

Exhibit A

ARENA OPERATING LEASE

BETWEEN

CITY OF PORTLAND, OREGON,
a municipal corporation of the State of Oregon

and

RIP CITY MANAGEMENT LLC,
a Delaware limited liability company

Dated: _____, 2024

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1 ARENA OPERATING LEASE

2 PARTIES: CITY OF PORTLAND, OREGON, (“Landlord”)
3 a municipal corporation of the State of Oregon

4 RIP CITY MANAGEMENT LLC, (“Tenant”)
5 a Delaware limited liability company

6 EFFECTIVE DATE: _____, 2024

7 Landlord and Tenant hereby agree:

8 1. DEFINITIONS

9 1.1 Defined Terms. Defined terms are identified by initial capital letters, e.g., Related
10 Agreements. Some defined terms are defined in the body of the Lease; other defined terms
11 which are used in this Lease are defined in the Related Agreement specified in the definition.

12 “AAA” shall have the meaning defined in Section 14.2.

13 “Acceptable Bank” shall mean any U.S. or domestic bank reasonably acceptable to
14 Tenant or whose long-term debt securities (or, if such U.S. or domestic bank does not have any
15 publicly traded long-term debt securities, whose holding company’s long-term debt securities) are
16 rated A or better by Standard & Poor’s Rating Group or A2 or better by Moody’s Investors’
17 Service.

18
19 “Advertising” shall mean commercial displays containing the name, logo or
20 trademark of a Sponsor.

21 “Affiliate” shall mean an individual, or a corporation or other entity controlling,
22 controlled by, or under common control with Tenant or the Estate of Paul G. Allen, as specified in
23 the applicable section. For purposes of this definition, the term “control” shall mean ownership of
24 more than fifty percent (50%) of the shares, membership interests or other ownership interests in
25 such specified Person or having management power over the affairs of such specified Person.

26 “Annual Statement” shall have the meaning defined in Section 17.6.

27 “Approved Capital Improvements Work” shall have the meaning defined in Section
28 10.9.

29 “Arena” shall mean the multipurpose arena with a seating capacity of
30 approximately 19,000, an attached parking garage, and all other Improvements affixed thereto,
31 which was conveyed by Tenant to Landlord concurrently with the Commencement Date of this

1 Lease and such Improvements constructed during the Term of this Lease.

2 “Arena Guidelines” shall have the meaning defined in Section 2.5.

3 “Box Office” shall have the meaning defined in Section 10.5.2.

4 “Capital Expenditures Approval Procedures” shall have the meaning defined in
5 Section 10.9.

6 “Capital Expenditures Plan” shall have the meaning defined in Section 10.9.

7 “Capital Improvements” shall mean the roof, foundation, exterior walls, utility lines
8 to the point of connection for Tenant, structural portions of the Premises, and any addition or
9 expansion of the Premises, and replacements to major components (including MEPs) after the
10 useful life thereof (e.g., RTUs, boilers, fire suppression systems), and all other improvements listed
11 in the Capital Expenditures Plan.

12 “Capital Improvements Work” shall have the meaning defined in Section 10.9.

13 “Capital Repair and Replacement” shall have the meaning defined in Exhibit E.

14 “CCRs” shall mean the Conditions, Covenants and Restrictions dated June 23,
15 1993, as the same may be amended from time to time, and covering the Project Site.

16 “Change of Control” shall have the meaning defined in Section 12.9.

17 “City” shall mean the City of Portland, Oregon.

18 “City Contribution” shall have the meaning defined in Section 10.9.

19 “Coliseum” shall mean the existing Veterans Memorial Coliseum, an
20 approximately 13,000-seat multipurpose arena facility with an attached underground exhibit hall
21 of approximately 40,000 square feet located on the Project Site.

22 “Coliseum Agreement” shall mean, collectively, the agreement entitled “Coliseum
23 Operating Agreement” dated as of April 23, 1993 between Landlord and Tenant, as successor-in-
24 interest to OAC, relating to the management of the Coliseum, as amended by a First Amendment
25 to Coliseum Operating Agreement dated as of June 23, 1993, a Second Amendment to Coliseum
26 Operating Agreement dated as of May 22, 2013, a Third Amendment to Coliseum Operating
27 Agreement dated as of November 24, 2014, a Fourth Amendment to Coliseum Operating
28 Agreement dated as of July 1, 2015, a Fifth Amendment to Coliseum Operating Agreement dated
29 as of July 1, 2018, a Sixth Amendment to Coliseum Operating Agreement dated as of July 1, 2021,
30 a Seventh Amendment to Coliseum Operating Agreement dated as of April 1, 2022, an Eighth
31 Amendment to Coliseum Operating Agreement dated as of November 4, 2022, and a Ninth

1 Amendment to Coliseum Operating Agreement of even date herewith, as the same may be further
2 amended from time to time.

3 “Commencement Date” shall mean _____, 2024.

4 “Comparable Events” shall have the meaning defined in Section 15.1.1.

5 “Competing Facility” shall have the meaning defined in Section 15.1.2.

6 “Completion Term” shall have the meaning defined in Section 2.3.

7 “Control” shall have the meaning defined in Section 12.8.

8 “Current Ownership Group” shall have the meaning defined in Section 12.9.1.

9 “Damages” shall have the meaning defined in Section 10.3.1.

10 “Defined Revenue” shall have the meaning defined in Section 17.3.1.

11 “Development Agreement” shall mean the agreement entitled “Amended and
12 Restated Development Agreement” dated as of even date herewith, by and between Landlord and
13 Tenant, as the same may be further amended from time to time.

14 “Direct Expenses” shall have the meaning defined in Section 12.2.6.

15 “Displays” shall mean, collectively, Signage and Advertising, together with other
16 non-commercial displays.

17 “Dispute” shall have the meaning defined in Section 14.1.

18 “Dispute Notice” shall have the meaning defined in Section 14.2.

19 “Entertainment Complex” shall mean the Property and all Improvements thereon
20 defined as the “Premises” in the Entertainment Complex Lease.

21 “Entertainment Complex Lease” shall mean the agreement entitled “Entertainment
22 Complex Ground Lease” dated as of June 23, 1993 between Landlord and Tenant, as successor-
23 in-interest to OAC, relating to the lease of the Entertainment Complex, as amended by an
24 Amendment No. 1 to Entertainment Complex Ground Lease dated June 17, 2008, an Amendment
25 No. 2 to Entertainment Complex Ground Lease dated November 23, 2010, and an Amendment
26 No. 3 to Entertainment Complex Ground Lease of even date herewith, as the same may be further
27 amended from time to time.

28 “Equitable Proceeding” shall have the meaning defined in Section 14.6.

29 “Event” shall mean any event, activity or organized use of the Plaza, including
30 without limitation assemblies, athletic activities, concerts, performances, festivals, gatherings,
31 exhibits and political and civic speeches whether or not an admission fee is charged, and may be

1 contained solely in the Plaza, or may be held in connection with a booking in and for the Arena
2 which extends to the Plaza; provided, however, the Plaza shall remain open in accordance with
3 this Lease for public use and benefit. For the avoidance of doubt, use of the Plaza for Advertising
4 shall not be deemed an Event.

5 “Event of Default” shall have the meaning defined in Section 13.1.

6 “Exclusive Site Agreement” shall mean the agreement entitled “2024 Exclusive
7 Site Agreement” among Trail Blazers Inc. and Landlord, dated as of [July 31, 2024], regarding
8 use of the Arena by Trail Blazers Inc., as the same may be further amended from time to time.

9 “Extension Period” shall have the meaning defined in Section 2.2.

10 “Force Majeure” shall mean an act, event, or occurrence due to natural causes
11 (including, without limitation, fire, earthquake, flood or other casualty, or any epidemic or
12 pandemic), riot, insurrection, war, terrorist acts, industry-wide labor trouble (including shortage of
13 labor), or material shortages, involving more than the Project Site and the general contractor and
14 subcontractors on the Project and outside of the control of the parties. As used in this definition,
15 “Project Site” have the meaning set out in the Development Agreement.

16 “GAAP” shall mean Generally Accepted Accounting Principles as set forth in the
17 opinions and pronouncements of the American Institute of Certified Public Accountants and the
18 statements and pronouncements of the Financial Accounting Standards Board.

19 “Governmental Authority” shall mean any federal, state, regional, local, or
20 municipal governmental department, agency, authority, court, tribunal, or other instrumentality
21 having jurisdiction over the matter(s) in question.

22 “Hazardous Substances” shall mean any environmentally hazardous or toxic
23 substances, materials, wastes, pollutants, oils, or contaminants, as defined in or otherwise covered
24 by Laws.

25 “Impositions” shall mean any and all taxes, assessments, charges, excises, levies,
26 license fees, permit fees, inspection fees, and other charges, in each case whether general or
27 special, ordinary or extraordinary, foreseen or unforeseen, of every character (including interest
28 and penalties thereon) which accrue throughout the Term and at any time may be assessed, levied
29 or imposed on or be a lien upon the Property, the Improvements, or any Personal Property or
30 fixtures thereon, or any occupancy, use or possession of or activity conducted at, on, from, or with
31 respect to the Premises.

1 “Improvement” shall mean any improvement now or hereafter placed or
2 constructed in, under, or upon the Property including without limitation the Arena, any building,
3 road, driveway, railway, landscaping, parking area, pipe, fence, wall, stairs, tank, utility
4 distribution facility, or sign, including without limitation the signs on the Sign Pads, and will
5 include the improvements located on the Property described on **Exhibit A** attached hereto, which
6 property has been conveyed by Tenant to Landlord concurrently with the Commencement Date of
7 this Lease, and which Property constitutes a portion of the Property for all purposes hereunder.
8 For the avoidance of doubt, any Improvements and Capital Improvements, including Approved
9 Capital Improvements Work, shall immediately become part of the Premises upon completion and
10 shall be owned by Landlord.

11 “Index” shall mean the percentage increase, if any, in the Consumer Price Index
12 (“CPI”) published by the Bureau of Labor Statistics of the U.S. Department of Labor, All Urban
13 Consumers (1982-84 =100) All Items, for the West Region. If the CPI shall be transferred to any
14 other governmental department or agency, or shall be discontinued, then the index most nearly the
15 same as the CPI selected by Landlord shall be used to make such determination.

16 “Informational Signs” shall mean the signage containing the name of a building in
17 the Project, the name, trademark or logo of Sublessees for identification of their places of business,
18 the address of a building in the Project, the designation “Box Office” or similar generic name
19 associated with a ticketing office and the identification of the location of other areas of the
20 Premises.

21 “Initial Term” shall have the meaning defined in Section 2.1.

22 “Institution” shall mean a national bank, insurance company, pension fund, major
23 financial lending institution or other entity actively engaged in commercial real estate or project
24 financing with total assets of at least Two Hundred Million and No/100 Dollars
25 (\$200,000,000.00), adjusted in accordance with the terms of Section 18.2.

26 “Insurance Account” shall mean a separate depository account maintained by the
27 Landlord at an Acceptable Bank under the terms of the Lease for the purpose of holding, applying,
28 investing, and transferring the Insurance Fund.

29 “Insurance Fund” shall have the meaning defined in Section 8.8.1.

30 “Insurance Surveyor” shall mean an independent qualified insurance appraiser
31 designated in accordance with the provisions of Section 8.9 of this Lease.

1 “Land” shall mean the real property described on the attached **Exhibit A**, the Plaza
2 and the Sign Pads.

3 “Landlord” shall mean initially the City and subsequently any permitted successor
4 to the City or permitted assignee of the City’s interest under this Lease.

5 “Landlord Possession Date” shall have the meaning defined in Section 12.2.11.

6 “Landlord Related Persons” shall mean Landlord’s elected officials, officers,
7 employees and agents, and, if any exist, Landlord’s directors, shareholders and partners.

8 “Laws” shall mean all applicable statutes, ordinances, rules, regulations, directives,
9 orders, decrees, laws, injunctions, and requirements now or hereafter enacted, issued, or
10 promulgated by any Governmental Authority, as well as common law and constitutional law.

11 “Lease” shall mean this Arena Operating Lease.

12 “Lease Year” shall mean the calendar year, except that the first Lease Year shall
13 begin on the Commencement Date and end on the next succeeding 31st day of December.

14 “Leasehold Estate” shall mean the estate of Tenant created by this Lease subject to
15 all the terms and conditions of this Lease.

16 “Leasehold Mortgage” shall mean a mortgage, deed of trust, or other security
17 instrument by which Tenant’s Leasehold Estate is mortgaged, conveyed, assigned, or otherwise
18 transferred to secure a debt or other obligation in accordance with the terms of Section 6.

19 “Leasehold Mortgagee” shall mean a holder of a Leasehold Mortgage permitted
20 pursuant to the terms of Section 6, who has given notice to Landlord and whose notice has been
21 received by Landlord as provided in Section 6. Each Leasehold Mortgagee shall be either a
22 Qualified Lender or the holder of a Purchase Money Leasehold Mortgage. Each Leasehold
23 Mortgagee shall have a net worth of at least \$200,000,000, adjusted in accordance with the terms
24 of Section 18.2.

25 “Liens” shall have the meaning defined in Section 4.5.

26 “Loan Manager” shall have the meaning defined in Section 6.2.2.

27 “Major Repairs” shall have the meaning defined in Section 17.15.

28 “Metro” shall mean Metropolitan Service District.

29 “Minor Repairs” shall have the meaning defined in Section 17.13.

30 “NBA” shall mean the National Basketball Association.

31 “Net Proceeds” shall have the meaning defined in Section 8.7.

1 “Net Revenue” shall have the meaning defined in Section 17.3.1.b.

2 “Nondisturbance” shall have the meaning defined in Section 12.2.10.

3 “OAC” shall mean Oregon Arena Corporation, an Oregon corporation.

4 “Operating Standard” shall mean an operating standard suitable for professional
5 basketball arenas in the NBA to serve as the home facility for NBA teams, which is consistent
6 with the standards of quality and performance that exist at the pertinent time.

7 “Operating Trade Fixtures” shall mean the non-affixed furniture, equipment, other
8 items of movable personal property and improvements installed within the Arena which are
9 necessary for operation of the Plaza and the Arena.

10 “Original Development Agreement” means that certain Development Agreement
11 dated November 4, 1992 between Landlord and OAC, covering the initial development of the
12 Project, as amended by that certain First Amendment to Development Agreement dated April 15,
13 1993, Second Amendment to Development Agreement dated April 23, 1993, Third Amendment
14 to Development Agreement dated June 23, 1993, Fourth Amendment to Development Agreement
15 dated June 23, 1993, and Fifth Amendment to Development Agreement dated November 23, 2010.

16 “Original Exclusive Site Agreement” means that certain Exclusive Site Agreement
17 dated June 23, 1993 by and between the City, Trail Blazers, Inc., and Paul G. Allen.

18 “Original Lease” means that certain Arena Ground Lease dated as of June 23, 1993,
19 by and between the City, as landlord, and RCM, as tenant and successor-in-interest to OAC,
20 pursuant to which the City leased the Premises (excluding the Kosei Premises, as defined therein)
21 to RCM, as terminated by a Termination Agreement (Arena Ground Lease) by and between City
22 and RCM of even date herewith.

23 “Original Memorandum” shall have the meaning defined in Section 18.11.

24 “ORS” shall mean the Oregon Revised Statutes.

25 “Partial Taking” shall have the meaning defined in Section 9.3.

26 “Permitted Investments” shall mean: (a) obligations of, or guaranteed as to interest
27 and principal by, the United States of America or agencies thereof maturing not more than ninety
28 (90) days after such investment; (b) open market commercial paper of any corporation
29 incorporated under the laws of the United States of America or any State thereof and not an
30 Affiliate of Tenant which paper is rated “P-1” or its equivalent by Moody’s Investors Service or
31 “A-1” or its equivalent by Standard & Poor’s Ratings Group; (c) banker’s acceptances and

1 certificates of deposit issued by any bank or trust company having capital, surplus, and undivided
2 profits of at least Five Hundred Million and No/100 Dollars (\$500,000,000.00) whose long-term
3 debt is rated “A” or better by Standard & Poor’s Ratings Group and A2 or better by Moody’s
4 Investors Service and maturing within ninety (90) days of the acquisition thereof; and (d) money
5 market funds consisting solely (except that no more than ten percent (10%) thereof may be held in
6 cash) of obligations of the type described in clauses (a) through (c) above and the shares of such
7 money market funds can be converted to cash within ninety (90) days. Payments under the
8 instruments described in clauses (a), (b), (c), and (d) above may not be linked to any variable other
9 than the principal amount thereof and the fixed or floating interest rate thereon.

10 “Permitted Transferee” shall have the meaning defined in Section 12.3.2.

11 “Person” shall mean an individual, corporation, limited liability company,
12 partnership, limited partnership, joint venture, municipal government, association or any other
13 entity that has the power to contract.

14 “Personal Property” shall mean the personal property (including Tenant’s business
15 records) and equipment of Tenant (including without limitation, any moveable property owned or
16 leased by Tenant, including motor vehicles and nostalgia), including but not limited to the
17 Operating Trade Fixtures [purchased, designed, constructed, or otherwise brought onto the
18 Premises after the Commencement Date. For the avoidance of doubt, Personal Property shall not
19 include: (i) Improvements or Operating Trade Fixtures existing at the Premises as of the
20 Commencement Date, all of which have been conveyed to Landlord pursuant to Section 5.3, and
21 (ii) Operating Trade Fixtures for which any portion of the City Contribution is used to purchase,
22 design, construct, or otherwise bring such Operating Trade Fixtures onto the Premises.][Under
23 review by RCM to confirm comment re: personal property tax.]

24 “Plaza” means the hardscape and landscaped surface area of the Project as depicted
25 on **Exhibit B** attached hereto, between the Arena, the Coliseum and the Entertainment Complex
26 that was constructed pursuant to that Original Development Agreement and subsequently
27 improved as an integral part of operating the Arena as a sports and entertainment facility and
28 continues to be so, and thus the Plaza shall continue to be appurtenant to and part of the Arena.

29 “Plaza Improvements” shall mean the improvements on the Plaza.

30 “Plaza Rent” shall have the meaning defined in Section 17.3.

31 “Premises” shall mean the Property and the Improvements.

1 “Prime Rate” shall mean the prime rate of interest as published from time to time
2 by the Wall Street Journal, provided that if the Wall Street Journal is no longer published or no
3 longer publishes a prime rate, the Interest Rate shall be the average of the prime rates publicly
4 announced by the three (3) largest commercial banks (measured by asset size) in the United States.

5 “Project” shall mean the Premises (including the Plaza) together with the Coliseum,
6 Entertainment Complex and Public Parking Garages on the Project Site, as that term is defined in
7 the Development Agreement and all improvements on the Project Site, each as depicted on **Exhibit**
8 **B** attached hereto.

9 “Project Site” shall have the meaning in the Development Agreement.

10 “Promote” shall have the meaning defined in Section 15.1.4.

11 “Property” shall mean the Land and the Subsurface Property.

12 “Public Parking Garages” shall mean the public parking garages on the north side
13 of the Project, as described in the Development Agreement.

14 “Purchase Money Leasehold Mortgage” shall mean a Leasehold Mortgage taken
15 back, retained by, or granted to Tenant, an Affiliate of Tenant or any assignee of Tenant permitted
16 pursuant to Section 12.3, upon a permitted sale and assignment of the Leasehold Estate, to secure
17 payment of any portion of the purchase price or any other obligations of the purchaser and assignee
18 in connection with such sale and assignment.

19 “Qualified Lender” shall have the meaning defined in Section 6.2.2.

20 “RCM” shall mean Rip City Management LLC, a Delaware limited liability
21 company.

22 “Reasonable Efforts” shall mean the taking, in good faith, of commercially
23 reasonable actions under the circumstances presented, whether or not the objective sought is
24 accomplished. With respect to the City, commercially reasonable actions allow the City to take
25 into account adopted ordinances, policies and goals, to the extent reasonably applicable and
26 consistently applied.

27 “Reference Date” shall mean June 23, 1993, which is the date of closing as
28 described in the Original Development Agreement and the commencement date of the Original
29 Lease.

30 “Related Agreements” shall mean the Development Agreement, this Lease, the
31 CCRs, the Coliseum Agreement, the Entertainment Complex Lease, and the Exclusive Site

1 Agreement.

2 “Rent” shall mean the rent payable pursuant to Section 3, and all other sums payable
3 to Landlord by Tenant under this Lease, except that User Fees shall not be considered part of Rent.

4 “Reserve Account” shall have the meaning in Section 6.3.10.

5 “Restoration” shall have the meaning defined in Section 7.1.

6 “Rose Quarter” shall have the same meaning as the term “Project Site” as set forth
7 in the Development Agreement.

8 “Sign Pads” shall mean the three sign pads described or depicted, as applicable, in
9 **Exhibit D**, and as defined in Section 17, together with such additional sign pads as Tenant may
10 designate from time to time.

11 “Signage” shall mean signs, banners, and similar graphic or electronic media that
12 may be displayed on a building, structure, post or similar support including, without limitation,
13 LED perimeter displays, scoreboards, and billboards, or any other similar media or forms that may
14 exist in the future.

15 “Sponsor” shall mean any Person that has given Tenant consideration for the public
16 display of its name, trademark or logo in connection with the Arena, the Coliseum, the
17 Entertainment Complex or the Plaza.

18 “Sublease” shall mean a sublease, license, concession agreement, or any other
19 agreement under which a third party has any right to occupy a part of the Premises, except a ticket
20 or other evidence of entitlement to admission to an event in the Arena.

21 “Sublessee” shall mean a sublessee, licensee, concessionaire, or other third party
22 that has any right to occupy a part of the Premises pursuant to a Sublease, but excluding holders
23 of tickets or other entitlement to admission to an event in the Arena.

24 “Sublet” and “Subletting” shall mean enter into a Sublease.

25 “Substantial Taking” shall have the meaning defined in Section 9.2.

26 “Subsurface Property” shall mean the area of underground land described on the
27 attached **Exhibit C**.

28 “Taking” shall have the meaning defined in Section 9.1.

29 “Targeted Tax” shall mean any ticket, admission, revenue or other tax, surcharge,
30 imposition, or any “user fee” (other than the User Fee), hereafter arising, which are limited to the
31 Project alone or to assembly type facilities such as theaters, movie theaters, stadiums,

1 amphitheatres, performance halls and night clubs generally, including as may be imposed in whole
2 or in whole or in part on the issuance, purchase, sale, or use of a ticket for admission to the
3 Arena. Notwithstanding the foregoing, Targeted Taxes do not include taxes of general
4 applicability.

5 “Temporary Taking” shall have the meaning defined in Section 9.6.

6 “Tenant” shall mean initially RCM, and subsequently any permitted successor to
7 RCM or assignee of RCM’s interest in this Lease.

8 “Tenant-Related Person” shall mean the Tenant’s officers, employees, agents,
9 directors, shareholders, members and partners.

10 “Term” shall mean the Initial Term together with the Extension Period, if exercised
11 by Tenant pursuant to Section 2.2, together with any Completion Term.

12 “Total Taking” shall have the meaning defined in Section 9.1.

13 “Trail Blazers Inc.” shall mean the Franchise described in the Exclusive Site
14 Agreement.

15 “Transfer” shall have the meaning defined in Section 12.7.

16 “Transferee” shall have the meaning defined in Section 12.3.

17 “User Fees” shall have the meaning provided in the Development Agreement.

18 “Utilities” shall mean water, sewer, electricity, gas, garbage, telephone, and all
19 other public or private utility systems, facilities and services provided to or for the Premises or
20 used by any occupant of the Premises.

21 **2. PREMISES AND TERM**

22 2.1 General. For and in consideration of Tenant’s covenant to pay or remit the Rent,
23 User Fees and other sums provided for herein, and the performance of the other obligations of
24 Tenant hereunder, Landlord leases to Tenant, and Tenant leases from Landlord, the Premises for
25 the period of time commencing on the Commencement Date and, unless sooner terminated or
26 extended pursuant to the provisions of this Lease, expiring at midnight on October 11, 2030 (the
27 “Initial Term”). Notwithstanding anything herein to the contrary, this Lease shall not be effective
28 and the Initial Term shall not commence unless and until approved in writing by the NBA
29 consistent with the Joint Escrow Instructions attached hereto as **Exhibit J**.

1 2.2 Tenant’s Right to Extend. Tenant shall have the right to extend the Initial Term for
2 one period of five years commencing on October 12, 2030 and ending on October 11, 2035, if
3 exercised in accordance with this Section 2.2 (the “Extension Period”).

4 2.2.1 The Extension Period shall be effective only if no later than October 11,
5 2029, Tenant gives written notice of the exercise of the right to extend to Landlord, and such notice
6 includes confirmation that Tenant has obtained written consent for such Extension Period from the
7 NBA, and there does not exist an Event of Default under the Lease, either at the time the notice to
8 extend is given or at the commencement of the Extension Period.

9 2.2.2 During the Extension Period, this Lease shall continue upon the same terms
10 and conditions as provided in this Lease.

11 2.3 End of Term; Completion Term. Notwithstanding anything to the contrary
12 contained in this Section 2, Tenant may extend the Term and remain in the Premises for one
13 Completion Term, as defined below, if necessary, for the purpose of enabling a Sublessee which
14 uses the Premises as its regular home playing facility to complete the then-current NBA season
15 and immediately following NBA season, including playoffs, and thereafter surrender the Premises.
16 Tenant shall not hold over for any other purpose.

17 2.3.1 The “Completion Term” shall mean a period of time not exceeding twenty
18 (24) months which shall commence: (a) immediately after the end of the Initial Term if Tenant has
19 not elected the Extension Period, or (b) immediately after the Extension Period if Tenant has
20 elected the Extension Period and shall expire following the date which Tenant fully and finally
21 vacates the Premises in accordance with Section 10.4 of this Lease. Any Completion Term shall
22 be upon all of the terms and conditions applicable under this Lease immediately prior to the
23 beginning of the Completion Term.

24 2.3.2 The Completion Term shall be effective only if Tenant gives written notice
25 of the exercise of the right to extend to Landlord, and such notice includes confirmation that Tenant
26 has obtained written consent for the Completion Term from the NBA, no later than one year prior
27 to the expiration of the Initial Term, and there does not exist an Event of Default under the Lease,
28 either at the time the notice to extend is given or at the commencement of the Completion Term.

29 2.4 Transition. During the year before, and at the end of, the Term, Landlord and
30 Tenant shall use Reasonable Efforts to affect an orderly and efficient transition of operation of the
31 Arena to Landlord or Landlord’s designee. The plan shall include, at a minimum, a mechanism

1 for advance scheduling of events in the Arena for the period following the end of the Term, the
2 continuation or termination of existing contracts affecting operation of the Arena, and access to
3 the Arena by Landlord's (or its designee's) agents and employees during a reasonable transition
4 period. Tenant shall assist Landlord or its designee in the orderly transition of operations of the
5 Arena in the same way Landlord is required to assist Tenant in the orderly transition of the
6 management of the Coliseum pursuant to the Coliseum Agreement.

7 2.5 Use. Tenant has constructed an Arena on the Property in accordance with the
8 Development Agreement.

9 2.5.1 Permitted Use. Except as otherwise expressly provided in this Lease or in
10 the Development Agreement, during the Term, Tenant shall have exclusive control and possession
11 of the Premises. The Premises shall be used by Tenant for the purpose of operating the Arena,
12 which shall include, without limitation, for sporting and other similar events, conventions,
13 assemblies, trade shows, concerts, plays and similar types of entertainment, social and business
14 functions, restaurants and lounges, broadcast facilities, related concession sales, office and retail
15 purposes, parking and all ancillary uses necessary or convenient in connection with such uses
16 permitted by Laws, such operation to conform to the Arena Guidelines attached to this Lease as
17 **Exhibit I**, and consistent with the Operating Standard. Tenant may use the Premises only for the
18 uses and activities allowed in this Section 2.5 and for no other uses or activities without Landlord's
19 prior written consent. Tenant shall actively book events in the Arena in a commercially reasonable
20 manner. Tenant shall comply with Laws in connection with the exercise of its rights and
21 obligations under Section 17. Vending on the exterior areas of the Premises within 10 feet of an
22 exterior entrance to separately demised retail areas in the Arena shall be limited to the same
23 vending activities as the retail areas in the Arena.

24 2.5.2 Prohibited Uses. The Premises shall not be used for any uses, events,
25 purposes, or retail areas showcasing guns, pornography or "adult" entertainment, or primarily
26 dedicated to the sale of paraphernalia related to tobacco products, marijuana (or marijuana
27 products), or illegal drugs. Tenant shall not use or allow the use of the Premises or any part thereof
28 for any unlawful purpose or in violation of any certificate of occupancy, any certificate of
29 compliance, any other certificate or any Law.

1 2.5.3 Coliseum Coordination. During the time Tenant is also the manager of or
2 the tenant under the Coliseum Agreement, Tenant shall coordinate Arena operations (including the
3 use of equipment) and events with those of the Coliseum as provided in the Coliseum Agreement.

4 2.5.4 Sign Pads. Each of the Sign Pads shall be used only for construction,
5 maintenance and operation of a single pylon with signage, displays and all ancillary uses and
6 applications necessary and convenient in connection with such uses permitted by Laws.

7 2.5.5 Convention Activities; Coordination. Tenant shall cooperate with Travel
8 Portland, successor to Portland-Oregon Visitors Association, or any other entity that performs the
9 scheduling functions for the Oregon Convention Center to schedule convention activities in the
10 Arena.

11 2.5.6 No Waste. Tenant shall not permit waste of the Premises or any act to be
12 done or any condition to exist on the Premises or any part of the Premises which may be hazardous,
13 which may constitute a nuisance, or which may void or make voidable any policy of insurance in
14 force with respect to the Premises.

15 2.6 Hazardous Substances.

16 2.6.1 Tenant represents and warrants that Tenant has not generated, released,
17 stored, or deposited on the Premises or in connection with its rights under Section 17, any
18 Hazardous Substances, except for use and storage of Hazardous Substances necessary for
19 operation of the Arena and in compliance with Laws. Tenant shall not generate, release, store, or
20 deposit on the Premises or in connection with its rights under Section 17, any Hazardous
21 Substances, except that Tenant may use and store Hazardous Substances if necessary for the
22 operation of the Arena. When such use or storage is necessary, Tenant shall not allow any
23 Hazardous Substances to be released into or deposited on the Property, the Improvements or the
24 ground water under the Premises. In all events, usage and storage of such Hazardous Substances
25 shall be in full compliance with Laws. If no such laws exist, Tenant shall handle the Hazardous
26 Substances in a manner reasonably calculated to promote health and safety.

27 2.6.2 Tenant shall indemnify and hold harmless Landlord from and against any
28 and all claims, losses, damages, response costs and expenses of any nature whatsoever arising out
29 of or in any way related to the generation, release, storage, or deposit of Hazardous Substances on
30 the Premises, or in connection with its rights under Section 17 by Tenant at any time, or by any
31 other Person during the Term other than Landlord or any Landlord Related Person including, but

1 not limited to: (a) claims of third parties, including governmental agencies, for damages, response
2 costs, injunctive or other relief; (b) the cost, expense or loss to Landlord of any injunctive relief,
3 including preliminary or temporary injunctive relief, applicable to Landlord or the Premises or in
4 connection with its rights under Section 17; (c) the expense, including fees of attorneys, engineers,
5 paralegals and experts, of reporting the existence of Hazardous Substances to any agency of the
6 State of Oregon or the United States as required by applicable Laws; and (d) any and all expenses
7 or obligations, including attorneys' and paralegal fees, incurred at, before, and after any trial or
8 appeal therefrom or any administrative proceeding or appeal therefrom whether or not taxable as
9 costs, including, without limitation, attorneys' and paralegal fees, witness fees (expert and
10 otherwise), deposition costs, copying and other expenses, all of which shall be paid by Tenant
11 promptly after Landlord incurs the obligation to pay such amounts. The above indemnification
12 shall not apply to Hazardous Substances which either (a) were generated, released, stored or
13 deposited on the Premises prior to the Reference Date unless caused by Tenant or a Tenant-Related
14 Person; or (b) originated off the Premises, unless such generation, release, storage or deposit was
15 caused by Tenant or a Tenant-Related Person, its agents or employees.

16 2.6.3 Promptly upon written notice from Landlord or from any governmental
17 entity, Tenant shall remove from the Premises or otherwise remediate in accordance with
18 applicable Laws, all Hazardous Substances (including without limitation the soil or water table of
19 the Premises), and shall restore the Premises to a clean, safe, good, and serviceable condition,
20 provided Tenant shall not be required to so remove or treat any release of Hazardous Substances
21 which either (a) occurred prior to the Reference Date unless caused by Tenant or a Tenant-Related
22 Person; or (b) originated off the Premises, unless the presence of such Hazardous Substances on
23 the Premises was caused by Tenant or a Tenant-Related Person. Any such removal, treatment or
24 remediation shall be in conformance with all applicable Laws.

25 2.6.4 To the extent permitted by Laws, Landlord shall indemnify and hold
26 harmless Tenant from and against any and all claims, losses, damages, response costs and expenses
27 of any nature whatsoever arising out of or in any way related to the generation, release, storage or
28 deposit of Hazardous Substances on the Premises which (a) occurred prior to Reference Date
29 unless caused by Tenant or any Tenant-Related Person; or (b) originated off the Premises, unless
30 the generation, release, storage or deposit was caused by Tenant, or any Tenant-Related Person.
31 The above indemnification includes, but is not limited to, (a) claims of third parties, including

1 governmental agencies, for damages, response costs, injunctive or other relief; (b) the cost,
2 expense or loss to Tenant of any injunctive relief, including preliminary or temporary injunctive
3 relief, applicable to Landlord or the Premises; (c) the expense, including fees of attorneys,
4 engineers, paralegals and experts, of reporting the existence of hazardous substances or hazardous
5 waste to any agency of the State of Oregon or the United States as required by applicable Laws;
6 and (d) any and all expenses or obligations, including attorneys' and paralegal fees, incurred at,
7 before, and after any trial or appeal therefrom or any administrative proceeding or appeal therefrom
8 whether or not taxable as costs, including, without limitation, attorneys' and paralegal fees, witness
9 fees (expert and otherwise), deposition costs, copying and telephone charges and other expenses,
10 all of which shall be paid by Landlord promptly after Tenant incurs the obligation to pay such
11 amounts.

12 2.6.5 Promptly upon written notice from Tenant or from any governmental entity,
13 Landlord shall remove from the Premises or otherwise remediate in accordance with applicable
14 Laws, all Hazardous Substances (including without limitation the soil or water table of the
15 Premises) for which Landlord is liable under Section 2.6.4, and shall restore the Premises to a
16 clean, safe, good, and serviceable condition. Any such removal, treatment or remediation shall be
17 in conformance with all applicable Laws.

18 2.6.6 Upon (i) notice to Landlord of the release of Hazardous Substances on or
19 about the Property, (ii) notice to Landlord of any violation by Tenant of this Section 2.6, or (iii)
20 Landlord's independent discovery that either Hazardous Substances have been released at the
21 Property or that Tenant has violated this Section 2.6, Landlord shall, at its sole cost and expense
22 and upon seven (7) days' written notice to Tenant, have the right, but not the obligation to, conduct
23 an environmental audit of the Premises and Tenant's compliance with Laws with respect thereto
24 (an "Environmental Audit"). If, as a result of such Environmental Audit, any Laws require
25 reporting to be made to any Governmental Authority or if any Governmental Authority requires
26 additional testing or other action with respect to the Premises, then Tenant shall pay to Landlord
27 the reasonable costs of such Environmental Audit within twenty (20) days after written demand
28 therefor.

29 2.7 Landlord's Reserved Rights. Notwithstanding anything to the contrary in this
30 Lease, Landlord hereby reserves and retains the rights and privileges described in this Section 2.7.

1 2.7.1 Notwithstanding anything in this Lease to the contrary, Landlord reserves
2 the right to grant the owner or operator of any utility lines, pipes, conduits, mains or transmission
3 facilities non-exclusive easements over, across or below the Premises in locations reasonably
4 acceptable to Tenant in order to install, operate, maintain, repair, replace, remove or modify such
5 utility facilities and appurtenances related thereto that Landlord reasonably deems necessary;
6 provided, however, that (a) Tenant shall have the right to use the areas in which such utilities
7 facilities and appurtenances are located for any lawful purpose not inconsistent with the rights
8 reserved by Landlord, (b) the location, route, installation, operation, maintenance, repair,
9 replacement, removal or modification of such utility facilities and appurtenances must not
10 unreasonably interfere with operation and use of the Premises as a whole by Tenant pursuant to
11 the terms of this Agreement, and (c) as reasonably necessary from time to time and with reasonable
12 prior notice to Landlord and the easement holder, Tenant shall have the right, at Tenant's expense,
13 to relocate any such utility facilities and appurtenances to other locations reasonably satisfactory
14 to Tenant, Landlord and the holder of the easement.

