02-0070

53548

EXECUTION COPY

GROUND LEASE

by and between

CITY OF HOUSTON, TEXAS
as Landlord,

and

HARRIS COUNTY-HOUSTON SPORTS AUTHORITY,
as Tenant

Houston, Harris County, Texas

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GROUND LEASE

This GROUND LEASE (this "Agreement") is made and entered into as of the 31st day of December, 2001 (the "Effective Date"), by and between the CITY OF HOUSTON, TEXAS, a home-rule city organized under the laws of the State of Texas ("Landlord" or the "City"), and HARRIS COUNTY-HOUSTON SPORTS AUTHORITY, a sports and community venue district created under Chapter 335 of the Texas Local Government Code ("Tenant" or the "Sports Authority"). Tenant and Landlord are referred to herein collectively as the "Parties" and individually as a "Party."

RECITALS

A. The City and the Sports Authority have entered into an Interlocal Arena Development Agreement dated September 13, 2000 and an Interlocal Arena Development Agreement dated December 20, 2000 (collectively, the "Interlocal Agreements"), setting forth certain agreements regarding the development of a multipurpose sports and entertainment facility (the "Arena"), including acquisition and preparation of the Arena Site (as hereinafter defined).

B. The Interlocal Agreements modify and supplement certain terms and conditions set forth in that certain Letter Agreement dated August 3, 2000 (the "Letter Agreement"), by and between the Sports Authority and ROCKET BALL, LTD., a Texas limited partnership, which currently owns and operates the Houston Rockets franchise issued by the NBA (the "NBA Team" or the "Rockets"), which Letter Agreement sets forth the basic understanding of the Sports Authority and the NBA Team with respect to the development of the Arena and certain related facilities.

C. This Agreement is the ground lease contemplated by, and the premises described on Exhibit A-1 attached hereto and made a part hereof and depicted on Exhibit A-2 attached hereto and made a part hereof (the "Site"; the Site, together with all subsurface rights, air rights, air space and appurtenances associated therewith, collectively being the "Arena Site"), which is being demised to Tenant hereunder, is the Arena Site referenced in, the Interlocal Agreements and the Letter Agreement.

D. Tenant intends to construct the Arena and certain related improvements on the Arena Site in accordance with the terms of that certain Project Agreement of even date herewith, by and between Tenant and the NBA Team, as the same may be amended, supplemented, modified, renewed or extended from time to time (the "Project Agreement").

E. As contemplated by the Interlocal Agreements and the Letter Agreement, Landlord acknowledges that, upon completion of the Arena in accordance with the terms of the Project Agreement, Tenant intends to lease, sublease and license (as applicable) to the NBA Team, (i) pursuant to the terms of that certain Arena Lease, Sublease, License and Management Agreement of even date herewith (a copy of which is attached as Exhibit B hereto and made a part hereof for all purposes), as the same may be amended, supplemented, modified, renewed or extended from time to time (the "Arena Lease"), the Arena and certain related tangible and intangible personal property, equipment and other rights associated with the ownership, use and/or enjoyment of the Arena, and (ii) pursuant to the terms that certain Parking Lease

Agreement of even date herewith (a copy of which is attached as Exhibit C hereto and made a part hereof for all purposes), as the same may be amended, supplemented, modified, renewed or extended from time to time (the "Parking Lease"), certain parking and other rights with respect to the Parking Garage (as such term is defined in the Parking Lease and in the Arena Lease).

AGREEMENTS

For and in consideration of the respective covenants and agreements of Landlord and Tenant set forth herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by Landlord and Tenant, Landlord and Tenant do hereby agree as follows:

ARTICLE 1

DEFINITIONS

Section 1.1 Certain Definitions. The following terms shall have the meaning set forth below in this Section 1.1:

(a) Act. Chapter 335, Texas Local Government Code.

(b) Arena. The multipurpose sports and entertainment facility, as more fully described in the Project Agreement, which Tenant intends to construct on the Arena Site in accordance with the Project Agreement and the Arena Lease, and which shall include the Arena Site and the Arena Improvements (as defined in the Arena Lease).

(c) Arena Project. The Arena, Parking Garage, Loading Dock (as defined in the Arena Lease), Enclosed Access (as defined in the Arena Lease) and all other Improvements and other facilities constructed in connection with the Arena.

(d) AV Taxes. Any and all property and ad valorem taxes assessed against the Leased Premises or Tenant's interest therein, but not including payments required to be made by a private operator under Section 335.074(d) of the Act.

(e) City Council. The acting City Council of the City.

(f) Commencement Date. The Commencement Date for this Agreement as set forth in Section 3.1 of this Agreement.

(g) Encumbrances. Any defects in, easements, covenants, conditions or restrictions affecting, or Liens or other encumbrances on, the title to the Leased Premises, whether evidenced by written instrument or otherwise evidenced.

(h) Execution Date. The date first above written, on which date this Agreement has been fully executed and delivered by Landlord and Tenant.

(i) Governmental Authority. Any federal, state, local or foreign governmental entity, authority or agency, court, tribunal, regulatory commission or other body, whether

legislative, judicial or executive, or any quasi-governmental authority, agency or entity (or a combination or permutation thereof), and any arbitrator to whom a dispute has been presented under any Governmental Rule, pursuant to the terms of this Agreement or by separate agreement of the parties with an interest in such dispute.

(j) Governmental Rule. Any statute, law, treaty, rule, code, ordinance or regulation applicable to Persons, facilities or activities within the jurisdiction of the Governmental Authority promulgating the same, any permit, interpretation, certificate or order of any Governmental Authority pursuant to the foregoing or any judgment, decision, decree, injunction, writ, order or like action of any court, arbitrator or other Governmental Authority with respect to any of the foregoing.

(k) Hazardous Materials. Shall have the meaning assigned to such term in the Arena Lease.

(l) Impositions. AV Taxes and any other taxes and assessments against the Leased Premises that accrue during and are applicable to the Term (including payments required to be made in lieu of ad valorem taxes under Section 335.074(d) of the Act).

(m) Improvements. All buildings, structures, equipment, improvements and fixtures from time to time constructed, installed or situated on the Arena Site, including, without limitation, the Arena and any portion of the Loading Dock, any portion of the Enclosed Access and any related facilities which may be constructed on the Arena Site.

(n) Initial Period. The period of time beginning on the Effective Date and ending on the Commencement Date.

(o) Landlord Entity. Landlord or any Governmental Authority to whom Landlord's power to levy, assess or collect ad valorem taxes is transferred by law or contract.

(p) Leased Premises. The Arena Site, together with (i) any and all other rights, privileges, easements and appurtenances benefiting, belonging to or in any way appertaining thereto, including, but not limited to, any and all (a) rights, privileges, easements and appurtenances of Landlord as the owner of fee simple title to the Arena Site now or hereafter existing, (b) subsurface rights below the surface of the Arena Site, (c) reversions which may hereafter accrue to Landlord as owner of fee simple title to the Arena Site by reason of the closing of any adjacent street, sidewalk or alley or the abandonment of any rights by any Governmental Authority, and (d) strips and gores relating to the Arena Site; and (ii) such other easements, rights of way, licenses and other rights as may hereafter be entered into or granted by Landlord pursuant to Section 2.1 hereof (including, without limitation, air and subsurface rights above and below the public streets, roads and rights of way adjacent to the Arena Site) for the installation, operation, repair, maintenance and continued use of the Loading Dock, the Enclosed Access, any related ramps, bridges, tunnels, sidewalks and other means of access and any other Improvements contemplated by the Project Documents (as defined in the Arena Lease), including, without limitation, easements and rights of way for the installation, operation, maintenance, repair and continued use of utilities, communication and other lines between the Arena and the Parking Garage, with such other easements, rights of way, licenses and other

rights being subject to the express terms and conditions of the instruments creating or granting same.

(q) Liens. With respect to any property, any mortgage, lien, pledge, charge or security interest, and with respect to the Leased Premises, the term Lien shall also include any lien for Impositions, builder, mechanic, warehouseman, materialman, contractor, workman, repairman or carrier lien or other similar liens, including, but not limited to, Mechanic's Liens and claims.

(r) Mechanic's Liens. Any Lien or claim of Lien, whether choate or inchoate filed or which any third party may be entitled to file against the interest of Landlord or Tenant in the Leased Premises by reason of any work, labor, services or materials supplied or claimed to have been supplied on or to the Leased Premises and/or the Arena.

(s) Municipal Services. Customary police, vehicular and pedestrian traffic control, fire prevention, directional signage and other similar City-based services.

(t) Parking Garage Site. The tract(s) of land more particularly described on Exhibit E attached hereto.

(u) Person. Any individual, corporation, partnership, joint venture, association, joint stock company, trust, limited liability company, unincorporated organization, Governmental Authority or any other form of entity.

(v) SubTenant. The NBA Team and, to the extent permitted by Article 10 below, any other Person to whom or to which Tenant grants or licenses any rights to occupy, use, operate, manage, provide services in or the sale of food, beverages, services or merchandise in the Leased Premises.

(w) Term. The term of this Agreement as provided in Section 3.1 of this Agreement.

Section 1.2 Certain Other Defined Terms. Any initially capitalized terms used in this Agreement and not specifically defined herein shall have the meanings assigned to such terms in the Arena Lease.

ARTICLE 2

LEASE GRANT; POSSESSION; QUIET ENJOYMENT; USE

Section 2.1 Lease Grant; Additional Easements and Licenses. Upon and subject to the terms and provisions contained herein, Landlord does hereby lease, let, demise and rent unto Tenant, and Tenant does hereby take, lease and rent from Landlord, the Leased Premises, to have and to hold such Leased Premises for the Term as hereinafter provided. Without in any manner limiting the foregoing, Landlord hereby agrees to enter into, execute and deliver such easement, license and right of way agreements (each in form and content reasonably acceptable to Landlord, Tenant and the NBA Team) as may be requested by Tenant or the NBA Team to more

fully and particularly evidence the rights described generally in clause (ii) of the definition of the Leased Premises.

Section 2.2 Delivery of Possession. On the Commencement Date, Landlord shall deliver to Tenant exclusive possession, use and occupancy of the Leased Premises, free of all tenancies and parties in possession of the Leased Premises (other than those arising by, through or under Tenant), subject only to (i) the rights of Landlord under this Agreement, and (ii) the easements and other encumbrances or restrictions of record set forth on Exhibit D attached hereto and made a part hereof (collectively, the "Permitted Encumbrances").

Section 2.3 Covenant of Quiet Enjoyment. Effective as of the Commencement Date, Landlord covenants that Tenant, upon keeping, observing and performing the terms, covenants and conditions of this Agreement to be kept, observed and performed by Tenant, shall and may quietly and peaceably hold, occupy, use, and enjoy the Leased Premises without ejection or interference by or from Landlord or any other Person (other than Persons claiming by, through or under Tenant), subject only to the Permitted Encumbrances.

Section 2.4 Use. Tenant (and the NBA Team) shall have the exclusive right (but not the obligation) to use and occupy the Leased Premises throughout the Term, subject to the terms and provisions of the Arena Lease, for any lawful purpose other than the Prohibited Uses (as hereinafter defined), including without limitation for the following purposes (collectively, the "Permitted Uses"):

(a) The operation of an NBA Franchise, any other Franchise or any other professional sports team, including, without limitation, the playing, exhibition, presentation and broadcasting (or other transmission) of Home Games and activities related thereto, including, without limitation, training, practices and exhibitions, All-Star Games, promotional activities and events, community and public relations, maintenance and operation of the Arena and Arena Improvements, the exhibition, broadcasting, advertising, and other marketing of games and other events, ticket sales, fantasy camps and any and all other activities which, from time to time, are customarily conducted by or are related to the operation of the business of the Franchises;

(b) The entry into use or license agreements for, or the exhibition, presentation and broadcasting (or other transmission) of, other amateur or professional sporting events, exhibitions and tournaments, musical performances, theater performances and other forms of live entertainment, public ceremonies, fairs, markets, shows or other public or private exhibitions and activities related thereto;

(c) Constructing, operating and displaying any signs on the interior, exterior or any other portion of the Arena or the Arena Site as Tenant or the NBA Team deems necessary or desirable;

(d) Restaurants, clubs and bars (including brew pubs and sports bars);

(e) Sale of food and alcoholic and non-alcoholic beverages, souvenirs and other items customarily sold and marketed in sports and entertainment facilities;

(f) Operation of a museum or hall of fame open to the public;

(g) Conducting public tours of the Arena and the Leased Premises;

(h) Parking in any parking facilities located on the Arena Site;

(i) Retail uses, including such uses located in the Arena, along the street level of the Arena Site and in kiosks, carts and similar movable or temporary retail facilities;

(j) Entertainment (including theaters, movie theaters, arcades and gaming), museum and educational uses;

(k) Conducting day-to-day business operations in the NBA Team's office space within the Arena by the NBA Team, Affiliates of the NBA Team and any of its Space Users, sub-tenants, licensees, and concessionaires;

(l) Studio and related facilities for radio, television and other broadcast and entertainment media within the Arena and the Leased Premises, including support and production facilities, transmission equipment, antennas and other transceivers and related facilities and equipment primarily for the broadcast or other transmission of games and other events taking place within the Arena and the Leased Premises or elsewhere;

(m) Storage of maintenance equipment and supplies used in connection with the operation of the Arena and the Leased Premises or all other Permitted Uses, including Floor maintenance vehicles;

(n) Maintenance, repairs and other work pursuant to Article 7 and Article 8 of the Arena Lease and establishment and operation of Capital Work in accordance with the above Permitted Uses;

(o) The use and enjoyment of the rights and licenses granted to the NBA Team under the Arena Lease regarding Intangible Property Rights;

(p) Any other use made or permitted to be made of any Comparable Facility; and

(q) Other uses reasonably related or incidental to any of the foregoing or not inconsistent with any of the foregoing.

Any of the Permitted Uses may be conducted directly by Tenant, the NBA Team, any NBA Team's Affiliate or any other Affiliate of the NBA Team or indirectly through other Persons pursuant to use, license, concession, advertising, service, maintenance, operating or other agreements by, through or under Tenant, the NBA Team, any NBA Team's Affiliate or any other Affiliate of the NBA Team. If any Governmental Rule is enacted by Landlord that prohibits the use or occupancy of, or imposes requirements that make it commercially

unreasonable to use or occupy, the Arena and/or the Leased Premises for any of the Principal Permitted Uses (as hereinafter defined), or if the City Council fails to make, give or grant any appropriation or approval described in Section 17.27 hereof, the NBA Team may prohibit the use of the Arena for any City Dates under Section 5.2(b) hereof for so long as such Governmental Rule is in effect or until such appropriation or approval is made, given or granted and Landlord fully complies with the agreements, covenants and obligations of Landlord in and under this Agreement which, pursuant to said Section 17.27, are subject to such appropriation or approval by the City Council. Governmental Rules enacted by Landlord that have a uniform and nondiscriminatory effect on public venues within the City of Houston, Texas shall not be considered to violate this provision. "Principal Permitted Uses" mean the conducting and hosting of athletic events (including exhibitions), concerts and family shows. Nothing in this paragraph shall affect any rights the NBA Team may have under the Arena Lease and/or the Parking Lease with respect to any Untenantable Condition.

Section 2.5 Prohibited Uses. Tenant shall not use, or permit the use of, the Leased Premises for any of the following (collectively, the "Prohibited Uses"):

(a) Subject to the provisions of Article 8 of the Arena Lease as to Capital Work (but only during the performance of any such Capital Work), any use that creates, causes, maintains or permits any material public or private nuisance in, on or about the Leased Premises; provided, however, in no event will Landlord be entitled to assert that a Permitted Use held in compliance with applicable Governmental Rules constitutes a public or private nuisance; or

(b) For any purpose that violates any Governmental Rule or any Permitted Encumbrance, subject, however, to the last paragraph of Section 2.4 above.

(c) Use or allow the Leased Premises to be used as a sexually-oriented business which is defined as an "enterprise" in Section 28-121 of the City of Houston Code of Ordinances.

ARTICLE 3

TERM

Section 3.1 Term. The term of this Agreement (the "Term") shall commence at 12:01 a.m. on the date following Substantial Completion (as defined in the Project Agreement) of the Arena Project that is the earlier of: (i) the scheduled date of the first official Rockets pre-Season game of the 2003/2004 NBA Season, and (ii) the later to occur of (A) sixty (60) days following the Substantial Completion Date (as defined in the Project Agreement) and (B) October 1, 2003, subject, however to being deferred to the date determined in accordance with the second sentence of Section 4.1 of the Arena Lease in the event the NBA Team exercises its deferment option thereunder (the date determined pursuant to the provisions of this sentence, the "Commencement Date"). Upon determining the Commencement Date, Landlord and Tenant shall execute and record a supplement to this Agreement setting forth the actual Commencement Date. The Mayor of the City is hereby authorized to execute said supplement without further action by the City Council. The Term shall end on the last day of the three hundred sixtieth (360th) calendar month after the calendar month in which the Commencement Date occurs (the

"Scheduled Expiration Date"), unless sooner terminated pursuant to any applicable provision of this Agreement, in which event the date of early termination shall be the date on which the Term ends (the Scheduled Expiration Date, as it may be so accelerated, being the "Expiration Date"). The Parties hereto expressly confirm, acknowledge and agree that it is their mutual intent for the Term of this Agreement to commence upon the commencement date of, and to run concurrently and be coterminous with the term of, the Arena Lease (exclusive of any renewals of such term, except as provided to the contrary in Article 18 below); provided, however, in no event shall the Term exceed thirty (30) years. Notwithstanding the foregoing, Landlord hereby confirms, acknowledges and agrees that Tenant shall be entitled to holdover hereunder beyond the Expiration Date, without any obligation to pay Rent or any additional consideration to Landlord hereunder (but the rights set out in Section 5.2 shall remain) in connection therewith, for a period equal to any period of holdover by the NBA Team under Section 17.3 of the Arena Lease.

ARTICLE 4

PRE-COMMENCEMENT DATE ACCESS BY TENANT FOR PURPOSES OF CONSTRUCTING ARENA AND RELATED FACILITIES

Section 4.1 Pre-Commencement Date Access. Notwithstanding the fact that the Commencement Date has not occurred, Landlord and Tenant acknowledge that the parties intend for Tenant and its agents, employees, contractors and subcontractors to enter upon the Leased Premises from time to time during the Initial Period for the purposes of performing certain Infrastructure Work (as defined in the Project Agreement) and constructing and installing on the Arena Site the Arena and various related Improvements contemplated by the Project Agreement to be located on the Arena Site. In furtherance thereof, Landlord hereby grants and conveys to Tenant, its agents, employees, contractors and subcontractors, for the duration of the Initial Period, temporary rights of entry over, upon, across, under and through the Leased Premises, and a temporary license to use all or any portion of the Leased Premises, for the purpose of performing (or causing the performance of) such construction and installing in accordance with the Project Agreement and other Project Documents. Tenant shall perform, or cause to be performed, the infrastructure work described in that certain Interlocal Arena Development Agreement (Site Acquisition and Infrastructure Work) dated as of December 20, 2000, between Landlord and Tenant, a copy of which is attached as Exhibit F hereto and made a part hereof for all purposes (the "Right of Entry Agreement"). Notwithstanding the foregoing or anything else in this Agreement seemingly to the contrary, such early access by Tenant shall not cause (or be deemed to have caused) the Commencement Date to occur prior to the date determined pursuant to the first sentence of Section 3.1 above, which shall in all events govern the determination of the Commencement Date hereunder.

Section 4.2 Provisions of Lease Applicable to Pre-Commencement Date Access. Landlord and Tenant hereby confirm, acknowledge and agree that, notwithstanding that the Term of this Agreement has not commenced, the provisions of this Article 4, Section 5.8 and Article 7 hereof shall be binding upon the Parties, and each Party hereby agrees to comply with the provisions of such Sections and Articles, during the Initial Period.

ARTICLE 5

RENT; IMPOSITIONS; UTILITIES

Section 5.1 Rent During the Term, Tenant covenants and agrees to pay Landlord, without any right of offset, reduction or abatement, and without notice or demand, rent of Two Hundred Thousand ($200,000) for each Lease Year during the Term (the "Rent"). The Rent shall be pro-rated for any partial Lease Year during the Term based on the number of days in such partial Lease year compared to 365. The Rent for each Lease Year of the Term shall be due and payable in advance in semi-annual installments in the amount of One Hundred Thousand ($100,000) each (each such installment being a "Semi-Annual Installment"), payable on February 1 and August 1 during each Lease Year (each such date, a "Rent Payment Date"). The first Semi-Annual Installment for any partial Lease Year commencing with the Commencement Date shall be pro-rated based on the number of days from the Commencement Date to the scheduled Rent Payment Date compared to 182.5, and shall be paid within ten (10) days after the Commencement Date. If there is a partial final Lease Year during the Term and the Expiration Date is known as of the Rent Payment Date of the immediately preceding regular Semi-Annual Installment, then on such Rent Payment Date the amount of the Semi-Annual Installment for such partial final Lease Year shall be pro-rated based on the number of days from such Rent Payment Date to the Expiration Date compared to 182.5. If there is a partial final Lease Year and the Expiration Date is not known as of the Rent Payment Date of the last regular Semi-Annual Installment preceding such expiration, then Landlord shall refund to Tenant the excess paid based on the same pro-ration, such refund to be paid on the day that is ten (10) days after the earlier of (a) the date when Landlord is notified or gives notice of the Expiration Date as provided herein or (b) the Expiration Date.

Section 5.2 Further Consideration. As further consideration for this Agreement, Tenant covenants and agrees that, so long as the NBA Team has not exercised its rights under the last paragraph of Section 2.4 hereof, and provided as to Section 5.2(b) below only a default by Landlord under Article 13 hereof has not occurred and is then continuing:

(a) Landlord Promotional Suite. In accordance with the terms of Section 6.5.2 of the Arena Lease, Landlord shall enter into an agreement with the NBA Team (a "City Suite License Agreement") to use in accordance with the terms of such City Suite License Agreement a suite in the Arena to be designated in such agreement (the "City Suite"). Landlord shall not pay (i) any consideration to acquire the City Suite, (ii) any annual rent with respect thereto or (iii) for tickets to Home Games for the NBA Team, WNBA Team and NHL Team (if such NHL Team is owned by the NBA Team or an Affiliate of the NBA Team), but shall pay certain other costs and expenses in connection with its use of the City Suite, all as set forth in Section 6.5.2 of the Arena Lease.

(b) Landlord's Use of the Arena. Landlord, at no cost other than those expenses to be reimbursed to the NBA Team as described in Section 6.6 of the Arena Lease, shall have the right, pursuant to Use Agreements to be entered into between the NBA Team and Landlord (a "City Event Use Agreement") on the terms set forth in Section 6.6 of the Arena Lease, to use (and lease out for use by others) the Arena for non-revenue-generating public or civic ceremonies, forums or other similar, non-revenue-

generating uses on not more than twenty (20) City Dates. Such City Dates shall not be cumulative and shall expire at the end of each Lease Year if not actually utilized by Landlord during such Lease Year.

Section 5.3 Place and Method of Payment. Tenant agrees to pay the Rent to Landlord, in good funds and lawful money of the United States, at Landlord's following address, or such other place as Landlord designates in writing:

City of Houston, Texas
Convention & Entertainment Facilities Department
City Hall
901 Bagby, First Floor
Houston, Texas 77002
Attention: Director

Section 5.4 Payment of Impositions. Except as provided elsewhere in this Article 5, Tenant shall pay all Impositions before the same become delinquent. Tenant 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. Landlord agrees to cooperate with Tenant in seeking the delivery of all notices of Impositions to Tenant directly from the applicable taxing authorities. In no event shall Tenant 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 Landlord and not forwarded or delivered to Tenant at least thirty (30) days before the date the same become delinquent.

Section 5.5 Contest of Impositions. If the levy of any of the Impositions shall be deemed by Tenant to be improper, illegal or excessive, or if Tenant desires in good faith to contest the Impositions for any other reason, Tenant may, at Tenant'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 Tenant shall deem necessary or appropriate; provided, however, that Tenant shall not permit any Lien which may be imposed against the Leased Premises for contested Impositions to be foreclosed. Subject to the foregoing, any item of contested Imposition need not be paid until it is finally adjudged to be valid. Tenant 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. Landlord hereby acknowledges that the Arena Lease grants similar contest rights to the NBA Team, and Landlord hereby consents to such grant and to the exercise of such rights by the NBA Team in accordance with the provisions of the Arena Lease.

Section 5.6 Standing. If Tenant determines that it lacks standing to contest any Impositions imposed by a Governmental Authority other than a Landlord Entity or to obtain an extended payment period for any such non-Landlord Entity Impositions, Landlord (to the maximum extent allowed by law) and shall join in such contest or otherwise provide Tenant with sufficient authority to obtain such standing.

Section 5.7 Certain Provisions Related to Ad Valorem Taxes.

(a) Landlord and Tenant acknowledge that the Leased Premises presently are exempt from AV Taxes under the Act, and it is the intention of the Parties that during the Term, neither Tenant nor any SubTenant incur any AV Taxes relating to the Leased Premises or Tenant's or such SubTenant's interest in the Leased Premises. Landlord, at the request of Tenant (or the NBA Team), agrees to jointly take and pursue such lawful actions with Tenant, including, if necessary, judicial actions, as may be available and appropriate, to protect and defend the title of Landlord and the leasehold interest of Tenant and any such SubTenant in and to the Leased Premises, against the levy, assessment or collection of AV Taxes so long as the Act provides such exemptions.

(b) If, for any reason, the Leased Premises or the interest of Landlord, Tenant or any such SubTenant in and to any portion of the Leased Premises should no longer be exempt from AV Taxes by reason of a change of law or otherwise, and any Landlord Entity levies and assesses an AV Tax against the Leased Premises or the interest of Landlord, Tenant or any SubTenant in the Leased Premises, then Tenant shall pay such AV Taxes before they become delinquent, subject to Tenant's right of contest as provided in Section 5.5 above.

Section 5.8 Utilities. At anytime during the Initial Period that Tenant is in possession of the Arena Site for the purpose of constructing and installing the Arena or any of the other Improvements thereon, and at all times during the Term, Tenant shall pay (or cause to be paid) all bills for utility service furnished to the Leased Premises, including, but not limited to, bills for water, electricity, gas, telephone and sewer service.

ARTICLE 6

MUNICIPAL SERVICES; OTHER GOODS AND SERVICES

Section 6.1 Municipal Services. Landlord shall for each Arena Event Period: (a) provide Municipal Services to the Leased Premises at a general level and manner appropriate for Arena Events and not less than those provided at the baseball venue in the City of Houston known as Enron Field, and (b) charge for such Municipal Services no greater cost than that, if any, charged with respect to similar Municipal Services provided to Enron Field. In the event that Landlord and Tenant agree (or the NBA Team shall require) in their respective reasonable discretion that a higher level of, or different, Municipal Services are required with respect to any Arena Event(s) than those provided at Enron Field, Landlord also shall provide such higher level of, or different, Municipal Services at Tenant's cost and expense.

Section 6.2 Other Goods and Services. Landlord shall use reasonable efforts to assist Tenant and the NBA Team in minimizing the costs for goods and services related to the operation and maintenance of the Arena on the same basis as for public facilities, such as electricity, chilled water, other utilities and similar services. Notwithstanding anything seemingly to the contrary contained herein, the Parties hereby acknowledge, confirm and agree that the NBA Team shall have the exclusive right to select the providers of such goods and services and the prorata portion, if any, of any rights fees or similar incentive payments made in connection therewith.

ARTICLE 7

IMPROVEMENTS

Section 7.1 Improvement Rights; Reversion to Landlord. Tenant shall have the right to construct and install the Arena Project in accordance with the provisions of the Project Agreement. Tenant, subject to the terms of the Project Agreement and the Arena Lease, shall have exclusive control over the planning, design and construction of all Improvements and shall own the Improvements throughout the Term; provided, however, any fixtures, materials or equipment installed in, affixed to or placed or used in the operation of the Arena and/or the Leased Premises by or on behalf of the NBA Team shall, subject to the provisions of Section 11.1 of the Arena Lease, be owned, and may at any time be removed, by the NBA Team. Upon the expiration of the Term, the Arena and, subject to the proviso set forth in the immediately preceding sentence, all Improvements then located on the Leased Premises shall revert to Landlord, who shall automatically become vested with absolute ownership thereof.

Section 7.2 Right to Alter. Tenant shall have the right, pursuant to the terms of the Arena Lease, to alter, add to, reconstruct, reconfigure, remodel or rebuild as often as and whenever Tenant deems proper or desirable, any of the Improvements; provided that there is no reduction in the function of the Arena for the Permitted Uses.

Section 7.3 Easements and Dedications. In order to develop the Leased Premises for the Arena Project and to construct and install the Improvements contemplated by the Project Agreement, it may be necessary or desirable that (a) street, water, sewer, drainage, gas, power lines, set back lines or other easements, dedications or similar rights be granted or dedicated over or within portions of the Leased Premises by plat, replat, grant, deed or other appropriate instrument or acquired on other properties owned by Landlord, or (b) that existing street, sewer, drainage, gas, power lines, set back lines or other easements, dedications or similar rights on, in the vicinity of or affecting the Leased Premises or portions thereof be vacated or abandoned. With respect to the Arena Site and any adjoining properties owned by Landlord, Landlord shall, upon written request of Tenant, cooperate with or assist Tenant (at Tenant's expense), from time to time throughout the Term, as may be appropriate or necessary for the construction and development of the Arena Project or to reasonably facilitate future Improvements on the Leased Premises consistent with the provisions of this Article 7.

Section 7.4 Zoning and Permits. In the event that Tenant deems it necessary or appropriate to obtain use, zoning, site plan approval or any permit from Landlord or any other Governmental Authority having jurisdiction over the Leased Premises or any part thereof, Landlord shall, from time to time upon request of Tenant and to the extent necessary as fee owner of the Leased Premises, cooperate with Tenant or join in such petitions, applications and authorizations as may be appropriate.

ARTICLE 8

INSURANCE

Section 8.1 Insurance.

(a) Liability Insurance. Tenant agrees, at its sole expense, to obtain and maintain at all times during the Term of this Agreement the Landlord's GL Policy (as required by the Arena Lease), which shall name Landlord as an additional insured.

(b) Insurance Requirements for Tenant Contractors. Tenant agrees that, with respect to contracts entered into from and after the date of execution of this Agreement, it will require each contractor, independent contractor, and subcontractor that performs work on the Leased Premises (collectively, "Contractor") to carry insurance meeting all of the following requirements:

(1) The Contractor shall provide and maintain in full force and effect during the term of its agreement or contract with Tenant, and all extensions and amendments thereto, at least the following insurance:

(A) Worker's Compensation at statutory limits;

(B) Employer's Liability, including bodily injury by accident and by disease, for Five Hundred Thousand Dollars ($500,000) combined single limit per occurrence and a twelve (12)-month aggregate policy limit of One Million Dollars ($1,000,000);

(C) Commercial General Liability Coverage, including blanket contractual liability, products and completed operations, personal injury, bodily injury, broad form property damage, operations hazard, pollution, explosion, collapse and underground hazards for Six Hundred Thousand Dollars ($600,000) per occurrence and a twelve (12)-month aggregate policy limit of Four Million Dollars ($4,000,000); and

(D) Automobile Liability Insurance (for automobiles used in the course of its performance under the applicable contract or agreement, including employer's non-ownership and hired auto coverage) for Six Hundred Thousand Dollars ($600,000) combined single limit per occurrence.

(2) The insurance coverages required hereunder may be represented in one or more certificates of insurance. It is agreed, however, that nothing included within or omitted from the insurance certificates shall relieve the Contractor from its duties to provide the required coverage hereunder.

(3) The issuer of any policy must have a certificate of authority to transact insurance business in the State of Texas issued by the Texas Board of Insurance and a rating of at least "B+" and a financial size of Class VI or better in the most current edition of Best's Insurance Reports. Each issuer must be responsible and reputable and must have financial capability consistent with the risks covered.

(4) Each policy, except those for Worker's Compensation and Employer's Liability, must name Landlord and its agents, officers, directors, officials, legal representatives, employees and assigns as additional insured parties on the original policy and all renewals or replacement during term of such Contractor's agreement or contract

with Tenant. If any of such policies are written as "claims made" coverage and Landlord is required to be carried as an additional insured, then the Contractor must purchase policy period extensions so as to provide coverage to Landlord for a period of at least two (2) years after the completion of the work contemplated by such Contractor's agreement or contract with Tenant.

(5) A policy may contain deductible amounts as approved by the Contractor. The Contractor shall assume and bear any claims or losses to the extent of such deductible amounts and waives any claim it may ever have for the same against Landlord, its officers, agents or employees with respect to such deductible amounts.

(6) All such policies and certificates shall contain an agreement that the insurer shall notify Landlord in writing not less than thirty (30) days before any material change, reduction in coverage or cancellation of any policy. The Contractor shall give written notice to Landlord within five (5) days of the date upon which total claims by any party against the Contractor reduce the aggregate amount of coverage below the amounts required by this Agreement.

(7) Each policy must contain an endorsement to the effect that the issuer waives any claim or right in the nature of subrogation to recover against Landlord, its officers, agents or employees.

(8) Each policy must contain an endorsement that such policy is primary insurance to any other insurance available to Landlord as an additional insured with respect to claims arising hereunder and that the insurance applies separately to each insured.

(9) If any insurance policy required hereunder does not have a flat premium rate and such premium has not been paid in full, such policy must have a rider or other appropriate certificate or waiver sufficient to establish that the issuer is entitled to look only to the Contractor for any further premium payment and has no right to recover any premiums from Landlord.

(10) The Contractor shall be entitled to purchase and maintain the insurance required under this Section 8.1(b) under so called "blanket" policies, provided the coverage thereunder is at least the levels contained herein and is otherwise adequate in keeping with prudent underwriting standards.

(11) At Landlord's request, copies of all policies referred to above, certified by the agent or attorney-in-fact issuing them, together with written proof that the premiums have been paid, shall be deposited by the Contractor with the Director of the City's Convention and Entertainment Department (the "Director"). If the Director fails to request copies of such policies, the Contractor shall provide certificates of insurance, in lieu of policies, reflecting that the terms of this Section 8.1(b) have been met, such certificates to be provided before the Contractor begins any work in, on or about the Leased Premises. Along with such policies or certificates, the Contractor shall provide the Director with a list of any claims paid out against the aggregate total of any such policy.

Section 8.2 WAIVER OF RIGHT OF RECOVERY. ANYTHING TO THE CONTRARY IN THIS AGREEMENT NOTWITHSTANDING, TO THE MAXIMUM EXTENT PERMITTED BY LAW, LANDLORD AND TENANT EACH WAIVE ALL RIGHTS OF RECOVERY, CLAIM, ACTION OR CAUSE OF ACTION OR SUBROGATION AGAINST THE OTHER AND THE OTHER'S AFFILIATES AND THEIR RESPECTIVE PARTNERS, AGENTS, OFFICERS, DIRECTORS, SHAREHOLDERS, EMPLOYEES OR REPRESENTATIVES FOR ANY DAMAGE TO THE LEASED PREMISES AND/OR THE IMPROVEMENTS, TO THE EXTENT THAT SUCH DAMAGE IS DUE TO AN INSURED CASUALTY RISK (as such term is defined in the Arena Lease) REGARDLESS OF CAUSE OR ORIGIN, INCLUDING NEGLIGENCE OF LANDLORD, TENANT, THEIR AFFILIATES OR THEIR PARTNERS, AGENTS, OFFICERS, DIRECTORS, SHAREHOLDERS, EMPLOYEES OR REPRESENTATIVES.

ARTICLE 9

CONDEMNATION

Section 9.1 Definitions. Whenever used in this Article 9, the following words shall have the definitions and meanings hereinafter set forth:

(a) "Condemnation Proceedings". Any action brought for the purpose of any taking of the Leased Premises, any Improvements thereon, or any part thereof or any property interest therein (including, without limitation, the right to the temporary use of all or any portion of the Leased Premises), by competent authority as a result of the exercise of the power of eminent domain, including a voluntary sale to such authority either under threat of condemnation or while such action or proceeding is pending.

(b) "Taking" or "Taken". The event and date of such competent authority's depositing of money into the registry of the court for purposes of obtaining title to the Leased Premises, any Improvements thereon, or any part thereof, or any property interest therein (including, without limitation, the right to the temporary use of all or any portion of the Leased Premises), pursuant to a Condemnation Proceeding, or the event and date of execution and delivery of a deed-in-lieu of condemnation.

Section 9.2 Efforts to Prevent Taking. Landlord shall use its reasonable efforts to cause all other competent authorities with the power of eminent domain to refrain from instituting any Condemnation Proceedings or exercising any other powers of eminent domain with respect to the Leased Premises, the Arena, the Parking Garage, any other portion of the Arena Project, or any interest in any of the foregoing during the Term of this Agreement.

Section 9.3 Entire Taking. If all or substantially all of the Leased Premises shall be Taken in Condemnation Proceedings, Tenant shall have the right to terminate this Agreement in accordance with Section 9.6 below effective as of the date of such Taking, and from and after such date Tenant and, provided Landlord has fully complied with its obligations under Section 9.2 above and under said Section 9.6 below, Landlord shall not have any further obligations under this Agreement with respect to the Leased Premises.

Section 9.4 Partial Taking.

(a) If less than substantially all of the Leased Premises shall be Taken in Condemnation Proceedings, from and after the effective date of such Taking Tenant and, provided Landlord has fully complied with its obligations under Section 9.2 above and under Section 9.6 below, Landlord shall not have any further obligations under this Agreement with respect to the portion of the Leased Premises so taken.

(b) If, following any such partial Taking, the NBA Team, in connection with any such partial Taking, exercises any right of termination under the Arena Lease, then Tenant, at its election may vacate the Leased Premises, and from and after such vacation Tenant and, provided Landlord has fully complied with its obligations under Section 9.2 above and under Section 9.6 below, Landlord shall not have any other obligations under this Agreement with respect to the Leased Premises. Such election to vacate must be exercised no later than one hundred eighty (180) days after the date of such partial Taking.

(c) If Tenant does not elect to vacate the Leased Premises upon any partial Taking, then (i) the Leased Premises shall be reduced by the portion thereof Taken in the Condemnation Proceeding, and (ii) Tenant shall have the right to repair or reconstruct the Arena and any other remaining Improvements on the Leased Premises in accordance with the provisions of the Arena Lease with no abatement of Rent hereunder.

Section 9.5 Temporary Taking. If any right of temporary (hereinafter defined) possession or occupancy of all or any portion of the Leased Premises shall be Taken, the obligations of Tenant hereunder (other than Tenant's obligation to pay Rent hereunder) as to the affected portion of the Leased Premises shall be abated during the duration of such Taking. A Taking shall be considered "temporary" only if the period of time during which Tenant is deprived of usage of all or part of the Leased Premises as the result of such Taking does not materially interfere with the ability of the NBA Team or any other SubTenant to use the Leased Premises for the playing of any of their home basketball games, home hockey games or other functions and events. Any other Taking that is not "temporary" as described above shall be treated as an entire Taking under Section 9.3 above or as a partial Taking under Section 9.4 above, as determined by Tenant.

Section 9.6 Condemnation Award.

(a) At any time within one hundred eighty (180) days after an entire Taking or a partial Taking following which Tenant vacates the remaining Leased Premises as provided in Section 9.4(b) above, Tenant may terminate this Agreement by delivering a written termination notice to Landlord specifying the effective date of such termination, in which event the Term shall terminate as of the date specified by Tenant in such notice and the condemnation award shall be divided between Landlord and Tenant as follows: (i) first to Tenant to pay the amount of the Arena Rent Supported Debt, and (ii) the balance to Landlord. Landlord shall deliver to Tenant that portion of any condemnation award that Landlord may receive to which Tenant is entitled as provided in this Section 9.6(a).

(b) In the event this Agreement is not terminated in connection with a Taking as provided above, the entire condemnation award shall be paid to Tenant (or the NBA Team) for use in the rebuilding, restoration and repair of the Arena and any other remaining Improvements on the Leased Premises in accordance with the provisions of the Arena Lease, and in such event Landlord hereby assigns to Tenant all right, title and interest in any such award.

Section 9.7 Settlement of Proceedings. Landlord shall not make any settlement with the condemning authority in any Condemnation Proceedings nor convey or agree to convey the whole or any portion of the Leased Premises to such authority in lieu of condemnation without first obtaining the written consent of Tenant and the NBA Team.

Section 9.8 Survival. The provisions contained in this Article 9 shall survive the expiration or earlier termination of this Agreement, but only insofar as such provisions relate to any Condemnation Proceedings or condemnation awards that arose prior to the expiration or earlier termination of this Agreement.

ARTICLE 10

ASSIGNMENT; SUBLETTING

Section 10.1 Assignment. Except in connection with a Landlord Transfer expressly permitted by, and made in strict compliance with the requirements of, Section 15.6 and 15.9 of the Arena Lease (including, without limitation, the obtaining of the NBA Team's consent to the extent required by such section), Tenant shall not, voluntarily, involuntarily, by operation of law or otherwise, sell, assign, transfer, convey, pledge, mortgage or otherwise encumber its interest in this Agreement, the leasehold estate created hereby or the other rights and benefits granted to Tenant hereunder.

Section 10.2 Subletting. Except for the lease, sublease, license and other rights and benefits granted and assigned to the NBA Team pursuant to the Arena Lease (the granting and assignment of which Landlord hereby confirms, acknowledges and agrees is expressly permitted hereunder), Tenant shall not otherwise lease, sublease, license, sublicense and/or grant any other rights of use with respect to all or any portion of the Leased Premises and/or the Arena or otherwise assign the rights to use the Arena or any related facilities. Notwithstanding the foregoing, Landlord hereby confirms, acknowledges and agrees that, so long as the Arena Lease remains in force and effect, (a) the NBA Team, without any review, consent or approval by Landlord whatsoever, shall have the right, from time to time and at any time, subject to the provisions of the Arena Lease, to lease, sublease, license, sublicense and/or grant other rights of use (including, without limitation, pursuant to Use Agreements and Permitted Arena Agreements [as such terms are defined in the Arena Lease]) with respect to the Arena and any and all related facilities as and on such terms and conditions the NBA Team shall desire, and (b) Landlord shall have no right or claim to any of the rents (including, without limitation, sublease, license, and sublicense rents), issues, revenues, profits, reimbursements or other amounts received by or paid to the NBA Team under any such leases, subleases, licenses, sublicenses or other agreements granting rights to use the Arena, the Leased Premises or any portion of either of them.

ARTICLE 11

PARKING GARAGE PURCHASE RIGHT/COOLING TOWER EASEMENT

Section 11.1 Parking Garage Purchase Right. Landlord shall have, and Tenant hereby gives, conveys and grants to Landlord, the exclusive and irrevocable right and option (the "Parking Garage Purchase Right") to purchase from Tenant within six (6) months after the expiration or termination of this Agreement, the Parking Garage Site, the Parking Garage Improvements (as defined in the Parking Lease) and all right, title and interest of Tenant in the Parking Lease and any other interests then owned by Tenant in connection with the Parking Garage, subject to the terms, conditions and procedures hereinafter set forth, by the payment to Tenant of One Dollar ($1) (the "Purchase Price"), such Parking Garage Purchase Right, to be exercisable by Landlord, in its sole and absolute discretion, by the delivery to Tenant of written notice (the "Purchase Exercise Notice") of its intent to exercise the Parking Garage Purchase Right no later than six (6) months after the expiration or termination of this Agreement.

Section 11.2 Terms and Conditions of Parking Garage Purchase Right. The terms and conditions of Landlord's exercise of the Parking Garage Purchase Right shall be as follows:

(a) In the event Landlord timely exercises the Parking Garage Purchase Right, the closing of the transaction shall occur within ninety (90) days after Landlord's delivery of the Purchase Exercise Notice. At the closing, Tenant shall convey to Landlord (i) by special warranty deed good and indefeasible fee simple title to the Parking Garage Site and the Parking Garage Improvements, free and clear of all Liens (other than (x) title exceptions in effect as of the date hereof, and (y) title exceptions which do not materially adversely affect the use of the Parking Garage Site and the Parking Garage Improvements for their intended purposes), and without any financing thereon, and (ii) by bill of sale, assignment of leases or similar document(s) all of Tenant's right, title and interest in the Parking Lease, and any other leases or occupancy agreements, any personalty owned by Tenant and used in connection with the Parking Garage, and all other rights and interests then owned or held by Tenant in connection with the ownership, operation, management and leasing of the Parking Garage.

(b) Landlord and Tenant shall pay their own costs and expenses, including, without limitation, appraisal, evaluation and other "due diligence" expenses commissioned by each and attorneys' fees, incurred or payable in connection with the transfers contemplated in this Article 11. All other closing costs shall be allocated between the Parties based on local custom and practice.

Section 11.3 Cooling Tower Easement Rights. Tenant hereby covenants and agrees that if (a) any cooling towers and/or similar HVAC equipment or units are installed on the Parking Garage for the purposes of serving the Arena, and (b) Tenant intends to mortgage, sell or convey the Parking Garage to any Person (other than Landlord), then Tenant shall grant Landlord an easement (superior to any Lien encumbering the Parking Garage) (the "Cooling Tower Easement Rights"), in form and substance reasonably satisfactory to the Parties (and, to the extent the Arena Lease is still in effect, the NBA Team), which shall permit Landlord (or the operator of the Arena) to continue the operation, repair, maintenance and replacement of any

such cooling towers or HVAC equipment or units on the Parking Garage for so long as the Arena shall continue to be operated for the uses and purposes described in the Arena Lease.

Section 11.4 Covenants Running with Land. The Parties hereto covenant and agree that this Article 11, the Landlord's Parking Garage Purchase Right and the Cooling Tower Easement Rights granted hereunder shall be and constitute covenants running with title to the Parking Garage Site and the Parking Garage Improvements, and as such shall extend to, inure to the benefit of and bind Landlord, Tenant and their respective permitted successors and assigns to the same extent as if such successors and assigns were named as original parties to this Agreement, such that this Article 11, the Landlord's Parking Garage Purchase Right and the Cooling Tower Easement Rights shall always bind the owner and holder of any fee or leasehold interest in or to the Parking Garage Site and the Parking Garage Improvements. The Memorandum of Ground Lease executed by the Parties pursuant to Section 17.26 hereof shall expressly reference this Article 11, shall contain a legal description of the Parking Garage Site, and shall otherwise be in sufficient form to provide record notice to third parties of the Landlord's Parking Garage Purchase Right and the Cooling Tower Easement Rights hereunder.

ARTICLE 12

DEFAULT OF TENANT

Section 12.1 Defaults by Tenant. The occurrence of any of the following shall be an "Event of Default" by Tenant or a "Tenant Default":

(a) The failure of Tenant to pay any Semi-Annual Installment when due and payable under this Agreement if such failure continues for more than ten (10) days after Landlord gives written notice to Tenant that such amount was not paid when due;

(b) If Tenant, without Landlord's prior written consent, terminates the Arena Lease, the Parking Lease, the Project Agreement or the Non-Relocation Agreement for any reason other than an Event of Default by the NBA Team under Section 16.1.1(a) of the Arena Lease (provided Tenant fully complies with the provisions of Section 16.4 of the Arena Lease in connection with any such termination pursuant to said Section 16.1.1(a));

(c) The failure of Tenant to keep, observe or perform any of the material terms, covenants or agreements contained in this Agreement to be kept, performed or observed by Tenant (other than those referred to in clauses (a) or (b) above) if (i) such failure is not remedied by Tenant within thirty (30) days after written notice from Landlord of such default or (ii) in the case of any such default which cannot with due diligence and good faith be cured within thirty (30) days, Tenant fails to commence to cure such default within thirty (30) days after written notice from Landlord of such default or Tenant fails to prosecute diligently the cure of such default to completion within such additional period as may be reasonably required to cure such default with diligence and in good faith; it being intended that, in connection with any such default which is not susceptible of being cured with due diligence and in good faith within thirty (30) days, the time within which Tenant is required to cure such default shall be extended for such additional period as may be necessary for the curing thereof with due diligence and in good faith; and

(d) The (i) filing by Tenant of a voluntary petition in bankruptcy; (ii) adjudication of Tenant as a bankrupt; (iii) filing of any petition or other pleading in any action seeking reorganization, rearrangement, adjustment, or composition of, or in respect of, Tenant under the United States Bankruptcy Code or any other similar state or federal law dealing with creditors' rights generally, unless within sixty (60) days after such filing such proceeding is stayed or discharged; or (iv) appointment of a receiver, trustee or other similar official of Tenant or its Property.

Subject to the provisions of Sections 12.2 and 12.3 below, in the event of any Tenant Default (which remains uncured after the expiration of all applicable notice and cure periods), Landlord shall have all remedies available at law or in equity (other than termination), including, without limitation, injunction, specific performance and actions for damages. All remedies of Landlord under this Agreement shall be cumulative, and the failure to assert any remedy or the granting of any waiver (as provided in Section 17.17 of this Agreement) of any event of default shall not be deemed to be a waiver of such remedy or any subsequent event of default.

Section 12.2 Rights of NBA Team. Notwithstanding any other provision of this Article 12 all rights and remedies of Landlord under Section 12.1 above are subject to the provisions of Article 14 of this Agreement.

Section 12.3 Limitation on Landlord's Right of Termination. Notwithstanding anything to the contrary in this Agreement, in no event shall Landlord have the right to terminate this Agreement prior to the Scheduled Expiration Date based on a default by Tenant hereunder; provided, however, in the event a "Landlord Default" or a "Sports Authority Default" shall occur under any of the Principal Project Documents and as a result thereof the NBA Team terminates the Arena Lease in connection therewith, Landlord shall have the right (but not the obligation), at any time after such termination by the NBA Team, to terminate this Agreement and Tenant's rights hereunder.

ARTICLE 13

DEFAULT OF LANDLORD

Section 13.1 Defaults and Remedies. In the event of any breach by Landlord of any covenant of Landlord under this Agreement, Tenant shall have the right to deliver to Landlord, in accordance with the provisions of Section 17.6 of this Agreement, a written notice specifying such breach, and unless within sixty (60) days from and after the date of delivery of such notice Landlord shall have commenced to remove or to cure such breach or occurrence and shall be proceeding with reasonable diligence to completely remove or cure such breach or occurrence (provided such breach or occurrence must be cured within one hundred twenty (120) days after such notice), then Tenant shall have all remedies available at law or in equity, including, without limitation, termination, injunction and specific performance, subject, however, to the provisions of Section 13.2 below. All remedies of Tenant under this Agreement shall be cumulative, and the failure to assert any remedy or the granting of any waiver (as provided in Section 17.17 of this Agreement) of any event of default shall not be deemed to be a waiver of such remedy or any subsequent event of default.

Section 13.2 Certain Remedy Limitations. Notwithstanding the provisions of Section 13.1 above, Tenant shall have the remedy of termination of this Agreement in connection with a default by Landlord only if such default is under Section 2.3 of this Agreement (such termination right being expressly subject, however, to the notice and cure rights set forth in Section 13.1 above and in Section 14.1(c) below).

ARTICLE 14

RECOGNITION, NON-DISTURBANCE AND ATTORNMENT

Section 14.1 Notice of Default; Termination; Certain Cure Rights

(a) Event of Default. Landlord and Tenant hereby agree that they will deliver copies of any written notices described in Sections 12.1 or 13.1 above to the NBA Team and, during the Loan Period, to the Lender, simultaneously with delivery of such notices to the other Party. Additionally, Tenant agrees to deliver to Landlord copies of any written notices delivered by Tenant to the NBA Team or received by Tenant from the NBA Team in connection with any "Event of Default", "Tenant Default", "Rocket Ball Default", "Landlord Default" or "Sports Authority Default" under the Principal Project Documents.

(b) Termination. Landlord and Tenant hereby further agree to provide the NBA Team at least sixty (60) days written notice prior to any termination of this Agreement prior to the Scheduled Expiration Date.

(c) Right to Cure Defaults. In the event of any default by Landlord or Tenant hereunder, the NBA Team shall have the right (but not the obligation) to cure such default, and any default cured by the NBA Team hereunder shall be deemed to have been cured by the applicable defaulting Party. In the event the NBA Team provides written notice to Landlord or Tenant, as applicable, of the NBA Team's intent to cure any such default within the cure periods

set forth in Article 13 above or elsewhere in the Lease, such cure periods shall be automatically extended for a reasonable period of time (but in no event less than thirty (30) days) sufficient for the NBA Team to commence and complete such cure. Notwithstanding the foregoing and without in any manner limiting any rights the NBA Team may have under the Arena Lease, in the event Landlord defaults in its obligation to provide Municipal Services in accordance with Section 6.1 above and such services are required in connection with one or more Arena Events, the NBA Team shall have the right (but shall have no obligation), upon reasonable telephonic (or time and circumstances permitting telecopy) notice to Landlord and Tenant (which notice may be before or after such services are so obtained), to obtain such services on such terms and conditions as may then be available. Without in any manner limiting any rights the NBA Team may have under the Arena Lease, if the NBA Team exercises its right to cure a default by one of the Parties hereunder (including, without limitation, any default by Landlord under Section 6.1 hereof), the amount of any payment made or other reasonable expenses (including reasonable attorneys' fees) incurred by the NBA Team in curing such default (with interest thereon at the rate of ten percent (10%) per annum) shall be payable by the defaulting Party to the NBA Team on demand.

Section 14.2 Recognition.

(a) Termination, Surrender or Re-entry. Upon any termination or surrender of this Agreement prior to the Scheduled Expiration Date, or upon any exercise by Landlord of any right of re-entry or other remedy under this Agreement (each of the foregoing, a "Recognition Event"), provided no Tenant Default under the Arena Lease has occurred and remains uncured after the lapse of all applicable notice and cure periods, if any, thereunder: (i) Landlord will recognize (x) the NBA Team as the "Tenant" under the Arena Lease and the Parking Lease and as "Rocket Ball" under the Project Agreement and the Non-Relocation Agreement, and (y) all of the rights, titles and interests of the NBA Team under the Project Documents, (ii) except as provided otherwise in this Agreement, Landlord shall be bound to the NBA Team as "Landlord" under the Arena Lease and the Parking Lease (to the extent Landlord succeeds to the interest of the Sports Authority thereunder, whether pursuant to the provisions of Article 11 above or otherwise) and as the "Sports Authority" under the Project Agreement and the Non-Relocation Agreement, as if Landlord were the "Landlord" and/or the "Sports Authority" thereunder from and after the date of the Recognition Event, and (iii) Landlord will assume and perform all of the duties and obligations of the "Sports Authority" arising under all of the Project Documents on and after the date of the Recognition Event.

(b) Non-Compete Provisions; Injunction. Landlord hereby covenants and agrees to be bound by and adhere to the terms of Section 24.20 of the Arena Lease regardless of whether it is or has become "Landlord" under the Arena Lease. Further, Landlord hereby recognizes the right of the NBA Team to seek an injunction under Section 24.20 of the Arena Lease to enforce the provisions of such section.

Section 14.3 Nondisturbance. So long as no Tenant Default has occurred and is continuing under the Arena Lease (beyond the term of any cure period provided in the Arena Lease) at the time of any early termination or surrender of this Agreement, or exercise by Landlord of any right of re-entry or other remedy under this Agreement, Landlord covenants and agrees that upon any such event, the NBA Team's possession and use of the Leased Premises

and the Arena and the NBA Team's rights and privileges under the Arena Lease (and, subject to Article 18 below, any extensions or renewals thereof) and the other Principal Project Documents shall not be diminished or interfered with by Landlord, and the NBA Team's use and occupancy of the Leased Premises, the Arena, the Parking Garage and such other portions of the Arena Project shall not be disturbed during the term of the Arena Lease and the Parking Lease (and, subject to Article 18 below, any renewal of either of them).

Section 14.4 Attornment. Upon any termination of this Agreement, the NBA Team (by virtue of the joinder attached to this Agreement) agrees to recognize and attorn to Landlord as "Landlord" under the Arena Lease, and the NBA Team, Landlord and the Sports Authority hereby agree that the Project Documents shall continue in full force and effect as direct agreements, in accordance with the terms contained therein, between Landlord and the NBA Team.

Section 14.5 Further Documentation. The provisions of this Article 14 shall be effective and self-operative without any need for Landlord, the Sports Authority or the NBA Team to execute any further documentation. However, upon the receipt of written request, Landlord, the Sports Authority or the NBA Team shall confirm the provisions of this Article 14 in writing to the requesting party within fifteen (15) days of receipt of such written request. Additionally, without in any manner limiting the self-operative provisions of this Article 14, upon the written request of the NBA Team or Tenant, Landlord will enter into a nondisturbance agreement with the NBA Team (or any mortgagee of the NBA Team's interest under the Arena Lease). Such nondisturbance agreement shall include such reasonable provisions as requested by the NBA Team (or its mortgagee), subject to the reasonable approval of Landlord and its City Attorney, but in any event shall (a) reaffirm Landlord's ownership of the Leased Premises, (b) confirm (if true) that this Agreement is in full force and effect without default by Tenant (or, if a default exists, specifying the default and the remedy required by Landlord), and (c) in the case of the NBA Team (or its mortgagee), provide, in substance, that, so long as the NBA Team (or its mortgagee should such mortgagee succeed to the NBA Team's rights under the Arena Lease) complies with all of the terms of the Arena Lease, Landlord, in the exercise of any of its rights or remedies under this Agreement, shall not deprive the NBA Team (or its mortgagee, if applicable) of possession, or the right of possession, of the Arena during the term of the Arena Lease, deprive the NBA Team (or its mortgagee, if applicable) of any other rights under the Arena Lease, or join the NBA Team (or its mortgagee) as a party in any action or proceeding to enforce or terminate this Agreement or obtain possession of the property leased in the Arena Lease, for any reason other than a breach by the NBA Team (or its mortgagee) of the terms of the Arena Lease, which would entitle Tenant to dispossess the NBA Team thereunder or otherwise terminate the NBA Team's rights thereunder.

Section 14.6 No Modification or Amendment. For so long as the Arena Lease shall remain in full force and effect, this Agreement shall not be modified or amended in any manner without the prior written consent of (a) the NBA Team, which consent shall not be unreasonably withheld and (b) if such modification or amendment is made or given during the Loan Period and (x) impairs in any material respect the obligation of Tenant to make Semi-Annual Installments as specified herein, (y) modifies any rights of either of the Parties to terminate this Agreement beyond what is expressly provided in this Agreement, or (z) modifies any rights of Lender or any

obligations to Lender expressly provided in this Agreement, which consent shall not be unreasonably withheld.

Section 14.7 Survival. The provisions of this Article 14 shall survive the termination of this Agreement and shall continue in full force and effect thereafter.

ARTICLE 15

REPRESENTATIONS AND WARRANTIES

Section 15.1 Landlord's Representations and Warranties. Landlord hereby represents, warrants and covenants as follows:

(a) Existence. Landlord is a home-rule city duly organized under the laws of the State of Texas and currently existing pursuant to the constitution and laws of the State of Texas, including the Texas Local Government Code and Texas Government Code.

(b) Authority. Landlord has all requisite power and authority to own the Leased Premises, 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, and, subject to the provisions of Section 17.27 hereof, the performance of its obligations under this Agreement and the consummation of the transactions herein contemplated.

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

(d) No Defaults. The execution by Landlord of this Agreement and the consummation by Landlord of the transactions contemplated hereby do not (i) 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 Landlord's charter or any resolution, indenture, agreement, instrument or obligation to which Landlord is a party or by which the Leased Premises or any portion thereof is bound, or (ii) constitute a violation of any Governmental Rule applicable to Landlord or any portion of the Leased Premises, or of any Governmental Authority having jurisdiction over Landlord or any portion of the Leased Premises.

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

(f) Proceedings. There are no actions, suits or proceedings pending or, to the best knowledge of Landlord, threatened or asserted against Landlord which could reasonably be expected to affect or impair Landlord's ability to enter into this Agreement or to perform its

obligations hereunder, or which affect in any manner any portion of the Leased Premises, at law or in equity or before or by any Governmental Authority.

(g) No Condemnation Proceedings; Impositions. Landlord has not received any notice of any Condemnation Proceedings from any Governmental Authority (other than Landlord in connection with the acquisition of the Arena Site as contemplated by the Project Documents), nor any notice of any special assessments or increases in the assessed valuation of taxes or any Impositions of any nature, which, in either case, are pending or being contemplated with respect to the Leased Premises or any portion thereof.

(h) Compliance with Laws. Landlord has not received any notice of any violation of any Governmental Rule pertaining to the Leased Premises or any portion thereof.

(i) Liens and Encumbrances. Landlord has possession of the Arena Site free and clear of all Liens (other than the Permitted Encumbrances) and Landlord has not placed or granted any Liens or Encumbrances against the Leased Premises (other than the Permitted Encumbrances), and there are no actions pending or, to the knowledge of Landlord, threatened which would result in the creation of any Lien or Encumbrance on any portion of the Leased Premises, including, but not limited to, water, sewage, street paving, electrical or power improvements which give rise to any Lien or Encumbrance, completed or in progress. During the Initial Period and the Term, Landlord shall not grant any Liens or Encumbrances on all or any portion of the Leased Premises.

Section 15.2 Tenant's Representations and Warranties. Tenant hereby represents and warrants as follows:

(a) Existence. Tenant is a sports and community venue district duly formed and validly existing under Chapter 335 of the Texas Local Government Code.

(b) Authority. Tenant has all requisite power and authority to own its property, operate its business, enter into this Agreement and consummate the transactions herein contemplated, and by proper action has duly authorized the execution and delivery of this Agreement and the consummation of the transactions herein contemplated.

