LAND DISPOSITION AGREEMENT

Dated as of October 31, 2012

by and between

Mayor and City Council of Baltimore

and

CBAC Gaming, LLC

Land Disposition Agreement
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LAND DISPOSITION AGREEMENT

This **LAND DISPOSITION AGREEMENT** ("LDA" or "Agreement"), is made as of the 31st day of October, 2012 (the "Effective Date"), by and between the **MAYOR AND CITY COUNCIL OF BALTIMORE**, a body politic and corporate and a political subdivision of the State of Maryland (the "City"), acting by and through the Department of Housing and Community Development ("DHCD") and **CBAC GAMING, LLC,** a limited liability company formed under the laws of Delaware and registered to do business in the State of Maryland (the "Developer").

RECITALS

A. Pursuant to a Ground Lease Agreement (VLT Facility) of even date herewith between the City and Developer (the "VLT Lease"), Developer is leasing from the City Lots C, D, and E as shown on the attached **Exhibit A** (the "Lease Property") for purposes of developing and operating the VLT Facility, as defined in the VLT Lease.

B. The City also owns eight (8) lots of ground shown as Lots F, G, H, I, J, K, L, and M (collectively, the "8 Lots") and certain adjacent street beds that have been closed or are proposed to be closed (the "Closed Street Areas") all as shown on the attached **Exhibit A** and as further described on the attached **Exhibit B**. The eight (8) Lots and the Closed Street Areas are collectively referred to as the "Garage Property".

C. The City desires to sell the Garage Property to Developer, and Developer desires to acquire the Garage Property from the City, to provide a parking garage (the "Parking Garage") for the VLT Facility. A description of the VLT Facility and the Parking Garage (and other ancillary uses related to the Garage or the VLT Facility) is set forth in the attached **Exhibit C** (the "Project Plan"). The project as described in the Project Plan is referred to herein as the "Project".

D. The City also owns two (2) additional lots of ground shown as Lots A and B on **Exhibit A** and as further described on **Exhibit B**. Lots A and B are individually referred to as an "Option Property" and collectively referred to as the "Option Properties".

E. The City agrees that it shall sell either or both of the Option Properties to Developer if Developer exercises its options pursuant to the terms and conditions set forth in this Agreement.

F. The Garage Property and the Option Properties are within the boundaries of the Carroll Camden Urban Renewal Area (the "Renewal Area") established by Ordinance No. 02-296, approved March 6, 2002, as amended, and are subject to the Carroll Camden Urban Renewal Plan, as adopted pursuant to said Ordinance, as amended (the "Renewal Plan").

G. The City is authorized to sell, lease, convey, transfer, or otherwise dispose of the Garage Property and the Option Properties by virtue of (i) Article 11, Section 15 of the Baltimore City Charter, 1996 Revision (the "Charter Provision"); (ii) Article 13 of the Baltimore City Code 2000 Edition (the "City Code"), which established DHCD pursuant to the Charter Provision; and (iii) the provisions of the Renewal Plan.

AGREEMENT

NOW, THEREFORE, for and in consideration of the premises and mutual obligations of the parties hereto, the foregoing Recitals, which are deemed a substantive part of this Agreement, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the City and Developer, for themselves, their successors and assigns, hereby represent, warrant, covenant, and agree as follows:

ARTICLE I

GENERAL TERMS OF CONVEYANCE

1.1 AGREEMENT TO SELL AND BUY.

(a) Subject to the conditions of this Agreement, and subject to the performance by the City and Developer of the duties and obligations on the part of each to be performed hereunder, the City does hereby agree to sell its fee simple interest in the Garage Property to Developer, and Developer agrees to buy such fee simple interest in the Garage Property from the City.

(b) Subject to the conditions of this Agreement, subject to the performance by the City and Developer of the duties and obligations on the part of each to be performed hereunder, and subject to and upon the exercise of the applicable option or options set forth in this Agreement, the City does hereby agree to sell its fee simple interest in either or both of the Option Properties to Developer, and Developer agrees to buy such fee simple interest in either or both of the Option Properties from the City.

(c) The Garage Property will be accepted by Developer in an "As Is" condition at the time of Settlement and with respect to the Option Properties, at the time of Future Settlements, as the case may be. The City makes no guaranty or warranty as to the suitability of the Garage Property and the Option Properties for any purpose or the physical or environmental condition of the Garage Property or the Option Properties. Except for a customary covenant of further assurances to be set out in the Deed, Developer specifically waives and releases, and the City expressly disclaims all warranties or representations, express, implied, statutory, or otherwise (including warranties of fitness for a particular purpose) with respect to the Garage Property and the Option Properties, or their condition. Developer specifically disclaims all rights, remedies, recourse, or other basis for recovery (including any rights, remedies, recourse, or basis for recovery based on negligence or strict liability) that Developer would otherwise have against the City in respect of the condition of the Garage Property or the Option Properties; provided, however, that this disclaimer does not waive, limit, or impact any obligations that the City may

or may not have to the United States Government, any Federal Agency, the State of Maryland, or any State authority under the Resource Conservation and Recovery Act of 1976 (42 U.S.C. §6901 et seq.), the Comprehensive Environmental Response Compensation and Liability Act of 1980 (42 U.S.C. §9601 et seq.), or any other Applicable Law, as any such law may be amended from time to time, and any regulations promulgated thereunder. Subject to the terms of this Agreement, the disclaimers in this section specifically extend to (1) matters relating to hazardous materials and compliance with environmental laws, (2) geological conditions, including subsidence, subsurface conditions, water table underground streams and reservoirs (and other underground water conditions), limitations regarding the withdrawal of water, earthquake, floodway or special flood hazard, (3) drainage, (4) soil conditions, including the existence of instability, conditions of soil fill, susceptibility to landslides, and the sufficiency of any under-shoring, (5) zoning and subdivision and compliance with zoning and subdivision laws, (6) the value and profit potential of the Garage Property or the Option Properties, (7) design, quality, suitability, structural integrity, and physical condition of any improvements on the Garage Property or the Option Properties, and (8) compliance of the Garage Property or the Option Properties with any laws. Developer has not relied upon and will not rely upon, either directly or indirectly, any statement of the City or any of its affiliates or any officer, agent, employee, or other person acting or purporting to act on behalf of the City except for the representations and warranties expressly made by the City in this Agreement and the Deed. Developer acknowledges that it has conducted or will conduct such inspections and investigations as to the condition of the Garage Property and the Option Properties as it deems necessary to protect its interests. Developer acknowledges that there are buildings and improvements on the Garage Property and the Option Properties that will have to be demolished at Developer's sole cost, risk, and expense. Developer acknowledges and agrees that the disclaimers, waivers, and releases set forth herein are an integral part of this Agreement and that the City would not have agreed to complete the sale on the terms provided in this Agreement without the disclaimers, waivers, and releases set forth herein. In respect to the Garage Property and (in the event of Developer's exercise of its options to purchase the Option Properties) the Option Properties, Developer, if and as necessary, shall participate in the Voluntary Cleanup Program of the Maryland Department of the Environment.

(d) Developer shall have the right, during the period beginning on the Effective Date and ending on the Settlement Date (the "Inspection Period") to enter the Garage Property and the Option Properties (collectively, the "Property") to undertake, at its sole cost and expense, site, engineering, appraisal, soil tests, environmental, and such other inspection analyses and studies of the Property as Developer may desire. Such investigations may be conducted by Developer or any designee of Developer, including, without limitation, engineers, accountants, architects, and Developer's employees, during normal business hours and upon reasonable notice to the City or its designated agents. The City shall (i) reasonably cooperate with Developer in the course of Developer's investigations and evaluations of the Garage Property and the Option Properties and (ii) make available to Developer such persons, agents, and representatives of the City who are involved with the operation, management, or maintenance of the Garage Property and Option Properties. The City represents that it has heretofore provided Developer with copies of all material studies, reports, and surveys that it previously received from a developer to which BDC had provided a since terminated right of entry on or about March 16, 2007.

(e) From the Effective Date until and through the Settlement Date (as defined below), the City shall (i) without having first obtained the prior written consent of Developer in each instance, which consent may be withheld in Developer's sole and absolute discretion, not (A) convey or transfer the Garage Property or any portion thereof or any interest therein or create on the Garage Property or any portion thereof any easements, liens, mortgages, encumbrances or other interests, or (B) enter into any contracts, agreements, or other commitments with any Person with respect to the Garage Property (unless such contract, agreement, or commitment is not binding upon Developer and/or may be terminated by the City, at its option, prior to or upon the Settlement Date); (ii) deliver notice to Developer of (y) any suits or claims affecting the Garage Property that the City has or receives knowledge of, or (z) any actual or threatened condemnation of any portion of the Garage Property or any adjacent parcel of land that the City has or receives knowledge of; and (iii) pay all taxes, assessments, water and sewer service charges, and all other applicable public utilities with respect to the Property. For the purpose of this Section, "knowledge of the City" refers to the City Solicitor (who is the Person upon which service of process is made for suits against the City). Prior to the Settlement Date, the City shall bear all risk of loss arising out of or related to any casualty or similar event occurring on the Garage Property. However, no damage to the improvements (if any) or the land shall give the Developer any right to reduce the Purchase Price or terminate this Agreement, since Developer plans to demolish all improvements on the Property after purchase.

(f) Provided that it has entered into a Right of Entry with the City (through its agent, City of Baltimore Development Corporation ("BDC")), Developer shall have the right, during the Inspection Period, to enter the Garage Property to undertake, at its sole cost, expense, and (notwithstanding Section 1.1(e)) risk, demolition of the existing improvements upon the Garage Property. As may be further addressed in such Right of Entry, Developer shall (i) obtain all appropriate demolition permits, (ii) submit demolition plans to the City for approval (according to the City's customary demolition requirements), (iii) obtain and maintain appropriate insurance, (iv) indemnify and hold harmless the City against any liabilities, damages, injuries, and claims, (v) except as expressly approved by the Maryland Department of the Environment ("MDE") and (in its sole discretion) DHCD, not excavate any soil, and (vi) to the extent applicable, adhere to all requirements and obligations set forth in the RAP (as defined in Section 2.1(b)).

1.2 IMPROVEMENTS.

The term "Improvements" means with respect to the Garage Property, the construction of a garage to provide parking for the VLT Facility, together with all demolition, grading, utilities, parking areas, curbs, medians, site work, landscaping, and other improvements associated therewith, all as more particularly described in the Project Plan, subject however to such amendments to the Project Plan as are permitted by this Agreement. The term "Improvements" with respect to the Option Properties means the buildings, parking areas, and other improvements to be constructed thereon by Developer.

1.3 GARAGE PROPERTY PURCHASE PRICE.

The purchase price to be paid by Developer for the Garage Property shall be Five Million Nine Hundred Twenty-nine Thousand Two Hundred Dollars ($5,929,200) (the "Purchase Price"). The Purchase Price for the Garage Property is and shall be based solely on the total acreage of the 8 Lots and the Purchase Price shall be deemed to include payment for the Closed Street Areas. The Purchase Price has been computed based on the acreage of the 8 Lots as shown on the Garage Property New Survey (as set forth in Section 1.7(b) of this Agreement), times a price per acre of One Million Two Hundred Thousand Dollars ($1,200,000), and the Settlement Date Purchase Payment (which shall be paid on the Settlement Date toward the Purchase Price) is based on a payment per acre of Two Hundred Fifty Thousand Dollars ($250,000). The Purchase Price shall be paid as follows:

(a) Developer shall pay at Settlement (as defined in Section 1.4.2 of this Agreement) a portion of the Purchase Price equal to One Million Two Hundred Thirty-five Thousand Two Hundred Dollars ($1,235,200) (the "Settlement Date Purchase Payment") by wire transfer of immediately available funds to a bank account designated by the City, or an escrow account of the Title Company (as defined below) to be held in escrow by the Title Company pending settlement and released to the City upon consummation of Settlement; and

(b) As evidenced and set forth in a Purchase Money Promissory Note (the form of which is set forth in the attached **Exhibit D**), Developer shall pay the unpaid portion of the Purchase Price of Four Million Six Hundred Ninety-four Thousand Dollars ($4,694,000) in a single payment by the date that is five (5) years after the Settlement Date; provided, however, that if Developer (i) fails to make any required payments under the VLT Lease when due and payable under the VLT Lease and does not cure such failure within the cure period as set forth in the VLT Lease or (ii) a Default occurs under this LDA, Developer shall be required to pay the unpaid portion of the Purchase Price to the City within thirty (30) days thereafter.

1.4 GARAGE PROPERTY SETTLEMENT.

1.4.1 Conditions to Closing.

(a) Conditions Precedent to City's Obligations. The obligation of the City to sell the Garage Property upon the Settlement Date (as defined in Section 1.4.2(a)) is subject to the satisfaction (or waiver by the City) of each of the following conditions precedent (the "Conditions of City to Settlement") on or before the Required Settlement Date (as defined in Section 1.4.1(c)):

(i) Developer is not in Default (as defined in Section 7.3 of this Agreement) at the time of the proposed Settlement Date; *provided that* the Required Settlement Date shall be extended no more than thirty (30) days to the date that is the later of (a) the last day on which Developer is entitled to cure a Default (not exceeding thirty (30) days for the purposes of this Section), if Developer has not cured such Default by such date and (b) ten (10) days after the date on which Developer has cured such Default;

awarded the VLT License, and in particular, without limitation, there has been the full and final resolution to a non-appealable judgment or binding settlement upon all parties to the following actions: (A) In the Appeal of Harborwest Partners, LLC, MSBCA Docket No. 2820, before the Maryland State Board of Contract Appeals; and (B) In the Appeal of Baltimore City Entertainment Group, LP, MSBCA Docket No. 2821, before the Maryland State Board of Contract Appeals;

(iii) DHCD shall have approved the Schematic Plans (as hereinafter defined) in accordance with Section 3A.1 of this Agreement);

(iv) (A) The Board of Finance of the City, in accordance with and subject to Section 3 of Article XI-C of the Constitution of Maryland, Subsections 20(c) and 50 of Article II of the Charter of Baltimore City, and the Ordinances adopted by the City in respect to parking development activities, has adopted a Resolution authorizing the issuance of up to $50,000,000 in Mayor and City Council of Baltimore Taxable Revenue Bonds (Baltimore City Parking System Facilities) in respect to the permanent financing for the Garage, (B) Developer and the City have entered into a Development and Financing Agreement, an Installment Sale and Operating Agreement, and related agreements regarding the Garage Property, which agreements shall be (1) satisfactory to the City and Developer in their sole, respective satisfaction, (2) approved by the City's Board of Finance, and (3) approved by the City's Board of Estimates, and (C) the City (supported by commitments and agreements made by Developer and, if requested by the underwriter or the City, any guarantor) has obtained a firm commitment letter for the purchase of such bonds; it being recognized and agreed, however, that the Installment and Sale Agreement must provide for installment rent payments sufficient (in the sole judgment of the City) to support Garage-related payments upon the Bonds (and that such payments may need to be supported by guaranties, Developer-funded reserve funds, and Developer-provided collateral) and further that this subsection (v) shall not be a Condition of Developer to Settlement unless (X) Developer (in coordination with the City) has diligently and continuously assisted in the search and support for an underwriting commitment for such Bonds, (Y) Developer has provided City-requested and underwriter-requested information and documents in a timely fashion, and (Z) Developer has committed to undertake and provide any such Developer-side obligations, guarantees, collateral, and funding as the underwriter or the City may have requested (e.g., installment sale payments to the City to support payments under the Bonds);

(v) Developer is satisfied in its sole discretion with the RAP and/or has not delivered a termination notice to the City in accordance with Section 2.2(c) of the VLT Lease. Developer has received (A) the approval of the MDE of an amendment to the RAP for the remediation of the Property that is satisfactory in all respects to Developer and (B) any and all other MDE-granted letters, certificates, affidavits, instruments, and approvals that Developer deems necessary in connection with the remediation of the Property;

(vi) The City has provided to Developer evidence satisfactory to Developer that the Closed Street Areas have been closed and vacated;

(vii) The City has not breached its obligation under the VLT Lease to provide Developer with possession of the Property that Developer leases from the City thereunder.

(viii) There shall be no notice issued of any violation or alleged violation of any Applicable Law with respect to any portion of the Garage Property which has not been corrected by the satisfaction of the issues of the notice; *provided, however, that* any notice arising from any action by Developer or its agents under Section 1.1(d) of this Agreement shall not constitute a Condition of Developer to Settlement;

(ix) Provided that Developer has submitted a written request for approval within thirty (30) days of the Effective Date, Developer has obtained from the State all required Critical Area Habitat Protection Area-related approvals relating to the site plan for the Project;

(x) There shall be no material lien, encumbrance, or title defect that (y) occurred after the Effective Date (expressly excluding any liens, encumbrances, or title defects occurring prior to the Effective Date, whether or not appearing on the Title Commitment, and any liens, encumbrances, or title defects caused by Developer) and (z) results in Developer's Title Company including in the Title Policy an adverse title exception to which Section 1.7 or Exhibit E do not refer; and

(xi) Developer, in accordance with its rights under Section 3.1.4 of the VLT Lease, shall not have exercised its rights not to take possession of the Property.

Developer and the City recognize that some of the Conditions in Sections 1.4.1(a) and 1.4.1(b) are unlikely to be satisfied (or, being construction-related, cannot occur) by the final adjourned Required Settlement Date (as set forth in Sections 1.4.1(c) and 1.4.1(d)) and that, by way of example, if Developer were to take possession of the Property in the first quarter of 2013, it is likely that several Conditions would not have been satisfied by then.

(c) Failure of City Conditions Precedent. If any one or more of the Conditions of City to Settlement are not satisfied on or before the tenth (10^{th}) business day prior to the Required Settlement Date, then the City shall notify Developer in writing of the particulars of each such unsatisfied condition within three (3) business days thereafter. Whether or not Developer receives such a notice, Developer shall have the option to adjourn the Required Settlement Date at any time prior to the Required Settlement Date upon notice to the City until a date no later than one hundred eighty (180) days after the Required Settlement Date in order to attempt to satisfy any unsatisfied condition(s); provided, however, if Developer commences and is diligently pursuing its cure within such 180-day period but the cure cannot be reasonably completed in that period of time, Developer may adjourn the Required Settlement Date for up to an additional thirty (30) days. If, by the final adjourned Required Settlement Date, the cause for the adjournment has not been removed, remedied, or cured, as applicable, then the City shall, as the City's sole and exclusive remedy within thirty (30) days after the final adjourned Required Settlement Date, either (i) waive by written notice to Developer, compliance with any such

Condition(s) of City to Settlement that has not been satisfied; or (ii) elect to cancel and terminate this Agreement upon written notice to Developer, in which event, neither party hereto shall thereafter have any further liability, responsibility, or obligation to the other under this Agreement, except with respect to any provision hereof which expressly survives the termination of this Agreement. If the City waives all such remaining Conditions of City to Settlement which have not then been satisfied, then the City will sell the Garage Property to Developer within thirty (30) days after the City gives such notice. If the City elects under clause (ii) to terminate its obligations, then Developer shall have no further right to purchase the Garage Property or to take possession of the Property under the VLT Lease, whether or not Conditions of Developer to Settlement have been satisfied. "Required Settlement Date" means the following date: April 29, 2013 (and, if applicable, the final adjourned Required Settlement Date would be November 25, 2013).

(d) Failure of Developer Conditions Precedent. If any one or more of the Conditions of Developer to Settlement are not satisfied on or before the tenth (10^{th}) business day prior to the Required Settlement Date, then Developer shall notify the City in writing of the particulars of each such unsatisfied condition within three (3) business days thereafter. Whether or not the City receives such a notice, the City shall have the option to adjourn the Required Settlement Date at any time prior to the Required Settlement Date upon notice to Developer (either verbally or in writing) until a date no later than one hundred eighty (180) days after the Required Settlement Date in order to attempt to satisfy any unsatisfied condition(s); provided, however, if the City commences and is diligently pursuing its cure within such 180-day period but the cure cannot be reasonably completed in that period of time, the City may adjourn the Required Settlement Date for up to an additional thirty (30) days. If, by the final adjourned Required Settlement Date, the cause for the adjournment has not been removed, remedied, or cured, as applicable, then Developer shall, as Developer's sole and exclusive remedy within thirty (30) days after the final adjourned Required Settlement Date, either (i) waive compliance with any such Conditions of Developer to Settlement that has not been satisfied, or (ii) elect to cancel and terminate this Agreement upon written notice to the City, in which event, neither party hereto shall thereafter have any further liability, responsibility, or obligation to the other under this Agreement, except with respect to any provision hereof which expressly survives the termination of this Agreement. If Developer waives all such remaining Conditions of Developer to Settlement which have not then been satisfied, then the City will sell the Garage Property to Developer within thirty (30) days after Developer gives the City such notice. If Developer elects under clause (ii) to terminate its obligations, then Developer shall have no further right to purchase the Garage Property, whether or not Conditions of Developer to Settlement have been satisfied, and Developer shall have no other rights or remedies against the City under this Agreement.

1.4.2 Settlement.

(a) Settlement of the purchase and sale of the Garage Property ("Settlement") shall take place following the satisfaction and/or waiver, as the case may be, of the Conditions of City to Settlement and Conditions of Developer to Settlement, upon a date determined by Developer but not later than the Required Settlement Date (the "Settlement Date"), in the offices

of Developer's counsel in Baltimore City; provided, however, that Developer shall provide BDC (as the City's agent) with not less than twenty (20) days prior written notice of any Settlement Date. Time is of the essence of this provision.

(b) At Settlement, Developer shall deliver to the City or cause the following to occur:

(i) Developer shall make the Settlement Date Purchase Payment;

(ii) Developer shall pay a real estate tax equivalency charge on the Garage Property at the Settlement, calculated as follows:

(A) The assessed value of the Garage Property will be divided by $100.00 which sum shall be multiplied by the combined City and State of Maryland (the "State") property tax rates to determine what the combined taxes would be for a full year, and

(B) The amount thereby determined will be pro-rated on a daily basis so that the amount payable will only represent the pro-rated amount from and including the day of Settlement Date until the end of the then current tax year. Such payment by Developer will satisfy any real estate taxes payable for such year, but not for any subsequent period.

(iii) Subject to the terms and conditions relating to the recording of the VLT Lease as set forth therein, Developer shall cause to be recorded immediately after Settlement the following instruments in the following order:

(A) this LDA;

(B) the Deed (as defined below); and

(C) the VLT Lease.

(iv) Developer shall execute and deliver the Purchase Money Promissory Note, the form of which is attached as Exhibit D.

(c) At Settlement, Developer will pay all recordation and transfer taxes imposed by the City and State and all recording fees related to or imposed in connection with the recording of the instruments set forth in Section 1.4.2(b)(iii).

(d) At Settlement, the City shall execute and deliver to the Developer (i) a special warranty deed conveying good and marketable fee simple title to the Garage Property to

Developer subject only to (A) this LDA and (B) the Permitted Exceptions (the "Deed"); and (ii) the VLT Lease.

1.5 EXERCISE OF OPTIONS AND OPTION PROPERTY PURCHASE PRICE.

1.5.1 Right to Exercise Options.

Developer shall have the right and option, but not the obligation, to purchase either or both of the Option Properties, which options must be exercised by one (1) written notice or two (2) separate written notices to the City (each, an "Option Closing Notice") and collectively, the "Option Closing Notices"), setting forth Developer's binding commitment to purchase either or both of the Option Properties, subject to the terms and conditions of this Section 1.5 and 1.6, and stating the proposed date for the settlement of the purchase and sale of either or both the Option Properties (the "Option Property Settlement Date"); provided, however, that the Option Property Settlement Date for the Option Properties shall occur no later than the date that is the earlier of (a) the second (2nd) anniversary of the first date upon which any proceeds (as defined under §9-1A-01(s) of Title 9, Subtitle 1A, of the State Government Article of the Annotated Code of Maryland) are generated under the VLT License or (b) the termination or surrender of such VLT License (the "Future Required Settlement Date"); and provided further that in the event that the Option Property Settlement Date occurs prior to the issuance (or deemed issuance) of a Certificate of Completion under the VLT Lease, such settlement shall be conditioned upon the City having the right to repurchase such Option Property for the applicable Option Purchase Price in the event that a Certificate of Completion is not issued (or deemed issued) within the time set forth in Section 5.4 of the VLT Lease (as to be set forth in an agreement mutually acceptable to Developer and the City). The Option Closing Notice(s) shall provide at least one hundred twenty (120) days prior written notice of the designated Option Property Settlement Date for each Option Property. The Developer may purchase one or both of the Option Properties on the same Option Property Settlement Date or on two (2) separate Option Property Settlement Dates as so determined by Developer in Developer's sole discretion and designated by Developer in Developer's Option Closing Notice(s).

1.5.2 Option Property Purchase Price.

The purchase price to be paid by Developer for an Option Property shall be the greater of (a) an amount equal to One Million Two Hundred Fifty Thousand Dollars ($1,250,000) per acre as determined pursuant to Section 1.7.2(c) or (b) in respect to Lot A and Lot B, respectively, the FMV (as defined below) of such Option Property as of the date upon which the Option Closing Notice for such Option Property was exercised (the "Option Property Purchase Price"). The Purchase Prices set forth in subsection (a) of this Section have been computed based on the acreage of the Lot A and Lot B as shown on **Exhibit B** (provided that such acreage may be adjusted upon a proper survey commissioned by Developer at its cost, presented to the City at least ninety (90) days prior to the applicable Option Closing Notice, and acceptable to the City), times a price per acre of One Million Two Hundred Fifty Thousand

Dollars ($1,250,000). The Option Property Purchase Price shall be paid in full on the Option Property Settlement Date.

1.5.3 Effect of Failure of Option.

If Developer does not provide such notice and close upon the purchase of the Option Properties (or settles upon one Option Property, but not the other) on or before the Future Required Settlement Date, this option shall thereafter be null and void in respect to the Option Property or Option Properties not so purchased. In such event, the City may record a Memorandum among the Land Records of Baltimore, Maryland declaring that such option, in full or in part, is null and void.

1.5.4 Process for Determining Fair Market Value.

For purposes of this Section 1.5, the fair market value of an Option Property shall be determined as follows:

(a) Developer shall deliver to the City, concurrently with its timely notice of exercising this option pursuant to Section 1.5.1, an appraisal (the "First Appraisal") from a licensed, AQB-certified, and local commercial real estate appraiser (the "First Appraiser") experienced in appraising properties in Baltimore City similar to the Option Property, setting forth such appraiser's professional opinion as to the fair market value of the Option Property as then existing.

(b) If the City disagrees with the First Appraisal and believes the fair market value to be higher than that set forth in the First Appraisal, the City shall so notify Developer within forty-five (45) days of its receipt of the First Appraisal, together with a copy of a new appraisal (the "Second Appraisal") prepared by a similarly qualified appraiser (the "Second Appraiser") at the City's sole cost and expense.

(c) If Developer and the City are unable to agree on the fair market value of the Option Property, then the First Appraiser and the Second Appraiser shall each select a third appraiser (the "Third Appraiser"), within thirty (30) days after Developer receives the Second Appraisal from the City, which Third Appraiser shall be similarly qualified and who shall perform his own appraisal (the "Third Appraisal"), the expense of which Third Appraisal shall be borne equally between Developer and the City.

(d) If the Third Appraisal is within ten percent (10%) of the fair market value set forth in both the First Appraisal and the Second Appraisal, the three shall be averaged to arrive at the fair market value of the Option Property. If the Third Appraisal is within ten percent (10%) of only one of the First Appraisal and the Second Appraisal, then the appraisal which differs by more than ten percent (10%) of the Third Appraisal shall be disregarded and the Third Appraisal and the appraisal within ten percent (10%) of the Third Appraisal shall be averaged to arrive at a fair market value for the Option Property. If neither the First Appraisal nor the Second Appraisal is within ten percent (10%) of the Third Appraisal, then the Third

Appraisal shall be deemed for all purposes to be the fair market value of the Option Property. The fair market value as so determined shall be the "FMV".

(e) Within thirty (30) days after determination of the FMV as aforesaid, Developer shall have the right to withdraw its exercise to purchase the Option Property by giving written notice of such withdrawal to the City, time being of the essence; provided, however, that Developer's right to purchase the Option Properties shall remain in full force and effect, subject to the terms of Section 1.5.3.

(f) Each Option Property shall be separately appraised in accordance with the foregoing method even if this option is exercised with respect to both Option Properties.