15 2.8 Acceptance of Surrender. Landlord shall in no event be considered to have accepted
16 surrender of the Premises unless Landlord has accepted the surrender of the Premises in writing,
17 which acceptance shall be promptly made if Tenant has complied with its surrender obligations
18 hereunder, or in the case of an early termination of this Lease, Landlord has executed a termination
19 agreement for the Premises.

20 **3. RENT; USER FEES**

21 3.1 Initial Term. Tenant covenants and agrees to pay Landlord as Rent during the
22 Initial Term the sum of \$1.00 per Lease Year payable on or before the first day of each Lease Year
23 during the Term. Landlord acknowledges that the Rent of \$1.00 per Lease Year during the Initial
24 Term was prepaid by Tenant to Landlord concurrently with the execution of this Lease and
25 Landlord hereby acknowledges receipt of same.

26 3.1.1 In consideration of Landlord's agreements under this Lease, Tenant shall
27 pay or remit User Fees to Landlord on account of the Arena in strict accordance with the terms of
28 the Development Agreement.

1 3.2 Extension Period.

2 3.2.1 During the Extension Period and Completion Term, if exercised, Tenant
3 shall pay Rent of \$1.00 per Lease Year, plus User Fees as described in the Development
4 Agreement.

5 3.2.2 Tenant shall not be bound to exercise the option to extend the Term until it
6 delivers its written notice to extend pursuant to Section 2.2 above.

7 3.3 Targeted Tax Reimbursement. In the event that the City imposes any Targeted Tax,
8 Tenant shall pay such Targeted Tax. Landlord shall reimburse Tenant for Targeted Tax that is
9 levied by the City in the amount actually paid Tenant within thirty (30) days following written
10 demand from Tenant enclosing proof of payment of such Targeted Tax. If Landlord becomes
11 aware that Metro or its legal successor, the State of Oregon, or any other political subdivision or
12 entity thereof (excluding the City) (collectively, "Governmental Entity") desires or attempts to
13 levy a Targeted Tax that may affect the Arena or the Tenant, the City shall use Reasonable Efforts
14 to discourage the applicable Governmental Entity to levy same. If a Targeted Tax is imposed by
15 a Governmental Entity and (i) the receipts of such Targeted Tax are not intended to be invested in
16 the Project or otherwise benefit Tenant, and (ii) the Landlord receives a portion of such Targeted
17 Tax, then Landlord shall reimburse Tenant for the proportionate amount of such Targeted Tax
18 collected from the Tenant (e.g., if Metro imposes an Targeted Tax and 1% of such Targeted Tax
19 is paid over to the City, Landlord shall reimburse Tenant for 1% of the Targeted Tax paid by
20 Tenant) within thirty (30) days following written demand from Tenant enclosing proof of payment
21 of such Targeted Tax. A legal successor to City is an entity that succeeds to all of City's rights and
22 obligations. The City will also use Reasonable Efforts to persuade any legal successor to the City
23 to allow the Targeted Tax reimbursement as provided herein.

24 3.4 Rent and User Fee Payments. Notwithstanding Section 3.1 or any other provision
25 in the Lease to the contrary, all sums payable by Tenant to Landlord or incurred by Tenant to
26 maintain, repair or replace the Project Site or any portion thereof, including Capital Improvements,
27 shall be deemed to be "Rent" as Tenant shall have incurred or paid such costs in consideration of,
28 and as a condition of, Tenant's occupancy of the Project Site pursuant to the Lease, and Landlord
29 shall have benefited from same. All payments of Rent and any other amounts to be paid or remitted
30 by Tenant to Landlord hereunder shall be made by Tenant to Landlord without notice or demand,
31 deduction or offset at City of Portland Office of Management Finance, 1120 S.W. Fifth Avenue,

1 Suite 1250, Portland, Oregon 97204, or at such other place as Landlord may designate by written
2 notice to Tenant. Except where prepaid in accordance with Section 3.1 or 3.2 above, Rent in the
3 amount of \$1.00 shall be paid in advance on the Commencement Date and thereafter annually on
4 or before October 12th of each Lease Year. Payment or remittance of User Fees, if any, shall be
5 governed by the Development Agreement. Nothing in this Section 3.4 shall alter Tenant's offset
6 rights in Section 3.3 of this Lease.

7 3.5 Net Rent. Rent and other sums to be paid by Tenant shall be payable in lawful
8 money of the United States of America. Rent and all other sums payable by Tenant shall be
9 absolutely net to Landlord, free from all costs, expenses, charges and deductions to Landlord,
10 except as expressly provided in Sections 3.3, 17.11, 17.13, 17.14, 17.15, 17.17 and **Exhibit E** of
11 this Lease.

12 3.6 [Intentionally Omitted].

13 3.7 Sign Pads; Plaza. Rent for the Sign Pads and the Plaza is covered by Section 17
14 and not this Section 3.

15 **4. UTILITIES; ASSESSMENTS; TAXES; LIENS**

16 4.1 Utilities. From and after the Commencement Date. Tenant shall pay or cause to be
17 paid when due, all charges for Utilities provided to or used by Tenant in connection with the
18 Premises. In the event that Utilities provided to the Premises are not separately metered, Tenant,
19 at its sole expense, shall install such separate meters. Landlord shall not be responsible for any
20 injury, loss, or damage caused by or resulting from any interruption or failure of utility services due
21 to any causes whatsoever, nor shall Tenant be entitled to an offset, reduction, or return of any
22 payments made pursuant to this Lease as a result of any interruption or failure of said services.

23 4.2 Impositions. Tenant shall pay when due all Impositions. At all times during the
24 Term, including the Extension Period, if exercised, Landlord will take no action which would have
25 the effect of Landlord or Tenant losing the tax exemption granted by ORS 307.171.

26 4.3 Payment and Contest of Impositions.

27 4.3.1 If by law any Imposition may at the option of the taxpayer be paid in
28 installments, Tenant may exercise that option, and shall pay all such installments (and interest, if
29 any) becoming due during the Term as they become due. At the end of the Term, Tenant shall
30 deposit with Landlord an amount sufficient to pay Tenant's pro rata share of all Impositions for
31 the calendar year in which the Lease terminates. If such amounts have been paid in advance by

1 Tenant, Landlord shall refund to Tenant the portion of such payments applicable to the period after
2 the Lease terminates. However, if Tenant has elected to pay installments on assessments for
3 improvements made in connection with Tenant’s development of the Project, Tenant shall pay the
4 full balance of the assessment at the end of the Term.

5 4.3.2 Tenant will furnish to Landlord, upon request, within 30 days after the date
6 any Imposition is due (unless being contested in conformity with Section 4.3.3), official receipts
7 of the appropriate taxing authority or other proof satisfactory to Landlord evidencing the payment
8 of the Imposition.

9 4.3.3 Tenant at its sole cost and expense may, by appropriate legal proceedings
10 conducted in good faith and with due diligence, contest the amount or validity or application, in
11 whole or in part, of any Imposition or lien therefor, or any other lien, encumbrance or charge
12 against the Premises arising from work done or materials provided to or for Tenant, if: (a) The
13 proceedings suspend the collection of the Imposition from Landlord, Tenant and the Premises as
14 applicable; (b) Tenant shall have furnished security as may be required or permitted in the
15 proceedings and as may be reasonably satisfactory to Landlord; and (c) Tenant shall give Landlord
16 reasonable notice of, information pertaining to, and regular progress reports about the contest.

17 4.4 Indemnification. Tenant shall indemnify, defend and hold harmless Landlord and
18 the Premises from any lien or liability with respect to any Imposition or contest thereof, including
19 all costs and expenses (including reasonable attorneys’ fees) related thereto.

20 4.5 Liens. Tenant shall not permit or suffer any lien or encumbrance against the
21 Premises or in connection with exercise of its rights under Section 17, except for a permitted
22 Leasehold Mortgage, liens for taxes and assessments not yet payable, liens and encumbrances
23 existing on the Effective Date, easements granted in connection with development or
24 redevelopment of the Project or portion thereof, and other liens and encumbrances approved by
25 Landlord. As used in this Section 4.5, “liens” shall include claims under the Little Miller Act
26 found in ORS Chapter 279, as amended from time to time. If any unpermitted lien comes into
27 existence Tenant shall cause the lien to be discharged or bonded within 30 days after Tenant
28 receives notice of the existence of the lien. If Tenant fails to remove the lien as required in this
29 Section 4.5, Landlord may, but shall not be obligated to, after prior written notice to Tenant,
30 discharge the lien in any manner. Tenant shall repay Landlord for any sums advanced to discharge
31 the lien and for Landlord’s reasonable costs and expenses (including attorneys’ fees) in connection

1 with discharging the lien, within 30 days after Landlord requests repayment from Tenant. In
2 addition, Landlord shall have all other rights and remedies against Tenant under this Lease and
3 under Law.

4 **5. CONSTRUCTION OF IMPROVEMENTS; MAINTENANCE**

5 5.1 Acceptance of Premises. As of the Effective Date, Tenant is in possession of the
6 Premises pursuant to the Original Lease and has inspected and will accept the Premises on the
7 Commencement Date in its then AS IS condition, subject to Landlord's warranties and obligations
8 under the Development Agreement, including without limitation Landlord's obligation with regard
9 to environmental remediation.

10 5.2 [Intentionally Omitted.]

11 5.3 Ownership of Improvements and Operating Trade Fixtures. The Improvements
12 constructed by Tenant during the term of the Original Lease (including the Arena) and the
13 Operating Trade Fixtures existing in the Premises on the Commencement Date have been
14 conveyed by Tenant to Landlord concurrently with execution of this Lease by Landlord and
15 Tenant, and subject to Section 10.4.1 and Section 10.4.2, all additions, alterations and
16 improvements thereto or replacements thereof and all appurtenant fixtures and machinery installed
17 therein shall be the property of Landlord. Notwithstanding the foregoing or anything to the
18 contrary specified herein, all Personal Property shall remain the property of Tenant (or any
19 Sublessee that installed them, as Tenant and such Sublessee may agree), except pursuant to Section
20 10.4.5 hereof.

21 5.4 Maintenance, Repair, and Replacement of Improvements. Throughout the Term,
22 the Premises, and any alterations, additions, appurtenant fixtures, machinery and equipment shall
23 be at all times maintained by Tenant at Tenant's sole cost and expense in first class operating
24 condition and in a clean and attractive condition and consistent with the Operating Standard.
25 Tenant may make any ordinary-course maintenance and repairs, alterations, additions or
26 modifications to the Premises as it desires in its sole discretion, provided Tenant shall at all times
27 comply with the covenants set forth in this Lease, including as set forth in Exhibit E, and the
28 CCRs regarding alterations to the Improvements, and all such alterations, additions or
29 modifications will comply with the Arena Guidelines and the Operating Standard. Landlord has
30 no Premises funding or performance obligation other than the City Contribution pursuant to
31 Section 10.9.

1 **6. TENANT FINANCING**

2 6.1 Leasehold Mortgages.

3 6.1.1 Tenant, and its successors and assigns permitted hereunder shall have the
4 right to mortgage and pledge their respective interests in this Lease (“Leasehold Mortgage”) to a
5 lender who is not affiliated with Tenant (“Leasehold Mortgagee”), in accordance with and subject
6 to the terms, conditions, requirements and limitations of this Section 6. Landlord and Tenant
7 expressly intend and agree that the provisions of this Section 6 and such other provisions of this
8 Lease which, by their express terms, are for the benefit of Leasehold Mortgagees, are intended for
9 the benefit of and enforceable by such Leasehold Mortgagees and their respective nominees,
10 designees, successors and permitted assigns. Notwithstanding anything in this Lease to the
11 contrary, all Leasehold Mortgages shall be expressly subordinate and subject to the terms,
12 covenants and conditions of this Lease, and at all times shall be inferior and subject to the prior
13 right, title and interest of Landlord herein. Notwithstanding anything to the contrary set forth in
14 this Lease, in no event shall the fee interest in the Property or the Premises be subordinate or
15 subject to any Leasehold Mortgage.

16 6.1.2 A notice of each Leasehold Mortgage shall be delivered to the Landlord as
17 provided in Section 18.14 of this Lease specifying the name and address of such Leasehold
18 Mortgagee to which notices shall be sent. Landlord shall be furnished a copy of each such recorded
19 Leasehold Mortgage within thirty (30) days of the effective date of any Leasehold Mortgage.

20 6.1.3 If Tenant, or Tenant’s successors or permitted assigns, shall mortgage this
21 Lease, then so long as any such Leasehold Mortgage shall remain unsatisfied of record and Tenant
22 shall have properly delivered notice to Landlord in compliance with Section 18.14 hereof with
23 respect to such Leasehold Mortgagee, the following provisions shall apply:

24 6.1.3.1. Landlord, upon serving upon Tenant any notice of an Event of
25 Default or any other notice under the provisions of this Lease, shall also serve a copy of such notice
26 upon Leasehold Mortgagee, and no notice shall be deemed to have been duly given as to the
27 Leasehold Mortgagee unless and until a copy thereof has been so served upon the Leasehold
28 Mortgagee. Landlord’s furnishing a copy of such notice to Leasehold Mortgagee shall not in any
29 way affect or become a condition precedent to the effectiveness of any notice given or served upon
30 Tenant, provided, that Landlord may not terminate this Lease or exercise any remedies against

1 Tenant without first giving such Leasehold Mortgagee notice and opportunity to cure if and as
2 provided in this Lease.

3 6.1.3.2. Any Leasehold Mortgagee, in case there shall be an Event of
4 Default under this Lease, shall have the right to remedy such Event of Default (or cause the same
5 to be remedied) within thirty (30) days after notice to Leasehold Mortgagee of such Event of
6 Default, provided, however, that if such failure is of such nature that it cannot be corrected within
7 such thirty (30) day period beyond any Tenant notice and cure periods set forth in this Lease, such
8 failure shall not constitute an Event of Default so long as (x) curative action reasonably satisfactory
9 to Landlord is instituted within such period and diligently and continuously pursued to completion
10 thereafter and (y) periodic progress reports thereon are delivered to Landlord, and Landlord shall
11 accept such performance by or at the instance of Leasehold Mortgagee as if the same had been
12 made by Tenant. Any provision of this Lease to the contrary notwithstanding, no performance by
13 or on behalf of a Leasehold Mortgagee shall cause it to become a “mortgagee in possession” or
14 otherwise cause it to be deemed to be in possession of the Premises or bound by or liable under
15 this Lease.

16 6.1.3.3. The Landlord agrees that, in the event of a non-monetary Event
17 of Default which cannot be cured by the Leasehold Mortgagee pursuant to sub-section (b), above,
18 without obtaining possession of the Premises, the Landlord will not terminate this Lease without
19 first giving to the Leasehold Mortgagee reasonable time within which to obtain possession of the
20 Premises, including possession by a receiver, or to institute and complete foreclosure proceedings
21 or otherwise acquire Tenant’s interest under this Lease with diligence and without unreasonable
22 delay. The Landlord agrees that upon acquisition of Tenant’s interest under this Lease by a
23 Leasehold Mortgagee and performance by the Leasehold Mortgagee of all covenants and
24 agreements of Tenant, except those which by their nature cannot be performed or cured by any
25 person other than the then Tenant which has defaulted (“Incurable Lease Defaults”), the
26 Landlord’s right to terminate this Lease shall be waived with respect to the matters which have
27 been cured by the Leasehold Mortgagee and with respect to the Incurable Lease Defaults.

28 6.1.3.4. Notwithstanding anything to the contrary set forth in this Section
29 6.1.3, Leasehold Mortgagee shall have the right, but shall not be obligated, to remedy any Event
30 of Default under this Lease. It shall be a condition precedent to any assignment or transfer of this
31 Lease by foreclosure of any Leasehold Mortgagee, deed-in-lieu thereof or otherwise to any third-

1 party (unrelated to Leasehold Mortgagee or any entity or institution comprising Leasehold
2 Mortgagee) purchaser in any such foreclosure proceedings (any such transferee of the Lease), that
3 upon becoming the legal owner and holder of this Lease shall execute an agreement pursuant to
4 which such lease transferee agrees to assume all obligations of Tenant under this Lease first arising
5 from and after such foreclosure or deed-in-lieu thereof, judicial sale or other transfer and shall be
6 responsible to timely cure any then uncured Event of Default, including, but not limited to Events
7 of Default that arose or accrued prior to the effective date of such transfer.

8 6.1.3.5. In the event of the termination of this Lease prior to the
9 expiration of the Term, whether by summary proceedings to dispossess, service of notice to
10 terminate, or otherwise, due to an Event of Default, Landlord shall serve upon Leasehold
11 Mortgagee written notice that the Lease has been terminated together with a statement of any and
12 all sums which would at that time be due under this Lease but for such termination, and of all other
13 defaults, if any, under this Lease then known to Landlord. Leasehold Mortgagee shall thereupon
14 have the option to obtain a new lease in accordance with and upon the following terms and
15 conditions: Upon the written request of Leasehold Mortgagee, delivered to Landlord within thirty
16 (30) days after service of such notice that the Lease has been terminated to Leasehold Mortgagee,
17 Landlord shall enter into a new lease of the Premises with Leasehold Mortgagee or its designee as
18 follows: Such new lease shall be entered into within thirty (30) days of such Leasehold
19 Mortgagee's written request, or at Landlord's option, as soon thereafter as reasonably practicable,
20 at the sole cost of Leasehold Mortgagee or such designee, shall be effective as of the date of
21 termination of this Lease, and shall be for the remainder of the term of this Lease and at the rent
22 and upon all the terms, covenants and conditions hereof, including any applicable rights of
23 extension. Such new lease shall require the tenant to perform any unfulfilled obligation of Tenant
24 under this Lease which is reasonably susceptible of being performed by such tenant. Upon the
25 execution of such new lease, the new tenant named therein shall pay any and all rent and other
26 sums which would at the time of the execution thereof be due under this Lease but for such
27 termination and shall pay all expenses, including counsel fees, court costs and disbursements
28 incurred by Landlord in connection with such defaults and termination, the recovery of possession
29 of the Premises, and the preparation, execution and delivery of such new lease. Nothing herein
30 contained shall be deemed to impose any obligation on the part of Landlord to deliver physical

1 possession of the Premises to such Leasehold Mortgagee unless Landlord at the time of the
2 execution and delivery of such new lease shall have obtained physical possession thereof.

3 6.1.3.6. If this Lease is (i) rejected by a trustee or debtor-in-possession
4 in any bankruptcy or insolvency proceeding involving Tenant (such proceeding, a “Bankruptcy
5 Proceeding”) or (ii) terminated as a result of any Bankruptcy Proceeding and, if within ninety (90)
6 days after such rejection or termination, the Leasehold Mortgagee or its nominee(s) shall request
7 and certify in writing to Landlord that it intends to perform the obligations of Tenant as and to the
8 extent required hereunder, Landlord and Leasehold Mortgagee, or its nominee(s) shall execute and
9 deliver such new lease which shall be for the balance of the remaining term under the original
10 Lease before giving effect to such rejection or termination and shall contain the same conditions,
11 agreements, terms, provisions and limitations as the original Lease (except for any requirements
12 which have been fulfilled by Landlord or Tenant, as applicable, prior to such rejection or
13 termination). The new lease shall be executed by Landlord and the Leasehold Mortgagee or its
14 nominee(s) within ninety (90) days after the receipt by Landlord of such written notice. The
15 Leasehold Mortgagee or its nominee(s) shall, at the time of the execution and delivery of such new
16 ground lease, pay to Landlord all sums which would have become payable hereunder by Tenant
17 to Landlord between the date that this Lease shall have been effectively terminated to the date of
18 the execution and delivery of such new lease had this Lease not terminated together with all
19 expenses, including counsel fees, court costs, and disbursements (including bankruptcy court
20 counsel fees, costs and disbursements) incurred by Landlord in connection with such termination,
21 the recovery of possession of the Premises, and the preparation, execution and delivery of such
22 new lease. References herein as to this “Lease” shall be deemed also to refer to such new lease.

23 6.1.3.7. Any notice or other communication which Landlord shall desire
24 or is required to give to or serve upon Leasehold Mortgagee shall be in writing and shall be served
25 by either (i) certified mail, or (ii) overnight delivery service, including without limitation, FedEx
26 or UPS, in each case addressed to Leasehold Mortgagee at its address provided to Landlord in the
27 notice provided by such Leasehold Mortgagee to Landlord under Section 6.1.2, as may be amended
28 by additional written notice to Landlord from time to time.

29 6.1.4 The Landlord shall, at the request of the Tenant made from time to time,
30 enter into a lender’s rights agreement with Tenant and any Leasehold Mortgagee identified by the
31 Tenant, which lender’s rights agreement shall be in a form and substance that is reasonably

1 acceptable to the Landlord and consistent with the terms and provisions contained in this Section
2 6. Within twenty (20) days of the Tenant's request for a lender's rights agreement pursuant to the
3 provisions of this Section 6, time being of the essence, the Landlord, Tenant, and Leasehold
4 Mortgagee shall execute and deliver such a lender's rights agreement benefiting the identified
5 Leasehold Mortgagee, which executed lender's rights agreement shall be in a form and substance
6 that are reasonably acceptable to the Landlord and such Leasehold Mortgagee and that is consistent
7 with, and at the option of such Leasehold Mortgagee or Landlord incorporates, the terms and
8 provisions of this Section 6. Tenant agrees to pay for the Landlord's reasonable attorneys' fees
9 expended in connection with any lender's rights agreement.

10 6.1.5 Notwithstanding the foregoing or any other term or provision of this Lease,
11 any right or remedy granted to any Leasehold Mortgagee under this Lease shall apply only to a
12 Leasehold Mortgagee that has provided Landlord with notice of the applicable Leasehold
13 Mortgage as provided in Section 6.1.2 of this Lease.

14 **7. DAMAGE OR DESTRUCTION**

15 7.1 Damage or Destruction. In the event of damage to or destruction of the
16 Improvements and/or the Plaza Improvements, Tenant shall, within 90 days after such damage or
17 destruction, commence efforts to effect the repair and reconstruction of the Improvements and/or
18 the Plaza Improvements to substantially the same condition and form as prior to the damage or
19 destruction. The repair or reconstruction of any damage or destruction (collectively "Restoration")
20 shall be made in compliance with then existing Laws and the Arena Guidelines and consistent with
21 the Operating Standard.

22 7.1.1 The funds derived from insurance paid due to the damage or destruction
23 shall be made available to effect the Restoration of the Improvements and/or the Plaza
24 Improvements.

25 7.1.2 Provided Tenant complies with Laws, the Arena Guidelines, the CCRs, and
26 the Operating Standard, Tenant may make such alterations to the Improvements as Tenant shall
27 reasonably determine prudent under the circumstances, including any changes required to comply
28 with Laws, with then prevailing construction practices or financial or market conditions applicable
29 to the Premises; provided, however, that the restored Premises shall have the functional equivalent
30 to those existing immediately prior to the damage or destruction and be consistent with the
31 Operating Standard.

1 7.1.3 If the available insurance proceeds are not sufficient (as determined by an
2 Insurance Surveyor) to cover the cost of all labor, materials and other construction costs, direct
3 and indirect (including but not limited to overhead charges, contractors' fees, architects' fees,
4 payroll and social security charges and taxes) to complete fully the Restoration with first-class
5 quality of workmanship and materials, Tenant shall be responsible to pay for such shortfall.

6 7.1.4 Tenant shall diligently commence and continuously carry out such
7 Restoration to full completion as soon as possible, except to the extent of delays due to Force
8 Majeure. Tenant shall obtain all permits and authorizations required by Governmental Authorities
9 with respect to any Restoration. All Restoration shall be conducted in accordance with all Laws.
10 All Restoration shall be performed by duly licensed, bonded, and qualified contractors. All
11 construction work shall be carried on in accordance with plans and specifications prepared by a
12 licensed architect approved by Landlord if an architect is reasonably required, given the scope and
13 nature of the work.

14 7.1.5 The funds derived from Landlord's insurance, if any, and Tenant's
15 insurance with respect to the damage or destruction shall be made available by Tenant as the work
16 progresses and is certified as acceptable by the architect. The funds shall be made available by
17 Tenant to pay for work and materials to the extent completed and delivered (calculated on the basis
18 of the percentage of the total work and materials to be completed and delivered, and subject to a
19 retention of no less than five percent (5%)). Tenant shall also supply in form satisfactory to
20 Landlord evidence of application of funds and payment for all labor and material relating to such
21 construction. Nothing in this Section 7.1.5 or the Lease shall obligate the City to obtain insurance
22 coverage for the Improvements.

23 7.2 Prompt Repair. The Restoration shall be affected at Landlord's cost and expense
24 (using any insurance proceeds of Tenant as provided in this Section 7). Tenant shall diligently
25 commence and continuously carry out the construction to full completion as soon as possible,
26 except to the extent of delays due to events of Force Majeure or delays occasioned by Landlord's
27 failure to pay any Restoration costs for which Landlord is liable hereunder.

28 7.3 Damage or Destruction at End of Term. If there occurs any damage or destruction
29 to any Improvement, and the cost of repairing, restoring, replacing or rebuilding the same exceeds
30 fifty percent (50%) of the replacement cost of the then-existing Improvements, then Tenant may
31 elect to terminate this Lease. In the event Tenant so elects, Tenant shall give notice to Landlord

1 of its election within 60 days after the determination by the Insurance Surveyor of the amount of
2 the damage, and the Lease shall terminate as of the date of the notice. In such event, all of the
3 proceeds of any applicable insurance policies shall be distributed to Landlord.

4 7.4 Rent Adjustment. Except as provided in Section 7.3 above, this Lease and the Term
5 shall not terminate because of damage to or destruction of the Improvements, and the obligation
6 to pay Rent shall not be affected. Tenant shall maintain sufficient business interruption insurance
7 to cover Rent, and Impositions and all other sums payable by Tenant hereunder during the
8 reconstruction period to Landlord during the reconstruction period.

9 7.5 Construction Agreement. Landlord may require a separate construction agreement
10 for the Restoration, which agreement would address schedule, coordination and other terms
11 consistent with City and state procurement standards and requirements.**INSURANCE**

12 8.1 Acquisition of Insurance Policies. Tenant shall, at its sole cost and expense,
13 procure and maintain, or cause to be procured and maintained, during the entire Term the insurance
14 described in this Section 8. Policy limits, coverages and deductibles shall be reviewed annually
15 by Landlord and Tenant and shall be adjusted by Landlord and Tenant in their reasonable judgment
16 to reflect inflation, changes in coverage customarily obtained for comparable properties, and other
17 relevant factors. Prior to the Commencement Date, and at least fifteen (15) days before the
18 expiration of any policy, Tenant shall provide Landlord certificates of insurance for all policies
19 required under this Section 8, showing such insurance is in full force and effect, the limits,
20 deductibles, term, termination provisions and, where applicable, copies of endorsements showing
21 Landlord and Landlord Related Persons as additional insureds. Tenant may provide some or all of
22 the insurance required by Section 8 under blanket type policies covering the Project and other
23 property owned by Tenant or an Affiliate of Tenant. In the event of an insured loss, Tenant shall
24 be responsible for paying all deductibles.

25 8.2 Types of Required Insurance.

26 8.2.1 Commercial General Liability Insurance. A commercial general liability
27 insurance policy written on an occurrence basis with limits in an amount not less than \$50,000,000,
28 for all claims arising out of Tenant's use, operation or occupancy of the Project. Such policy shall
29 name the Landlord and Landlord Related Persons as additional insureds and provide coverage for:
30 bodily injury and property damage for premises and operations liability; personal and advertising
31 injury liability; liquor liability for the serving and selling of alcoholic beverages; and terrorism.

1 This insurance may be comprised of primary, umbrella and excess liability policies, which together
2 will provide the requisite coverage limits. Further, this insurance shall provide that it applies
3 separately to each insured against whom a claim is made.

4 8.2.2 Active Assailant Insurance. An active assailant liability insurance policy
5 with limits in an amount not less than \$5,000,000 for all claims arising out of Tenant’s use,
6 operation, or occupancy of the Project. Such insurance shall provide coverage for: additional
7 expenses, response consultant, business interruption, loss of attraction, personal injury, legal
8 liability, and physical damage.

9 8.2.3 Commercial Property Insurance. A commercial property insurance policy
10 covering building and personal property written on a Covered Causes of Loss Form (with
11 standard named peril exclusions) and including coverage for debris removal, decontamination
12 costs, increased costs of construction to satisfy building ordinance requirements in an amount not
13 less than \$150,000,000 insuring the Improvements, Plaza Improvements, Operating Trade
14 Fixtures, and all Personal Property located at the Premises (except for equipment and personal
15 property owned by Sublessees), to be determined no more frequently than every five (5) years
16 during the Term upon Landlord’s request, except that Tenant shall adjust its policy limits to an
17 amount no less than the replacement value of the Improvements, Plaza Improvements, Operating
18 Trade Fixtures, and all Personal Property located at the Premises, no later than January 1, 2025,
19 and without exclusions for sprinkler leakage. “Covered Causes of Loss Form” is defined as
20 property insurance that protects the insured from direct loss arising from any peril or cause, other
21 than those perils or causes specifically excluded under the policy. Earthquake insurance shall be
22 included in an amount not less than \$250,000,000 and be written with a 5% percent deductible
23 maximum, subject to a \$250,000 deductible minimum, (or, if not available on commercially
24 reasonable terms and costs, with the lowest deductible that is available on commercially
25 reasonable terms). Flood insurance shall be included and provide limits in an amount not less
26 than \$100,000,000. The policy shall include business interruption, or lost income insurance,
27 including extra expense and rental income loss in an amount not less than \$5,000,000 as adjusted
28 in accordance with Section 18.2 for the first complete Lease Year after the Commencement Date
29 (a pro rata amount for the first partial Lease Year, if any, after the Commencement Date). Such
30 policy shall name the Landlord and Landlord Related Persons as additional insureds. If the
31 available insurance proceeds pursuant to this Section 8.2.3 are not sufficient (as determined by

1 an Insurance Surveyor) to cover the cost of all labor, materials and other construction costs,
2 direct and indirect (including but not limited to overhead charges, contractors' fees, architects'
3 fees, payroll and social security charges and taxes) to complete fully any Restoration with first-
4 class quality of workmanship and materials, Tenant shall be responsible to pay for such shortfall.

5 8.2.4 Builders' Risk Insurance. During any period of construction or renovation
6 of any Improvements or the Plaza Improvements during the Term, in addition to the other
7 coverages required under this Section 8, standard "all risk" builder's risk insurance (including,
8 without limitation, coverage against collapse), written on a completed value basis, in an amount
9 not less than the projected total cost of construction or renovation of such Improvements as
10 reasonably estimated by Tenant's architect and as approved by Landlord not more than 60 days
11 prior to the commencement of construction or renovation and as thereafter revised by Landlord
12 and Tenant during the course of such construction or renovation. Such policy shall name Landlord
13 and Landlord Related Persons as additional insureds.

14 8.2.5 Workers' compensation and employer's liability insurance covering all
15 Persons employed by Tenant at or in connection with the Premises in amounts not less than those
16 required by applicable law. Tenant shall require all of its contractors and subcontractors and all
17 others providing construction services on the Premises to provide Tenant with evidence that they
18 are maintaining workers' compensation coverage as required by law.

19 8.2.6 Such other and additional insurance, in such amounts as may from time to
20 time be reasonably required by Landlord or by Laws, as is customary with respect to facilities
21 and/or personal property comparable to the Premises and the Personal Property located at the
22 Premises.

23 8.3 Terms of Insurance. The policies required under Section 8.2 shall:

24 8.3.1 be written as primary policies not contributing with and not in excess of
25 coverage that Landlord or Landlord Related Persons may carry;

26 8.3.2 be fully paid for by Tenant; and

27 8.3.3 be issued by an insurer of recognized standing, rated "A-VIII" or better as
28 established by Best's Rating Guide or an equivalent rating issued by such other publication of a
29 similar nature as shall be in current use, and licensed to do business in the State of Oregon.

30 8.4 Master Policy. Any one or more of the insurance policies required under Section
31 8.2 may be obtained, kept and maintained through master policies insuring other entities (such as

1 the general partner(s) of Tenant or Affiliates of Tenant), provided that such master policies and
2 the coverage under the policies comply with all requirements under Section 8.2.

3 8.5 Landlord's Acquisition of Insurance. If Tenant at any time during the Term fails
4 to procure or maintain insurance required hereunder, or to pay the premiums for such insurance,
5 Landlord shall have the right but not the obligation after 30 days' prior written notice to Tenant to
6 procure the insurance and to pay any and all premiums for such insurance. Any amounts paid by
7 Landlord in connection with the acquisition of insurance shall be immediately due and payable as
8 additional Rent, and Tenant shall pay to Landlord upon demand the full amount paid by Landlord,
9 together with interest thereon at the Prime Rate plus two percent (2%) from the date of the
10 expenditure by Landlord until repayment by Tenant.

11 8.6 Insurance Money and Other Funds Paid to Landlord. All insurance money or
12 condemnation proceeds as provided in Section 8 and Section 9 which are paid to Landlord shall
13 be paid over to Tenant and Tenant shall be obligated to apply such proceeds as follows:

14 8.6.1 First, for the purpose of defraying the cost of repairing, restoring, replacing
15 and/or rebuilding any Improvement as provided in Section 7 hereof; and

16 8.6.2 Second, if any funds remain, the funds shall be disposed of as provided in
17 Section 8.7.

18 8.7 Application of Proceeds of Physical Damage Insurance. Upon completion of any
19 Restoration and the full payment by Tenant therefor (so no liens, encumbrances or claims with
20 respect thereto can be asserted against the Premises, this Lease, Landlord or Tenant), any insurance
21 proceeds remaining after such Restoration is paid for and Tenant has been reimbursed for any
22 deductibles paid in connection with such proceeds (the "Net Proceeds"), Tenant shall deposit such
23 Net Proceeds into the Insurance Fund with respect to the damage or destruction involved, and not
24 used, shall be distributed in accordance with Section 8.8.

25 8.8 Distribution of Net Proceeds. In the event Restoration is required, Tenant shall be
26 permitted to withdraw from the Insurance Fund the cost of any such Restoration that is not covered
27 by the insurance proceeds disbursed in connection with such Restoration and the cost of any
28 deductibles in connection therewith. At the termination of this Lease, Net Proceeds, if any, shall
29 be paid to Landlord and Tenant and shall be divided between them according to their respective
30 interests in the Improvements and the Plaza Improvements, provided that any such proceeds or
31 condemnation awards related to Tenant's Operating Trade Fixtures and other movable trade

1 fixtures and Personal Property will be paid solely and directly to Tenant. If Landlord and Tenant
2 cannot agree on the division of Net Proceeds, the matter shall be decided by dispute resolution
3 under Section 14. Notwithstanding the above, if there are Net Proceeds remaining because Tenant
4 failed to restore the Improvements and/or the Plaza Improvements as required under this Lease or
5 because Tenant elected not to restore pursuant to Section 7.3, the proceeds shall be paid to
6 Landlord.

7 8.8.1 In each of the circumstances described in the preceding paragraph of this
8 Section 8.8, the Landlord shall (i) establish and maintain the Insurance Account for the sole
9 purpose of serving as a segregated fund for the Net Proceeds (the “Insurance Fund”) and (ii) hold
10 and disburse the Net Proceeds deposited into the Insurance Fund under this Lease, all in accordance
11 with this Section 8.7 and Section 8.8. All funds in the Insurance Fund shall be held in escrow by
12 an Acceptable Bank for application in accordance with the terms of this Lease. The Net Proceeds
13 shall be invested as directed by Tenant (provided there is no uncured Event of Default) only in
14 Permitted Investments and, and all earnings and interest thereof shall accrue to the Insurance Fund
15 and shall be available as part of the Insurance Fund. Neither the Landlord nor the Tenant shall
16 create, incur, assume, or permit to exist any Liens on the Insurance Fund or any proceeds thereof.