(c) Binding Obligations. This Agreement is a valid and binding obligation of Tenant and is enforceable against Tenant in accordance with its terms.

(d) No Default. The execution by Tenant of this Agreement and the consummation by Tenant of the transactions contemplated hereby do not (i) 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 Tenant's charter or any resolution, indenture, agreement, instrument or obligation to which Tenant is a party or by which the Leased Premises or any portion thereof is bound, or (ii) constitute a violation of any Governmental Rule applicable to Tenant or of any Governmental Authority having jurisdiction over Tenant.

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

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

(f) Proceedings. There are no actions, suits or proceedings pending or, to the best knowledge of Tenant, threatened or asserted against Tenant which could reasonably be expected to affect or impair Tenant's ability to enter into this Agreement or to perform its obligations hereunder, at law or in equity or before or by any Governmental Authority.

ARTICLE 16

ENVIRONMENTAL REMEDIAL WORK

Section 16.1 Tenant's Remedial Work. Tenant shall be responsible for performing or causing to be performed, and for paying the cost of performing, any and all corrective or remedial actions required by applicable Governmental Rules to be performed with respect to any Environmental Event caused by Tenant or any of its SubTenants or occurring on or after the Commencement Date (or during any portion of the Initial Period during which Tenant is in possession of the Leased Premises in accordance with Article 4 above) and not caused by Landlord or any of its Affiliates, employees, agents, contractors or subcontractors ("Tenant's Remedial Work"). Tenant shall promptly inform Landlord and all applicable Governmental Authorities of any Environmental Event or Hazardous Materials discovered by Tenant (or by any agent, contractor or subcontractor of Tenant which so informs Tenant) in, on or under the Leased Premises and promptly shall furnish to Landlord any and all reports and other information available to Tenant concerning the matter. Tenant shall promptly consult with Landlord as to the steps to be taken to investigate and, if necessary, remedy such matter, and Tenant shall at its expense select an independent environmental consultant to evaluate the condition of the Leased Premises and materials thereon and therein. If it is determined pursuant to such evaluation that remediation of the same is required under this Section 16.1, then Tenant shall perform, or cause to be performed, Tenant's Remedial Work with due diligence and, as between Landlord and Tenant, at Tenant's cost and expense. To the extent Landlord has a claim against any Person (other than Tenant) with respect to any Environmental Event that constitutes Tenant's Remedial Work, Landlord hereby assigns, as of the Commencement Date, such claim to Tenant and Landlord shall cooperate with Tenant and provide Tenant with such information and assistance as Tenant shall reasonably request in pursuing such claim against any such Person. Additionally, Landlord hereby acknowledges and consents to the subsequent assignment of any such claim by Tenant to the NBA Team in accordance with Section 7.4 of the Arena Lease.

ARTICLE 17

MISCELLANEOUS

Section 17.1 Inspection. Subject to the provisions and limitations set forth in Section 11.2 of the Arena Lease (which are expressly incorporated herein by reference), Tenant shall permit Landlord and its agents, upon no less than twenty-four (24) hours prior written notice, to enter into and upon the Leased Premises during normal business hours for the purpose of inspecting the same, provided that such entry and inspection by Landlord does not interfere with

the quiet enjoyment of the Leased Premises by Tenant and its SubTenants (including, without limitation, the NBA Team).

Section 17.2 Estoppel Certificates. Tenant and Landlord shall, at any time and from time to time upon not less than twenty (20) days prior written request by the other Party, execute, acknowledge and deliver to Landlord or Tenant, as the case may be, a statement in writing certifying (a) its ownership of the interest of Landlord or Tenant hereunder (as the case may be), (b) that this Agreement is unmodified and in full force and effect (or if there have been any modifications, that the same is in full force and effect as modified and stating the modifications), (c) the dates to which any charges (including, without limitation, any Impositions) required hereunder have been paid, and (d) that, to the best knowledge of Landlord or Tenant, as the case may be, no default hereunder on the part of the other Party exists (except that if any such default does exist, the certifying Party shall specify such default). Upon request by Tenant, Landlord's estoppel certificate also shall be addressed to one or more of the SubTenants (and/or, with respect to the NBA Team, its mortgagee).

Section 17.3 Release. Tenant shall upon termination of this Agreement, execute and deliver to Landlord an appropriate release, in form proper for recording, of all Tenant's interest in the Leased Premises, and upon request of Tenant, Landlord will execute and deliver a written cancellation and termination of this Agreement and release of all claims (if none are then outstanding or threatened) in proper form for recording to the extent such release is appropriate under the provisions hereof.

Section 17.4 Landlord's Right to Perform Tenant's Covenants. If Tenant shall fail in the performance of any of its covenants, obligations or agreements contained in this Agreement, and such failure shall continue without Tenant curing or commencing to cure such failure within all applicable grace and/or notice and cure periods, Landlord, after ten (10) days' additional written notice to Tenant specifying such failure (or shorter notice if any emergency [meaning that there is imminent danger to the safety of Persons or of substantial damage to property] exists), may (but without any obligation so to do) perform the same for the account and at the expense of Tenant, and the amount of any payment made or other reasonable expenses (including reasonable attorneys' fees) incurred by Landlord in curing such default, together with interest thereon at the rate of ten percent (10%) per annum, shall be payable by Tenant to Landlord on demand. This provision is not in lieu of, but is in addition to, any other rights or remedies Landlord may have with respect to any such failure of performance by Tenant.

Section 17.5 Tenant's Right to Perform Landlord's Covenants. If Landlord shall fail in the performance of any of its covenants, obligations or agreements contained in this Agreement, and such failure shall continue without Landlord curing or commencing to cure such failure within all and applicable grace and/or notice and cure periods, Tenant, after ten (10) days' additional written notice to Landlord specifying such failure (or shorter notice if any emergency [as defined in Section 17.4 above] exists), may (but without any obligation so to do) perform the same for the account and at the expense of Landlord, and the amount of any payment made or other reasonable expenses (including reasonable attorneys' fees) incurred by Tenant in curing

such default, together with interest thereon at the rate of ten percent (10%) per annum, shall be payable by Landlord to Tenant on demand. This provision is not in lieu of, but is in addition to, any other rights or remedies Tenant may have with respect to any such failure of performance by Landlord.

Section 17.6 Notices. All notices, consents, directions, approvals, instructions, requests and other communications and all payments, as applicable, given to a Party under this Agreement shall be given in writing to such Party at the address set forth below or at any other address as such Party designates by written notice to the other Party in accordance with this Section 17.6 and may be (i) sent by registered or certified U.S. Mail with return receipt requested, (ii) delivered personally (including delivery by private courier services) or (iii) sent by telecopy (with electronic confirmation of such notice) to the Party entitled thereto. Any notice shall be deemed to be duly given or made (x) three (3) business days after posting if mailed as provided, (y) when delivered by hand unless such day is not a business day, in which case such delivery shall be deemed to be made as of the next succeeding business day, or (z) in the case of telecopy (with electronic confirmation of such notice), when received, so long as it was received during normal business hours of the receiving Party on a business day or otherwise such delivery shall be deemed to be made as of the next succeeding business day. Each Party hereto shall have the right at any time and from time to time to specify additional parties (the "Additional Addressees") to whom notices hereunder must be given, by delivering to the other Party five (5) days' notice thereof setting forth a single address for each such Additional Addressee; provided, however, that no Party hereto shall have the right to designate, in addition to the NBA Team, more than two (2) such Additional Addressees. The notice addresses for the Parties shall be as follows:

Notice to Landlord shall be sent to:

City of Houston
Mayor's Office
901 Bagby, 3rd Floor
Houston, Texas 77002
Attention: Mayor
Facsimile Number: (713) 247-2355

with copies of all notices to Landlord being sent to:

City of Houston
City Attorney's Office
900 Bagby, 4th Floor
Houston, Texas 77002
Attention: City Attorney
Facsimile Number: (713) 247-1017

and to:

City of Houston
Convention and Entertainment Facilities Dept.
901 Bagby, 1st Floor
Houston, Texas 77002
Attention: Director
Facsimile Number: (713) 227-0693

Notice to Tenant shall be sent to:

Harris County-Houston Sports Authority
1200 Post Oak Blvd., Suite 416
Houston, Texas 77056
Attention: Chairman
Facsimile Number: (713) 355-2427

with copies of all notices to Tenant being sent to:

Andrews & Kurth, L.L.P.
600 Travis Street, Suite 4200
Houston, Texas 77002
Attention: Gene L. Locke, Esq.
Facsimile Number: (713) 220-4285

The NBA Team is hereby designated as an Additional Addressee of each Party and entitled to any and all notices sent by either Party to the other Party hereunder, with the notice address for the NBA Team being:

Rocket Ball, Ltd.
Two Greenway Plaza
Suite 400
Houston, Texas 77046
Attention: Chief Operating Officer
Facsimile Number: (713) 963-7315

and with copies of all notices to the NBA Team being sent to:

Baker Botts L.L.P.
One Shell Plaza
910 Louisiana Street
Houston, Texas 77002-4995
Attention: Michael S. Goldberg, Esq.
Facsimile Number: (713) 229-1522

During the Loan Period, if any Party delivers any notice required under Article 12 or Article 13, such Party shall also contemporaneously deliver a copy of such notice to the Lender at the address specified by the Lender in a notice to Landlord and Tenant in accordance with this

Section 17.6. The Lender shall have the right at any time and from time to time to change such address for notice by giving all Parties at least five (5) days' prior written notice of such change of address.

Section 17.7 Successor and Assigns. The word "Tenant" as used in this instrument shall extend to and include the entity executing this Agreement, as well as any and all Persons who at any time or from time to time during the Term of this Agreement shall succeed to the interest and estate of Tenant hereunder immediate or remote; and subject to the provisions of Sections 10.1 and 10.2 hereof, all of the covenants, agreements, conditions, and stipulations herein contained which inure to the benefit of or are binding upon Tenant shall also inure to the benefit of and shall be jointly and severally binding upon the successors, permitted assigns and grantees of Tenant, and each of them, and any and all Persons who at any time or from time to time during the Term shall succeed to the interest and estate of Tenant created hereby in accordance with the terms and provisions hereof. The word "Landlord" as used in this instrument shall extend to and include the entity executing this instrument, as well as any and all Persons who at any time or from time to time during the term of this Agreement shall succeed to the interest and estate of Landlord in the Leased Premises, and all of the covenants, agreements, conditions and stipulations herein contained which inure to the benefit of or are binding upon Landlord shall also inure to the benefit of and shall be binding upon the successors, assigns or other representatives of Landlord, and of any and all Persons who shall at any time or from time to time during the Term of this Agreement succeed to the interest and estate of Landlord in the Leased Premises. The word "NBA Team" as used in this instrument shall extend to and include the entity originally executing the Arena Lease as the tenant thereunder, as well as any and all Persons who at any time or from time to time during the term of Arena Lease (as the same may be renewed and/or extended pursuant to Article 18 below) shall succeed to the interest and estate of the NBA Team under the Arena Lease in accordance with the terms and provisions thereof. All of the covenants, agreements, conditions and stipulations contained in this Agreement which inure to the benefit of the NBA Team shall also inure to the benefit of such Persons who shall at any time or from time to time succeed to the interest and estate of the NBA Team under the Arena Lease in accordance with the terms and provisions thereof. All of the obligations contained in this Agreement which are binding on the NBA Team shall also bind such Persons who shall at any time or from time to time succeed to the interest and estate of the NBA Team under the Arena Lease in accordance with the terms and provisions thereof. Notwithstanding the above, the provisions of this Section 17.7 do not impose any liability on any Person that may at any time be Tenant hereunder and whose liability is limited or eliminated by other provisions of this Agreement.

Section 17.8 Modifications. Subject to Section 14.6 hereof, this Agreement may be amended or modified at any time, but only by written agreement signed by Landlord and Tenant

Section 17.9 Descriptive Headings. The descriptive headings of this Agreement are inserted for convenience in reference only and do not in any way limit or amplify the terms and provisions of this Agreement.

Section 17.10 Unavoidable Default and Delays. The time within which either Party hereto 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 Condemnation Proceedings, casualty damage, strikes, 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 delay. The provisions of this Section shall not operate to excuse either Party from prompt payment of monetary obligations required by the terms of this Agreement.

Section 17.11 Partial Invalidity. If any term, provision, condition or covenant of this Agreement or the application thereof to any Party or circumstances shall, to any extent, be held invalid or unenforceable, the remainder of this Agreement, or the application of such term, provision, condition or covenant to Persons or circumstances other than those as to whom or which it is held invalid or unenforceable, shall not be affected thereby, and each term and provision of this Agreement shall be valid and enforceable to the fullest extent permitted by law.

Section 17.12 Applicable Law and Venue. THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF TEXAS AND THE TERMS, PROVISIONS, OBLIGATIONS AND COVENANTS HEREOF ARE PERFORMABLE IN HARRIS COUNTY, TEXAS. THE PARTIES HEREBY AGREE THAT VENUE FOR ANY ACTION INSTITUTED TO ENFORCE THE RIGHT OF EITHER PARTY HEREUNDER SHALL BE IN A COURT OF COMPETENT JURISDICTION IN HARRIS COUNTY, TEXAS.

Section 17.13 Attorneys' Fees. Should either Party to this Agreement (or the NBA Team pursuant to the provisions of Section 18.4 below) engage the services of attorneys or 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, court costs and similar costs incurred in connection with the resolution of such dispute or the institution, prosecution or defense in such proceedings from the other party(ies).

Section 17.14 Interpretation. Nothing contained herein shall be deemed or construed by the Parties hereto or by any third party as creating the relationship of principal and agent, partnership, joint venture or any association between the Parties hereto, 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 hereto other than the relationship of Landlord and Tenant.

Section 17.15 Brokerage Commission. Landlord and Tenant represent and warrant one to the other that no broker commission, finder's fees or similar compensation is due to any party claiming by, through or under Landlord or Tenant, as applicable.

Section 17.16 Landlord's Lien Waiver. Landlord hereby waives all landlord's liens that Landlord might hold, statutory or otherwise, to any of Tenant's (or any SubTenant's) inventory, trade fixtures, equipment or other personal property now or hereafter placed on or within the Leased Premises or any portion thereof.

Section 17.17 Non-Waiver. No Party shall have or be deemed to have waived any default under this Agreement by the other Party unless such waiver is embodied in a document signed by the waiving Party that describes specifically the default that is being waived. Further, no Party shall be deemed to have waived its rights to pursue any remedies under this Agreement, unless such waiver is embodied in a document signed by such Party that describes specifically any such remedy that is being waived.

Section 17.18 Survival. Covenants in this Agreement providing for performance after termination of this Agreement shall survive the termination of this Agreement.

Section 17.19 Entire Agreement. This Agreement, the Interlocal Agreements, the Right of Entry Agreement and the documents referenced in this Agreement or in the Interlocal Agreements constitute the entire agreement between Landlord and Tenant regarding the subject matter thereof. There are no representations, promises or agreements of either Landlord or Tenant, one to the other, regarding the subject matter of this Agreement not contained in this Agreement, the Interlocal Agreements or the Right of Entry Agreement. In the event of any conflict between this Agreement, the Interlocal Agreements and the Right of Entry Agreement, the provisions of this Agreement shall control.

Section 17.20 Parties in Interest; Limitation on Rights of Others. The terms of this Agreement shall be binding upon, inure to the benefit of and be enforceable by the Parties and their permitted successors and assigns. Except as otherwise provided in Section 18.4 below, nothing in this Agreement, whether express or implied, shall be construed to give any Person (other than the Parties and the NBA Team and their respective permitted successors and assigns, but not including any invitee, patron or guest of a Party or the NBA Team) any legal or equitable remedy, claim, liability, reimbursement, cause of action or other right under or in respect of this Agreement or any of the covenants, conditions or provisions contained herein or any standing or authority to enforce the terms and provisions of this Agreement. Notwithstanding the foregoing, during the Loan Period, Lender may exercise its rights and enforce its rights and any obligations to Lender expressly provided in this Agreement and shall also be an express third-party beneficiary to exercise its rights and to enforce its rights and obligations to Lender expressly provided for in this Agreement, including Section 14.6.

Section 17.21 Covenants Running with the Land. The Parties hereto covenant and agree that all of the conditions, covenants, agreements, rights, privileges, obligations, duties, specifications and recitals contained in this Agreement, except as otherwise expressly stated herein, shall be construed as covenants running with title to the Leased Premises, and the leasehold estate hereunder, respectively, which shall extend to, inure to the benefit of and bind

Landlord, Tenant and their respective permitted successors and assigns to the same extent as if such successors and assigns were named as original parties to this Agreement, such that this Agreement shall always bind the owner and holder of any fee or leasehold interest in or to the Leased Premises, or any portion thereof, and shall bind predecessors thereof except as otherwise expressly provided herein.

Section 17.22 Non-Merger of Estates. The interests of Landlord and Tenant in the Leased Premises shall at all times be separate and apart and shall in no event be merged, notwithstanding the fact that this Agreement or the leasehold estate created hereby, or any interest therein, may be held directly or indirectly by or for the account of the same Person who shall own the fee title to the Leased Premises or any portion thereof; and no such merger of estates shall occur by operation of law, or otherwise, unless and until all Persons at the time having any interest in the Leased Premises or under this Agreement join in the execution and recordation of a written instrument effecting such merger of estates.

Section 17.23 Acknowledgment of Private Commercial Nature of Agreement. Each of the Parties unconditionally and irrevocably agrees that the execution, delivery and performance by it of this Agreement constitute private, proprietary and commercial acts rather than public or governmental acts. Notwithstanding the immediately preceding sentence to the contrary, Landlord does not herein waive its immunity (sovereign or otherwise) in connection with the provision of (i) Municipal Services under this Agreement and (ii) general municipal services to the Arena Project. Such general municipal services include, without limitation, police, fire emergency medical, water, sewer and trash pick-up.

Section 17.24 Incorporation of Certain Arena Lease Provisions. The provisions of Article 23 and Section 24.21 of the Arena Lease are hereby incorporated by reference for all purposes and shall have the same force and effect as if fully set forth herein. Landlord hereby consents to such provisions and agrees to be bound by and to comply with the obligations of the City (or the obligations with which the Sports Authority agreed to cause the City to comply) set forth therein.

Section 17.25 Recommendations by City Attorney and Convention Department. The City Attorney of the City and the City's Convention and Entertainment Facilities Department shall recommend that the City Council approve, agree or consent to, or otherwise authorize any future action by Landlord (including, without limitation, any appropriation of funds) which is expressly contemplated by this Agreement, including, without limitation, any of the matters contemplated by Sections 2.1, 5.6, 5.7, 7.3 and 7.4 hereof to the extent the City Council's future approval, consent, authorization or other action may be required in connection therewith as provided in Section 17.27 below.

Section 17.26 Recording of Memorandum of Ground Lease. The Parties shall execute a Memorandum of Ground Lease in the form attached hereto as Exhibit G, and Tenant shall file the same in the Real Property Records of Harris County, Texas. Upon the Expiration Date,

Tenant shall execute such instruments as may be reasonably requested by Landlord in recordable form that are sufficient to release of record any rights or interests of Tenant in and to the Leased Premises (subject, however, to any rights of Tenant to holdover beyond the Term as permitted by Section 3.1 hereof).

Section 17.27 City Council Approvals and Appropriations. This Agreement is subject to all applicable terms and provisions of the Charter and the Code of Ordinances of the City, and is subject to approval by the City Council, and shall not be effective until signed by the Mayor and countersigned by the Controller of the City. Notwithstanding anything contained in this Agreement to the contrary, this Agreement does not, nor shall it be construed to, foreclose or waive the application of all lawful requirements under the applicable laws of the State of Texas for (i) the appropriation and payment of funds by the City, or (ii) the approval or issuance of future agreements, permits or licenses by the City. Any provision of this Agreement which contemplates (x) the payment of money by the City, which payment would require the appropriation of funds over and above any sums appropriated prior to the Commencement Date in connection with this Agreement and the other Project Documents (and the transactions contemplated herein or therein), or (y) any other future action, decision, agreement, waiver or approval which by its nature must be approved by the City Council, including without limitation, the issuance of permits or licenses, shall be subject to the approval of any subsequent City Council to which such matter is presented and to the appropriation by such City Council of the required funds, in the exercise of its legislative discretion.

Section 17.28 Bond Insurer Rights. During the Loan Period, to the extent the Bond Insurer has any obligation or commitment under any insurance policy covering the Arena Rent Supported Debt or the Sports Authority has any reimbursement obligation to the Bond Insurer with respect thereto, (a) the rights and benefits of and to Lender set out in this Agreement shall (so long as the Bond Insurer is not in default under the terms of any bond insurance policy with regard to the Arena Rent Supported Debt or other applicable agreement or instrument) inure to the benefit of, be enforceable by, and be binding on the Bond Insurer in lieu of Lender, and (b) so long as the Bond Insurer is not in default under the terms of any bond insurance policy with regard to the Arena Rent Supported Debt or other applicable agreement or instrument, the Bond Insurer shall have the right and obligation to exercise the consent and approval rights of Lender expressly set out in this Agreement.

ARTICLE 18

NBA TEAM RIGHTS OF FIRST NEGOTIATION AND RENEWAL; LIMITATION ON SALE BY LANDLORD; THIRD PARTY BENEFICIARY STATUS

Section 18.1 NBA Team Right of First Negotiation.

(a) Landlord hereby confirms, acknowledges and agrees that the NBA Team shall have, and Landlord hereby grants unto the NBA Team, the right (the "Right of First Negotiation"), prior to the expiration of the Arena Lease, to enter into exclusive negotiations with Landlord for a new direct lease between Landlord and the NBA Team, covering the Arena, the Parking Garage (which, if such direct lease is agreed upon, Landlord shall acquire pursuant

to Article 11 above) and related facilities and the rights of the NBA Team as currently set forth in the Arena Lease and the Parking Lease, with the term of such direct lease commencing upon the expiration or termination of this Agreement (the "Direct Lease"). The NBA Team may exercise the Right of First Negotiation by delivering written notice of such exercise (the "ROFN Exercise Notice") to Landlord at least one (1) year prior to the expiration of the Arena Lease. Any such Direct Lease shall be on the same terms and conditions as the Arena Lease and the Parking Lease, except that (i) the term of any such Direct Lease shall, at the NBA Team's option, be for up to three (3) consecutive five (5) year periods, which may be in any combination of initial and renewal term(s) as agreed upon by Landlord and the NBA Team, and (ii) the rental paid by the NBA Team under such Direct Lease (the "Direct Lease Rental Rate") shall be at a rate to be negotiated between the NBA Team and Landlord prior to the commencement of such Direct Lease (with neither party being under any compulsion to agree to any particular Direct Lease Rental Rate).

(b) In the event the NBA Team timely exercises its Right of First Negotiation hereunder, Landlord, from the date of its receipt of the ROFN Exercise Notice through and until the earlier to occur of (i) the execution and delivery of a Direct Lease by Landlord and the NBA Team, and (ii) the expiration date of the Arena Lease, shall not negotiate with, make offers to, entertain offers from, nor have any discussions or communications whatsoever with, any other party for the lease of the Arena, Parking Garage and/or any Improvements or other facilities related thereto.

(c) In the event the NBA Team fails to timely exercise its Right of First Negotiation hereunder, or in the event the NBA Team and Landlord, following the NBA Team's exercise of such right, fail to agree upon the Direct Lease Rental Rate, neither Landlord nor Tenant shall enter into any lease, sublease, license or similar occupancy agreement with any party on terms more favorable than those offered to the NBA Team without first offering the NBA Team the right to accept such more favorable terms.

(d) The NBA Team shall not be permitted to exercise its Right of First Negotiation if at the time of such exercise a Tenant Default has occurred and is continuing under the Arena Lease (beyond the term of any cure period provided in the Arena Lease).

(e) The rights granted to the NBA Team hereunder are assignable by the NBA Team to any permitted successor or assignee of the NBA Team's leasehold estate and rights under the Arena Lease.

Section 18.2 Sale or Assignment of Arena Site; Interest in Lease. Landlord shall not, at any time during the respective terms of the Arena Lease, the Parking Lease and, if applicable, the Direct Lease, sell, assign, convey or transfer, or offer to sell, assign, convey or transfer, any interest of Landlord in all or any portion of the Arena Site, the Leased Premises, the Arena, the Parking Garage (including, without limitation, Landlord's rights under Article 11 above) or any Improvements or related facilities or Landlord's interest under this Agreement (including its reversionary interest hereunder) or under any other Project Documents, unless Landlord complies with all then applicable statutory competitive sale requirements and procedures. Additionally, should Landlord so desire to sell, assign, convey or transfer any such interest(s), Landlord shall provide the NBA Team with at least twenty (20) business days advance written

notice prior to commencing any such competitive sale process, and the NBA Team shall have the right (but not any obligation whatsoever) to participate in, and be a bidder at, any such sale.

Section 18.3 NBA Team Renewal Rights Following Certain Sales by City.

(a) Notwithstanding the provisions of Section 18.1 above, in the event the City sells, assigns, conveys or transfers its interest in the Arena Site, the Leased Premises or its reversionary interest under this Agreement to Tenant, a private Person, or any other Person not affiliated with the City, then, Landlord and Tenant hereby confirm, acknowledge, covenant and agree that the NBA Team shall have, and the NBA Team is hereby granted, in lieu of the NBA Team's Right of First Negotiation under Section 18.1 above, three (3) options (individually, a "Renewal Option," and collectively, the "Renewal Options") to renew the terms of the Arena Lease and the Parking Lease for successive periods of five (5) years each (individually, a "Renewal Term," and collectively, the "Renewal Terms"). The first Renewal Term shall commence at the expiration of the initial term of the Arena Lease and the Parking Lease and each subsequent Renewal Term shall commence at the end of the prior Renewal Term.

(b) The NBA Team shall exercise each option to renew by delivering written notice (the "Renewal Notice") of such election to the Person which is then the "Landlord" under the Arena Lease (such person is hereinafter referred to in this Section 18.3, for the purposes of this Section 18.3 only, as the "Arena Landlord") not later than one (1) year prior to the expiration of the then applicable term (including, any Renewal Term, if applicable) of the Arena Lease and the Parking Lease (provided, however, if any such sale, assignment, conveyance or transfer by the City occurs within the last year of the term of the Arena Lease, the NBA Team shall be required to deliver the Renewal Notice within thirty (30) days after it receives notice of such sale, assignment, conveyance or transfer).

(c) Within ten (10) days after the Arena Landlord's receipt of the Renewal Notice, the Arena Landlord shall deliver to the NBA Team a proposal which shall contain the Arena Landlord's good faith determination of the Fair Market Rental Rate (defined in Subsection (d) below) as of the commencement of the applicable Renewal Term. Thereafter, the Arena Landlord and the NBA Team shall negotiate in good faith (neither party acting arbitrarily or capriciously) in an effort to reach agreement as to the Fair Market Rental Rate. The renewal of this Arena Lease and the Parking Lease pursuant to this Section 18.3 shall be upon the same terms and conditions as applied during the initial terms of such leases, except that the Rent during the applicable Renewal Term shall be equal the Fair Market Rental Rate as of the commencement of such Renewal Term, and which Rent shall be in full consideration of the renewal and extension of the Arena Lease and the Parking Lease.

(d) Whenever used in this Section 18.3, the term "Fair Market Rental Rate" shall mean the annual rental payments (including any contributions to maintenance, capital work, and reserve funds) that a willing and comparable tenant would pay, and a willing landlord would accept at arm's length, for Comparable Facilities taking into account the following factors (collectively, the "Market Factors") as they exist with respect to the subject facilities and the Comparable Facilities: location, quality, amenities, age and reputation of the facilities and the Comparable Facilities; adjustments for differences between the cost of living indexes and other

measures of costs of goods and services applicable to the relevant Metropolitan Statistical Areas in which the subject facilities and the Comparable Facilities are located; extent and condition of leasehold improvements in the facilities and in any Comparable Facilities; rental abatements pertaining to the facilities and to any Comparable Facilities (including with respect to rental and contributions to maintenance, capital work and reserve funds); tax abatements and other incentives available; lease takeovers/assumptions by the landlord of the Comparable Facilities, if applicable; the timing of the commencement of rental payments; relocation allowances and other inducements granted, if any; improvements, refurbishment and repainting allowances granted, if any; any other concessions or inducements and the timing of payment of such concessions or inducements; term or length of lease of the subject facilities and of any Comparable Facilities; the time the particular rental rate under consideration was agreed upon and became or is to become effective; and expansion options, rights of first offer and similar options granted.

(e) If the Arena Landlord and the NBA Team are unable to reach a definitive agreement as to the Fair Market Rental Rate within forty-five (45) days following the NBA Team's receipt of the Arena Landlord's Renewal Term proposal, the NBA Team shall have the option by furnishing written notice to the Arena Landlord to either (i) revoke the exercise of the Renewal Option and thereby permit the Arena Lease and the Parking Lease to expire upon the expiration of the then existing terms thereof, or (ii) have the determination of the Fair Market Rental Rate submitted to arbitration for resolution in accordance with Subsection (g) below. If the NBA Team fails to furnish notice to the Arena Landlord of the exercise of any of the foregoing options prior to the expiration of such forty-five (45)-day period, the NBA Team shall be deemed to have elected option (i).

(f) Notwithstanding the foregoing, if the decision of the arbitrators with respect to Fair Market Rental Rate cannot be or is not rendered on or prior to that date which is six (6) months prior to the expiration of the then current terms of the Arena Lease and the Parking Lease, then on such date the NBA Team shall have the option by furnishing written notice to the Arena Landlord to (i) revoke the exercise of the Renewal Option and thereby permit the Arena Lease and the Parking Lease to expire upon the expiration of the then existing terms thereof, or (ii) have its election to renew become irrevocable and be bound by the decision of the arbitrators (as will the Arena Landlord), or (iii) reserve the right to revoke the exercise of Renewal Option within five (5) days after the final determination of the Fair Market Rental Rate. If the NBA Team fails to timely give such notice, the NBA Team shall be deemed to have chosen option (iii). If the NBA Team exercises or is deemed to have exercised option (iii), the NBA Team must furnish notice to the Arena Landlord within five (5) days after such final determination whether the NBA Team elects either (x) for the Renewal Option to be irrevocably exercised and for such determination of the Fair Market Rental Rate to be binding on the NBA Team and the Arena Landlord, or (y) to revoke the exercise of Renewal Option in which event the terms of the Arena Lease and the Parking Lease shall expire on the stated expiration date thereof. If the NBA Team fails to timely furnish notice to the Arena Landlord of the exercise of option (x) or (y) above, the NBA Team shall be deemed to have exercised option (y).

(g) In the event the Fair Market Rental Rate applicable to any Renewal Term(s) is to be determined pursuant to arbitration, then the following provisions shall apply:

(1) Not later than ten (10) days after the date the NBA Team elects to have the Fair Market Rental Rate be determined pursuant to arbitration, the Arena Landlord and the NBA Team each shall appoint one arbitrator. Each such arbitrator shall be a reputable real estate appraiser who is a member of the American Institute of Real Estate Appraisers or a successor body hereinafter exercising similar functions with not less than ten (10) years experience in appraising Comparable Facilities and other multipurpose sports, entertainment and community venue projects similar to the Arena Project in the metropolitan areas in the United States and Canada with a population of at least 1,500,000. In no event may either party appoint an arbitrator who has been employed by, affiliated with, or engaged to represent the NBA Team, the Sports Authority, the City of the County of Houston, Texas within the seven (7) year period immediately preceding such appointment. In the event either party shall fail to appoint an arbitrator within such ten (10) day period, then the other party shall request the director (the "Director") of the Houston, Texas office of the American Arbitration Association to do so.

(2) Within ten (10) days of the appointment of the two (2) arbitrators, such arbitrators shall select a third (3rd) arbitrator (who must have the same qualifications as identified above which is required for the arbitrators selected by the Arena Landlord and the NBA Team). In the event the two (2) arbitrators fail to appoint or agree upon such third (3rd) arbitrator within such ten (10) day period, a third arbitrator shall be selected by the Arena Landlord and the NBA Team if they so agree upon such third arbitrator within a further period of ten (10) days. If the Arena Landlord and the NBA Team cannot agree upon the third arbitrator, the Arena Landlord or the NBA Team shall request the Director to do so. In the event of the inability or failure of any arbitrator to act, another arbitrator shall be selected in the same manner as set forth above for the same arbitrator.

(3) Fifteen (15) days after the third (3rd) arbitrator is appointed pursuant to clause (i) above, the parties and the arbitrators shall meet in the NBA Team's offices in Houston, Texas, at which meeting (the "Meeting") the Arena Landlord and the NBA Team shall exchange, and each party shall deliver to the arbitrators, sealed envelopes in which each sets forth its determination of the Fair Market Rental Rate, and neither party shall be bound by any previous offers or discussions.

(4) Fifteen (15) days after the Meeting, the parties shall meet with the arbitrators in NBA Team's office in Houston, Texas (the "Second Meeting") at which time the Arena Landlord and the NBA Team may each submit evidence, be heard and cross-examine witnesses, and each of the parties will furnish the arbitrators with such information as the arbitrators may reasonably request. The Second Meeting shall be conducted such that the Arena Landlord and the NBA Team shall have reasonably adequate time to present oral evidence and argument (not to exceed five (5) hours each for the Arena Landlord and the NBA Team), but either party may present whatever written evidence it deems appropriate prior to the Second Meeting (with copies of such written evidence being sent to the other party).

(5) The sole task of the arbitrators shall be the selection of the Fair Market Rental Rate determined by either the Arena Landlord or the NBA Team (pursuant to the exchange of envelopes as provided above) as more accurately reflecting the true Fair

Market Rental Rate as defined in Subsection (d) above. No other Fair Market Rental Rate may be determined by the arbitrators.

(6) The decision of the arbitrators shall be given within a period of thirty (30) days after the Second Meeting and, except as expressly provided above, the decision of any two (2) arbitrators so appointed and acting hereunder shall be in all cases binding and conclusive upon the parties and shall be the basis for a judgment entered in any court of competent jurisdiction.

(7) The fees and expenses of the determination of the Fair Market Rental Rate under this Subsection(g) shall be borne by the party whose determination of the Fair Market Rental Rate was not selected by the arbitrators.

(h) The NBA Team shall not be permitted to exercise a Renewal Option if at the time of such exercise a Tenant Default has occurred and is continuing under the Arena Lease (beyond the term of any cure period provided in the Arena Lease).

(i) The rights granted to the NBA Team hereunder are assignable by the NBA Team to any permitted successor or assignee of the NBA Team's leasehold estate and rights under the Arena Lease.

Section 18.4 NBA Team's Third Party Beneficiary Status to this Agreement. Landlord and Tenant hereby confirm, acknowledge and agree that the NBA Team is, and shall at all times, be a third party beneficiary of this Agreement, fully entitled to enforce the terms, provisions, covenants and agreements of either Party set forth herein.

Section 18.5 Consideration for Rights in Favor of NBA Team; Reliance. Landlord and Tenant have entered into the agreements, covenants and promises in favor of the NBA Team in this Agreement, and each have granted to the NBA Team the rights set forth in this Article 18, in consideration of the agreements, covenants and promises made by the NBA Team in the Letter Agreement and the other Project Documents. Additionally, Landlord and Tenant each hereby acknowledge, confirm and agree that the NBA Team is expressly relying on the agreements, covenants and promises made by the Parties in this Agreement, and the rights granted to the NBA Team by Landlord and Tenant in this Article 18, in entering into and making such agreements, covenants and promises made by the NBA Team in the Letter Agreement and the other Project Documents, and that the NBA Team would not enter into such agreements and documents without the benefit of the provisions set forth in this Article 18 and the other agreements, covenants and promises of the Parties elsewhere in this Agreement.

Section 18.6 Survival. The provisions of this Article 18 shall survive the expiration or termination of this Agreement, and shall continue in full force and effect thereafter to the same extent as if this Article 18 were a separate and independent contract and agreement among Landlord, Tenant and the NBA Team.

IN WITNESS WHEREOF, this Agreement has been executed by the Parties as of the Effective Date.

ATTEST:

By: _____
Anna Russell, City Secretary

LANDLORD:

CITY OF HOUSTON, TEXAS, a home-rule city organized under the laws of the State of Texas

By: _____
Lee P. Brown, Mayor

APPROVED:

By: _____
~~Gerard J. Tollett~~ Dawn Ullrich, Director of the Convention & Entertainment Facilities Department

COUNTERSIGNED:

By: _____
Sylvia Garcia, Controller

APPROVED AS TO FORM:

By: _____
Stephen W. Lewis
Senior Assistant City Attorney
L.D. #025-010000-001

DATE OF COUNTERSIGNATURE:

3/4/02

TENANT:

HARRIS COUNTY-HOUSTON SPORTS AUTHORITY, a sports and community venue district created under Chapter 335 of the Texas Local Government Code

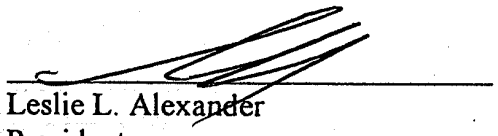
By: _____
William F. "Billy" Burge, Chairman

JOINDER BY NBA TEAM

The NBA Team has joined in the execution of this Agreement for the sole purposes of consenting to the terms and conditions set forth in Sections 14.4 and 14.5 hereof and agreeing to be bound thereby.

ROCKET BALL, LTD.,
a Texas limited partnership

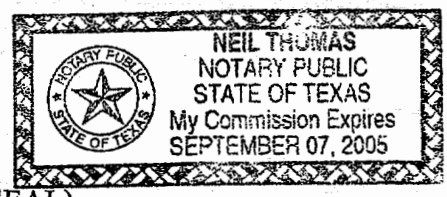
By: LLA Sports, Inc., its general partner

By: 
Leslie L. Alexander
President

STATE OF TEXAS §

COUNTY OF HARRIS §

This instrument was acknowledged before me on December 31, 2001, by William F. "Billy" Burge, Chairman of the HARRIS COUNTY - HOUSTON SPORTS AUTHORITY, a sports and community venue district created under Chapter 335 of the Texas Local Government Code, on behalf of said sports community and venue district.



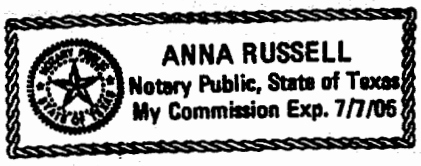
Printed Name: _____

Notary Public in and for the State of Texas
My Commission Expires:

(SEAL)

STATE OF TEXAS §
COUNTY OF HARRIS §

This instrument was acknowledged before me on February 22, 2001, by Lee P. Brown, Mayor of the CITY OF HOUSTON, TEXAS, a home-rule city organized under the laws of the State of Texas, on behalf of said home-rule city.



Printed Name: _____

Notary Public in and for the State of Texas
My Commission Expires:

(SEAL)

STATE OF TEXAS §
COUNTY OF HARRIS §

This instrument was acknowledged before me on _____ __, 2001, by Rocket Ball, Ltd., a Texas limited partnership ("Rocket Ball"), by LLA Sports, Inc., a Delaware corporation, its general partner, by Leslie L. Alexander, President of said corporation, on behalf of said corporation, as general partner of said partnership.

Printed Name: _____

Notary Public in and for the State of Texas
My Commission Expires:

(SEAL)

STATE OF TEXAS §

COUNTY OF HARRIS §

This instrument was acknowledged before me on _____ __, 2001, by William F. "Billy" Burge, Chairman of the HARRIS COUNTY - HOUSTON SPORTS AUTHORITY, a sports and community venue district created under Chapter 335 of the Texas Local Government Code, on behalf of said sports community and venue district.

_____

Printed Name: _____

Notary Public in and for the State of Texas
My Commission Expires:

(SEAL)

STATE OF TEXAS §
COUNTY OF HARRIS §

This instrument was acknowledged before me on _____ __, 2001, by Lee P. Brown, Mayor of the CITY OF HOUSTON, TEXAS, a home-rule city organized under the laws of the State of Texas, on behalf of said home-rule city.

_____

Printed Name: _____

Notary Public in and for the State of Texas
My Commission Expires:

(SEAL)

STATE OF FLORIDA §
COUNTY OF PALM BEACH §

This instrument was acknowledged before me on December 31, 2001, by Rocket Ball, Ltd., a Texas limited partnership ("Rocket Ball"), by LLA Sports, Inc., a Delaware corporation, its general partner, by Leslie L. Alexander, President of said corporation, on behalf of said corporation, as general partner of said partnership.

Elizabeth J. Nieto

Printed Name: Elizabeth J. Nieto

ELIZABETH J. NIETO
Notary Public - State of Florida
My Commission Expires Dec 10, 2003
Commission # CC891759

Notary Public in and for the State of Florida
My Commission Expires:

(SEAL)

EXHIBIT A-1

LEGAL DESCRIPTION OF ARENA SITE

Block 289, Block 290, Block 311 and Block 312, of SOUTH SIDE BUFFALO BAYOU, an unrecorded subdivision in the City of Houston, Harris County, Texas, together with a Portion of the Crawford Street right-of-way containing 46,405 square feet of land, more or less, and two portions of the Clay Avenue right-of-way containing an aggregate of 40,001 square feet of land, more or less, as more particularly described on **Exhibits A-1-A, A-1-B and A-1-C** attached hereto and made a part hereof for all purposes, and being the street right-of-way abandoned in City of Houston Ordinance No. 2001-692.

Exhibit A-1-A

Crawford Street: Polk Avenue
to Bell Avenue
City Parcel No. SY1-010A
Dwg. No. _____

REAL PROPERTY DESCRIPTION
APRIL 9, 2001

Being a 1.0653 acre (46,405 square feet) tract of land being out of South Side Buffalo Bayou (S.S.B.B.) Subdivision, a recognized unrecorded subdivision as reapportioned, adapted, and resolved by the City of Houston City Council Ordinance as recorded in City Secretary's "Book of Minutes" 1865 – 1869, Pages 402, 403, 404, 405, and 406 filed in the City Secretary's Office in the City of Houston, Harris County, Texas and situated wholly in the J.S. Holman Survey, Abstract No. 323, said tract of land is more particularly described by metes and bounds as follows with all bearings referenced to the observed line between City of Houston Monument No. 5457/0207, (x=3,153,327.39, y=716,789.93), Monument No. 5457/0208, (x=3,153684.02, y=717,348.74) and Monument No. 5457/0303, (x=3,154,517.66, y=714,373.84) and referenced to the Texas State Plane Coordinate System, South Central Zone with all bearings and distances referenced herein being surface and may be converted to grid by multiplying by a combined adjustment factor of 0.999887480.

COMMENCING at City of Houston Engineer's Reference Point No. 311, being a found three quarter inch (¾") brass rod, surface coordinates x=3,154,765.91, y=715,425.89 located at the centerline intersection of Crawford Street, 80 feet wide, and the centerline of Polk Avenue, 80 feet wide, said point bears North 57° 08' 39" West, (called N. 55° W.) a distance of 660.08 feet from City of Houston Engineer's Reference Point No. 44, being a found three quarter inch (¾") brass rod, surface coordinates of x=3,155,320.41, y=715,067.77, marking the centerline intersection of Polk Avenue, 80 feet wide and the centerline of Chenevert Street, 80 feet wide;

Thence South 32° 50' 59" West, (called S. 35° W.) along the centerline of said Crawford Street, a distance of 40.00 feet to a set "PK" nail in the south right of way of said Polk Avenue;

Thence South 57° 08' 39" East, (called S. 55° E.) along the said south right of way of said Polk Avenue, a distance of 40.00 feet to a found 5/8" iron rod locating the northwest corner of Block 289, S.S.B.B., the southeast street right of way intersection corner of said Polk Avenue and Crawford Street and being the **Point of Beginning** of the herein described tract of land, whose surface coordinates are x=3,154,777.81, y=715,370.58, from which City of Houston Monument No. 5457/0303 is located South 14° 37' 41"West, a distance of 1030.13 feet;

Thence South 32° 50' 59" West, (called S. 35° W.) along the easterly right of way line of said Crawford Street, same being the westerly line of Block 289, S.S.B.B., passing the north right of way line of Clay Avenue, 80 feet wide right of way at 250.03 feet, and continuing a total distance of 580.07 feet to a set 5/8-inch iron rod with "Thompson Group" cap for the southeast corner of the herein described tract same being in the north right of way line of Bell Avenue, 80.00 feet wide, same point locates the southwest corner of Block 311, S.S.B.B.;

Thence North 57° 07' 55" West, (called N.55° E.), along the north right of way line of Bell Avenue, 80.00 feet wide, a distance of 80.00 feet to a set 5/8" iron rod with "Thompson Group" cap for the southwest corner of the herein described tract same being in the west right of way line of Crawford Street, 80.00 feet wide and locating the southeast corner of Block 312, S.S.B.B.;

Thence North 32° 50' 59" East (called S. 35° W.) along the westerly right of way line of said Crawford Street, same being the easterly line of said Block 312, S.S.B.B., passing the south right of way line of Clay Avenue, 80 feet wide right of way at 250.03 feet, and continuing along said right of way and the east line of Block 290, S.S.B.B., a total distance of 580.06 feet to a found "PK" nail in brick walk locating the northwest corner of the herein described tract same being the southwest street right of way intersection corner of Polk Avenue and Crawford Street, and also locating the northeast corner of Block 290, S.S.B.B.;

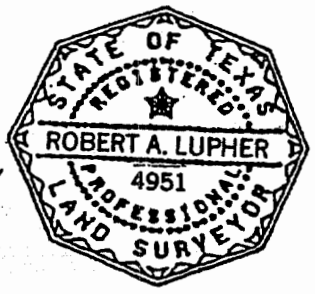
Thence South 57° 08' 39" East, (called S.55° E.), along the south right of way line of Polk Avenue, 80.00 feet wide, a distance of 80.00 feet returning to the **Place of Beginning** of the herein described tract of land and containing 1.0653 acres (46,405 square feet) of land, more or less.

City of Houston engineer's street centerline Reference Rod # 311 located at Polk and Crawford), City # 44 located at Polk and Chenevert, City rod #292 located at Bell and Chenevert, City #56 located at Pease and Chenevert, City Rod # 823 located at Pease and Austin were found on the ground and were used as the controlling monumentation to establish the street centerline and right of way lines mentioned herein.

A street abandonment map was prepared which delineates the property described herein.

This Real Property Description is based upon a Texas Society of Professional Surveyors Category 1A, Condition I, Land Title Survey performed under the direct supervision of Robert A. Lupher, RPLS.

Robert A. Lupher, RPLS
Texas Reg. No. 4951 5/10/01



Checked: _____
Dated: _____
Approved: _____

Exhibit A-1-B

Clay Avenue: La Branch Street
to Crawford Street
City Parcel No. 541-0102
Dwg. No. _____

REAL PROPERTY DESCRIPTION
APRIL 9, 2001

Being a 0.4591 acre (19,998 square feet) tract of land being out of South Side Buffalo Bayou (S.S.B.B.) Subdivision, a recognized unrecorded subdivision as reapportioned, adapted, and resolved by the City of Houston City Council Ordinance as recorded in City Secretary's "Book of Minutes" 1865 – 1869, Pages 402, 403, 404, 405, and 406 filed in the City Secretary's Office in the City of Houston, Harris County, Texas and situated wholly in the J.S. Holman Survey, Abstract No. 323, said tract of land is more particularly described by metes and bounds as follows with all bearings referenced to the observed line between City of Houston Monument No. 5457/0207, (x=3,153,327.39, y=716,789.93), Monument No. 5457/0208, (x=3,153684.02, y=717,348.74) and Monument No. 5457/0303, (x=3,154,517.66, y=714,373.84) and referenced to the Texas State Plane Coordinate System, South Central Zone with all bearings and distances referenced herein being surface and may be converted to grid by multiplying by a combined adjustment factor of 0.999887480.

COMMENCING at City of Houston Engineer's Reference Point No. 311, being a found three quarter inch (¾") brass rod, surface coordinates x=3,154,765.91, y=715,425.89 located at the centerline intersection of Crawford Street, 80 feet wide, and the centerline of Polk Avenue, 80 feet wide, said point bears North 57° 08' 39" West, (called N. 55° W.) a distance of 660.08 feet from City of Houston Engineer's Reference Point No. 44, being a found three quarter inch (¾") brass rod, surface coordinates of x=3,155,320.41, y=715,067.77, marking the centerline intersection of Polk Avenue, 80 feet wide and the centerline of Chenevert Street, 80 feet wide;

Thence South 32° 50' 59" West, (called S. 35° W.) along the centerline of said Crawford Street, a distance of 250.03 feet to a set "PK" nail in the north right of way of Clay Avenue;

Thence North 57° 09' 25" West, (called N. 55° W.) along the said north right of way of said Clay Avenue, a distance of 40.00 feet to a set 5/8" iron rod locating the southeast corner of Block 290, S.S.B.B., the northwest street right of way intersection corner of said Clay Avenue and Crawford Street and being the **Point of Beginning** of the herein described tract of land, whose surface coordinates are x=3,154,574.98, y=715,203.93, from which City of Houston Monument No. 5457/0303 is located South 03° 57' 13"West, a distance of 832.09 feet;

Thence South 32° 50' 59" West, (called S. 35° W.) along the westerly right of way line of said Crawford Street, a distance of 80.00 feet to a set 5/8-inch iron rod with "Thompson Group" cap for the southeast corner of the herein described tract, same being the northeast corner of Block 312, S.S.B.B.;

Thence North 57° 09' 25" West, (called N.55° E.), along the south right of way line of Clay Avenue, 80.00 feet wide and the north line of Block 312, S.S.B.B., a distance of 249.97 feet to a set 5/8" iron rod with "Thompson Group" cap for the southwest corner of the herein described tract same being in the east right of way line of La Branch Street, 80.00 feet wide and locating the northwest corner of Block 312, S.S.B.B.;

Thence North 32° 51' 25" East (called S. 35° W.) along the easterly right of way line of said La Branch Street, a distance of 80.00 feet to a set 5/8" iron rod with "Thompson Group" cap locating the northwest corner of the herein described tract same being the northeast street right of way intersection corner of Clay Avenue and La Branch Street, and also locating the southwest corner of Block 290, S.S.B.B.;

Thence South 57° 09' 25" East, (called S.55° E.), along the north right of way line of Clay Avenue, 80.00 feet wide, and the southerly line of Block 290, a distance of 249.96 feet returning to the **Place of Beginning** of the herein described tract of land and containing 0.4591 acres (19,998 square feet) of land, more or less.

City of Houston engineer's street centerline Reference Rod # 311 located at Polk and Crawford), City # 44 located at Polk and Chenevert, City rod #292 located at Bell and Chenevert, City #56 located at Pease and Chenevert, City Rod # 823 located at Pease and Austin were found on the ground and were used as the controlling monumentation to establish the street centerline and right of way lines mentioned herein.

A street abandonment map was prepared which delineates the property described herein.

This Real Property Description is based upon a Texas Society of Professional Surveyors Category 1A, Condition I, Land Title Survey performed under the direct supervision of Robert A. Lupher, RPLS.

Robert A. Lupher, RPLS
Texas Reg. No. 4951 5/10/01

Checked: _____
Dated: _____
Approved: _____

Exhibit A-1-C

Clay Avenue: Crawford Street to Jackson Street
City Parcel No. SY1-0[illegible]
Dwg. No. _____

REAL PROPERTY DESCRIPTION
APRIL 9, 2001

Being a 0.4592 acre (20,003 square feet) tract of land being out of South Side Buffalo Bayou (S.S.B.B.) Subdivision, a recognized unrecorded subdivision as reapportioned, adapted, and resolved by the City of Houston City Council Ordinance as recorded in City Secretary's "Book of Minutes" 1865 – 1869, Pages 402, 403, 404, 405, and 406 filed in the City Secretary's Office in the City of Houston, Harris County, Texas and situated wholly in the J.S. Holman Survey, Abstract No. 323, said tract of land is more particularly described by metes and bounds as follows with all bearings referenced to the observed line between City of Houston Monument No. 5457/0207, (x=3,153,327.39, y=716,789.93), Monument No. 5457/0208, (x=3,153684.02, y=717,348.74) and Monument No. 5457/0303, (x=3,154,517.66, y=714,373.84) and referenced to the Texas State Plane Coordinate System, South Central Zone with all bearings and distances referenced herein being surface and may be converted to grid by multiplying by a combined adjustment factor of 0.999887480.

COMMENCING at City of Houston Engineer's Reference Point No. 311, being a found three quarter inch (¾") brass rod, surface coordinates x=3,154,765.91, y=715,425.89 located at the centerline intersection of Crawford Street, 80 feet wide, and the centerline of Polk Avenue, 80 feet wide, said point bears North 57° 08' 39" West, (called N. 55° W.) a distance of 660.08 feet from City of Houston Engineer's Reference Point No. 44, being a found three quarter inch (¾") brass rod, surface coordinates of x=3,155,320.41, y=715,067.77, marking the centerline intersection of Polk Avenue, 80 feet wide and the centerline of Chenevert Street, 80 feet wide;

Thence South 32° 50' 59" West, (called S. 35° W.) along the centerline of said Crawford Street, a distance of 250.03 feet to a set "PK" nail in the north right of way of Clay Avenue;

Thence South 57° 08' 15" East, (called S. 55° E.), along the said north right of way of said Clay Avenue, a distance of 40.00 feet to a set 5/8- inch iron rod with "Thompson Group" cap locating the southwest corner of Block 289, S.S.B.B., the northeast street right of way intersection corner of said Clay Avenue and Crawford Street and being the **Point of Beginning** of the herein described tract of land, whose surface coordinates are x=3,154,642.19, y=715,160.53, from which City of Houston Monument No. 5457/0303 is located South 08° 59' 39" West, a distance of 796.54 feet;

Thence South 57° 08' 15" East, (called S.55° E.), along the north right of way line of Clay Avenue, 80.00 feet wide and the south line of Block 289, S.S.B.B., a distance of 250.03 feet to a set 5/8" iron rod with "Thompson Group" cap for the northeast corner of the herein described tract same being in the west right of way line of Jackson Street, 80.00 feet wide and locating the southeast corner of Block 289, S.S.B.B.;

Thence South 32° 51' 13" West, (called S. 35° W.) along the westerly right of way line of said Jackson Street, a distance of 80.00 feet to a set 5/8-inch iron rod with "Thompson Group" cap for

the southeast corner of the herein described tract, same being the northeast corner of Block 311, S.S.B.B.;

Thence North 57° 08' 15" West, (called N. 55° E.), along the south right of way line of Clay Avenue, 80.00 feet wide and the north line of Block 311, S.S.B.B., a distance of 250.02 feet to a set 5/8" iron rod with "Thompson Group" cap for the southwest corner of the herein described tract same being in the east right of way line of Crawford Street, 80.00 feet wide and locating the northwest corner of Block 311, S.S.B.B.;

Thence North 32° 50' 59" East (called S. 35° W.) along the easterly right of way line of said Crawford Street, a distance of 80.00 feet returning to the **Place of Beginning** of the herein described tract of land and containing 0.4592 acres (20,003 square feet) of land, more or less.

City of Houston engineer's street centerline Reference Rod # 311 located at Polk and Crawford), City # 44 located at Polk and Chenevert, City rod #292 located at Bell and Chenevert, City #56 located at Pease and Chenevert, City Rod # 823 located at Pease and Austin were found on the ground and were used as the controlling monumentation to establish the street centerline and right of way lines mentioned herein.

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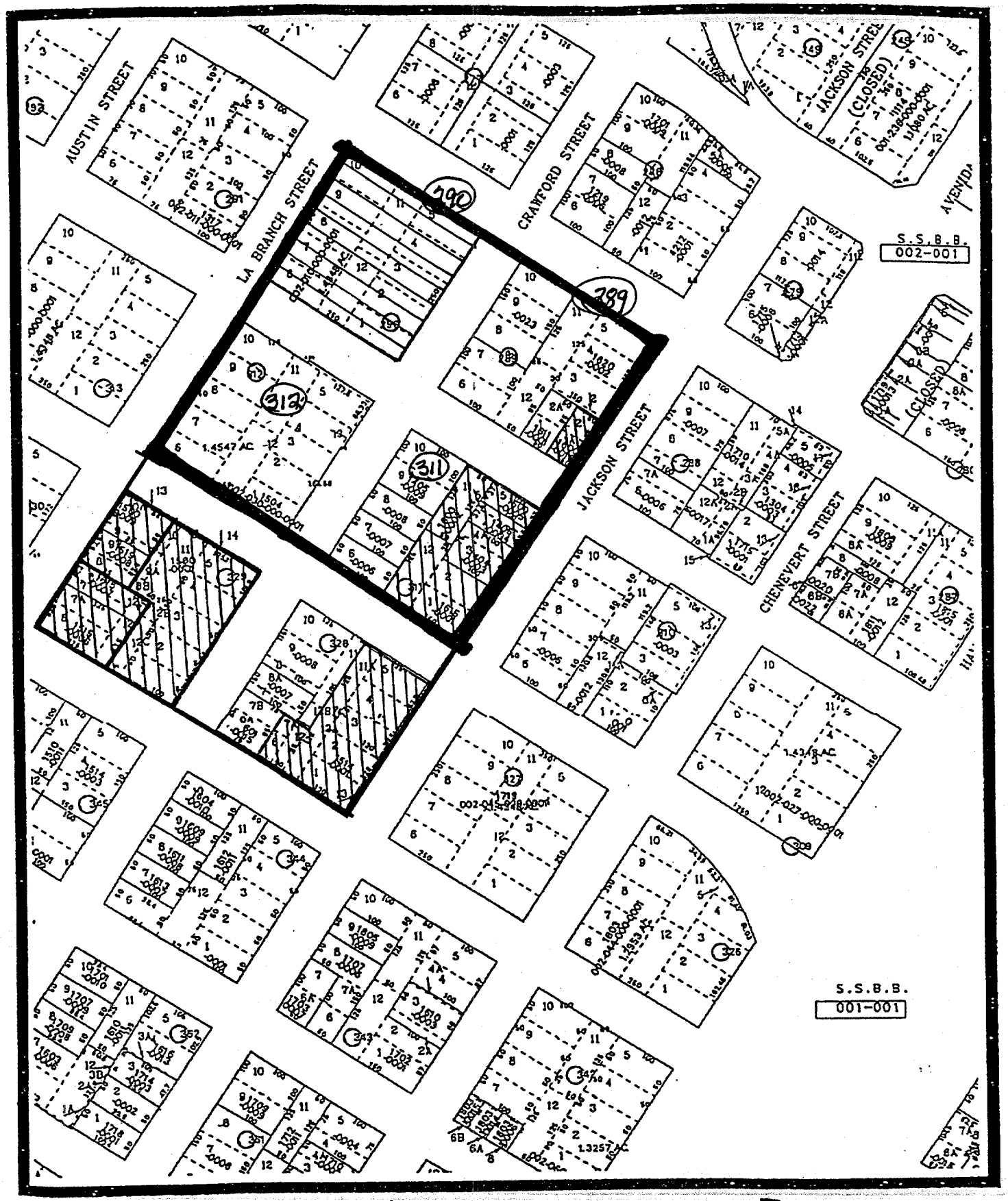
Robert A. Lupher, RPLS
Texas Reg. No. 4951 5/10/01

STATE OF TEXAS
REGISTERED
ROBERT A. LUPHER
4951
PROFESSIONAL
LAND SURVEYOR

Checked: _____
Dated: _____
Approved: _____

EXHIBIT A-2

OUTLINE OF ARENA SITE



ARENA SITE DELINEATED BY [redacted]

EXHIBIT B

ARENA LEASE

EXECUTION COPY

ARENA LEASE, SUBLEASE, LICENSE AND MANAGEMENT AGREEMENT

by and between

HARRIS COUNTY-HOUSTON SPORTS AUTHORITY,
as Landlord,

and

ROCKET BALL, LTD.,
as Tenant

Houston/Harris County Arena
Houston, Harris County, Texas

TABLE OF CONTENTS

ARENA LEASE, SUBLEASE, LICENSE AND MANAGEMENT AGREEMENT

This ARENA LEASE, SUBLEASE, LICENSE AND MANAGEMENT AGREEMENT (this "Agreement") is made and entered into as of the 31st day of December, 2001 (the "Effective Date"), by and between the HARRIS COUNTY-HOUSTON SPORTS AUTHORITY, a sports and community venue district created under Chapter 335 of the Texas Local Government Code ("Landlord" or the "Sports Authority"), and ROCKET BALL, LTD., a Texas limited partnership ("Tenant"). Tenant and Landlord are referred to herein collectively as the "Parties" and individually as a "Party."

RECITALS

A. Tenant currently owns and operates the Houston Rockets franchise issued by the NBA (the "NBA Team" or the "Rockets").

B. The City of Houston, Texas (the "City") and Landlord have entered into an Interlocal Arena Development Agreement dated September 13, 2000 and an Interlocal Arena Development Agreement dated December 20, 2000 (collectively, the "Interlocal Agreements"), setting forth certain agreements regarding the development of a multipurpose sports and entertainment facility (the "Arena"), including acquisition and preparation of the Arena Site.

C. Landlord and Tenant intend to construct the Arena on certain real property to be owned by the City and leased to Landlord, located in the City, bounded on the north by Polk, on the south by Bell, on the east by Jackson and on the west by La Branch, comprising all of Blocks 289, 290, 311 and 312, S.S.B.B., together with all street rights-of-way within such site, all as more fully described on Exhibit A-1 attached hereto and made a part hereof and depicted on Exhibit A-2 attached hereto and made a part hereof (the "Site"; the Site, together with all air rights and air space above the Site and appurtenances associated therewith, collectively being the "Arena Site").

D. The City and Landlord have entered into that certain Ground Lease of even date herewith, a copy of which is attached hereto as Exhibit B and made part hereof, whereby the City leases to Landlord the Arena Site for the Term (the "Ground Lease").

