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**MANAGEMENT AND LEASE AGREEMENT**

THIS MANAGEMENT AND LEASE AGREEMENT (this "Agreement") is made this 30<sup>th</sup> day of January, 2008 (the "Effective Date") by and between the CITY OF GLENDALE, ARIZONA ("Lessor" or "City") and JQH – GLENDALE, AZ DEVELOPMENT, LLC, a Missouri limited liability company ("Lessee"). Lessor and Lessee sometimes are referred to herein collectively as the "Parties" or singularly as a "Party".

**RECITALS**

A. Lessor and Lessee entered into that certain Master Development Agreement dated January 20, 2006 and recorded April 17, 2006 as Document Number 06-0513802 in the Official Records of Maricopa County, Arizona (the "Master Agreement"), providing for the design, construction, development, ownership, use and maintenance of a privately-owned and operated, full-service, upscale hotel consisting of at least 320 guest rooms, as more particularly described in the Master Agreement (the "Hotel"). The Master Agreement also provides for the development of a publicly owned (i) upscale conference center containing not less than 80,000 gross square foot of meeting and conference space (the "Conference Center"), as more particularly described in the Master Agreement, (ii) parking structure with a minimum of 900 parking spaces and a minimum of 250 surface parking spaces, as more particularly described in the Master Agreement (the "Parking Facility"), and (iii) media center containing approximately 65,000 gross square feet of space, as more particularly described in the Master Agreement (the "Media Center") (collectively, the three publicly-owned facility are referred to herein as "Public Facilities"), all as depicted on that certain attached hereto as Exhibit A (the "Site Plan").

B. Lessee owns approximately 3.8522 acres of land as depicted on the Site Plan on which the Hotel is currently being constructed.

C. Lessor owns approximately 6.3379 acres of land (the "Public Facilities Site") as depicted on the Site Plan and as legally described on Exhibit B attached hereto, on which the Conference Center, the Parking Facility and the Media Center are currently located.

D. Construction of the Public Facilities has been completed or is nearing completion. The Media Center has been designed to consist of (i) an approximate 30,000 square foot exposition hall (the "Expo Hall"), and (ii) an approximate 35,000 square feet broadcast facility ("Broadcast Facility") that will house the City's television station and will provide a media facility that will be available for use by visiting media organizations during large national and international events. Except as provided herein with respect to the third floor of the Broadcast Facility, and Fourth Floor observation deck the Broadcast Facility is not a part of the Managed Property and shall be used and managed by the City in the sole discretion of the City.

E. Pursuant to the terms of the Master Agreement, Lessor desires to lease to Lessee, and Lessee desires to lease and take from Lessor, the Managed Property (as defined below) on the terms set forth herein. This Agreement is hereby accepted by the parties as the "Conference Center Lease" referenced in the Master Agreement.

## AGREEMENT

NOW, THEREFORE, in consideration of the recitals set forth above and the mutual covenants and agreements contained herein and for other good and valuable consideration, the receipt and sufficiency of which are acknowledged and confessed by the Parties, the Parties have agreed and, intending to be legally bound, do hereby agree as follows:

### ARTICLE 1

#### Certain Definitions

1.1 The following terms shall have the meaning set forth in this Article 1:

1) "Additional Rent" means Revenue-Based Rent, Impositions and any other monetary obligations of Lessee to Lessor under this Agreement other than Base Rent.

2) "Affiliate" means, with respect to any Person, (i) each Person that, directly or indirectly, owns or controls, whether beneficially, or as a trustee, guardian or other fiduciary, ten percent (10%) or more of the capital stock having ordinary voting power in the election of directors of an entity, (ii) each entity that controls, is controlled by or is under common control with such Person, and (iii) in the case of individuals, the immediate family members, spouses and lineal descendants of individuals who are Affiliates of the Person. For the purposes of this definition, "control" of a Person means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of a Person, whether by reason of membership, ownership of voting stock, by contract, by virtue of being an executive officer or a director or otherwise.

3) "Alteration Plans" shall have the meaning set forth in Section 6.1.

4) "Alterations" shall have the meaning set forth in Section 6.1.

5) "Approved Franchisor" shall have the meaning set forth in the Master Agreement.

6) "Approved Plans" shall have the meaning set forth in the Master Agreement.

7) "Approved Standards" means standards applicable to a comparable conference center development attached to and serviced by a full-service, upscale (according to the classifications of Smith Travel Research, Inc., or comparable rating level) national brand hotel, including, without limitation, all forms of operations and maintenance as well as physical and operational capability of such conference center development.

8) "Arena" means the multi-purpose arena located next to the Hotel and Public Property Site and owned by the City, currently known as the Jobing.com Arena.

9) "Arena Manager" means the entity that has management control over the Arena.

10) "Arena Parking Spaces" shall have the meaning set forth in Section 7.2.

11) "AV Taxes" means any and all taxes imposed on or attributable to the value of the Public Facilities Site.

12) "Base Rent" shall have the meaning set forth in Section 3.1.

13) "Capital Improvement" means collectively (i) any or all installations, alterations or improvements of or to, and all purchases of additional or replacement Fixtures for, the Managed Property, the depreciable life of which, according to GAAP, is in excess of one (1) year; and (ii) any and all maintenance or repairs to the Managed Property that, in the reasonable estimation of Lessee, will extend the useful life of the portion of the Managed Property being maintained or repaired for a period in excess of one (1) year; (iii) replacement, upon the approval of Lessor, of any landscaping component with a cost for the individual item of greater than \$2,500. Capital Maintenance includes, but is not limited to, the Capital Maintenance items as listed on the Capital Maintenance Schedule.

14) "Capital Maintenance" mean any expenditure for Capital Improvements.

15) "Capital Maintenance Account" shall have the meaning set forth in Section 9.1.

16) "Capital Maintenance Contributions" means the City's contribution to the Capital Maintenance Account for a given Fiscal Year to be paid within thirty (30) days following the end of such Fiscal Year in an amount equal to the lesser of (i) seventy percent (70%) of the amount designated for Capital Maintenance for such Fiscal Year as set forth on the Capital Maintenance Schedule, and (ii) thirty percent (30%) of the Undedicated Sales Tax Revenue derived from the Hotel and received by the City for such Fiscal Year and not required for City portion of the annual Debt Service. The City's contribution shall not to exceed the amount scheduled to be contributed to the Capital Maintenance Schedule for that particular year.

17) "Capital Maintenance Invoice" shall have the meaning set forth in Section 9.1(b).

18) "Capital Maintenance Schedule" means the Scheduled Capital Maintenance required to be performed by Lessee in each Fiscal Year during the Term and the budgeted amount for each such Scheduled Capital Maintenance item, as shown on Exhibit C attached hereto, as the same may be amended from time to time by written agreement between the City and Lessee.

19) "Casualty Repairs" shall have the meaning set forth in Section 10.3.

20) "Casualty Repairs Invoice" shall have the meaning set forth in Section 9.2(b).

21) "City" shall have the meaning set forth in the introductory paragraph of this Agreement.

22) "City Sponsored Event" shall have the meaning set forth in Section 8.1.

23) "Claims" means claims, demands, suits, actions, proceedings, loss, liabilities, cost and damages of every kind and description, including, without limitation, attorneys' fees, expert witness fees, litigation-related expenses and court costs.

24) “Commencement Date” means the earlier of either (i) the date the City incurs the debt for which Debt Service is paid, or (ii) the date upon which Lessee secures a temporary or permanent occupancy certificate for the Public Facilities.

25) “Condemnation Award” shall have the meaning set forth in Section 15.1.

26) “Condemnation Deficiency” shall have the meaning set forth in Section 15.2(b).

27) “Condemnation Restoration Standard” shall have the meaning set forth in Section 15.2(a).

28) “Conference Center” means that portion of the Public Facilities consisting of approximately 80,000 square feet meeting and conference space adjoining the Hotel and as depicted on the Site Plan, Exhibit A.

29) “Conference Center Revenue” means five percent (5%) of the receipts of revenue from whatever nature or kind by Lessee arising out of an Event held in the Conference Center for gross revenues exceed by Ten Million Dollars (\$10,000,000) adjusted annually by an percentage equal to the Consumer Price Index—All Urban Consumers (U.S. City Average).

30) “Debt Service” means the amount of the initial amount of the incremental payment that amortize the Public Facility Debt plus an amount equal to \$13.35 per square foot for the land upon which the Public Facility is located, regardless of whether the City is, after the first year of the debt, obligated for the initial amount (e.g., through prepayment or refinancing the initial amount of the incremental payments is increased or decreased, however, the Debt Service amount shall not change).

31) “Environmental Condition” shall have the meaning set forth in Section 7.4(b).

32) “Environmental Laws” means any one or all of the following: the Comprehensive Environmental Response, Compensation, and Liability Act, 42 U.S.C. § 9601 et seq.; the Resource Conservation and Recovery Act, 42 U.S.C. § 6941 et seq.; the Toxic Substances Control Act, 15 U.S.C. § 2601 et seq.; the Safe Drinking Water Act, 42 U.S.C. § 300h et seq.; the Clean Water Act, 33 U.S.C. § 1251 et seq.; the Clean Air Act, 42 A.R.S. § 49-921 et seq.; the Arizona Environmental Quality Act, Laws 1986, Ch. 368; Laws 1987, Ch. 317; A.R.S. § 49-1001 et seq.; rules and regulations under any of the foregoing, and any other applicable Legal Requirements in effect or hereafter enacted that deal with the regulation or protection of the environment, including the ambient air, ground water, surface water or land use.

33) “Estimated Base Rent” shall have the meaning set forth in Section 3.1.

34) “Event” means any revenue or non-revenue producing cultural or civic event or other activity (including related event set-up and take-down) which is either (i) held in the main exhibit hall in the Conference Center, or (ii) held in any other portion of the Conference Center in a manner that precludes the use of the main exhibit hall in the Conference Center for other events or activities. If such event or activity is presented in its entirety more than once during a given day, all such presentations during such day shall be deemed one (1) Event. If such event or activity is held in its entirety on more than one (1) day, each day on which such event or

activity is held shall be deemed a separate Event. For purposes of this paragraph, any event or activity that commences on a given day and is completed within the four (4) hours immediately following the end of such day shall be deemed to have been presented in its entirety on the day such event or activity commenced.

35) “Exculpatory Language” means the following language: “[Insert name of exculpating Person] acknowledges and agrees that (i) this [insert title of contract or agreement] imposes no contractual obligation on the City of Glendale; (ii) in the event of a default under this [insert title of contract or agreement], of any kind or nature whatsoever, [insert name of exculpating Person] shall look solely to [insert name of Lessee] at the time of the default for remedy or relief; and (iii) no elected official, officer, employee, agent, independent contractor or consultant of the City of Glendale shall be liable to [insert name of exculpating Person], or any successor in interest to [insert name of exculpating Person], with respect to this [insert title of contract or agreement].”

36) “Expo Hall” means the approximate 30,000 square feet contained within the Conference Center as identified in the Master Agreement, together with the third floor and fourth floor observation deck of the Media Center.

37) “Expo Hall Revenue” means:

(i) Fifty (50%) percent of the gross revenue derived from all services or sales, except for food and beverage sales (see below), less any actual out-of-pocket costs paid directly to a third party service provider that is unaffiliated with Lessor for services specifically related to the event at the Expo Hall; plus

(ii) For an event at the Expo Hall, twenty-five percent (25%) of the gross food and beverage sales, up to Two Hundred Fifty Thousand Dollars (\$250,000) of gross food and beverage sales, and Twenty percent (20%) for any gross food and beverage sales above Two Hundred Fifty Thousand Dollars (\$250,000) of gross food and beverage sales.

38) “Fiscal Quarter” means a three (3) month period commencing on the first day of January, April, July or October, and ending on the last day of March, June, September or December, respectively.

39) “Fiscal Year” means a twelve (12) month period commencing on July 1 and ending on June 30.

40) “Fixtures” shall have the meaning set forth in Section 6.3.

41) “GAAP” means generally accepted accounting principles in effect in the United States of America from time to time, as consistently applied.

42) “Governmental Authority[ies]” means any federal, state, or local governmental or quasi governmental subdivision, authority, agency, bureau, commission, department, board, or other instrumentality thereof.

43) "Hazardous Materials" means any substance, material or waste that is now or hereafter classified or considered to be hazardous, toxic or dangerous under any Environmental Laws.

44) "Holdover Rate" shall have the meaning set forth in Article 16.

45) "Hotel" shall have the meaning set forth in the Recitals.

46) "Hotel Parking Spaces" shall have the meaning set forth in Section 7.2.

47) "Impositions" means all governmental assessments, fees, transaction privilege and use taxes, excise taxes, license and permit fees, levies, charges and taxes, general and special, ordinary and extraordinary, of every kind and nature whatsoever (irrespective of the nature thereof, including all such charges based on the fact of a transaction, irrespective of how measured) which at any time during the Term may be assessed, levied, confirmed or imposed upon (i) the Managed Property or any portion thereof, and (ii) any payments received by Lessee from any Person using or occupying the Managed Property or any portion thereof.

48) "Improvements" means all buildings, structures, improvements and Fixtures from time to time connected, installed or situated on the Public Facilities Site, including all landscaping.

49) "Indoor Advertising" means all permanent and temporary announcements, acknowledgments, banners, liquid electronic displays, monument and other signs, and other audio or visual commercial messages of any nature displayed, announced or otherwise presented on or about the interior of the Public Facilities. Indoor Advertising shall not include the Naming Rights.

50) "Indoor Advertising Revenue Share" means fifty percent (50%) of all revenue generated by Lessee in connection with any Indoor Advertising; provided that such Indoor Advertising is not associated with any Event scheduled to occur within the Conference Center within thirty (30) days of the date such Indoor Advertising is first posted.

51) "Insurance Proceeds" shall have the meaning set forth in Section 10.3.

52) "Interest Rate" means the annual interest rate that is announced from time to time by Wells Fargo, N.A. or its successor as its "prime" lending rate, plus two percent (2%). If, at any time during the Term, Wells Fargo, N.A. or its successor no longer announces a "prime" lending rate, then the Interest Rate shall be the annual interest rate that is announced by a national bank reasonably selected by the Parties and having an office in Phoenix, Arizona as such national bank's "prime" lending rate, plus two percent (2%). The Interest Rate shall change and be adjusted upon each announcement by Wells Fargo, N.A. or its successor (or any substitute national bank selected by the Parties pursuant to this definition) of each change in the "prime rate" used to determine the Interest Rate in the manner described in this definition. All interest to be paid pursuant to this Agreement shall be paid at the Interest Rate and shall be computed on the basis of a 360-day year consisting of twelve (12) months of thirty (30) days each.

53) "Lease Year" means each successive twelve (12)-month period during the Term from and including the Commencement Date.

54) "Legal Requirement" means any one or all of the following: statutes, codes, laws, acts, ordinances, orders, judgments, decrees, injunctions, rules, regulations, permits, licenses or authorizations of any federal, state, county, municipal or other government, department, commission, board, court, authority, official or officer of every nature and description.

55) "Lessee" shall have the meaning set forth in the introductory paragraph of this Agreement.

56) "Lessee Event of Default" shall have the meaning set forth in Section 13.1.

57) "Lessee Indemnified Party[ies]" means, individually and collectively, as applicable, Lessee and its officials, officers, agents, employees and representatives.

58) "Lessee Party" means individually and collectively, as applicable, Lessee and its agents, employees, representatives, officials, contractors or subcontractors.

59) "Lessor" shall have the meaning set forth in the introductory paragraph of this Agreement.

60) "Lessor Event of Default" shall have the meaning set forth in Section 14.1.

61) "Lessor Indemnified Party[ies]" mean, individually and collectively, as applicable, Lessor and the City (if different than Lessor), and their respective elected officials and officials, officers, agents, employees, representatives and volunteers.

62) "Lessor Party" means individually and collectively, as applicable, Lessor and its agents, employees, representatives, officials, contractors or subcontractors.

63) "Lien" means any encumbrance, security interest, pledge, claim, mechanics' or other lien arising out of work performed for, materials furnished to, or obligations incurred by Lessee pursuant to this Agreement.

64) "Major Events" means those events that take place in the facilities located near the Managed Property, such as the University of Phoenix Stadium or Jobing.com Arena, that are reasonably designated by the City have a regional, national, or international interest. Major Events may include the Fiesta Bowl, BCS Championship Game, Super Bowl, NCAA Basketball Championship series, NHL Championship series, NHL All-Star Game and similar such events.

65) "Managed Property" means the property designed herein as the Conference Center, the Expo Hall, and the Parking Facility.

66) "Master Agreement" shall have the meaning set forth in the Recitals.

67) "Material Alteration" shall have the meaning set forth in Section 6.1.

- 68) “Media Center” shall have the meaning set forth in the Recitals.
- 69) “Memorandum of Lease” shall have the meaning set forth in Section 19.3.
- 70) “Naming Rights” means the exclusive rights to designate and/or assign a brand, company, product or other name to, or have a name association with or sponsorship of, all or any portion of the Conference Center including, without limitation, panels, walls, equipment, entrances, exits, landscaping, service areas, communication systems, audio and video systems, and directional signage.
- 71) “Naming Rights Agreement” means any contract or agreement entered into by or on behalf of the City for Naming Rights.
- 72) “Outdoor Advertising” means all permanent and temporary announcements, acknowledgments, banners, liquid electronic displays, monument and other signs, and other audio or visual commercial messages of any nature displayed, announced or otherwise presented on or about the Managed Property (excluding the interior of the Conference Center). Outdoor Advertising shall not include the Naming Rights.
- 73) “Outdoor Advertising Agreement” means any contract or agreement entered into by or on behalf of the City for Outdoor Advertising.
- 74) “Parking Facility” shall have the meaning set forth in the Recitals.
- 75) “Parties” shall have the meaning set forth in the introductory paragraph of this Agreement.
- 76) “Party” shall have the meaning set forth in the introductory paragraph of this Agreement.
- 77) “Person” means an individual, partnership, corporation, trust (including a business trust), unincorporated organization, joint venture, other entity or governmental body, in each case whether in such individual’s or entity’s own capacity or as an agent or fiduciary of another Person.
- 78) “Phase I Report” shall have the meaning set forth in Section 7.47.4(b).
- 79) “Public Facilities” means the Conference Center, Media Center (which includes both the Expo Hall, and the Broadcast Facility), and Parking Facility as designated on the Exhibit A, attached hereto.
- 80) “Public Facility Debt” means the amount of the costs associated with construction of the Public Facilities, plus the costs associated with issuance of the debt.
- 81) “Public Facilities Site” shall have the meaning set forth in the Recitals.
- 82) “Replacement Account” shall have the meaning set forth in Section 9.2(a).



83) “Restoration” shall have the meaning set forth in Section 15.2(a).

84) “Revenue” shall mean the entire amount of all income received by Lessee arising out of the actual sale price, whether for cash, credit or otherwise, of all space rented, food, beverages, catering and other goods and services sold or provided at or from and the gross amount of all other income and receipts whatsoever derived from all business conducted at, on or from the Managed Property, whether by Lessee or any subtenant, licensee or concessionaire if Lessee receives all or a part of any such proceeds. However, Revenue shall not include (but Lessee shall keep separate records of): (a) any cash or credit refunds made upon any sale in or from the Premises that was originally included in Revenue, not to exceed two percent (2%) of such Revenue; and (b) any sales or excise tax imposed by and remitted to any governmental authority (provided that no income or franchise tax, capital stock tax, tax based upon gross receipts, assets or net worth or similar tax shall be deducted from Revenue). No deduction shall be allowed for any uncollected or uncollectible amounts or reserves therefor, cost of products or services sold or other costs, charges or expenses of purchasing, financing, selling, transportation, overhead or taxes.

85) “Revenue-Based Rent” shall have the meaning set forth in Section 3.2.

86) “Scheduled Capital Maintenance” means those certain Capital Maintenance items designated on the Capital Maintenance Schedule to be performed by Lessee in accordance with the schedule set forth therein.

87) “Site Plan” shall have the meaning set forth in the Recitals.

88) “Sublease” shall have the meaning set forth in Section 12.2.

89) “Substantial Taking” shall have the meaning set forth in Section 15.1.

90) “Taking” shall have the meaning set forth in Section 15.1.

91) “Taking Date” shall have the meaning set forth in Section 15.1.

92) “Term” shall have the meaning set forth in Section 2.2.

93) “Termination of Memorandum of Lease” shall have the meaning set forth in Section 19.3.

94) “Transfer” shall have the meaning set forth in Section 12.1.

95) “Undedicated Sales Tax Revenue” means any portion of the City’s transaction privilege taxes that is collected and not expressly allocated by ordinance to a specific use or purpose. For example, that portion of the City’s transaction privilege tax revenue that, at the time of this Agreement, is currently dedicated for purposes of transportation and public safety shall be excluded from the definition of Undedicated Sales Tax Revenue.

96) "Utilities" means all utilities to the Managed Property, including water, gas, sewer, electric, telephone, cable, Internet and any other utilities required for Lessee's use of the Managed Property.

## ARTICLE 2

### Grant, Term of Lease

2.1 Leasing Clause. Upon and subject to the terms and provisions contained herein, Lessor does hereby lease, demise and let unto Lessee, and Lessee does hereby take and lease from Lessor, the Managed Property, to have and to hold during the Term.

2.2 Term. The Lease shall be effective this Agreement on the Commencement Date and terminating on the date that is one (1) day prior to the fifty-fifth (55th) anniversary of the Commencement Date, unless earlier terminated in accordance with the provisions of this Agreement.

2.3 Extensions. The parties may mutually agree upon two (2) extensions of this Agreement with each extension being for ten (10) years. The terms of the extension agreement will be those set forth herein; however, Base Rent and Revenue Based Rent may be adjusted to reflect market conditions. Lessee shall have no right to extend this Agreement if Lessee is in default beyond any applicable cure period. Extensions shall only by written agreement between the Parties. If either party desires to extend this Agreement, that party shall give notice to the other no later than twenty-four (24) month prior to the expiration of the then-current term.