17 8.8.2 [Intentionally Omitted]

18 8.9 Insurance Surveyor. The determination required under Section 7.1.3 and Section
19 8.2.3 shall be made by an Insurance Surveyor, whose decision shall not be subject to dispute
20 resolution pursuant to Section 14. If the parties cannot agree on the Insurance Surveyor for
21 purposes of Section 7.1.3, within 30 days after the date of such damage or destruction, then one
22 shall be appointed by the Presiding Judge of the Circuit Court of Multnomah County, Oregon upon
23 the application of either party.

24 8.10 Unavailability; Reassessment.

25 8.10.1 If insurance coverage for a risk as required under this Lease shall not be
26 obtainable, Tenant shall so notify Landlord. The requirement that such coverage be in effect shall
27 be suspended during such time as such coverage shall not be obtainable. However, substitute
28 policies or endorsements with comparable coverage shall be obtained if reasonably possible as
29 follows: during any period of time that (i) seventy-five percent (75%) or more of arena facilities
30 in the United States which have historically carried the coverage in question have discontinued,
31 due to coverage being unobtainable or obtainable only at excessively high costs, any insurance

1 coverage required to be carried by Tenant in this Section 8, and (ii) there is no such coverage
2 available through a pool arrangement, Tenant’s obligation to carry such coverage in the amounts
3 required in this Section 8 shall be suspended for as long as the above criteria are met, provided
4 Tenant complies with the following procedure:

5 8.10.1.1. Prior to suspending the coverage, Tenant shall give Landlord
6 90 days’ written notice of its intention to discontinue carrying the coverage. The notice shall
7 specify the premium quoted to Tenant for the coverage and evidence that seventy-five percent
8 (75%) or more of arena facilities in the United States have discontinued such coverage and have
9 not substituted for the coverage risk pooling alternatives that are available to such facilities; and

10 8.10.1.2. At least 30 days prior to suspending the coverage, Tenant
11 shall demonstrate to Landlord that no reasonable insurance pools are available to replace the
12 coverage and, if sufficiently demonstrated, Tenant shall obtain insurance or other financial
13 assurance reasonably acceptable to Landlord to replace the discontinued coverage and shall give
14 Landlord an opportunity to review the extent and terms of alternate insurance or assurance, in an
15 amount sufficient to cover:

- 16 (i) [Intentionally Omitted]; and
- 17 (ii) the amount necessary to demolish the Improvements,
18 remove the debris and restore the Property and the Sign Pads to a level building site with
19 underground utilities in place, ready for future development. Any dispute regarding this Section
20 8.10 shall be subject to dispute resolution pursuant to Section 14. The dispute resolution process
21 shall be completed and resolved in Tenant’s favor before Tenant suspends the coverage. At any
22 time that the criteria for suspension are no longer met, Tenant’s obligation to carry the suspended
23 insurance coverage shall be reinstated.

24 **9. CONDEMNATION**

25 9.1 Total Taking. In the event of the taking or condemnation by any competent
26 authority for any public use or purpose (a “Taking”) of the whole of the Premises at any time
27 during the Term:

28 9.1.1 The Term shall end as of the date of possession by the condemner, and all
29 rent and other payments shall be apportioned as of the date of possession.

30 9.1.2 Landlord and Tenant shall share any award (including interest from the date
31 of the Taking to the date of payment) according to their respective interests in the Premises

1 (including Tenant's interest in Tenant's personal property and trade fixtures located therein) except
2 that the award for attorneys' fees and other costs shall be shared by the parties in proportion to the
3 attorneys' fees of both outside and inside counsel paid by each party on account of the
4 condemnation proceedings. The values of the Landlord's and Tenant's respective interests in the
5 Premises shall be established by the same court of law or other trier of fact that establishes the
6 amount of the condemnation award, but if there is no court of law available or willing to determine
7 Landlord's and Tenant's respective interests, those interests shall be determined by agreement of
8 Landlord and Tenant, or, if they cannot agree, then by dispute resolution pursuant to Section 14.

9 9.2 Substantial Taking. As used in this Section 9, a Substantial Taking means a Taking
10 of materially all of the Premises where the remaining part of the Premises not so taken cannot be
11 adequately restored, repaired or reconstructed as an Arena. In the event of a Substantial Taking,
12 and the part of the Premises that remains includes a part of the Improvements, then the
13 condemnation shall be treated as a Total Taking under Section 9.1, and the award shall be
14 distributed in accordance with Section 9.1.2.

15 9.3 Partial Taking. In the event of a Taking of less than materially all of the Premises
16 (a "Partial Taking");

17 9.3.1 The Term (except as hereinafter provided) shall nevertheless continue, but
18 Rent shall thereafter be reduced by the same proportion that the fair market rental value of the
19 Property was reduced due to the Partial Taking. If the parties cannot agree upon a just proportion
20 of Rent to be abated, the amount shall be determined by dispute resolution pursuant to Section 14.
21 There shall be no abatement of Rent if (a) no portion of the Property is taken in any such taking or
22 condemnation, or (b) a portion of the Property is taken but the income-generating capacity of the
23 Improvements is not affected.

24 9.3.2 The award from a Partial Taking shall be distributed first to Tenant for the
25 restoration and repair of the Improvements as provided in Section 9.3.3, then to Landlord in an
26 amount equal to the fair market value of the Property taken (subject to the Lease) and any
27 remainder to Landlord and Tenant proportioned until each has received an amount equal to its
28 proportional interest in the Premises as provided in Section 9.1.2.

29 9.3.3 If the Lease is not terminated, then, as to the Premises not taken in the
30 condemnation proceeding, Tenant shall proceed diligently to make an adequate restoration, repair
31 or reconstruction of the part of the Premises not taken. Tenant shall restore, repair or reconstruct

1 the Premises, to the extent practicable, to a functional unit of substantially the same usefulness,
2 design, construction, quality, and to a condition having the same income-generating capability of
3 the Premises prior to the Taking and consistent with the Operating Standard. In connection with
4 such restoration, repair, and reconstruction, Tenant shall comply with the provisions of Section 7
5 regarding Restoration as if occurring after an event of damage or destruction.

6 9.4 Degree of Taking. If the parties cannot agree on whether the Taking is a Partial
7 Taking or a Substantial Taking, the degree of the Taking shall be determined by dispute resolution
8 pursuant to Section 14.

9 9.5 Successive Takings. In case of any additional Partial Taking or Takings from time
10 to time, the provisions of Section 9.3 shall apply to each Partial Taking.

11 9.6 Temporary Taking. If the whole or any part of the Premises or of Tenant's interest
12 under this Lease be taken or condemned by any competent authority for its temporary use or
13 occupancy ("Temporary Taking"), Tenant shall continue to pay the full amounts of Rent, and all
14 Impositions and other sums payable by Tenant hereunder. Tenant shall maintain sufficient
15 business interruption insurance to cover Rent and Impositions and other sums payable by Tenant
16 to Landlord hereunder during the period of Temporary Taking. This Lease shall continue and,
17 except only to the extent that Tenant may be prevented from so doing pursuant to the terms of the
18 order of the condemning authority, Tenant shall perform and observe all of the other terms,
19 covenants, conditions and obligations hereof upon the part of Tenant to be performed and
20 observed, as though the Taking had not occurred. In the event of any Temporary Taking, Tenant
21 shall be entitled to receive the entire amount of any award made for the Taking, whether paid by
22 way of damages or otherwise, unless the period of temporary use or occupancy shall extend to or
23 beyond the expiration date of the Term of this Lease, in which case the award shall be apportioned
24 between Landlord and the Tenant as of the date of expiration of the Term.

25 9.6.1 Tenant shall not have the right to seek to secure or to receive compensation
26 for any economic impact on the Arena due to the performance of street improvements, I-5 freeway
27 improvements, or light rail improvements, provided the Temporary Taking resulting from the work
28 on such improvements does not last for more than two continuous years. Notwithstanding the
29 foregoing, during the course of any such improvements, Landlord shall use Reasonable Efforts to
30 minimize interference with Tenant's use of the Premises and to provide alternative access to the
31 Premises as required by Tenant and, in furtherance thereof, to cooperate with any other

1 governmental or inter-governmental entity or agency responsible in whole or in part for such
2 improvements.

3 9.7 [Intentionally Omitted].

4 9.8 Sign Pads. In the event of a Taking by any competent authority of any of the Sign
5 Pads, this Lease shall be amended to delete the legal description of the Sign Pad so taken, and to
6 substitute the legal description of a location on the Project Site reasonably suitable for a
7 replacement Sign Pad. Tenant shall bear the cost of moving or otherwise relocating the pylon to
8 the relocated Sign Pad. Tenant shall have no claim against Landlord, or (only if the Taking is for
9 transportation rights of way for rail or road purposes) against any condemning authority, for
10 damages on account of a Taking. The substitute Sign Pad shall be of similar size as the Sign Pad
11 that was taken by the condemning authority, and shall be in any location that is reasonably
12 acceptable to Landlord and Tenant and does not impair the function of other Improvements on the
13 Project Site and affords similar visibility to the extent reasonably practicable.

14 **10. TENANT COVENANTS; OBLIGATIONS; RIGHTS; MANAGEMENT;**
15 **REPRESENTATIONS AND WARRANTIES**

16 10.1 Compliance by Tenant. Tenant shall at all times during the Term, at Tenant's sole
17 cost and expense, perform and comply with all Laws pertaining to the Premises, the business of
18 Tenant conducted with respect thereto, and exercise of Tenant's rights and obligations under
19 Section 17. All Subleases shall require Sublessees to perform and comply with all Laws pertaining
20 to the Premises and the business of the Sublessee conducted with respect thereto. Tenant shall be
21 responsible for enforcing compliance with this Section 10.1 by Sublessees.

22 10.2 Operations; Maintenance. Tenant shall at all times during the Term operate and
23 maintain the Premises as a first-class improvement in accordance with the then prevailing
24 standards for similar properties of equivalent age, in good operating order and condition and
25 consistent with the Operating Standard. Without limiting the generality of the foregoing, Tenant
26 shall be responsible to maintain subsurface support for the Premises and to maintain in good
27 condition the membrane above the Subsurface Property. Notwithstanding anything set forth herein
28 to the contrary, at all times during the Term (as the same may be extended and not inclusive of any
29 Completion Term) Landlord agrees not to raise, assert, pursue, or otherwise enforce in any manner
30 the "first-class" obligations of Tenant hereunder. In furtherance thereof, Tenant acknowledges
31 that it remains subject to the "first-class" obligations which is and remains a continuing obligation,

1 and Landlord and Tenant agree that all applicable time periods under all federal and state statutes
2 of limitation, statutes of repose, laches or arguments of estoppel based on the passage of time, as
3 may be provided by any statute or regulation or principle of common law or otherwise, and any
4 defense of Tenant based in whole or in part upon the passage of time that is or may be applicable
5 to the “first-class” standard and obligations for the Premises, whether known or unknown and
6 whether in contract, tort or otherwise, are tolled for the duration of the Term, as may be extended,
7 and the period during which this Lease is in effect shall be excluded from computing the relevant
8 time period for a defense based on any of the above. The Parties further agree that the “first-class”
9 standard and obligations of Tenant shall be fully applicable upon termination of this Lease and
10 that nothing in this section shall be construed to limit such applicability.

11 10.3 Control and Indemnification. Except as otherwise provided in this Lease or in the
12 Development Agreement, during the Term Tenant shall have exclusive control and possession of
13 the Premises and Landlord shall have no liabilities, obligations or responsibilities whatsoever with
14 respect thereto. Except in connection with an Event of Default which has occurred and is
15 continuing, Landlord will not take any action, by sale or other transfer of the Premises or any
16 portion thereof, or by contract or other agreement, which would materially interfere with Tenant’s
17 rights to the Premises under this Agreement.

18 10.3.1 Tenant shall defend, indemnify and hold harmless Landlord and Landlord
19 Related Persons from and against any and all liabilities, losses, obligations, penalties, fines,
20 damages, claims, suits, costs, remediation costs, and expenses including, without limitation,
21 reasonable attorneys’ fees (collectively, “Damages”) which may be imposed upon, incurred by, or
22 asserted against Landlord or any of Landlord Related Persons on account of the Premises or
23 Tenant’s rights and obligations under Section 17 and arising from any of the following:

24 10.3.1.1. Any conduct, act, or omission of Tenant or Tenant’s
25 directors, officers, partners, employees, agents, contractors, subcontractors, licensees, or invitees
26 occurring during the Term.

27 10.3.1.2. Any accident, injury, death, or damage caused to any Person
28 or to the property of any Person from whatever cause occurring during the Term on or about the
29 Premises, or related to Tenant’s rights and obligations under Section 17.

30 10.3.1.3. Any use, non-use, possession, occupation, operation,
31 scheduling, advertising, marketing, promotion, maintenance, repair, licensing, provision of

1 concessions, Restoration, or management of or at all or any part of the Premises or related to
2 Tenant's rights and obligations under Section 17.

3 10.3.1.4. Any uncured default of any obligation of Tenant under this
4 Lease or under any other agreement affecting any part of the Premises or related to Tenant's rights
5 and obligations under Section 17.

6 10.3.1.5. Construction of any Improvements of or at the Premises, or
7 related to Tenant's rights and obligations under Section 17.

8 Notwithstanding the foregoing, the above indemnification shall apply to Landlord only in
9 its capacity as landlord under this Lease. Tenant shall not indemnify Landlord for (a) any acts or
10 omissions of Landlord performed in its capacity as a Sublessee in the Premises or as a municipality,
11 including without limitation its governmental, legislative, judicial, regulatory or administrative
12 capacity; (b) any items which Landlord is required to indemnify Tenant against, including without
13 limitation indemnities of Landlord contained in this Lease or the Development Agreement; or (c)
14 any liability arising from the presence of Hazardous Substances, except as expressly provided in
15 Section 2.6 above.

16 10.3.2 Subject to the Oregon Constitution and the limits of the Oregon Tort Claims
17 Act, Landlord shall defend, indemnify and hold harmless Tenant and the Tenant-Related Persons
18 from and against any and all Damages which may be imposed upon, incurred by, or asserted
19 against Tenant or any of the Tenant-Related Persons arising from any of the following:

20 10.3.2.1. Any conduct, act, or omission of Landlord or any Landlord
21 Related Person occurring on the Premises during the Term.

22 10.3.2.2. Any uncured default of any obligation of Landlord under this
23 Lease or under any other agreement to which Landlord is a party affecting any part of the Premises.

24 10.3.2.3. Notwithstanding the foregoing, the above indemnification
25 shall apply to Landlord only in its capacity as landlord under this Lease. Landlord shall not
26 indemnify Tenant for (a) any items which Tenant is required to indemnify Landlord against,
27 including without limitation indemnities of Landlord contained in this Lease or the Development
28 Agreement; or (b) any liability arising from the presence of Hazardous Substances, except as
29 expressly provided in Section 2.6 above.

30 10.3.3 The obligations of Tenant and Landlord under this Section 10.3 shall not in
31 any way be affected or limited by the absence in any case of insurance coverage or by the failure

1 or refusal of any insurance carrier to perform any obligation on its part to be performed under
2 insurance policies affecting the Premises, except Tenant may exhaust its insurance claims prior to
3 any obligation to indemnify Landlord.

4 10.3.4 If any claim, action, or proceeding is made or brought against (i) Landlord
5 or any of Landlord Related Persons by reason of any event or condition described in Section 10.3.1,
6 for which Tenant is indemnifying Landlord then, upon demand by Landlord or the affected
7 Landlord Related Person(s), Tenant, at Tenant's cost and expense, shall resist and defend such
8 claim, action, or proceeding in the name of Landlord or such Landlord Related Person(s) by the
9 attorneys for Tenant's insurance carrier (if such claim, action, or proceeding is covered by
10 insurance), or by such attorneys as Tenant shall select subject to the reasonable approval of
11 Landlord, or (ii) Tenant or any of the Tenant-Related Persons by reason of any event or condition
12 described in Section 10.3.2, for which Landlord is indemnifying Tenant then, upon demand by
13 Tenant or the affected Tenant-Related Person(s), Landlord, at Landlord's cost and expense, shall
14 resist and defend such claim, action, or proceeding in the name of Tenant or such Tenant-Related
15 Person(s) by the attorneys for Landlord's insurance carrier (if such claim, action, or proceeding is
16 covered by insurance), or by such attorneys as Landlord shall select subject to the reasonable
17 approval of Tenant, provided in either case that the indemnified party tenders defense of any claim
18 made against it which is subject to the indemnifying party's indemnity to the indemnifying party
19 in sufficient time to avoid prejudice to the indemnifying party for handling by counsel of the
20 indemnifying party's selection and reasonably acceptable to the indemnified party.
21 Notwithstanding the foregoing, after notice to the indemnifying party, the indemnified party
22 (including any Landlord Related Person(s), if Landlord is indemnified, or any Tenant-Related
23 Person(s), if Tenant is indemnified) shall have the right to appear, defend, or otherwise take part
24 in such claim, action, or proceeding, at the election of Landlord or such Landlord Related
25 Person(s), if Landlord is indemnified, or the election of Tenant or such Tenant-Related Person(s),
26 if Tenant is indemnified, as applicable, by counsel of the indemnified party's own choosing, at
27 such indemnified party's own expense.

28 10.3.5 The obligations of Tenant set forth in Section 10.3.1 shall not be diminished,
29 altered, or affected by the approval (prior to or after the fact), whether explicit or implied by
30 Landlord, either exercising Landlord's rights under this Lease or in the exercise of its regulatory
31 authority, of any plan, action, or activity for which Tenant obtained Landlord's approval either as

1 required by this Lease or as required by any ordinance of Landlord, even if such plan, action, or
2 activity approved by Landlord has a factual basis, in whole or in part, for a claim for which
3 Landlord is entitled to indemnification pursuant to Section 10.3.1.

4 10.4 Surrender Upon Termination. Tenant shall surrender to Landlord the Premises at
5 the end of the Term, or such earlier termination of this Lease, which shall include the Operating
6 Trade Fixtures (or permitted substitutions thereof) which are not Personal Property and fixtures
7 which are necessary to operate the Plaza and a first class Arena of its then age and condition for
8 all its purposes including holding basketball games, hockey games, and other Plaza and Arena
9 events, including, without limitation, repairing any damage caused by the removal of any
10 Operating Trade Fixtures or Personal Property consistent with the below and consistent with the
11 Operating Standard. Upon expiration or earlier termination of this Lease, Tenant shall remove all
12 Personal Property and shall surrender to Landlord the Premises and any plans and specifications,
13 surveys, keys, operating manuals, operational information relating thereto, and contracts, licenses,
14 leases or other third-party agreements, and service contracts in Tenant's possession or control that
15 survive beyond the expiration or earlier termination of this Lease and are to be assigned to
16 Landlord in accordance therewith.

17 10.4.1 At the end of the Term, Tenant may remove any of the Operating Trade
18 Fixtures then in use that are Personal Property, provided Tenant leaves in the Arena, and Tenant
19 properly installs in good working order, a substitute high quality new or used Operating Trade
20 Fixture that meets all applicable standards of professional sports teams that use the Arena as their
21 home playing site and allows the Arena to be operated consistent with the Operating Standard.
22 However, in lieu of accepting a substitute Operating Trade Fixture Landlord shall have the option
23 of purchasing from Tenant any Operating Trade Fixture that Tenant intended to remove in
24 accordance with this Section 10.4.1. Tenant shall give Landlord notice of its intent to install a
25 substitute Operating Trade Fixture at least one year prior to the end of the Term. The notice shall
26 include a description of the item, a description of the substitute item, the cost and useful life of the
27 substitute item and the estimated fair market value of the item being removed. Landlord shall have
28 one month to elect to purchase the Operating Trade Fixture Tenant intends to remove, and failure
29 to make such election within such one-month period shall be deemed a waiver of Landlord's right
30 to purchase such Operating Trade Fixtures. The purchase shall be governed by Section 10.4.2.
31 Notwithstanding the foregoing, any Operating Trade Fixtures that are not Personal Property shall

1 be automatically the property of Landlord, and Landlord shall not be required to pay Tenant any
2 additional sum for such Operating Trade Fixtures, which shall be surrendered to Landlord with the
3 Premises.

4 10.4.2 If Tenant determines that it may be prudent to acquire new Operating Trade
5 Fixtures during the Term, Tenant may propose to Landlord that Landlord consider electing
6 immediately to purchase the new Operating Trade Fixture from Tenant at the end of the Term.
7 Tenant shall give Landlord notice of the contemplated purchase, including a description of the
8 item, the cost, and the estimated fair market value at the end of the Term. Landlord shall have one
9 month after receipt of the notice to determine whether it will elect to purchase the item at the end
10 of the Term. If Landlord elects to purchase the item, Landlord's election shall be irrevocable, and
11 Landlord shall purchase the item at the end of the Term. Landlord's decision not to elect at that
12 time to purchase the item at the end of the Term shall not preclude Landlord from electing to
13 purchase the item if Tenant elects to remove it and install a substitute item pursuant to Section
14 10.4.1. The estimate of fair market value given to Landlord pursuant to this Section 10.4.2 shall
15 not be binding on the parties at the time Landlord purchases the item from Tenant. If Landlord
16 elects to purchase any Operating Trade Fixtures in accordance with Section 10.4.1 and Section
17 10.4.2, Landlord shall populate and update, as necessary, **Exhibit F** to list such Operating Trade
18 Fixtures and provide a copy of same to Tenant, which Exhibit shall be deemed appended to this
19 Lease provided same is factually accurate. Notwithstanding the foregoing, any Operating Trade
20 Fixtures that are not Personal Property shall be automatically the property of Landlord, and
21 Landlord shall not be required to pay Tenant any additional sum for such Operating Trade Fixtures,
22 which shall be surrendered to Landlord with the Premises.

23 10.4.3 [Intentionally Omitted]

24 10.4.4 Tenant shall not remove, without replacing and properly installing with
25 similar high quality items in good working order and condition that meet any applicable standards
26 of professional sports teams that use the Arena as their home playing site, including, without
27 limitation, the Operating Standard, any appurtenant fixtures, machinery, equipment, or Operating
28 Trade Fixtures or any additions to or replacements thereof made during the Term, it being the
29 intent of the parties that upon expiration or earlier termination of this Lease, Landlord shall receive
30 an operating facility in the condition required by this Lease.

1 10.4.5 Any Personal Property in the Arena not removed by Tenant or purchased
2 by Landlord within 45 days after the end of the Term shall be considered abandoned and Landlord
3 may dispose of such property in accordance with the law governing abandoned property in effect
4 at the time of abandonment. Tenant shall pay, on demand by Landlord, the costs incurred by
5 Landlord (if any) to store and/or to dispose of such abandoned Personal Property.

6 10.5 [Intentionally Omitted]

7 10.6 Naming Rights. The Development Agreement permits Tenant to name the Arena
8 or to sell or grant a license for naming rights for the Arena to a third party, subject to certain
9 conditions. At Landlord's election, the naming rights of Tenant or of any third party shall terminate
10 at the expiration of the Term or any earlier termination of this Lease.

11 10.7 Inspection of Premises. Landlord and Landlord's agents, employees, and
12 representatives shall be entitled, from time to time, at reasonable times and upon at least twenty-
13 four (24) hours' advance written notice to Tenant, to go upon and into the Premises for the purpose
14 of inspecting them, posting notices of non-responsibility, and confirming compliance by Tenant
15 with this Lease. Landlord shall assume no duty or liability with respect to the Premises or their
16 maintenance as a result of such inspection. During the last six months of the Term or after an
17 Event of Default, Tenant shall permit inspection of the Premises at reasonable times and for
18 reasonable periods by or on behalf of prospective tenants and prospective purchasers. Landlord
19 may post notices of nonresponsibility on the Premises. Notwithstanding the above, Landlord shall
20 have the right at any time of access, for itself and its representatives, to the Premises and any
21 portion thereof in connection with an emergency that threatens life or property to perform any
22 activities reasonably necessary to safeguard lives, public health, safety, or the environment, so
23 long as Landlord uses reasonable efforts to (i) notify Tenant by telephone of any such emergency
24 prior to entering the Premises or, if said prior notice is not reasonably practical, as soon as
25 reasonably practical thereafter, (ii) minimize interference with Tenant's use and operation of the
26 Premises then being conducted in the Premises pursuant to the terms of this Lease, and (iii) limits
27 its activities to those reasonably necessary to safeguard lives, public health, safety, and the
28 environment.

29 10.8 Authority. Tenant has the authority to enter into this Lease, and its execution and
30 delivery by Tenant has been duly authorized.

1 10.9 Capital Improvements. Prior to execution of this Lease, Tenant has prepared and
2 submitted to Landlord a summary of all projected major Capital Improvements (collectively, the
3 “Capital Improvements Work”) for the Arena and the other Improvements (excluding the Plaza
4 and Plaza Improvements) and a proposed schedule for performance of the Capital Improvements
5 Work over the Initial Term (the “Capital Expenditures Plan”). If Tenant exercises the Extension
6 Period and intends to perform any Capital Improvements Work during the Extension Period, then
7 Tenant shall submit another Capital Expenditures Plan no later than six (6) months before the first
8 day of the Extension Period. Any Capital Expenditures Plan shall be reviewed, approved, and
9 implemented in accordance with the “Capital Expenditures Approval Procedures” set forth in the
10 attached **Exhibit E**. Beginning with the fiscal year running from July 1, 2025, through June 30,
11 2026, and for each subsequent fiscal year of the Term (as the same may be extended for the
12 Extension Period), the City will make available to Tenant: (i) User Fees, and (ii) net revenues
13 generated from the Public Parking Garages; (i) and (ii) being limited to funds that are both: (x)
14 generated by Trail Blazers Inc. home games, and (y) that are actually paid to the City (the “City
15 Contribution”), for the sole purpose of repaying a portion of Tenant expenditures on Capital
16 Improvements Work approved pursuant to the Capital Expenditures Approval Procedures,
17 consistent with the terms of this Section 10.9 (such approved Capital Improvements Work, the
18 “Approved Capital Improvements Work”). Each fiscal year during the Term (as the same may be
19 extended and not inclusive of any Completion Term), the City Contribution will be no more than
20 fifty percent (50%) of the actual expenditures paid by Tenant for the Approved Capital
21 Improvements Work, provided that so long as Tenant or its successor remains operator of the
22 Arena, any portion of the City Contribution not used in any prior fiscal year shall continue to be
23 available for Approved Capital Improvements Work initiated during the Initial Term until the date
24 two (2) years after the end of the Term (as the same may be extended and inclusive of any
25 Completion Term). Landlord and Tenant agree that the City Contribution will be made no more
26 frequently than quarterly, in a timely manner following delivery to the City of documentation of
27 Tenant’s expenditures on Approved Capital Improvements Work. City’s obligations pursuant to
28 this Section 10.9 shall be assumed by any assignee or transferee pursuant to any assignment or
29 other transfer of City’s rights as Landlord hereunder.

30 10.9.1 If the Arena ceases to be the NBA home of the Portland Trail Blazers or its
31 successor NBA franchise team, Tenant shall repay the City Contribution paid to Tenant during the

1 Term, upon demand from the City, which demand will be made, if at all, within twelve (12) months
2 after the Arena ceases to be the NBA home of the Portland Trail Blazers or any other NBA
3 franchise team. The obligations of this Section 10.9.1 shall be applicable to all successors and
4 assigns of Tenant and shall survive for a period of two (2) years following the date the Arena
5 ceases to be the NBA home of the Portland Trail Blazers or its successor NBA franchise team,
6 regardless of the date of the termination of the Lease.

7 10.9.2 The provisions of this Section 10.9 shall not prohibit Tenant from
8 conducting Improvements or Capital Improvements other than Approved Capital Improvements
9 Work; provided, however, that the City shall have no obligation to pay for any portion of the cost
10 or to provide the City Contribution for Improvements or Capital Improvements other than the
11 Approved Capital Improvements Work and Tenant shall be solely responsible for the cost of any
12 such Improvements and Capital Improvements.

13 10.9.3 In making all improvements, Major Repairs and Capital Improvements
14 Work, including Approved Capital Improvements Work, Tenant, its agents, contractors, and
15 sublessees shall comply with ORS Chapters 279A, 279B, and 279C, as applicable, or obtain an
16 exemption in accordance with those Chapters. Tenant shall be solely responsible for determining
17 if the improvements, Major Repairs and Capital Improvements, including Approved Capital
18 Improvements Work is subject to the Prevailing Wage Rate laws or the Public Contracting Code
19 found at ORS chapters 279A, 279B, and 279C, and Tenant will indemnify and, at Landlord's
20 request, defend and hold harmless Landlord, and its successors and assigns, from and against all
21 claims, losses, damages, response costs and expenses of any nature whatsoever arising out of or in
22 any way related to a determination that the improvements, Major Repairs and Capital
23 Improvements, including Approved Capital Improvements Work is subject to the Prevailing Wage
24 Rate laws or the Public Contracting Code.

25 10.10 Certain Subleases Extending Beyond Term of the Lease. All non-event Subleases
26 that extend beyond the Term (as the same may be extended and inclusive of any Completion Term)
27 shall either: (i) include a clause permitting City to terminate the Sublease upon expiration of this
28 Lease, including at the end of any Completion Term, or (ii) shall be subject to the prior written
29 consent of Landlord after review of such draft Sublease, such consent subject to Landlord's
30 reasonable discretion. Tenant agrees, when possible, to use its applicable standard form of
31 agreement for any operational or event Subleases related to the Arena which Tenant enters into

1 following the Effective Date of this Lease. In addition, following the Effective Date, Tenant shall
2 include in its standard form of food vendor agreement a clause permitting the licensor thereunder
3 to terminate such agreement. Tenant shall provide to Landlord promptly following the Effective
4 Date its standard form of event agreement, food vendor agreement, and any other form of
5 agreement that Landlord reasonably requests.

6 10.11 Security. During the Term, Tenant shall provide, at its sole cost and expense,
7 security and security personnel at, and outside of, the Premises necessary to satisfy the Operating
8 Standard. Tenant acknowledges and agrees that Landlord does not agree to provide any security
9 services or measures at or for the Premises and does not make, and Tenant hereby waives, any
10 guaranty or warranty, expressed or implied, with respect to any security at the Premises. Neither
11 Landlord nor any of its related parties shall be liable to Tenant in any event for, and Tenant hereby
12 releases Landlord and its related parties from any responsibility for, losses due to personal injury
13 or death or property damage on the Premises, including any damage or injury resulting from a
14 criminal or terrorist attack on or off the Premises, excepting therefrom (subject without limitation
15 to Section 18.19) losses to the extent directly caused by Landlord's breach of this Agreement,
16 gross negligence, or willful misconduct.

17 10.12 Management. Tenant shall do all things and take all actions necessary for the
18 operation of the Project in accordance with this Lease. In performing its duties and responsibilities
19 hereunder, Tenant shall maintain, operate, and manage the Project consistent with the Operating
20 Standard. Without limiting the generality of the foregoing, Tenant shall:

21 10.12.1 Negotiate final payments and/or final settlements without additional
22 cost to Landlord with all parties involved in the operation of the Project. Tenant shall commence,
23 defend and settle without additional cost to the Landlord such legal actions and proceedings
24 concerning the operation of the Project as are necessary or required in the opinion of Tenant and
25 retain counsel in connection therewith; provided, however, that Tenant shall not enter into any
26 settlement agreement in connection with a suit related to the Property that names Landlord as a
27 defendant without the prior approval of Landlord, which approval may be withheld in Landlord's
28 reasonable discretion;

29 10.12.2 purchase and maintain all materials, tools, machinery, equipment, spare
30 parts and supplies necessary for the operation of the Project;

1 10.12.3 prepare and/or coordinate, and administer a preventative maintenance
2 program sufficient to maintain the Project, its machinery and equipment, in accordance with the
3 Operating Standard;

4 10.12.4 maintain or cause to be maintained all necessary licenses, permits and
5 authorizations for the operation of the Project;

6 10.12.5 use its reasonable efforts to investigate and make a full and timely
7 written report to the insurance carriers as to any accident at the Project and prepare and file any
8 and all reports required by any insurance carriers in connection therewith and provide copies
9 thereof upon request by Landlord;

10 10.12.6 maintain at its regular business office separate, true and complete books,
11 records, accounts, journals and files regarding the management and operation of the Project;

12 10.12.7 take such action as may be necessary to comply with any and all Laws;

13 10.12.8 promptly furnish to Landlord, upon receipt by Tenant, copies of all legal
14 notices received by Tenant affecting the Project that are material to the interests of Landlord;

15 10.12.9 promptly notify Landlord of any suit, proceeding or action naming
16 Landlord as a party that is initiated in connection with the Project;

17 10.12.10 advise Landlord with respect to any Hazardous Substances known by
18 Tenant after the Reference Date and all requirements imposed by, and negotiations with, any
19 Governmental Authority concerning any such Hazardous Substances.

20 10.13 Significant Event Reports. Should any Force Majeure or casualty or other event
21 occur that could have a material adverse impact on the Premises, the Tenant shall, promptly, but
22 no later than ten (10) business days, after knowledge of such a Force Majeure or casualty or other
23 event, prepare a written report detailing all available information and the steps being taken to
24 correct the problem and forward the same to Landlord.

25 10.14 Records. Tenant shall keep and maintain complete and accurate records for the
26 Project separate and identifiable from its other Records. Once per calendar year, and upon any
27 Event of Default by Tenant or failure to provide notice under either Section 2.2.1 or Section 2.3.1,
28 Landlord (including accountants and attorneys designated by Landlord) shall be entitled to inspect
29 and audit at Landlord's expense the books, records and accounts relating to the Project. For the
30 purposes of this Lease, "Records" shall include books, records and accounts relating to the Project
31 and any contracts entered into by Tenant or any Affiliate in connection with the Project. All

1 Records maintained by Tenant are and shall remain confidential in Tenant's sole discretion, except
2 in connection with Landlord's inspection and audit rights set forth in this Section 10.14, provided,
3 however, Landlord agrees that it shall cause such inspection and audit to occur in the offices of
4 Tenant upon reasonable prior written notice, and that Landlord and Landlord's representatives
5 conducting such inspection and audit shall maintain the confidentiality of such Records in
6 accordance with Section 11.6 and safeguard the public dissemination of such Records and the
7 contents thereof. Except upon any Event of Default by Tenant and any time on or after the
8 expiration of the Lease or the Landlord Possession Date, as applicable, Landlord agrees that it shall
9 not remove Tenant's Records from Tenant's offices, nor shall Landlord make or retain copies of
10 Tenant's Records, including electronic versions of Tenant's Records. Notwithstanding the
11 foregoing, within the last twelve (12) months of the Term or upon Tenant's failure to exercise
12 either the Extension Period or Completion Term, and in no event for less than the twelve (12)
13 months prior to the expiration or earlier termination of this Lease, Landlord shall have the right to
14 review and retain copies of any material Records, except any Records which are trade secrets
15 pursuant to Section 11.6 of the Lease shall not be retained by Landlord without consent of Tenant.

16 10.15 Tenant Representations and Warranties. Tenant represents, warrants, and covenants
17 to Landlord the following:

18 10.15.1 Tenant is a limited liability company duly organized, validly existing
19 and in good standing under the laws of the state of Delaware and has the power, right, authority,
20 and legal capacity to execute and deliver this Lease and the other documents, instruments,
21 certificates, and agreements required to be executed and delivered by it hereunder and to enter into
22 and perform the transactions contemplated hereby, and to carry on the business now conducted or
23 proposed to be conducted by it. Tenant has taken all limited liability company action required to
24 execute, deliver, and perform this Lease and the transaction, and has caused this Lease to be
25 executed by its duly authorized officers.

26 10.15.2 Neither the entry into nor the performance of this Lease by Tenant will
27 (i) violate, conflict with, result in a breach under, or constitute a default under, any corporate
28 charter, certificate of incorporation, by-law, partnership agreement, limited liability company
29 agreement, indenture, contract, agreement, permit, judgment, decree, or order to which Tenant is
30 a party or by which Tenant is bound, or (ii) require the consent of any third party other than as has
31 already been obtained.

1 10.15.3 There are no judgments, orders or decrees of any kind against Tenant
2 unpaid or unsatisfied of record or any legal action, suit, or other legal or administrative proceeding
3 pending, threatened, or reasonably anticipated which could be filed before any court or
4 administrative agency which has, or is likely to have, a material adverse effect on the ability of
5 Tenant to perform its obligations under this Lease.