1.6 OPTION PROPERTY SETTLEMENT.

1.6.1 Conditions to Closing.

(a) Conditions to City's Obligations. The obligation of the City to sell the Option Properties is subject to the satisfaction (or waiver by the City) of each of the following conditions precedent on or before the Future Required Settlement Date (the "Conditions of City to Settlement"):

(i) Developer has furnished to the City a description of the buildings (the "Ancillary Buildings") to be constructed on the Option Properties, the proposed use of which must comply with Applicable Law;

(ii) Developer is not in Default (as defined in Section 7.3 of this Agreement) at the time of the Future Settlement Date; provided, that the Future Required Settlement Date shall be extended by no more than thirty (30) days to the date that is the later of (a) the last day on which Developer is entitled to cure such Default (not exceeding thirty (30) days), if Developer has not cured such Default by such date and (b) ten (10) days after the date on which Developer has cured such Default;

(iii) the Settlement on the Garage Property has occurred; and

(iv) the VLT Lease is in full force and effect and no Event of Default (as defined therein) is then outstanding under such Lease (and there is no outstanding and uncured written notice from the City to developer declaring Developer's failure to have paid any rent or other payment due under the Lease).

(b) Conditions Precedent to Developer's Obligations. The obligation of Developer to buy an Option Property or the Option Properties (after it gives an Option Closing Notice) is subject to the satisfaction (or waiver by Developer) of each of the following conditions precedent, on or before the Future Required Settlement Date ("Conditions of Developer to Future Settlement") regardless of whether Developer exercises its option to purchase only one (1)

Option Property or Developer exercises its option to purchase both of the Option Properties but with two (2) separate Option Closing Notices.

(i) The City is not in default (as set forth in Section 7.1 of this Agreement) at the time of the proposed Future Settlement Date; *provided that* the Future Required Settlement Date shall be extended for no more than thirty (30) days to the date that is the later of (a) the last day on which the City is entitled to cure a Default, if City has not cured such Default by such date and (b) ten (10) days after the date on which the City has cured such Default; and

(ii) DHCD has determined that Developer's proposed use of the Option Property or Properties conforms to the provisions of the Renewal Plan and the Project Plan.

(c) Failure of City Conditions Precedent. If any one or more of the Conditions of City to Future Settlement are not satisfied on the Option Property Settlement Date, the Option Property Settlement Date shall automatically be extended to the Future Required Settlement Date, if later. If any one or more of the Conditions of City to Future Settlement are not satisfied on the tenth (10th) business day prior to the Future Required Settlement Date, then the City shall notify Developer in writing of the particulars of each such unsatisfied condition within three (3) business days thereafter. Whether or not Developer receives such a notice, Developer shall have the option to adjourn the Future Required Settlement Date at any time prior to the Future Required Settlement Date upon notice to the City in writing until a date no later than ninety (90) days after the Future Required Settlement Date in order to attempt to satisfy any unsatisfied condition(s); provided, however, if Developer commences and is diligently pursuing its cure within such ninety (90) day period but the cure cannot be reasonably completed in that period of time, Developer may adjourn Future Required Settlement Date for up to an additional thirty (30) days. If, by the final adjourned Future Required Settlement Date, the cause for the adjournment has not been removed, remedied, or cured, as applicable, then the City shall, as the City's sole and exclusive remedy within thirty (30) days after the final adjourned Future Required Settlement Date, either (i) waive compliance with any such Condition(s) of City to Future Settlement that has not been satisfied; or (ii) elect to cancel and terminate Developer's right to purchase any Option Property under this Agreement upon written notice to the Developer. If the City waives all such remaining Conditions of City to Future Settlement which have not been then satisfied, then the City will sell the Option Property(ies) to Developer within thirty (30) days after the City gives such notice. If the City elects under clause (ii) to terminate its obligations, then Developer shall have no further right to purchase the Option Property or Option Properties, whether or not Conditions of Developer to Future Settlement have been satisfied, and the City shall have no other rights or remedies against Developer under this Agreement.

(d) Failure of Developer Conditions Precedent. If any one or more of the Conditions of Developer to Future Settlement are not satisfied on the Option Property Settlement Date, the Option Property Settlement Date shall automatically be extended to the Future Required Settlement Date, if later. If any one or more of the Conditions of Developer to Future Settlement are not satisfied by the tenth (10^{th}) business day prior to the Future Required

Settlement Date, then Developer shall notify the City in writing of the particulars of each such unsatisfied condition within three (3) business days thereafter. Whether or not the City receives such a notice, the City shall have the option to adjourn the Future Required Settlement Date at any time prior to the Future Required Settlement Date upon notice to Developer in writing until a date no later than ninety (90) days after the Future Required Settlement Date in order to attempt to satisfy any unsatisfied condition(s); provided, however, if the City commences and is diligently pursuing its cure within such ninety (90) day period but the cure cannot be reasonably completed in that period of time, the City may adjourn the Future Required Settlement Date for up to an additional thirty (30) days. If, by the final adjourned Future Required Settlement Date, the cause for the adjournment has not been removed, remedied, or cured, as applicable, then Developer shall, as Developer's sole and exclusive remedy within thirty (30) days after the final adjourned Future Required Settlement Date, either (i) waive compliance with any such Condition(s) of Developer to Future Settlement that has not been satisfied, or (ii) elect not to purchase the Option Property or Option Properties. If Developer waives all such remaining Conditions of Developer to Future Settlements which have not then been satisfied, then the City will sell the Option Property or Option Properties to Developer within thirty (30) days after Developer gives the City such notice. If Developer elects under clause (ii) not to purchase the Option Property or Option Properties, then Developer shall have no further right to purchase the Option Property or Option Properties, whether or not Conditions of Developer to Future Settlement have been satisfied, and Developer shall have no other rights or remedies against the City under this Agreement.

(f) Regardless of whether Developer exercises its option to purchase one (1) Option Property or both Option Properties whether with one (1) Option Closing Notice or two (2) separate Option Closing Notices, the City and Developer will have the same rights under Section 1.6.1(d) above and Section 1.6.1(e) above, respectively, as they relate to the satisfaction of Conditions to City to Future Settlement and Conditions of Developer to Future Settlement, respectively, and the adjournment of Future Settlement of each Option Property or the Option Properties, as the case may be.

1.6.2 Settlement.

(a) Settlement of the purchase and sale of either or both of the Option Properties, as the case may be (in each event, a "Future Settlement") shall take place following the satisfaction and/or waiver, as the case may be, of each and every of the Conditions of City to Future Settlement and all Conditions of Developer to Future Settlement upon the Option Property Settlement Date, upon twenty (20) days written notice to the City, in the offices of Developer's counsel in Baltimore, Maryland. Time is of the essence of this provision.

(b) At the time of Future Settlement, the City shall submit to Developer and Developer shall pay a real estate tax equivalency charge on the applicable Option Properties, calculated as follows:

(i) The assessed value of the applicable Option Property will be divided by $100.00 which sum shall be multiplied by the combined City and State property tax

rates to determine what the combined taxes would be for a full year, and

(ii) The amount thereby determined will be pro-rated on a daily basis so that the amount payable will only represent the pro-rated amount from and including the day of Future Settlement until the end of the then current tax year. Such payment by Developer will satisfy any real estate taxes payable for such year, but not for any subsequent period.

(c) Upon Future Settlement, the City will convey the Option Property or Option Properties to Developer (or an entity designated by Developer which is a "Successor Developer" as defined in Section 5.3 (a)(iii)) by a special warranty deed (a "Deed"). At Future Settlement, Developer will pay the full Option Property Purchase Price to the City, and pay all recordation and transfer taxes imposed by the City and State and all recording fees related to or imposed in connection with the recording of the Deed and any other instruments to be recorded in connection with the Future Settlement.

1.7 CONDITION OF TITLE.

(a) At Settlement of the Garage Property or the Future Settlement of the Option Properties, the City shall convey the respective property to Developer in fee simple (other than a portion of the Lot B Option Property in which the City has a leasehold interest, subject to the payment of a $260/year ground rent), free and clear of all liens and encumbrances created by the City, but subject to the following (the "Permitted Exceptions"):

(i) those exceptions to the title of the Closed Street Areas set forth on Exhibit E and all other matters, if any, that affect the Garage Property, the Option Properties, and the Closed Street Areas and are recorded among the Land Records as of the Effective Date;

(ii) the Renewal Plan;

(iii) the terms, conditions, and covenants of this Agreement;

(iv) any and all municipal utilities now in existence in, on or under the respective property, unless relocated by Developer or abandoned;

(v) any easements to which Developer consents in writing;

(vi) unrecorded easements, if any, on, above, or below the surface, and any discrepancies or conflicts in boundary lines or shortage in area or encroachments, in each case that a proper ALTA/ACSM survey or an inspection of the respective Property would disclose;

(vii) the Middle Branch Master Plan (as adopted by the Baltimore City Planning Commission on September 20, 2007); and

(viii) to the extent affecting the Property, the VLT Lease and any agreement to which the VLT Lease refers.

In the event that Developer exercises its Option for the Lot B Option Property, the City shall make a request under Applicable Law (and at City's cost) to redeem the ground rent of the lease referenced in Section 1.7(a).

(b) The acreage of the Garage Property for purposes of determining the Purchase Price pursuant to Section 1.3 of this Agreement has been determined by a garage property survey secured by the Developer at Developer's sole cost and expense (the "Garage Property New Survey") which has been prepared by a registered land surveyor approved by the City and Developer pursuant to criteria which is mutually agreed upon by the City and Developer and certified to the City, Developer, and the Title Company.

(c) The acreage of the Option Properties shall be determined by an A.L.T.A. land title survey secured by the Developer at Developer's sole cost and expense (the "Option Property New Survey") which shall be prepared by a registered land surveyor approved by the City and Developer pursuant to criteria which is mutually agreed upon by the City and Developer, within thirty (30) days after the Effective Date and upon Developer's receipt of such Option Property New Survey, Developer shall deliver to the City a copy of such Option Property New Survey for the City's approval. Such Option Property New Survey, once approved by the City and Developer, shall constitute the "Option Property Survey" for purposes of this Agreement and the acreage of each Option Property as set forth therein shall be the acreage of each such Option Property for purposes of determining the Option Purchase Price for each such Option Property pursuant to Section 1.5.2 of this Agreement.

(d) Neither the City, nor Developer shall do anything to cause an adverse change in the title to the Garage Property or to the Option Properties from the Effective Date through the Settlement Date for such property.

Notwithstanding anything in this Section to the contrary, Developer recognizes that the structure of any Taxable Revenue Bonds, any Development and Financing Agreement, any installment and Sale Agreement, and any other agreements to which section 1.4.1(b)(iv) refers would be structured in a manner as such Bonds are customarily are structured by purchasers of such Bonds, e.g., upon issuance of such Bonds, the Parking Garage Improvements would be owned by the City and, upon repayment of such Bonds through repayments by Developer (on an installment basis), the Parking Garage Improvements would be transferred to Developer.

1.8 DEED COVENANTS.

Any deed from the City conveying either the Garage Property or the Option Properties shall contain a covenant of special warranty, a covenant of further assurances, and a covenant that the City has done no act to encumber the land (other than the Permitted Exceptions).

1.9 USE RESTRICTIONS.

Developer covenants and agrees for itself, and its successors and assigns, to comply with the following use restrictions:

(a) Developer shall develop the Garage Property for use as a parking garage servicing the VLT Facility (and, if desired by the Developer or required under the agreements to which Section 1.4.1(b)(iv) refer, for the public) and for "back of the house" service facilities supporting the VLT Facility; *provided, however, that* the Garage Property need not be used for a parking garage servicing the VLT Facility either (i) following the termination of the VLT Lease or (ii) if the parking servicing the VLT Facility, to the extent as may be required by Applicable Law, is being provided by parking facilities on other adjacent lots (and, in either such event, Developer may use the Garage Property for any purpose that is permitted by Applicable Law).

(b) Developer shall not devote the Garage Property or the Option Properties to any uses that are not allowed in the applicable Zoning and Urban Renewal Ordinances, as may be amended from time to time, even if set forth in the Project Plan. Developer may take into account any and all applicable variances, special exceptions, lawful non-conforming uses, and/or any and all other such lawful exceptions thereto.

(c) Except as shown on the Construction Plans (as hereinafter defined), and in accordance with Articles III A and III B, and with Section 1.15 no permanent building or structure shall be constructed over the storm drain running through Parcel J (under the former Bayard Street) or any other recorded public easement, without the prior written consent of the City, acting through the Commissioner of the DHCD and the Director of the Department of Public Works ("DPW"), which consent may be withheld in its sole reasonable discretion (subject to customary standards for City access for repair, maintenance, and replacement). In respect to the Warner Street portion of the Closed Street Area, the steam line and other utility lines running underneath the bed of Warner Street shall not be relocated by the City or Developer, no improvements (other than walkways and landscaping) may be constructed atop such utility lines, and the elevated walkway shall be a sufficient height to permit utility repair work below (which height shall be established through the construction permit process, but shall not exceed sixteen feet (16')).

(d) Upon final completion of the Project, all land not covered by structures, paved parking, loading or related service area, paved areas for pedestrian circulation, decorative surface treatment, or used or to be used for construction staging or other similar purposes for the Project, must (until such land is so covered) include planting of any, all, or a combination of the following: trees, shrubs, ground cover, grass, or flowers. The kind of landscape treatment required by this Section 1.9(d) shall be set forth in the Construction Plans which landscape treatment in this respect, shall be determined by the nature of the development, the impact of the development on the surrounding area and should serve to improve the utility of the site, soften and relieve the effects of structure and pavement, and provide a visual harmony. All screening and landscaping shall be maintained in good condition, subject, however, to reasonable periods for re-landscaping, reconstruction, further development, casualty, and events of force majeure.

Notwithstanding anything to the contrary in this subsection, (i) any landscape treatment installed by Developer pursuant to the Construction Plans approved by the City (or the appropriate agency thereof) shall be deemed to satisfy the conditions of this subsection; and (ii) Developer's compliance with the Middle Branch Master Plan, as in effect as of the Effective Date shall constitute compliance with the provisions of this subsection (d) as of the Effective Date. For avoidance of any doubt, the City and Developer agree that if the City approved any Construction Plans (including, but not limited to, as to "visual harmony") and Developer constructs the Improvements in accordance with such Plans (and a Certificate of Completion is issued or decreed to be issued), the City cannot later (in the exercise of its rights under this Agreement) require alterations (e.g., to satisfy a later view of "visual harmony") unless Developer later proposes to make modifications to the Improvements of a nature that would require review and approval under Applicable Law.

(e) All signs on any Property shall comply with standards for signs (other than construction and other temporary signs) as set forth in the Baltimore City Zoning Ordinance and the Renewal Plan, each as may be amended from time to time, or any properly issued variance therefrom. Such standards regulate the size, types, placement, permanence, and nonconformance of signs.

1.10 RESTRICTIVE COVENANTS AND LOCAL PROGRAMS.

Developer covenants and agrees to develop the Garage Property and the Option Properties in accordance with the Renewal Plan and this Agreement (including, but not limited to, in respect to the Garage Property, the Project Plan. This covenant shall bind on and run with the land for the term of the VLT Lease. The anti-discrimination covenants (the "Anti-Discrimination Covenants") described in Section 1.11 shall bind on and run with the land forever. Any lease or other conveyance of the Garage Property or the Option Properties is subject to Sections 1.9 and 1.11, without limiting the application of the other covenants and agreements herein.

1.11 NO DISCRIMINATION.

No covenant, agreement, lease, conveyance, or other instrument shall be effected or executed by Developer, or any of its successors or assigns, whereby the Garage Property or the Option Properties, or any portion thereof is restricted by Developer, or any successor in interest, upon the basis of race, color, religion, national origin, ancestry, sex, marital status, physical or mental disability, or sexual orientation in the sale, lease, use, or occupancy thereof. Developer will comply with Federal, State, and local laws prohibiting discrimination upon the basis of race, color, religion, national origin, ancestry, sex, marital status, physical or mental disability, or sexual orientation in the providing of public accommodations, the sale, lease, rental, use, or occupancy of the Garage Property or the Option Properties, or any improvements erected or to be erected thereon, or the operation of the Project. This covenant is binding on the Developer, its successors and assigns.

1.12 CHANGES IN COVENANTS.

The City reserves the right at any time and from time to time with the written consent of Developer and any Mortgagee (as defined in Article VI), to annul, waive, change, or modify any of the above-mentioned restrictive covenants in this Agreement which apply to the Garage Property or Option Properties, except the covenant against discrimination contained in Section 1.11; and (ii) to annul, waive, change, or modify any of the restrictive covenants described above contained in an agreement with any other developer in the Renewal Area; provided, however, that any such annulment, waiver, change, or modification of any restrictive covenants contained in this Agreement or other agreement which applies to the Garage Property or Option Properties, shall be effective only if evidenced by a written instrument duly executed and acknowledged by the City and the Developer and recorded among the Land Records of Baltimore City.

1.13 BENEFICIARY OF COVENANTS.

The City, acting through DHCD or otherwise, shall be deemed the beneficiary of all the covenants and agreements contained in this Article and elsewhere in this Agreement. Such agreements and covenants shall run in favor of the City, for the entire period for which such covenants shall be in force and effect under this Article, without regard to whether the City has at any time been, remains, or is in ownership of any land or interest therein in the Renewal Area. The City, acting through DHCD or otherwise, shall, have the right, in the event of any breach of any such covenant of which it is a beneficiary and following the expiration of any cure period provided in this Agreement to exercise all the rights and remedies, and to maintain any action at law or other proceedings to enforce the curing of such breach of agreement or covenants to which it is a beneficiary.

1.14 CITY'S DIRECT ENFORCEMENT RIGHTS.

After the occurrence and during the continuance of a Default, the City shall have the right to enforce the requirements and limitations imposed upon Developer by Sections 1.9 (Use Restrictions), 1.10 (Restrictive Covenants and Local Programs), and 1.11 (No Discrimination) of this Agreement by legal proceedings filed directly against any tenant or subtenant, whether or not any lease, sublease, or other such agreement that Developer (or its successors and assigns) executes with any tenant or user relating to the Garage Property and the Option Properties expressly provides for such direct right of enforcement. If Developer fails to include such requirements and limitations in any such lease, sublease, or agreement, all tenants, shall, nevertheless, be bound by such direct right of enforcement upon the recording of this Agreement. Notwithstanding anything to the contrary, Developer shall not have any liability or obligation whatsoever for any acts or omissions of (a) tenants of the Garage Property or Option Properties (provided that Developer's lease, license, or other agreement with such tenant expressly refers to Sections 1.9, 1.10 and 1.11 herein or otherwise incorporates the provisions of such sections) or (b) any other person not affiliated with Developer, in violation of the foregoing Sections 1.9, 1.10, and 1.11 herein or any other provision of this Agreement.

1.15 EASEMENTS AND OTHER RIGHTS.

(a) Grant of Rights by the City. The City grants unto Developer, subject to Applicable Law as such term is defined in clause (f) below, for the benefit of Developer, effective as of the Settlement Date, and/or the Future Settlement Date, if applicable, upon payment of only those usual and customary fees, the following rights, the specific details of which will be incorporated into customary developer and other agreements between Developer and DPW or other applicable City agency:

(i) Utility Rights. The perpetual, non-exclusive right and easement on behalf of Developer and, if granted by Developer, to third parties in contractual or legal relationships with Developer, including but not limited to utility companies and other service providers (collectively, the "Project Participants"), subject to Applicable Law and to existing agreements between the City and various utility companies to install, maintain, repair, and replace all necessary or desirable underground utility facilities such as water, gas, electric, steam, chilled water, data and telephone lines, and storm and sanitary sewers serving the Garage Property and its Improvements or the Option Properties and their Improvements thereon, in the locations shown therefor on the Construction Plans (which shall have been submitted and approved in accordance with Article III), or at such other locations on or off of the Garage Property and the Option Properties as may be approved by the City, in writing, such approval from time to time (A) not to be unreasonably delayed, conditioned or withheld if on the Property and (B) to be granted in the City's sole, but reasonable discretion if off the Property. All costs for installing and constructing such underground utility facilities and connections shall be borne by Developer. The area provided to, and requirements upon, Developer and Project Participants in the exercise of such right shall be determined from time to time by the appropriate City department, consistent with the intent of the City and Developer in this Agreement, upon the granting of each permit for such construction, modification, restoration, reconstruction, maintenance, or repair.

Upon completion of the Improvements on the Garage Property or the Option Properties the City and Developer (or a Project Participant designated by Developer, as applicable) shall enter into one or more supplementary agreements confirming and showing the location of any such easements, which supplementary agreement shall be recorded, at Developer's cost, among the Land Records of Baltimore City. Any such supplementary agreement shall be subject to approval by the Board of Estimates, if so required by Applicable Law. The City shall execute and deliver to Developer any such supplementary agreement described in this Section within thirty (30) days of Developer's request therefor. Nothing in this Section 1.15 (a)(i) shall transfer to Developer the responsibility to maintain any utilities which are owned by the City.

(ii) Construction Staging Easements. The exclusive, temporary right and easement on behalf of Developer (and, if granted by Developer, to Project Participants), subject to Applicable Law, without payment by Developer of any rent or other charge or fee in the nature of rent, to use in an "as is" condition (A) other City-owned or controlled areas that are immediately adjacent to, or across a public right-of-way from, the Garage Property or the Option Properties, for construction related staging, storage, offices, and the like, during the construction,

modification, restoration, reconstruction, maintenance, and/or repair of the Improvements or other improvements to the Garage Property or the Option Properties, for such period of time reasonably required to perform such work, and (B) the Option Properties for construction related staging, storage, offices, and the like, during the construction, modification, restoration, reconstruction, maintenance, and/or repair of the Improvements on the Garage Property or the Option Properties, for such period of time reasonably required to perform such work. Prior to any use thereof, Developer must obtain written approval therefor from the appropriate department of the City. In any event no approval shall be given unless and until such departments receive a detailed schedule showing the proposed location of such construction staging area and the probable duration for which such area is needed. Upon the expiration of the construction-related rights set forth above, possession of such areas shall be returned to the City, at Developer's cost, in a condition substantially similar to their condition immediately prior to Developer's possession thereof, or as otherwise required by this Agreement. The provisions of this Section are not intended to modify any of Developer's obligations hereunder concerning the construction and development of the Improvements on the Garage Property or Option Properties.

(iii) Surface Drainage Easement. The exclusive right and easement for the benefit of Developer, subject to Applicable Law, to construct and maintain such surface drainage as may be required by Applicable Law and as shown on the Construction Plans (which shall have been submitted and approved in accordance with Article III A and III B) across any adjacent City-owned property that has not been dedicated for the use of the public.

(iv) Minor Privilege Easement. The City and Developer acknowledge that it may be necessary or desirable in connection with the development of the Project to construct minor projections or encroachments into or upon the public right of way adjoining the Garage Property or the Option Properties. Therefore, to the extent that minor encroachments into or onto surrounding walkways or other City-owned property, by signs, canopies, roofs, building overhangs, or other like projections from the Improvements exist, Developer is hereby granted a non-exclusive right and easement to construct, install, maintain, repair, and replace the same into or upon adjoining City-owned property, subject to the normal minor privilege review-and-approval process and payment of all standard fees charged by the City for such minor privileges. DPW is hereby authorized and empowered on behalf of the City, pursuant to standard City procedures, to execute and deliver, from time to time, such instruments or documents as may be necessary or desirable for the confirmation of such rights and easements.

(v) Variance. BDC shall support the request of Developer for a waiver from any height restriction otherwise applicable to the Garage Property under the Renewal Plan.

(b) Reservation of Utility Easement Rights. The City (on behalf of itself and, as applicable, other parties) hereby reserves the non-exclusive right, subject to the further terms of this subsection, to maintain, repair, and replace any now existing conduit, utility and sewer lines underground within the Garage Property and the Option Properties, and to connect into the City-owned utilities within the traveled public rights-of-way in order to receive service. When exercising its rights hereunder, the City shall do so in a manner that reasonably minimizes any and all disruptions to the operation of the Project, if possible. To that end, the City shall, prior to

exercising its rights hereunder in each instance, meet with Developer in order to coordinate the implementation of such work with the operations of the Project and the timing and location of all such work shall be subject to the prior approval of the Developer, not to be unreasonably withheld.. The City shall repair any damage to the Improvements on the Garage Property or the Option Properties, or the land caused by the City and restore such on the Garage Property or the Option Properties and land to their condition prior to commencing such work. To the extent permitted by Applicable Law, the City shall indemnify, defend, and hold Developer and each of its officers, agents, representatives, employees, members and affiliates harmless from and against any and all damage, losses, costs, claims, liabilities, expenses, demands and obligations, of any kind or nature whatsoever (including reasonable attorneys' fees and costs) which arise out of or result from the breach of any of the terms of this Section 1.15(b) or the entry onto the Garage Property and/or the Option Properties pursuant to this Section by the City or its Related Parties and/or the performance of any maintenance, repair and replacement of any conduit, utility and sewer lines underground within the Garage Property and/or the Option Properties by the City or any of its Related Parties at any time. If Developer desires to relocate any such utilities and lines at its cost, it shall propose the same to the City and the City (at no cost or risk to the City) shall cooperate with such relocation (so long as such relocation does not materially adversely affect the City's rights or significantly increase the City's costs of maintaining, repairing, and/or replacing such utilities and lines).

(c) Limitations on Easement Rights. The rights and easements granted and reserved herein shall be limited as follows:

(i) Cluster of Utility Lines. Developer and the City shall use commercially reasonable efforts to cluster underground utility lines and minimize construction below the surface of the easement area in the design and construction of any improvements (or other conduit, utility and sewer lines) located on or adjacent to the Garage Property or the Option Properties.

(ii) Notification Prior to Repair. Except in connection with the construction, replacement, maintenance, or repair of the Parking Garage, each party shall give at least thirty (30) days advance written notice with sufficient detail to the other party of its intention to carry on any construction, replacement, maintenance, or repair activity at any time in any easement area, except in the event of an emergency, in which event no advance notification shall be required. Developer, notwithstanding anything in the foregoing or in this Section to the contrary, shall comply with the City's rules and regulations (including without limitation, any notice and bonding requirements) when engaging in the construction, replacement, maintenance or repair of underground utilities within public ways or on City-owned property.

(iii) Other Limitations. The City and Developer:

(A) shall carry on any construction, replacement, maintenance, or repair activity on the easement areas pursuant to the terms and provisions of this Agreement and shall use their commercially reasonable efforts to complete the same in a reasonable period of

time and, to the extent practicable, shall not block or materially disrupt the easements and rights granted to the other hereunder;

(B) to the extent practicable, shall not carry on any construction, replacement, maintenance, or repair activity in the easement area in such a manner as to interfere unreasonably with the use and enjoyment of the other party's property; and

(C) to the extent practicable, take into account any reasonable concerns of tenants and Project Participants with respect to any construction, replacement, maintenance, or repair activity on the easement areas; provided, however, that this Section does not impose any obligation on either Developer or the City to construct, replace, maintain, or repair any utility lines (except as may be expressly set forth in this Agreement or in any other written agreements).

(d) Restoration of Surface. Promptly upon the completion of any such construction, replacement, maintenance, or repair activity, the party undertaking such work shall, at its sole cost and expense, restore the surface of the easement area and any improvements thereon as nearly as possible to their former condition, appearance, and quality (or, at such party's option, in better condition, appearance and quality).

(e) Entering Improvements for the Purpose of Maintaining/Repairing Utilities. The City in making any repairs or performing any maintenance services shall have the right to enter buildings and structures located on the Garage Property or Option Properties in order to do so, but in the event such entry is necessary, the City shall provide at least three (3) business days prior written notice (except that in the event of an emergency, when immediate entry is necessary, in which event such notice as is practicable shall be given) and shall coordinate, to the extent practicable, such activities so as to minimize any disruptions to the operations of the Project, and shall comply with any State regulatory or other security requirements.

(f) Applicable Law. "Applicable Law" shall mean, any law, ordinance, regulation, or order of any federal, state, or local agency (including DHCD), court, or other governmental body, applicable from time to time to the acquisition, leasing, design, construction, equipping, financing, ownership, or operation of the Garage Property, the Option Properties, or the Project or the performance of any obligations under any agreement entered into in connection with this Agreement.

1.16 INDEMNITY BY DEVELOPER.

Except to the extent caused by the negligence or willful misconduct of the City, Developer shall indemnify and save City harmless against and from, and shall reimburse City for, all liabilities, obligations, damages, fines, penalties, claims, demands, costs, charges, judgments, and expenses, including reasonable attorney's fees, which may be imposed upon or incurred or paid by or asserted against City or City's interest in the Property by reason of or in connection with any of the following:

(a) Developer's use and occupancy of the Property, including any lease;

(b) the conduct of Developer's business or any work or activity allowed or permitted by Developer to be done in or on the Property;

(c) any recording fees, recordation tax, or transfer tax that may be imposed upon the recordation of this Agreement; and

(d) any other acts or omissions of Developer, its agents, employees, invitees, or contractors in or on the Property.

1.17 RESALE OF PROPERTY TO CITY.

As set forth in Section 2.2(c) of the VLT Lease, Developer has the right to terminate the VLT Lease if Developer's environmental consultant reasonably determines that Qualified Environmental Expenditures (as defined in the VLT Lease) would likely exceed Four Million Dollars ($4,000,000). If Developer terminates the VLT Lease for such reason, then the following provisions shall apply.

