each Closing, except as otherwise provided in this Agreement or in the Lease, Seller shall not grant any street or road rights of way, easements or licenses over or with respect to the Option Premises which would survive the Closing without the Optionee's and the proposed Redeveloper's prior written consent (such a grant without prior consent is sometimes referred to herein as a "**Prohibited Encumbrance**"); provided, however, that the Seller shall be permitted to (i) grant any street, road or walkway rights of way, easements or licenses in connection with the Infrastructure as set forth in the PLDP, the Site Improvement Subdivision Plan, any Future Subdivision Plan or the Final Development Plan, (ii) grant any easements to utilities within a proposed right of way in connection with the Infrastructure as set forth in the PLDP, the Site Improvement Subdivision Plan, any Future Subdivision Plan or the Final Development Plan and (iii) grant any easements to the Pittsburgh Water and Sewer Authority as reasonably necessary for water and/or sewer improvements in connection with the Infrastructure. Seller may grant any easements or other items described in the previous sentence without Optionee's or a proposed Redeveloper's prior consent, provided that any such item is in the location contemplated by the PLDP, Site Improvement Subdivision Plan, any Future Subdivision Plan or the Final Development Plan, as applicable.

#### 6.4 Reservation of Mineral Rights.

Notwithstanding anything in this Agreement to the contrary, the SEA and the URA, for themselves and their successors and assigns, hereby reserve unto themselves, and the conveyance to a Redeveloper of each Tract shall exclude, any and all right, title and interest in and to the coal, coalbed methane, oil, gas, other gaseous, liquid and solid hydrocarbons, oil shale and any and all other minerals within and underlying such Tract and/or appurtenant thereto, and the right to investigate, explore, develop, extract, excavate, mine, remove, market, transport, ship and produce all such reserved interests, which reservation shall be provided for in the applicable Deed or Ground Lease. Such reservation shall be subject to limitations on surface operations and does not include a right to remove subsurface and lateral support necessary for development on the surface of the Option Premises, all as set forth in **Exhibit D** to this Agreement.

#### 6.5 Prorations and Adjustments.

Water and sewer rents, municipal assessments, rentals, taxes, utility charges (based on meter readings ordered by Seller or invoices, as appropriate) and premiums on existing insurance policies if assigned to and accepted by a Redeveloper, if any, with respect to each Tract shall be prorated and adjusted as of the Closing Date, with Seller being deemed to hold title to the applicable Tract for the entire Closing Date (unless otherwise agreed to by Seller and the Redeveloper).

#### 6.6 Closing Costs.

Real estate transfer taxes and charges incident to the recording of the Deeds, Ground Leases or other Closing Documents shall be paid by the Redeveloper. Seller and Redeveloper shall execute any real estate transfer declarations required by the state, county or municipality in which the Option Premises is located. Each party shall be responsible for the fees and expenses of its respective legal counsel and any brokers it employed. All other costs of the Closing shall be paid by the Redeveloper.

#### 6.7 "As-Is" Purchase or Lease.

EXCEPT FOR THE REPRESENTATIONS, WARRANTIES AND COVENANTS PROVIDED IN SECTION 9.1 OF THIS AGREEMENT, OR IN ANY DEED OR GROUND LEASE, IT IS AGREED THAT TRACTS CONSTITUTING THE OPTION PREMISES SHALL BE CONVEYED BY SELLER AND ACCEPTED BY EACH REDEVELOPER "AS IS" "WHERE IS" AND WITH ALL FAULTS AND THAT SELLER IS MAKING NO REPRESENTATIONS OR WARRANTIES REGARDING THE CONDITION OF THE OPTION PREMISES, INCLUDING BUT NOT LIMITED, TO THE PRESENCE OF REGULATED SUBSTANCE, THE DEVELOPMENT POTENTIAL OF THE OPTION PREMISES OR ITS SUITABILITY FOR ANY PARTICULAR USE OR PURPOSE, NOR REGARDING COMPLIANCE OF THE OPTION PREMISES OR THE USE THEREOF WITH ANY APPLICABLE ZONING, BUILDING OR LAND USE LAWS OR OTHER LAWS OR ORDINANCE, NOR REGARDING THE COMPLIANCE OF THE OPTION PREMISES WITH ANY PRIOR, CURRENT OR FUTURE ENVIRONMENTAL LAWS, NOR, REGARDING THE PHYSICAL CONDITION OF THE OPTION PREMISES, INCLUDING SOILS AND GEOLOGY, GROUNDWATER OR SURFACE WATER, OR OF ANY STRUCTURES, IMPROVEMENTS, FIXTURES OR EQUIPMENT CONSTITUTING A PART THEREOF, NOR REGARDING ANY LICENSES, PERMITS, AUTHORIZATIONS OR BONDS THAT REDEVELOPER MAY NEED TO OBTAIN TO OWN, LEASE OR USE THE OPTION PREMISES IN ACCORDANCE WITH ITS EXISTING OR ANY CONTEMPLATED USES, OPERATIONS, CONSTRUCTION DEVELOPMENT OR ACTIVITIES, NOR REGARDING WHETHER THE OPTION PREMISES MAY BE SITUATED IN A FLOOD HAZARD ZONE AS DESIGNATED ON ANY SPECIAL FLOOD ZONE AREA MAP, NOR REGARDING WHETHER ANY PORTION OF THE OPTION PREMISES CONSISTS OF WETLANDS AS DEFINED AND REGULATED UNDER APPLICABLE ENVIRONMENTAL LAWS, NOR, WHETHER ANY PORTION OF THE OPTION PREMISES INCLUDES OR CONSISTS OF AN ENVIRONMENTALLY SENSITIVE AREA, NOR EXCEPT AS OTHERWISE PROVIDED IN THIS AGREEMENT, REGARDING ANY OTHER MATTER OR THING WHATSOEVER, IT BEING UNDERSTOOD THAT OPTIONEE AND EACH REDEVELOPER HAS OBTAINED ITS OWN INDEPENDENT ASSURANCES AS TO ALL SUCH MATTERS TO SUCH EXTENT AS IT, IN ITS DISCRETION BUT IN ACCORDANCE WITH CURRENT COMMERCIAL OR CUSTOMARY PRACTICES, HAS DEEMED NECESSARY OR APPROPRIATE. EACH REDEVELOPER WILL BE DEEMED TO HAVE ACKNOWLEDGED THAT IT IS ENTERING INTO THE PURCHASE OR GROUND LEASE OF THE OPTION PREMISES ON THE SOLE BASIS OF ITS OWN INDEPENDENT INVESTIGATION AND INSPECTION OF THE CONDITION OF THE OPTION PREMISES AND A REVIEW OF

ALL REASONABLY ASCERTAINABLE INFORMATION RELATING OR PERTAINING TO THE OPTION PREMISES, AND EXCEPT AS OTHERWISE SET FORTH IN SECTION 9.1 OF THIS AGREEMENT, ANY DEED OR GROUND LEASE, REDEVELOPER ASSUMES THE RISK THAT ADVERSE CONDITIONS MAY HAVE NOT BEEN REVEALED BY ITS OWN INVESTIGATION, INSPECTION OR REVIEW OF ALL SUCH REASONABLY ASCERTAINABLE INFORMATION. OPTIONEE AND EACH REDEVELOPER SHALL BE DEEMED TO HAVE FURTHER ACKNOWLEDGED THAT, EXCEPT AS OTHERWISE PROVIDED IN THIS AGREEMENT, ANY DEED OR ANY GROUND LEASE, SELLER, SELLER'S PREDECESSOR IN TITLE, SELLER'S AGENTS AND ANY OTHER PERSONS ACTING ON BEHALF OF SELLER, HAVE MADE NO REPRESENTATION OR WARRANTY OF ANY KIND IN CONNECTION WITH ANY MATTER RELATING TO THE CONDITION, VALUE, FITNESS OR USE OF THE OPTION PREMISES UPON WHICH OPTIONEE OR SUCH REDEVELOPER HAS RELIED DIRECTLY OR INDIRECTLY FOR ANY PURPOSE.

EXCEPT FOR THE REPRESENTATIONS, WARRANTIES AND COVENANTS PROVIDED IN SECTION 9.1 OF THIS AGREEMENT, OR IN ANY DEED OR GROUND LEASE, OPTIONEE AND EACH REDEVELOPER HEREBY WAIVES, RELEASES, REMISES, ACQUITS AND FOREVER DISCHARGES SELLER, SELLER'S PREDECESSOR IN TITLE AND SELLER'S AGENTS OR ANY OTHER PERSONS ACTING ON BEHALF OF SELLER OF AND FROM ANY CLAIMS, CAUSES OF ACTION, ACTIONS, ASSESSMENTS, DEMANDS, RIGHTS, LIABILITIES, LOSSES COSTS, DAMAGES, EXPENSES DEFICIENCIES OR COMPENSATION WHATSOEVER, DIRECT OR INDIRECT, KNOWN OR UNKNOWN, FORESEEN OR UNFORESEEN, REGARDLESS OF WHETHER ANY ARISES BY VIRTUE OF COMMON LAW, ENVIRONMENTAL LAWS, OR ANY OTHER LAW, STATUTE, ORDINANCE, RULE, REGULATION OR OTHERWISE ASSOCIATED WITH THE CONDITION OF THE OPTION PREMISES, THE PRESENCE OF REGULATED SUBSTANCES ON, IN OR EMANATING TO OR FROM THE OPTION PREMISES, THE COMPLIANCE OF THE OPTION PREMISES WITH ANY PRIOR, CURRENT OR FUTURE LAWS OR ANY LAW, STATUTE, ORDINANCE, RULE OR REGULATION APPLICABLE THERETO, WHETHER FEDERAL, STATE OR LOCAL.

6.8 Development of the Tract.

(a) A Redeveloper that Takes Down a Tract shall commence, or cause to be commenced, and thereafter diligently pursue to completion the construction on a Tract in accordance with the Approved Development Plan and Disposition Contract, and each such Redeveloper shall designate a guarantor or guarantors (each a "**Guarantor**") to provide and deliver to Seller on the Closing Date with respect to that Tract a guaranty of the foregoing obligations in the form of **Exhibit L** to this Agreement (a "**Completion Guaranty**"). Each Guarantor shall be subject to the approval of Seller, such approval not to be unreasonably withheld. In connection with the foregoing, prior to a Closing, the Redeveloper shall provide to Seller such financial information as would be reasonably requested by a construction lender regarding the financial capacity of each proposed Guarantor to fulfill the obligations under each Completion Guaranty and other documents to be delivered by such Guarantor.

(b) Should a Redeveloper fail to Commence Construction or Complete Construction on any Tract within the periods (including any cure periods) set forth in the applicable Disposition Contract, then Seller shall have such rights and remedies as are set forth in the Disposition Contract. For purposes of this Agreement, "**Commence Construction**" or "**Commencement of Construction**" shall mean a Redeveloper has (i) entered into a construction contract with a definitive completion date for the improvements to be constructed on the applicable Tract or Tracts in accordance with the Approved Development Plan, and (ii) commenced or caused the commencement of construction of physical improvements on the Tract or Tracts in accordance with the Approved Development Plan, and evidence thereof has been provided to Seller. "**Complete Construction**" or "**Completion of Construction**" shall mean a Redeveloper has (i) substantially completed construction of the improvements on the applicable Tract or Tracts in accordance with the Approved Development Plan and Disposition Contract, free of mechanics liens, (ii) obtained a certificate of occupancy for all such improvements, and (iii) Seller has issued a certificate of completion.

#### 6.9 Terms of Ground Lease.

(a) Each Ground Lease will include the terms applicable to all Take Downs and those set forth in **Exhibit E** hereto. A Redeveloper that enters into a Ground Lease shall be responsible for all real estate taxes, assessments and other charges assessed against the leased Tract and any improvements thereon, and shall agree that the assessed value of the Tract subject to the Ground Lease and all improvements thereon shall be calculated as though the lessee owned all right, title and interest in and to the Tract and all improvements in fee simple absolute.

(b) From and after issuance of a Certificate of Completion for a leased Tract and so long as the Ground Lease is not in default beyond any applicable cure period, a Redeveloper shall have the right to assign the Ground Lease, or to sublet all or any portion of the leased premises, provided that (i) in the case of a sublease, subsequent to any such subletting, the Redeveloper remains primarily liable for the payment and performance of Redeveloper's obligations under the Ground Lease, and (ii) in the case of an assignment, the assignee shall assume all of Redeveloper's liabilities and obligations under the Ground Lease and Redeveloper shall be relieved of all post-assignment liabilities and obligations under the Ground Lease.

(c) A Redeveloper shall at all times have the right to encumber by mortgage or other instrument in the nature thereof as security for any debt, all of Redeveloper's right, title and interest under the Ground Lease including, without limiting the generality of the foregoing, Redeveloper's right to use and occupy the leased premises together with its rights and interest in and to all building, improvements, and fixtures now or hereafter placed on the leased premises, in all respects, however, subordinate and inferior to the Seller's rights, title, privileges and interests as may be provided in the Ground Lease; provided that a Redeveloper shall, in no event, have the right to in any way encumber the Seller's fee simple title interest in and to the leased premises.

(d) If requested by a Redeveloper, Seller shall at Closing enter into agreements reasonably requested by a lender to protect the interest of the lender in the leasehold estate. So long as any such leasehold mortgage is in effect, the following provisions shall apply: (i) Seller shall serve a copy of any notice of default required to be served on Redeveloper under the Ground Lease upon such leasehold mortgagee, (ii) in the event of a default by Redeveloper under the

Ground Lease, a leasehold mortgagee shall have the right to cure such default within the period allowed Redeveloper to cure, and the Seller shall accept such performance by or on behalf of such leasehold mortgagee as if the same had been made by Redeveloper, and (iii) upon the occurrence of an event of default, the Seller shall take no action to terminate the Ground Lease without first giving to the leasehold mortgagee written notice thereof and a reasonable time thereafter within which either (A) to obtain possession of the leased premises and the improvements thereon or (B) to institute, prosecute, and complete foreclosure proceedings or otherwise acquire the Redeveloper's interest in the Ground Lease. In the event the default is nonpayment of money, all payments due must be brought current, and the reasonable time shall be ten (10) business days.

(e) The Ground Lease shall contain such additional terms and provisions as are commonly contained in commercial ground leases executed by sophisticated parties in the Pittsburgh area, as the parties hereto may reasonably agree; provided however, that (i) under no circumstances shall the Seller's fee simple interest in the Option Premises be subordinate to any liens, encumbrances or interests created by or filed against a Redeveloper, and (ii) Seller shall have no personal liability under any of the terms, conditions or covenants of the Ground Lease.

## **SECTION 7. PUBLIC IMPROVEMENTS**

### **7.1 Infrastructure.**

(a) Seller will continue to use commercially reasonable efforts to secure funding for the completion of the following remaining Infrastructure improvements: (i) streets and other Infrastructure improvements on the Option Premises whose construction is occurring as of the date of this Agreement; (ii) any other streets or other Infrastructure improvements on the Option Premises contemplated by the PLDP, to the extent that construction of the foregoing may be required by Applicable Laws or is necessary for a designated Redeveloper to develop its applicable Tract(s) in accordance with the applicable Letter of Intent and Take Down Notice; (iii) improvements to curbing and public right-of-way medians on perimeter streets surrounding the Option Premises (*i.e.*, Centre Avenue, Bedford Avenue, Crawford Street and Washington Place), to the extent recommended by the PLDP; and (iv) the I-579 CAP Project. Notwithstanding the foregoing, Optionee shall have no right to assert a claim for a breach of Seller's obligations under clause (iv) above unless all sums payable under the CAP Note have been paid in full. It is recognized that Seller's efforts to secure funding will not include perimeter curb and sidewalk improvements within the Option Premises. Seller will not be required to expend its own funds to construct any Infrastructure improvements.

(b) The schedule for any Infrastructure which Seller undertakes, if any, shall be established by Seller, but modified as reasonably agreed upon by Seller and Optionee in the event that (i) a major corporate user or other job-producing developer intends to develop a portion of the Option Premises in a different order of priority, or (ii) applicable market dynamics change in a manner that requires the development of the Option Premises differently than contemplated by Seller's schedule.

(c) Except as provided in Article VIII below, no failure in the performance of Seller's obligations pursuant to this Section 7.1 shall give rise to any (i) liability of Seller or (ii) extensions of the Option Term or other time periods provided under the Option Agreement.

### 7.2 Parking Garage.

Seller will cause an appropriate governmental entity or entities (the "**Public Authority**") to construct a multi-story public parking garage (the "**Parking Garage**") targeted to comprise approximately 1,000 spaces on a designated portion of Block "E" on the Option Premises (the "**Garage Parcel**"), which Garage Parcel shall be identified as set forth below and which shall be released from the Option Premises prior to the start of construction of the Parking Garage by Seller and Optionee executing and delivering a Partial Release of Option in the form attached hereto as **Exhibit V**. Optionee's proposed size and location of the Garage Parcel and the Parking Garage will be identified first in a Letter of Intent to be submitted by Optionee to Seller not sooner than the latter of (i) March 1, 2018 or (ii) simultaneously with the Letter of Intent for the first non-residential redevelopment on the Option Premises. Optionee's reasonable assessment of the parking needs for the Option Premises shall be included in such Letter of Intent; provided, that such assessment shall be based on the parking needs for the proposed redevelopment described in such Letter of Intent together with such future potential redevelopments on the Option Premises as would be reasonably anticipated to require the Parking Garage for their parking needs and the parking needs of the New Arena. The final size and location of the Garage Parcel and of the Parking Garage will be subject to the agreement of the Parties (the "**Garage Agreement**"), which will be entered into within one hundred twenty (120) days after Optionee's submission of the Letter of Intent for the Garage as provided above. Seller will cause the design of the Parking Garage to be started within thirty (30) days after the entry of the Parties into the Garage Agreement and the construction of the Parking Garage to be started within thirty (30) days after the Take Down of the Garage Parcel (the "**Garage Start Date**"). Notwithstanding the foregoing, Seller will cause the Parking Garage to be completed no later than the latter to occur of the following: (1) thirty six (36) months after Optionee's submission of the Letter of Intent for the Parking Garage as provided above and (2) twenty four (24) months after the Garage Start Date (the "**Garage Completion Date**"). Seller will be entitled to retain all vertical development rights above the upper level of the Parking Garage from and after the completion thereof. As part of the Garage Agreement, the Parties will mutually agree upon the surface parking rates to be charged on the Option Premises after the Garage Completion Date. Seller will not be required to expend its own funds to construct the Parking Garage. Optionee and its Redevelopers will use commercially reasonable efforts to assist Seller and the Public Authority in securing revenue sources to the extent necessary for the Public Authority and/or another appropriate governmental entity or entities to secure financing or for construction of the Parking Garage to be completed by the applicable dates set forth above. Except as provided in Article VIII below, no failure hereunder shall give rise to any (x) liability of Seller or (y) extensions of the Option Term or other time periods provided under this Agreement.

### 7.3 Affordable Housing.

In order to advance the goals of the Lower Hill Redevelopment Community Collaboration and Implementation Plan dated September 11, 2014 (the "**CCIP**"), Optionee and Seller shall cooperate with each other and with Optionee's designated residential Redevelopers

in connection with all applications submitted by Optionee or such Redevelopers for Low Income Housing Tax Credits (“LIHTC”) or other applicable mechanisms or sources with respect to the funding or development of affordable housing on the Option Premises; provided, Optionee and Seller acknowledge that the foregoing shall not create any obligations of Seller under the CCIP. With respect to the first phase of affordable housing on the Option Premises, Seller shall use commercially reasonable efforts to attempt to cause the City of Pittsburgh and Allegheny County to make the application for issuance of nine percent (9%) LIHTC to the designated residential Redeveloper of such phase a priority. With respect to future phases of affordable housing on the Option Premises, Seller shall use commercially reasonable efforts to attempt to cause the City and County to treat any application by the designated residential Redeveloper to obtain LIHTC or other mechanisms or sources with respect to affordable housing developments on the Option Premises no less favorably than similar applications submitted for any other substantially similar proposed affordable housing developments in the City, so long as each such phase meets then-applicable standards for affordable housing developments in the City. If a residential Redeveloper receives and utilizes LIHTC with respect to a proposed phase of its proposed redevelopment on the Option Premises, Optionee shall use commercially reasonable efforts to cause such Redeveloper to make twenty percent (20%) of the overall residential units within such phase to be affordable at or below sixty percent (60%) of Area Median Income (AMI) with a 35-year compliance period, in all instances consistent with the LIHTC program. Except as set forth herein, Seller will not be required to incur any material costs in connection with the foregoing. Except as provided in Article VIII below, no failure hereunder shall give rise to any (i) liability of Seller or (ii) extensions of the Option Term or other time periods provided under this Agreement.

## **SECTION 8. PUBLIC DEVELOPMENT DELAYS**

### **8.1 Public Development Obligations.**

Seller and Optionee hereby acknowledge that, subject to the provisions of Section 8.3 below, the obligations of Seller set forth in Sections 5.10(b), 7.1(a), 7.2 and 7.3 above (each, a “**Public Development Obligation**”) shall be the sole obligations of Seller to Optionee under the Option Agreement in connection with any matters that would have given rise to a Joint Development Issue pursuant to the Original Option Agreement. If (i) Seller fails to perform a Public Development Obligation as provided herein and (ii) such failure causes or is reasonably anticipated to cause Optionee’s inability to meet an Interim Take Down Requirement as set forth in Section 3.10(c) or (d) above or to Take Down the entire Option Premises as set forth in Sections 1.3(b) and 5.8 above (each, an “**Optionee Development Target**”), Optionee will notify Seller of such failure in writing within thirty (30) days after Optionee has knowledge of such failure (a “**Failure Notice**”). Such Failure Notice from Optionee shall include a reasonably detailed description of the manner in which such failure led to or is reasonably anticipated to cause Optionee’s inability to meet its applicable Optionee Development Target. Seller shall have sixty (60) days following receipt of a Failure Notice to either (i) refute Optionee’s assertions in such Failure Notice or (ii) commence performance of such Public Development Obligation in such manner that Optionee may meet the Optionee Development Target in full on or before the expiration of such 60-day period. If Seller fails to perform (or complete the performance of) such Public Development Obligation within such 60-day period, such failure shall be referred to herein as a “**Public Development Delay**”.

## 8.2 Public Development Delay.

If a Public Development Delay occurs hereunder, Optionee shall have the following remedies in respect of Seller:

(a) (i) If any Public Development Delay occurs hereunder and, as a result of the foregoing, Optionee cannot meet the First Interim Takedown Requirement as set forth in Section 3.10(d) above (including, without limitation, if the underlying Public Development Obligation was performed by Seller prior to October 22, 2020, but the timing and manner of such performance nevertheless prevented Optionee's reasonable ability to meet the First Interim Takedown Requirement by such applicable date), then (A) Optionee shall be entitled to receive the amount of Three Million and 00/100 Dollars (\$3,000,000.00) as liquidated damages from Seller on account of such failure, as and to the extent provided below (the "**First Interim Deadline Liquidated Damages**") and (b) Optionee will not forfeit the Forfeited Revenues as provided in Section 3.10(d) above.

(ii) If (1) no First Interim Deadline Liquidated Damages were payable to Optionee with regard to the First Interim Takedown Requirement hereunder (either because Optionee met such First Interim Takedown Requirement as provided herein or failed to meet it for a reason other than a Public Development Delay) and (2) a Public Development Delay occurs hereunder and, as a result of the foregoing, Optionee cannot meet the Second Interim Takedown Requirement as set forth in Section 3.10(e) above (including, without limitation, if the underlying Public Development Obligation was performed by Seller prior to October 22, 2023, but the timing and manner of such performance nevertheless prevented Optionee's reasonable ability to meet the Second Interim Takedown Requirement by such applicable date), then (A) Optionee shall be entitled to receive the amount of One Million Five Hundred Thousand and 00/100 (\$1,500,000.00) as liquidated damages from Seller on account of such failure (the "**Second Interim Deadline Liquidated Damages**"; the First Interim Deadline Liquidated Damages and the Second Interim Deadline Liquidated Damages may be referred to herein as "**Interim Deadline Liquidated Damages**") and (B) Optionee will not forfeit the Forfeited Revenues as provided in Section 3.10(e) or (f) above.

(iii) If (A) Optionee was entitled to receive the First Interim Deadline Liquidated Damages as provided in Section 8.2(a)(i) above but (B) Optionee met the Second Interim Takedown Requirement as set forth in Section 3.10(e) above, then in such instance the First Interim Liquidated Damages shall be canceled and Seller shall be released from any obligation to pay the same to Optionee hereunder.

(iv) Any Interim Deadline Liquidated Damages payable to Optionee hereunder shall be converted to a like amount of Redevelopment Credits, which shall be deemed to be a Shortfall Amount pursuant to Section 3.2(b) above and shall be paid in the manner set forth therein following the Termination Date. The Interim Deadline Liquidated Damages would be separate from, and in addition to, the Garage Liquidated Damages that may be payable by Seller as provided in Section 8.3 below. In no event shall Optionee be entitled to receive more than Three Million and 00/100 Dollars (\$3,000,000.00) in the aggregate as Interim Deadline Liquidated Damages hereunder.



(b) If a Public Development Delay occurs hereunder and, as a result of the foregoing, Optionee cannot meet the Optionee Development Target as set forth in Sections 1.3(b) and 5.8 above (including, without limitation, if the underlying Public Development Obligation was performed by Seller prior to October 22, 2025 but the timing and manner of such performance nevertheless impaired Optionee's reasonable ability to Take Down all of the remaining Tracts by such date), then the Option Term shall be automatically extended on a day-by-day basis for so long as such Public Development Delay is continuing or Optionee is reasonably able to Take Down all of the remaining Tracts, whichever occurs first, but in no event later than March 22, 2028. Such Public Development Delay shall not affect Optionee's rights to purchase Pauses to extend the Option Term in accordance with Section 5.8 above, such that Optionee shall have the right to purchase any Pauses available thereunder when the Option Term (as extended pursuant to this Section 8.2(b)) has expired, but in no event shall any Pauses continue beyond March 22, 2028.

(c) In addition to any automatic extension of the Option Term as provided in Sections 8.2(a) or (b) above, if (A) Seller fails to cause construction of the Parking Garage to be started by the Garage Start Date as set forth in Section 7.2 above (the "**Garage Start Obligation**") and (B) such failure continues for sixty (60) days after written notice thereof from Optionee, then Optionee shall have the right to receive the amount of Three Million and 00/100 Dollars (\$3,000,000.00) as liquidated damages from Seller on account of such default (which amount shall be in lieu of any actual monetary damages that Optionee may suffer as a result of Seller's default with respect to the Garage Start Obligation, except as provided in Section 8.2(a) or 8.2(d) below) (the "**Garage Liquidated Damages**"). The Garage Liquidated Damages shall be received by Optionee as follows, at Optionee's sole option: (x) Seller shall use commercially reasonable efforts to cause to be provided to Optionee a subsidy (without any obligation to repay), from one or more governmental funding sources reasonably acceptable to Optionee, in the amount of the Garage Liquidated Damages, to support the privately funded construction of the Parking Garage (provided, in such event Seller and Optionee shall endeavor to have an additional ten percent (10%) of the parking tax increment derived from the operation of such Parking Garage shall be deposited into the Greater Hill District Reinvestment Fund); or (y) the Garage Liquidated Damages shall be converted to a like amount of Redevelopment Credits, which shall be deemed to be a Shortfall Amount under Section 3.2(b) above and shall be paid in the manner set forth therein from and after October 22, 2023; provided, if the Parking Garage is open to the public and operating when the Garage Liquidated Damages are payable as a Shortfall Amount as provided above, Net Revenues from the Parking Garage shall be applied to the Garage Liquidated Damages.

(d) In addition to Optionee's rights set forth in Sections 8.2(a)-(c) above, if Seller fails to perform a Public Development Obligation hereunder within sixty (60) days after written notice thereof from Optionee, Optionee shall have the right of specific performance or other equitable relief to take (or cause Seller to take) all actions reasonably necessary to perform such Public Development Obligation at any time; provided, in no event shall Optionee have the remedy of self-help. If successful, any reasonable amounts incurred by Optionee in connection with its exercise of such right (including reasonable legal fees and costs) may be set off by Optionee against any Pause Fee payable to Seller during the remainder of the Option Term. To the extent that, as of the end of the Option Term, such amounts have not been fully reimbursed to

Optionee or set off as provided above, any such shortfall shall be deemed a Shortfall Amount and shall be treated in the manner set forth in the Option Agreement.

## **SECTION 9. REPRESENTATIONS, WARRANTIES AND COVENANTS**

### **9.1 Representations and Warranties of Seller.**

Each of the SEA and the URA represents and warrants to Optionee as to itself, which representations and warranties are now and on each Closing Date shall be true and correct, as follows:

(a) Seller SEA is a public authority duly organized pursuant to the Sports and Exhibition Authority Act (16 Purdon's Statutes Section 5501-A, et seq.), and is validly existing under the laws of the Commonwealth of Pennsylvania.

(b) Seller URA is a redevelopment authority established and existing under the Urban Redevelopment Law (35 Purdon's Statutes Section 1701, et seq.), and is validly existing under the laws of the Commonwealth of Pennsylvania.

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

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

(e) As of the date of delivery of this Agreement, there is no litigation, at law or in equity, or any proceedings before any commission or other Governmental Authority, pending against either Seller or the Option Premises which could reasonably be expected to impair the ability of such Seller to consummate the transactions contemplated by this Agreement.

## 9.2 Representations and Warranties of Optionee.

Optionee hereby represents and warrants to each Seller, which representations and warranties are now and on each Closing Date shall be true and correct, as follows:

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

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

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

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

(e) Optionee has no further obligations to Seller with respect to the potential participation of PITG Gaming, LLC in the development rights associated with the Option Premises.

## 9.3 Taxes.

(a) It is the expectation of the parties that, from and after each Take Down, each Tract will be subject to real estate taxes, as further described in the applicable Disposition Contract. Neither Optionee, any Redeveloper nor any person or entity acquiring any interests in the Option Premises from or through Optionee or any Redeveloper will file for exemption from such real estate taxes for the period set forth in the Disposition Contract.

(b) If in any instance a Tract nevertheless becomes exempt from real estate taxes after the Take Down of such Tract and prior to the end of the period specified in the Disposition Contract, it is agreed that the Redeveloper or other owner or ground lessee shall pay to the affected taxing body, an annual payment equal to that which would have been due as real estate taxes had the property not been exempt. Such taxes shall be based on the assessed value of the land and all improvements constructed thereon. Optionee acknowledges that this provision will be set forth in the Closing Documents.

(c) Each Redeveloper that Takes Down a Tract will be responsible for the payment of all assessments and other charges which accrue with respect to a Tract after the Closing Date for such Tract, including, without limitation, all assessments and charges imposed in connection with roads, traffic signals, installation of sewer lines and sanitary and storm drainage systems.

#### 9.4 Indemnity.

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

(i) any claim by any person for Damages in connection with the violation of any Applicable Laws by Optionee or any of its members, officers, agents, assignees, representatives or contractors with respect to activities pursuant to or otherwise related to this Agreement prior to the Closing of a particular Tract; or

(ii) any claim of any third party arising in any manner out of or related to the Optionee's or any of its members', officers', agents', assignees, representatives' or contractors' activities pursuant to or otherwise related to this Agreement, other than any matter arising out of (x) a breach by the Seller-Indemnified Party of any Applicable Law, (y) the gross negligence or willful misconduct of the Seller-Indemnified Party, its employees, agents, representatives or contractors, except that this Section 9.4(a)(ii) shall not be applicable to Contamination which is subject to Section 4.3, or (z) matters relating to a Tract after the Take Down of such Tract; and

(iii) a breach of a representation by Optionee pursuant to Section 9.2.

(b) To the extent permitted by Applicable Laws and without causing the SEA or URA to waive its rights of sovereign immunity (it being understood that the SEA and URA do not hereby waive their rights of sovereign immunity, to the extent available), each of the SEA and the URA severally as to itself only indemnify, defend and hold harmless the Optionee and its respective members, officers, employees, attorneys and agents (collectively, the "**Optionee-Indemnified Parties**") for, and will pay the Optionee-Indemnified Parties the amount of Damages arising, directly or indirectly, from or in connection with the following as to itself only.

(i) any claim of a third party arising from Seller's breach of any Applicable Laws or the gross negligence or willful misconduct of Seller or its agents, representatives or contractors; and

(ii) Seller's breach of a representation pursuant to Section 9.1.

(c) In the event Optionee fails to pay any Seller-Indemnified Party any Damages for which Optionee is obligated under this Section 9.4, then Seller may, in addition to any other remedies at law and equity, reduce any Interim Deadline Liquidated Damages and Garage Liquidated Damages remaining available to Optionee by the amount of such unpaid Damages.

## SECTION 10. DEFAULT

### 10.1 Event of Default.

The occurrence of any to the following events shall, at the Non-Defaulting Party's option, constitute an event of default hereunder. For the avoidance of doubt, as used in this Section "**Non-Defaulting Party**" shall refer only to the Seller (for defaults by Optionee) or the Optionee (for defaults by Seller), as applicable.