## ARTICLE 3

### Rent

3.1 Base Rent. Lessee shall pay Lessor, without prior demand therefor and without deduction or offset, on or before the commencement of each Lease Year, annual base rent in an amount equal to thirty percent (30%) of Lessor's Debt Service on the Conference Center and twenty percent (20%) of that portion of Lessor's Debt Service on the Parking Facility equal to the ratio of Hotel Parking Spaces to the total Parking Facility parking spaces. ("Base Rent"). The Base Rent established during the first year of the Term shall continue at that amount throughout the Term regardless of the actual obligation of the City for Debt Service. The Parties acknowledge and agree that the Term may commence prior to Lessor incurring the debt for which Debt Service will be paid. Accordingly, notwithstanding the foregoing to the contrary, not less than thirty (30) days prior to the anticipated Commencement Date, Lessor shall reasonably estimate Base Rent for the first Lease Year based on Lessor's anticipated Debt Service, including interest thereon (the "Estimated Base Rent"), and Lessee shall pay such Estimated Base Rent for the first Lease Year on or before the Commencement Date. Within thirty (30) days following the date on which Lessor incurs the debt for which Debt Service will be paid, Lessee shall pay to Lessor, or Lessor shall reimburse Lessee, as applicable, for the difference between the Estimated Base Rent paid by Lessee and the actual Base Rent due for the first Lease Year.

3.2 Revenue-Based Rent. Lessee shall pay Lessor, as Additional Rent, without prior demand therefor and without deduction or offset (a) the Indoor Advertising Revenue Share; (b) Conference Center Revenue, (c) Expo Hall Revenue; and (d) Lessor's Parking Revenue Share (individually and collectively, "Revenue-Based Rent"). Such Revenue-Based Rent shall be paid quarterly, within thirty (30) days from the end of each Fiscal Quarter, and delivered to Lessor together with a statement in writing, certified by Lessee to be correct, showing Lessee's Indoor Advertising Revenue, Conference Center Revenue, Media Center Revenue and Parking Revenue for the preceding Fiscal Quarter. Within sixty (60) days after the end of each calendar year, Lessee shall supply to Lessor a statement in writing, certified by Lessee to be correct, showing the total of Lessee's Revenue during the preceding calendar year. If the total of Lessee's payments of Revenue-Based Rent for any calendar year does not equal the Revenue-Based Rent computed on the total amount of Revenue for such year, then Lessee, at the time it submits its annual statement of Revenue, shall, in case of any underpayment, pay Lessor any deficiency, or, in case of any overpayment, Lessor shall, upon receipt of such annual statement, credit Lessee's next quarterly rental (or refund to Lessee if overpayment has occurred during the final Lease Year), as the case may be.

3.3 Records. Lessee shall keep full, complete and proper books, records and accounts (collectively, the "Records") of its daily Gross Revenue for all items constituting components of Revenue-Based Rent, both for cash and on credit, of each separate department and concessionaire at any time operated in the Managed Property. Such Records shall be prepared, preserved and maintained in accordance with generally accepted accounting principles and shall include without limitation: (i) daily dated, sealed, and continuous cash register tapes, computer records, or other method of recording sequentially numbered purchases and keeping a cumulative total; (ii) serially numbered sales slips; (iii) settlement report sheets of transactions with subtenants, concessionaires and licensees; (iv) bank statements; (v) general ledger or summary record of all receipts and disbursements from operations in, at or from the Premises; (vi) state and local sales and use tax returns; and (vii) such other records as would normally be kept pursuant to generally accepted accounting principles or as Lessor may reasonably require in order to determine Gross Revenue hereunder. Lessee shall retain such Records for not less than three (3) years after the end of the calendar year to which they pertain.

3.4 Right to Audit. Lessor and its agents and employees shall have the right at any and all times, during regular business hours, to examine and inspect all of the books and records of Lessee, including any sales or privilege tax reports pertaining to the business of Lessee, for the purpose of investigating and verifying the accuracy of any statement of gross revenue and any deductions allowed therefrom. Lessor may cause an audit of the business and Records of Lessee to be made by a certified public accountant of Lessor's selection, and if the statement of Gross Revenue made to Lessor for any period shall be found to be inaccurate, there shall be an adjustment and one party shall pay to the other on demand such sums as may be necessary to settle in full the accurate amount of the Revenue-Based Rent that should have been paid to Lessor for the period or periods covered by such inaccurate statement or statements. If an audit discloses an underpayment of 2% or more of the Revenue-Based Rent payable by Lessee for such period, that Lessee failed to maintain Records as required herein, or any evidence of intentional misconduct, then, in addition to any other right or remedy, Lessee shall immediately pay to Lessor the cost of the audit. Otherwise, the cost of the audit shall be paid by Lessor.

3.5 Payment Information. Base Rent and all Additional Rent shall be paid at the address for Lessor provided in Section 19.4 or such other address as Lessor may from time to time designate in writing, in currency or a check for currency which, at the time of payment, is legal tender for private or public debts in the United States of America. In the event Lessee fails to pay Base Rent or any Additional Rent when due, interest shall accrue on such past due amount until paid at the Interest Rate.

## ARTICLE 4

### Impositions

4.1 Payment of Impositions. Lessee shall pay as Additional Rent, without deduction or offset, all Impositions attributable to the Term before the same become delinquent, subject to Lessor's obligations as set forth below to timely provide Lessee tax bills that Lessor receives. If the Managed Property is separately assessed and local practice permits, Lessor shall cause the taxing authority to send the bill for Impositions on the Managed Property to Lessee and Lessee shall pay directly to the taxing authority the Impositions on the Managed Property. If the taxing authority requires that payment be made by Lessor or if the Managed Property is not separately assessed, Lessee shall pay to Lessor the amount of Lessee's obligation with respect to such Impositions on or before the later to occur of twenty (20) days after the date on which Lessee receives a tax statement and thirty (30) days prior to the delinquency date for such Impositions. Lessor shall promptly deliver all notices of Impositions to Lessee which are delivered to Lessor. In no event shall Lessee be in default under this Agreement for failure to pay any Impositions before the same become delinquent for which the notice of such Impositions shall have been delivered to Lessor and not forwarded or delivered to Lessee at least thirty (30) days before the date the same become delinquent. Lessee, at the request of Lessor, shall furnish to Lessor receipts or copies thereof showing payment of such Impositions. Lessor and Lessee shall be entitled to pay any Impositions in installments as and to the extent the same may be permitted by the applicable taxing authority or claimant.

4.2 Proration of Impositions. Impositions for which Lessee is responsible shall be prorated between Lessor and Lessee on a tax bill due date basis as of the Commencement Date and the end of the Term. If any Impositions that are payable in periodic installments are levied on the Managed Property, Lessee shall pay only those installments or portions thereof that are attributable to the Term.

4.3 Contest of Impositions. If the levy of any of the Impositions shall be deemed by Lessee to be improper, illegal or excessive, or if Lessee desires in good faith to contest the Impositions for any other reason, Lessee may, at Lessee's sole cost and expense, dispute and contest the same and file all such protests or other instruments and institute or prosecute all such proceedings for the purpose of contest as Lessee shall deem necessary and appropriate. Nothing herein contained, however, shall be construed so as to allow such item to remain unpaid for a length of time that permits the Managed Property or any part thereof to be sold for the nonpayment of the same. Where such procedure is provided for by law, Lessee may pay any contested taxes under protest or into the registry of a court of competent jurisdiction. Lessee shall be entitled to any refund of any Imposition (and the penalties or interest thereon) refunded by the levying authority pursuant to any such proceeding or contest, if such Imposition shall have

been either (a) paid directly by Lessee, or (b) shall have been paid directly by Lessor and Lessor was reimbursed therefore by Lessee.

4.4 Standing. Lessor shall not be required to join in any action or proceeding in connection with any contest of any Impositions or to obtain an extended payment period unless required by law to make such action or proceeding effective. Lessor's costs and expenses in cooperating with Lessee in connection with such contest, if any, shall be reimbursed by Lessee within thirty (30) days after receipt of an invoice and supporting documentation for the expenses incurred by Lessor.

4.5 Certain Provisions Related to AV Taxes. Lessor and Lessee acknowledge that the Managed Property, other than Lessee's leasehold interest therein, presently are presumed to be exempt from AV Taxes under the laws of the State of Arizona as of the Commencement Date, and it is the intention of the Parties that during the Term, Lessee not incur any AV Taxes relating to the Managed Property other than as such AV Taxes pertain to Lessee's leasehold interest in such Managed Property. In accordance with Section 4.4, Lessor agrees to cooperate with Lessee to protect and defend the title of Lessor in and to the Managed Property against the levy, assessment or collection of AV Taxes. If for any reason, the Managed Property or interest of Lessor or Lessee in and to any of the Managed Property should no longer be exempt from AV Taxes by reason of a change of law or otherwise, or any Governmental Authority levies and assesses AV Taxes against the Managed Property or the interest of Lessee in the Managed Property, then Lessee shall pay such AV Taxes before they become delinquent subject to Lessee's right of contest as provided in Section 4.3.

4.6 Survival. The terms and conditions of this Article 4 shall survive the expiration or sooner termination of this Agreement.

## ARTICLE 5

### Utilities

5.1 Lessee at its expense shall arrange for all Utilities, shall bring all necessary Utilities to the Managed Property and shall pay all hook-up and similar fees; provided, however, Lessor shall cause all utility lines and facilities to be brought to the Managed Property in the location required by the Approved Plans. Lessee shall pay all bills for Utilities services provided to the Managed Property during the Term.

## ARTICLE 6

### Alterations

6.1 Alterations and Additions. Lessee shall have the right, at its option and expense, to make alterations and additions to any and all portions of the Managed Property ("Alterations") as long as such Alterations do not materially interfere with the intended development or permitted use of the Conference Center, and subject to Lessor's prior written consent (not to be unreasonably withheld) for any of the following (each, a "Material Alteration"): (a) exterior Alterations, (b) structural Alterations, (c) Alterations costing in excess of Fifty Thousand Dollars

(\$50,000), or (d) any removal of existing Improvements (which must be replaced by Lessee with comparable Improvements). Lessee shall provide Lessor with detailed construction plans and specifications (the "Alteration Plans") for any proposed Material Alteration and Lessor shall have the period of thirty (30) days from receipt of same within which to approve such Alteration Plans. If Lessor fails to respond within the thirty (30) day period, Lessor shall be deemed to have approved the Alteration Plans. Lessor's approval (or deemed approval) of the Alteration Plans shall not constitute an opinion or representation by Lessor as to the sufficiency thereof or impose any present or future liability or responsibility on Lessor. In the event that Lessor does not grant its approval of the Alteration Plans, it shall provide any specific reasons for its disapproval to Lessee. All Alterations shall be constructed (i) in a good, workmanlike manner, of a quality and functionality equal to or better than that of the initial Improvements as of the Commencement Date, (ii) in compliance with all Legal Requirements which at any time may be applicable to Lessee or the Managed Property or any part thereof, and (iii) in accordance with any Alteration Plans (with respect to Material Alterations only). Upon installation, any Alterations permitted by this Section 6.1 shall become a part of the Managed Property and the property of Lessor, subject to Lessee's rights under this Agreement.

6.2 Liens. Lessee shall keep the Managed Property free from, and shall indemnify Lessor with respect to, all Liens relating to such Alterations. If within sixty (60) days following the filing or other assertion of any such Lien, Lessee does not cause such Lien to be released in a manner reasonably satisfactory to Lessor (such as by posting a bond or other acceptable security), Lessor shall have the right, but not the obligation, to cause the Lien to be released by any means Lessor reasonably deems proper, including payment of the Lien. All reasonable sums paid and expenses incurred by Lessor in connection therewith (together with interest thereon from the date incurred until paid at the Interest Rate), including, without limitation, reasonable attorneys' fees, expert witness fees, litigation-related expenses and court costs, shall be payable by Lessee upon demand by Lessor.

6.3 Fixtures. Any fixtures, materials and equipment installed in the Managed Property shall automatically become the property of Lessor, unless prior to the installation thereof, Lessee shall have obtained from Lessor written acknowledgment that the same shall remain the property of Lessee, in which event Lessee may remove such fixtures, materials or equipment at any time (including, without limitation, upon the termination of this Agreement), if such can be done without material damage to the remainder of the Improvements and Lessee agrees to repair any damage caused by such removal including the patching of holes and the painting thereof. Fixtures, materials and equipment deemed to be the property of Lessor pursuant to this Section 6.3 are herein referred to as "Fixtures."

6.4 Personal Property. All personal property, furniture, movable trade fixtures and equipment installed by Lessee (excluding for such items of personal property as Lessor may purchase and own as part of the Managed Property or such items of personal property which have been purchased by Lessee in substitution or replacement of personal property items originally purchased by Lessor) shall be deemed the personal property of Lessee and may be removed by Lessee on or before the expiration or earlier termination of this Agreement if Lessee so elects (or shall be removed at the option of Lessor), provided such removal does not materially impact the successful operations of the Managed Property in accordance with the Approved Standards.

6.5 Zoning and Permits. In the event Lessee deems it necessary or appropriate to obtain zoning, site plan approval or any permit from any Governmental Authority having jurisdiction over the Managed Property or any part thereof, Lessor from time to time upon the written request of Lessee and to the extent necessary as fee owner of the Managed Property (and not in any capacity as the City or a Governmental Authority), shall execute such documents or join in such petitions, applications and authorizations, as deemed reasonable or necessary by Lessor. Nothing contained in this Section 6.5 shall be deemed to be a waiver by the City or by any other Governmental Authority having jurisdiction over the Managed Property of any Legal Requirements to be satisfied by Lessee in connection with this Article 6.

## ARTICLE 7

### Use, Maintenance and Repair

#### 7.1 Lessee's Use, Operation and Management.

(a) Use. Lessee shall use the Managed Property during the Term for the operation of a public conference, meeting and exhibit center for holding conventions, meetings, exhibits and other events to attract conventions, tourists and other visitors and for the benefit of the City and the general public in accordance with all terms, conditions and provisions of this Agreement.

(b) Contracts and Agreements. All contracts or agreements entered into by Lessee relating in any way to the Managed Property (including licenses, rights, management agreements, operating agreements and any and all other agreements of any nature relating to the Managed Property) shall contain the Exculpatory Language.

(c) Operation and Management. Lessee shall take all actions necessary to operate and manage the Managed Property in accordance with this Agreement and consistent with the Approved Standards. Without limiting the generality of the foregoing, Lessee shall, in a commercially reasonable manner, do the following:

(i) employ, pay, train and supervise, as employees of the Hotel and not of Lessor, all personnel that are necessary for the operation and management of the Managed Property and file when due all forms, reports and returns required by applicable law relating to the employment of such personnel;

(ii) perform maintenance and repairs of the Managed Property in accordance with the terms and conditions of this Agreement (including, without limitation, Sections 7.2, 7.3 and 7.4) and to provide general housekeeping services for the Media Center.

(iii) not knowingly cause or permit the use of the Managed Property or the Managed Property in a manner that violates any Legal Requirement which at any time may be applicable to Lessee or the Managed Property or any part thereof; provided, however, there shall be no violation by Lessee of this provision so long as Lessee shall (a) in good faith within a reasonable time after Lessee acquires actual knowledge thereof, by appropriate proceedings and with due diligence, contests the alleged violation or the

validity or applicability of any such Legal Requirement (so long as during the period of such contest, neither Lessor nor any portion of the Managed Property shall be subject to any liability, loss, penalty or forfeiture), and (b) after a final adjudication that such Legal Requirement has been violated, takes immediate remedial measures to conform its use to such Legal Requirement;

(iv) not knowingly cause or permit the use of the Managed Property in a manner that conflicts with community decency standards from time to time actually prevailing in the City; and

(v) provide or arrange for security for the Managed Property as appropriate, including the enforcement of safety policies and procedures and the determination of appropriate safety and security staffing levels and patterns, the review and approval of security measures and the exclusion or ejection from the Managed Property of persons or items in the interest of safety or security. In no event shall Lessor be responsible for the physical security of any persons, personal property or Improvements on the Managed Property, except to the extent expressly provided for in this Agreement.

(d) Except as otherwise expressly provided in this Agreement (including, without limitation, Article 8), Lessee shall have exclusive control of the management and operation of the Managed Property Managed Property, including, without limitation (a) booking and catering rights, and (b) the sole right to grant and enter into licenses, rights, management agreements, operating agreements and any and all other agreements of any nature relating to the Managed Property on such terms as Lessee deems appropriate.

(e) Revenue. Except as otherwise expressly provided in this Agreement, Lessee shall be entitled to receive all revenue generated by or from the Managed Property for the duration of the Term, less Lessor's share of such revenue to be paid to Lessor as Revenue-Based Rent in accordance with Section 3.2.

## 7.2 Parking Facility Operations

(a) Allocation of Parking Spaces. The Parking Facility shall be operated by Lessee for the benefit of Lessor. Lessee and the Arena Manager. Parking spaces within the Parking Facility shall be allocated as follows:

(i) The Hotel shall be allocated approximately 460 parking spaces within the structure of the Parking Facility, as well as approximately 240 surface parking spaces, all located as designated on Exhibit F ("Hotel Parking Spaces").

(ii) The spaces in the Parking Facility remaining after allocation of the Hotel Parking Spaces, as designated on Exhibit G ("Arena Parking Spaces") shall be allocated to the Arena Manager during events held at the Arena.

(iii) The Arena Parking Spaces shall be allocated to the City during all other times when they are not being used for events in the Arena.



(iv) Lessee shall collect directly from the Arena Manager payment for operation and maintenance costs associated with the Arena Parking Spaces as is required by the Arena Management and Use Agreement between the City of Glendale, Arena Management Group, LLC, Coyotes Hockey, LLC, Glendale-101 Development, LLC and Coyote Center Development, LLC, dated November 29, 2001, Section 8.1.

(v) The parties recognize that the Arena Parking Spaces may be the subject of subsequent agreements between the City and the Arena Manager for, among other things, those times when the spaces may be allocated to the City notwithstanding an event in the Arena. In such cases, Lessee agrees to abide by the instructions of the City with respect to the allocation of the Arena Parking Spaces. The City shall indemnify Lessee from any claims by the Arena Manager with respect to the allocation of the Arena Parking Spaces when Lessee is acting under instructions from the City.

(b) Revenue Collection and Distribution.

(i) Lessee shall remit on a quarterly basis twenty percent (20%) of all revenue Lessee collects on the Hotel Parking Spaces within thirty (30) days of the end of each quarter during the Fiscal Year.

(ii) Lessee shall collect and remit to the City or the Arena Manager (as applicable) the amount established from time to time by either the Arena Manager for the use of the Arena Parking Spaces for events at the Arena or by the City for use of the Arena Parking Spaces, less ten percent (10%) of all fees collected, which shall constitute a management fee for Lessee management and operation of the Parking Facilities.

(iii) Nothing herein shall be construed to require the Arena Manager or the City to establish any fee for parking within the Arena Parking Spaces, and Lessee acknowledges that such a fee is currently prohibited by the various agreements related to the management and use of the Arena by the Arena Manager. The parties anticipate that the existing agreements between the City and the Arena Manager will be renegotiated in the near future to potentially address, among other issues, parking fees for Arena events. The City will assure that Lessee, as the manager of the Parking Facility, is involved in these discussions.

(iv) All remittances to the City shall be in addition to any taxes or fees imposed by the City in the general governmental capacity or by any taxing district or entity established and controlled by the City.

(v) All advertising revenue generate by placement of advertising directly upon the Hotel Parking Spaces shall be revenue accruing solely to the Lessee. All advertising revenue generated by the placement of advertising directly upon by the Arena Parking Spaces shall be revenue accruing solely to the City. All revenue generated by advertising not directly placed upon the Hotel Parking Spaces, (which shall not include advertising for the Hotel, any competent or event at the Hotel, Conference Center, or Expo Hall, or reasonable directional signage for the Hotel) and all Outdoor Advertising shall accruing solely to the City

### 7.3 Maintenance.

(a) General. Except as otherwise expressly provided in this Agreement, Lessee shall be responsible for all costs, expenses and obligations associated with the operation, maintenance, repair and replacement of the Managed Property during the Term, including, without limitation, the Improvements (reasonable wear and tear excepted), and shall keep and maintain same in a neat, clean, good and orderly condition consistent with the Approved Standards. Notwithstanding the foregoing, Lessor shall be responsible for all exterior maintenance, including the structure of the Managed Property, the roof, foundation, all utility lines outside of the Managed Property, and all exterior landscaping.

(b) Capital Maintenance. Without limiting the generality of the foregoing, Lessee shall perform all necessary Capital Maintenance of the Managed Property including, without limitation, the Scheduled Capital Maintenance in accordance with the Capital Maintenance Schedule. Upon installation, any Capital Maintenance shall become a part of the Managed Property. Lessee may use Capital Maintenance Contributions available in the Capital Maintenance Account to pay for Scheduled Capital Maintenance as provided in Article 9. The cost and expense of Scheduled Capital Maintenance in excess of the Capital Maintenance Contributions, as well as the cost and expense for all Capital Maintenance not identified as Scheduled Capital Maintenance, shall be the sole responsibility of Lessee. Any amendment or modification to the Capital Maintenance Schedule shall require the written consent of the Parties hereto, which consent may be granted or withheld in each Party's sole discretion.

(c) Additional Landscaping. Lessor and Lessee acknowledge and agree that for purposes of maintaining a uniform appearance at the Public Facilities Site, in addition to the landscaping work to be performed by Lessee on the Managed Property, Lessee shall keep and maintain, at Lessee's sole cost and expense, all outdoor landscaping for the balance of the Public Facilities Site, in a neat, clean, good and orderly condition consistent with the Approved Standards. Accordingly, as of the Commencement Date, Lessor hereby grants a non-exclusive right in favor of Lessee to enter and be upon Lessor land at the Site for the purpose of maintenance, servicing, repair and replacement of landscaping, underground irrigation systems and electric utility lines on, over, under and across the landscaped portions of the Public Facilities Site, together with a reasonable right of access and utility service to the landscape as reasonably required by Lessee.