(a) The City agrees to purchase, and Developer agrees to sell, the Garage Property, on the terms and conditions set forth in this Section. The City will not pay Developer for the Garage Property; the expression of consideration in the deed will be "Five Dollars and other good and valuable consideration". Developer will convey the Property at settlement in consideration of the return to Developer of the portion of the Purchase Price paid by Developer in cash and the termination of the obligation of Developer under the Purchase Money Note. The City will return the Purchase Money Note to Developer at the settlement. Developer will pay all the costs of the transfer, including: (i) all costs of recording the deed among the Land Records; (ii) any recording fees and transfer and recordation taxes applicable to the deed or any other document recorded in connection with the settlement; and (iii) any Real Estate taxes required to be paid as a condition of recording the deed.

(b) At settlement, Developer shall cause the title company which issued the title policy to Developer, to issue to the City (or other buyer of the Garage Property designated by the City) an owner's title insurance policy insuring the City's title to the Garage Property, in the same form and substance as Developer's title policy for the Garage Property, and in the amount of $5,929,200. Developer shall pay the premium for such owner's title insurance policy. Developer shall pay the reasonable fees and expenses of the lawyer or title company who performs the work needed to settle the sale of the Garage Property. Developer shall pay the reasonable fees and expenses of the City's outside counsel in connection with the sale.

(c) Title to the Garage Property when conveyed to the City must be free and clear of any liens or encumbrances created by Developer or otherwise attaching to the Property since the Settlement Date.

(d) Developer shall deliver to the City (or to any other Person designated by the City) a deed for the Garage Property in the same form as the Deed which conveyed the Garage Property from the City to Developer.

(e) As a condition to the obligation of the City to repurchase the Garage Property, Developer shall have complied with its obligations under the VLT Lease with respect to its termination, including its obligations regarding the physical condition of the Garage Property.

(f) Prior to settlement of the Repurchase, Developer shall (i) diligently comply with all of its obligations under its RAP or as may be required by MDE to stabilize the Property in connection with a pre-completion cessation of construction and (ii) return the Garage Property graded and fenced.

ARTICLE II

DEVELOPMENT RESPONSIBILITIES

2.1 CITY OBLIGATIONS.

(a) General. The City shall have no responsibility for the preparation and development of the Garage Property or the Option Properties and/or their immediate environs for the redevelopment thereof by Developer.

(b) Remediation Costs.

Developer is taking the Garage Property and the Option Properties in their "as is" present condition. The City has prepared a Response Action Plan ("RAP") for the remediation of the Garage Property (but not the Option Properties). The RAP was approved by MDE on or about September 15, 2011 and it provides a blueprint for conducting the required environmental remediation of the Garage Property. Developer acknowledges receipt of the RAP and understands that it is required to submit its final development plan to MDE as an amendment to the RAP. Developer covenants to (i) submit such final development plan, (ii) participate in MDE's Voluntary Cleanup Program, and (iii) if and as applicable, negotiate and enter into a certificate of completion with MDE under § 7-512 of the Environment Article of the Annotated Code of Maryland. Any modifications to the RAP must be negotiated between Developer and MDE. All expense and risk of implementing the RAP shall be borne by Developer, except to the extent that the City has agreed, pursuant to Section 4.9 of the VLT Lease, to permit Developer to reduce the rent otherwise payable for a portion of the costs of environmental remediation of the Garage Property and the Lease Property. The City makes no representation or warranty in respect to the RAP.

(c) Street Closings. The City, as further described in **Exhibit B**, (i) has completed the street closing process for the Eutaw Street, Oler Street, and Worcester Street portions of the Closed Street Areas (except for a five-foot portion of Eutaw Street) and (ii) has begun the process for closing (and opening and closing, if necessary) and vacation of the Warner Street

portion and a five-foot wide portion of Eutaw Street of the Closed Street Areas for use by Developer in its development of the Project and the inclusion of such property in the Garage Property being purchased by Developer. The City shall enter into a right of entry and a closing agreement relating to such Closed Street Areas and the City shall complete the closing and vacation of the remaining portions of the Closed Street Areas (including the completion of all administrative hearings) within six (6) months after the Effective Date. In connection with and as part of Settlement, the City shall convey to Developer the Closed Street Areas, together with the 8 Lots, at no additional cost and in consideration of and part of the Purchase Price payable for the Garage Property. Any costs associated with relocation of the utilities in closed streets to allow for their continued use by the Project, as desired by Developer, shall be borne by Developer, it being recognized that the steam line and other utility lines running underneath the bed of Warner Street shall not be relocated by the City or Developer. As set forth in Section 1.3, the acreage of the Closed Street Areas will not be included in the calculation of the Purchase Price under Section 1.3.

2.2 DEVELOPER'S OBLIGATIONS.

(a) General. It shall be the sole responsibility of Developer, at its own expense, to prepare the Garage Property and the Option Properties, if applicable, for the redevelopment pursuant to this Agreement including obtaining and/or relocating, as needed, all utilities in accordance with the Renewal Plan and this Agreement.

(b) Utility Adjustments. Subject to the rights granted to Developer under Section 1.15 of this Agreement, Developer shall perform or cause to be performed all public and private utility and appurtenance construction, relocation and adjustments such as water mains, sanitary sewers, storm drains, and electrical conduits on the Garage Property and/or the Option Properties, as applicable, except public utilities within a City easement. City does not make any representation regarding any existing utility lines whatsoever including their capacity or present condition.

(c) Construction. Subject to the rights granted to Developer under Section 1.15 of this Agreement, Developer shall perform or cause to be performed all work related to construction sediment and erosion control and storm water management procedures.

ARTICLE III A

CONSTRUCTION OF IMPROVEMENTS – PARKING GARAGE

3A.1 GARAGE DESIGN AND CONSTRUCTION PLANS.

(a) Subject to Section 3A.4 and Section 7.8, the following procedures and time frames shall apply for submission and approval of Developer's design and construction plans:

(i) As of the date of this Agreement, Developer has submitted conceptual plans for the Parking Garage (the "Schematic Plans") for review and approval by DHCD, acting

through its agent, BDC. The submitted Schematic Plans consisted of, at a minimum, a site plan showing the massing of all proposed new construction and conceptual drawings of each principal elevation, a narrative describing each of the components of the development, and a preliminary proposed project budget. The Garage shall have an attractive and appropriate design for its setting and its proposed parking use. The Garage Schematic Plans must conform to the provisions of the Project Plan. If the Schematic Plans, in the opinion of BDC (reasonably exercised) and subject to the provisions of Section 3A.1(ii), substantially conform with the Project Description and this Agreement, BDC shall approve the same.

(ii) As of the date of this Agreement, Developer has submitted the Schematic Plans to the City's Urban Design and Architectural Review Panel ("UDARP") for UDARP's review and comment and Developer has made design presentations to UDARP. While UDARP does not have approval rights, it is recognized that the City's Department of Planning will consider UDARP's recommendations and may not approve plans that have not satisfied UDARP. Upon UDARP's input, BDC shall promptly request revisions to such Plans. Developer, in such event, shall submit new or corrected Schematic Plans within thirty (30) days after BDC's written notification to Developer of the comments or rejection. The procedure and time periods for rejection and resubmission of corrected Schematic Plans hereinabove provided shall continue to apply until the Schematic Plans have been approved or deemed approved by BDC; provided, that in any event, Developer shall submit Schematic Plans which substantially conform to the provisions of the Project Description, Applicable Law (including the Zoning Code), and this Agreement no later than one hundred twenty (120) days after the date of the original submission of the Schematic Plans.

(iii) Within thirty (30) days after BDC approves or is deemed to have approved the Schematic Plans, community outreach meetings shall be held, a stormwater management concept plan shall be submitted, and a meeting shall be held with the Site Plan Review Committee ("SPRC").

(iv) Within ten (10) days after UDARP approval of or comments upon the Schematic Plans and prior to beginning the preparation of design development drawings for the VLT Facility ("Design Plans"), Developer and BDC shall confer on the functional and aesthetic aspects of the Design Plans.

(v) Following this initial conference, Developer shall promptly start to prepare the Design Plans, and shall thereafter diligently and continuously work to complete their preparation (and shall endeavor to comply with UDARP's recommendations). Developer agrees to attend periodic conferences called by BDC (but no more often than one such conference in any 30-day period) to review the Design Plans. Design Plans will be prepared in a timely manner, consistent with the progress achieved in the periodic conferences with BDC. Developer will submit Design Plans for review and approval by BDC as soon as reasonably practicable after the BDC's approval or deemed approval of the Schematic Plans. Design Plans shall consist of plans, elevations, sections, outline specifications, and material samples all in sufficient detail to fix and describe the design scope and character of all architectural, major structural, mechanical, electrical, and engineering aspects of such Improvements (including all work

relating to the outside areas of the Property, and all major structural components of the Improvements). Four (4) copies of the Design Plans shall be delivered to BDC as soon as reasonably practical after the approval of the Schematic Plans. If the Design Plans are a logical progression of the Schematic Plans and substantially conform with the Project Description (subject to any modifications approved as part of the approval of the Schematic Plans), and this Agreement, BDC shall approve the same. The Design Plans shall, in any event, be deemed to have been approved by BDC unless rejected, in whole or in part, in writing, within thirty (30) days after their submission, as not being in substantial conformity with said criteria, specifying (with detail sufficient to permit Developer to modify the Design Plans) the reasons for the rejection. Developer, in such event, may submit new or corrected Design Plans within thirty (30) days after written notification to it of the rejection. The procedure and time periods for rejection and resubmission of corrected Design Plans hereinabove provided shall continue to apply until the Design Plans have been approved or deemed approved by BDC; provided, that in any event, Developer shall submit Design Plans which are a logical progression of the Schematic Plans and substantially conform with the Project Description (subject to any modifications approved as part of the approval of the Schematic Plans), and this Agreement no later than one hundred twenty (120) days after the date of the original submission of the Design Plans.

(vi) Developer will submit the Design Plans to UDARP and to the Planning Department within ten (10) days after BDC approves or is deemed to have approved the Design Plans.

(vii) Developer shall submit Construction Plans to BDC within one hundred eighty (180) days after BDC's approval of the Design Plans for review and approval. If the Construction Plans are a logical progression of the Design Plans, then BDC shall approve the same. The Construction Plans shall, in any event, be deemed to have been approved by BDC unless rejected, in whole or in part, in writing, within thirty (30) days after their submission, as not being a logical progression of the Design Plans, specifying (with detail sufficient to permit Developer to modify the Construction Plans) the reasons for the rejection. Developer, in such event, may submit new or corrected Construction Plans within thirty (30) days after written notification to it of the rejection. The procedure and time periods for rejection and resubmission of corrected Construction Plans hereinabove provided shall continue to apply until the Construction Plans have been approved or deemed approved by BDC.

(b) If Developer desires to make material changes in the Construction Plans after their approval or deemed approval by BDC, Developer shall submit the proposed changes to BDC for its approval. If the Construction Plans, as modified by the proposed changes, substantially conform with the Project Description and this Agreement, BDC shall approve the proposed changes and notify Developer in writing of its approval. Any such changes in the Construction Plans shall, in any event, be deemed approved by BDC unless rejection thereof, in whole or in part, by written notice thereof specifying (with detail sufficient to permit Developer to modify the Construction Plans) the reasons for the rejection, shall be made within fifteen (15) days following submission for approval.

(c) "Green" Construction. Developer shall design the Project so that it substantially complies with the Baltimore City Green Buildings Law, Chapter 37, Building Fire and Related Codes (2010 Edition), as amended; provided, however, that, to the extent and as permitted under Applicable Law, if compliance is impractical or unduly burdensome, the City shall cooperate with Developer to secure appropriate waivers.

(d) This Article III A relates solely to the construction of the Parking Garage on the Garage Property. Developer's obligation to construct improvements on the Option Properties is set forth in Article III B.

3A.2 CONFORMITY OF CONSTRUCTION.

All work by Developer with respect to the Garage Property and the construction of the Improvements thereon shall be in substantial conformity with this Agreement, the Building Code of Baltimore City and all other Applicable Laws and shall be carried out in a first-class and workmanlike manner.

3A.3 BUILDING PERMITS.

(a) Within a reasonable time after completion of the Design Plans, Developer shall submit such plans as may be required from time to time to apply for all necessary building permits to initiate the preparation of the construction of the Improvements to which such Construction Plans pertain, and thereafter Developer shall diligently pursue such application and pay all fees and costs associated therewith.

(b) BDC shall use its customary and reasonable efforts to assist Developer with the City's review and processing of all permits, applications, approvals, consents and similar requirements ("Permits") so that same are delivered to Developer in a timely and efficient manner as reasonably requested.

(c) Notwithstanding anything else in this Agreement to the contrary, in order to expedite the development of the Project, subject to the City's usual and customary requirements (including, without limitation, indemnification of the City and proof of insurance), Developer shall have the right to obtain the requisite permits (as may be required by Applicable Law) for, and, prior to the Date of Possession, to commence to (i) perform any and all demolition of existing improvements on the Property, (ii) remediate any and all environmentally hazardous conditions on the Property, (iii) grade the Property, (iv) install utilities (including, but not limited to, any and all necessary vaults, conduits, tunnels, pipes, mains, etc.) upon the Property, and/or (v) otherwise prepare the Property for the construction of the Improvements, all prior to the completion of the processes set forth in this Article V.

3A.4 OVERALL SCHEDULE.

Developer shall undertake the planning and construction process on a schedule designed to enable it to open the Garage at the same time that the VLT Facility opens for betting.

3A.5 RIGHT OF ENTRY.

(a) Developer shall have access to, and the right to enter, any and all undeveloped or otherwise vacant portion of the Garage Property (and subject to Section 1.15(a)(ii), adjacent open space owned by the City), at any time during the term of this Agreement, for the purpose of conducting engineering, percolation, soil compaction tests, surveys, appraisals, water and sewer availability tests, verifying utility existence and such other examinations or investigations for such other purposes as Developer shall deem appropriate.

(b) Developer, subsequent to Settlement and upon reasonable prior notice, shall permit access to the Garage Property to the City, or any agent thereof, at reasonable times, to the extent necessary to carry out the provisions of this Agreement; provided, however, that such access shall (i) be at the sole risk of the City (and agents thereof), (ii) not interfere with Developer's work, and (iii) be subject to such safety-related rules as Developer or its contractors may require.

3A.6 CONSTRUCTION PERIOD.

Subject to force majeure events, within sixty (60) days from the date of issuance of necessary Permits, Developer shall commence and thereafter continuously and diligently proceed to construct the Improvements to which such Permits pertain. Developer shall thereafter cause such Improvements to be completed substantially in accordance with the Permits. Developer shall use diligent, good-faith efforts to complete construction of all the Improvements required to be constructed, in accordance with the schedule set forth in the Garage Schematic Plans for such improvements. Developer agrees to keep the City advised of any material delays or changes to the schedule.

3A.7 CONSTRUCTION CONTRACT AND OTHER REQUIREMENTS.

Prior to the commencement of construction of the Parking Garage under the Garage Construction Plans, Developer shall furnish to the City with respect to such Improvements:

(a) An executive summary of Developer's construction contract, which shall be deemed "confidential commercial information";

(b) certificates of insurance evidencing compliance with the insurance requirements of this Agreement;

(c) copies of all Permits requisite to enable Developer to commence construction of the Improvements; and

(d) a construction progress schedule reflecting the expected completion date for the construction of the Improvements.

DHCD, in its sole discretion, is authorized by the City to waive any of the above requirements.

3A.8 PROGRESS REPORTS.

Developer, until issuance of a Certificate of Completion, shall make, in such detail as may reasonably be required by BDC, a report in writing to BDC, every thirty (30) days as to the actual progress of Developer with respect to the development and construction; provided, however, that Developer shall only be obligated to provide to the City the same reports that it is required to deliver to the lender providing construction financing for the Garage, at the same time as it provides such reports to the lender. During such period, also, the work of Developer shall be available for inspection by representatives of BDC, provided that no such inspection shall impede or delay Developer's work.

3A.9 CERTIFICATE OF COMPLETION.

DHCD on behalf of the City, promptly after completion of the Improvements, in accordance with the provisions of this Agreement, shall furnish Developer (and if requested, any lender of Developer) with an appropriate instrument so certifying (the "Certificate of Completion"), which will be in such form as will enable it to be recorded among the Land Records of Baltimore City. The Certificate of Completion shall be a final and conclusive determination of full and complete satisfaction of the agreements and covenants in this Agreement with respect to the obligations of Developer, and every successor in interest to the Garage Property, to construct the Improvements on the Garage Property and dates for the beginning and completion thereof, provided that such Certificate of Completion shall not constitute evidence of compliance with or satisfaction of any obligation of Developer to any holder of a mortgage, or any insurer of a mortgage, securing money loaned to finance the Improvements, or any part thereof.

If DHCD shall refuse or fail to provide such certification in accordance herewith, within thirty (30) days after written request therefor by Developer, then DHCD shall within said thirty (30) day period provide Developer with a written statement indicating in adequate detail in what respects Developer has failed to complete the Improvements in accordance with the provisions of this Agreement or is otherwise in Default, and what measures and acts, in the opinion of DHCD, Developer must take or perform in order to obtain such Certification of Completion. If Developer is not in Default, no Certificate of Completion shall be unreasonably delayed, conditioned or withheld by DHCD. If DHCD shall refuse or fail to provide any such Certificate of Completion or notice required above within the time set forth above, then DHCD shall be conclusively deemed to have issued said Certificate of Completion.

The Improvements shall be deemed substantially completed hereunder even though site improvements non-structural in nature, such as landscaping or paving, or minor punch-list items, are not fully completed. If Developer requests the issuance of a Certificate of Completion from DHCD for any Improvements under the circumstances that such site improvements are not fully completed, said Certificate of Completion shall be issued provided that all other requirements of this Section have been complied with, and provided further that DHCD may, as a condition

precedent to the issuance of the Certificate of Completion, require suitable guarantees of Developer, including but not necessarily limited to, a written agreement addressing and assuring the completion of the Garage by a certain date.

3A.10 COMPLIANCE WITH LAW.

Developer will comply in every material respect with any and all Applicable Laws now or hereafter in force or issued which may be applicable to any and all of the work or operations to be done, performed or carried on by Developer under the provisions of this Agreement; provided, however, that nothing in this Agreement shall be construed to limit Developer's right to challenge the applicability of any such Applicable Laws and/or to pursue its rights in furtherance thereof through appropriate judicial proceedings.

3A.11 EXTENSION OF TIME.

Subject to the provisions of this Agreement, the times within which Developer must submit Garage Schematic Plans, Garage Design Plans, applications for Building Permits, and the times within which Developer must commence and complete the development of the Project, and the construction of the Improvements thereon may be extended in writing by DHCD, in its sole but reasonable discretion and without the necessity to have such extension approved by the Board of Estimates, upon good and sufficient cause therefore being shown by Developer, for such period of time as DHCD reasonably deems advisable. Any such extension of time shall be in writing and in such form as will enable it to be recorded among the Land Records of Baltimore City. In addition to such other extensions DHCD may approve, DHCD shall grant all such extensions required due to any Force Majeure.

The terms and conditions of the VLT Lease address Developer's submission of schematic, design and construction plans for the design and construction of the VLT Project. Notwithstanding the foregoing and to the extent that the VLT Project and Parking Garage plans are being moved on an identical time frame, all time frames set forth in this Article III A for Developer's preparation and submission of schematic, design and construction plans for the Parking Garage shall be extended on a day for day basis to equal any corresponding extension or delay in the corresponding time frame set forth in the VLT Lease for Developer's submission of such schematic design and construction plans for the VLT Project.

ARTICLE III B

CONSTRUCTION OF IMPROVEMENTS – OPTION PROPERTIES

3B.1 OPTION PARCEL PLANS.

(a) General. Developer will submit to BDC a description of the improvements to be constructed on the Option Property not later than one hundred twenty (120) days before the proposed Option Property Settlement Date, and Developer shall build such Improvements on such Option Property in accordance with the provisions of this Article. Within thirty (30) days

after the Option Property Settlement Date, Developer will submit to UDARP its conceptual development plans (the "Option Parcel Schematic Plans") for the improvements to be constructed on the Option Properties. The Option Parcel Schematic Plans shall consist of, at a minimum, a site plan showing the massing of all proposed new construction and conceptual drawings of each principal elevation, and a narrative describing each of the components of the development.

(b) "Green" Construction. Developer shall develop the Project so that it complies with the Baltimore City Green Buildings Law, Chapter 37, Building, Fire and Related Codes (2010 Edition), as amended; provided, however, that, to the extent and as permitted under Applicable Law, if compliance is impractical or unduly burdensome, the City shall cooperate with Developer to secure appropriate waivers.

(c) Developer shall undertake the planning and construction process on a schedule designed to enable it to open the Improvements on an Option Property or Properties within thirty (30) months after the applicable Option Property Settlement Date.

(c) This Article III B relates solely to the construction of the Improvements on the Option Properties. Developer's obligation to construct improvements on the Garage Property is set forth in Article III A.

3B.2 CONFORMITY OF CONSTRUCTION.

All work by Developer with respect to the Option Properties and the construction of the Improvements thereon shall be in conformity with this Agreement, the Building Code of Baltimore City, and all other Applicable Laws and shall be carried out in a first-class and workmanlike manner.

3B.3 DESIGN PLAN SUBMISSION.

Within a reasonable time after approval of the Schematic Plans by UDARP, Developer shall submit to the City's Site Plan Review Committee (SPRC) such plans as the SPRC may require for its evaluation of the Garage construction (herein called the "Design Plans").

3B.4 BUILDING PERMITS.

Within a reasonable time after completion of the review of the Design Plans by SPRC, the Developer shall submit such plans as may be required from time to time to apply for all necessary building permits to initiate the preparation of the construction of the improvements on such Option Parcel, and thereafter Developer shall diligently pursue such application and pay all fees and costs associated therewith.

The City, the DHCD, the BDC, and any affiliated or related entities shall use their customary and best efforts in the review and processing of all permits, applications, approvals,

consents and similar requirements ("Permits") so that same are delivered to Developer in a timely and efficient manner.

Notwithstanding anything else in this Agreement to the contrary, in order to expedite the development of the Project, subject to the City's usual and customary requirements (including, without limitation, indemnification of the City and proof of insurance), after Developer has given notice of exercise of its option to purchase an Option Property, Developer shall have the right to obtain the requisite permits (as may be required by Applicable Law) prior to the Future Settlement Date, and to commence to (i) remediate any and all environmentally hazardous conditions on such Option Property, (ii) grade such Option Property, (iii) install utilities (including, but not limited to, any and all necessary vaults, conduits, tunnels, pipes, mains, etc.) upon such Option Property, and/or (iv) otherwise prepare such Option Property for the construction of the improvements, all prior to the completion of the processes set forth in this Article III.

3B.5 RIGHT OF ENTRY.

(a) Developer, subject to the rights of any users or tenants of the option properties, shall have access to, and the right to enter, any and all undeveloped or otherwise vacant portion of the Option Properties (and, subject to the provisions of this Agreement, adjacent open space owned by the City), at any time during the term of this Agreement, for the purpose of conducting engineering, percolation, soil compaction tests, surveys, appraisals, water and sewer availability tests, verifying utility existence and such other examinations or investigations for such other purposes as Developer shall deem appropriate.

(b) Developer, subsequent to the Future Settlement and upon reasonable prior notice, shall permit access to the Option Properties to the City, or any agent thereof, at reasonable times, to the extent necessary to carry out the provisions of this Agreement; provided, however, that such access shall (i) be at the sole risk of the City (and agents thereof), (ii) not interfere with Developer's work, and (iii) be subject to such safety-related rules as Developer or its contractors may require.

3B.6 CONSTRUCTION PERIOD.

Subject to force majeure events, within sixty (60) days from the date of issuance of Permits as set forth in Section 3B.7, Developer shall commence and thereafter continuously and diligently proceed to construct the Improvements to which such Permits pertain. Developer shall thereafter cause such Improvements to be completed substantially in accordance with the Permits. Developer shall use diligent, good-faith efforts to complete construction of all the Improvements required to be constructed, and Developer agrees to keep the City advised of any material delays or changes to the schedule.

3B.7 INSURANCE.

Prior to the commencement of construction of the Improvements to be constructed under the Option Parcel Construction Plans, Developer shall furnish to the City certificates of insurance evidencing compliance with the insurance requirements of this Agreement.

3B.8 PROGRESS REPORTS.

Developer, until issuance of a Certificate of Completion, shall make, in such detail as may reasonably be required by BDC, a report in writing to BDC, every thirty (30) days as to the actual progress of Developer with respect to the development and construction; provided, however, that Developer shall only be obligated to provide to the City the same reports that it is required to deliver to the lender providing construction financing for the Improvements upon the Option property. During such period, also, the work of Developer shall be available for inspection by representatives of BDC, provided that no such inspection shall impede or delay Developer's work.

3B.9 CERTIFICATE OF COMPLETION.

The Department on behalf of the City, promptly after completion of the Improvements, in accordance with the provisions of this Agreement, shall furnish Developer (and if requested, any Mortgagee) with a Certificate of Completion, which will be in such form as will enable it to be recorded among the Land Records of Baltimore City. The Certificate of Completion shall be a final and conclusive determination of full and complete satisfaction of the agreements and covenants in this Agreement with respect to the obligations of Developer, and every successor in interest to the Option Properties, to construct the improvements on the Option Properties and dates for the beginning and completion thereof, provided that such Certificate of Completion shall not constitute evidence of compliance with or satisfaction of any obligation of Developer to any Mortgagee.

If DHCD shall refuse or fail to provide such certification in accordance herewith, within thirty (30) days after written request therefor by Developer, then DHCD shall within said thirty (30) day period provide Developer with a written statement indicating in adequate detail in what respects Developer has failed to complete the Improvements in accordance with the provisions of this Agreement or is otherwise in Default, and, what measures and acts, in the opinion of DHCD, Developer must take or perform in order to obtain such Certification of Completion. If Developer is not in Default, no Certificate of Completion shall be unreasonably delayed, conditioned or withheld by DHCD. If DHCD shall refuse or fail to provide any such Certificate of Completion or notice required above within the time set forth above, then DHCD shall be conclusively deemed to have issued said Certificate of Completion.

The Improvements shall be deemed substantially completed hereunder even though site improvements non-structural in nature, such as landscaping or paving, or minor punch-list items, are not fully completed. If Developer requests the issuance of a Certificate of Completion from DHCD for any Improvements under the circumstances that such site improvements are not fully

completed, Developer shall be granted said Certificate of Completion shall be issued provided that all other requirements of this Section have been complied with, and provided further that DHCD may, as a condition precedent to the issuance of the Certificate of Completion, require suitable assurances of Developer, including but not necessarily limited to, a set completion date for the prompt completion of the site improvements.

3B.10 COMPLIANCE WITH LAW.

Developer will comply in every material respect with any and all Applicable Law now or hereafter in force or issued which may be applicable to any and all of the work or operations to be done, performed or carried on by Developer under the provisions of this Agreement; provided, however, that nothing in this Agreement shall be construed to limit Developer's right to challenge the applicability of any such Applicable Law and/or to pursue its rights in furtherance thereof through appropriate judicial proceedings.

3B.11 EXTENSION OF TIME.

Subject to the provisions of this Agreement, the times within which Developer must commence and complete the construction of the Improvements on an Option Parcel may be extended in writing by DHCD, in its sole but reasonable discretion and without the necessity to have such extension approved by the Board of Estimates, upon good and sufficient cause therefore being shown by Developer, for such period of time as DHCD reasonably deems advisable. Any such extension of time shall be in writing and in such form as will enable it to be recorded among the Land Records of Baltimore City. In addition to such other extensions DHCD may approve, DHCD shall grant all such extensions required due to any Force Majeure.

ARTICLE IV

OPERATING STANDARDS

4.1 OPERATION OF PROJECT.

Upon completion of construction of the Project (or any portion thereof, with respect to such portion), Developer shall cause the Project (or applicable portion thereof) to be operated in accordance with the restrictions, standards, uses, and requirements set forth in the Project Plan and the following standards:

(a) Developer shall not permit, commit, or suffer waste or impairment of the Project (or applicable portion thereof), or the improvements thereon or any part thereof;

(b) Developer (i) in respect to any parking garage, shall operate, maintain, repair, and manage the parking garage portion of the Improvements upon the Garage Property according to such standards as generally prevail in the Baltimore City area in connection with the operation of parking facilities of comparable size, use, and design or (ii) in respect to any portion of such Improvements that are ancillary to the VLT Facility, shall maintain and repair such other

portions in accordance with the Standards (as defined by Section 8.2 of the VLT Lease). The parking garage portion of the Improvements upon the Garage Property shall be maintained in a neat and orderly fashion.

(c) Developer shall not knowingly permit any portion of the Project to be used for any "adult-entertainment business", "adult book or video store", or "peep show establishment," as such terms are defined by the Baltimore City Zoning Ordinance, as in effect from time to time.