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

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

(c) Optionee or Seller shall apply for or consent to the appointment of a receiver, trustee or conservator for any portion of its property or such appointment shall be made without its consent and shall not be removed within sixty (60) days following appointment or application;

(d) Default in the performance of any term, condition, covenant or agreement set forth in this Agreement which default continues for a period in excess of thirty (30) days (unless a greater or lesser period is specified herein) after written notice of the same to defaulting party; provided, that the failure by Optionee to meet an Interim Takedown Requirement as provided herein shall not constitute a default under this Agreement, and that the failure by Seller to perform a Public Development Obligation as provided herein shall not constitute a default under this Agreement;

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

(f) The assignment of this Agreement in violation of Section 11.6 hereof.

## 10.2 Seller Remedies.

(a) If Seller declares an event of default by Optionee under Section 10.1 above, Seller may (i) seek specific performance, injunctive or other equitable relief to the extent available (together with reasonable legal fees and costs in connection with pursuing specific performance if successful), or (ii) terminate this Agreement and retain any deposits previously collected; provided, however, that Seller also shall have the right to seek Damages or exercise any other remedy as may be available to Seller against a Redeveloper to the extent such Damages or other remedies are available under the Disposition Contract or any other applicable Closing Documents. Furthermore, Seller shall have the right to seek Damages against Optionee for a breach of Optionee's indemnities under this Agreement.

(b) Notwithstanding the foregoing, with respect to (i) the failure by Optionee to meet an Interim Take Down Requirement as provided for herein, Optionee's forfeiture of the Forfeited Revenues shall be the sole penalty to Optionee, and the sole remedy of Seller and (ii) the failure by Optionee to Take Down all of the Option Premises by the Termination Date (as extended hereby) as provided for herein, the Termination of this Agreement shall be the sole result of such failure.

## 10.3 Optionee Remedies.

(a) If Optionee declares an event of default by Seller, Optionee may (i) seek specific performance, injunctive or other equitable relief to the extent available (together with reasonable legal fees and costs in connection with pursuing specific performance if successful), or (ii) terminate this Agreement. These are the sole and exclusive remedies available to Optionee except as described in Section 10.3(b) below.

(b) Notwithstanding anything to the contrary contained herein, with respect to the failure by Seller to perform a Public Development Obligation, Optionee's receipt of Interim Deadline Liquidated Damages and/or Garage Liquidated Damages, as provided herein, and, if applicable, the amounts payable pursuant to Section 8.2(d) above, shall be the sole and exclusive remedies available to Optionee on account thereof.

## 10.4 Limitation of Damages.

In no event shall any party hereto or their successors or assigns be liable for incidental, punitive, consequential or exemplary Damages (including, without limitation, lost profits).

# **SECTION 11. MISCELLANEOUS**

## 11.1 Condemnation.

If during the Option Term any portion of the Option Premises with respect to which a Closing has not yet occurred is condemned or sold under threat of condemnation, or becomes the subject of a condemnation proceeding or notice of an intention to take, Seller shall give Optionee prompt written notice thereof and Optionee shall have the right to either:

(a) Terminate this Agreement as to the portion of the Option Premises so affected by notice to Seller given not more than thirty (30) days after Seller's notice to Optionee, in which case all compensation awarded for any taking of the Option Premises shall belong to Seller. In such case, such land shall no longer be considered part of the Option Premises; or

(b) Not terminate this Agreement with respect to the portion of Option Premises so affected, in which case compensation awarded for any taking of the Option Premises shall be paid to the Optionee. In such case, the portion of the Option Premises so affected shall count towards the applicable Take Down Increment.

#### 11.2 Recordation.

Optionee may record a short form or memorandum of this Agreement with the Real Estate Department of Allegheny County, Pennsylvania in the form attached hereto as **Exhibit O**. At the request of Optionee, Seller shall execute such short form agreement; provided, however, that such short form agreement shall be acceptable to Seller and Optionee. When recorded, such short form agreement shall supersede in all respects the Memorandum of Comprehensive Option Agreement dated as of September 18, 2014 by and between Optionee and Seller with respect to the Original Option Agreement and recorded in the Real Estate Department of Allegheny County, Pennsylvania on September 19, 2014 at Deed Book Volume 15740, page 117. Optionee shall do, make, execute and deliver all such additional and further acts and instruments as Seller may reasonably request to more completely vest in Seller its rights in the event of a termination of this Agreement or a portion of this Agreement

#### 11.3 Entire Agreement; Written Amendments Required.

This Agreement, together with exhibits and attachments hereto, contains the entire understanding of the parties and supersedes any prior or contemporaneous understanding and agreements among them regarding the subject matter of this Agreement, including but not limited to the Original Option Agreement and that certain Term Sheet dated November 16, 2017 by and between Optionee and Seller. The parties also intend that this Agreement be the complete, exclusive, and fully integrated statement of their understanding and may not be supplemented or interpreted by any evidence of course of dealing. This Agreement may be amended or modified only by a written instrument executed in the same manner as this Agreement.

#### 11.4 Expenses.

Except as otherwise provided herein, Optionee and Seller shall each pay its own costs and expenses in connection with this Agreement and the transactions contemplated hereby, including, but not limited to, the costs of their respective legal counsel, and neither Optionee nor Seller will have any obligation with respect to costs and expenses incurred by the other in connection herewith, except as may be otherwise provided in Section 3.2(a) hereof.

#### 11.5 Time of Essence.

Time is of the essence as to the time periods and obligations set forth in the following Sections of this Agreement: 1.3, 3.1(b), (c), (d), (e), 3.5, 5.7, 5.8, 6.1, 6.8(b), 10.1(d) and 11.8.

#### 11.6 Binding Effect; Successors and Assigns.

(a) This Agreement shall be binding on the parties hereto and upon their respective successors and assigns, and shall not be assignable by any party except as otherwise expressly permitted by this Agreement. Any assignment undertaken in violation hereof shall be null and void.

(b) Without Seller's prior written consent, Optionee shall not (i) assign or otherwise transfer its rights under this Agreement except as permitted by this Section 11.6, or (ii) make or permit the transfer of direct or indirect interests in Optionee if any such transfer of interests, or the collective result of all transfers, would result in a Change in Control of Optionee. For purposes of this Agreement, a "**Change in Control**" shall mean either that (i) fifty percent (50%) or more of the equity interests in the Optionee are held directly or indirectly by persons other than the owners of such equity interests on the date of this Agreement, or (ii) Optionee is no longer under common control with Operator. Notwithstanding the foregoing, Optionee may assign its rights under this Agreement if and to the extent that such assignment or transfer is made to the Team Affiliate or an Affiliate of the Team Affiliate (as each such term is defined in the Lease) that has been approved by the SEA pursuant to Section 6.1.3 of the Lease, provided that such request for consent shall clearly state that the request includes consent to the assignment of this Agreement as well.

(c) Optionee may (i) authorize a proposed Redeveloper to take on its behalf any actions expressly permitted by this Option Agreement, and (ii) immediately prior to any Take Down, assign its right and obligations with respect to the Take Down of specific Tract(s) to a proposed Redeveloper by an assignment in the form attached as **Exhibit T**, provided that any such authorization or assignment shall not convey or create any other rights or obligations under this Agreement, and a proposed Redeveloper shall not, by reason of such authorization or assignment or otherwise, have any rights, claims or causes of action against Seller except as may be provided in the Disposition Contract and the other Closing Documents.

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

#### 11.7 Survival.

All covenants of the parties hereunder shall survive each Closing. The indemnification obligations of the parties pursuant to Sections 9.4 and 11.19 hereof shall survive any Closing and any termination of this Agreement.

#### 11.8 Force Majeure.

In the event that Seller or Optionee shall be delayed or hindered in or prevented from doing or performing any act or thing required hereunder (other than payment of any sum due hereunder by Optionee or Seller or the obligation to Take Down Tracts during the Option Term as set forth in Section 3.1) by reason of civil commotion, war, sabotage, construction worker strikes not limited to the subject matter of this Agreement, terrorist act, unavoidable fire, flood, earthquake or other acts of God ("**Force Majeure**"), then such party shall not be liable or



responsible for any such delays, and the doing or performing of such act or thing shall be excused for the period of delay due to the Force Majeure. Provided, however, that the party seeking the benefit of this provision shall, within fifteen (15) days after the beginning of any such delay, have first notified the other party in writing of the cause(s) thereof and requested an extension, and further provided that the requesting party must diligently seek removal or avoidance of the hindrance. In no event shall any party's performance be excused for more than two (2) years for matters of Force Majeure.

#### 11.9 COAL NOTICE.

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

#### 11.10 Counterparts, Section Headings.

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

#### 11.11 Third Party Beneficiaries.

Nothing expressed or implied in this Agreement is intended or will be construed to confer upon or give any person other than the Seller and Optionee, including but not limited to any Redeveloper or proposed Redeveloper, rights or remedies under or by reason of this Agreement or any transaction contemplated hereby, and there are no intended third party beneficiaries hereof. Nothing express or implied in this Agreement is intended or will be construed to authorize anyone not a party to this Agreement to maintain any action pursuant to or based upon this Agreement.

#### 11.12 Waivers.

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

11.13 Applicable Law etc.

Any and all matters of dispute between the parties to this Agreement, whether arising from the Agreement itself or arising from alleged extra contractual matters occurring prior to, during, or subsequent to this Agreement, shall be governed by, construed, and enforced in accordance with the laws of the Commonwealth of Pennsylvania regardless of the legal theory upon which such matter is asserted. Each of the parties to this Agreement (i) agrees that any suit, action, or other legal proceeding arising here from shall be brought in the Court of Common Pleas of Allegheny County, Pennsylvania; (ii) consents to the jurisdiction of such court in any such suit, action or proceeding; and (iii) waives any objection which it may have to the laying of venue of such suit, action or proceeding in such court.

11.14 Notices.

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

Sports & Exhibition Authority of Pittsburgh  
and Allegheny County  
171 Tenth Street, 2<sup>nd</sup> Floor  
Pittsburgh, PA 15222  
Attention: Executive Director

*with a copy to:*

Cohen & Grigsby, PC  
625 Liberty Avenue  
Pittsburgh, PA 15222-3152  
Attention: William R. Taxay, Esq.

*and*

Urban Redevelopment Authority of Pittsburgh  
200 Ross Street  
Pittsburgh, PA 15219  
Attention: Executive Director

*with a copy to:*

Urban Redevelopment Authority of Pittsburgh  
200 Ross Street  
Pittsburgh, PA 15219  
Attention: General Counsel

and to Optionee as follows:

Pittsburgh Arena Real Estate Redevelopment LP  
PPG Paints Arena  
1001 Fifth Avenue  
Pittsburgh, PA 15219  
Attention: Chief Operating Officer

*with a copy to:*

Reed Smith LLP  
Reed Smith Centre  
225 Fifth Avenue  
Pittsburgh, PA 15222  
Attention: Dusty Elias Kirk, Esq.

*and, for notices under Section 3.2(b)(iv) hereof, with a copy to:*

Pittsburgh Arena Operating LP  
PPG Paints Arena  
1001 Fifth Avenue  
Pittsburgh, PA 15219  
Attention: Chief Operating Officer

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

11.15 Compliance with Laws.

Optionee and Seller shall fully obey and comply with all Applicable Laws relating to this Agreement and/or the Option Premises.

11.16 MBE/WBE Goals.

Optionee will make good faith efforts to meet or exceed Seller's goals for participation of minority business enterprises (MBE) and women business enterprises (WBE) in its activities under this Agreement.

11.17 Exhibits and Schedules.

The following exhibits and schedules (and all exhibits, schedules and addendum thereto) are attached to this Agreement and are deemed to be part of this Agreement. Seller will, upon request, consider a proposed Redeveloper's requests for modifications to the forms of documents attached hereto as Exhibits (**Exhibits D, E, F, H-2, H-3, I, J, L, M and N**) for the relevant Tract, but Seller is not obligated to make any modifications and may consider such requests in its absolute discretion. All references contained in this Agreement to exhibits and schedules shall be deemed to be references to the exhibits and schedules attached hereto, except to the extent that any such reference specifically refers to another document. Capitalized terms defined in the

body of this Agreement shall apply to the exhibits and schedules hereto, and capitalized terms defined in the exhibits and schedules shall apply to the body of this Agreement, unless the context otherwise indicates.

Schedule 1	-	Schedule of Definitions
Exhibit A	-	Civic Arena Site Description
Exhibit B	-	Melody Tent Site Description
Exhibit C	-	Map
Exhibit D	-	Form of Deed
Exhibit E	-	Terms of Ground Lease
Exhibit F	-	Form of License Agreement
Exhibit G	-	[Reserved]
Exhibit H-1	-	Letter of Intent
Exhibit H-2	-	Form of Take Down Notice
Exhibit H-3	-	Form of Disposition Contract
Exhibit H-4	-	Seller Approvals and Related Procedures
Exhibit H-5	-	Closing Documents
Exhibit I	-	Permitted Exceptions
Exhibit J	-	Form of Title Affidavit
Exhibit K	-	Seller Reports
Exhibit L	-	Form of Completion Guaranty
Exhibit M	-	Form of Indemnification Agreement
Exhibit N	-	Form of Environmental Agreement
Exhibit O	-	Form of Memorandum of Option Agreement
Exhibit P	-	MBE/WBE Program
Exhibit Q	-	Workforce Utilization Plan
Exhibit R	-	Sustainability Plan
Exhibit S	-	Economic Impact Reports
Exhibit T	-	Form of Partial Assignment and Assumption of Option Agreement
Exhibit U	-	Parking Information
Exhibit V	-	Form of Partial Release of Option

#### 11.18 Further Assurances.

Each party to this Agreement shall upon the request of any other party, execute and deliver such reasonable documents, instruments and assurances, in recordable form if so requested, as are requested by any other party.

#### 11.19 Brokers.

Seller and Optionee each warrant and represent to the other that neither has had any dealings with any broker, agent, or finder relating to the sale of the Option Premises or the transactions contemplated hereby, and each agrees to indemnify and hold the other harmless against any claim for brokerage commissions, compensation or fees by any broker, agent, or finder in connection with the sale or lease of the Option Premises or the transactions contemplated hereby resulting from the acts of the indemnifying party.

11.20 Relationship of Parties.

It is agreed that nothing contained in this Agreement shall be deemed or construed as creating a partnership or joint venture between the parties hereto, or between any of the parties hereto and any other party, or cause any party hereto to be responsible in any way for the debts or obligations of any other party.

11.21 Approvals.

The parties agree that any reviews, approvals or acceptances of Seller of any submissions made by Optionee are solely for its purposes and do not subject Seller to any liability with respect to the contents thereof.

11.22 Severability.

If any term or provision of this Agreement or the application thereof to any person or circumstance shall, to any extent be invalid or unenforceable, the remainder of the Agreement, or the application of such term or provision to persons or circumstances other than those as to which it was held invalid or unenforceable, shall not be affected thereby, and each term or provision of this Agreement shall be valid and enforceable to the fullest extent permitted by Applicable Law.

11.23 Discharge of Lemieux Group.

Seller hereby acknowledges and agrees that all Guaranteed Obligations of Lemieux Group (as defined in the Original Option Agreement) have been satisfied in full prior to the date of this Agreement. Accordingly, Lemieux Group is hereby released and discharged in full from the performance of any of the Guaranteed Obligations under the Original Option Agreement.

**[Remainder of this page left blank intentionally.]**

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

**SELLER:**

**SPORTS & EXHIBITION AUTHORITY OF PITTSBURGH AND ALLEGHENY COUNTY**, a public body, corporate and politic, organized and existing under the laws of the Commonwealth of Pennsylvania

By: Mary K Conturo  
Its: Exec Director

**URBAN REDEVELOPMENT AUTHORITY OF PITTSBURGH** a public body, corporate and politic, organized and existing under the laws of the Commonwealth of Pennsylvania

By: \_\_\_\_\_  
Its: \_\_\_\_\_

**OPTIONEE:**

**PITTSBURGH ARENA REAL ESTATE REDEVELOPMENT LP**, a Pennsylvania limited partnership

By: **Pittsburgh Arena Real Estate Redevelopment LLC**, a Pennsylvania limited liability company, its General Partner

By: \_\_\_\_\_  
Its: \_\_\_\_\_

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

**SELLER:**

**SPORTS & EXHIBITION AUTHORITY OF PITTSBURGH AND ALLEGHENY COUNTY**, a public body, corporate and politic, organized and existing under the laws of the Commonwealth of Pennsylvania

By: \_\_\_\_\_

Its: \_\_\_\_\_

**URBAN REDEVELOPMENT AUTHORITY OF PITTSBURGH** a public body, corporate and politic, organized and existing under the laws of the Commonwealth of Pennsylvania

By:  \_\_\_\_\_ *AK*

Its: Executive Director \_\_\_\_\_

**OPTIONEE:**

**PITTSBURGH ARENA REAL ESTATE REDEVELOPMENT LP**, a Pennsylvania limited partnership

By: **Pittsburgh Arena Real Estate Redevelopment LLC**, a Pennsylvania limited liability company, its General Partner

By: \_\_\_\_\_

Its: \_\_\_\_\_

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

**SELLER:**

**SPORTS & EXHIBITION AUTHORITY OF PITTSBURGH AND ALLEGHENY COUNTY**, a public body, corporate and politic, organized and existing under the laws of the Commonwealth of Pennsylvania

By: \_\_\_\_\_

Its: \_\_\_\_\_

**URBAN REDEVELOPMENT AUTHORITY OF PITTSBURGH** a public body, corporate and politic, organized and existing under the laws of the Commonwealth of Pennsylvania

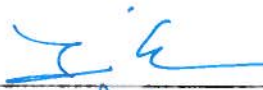
By: \_\_\_\_\_

Its: \_\_\_\_\_

**OPTIONEE:**

**PITTSBURGH ARENA REAL ESTATE REDEVELOPMENT LP**, a Pennsylvania limited partnership

**By: Pittsburgh Arena Real Estate Redevelopment LLC**, a Pennsylvania limited liability company, its General Partner

By:  \_\_\_\_\_  
Its: Chief Operating Officer



## EXHIBIT A

### CIVIC ARENA SITE DESCRIPTION

All those certain plots, pieces or parcels of land situate in the Second and Third Wards of the City of Pittsburgh, County of Allegheny and Commonwealth of Pennsylvania, bounded and described as follows:

#### Parcel One

Beginning at the point of intersection of the northerly line of Centre Avenue as now located and the easterly line of Crosstown Boulevard; thence along said easterly line of Crosstown Boulevard North  $23^{\circ} 10' 06''$  East a distance of 192.500 feet to a point; thence continuing along same North  $21^{\circ} 52' 53''$  East a distance of 114.207 feet to a point; thence along same North  $70^{\circ} 58' 55''$  East a distance of 3.859 feet to a point; thence along same North  $21^{\circ} 52' 53''$  East a distance of 3.748 feet to a point on the southerly line of Bedford Avenue; thence along said line North  $70^{\circ} 58' 55''$  East a distance of 37.903 feet to a point of curve; thence by an arc of a circle deflecting to the right, having a radius of 36.000 feet and a central angle of  $31^{\circ} 41' 00''$  for an arc distance of 19.907 feet to a point of tangent on the westerly line of Washington Place; thence along said line South  $21^{\circ} 04' 54''$  East a distance of 258.35 feet to a point of curve; thence by an arc of a circle deflecting to the right, having a radius of 26.000 feet and a central angle of  $47^{\circ} 57' 00''$  for an arc distance of 21.759 feet to a point of tangent on the northerly line of Centre Avenue; thence along said line South  $89^{\circ} 25' 06''$  West a distance of 71.042 feet to a point of curve; thence continuing along same by the arc of a circle deflecting to the left, having a radius of 847.500 feet and a central angle of  $12^{\circ} 49' 52''$  for an arc distance of 189.793 feet to a point of tangent; thence along same North  $66^{\circ} 49' 54''$  West a distance of 4.416 feet to the place of beginning.

Except, however, excluding the land referred to as Open Space "H" on the Lower Hill Planned Development District Subdivision Plan No.2 recorded at Plan Book Volume 295, page 61, re-recorded in Plan Book Volume 295, Page 101.

Containing 10,027 square feet.

Being a portion of Block 2-B, Lot 400 in the Deed Registry Office of Allegheny County.

#### Parcel Two

Beginning at a point in the northerly line of Centre-Wylie Avenue, said point being distant from the intersection of the existing north line of Centre Avenue and the east line of Crawford Street the following: South  $60^{\circ} 57' 33''$  West, 181.03 feet to a point; North  $29^{\circ} 02' 27''$  West, 8.00 feet to a point of curve in the northerly line of Centre-Wylie Avenue; and thence by the arc of a curve deflecting to the right, said curve having a radius of 744.00 feet and a tangent bearing of South  $60^{\circ} 57' 33''$  West, 231.59 feet to a point, said point being the place of beginning; thence continuing along the northerly line of Centre-Wylie Avenue by the arc of a curve deflecting to the right, said curve having a radius of 744.00 feet and a tangent bearing of South  $78^{\circ} 47' 37''$  West, at said point of beginning, 137.96 feet to a point of tangent; thence continuing along the northerly line of Centre-Wylie Avenue South  $89^{\circ} 26' 06''$  West, 1010.42 feet to a point in the easterly line of Washington Place; thence along the easterly line of Washington Place by the arc

of a curve deflecting to the right, said curve having a radius of 46.00 feet and a tangent bearing of North 41° 17' 15" West, 16.22 feet to a point of tangent; thence continuing along the easterly line of Washington Place North 21° 04' 54" West, 338.91 feet to a point; thence continuing along the easterly line of Washington Place North 68° 55' 06" East, 6.00 feet to a point; thence continuing along the easterly line of Washington Place by the arc of a curve deflecting to the right, said curve having a radius of 40.00 feet and a tangent bearing of North 21° 04' 54" West, 39.84 feet to a point of tangent in the southerly line of Bedford Avenue; thence continuing along the southerly line of Bedford Avenue North 35° 59' 28" East, 363.96 feet to a point of curve; thence continuing along the southerly line of Bedford Avenue by the arc of a curve deflecting to the right, said curve having a radius of 628.00 feet, 274.02 feet to a point of tangent; thence continuing along the southerly line of Bedford Avenue North 60° 59' 28" East, 347.29 feet to a point; thence South 28° 54' 20" East, 1,129.45 feet to the place of beginning.

Containing 807,441.08 square feet.

Being designated Block 2-C, Lot 400 in the Deed Registry Office of Allegheny County.

Being the same property conveyed to Public Auditorium Authority of Pittsburgh and Allegheny County by deed from Urban Redevelopment Authority of Pittsburgh, dated December 22, 1998 and recorded January 21, 1999 in Deed Book Volume 10386, page 379.

The said Public Auditorium Authority of Pittsburgh and Allegheny County changed its name to Sports & Exhibition Authority of Pittsburgh and Allegheny County, pursuant to Articles of Amendment filed with the Pennsylvania Department of State on November 24, 1999, notice of which was recorded February 22, 2000 in Deed Book Volume 10698, page 34.

## **EXHIBIT B**

### **MELODY TENT SITE DESCRIPTION**

All those certain plots, pieces or parcels of land situate in the Third Ward of the City of Pittsburgh, County of Allegheny and Commonwealth of Pennsylvania, bounded and described as follows:

Beginning at a point in the northerly line of Centre Avenue, said point being distant from the intersection of the north line of Centre Avenue and the east line of Crawford Street the following: South 60° 57' 33" West 181.03 feet to a point; North 29° 02' 27" West, 8.00 feet to a point of curve in the northerly line of said Centre Avenue; and thence by the arc of a curve to the right, said curve having a central angle of 17° 50' 04" from South 60° 57' 33" West, a radius of 744.00 feet, an arc length of 231.39 feet to a point, said point being the place of beginning; thence along the east line of property of the Urban Redevelopment Authority of Pittsburgh North 28° 54' 20" West 1129.45 feet to a point on the southerly line of Bedford Avenue; thence North 60° 59' 28" East, 324.96 feet along the said line of Bedford Avenue to a point of curve; thence by the arc of a curve to the right, said curve having a central angle of 90° 06' 12", a radius of 20.00 feet, an arc length of 31.45 feet to a point on the westerly line of Crawford Street as widened; thence along the westerly line of Crawford Street as widened South 28° 54' 20" East, 1125.02 feet to a point of a curve; thence by the arc of a curve to the right, said curve having a central angle of 89° 51' 53", a radius of 20.00 feet, an arc length of 31.37 feet to a point on the northerly side of Centre Avenue; thence along said northerly line South 60° 57' 33" West 97.10 feet to a point of curve; thence by the arc of a curve to the right, said curve having a central angle of 17° 50' 04" a radius of 744.00 feet, an arc length of 231.59 feet to the place of beginning.

Containing approximately 9.17 acres.

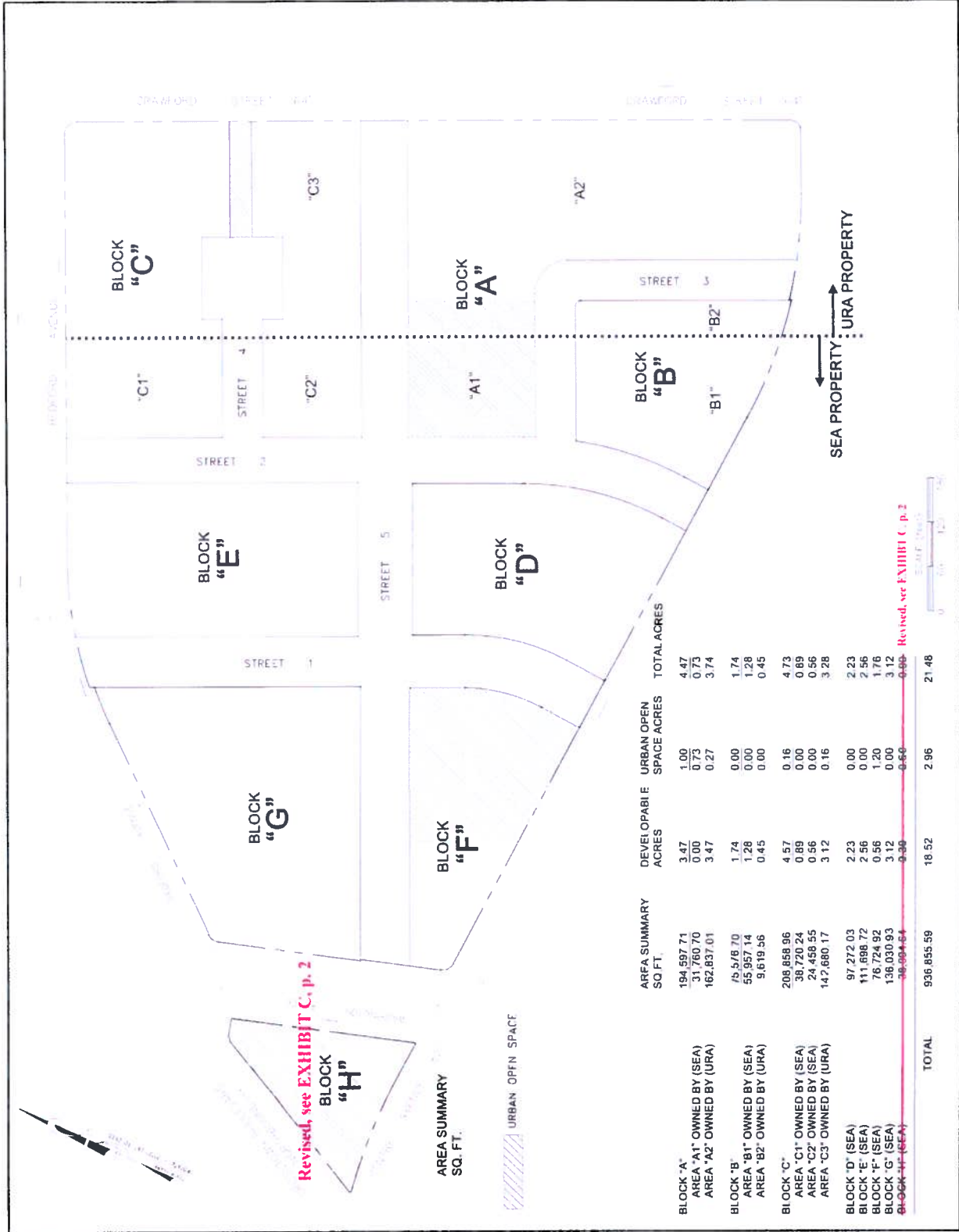
Being designated Block 2-C, Lot 300 in the Deed Registry Office of Allegheny County.

Also includes within its boundaries Block 2-C, Lot 382 and Block 2-C, Lot 383.

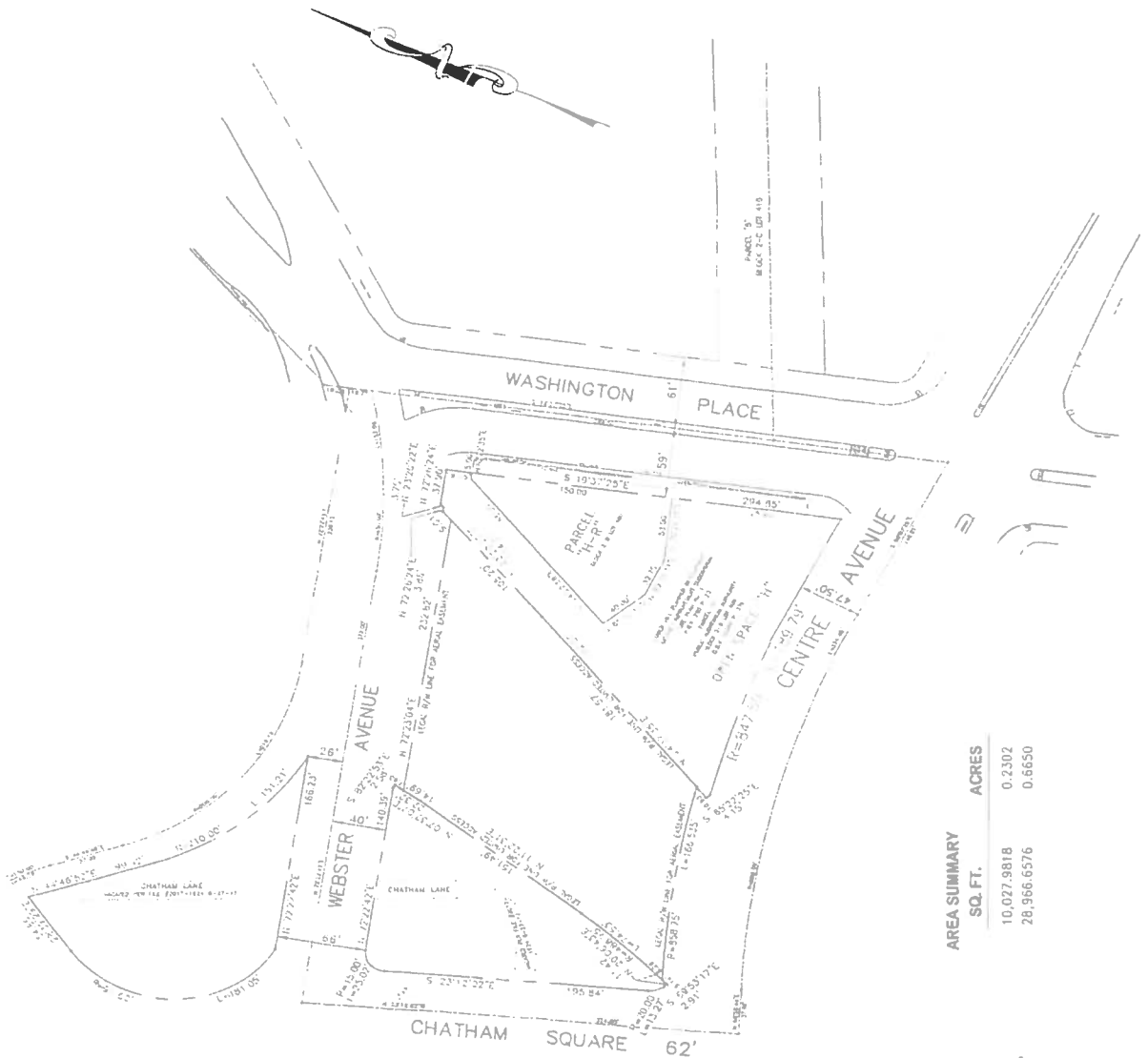
Being the same property conveyed to Urban Redevelopment Authority of Pittsburgh by various and sundry deeds of record.

# EXHIBIT C

## MAP



Block "H" - Revised



AREA SUMMARY	
SQ. FT.	ACRES
10,027,9818	0.2302
28,966.6576	0.6650

PARCEL "H-R"  
OPEN SPACE "H"

**EXHIBIT D**  
**FORM OF DEED**

After recording, return to:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**SPECIAL WARRANTY DEED**

MADE the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_

**BETWEEN**

**[SPORTS & EXHIBITION AUTHORITY OF PITTSBURGH AND ALLEGHENY COUNTY**, a public body, corporate and politic, organized and existing under the laws of the Commonwealth of Pennsylvania] or **[URBAN REDEVELOPMENT AUTHORITY OF PITTSBURGH**, a Redevelopment Authority established and existing under the Urban Redevelopment Law of the Commonwealth of Pennsylvania, Act of May 24, 1945, P.L. 991, as amended, for the City of Pittsburgh, County of Allegheny, Pennsylvania] (the "**Grantor**")

**AND**

\_\_\_\_\_, a \_\_\_\_\_, and having a mailing address at: \_\_\_\_\_ (the "**Grantee**")

**WITNESSETH**, that the said Grantor, in consideration of the sum of \_\_\_\_\_ AND 00/100 DOLLARS (\$ \_\_\_\_\_) (the "**Purchase Price**") in lawful money of the United States of America, to it paid by Grantee at or before the sealing and delivery of these presents, the receipt whereof is hereby acknowledged, does grant, bargain, sell and convey unto Grantee, its successors and assigns the property described in **Exhibit A** attached hereto and made a part hereof (hereinafter referred to as the "**Property**").