E. Landlord intends to construct a parking facility, to service the Arena as more fully described in the Project Agreement (the "Parking Garage"), on certain real property to be owned by Landlord located in the City on a two block site adjacent to the southern boundary of the Arena Site, bounded on the north by Bell, on the south by Leeland, on the east by Jackson and on the west by La Branch (comprising all of Blocks 328 and 329 S.S.B.B.), together with all air rights and air space above such real property, all street rights-of-way within such site and certain rights in and to areas above, below and within the Bell Street right-of-way, including the right to construct access to the Loading Dock beneath the Bell Street right-of-way and the right to construct the Enclosed Access over the Bell Street right-of-way adjacent to such site (the "Parking Site").

F. Landlord and Tenant have entered into that certain Project Agreement of even date herewith, which is hereby fully incorporated herein by reference, regarding the terms and conditions for acquisition of the Arena Site and Parking Site, all on and off-site design,

development, construction, equipping and furnishing of the Arena on the Arena Site and the Parking Garage on the Parking Site and all related amenities, all as set forth in the Project Agreement.

G. Landlord desires to lease, sublease and license (as applicable) to Tenant, and Tenant desires to lease, sublease and license (as applicable) from Landlord and to use, operate and manage, the Arena, all tangible personal property and equipment comprising a Component or portion thereof or otherwise located on or in the Arena Site as set forth in this Agreement, and all intangible property and other rights associated with the ownership, use or enjoyment of the Arena as set forth in this Agreement, including all rights to use the Parking Garage in accordance with the Parking Garage Lease, all upon the terms and conditions set forth in this Agreement.

AGREEMENTS

For and in consideration of the respective covenants and agreements of Landlord and Tenant set forth herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by Landlord and Tenant, Landlord and Tenant do hereby agree as follows:

ARTICLE 1

DEFINITIONS; REPRESENTATIVES OF LANDLORD AND TENANT

Section 1.1 Definitions and Usage. Unless the context requires otherwise, capitalized terms used in this Agreement shall have the meanings assigned to them in the Glossary of Defined Terms attached hereto as Appendix A, which also contains rules as to usage applicable to this Agreement.

Section 1.2 Landlord Representative. On or before thirty (30) days after the Effective Date, Landlord shall designate an individual or a committee of up to three (3) individuals to be the Landlord Representative (the "Landlord Representative") and provide Tenant and, during the Loan Period, the Lender, with written notice of the identity of the individual(s) so designated. Landlord shall have the right, from time to time, to change any or all of the Persons who are, or are on the committee that constitutes, the Landlord Representative by giving Tenant and, during the Loan Period, the Lender, written notice thereof. With respect to any action, decision or determination which is to be taken or made by Landlord under this Agreement, the Landlord Representative may take such action or make such decision or determination or shall notify Tenant in writing of the Person(s) responsible for such action, decision or determination and shall forward any communications and documentation to such Person(s) for response or action. Actions, decisions or determinations by Persons who are, or who are on the committee that constitutes, the Landlord Representative on behalf of Landlord shall be done in his or her reasonable business judgment unless express standards or parameters therefor are included in this Agreement, in which case, actions taken by the Landlord Representative shall be in accordance with such express standards or parameters. Subject to the terms of the next sentence, any consent, approval, decision or determination hereunder by the Landlord Representative shall be binding on Landlord; provided, however, that the Landlord Representative shall not have the

right to terminate this Agreement. Subject to the scope of the authority delegated to the Landlord Representative by Landlord's governing board, which scope Landlord shall provide to Tenant and, during the Loan Period, the Lender, in advance, Tenant (and, during the Loan Period, the Lender) and other Persons dealing with any one Person who is, or who is on the committee that constitutes, the Landlord Representative shall be entitled to rely conclusively on the power and authority of such Person to bind both Landlord and the Landlord Representative without any obligation to ascertain that such Person has complied with any requirements of the committee (if any) or otherwise, and execution of any instrument or document by such Person shall be conclusive evidence of such power and authority.

Section 1.3 Tenant Representative. On or before thirty (30) days after the Effective Date, Tenant shall designate an individual or a committee of up to three (3) individuals to serve as the Tenant Representative (the "Tenant Representative") and provide Landlord and, during the Loan Period, the Lender, with written notice of the individual(s) so designated. Tenant shall have the right, from time to time, to change any or all of the individuals who are, or who are on the committee that constitutes, the Tenant Representative by giving Landlord and, during the Loan Period, the Lender, written notice thereof. With respect to any action, decision or determination which is to be taken or made by Tenant under this Agreement, the Tenant Representative may take such action or make such decision or determination or shall notify Landlord in writing of the Person(s) responsible for such action, decision or determination and shall forward any communications and documentation to such Person(s) for response or action. Actions, decisions or determinations by Persons who are, or who are on the committee that constitutes, the Tenant Representative on behalf of Tenant shall be done in his or her reasonable business judgment unless express standards or parameters therefor are included in this Agreement, in which case, actions taken by the Tenant Representative shall be in accordance with such express standards or parameters. Subject to the terms of the next sentence, any consent, approval, decision or determination hereunder by the Tenant Representative shall be binding on Tenant; provided, however, that the Tenant Representative shall not have the right to terminate this Agreement. Subject to the scope of authority delegated to the Tenant Representative by Tenant, which scope Tenant shall provide to Landlord and, during the Loan Period, the Lender, in advance, Landlord (and, during the Loan Period, the Lender) and other Persons dealing with any one Person who is, or who is on the committee that constitutes, the Tenant Representative shall be entitled to rely conclusively on the power and authority of such Person to bind both Tenant and the Tenant Representative without any obligation to ascertain that such Person has complied with any requirements of the committee (if any) or otherwise, and execution of any instrument or document by such Person shall be conclusive evidence of such power and authority.

ARTICLE 2

GRANT OF LEASEHOLD ESTATE

Section 2.1 Grant. In consideration of and pursuant to the covenants, agreements, and conditions set forth herein, Landlord does hereby lease, let, sublet, demise, rent and license (as applicable) exclusively unto Tenant, and Tenant does hereby rent, lease, sublease and license (as applicable) from Landlord, the following (the "Leased Premises"):

(a) The Arena, including, without limitation, the Arena Site, all of the improvements to be constructed thereon or otherwise located on or under the Arena Site, including, but not limited to, the Components, Loading Dock and all other improvements, additions, and alterations, constructed, provided or added thereto from time to time (collectively, the "Arena Improvements"), and all rights, privileges, easements, and appurtenances thereto, including, but not limited to, the sole and exclusive rights to the Seat Rights and the income derived therefrom;

(b) All furniture, fixtures, equipment, furnishings, machinery, installations and all other Components and personal property owned by, or leased to, Landlord that are from time to time located on or in the Arena, together with all additions, alterations and replacements thereof (whether replaced by either Landlord or Tenant), but excluding any personal property owned by Tenant or any of its Space Users, licensees or invitees that may from time to time be brought onto the Arena Site other than substitute Personalty as set out in Section 11.1.2 hereof (collectively, the "FF&E");

(c) All of the intangible property rights which are described on Exhibit F attached to this Agreement and made a part hereof, all of which are hereby granted to Tenant in an exclusive, royalty-free, paid-up grant, conveyance and license (collectively, the "Intangible Property Rights"), together with the right to sublicense, use, enjoy and license, subject to the rights of the NHL Team expressly set forth in, and subject to the other terms of, this Agreement, all concession, pourage and branding rights, and to transfer or sublicense to other Persons said use and enjoyment; and

(d) Uninterrupted access to and from the Arena Site, the Arena, the Loading Dock and any other improvements from time to time located on the Arena Site, including ingress and egress to and from the Arena on or through the Enclosed Access.

Section 2.2 Delivery of Possession; Covenant of Quiet Enjoyment.

2.2.1 Delivery of Possession. On the Commencement Date, Landlord shall deliver to Tenant exclusive possession, use and occupancy of the Leased Premises free of all tenancies and parties in possession of the Leased Premises (other than those arising by, through or under Tenant) and free of all asbestos and other Hazardous Materials (except such as are not in violation of Governmental Rules or are placed or disposed on or in the Leased Premises by Tenant or its agents or contractors), subject only to (i) the Ground Lease, (ii) Mechanic's Liens and other Encumbrances and rights arising by, through or under Tenant, (iii) the rights of Landlord under this Agreement and of the City under this Agreement and under the Interlocal Agreements to the extent consented to by Tenant therein, (iv) the easements and other encumbrances or restrictions of record set forth on Exhibit G attached hereto and made a part hereof, and (v) the terms and conditions of this Agreement (items (i), (iii), (iv) and (v), collectively, the "Permitted Encumbrances"). Landlord shall deliver the Leased Premises to Tenant on the Commencement Date in the condition required under the Project Agreement.

2.2.2 Covenant of Quiet Enjoyment. Landlord covenants that Tenant, upon paying the Rent and upon keeping, observing and performing the terms, covenants and conditions of this Agreement to be kept, observed and performed by Tenant, shall and may

quietly and peaceably hold, occupy, use, and enjoy the Leased Premises during the Term without ejection or interference by or from Landlord, the City or any other Person (other than Persons claiming by, through or under Tenant), subject only to (a) Encumbrances arising by, through or under Tenant, (b) rights of Space Users arising by, through or under Tenant and (c) the Permitted Encumbrances.

Section 2.3 Leasehold Priority. Landlord covenants that Tenant's leasehold interest in, and other rights to, the Leased Premises arising under this Agreement shall be senior and prior to any Lien (other than the Permitted Encumbrances) created or arising in connection with the acquisition, development, construction, financing or ownership of the Leased Premises or any portion thereof or otherwise (including, without limitation, the Arena Rent Supported Debt), and, except for the rights contained in the Permitted Encumbrances, that no third party shall have any right, title or interest in the Arena or the Arena Site adverse to Tenant's right, title and interest to the Arena and the Arena Site under this Agreement. Landlord shall provide from time to time such evidence as Tenant reasonably requests to confirm that there are no Liens affecting the Leased Premises superior to Tenant's leasehold interest and other rights other than the Permitted Encumbrances. The foregoing does not extend to any Liens arising by, through or under Tenant or its agents acting in such capacity.

ARTICLE 3

CONSTRUCTION OF THE ARENA; CONSTRUCTION OF THE PARKING GARAGE; PARKING GARAGE LEASE

Section 3.1 Project Agreement. Landlord shall complete, or cause to be completed, as and when required under the Project Agreement, the acquisition of the Arena Site and the Parking Site, the completion of the Infrastructure Work, the construction of the Arena and the Parking Garage, the construction of the Loading Dock and Enclosed Access and any other work that may be required under the Project Agreement.

Section 3.2 Parking Garage Lease. Landlord shall perform and comply with all of the terms, conditions and obligations of Landlord under the Parking Garage Lease as and when required to be performed or complied with thereunder. No additional consideration is required to be given by Tenant to the landlord under the Parking Garage Lease, it being understood and agreed that the Tenant's entry into, and consideration under, this Agreement is sufficient and valuable consideration therefor and the rights of Tenant granted under the Parking Garage Lease are critical inducements to Tenant's entering into this Agreement. Landlord covenants, represents and warrants to Tenant that (a) as of the Commencement Date, Landlord shall have the right of possession to, or be the fee simple owner of, the Parking Site and the Parking Garage, subject only to the permitted encumbrances described in the Parking Garage Lease, (b) Landlord shall not transfer the Parking Site or the Parking Garage except as permitted under the Parking Garage Lease, and (c) except for the rights under permitted encumbrances under the Parking Garage Lease, no third party shall have any right, title or interest in the Parking Site or the Parking Garage which is adverse to Tenant's right, title and interest to the Parking Site and the Parking Garage under the Parking Garage Lease.

Section 3.3 Ground Lease. Landlord shall perform and comply with all of the terms, conditions and obligations of Landlord, as tenant, under the Ground Lease as and when required to be performed or complied with thereunder. Landlord shall not amend, modify or terminate the Ground Lease without the prior written consent of Tenant, which consent shall not be unreasonably withheld. Landlord shall enforce its rights and remedies against the City, as landlord, under the Ground Lease as fully as if Landlord were the Tenant under this Agreement to protect the interests of Tenant under this Agreement.

ARTICLE 4

TERM

Section 4.1 Term. The term of this Agreement (the "Term") shall commence at 12:01 a.m. on the date following Substantial Completion that is the earlier of: (i) the scheduled date of the first official Rockets pre-Season game of the 2003/2004 NBA Season and (ii) the later to occur of (A) sixty (60) days following the Substantial Completion Date and (B) October 1, 2003 (the "Commencement Date"). Notwithstanding the foregoing, in the event that the Substantial Completion Date occurs after September 1, 2003, Tenant may (but shall not be obligated to) elect, by notice to Landlord within thirty (30) days after the Substantial Completion Date, to defer the Commencement Date until either (A) a date not more than ninety (90) days after such Substantial Completion Date or (B) the following NBA Season, in which event the Commencement Date shall be the scheduled date of the first official Rockets pre-Season game of the following NBA Season. Upon determining the Commencement Date, Landlord and Tenant shall execute a supplement to this Agreement setting forth the Commencement Date, and shall execute and record an amendment to the Memorandum of Agreement setting forth, among other things, the Commencement Date. The Term shall end on the last day of the three hundred sixtieth (360th) calendar month after the calendar month in which the Commencement Date occurs (the "Scheduled Expiration Date") unless sooner terminated pursuant to any applicable provision of this Agreement, in which event the date of early termination shall be the date on which the Term ends (the Scheduled Expiration Date, as it may be so accelerated, being the "Expiration Date").

Section 4.2 Early Occupancy. Landlord shall, in accordance with and subject to the terms of the Project Agreement, permit Tenant, at Tenant's election, to occupy portions of the Leased Premises before the Substantial Completion Date as the Arena Improvements are completed. In all events, Tenant shall have the right to occupy the Leased Premises during the sixty (60)-day period preceding the Commencement Date for stocking, employee training and other pre-opening "shakedown" events. Tenant's occupation of any portion of the Arena from time to time pursuant to this Section 4.2 shall neither obligate Tenant to continuously occupy such portion of the Leased Premises or to make any Annual Payment for any period preceding the Commencement Date nor constitute a waiver by Tenant of any default under the Project Agreement or of its remedies on account thereof.

Section 4.3 Deliverables. On or before the date which is sixty (60) days prior to the Commencement Date, Landlord shall, to the extent not previously provided, deliver to Tenant: (i) all keys, access codes and other items required for entering and securing the Arena and all portions thereof to the extent then available (or, if not then available, as soon as possible

thereafter), (ii) instruction booklets, operating and service manuals, owner or user guides, and similar materials pertaining to the Components, or other elements of the Arena Improvements to the extent then available (or, if not then available, as soon as possible thereafter), (iii) certificates and policies of insurance as required by Article 10 hereof, and certificates of insurance as required by the Ground Lease or by any other agreement to which Landlord is a party with respect to the Leased Premises, (iv) as-built drawings required under the Project Agreement to the extent then available (or, if not then available, as soon as possible thereafter), and (v) copies of all warranties and guarantees provided by contractors, suppliers and/or manufacturers in connection with the Arena Improvements, the Components or other elements of the Arena Improvements to the extent then available (or, if not then available, as soon as possible thereafter).

ARTICLE 5

RENT AND DEPOSITS

Section 5.1 Annual Payment.

(a) Tenant shall pay to Landlord, in the manner described in Section 5.2 without any right of offset, reduction or abatement (except as provided in this Agreement or in the Parking Garage Lease), as full consideration for all of the estates, interests, rights and powers granted, assigned, licensed and conveyed to Tenant pursuant to this Agreement, including the rights under the Parking Garage Lease, rent of Five Million Four Hundred Thousand Dollars ($5,400,000) for each full Lease Year during the Term (the "Rent") consisting of Two Hundred Thousand Dollars ($200,000) (the "Naming Rights Portion") and Five Million Two Hundred Thousand Dollars ($5,200,000) (the "Residual Arena Rent"), and shall make deposits for the operation and Maintenance of the Arena and for Capital Work (excluding Landlord Capital Work), as further provided in this Agreement, of One Million Five Hundred Thousand Dollars ($1,500,000) for each full Lease Year during the Term to the Maintenance Fund (the "Maintenance Fund Deposit") and of One Million Six Hundred Thousand Dollars ($1,600,000) for each full Lease Year during the Term to the Capital Fund (the "Capital Fund Deposit") (the Rent, the Maintenance Fund Deposit and the Capital Fund Deposit, collectively herein called the "Annual Payment"). The Annual Payment shall be pro-rated for any partial Lease Year during the Term based on the number of days in such partial Lease Year compared to 366. The Annual Payment for each full Lease Year during the Term shall be payable in two equal installments of Four Million Two Hundred Fifty Thousand Dollars ($4,250,000) each (each such installment being a "Semi-Annual Installment," and all such installments collectively being the "Semi-Annual Installments") on February 1 and August 1 during each Lease Year. Each Semi-Annual Installment shall be comprised of Two Million Six Hundred Thousand Dollars ($2,600,000) as Residual Arena Rent, One Hundred Thousand Dollars ($100,000) as the Naming Rights Portion, Seven Hundred Fifty Thousand Dollars ($750,000) as a Maintenance Fund Deposit, and Eight Hundred Thousand Dollars ($800,000) as a Capital Fund Deposit. The first Semi-Annual Installment (exclusive of any Pre-Commencement Maintenance Fund Deposit) for any partial Lease Year commencing with the Commencement Date shall be pro-rated based on the number of days from the Commencement Date to the date of the next regular

Semi-Annual Installment compared to 182.5, and shall be paid on the first Business Day that is ten (10) days after the Commencement Date. If there is a partial final Lease Year during the Term and the Expiration Date is known as of the date of the immediately preceding regular Semi-Annual Installment, then on such date the amount of the Semi-Annual Installment shall be pro-rated based on the number of days from such date to the Expiration Date compared to 182.5. If there is a partial final Lease Year and the Expiration Date was not known as of the date of the last regular Semi-Annual Installment preceding such expiration, then Landlord, to the extent required under this Agreement, shall refund to Tenant the excess paid based on the same pro-ration, such refund to be paid on the first Business Day that is ten (10) days after the earlier of (a) the date when Landlord is notified or gives notice of the Expiration Date as provided herein or (b) the Expiration Date.

(b) The execution of this Agreement shall constitute consideration for the grant, conveyance and license to Tenant of all the Intangible Property Rights described in Section 2.1(c), Article 22 and Exhibit F of this Agreement, which execution Landlord acknowledges to be sufficient and valuable consideration given by Tenant therefor.

Section 5.2 Application of Rent; Deposit Accounts. During the Term, Tenant shall pay the Residual Arena Rent portion of each Semi-Annual Installment by depositing the amount due in a disbursement account maintained by the Arena Fund Custodian for the purpose of receiving such deposits and disbursing them in accordance with this Agreement (the "Disbursement Account"). The Disbursement Account shall be pledged to secure the Subordinated Obligations and/or the Arena Rent Supported Debt, and any disbursements from such account shall be subject to the enforcement of the security interest so created. In no event shall the Disbursement Account be pledged or otherwise encumbered by Landlord for security of any indebtedness or obligations other than the Subordinated Obligations or, if applicable, the Arena Rent Supported Debt (any violation of the limitation contained in this sentence constituting a Landlord Default under this Agreement). Subject to applicable Governmental Rules, Tenant shall have a security interest in such Disbursement Account (subordinate only to the security interest in favor of the holders of the Subordinated Obligations or, if applicable, Arena Rent Supported Debt in such capacity) to assure that deposits of the Residual Arena Rent portion of the Semi-Annual Installments are disbursed solely in accordance with this Agreement. Subject to the enforcement of any such security interest, promptly upon receipt of the Residual Arena Rent portion of each Semi Annual Installment, the Arena Fund Custodian shall disburse the amount deposited in the Disbursement Account first, to satisfy the Arena Rent Supported Debt, if applicable, and/or the Subordinated Obligations in their relative order of priority, then, after all of the Arena Rent Supported Debt, if applicable, and the Subordinated Obligations have been satisfied in full, at Landlord's option, (i) to the payment of any outstanding amounts on the Arena Bonds or to fund dedicated sinking or reserve funds to pay or defease the Arena Bonds, (ii) to satisfaction of Landlord's then outstanding or future obligations with respect to the Arena under the Principal Project Documents or (iii) other items requested by Tenant with respect to the Arena, and for no other purpose. Tenant shall pay the Naming Rights Portion directly to the City Share Account, the Capital Fund Deposit directly to the Capital Fund Account and the Maintenance Fund Deposit directly to the Maintenance Fund Account.

After the Arena Bonds, any Arena Rent Supported Debt and the Subordinated Obligations are paid in full, to the extent any Residual Arena Rent remains in the Disbursement Account, the Arena Fund Custodian shall deposit such remainder in the Capital Fund on behalf of Landlord and thereafter, Tenant shall pay the Residual Arena Rent portion of each Semi-Annual Installment by depositing the full amount of Residual Arena Rent due into the Capital Fund on behalf of the Landlord. Such amounts will be used first, to pay for any Landlord Capital Expense or Self-Help Expense not previously paid by Landlord and second, to pay any current or future Landlord Capital Expense or Self-Help Expense or at Landlord's option, other items requested by Tenant with respect to the Arena. Subject to applicable Governmental Rules, Tenant shall have a senior security interest in the Maintenance Fund Account and in the Capital Fund Account, to assure that the Maintenance Fund Account and the Capital Fund Account are utilized solely for the purposes described in this Agreement.

Section 5.3 Untenantability.

5.3.1 Abatement of Annual Payment. In the event any Untenantable Condition shall exist as a result of any Condemnation Action, Tenant's Semi-Annual Installments and all other amounts owed by Tenant hereunder shall be abated in accordance with the applicable provisions contained in Article 14. In the event that any other Untenantable Condition shall exist at the time that any Home Game or any other Arena Event otherwise would be held at the Arena, then the Rent portion of the next Semi-Annual Installment shall be reduced by One Hundred Twenty Thousand Dollars ($120,000) for each such NBA Home Game and for each such NHL Home Game (for an NHL Team controlled by Tenant, Tenant's Affiliates or any other Affiliate of Tenant) not held at the Arena as a result thereof, Twenty-Five Thousand Dollars ($25,000) for each such other Home Game or other Arena Event not held at the Arena as a result thereof during the NBA Season and $50,000 for each such other Home Game or other Arena Event not held at the Arena as a result thereof outside the NBA Season. In no event will the aggregate reduction for any Lease Year exceed Eight Million Five Hundred Thousand Dollars ($8,500,000).

5.3.2 Continuing Obligations. Subject to the terms and provisions of Section 5.3.1, Articles 13 and 14, any period of untenantability or an Untenantable Condition shall not relieve Tenant of any of its obligations under this Agreement, except with respect to any obligation of Tenant (other than monetary obligations) that Tenant cannot reasonably perform as a result of such untenantability or Untenantable Condition.

ARTICLE 6

USE AND OCCUPANCY; REVENUES

Section 6.1 Permitted Uses. During the Term, Tenant and Tenant's Affiliates and any other Affiliates of Tenant shall have the exclusive right (but not the obligation) to use and occupy the Leased Premises for any lawful purpose other than the Prohibited Uses, including without limitation for the following purposes (collectively, the "Permitted Uses"), subject to the terms of this Agreement:

(a) The operation of the NBA Franchise, any other Franchise or any other professional sports team, including, without limitation, the playing, exhibition, presentation and broadcasting (or other transmission) of Home Games and activities related thereto, including, without limitation, training, practices and exhibitions, All-Star Games, promotional activities and events, community and public relations, maintenance and operation of the Arena and Arena Improvements, the exhibition, broadcasting, advertising, and other marketing of games and other events, ticket sales, fantasy camps and any and all other activities which, from time to time, are customarily conducted by or are related to the operation of the business of the Franchises;

(b) The entry into use or license agreements for, or the exhibition, presentation and broadcasting (or other transmission) of, other amateur or professional sporting events, exhibitions and tournaments, musical performances, theater performances and other forms of live entertainment, public ceremonies, fairs, markets, shows or other public or private exhibitions and activities related thereto;

(c) Constructing, operating and displaying any signs on the interior, exterior or any other portion of the Arena or the Arena Site as Tenant deems necessary or desirable;

(d) Restaurants, clubs and bars (including brew pubs and sports bars);

(e) Sale of food and alcoholic and non-alcoholic beverages, souvenirs and other items customarily sold and marketed in sports and entertainment facilities;

(f) Operation of a museum or hall of fame open to the public;

(g) Conducting public tours of the Arena and the Leased Premises;

(h) Parking in any parking facilities located on the Arena Site;

(i) Retail uses, including such uses located in the Arena, along the street level of the Arena Site and in kiosks, carts and similar movable or temporary retail facilities;

(j) Entertainment (including theaters, movie theaters, arcades and gaming), museum and educational uses;

(k) Conducting day-to-day business operations in Tenant's office space within the Arena by Tenant, Affiliates of Tenant and any of their Space Users, sub-tenants, licensees, and concessionaires;

(l) Studio and related facilities for radio, television and other broadcast and entertainment media within the Leased Premises, including support and production facilities, transmission equipment, antennas and other transceivers and related facilities and equipment primarily for the broadcast or other transmission of games and other events taking place within the Leased Premises or elsewhere;

(m) Storage of maintenance equipment and supplies used in connection with the operation of the Leased Premises or all other Permitted Uses, including Floor maintenance vehicles;

(n) Maintenance, repairs and other work pursuant to Article 7 and Article 8 and establishment and operation of Capital Work in accordance with the above Permitted Uses;

(o) The use and enjoyment of the rights and licenses granted to Tenant under this Agreement regarding Intangible Property Rights;

(p) Any other use made or permitted to be made of any Comparable Facility; and

(q) Other uses reasonably related or incidental to any of the foregoing or not inconsistent with any of the foregoing.

Any of the Permitted Uses may be conducted directly by Tenant, any Tenant Affiliate or any other Affiliate of Tenant or indirectly through other Persons pursuant to use, license, concession, advertising, service, maintenance, operating or other agreements by, through or under Tenant. If any Governmental Rule is enacted by the City that prohibits or imposes requirements that make it commercially unreasonable to use or occupy the Leased Premises for any of the Principal Permitted Uses, Tenant, in addition to any other remedies it may have at law or in equity against the City, and as its sole remedy against Landlord under this Agreement, may deny the City the use of the City Suite under Section 6.5.2 and prohibit the use of the Leased Premises for any City Dates under Section 6.6 as long as such prohibition or requirement is in effect. Without waiving or affecting any remedies Tenant may have at law or in equity against the City, Governmental Rules enacted by the City that have a uniform and nondiscriminatory effect on public venues within the City shall not be considered to violate this provision. "Principal Permitted Uses" mean the conducting and hosting of athletic events (including exhibitions), concerts and family shows. Nothing in this Section 6.1 shall affect Tenant's rights under this Agreement with respect to any Untenantable Condition.

Section 6.2 Prohibited Uses. Tenant shall not use, or permit the use of, the Leased Premises for any of the following (collectively, the "Prohibited Uses"):

(a) Subject to the provisions of Article 8 as to Capital Work (but only during the performance of any such Capital Work), any use that creates, causes, maintains or permits any material public or private nuisance in, on or about the Leased Premises; provided, however, in no event will Landlord be entitled to assert that a Permitted Use held in compliance with applicable Governmental Rules constitutes a public or private nuisance; or

(b) For any purpose that violates any Governmental Rule or any Permitted Encumbrance, subject, however, to the last paragraph of Section 6.1.

(c) A sexually-oriented business which is defined as an "enterprise" in Section 28-121 of the City of Houston Code of Ordinances.

Section 6.3 Compliance With Governmental Rules. Tenant shall, throughout the Term, within the time periods permitted by applicable Governmental Rules, comply or cause compliance with all Governmental Rules applicable to (i) the Leased Premises, including, but not limited to, any Governmental Rule applicable to the manner of use or the maintenance, repair or condition of the Leased Premises, or (ii) any activities or operations conducted by Tenant or any Affiliates of Tenant or Tenant's Affiliates in or about the Leased Premises. Any Use Agreement entered into by Tenant shall require the other party to comply with applicable Governmental Rules. Tenant shall, however, have the right to contest the validity or application of any Governmental Rule, and if Tenant promptly contests a Governmental Rule, then Tenant may postpone compliance until the final determination of such contest, provided that such contest is prosecuted with due diligence, except that Tenant shall not so postpone compliance therewith in such a manner as to, or if doing so would, impair the structural integrity of the Leased Premises, subject Landlord to any prosecution for a criminal act or cause the Leased Premises to be condemned or vacated. If a Lien is imposed on the Leased Premises by reason of such postponement of compliance, Tenant shall furnish Landlord with Adequate Security against any loss by reason of such Lien and shall institute proceedings to, or otherwise, stay the foreclosure of any such Lien against the Leased Premises.

Section 6.4 Rights of Tenant to Revenues. Tenant shall be entitled to, and is hereby granted (subject only to the provisions of Section 6.6 and Article 23) the exclusive right to contract for, collect, receive and retain, all gross income and revenues and other consideration of whatever kind or nature realized by, from or in connection with the Leased Premises, including, without limitation, all gross revenues, royalties, license fees, concession fees and income and receipts of any nature, including, without limitation, those arising from (a) all Advertising Rights, (b) all Broadcast Rights and other Intangible Property Rights, (c) any parking located on the Arena Site (and, to the extent provided for in the Parking Garage Lease, in the Parking Garage or otherwise on the Parking Site), (d) promotion of all events at the Leased Premises, (e) all sales of food, beverages, merchandise, programs and other goods and wares of any nature whatsoever at the Leased Premises, (f) all Naming Rights, (g) all Telecommunications Rights, (h) all Seat Rights (as provided in Section 6.5) and (i) all Use Agreements (except as specifically set forth in Section 6.6 or on Exhibit E) or Permitted Arena Agreements.

Section 6.5 Seat Rights.

6.5.1 Sales. Tenant, Tenant's Affiliates and any other Affiliates of Tenant shall have the exclusive rights (a) to sell future tickets for reserved seats, club seats, and luxury suites, (b) to grant and sell PSL's and (c) to sell individual tickets and other passes (including general admission) for any seats or standing room in the Arena, in each case (i) for Home Games of the NBA Team and of any other Franchise and (ii) for all other Arena Events (except to the extent provided in Section 6.6 with respect to Charity Uses and in Article 23 with respect to NHL Events in the event that the NHL Team is not owned or operated by Tenant or any Affiliate of Tenant) (collectively, "Seat Rights"). Tenant shall have the exclusive right to collect, receive and retain all gross income and revenues and other consideration of whatever kind or nature realized by, from or in connection with the sale or other distribution of Seat Rights. Tenant shall have no responsibility or obligation to sell Seat Rights, and Landlord shall not have any liability or responsibility to assure the sale of Seat Rights. Landlord will cooperate with Tenant to assist in selling Seat Rights to the extent requested by Tenant. In such event, Tenant shall reimburse

Landlord for the reasonable out-of-pocket costs, if any, incurred by Landlord in connection with granting such assistance to the extent that such costs are approved by Tenant in advance, Landlord having no obligation under the preceding sentence to incur any such out-of-pocket costs not so approved by Tenant. Tenant, Tenant's Affiliates and any other Affiliate of Tenant may delegate the right to grant and sell Seat Rights, in whole or in part, to any Person pursuant to a use, service, operating or other agreement that is subject to the terms of this Agreement, without the consent of Landlord.

6.5.2 The City Suite. Tenant shall enter into an agreement with the City (a "City Suite License Agreement") prior to the Commencement Date under which Tenant grants the City a license during the Term, excluding any portions of the Term during which a City Default exists and has not been cured, to use a suite in the Arena (the "City Suite"). The City Suite will be of a size and in a location reasonably acceptable to the Director of the Convention & Entertainment Facilities Department of the City (the "Convention Department") and Tenant; provided, however, that the City Suite shall be located on either side of the Arena between the visitor and home NBA foul lines (and any suite so located automatically shall be deemed to be in a location acceptable to the Director of the Convention Department) unless otherwise agreed by Tenant and the City. The City Suite will be used by the Convention Department or designee of the Director of the Convention Department for promotional and economic development activities and for other public and civic purposes only during Arena Events for the purpose of viewing such Arena Event. Such City Suite License Agreement shall grant the same (but not any greater) privileges to the City, and be on the same terms and conditions, as licenses Tenant grants to the majority of third parties for other similarly located suites in the Arena, including equivalent obligations with respect to concessions, except that, although the City shall be obligated to pay for costs and expenses in connection with its use of the City Suite, including without limitation its share of food and beverage service charges, telephone expenses, maintenance and repair costs and other charges imposed on the majority of suite users for services, costs and expenses, the City shall not be obligated to pay (a) to acquire the City Suite, (b) any annual rent with respect thereto or (c) for tickets to Home Games for the NBA Team, WNBA Team and NHL Team (if such NHL Team is owned by Tenant or an Affiliate of Tenant). With respect to events other than those described in clause (c), to the extent there is no out-of-pocket cost to Tenant from third party promoters or users, the City shall not be obligated to pay for tickets to such events; however, Tenant shall use reasonable efforts to remove the City Suite from the manifest for all Arena Events. The City shall only be entitled to a number of tickets to any Arena Event equal to the number of seats in the City Suite. Parking passes will be provided to the City at no charge for such events in the same proportion and on the same terms that other third party suite holders in similarly located suites have parking rights.

Section 6.6 City's Use of the Arena. The City, at no cost other than those expenses to be reimbursed to Tenant as described in this Section 6.6, shall be permitted, pursuant to Use Agreements to be entered into between Tenant and the City (a "City Event Use Agreement") on the terms set forth in this Section 6.6, but subject to the same terms and conditions as are applicable to other Persons using the Arena which are not Tenant's Affiliates or other Affiliates of Tenant, provided that no Landlord Default has occurred and is then continuing and no City Default has occurred and is then continuing, to use (and lease out for use by others) the Arena for non-revenue-generating public or civic ceremonies, forums or other similar, non-revenue-generating uses on not more than twenty (20) days during each Lease Year (the "City Dates"),

not including more than four (4) days per Lease Year that are either Fridays or Saturdays and subject in all cases to the event schedule of the Arena (including all Scheduled Home Games and any dates held open by Tenant, with Tenant to be afforded wide latitude, in its reasonable discretion, in determining such hold dates during the period of October 1 through June 30, and such hold dates shall include all days any team of any of the Franchises is in the City) published in advance from time to time. Such City Dates shall not be cumulative and shall expire at the end of each Lease Year if not actually utilized by the City during such Lease Year.

The City Dates may be reserved only in writing on the following schedule:

(1) With respect to any requested date between October 1st of any calendar year during the Term through June 30th of the following calendar year, not earlier than sixty (60) days in advance with the proviso that if a lucrative booking becomes available to Tenant between thirty (30) and sixty (60) days in advance of such reserved date, such reserved date may be rescheduled by Tenant to an alternate date.

(2) With respect to any requested date between July 1st and September 30th of any calendar year during the Term as follows:

(a) up to two (2) of such days (which are not Fridays, Saturdays or Sundays) may be requested eighteen (18) months in advance;

(b) up to three (3) of such days (which are not Fridays, Saturdays or Sundays) may be requested twelve (12) months in advance;

(c) up to ten (10) of such days may be requested ninety (90) days in advance; and

(d) up to five (5) of such days may be requested thirty (30) days in advance.

The City may only reserve any of such dates discussed above for actual events and may not reserve any dates in the hope of acquiring an event; provided, however, the City may hold a date under clauses (2)(a) or (b) above, for up to thirty (30) days upon delivery of a deposit reasonably acceptable to Tenant. If a date is reserved by the City but not used for the scheduled event, such date shall still count as one of the City Dates. Notwithstanding anything contained herein to the contrary, the City may only reserve City Dates which are at least three months after the date of the first scheduled event in the Arena. In no event may the City reserve City Dates that involve more than two (2) consecutive days. Notwithstanding the foregoing prohibition on revenue-generating uses, the City may utilize any or all of the City Dates for revenue-generating charitable or educational purposes ("Charity Uses") or for purposes related to national conventions at the George R. Brown Convention Center; provided, however, that in no event may the Arena be used by the City, Landlord or any third party pursuant to this Section 6.6 for any use which could be in competition with events of the type that may be held at the Arena, including, without limitation, concerts, performances, or other revenue-generating events typically held at Comparable Facilities and sponsored or promoted by for-profit businesses. The City or its designee shall be entitled to the net ticket revenues from Charity Uses, but Tenant shall be entitled to any other revenues generated in connection with the City Dates, including without limitation ticket revenues (except net ticket revenues as to the Charity Uses),

concessions and advertising and broadcast rights. This Section 6.6 shall convey no right to use any of the Franchises', the Tenant's or the Arena operator's offices, training facilities, practice areas or locker rooms at the Arena; provided, however, that backstage areas and dressing rooms which are typically provided to other unaffiliated third party users shall be available for use. All Arena agreements with vendors, suppliers, sponsors, concessionaires and advertisers shall remain in effect with respect to all of the City Dates, as will all policies established by Tenant for the Arena including, without limitation, those regarding crowd control, maintenance, ticketing, access, building operations, broadcasting and operational matters. Neither the suiteholders nor any other party (including, without limitation, the City or Landlord) shall be entitled to use any of the suites (other than the City Suite in accordance with the terms of this Agreement and the City Suite License Agreement) on the City Dates; provided, however any suites generally made available to Space Users of the Arena for Arena Events ("Party Suites") shall be made available to the City on the City Dates on the same terms and conditions as such suites are generally made available to other Space Users (except the City shall not be obligated to pay rent therefor). In addition to the City Dates described above, Tenant and the City may, by mutual agreement, agree upon other dates for City use of the Arena.

In lieu of a fee for the use of the Arena on a City Date, the City shall reimburse Tenant for the following expenses attributable to the use of the Arena on each City Date (each a "City Event") pursuant to each City Event Use Agreement:

(a) direct costs, including fully burdened salary expense, for set-up and breakdown for such City Event, including Floor or seating changeovers, other costs directly related to or associated with a City Event (including for ushers, security personnel, facility and system operators, janitorial personnel and other personnel), utility expenses and clean-up of the Arena following such City Event;

(b) Tenant's costs for Municipal Services for such City Event;

(c) if tickets for a City Event constituting a Charity Use are sold and the revenues are to be retained by the City or its designee as provided in this Section 6.6, the costs of ticket sales, including box office and ticket takers, agents or brokers expense; and

(d) if any of the Party Suites are used, the food, beverage and other direct costs associated with stocking and serving such Party Suites for the City Event.

The foregoing reimbursement obligation shall not apply to any of Tenant's overhead costs in connection with a City Event or to any capital costs, except as otherwise expressly set forth in this Section 6.6 or otherwise agreed to by the City. The City shall reimburse Tenant for the foregoing expenses for City Events by payment of a deposit directly to Tenant at least five (5) days prior to such City Event in the amount estimated to be ninety percent (90%) of the reimbursable amount hereunder, with a final settlement within thirty (30) days after such City Event based on a detailed invoice to be provided by Tenant to Landlord within five (5) Business Days after such City Event. At the final settlement, the City will pay to Tenant or Tenant will refund to the City, as the case may be, the excess or deficiency of the invoiced expenses for such City Event compared to the foregoing deposit. Any Dispute over the amount of such invoiced expenses shall be resolved as provided in the City Event Use Agreement for such City Event,

and the final settlement shall be deferred until resolution of such Dispute. For purposes of this Section 6.6, if the City requests that a designee enter into a City Event Use Agreement directly with Tenant, then Tenant shall have the right to approve the creditworthiness and to require appropriate insurance and bond coverage of the designee, such approval not to be unreasonably withheld, and may require the designee to enter into a Use Agreement, with payment by the designee of those expenses and charges described in this Section 6.6 to be charged for City Events. Any default by a designee under its Use Agreement shall constitute a City Default.

ARTICLE 7

OPERATIONS, MANAGEMENT AND ROUTINE MAINTENANCE

Section 7.1 Arena Management. The Arena shall be managed by Tenant or an Affiliate of Tenant or by an unrelated manager having experience in the operation and management of Comparable Facilities and selected by Tenant. During the Term, subject only to the provisions of Articles 13 and 14, and Landlord paying or depositing (or causing to be paid or deposited) in the Capital Fund, as provided herein, sufficient funds to pay Landlord Capital Expense, Tenant shall manage and operate the Arena, or cause the Arena to be managed and operated, as a multipurpose sports and entertainment facility in compliance with Governmental Rules subject to the provisions of Sections 6.1 and 6.3 and in a manner consistent with the manner and standards by which Comparable Facilities are managed and operated, and shall perform Maintenance and Capital Work necessary to maintain the Arena in a manner comparable to that in which Comparable Facilities are maintained; provided, however, that (i) such obligations shall be subject to the provisions of Section 19.2.1, and (ii) subject to Section 7.7, Tenant's obligations with respect to Municipal Services shall never require its reimbursement to the City or other applicable agencies of amounts in excess of those proportionately charged for comparable Municipal Services for events at the baseball venue in the City currently known as Enron Field and (iii) Tenant's obligations hereunder that are excused for Landlord failing to make (or cause to be made) the required Capital Fund deposits shall only relate to those obligations for which such deposits are intended in order to commence and complete such obligations. The obligations of Tenant set forth in this Section 7.1 are hereafter referred to as the "Management Covenant." In connection with Tenant's performance of the Management Covenant, Landlord agrees, and agrees to use its reasonable efforts to cause the City, to use reasonable efforts to minimize Tenant's costs for goods and services, such as electricity, chilled water and other utilities, related to such performance on the same basis as for other public facilities, and if Tenant, in its absolute discretion, chooses to use the providers of such goods and services used by Landlord or the City, Tenant shall be entitled to retain, as an offset against its costs of performance, the pro-rata portion of any rights, fees or other incentive payments made in connection with such services based on the relative usage of the Arena compared to all venues to which such fees or payments apply. If Landlord determines that the Arena is not being managed, operated or maintained in accordance with the Management Covenant, Landlord shall provide Tenant with written notice describing, in reasonable detail, the manner in which the management, operation or maintenance of the Arena is not being conducted in accordance with the Management Covenant. Upon receipt of such notice, Tenant shall have a cure period of thirty (30) days, or such longer time as is reasonably necessary if such deficiencies cannot reasonably be corrected within thirty (30) days, to correct the deficiencies described in the notice. If Tenant does not commence an arbitration proceeding in accordance with Article 18 to

resolve any Dispute or Controversy arising with respect to the deficiencies described in such notice and such deficiencies are not corrected at the end of such cure period, Landlord may require that Tenant replace, with persons reasonably acceptable to Landlord, any of Tenant's employees, agents or subcontractors who are not officers of Tenant, any Tenant Affiliate or any other Affiliate of Tenant, and who have immediate responsibility for the operation, management or maintenance of the Arena, by giving written notice to Tenant setting forth the employees, agents or subcontractors to be replaced. If, within ten (10) days after receipt of such notice, Tenant does not commence an arbitration proceeding in accordance with Article 18 to resolve any Dispute relating to whether particular employees, agents or subcontractors should be replaced, Tenant shall replace such employees, agents or subcontractors within thirty (30) days after receipt of such notice from Landlord.

Section 7.2 Maintenance Fund. On January 31, 2001, and on each July 31 and January 31 thereafter through and including July 31, 2003, the Landlord shall deposit or cause to be deposited into a segregated and dedicated fund established and maintained at an Acceptable Bank the sum of Seven Hundred Fifty Thousand Dollars ($750,000) (the "Pre-Commencement Maintenance Fund Deposit"). The amounts available in such fund from time to time shall be invested in Permitted Investments designated by Tenant (such fund, together with proceeds from Permitted Investments from time to time, constituting the "Maintenance Fund"). In addition, without limiting Tenant's other remedies under this Agreement and the other Project Documents, Landlord shall deposit an additional One Million Five Hundred Thousand Dollars ($1,500,000) into the Maintenance Fund Account on or before the date set forth in Section 8.14 of the Project Agreement if required pursuant thereto. Upon the commencement of the Term, the Maintenance Fund shall be transferred to and held in the custody of the Arena Fund Custodian. The Maintenance Fund shall not be pledged for any purpose and may be used only for the purposes provided in this Agreement. Commencing on February 1, 2001, and continuing until the end of the Term, Tenant may withdraw any or all funds available in the Maintenance Fund from time to time for the purpose of paying or reimbursing itself for costs and expenses, regardless of whether such costs or expenses were incurred prior to or following the Effective Date, related to the development of the Arena and the Parking Garage, for Operating Expense and Maintenance Expense, for any other costs and expenses incurred by Tenant in connection with the performance of any of its obligations under the Project Documents and for Tenant's operating and lease expenses prior to the Commencement Date pertaining to the Compaq Center. Such right of Tenant to withdraw funds from the Maintenance Fund shall be in addition to, and not in lieu of, any reimbursement of expenses to which Tenant is entitled under this Agreement or any of the other Project Documents. Each withdrawal or transfer request by Tenant to the Arena Fund Custodian from time to time shall require the signature of a Responsible Officer of Tenant and shall constitute Tenant's certification that the withdrawn or transferred funds shall be used for purposes contemplated by this Section 7.2. Upon receipt of a withdrawal or transfer request accompanied by the signature of such a Responsible Officer, the Arena Fund Custodian shall have no further obligation to inquire into the purpose or propriety of any such withdrawal or transfer request and shall promptly effect such withdrawal or transfer. Unless the Expiration Date occurs as a result of Landlord terminating this Agreement as the result of a Tenant Default, any balance in the Maintenance Fund Account upon the Expiration Date shall belong to Tenant and may be withdrawn upon the request of a Responsible Officer of Tenant.

Section 7.3 Operating Expense and Maintenance. During the Term, Tenant shall be responsible for payment of, and as provided in Section 7.2 may be reimbursed from the Maintenance Fund during the Term for, all utility, salary, insurance (including all premiums and deductibles), management and other operating costs and expenses associated with the operation of the Arena ("Operating Expenses") and the performance of Maintenance and payment for all Maintenance Expense.

Section 7.4 Tenant's Remedial Work. Tenant shall be responsible for performing or causing to be performed, and for paying the cost of performing, any and all corrective or remedial actions required by applicable Governmental Rules to be performed with respect to any Environmental Event caused by Tenant or any of its agents, Space Users, contractors or subcontractors or otherwise occurring on or after the Commencement Date and not caused by Landlord or the City or any Affiliate of either ("Tenant's Remedial Work"). Tenant shall promptly inform Landlord, all applicable Governmental Authorities and, during the Loan Period, Lender, of any Environmental Event or Hazardous Materials discovered by Tenant (or by any agent, contractor or subcontractor of Tenant which so informs Tenant) in, on or under the Leased Premises and promptly shall furnish to Landlord any and all reports and other information available to Tenant concerning the matter. Tenant shall promptly consult with Landlord as to the steps to be taken to investigate and, if necessary, remedy such matter, and Tenant shall at its expense select an independent environmental consultant to evaluate the condition of the Leased Premises and materials thereon and therein. If it is determined pursuant to such evaluation that remediation of the same is required under this Section 7.4, then Tenant shall perform, or cause to be performed, Tenant's Remedial Work with due diligence and, as between Landlord and Tenant, at Tenant's cost and expense. To the extent Landlord has a claim or defense against any Person with respect to any Environmental Event that constitutes Tenant's Remedial Work and Tenant acknowledges that such Environmental Event constitutes Tenant's Remedial Work, Landlord hereby assigns, as of the Commencement Date such claim and defense to Tenant, and Landlord shall reasonably cooperate with Tenant and provide Tenant with such information and assistance as Tenant shall reasonably request in pursuing such claim, or asserting such defense, against any such Person.

Section 7.5 Landlord's Remedial Work. Landlord shall be responsible for performing or causing to be performed, and for paying the cost of performing, any and all corrective or remedial actions required by applicable Governmental Rules to be performed with respect to any Environmental Event which does not constitute Tenant's Remedial Work ("Landlord's Remedial Work"). Landlord shall promptly inform Tenant, all applicable Governmental Authorities and, during the Loan Period, Lender, of any Environmental Event or any Hazardous Materials discovered by Landlord (or by any agent, contractor or subcontractor of Landlord which so informs Landlord) in, on or under the Leased Premises and promptly shall furnish to Tenant any and all reports and other information available to Landlord concerning the matter. Landlord shall thereafter promptly consult with Tenant as to the steps to be taken to investigate and, if necessary, remedy such matter, and Landlord shall at its expense select an independent environmental consultant to evaluate the condition of the Leased Premises and materials thereon and therein. If it is determined pursuant to this evaluation that remediation of the same is required under this Section 7.5, then Landlord shall perform, or cause to be performed, Landlord's Remedial Work with due diligence and in a manner that does not interfere with Tenant's use of the Leased Premises for Arena Events.

Section 7.6 Maintenance and Warranty Contracts. Landlord covenants and agrees that, without the prior written consent of Tenant, Landlord will not voluntarily, involuntarily, by operation of law or otherwise, sell, assign or transfer any of the Maintenance and Warranty Contracts to any Person other than Tenant. Further, Landlord agrees that Tenant is a third-party beneficiary of the Maintenance and Warranty Contracts and hereby conveys, transfers and assigns to Tenant as of the Commencement Date (i) the Maintenance and Warranty Contracts and (ii) the non-exclusive right to enforce any and all of the respective obligations of any Person under the Maintenance and Warranty Contracts during the Term, including, but not limited to, any and all representations and warranties thereunder. Tenant agrees that Landlord may amend, modify, terminate, cancel, release or surrender any Maintenance and Warranty Contract except to the extent such Maintenance and Warranty Contract covers any item for which Tenant is or may be responsible under this Agreement, with respect to which Landlord must obtain Tenant's consent to the same, which consent shall not be unreasonably withheld, conditioned or delayed. Neither Tenant nor Landlord shall have any obligation whatsoever to enforce the Maintenance and Warranty Contracts; provided, however, that if Tenant requests Landlord to do so, Landlord shall enforce the Maintenance and Warranty Contracts on Tenant's behalf and at Tenant's cost if Landlord is prohibited from assigning such rights to Tenant. The right of Tenant to enforce the respective obligations of any Person under any Maintenance and Warranty Contract is independent of and separate from the rights of Landlord to enforce the same and shall in no manner limit or reduce the rights of Landlord to enforce the same. Notwithstanding the foregoing, after the Commencement Date Landlord's sole right to enforce the Maintenance and Warranty Contracts and share in any recoveries thereunder shall be limited to those items covered by the Maintenance and Warranty Contracts that constitute Landlord's Capital Expense. Landlord agrees that Tenant may amend, modify, terminate, cancel, release or surrender any Maintenance and Warranty Contract except to the extent such Maintenance and Warranty Contract covers items that constitute Landlord's Capital Expense, with respect to which Tenant must obtain Landlord's consent to the same, which consent shall not be unreasonably withheld, conditioned or delayed. The Parties agree that each will cooperate with the other in prosecuting any and all warranty and similar claims under any and all contracts or other agreements with third parties for the design, construction, supply, alteration, improvement, maintenance or restoration of the Leased Premises (each, a "Warranty Claim"); provided, however, that Tenant shall control the prosecution of all Warranty Claims except to the extent the Warranty Claim is related to Landlord's Capital Expense, in which case Landlord shall control the prosecution of such claim. All recoveries from any such Warranty Claims shall be applied, *first*, to the cost of collection, *second*, on a proportional basis (x) by deposit into the Capital Fund for the cost and expenses incurred in order to repair, restore, renew or replace any part of the Leased Premises as to which such Warranty Claim relates and which comprises Capital Work paid for by Tenant and (y) to Landlord for amounts paid directly by Landlord or deposited by Landlord into the Capital Fund, in either case comprising Landlord Capital Expense on account of Landlord Capital Work relating to such Warranty Claim, and *third*, any remaining amounts by deposit into the Capital Fund. The existence or pendency of any Warranty Claim shall not delay or reduce any other payments or disbursements to be made by Landlord or Tenant to the Capital Fund or on account of Capital Work or Landlord Capital Work under the provisions of this Agreement.

Section 7.7 Municipal Services. Landlord shall use reasonable efforts to cause the City (a) to provide Municipal Services at a general level and manner appropriate for Arena Events and not less than those provided at the baseball venue in the City currently known as

Enron Field, and (b) to charge for such Municipal Services no greater cost than that, if any, charged with respect to similar Municipal Services to such baseball venue. In the event that Landlord and Tenant agree in their respective reasonable discretion that a higher level of, or different, Municipal Services are required with respect to any Arena Event(s) than those provided at such baseball venue, Landlord also shall use reasonable efforts to cause the City to provide such higher level of, or different, Municipal Services at Tenant's cost and expense.

ARTICLE 8

CAPITAL WORK AND CAPITAL EXPENSE

Section 8.1 Capital Fund. Upon the commencement of the Term, the Arena Fund Custodian shall maintain and at the times specified in this Agreement shall make required deposits to, the Capital Fund Account on behalf of the Tenant and Landlord, as applicable, as provided in Section 5.2. The amounts available in the Capital Fund Account from time to time shall be invested in Permitted Investments designated by Tenant (such amounts, together with proceeds from Permitted Investments from time to time, constituting the "Capital Fund"). To the extent the Arena Fund Custodian fails to deposit amounts required to be deposited in the Capital Fund Account pursuant to Section 5.2, Landlord shall promptly deposit an amount in the Capital Fund equal to the shortfall, together with interest thereon at the Default Rate from the date on which such deposit was required to be made hereunder through the date of such deposit by Landlord. The Capital Fund shall not be pledged for any purpose and may be used only for the purposes provided in this Agreement. The Capital Fund shall be applied exclusively to fund Capital Expense and Self Help Expense.

Section 8.2 Tenant's Access to the Capital Fund. Subject to all of the provisions and limitations set forth in this Article 8, from time to time during the Lease Term, Tenant may (and Landlord shall take such action as is necessary to permit Tenant to) withdraw funds available in the Capital Fund from time to time only for the purpose of paying or reimbursing itself for Capital Expense or Self Help Expense. To withdraw funds from the Capital Fund, a Responsible Officer of Tenant must execute and deliver to Landlord and the Arena Fund Custodian a certificate (a "Certificate") requesting withdrawal of an amount from the Capital Fund to either (i) reimburse Tenant for Capital Expense or Self Help Expense incurred by Tenant as described in the Certificate or (ii) disburse all or a portion of such amount to the third Persons specified in the Certificate to pay those third Persons for Capital Expense or Self Help Expense for which Tenant has liability. Each Certificate shall include (a) a statement certified by a Responsible Officer of Tenant that the particular Capital Expense or Self Help Expense covered by the Certificate (1) has been or will be completed in compliance with this Agreement, (2) has been approved by Landlord or is a Capital Expense or Self Help Expense that is not subject to Landlord's prior approval rights pursuant to Section 8.4, (3) has not been previously reimbursed or paid out of the Capital Fund as of the date of the Certificate, and (4) has been incurred for Capital Work or Self Help Expense and (b) such invoices, purchase orders, bills of sale or other documents that reasonably evidence Tenant's incurrence of such expenses and completion or undertaking to complete such Capital Work or, if applicable, the work which is the subject of such Self Help Expense. Absent manifest error, upon receipt of a Certificate, the Arena Fund Custodian shall promptly (and in no event more than ten (10) Business Days after receipt of such certificate) withdraw from the Capital Fund the amount specified in such Certificate and disburse

such amount to (x) Tenant to reimburse Tenant for the amount of Capital Expense or Self Help Expense incurred by Tenant as specified in such Certificate and (y) the third Persons specified in such Certificate to pay such third Persons the amounts specified in such Certificate. Landlord and Tenant intend for the procedure described in this Section 8.2 to be ministerial in nature so that Tenant may receive immediate reimbursement and payment of Capital Expense and Self Help Expense incurred by Tenant or for which Tenant has liability as set out in the applicable Certificates, subject to the limitations set out in Section 8.4 hereof. In the event the Certificates submitted by Tenant under this Section 8.2 do not include documents that reasonably evidence Tenant's completion of the Capital Work or incurrence of the Self Help Expense covered by such Certificates, Tenant shall provide Landlord with such documents within thirty (30) days after the completion of such Capital Work or incurrence of such Self Help Expense. Any balance in the Capital Fund upon the Expiration Date shall belong to Tenant and may be withdrawn upon the request of a Responsible Officer of Tenant. Notwithstanding the foregoing, any amounts deposited into the Capital Fund for the benefit of Landlord shall not be withdrawn, except for Self Help Expense, without the consent of Landlord, which consent shall not be unreasonably withheld.

Section 8.3 Capital Work. Tenant shall be responsible for the performance of all Capital Work and payment of all Capital Expense, except that Tenant shall not be required to undertake or perform Landlord Capital Work to the extent that Landlord has not deposited in the Capital Fund, or provided evidence reasonably satisfactory to Tenant that it will deposit in the Capital Fund as and when needed, in addition to the deposits required by Section 8.1, funds necessary to pay for Landlord Capital Expense attributable to such Capital Work. Landlord shall deposit in the Capital Fund such amounts as are sufficient to pay for all of the Landlord Capital Work no later than the later of (i) thirty (30) days following request by Tenant or (ii) thirty (30) days prior to the commencement of such Capital Work. Tenant shall not be required to pay for Landlord Capital Work to the extent the foregoing deposits have not been made. Notwithstanding the preceding provisions of this Section 8.3, Tenant may (but shall not be obligated to) perform and pay for Landlord Capital Work in the absence of such deposits. In such case, Tenant shall provide written notice thereof to Landlord and, if Landlord fails within thirty (30) days following such notice to reimburse Tenant directly for the costs so incurred by Tenant, Tenant shall have been deemed to have incurred Self Help Expense and may recover the same by claim against Landlord as permitted hereunder or by withdrawal of funds from the Capital Fund as Self Help Expense.

All Capital Work must be effected in compliance with, and once completed shall comply with, all Governmental Rules. All Capital Work must also be performed in a good and workmanlike manner, and once commenced, prosecuted with due diligence. Landlord agrees that upon receipt of a written request from Tenant, and at Tenant's reasonable cost and expense, Landlord will promptly execute, acknowledge and deliver (or join with Tenant in the execution, acknowledgment and delivery of), in its capacity as the ground lessee under the Ground Lease of the Arena Site or fee owner of the Arena, as necessary: (a) any and all applications for licenses, permits, transfers of permits, vault space, alley closings or other authorizations of any kind or character required of Tenant by any Governmental Authority in connection with any Capital Work which Tenant is otherwise authorized to undertake pursuant to this Agreement and (b) easements and/or rights-of-way for public utilities or similar public facilities over and across portions of the Leased Premises which may be useful and/or necessary in the proper economic

and orderly development, maintenance and operation of the Leased Premises. Landlord will also use its reasonable efforts to cause the City, as fee owner of the Arena Site, to execute, acknowledge and deliver (or join with Tenant in the execution, acknowledgment and delivery of) such applications, easements or rights-of-way in a timely fashion.

Section 8.4 Approval of Capital Work; Verification of Capital Expense.

8.4.1 Landlord Approval Rights. Landlord's prior approval shall be required prior to the commencement of all Capital Work and prior to the withdrawal of funds from the Capital Fund ("Landlord Approval") except for the following:

(a) Capital Work (and the Capital Expense relating thereto) required by applicable Governmental Rules, which requirement is evidenced by a notice of violation or other evidence from any Governmental Authority;

(b) The purchase and maintenance of a reasonable spare parts inventory for Capital Work so long as such spare parts inventory is reasonably consistent with the spare parts inventory maintained at any Comparable Facility;

(c) Capital Work (and the Capital Expense related thereto), or a series of Capital Work (and the Capital Expense related thereto) that reasonably constitutes a single project, if the estimated cost of effecting the same is in the aggregate less than One Hundred Fifty Thousand Dollars ($150,000), as adjusted every five (5) years by the applicable CPI Fraction;

(d) Capital Work (and the Capital Expense related thereto) required to be performed in accordance with a schedule of required Capital Work for any Component, system or equipment of the Leased Premises, such schedule being recommended in writing by the manufacturer, supplier or installer of such Component, system or equipment;

(e) Capital Work (and the Capital Expense related thereto) undertaken to address an Emergency;

(f) design and consulting services (other than legal fees) associated with determining whether any potential Capital Work should be undertaken, how it should be effected and what it might cost provided that the costs of such with regard to a single project or series of projects that could reasonably be considered a single project do not exceed $50,000.00 as adjusted every five years by the applicable CPI Fraction;

(g) Self Help Expense; or

(h) Capital Work (and the Capital Expense related thereto) for which Landlord approval has been requested and no response has been received, all within the time periods described in Section 8.4.2.

Landlord shall not unreasonably withhold any Landlord Approval.

8.4.2 Process for Obtaining Landlord Approval. In order to obtain required Landlord Approval, Tenant shall submit to the Landlord Representative, at least forty-five (45) days before undertaking such Capital Work, a Capital Work proposal (the "Capital Work Proposal") setting forth in reasonable detail: (i) the purpose and nature of the proposed Capital Work, (ii) whether such Capital Work or any portion thereof is Landlord Capital Work, (iii) a preliminary estimate of the Capital Expense and any Landlord Capital Expense attributable to such Capital Work, (iv) a description of any authorizations from Governmental Authorities required to effect such Capital Work, (v) the schedule for effecting such Capital Work and (vi) a description of the projected impact on Arena operations of the performance of the Capital Work. Upon submission of a Capital Work Proposal:

(a) The Landlord Representative shall promptly review the same and shall promptly (but in any event within forty-five (45) days after receipt) give Tenant written notice of Landlord Approval or non-approval, and if the Landlord Representative does not approve, such notice shall set forth in reasonable detail the reasons for such non-approval. If Landlord fails to provide notice of non-approval within such forty-five (45)-day period, such Capital Work shall be deemed to be approved and Tenant may commence such Capital Work and submit a request for withdrawal or transfer of amounts from the Capital Fund to pay for Capital Expense attributable thereto as a request for which Landlord Approval has been obtained.