(d) Developer shall at all times comply with the Renewal Plan, the Middle Branch Master Plan, and Baltimore City ordinances, (including without limitation, liquor license requirements and laws), as such are in effect from time to time.

ARTICLE V

ANTI-SPECULATION AND ASSIGNMENT PROVISIONS

5.1 POLICY AGAINST SPECULATION.

(a) Developer represents and agrees that its purchase of the Garage Property and the Option Properties and its other undertakings pursuant to this Agreement are, and will be used, for the purpose of the development of the Project and not for speculation in landholding. Developer further recognizes that, in view of the importance of the development of the Project to the general welfare of the community, the qualifications and identity of Developer are of particular concern to the City and have influenced the City to enter into this Agreement with Developer.

Accordingly, Developer has provided to the City contemporaneously with its execution of this Agreement, a disclosure of the identity of all individuals and entities who are owners, directly or indirectly, of an ownership interest in "CBAC Gaming, LLC" as of the Effective Date (the "Initial Ownership Disclosure"), City shall treat such information and any additional information provided pursuant to this Section as "Confidential Commercial Information" and "Confidential Financial Information" that is protected from disclosure under the Maryland Public Information Act, Title 10, Subtitle 6, Part III of the State Government Article to the extent permitted under such law. In the event that, prior to the issuance or deemed issuance by the City of a Certificate of Completion for the Parking Garage there is an Ownership Transfer of an ownership interest in an amount which does not require the City's prior consent as provided in Section 5.2 below, Developer will provide to City a certified statement describing the changed ownership interests in the entity that owns the Garage Property within thirty (30) days after the managing member of Developer has actual knowledge of such Ownership Transfer. No such certified statement is required for any Ownership Transfer after the issuance or deemed issuance of a Certificate of Completion for the Parking Garage.

(b) (i) The term "Ownership Transfer" means a sale or other disposition by an individual or entity that is an owner, directly or indirectly, of an ownership interest in "CBAC Gaming, LLC", with or without consideration.

(ii) The term "Disposition" means a sale, lease, assignment, grant, conveyance, or other disposition (including the grant of a mortgage, deed of trust, or security interest) by Developer (or any successor in interest) of an interest in the Garage Property or the Option Properties or in its rights under this Agreement.

(iii) The term "Transferee" means a person who receives a Disposition or Ownership Transfer.

5.2 RESTRICTION AGAINST DISPOSITION AND OWNERSHIP TRANSFER.

(a) Except as provided in Sections 5.3 and 5.6 of this Agreement, Developer shall not, prior to the issuance or deemed issuance by the City of a Certificate of Completion on the Parking Garage, make or permit to be made (i) any Disposition of the Garage Property (or portion thereof, as applicable) or Developer's rights under this Agreement, or (ii) any Ownership Transfer of a direct or indirect ownership interest in "CBAC Gaming, LLC", without first obtaining the prior written consent of the City to the proposed Disposition or Ownership Transfer, which consent shall not be unreasonably delayed, conditioned, or withheld.

(b) Except as provided in Sections 5.3 and 5.6 of this Agreement, Developer shall not, prior to the issuance or deemed issuance by the City of a Certificate of Completion for all the Improvements constructed on the Option Properties pursuant to this Agreement make or permit to be made any Disposition of the Option Properties (or portion thereof, as applicable) or Developer's rights under this Agreement with respect to the Option Properties, without first obtaining the prior written consent of the City to the proposed Disposition, and the City may withhold such consent in its sole and absolute discretion.

5.3 PERMITTED DISPOSITIONS AND OWNERSHIP TRANSFERS.

(a) Notwithstanding anything contained in Section 5.2 of this Agreement or anything else contained in this Agreement to the contrary, the following Ownership Transfers and Dispositions (each, a "Permitted Disposition") shall not require the prior written consent of the City:

(i) the grant of a mortgage or deed of trust (whether securing a direct obligation of Developer, or a guaranty of obligations of another person or entity), that encumbers Developer's interest in the Garage Property or the Option Properties (or an interest therein) that secures only a loan permitted under Section 6.1;

(ii) a lease to a prospective tenant of space in the Improvements on the Garage Property or the Option Properties;

(iii) a transfer of Developer's rights and obligations under this Agreement to an entity (hereinafter called a "Successor Developer") for the purpose of such entity taking title to and developing the Garage Property and other Improvements on, all or any portion of the

Garage Property or Improvements on the Option Properties, provided that such entity is initially owned by the same owners set forth in the Initial Ownership Disclosure and that each such owner has the same ownership interest in such entity as it does in Developer, as set forth in the Initial Ownership Disclosure (but changes in such ownership may be made as set forth in Section 5.3(a)(iv);

(iv) an Ownership Transfer that does not, either by itself or in combination with one or more other Ownership Transfers, that (other than any Ownership Transfer of either (y) any publicly-held shares in Caesars Entertainment Corporation or (z) if approved by the Video Lottery Facility Location Commission in respect to the VLT License, Ownership Transfer by Caesars Entertainment Corporation or DG Mothership, LLC to either each other or (if not exceeding an eighteen percent (18%) interest in Developer, in the aggregate) to another member of Developer, constitutes a change not exceeding fifty percent (50%) of its respective interest in Developer;

(v) a Disposition of the Garage Property after the Certificate of Completion has been issued or deemed issued for the Improvements on the Garage Property;

(vi) a Disposition of an Option Property owned by Developer after the Certificate of Completion has been issued or deemed issued for the Improvements on such Option Property;

(vii) an Ownership Transfer after the Certificate of Completion has been issued or deemed issued for the Improvements on the Garage Property;

(viii) the engagement of a management company to operate and manage the Garage Property and/or an Option Properties;

(ix) any assignment of this Agreement for collateral security; and

(x) any Disposition pursuant to the exercise of remedies by a lender to Developer.

(b) For the avoidance of doubt, in no event shall the provisions of this Article V or elsewhere in this Agreement impose or be construed as imposing any limitation of any Ownership Transfer of any interest in Caesars Entertainment Corporation, DG Mothership, LLC or with regard to either of the foregoing entities, a successor, by merger, consolidation, sale of assets or otherwise, to all or a substantial portion of the assets or business of Caesars Entertainment Corporation or DG Mothership, LLC.

5.4 CONDITIONS TO THE APPROVAL OF ASSIGNMENT OR TRANSFER.

Without limiting the right of the City to give or withhold its consent to a Disposition or Ownership Transfer, to the extent such consent is required pursuant to Section 5.2, the City shall be entitled to require, as conditions to the consent required in Section 5.2 above, that:

(a) Any proposed Transferee shall have the qualifications and financial responsibility, satisfactory to DHCD, to fulfill the obligations undertaken in this Agreement by Developer and the approval of the State Lottery Commission and/or the Video Lottery Facility Location Commission as may be required;;

(b) Any proposed Transferee, by instrument in writing, shall have, for itself, its successors and assigns and expressly for the benefit of the City expressly assumed all of the obligations of Developer not previously performed under this Agreement and shall have agreed to be subject to all of the conditions and restrictions to which Developer is subject hereunder with respect to the Garage Property or the Option Properties, or a portion thereof, which is the subject of the Disposition or which is owned by the entity in which an Ownership Transfer is proposed (the "Subject Property");

(c) There has been submitted to DHCD for review, and DHCD has approved, all instruments and other legal documents involved in effecting the Disposition or Ownership Transfer; and

(d) The consideration payable for the Disposition or Ownership Transfer, by the Transferee or on its behalf, shall not exceed an amount representing the actual cost to Developer, including without limitation, carrying charges and all actual out-of-pocket expenditures attributable to the relevant property, certified by Developer and reasonably approved by City, made thereon prior to the Disposition or Ownership Transfer. It is the intent of this provision to preclude assignment of this Agreement or any other Disposition or Ownership Transfer for profit prior to the completion of the Improvements on the Garage Property or Improvements on the Option Properties and to provide that in the event any such Disposition or Ownership Transfer is made without the City's prior written consent, and is not canceled, DHCD shall be entitled among other remedies, to increase the purchase price to Developer of the Garage Property or the Option Properties by the amount of the consideration payable by the Transferee in excess of the amount authorized in this sub-paragraph, and such consideration shall, to the extent it is in excess of the amount so authorized, belong to the City and be paid to the City by Developer.

5.5 PROCEDURE FOR APPROVAL.

In the event that pursuant to the provisions of this Article V the approval of the City is required for a Disposition or Ownership Transfer and a request for the City's approval of a Disposition or Ownership Transfer is made, the City shall approve or deny such request for approval within forty-five (45) days of the City's receipt of such request. Such Disposition or Ownership Transfer shall, in any event, be deemed to have been approved by City unless rejected, in whole or in part by the City, within forty-five (45) days after Developer's request for approval, provided that at the time of such request Developer submitted, if applicable, written evidence of the State's approval of such transfer. The City may disapprove of any such request, but any approval may only be given by the Board of Estimates of the City. If the City disapproves such request, the City must give its reasons in writing, it being acknowledged,

however that such approval shall not be unreasonably delayed, conditioned, or withheld. If the disapproval is by the Board of Estimates, no such writing will be provided.

Subject to Section 7.7 below, no such Disposition with respect to the Garage Property or the Option Properties or any portion thereof or approval by the City thereof shall be deemed to relieve Developer, or any other party bound in any way by this Agreement or otherwise with respect to the construction of the Improvements on the Garage Property or Improvements on the Option Properties or any portion thereof, from any of its obligations with respect thereto, and no such Disposition shall limit any of the remedies of the City hereunder, except as specifically provided herein; provided, however, that if the City approves a Disposition of all of the Garage Property or the Option Properties, Developer shall be relieved of all further liability as to such Properties except for a Default under this Agreement arising prior to such Disposition.

5.6 DISPOSITION AFTER ISSUANCE OF CERTIFICATE OF COMPLETION.

The City agrees that, upon or any time after the issuance or deemed issuance by DHCD of the Certificate of Completion for all the Improvements required by the Project Plan on the Garage Property, this Article V shall be of no further force or effect solely with respect to the Garage Property, and, accordingly, Developer may thereafter, without the prior consent of the City, make or create, or suffer to be made or created, with respect to the Garage Property, any Disposition. The City agrees that after the issuance or deemed issuance of the Certificate of Completion for the Improvements constructed on an Option Property, this Article V shall be of no further force or effect solely with respect to such Option Property, and accordingly, Developer may thereafter, without the prior consent of the City, make or create, or suffer to be made or created, with respect to such Option Property, any Disposition.

5.7 EFFECT OF PROHIBITED DISPOSITION.

Any Disposition or Ownership Transfer which is not a Permitted Disposition, or otherwise permitted pursuant to Section 5.6, or which is made without the City first having given its consent, shall not only be a default by Developer under this Agreement, but shall also be null, void, and of no effect whatsoever.

5.8 CONFIRMATION OF PERMITTED DISPOSITIONS.

Upon request of Developer from time to time, the City shall issue a certificate to Developer and any Transferee (or potential Transferee) confirming, if true, that a Disposition or Ownership Transfer is a Permitted Disposition. Within thirty (30) days of Developer's submission to the City of such a request, together with such details of the Disposition or Ownership Transfer in question as the City may reasonably require to issue such a certificate, with a copy of same to the City Law Department, the City shall execute and deliver to Developer such a certificate, which certificate shall be in a form and substance that are reasonably acceptable to the City. The Commissioner of DHCD is authorized to execute and deliver such a certificate under this Section.

ARTICLE VI

MORTGAGE FINANCING AND RIGHTS OF MORTGAGEES

6.1 LIMITATION UPON ENCUMBRANCE OF PROPERTY.

Prior to the issuance of a Certificate of Completion for the Parking Garage or the applicable Option Property, Developer shall not engage in any financing or any other transaction creating any mortgage or other encumbrance or lien upon the Garage Property or upon the applicable Option Property except for the purposes of obtaining funds only to the extent necessary for acquiring the Garage Property or applicable Option Property, site preparation and constructing the Improvements on the Garage Property and Improvements on the applicable Option Property (including necessary off-site improvements), development fees, acquiring furniture and equipment for the Project, costs related to the leasing of Improvements on the Garage Property or Improvements constructed on the Option Properties (such as the tenant build-out costs, marketing costs, and brokerage commissions), and other related commonly recognized costs such as, without limitation, commitment fees, points, interest, closing fees, other normal and customary fees, costs of transfer, fees and expenses of consultants, architects, engineers, contractors, and brokers, and legal fees. Developer shall notify DHCD in advance of any financing secured by mortgage or deed of trust other similar lien instrument (each referred to herein as a "mortgage", whether in fact a mortgage or other similar lien instrument), which it proposes to enter into.

(b) After the Certificate of Completion for the Parking Garage is issued or deemed issued, Developer may encumber its interest in the Garage Property without any restriction under this Agreement; provided, however, under no circumstances may Developer thereafter encumber the Garage Property to support an obligation of others which is not related to the Project.

(c) After the Certificate of Completion for an Option Parcel is issued or deemed issued, Developer may encumber its interest in such Option Parcel without any restriction under this Agreement.

(d) Prior to the issuance or deemed issuance of the Certificate of Completion for the Parking Garage or for the Improvements constructed on the Option Properties, Developer shall promptly notify the City of any encumbrance or lien that has been created on or attached to the Garage Property or Option Properties, whether by voluntary act or otherwise.

6.2 MORTGAGEE NOT OBLIGATED TO CONSTRUCT.

Notwithstanding any of the provisions of this Agreement, including but not limited to those which are or are intended to be covenants running with the land, the holder of any mortgage or the beneficiary of any deed of trust authorized or permitted by this Agreement, herein called a "holder" or a "Mortgagee" (including any such Mortgagee who obtains title to the Garage Property or Option Properties or any part thereof as a result of foreclosure proceedings, or action in lieu thereof, but not including (a) any other party who thereafter obtains title to the

Garage Property or the Option Properties or such part from or through such Mortgagee or (b) any other purchaser at foreclosure sale (other than the Mortgagee)) shall in no way be obligated by the provisions of the Agreement to construct or complete the Improvements or the Improvements to be constructed on the Option Properties, or to guarantee such construction or completion; nor shall any covenant or any other provision in the Deed be construed to so obligate such Mortgagee; provided, that nothing in this Section or any other Section or provision of this Agreement shall be deemed or construed to be deemed a waiver of any covenant set forth herein, or to permit or authorize any such Mortgagee to devote the Garage Property or Option Properties or any part thereof to any uses, or to construct any improvements thereon, other than those uses or improvements provided or permitted in this Agreement.

6.3 COPY OF NOTICE OF DEFAULT TO MORTGAGEE.

Whenever the City shall send any notice or demand to Developer with respect to any breach or Default by Developer in its obligations or covenants under this Agreement, the City shall at the same time forward a copy of such notice or demand to each Mortgagee authorized by this Agreement at the last address of such Mortgagee provided to DHCD by Developer, and no such notice shall be deemed to be effective against the Mortgagee unless and until a copy thereof shall have been sent to Mortgagee at such address provided by Developer. Any of the foregoing entities may, by notice to the City, designate a different address and/or method of delivery for notice.

6.4 MORTGAGEE'S OPTION TO CURE DEFAULTS.

(a) The City agrees to accept performance and compliance by any Mortgagee of and with any term, covenant, agreement, provision, or limitation on Developer's part to be kept, observed, or performed by Developer hereunder.

(b) After any breach or Default referred to in Section 6.3 hereof, each such Mortgagee shall (insofar as the rights of the City are concerned) have the right, at its option, to cure or remedy such breach or Default (or such breach or Default to the extent that it relates to the part of the Project covered by its mortgage) and to add the cost thereof to the mortgage debt and the lien of its mortgage; provided, however, that if the breach or default is with respect to construction of the Improvements, nothing contained in this Section or any other Section of this Agreement shall be deemed to permit or authorize such Mortgagee, 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 the Improvements or construction already made) on the Garage Property or Improvements constructed on the Option Properties, without first having expressly assumed the obligation to DHCD, by written agreement satisfactory to DHCD, to complete, in the manner provided in this Agreement, the Improvements on the Garage Property or Improvements on the Option Properties. In no event, however, shall any such Mortgagee have any liability for the performance of any of the covenants, conditions, or obligations of Developer under this Agreement unless and until such time as the Mortgagee either (i) assumes same by written agreement with DHCD, or (ii) acquires title to the Garage Property or the Option Properties.

(c) Following a Default by Developer, the City will take no action to terminate this Agreement, nor to retake title to the Garage Property or Option Properties or any portion thereof, unless it shall first give notice after the expiration of any such cure period stating the intention of City either, on a date specified in such notice, to terminate this Agreement or to retake title to the Garage Property or Option Properties or any portion thereof. Notwithstanding such notice, the City shall not terminate this Agreement or retake title to the Garage Property or Option Properties or any portion thereof, if:

(i) such Default can be cured by the payment of a fixed monetary amount and the Mortgagee makes such payment within thirty (30) days after the date such notice is given; or

(ii) such Default can be cured with the exercise of reasonable diligence by the Mortgagee after the Mortgagee or its designee has obtained possession of the Garage Property or Option Properties, so long as the Mortgagee or its designee, within one hundred eighty (180) days after the date of such notice (except that if the Mortgagee is precluded notwithstanding the filing of a petition to the bankruptcy court for a waiver from instituting or proceeding with such foreclosure by reason of a bankruptcy or insolvency proceeding filed by or against Developer, said one hundred eighty (180) day period shall be extended by a period of time equal to the period during which the Mortgagee is so precluded from instituting or proceeding with such foreclosure) promptly commences (or its designee commences), and thereafter diligently pursues, the curing of such Default; or

(iii) such Default is not capable of being cured by the Mortgagee, even if possession of the Garage Property or the Option Properties were obtained by Mortgagee or its designee, so long as the Mortgagee or its designee shall, within one hundred eighty (180) days after the date such notice is given, obtain possession of the Garage Property or the Option Properties or, so long as the Mortgagee publishes any required notice of foreclosure or institutes foreclosure proceedings, as the case may be, and thereafter proceeds with diligence to acquire, or have its designee acquire, possession of the Garage Property or the Option Properties (except that if the Mortgagee is precluded from instituting or proceeding with such foreclosure by reason of a bankruptcy or insolvency proceeding filed by or against Developer, said one hundred eighty (180) day period shall be extended by a period of time equal to the period during which the Mortgagee is so precluded from instituting or proceeding with such foreclosure), then such Default, to the extent that the same shall have occurred prior to the Mortgagee or its designee taking possession of the Garage Property or the Option Properties, shall thereupon be deemed to have been waived.

All deadlines and timeframes imposed upon Developer pursuant to the terms of this Agreement shall be extended by a period of time equal to the period during which Mortgagee or its designee commences the exercise of Mortgagee's remedies under the mortgage until such time as Mortgagee obtains title to all of Developer's right, title, and interest in the Garage Property or the Option Property, as the case may be (or Mortgagee's designee obtains such interest), but in no event longer than three hundred sixty (360) days.

After any Default referred to in this Section 6.4 that is cured by any Mortgagee or its designee, such Mortgagee or its designee shall have the right, at its option, to add the cost of curing such Default to the Developer's mortgage debt and the lien of Developer's mortgage given to such Mortgagee.

6.5 MORTGAGEE ESTOPPEL CERTIFICATE.

Upon request of Developer from time-to-time, the City shall execute an estoppel certificate for the benefit of any Mortgagee (or potential Mortgagee) of Developer, for the purposes of confirming the status of this Agreement, and the rights of such Mortgagee (or potential Mortgagee) hereunder. Within thirty (30) days of Developer's submission to the City, with a copy to the City Law Department, of a proposed draft of such a estoppel certificate which is acceptable to the City, the City shall either (i) execute and deliver to Developer such estoppel certificate benefiting the identified Mortgagee (or potential Mortgagee), or (ii) shall execute such estoppel certificate benefiting the identified Mortgagee (or potential Mortgagee) with such modifications as the City may in its reasonable judgment require so as to conform such estoppel certificate to the requirements of this Section (including, without limitation, that such estoppel certificate be consistent with the terms and provisions of this Agreement that apply to Mortgagees and mortgages) and containing such information as may reasonably requested by any holder or its designee. The Commissioner of DHCD is authorized to sign and deliver such an estoppel certificate after it is approved as to form and legal sufficiency by the City Law Department.

6.6 REIMBURSEMENT FOR EXPENSES.

Developer agrees to reimburse the City on demand for all costs and expenses, including without limitation all reasonable legal fees, incurred by the City (1) in the preparation and negotiation of any amendment to or waiver of this Agreement requested by the Developer, and (2) in the preparation and negotiation of any document, agreement, or instrument that Developer requests the City to sign or approve, including documents, agreements, or instruments related to a Mortgage financing such as an estoppel certificate, or related to a tenant of the Developer. As a precondition to the Developer's obligations under this Section 6.6, prior to incurring any costs subject to reimbursement pursuant to this Section 6.6, the City shall provide Developer with an estimate of such agreed upon out of pocket costs and expenses that will be reimbursable pursuant to this Section 6.6. Developer also agrees to pay any costs or expenses incurred by the City to collect any such amounts and interest on overdue amounts at the rate of ten percent (10%) per annum from the date which is forty five (45) days after reimbursement is demanded until the date paid.

ARTICLE VII

DEFAULTS AND REMEDIES

7.1 CITY DEFAULTS.

(a) Default in Conveyance. If the City fails to sign and deliver to Developer a Deed to the Garage Property or the Option Properties or any portion thereof, as and when obligated to do so, Developer shall have the right to a writ of mandamus, injunction, specific performance, or other similar relief, if and as may be available to it under Maryland law, against the City (including DHCD, but not any of its officials, agents, or representatives); and/or the right to maintain any and all actions at law or suits in equity or other proceedings to enforce the curing or remedying of such default, subject to Section 7.2.

(b) Other City Defaults. If the City fails to perform, observe, or comply with any express obligation of the City under this Agreement (other than its obligation to deliver a deed to the Garage or the Option Properties any portion thereof), and if the City has not cured such failure within sixty (60) days after Developer gives City notice of such failure, Developer shall have the right to maintain any and all actions at law or suits in equity or other proceedings to enforce the curing or remedying of such default, it being recognized that the right to a writ of mandamus, injunction, or other similar relief may be available to Developer under Maryland law against the City (including its Mayor and its officials and agents). Accordingly, Developer hereby expressly waives any right to sue for and collect damages of any sort (actual, special, consequential, or punitive) resulting from such default.

7.2 CITY - A MUNICIPAL CORPORATION.

The City is a municipal corporation and can exercise only those powers granted it by law, and in the event the City is prevented, restricted, or delayed in any of the duties and obligations imposed upon it or assumed by it under the terms and provisions of this Agreement as a result of any legal proceedings, unless instituted by the City, or instituted as a result of the City's failure to comply with any Applicable Laws, it shall not be liable for any costs, damages, injuries, or liabilities caused to or suffered or incurred by Developer, its successors or assigns in connection with, or as a result of, any such legal proceedings or any such prevention, restriction, or delay.

7.3 DEVELOPER DEFAULTS.

The following shall constitute a "Default" by Developer under this Agreement.

(a) If, prior to conveyance of the Garage Property or the Option Properties to Developer, Developer:

(i) commits or allows to occur, in violation of this Agreement, any Disposition or Ownership Transfer;

(ii) does not pay the Purchase Price for and take title to the Garage Property or Option Properties, or any portion thereof, at the time and upon the conditions specified in this Agreement;

(iii) makes any representation or warranty herein that is incorrect in any material respect as of the date it is given, or in a certificate signed by Developer and delivered to City pursuant to this Agreement, or in the Initial Ownership Disclosure;

(iv) an Event of Default (as defined therein) occurs under the VLT Lease; or

(v) does not comply with any other covenant or agreement of Developer under this Agreement and any such default and failure shall not be cured within ninety (90) days after written demand by DHCD (which ninety (90) day cure period may be extended for such period of time as is reasonably necessary if such cure is not reasonably susceptible of cure within such ninety (90) day period so long as the Developer is diligently prosecuting such cure at such time and continues thereafter to diligently prosecute such cure to completion, but in no event longer than one hundred eighty (180) days), then the City shall have the right, at its option, to exercise any and all rights and remedies available to the City at law or in equity, provided that in the case of clauses (i), (ii) and (iv) (but not (iii)), the City shall also have the right, at its option, to terminate its obligations to Developer under this Agreement to transfer the Garage Property or Option Properties.

(b) If subsequent to the conveyance of the Garage Property, and prior to issuance of a Certificate of Completion for all the Improvements on the Garage Property:

(i) Developer shall default in or violate any of its obligations under this Agreement or the VLT Lease, including its obligations with respect to the construction of said Improvements, including the nature thereof and the dates for beginning and completion thereof, if any, or shall abandon or substantially suspend construction (unless such abandonment or suspension is for a cause or justification set forth in Section 7.8 and/or is due to any default under this Agreement on the part of the City) and any such default or violation, or abandonment, or suspension shall not be cured or remedied within ninety (90) days after written demand by DHCD to do so; or

(ii) Developer shall (A) fail to pay real estate taxes or assessments on the Garage Property or any part thereof as required by Section 14.1 below, which are not then being contested in good faith by appropriate proceedings, (B) voluntarily place on the Garage Property any encumbrance or lien unauthorized by this Agreement, and such taxes or assessments shall not have been paid, or the encumbrance or lien shall not have been waived or discharged or bonded or provision satisfactory to DHCD in its reasonable discretion made for such payments, waiver or discharge within ninety (90) days after written demand by DHCD to do so; or

(iii) there is, in violation of this Agreement, any Disposition or Ownership Transfer; or

(iv) an Event of Default (as defined therein) occurs under the VLT Lease;

(provided, in each instance described in clauses (i) or (ii), that, if such Default or failure is not reasonably subject to cure within such period, and Developer within such ninety (90) day period shall have commenced and shall continue diligently to prosecute all action necessary to cure such

default or failure after such notice, such default or failure shall not constitute a default if cured within one hundred eighty (180) days after receipt of such demand)

then the City shall have the right, at its option to re-enter and take possession of the Garage Property and to terminate, and revest in the City, the estate conveyed to Developer as herein provided, it being the intent hereof that the conveyance pursuant to this Agreement of the Garage Property to Developer shall be made upon a condition subsequent to the effect that, in the event of any default, failure, violation or other action or inaction by Developer specified in clauses (i), (ii), (iii), or (iv) of this Section and failure on the part of Developer to remedy, and/or abrogate such default, failure, violation, or other action or inaction applicable to Developer within the period and in the manner stated in said clauses, the City, at its option, may declare a termination in its favor of the title and all of the rights and interest in the Garage Property conveyed by the Deed to Developer, and that such title and all rights and interest of Developer, any of its assigns or successors in interest in the Garage Property, shall revert to the City; provided, that such condition subsequent and any revesting of title as a result thereof in the City shall always be subject to and limited by, and shall not defeat, render invalid, or limit in any way the lien of any mortgage or deed of trust authorized by this Agreement or any rights under any other document further securing to any Mortgagee, sums advanced in accordance with this Agreement, or any rights or interest provided in this Agreement for the protection of such Mortgagees.

In addition, in the event of any Default and the revesting of title hereunder, subject to the rights of a Mortgagee, the City shall have the right to retain the Design Plans and/or Construction Plans which have been submitted by Developer to DHCD pursuant to this Agreement to the extent that Developer owns such Design Plans and/or Construction Plans and has the right to assign the same to DHCD. Said plans shall then become the sole property of the City, for its use or assignment to others at its sole option, subject, however, to the rights of the Lender or the terms and conditions of such plans.

(c) If subsequent to the conveyance of an Option Property, and prior to issuance of a Certificate of Completion for all the Improvements to be constructed on the Option Property:

(i) Developer shall default in or violate any of its obligations under this Agreement or the VLT Lease, including its obligations with respect to the construction of said Improvements, including the nature thereof and the dates for beginning and completion thereof, if any, or shall abandon or substantially suspend construction (unless such abandonment or suspension is for a cause or justification set forth in Section 7.8 and/or is due to any default under this Agreement on the part of the City) and any such default or violation, or abandonment, or suspension shall not be cured or remedied within ninety (90) days after written demand by DHCD to do so; or

(ii) Developer shall (A) fail to pay real estate taxes or assessments on the Option Property or any part thereof as required by Section 14.1 below, which are not then being contested in good faith by appropriate proceedings, (B) voluntarily place on the Option Property any encumbrance or lien unauthorized by this Agreement, and such taxes or assessments shall not have been paid, or the encumbrance or lien shall not have been waived or discharged or

bonded or provision satisfactory to DHCD in its reasonable discretion made for such payments, waiver or discharge within ninety (90) days after written demand by DHCD to do so; or

(iii) there is, in violation of this Agreement, any Disposition of an Option Property for which a Certificate of Completion has not been issued or deemed issued; or

(iv) an Event of Default (as defined therein) occurs under the VLT Lease;

(provided, in each instance described in clauses (i) or (ii) that, if such Default or failure is not reasonably subject to cure within such period, and Developer within such ninety (90) day period shall have commenced and shall continue diligently to prosecute all action necessary to cure such default or failure after such notice, such default or failure shall not constitute a default if cured within one hundred eighty (180) days after receipt of such demand), then the City shall have the right, at its option to re-enter and take possession of such Option Property and to terminate, and revest in the City, the estate conveyed to Developer as herein provided, it being the intent hereof that the conveyance pursuant to this Agreement of an Option Property to Developer shall be made upon a condition subsequent to the effect that, in the event of any default, failure, violation or other action or inaction by Developer specified in clauses (i), (ii), (iii), or (iv) of this Section and failure on the part of Developer to remedy, and/or abrogate such default, failure, violation, or other action or inaction applicable to Developer within the period and in the manner stated in said clauses, the City, at its option, may declare a termination in its favor of the title and all of the rights and interest in such Option Property conveyed by the Deed to Developer, and that such title and all rights and interest of Developer, any of its assigns or successors in interest in such Option Property, shall revert to the City; provided, that such condition subsequent and any revesting of title as a result thereof in the City shall always be subject to and limited by, and shall not defeat, render invalid, or limit in any way the lien of any mortgage or deed of trust authorized by this Agreement or any rights under any other document further securing to any Mortgagee, sums advanced in accordance with this Agreement, or any rights or interest provided in this Agreement for the protection of such Mortgagees.