7.4 Conference Center Casualty. With regard to casualty damage to the Conference Center, Lessee shall, as soon as reasonably practicable but in no event later than 180 days after the date of a casualty, commence the work of repair, reconstruction or replacement of the damaged portion of the Conference Center. Notwithstanding the foregoing (a) if a casualty occurs after the end of the eighteenth (18th) Lease Year, and (b) the extent of damage to the Conference Center is greater than twenty percent (20%) of the then replacement value thereof (exclusive of the land value of the Site), and (c) Lessee ceases all Hotel operations as a result of such casualty (and shall not resume its Hotel operations at any time after the date of such casualty until after the date originally set for the expiration of the Term), then Lessee shall have the option, within 180 days from the date of the occurrence of such casualty, to terminate this Agreement by giving written notice of such termination to Lessor within said 180-day period, in which event (i) this Agreement shall terminate as of the termination date specified in such notice

to Lessor, which shall not be less than thirty (30) days after the date of such notice; (ii) Lessee shall not be required to repair the damage to the Conference Center; (iii) all insurance proceeds due in connection with the Conference Center as a result of such damage (or which would have been due had Lessee maintained the insurance required to be carried under Article 10) shall be paid to and become the property of Lessor; and (iv) the Parties shall have no further liability or obligations to one another except as may be expressly provided for herein to survive the termination of this Agreement. The terms and conditions of this Section 7.3 shall survive the expiration or sooner termination of this Lease.

7.5 Expo Hall and Parking Facility Casualty. With regard to casualty damage to the Expo Hall or Parking Facility, Lessor shall, as soon as reasonably practicable, but in no event later than 180 days after the date of a casualty, commence the work of repair, reconstruction, or replacement of the damaged portion of the Expo Hall or Parking Facility. With respect to the Parking Facility, Lessor and Lessee shall mutually work together in good faith to accommodate parking in an alternative manner during the repair, reconstruction, or replacement of the Parking Facility. Notwithstanding the foregoing (a) if a casualty occurs after the end of the eighteenth (18th) Lease Year, and (b) the extent of damage to the Expo Hall is greater than twenty percent (20%) of the then replacement value thereof (exclusive of the land value of the Site), Lessor may choose not to repair, reconstruct, or replace the damaged portion of the Expo Hall.

7.6 Surrender of the Managed Property.

(a) Physical Condition. Subject to loss by casualty to the extent expressly permitted in Section 7.3, upon termination of this Agreement, Lessee shall deliver up the Managed Property to Lessor free of occupants in a neat, clean, good and orderly condition, reasonable wear and tear excepted, and otherwise in the condition required by this Agreement, including, without limitation, Sections 6.3 and 6.4.

(b) Environmental Condition. Within three (3) months immediately preceding the expiration of the Term, or within two (2) months after any earlier termination of this Agreement, Lessee shall cause a phase I environmental site assessment of the Managed Property to be conducted by a qualified engineer licensed in the State of Arizona and reasonably acceptable to Lessor, and Lessee shall cause a final report to be issued and certified to Lessor in connection therewith (collectively, the "Phase I Report"). Unless otherwise notified by Lessor in its sole discretion or otherwise required by law, Lessee shall keep the Phase I Report and all results and conclusions thereof in confidence. If the Phase I Report indicates the existence of any Hazardous Materials or other condition on, under or about the Managed Property which violate any Environmental Laws (an "Environmental Condition"), except and to the extent the presence thereof results solely from the act of a Lessor Party, Lessee shall remediate and clean-up the Managed Property and correct any such Environmental Condition to the extent required by Environmental Laws. Lessee shall pay Lessor a fee equal to the Holdover Rate for so long as the remediation and clean-up the Managed Property precludes the use of all or any portion of the Managed Property for a subsequent occupant or tenant.

(c) Survival. The terms and conditions of this Section 7.4 shall survive the expiration or sooner termination of this Agreement.

## ARTICLE 8

### City's Uses and Reservations

8.1 Conference Center Events. Subject to the scheduling procedures as provided in this Article 8, the City shall have the non-assignable right (i) to use the Conference Center (and such other areas of the Conference Center as reasonably requested in connection therewith on a case-by-case basis) at no facility rental charge for not to exceed four (4) Events (each a "City Sponsored Event") each calendar year (i) which is sponsored or co-sponsored by the City; (ii) which may feature events which are normally booked in conference or convention centers comparable to the Conference Center; and (iii) for which admission may be charged, all as determined by the City in its sole discretion. All revenues attributable to each City Sponsored Event shall belong to the City and all expenses other than facility rental charges (such as for food and other services) allocable to each City Sponsored Event shall be the sole responsibility of the City. Upon request from the City, Lessee shall reserve the applicable portions of the Conference Center for the times and date(s) of a proposed City Sponsored Event so long as another Event in the main exhibit hall has not already been scheduled for such times and date(s).

8.2 Meetings. City shall have the right to use meeting rooms within the Conference Center on an "as needed" basis subject to availability. Upon request from the City, Lessee shall reserve meeting rooms within the Conference Center so long as they are available as of the date City makes its request.

8.3 Advertising.

(a) Outdoor Advertising. The City shall have the sole and exclusive rights to post, exhibit, display and otherwise present, and to sell and license, all Outdoor Advertising during the Term and to receive all revenue therefrom. Accordingly, Lessee shall not take any action with respect to, or have any authority over, the posting, exhibition, display, sale or license of Outdoor Advertising and/or Outdoor Advertising Agreements, other than at the express direction of the City.

(b) Indoor Advertising. Lessee shall have the right to post, exhibit, display and otherwise present, and to sell and license, all Indoor Advertising to be posted, exhibited, displayed and presented at the Managed Property during the Term and to receive all revenue therefrom, less the Indoor Advertising Revenue Share to be paid to Lessor as Revenue-Based Rent in accordance with Section 3.2. Nothing contained in this Section 8.3(b) shall be deemed to require Lessee to post, exhibit, display or otherwise present, and to sell and license, any Indoor Advertising except to the extent Lessee so elects in Lessee's sole discretion.

8.4 Naming Rights. The City shall have the sole and exclusive right to sell and license all Naming Rights to the Public Facilities, including the Managed Property, that would be effective during the Term and to receive all revenue therefrom. Accordingly, Lessee shall not take any action with respect to, or have any authority over, the sale or license of Naming Rights and/or Naming Rights Agreements, other than at the express direction of the City.

## ARTICLE 9

### Reserve Accounts

#### 9.1 Capital Maintenance.

(a) Capital Maintenance Account. Prior to the Commencement Date, City shall establish and maintain (for the benefit of the City) a trust account (requiring the signature of Lessee and the City for withdrawals) at a federally-insured institution having offices in the State of Arizona for the deposit and disbursement of Capital Maintenance Contributions (the "Capital Maintenance Account"). Interest earned on the Capital Maintenance Account shall be held in and become part of the Capital Maintenance Account. Monies shall be disbursed from the Capital Maintenance Account for Scheduled Capital Maintenance pursuant to the provisions of Sections 7.2(b) and 9.1(b), and the City shall take such actions as are required to cause such disbursements to be made as and when required by the provisions of this Agreement.

(b) Lessee's Right to Reimbursement. Lessee shall have the right, within thirty (30) days following the submission of a written request accompanied by such supporting documentation as City shall reasonably require (the "Capital Maintenance Invoice"), to disbursement from the funds held in the Capital Maintenance Account (to the extent such funds are on deposit) for monies spent by Lessee for the Scheduled Capital Maintenance made during the Term.

(c) Unused Funds. Within sixty (60) days following the expiration or earlier termination of the Lease, Lessee shall provide the City with a final Capital Maintenance Invoice for any Scheduled Capital Maintenance made during the Term for which a disbursement from the Capital Maintenance Account has not been made. After any disbursement made pursuant to such final Capital Maintenance Invoice, the City shall be entitled to receive the balance of funds remaining in the Capital Maintenance Account, if any.

#### 9.2 Casualty Repairs and Restoration.

(a) Replacement Account. Prior to the Commencement Date, Lessor shall establish and maintain (for the benefit of Lessor) a trust account (requiring the signature of Lessee and Lessor for withdrawals) at a federally-insured institution having offices in the State of Arizona for the deposit and disbursement of Insurance Proceeds (the "Replacement Account"). Interest earned on the Replacement Account shall be held in and become part of the Replacement Account. Monies shall be disbursed from the Replacement Account for Casualty Repairs pursuant to the provisions of Sections 9.2(b) and 10.3, and for Restoration pursuant to Section 15.2, and Lessor shall take such actions as are required to cause such disbursements to be made as and when required by the provisions of this Agreement.

(b) Lessee's Right to Reimbursement. Lessee shall have the right, within thirty (30) days following the submission of a written request accompanied by such supporting documentation as Lessor shall reasonably require (the "Casualty Repairs Invoice"), to disbursement from the funds held in the Replacement Account (to the extent such funds are on

deposit and deposited for such purpose) for monies spent by Lessee for the Casualty Repairs made during the Term.

(c) Unused Funds. Within sixty (60) days following the expiration or earlier termination of the Lease, Lessee shall provide the City with a final Casualty Repairs Invoice for any Casualty Repairs performed during the Term for which a disbursement from the Replacement Account has not been made. After any disbursement made pursuant to such final Casualty Repairs Invoice, Lessor shall be entitled to receive the balance of funds remaining in the Replacement Account, if any.

9.3 Survival. The terms and conditions of this Article 9 shall survive the expiration or sooner termination of this Agreement.

## ARTICLE 10

### Insurance

10.1 Lessee's Insurance Coverage. At all times during the Term, Lessee agrees at its sole expense to obtain and maintain the following insurance coverage:

(a) Commercial General Liability. Commercial general liability insurance covering all operations by or on behalf of Lessee on an occurrence basis insuring against bodily injury, broad form property damage (including completed operations), personal and advertising injury (including coverage for contractual and employee acts), blanket contractual, products and completed operations. Further, the policy shall include coverage for liquor liability and the hazards commonly referred to as XCU (explosion, collapse, and underground). The policy shall contain severability of interest provisions and shall be at least as broad as Insurance Service Office (ISO) form 1986. The limits of commercial general liability insurance required of Lessee shall be no less than the following:

- (i) \$1,000,000 bodily injury and property damage each occurrence;
- (ii) \$2,000,000 general aggregate (annual);
- (iii) \$2,000,000 products / completed operations aggregate; and
- (iv) \$1,000,000 personal and advertising injury.

(a) Commercial Automobile Liability. Commercial automobile liability insurance with respect to all vehicles used in the performance of work at the Managed Property and away from the Managed Property, whether owned, non-owned, borrowed, leased or hired, with limits no less than \$1,000,000 combined single limit for bodily injury and property damage.

(b) Workers' Compensation Insurance. Workers' compensation insurance as required by applicable law.

(c) Excess Liability. Excess liability insurance on an occurrence basis, insuring against bodily injury, personal injury, and property damage, and all other coverage as specified in Section 10.1(a) (commercial general liability) and Section 10.1(b) (automobile liability) over and above the limits required for each such coverage. The limits of excess liability insurance shall be no less than the following:

- (i) \$25,000,000 each occurrence;
- (ii) \$25,000,000 annual aggregate; and
- (iii) \$25,000,000 products / completed operations (annual).

Total per occurrence limits of \$25,000,000 may be satisfied in any combination of primary and excess policies of insurance. Any applicable retention shall be the sole responsibility of Lessee.

(d) All Risk Property. Lessee shall maintain all risk property and boiler & machinery insurance to insure against physical loss or damage to the Improvements (including any personal property owned by Lessor and used in connection with the Managed Property) and all personal property of Lessee while at the Managed Property. Such coverage shall be written on a replacement cost basis, include flood and earthquake coverage, and shall not be subject to co-insurance.

10.2 Policies. All insurance required hereby shall be by valid and enforceable policies issued by insurance companies rated not lower than A-VII in Best's Rating Guide (most current edition) and authorized to do business in Arizona. Each such policy of insurance obtained by a Party shall be endorsed: (a) to provide that the coverage shall not be invalid due to any act or omission of Lessor or its agents or employees; (b) except for worker's compensation, to name Lessor (and the City if different than Lessor) as additional insureds; (c) with respect to property insurance (and excess liability to the extent applicable), to name Lessor as a loss payee, subject to Lessee's right to require all such proceeds to be used for paying costs of repair and restoration (which right shall terminate if Lessee terminates this Agreement pursuant to Section 7.3 or Article 15); (d) to be primary as to any insurance maintained by Lessor, so that the latter shall be excess and not contributory to insurance provided by Lessee; and (e) to provide that the waiver of subrogation set forth above shall not invalidate or have any adverse effect on such insurance policy or liability of the insurer under such policy. The insurance companies issuing such policy shall agree to notify Lessor in writing of any cancellation, alteration or non-renewal of such policy at least thirty (30) days prior thereto. Within thirty (30) days before the Commencement Date and thereafter before a policy period expires, Lessee shall deliver to Lessor certificates evidencing the insurance coverage required pursuant to this Article 10, and consenting to the waiver of subrogation as herein provided.

10.3 Application of Proceeds for Casualty. If, on or after the Commencement Date, any portion of the Managed Property is damaged or destroyed, and such damage or destruction is covered by insurance required to be carried hereunder, all insurance proceeds paid in connection with such casualty (the "Insurance Proceeds") shall be deposited in the Replacement Account (and interest earned thereon shall become part of the Insurance Proceeds held in the Replacement Account) and shall be applied first to pay the costs of restoration of the Managed Property in accordance with this Agreement (the "Casualty Repairs"), as soon as reasonably possible, with any balance remaining after the completion of such Casualty Repairs to be disbursed to Lessor for use in its sole discretion; provided, however, if Lessee elects to terminate this Agreement pursuant to Section 7.3 or Article 15, Lessor shall have no obligation under this Agreement to use the Insurance Proceeds for the Casualty Repairs. Notwithstanding anything to the contrary contained herein, if the Insurance Proceeds are insufficient to pay the costs of the Casualty Repairs (whether or not Lessee elects to terminate this Agreement pursuant to Section 7.3 or Article 15), then, within ninety (90) days after the date such damage or destruction occurred,

Lessee shall deposit additional monies in the Replacement Account as necessary to cover any such deficiency.

10.4 Survival. Lessee's obligations to maintain insurance as set forth herein shall survive expiration or sooner termination of this Agreement for a period of (12) months or for so long as any Claims by any Lessor Indemnified Parties exist against Lessee.

## ARTICLE 11

### Indemnity

11.1 Lessee agrees to indemnify, defend and hold harmless Lessor Indemnified Parties for, from and against any and all Claims which may be brought or made against or incurred by any Lessor Indemnified Party arising out of or in connection with, alleged to arise in connection with or incident to (i) the negligence or willful misconduct of any Lessee Party, (ii) any failure or breach by any Lessee Party pertaining to Lessee's obligations under this Agreement, (iii) the management, operation, use or occupancy of the Managed Property by any Lessee Party, (iv) any Environmental Condition; and (v) any Liens. To the extent permitted by applicable law, Lessor agrees to indemnify, defend and hold harmless Lessee Indemnified Parties for, from and against any and all Claims which may be brought or made against or incurred by any Lessee Indemnified Party arising out of or in connection with, alleged to arise in connection with or incident to (i) the negligence or willful misconduct of any Lessor Party, and (ii) any failure or breach by any Lessor Party pertaining to Lessor's obligations under this Agreement. In the event of joint and concurrent negligence of both Lessor (or any Lessor Party) and Lessee (or any Lessee Party), responsibility and indemnity, if any, shall be apportioned comparatively in accordance with the laws of the State of Arizona without, however, waiving any governmental immunity available to Lessor under Arizona law and without waiving any defense of the Parties under Arizona law. The provisions of this Article 11 are solely for the benefit of the Parties and are not intended to create or grant any rights, contractual or otherwise to any other third person or entity. The terms and conditions of this Article 11 shall survive the expiration or sooner termination of this Agreement.

## ARTICLE 12

### Assignment and Subletting

12.1 Assignment or Transfer. During the Term, Lessee shall continuously operate and manage the Conference Center and the Managed Property and shall not sell, convey or transfer (each, a "Transfer") all or any portion of Lessee's interest in the Managed Property, whether by sale, assignment, mortgage, or other means to any party without the express written consent of Lessor, which consent may be granted or withheld in Lessor's sole discretion; provided, however, Lessee may Transfer all of Lessee's interest in the Managed Property to an Affiliate of Lessee so long as such Affiliate is also maintaining and operating the Hotel pursuant to a franchise arrangement with an Approved Franchisor. Upon any such Transfer (whether or not Lessor's consent is required), the assignee shall execute and deliver to Lessor a written assumption, in form and substance reasonably satisfactory to Lessor, of all of the obligations of



Lessee pertaining to the Managed Property under this Agreement first accruing after such Transfer.

12.2 Subletting. During the Term, Lessee shall not sublease all or any portion of the Managed Property ("Sublease") to any party without the express written consent of Lessor, which consent may be granted or withheld in Lessor's sole discretion; provided, however, Lessee may, without the consent of Lessor, Sublease to an Affiliate of Lessee so long as such Affiliate is also maintaining and operating the Hotel pursuant to a franchise arrangement with an Approved Franchisor. No Sublease (whether or not Lessor's consent is required) shall relieve Lessee of any of its obligations hereunder unless otherwise agreed to in writing by Lessor. Every Sublease agreement shall contain the Exculpatory Language and shall be subject to all terms and conditions of this Agreement. No sublessee shall have the right to sublease or otherwise assign or encumber its interest in the Managed Property. Lessee shall be entitled to receive all revenue generated by or from any Sublease agreement for the duration of the Term, less Lessor's share of such revenue to be paid to Lessor as Revenue-Based Rent in accordance with Section 3.2.

12.3 General Provisions. Lessee shall, within three (3) business days following any Transfer of Lessee's interest in the Managed Property or any Sublease, provide written notice to Lessor of the name and address of any such transferee or sublessee, together with a complete copy of the Transfer or Sublease agreement.

## ARTICLE 13

### Default of Lessee

13.1 Lessee Event of Default. Lessee shall be in default of this Agreement if any of the following events shall occur (each, a "Lessee Event of Default"): (a) the failure on the part of Lessee to pay all Base Rent and Additional Rent; (b) any breach by Lessee of any covenant to be kept or any obligation to be performed under this Agreement other than the failure to pay Base Rent and Additional Rent when due, and such breach has not been cured within thirty (30) days from and after the date notice of such breach is given by Lessor to Lessee; provided, however, if such breach is not reasonably susceptible to cure within thirty (30) days, then no Lessee Event of Default shall exist if Lessee shall have commenced to cure such breach and shall be proceeding with reasonable diligence to completely cure such breach (provided such breach must be cured within 120 days after such notice); (c) the making of any general assignment for the benefit of creditors by Lessee; (d) the filing of a voluntary petition in bankruptcy or a voluntary petition for an arrangement or reorganization under the United States Federal Bankruptcy Act (or similar statute or law of any foreign jurisdiction) by Lessee; (e) the appointment of a receiver or trustee for all or substantially all of Lessee's interest in the Managed Property or its leasehold estate hereunder if not removed within 120 days; or (f) the entry of a final judgment, order or decree of a court of competent jurisdiction adjudicating Lessee to be bankrupt, and the expiration without appeal of the period, if any, allowed by applicable law in which to appeal therefrom.

13.2 Lessor's Remedies. Upon the occurrence of a Lessee Event of Default, Lessor may elect any one (1) or more of the following remedies as set forth in this Section 13.2. All remedies of Lessor under this Agreement shall be cumulative and not exclusive with Lessor

having the right to exercise any such remedies at any time, at the same time and/or in any order Lessor deems appropriate. Lessor shall not be deemed to have waived any default by Lessee under this Agreement unless such waiver is embodied in a document signed by Lessor describing the default that is being waived; further, Lessor shall not be deemed to have waived its rights to pursue any remedies under this Agreement unless such waiver is embodied in a document signed by Lessor describing the remedies that are being waived. Notwithstanding anything to the contrary contained herein, with respect to any Lessee Event of Default, Lessor hereby waives any claim or right to speculative, indirect, consequential, incidental or punitive damages, and acknowledges that Lessee is relying on such waiver in entering into this Agreement.

(a) Retake Possession. Lessor may retake possession of the Managed Property (without such action being deemed an acceptance of a surrender of this Agreement or termination of Lessee's liability hereunder) and, upon taking possession, Lessor shall make reasonable efforts to relet the same on reasonable terms, with Lessee remaining liable to pay the Base Rent and Additional Rent for the remainder of the Leased Term less the net amount of rent and lease charges received by Lessor as a result of such reletting (after deducting reasonable brokerage fees and attorney's fees incurred for reletting the Managed Property) and the cost of any necessary repairs (but not alterations or renovations) to the Managed Property. If the net amount realized by Lessor from any reletting is less than the Base Rent and Additional Rent payable by Lessee hereunder, Lessee shall pay the amount of the deficiency to Lessor upon demand therefor.

(b) Terminate Lease. Lessor shall have the right, on a continuing basis, either before or after taking possession of the Managed Property, to terminate this Agreement, thereby releasing Lessee from any further liabilities hereunder.

(c) Law and Equity. Lessor shall have right to avail itself of any other right and remedy allowed under this Agreement, at law or in equity, whether by statute, common law or otherwise.

(d) Cure Default. Lessor shall have the right to take such steps as may be necessary to cure Lessee's default, in which event Lessor shall be entitled to recover from Lessee all amounts reasonably expended by Lessor for said purposes, together with interest thereon from the date due until the date paid at the Interest Rate.

13.3 Subleases of Lessee. Whether or not Lessor elects to terminate this Agreement on account of any Lessee Event of Default, following any such Lessee Event of Default, Lessor shall have the right to terminate any and all subleases, licenses, concessions or other consensual arrangements for possession entered into by Lessee and affecting the Managed Property or may, in Lessor's sole discretion, succeed to Lessee's interest in such subleases, licenses, concessions or other consensual arrangements. In the event of Lessor's election to succeed to Lessee's interest in such subleases, licenses, concessions or other consensual arrangements, Lessee shall, as of the date of notice by Lessor of such election, have no further right to or interest in the rent or other consideration receivable thereunder.