(b) If the Landlord Representative gives Tenant notice of non-approval of any Capital Work Proposal as originally submitted or as resubmitted as contemplated hereby, Tenant shall have the right, within sixty (60) days after the date of such notice, to resubmit any such Capital Work Proposal, modified to respond to the Landlord Representative's reasons for non-approval, in an effort to receive Landlord Approval in accordance with Section 8.4.2(a). Each resubmission shall be subject to review by the Landlord Representative in the same manner as if it were an original Capital Work Proposal, except that the time period for review and response by the Landlord Representative shall be thirty (30) days. If Landlord fails to provide a notice of non-approval (setting forth in reasonable detail the reasons for such non-approval) of any such resubmission within such thirty (30)-day period, such Capital Work shall be deemed to be approved and Tenant may commence such Capital Work and submit a request for withdrawal or transfer of amounts from the Capital Fund to pay for Capital Expense attributable thereto as a request for which Landlord Approval has been obtained.

(c) Notwithstanding the provisions of paragraphs (a) and (b) immediately preceding, if a Capital Work Proposal involves any proposed change to the appearance or configuration of the exterior of the Arena, changes or alterations to material Components, additions or improvements that affect structural elements of the Arena, or a preliminary estimate of Capital Expense or Landlord Capital Expense that exceeds One Million Dollars ($1,000,000), as adjusted every ten (10) years by the applicable CPI Fraction, the Landlord Representative may give written notice of preliminary approval of such Capital Work conditioned upon Tenant's submission of detailed engineering or architectural drawings, artist's renderings or contractor's cost plus or guaranteed maximum bids for such Capital Work, in which case the Capital Work appropriate to prepare such submission shall be deemed to have received Landlord Approval. Tenant's submission in

response to such conditional approval shall be deemed to be a resubmission of a Capital Work Proposal, and the provisions of Section 8.4.2(b) shall apply to the further consideration of the Capital Work Proposal.

(d) If Landlord's Approval is not granted with respect to any submission or resubmission of a Capital Work Proposal, Tenant may commence a proceeding under Article 18 to resolve such Dispute.

(e) Subject to Section 8.4.2(f), once commenced, all Capital Work which has received Landlord Approval shall be substantially completed in material accordance with the applicable Capital Work Proposal as so approved. Subject to Section 8.4.2(f), no Capital Work shall materially exceed the scope of the Capital Work Proposal that received Landlord Approval or, if not approved, that was deemed to be approved as provided in this Section 8.4.2 or, if disputed, that was approved in accordance with the procedures set forth in Article 18.

(f) If, after Capital Work has been commenced for which a Capital Work Proposal has been approved, Tenant, in good faith, believes that to avoid significant additional expense the scope of the Capital Work must be materially modified, Landlord shall reasonably cooperate with Tenant in expediting the approval process in Section 8.4.2 to accommodate the time frame required to avoid such additional expense.

8.4.3 Verification of Capital Expense. Within ninety (90) days after the end of each Lease Year, Tenant shall furnish to Landlord a certificate of a Responsible Officer of Tenant, setting forth, to such Responsible Officer's best knowledge and belief, all withdrawals or transfers from the Capital Fund by Tenant, the manner in which the proceeds so withdrawn or transferred were applied, and all Capital Expense and Self Help Expense incurred by Tenant during such Lease Year in excess of the aggregate of all such withdrawals. Landlord may, at any time within ninety (90) days after receipt of such certificate, notify Tenant in writing of Landlord's desire, at Landlord's expense (except as provided below), to engage a nationally or regionally recognized firm of independent certified public accountants that is not then, and has not within the past two (2) years been, otherwise engaged by either Party or the City to verify the accuracy of such certificate unless such engagement was to verify the accuracy of previous certificates under this Section 8.4.3. Such accountants' review shall be limited to the portion of Tenant's books and records that are necessary to verify such items. Landlord shall direct such accountants (i) to deliver their report (which shall be addressed to Landlord and Tenant) to Landlord and Tenant within a reasonable time period and in no event later than sixty (60) days after Tenant has granted such accountants access to its relevant books and records, (ii) to advise Landlord and Tenant in such report whether any withdrawal or transfer from the Capital Fund during such Lease Year was in error, and if so, to describe any such error in reasonable detail and (iii) to determine the amount required to be deposited by Tenant in the Capital Fund (or, if applicable, the amount by which the excess of Capital Expense and Self Help Expense over the aggregate withdrawals made by Tenant, as described above, shall be reduced), if any, to correct any such error. Within ten (10) days after delivery of such accountants' report, Tenant shall deposit such amount (or, if applicable, deliver to Landlord notice that the excess of Capital Expense and Self Help Expense over the aggregate withdrawals made by Tenant, as described above, has been reduced by such amount) or shall commence a proceeding under Article 18 to

resolve any Dispute concerning such report. If the amount finally determined to be owed by Tenant exceeds Fifty Thousand Dollars ($50,000), as adjusted every five (5) years by the applicable CPI Fraction, Tenant shall reimburse Landlord for the reasonable cost of such accountants' review. The accountants engaged by Landlord for the above purposes (i) shall not be considered to be agents, representatives or independent contractors of Tenant and (ii) shall agree, for the benefit of Tenant, to maintain the confidentiality of all of Tenant's books and records and the results of its audit, except as required by any applicable Governmental Rule.

Section 8.5 Mechanics' Liens and Claims. If any Lien or claim of Lien, whether choate or inchoate (collectively, any "Mechanic's Lien"), shall be filed against the interest of Landlord or Tenant in the Leased Premises by reason of any work, labor, services or materials supplied or claimed to have been supplied on or to the Leased Premises by or on behalf of Tenant, but subject to Landlord timely fulfilling its payment obligations, if any, under the Project Agreement and under Section 8.3 of this Agreement, Tenant shall, at its sole cost and expense, after notice of the filing thereof but in no event less than fifteen (15) days before the foreclosure of any such Mechanic's Lien, cause the same to be satisfied or discharged of record, or effectively prevent, by injunction, payment, deposit, bond, order of court or otherwise, the enforcement or foreclosure thereof against the Leased Premises, Landlord or any Property of Landlord. If Tenant fails to satisfy or discharge of record any such Mechanic's Lien, or to effectively prevent the enforcement thereof by the date which is fifteen (15) days prior to the foreclosure thereof, then Landlord shall have the right, but not the obligation, to satisfy or discharge such Mechanic's Lien by paying the claimant on whose behalf it was filed, and, subject to Landlord timely fulfilling its payment obligations, if any, under the Project Agreement and under Section 8.3 of this Agreement, Tenant shall reimburse Landlord within fifteen (15) days after demand for amounts paid, plus interest at the Default Rate from the date such amounts are paid by Landlord until reimbursed by Tenant, together with reasonable attorneys' fees, costs and expenses so incurred by Landlord, without regard to any defense or offset that Tenant has or may have had against such Mechanic's Lien claim; provided, however, that Tenant shall have the right to offset against the amount of such reimbursement owed to Landlord any monetary sums which Landlord owes to Tenant under Section 8.3 hereof at such time.

Section 8.6 Renovation. Prior to the expiration of the fifteenth (15th) Lease Year, Landlord shall renovate the Arena so as to cause the design, configuration, functionality, amenities and revenue opportunities of the Arena to conform to then-existing standards for first-class, state of the art, multipurpose sports and entertainment facilities of comparable size and location (the "Renovation"); provided, however, that such Renovation obligation of Landlord shall only apply to the extent that funds therefor are available in the Renovation Fund. Landlord shall deposit in the Renovation Fund Account maintained by the Arena Fund Custodian (a) any excess revenues or funds available to Landlord or its Affiliates from any source on or about the time of the commencement of the Renovation (with Landlord to be accorded wide latitude, in its good faith and reasonable discretion, in determining whether any such excess revenues or funds are available or will be available at or around the time of the Renovation) and (b) any net proceeds of the Refinancing (after deducting customary costs of issuance thereof) in excess of the then principal balance of the Arena Rent Supported Debt, if any. The funds in such Renovation Fund Account shall be invested in Permitted Investments as designated by Tenant from time to time and the aggregate balance in such Renovation Fund Account from time to time is referred to as the "Renovation Fund." Amounts in the Renovation Fund shall be used

exclusively for the purpose of the Renovation. Tenant may decline, in its absolute discretion, to consent to any Renovation. If Tenant does agree to a Renovation, Landlord and Tenant shall negotiate diligently and in good faith to agree upon the plans, budget and schedule for the Renovation; provided, however, that work in connection with the Renovation shall not be conducted during any NBA pre-Season or NBA Season and shall otherwise be conducted in a manner that minimizes, to the extent reasonably practicable, any disruption to the operation of the Arena and Parking Garage. Landlord covenants to (i) use good faith, diligent efforts to achieve a refinancing or replacement of any Arena Rent Supported Debt prior to the expiration of the fifteenth (15th) Lease Year (the "Refinancing"), (ii) maximize the proceeds resulting therefrom that are available for the Renovation, (iii) commit at least the same security for the Refinancing as will be committed to the original Arena Rent Supported Debt, (iv) provide Tenant the same security interests and protections with respect to the application and use of Rent, Maintenance Fund Deposits and Capital Fund Deposits as are provided in the original Arena Debt Instruments and (v) unless Tenant otherwise consents in writing, limit the amount of Rent that can be applied to debt service and reserve deposits to the amount required for the original Arena Rent Supported Debt. Notwithstanding the foregoing, Landlord shall not be obligated to obtain the Refinancing if the same would result in the refinancing or replacement bonds having a maturity date later than the Scheduled Expiration Date, or requiring more annual debt service than Five Million Two Hundred Thousand Dollars ($5,200,000) per year.

ARTICLE 9

TAXES

Section 9.1 Taxes and Assessments.

9.1.1 Taxes on Leased Premises. Throughout the Term, Landlord shall be responsible for, and shall timely pay, any Tax levied on or payable with respect to the Leased Premises in the event the Leased Premises are not exempt from taxation, including any Tax imposed by Section 334.044 of the Local Government Code of Texas. If Landlord fails to pay any such Tax on or before the date on which such Tax is due, then Tenant may, but shall not be obligated to, pay such Tax, in which event such payment shall be deemed a Landlord Capital Expense. Notwithstanding the foregoing, Tenant shall be responsible for any Tax which constitutes a non-discriminatory leasehold interest tax on Tenant's leasehold interest under this Agreement, but only to the extent that the amount of such Tax attributable to any Lease Year exceeds the Annual Payment.

9.1.2 Taxes on Tenant-Owned Personal Property. Throughout the Term, Tenant shall pay, or cause to be paid, any Tax levied on or payable with respect to personal property that is owned by Tenant or that is used by Tenant and is not part of the Leased Premises. Tenant shall pay all such Taxes directly to the taxing authority or other payee, as the case may be.

Section 9.2 Targeted Tax. In the event that Landlord, the City, the County, the Sports Authority or any other Governmental Authority controlled by some, all or any of them ever imposes any Targeted Tax, Tenant may from time to time submit an invoice to Landlord for the full amount of any such Targeted Tax which is payable by Tenant or by any other Person upon which the Targeted Tax is levied or assessed. In such case, Landlord shall, within thirty (30)

days after receipt of such invoice, either (i) relieve Tenant, or such other Person upon which the Targeted Tax is levied or assessed, of the economic burden of such invoiced amount in a manner mutually agreeable to Tenant (or such other Person, as the case may be) and Landlord, or (ii) pay Tenant (or such other person, as the case may be) an amount equal to the invoiced amount of such Targeted Tax, together with interest thereon at the Applicable Rate from the date such payment from Landlord to Tenant (or such other Person, as the case may be) is due until the date Tenant (or such other Person, as the case may be) is reimbursed for such amount due under this Section 9.2. The agreements and obligations of the Sports Authority under this Section 9.2 shall survive, and remain binding upon the Sports Authority after, the Expiration Date or any assignment of this Agreement by the Sports Authority.

ARTICLE 10

INSURANCE AND INDEMNIFICATION

Section 10.1 Policies Required.

10.1.1 Property Insurance Policy. Commencing on the Commencement Date, and at all times during the Term, Tenant shall, at its sole cost and expense, obtain, keep and maintain a property insurance policy (the "Tenant Property Insurance Policy") providing for coverage of the Arena Improvements and FF&E (each exclusive of the NHL Special Improvements, if any) against loss or damage due to Insured Casualty Risks on commercially reasonable terms from time to time available with respect to improvements in Houston, Harris County, Texas, similar to the Arena Improvements and FF&E and affording coverage for, among other things, demolition and debris removal. The Tenant Property Insurance Policy shall name Tenant as the named insured and Landlord as an additional insured, as their respective interests may appear, for a sum at least equal to one hundred percent (100%) of the insurable replacement cost of the Arena Improvements and FF&E, and the deductible thereunder shall not exceed Two Hundred Fifty Thousand Dollars ($250,000) per loss, unless such deductible is lower than that available on commercially reasonable terms, in which circumstance the lowest deductible in excess of Two Hundred Fifty Thousand Dollars ($250,000) available on commercially reasonable terms shall be obtained. Every five (5) Lease Years during the Term the amount of such deductible limitations shall be adjusted by the CPI Fraction as of the end of such fifth (5th) Lease Year by multiplying the dollar limitation by the then CPI Fraction.

10.1.2 Policies Required for Capital Work – Builder's All Risk Policy. In the event the reasonably anticipated total cost of any item of Capital Work to be performed by Tenant (calculated so as to include, but not be limited to, all sums payable under any Capital Work construction contracts related thereto) is equal to or exceeds One Million Dollars ($1,000,000) and such Capital Work is not covered during the course of construction by the Tenant Property Insurance Policy described in Subsection 10.1.1, then before the commencement of any Capital Work, and at all times during the performance of such Capital Work, Tenant shall obtain, keep and maintain, or cause to be obtained, kept and maintained, builder's "all risk" insurance policies (collectively, the "Builder's All Risk Policies") affording coverage of such Capital Work, whether permanent or temporary, and all Insured Materials and Equipment related thereto against loss or damage due to Insured Casualty Risks on commercially reasonable terms from time to time available with respect to similar work in Houston, Harris County, Texas. The

Builder's All Risk Policies shall be written on an occurrence basis and on a "replacement cost" basis, insuring one hundred percent (100%) of the insurable value of the replacement cost of the Capital Work, using a completed value form (with permission to occupy upon substantial completion of work or occupancy), naming Tenant as the insured and Landlord as an additional insured, as their respective interests may appear, and the deductible thereunder shall not exceed Two Hundred Fifty Thousand Dollars ($250,000) per loss unless such deductible is lower than that available on commercially reasonable terms, in which circumstances the lowest deductible in excess of Two Hundred Fifty Thousand Dollars ($250,000) available on commercially reasonable terms shall be obtained (provided, however, that, in the case of demolition and debris removal coverage, Tenant shall carry (or cause to be carried) coverage in not less than the full amount necessary to demolish the Capital Work and to remove all debris that may exist after the occurrence of any Insured Casualty Risks). Every five (5) Lease Years during the Term the amount of such deductible limitation shall be adjusted by the CPI Fraction as of the end of such fifth (5th) Lease Year by multiplying the dollar limitation by the then CPI Fraction. The Builder's All Risk Policies additionally shall comply with all requirements applicable to them set forth in the Insurance Plan Additional Requirements to the extent not inconsistent with this Article 10. The cost of any such Builder's All Risk Policies shall be considered a cost of the Capital Work and shall be funded in the manner provided for under Article 8.

10.1.3 Additional Policies Required by Tenant During the Term. Commencing on the Commencement Date, and at all times during the Term and continuing thereafter until Tenant has fulfilled all of its obligations under Article 17 (unless otherwise provided below), Tenant shall, at its sole cost and expense, obtain, keep and maintain, or cause to be obtained, kept and maintained, the following insurance policies:

(a) Commercial General Liability Policy. A commercial general liability insurance policy no more restrictive than the current standard ISO Commercial Liability occurrence form policy in use generally in the State of Texas ("Tenant's GL Policy"), written on an occurrence basis and limited to the Leased Premises (and, if Tenant so elects, the Parking Garage) (or if not so limited, having a general aggregate limit that shall be site-specific to the Leased Premises (and, if Tenant so elects, the Parking Garage)), naming Tenant as the named insured (with the effect that Tenant and its employees are covered) and the Landlord as additional insured, affording protection against liability arising out of personal injury, bodily injury and death and/or property damage occurring, in, upon or about the Leased Premises or resulting from, or in connection with, the construction, use, operation or occupancy of the Leased Premises and containing provisions for severability of interests. The Tenant's GL Policy shall be in such amount and such policy limits so that (i) the coverage and limits are adequate to maintain the Tenant's Excess/Umbrella Policy without gaps in coverage between the Tenant's GL Policy and the Tenant's Excess/Umbrella Policy and (ii) the minimum policy limits set forth in the Insurance Plan Additional Requirements are satisfied. The Tenant's GL Policy additionally shall comply with all requirements applicable to it set forth in the Insurance Plan Additional Requirements to the extent not inconsistent with this Article 10.

(b) Workers' Compensation Policy. A workers' compensation insurance policy and any and all other statutory forms of insurance, now or hereafter prescribed by

applicable law, providing statutory coverage under the laws of the State of Texas for all Persons employed by Tenant in connection with the Leased Premises and employers liability insurance policy (collectively, the "Tenant's Workers' Compensation Policy"). The Tenant's Workers' Compensation Policy additionally shall comply with all requirements applicable to it set forth in the Insurance Plan Additional Requirements to the extent not inconsistent with this Article 10.

(c) Excess/Umbrella Policy. An excess or umbrella liability insurance policy ("Tenant's Excess/Umbrella Policy"), written on an occurrence basis, in an amount not less than Fifty Million Dollars ($50,000,000) per occurrence and in the aggregate for personal injury, bodily injury and death and/or property damage liability combined, such policy to be written on an excess basis above the coverages required hereinabove (specifically listing such underlying policies) and following the form of such underlying policies. Every five (5) Lease Years during the Term the amount of Tenant's Excess/Umbrella Policy shall be adjusted by the CPI Fraction as of the end of such fifth (5th) Lease Year by multiplying the initial Fifty Million Dollars ($50,000,000) amount of such policy by such CPI Fraction.

10.1.4 Policies Required by Landlord. Commencing on the Commencement Date, and at all times during the Term, Landlord shall, at its sole cost and expense, obtain, keep, and maintain, or cause to be obtained, kept and maintained, the following insurance policies:

(a) Property Insurance Policy. Commencing on Commencement Date, Landlord shall, at its sole cost and expense, obtain, keep and maintain a property insurance policy (the "Landlord Property Insurance Policy") providing for coverage of the Enclosed Access against loss or damage due to Insured Casualty Risks on commercially reasonable terms from time to time available with respect to improvements in Houston, Harris County, Texas, similar to such improvements naming Landlord as named insured and Tenant as an additional insured, as their respective interests may appear, for a sum at least equal to one hundred percent (100%) of the insurable replacement cost of the Infrastructure Work and the Enclosed Access and affording coverage for, among other things, demolition and debris removal. The deductible thereunder shall not exceed Two Hundred Fifty Thousand Dollars ($250,000) per loss, unless such deductible is not available on commercially reasonable terms, in which circumstance the lowest deductible in excess of Two Hundred Fifty Thousand Dollars ($250,000) which is available on commercially reasonable terms shall be obtained. Every five (5) Lease Years during the Term the amount of such deductible limitations shall be adjusted by the CPI Fraction as of the end of such fifth (5th) Lease Year by multiplying the dollar limitation by the then CPI Fraction. The Landlord Property Insurance Policy shall provide for business interruption insurance in an amount calculated in accordance with the provisions of Appendix D to this Agreement.

(b) Commercial General Liability Policy. A commercial general liability insurance policy no more restrictive than the current standard ISO Commercial Liability occurrence form policy in use generally in the State of Texas ("Landlord's GL Policy"), written on an occurrence basis and limited to the Leased Premises (and, if Landlord so elects, the Parking Garage) (or if not so limited, having a general aggregate limit that

shall be site-specific to the Leased Premises (and, if Landlord so elects, the Parking Garage)), naming the Landlord as the named insured and Tenant as an additional insured, affording protection against liability arising out of personal injury, bodily injury and death and/or property damage occurring, in, upon or about the Leased Premises or resulting from, or in connection with, the use, operation or occupancy of the Leased Premises and containing provisions for severability of interests. The Landlord's GL Policy shall be in such amount and such policy limits so that (i) the coverage and limits are adequate to maintain the Landlord's Excess/Umbrella Policy without gaps in coverage between the Landlord's GL Policy and the Landlord's Excess/Umbrella Policy and (ii) the minimum policy limits set forth in the Insurance Plan Additional Requirements are satisfied. The Landlord's GL Policy additionally shall comply with all other requirements applicable to it set forth in the Insurance Plan Additional Requirements to the extent not inconsistent with this Article 10.

(c) Workers' Compensation Policy. A worker's compensation insurance policy and any and all other statutory forms of insurance now or hereafter prescribed by applicable law, providing statutory coverage under the laws of the State of Texas for all Persons employed by Landlord in connection with the Leased Premises and employers liability insurance policy (collectively, the "Landlord's Workers' Compensation Policy"). The Landlord's Workers' Compensation Policy additionally shall comply with all other requirements applicable to it set forth in the Insurance Plan Additional Requirements to the extent not inconsistent with this Article 10.

(d) Excess/Umbrella Policy. An excess or umbrella liability insurance policy ("Landlord's Excess/Umbrella Policy"), written on an occurrence basis, in an amount not less than Five Million Dollars ($5,000,000) per occurrence and in the aggregate for personal injury, bodily injury and death and/or property damage liability combined, such policy to be written on an excess basis above the coverages required hereinabove (specifically listing such underlying policies) and following the form of such underlying policies. Every five (5) Lease Years during the Term the amount of Landlord's Excess/Umbrella Policy shall be adjusted by the CPI Fraction as of the end of such fifth (5th) Lease Year by multiplying the initial Five Million Dollars ($5,000,000) amount of such policy by such CPI Fraction.

Section 10.2 Surety Bonds. Prior to the commencement of any item of Capital Work (other than maintenance and repair work) costing in excess of One Million Five Hundred Thousand Dollars ($1,500,000) and at all times during the performance of such Capital Work, Tenant shall cause the Capital Work contractor to obtain, keep and maintain such performance and payment bonds as are required by applicable Governmental Rule or, if not required by applicable Governmental Rule, as are commercially reasonable in light of the circumstances. The cost of any such payment and performance bonds shall be considered a cost of the Capital Work and shall be funded in the manner required under Article 8.

Section 10.3 Blanket or Master Policy. Any one or more of the types of insurance coverages required in Section 10.1 (except for the Tenant's GL Policy and the Landlord's GL Policy, which shall have a general aggregate limit that shall be site-specific to the Leased Premises (and, if the insuring party so elects, the Parking Garage)) may be obtained, kept and

maintained through a blanket or master policy insuring other entities (such as the general partner(s) of Tenant, Affiliates of Tenant or the general partner(s) thereof), provided that (a) such blanket or master policy and the coverage effected thereby comply with all applicable requirements of this Agreement and (b) the protection afforded under such blanket or master policy shall be no less than that which would have been afforded under a separate policy or policies relating only to the Leased Premises (and, if the insuring party so elects, the Parking Garage). If any excess or umbrella liability insurance coverage required pursuant hereto is subject to an aggregate annual limit and is maintained through the blanket or master policy, and if such aggregate annual limit is impaired as a result of claims actually paid by more than fifty percent (50%), the Party who carries such policy hereunder shall immediately give notice thereof to the other Party and, within ninety (90) days after discovery of such impairment, to the fullest extent reasonably possible, shall cause such limit to be restored by purchasing additional coverage.

Section 10.4 Failure to Maintain. If at any time and for any reason Tenant or Landlord, respectively, fails to provide, maintain, keep in force and effect, or deliver to the other Party proof of any of the insurance required under Article 10 and such failure continues for ten (10) days after notice thereof from the other Party to Tenant or Landlord, as the case may be, the other Party may, but shall have no obligation to, procure single interest insurance for such risks covering the other Party (or, if no more expensive, the insurance required by this Agreement), and Tenant or Landlord, as the case may be, shall, within ten (10) days following the other Party's demand and notice, pay and reimburse the other Party therefor.

Section 10.5 Additional Policy Requirements.

10.5.1 Insurers: Certificate and Other Requirements.

(a) All insurance policies required to be procured under Section 10.1 shall be effected under valid policies issued by insurers which have an Alfred M. Best Company, Inc. rating of "A-" or better and a financial size category of not less than X (or, if Alfred M. Best Company, Inc. no longer uses such rating system, then the equivalent or most similar ratings under the rating system then in effect, or if Alfred M. Best Company, Inc. is no longer the most widely accepted rater of the financial stability of insurance companies providing coverage such as that required by this Agreement, then the equivalent or most similar rating under the rating system then in effect of the most widely accepted rater of the financial stability of such insurance companies at the time).

(b) Each and every policy required to be carried hereunder shall provide for waivers of subrogation by endorsement or other means, which waivers of subrogation shall be effective as to any Party and any Affiliate of any Party.

(c) Each and every insurance policy required to be carried hereunder by or on behalf of any Party shall provide (and any certificate evidencing the existence of each such insurance policy shall certify) that such insurance policy shall not be canceled, non-renewed or coverage thereunder materially reduced unless the other Party and, during the Loan Period, the Lender, shall have received written notice of cancellation, non-renewal or material reduction in coverage, in each such case (except for notice of cancellation due

to non-payment of premiums) such written notice to be sent to the other Party and, during the Loan Period, the Lender, not less than ninety (90) days (or the maximum period of days permitted under applicable law, if less than ninety (90) days) prior to the effective date of such cancellation, non-renewal or material reduction in coverage, as applicable. In the event any insurance policy is to be canceled due to non-payment of premiums, the requirements of the preceding sentence shall apply except that the written notice shall be sent to the other Party and, during the Loan Period, the Lender, on the earliest possible date, but in no event less than ten (10) days, prior to the effective date of such cancellation.

10.5.2 Delivery of Evidence of Insurance. With respect to each and every one of the insurance policies required to be obtained, kept or maintained under the terms of this Agreement, on or before the date on which each such policy is required to be first obtained and at least thirty (30) days before the expiration of any policy required hereunder previously obtained, Tenant and Landlord, as the case may be, shall deliver to the other Party and, during the Loan Period, the Lender, evidence showing that such insurance is in full force and effect. Such evidence shall include certificates of insurance issued by a Responsible Officer of the issuer of such policies, or in the alternative, a Responsible Officer of an agent authorized to bind the named issuer, setting forth the name of the issuing company, the coverage, limits, deductibles, endorsements, term and termination provisions thereon. By no later than thirty (30) days after the effective date of any insurance policy required under this Agreement, Tenant and Landlord, as the case may be, shall provide the other Party and, during the Loan Period, the Lender, with reasonable evidence that premiums have either been paid or are payable in installments. By no later than one hundred twenty (120) days after the effective date of any insurance policy required under this Agreement, Tenant and Landlord, as the case may be, shall provide the other Party and, during the Loan Period, the Lender, with a copy of such insurance policy.

10.5.3 WAIVER OF RIGHT OF RECOVERY. ANYTHING TO THE CONTRARY IN THIS AGREEMENT NOTWITHSTANDING, TO THE EXTENT PERMITTED BY LAW, LANDLORD AND TENANT EACH WAIVE ALL RIGHTS OF RECOVERY, CLAIM, ACTION OR CAUSE OF ACTION AGAINST THE OTHER AND THE OTHER'S AFFILIATES AND THEIR RESPECTIVE PARTNERS, AGENTS, OFFICERS, DIRECTORS, SHAREHOLDERS, EMPLOYEES OR REPRESENTATIVES FOR ANY DAMAGE TO THE INFRASTRUCTURE WORK, THE ENCLOSED ACCESS, THE ARENA IMPROVEMENTS OR THE FF&E, TO THE EXTENT THAT SUCH DAMAGE IS DUE TO AN INSURED CASUALTY RISK REGARDLESS OF CAUSE OR ORIGIN, INCLUDING NEGLIGENCE OF LANDLORD, TENANT, THEIR AFFILIATES OR THEIR PARTNERS, AGENTS, OFFICERS, DIRECTORS, SHAREHOLDERS, EMPLOYEES OR REPRESENTATIVES.

Section 10.6 Proceeds of Insurance. Without limiting Tenant's obligations under Article 13 with respect to Casualty Repair Work, the Insurance Proceeds paid under any insurance policies required by Subsection 10.1.1 and Subsection 10.1.2 and Subsection 10.1.4(a) shall be payable to:

(a) Tenant directly, in the case of any particular insured Casualty resulting in damage to the Arena Improvements and the FF&E involving a reasonably estimated cost of repair equal to or less than Five Hundred Thousand Dollars ($500,000), which Insurance Proceeds shall be received by Tenant in trust for the purpose of paying the cost of restoration as required by Section 13.2;

(b) The Arena Fund Custodian for deposit into the Insurance Fund, in the case of any particular insured Casualty resulting in damage to the Enclosed Access;

(c) The Arena Fund Custodian for deposit into the Insurance Fund in the case of any particular insured Casualty resulting in damage involving a reasonably estimated cost of repair in excess of Five Hundred Thousand Dollars ($500,000), which Insurance Proceeds are to be held and disbursed pursuant to, and under the conditions set forth, in Section 13.2; or

(d) With respect to Insurance Proceeds payable after any termination of this Agreement, (i) during the Loan Period, (A) to the Arena Fund Custodian for application to pay the amount of outstanding principal and accrued interest due under the Arena Rent Supported Debt, and (B) thereafter to Landlord, and (ii) otherwise to Landlord.

In each of the circumstances described in the preceding subparagraph (b) or (c) of this Section 10.6, (i) the Insurance Account shall be established and maintained for the sole purpose of serving as a segregated fund for the Insurance Proceeds (the "Insurance Fund") and (ii) the Insurance Proceeds deposited into the Insurance Fund under this Agreement shall be held and disbursed, all in accordance with this Article 10 and Article 13. All funds in the Insurance Fund shall be held in escrow by the Arena Fund Custodian for application in accordance with the terms of this Agreement and the Arena Fund Custodian shall account to Landlord and Tenant for the same on a monthly basis. The funds in the Insurance Fund shall be invested only in Permitted Investments as directed by Tenant and all earnings and interest thereon shall accrue to the Insurance Fund and shall be available as part of the Insurance Fund. Neither Landlord nor Tenant shall create, incur, assume or permit to exist any Lien on the Insurance Fund or any proceeds thereof.

Section 10.7 Indemnification.

10.7.1 Tenant's Agreement to Indemnify. Tenant shall, except as provided in Subsection 10.7.2, defend, protect, indemnify and hold harmless Landlord and its officers, directors, employees and agents from and against any and all liabilities, damages, suits, claims and judgments of any nature (including, without limitation, reasonable attorneys' fees and expenses), arising from or in connection with any injury to or death of a Person or any damage to property (including loss of use) resulting from, arising out of or in connection with (i) the use or occupancy of the Leased Premises on or after the Commencement Date or (ii) the negligence or willful act of Tenant or Tenant's Affiliates or Affiliate of Tenant or their contractors, employees, officers, directors, agents or Space Users (other than the City (or any other user of the Leased Premises on the City Dates) or an NHL Team which is not an Affiliate of Tenant).

10.7.2 Tenant's Exclusions. Notwithstanding the provisions of Subsection 10.7.1, Tenant shall not be liable for any liabilities, damages, suits, claims and judgments of any nature (including, without limitation, reasonable attorneys' fees and expenses) arising from or in connection with:

(a) Any injury to or death of a Person or any damage to property (including loss of use) to the extent caused by the negligence or willful act of Landlord or the City, its employees, officers, directors, contractors, agents or invitees;

(b) Landlord's violation of any provisions of this Agreement or any applicable Governmental Rules or deed restrictions or insurance policies now or hereafter in effect and applicable to Landlord;

(c) The existence of any Hazardous Materials in, on or under the Leased Premises prior to the Commencement Date, but the foregoing shall not apply to any Hazardous Materials that are introduced to the Leased Premises by Tenant, Tenant's Affiliate or any Affiliate of Tenant, or any of their respective employees, officers, directors, contractors, agents or Space Users (other than the City (or any other user of the Leased Premises on the City Dates) or an NHL Team which is not an Affiliate of Tenant);

(d) Any Environmental Event caused by Landlord, the City (or any user of the Leased Premises on the City Dates) or an NHL Team which is not an Affiliate of Tenant or any of their respective employees, officers, directors, contractors or agents;

(e) Any use of the Leased Premises pursuant to Section 6.6 or Section 24.19 of this Agreement or by the NHL Team (if not an Affiliate of Tenant) other than the negligence or willful act of Tenant or Tenant's Affiliates or any Affiliate of Tenant or their respective contractors, employees, officers, directors or agents; or

(f) Any damage to the Arena Improvements or FF&E to the extent caused by the negligence or willful act of Landlord or Landlord's contractors, employees, officers, directors or agents, but not in excess of the deductible permitted to be carried by Tenant under Section 10.1.1.

10.7.3 Landlord's Agreement to Indemnify. Landlord shall, except as provided in Subsection 10.7.4, defend, protect, indemnify and hold Tenant, Tenant's Affiliates, any other Affiliates of Tenant and their respective officers, directors, employees and agents harmless from and against any and all liabilities, damages, suits, claims and judgments of any nature (including, without limitation, reasonable attorneys' fees and expenses), arising from or in connection with any injury to or death of a Person or any damage to property (including loss of use) resulting from, arising out of or in connection with (i) the use or occupancy of the Leased Premises prior to the Commencement Date, or (ii) the negligence or willful act of Landlord or Landlord's contractors, employees, officers, directors or agents.

10.7.4 Landlord's Exclusions. Notwithstanding the provisions of Subsection 10.7.3, Landlord shall not be liable for any liabilities, damages, suits, claims and judgments of

any nature (including, without limitation, reasonable attorneys' fees and expenses) arising from or in connection with:

(a) Any injury to or death of a Person or any damage to property (including loss of use) to the extent caused by the negligence or willful act of Tenant, Tenant's Affiliates or any Affiliate of Tenant, or their respective employees, officers, directors, contractors, agents, or Space Users;

(b) Tenant's, Tenant's Affiliates' or any Affiliate of Tenant's violation of any provisions of this Agreement or any applicable Governmental Rules or deed restrictions or insurance policies now or hereafter in effect and applicable to Tenant, Tenant's Affiliates or any Affiliate of Tenant or such parties' use of the Leased Premises;

(c) Any Hazardous Materials that are introduced to the Leased Premises on or after the Commencement Date by Tenant, Tenant's Affiliates or any Affiliate of Tenant, or any of their agents, Space Users contractors or subcontractors, but the foregoing shall not apply to any Hazardous Materials that are introduced to the Leased Premises by Landlord, or its employees, officers, directors, contractors or agents; or

(d) Any Environmental Event caused by Tenant, Tenant's Affiliates or any Affiliate of Tenant or any of their respective employees, officers, directors, contractors, agents or Space Users; or

(e) Any damage to the Infrastructure Work or the Enclosed Access to the extent caused by the negligence or willful act of Tenant, Tenant's Affiliates or any Affiliate of Tenant or their respective contractors, officers, directors or agents, but not in excess of the deductible permitted to be carried by Landlord under Section 10.1.4(a).

10.7.5 No Third-Party Beneficiary. Notwithstanding any other provision of this Agreement, the provisions of this Section 10.7 are solely for the benefit of Landlord, Tenant, Tenant's Affiliates and any other Affiliates of Tenant and are not intended to create or grant any rights, contractual or otherwise, to any other Person.

10.7.6 Conduct of Claims. The Party entitled to indemnification under this Section 10.7 (the "Indemnified Party") shall, reasonably promptly after the receipt of notice of any legal action or claim against such Indemnified Party in respect of which indemnification may be sought pursuant to this Section 10.7, notify the other Party (the "Indemnifying Party") of such action or claim, but in no event later than ten (10) days after receipt of such notice. The Indemnifying Party shall not be obligated to indemnify the Indemnified Party with respect to any such action or claim if the Indemnified Party fails to notify the Indemnifying Party thereof in accordance with the provisions of this Subsection 10.7.6 within such ten (10)-day period or such shorter period as is necessary to permit the Indemnifying Party to defend against such matter and to make a timely response thereto, including, without limitation, any responsive motion or answer to a complaint, petition, notice or other legal, equitable or administrative process relating to the action or claim, but only insofar as such failure to notify the Indemnifying Party has actually resulted in prejudice or damage to the Indemnifying Party. In case any such action or claim shall be made or brought against the Indemnified Party, the Indemnifying Party may, or if

so requested by the Indemnified Party shall, assume the defense thereof with counsel of its selection reasonably acceptable to the Indemnified Party and which shall be reasonably competent and experienced to defend the Indemnified Party. In such circumstances, the Indemnified Party shall (i) at no cost or expense to the Indemnified Party, cooperate with the Indemnifying Party and provide the Indemnifying Party with such information and assistance as the Indemnifying Party shall reasonably request in connection with such action or claim and (ii) at its own expense, have the right to participate and be represented by counsel of its own choice in any such action or with respect to any such claim. If the Indemnifying Party assumes the defense of the relevant claim or action, (A) the Indemnifying Party shall not be liable for any settlement thereof which is made without its consent and (B) the Indemnifying Party shall control the settlement of such claim or action; provided, however, that the Indemnifying Party shall not conclude any settlement which requires any action or forbearance from action or payment or admission by the Indemnified Party or any of its Affiliates without the prior approval of the Indemnified Party. The obligations of an Indemnifying Party shall not extend to any loss, damage and expense of whatever kind and nature (including all related costs and expenses) to the extent the same results from the taking by the Indemnified Party of any action (unless required by law or applicable legal process) which prejudices the successful defense of the action or claim, without, in any such case, the prior written consent of the Indemnifying Party (such consent not to be required in a case where the Indemnifying Party has not assumed the defense of the action or claim). The Indemnified Party agrees to afford the Indemnifying Party and its counsel the opportunity to be present at, and to participate in, conferences with all Persons, including Governmental Authorities, asserting any claim or action against the Indemnified Party covered by the indemnity contained in this Section 10.7 or conferences with representatives of or counsel for such Person.

10.7.7 Survival. The indemnities contained in this Section 10.7 shall survive the expiration or earlier termination of this Agreement, but only insofar as such indemnities relate to any liabilities, damages, suits, claims or judgments that arose prior to the expiration or earlier termination of this Agreement.

ARTICLE 11

OWNERSHIP OF LEASED PREMISES; SALE OR DISPOSAL; ACCESS; SURRENDER

Section 11.1 Title to the Leased Premises.

11.1.1 Ownership. Except as otherwise provided in this Agreement, or unless Tenant otherwise agrees, as of the Commencement Date title to the Arena Site shall be in the City, and title to the balance of the Leased Premises (including the Arena Improvements) shall be in Landlord; provided, however, that the City's and Landlord's rights and powers with respect thereto are subject to the terms and limitations of this Agreement. All trade fixtures, appliances, furniture, equipment (including kitchen, concession, exercise and Floor maintenance equipment), furnishings, and other personal Property installed in, affixed to or placed or used in the operation of the Leased Premises by or on behalf of Tenant throughout the Term shall be and remain the property of Tenant at all times and shall not be considered part of the Leased Premises, except for the following items and all repairs to, replacements of and substitutions therefor:

(a) The Arena and the other Arena Improvements;

(b) The FF&E installed, affixed, attached or supplied by Landlord pursuant to the Project Agreement or any FF&E paid for by Landlord or paid for out of the Capital Fund or the Insurance Fund; and

(c) Substitute Personalty described in Section 11.1.2 below.

11.1.2 Sale or Disposal of Equipment or Other Personal Property. Tenant shall have the right, at any time and from time to time, to sell or dispose of any Physically Obsolete or Functionally Obsolete equipment, fixtures, machinery, furniture, furnishings and other personal property that constitutes a part of the Leased Premises (collectively, "Personalty") and deposit the proceeds thereof into the Capital Fund; provided, however, that if such Personalty is necessary to operate the Leased Premises in accordance with the requirements of Section 7.1, Tenant shall, as reasonably necessary, substitute for the same other Personalty, not necessarily of the same character but capable of performing the same function as that performed by the Personalty disposed of, and of good quality and suitable for its intended purpose. Title to any such substitute Personalty shall vest in Landlord subject only to this Agreement and any encumbrances arising by, through or under Landlord.

Section 11.2 Access to the Leased Premises for Landlord. Tenant shall permit Landlord or its authorized representatives to enter the Leased Premises at reasonable times during Business Hours upon reasonable notice under the applicable circumstances for the purposes of (a) inspection, (b) performance of Landlord's Remedial Work or (c) exhibition of the Leased Premises to others during the last thirty-six (36) months of the Term; provided, however, that any such entry by Landlord shall be conducted in such a manner as to minimize interference with the business being conducted in the Leased Premises and, except as set forth in the next sentence, in no event shall such entry be permitted during any Arena Event Period. In addition, Tenant shall permit Landlord or its authorized representatives to enter the Leased Premises in any circumstance in which Landlord in good faith believes that (A) immediate action is required in order to safeguard lives, property or the environment, and (B) Tenant is not taking reasonable action in order to safeguard lives, property or the environment after being requested to do so by Landlord. In these circumstances, (x) Landlord's activities on the Leased Premises shall be limited to taking reasonable action in order to safeguard lives, property or the environment and (y) within thirty (30) days following Landlord's written request, which request must include reasonable detail and documentation supporting the costs and expenses incurred by Landlord, Tenant shall pay and reimburse Landlord for the reasonable costs and expenses incurred by Landlord as a result of any such reasonable actions taken by Landlord that Tenant otherwise was obligated to take under this Agreement.

ARTICLE 12

SERVICE CONTRACTS, EQUIPMENT LEASES AND OTHER CONTRACTS

Landlord covenants and agrees that, without the prior written consent of Tenant, Landlord will not voluntarily, involuntarily, by operation of law or otherwise sell, assign or transfer any Service Contracts or Equipment Leases to any Person other than Tenant. Further,

Landlord agrees that Tenant is a third-party beneficiary of the Service Contracts and Equipment Leases and that, pursuant to the terms of the Project Agreement, Landlord will convey, transfer and assign to Tenant as of the Commencement Date (i) the Service Contracts and Equipment Leases and (ii) the non-exclusive right (in addition to Landlord's right) to enforce any and all of the respective obligations of any Person under the Service Contracts and Equipment Leases during the Term, including, but not limited to, any and all representations and warranties thereunder. The right of Tenant to enforce the respective obligations of any Person under any Service Contracts or Equipment Leases is independent of and separate from the rights of Landlord to enforce the same and shall in no manner limit or reduce the rights of Landlord to enforce such obligations. Notwithstanding the foregoing, Landlord's right to enforce the Service Contracts and Equipment Leases and share in any recoveries thereunder during the Term shall be limited to claims arising thereunder prior to the Commencement Date or for which Landlord has liability under this Agreement. The Parties covenant and agree that each shall cooperate with the other in the enforcement of such Service Contracts and Equipment Leases and shall promptly notify the other in writing of any default under any Service Contracts or Equipment Leases and of the remedy or course of action sought by it in response to such default; provided, however, that Tenant shall control the enforcement of any such Service Contracts and Equipment Leases during the Term. Tenant shall use commercially reasonable efforts to enforce the obligations that arise under any Service Contracts or Equipment Leases during the Term. Landlord agrees that it will not amend, modify, terminate, cancel, release or surrender any Service Contracts or Equipment Leases without the consent of Tenant, which consent shall not be unreasonably withheld, conditioned or delayed. Tenant shall have the right to terminate any Equipment Leases or Service Contracts so long as, contemporaneously with such termination, Tenant enters into replacement leases or contracts, as the case may be, with substitute or alternate providers for substantially the same or better goods or services, in which case such replacement leases or contracts shall constitute Equipment Leases and Service Contracts for all purposes under this Agreement. Without limiting the foregoing, Landlord shall not enter into any contracts or agreements which shall be applicable to the Arena Site or the Leased Premises during the Term without Tenant's prior written approval.

ARTICLE 13

CASUALTY DAMAGE

Section 13.1 Damage or Destruction. If, at any time during the Term, there is any Casualty to the Arena Improvements, FF&E or Enclosed Access (collectively, the "Improvements") or any part thereof, then Tenant shall (i) use all reasonable efforts to promptly secure the area of damage or destruction to safeguard against injury to Persons or Property and, promptly thereafter, remediate any hazard and restore the Improvements to a safe condition, whether by repair or by demolition, removal of debris and screening from public view and (ii) Tenant shall, to the extent allowed by law, promptly commence and thereafter proceed with reasonable diligence (subject to a reasonable time allowance for the purpose of adjusting the insurance loss and subject to Excusable Tenant Delay) to repair, restore, replace or rebuild the Improvements as nearly as practicable to a condition that is at least substantially equivalent to that existing immediately before the damage or destruction. Such repair, restoration, replacement or rebuilding, including temporary repairs for the protection of other Property, remediation of hazards and restoration of the Improvements to a safe condition or any demolition

and debris removal required are sometimes referred to in this Agreement as the "Casualty Repair Work." To the extent any Casualty Repair Work is not performed by Tenant's employees, such Casualty Repair Work must be performed on an arm's-length, bona fide basis by Persons who are not Affiliates of Tenant and on commercially reasonable terms given the totality of the then-existing circumstances.

Section 13.2 Insurance Proceeds.

13.2.1 Requirements for Disbursement. Insurance proceeds paid pursuant to the policies of insurance for loss of or damage to the Improvements (herein sometimes referred to as the "Insurance Proceeds") shall be paid and delivered to the Persons specified in Section 10.6. Except as provided in Subsection 13.2.3 and Subsection 13.2.4, the Insurance Fund shall be applied to the payment of the costs of the Casualty Repair Work and shall be paid out to or for the account of Tenant or Landlord, as applicable, from time to time as the Casualty Repair Work progresses. Casualty Repair Work to the Arena Improvements and FF&E shall be for the account of Tenant, and Casualty Repair Work to the Enclosed Access shall be for the account of Landlord. The Arena Fund Custodian shall make payments or disbursements of Insurance Proceeds out of the Insurance Fund upon the request of Tenant when accompanied by a certificate dated not more than fifteen (15) days prior to such request, signed by a Responsible Officer of Tenant, and, to the extent an architect, engineer or construction manager is reasonably required to be retained with respect to the nature of the Casualty Repair Work being performed, by a qualified architect, engineer or construction manager in charge of the Casualty Repair Work selected by Tenant, setting forth the following:

(a) That the sum then requested either has been paid by Tenant or is due to contractors, subcontractors, materialmen, architects, engineers or other Persons who have rendered services or furnished materials in connection with the Casualty Repair Work, giving a reasonably detailed description of the services and materials and the several amounts so paid or due; and

(b) That except for the amount stated in the certificate to be due (and/or except for statutory or contractual retainage not yet due and payable), there is no outstanding indebtedness for such Casualty Repair Work known to the Persons signing such certificate, after due inquiry, to then be due to Persons being paid.

Insurance Proceeds paid or disbursed to Tenant, whether from the Insurance Fund, the issuers of any insurance policies or otherwise, shall be held by Tenant in trust for the purposes of paying the cost of the Casualty Repair Work and shall be applied by Tenant to such Casualty Repair Work or otherwise in accordance with the terms of this Section 13.2.

13.2.2 Disbursements for Work Performed. Upon compliance with Subsection 13.2.1, the Arena Fund Custodian shall, out of the Insurance Fund, pay or cause to be paid to Tenant, or to the Persons named in the certificate, the respective amounts stated therein to have been paid by Tenant or to be due to such Persons, as the case may be. All sums so paid to Tenant and all insurance proceeds paid or otherwise disbursed directly to Tenant and any other proceeds received or collected by or for the account of Tenant (other than by way of reimbursement to Tenant for sums theretofore paid by Tenant) shall be held by Tenant in trust

for the purpose of paying the cost of the Casualty Repair Work. The distribution of funds out of the Insurance Fund for Casualty Repair Work shall not in and of itself constitute or be deemed to constitute (a) an approval or acceptance by Landlord of the relevant Casualty Repair Work or (b) a representation or indemnity by Landlord to Tenant or any other Person against any deficiency or defects in such Casualty Repair Work or against any breach of contract.

13.2.3 Disbursements of Excess Proceeds. If the Insurance Proceeds (and other funds, if any) deposited in the Insurance Fund exceed the entire cost of the Casualty Repair Work, Tenant shall deposit the amount of any excess proceeds into the Capital Fund and thereupon such proceeds shall constitute part of the Capital Fund, but only after Landlord has been furnished with reasonably satisfactory evidence that all Casualty Repair Work has been completed and that no Mechanic's Liens exist or may arise in connection with the Casualty Repair Work.

13.2.4 Uninsured Losses/Policy Deductibles. Subject to Section 13.3 and the indemnification obligations under Section 10.7.3, as Casualty Repair Work progresses during the Term, Tenant shall be obligated to pay for all costs and expenses of any such Casualty Repair Work (other than Landlord Capital Work) that are not covered by Insurance Proceeds or for which Insurance Proceeds are inadequate (such amounts being included within the term "Casualty Expenses").

Section 13.3 Option to Terminate.

13.3.1 Damage or Destruction of the Improvements. In the event that (a) Substantially All of the Improvements are damaged or destroyed by Casualty at any time during the final three (3) Lease Years of the Term or (b) any portion of the Arena is damaged or destroyed by Casualty which creates an Untenantable Condition at any time during the Term and in the circumstances described in this clause (b) the Governmental Rules then applicable to the Arena prohibit the restoration of the Arena under any circumstances so as to eliminate the Untenantable Condition, or (c) if the Arena Improvements are damaged or destroyed by Casualty resulting from an Uninsurable Casualty Risk and Tenant's share of the Casualty Repair Work would exceed Forty Million Dollars ($40,000,000), then in each case, Tenant may, at its option (exercised with reasonable promptness in the circumstances, but in all events within ninety (90) days after such damage or destruction), terminate this Agreement and all other Project Documents by (x) serving upon Landlord notice within such period setting forth Tenant's election to terminate this Agreement and all other Project Documents as a result of the damage or destruction as of the end of the calendar month in which this notice is delivered to Landlord, and (y) concurrently with the service of such notice, paying (i) to Landlord, all of the Semi-Annual Installments which would otherwise have been payable up to the effective date of such termination, pro-rated on a per diem basis, and (ii) to the Arena Fund Custodian, for disbursement in accordance with Section 13.3.2, the amount of the then-existing unsatisfied deductible under the Tenant Property Insurance Policy. Upon the service of such notice and the making of such payments within the foregoing time period, this Agreement and all other Project Documents shall cease and terminate on the date specified in such notice and Tenant shall have no obligation to perform any Casualty Repair Work or pay any Casualty Expenses with respect to such Casualty. Failure to terminate this Agreement within the foregoing time period shall constitute an election by Tenant to keep this Agreement in force. If Tenant elects to so keep this

Agreement in full force and effect, Tenant shall commence to construct new replacement improvements and prosecute such construction to substantial completion as provided in Article 7 and this Article 13.

13.3.2 Application of Proceeds. In the event that this Agreement is terminated pursuant to the provisions of Subsection 13.3.1, the Insurance Proceeds, if any, payable in respect of the damage or destruction shall be payable to, and held and distributed by, the Arena Fund Custodian as set out in this Section 13.3.2. The Arena Fund Custodian shall distribute such Insurance Proceeds and the deductible received from Tenant under Subsection 13.3.1 as follows and in the following order of priority: (a) first, to pay demolition costs and costs to remediate any hazards, (b) second, during the Loan Period, to pay the amount of outstanding principal and accrued interest due under any Arena Rent Supported Debt; (c) third, to pay the amount of outstanding principal and accrued interest then due under any Debt incurred by Tenant or any of its Affiliates to finance or refinance the costs of the Arena for which Tenant is responsible under the Project Agreement; (d) fourth, to Tenant to pay any and all amounts outstanding under the Rocket Ball Loan; and (e) fifth, to Landlord and Tenant on a pro-rata basis proportionate to the insured losses suffered by Landlord and Tenant and covered by the applicable insurance policy.

13.3.3 Definition of Substantially All of the Improvements. For the purposes of this Section 13.3, "Substantially All of the Improvements" shall be deemed to be damaged or destroyed if a Casualty to the Improvements, or any access thereto causes an Untenantable Condition to exist, or to be reasonably expected to exist, for longer than two (2) years from the date of the Casualty. The determination of whether the Leased Premises can be rebuilt, repaired and/or reconfigured in order to remedy such Untenantable Condition within such two (2) year period shall be made within sixty (60) days of the date of the Casualty by an independent architect mutually selected by Landlord and Tenant and, during the Loan Period, after consultation with the Lender at least ten (10) days prior to selection.

13.3.4 Landlord's Termination Right If the Arena Improvements are damaged or destroyed by Casualty resulting from an Uninsurable Casualty Risk and Landlord's share of the Casualty Repair Work would exceed Forty Million Dollars ($40,000,000), then Landlord may, at its option (exercised with reasonable promptness in the circumstances, but in all events within ninety (90) days after such damage or destruction), terminate this Agreement and all Project Documents by serving upon Tenant notice within such period setting forth Landlord's election to terminate this Agreement and all Project Documents as a result of such damage or destruction as of the end of the calendar month in which such notice is delivered to Tenant. Upon the service of such notice, this Agreement and all other Project Documents shall cease and terminate on the date specified in such notice and Tenant shall have no obligation to perform any Casualty Repair Work or pay any Casualty Expenses with respect to such Casualty. Failure to terminate this Agreement within the foregoing time period shall constitute an election by Landlord to keep this Agreement in force. If Landlord elects to so keep this Agreement in full force and effect and Tenant has not otherwise elected to terminate this Agreement in accordance with Section 13.3.1, Tenant shall commence to construct new replacement improvements and prosecute such construction to substantial completion as provided in Article 7 and this Article 13.

Section 13.4 Survival. The provisions contained in this Article 13 shall survive expiration or earlier termination of this Agreement, but only insofar as such provisions relate to any Casualty that occurred prior to the expiration or earlier termination of this Agreement.

ARTICLE 14

CONDEMNATION

Section 14.1 Condemnation of Substantially All of the Improvements.

14.1.1 Termination Rights. If, at any time during the Term, title to the whole or Substantially All of the Improvements is taken in any Condemnation Action (or conveyed in lieu of any such Condemnation Action), other than for a temporary use or occupancy that is for one (1) year or less in the aggregate, this Agreement and all other Project Documents shall terminate and expire on the date of such taking (or conveyance), and the Semi-Annual Installments shall be paid or refunded (on a per diem basis) to the date of such taking (or conveyance).

14.1.2 Condemnation Awards. All Condemnation Awards payable to Landlord or Tenant as a result of or in connection with any taking of the whole or Substantially All of the Improvements shall be paid and distributed in accordance with Section 14.3.

14.1.3 Definition of Substantially All of the Improvements. For purposes of this Article 14, "Substantially All of the Improvements" shall be deemed to have been taken if, by reason of the taking of title to or possession of the Leased Premises, any portion thereof, or any access thereto by one or more Condemnation Actions, an Untenantable Condition exists, or is reasonably expected to exist, for longer than one (1) year. The determination of whether the Leased Premises can be rebuilt, repaired and/or reconfigured in order to remedy such Untenantable Condition within such time shall be made within sixty (60) days of the date of such taking (or conveyance) by an independent architect mutually selected by Landlord and Tenant and, during the Loan Period, after consultation with the Lender at least ten (10) days prior to selection.

Section 14.2 Condemnation of Part. In the event of a Condemnation Action affecting less than the whole or Substantially All of the Improvements, the Term shall not be reduced or affected in any way, and the following provisions shall apply:

14.2.1 Condemnation Awards. All Condemnation Awards payable to Landlord or Tenant as a result of or in connection with any taking of less than the whole or Substantially All of the Improvements shall be paid and distributed in accordance with Section 14.3.

14.2.2 Restoration of the Leased Premises. Following a condemnation of less than the whole or Substantially All of the Improvements during the Term, Tenant shall, with reasonable diligence (subject to Excusable Tenant Delay), commence and thereafter proceed to repair, alter and restore the remaining part of the Leased Premises to substantially its former condition to the extent feasible and necessary so as to cause the same to constitute a complete sports and entertainment arena complex usable for its intended purposes to the extent practicable and permitted by applicable Governmental Rules. Such repairs, alterations or restoration, including temporary repairs for the protection of Persons or Property pending the substantial

completion of any part thereof, are sometimes referred to in this Article 14 as the "Condemnation Repair Work." The term "Condemnation Repair Work" shall not include any obligation on the part of Tenant to acquire any additional property to replace any parking areas or parking improvements lost or taken in any Condemnation Action. The costs of the Condemnation Repair Work ("Condemnation Expenses") shall be paid by Landlord. Landlord shall pay for Condemnation Expenses upon Tenant's request when accompanied by a certificate dated not more than fifteen (15) days prior to such request, signed by a Responsible Officer of Tenant, and, to the extent an architect, engineer or construction manager is reasonably required to be retained with respect to the nature of the Condemnation Repair Work being performed, by a qualified architect, engineer or construction manager in charge of the Condemnation Repair Work selected by Tenant, setting forth the following:

(a) That the sum then requested either has been paid by Tenant or is due to contractors, subcontractors, materialmen, architects, engineers or other Persons who have rendered services or furnished materials in connection with such Condemnation Repair Work, giving a reasonably detailed description of the services and materials and the several amounts so paid or due; and

(b) That except for the amount stated in such certificate to be due (and/or except for statutory or contractual retainage not yet due and payable), there is no outstanding indebtedness for such Condemnation Repair Work that is then known to the Persons signing such certificate, after due inquiry, to then be due to Persons being paid.

Upon Tenant's compliance with the requirements of this Subsection 14.2.2, Landlord shall pay or cause to be paid to Tenant or the Persons named in Tenant's request the respective amounts stated therein to have been paid by Tenant or to be due to such Persons, as the case may be. Amounts paid to Tenant by Landlord under this Subsection 14.2.2 shall be held by Tenant in trust for the purpose of paying Condemnation Expenses and shall be applied by Tenant to any such Condemnation Expenses or otherwise in accordance with the terms of this Subsection 14.2.2. To the extent any Condemnation Repair Work is not performed by Tenant's employees, such Condemnation Repair Work must be performed on an arm's-length, bona fide basis by persons who are not Affiliates of Tenant and on commercially reasonable terms given the totality of the then-existing circumstances. All Condemnation Expenses in excess of Landlord's Condemnation Award shall constitute a Landlord Capital Expense.

Section 14.3 Application of Condemnation Award. The Condemnation Award payable to Landlord (including all compensation for the damages, if any, to any parts of the Leased Premises not so taken, that is, damages to any remainder, but excluding the value of Tenant's separate Property taken or damaged and any damage to, or relocation costs, of Tenant's business) ("Landlord's Condemnation Award") shall be paid and applied in the following order of priority: (a) payment of any Condemnation Expenses as provided in Subsection 14.2.2, (b) if this Agreement has been terminated, during the Loan Period, payment of the outstanding principal and accrued interest due under any Arena Rent Supported Debt, and (c) payment of any remainder to Landlord. Any portion of the Condemnation Award payable to Tenant (including amounts Tenant is entitled to receive pursuant to Section 14.5 for the value of Tenant's separate Property taken or damaged or for any damage to, or relocation costs of, Tenant's business) shall

be paid to Tenant provided Tenant shall not be entitled to a Condemnation Award for the value of its Leasehold Estate.

Section 14.4 Temporary Taking. If the whole or any part of the Leased Premises or the Leasehold Estate shall be taken in Condemnation Actions for a temporary use or occupancy, the Term shall not be reduced, extended or affected in any way, but any Rent or other amounts payable by Tenant under this Agreement during any such time shall be reduced as provided in this Section 14.4. Except to the extent that Tenant is prevented from doing so pursuant to the terms of the order of the condemning authority and/or because it is not possible as a result of the taking, Tenant shall continue to perform and observe all of the other covenants, agreements, terms and provisions of this Agreement as though such temporary taking had not occurred. In the event of any such temporary taking, Tenant shall be entitled to receive the entire amount of any Condemnation Award made for such taking whether the award is paid by way of damages, rent or otherwise (less any Condemnation Expenses paid by Landlord), provided that if the period of temporary use or occupancy extends beyond the Expiration Date or earlier termination of this Agreement, Tenant shall be entitled to receive only that portion of any Condemnation Award (whether paid by way of damages, rent or otherwise), which is allocable to the period of time from the date of such condemnation to the Expiration Date or earlier termination of this Agreement, and Landlord shall be entitled to receive the balance of the Condemnation Award. In the event an Untenantable Condition shall exist due to a temporary taking, at the time that any Home Game or any other Arena Event otherwise would be held at the Arena, then the Rent portion of the next Semi-Annual Installment shall be reduced by an amount equal to One Hundred Twenty Thousand Dollars ($120,000) for each such NBA Home Game and for each such NHL Home Game (for an NHL Team controlled by Tenant, Tenant's Affiliates or any other Affiliate of Tenant) not held at the Arena as a result thereof and Twenty-Five Thousand Dollars ($25,000) for each such other Home Game or other Arena Event not held at the Arena as a result thereof during the NBA Season and Fifty Thousand Dollars ($50,000) for each such other Home Game or other Arena Event not held at the Arena outside the NBA Season, less the amount of the Condemnation Award received by Tenant pursuant to this Section 14.4. In no event will the aggregate reduction for any Lease Year exceed Eight Million Five Hundred Thousand Dollars ($8,500,000).