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

**UNDER AND SUBJECT** to (i) any state of facts an inspection or accurate survey might show; (ii) all matters of record, including the revesting remedies set forth in the Contract for Disposition recorded immediately prior to this Deed until a Certificate of Completion is issued by Grantor pursuant thereto; and (iii) the covenants running with the land (the "**Covenants Running with the Land**") set forth on **Exhibit B** attached hereto and made a part hereof.

**EXCEPTING AND RESERVING** for the benefit of Grantor and its successors and assigns, any and all right, title and interest in and to the coal, coalbed methane, oil, gas, other gaseous, liquid and solid hydrocarbons, oil shale and any and all other minerals within and underlying the Property and/or appurtenant thereto, and the right to investigate, explore, develop, extract, excavate, mine, remove, market, transport, ship and produce all such reserved interests. ; provided, however, that neither Grantor nor any assignee or successor of Grantor nor any of their respective lessees, licensees, permittees or agents (collectively, "Grantor Parties") may undertake surface operations on the Property pursuant to such exception and reservation. Such reservation shall not permit Grantor or any of the other Grantor Parties to remove the subsurface and lateral support necessary for development on or the subsequent use of the surface of the Property.

**TO HAVE AND TO HOLD** the same to and for the use of Grantee, its successors and assigns, forever, **EXCEPTING AND RESERVING** as aforesaid, and Grantor, for its successors and assigns, hereby covenants and agrees that it will **WARRANT SPECIALLY** the Property hereby conveyed.

**EXCEPT WITH RESPECT TO THE SPECIAL WARRANTY OF TITLE SET FORTH ABOVE IN THIS DEED, IT IS AGREED THAT THE PROPERTY SHALL BE AND IS CONVEYED BY GRANTOR AND ACCEPTED BY GRANTEE "AS IS" "WHERE IS" AND WITH ALL FAULTS AND THAT GRANTOR IS MAKING NO REPRESENTATIONS OR WARRANTIES REGARDING THE CONDITION OF THE PROPERTY.**

**GRANTEE, FOR ITSELF AND SUCCESSOR OWNERS, GROUND LESSEES AND LESSEES OF THE PROPERTY, HEREBY WAIVES, RELEASES, REMISES, ACQUITS AND FOREVER DISCHARGES GRANTOR, GRANTOR'S PREDECESSOR IN TITLE AND GRANTOR'S AGENTS OR ANY OTHER PERSONS ACTING ON BEHALF OF GRANTOR OF AND FROM ANY CLAIMS, CAUSES OF ACTION, ACTIONS, ASSESSMENTS, DEMANDS, RIGHTS, LIABILITIES, LOSSES, COSTS, DAMAGES, EXPENSES, DEFICIENCIES OR COMPENSATION WHATSOEVER, DIRECT OR INDIRECT, KNOWN OR UNKNOWN, FORESEEN OR UNFORESEEN, REGARDLESS OF WHETHER ANY ARISES BY VIRTUE OF COMMON LAW, ENVIRONMENTAL LAWS, OR ANY OTHER LAW, STATUTE, ORDINANCE, RULE, REGULATION OR OTHERWISE ASSOCIATED WITH THE CONDITION OF THE PROPERTY, THE PRESENCE OF REGULATED SUBSTANCES (AS DEFINED IN THE ENVIRONMENTAL AGREEMENT) ON, IN OR EMANATING TO OR FROM THE PROPERTY, THE COMPLIANCE OF THE PROPERTY WITH ANY PRIOR, CURRENT OR FUTURE LAWS OR ANY LAW, STATUTE, ORDINANCE, RULE OR REGULATION APPLICABLE THERETO, WHETHER FEDERAL, STATE OR LOCAL.**

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

**NOTICE THE UNDERSIGNED, AS EVIDENCED BY THE SIGNATURE(S) TO THIS NOTICE AND THE ACCEPTANCE AND RECORDING OF THIS DEED, (IS, ARE) FULLY COGNIZANT OF THE FACT THAT THE UNDERSIGNED MAY NOT BE OBTAINING THE RIGHT OF PROTECTION AGAINST SUBSIDENCE, AS TO THE PROPERTY HEREIN CONVEYED, RESULTING FROM COAL MINING OPERATIONS AND THAT THE PURCHASED PROPERTY, HEREIN CONVEYED, MAY BE PROTECTED FROM DAMAGE DUE TO MINE SUBSIDENCE BY A PRIVATE CONTRACT WITH THE OWNERS OF THE ECONOMIC INTEREST IN THE COAL. THIS NOTICE IS INSERTED HEREIN TO COMPLY WITH THE BITUMINOUS MINE SUBSIDENCE AND LAND CONSERVATION ACT OF 1966.**

**[GRANTEE]**

Name: \_\_\_\_\_

By: \_\_\_\_\_

Title: \_\_\_\_\_



[This Deed is made by virtue and in pursuance of a resolution duly adopted at a \_\_\_\_\_ meeting of the Members of the URA, duly called and held on \_\_\_\_\_, 20 \_\_, a full quorum being present, authorizing and directing the same to be made and done.]

**OR**

[This Deed is made under and by virtue of resolutions of the Board of the SEA duly passed at a regular meeting thereof, held on \_\_\_\_\_, 20 \_\_, a full quorum being present, authorizing and directing the same to be done.]

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

**Witness:**

\_\_\_\_\_

**GRANTOR:**

**[SPORTS & EXHIBITION AUTHORITY  
OF PITTSBURGH AND ALLEGHENY  
COUNTY] [URBAN REDEVELOPMENT  
AUTHORITY OF PITTSBURGH]**

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_



**EXHIBIT A**

**Legal Description of Property**

## **EXHIBIT B**

### **Covenants Running With the Land**

The Grantee and successor owners, ground lessees and lessees of the Property shall:

Devote the Property to, and only to, a use in accordance with the Zoning Code of the City of Pittsburgh, including without limitation any rights available thereunder, including the right to seek variance(s), special exception(s), and conditional use(s);

Not effect or execute any agreement, lease, conveyance, or other instrument whereby the Property or any part thereof is restricted upon the basis of race, color, religious creed, disability, ancestry, national origin, age or sex in the sale, lease, or occupancy thereof;

Not discriminate in the use, sale or lease of any or all of the Property or buildings or structures thereon against any person because of race, color, religious creed, disability, ancestry, national origin, age or sex; nor shall any person be deprived of the right to live on the Property or use any of the facilities thereon by reason of race, color, religious creed, disability, ancestry, national origin, age or sex;

Comply with all state, federal and local laws, in effect from time to time, prohibiting discrimination or segregation by reason of race, color, religious creed, disability, ancestry, national origin, age, or sex in the sale, lease, or occupancy of the Property;

Not permit any "Adult Entertainment Establishments," "Gambling Casinos" and "Gambling Establishments" on the Property ("Adult Entertainment Establishment" means any theater, magazine shop, bookstore or other establishment which at any time displays motion pictures, video tapes, books, magazines and/or forms of live entertainment of a Sexual nature or content, including, but not limited to, the display of any motion picture, video tape, book, magazine, dancing or any other form of live "entertainment" which is "X-rated"; has been judged to be pornographic or obscene, depicts any live or simulated sex act, or includes exposed male or female genitalia in an aroused state. Adult Entertainment Establishment shall not include; (i) a theatre exhibiting films rated under the rating system established by the Motion Picture Association of America as "R" or "NC-17", or any subsequently adopted ratings by the Motion Picture Association of America restricting or prohibiting admission to persons aged seventeen (17) and under; and (ii) bookstores, magazine stands and stores, and video tape stores in which materials which would otherwise be prohibited comprise no more than ten percent (10%) of the merchandise available for sale or rent in such establishments, including national chain bookstores acting in the normal course of their operation. "Gambling Casino" and "Gaming Establishment" means any building, room, place, or establishment licensed by the Commonwealth of Pennsylvania for wagering of any kind);

Not conduct activities on the Property at any time in violation of environmental laws, or which will result in the release, discharge, spill or migration of any hazardous or regulated substances onto any portion of the Property or any neighboring properties or into the atmosphere;

Comply with all obligations of an "Owner" as defined in that certain Declaration of Restrictive Covenants dated December 10, 2015 and recorded in the records of the Department of Real Estate of Allegheny County at Deed Book Volume 16218, page 453 (pertaining to the Lower Hill LERTA District and Owner Payments), which Declaration of Restrictive Covenants is hereby incorporated into this Deed by reference.

**[INSERT IF DEED IS FOR URBAN OPEN SPACE]** Develop, use and maintain the Property as urban open space, as described in the Zoning Code of the City of Pittsburgh. In particular and not in limitation of the Zoning Code or the Approved Development Plan (as defined in the Disposition Contract described below), this covenant requires: (i) that a majority of the Property shall be available for general public use without charge or purchase of any services which may be offered; (ii) that the Property shall be open without restriction to the general public at least during business hours normal to the area in which it is located and during period of heavy pedestrian movement in the area; and (iii) that the Property shall relate harmoniously with development on adjacent sites and contribute to the attractiveness and efficient functioning of the overall environment of the SP-11 District.

**[IF APPLICABLE] [INSERT IF DEED IS FOR A BLOCK WITH A PLDP - REQUIRED PEDESTRIAN EASEMENT]** Provide for no consideration [the easement set forth on Exhibit C to this Deed (for Block C only) and] pedestrian connections in the approximate locations shown on Exhibit C to this Deed (which may be along an alleyway, through a building and/or through a courtyard), which shall be (i) clearly visible from the street, (ii) marked by signage and lighting identifying the pedestrian route, (iii) designed and maintained by Grantee to ensure a safe and pleasant pedestrian experience, and (iv) open at all times;

If any public roadways are identified within the boundaries of the Property in the Site Improvement Subdivision Plan dated \_\_\_\_\_, and recorded \_\_\_\_\_, dedicate such roadways upon completion thereof to the applicable governing entity for no consideration;

Until a Certificate of Completion is issued by the Grantor pursuant to the Contract for Disposition of even date herewith by and between Grantor and Grantee and recorded immediately prior to this Deed (the "**Disposition Contract**"), be without power to sell, lease or otherwise transfer the Property or any part thereof (including by means of the sale or other transfer of direct or indirect ownership interests in Grantee), except in accordance with the Disposition Contract;

For a period of seven (7) years after issuance of the Certificate of Completion, continue to deliver to Seller annually each July 1, reports describing the economic impact of the development and operation of the Property.

For a period of twenty-five (25) years from the date of this Deed, devote the Property to a use in accordance with the terms and conditions of the Approved Development Plan;

For a period of twenty-five (25) years from the date of this Deed, make no changes (to include any further subdivision of the Property) in the improvements on the Property after the initial construction thereof which would constitute a Major Change in said improvements or in

the use of the Property (such as residential, office or hotel use), except with the written approval of the Grantor, which approval shall not be unreasonably withheld, conditioned or delayed. For purposes hereof, "Major Change" shall mean any material change in the nature or scope of the improvements, regardless of economic impact; provided that modifications to the interior of the improvements shall not constitute a Major Change unless they result from a change in the use of the Property;

For a period of twenty-five (25) years from the date of this Deed, comply with the regulations issued by the Secretary of Housing and Urban Development set forth in 24 CFR 35 and all applicable rules and orders issued thereunder which prohibit the use of lead-based paint in residential structures undergoing Federally-assisted construction or rehabilitation and require the elimination of lead-based paint hazards;

Until May 31, 2061, not file or seek any exemption from real estate taxes with respect to all or any portion of the Property; provided that, if in any instance prior to May 31, 2061 the Property nevertheless becomes exempt from real estate taxes during such period, the then-owner of the Property shall pay to the affected taxing body, an annual payment equal to that which would have been due as real estate taxes had the Property not been exempt, based upon the assessed fair market value of the land and all improvements constructed thereon; and

Until May 31, 2061, not use the Property for any surface parking except such incidental parking, if any, that may be permitted pursuant to Approved Development Plan (as defined in the Disposition Contract). In no event shall the Grantee permit public parking on the Tract after the date hereof (and if any public parking occurs, the Grantee shall turn over to the Grantor all parking revenues they or their agents, contractors and assigns receive).

**[IF APPLICABLE] [Insert any limitations or restrictions required by the terms and conditions of any Grants].**

The Grantee, for itself and its successors and assigns to or of the Property or any part thereof or any interests therein, and any party in possession or occupancy of the Property or any part thereof, further covenants and agrees that the aforesaid covenants shall be covenants running with the land, shall remain in effect without limitation as to time (except as otherwise explicitly set forth herein), and shall be enforceable in law, equity or other proper proceeding by the Grantor (without regard to whether the Grantor is or remains an owner of any land or interest therein), its successors and assigns, the City of Pittsburgh, or any successor in title to the Grantor against the Grantee, its successors and assigns to or of the Property or any part thereof or any interests therein, and any party in possession or occupancy of the Property or any part thereof.

**EXHIBIT C**

**[IF APPLICABLE] [INSERT IF DEED IS FOR A BLOCK WITH A PLDP - REQUIRED  
PEDESTRIAN EASEMENT]**

**Depiction of Easement and Pedestrian Pathway**

**EXHIBIT E**

**TERMS OF GROUND LEASE**

- Parties:** Seller will ground lease the Property only to an approved Redeveloper.
- General Provisions:** Except as otherwise described in this Exhibit E, the terms upon which Seller will ground lease the Property to a Redeveloper are the same as those governing a sale of the Property, including covenants and restrictions set forth on Exhibit B to the form of Deed attached to the Option Agreement as Exhibit D (and all such terms, covenants and restrictions shall be incorporated in the Ground Lease).
- Term:** Initial term of \_\_\_\_\_ years, with renewal periods as described below:  
\_\_\_\_\_.
- Rent:** During the initial term and any renewal period hereto, ground rent (“**Rental**”) will be equal to \$10.00 per annum.
- Title to Improvements:** Subject to any re-vesting rights of Seller upon circumstances described in the Disposition Contract, title to Improvements on the Property shall be vested in Redeveloper for the lease term.
- Assignment:** Until issuance of a Certificate of Completion, Redeveloper will have no right to assign, sublease or otherwise transfer the Ground Lease or the Project (including by means of the transfer of direct or indirect ownership interest in Redeveloper).
- Maintenance and Repair:** Redeveloper will be responsible for the maintenance and repair of the Property and Improvements.
- Real Estate Taxes  
And Other Charges:** Redeveloper will be responsible for all real estate taxes and other charges.
- Utilities:** Redeveloper will be responsible for all utilities consumed at the Property and Improvements.
- Leasehold Financing** The Ground Lease will permit leasehold financing and contain standard leasehold mortgagee protection provisions consistent with the Option Agreement and Disposition Contract.



**Reversion:**

Seller will retain such reversion rights as are set forth in the Disposition Contract. In the event such rights are exercised, the Ground Lease shall terminate.

**EXHIBIT F**

**FORM OF LICENSE AGREEMENT**

**LICENSE AGREEMENT**

**THIS LICENSE AGREEMENT (this "Agreement") is made and entered into this \_\_\_ day of \_\_\_\_\_, 20\_\_\_, by and between the [URBAN REDEVELOPMENT AUTHORITY OF PITTSBURGH a Redevelopment Authority established and existing under the Urban Redevelopment Law of the Commonwealth of Pennsylvania, 35 P.S. §1701 et. seq.] [SPORTS & EXHIBITION AUTHORITY OF PITTSBURGH AND ALLEGHENY COUNTY, an Authority established and existing under the Sports & Exhibition Authority Act of the Commonwealth of Pennsylvania, 16 P.S. §5502-A et seq.] ("Licensor"), \_\_\_\_\_, a \_\_\_\_\_ ("Licensee") and \_\_\_\_\_ ("Guarantor").**

1. **Parties and Interests.** Licensor owns certain pieces or parcels of real property situated in Pittsburgh, Pennsylvania as more particularly described on **Exhibit A** attached to and made a part of this Agreement (the "**Property**"). Pursuant to that certain Comprehensive Option Agreement (the "**Option Agreement**") between the Licensor and Pittsburgh Arena Real Estate Redevelopment LP (the "**Optionee**"), Optionee has been granted the option to purchase or ground lease the Property. Licensee was designated by Optionee as the proposed Redeveloper (as defined in the Option Agreement) for the portion of the Property described on **Exhibit B** attached hereto and made part of this Agreement (the "**Tract**"). Licensor has required that Guarantor also enter into this Agreement and to be jointly and severally liable with Licensee hereunder.

2. **Grant of License.** Licensor hereby grants to Licensee a license (the "**License**"), subject to the terms and conditions set forth in this Agreement, to enter upon the Tract for the purposes set forth below.

3. **License Period.** The period of the License shall commence on the date of execution hereof and shall expire on \_\_\_\_\_, 20\_\_ [specify date that is end of Option Period]; provided that the License shall terminate automatically (i) in the event Optionee notifies Licensor that Licensee is no longer the proposed Redeveloper for the Tract, or (ii) as otherwise provided herein.

4. **Purpose of License.** The purpose of the License shall be for Licensee and its agents, employees and contractors (all such persons including Licensee, being herein called "**Licensee Parties**"), to enter upon the Tract at all reasonable times for the purpose of conducting the following investigations thereof to determine the suitability of the Tract for development:

\_\_\_\_\_. (If Licensee intends to undertake any investigation of the environmental condition of the Tract, it will do so only after a Letter of Intent (as defined in the Option Agreement) for the Tract has been submitted.) Subject to the foregoing and to the other terms of this Agreement, Licensee shall have the right to make or cause to be made any examinations, tests, studies and the like which it deems relevant, including, without limitation, soil and sub-soil tests, environmental tests, topographical studies,

traffic studies, market surveys, analysis of storm water run-off and the like. The cost of all of such work shall be the sole responsibility of Licensee. As a condition to the License, Licensee agrees to deliver to Licensor copies of all reports, studies and tests and any other materials relative to Licensee's investigations of the Tract.

5. Undertaking Work or Activities.

(a) Licensee acknowledges that Pittsburgh Arena Operating LP ("**Operator**") may operate parking facilities on the Tract and other portions of the Property. Accordingly, Licensor and Operator shall be given at least seven (7) days' advance notice of any activities Licensee or any other Licensee Party intends to undertake on the Tract. To the extent the schedule or the activity is objected to by Licensor or Operator (with respect to Property that Operator then operates on), the activity shall be modified and/or rescheduled to a mutually acceptable scope and time. Licensor and Operator (with respect to Property that Operator then operates on) shall have the right to have one or more representatives present at all times when such work or activities occur.

(b) Licensee should take all actions and implement all protections necessary to ensure that actions taken under this Agreement, and equipment, materials, and substances generated, used or brought onto the Tract by Licensee Parties pose no threat to the safety or health of persons or the environment, and cause no damage to any person. Licensee is aware of the condition of the Tract and accepts access to the Tract in its present condition "as is."

(c) In the event that any damage shall occur to the Tract, the Property or any improvements thereon as a result of any Licensee Party activities, Licensee shall repair and replace the same substantially to its condition prior to such activities being undertaken. Upon the expiration or termination of the License as set forth herein, Licensee shall: (i) no longer have the right to access the Tract, (ii) remove from the Tract any and all equipment or other personal property placed thereon during the period of the License, as well as all trash and debris and (iii) deliver to Licensor the Tract in substantially the same condition as it was prior to the execution of this Agreement. The provisions of this section shall survive termination of this Agreement.

6. Insurance. Licensee will secure, pay for and maintain or cause other Licensee Parties to secure and maintain the following insurance during the continuance of any Licensee Party activities on the Tract: (a) worker's compensation and employer's liability insurance meeting statutory requirements, (b) comprehensive general liability insurance, and (c) comprehensive automobile liability insurance. All policies (except the worker's compensation policy) shall be endorsed to include Licensor, Optionee and Operator as additional insureds. All policies shall be occurrence based policies. The insurance policy endorsements shall also provide that additional insureds be given thirty (30) days' prior written notice of any reduction, cancellation or non-renewal of coverage and shall provide that the insurance coverage afforded to Licensor, Optionee and Operator thereunder shall be primary to any insurance carried independently by such parties. Additionally, where applicable, each policy shall contain contractual indemnity endorsements and severability of interest clause. All insurance carriers hereunder shall be rated at least A- and X in Best's Insurance Guide. Coverage amounts and other terms of Licensee's insurance coverage shall be reasonably satisfactory to Licensor. Certificates for all such insurance shall be delivered to Licensor before any activity is commenced or any equipment of any of a Licensee Party is moved on to the Tract.

7. Indemnity. Licensee and Guarantor each hereby agrees that all Licensee Parties shall enter upon the Tract or any other portion of the Property at their sole risk and Licensee and Guarantor shall indemnify, defend and hold harmless Licensor, the City of Pittsburgh, the County of Allegheny, Optionee, and Operator, and their respective employees, officers, directors, elected officials, representatives, agents, attorneys, accountants, consultants, successors or assigns (collectively, the "**Indemnified Parties**") from any claims, demands, liabilities, damages, costs and expenses, including reasonable attorneys' fees and costs, for personal injury or property damage incurred by reason of, or arising out of, (i) any entry upon or activities undertaken upon the Tract or the Property by any Licensee Party, and (ii) any breach by any Licensee Party of the terms of this Agreement. The provisions of this section shall survive any Closing (as defined in the Option Agreement), termination of the Option Agreement or termination of this Agreement.

8. Personal Property. Licensee acknowledges and agrees that none of Licensor, Optionee or Operator shall have any obligation or liability to insure, secure or protect the personal property, if any, of Licensee Parties. Risk of loss of any such personal property shall be borne solely by Licensee Parties. Licensee hereby releases the Indemnified Parties from any and all claims, demands, liabilities, damages, costs and expenses relating to or arising in connection with any such property of Licensee Parties.

9. Confidentiality. Licensee shall treat all information obtained by Licensee Parties pursuant to this Agreement as strictly confidential, except that Licensee may provide such information to its lender and other Licensee Parties, all subject to this confidentiality paragraph to which such parties shall agree to be bound. This section, shall survive any Closing, termination of the Option Agreement and termination of this Agreement.

10. Non-Exclusive. The License is non-exclusive, and Licensor, Optionee and Operator reserve the privilege of coming upon the Tract for any lawful purpose. This License is expressly subject to the rights of Operator pursuant to any agreement with Licensor.

11. Applicable Laws, Ordinances, Etc. Licensee agrees to perform and comply with all Applicable Laws (as defined in the Option Agreement) and further agrees not to undertake activities or permit any Licensee Parties to do so for any purpose or use not permitted by this Agreement or in violation of any Applicable Law.

12. Event of Default. If Licensee fails in the performance of, or compliance with, any of the covenants, agreements, terms or conditions contained in this Agreement, and such failure continues for a period of five (5) days after written notice thereof from Licensor to Licensee (an "**Event of Default**"), then, in addition to all other remedies available to Licensor at law and equity, Licensor may at any time thereafter give written notice to Licensee, specifying such Event of Default and stating that this Agreement is terminated on the date specified in such notice, which must be at least five (5) days after such notice of termination is given, and upon such date specified in such notice of termination, the License granted by this Agreement will expire and terminate.

13. Notices. Any notices or other communications, which may be permitted or required under this Agreement shall be in writing and shall for all purposes be deemed dated, effective and received on the next business day after the delivery thereof to a national overnight

courier service, or on the second business day after the mailing thereof, or if personally delivered, upon the receipt thereof. All notices shall be hand delivered, delivered by overnight courier service or mailed through the United States Postal Service, postage prepaid, certified mail, return receipt requested, and addressed to Licensor as follows:

[Sports & Exhibition Authority of Pittsburgh  
and Allegheny County  
171 Tenth Street, 2nd Floor  
Pittsburgh, PA 15222  
Attention: Executive Director

*with a copy to:*

Cohen & Grigsby, PC  
625 Liberty Avenue  
Pittsburgh, PA 15222-3152  
Attention: William R. Taxay, Esq.

*Or]*

[Urban Redevelopment Authority of Pittsburgh  
200 Ross Street  
Pittsburgh, PA 15219  
Attention: Executive Director

*with a copy to:*

Urban Redevelopment Authority of Pittsburgh  
200 Ross Street  
Pittsburgh, PA 15219  
Attention: General Counsel]

*and to Licensee as follows:*

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
Attention: \_\_\_\_\_

*with a copy to:*

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

To the extent any notices hereunder are required to be provided to Operator, such notices shall be directed to:

Pittsburgh Arena Operating LP  
PPG Paints Arena  
1001 Fifth Avenue  
Pittsburgh, PA 15219  
Attention: Chief Operating Officer

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

14. **CONFESSION OF JUDGMENT.** UPON BREACH OF ANY OF THE CONDITIONS OF THIS AGREEMENT BY LICENSEE, OR IN THE EVENT THAT LICENSEE FAILS TO SURRENDER POSSESSION OF THE PROPERTY AT THE EXPIRATION OR TERMINATION OF THE LICENSE, LICENSEE HEREBY AUTHORIZES AND EMPOWERS ANY ATTORNEY OF ANY COURT OF RECORD IN THE COMMONWEALTH OF PENNSYLVANIA, AS ATTORNEY FOR LICENSEE, AS WELL AS FOR ALL PERSONS CLAIMING UNDER, BY OR THROUGH LICENSEE, TO SIGN AN AGREEMENT FOR THE ENTERING IN ANY COMPETENT COURT OF AN ACTION IN EJECTMENT FOR THE POSSESSION OF THE TRACT, AGAINST LICENSEE AND ALL PERSONS CLAIMING UNDER, BY, OR THROUGH LICENSEE, AND THEREIN TO CONFESS JUDGMENT FOR THE RECOVERY OF SUCH POSSESSION BY LICENSOR, FOR WHICH THIS AGREEMENT, OR A COPY THEREOF VERIFIED BY AFFIDAVIT, SHALL BE SUFFICIENT WARRANT; WHEREUPON, IF LICENSOR SO DESIRES, A WRIT OF POSSESSION MAY BE ISSUED FORTHWITH ON SAID JUDGMENT, WITHOUT ANY PRIOR WRIT OR PROCEEDING WHATSOEVER, LICENSEE HEREBY RELEASING LICENSOR FROM ALL DEFECTS WHATSOEVER IN SAID PROCEEDINGS.

LICENSEE ACKNOWLEDGES THAT IT HAS BEEN REPRESENTED BY INDEPENDENT LEGAL COUNSEL WITH RESPECT TO THIS AGREEMENT AND LICENSEE HEREBY EXPRESSLY WAIVES ITS RIGHT TO NOTICE AND HEARING WITH RESPECT TO THE CONFESSION OF JUDGMENT PROVISIONS SET FORTH IN THIS SECTION.

15. **WAIVER OF JURY TRIAL.** EACH OF THE PARTIES HERETO HEREBY WAIVES ITS RIGHT TO A JURY TRIAL IN CONNECTION WITH ANY LITIGATION UNDER THIS AGREEMENT.

16. **Third Party Beneficiaries.** Each of the Indemnified Parties is a third party beneficiary hereof.

17. **Entire Agreement; Amendments.** This Agreement contains the entire understanding of the parties and supersedes any prior or contemporaneous understanding and agreements among them regarding the subject matter of this Agreement. This Agreement may be amended or modified only by a written instrument executed in the same manner as this Agreement.

18. **Assignment.** This Agreement shall be binding on the parties hereto and upon their respective successors and assigns, provided that Licensee and Guarantor may not assign or

transfer their rights hereunder. Licensor may assign or transfer its rights hereunder to any successor public agency. Any assignment undertaken in violation hereof shall be null and void.

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

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

21. Governing Law; Jurisdiction. Any and all matters of dispute between the parties to this Agreement, whether arising from the Agreement itself or arising from alleged extra contractual matters occurring prior to, during, or subsequent to this Agreement, shall be governed by, construed, and enforced in accordance with the laws of the Commonwealth of Pennsylvania regardless of the legal theory upon which such matter is asserted. Each of the parties to this Agreement (i) agrees that any suit, action, or other legal proceeding arising here from shall be brought in the Court of Common Pleas of Allegheny County, Pennsylvania; (ii) consents to the jurisdiction of such court in any such suit, action or proceeding; and (iii) waives any objection which it may have to the laying of venue of such suit, action or proceeding in such court.

22. Joint and Several Obligations. Licensee and Guarantor are jointly and severally liable hereunder. Licensee and Guarantor are primarily liable for all obligations hereunder, and the Indemnified Parties shall have no obligation to proceed first or exhaust remedies against Licensee before proceeding against Guarantor.

23. Savings Clause. If any term or provision of this Agreement or the application thereof to any person or circumstance shall, to any extent be invalid or unenforceable, the remainder of the Agreement, or the application of such term or provision to persons or circumstances other than those as to which it was held invalid or unenforceable, shall not be affected thereby, and each term or provision of this Agreement shall be valid and enforceable to the fullest extent permitted by Applicable Law.

[Signature Pages Follow]

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

**LICENSOR:**

**[SPORTS & EXHIBITION AUTHORITY OF PITTSBURGH AND ALLEGHENY COUNTY**, a public body, corporate and politic, organized and existing under the laws of the Commonwealth of Pennsylvania

By: \_\_\_\_\_

Its: \_\_\_\_\_

Or

**[URBAN REDEVELOPMENT AUTHORITY OF PITTSBURGH** a public body, corporate and politic, organized and existing under the laws of the Commonwealth of Pennsylvania

By: \_\_\_\_\_

Its: \_\_\_\_\_ ]

**LICENSEE:**

\_\_\_\_\_

By: \_\_\_\_\_

Its: \_\_\_\_\_



**GUARANTOR:**

\_\_\_\_\_

By: \_\_\_\_\_

Its: \_\_\_\_\_

Optionee and Operator hereby consent to this Agreement, and agree that (A) Authority shall have no liability for any claims, demands, liabilities, damages, costs and expenses for personal injury or property damage incurred by reason of, or arising out of (i) any entry upon or activities undertaken upon the Tract or the Property by any Licensee Party, and (ii) any breach by any Licensee Party of the terms of this Agreement, and Optionee and Operator shall look solely to Licensee and Guarantor for satisfaction of all such claims and other matters; and (B) this Agreement and the grant of the License shall not constitute a breach of Authority's obligations under the Option Agreement or any parking or other contract.

**OPTIONEE:**

**PITTSBURGH ARENA REAL ESTATE  
REDEVELOPMENT LP**, a Pennsylvania limited  
partnership

**By: Pittsburgh Arena Real Estate  
Redevelopment LLC**, a Pennsylvania  
limited liability company, its General  
Partner

By: \_\_\_\_\_

Its: \_\_\_\_\_

**OPERATOR:**

**PITTSBURGH ARENA OPERATING LP**, a  
Pennsylvania limited partnership

**By: Pittsburgh Arena Operating LLC**, a  
Pennsylvania limited liability company, its  
General Partner

By: \_\_\_\_\_

Its: \_\_\_\_\_

**EXHIBIT G**

**[RESERVED]**

**EXHIBIT H-1**

**FORM OF LETTER OF INTENT**

- OPTIONEE LETTERHEAD -

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

Sports & Exhibition Authority of Pittsburgh and Allegheny County  
171 10<sup>th</sup> Street, 2<sup>nd</sup> Floor  
Pittsburgh, PA 15222  
ATTN: Executive Director

**[Urban Redevelopment Authority of Pittsburgh  
200 Ross Street  
Pittsburgh, PA 15219  
ATTN: Executive Director] – IF FOR A MELODY TENT PARCEL; IF NOT, THE URA  
SHOULD BE CC'D**

**Re: Letter of Intent # \_\_\_\_\_  
Lower Hill Redevelopment Site**

Dear \_\_\_\_\_:

This letter ("**Letter of Intent**") is issued by Pittsburgh Arena Real Estate Redevelopment LP ("**Optionee**") pursuant to the Amended and Restated Comprehensive Option Agreement, dated June \_\_\_, 2018 (as amended from time to time, the "**Option Agreement**") among the Sports & Exhibition Authority of Pittsburgh and Allegheny County, the Urban Redevelopment Authority of Pittsburgh (collectively, "**Seller**") and the Optionee, and confirms the intent of Optionee to take down for redevelopment a parcel of property containing approximately \_\_\_ acres as depicted in the attachments to this letter ("**Take Down Tract**"). The Take Down Tract that is the subject hereof may sometime be referenced as Take Down Tract # \_\_\_\_.

Optionee intends that the Take Down will be undertaken by \_\_\_\_\_ (the "**Proposed Redeveloper**") and Optionee hereby requests that the Proposed Redeveloper be approved by Seller as the Redeveloper for the Property.