13.4 Additional Right to Perform Lessee's Obligations. Notwithstanding anything to the contrary contained herein, Lessor shall have the right, without the obligation to do so, to take

such steps as may be necessary to cure any breach by Lessee of any covenant to be kept or any obligation to be performed under this Agreement (whether or not such default constitutes a Lessee Event of Default) if waiting until the passage of any applicable cure periods permitted hereunder could materially affect the health or safety of any occupant or the condition of all or any part of the Improvements. In such event, Lessor shall be entitled to recover from Lessee all amounts reasonably expended by Lessor for said purposes, together with interest thereon from the date due until the date paid at the Interest Rate.

13.5 Enforcement. For the enforcement of these remedies, Lessor may have recourse to any applicable legal or equitable process for the recovery of possession of the Managed Property and the right to seek an injunction or a declaratory judgment. No act of Lessor shall be deemed an act terminating this Agreement or declaring the Term ended unless notice is served upon Lessee by Lessor expressly setting forth therein that Lessor elects to terminate this Agreement or declare the Term ended.

## ARTICLE 14

### Default of Lessor

14.1 Lessor Event of Default. Lessor shall be in default of this Agreement in the event of any breach by Lessor of any covenant to be kept or any obligation to be performed under this Agreement, and such breach has not been cured within thirty (30) days from and after the date notice of such breach is given by Lessee to Lessor; provided, however, if such breach is not reasonably susceptible to cure within thirty (30) days, then no Lessor Event of Default shall exist if Lessor shall have commenced to cure such breach and shall be proceeding with reasonable diligence to completely cure such breach (provided such breach must be cured within 120 days after such notice) (a "Lessor Event of Default").

14.2 Lessee's Remedies. Upon the occurrence of a Lessor Event of Default, Lessee shall have right to avail itself of any right and remedy allowed under this Agreement, at law or in equity, whether by statute, common law or otherwise. All remedies of Lessee under this Agreement shall be cumulative and not exclusive with Lessee having the right to exercise any such remedies at any time, at the same time and/or in any order Lessor deems appropriate. Lessee shall not be deemed to have waived any default by Lessor under this Agreement unless such waiver is embodied in a document signed by Lessee describing the default that is being waived; further, Lessee shall not be deemed to have waived its rights to pursue any remedies under this Agreement unless such waiver is embodied in a document signed by Lessee describing the remedies that are being waived. Notwithstanding anything to the contrary contained herein, with respect to any Lessor Event of Default, Lessee hereby waives any claim or right to speculative, indirect, consequential, incidental or punitive damages, and acknowledges that Lessor is relying on such waiver in entering into this Agreement.

## ARTICLE 15

### Condemnation

15.1 Substantial Taking. At any time during the Term, if the Managed Property is taken by right of eminent domain, with or without litigation, or transferred in lieu of or under threat of eminent domain (any such taking or transfer is referred to herein as a "Taking"), and the Taking is a Substantial Taking, Lessee shall have the right, at its option exercisable at any time within ninety (90) days after the date (the "Taking Date") on which Lessee receives notice of such Substantial Taking, to terminate this Agreement by notice of termination given by Lessee to Lessor, and neither Party shall have any obligations to the other Party except those that expressly survive the termination of this Agreement. The payment or other award to be paid by the condemning party attributable to the value of the Managed Property (the "Condemnation Award") shall be paid to the Parties as their interests may appear. "Substantial Taking" means a Taking of the Managed Property that, in the reasonable estimation of Lessee, will render the Managed Property unsuitable for Lessee's operations as contemplated by this Agreement.

### 15.2 Partial Taking.

(a) Restoration. At any time during the Term, if the Managed Property is the subject of a Taking that is not a Substantial Taking, or if a Substantial Taking occurs but this Agreement is not terminated as provided in Section 15.1, and the Condemnation Award is, in the reasonable estimation of Lessor, sufficient to restore the remainder of the Managed Property to a condition as nearly the same as the condition of the Managed Property immediately prior to such Taking as is reasonably possible; (the "Condemnation Restoration Standard"), such Condemnation Award shall, subject to Section 15.3, be deposited in the Replacement Account. In such event, the Condemnation Award shall, subject to Section 15.3, be disbursed from the Replacement Account to pay the costs of such restoration in accordance with the Condemnation Restoration Standard (the "Restoration"), as soon as is reasonably possible. In such event, this Agreement shall continue in full force and effect; provided, however, that a fair and equitable portion of the Base Rent attributable to the portion of the Managed Property that was the subject of the Taking shall be abated as of the Taking Date.

(b) Condemnation Deficiency. At any time during the Term, if (i) the Managed Property is the subject of a taking that is not a Substantial Taking, and (ii) the Condemnation Award is, in the reasonable estimation of Lessor, insufficient to pay the costs of the Restoration, then, within ninety (90) days after the Taking Date, Lessor shall give Lessee notice of the amount of the deficiency (the "Condemnation Deficiency"), and Lessee shall, within thirty (30) days after Lessee's receipt of Lessor's notice, elect to either (i) provide additional monies to Lessor in the amount of the Condemnation Deficiency, or (ii) terminate this Agreement by notice of termination to Lessor, and neither Party shall have any obligations to the other Party except those that expressly survive the termination of this Agreement, subject to Section 15.2(b)(ii).

(i) If Lessee elects to provide the amount of the Condemnation Deficiency to Lessor, Lessor shall, upon receipt of the amount of the Condemnation Deficiency, deposit such amount in the Replacement Account, and monies shall, subject to Section 15.3, be disbursed from the Replacement Account to pay the costs of

Restoration as soon as is reasonably possible. In such event, this Agreement shall continue in full force and effect; provided, however, that a fair and equitable portion of the Base Rent attributable to the portion of the Managed Property that was the subject of the Taking shall be abated as of the Taking Date.

(ii) If Lessee is entitled to and does elect to so terminate this Agreement, Lessor shall have the right (within thirty (30) days after Lessor's receipt of notice of Lessee's election to so terminate) to give notice to Lessee of Lessor's intent to pay the amount of the Condemnation Deficiency, in which event Lessor shall, within thirty (30) days after the date of Lessor's notice, deposit the amount of the Condemnation Deficiency into the Replacement Account. Upon such deposit, Lessee's election to terminate shall be deemed rescinded and void, and monies shall, subject to Section 15.3, be disbursed from the Replacement Account to pay the costs of such Restoration as soon as is reasonably possible. In such event, the Lease shall continue in full force and effect; provided, however, that a fair and equitable portion of the Base Rent attributable to the portion of the Managed Property that was the subject of the Taking shall be abated as of the Taking Date.

(iii) If Lessor does not give such notice of Lessor's intent to pay the Condemnation Deficiency amount within thirty (30) days after Lessor's receipt of Lessee's notice of election to terminate, or does not deposit the Condemnation Deficiency amount into the Replacement Account within the thirty-day period for deposit described above, this Agreement shall be terminated at the expiration of the applicable thirty (30)-day period, and the Condemnation Award shall be paid to the parties as their interests may appear.

15.3 Partial Taking Near End of Agreement Term. If the Managed Property is the subject of a Taking after the end of the eighteenth (18th) Lease Year that is not a Substantial Taking, and Restoration will, in Lessor's reasonable estimation, not be completed prior to the expiration of the Term, then Lessee shall have the right to terminate this Agreement by giving written notice of such termination to Lessor, and the Condemnation Award shall be paid to the Parties as their interest may appear.

15.4 No Condemnation by Lessor. Notwithstanding the foregoing, or any other provision of this Agreement, the City covenants, warrants, represents and agrees that it shall not, at any time during the Term, initiate, engage in, undertake, attempt or pursue, either singly or in combination with any other Governmental Authority(ies), a condemnation proceeding by right of eminent domain with respect to any portion of the Managed Property, except for Takings that are for the purpose of acquiring additional right-of-way or utility easements and that do not involve a Substantial Taking.

15.5 Survival. The terms and conditions of this Article 15 shall survive the expiration or sooner termination of this Agreement.

## **ARTICLE 16**

### **Holding Over**

16.1 If Lessee holds over after the expiration of the Term with or without the express or implied consent of Lessor, such tenancy shall be from month-to-month only, and shall not constitute a renewal hereof or an extension for any further term, and in such case Base Rent shall be payable at a monthly rate equal to the greater of (i) twelve and one-half percent (12.5%) of the Base Rent (annual) payable during the last full Lease Year for which Lessor had debt on the Conference Center, and (ii) one hundred fifty percent (150%) of the fair market rental rate for the Managed Property as of the commencement of such holdover period (the "Holdover Rate"). Such month-to-month tenancy shall be subject to every other applicable term, covenant and agreement contained herein. Nothing contained in this Article 16 shall be construed as consent by Lessor to any holding over by Lessee, and Lessor expressly reserves the right to require Lessee to surrender possession of the Managed Property to Lessor as provided in this Agreement upon the expiration or earlier termination of this Agreement. The provisions of this Article 16 shall not be deemed to limit or constitute a waiver of any other rights and remedies of Lessor provided herein. Lessee acknowledges that if Lessee holds over without Lessor's consent, such holding over may compromise or otherwise affect Lessor's ability to enter into new leases with prospective tenants regarding the Managed Property. Therefore, if Lessee fails to surrender the Managed Property upon the termination or expiration of this Agreement, in addition to any other liabilities to Lessor accruing therefrom, Lessee shall protect, defend, indemnify and hold Lessor harmless for, from and against all Claims resulting from such failure, including, without limiting the generality of the foregoing, any claims made by any succeeding tenant founded upon such failure of Lessee to surrender, and any losses suffered by Lessor, including lost profits, resulting from such failure to surrender. The terms and conditions of this Article 16 shall survive the expiration or sooner termination of this Agreement.

## ARTICLE 17

### Subordination

17.1 The rights of Lessee under this Agreement shall, at Lessor's option, be subordinate to any ground or other lease, mortgage, deed of trust or other hypothecation for security (each, a "Lessor Encumbrance") now or hereafter placed on all or any portion of Lessor's interest in the Managed Property, and to any advances thereunder and all renewals, modifications, consolidations, replacements and extensions thereof. Such subordination shall be effective only if the holder of the Lessor Encumbrance agrees, by written subordination, non-disturbance and attornment agreement in form and with substance reasonably satisfactory to Lessee, to be bound by this Agreement and to recognize and not disturb the rights of Lessee under Lease for so long as no Lessee Event of Default is ongoing. Lessee shall, within a reasonable time after Lessor's request therefor, execute any agreement reasonably required to implement or evidence the subordination of this Agreement in the manner described in this Article 17. If the holder of any Lessor Encumbrance desires that this Agreement have priority over the lien of such Lessor Encumbrance, such holder shall give notice of such priority to Lessee and this Agreement shall thereafter be deemed to have priority over such lien.

## ARTICLE 18

### Representations, Warranties and Special Covenants

18.1 Lessor's Representations, Warranties and Special Covenants. Lessor hereby represents, warrants and covenants as follows:

(a) Existence. Lessor is a charter municipal corporation of the State of Arizona duly incorporated and currently existing pursuant to the constitution and laws of the State of Arizona.

(b) Authority. Lessor has all requisite power and authority to own the Managed Property, to execute, deliver and perform its obligations under this Agreement and to consummate the transactions herein contemplated and, by proper action in accordance with all applicable law, has duly authorized the execution and delivery of this Agreement, the performance of its obligations under this Agreement and the consummation of the transactions herein contemplated.

(c) Binding, Obligation. This Lease is a valid and binding obligation of Lessor and is enforceable against Lessor in accordance with its terms.

(d) No Defaults. The execution by Lessor of this Agreement and the consummation by Lessor of the transactions contemplated hereby do not (i) as of the date of this Agreement, result in a breach of any of the terms or provisions of, or constitute a default, or a condition which upon notice or lapse of time or both would ripen into a default, under Lessor's charter or any resolution, indenture, agreement, instrument or obligation to which Lessor is a party or by which the Managed Property or any portion thereof is bound; or (ii) to the actual knowledge of Lessor, constitute, a violation of any Legal Requirement which at any time may be applicable to Lessor or the Managed Property or any part thereof.

(e) Consents. No permission, approval or consent by third parties or any other Governmental Authority is required in order for Lessor to enter into this Agreement, make the agreements herein contained or perform the obligations of Lessor hereunder other than those which have been obtained.

(f) Quiet Enjoyment. During the Term and subject to the terms of this Agreement, so long as Lessee performs all of Lessee's obligations under this Agreement, Lessor shall do nothing that will prevent Lessee from having the quiet enjoyment and peaceable possession of the Managed Property, and shall defend Lessee against hindrance or disturbance by Lessor or any person or entity acting by, through or under Lessor.

(g) Proceedings. There are no actions, suits or proceedings pending or, to the actual knowledge of Lessor, threatened or asserted against Lessor pertaining to all or any portion of the Managed Property, at law or at equity or before or by any federal, state, municipal or other governmental department, commission, board, bureau, agency or instrumentality, domestic or foreign.

(h) Impositions. Lessor has not received any notice of any condemnation actions, special assignments or increases in the assessed valuation of taxes (except as may be in connection with the construction of the Improvements) or any Impositions of any nature which are pending or being contemplated with respect to the Managed Property or any portion thereof.

(i) Compliance with Legal Requirements. Lessor has not received any notice of any violation of any ordinance, regulation, law or statute of any Governmental Authority pertaining to the Managed Property or any portion thereof.

(j) Encumbrances. Lessor has good and marketable fee simple title to the Managed Property, subject to the matters of record, and Lessor has not placed or granted any Lessor Encumbrance against the Managed Property other than those of record. Subject to the terms and conditions of Article 17, Lessor shall not grant any liens or security interest on all or any portion of the Managed Property.

(k) Limitations. Except as otherwise expressly provided herein, this Agreement is made by Lessor without representation or warranty of any kind, either express or implied, as to the condition of the Managed Property, its merchantability, its condition or its fitness for Lessee's intended use or for any particular purpose.

18.2 Lessee's Representations, Warranties and Special Covenants. Lessee hereby represents, warrants and covenants as follows:

(a) Existence. Lessee is limited liability company duly organized and validly existing under the laws of the State of Missouri, and is authorized to do business and in good standing in the State of Arizona.

(b) Authority. Lessee has all requisite power and authority to own its property, to operate its business, to execute, deliver and perform its obligations under this Agreement and to consummate the transactions herein contemplated and, and by proper action in accordance with all applicable law, has duly authorized the execution and delivery of this Agreement, the performance of its obligations under this Agreement and the consummation of the transactions herein contemplated.

(c) Binding Obligation. This Lease is a valid and binding obligation of Lessee and is enforceable against Lessee in accordance with its terms.

(d) No Default. The execution by Lessee of this Agreement and the consummation by Lessee of the transactions contemplated hereby do not (i) as of the Effective Date, result in a breach of any of the terms or provisions of, or constitute a default, or a condition which upon notice or lapse of time or both would ripen into a default, under Lessee's organizational documents or any resolution, indenture, agreement, instrument or obligation to which Lessee is a party or is bound; or (ii) to the actual knowledge of Lessee, constitute, a violation of any Legal Requirement which at any time may be applicable to Lessee or the Managed Property or any part thereof.

(e) Consents. No permission, approval or consent by third parties or any other Governmental Authority is required in order for Lessee to enter into this Agreement, make



the agreements herein contained or perform the obligations of Lessee hereunder other than those which have been obtained.

(f) As-Is. Except as provided for in Section 18.1(j) above, Lessee accepts the leasehold interest in the Managed Property granted by this Agreement on an “as-is” basis with all faults. Lessee represents and warrants that it has undertaken a reasonable investigation of the environmental condition of the Managed Property, and the results of Lessee’s environmental investigation did not identify any condition relating to the environment that could reasonably be expected to materially and adversely impact Lessee’s ability to conduct its operations at the Managed Property.

## ARTICLE 19

### Miscellaneous

19.1 Inspection. Lessee shall permit Lessor and its agents, upon no less than twenty-four (24) hours prior written notice (or at any time upon the occurrence of an emergency or other event which could affect the health or safety of any occupant or the condition of any property or any Improvements), to enter into and upon the Managed Property during normal business hours for the purpose of inspecting or exhibiting same to prospective lenders, buyers or future tenants. Lessor shall use commercially reasonable efforts to not interfere with Lessee’s and Lessee’s tenants’ and invitees’ business activities at the Managed Property.

19.2 Estoppel Certificates. Lessee and Lessor shall, at any time and from time to time upon not less than thirty (30) days prior written request by the other Party, execute, acknowledge and deliver to the requesting Party a statement in writing, signed by the individual such signing Party reasonably deems to be the most knowledgeable of the applicable subject, certifying (a) as to the ownership of the interest of Lessor or Lessee hereunder, as the case may be, (b) that this Agreement is unmodified and in full force and effect (or if modified, whether the same is in full force and effect as so modified), (c) the dates to which the Base Rent and Additional Rent have been paid, (d) whether, to the best of the certifying party’s knowledge after reasonable inquiry there are any existing defaults or conditions which, with notice, the passage of time, or both, could constitute a default hereunder on the part of the other Party (and if so, the certifying party shall specify such default), and (e) such other facts as either Party may reasonably request. If either Party refuses or fails to execute, acknowledge and deliver such statement, or alternatively fails to provide a written explanation setting forth its reason(s) for disagreement with such statement, within thirty (30) days of receipt, and the failure continues for an additional five (5) days after receipt of a second written request, then such Party shall be deemed to have confirmed the terms and conditions as set forth in such statement.

19.3 Memorandum of Lease Agreement. This Lease shall not be recorded. Upon either Party’s request, the other Party shall execute, acknowledge, deliver and allow such requesting Party to record in Maricopa County, Arizona a Memorandum of Lease in the form attached hereto as Exhibit E (the “Memorandum of Lease”). In addition, concurrent with Lessee’s execution of the Memorandum of Lease, Lessee shall execute, acknowledge and deliver to Lessor a Termination of Memorandum of Lease in the form attached hereto as Exhibit F (the “Termination of Memorandum of Lease”), and any successor or assign of Lessee pursuant to a

Transfer of Lessee's interest in the Managed Property shall execute, acknowledge and deliver to Lessor a new Termination of Memorandum of Lease concurrent with any such Transfer; provided, however, that Lessor is only authorized to record the Termination of Memorandum of Lease following the expiration or earlier termination of this Agreement.

19.4 Notices. All notices, demands, payments and other communications required to be given or made hereunder shall be in writing and shall be duly given if delivered by hand, messenger, or reputable overnight courier (with confirmation of delivery or rejection), or if mailed by certified or registered mail, first class postage prepaid, return receipt requested, and shall be deemed to have been given or made, received or communicated, as the case may be, on the date on which the same was delivered or rejected, to the respective Parties at the addresses set forth below, or to such other address furnished in writing to the other Party hereto.

If to Lessee: JQH – Glendale, AZ Development, LLC  
300 John Q. Hammons Parkway, Suite 900  
Springfield, Missouri 65806  
Facsimile: (417) 873-3540

With a copy to: Debra Mallonee Shantz, Esq.  
John Q. Hammons Hotels, Inc.  
300 John Q. Hammons Parkway, Suite 900  
Springfield, Missouri 65806  
Facsimile: (417) 873-3503

If to Lessor: City Manager  
City of Glendale  
5850 West Glendale Avenue  
Glendale, Arizona 85301

With a copy to: City Attorney  
City of Glendale  
5850 West Glendale Avenue  
Glendale, Arizona 85301

19.5 Successors and Assigns. Except as otherwise specified in this Agreement, the provisions of this Agreement shall run with the land and shall be binding upon and inure to the benefit of the parties and their permitted successors and assigns.

19.6 Amendment. Except as expressly provided herein, neither this Agreement nor any term hereof may be amended, waived, discharged or terminated, except by a written instrument signed by the Parties.

19.7 Headings and Subheadings. The headings of the articles, sections, paragraphs and subparagraphs of this Agreement are for convenience or reference only and in no way define, limit, extend or describe the scope of this Agreement or the intent of any provisions hereof.

19.8 Force Majeure. After the Commencement Date, the time within which any Party shall be required to perform any act under this Agreement shall be extended by a period of time equal to the number of days during which performance of such act is delayed by strikes or lockouts, acts of God, governmental restrictions, failure or inability to secure materials or labor, reason of priority or similar regulations or order of any Governmental Authority, enemy action, civil disturbance, fire, unavoidable casualties or any other cause beyond the reasonable control of the Party seeking the extension. The provisions of this Section 19.8 shall not operate to excuse Lessee from the prompt payment of Base Rent or Additional Rent, or excuse Lessor from any payments required by the terms of this Agreement.

19.9 Governing Law. THIS LEASE SHALL BE GOVERNED BY, AND CONSTRUED AND ENFORCED IN ACCORDANCE WITH THE LAWS OF THE UNITED STATES APPLICABLE THERETO AND THE LAWS OF THE STATE OF ARIZONA APPLICABLE TO A LEASE EXECUTED, DELIVERED AND PERFORMED IN SUCH STATE, WITHOUT REGARD TO ANY OTHER APPLICABLE PRINCIPLES OF CONFLICTS OF LAW.

19.10 Venue for Actions. The venue for any legal action arising out of this Agreement shall lie exclusively in Maricopa County, Arizona.

19.11 Attorneys' Fees. Should either Party to this Agreement institute legal proceedings to enforce its rights or remedies under this Agreement, the prevailing Party to such dispute or proceedings shall be entitled to recover its reasonable attorneys' fees, expert witness fees, litigation-related expenses and court costs incurred in connection with the resolution of such dispute or the institution, prosecution or defense in such proceedings from the other Party.

19.12 Relationship of Parties. Nothing contained herein shall be deemed or construed by the Parties or by any third party as creating the relationship of principal and agent, partnership, joint venture or any association between the Parties, it being understood and agreed that none of the provisions contained herein or any acts of the Parties in the performance of their respective obligations hereunder shall be deemed to create any relationship between the Parties other than the relationship of Lessor and Lessee. It is understood and agreed that this Agreement does not create a joint enterprise, nor does it appoint either Party as an agent of the other for any purpose whatsoever. Neither Party shall in any way assume any of the liability of the other for acts of the other or obligations of the other. Each Party shall be responsible for any and all suits, demands, costs or actions proximately resulting from its own individual acts or omissions.