Section 14.5 Condemnation Proceedings. Notwithstanding any termination of this Agreement, (i) Tenant and Landlord each shall have the right, at its own expense, to appear in any Condemnation Action and to participate in any and all hearings, trials and appeals therein and (ii) subject to the other provisions of this Article 14, Tenant shall have the right in any Condemnation Action to assert a claim for, and receive all Condemnation Awards for, the loss in value of the Leasehold Estate as if this Agreement had not terminated, the value of any of Tenant's separate Property taken or damaged as result of the Condemnation Action, and any damage to, or relocation costs of, Tenant's business as a result of the Condemnation Action. Upon the commencement of any Condemnation Action, (i) Landlord shall undertake all commercially reasonable efforts to defend against, and maximize the Condemnation Award from, any such Condemnation Action, (ii) Landlord shall not accept or agree to any conveyance in lieu of any condemnation or taking without the prior consent of Tenant, which consent shall not be unreasonably withheld, delayed or conditioned, and (iii) Landlord and Tenant shall cooperate with each other in any such Condemnation Action and provide each other with such

information and assistance as each shall reasonably request in connection with such Condemnation Action.

Section 14.6 Notice of Condemnation. In the event that Landlord or Tenant receives notice of any proposed or pending Condemnation Action affecting the Leased Premises, the Party receiving such notice shall promptly notify the other Party thereof.

Section 14.7 Condemnation by the Landlord. The provisions of this Article 14 for the allocation of any Condemnation Awards are not intended to be, and shall not be construed or interpreted as, any limitation on or liquidation of any claims or damages (as to either amount or type of damages) of Tenant against Landlord in the event of a condemnation by Landlord, the City or the County of any portion or all of the Leasehold Estate or any other right, title or interest of Tenant.

Section 14.8 Survival. The provisions contained in this Article 14 shall survive the expiration or earlier termination of this Agreement, but only insofar as such provisions relate to any Condemnation Actions or Condemnation Awards that arose prior to the expiration or earlier termination of this Agreement.

ARTICLE 15

ASSIGNMENT; SUBLETTING; SALE OF FRANCHISE

Section 15.1 Assignments of Tenant's Interest; Subleasing. Except as otherwise permitted by this Article 15, Tenant shall not voluntarily, involuntarily, by operation of law or otherwise (including by way of merger or consolidation) sell, assign, transfer, sublease, pledge, mortgage or encumber this Agreement or the Leasehold Estate (each, a "Transfer"), without (i) first obtaining the consent of Landlord and, during the Loan Period, the Lender, pursuant to this Article 15, which consent shall not be unreasonably withheld, Landlord and Lender agreeing to give due regard to whether or not the NBA shall have approved the applicable Transfer and (ii) unless a Permitted Transfer, a concurrent transfer of all rights and obligations under all the Principal Project Documents. For purposes of this Agreement, the term "Transfer" shall also include (a) any issuance or transfer of any securities or interests providing a Person voting power with respect to the election of directors (or other comparable controlling body) of Tenant or (b) any transfer of an equity or beneficial interest in Tenant that, in the case of (a) or (b) above, results in either (i) a change of the Controlling Person, if any, of Tenant, or (ii) the creation of a Controlling Person of Tenant, where none existed before. Notwithstanding the foregoing, the term "Transfer" shall not include, and neither Landlord's nor Lender's consent shall be required for, any grant of a mortgage, pledge, assignment and/or other security interest or Lien in or on any of Tenant's trade fixtures, equipment, personal property, receivables, accounts, contract rights, general intangibles, tangible and intangible assets (including any Lien on any of the Franchises meeting the requirements as set forth in Section 15.4 hereof) or on any of Tenant's revenue streams derived from any source whatsoever to obtain financing or secure a loan or loans from one or more lenders.

Section 15.2 Permitted Transfers. Notwithstanding anything to the contrary above, Landlord's and Lender's (if any) consent to the following Transfers (each, a "Permitted

Transfer") shall be deemed already to have been obtained under this Agreement provided that, during the Loan Period, such deemed consent of the Lender with respect to any Transfers described in subparagraphs (a), (e), (f) or (g) below shall be conditioned upon no uncured Tenant Default existing:

(a) Any Transfer that contemporaneously or simultaneously includes all of the following: (i) an assignment or transfer of the NBA Franchise in accordance with Section 15.4 of this Agreement to the same Person who is Tenant's successor by assignment under this Agreement (the "Tenant Transferee"), (ii) an assignment or transfer of Tenant's rights under the Project Agreement to the Tenant Transferee, and (iii) the full and unqualified assumption (by operation of law or otherwise) by the Tenant Transferee of responsibility for performance of all of Tenant's obligations under the Principal Project Documents arising on and after the date of the Transfer;

(b) Any Use Agreement, provided such Use Agreement, by its terms, is subject to Section 15.5 of to this Agreement;

(c) Any Arena suite use, club seat use or any other seat use agreements and any concessions, merchandising, catering or management agreement applicable to all or any portion of the Arena, provided such agreement, by its terms, is subject to Section 15.5 of this Agreement (the "Permitted Arena Agreements");

(d) Any assignment, transfer, mortgage, pledge or encumbrance of any of Tenant's receivables, accounts or revenue streams from the Leased Premises or from any Seat Rights or Intangible Property Rights, provided the same is subject to the terms of and subordinate to this Agreement;

(e) Any issuance or transfer of any securities or interests providing a Person voting power with respect to the election of directors (or other comparable controlling body) of Tenant that results in there being no Controlling Person of Tenant;

(f) Any issuance or transfer of any securities or interests providing a Person voting power with respect to the election of directors (or other comparable controlling body) of Tenant that results in either a change of the Controlling Person of Tenant or the creation of a Controlling Person of Tenant where none existed before, if the Person who is the new Controlling Person of Tenant meets the "Controlling Person Requirements." A Person meets the "Controlling Person Requirements" if, during the seven (7) years preceding the date of the Transfer, none of the following events have occurred with respect to such Person (unless the same shall have been subsequently reversed, suspended, vacated, annulled, or otherwise rendered of no effect under any applicable Governmental Rule):

(i) The initiation of any federal or state bankruptcy or insolvency proceeding by or against, or the appointment of a receiver, conservator, physical agent or similar officer for the business or assets of, such Person; or

(ii) The conviction of such Person in a federal or state felony criminal proceeding (including a conviction entered on a plea of *nolo contendere*) or such Person being a defendant in a felony criminal proceeding (excluding traffic violations and other minor offences) that is pending on the date of such Transfer; and

(g) Any Transfer to any Affiliate of Tenant.

Section 15.3 Release of Tenant. No Transfer shall relieve Tenant from any of its obligations under this Agreement, except that Tenant shall be relieved from any obligations arising under this Agreement after the date of a Permitted Transfer if, and only if, all of the following occur:

(a) Tenant has notified Landlord and, during the Loan Period, the Lender, of the name and address of the Tenant Transferee and the Controlling Person, if any, of such Tenant Transferee by the time of the Permitted Transfer;

(b) The Tenant Transferee is also the successor by assignment of Tenant's rights under the NBA Franchise and the Principal Project Documents;

(c) Such Transfer is a Permitted Transfer described in Subparagraph (a) of Section 15.2;

(d) The Tenant Transferee shall have assumed responsibility for performance of all of Tenant's obligations under the Principal Project Documents arising on and after the date of the Transfer pursuant to an instrument of assignment and assumption substantially in the form of the Assignment and Assumption Agreement attached hereto as Exhibit C or in a form approved by Landlord and, during the Loan Period, the Lender, which approval shall not be unreasonably withheld, delayed or conditioned and shall be limited to the question of whether such instrument, when duly executed, will accomplish its intended purposes under this Agreement (the "Assignment and Assumption Agreement");

(e) As of the date of the Transfer the Tenant Transferee or any Person who is a Controlling Person of the Tenant Transferee meets the Controlling Person Requirements;

(f) As of the date of the Permitted Transfer (after giving effect to the Transfer), (i) the Net Worth of the Tenant Transferee shall be no less than an amount equal to Thirty-Five Million Dollars ($35,000,000) multiplied by the then CPI Fraction and (ii) the Debt to Equity Ratio of the Tenant Transferee shall not be greater than 3.25 to 2 (the "Financial Tests"); and

(g) The Tenant Transferee's satisfaction of the Financial Tests as of the date of the Transfer (after giving effect to the Transfer) shall be evidenced by (and be deemed satisfied by) (i) representations to that effect by the Tenant Transferee in the Assignment and Assumption Agreement and (ii) a letter addressed and delivered to Landlord, Tenant and, during the Loan Period, the Lender (at Tenant's or the Tenant Transferee's expense)

from a firm of independent, certified public accountants of recognized national standing and stating that, based upon an audit of the Tenant Transferee up to and including the date of the Transfer (after giving actual or pro forma effect to the Transfer) made in accordance with generally accepted auditing standards, in such firm's opinion the Financial Tests are/were met as of the date of the Transfer, such letter to be subject to such qualifications and assumptions as are usual and customary at that time for opinions of auditing firms.

Section 15.4 Transfer of NBA Franchise. Tenant shall have the right and power to sell, transfer, and assign (including to mortgage, encumber, or pledge) the NBA Franchise or any of the other Franchises without the consent of Landlord. Tenant agrees, however, that an essential part of the consideration to Landlord under this Agreement is the obligation to cause the NBA Team to play in the Arena, as provided in the Non-Relocation Agreement, and the requirement that the Person who from time to time holds the NBA Franchise be subject, in all other respects, with the applicable terms and provisions of this Agreement (either directly as the Tenant Transferee or indirectly by entering into a Use Agreement with Tenant). Accordingly, Tenant covenants and agrees that Tenant shall not transfer, sell, or assign the NBA Franchise in any manner except upon compliance with each of the following conditions precedent:

(a) The transfer of the NBA Franchise is approved in accordance with the NBA Rules and Regulations; and

(b) (i) The assignee of the NBA Franchise assumes, pursuant to the Assignment and Assumption Agreement, full responsibility for the performance of all of the obligations of Tenant under the Principal Project Documents arising on and after the date of such assignment, or (ii) if such assignee does not become the assignee of Tenant's interest under this Agreement but rather enters into a Use Agreement with Tenant (as to which Landlord and, during the Loan Period, the Lender, shall be a third party beneficiary with respect to obligations of Tenant under this Agreement which are delegated to such assignee in such Use Agreement), (A) such assignee agrees to be bound by the Non-Relocation Agreement with respect to the NBA Franchise, and (B) Tenant agrees to continue to be fully responsible for the performance of all of the obligations of Tenant under this Agreement; and

(c) If the assignee is not also a Tenant Transferee, the assignee of the NBA Franchise (or any guarantor of its obligations under the Principal Project Documents or, if applicable, any Use Agreement) meets the Financial Tests described in Section 15.3(f) and, as of the date of the transfer, the assignee or any Person who is a Controlling Person of the assignee meets the Controlling Person Requirements.

This Agreement does not in any way restrict the transfer of the ownership of or the right to operate any of the other Franchises.

Section 15.5 Use Agreements and Permitted Arena Agreements. Nothing contained in this Agreement shall prevent or restrict Tenant from granting the use of (or subletting) portions of the Leased Premises to Space Users under Use Agreements, in accordance with the terms of this Agreement, or from entering into Permitted Arena Agreements, provided that each Use

Agreement and Permitted Arena Agreement shall be subject and subordinate to this Agreement and to the rights of Landlord hereunder and shall expressly so state. Notwithstanding any such Use Agreements or Permitted Arena Agreements, Tenant shall remain liable for the performance of all of its covenants and agreements under this Agreement. Landlord acknowledges that certain Space Users may request Tenant to obtain a subordination, nondisturbance and attornment agreement from Landlord allowing such Space User to continue to use the Arena under the terms of its Use Agreement notwithstanding a termination of this Agreement between Landlord and Tenant. Landlord hereby agrees that it will not unreasonably refuse to enter into such an agreement with a Space User. In addition, if the NBA Team and the Tenant are not Affiliates and the NBA Team breaches the Non-Relocation Agreement and Landlord is entitled, pursuant to the terms of this Agreement, to terminate this Agreement and Landlord elects to terminate this Agreement, then all Use Agreements in effect between Tenant and any Space User will terminate, but Landlord hereby agrees that, without any further action, it will recognize Space Users who are not Tenant, the NBA Team or Affiliates of either as its direct tenants under the terms of the Use Agreement then in effect as if such Use Agreement had not been terminated. At such Space User's request, Landlord will confirm such recognition in writing.

Section 15.6 Transfers by Landlord. Landlord shall not (and Landlord agrees that it will not) voluntarily, involuntarily, by operation of law or otherwise sell, assign, pledge, mortgage, encumber or otherwise transfer this Agreement, its interest under the Ground Lease or any of its rights, obligations or duties under this Agreement (a "Landlord Transfer"), without first obtaining the consent of Tenant pursuant to this Article 15, which consent may be withheld in Tenant's sole discretion; provided, however, that Tenant's consent shall not be required in the event that prior to, or simultaneously with, any such Landlord Transfer all of the following occur (and during the Loan Period, provided that no uncured Landlord Default shall exist): (i) Landlord notifies Tenant of the name and address of the Person who will succeed to the rights and obligations of Landlord under this Agreement (a "Landlord Transferee"), (ii) the Landlord Transferee is the City or another Governmental Authority, in each case having the full right, power and authority (both legally and practically) to receive tax or other receipts or income equal to such amounts as shall be sufficient to satisfy Landlord's obligations under this Agreement throughout the Term, and which tax or other receipts or income shall be available to be allocated thereto, (iii) such Landlord Transferee shall have expressly assumed all of the obligations of Landlord under this Agreement and the other Project Documents and all instruments and obligations related to any Arena Rent Supported Debt arising on and after such Landlord Transfer and agreed to be bound by all of the terms, conditions and provisions of this Agreement and the other Project Documents, all pursuant to an instrument in form and substance approved by Tenant, which approval shall not be unreasonably withheld, delayed or conditioned and shall be limited to the question of whether such instrument, when duly executed, will be legally adequate to accomplish its intended purpose under this Agreement, (iv) with respect to any Landlord Transfer that occurs prior to the Substantial Completion Date, Landlord shall have provided Tenant with evidence, reasonably acceptable to Tenant, that the Landlord Transferee has the financial wherewithal to perform all of Landlord's obligations under this Agreement and the other Project Documents and that such Landlord Transfer complies with all applicable Governmental Rules, and, (v) Landlord's legal counsel shall deliver to Tenant, on or before the date of the Landlord Transfer, a legal opinion in such form and substance as shall be reasonably acceptable to Tenant, which includes an opinion regarding the Landlord Transferee's authority to levy any tax that is being relied upon to meet the requirements of Section 15.6(ii) and (iv) and

that the Landlord Transfer does not violate the terms and conditions of the Arena Debt Instruments. Notwithstanding anything contained in this Agreement to the contrary, in the event of a Landlord Transfer, the Maintenance Fund, the Capital Fund, the Renovation Fund (if any) and the Insurance Fund (if any) shall remain with the Arena Fund Custodian in accordance with this Agreement.

Section 15.7 Release of Landlord. No Landlord Transfer shall relieve Landlord from any of its obligations under this Agreement, except that Landlord shall be relieved from any obligations arising under this Agreement on and after the date of a Landlord Transfer if, and only if (i) Tenant, and during the Loan Period, the Lender, consents to such Landlord Transfer or (ii) Tenant's consent to such Landlord Transfer is not required pursuant to Section 15.6 and Lender's consent is not required pursuant to Section 15.9. Notwithstanding the foregoing, no Landlord Transfer shall relieve the Sports Authority from any obligations under Section 8.6, Article 9, Sections 24.20 and 24.21 of this Agreement and the agreements and obligations of the Sports Authority under Section 8.6, Article 9, Sections 24.20 and 24.21 shall survive, and remain binding upon the Sports Authority after, any assignment of this Agreement and shall constitute obligations of Landlord for purposes of Article 16 of this Agreement.

Section 15.8 Estoppel Certificate. In connection with any Permitted Transfer, permitted Landlord Transfer or financing by Tenant or Landlord, Tenant and Landlord agree to execute and deliver to each other an estoppel certificate intended to be relied upon by Tenant, Landlord, any transferee or assignee pursuant to a Permitted Transfer or a permitted Landlord Transfer, as the case may be, or any third party lender stating:

(a) That this Agreement is unmodified and is in full force and effect (or, if there have been modifications, that this Agreement is in full force and effect as modified and stating the modifications);

(b) To the knowledge of Landlord or Tenant, as the case may be, there are no Tenant Defaults and no Landlord Defaults (or specifying each such default as to which Landlord or Tenant, as the case may be, has knowledge);

(c) Landlord's or Tenant's current address, as the case may be, for purposes of giving notice; and

(d) Any other matters reasonably requested.

Section 15.9 Lender Consent to Landlord Transfer. During the Loan Period and in addition to Landlord's compliance with all of the terms and conditions of this Article 15 with respect to any Landlord Transfer, Landlord covenants and agrees that Landlord will (i) deliver a copy of the notice required to be delivered to Tenant pursuant to clause (i) of Section 15.6 to the Lender and (ii) obtain the consent of the Lender for a transfer to any Landlord Transferee that is not the City or an Affiliate of the City, each prior to any such Landlord Transfer. In connection with a Landlord Transfer during the Loan Period to a Landlord Transferee who is an Affiliate of the City, Landlord must provide to the Lender a legal opinion reasonably satisfactory to the Lender stating that such Affiliate is subject to Chapter 9 of the United States Bankruptcy Code, as amended.

Section 15.10 Tenant's Assignment for Financing Purposes. To the extent Tenant or any Affiliate of Tenant is required to assign or grant a security interest in Tenant's rights under this Agreement in order to obtain financing, upon Tenant's request, Landlord shall consent to such assignment and/or security interest pursuant to a Landlord Consent and Estoppel Agreement in substantially the form set forth in Exhibit I attached to this Agreement.

ARTICLE 16

DEFAULTS AND REMEDIES

Section 16.1 Events of Default.

16.1.1 Tenant Default. The occurrence of any of the following shall be an "Event of Default" by Tenant or a "Tenant Default":

(a) The failure of Tenant to pay any Semi-Annual Installment when due and payable under this Agreement if such failure continues for more than ten (10) days after Landlord or, during the Loan Period, the Lender, gives written notice to Tenant that such amount was not paid when due;

(b) The failure of Tenant to pay any payments due to Landlord (other than the Semi-Annual Installment) when due and payable under this Agreement if such failure continues for more than thirty (30) days after Landlord gives written notice to Tenant that such amount was not paid when due;

(c) If any default by Tenant shall have occurred under any of the Principal Project Documents to which it is a party and the same remains uncured after the lapse of the applicable notice and cure period, if any, provided for under the terms of the respective Principal Project Documents;

(d) If any default by Tenant shall have occurred under the Project Agreement and the same remains uncured after the lapse of the applicable notice and cure period, if any, provided for under the terms of the Project Agreement;

(e) If any default by the NBA Team or Tenant shall have occurred under the Non-Relocation Agreement and the same remains uncured after the lapse of the applicable notice and cure period, if any, provided for under the terms of the Non-Relocation Agreement;

(f) The failure of Tenant to keep, observe or perform any of the material terms, covenants or agreements contained in this Agreement to be kept, performed or observed by Tenant (other than those referred to in clauses (a), (b), (c), (d) and (e) above) if (i) such failure is not remedied by Tenant within thirty (30) days after written notice from Landlord of such default or (ii) in the case of any such default which cannot with due diligence and good faith be cured within thirty (30) days, Tenant fails to commence to cure such default within thirty (30) days after written notice from Landlord of such default or Tenant fails to prosecute diligently the cure of such default to completion within such additional period as may be reasonably required to cure such default with

diligence and in good faith; it being intended that, in connection with any such default which is not susceptible of being cured with due diligence and in good faith within thirty (30) days, the time within which Tenant is required to cure such default shall be extended for such additional period as may be necessary for the curing thereof with due diligence and in good faith; or

(g) The (i) filing by Tenant of a voluntary petition in bankruptcy; (ii) adjudication of Tenant as a bankrupt; (iii) filing of any petition or other pleading in any action seeking reorganization, rearrangement, adjustment, or composition of, or in respect of, Tenant under the United States Bankruptcy Code or any other similar state or federal law dealing with creditors' rights generally, unless within sixty (60) days after such filing such proceeding is stayed or discharged; or (iv) appointment of a receiver, trustee or other similar official of Tenant or its Property.

16.1.2 Landlord Default. The occurrence of the following shall be an "Event of Default" by Landlord or a "Landlord Default":

(a) The failure of Landlord to pay any of its monetary obligations under this Agreement (except as set forth in Section 16.1.2(b) below), including, but not limited to, the failure of Landlord to deposit funds into the Maintenance Fund pursuant to Section 7.2, the Capital Fund and the Renovation Fund, or any of them, and further including the failure of Landlord to pay Tenant such amounts that may become due under Section 9.2, in each case when due and payable, if such failure continues for thirty (30) days (provided, however, that during the Loan Period such period shall be sixty (60) days with respect to any failure by Landlord to deposit funds into the Maintenance Fund Account pursuant to Section 7.2, or the Capital Fund Account) after Tenant gives written notice to Landlord that such amount was not paid when due;

(b) During the Loan Period, any failure of Landlord to pay any of its monetary obligations under this Agreement as a result of a Non-Appropriation as described in Section 24.5, and following the Loan Period, if any Non-Appropriation shall occur;

(c) If any default by Landlord shall have occurred under any of the Principal Project Documents to which it is a party and the same remains uncured after the lapse of the applicable notice and cure period, if any, provided for under the terms of the respective Principal Project Documents;

(d) If any default by Landlord shall have occurred under the Parking Garage Lease and the same remains uncured after the lapse of the applicable notice and cure period, if any, provided for under the terms of the Parking Garage Lease;

(e) If any default by Landlord shall have occurred under the Non-Relocation Agreement and the same remains uncured after the lapse of the applicable notice and cure period, if any, provided for under the terms of the Non-Relocation Agreement;

(f) The failure of Landlord to keep, observe or perform any of the material terms, covenants or agreements contained in this Agreement on Landlord's part to be kept, performed or observed (other than those referred to in clauses (a), (b), (c), (d) and

(e) above) if (i) such failure is not remedied by Landlord within thirty (30) days after written notice from Tenant of such default or (ii) in the case of any such default which cannot with due diligence and in good faith be cured within thirty (30) days, Landlord fails to commence to cure such default within thirty (30) days after written notice from Tenant of such default or Landlord fails to prosecute diligently the cure of such default to completion within such additional period as may be reasonably required to cure such default with diligence and in good faith; it being intended that, in connection with any such default which is not susceptible of being cured with due diligence and in good faith within thirty (30) days, the time within which Landlord is required to cure such default shall be extended for such additional period as may be necessary for the curing thereof with due diligence and in good faith;

(g) The (i) filing by Landlord of a voluntary petition in bankruptcy; (ii) adjudication of Landlord as a bankrupt; (iii) filing of any petition or other pleading in any action seeking reorganization, rearrangement, adjustment, or composition of, or in respect of, Landlord under the United States Bankruptcy Code or any other similar state or federal law dealing with creditors' rights generally, unless within sixty (60) days after such filing such proceeding is stayed or discharged; or (iv) appointment of a receiver, trustee or other similar official of Landlord or its Property; or

(h) Any default by the City within three (3) years of the Effective Date under the provisions of the Interlocal Agreements relating to incentives to an unaffiliated NHL Team, which default remains uncured after the expiration of any applicable notice and cure period.

Section 16.2 Landlord's Remedies. Upon the occurrence of any Tenant Default, Landlord may, as its sole and exclusive remedies, exercise the following remedies:

(a) Landlord may terminate this Agreement pursuant to, and subject to the limitations set forth in Section 16.4, and upon such termination Landlord may reenter and repossess the Leased Premises by entry, forcible entry or detainer suit or otherwise, without demand or notice of any kind and subject to the limitations set forth in Section 16.4(d), be entitled to recover, as damages under this Agreement, a sum of money equal to the total of (i) the reasonable cost of recovering the Leased Premises, (ii) the reasonable cost of removing and storing Tenant's or any other occupant's Property, (iii) the unpaid Semi-Annual Installments (exclusive of the Maintenance Fund Deposit) and any other sums accrued hereunder at the date of termination, (iv) a sum equal to the amount, if any, by which the present value (calculated based on the then existing blended rate on the Public Debt taking into account any synthetic fixed rate associated with an interest rate swap) of the total Semi-Annual Installments (exclusive of the Maintenance Fund Deposit) payable for the remainder of the Term exceeds the present value (calculated based on the then existing blended rate on the Public Debt taking into account any synthetic fixed rate associated with an interest rate swap) of the total fair market rental value of the Leased Premises for the remainder of the Term; and, in the event Landlord shall elect to terminate this Agreement, Landlord shall at once have all the rights of reentry upon the Leased Premises, without becoming liable for damages or guilty of trespass;

(b) Landlord may terminate Tenant's right of occupancy of all but not part of the Leased Premises and reenter and repossess the Leased Premises by any lawful means, without demand or notice of any kind to Tenant and without terminating this Agreement, without acceptance of surrender of possession of the Leased Premises, and without becoming liable for damages or guilty of trespass, in which event Landlord shall make commercially reasonable efforts to relet the Leased Premises (taking into account the Principal Permitted Uses of the Leased Premises) thereof for the account of Tenant on such terms as Landlord, in its sole discretion deems advisable. For the purpose of such reletting Landlord is authorized to make any repairs, changes, alterations or additions in or to the Leased Premises that may be necessary. Subject to Section 16.4, Tenant shall be liable for and shall pay to Landlord all Semi-Annual Installments (exclusive of the Maintenance Fund Deposit) payable by Tenant under this Agreement reduced by any sums received by Landlord through any reletting of the Leased Premises (after payment of (i) the cost of recovering possession of the Leased Premises, (ii) the cost of removing and storing Tenant's or any other occupant's Property left on the Leased Premises after reentry and (iii) the reasonable cost of any repairs, changes, alterations or additions necessary for any such reletting); provided, however, that in no event shall Tenant be entitled to any excess of any sums obtained by reletting over and above Semi-Annual Installments, provided in this Agreement to be paid by Tenant to Landlord. Landlord may file suit to recover any sums falling due under the terms of this Section 16.2(b) from time to time. No reletting shall be construed as an election on the part of Landlord to terminate this Agreement unless a written notice of such intention is given to Tenant by Landlord. Notwithstanding any such reletting without termination, Landlord may at any time thereafter elect to terminate this Agreement for such Tenant Default and exercise its rights under Section 16.2(a) of this Agreement;

(c) Upon the occurrence of a Tenant Default under Section 16.1.1(f), Landlord may, upon satisfaction of the requirements and conditions set forth in this Subsection 16.2(c), enter the Leased Premises and take commercially reasonable efforts and measures to remedy and cure such Tenant Default (such right of Landlord, herein called "Landlord's Self Help Right"). Landlord may exercise Landlord's Self Help Right only by complying with the following conditions:

(i) If the Tenant Default relates to the management, operation or maintenance of the Arena, Landlord shall have exercised its rights under Section 7.1 to provide notice to Tenant and after the specified notice and cure periods set forth therein, Tenant shall not have replaced the personnel responsible for such operation, management or maintenance or if such personnel have been replaced, such personnel shall not have promptly commenced the cure and remedy of the Tenant Default and thereafter continuously and diligently pursued such cure and remedy to completion; and

(ii) Landlord has given Tenant ten (10) days notice of Landlord's intention to exercise Landlord's Self Help Rights hereunder and within such ten (10)-day period, Tenant has not (i) delivered to Landlord a reasonably detailed plan as to how such Tenant Default

will be cured in a reasonable time frame, such plan to include reasonable assurances to Landlord that Tenant will fully remedy and cure such Tenant Default and (ii) commenced good faith efforts to fully cure and remedy such Tenant Default in accordance with the plan delivered to Landlord and thereafter continuously and diligently pursued the cure and remedy of such Tenant Default to completion.

Except as permitted in Section 11.2, in exercising Landlord's Self Help Rights, Landlord shall not perform any work during an Arena Event Period unless approved by Tenant, which approval may be withheld in Tenant's sole discretion, and otherwise shall minimize any interference with Tenant's operations or with the operations of any Affiliate of Tenant or any Space User. Tenant shall pay and reimburse Landlord for the reasonable costs and expenses incurred by Landlord in exercising Landlord's Self Help Rights under this Section 16.2 within thirty (30) days after Landlord's written request therefor, which request must contain reasonable supporting detail and documentation as to the incurrence by Landlord of such costs and expenses. During the Loan Period, the Lender may exercise Landlord's Self Help Rights; however, Tenant shall only be required to reimburse costs and expenses based on only one of the two parties performing Landlord's Self Help Rights. If Tenant does not reimburse Landlord for such costs and expenses within such thirty (30) day period, then (a) during the Loan Period, Landlord may withdraw funds from the Maintenance Fund and Capital Fund for such costs and expenses, and (b) at other times, Landlord may only withdraw funds from the Capital Fund deposited to the Capital Fund on Landlord's behalf, in each case, only to the extent such costs and expenses are of a nature that would have been permitted to be paid out of the applicable fund had Tenant incurred such expense directly;

(d) Landlord may maintain a proceeding in accordance with Article 18 for breach of this Agreement, damages, and/or specific performance of this Agreement; and

(e) Landlord may exercise any and all other remedies available to Landlord pursuant to the express terms of this Agreement.

Section 16.3 Tenant's Remedies. Upon the occurrence of any Landlord Default, Tenant may, as its sole and exclusive remedies, exercise the following remedies:

(a) Tenant may terminate the Non-Relocation Agreement and this Agreement pursuant to, and subject to the limitations set forth in, Section 16.4, in which event Landlord shall immediately deposit any amounts that are due from Landlord pursuant to this Agreement as of the date of such termination into the Capital Fund and the Arena Fund Custodian shall immediately disburse to Tenant any balance remaining in the Maintenance Fund and the Capital Fund;

(b) Tenant may maintain a proceeding in accordance with Article 18 for breach of this Agreement, damages, and/or specific performance of this Agreement; and

(c) Tenant may exercise any and all other remedies available to Tenant pursuant to the express terms of this Agreement.

Notwithstanding anything to the contrary contained in this Agreement or any of the other Project Documents, Tenant shall not be permitted to terminate this Agreement or any of the other Project Documents as a result of a Landlord Default under Section 16.1.2(h) of this Agreement.

Section 16.4 Termination.

(a) Final Notice. Subject to the limitations set forth in Subsection 16.4(c), upon the occurrence of a Tenant Default as described in Subsection 16.1.1 or a Landlord Default as described in Subsection 16.1.2, the non-defaulting Party, in addition to its other remedies pursuant to this Agreement, may give to the defaulting Party a notice (a "Final Notice") of the non-defaulting Party's intention to terminate this Agreement (and, during the Loan Period, if such Final Notice is delivered because of a Landlord Default described in Section 16.1.2(d), Tenant also shall give a Final Notice under Section 16.4 of the Parking Garage Lease) after the expiration of a period of thirty (30) days from the date such Final Notice is delivered unless the Event of Default is cured, and upon expiration of such thirty (30)-day period, if the Event of Default is not cured, this Agreement shall terminate without liability to the non-defaulting Party. If, however, within such thirty (30)-day period the defaulting Party cures such Event of Default, then this Agreement shall not terminate by reason of such Final Notice. Notwithstanding the foregoing, in the event there is an Action or Proceeding pending or commenced between the Parties with respect to the particular Event of Default covered by such Final Notice, the foregoing thirty (30)-day period shall be tolled until a final non-appealable judgment or award, as the case may be, is entered with respect to such Action or Proceeding.

(b) Additional Rights of Termination. Additionally, in the event the Substantial Completion Date does not occur on or before the deadline specified in the Project Agreement, Tenant shall have the option to terminate this Agreement in accordance with the Project Agreement. Additional termination rights are set forth in Section 13.3 and Subsection 14.1.1 of this Agreement.

(c) Limitation on Rights of Termination. Notwithstanding anything contained in this Agreement to the contrary, (i) Tenant's right to terminate this Agreement due to a Landlord Default described in Subsection 16.1.2(a) shall not arise until the sum of (A) the amounts that Landlord has failed to deposit into the Maintenance Fund Account, the Capital Fund Account and the Renovation Fund Account, or any of them, and (B) the amounts that Landlord has failed to pay to Tenant (or to any other applicable Person, as the case may be) as required under Section 9.2, together with any other sums owed by Landlord under the Principal Project Documents, equals or exceeds Three Million One Hundred Thousand Dollars ($3,100,000) and (ii) Landlord's right to terminate this Agreement due to a Tenant Default described in Sections 16.1.1(b) shall not arise until the amounts owed to Landlord equal or exceed Three Million One Hundred Thousand Dollars ($3,100,000).

(d) Limitations on Landlord's Recovery of Damages. Notwithstanding anything contained in this Agreement to the contrary, Landlord's right to recover damages or deduct costs under this Agreement (including under Sections 16.2(a) and 16.2(b)) if the termination of the Lease or the termination of Tenant's right of occupancy is due to a Tenant Default under Section 16.1.1(e) shall be limited as follows: (i) if such Tenant Default is caused by the party who assumed the Tenant's and the NBA Team's obligations under the Non-Relocation Agreement pursuant to the terms of this Agreement and the Non-Relocation Agreement and such party is not an Affiliate of Tenant, Landlord shall not be entitled to recover any damages from Tenant or deduct any costs under this Agreement or otherwise, and (ii) if such Tenant Default is caused by Tenant, an Affiliate of Tenant or an NBA Team that is an Affiliate of Tenant, Tenant shall be entitled to assert in any Actions or Proceedings that the damages recovered by Landlord under the Non-Relocation Agreement sufficiently compensate Landlord for its damages and/or costs incurred under this Agreement and that Landlord did not make reasonable efforts to reduce to a minimum or mitigate the effect of such Tenant Default on this Agreement.

(e) Limitations with respect to Non-Relocation Agreement. Notwithstanding anything contained in this Agreement or the Non-Relocation Agreement to the contrary, (i) if Landlord elects to terminate this Agreement or Tenant's right to occupancy of the Leased Premises, Landlord shall not be entitled to seek or obtain injunctive relief under the Non-Relocation Agreement to enforce Article 2 or 3 of the Non-Relocation Agreement, and (ii) if Landlord is seeking or obtains injunctive relief under the Non-Relocation Agreement to enforce Article 2 or 3 of the Non-Relocation Agreement, Landlord shall not be entitled to terminate this Lease or Tenant's right to occupancy of the Leased Premises.

(f) Limitations during Loan Period. Upon the occurrence of a Tenant Default under Section 16.1.1(a) during the Loan Period, Landlord shall not exercise any rights or remedies under Section 16.2 or this Section 16.4 that will result in a termination of this Agreement without first obtaining the written consent of the Lender, which consent will not be unreasonably withheld. A breach by Landlord of Section 3.3 of this Agreement shall not entitle Tenant to terminate this Agreement unless and until (i) the Ground Lease is terminated, (ii) Landlord's right to possession is terminated, or (iii) Landlord is prevented from performing its obligations under this Agreement.

Section 16.5 Cumulative Remedies. Except as otherwise provided in this Agreement, each right or remedy of Landlord and Tenant provided for in this Agreement shall be cumulative of and shall be in addition to every other right or remedy of Landlord or Tenant provided for in this Agreement, and, except as otherwise provided in this Agreement, the exercise or the beginning of the exercise by Landlord or Tenant of any one or more of the rights or remedies provided for in this Agreement shall not preclude the simultaneous or later exercise by Landlord or Tenant of any or all other rights or remedies provided for in this Agreement.

Section 16.6 No Indirect Damages. IN NO EVENT SHALL LANDLORD OR TENANT BE LIABLE UNDER ANY PROVISION OF THIS AGREEMENT FOR LOST PROFITS, INCLUDING LOST OR PROSPECTIVE PROFITS, OR FOR ANY OTHER SPECIAL, INDIRECT, INCIDENTAL, CONSEQUENTIAL, EXEMPLARY OR PUNITIVE

DAMAGES, IN CONTRACT, TORT OR OTHERWISE, WHETHER OR NOT CAUSED BY OR RESULTING FROM THE SOLE OR CONCURRENT NEGLIGENCE OF LANDLORD OR TENANT OR ANY OF THEIR AFFILIATES OR RELATED PARTIES. NOTWITHSTANDING THE FOREGOING, THIS LIMITATION OF LIABILITY SHALL NOT APPLY TO THIRD-PARTY CLAIMS, INCLUDING WITHOUT LIMITATION CLAIMS BY ADVERTISERS, PROMOTERS, SEASON TICKET AND CLUB SEAT HOLDERS, CONCESSIONAIRES AND SPACE USERS, AGAINST LANDLORD OR TENANT FOR ANY OF THE FOREGOING.

Section 16.7 Declaratory or Injunctive Relief. In addition to the remedies set forth in this Article 16, the Parties shall be entitled to seek injunctive relief prohibiting (rather than mandating) action by the other Party for any Event of Default of the other Party or declaratory relief with respect to any matter under this Agreement for which such remedy is available hereunder, at law or in equity.

Section 16.8 Interest on Overdue Obligations and Post-Judgment Interest. If any sum due hereunder is not paid by the due date thereof, the Party owing such obligation to the other Party shall pay to the other Party interest thereon at the Default Rate concurrently with the payment of the amount, such interest to begin to accrue as of the date such amount was due. Any payment of such interest at the Default Rate pursuant to this Agreement shall not excuse or cure any default hereunder. All payments shall first be applied to the payment of accrued but unpaid interest. The amount of any judgment or arbitration award obtained by one Party against the other Party in any Action or Proceeding arising out of a default by such other Party under this Agreement shall bear interest thereafter at the Default Rate until paid.

Section 16.9 No Waivers.

16.9.1 General. No failure or delay of any Party in any one or more instances (i) in exercising any power, right or remedy under this Agreement or (ii) in insisting upon the strict performance by the other Party of such other Party's covenants, obligations or agreements under this Agreement shall operate as a waiver, discharge or invalidation thereof, nor shall any single or partial exercise of any such right, power or remedy or insistence on strict performance, or any abandonment or discontinuance of steps to enforce such a right, power or remedy or to enforce strict performance, preclude any other or future exercise thereof or insistence thereupon or the exercise of any other right, power or remedy. The covenants, obligations, and agreements of a defaulting Party and the rights and remedies of the other Party upon a default shall continue and remain in full force and effect with respect to any subsequent breach, act or omission.

16.9.2 No Accord and Satisfaction. Without limiting the generality of Subsection 16.9.1, the receipt by Landlord of any Semi-Annual Installment with knowledge of a breach by Tenant of any covenant, obligation or agreement under this Agreement shall not be deemed or construed to be a waiver of such breach (other than as to the Semi-Annual Installment received). The payment by Tenant of the Semi-Annual Installment, with knowledge of a breach by Landlord of any covenant, obligation or agreement under this Agreement shall not be deemed or construed to be a waiver of such breach. No acceptance by Landlord or Tenant of a lesser sum than then due shall be deemed to be other than on account of the earliest installment of the amounts due under this Agreement, nor shall any endorsement or statement on any check, or any

letter accompanying any check, wire transfer or other payment, be deemed an accord and satisfaction. Landlord and Tenant may accept a check, wire transfer or other payment without prejudice to its right to recover the balance of such installment or pursue any other remedy provided in this Agreement.

16.9.3 No Waiver of Termination Notice. Without limiting the effect of Subsection 16.9.1, the receipt by Landlord of any Semi-Annual Installment paid by Tenant after the termination in any manner of the Term, or after the giving by Landlord of any notice hereunder to effect such termination, shall not, except as otherwise expressly set forth in this Agreement, reinstate, continue or extend the Term, or destroy, or in any manner impair the efficacy of, any such notice of termination as may have been given hereunder by Landlord to Tenant prior to the receipt of any such Semi-Annual Installment or other consideration, unless so agreed to in writing and executed by Landlord. Neither acceptance of the keys nor any other act or thing done by Landlord or by its agents or employees during the Term shall be deemed to be an acceptance of a surrender of the Leased Premises, excepting only an agreement in writing executed by Landlord accepting or agreeing to accept such a surrender.

Section 16.10 Effect of Termination. If Landlord or Tenant elects to terminate this Agreement pursuant to Section 13.3, Section 14.1.1 or Section 16.4 of this Agreement, this Agreement shall, on the effective date of such termination, terminate with respect to all future rights and obligations of performance hereunder by the Parties (except for the rights and obligations herein that expressly are to survive termination hereof). Termination of this Agreement shall not alter the then-existing claims, if any, of either Party for breaches of this Agreement occurring prior to such termination, and the obligations of the Parties hereto with respect thereto shall survive termination.

Section 16.11 Waiver of Liens. Landlord does hereby waive, release and discharge all Liens and rights (constitutional, statutory, consequential or otherwise) that Landlord may now or hereafter have on any Property of Tenant of any kind, and all additions, accessions and substitutions thereto (except for judgment liens which may hereafter arise in favor of Landlord). This Section 16.11 shall be self-operative, and no further instrument or waiver need be required by any lienholder on such Property. In confirmation of this waiver, however, Landlord shall, at Tenant's request, execute promptly any appropriate certificate or instrument that Tenant may reasonably request. Tenant does hereby waive, release and discharge all Liens that Tenant may have under Section 91.004 of the Texas Property Code, as amended.

Section 16.12 Waiver of Consumer Rights. LANDLORD AND TENANT HAVE ASSESSED THEIR RESPECTIVE RIGHTS, LIABILITIES AND OBLIGATIONS UNDER THE TEXAS DECEPTIVE TRADE PRACTICES – CONSUMER PROTECTION ACT, SECTION 17.41 ET SEQ., BUSINESS & COMMERCE CODE (THE "DTPA"). THE PARTIES AGREE THAT THE DTPA DOES NOT APPLY TO EITHER LANDLORD OR TENANT SINCE NEITHER QUALIFIES AS A "CONSUMER" UNDER SECTION 17.45(4) OF THE DTPA. HOWEVER, IN THE EVENT THE DTPA IS DEEMED TO BE APPLICABLE BY A COURT OF COMPETENT JURISDICTION, LANDLORD AND TENANT HEREBY WAIVE THEIR RIGHTS UNDER THE DTPA, A LAW THAT GIVES CONSUMERS SPECIAL RIGHTS AND PROTECTIONS. AFTER CONSULTATION WITH ATTORNEYS OF THEIR OWN SELECTION, LANDLORD AND TENANT CONSENT TO

THIS WAIVER. THE PARTIES AGREE THAT THIS SECTION 16.12 CONSTITUTES A CONSPICUOUS LEGEND.

Section 16.13 Attorneys' Fees. If either Party places the enforcement of this Agreement, or any part thereof, or the exercise of any other remedy herein provided for any default by the other Party, in the hands of an attorney who institutes an Action or Proceeding upon the same (either by direct action or counterclaim), the non-prevailing Party shall pay to the prevailing Party its reasonable attorneys' fees and costs of court. In addition to the foregoing award of attorneys' fees to the prevailing Party, the prevailing Party shall be entitled to its attorneys' fees incurred in any post-judgment proceeding to collect or enforce the judgment. This provision is separate and several and shall survive the expiration or earlier termination of this Agreement or the merger of this Agreement into any judgment on such instrument.

Section 16.14 Court Proceedings. Subject to Article 18, any suit, action or proceeding, which is permitted to be brought by either Party against the other Party arising out of or relating to this Agreement or any transaction contemplated hereby or any judgment entered by any court in respect thereof may be brought in any federal or state court located in the City of Houston, Texas, and each Party hereby submits to the nonexclusive jurisdiction of such courts for the purpose of any such suit, action or proceeding. To the extent that service of process by mail is permitted by applicable law, each Party irrevocably consent to the service of process in any such suit, action or proceeding in such courts by the mailing of such process by registered or certified mail, postage prepaid, at its address for notice provided for above. Each Party irrevocably agrees not to assert any objection that it may ever have to the laying of venue of any such suit, action or proceeding in any federal or state court located in the City of Houston, Texas or any claim that any such suit, action or proceeding brought in any such court has been brought in an inconvenient forum. Each Party agrees not to bring any action, suit or proceeding against the other Party arising out of or relating to this Agreement or any transaction contemplated hereby except in a federal or state court located in the City of Houston, Texas.

Section 16.15 Lender Remedies. During the continuance of any Landlord Default during the Loan Period, the Lender (or its agents or designees) may, in its sole discretion, properly perform Landlord's obligations under the terms of this Agreement, and Tenant agrees to accept such performance by the Lender to the extent such performance actually cures such Landlord Default, and Landlord agrees that the Lender shall not be liable for any damages resulting to Landlord from such action. Except to the extent of any actual cure of the Landlord Default, no action taken by the Lender under this Section 16.15 shall relieve Landlord from any of its obligations under this Agreement or from any consequences or liabilities arising from the failure to perform such obligations or prevent Tenant from exercising any of its remedies under this Agreement for Landlord's or the Lender's failure to perform Landlord's obligations under this Agreement.

ARTICLE 17

SURRENDER OF POSSESSION; HOLDING OVER

Section 17.1 Surrender of Possession. Tenant shall, on or before the Expiration Date, peaceably and quietly leave, surrender and yield to Landlord, in the condition in which the same

are required to be maintained by Tenant under this Agreement, (i) the Leased Premises, free of subtenancies and in a reasonably clean condition and free of debris, except for ordinary wear and tear and the effects of aging and except as otherwise provided in Article 13 and Article 14; (ii) the FF&E installed, affixed, attached or supplied by Landlord pursuant to the Project Agreement, any FF&E paid for by Landlord or paid for out of the Capital Fund or the Insurance Fund and all replacements of and substitutions therefor; (iii) all remaining spare parts on hand for the Leased Premises; (iv) all manuals, drawings, plans and tools for the Leased Premises then in Tenant's possession; (v) all keys for the Leased Premises; and (vi) any other property that is used by Tenant for the use, occupancy or maintenance of the Leased Premises, but excluding items Tenant is entitled to remove pursuant to Subsection 17.2.1. Upon the Expiration Date, Tenant shall assign to Landlord all of Tenant's right, title and interest in and to any Maintenance and Warranty Contracts, Service Contracts and Equipment Leases, subject to Tenant's rights with respect to any claims pending thereunder.

Section 17.2 Removal of Personalty.

17.2.1 Tenant's Obligation to Remove. Tenant shall have the right, but shall not be obligated, to remove any or all trade fixtures, appliances, furniture, equipment (including kitchen, concession, exercise and floor maintenance equipment), furnishings and other personal Property that is not part of the Leased Premises (as provided in Subsection 11.1.1 and 11.1.2) within thirty (30) days after the Expiration Date; provided that in the event Tenant elects to remove some or all of said items, Tenant shall promptly repair any damage to the Leased Premises caused by such removal.

17.2.2 Landlord's Right to Remove. At its option, Landlord may either retain or dispose of, without accountability, any trade fixtures, furniture, equipment or other personal property of Tenant that remains in the Leased Premises thirty (30) days after the Expiration Date in any manner Landlord determines to be necessary, desirable or appropriate.

Section 17.3 Holding Over.

17.3.1 After Scheduled Expiration Date. In the case of any holding over or possession by Tenant after the Scheduled Expiration Date without the consent of Landlord, Tenant shall be a tenant from month to month and shall pay Landlord rent at one hundred ten percent (110%) of the Rent plus one hundred percent (100%) of the Maintenance Fund Deposit and the Capital Fund Deposit (each of which shall be prorated for any partial Lease Year based on the number of days during the holdover period compared to 366) in effect for the period immediately preceding the Expiration Date unless Tenant is negotiating in good faith with the City to lease the Arena Site and Arena Improvements directly, in which case Tenant shall only be responsible for making the Maintenance Fund Deposit and Capital Fund Deposit. Further, in the event Tenant shall hold over beyond both the Scheduled Expiration Date and any date for surrender of the Leased Premises set forth in Landlord's written demand for possession thereof given following the Scheduled Expiration Date, Tenant shall reimburse Landlord for all actual expenses and losses incurred by Landlord by reason of Landlord's or the City's inability to deliver possession of the Leased Premises free and clear of the possession of Tenant to a successor tenant on a delivery date occurring not earlier than ninety (90) days after the Scheduled Expiration Date, together with interest on such expenses and losses at the Default

Rate from the date such expenses are incurred until reimbursed by Tenant, together with Landlord's reasonable attorneys' fees, charges and costs; provided, however, that, notwithstanding the foregoing, Tenant will only be responsible for damages that may be incurred by Landlord after Tenant receives written notification of such damages from Landlord at least ninety (90) days in advance. The acceptance of Rent under this Section 17.3 by Landlord shall not constitute an extension of the Term or afford Tenant any right to possession of the Leased Premises beyond any date through which such Rent has been paid by Tenant and accepted by Landlord. Such Rent shall be due to Landlord for the period of such holding over, whether or not Landlord is seeking to evict Tenant; and, unless Landlord otherwise then agrees in writing, such holding over shall be, and shall be deemed and construed to be, without the consent of Landlord, whether or not Landlord has accepted any sum due pursuant to this Section 17.3.

17.3.2 Prior to Scheduled Expiration Date. In the event that for any reason the Expiration Date shall occur prior to the Scheduled Expiration Date, Tenant shall be entitled to hold over and remain in possession of the Leased Premises through a date following the Expiration Date to be specified by written notice from Tenant to Landlord; provided, however, that such date shall not be more than one (1) month following the end of the remainder of the applicable NBA Season, WNBA Season or NHL Season (if the NHL Team is an Affiliate of Tenant) being played at the time of the Expiration Date and provided that such notice is given to Landlord within ten (10) days after the Expiration Date. During such period of holding over, Tenant shall pay Landlord rent as follows: (a) if the Expiration Date occurred as the result of a Tenant Default, at one hundred fifty percent (150%) of the Semi-Annual Installments (which shall be prorated for any partial Lease Year based on the number of days during the holdover period compared to 366) in effect for the period immediately preceding the Expiration Date, and (b) if the Expiration Date occurred for any other reason, in the same amount as the Rent (which shall be prorated for any partial Lease Year based on the number of days during the holdover period compared to 366) in effect for the period immediately preceding the Expiration Date. Such holdover rent shall be paid monthly, in advance, on a pro rata basis and the failure of Tenant to make such payment shall entitle Landlord to immediately terminate Tenant's right to holdover by giving Tenant written notice thereof.

17.3.3 Effect of Holding Over. Notwithstanding any holding over following the Expiration Date as described in this Section 17.3, Tenant shall continue throughout the holdover period to enjoy its rights under the Parking Garage Lease.

Section 17.4 Survival. The provisions contained in this Article 17 shall survive the expiration or earlier termination of this Agreement.

ARTICLE 18

DISPUTE RESOLUTION

Section 18.1 Settlement By Mutual Agreement. In the event any dispute, controversy or claim between or among the Parties arises under this Agreement or is related in any way to this Agreement or the relationship of the Parties hereunder (a "Dispute or Controversy"), including, but not limited to, a Dispute or Controversy relating to the effectiveness, validity, interpretation, implementation, termination, cancellation or enforcement of this Agreement, the

Parties shall first attempt in good faith to settle and resolve such Dispute or Controversy by mutual agreement in accordance with the terms of this Section 18.1. In the event a Dispute or Controversy arises, either Party shall have the right to notify the other Party that it has elected to implement the procedures set forth in this Section 18.1. Within fifteen (15) days after delivery of any such notice by one Party to the other Party regarding a Dispute or Controversy, the Landlord Representative and Tenant Representative shall meet at a mutually agreed time and place to attempt, with diligence and in good faith, to resolve and settle the Dispute or Controversy. If a mutual resolution and settlement are not obtained at the meeting of the Landlord Representative and Tenant Representative, they shall cooperate in a commercially reasonable manner to determine if techniques such as mediation or other techniques of alternative dispute resolution might be useful. If a technique is agreed upon, a specific timetable and completion date for implementation shall also be agreed upon. If such technique, timetable or completion date is not agreed upon within thirty (30) days after the notice of the Dispute or Controversy was delivered, or if no resolution is obtained through such alternative technique, or if no such meeting takes place within the fifteen (15)-day period, then either Party may by notice to the other Party submit the Dispute or Controversy to arbitration in accordance with the provisions of Section 18.2 and Appendix B. Upon the receipt of notice of referral to arbitration hereunder, the receiving Party shall be compelled to arbitrate the Dispute or Controversy in accordance with the terms of this Article 18 and Appendix B without regard to the justiciable character or executory nature of such Dispute or Controversy.

Section 18.2 Arbitration. Each Party hereby agrees that any Dispute or Controversy that is not resolved pursuant to the provisions of Section 18.1 shall be submitted to binding arbitration hereunder and, if submitted, shall be resolved exclusively and finally through such binding arbitration. This Article 18 and Appendix B constitute a written agreement by the Parties to submit to arbitration any Dispute or Controversy arising after the Effective Date within the meaning of Section 171.001 of the Texas Civil Practice and Remedies Code. During the Loan Period, if any Action or Proceeding is pending that involves a Dispute or Controversy under which Tenant claims it has a right to offset, reduce or fail to pay any Semi-Annual Installment or Landlord claims it has a right to withdraw funds from the Maintenance Fund or Capital Fund for costs and expenses incurred by Landlord in exercising Landlord's Self Help Rights under Section 16.2, Tenant shall not exercise such right to offset, reduce or fail to pay such Semi-Annual Installment and Landlord shall not exercise such right to withdraw funds from the Maintenance Fund or Capital Fund, unless and until such Action or Proceeding is conducted and then only in accordance with the result of such Action or Proceeding.

Section 18.3 Emergency Relief. Notwithstanding any provision of this Agreement to the contrary, either Party may seek injunctive relief or another form of ancillary relief at any time from any court of competent jurisdiction in Harris County, Texas. In the event that a Dispute or Controversy requires emergency relief before the matter may be resolved under the Arbitration Procedures, notwithstanding the fact that any court of competent jurisdiction may enter an order providing for injunctive or another form of ancillary relief, the Parties expressly agree that the Arbitration Procedures still will govern the ultimate resolution of any portion of the Dispute or Controversy.

Section 18.4 Lender. During the Loan Period, the Lender shall have the right to (i) be present at and observe any Regular Arbitration proceeding and (ii) receive copies of all materials

delivered to the Parties as part of such Regular Arbitration proceeding so long as Lender agrees to maintain the confidentiality of such proceeding and materials. Notwithstanding the foregoing, nothing contained in this Section 18.4 or in the Principal Project Documents is intended to allow the Lender to participate in or be party to any Regular Arbitration proceeding.

ARTICLE 19

TIME; DELAY; APPROVALS AND CONSENTS

Section 19.1 Time. Times set forth in this Agreement for the performance of obligations shall be strictly construed, time being of the essence in this Agreement. All provisions in this Agreement that specify or provide a method to compute a number of days for the performance, delivery, completion or observance by a Party hereto of any action, covenant, agreement, obligation or notice hereunder shall mean and refer to calendar days, unless otherwise expressly provided. However, in the event the date specified or computed under this Agreement for the performance, delivery, completion or observance of a covenant, agreement, obligation or notice by either Party hereto, or for the occurrence of any event provided for herein, is a Saturday, Sunday or Legal Holiday, then the date for such performance, delivery, completion, observance or occurrence shall automatically be extended to the next calendar day that is not a Saturday, Sunday or Legal Holiday.

Section 19.2 Delays and Effect of Delays.

19.2.1 Excusable Tenant Delay. Any deadline or obligation imposed on Tenant pursuant to this Agreement (other than the obligation to pay the Semi-Annual Installments) shall be adjusted as appropriate to reflect the delay in the achievement thereof by the appropriate Excusable Tenant Delay Period resulting from each occurrence of Excusable Tenant Delay, but only to the extent Tenant complies with its obligations under Subsection 19.2.3 with respect to such Excusable Tenant Delay.

19.2.2 Excusable Landlord Delay. Any deadline or obligation imposed on Landlord pursuant to this Agreement shall be adjusted as appropriate to reflect the delay in achievement thereof by the appropriate Excusable Landlord Delay Period resulting from each occurrence of Excusable Landlord Delay, but only to the extent Landlord complies with its obligations under Subsection 19.2.3 with respect to such Excusable Landlord Delay.

19.2.3 Continued Performance; Mitigation; Exceptions. Upon the occurrence of any Tenant Delay or Landlord Delay, the Parties shall endeavor to continue to perform their respective obligations under this Agreement so far as reasonably practicable. Toward that end, the Parties hereby agree that (a) they shall make all reasonable efforts to prevent and reduce to a minimum and mitigate the effect of the event or circumstance giving rise to any Tenant Delay or Landlord Delay and (b) they shall use their best efforts to ensure resumption of performance of their obligations under this Agreement after the occurrence of the event or circumstance giving rise to any Excusable Tenant Delay or Excusable Landlord Delay. The applicable Party shall use and continue to use all commercially reasonable endeavors to prevent, avoid, overcome and minimize any Tenant Delay or Landlord Delay. Neither any Tenant Delay nor any Landlord

Delay shall excuse, or constitute a basis for, failure or refusal by either Party to pay any amount required to be paid in accordance with this Agreement.

Section 19.3 Approvals and Consents; Standards for Review.

19.3.1 Review and Approvals or Consent Rights. The provisions of this Section 19.3 shall apply to all instances in which this Agreement provides for Landlord or Tenant to exercise Review and Approval or Consent Rights; provided, however, that if the time period specified in this Section 19.3 for exercising Review and Approval or Consent Rights conflicts with any express provision in this Agreement regarding the time period for exercising particular Review and Approval or Consent Rights, then the provisions of such other provision shall control. As used herein, the term "Review and Approval or Consent Rights" shall include, without limiting the generality of that term, all instances in which one Party or its representative (the "Submitting Party") is permitted or required to submit to the other Party or its representative (the "Reviewing Party") any document, notice or determination of the Submitting Party with respect to which the Reviewing Party has a right or duty hereunder to review, comment, consent, approve, disapprove, dispute or challenge. Unless this Agreement specifically provides that the Review and Approval or Consent Rights may be exercised in the sole and absolute discretion (or a similar standard) of the Reviewing Party, then in connection with exercising its Review and Approval or Consent Rights under any provision of this Agreement, and whether or not specifically provided in any such provision, the Reviewing Party covenants and agrees to act in good faith, with due diligence, and in a fair and commercially reasonable manner in its capacity as Reviewing Party with regard to each and all of its Review and Approval or Consent Rights and to not unreasonably withhold, condition or delay its approval of or consent to any submission or determination.

19.3.2 No Implied Approval or Consent. Whenever used in this Agreement, the terms "approval," "approve," "approved," "consent" or "consented" shall not include any implied or imputed approval or consent unless expressly provided for in the applicable provision.

ARTICLE 20

[INTENTIONALLY OMITTED]

ARTICLE 21

REPRESENTATIONS AND WARRANTIES

Section 21.1 Tenant's Representations and Warranties. As an inducement to Landlord to enter into this Agreement, Tenant hereby represents and warrants to Landlord, as of the Commencement Date, as follows:

21.1.1 Authority. The individual executing and delivering this Agreement on behalf of Tenant has all requisite power and authority to execute and deliver this Agreement and to bind Tenant hereunder.

21.1.2 Entity. Tenant is a limited partnership duly formed, validly existing and in good standing under the laws of the State of Texas, with all necessary partnership power and

authority to carry on its present business, to enter into this Agreement and to consummate the transactions herein contemplated. LLA Sports, Inc. is a corporation duly formed, validly existing and in good standing under the laws of the State of Delaware with all necessary corporate power and authority to be the general partner of Tenant and to execute this Agreement in its capacity as general partner of Tenant on behalf of Tenant.

21.1.3 No Conflict. Neither the execution and delivery of this Agreement by Tenant nor the performance by Tenant of its obligations hereunder will (i) violate any statute, regulation, rule, judgment, order, decree, stipulation, injunction, charge or other restriction of any Governmental Authority, any court order to which Tenant is subject or any provision of the partnership agreement of Tenant or (ii) conflict with, result in a breach of, constitute a default under, result in the acceleration of, create in any party the right to accelerate, terminate, modify or cancel, or require any notice under any contract, lease, sublease, license, sublicense, franchise, permit, indenture, agreement or mortgage for borrowed money, instrument of indebtedness, security interest or other agreement to which Tenant is a party or by which Tenant or its assets are bound, which conflict, breach, default or acceleration would have a material adverse effect on Tenant's ability to perform its obligations under this Agreement.

21.1.4 No Further Consents Required. All proceedings required to be taken by or on behalf of Tenant to authorize Tenant to execute and deliver this Agreement and to perform the covenants, obligations and agreements of Tenant hereunder have been duly taken. No consent to the execution and delivery of this Agreement by Tenant or the performance by Tenant of its covenants, obligations and agreements hereunder is required from any partner, board of directors, shareholder, creditor, investor, judicial or legislative or administrative body, Governmental Authority or other Person, other than any such consent that already has been given or for which the failure to obtain will not have a material adverse effect on the financial ability of Tenant to perform its obligations under this Agreement.

21.1.5 Validity. This Agreement constitutes the valid and legally binding obligation of Tenant.

21.1.6 No Actions or Proceedings. To the best knowledge of Tenant, there is no action, suit, claim, proceeding or investigation pending or currently threatened against Tenant which questions the validity of this Agreement or the transactions contemplated herein or that could either individually or in the aggregate have a material adverse effect on the assets, conditions, affairs or prospects of Tenant, financially or otherwise.