**[Enclosed is a certified check] [A wire transfer has been made to you]** for the required non-refundable Proposal Fee in the amount of \$5,000 per Take Down Tract constituting a single development project. In order to initiate a preliminary review of the proposed development, also enclosed is the information required by **Exhibit A** attached hereto. In addition, a Proposed Redeveloper's Statement of Public Disclosure in the form attached as **Addendum A** is enclosed for the Proposed Redeveloper.

Capitalized terms used and not defined in this letter have the meaning given such terms in the Option Agreement.

Sincerely,

**Pittsburgh Arena Real Estate Redevelopment LP**

**By: Pittsburgh Arena Real Estate Redevelopment  
LLC, its general partner**

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

**EXHIBIT A**  
**REQUIRED INFORMATION INCLUDED WITH LETTER OF INTENT**

(Information provided shall be the most complete and accurate available at the time, and shall be updated, revised or modified, as applicable, until Closing)

1. a narrative (the "Narrative") that describes: (i) the proposed use of the Take Down Tract, construction design, materials and anticipated schedule; (ii) how the proposal relates to proposed and previous development of other portions of the Option Premises; (iii) what the current plan is for the remaining parcels; (iv) how the proposal complies with the PLDP; (v) how the proposal furthers the goals of creating high quality, mixed use, sustainable development and promotes "green" values; (vi) how the proposal establishes a renewed connection between Downtown Pittsburgh and the Greater Hill District; (vii) how the proposal creates a balance between density and use consistent with an urban environment; and (viii) how the proposal includes or promotes cultural legacy of the Greater Hill District. The Narrative should also discuss the obligations for development of Urban Open Space in connection with such proposal and describe how these will be timely achieved and describe any other special issues that may require additional review and approval from the relevant authority board or City of Pittsburgh Department of Planning.
2. information regarding the Proposed Redeveloper (the information required pursuant to Section 1.4(a) of the Option Agreement, together with a Statement for Public Disclosure in the form attached to this Letter of Intent as **Addendum A**)
3. a proposed timeline related to the Take Down Tract (from Letter of Intent to proposed Certificate of Completion); any discrepancies between such proposed timeline and the sample take down outline in Exhibit H-4 to the Option Agreement are specified in such proposed timeline.
4. parcel/property identification
5. identify whether purchase or ground lease
6. gross site area
7. usable site area
8. site plan
9. floor plans
10. zoning: permitted uses, restrictions and requirements
11. Conceptual Land Development Plan, consistent with the PLDP, the Zoning Text Amendment and the Development Standard; any provisions of the Conceptual Land Development Plan which may be inconsistent with the PLDP or the Zoning Text Amendment such that variances from the City Zoning Board of Adjustment shall be necessary are specified in such Conceptual Land Development Plan
12. project size (rentable square feet/units/rooms) (total and by use)
13. number of stories
14. proposed parking needs
15. proposed pedestrian connection(s)
16. type and quality of construction
17. preliminary project budget, including proposed sources of funds
18. if hotel: franchise and type of hotel (luxury, boutique, full-service, select service, extended stay)
19. if residential: unit mix and type of residential (market, senior, student, affordable, rental, etc.) square footage of dwelling unit; construction and operating (if to be rented) cost per dwelling unit; estimate of average monthly rental (if to be rented) or average sale price (if to be sold) for each type and size of dwelling unit; note whether utilities and parking are included in the rental, note whether equipment, such as refrigerators, washing machines, air conditioners, if any are included in the rental/sale price
20. if office: specify type (general, corporate HQ, back-office, R&D, single tenant, multi-tenant)

21. if retail: specify type (restaurant, entertainment, national, local)
22. special design/development factors
23. information with respect to signage and naming and/or sponsorship rights
24. acknowledgement of Closing costs as described in Exhibit B to Take Down Notice
25. issues identified by Optionee or a Redeveloper relating to a Public Development Obligation which, if not performed as provided in the Option Agreement, could result in a Public Development Delay pursuant to Sections 8.2(a) and (b) of the Option Agreement.

**ADDENDUM A**

Proposed Redeveloper's Statement for Public Disclosure

**If space on this form is inadequate for any requested information, please furnish such information on an attached page and clearly reference the appropriate numbered item on the form.**

**A. PROPOSED REDEVELOPER AND LAND**

1. Redeveloper's Name and Address

Name: \_\_\_\_\_

Address: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

2. If proposed Redeveloper is an individual doing business under his own name, give Social Security Number(s): \_\_\_\_\_

\_\_\_\_\_

3. If proposed Redeveloper is not an individual doing business under his own name, the proposed Redeveloper has the status indicated below and is organized or operating under the laws of: \_\_\_\_\_

- \_\_\_\_\_ A corporation
- \_\_\_\_\_ A nonprofit or charitable institution or corporation
- \_\_\_\_\_ A partnership
- \_\_\_\_\_ A business association or joint venture
- \_\_\_\_\_ A limited liability company
- \_\_\_\_\_ A Federal, State or local government or instrumentality
- \_\_\_\_\_ Other (explain)

*(Example: A Partnership organized under the laws of the Commonwealth of Pennsylvania).*

4. If proposed Redeveloper is not an individual or a government or instrumentality, give date of organization and EIN number: \_\_\_\_\_

\_\_\_\_\_

If proposed Redeveloper is required to file periodic reports with the Federal Securities and Exchange Commission under Section 13 of the Securities Exchange Act of 1934, so state under this Item 4. In such case, the information referred to in this Item 4 and in Items 5 and 6 is not



required to be furnished.

5. The names, address, title of position (if any), and nature and extent of the interest of the officers and principal members, shareholders, equity interest holders, and investors of Redeveloper are set forth below as follows:

- a. If proposed Redeveloper is a corporation, the officers, directors, or trustees, and each stockholder or equity owner owning more than 10% of any class of stock.
- b. If proposed Redeveloper is a nonprofit or charitable institution or corporation, the members who constitute the board of trustees or board of directors or similar governing body.
- c. If proposed Redeveloper is a partnership, each partner, whether a general or limited partner, and either the percent of interest or a description of the character and extent of interest.
- d. If proposed Redeveloper is a business association (such as a limited liability company) or a joint venture, each participant and either the percent of interest or a description of the character and extent of interest.
- e. If proposed Redeveloper is some other entity, the officers, the members of the governing body, and each person having an interest of more than 10%.

Name and Home Address	Position, Title (if any) and % of Interest, or Description of Character and Extent of Interest	Social Security Number/ EIN Number
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

6. Name, address, nature and extent of interest of each person or entity (not named in response to Item 6) who has a beneficial interest in any of the shareholders or investors named in response to Item 5 which gives such person or entity more than a direct or indirect 10% interest in proposed Redeveloper (for example, more than 20% of the stock in a corporation which holds 50% of the stock of proposed Redeveloper; or more than 50% of the stock in a corporation which holds 20% of the stock of the proposed Redeveloper).

**Name and Address**

**Description of Character and Extent of Interest**

_____	_____
_____	_____
_____	_____
_____	_____

7. Names (if not given above) of officers and directors or trustees of any corporation or firm listed under Item 5 or Item 6:

\_\_\_\_\_

—

\_\_\_\_\_

—

**CERTIFICATION**

I (We) \* \_\_\_\_\_ certify that this Proposed Redeveloper Statement for Public Disclosure is true and correct to the best of my (our) knowledge and belief.

Dated: \_\_\_\_\_

Dated: \_\_\_\_\_

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Title

\_\_\_\_\_  
Title

\* If the proposed Redeveloper is an individual, this statement should be signed by such individual; if a partnership, by one of the partners; if a corporation or other entity, by one of its chief officers having knowledge of the facts required by this statement.

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Address

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Address

**EXHIBIT H-2**

**FORM OF TAKE DOWN NOTICE**

**TAKE DOWN NOTICE  
RE: TAKE DOWN TRACT # \_\_\_\_  
(LOWER HILL REDEVELOPMENT SITE)**

Pittsburgh Arena Real Estate Redevelopment LP ("**Optionee**") and \_\_\_\_\_ (the "**Proposed Redeveloper**") submit this Take Down Notice in accordance with the Amended and Restated Comprehensive Option Agreement (as amended from time to time, the "**Option Agreement**") dated June \_\_\_\_, 2018, by and among Optionee, the Sports & Exhibition Authority of Pittsburgh and Allegheny County (the "**SEA**") and the Urban Redevelopment Authority of Pittsburgh (the "**URA**") (the SEA and the URA together or separately, as applicable, referred to herein as the "**Seller**"). Capitalized terms used and not defined in this submission have the meaning given such term in the Option Agreement.

This Take Down Notice together with the information submitted by the Proposed Redeveloper in the Exhibits and Addendum attached hereto is the proposal for redevelopment to the following Take Down Tract: [**DESCRIBE**] (the "**Take Down Tract**") following the Take Down of the Take Down Tract by Proposed Redeveloper pursuant to a [**Deed**] [**Ground Lease**] to be delivered on or before \_\_\_\_\_ (the "**Take Down Period Expiration**"). Optionee has previously requested, pursuant to the Letter of Intent to Seller dated \_\_\_\_\_, that the Proposed Redeveloper be approved by Seller. This Take Down Notice and the included information reflect the most complete and accurate available at this time, and is to be updated, revised or modified as applicable before closing based on due diligence, financing and changing market conditions and, in such case, updated information will be provided to Seller.

1.     **[Reserved]**
  
2.     **Site Plan**

Attached as Exhibit A is the proposed Site Plan for the Take Down Tract, drawn at a scale of not less than 1:20, including not less than the following elements:

- a. legal description of the Take Down Tract;
- b. description of site boundaries;
- c. detail of the proposed redevelopment relating to the existing site and the remaining Option Premises (both developed and undeveloped);
- d. location and dimensions of existing easements, setbacks, utility lines and proposed utility connections;
- e. identification of zoning, planning, building code and other applicable regulatory issues;
- f. location and dimensions of proposed new structures (including foundations, roofs

- and overhangs), proposed paving, walkways, loading areas, parking;
- g. location and dimensions of new easements/covenants running with the land for pedestrian connection(s);
- h. identification and location of plant materials, fencing, water features and other landscape features;
- i. proposed usage, floor plan and site signage;
- j. proposed sustainability elements (i.e. green roofs, stormwater mitigation, etc.); and
- k. parking proposal and rationale, if applicable.

The Site Plan shall indicate: Project Name, Take Down Tract address and subdivision parcel, Name of Proposed Redeveloper, Name of Architect or Engineer, and Date of Preparation.

### 3. **Disposition Contract to be Signed**

A Disposition Contract with respect to the Take Down Tract will be executed by the Proposed Redeveloper of the Take Down Tract, substantially in the form attached as Exhibit H-3 to the Option Agreement subject to such modifications thereto as may be agreed upon in writing by Proposed Redeveloper and Seller (in its sole and absolute discretion) in accordance with Section 5.5(e) of the Option Agreement. The Proposed Redeveloper acknowledges that Seller's obligation to sell or transfer the Take Down Tract is conditioned upon, among other things, the agreement by Seller and Proposed Redeveloper as to the final terms of the Disposition Contract for such Take Down Tract prior to Closing, and the execution of such Disposition Contract by both parties at Closing. The Proposed Redeveloper acknowledges in accordance with Section 11.6(c) of the Option Agreement that it does not by reason of any authorization or assignment from Optionee or the submission of this Take Down Notice have any rights, claims or causes of action against Seller except as may be provided in the Disposition Contract.

### 4. **Good Faith Deposit**

a. Optionee or Proposed Redeveloper (if authorized by Optionee) has submitted herewith a Good Faith Deposit in the amount of \$50,000.00 (the "**Deposit**"). The Deposit shall serve as security for the performance of the obligations of the Proposed Redeveloper to complete the construction of all of the improvements contemplated for the Take Down Tract as approved by Seller, and to satisfy certain additional requirements for the issuance of a Certificate of Completion by Seller. The Deposit will be returned to Optionee or the Proposed Redeveloper, as directed by Optionee, in its entirety if Seller's Board of Directors does not grant preliminary approval, and, if applicable, Pittsburgh City Council does not approve the sale or lease of the Take Down Tract to Proposed Redeveloper within 90 days after the date of this Take Down Notice.

b. If the Seller, by action of its Board of Directors and, if applicable, City Council, approves the sale of the Take Down Tract to Proposed Redeveloper as described above, but (i) Seller and Proposed Redeveloper do not enter into a Disposition Contract by the Take Down Period Expiration, or (ii) Proposed Redeveloper fails to carry out its obligations or duties under this Take Down Notice within thirty (30) days after receipt of written notice thereof from Seller (but no event later than the Take Down Period Expiration), then the Deposit shall be retained by

Seller and Proposed Redeveloper shall have no further liability or obligation to Seller with respect to the Tract or otherwise pursuant to this Take Down Notice or the Option Agreement (except for such liabilities or obligations of Proposed Redeveloper to Seller as may be set forth in the License Agreement dated \_\_\_\_\_ between Proposed Redeveloper and Seller) and Proposed Redeveloper shall have no rights, claims, or causes of action of any kind against Seller.

c. In the event that Seller and Proposed Redeveloper enter into the Disposition Contract, the Deposit shall be and remain in full force and effect, and shall be returned pursuant to the applicable requirements of the Disposition Contract to the Optionee, or as directed by the Optionee, upon the issuance of a Certificate of Completion by the Seller. The Proposed Redeveloper's default beyond applicable cure periods under the Disposition Contract shall relieve Seller from the obligation to return the Deposit and Seller may thereafter retain the same.

5. **Additional Information**

In addition to the Site Plan, the following additional information specific to the Take Down Tract is being submitted as part of this Take Down Notice and is attached hereto:

- a. an updated title report;
- b. a draft revised subdivision plan with respect to proposed Take Down Tract, if applicable.
- c. a budget and financing plan, including a detailed Sources and Uses Budget;
- d. a detailed environmental report, reflective of the proposed use and known environmental and geotechnical issues affecting the Take Down Tract;
- e. a discussion of traffic, parking and pedestrian flow;
- f. a discussion of Urban Open Space and the relationship between the Take Down Tract and Urban Open Space impacting the Take Down Tract;
- g. proposed grading plan;
- h. the identity of architect, engineers and contractor;
- i. the anticipated Closing Date, construction start date and construction completion timeline;
- j. a preliminary MBE-WBE Plan (in accordance with Exhibit P to the Option Agreement);
- k. a preliminary Workforce Utilization Plan (in accordance with Exhibit Q to Option Agreement);
- l. a preliminary sustainability plan (in accordance with Exhibit R to the Option Agreement);
- m. a letter of community review;
- n. a preliminary economic impact data report (in accordance with Exhibit S to Option Agreement);
- o. Proposed Redeveloper's Statement of Qualification and Financial Responsibility; (the form of which is attached hereto as Addendum A);
- p. statement of anticipated governmental approvals and status; and
- q. closing cost information sheet (the form of which is attached hereto as Exhibit B), signed by Proposed Redeveloper.

\_\_\_\_\_, a  
\_\_\_\_\_

Witness: \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

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

**PITTSBURGH ARENA REAL ESTATE  
REDEVELOPMENT LP**, a Pennsylvania  
limited partnership

**By: Pittsburgh Arena Real Estate  
Redevelopment LLC**, a Pennsylvania  
limited liability company, its General  
Partner

Witness: \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

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

**EXHIBIT A**  
**SITE PLAN**



**EXHIBIT B**  
Closing Cost Information Sheet

Proposed Redeveloper will pay or cause to be paid the following costs at Closing:

1. Any real estate transfer taxes due and owing;
2. All fees and costs associated with the recordation or filing with the Allegheny County Department of Real Estate or other appropriate office, of the subdivision plan (or amendment thereto) and all other Closing Documents to be recorded or filed;;
3. A Closing Fee equal to \$15,000; and
4. All fees which are charged by title companies relating to the closing, including but not limited to, any charges relating to finance documentation.

**[PROPOSED REDEVELOPER]**

Date: \_\_\_\_\_, **a**  
\_\_\_\_\_

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

**ADDENDUM A**

Proposed Redeveloper's Statement of Qualifications and Financial Responsibility

**Note:** The Seller is subject to Pennsylvania's Right to Know Law (65 P.S. §67.101 et seq.). The Seller cannot guarantee the confidentiality of financial and business records that are submitted by Proposed Redeveloper to the Seller. The Seller may be required to make such records publicly available. The Right to Know Law does provide for certain exemptions from disclosure requirements, including an exemption for confidential proprietary information. While this exemption may not always include Proposed Redeveloper's financial and business records, we ask that you clearly stamp "**Confidential and Proprietary Information**" upon each page of each financial and/or business record that you believe to be confidential information. Such a stamp does not guarantee that your documents will be exempt from Right to Know Law disclosure requirements, but will assist the Seller in responding to any Right to Know requests.

1. Proposed Redeveloper's Name and Address

Name: \_\_\_\_\_

Address: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

2. The land on which Proposed Redeveloper proposes to enter into a contract for, or understanding with respect to, the purchase of land from Seller is described as:

Lot & Block/Parcel/  
Address: \_\_\_\_\_

\_\_\_\_\_

Project Area and  
Neighborhood: \_\_\_\_\_

\_\_\_\_\_

3. Is Proposed Redeveloper a subsidiary of or affiliated with any other corporation or any other firm?

Yes \_\_\_\_\_ No \_\_\_\_\_

If Yes, list each such corporation or firm by name and address, specify its relationship to Proposed Redeveloper, and identify the officers and directors or trustees common to Proposed Redeveloper and such other corporation or firm.

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4. Proposed Redeveloper's Financials and Financial Professionals

a. The financial condition of Proposed Redeveloper, as of \_\_\_\_\_, 20\_\_ is as reflected in the attached financial statement. (NOTE: Attach to this statement, a certified financial statement showing the assets and the liabilities, including contingent liabilities, fully itemized in accordance with accepted accounting standards and based on a proper audit. If the date of the certified financial statement precedes the date of this submission by more than six months, also attach an interim balance sheet not more than 60 days old.)

b. Name and address of auditor or public accountant who performed the audit on which said financial statement is based:

Name: \_\_\_\_\_

Address: \_\_\_\_\_  
\_\_\_\_\_

5. If funds for the development of the land are to be obtained from sources other than Proposed Redeveloper's own funds, a statement of Proposed Redeveloper's plan for financing the acquisition and development of the land should be set forth below.

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6. Sources and amount of cash available to Proposed Redeveloper to meet equity requirements of the proposed undertakings:

a. In banks:

<u>Name and Address of Source:</u>	<u>Amount</u>
_____	_____
_____	_____
_____	_____

b. By loans from affiliated or associated corporations or firms:

<u>Name and Address of Source:</u>	<u>Amount</u>
_____	_____
_____	_____
_____	_____

c. By sale of readily salable assets:

<u>Description:</u>	<u>Mkt. Value</u>	<u>Mortgage or Lien</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____

7. Names and addresses of bank references:

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

8. Bankruptcies and Felonies

a. Has Proposed Redeveloper or (if any) the parent corporation, or any subsidiary or affiliated corporation of Proposed Redeveloper of said parent corporation, or any of Proposed Redeveloper's officers or principal members, shareholders, or investors, or other interested parties (as listed in the responses to Items 3, 5, 6, and 7 above and referred to herein as "Principal of Proposed Redeveloper") been adjudged bankrupt, either voluntary or involuntary, within the past 10 years?

Yes \_\_\_\_\_ No \_\_\_\_\_

If Yes, give date, place, and under what name.

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b. Has Proposed Redeveloper or any Principal of Proposed Redeveloper been indicted for or convicted of any felony within the past 10 years?

Yes \_\_\_\_\_ No \_\_\_\_\_

If Yes, give for each case: (1) date; (2) charge; (3) place; (4) Court; and (5) action taken. Attach any explanation deemed necessary.

**Date:** \_\_\_\_\_

**Charge:** \_\_\_\_\_

**Place:** \_\_\_\_\_

**Court:** \_\_\_\_\_

**Action Taken:** \_\_\_\_\_

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9. Comparable Projects

a. Undertakings, comparable to the proposed redevelopment work, which have been completed by Proposed Redeveloper or any Principal of Proposed Redeveloper, including identification and brief description of each project and date of completion:

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b. If Proposed Redeveloper or any Principal of Proposed Redeveloper has ever been an employee, in a supervisory capacity, for a construction contractor or builder on undertakings comparable to the proposed redevelopment work, name of such employee, name and address of employer, title of position, and brief description of work:

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10. If Proposed Redeveloper or any Principal of Proposed Redeveloper is a participant in the development of the land as a construction contractor or builder:

a. Name and address of such contractor or builder

**Name:** \_\_\_\_\_

**Address:** \_\_\_\_\_

\_\_\_\_\_

b. Has such contractor or builder within the last 10 years ever failed to qualify as a responsible bidder, refused to enter into a contract after an award has been made, or failed to complete a construction or development contract?

Yes \_\_\_\_\_

No \_\_\_\_\_

If Yes, explain:

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c. Total amount of construction or development work performed by such contractor or builder during the last three years: \$ \_\_\_\_\_.

General description of such work:

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d. Construction contracts or developments now being performed by such contractor or builder:

<b>Identification of Contract or Development to be Completed</b>	<b>Location</b>	<b>Amount</b>
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

e. Outstanding construction contract bids of such contractor or builder:

<b>Awarding Agency</b>	<b>Amount</b>	<b>Date Opened</b>
_____	_____	_____
_____	_____	_____
_____	_____	_____

f. Brief statement regarding equipment, experience, financing capacity, and other resources available to such contractor or builder for the performance of the work involved in the redevelopment of the land, specifying particularly the qualifications of the personnel, the nature of the equipment, and the general experience of the contractor or builder:

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12. Conflict of Interest

a. Does any member of the governing body of the Seller to which the accompanying proposal is being made or any officer or employee of the Seller who exercises any functions or responsibilities in connection with the project that is the subject hereof, have any direct or indirect personal interest in the Proposed Redeveloper or in the redevelopment or rehabilitation of the Property upon the basis of such proposal?

Yes \_\_\_\_\_

No \_\_\_\_\_

If Yes, explain:

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b. Does any member of the Council of the City of Pittsburgh or any other public official of the locality, who exercises any functions or responsibilities in the review or approval or the carrying out of the project that is the subject hereof, have any direct or indirect personal interest in the Proposed Redeveloper or in the redevelopment or rehabilitation of the property upon the basis of such proposal?

Yes \_\_\_\_\_

No \_\_\_\_\_

If Yes, explain.

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13. Statements and other evidence of Proposed Redeveloper's qualifications and financial responsibility (other than the financial statement referred to in Item 4.a.) are attached hereto and hereby made a part hereof as follows:

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14. Identify Proposed Redeveloper's key personnel to be dedicated to the project, provide information to support their qualifications and provide support that such key personnel will have adequate time to devote to the project:



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15. Listed below undertakings, if any, for which the Proposed Redeveloper or any Principal of Proposed Redeveloper has taken a project to a financing closing but have failed to complete construction.

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16. Except as explained below, Proposed Redeveloper certifies that there are no outstanding claims or judgments against it, including safety claims, that have not been paid and satisfied in full on any other projects of Proposed Redeveloper or of any Principal of Proposed Redeveloper.

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17. Except as explained below, Proposed Redeveloper certifies that neither it nor any Principal of Proposed Redeveloper has been debarred, suspended, proposed for debarment, declared ineligible, or are in the process of being debarred, or are voluntarily excluded from conducting business in the Commonwealth of Pennsylvania or any other state or the federal government; the Proposed Redeveloper further certifies, for itself and all its contractors and subcontractors, that neither the Proposed Redeveloper nor any of its contractors, subcontractors or suppliers are under suspension or debarment by the Commonwealth of Pennsylvania or any governmental entity, instrumentality or authority.

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18. The Proposed Redeveloper certifies that neither it nor any Principal of Proposed Redeveloper has any outstanding tax liability to the Commonwealth of Pennsylvania, the City of Pittsburgh or the County of Allegheny.

19. Attached are one or more recommendations from another government entity or public authority for which Proposed Redeveloper has performed a development project, or, alternately,

set forth below is the name and contact information of a responsible person from such entity or authority who will provide such a recommendation.

Contact information: \_\_\_\_\_

\_\_\_\_\_

**CERTIFICATION**

I (We)\* \_\_\_\_\_  
certify that this Proposed Redeveloper's Statement of Qualifications and Financial Responsibility and the attached evidence of Proposed Redeveloper's qualifications and financial responsibility, including financial statements, are true and correct to the best of my (our) knowledge and belief.

Dated: \_\_\_\_\_

Dated: \_\_\_\_\_

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Title

\_\_\_\_\_  
Title

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_  
Address

\_\_\_\_\_  
Address

\_\_\_\_\_  
\* If the Proposed Redeveloper is a corporation, this statement should be signed by the President and Secretary of the corporation; if an individual, by such individual; if a partnership, by one of its general partners; if an entity not having a President and Secretary, by one of its chief officers having knowledge of the financial status and qualifications of Proposed Redeveloper.

**EXHIBIT H-3**

**FORM OF CONTRACT FOR DISPOSITION**

**CONTRACT FOR DISPOSITION**

**BY**

**SALE [GROUND LEASE] OF LAND FOR PRIVATE REDEVELOPMENT**

**BY AND BETWEEN**

**[URBAN REDEVELOPMENT AUTHORITY OF PITTSBURGH/SPORTS &  
EXHIBITION AUTHORITY OF PITTSBURGH AND ALLEGHENY COUNTY]**

**AND**

**[REDEVELOPER]**

THIS AGREEMENT, ("Agreement") made and entered into this \_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, by and between the [URBAN REDEVELOPMENT AUTHORITY OF PITTSBURGH a Redevelopment Authority established and existing under the Urban Redevelopment Law of the Commonwealth of Pennsylvania, 35 P.S. §1701 et. seq. (hereinafter referred to as the "Redevelopment Act")] [SPORTS & EXHIBITION AUTHORITY OF PITTSBURGH AND ALLEGHENY COUNTY, an Authority established and existing under the Sports and Exhibition Authority Act of the Commonwealth of Pennsylvania, 16 P.S. §5502-A et seq.] (the "Authority"), and [REDEVELOPER] (hereinafter, together with any permitted subsequent owner of the Property, referred to as the "Redeveloper"), a \_\_\_\_\_, having a mailing address at \_\_\_\_\_ . All capitalized terms used herein, unless otherwise defined herein are used with the meaning set forth in the Amended and Restated Comprehensive Option Agreement (hereinafter referred to as the "Option Agreement") dated as of June \_\_\_, 2018 by and among the Authority, [the Urban Redevelopment Authority of Pittsburgh] [the Sports & Exhibition Authority of Pittsburgh and Allegheny County] and Pittsburgh Arena Real Estate Redevelopment LP (the "Optionee").

**(1) Redeveloper's Offer to Acquire and Redevelop the Property**

**WHEREAS**, the Redeveloper was designated by the Optionee as the Redeveloper (as defined in the Option Agreement) for the tract described on **Exhibit A** and shown on **Exhibit B** hereto (the "Property");

**WHEREAS**, a proposal has been submitted for the redevelopment of the Property pursuant to the Option Agreement; and

**(2) Agreement in Public Interest**

WHEREAS, the Authority believes that the redevelopment of the Property pursuant to this Agreement and the other documents, instruments and certificates required pursuant hereto to be delivered in connection with Redeveloper's acquisition of the Property (the "Closing Documents") and the fulfillment generally of this Agreement and the intentions set forth herein, are in the best interests of the City of Pittsburgh and the health, safety, and welfare of its residents, and in accord with the public purposes and provisions of applicable state law; and

**(3) Qualifications of Redeveloper**

WHEREAS, the Redeveloper has submitted evidence satisfactory to the Authority that the Redeveloper has the qualifications necessary to undertake the obligations hereinafter provided for in this Agreement and to redevelop the Property in accordance with the intent of this Agreement; and

**(4) Approval of Agreement by City Council**

WHEREAS, in accordance with the provisions of the Redevelopment Act, the Council of the City of Pittsburgh approved, by Resolution No. \_\_\_\_\_ effective \_\_\_\_\_, 20\_\_\_\_\_, this Agreement with the Redeveloper. [NOTE - ONLY APPLICABLE FOR MELODY TENT PARCELS]

NOW, THEREFORE, for and in consideration of the mutual promises herein contained, the parties hereto, intending to be legally bound hereby, covenant and agree that the above recitals are incorporated into the body of this Agreement and further covenant and agree as follows:

**SECTION 1. Description of the Property to be Developed.** A legal description of the Property is contained on Exhibit A hereof and depicted on Exhibit B attached hereto and made a part hereof.

**SECTION 2. General Terms of Conveyance of Property.**

- 2.1 Subject to all the terms, covenants, and conditions of this Agreement, the Authority will [convey] [lease] the Property to Redeveloper upon the payment [in full by the Redeveloper, which payment the Redeveloper hereby agrees to make, in] [of the rent (the "Rental") set forth in the Ground Lease (as defined below), such payments having been calculated based upon] the amount of TEN AND 00/100 DOLLARS (\$10,00) (the "Purchase Price").
- 2.2 [The Authority will convey to the Redeveloper good, marketable and insurable title to the Property, in fee simple, by Special Warranty Deed (hereinafter referred to as the "Deed").] [The Authority will convey to the Redeveloper good, marketable and insurable leasehold interest to the Property, by ground lease (hereinafter referred to as

the "Ground Lease").] The [Deed] [Ground Lease] shall be subject to the conditions subsequent provided therein, and to all other conditions, covenants, and restrictions set forth or referred to elsewhere in this Agreement.

- 2.3 The Authority shall deliver the [Deed] [Ground Lease] and possession of the Property at closing of the conveyance herein described (the "Closing"), which Closing shall occur approximately simultaneously with the execution and delivery of this Agreement.
- 2.4 The Redeveloper shall bear the cost of all State and local realty transfer taxes and charges incident to the recording of all Closing Documents and all fees which might be charged by title companies relating to the Closing, including but not limited to, any charges required by a proposed mortgage lender.
- 2.5 Real estate taxes, if any, shall be prorated as of the date of Closing on a fiscal year basis. For the purposes of such proration, the Authority shall be deemed to have possession of the Property for the entire date of Closing.
- 2.6 Redeveloper shall pay to the Seller a Closing Fee of \$15,000. The Closing Fee is to be paid in cash. The Closing Fee is non-refundable and is in addition to the [Purchase Price/Rental].

**SECTION 3. Authority's Title.** The Authority has fee simple title to the Property, and will make the conveyance to Redeveloper as provided herein, with such warranty of title and upon such other terms as are set forth in the [Deed] [Ground Lease].

**SECTION 4. Condition of Property.** The Authority shall deliver the Property in "as is" condition and the Redeveloper shall prepare the Property for purposes of the redevelopment thereof, subject to the terms and conditions as set forth herein. The Authority makes no representation or warranty either expressed or implied, with regard to the Property, the environmental condition or the physical condition of the Property, the operation of the Property, the fitness of the Property for any particular purpose, or any other matters described in Section 6.7 of the Option Agreement. The Redeveloper acknowledges it has inspected the Property and, conducted all studies and tests necessary to satisfy itself regarding the environmental condition of the Property and its suitability for construction in accordance with the Approved Development Plan.

**SECTION 5. Good Faith Deposit**

- 5.1 Amount. To assure that the Redeveloper shall well and truly keep, perform, and observe, at the time or times and in the manner herein specified and in all respects according to their true intent and meaning, all of the undertakings, terms, covenants, agreements, conditions, and provisions of this Agreement on its part required by this Agreement to be kept, performed, and observed prior to the issuance of a Certificate of

Completion (as hereinafter defined), the Redeveloper shall maintain with the Authority the good faith deposit (hereinafter referred to as the "**Deposit**") that was delivered to Seller with the Take Down Notice in the amount of \$50,000.

- 5.2 Interest. The Authority shall not be under any obligation to earn any interest on the Deposit, but any interest actually earned thereon shall be retained with the Deposit and be paid over by the Authority to the Optionee, or to the Redeveloper if so directed by the Optionee, when the Deposit is returned.
- 5.3 Return to Redeveloper. The Authority shall return the Deposit to the Optionee, or to the Redeveloper if so directed by the Optionee, on the date the Authority issues its Certificate of Completion in the manner provided for in Section 7 hereof; provided, the Redeveloper is not then in material violation of any of the terms and conditions of this Agreement as declared in a prior written notice from the Authority to the Redeveloper pursuant to Section 11.1 hereof, and provided further that Optionee has authorized the Authority, in writing, that any return of the Deposit be made to the Redeveloper.

#### **SECTION 6. Construction of Improvements**

- 6.1 All work by the Redeveloper with respect to the redevelopment of the Property and the construction of Improvements thereon shall be in conformity with the Approved Development Plan attached hereto as **Exhibit C**, the PLDP (as defined in the Option Agreement), the 100% complete Construction Drawings (as approved by the Authority) and Applicable Laws. The term "**Improvements**", as used in this Agreement, shall refer to the Improvements as provided and specified in the Approved Development Plan and the 100% complete Construction Drawings, and the term "Project" shall refer to the Property, as improved by the Improvements. The Approved Development Plan includes the following items that Redeveloper has agreed will be completed post-Closing:
- 

- 6.2 The Redeveloper covenants that Redeveloper shall Commence Construction (as defined in the Option Agreement) of the Improvements within thirty (30) days from the date of execution and delivery of the [**Deed**] [**Ground Lease**], shall diligently prosecute construction, and that Completion of Construction (as defined in the Option Agreement) shall occur within [\_\_\_\_\_( )] months] [as specified below for Urban Open Space] from the date of execution and delivery of the [**Deed**] [**Ground Lease**]. It is intended and agreed that the foregoing agreements and covenants shall be covenants running with the land and that they shall, in any event, be, to the fullest extent permitted by Applicable Law,

binding for the benefit of the Authority and enforceable by the Authority against Redeveloper.