19.13 Net Lease. Except as otherwise expressly provided herein, it is the intention of Lessor and Lessee that the Base Rent and Additional Rent payable under this Agreement and other costs related to Lessee's use or operation of the Managed Property under this Agreement shall be absolutely net to Lessor, and that Lessee shall pay during the Term, without any offset or deduction whatsoever, all such Base Rent, Additional Rent and other costs due by Lessee under this Agreement.

19.14 Obligations to Defend Validity of Agreement. If litigation is filed by a third party against Lessee or Lessor in an effort to enjoin either Party's performance of this Agreement, the Parties who are named as parties in such action shall take all commercially reasonable steps to support and defend the validity and enforceability of this Agreement. Either Party may intervene

in any such matter in which the other Party has been named as a defendant. Each Party shall be responsible for its attorneys' fees and costs of litigation.

19.15 Survival. Without limiting any other provision of this Agreement, which expressly provides for survival following the expiration or earlier termination of this Agreement, covenants in this Agreement expressly providing for performance by either Party after the expiration or earlier termination of this Agreement shall survive the expiration or earlier termination of this Agreement.

19.16 Entire Agreement. The Exhibits attached to this Agreement are made a part hereof and are incorporated herein as if fully set forth in the body of this Agreement. This Lease, including the Exhibits attached hereto, constitutes the full and entire understanding and agreement between the Parties with regard to the subject matter hereof and supersedes all prior agreements and understandings, whether written or oral. There are no representations, promises or agreements of Lessor or Lessee regarding the subject matter of this Agreement not contained in this Agreement.

19.17 Counterparts. This Lease may be executed in any number of counterparts, each of which shall be an original, but all of which together shall constitute one and the same instrument.

**[SIGNATURES APPEAR ON THE FOLLOWING PAGE.]**


WITNESS WHEREOF, the Parties have executed and delivered this Agreement as of the date first set forth above.

**LESSEE:**

JQH – GLENDALE, AZ DEVELOPMENT, LLC,  
a Missouri limited liability company


By:  
John Q. Hammons Hotels Development LLC,  
Its sole member

By: John Q. Hammons Revocable Trust  
dated December 28, 1989, as Amended  
and Restated, Its sole member

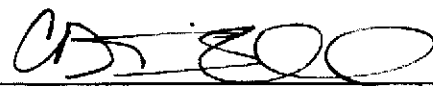
By:   
John Q. Hammons  
Is: Trustee

**LESSOR / CITY:**

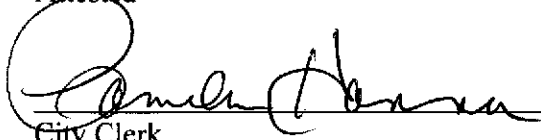
CITY OF GLENDALE, ARIZONA

  
Ed Beasley  
City Manager

Approved as to Form:

  
Craig D. Tindall  
City Attorney

Attested

  
Pamela Hanna  
City Clerk

[NOTARY SIGNATURES CONTINUE ON THE FOLLOWING PAGE]

STATE OF MISSOURI     )  
                                  )  
                                  )     ss  
COUNTY OF GREENE    )

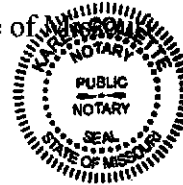
This instrument was acknowledged before me on the <sup>4th</sup> 29 day of ~~January~~ 2008, by John Q. Hammons, Trustee of the John Q. Hammons Revocable Trust Dated December 28, 1989, as Amended and Restated, the Sole Member of John Q. Hammons Hotels Development, LLC, the Sole Member of JQH – Glendale, AZ Development, LLC, on behalf of thereof.

*Karen L. Collette*

Notary Public, State of Missouri

My Commission Expires:

11-30-2010



Karen Collette     Comm # 06492797  
Greene County     State of Missouri  
My Commission Expires Nov. 30, 2010

**Exhibit A**

**Site Plan**

[attached]

**REVISIONS**

1. REVISED TO REFLECT THE LATEST APPROVED PERMITS FOR THE HOTEL, CONVENTION CENTER, MEDIA CENTER, AND PARKING GARAGE. THE SITE PLAN IS BEING REVISED TO REFLECT THE LATEST APPROVED PERMITS FOR THE HOTEL, CONVENTION CENTER, MEDIA CENTER, AND PARKING GARAGE. THE SITE PLAN IS BEING REVISED TO REFLECT THE LATEST APPROVED PERMITS FOR THE HOTEL, CONVENTION CENTER, MEDIA CENTER, AND PARKING GARAGE.

2. REVISED TO REFLECT THE LATEST APPROVED PERMITS FOR THE HOTEL, CONVENTION CENTER, MEDIA CENTER, AND PARKING GARAGE. THE SITE PLAN IS BEING REVISED TO REFLECT THE LATEST APPROVED PERMITS FOR THE HOTEL, CONVENTION CENTER, MEDIA CENTER, AND PARKING GARAGE. THE SITE PLAN IS BEING REVISED TO REFLECT THE LATEST APPROVED PERMITS FOR THE HOTEL, CONVENTION CENTER, MEDIA CENTER, AND PARKING GARAGE.

3. REVISED TO REFLECT THE LATEST APPROVED PERMITS FOR THE HOTEL, CONVENTION CENTER, MEDIA CENTER, AND PARKING GARAGE. THE SITE PLAN IS BEING REVISED TO REFLECT THE LATEST APPROVED PERMITS FOR THE HOTEL, CONVENTION CENTER, MEDIA CENTER, AND PARKING GARAGE. THE SITE PLAN IS BEING REVISED TO REFLECT THE LATEST APPROVED PERMITS FOR THE HOTEL, CONVENTION CENTER, MEDIA CENTER, AND PARKING GARAGE.

4. REVISED TO REFLECT THE LATEST APPROVED PERMITS FOR THE HOTEL, CONVENTION CENTER, MEDIA CENTER, AND PARKING GARAGE. THE SITE PLAN IS BEING REVISED TO REFLECT THE LATEST APPROVED PERMITS FOR THE HOTEL, CONVENTION CENTER, MEDIA CENTER, AND PARKING GARAGE. THE SITE PLAN IS BEING REVISED TO REFLECT THE LATEST APPROVED PERMITS FOR THE HOTEL, CONVENTION CENTER, MEDIA CENTER, AND PARKING GARAGE.

5. REVISED TO REFLECT THE LATEST APPROVED PERMITS FOR THE HOTEL, CONVENTION CENTER, MEDIA CENTER, AND PARKING GARAGE. THE SITE PLAN IS BEING REVISED TO REFLECT THE LATEST APPROVED PERMITS FOR THE HOTEL, CONVENTION CENTER, MEDIA CENTER, AND PARKING GARAGE. THE SITE PLAN IS BEING REVISED TO REFLECT THE LATEST APPROVED PERMITS FOR THE HOTEL, CONVENTION CENTER, MEDIA CENTER, AND PARKING GARAGE.

**LEGEND**

(A) HOTEL - 10' x 10'      (B) HOTEL - 10' x 10'      (C) HOTEL - 10' x 10'  
 (D) HOTEL - 10' x 10'      (E) HOTEL - 10' x 10'      (F) HOTEL - 10' x 10'

**GENERAL NOTES**

1. ALL DIMENSIONS ARE IN FEET AND INCHES.

2. ALL DIMENSIONS ARE TO FACE UNLESS OTHERWISE NOTED.

3. ALL DIMENSIONS ARE TO FACE UNLESS OTHERWISE NOTED.

4. ALL DIMENSIONS ARE TO FACE UNLESS OTHERWISE NOTED.

**SITE & BUILDING DATA**

**SITE:**

HOTEL: 184,638 SQ. FT.  
 PARKING GARAGE: 807,127 SQ. FT.  
 CONVENTION CENTER: 1,111,111 SQ. FT.  
 TOTAL SITE AREA: 2,102,876 SQ. FT. (47.6 ACRES)

**BUILDINGS:**

**HOTEL:**  
 BASEMENT: 46,358 SQ. FT.  
 SECOND FLOOR: 61,163 SQ. FT.  
 THIRD FLOOR: 61,163 SQ. FT.  
 FOURTH FLOOR: 61,163 SQ. FT.  
 FIFTH FLOOR: 61,163 SQ. FT.  
 SIXTH FLOOR: 61,163 SQ. FT.  
 SEVENTH FLOOR: 61,163 SQ. FT.  
 EIGHTH FLOOR: 61,163 SQ. FT.  
 NINTH FLOOR: 61,163 SQ. FT.  
 TENTH FLOOR: 61,163 SQ. FT.  
 TOTAL HOTEL AREA: 330,221 SQ. FT.

**PARKING GARAGE:**  
 BASEMENT LEVEL: 74,155 SQ. FT.  
 FIRST FLOOR: 74,155 SQ. FT.  
 SECOND FLOOR: 74,155 SQ. FT.  
 THIRD FLOOR: 74,155 SQ. FT.  
 TOTAL: 296,620 SQ. FT.

**CONVENTION CENTER:**  
 TOTAL: 1,111,111 SQ. FT.

**WISCELLANEOUS:**  
 HOTEL POOL & DECK: 18,842 SQ. FT.  
 HOTEL INTERIOR COURTYARD: 8,843 SQ. FT.  
 EXTERIOR COURTYARD: 4,500 SQ. FT.  
 HOTEL LOBBY: 4,500 SQ. FT.  
 CONVENTION CENTER: 12,203 SQ. FT.  
 TOTAL CAMPY AREA: 12,203 SQ. FT.

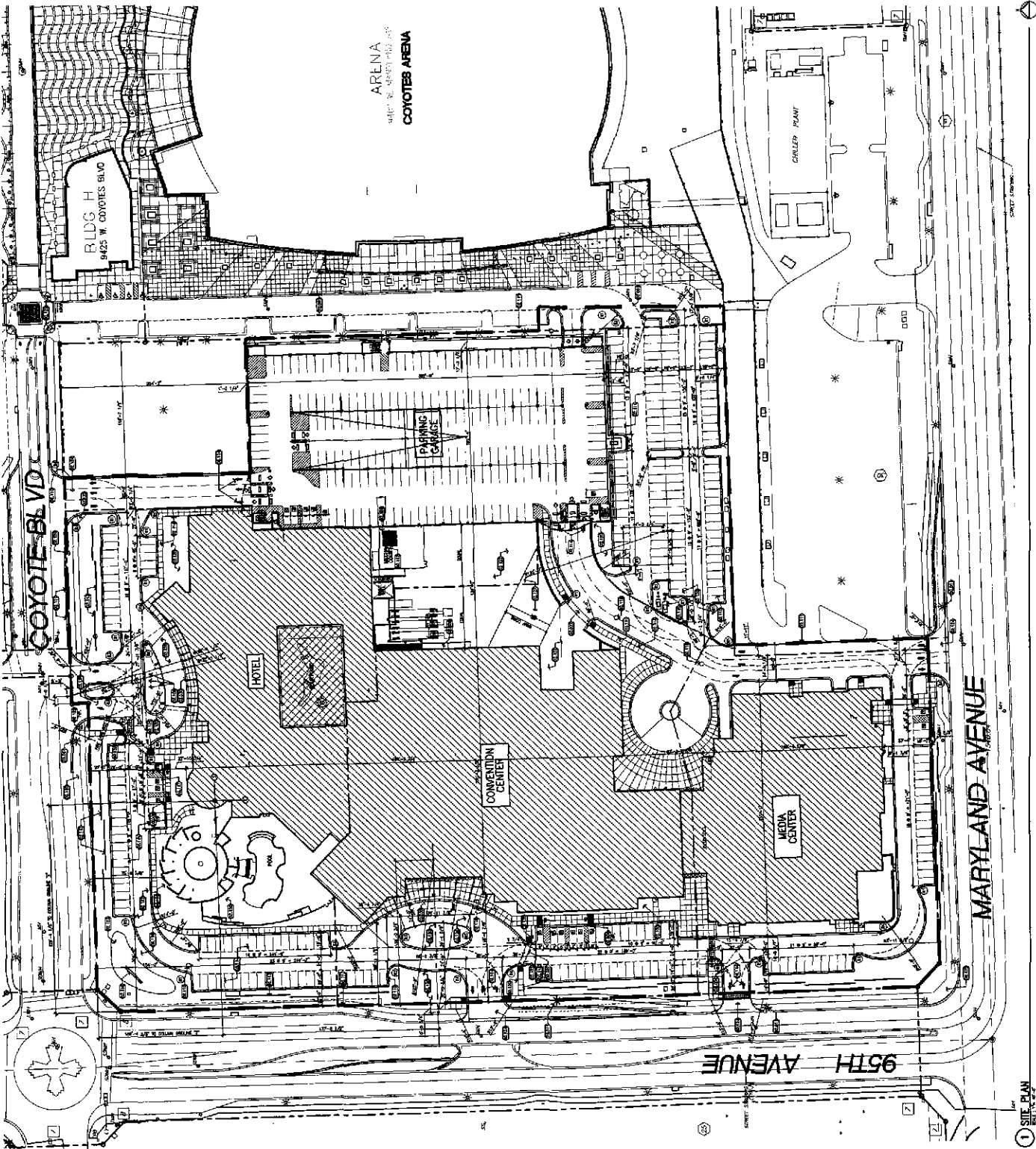
**PARKING SPACES:**  
 PARKING REQUIRED: 1000 SPACES PER PAID, UNRECORDED  
 PARKING PROVIDED: 807 PARKING GARAGE SPACES  
 HOTEL PARKING SPACES: 80  
 CONVENTION CENTER PARKING SPACES: 807  
 TOTAL PARKING SPACES: 1,694

**PENDING REVISED SITE PLAN**

REMISSANCE HOTEL, CONVENTION CENTER, MEDIA CENTER STRUCTURAL PACKAGE - GLENDALE, AZ.  
 BUTLER, ROSENBERG & PARTNERS, INC.

**NOT FOR CONSTRUCTION**

**CR1.2**



**EXHIBIT A**

1 SITE PLAN



**Exhibit B**

**Public Facilities Site – Legal Description**

[attached]

Wood, Patel & Associates, Inc.  
(602) 335-8500  
www.woodpatel.com

March 13, 2006  
WP# 011419.23  
Page 1 of 4  
See Exhibit "A"

**PARCEL DESCRIPTION**  
**Maryland Avenue**  
**Proposed Parcel A-3**

A portion of Parcel A of Maryland Avenue and 95<sup>th</sup> Avenue, as shown on the Minor Land Division, recorded in Book 795, page 23, Maricopa County Records (M.C.R.), and a portion of Lot 9 of Westgate, as shown on the Final Plat, recorded in Book 745, page 14, M.C.R., lying within Section 9, Township 2 North, Range 1 East, of the Gila and Salt River Meridian, Maricopa County, Arizona, more particularly described as follows:

Commencing at the center quarter corner of said Section 9, an iron pipe, from which the east quarter corner of said Section 9, a brass cap, bears North 88°01'45" East(basis of bearing), a distance of 2644.84 feet;

**THENCE** along the east-west mid-section line of said section, South 88°01'23" West, a distance of 221.70 feet;

**THENCE** leaving said east-west mid-section line, North 01°58'38" West, a distance of 55.00 feet, to a point on the northerly right-of-way line of Maryland Avenue, per document No. 03-1582963, M.C.R., and also the **POINT OF BEGINNING**;

**THENCE** along said northerly right-of-way line, North 46°53'09" West, a distance of 35.30 feet, to the easterly right-of-way line of 95<sup>th</sup> Avenue, per said document;

**THENCE** leaving said northerly right-of-way line, along said easterly right-of-way line, North 01°47'39" West, a distance of 637.18 feet;

**THENCE** leaving said easterly right-of-way line, North 88°12'21" East, a distance of 121.47 feet;

**THENCE** North 43°12'21" East, a distance of 35.00 feet;

**THENCE** South 46°47'39" East, a distance of 47.50 feet;

**THENCE** North 43°12'21" East, a distance of 9.40 feet;

**THENCE** South 46°47'39" East, a distance of 24.50 feet;

**THENCE** North 89°08'37" East, a distance of 5.09 feet;

**THENCE** North 88°12'21" East, a distance of 124.80 feet;

**THENCE** South 01°47'39" East, a distance of 32.33 feet;

**THENCE** North 88°12'21" East, a distance of 83.42 feet;

**THENCE** South 01°47'39" East, a distance of 30.69 feet;

**THENCE** North 88°12'21" East, a distance of 39.75 feet;

**THENCE** South 01°47'39" East, a distance of 136.82 feet;

**THENCE** North 88°10'25" East, a distance of 68.04 feet;

**THENCE** South 01°47'39" East, a distance of 76.04 feet;

**THENCE** South 88°12'21" West, a distance of 14.92 feet, to the beginning of a curve;

**THENCE** southwesterly along said curve, having a radius of 80.00 feet, concave southeasterly, through a central angle of 60°00'00", a distance of 83.78 feet, to the curve's end;

**THENCE** South 28°12'21" West, a distance of 111.45 feet, to the beginning of a curve;

**EXHIBIT B**

Page 1 of 4

**Parcel Description  
Maryland Avenue  
Proposed Parcel A-3**

March 13, 2006  
WP# 011419.23  
Page 2 of 4  
See Exhibit "A"

**THENCE** southerly along said curve, having a radius of 20.00 feet, concave easterly, through a central angle of 30°10'36", a distance of 10.53 feet, to a point of intersection with a non-tangent line;  
**THENCE** South 01°47'39" East, a distance of 218.96 feet, to the northerly right-of-way line of said Maryland Avenue;  
**THENCE** along said northerly right-of-way line, South 88°01'45" West, a distance of 39.98 feet;  
**THENCE** leaving said northerly right-of-way line, North 01°47'39" West, a distance of 239.35 feet, to a point of intersection with a non-tangent curve;  
**THENCE** northeasterly along said curve, having a radius of 15.00 feet, concave northwesterly, whose radius bears North 31°31'25" West, through a central angle of 30°16'15", a distance of 7.92 feet, to a point of intersection with a non-tangent line;  
**THENCE** North 28°18'42" East, a distance of 124.97 feet;  
**THENCE** North 58°14'17" West, a distance of 11.68 feet;  
**THENCE** North 61°47'24" West, a distance of 10.88 feet;  
**THENCE** North 28°12'36" East, a distance of 10.50 feet;  
**THENCE** North 61°47'24" West, a distance of 30.29 feet;  
**THENCE** South 28°12'36" West, a distance of 5.00 feet;  
**THENCE** North 61°47'24" West, a distance of 5.63 feet;  
**THENCE** North 01°47'24" West, a distance of 2.68 feet;  
**THENCE** South 88°12'36" West, a distance of 23.09 feet;  
**THENCE** South 01°47'24" East, a distance of 0.58 feet;  
**THENCE** South 88°12'36" West, a distance of 18.33 feet;  
**THENCE** South 01°47'24" East, a distance of 24.72 feet;  
**THENCE** South 88°12'36" West, a distance of 36.83 feet;  
**THENCE** South 01°47'24" East, a distance of 10.00 feet;  
**THENCE** South 88°12'36" West, a distance of 9.04 feet;  
**THENCE** South 01°47'39" East, a distance of 117.62 feet;  
**THENCE** South 88°12'21" West, a distance of 17.73 feet;  
**THENCE** South 01°47'39" East, a distance of 237.64 feet, to a point on the northerly right-of-way line of said Maryland Avenue;  
**THENCE** along said northerly right-of-way line, South 88°01'23" West, a distance of 233.00 feet, to the **POINT OF BEGINNING**.

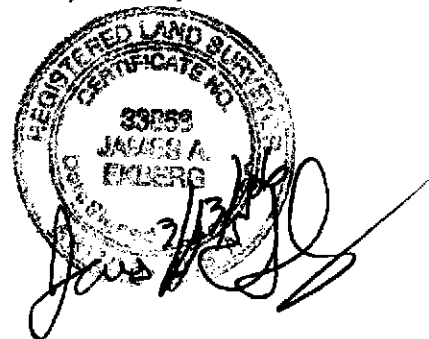
Containing 5.5402 acres, or 241,330 square feet of land, more or less.

Subject to existing rights-of-way and easements.

This parcel description is based on the Minor Land Division Map of Dedication, of Maryland Avenue and 95<sup>th</sup> Avenue recorded in Book 795, page 23, M.C.R. and other client provided information. This parcel description is located within an area surveyed by Wood, Patel & Associates, Inc. during the month of August, 2003 and any monumentation noted in this parcel description is within acceptable tolerance (as defined in Arizona Boundary Survey Minimum Standards dated 02/14/2002) of said positions based on said survey.