6 10.15.4 Tenant has not filed any petition seeking or acquiescing in any
7 reorganization, arrangement, composition, readjustment, liquidation, dissolution, or similar relief
8 under any law relating to bankruptcy or insolvency, nor has any such petition been filed against
9 Tenant. No general assignment of Tenant's land or other assets has been made for the benefit of
10 creditors, and no receiver, master, liquidator, or trustee (other than [] trustee of the [] Trust) has
11 been appointed for Tenant or any of its land or other assets. Tenant is not insolvent and the
12 consummation of the transactions contemplated by this Lease shall not render Tenant insolvent.

13 **11. CITY COVENANTS; OBLIGATIONS; RIGHTS**

14 11.1 Title. The title to the Premises is vested in Landlord subject only to the
15 encumbrances shown on **Exhibit G**, and Tenant's rights under this Lease and the Related
16 Agreements affecting the Premises. Except for liens or encumbrances created by or through
17 Tenant, or based upon Impositions which are the responsibility of Tenant under this Lease,
18 Landlord shall not, after the date hereof, agree to or create any liens or encumbrances on its interest
19 in the Premises, except encumbrances in writing that are specifically subject and subordinate to
20 this Lease and any new lease, or which are approved in writing by both Landlord and Tenant in
21 each party's sole discretion.

22 11.2 Quiet Enjoyment. Provided Tenant is not in default under this Lease, Tenant at all
23 times during the Term shall have the right to peacefully and quietly have, hold and enjoy the
24 Premises, subject to the terms of this Lease and the terms of the CCRs.

25 11.3 Limitation on Warranties. Except as may be expressly set forth in the Development
26 Agreement and this Lease, Landlord makes absolutely no warranty whatsoever with respect to the
27 condition or any aspect of the Premises.

28 11.4 Rights of Sublessees. Notwithstanding the provisions of Section 10.8, the rights of
29 Landlord to enter into any portion of the Premises which are subject to a Sublease shall be subject
30 to the rights of tenants under all applicable Laws and to any special restrictions contained in a
31 Sublease to any Sublessee except an Affiliate of Tenant (excluding Trail Blazers Inc.) of which

1 Landlord has received prior written notice. This restriction shall not apply to Landlord in its
2 capacity as a regulatory agency, but only as the landlord under this Lease.

3 11.5 Authority. Landlord has the authority to enter into this Lease, and its execution and
4 delivery by Landlord has been duly authorized.

5 11.6 Confidentiality. Landlord hereby agrees that all non-public information provided
6 to it by Tenant in connection with this Lease and the consummation of the transactions
7 contemplated hereby, shall be treated in accordance with the Non-Disclosure Agreement dated
8 February 22, 2022, between Tenant and Landlord (the “NDA”), which the parties agree to extend
9 on substantially the same terms as necessary to ensure that the NDA applies during the Term of
10 this Lease. Landlord shall comply with its obligations under the NDA, which shall survive the
11 termination of this Lease in accordance with the terms set forth therein. Landlord acknowledges
12 that records containing trade secrets, as that term is defined in ORS 192.345(2), relating to the
13 business and operations of Tenant which it possesses during or prior to the Term of this Lease are
14 exempt under Oregon Public Records laws. Landlord acknowledges the need to abide by the
15 Oregon public records laws and will provide notice to Tenant of any public records request relating
16 to such records so that Tenant may preserve the confidentiality of any trade secrets contained in
17 the records. Landlord agrees that during the Term of this Agreement, it shall not disclose any
18 records Tenant denotes as trade secrets unless and to the extent required by applicable law and
19 only after providing reasonable notice and opportunity to Tenant to review and denote the records
20 subject to request. Landlord further acknowledges that certain records submitted to Landlord by
21 Tenant in confidence during or prior to the Term of this Lease was, is and will be submitted
22 pursuant to ORS 192.355(4) and may be exempt from disclosure pursuant thereto.

23 **12. SUBLETTING AND ASSIGNMENT**

24 12.1 Subletting. Tenant shall have the right to Sublet all or any part of the Improvements
25 for any time or times during the Term for terms not to exceed the Initial Term of this Lease and
26 the Extension Period if exercised, and Completion Term if exercised. However, the Subletting of
27 all or substantially all of the Premises to a Person for substantially all of the remaining Term shall
28 be considered an assignment of this Lease which shall be restricted pursuant to the provisions of
29 Section 12.3. Except as expressly permitted under the terms of this Lease, Tenant shall not enter
30 into a Sublease which extends beyond the term of this Lease (unless by its terms, the Sublease
31 terminates automatically on termination of this Lease), except as expressly permitted herein. All

1 Subleases shall be in writing, charge the sublessee thereunder a market fee or rate for the use of
2 the Improvements, as applicable, and shall be expressly subject to the terms of this Lease.

3 12.2 Limited Nondisturbance of Sublessees.

4 12.2.1 Except as provided below, any Sublessee shall be entitled to
5 Nondisturbance, only to the extent provided in this Section 12.2.

6 12.2.2 Any Sublessee under a confirmed and fully executed booking agreement,
7 Event permit or license for use of the Arena or Plaza in connection with a convention, sporting
8 event, concert or event of similar size and scope shall be entitled to Nondisturbance, provided the
9 date of the booking is not more than five years after the Landlord Possession Date.

10 12.2.3 Any Sublessee that is a professional sports team which uses the Arena as its
11 regular home playing facility or a national sporting tournament (such as an NCAA tournament)
12 shall be entitled to Nondisturbance after the Landlord Possession Date.

13 12.2.4 A Person that is obligated or entitled to perform services for Tenant in
14 connection with the Arena or Plaza, but which has no contractual right to possess or use the Arena
15 or Plaza in connection with the performance of the services (such as marketing) shall not be entitled
16 to Nondisturbance, and shall not be entitled to notice prior to Landlord's termination of the
17 agreement with the Person.

18 12.2.5 Food and/or beverage concessionaires shall be entitled to Nondisturbance
19 for the remainder of the term of their respective Subleases (but in no event after the date the Term
20 would have expired but for the reentry of Landlord); provided, however, Landlord shall be
21 permitted to exercise any right to terminate set forth in such Subleases.

22 12.2.6 Trail Blazers Inc. shall be entitled to Nondisturbance unless within one year
23 of the Landlord Possession Date Landlord irrevocably elects to terminate the Trail Blazers Inc.
24 Sublease. Landlord shall give Trail Blazers Inc. not less than five years' written notice of its
25 election to terminate. If Landlord gives such notice, Trail Blazers Inc. may terminate its Sublease
26 at any time within such five-year period, provided it gives not less than one year's prior written
27 notice to Landlord of the date it intends to terminate. The Exclusive Site Agreement shall
28 terminate upon termination of the Trail Blazers Inc. Sublease pursuant to this subsection.

29 If Landlord does not elect to terminate Trail Blazers Inc.'s Sublease as provided
30 above, Trail Blazers Inc. shall be entitled to Nondisturbance for the remainder of the term of the
31 Trail Blazers Inc. Sublease (but in no event after the date the Term would have expired but for the

1 reentry of Landlord).

2 If Trail Blazers Inc.'s Sublease was amended within one year prior to the Landlord
3 Possession Date, Landlord may elect to accept either the terms of the Sublease prior to the
4 amendment or the Sublease as amended. Any new sublease with Trail Blazers Inc. shall provide
5 that Trail Blazers Inc. shall comply with the terms of the Sublease prior to amendment if Landlord
6 elects to accept the terms of the previous Sublease. Notwithstanding the foregoing, following the
7 Landlord Possession Date, Trail Blazers Inc. shall pay to Landlord minimum rent equal to one
8 hundred and ten percent (110%) of Landlord's Direct Expenses for each Trail Blazers Inc. game
9 played in the Arena. "Direct Expenses" means all variable necessary expenses of operating the
10 Arena for staging the event, i.e., those actual costs incurred which would not have been incurred
11 but for the event. Any provision in the Sublease which permits Trail Blazers Inc. to share in ticket,
12 concession or parking revenues from non-Trail Blazers Inc. events in the Arena shall terminate on
13 the Landlord Possession Date.

14 12.2.7 As to each Sublessee other than those described in Sections 12.2.1 to 12.2.6,
15 either the Landlord or Sublessee may terminate its Sublease by written notice within one year after
16 the Landlord Possession Date. If neither terminates, such Sublessee shall be entitled to
17 Nondisturbance for the remainder of the term of the Sublease (but in no event after the date the
18 Term would have expired but for the reentry of Landlord). If Landlord elects to terminate the
19 Sublease, the Sublease shall terminate one year from the date of Landlord's election. In such
20 event, the Sublessee may terminate at any time within such one-year period.

21 12.2.8 Notwithstanding Sections 12.2.1, 12.2.4, and 12.2.5, the Sublease of any
22 Affiliate of Tenant (except Trail Blazers Inc.) shall terminate as of the Landlord Possession Date.

23 12.2.9 Notwithstanding the foregoing Sections 12.2.1 to 12.2.8, Landlord may
24 irrevocably elect within one year after the Landlord Possession Date to permanently close the
25 Arena, provided Landlord gives all Sublessees entitled to any Nondisturbance as provided above
26 at least three years' prior written notice of its intent to close. The Exclusive Site Agreement shall
27 terminate upon termination of the Trail Blazers Inc. Sublease pursuant to the terms of this
28 subsection. As used in this Section 12.2.8, "permanently close the Arena" means to close the
29 Arena as a Spectator Facility for not less than three consecutive years. If Landlord elects to
30 permanently close the Arena and fails to close as provided in this Section 12.2.9, or fails to keep
31 the Arena closed for at least three years, terminated Sublessees with Nondisturbance rights

1 hereunder shall have a direct cause of action against the Landlord for breach of their respective
2 Subleases, and such Sublessees shall be third-party beneficiaries of this provision.

3 12.2.10 In the event of termination of this Lease for any reason (except
4 termination after damage, destruction or condemnation under Sections 7 and 9), any Sublessee
5 entitled to limited Nondisturbance under this Section 12.2 shall be entitled to continued occupancy
6 in the Improvements (“Nondisturbance”) in accordance with its Sublease, to the extent permitted
7 under Section 12.2.1 as long as:

8 12.2.10.1. The Sublease is not terminated in accordance with its terms
9 (including termination for default upon expiration of all applicable periods to cure); and

10 12.2.10.2. The Sublessee agrees in writing: (i) to attorn to Landlord
11 under the applicable Sublease (including the payment of all rental and other charges without offset
12 for prepayments previously made other than rental and other charges paid not more than one month
13 in advance of the due date) to the extent provided in Section 12.2, (ii) agrees not to effect the
14 termination of the Sublease due to any termination of this Lease except as provided in Section
15 12.2, and (iii) to such other terms and conditions as are customarily required by mortgage lenders
16 in similar circumstances.

17 12.2.11 As used in this Section 12.2, “Landlord Possession Date” is the date
18 Landlord takes possession of the Premises after an Event of Default by Tenant under this Lease in
19 accordance with Section 13, whether by itself, through a receiver or otherwise.

20 12.2.12 Upon the request of Tenant or any Leasehold Mortgagee, Landlord shall
21 within a reasonable time execute, acknowledge and deliver a nondisturbance agreement with a
22 Leasehold Mortgagee and with any Sublessee entitled to limited Nondisturbance setting forth the
23 above terms.

24 12.2.13 Any Sublease which is subject to Nondisturbance which expires on or
25 after the Landlord Possession Date shall be automatically assigned to and assumed by the Landlord
26 as the successor-in-interest to Tenant.

27 12.3 Assignment. Subject to compliance with the terms, conditions, and requirements
28 of this Section 12.3, and provided there is not at that time, an uncured Event of Default by Tenant
29 under this Lease, Tenant may, without the prior written consent of Landlord, Transfer all its right,
30 title, and interest under this Lease, in whole but not in part, provided that the Permitted Transferee
31 (as defined herein) satisfies the criteria set forth in either Section 12.3.1 or Section 12.3.2 below.

1 Subject to the foregoing, Tenant’s rights or interests under or in this Lease may not pass or be
2 transferred or assigned by operation of law or otherwise. The assignee, purchaser or transferee of
3 Tenant’s interest in this Lease is referred to as a “Transferee.” Tenant shall have no right to make
4 any assignment of its rights under this Lease if Tenant is then in default hereunder. Except as
5 otherwise provided expressly in this Lease, Tenant may not Transfer any interest in this Lease
6 without the prior written consent of Landlord, which may be withheld in Landlord’s sole
7 discretion.

8 12.3.1 Tenant may assign this Lease without Landlord’s consent to any Affiliate
9 of Tenant provided Tenant continues to be liable for all obligations under this Lease, such Affiliate
10 is also an affiliate of Trail Blazers, Inc., has a then net worth at or in excess of \$150,000,000, and
11 provided the Exclusive Site Agreement remains in full force and effect.

12 12.3.2 Landlord’s consent shall not be required with respect to a Transfer to a
13 Person who meets any of the following conditions (in each instance, a “Permitted Transferee”): (i)
14 a proposed Transferee that is an Affiliate of Tenant and that meets the criteria in Section 12.3.1,
15 or (ii) a proposed Transferee that has been approved by the NBA to acquire the Portland Trail
16 Blazers franchise or ownership interests in the entity owning such franchise, or a proposed
17 Transferee that is an Affiliate of such approved Person, or (iii) a proposed Transferee that meets
18 all the criteria in Section 12.3.2.1 through 12.3.2.6 in Landlord’s business judgement.

19 12.3.2.1. Sufficient liquid net worth at the time of transfer, as may be
20 approved in writing in Landlord’s reasonable business judgement after due inquiry, as established
21 by then current audited financial statements (including balance sheet and income statement) to
22 provide for the continued use, operation and maintenance of the Arena in a first class manner and
23 consistent with the Operating Standard, including without limitation the ability to provide or obtain
24 financing for the acquisition of the Leasehold Estate and for such Transferee’s share of any
25 necessary Capital Improvements to the Arena; (ii) the proposed assignee of Tenant is approved by
26 the National Basketball Association (or its successor) to purchase the Portland Trail Blazers
27 basketball franchise; and (iii) is under common control with Trail Blazers, Inc. or its successor that
28 controls the Franchise as defined in the Exclusive Site Agreement, provided Tenant continues to
29 be liable for all obligations under this Lease upon assignment.

30 12.3.2.2. Sufficient experience in operating a facility similar to the
31 Arena, as may be approved in writing in Landlord’s reasonable business judgement.

1 12.3.2.3. A business reputation not inconsistent with the operation of
2 a first class public facility consistent with the Operating Standard, in Landlord’s reasonable
3 business judgement.

4 12.3.2.4. The Person have never been convicted of a felony; have
5 never filed for or been the subject of any form of corporate bankruptcy action.

6 12.3.2.5. The experience criterion in Section 12.3.2.2 may be satisfied
7 by the proposed transferee hiring to manage the Arena an entity reasonably approved by Landlord
8 that has managed for at least five years at least one sports facility used as the home venue for a
9 Major League Baseball, National Football League, National Basketball Association, National
10 Hockey League or Major League Soccer team and who has never, and whose direct corporate
11 affiliates under common control have never, been terminated for default, fraud or criminal acts
12 pursuant to a management agreement. If Landlord fails to approve or reject the proposed manager
13 within sixty (60) days after submission to Landlord of all information reasonably requested by
14 Landlord to evaluate the proposed manager, the proposed manager shall be deemed approved by
15 the Landlord.

16 12.3.2.6. At Landlord’s option, the manager shall also manage the
17 Coliseum if the Coliseum Agreement is still in effect.

18 12.3.3 The assignee must also assume in writing the obligations of Tenant under
19 the Development Agreement and the Coliseum Agreement.

20 12.3.4 Tenant shall give Landlord written notice of a proposed assignment at least
21 forty-five (45) days prior to the effective date of the assignment together with a copy of the
22 assignment agreement executed by Tenant and the proposed assignee, and documentation
23 reasonably sufficient to show that the assignee is a Permitted Transferee.

24 12.3.5 Notwithstanding the foregoing or any other term or provision of this Lease,
25 no Transfer of any interest in the Lease shall be effective unless all of the following conditions are
26 satisfied:

27 12.3.5.1. No Event of Default exists under this Lease;

28 12.3.5.2. Landlord has received, at least forty-five (45) days prior to
29 the effective date of the Transfer, a fully executed assignment and assumption agreement in

1 commercially reasonable form reasonably approved by Landlord in which the Transferee assumes
2 all the obligations of Tenant hereunder accruing on and after the effective date of the assignment;
3 or

4 12.3.5.3. Landlord has received all the documents and materials
5 required, and all conditions and requirements are met as provided under Section 12.3.1 and 12.3.2,
6 as applicable, for a Permitted Transferee, or (ii) Landlord consents in writing, in its sole discretion,
7 to an assignee that is not a Permitted Transferee after receiving all documents and materials
8 required by Landlord.

9 12.3.6 Without assigning this Lease, Tenant may hire a manager to manage the
10 Arena provided: (a) the manager satisfies the criteria specified in Section 12.3.2 (except that the
11 manager's net worth need not be sufficient to provide leasehold financing or Capital
12 Improvements), and (b) if the Coliseum Agreement is in effect and Landlord so elects, the manager
13 must also agree to manage the Coliseum, subject to approval by Landlord.

14 12.4 Tenant Liability. Notwithstanding any other term or provision of the foregoing, or
15 any other term or provision of this Lease, upon any Transfer expressly permitted under the terms
16 of this Lease of any interest of Tenant under this Lease, the applicable Transferor shall be released
17 only if such Transferee expressly assumes, in writing, all obligations of Tenant accruing from and
18 after the effective date of the applicable Transfer. In such case, such release shall be effective only
19 as to liabilities accruing under this Lease from and after the effective date of the applicable
20 Transfer.

21 12.5 Covenants Binding on Successors and AssignsAll of the terms, conditions and
22 covenants of this Lease shall inure to the benefit of and be binding upon the successors and assigns
23 of the respective parties. If there occurs any assignment, Sublease or transfer permitted hereunder
24 Tenant shall cause to be delivered to Landlord concurrently with or prior to such assignment,
25 Sublease or transfer, or upon such earlier date as required in this Lease, an instrument in writing
26 signed and duly acknowledged by the assignee or successor by which the assignee or successor
27 agrees to perform all of the terms and provisions of this Lease applicable to Tenant.
28 Notwithstanding the foregoing, Landlord will not sell the Arena or any property located within the
29 Rose Quarter to a private party during the Term (as the same may be extended and inclusive of

1 any Completion Term) without the prior consent of Tenant, and any successor-in-interest to
2 Landlord as owner of the Premises during the Term (as the same may be extended and inclusive
3 of any Completion Term) shall be an entity enjoying the same or greater tax exemption status as
4 the City, and Tenant shall have no liability for any taxes or other Impositions assessed in
5 connection with or as the result of any transfer of all or any portion of Landlord's interest in the
6 Premises to a private or public party or entity. In addition to the foregoing, Landlord agrees that
7 it will not sell, transfer, convey or ground lease the Public Parking Garages (including the so-called
8 "Benton Lot") or Phase 2 parcel (as defined in the Entertainment Complex Ground Lease) or grant
9 development rights to the Public Parking Garages, the parcels of land on which the Public Parking
10 Garages are located, or the Phase 2 parcel to a private party during the Term without the prior
11 consent of Tenant. Except in connection with an Event of Default which has occurred and is
12 continuing, Landlord will not take any action, by lease, sale or other transfer of the Public Parking
13 Garages, Phase 2 parcel or any portion thereof, or by contract or other agreement, which would
14 materially interfere with Tenant's rights to the Public Parking Garages under this Lease or the
15 Development Agreement or the Phase 2 parcel under the Entertainment Complex Ground Lease.

16 12.6 Rights of Mortgagee. Notwithstanding the provisions of Section 12, Tenant shall
17 have the right to grant a Leasehold Mortgage on the Premises to a Leasehold Mortgagee, as
18 provided in Section 6 of this Lease.

19 12.7 Transfer. For purposes of this Lease, a "Transfer" is the sale, assignment, pledge,
20 conveyance, encumbrance, subcontract, delegation, or other disposition, whether direct or indirect,
21 voluntary or involuntary, of Tenant's interest in this Lease. For clarity, the mortgaging and
22 assignment of Tenant's interest in this Lease to one or more Leasehold Mortgagees in accordance
23 with Section 6 will not be considered a Transfer.

24 12.8 Control. For purposes of this Lease, "Control" shall mean the power, directly or
25 indirectly, to direct or cause the direction of the management or policies of the Person in question,
26 by virtue of ownership of voting securities or otherwise.

27 12.9 Change of Control. A "Change of Control" as applied to RCM, shall refer to a
28 change in the control of RCM to a Person that is not a Permitted Transferee, which shall be deemed
29 to have occurred if:

1 12.9.1 The Estate of Paul G. Allen, or an Affiliate of the Estate of Paul G. Allen,
2 or a combination of the Estate of Paul G. Allen and such Affiliates (the “Current Ownership
3 Group”), ceases to have Control of Tenant;

4 12.9.2 The member(s) of Tenant approve an agreement to merge or consolidate
5 with another Person, unless following the consummation of such transaction the Current
6 Ownership Group shall have Control of the surviving Person;

7 12.9.3 The member(s) of Tenant approve an agreement (including, without
8 limitation, a plan of liquidation) to sell or otherwise dispose of all or substantially all of the
9 business or assets of Tenant to one or more Persons other than Persons with respect to which the
10 Current Ownership Group has Control; or

11 12.9.4 Any other event or change occurs that results in a change of control of
12 Tenant.

13 12.10 Unauthorized Transfer. If Tenant Transfers any right, title, or interest of Tenant in
14 this Lease to any Person that is not a Permitted Transferee, or there is a Change of Control of
15 RCM, in violation of the provisions of this Section 12, such Transfer shall be null and void and of
16 no force or effect. Notwithstanding the foregoing, Landlord shall have the right to collect from
17 any such transferee an amount equal to the amounts payable to Landlord under this Lease.

18 12.11 [Intentionally Omitted].

19 **13. DEFAULT**

20 13.1 Event of Default. The occurrence of any of the following shall constitute an
21 Event of Default:

22 13.1.1 Failure of Tenant to pay when due any payment owing to Landlord
23 hereunder, or to pay any Imposition or any other payment when due (except as and to the extent
24 permitted under Section 4.3 of this Lease), or the failure to maintain any of the insurance coverage
25 required to be maintained by Tenant hereunder and the occurrence or failure continues for a period
26 of 15 days after written notice is given to Tenant by Landlord;

27 13.1.2 Tenant being in breach of, or Tenant failing to perform, comply with, or
28 observe any other term, covenant, warranty, condition, agreement or undertaking contained in or
29 arising under this Lease other than those referred to above in Section 13.1.1 and Tenant fails to

1 cure the default within 30 days after written notice thereof is given by Landlord to Tenant.
2 However, if the default is one which can be cured, but cannot with due diligence (without regard
3 to the availability of funds or the financial condition of Tenant) be cured within such 30-day period,
4 and Tenant proceeds promptly and thereafter prosecutes with due diligence the curing of the
5 default, then the time for curing of the default shall be extended for the period of time necessary
6 to complete the cure.

7 13.1.3 Tenant making an assignment for the benefit of creditors, filing a petition
8 in bankruptcy, petitioning or applying to any tribunal for the appointment of a custodian, receiver
9 or any trustee for it or a substantial part of its assets, or commencing any proceedings under any
10 bankruptcy, reorganization, arrangement, readjustment of debt, dissolution or liquidation law or
11 statute of any jurisdiction, whether now or hereafter in effect; or if there shall have been filed any
12 petition or application, or any proceeding shall have been commenced against it, in which an order
13 for relief is entered or which remains undismissed for a period of 60 days or more; or Tenant by
14 any act or omission indicating its consent to, approval of or acquiescence in any such petition,
15 application or proceeding or order for relief or the appointment of a custodian, receiver or any
16 trustee for it or any substantial part of any of its properties, or suffering any such custodianship,
17 receivership or trusteeship to continue undischarged for a period of 60 days or more;

18 13.1.4 Tenant being generally unable to pay its debts as such debts become due; or

19 13.1.5 Tenant having concealed, removed, or permitted to be concealed or
20 removed, any part of its property, with intent to hinder, delay or defraud its creditors or any of
21 them, or making or suffering a transfer of any of its property which may be fraudulent under any
22 bankruptcy, fraudulent conveyance or similar law; or suffering or permitting, while insolvent, any
23 creditor to obtain a lien upon any of its property through legal proceedings or distraint which is
24 not vacated within 30 days from the date thereof.

25 13.1.6 Termination of the Development Agreement.

26 13.1.7 [Intentionally Deleted]

27 13.1.8 A material default under the Exclusive Site Agreement which constitutes a
28 cross-default under this Lease pursuant to Section 4.3 thereof.

29 13.1.9 Failure to pay User Fees for the Arena as required under the Development
30 Agreement.

31 13.1.10 Abandonment of the Premises for a period of thirty (30) consecutive days.

1 13.2 Termination of Lease. In addition to all other rights and remedies available to
2 Landlord by law or equity, Landlord may, at any time after the occurrence of any material Event
3 of Default by Tenant, and while the same remains unremedied, terminate this Lease by notice to
4 Tenant, and Landlord may reenter upon and take possession of the Premises by self-help or other
5 means; provided, however, prior to Landlord exercising any such right to terminate, Landlord must
6 provide a second notice of an Event of Default to Tenant pursuant to Section 13.1 and Tenant shall
7 have failed to cure such Event of Default within five (5) business days after Tenant's receipt of
8 such notice, or if such Event of Default may not be reasonably cured in such period, Tenant shall
9 have failed to commence to cure within such five (5) business day period or thereafter failed to
10 diligently prosecute same to completion.

11 13.2.1 Notwithstanding the provisions of Section 13.1.2, if the asserted default is
12 subject to dispute resolution pursuant to Section 14, and the existence of the default is being
13 contested by the party assertedly in default, if that party is cooperating and acting in good faith to
14 complete the dispute resolution proceeding as expeditiously as possible, the time for curing the
15 default shall commence upon the rendering of the dispute resolution decision, or other resolution
16 of the Dispute. However, if the matter subject to dispute resolution is capable of performance to
17 the extent not in dispute (e.g., the undisputed portion of monies owing), performance to the extent
18 not in dispute shall be a condition precedent to the effectiveness of this Section 13.2.1.

19 13.3 Effect of Termination. Subject to the provisions of Section 6 (relating to the rights
20 of Leasehold Mortgagees) and Section 12 (relating to Sublessees), upon termination of the Lease
21 under Section 13.3, all rights and privileges of Tenant and all duties and obligations of Landlord
22 hereunder shall terminate. Immediately upon the termination of the Lease, and without further
23 notice to any other party, Landlord shall have the right to assert, perfect, establish and confirm all
24 rights reverting to Landlord by reason of the termination by any means permitted by law, including
25 the right to take possession of the Premises and to remove all Personal Property from the Premises
26 and all persons occupying them except Sublessees (excluding Trail Blazers Inc.) as permitted
27 under this Lease. Landlord may in all respects take the actual, full and exclusive possession of the
28 Premises as Landlord's original estate as if they were part of the Premises, thereby wholly
29 terminating any right, title, interest or claim of or through Tenant as to the Premises, the
30 Improvements or fixtures and alterations to the Improvements, and all Personal Property located
31 on the Premises.

1 13.4 Damages and Remedies.

2 13.4.1 Upon the occurrence of an Event of Default by Tenant, or where specifically
3 provided below upon the occurrence of any default by Tenant, and without limiting the generality
4 of Section 13.4.2, Landlord may exercise any one or more of the following remedies in its sole
5 discretion:

6 13.4.1.1. Seek specific performance or other injunctive relief;

7 13.4.1.2. Recover monetary damages;

8 13.4.1.3. Terminate this Lease; provided, that any such termination
9 shall not take effect during an NBA season, and if any termination of this Lease pursuant to this
10 Section 13.4.1.3 occurs during an NBA season, the termination shall take effect ten (10) days after
11 the conclusion of the then-current NBA season, including any post-season;

12 13.4.1.4. For any failure by Tenant to timely pay any amount due and
13 owing to Landlord under this Lease, and without the expiration of any cure period, collect interest
14 that accrues at the Prime Rate plus four percent (4%) for the period between the date such payment
15 is due and the date such payment is actually received by Landlord;

16 13.4.1.5. For any default by Tenant to timely pay any amount due and
17 owing to Landlord under this Lease, and without the expiration of any cure period, offset the
18 amount that is due to Landlord against any amount that is due from Landlord to Tenant; and

19 13.4.1.6. For any default by Tenant that creates imminent risk to life
20 or property, Landlord may upon notice of default, but without the expiration or any cure period,
21 elect to commence exercise of the remedies described in subsection (a) above.

22 13.4.2 For a breach during the Term, the exercise by either party of any remedy
23 arising by virtue of an Event of Default shall not be considered exclusive, but either party may
24 exercise any and all other rights or remedies provided by this Lease or by law or equity. Landlord
25 or Tenant may elect to sue the other hereunder with or without terminating this Lease. The
26 termination of the Term pursuant to this Section 13 shall not extinguish the right of either party to
27 collect damages including without limitation direct and consequential damages arising from the
28 breach of this Lease by the other party. Notwithstanding the foregoing, Tenant shall have no right
29 to terminate this Lease except in the event of a material default by Landlord of its obligations
30 hereunder which remain uncured for a period of thirty (30) days (or such reasonable period if such
31 default is not reasonably subject to cure in such thirty (30) day period) after written notice from

1 Tenant; provided, however, prior to Tenant exercising any such right to terminate, Tenant must
2 provide a second notice of such material default to Landlord pursuant to this Section 13.4 and
3 Landlord shall have failed to cure such default within five (5) business days after Landlord's
4 receipt of such notice, or if such default may not be reasonably cured in such period, Landlord
5 shall have failed to commence to cure within such five (5) business day period or thereafter failed
6 to diligently prosecute same to completion. If Tenant is not permitted or elects not to terminate
7 the Lease, Tenant's remedies shall be limited to monetary damages or equitable relief other than
8 termination of this Lease.

9 13.4.3 Landlord will credit against sums owed by Tenant the net proceeds, if any,
10 of any reletting or operation after deducting Landlord's reasonable expenses in connection with
11 the reletting and operation. Reasonable expenses shall include but not be limited to repossession
12 costs, brokerage commissions, legal expenses, employee expenses, alteration costs reasonably
13 incurred and other reletting expenses.

14 13.4.4 Nothing in this Section 13 shall relieve Landlord of its duty to use
15 Reasonable Efforts to mitigate its damages as required by Laws.

16 13.4.5 Notwithstanding anything to the contrary in this Lease, the liability of
17 Landlord under this Lease shall be limited to Landlord's interest in the Project, and this Lease.

18 13.5 No Waivers. No failure by any party hereto to insist upon the strict performance
19 of any provision of this Lease or to exercise any right, power or remedy consequent to any breach
20 thereof, and no waiver of any breach, or the acceptance of full or partial Rent during the
21 continuance thereof, shall constitute a waiver of any such breach or of any provision. No waiver
22 of any breach shall affect or alter this Lease, which shall continue in full force and effect, or the
23 rights of any party hereto with respect to any other then existing or subsequent breach. No waiver
24 under this Lease shall be effective unless in writing.

25 13.6 Payment by Landlord of Tenant's Defaulted Payments. In case of failure on the
26 part of Tenant to pay any money, or do any act to satisfy any of the obligations or covenants which
27 it is required to pay, do, or satisfy under the provisions of this Lease, Landlord may, at its option,
28 after 10 days' prior written notice to Tenant, pay any or all of the sums, or do any or all such acts
29 which require the payment of money, or incur any reasonable expense to remedy the failure of
30 Tenant to perform any one or more of the covenants herein contained. Tenant shall repay the sums
31 advanced to Landlord on demand together with interest at the Prime Rate plus four percent (4%)

1 from the date payment is made by Landlord. Landlord shall not be obligated to so cure any of
2 Tenant's defaults; such right to cure shall be in addition to and not in lieu of any other right or
3 remedy.

4 **14. DISPUTE RESOLUTION**

5 14.1 Applicability. When specified in this Lease, the applicable dispute (a "Dispute")
6 shall be resolved by dispute resolution in accordance with this Section 14, to the full extent
7 permitted by Laws. Except to the extent expressly set forth in this Lease, the Parties shall be able
8 to resort to judicial, administrative, or other legal proceedings or other rights or remedies as
9 allowed by this Lease, at law or in equity. In the event either party believes a Dispute exists, it
10 shall give notice to the other specifying in reasonable detail the nature of such Dispute. The parties
11 shall seek in good faith to negotiate a settlement of the Dispute, including, without limitation, by
12 agreeing to reasonable requests of the other to hold a meeting to discuss such Dispute.

13 14.2 Designation of Arbitration Panel. If within 15 days after the effective date of any
14 notice given pursuant to Section 14.1 (a "Dispute Notice") the parties have been unable to reach a
15 resolution of the Dispute, the parties shall jointly appoint a panel of three arbitrators to hear and
16 resolve the Dispute. If the parties cannot agree on the panel of three arbitrators, the American
17 Arbitration Association ("AAA") through its administrative offices in New York City shall, upon
18 application by either party, select three arbitrators having at least five years of prior judicial
19 experience in either state or federal court to serve as the arbitration panel for resolution of the
20 Dispute. The arbitrators need not reside in Oregon. The arbitrators chosen pursuant to this Section
21 14.2 shall be the sole arbitrators of the dispute. The AAA shall administratively manage the
22 conduct of the arbitration. Any arbitration pursuant to this Section 14 shall take place in Portland,
23 Oregon.

24 14.3 Scope of Dispute Resolution. The arbitration panel shall resolve any and all
25 issues related to the Dispute, including arbitrability. The arbitrators may award any relief
26 permitted by law. The arbitrator panel must base its award on the provisions of this Lease and
27 applicable law and must render its award in a writing, which must include an explanation of the
28 reasons for such award. The arbitration panel may reach a decision on any issue by a majority
29 vote and need not be unanimous.

30 14.4 Conduct of Dispute Resolution. The arbitration shall be conducted in accordance
31 with the Federal Rules of Civil Procedure, as modified by the arbitration panel to accommodate

1 the needs of the arbitration. Discovery will be permitted in connection with the arbitration if
2 authorized by the arbitration panel based on a determination of reasonable need for the discovery
3 and the arbitration panel may decide any issue as to discovery. The arbitration panel shall be
4 authorized to decide prehearing motions to dismiss or for summary judgment. All aspects of the
5 arbitration shall be conducted confidentially. All dispute resolution proceedings shall be
6 conducted in Portland, Oregon or in such other location as the parties may agree, although motions,
7 preliminary conferences and similar pre-trial matters may be conducted through electronic means
8 (such as Zoom) if the arbitration panel so orders. In making any determination, the arbitration
9 panel shall apply the pertinent provisions of this Lease without modification or qualification in
10 any respect. The arbitration panel has no power to alter, amend or otherwise affect the terms of
11 the Lease. The arbitration panel shall furnish the parties with a written decision within 15 days
12 after the conclusion of the arbitration hearing. The parties to the Dispute shall be responsible for
13 paying the costs of the arbitration proceedings (including, without limitation, the professional fees
14 charged by the arbitrators themselves, travel and necessary business expenses, and administrative
15 expenses charged by the AAA for administering the arbitration) on a 50/50 basis as invoiced from
16 time to time by the AAA during the course of those proceedings; provided, however, that the
17 arbitration panel shall reallocate 100% of the costs of the arbitration proceeding to the substantially
18 non-prevailing party (as determined by the arbitration panel).

19 14.5 Effect on Lease. Unless otherwise agreed in writing, during the period that any
20 dispute resolution is pending under this Section 14, the parties shall continue to comply with all
21 terms and provisions of this Lease which are not the subject of the Dispute, provided that,
22 notwithstanding the foregoing, with respect to any non-payment defaults which are the subject of
23 dispute resolution hereunder, the cure periods with respect to such defaults shall commence
24 consistent with Section 13.2.1.

25 14.6 Effect of Determination. The decision or award rendered by the arbitration panel
26 shall be final, nonappealable, and binding upon the parties, and judgment may be entered upon it
27 in accordance with applicable law in a court of competent jurisdiction. If the arbitration panel
28 determines that an Event of Default has occurred, the provisions of Section 13 shall govern the
29 damages and/or other remedies which may be ordered by the arbitration panel. Neither the
30 requirement to utilize the procedures set forth in this Section 14, nor the pendency of any dispute

1 resolution proceeding, shall in any way invalidate any notices or extend any cure periods provided
2 for in this Lease.