In addition, in the event of any Default and the revesting of title hereunder, subject to the rights of a Mortgagee, the City shall have the right to retain the Design Plans and/or Construction Plans which have been submitted by Developer to DHCD pursuant to this Agreement to the extent that Developer owns such Design Plans and/or Construction Plans and has the right to assign the same to DHCD. Said plans shall then become the sole property of the City, for its use or assignment to others at its sole option, subject, however, to the rights of the Lender or the terms and conditions of such plans.

7.4 CITY'S RIGHT TO INSTITUTE PROCEEDINGS.

Following a Default by Developer, and the giving of any required notice and the expiration of the related cure period, the City shall have the right to institute such actions or proceedings as it may deem desirable for effectuating the purposes of this Article, including without limitation the right to execute and record among the Land Records of Baltimore City a written declaration of the termination of all rights and title of Developer, its successors and assigns, in the Garage Property or Option Properties and the revesting of the title thereof in the

City, as provided for in Section 7.3 above, subject to authorized mortgage liens; provided, however, that any delay by the City in instituting or prosecuting any such action or proceedings or otherwise asserting its rights under this Article, shall not operate as a waiver of its rights, or deprive it of any such rights in any way, it being the intention hereof that the City should not be constrained (so as to avoid the risk or otherwise) to exercise such remedy at a time when it may still hope otherwise to resolve the problems created by the Default involved; nor shall any waiver in fact made by the City or DHCD with respect to any specific Default by Developer under this Section be considered or treated as a waiver of the rights of the City and DHCD except to the extent specifically waived.

7.5 RESALE BY CITY.

If title to the Garage Property or Option Properties or any part thereof shall revert to the City in accordance with this Article 7, the City shall, pursuant to its responsibilities under the laws of the State and the ordinances of the City relating to urban redevelopment and renewal, use all reasonable efforts to resell the Garage Property and Improvements, or the Option Properties and their Improvements or such part thereof as soon and in such a commercially reasonable manner as DHCD shall find feasible and consistent with the objectives of such laws and ordinances and of the Renewal Plan, as amended from time to time; provided, that DHCD shall use all commercially reasonable efforts to obtain the highest price that is compatible with the objectives and restrictions applicable to the Garage Property or Option Properties in the Renewal Plan, from a qualified and responsible party or parties, whose qualifications shall be determined by DHCD in its reasonable discretion and who will assume the obligation of making or completing the Improvements on the Garage Property or the Option Properties, or such other improvements in their stead as shall be satisfactory to DHCD and in accordance with the Renewal Plan, as amended from time to time, and this Agreement. Upon such resale of the Garage Property or the Option Properties the proceeds thereof shall be applied:

First, to Developer's Mortgagee for all amounts owed to such Mortgagee under all agreements and documents entered into between Developer and such Mortgagee or any other agreements relating to any loan(s) made by such Mortgagee to Developer in order to pay off in full all obligations owed or owing to such Mortgagee (but only to the extent of funds due and/or owing such Mortgagee as a direct result of such Mortgagee's loan for purposes permitted by this Agreement or otherwise approved by the City),

Second, to reimburse the City on its own behalf and on behalf of DHCD for (i) any payments made or necessary to be made to discharge any encumbrances or liens existing on the Project, or any part thereof, at the time of revesting of title to the Project in the City or to discharge or prevent from attaching or being made any subsequent encumbrances or liens due to obligations, defaults or acts of Developer, its successors or transferees, (ii) any reasonable expenditures made or obligations incurred with respect to the making or completion of the Improvements or any part thereof on said Garage Property or Improvements constructed on the Option Properties or any amounts otherwise owing to the City or DHCD by Developer, its successors or transferees, and (iii) all costs and expenses incurred by either the City or DHCD including, but not limited to, salaries of personnel which are specifically hired in connection with

and for the sole purpose of the recapture, management and resale of the Garage Property or Option Properties or any part thereof (but less any income derived by the City from the Garage Property or Option Properties, or any part thereof, in connection with such management), all taxes, assessments, and other charges with respect to the Garage Property or the Option Properties, or any part thereof, or an amount equal to such taxes, assessments, or charges as would have been payable if the Garage Property or the Option Properties were not exempt therefrom because held by the City.

Third, to reimburse Developer up to the amount equal to (i) the cash actually expended by it, exclusive of mortgage or other loan proceeds represented by any encumbrance or lien on the Garage Property or Option Properties, in purchasing the Garage Property or the Option Properties and/or making any of the Improvements on the Garage Property or the Improvements constructed on the Option Properties, less (ii) any cash or other profit or financial benefit withdrawn or made by it from this Agreement or from the Garage Property or Option Properties.

Any balance remaining after such reimbursements shall be retained by the City as its property.

7.6 DEFAULT BY DEVELOPER.

In the event of any Default by Developer that occurs after the Certificate of Completion has been issued or deemed to have been issued for the Parking Garage, Developer shall, upon written notice from the City, proceed immediately to cure or remedy such Default or breach and, in any event, within twenty (20) days after receipt of such notice, if the cure or remedy requires the payment of money, or otherwise within ninety (90) days after receipt of such notice. If the Default or breach shall not be cured or remedied within such time the City may exercise any remedy available to it under Applicable Law. The cure periods set forth in this Section 7.6 for any default other than the non-payment of amounts due under this Agreement shall be extended if the default is not susceptible of cure within such period and Developer commences with such cure efforts within the applicable cure period and proceeds with reasonable diligence to complete such cure; provided, however, that in no event shall the cure period extend beyond 180 days and provided further that any default to which this Section 7.6 refers, if such default could be cured by the payment of money to a third party, shall be deemed for the purposes of this Section 7.6 to be susceptible of cure within ninety (90) days. The cure periods set forth in this Section 7.6 do not apply to any Default for which a notice and cure period is specifically provided elsewhere in this Agreement.

7.7 DEVELOPER LIABILITY LIMITATION.

Anything herein contained to the contrary notwithstanding, none of Developer's partners, stockholders, officers, directors, employees, members, principals, or agents, or any partner, stockholder, officer, director, employee, member, principal, or agent thereof, disclosed or undisclosed, shall have any personal liability for the performance of any of the covenants, terms, and conditions contained in this Agreement, including any expenses incurred by the City or deficiencies in any insurance proceeds in the event of a casualty. This provision does not limit

the rights of the City pursuant to a separate guarantee or other assurance of payment or performance given by any person (including any guarantor or bonding company).

7.8 FORCE MAJEURE.

For the purpose of any provision of this Agreement, neither the City nor Developer, as the case may be, nor any successor in interest, shall be considered in breach of or default in its obligations under this Agreement, including, without limitation, regarding the beginning and completion of construction of the Improvements on the Garage Property or Improvements to be constructed on the Option Properties, or progress in respect thereto, in the event of delay in the performance of such obligations due to acts of God, acts of the public enemy, terrorism, acts of government including government shutdown (excluding, however, the City, with respect to any default by the City), acts of the other party, fires, floods, epidemics, quarantine, restrictions, strikes, boycotts, freight embargoes, unusually severe weather, acts of sabotage, malicious mischief, vandalism, insurrection, mob violence, civil commotion, inability to procure or general shortage of, labor, equipment, facilities, materials, or supplies in the open market upon commercially reasonable terms (notwithstanding good faith and diligent efforts), delays of contractors, subcontractors or suppliers due to such causes, or defaults of independent (i.e., not affiliated with Developer) contractors, independent subcontractors, or independent suppliers (provided that remedies are being diligently pursued against the same); it being the purpose and intent of this Section that in the event of the occurrence of any such delays, the time or times for the performance of the obligations of the parties with respect to construction of Improvements on the Garage Property or Improvements to be constructed on the Option Properties, shall be extended for the period of the delay; provided, however, that the party seeking the benefit of the provisions of this Section must, as a condition precedent to obtaining the benefit of this Section, within fifteen (15) days after said party has actual knowledge of the beginning of any such delay, have first notified the other party in writing of the cause or causes thereof, which entitles such party to an extension of time. For the purpose of this Section, any notice from Developer shall be given to DHCD, and any such extension of time shall be in writing and in such form as will enable it to be recorded among the Land Records of Baltimore City. A party may not rely on its own acts or omissions as grounds for its delay of performance.

7.9 RIGHTS AND REMEDIES – LIMITED.

Except as expressly limited by this Agreement, the specified remedies to which the parties to this Agreement may resort under this Article are cumulative, but they are in lieu of all other remedies to which the parties hereto may be lawfully entitled at law or in equity in case of any breach or default by the other party of any provision of this Agreement. The initiation of any remedy by any party to this Agreement shall not constitute or be deemed an election of remedies by it and such party may invoke two or more remedies hereunder concurrently or consecutively. Failure of either party to exercise any right or remedy hereunder shall not impair any of its rights or remedies nor be deemed a waiver thereof and no waiver of any of its rights or remedies shall be deemed to apply to any other such rights or remedies, nor shall it be effective unless in writing and signed by the waiving party.

ARTICLE VIII

REPRESENTATIONS AND WARRANTIES OF DEVELOPER AND CITY

8.1 DEVELOPER.

Developer makes the following affirmative representations as of the Effective Date, as of the Settlement Date, and as of the Future Settlement Date:

(a) Developer (i) is a limited liability company duly formed under the laws of the State of Delaware and is authorized and in good standing to engage in business in the State of Maryland, and (ii) and has been duly authorized by all proper and necessary member action as may be required to execute and deliver this Agreement;

(b) this Agreement when executed and delivered on behalf of Developer, will constitute the legal, valid, and binding obligations of Developer enforceable in accordance with their respective terms, except as the same may be limited by applicable bankruptcy, insolvency, reorganization, moratorium, or similar laws affecting creditors' rights, or, to the extent that certain remedies hereunder require or may require enforcement by a court of equity such principles of equity as the court having jurisdiction may apply;

(c) the execution, delivery, and performance by Developer of this Agreement, will, to Developer's knowledge, not violate any provision of Applicable Law, rule, or regulation pertaining to Developer's ability to enter into such Agreement, or any judgment, order, or decree binding upon it;

(d) there are no actions, suits, or proceedings pending against Developer or, to the knowledge of Developer, threatened against Developer before or by any court, governmental body or agency, or other tribunal or authority, which is reasonably likely to be adversely determined against Developer, and if so adversely determined, would have a materially adverse effect on the authority or ability of Developer to perform its obligations under this Agreement, or which question the legality, validity, or enforceability hereof or thereof;

(e) neither the execution and delivery of this Agreement nor the consummation of the transaction contemplated hereby nor the fulfillment of or compliance with the terms and conditions of this Agreement, conflicts with or would result in a breach of any of the terms, conditions, or provisions of any restriction or any agreement or instrument to which Developer is now a party or by which it is bound, or constitutes a default under the terms of any of the foregoing;

(f) Developer is not a "foreign person" as such term is defined in Section 897 of the Internal Revenue Code of 1986, as amended (it being agreed that, in furtherance of this representation and warranty, Developer will deliver to the City at each Settlement an affidavit, given under penalty of perjury, (i) providing Developer's taxpayer identification number and (ii) stating Developer is not a foreign person).

(g) Neither Developer, nor any entity which is a member of Developer, is a party to any pending bankruptcy or similar proceeding under any law which has resulted or may result in alteration of or grant of relief from claims of creditors against such person; and

(h) Developer is in compliance, in all material respects, with all requirements that are imposed by it by State law governing the license and operation of video lottery terminals.

8.2. CITY.

The City represents and warrants that, as of the Effective Date and as of the Settlement Date, and as of the Future Settlement Date:

(a) the City is a political subdivision of the State and a body politic and corporate, duly organized and validly existing under the constitution and laws of the State, with full legal right, power, and authority to enter into and perform its obligations under this Agreement;

(b) the City has duly authorized the execution and delivery of this Agreement, and this Agreement has been duly executed and delivered by the City and constitutes legal, valid, and binding obligations of the City, enforceable in accordance with its terms, but subject to applicable bankruptcy laws, insolvency, reorganization, moratorium or similar laws affecting creditors' rights, or, to the extent that certain remedies require enforcement by a court of equity, such principles of equity as the court having jurisdiction may apply. All persons whose signatures or consents are required as a condition to the City's execution of this Agreement and consummation of the transactions contemplated hereby have also signed this Agreement, thereby ratifying same;

(c) the execution, delivery, and performance by the City of this Agreement will not violate any provision of Applicable Laws, rules, or regulations pertaining to the City's ability to enter into this Agreement, or any judgment, order, or decree binding upon the City, the violation of which might have a materially adverse effect upon the City; and

(d) there are no actions, suits, or proceedings pending against the City, or to the knowledge of the City's City Solicitor, threatened in writing against the City, before or by any court, governmental body or agency, or other tribunal or authority that would, if adversely determined, have a materially adverse effect on the authority or ability of the City to perform its obligations under this Agreement, or which question the legality, validity, or enforceability hereof, except, as of the Effective Date, for the following civil actions: (1) *Baltimore City Entertainment Group, L.P., et al* v. *Maryland Video Lottery Facility Location Commission,* No. 814, September Term 2011, and (2) *Baltimore City Entertainment Group, L.P., et al* v. *Mayor and City Council of Baltimore,* No. 48, September Term 2011 (collectively, the "BCEG Litigation").

ARTICLE IX

INSURANCE

9.1 REQUIRED TYPES OF COVERAGE.

Developer shall, at its cost and expense, from and after the Settlement, during the periods specified in the following paragraphs, procure and maintain, or cause to be procured and maintained, the following insurance:

(a) in respect to each of the Garage Property and, following the acquisition thereof, the two Option Properties, Developer shall obtain and keep in full force a completed value "All Risk of Physical Loss" Builder's extended coverage value which includes vandalism, malicious mischief, and collapse endorsements, in the amount of 100% of the full replacement cost of the applicable improvements.

(b) Commercial General Liability and Property Damage Insurance written on an occurrence basis including a Wrap-Up Program) with Blanket Contractual Liability Coverage, with primary limits of liability of not less than $3,000,000 combined per occurrence on for claims arising out of bodily injuries or death and property damage with aggregate limits of $5,000,000; and

(c) if and when so required by law or licensed to Generate Hazardous Substances upon the Garage Property or Option Properties, hazardous environmental impairment liability insurance.

Such insurance coverages shall be maintained upon Settlement or Future Settlement (as a condition thereof) and until a Certificate of Completion is obtained and a certificate of occupancy is procured in respect to such Property.

9.2 COMPANY AND CERTIFICATE REQUIREMENTS.

All insurance prescribed by Section 9.1 shall (a) be procured from financially sound and reputable insurers qualified to do business in the State and have an A.M. Best rating of not less than A-/VIII or, if not rated with A.M. Best, the equivalent of A.M. Best's surplus size of A-/VIII (or otherwise approved by DHCD), (b) be in such form and with such provisions as are generally considered standard provisions for the type of insurance involved, (c) waive subrogation against the City and Developer, and (d) be evidenced by a certificate of insurance, with endorsements, stating additional insureds or loss payees on applicable certificates delivered to the City, including any and all required changes in any policies. At any time, upon the request by BDC, Developer shall provide BDC with copies of all policies of insurance. Such copies shall be provided to DHCD and to the City's Office of Risk Management (which, as of the execution of this Agreement, has the following address: 410 E. Fayette Street, Room 512, Baltimore, Maryland 21202).

9.3 DEFICIENCIES IN COVERAGE AND FAILURE TO MAINTAIN INSURANCE.

If Developer becomes aware of any material reduction in the coverage provided under such insurance, or in the protection offered the City hereunder, Developer shall promptly notify the City. If Developer fails to maintain any insurance as provided in this Agreement beyond any applicable notice and cure period, the City may, upon at least fifteen (15) days prior written notice to Developer (during which period Developer may obtain such insurance), procure and maintain such insurance at the expense of Developer. All amounts of money paid therefor by the City shall be repaid to the City on demand with interest thereon at the then current "Prime Rate" published in The Wall Street Journal, but in no event in excess of the maximum legal rate, from the date paid by the City to the date of payment by Developer. The City shall notify Developer in writing of the date, purpose, and amounts of any such payments made by it, which shall be payable by Developer to the City within thirty (30) days of such notification.

9.4 OTHER INSURED - NOTICE TO THE CITY OF CANCELLATIONS.

The City, by endorsements, must be named as an additional insured, in respect to liability arising out of the activities of Developer in connection with this Agreement. With respect to the Option Properties, the City shall be an additional insured, as security for Developer's obligations to rebuild hereunder in the event of casualty. All insurance policies may contain a Mortgagee and loss payee clause in favor of any Mortgagee. All insurance policies shall provide that they cannot be canceled, modified, or terminated until at least thirty (30) days after written notice thereof is given the City. Each policy shall contain an endorsement to the effect that no act or omission of the City shall affect the obligation of the insurer to pay the full amount of any loss sustained. To the extent of Developer's negligence, Developer's liability insurance coverage shall be primary insurance with regard to the City. Any insurance or self-insurance maintained by the City shall not contribute with Developer's insurance or benefit Developer in any way.

9.5 INSURANCE DOES NOT WAIVE DEVELOPER'S OBLIGATIONS.

No acceptance or approval of any insurance agreement or agreements by the City shall relieve or release or be construed to (a) relieve or release Developer from any liability, duty, or obligation assumed by, or imposed upon it by the provisions of this Agreement or (b) impose any obligation upon the City (except as expressly set forth in this Agreement).

9.6 PROOF OF LOSS.

Whenever any part of the Garage Property or its Improvements, the Option Properties, or its Improvements are damaged or destroyed, Developer shall promptly make proof of loss and shall proceed promptly to endeavor to collect all valid claims which may have arisen against insurers or others based upon any such damage or destruction.

9.7 APPLICATION OF FIRE AND EXTENDED COVERAGE INSURANCE PROCEEDS AND OBLIGATION TO RECONSTRUCT.

9.7.1 Except as otherwise provided in Section 9.7.2 and 9.7.3 and subject to the rights of any Mortgagee of Developer under all agreements and documents entered into between Developer and such Mortgagee or any other agreements relating to any loan(s) made by such Mortgagee to Developer (and the terms and provisions provided therein), all sums payable for loss and damage arising out of the casualties covered by the fire and extended coverage policies shall be used to restore and, if necessary, rebuild any Improvements on the Garage Parcel and any Improvements on the Option Properties existing or being constructed prior to such casualty, and, upon prior written notice to the City, shall be payable as follows:

(a) directly to Developer, if the total recovery is Fifty Million Dollars ($50,000,000) or less, which funds shall be placed in a segregated account of Developer (or Developer's Mortgagee lender) and for which Developer shall provide DHCD with a monthly accounting; and

(b) to an "Insurance Trustee", if the total recovery (including Developer's deductible) is in excess of Fifty Million Dollars ($50,000,000), to be held by such Insurance Trustee pending establishment of reconstruction, repair, or replacement costs and shall be disbursed to Developer pursuant to the provisions of Section 9.7.2.

The Insurance Trustee shall be such bank or trust company (or other person or entity) as shall be appointed by the "first" Mortgagee (or, in the absence of such appointment, as may be elected by Developer and approved by DHCD, which approval shall not be unreasonably delayed, conditioned or withheld); it being agreed that any then existing Mortgagee of Developer, that is authorized to act in the capacity as an insurance trustee, is hereby approved for services as the Insurance Trustee.

9.7.2 All amounts received upon such policies, and any interest thereon, shall be used, to the extent required, for the reconstruction, repair, or replacement of the damaged Improvements on the Garage Property and Improvements constructed on the Option Properties (hereinafter referred to as "Reconstruction Work") so that such Improvements shall be restored to a condition comparable to the condition prior to the loss or damage. In the event any of the Improvements on the Garage Property or Improvements on the Option Properties are completely destroyed (or are damaged to a degree that Developer determines that it is not practicable to restore same), Developer (provided that the design approval process of Article III and the requirements of this Article are satisfied) may construct new improvements comparable to the destroyed Improvements on the Garage Property or Improvements constructed on the Option Properties. From the insurance proceeds received by the Insurance Trustee, there shall be disbursed to Developer such amounts as are required, from time to time, to pay requisitions for the Reconstruction Work, as approved by a competent architect or inspector designated by the "first" Mortgagee, and if no Mortgagee, designated by Developer and approved by DHCD. Such architect or inspector must certify that the amount so certified represents his or her best estimate of the cost of the Reconstruction Work to the date of requisition, and Developer agrees that such

amount will be applied to the payment of the cost of such Reconstruction Work to the extent required.

9.7.3 In the case that Developer shall have authorized any Mortgagee on Developer's behalf or in its stead to enter upon the Garage Property or Option Properties and undertake or prosecute the reconstruction or repair of any improvements on the Garage Property or Option Properties damaged or destroyed by fire or other casualty, and to have and receive for Developer such insurance proceeds to use for such purposes, then in that case said insurance proceeds shall be equally available to such Mortgagee as such are available to Developer as provided in subsections 9.7.1(a) and (b) and such insurance proceeds shall be applied to the reconstruction or repair of the Improvements on the Garage Property or the Improvements constructed on the Option Properties, so damaged or destroyed in accordance with this Article IX.

9.7.4 If (i) a total or substantially complete destruction of all Improvements on the Garage Property or the Improvements constructed on the Option Properties occurs, (ii) some or all of the Improvements on the Garage Property or the Improvements constructed on the Option Properties are destroyed to such extent that Developer determines that it would be uneconomical to cause the same to be repaired, restored or replaced, or (iii) the cost of the repairs, restoration, or replacement after a casualty loss affecting the Property is estimated by Developer to exceed the insurance proceeds to be made available to Developer for repairs, restoration, or replacement (after all required payments of such proceeds are made to all Mortgagees), then, in any of such events Developer may elect to terminate this Agreement. If such termination occurs, (a) the Improvements on the Garage Property or Improvements constructed on the Option Properties damaged by such casualty, at the election of the City, which election shall be exercised within sixty (60) days after notice from the Developer to the City of such termination, shall be completely razed (with the site cleared, graded, and seeded) and put in a clean, safe and stabilized condition, as soon as reasonably practicable, such work being undertaken in accordance with plans and specifications approved by DHCD, (b) if the City elects to have the Improvements on the Garage Property or the Improvements constructed on the Option Properties damaged by such casualty razed and stabilized, upon the completion of such razing and stabilization, unless sooner required by a Mortgagee, all insurance proceeds (net of any amount due all Mortgagees, with respect only to any monies directly or indirectly due or owing with respect to the Garage Property or the Option Properties but not with respect to funds due a Mortgagee with respect to other projects of Developer, or any of Developer's affiliates, and due Tenants), net of the cost of razing and stabilizing the damaged Improvements on the Garage Property or the Improvements constructed on the Option Properties and net of all other bona fide, out of pocket casualty-related expenses of Developer, including the cost of adjusting the insurance claim arising from such casualty) (such net proceeds as so calculated the "Net Proceeds") shall be distributed to the City.

9.8 COVENANT FOR COMMENCEMENT AND COMPLETION OF RECONSTRUCTION.

Unless Developer has elected to terminate this Agreement pursuant to Section 9.7.4. above, Developer covenants and agrees to commence the Reconstruction Work as soon as practicable, but in any event within twelve (12) months after the casualty, subject to Force

Majeure, and to complete fully such Reconstruction Work as expeditiously as possible, consistent with the nature of the damage, but in any event, within twenty-four (24) months from the start of such Reconstruction Work, subject to Force Majeure; provided, however, that if it is not practicable to commence such Reconstruction Work within such twelve (12) month period, or to complete such Reconstruction Work within such twenty-four (24) month period, then such Reconstruction Work may be commenced and completed within a longer period, provided that such period shall be approved in writing by the City (which approval shall not be unreasonably delayed, conditioned or withheld) after written request from Developer.

9.9 MODIFICATION OF COVERAGE.

The City shall have the right to review the policy limits outlined in this Article IX and require Developer to increase such limits, but the City shall have no right to require Developer to increase the amount of the insurance coverage or decrease any deductible amount, more often than once every five (5) years. Developer shall make any necessary adjustments in such limits or in types of coverage to reflect then currently acceptable, commercially reasonable policy limits and types of coverage for coverage for similar uses and operations.

9.10 INDEMNITY.

9.10.1 Indemnification.

Notwithstanding any policy or policies of insurance required of Developer, Developer shall indemnify, defend (at Developer's cost), and save harmless the City, its elected/appointed officials, employees, departments, agents and representatives (the "City Indemnitees") from and against any and all actions, claims or demands, suits at law, in equity, or before administrative tribunals ("Claims"), due to the breach by Developer of any one or more of its obligations hereunder, or due to the negligence or intentional wrongful acts of Developer, its officers, employees, agents, contractors, subcontractors, business invitees, or visitors (except to the extent caused by any intentional wrongful act or negligence of the City Indemnitees), in connection with the operation of the Project.

9.10.2 Scope of Indemnification.

By way of clarification and not in limitation of the provisions of this Section 9.10, Developer shall indemnify, defend and save harmless the City Indemnitees against and from any and all liabilities, suits, actions, claims, demands, damages, losses, expenses, and costs of every kind and nature incurred by, or asserted or imposed against, the City Indemnitees, or any of them, by reason of any accident, injury (including death), or damage to any person or property, however caused, resulting from any negligent or intentional wrongful act of commission or omission of Developer, its officers, employees and agents, including any negligent use, non-use, possession, occupation, condition, operation, service, maintenance, or management of, or on, or in connection with, the Garage Property or Option Properties (or its obligations hereunder), or any part thereof (except to the extent caused by any intentional wrongful act or negligence of the

City Indemnitees), and regardless of whether such liabilities, suits, actions, claims, demands, damages, losses, expenses, and costs be against or be suffered or sustained by the City Indemnitees or be against or be suffered or sustained by other persons, or legal entities to whom the City Indemnitees may become liable. Developer may, and if so requested by the City shall, undertake to defend, at its sole cost and expense, any and all suits, actions or proceedings brought against the City Indemnitees in connection with any of the matters covered by Developer's indemnity, provided that the City shall give Developer timely notice of and shall forward to Developer, or inform Developer of, every written demand, notice, summons, or other process received with respect to any claim or legal proceeding within the purview of this Section 9.10. If the City ever becomes a tenant of the Project, the City, in its sublease, shall accept such indemnification obligations as are then customarily imposed upon the City when it is a tenant in like buildings.

9.10.3 Payment Obligations.

Pursuant to the provisions of this Section 9.10, Developer shall promptly pay any and all costs, expenses, and judgments that may be incurred by, or rendered against the City Indemnitees at any time or times after the date of this Agreement and until the termination of this Agreement which under said preceding paragraphs Developer is obligated to pay. Similarly, the City shall make prompt payments for costs or expenses relating to its indemnification of Developer. To the extent that the City shall recover insurance payments from Developer's insurer for any such reasonable and documented costs, expenses and judgments paid by Developer under this Article, the City shall promptly reimburse Developer.

9.10.4 Survival.

The provisions of this Section 9.10, with regard to acts or events that precede such termination, shall survive the termination of the insurance required by this Article IX and the termination of this Agreement.

9.10.5 Governmental Immunity.

Nothing in this Section 9.10 shall be deemed a waiver of any sovereign or governmental immunity.