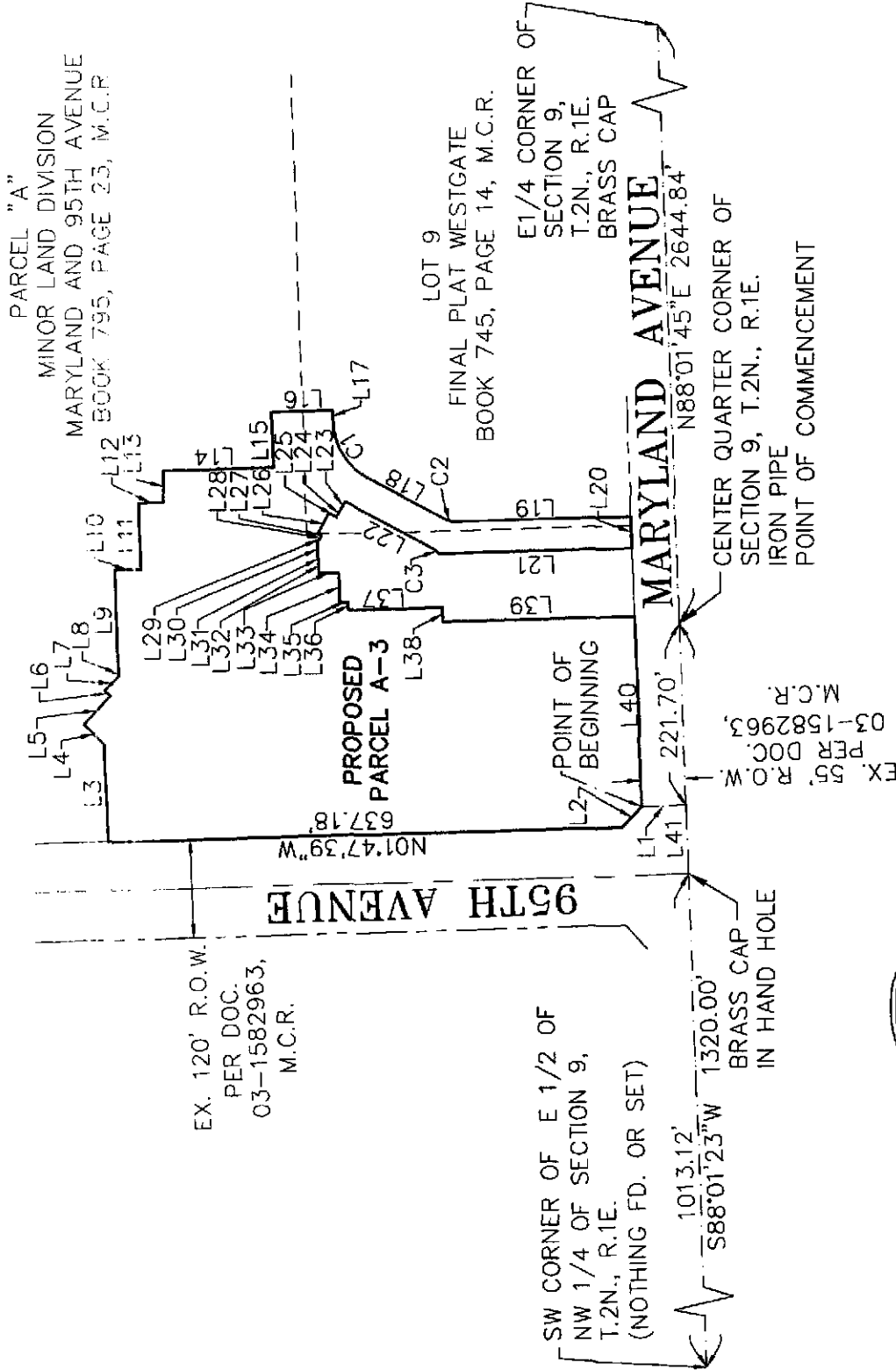
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**EXHIBIT B**  
Page 2 of 4



# EXHIBIT B

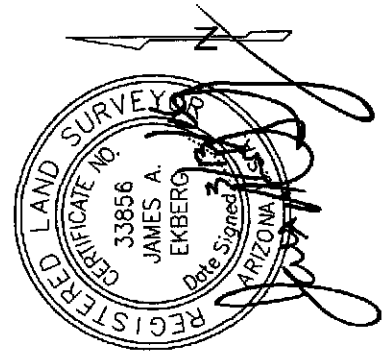
Page 3 of 4



# EXHIBIT "A"

MARYLAND AVENUE  
PROPOSED PARCEL A-3  
03-13-06  
WP# 011419.23  
PAGE 3 OF 4  
NOT TO SCALE

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**WOOD/PATEL**  
2051 West Northern  
Phoenix, AZ 85021  
Phone: (602) 335-8500  
Fax: (602) 335-8580  
PHOENIX • MESA • TUCSON

# EXHIBIT B

Page 4 of 4

LINE TABLE		
LINE	BEARING	DISTANCE
L1	N01°58'38"W	55.00'
L2	N46°53'09"W	35.30'
L3	N88°12'21"E	121.47'
L4	N43°12'21"E	35.00'
L5	S46°47'39"E	47.50'
L6	N43°12'21"E	9.40'
L7	S46°47'39"E	24.50'
L8	N89°08'37"E	5.09'
L9	N88°12'21"E	124.80'
L10	S01°47'39"E	32.33'
L11	N88°12'21"E	83.42'
L12	S01°47'39"E	30.69'
L13	N88°12'21"E	39.75'
L14	S01°47'39"E	136.82'
L15	N88°10'25"E	68.04'
L16	S01°47'39"E	76.04'
L17	S88°12'21"W	14.92'
L18	S28°12'21"W	111.45'
L19	S01°47'39"E	218.96'
L20	S88°01'45"W	39.98'
L21	N01°47'39"W	239.35'
L22	N28°18'42"E	124.97'
L23	N58°14'17"W	11.68'
L24	N61°47'24"W	10.88'

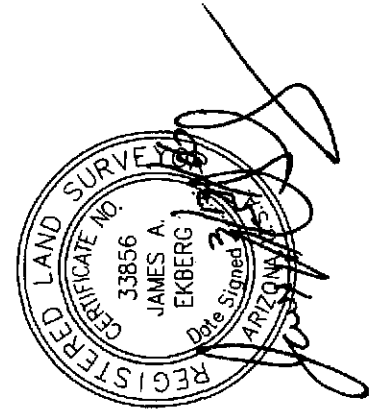
LINE TABLE		
LINE	BEARING	DISTANCE
L25	N28°12'36"F	10.50'
L26	N61°47'24"W	30.29'
L27	S28°12'36"W	5.00'
L28	N61°47'24"W	5.63'
L29	N01°47'24"W	2.68'
L30	S88°12'36"W	23.09'
L31	S01°47'24"E	0.58'
L32	S88°12'36"W	18.33'
L33	S01°47'24"E	24.72'
L34	S88°12'36"W	36.83'
L35	S01°47'24"E	10.00'
L36	S88°12'36"W	9.04'
L37	S01°47'39"E	117.62'
L38	S88°12'21"W	17.73'
L39	S01°47'39"E	237.64'
L40	S88°01'23"W	233.00'
L41	S88°01'22"W	85.18'

CURVE TABLE			
CURVE	DELTA	RADIUS	ARC
C1	60°00'00"	80.00'	83.78'
C2	30°10'36"	20.00'	10.53'
C3	30°16'15"	15.00'	7.92'

# EXHIBIT "A"

MARYLAND AVENUE  
 PROPOSED PARCEL A-3  
 03-13-06  
 WP# 011419.23  
 PAGE 4 OF 4  
 NOT TO SCALE

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**WOOD/PATEL**  
 2051 West Northern  
 Phoenix, AZ 85021  
 Phone: (602) 335-8500  
 Fax: (602) 335-8580  
 PHOENIX • MESA • TUCSON

**Exhibit C**

**Capital Maintenance Schedule**

*(No Exhibit C)*

Exhibit D

**Memorandum of Lease**

[attached]

WHEN RECORDED, RETURN TO:

City Attorney, City of Glendale  
Glendale City Hall  
5850 West Glendale Avenue  
Glendale, Arizona 85301

MEMORANDUM OF LEASE

BY THIS MEMORANDUM OF LEASE (this "Memorandum"), entered into as of the \_\_\_\_\_ day of \_\_\_\_\_, 2008, by and between the CITY OF GLENDALE, ARIZONA ("Lessor") and JQH – GLENDALE, AZ DEVELOPMENT, LLC, a Missouri limited liability company ("Lessee"), the parties declare and agree as follows:

Lessor owns approximately 6.3379 acres of land as legally described on Exhibit A attached hereto and incorporated herein by this reference, together with all improvements located thereon from time to time (the "Public Facilities Site").

Lessor and Lessee entered into that certain Management and Lease Agreement dated \_\_\_\_\_, 2008 (the "Lease") pursuant to which Lessor has leased to Lessee, and Lessee has leased from Lessor, a portion of the Public Facilities Site in accordance with the terms of the Lease and as depicted on B attached hereto and incorporated herein by this reference. All initially capitalized terms used but not otherwise defined herein shall have the meanings set forth in the Lease.

Pursuant to the Lease, the initial fifty-five (55) year term shall commence on the date on which all of the following have occurred: (i) the initial Improvements have been substantially completed in accordance with the Approved Plans, (ii) a certificate of substantial completion has been issued by the general contractor(s) and architect(s) for the initial Improvements, and a copy of such certificate has been delivered to Lessor and Lessee, and (iii) a temporary certificate of occupancy for the initial Improvements has been issued by the City, and a copy thereof has been delivered to Lessee.

The parties have executed this Memorandum for recording purposes only as to the Lease described above, and it is not intended to and shall not modify, amend, supersede or otherwise affect the terms and provisions of said Lease.

**[SIGNATURES APPEAR ON THE FOLLOWING PAGE]**



WITNESS WHEREOF, the Parties have executed and delivered this Memorandum as of the date first set forth above.

**LESSEE:**

JQH – GLENDALE, AZ DEVELOPMENT, LLC,  
a Missouri limited liability company

By: John Q. Hammons Hotels Development,  
LLC, Its sole member

By: John Q. Hammons Revocable Trust  
dated December 28, 1989, as Amended  
and Restated, Its sole member

By: \_\_\_\_\_  
John Q. Hammons  
Its: Trustee

**LESSOR:**

CITY OF GLENDALE, ARIZONA

\_\_\_\_\_  
Ed Beasley  
City Manager

Approved as to Form:

\_\_\_\_\_  
Craig D. Tindall, City Attorney

Attested:

\_\_\_\_\_  
City Clerk

**[NOTARY SIGNATURES CONTINUE ON THE FOLLOWING PAGE]**

STATE OF MISSOURI     )  
                                  )  
COUNTY OF GREENE    )     ss

This instrument was acknowledged before me on the \_\_\_\_ day of \_\_\_\_\_, 2008, by John Q. Hammons, Trustee of the John Q. Hammons Revocable Trust Dated December 28, 1989, as Amended and Restated, the Sole Member of John Q. Hammons Hotels Development, LLC, the Sole Member of JQH – Glendale, AZ Development, LLC, on behalf of thereof.

\_\_\_\_\_  
Notary Public, State of Missouri

My Commission Expires:

\_\_\_\_\_

Exhibit A  
(to Memorandum of Lease)

Public Facilities Site – Legal Description

[attached]

Wood, Patel & Associates, Inc.  
(602) 333-8500  
www.woodpatel.com

March 13, 2006  
WP # 011419.23  
Page 1 of 4  
See Exhibit "A"

**PARCEL DESCRIPTION**  
**Maryland Avenue**  
**Proposed Parcel A-2**

A portion of Parcel A of Maryland Avenue and 95<sup>th</sup> Avenue, as shown on the Minor Land Division, recorded in Book 795, page 23, Maricopa County Records (M.C.R.), and a portion of Lot 9 of Westgate, as shown on the Final Plat for Westgate, recorded in Book 745, page 14, M.C.R., lying within Section 9, Township 2 North, Range 1 East, of the Gila and Salt River Meridian, Maricopa County, Arizona, more particularly described as follows:

Commencing at center quarter corner of said Section 9, an iron pipe, from which the east quarter corner of said Section 9, a brass cap, bears North 88°01'45" East (basis of bearing), a distance of 2644.84 feet;  
**THENCE** along the east-west mid-section line of said section, North 88°01'45" East, a distance of 135.40 feet;

**THENCE** leaving said east-west mid-section line, North 01°47'39" West, a distance of 55.00 feet, to a point on the northerly right-of-way line of Maryland Avenue, per document No. 03-1582963, M.C.R.;

**THENCE** continuing, North 01°47'39" West, a distance of 212.42 feet, to the **POINT OF BEGINNING**;

**THENCE** North 01°47'39" West, a distance of 6.54 feet, to a point of intersection with a non-tangent curve;

**THENCE** northerly along said curve, having a radius of 20.00 feet, concave easterly, whose radius bears North 88°01'45" East, through a central angle of 30°10'36", a distance of 10.53 feet, to the curve's end;

**THENCE** North 28°12'21" East, a distance of 111.45 feet, to the beginning of a curve;

**THENCE** northeasterly along said curve, having a radius of 80.00 feet, concave southeasterly, through a central angle of 60°00'00", a distance of 83.78 feet, to the curve's end;

**THENCE** North 88°12'21" East, a distance of 14.92 feet;

**THENCE** North 01°47'39" West, a distance of 372.30 feet;

**THENCE** North 88°12'21" East, a distance of 26.50 feet;

**THENCE** North 01°47'39" West, a distance of 186.39 feet, to a point on the southerly line of Coyote Boulevard, as recorded in Document 2005-18000413, M.C.R.;

**THENCE** along said southerly line, North 88°12'21" East, a distance of 36.50 feet, to a point on the westerly line of Parcel B of said Minor Land Division;

**THENCE** leaving said southerly line, along said westerly line, South 01°47'39" East, a distance of 186.34 feet, to the southwest corner of said Parcel B;

**THENCE** leaving said westerly line, along the southerly line of said Parcel B, North 88°12'21" East, a distance of 146.63 feet, to the southeast corner of said Parcel B and the easterly line of said Parcel A;

**THENCE** leaving said southerly line, along said easterly line and its southerly prolongation, South 01°47'39" East, a distance of 525.94 feet;

Parcel Description  
Maryland Avenue  
Proposed Parcel A-2

March 13, 2006  
WP # 011419.23  
Page 2 of 4  
See Exhibit "A"

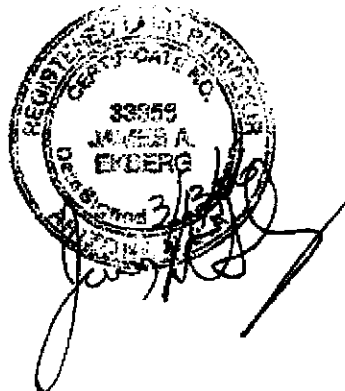
THENCE leaving said southerly prolongation, South 88°12'21" West, a distance of 352.23 feet, to the POINT OF BEGINNING.

Containing 3.0481 acres, or 132,775 square feet of land, more or less.

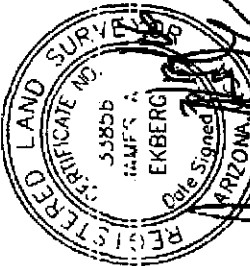
Subject to existing rights-of-way and easements.

This parcel description is based on the Minor Land Division Map of Dedication, of Maryland Avenue and 95<sup>th</sup> Avenue recorded in Book 795, page 23, M.C.R. and other client provided information. This parcel description is located within an area surveyed by Wood, Patel & Associates, Inc. during the month of August, 2003 and any monumentation noted in this parcel description is within acceptable tolerance (as defined in Arizona Boundary Survey Minimum Standards dated 02/14/2002) of said positions based on said survey.

Y:\WP\Parcel Descriptions\011419.23 Maryland Ave. Proposed Parcel A-2.doc



COYOTE BOULEVARD  
DOC. 05-1800413 M.C.R.



PARCEL "B"  
MINOR LAND DIVISION  
MARYLAND AND 95TH AVENUE  
BOOK 795, PAGE 23, M.C.R.

PARCEL "A"  
MINOR LAND DIVISION  
MARYLAND AND 95TH AVENUE  
BOOK 795, PAGE 23, M.C.R.

LOT 9  
FINAL PLAT WESTGATE  
BOOK 745, PAGE 14, M.C.R.

EX. 120' R.O.W.  
PER DOC.  
03-1582963,  
M.C.R.

95TH AVENUE

SW CORNER OF E 1/2 OF  
NW 1/4 OF SECTION 9,  
T.2N., R.1E.  
(NOTHING F.D. OR SET)

1013.12'  
S88°01'23"W 1320.00'  
BRASS CAP  
IN HAND HOLE

306.88'  
CENTER QUARTER  
CORNER OF SECTION 9, T.2N., R.1E.  
IRON PIPE  
POINT OF COMMENCEMENT

MARYLAND AVENUE

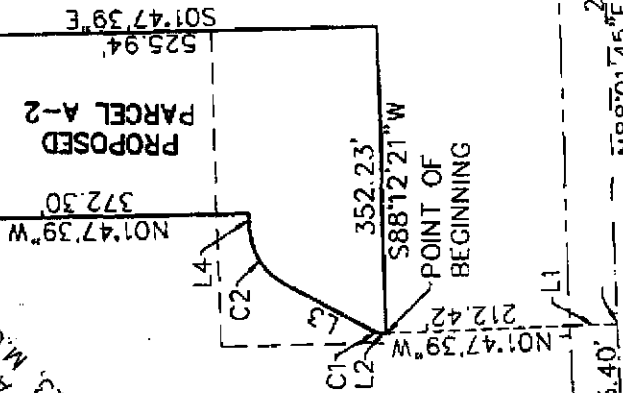
EXHIBIT "A"

MARYLAND AVENUE  
PROPOSED PARCEL A-2  
03-13-06

**WOOD/PATEL**  
2051 West Northern  
Phoenix, AZ 85021  
Phone: (602) 335-8500  
Fax: (602) 335-8580  
PHOENIX • MESA • TUCSON

WP# 011419.23  
PAGE 3 OF 4  
NOT TO SCALE

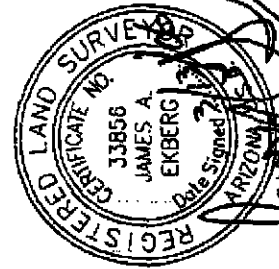
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LINE TABLE		
LINE	BEARING	DISTANCE
L1	N01°47'39"W	55.00'
L2	N01°47'39"W	6.54'
L3	N28°12'21"E	111.45'
L4	N88°12'21"E	14.92'
L5	N88°12'21"E	26.50'
L6	N01°47'39"W	186.86'
L7	N88°12'21"E	36.50'
L8	S01°47'39"E	186.34'
L9	N88°12'21"E	146.63'

CURVE TABLE			
CURVE	DELTA	RADIUS	ARC
C1	30°10'36"	20.00'	10.53'
C2	60°00'00"	80.00'	83.78'

**WOOD/PATEL**  
 2051 West Northern  
 Phoenix, AZ 85021  
 Phone: (602) 335-8500  
 Fax: (602) 335-8580  
 PHOENIX • MESA • TUCSON



**EXHIBIT "A"**

MARYLAND AVENUE  
 PROPOSED PARCEL A--2  
 03-13-06  
 WP# 011419.23  
 PAGE 4 OF 4  
 NOT TO SCALE

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Wood, Patel & Associates, Inc.  
(602) 335-8500  
www.woodpatel.com

March 13, 2006  
WP# 011419.23  
Page 1 of 4  
See Exhibit "A"

**PARCEL DESCRIPTION**  
**Maryland Avenue**  
**Proposed Parcel A-3**

A portion of Parcel A of Maryland Avenue and 95<sup>th</sup> Avenue, as shown on the Minor Land Division, recorded in Book 795, page 23, Maricopa County Records (M.C.R.), and a portion of Lot 9 of Westgate, as shown on the Final Plat, recorded in Book 745, page 14, M.C.R., lying within Section 9, Township 2 North, Range 1 East, of the Gila and Salt River Meridian, Maricopa County, Arizona, more particularly described as follows:

Commencing at the center quarter corner of said Section 9, an iron pipe, from which the east quarter corner of said Section 9, a brass cap, bears North 88°01'45" East (basis of bearing), a distance of 2644.84 feet;

**THENCE** along the east-west mid-section line of said section, South 88°01'23" West, a distance of 221.70 feet;

**THENCE** leaving said east-west mid-section line, North 01°58'38" West, a distance of 55.00 feet, to a point on the northerly right-of-way line of Maryland Avenue, per document No. 03-1582963, M.C.R., and also the **POINT OF BEGINNING**;

**THENCE** along said northerly right-of-way line, North 46°53'09" West, a distance of 35.30 feet, to the easterly right-of-way line of 95<sup>th</sup> Avenue, per said document;

**THENCE** leaving said northerly right-of-way line, along said easterly right-of-way line, North 01°47'39" West, a distance of 637.18 feet;

**THENCE** leaving said easterly right-of-way line, North 88°12'21" East, a distance of 121.47 feet;

**THENCE** North 43°12'21" East, a distance of 35.00 feet;

**THENCE** South 46°47'39" East, a distance of 47.50 feet;

**THENCE** North 43°12'21" East, a distance of 9.40 feet;

**THENCE** South 46°47'39" East, a distance of 24.50 feet;

**THENCE** North 89°08'37" East, a distance of 5.09 feet;

**THENCE** North 88°12'21" East, a distance of 124.80 feet;

**THENCE** South 01°47'39" East, a distance of 32.33 feet;

**THENCE** North 88°12'21" East, a distance of 83.42 feet;

**THENCE** South 01°47'39" East, a distance of 30.69 feet;

**THENCE** North 88°12'21" East, a distance of 39.75 feet;

**THENCE** South 01°47'39" East, a distance of 136.82 feet;

**THENCE** North 88°10'25" East, a distance of 68.04 feet;

**THENCE** South 01°47'39" East, a distance of 76.04 feet;

**THENCE** South 88°12'21" West, a distance of 14.92 feet, to the beginning of a curve;

**THENCE** southwesterly along said curve, having a radius of 80.00 feet, concave southeasterly, through a central angle of 60°00'00", a distance of 83.78 feet, to the curve's end;

**THENCE** South 28°12'21" West, a distance of 111.45 feet, to the beginning of a curve;



Parcel Description  
Maryland Avenue  
Proposed Parcel A-3

March 13, 2006  
WP# 011419.23  
Page 2 of 4  
See Exhibit "A"

THENCE southerly along said curve, having a radius of 20.00 feet, concave easterly, through a central angle of  $30^{\circ}10'36''$ , a distance of 10.53 feet, to a point of intersection with a non-tangent line;  
THENCE South  $01^{\circ}47'39''$  East, a distance of 218.96 feet, to the northerly right-of-way line of said Maryland Avenue;  
THENCE along said northerly right-of-way line, South  $88^{\circ}01'45''$  West, a distance of 39.98 feet;  
THENCE leaving said northerly right-of-way line, North  $01^{\circ}47'39''$  West, a distance of 239.35 feet, to a point of intersection with a non-tangent curve;  
THENCE northeasterly along said curve, having a radius of 15.00 feet, concave northwesterly, whose radius bears North  $31^{\circ}31'25''$  West, through a central angle of  $30^{\circ}16'15''$ , a distance of 7.92 feet, to a point of intersection with a non-tangent line;  
THENCE North  $28^{\circ}18'42''$  East, a distance of 124.97 feet;  
THENCE North  $58^{\circ}14'17''$  West, a distance of 11.68 feet;  
THENCE North  $61^{\circ}47'24''$  West, a distance of 10.88 feet;  
THENCE North  $28^{\circ}12'36''$  East, a distance of 10.50 feet;  
THENCE North  $61^{\circ}47'24''$  West, a distance of 30.29 feet;  
THENCE South  $28^{\circ}12'36''$  West, a distance of 5.00 feet;  
THENCE North  $61^{\circ}47'24''$  West, a distance of 5.63 feet;  
THENCE North  $01^{\circ}47'24''$  West, a distance of 2.68 feet;  
THENCE South  $88^{\circ}12'36''$  West, a distance of 23.09 feet;  
THENCE South  $01^{\circ}47'24''$  East, a distance of 0.58 feet;  
THENCE South  $88^{\circ}12'36''$  West, a distance of 18.33 feet;  
THENCE South  $01^{\circ}47'24''$  East, a distance of 24.72 feet;  
THENCE South  $88^{\circ}12'36''$  West, a distance of 36.83 feet;  
THENCE South  $01^{\circ}47'24''$  East, a distance of 10.00 feet;  
THENCE South  $88^{\circ}12'36''$  West, a distance of 9.04 feet;  
THENCE South  $01^{\circ}47'39''$  East, a distance of 117.62 feet;  
THENCE South  $88^{\circ}12'21''$  West, a distance of 17.73 feet;  
THENCE South  $01^{\circ}47'39''$  East, a distance of 237.64 feet, to a point on the northerly right-of-way line of said Maryland Avenue;  
THENCE along said northerly right-of-way line, South  $88^{\circ}01'23''$  West, a distance of 233.00 feet, to the POINT OF BEGINNING.