21.1.7 No Lien on the NBA Franchise. Except for the holders of the Citicorp Loan, no Person holds any valid Lien for borrowed money on the NBA Franchise.

Section 21.2 Landlord's Representations. As an inducement to Tenant to enter into this Agreement, Landlord hereby represents and warrants to Tenant, as of the Commencement Date, as follows:

21.2.1 Authority. The individual executing and delivering this Agreement on behalf of Landlord has all requisite power and authority to execute and deliver this Agreement and to bind Landlord hereunder.

21.2.2 Entity. Landlord is a sports and community venue district duly formed and validly existing under Chapter 335 of the Texas Local Government Code, with all necessary power and authority to enter into this Agreement and to consummate the transactions herein contemplated. Neither the execution and delivery hereof nor the performance by Landlord of its obligations hereunder will violate or constitute an event of default under any material terms or material provisions of any agreement, document, instrument, judgment, order or decree to which Landlord is a party or by which Landlord or its assets are bound, which conflict, breach, default or acceleration would have a material adverse effect on Landlord's financial ability to perform its obligations under this Agreement.

21.2.3 No Further Consents Required. All governmental proceedings required to be taken by or on behalf of Landlord to authorize Landlord to make and deliver this Agreement and to perform the covenants, obligations and agreements of Landlord hereunder have been duly taken. No consent to the execution or delivery of this Agreement by Landlord or the performance by Landlord of its covenants, obligations and agreements hereunder is required from any board of directors or other governing board, member, creditor, judicial or legislative or administrative body, Governmental Authority or other Person, other than any such consent that already has been given or for which the failure to obtain will not have a material adverse effect on the financial ability of Landlord to perform its obligations under this Agreement.

21.2.4 Validity. This Agreement constitutes the valid and legally binding obligation of the Landlord.

21.2.5 No Actions or Proceedings. To the best knowledge of Landlord, there is no action, suit, claim, proceeding or investigation pending or currently threatened against the Landlord which questions the validity of this Agreement or the transactions contemplated herein or that could either individually or in the aggregate have a material adverse effect on the assets, conditions, affairs or prospects of Landlord, financially or otherwise.

ARTICLE 22

PROVISIONS GOVERNING GRANT OF INTANGIBLE PROPERTY RIGHTS

Section 22.1 Title; No Infringement. Landlord represents, warrants and covenants to Tenant that (i) as of the Effective Date, Landlord has not granted or licensed to any Person (other than Tenant) any right, title or interest in and to the Intangible Property Rights; (ii) as of the Effective Date, Landlord's right, title and interest in and to the Intangible Property Rights are free and clear of any and all Liens of any kind or nature whatsoever; (iii) as of the Effective Date, Landlord has full right, power and authority to grant to Tenant all of Landlord's right, title and interest in and to the Intangible Property Rights as granted to Tenant hereunder; (iv) Landlord has not and will not (1) seek federal copyright/trademark registration of any Marks or Copyrights associated with the Arena Name or the Leased Premises, unless approved by Tenant, which approval shall not be unreasonably withheld, conditioned or delayed, (2) grant any other Person the same or similar rights or licenses as the Intangible Property Rights herein granted to Tenant, the Intangible Property Rights being exclusive to Tenant, or (3) register, or permit any Person to register, any Intangible Property Rights (other than those specified in clause (1) hereof) with any Governmental Authority; and (v) as of the Effective Date, Landlord's ownership and

use of the Intangible Property Rights, and the grant and license to Tenant of Landlord's right, title and interest in and to the Intangible Property Rights pursuant to the terms and conditions stated herein, do not infringe on the rights of any other Person.

Section 22.2 Scope and Limitations on Intangible Property Rights.

22.2.1 Right to Sublicense; Exclusive or Restriction Provisions. Tenant shall have the right to enter into Sublicenses with Sublicensees with respect to any or all of the Intangible Property Rights. The Parties acknowledge that certain exercisers of the Intangible Property Rights, including Sublicensees of Intangible Property Rights in accordance with this Subsection 22.2.1, may confer substantial benefits on Tenant if Tenant agrees to certain exclusive or restrictive provisions. Subject to the other provisions of this Agreement, Tenant shall be permitted to enter into any Sublicenses regarding the Intangible Property Rights that it finds desirable, including Sublicenses imposing restrictions or granting rights of exclusivity. All Sublicenses shall be subject and subordinate to this Agreement, including any expiration or earlier termination hereof.

22.2.2 Other Rights. Anything to the contrary herein notwithstanding, in no event shall any other intangible property rights or licenses not described on Exhibit F that are owned, held or controlled by either Party (collectively, the "Other Rights") be granted and licensed by Landlord to Tenant hereunder or be deemed a part of or subject to this Agreement. Landlord and Tenant do not intend, and the terms of this Agreement shall not be deemed, to impair or restrict either Party's use or enjoyment of its Other Rights in the Exclusive Area.

22.2.3 Rights of Tenant to Revenues. Tenant shall be entitled to, and is hereby granted the exclusive right to contract for, collect, receive and retain, all gross income and revenues and other consideration of whatever kind or nature realized by, from or in connection with the Intangible Property Rights, including, without limitation, all gross revenues, royalties, license and use fees, concession fees and income and receipts of any nature, including, without limitation, those arising from (i) all Arena Rights, (ii) all Naming Rights, including, but not limited to, the naming of, or the sale, lease or license of the right to name, the Leased Premises or any portion thereof, (iii) all Advertising Rights, including, but not limited to, the sale, lease, licensing of, or granting concessions with respect to advertising and other promotional rights of every nature, including those from Signage (interior or exterior) and printed material (including publications, tickets, programs, photographs, scorecards, media guides, yearbooks or flyers), (iv) all Broadcast Rights, (v) all Telecommunications Rights, including, but not limited to, the sale, lease or licensing of, or granting concessions with respect to Telecommunications Products or Services for the Leased Premises or any portion thereof or the right to provide Telecommunications Products or Services to the Leased Premises or any portion thereof, and (vi) all Intellectual Property Rights.

22.2.4 Rights to Defend Intangible Property Rights.

(a) Tenant's Intangible Property Rights. Except as provided in Subsection 22.2.4.(b) below, during the Term or the life of the Intangible Property Rights, whichever is shorter, Tenant is empowered, but shall have no obligation:

(i) to bring suit in its own name or, if required by law, jointly with Landlord, at Tenant's expense, for any infringement of the Intangible Property Rights in the Exclusive Area;

(ii) to enjoin infringement in any such suit and to collect, for Tenant's use, damages, profits and awards of whatever nature recoverable for such infringement; and

(iii) to settle any claim or suit for infringement of the Intangible Property Rights in the Exclusive Area, including by granting the infringing party a Sublicense.

Landlord agrees to cooperate with Tenant so that Tenant may fully exercise, perfect, enjoy, register and maintain the Intangible Property Rights granted hereunder, including, without limitation, at Tenant's request and expense, joining in the actions described in above clauses (i), (ii) and (iii) of this Subsection 22.2.4(a).

(b) Arena Name Intellectual Property Rights. In the event Landlord or Tenant obtains any Intellectual Property Rights with respect to the Arena Name, (i) such Intellectual Property Rights shall be included in the Arena License and (ii) during the Term or the life of such Intellectual Property Rights, whichever is shorter, (x) Tenant shall not abandon such Intellectual Property Rights, except as provided below in subparagraph (B) of this Subsection 22.2.4.(b), (y) Tenant shall be obligated to use commercially reasonable efforts to defend such Intellectual Property Rights as provided below in subparagraph (A) of this Subsection 22.2.4(b) and (z) Landlord shall have the right, but not the obligation, to defend such Intellectual Property Rights as provided below in subparagraph (B) of this Subsection 22.2.4(b).

(A) Except to the extent that Tenant has notified Landlord that Tenant has elected to relinquish to Landlord any Intellectual Property Rights for the Arena Name as provided below in subparagraph (B) of this Subsection 22.2.4(b), Tenant shall use commercially reasonable efforts to defend any Intellectual Property Rights for the Arena Name against any infringement from time to time known to Tenant. In this regard, Tenant shall have the right to:

(1) bring suit in its own name or, if required by law, jointly with Landlord, at Tenant's expense, against any known infringement of such Intellectual Property Rights;

(2) seek an injunction of any known infringement in any such suit and collect, for Tenant's use, damages, profits and awards of whatever nature recoverable for such infringement; and

(3) settle any claim or suit for infringement in the Exclusive Area, including granting the infringing party a Sublicense under the terms and conditions permitted in this Agreement, but no such settlement shall diminish or relinquish any rights of Landlord to

recover any damages suffered or incurred as a result of such infringement unless Landlord has consented to the same, which consent shall not be unreasonably withheld or delayed.

Landlord agrees to cooperate with Tenant so that Tenant may fully exercise, perfect, enjoy, register and maintain such Intellectual Property Rights, including, without limitation, at Tenant's request and expense, joining in the actions described above in clauses 1, 2, and 3 of this Subsection 22.2.4(b)(A).

(B) In lieu of undertaking to defend any Intellectual Property Rights for the Arena Name against any infringement, as provided for under subparagraph (A) of this Subsection 22.2.4(b), Tenant shall have the right to relinquish to Landlord the license herein granted to use such Intellectual Property Rights with respect to the particular defined area or defined field of use infringed upon by delivering written notice thereof to Landlord within thirty (30) days after the date Tenant receives notice of such infringement. In such circumstances, (i) the license herein granted with respect to such Intellectual Property Rights shall be relinquished to Landlord with respect to the defined area or defined field of use described in any such notice from Tenant, and any such Intellectual Property Rights obtained by Tenant shall be licensed to Landlord with respect to such defined area or defined field of use, (ii) Landlord shall have the right, but not the obligation, to take the actions described above in subparagraph (a) of this Subsection 22.2.4 with respect to such infringement in the defined area or defined field of use described in Tenant's notice, all at Landlord's cost and expense, and (iii) any such relinquishment to Landlord of such Intellectual Property Rights with respect to a particular defined area or defined field of use shall not limit or reduce Tenant's rights with respect to such Intellectual Property Rights in any other portion of the Exclusive Area or any other field of use that is not described in the foregoing notice from Tenant to Landlord.

22.2.5 Duration. The period (i) during which the Arena Name or any name given to the Leased Premises or any portion thereof under the Naming Rights License by Tenant or by another Person pursuant to a Naming Rights Agreement shall apply, and the Naming Rights License shall exist, and (ii) during which any other Sublicense of other Intangible Property Rights shall exist, shall in no event extend beyond or survive the Expiration Date.

22.2.6 Compliance with Governmental Rules. Tenant shall, throughout the Term, within the time periods permitted by applicable Governmental Rules, comply or cause compliance with all nondiscriminatory Governmental Rules applicable to the Intangible Property Rights. Tenant shall, however, have the right to contest the validity or application of any Governmental Rule, and, if Tenant promptly contests and if compliance therewith may legally be held in abeyance during such contest without the imposition of any Liens on the Intangible

Property Rights, Tenant may postpone compliance until the final determination of such contest, provided that such contest is prosecuted with due diligence, except that Tenant shall not so postpone compliance therewith in such a manner as to subject Landlord to any prosecution for a criminal act. Even though a Lien against the Intangible Property Rights may be imposed by reason of such noncompliance, Tenant may nevertheless delay compliance therewith during contest thereof, provided that Tenant furnishes Landlord with Adequate Security against any loss by reason of such Lien and effectively prevents foreclosure thereof.

Section 22.3 Use of Arena Name by Landlord.

22.3.1 Rights Reserved by Landlord. Notwithstanding anything to the contrary contained in this Agreement, Landlord hereby reserves the following:

(a) the non-exclusive right to use (but not sublicense) the Arena Name and Intellectual Property Rights relating thereto solely for the purpose of promoting the general business activities of Landlord, and for no other purpose, provided that Tenant does not have a valid and subsisting Naming Rights Agreement that prohibits or limits such use of the Arena Name or any Intellectual Property Rights relating thereto, such uses to include the following:

(i) brochures and promotional materials describing the Landlord and/or the facilities developed by the Landlord; and

(ii) Landlord's letterhead, business cards or web page;

(b) the non-exclusive right to use (but not sublicense) any Symbolic Representation of the Leased Premises for the above-listed purposes, so long as such Symbolic Representation is approved by Tenant, such approval to be limited to the style and design of the same and not to be unreasonably withheld, delayed or conditioned.

22.3.2 Adoption of Tenant's Nomenclature. From and after the date Tenant notifies Landlord of (1) Tenant's exercise of any one or more of the Naming Rights or (2) the existence of a Naming Rights Agreement, Landlord shall (i) adopt the nomenclature designated in such Naming Rights Agreement for the Leased Premises or the portion thereof covered by such Naming Rights Agreement and (ii) refrain from using any other nomenclature for the Leased Premises or such portion thereof in any documents, press releases, Signage and directional signage to the Leased Premises, or promotional materials produced or disseminated in connection with the Leased Premises or events or activities therein.

22.3.3 License for Tenant's Nomenclature. In the event that pursuant to the provisions of Subsection 22.3.2 Landlord is required to adopt the nomenclature designated by Tenant for the Leased Premises, Tenant will grant and license to Landlord for the period that Landlord is required to use such nomenclature the non-exclusive right to use such nomenclature for the same purposes and uses, but subject to the same limitations, specified above in Subsection 22.3.1 (a).

Section 22.4 Indemnification.

22.4.1 Tenant's Agreement to Indemnify. Tenant shall, except as provided herein, defend, protect, indemnify and hold Landlord and its officers, directors, employees and agents harmless from and against any and all liabilities, damages, suits, claims and judgments for infringement (including, without limitation, reasonable attorneys' fees and expenses) arising from or in connection with any use of the Intangible Property Rights by Tenant or any of Tenant's agents, employees, subtenants or contractors. Notwithstanding the foregoing, Tenant shall not be liable for any liabilities, damages, suits, claims or judgments for infringement (including, without limitation, reasonable attorneys' fees and expenses) arising from or in connection with Landlord's violation of any provisions of this Agreement or any applicable Governmental Rules, provided such violation is not caused by the nomenclature Landlord is required to adopt pursuant to Subsection 22.3.2.

22.4.2 Conduct of Claims. Any claims for indemnification under this Section 22.4 shall be subject to the same procedures for conduct of such claims as are set forth in Subsection 10.7.6 with respect to claims for indemnification under Section 10.7.

22.4.3 Survival. The indemnities contained in this Section 22.4 shall survive the expiration or earlier termination of this Agreement, but only insofar as such indemnities relate to any liabilities, damages, suits, claims or judgments that arose prior to the expiration or earlier termination of this Agreement.

Section 22.5 Brick Pavers. Landlord and Tenant agree that the right to name or give attribution to paving stones located at or near the Leased Premises, whether brick or other paving stone material (herein referred to as "Brick Pavers"), is included in the Naming Rights and Naming Rights License granted to Tenant under this Agreement. Landlord and Tenant agree that Tenant shall have the right to implement a program and/or promotion to raise funds from the naming or attribution of Brick Pavers, all of the income and revenues from which shall belong to Tenant.

Section 22.6 Landlord's Approval Rights Over Arena Name. Tenant may permit any name to be given to the Leased Premises or any portion thereof without the prior approval of Landlord, unless the proposed name (i) violates any Governmental Rule in existence as of the Effective Date; (ii) contains racial epithets, barbarisms, obscenities or profanity, relates to any sexually oriented business which is defined as an "enterprise" in Section 28-121 of the City of Houston Code of Ordinances or contains any overt political reference; or (iii) would reasonably cause embarrassment to the Landlord, the City or the County, in which case, Landlord has the right to approve such name, which approval shall not be unreasonably withheld or delayed. Notwithstanding anything to the contrary contained in this Agreement, Landlord and Tenant agree that Landlord's approval will not be required for any name for the Leased Premises or any portion thereof that includes: (x) the corporate or trade name of Tenant or any Affiliate of Tenant; (y) the name of any direct or indirect owner of Tenant or the NBA Team, or (z) unless such name violates subsections (i) or (ii) above, the name of any entity which is listed or whose shares are regularly traded on a public stock exchange. If Landlord has the right to approve the name hereunder, Landlord shall be deemed to have given its approval to any name requested by Tenant unless, within forty-five (45) days following receipt of Tenant's request for such approval, Landlord notifies Tenant in writing of Landlord's disapproval.

ARTICLE 23

UNAFFILIATED NHL TEAM

In the event that an NHL Team not owned or operated by Tenant or any Affiliate of Tenant desires to play its home games at the Arena, Tenant shall, subject to the approval of the Sports Authority, and subject to such NHL Team being a Creditworthy Person, negotiate in good faith to enter into a Use Agreement with such NHL Team, which Use Agreement will be consistent with the terms and conditions described on Exhibit E attached hereto and made a part hereof. The Sports Authority's approval of an NHL Team that is not an Affiliate of Tenant may be made subject to the payment of a one-time fee to the Sports Authority in exchange for an annual operating consideration from the Sports Authority on terms to be negotiated when such approval is requested. The Sports Authority may not use such one-time fee for any purposes other than to pay the Arena Rent Supported Debt, Subordinated Obligations or Arena Bonds, satisfy its obligations with respect to the Arena under the Principal Project Documents, or for enhancements to the Arena made in accordance with this Agreement. The Sports Authority shall not provide to any owners or prospective owners of an NHL Team that is not an Affiliate of Tenant and that will play its home games in the Arena any advantage (determined on a net basis), economic or otherwise, including, but not limited to, monetary incentives, operating considerations, sponsorship or advertising commitments, ticket purchase commitments, expense reimbursement or rent breaks, which it does not also make available to Tenant or any Affiliate of Tenant in connection with their efforts to bring an NHL Team to the Arena.

ARTICLE 24

MISCELLANEOUS PROVISIONS

Section 24.1 No Broker's Fees or Commissions. Each Party hereto hereby represents to the other Party hereto that such Party has not created any liability for any broker's fee, broker's or agent's commission, finder's fee or other fee or commission in connection with this Agreement.

Section 24.2 Covenants Running with the Estates in Land. The Parties hereto covenant and agree that all of the conditions, covenants, agreements, rights, privileges, obligations, duties, specifications and recitals contained in this Agreement, except as otherwise expressly stated herein, shall be construed as covenants running with title to the Leased Premises, and the Leasehold Estate hereunder, respectively, which shall extend to, inure to the benefit of and bind Landlord, Tenant and their respective permitted successors and assigns to the same extent as if such successors and assigns were named as original parties to this Agreement, such that this Agreement shall always bind the owner and holder of any fee or leasehold interest in or to the Leased Premises, or any portion thereof, and shall bind predecessors thereof except as otherwise expressly provided herein.

Section 24.3 Relationship of the Parties. The relationship of Tenant and Landlord under this Agreement is that of independent parties, each acting in its own best interests, and notwithstanding anything in this Agreement to the contrary, no partnership, joint venture or other business relationship is established or intended hereby between Tenant and Landlord.

Section 24.4 Waiver of Immunity. Each of the Parties unconditionally and irrevocably:

(a) agrees that the execution, delivery and performance by it of this Agreement constitute private, proprietary and commercial acts rather than public or governmental acts;

(b) agrees that if any Actions or Proceedings are brought against it or its assets in relation to this Agreement or any transaction contemplated hereunder, no immunity (sovereign or otherwise) from such Actions or Proceedings (which shall be deemed to include, without limitation, suit, attachment prior to judgment, other attachment, the obtaining of judgment, execution or other enforcement) shall be claimed by or on behalf of itself or with respect to its assets;

(c) waives any such right of immunity (sovereign or otherwise) that it or its assets now has or may acquire in the future; and

(d) consents to the enforcement to any arbitral award or judgment against it in any such proceedings and to the giving of any relief or the issue of any process in connection with any such proceedings.

Section 24.5 Non-Appropriation.

24.5.1 Current Expenses. The obligations of the Sports Authority for payment and other monetary obligations under this Agreement are each subject to an Appropriation and accordingly (a) shall constitute a current expense of the Sports Authority in the Fiscal Year to which an obligation applies and (b) shall not constitute an indebtedness of the Sports Authority within the meaning of any applicable Governmental Rule. Nothing herein shall constitute a pledge by the Sports Authority of any funds, other than funds designated pursuant to lawful Appropriations from time to time, to pay any money or satisfy any other monetary obligation under any provision of this Agreement. The provisions of this Section 24.5 shall not apply with respect to application of the Semi-Annual Installments in accordance with this Agreement.

24.5.2 Notice of Request for Appropriation. Prior to any meeting of the Board of Directors of the Sports Authority during which the Board of Directors will consider an Appropriation, the Sports Authority shall provide Tenant with a copy of the request for the proposed Appropriation; provided, however, that no provision of this Agreement, including this Subsection 24.5.2, shall be construed to be an obligation of the Sports Authority to obtain an Appropriation or to obligate the Sports Authority in any way that would result in the obligations of this Agreement constituting debt on the part of the Sports Authority in violation of any applicable Governmental Rules.

24.5.3 Result of Non-Appropriation. If a Non-Appropriation occurs in response to a request for a proposed Appropriation, the Sports Authority shall provide Tenant with written notice of such Non-Appropriation on or before the twentieth (20th) day after the Non-Appropriation. During the Loan Period any failure of Landlord to pay any of its monetary obligations under this Agreement as a result of a Non-Appropriation, and after the expiration of the Loan Period any Non-Appropriation, shall constitute a Landlord Default under Subsection 16.1.2(b), and Tenant shall have the rights and remedies afforded to it under Article 16.

Section 24.6 Non-Merger of Estates. The interests of Landlord and Tenant in the Leased Premises shall at all times be separate and apart and shall in no event be merged, notwithstanding the fact that this Agreement or the Leasehold Estate created hereby, or any interest therein, may be held directly or indirectly by or for the account of the same Person who shall own the fee title to the Leased Premises or any portion thereof; and no such merger of estates shall occur by operation of law, or otherwise, unless and until all Persons at the time having any interest in the Leased Premises join in the execution of a written instrument effecting such merger of estates.

Section 24.7 Notices and Account Information.

(a) Notices. All notices, consents, directions, approvals, instructions, requests and other communications and all payments, as applicable, given to a Party under this Agreement shall be given in writing to such Party at the address set forth below or at any other address as such Party designates by written notice to the other Party in accordance with this Section 24.7 and may be (i) sent by registered or certified U.S. Mail with return receipt requested, (ii) delivered personally (including delivery by private courier services) or (iii) sent by telecopy (with electronic confirmation of such notice) to the Party entitled thereto. Any notice shall be deemed to be duly given or made (x) three (3) Business Days after posting if mailed as provided, (y) when delivered by hand unless such day is not a Business Day, in which case such delivery shall be deemed to be made as of the next succeeding Business Day, or (z) in the case of telecopy (with electronic confirmation of such notice), when received, so long as it was received during normal Business Hours of the receiving Party on a Business Day or otherwise such delivery shall be deemed to be made as of the next succeeding Business Day. Each Party hereto shall have the right at any time and from time to time to specify additional parties ("Additional Addressees") to whom notice thereunder must be given, by delivering to the other Party five (5) days notice thereof setting forth a single address for each such Additional Addressee; provided, however, that no Party hereto shall have the right to designate more than two (2) such Additional Addressees. The notice addresses for the Parties shall be as follows:

Notice to Landlord shall be sent to:

Harris County-Houston Sports Authority
1001 Fannin, Suite 750
Houston, Texas 77002
Attention: Chairman
Facsimile Number: (713) 355-2427

with copies of all notices to Landlord being sent to:

Andrews & Kurth L.L.P.
600 Travis, Suite 4200
Houston, Texas 77002
Attention: Gene L. Locke, Esq.
Facsimile Number: (713) 220-4285

Notice to Tenant shall be sent to:

Rocket Ball, Ltd.
Two Greenway Plaza
Suite 400
Houston, Texas 77046
Attention: Chief Operating Officer
Facsimile Number: (713) 963-7315

and

Baker Botts LLP
One Shell Plaza
910 Louisiana Street
Houston, Texas 77002-4995
Attention: Michael S. Goldberg, Esq.
Facsimile Number: (713) 229-1522

(b) Account Information. Any payments to the Disbursement Account, Required Debt Service Account, Capital Fund Account, Maintenance Fund Account, City Share Account, Insurance Account or the Renovation Fund Account shall be made by wire transfer of immediately available federal funds to the accounts specified by the Arena Fund Custodian.

(c) Lender. During the Loan Period, if any Party delivers any notice required under Article 16 or Article 18, such Party shall also contemporaneously deliver a copy of such notice to the Lender at the address specified by the Lender in a notice to Landlord and Tenant in accordance with this Section 24.7. The Lender shall have the right at any time and from time to time to change such address for notice by giving all Parties at least five (5) days prior written notice of such change of address.

Section 24.8 Severability. If any term or provision of this Agreement, or the application thereof to any Person or circumstances, shall to any extent be invalid or unenforceable in any jurisdiction, as to such jurisdiction, the remainder of this Agreement, or the application of such term or provision to the Persons or circumstances other than those as to which such term or provision is held invalid or unenforceable in such jurisdiction, shall not be affected thereby, and each term and provision of this Agreement shall be valid and enforceable to the fullest extent permitted by applicable law and any such invalidity or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction. To the extent permitted by applicable law, the Parties to this Agreement hereby waive any provision of law that renders any provision hereof prohibited or unenforceable in any respect.

Section 24.9 Entire Agreement, Amendment and Waiver. This Agreement and the other Project Documents together constitute the entire agreement of the Parties with respect to the subject matter hereof and supersede all prior written and oral agreements and understandings with respect to such subject matter, including the Letter Agreement. Neither this Agreement nor any of the terms hereof, including this Section 24.9, may be amended, supplemented, waived or

modified orally, but only (i) by an instrument in writing signed by the Party against which the enforcement of the amendment, supplement, waiver or modification shall be sought, and (ii) with the written consent of Lender, if such amendment, supplement, waiver or modification is made or given during the Loan Period and (x) impairs in any material respect the obligation of Tenant to make the Semi-Annual Installments as specified herein, (y) modifies in any material respect any material rights of either of the Parties to terminate this Agreement beyond what is expressly provided in this Agreement, (z) modifies in any material respect any material rights of Lender or any material obligations to Lender expressly provided in this Agreement. With respect to any *consent required under clause (ii) of this Section 24.9, the Lender agrees not to unreasonably withhold its consent.

Section 24.10 Incorporation of Appendices and Exhibits. All Appendices and Exhibits attached to this Agreement are incorporated herein by this reference in their entirety and made a part hereof for all purposes.

Section 24.11 Table of Contents; Headings. The table of contents, if any, and headings, if any, of the various articles, sections and other subdivisions of this Agreement are for convenience of reference only and shall not modify, define or limit any of the terms or provisions hereof.

Section 24.12 Parties in Interest; Limitation on Rights of Others. The terms of this Agreement shall be binding upon, inure to the benefit of and be enforceable by the Parties and their permitted successors and assigns. Except as otherwise provided below, nothing in this Agreement, whether express or implied, shall be construed to give any Person (other than the Parties and their respective permitted successors and assigns, but not including any invitee, patron or guest of a Party) any legal or equitable right, remedy or claim under or in respect of such instrument or any covenants, conditions or provisions contained therein or any standing or authority to enforce the terms and provisions of such instrument. The provisions of Section 5.2 relating to the payment of the Naming Rights Portion, Subsection 6.5.2, Section 6.6 and Section 24.22 of this Agreement also shall inure to the benefit of and be enforceable by the City and the City is hereby made an express third-party beneficiary of such provisions; provided, that (a) in enforcing such provisions of this Agreement, the City shall be subject to the same limitations imposed herein upon Landlord and (b) the City's consent shall not be required for, and it shall have no right to receive prior notice of, any amendments or waivers made or entered into pursuant to Section 24.9, except any which could materially adversely affect the City's rights under the foregoing provisions of this Agreement or which may result in the elimination of the City as such express third-party beneficiary of such provisions. Notwithstanding the foregoing, during the Loan Period, Lender may exercise its rights and enforce its rights and any obligations to Lender expressly provided in this Agreement and shall also be an express third-party beneficiary to exercise its rights and to enforce its rights and any obligations to Lender expressly provided for in this Agreement, including Section 24.9. The Lender, during the Loan Period, shall also be an express third party beneficiary with respect to Sections 10.1, 10.2, 10.3, 10.4, 10.5 and 10.6 entitled to enforce the provisions therein as if a party hereto. No Person (other than as set out in this Section 24.12) shall be a third-party beneficiary of this Agreement or have the right to enforce this Agreement or any provision thereof.

Section 24.13 Method and Timing of Payment. All amounts required to be paid by any Party to the other Party under this Agreement shall be paid in such freely transferable coin or currency of the United States as at the time of payment shall be legal tender for the payment of public and private debts, by wire transfer or other acceptable method of payment, of immediately available federal funds in the manner provided in Section 5.2, to the account to be specified by the Arena Fund Custodian pursuant to Section 24.7(b) or, to such other account located in the United States as such Party may specify by notice to the other Parties, as applicable. If any payment under this Agreement is required to be made on a day other than a Business Day, the date of payment shall be extended to the next Business Day.

Section 24.14 Counterparts. This Agreement may be executed by the Parties in separate counterparts, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute but one and the same Agreement. All signatures need not be on the same counterpart.

Section 24.15 Governing Law. THIS AGREEMENT AND THE ACTIONS OF THE PARTIES HEREUNDER SHALL IN ALL RESPECTS BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF TEXAS (EXCLUDING PRINCIPLES OF CONFLICT OF LAWS).

Section 24.16 Interpretation and Reliance. No presumption will apply in favor of any Party in the interpretation of this Agreement, or of any of the Project Documents or in the resolution of any ambiguity of any provisions thereof.

Section 24.17 Recording of Memorandum of Lease. The Parties shall execute a Memorandum of Arena Lease, Sublease, License and Management Agreement in the form attached hereto as Exhibit D, and Tenant may file the same in the Real Property Records of Harris County, Texas. Upon the Expiration Date, Tenant shall execute such instruments reasonably requested by Landlord in recordable form that are sufficient to release of record any rights or interests of Tenant in and to the Leasehold Estate.

Section 24.18 Alcoholic Beverage Permits. If at any time before or during the Term Tenant or any of its Space Users, concessionaires or other users of the Leased Premises are denied the issuance or renewal of any permit or license required by applicable Governmental Rule in order for alcoholic beverages (including wine, beer and mixed beverages) to be sold in or upon the Leased Premises for consumption in or upon the Leased Premises on the basis of the proximity of the Leased Premises to any churches, schools, day care centers or other facilities or uses, Landlord, at its own cost and expense, will reasonably cooperate with Tenant and any of its Space Tenants, concessionaires or other users of the Leased Premises in their efforts to obtain a variance and/or exemption from any Governmental Authority necessary to obtain any such permit or license for the sale of alcoholic beverages.

Section 24.19 Olympic Games and Pan-American Games. In order to assist Landlord in attracting the Olympic Games and/or the Pan-American Games to the City and the County, Tenant agrees that, upon the request of Landlord, Tenant will use reasonable efforts to accommodate the use of the Arena for Olympic Games and/or Pan-American Games (if awarded to Houston, Harris County, Texas) and to negotiate in good faith with Landlord and other

Persons to agree upon the terms and conditions of Use Agreements under which Tenant will permit use of the Arena for events held as part of the Olympic Games and/or Pan-American Games. The Parties will work together in good faith with respect to scheduling matters related to the Olympic Games and/or Pan-American Games, including, without limitation, working with the NBA and WNBA (and, if applicable, the NHL) on the scheduling of Home Games so as to accommodate the use of the Arena for the Olympic Games and/or Pan-American Games. The monetary terms of any such Use Agreement shall provide for a reasonable compensation to Tenant for the use of the Arena on terms to be negotiated at the appropriate time; provided, however, that to the extent such compensation pertains to the Loan Period, and at the time such compensation is to be paid to Tenant, a Tenant Default exists under Sections 16.1(a) or (b) that remains uncured beyond applicable notice and cure periods, then such payment shall be made to the Arena Fund Custodian for disbursement in accordance with the Arena Debt Instruments. Except as set forth above, the City shall receive the benefit of all revenue generated at the Arena as a direct result of such Olympic Games and/or Pan-American Games. Should the Arena require physical modifications in order to accommodate the Olympic Games and/or the Pan-American Games, the Sports Authority and/or the City shall be responsible for funding the costs associated with such modifications and the costs associated with returning the Arena to its original condition on an expedited basis. Construction of such modifications and returning the Arena to its original condition shall be performed on an expedited basis so as to minimize disruption to Arena activities and mitigate any adverse impact with respect to the rights of the Tenant hereunder. All Arena agreements (including without limitation exclusive arrangements) with vendors, suppliers, sponsors, concessionaires and advertisers shall remain in effect for all Olympic Games and Pan-American Games events; provided, however, that with respect to the Olympic Games the Parties will use reasonable efforts to address matters as raised by the Olympic Committee (*i.e.*, Arena bowl signage); and provided further, however, that all such agreements shall contain the customary protections to accommodate the Olympic Games.

Section 24.20 Non-Compete. As a substantial component of the consideration to Tenant for entering into this Agreement and the other Project Documents, the Sports Authority hereby covenants, represents and agrees that it has not, and during the period commencing on the Effective Date and continuing until the date that is ten (10) years following the Commencement Date it shall not, directly or indirectly, finance, subsidize, provide any incentives for or otherwise assist any venue within a ten (10)-mile radius of the Arena, including the Compaq Center (except as specifically provided in Section 24.21), which could compete with the Arena for events of a type appropriate for the Arena and generally targeted at audiences in excess of 5,000 persons, except for the uses of the George R. Brown Convention Center (and any expansions thereof), the baseball venue in the City currently known as Enron Field, the Astrodomain Complex (including the new NFL Football/Rodeo Stadium), and school and university facilities, and except for the uses of other facilities while (and only to the extent) such other facilities actually are being used during the Olympic Games or the Pan-American Games or similar events, which the Parties agree are not and will not be considered to be in competition with the Arena; provided, however, that expenditures for normal operating expenses, maintenance and upkeep of the Compaq Center shall be permitted. In addition, following the later of the Commencement Date and the expiration of the existing lease of the Compaq Center by the City to Arena Operating Company (which the Sports Authority shall use reasonable efforts to cause the City not to permit to be extended), the Sports Authority will not use the Compaq Center for events which could be in competition with the Arena; provided, however, that (a) the Compaq Center may be used for

religious services and religious activities by religious organizations, K-12 athletic functions, the Olympic Games, the Pan-American Games and for non-revenue generating public or civic ceremonies and forums and (b) the Aeros may, with the City's consent, be permitted to play their International Hockey League games at the Compaq Center if they are not accommodated at the Arena. In the event of any violation of this Section 24.20, Tenant shall have the right to pursue all of the remedies described in Article 16, including without limitation the right to seek declaratory or injunctive relief as described in Section 16.7.

Section 24.21 Use of Compaq Center. The Rockets will continue to play their home games in the Compaq Center through the end of the 2002-2003 NBA Season (including playoffs). The Sports Authority releases and shall cause the City to release (and the Sports Authority shall, and shall cause the City to, use their respective best efforts to obtain from necessary third parties a release of) Tenant from any obligation to play its home games at the Compaq Center after the end of the 2002/2003 NBA Season (including playoffs) (the "Release"). For purposes of this Section 24.21, the term "best efforts" with respect only to the City shall not include the requirement to file suit, expend money or take any action which could be construed as tortious interference with a contract. The Parties acknowledge that the Interlocal Agreements allow Tenant and the Franchises to continue to play their Home Games in the Compaq Center following the expiration or termination of Tenant's current lease at the Compaq Center subject to the terms of the Interlocal Agreements. During the term of the Interim Compaq Center Lease, Landlord shall use reasonable efforts to cause, and shall use reasonable efforts to assist Tenant in causing, the City to provide the same facilities and services to Tenant as are currently provided to Tenant in connection with the current lease at the Compaq Center, including without limitation chilled water service and parking. The provisions of this Section 24.21 shall survive any termination of the Project Documents.

Section 24.22 Cooperation With City. Tenant agrees to cooperate with the City and the Sports Authority in attracting to the Arena, on commercially reasonable terms comparable to those offered at Comparable Facilities and in keeping with Tenant's operating policies for the Arena, events such as political conventions that cannot be accommodated exclusively at the George R. Brown Convention Center, concerts, ice shows, the circus, National Collegiate Athletic Association (NCAA) sporting events and other events which historically have been held at the Compaq Center. Notwithstanding the foregoing or any other provision of this Agreement, neither the City nor the Sports Authority shall be entitled to receive any of the revenue from any such events, all such revenue to belong to Tenant or an Affiliate of Tenant, as the case may be, unless Tenant and the Sports Authority or the City, as applicable, otherwise agree in writing, which agreement Tenant may withhold in its sole discretion.

Section 24.23 Antidiscrimination Clause. In accordance with applicable Governmental Rules, Landlord and Tenant shall not discriminate on the basis of race, sex, religion, national or ethnic origin, age or disability.

Section 24.24 Landlord's Operating Reserve. Landlord shall create on the Effective Date, and maintain throughout the Term of this Agreement, an operating reserve with sufficient funds to fulfill its obligations under this Agreement and under the other Project Documents, taking into account Tenant's obligation to pay the Semi-Annual Installment under this Agreement.

Section 24.25 Houston Comets. To the extent permitted by WNBA Rules and Regulations, Tenant shall cause the WNBA Team to play substantially all of its Home Games through the end of the 2007 WNBA Season at the Arena.

Section 24.26 Lender Reporting Requirements. During the Loan Period, so long as Lender complies with the confidentiality procedures set forth in Exhibit H to the Agreement, Tenant shall provide Lender the financial information set forth in Exhibit H to the Agreement and, if reasonably requested by Lender, such other financial information customarily provided by tenants under similar circumstances.

Section 24.27 Bond Insurer Rights and Obligations. During the Loan Period, to the extent the Bond Insurer has any obligation or commitment under any insurance policy covering the Arena Rent Supported Debt or the Sports Authority has any reimbursement obligation to the Bond Insurer with respect thereto, (a) the rights and benefits of and to, and the obligations of, Lender set out in this Agreement shall (so long as the Bond Insurer is not in default under the terms of any bond insurance policy with regard to the Arena Rent Supported Debt or other applicable agreement or instrument) inure to the benefit of, be enforceable by, and be binding on, the Bond Insurer in lieu of Lender, and (b) so long as the Bond Insurer is not in default under the terms of any bond insurance policy with regard to the Arena Rent Supported Debt or other applicable agreement or instrument, the Bond Insurer, in lieu of Lender, shall have the right and obligation to exercise the consent and approval rights of Lender expressly set out in this Agreement.

[Signature Page Follows]

IN WITNESS WHEREOF, this Agreement has been executed by the Parties as of the Effective Date.

HARRIS COUNTY-HOUSTON SPORTS AUTHORITY, a sports and community venue district created under Chapter 335 of the Texas Local Government Code

By: _____
William F. "Billy" Burge, Chairman

ROCKET BALL, LTD.,
a Texas limited partnership

By: LLA Sports, Inc., its general partner

By: _____
Leslie L. Alexander
President

IN WITNESS WHEREOF, this Agreement has been executed by the Parties as of the Effective Date.

HARRIS COUNTY-HOUSTON SPORTS AUTHORITY, a sports and community venue district created under Chapter 335 of the Texas Local Government Code

By: _____
William F. "Billy" Burge, Chairman

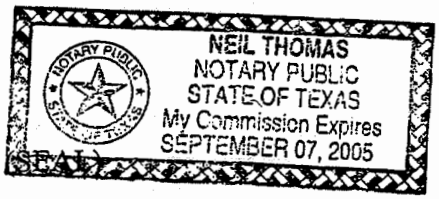
ROCKET BALL, LTD.,
a Texas limited partnership

By: LLA Sports, Inc., its general partner

By: _____
Leslie L. Alexander
President

STATE OF TEXAS §
COUNTY OF HARRIS §

This instrument was acknowledged before me on December 31, 2001, by William F. "Billy" Burge, Chairman of the HARRIS COUNTY - HOUSTON SPORTS AUTHORITY, a sports and community venue district created under Chapter 335 of the Texas Local Government Code, on behalf of said sports community and venue district.



Printed Name: _____

Notary Public in and for the State of Texas
My Commission Expires: _____

STATE OF TEXAS §
COUNTY OF HARRIS §

This instrument was acknowledged before me on _____ __, 2001, by Rocket Ball, Ltd., a Texas limited partnership ("Rocket Ball"), by LLA Sports, Inc., a Delaware corporation, its general partner, by Leslie L. Alexander, President of said corporation, on behalf of said corporation, as general partner of said partnership.

_____
Printed Name: _____

Notary Public in and for the State of Texas
My Commission Expires: _____

(SEAL)

STATE OF TEXAS §
COUNTY OF HARRIS §

This instrument was acknowledged before me on _____ __, 2001, by William F. "Billy" Burge, Chairman of the HARRIS COUNTY - HOUSTON SPORTS AUTHORITY, a sports and community venue district created under Chapter 335 of the Texas Local Government Code, on behalf of said sports community and venue district.

_____
Printed Name: _____

Notary Public in and for the State of Texas
My Commission Expires: _____

(SEAL)

STATE OF FLORIDA §
COUNTY OF PALM BEACH §

This instrument was acknowledged before me on December 31, 2001, by Rocket Ball, Ltd., a Texas limited partnership ("Rocket Ball"), by LLA Sports, Inc., a Delaware corporation, its general partner, by Leslie L. Alexander, President of said corporation, on behalf of said corporation, as general partner of said partnership.

Elizabeth J. Nieto
Printed Name: Elizabeth J. NIETO

(SEAL)

ELIZABETH J. NIETO
Notary Public - State of Florida
My Commission Expires Dec 10, 2003
Commission # CC891759

Notary Public in and for the state of florida
My Commission Expires: 12/10/03

APPENDIX A

GLOSSARY OF DEFINED TERMS

AND RULES AS TO USAGE

Glossary of Defined Terms

"Acceptable Bank" means any U.S. or domestic bank selected by Landlord and reasonably acceptable to Tenant, whose long-term debt securities (or, if such U.S. or domestic bank does not have any publicly traded, long-term debt securities, whose holding company's long-term debt securities) are rated "A" or better by Standard & Poor's Rating Group or "A2" or better by Moody's Investors' Service.

"Actions or Proceedings" means any lawsuit, proceeding, arbitration or other alternative resolution process, Governmental Authority investigation hearing, audit, appeal, administrative proceeding or judicial proceeding.

"Additional Addressees" shall have the meaning given to it in Section 24.7 of the Agreement.

"Adequate Security" means a surety bond or letter of credit in an amount and containing terms reasonably acceptable to Landlord.

"Admissions Tax" means a Tax assessed, levied, charged, confirmed or imposed upon or with respect to, or payable out of or measured by, the proceeds resulting from the sale of tickets or other admissions charges for, or the number of, admissions to live or video broadcast entertainment events, including, without limitation, professional or amateur sports events or exhibitions, concerts or general, family or other targeted audience shows, performances or exhibitions.

"Advertising Rights" shall have the meaning given to it in Exhibit F to the Agreement.

"Advertising Rights License" shall have the meaning given to it in Exhibit F to the Agreement.

"Affiliate" of any Person means any other Person directly or indirectly controlling, directly or indirectly controlled by or under direct or indirect common control with such Person. As used in this definition, the term "control," "controlling" or "controlled by" shall mean the possession, directly or indirectly, of the power either to (i) vote fifty-one percent (51%) or more of the securities or interests having ordinary voting power for the election of directors (or other comparable controlling body) of such Person or (ii) direct or cause the direction of the actions, management or policies of such Person, whether through the ownership of voting securities or interests, by contract or otherwise, excluding in each case, any lender of such Person or any Affiliate of such lender. "Tenant's Affiliates" include, but are not limited to, the NBA Team, the WNBA Team and, if acquired by Tenant or any Affiliate of Tenant, the NHL Team, as applicable. The Parties hereby agree that the City, the County and the Landlord are not

Affiliates of each other. With respect to the City or County, an Affiliate must be an entity created by the City or County, respectively, or an entity created by Landlord in which the City or County, respectively, or Landlord has the power to appoint the board of directors or the legal authority to control the actions of such entity.

"Agreement" means this Arena Lease, Sublease, License and Management Agreement, dated as of the Effective Date, by and between Landlord and Tenant, as it may be amended, supplemented, modified, renewed or extended from time to time.

"All-Star Games" means any professional basketball exhibition game under the auspices of the NBA or the WNBA, any hockey exhibition game under the auspices of the NHL, or any exhibition game under the auspices of any Person that governs a professional sports franchise, in each such case between teams comprised of active players from multiple NBA, WNBA, NHL or other professional sports teams, as applicable, who are selected or designated for participation on the basis of their skills or achievements.

"Annual Payment" shall have the meaning given to it in Section 5.1 of the Agreement.

"Applicable Rate" shall mean the lesser of ten percent (10%) per annum or the highest lawful rate.

"Applicable Rules and Regulations" shall mean any or all of the NBA Rules and Regulations, the WNBA Rules and Regulations and the NHL Rules and Regulations, as applicable.

"Appropriation" means, with respect to any payment obligation or other monetary obligation of the Sports Authority that may from time to time exist or arise under the Agreement during a Fiscal Year, the setting aside by the Board of Directors of the Sports Authority of an adequate amount of funds for the particular use of making or satisfying the payment or other monetary obligation.

"Arbitration Procedures" means the arbitration procedures set forth in Appendix B to the Agreement.

"Arena" means the multipurpose sports and entertainment facility described in Recital B of the Agreement and shall include the Arena Site and the Arena Improvements.

"Arena Bonds" means the Senior Lien Revenue Bonds, Series 2001 G, Junior Lien Revenue Bonds, Series 2001 H and the Taxable Senior Lien Revenue Bonds, Series 2001 I issued by Landlord in the amount of Two Hundred Fifty Five Million Nine Hundred Thirty Eight Thousand Five Hundred Eighty Nine and 45/100 Dollars ($255,938,589.45) and any refunding thereof to the extent there is no increase in debt service; provided, however, to the extent any refunding is for a principal amount in excess of the outstanding principal amount on the Arena Bonds immediately prior to such refunding (the "Outstanding Principal Amount") then, for purposes of this Agreement, (1) the Arena Bonds shall be deemed to have a principal amount equal to the Outstanding Principal Amount, (2) if, pursuant to Section 5.2, Landlord applies the Residual Arena Rent to the payment of the Arena Bonds, such payment shall be deemed to be

applied only to debt service on the Outstanding Principal Amount (the "Deemed Debt Service"), (3) any other payments on the Arena Bonds shall be applied first to the Deemed Debt Service to the extent such payments would have been applied to the Outstanding Principal Amount and (4) the Arena Bonds shall be deemed paid in full when the Deemed Debt Service is reduced to zero.

"Arena Debt Instruments" means those instruments pursuant to which any Arena Rent Supported Debt will be issued or advanced and which sets forth the terms and conditions governing the rights, powers and interests of Lender, which Arena Debt Instruments shall (a) not permit (i) the annual debt service and reserve deposits required with respect to the Arena Rent Supported Debt to exceed Five Million Two Hundred Thousand Dollars ($5,200,000) or (ii) the payments required with respect to the Arena Rent Supported Debt to extend beyond the Scheduled Expiration Date, (b) not permit (i) the Rent to be used for any purposes other than for payment of debt service and reserve deposits with respect to the Arena Rent Supported Debt or deposits to the Capital Fund Account and deposit of the Naming Rights Portion to the City Share Account, (ii) the Capital Fund Deposit to be used for any purpose other than for deposits to the Capital Fund Account and (iii) the Maintenance Fund Deposit to be used for any purpose other than for deposits to the Maintenance Fund Account, (c) not permit any Person to exercise the security interest in the Disbursement Account in favor of Lender upon the occurrence of an event of default, or any event which with the giving of notice or lapse of time would become a default, under the terms of the Arena Rent Supported Debt so long as no Tenant Default exists under Section 16.1.1(a) of the Agreement, (d) not permit the Arena Rent Supported Debt to be cross defaulted with any other debt or obligations and (e) not permit the Lender of the Arena Rent Supported Debt to have a security interest in the Maintenance Fund Account, Capital Fund Account or the Renovation Fund Account.

"Arena Event" means any event conducted at the Arena, including without limitation, professional or amateur sporting events or exhibitions, concerts, general audience, family or other targeted audience shows, performances or exhibitions, civic, charitable or political functions or live broadcasts of any of the foregoing.

"Arena Event Period" means the period commencing two (2) hours before the scheduled commencement of, and ending one and one-half (1½) hours after the end of, an Arena Event.

"Arena Fund Custodian" means the Arena Trustee during the Loan Period and, outside the Loan Period, such Acceptable Bank as shall, from time to time, have custody of the Disbursement Account, Maintenance Fund, the Capital Fund, the Insurance Fund and the Renovation Fund as provided in the Agreement.

"Arena Improvements" has the meaning given to it in Section 2.1(a) of the Agreement, including the Loading Dock, but shall exclude the Enclosed Access or any tunnel or bridge system connecting the Arena to the downtown City tunnel system or the George R. Brown Convention Center, even though all or a portion of the same may be located within the Arena Site.

"Arena License" has the meaning given to it in Exhibit F to the Agreement.

"Arena Name" means the "Houston/Harris County Arena" until such time as Tenant shall have entered into an Arena Naming Rights Agreement, following which it shall mean the name designated in such Arena Naming Rights Agreement and any replacements thereof from time to time.

"Arena Naming Rights Fee" means the annual fee paid to Tenant pursuant to the Arena Naming Rights Agreement attributable to the grant of Arena Naming Rights, exclusive of any associated suite, sponsorship or advertising payments by the Arena Naming Rights purchaser. If the scheduled payments for such fee include an initial lump-sum payment or are other than on a level payment basis, the annual fee shall be deemed to be the aggregate of the scheduled payments for the then current period for which the Arena Naming Rights are conveyed to such purchaser, excluding any renewal periods, divided by the number of years in such then current period, excluding renewal periods.

"Arena Rent Supported Debt" means any debts, bonds or other obligations or securities issued by the Sports Authority in lieu of issuing the SFLP II Note described in the Offering Statement and any refinancing or replacement of the then outstanding principal balance thereof, which indebtedness is secured, in whole or in part, by a pledge of the Disbursement Account in favor of the Lender under the Arena Debt Instruments; provided, however, that (i) the terms of the Arena Rent Supported Debt and the Arena Debt Instruments shall permit Tenant to have a security interest in the Disbursement Account subordinate only to the security interest in favor of Lender and granted under the Arena Debt Instruments, and the security interest granted, if any, in favor of the holders of the Subordinated Obligations, all as more fully described in Section 5.2 of the Agreement and (ii) the principal amount of the Arena Rent Supported Debt shall not exceed Thirty Million Four Hundred Thousand Dollars ($30,400,000) without Tenant's approval, which approval may be withheld in Tenant's sole discretion. The Arena Rent Supported Debt shall not include the Subordinated Obligations other than the SFLP II Note so long as such note is issued to JPMorgan Chase Bank or other institutional investors or banks that make loans or extensions of credit in their ordinary course of business.

"Arena Rights" shall have the meaning given to it in Exhibit F of the Agreement.

"Arena Site" shall have the meaning given to it in Recital C of the Agreement.

"Arena Trustee" means the trustee or agent for the Lender, which must be an Acceptable Bank.

"Assignment and Assumption Agreement" has the meaning given to it in Section 15.3 of the Agreement.

"Astrodomain Complex" means the domed stadium in Harris County, Texas, known as the Astrodome in Houston, Texas, and all other buildings, structures, improvements and other real property associated therewith, including the NFL Football/Rodeo stadium currently known as Reliant Stadium and situated on the site bounded on the west by Kirby Drive, on the south by the South Loop (IH-610), on the east by Fannin Street, and on the north by the current fence line south of La Concha.

"Bond Insurer" means any municipal bond insurance company (and any successor or substitute thereto) providing a bond insurance policy with regard to the Arena Rent Supported Debt.

"Brick Pavers" shall have the meaning given to it in Section 22.5 of the Agreement.

"Broadcast Rights" shall have the meaning given to it in Exhibit F to the Agreement.

"Broadcast Rights License" shall have the meaning given to it in Exhibit F to the Agreement.

"Builder's All-Risk Policies" shall have the meaning given to it in Subsection 10.1.2 of the Agreement.

"Business Day" shall mean a day of the year that is not a Saturday, Sunday, Legal Holiday or a day on which commercial banks are not required or authorized to close in Houston, Texas.

"Business Hours" means 9:00 a.m. through 5:00 p.m. on Business Days.

"Capital Fund" shall have the meaning given to it in Section 8.1 of the Agreement.

"Capital Fund Account" means a separate depository account maintained by the Arena Fund Custodian under the terms of the Agreement for the purpose of holding, applying, investing and transferring the Capital Fund.

"Capital Fund Deposit" shall have the meaning given to it in Section 5.1 of the Agreement.

"Capital Expense(s)" means all expenses incurred with respect to Capital Work.

"Capital Leases," as applied to any Person, means any lease of any Property by such Person as tenant which would, in accordance with GAAP, be required to be classified and accounted for as a capital lease on the balance sheet of such Person.

"Capital Repairs" means the repair, restoration, refurbishment, replacement, alteration, addition or improvement of any equipment, facility, structure, or other Component of the Leased Premises in a manner that extends the useful life, increases the capacity or improves the efficiency of such item.

"Capital Work" means any work (including all design and consulting services (other than legal fees) labor, supplies, materials, equipment and costs of permits and approvals of Governmental Authorities) reasonably necessary to perform Capital Repairs or improve, alter, add to or replace any equipment, facility, structure or any other Component of the Leased

Premises, if such work (i) is necessitated by Capital Work Causation Events or (ii) otherwise involves the following:

(a) Replacement of carpeting or other flooring (other than carpeting or other flooring used on the floor of the Arena bowl) that becomes Physically Obsolete with carpeting or other flooring of similar quality; provided, however, that Capital Work shall not include such replacement more frequently than once every four (4) years other than for defective workmanship or product;

(b) Replacement of hockey dasher boards or systems that are Physically or Functionally Obsolete;

(c) Replacement of cracked or disintegrated concrete;

(d) Replacement of major broken pipes or all or portions of a leaking roof;

(e) Replacement of seats, whether portable, movable or stationary, that become Physically Obsolete or replacement of seat standards or the concrete into which seats are affixed;

(f) General reapplication of protective materials, such as paint or weatherproofing, other than routine spot or touch-up painting;

(g) Replacement of precast concrete, metals, window components, brick siding or any other skin materials in or on the Arena that, in all cases, is Physically Obsolete;

(h) General sandblasting or chemical cleaning of the exterior of the Arena; provided, however that Capital Work shall not include such work more frequently than once every three (3) years; or

(i) Costs incurred in connection with Tenant's Remedial Work.

Capital Work shall not include (i) any Maintenance, (ii) any Casualty Repair Work (except for Casualty Repair Work otherwise constituting Capital Work to the extent the Insurance Fund is insufficient to complete such Casualty Repair Work for any reason other than as a result of a Tenant Default under this Agreement) or (iii) any Condemnation Repair Work.

"Capital Work Causation Events" mean:

(a) Any material defects in design, construction or installation of the Leased Premises by or on behalf of Landlord;

(b) Physical Obsolescence or Functional Obsolescence;

(c) Requirements imposed prospectively by, to the extent applicable, NBA Rules and Regulations, WNBA Rules and Regulations, NHL Rules and

Regulations or the rules and regulations of any other Person that governs a professional sports franchise playing the majority of its Home Games at the Arena, as applicable to the Leased Premises;

(d) Requirements imposed by applicable Governmental Rules;

(e) Requirements imposed by television networks or stations, radio networks or stations, cable operators, "super stations", video program distributors or syndicators having contracts with the Tenant or the NBA or, to the extent applicable, the WNBA, NHL or any other Person that governs a professional sports franchise playing the majority of its Home Games at the Arena;

(f) Requirements or recommendations by the Board of Fire Underwriters or any insurance carrier insuring any portion of the Leased Premises; or

(g) Requirements of any manufacturer, supplier or installer of any Component, system or equipment stipulated in the operating manuals therefor.

"Capital Work Proposal" shall have the meaning given to it in Subsection 8.4.2 of the Agreement.

"Casualty" shall mean damage, destruction or other property casualty resulting from any cause.

"Casualty Expenses" shall mean all costs and expenses required to be borne by Tenant pursuant to Article 13 of the Agreement.

"Casualty Repair Work" shall have the meaning given to it in Section 13.1 of the Agreement.

"CERCLA" means the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as it may be amended from time to time.

"Charity Uses" shall have the meaning given to it in Section 6.6 of the Agreement.

"Citicorp Loan" means the loan made to Tenant pursuant to that certain Credit Agreement dated June 15, 2001 between Citicorp USA, Inc., as lender and Tenant, as Borrower, as the same may be amended or modified.

"City" shall mean the City of Houston, Texas, a Texas municipal corporation and Home Rule City.

"City Dates" shall have the meaning given to it in Section 6.6 of the Agreement.

"City Default" shall mean a default by the City under the City Suite License Agreement, any City Event Use Agreement, the Ground Lease or the Interlocal Agreements, the failure to provide Municipal Services or the occurrence of the circumstances described in the last paragraph of Section 6.1.

"City Event" shall have the meaning given to it in Subsection 6.6 of the Agreement.

"City Event Use Agreement" shall have the meaning given to it in Section 6.6 of the Agreement.

"City Share Account" shall mean the account into which Tenant shall pay the Naming Rights Portion of each Semi-Annual Installment in accordance with and subject to the limitations set forth in Article 5 of the Agreement.

"City Suite" shall have the meaning given to it in Subsection 6.5.2 of the Agreement.

"City Suite License Agreement" shall have the meaning given to it in Subsection 6.5.2 of the Agreement.

"Commencement Date" shall have the meaning given to it in Section 4.1 of the Agreement.

"Compaq Center" means the arena in Houston, Harris County, Texas, known as the Compaq Center and all other buildings, structures, improvements and other real property leased, let and demised pursuant to Tenant's current lease at Compaq Center.

"Comparable Facilities" means multipurpose sports arenas in which NBA or NHL Teams regularly play their games and that are (i) comparable in size to the Arena, (ii) of similar age (*i.e.*, completed within three (3) years before or after the Substantial Completion Date) to that of the Arena and (iii) located in the United States or Canada in a Metropolitan Statistical Area that is not thirty percent (30%) larger or smaller in population than the Houston, Texas, Metropolitan Statistical Area.

"Component" shall mean any item of real or tangible personal property that is incorporated into the Arena or integral to the operation or maintenance of the Arena and located in, on or under the Arena Site in accordance with the standards contemplated by the Agreement, including, but not limited to, all structural members, all mechanical, electrical, plumbing, heating, ventilating, air conditioning, telecommunication, broadcast, video, sound and other equipment (including principal components of each such item of equipment), seats, food and beverage preparation, dispensing or serving equipment, electronic parts, Signage, video replay and display equipment, sound systems and speakers, computers and computer control equipment and all other Arena furniture, including but not limited to FF&E.

"Condemnation Action" shall mean a taking by any Governmental Authority (or other Person with power of eminent domain) by exercise of any right of eminent domain or by

appropriation and an acquisition by any Governmental Authority (or other Person with power of eminent domain) through a private purchase in lieu thereof.

"Condemnation Award" shall mean all sums, amounts or other compensation for the Leased Premises payable to Landlord or Tenant as a result of or in connection with any Condemnation Action.

"Condemnation Expenses" shall have the meaning given to it in Subsection 14.2.2 of the Agreement.

"Condemnation Repair Work" shall have the meaning given to it in Subsection 14.2.2 of the Agreement.

"Construction Agreements" has the meaning given to it in Appendix A to the Project Agreement.

"Controlling Person" of any Person means any individual that directly or indirectly controls such Person. As used in this definition, the term "control" shall mean the possession, directly or indirectly, of the power either to (i) vote fifty percent (50%) or more of the securities or interests having ordinary voting power for the election of directors (or other comparable controlling body) of such Person or (ii) direct or cause the direction of management or policies of such Person, whether through the ownership of voting securities or interests, by contract or otherwise, excluding in each case, any lender of such Person or any Affiliate of such lender.

"Controlling Person Requirements" shall have the meaning given to it in Section 15.2 of the Agreement. For purposes of computing the seven (7) year period referred to in the Controlling Person Requirements, (i) the period applicable to a final conviction, order, judgment or decree shall begin with its date of entry, (ii) the period applicable to a preliminary order shall commence when the rights of appeal from such order have lapsed, (iii) any conviction, order, judgment or decree that is under appeal shall be included unless it has been reversed, suspended, vacated, annulled or otherwise rendered of no effect, (iv) with respect to bankruptcy and insolvency proceedings, the computation date shall be the date of filing for uncontested petitions or the date upon which approval of a contested petition shall become final and nonappealable and (v) in the case of receiverships and conservatorships, the computation date shall be the date the receiver or conservator was appointed.

"Convention Department" shall have the meaning given to it in Subsection 6.5.2 of the Agreement.

"Copyrights" means all of the copyrights associated with or necessary for the full use and enjoyment of the Intangible Property Rights pursuant to the Agreement, including but not limited to all copyrights relating to the Arena Rights, Naming Rights, Advertising Rights, Broadcasting Rights and Telecommunications Rights.

"County" means Harris County, Texas, a body corporate and politic under the laws of the State of Texas.