ARTICLE X

MBE AND OFFICE OF EMPLOYMENT DEVELOPMENT PROGRAMS

10.1 MBE.

Developer shall comply with the MBE requirements as described in Title 14, Subtitle 3 of the State Finance and Procurement Article (and the guidelines and requirements established by

the Governor's Office of Minority Affairs) and shall satisfy the State's minimum certified MBE participation goal, if any, with respect to construction and development of the Garage Property and the Option Properties. Developer shall meet or exceed the overall goal and any sub-goals which may have been established with the participation of the Maryland Department of Transportation-certified MBEs. Developer shall complete, execute, and deliver all forms, certifications, and reports that may be required from time to time by the Governor's Office of Minority Affairs or any other State agency, office, board, or department. Developer shall promptly and regularly provide the City's Minority & Women's Business Opportunity Office with copies of all such forms, certifications, and reports (which, as of the execution of this Agreement, has the following address: c/o Baltimore City Law Department, City Hall, Room 101, 100 North Holliday Street, Baltimore, Maryland 21202).

10.2 EMPLOY BALTIMORE.

Developer shall make a good faith effort to adhere to the hiring preference provisions set forth in the "Employ Baltimore" Executive Order issued by the Mayor of Baltimore dated June 9, 2011 and, as of the Effective Date and shall have executed and delivered the Certification Statement that is set forth within such Executive Order. Within sixty (60) days of the Effective Date, Developer and the City shall enter into a Memorandum of Understanding ("MOU") between Developer and the Mayor's Office of Employment and Development ("MOED") regarding the process for the promotion of the hiring of Baltimore City residents and for monitoring compliance. The MOU will address, at a minimum, the hiring of a Community Recruitment Coordinator (the "CRC") by the City to be funded by Developer up to a maximum of Eighty Thousand Dollars ($80,000.00) for a period of twelve (12) months (eight (8) months prior to the opening of the Project and four (4) months after the opening); the duties of the CRC; supervisory duty over the CRC which will require the agreement of both parties to dismiss the CRC; the types of employees for which the MOU shall be applicable; and bi-annual reporting requirements. Should the parties fail to reach agreement on the MOU within the sixty (60) days of the Effective Date after good faith negotiations, such failure shall not be considered a Default under this Agreement.

ARTICLE XI

NO PARTNERSHIP OR JOINT VENTURE

Nothing contained in this Agreement is intended or shall be construed in any manner or under any circumstances whatsoever as creating or establishing the relationship of co-partners or creating or establishing the relationship of a joint venture between the City, and Developer, or as constituting Developer as the agent or representative of the City for any purpose or in any manner under this agreement, it being understood that Developer is an independent contractor hereunder.

ARTICLE XII

ENVIRONMENTAL ASSURANCES

12.1 COVENANTS.

Developer covenants and agrees with the City from and after the Effective Date regarding Developer's future use of the Garage Property or the Option Properties:

(a) that it shall not "Generate Hazardous Substances" as defined herein at, to, or from the Garage Property or Option Properties unless the same is permitted in accordance with Applicable Laws and either (A) customary in small amounts for Developer's intended use, (B) specifically approved in advance by the City in writing, or (C) authorized by a government permit;

(b) to comply with all obligations imposed by Applicable Law, and regulations promulgated thereunder, and all other restrictions and regulations upon the Generation of Hazardous Substances by Developer (whether or not at, to, or from the Garage Property or Option Properties);

(c) to deliver promptly to the City true and complete copies of all notices received by Developer from the MDE or any other governmental authority with respect to the RAP, any agreement into which Developer and MDE may enter, and the Generation by Developer of Hazardous Substances (whether or not at, to, or from the Garage Property or Option Properties); and

(d) to complete fully and promptly any reasonable questionnaires sent by the City with respect to Developer's use of the Garage Property or Option Properties and Generation of Hazardous Substances.

12.2 INDEMNIFICATION.

Subject to Section 7.8 above, Developer covenants and agrees to indemnify and defend the City (with legal counsel reasonably acceptable to the City) from and against any reasonable costs, fees, or expenses (including, without limitation, environmental assessment, investigation, and environmental remediation expenses, third party claims, environmental impairment expenses, and reasonable attorneys' fees and expenses) incurred by the City in connection with Developer's Generation of Hazardous Substances at, to, or from the Garage Property or Option Properties in violation of Applicable Law or in connection with Developer's failure to comply with its covenants set forth in this Section. Developer shall obtain prior approval from the City (which approval shall not be unreasonably withheld) before retaining counsel for the City's defense in connection with any matter set forth in this Section. This indemnification by Developer shall survive the termination or expiration of this Agreement.

12.3 DEFINITIONS.

The term "Hazardous Substance" means (a) any "hazardous waste" as defined by the Resource Conservation and Recovery Act of 1976 (42 U.S.C. § 6901 et seq.), as amended from time to time, and regulations promulgated thereunder; (b) any "hazardous substance" as defined by the Comprehensive Environmental Response Compensation and Liability Act of 1980 (42 U.S.C. § 9601 et seq.), as amended from time to time, and regulations promulgated thereunder; (c) any "oil, petroleum products, and their by-products" as defined by The Annotated Code of Maryland, Environment, Title 4, Subtitle 4 (2007 Replacement Volume) as amended from time to time, and regulations promulgated thereunder; (d) any "controlled hazardous substance" or "hazardous substance" as defined by The Annotated Code of Maryland, Environment, Title 7, Subtitle 2 (2007 Replacement Volume), as amended from time to time, and regulations promulgated thereunder; (e) any "infectious waste" as defined by The Annotated Code of Maryland, Environment, Title 9, Subtitle 2 (2007 Replacement Volume), as amended from time to time, and regulations promulgated thereunder; (f) any substance the presence of which on the Garage Property or Option Properties is prohibited, regulated, or restricted by any law or regulation similar to those set forth in this definition; and (g) any other substance which by law or regulation requires special handling in its Generation. The term "to Generate" means to use, collect, generate, store, transport, treat, or dispose of; provided, however, that the term "to Generate" expressly excludes the mere ownership, occupancy, or use by Developer, its successors and assigns, of the Garage Property or Option Properties, and/or any part thereof, on or from which Hazardous Substances were Generated by third parties prior to the commencement of such ownership, occupancy, or use. It is the intention of the parties that Developer does not, by this Agreement, assume any liability whatsoever for the acts or omissions of any other party whatsoever except as provided in any agreement with MDE.

ARTICLE XIII

PROTECTION AGAINST MECHANICS' LIENS AND OTHER CLAIMS

13.1 DEVELOPER TO DISCHARGE MECHANICS' LIENS.

If any mechanics' lien shall at any time prior to the issuance of a final Certificate of Completion be filed against the Garage Property or the Option Properties (or any interest therein) by reason of any work or materials supplied by or on behalf of Developer, or any tenant of Developer lawfully upon the Garage Property or Option Properties, Developer shall promptly take and diligently prosecute appropriate action to have the same bonded off or discharged. Upon Developer's failure to do so within thirty (30) days after any such lien is filed, the City, upon at least five (5) business days prior written notice (during which period Developer may bond off or discharge such lien), in addition to any other right or remedy that it may have, may take such action (including payments) as may be reasonably necessary to remove such liens, and Developer shall pay the amount paid by the City in connection with such action, and all reasonable legal and other costs and expenses incurred by the City in connection therewith (including reasonable counsel fees, court costs, and other necessary disbursements). Any such amounts paid by the City and the amounts of any such expenses or costs incurred by the City

(plus interest upon such amounts at the then current Prime Rate published in The Wall Street Journal, but in no event in excess of the maximum legal rate) shall be payable by Developer to the City not later than thirty (30) days after Developer's receipt of demand therefore by the City and if not paid by Developer to the City within thirty (30) days after the date that Developer receives written notice from the City of the amount thereof and demand for payment of the same, then in all such events shall be treated as a lien upon the Garage Property or the Option Properties (or any interest that Developer has therein).

13.2 PAYMENT OF MATERIALMEN AND SUPPLIES.

Developer shall make, or cause to be made, prompt payment of all money due and legally owing to all persons doing any work performed by Developer (or caused to be performed by Developer) in connection with the construction, repair, or reconstruction of any Improvements.

13.3 RIGHT TO DISPUTE.

Nothing in this Article XIII shall limit the right of Developer to contest, in good faith, by legal proceedings or otherwise, whether any amount claimed or alleged to be due and owing to any such person is legally due and owing and to withhold payment of such amounts pending resolution of such dispute; provided, however, any mechanics liens must be bonded in accordance with Section 13.1.

ARTICLE XIV

TAXES

14.1 REAL ESTATE TAXES.

From and after the Settlement Date or the Future Settlement Date as the case may be, Developer shall promptly cause all real estate taxes due with respect to the Garage Property or the Option Properties owned by Developer, to be paid to the applicable government authority not later than September 30 of each year. "Real estate taxes" shall include: all general and special assessments; any and all other municipal or governmental charges levied or paid on an annual basis and ordinarily included in real estate tax bills; and any governmental impositions in lieu of or in substitution for real estate taxes.

14.2 BUSINESS TAXES.

Developer shall pay all license taxes, franchise taxes, corporate taxes, admission and amusement taxes, sales and use taxes, income taxes, and other taxes of every kind which Developer is required to pay by Applicable Law with respect to the Garage Property or the Option Properties or on the Project, from time to time under the laws of the United States, State of Maryland and City of Baltimore, all of which taxes shall be paid promptly when required by law, subject to such extensions of time as may be granted by the taxing authority pursuant to law;

specifically excluded from the foregoing are taxes, of any nature, imposed upon tenants by any Applicable Law.

ARTICLE XV

MISCELLANEOUS

15.1 RECORDING, DOCUMENTARY STAMPS.

At the time of Settlement, this Agreement, and any modification thereof and any additions thereto, any deed, and any ancillary document relevant to this transaction, shall be recorded among the Land Records of Baltimore City, and the cost of any such recordation, and the cost of the applicable Baltimore City and State recordation and transfer taxes, if any, shall be paid in full by Developer.

15.2 CONFLICTS OF INTEREST; DEPARTMENT REPRESENTATIVES NOT INDIVIDUALLY LIABLE.

No member, official, representative, or employee of the City, DHCD, or BDC shall have any personal interest, direct or indirect, in this Agreement, nor shall any such member, official, representative, or employee participate in any decision relating to this Agreement which affects their respective personal interest or the interests of any corporation, partnership, or association in which they are, directly or indirectly, interested. No member, official, representative, or employee of the City or DHCD shall be personally liable to Developer or any successor in interest in the event of any default or breach by the City or DHCD for any amount which may become due to Developer or successor or on any obligations under the terms of the Agreement.

15.3 BEDS OF STREETS.

Unless specifically excluded in the deed conveying a street bed to the Developer (and excluding, for the purposes of this Section, the Closed Street Areas), the City reserves unto itself all of its right, title and interest in and to the beds of all streets, alleys, or lanes herein mentioned and referred to, subject; however, to use in common as private ways, until said streets, alleys, and lanes are expressly dedicated to public use. The City will not reserve any rights in the beds of the Closed Street Areas, other than Warner Street (as set forth in Section 1.0(c)) and the storm drain under Lot J, to be conveyed to Developer as identified on Exhibit B. The City will reserve its rights in Warner Street that are either evidenced by agreements recorded in the Land Records as of the Effective Date or which relate to utility lines in Warner Street as of May 10, 2012. All references herein to any street, alley or lane are for purposes of description only and are not intended to dedicate same to public use, and any implied intent of dedication or dedication of the street, alleys or lanes by reference to them is hereby denied and revoked. Notwithstanding the foregoing terms of this Section 15.3, the City acknowledges that Developer anticipates closing and/or opening several streets and/or alleys within the Project as identified on **Exhibit B.**

15.4 TITLES OF ARTICLES AND SECTION.

Any titles of the several parts, Articles and Sections of this Agreement are inserted for convenience of reference only and shall be disregarded in construing or interpreting any of its provisions.

15.5 COUNTERPARTS.

This Agreement shall be executed in six (6) counterparts, each of which shall be deemed to be an original, and such counterparts together shall constitute one and the same instrument. In the event of any conflicts between the copy that is recorded in the Land Records and any other copy, the recorded copy shall control.

15.6 APPROVALS AND CONSENTS.

Wherever in this Agreement the approval, certification or consent of any party is required, it is understood and agreed that such approval will not be unreasonably withheld, conditioned, or delayed unless otherwise specified.

15.7 ANCILLARY DOCUMENTS.

The Mayor, any acting Mayor, and the Commissioner of DHCD, are hereby authorized to (a) execute any and all other documents necessary to effectuate this transaction including, without limitation, deeds and estoppel or other similar certificates, provided such documents do not materially alter the relationship of the parties or the principal elements of the Project, and (b) grant such approvals and consents on behalf of the City as provided in this Agreement.

15.8 AMENDMENTS.

Any amendment to this Agreement must be in writing and executed with the same formality as this Agreement.

15.9 INCORPORATION INTO AGREEMENT.

All exhibits, schedules, and recitals form a part of this Agreement. Each exhibit or schedule referred to is an exhibit or schedule to this Agreement and is hereby incorporated herein by this reference.

15.10 BOARD OF ESTIMATES APPROVAL REQUIRED.

Notwithstanding the execution of this Agreement and the VLT Lease on behalf of the City and Developer, this Agreement and the VLT Lease must each be approved by the City's Board of Estimates before it is enforceable against either party. Upon approval by the City's Board of Estimates, this Agreement and the VLT Lease shall each be enforceable against the parties in accordance with its terms.

15.11 APPLICABLE LAW / VENUE / JURISDICTION.

This Agreement shall be interpreted in accordance with the laws of the State of Maryland, without giving effect to its conflict of laws principles. Any lawsuit, action or proceeding arising under this Agreement shall only be brought in the Circuit Court for Baltimore City and Developer waives any objection to venue and consents to the jurisdiction of such Court.

15.12 ENTIRE UNDERSTANDING.

This Agreement and the Lease express the entire understanding between the City and Developer with respect to the matters set forth herein and therein and neither party shall be bound by any terms, covenants, or agreements not herein or therein contained. This Agreement and the Lease supersede all prior understandings and agreements, including, but not limited to that Memorandum of Understanding dated September 22, 2011 (and approved by the City's Board of Estimates as to form on April 27, 2011), as amended by that First Amendment to Memorandum of Understanding dated August 10, 2011 (which First Amendment was approved by the City's Board of Estimates as to form on August 10, 2011 and was executed by Developer on September 22, 2011) and as supplemented by that Supplement to Memorandum of Understanding dated September 22, 2011.

15.13 CONFLICT OF TERMS.

It is the intention of the parties hereto that if any provision of this Agreement is capable of two constructions, one of which would render the provision valid and enforceable, then the provision shall have the meaning which renders it valid and enforceable.

15.14 INVALID PROVISIONS.

If any term, covenant, condition or provision of this Agreement, or the application to any person or circumstance shall, at any time or to any extent be invalid or unenforceable, the remainder of this Agreement, or the application of such term or provision to persons or circumstances other than those to which it is held invalid or unenforceable, shall (except to the extent such result is clearly unreasonable) not be affected thereby, and under such circumstances each term, covenant, condition and provision of this Agreement shall be valid and enforced to the fullest extent permitted by law, insofar as such enforcement is not clearly unreasonable.

15.15 PROVISIONS NOT MERGED WITH DEED.

None of the provisions of this Agreement are intended to or shall be merged by reason of any deed transferring title to the Garage Property or Option Properties, or any part thereof from the City to Developer, its successors or assigns, and any such deed shall not be deemed to affect or impair the provisions and covenants of this Agreement.

15.16 NO WAIVER.

No failure on the part of the City or Developer to enforce any covenant or provision herein contained, nor any waiver or any right hereunder, shall discharge or invalidate any such covenant or provision, or affect the right to enforce the same, in the event of any subsequent default.

15.17 INDEMNIFICATION.

Subject to Applicable Law and Section 7.8 above, and except to the extent caused by the negligent or willful acts or omissions of the City, its employees, agents, contractors, successors and assigns, Developer shall indemnify, defend and hold harmless City, its successors and assigns, from any and all damages, claims, or liabilities of any nature whatsoever arising from the exercise of Developer's rights under this Agreement.

15.18 INTERPRETATION.

This Agreement, which is the result of extensive negotiations among the parties and their respective counsel, should not be construed against either party on the basis of whether it was drafted or structured by such party.

15.19 PERFORMANCE ON SATURDAYS, SUNDAYS AND HOLIDAYS.

Whenever the date fixed for the payment of funds, the giving of notice, or the performance of any other provision of this Agreement falls on a Saturday, Sunday, legal holiday or any day on which banking institutions in the City of Baltimore are authorized by law to close, then such payment, notice or performance need not be made on such date, but shall be made on the next succeeding business day with the same force and effect as if made on the date fixed (and, as to payments, no additional interest shall accrue on such payment if payment is made on such next succeeding business day).

15.20 FURTHER ASSURANCES.

Developer and the City each agree to perform such other acts, and to execute, acknowledge and deliver, prior to, at or subsequent to Settlement, such other instruments, documents and other materials as the other may reasonably request and as shall be necessary in order to effect the consummation of the transaction contemplated hereby.

15.21. CITY DISCLAIMER.

While it is the present intention of the City to carry out the Renewal Plan as soon as practicable, nothing contained in this Agreement shall be construed as a warranty or commitment on the part of the City that any improvements or other development work will be undertaken by it or by any other developer in the Renewal Area except the items of work which this Agreement specifically obligates the City to undertake.

15.22 THIRD PARTY BENEFICIARY.

Nothing contained in this Agreement shall be construed to confer upon any other party the rights of a third party beneficiary, except as may be otherwise expressly provided for in Article VI.

15.23 COVENANTS RUN WITH THE LAND.

All of the terms, covenants, conditions, and easements contained in this Agreement shall run with the land and be binding upon and inure to the benefit of the permitted successors and assigns of the City and Developer as fully as upon such parties and may be enforced as if assumed, whether or not expressly assumed.

15.24 DEFINITIONS.

Exhibit F, attached hereto, sets forth various terms defined herein, with the Section of their respective definitions. This Exhibit is for reference only.

ARTICLE XVI

NOTICES

16.1 NOTICES.

A notice or communication or request under this Agreement by either the City or DHCD, to Developer, or by Developer to the City or DHCD, shall be in writing and sufficiently given or delivered if dispatched by either (a) certified mail, postage prepaid, return receipt requested, (b) nationally recognized overnight delivery service, or (c) hand-delivery (if receipt is evidenced by a signature of the addressee or authorized agent); and addressed:

(a) in the case of notice or communication to Developer, if addressed as follows:

CBAC Gaming, LLC
t/a Harrah's Baltimore
c/o Caesars Entertainment
One Caesars Palace Drive
Las Vegas, Nevada 89109
Attn: Corporate Counsel

with copies to:

Caesars Entertainment
One Caesars Palace Drive

Las Vegas, Nevada 89109
Attn: W.H. Allen Shelden, Esq.

and

Honigman Miller Schwartz and Cohn LLP
2290 First National Building
660 Woodward Road
Detroit, Michigan 48226
Attn: Howard N. Luckoff, Esq.

and

Rosenberg Martin Greenberg, LLP
25 South Charles Street
Suite 2115 Allfirst Building
Baltimore, Maryland 21201
Attn: Stanley S. Fine, Esq.

(b) in the case of notice or communication to the City or DHCD, if addressed as follows:

Department of Housing and Community Development
417 E. Fayette Street, Room 1346
Baltimore, Maryland 21202
Attn: Paul T. Graziano, Commissioner

with copies to:

City of Baltimore Development Corporation
1600 Charles Center South
36 S. Charles Street
Baltimore, Maryland 21201
Attn: President

and

City Law Department
Room 100, City Hall
100 N. Holliday Street
Baltimore, Maryland 21202
Attn: City Solicitor

or addressed in such other way in respect to any of the foregoing parties as that party may, from time to time, designate in writing, dispatched as provided in this Section. Any such notice, communication, or request shall include a copy of the particular Section of this Agreement to

which such notice, communication, or request relates, and if any specific time period has been established for action, review and approval, or other response, such time period shall be stated in capital letters.

All notices shall be deemed given on the date the receipt is executed unless delivery is refused, in which event notice shall be deemed given on the date delivery is refused.

[SIGNATURE PAGE TO FOLLOW]

IN WITNESS WHEREOF, the Mayor and City Council of Baltimore has caused this Land Disposition Agreement to be executed in its name by Paul T. Graziano, Commissioner, Department of Housing and Community Development, and its Corporate Seal be affixed, duly attested, and CBAC Gaming, LLC has caused this Land Disposition Agreement to be duly executed by CR Baltimore Holdings, LLC, which is the Managing Member of CBAC Gaming, LLC.

[SEAL]
ATTEST:

Custodian of the City Seal
Alternate

Mayor and City Council of Baltimore

By: _____
Paul T. Graziano, Commissioner
Department of Housing and Community Development

CBAC Gaming, LLC
By: CR Baltimore Holdings, LLC, its Managing Member

By: _____
Greg Miller, Member of the Board of Directors
and Authorized Signatory

APPROVED AS TO FORM AND LEGAL SUFFICIENCY

_____
C. Laurence Jenkins, Jr., Chief Solicitor
Date: October 25th, 2012

APPROVED BY THE BOARD OF ESTIMATES

_____
Deputy Comptroller
Date: October 25th, 2012

BEING PAGE 73 OF 98-PAGE LAND DISPOSITION AGREEMENT BETWEEN MAYOR AND CITY COUNCIL OF BALTIMORE AND CBAC GAMING, LLC.

[ACKNOWLEDGEMENTS ARE CONTINUED ON THE NEXT PAGE]

IN WITNESS WHEREOF, the Mayor and City Council of Baltimore has caused this Land Disposition Agreement to be executed in its name by Paul T. Graziano, Commissioner, Housing and Community Development, and its Corporate Seal be affixed, duly attested, and CBAC Gaming, LLC has caused this Land Disposition Agreement to be duly executed by CR Baltimore Holdings, LLC, which is the Managing Member of CBAC Gaming, LLC.

[SEAL]
ATTEST:

Custodian of the City Seal

Alternate

Mayor and City Council of Baltimore

By:_____
Paul T. Graziano, Commissioner
Housing and Community Development

CBAC Gaming, LLC
By: CR Baltimore Holdings, LLC, its Managing Member

By:_____
Greg Miller, Member of the Board of Directors
and Authorized Signatory

APPROVED AS TO FORM AND LEGAL SUFFICIENCY

_____
C. Laurence Jenkins, Jr., Chief Solicitor
Date: October _____, 2012

APPROVED BY THE BOARD OF ESTIMATES

_____
Deputy ~~Controller~~ Comptroller
Date: October ____, 2012

OCT 31 2012

BEING PAGE 73 OF 98 -PAGE LAND DISPOSITION AGREEMENT BETWEEN MAYOR AND CITY COUNCIL OF BALTIMORE AND CBAC GAMING, LLC.

[ACKNOWLEDGEMENTS ARE CONTINUED ON THE NEXT PAGE]

STATE OF MARYLAND, CITY OF BALTIMORE, TO WIT:

I HEREBY CERTIFY that on this 25th day of October, 2012, before the subscriber, a Notary Public of the State of Maryland, in and for the City of Baltimore personally appeared Paul T. Graziano, Commissioner, Department of Housing and Community Development and acknowledged the foregoing Land Disposition Agreement to be the corporate act and deed of the Mayor and City Council of Baltimore.

As WITNESS my hand and Notarial Seal.

Notary Public

My Commission Expires: April 10, 2015

STATE OF NEVADA, COUNTY OF CLARK, TO WIT:

I HEREBY CERTIFY that on this _____ day of October, 2012, before the subscriber, personally appeared Greg Miller, a Member of the Board of Directors and Authorized Signatory of CR Baltimore Holdings, LLC, which (in turn) is a Managing Member of CBAC Gaming, LLC, a Delaware limited liability company, and acknowledged the foregoing Land Disposition Agreement to be the act and deed of such limited liability company.

As WITNESS my hand and Notarial Seal.

_____

Notary Public

My Commission Expires:_____

Attorney Certification

This Land Disposition Agreement has been prepared by me, an attorney admitted to practice before the Court of Appeals of Maryland, or under my supervision.

William E. Carlson, Esquire

STATE OF MARYLAND, CITY OF BALTIMORE, TO WIT:

I HEREBY CERTIFY that on this _____ day of October, 2012, before the subscriber, a Notary Public of the State of Maryland, in and for the City of Baltimore personally appeared Paul T. Graziano, Commissioner, Department of Housing and Community Development and acknowledged the foregoing Land Disposition Agreement to be the corporate act and deed of the Mayor and City Council of Baltimore.

As WITNESS my hand and Notarial Seal.

_____ My Commission Expires: _____
Notary Public

STATE OF NEVADA, COUNTY OF CLARK, TO WIT:

I HEREBY CERTIFY that on this 24th day of October, 2012, before the subscriber, personally appeared Greg Miller, a Member of the Board of Directors and Authorized Signatory of CR Baltimore Holdings, LLC, which (in turn) is a Managing Member of CBAC Gaming, LLC, a Delaware limited liability company, and acknowledged the foregoing Land Disposition Agreement to be the act and deed of such limited liability company.

As WITNESS my hand and Notarial Seal.

_____ My Commission Expires: 3/31/16
Notary Public

K. BACKER
Notary Public State of Nevada
No. 04-89869-1
My Appt. Exp. March 31, 2016

Attorney Certification

This Land Disposition Agreement has been prepared by me, an attorney admitted to practice before the Court of Appeals of Maryland, or under my supervision.