3 14.7 Equitable Proceedings. In the event a party desires to seek interim relief, whether
4 affirmative or prohibitive, in the form of a temporary restraining order, preliminary injunction, or
5 other interim equitable relief with respect to a Dispute, either before or after the initiation of a
6 dispute resolution proceeding, that party may initiate the proceeding necessary to obtain such relief
7 (“Equitable Proceeding”). Nothing in this Section 14.7 shall be construed to suspend or terminate
8 the obligation of the parties to comply with the procedures set forth in this Section 14 with respect
9 to the Dispute that is the subject of such Equitable Proceeding during the pendency of any such
10 Equitable Proceeding, including any appeal or review. Any interim or appellate relief granted in
11 such Equitable Proceeding shall remain in effect until, and only until, the procedures set forth in
12 this Section 14 result in a settlement agreement or a determination by an arbitrator with respect to
13 the Dispute. Such settlement agreement or determination shall be the binding and final
14 determination on the merits of the Dispute (including, without limitation, any equitable relief and
15 monetary damages, but excluding any award of attorneys’ fees or costs rendered in the Equitable
16 Proceeding), shall supersede and nullify any decision in the Equitable Proceeding on the merits of
17 the dispute that is the subject of such Equitable Proceeding, and shall preclude any subsequent
18 litigation on such merits, notwithstanding any determination to the contrary in connection with
19 any Equitable Proceeding granting or denying interim relief.

20 14.8 Further Disputes. The parties agree that any Disputes which arise during the Term
21 out of a settlement agreement or arbitration panel’s determination shall be resolved exclusively by
22 the procedures set forth in this Section 14.

23 **15. NONCOMPETITION.** Except as set forth below, during the Term of this Lease (as the
24 same may be extended and not inclusive of any Completion Term), neither Landlord nor Tenant
25 shall undertake, directly or indirectly, without the prior written consent of the other, any efforts to
26 construct an indoor sports, entertainment, or multi-use arena or amphitheater, or other public event
27 facility located within the Portland Metropolitan region (i.e., CMSA Portland, comprising,
28 Multnomah, Clackamas, Washington, Clark, and northern Yamhill counties) with a seating
29 capacity for total attendance of 10,000 to 20,000 individuals, to which the general public is from
30 time to time invited, with an admission charge for sporting events, concerts and other events of a
31 type typically conducted at facilities comparable to the Arena. Notwithstanding anything to the

1 contrary set forth herein, this Section 15 shall not apply during (i) the last year of the Initial Term
2 if Tenant does not send a notice of extension pursuant to Section 2.2.1, (ii) the last year of any
3 Extension Term, or (iii) at any time during the Completion Term. [INTENTIONALLY
4 OMITTED.]

5 **17. SIGN PADS; PLAZA**

6 Two of the Sign Pads described in Exhibit D are located on the site of the Public Parking Garages
7 on the property adjacent to the Public Parking Garages, and the other Sign Pad depicted in Exhibit
8 D is located adjacent to Arena. The Sign Pads, including any Sign Pads created on the Property
9 in the future, are part of the Premises. Tenant has previously constructed a media pylon on each
10 of the Sign Pads existing as of the date of this Lease. The legal descriptions of the respective Sign
11 Pads for each pylon located on the property adjacent to the Public Parking Garages have been
12 modified to include: (a) only that area of land to which the support or the foundation of the pylon
13 is attached “as built” and (b) the air rights for all media elements mounted on the pylon. If Tenant
14 modifies or replaces the media elements (which modifications shall be subject to any applicable
15 Laws), the air rights description shall be further modified as necessary to accommodate the new
16 media elements. Each such revised legal description is attached to this Lease as Exhibit A.

17 17.1 Exclusive Display and Vending Rights. During the Term, subject to the limitations
18 in Section 17 and provided Tenant complies with all Laws relating to signs, including, without
19 limitation, Title 32 of the Code of the City of Portland, Oregon, Tenant shall have the exclusive
20 right to (i) place Displays, including without limitation Advertising, Informational Signs and
21 Signage on the Plaza and the Sign Pads, (ii) engage in vending activities on the Plaza, (iii) place
22 any form of Informational Signs on the exterior of the Premises, including on the reader board
23 marquees on the exterior of the Arena, and (iv) erect and place Signage on the rooftop of the Arena,
24 and (v) erect and place any necessary traffic directional signs, in compliance with applicable Laws.
25 Tenant shall have the right to authorize other Persons to engage in vending activities provided such
26 Persons comply with this Lease, including without limitation, the written protocols described in
27 Section 17.2.4 as amended and provided Landlord receives the Plaza Rent.

28 17.1.1 Tenant shall not allow advertising of guns, sexual products, or tobacco
29 products within the Arena, on the Sign Pads or the Plaza.

30 17.1.2 If Landlord objects to Tenant’s Advertising, Landlord shall have the right
31 to raise its objections in applicable regulatory proceedings.

1 17.1.3 Upon the expiration or earlier termination of the Lease, all Displays shall
2 become the property of Landlord, except Displays that are the property of Persons other than
3 Tenant or Affiliates of Tenant. Tenant shall cause all Displays which are the property of Persons
4 other than Tenant or Affiliates of Tenant to be removed on or before the expiration or earlier
5 termination of this Lease. Tenant shall promptly repair or cause to be repaired all damage caused
6 by such removal. At Landlord's option, Tenant shall remove all Displays owned by Tenant and
7 any Affiliate of Tenant on or before the expiration or earlier termination of the Lease and repair
8 promptly any damage caused by the removal of the Displays. In no event shall Tenant or any
9 Persons claiming through Tenant have the right to erect or maintain Displays on the Premises or
10 the Plaza (or to earn income therefrom) on and after the expiration or earlier termination of this
11 Lease. Notwithstanding the above, a Sublessee entitled to Nondisturbance from Landlord under
12 Section 12.2 shall have the right to continue to display Informational Signs until the Sublease
13 terminates.

14 17.1.4 The character and quality of the Displays and vending shall be
15 complementary to the Improvements and the Plaza Improvements and consistent with the character
16 and quality of the Project, which shall be determined exclusively through the applicable design
17 review process required by Title 33 of the City of Portland Code.

18 17.2 Plaza Operations. Except as otherwise provided in this Lease, during the Term
19 Tenant shall have exclusive control and possession of the Plaza, including but not limited to
20 scheduling and booking any Event within the Plaza and issuing permits in connection therewith,
21 provided Tenant's use and operation of the Plaza does not otherwise violate the terms of this Lease
22 or applicable Laws. In furtherance of the foregoing, Tenant shall, among other things, permit
23 access to and free speech and expression on the Plaza as may be required by Laws, and
24 notwithstanding the foregoing and the constitutionally-recognized rights of the public, the Tenant
25 shall be permitted, pursuant to Section 17.2.4 to determine and enforce reasonable, constitutionally
26 adequate protocols applicable to such public forums for conduct within the Plaza which are
27 intended to ensure the safety and peaceable enjoyment of invitees to the Plaza.

28 17.2.1 Tenant shall provide for the reasonable protection, safety and security of the
29 Plaza and of the individuals using or visiting the Plaza from time to time consistent with the
30 Operating Standard and protocols adopted pursuant to Section 17.2.4. To carry out such

1 obligation, Tenant shall have the right to expel individuals from the Project consistent with the
2 protocols adopted pursuant to Section 17.2.4.

3 17.2.2. Tenant may close the Plaza during the hours and to the extent parks in the
4 City of Portland may be closed at night. To the extent the City of Portland has no such closure
5 policy, Tenant may close the Plaza during non-event times consistent with the protocols adopted
6 pursuant to Section 17.2.4, or as otherwise approved by the Landlord.

7 17.2.3. Use of or operation of the Plaza by Tenant shall not restrict the free flow
8 of pedestrian traffic (and vehicular traffic where appropriate) on the Plaza. Notwithstanding the
9 foregoing, and consistent with constitutional standards applicable to the Plaza, Tenant may
10 reasonably restrict pedestrian and vehicular access on portions of the Plaza or may enclose
11 programmable areas of the Plaza when an Event is scheduled either solely in the Plaza or in
12 connection with any Event held at the Plaza, including for which admission is charged or when it
13 is reasonably necessary in order to conduct the Event or secure the Plaza, provided that at least
14 one pedestrian access route not less than the width of a standard sidewalk is provided through the
15 Plaza, including to the Arena, the Coliseum, the Entertainment Complex and bicycle racks on the
16 Plaza. Any closures, whether before, during or after an Event, shall not impair public safety,
17 unreasonably interfere with use of the Arena or the Coliseum, or violate the public's constitutional
18 right to utilize the Plaza. Subject to Force Majeure, an emergency circumstance or concern for
19 public safety, or consistent with the protocols adopted pursuant to Section 17.2.4, pedestrians shall
20 always have reasonable access through the Plaza from all facilities on the Project Site to the other
21 facilities and to all public rights-of-way bordering the northerly and southerly boundaries of the
22 Project Site. Without limiting the generality of the foregoing, a sufficient passageway shall always
23 be maintained, as deemed necessary by the City in its governmental capacity, as is necessary to
24 permit the safe operation of the facilities on the Project Site.

25 17.2.4 Tenant shall issue and make available to Landlord and members of the
26 public, all to be consistent with constitutional standards, the following written protocols applicable
27 to the Plaza: a) reasonable guidelines regarding availability of the Plaza for Events (including
28 without limitation community events) which guidelines shall require any permittee of an Event
29 approved by Tenant to comply with all applicable Laws, b) the criteria to contract with Tenant for
30 Events, c) permit fees and the cost of additional services and equipment for Events that are payable
31 to Tenant in connection with Events, d) a list of restricted activities within the Plaza as determined

1 by Tenant, and d) all other reasonable protocols consistent with the terms of this Lease and Laws
2 covering use of the Plaza.

3 17.3 Plaza Rent As additional Rent (“Plaza Rent”) and in consideration of the exclusive
4 advertising and vending rights granted in Section 17.1, Tenant shall pay to Landlord:

5 17.3.1 on the first business day of each Lease Year, a lump-sum annual amount of
6 Fifteen Thousand Dollars (\$15,000.00), which amount shall be adjusted annually by the Index.

7 17.3.2 [Intentionally Omitted][Intentionally Omitted][Intentionally
8 Omitted]Interest on Late Payments. On demand, Tenant shall pay Landlord interest on late Plaza
9 Rent payments accruing from the date due until paid at the Prime Rate plus four percent (4%).
10 Payment of interest shall be in addition to (and not in lieu of) any other rights and remedies
11 Landlord may have arising from the late payments.

12 17.5 [Intentionally Omitted].

13 17.6 [Intentionally Omitted].

14 17.7 [Intentionally Omitted].

15 17.8 [Intentionally Omitted].

16 17.9 Rent Payments. All payments of Rent and any other amounts to be paid by Tenant
17 to Landlord under this Section 17 shall be made by Tenant to Landlord without notice or demand,
18 deduction or offset at City of Portland Office of Finance and Administration, 1120 S.W. Fifth
19 Avenue, Suite 1250, Portland, Oregon 97204, or at such other place as Landlord may designate by
20 written notice to Tenant.

21 17.10 Net Rent. Rent and other sums to be paid by Tenant shall be payable in lawful
22 money of the United States of America. Rent and all other sums payable by Tenant shall be
23 absolutely net to Landlord, free from all costs, expenses, charges and deductions to Landlord,
24 except as expressly provided in Sections 3.3, 10.9 and Exhibit E of this Lease.

25 17.11 Bifurcation of Plaza Tenancy. If at any time during the Term, including as may be
26 extended, the inclusion of the terms of the Tenant’s occupancy of the Plaza within this Lease has,
27 or may have, a material adverse effect on the tax-exempt status of the Arena, Tenant shall have the
28 right to unilaterally amend the Lease to delete all sections of this Lease related to or referencing
29 the Plaza in Tenant’s discretion, including, without limitation, Sections 17.2, 17.3, 17.5, and 17.10;
30 provided, however, that Tenant shall delete only the provisions necessary to preserve the tax-
31 exempt status of the Arena. If Tenant exercises such right, Tenant shall deliver to Landlord a

1 replacement lease agreement setting forth such Plaza-related terms deleted from this Lease
2 pursuant to this Section 17.12. Landlord shall promptly review, and if reasonably acceptable and
3 materially consistent with the terms of this Lease, promptly seek all necessary City approval to
4 enter into same. During any interim period where a written lease related to Tenant’s occupancy
5 of the Plaza does not exist, Tenant and Landlord shall continue to operate under the same terms
6 and conditions that were previously set forth in this Lease until such time as the parties execute a
7 written replacement lease agreement in accordance with this Section 17.12.

8 17.12 Maintenance. Throughout the Term all Plaza Improvements including without
9 limitation landscaping shall be at all times maintained by Tenant at Tenant’s sole cost and expense
10 in first class operating condition and in a clean and attractive condition and consistent with the
11 Operating Standard. Maintenance shall include Minor Repairs. “Minor Repairs” means routine,
12 normal, day to day and other periodic upkeep necessitated by ordinary wear and tear on the Plaza,
13 and the Sign Pads (such as paint touch up, light bulb replacement, adjustment of sprinkler heads,
14 and removal of graffiti). Maintenance shall include daily janitorial type maintenance of the Plaza
15 Improvements and the Sign Pads, general landscaping maintenance and normal periodic
16 maintenance (both preventative and general), i.e., filling a crack in the concrete to slow the rate of
17 deterioration. Landlord shall have no obligation to perform or pay for any Minor Repairs to the
18 Plaza, nor shall Landlord have any obligation as to the water feature located on the Plaza, it being
19 understood that RCM shall be responsible for the performance and payment all costs relating to
20 the operation, maintenance, repair and replacement of the water features (to include Minor Repairs,
21 Capital Repair and Replacement, and Major Repairs) for the Term of this Lease, and RCM shall
22 be responsible for any liability associated with the water features.

23 17.13 Capital Repair and Replacement. Landlord shall be responsible for the cost and
24 performance of the Capital Repair and Replacement of the Plaza and Plaza Improvements. During
25 the Term, Tenant shall be responsible for the cost and performance of the Capital Repair and
26 Replacement of the Arena. “Capital Repair and Replacement” means the rebuilding, reconstruction
27 or replacement of any destroyed, dysfunctional or obsolete Improvement or part of the
28 Improvement so as to restore the Improvement or part to not less than its functional level prior to
29 the need for such rebuilding, reconstruction or replacement. “Capital Repair and Replacement”
30 covers items that are treated as capital costs and not as expenses under GAAP.

1 17.14 Major Repairs. Repairs not expressly covered by Section 17.12 or 17.13 and
2 repairs which are not ordinary-course maintenance and repairs, alterations, additions or
3 modifications to the Improvements performed pursuant to Section 5.3 are “Major Repairs.” Major
4 Repairs of and to the Plaza and Plaza Improvements shall be the responsibility of the Landlord.
5 Major Repairs of and to the Arena shall be the responsibility of Tenant during the Term of this
6 Lease.

7 17.15 Capital Improvements. Neither Landlord nor Tenant shall make any improvements
8 or alterations to the Plaza or the Sign Pads without the prior written consent of the other.

9 17.16 End of Term. At the end of the Term, the signs and Displays on the Plaza, including
10 Sign Pads, shall be treated as if they were Operating Trade Fixtures of Tenant under this Lease.

11 **18. MISCELLANEOUS**

12 18.1 Estoppel Certificates. Each of the parties agrees that it will, at any reasonable time
13 and from time to time, within 10 business days following written notice by the other party or any
14 Leasehold Mortgagee specifying that it is given pursuant to this Section 18.1, execute,
15 acknowledge and deliver to the party or the Leasehold Mortgagee, as the case may be, who gave
16 such notice a statement in writing certifying that this Lease is unmodified and in full force and
17 effect (or if there have been modifications, that the same is in full force and effect as modified and
18 stating the modifications), and the dates to which the Rent and any other payments due hereunder
19 from Tenant have been paid in advance, if any, and stating whether or not to the best of knowledge
20 of the signer of such certificate the other party to this Lease is in default in performance of any
21 covenant, agreement or condition contained in this Lease, and, if so, specifying each such default
22 of which the signer may have knowledge. Any certificate required to be made by the City pursuant
23 to this Section 18.1 may be made on its behalf by the City’s Office of Management and Finance
24 or successor bureau/division as may be defined by City Code or by the Portland City Council.
25 Landlord shall not be required to make an estoppel certificate more often than once a year to any
26 one Leasehold Mortgagee except in connection with any transfer of such Leasehold Mortgagee’s
27 interests or a foreclosure.

28 18.2 Standard of Measurement. If a dollar amount is to be adjusted with the passage of
29 time under this Lease, the adjustment shall take place every fifth anniversary of the
30 Commencement Date unless another adjustment period is specified. The new amount shall be the
31 dollar amount that bears the same ratio to the original dollar amount as the Index as defined in

1 Section 1.1 published immediately before the date the adjustment is made bears to the Index
2 published immediately before the date of this Lease.

3 18.3 No Partnerships. Nothing contained herein or in any instrument relating hereto
4 shall be construed as creating a partnership or joint venture between Landlord and Tenant, or cause
5 Landlord to be responsible in any way for debts or obligations of Tenant or any other party.

6 18.4 City Regulatory and Police Powers. The parties recognize that the City must retain
7 its regulatory and police powers and that the City's regulatory bodies, in carrying out their
8 responsibilities, should do so independently without undue influence by other city officials and
9 employees. The City agrees that such other City officials and employees, during the term of this
10 Lease, shall not seek to influence the City's regulatory bodies in a manner that would otherwise
11 deny to Tenant or Sublessees the benefits of the City's covenants and obligations under this Lease
12 or would otherwise allow the City to accomplish a result that would not be permitted under the
13 term and conditions of this Lease. This Section 18.4 shall not restrict the City's staff from
14 performing its usual regulatory review, comment and advisory functions or its police powers.

15 18.5 Time of the Essence. Time is hereby expressly declared to be of the essence of this
16 Lease and of each and every term, covenant, agreement, condition and provision hereof.

17 18.6 Captions. The captions of this Lease and the table of contents preceding this Lease
18 are for convenience and reference only, and are not a part of this Lease, and in no way amplify,
19 define, limit or describe the scope or intent of this Lease, nor in any way affect this Lease.

20 18.7 Meaning of Terms. Words of any gender in this Lease shall be held to include any
21 other gender and words in the singular number shall be held to include the plural when the sense
22 requires.

23 18.8 Lease Construed as a Whole. The language in all parts of this Lease shall in all
24 cases be construed as a whole according to its fair meaning and neither strictly for nor against
25 Landlord or Tenant.

26 18.9 Severability. If any provision of this Lease or the application thereof to any person
27 or circumstance shall to any extent be invalid or unenforceable, the remainder of this Lease, or the
28 application of that provision to persons or circumstances other than those as to which it is invalid
29 or unenforceable, shall not be affected thereby, and each provision of this Lease shall be valid and
30 be enforced to the fullest extent permitted by law.

1 18.10 Survival. Each provision of this Lease, the full performance of which is not
2 required prior to the expiration of the Term hereof or its earlier termination shall survive expiration
3 or earlier termination and be fully enforceable thereafter. Notwithstanding the foregoing, Landlord
4 and Tenant agree that the terms and provisions of the Original Lease shall not survive termination
5 of the Original Lease, except for any obligation to indemnify, defend and hold harmless under the
6 Original Lease which relates to any fact, event, or occurrence which first occurred during the term
7 of the Original Lease.

8 18.11 Memorandum of Lease. Concurrently with its execution and delivery of this Lease,
9 the parties shall execute and acknowledge a (i) Memorandum of this Lease in the form attached as
10 **Exhibit H** for public recordation purposes, so that public notice of the Term of the Lease be given,
11 and (ii) a termination of that certain: Memorandum of Lease; Memorandum of Option to Purchase
12 or Demolish with an effective date of June 23, 1993 and recorded in the Official Records of
13 Multnomah County, Oregon on June 24, 1993 in Book 2712 at pages 207-239, as amended by that
14 certain Amendment to Memorandum of Lease; Memorandum of Option to Purchase or Demolish
15 with an effective date of July 7, 2014 and recorded in the Official Records of Multnomah County,
16 Oregon on July 18, 2014 as Document No. 2014-069909 (collectively, the “Original
17 Memorandum”), which Original Memorandum was recorded with respect to the Original Lease.
18 However, this Lease shall not be recorded.

19 18.12 Amendment. This Lease may be amended only in writing, signed by both Landlord
20 and Tenant.

21 18.13 Commissions. Landlord and Tenant shall save and hold the other harmless from
22 any and all claims or demands, requests by real estate brokers, agents or finders with whom such
23 indemnifying party may have dealt in connection with this Lease.

24 18.14 Notices. A notice or communication under this Agreement by a party to another
25 party or parties shall be sufficiently given or delivered upon personal delivery or if dispatched by
26 registered or certified mail, postage prepaid, return receipt requested or by a delivery service or
27 same-day or overnight service that provides a written confirmation of delivery, or sent by email to
28 the party to which such notice is required to be given at the email addresses stated in this
29 Agreement or to such other email address as such party may have specified to the other in writing,
30 and addressed to the party or parties as follows:

31 If to the City:

1 The Office of the City Administrator
2 1120 SW 5th Avenue, Room 526
3 Portland, Oregon 97204
4 Attn: City Auditor
5 Email: spectatorfacilities@portlandoregon.gov and
6 michael.jordan@portlandoregon.gov
7

8 With a copy to:

9 Office of the City Attorney
10 City of Portland, Oregon
11 1221 SW Fourth Avenue, Room 430
12 Portland, Oregon 97204
13 Attn: City Attorney
14 Email: cityattorneysoffice@portlandoregon.gov and
15 ken.mcgair@portlandoregon.gov
16
17

18
19 If to Tenant:

20 Rip City Management LLC
21 One Center Court, Suite 200
22 Portland, Oregon 97227
23 Attn: Zandria Conyers, Sr. V.P./General Counsel
24 Email: Zandria.conyers@trailblazers.com
25

26 With a copy to

27
28 Schwabe Williamson & Wyatt
29 1211 SW Fifth Avenue
30 Suite 1900
31 Portland, Oregon 97204
32 Attn: Ben Lauritsen
33 Email: blauritsen@schwabe.com
34

35 Each party may by notice to all other parties, specify a different address for subsequent notice
36 purposes. Notice shall be deemed effective on the date of actual receipt or three days after the date
37 of mailing, whichever is earlier; provided, however, notices sent by email to any party shall be
38 deemed received on the same day of such sending, unless the sender receives notification that the
39 email was not delivered, and the sending-party also delivers written notice to the receiving party
40 in accordance with this Section 18.14.

1 18.15 Consents and Approvals. Whenever a party's consent or approval (or reasonable
2 consent or approval) is required, or whenever a party has the right to approve or give its consent,
3 such approval or consent shall neither be unreasonably withheld nor unreasonably delayed unless
4 a different standard is expressed or, with respect to delay, a specific time period is expressly
5 provided in the same provision or section which gives rise to the right or requirement of a Party to
6 approve or consent.

7 18.16 Attorneys' Fees. In the event a suit, action, dispute resolution, or other proceeding
8 of any nature whatsoever, including without limitation any proceeding under the U.S. Bankruptcy
9 Code, is instituted, the prevailing or non- defaulting party shall be entitled to recover from the
10 losing or defaulting party its attorneys', paralegals', accountants', and other experts' fees and all
11 other fees, costs, and expenses actually incurred and reasonably necessary in connection therewith.
12 In the event of suit, action, dispute resolution, or other proceeding, the amount thereof shall be
13 determined by the judge or arbitrator, shall include fees and expenses incurred on any appeal or
14 review, and shall be in addition to all other amounts provided by law.

15 18.17 Interest. Except as otherwise specifically provided herein, any amounts due by one
16 party to the other pursuant to the terms of this Lease, including amounts to be reimbursed, shall
17 bear interest from the due date or the date the right to reimbursement accrues at the Prime Rate
18 plus four percent (4%), provided, however, that such rate shall not exceed, in any event, the highest
19 rate of interest which may be charged under applicable law without the creation of liability for
20 penalties or rights of offset or creation of defenses. For purposes of interest calculations, the due
21 date of an amount or the date the right to reimbursement accrues shall be deemed the date that it
22 originally was owing but may have been disputed, as distinguished from the date of final settlement
23 or the making of a judicial or dispute resolution award.

24 18.18 Effect of Failure to Consent. If Tenant requests Landlord's consent or approval
25 pursuant to any provision of this Lease and Landlord fails or refuses to give such consent, Tenant
26 shall not be entitled to any damages as a result of such failure or refusal, whether or not
27 unreasonable, it being intended that Tenant's sole remedy shall be an action for specific
28 performance or injunction, and that such remedy shall be available only in those cases in which
29 Landlord has in fact acted unreasonably and has expressly agreed in writing not unreasonably to
30 withhold its consent or in those cases in which Landlord may not unreasonably withhold its consent
31 as a matter of law.

1 18.19 City Acting in Proprietary Capacity. All representations, warranties, and covenants
2 of Landlord shall not limit, restrict, or otherwise affect any ordinance, consent, decree, or other
3 action of Landlord, issued, promulgated, granted, or taken in Landlord's governmental, legislative,
4 judicial, or administrative capacity. All representations, warranties, and covenants of Landlord
5 contained in this Lease are made in Landlord's capacity as owner of the Property only, and this
6 Lease shall not bind the City in its regulatory capacity, nor as a public utility provider, nor as a
7 taxing and assessing authority, nor in any other sovereign capacity.

8 18.20 Conflict of Interest. No member, official, or employee of Landlord shall have any
9 personal interest, direct or indirect, in this Lease, nor shall any such member, official, or employee
10 participate in any decision relating to this Lease which affects his/her personal interest or the
11 interest of any Person in which he/she is, directly or indirectly, interested. No member, official,
12 or employee of Landlord shall be personally liable to Tenant or any successor in interest to Tenant
13 in the event of any default or breach by Landlord or for any amount which may become due to
14 Tenant or such successor with respect to any obligations under the terms of this Lease.

15 18.21 Nondiscrimination. Without limiting Tenant's general obligation for compliance
16 with all applicable Laws, for the duration of this Term, Tenant shall comply with all equal
17 employment opportunity and nondiscrimination laws of any Governmental Authority, as they may
18 be amended from time to time, and rules, regulations, orders and directives of the associated
19 administrative agencies and their officers.

20 18.22 Further Assurances. Landlord and Tenant, whenever and as often as each shall be
21 reasonably requested to do so by the other Party, shall execute or cause to be executed any further
22 documents, take any further actions and grant any further approvals as may be necessary or
23 expedient in order to consummate the transactions provided for herein, and to carry out the purpose
24 and intent of this Lease and the Related Agreements.

25 18.23 Governing Law. This Lease shall be construed according to and governed by the
26 laws of the State of Oregon.

27 18.24 Date of Lease. For reference purposes, the date of this Lease shall be the date on
28 the first page, irrespective of the date Landlord or Tenant actually executes this Lease.

29 18.25 Binding Effect. All of the covenants, agreements, terms and conditions contained
30 in this Lease shall inure to and be binding upon Landlord and Tenant and their respective heirs,
31 executors, administrators, successors and assigns.

1
2 LANDLORD:
3

CITY OF PORTLAND,
a municipal corporation of the of State of Oregon

4 By: _____
5 Its: _____

6 By: _____
7 Its: City of Portland Auditor

8
9 TENANT:
10

RIP CITY MANAGEMENT LLC,
a Delaware limited liability company

11 By: _____
12 Its: _____

13 APPROVED AS TO FORM:
14 _____
15 City Attorney for City of Portland

EXHIBIT A

Legal Description of the Property

PARCEL 1: (Leasehold portion of Arena Building)

A tract of land situated in the Northeast one-quarter of Section 34, Township 1 North, Range 1 East, of the Willamette Meridian, in the City of Portland, County of Multnomah and State of Oregon, being more particularly described as follows:

Commencing at a monument at the intersection of the center line of vacated N. Cherry and the center line of vacated N. Larabee Avenue; thence proceeding South 38° 28' 52" East along the center line of said N. Larabee Avenue, a distance of 836.18 feet; thence North 51° 31' 08" East 406.60 feet to the intersection of the center line of vacated N.E. Multnomah Street with the West line of N.E. Williams Avenue (80.0 feet in width) to the point of beginning of the tract herein to be described; thence South 0° 14' 28" West along said West line of N.E. Williams Avenue a distance of 240.08 feet; thence North 88° 00' 00" West 37.34 feet; thence North 2° 00' 00" East 2.50 feet; thence North 88° 00' 00" West 17.00 feet; thence North 24° 00' 00" East 11.00 feet; thence North 61° 00' 00" West a distance of 23.00 feet; thence North 54° 00' 00" West 23.00 feet; thence North 41° 00' 00" West 23.83 feet to a point of non-tangent curve to the right; thence along said curve to the right having a radius of 24.50 feet and through a central angle of 166° 39' 42" an arc length of 71.27 feet, said curve is subtended by a chord which bears North 36° 01' 40" West 48.67 feet; thence North 26° 00' 00" West 25.07 feet; thence North 16° 00' 00" West 40.00 feet; thence North 19° 00' 00" West 7.00 feet; thence North 13° 00' 00" West a distance of 75.00 feet; thence North 14° 00' 00" West 25.00 feet; thence North 13° 00' 00" West 32.00 feet; thence North 9° 00' 00" West 22.00 feet; thence North 2° 00' 00" East 75.00 feet; thence South 88° 00' 00" East a distance of 2.50 feet; thence North 2° 00' 00" East 17.00 feet; thence South 64° 00' 00" East 11.84 feet; thence North 25° 00' 00" East 26.64 feet; thence North 41° 00' 00" East 34.00 feet; thence South 44° 00' 00" East a distance of 4.00 feet; thence North 46° 00' 00" East 35.00 feet; thence North 60° 39' 19" East 28.99 feet; thence North 46° 00' 00" West 11.00 feet; thence North 8° 00' 00" West 10.00 feet; thence North 38° 00' 00" West a distance of 58.00 feet; thence North 52° 00' 00" East 34.00 feet; thence North 77° 00' 00" West 39.00 feet; thence North 86° 00' 00" West 35.00 feet; thence North 0° 17' 12" East 176.00 feet to a point of non-tangent curve to the right; thence along said curve having a radius of 396.77 feet and through a central angle of 24° 04' 53" an arc length of 166.76 feet, said curve is subtended by a chord which bears South 78° 03' 59" East 165.54 feet; thence North 24° 02' 51" East 3.80 feet; thence South 65° 02' 03" East 14.02 feet; thence South 25° 50' 33" West 3.80 feet to a point of non-tangent curve to the right; thence along said curve to the right having a radius of 396.77 feet and through a central angle of 5° 34' 37" an arc length of 38.62 feet, said curve is subtended by a chord which bears South 61° 14' 10" East 38.60 feet; thence North 31° 44' 16" East a distance of 3.80 feet; thence South 57° 26' 17" East 14.01 feet; thence South 33° 25' 12" West 3.88 feet to a point of non-tangent curve to the right; thence along said curve having a radius of 396.77 feet and through a central angle of 6° 06' de an arc length of 42.33 feet, said curve is subtended by a chord which bears South 54° 14' 31" East 42.31 feet; thence North 32° 40' 22" East 3.79 feet; thence South 50° 16' 19" East 18.73 feet; thence South 40° 34' 03" East a distance of 56.61 feet to a point of curve to the right; thence along said curve to the right having a radius of 473.50 feet and through a central angle of 40° 52' 09" an arc length of 337.75 feet, said curve is subtended by a chord

which bears South 20° 07' 59" East 330.63 feet; thence South 89° 45' 32" East 2.00 feet; thence South 0° 14' 28" West 65.15 feet; thence North 89° 51' 42" West 244.50 feet to the point of beginning.

TOGETHER WITH an easement for ingress and egress over the following described contiguous tract of land situated in the Northeast one-quarter of Section 34, Township 1 North, Range 1 East of the Willamette Meridian, in the City of Portland, County of Multnomah and State of Oregon, being more particularly described as follows:

Commencing at a monument at the intersection of the center line of vacated N. Cherry Street and the center line of vacated N. Larabee Avenue; thence proceeding South 38° 28' 52" East, along the center line of said Larabee Avenue a distance of 343.61 feet; thence North 51° 31' 08" East 633.84 feet to the point of beginning for the following described tract; thence South 89° 42' 48" East 71.09 feet to a point of curve to the right having a radius of 124.50 feet; thence along said curve to the right through a central angle of 11° 05' 50" an arc length of 24.11 feet, said curve is subtended by a chord which bears South 84° 09' 53" East 24.08 feet to a point of non-tangency; thence South 19° 04' 22" West 31.52 feet to a point of non-tangent curve to the left having a radius of 396.77 feet; thence along said curve through a central angle of 12° 36' 57" an arc length of 87.36 feet, said curve is subtended by a chord which bears North 76° 33' 27" West 87.19 feet to a point of non-tangency; thence North 0° 17' 12" East 12.33 feet to the point of beginning.

ALSO TOGETHER WITH an easement for Air Rights to maintain a roof structure over the following contiguous tract of land situated in the Northeast one-quarter of Section 34, Township 1 North, Range 1 East, of the Willamette Meridian, in the City of Portland, County of Multnomah and State of Oregon, being that air space with a bottom elevation that is 80 feet above the finished Plaza elevation and extending vertically to a top elevation that is 130 feet above the finished Plaza level, the measure up of the Plaza level being at the south end of the existing Arena, said tract being more particularly described as follows:

Commencing at a monument at the intersection of the center line of vacated N. Cherry Street and the center line of vacated N. Larabee Avenue; thence proceeding South 38° 28' 52" East, along the center line of said Larabee Avenue, a distance of 836.18 feet; thence North 51° 31' 08" East 406.60 feet to the intersection of the center line of vacated N.E. Multnomah Street with the West line of N.E. Williams Avenue (80.0 feet in width); thence North 89° 51' 42" West along the center line of said vacated Multnomah Street a distance of 244.50 feet to a point that is 30.50 feet, when measured at right angles, Westerly from the Northerly projection of the East line of Block 55, Holladay's Addition, said point also being on the new Westerly right-of-way line of North Wheeler Avenue; thence South 0° 14' 28" West along said new right-of-way 11.00 feet to the point of beginning of the tract herein to be described; thence South 9° 00' 00" East leaving said right-of-way a distance of 46.70 feet; thence South 0° 14' 28" West parallel with said right-of-way line a distance of 45.40 feet; thence North 89° 45' 32" West 7.50 feet to a point in said Westerly right-of-way line; thence North 0° 14' 28" East along said right-of-way line 91.50 feet to the point of beginning.

PARCEL 2:

AIR-RIGHTS NO. 1

A tract of land situated in the Northeast one-quarter of Section 34, Township 1 North, Range 1 East, of the Willamette Meridian, in the City of Portland, County of Multnomah and State of Oregon, said tract being that space with a bottom elevation that is 9 feet above the finished Plaza Level and extending vertically to a top elevation that is 42 feet above the finished Plaza Level, said tract being more particularly described as follows:

Commencing at a monument at the intersection of the center line of vacated N. Cherry Street and the center line of vacated N. Larabee Avenue; thence proceeding South 38° 28' 52" East along the center line of said Larabee Avenue, a distance of 540.96 feet; thence North 51° 31' 08" East 494.52 feet to the point of beginning for the following described tract; thence South 38° 00' 00" East 27.82 feet; thence South 8° 00' 00" East a distance of 10.00 feet; thence South 46° 00' 00" East 11.00 feet; thence South 60° 39' 19" West 28.99 feet; thence South 46° 00' 00" West 35.00 feet; thence North 44° 00' 00" West a distance of 4.00 feet; thence South 41° 00' 00" West 18.69 feet to a point of non-tangent curve; thence on the arc of a 265.00 foot radius curve to the right, through a central angle of 21° 10' 35" an arc length of 97.94 feet, said curve is subtended by a chord which bears North 23° 38' 22" East 97.39 feet to the point of beginning.