"CPI Fraction" means, as of any particular date called for under the Agreement, a fraction, the denominator of which is the index value of the Designated Index for the calendar month in which the Commencement Date occurs and the numerator of which is the index value of the Designated Index for the calendar month that is two (2) full calendar months prior to the calendar month in which such date specified under the Agreement occurs. If the CPI Fraction cannot be determined at any particular time because the index value of the Designated Index for the specified month (or the index period during which such month occurs, if the index period is longer than one (1) month) is not then known, the CPI Fraction shall be determined using the then most recently reported index value of the Designated Index and, when the index value of the Designated Index for the specified month is known, the CPI Fraction and any calculation based thereon shall be redetermined using the index value of the Designated Index for the specified month (or the index period during which such month occurs, if the index period is longer than one (1) month).

"Creditworthy Person" shall mean (i) any Person whose unsecured indebtedness is rated BBB- (or its equivalent) or higher by S&P or Baa3 (or its equivalent) or higher by Moody's or any Person without current unsecured rated indebtedness that would be able to secure such a rating and (ii) such Person, or any Person who is a Controlling Person of such Person, meets the Controlling Person Requirements.

"Debt" means for any Person without duplication:

(a) indebtedness of such Person for borrowed money;

(b) obligations of such Person evidenced by bonds, debentures, notes or other similar instruments;

(c) obligations of such Person to pay the deferred purchase price of Property or services (other than accounts payable in the ordinary course of business);

(d) obligations of such Person as tenant under Capital Leases;

(e) obligations of such Person under direct or indirect guaranties in respect of, and obligations (contingent or otherwise) of such Person to purchase or otherwise acquire, or otherwise to assure a creditor against loss in respect of, indebtedness or obligations of another Person of the kinds referred to in clauses (a) through (d) above; and

(f) indebtedness or obligations of others of the kinds referred to in clauses (a) through (e) secured by any Lien on or in respect of any Property of that Person.

"Debt to Equity Ratio" means, for any Person on any date of its determination, the ratio of (a) such Person's consolidated total liabilities on such date determined in accordance with GAAP after giving effect to the Transfer to such Person to (b) such Person's Net Worth on such date. Notwithstanding the foregoing, for purposes of determining the Debt to Equity Ratio of any Person, such Person's consolidated total liabilities shall be reduced by an amount equal to

the outstanding principal balance of all unsecured loans to such Person by the individual, if any, owning all of the record and beneficial equity interests of such Person.

"Default Rate" means the lesser of (a) one and one-half percent (1 1/2%) per month or (b) the maximum rate of interest permitted to be charged by applicable law.

"Demolition" means to raze the improvements that are part of the Leased Premises (or relevant portion of such improvements), remove any rubble or debris resulting therefrom and cause the Arena Site to be returned to a safe condition (and "Demolish" and "Demolished" shall have correlative meaning).

"Designated Index" means the United States Consumer Price Index for all Urban Consumers (also known as the CPI-U) for the Houston Metropolitan Statistical Area (1982-1984=100), as published monthly (or if the same shall no longer be published monthly, on the most frequent basis available) by the Bureau of Labor Statistics, U.S. Department of Labor (but if such is subject to adjustment later, then the later adjusted index, together with any correlation factor necessary to relate the later adjusted index to the earlier index, as published by the entity publishing the index, shall be used), or if such publication is discontinued, the Designated Index shall then refer to comparable statistics on changes in the cost of living for urban consumers as the same may be computed and published (on the most frequent basis available) by an agency of the United States or by a responsible financial periodical of recognized authority, which agency or periodical shall be selected jointly by Landlord and Tenant.

"Disbursement Account" shall have the meaning given to it in Section 5.2 of the Agreement.

"Dispute or Controversy" shall have the meaning given to it in Section 18.1 of the Agreement.

"DTPA" shall have the meaning given to it in Section 16.12 of the Agreement.

"Effective Date" shall have the meaning given to it in the first paragraph of the Agreement.

"Emergency" means any circumstance in which Tenant or Landlord in good faith believes that immediate action is required in order to safeguard lives, property or the environment.

"Enclosed Access" means the structures and access ways that provide enclosed access to the Arena at regular and premium seating entrances, including a sky bridge, tunnel connections and other enclosed access to be constructed between the Arena and Parking Garage, as more fully described in the Project Agreement, and for purposes of the Project Documents shall constitute a portion of the Parking Garage.

"Encumbrances" means any defects in, easements, covenants, conditions or restrictions affecting, or liens or other encumbrances on, the title to the Leased Premises, whether evidenced by written instrument or otherwise evidenced.

"Environmental Condition" shall mean any Environmental Event that occurs, and any Recognized Environmental Condition that exists, prior to the time Landlord delivers exclusive possession of the Leased Premises to Tenant, but excluding any Environmental Event or Recognized Environmental Condition that is caused by Tenant's, or any of its agents' or contractors', use or operation of the Leased Premises prior to the time Landlord delivers exclusive possession of the Leased Premises to Tenant.

"Environmental Event" means (i) the spill, discharge, leakage, pumpage, drainage, pourage, interment, emission, emptying, injecting, escaping, dumping, disposing, migration or other release of any kind of Hazardous Materials that causes a threat or actual injury to human health, the environment, plant or animal life, (ii) the occurrence of any Actions or Proceedings pursuant to any Environmental Laws arising out of any of the foregoing and (iii) any claims, demands, actions, causes of actions, remedial and/or abatement response, remedial investigations, feasibility studies, environmental studies, damages, judgments or settlements arising out of any of the foregoing.

"Environmental Laws" means any and all federal, state and local statutes, laws (including common law tort law, common law nuisance law and common law in general), regulations, ordinances, rules, judgments, orders, decrees, permits, concessions, grants, franchises, licenses, agreements or other governmental restrictions relating to the environment, or to the handling, storage, emissions, discharges, releases or threatened emissions, discharges or releases of Hazardous Materials into the environment, including ambient air, surface water, ground water or land, or otherwise relating to the manufacture, processing, distribution, use, treatment or disposal of any Hazardous Materials, including, but not limited to, the Clean Air Act, the Clean Water Act, the Safe Drinking Water Act, the Federal Solid Waste Disposal Act (including, but not limited to, the Resource Conservation and Recovery Act of 1976), CERCLA, the Toxic Substances Control Act, the Hazardous Materials Transportation Act, the Federal Insecticide, Fungicide and Rodenticide Act and the Emergency Planning and Community Right-to-Know Act and any other federal, state or local laws, ordinances, rules, regulations and publications and similar restrictions now or hereafter existing relating to any of the foregoing.

"Equipment Leases" means such leases as Landlord may enter into before the Commencement Date pursuant to the terms of the Project Agreement.

"Event of Default" shall have the meaning given to it in Subsection 16.1.1 and Subsection 16.1.2 of the Agreement.

"Excess/Umbrella Policy" shall mean Tenant's Excess/Umbrella Policy and Landlord's Excess/Umbrella Policy.

"Exclusive Area" means the world.

"Excusable Landlord Delay" means any Landlord Delay that is caused by or attributable to (but only to the extent of) (i) Force Majeure, (ii) failure of Tenant to perform (or delay by Tenant in performing) any of its material obligations under the Agreement within the time or by the date established by or pursuant to the Agreement for performance thereof other than on account of Landlord Delay, (iii) negligence or willful misconduct by Tenant, (iv) any

direct or indirect action or omission by or attributable to Tenant (including, but not limited to, acts or omissions of any Person employed by Tenant or any agent, contractor or subcontractor of Tenant) that unreasonably interferes with or delays Landlord's performance of its obligations under the Agreement or (v) any unreasonable delay by Tenant in approving or consenting to any matter that requires the approval or consent of Tenant under the Agreement. Notwithstanding the foregoing, Excusable Landlord Delay shall not include economic hardship or inability to pay debts or other monetary obligations in a timely manner.

"Excusable Landlord Delay Period" means, with respect to any particular occurrence of an Excusable Landlord Delay, that number of days of delay in the performance by Landlord of its obligations under the Agreement actually resulting from such occurrence of the Excusable Landlord Delay.

"Excusable Tenant Delay" means any Tenant Delay that is caused by or attributable to (but only to the extent of) (i) Force Majeure, (ii) failure by Landlord to perform (or delay by Landlord in performing) any of its material obligations under the Agreement within the time or by the date established by or pursuant to the Agreement for performance thereof, other than on account of Tenant Delay, (iii) negligence or willful misconduct by Landlord, (iv) any direct or indirect action or omission by or attributable to Landlord (including, but not limited to acts or omissions of any Person employed by Landlord or of any agent, contractor or subcontractor of Landlord) that unreasonably interferes with or delays Tenant's performance of its obligations under the Agreement or (v) any unreasonable delay by Landlord in approving or consenting to any matter that requires the approval or consent of Landlord under the Agreement. Notwithstanding the foregoing, Excusable Tenant Delay shall not include economic hardship or inability to pay debts or other monetary obligations in a timely manner.

"Excusable Tenant Delay Period" means, with respect to any particular occurrence of an Excusable Tenant Delay, that number of days of delay in the performance by Tenant of its obligations hereunder actually resulting from such occurrence of Excusable Tenant Delay.

"Expiration Date" shall have the meaning given to it in Section 4.1 of the Agreement.

"FF&E" shall have the meaning given to it in Section 2.1(b) of the Agreement.

"Final Notice" shall have the meaning given to it in Section 16.4 of the Agreement.

"Financial Tests" shall have the meaning given to it in Section 15.3 of the Agreement.

"Fiscal Year" means the twelve (12) month period from time to time established by the Landlord as its fiscal year, which is currently the twelve (12) month period from January 1 through December 31 of each calendar year.

"Floor" shall mean the area(s) within the Arena designed for the playing or conducting of basketball games, indoor football games, ice hockey games or other events, as applicable.

"Force Majeure" means the occurrence of any of the following, for the period of time, if any, that the performance of a Party's material obligations under the Agreement is actually, materially and reasonably delayed or prevented thereby: acts of God, lock-outs (other than NBA lock-outs), acts of the public enemy, the confiscation or seizure by any government or public authority (excluding, with respect to obligations of the Landlord, those of the Sports Authority, the City or the County), insurrections, wars or war-like action (whether actual and pending or expected), arrests or other restraints of government (civil or military), blockades, embargoes, strikes, labor unrest or disputes (excluding lock-outs), unavailability of labor or materials (excluding lock-outs), epidemics, landslides, lightning, earthquakes, fires, hurricanes, storms, floods, wash-outs, explosions, any delays occasioned by arbitration actions and proceedings under the Arbitration Procedures specified in the Agreement, civil disturbance or disobedience, riot, sabotage, terrorism, threats of sabotage or terrorism or any other cause, whether of the kind herein enumerated or otherwise, that is not within the reasonable control of the Party claiming the right to delay performance on account of such occurrence and that, in any event, is not a result of the intentional act, gross negligence or willful misconduct of the Party claiming the right to delay performance on account of such occurrence. As to Landlord, actions of the Sports Authority shall not be considered actions of a Governmental Authority for purposes of Force Majeure. Notwithstanding the foregoing, "Force Majeure" shall not include economic hardship or inability to pay debts or other monetary obligations in a timely manner.

"Franchises" shall mean the NBA Franchise and any other franchise for a professional sports team in Houston, Texas, owned or operated by Tenant or any Affiliate of Tenant.

"Functional Obsolescence" and "Functionally Obsolete" means any equipment, fixture, furnishing, facility, surface, structure or any other Component of the Leased Premises that is not dysfunctional (and thus not Physically Obsolete), but is no longer reasonably optimal for its intended purposes, by reason of (i) material innovations, inventions or improvements in the design, manufacture, operation or production of comparable equipment, systems or facilities that render more efficient, more satisfactory or more technologically advanced service or (ii) business patterns or practices (such as methods for selling tickets or admitting patrons to the Arena) that require the modification or addition of equipment or facilities.

"GAAP" shall mean generally accepted accounting principles applied on a consistent basis, as set forth in Opinions of the Accounting Principles Board of the American Institute of Certified Public Accountants and/or in statements of the Financial Accounting Standards Board and/or their respective successors, and that are applicable in the circumstances as of the date in question. Accounting principles are applied on a "consistent basis" when the accounting principles observed in a current period are comparable in all material respects to those accounting principles applied in a preceding period.

"GL Policy" shall mean Tenant's GL Policy and Landlord's GL Policy.

"Governmental Authority" means any federal, state, local or foreign governmental entity, authority or agency, court, tribunal, regulatory commission or other body, whether legislative, judicial or executive, or any quasi-governmental authority, agency or entity (or a combination or permutation thereof), and any arbitrator to whom a dispute has been presented under Governmental Rule, pursuant to the terms of the Agreement or by separate agreement of the Parties with an interest in such Dispute, including any arbitrator deciding a Dispute submitted for arbitration pursuant to the provisions of the Agreement or any of the other Project Documents. For purposes of the use of this term, the Sports Authority, in its capacity as Landlord, shall not be considered a Governmental Authority, but in the exercise of its taxing or other governmental or quasi-governmental powers and authority, the Sports Authority shall be considered a Governmental Authority.

"Governmental Rule" means (a) any statute, law, treaty, rule, code, ordinance or regulation applicable to Persons, facilities or activities within the jurisdiction of the Governmental Authority promulgating the same, (b) any permit, interpretation, certificate or order of any Governmental Authority pursuant to the foregoing or (c) any judgment, decision, decree, injunction, writ, order or like action of any court, arbitrator or other Governmental Authority with respect to any of the foregoing, or (d) for purposes of the definition of Untenantable Condition, any requirement or recommendation by the Board of Fire Underwriters or other similar independent advisory organization addressing issues of risk to the health and safety of patrons, performers, employees or other individuals.

"Ground Lease" shall have the meaning given to it in Recital D of the Agreement.

"Hazardous Materials" means (i) any substance, emission or material including, but not limited to, asbestos, now or hereafter defined as, listed as or specified in a Governmental Rule as a "regulated substance," "hazardous substance," "toxic substance," "pesticide," "hazardous waste," "hazardous material" or any similar or like classification or categorization under any Environmental Law including by reason of ignitability, corrosivity, reactivity, carcinogenicity or reproductive or other toxicity of any kind, (ii) any products or substances containing petroleum, asbestos or polychlorinated biphenyls or (iii) any substance, emission or material determined to be hazardous or harmful.

"Home Games" shall mean any NBA Game, NHL Event or game of any of the other Franchises (including the WNBA Franchise) in which Tenant or one of Tenant's Affiliates acts as the host team for its opponent, but excluding any pre-season games played outside the boundaries of the Sports Authority.

"Impositions" means all real estate taxes, all personal property taxes and all possessory interest taxes, all taxes on receipts in lieu of, or in addition to, property taxes, all use and occupancy taxes, all excises, assessments and levies, general and special, ordinary and extraordinary, foreseen and unforeseen (including, without limitation, assessments for public improvements and betterment, and any mass transit, park, child care and art contributions, assessments or fees), that are, with respect to the Agreement or the Leased Premises, assessed, levied, charged, confirmed or imposed upon or with respect to or become payable out of or become a lien on the Leasehold Estate, the Arena Site or the Leased Premises, or the appurtenances thereto, or for any use or occupation of the Arena Site or the Leased Premises, or

such franchises, licenses and permits as may be appurtenant or related to the use of the Arena Site or the Leased Premises, this transaction or any documents to which Landlord is a party.

"Improvements" shall have the meaning given to it in Section 13.1 of the Agreement.

"Indemnified Party" shall have the meaning given to it in Subsection 10.7.6 of the Agreement.

"Indemnifying Party" shall have the meaning given to it in Subsection 10.7.6 of the Agreement.

"Infrastructure Work" shall have the meaning given to it in the Project Agreement.

"Insurance Account" means a separate depository account maintained by the Arena Fund Custodian at an Acceptable Bank under the terms of the Agreement for the purpose of holding, applying, investing and transferring the Insurance Fund.

"Insurance Fund" shall have the meaning given to in Section 10.6 of the Agreement.

"Insurance Plan Additional Requirements" means, in addition to the insurance and policies set forth in Article 10, the insurance policy and coverage requirements set forth in Appendix C to the Agreement.

"Insurance Proceeds" shall have the meaning given to it in Subsection 13.2.1 of the Agreement.

"Insured Casualty Risks" means physical loss or damage from fire, acts of God, flooding, earth movement (including, but not limited to, earthquake, landslide, subsidence and volcanic eruption), collapse, water damage, leakage from fire protection equipment or sprinkler systems, explosion (except steam boiler explosion), smoke, aircraft (including objects falling therefrom), motor vehicles, riot, riot attending a strike, civil commotion, sabotage, terrorism, vandalism, malicious mischief, theft, civil or military authority and all other casualties or perils of any kind (including resultant loss or damage arising from faulty materials, workmanship or design) except to the extent insurance against such casualties or perils is from time to time not available on commercially reasonable terms in Houston, Texas.

"Insured Materials and Equipment" means all materials intended for incorporation into the Leased Premises, whether stored on-site or off-site.

"Intangible Property Rights" shall have the meaning given to it in Section 2.1(c) of the Agreement.

"Intellectual Property Rights" shall have the meaning given to it in Exhibit F to the Agreement.

"Interim Compaq Center Lease" shall have the meaning given to it in the Interlocal Agreements.

"Interlocal Agreements" shall mean the Interlocal Arena Development Agreement between the City and the Sports Authority dated as of September 13, 2000, which is referenced in the Letter Agreement, and the Interlocal Arena Development Agreement between the City and the Sports Authority dated December 20, 2000, as the same may be amended, supplemented or modified from time to time by the City and Sports Authority, but only to the extent the provisions therein have been (or, with respect to amendments, supplements or modifications, may be) expressly consented to by Tenant in writing.

"Landlord" means the Landlord named in the first paragraph of the Agreement and, after notice to Tenant in accordance with (and the obtaining from Tenant of any consent required under) Section 15.6 hereof of any Landlord Transfer of record of Landlord's leasehold estate in the Arena Site or title to the Arena Improvements to a Landlord Transferee and such Landlord Transferee's assumption of the obligations of Landlord under the Agreement in accordance with Section 15.6, the Landlord Transferee.

"Landlord Approval" shall have the meaning given to it in Section 8.4.1 of the Agreement.

"Landlord Capital Expense" means the following costs of Landlord Capital Work:

(a) fifty percent (50%) of the cost in excess of net Insurance Proceeds made available to Tenant of Capital Work described in paragraph (a) of the definition of Landlord Capital Work;

(b) the cost of all Capital Work described in paragraphs (b), (d), (e) or (f) of the definition of Landlord Capital Work; and

(c) with respect to Landlord Capital Work described in paragraph (c) of the definition of Landlord Capital Work:

(A) a portion of the cost of such Capital Work that is proportionate to the portion of the useful life of such Capital Work that exceeds the remaining period during the Term; provided, however, if Landlord pays for such portion of the cost of such Capital Work and Tenant occupies the Arena under a new lease with Landlord or the City, Tenant shall reimburse Landlord for such portion of such Capital Work to the extent of the useful life of such Capital Work during the term of such new lease; plus

(B) if the Capital Work is also described in paragraph (a) of the definition of Landlord Capital Work, the product of fifty percent (50%) of the cost of such Capital Work in excess of net Insurance Proceeds made available to Tenant and the proportion of the useful life of such Capital Work that precedes the last day of the Term compared to the useful life of such Capital Work; provided,

however, if Landlord pays for such portion of the cost of such Capital Work and Tenant occupies the Arena under a new lease with Landlord or the City, Tenant shall reimburse Landlord for such portion of such Capital Work to the extent of the useful life of such Capital Work during the term of such new lease.

For purposes of this paragraph (c), it shall be assumed that there will be no early termination of the Term.

"Landlord Capital Work" means Capital Work:

(a) the cost of which exceeds available net Insurance Proceeds made available to Tenant by at least Ten Million Dollars ($10,000,000);

(b) that is required as a result of changes in any Governmental Rule or interpretation thereof, in either case by the City or County, any subdivision of either or any other Governmental Authority created or controlled by either or both of them;

(c) that will have a useful life in excess of the remaining Term, assuming no early termination of the Term;

(d) that is undertaken in connection with any restoration following a Condemnation Action;

(e) that is associated with the build-out or repair, replacement, improvement or renovation of the NHL Special Improvements or the Enclosed Access;

(f) the costs of which are incurred in connection with Landlord's Remedial Work; and

"Landlord Default" shall have the meaning given to it in Subsection 16.1.2 of the Agreement.

"Landlord Delay" means any delay by Landlord in achieving any deadlines for performance of obligations under the Agreement.

"Landlord Representative" shall have the meaning given to it in Section 1.2 of the Agreement.

"Landlord Transfer" shall have the meaning given to in Section 15.6 of the Agreement.

"Landlord Transferee" shall have the meaning given to it in Section 15.6 of the Agreement.

"Landlord's Condemnation Award" shall have the meaning given to it in Section 14.3 of the Agreement.

"Landlord's Excess/Umbrella Policy" shall have the meaning given to it in Subsection 10.1.4 of the Agreement.

"Landlord's GL Policy" shall have the meaning given to it in Subsection 10.1.4 of the Agreement.

"Landlord's Property Insurance Policy" shall have the meaning given to it in Subsection 10.1.4 of the Agreement.

"Landlord's Remedial Work" shall have the meaning given to it in Section 7.5 of the Agreement.

"Landlord's Workers' Compensation Policy" shall have the meaning given to it in Subsection 10.1.4 of the Agreement.

"Lease Year" means each twelve (12) month period commencing on August 1 in any calendar year and ending on the last day of the next succeeding July; provided, however, that (i) if the Commencement Date is subsequent to August 1 of a calendar year, there shall be a partial first Lease Year from the Commencement Date through the last day of the next succeeding July and (ii) if the Lease by its terms or otherwise terminates earlier than on the last day in July during a calendar year, there shall be a partial last year ending on the date of such termination and commencing on the first day of August immediately preceding such termination.

"Leased Premises" shall have the meaning given to it in Section 2.1 of the Agreement. Any reference to the "Leased Premises" shall include any part or portion thereof unless the context otherwise requires.

"Leasehold Estate" means the leasehold estate in the Leased Premises granted to Tenant under the Agreement and all other rights, titles and interests granted and licensed to Tenant under the Agreement.

"Legal Holiday" means any day, other than a Saturday or Sunday, on which the City's or County's administrative offices are closed for business.

"Lender" means any owner or holder of the Arena Rent Supported Debt.

"Letter Agreement" shall mean the letter agreement between the City, Landlord and Tenant dated August 3, 2000, as modified by Sections referenced in the NBA Team consent to the September 13, 2000 Interlocal Agreement as Sections 3(a)(i), 3(a)(iii), 3(a)(v), the last three (3) sentences of Section 3(b)(i), 3(b)(ii) and 8 of such Interlocal Agreement, as the same may be amended, supplemented or modified from time to time in a writing signed or consented to by Landlord and Tenant.

"Lien" means, with respect to any Property, any mortgage, lien, pledge, charge or security interest, and with respect to the Leased Premises, the term Lien shall also include any lien for taxes or assessments, builder, mechanic, warehouseman, materialman, contractor, workman, repairman or carrier lien or other similar liens, including, but not limited to, Mechanic's Liens and claims.

"Loading Dock" means a below-grade loading dock facility connected to and serving the Arena at the event floor level (but not including any tunnel or ramp to access same to the extent located on or under the Parking Site).

"Loan Period" means, with respect to the Arena Rent Supported Debt, the period of time during which (i) the Lender has any obligation or commitment under the Arena Debt Instruments, or (ii) the Sports Authority has any payment obligation to the Lender under the Arena Debt Instruments.

"Maintain" and "Maintenance" means all work (including all labor, supplies, materials and equipment) which is of a routine nature and is not defined in this Agreement as constituting "Capital Work" and is reasonably necessary for the cleaning and routine care of and preventative maintenance and repair for any property, structures, surfaces, facilities, fixtures (including, but not limited to, media plug-ins and cable and all wiring attendant thereto), equipment, furnishings, improvements and Components that form any part of the Leased Premises (including, but not limited to, machinery, pipes, plumbing, wiring, gas and electric fittings, elevators, escalators, showers, toilets and restroom facilities, first aid facilities, spectator and other seating and access to the Leased Premises (other than the Enclosed Access)) in a manner reasonably consistent with the standards at other Comparable Facilities. Maintenance shall include, but not be limited to, the following (to the extent the same do not constitute "Capital Work" as defined in this Agreement): (i) preventative or routine maintenance (exclusive of replacements or major repairs) that is stipulated in the operating manuals for the Components; (ii) periodic testing of building systems, such as mechanical, card-key security, fire alarm, lighting, and sound systems; (iii) ongoing trash removal; (iv) regular maintenance procedures for heating, ventilating and air-conditioning, plumbing, electrical, roof and structural systems and vertical lift systems (*e.g.*, escalators and elevators), such as periodic cleaning of the Leased Premises, lubrication, and changing air filters and lights; (v) spot or touchup painting of a routine nature; (vi) cleaning prior to, during and following, and necessary as a direct result of, all Arena Events; and (vii) routine changing of light bulbs, ballasts, fuses and circuit breakers, as they fail in normal use.

"Maintenance and Warranty Contracts" means the Construction Agreements and all subcontracts for the supply of equipment, materials, supplies or systems for the Arena or any component or portion thereof, including, without limitation, the FF&E.

"Maintenance Expense" means all costs and expenses, including without limitation, employee compensation and allocable overhead, incurred or related to the performance of Maintenance.

"Maintenance Fund" shall have the meaning given to it in Section 7.2 of the Agreement.

"Maintenance Fund Account" means a separate depository account maintained by the Arena Fund Custodian under the terms of the Agreement for the purpose of holding, applying, investing and transferring the Maintenance Fund.

"Maintenance Fund Deposit" shall have the meaning given to it in Section 5.1 of the Agreement.

"Major League Team" shall mean any team that is a member of the National Football League, NBA, WNBA, Major League Baseball, NHL or any of their successor organizations and any other professional team.

"Management Covenant" shall have the meaning given to it in Section 7.1 of the Agreement.

"Marks" shall mean any and all trademarks, service marks, names, symbols, words, logos, designs, slogans, emblems, mottos and brand or team designations (and any combination thereof) in any tangible medium used or developed in connection with or as necessary for the full use and enjoyment of the Intangible Property Rights pursuant to the Agreement.

"Mechanic's Lien" shall have the meaning given to it in Section 8.5 of the Agreement.

"Memorandum of Agreement" means the short form memorandum of the Agreement in the form attached hereto as Exhibit D containing (among other information) the names of Landlord and Tenant, a description of the Leased Premises and the Term.

"Moody's" means Moody's Investor Services, Inc.

"Municipal Services" means for each Arena Event Period the provision of vehicular and pedestrian traffic direction and control appropriate to secure safe and timely ingress and egress from the Arena and Parking Garage and provision of security outside the Arena and Parking Garage throughout the area where patrons of Arena Events normally park or exit public transportation, to secure patrons and their safety and security when attending Arena Events.

"Naming Rights" shall have the meaning given to it in Exhibit F of the Agreement.

"Naming Rights Agreement" shall have the meaning given to it in Exhibit F to the Agreement.

"Naming Rights License" shall have the meaning given to it in Exhibit F to the Agreement.

"Naming Rights Portion" shall have the meaning given to it in Section 5.2(d) of the Agreement.

"NBA" shall mean The National Basketball Association, a not-for-profit association having its chief executive office currently located at Olympic Tower, 645 Fifth Avenue, New York, New York 10022, and any successor thereto.

"NBA Franchise" shall mean the Franchise for the NBA Team issued by the NBA.

"NBA Game" shall mean any pre-season, regular season, post-season, playoff, all-star or other professional basketball game played under NBA Rules and Regulations in which any NBA Member Team is a participant.

"NBA Member Team" shall mean any member team of the NBA.

"NBA Rules and Regulations" shall mean the following governing documents and agreements, as they may be amended from time to time:

(a) Constitution of the NBA;

(b) NBA By-Laws;

(c) Resolutions of the NBA Board of Governors; and

(d) other NBA rules and regulations.

"NBA Season" shall mean a period of time coextensive with the NBA season as established from time to time under the NBA Rules and Regulations (including post season). NBA Seasons are sometimes herein referred to by the calendar years in which they occur (*e.g.*, "2003-2004 NBA Season").

"NBA Team" shall mean the NBA basketball team currently owned by Tenant pursuant to the rights granted to it as an NBA franchisee under the NBA Franchise, currently named the Houston Rockets.

"Net Worth" means, for any Person on any date of its determination, (a) such Person's consolidated total assets on such date minus (b) such Person's consolidated total liabilities on such date, all determined in accordance with GAAP after giving effect to the Transfer to such Person. Notwithstanding the foregoing, for purposes of determining the Net Worth of any Person, (i) the consolidated total assets of such Person shall be increased by the accumulated amortization of the original cost of any Major League Team owned by such Person, and (ii) in the event all of the record and beneficial equity interests of such Person are owned by an individual, such Person's consolidated total liabilities shall be reduced by the amount of the outstanding principal balance of all unsecured loans by such individual to such Person.

"New Orleans AAA" shall have the meaning given to it in Appendix B to the Agreement.

"NHL" shall mean The National Hockey League, a not-for-profit association having its chief executive office currently located at 1251 Avenue of the Americas, New York, New York 10020-1198, and any successor thereto.

"NHL Event" shall mean any pre-season, regular season, post-season, playoff or other professional hockey game played under NHL Rules and Regulations in which any NHL Member Team is a participant, including any all-star game and skills exhibition.

"NHL Member Team" shall mean any member team of the NHL.

"NHL Rules and Regulations" shall mean the following governing documents and agreements, as they may be amended from time to time:

(a) Constitution of the NHL;

(b) NHL By-laws;

(c) Resolutions of the NHL Board of Governors; and

(d) other NHL rules and regulations.

"NHL Season" shall mean a period of time coextensive with the NHL season as established from time to time under the NHL Rules and Regulations. NHL Seasons are sometimes herein referred to by the calendar years in which they occur (*e.g.*, "2003-2004 NHL Season").

"NHL Special Improvements" means the NHL Team's locker rooms or its specific equipment needs, such as hockey scoreboards or a professional hockey dasher board system, a second Zamboni machine and other real or personal property improvements or equipment relating to an NHL Team's use and enjoyment of the Arena, that are excluded from the Arena Budget established pursuant to the Project Agreement.

"NHL Team" shall mean any NHL ice hockey team that may be granted an NHL franchise to be based and operated within the geographic district of the Sports Authority.

"Non-Appropriation" means and shall be deemed to have occurred with respect to any payment obligation or other monetary obligation of the Sports Authority under the Agreement that is undisputed or for which the Sports Authority is determined to have liability, if the Board of Directors of the Sports Authority fails to make an Appropriation within sufficient time to avoid a Landlord Default.

"Non-Relocation Agreement" means that certain Non-Relocation Agreement, dated as of the Effective Date, by and between the Landlord and Tenant, as the same may be amended, supplemented, modified, renewed or extended from time to time.

"Offering Statement" means that certain Official Statement dated December 19, 2001 for the issuance of the Arena Bonds.

"Operating Expenses" shall have the meaning given to it in Section 7.3 of the Agreement.

"Other Rights" shall have the meaning given to it in Subsection 22.2.2 of the Agreement.

"Parking Garage" shall have the meaning given to it in Recital E of the Agreement and shall include the Enclosed Access.

"Parking Garage Lease" shall mean that certain Parking Garage Lease, dated as of the date of the Agreement, by and between Landlord and Tenant, as the same may be amended, supplemented, modified, renewed or extended from time to time.

"Parking Site" shall have the meaning given to it in Recital E of the Agreement.

"Parking Tax" means a Tax assessed, levied, charged, confirmed or imposed upon or with respect to, or payable out of or measured by, (i) the proceeds resulting from charges for motor vehicle parking at the Parking Garage during Arena Event Periods or (ii) the value to Tenant of the right to use motor vehicle parking spaces in the Parking Garage during Arena Event Periods or the Loading Dock at any time without charge as provided in the Parking Garage Lease or the cost or value of such use to Arena patrons using such spaces during Arena Event Periods or those using the Loading Dock at any time.

"Parties" and "Party" shall have the meanings given to them in the first paragraph of the Agreement.

"Permitted Arena Agreement" shall have the meaning given to it in Section 15.2(c) of the Agreement.

"Permitted Encumbrances" shall have the meaning given to it in Section 2.2 of the Agreement.

"Permitted Investments" means:

(a) obligations of, or guaranteed as to interest and principal by, the United States of America or agencies thereof and maturing not more than ninety (90) days after such investment;

(b) open market commercial paper of any corporation that was incorporated under the laws of the United States of America or any State thereof and that is not an Affiliate of the Tenant, which paper is rated "P-l" or its equivalent by Moody's Investors' Service or "A-1" or its equivalent by Standard & Poor's Ratings Group;

(c) banker's acceptances and certificates of deposit issued by any bank or trust company having capital, surplus and undivided profits of at least Five Hundred Million Dollars ($500,000,000) whose long-term debt is rated "A" or better by Standard & Poor's Ratings Group and "A-2" or better by Moody's Investors' Service and maturing within ninety (90) days of the acquisition thereof; and

(d) money market funds consisting solely (except that no more than ten percent (10%) thereof may be held in cash) of obligations of the type described in clauses (a) through (c) above and the shares of such money market funds can be converted to cash within ninety (90) days.

Payments under the instruments described in clauses (a), (b), (c) and (d) above may not be linked to any variable other than the principal amount thereof and the fixed or floating interest rate thereon.

"Permitted Transfer" shall have the meaning given to it in Section 15.2 of the Agreement.

"Permitted Uses" shall have the meaning given to it in Section 6.1 of the Agreement.

"Person" means any individual, corporation, partnership, joint venture, association, joint stock company, trust, limited liability company, unincorporated organization, Governmental Authority or any other form of entity.

"Personalty" shall have the meaning given to it in Subsection 11.1.2 of the Agreement.

"Physical Obsolescence" and "Physically Obsolete" means any equipment, fixture, furnishing, facility, surface, structure or any other Component of the Leased Premises that does not comply with applicable Governmental Rules or has become dysfunctional due to defects in design, materials or workmanship, ordinary wear and tear or damage. For purposes of determining Physical Obsolescence or Physically Obsolete, any equipment, fixture, furnishing, facility, surface, structure or any other Component shall be deemed dysfunctional if such equipment, fixture, furnishing, facility, surface, structure or other Component has deteriorated or has been damaged to a degree that cannot be remedied through Maintenance (including replacement necessitated by repeated breakdown or failure of a Component despite Maintenance).

"Pre-Commencement Maintenance Fund Deposit" shall have the meaning given to it in Section 7.2 of the Agreement.

"Principal Permitted Uses" shall have the meaning given to it in Section 6.1 of the Agreement.

"Principal Project Documents" means this Agreement, the Project Agreement, the Non-Relocation Agreement and the Parking Garage Lease as they may be amended, supplemented, modified, renewed or extended from time to time.

"Prohibited Uses" shall have the meaning given to it in Section 6.2 of the Agreement.

"Project Agreement" means that certain Project Agreement, dated as of the Effective Date, by and between Landlord and Tenant, as the same may be amended, supplemented, modified, renewed or extended from time to time.

"Project Documents" means the Principal Project Documents, the Interlocal Agreements, the Ground Lease, and any documents, instruments and agreements entered into between the Landlord and Tenant during the Project Term (as such term is defined in the Project Agreement), as the same may be amended, supplemented, modified, renewed or extended from time to time.

"Property" means any interest or estate in any kind of property or asset, whether real, personal or mixed, or tangible or intangible.

"Property Tax" means a Tax assessed, levied, charged, confirmed or imposed upon, measured by the value of, payable out of or becoming a Lien upon (i) any of the real property, improvements, Components, appurtenances, leasehold estates, easements, franchises, permits or licenses, or the possession, use or occupancy of any of the foregoing, that are granted, assigned or conveyed to Tenant or used, enjoyed and occupied by Tenant pursuant to this Agreement or the Parking Garage Lease, (ii) any tangible personal property comprising a part of the Arena or Parking Garage or essential to the operation of the Arena or Parking Garage, as contemplated by the Project Agreement, any of the other Project Documents or any plans and specifications prepared pursuant thereto, or (iii) any intangible property or interests in or rights to use intangible property that are granted or licensed to Tenant by Landlord, the City or the County in this Agreement or the Parking Garage Lease or as contemplated hereby or thereby, including, without limitation, Arena Naming Rights, broadcast rights, copyrights and advertising rights.

"Public Debt" shall have the meaning given in Appendix A to the Project Agreement.

"PSL" shall mean a personal seat license agreement or charter seat license agreement under which Tenant grants to the holder thereof the right to purchase tickets for the type of seat described therein to all of the Home Games for a particular Season.

"Recognized Environmental Condition" shall mean the presence of any Hazardous Materials at, on, in or under the Arena Site or the improvements located on the Arena Site.

"Regular Arbitration" shall have the meaning given to it in Appendix B to the Agreement.

"Release" shall have the meaning given to it in Section 24.21 of the Agreement.

"Renovation" shall have the meaning given to it in Section 8.6 of the Agreement.

"Renovation Fund" shall have the meaning given to it in Section 8.6 of the Agreement.

"Renovation Fund Account" means a separate depository account maintained by the Arena Fund Custodian under the terms of the Agreement for the purposes of holding, applying, investing and transferring the Renovation Fund.

"Rent" shall have the meaning given to it in Section 5.1 of the Agreement.

"Responsible Officer" means, with respect to the subject matter of any certificate, representation or warranty of any Person contained in the Agreement, a vice president or higher corporate officer of such Person (or, in the case of the Sports Authority, a member of the Sports Authority's Board of Directors and, in the case of a partnership, an individual who is a general partner of such Person or such an officer of a general partner of such Person) who, in the normal performance of his or her operational responsibility, would have knowledge of such matter and the requirements with respect thereto and is authorized to sign such a certificate or make such representation or warranty binding on such Person.

"Review and Approval or Consent Rights" shall have the meaning given to it in Subsection 19.3.1 of the Agreement.

"Reviewing Party" shall have the meaning given to it in Subsection 19.3.1 of the Agreement.

"Rocket Ball Loan" has the meaning given to it in the Project Agreement.

"Rockets" shall mean the NBA Team.

"Scheduled Expiration Date" has the meaning given to it in Section 4.1 of the Agreement.

"Scheduled Home Game" means any of the Teams' Home Games that is scheduled to occur according to the official schedule for a regular season during the Term promulgated by the NBA, the WNBA, the NHL, or other governing body of any Franchise, as applicable.

"Season" shall mean the regular NBA Season, WNBA Season, NHL Season and/or season of any of the other Franchises, as applicable.

"Seat Rights" shall have the meaning given to it in Subsection 6.5.1 of the Agreement.

"Self Help Expense" means:

(a) all costs and expenses incurred by Tenant, including without limitation, allocable employee compensation and overhead, by reason of performance of (i) any Landlord Capital Work as to which Landlord has not deposited in the Capital Fund when due under the Agreement sufficient funds to cover Landlord Capital Expense attributable to such Landlord Capital Work, (ii) any Condemnation or Casualty Repair Work required to be funded by Landlord or any party other than Tenant or Tenant's insurer as

provided in Subsection 14.2.2 and Section 13.1 which is not funded when due or (iii) any Self Help Expense under the Parking Garage Lease;

(b) any shortfall in required deposits by Landlord to the Maintenance Fund pursuant to Section 7.2 of the Agreement; or

(c) any Targeted Taxes imposed and not rebated by the Governmental Authority to whom such Targeted Taxes were paid which Landlord has failed to pay to Tenant within thirty (30) days after Landlord's receipt of the invoice for payment of such Targeted Taxes as provided in Section 9.2.

"Semi-Annual Installment" shall have the meaning given to it in Section 5.1 of the Agreement.

"Service Contracts" means any service contracts for the Leased Premises that Landlord may enter into before the Commencement Date pursuant to the terms of Article 12 of the Project Agreement.

"Signage" shall mean all signage (permanent or temporary) in or on the Leased Premises, including, without limitation, scoreboards, Jumbotron or other replay screens, banners, displays, time clocks, message centers, advertisements, signs and marquee signs.

"Space User" means a Person entering into a Use Agreement with Tenant.

"Sports Authority" means Harris County - Houston Sports Authority, a sports and community venue district created under Chapter 335 of the Texas Local Government Code.

"S&P" means Standard & Poor's Rating Services, a division of The McGraw Hill Companies, Inc.

"Sublicense" means a license, sublicense, concession or other agreement between Tenant or a Sublicensee and any Person for the use of all or any part of any one or more of the Intangible Property Rights or exercise of all or any part of the Intellectual Property Rights, including Naming Rights Agreements, but excluding any license, sublicense, concession or other agreement for the use of all of the Intellectual Property Rights by the same person.

"Sublicensee" means a sublicensee, user or concessionaire under or pursuant to a Sublicense.

"Submitting Party" shall have the meaning given to it in Subsection 19.3.1 of the Agreement.

"Subordinated Obligations" means the SFLP II Note, the Series 2001 B Subordinated Note, the RCM Loan, the Additional Stadium Loan and the Rockets Loan as such terms are defined in the Offering Statement.

"Substantial Completion" shall have the meaning given to it with respect to the Arena in the Project Agreement.

"Substantial Completion Date" shall have the meaning given to it in Appendix A to the Project Agreement.

"Substantially All of the Improvements" shall have the meanings given to it in (i) Subsection 13.3.3 of the Agreement with respect to any Casualty and (ii) Subsection 14.1.3 of the Agreement with respect to any Condemnation Action.

"Symbolic Representation" means any two-dimensional or three-dimensional replica, model, artistic or photographic rendering or other visual representation of the Leased Premises or any portion thereof.

"Targeted Tax" means any Tax imposed by the Sports Authority, City, County or any Governmental Authority created by, or directly or indirectly controlled by, any or any combination of them, which Tax (a) is an Admissions or Parking Tax, (b) is a Property Tax other than a Property Tax imposed on personal property of Tenant or a Tenant Affiliate or an Affiliate of Tenant that does not constitute part of the Leased Premises or (c) is not a Tax listed on Exhibit G, as such Tax currently is in effect and is a Tax that by its terms or effect is not of general application, but rather exclusively or disproportionately is imposed upon or impacts (i) Tenant, (ii) any of the Teams alone or in combination with one or more of the others or in combination with other professional sports franchises playing their Home Games in venues located in the City or County, (iii) the Parking Garage, (iv) the Arena alone or in conjunction with some or all venues in the City or County where professional or amateur sports events or exhibitions, concerts or general, family or other targeted audience shows, performances or exhibitions are conducted ("Targeted Venues"), (v) Tenant or any manager or operator of the Arena by reason of a Tax on the business of operating or managing the Arena, or the businesses of operating or managing the Arena and other facilities primarily comprising Targeted Venues, (vi) the promoter of any Arena Event by reason of a Tax on the promotion or business of promotion of events, exhibitions, concerts shows or performances of the type presented in the Arena alone or in combination with or in some or all of the Targeted Venues or (vii) any patron of the Arena or seller of tickets to Arena Events by reason of a Tax imposed upon or measured by the attendance at any event, exhibition, concert, show or performance of the type presented at the Arena or at some or all of the Targeted Venues. Notwithstanding the foregoing, the term Targeted Tax does not include franchise or income taxes of general application throughout the City or County or sales or use taxes of general application throughout the City or County that do not disproportionately impact the sales or use of items of a type primarily sold or used at the Arena alone or in combination with other Targeted Venues and not in the general business community. For purposes of this definition, references to the "Arena" shall include Compaq Center at such times as it is leased by Tenant as contemplated by Section 24.21 or prior thereto, during its use for NBA or WNBA games or exhibitions.

"Targeted Venues" shall have the meaning given to it in the definition of Targeted Tax in this Appendix A to the Agreement.

"Tax" or "Taxes" means any general or special, ordinary or extraordinary, tax, Imposition, assessment, levy, usage fee, excise or similar charge, however measured, regardless of the manner of imposition or beneficiary, that is imposed by any Governmental Authority.

"Teams" shall mean the NBA Team, the WNBA Team, and/or any NHL Team and other team owned or operated pursuant to any of the Franchises, as applicable.

"Telecommunications Products or Services" means local and long-distance land line and wireless telephone services, yellow pages and directory services (including on-line and Internet based), network integration, inside wiring and cabling, fiber deployment, basic network infrastructure, public communications, pay telephones, calling cards (including prepaid), voice mail, Internet services, programming, transmission of voice and data, interactive communications, virtual reality or enhancements of the same, land line and wireless video and data services, cable and wireless television services, paging services, home security services and telecommunications equipment and any other similar or related products or services.

"Telecommunications Rights" shall have the meaning given to it in Exhibit F to the Agreement.

"Telecommunications Rights License" shall have the meaning given to it in Exhibit F to the Agreement.

"Tenant" shall have the meaning given to it in the first paragraph of the Agreement or any successor owner of the Leasehold Estate pursuant to Article 15 of the Agreement.

"Tenant Default" shall have the meaning given to it in Subsection 16.1.1 of the Agreement.

"Tenant Delay" means any delay by Tenant in achieving any deadlines for performance of its obligations under the Agreement.

"Tenant Representative" shall have the meaning given to it in Section 1.3 of the Agreement.

"Tenant Transferee" shall have the meaning given to it in Section 15.2 of the Agreement.

"Tenant's Affiliates" shall have the meaning given to it in the definition for "Affiliate" in this Appendix A.

"Tenant's Excess/Umbrella Policy" shall have the meaning given to it in Subsection 10.1.3 of the Agreement.

"Tenant's GL Policy" shall have the meaning given to it in Subsection 10.1.3 of the Agreement.

"Tenant's Remedial Work" shall have the meaning given to it in Section 7.4 of the Agreement.

"Tenant's Workers' Compensation Policy" shall have the meaning given to it in Subsection 10.1.3 of the Agreement.

"Term" shall have the meaning given to it in Section 4.1 of the Agreement.

"Texas General Arbitration Act" shall have the meaning given to it in Appendix B to the Agreement.

"Transfer" shall have the meaning given to it in Section 15.1 of the Agreement.

"Uninsurable Casualty Risk" means a risk, casualty or peril that is not an Insured Casualty Risk.

"Untenantable Condition" shall mean the existence of any one of the following conditions, including, without limitation, due to any Condemnation Action or any Casualty, but only to the extent that the same (if not due to any Condemnation Action or any Casualty) is not the direct proximate result of the failure of Tenant to perform its obligations as required under the Agreement (other than any failure to perform any Landlord Capital Work to the extent that Landlord has failed to fund the corresponding Landlord Capital Expense as and when required under the Agreement):

(a) the condition of the Arena is such that the Applicable Rules and Regulations prohibit the playing of the applicable Home Games at the Arena;

(b) the use or occupancy of the Arena is not permitted under applicable Governmental Rule or is restricted in any material respect under applicable Governmental Rule, including, but not limited to, denial of access; or

(c) the use or occupancy of thirty-five percent (35%) or more of any of the seating areas within the Arena are restricted or unusable or are subject to a material restriction on access.

"Use Agreement" means a use, lease, sublease, license, concession, advertising, service, maintenance, occupancy or other agreement for the conduct of any Permitted Use, the use or occupancy of any space or facilities in the Arena or the location of any business or commercial operations in or on the Leased Premises or any part thereof, but excluding any lease or sublease of the entire Arena.

"Warranty Claim" shall have the meaning given it in Section 7.6 of the Agreement.

"WNBA" shall mean The Women's National Basketball Association, a not-for-profit association having its chief executive office currently located at Olympic Tower, 645 Fifth Avenue, New York, New York, 10022, and any successor thereto.

"WNBA Franchise" shall mean the franchise for the WNBA Team owned or issued by the WNBA and operated by Tenant.

"WNBA Rules and Regulations" shall mean the following governing documents and agreements, as they may be amended from time to time:

(a) Constitution of the WNBA;

(b) WNBA By-laws;

(c) Resolutions of the WNBA Board of Governors; and

(d) other WNBA rules and regulations.

"WNBA Season" shall mean a period of time coextensive with the WNBA season as established from time to time under the WNBA Rules and Regulations. WNBA Seasons are sometimes herein referred to by the calendar year in which they occur (*e.g.*, "2004 WNBA Season").

"WNBA Team" shall mean the WNBA basketball team operated by Tenant pursuant to the rights granted to it by the WNBA and/or the NBA with respect to the WNBA Franchise, currently named the Houston Comets.

"Workers' Compensation Policy" shall mean Tenant's Workers' Compensation Policy and Landlord's Workers' Compensation Policy.

"XCU" shall have the meaning given to it in Appendix C of the Agreement.

Rules as to Usage

1. The terms defined above have the meanings set forth above for all purposes, and such meanings are applicable to both the singular and plural forms of the terms defined.

2. "Include," "includes" and "including" shall be deemed to be followed by "without limitation" whether or not they are in fact followed by such words or words of like import.

3. "Writing," "written" and comparable terms refer to printing, typing and other means of reproducing in a visible form.

4. Any agreement, instrument or Governmental Rule defined or referred to above means such agreement or instrument or Governmental Rule as from time to time amended, modified or supplemented, including (in the case of agreements or instruments) by waiver or

consent and (in the case of Governmental Rules) by succession of comparable successor Governmental Rules and includes (in the case of agreements or instruments) references to all attachments thereto and instruments incorporated therein.

5. References to a Person are also to its permitted successors and assigns.

6. Any term defined above by reference to any agreement, instrument or Governmental Rule has such meaning whether or not such agreement, instrument or Governmental Rule is in effect.

7. "Hereof," "herein," "hereunder" and comparable terms refer, unless otherwise expressly indicated, to the entire agreement or instrument in which such terms are used and not to any particular article, section or other subdivision thereof or attachment thereto. References in an instrument to "Article," "Section," "Subsection" or another subdivision or to an attachment are, unless the context otherwise requires, to an article, section, subsection or subdivision of or an attachment to such agreement or instrument. All references to exhibits or appendices in any agreement or instrument that is governed by this Appendix are to exhibits or appendices attached to such instrument or agreement.

8. Pronouns, whenever used in any agreement or instrument that is governed by this Appendix and of whatever gender, shall include natural Persons, corporations, limited liability companies, partnerships and associations of every kind and character.

9. References to any gender include, unless the context otherwise requires, references to all genders.

10. "Shall" and "will" have equal force and effect.

11. Unless otherwise specified, all references to a specific time of day shall be based upon Central Standard Time or Central Daylight Savings Time, as applicable on the date in question in Houston, Texas.

12. References to "$" or to "dollars" shall mean the lawful currency of the United States of America.

13. References to the City as a Space User shall include the City's designees.

APPENDIX B

ARBITRATION PROCEDURES

Section 1 Arbitration.

1.1 Regular Arbitration. Binding arbitration shall be conducted in accordance with the following procedures ("Regular Arbitration"):

(a) The Party seeking arbitration hereunder shall request such arbitration in writing, which writing shall be delivered to the opposing Party and include a clear statement of the matter(s) in dispute. Except to the extent provided in this Appendix B, the arbitration shall be conducted in accordance with the Commercial Arbitration Rules of the American Arbitration Association by a single arbitrator to be appointed upon the mutual agreement of the Parties, within twenty (20) days of the date the written request for arbitration was delivered to the opposing Party. In order to facilitate any such appointment, the Party seeking arbitration shall submit a brief description (no longer than two (2) pages) of the Dispute or Controversy to the opposing Party and, during the Loan Period, to the Lender. The Party receiving a request for arbitration may offer a brief response (no more than two (2) pages) to the request to the opposing Party and, during the Loan Period, to the Lender. Both the request and the response will be furnished to the arbitrator. In the event the Parties are unable to agree on a single arbitrator within the twenty (20)-day period, then the arbitrator shall be appointed by the American Arbitration Association in New Orleans, Louisiana (the "New Orleans AAA") within the next ten (10)-day period; provided, however, that all arbitrators shall be unaffiliated with the Sports Authority, the City, the County, the Tenant and the Lender (and each of their respective Affiliates and their respective officers, directors, employees and agents) and shall reside outside of Texas to avoid any appearance of impropriety. The Party seeking arbitration shall make the Parties' request for appointment of an arbitrator and furnish a copy of the aforesaid description of the Dispute or Controversy and response (if any) to the New Orleans AAA. Each Party may, but shall not be required to, submit to the New Orleans AAA a list of up to three (3) qualified individuals as candidates for appointment as the arbitrator whose schedules permit their service as arbitrator within the time periods set forth herein. The arbitrator appointed by the New Orleans AAA need not be from such lists.

(b) Within ten (10) days of the date the arbitrator is appointed, the arbitrator shall notify the Parties in writing of the date of the arbitration hearing, which hearing date shall be not less than sixty (60), nor more than ninety (90), days from the date of the arbitrator's appointment. The arbitration hearing shall be held in Houston, Texas. Except as otherwise provided herein, the proceedings shall be conducted in accordance with the procedures of the Texas General Arbitration Act, TEX. CIV. PRAC. & REMEDIES CODE §§171.001 et seq. (the "Texas General Arbitration Act"). Depositions may be taken and other discovery may be made in accordance with the Texas Rules of Civil Procedure, provided that (i) depositions and other discovery shall be completed within sixty (60) days of the appointment of the arbitrator, (ii) there shall be no evidence by affidavit allowed, (iii) each Party shall disclose a list of all documentary

evidence to be used and a list of all witnesses and experts to be called by the Party in the arbitration hearing at least twenty (20) days prior to the arbitration hearing and (iv) if the deposition of Leslie L. Alexander, the Mayor of the City or the County Judge is to be taken, such depositions will be limited to the factual issues in controversy. The arbitrator shall issue a final ruling within twenty (20) days after the arbitration hearing. Any decision of the arbitrator shall state the basis of the award and shall include both findings of fact and conclusions of law. Any award rendered pursuant to the foregoing, which may include an award or decree of specific performance hereunder, shall be final and binding on, and nonappealable by, the Parties and judgment thereon may be entered or enforcement thereof sought by either Party in a court of competent jurisdiction if such Party does not pay or commence to perform and diligently prosecute such performance in accordance with the decision of the arbitrator within forty-five (45) days after such decision is rendered. The foregoing deadlines shall be tolled during the period that no arbitrator is serving until a replacement is appointed in accordance with this Appendix B.

(c) Notwithstanding the foregoing, nothing contained herein shall be deemed to give the arbitrator appointed hereunder any authority, power or right to alter, change, amend, modify, waive, add to or delete from any of the provisions of the Agreement.

Section 2 Further Qualifications of Arbitrators; Conduct. In addition to the qualifications described in Subsection 1.1(a) of this Appendix B, all arbitrators shall be and remain at all times neutral and wholly impartial. All arbitrators, upon written request by either Party, shall provide the Parties with a statement that they can and shall decide any Dispute or Controversy referred to them impartially. No arbitrator shall be employed by either Party, the City, the County or the Lender, or have any material financial dependence upon a Party, the City, the County or the Lender, nor shall any arbitrator have any material financial interest in the Dispute or Controversy.

Section 3 Applicable Law and Arbitration Act. The agreement to arbitrate set forth in this Appendix shall be enforceable in either federal or state court. The enforcement of such agreement and all procedural aspects thereof, including the construction and interpretation of this agreement to arbitrate, the scope of the arbitrable issues, allegations of waiver, delay or defenses as to arbitrability and the rules (except as otherwise expressly provided herein) governing the conduct of the arbitration, shall be governed by and construed pursuant to the Texas General Arbitration Act. In deciding the substance of any such Dispute or Controversy, the arbitrator shall apply the substantive laws of the State of Texas. The arbitrator shall have authority, power and right to award damages and provide for other remedies as are available at law or in equity in accordance with the laws of the State of Texas, except that the arbitrator shall have no authority to award incidental (except as expressly provided in the Agreement) or punitive damages under any circumstances (whether they be exemplary damages, treble damages or any other penalty or punitive type of damages) regardless of whether such damages may be available under the laws of the State of Texas. The Parties hereby waive their right, if any, to recover punitive damages in connection with any arbitrated Dispute or Controversy.

Section 4 Consolidation. If the Parties initiate multiple arbitration proceedings, the subject matters of which are related by common questions of law or fact and which could result

in conflicting awards or obligations, then the Parties hereby agree that all such proceedings may be consolidated into a single arbitral proceeding.

Section 5 Pendency of Dispute: Interim Measures. The existence of any Dispute or Controversy eligible for referral or referred to arbitration hereunder, or the pendency of the dispute settlement or resolution procedures set forth herein, shall not in and of themselves relieve or excuse either Party from its ongoing duties and obligations under the Agreement or any right, duty or obligation arising therefrom; provided, however, that during the pendency of arbitration proceedings and prior to a final award, upon written request by a Party, the arbitrator may issue interim measures for preservation or protection of the status quo.

Section 6 Complete Defense. Landlord and Tenant agree that compliance by a Party with the provisions of this Appendix shall be a complete defense to any suit, action or proceeding instituted in any federal or state court or before any administrative tribunal by the other Party with respect to any Dispute or Controversy which is subject to arbitration as set forth herein, other than a suit or action alleging non-compliance with a final and binding arbitration award rendered hereunder.

Section 7 Costs of Arbitrator. The costs and expenses of the arbitrator shall be shared equally by the Parties, and the additional incidental costs of arbitration shall be paid for by the non-prevailing Party(ies) in the arbitration; provided, however, that where the final decision of the arbitrator is not clearly in favor of a Party, such incidental costs shall be shared equally by all Parties.

APPENDIX C

INSURANCE PLAN ADDITIONAL REQUIREMENTS

1. Builder's All-Risk Policies

   a. Coverage shall also include, as obtainable on commercially reasonable terms:

      i. Demolition and removal of debris (including from demolition occasioned by condemnation and any other enforcement of Governmental Rules)

      ii. Inland transit

      iii. Automatic reinstatement of sum insured

      iv. Change of Governmental Rules relating to construction, repair or demolition.

2. GL Policy

   a. As obtainable on commercially reasonable terms, the following endorsements:

      i. Premises and operations coverage with no exclusions for explosion, collapse and underground property damage ("XCU")

      ii. Owners' and contractors' protective coverage

      iii. Blanket contractual liability coverage with the personal injury exclusion deleted

      iv. Personal injury and advertising injury

      v. Host/liquor legal liability

      vi. Broad form property damage coverage

      vii. Hoists and elevators or escalators, if exposure exists

      viii. Completed operations and products liability coverage for a period of five (5) years after Final Completion (as defined in the Project Agreement) of all Improvements (but only as to Landlord's GL Policy).

   b. Minimum limits:

$2,000,000	Each Occurrence
2,000,000	Bodily Injury/Property Damage
5,000,000	Completed Operations Aggregate
5,000,000	General Aggregate/all insureds
50,000	Fire Legal Liability

These limits may be provided by a combination of the GL Policy and the Umbrella/Excess Policy.

c. Deductible or self-insured retention not to exceed:

$250,000 any one accident for bodily injury, death and property damage

3. Workers' Compensation Policy (statutory workers' compensation coverage and employers liability)

a. Extensions of coverage:

i. Other States endorsement

ii. Voluntary compensation, if exposure exists

iii. United States Longshoreman's and Harbor Worker's Act if exposure exists

iv. Jones Act, if exposure exists

b. Specific waiver of subrogation in favor of the Landlord.

c. Deductible or self-insured retention not to exceed:

$250,000 any one accident for bodily injury, death or property damage

APPENDIX D

BUSINESS INTERRUPTION INSURANCE VALUES

During each Lease Year of the Loan Period, Landlord shall be required to carry rental interruption insurance in an amount equal to the Annual Payment (the "Base Amount of Rental Interruption Insurance"), subject to adjustment as provided in the next sentence. Each Lease Year during the Loan Period, Landlord will be entitled to adjust downward the amount of rental interruption insurance required to be carried pursuant to the terms of this Agreement by subtracting from the Base Amount of Rental Interruption Insurance (as determined pursuant to the immediately preceding sentence without adjustment) an amount equal to the positive result, if any, obtained when the amount specified below in subparagraph 2 is subtracted from the amount specified below in subparagraph 1:

1. The average (over the immediately preceding three (3) years) of the sum of the Sports Authority's vehicle rental tax revenues and the Sports Authority's hotel occupancy tax revenues plus the rental payments required to be made by Houston McLane Company, Inc. under the principal project documents between Houston McLane Company, Inc. and the Sports Authority and the rental payments required to be made by Houston NFL Holdings, L.P. under the principal project documents between Houston NFL Holdings, L.P. and the Harris County Sports and Convention Corporation.

2. The regular debt service requirements for the immediately preceding year on all of the Sports Authority's bonds issued to finance Enron Field, Reliant Stadium and/or the Arena.

If at the time Landlord is entitled to any such downward adjustment, less than three (3) years figures for the foregoing are available, the three (3) year average shall be based on the years for which figures are available.

EXHIBIT A-1

LEGAL DESCRIPTION OF ARENA SITE

Block 289, Block 290, Block 311 and Block 312, of SOUTH SIDE BUFFALO BAYOU, an unrecorded subdivision in the City of Houston, Harris County, Texas, together with a Portion of the Crawford Street right-of-way containing 46,405 square feet of land, more or less, and two portions of the Clay Avenue right-of-way containing an aggregate of 40,001 square feet of land, more or less, as more particularly described on **Exhibits A-1-A, A-1-B and A-1-C** attached hereto and made a part hereof for all purposes, and being the street right-of-way abandoned in City of Houston Ordinance No. 2001-692.