1 Containing 5.5402 acres, or 241,330 square feet of land, more or less.

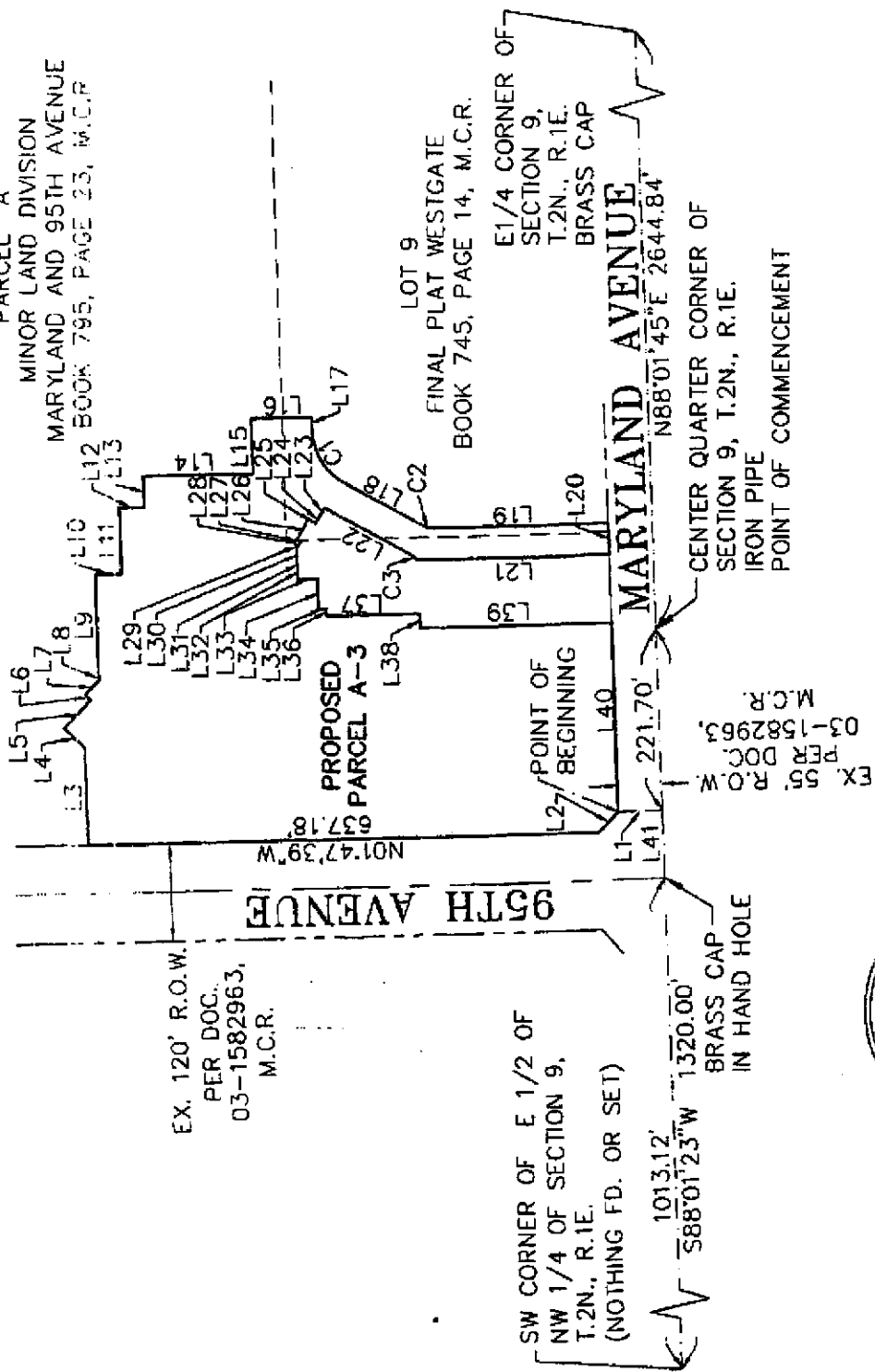
Subject to existing rights-of-way and easements.

This parcel description is based on the Minor Land Division Map of Dedication, of Maryland Avenue and 95<sup>th</sup> Avenue recorded in Book 795, page 23, M.C.R. and other client provided information. This parcel description is located within an area surveyed by Wood, Patel & Associates, Inc. during the month of August, 2003 and any monumentation noted in this parcel description is within acceptable tolerance (as defined in Arizona Boundary Survey Minimum Standards dated 02/14/2002) of said positions based on said survey.

Y:\WP\Parcel Descriptions\011419.23 Maryland Ave. Proposed Parcel A-3.doc



PARCEL "A"  
 MINOR LAND DIVISION  
 MARYLAND AND 95TH AVENUE  
 BOOK 795, PAGE 23, M.C.R.

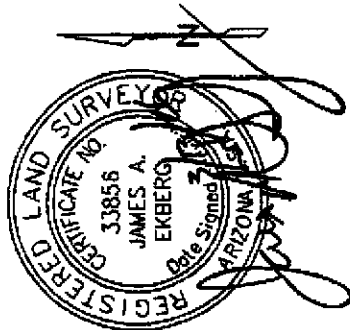


EX. 120' R.O.W.  
 PER DOC.  
 03-1582963,  
 M.C.R.

SW CORNER OF E 1/2 OF  
 NW 1/4 OF SECTION 9,  
 T.2N., R.1E.  
 (NOTHING FD. OR SET)

1013.12'  
 S88°01'23"W 1320.00'  
 BRASS CAP  
 IN HAND HOLE

EX. 55' R.O.W.  
 PER DOC.  
 03-1582963,  
 M.C.R.



**WOOD/PATEL**  
 2051 West Northern  
 Phoenix, AZ 85021  
 Phone: (602) 335-8500  
 Fax: (602) 335-8580  
 PHOENIX • MESA • TUCSON

**EXHIBIT "A"**

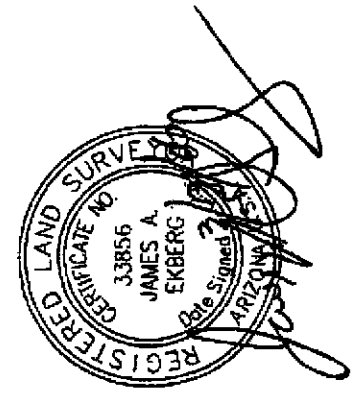
MARYLAND AVENUE  
 PROPOSED PARCEL A-3  
 03-13-06  
 WP# 011419.23  
 PAGE 3 OF 4  
 NOT TO SCALE

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LINE TABLE		
LINE	BEARING	DISTANCE
L1	N01°58'38"W	55.00'
L2	N46°53'09"W	35.30'
L3	N88°12'21"E	121.47'
L4	N43°12'21"E	35.00'
L5	S46°47'39"E	47.50'
L6	N43°12'21"E	9.40'
L7	S46°47'39"E	24.50'
L8	N89°08'37"E	5.09'
L9	N88°12'21"E	124.80'
L10	S01°47'39"E	32.33'
L11	N88°12'21"E	83.42'
L12	S01°47'39"E	30.69'
L13	N88°12'21"E	39.75'
L14	S01°47'39"E	136.82'
L15	N88°10'25"E	68.04'
L16	S01°47'39"E	76.04'
L17	S88°12'21"W	14.92'
L18	S28°12'21"W	111.45'
L19	S01°47'39"E	218.96'
L20	S88°01'45"W	39.98'
L21	N01°47'39"W	239.35'
L22	N28°18'42"E	124.97'
L23	N58°14'17"W	11.68'
L24	N61°47'24"W	10.88'

LINE TABLE		
LINE	BEARING	DISTANCE
L25	N28°12'36"F	10.50'
L26	N61°47'24"W	30.29'
L27	S28°12'36"W	5.00'
L28	N61°47'24"W	5.63'
L29	N01°47'24"W	2.68'
L30	S88°12'36"W	23.09'
L31	S01°47'24"E	0.58'
L32	S88°12'36"W	18.33'
L33	S01°47'24"E	24.72'
L34	S88°12'36"W	36.83'
L35	S01°47'24"E	10.00'
L36	S88°12'36"W	9.04'
L37	S01°47'39"E	117.62'
L38	S88°12'21"W	17.73'
L39	S01°47'39"E	237.64'
L40	S88°01'23"W	233.00'
L41	S88°01'22"W	85.18'

CURVE TABLE			
CURVE	DELTA	RADIUS	ARC
C1	60°00'00"	80.00'	83.78'
C2	30°10'36"	20.00'	10.53'
C3	30°16'15"	15.00'	7.92'



**WOOD/PATEL**  
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 PHOENIX • MESA • TUCSON

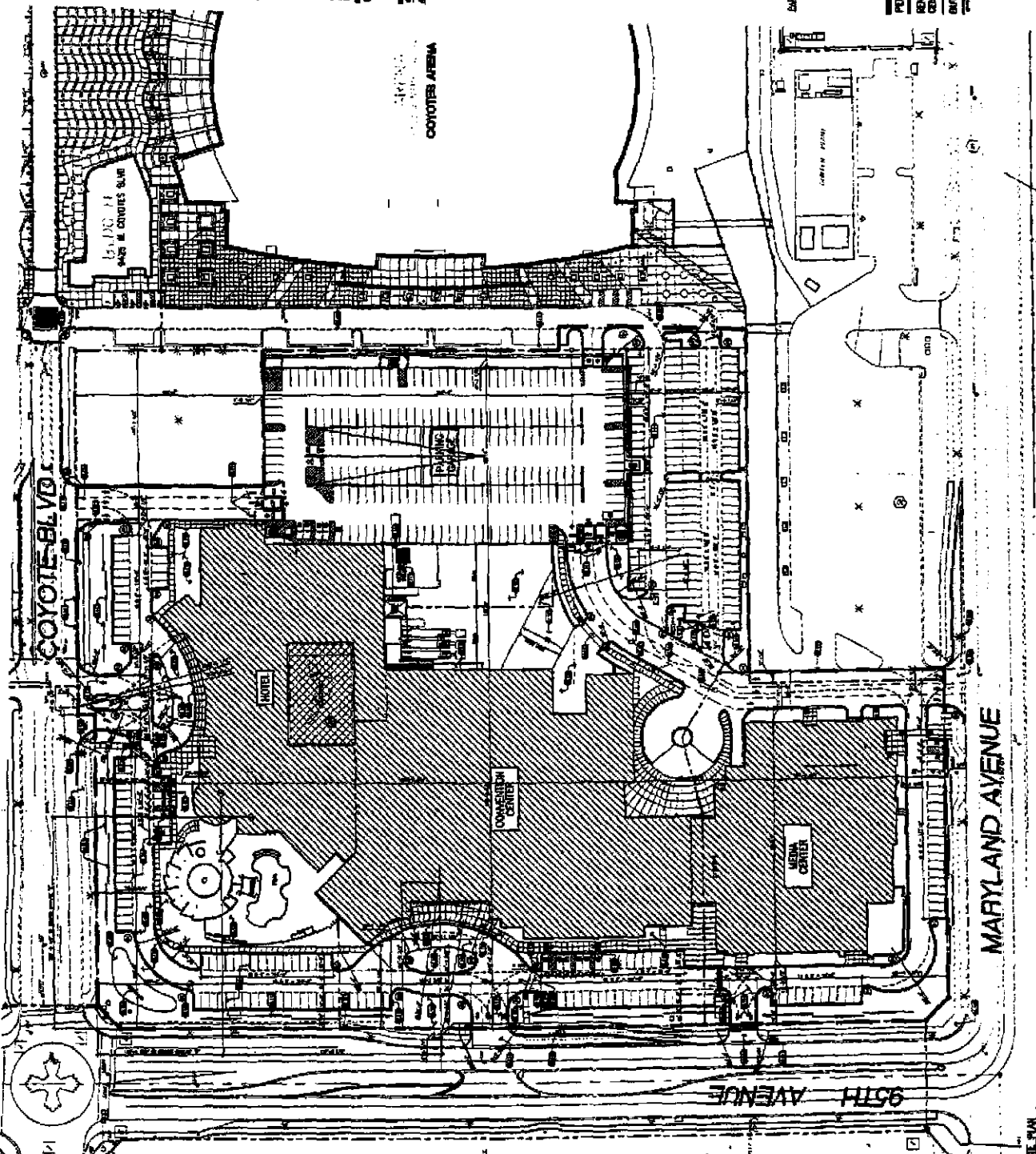
**EXHIBIT "A"**

MARYLAND AVENUE  
 PROPOSED PARCEL A-3  
 03-13-06  
 WP# 011419.23  
 PAGE 4 OF 4  
 NOT TO SCALE  
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Exhibit B  
(to Memorandum of Lease)

Managed Property – Depiction

[attached]



**NOTES**  
 1. SEE SHEET 1 FOR GENERAL NOTES.  
 2. SEE SHEET 2 FOR CONSTRUCTION NOTES.  
 3. SEE SHEET 3 FOR ELECTRICAL NOTES.  
 4. SEE SHEET 4 FOR MECHANICAL NOTES.  
 5. SEE SHEET 5 FOR PLUMBING NOTES.  
 6. SEE SHEET 6 FOR FINISHES NOTES.  
 7. SEE SHEET 7 FOR STRUCTURAL NOTES.  
 8. SEE SHEET 8 FOR LANDSCAPE NOTES.  
 9. SEE SHEET 9 FOR SITE WORK NOTES.  
 10. SEE SHEET 10 FOR UTILITY NOTES.  
 11. SEE SHEET 11 FOR SPECIAL NOTES.  
 12. SEE SHEET 12 FOR DIMENSIONS NOTES.  
 13. SEE SHEET 13 FOR MATERIALS NOTES.  
 14. SEE SHEET 14 FOR SCHEDULES NOTES.  
 15. SEE SHEET 15 FOR LEGEND NOTES.  
 16. SEE SHEET 16 FOR GENERAL NOTES.  
 17. SEE SHEET 17 FOR CONSTRUCTION NOTES.  
 18. SEE SHEET 18 FOR ELECTRICAL NOTES.  
 19. SEE SHEET 19 FOR MECHANICAL NOTES.  
 20. SEE SHEET 20 FOR PLUMBING NOTES.  
 21. SEE SHEET 21 FOR FINISHES NOTES.  
 22. SEE SHEET 22 FOR STRUCTURAL NOTES.  
 23. SEE SHEET 23 FOR LANDSCAPE NOTES.  
 24. SEE SHEET 24 FOR SITE WORK NOTES.  
 25. SEE SHEET 25 FOR UTILITY NOTES.  
 26. SEE SHEET 26 FOR SPECIAL NOTES.  
 27. SEE SHEET 27 FOR DIMENSIONS NOTES.  
 28. SEE SHEET 28 FOR MATERIALS NOTES.  
 29. SEE SHEET 29 FOR SCHEDULES NOTES.  
 30. SEE SHEET 30 FOR LEGEND NOTES.

**LEGEND**

Symbol 1	Symbol 2	Symbol 3	Symbol 4
Symbol 5	Symbol 6	Symbol 7	Symbol 8
Symbol 9	Symbol 10	Symbol 11	Symbol 12
Symbol 13	Symbol 14	Symbol 15	Symbol 16
Symbol 17	Symbol 18	Symbol 19	Symbol 20
Symbol 21	Symbol 22	Symbol 23	Symbol 24
Symbol 25	Symbol 26	Symbol 27	Symbol 28
Symbol 29	Symbol 30	Symbol 31	Symbol 32
Symbol 33	Symbol 34	Symbol 35	Symbol 36
Symbol 37	Symbol 38	Symbol 39	Symbol 40

**GENERAL NOTES**

**SITE & BUILDING DATA**

APPROX. AREA	10,000 SQ. FT.
TOTAL SITE AREA	10,000 SQ. FT.
NET AREA	10,000 SQ. FT.
CONVENTION CENTER	10,000 SQ. FT.
MEETING CENTER	10,000 SQ. FT.
MEET ROOM	10,000 SQ. FT.
PARKING	10,000 SQ. FT.
LANDSCAPE	10,000 SQ. FT.
UTILITY	10,000 SQ. FT.
SPECIAL	10,000 SQ. FT.
DIMENSIONS	10,000 SQ. FT.
MATERIALS	10,000 SQ. FT.
SCHEDULES	10,000 SQ. FT.
LEGEND	10,000 SQ. FT.
GENERAL NOTES	10,000 SQ. FT.
SITE & BUILDING DATA	10,000 SQ. FT.
APPROX. AREA	10,000 SQ. FT.
TOTAL SITE AREA	10,000 SQ. FT.
NET AREA	10,000 SQ. FT.
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DIMENSIONS	10,000 SQ. FT.
MATERIALS	10,000 SQ. FT.
SCHEDULES	10,000 SQ. FT.
LEGEND	10,000 SQ. FT.
GENERAL NOTES	10,000 SQ. FT.
SITE & BUILDING DATA	10,000 SQ. FT.

**CONVENTION CENTER**

**MEETING CENTER**

**MEET ROOM**

**PARKING**

**LANDSCAPE**

**UTILITY**

**SPECIAL**

**DIMENSIONS**

**MATERIALS**

**SCHEDULES**

**LEGEND**

**CR1.2**

FOR PROVISIONAL USE ONLY

**Exhibit E**

**Termination of Memorandum of Lease**

[attached]

WHEN RECORDED, RETURN TO:

City Attorney, City of Glendale  
Glendale City Hall  
5850 West Glendale Avenue  
Glendale, Arizona 85301

TERMINATION OF MEMORANDUM OF LEASE

BY THIS TERMINATION OF MEMORANDUM OF LEASE (this "Termination"), entered into as of the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, by and between the CITY OF GLENDALE, ARIZONA ("Lessor") and JQH - GLENDALE, AZ DEVELOPMENT, LLC, a Missouri limited liability company ("Lessee"), the parties declare and agree as follows:

The parties recorded that certain Memorandum of Lease dated \_\_\_\_\_, 200\_\_ and recorded on \_\_\_\_\_, 200\_\_ as Instrument No. 200\_\_\_\_\_, in the official records of Maricopa County, Arizona (the "Memorandum"), for the purpose of providing constructive notice to the public of that certain Lease dated \_\_\_\_\_, 200\_\_ among Lessor and Lessee.

All of the conditions under the Lease to the recordation of this Termination have occurred.

In consideration of the mutual covenants and agreements contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereby record this Termination to evidence the termination of record of the Memorandum.

[SIGNATURES APPEAR ON THE FOLLOWING PAGE]

WITNESS WHEREOF, the Parties have executed and delivered this Termination as of the date first set forth above.