ROOF AIR RIGHTS (Formerly Air Rights 2, 3 and 4)

Three tracts of land situated in the Northeast one-quarter of Section 34, Township 1 North, Range 1 East, of the Willamette Meridian, in the City of Portland, County of Multnomah and State of Oregon, said tracts being that space with a bottom elevation that is 80 feet above the finished plaza elevation and extending vertically to a top elevation that is 130 feet above the finished plaza level, the measure up of the plaza level being at the South end of the existing arena, said tracts being more particularly described as follows:

TRACT 1: Commencing at a monument at the intersection of the center line of vacated N. Cherry Street and the center line of vacated N. Larabee Avenue; thence proceeding South 38° 28' 52" East along the center line of said Larabee Avenue 601.94 feet; thence North 51° 31' 08" East 333.37 feet to the point of beginning of the tract herein to be described; thence North 74° 25' 30" East 10.85 feet; thence North 0° 41' 35" East 21.24 feet; thence North 53' 21' 21" East 33.65 feet; thence South 25° 00' 00" West 23.32 feet; thence North 64° 00' 00" West a distance of 11.84 feet; thence South 2° 00' 00" West 17.00 feet; thence North 88° 00' 00" West 2.50 feet; thence South 2° 00' 00" West 75.00 feet; thence South 9° 00' 00" East 22.00 feet; thence South 13° 00' 00" East 32.00 feet; thence South 14° 00' 00" East 25.00 feet; thence South 13° 00' 00" East 75.00 feet; thence South 19° 00' 00" East 7.00 feet; thence South 16° 00' 00" East a distance of 40.00 feet; thence South 26° 00' 00" East 25.07 feet to a point of non-tangent curve to the left having a radius of 24.50 feet; thence along said curve to the left through a central angle of 2° 11' 44" an arc length of 0.94 feet, said curve is subtended by a chord which bears South 46° 12' 20" West 0.94 feet to a point of non-tangent curve to the right having a radius of 614.66 feet; thence along said curve to the right through a central angle of 27° 19' 08" an arc length of 293.07 feet, said curve is subtended by a chord which bears North 13° 40' 59" West 290.31 feet to the point of beginning.

TRACT 2: Commencing at a monument at the intersection of the center line of vacated N. Cherry Street and the center line of vacated N. Larabee Avenue; thence proceeding South 38° 28' 52" East along the center line of said Larabee Avenue, a distance of 1012.87 feet; thence North 51° 31' 08" East 225.64 feet to the point of beginning for the following described tract; thence North 77° 21' 43" East 20.31 feet; thence South 69° 01' 10" East 11.62 feet; thence North 0° 14' 28" East 10.55 feet; thence North 88° 00' 00" West 37.34 feet; thence North 2° 00' 00" East 2.50 feet; thence North 88° 00' 00" West 17.00 feet; thence North 24° 00' 00" East a distance of 11.00 feet; thence North 61° 00' 00" West 23.00 feet; thence North 54° 00' 00" West 23.00 feet; thence North 41° 00' 00" West 23.83 feet to a point of non-tangent curve to the right having a radius of 24.50 feet; thence along said curve to the right through a central angle of 9° 09' 40" an arc length of 3.92 feet, said curve is subtended by a chord which bears South 65° 13' 19" West 3.91 feet to a point of non-tangent curve to the left having a radius of 261.01 feet; thence along said curve to the left through a central angle of 22° 26' 20" an arc length of 102.22 feet, said curve is subtended by a chord which bears South 49° 15' 09" East 101.57 feet to the point of beginning.

TRACT 3: Commencing at a monument at the intersection of the center line of vacated N. Cherry Street and the center line of vacated N. Larabee Avenue; thence proceeding South 38° 28' 52" East, along the center line of said Larabee Avenue, a distance of 1054.39 feet; thence North 51° 31' 08" East 263.18 feet to the point of beginning of the following described tract; thence South 89° 51' 42" East 51.61 feet; thence South 51° 33' 12" West 21.33 feet; thence North 69° 01' 10" West 37.39 feet to the point of beginning.

AIR-RIGHTS NO. 5

A tract of land situated in the Northeast one-quarter of Section 34, Township 1 North, Range 1 East, of the Willamette Meridian, in the City of Portland, County of Multnomah and State of Oregon, said tract being that space with a bottom elevation that is 9 feet above the finished Plaza Level and extended vertically to a top elevation that is 42 feet above the finished Plaza Level, said tract being more particularly described as follows:

Commencing at a monument at the intersection of the center line of vacated N. Cherry Street and the center line of vacated N. Larabee Avenue; thence proceeding South 38° 28' 52" East along the center line of said Larabee Avenue, a distance of 863.65 feet; thence North 51° 31' 08" East 183.02 feet to the point of beginning of the tract herein to be described; thence North 1° 26' 07" East 78.61 feet; thence South 19° 00' 00" East a distance of 0.64 feet; thence South 16° 00' 00" East 40.00 feet; thence South 26° 00' 00" East 25.07 feet to a point of non-tangent curve to the left having a radius of 24.50 feet; thence along said curve to the left through a central angle of 166° 39' 42" an arc length of 71.27 feet, said curve is subtended by a chord which bears South 36° 01' 40" East 48.67 feet; thence South 41° 00' 00" East 15.23 feet to a point of non-tangent curve to the right having a radius of 40.00 feet; thence along said curve to the right through a central angle of 126° 13' 21" an arc length of 88.12 feet, said curve is subtended by a chord which bears North 61° 40' 33" West 71.35 feet to the point of beginning.

"TERRACE PARCEL-AIR RIGHTS NO.7"

A tract of land situated in the Northeast one-quarter of Section 34, Township 1 North, Range 1 East, of the Willamette Meridian, in the City of Portland, County of Multnomah and State of Oregon, said tract being that space with a bottom elevation being the finished Plaza level and

extending vertically 12 feet above the finished Plaza level, said tract being more particularly described as follows:

Commencing at a monument at the intersection of the center line of vacated N. Cherry Street and the center line of vacated N. Larabee Avenue; thence proceeding South 38° 28' 52" East along the center line of said Larabee Avenue, a distance of 741.86 feet; thence North 51° 31' 08" East 244.72 feet to the point of beginning of the tract herein to be described; thence North 76° 43' 31" East 15.63 feet; thence South 13° 00' 00" East a distance of 54.10 feet; thence South 19° 00' 00" East 7.00 feet; thence South 16° 00' 00" East 40.00 feet; thence South 26° 00' 00" East 8.68 feet; thence South 54° 28' 08" West a distance of 21.96 feet to a point of non-tangent curve to the right having a radius of 25.00 feet; thence along said curve to the right through a central angle of 180° 00' 00" an arc length of 78.54 feet, said curve is subtended by a chord which bears North 35° 31' 52" West 50.00 feet to a point of reverse curve having a radius of 5.00 feet; thence along said reverse curve through a central angle of 118° 57' 54" an arc length of 10.38 feet, said curve is subtended by a chord which bears North 5° 00' 49" West 8.61 feet to a point of reverse curve having a radius of 15.00 feet; thence along said reverse curve through a central angle of 126° 57' 27" an arc length of 33.24 feet, said curve is subtended by a chord which bears North 1° 01' 02" West 26.84 feet to a point of reverse curve having a radius of 5.00 feet; thence along said reverse curve through a central angle of 125° 05' 32" an arc length of 10.92 feet, said curve is subtended by a chord which bears North 0° 05' 05" West 8.87 feet to a point of reverse curve having a radius of 16.00 feet; thence along said reverse curve through a central angle of 139° 21' 22" an arc length of 38.92 feet, said curve is subtended by a chord which bears North 7° 02' 50" East 30.01 feet to the point of beginning.

PARCEL 3: (Entry and Arena Subsurface)

A tract of land situated in the Northeast quarter of Section 34, Township 1 North, Range 1 East of the Willamette Meridian, in the City of Portland, County of Multnomah and State of Oregon and more particularly described as follows:

Commencing at a monument at the intersection of the center line of vacated N. Cherry Street and the center line of vacated N. Larabee Avenue; thence proceeding South 38° 28' 52" East along the center line of said Larabee Avenue, 498.38 feet to the point of beginning for the following described tract; thence North 51° 31' 42" East, a distance of 134.55 feet; thence North 38° 56' 34" East, a distance of 90.47 feet; thence North 51° 31' 42" East, a distance of 240.22 feet; thence South 0° 17' 12" West, a distance of 2.33 feet; thence South 47° 04' 40" East, a distance of 107.05 feet; thence South 61° 31' 46" West, a distance of 15.92 feet; thence South 46° 31' 22" West, a distance of 47.83 feet; thence South 31° 31' 22", West a distance of 47.83 feet; thence South 16° 31' 23" West, a distance of 47.83 feet; thence South 1° 31' 22" West, a distance of 16.02 feet; thence South 7° 59' 45" East, a distance of 33.26 feet; thence South 11° 13' 22" East, a distance of 38.33 feet; thence South 14° 23' 06" East, a distance of 28.21 feet; thence South 76° 32' 37" West, a distance of 12.16 feet to a point of non-tangent curve; thence on the arc of a 19.38 foot radius curve to the left, thru a central angle of 141° 04' 09", with a chord that bears South 15° 40' 48" West, 36.55 feet, an arc distance of 47.73 feet to a point of non-tangent reverse curve; thence on the arc of a 4.50 foot radius curve to the right, thru a central angle of 113° 42' 44", with a chord that bears South 10° 59' 03" East, 7.54 feet, an arc distance of 8.93 feet to a point of non-tangent reverse curve; thence on the arc of a 19.98 foot radius curve to the left, thru

a central angle of 121° 08' 11", with a chord that bears South 5° 56' 04" East, 34.81 feet; an arc distance of 42.25 feet to a point of reverse curve; thence on the arc of a 4.50 foot radius curve to the right, thru a central angle of 128° 53' 54", with a chord that bears South 2° 03' 13" East, 8.12 feet, an arc distance of 10.12 feet to a point of non-tangency; thence South 53° 57' 31" West, a distance of 3.65 feet to a point of non-tangent curve; thence on the arc of a 27.50 foot radius curve to the left, thru a central angle of 17° 40' 04", with a chord that bears South 42° 38' 29" West, 8.45 feet, an arc distance of 8.48 feet to a point of non-tangency; thence South 76° 31' 21" West, a distance of 13.68 feet; thence North 89° 45' 49" West, a distance of 28.93 feet; thence North 0° 17' 12" East, a distance of 113.05 feet; thence North 89° 42' 48" West, a distance of 52.77 feet to a point of non-tangent curve; thence on the arc of a 30.00 foot radius curve to the left, thru a central angle of 62° 11' 21" with a chord that bears North 19° 17' 40" West, 30.99 feet, an arc distance of 32.56 feet to a point of non-tangency; thence North 89° 42' 48" West, a distance of 12.35 feet; thence North 0° 17' 12" East, a distance of 2.00 feet; thence North 89° 42' 48" West, a distance of 15.16 feet; thence North 0° 17' 12" East, a distance of 1.67 feet; thence North 89° 42' 48" West, a distance of 1.17 feet; thence South 0° 17' 12" West, a distance of 32.86 feet; thence North 89° 42' 48" West, a distance of 116.93 feet; thence South 51° 31' 42" West, a distance of 242.80 feet; thence North 52° 43' 15" West, a distance of 50.42 feet; thence North 48° 58' 25" West, a distance of 2.35 feet; thence North 51° 31' 42" East, a distance of 188.34 feet to the point of beginning.

Excepting from said Parcel 3 the following described exception Parcels 3A and 3B:

Exception Parcel 3A:

Any portion of the following described "Plaza Parcel" which also lies above the waterproof membrane located at various elevations which are shown on those certain construction documents identified as:

Document No. aaS231, Level Three Annex Building First Floor Plan, dated April 26, 1993, prepared by EB Architects (attached as Exhibit A-1 to Exhibit A)

Document No. aaS232, Level Three Truck Dock Roof and Annex Building First Floor Plan, dated April 26, 1993, prepared by EB Architects (attached as Exhibit A-2 to Exhibit A)

Document No. S223, Arena Level Two N.W. Quadrant EL 90-0, dated March 1, 1993, prepared by EB Architects (attached as Exhibit A-3 to Exhibit A)

Document No. SDL303, Partial Site Plan, grading and drainage dated June 8, 1993, prepared by EB Architects (attached as Exhibit A-4 to Exhibit A)

"PLAZA PARCEL"

A tract of land situated in the Northeast one-quarter of Section 34, Township 1 North, Range 1 East, of the Willamette Meridian, in the City of Portland, County of Multnomah and State of Oregon, being more particularly described as follows:

Commencing at a monument at the intersection of the center line of vacated N. Cherry Street and the center line of vacated N. Larabee Avenue; thence proceeding South 38° 28' 52" East along the center line of said Larabee Avenue 1031.95 feet to the point of beginning for the following

described tract; thence South 0° 19' 37" West 5.13 feet; thence North 58° 43' 52" West 36.29 feet to a point of curve to the right having a radius of 63.50 feet; thence along said curve to the right through a central angle of 3° 05' 06" an arc length of 3.42 feet, said curve is subtended by a chord which bears North 57° 11' 19" West 3.42 feet to a point of tangency; thence North 55° 38' 46" West 11.57 feet to a point of curve to the right having a radius of 2.50 feet; thence along said curve to the right through a central angle of 30° 00' 00" an arc length of 1.31 feet, said curve is subtended by a chord which bears North 40° 38' 46" West 1.29 feet to a point of tangency; thence North 25° 38' 46" West 15.96 feet to a point of curve to the left having a radius of 27.50 feet; thence along said curve to the left through a central angle of 30° 00' 00" an arc length of 14.40 feet, said curve is subtended by a chord which bears North 40° 38' 46" West 14.24 feet to a point of tangency; thence North 55° 38' 46" West 64.45 feet; thence North 60° 00' 00" East 18.79 feet to a point of curve to the left having a radius of 15.00 feet; thence along said curve to the left through a central angle of 150° 05' 57" an arc length of 39.30 feet, said curve is subtended by a chord which bears North 15° 02' 58" West 28.98 feet; thence South 89° 54' 03" West 58.93 feet; thence North 0° 17' 12" East 34.65 feet; thence South 89° 39' 08" East 128.14 feet; thence North 0° 17' 12" East 319.07 feet; thence North 38° 25' 14" West a distance of 160.38 feet; thence North 51° 31' 42" East 19.89 feet; thence North 38° 28' 18" West 150.65 feet; thence South 51° 31' 42" West 58.91 feet; thence North 38° 28' 18" West 120.06 feet; thence North 51° 31' 42" East, a distance of 58.91 feet; thence North 38° 28' 18" West 141.32 feet; thence South 89° 42' 48" East 513.35 feet to a point of curve to the right having a radius of 124.50 feet; thence along said curve to the right through a central angle of 49° 08' 45" an arc length of 106.79 feet, said curve is subtended by a chord which bears South 65° 08' 26" East 103.55 feet; thence South 40° 34' 03" East 85.70 feet; thence North 50° 16' 19" West 18.73 feet; thence South 32° 40' 22" West 3.79 feet to a point of non-tangent curve to the left having a radius of 396.77 feet; thence along said curve to the left through a central angle of 6° 06' 44" an arc length of 42.33 feet, said curve is subtended by a chord which bears North 54° 14' 31" West 42.31 feet to a point of non-tangency; thence North 33° 25' 12" East 3.88 feet; thence North 57° 26' 17" West 14.01 feet; thence South 31° 44' 16" West 3.80 feet to a point of non-tangent curve to the left having a radius of 396.77 feet; thence along said curve to the left through a central angle of 5° 34' 37" an arc length of 38.62 feet, said curve is subtended by a chord which bears North 61° 14' 10" West 38.60 feet to a point of non-tangency; thence North 25° 50' 33" East 3.80 feet; thence North 65° 02' 03" West 14.02 feet; thence South 24° 02' 51" West a distance of 3.80 feet to a point of non-tangent curve to the left having a radius of 396.77 feet; thence along said curve to the left through a central angle of 24° 04' 53" an arc length of 166.76 feet, said curve is subtended by a chord which bears North 78° 03' 59" West 165.54 feet; thence South 0° 17' 12" West 176.00 feet; thence South 86° 00' 00" East 35.00 feet; thence South 77° 00' 00" East 39.00 feet; thence South 52° 00' 00" West 34.00 feet; thence South 38° 00' 00" East, a distance of 58.00 feet; thence South 8° 00' 00" East 10.00 feet; thence South 46° 00' 00" East 11.00 feet; thence South 60° 39' 19" West 28.99 feet; thence South 46° 00' 00" West 35.00 feet; thence North 44° 00' 00" West 4.00 feet; thence South 41° 00' 00" West 34.00 feet; thence South 25° 00' 00" West a distance of 26.64 feet; thence North 64° 00' 00" West 11.84 feet; thence South 2° 00' 00" West 17.00 feet; thence North 88° 00' 00" West 2.50 feet; thence South 2° 00' 00" West 75.00 feet; thence South 9° 00' 00" East 22.00 feet; thence South 13° 00' 00" East 32.00 feet; thence South 14° 00' 00" East 25.00 feet; thence South 13° 00' 00" East 75.00 feet; thence South 19° 00' 00" East 7.00 feet; thence South 16° 00' 00" East 40.00 feet; thence South 26° 00' 00" East a distance of 25.07 feet to a point of non-tangent curve to the right having a radius of 24.50 feet; thence along said

curve to the right through a central angle of 166° 39' 42" an arc length of 71.27 feet, said curve is subtended by a chord which bears South 36° 01' 40" East 48.67 feet; thence South 41° 00' 00" East 23.83 feet; thence South 54° 00' 00" East 23.00 feet; thence South 61° 00' 00" East 23.00 feet; thence South 24° 00' 00" West 11.00 feet; thence South 88° 00' 00" East a distance of 17.00 feet; thence South 2° 00' 00" West 2.50 feet; thence South 88° 00' 00" East 37.34 feet; thence South 0° 14' 28" West 19.92 feet; thence South 89° 51' 42" East 135.35 feet to a point of non-tangent curve to the left having a radius of 216.50 feet; thence along said curve to the left through a central angle of 12° 40' 36" an arc length of 47.90 feet, said curve is subtended by a chord which bears South 49° 06' 10" West 47.80 feet to a point of reverse curve having a radius of 87.50 feet; thence along said reverse curve through a central angle of 28° 11' 20" an arc length of 43.05 feet, said curve is subtended by a chord which bears South 56° 51' 32" West 42.62 feet to a point of reverse curve having a radius of 112.50 feet; thence along said reverse curve through a central angle of 19° 35' 00" an arc length of 38.45 feet, said curve is subtended by a chord which bears South 61° 09' 42" West 38.26 feet to a point of compound curve having a radius of 205.50 feet; thence along said compound curve through a central angle of 30° 45' 59" an arc length of 110.35 feet, said curve is subtended by a chord which bears South 35° 56' 20" West 109.03 feet to a point of reverse curve having a radius of 137.50 feet; thence along said reverse curve through a central angle of 17° 02' 20" an arc length of 40.89 feet, said curve is subtended by a chord which bears South 29° 04' 30" West 40.74 feet to a point of reverse curve having a radius of 300.50 feet; thence along said reverse curve through a central angle of 4° 37' 29" an arc length of 24.26 feet, said curve is subtended by a chord which bears South 35° 16' 56" West 24.25 feet to a point of non-tangency; thence North 0° 19' 37" East 170.91 feet; thence North 89° 42' 20" West 128.00 feet; thence South 0° 19' 37" West 100.77 feet to the point of beginning.

Exception Parcel 3B:

Any portion of the following described "Entertainment Complex Annex Parcel" which also lies above the bottom of the finish slab located at various elevations, as shown on that certain construction document identified as:

Document No. aaS232, Level Three Dock Roof and Annex Building First Floor Plan dated April 26, 1993, prepared by EB Architects (attached as Exhibit A-2 to Exhibit A)

"ENTERTAINMENT COMPLEX ANNEX PARCEL"

A tract of land situated in the Northeast one-quarter of Section 34, Township 1 North, Range 1 East, of the Willamette Meridian, in the City of Portland, County of Multnomah and State of Oregon, being more particularly described as follows:

Commencing at a monument at the intersection of the center line of vacated N. Cherry Street and the center line of vacated N. Larabee Avenue; thence proceeding South 38° 28' 52" East along the center line of said Larabee Avenue, a distance of 549.57 feet to the point of beginning for the following described tract; thence North 51° 31' 42" East 67.29 feet; thence South 89° 42' 48" East 84.10 feet; thence North 0° 17' 15" East 158.44 feet; thence North 51° 31' 42" East a distance of 36.99 feet; thence South 38° 25' 14" East 160.38 feet; thence South 0° 17' 12" West 319.07 feet; thence North 89° 39' 08" West a distance of 128.14 feet; thence South 0° 17' 12" West 38.62 feet; thence South 89° 54' 03" West 82.98 feet to a point of non-tangent curve to the

right; thence along said curve to the right having a radius of 2329.20 feet and a central angle of $2^{\circ} 24' 24''$, an arc length of 97.84 feet, said curve is subtended by a chord which bears North $55^{\circ} 09' 45''$ West 97.83 feet to a point of compound curve; thence along said compound curve having a radius of 335.50 feet and a central angle of $5^{\circ} 19' 20''$ an arc length of 31.16 feet, said curve is subtended by a chord which bears North $51^{\circ} 17' 53''$ West 31.15 feet; thence North $48^{\circ} 38' 13''$ West 108.71 feet; thence North $52^{\circ} 43' 15''$ West a distance of 5.65 feet; thence North $51^{\circ} 31' 42''$ East 175.51 feet to the point of beginning.

PARCEL 4: (Sign Pad)

N.E. PYLON

A tract of land situated in the Southeast one-quarter of Section 27, Township 1 North, Range 1 East, of the Willamette Meridian, in the City of Portland, County of Multnomah and State of Oregon, being more particularly described as follows:

Commencing at a monument at the intersection of the center line of vacated N. Cherry Street and the center line of vacated N. Larabee Avenue; thence North $51^{\circ} 30' 58''$ East along the center line of said N. Cherry Street a distance of 809.35 feet; thence North $38^{\circ} 29' 02''$ West a distance of 89.17 feet to the point of beginning, being the center point for a 10.00 foot radius curve, the above referenced tract being a circle, with a radius of 10.00 feet, a central angle of $360^{\circ} 00' 00''$ and a perimeter arc length of 62.83 feet.

PARCEL 5: (Sign Pad)

N.W. PYLON

A tract of land situated in the Northeast one-quarter of Section 34, Township 1 North, Range 1 East, of the Willamette Meridian, in the City of Portland, County of Multnomah and State of Oregon, being more particularly described as follows:

Commencing at a monument at the intersection of the center line of vacated N. Cherry Street and the center line of vacated N. Larabee Avenue; thence North $51^{\circ} 30' 58''$ East along the center line of said N. Cherry Street, a distance of 48.00 feet; thence North $38^{\circ} 29' 02''$ West a distance of 334.00 feet to the point of beginning, being the center point for a 10.00 foot radius curve the above referenced tract being a circle, with a radius of 10.00 feet, a central angle of $360^{\circ} 00' 00''$ and a perimeter arc length of 62.83 feet.

PARCEL 6: (Kosei Premises)

Block 55, HOLLADAY'S ADDITION TO EAST PORTLAND, in the City of Portland, County of Multnomah and State of Oregon, and all of vacated NE Occident Avenue lying East of said Block 55, vacated by Ordinance No. 91471 of The City of Portland along with that portion of vacated NE Multnomah St., described as follows:

All that part of the street area vacated by Ordinance No. 121782, passed by the Council January 13, 1966, lying Southerly of a line which is 30 feet Northerly from and parallel with the North line of Blocks 55 and 56,

HOLLADAY'S ADDITION, in the City of Portland, County of Multnomah and State of Oregon, more particularly described as follows:

Beginning at the intersection of the East line of Williams Avenue (as now laid out and established, 80 feet in width) with the North line of Block 55, HOLLADAY'S ADDITION; thence South along the East line of said Williams Avenue, a distance of 10 feet to a point; thence East parallel with the North line of said Block 55 and the Easterly extension thereof, to the East line of vacated Occident Avenue; thence Northerly 40 feet, more or less, along a straight line, the North end of which is on the South line of Block 24, McMILLEN'S ADDITION, 55 feet Southwesterly from the most Easterly corner of said Block 24 to an intersection with a line which is 30 feet Northerly of and parallel with the North line of said Block 55, HOLLADAY'S ADDITION and the Easterly extension thereof; thence Westerly along said parallel line to the East line of said Williams Avenue; thence South a distance of 30 feet to the point of beginning, all in the in the City of Portland, County of Multnomah and State of Oregon, EXCEPTING THEREFROM that portion taken for the widening of N. Williams Avenue.

EXCEPTING from the above Parcel 2 that portion thereof located within N. Williams Avenue.

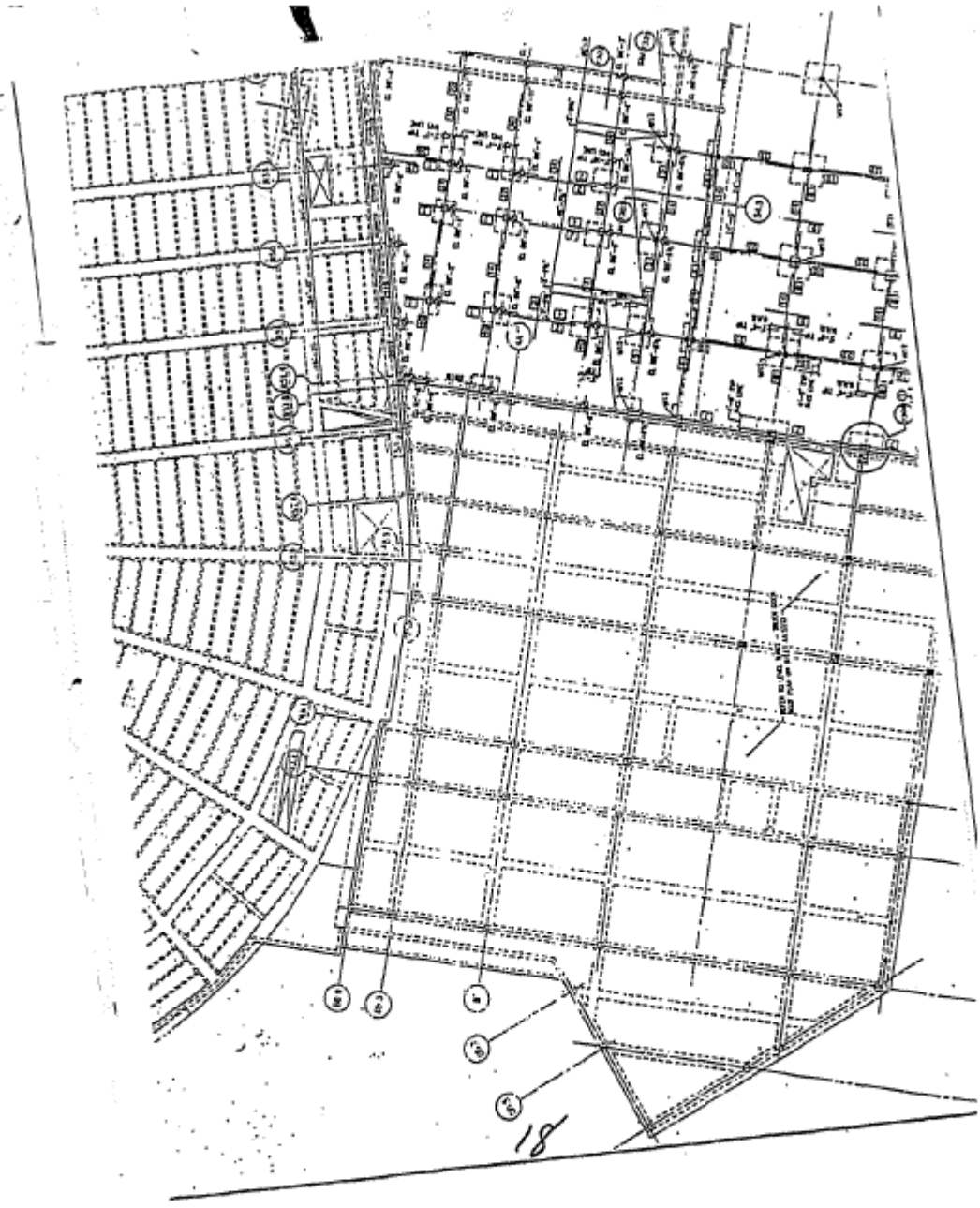
EXHIBIT A-1

Document No. aaS231, Level Three Annex Building

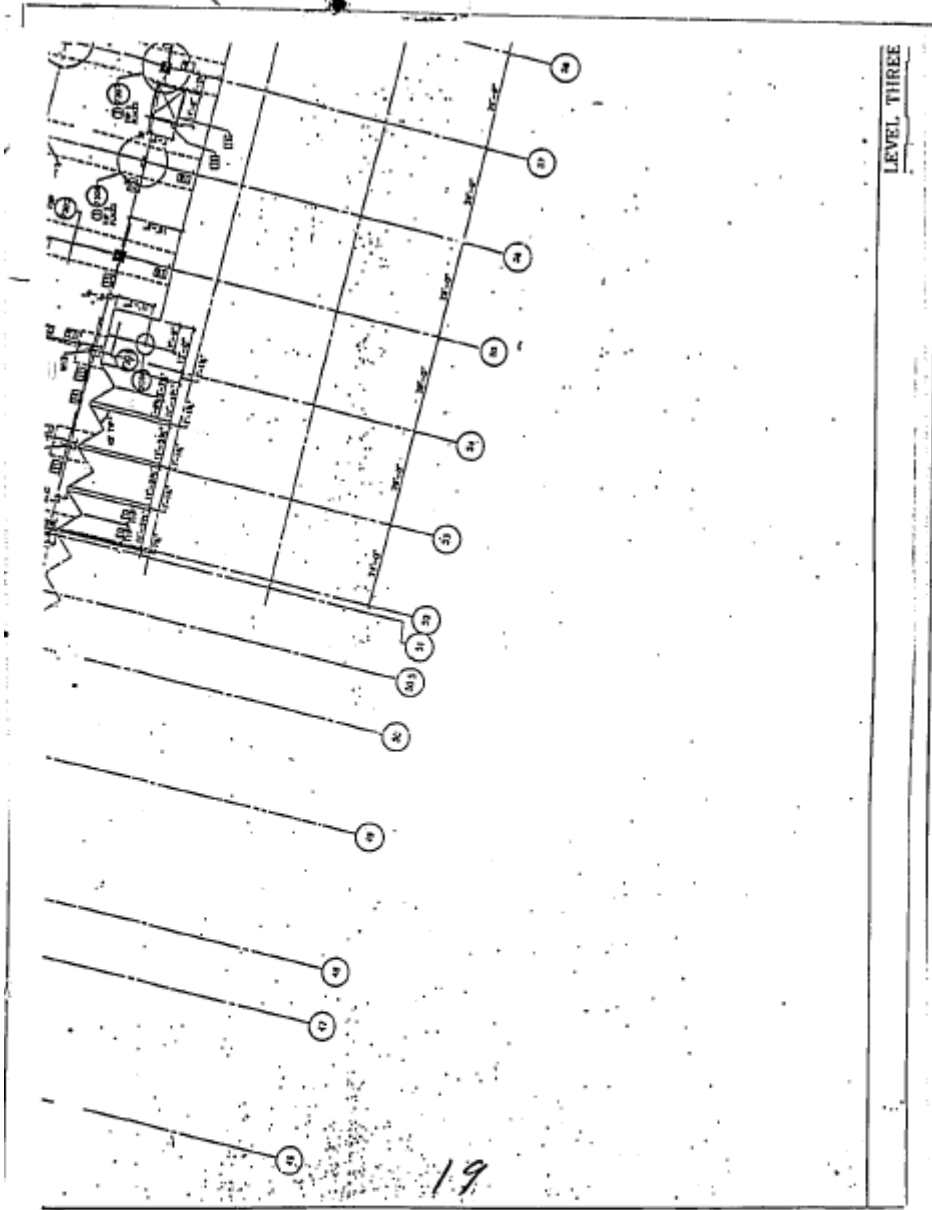
First Floor Plan, dated April 26, 1993, prepared by EB Architects

(4 pages)

[See attached]



APRIL 19, 1996



APRIL 19, 1996

EXHIBIT A-2

**Document No. aaS232, Level Three Truck Dock Roof and Annex
Building First Floor Plan, dated April 26, 1993, prepared by EB Architects**

(4 pages)

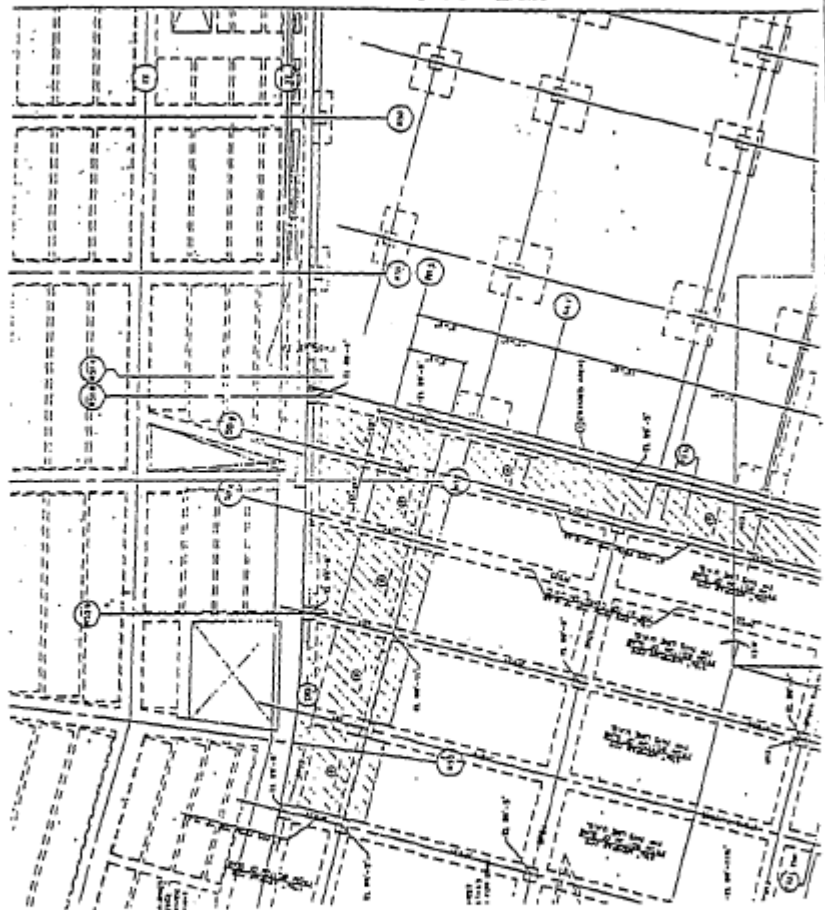
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ORIGIN: ARCHA CORPORATION
DATE: 10/15/95
PROJECT: ARCHA 8724

ARCHA CORPORATION
10000 N. 100TH AVENUE
SUITE 100
DUBLIN, CA 94568
TEL: (925) 835-1000
FAX: (925) 835-1001

ARCHA CORPORATION
10000 N. 100TH AVENUE
SUITE 100
DUBLIN, CA 94568
TEL: (925) 835-1000
FAX: (925) 835-1001

ARCHA CORPORATION
10000 N. 100TH AVENUE
SUITE 100
DUBLIN, CA 94568
TEL: (925) 835-1000
FAX: (925) 835-1001



22

APRIL 19, 1996

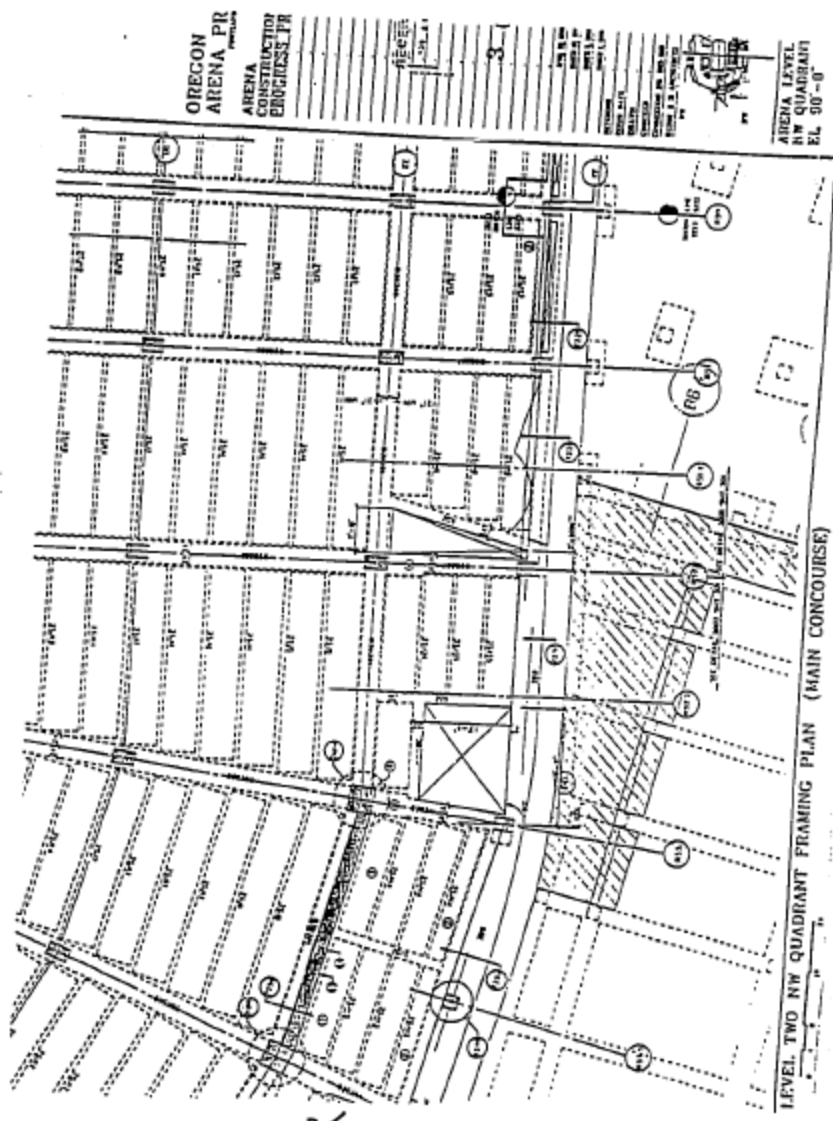
EXHIBIT A-3

Document No. S223, Arena Level Two N.W. Quadrant EL 90-0

Dated March 1, 1993, prepared by EB Architects

(4 pages)