**[Insert schedule for completion of Urban Open Space per Section 3.5 of Option Agreement]**

- 6.3 Until Completion of Construction, the Redeveloper shall make, in such detail as may reasonably be required by the Authority, a quarterly report in writing to the Authority as to the actual progress of the Redeveloper with respect to such construction. During such period also, construction of the Improvements shall be subject to inspection by representatives of the Authority. Any inspection, review, approval or acceptance of the Authority of the construction or any submissions made by the Redeveloper are solely for Authority purposes and do not subject Authority to any liability.
- 6.4 Redeveloper agrees to pay the costs to repair any damage to any public improvements constructed by SEA, URA as otherwise, that were caused by Redeveloper or its contractors during the construction of the Improvements. The Certificate of Completion provided for in Section 7 hereof shall not be issued until the costs of any such repairs are paid by Redeveloper.

**SECTION 7. Confirmation of Commencement of Construction and Completion of Construction**

- 7.1 Promptly after the Commencement of Construction, upon request of the Redeveloper, the Authority will furnish the Redeveloper with an appropriate instrument confirming that Commencement of Construction has occurred and that re-vesting rights arising out of the Redeveloper's failure to Commence Construction (but not re-vesting rights arising out of the Redeveloper's failure to Complete Construction) are terminated.
- 7.2 Promptly after (i) Completion of Construction, (ii) compliance with all of the terms of this Agreement, and (iii) delivery by Redeveloper of the items set forth on **Exhibit E** hereto, all in a form satisfactory to the Authority, the Authority will furnish Redeveloper with an appropriate instrument confirming Completion of Construction (a "**Certificate of Completion**"). Such Certificate of Completion shall be (and it shall be so provided in the Certificate of Completion itself) a conclusive determination of the satisfaction and termination of the agreements and covenants in this Agreement with respect to the obligation of the Redeveloper to Complete Construction; provided, issuance of such Certificate of Completion shall not evidence satisfaction of any other obligations of the Redeveloper hereunder.
- 7.3 The Certificate of Completion shall provide:



- (a) That any party purchasing or leasing the Property or part thereof shall not incur any obligation to the Authority with respect to the construction of the Improvements.
  - (b) That the Authority shall thereafter have no re-vesting rights arising out of Redeveloper's failure to Complete Construction.
- 7.4 All certifications and instruments provided for in this Section 7 shall be in such form as will enable them to be recorded in the Real Estate Department of Allegheny County, Pennsylvania; provided that the recording of any such certifications or instruments shall be the responsibility of the Redeveloper and the Authority shall have no duty regarding the same. If the Authority shall refuse or fail to provide to Redeveloper any certification or instrument in accordance with the provisions of this Section, the Authority shall, within thirty (30) days after written request by the Redeveloper, provide the Redeveloper with a written statement, indicating in adequate detail in what respects the Redeveloper has failed to satisfy the conditions required for such certification or instrument and what measures or acts will be necessary for the Authority to provide the requested certification or instrument, as applicable.
- 7.5 Receipt of an affidavit of payment from the Redeveloper, in the form attached hereto as **Exhibit D**, shall be a condition to issuance of a Certificate of Completion. In addition, if the cost of the Improvements exceeds \$1,000,000, the Redeveloper shall provide to the Authority, and shall cause each prime contractor to provide to the Authority, a project cost certification performed by one or more independent third-party certified public accountants establishing the actual total construction costs incurred and paid by the Redeveloper and each prime contractor in connection with the Improvements. Such project cost certifications shall be a further condition to issuance of a Certificate of Completion, if applicable.

**SECTION 8. Land Uses and Controls.** The Redeveloper agrees for itself and successor owners, ground lessees and lessees of the Property, that the Redeveloper and such other parties shall be bound by the covenants set forth in **[Exhibit B to the Deed] [Exhibit \_\_\_ to the Ground Lease]**.

**SECTION 9. Completion Guaranty.** Simultaneously herewith, the Redeveloper has caused \_\_\_\_\_, a \_\_\_\_\_ to provide a guaranty of completion (the "Completion Guaranty") consistent with the form of completion guaranty provided to the Permitted Mortgagee (as defined below) or, if no completion guaranty has been provided to a Permitted Mortgagee, in the form attached as Exhibit L to the Option Agreement.

**SECTION 10. Antispeculation.** The Redeveloper agrees that its [purchase/ground lease] of the Property and its other undertakings pursuant to this Agreement are, and will be used, for

the purpose of redevelopment of the Property and not for speculation in landholding, and Redeveloper agrees that it shall be without power to sell, lease or otherwise transfer the Project or any part thereof (in any manner whatsoever including, but not limited to, transfers in the direct or indirect ownership interests in the Redeveloper) prior to the receipt of a Certificate of Completion, without the written consent of the Authority.

**SECTION 11. Remedies**

11.1 Remedies upon Redeveloper Default. In the event of any default in or breach of this Agreement, or any of its terms or conditions, by Redeveloper, Redeveloper shall, upon written notice from the Authority, proceed immediately to cure or remedy such default or breach, in any event, within sixty (60) days after receipt of such notice. If the default or breach shall not be cured or remedied within such cure period, the Authority may (i) seek specific performance, injunction or other equitable relief to the extent available (together with reasonable legal fees and costs in connection with pursuing specific performance, if successful), (ii) apply the Deposit to and in payment of any damages suffered by it, or by the City and the County (in the form of loss of tax revenues from the Property or otherwise), as a result of the default or breach, or (iii) assert such other right or exercise such other remedy as may be available to the Authority under Applicable Law, including but not limited to seeking damages against the Redeveloper. Any application of the Deposit shall not preclude the Authority from pursuing any other rights or remedies.

11.2 Revesting Title in Authority Upon Happening of Event Subsequent to Conveyance to Redeveloper. In addition to any other remedies available to Authority, in the event that subsequent to the conveyance of the [fee] [leasehold] estate in the Property to the Redeveloper and prior to issuance of a Certificate of Completion:

- (a) The Redeveloper, or successor in interest, shall default in or violate its obligations with respect to its obligation to Commence Construction or Complete Construction, and any such default, violation, abandonment, or suspension shall not be cured, ended, or remedied within sixty (60) days after written demand by the Authority so to do; or
- (b) The Redeveloper shall fail to pay real estate taxes, payments in lieu thereof, or assessments on the Property or any part thereof when due, or shall place thereon any encumbrance or lien unauthorized by this Agreement, or shall suffer any levy or attachment to be made, or any materialman's or mechanic's lien, or any other unauthorized encumbrance or lien to attach, and such taxes, payments in lieu thereof, or assessments shall not have been paid, or the encumbrance or lien removed or discharged or provision satisfactory to the Authority made for such payment, removal, or

discharge, within sixty (60) days after written demand by the Authority so to do; or

- (c) There is any transfer of the Project or any part thereof, or any transfer of direct or indirect ownership in the Redeveloper except as expressly permitted hereunder, and such violation shall not be cured within sixty (60) days after written demand by the Authority to the Redeveloper;

Then the Authority shall have the right to re-enter and take possession of the Project and to terminate (and re-vest in the Authority) the estate conveyed by the [Deed] [Ground Lease] to the Redeveloper and any Improvements constructed thereon, it being the intent of this provision, together with other provisions of this Agreement, that the conveyance of the Property to the Redeveloper shall be made upon a condition subsequent to the effect that in the event of any failure specified in Sections 11(b)(i), (ii), or (iii) herein, and expiration of any cure period specified therein, the Authority, at its option, may declare a termination in favor of the Authority of the title and of all the rights and interests in and to the Property conveyed by the [Deed] [Ground Lease] to the Redeveloper and any Improvements constructed thereon, whereupon title and all rights and interests of the Redeveloper in the Project shall revert to the Authority; provided, that, from and after Commencement of Construction, such condition subsequent and any re-vesting of title as a result thereof in the Authority shall always be subject to, and shall not defeat, render invalid, or limit in any way:

1. the lien of any Permitted Mortgage (as defined below), and
2. any rights or interests provided in this Agreement for the protection of the holder of a Permitted Mortgage.

11.3 Reacquired Property; No Obligation. Upon the re-vesting in the Authority of title to the Project or any part thereof as provided herein, the Authority shall have no obligation to reimburse or pay the Redeveloper (or the Optionee) any portion of the Deposit, Closing Fee or Purchase Price, or any proceeds from any subsequent sale or lease of the Property, or any revenues otherwise generated from the Project.

11.4 Completion Guaranty. In addition to other remedies available to the Authority, the Authority may enforce its rights under the Completion Guaranty without waiving any of the other remedies provided for herein.

**SECTION 12. Representations and Warranties of Redeveloper**. Redeveloper hereby represents and warrants to Seller as follows:

12.1 Redeveloper is a duly organized \_\_\_\_\_ [presently subsisting] [validly existing] subsisting under the laws of the \_\_\_\_\_ and is qualified to do business in the Commonwealth of Pennsylvania.

- 12.2 Redeveloper has taken all necessary action to authorize and approve this Agreement, the consummation of the transactions contemplated hereby and the performance by Redeveloper of all of the terms and conditions hereof on the part of Redeveloper to be performed. The execution and delivery by Redeveloper of this Agreement and each and every other agreement, instrument, certificate or other documents to which Redeveloper is a party and the consummation of the transactions contemplated hereby and thereby do not and will not: (i) violate any Applicable Law or any provision of any applicable judicial or administrative order, award, judgment or decree, or (ii) conflict with any of the provisions of the constituent documents of Redeveloper.
- 12.3 This Agreement and the other documents, instruments and agreements required hereunder or contemplated hereby, and to be executed and delivered pursuant hereto, when executed and delivered by Redeveloper will have been duly authorized, executed and delivered, and this Agreement constitutes and such other agreements and documents when executed and delivered by Redeveloper will constitute legal, valid and binding obligations of Redeveloper, enforceable against Redeveloper in accordance with their respective terms.
- 12.4 All information provided by Redeveloper in the Proposed Redeveloper's Statement for Public Disclosure and the Proposed Redeveloper's Statement of Qualifications and Financial Responsibility submitted to the Authority with the Letter of Intent and the Take Down Notice, respectively, is true and accurate as of the date hereof.
- 12.5 There is no litigation or proceedings before any governmental authority pending, or to the knowledge of Redeveloper, threatened against Redeveloper, which could reasonably be expected to impair the ability of Redeveloper to consummate the transactions contemplated by this Agreement.
- 12.6 Redeveloper represents that the use intended for the Property and Improvements is \_\_\_\_\_.

**SECTION 13. Miscellaneous Provisions.** The Redeveloper further agrees for itself and successor owners, ground lessees and lessees of the Property:

- 13.1 To include in every prime contract for construction, installation, alteration, repair, or addition to the Improvements to be performed by the Redeveloper in accordance herewith, where the estimated cost shall exceed Ten Thousand (\$10,000.00) Dollars, a provision obligating the prime contractor and every contractor to the prompt payment of all materials furnished, labor supplied or performed, rental for equipment employed, and services rendered by public utilities in or in connection with the prosecution of the Improvements, whether or not the said

materials, labor, equipment, and services enter into or become component parts of the work of Improvements contemplated. The Redeveloper shall provide evidence to the Authority of financial security for the prompt payment by the prime contractor(s) and contractors for materials, labor, services and equipment. Such financial security shall be in such form and amount as the Authority may prescribe and may include any one or a combination of the following:

- (a) a payment bond from a surety company authorized to do business in Pennsylvania;
- (b) an irrevocable letter of credit from a Federal or Pennsylvania chartered lending institution; or
- (c) a restrictive or escrow account.

13.2 To be subject to the approvals of the appropriate City departments, including the Planning Commission of the City of Pittsburgh, with respect to the locations and safety arrangements of all entrances and exits between public ways and non-public properties.

13.3 To undertake performance of its obligations hereunder in accordance with all Applicable Laws (as defined in the Option Agreement).

13.4 Upon completion of any public roadways identified in the Site Improvement Subdivision Plan dated \_\_\_\_\_, and recorded \_\_\_\_\_ that lie in any part within the boundaries of the Property, dedicate such roadways to the applicable governing entity for no consideration;

13.5 **[INSERT IF DEED IS FOR A BLOCK WITH A PLDP - REQUIRED PEDESTRIAN EASEMENT]** Provide for no consideration [the easement set forth on **Exhibit C** to the Deed (for Block C only) and] pedestrian connections in the approximate locations shown on **Exhibit C** to the Deed (which may be along an alleyway, through a building and/or through a courtyard), which shall be (i) clearly visible from the street, (ii) marked by signage and lighting identifying the pedestrian route, (iii) designed and maintained to ensure a safe and pleasant pedestrian experience, and (iv) open at all times.

13.6 **[IF APPLICABLE]** To be bound by and adhere to \_\_\_\_\_ **[list any limitations or restrictions required by the terms of any Grant].**

**SECTION 14. Conflict of Interest.** No member, official, or employee of the Authority shall have any personal interest, direct or indirect, in this Agreement nor shall any such member, official, or employee participate in any decision relating to this Agreement which affects his personal interests or the interest of any corporation, partnership, or association of which he is

directly or indirectly interested. No member, official, or employee of the Authority shall be personally liable to Redeveloper, or any successor in interest, in the event of any default or breach by the Authority, or for any amount which may become due to the Redeveloper or successor, or on any obligations under the terms of this Agreement.

**SECTION 15. Debarment/Tax Liability Certification.**

- 15.1 The Redeveloper certifies that, as of the date of its execution of this Agreement, it and its principals have not been debarred, suspended, proposed for debarment, declared ineligible, are not in the process of being debarred, or are voluntarily excluded from conducting business with a federal department or agency of the federal government.
- 15.2 The Redeveloper further certifies, for itself and all its contractors and subcontractors, that as of the date of its execution of this Agreement, neither the Redeveloper nor any of its contractors, subcontractors or suppliers are under suspension or debarment by the Commonwealth of Pennsylvania or any governmental entity, instrumentality or authority and, if the Redeveloper cannot so certify, then it agrees to submit with this Agreement a written explanation of why such certification cannot be made.
- 15.3 The Redeveloper certifies that, as of the date of its execution of this Agreement, it and, to the best of its knowledge, its principals have no outstanding tax liability to the Commonwealth, the County or the City.
- 15.4 Redeveloper shall have an obligation to inform the Authority if, at any time during the term of this Agreement through the issuance of the Certificate of Completion, the Redeveloper or any of its contractors or subcontractors are suspended or debarred by the Commonwealth, the federal government or any other state or governmental entity, or have any outstanding tax liability to the Commonwealth, the County or the City. Such notification shall be within 15 days of suspension or debarment.
- 15.5 The failure of the Redeveloper to notify the Authority as required above shall constitute an event of default under this Agreement.

**SECTION 16. Mortgage Financing; Rights of Mortgagees**

- 16.1 Limitation Upon Encumbrance of Property. Prior to the delivery of a Certificate of Completion, the Redeveloper shall not undertake any financing or any other transaction creating any mortgage or other encumbrance or lien upon the Property, whether by express agreement or operation of law, or suffer any encumbrance or lien to be made on or attached to the Property, except for the purposes of obtaining construction or permanent financing in connection with the Improvements; provided that there shall be no disbursement of any funds under such financing until Commencement of Construction has occurred (a mortgage permitted by

this Section 16.1 which does not secure advances made prior to Commencement of Construction being referred to herein as a "**Permitted Mortgage**"). The Redeveloper shall notify the Authority in advance of any financing to be secured by a Permitted Mortgage it proposes to enter into, and shall promptly notify the Authority of any encumbrance or lien that has been created on or attached to the Property, whether by voluntary act of the Redeveloper or otherwise.

- 16.2 Mortgagee Not Obligated to Construct. Notwithstanding any of the provisions of this Agreement, the holder of any Permitted Mortgage shall in no way be obligated by the provisions of this Agreement to construct or complete the Improvements or to guarantee such construction or completion; nor shall any covenant or any other provision in the [Deed] [Ground Lease] be construed to so obligate such holder; provided, that nothing in this Section or any other Section or provision of this Agreement shall be deemed or construed to permit or authorize any such holder to devote the Property or any part thereof to any uses, or to construct any improvements therein, other than those uses or Improvements permitted by this Agreement.
- 16.3 Copy of Notice of Default to Mortgagee. Whenever the Authority shall deliver any notice or demand to the Redeveloper with respect to any breach or default by the Redeveloper of its obligations or covenants under this Agreement, the Authority shall at the same time forward a copy of such notice or demand to each holder of a Permitted Mortgage at the last address of such holder shown in Section 23 hereof or at any updated address shown in the records of the Authority.
- 16.4 Mortgagee's Option to Cure Defaults. After any breach or default referred to in Subsection (c) hereof, the holder of a Permitted Mortgage shall (insofar as the rights of the Authority are concerned) have the right, at its option, to cure or remedy such breach or default (or, in the case of a holder of a Permitted Mortgage, to the extent that such breach or default relates to the part of the Property covered by the Permitted Mortgage) and (in the case of the holder of a Permitted Mortgage) to add the cost thereof to the mortgage debt and the lien of its Permitted Mortgage; provided, that if the breach or default is with respect to construction of the Improvements, nothing contained in this Section 16 or any other Section of this Agreement shall be deemed to permit or authorize such holder, either before or after foreclosure or action in lieu thereof, to undertake or continue the construction or completion of the Improvements (beyond the extent necessary to conserve or protect Improvements or construction already made) without first having expressly assumed the obligation, by written agreement satisfactory to the Authority, to complete, in the manner provided in this Agreement, the Improvements on the Property Any such holder of a Permitted Mortgage who shall Complete Construction shall be entitled, upon written request made to the Authority and compliance with

the provisions of Section 7 hereof, to a Certification of Completion. Notwithstanding anything to the contrary set forth herein, the Authority shall not enforce any of its rights or remedies on account of any default or breach if such default shall have been cured by the Redeveloper or the holder of a Permitted Mortgage during the applicable period(s) for cure set forth in Section 11.

**SECTION 17. Sustainability Plan.** The Redeveloper has submitted its sustainability plan (the "Sustainability Plan") to the Authority and the Sustainability Plan, as approved, is incorporated within the Approved Development Plan, attached hereto and made a part hereof as Exhibit C. The Redeveloper shall comply with and complete the Sustainability Plan and its failure to do so shall be a default under this Agreement.

The Redeveloper shall, when reasonably possible, notify the Authority's Sustainable Design Coordinator of all design meetings and construction meetings related to the Property and invite the Authority's Sustainable Design Coordinator to attend such meetings. The Redeveloper shall provide quarterly updated reports during construction and a final sustainability report, each in form acceptable to the Authority, prior to and as a requirement for issuance of a Certificate of Completion.

**SECTION 18. MBE-WBE Plan.** The Redeveloper agrees to the following with respect to the Minority and Women Business Enterprise Participation Plan (the "**MBE-WBE Plan**") approved by the Equal Employment Opportunity Review Commission of the City of Pittsburgh with respect to the development of the Property. The Redeveloper agrees to use good faith efforts to implement the MBE-WBE Plan and its failure to do so shall be a default under this Agreement. To assist the Authority in monitoring the Redeveloper's compliance with the MBE-WBE Plan, the Redeveloper shall submit to the Authority quarterly updated reports during construction and a final report, each in form acceptable to the Authority, detailing implementation of the MBE-WBE Plan and Redeveloper's plans for post-construction implementation prior to and as a requirement for issuance of the Certificate of Completion.

**SECTION 19. Workforce Utilization Plan.** The Redeveloper agrees to the following with respect to the terms and conditions of the Minority and Women Workforce Utilization Plan (the "**Workforce Utilization Plan**") submitted by the Redeveloper to the Authority with respect to the development of the Property. The Redeveloper agrees to use good faith efforts to implement the Workforce Utilization Plan and its failure to do so shall be a default under this Agreement. To assist the Authority in monitoring Redeveloper's compliance with the Workforce Utilization Plan, the Redeveloper shall submit to the Authority quarterly updated reports during construction and a final report, each in form acceptable to the Authority, detailing implementation of the Workforce Utilization Plan and Redeveloper's plans for post-construction implementation which shall be required for issuance of the Certificate of Completion.

**SECTION 20. Economic Impact Data Report.** The Redeveloper, to assist the Authority in monitoring the economic impact of the Project, agrees to submit to the Authority annual reports on each July 1 containing the information set forth on Exhibit S to the Option Agreement, in a form reasonably acceptable to the Authority. Submission of the final economic impact data



report with respect to the construction period is required for issuance of the Certificate of Completion.

**SECTION 21. Force Majeure.** In the event that any party hereto shall be delayed or hindered in or prevented from doing or performing any act or thing required hereunder other than (i) payment of any sum due hereunder, (ii) the obligation to Take Down the Property when required by the Option Agreement or (iii) the obligation to commence Construction as required by Section 6.2 hereof, by reason of civil commotion, war, sabotage, construction worker strikes not limited to the subject matter of this Agreement, terrorist act, unavoidable fire, flood, earthquake or other acts of God ("**Force Majeure**"), then such party shall not be liable or responsible for any such delays, and the doing or performing of such act or thing shall be excused for the period of delay due to the Force Majeure. Provided, however, that the party seeking the benefit of this provision shall, within fifteen (15) days after the beginning of any such delay, have first notified the other party in writing of the cause(s) thereof and requested an extension, and further provided that the requesting party must diligently seek removal or avoidance of the hindrance. In no event shall any party's performance be excused for more than two (2) years for matters of Force Majeure.

**SECTION 22. Survival.** All representations, warranties, covenants and agreements of Redeveloper hereunder shall survive the delivery of the [**Deed**][**Ground Lease**].

**SECTION 23. Notices and Demands to Authority and Redeveloper.** Any notice required or permitted to be given pursuant hereto, or in connection herewith, shall be deemed to have been duly given when addressed and mailed by United States Registered or Certified Mail, Return Receipt Requested, to the Authority, to the Redeveloper and/or to the Permitted Mortgagee at the following addresses, or to such other places as the parties may themselves designate in writing from time to time for the purpose of receiving notice pursuant thereto.

To Authority: Urban Redevelopment Authority of Pittsburgh  
12th Floor, John P. Robin Civic Building  
200 Ross Street  
Pittsburgh, PA 15219  
Attention: Executive Director  
Copy to: General Counsel

[or]

Sports & Exhibition Authority of Pittsburgh  
and Allegheny County  
171 10<sup>th</sup> Street, 2<sup>nd</sup> Floor  
Pittsburgh, PA 15222  
Attention: Executive Director

To Redeveloper: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
Attention: \_\_\_\_\_

With a copy to: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
Attention: \_\_\_\_\_

To Permitted Mortgagee: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
Attention: \_\_\_\_\_

**SECTION 24. Entire Agreement; Written Amendments Required.** This Agreement, together with all exhibits and attachments hereto, and the other Closing Documents, contains the entire understanding of the parties and supersedes any prior or contemporaneous understanding and agreements among them regarding the subject matter of this Agreement. The parties also intend that this Agreement, the exhibits and attachments hereto, and the other Closing Documents be the complete, exclusive, and fully integrated statement of their understanding and may not be supplemented or interpreted by any evidence of course of dealing. This Agreement may be amended or modified only by a written instrument executed in the same manner as this Agreement.

**SECTION 25. No Third Party Beneficiaries.** Nothing expressed or implied in this Agreement is intended or will be construed to confer upon or give any person other than the Authority and Redeveloper rights or remedies under or by reason of this Agreement or any transaction contemplated hereby, and, there are no intended third party beneficiaries hereof. Nothing express or implied in this Agreement is intended or will be construed to authorize anyone not a party to this Agreement to maintain any action pursuant to or based upon this Agreement.

**SECTION 26. Time of Essence.** Time is of the essence as to the time periods and obligations set forth in the following Sections of this Agreement: Sections 6.2, 7.1, 7.2, 11.1 and 11.2 (provided, in the case of Sections 7.1 and 7.2, Redeveloper has satisfied applicable conditions).

**SECTION 27. Binding Effect; Successors and Assigns.** This Agreement shall be binding on the parties hereto and upon their respective successors and assigns, provided that Redeveloper may not assign or transfer its rights hereunder except as otherwise expressly permitted by this Agreement. The Authority may assign or transfer its rights hereunder to any successor public agency. Any assignment undertaken in violation hereof shall be null and void.

**SECTION 28. Counterparts, Section Headings; Exhibits.** This Agreement may be executed in counterparts, each of which shall be deemed an original but all of which shall constitute one and the same instrument. The section headings of this Agreement are for convenience of reference only and shall not affect the construction or interpretation of any of the provisions hereof. The following exhibits (and all exhibit, schedules and addendum thereto) are attached to this Agreement and are deemed to be part hereof:

Exhibit A      Legal Description of Property

- Exhibit B Depiction of Property
- Exhibit C Approved Development Plan
- Exhibit D Affidavits of Payment
- Exhibit E Deliverables for Certificate of Completion

**SECTION 29. No Partnership.** Nothing contained in this Agreement shall be deemed or construed as creating a partnership or joint venture between the parties hereto, or between any of the parties hereto and any other party, or cause any party hereto to be responsible in any way for the debts or obligations of any other party.

**SECTION 30. Waivers.** No delay or failure of the Authority in exercising any right, power or privilege, nor any single or partial exercise thereof or any abandonment or discontinuance of step to enforce such a right, power or privilege, shall constitute a waiver or preclude any further exercise thereof. Any waiver, permit, consent or approval of any kind or character on the part of the Authority of any breach of default under this Agreement, or any waiver of any provision or condition of this Agreement, must be in writing and shall be effective only to the extent specifically set forth in such writing.

**SECTION 31. Governing Law.** Any and all matters of dispute between the parties to this Agreement, whether arising from the Agreement itself or arising from alleged extra contractual matters occurring prior to, during, or subsequent to this Agreement, shall be governed by, construed, and enforced in accordance with the laws of the Commonwealth of Pennsylvania regardless of the legal theory upon which such matter is asserted. Each of the parties to this Agreement (i) agrees that any suit, action, or other legal proceeding arising here from shall be brought in the Court of Common Pleas of Allegheny County, Pennsylvania; (ii) consents to the jurisdiction of such court in any such suit, action or proceeding; and (iii) waives any objection which it may have to the laying of venue of such suit, action or proceeding in such court.

**SECTION 32. Brokers.** Redeveloper warrants and represents to the Authority that it had no dealings with any broker, agent, or finder relating to the sale or ground lease of the Property or the transactions contemplated hereby, and agrees to indemnify and hold the Authority harmless against any claim for brokerage commissions, compensation or fees by any broker, agent, or finder in connection with the sale or ground lease of the Property or the transactions contemplated hereby resulting from the acts of Redeveloper.

**SECTION 33. Approvals.** The parties agree that any reviews, approvals or acceptances of the Authority of any submissions made by Redeveloper are solely for its purposes and do not subject the Authority to any liability with respect to the contents thereof.

**SECTION 34. Severability.** If any term or provision of this Agreement or the application thereof to any person or circumstance shall, to any extent be invalid or unenforceable, the remainder of the Agreement, or the application of such term or provision to persons or circumstances other than those as to which it was held invalid or unenforceable, shall

not be affected thereby, and each term or provision of this Agreement shall be valid and enforceable to the fullest extent permitted by Applicable Law.

**SECTION 35.        Recordation.** This Agreement shall be recorded with the Real Estate Department of Allegheny County, Pennsylvania immediately prior to the [**Deed/Ground Lease**].

**IN WITNESS WHEREOF**, each of the parties has caused this Agreement to be duly executed in its behalf and its respective seals to be hereunto affixed and attested on or as of the day and year first above written.

ATTEST/WITNESS:

**URBAN REDEVELOPMENT AUTHORITY OF  
PITTSBURGH**

\_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

or

ATTEST/WITNESS:

**SPORTS & EXHIBITION AUTHORITY OF  
PITTSBURGH AND ALLEGHENY COUNTY**

\_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

WITNESS:

[REDEVELOPER]

\_\_\_\_\_

By: \_\_\_\_\_

\*

**Optionee hereby executes this Contract for Disposition for the purpose of acknowledging and consenting to the terms hereof.**

WITNESS:

**PITTSBURGH ARENA REAL ESTATE  
REDEVELOPMENT LP**, a Pennsylvania  
limited partnership

**By: Pittsburgh Arena Real Estate  
Redevelopment LLC**, a Pennsylvania  
limited liability company, its General  
Partner

\_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_



COMMONWEALTH OF PENNSYLVANIA    )  
                                                  ) SS:  
COUNTY OF ALLEGHENY            )

On this, the \_\_\_ day of \_\_\_\_\_, 20 \_\_, before me, a Notary Public, the undersigned officer, personally appeared \*, who acknowledged himself to be the \_\_\_\_\_ of \*, a \*, and that he as such \_\_\_\_\_, being authorized to do so, executed the foregoing instrument for the purposes therein contained by signing the same as the act and deed of said \*.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.



Notary Public

My Commission Expires:



**EXHIBIT A**

**LEGAL DESCRIPTION OF PROPERTY**

**EXHIBIT B**

**DEPICTION OF PROPERTY**

**EXHIBIT C**

**APPROVED DEVELOPMENT PLAN**

(including but not limited to the MBE/WBE plan, Workforce Utilization Plan, and Sustainability Plan)

**EXHIBIT D**

**REDEVELOPER'S PAYMENT AFFIDAVIT**

State/Commonwealth of \_\_\_\_\_ )  
County of \_\_\_\_\_ ) ss:  
\_\_\_\_\_ )

On the \_\_\_\_ day of, 20\_\_, before me, a Notary Public, personally appeared the undersigned affiant, who being duly sworn according to law and intending to be legally bound, deposes and says:

That the undersigned is the Redeveloper for the Project described in the Disposition Contract dated \_\_\_\_\_, entered into by the [Sports & Exhibition Authority of Pittsburgh and Allegheny County] [Urban Redevelopment Authority of Pittsburgh] and the undersigned.

That the undersigned is authorized to execute this affidavit.

That all labor, materials and equipment furnished or provided and services rendered for the Project have been paid for by the undersigned to all third parties, including but not limited to all contractors, subcontractors, materialmen, suppliers and consultants; and all taxes have been paid. Included herewith is the attached Contractor's Payment Affidavit as support for construction costs.

This Affidavit is being made for the benefit of and may be fully relied upon by the [Sports & Exhibition Authority of Pittsburgh and Allegheny County] [Urban Redevelopment Authority of Pittsburgh].

Sworn and subscribed before me,  
the day and year aforesaid

[REDEVELOPER]:

\_\_\_\_\_  
Notary Public

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Address:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**CONTRACTOR'S PAYMENT AFFIDAVIT**

State/Commonwealth of \_\_\_\_\_ )  
 ) ss:  
County of \_\_\_\_\_ )

On the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, before me, a Notary Public, personally appeared the undersigned affiant, who being duly sworn according to law and intending to be legally bound, deposes and says:

1. That the undersigned is the general contractor for the Project described in the Disposition Contract dated \_\_\_\_\_, entered into by the [Sports & Exhibition Authority of Pittsburgh and Allegheny County] [Urban Redevelopment Authority of Pittsburgh] and \_\_\_\_\_, as Redeveloper.).
2. That the undersigned is authorized to execute this affidavit.
3. That all labor, materials and equipment furnished or provided by the undersigned for the Project, and all applicable taxes, have been paid to undersigned, including the undersigned's Final Application for Payment, for which payment has been received.
4. That all labor, materials and equipment furnished or provided by the undersigned for the Project, and all applicable taxes, have been paid by the undersigned to all third parties, including but not limited to all subcontractors, materialmen, and suppliers.

This Affidavit is being made for the benefit of and may be fully relied upon by the [Sports & Exhibition Authority of Pittsburgh and Allegheny County] [Urban Redevelopment Authority of Pittsburgh].