**LESSEE:**

JQH – GLENDALE, AZ DEVELOPMENT, LLC,  
a Missouri limited liability company

By: John Q. Hammons Hotels Development,  
LLC, Its sole member

By: John Q. Hammons Revocable Trust  
dated December 28, 1989, as Amended  
and Restated, Its sole member

By: \_\_\_\_\_  
John Q. Hammons  
Its: Trustee

**LESSOR:**

CITY OF GLENDALE, ARIZONA

\_\_\_\_\_  
Ed Beasley  
City Manager

Approved as to Form:

\_\_\_\_\_  
Craig D. Tindall, City Attorney

Attested:

\_\_\_\_\_  
City Clerk

**[NOTARY SIGNATURES CONTINUE ON THE FOLLOWING PAGE]**



STATE OF MISSOURI     )  
                                  )  
COUNTY OF GREENE    )     ss

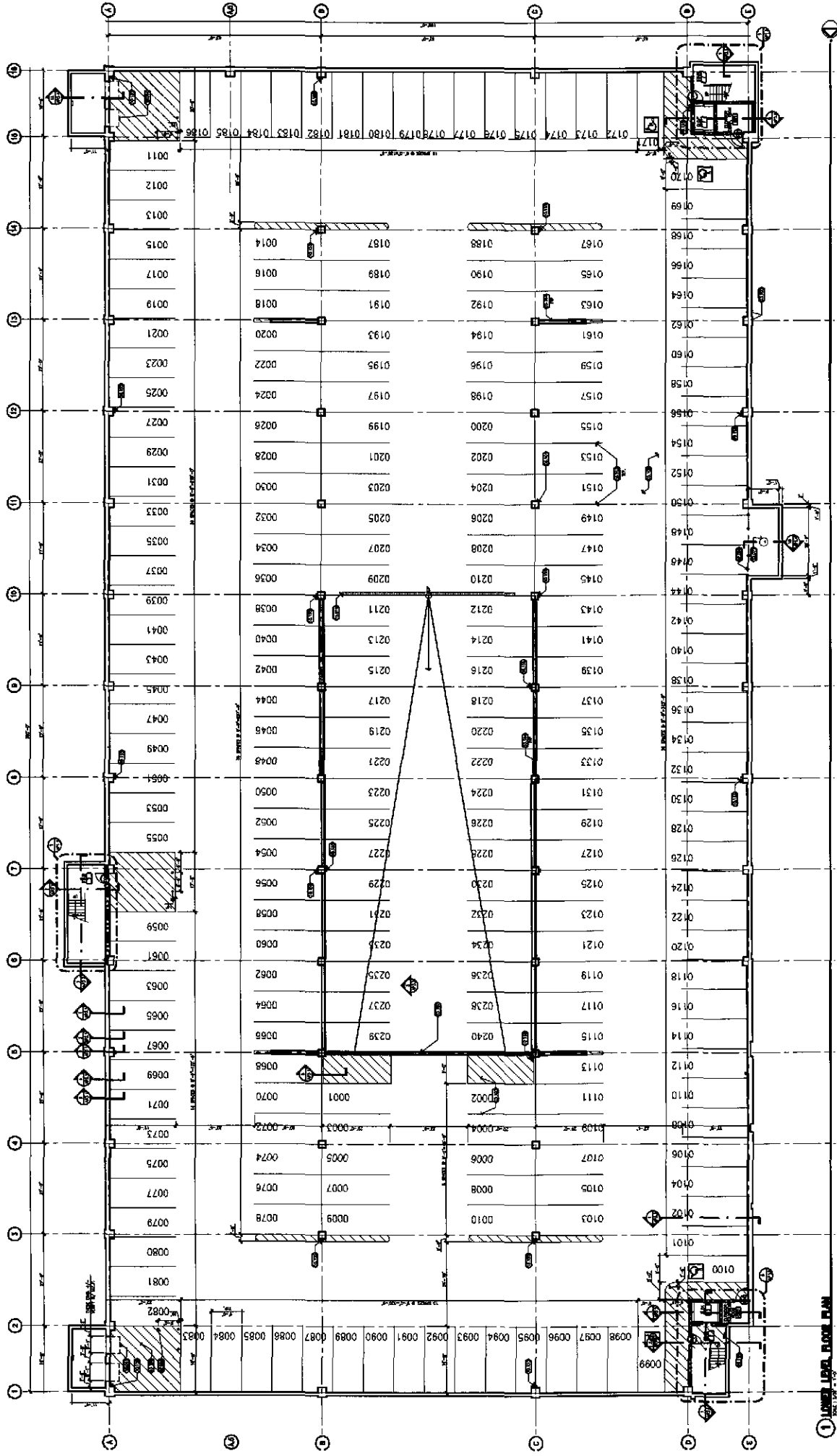
This instrument was acknowledged before me on the \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, by John Q. Hammons, Trustee of the John Q. Hammons Revocable Trust Dated December 28, 1989, as Amended and Restated, the Sole Member of John Q. Hammons Hotels Development, LLC, the Sole Member of JQH – Glendale, AZ Development, LLC, on behalf of thereof.

\_\_\_\_\_  
Notary Public, State of Missouri

My Commission Expires:  
\_\_\_\_\_

**Exhibit F**

**Hotel Parking Spaces**

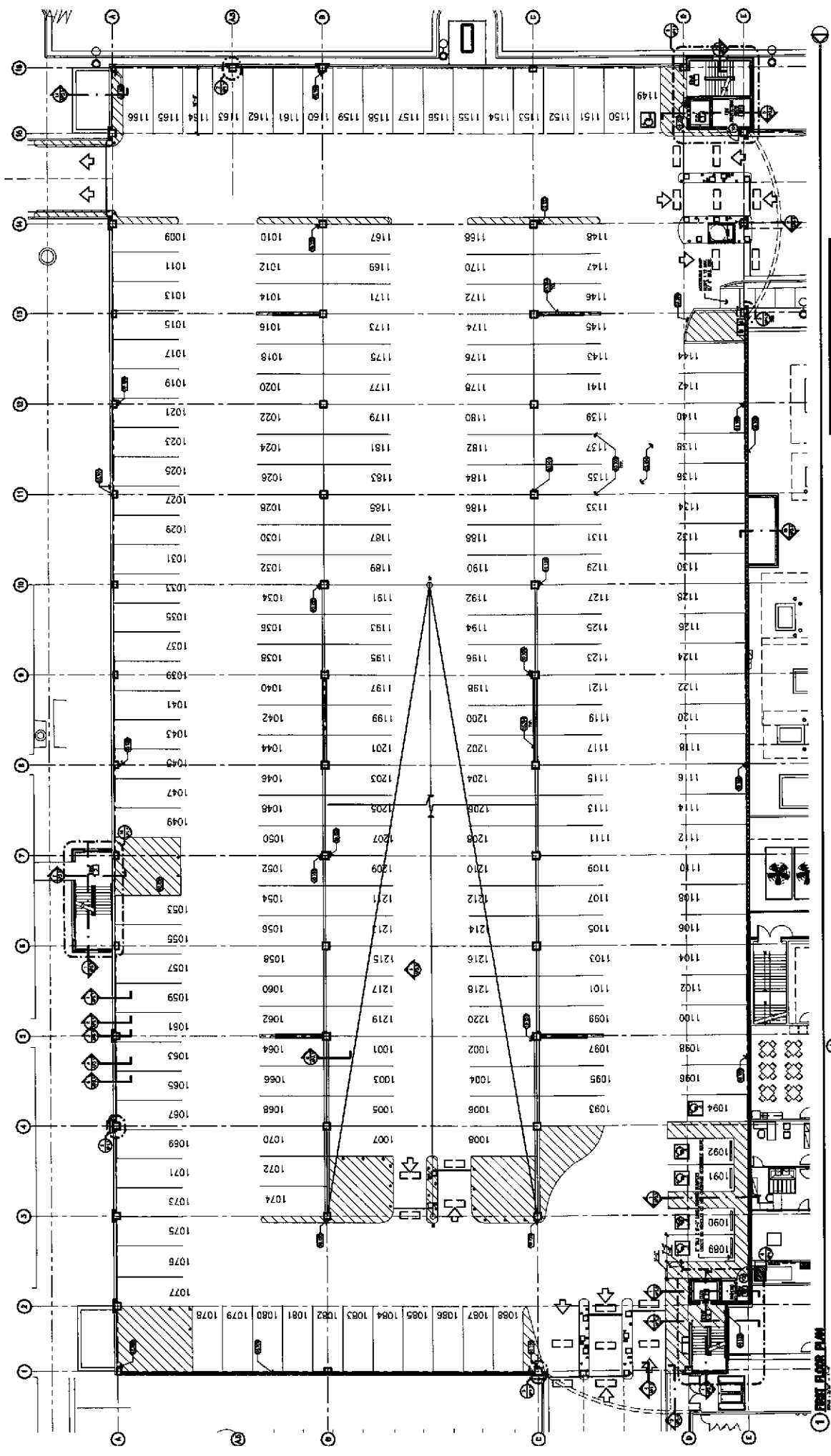


**LOWER LEVEL FLOOR PLAN**  
**PARKING GARAGE - GLENDALE, ARIZONA**  
**BUTLER, ROSEBURY & PARTNERS, INC.**  
 PROJECT: PARKING GARAGE  
 DATE: 11/10/00  
 DRAWN BY: J. ROSEBURY  
 CHECKED BY: J. BUTLER  
 SCALE: AS SHOWN

**NOTES:**  
 1. SEE GENERAL NOTES TO THESE PLANS.  
 2. SEE SPECIFICATIONS TO THESE PLANS.  
 3. SEE CIVIL ENGINEER'S PLAN FOR UTILITY LOCATIONS.  
 4. SEE MECHANICAL ENGINEER'S PLAN FOR MECHANICAL ROOMS.  
 5. SEE ELECTRICAL ENGINEER'S PLAN FOR ELECTRICAL ROOMS.  
 6. SEE STRUCTURAL ENGINEER'S PLAN FOR STRUCTURAL DETAILS.  
 7. SEE ARCHITECT'S PLAN FOR FINISHES.  
 8. SEE LANDSCAPE ARCHITECT'S PLAN FOR LANDSCAPE DETAILS.  
 9. SEE INTERIOR DESIGNER'S PLAN FOR INTERIOR DETAILS.  
 10. SEE ALL APPLICABLE CODES AND REGULATIONS.

**AP1.1**

**EXHIBIT F**  
 Page 1 of 2



**FIRST FLOOR PLAN**

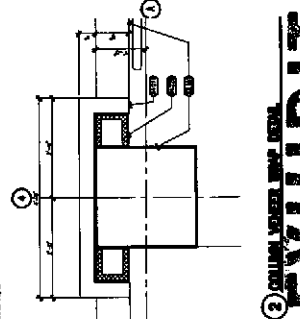
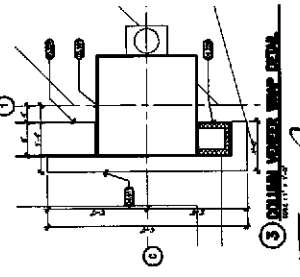
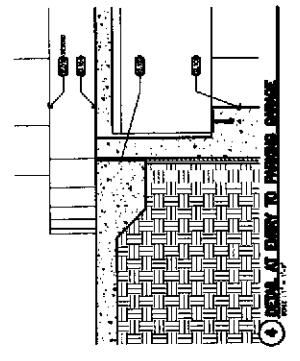
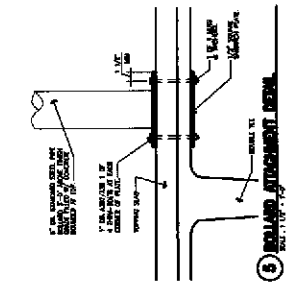
PARKING GARAGE - GLENDALE, ARIZONA

BUTLER, ROSEBURY & PARTNERS, INC.

DATE: 11/11/77  
 DRAWN BY: J. L. WILSON  
 CHECKED BY: J. L. WILSON  
 PROJECT NO. 77-001

AP1.2

- REMARKS**
- 1. SEE SHEET 77-001 FOR THE FIRST FLOOR PLAN OF THIS GARAGE.
  - 2. THIS GARAGE IS TO BE BUILT ON THE EXISTING CONCRETE SLAB ON GRADE.
  - 3. ALL WALLS AND PARTITIONS ARE TO BE CONCRETE.
  - 4. ALL FLOOR FINISHES ARE TO BE CONCRETE.
  - 5. ALL CEILING FINISHES ARE TO BE CONCRETE.
  - 6. ALL MECHANICAL AND ELECTRICAL SERVICES ARE TO BE INSTALLED IN ACCORDANCE WITH THE 1977 ARIZONA MECHANICAL AND ELECTRICAL CODES.
  - 7. ALL DIMENSIONS ARE TO FACE UNLESS OTHERWISE NOTED.
  - 8. ALL FINISHES ARE TO BE AS SHOWN ON THE FINISH SCHEDULE.
  - 9. ALL MATERIALS ARE TO BE OF THE HIGHEST QUALITY AVAILABLE.
  - 10. ALL WORK IS TO BE DONE IN ACCORDANCE WITH THE 1977 ARIZONA BUILDING CODE.

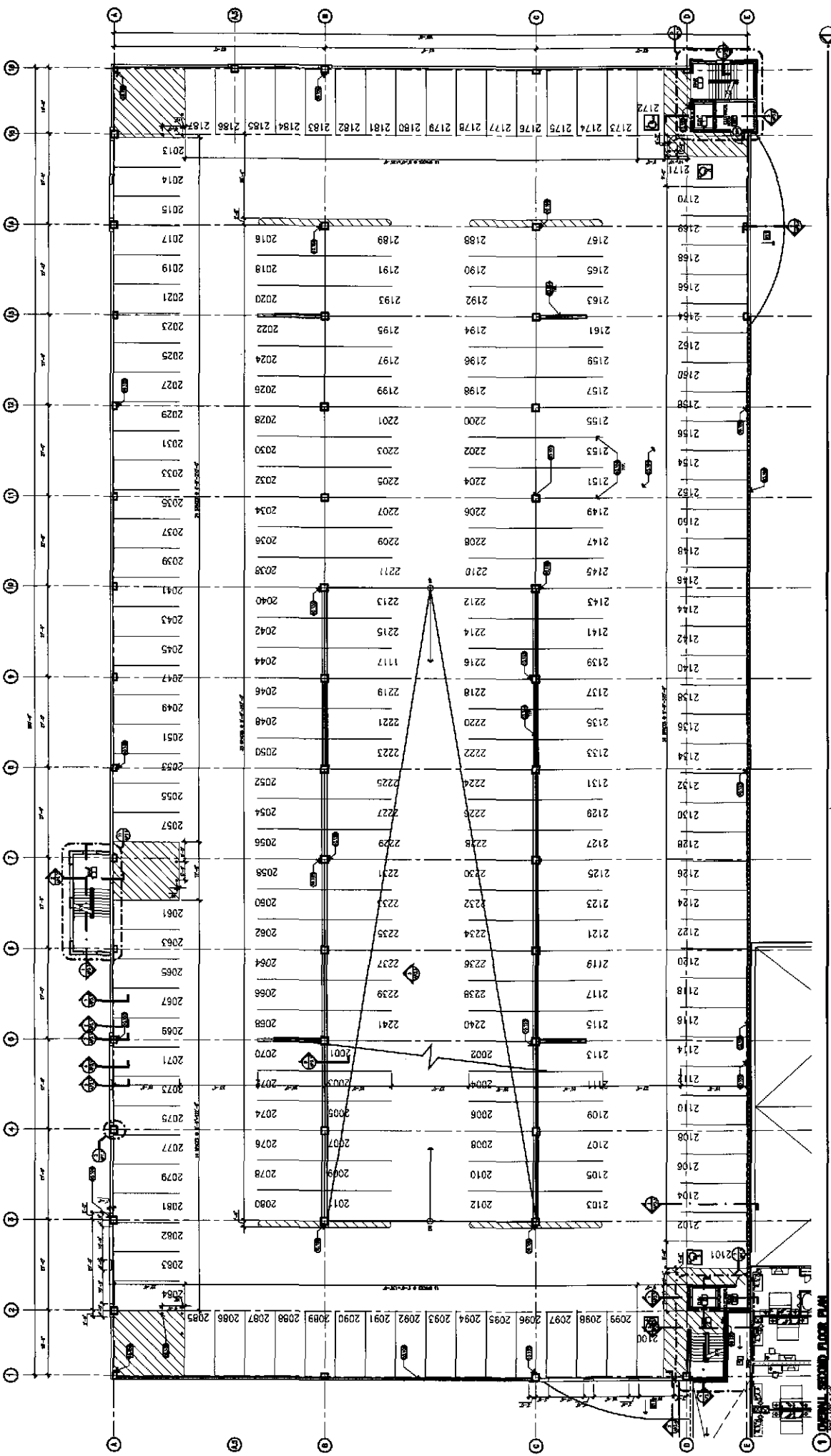


*Page 2 of 2*

**EXHIBIT F**

**Exhibit G**

**Arena Parking Spaces**

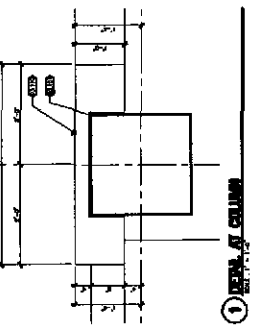


**PARKING GARAGE - SECOND FLOOR PLAN**  
**PARKING GARAGE - GLENDALE, ARIZONA**  
**BUTLER, ROSENBERG & PARTNERS, INC.**  
 11111 N. GLENDALE AVENUE, SUITE 100  
 GLENDALE, ARIZONA 85305  
 PHONE: 602-841-1111  
 FAX: 602-841-1122  
 WWW.BRPA.COM

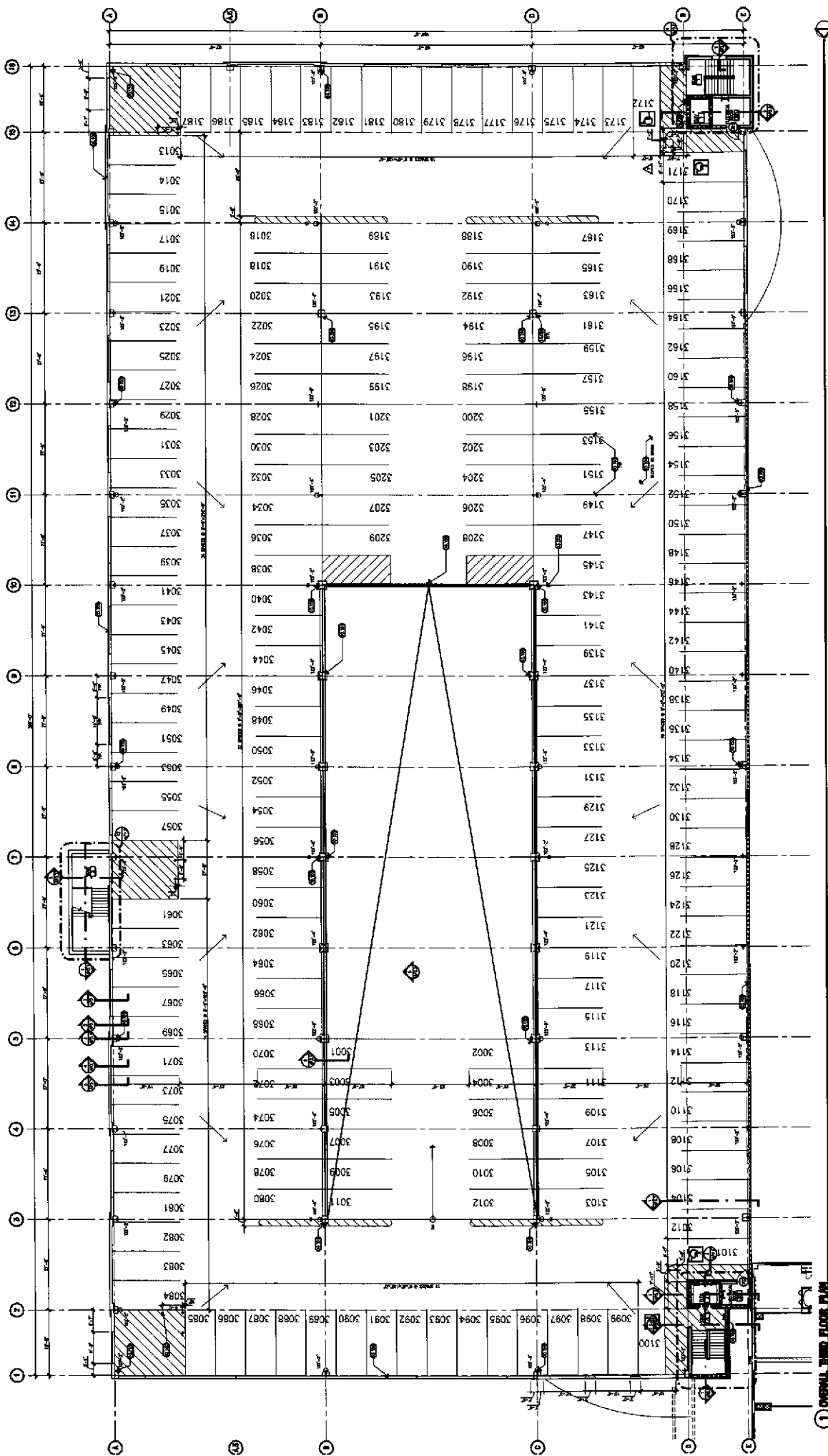
**AP1.3**

**NOTES:**  
 1. ALL DIMENSIONS ARE IN FEET AND INCHES.  
 2. ALL DIMENSIONS ARE TO FACE UNLESS NOTED OTHERWISE.  
 3. ALL DIMENSIONS ARE TO CENTERLINE UNLESS NOTED OTHERWISE.  
 4. ALL DIMENSIONS ARE TO THE CENTERLINE OF THE MEMBER UNLESS NOTED OTHERWISE.  
 5. ALL DIMENSIONS ARE TO THE CENTERLINE OF THE MEMBER UNLESS NOTED OTHERWISE.  
 6. ALL DIMENSIONS ARE TO THE CENTERLINE OF THE MEMBER UNLESS NOTED OTHERWISE.  
 7. ALL DIMENSIONS ARE TO THE CENTERLINE OF THE MEMBER UNLESS NOTED OTHERWISE.  
 8. ALL DIMENSIONS ARE TO THE CENTERLINE OF THE MEMBER UNLESS NOTED OTHERWISE.  
 9. ALL DIMENSIONS ARE TO THE CENTERLINE OF THE MEMBER UNLESS NOTED OTHERWISE.  
 10. ALL DIMENSIONS ARE TO THE CENTERLINE OF THE MEMBER UNLESS NOTED OTHERWISE.

**ROOF TYPES:**  
 1. ALL ROOF TYPES ARE TO BE AS SHOWN.  
 2. ALL ROOF TYPES ARE TO BE AS SHOWN.  
 3. ALL ROOF TYPES ARE TO BE AS SHOWN.  
 4. ALL ROOF TYPES ARE TO BE AS SHOWN.  
 5. ALL ROOF TYPES ARE TO BE AS SHOWN.  
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 8. ALL ROOF TYPES ARE TO BE AS SHOWN.  
 9. ALL ROOF TYPES ARE TO BE AS SHOWN.  
 10. ALL ROOF TYPES ARE TO BE AS SHOWN.



**EXHIBIT** *G*  
*Page 1 of 2*



**THIRD FLOOR PLAN**  
**PARKING GARAGE - GLENDALE, ARIZONA**  
**BUTLER, ROSEBURY & PARTNERS, INC.**  
 ARCHITECTS  
 1000 N. CENTRAL AVENUE, SUITE 100  
 GLENDALE, ARIZONA 85301  
 TEL: (602) 341-1111  
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**EXHIBIT 6**  
 Page 2 of 2

**AP1.4**

**1. ORIGINAL THIRD FLOOR PLAN**