[See attached]



APRIL 19, 1996

ENGINEERS
OREGON ARCHITECT & CONSTRUCTION
301 W. WASHINGTON
PORTLAND, OREGON 97201

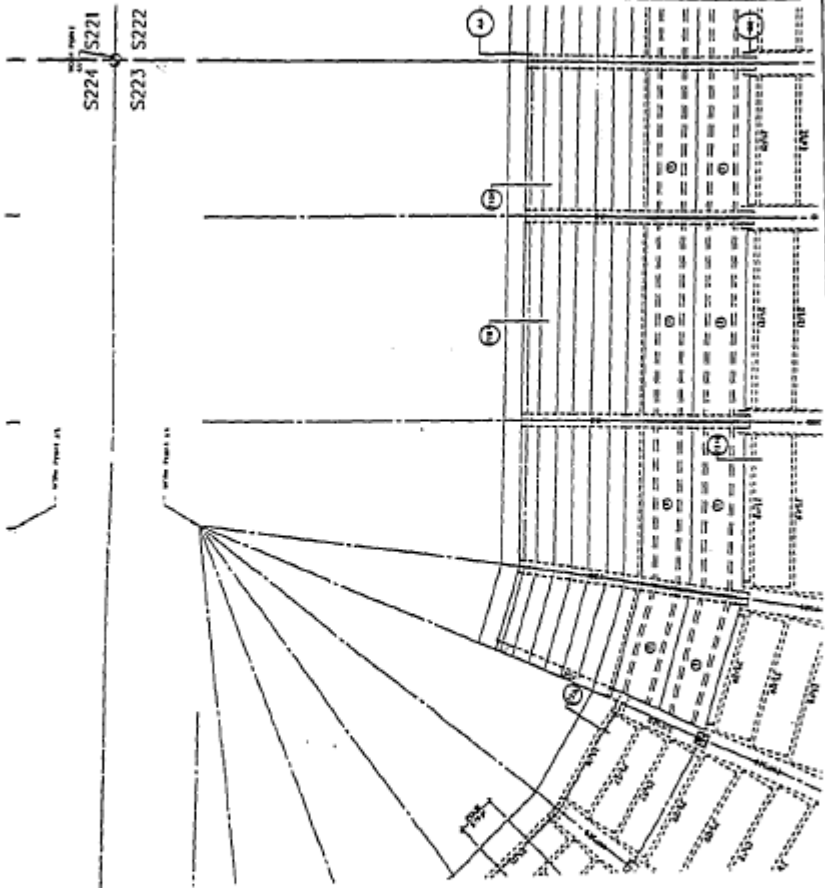
ARCHITECTS
S. B. JACOBSEN
301 W. WASHINGTON
PORTLAND, OREGON 97201

PLUMBERS & MECHANICAL ENGINEERS
FRANK A. KURTZ
301 W. WASHINGTON
PORTLAND, OREGON 97201

CIVIL ENGINEERS
L. H. HANCOCK
301 W. WASHINGTON
PORTLAND, OREGON 97201

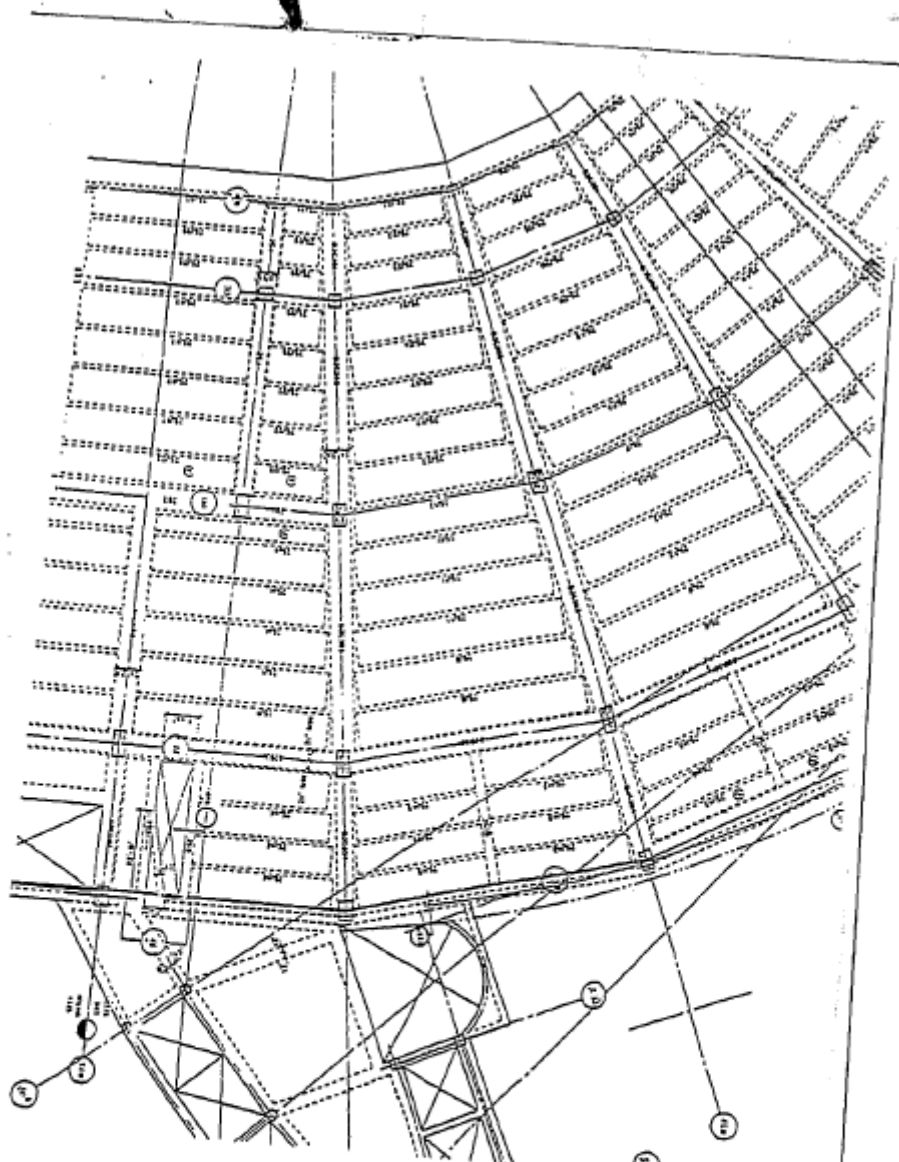
ELECTRICAL ENGINEERS
L. H. HANCOCK
301 W. WASHINGTON
PORTLAND, OREGON 97201

MECHANICAL ENGINEERS
L. H. HANCOCK
301 W. WASHINGTON
PORTLAND, OREGON 97201



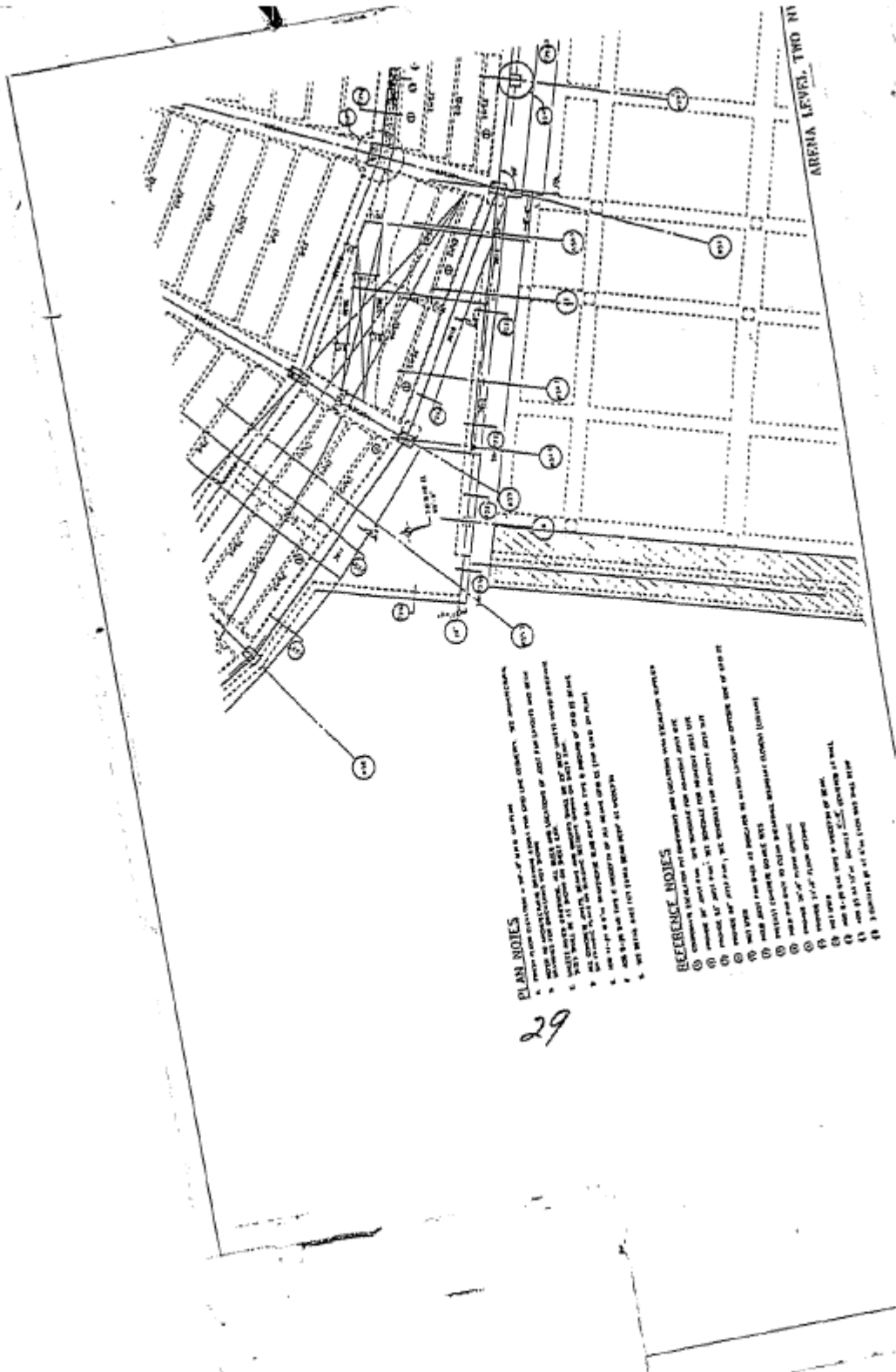
27

APRIL 19, 1996



28

APRIL 19, 1996



ARENA LEVEL TWO NO

PLAN NOTES

- 1. REFER TO DRAWING NO. 100 FOR GENERAL NOTES.
- 2. REFER TO DRAWING NO. 101 FOR GENERAL NOTES.
- 3. REFER TO DRAWING NO. 102 FOR GENERAL NOTES.
- 4. REFER TO DRAWING NO. 103 FOR GENERAL NOTES.
- 5. REFER TO DRAWING NO. 104 FOR GENERAL NOTES.
- 6. REFER TO DRAWING NO. 105 FOR GENERAL NOTES.
- 7. REFER TO DRAWING NO. 106 FOR GENERAL NOTES.
- 8. REFER TO DRAWING NO. 107 FOR GENERAL NOTES.
- 9. REFER TO DRAWING NO. 108 FOR GENERAL NOTES.
- 10. REFER TO DRAWING NO. 109 FOR GENERAL NOTES.
- 11. REFER TO DRAWING NO. 110 FOR GENERAL NOTES.
- 12. REFER TO DRAWING NO. 111 FOR GENERAL NOTES.
- 13. REFER TO DRAWING NO. 112 FOR GENERAL NOTES.
- 14. REFER TO DRAWING NO. 113 FOR GENERAL NOTES.
- 15. REFER TO DRAWING NO. 114 FOR GENERAL NOTES.
- 16. REFER TO DRAWING NO. 115 FOR GENERAL NOTES.
- 17. REFER TO DRAWING NO. 116 FOR GENERAL NOTES.
- 18. REFER TO DRAWING NO. 117 FOR GENERAL NOTES.
- 19. REFER TO DRAWING NO. 118 FOR GENERAL NOTES.
- 20. REFER TO DRAWING NO. 119 FOR GENERAL NOTES.
- 21. REFER TO DRAWING NO. 120 FOR GENERAL NOTES.
- 22. REFER TO DRAWING NO. 121 FOR GENERAL NOTES.
- 23. REFER TO DRAWING NO. 122 FOR GENERAL NOTES.
- 24. REFER TO DRAWING NO. 123 FOR GENERAL NOTES.
- 25. REFER TO DRAWING NO. 124 FOR GENERAL NOTES.
- 26. REFER TO DRAWING NO. 125 FOR GENERAL NOTES.
- 27. REFER TO DRAWING NO. 126 FOR GENERAL NOTES.
- 28. REFER TO DRAWING NO. 127 FOR GENERAL NOTES.

REFERENCE NOTES

- 1. REFER TO DRAWING NO. 100 FOR GENERAL NOTES.
- 2. REFER TO DRAWING NO. 101 FOR GENERAL NOTES.
- 3. REFER TO DRAWING NO. 102 FOR GENERAL NOTES.
- 4. REFER TO DRAWING NO. 103 FOR GENERAL NOTES.
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- 6. REFER TO DRAWING NO. 105 FOR GENERAL NOTES.
- 7. REFER TO DRAWING NO. 106 FOR GENERAL NOTES.
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- 17. REFER TO DRAWING NO. 116 FOR GENERAL NOTES.
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- 20. REFER TO DRAWING NO. 119 FOR GENERAL NOTES.
- 21. REFER TO DRAWING NO. 120 FOR GENERAL NOTES.
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- 24. REFER TO DRAWING NO. 123 FOR GENERAL NOTES.
- 25. REFER TO DRAWING NO. 124 FOR GENERAL NOTES.
- 26. REFER TO DRAWING NO. 125 FOR GENERAL NOTES.
- 27. REFER TO DRAWING NO. 126 FOR GENERAL NOTES.
- 28. REFER TO DRAWING NO. 127 FOR GENERAL NOTES.

29

APRIL 19, 1996

EXHIBIT A-4

Document No. SD L303, Partial Site Plan, grading and drainage

Dated June 8, 1993, prepared by EB Architects

(4 pages)

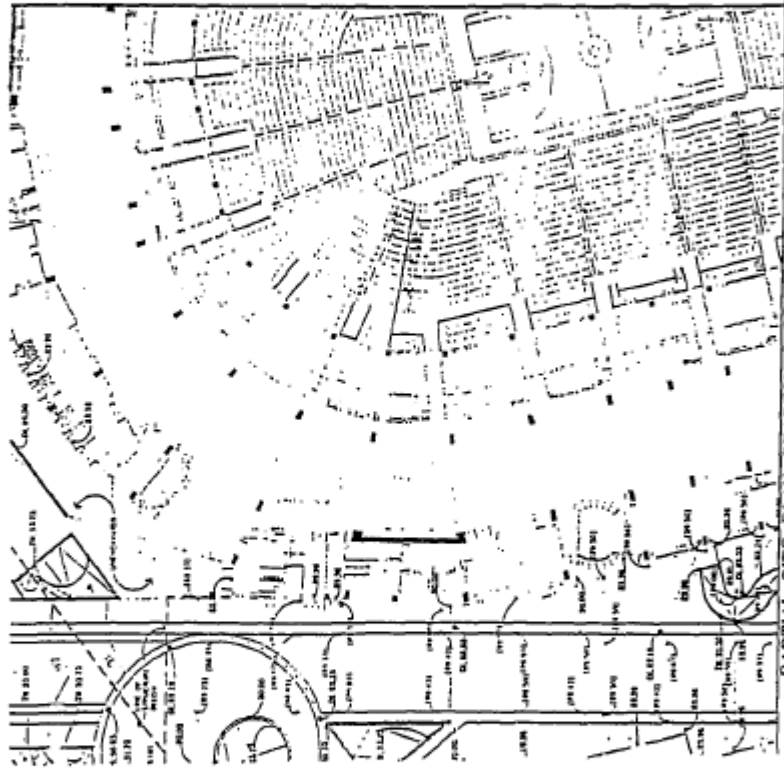
[See attached]



OREGON
ARENA PROJEC
LANDSCAPE & HARD
CONSTRUCTION INC

DATE	10/15/95
BY	J.P.
CHECKED	J.P.
SCALE	AS SHOWN
PROJECT NO.	95-001
SHEET NO.	31
TOTAL SHEETS	32

PARTIAL SITE PLAN
GRADING &
DRAINAGE
PRIVATE WORK



PARTIAL SITE PLAN GRADING & DRAINAGE

31

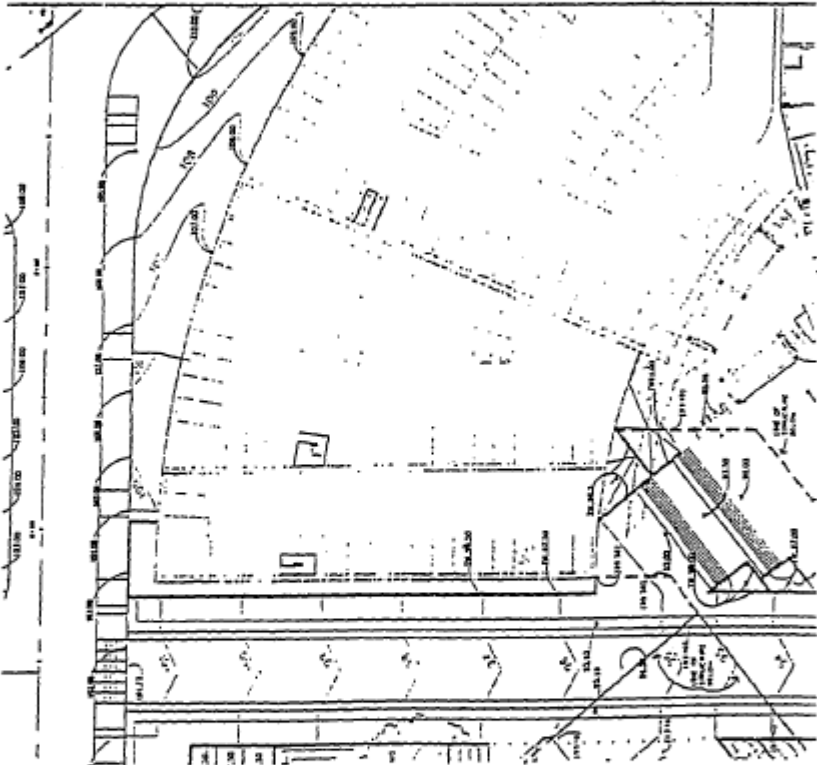
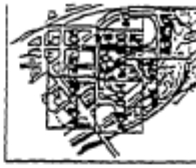
APRIL 19, 1996

ORION AREA CORPORATE
10000
10000
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ENGINEERS
10000
10000
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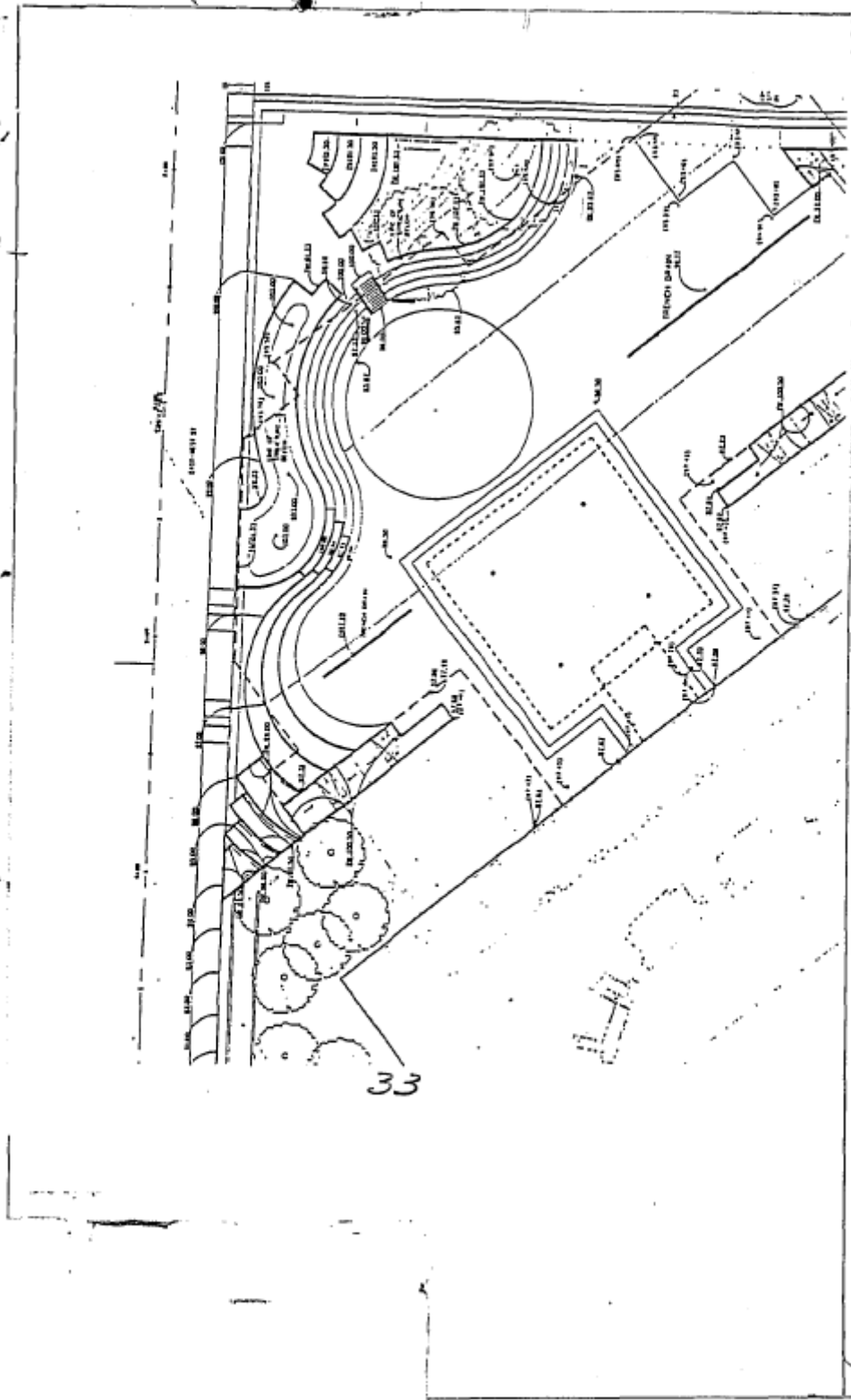
PLANNING & DESIGN
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ARCHITECTS
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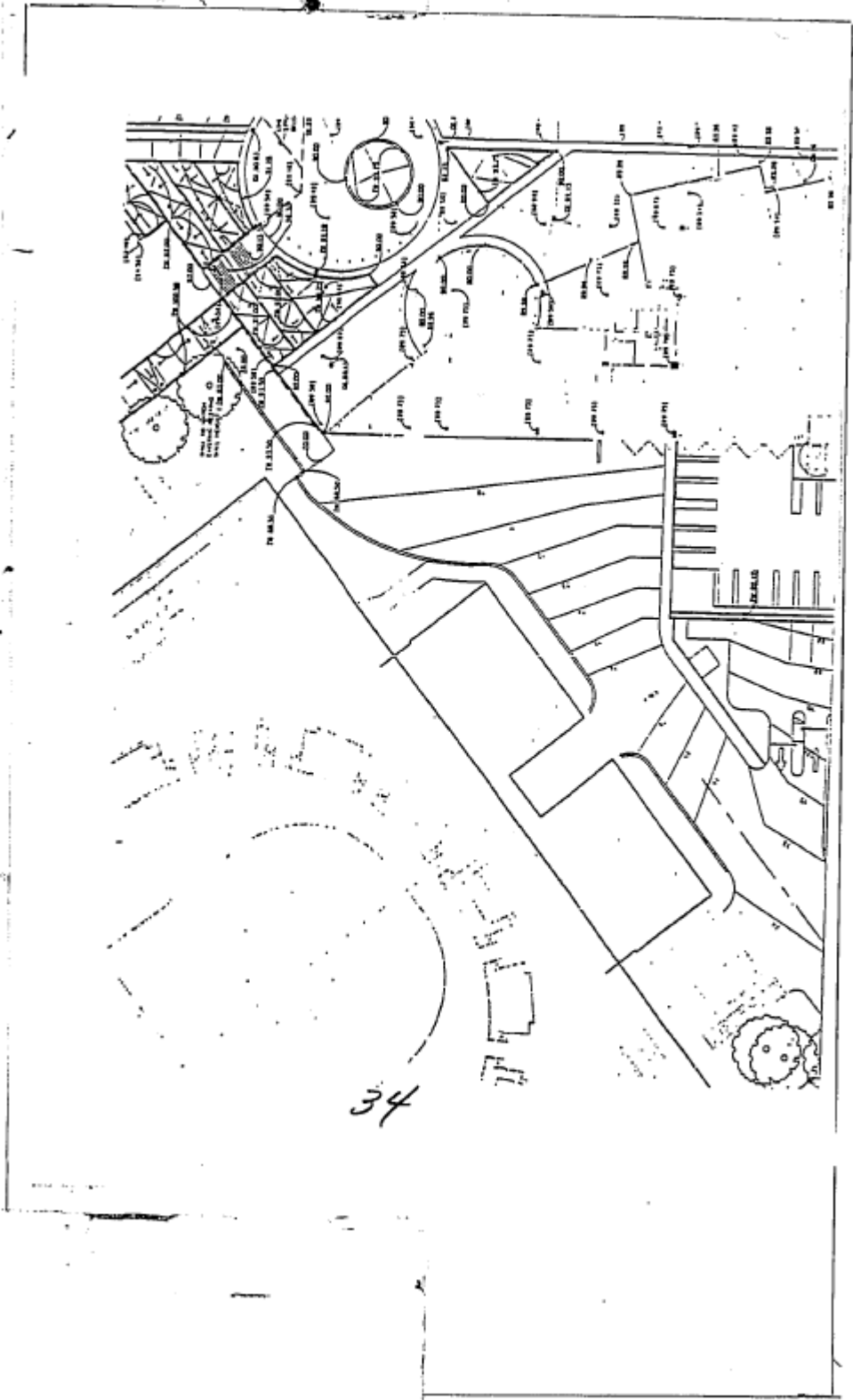
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APRIL 19, 1996



33

APRIL 19, 1996



APRIL 19, 1996

EXHIBIT B

Depiction of Project

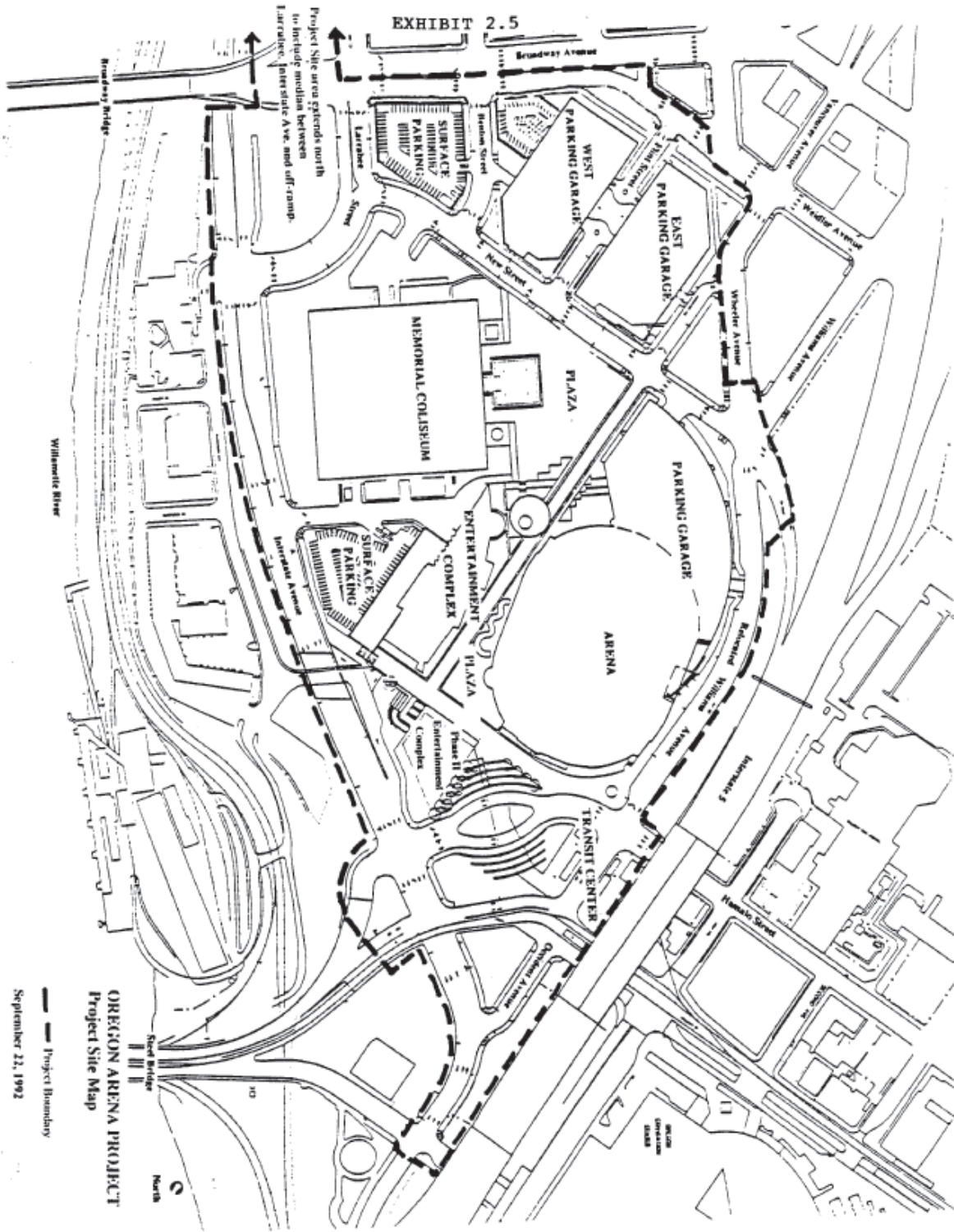


EXHIBIT C

Subsurface Property

PARCEL 3: (Entry and Arena Subsurface)

A tract of land situated in the Northeast quarter of Section 34, Township 1 North, Range 1 East of the Willamette Meridian, in the City of Portland, County of Multnomah and State of Oregon and more particularly described as follows:

Commencing at a monument at the intersection of the center line of vacated N. Cherry Street and the center line of vacated N. Larabee Avenue; thence proceeding South 38° 28' 52" East along the center line of said Larabee Avenue, 498.38 feet to the point of beginning for the following described tract; thence North 51° 31' 42" East, a distance of 134.55 feet; thence North 38° 56' 34" East, a distance of 90.47 feet; thence North 51° 31' 42" East, a distance of 240.22 feet; thence South 0° 17' 12" West, a distance of 2.33 feet; thence South 47° 04' 40" East, a distance of 107.05 feet; thence South 61° 31' 46" West, a distance of 15.92 feet; thence South 46° 31' 22" West, a distance of 47.83 feet; thence South 31° 31' 22", West a distance of 47.83 feet; thence South 16° 31' 23" West, a distance of 47.83 feet; thence South 1° 31' 22" West, a distance of 16.02 feet; thence South 7° 59' 45" East, a distance of 33.26 feet; thence South 11° 13' 22" East, a distance of 38.33 feet; thence South 14° 23' 06" East, a distance of 28.21 feet; thence South 76° 32' 37" West, a distance of 12.16 feet to a point of non-tangent curve; thence on the arc of a 19.38 foot radius curve to the left, thru a central angle of 141° 04' 09", with a chord that bears South 15° 40' 48" West, 36.55 feet, an arc distance of 47.73 feet to a point of non-tangent reverse curve; thence on the arc of a 4.50 foot radius curve to the right, thru a central angle of 113° 42' 44", with a chord that bears South 10° 59' 03" East, 7.54 feet, an arc distance of 8.93 feet to a point of non-tangent reverse curve; thence on the arc of a 19.98 foot radius curve to the left, thru a central angle of 121° 08' 11", with a chord that bears South 5° 56' 04" East, 34.81 feet; an arc distance of 42.25 feet to a point of reverse curve; thence on the arc of a 4.50 foot radius curve to the right, thru a central angle of 128° 53' 54", with a chord that bears South 2° 03' 13" East, 8.12 feet, an arc distance of 10.12 feet to a point of non-tangency; thence South 53° 57' 31" West, a distance of 3.65 feet to a point of non-tangent curve; thence on the arc of a 27.50 foot radius curve to the left, thru a central angle of 17° 40' 04", with a chord that bears South 42° 38' 29" West, 8.45 feet, an arc distance of 8.48 feet to a point of non-tangency; thence South 76° 31' 21" West, a distance of 13.68 feet; thence North 89° 45' 49" West, a distance of 28.93 feet; thence North 0° 17' 12" East, a distance of 113.05 feet; thence North 89° 42' 48" West, a distance of 52.77 feet to a point of non-tangent curve; thence on the arc of a 30.00 foot radius curve to the left, thru a central angle of 62° 11' 21" with a chord that bears North 19° 17' 40" West, 30.99 feet, an arc distance of 32.56 feet to a point of non-tangency; thence North 89° 42' 48" West, a distance of 12.35 feet; thence North 0° 17' 12" East, a distance of 2.00 feet; thence North 89° 42' 48" West, a distance of 15.16 feet; thence North 0° 17' 12" East, a distance of 1.67 feet; thence North 89° 42' 48" West, a distance of 1.17 feet; thence South 0° 17' 12" West, a distance of 32.86 feet; thence North 89° 42' 48" West, a distance of 116.93 feet; thence South 51° 31' 42" West, a distance of 242.80 feet; thence North 52° 43' 15" West, a distance of 50.42 feet; thence North 48° 58' 25" West, a distance of 2.35 feet; thence North 51° 31' 42" East, a distance of 188.34 feet to the point of beginning.