Sworn and subscribed before me, [CONTRACTOR]:  
the day and year aforesaid

\_\_\_\_\_  
Notary Public

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Address:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

## EXHIBIT E

### **DELIVERABLES FOR CERTIFICATE OF COMPLETION**

- Certification of no material violation of terms and conditions of Disposition Contract
- Final report pertaining to MBE-WBE contracting in development (to include contracts for architect, engineering, etc.) and in construction
- Certificate of Occupancy from City of Pittsburgh
- Evidence of no liens or any unauthorized encumbrances (or evidence that any mechanic's or materialman's liens filed in connection with the construction of the Improvements have been bonded off).
- Affidavits of Payment (Exhibit D to Disposition Contract)
- Evidence of dedication of any portions of public roadways within boundaries of Property; evidence of grant of easements required for utilities or other purposes as set forth in Disposition Contract
- Evidence that pedestrian passageways and/or alleyways will be maintained; evidence that Easements required for pedestrian passageways as required by the Approved Development Plan are recorded
- Project cost certification by accountant
- Evidence of payment of all taxes
- Evidence that there has been no transfer of title, change of ownership or identity of parties in control of Redeveloper, except as specifically permitted.
- Receipt of final report in form satisfactory to Seller pertaining to workforce utilization of a diverse workforce in development and in construction
- Receipt of final report in form satisfactory to Seller of the Economic Impact of the development and construction
- Receipt of final reports pertaining to sustainability plan (see Exhibit R to Option Agreement)
- [For Urban Open Space] Maintenance/Cooperation Agreement

## EXHIBIT H-4

### SELLER APPROVALS AND RELATED PROCEDURES

All estimated dates for steps to occur before Closing set forth in this Exhibit H-4 are for illustrative purposes only. Unless otherwise expressly set forth to the contrary in the Agreement, the failure of Optionee or a proposed Redeveloper to perform the applicable process step described below on or prior to the estimated deadline set forth herein shall not be deemed to be a breach or default under any provision of the Option Agreement or any other agreement entered into in connection therewith.

<u>Process Step</u>	<u>Description</u>	<u>Estimated Days Prior to Closing</u>
1. <b>Introductory Letter</b>	Optionee shall submit letter to Seller introducing proposed Redeveloper and schedule for Pre-Take Down Meeting	Prior to LOI
2. <b>Pre-Take Down Meeting</b>	Optionee and proposed Redeveloper shall meet with Seller and discuss matters related to Take Down.	Prior to LOI
3. <b>Letter of Intent</b> (Exhibit H-1 to Option Agreement)	Optionee shall submit Letter of Intent together with \$10,000 per Tract/project Proposal Fee to be paid.	360
4. <b>Staff Review of Redeveloper Criteria</b>	Seller staff reviews of whether proposed Redeveloper satisfies the criteria for a Redeveloper set forth in Section 1.4(a) of Option Agreement subject to Board approval (#8 below).	345
5. <b>License Agreement</b> (Exhibit F to Option Agreement)	Seller and proposed Redeveloper may enter into License Agreement permitting access for due diligence to Tract; subject to Section 4.1(b) of the Option Agreement.	Anytime
6. <b>Take Down Notice</b> (Exhibit H-2 to Option Agreement)	A Take Down Notice shall be submitted by Optionee the proposed Redeveloper together with a \$50,000 Good Faith Deposit.	210
7. <b>Preliminary Board Approval</b>	SEA/URA staff will present the Conceptual Development Plan agreed to by Redeveloper to its Board for the Preliminary Board Approval of development project and proposed Redeveloper.	135
8. <b>City Council Approval</b> (applicable to Melody Tent Site only)	Within 30 days of Preliminary Board Approval, URA will submit legislation authorizing execution of Disposition Contract to City Council for approval.	105
9. <b>Pre-Final Board Approval period</b> (Schedule 1 attached)	Period between Preliminary Board Approval and Final Board Approval where Optionee to complete items per Schedule 1 (attached hereto).	[see Schedule 1]

<u>Process Step</u>	<u>Description</u>	<u>Estimated Days Prior to Closing</u>
10. <b>Final Board Approval</b>	SEA/URA staff will present Optionee's project, with modifications agreed to by it and Optionee, to its Board for Final Board Approval.	45
11. <b>Pre-Closing period</b>	The approximately 45 days between Final Board Approval and Closing used to finalize Closing Documents and complete approvals.	
12. <b>Closing</b>	Execution and delivery of Closing Documents.	0
13. <b>Start of Construction</b>	Within 30 days after Closing.	
14. <b>Completion of Construction</b>	Per Disposition Contract.	
15. <b>Post Construction Obligations</b>	Per Disposition Contract.	



**SCHEDULE 1 to Exhibit H-4**

Items for Optionee to complete for submission for Final Board Approval by SEA/URA Board to include the following information, subject to such modification as Board may permit:

<u>Item</u>	<u>Estimated Days prior to Final Board Approval by SEA/URA Board</u>
a. Design Development Drawings and/or 60%- 80% Construction Drawings together with updated Site Plan submitted for comments and approval together with narrative detailing changes from previous submissions and further detailing changes from the plans and drawings submitted for community review pursuant to Paragraph 5 of Take Down Notice.	45
b. City Planning/ Subdivision/ Zoning Approvals.	30
c. Evidence of financing being secured and acceptable to Seller.	15
d. 100% Construction Drawings together with final Site Plan, specifications, progress schedule, identity of contractor, engineer and architect, submitted for approval together with narrative detailing changes from the 60%-80% Construction Drawings.	15
e. Updated MBE/WBE plan as approved by City EORC (in accordance with Exhibit P to Option Agreement).	
f. Final Workforce Utilization Plan (in accordance with Exhibit Q to Option Agreement).	
g. Final Sustainability Plan (in accordance with Exhibit R to Option Agreement).	
h. Final Economic Impact Data report (in accordance with Exhibit S to Option Agreement).	15
i. Notice of Closing date delivered (must give at least 60 days' notice of Closing).	10
j. Optionee to provide title update showing no liens or other non-permitted items.	10

## **EXHIBIT H-5**

### **BASIC CLOSING DOCUMENTS**

*Include but are not limited to the following:*

- a. Disposition Contract in form attached to Option Agreement as **Exhibit H-3**
- b. Partial Assignment and Assumption of Option Agreement in form attached to Option Agreement as **Exhibit T** (if Redeveloper not Optionee)
- c. Organizational Documents and Resolution of Redeveloper
- d. Resolution of Seller
- e. Final Land Development Plan as approved by Planning Commission
- f. Subdivision Plan with evidence of recording
- g. ALTA Survey (certified to Seller)
- h. Seller's Title Affidavit in form attached to Option Agreement as Exhibit J
- i. Title commitment and Owner's Policy of Title Insurance
- j. Easements, if applicable
- k. Special Warranty Deed(s) in form attached to Option Agreement as **Exhibit D** or Ground Lease pursuant to **Exhibit E** to Option Agreement
- l. Construction staging license agreement (and memorandum for recording, if required)
- m. Payment and performance bonds/surety (Section 11(a) of Disposition Contract)
- n. Contractor's advance lien waiver, with evidence of filing
- o. Completion guaranty(s) in form attached to Option Agreement as **Exhibit L**
- p. Indemnification Agreement(s) in form attached to Option Agreement as **Exhibit M**
- q. Environmental Agreement(s) in forms attached to Option Agreement as **Exhibit N**
- r. Certificate of Zoning Classification
- s. Evidence of Compliance - Dye Test
- t. Settlement Statement
- u. Payment of Closing Fee

## **EXHIBIT I**

### **PERMITTED EXCEPTIONS**

1. Unrecorded easements, discrepancies or conflicts in boundary lines, shortages in area and encroachments which an accurate and complete survey would disclose.
2. Rights or claims of the Operator and its agents and contractors in possession of the Option Premises.
3. Real estate taxes for the current and prior tax years which may be hereafter assessed, not yet due and payable.
4. Coal and coal bed methane gas and mining rights and all rights incident to the extraction or development of coal or coal bed methane gas heretofore conveyed, excepted and reserved by instruments of record; the right of surface, lateral or subjacent support; or any surface subsidence.
5. Oil and gas and minerals and all rights incident to the extraction or development of oil and gas or minerals heretofore conveyed, leased, excepted or reserved by instruments of record.
6. All roads, public or private, in any way affecting the land, particularly Mario Lemieux Place.
7. Any lien or right to a lien for labor, materials or services heretofore or hereafter furnished to the Operator or its agents or contractors.
8. Terms, conditions, covenants and restrictions set forth in sub-paragraphs 5 and 6 of Article V of Redevelopment Contract by and between Urban Redevelopment Authority of Pittsburgh and Public Auditorium Authority of Pittsburgh and Allegheny County, dated April 11, 1958 and recorded April 21, 1958 in Deed Book Volume 3705, page 1; as amended by First Amendment to Redevelopment Contract, dated June 16, 1981 and recorded June 30, 1981 in Deed Book Volume 6381, page 1207.
9. Controls on Redevelopment as set forth in paragraphs 1d and 1e of Section F of Redevelopment Area Plan for Redevelopment Area No. 3 Lower Hill District, dated June 7, 1955 and recorded on March 18, 1958 in Deed Book Volume 3701, page 1; as modified by Modification No. 5 of Redevelopment Area Plan, dated February, 1981 and recorded June 24, 1981 in Deed Book Volume 6379, page 694.
10. Right of way from Urban Redevelopment Authority of Pittsburgh and Public Auditorium Authority of Pittsburgh and Allegheny County to Allegheny County Steam Heating Company, dated December 30, 1960 and recorded in Deed Book Volume 3906, page 223 (affects Civic Arena Site only).

11. Right of way from Urban Redevelopment Authority of Pittsburgh to The Bell Telephone Company of Pennsylvania, dated February 16, 1960 and recorded in Deed Book Volume 3845, page 631.

12. Right of way from Urban Redevelopment Authority of Pittsburgh to Duquesne Light Company, dated March 6, 1992 and recorded in Deed Book Volume 8696, page 36 (affects Melody Tent Site only).

13. Covenants as set forth in Deed from Urban Redevelopment Authority of Pittsburgh to Public Auditorium Authority of Pittsburgh and Allegheny County, dated December 22, 1998 and recorded January 21, 1999 in Deed Book Volume 10386, page 379 (affects Civic Arena Site only).

14. Covenants, conditions, restrictions and right of reverter as set forth in Deed from Urban Redevelopment Authority of Pittsburgh to Sports & Exhibition Authority of Pittsburgh and Allegheny County, dated December 23, 2014 and recorded in Deed Book Volume 15838, page 150 (affects portion of Melody Tent Site only).

15. Declaration of Restrictive Covenants by Urban Redevelopment Authority of Pittsburgh and Sports & Exhibition Authority of Pittsburgh and Allegheny County, dated September 10, 2015 and recorded in Deed Book Volume 16218, page 453.

16. Post Construction Stormwater Management (PCSM) Instrument Filing Notice recorded August 11, 2016 in Deed Book Volume 16497, page 264.

17. All matters shown on URA Lower Hill Development Consolidation & Subdivision Plan recorded in Plan Book Volume 281, page 137.

18. All matters shown on Lower Hill Planned Development District Improvement Subdivision Site Plan No. 1 recorded in Plan Book Volume 285, page 23.

19. All matters shown on Post Construction Stormwater Management Plan recorded in Plan Book Volume 289, page 88.

**EXHIBIT J**

**FORM OF TITLE AFFIDAVIT**

Commonwealth of Pennsylvania    )                   Application No. \_\_\_\_\_  
                                                  ) ss:                                    \_\_\_\_\_  
County of Allegheny                   )                   Premises:                   \_\_\_\_\_

On the \_\_\_ day of \_\_\_\_\_ 20\_\_, before me, a Notary Public, personally appeared the undersigned affiant, who being duly sworn according to law and intending to be legally bound, deposes and says:

1. That the undersigned officer of the [SEA/URA] (the "Authority") is authorized to execute this affidavit, has the ability to execute all instruments necessary to convey the premises pursuant to the resolution of the Authority's governing board, and is of full legal age and in every respect competent to certify to the statements contained herein.
  
2. That the Authority is incorporated in the Commonwealth of Pennsylvania, its corporate charter has not been revoked and is not in threat of revocation, and that there are no provisions in the Authority's Articles or By-laws which in any way impedes the Authority's ability to convey the property.
  
3. To the knowledge of the undersigned and except as otherwise set forth in the title commitment prepared by \_\_\_\_\_ or the ALTA/ACSM survey prepared by \_\_\_\_\_, dated \_\_\_\_\_, 20\_\_, Drawing No. \_\_\_\_\_-ALTA, as last revised on \_\_\_\_\_, 20\_\_ of the premises, there are no unrecorded leases or unrecorded agreements affecting the premises, or other parties in possession of all or any portion of the premises, other than a [parking license].
  
4. That the undersigned knows of no unrecorded claims against the property, nor any set of facts by reason of which title to the premises might be disputed or questioned, and the Authority has been in peaceable and undisputed possession of the premises for approximately \_\_ years.
  
5. That there has not been any construction made or materials delivered to the premises within the last six months; nor are there any fixtures attached to the premises which have not been paid for in full; and that there are no outstanding or disputed claims for any such work or item.
  
6. That the undersigned has received no written notice (a) alleging a violation of any covenants, conditions or restrictions of record affecting the premises; or (b) from any adjoining owners alleging a dispute as to the location of property lines or the encroachment of any improvements.

7. The undersigned hereby certifies that attached hereto as Exhibit A is a true, complete and correct copy of the Resolutions of the Authority authorizing the Authority to convey the premises.

This affidavit is made for the purpose of aiding [Title Company] in determining the marketability and/or insurability of title to the premises, and to induce said title company to issue its policies of title insurance, and the affiant avers that the foregoing statements are true and correct to the best of his/her/their knowledge or belief. This affidavit shall not be relied upon by [Title Company] for any other purpose; and no other person or entity, including without limitation, [Optionee and Redeveloper], or their respective successors or assigns, may rely upon this affidavit for any purpose whatsoever.

Sworn and subscribed before me  
me, the day and year aforesaid.

[Authority]

\_\_\_\_\_  
Notary Public

By: \_\_\_\_\_  
\_\_\_\_\_, Executive Director

## **EXHIBIT K**

### **LIST OF SELLER REPORTS**

1. Civic Arena Asbestos, Lead Paint and Hazardous Material Survey dated February 10, 2010 (PSI)
2. Civic Arena Phase II Environmental Site Assessment dated March 1, 2010 (PSI)
3. Civic Arena UST Closure Report, Boiler House dated March 16, 2010 (Fourth River Company)
4. Civic Arena UST Removal Observation Activities dated March 25, 2010 (PSI)
5. Civic Arena Asbestos and Hazardous Material Monitoring Report, Phase I, Pipe Tunnels & Level 1 Engine Room dated April 21, 2011 (PSI)
6. Civic Arena Clean Fill Sampling Report dated May 23, 2011 (PSI)
7. Civic Arena Clean Fill Sampling report dated September 15, 2011 (PSI)
8. Asbestos Abatement Permit PAA-110420 dated December 12, 2011 (ACHD)
9. NPDES Revision PAG-0200-02-11-010 dated April 3, 2012 (ACCD)
10. PCB Verification of Transformer Pads dated May 7, 2012 (WEG)
11. Clean Fill Slag Under Asphalt dated May 18, 2012 (PSI)
12. Civic Arena Electrical Vault Sampling & Analysis Report, Rev. 1 dated June 5, 2012 (PSI)
13. Civic Arena Clean Fill Sampling Report, Rev 1, Imported Fill dated July 11, 2012 (PSI)
14. Civic Arena Waste Oil Manifests (for stage cylinders) dated August 8, 2012 (Everclear)
15. Civic Arena Asbestos Abatement and Hazardous Materials Monitoring Report dated October 4, 2012 (PSI)
16. Civic Arena Compaction Reports Langan Memo dated October 16, 2012 and associated PSI daily field reports (Langan and PSI)
17. SHPO Response Letter dated May 13, 2011
18. Civic Arena Demo as-built drawing (Noralco)
19. Remedial Investigation Report, Risk Assessment Report and Cleanup Plan, Former Civic Arena Site (KU Resources, Inc.) August 2017

**Lower Hill Redevelopment Site Infrastructure (Interior Streets) Reports/Investigations Provided to PAR**

1. Line & Grade dated January 24, 2013 (Michael Baker Jr., Inc.)
2. Phase I Environmental Site Assessment dated February 2013 (Michael Baker Jr., Inc.)
3. Environmental Document dated October 2013 (Michael Baker Jr., Inc.)
4. Pre-Final Geotechnical Engineering Report dated December 2013 (Michael Baker Jr., Inc.)
5. Archeological Phase I-II dated July 2013 (Michael Baker Jr., Inc.)
6. Design Field View dated July 25, 2014 (Michael Baker Jr., Inc.)
7. Sewage Facilities Planning Module dated July 16, 2013 (Cosmos Technologies)
8. Site Work Plan (Core Compliance Group, Inc.) February 2015
9. Fill Determination Results ( Core Compliance Group, Inc.) August 22, 2015
10. Underground Storage Tank Removal Summary Report (Core Compliance Group, Inc.) December 4, 2015



**EXHIBIT L**

**FORM OF COMPLETION GUARANTY**

**COMPLETION GUARANTY**

THIS COMPLETION GUARANTY dated \_\_\_\_\_, 20\_\_ ("Guaranty") is made by \_\_\_\_\_, a \_\_\_\_\_ (the "Guarantor") in favor of the **{URBAN REDEVELOPMENT AUTHORITY OF PITTSBURGH a Redevelopment Authority established and existing under the Urban Redevelopment Law of the Commonwealth of Pennsylvania, 35 P.S. §1701 et. seq.} [SPORTS & EXHIBITION AUTHORITY OF PITTSBURGH AND ALLEGHENY COUNTY, an Authority established and existing under the Sports & Exhibition Authority Act of the Commonwealth of Pennsylvania, 16 P.S. §5502-A et seq.]** (the "Authority").

**WITNESSETH:**

**WHEREAS**, the Authority has entered into that certain Amended and Restated Comprehensive Option Agreement dated as of June \_\_\_\_, 2018 (the "**Option Agreement**") with [ADD SEA OR URA AS APPLICABLE,] Pittsburgh Arena Real Estate Redevelopment LP (the "Optionee") for the development of certain land owned by the Authority in the Third (3rd) Ward of the City of Pittsburgh;

**WHEREAS**, \_\_\_\_\_, a \_\_\_\_\_ (the "**Redeveloper**") was designated by the Optionee as the Redeveloper (as defined in the Option Agreement) for the tract described on **Exhibit A** (the "**Property**");

**WHEREAS**, contemporaneously herewith, Redeveloper and the Authority are entering into that certain Contract for Disposition (the "**Disposition Contract**") with respect to the Property; and

**WHEREAS**, it is a condition and requirement of the Disposition Contract that Guarantor provide this Guaranty; and

**WHEREAS**, the Guarantor expects to derive direct monetary benefit from Redeveloper's development of the Improvements.

NOW, THEREFORE, for valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Guarantor, intending to be legally bound, hereby agree as follows:

1. The recitals set forth above are incorporated by reference herein and made a part of this Guaranty. Except as otherwise defined herein, all capitalized terms herein shall have the respective meanings ascribed thereto in the Disposition Contract.
2. Guarantor hereby unconditionally guarantees and becomes surety for the following obligations (hereinafter collectively referred to as the "**Guaranteed Obligations**");

(a) Redeveloper, at Redeveloper's sole cost and expense, shall Commence Construction of the Improvements in accordance with and subject to the terms and conditions of the Disposition Contract; and

(b) Redeveloper, at Redeveloper's sole cost and expense, shall achieve Completion of Construction of the Improvements, in accordance with and subject to the terms and conditions of the Disposition Contract; and

(c) Redeveloper shall at all times keep the Property free and clear of all liens and claims which may arise from or in any way relate to the construction, equipping and completion of the Improvements, including, without limitation, liens and claims of any and all persons and entities performing labor or furnishing materials, or both, with respect to the Improvements; and

(d) Redeveloper shall promptly discharge all other obligations, liabilities, costs and expenses relating to the completion of the Improvements[.]; and]

(e) Redeveloper shall [FOR URBAN OPEN SPACE insert specific requirements for completion of Urban Open Space per Section 3.5 of Option Agreement].

3. If Redeveloper does not do the matters specified in Paragraph 2 hereof on or before the times such matters are to be done by Redeveloper in accordance with the Disposition Contract, Guarantor unconditionally and irrevocably covenants and agrees that it shall at its sole cost and expense:

(a) Commence Construction and achieve Completion of Construction of the Improvements on or before in accordance with, the Disposition Contract, and pay all costs and expenses and discharge all liabilities, with respect to such work;

(b) remove all liens and satisfy all claims affecting the Property or the Improvements which may arise from or in any way relate to the construction, equipping, or completion of the Improvements, including, without limitation, the liens and claims of any and all persons and entities performing labor or furnishing materials, or both, with respect to the Improvements;

(c) discharge the obligations, liabilities, costs and expenses referred to in paragraph 2(d); and

(d) pay all other costs and expenses related to the Completion of Construction, including any expenses incurred by or on behalf of the Authority and all monies advanced by the Authority, at its option, to secure, protect, partially complete or complete in full the Improvements.

4. This Guaranty shall constitute the "Completion Guaranty" as required by Section 6.8(a) of the Option Agreement and Section 9 of the Disposition Contract.

5. Upon Guarantor's failure to perform any Guaranteed Obligations, the Authority, in addition to any other remedies available in the Disposition Contract and/or at law or in equity, shall be entitled to:

(a) After not less than two (2) business days' notice to Redeveloper and Guarantor of its intention to do so (except in the case of an emergency, in which case no prior notice shall be required), make any payments or perform any obligations due in connection with the Improvements or that Redeveloper and/or Guarantor are required to pay or perform pursuant to the terms of the Disposition Contract or this Guaranty, and any sums spent by the Authority shall be repaid by Redeveloper and Guarantor upon demand, together with interest thereon at the lesser of the prime rate as declared by BNY Mellon, National Association, from time to time, plus four percent (4%) (the "**Default Rate**") or the maximum rate of interest permitted under applicable law from the date of demand for repayment until the date repaid;

(b) Upon not less than two (2) business days' prior notice to Redeveloper and Guarantor of its intention to do so (except in the case of an emergency, in which case no prior notice shall be required), enter upon and take possession of the Property and the Improvements (whether in the course of construction or completed), and all materials, supplies, tools, equipment and construction facilities and appliances located thereon, and proceed either in the name of Redeveloper or in the name of the Guarantor, as the Authority shall elect, to complete the Improvements at the cost and expense of Redeveloper and Guarantor. If the Authority elects to complete or cause the Improvements to be so completed, it may do so according to the terms of the then existing construction contract(s) and all other contracts related to the Improvements with such changes, alterations or modifications as may be necessary to complete the Improvements and the Authority may enforce or cancel all contracts entered into, as aforesaid or make other contracts which in the Authority's reasonable opinion are required to complete the Improvements; and Redeveloper and Guarantor shall be liable under this Guaranty to pay to the Authority upon demand any amount or amounts incurred or extended by the Authority or its representatives for such performance; any amount so payable to the Authority pursuant to this sentence shall bear interest at the lesser of the Default Rate or the maximum rate of interest permitted under applicable law from the date of demand by the Authority until payment in full; or

(c) The Authority may exercise all of the rights and remedies provided for in this Guaranty or any other rights which may be available to the Authority by law or in equity, and all such rights and remedies are cumulative and concurrent and may be pursued singly, successively or together at the Authority's sole discretion and may be exercised as often as the occasion therefor shall occur. Any failure by the Authority to insist on the strict performance by Redeveloper and/or the Guarantor of any of the terms hereof shall not be deemed to be a waiver of any of the terms hereof and the Authority, notwithstanding any such failure, shall have the right thereafter to insist upon strict performance by Redeveloper and Guarantor of any and all of the terms of this Guaranty.

6. The liability of Guarantor hereunder shall continue until the full performance of all Guaranteed Obligations. Upon full performance of all Guaranteed Obligations, the Authority agrees (by acceptance of this Guaranty) to promptly enter into a written agreement with Guarantor acknowledging the release and satisfaction of this Guaranty.

7. The obligations of Guarantor under this Guaranty shall not be released or impaired without the express prior written consent of the Authority. Without limiting the generality of the foregoing, the obligations of Guarantor shall not be released or impaired on account of the following events:

(a) Any change in the time, place or manner of payment or performance of, or in any other term of, any of the Guaranteed Obligations, including any change in the plans, schedule or other requirements applicable to the Improvements;

(b) Any taking, release, impairment or amendment or waiver of or consent to departure from any other guaranty of the Guaranteed Obligations;

(c) Any sale or other transfer of the Property or any part thereof or any foreclosure by any bank on the Property, including without limitation, any fee or leasehold interest, or any part thereof, or any manner of sale or other disposition of any other assets of the Redeveloper;

(d) Any impairment by the Authority or any other person of any recourse of Guarantor against Redeveloper or any other person;

(e) Any exercise or non-exercise of or delay in exercising any right, remedy, power or privilege under or in respect of this Guaranty (even if any such right, remedy, power or privilege shall be lost thereby), or any waiver, consent, indulgence or other action or inaction in respect thereof;

(f) Any merger, consolidation, liquidation, dissolution, winding-up, charter revocation or forfeiture, or other change in, restructuring or termination of the corporate or partnership structure or existence of, Redeveloper or any other person; any bankruptcy, insolvency, reorganization, dissolution or similar proceeding with respect to Redeveloper or any other person; or any action taken or election made by the Authority (including any election under Section 1111(b)(2) of the United States Bankruptcy Code), Redeveloper or any other person in connection with any such proceeding;

(g) Any defense, setoff or counterclaim which may at any time be available to Redeveloper or any other person with respect to any of the Guaranteed Obligations; or any discharge by operation of law or release of Redeveloper or any other person from the performance or observance of the Guaranteed Obligations;

(h) Any payment by Redeveloper on account of the Guaranteed Obligations if such payment is held to constitute a preference under the bankruptcy laws, or if for any other reason such payment is rendered invalid; or

(i) Any other circumstances, whether similar or dissimilar to the foregoing, which might otherwise constitute a defense available to, or limit the liability of, Redeveloper, Guarantor or any other guaranty or surety.

8. Guarantor hereby waives:
- (a) Notice of acceptance of this Guaranty by the Authority;
  - (b) Notice of presentment, demand for payment, nonpayment or dishonor, or protest of any of Guarantor's obligations;
  - (c) All defenses, offsets and counterclaims of which Guarantor may at any time have to claim against the Authority;
  - (d) The benefit of any statute of limitations affecting Guarantor's liability hereunder or the enforcement thereof;
  - (e) Any defense that may arise by reason of the incapacity, lack of authority, death or disability of, or revocation hereof by, any other or others or the failure of the Authority to file or enforce a claim against the estate (either in administration, bankruptcy, or any other proceeding) of any other or others; and
  - (f) Any duty on the part of the Authority to disclose to Guarantor any facts it may now or hereafter know about Redeveloper, regardless of whether the Authority has reason to believe that any such facts materially increase the risk beyond that which Guarantor intends to assume or has reason to believe that such facts are unknown to Guarantor or has a reasonable opportunity to communicate such facts to Guarantor, it being understood and agreed that Guarantor is fully responsible for being and keeping informed of the financial condition of Redeveloper and of all circumstances bearing on the risk of nonpayment or nonperformance of the obligations and indebtedness hereby guaranteed.

9. Guarantor hereby represents and warrants as follows:

(a) Guarantor is a duly organized \_\_\_\_\_ subsisting under the laws of [the Commonwealth of Pennsylvania].

(b) Guarantor has taken all necessary action to authorize and approve this Guaranty, the consummation of the transactions contemplated hereby and the performance by Guarantor of all of the terms and conditions hereof on the part of Guarantor to be performed hereunder and under each and every other agreement, instrument, certificate or other document to which Guarantor is a party. The execution and delivery by Guarantor of this Guaranty and each and every other agreement, instrument, certificate or other document to which Guarantor is a party and the consummation of the transactions contemplated hereby and thereby do not and will not: (i) violate any Applicable Law or any provision of any applicable judicial or administrative order, award, judgment or decree, or (ii) conflict with any of the provisions of the constituent documents of Guarantor.

(c) This Guaranty and the other documents, instruments and agreements to which Guarantor is a party and to be executed and delivered pursuant to the Disposition Contract, have been duly authorized, executed and delivered, and this Guaranty constitutes and such other agreements and documents when executed and delivered by Guarantor will constitute

legal, valid and binding obligations of Guarantor, enforceable against Guarantor in accordance with their respective terms.

(d) All information, whether relating to the Redeveloper or Guarantor, provided in the Proposed Redeveloper's Statement for Public Disclosure and the Proposed Redeveloper's Statement of Qualifications and Financial Responsibility submitted to the Authority with the Letter of Intent and the Take Down Notice, respectively, is true and accurate as of the date hereof.

(e) There is no litigation or proceedings before any governmental authority pending, or to the knowledge of Guarantor, threatened against Guarantor, which could reasonably be expected to impair the ability of Guarantor to perform the obligations contemplated by this Guaranty.

(f) Nothing exists to impair the effectiveness of the liability of Guarantor to the Authority hereunder, or the immediate taking effect of this Guaranty.

10. Guarantor expressly authorizes the Authority to deal in any manner with any obligation the discharge and payment of which are hereby guaranteed and without limiting the generality hereof, Guarantor expressly authorizes that neither the obligations of Guarantor hereunder, nor the rights of the Authority protected hereby be diminished or in any manner affected by the Authority's failure to attempt enforcement of the Guaranteed Obligations by legal proceeding or otherwise. Guarantor agrees that this is a guaranty of performance and payment and not merely of collection. Guarantor agrees that Guarantor will perform the Guaranteed Obligations without offset of any kind and without any requirement that any rights or remedies be pursued against Redeveloper and regardless of the existence or adequacy of rights or remedies against Redeveloper; and that in any right of action accruing to the Authority hereunder, the Authority may elect to proceed against Guarantor, with or without joining or proceeding against Redeveloper.

11. Guarantor waives all relief from any and all homestead, appraisalment and exemption laws now in force or hereafter enacted.

12. Guarantor further agrees that should any payments on account of the Guaranteed Obligations be in whole or in part, invalidated, declared to be fraudulent or preferential, set aside and/or required to be repaid to a trustee, receiver or any other party under any bankruptcy act or code, state or federal law, common law or equitable doctrine, this Guaranty shall remain in full force and effect (or be reinstated as the case may be) until payment in full or any such amount, which payment shall be due on demand.

13. Guarantor hereby agrees to reimburse the Authority for all costs and expenses, including reasonable attorneys' fees and expenses, incurred in connection with the enforcement of the Authority's rights hereunder or which would otherwise not have been incurred but for the failure of Redeveloper and Guarantor to perform the Guaranteed Obligations. Guarantor agrees to indemnify and hold the Authority harmless from and against any and all loss, cost or expense (including, without limitation, reasonable attorneys' fees and expenses) arising from any breach

or violation of any representation, warranty or covenant of Guarantor hereunder (including, without limitation, the exercise of any remedies hereunder).

14. Guarantor hereby subordinates any and all indebtedness of Redeveloper now or hereafter owed to Guarantor on account of the Guaranteed Obligations, and agrees with the Authority that Guarantor shall not demand or accept any payment of principal or interest from Redeveloper, shall not claim any offset or other reduction of Guarantor's obligations hereunder because of any such indebtedness, for so long as this Guaranty is in effect.

15. [IF INDIVIDUAL] Upon the death of Guarantor, the obligation of the deceased shall continue against his estate.

16. All rights and remedies of the Authority are cumulative and not alternative. This Guaranty shall be governed by and construed under the laws of the Commonwealth of Pennsylvania, the state in which it is delivered and in which it is to be performed. In addition to any other jurisdiction determined appropriate by the Authority and Guarantor hereby consent to and by this Guaranty submit themselves to the personal jurisdiction of the courts of Allegheny County, Pennsylvania for the purposes of any judicial proceedings which are instituted for the enforcement of this Guaranty. Guarantor agrees that venue is proper in said jurisdiction.

17. GUARANTOR HEREBY VOLUNTARILY, IRREVOCABLY AND UNCONDITIONALLY WAIVES ANY RIGHT TO HAVE A JURY PARTICIPATE IN RESOLVING ANY DISPUTE, WHETHER SOUNDING IN CONTRACT, TORT, OR OTHERWISE, BETWEEN THE AUTHORITY AND GUARANTOR ARISING OUT OF, IN CONNECTION WITH, RELATED TO, OR INCIDENTAL TO THE RELATIONSHIP ESTABLISHED BETWEEN THE AUTHORITY, REDEVELOPER AND/OR GUARANTOR IN CONNECTION WITH THIS GUARANTY, OR ANY OTHER AGREEMENT OR DOCUMENT EXECUTED OR DELIVERED IN CONNECTION HERewith OR THE TRANSACTIONS RELATED HERETO. THIS PROVISION IS A MATERIAL INDUCEMENT TO THE SEA/URA TO ENTER INTO THE OPTION AGREEMENT WITH OPTIONEE. IT SHALL NOT IN ANY WAY AFFECT, WAIVE, LIMIT, AMEND OR MODIFY THE SEA/URA'S REMEDIES UNDER THE OPTION AGREEMENT OR THE SEA/URA'S ABILITY TO PURSUE ITS REMEDIES INCLUDING, BUT NOT LIMITED TO, ANY CONFESSION OF JUDGMENT OR COGNOVIT PROVISION CONTAINED IN THIS GUARANTY OR ANY OTHER DOCUMENT OR AGREEMENT RELATED HERETO.