_____
William E. Carlson, Esquire

EXHIBIT A

Map Identifying Properties

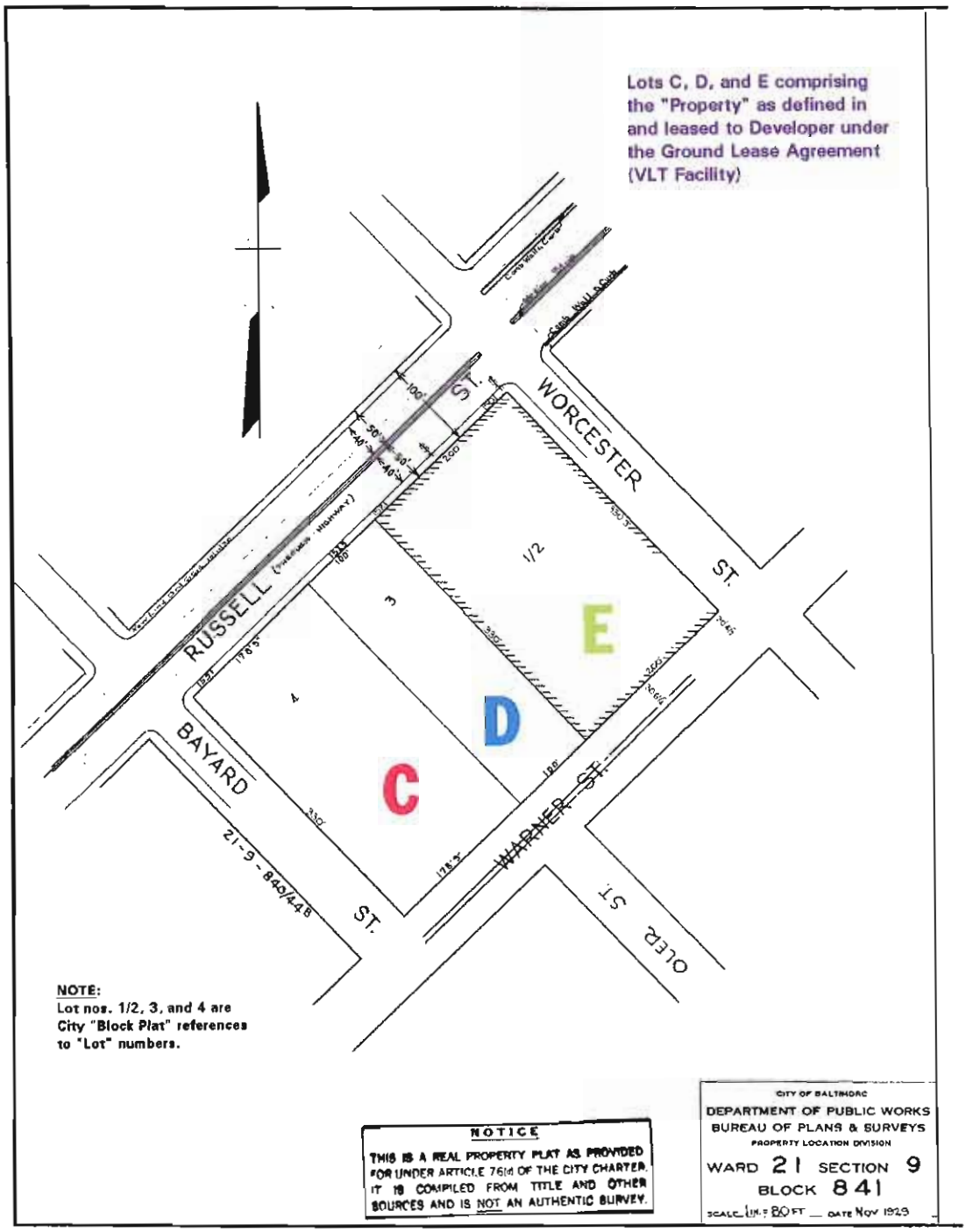

EXHIBIT A – *continued*

Drawing of the "Garage Property" Sale Properties (1 of 2)

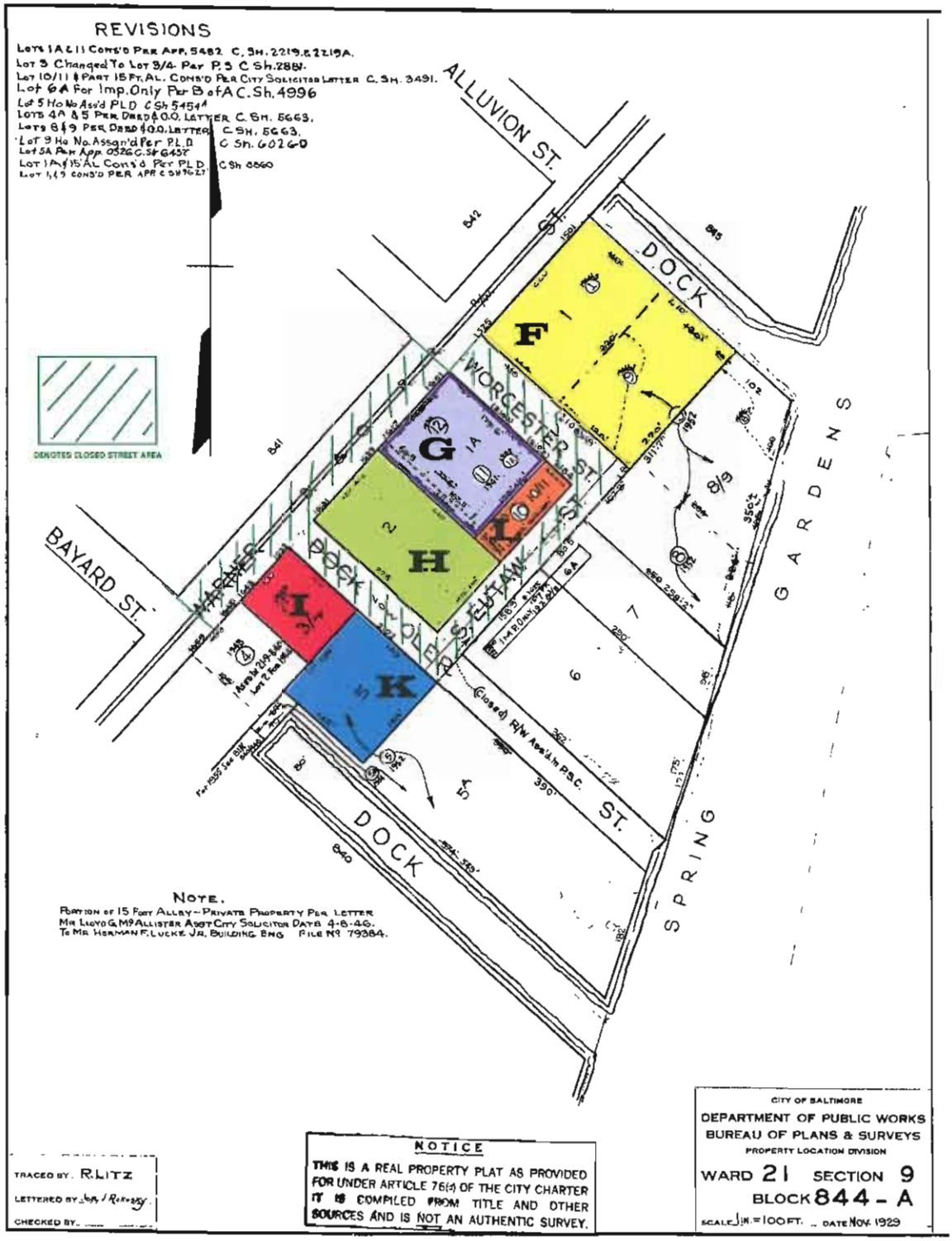

EXHIBIT A – *continued*

Drawing of the "Garage Property" Sale Properties (2 of 2)

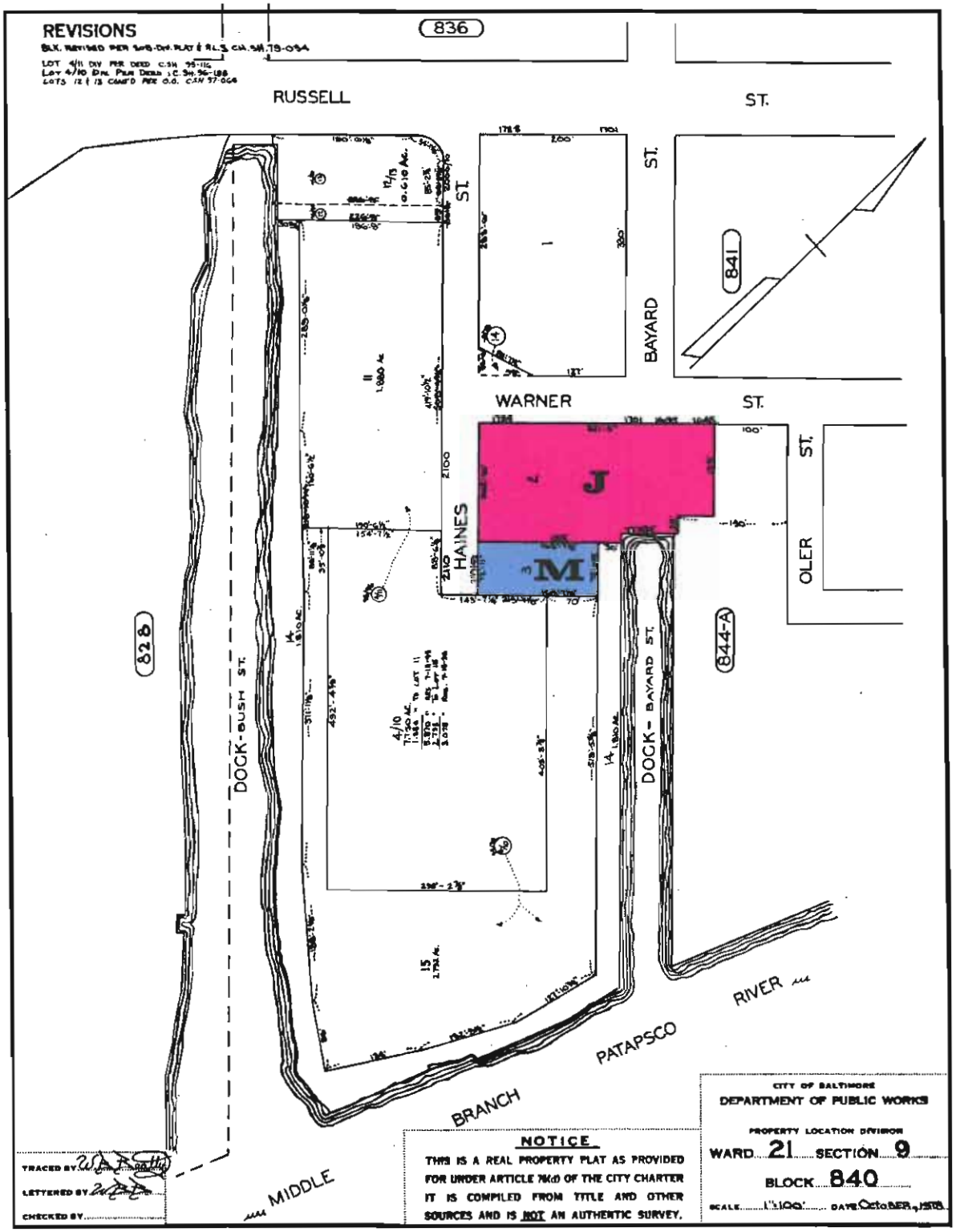

EXHIBIT A – *continued*

Drawing of the "Lot A" Sale Property

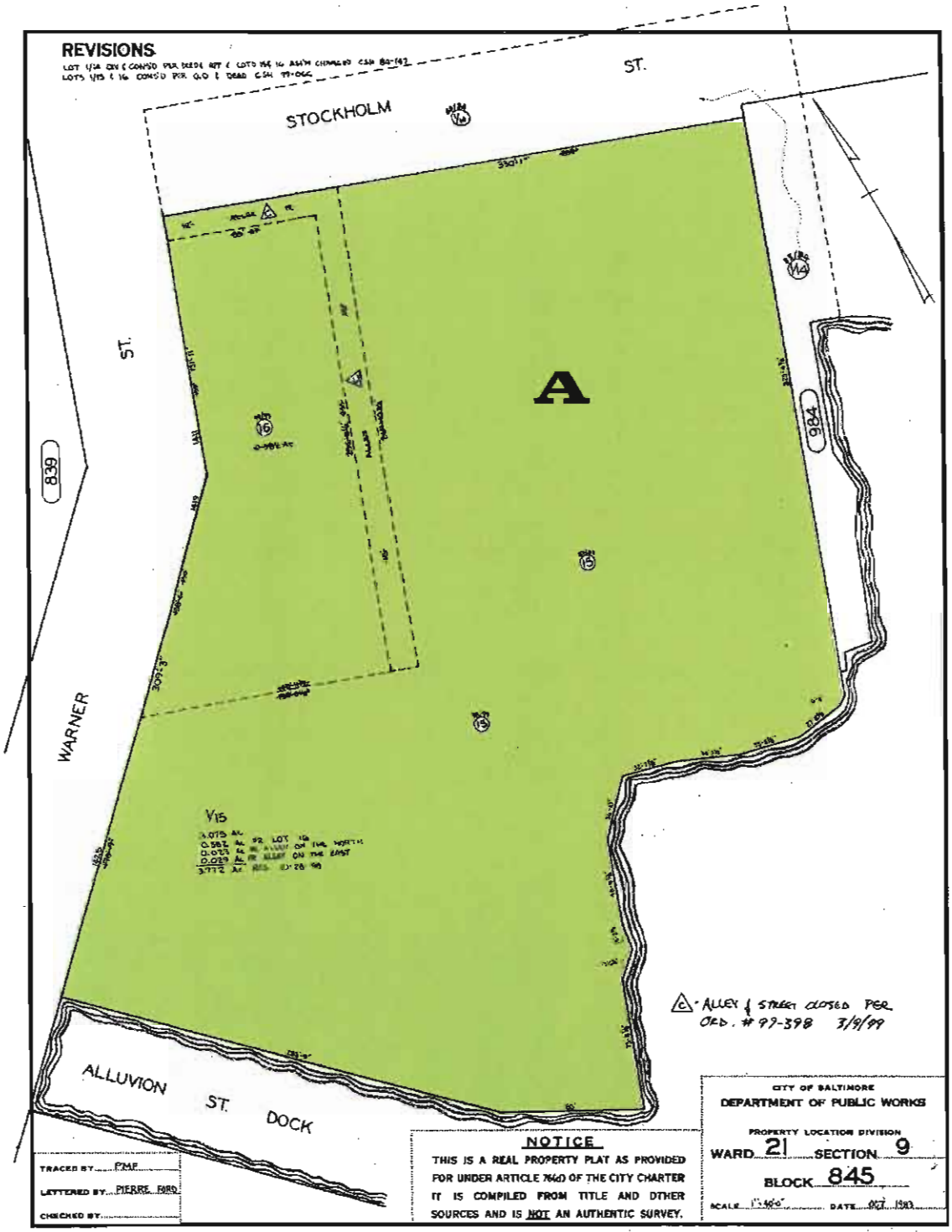

EXHIBIT A – *continued*

Drawing of the "Lot B" Sale Property

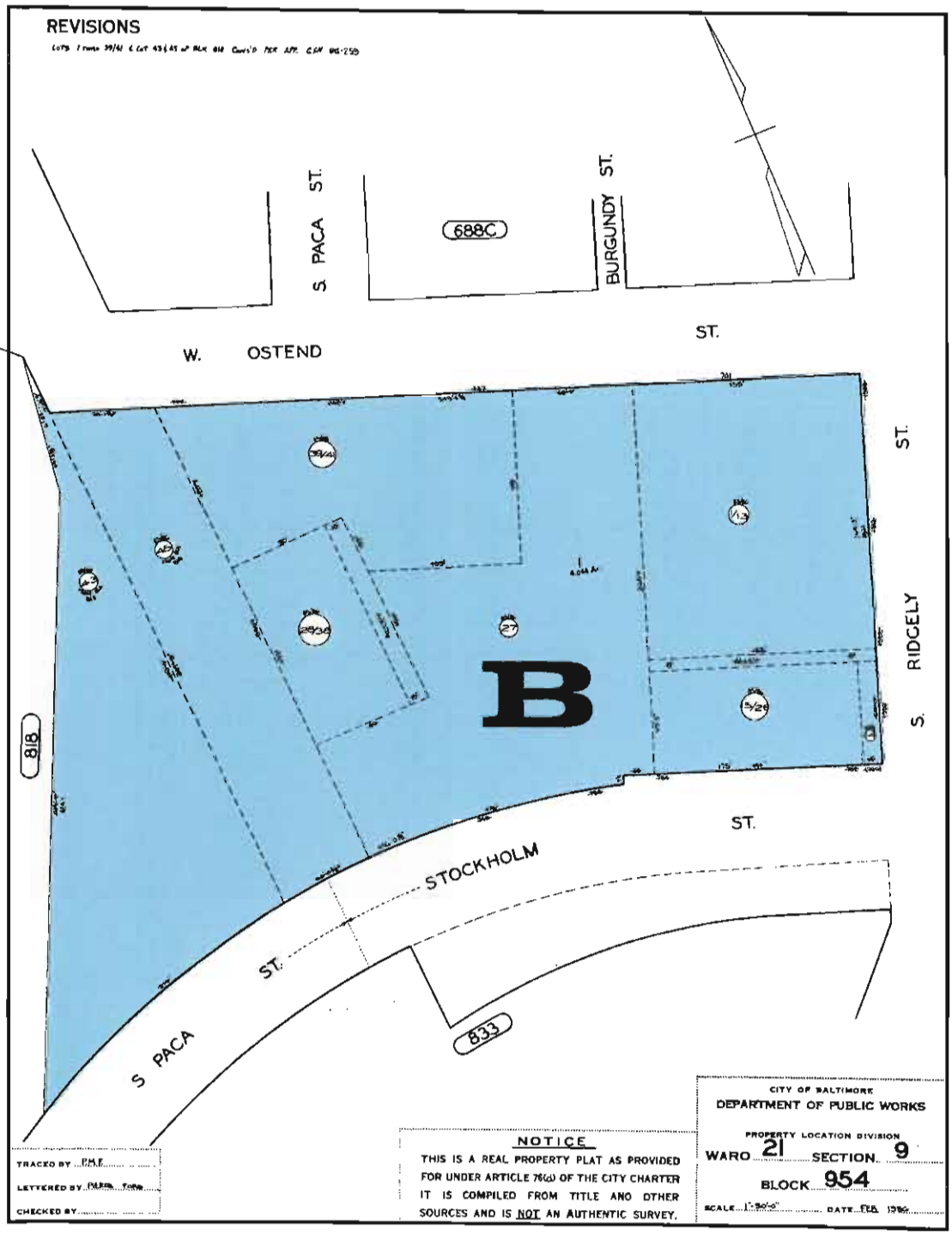

EXHIBIT B

Legal Descriptions of Garage Property, Closed Street Areas, and Option Properties

GARAGE PROPERTY DESCRIPTION

AS TO 2102 OLER STREET - Tax ID. No. 21 - 09 - 0844a - 005:

Beginning for the same at a point in the southwesterly line of Oler Street (formerly Dock Street) at a point distant 125 feet southeasterly, more or less, measured along the southwesterly line of Oler Street from the southeasterly line of Warner Street; thence in a southeasterly direction 145 feet, more or less, to the southwesterly extension of the southeasterly line of S. Eutaw Street (also known as shell Street) extended across Oler Street; thence along the southwesterly extension of the southeasterly line of S. Eutaw Street 150 feet to a point in the vicinity of Bayard Street Dock; thence in a northwesterly direction parallel to Oler Street 145 feet to a point 125 feet, more or less, from the southeasterly line of Warner Street; thence in a northeasterly direction parallel to Warner Street 150 feet to the point of beginning. Containing 21,750 square feet.

The Improvements thereon being known as No. 2102 Oler Street.

AS TO 1633 - 1643 WARNER STREET - Tax ID No. 21-09-08441-003:

Beginning for the same at the corner formed by the intersection of the Southwest side of Dock Street, now known as Oler Street, and the Southeast side of Warner Street; and running thence southwesterly binding on Warner Street 100 feet; thence southeasterly parallel with Dock Street, now known as Oler Street 125 feet; thence northeasterly parallel with Warner Street 100 feet to Dock Street, now known as Oler Street; thence northwesterly binding on the Southwest side of Dock Street, now known as Oler Street, 125 feet to the place of beginning.

The Improvements thereon being known as No. 1633-1643 Warner Street.

AS TO 1645 - 1725 WARNER STREET - Tax ID. No. 21-09-0840-002:

Beginning for the first at the corner formed by the intersection of the Southeastern most side of Warner Street and the Northeastern most side of Haines Street, and running thence northeasterly binding on the Southeastern most side of Warner Street 200 feet; thence southeasterly at right angles with Warner Street and parallel to Haines Street 125 feet to intersect a line parallel to Warner Street; thence running along said line southwesterly 200 feet to the Northeastern most side of Haines Street; thence northwesterly along the Northeastern most side of Haines Street 125 feet to the place of beginning.

Beginning for the Second thereof on the Southeast side of Warner Street at the distance of 100 feet southwesterly from the corner formed by the intersection of the Southeast side of Warner Street with the Southwest side of Dock Street thence southwesterly binding on the Southeast side of Warner Street 100 feet; thence at right angles southeasterly parallel with Dock Street 125 feet; thence at right angles northeasterly parallel to Warner Street 100 feet to the lot leased to St. Paul Cornice and Ornament Company by Lease recorded in Liber RO No. 2071, Folio 87; thence binding on that lot northwesterly 125 feet to the place of beginning.

Beginning for the Third thereof on the Southeast side of Warner Street at the distance of 200 feet northeasterly from the corner formed by the intersection of the Southeastern most side of Warner Street and the Northeastern most side

of Haines Street, and at the North corner of the lot of ground which by Deed dated March 20, 1936 and recorded among the Land Records of Baltimore City in Liber SCL No. 5609, Folio 164 was conveyed by Bayard Warehouse Corp. to the Gibson & Kirk Company, and running thence northeasterly binding on the Southeast side of Warner Street 21 feet, more or less, to the lot of ground second herein described; thence southeasterly binding on the said Second Lot 125 feet; thence southeasterly 21 feet, more or less, to the East corner of the said lot of ground conveyed by Bayard Warehouse Corp to the Gibson & Kirk Company by the Deed hereinabove referred to; thence northwesterly binding on said last mentioned Lot 125 feet to the place of beginning.

Beginning for the Fourth thereof at the point of intersection of the northwesterly property line of The Real Estate and Improvement Company of Baltimore City with the northeasterly line of Haines Street, 50 feet wide, which point is 125 feet distant measured along the northeasterly line of Haines Street from the intersection thereof with the southeasterly line of Warner Street; thence northeastwardly along said northwesterly property line parallel to Warner Street 271 feet and 5 inches to a point, which point is 150 feet distant measured in a southwesterly direction along said northwesterly property line from the intersection thereof with the southwesterly line of Oler Street (formerly Dock Street); thence southeastwardly parallel to Oler and Haines Streets 25 feet to a point marked by a pipe; thence southwestwardly parallel to Warner Street 77 feet and 9 ¾ inches to a point in the westerly corner of the Bayard Street Dock, marked by a pipe; thence southeastwardly parallel to Oler and Haines Streets and along the southwesterly line of said Dock 12 feet and 6 inches to a point; thence southwestwardly parallel to Warner Street 193 feet and 7 ¼ inches to a point in the northeasterly line of Haines Street; thence northwestwardly along the northeasterly line of Haines Street 37 feet and 6 inches to the point of beginning, containing 9,205.5 square feet, more or less.

The Improvements thereon the above described four contiguous parcels being known as Nos. 1645 - 1725 Warner Street.

AS TO 2119 HAINES STREET - Tax I.D. No. 21 - 09 - 0840 - 003:

Being known and designated as Lot 2 as set forth on a plat entitled, "Final Subdivision of a Parcel of Land lying within the Carroll Industrial Park in the Vicinity of Haines Street and Warner Street", dated March 18, 1977 and recorded among the Land Records of Baltimore City in Plat Records RHB No. 2587.

The Improvements thereon being known as No. 2119 Haines Street.

AS TO 1601 - 1617 WARNER STREET - Tax I.D. No. 21-09-08444-001A:

Beginning for the First at a point on the Southwest side of Worcester Street (sometimes referred to as Wooster Street) distant 63 feet 5 ½ inches southeasterly from the corner formed by the intersection of the Southwest side of Worcester Street and the Southeast side of Warner Street; and, running thence southeasterly binding on the Southwest side of Worcester Street 80 feet, more or less, to a point which would be intersected by a line drawn along the Southeastern most side of the wall of the brick building there erected on the lot now being described if extended by a straight line to the Southwest side of Worcester Street; and, running thence reversing said line and binding thereon and on the Southeastern most side of said brick wall and continuing the same course in all 129 feet 4 ½ inches to the Northeast side of an alley 15 feet wide there laid out parallel to Worcester Street; thence northwesterly binding on the Northeast side of said alley with the use thereof in common 80 feet, more or less, to a point distant 63 feet 5 ½ inches (previously erroneously referred to as 60 feet 5 inches) Southeast from the Southeast side of Warner Street measured at right angles thereto; and, thence northeasterly by a straight line 129 feet 4 ½ inches to the place of beginning.

Beginning for the Second at the corner formed by the intersection of the Southwest side of Worcester Street (sometimes referred to as Wooster Street) with the Southeast side of Warner Street; and, running thence binding on

the said Southwestern most side of Worcester Street southeasterly 63 feet 5 ½ inches, more or less, to the lot of ground formerly conveyed by Deed dated December 30, 1901 and recorded among the Land Records of Baltimore City in Liber RO No. 1937, folio 367, and running thence southwesterly and binding in the fourth line of the said lot so formerly granted to the said James B. McNeal and reversing the same one hundred twenty-nine feet four and one-half inches to the northeast side of a fifteen foot alley there laid out parallel to Worcester Street; and thence northwesterly binding on said northeasternmost side of said alley with the use thereof in common with others sixty three feet and one-half inches (previously erroneously referred to as sixty five feet five inches) more or less to the southeasternmost side of Warner Street; and thence northeasterly binding on said southeasternmost side of Warner Street one hundred twenty-nine feet four and one-half inches to the place of beginning.

Beginning for the Third on the Southwest side of Worcester Street (sometimes referred to as Wooster Street) at the end of the first line of the lot described in a Deed to said James B. McNeal dated December 30, 1901 and recorded among the Land Records of Baltimore City in Liber RO No, 1937, Folio 367; and running thence southeasterly binding on the Southwest side of Worcester Street 37 feet, more or less, to a point which would be intersected by a line drawn along the Southeastern most side of the abutments of the wall of the brick building there erected on the lot now being described if extended by a straight line to the Southwest side of Worcester Street; and thence reversing said line and binding thereon and of the Southeastern most side of the abutments of said wall and continuing the same course in all 129 feet 4 ½ inches to the Northeast side of an alley 15 feet wide there laid out parallel to Worcester Street and thence northwesterly binding on the Northeast side of said alley with the use thereof in common 37 feet, more or less, to the end of the second line of the lot described in the above mentioned Deed; and thence reversing said second line and binding thereon northeasterly 129 feet 4 ½ inches, more or less, to the place of beginning.

Beginning for the Fourth according to a survey made by L. Alan Evans, Surveyors and Civil Engineers, dated May 16, 1961 at the corner formed by the intersection of the Southeast side of Warner Street with the Southwest side of a 15 foot alley there laid out, said place of beginning being situate 129 feet 4 ½ inches northeasterly from the corner formed by the intersection of said Southeast side of Warner Street with the Northeast side of Dock Street, now known as Oler Street thence southeasterly leaving said place of beginning and binding on the Southwest side of said 15 foot alley as laid out parallel with Worcester Street, formerly Wooster and/or Carey Streets, and reversely along the sixth or last line of the land which by Deed dated July 9th, 1943 and recorded among the Land Records of Baltimore City in Liber MLP No. 6492, Folio 572 was conveyed by Sue B. Nuckols, et al, to Gordon Cartons, Incorporated, 180 feet 5 1/2 inches, more or less, to the beginning of said sixth line; thence northeasterly binding reversely on part of the fifth line of the aforementioned deed and crossing the end of said 15 foot alley, 15 feet to the end of the second line of the third parcel of the land which by the aforementioned deed and crossing the end of said 15 foot alley, 15 feet to the end of the second line of the third parcel of land which by Deed dated September 6th, 1957 and recorded among the land records of Baltimore City in Liber JFC No, 190, Folio 472 was conveyed by James B. McNeal & Company, Incorporated to Gordon Cartons, Incorporated; thence northwesterly binding on the Northeast side of said 15 foot alley on the third line of the third, first and second parcels, respectively, of the second herein mentioned Deed 177 feet 5 inches to the Southeast side of Warner Street; thence southwesterly binding on the Southeast side of Warner Street and across said 15 foot alley, 15 feet to the place of beginning. The above 15 foot strip lies between 1629-1631 Warner Street (including 2104 Worcester Street) and 1601 - 1617 Warner Street.

The Improvements on the above described four contiguous parcels being known as No. 1601-1617 Warner Street (including 2100 and 2102 Worcester Street).

<u>AS TO 1629 - 1631 WARNER STREET- Tax ID. No. 21-09-0844A-002</u>
<u>AS TO 2104 WORCESTER STREET - Tax ID No. 21-09-0844A-010</u>:

Beginning for the same on the Southeast side of Warner Street at the distance of 144 feet 4 ½ inches southwesterly from the corner formed by the intersection of the Southeast side of Warner Street and the Southwest side of Worcester Street (formerly known as Carey Street) and at the Southwest corner (and heretofore erroneously referred

to as Southeast corner) of Warner Street and an alley 15 feet wide; and running thence southwesterly binding on the Southeast side of Warner Street 129 feet 4 ½ inches to Oler Street (formerly known as Dock Street); thence southeasterly binding on Oler Street 225 feet, more or less, to S. Eutaw Street (also known as Shell Street); thence northeasterly binding on S. Eutaw Street 273 feet 9 inches to Worcester Street; thence northwesterly binding on Worcester Street 44 feet 6 ½ inches, more or less to the land conveyed by Walter B. Swindell, et al, trustees to James B. McNeal by deed dated November 23, 1905 and recorded among the Land Records of Baltimore City in Liber RO No. 2192, Folio 327; thence southwesterly binding on said land 144 feet 4 ½ inches to the Southwest side of said 15 foot alley there laid out parallel with Worcester Street; thence northwesterly binding on the Southwest side of said alley 180 feet 5 ½ inches, more or less, to the place of beginning.

The Improvements thereon being known as No. 1629-1631 Warner Street and 2104 Worcester Street.

AS TO 1501 - 1525 WARNER STREET - Tax I.D. No. 21-09-0844A-001:

Beginning for the First at the East corner of Warner and Carey (sometimes known as Worcester) Streets; and running thence northeasterly binding on the Southeast side of Warner Street 220 feet to the South corner of Warner and Alluvion Streets; thence southeasterly binding on the Southwest side of Alluvion Street 140 feet; thence southwesterly parallel with Warner Street 220 feet to the Northeast side of Worcester Street; thence northwesterly binding on the Northeast side of Worcester Street 140 feet to the place of beginning.

Beginning for the Second at a point of intersection of the northeasterly line of Worcester Street and the southeasterly line of S. Eutaw Street (also known as Shell Street); thence in a northwesterly direction along the northeasterly line of Worcester Street, 130 feet to a point 173 feet southeasterly, measured along said street line, from the center line of Warner Street; thence in a northeasterly direction parallel to Warner Street 220 feet to the southeasterly extension of the southwesterly line of Alluvion Street; thence in a southeasterly direction along said line of Alluvion Street extended 130 feet to a point in the northeasterly extension of the southeasterly line of S. Eutaw Street; thence along said line of S. Eutaw Street extended in a southwesterly direction 220 feet to the point of beginning. Containing 28,600 square feet, more or less.

The Improvements on the above described two contiguous parcels being known as No. 1501-1525 Warner Street.