Excepting from said Parcel 3 the following described exception Parcels 3A and 3B:

Exception Parcel 3A:

Any portion of the following described "Plaza Parcel" which also lies above the waterproof membrane located at various elevations which are shown on those certain construction documents identified as:

Document No. aaS231, Level Three Annex Building First Floor Plan, dated April 26, 1993, prepared by EB Architects (attached as Exhibit A-1 to Exhibit A)

Document No. aaS232, Level Three Truck Dock Roof and Annex Building First Floor Plan, dated April 26, 1993, prepared by EB Architects (attached as Exhibit A-2 to Exhibit A)

Document No. S223, Arena Level Two N.W. Quadrant EL 90-0, dated March 1, 1993, prepared by EB Architects (attached as Exhibit A-3 to Exhibit A)

Document No. SDL303, Partial Site Plan, grading and drainage dated June 8, 1993, prepared by EB Architects (attached as Exhibit A-4 to Exhibit A)

EXHIBIT D

Sign Pads

PARCEL 4: (Sign Pad)

N.E. PYLON

A tract of land situated in the Southeast one-quarter of Section 27, Township 1 North, Range 1 East, of the Willamette Meridian, in the City of Portland, County of Multnomah and State of Oregon, being more particularly described as follows:

Commencing at a monument at the intersection of the center line of vacated N. Cherry Street and the center line of vacated N. Larabee Avenue; thence North $51^{\circ} 30' 58''$ East along the center line of said N. Cherry Street a distance of 809.35 feet; thence North $38^{\circ} 29' 02''$ West a distance of 89.17 feet to the point of beginning, being the center point for a 10.00 foot radius curve, the above referenced tract being a circle, with a radius of 10.00 feet, a central angle of $360^{\circ} 00' 00''$ and a perimeter arc length of 62.83 feet.

PARCEL 5: (Sign Pad)

N.W. PYLON

A tract of land situated in the Northeast one-quarter of Section 34, Township 1 North, Range 1 East, of the Willamette Meridian, in the City of Portland, County of Multnomah and State of Oregon, being more particularly described as follows:

Commencing at a monument at the intersection of the center line of vacated N. Cherry Street and the center line of vacated N. Larabee Avenue; thence North $51^{\circ} 30' 58''$ East along the center line of said N. Cherry Street, a distance of 48.00 feet; thence North $38^{\circ} 29' 02''$ West a distance of 334.00 feet to the point of beginning, being the center point for a 10.00 foot radius curve the above referenced tract being a circle, with a radius of 10.00 feet, a central angle of $360^{\circ} 00' 00''$ and a perimeter arc length of 62.83 feet.

EXHIBIT E

Capital Expenditures Approval Procedures

I. Scope of Capital Expenditures Approval Procedures

These Capital Expenditures Approval Procedures shall apply to the Capital Improvements Work scheduled to be performed to the Premises and which are eligible for partial repayment via the City Contribution. Any Capital Improvements, including any Capital Repair and Replacement and Major Repairs, for which Tenant is not requesting the City Contribution shall not be subject to the Capital Expenditures Approval Procedures. For the avoidance of doubt, the City will not be required to make the City Contribution for any Capital Improvements, Capital Repair and Replacement, Major Repairs or other work done at the Premises not approved by the City consistent with these Capital Expenditures Approval Procedures.

II. Capital Expenditures Plan

- A.** Attached hereto as Schedule 1 is the initial five-year Capital Improvements, Capital Repair and Replacement, and Major Repairs plan approved by Landlord (the "Capital Expenditures Plan") for the Premises.
- B.** If Tenant exercises the Extension Period and intends to perform any Capital Improvements Work during the Extension Period, then Tenant shall submit another Capital Expenditures Plan no later than six (6) months before the first day of the Extension Period for City approval. Thereafter the Parties shall endeavor to agree on the new Capital Expenditures Plan ("Proposed Capital Expenditures Plan") within sixty (60) days after the date Tenant delivers same to Landlord. The Proposed Capital Expenditures Plan shall contain a general description of the Capital Improvements that Tenant desires to perform to the Premises during the Extension Period. The Proposed Capital Expenditures Plan shall include an estimated Capital Improvements budget. The Proposed Capital Expenditures Plan shall not be required to include plan sets or construction bids.
- C.** Landlord shall have until the date which is fifteen (15) days after receipt of the Proposed Capital Expenditures Plan to review and approve in writing or provide written comments to the Proposed Capital Expenditures Plan (the "Proposal Response Notice"). If Landlord approves the Proposed Capital Expenditures Plan, such approval not to be unreasonably withheld, such Proposed Capital Expenditures Plan shall be deemed the final, approved Capital Expenditures Plan for the term of the Initial Term, or Extension Period, as applicable (the "Approved Capital Expenditures Plan").
- D.** If Landlord provides comments to the Proposed Capital Expenditures Plan in the Proposal Response Notice, Tenant and Landlord shall have fifteen (15) days to attempt to resolve such comments. The Parties may mutually elect to extend the time to agree on the Approved Capital Expenditures Plan provided that, in absence of such election, the failure to agree on the Approved Capital Expenditures Plan

shall be deemed a Dispute which shall be resolved pursuant to Section 14 of the Lease.

- E. Any material amendment or modifications by Tenant to the Approved Capital Expenditures Plan (“Modifications”), shall be delivered in writing to Landlord no less than sixty (60) days prior to the anticipated commencement of such work except in the case of emergency (“Modification Notice”). Upon receipt of the Modification Notice, the Parties shall proceed with the review and approval process therefor in accordance with Section II.C. and Section II.D. of this Exhibit, including the timing therefor and dispute resolution process defined herein. Any Modifications that are approved in accordance with such process shall be deemed the part of the Approved Capital Expenditures Plan and shall amend, replace and supplant all prior versions thereof.

III. Implementation of the Approved Capital Expenditures Plan

- A. Tenant shall be responsible for implementing the Approved Capital Expenditures Plan. In connection therewith, Tenant shall submit to Landlord, when and as applicable, preliminary plans and specifications for each Capital Improvement contained in the Approved Capital Expenditures Plan (the “Proposed Design”) no less than sixty (60) days prior to the anticipated commencement of such Capital Improvement.
- B. Landlord shall have ten (10) business days following receipt of the Proposed Design and Proposed Budget to review and approve or comment in writing on the Proposed Design and Proposed Budget. If Landlord approves the Proposed Design, it shall be the “Approved Design,” which shall be updated without subsequent Landlord consent to include the completion of such plans and specifications approved by the municipal permitting body having authority so long as such plans and specifications are materially consistent with the preliminary Capital Improvement Design approved by Landlord.
- C. If Landlord comments on the Proposed Design the Parties shall have ten (10) business days to address Landlord’s comments and agree on the Approved Design. If the Parties do not agree in such period, the Parties may mutually elect to extend such period, or, in absence of such election, the failure to agree on the Approved Design shall be deemed a Dispute which shall be resolved pursuant to Section 14 of the Lease. Notwithstanding Section 14 of the Lease to the contrary, the time periods for dispute resolution shall be shortened to be completed within fifteen (15) business days following Landlord’s demand that the Parties submit to the terms of Section 14.
- D. Upon completion of the Capital Improvements, and upon receipt of the general contractor’s final unconditional lien waiver, Tenant shall deliver same to Landlord.
- E. During the completion of the work in accordance with the Approved Capital Expenditure Plan and Approved Design, Tenant shall provide Landlord with access

to the Premises, and copies of any architect's inspections or reports completed in connection with such work. In the event of any material deviation or good faith concern regarding the completion of the Approved Design, or as soon as reasonably practical upon discovery of such material deviations which were not approved by Tenant, Landlord may provide comments with respect to such material deviation or good faith concern regarding the completion of the Approved Design provided such work is ongoing at the time, and the Parties shall have ten (10) business days to address Landlord's comments and agree on a resolution to the material deviation or good faith concern regarding the completion of the Approved Design. If the Parties do not agree in such period, the Parties may mutually elect to extend such period, or, in absence of such election, the failure to agree on the resolution to such material deviation or good faith concern regarding the completion of the Approved Design shall be deemed a Dispute which shall be resolved pursuant to Section 14 of the Lease. Notwithstanding Section 14 of the Lease to the contrary, the time periods for dispute resolution shall be shortened to be completed within fifteen (15) business days following Landlord's demand that the Parties submit to the terms of Section 14.

SCHEDULE 1

Initial Five Year Capital Expenditures Plan

Category	2025-26	2026-27	2027-28	2028-29	2029-2030	Total
Architecture	\$ 3,200,000	\$ 600,000	\$ 600,000	\$ 200,000	\$ 200,000	\$ 4,800,000
Mechanical, Electrical & Plumbing	-	100,000	9,800,000	3,800,000	7,500,000	21,200,000
Structural	900,000	200,000	100,000	200,000	-	1,400,000
Technology	7,800,000	12,500,000	-	-	-	20,300,000
Vertical Transportation	-	-	2,000,000	1,500,000	2,800,000	6,300,000
Food & Beverage	1,400,000	700,000	500,000	800,000	1,100,000	4,500,000
Recurring Items Provision	600,000	600,000	600,000	600,000	600,000	3,000,000
Grand Total	\$ 13,900,000	\$ 14,700,000	\$ 13,600,000	\$ 7,100,000	\$ 12,200,000	\$ 61,500,000

EXHIBIT F

Operating Trade Fixtures to be Purchased by Landlord

[To be appended in accordance with Section 10.4.2]

EXHIBIT G

Title Encumbrances

1. Taxes or assessments which are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the Public Records; proceedings by a public agency which may result in taxes or assessments, or notices of such proceedings, whether or not shown by the records of such agency or by the Public Records.
2. Facts, rights, interests or claims which are not shown by the Public Records but which could be ascertained by an inspection of the Land or by making inquiry of persons in possession thereof.
3. Easements, or claims of easement, not shown by the Public Records; reservations or exceptions in patents or in Acts authorizing the issuance thereof; water rights, claims or title to water.
4. Any encroachment (of existing improvements located on the subject Land onto adjoining land or of existing improvements located on adjoining land onto the subject Land), encumbrance, violation, variation, or adverse circumstance affecting the Title that would be disclosed by an accurate and complete land survey of the subject Land.
5. Any lien or right to a lien for services, labor, material or equipment, unless such lien is shown by the Public Records at Date of Policy and not otherwise excepted from coverage herein.
6. Limited access provisions contained in Deed to the State of Oregon, by and through its State Highway Commission recorded October 05, 1959 in Book 1977, Page 0549 Deed Records, which provides that no right of easement or right of access to, from or across the State Highway other than expressly therein provided for shall attach to the abutting property.
7. Reservation of utilities in vacated street area and the right to maintain the same as set forth in Ordinance No. 114714 a copy of which was recorded February 26, 1962 in Book 2103, Page 0389 as
8. Document(s) declaring modifications thereof recorded June 24, 1993 as Book 2712, Page 0179 of Official Records.
9. Relinquishment of access provisions in favor of the State of Oregon, by and through its State Highway Commission as contained in Decree of Condemnation entered March 19, 1962 in Suit No. 264772 in the Circuit Court for Multnomah County, which provides that no right of easement or right of access to, from or across the State Highway other than expressly therein provided for shall attach to the abutting property.
10. Reservation of utilities in vacated street area and the right to maintain the same as set

forth in Ordinance No. 11664 a copy of which was recorded May 23, 1963 in Book 2169, Page 0126 as Document(s) declaring modifications thereof recorded June 24, 1993 as Book 2712, Page 0179 of Official Records.

11. Reservation of utilities in vacated street area and the right to maintain the same as set forth in Ordinance No. 121782 a copy of which was recorded March 04, 1966 in Book 471, Page 0257 as Document(s) declaring modifications thereof recorded June 24, 1993 as Book 2712, Page 0179 of Official Records.
12. Conditions and Restrictions contained in Land Use Review File No. LUR92-00845 CZ AD, Recorded: April 10, 1992 in Book 2528, Page 1853.
13. The terms and provisions contained in the document entitled "Abandonment and Retention Resolution" recorded June 10, 1993 in Book 2704, Page 1856.
14. The terms and provisions contained in the document entitled "Abandonment and Retention Agreement" recorded June 17, 1993 in Book 2708, Page 0302.
15. Reservation of utilities in vacated street area and the right to maintain the same as set forth in Ordinance No. 165683 a copy of which was recorded June 24, 1993 in Book 2712, Page 0135.
16. The terms and provisions contained in the document entitled "Revocable Permit to Use Dedicated Street Areas" recorded June 24, 1993 in Book 2712, Page 0170.
17. The terms and provisions contained in the document entitled "Memorandum of Development Agreement" recorded June 24, 1993 in Book 2712, Page 0199.
18. The terms and provisions contained in the document entitled "Assignment of Interest in the Development Agreement" recorded January 04, 2005 as Fee No. 2005-001768.
19. Covenants, conditions, restrictions and easements in the document recorded June 24, 1993 in Book 2712, Page 0265, but deleting any covenant, condition or restriction indicating a preference, limitation or discrimination based on race, color, religion, sex, handicap, familial status, national origin, sexual orientation, marital status, ancestry, source of income or disability, to the extent such covenants, conditions or restrictions violate Title 42, Section 3604(c), of the United States Codes. Lawful restrictions under state and federal law on the age of occupants in senior housing or housing for older persons shall not be construed as restrictions based on familial status.
20. Document(s) declaring modifications thereof recorded April 19, 1996 as Fee No. 96059271 of Official Records.
21. The terms and provisions contained in the document entitled "Assignment of Interest in the Declaration of Covenants, Conditions and Restrictions for the Oregon Arena Project" recorded January 11, 2005 as Fee No. 2005-006099.

22. Conditions and Restrictions contained in Land Use Review File No. LUR91-00845 DZ AD, Recorded: July 28, 1993 in Book 2730, Page 2230.
23. The terms and provisions contained in the document entitled "Revocable Permit to Use Dedicated Street Areas" recorded September 29, 1993 in Book 2759, Page 0355.
24. Conditions and Restrictions contained in Land Use Review File No. LUR9400460 DZ, Recorded: September 12, 1994 as Fee No. 94136492
25. Conditions and Restrictions contained in Land Use Review File No. LUR95-00474 DZ, Recorded: September 13, 1995 as Fee No. 95111073
26. Conditions and Restrictions contained in Land Use Review File No. LUR95-00709 DZ, Recorded: November 02, 1995 as Fee No. 95136342
27. Conditions and Restrictions contained in Land Use Review File No. LUR95-00323 DZ, Recorded: December 05, 1995 as Fee No. 95150761
28. Conditions and Restrictions contained in Land Use Review File No. LUR95-00673 CU AD, Recorded: January 09, 1996 as Fee No. 96005454
29. Conditions and Restrictions contained in Land Use Review File No. LUR95-00692 DZ, Recorded: January 17, 1996 as Fee No. 96009093
30. The terms and provisions contained in the document entitled "Memorandum of Agreement Affecting Real Property" recorded April 01, 1996 as Fee No. 96049128

The terms and provisions contained in the document entitled "Assignment of Interest in the Energy Services Agreement" recorded January 04, 2005 as Fee No. 2005-001766
31. Conditions and Restrictions contained in Land Use Review File No. LUR96-00488 DZ, Recorded: August 20, 1996 as Fee No. 96126017
32. Conditions and Restrictions contained in Land Use Review File No. LUR96-00595 DZ, Recorded: August 20, 1996 as Fee No. 96126094
33. Conditions and Restrictions contained in Land Use Review File No. LUR97-00476 DZ, Recorded: July 07, 1997 as Fee No. 97101107
34. Conditions and Restrictions contained in Land Use Review File No. LUR99-00220 DZ, Recorded: May 25, 1999 as Fee No. 99104333
35. Reservation of utilities in vacated street area and the right to maintain the same as set forth in Ordinance No. 170537 a copy of which was recorded September 08, 2000 as Fee No. 2000-124890

Document(s) declaring modifications thereof recorded August 22, 2000 as Fee No.

2000-116451 of Official Records.

36. Conditions and Restrictions contained in Land Use Review File No. LUR00-00772 DZ, Recorded: March 23, 2001 as Fee No. 2001-039699
37. Conditions and Restrictions contained in Land Use Review File No. LUR00-00644 GW, Recorded: March 23, 2001 as Fee No. 2001-039707
38. Conditions and Restrictions contained in Land Use Review File No. LUR03-122815 DZ, Recorded: July 23, 2003 as Fee No. 2003-170326
39. Conditions and Restrictions contained in Land Use Review File No. LUR05-174846 GW AD, Recorded: March 07, 2006 as Fee No. 2006-040797
40. A Deed of Trust to secure an original indebtedness of \$100,000,000.00 recorded December 12, 2007 as Fee No. 2007-211291 of Official Records.

Dated: December 7, 2007

Trustor: Trail Blazers Inc., an Oregon corporation

Trustee: Chicago Title Insurance Company

Beneficiary: JPMorgan Chase Bank, N.A.

A document recorded October 16, 2009 as Fee No. 2009-145468, of Official Records provides that the Deed of Trust/Mortgage or the obligation secured thereby has been modified.

A document recorded July 16, 2013 as Fee No. 2013-096637, of Official Records provides that the Deed of Trust/Mortgage or the obligation secured thereby has been modified.

The above document was re-recorded July 16, 2013 in/as Fee No. 2013-096934 of Official Records.

A document recorded February 23, 2016 as Fee No. 2016-023462, of Official Records provides that the Deed of Trust/Mortgage or the obligation secured thereby has been modified.

A document recorded March 01, 2016 as Fee No. 2016-026424, of Official Records provides that the Deed of Trust/Mortgage or the obligation secured thereby has been modified.

A document recorded June 17, 2021 as Fee No. 2021-094481, of Official Records provides that the Deed of Trust/Mortgage or the obligation secured thereby has been modified.

A document recorded June 09, 2023 as Fee No. 2023-035493, of Official Records

provides that the Deed of Trust/Mortgage or the obligation secured thereby has been modified.

(Covers More Property)

41. Conditions and Restrictions contained in Land Use Review File No. LU 13-137568 DZ, Recorded: July 09, 2013 as Fee No. 2013-093046
42. Conditions and Restrictions contained in Land Use Review File No. LU 13-188475 DZM, Recorded: December 04, 2013 as Fee No. 2013-156467
43. Conditions and Restrictions contained in Land Use Review File No. LU 11-138180 DZ, Recorded: December 16, 2013 as Fee No. 2013-160965
44. Conditions and Restrictions contained in Land Use Review File No. LU 13-209088 DZ, Recorded: January 23, 2014 as Fee No. 2014-006603
45. Conditions and Restrictions contained in Land Use Review File No. LU 14-110829 DZM, Recorded: April 25, 2014 as Fee No. 2014-038929\
46. Memorandum of Arena Operating Lease dated as of _____ and recorded _____, 2024 as Document No. _____.
47. Amended and Restated Development Agreement dated as of _____ and recorded _____, 2024 as Document No. _____.
48. Second Amendment to Declaration dated as of _____ and recorded _____, 2024 as Document No. _____.

EXHIBIT H

Memorandum of Lease

[See attached]

After Recording, Return to:

Schwabe, Williamson & Wyatt, P.C.
Attention: Brendan S. Crowley
1211 SW Fifth Avenue, Suite 1900
Portland, Oregon 97204

MEMORANDUM OF ARENA OPERATING LEASE

Parties: CITY OF PORTLAND, OREGON, a municipal corporation (“City”)
of the State of Oregon

RIP CITY MANAGEMENT, LLC, a Delaware limited liability (“RCM”) company dba PORTLAND ARENA MANAGEMENT

Date: _____, 2024

This Memorandum of Arena Operating Lease (this “Memorandum”) is dated effective _____ (the “Effective Date”) and is entered into between City and RCM. City and RCM have entered into an Arena Operating Lease dated of even date herewith (the “Agreement”), relating to the occupancy and operation of a sports and entertainment facility. The Arena Operating Lease covers property described in the attached Exhibit A, which is incorporated herein by this reference.

The parties hereto desire to execute and record this Memorandum for the purpose of disclosing the existence of the Agreement, and this memorandum does not modify or change any provisions contained therein. This Memorandum may be executed in counterparts, each of which will be deemed a duplicate original.

[Signatures appear on the following page.]

CITY OF PORTLAND, OREGON,
a municipal corporation of the State of Oregon

By: _____

Name: _____

Its: _____

RIP CITY MANAGEMENT, LLC,
a Delaware limited liability company

By: _____

Name: _____

Its: _____

APPROVED AS TO FORM:

City Attorney for the City of Portland

[Acknowledgements appear on the following page.]

STATE OF OREGON)
) ss.
COUNTY OF MULTNOMAH)

This instrument was acknowledged to me on _____, 2024 by _____ as _____ of the City of Portland, Oregon, a municipal corporation of the State of Oregon, on behalf of the municipal corporation.

Notary Public for Oregon
My Commission Expires: _____

STATE OF OREGON)
) ss.
COUNTY OF MULTNOMAH)

This instrument was acknowledged to me on _____, 2024 by _____ as _____ of Rip City Management, LLC, a Delaware limited liability company, on behalf of the limited liability company.

Notary Public for Oregon
My Commission Expires: _____

EXHIBIT A

PROPERTY LEGAL DESCRIPTION

[to be attached prior to recording]

EXHIBIT I

Arena Guidelines¹

The Arena Guidelines constitute the following:

1. Seating capacity for basketball shall exceed 19,000.
2. The Arena shall be designed to meet present National Hockey League specifications and shall include ice-making capabilities.
3. The Arena design and characteristics will incorporate an arts program for its "public" spaces.

¹ NTD: Conformed to A/R Development Agreement.

EXHIBIT J

Joint Escrow Instructions

[See attached]

[To be replaced with executed version]

JOINT ESCROW INSTRUCTIONS

_____, 2024

BY E-MAIL (RRODGERS@FIRSTAM.COM)

FIRST AMERICAN TITLE INSURANCE COMPANY
250 SW MARKET STREET, SUITE 250
PORTLAND, OREGON 97201
ATTN: RACHAEL RODGERS

RE: Joint Escrow Instructions: Moda Center – Portland, Oregon
Your Escrow No.: [REDACTED]

Dear Rachael:

Schwabe, Williamson & Wyatt, P.C. (“**RCM Counsel**”) represents Rip City Management LLC, a Delaware limited liability company, successor-by-name change to Portland Arena Management LLC (“**RCM**”), and Dunn Carney LLP (“**City Counsel**”) represents the City of Portland, an Oregon municipal corporation (the “**City**”), in connection with the closing of the transaction contemplated by that certain Real Estate Purchase and Sale Agreement dated as of [REDACTED], 2024 (as the same may be amended, the “**Purchase Agreement**”). All capitalized terms not otherwise defined herein have the meanings attributed to them in the Purchase Agreement.

Pursuant to the Purchase Agreement, RCM agreed to convey to City and City agreed to accept from RCM, (i) certain real property (the “**Real Property**”) located in Multnomah County, Oregon more particularly described in the ALTA Owner’s Policy of Title Insurance Pro Forma under Reference No. [REDACTED], Order No. [REDACTED], dated [REDACTED], 2024 (the “**Pro Forma**”), received by RCM Counsel and City Counsel via email from [REDACTED] of First American Title Insurance Company at approximately [REDACTED] PST on [REDACTED], 2024 (the “**Pro Forma Delivery Time**”), and (ii) certain improvements affixed to the Real Property and adjacent real property owned by the City, all as more particularly described in the Purchase Agreement (the “**Improvements**” and, together with the Real Property, the “**Property**”).

This letter sets forth the escrow instructions of both RCM and the City to First American Title Insurance Company, as escrow agent (“**Escrow Agent**”) of the escrow (the “**Escrow**”) with respect to the closing of the sale of the Real Property contemplated by the Purchase Agreement (the “**Closing**”), which is scheduled to occur on or before the date two (2) business day following

the date on which the approval set forth in item 1(x) below is delivered to City and Escrow Agent (the date on which Closing occurs, the “**Closing Date**”).

1. Original or copy counterparts, as noted below, of each of the following duly executed and acknowledged documents (as applicable) have been delivered or submitted to Escrow in connection with Closing by either RCM Counsel, RCM, City Counsel, or City:

a. One (1) executed and acknowledged original warranty deed (the “**Warranty Deed**”), in the form enclosed herewith, executed in counterpart with acknowledgment by RCM, without acknowledgement by City, and approved as to form by the City Attorney for the City of Portland (the “**City Attorney**”), conveying the Real Property from RCM to City, and prepared for recording in the Official Records of Multnomah County, Oregon (the “**Official Records**”).

b. One (1) executed and acknowledged original quitclaim deed (the “**Quitclaim Deed**”), in the form enclosed herewith, executed in counterpart with acknowledgment by RCM, without acknowledgement by City, and approved as to form by the City Attorney, quitclaiming the Improvements from RCM to City, and prepared for recording in the Official Records.

c. Two (2) executed originals or copies of the Arena Operating Lease, in the form enclosed herewith, executed in counterpart by RCM and City, and approved as to form by the City Attorney.

d. One (1) executed and acknowledged original Memorandum of Arena Operating Lease (the “**Arena Operating Lease Memorandum**”), in the form enclosed herewith, executed in counterpart with acknowledgement by each of RCM and City, and prepared for recording in the Official Records.

e. Two (2) executed originals or copies of the Termination of Arena Ground Lease Agreement, in the form enclosed herewith (the “**Existing Arena Lease Termination Agreement**”), executed in counterpart by RCM and City, and approved as to form by the City Attorney.

f. One (1) executed and acknowledged original Termination of Memorandum of Arena Ground Lease (the “**Existing Arena Lease Termination Memorandum**”), in the form enclosed herewith, executed in counterpart with acknowledgement by each of RCM and City, and prepared for recording in the Official Records.

g. Two (2) executed originals or copies of Amendment No. 3 to Entertainment Complex Ground Lease, in the form enclosed herewith, executed in counterpart by RCM and City.

h. One (1) executed and acknowledged original Memorandum of Entertainment Complex Ground Lease Amendment (the “**Entertainment Complex Lease Amendment Memorandum**”), in the form enclosed herewith, executed in counterpart with acknowledgement by each of RCM and City, and prepared for recording in the Official Records.

i. Two (2) executed originals or copies of Amendment No. 9 to Coliseum Operating Agreement, in the form enclosed herewith, executed in counterpart by RCM and City.

j. One (1) executed and acknowledged original Termination of Memorandum of Development Agreement (the “**Existing Development Agreement Termination Memorandum**”), in the form enclosed herewith, executed in counterpart with acknowledgement by each of RCM and City, and prepared for recording in the Official Records.

k. Two (2) executed originals or copies of the Amended and Restated Development Agreement, in the form enclosed herewith, executed in counterpart by RCM and City.

l. One (1) executed and acknowledged original Memorandum of Amended and Restated Development Agreement (the “**Amended and Restated Development Agreement Memorandum**”), in the form enclosed herewith, executed in counterpart with acknowledgement by each of RCM and City, and prepared for recording in the Official Records.

m. One (1) executed and acknowledged original Second Amendment to Declaration of Covenants, Conditions and Restrictions for the Oregon Arena Project (the “**Second Amendment to Declaration**”), in the form enclosed herewith, executed in counterpart with acknowledgement by each of RCM and City, and prepared for recording in the Official Records.

n. Two (2) executed originals or copies of the Restated Public Parking Facilities Management Agreement (the “**Restated Parking Agreement**”), in the form enclosed herewith, executed in counterpart by RCM and City, and approved as to form by the City Attorney.

o. Two (2) executed originals or copies of 2024 Exclusive Site Agreement, in the form enclosed herewith, executed in counterpart by RCM and City.

p. One (1) executed original or copy of the Secretary’s Certificate for RCM.

q. One (1) executed original or copy of the Written Consent of the Sole Member of RCM.

r. One (1) executed original or copy of the Secretary's Certificate for Trail Blazers Inc., an Oregon corporation.

s. one (1) original or copy of Assessor's Office Property Tax Prepayment Letter (the "**Prepayment Letter**") issued by the Multnomah County Assessor's Office and setting forth the 2024-2025 real property taxes required to be paid in advance of Closing in connection with the Real Property moving to a non-assessable status due to City being a municipal corporation of the State of Oregon (the "**Prepayment**").

t. one (1) original Assessor's Office Property Tax Prepayment Certificate (the "**Tax Prepayment Certificate**"), issued by the Multnomah County Assessor's Office to evidence the Prepayment in accordance with the Prepayment Letter and to be attached to the Warranty Deed prior to submission of the same for recording in the Official Records.

u. One (1) executed original or copy of 1099-S Report Filing as required by the Internal Revenue Service, executed by RCM.

v. One (1) executed original or copy of non-foreign affidavit (the "**Non-Foreign Affidavit**"), executed by RCM, and certifying that RCM is not is not a foreign person as defined in Section 1445 of the Internal Revenue Code of 1986, as amended.

w. One (1) executed original or copy of a Joint Estimated Settlement Statement, in a form approved by RCM and City, executed in counterpart by each of RCM and City (the "**Settlement Statement**").

x. One (1) copy of the National Basketball Association's (the "**NBA**") written approval of the transactions contemplated by the Purchase Agreement and the agreements set forth in items 1(c) through 1(r) above, which approval will be delivered by RCM and may be in the form a letter or electronic mail from an executive of the NBA including, without limitation, its general counsel or assistant general counsel.

The documents referred to in items 1(a) through 1(x) are each sometimes individually referred to herein as a "**Closing Document**," and collectively referred to herein as the "**Closing Documents**." All Closing Documents to be executed at the Closing shall be in form and substance identical to the applicable Closing Document enclosed herewith, or such other form as approved in writing by RCM or RCM Counsel and City or City Counsel. If you receive original counterpart signature pages only with respect to any document submitted to you, you are to insert such signature pages into the forms enclosed herewith or the applicable document last approved by RCM or RCM

Counsel and City or City Counsel (which approvals may be given by email), so that you have the correct number of complete, fully assembled, executed and acknowledged (where applicable) originals of such document. Similarly, for any documents that are submitted to you in complete multiple counterparts from multiple parties, you are to combine all such counterparts such that you have the correct number of complete, fully assembled, executed and acknowledged (where applicable) counterparts of such document as are required by these instructions.

2. On or before Closing, City will deposit with you by wire transfer, using wire instructions provided by your office, an aggregate amount sufficient to pay the Purchase Price (as defined below) or such portion of the Purchase Price that will be paid at Closing pursuant to the Purchase Agreement, and all other costs, expenses, and charges which are the responsibility of City as reflected in these escrow instructions and in the Settlement Statement.

3. The following are absolute conditions precedent to your closing of Escrow:

a. You have received all of the Closing Documents described in Section 1 hereof, whether by email or by overnight mail, and (i) you have dated all undated documents as of the Closing Date in the spaces provided on each undated document (unless otherwise instructed by our office in writing), and (ii) you have ensured that (x) all such documents are otherwise completed, fully assembled and executed, acknowledged and/or approved in writing as contemplated above, and (y) all exhibits and schedules are attached to such documents.

b. You have received from City all funds described in the Settlement Statement, including the total purchase price for the Property in the amount of \$7,130,000.00 (the “**Purchase Price**”), together with any amounts required to be deposited by RCM to close.

c. You have verified that each document and instrument to be recorded is in proper form to be recorded in the Official Records.

d. You have confirmed that all Closing costs are to be addressed in Escrow pursuant to the terms of Section 9.6 of the Purchase Agreement, all as reflected in the Settlement Statement.

e. You shall have confirmed by execution of this letter below that First American Title Insurance Company is irrevocably committed to issuing (i) an owner’s policy of title insurance (the “**Owner’s Title Policy**”) in a coverage amount equal to \$7,130,000.00 (the “**Coverage Amount**”), insuring fee ownership to the Real Property in the City, subject only to those certain standard and general printed exceptions to title and special exceptions set forth in the Pro Forma (collectively, the “**Permitted Exceptions**”), and (ii) a concurrent issue or “seller’s” policy of title insurance naming RCM as the insured party (as endorsed, the “**RCM Title Policy**”) in a coverage amount equal to the Coverage Amount, insuring fee ownership to the Real Property in the City, subject only to the Permitted Exception.

The Owner's Title Policy and the RCM Title Policy must afford "gap coverage" for the period of time between the Pro Forma Delivery Time and the date upon which the Warranty Deed is finally recorded in the Official Records as contemplated herein.

f. You have received oral or email authorization from our office or City, and oral or email authorization from RCM or RCM's Counsel to close the Escrow.

g. You are prepared to comply with these instructions and have returned to each of the undersigned by email your countersigned copy of these instructions.

4. When all the conditions precedent to Closing set forth in Section 3 above have been fully satisfied, you are authorized and instructed to do all of the following:

a. Date all undated documents (if any) as of the Closing Date.

b. Disburse to RCM, by wire transfer to the account specified in the wiring instructions for RCM provided to you by RCM, the net proceeds of the transaction after giving effect to all prorations, credits, and adjustments as shown in the Settlement Statement.

c. Attach the Tax Prepayment Certificate to the Warranty Deed.

d. Submit for recording in the Official Records, IN THE FOLLOWING ORDER and with no intervening documents, the following (collectively, the "**Recorded Documents**"):

i. the Warranty Deed (with the Tax Prepayment Certificate attached);

ii. the Quitclaim Deed;

iii. the Existing Arena Lease Termination Memorandum;

iv. the Arena Operating Lease Memorandum;

v. the Entertainment Complex Lease Amendment Memorandum;

vi. the Existing Development Agreement Termination Memorandum;

vii. the Amended and Restated Development Agreement Memorandum;
and

viii. the Second Amendment to Declaration.

e. Deliver to City Counsel, on behalf of City, the Non-Foreign Affidavit.

f. Deliver to each of the undersigned, (i) a final Settlement Statement executed by you as Escrow Agent, (ii) copies of the Recorded Documents, (iii) one (1) original of each of the Arena Operating Lease, Existing Arena Lease Termination Agreement, Amendment No. 3 to Entertainment Complex Ground Lease, Amendment No. 9 to Coliseum Operating Agreement, Amended and Restated Development Agreement, 2024 Exclusive Site Agreement, and the Restated Parking Agreement, and (iv) copies of all other fully executed Closing Documents not described in the foregoing clauses (i) through (iii).

g. Following recordation of the Recorded Documents and as soon as practicable thereafter, deliver (i) the Owner's Title Policy to our City Counsel on behalf of City, and (ii) the RCM Title Policy to RCM Counsel on behalf of RCM.

5. In the event that any documents submitted to you require corrections prior to Closing, this office or City may provide instruction in writing to substitute documents, to slip-sheet replacement or supplemental pages or to hand-mark pages or make necessary corrections (which instructions may be given by email and will be deemed a supplement to and become part of these instructions). If any corrections or supplements are required to documents which are already signed by, or which have been previously read and approved by RCM or RCM Counsel and City and City Counsel and you have received instructions from any such person to slip-sheet replacement or supplemental pages or to make hand-corrections with respect to such documents, you are to confirm with RCM or RCM Counsel and City and City Counsel that they approve of any requested correction or supplement prior to making the change (which confirmation may also be given by email and will be deemed to supplement and become part of these instructions).

6. This letter of escrow instructions may be terminated or modified at any time prior to Closing by a letter signed or email sent by City or our office. If Escrow fails to close on or before the Closing Date, you are to hold all Closing Documents in escrow until you receive written instructions instructing you how to proceed signed by RCM or RCM Counsel and City and City Counsel. In the event of any dispute arising between City, RCM, and Escrow Agent in connection with the transaction contemplated hereunder or these instructions, the prevailing party will be entitled to recover from the other party such sums as the court may adjudge reasonable as attorneys' fees both at trial and on appeal of such suit or action, in addition to all other sums provided by law.

If the foregoing instructions are satisfactory to you, please sign this letter in the space indicated below, confirming your agreement to be bound hereby, and return an electronic version via email to each of the undersigned (return by electronic delivery of a signed counterpart is accepted and will be deemed the same as delivery of an original signed copy).

Sincerely,

Brendan S. Crowley, Shareholder
Schwabe, Williamson, & Wyatt, P.C.
1211 SW Fifth Avenue, Suite 1900
Portland, OR 97204
Tel: (503) 796-2497
Email: bcrowley@schwabe.com
Attorney for Rip City Management LLC

Damien R. Hall, Partner
Dunn Carney LLP
851 SW Sixth Avenue Ste. 1500
Portland, Oregon 97204
Tel: (503) 306-5305
Email: dhall@dunnearney.com
Attorney for the City of Portland

cc (via e-mail): Zandria Conyers
Ben Lauritsen
Nathan Fahrer
Valerie Johnston
Dan Drazan
Caulin Price
Mike Silvey

[Escrow Agent signature page follows.] _____

AGREEMENT OF ESCROW AGENT

First American Title Insurance Company hereby acknowledges receipt of the above-referenced enclosures, accepts the terms of the escrow stated herein and agrees to act in accordance with the instructions set forth in this letter, as the same may have been supplemented or modified as of the date hereof.

By: _____

Name: _____

Title: _____

Dated: _____, 2024