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

*to the Authority:*

**[Sports & Exhibition Authority of Pittsburgh  
and Allegheny County  
171 10<sup>th</sup> Street, 2<sup>nd</sup> Floor  
Pittsburgh, PA 15222  
Attn.: Mary K. Conturo, Executive Director**

*with a copy to:*

**Cohen & Grigsby, PC  
625 Liberty Avenue  
Pittsburgh, PA 15222-3152  
Attention: William R. Taxay, Esq.**

**Urban Redevelopment Authority of Pittsburgh  
200 Ross Street  
Pittsburgh, PA 15219  
Attn.: Executive Director**

**Urban Redevelopment Authority of Pittsburgh  
200 Ross Street  
Pittsburgh, PA 15219  
Attn.: General Counsel]**

*-OR-*

**[Urban Redevelopment Authority of Pittsburgh  
200 Ross Street  
Pittsburgh, PA 15219  
Attn.: Executive Director**

*with a copy to:*

**Urban Redevelopment Authority of Pittsburgh  
200 Ross Street  
Pittsburgh, PA 15219  
Attn.: General Counsel**

**Sports & Exhibition Authority of Pittsburgh  
and Allegheny County  
171 10th Street, 2nd Floor  
Pittsburgh, PA 15222  
Attn.: Mary K. Conturo, Executive Director**



**Cohen & Grigsby, PC**  
**625 Liberty Avenue**  
**Pittsburgh, PA 15222-3152**  
**Attention: William R. Taxay, Esq.]**

*and to Guarantor as follows:*

[ADDRESSES]

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

19. GUARANTOR DOES HEREBY EMPOWER ANY ATTORNEY OF ANY COURT OF RECORD WITHIN THE COMMONWEALTH OF PENNSYLVANIA TO APPEAR FOR GUARANTOR AND, WITH OR WITHOUT A COMPLAINT OR DECLARATION FILED, AND AFTER AN EVENT OF DEFAULT, CONFESS A JUDGMENT OR JUDGMENTS AGAINST GUARANTOR AND IN FAVOR OF THE AUTHORITY OR THE AUTHORITY'S SUCCESSORS OR ASSIGNS IN ANY COURT OF RECORD WITHIN THE COMMONWEALTH OF PENNSYLVANIA FOR THE AMOUNT DUE HEREUNDER, INCLUDING ALL INTEREST, TOGETHER WITH COSTS OF SUIT AND REASONABLE ATTORNEY FEES FOR COLLECTION. THE POWER TO APPEAR FOR AND ENTER JUDGMENT AGAINST GUARANTOR SET FORTH HEREIN SHALL NOT BE EXHAUSTED BY ONE OR MORE EXERCISES THEREOF, AND MAY BE EXERCISED FROM TIME TO TIME AND AS OFTEN AS THE AUTHORITY OR ITS SUCCESSORS OR ASSIGNS SHALL DEEM NECESSARY OR DESIRABLE. ANY SUCH JUDGMENT SHALL BE FULLY ENFORCEABLE UP TO THE AMOUNT DUE FROM REDEVELOPER AND GUARANTOR AT THE TIME ENFORCEMENT OF THE JUDGMENT IS SOUGHT, PLUS REASONABLE ATTORNEY FEES FOR COLLECTION. GUARANTOR HEREBY FOREVER WAIVES AND RELEASES ANY AND ALL ERRORS IN SAID PROCEEDINGS, WAIVE STAY OF EXECUTION, STAY, CONTINUANCE OR ADJOURNMENT OF SALE ON EXECUTION, THE RIGHT TO PETITION TO SET ASIDE OR ORDER A RESALE, THE RIGHT TO OBJECT TO THE SHERIFF'S SCHEDULE OF PROPOSED DISTRIBUTION, THE RIGHT OF INQUISITION AND EXTENSION OF TIME OF PAYMENT, AND AGREE TO CONDEMNATION OF ANY PROPERTY LEVIED UPON BY VIRTUE OF ANY EXECUTION ISSUED ON ANY SUCH JUDGMENT, AND GUARANTOR SPECIFICALLY WAIVES ALL EXEMPTIONS FROM LEVY AND SALE OF ANY PROPERTY THAT NOW IS OR MAY HEREAFTER BE EXEMPT UNDER ANY EXISTING OR FUTURE LAWS OF THE UNITED STATES OF AMERICA OR THE COMMONWEALTH OF PENNSYLVANIA OR OF ANY OTHER JURISDICTION.

20. From time to time, as and when requested by the Authority, Guarantor, without further consideration, shall take, or cause to be taken, such actions and execute, acknowledge and deliver, or cause to be executed, acknowledged and delivered, all such documents and instruments and shall take, or cause to be taken, all such further or other actions as the Authority may reasonably deem necessary or desirable to consummate or effectuate the transactions contemplated hereby.

21. Guarantor hereby acknowledges that it has received a copy of the Disposition Contract and all documents and agreements referenced therein.

22. Time is of the essence as to the time periods and obligations set forth in Paragraphs 2 and 3 of this Guaranty.

23. This Guaranty, the Disposition Contract and the other Closing Documents contains the entire understanding of the parties and supersedes any prior or contemporaneous understanding and agreements among them regarding the subject matter of this Guaranty. The parties also intend that this Guaranty, the Disposition Contract, and the other Closing Documents be the complete, exclusive, and fully integrated statement of their understanding and may not be supplemented or interpreted by any evidence of course of dealing. This Guaranty may be amended or modified only by a written instrument executed by Guarantor and the Authority.

24. This Guaranty shall inure to the benefit of an maybe enforced by the Authority or its successors or assigns and shall be binding on Guarantor and its respective legal representatives, heirs, successors and assigns, provided that Guarantor may not assign or transfer its rights hereunder. The Authority may assign or transfer its rights hereunder to any successor public agency or in connection with any assignment of the Disposition Contract. Any assignment undertaken in violation hereof shall be null and void.

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

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

27. Any and all matters of dispute between the parties to this Agreement, whether arising from the Agreement itself or arising from alleged extra contractual matters occurring prior to, during, or subsequent to this Guaranty, shall be governed by, construed, and enforced in accordance with the laws of the Commonwealth of Pennsylvania regardless of the legal theory upon which such matter is asserted. Guarantor (i) agrees that any suit, action, or other legal proceeding arising here from shall be brought in the Court of Common Pleas of Allegheny County, Pennsylvania; (ii) consents to the jurisdiction of such court in any such suit, action or proceeding; and (iii) waives any objection which it may have to the laying of venue of such suit, action or proceeding in such court.

28. In the event there is more than one (1) Guarantor, all of Guarantor's obligations hereunder shall be joint and several.

29. If any term or provision of this Guaranty or the application thereof to any person or circumstance shall, to any extent be invalid or unenforceable, the remainder of the Guaranty, or the application of such term or provision to persons or circumstances other than those as to which it was held invalid or unenforceable, shall not be affected thereby, and each term or provision of this Guaranty shall be valid and enforceable to the fullest extent permitted by Applicable Law.

[SIGNATURE PAGE FOLLOWS]



EXHIBIT A

Legal Description of Property

**EXHIBIT M**

**FORM OF INDEMNIFICATION AGREEMENT**

**INDEMNIFICATION AGREEMENT**

**THIS INDEMNIFICATION AGREEMENT ("Agreement") is made and entered into as of the \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, by and between \_\_\_\_\_, a \_\_\_\_\_ ("Redeveloper"), \_\_\_\_\_, a \_\_\_\_\_ ("Guarantor") and the [URBAN REDEVELOPMENT AUTHORITY OF PITTSBURGH a Redevelopment Authority established and existing under the Urban Redevelopment Law of the Commonwealth of Pennsylvania, 35 P.S. §1701 et. seq.] [SPORTS & EXHIBITION AUTHORITY OF PITTSBURGH AND ALLEGHENY COUNTY, an Authority established and existing under the Sports & Exhibition Authority Act of the Commonwealth of Pennsylvania, 16 P.S. §5502-A et seq.] ("Authority").**

**WITNESSETH:**

**WHEREAS**, the Authority has entered into that certain Amended and Restated Comprehensive Option Agreement dated as of June \_\_\_\_, 2018 (the "**Option Agreement**") with [ADD SEA OR URA AS APPLICABLE,] Pittsburgh Arena Real Estate Redevelopment LP (the "Optionee") for the development of certain land owned by the Authority in the Third (3rd) Ward of the City of Pittsburgh;

**WHEREAS**, \_\_\_\_\_, a \_\_\_\_\_ (the "**Redeveloper**") was designated by the Optionee as the Redeveloper (as defined in the Option Agreement) for the tract described on Exhibit A (the "**Property**");

**WHEREAS**, contemporaneously herewith, Redeveloper and the Authority are entering into that certain Contract for Disposition (the "**Disposition Contract**") with respect to the Property;

**WHEREAS**, the Guarantor expects to derive direct monetary benefit from Redeveloper's development of the Improvements; and

**WHEREAS**, it is a condition and requirement of the Disposition Contract that Redeveloper and Guarantor provide this Agreement.

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

1. All capitalized terms used herein and not otherwise defined have the meaning ascribed to them in the Disposition Contract.

2. Redeveloper and Guarantor each agrees and does hereby indemnify, defend and hold harmless the Authority, the City of Pittsburgh, and the County of Allegheny, and their respective employees, officers, directors, elected officials, representatives, agents, attorneys, accountants, consultants, successors or assigns (collectively, the "**Indemnified Parties**") for, and

will pay to the Indemnified Parties the amount of any loss, liability, claim, damage and expense (including costs of investigation and defense and reasonable attorneys' fees), whether the action is for money damages, or otherwise at law, or for equitable or declaratory relief (collectively, "**Damages**") arising directly or indirectly from or in connection with:

(a) the violation of any Applicable Law by Redeveloper or any of its employees, agents or contractors (each a "**Redeveloper Party**") with respect to activities undertaken pursuant to the Disposition Contract or otherwise related to the Property; or

(b) any claim by any person arising in any manner out of or related to the activities of any Redeveloper Party with respect to activities undertaken pursuant to the Disposition Contract or otherwise related to the Property; or

(c) a breach of a representation or warranty by Redeveloper or Guarantor contained in the Disposition Contract or any other Closing Document.

3. Each of the Indemnified Parties is a third party beneficiary hereof.

4. This Agreement, the Disposition Contract and the other Closing Documents contains the entire understanding of the parties and supersedes any prior or contemporaneous understanding and agreements among them regarding the subject matter of this Agreement. The parties also intend that this Agreement, the Disposition Contract, and the other Closing Documents be the complete, exclusive, and fully integrated statement of their understanding and may not be supplemented or interpreted by any evidence of course of dealing. This Agreement may be amended or modified only by a written instrument executed in the same manner as this Agreement.

5. This Agreement shall be binding on the parties hereto and upon their respective successors and assigns, provided that Redeveloper and Guarantor may not assign or transfer its rights hereunder except as otherwise expressly permitted by the Disposition Contract. The Authority may assign or transfer its rights hereunder to any successor public agency. Any assignment undertaken in violation hereof shall be null and void.

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

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

8. Any and all matters of dispute between the parties to this Agreement, whether arising from the Agreement itself or arising from alleged extra contractual matters occurring

prior to, during, or subsequent to this Agreement, shall be governed by, construed, and enforced in accordance with the laws of the Commonwealth of Pennsylvania regardless of the legal theory upon which such matter is asserted. Each of the parties to this Agreement (i) agrees that any suit, action, or other legal proceeding arising here from shall be brought in the Court of Common Pleas of Allegheny County, Pennsylvania; (ii) consents to the jurisdiction of such court in any such suit, action or proceeding; and (iii) waives any objection which it may have to the laying of venue of such suit, action or proceeding in such court.

9. Redeveloper and Guarantor are jointly and severally liable hereunder. Redeveloper and Guarantor are primarily liable for all obligations hereunder, and the Indemnified Parties shall have no obligation to proceed first or exhaust remedies against Redeveloper before proceeding against Guarantor.

10. If any term or provision of this Agreement or the application thereof to any person or circumstance shall, to any extent be invalid or unenforceable, the remainder of the Agreement, or the application of such term or provision to persons or circumstances other than those as to which it was held invalid or unenforceable, shall not be affected thereby, and each term or provision of this Agreement shall be valid and enforceable to the fullest extent permitted by Applicable Law.

**[SIGNATURE PAGES FOLLOW]**











**EXHIBIT N**

**FORM OF ENVIRONMENTAL AGREEMENT**

**ENVIRONMENTAL AGREEMENT AND COVENANT NOT TO SUE**

**THIS ENVIRONMENTAL AGREEMENT AND COVENANT NOT TO SUE** (this "Agreement"), is made and entered into as of the \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, by and between \_\_\_\_\_, a \_\_\_\_\_ ("Redeveloper"), \_\_\_\_\_, a \_\_\_\_\_ ("Guarantor") and the [URBAN REDEVELOPMENT AUTHORITY OF PITTSBURGH a Redevelopment Authority established and existing under the Urban Redevelopment Law of the Commonwealth of Pennsylvania, 35 P.S. §1701 et. seq.] [SPORTS & EXHIBITION AUTHORITY OF PITTSBURGH AND ALLEGHENY COUNTY, an Authority established and existing under the Sports & Exhibition Authority Act of the Commonwealth of Pennsylvania, 16 P.S. §5502-A et seq.] ("Authority").

**WITNESSETH:**

**WHEREAS**, the Authority has entered into that certain Amended and Restated Comprehensive Option Agreement dated as of June \_\_\_\_, 2018 (the "**Option Agreement**") with [ADD SEA OR URA AS APPLICABLE,] and Pittsburgh Arena Real Estate Redevelopment LP (the "Optionee") for the development of certain land owned by the Authority in the Third (3rd) Ward of the City of Pittsburgh;

**WHEREAS**, \_\_\_\_\_, a \_\_\_\_\_ (the "**Redeveloper**") was designated by the Optionee as the Redeveloper (as defined in the Option Agreement) for the tract described on **Exhibit A** (the "**Property**");

**WHEREAS**, contemporaneously herewith, Redeveloper and the Authority are entering into that certain Contract for Disposition (the "**Disposition Contract**") with respect to the Property;

**WHEREAS**, the Guarantor expects to derive direct monetary benefit from Redeveloper's development of the Improvements; and

**WHEREAS**, it is a condition and requirement of the Disposition Contract that Redeveloper and Guarantor provide this Agreement.

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

1. **Defined Terms.** All capitalized terms used herein and not otherwise defined have the meaning ascribed to them in the Disposition Contract.

2. **Covenant Not to Sue.**

(a) Except as provided in subparagraph (b) of this paragraph, Redeveloper, and Guarantor each hereby agrees not to sue, prosecute or otherwise make any claim against

Authority, the City of Pittsburgh, Allegheny County and Optionee, and each of their respective elected officials, appointed officials, board members, officers, employees, agents and attorneys (collectively, the "**Indemnified Parties**") in connection with any and all actions, causes and causes of actions, suits, claims and demands, rights, liabilities, whether in law or in equity, under federal, state, or municipal law or otherwise (including, without limitation, all common law claims), whether known or unknown, suspected or unsuspected, foreseen or unforeseen, actual or potential, which Redeveloper or Guarantor ever had, now has or shall or may have, against one or more Indemnified Parties as a result of, or arising out of, or in any way related to or by reason of any Contamination existing on the date hereof at, on, in or about the Property (collectively, "**Environmental Claims**"). The definition of "Environmental Claims" encompasses any and all relief, no matter how called, whether now apparent or yet to be discovered, including, without limitation, compensatory damages, punitive damages, damages for emotional distress, equitable relief, injunctive relief, and attorneys' fees and costs. The foregoing covenant not to sue is binding on Redeveloper, any future owner of all or any portion of the Property, and any tenant or lessee of all or any portion of the Property, together with all successors and assigns of such parties (collectively, the "**Bound Parties**").

(b) This Agreement shall not preclude Redeveloper or Guarantor from joining Authority in an action or suit brought under an Applicable Law against such Redeveloper by one or more Specified Third Parties in connection with any Environmental Claim. "**Specified Third Party**" means any party, including without limitation, any Governmental Authority, excluding (i) Optionee and its affiliates, (ii) Redeveloper and any other Bound Party, and (iii) any party with whom Redeveloper has a contractual arrangement relating to the Property or any portion thereof.

(c) As used in this Section 2 or elsewhere in this Agreement:

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

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

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

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

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

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

3. Indemnification. Redeveloper and Guarantor each, for itself and its successors and assigns, indemnify, defend and hold harmless each of the Indemnified Parties from, and shall pay to Indemnified Parties the amount of any Damages one or more Indemnified Parties may incur, arising directly or indirectly in whole or in part from or in connection with (i) any Environmental Claim resulting from any Contamination or breach of Environmental Laws that first occurs after the date of this Agreement, and (ii) Redeveloper's failure to dispose of any Contamination at, on, in or about the Property in accordance with Applicable Laws.

4. Notice to Authority of Potential Claim. Redeveloper and Guarantor shall promptly notify and provide Authority with copies of, any suit notice, claim or other correspondence from any third party with respect to any Contamination on the Property.

5. Third Party Beneficiaries. Each of the Indemnified Parties is a third party beneficiary hereof.

6. Entire Agreement; Amendments. This Agreement, the Disposition Contract and the other Closing Documents contains the entire understanding of the parties and supersedes any prior or contemporaneous understanding and agreements among them regarding the subject matter of this Agreement. The parties also intend that this Agreement, the Disposition Contract, and the other Closing Documents be the complete, exclusive, and fully integrated statement of their understanding and may not be supplemented or interpreted by any evidence of course of dealing. This Agreement may be amended or modified only by a written instrument executed in the same manner as this Agreement.

7. Successors and Assigns. This Agreement shall be binding on the parties hereto, all Bound Parties, and their respective successors and assigns, provided that Redeveloper and Guarantor may not assign or transfer their rights hereunder except as otherwise expressly permitted by the Disposition Contract. The Authority may assign or transfer its rights hereunder to any successor public agency. Any assignment undertaken in violation hereof shall be null and void.

8. Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original but all of which shall constitute one and the same instrument. The

section headings of this Agreement are for convenience of reference only and shall not affect the construction or interpretation of any of the provisions hereof.

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

10. Governing Law, etc. Any and all matters of dispute between the parties to this Agreement, whether arising from the Agreement itself or arising from alleged extra contractual matters occurring prior to, during, or subsequent to this Agreement, shall be governed by, construed, and enforced in accordance with the laws of the Commonwealth of Pennsylvania regardless of the legal theory upon which such matter is asserted. Each of the parties to this Agreement (i) agrees that any suit, action, or other legal proceeding arising here from shall be brought in the Court of Common Pleas of Allegheny County, Pennsylvania; (ii) consents to the jurisdiction of such court in any such suit, action or proceeding; and (iii) waives any objection which it may have to the laying of venue of such suit, action or proceeding in such court.

11. Joint and Several Liability. Redeveloper and Guarantor are jointly and severally liable hereunder. Redeveloper and Guarantor are primarily liable for all obligations hereunder, and the Indemnified Parties shall have no obligation to proceed first or exhaust remedies against Redeveloper before proceeding against Guarantor.

12. Severability. If any term or provision of this Agreement or the application thereof to any person or circumstance shall, to any extent be invalid or unenforceable, the remainder of the Agreement, or the application of such term or provision to persons or circumstances other than those as to which it was held invalid or unenforceable, shall not be affected thereby, and each term or provision of this Agreement shall be valid and enforceable to the fullest extent permitted by Applicable Law.

[Signature Pages Follow]



**[SIGNATURE PAGE 1 OF 3 - ENVIRONMENTAL AGREEMENT  
AND COVENANT NOT TO SUE]**

IN WITNESS WHEREOF, the Parties have caused this Agreement to be duly executed  
under seal the day and year first above written.

**[REDEVELOPER]**

By: \_\_\_\_\_

Its: \_\_\_\_\_

COMMONWEALTH OF PENNSYLVANIA )  
                                                                                  ) SS:  
COUNTY OF ALLEGHENY )

On this, the \_\_\_\_ day of \_\_\_\_\_, 20\_\_, before me \_\_\_\_\_, the  
undersigned officer, personally appeared \_\_\_\_\_ who acknowledged himself to be  
the \_\_\_\_\_ of [REDEVELOPER] and that he as such, being authorized to do so,  
executed, the foregoing instrument for the purposes therein contained.

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

\_\_\_\_\_  
Notary Public

My Commission Expires:

\_\_\_\_\_



**[SIGNATURE PAGE 3 OF 3 - ENVIRONMENTAL AGREEMENT  
AND COVENANT NOT TO SUE]**

**SPORTS & EXHIBITION AUTHORITY OF  
PITTSBURGH AND ALLEGHENY COUNTY,**  
a public body, corporate and politic, organized and  
existing under the laws of the Commonwealth of  
Pennsylvania

By: \_\_\_\_\_

Its: \_\_\_\_\_

COMMONWEALTH OF PENNSYLVANIA     )  
                                                      ) SS:  
COUNTY OF ALLEGHENY                 )

On this, the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, before me \_\_\_\_\_, the undersigned officer, personally appeared \_\_\_\_\_ who acknowledged himself to be the \_\_\_\_\_ of SPORTS & EXHIBITION AUTHORITY OF PITTSBURGH AND ALLEGHENY COUNTY and that he as such, being authorized to do so, executed, the foregoing instrument for the purposes therein contained.

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

\_\_\_\_\_  
Notary Public

My Commission Expires:

\_\_\_\_\_

**OR**

**URBAN REDEVELOPMENT AUTHORITY  
OF PITTSBURGH** a public body, corporate and  
politic, organized and existing under the laws of the  
Commonwealth of Pennsylvania

By: \_\_\_\_\_

Its: \_\_\_\_\_

COMMONWEALTH OF PENNSYLVANIA     )  
                                                           ) SS:  
COUNTY OF ALLEGHENY             )

On this, the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, before me \_\_\_\_\_, the  
undersigned officer, personally appeared \_\_\_\_\_ who acknowledged himself to be  
the \_\_\_\_\_ of URBAN REDEVELOPMENT AUTHORITY OF PITTSBURGH and  
that he as such, being authorized to do so, executed, the foregoing instrument for the purposes  
therein contained.

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

\_\_\_\_\_  
Notary Public

My Commission Expires:  
  
\_\_\_\_\_

EXHIBIT A

Legal Description of Property

**EXHIBIT O**

**FORM OF MEMORANDUM OF AMENDED AND  
RESTATED COMPREHENSIVE OPTION AGREEMENT**

Recording Requested By:

**COHEN & GRIGSBY, PC**

When Recorded Mail To:

Cohen & Grigsby, PC  
625 Liberty Avenue  
Pittsburgh, PA 15222-3152  
Attention: William R. Taxay, Esq.

**MEMORANDUM OF AMENDED AND  
RESTATED COMPREHENSIVE OPTION AGREEMENT**

THIS MEMORANDUM OF AMENDED AND RESTATED COMPREHENSIVE OPTION AGREEMENT ("**Memorandum**") made as of the \_\_\_\_ day of June, 2018, by and between **Sports & Exhibition Authority of Pittsburgh and Allegheny County ("SEA")**, having a mailing address at 171 Tenth Street, 2<sup>nd</sup> Floor, Pittsburgh, PA 15222 Attention: Executive Director and the **Urban Redevelopment Authority of Pittsburgh ("URA")**, having a mailing address at 200 Ross Street, Pittsburgh, PA 15219 Attention: Executive Director (SEA and URA are collectively referred to in this Agreement as "**Optionor**"), and **Pittsburgh Arena Real Estate Redevelopment LP** having a mailing address at PPG Paints Arena, 1001 Fifth Avenue, Pittsburgh, PA 15219 Attention: Chief Operating Officer ("**Optionee**").

**W I T N E S S E T H:**

A. Optionor and Optionee have entered into a certain unrecorded Amended and Restated Comprehensive Option Agreement dated as of the date hereof ("**Option Agreement**"), pursuant to which Optionor has granted to Optionee the exclusive right to purchase and/or ground lease certain real property located in the Third Ward of the City of Pittsburgh, County of Allegheny, Commonwealth of Pennsylvania, legally described on **Exhibit A** attached hereto, which property is referred to in the Option Agreement and herein as the "**Property**."

B. Optionor and Optionee desire to provide for constructive notice of the Option Agreement by recording this Memorandum in the real estate records of Allegheny County, Pennsylvania.

Therefore, for the consideration set forth in the Option Agreement, Optionor and Optionee hereby agree and confirm as follows:

1. The recitations set forth in A and B above are hereby incorporated herein.

2. The term of the Option Agreement shall commence on October 22, 2014 and shall expire on October 22, 2025, as extended only in accordance with Sections 5.8 and 8.2 of the Option Agreement.

3. The Option Agreement provides that Optionee is without power to assign or otherwise transfer the Option Agreement, or make or permit the transfer of direct or indirect interests in Optionee (in any manner whatsoever including but not limited to transfers of the direct or indirect ownership interests in Optionee) except as expressly permitted by Section 11.6 of the Option Agreement.

4. The Option Agreement provides that, following a Redeveloper's acquisition or ground lease of a portion of the Property, certain circumstances may give rise to a re-vesting of such portion of the Property and any improvements thereon, in accordance with the terms of the Disposition Contract entered into between Optionor and the Redeveloper.

5. This Memorandum is not meant to, nor does it, amend or modify any provision of the Option Agreement or any Closing Documents. Reference is made to the Option Agreement itself for a complete and definitive statement of the rights and obligations of Optionor and Optionee thereunder, all of which are incorporated herein by reference with the same force and effect as if herein set forth in full. Any term used as a defined term herein but not defined herein shall have the same meaning as ascribed to it in the Option Agreement, including the exhibits thereto.

6. This Memorandum may be executed in several counterparts, each of which shall be deemed an original and all of which shall constitute one and the same instrument.

7. This Memorandum replaces in its entirety that certain Memorandum of Comprehensive Option Agreement dated as of September 18, 2014 by and between Optionee and Seller and recorded in the Real Estate Department of Allegheny County, Pennsylvania on September 19, 2014 at Deed Book Volume 15740, page 117 (the "**Prior Memorandum**"), and the Prior Memorandum is hereby terminated and of no further force or effect.





**[SIGNATURE PAGE 2 OF 3 FOR MEMORANDUM OF AMENDED AND RESTATED COMPREHENSIVE OPTION AGREEMENT]**

**URBAN REDEVELOPMENT AUTHORITY OF PITTSBURGH** a public body, corporate and politic, organized and existing under the laws of the Commonwealth of Pennsylvania

By: \_\_\_\_\_

Its: \_\_\_\_\_

COMMONWEALTH OF PENNSYLVANIA )  
 ) SS:  
 COUNTY OF ALLEGHENY )

This \_\_\_\_\_ day of June, 2018, personally came before me, a Notary Public in and for the said County and State, \_\_\_\_\_, who, being duly sworn, says that he/she is a \_\_\_\_\_ of **URBAN REDEVELOPMENT AUTHORITY OF PITTSBURGH** a public body, corporate and politic, organized and existing under the laws of the Commonwealth of Pennsylvania, and that the said writing was signed by him/her on behalf of said company as his/her act and deed and as the act and deed of said entity.

WITNESS my hand and notarial seal, this \_\_\_\_\_ day of June, 2018.

\_\_\_\_\_  
 Notary Public

My Commission Expires: \_\_\_\_\_



**EXHIBIT A**  
**LEGAL DESCRIPTION OF PROPERTY**

## **EXHIBIT P**

### **MBE-WBE PROGRAM**

*(with attachments identified as Attachment A (with Schedule A),  
Attachment B, Attachment C)*

Seller requires that development of each Tract promote certain goals as described herein and a Redeveloper and all of its contractors and subcontractors shall demonstrate a good faith effort to obtain the participation of Minority and Women Business Enterprises for all aspects of the development-including but not limited to planning, design and construction.

#### **Minority and Women Business Enterprise Participation Policy and Plan**

The Redeveloper shall demonstrate a good faith effort to obtain the participation of Minority and Women Business Enterprises in work to be performed in connection with the development of each Tract of the Option Premises (the “**Project**”). It is the goal of the Seller that twenty-five percent (25%) of the development and construction costs of the Project be expended for participation by Minority Business Enterprises and ten percent (10%) be expended for participation by Women Business Enterprises. The Minority and Women Business Enterprise participation in the Project shall be subject to the review of the Equal Opportunity Review Commission of the City of Pittsburgh (“**EORC**”). Redeveloper shall demonstrate a good faith effort to obtain such goals prior to entering into any contract pertaining to development and construction of a Take Down Tract.

“Minority Business Enterprise” (**MBE**) and “Women Business Enterprise” (**WBE**) means businesses certified as such by Allegheny County, Port Authority of Allegheny County, Pennsylvania Department of Transportation, or the U.S. Small Business Administration. The MBE/WBE must be certified for the specific type of work it will be responsible for in connection with the contract. The certification must be current throughout the time the MBE/WBE will be doing work under the contract.

Prior to Final Board Approval, Redeveloper will provide evidence of an MBE/WBE Plan acceptable to the Seller and approved by the EORC. Such approval may be obtained where Redeveloper has demonstrated to the Seller and the EORC that it has made a diligent good faith effort to meet the Seller’s goals for MBE and WBE participation in the Project work pertaining to the Take Down Tract.

MBE and WBE participation may be achieved by any combination of the following:

- a. Direct (prime) contract between Redeveloper with an MBE or WBE. If the direct (prime) contractor is an MBE or WBE, participation shall be the full amount of the contract.
- b. Subcontract for work on the Project. If work is subcontracted to an MBE or WBE, participation for this element shall be the total amount of subcontracts with MBE/WBEs for work on the Project; provided, however, if an MBE or WBE

subcontractor self-performs less than 50% of the work under the subcontract, then the MBE or WBE firm shall only receive credit for the amount of the work self-performed.

- c. Supply contracts for the Project. If materials are purchased from an MBE or WBE, participation for this element shall be 2% of the amount of the purchase order unless evidence acceptable to the Seller is submitted that the broker or supplier is acting as a "full service supplier" on this Project and in such case the credit shall be 60% of the dollar value of the purchase order. Evidence to be submitted to qualify as a "full service supplier" should include warehouse or storage capacity, inventory records, agreements with manufacturers, ownership of material handling or delivery equipment and demonstration of fiscal responsibility on previous sales.

Whether the Redeveloper and each of its prime contractors undertook the following actions, among others, will be considered in determining if a good faith effort to obtain participation has been made:

- i. held pre-bid meetings to inform MBE/WBEs of sub contracting opportunities,
- ii. advertised in general, trade, and minority focused media,
- iii. provided timely written notice to a reasonable number of MBE/WBEs,
- iv. followed up the initial solicitations by contracting MBE/WBEs to determine interest,
- v. selected or reduced the size of specific contract parts to facilitate MBE/WBE participation,
- vi. provided interested MBE/WBEs with plans, specifications, and contract requirements,
- vii. negotiated in good faith with interested MBE/WBEs,
- viii. made efforts to provide bonding, line of credit, or insurance assistance to interested MBE/WBEs,
- ix. utilized the services of available minority community organizations and other organizations that provide assistance in the recruitment and placement of MBE/WBEs, and
- x. utilized the services of the office of the EORC to provide assistance in the recruitment and placement of MBE/WBEs.

Documentation in the form of letters, meeting notes, copies of advertisements, etc. will be required to confirm these efforts.

An MBE/WBE Plan acceptable to the Seller requires:

1. Redeveloper shall require all bids or proposals from prime contractors to sign an acknowledgment of this policy, in the form attached as **Attachment A** as a condition to consideration of the bid or proposal. Bids or proposals from prime contractors of Redeveloper shall include a detailed list of entities and persons

- contacted by bidder or proposer in connection with the Project in the form attached as **Schedule A** to Attachment A.
2. Detailed list of contracts and subcontracts to be awarded to MBE/WBEs. Each prime contractor shall submit the report attached hereto as **Attachment B**.
  3. Agreement of Redeveloper and its prime contractors to actively adhere to the implementation of the goals of the MBE/WBE Participation Plan. Redeveloper and prime contractor shall submit its Certification of its understanding and commitment to the Plan in the form attached as **Attachment C** to Seller at Closing, and shall cause each of its prime contractors to execute the same Certification.
  4. Back up certification of MBE/WBE status of all contractors counted for MBE/WBE participation.
  5. Filing with Seller of quarterly reports in the form attached as **Attachment C** tracking the MBE/WBE participation throughout the performance of the Project work. Prior approval by the Seller will be required for any change in the Minority and Women's Participation Plan. Compliance with the approved Minority and Women's Participation Plan will be monitored by the Seller. The Seller may consider failure of the contractor to make a good faith effort to fulfill its obligations with respect to its Minority and Women's Participation Plan as a material breach of the Disposition Contract. No Certificate of Completion may be issued without a final MBE/WBE participation report certified by Redeveloper.

**Attachment A**

**Certificate of Minority and Women Business Enterprise Participation**

The undersigned certifies that it understands and agrees to actively solicit the participation of Minority and Women Business Enterprises in all work to be performed under this contract, and to make a diligent good faith effort to achieve the minority and women's participation goals of the Seller.

The undersigned further certifies that the attached Schedule A – "MBE/WBE Solicitation Statement" – details its efforts regarding the solicitation and utilization of minorities and women in the work to be performed under this contract.

The undersigned further certifies that it understands that prior to award of this contract a written Minority and Women's Participation Plan, using Exhibit B – "MBE/WBE Participation Plan," – must be submitted and approved by Seller.

Failure to comply with these conditions or failure to sign and submit this Certificate and Schedule A with the bid/proposal is grounds for disqualification of the bid/proposal.