EXHIBIT B – *continued*

Legal Descriptions of Garage Property, Closed Street Areas, and Option Properties

CLOSED STREET AREA DESCRIPTIONS

Closed

(1) Eutaw Street, extending from Oler Street, northeasterly to Worcester Street, (2) Worcester Street, extending from Warner Street, southeasterly to Eutaw Street, and (3) Oler Street, extending from Warner Street, southeasterly to Eutaw Street, and more particularly described (in Ordinance 11-432) as follows:

> Beginning for Parcel No. 1 at the point formed by the intersection of the northeast side of Oler Street, 50 feet wide, and the northwest side of Eutaw Street, 45 feet wide, and running thence binding on the northwest side of said Eutaw Street, Northeasterly 273.8 feet, more or less, to intersect the southwest side of Worcester Street, 66 feet wide; thence binding on the southwest side of said Worcester Street, Southeasterly 45.00 feet to intersect the southeast side of said Eutaw Street; thence binding on the southeast side of said Eutaw Street, Southwesterly 273.8 feet, more or less, to intersect the northeast side of said Oler Street, and thence binding on the northeast side of said Oler Street, Northwesterly 45.00 feet to the place of beginning.
>
> Beginning for Parcel No. 2 at the point formed by the intersection of the southwest side of Worcester Street, 66 feet wide, and the southeast side of Warner Street, 66 feet wide, and running thence binding on the southeast side of said Warner Street, Northeasterly 66.00 feet to intersect the northeast side of said Worcester Street; thence binding on the northeast side of said Worcester Street, Southeasterly 270.0 feet, more or less, to intersect the line of the southeast side of Eutaw Street, 45 feet wide, if projected northeasterly; thence binding reversely on said line, so projected, Southwesterly 66.00 feet to intersect the southwest side of said Worcester Street, and thence binding on the southwest side of said Worcester Street, Northwesterly 270.0 feet, more or less, to the place of beginning.
>
> Beginning for Parcel No. 3 at the point formed by the intersection of the southwest side of Oler Street, 50 feet wide, and the southeast side of Warner Street, 66 feet wide, and running thence binding on the southeast side of said Warner Street, Northeasterly 50.00 feet to intersect the northeast side of said Oler Street; thence binding on the northeast side of said Oler Street, Southeasterly 270.0 feet, more or less, to intersect the line

of the southeast side of Eutaw Street, 45 feet wide, if projected southwesterly; thence binding on the line of the southeast side of said Eutaw Street, so projected, Southwesterly 50.00 feet to intersect the southwest side of said Oler Street, and thence binding on the southwest side of said Oler Street, Northwesterly 270.0 feet, more or less, to the place of beginning.

The above-described Closed Street Areas were closed by Ordinance 11-432; however, the Ordinance only describes a 45' width for Eutaw Street and does not cover the full surveyed 50' width.

As delineated on Plat 327-A-7A, prepared by the Survey Control Section and filed on October 14, 2009, in the Office of the Department of General Services and as set forth in Ordinance No. 11-432 of the Mayor and City Council of Baltimore.

Proposed to be Closed

(1) Warner Street, extending from Worcester Street, southeasterly to Bayard Street, and (2) a five-foot wide portion of Eutaw Street, extending from Oler Street, northwesterly to Worcester Street, and more particularly described as follows:

Beginning for Parcel No. 1 at the point formed by the intersection of the northwest side of Worcester Street, 66 feet wide, and the southwest side of Warner Street, 66 feet wide, and running thence binding on the southeast side of said Warner Street, Southwesterly 478.9 feet, more or less, to intersect the line of the northeast side of Bayard Street, 66 feet wide, if projected southeasterly; thence binding reversely on said line, so projected, Northwesterly 66.0 feet to intersect the northwest side of said Warner Street; thence binding on the northwest side of said Warner Street, Northeasterly 478.9 feet, more or less, to intersect the southwest side of said Worcester Street, and thence binding on the southwest side of said Worcester Street, Southeasterly 66.0 feet, more or less, to the place of beginning.

Beginning for Parcel No. 2 at the point formed by the intersection of the southeast side of Oler Street, 50 feet wide, and the northwest side of a 5 Foot Wide portion of Eutaw Street, the remaining 45 Foot Wide portion of Eutaw Street has been condemned and closed in accordance with Ordinance No. 11 - 432 approved April 12, 2011 by the Mayor and City Council of Baltimore as shown on a plat numbered 327-A-7B and filed in the Plats and Records Section of the Department of General Services of Baltimore City, and running thence binding on the northwest side of said Eutaw Street Northeasterly 273.8 feet, more or less, to intersect the southwest side of Worcester Street; thence binding on the southwest side

of said Worcester Street, Southeasterly 5.0 feet to intersect the southeast side of the 5 Foot Wide portion of said Eutaw Street, which is also the northwest side of the 45 Foot Wide portion of said Eutaw Street, as closed under said Ordinance, there situate; thence binding on the southeast and northwest sides of said Eutaw Street, Southwesterly 273.8 feet, more or less, to intersect the southeast side of said Oler Street, and thence binding on the southeast side of said Oler Street Northwesterly 5.0 feet to the place of beginning.

As delineated on a plat numbered 102-D-60A prepared by the Survey Section and filed on October 12, 2012 in the Office of the Department of General Services of the City.

Legal Descriptions of Garage Property, Closed Street Areas, and Option Properties

"LOT A" OPTION PROPERTY DESCRIPTION

AS TO 1411 WARNER STREET - Tax I.D. No. 21 - 09 - 0845 - 001:

Beginning for the same at a point formed by the intersection of the North side of an alley 12 feet wide with the East side of Warner Street, 66 feet wide, said point of beginning being North 70 degrees 34 minutes 16 seconds West 100.08 feet measured along the North side of said alley from the beginning of the first parcel of land described in a Deed dated December 27, 1988 and recorded among the Land Records of Baltimore City in Liber SEB No. 1953, Folio 545, which was conveyed by G&G Realty Corporation, Inc. to J. Fred Glose, said point of beginning also being at the end of the fifth or North 70 degrees 34 minutes 16 seconds West 330.00 foot line of the parcel of land which by Deed dated January 18, 1983 and recorded among the Land Records of Baltimore City in Liber SEB No. 16, Folio 502 was conveyed by The Real Estate and Improvement Company of Baltimore City to the Mayor and City Council of Baltimore, and running thence and binding reversely on said line and, for a part on the Northeast side of said alley 12 feet wide, and running with and binding on the first and second lines of the first parcel of land which was conveyed by G&G Realty Corporation, Inc. to J. Fred Glose, and referring the courses of this description to the True Meridian as adopted by the Baltimore City Survey Control System the following course and distance:

1) South 70 degrees 34 minutes 16 seconds East (running more or less parallel to and 14 feet more or less southeasterly from the face of the Southeastern most curbing of Stockholm Street as now located) 330.08 feet; thence running with and binding on the third of the said first parcel of land,

2) South 19 degrees 46 minutes 00 seconds West 325.37 feet to a point at the mean high water line (Baltimore low water datum) of the Middle Branch of the Patapsco River, as called for in said last mentioned Deed; thence running with and binding on the fourth through the twelfth lines of the said first parcel of land and binding on the mean high water line (Baltimore low water datum) the following nine courses and distances, viz:

3) South 55 degrees 02 minutes 06 seconds West 6.67 feet;

4) South 81 degrees 34 minutes 31 seconds West 27.72 feet;

5) North 77 degrees 27 minutes 53 seconds West 35.37 feet;

6) North 66 degrees 39 minutes 40 seconds West 34.10 feet;

7) North 75 degrees 32 minutes 14 seconds West 32.64 feet;

8) South 42 degrees 50 minutes 53 seconds West 36.83 feet;

9) South 18 degrees 25 minutes 20 seconds West 48.78 feet;

10) South 15 degrees 12 minutes 12 seconds West 13.23 feet; and,

11) South 46 degrees 23 minutes 24 seconds West 17.52 feet to intersect the fourth or South 24 degrees 30 minutes 49 seconds West 485.60 foot line of the second parcel of land described in the aforesaid Deed which was conveyed by G&G Realty Corporation, Inc. to Glose; thence running with and binding on a part of said fourth line and leaving said mean high water line and running in the middle branch of the Patapsco River,

12) South 19 degrees 46 minutes 00 seconds West 73.74 feet to a point in the Middle Branch of the Patapsco River; thence running with and binding on the fifth line of the aforesaid second parcel of land and continuing to bind in said river,

13) North 70 degrees 34 minutes 16 seconds West 80.00 feet to a point in the Patapsco River and at the beginning of the sixth line of the aforesaid second parcel of land; thence running and binding on the said sixth line and binding for a part in said river and on the North side of Alluvion Street, 66 feet wide (not open),

14) North 44 degrees 58 minutes 39 seconds West 254.34 feet to a point on the East side of Warner Street, 66 feet wide, and to the beginning of the last or North 49 degrees 16 minutes 10 seconds East 170.75 foot line of the aforesaid second parcel of land; thence running with and binding on the aforesaid last line and binding on the East side of Warner Street,

15) North 44 degrees 35 minutes 09 seconds East 170.55 feet to the end of the second or southwesterly 138 feet 6 inches line of a parcel of land which by Deed dated April 5, 1974 and recorded among the Land Records of Baltimore City in Liber RHB No. 3115, Folio 882 was conveyed by Merle W. Rubens to the Westport Corporation; thence running and binding reversely on the second and first lines of said last mentioned parcel of land and binding on the East side of Warner Street the two following courses and distances, viz

16) North 44 degrees 35 minutes 09 seconds East 138.61 feet and,

17) North 19 degrees 50 minutes 09 seconds West 131.90 feet to the beginning of said parcel of land and to the South side of the heretofore mentioned 12 foot alley; and, running thence and continuing to bind on the East side of Warner Street and crossing said alley,

18) North 19 degrees 50 minutes 09 seconds West 12.00 feet to the place of beginning.

Containing 3.870 acres of land, more or less, inclusive of the herein mentioned 12 foot alley and connecting 15 foot alley.

Being formerly known as 1411, 1419 and 1425 Warner Street. The Improvements thereon being now known as No. 1411 Warner Street.

Legal Descriptions of Garage Property, Closed Street Areas, and Option Properties

"LOT B" OPTION PROPERTY DESCRIPTION

AS TO 701 WEST OSTEND STREET - Tax I.D. No. 21 - 09 - 0954 - 001:

Beginning for the First thereof at the point formed by the intersection of the Southwest side of Ostend Street, 66 feet wide, and the East side of the former Scott Street, 66 feet wide, now closed, and running thence Southerly binding on the East side of the former Scott Street, now closed, 340.00 feet to intersect the North side of Paca Street, as now laid out; thence westerly binding on the North side of Paca Street by a line curving to the left, with a 638.00 foot radius, the distance of 66.07 feet to intersect a line drawn parallel with and distant 66.00 feet westerly measured at right angles from the first line of this description; thence northerly reversing said line so drawn and binding thereon 367.50 feet to intersect the line of the southwest side of said Ostend Street, produced northwesterly, and thence southeasterly reversing the line of the Southwest side of Ostend so produced and binding thereon 70.14 feet to the place of beginning. Being and comprising the former bed of Scott Street, 66 feet wide, from Ostend Street Southerly to Paca Street.

Beginning for the Second thereof at the corner formed by the intersection of the Southwest side of West Ostend Street (formerly called Stockholm Street) and the Northwest side of Ridgely Street and running thence southwesterly binding on the Northwest side of Ridgely Street 191 feet 4 1/2 inches to what was formerly the center of an alley 8 feet 9 inches wide, now closed, and running thence northwesterly and binding along what was formerly the center of said alley 8 feet 9 inches wide, now closed, and parallel with the present Ostend Street 155 feet to what was formerly the Southeast side of Burgundy Street, now closed, and running thence northeasterly parallel with Ridgely Street and binding along what was formerly the Southeast side of Burgundy Street, now closed, 191 feet 4 ½ inches to the Southwest side of the present Ostend Street, and running thence southeasterly binding on the Southwest side of the present Ostend Street 155 feet to the place of beginning. Being formerly known as 1300 through 1322 South Ridgely Street.

Beginning for the Third thereof on the Southwest side of Ostend Street (formerly Stockholm) at a point situate 155 feet northwesterly from the westernmost corner formed by the intersection of the Southwest side of Ostend Street and the Northwest side of Ridgely Street, said point being also at the former intersection of what was formerly the Southeast side of Burgundy Street, now closed, and the Southwest side of Ostend Street and running thence southwesterly binding along what was formerly the Southeast side of Burgundy Street, now closed, 191 feet 4 ½ inches to intersect what was formerly the Northwestern terminus of an alley 8 feet 9 inches wide, now closed, and running thence and binding along what was formerly the centerline of said alley 8 feet 9 inches wide and parallel with Ostend Street 155 feet to the northwesternmost side of Ridgely Street, and running thence southwesterly binding on the northwesternmost side of Ridgely Street 73 feet 7 ½ inches to the corner formed by the northwesternmost side of Ridgely Street and the Northeast side of what is now Stockholm Street (formerly called Ostend) and running thence and binding along the Northeast side of Stockholm Street 175 feet to intersect the 4th line of the 12thly described parcel of ground which by Deed dated January 20, 1944 and recorded among the Land Records of Baltimore City in Liber MLP No. 6554, Folio 513 was granted and conveyed by Harry Klaff and wife unto Jerome L. Klatt, et al, Trustees, at a point distance 17.42 feet, more or less, from the beginning of said 4th line and running thence and binding reversely along a portion of said last mentioned line of said lastly referred to parcel of ground in a southwesterly direction 17.42 feet to a pipe heretofore set at the beginning of said line and to the line of the Baltimore and Ohio Railroad, and running thence and binding along the line of the Baltimore and Ohio Railroad and reversely along the 3rd line of the parcel of ground lastly herein referred to and reversely along the 2nd line of the 14thly described parcel of ground in the Deed lastly herein referred to intersect what was formerly the easternmost side of Scott Street, 66 feet wide and now closed, and running thence northerly binding on what was formerly the easternmost side of Scott Street 83 feet, more or less, to a point situate 38 feet North from what was

originally laid out as the Northeast side of Ostend Street, said point being also at the place of beginning of that land which by Deed dated March 17, 1887 and recorded among the Land Records of Baltimore City in Liber JB No. 1133, Folio 384 was granted and conveyed by Henry R. Curley, and wife to the Annapolis and Baltimore Short Line Railroad Company and running thence and binding reversely along the last line of the land described in the Deed lastly herein referred to and at right angles to the former Scott Street, now closed, in an easterly direction 82 feet 5 inches to the easternmost side of what was formerly an alley 12 feet 5 inches wide, now closed, and running thence binding on what was the former East side of said alley 12 feet 5 inches wide the distance of 142 feet, thence running westerly parallel with the 8th line of this description 82 feet 5 inches to what was formerly the East side of Scott Street, now closed, and running thence Northerly binding on what was formerly the East side of Scott Street the distance of 120 feet, more or less, to the Southwest side of West Ostend Street, and running thence southeasterly binding on the Southwest side of West Ostend Street the distance of 324.08 feet, more or less to the place of beginning. Being formerly known as 1326 South Ridgely Street, 700 through 740 Stockholm Street, and 737 through 777 west Ostend Street.

Beginning for the Fourth thereof on what was formerly the East side of Scott Street, now closed, at a point situate 38 feet North from what was originally laid out as the Northeast side of Ostend Street, said place of beginning being also the beginning of that tract of land which by Mortgage dated March 17, 1887 and recorded among the land records of Baltimore City in Liber JB No. 1133, Folio 382 was conveyed by Henry R. Curley and wife to Celeste M.W. Hutton, and being also at what was formerly the South side of an alley 12 feet wide, now closed, and running thence Northerly binding on what was formerly the East side of Scott Street 142 feet to point approximately 120 feet South from the present Ostend Street, said point being the northernmost line of the lands which by Lease dated March 5, 1901 and recorded among the aforesaid land records in Liber RO No. 1890, Folio 50 were demised and leased by J. Thomas Reinhardt and wife to Charles H. McDonnell, and running thence Easterly at right angles to what was formerly the East side of Scott Street 82 feet 5 inches to the Easternmost side of what was formerly the East side of an alley 12 feet 5 inches wide, now closed, and running thence Southerly binding on the East side of what was formerly the East side of said 12 foot 5 inch wide alley and parallel with the former Scott Street 142 feet to the South side of what was formerly a 12 foot wide alley, hereinabove referred to, and running thence westerly binding on what was formerly the South side of said 12 foot wide alley and with and along the last line of the land described in a Deed dated March 17, 1887 and recorded among the aforesaid land records in Liber JB No. 1133, Folio 384 from Henry R. Curley and wife to the Annapolis and Baltimore Short Line Railroad Company 82 feet 5 inches to the place of beginning. Being formerly known as 1313 through 1333 Scott Street, as well as the alleys 12 feet 5 inches wide and 12 feet wide, each now closed communicating therewith.

Beginning for the Fifth thereof at the intersection of what was formerly the West side of Scott Street, now closed, and the North side of the right of way of the Baltimore and Ohio Railroad, and running thence westerly along said North right of way line 214 feet; thence northeasterly 416 feet, more or less to the Northeastern outline of the ground formerly owned by Consolidated Gas Electric Light and Power Company of Baltimore City and therein situated (the end of the last mentioned line being 25 feet from the original west side of what was formerly Scott Street, measured along said Northeastern most line of the land formerly owned by Consolidated Gas Electric Light and Power Company of Baltimore City; thence along the last described line to intersect the westernmost outline of the parcel of ground described in the Deed from Terminal Real Estate Company of Baltimore City, et al, to the Mayor and City Council of Baltimore by Deed dated April 4, 1907 and recorded among the Land Records of Baltimore City in Liber RO No. 2327, Folio 104; running thence southerly along said westernmost outline by a curve to left with a radius of 1,016.64 feet, parallel to and 25.5 feet distant from the former center of the tracks of the Washington, Baltimore and Annapolis Railroad for a distance of 80.2 feet to the beginning of the said westernmost line of the aforesaid lot; thence easterly by a line radial to the curve of the former Washington, Baltimore and Annapolis Railroad and binding on the Southern outline of the parcel of ground described in the aforementioned Deed to the Mayor and City Council of Baltimore 13.5 feet to the easternmost outline of the aforesaid parcel of land conveyed to the Mayor and City Council of Baltimore; running thence Northerly along the easternmost outline by a curve to the left with a radius of 1,030.14 feet parallel to and 12 feet distant from the former centerline of the Washington, Baltimore and Annapolis Railroad tracks, now removed, 102.83 feet to the former original West side of Scott Street and running thence binding on the former West side of Scott Street, now closed, southerly 334 feet to the place of beginning.

Beginning for the Sixth thereof at a point formed by the intersection of a line drawn parallel with and distant 21 feet measured at right angles from the Southwest side of Ostend Street as now laid out and a line drawn parallel with and distant 25.5 feet westerly from the centerline of the Baltimore Terminal Company properly 24 feet wide and thence running on said line drawn parallel to Ostend Street southeasterly 6.66 feet to the West side of what was formerly Scott Street, 66 feet wide now closed; thence binding on the West side of what was formerly Scott Street southerly 44.88 feet to intersect the line drawn parallel with and distant 12 feet westerly from the center line of said Baltimore Terminal Company property; thence binding on said line so drawn parallel with the center line of said Baltimore Terminal Company property southwesterly by a line curving to the right with a 1,030.14 foot radius, the distance of 102.3 feet; thence northwesterly 13.5 feet to intersect the line drawn parallel with and distant 25.5 feet westerly from the center line of said Baltimore Terminal Company property; thence binding on said last mentioned line so drawn northeasterly by a line curving to the left with a 1,016.64 foot radius the distance of 148.51 feet to the place of beginning.

The Improvements on the above described six (6) contiguous parcels being known as No. 701 West Ostend Street.

EXHIBIT C

Project Plan

The VLT Facility building will be a multi-story building with approximately 371,670 square feet of space interconnected by escalators, stairs, and elevators, of which approximately 125,300 square feet will consist of gaming space that will house video lottery terminals (and, if permitted by Applicable Law, table games) all as more specifically described in the Schematic Plans that have been submitted to the City pursuant to the terms of the Agreement. The VLT Facility will also contain food and beverage outlets. The VLT Facility will be bounded by Russell Street, Worcester Street, Warner Street (which will be closed in accordance with the LDA), and Bayard Street. The Schematic Plans submitted to the City pursuant to the terms of this Agreement identify a covered structure with approximately 31,800 square feet for pedestrian and/or employee bridges that (subject to Applicable Law and the terms of the LDA) will span from back-of-house facilities on the Garage Parcel to the Garage and over Warner Street from the Garage to the VLT Facility. The main entrance for the VLT Facility has been identified on the Schematic Plans. The Construction Plans will also identify access points for the VLT Facility, the location of back-of-house services for such matters as deliveries and staff entrance and the location of main vehicular access points, large scale signage and simple architectural articulation.

The cost of Construction shall be an amount determined by Developer, but in no event shall the cost to construct the VLT Facility, together with all costs for the development of the Garage, related improvements upon the Garage Parcel and other costs permitted by the State VLT Law, be less than One Hundred Eighty-Seven Million Five Hundred Thousand Dollars ($187,500,000).

The Garage will consist of multi-story building, of approximately 1,850,000 square feet (inclusive of valet areas), containing a number of parking spaces more specifically set forth in the construction plans submitted pursuant to the LDA. As of the Lease Date, Developer anticipates the Garage will consist of approximately 4,000 parking spaces, but in no event less than the minimum parking spaces required by Applicable Law. In addition to the Garage, the Garage Parcel shall also include a multi-story building of between 27,000 and 81,000 square feet to be utilized for back-of-house, delivery, and similar support functions for the VLT Facility and Garage, each as more specifically set forth on the construction plans submitted pursuant to the LDA.

The Developer's initial organizational structure has been set forth in the Initial Ownership Disclosure.

EXHIBIT D

Form of Purchase Money Promissory Note

PURCHASE MONEY NOTE

$4,694,000 **Baltimore, Maryland**
_____, 2013

FOR VALUE RECEIVED, **CBAC GAMING, LLC**, a limited liability company formed under the laws of the State of Delaware and registered to do business in the State of Maryland ("Developer") promises to pay to the order of MAYOR AND CITY COUNCIL OF BALTIMORE, a body politic and corporate and a political subdivision of the State of Maryland, ("City"), the prineipal sum of Four Million Six Hundred Ninety-four Thousand Dollars ($4,694,000) (the "Principal Amount"), together with interest on the unpaid balance thereof at the rate hereinafter specified

The Principal Amount and interest shall be payablc as set forth below.

No interest shall accrue on the Principal Amount exeept that interest shall accrue on the unpaid amount of any principal not paid when due at the annual rate of eight pereent (8%) (the "Default Rate") from the date due until the date paid, in order to compensate City for the additional risk and expenses incurred by City upon such a default.

The Principal Amount shall be due and payable by the Developer to the City in immediately available funds on the date which is five (5) years after the date of this Note as set forth above (the "Maturity Date"), without notice or demand.

The Developer, upon at least ten (10) calendar days advance notice to the City, may prepay the Loan, in whole but not in part, at any time, without premium or penalty.

An event of default under this Note (an "Event of Default") shall be deemed to exist upon the occurrence of any of the following: (1) failure to pay the Principal Amount on the Maturity Date; or (2) an Event of Default under the Land Disposition Agreement dated as of October 31, 2013 between City and Developer which is intended to be recorded among the Land Records of Baltimore City, Maryland (the "LDA").

This Note evidences the unpaid balance of the purchase price for certain Property sold by City to Developer, and not the loan of any amount. The Property is described in the LDA and is identified therein as the "Garage Property".

If an Event of Default occurs, the City has the right to declare the entire unpaid balance of the Principal Amount, and all accrued but unpaid interest, immediately due and payable. Interest shall accrue on the unpaid balance of the Principal Amount from the date of such declaration until the date the Principal Amount is paid in full, at the Default Rate. Upon the occurrence of an Event of Default, the Developer shall pay the City all expenses incurred by the City in collecting the amounts due under this Note, including reasonable attorney's fecs and court costs

The Developer waives presentment, demand, protest, notice of nonpayment, and any and all lack of diligence or delays in collection or enforcement hereof.

This Note shall be construed and enforced according to and be governed by the laws of the State of Maryland without regard to principles of conflict of laws. Any and all actions or proceedings arising directly or indirectly from this Note shall, at the City's option, be litigated in the Circuit Court for the State of Maryland located in the City of Baltimore.

Developer consents to the jurisdiction of such Court; agrees that it is subject to service of process under Section 6-103 of the Courts and Judicial Proceedings Article of the Maryland Code; and agrees to accept such service as is authorized by the statute and prescribed in the Maryland Rules of Procedure.

Each right, power, and remedy under this Note, under the LDA, and under applicable law, shall be cumulative and concurrent and the exercise of any one or more of them shall not preclude the simultaneous or later exercise by the City of any or all such other rights, powers or remedies. No waiver by the City of any default or Event of Default shall be effective unless made in writing nor operate as a waiver of any other or future default.

If any part of this Note shall be adjudged invalid or not enforceable then such partial invalidity or unenforceability shall not cause the remainder of the Note to be or to become invalid or unenforceable, and if a provision hereof is held invalid or unenforceable in one or more of its applications, the parties hereto agree that said provisions shall remain in effect in all valid or enforceable applications that are severable from the invalid or unenforceable application or applications.

WAIVER OF JURY TRIAL. The Developer agrees that any suit, action, or proceeding, whether claim or counterclaim, brought or instituted by the Developer on or with respect to this Note or which in anyway relates, directly or indirectly, to the obligations of the Developer to the City under this Note, or the dealings of the parties with respect thereto, shall be tried only by a court and not by a jury. The Developer hereby expressly waives any right to a trial by jury in any such suit, action, or proceeding. The Developer acknowledges and agrees that this provision is a specific and material aspect of the agreement between the parties and that the City would not enter into the transaction with the Developer if this provision were not part of their agreement.

As an express condition to the delivery of this Note, provided no Event of Default has occurred and is continuing, this Note may not be assigned by the holder of this Note without the consent of Developer.

Except as otherwise defined herein, capitalized terms used in this Note shall have the meanings ascribed to such terms in the LDA.

IN WITNESS WHEREOF, the Developer has executed and delivered under seal this Purchase Money Note as of the day and year first above written.

CBAC Gaming, LLC
By: CR Baltimore Holdings, LLC, its Managing Member

By:_____

Name:_____

Title:_____

EXHIBIT E

Permitted Exceptions

Closed Street Areas

1. As is believed by the City to have been extinguished by abandonment and operation of law and as intended to be confirmed as extinguished by an acceptable Release of Rights under Ordinance and Siding Agreement (to which Section 3.1.4(m) of the VLT Lease refers), the following is noted: CSXT as successor in interest to B&O Railroad previously had certain rights to construct, maintain, and operate a railroad track in the bed of Warner Street as set forth in Baltimore City Ordinance 1929-No. 750, which was enacted on June 27, 1929 and which expired by its terms on June 27, 1954 unless it was otherwise extended pursuant to the terms thereof, but in all events expired upon its terms no later than June 27, 1979.

2. Right of Way to Consolidated Gas Electric Light and Power Company of Baltimore dated October 29, 1952 and recorded among the aforesaid Land Records in Liber M.L.P. 8996, folio 240 (within Worcester Street).

3. Right of Way to Consolidated Gas Electric Light and Power Company of Baltimore dated February 1, 1954 and recorded among the aforesaid Land Records in Liber M.L.P. 9436, folio 107 (within Warner Street).

EXHIBIT F

Definition References

Agreement or LDA	¶ 1
Ancillary Buildings	1.6.1 (a)(i)
Anti-Discrimination Covenants	1.10
Applicable Law	1.15 (f)
BCEG Litigation	8.2(d)
BDC (City of Baltimore Development Corporation)	1.1(f)
Certificate of Completion	3A.12
Charter Provision	Recitals G
City Code	Recitals G
City Indemnitees	9.10.1
Closed Street Areas	Recitals B
Conditions of City to Settlement	1.4.1 (a)
Conditions of City to Settlement	1.6.1 (a)
Conditions of Developer to Settlement	1.4.1 (b)
Conditions of Developer to Settlement	1.6.1 (b)
CRC	10.2
Default	7.3
Developer	¶ 1
Developer	7.7
DHCD (Department of Housing and Community Development)	¶ 1
Disposition	5.1 (b)(ii)
DPW (Department of Public Works)	1.9 (c)
Effective Date	¶ 1
First Appraisal	1.5.4 (a)
First Appraiser	1.5.4 (a)
FMV (fair market value)	1.5.4 (d)
Force Majeure	7.8
Future Required Settlement Date	1.5.1
Future Settlement Date	1.6.2 (a)
Future Settlement	1.6.2 (a)
Garage Construction Contract	3A.10
Garage Construction Plans	3A.5
Garage Design Plans	3A.1 (a)
Garage Property	Recitals B
Garage Schematic Plans	3A.1 (a)
General Hazardous Substances	12.1
General	12.3
Green (Construction)	3A.1 (b); 3B.1(b)
Hazardous Substance	12.3
Improvements	1.2
Initial Ownership Disclosure	5.1