Name of Bidder/Proposer \_\_\_\_\_

By (signed) \_\_\_\_\_

Title \_\_\_\_\_

Date \_\_\_\_\_

Schedule A to Attachment A  
MBE/WBE SOLICITATION STATEMENT

NAME OF BIDDER/PROPOSER: \_\_\_\_\_  
ADDRESS: \_\_\_\_\_  
TELEPHONE: \_\_\_\_\_  
CONTACT PERSON: \_\_\_\_\_  
BID PACKAGE/CONTRACT: \_\_\_\_\_

List Certified MBE/WBE Companies that you have solicited in reference to this contract

Company Name	Certification Agency and Certification Number	MBE		Contact Person	Address	Phone	Date Contacted		Type of Supply Contract	Type of Subcontract	Potential MBE/WBE Amount (\$)
		30%	50%				by Mail	by Phone			

Prepared by \_\_\_\_\_ Title \_\_\_\_\_ Phone \_\_\_\_\_







## EXHIBIT Q

### WORKFORCE UTILIZATION PLAN

Seller requires that development of each Tract (a "project") includes a good faith effort to promote the workforce utilization goals described herein. Each Redeveloper and all of its contractors and subcontractors shall demonstrate good faith efforts to obtain such participation of minorities and women in the workforce performing development and construction work at each Tract. It is recognized that this workforce is supplied in large part by the construction industry.

The City of Pittsburgh through its adoption of Chapter 177A.02 of the Pittsburgh Code of Ordinances encourages workforce goals of 25% minority and 10% women. The goals are expressed as a percentage of the actual total hours of work performed. Seller encourages these same goals for each project.

Redeveloper and its contractors demonstrate a good faith effort to reach these workforce goals by adoption of a Workforce Plan and taking action pursuant thereto to encourage diversity. Suggested elements of the Workforce Plan are set forth below.

It is understood that minorities and women are underrepresented in the construction sector of the local workforce and that workforce diversity within each trade of the industry varies widely. Evaluation of good faith will include consideration of the availability of minorities and women in a construction trade.

The Preliminary Workforce Plan to be delivered with the Take Down Notice and the Final Workforce Plan to be delivered for Final Board Approval shall include:

- Description of anticipated overall workforce labor hours analysis; this analysis will identify the number and types of workers that will be needed in the development and construction of the project.
- Narrative describing incorporation of contract terms described under "Contract Terms" below.
- Narrative regarding outreach and recruitment efforts as described in paragraph titled "Redeveloper Resources" below.
- Agreement to provide monthly and final construction reports in the form attached hereto.

#### I. Contract Terms

A. It is suggested that certain Contract Terms be incorporated into all project contracts and subcontracts pertaining to workers for the development and construction of the project, that is:

1. Covenant to comply with all state, federal and local laws, in effect from time to time, prohibiting discrimination or segregation by reason of race, color, religious creed, sexual orientation, disability, ancestry, national origin, age, or gender in the employment of persons working at the project which is the subject of this contract, and, if applicable, in the sale, lease, or occupancy of the project property.

2. Agreement to ensure and maintain a working environment free of harassment, intimidation and coercion at all sites, and in all facilities to which contractor's employees are assigned to work. The contractor shall specifically agree to ensure that all foremen, superintendents, and other on-site supervisory personnel are aware of and carry out the contractor's obligation to maintain such a working environment with specific attention to minority individuals or women working at such sites or in such facilities.

3. Agreement to cooperate with Redeveloper in promoting a diverse workplace by seeking out information and taking advantage of Redeveloper Resources, as described below.

4. Agreement to cooperate with Redeveloper's efforts by providing information helpful in development of a labor hour analysis applicable to contractor's scope of work.

5. Agreement to provide timely information to Redeveloper so that Redeveloper can make monthly and final reports regarding workforce utilization for construction in the form attached hereto.

## II. Redeveloper Resources.

It is suggested that the Redeveloper or its contractors:

- establish and maintain a current list of minority and women recruitment sources, utilize the services of available minority and women community organizations that project assistance in the assessment, training, recruitment and hiring of minorities and women;
- provide written notification to minority and women recruitment sources and to community organizations when the contractor or subcontractors have employment opportunities available, and maintain a record of the organizations' responses;
- support and encourage efforts by building trade associations, construction trade unions, and workforce development organizations to recruit, train, and retain minority and women workers in the construction industry;
- focus specific recruiting efforts on low income, high unemployment neighborhoods throughout the County.

Attachment: reporting form

## MONTHLY UTILIZATION REPORT FOR CONTRACTORS

The Monthly Utilization Report ("Report") must be submitted monthly and with each payment application. The Report should include on site workers only. Office workers and clerical positions are excluded. The Report must include current and cumulative information for the project and must be completed by each prime and sub contractor. Contractors must report from the Notice to Proceed until all physical work is completed. Certified payroll or other acceptable verifying information must be included as an attachment to the Report.

Project: \_\_\_\_\_  
 Contractor: \_\_\_\_\_  
 Contract Start Date: \_\_\_\_\_  
 Report / Payroll Period Start Date: \_\_\_\_\_  
 Report / Payroll Period End Date: \_\_\_\_\_

Classification	Current Hours										Subtotals - Current Hours				
	All Employees		Black (Non-Hispanic)		Hispanic		Native American or Alaskan Native		Asian or Pacific Islander		Total Minority Hours	Total Female Hours	Total All Employee Hours	% Minority	% Female
	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female					
Laborer															
Cement Mason															
Electrician															
Plumbers															
Operating Engineers (add additional trades as required)															
<b>TOTAL</b>															

Classification	Hours To Date (Cumulative)										Subtotals - Hours to Date (Cumulative)				
	All Employees		Black (Non-Hispanic)		Hispanic		Native American or Alaskan Native		Asian or Pacific Islander		Total Minority Hours	Total Female Hours	Total All Employee Hours	% Minority	% Female
	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female					
Laborer															
Cement Mason															
Electrician															
Plumbers															
Operating Engineers (add additional trades as required)															
<b>TOTAL</b>															

Report dated \_\_\_\_\_ prepared by \_\_\_\_\_ on behalf of \_\_\_\_\_  
 \_\_\_\_\_  
 Signature

## **EXHIBIT R**

### **SUSTAINABILITY PLAN**

Optionee shall provide a written plan (“Sustainability Plan”) describing how its development of each Tract of the Option Premises (A) enables the achievement of the highest commercially reasonable level of LEED-ND certification (or its replacement if LEED-ND is no longer generally recognized) and (B) enables achievement of the highest commercially reasonable level of LEED certification or another applicable third-party certification reasonably acceptable to Seller under the applicable new construction rating system specific to the development of the Tract.

A. Optionee shall submit a current LEED-ND checklist and project timeline that includes information on how the development of the Tract (the “Project”) will meet the requirements of LEED-ND and fit within the overall plan for LEED-ND certification for the development of the Option Premises. The checklist must indicate the credits Redeveloper expects to earn or not earn and for each credit, a detailed description of the approach or explanation of why it will not be pursued must be provided.

B. In addition, Optionee shall submit checklists for the applicable new construction LEED rating system (Building Design and Construction, Core and Shell, Homes, etc.), and identify how the Project will address the requirements established for the applicable rating system. The checklist must indicate the credits Optionee expects Developer to earn or not earn and for each credit, a detailed description of the approach or explanation of why it will not be pursued must be provided. Optionee shall indicate how Developer is utilizing commercially reasonable best efforts to meet the goal of achieving the highest possible level of LEED certification.

Following Seller approval, the checklists submitted by Optionee shall become the final approved Sustainability Plan applicable to the Project.

In the Disposition Contract, Redeveloper shall agree to implement the final approved Sustainability Plan as described above. Throughout construction, as part of the quarterly reports to be submitted pursuant to Section 6(c) of the Disposition Contract, Redeveloper shall submit a detailed narrative updating the Seller on its efforts with respect to the approved Sustainability Plan and shall provide backup if requested by Seller.

Redeveloper or its successors and assigns or successors in title shall commit to becoming a partner of the Pittsburgh 2030 District, shall comply with 2030 District reporting requirements, and shall utilize best efforts to meet the goals of the 2030 District.

For each Project, Redeveloper shall submit a final sustainability report for the Project (“Final Sustainability Report”) that provides: 1) documentation regarding its progress toward the achievement of credits for LEED-ND, 2) documentation regarding its achievement of credits for the applicable LEED new construction rating system, 3) evidence that the Redeveloper or its successors and assigns or successors in title has executed a “Commitment Pledge” in a form provided by the Pittsburgh 2030 District, and 4) an explanation demonstrating how the Project utilized best efforts to meet the goals of the 2030 District. The Final Sustainability Report as

approved by Seller must be submitted prior to the issuance of a Certificate of Completion from the Seller. Upon achievement of LEED certification for the Project, if applicable, evidence of such certification will be reported to Seller.

Redeveloper and its successors in interest are encouraged to cause the Project to follow the guidelines of LEED for Existing Buildings: Operations & Maintenance over the life of each Project and to achieve LEED for Interior Design and Construction for any interior build out projects that may occur after completion of the Improvements.

Checklists for the most current version of the LEED rating systems will be utilized unless otherwise indicated by Seller. Checklists can be downloaded at [www.usgbc.org](http://www.usgbc.org).

## **EXHIBIT S**

### **ECONOMIC IMPACT REPORT**

#### **Economic Impact Data for the Construction Period**

Information to be broken down by trade package/service:

- Employment (FTE)
- Annual Taxes Generated
  - Gross Payroll and Payroll Tax (broken out City, State)
  - Gross Material Purchases and Sales Tax (broken out County, State)
- MBE-WBE Participation and Workforce Participation

#### **Economic Impact for the Post-Construction Period**

Information to be broken down by use (e.g., office, retail, residential, parking, open space, other):

- Employment – FTE employees
- Annual Taxes Generated
  - Real Estate Tax (broken out by City, School, County)
  - Payroll Tax
  - County Drink Tax
  - Amusement Tax
  - Sales Tax
  - Parking Tax
  - Hotel Tax
- Housing
  - Total # of rental single family housing units, # of bedrooms each
  - Total # of rental multi-family housing units, # of bedrooms each
  - Total # of rental affordable housing units, # of bedrooms each
  - Total # of for-sale single family housing units, # of bedrooms each
  - Total # of for-sale multi-family housing units, # of bedrooms each
  - Total # of for-sale affordable housing units, # of bedrooms each
  - Occupancy rate of all housing units
- Parking
  - Total parking spaces (public and private), broken out by facility (garage, surface lots)
  - Parking utilization rate for each facility (daily usage, monthly leases, event usage)
- Hotel
  - Total # of hotel rooms
  - Hotel room nights usage
- Entertainment
  - Event name, date, and attendance held at an entertainment facility including programming at open space(s)
- Retail
  - Approximate # of patrons visited at retail facility(s)



**EXHIBIT T**

**FORM OF PARTIAL ASSIGNMENT AND ASSUMPTION OF OPTION AGREEMENT**

**THIS PARTIAL ASSIGNMENT AND ASSUMPTION OF OPTION AGREEMENT** (this "Assignment") is made and entered into as of the \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_ (which date is hereinafter called the "**Effective Date**"), by and between **PITTSBURGH ARENA REAL ESTATE REDEVELOPMENT LP**, a Pennsylvania limited partnership ("**Assignor**"), having its principal office at 1001 Fifth Avenue, Pittsburgh, PA 15219, and \_\_\_\_\_, a \_\_\_\_\_ ("**Assignee**"), having its principal office at \_\_\_\_\_.

Recitals

(a) Assignor, the Sports & Exhibition Authority of Pittsburgh and Allegheny County, a body corporate and politic, organized and existing pursuant to the Sports and Exhibition Authority Act (16 Purdon's Statutes 5501-A, et seq.) (the "**Authority**"), the Urban Redevelopment Authority of Pittsburgh, a body corporate and a redevelopment authority established and existing under the Urban Redevelopment Law of the Commonwealth of Pennsylvania, (35 P.S. § 1701 et. seq.) (the "**URA**") are parties to that certain Amended and Restated Comprehensive Option Agreement dated as of June \_\_\_\_, 2018, (as the same may be amended, supplemented, extended, renewed or replaced from time to time, the "**Option Agreement**"; a true and correct copy of the Option Agreement, as in effect on the Effective Date, is attached hereto as **Exhibit A** and made a part hereof), pursuant to which Assignor was granted certain redevelopment option rights with respect to certain real property located in the Third Ward of the City of Pittsburgh, County of Allegheny and Commonwealth of Pennsylvania owned by the Authority and the URA, as more particularly described on Exhibit A to the Option Agreement (collectively, the "**Option Premises**"); and

(b) The Option Premises includes a parcel of property, consisting of approximately \_\_\_\_\_ acres, as such parcel of property is more particularly depicted and described on **Exhibit B** attached hereto and made a part hereof (the "**Tract**");

(c) Assignor and Assignee have entered into an agreement pursuant to which Assignee has agreed to undertake the redevelopment of the Tract; and

(d) In accordance with and subject to Section 11.6(c) of the Option Agreement, Assignor and Assignee desire to partially assign the Option Agreement such that, effective as of the Effective Date, (i) Assignor shall assign to Assignee its right to Take Down the Tract; and (ii) Assignee shall assume Assignor's obligations under the Option Agreement with respect to the Tract, all in accordance with the terms hereof and as set forth in the Disposition Contract (as defined below).

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

1. Incorporation of Recitals; Defined Terms. The Recitals set forth above are incorporated herein by this reference as if set forth herein in full. Capitalized terms used and not otherwise defined herein shall have the meaning given such terms in the Option Agreement.

2. Assignment and Assumption. Effective as of the Effective Date, (i) Assignor hereby assigns to Assignee its right to Take Down the Tract; (ii) Assignee hereby assumes Assignor's obligations under the Option Agreement with respect to the Tract as set forth in the Disposition Contract (defined below); and (iii) Assignee shall be the "Redeveloper" for all purposes of the Option Agreement with respect to the redevelopment of the Tract. Notwithstanding the foregoing, Assignor shall remain responsible for all obligations of the "Optionee" under the Option Agreement that are not assumed by Assignee hereunder, and Assignor hereby reaffirms all such remaining obligations. Assignee acknowledges, in accordance with Section 11.6(c) of the Option Agreement, that it does not by reason of this Assignment have any rights, claims or causes of action against the [Authority]/[URA] except as set forth in the Disposition Contract or any other Closing Document to which Assignee is a party or by which Assignee is bound.

3. Definitive Agreement; Redevelopment Credits for Tract.

(a) The parties hereby acknowledge that, simultaneously with the execution and delivery of this Assignment, the Authority and the Assignee are entering into a Disposition Contract for the Tract (the "**Disposition Contract**"). A true and correct copy of the Disposition Contract is attached as Exhibit C hereto and made a part hereof. Assignor hereby acknowledges and consents to the Disposition Contract and the Project described therein, but shall not be a party thereto and shall have no obligation or liability thereunder.

(b) The [Authority]/[URA] is hereby directed by Assignor to [deliver a Deed to Assignee for the Tract] [enter into a Ground Lease with Assignee for the Tract] at the Closing in accordance with the terms of the Disposition Contract.

(c) In the event that the Deposit paid with respect to the Tract is to be returned in accordance with the provisions of the Disposition Contract, Assignor hereby directs the [Authority]/[URA] to return the Deposit to Assignee.

4. Assignee Indemnity. Assignee will indemnify, defend and hold Assignor harmless against any losses, claims, liabilities, proceedings, actions, suits or damages, including without limitation costs and reasonable expert and legal fees incurred, arising in any manner out of the Option Agreement assigned to and assumed by Assignee hereunder and the obligations of Assignee as "Redeveloper" thereunder, which are assumed pursuant to this Assignment, and which relate in any manner whatsoever to any transaction or occurrence that occurs or arises and accrues at any time on or after the Effective Date hereunder under the Disposition Contract or any other Closing Document. Assignor's rights and obligations under the retained portion of the Option Agreement shall not be affected or limited by a breach of the Option Agreement by Assignee.

5. Form of Notices. From and after the Effective Date, all notices under the Option Agreement that relate to the Tract shall be delivered in the manner required by Section 11.14 of

the Option Agreement; provided that a copy of such notice shall be delivered simultaneously to Assignee at the following address (or such other address as Assignee may from time to time designate by notice pursuant to this Assignment):

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

With copy to:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

6. Binding Effect; Successors and Assigns. This Assignment shall be binding on the parties hereto and upon their respective successors and assigns, provided that Assignee may not assign or transfer its rights hereunder except as otherwise expressly permitted by the Disposition Contract. Any assignment undertaken in violation hereof shall be null and void.

7. Governing Law. Any and all matters of dispute between the parties to this Assignment, whether arising from the Assignment itself or arising from alleged extra contractual matters occurring prior to, during, or subsequent to this Assignment, shall be governed by, construed, and enforced in accordance with the laws of the Commonwealth of Pennsylvania regardless of the legal theory upon which such matter is asserted. Each of the parties to this Assignment (i) agrees that any suit, action, or other legal proceeding arising here from shall be brought in the Court of Common Pleas of Allegheny County, Pennsylvania; (ii) consents to the jurisdiction of such court in any such suit, action or proceeding; and (iii) waives any objection which it may have to the laying of venue of such suit, action or proceeding in such court.

8. Further Actions. Each of the parties hereto agrees to execute, acknowledge and deliver, or cause the execution, acknowledgement and delivery of, such further documents and instruments and to perform such other reasonable actions as may reasonably be requested by a party hereto in order to effect the purposes of this Assignment.

9. Entire Agreement; Written Amendments Required. This Assignment, together with all exhibits and attachments hereto, and the other Closing Documents, contains the entire understanding of the parties and supersedes any prior or contemporaneous understanding and agreements among them regarding the subject matter of this Assignment. The parties also intend that this Assignment, and the exhibits and attachments hereto, be the complete, exclusive, and fully integrated statement of their understanding and may not be supplemented or interpreted by any evidence of course of dealing. This Assignment may be amended or modified only by a written instrument executed in the same manner as this Assignment.

10. Counterparts. This Assignment may be executed in counterparts, both of which shall constitute one and the same instrument.

**[Remainder of page intentionally left blank]**

IN WITNESS WHEREOF, this Partial Assignment and Assumption of Option Agreement has been executed by the parties as of the day and year first above written.

**ASSIGNOR:**

**PITTSBURGH ARENA REAL ESTATE  
REDEVELOPMENT LP**

By: Pittsburgh Arena Real Estate  
Redevelopment LLC, its sole general  
partner

**ATTEST/WITNESS:**

By: \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

**ASSIGNEE:**

\_\_\_\_\_  
\_\_\_\_\_

By: \_\_\_\_\_  
\_\_\_\_\_

**ATTEST/WITNESS:**

By: \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

**CONSENT AND ACKNOWLEDGMENT OF [SPORTS & EXHIBITION AUTHORITY OF PITTSBURGH AND ALLEGHENY COUNTY] [URBAN REDEVELOPMENT AUTHORITY OF PITTSBURGH] TO PARTIAL ASSIGNMENT AND ASSUMPTION OF OPTION AGREEMENT (the "ASSIGNMENT")**

**[All capitalized terms used and not defined below shall have the meaning given such terms in the Assignment]**

The [Sports & Exhibition Authority of Pittsburgh and Allegheny County] [Urban Redevelopment Authority of Pittsburgh] (the "Authority") hereby consents to the assignment by Assignor to Assignee hereunder

**ATTEST:**

**[SPORTS & EXHIBITION  
AUTHORITY OF PITTSBURGH AND  
ALLEGHENY COUNTY]**

**[URBAN REDEVELOPMENT  
AUTHORITY OF PITTSBURGH]**

By: \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

**EXHIBIT A**  
**OPTION AGREEMENT**

See attached

**EXHIBIT B**

**TRACT**

See attached drawing



**EXHIBIT C**  
**DISPOSITION CONTRACT**

**EXHIBIT U – SEE ATTACHED**

**PARKING INFORMATION**

Exhibit U - Form of Month/Year to Date Reports for Option Premises Parking Lots Beginning Oct. 22, 2023

LOT NAME	CURRENT MONTH			YEAR TO DATE		
	Actual	Budget	Variance	Actual	Budget	Variance
<b>OPERATING REVENUES:</b>						
Daily Revenue						
Event Revenue						
Lease Revenue						
Other/Miscellaneous Revenue						
Revenue Adjustments/Refunds						
<b>GROSS OPERATING REVENUES</b>						
(PARKING TAX)						
<b>ADJUSTED GROSS REVENUES</b>						
<b>OPERATING EXPENSES:</b>						
Insurance Benefits						
Pension						
Payroll Taxes						
Wages						
<b>TOTAL SALARIES &amp; BENEFITS</b>						
Supplies						
Insurance						
Licenses						
Snow Removal - Deicing						
Maintenance Routine						
Maintenance- Capital/Special Projects						
Office						
Accounting and Legal Fees						
Auto Expense						
Bank Service Fees						
Credit Card Processing						
Payroll Processing Fees						
Police						
Security						
Shuttle Bus						
Signage						
Tickets						
Uniforms						
Uninsured Loss						
URA Rent (Melody Tent report only)						
Utilities						
General/Misc Expenses						
<b>SUB-TOTAL OPERATING EXPENSES</b>						
<b>OPERATING REVENUE</b>						
Management Fee						
<b>NET REVENUES</b>						

<b>PARKING VEHICLE COUNTS:</b>						
Daily						
Event						
Other						
<b>TOTAL</b>						

<b># OF PERSONS EMPLOYED:</b>						
Total						
Minority						
Women						
<b>TOTAL</b>						

Budget is to be provided on or before July 31 of each year.

Report required for each lot.

All parking surcharges are an operating revenue.

The \$1/\$.50 existing per car parking surcharge to Pens is no longer applicable after Oct. 22, 2023.

It is expected that after October 22, 2023 the surcharge provided for in Section 4.2.2 of the Lease will be imposed on the New Arena Garage only. If, as an accommodation to the Operator, the Authority imposes a portion of that surcharge on the remaining Lots, and the Operator collects and retains it or uses it to pay Additional Rent due under the Lease, such amounts will not be considered an operating expense of the Lots.

If the Authority imposes a surcharge on the Lots pursuant to the second to the last sentence of Section 4.2.3 of the Lease, and the Operator collects and transfers such to the Authority, such amount will be an operating expense of the Lots.

## EXHIBIT V

### PARTIAL RELEASE OF OPTION

#### (GARAGE PARCEL)

**THIS PARTIAL RELEASE OF OPTION** (this "**Release**") is made and entered into as of the \_\_\_\_ day of \_\_\_\_\_, 20 \_\_ (which date is hereinafter called the "**Effective Date**"), by and between the **SPORTS & EXHIBITION AUTHORITY OF PITTSBURGH AND ALLEGHENY COUNTY**, a body corporate and politic, organized and existing pursuant to the Sports and Exhibition Authority Act (Act of July 28, 1953, P.L. 723, No. 230, § 2501-A, added October 30, 2000, P.L. 616, No. 85, § 6, 16 Purdon's Statutes 5501-A, et seq.) (the "**SEA**") **URBAN REDEVELOPMENT AUTHORITY OF PITTSBURGH**, a public body, corporate and politic, organized and existing under the laws of the Commonwealth of Pennsylvania ([the "**URA**" and, together with the SEA,] the "**Authority**") and **PITTSBURGH ARENA REAL ESTATE REDEVELOPMENT LP**, a Pennsylvania limited partnership (the "**Optionee**").

#### **Recitals**

A. On June \_\_\_\_, 2018, the Authority and Optionee entered into that certain Amended and Restated Comprehensive Option Agreement (as the same has been or may be amended, supplemented, extended, renewed or replaced from time to time, the "**Option Agreement**"), pursuant to which Optionee was granted certain redevelopment option rights with respect to certain real property located in the Third Ward of the City of Pittsburgh, County of Allegheny and Commonwealth of Pennsylvania owned by the Authority, as more particularly in the Option Agreement (the "**Option Premises**");

B. Optionee delivered to the Authority a Letter of Intent # \_\_\_\_, dated \_\_\_\_\_, 20\_\_, pursuant to which Optionee identified a portion of the Option Premises described on Exhibit A hereto as the Garage Parcel (as defined in the Option Agreement); and

C. In accordance with the Option Agreement, Optionee and the Authority desire to evidence the release and quitclaim of the Garage Parcel from the Option Premises on the terms and conditions set forth herein.

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

1. Incorporation of Recitals: Defined Terms. The Recitals set forth above are incorporated herein by this reference as if set forth herein in full. Capitalized terms used and not otherwise defined herein shall have the meaning given such terms in the Option Agreement.

2. Partial Release of Forfeited Tract from Option Premises. Effective as of the Effective Date, Optionee hereby agrees to release and quitclaim unto the Authority, for good and valuable consideration, all of the Optionee's right and option under the Option Agreement in and to the property described on Exhibit A. The parties hereby acknowledge that such property described on Exhibit A shall for all purposes of the Option Agreement constitute the "Garage Parcel" as defined therein. From and after the Effective Date, the Garage Parcel shall not be

subject to any of the rights or restrictions set forth in the Option Agreement except for the provisions of the last sentence of Section 8.2(c) thereof, to the extent applicable to the Parking Garage on the Garage Parcel as set forth therein.

3. Modification to Option Premises. Exhibit A to the Option Agreement is hereby amended to exclude the Garage Parcel.

4. [IF SUBDIVISION IS REQUIRED Subdivision. Optionee shall be responsible for undertaking a Future Subdivision Plan in accordance with Section 5.4 of the Option Agreement in order to establish the Garage Parcel as a separate parcel for real estate tax assessment purposes on or before \_\_\_\_\_, 20\_\_\_. [INSERT DATE THAT IS SIX MONTHS AFTER DATE OF RELEASE].

5. Recording and Amendment. Either party may record this Release in the public real estate records of Allegheny County, Pennsylvania at its own expense. Upon such recording, this Release shall be deemed to be an amendment to the Memorandum of Option Agreement, evidencing the release of the Garage Parcel (as described in Exhibit A hereto) from the Option Premises (as described in such Memorandum of Option Agreement from time to time).

6. Ratification. Except as specifically modified by this Release, the Option Agreement and the Memorandum of Option Agreement shall remain in full force and effect. All terms, covenants and conditions of the Option Agreement and the Memorandum of Option Agreement shall continue to be valid, effective and in force, and are hereby ratified and affirmed.

7. Entire Agreement. The Option Agreement, as modified hereby, is the entire agreement of the parties with respect to the subject matter thereof; there are no verbal representations, warranties and understandings, stipulations, agreements or promises pertaining to the Option Agreement not incorporated in writing therein or in this Release except to the extent that this Release specifically so states.

8. Successors and Assigns. All rights, remedies, liabilities, covenants, conditions and agreements herein imposed upon either of the parties or imposed upon either of the parties pursuant to the provisions of the Option Agreement shall inure to and be binding upon the respective successors and assigns of the parties.

9. Counterparts. This Release may be executed in counterparts, all of which shall constitute one and the same instrument.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, this Partial Release of Option has been executed by the parties as of the day and year first above written

**OPTIONEE:**

**ATTEST/WITNESS:**

**PITTSBURGH ARENA REAL ESTATE REDEVELOPMENT LP**, a Pennsylvania limited partnership

**By: Pittsburgh Arena Real Estate Redevelopment LLC**, a Pennsylvania limited liability company, its General Partner

By: \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

ACCEPTED this \_\_ day of \_\_\_\_\_, 20\_\_.

**AUTHORITY:**

**ATTEST/WITNESS**

**SPORTS & EXHIBITION AUTHORITY OF PITTSBURGH AND ALLEGHENY COUNTY**, a public body, corporate and politic, organized and existing under the laws of the Commonwealth of Pennsylvania

By: \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

**URA:**

**ATTEST/WITNESS**

**URBAN REDEVELOPMENT AUTHORITY OF PITTSBURGH**, a public body, corporate and politic, organized and existing under the laws of the Commonwealth of Pennsylvania

By: \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_







**EXHIBIT A**  
**LEGAL DESCRIPTION OF GARAGE PARCEL**

## SCHEDULE 1

### Schedule of Definitions

<b>Act 2</b> .....	19	<b>First Interim Deadline Liquidated</b>	
<b>Agreement</b> .....	1	<b>Damages</b> .....	29
<b>Applicable Laws</b> .....	14	<b>First Interim Takedown Requirement</b> ....	6
<b>Approved Development Plan</b> .....	16	<b>Force Majeure</b> .....	37
<b>Assignment</b> .....	4	<b>Forfeited Revenues</b> .....	6
<b>Block A Urban Open Space</b> .....	10	<b>Future Subdivision Plan</b> .....	15
<b>Block C Urban Open Space</b> .....	10	<b>Garage Agreement</b> .....	27
<b>Block F Urban Open Space</b> .....	10	<b>Garage Completion Date</b> .....	27
<b>Block H Urban Open Space</b> .....	10	<b>Garage Liquidated Damages</b> .....	30
<b>Block H Urban Open Space Due Date</b> ..	12	<b>Garage Parcel</b> .....	26
<b>CAP Maintenance Agreement</b> .....	11	<b>Garage Start Date</b> .....	27
<b>CAP Note</b> .....	11	<b>Garage Start Obligation</b> .....	30
<b>CCIP</b> .....	27	<b>Governmental Approvals</b> .....	17
<b>Certificate of Completion</b> .....	17	<b>Governmental Authority</b> .....	14
<b>Change in Control</b> .....	37	<b>Greater Hill District Reinvestment Fund</b>	7
<b>City Council</b> .....	2	<b>Ground Lease</b> .....	20
<b>Civic Arena Site</b> .....	1	<b>Guarantor</b> .....	24
<b>Closing</b> .....	17	<b>I-579 CAP Project</b> .....	2
<b>Closing Date</b> .....	17	<b>Infrastructure</b> .....	2
<b>Closing Date Notice</b> .....	17	<b>Interim Deadline Liquidated Damages</b> ..	29
<b>Closing Documents</b> .....	17	<b>Interim Takedown Requirement</b> .....	7
<b>Commence Construction</b> .....	24	<b>Involuntary Monetary Lien</b> .....	13
<b>Commencement of Construction</b> .....	24	<b>Lease</b> .....	2
<b>Complete Construction</b> .....	24	<b>Lemieux Group</b> .....	1
<b>Completion Guaranty</b> .....	24	<b>Letter of Intent</b> .....	12
<b>Completion of Construction</b> .....	24	<b>License Agreement</b> .....	12
<b>Conceptual Development Plan</b> .....	16	<b>LIHTC</b> .....	27
<b>Conditions Notice</b> .....	19	<b>Map</b> .....	1
<b>Contamination</b> .....	14	<b>Material Adverse Effect</b> .....	7
<b>Cooperation Agreement</b> .....	9	<b>Melody Tent Site</b> .....	1
<b>Damages</b> .....	14	<b>Net Revenues</b> .....	8
<b>Deed</b> .....	6	<b>Non-Defaulting Party</b> .....	34
<b>Development Standard</b> .....	1	<b>Operator</b> .....	2
<b>Disposition Contract</b> .....	16	<b>Option</b> .....	3
<b>Effective Date</b> .....	3	<b>Option Premises</b> .....	1
<b>Environmental Law</b> .....	14	<b>Option Term</b> .....	3
<b>Escrow Fund</b> .....	7	<b>Optionee</b> .....	1
<b>Existing Site Conditions</b> .....	14	<b>Optionee Development Target</b> .....	28
<b>Failure Notice</b> .....	28	<b>Optionee Reports</b> .....	12
<b>Final Board Approval</b> .....	16	<b>Optionee-Indemnified Parties</b> .....	33
<b>Final Land Development Plan</b> .....	5	<b>Original Option Agreement</b> .....	1

**Parcels** ..... 6  
**Parking Agreement** ..... 6  
**Parking Agreements** ..... 6  
**Parking Garage** ..... 26  
**Pause**..... 18  
**Pause Fee**..... 18  
**Permitted Exceptions**..... 21  
**Planning Commission** ..... 2  
**PLDP** ..... 2  
**Preliminary Board Approval** ..... 16  
**Prohibited Encumbrance** ..... 21  
**Public Authority** ..... 26  
**Public Development Delay** ..... 28  
**Public Development Obligation** ..... 28  
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**Redeveloper** ..... 3  
**Redevelopment Credits** ..... 8  
**Regulated Substances** ..... 14  
**Reimbursement Agreement** ..... 19  
**Rental** ..... 20  
**SEA**..... 1

**Second Interim Deadline Liquidated Damages** ..... 29  
**Second Interim Takedown Requirement** 7  
**Seller**..... 1  
**Seller Development Tract**..... 8  
**Seller Mortgage** ..... 21  
**Seller Reports** ..... 12  
**Seller-Indemnified Parties**..... 33  
**Shortfall Amount** ..... 8  
**Site Improvement Subdivision Plan** ..... 2  
**SP District** ..... 2  
**Take Down** ..... 6  
**Take Down Notice**..... 16  
**Take Down Tract** ..... 6  
**Termination Date**..... 3  
**Tract**..... 6  
**URA** ..... 1  
**Urban Open Space** ..... 10  
**Voluntary Monetary Lien** ..... 21  
**Zoning Code** ..... 2  
**Zoning Text Amendment** ..... 2