Exhibit A-1-A

Crawford Street: Polk Avenue
to Bell Avenue
City Parcel No. SY1-030A
Dwg. No. _____

REAL PROPERTY DESCRIPTION
APRIL 9, 2001

Being a 1.0653 acre (46,405 square feet) tract of land being out of South Side Buffalo Bayou (S.S.B.B.) Subdivision, a recognized unrecorded subdivision as reapportioned, adapted, and resolved by the City of Houston City Council Ordinance as recorded in City Secretary's "Book of Minutes" 1865 – 1869, Pages 402, 403, 404, 405, and 406 filed in the City Secretary's Office in the City of Houston, Harris County, Texas and situated wholly in the J.S. Holman Survey, Abstract No. 323, said tract of land is more particularly described by metes and bounds as follows with all bearings referenced to the observed line between City of Houston Monument No. 5457/0207, (x=3,153,327.39, y=716,789.93), Monument No. 5457/0208, (x=3,153684.02, y=717,348.74) and Monument No. 5457/0303, (x=3,154,517.66, y=714,373.84) and referenced to the Texas State Plane Coordinate System, South Central Zone with all bearings and distances referenced herein being surface and may be converted to grid by multiplying by a combined adjustment factor of 0.999887480.

COMMENCING at City of Houston Engineer's Reference Point No. 311, being a found three quarter inch (¾") brass rod, surface coordinates x=3,154,765.91, y=715,425.89 located at the centerline intersection of Crawford Street, 80 feet wide, and the centerline of Polk Avenue, 80 feet wide, said point bears North 57° 08' 39" West, (called N. 55° W.) a distance of 660.08 feet from City of Houston Engineer's Reference Point No. 44, being a found three quarter inch (¾") brass rod, surface coordinates of x=3,155,320.41, y=715,067.77, marking the centerline intersection of Polk Avenue, 80 feet wide and the centerline of Chenevert Street, 80 feet wide;

Thence South 32° 50' 59" West, (called S. 35° W.) along the centerline of said Crawford Street, a distance of 40.00 feet to a set "PK" nail in the south right of way of said Polk Avenue;

Thence South 57° 08' 39" East, (called S. 55° E.) along the said south right of way of said Polk Avenue, a distance of 40.00 feet to a found 5/8" iron rod locating the northwest corner of Block 289, S.S.B.B., the southeast street right of way intersection corner of said Polk Avenue and Crawford Street and being the **Point of Beginning** of the herein described tract of land, whose surface coordinates are x=3,154,777.81, y=715,370.58, from which City of Houston Monument No. 5457/0303 is located South 14° 37' 41"West, a distance of 1030.13 feet;

Thence South 32° 50' 59" West, (called S. 35° W.) along the easterly right of way line of said Crawford Street, same being the westerly line of Block 289, S.S.B.B., passing the north right of way line of Clay Avenue, 80 feet wide right of way at 250.03 feet, and continuing a total distance of 580.07 feet to a set 5/8-inch iron rod with "Thompson Group" cap for the southeast corner of the herein described tract same being in the north right of way line of Bell Avenue, 80.00 feet wide, same point locates the southwest corner of Block 311, S.S.B.B.;

Thence North 57° 07' 55" West, (called N.55° E.), along the north right of way line of Bell Avenue, 80.00 feet wide, a distance of 80.00 feet to a set 5/8" iron rod with "Thompson Group" cap for the southwest corner of the herein described tract same being in the west right of way line of Crawford Street, 80.00 feet wide and locating the southeast corner of Block 312, S.S.B.B.;

Thence North 32° 50' 59" East (called S. 35° W.) along the westerly right of way line of said Crawford Street, same being the easterly line of said Block 312, S.S.B.B., passing the south right of way line of Clay Avenue, 80 feet wide right of way at 250.03 feet, and continuing along said right of way and the east line of Block 290, S.S.B.B., a total distance of 580.06 feet to a found "PK" nail in brick walk locating the northwest corner of the herein described tract same being the southwest street right of way intersection corner of Polk Avenue and Crawford Street, and also locating the northeast corner of Block 290, S.S.B.B.;

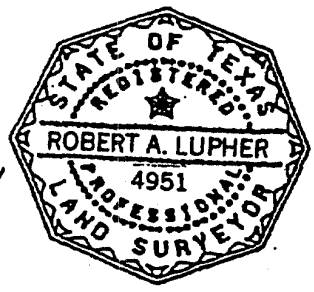
Thence South 57° 08' 39" East, (called S.55° E.), along the south right of way line of Polk Avenue, 80.00 feet wide, a distance of 80.00 feet returning to the **Place of Beginning** of the herein described tract of land and containing 1.0653 acres (46,405 square feet) of land, more or less.

City of Houston engineer's street centerline Reference Rod # 311 located at Polk and Crawford), City # 44 located at Polk and Chenevert, City rod #292 located at Bell and Chenevert, City #56 located at Pease and Chenevert, City Rod # 823 located at Pease and Austin were found on the ground and were used as the controlling monumentation to establish the street centerline and right of way lines mentioned herein.

A street abandonment map was prepared which delineates the property described herein.

This Real Property Description is based upon a Texas Society of Professional Surveyors Category 1A, Condition I, Land Title Survey performed under the direct supervision of Robert A. Lupher, RPLS.

Robert A. Lupher, RPLS
Texas Reg. No. 4951 5/10/01



Checked: _____
Dated: _____
Approved: _____

Exhibit A-1-B

Clay Avenue: La Branch Street
to Crawford Street
City Parcel No. 57 - 0 [illegible]
Dwg. No. _____

REAL PROPERTY DESCRIPTION
APRIL 9, 2001

Being a 0.4591 acre (19,998 square feet) tract of land being out of South Side Buffalo Bayou (S.S.B.B.) Subdivision, a recognized unrecorded subdivision as reapportioned, adapted, and resolved by the City of Houston City Council Ordinance as recorded in City Secretary's "Book of Minutes" 1865 – 1869, Pages 402, 403, 404, 405, and 406 filed in the City Secretary's Office in the City of Houston, Harris County, Texas and situated wholly in the J.S. Holman Survey, Abstract No. 323, said tract of land is more particularly described by metes and bounds as follows with all bearings referenced to the observed line between City of Houston Monument No. 5457/0207, (x=3,153,327.39, y=716,789.93), Monument No. 5457/0208, (x=3,153684.02, y=717,348.74) and Monument No. 5457/0303, (x=3,154,517.66, y=714,373.84) and referenced to the Texas State Plane Coordinate System, South Central Zone with all bearings and distances referenced herein being surface and may be converted to grid by multiplying by a combined adjustment factor of 0.999887480.

COMMENCING at City of Houston Engineer's Reference Point No. 311, being a found three quarter inch (¾") brass rod, surface coordinates x=3,154,765.91, y=715,425.89 located at the centerline intersection of Crawford Street, 80 feet wide, and the centerline of Polk Avenue, 80 feet wide, said point bears North 57° 08' 39" West, (called N. 55° W.) a distance of 660.08 feet from City of Houston Engineer's Reference Point No. 44, being a found three quarter inch (¾") brass rod, surface coordinates of x=3,155,320.41, y=715,067.77, marking the centerline intersection of Polk Avenue, 80 feet wide and the centerline of Chenevert Street, 80 feet wide;

Thence South 32° 50' 59" West, (called S. 35° W.) along the centerline of said Crawford Street, a distance of 250.03 feet to a set "PK" nail in the north right of way of Clay Avenue;

Thence North 57° 09' 25" West, (called N. 55° W.) along the said north right of way of said Clay Avenue, a distance of 40.00 feet to a set 5/8" iron rod locating the southeast corner of Block 290, S.S.B.B., the northwest street right of way intersection corner of said Clay Avenue and Crawford Street and being the **Point of Beginning** of the herein described tract of land, whose surface coordinates are x=3,154,574.98, y=715,203.93, from which City of Houston Monument No. 5457/0303 is located South 03° 57' 13"West, a distance of 832.09 feet;

Thence South 32° 50' 59" West, (called S. 35° W.) along the westerly right of way line of said Crawford Street, a distance of 80.00 feet to a set 5/8-inch iron rod with "Thompson Group" cap for the southeast corner of the herein described tract, same being the northeast corner of Block 312, S.S.B.B.;

Thence North 57° 09' 25" West, (called N.55° E.), along the south right of way line of Clay Avenue, 80.00 feet wide and the north line of Block 312, S.S.B.B., a distance of 249.97 feet to a set 5/8" iron rod with "Thompson Group" cap for the southwest corner of the herein described tract same being in the east right of way line of La Branch Street, 80.00 feet wide and locating the northwest corner of Block 312, S.S.B.B.;

Thence North 32° 51' 25" East (called S. 35° W.) along the easterly right of way line of said La Branch Street, a distance of 80.00 feet to a set 5/8" iron rod with "Thompson Group" cap locating the northwest corner of the herein described tract same being the northeast street right of way intersection corner of Clay Avenue and La Branch Street, and also locating the southwest corner of Block 290, S.S.B.B.;

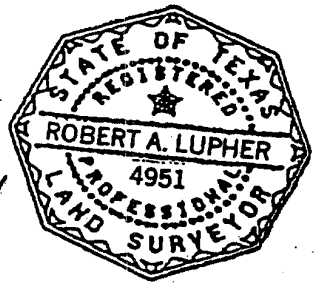
Thence South 57° 09' 25" East, (called S.55° E.), along the north right of way line of Clay Avenue, 80.00 feet wide, and the southerly line of Block 290, a distance of 249.96 feet returning to the **Place of Beginning** of the herein described tract of land and containing 0.4591 acres (19,998 square feet) of land, more or less.

City of Houston engineer's street centerline Reference Rod # 311 located at Polk and Crawford), City # 44 located at Polk and Chenevert, City rod #292 located at Bell and Chenevert, City #56 located at Pease and Chenevert, City Rod # 823 located at Pease and Austin were found on the ground and were used as the controlling monumentation to establish the street centerline and right of way lines mentioned herein.

A street abandonment map was prepared which delineates the property described herein.

This Real Property Description is based upon a Texas Society of Professional Surveyors Category 1A, Condition I, Land Title Survey performed under the direct supervision of Robert A. Lupher, RPLS.

Robert A. Lupher, RPLS
Texas Reg. No. 4951 5/10/01



Checked: _____
Dated: _____
Approved: _____

Exhibit A-1-C

Clay Avenue: Crawford Street to Jackson Street
City Parcel No. SYi-0[illegible]
Dwg. No. _____

REAL PROPERTY DESCRIPTION
APRIL 9, 2001

Being a 0.4592 acre (20,003 square feet) tract of land being out of South Side Buffalo Bayou (S.S.B.B.) Subdivision, a recognized unrecorded subdivision as reapportioned, adapted, and resolved by the City of Houston City Council Ordinance as recorded in City Secretary's "Book of Minutes" 1865 – 1869, Pages 402, 403, 404, 405, and 406 filed in the City Secretary's Office in the City of Houston, Harris County, Texas and situated wholly in the J.S. Holman Survey, Abstract No. 323, said tract of land is more particularly described by metes and bounds as follows with all bearings referenced to the observed line between City of Houston Monument No. 5457/0207, (x=3,153,327.39, y=716,789.93), Monument No. 5457/0208, (x=3,153684.02, y=717,348.74) and Monument No. 5457/0303, (x=3,154,517.66, y=714,373.84) and referenced to the Texas State Plane Coordinate System, South Central Zone with all bearings and distances referenced herein being surface and may be converted to grid by multiplying by a combined adjustment factor of 0.999887480.

COMMENCING at City of Houston Engineer's Reference Point No. 311, being a found three quarter inch (¾") brass rod, surface coordinates x=3,154,765.91, y=715,425.89 located at the centerline intersection of Crawford Street, 80 feet wide, and the centerline of Polk Avenue, 80 feet wide, said point bears North 57° 08' 39" West, (called N. 55° W.) a distance of 660.08 feet from City of Houston Engineer's Reference Point No. 44, being a found three quarter inch (¾") brass rod, surface coordinates of x=3,155,320.41, y=715,067.77, marking the centerline intersection of Polk Avenue, 80 feet wide and the centerline of Chenevert Street, 80 feet wide;

Thence South 32° 50' 59" West, (called S. 35° W.) along the centerline of said Crawford Street, a distance of 250.03 feet to a set "PK" nail in the north right of way of Clay Avenue;

Thence South 57° 08' 15" East, (called S. 55° E.), along the said north right of way of said Clay Avenue, a distance of 40.00 feet to a set 5/8- inch iron rod with "Thompson Group" cap locating the southwest corner of Block 289, S.S.B.B., the northeast street right of way intersection corner of said Clay Avenue and Crawford Street and being the **Point of Beginning** of the herein described tract of land, whose surface coordinates are x=3,154,642.19, y=715,160.53, from which City of Houston Monument No. 5457/0303 is located South 08° 59' 39" West, a distance of 796.54 feet;

Thence South 57° 08' 15" East, (called S.55° E.), along the north right of way line of Clay Avenue, 80.00 feet wide and the south line of Block 289, S.S.B.B., a distance of 250.03 feet to a set 5/8" iron rod with "Thompson Group" cap for the northeast corner of the herein described tract same being in the west right of way line of Jackson Street, 80.00 feet wide and locating the southeast corner of Block 289, S.S.B.B.;

Thence South 32° 51' 13" West, (called S. 35° W.) along the westerly right of way line of said Jackson Street, a distance of 80.00 feet to a set 5/8-inch iron rod with "Thompson Group" cap for

the southeast corner of the herein described tract, same being the northeast corner of Block 311, S.S.B.B.;

Thence North 57° 08' 15" West, (called N. 55° E.), along the south right of way line of Clay Avenue, 80.00 feet wide and the north line of Block 311, S.S.B.B., a distance of 250.02 feet to a set 5/8" iron rod with "Thompson Group" cap for the southwest corner of the herein described tract same being in the east right of way line of Crawford Street, 80.00 feet wide and locating the northwest corner of Block 311, S.S.B.B.;

Thence North 32° 50' 59" East (called S. 35° W.) along the easterly right of way line of said Crawford Street, a distance of 80.00 feet returning to the **Place of Beginning** of the herein described tract of land and containing 0.4592 acres (20,003 square feet) of land, more or less.

City of Houston engineer's street centerline Reference Rod # 311 located at Polk and Crawford), City # 44 located at Polk and Chenevert, City rod #292 located at Bell and Chenevert, City #56 located at Pease and Chenevert, City Rod # 823 located at Pease and Austin were found on the ground and were used as the controlling monumentation to establish the street centerline and right of way lines mentioned herein.

A street abandonment map was prepared which delineates the property described herein.

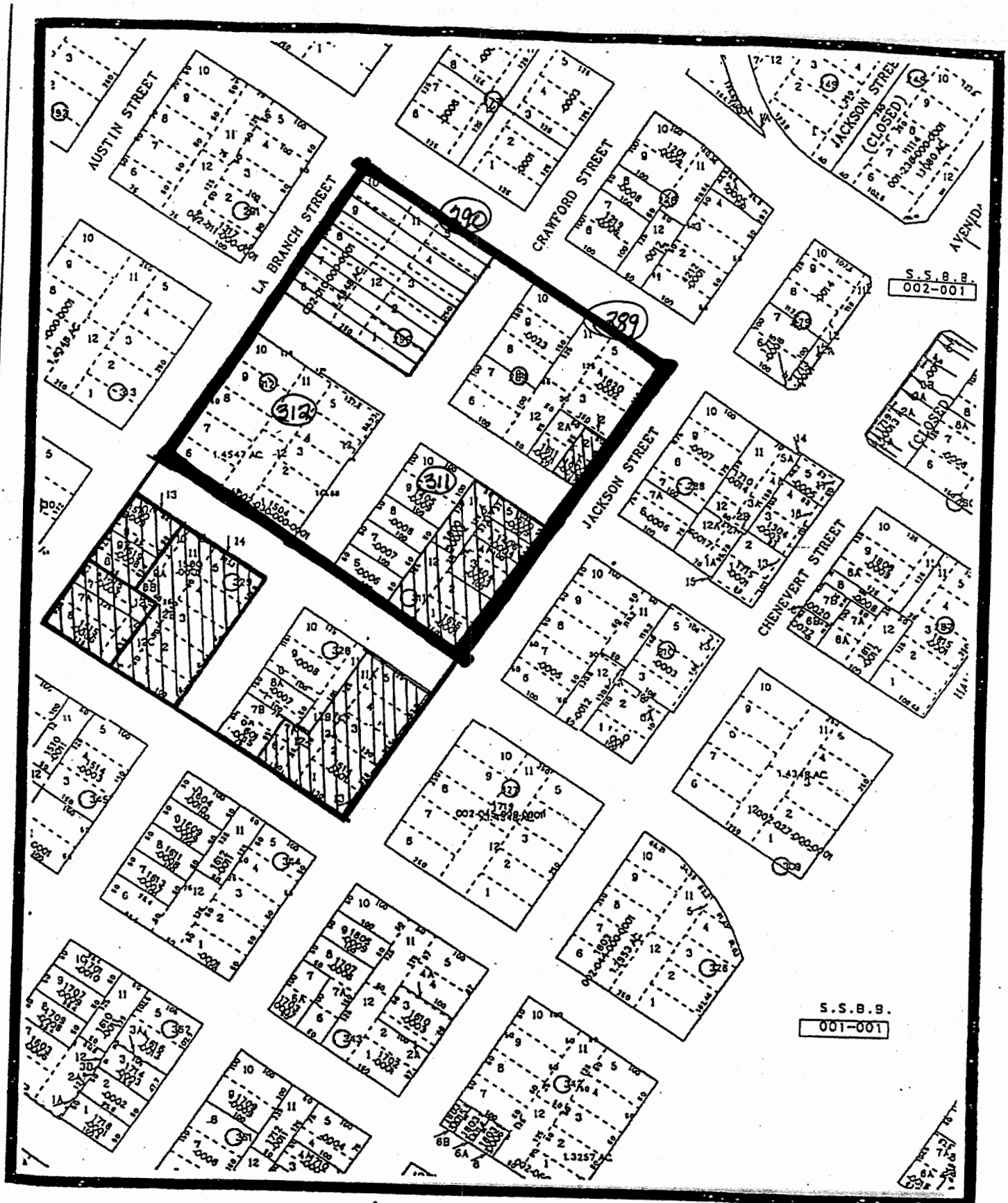
This Real Property Description is based upon a Texas Society of Professional Surveyors Category 1A, Condition I, Land Title Survey performed under the direct supervision of Robert A. Lupher, RPLS.

Robert A. Lupher, RPLS
Texas Reg. No. 4951 5/10/01

Checked: _____
Dated: _____
Approved: _____

EXHIBIT A-2

OUTLINE OF ARENA SITE



ARENA SITE DELINEATED BY [redacted]

EXHIBIT A-3

LEGAL DESCRIPTION OF PARKING SITE

Block 328 and 329, of SOUTH SIDE BUFFALO BAYOU, an unrecorded subdivision in the City of Houston, Harris County, Texas, together with a portion of the Crawford Street right-of-way containing 20,000 square feet of land, more or less, as more particularly described on **Exhibit A-3-A** attached hereto and made a part hereof for all purposes, and being the street right-of-way abandoned in City of Houston Ordinance No. 2001-692.

Exhibit A-3-A

Crawford Street: Bell Avenue
to Leeland Avenue
City Parcel No. SY1-091

ALL THAT CERTAIN 0.4591 ACRE (20,000 SQUARE FEET) TRACT OF LAND LOCATED IN SOUTHSIDE BUFFALO BAYOU SUBDIVISION, HOUSTON, TEXAS AND BEING OUT OF AND A PART OF CRAWFORD STREET (BASED ON A WIDTH OF 80.00 FEET) AS RECORDED IN CITY OF HOUSTON ENGINEERING DEPARTMENT DRAWING NO. 51-169A-S, SAID 0.4591 ACRE TRACT OF LAND BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

All bearings and coordinates referenced in this description are grid and are based on the Texas State Plane Coordinate System, South Central Zone (NAD 27). All distances referenced in this description are surface measured. Scale Factor - 0.999887451

COMMENCING at a City of Houston Engineering Department 3/4 inch iron rod found in the centerline of Bell Street (based on a width of 80.00 feet) at it's intersection with the centerline of Chenevert Street (based on a width of 80.00 feet); from which the City of Houston Survey Marker No. 5457/0303 with grid coordinate values of: X = 3,154,162.62, Y = 714,293.44 bears South 12°28'32" East - 452.86 feet;

THENCE North 57° 07' 55" West along said centerline of said Bell Street, a distance of 620.00 feet to a point in the southeasterly right-of-way line of said Crawford Street, from said point, a City of Houston Engineering Department 3/4 inch rod found in the centerline of said Bell Street at it's intersection with the centerline of Caroline Street (based on a width of 80.00 feet) bears North 57° 07' 55" West, 1030.07 feet;

THENCE South 32° 52' 05" West along said southeasterly right-of-way line, a distance of 40.00 feet to a set "X" cut in concrete in the southwesterly right-of-way line of said Bell Street for the north corner of Block 328 of said Southside Buffalo Bayou Subdivision, the POINT OF BEGINNING and the east corner of the herein described tract of land;

THENCE continuing South 32° 52' 05" West along said southeasterly right-of-way line, a distance of 250.00 feet to a point in the northeasterly right-of-way line of Leeland Avenue (based on a width of 80.00 feet) for the south corner of the herein described tract of land, from which a building corner bears North 60° 38' 09" West, 0.43 feet;

THENCE North 57° 07' 55" West along said northeasterly right-of-way line, a distance of 80.00 feet to a 5/8 inch iron rod with cap set in the northwesterly right-of-way line of said Crawford Street, for the south corner of Block 329 of said Southside Buffalo Bayou and the west corner of the herein described tract of land, from which a 3/4 inch iron rod found bears North 83° 19' 16" West, 0.33 feet;

THENCE North 32° 52' 05" East along said northwesterly right-of-way line, a distance of 250.00 feet to a point in said southwesterly right-of-way line of Bell Street;

THENCE South 57° 07' 55" East along said southwesterly right-of-way line, a distance of 80.00 feet to the POINT OF BEGINNING and containing 0.4591 acres (20,000 square feet) of land.

EXHIBIT B

GROUND LEASE

EXHIBIT C

FORM OF ASSIGNMENT AND ASSUMPTION AGREEMENT

That [_____, a _____] ("Assignor"), for and in consideration of the sum of TEN and NO/100 DOLLARS ($10.00) in hand paid to Assignor by [_____, a _____] ("Assignee"), and other good and valuable consideration, the receipt and sufficiency of all of which is hereby acknowledged by Assignor, has **TRANSFERRED and ASSIGNED**, and by these presents does **TRANSFER and ASSIGN** unto the said Assignee all of Assignor's right, title and interest in, to and under the following:

The Arena Lease, Sublease, License and Management Agreement dated _____, 2001, by and between Rocket Ball, Ltd., a Texas limited partnership ("Rocket Ball"), as Tenant, and Harris County-Houston Sports Authority, a sports and community venue district created under Chapter 335 of the Texas Local Government Code (the "Sports Authority"), as Landlord (the "Arena Lease");

The Parking Garage Lease dated _____, 2001, by and between Rocket Ball, as Tenant, and the Sports Authority, as Landlord (the "Parking Lease");

The Non-Relocation Agreement dated _____, 2001, by and between Rocket Ball and the Sports Authority (the "Non-Relocation Agreement");

The Project Agreement dated , 2001, by and between Rocket Ball and the Sports Authority (the "Project Agreement"); and

The Franchise (as said term is defined in the Non-Relocation Agreement).

ACCEPTANCE AND ASSUMPTION

For good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by Assignee, Assignee hereby (i) agrees to be bound by all of the terms, conditions and provisions of the Arena Lease, the Parking Lease, the Project Agreement, and the Non-Relocation Agreement, and (ii) assumes full responsibility, on and after the Effective Date, for the performance of all the obligations of Assignor under the Arena Lease, the Parking Lease, the Project Agreement, and the Non-Relocation Agreement arising on and after the Effective Date.

ASSIGNEE'S REPRESENTATIONS

For good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by Assignee, Assignee hereby represents and warrants to Assignor and the Sports Authority, as of the Effective Date, as follows:

(a) Assignee is a [_____] duly formed, valid existing, and in good standing under the laws of [_____], with all necessary constituent power and authority to carry on its present business and to enter into this Assignment and Assumption Agreement and consummate the transactions herein contemplated;

(b) Neither the execution and delivery of this Assignment and Assumption Agreement by Assignee nor the performance by Assignee of its obligations hereunder or under the Arena Lease, the Parking Lease, the Project Agreement, or the Non-Relocation Agreement will (i) violate any statute, regulation, rule, judgment, order, decree, stipulation, injunction, charge, or other restriction of any Governmental Authority (as defined in the Arena Lease), any court order to which Assignee is subject, or any provision of any charter or by-laws or constituent documents, as applicable, of Assignee or (ii) conflict with, result in a breach of, constitute a default under, result in the acceleration of, create in any party the right to accelerate, terminate, modify or cancel or require any notice under any contract, lease, sublease, license, sublicense, franchise, permit, indenture, agreement or mortgage for borrowed money, instrument of indebtedness, security interest or other agreement to which Assignee is a party or by which Assignee or its assets are bound, which conflict, breach, default or acceleration would have a material adverse effect on Assignee's ability to perform its obligations under this Assignment and Assumption Agreement;

(c) All proceedings required to be taken by or on behalf of Assignee to authorize Assignee to execute and deliver this Assignment and Assumption Agreement and to perform the covenants, obligations and agreements of Assignee hereunder have been duly taken. No consent to the execution or delivery of this Assignment and Assumption Agreement by Assignee or the performance by Assignee of its covenants, obligations, and agreements hereunder is required from any partner, board of directors, shareholder, creditor, investor, judicial, legislative or administrative body, Governmental Authority or any other Person (as defined in the Arena Lease), other than any such consent which has already been given or for which the failure to obtain will not have a material adverse effect on the financial ability of Assignee to perform its obligations under this Assignment and Assumption Agreement.

(d) This Assignment and Assumption Agreement constitutes the valid and legally binding obligation of Assignee.

(e) There is no action, suit, claim, proceeding or investigation pending or, to the best knowledge of Assignee, currently threatened against Assignee which

questions the validity of this Assignment and Assumption Agreement or the transactions contemplated herein or that could either individually or in the aggregate have material adverse effect on the assets, conditions, affairs, or prospects of Assignee, financially or otherwise.

(f) [There is no Controlling Person (as defined in the Arena Lease) of Assignee as of the Effective Date]. [Assignee has satisfied the Controlling Person Requirements (as defined in the Arena Lease)].

(g) Assignee satisfies the Financial Tests (as defined in the Arena Lease).

Further, Assignee agrees that in the event any of the express representations or warranties made in this Assignment and Assumption Agreement by Assignee shall be found to have been incorrect in any material respect when made, such circumstances shall constitute a "Tenant Default" under the Arena Lease and the Parking Lease and a "Rocket Ball Default" under the Project Agreement and the Non-Relocation Agreement.

EXECUTED by Assignor as of [_____ ___, _____] (the "Effective Date").

ASSIGNOR:
[_____]

By: _____
Name: _____
Title: _____

EXECUTED by Assignee as of the Effective Date.

ASSIGNEE:
[_____]

By: _____
Name: _____
Title: _____

EXHIBIT D

FORM OF MEMORANDUM OF ARENA LEASE, SUBLEASE, LICENSE AND MANAGEMENT AGREEMENT

THE STATE OF TEXAS §
§
COUNTY OF HARRIS §

THIS MEMORANDUM OF ARENA LEASE (this "Memorandum") is made and entered into effective as of the 31st day of December, 2001, by and between **HARRIS COUNTY-HOUSTON SPORTS AUTHORITY**, a sports and community venue district created under Chapter 335 of the Texas Local Government Code ("Landlord"), and **ROCKET BALL, LTD.**, a Texas limited partnership ("Tenant").

RECITALS

1. Landlord and Tenant have entered into that certain Arena Lease, Sublease, License and Management Agreement (the "Arena Lease") dated effective as of December 31, 2001, pursuant to which Landlord leased to Tenant and Tenant leased from Landlord the following (the "Leased Premises"):

(a) The Arena, which includes, without limitation, the tract of real property described on Exhibit A attached hereto (the "Arena Site"), the Arena Improvements (which include, without limitation, the Components, the Loading Dock and all other improvements, additions and alterations constructed, provided or added to the Arena Site from time to time), and all rights, privileges, easements, and appurtenances to any and all of the foregoing, including, but not limited to, the sole and exclusive rights to the Seat Rights and the income derived therefrom;

(b) The FF&E;

(c) The Intangible Property Rights (which include, without limitation, certain Arena Rights, Naming Rights, Advertising Rights, Broadcast Rights, Telecommunications Rights and other Intellectual Property Rights), all of which have been granted to Tenant in an exclusive, royalty-free, paid-up grant, conveyance and license, and together with the right to sublicense, use, enjoy and license, subject to the NHL Team Rights, and subject to the other terms of the Arena Lease, all concession, pourage and branding rights, and to transfer or sublicense to other Persons said use and enjoyment; and

(d) Uninterrupted access to and from the Arena Site, the Arena, the Loading Dock and any other improvements from time to time located on the Arena Site, including ingress and egress to and from the Arena on or through the Enclosed Access.

2. Landlord and Tenant desire to execute this Memorandum to provide notice of Tenant's rights, titles and interest under the Arena Lease and in and to the Leased Premises.

For good and valuable consideration, the receipt and adequacy of which are hereby acknowledged and confessed, the Parties, intending to be and hereby being legally bound, do hereby agree as follows:

Section 1. **Definitions and Usage**. Unless the context shall otherwise require, capitalized terms used in this Memorandum shall have the meanings assigned to them in the Arena Lease, which also contains rules as to usage that shall be applicable herein.

Section 2. **Lease**. The Leased Premises has been leased to Tenant pursuant to the terms and conditions of the Arena Lease, which is incorporated by reference in its entirety in this Memorandum. In the event of any conflict or inconsistency between this Memorandum and the Arena Lease, the Arena Lease shall control.

Section 3. **Term**. The Landlord has leased the Leased Premises to Tenant for a term (the "Term") commencing at 12:01 a.m. on the date following Substantial Completion that is the earlier of: (i) the scheduled date of the first official Rockets pre-Season game of the 2003/2004 NBA Season and (ii) the later to occur of (A) sixty (60) days following the Substantial Completion Date and (B) October 1, 2003 (the "Commencement Date"), unless the Substantial Completion Date occurs after September 1, 2003, and Tenant, at its option, by notice to Landlord within thirty (30) days after the Substantial Completion Date, elects to defer the Commencement Date until either (A) a date not more than ninety (90) days after such Substantial Completion Date or (B) the following NBA Season, in which event the Commencement Date shall be the scheduled date of the first official Rockets pre-Season game of the following NBA Season. The Term shall end on the last day of the three hundred sixtieth (360^{th}) calendar month after the calendar month in which the Commencement Date occurs, unless sooner terminated in accordance with the provisions of the Arena Lease.

Section 4. **Successors and Assigns**. This Memorandum and the Arena Lease shall bind and inure to the benefit of the Parties and their respective successors and assigns, subject however, to the provisions of the Arena Lease regarding assignment.

IN WITNESS WHEREOF, this Memorandum has been executed by Landlord and Tenant as of the date first above written.

LANDLORD:

HARRIS COUNTY-HOUSTON SPORTS AUTHORITY

By: _____
Willaim F. "Billy" Burge
Chairman

TENANT:

ROCKET BALL, LTD.,
a Texas limited partnership

By: LLA Sports, Inc., its general partner

By: _____
Leslie L. Alexander
President

STATE OF TEXAS §
§
COUNTY OF HARRIS §

This instrument was acknowledged before me on _____ ___, 2001 by William F. "Billy" Burge, Chairman of HARRIS COUNTY - HOUSTON SPORTS AUTHORITY, a sports and community venue district created under Chapter 335 of the Texas Local Government Code, on behalf of said sports and community venue district.

_____
Printed Name: _____
Notary Public in and for the
State of Texas
My Commission Expires: _____

{SEAL}

STATE OF TEXAS §
§
COUNTY OF HARRIS §

This instrument was acknowledged before me on _____
_____, 2001 by Leslie L. Aldexander. President of LLA Sports, Inc., a Delaware corporation, general partner of ROCKET BALL, LTD., a Texas limited partnership, on behalf of said corporation and limited partnership

_____
Printed Name: _____
Notary Public in and for the
State of Texas
My Commission Expires: _____

{SEAL}

EXHIBIT E

TERMS AND CONDITIONS OF POTENTIAL USE AGREEMENT BETWEEN TENANT AND AN UNAFFILIATED NHL TEAM

(In the Event that an NHL Team Not Owned or Operated by Tenant or any Affiliate of Tenant Is Brought to Houston to Play at the Arena)

Arena	Although the Arena Project Design/Development Criteria will include certain work necessary to accommodate NHL hockey at the Arena, the Arena Project Design/Development Criteria do not include the cost of NHL Special Improvements. The NHL Team or the Sports Authority must fund the cost of any build-out and acquisition of the NHL Special Improvements as required to conduct NHL hockey games at the Arena.
Parking	The Parking Garage Lease shall contain Tenant's agreement that the NHL Team shall receive, or the Parking Garage Lease shall otherwise permit the NHL Team to receive, with respect to NHL Events the parking revenue from the Parking Garage and the NHL Team shall have the right to establish parking rates in the Parking Garage for such NHL Events.
NHL Team's Long-Term Use/Non-Relocation Agreement	The NHL Team will enter into a long-term Use Agreement with specific performance with regard to the Arena. The term of the NHL Team's lease will be co-terminus with the then remaining term of the lease to Tenant. The NHL Team will enter into non-relocation agreements with the City and the Sports Authority comparable to the Non-Relocation Agreement in order to provide an enforceable (including in a bankruptcy proceeding) prohibition (with substantial liquidated damages) against the playing of "home" games of the NHL Team anywhere other than in the Arena and against the relocation of the NHL Team during such term.
NHL Team's Rights/Obligations	The NHL Team will be entitled to play all of its preseason, regular season and post-season home games (and any awarded NHL All-Star Games) at the Arena, subject to (a) dates reserved by the Rockets for NBA Games and other NBA-related events, (b) dates reserved in the published schedule for the WNBA Season by the Comets for WNBA games and other WNBA-related events and (c) other dates reserved by Tenant at least nine (9) months in advance. Provided that the NHL Team is not owned by Tenant or any Affiliate of Tenant, Landlord or the City, as applicable, may charge the NHL Team an appropriate rent in connection with the NHL Team's use of the Arena.

The NHL Team will be responsible for reimbursing Tenant for the costs and expenses set forth below:

(a) Operating Expenses.

(i) all NHL Event-day personnel expenses, including fully burdened salary expense, for ushers, security personnel, facility and system operators, janitorial personnel, box office, ticket takers and other personnel;

(ii) all Operating Expenses and other costs and expenses, directly attributable to each NHL Event, including fully burdened salary cost, set-up and break down, ice-making, Floor and seating changeovers, utilities, insurance, box office and ticket broker or agent expense, concession and merchandising expense (including, without limitation, inventories, supplies or fees, to the extent payable by Tenant or its licensees pursuant to any applicable concession arrangements), broadcast hook-up or other expense, clean up expense, and Tenant's cost for Municipal Services; and

(iii) all Maintenance Expense for NHL Team's exclusive use areas and NHL Special Improvements.

The foregoing reimbursement obligation shall not apply to any of Tenant's overhead costs in connection with NHL Events or to any capital costs, except as otherwise expressly provided for in this Exhibit E. The NHL Team shall reimburse Tenant for such expenses for an NHL Team that is not an Affiliate of Tenant by payment to Tenant directly of quarterly estimated payments in advance of each quarterly period during each Lease Year of the Term that such NHL Team is committed to play its home games in the Arena. The quarterly estimated payments for the first Lease Year during which such NHL Team will play its home games in the Arena shall be based on Tenant's good faith estimate of the amount of such expenses during such Lease Year. Within sixty (60) days after the end of such first and each subsequent Lease Year during which such NHL Team plays its home games in the Arena, Tenant shall submit to the NHL Team a detailed invoice reflecting such expenses during the immediately preceding Lease Year and there shall be a final settlement for such Lease Year within thirty (30) days after

submission of such invoice. At the final settlement, the NHL Team will pay to Tenant or Tenant will refund to the NHL Team, as the case may be, the excess or deficiency of such expenses for such Lease Year compared to the foregoing aggregate quarterly estimated payments made during such Lease Year. Quarterly estimated payments for each Lease Year after the first Lease Year in which the NHL Team plays its home games at the Arena shall be one hundred five percent (105%) of the quarterly expenses for such NHL Team for the immediately preceding Lease Year computed on the basis of the final settlement for such immediately preceding Lease Year. Any Dispute over the amount of such expenses for the NHL Team shall be resolved as provided in the Use Agreement with the NHL Team and the final settlement shall be deferred until resolution of such Dispute.

(b) Capital Expenses. The NHL Team will be responsible for (a) all Capital Expense for NHL Special Improvements and the NHL Team's exclusive use areas at the Arena, (b) seventy-five percent (75%) of all Capital Expense for ice-making machinery and systems, and (c) all repairs to other Components of the Arena necessitated by the negligence or misconduct of, or the misuse thereof by, the NHL Team or its agents, employees, contractors, invitees or patrons.

The NHL Team will be required to carry appropriate insurance relating to its use and occupancy of the Arena (including, but not limited to, property insurance for the full replacement value of the NHL Special Improvements covering loss or damage due to Insured Casualty Risks) and to provide appropriate and equivalent indemnities to Landlord and Tenant relating thereto.

The NHL Team will receive with respect to all NHL Events ticket revenue, concession revenue, club seat premiums, game-day in-ice, dasher board and temporary advertising in the Arena bowl (provided in all cases that (a) any exclusive arrangements entered into by Tenant or any Affiliate of Tenant from time to time are protected and (b) the NHL Team may not enter into agreements with any Person with which Tenant has an exclusive arrangement that would continue if Tenant enters into an exclusive arrangement with another Person for similar goods or services), and any incremental amounts paid by suite holders attributable directly and solely to the presence of the NHL Team in the Arena. If a suite holder does not buy tickets to NHL Events, the NHL Team shall not be entitled to sell any rights with

respect to such suites for such NHL Events. The NHL Team shall not share in the revenue from any fixed advertising, engage in "ambush" marketing or permit electronic blocking of any Arena fixed advertising. No temporary advertising will be permitted in the concourses of the Arena.

The NHL Team will at all times have the exclusive use of the locker rooms and other space designated in the Arena Project Design/Development Criteria as being for exclusive use of the NHL Team.

All Arena agreements (including without limitation exclusive arrangements) with vendors, suppliers, sponsors, concessionaires, advertisers, suite holders, club seat holders and other parties will remain in effect during all NHL Events, as will all policies established by Tenant for the Arena regarding crowd control, maintenance, ticketing, access, building operations, broadcasting and other operational matters.

Except for the rights of the NHL Team as described above, the use of the Arena by the NHL Team shall have no negative impact on the revenues to be received by Tenant with respect to the Arena and Parking Garage.

EXHIBIT F

INTANGIBLE PROPERTY RIGHTS

The following are the Intangible Property Rights granted to Tenant:

(a) Arena Name. Subject to the provisions of Section 22.3 of the Agreement, the right to (i) use the Arena Name and any Symbolic Representation of the Leased Premises or any part thereof, (ii) display such name or Symbolic Representation, and any associated trademark, service mark, symbol, logo, design, slogan, emblem, motto or brand on or from the Leased Premises and on items of personalty within and outside the Leased Premises, (iii) contract from time to time with any Person or Persons on such terms as Tenant determines with respect to the use and enjoyment of such name, or symbolic representation, and any associated trademark, service mark, symbol, logo, design, slogan, emblem, motto or brand, (iv) the full use and enjoyment of such name and Symbolic Representation and all associated trademarks, service marks, symbols, logos, designs, slogans, emblems, mottos or brand designation anywhere in the Exclusive Area, (v) all licenses granted to Landlord under or pursuant to the Construction Agreements and (vi) all persona rights associated with the Leased Premises or the occupation of the Leased Premises (collectively, the "Arena Rights"), the license of which is herein referred to as the "Arena License";

(b) Naming Rights. Subject to the provisions of Subsections 22.2.6 and Section 22.6 of the Agreement, the right to (i) name the Leased Premises, any portion thereof and any products and services associated with the Leased Premises, whether or not provided within the Leased Premises, (ii) give or designate attribution for the Leased Premises or any portion thereof, (iii) display such name or attribution, and any associated trademark, service mark, symbol, logo, design, slogan, emblem, motto or brand or team designation, on or from the Leased Premises and on items of personalty within and outside the Leased Premises, (iv) from time to time change the name of or attribution for the Leased Premises or any portion thereof, (iv) contract from time to time with any Person or Persons on such terms as Tenant determines with respect to the naming of or attribution of the Leased Premises or any portion thereof (a "Naming Rights Agreement"), (v) name or give attribution to Brick Pavers pursuant to the provisions of Section 22.5 of this Agreement and (vi) the full use and enjoyment thereof (collectively, the "Naming Rights"), the license of which is herein referred to as the "Naming Rights License";

(c) Advertising Rights. The right to the full use and enjoyment of, and to control and contract with respect to, any advertising in, on or of, or other economic exploitation of, the Leased Premises or any part hereof and all events and activities at the Leased Premises, including, without limitation, (i) Signage, (ii) advertising displayed on items worn or carried by the personnel at any events and activities at the Leased Premises (such as ushers and ticket takers), (iii) ticket advertising, (iv) sponsorship of events and activities, (v) all trademarks, symbols, logos, designs, slogans, emblems, mottos, brand or team designations or other forms of advertising affixed to or included with cups, hats, t-shirts and other concession or promotional items associated with sponsorships of any

events and activities at the Leased Premises, (vi) Space User or other sponsor advertising on concession or giveaway merchandise, (vii) blimp advertising, (viii) programs, pocket schedules, year books, so called "glow benches" and "ad sleeves" and all other print and display advertising, (ix) advertising of concessions within the Leased Premises (including menu boards and point of purchase concession advertising), (x) announcements made on the Leased Premises' audio or video public address systems (including public service announcements), (xi) the Floor-related advertising and (xii) advertising, including product tie-ins, in connection with the Arena Rights, Naming Rights, Broadcast Rights or Telecommunication Rights (collectively, the "Advertising Rights"), the license of which is herein referred to as the "Advertising Rights License";

(d) Broadcast Rights. The right to the full use and enjoyment of, and to control, conduct, lease, license, grant concessions with respect to, sell, benefit and enter into agreements with respect to all radio and television broadcasting, film or tape reproductions, closed circuit, cable or pay television or radio or internet or simulcast rights and similar rights by whatever means or process, now existing or hereafter developed, for preserving, transmitting, disseminating or reproducing for hearing or viewing events at the Leased Premises (collectively, the "Broadcast Rights"), the license of which is herein referred to as the "Broadcast Rights License";

(e) Telecommunication Rights. The right to the full use and enjoyment of, and to control, provide, conduct, lease, license, grant concessions with respect to and contract for, Telecommunication Products or Services to or for the Leased Premises or any part thereof, including the right to sell or license the right to provide Telecommunications Products or Services on an exclusive or nonexclusive basis (collectively, the "Telecommunications Rights"), the license of which is herein referred to as the "Telecommunications Rights License"); and

(f) Intellectual Property Rights. All of the rights of Landlord associated with or necessary for the full use and enjoyment of the foregoing Intangible Property Rights pursuant to the Agreement and which may arise at any time during the Term to develop, apply for registration and maintain or permit the lapse of registration of all licenses, permits, franchises, trade secrets, trademarks, patents, copyrights (including without limitation all Copyrights) and marks (including without limitation all Marks) owned by, or licensed to, Landlord with respect to the usage of any product, process, method, substance, material or technology necessary for the use, operation, maintenance and enjoyment of the Leased Premises and the FF&E (collectively, the "Intellectual Property Rights"), except that the right to register the Intellectual Property Rights for the Arena Name shall be shared with Landlord and no other Person to the extent expressly provided for in the Agreement.

EXHIBIT G

TAXES/FEES NOT CONSTITUTING TARGETED TAXES

CITY OF HOUSTON:

Sales & Use Tax: 1.0%
Property Tax per $100 valuation: $0.655
Hotel Occupancy Tax: 7.0%
Licenses & Permits: Varies by industry and regulating agency

HARRIS COUNTY:

Property Tax per $100 valuation: $0.64802
Hotel/Motel Occupancy Tax: 2%
Alcoholic Beverage License: $30.00 to $375.00
Boat License: $25.00 to $70.00
Coin Operated Machine Permits: $22.50
DBA (Doing Business As): $11.00 in Harris County

HARRIS COUNTY-HOUSTON SPORTS AUTHORITY:

Car Rental Tax: 5%
Hotel Occupancy Tax: 2%

METRO:

Sales & Use Tax: 1.0%

HISD:

Property Tax – per $100 valuation: $1.5190

HCC:

Property Tax – per $100 valuation: $0.08233

STATE OF TEXAS:

Car rental tax:

--10.0% short-term (30 days or less)
-- 6.25% long term (30-180 days)

Hotel Occupancy tax: 6.0%

Sales & Use Tax: 6.25%

Sales Tax: Special Purpose Districts: ½% to 1% depending on local rate. Landlord and Tenant acknowledge and agree that the Arena is not currently located in any such Special Purpose District.

Unemployment Insurance Tax: 2.7% general entry rate

Certificate of Authority -- $750 (required to do business in Texas for partnerships/corporations organized in other states)

Crude Oil & Natural Gas Taxes:
--regulatory fee - $0.005 per barrel
--oil field clean-up fee - $0.003125 per barrel

Coin Operated Machine Taxes:
--$200 - $500 annual fee, depending on number of machines
--registration certificate - $150 annual fee
--occupation tax - $60 annually per machine

Franchise Tax: 0.25% per year
--Corporations pay the greater of the tax on net taxable capital or net earned surplus.
--Tax rate on *earned surplus = 4.5% per year
(*basically includes federal net taxable income, plus compensation paid to officers and directors of a corporation)

International Fuel Tax Agreement (IFTA) permit (interstate fee):
--Tax rate is set by each of the member jurisdictions. Interstate carriers based in Texas report fuel tax paid in all member jurisdictions.

Inheritance Tax: Texas portion of the maximum allowed federal credit for state death tax.

Motor Fuels Testing Fee Tax:
--$50 to $2,800 (rate varies according to gallons)

Motor Vehicle Sales Tax:
--6.4% calculated on purchase price

Boat & Boat Motor Sales and Use Tax:
--6.4% of sales price

Natural Gas Production Tax:
--7.5% of market value of gas

Crude Oil Production Tax:
--4.6% of market value of oil

Sulphur Production Tax:
--$1.03 per long ton of sulphur produced

Miscellaneous Tax Based on Gross Receipts:
--581% to 1.997% (percentage of gross receipts from business done in incorporated cities and towns, according to population).

Cigarette Tax:
--$20.50 per 1,000 cigarettes weighing 3 pounds or less per 1,000.
--$22.60 per 1,000 cigarettes weighing more than 3 pounds per 1,000.
--permits (distributors and bonded agents).

Cigar & Tobacco Products Tax:
--$7.50 to $15.00 per 1,000 cigars (depends on weight)
--tobacco products = 35.213% of manufacturer's list price

Cigarette & Tobacco Products Outdoor Advertising Fee:
--10% of the gross sales price of any outdoor advertising

Petroleum Products Delivery Fee:
--$18.75 to $75.00 (varies according to the net gallons withdrawn)

Manufactured Housing Sales & Use Tax:
--5% of 65% or .0325 of the sales price stated on invoice

Public Utility Gross Receipts Tax:
--1/6 of 1% (.001667) of gross receipts from rates charged

Amusement Machine Regulation & Tax:
--Registration certificate -- $150.00
--Occupation tax permit -- $ 60.00
--General business license -- $200 to $500 (varies w/number of machines)
--Repair license -- $50.00

Pari-Mutuel Wagering Racing Revenue:
--1% to 5% (varies w/amount of pari-mutuel pools of $100-$500 million)

Controlled Substances Tax:

--$3.50 per gram, 4 oz. Minimum
--other substances -- $200 per gram, 7g. minimum
--$2,000 per 50 dosage units, 50 minimum, 50 unit increment
(A partial gram or increment is treated as a whole.)

Coastal Protection Fee:

--2 cents per barrel of crude oil or condensate

Automotive Oil Sales Fee:

--1 cent per quart on first sale or use of automotive oil

Battery Sales Fee:

--$2.00 per battery of less than 12 volts
--$3.00 per battery with a capacity of 12 volts or more

Oil Well Servicing Tax:

--2.42% of taxable services

Insurance Taxes:

-- Insurance Maintenance Tax for the Research and Oversight Council on Workers' Compensation Insurance: varies each year as adopted by the Texas Workers' Compensation Commission.

-- Insurance Maintenance Tax for the Texas Dept. of Insurance: varies each year as adopted by the Texas Dept. of Insurance.

-- Insurance Maintenance Tax for the Texas Workers' Compensation Commission: varies each year as adopted by the Texas Workers' Compensation Commission.

-- Insurance Premium Tax (Independently Procured):
4.85% of taxable premiums

-- Insurance Premium Tax (Licensed Insurers):
Life, accident and Health insurers = 1.75%
Property & Casualty insurers = 1.6%
Reciprocal or Inter-insurance Exchanges = 1.7%
Title insurers = 1.35%

-- Insurance Premium Tax (Surplus Lines Agent):
4.85% of taxable premiums

-- Insurance Premium Tax (Unauthorized Insurance):
4.85% of taxable premiums

Mixed Beverage Tax:
--14% of gross receipts

Telecommunications Infrastructure Fund Assessment:

--1.25% of receipts from taxable telecommunications services that are subject to sales tax.

School Fund Benefit Fee:
--.04875 per gallon (commercial passenger vehicles)

Oyster Sales Fee:
--$1.00 per barrel of oysters

Cement Production Tax:
--$0.55 per ton or $0.0275 for each 100 pounds of taxable cement

Bank Franchise Tax:
--Greater of .25% per year of privilege period of net taxable capital or 4.5% of net taxable earned surplus.

Diesel Fuel Tax:
--20 cents per gallon (19.2 cents transit sales) on first sale or use

Gasoline Tax:
--20 cents per gallon (19 cents transit sales) on first sale or use

Liquefied Gas Tax:
--15 cents per gallon

Loan Origination Fee:
--50 cents for each loan

Office of Public Insurance Counsel (OPIC) Assessment:
--$.057 per policy

Retail Charge Account Delinquency Fee:
--50 cents for each delinquency charge in excess of $10

Retaliatory Tax:
--If aggregate tax, assessment and fee burden of another state exceeds the aggregate burden in Texas based on the same amount of premium writings, a retaliatory tax is imposed equal to the difference between the states.

EXHIBIT H

Financial Information	Date Due
A balance sheet as of the end of each fiscal year and the related statement of operations, a statement of partners' capital and a statement of cash flows, all in reasonable detail and accompanied by an independent auditor's report stating that (a) its audit was in accordance with generally accepted auditing standards and (b) the financial statements present fairly (in all material respects) Tenant's financial position as of the end of each fiscal year	Within one hundred twenty (120) days after the close of each fiscal year of Tenant
A certificate from an officer of Tenant as to (a) whether Tenant has received a notice of default from the lender under the Citicorp loan (or any replacement therefor that serves as Tenant's primary third party institutional credit facility), and (b) whether, to Tenant's knowledge, any event has occured which, with the passage of time or notice or both, will result in a default under such loan.	Within twenty (20) days after receipt of a written request from Landlord, which request may only be made once and must be made on or prior to the date of Substantial Completion of the Parking Garage.

All information provided above is subject to the following confidentiality procedures (the "Procedures"):

1. Lender and its employees (i) will keep all such information confidential and will not (except as required by applicable law, regulation or legal process, and only after compliance with Paragraph (3) below), without Tenant's prior written consent, disclose any of such information in any manner whatsoever, and (ii) will not use any such information other than in connection with its surveillance responsibilities with respect to the Arena Rent Supported Debt; provided, however, that Lender may reveal such information to its employees (a) who need to know the information for the purpose of performing such surveillance responsibilities, (b) who are informed by Lender of the confidential nature of the information and (c) who agree to act in accordance with the terms of these Procedures. Lender will cause its employees to observe the terms of these Procedures, and Lender will be responsible for any breach of these Procedures by any of its employees.

2. Lender or its employees will not (except as required by applicable law, regulation or legal process, and only after compliance with Paragraph (3) below), without Tenant's prior written consent, disclose to any person the fact that the information has been made available to Lender or its employees.

3. If Lender or any of its employees are requested pursuant to, or required by, applicable law, regulation or legal process to disclose any of the information, Lender will notify Tenant promptly so that Tenant may seek a protective order or other appropriate remedy or, in Tenant's sole discretion, waive compliance with the terms of these Procedures. In the event that no such protective order or other remedy is obtained, or that Tenant does not waive compliance with the terms of these Procedures, Lender will furnish only that portion of the information which Lender is advised by counsel is legally required and will exercise all reasonable efforts to obtain reliable assurance that confidential treatment will be accorded the information.

4. Lender acknowledges that remedies at law are inadequate to protect Tenant against any actual or threatened breach of these Procedures by Lender or by its employees, and, without prejudice to any other rights and remedies otherwise available to Tenant, Lender agrees to the granting of injunctive relief in Tenant's favor without proof of actual damages. Lender agrees to INDEMNIFY, PROTECT, DEFEND AND HOLD HARMLESS Tenant and its officers, directors, partners, shareholders, employees, and agents for, from, and against all liabilities, claims, fines, penalties, costs , losses, liens, causes of action, suits, judgments and expenses (including reasonable court costs, attorneys' fees and costs of investigation) arising from or related to damages arising out of, caused by, or resulting from (in whole or part) Lender's or its employees' breach of these Procedures.

5. No failure or delay by Tenant in exercising any right, power or privilege hereunder will operate as a waiver thereof, nor will any single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any right, power or privilege hereunder.

6. Upon request of Tenant, Lender will confirm in writing its agreement to these Procedures prior to its receipt of any such information.

EXHIBIT I

LANDLORD'S CONSENT AND ESTOPPEL AGREEMENT

THIS LANDLORD'S CONSENT AND ESTOPPEL AGREEMENT (this "Agreement") dated as of _____ ___, 2001, by and between **HARRIS COUNTY-HOUSTON SPORTS AUTHORITY**, a sports and community venue district created under Chapter 335 of the Texas Local Government Code ("Landlord"), and _____, as lender under the Credit Agreement (defined below) ("Lender").

RECITALS:

WHEREAS, Rocket Ball, Ltd., a Texas limited partnership ("Borrower") and Lender have entered into that certain Credit Agreement, dated as _____, ____, (collectively with the schedules and exhibits thereto, as the same may be amended, modified, restated or supplemented in accordance with the terms thereof, the "Credit Agreement"), pursuant to which Lender has agreed, upon the terms and conditions set forth therein, to make available to Borrower a revolving credit loan facility (the "Credit Facility");

WHEREAS, Borrower has certain rights to use the arena and parking garage to be built pursuant to that certain Project Agreement by and between Borrower and Landlord (the "Project Agreement") that includes an arena, parking facilities, and other facilities (collectively, the "Premises") all being situated upon a tract of real estate located in Houston, Texas, said real estate being more particularly described on Exhibit A attached hereto and made a part hereof, pursuant to (i) that certain Arena Lease, Sublease, License and Management Agreement by and between the Borrower and Landlord, as such agreement may be amended from time to time (the "Arena Lease"), a copy of which is attached hereto as Exhibit B and (ii) that certain Parking Garage Lease by and between Borrower and Landlord, as such agreement may be amended from time to time (the "Garage Lease"), a copy of which is attached hereto as Exhibit C;

WHEREAS, Borrower may utilize a portion of the proceeds of the Credit Facility to fund certain of its obligations under the Project Agreement, the Arena Lease or Garage Lease;

WHEREAS, pursuant to that certain Security Agreement dated as of _____, ____, made by Borrower in favor of Lender (the "Security Agreement") to secure all of its obligations under the Credit Facility , Borrower has granted to the Lender a security interest in substantially all of its property and interests in property now owned and hereafter acquired, including, without limitation, all of its rights and interest under the Arena Lease and the Garage Lease.

WHEREAS, obtaining the execution and delivery of this Agreement by the Landlord is a condition to the Borrower obtaining credit under the Credit Agreement; and

WHEREAS, capitalized terms not otherwise defined herein shall have the meanings ascribed to such terms in the Arena Lease.

NOW, THEREFORE, Landlord and Lender agree as follows:

1. Estoppel. Landlord warrants and represents to Lender that, as of the date hereof, (a) the Arena Lease attached hereto as Exhibit B and the Garage Lease attached hereto as

Exhibit C are each true and correct copies, unmodified and in full force and effect; and (b) to its knowledge there are no Tenant Defaults and no Landlord Defaults under the Arena Lease or the Garage Lease.

2. Landlord's Consent to the Collateral Assignment. Lender represents to Landlord that pursuant to the Security Agreement, Borrower has assigned its interest in the Arena Lease and Garage Lease solely as collateral (the "Collateral Assignment"). The Collateral Assignment does not entitle Lender to exercise any rights of Borrower under the Arena Lease or the Garage Lease unless and until Lender shall foreclose on the NBA Franchise and comply with the provisions of Paragraph 3 of this Agreement. Landlord expressly acknowledges and consents to the Collateral Assignment subject to the provisions of this Paragraph 2.

3. Consent to Assignment. In the event, pursuant to the terms of the Security Agreement, Lender forecloses on the NBA Franchise, Lender shall have the right and power to sell, transfer, and/or assign the NBA Franchise without the consent of Landlord as provided below. Lender agrees, however, that an essential part of the consideration to Landlord under this Agreement is the obligation to cause the NBA Team to play in the Arena, as provided in the Non-Relocation Agreement (a true and complete copy of the Non-Relocation Agreement is attached hereto as Exhibit D), and the requirement that the Person who from time to time holds the NBA Franchise be subject, in all other respects, with the applicable terms and provisions of the Arena Lease. Accordingly, (a) Lender agrees that its rights in and to the NBA Franchise are subject and subordinate to Landlord's rights under the Project Documents, including Landlord's rights under the Non-Relocation Agreement and to the extent Lender forecloses on the NBA Franchise subject to the rights of Landlord under the Project Documents, and (b) Landlord covenants and agrees that it shall consent to an assignment of the Arena Lease and the Garage Lease in connection with an assignment of the NBA Franchise by Lender; provided, that:

(a) The transfer of the NBA Franchise is approved in accordance with the NBA Rules and Regulations; and

(b) The assignee of the NBA Franchise assumes, pursuant to the Assignment and Assumption Agreement in a form substantially similar to Exhibit E attached hereto, full responsibility for the performance of all of the obligations of Borrower under the Principal Project Documents arising on and after the date of such assignment; and

(c) The assignee of the NBA Franchise (or any guarantor of its obligations under the Principal Project Documents) meets the Financial Tests described in Section 15.3(f) of the Arena Lease and, as of the date of the transfer, the assignee or any Person who is a Controlling Person of the assignee meets the Controlling Person Requirements.

4. Notices. Landlord covenants and agrees with Lender that it will promptly give to Lender a copy of any notice of default or event of default of Borrower under the Arena Lease and the Garage Lease. All notices and other communications provided for hereunder shall be in writing and, if to the Lender or the Landlord, addressed or delivered at the address set forth in this Section 4, or as to any party at such other address as shall be designated by such party in a written notice to the other party complying as to delivery with the terms of this Section 4. Any such notices and other communications shall be deemed given when received.

If to Lender: _____
_____
_____
_____
Attn: _____
Telephone: _____
Telecopy: _____

If to Landlord: Harris County-Houston Sports Authority
1001 Fannin, Suite 750
Houston, Texas 77002
Attn: Chairman
Telephone: 713/355-2164
Telecopy: 713/355-2427

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed under seal as of the date first above written.

LANDLORD:

HARRIS COUNTY-HOUSTON SPORTS AUTHORITY, a sports and community venue district created under Chapter 335 of the Texas Local Government Code

By: _____
William F. "Billy" Burge
Chairman

LENDER:

By: _____
Name: _____
Title: _____

EXHIBIT A

Legal Description

See Attached

EXHIBIT B

Copy of the Arena Lease

See Attached

EXHIBIT C

Copy of the Garage Lease

See Attached

EXHIBIT D

Copy of the Non-Relocation Agreement

See Attached

EXHIBIT E

Form of Assignment and Assumption Agreement

See Attached

EXHIBIT C

PARKING GARAGE LEASE

PARKING GARAGE LEASE

by and between

HARRIS COUNTY-HOUSTON SPORTS AUTHORITY,

as Landlord,

and

ROCKET BALL, LTD.,

as Tenant

Houston/Harris County Arena Parking Garage

Houston, Texas

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APPENDIX AND EXHIBITS

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EXHIBIT C	Form of Memorandum of Parking Garage Lease
EXHIBIT D	Permitted Encumbrances

PARKING GARAGE LEASE

This PARKING GARAGE LEASE (this "Agreement") is made and entered into as of the 31st day of December, 2001 (the "Effective Date"), by and between the HARRIS COUNTY-HOUSTON SPORTS AUTHORITY, a sports and community venue district created under Chapter 335 of the Texas Local Government Code ("Landlord" or the "Sports Authority"), and ROCKET BALL, LTD., a Texas limited partnership ("Tenant"). Tenant and Landlord are referred to herein collectively as the "Parties" and individually as a "Party."

RECITALS

A. Pursuant to that certain Project Agreement (the "Project Agreement"), between Landlord and Tenant and dated of even date herewith, Landlord shall construct a 2,500 parking space event parking garage, including the Enclosed Access and the Loading Dock Access Improvements to service the Arena, as more fully described in the Project Agreement (the "Parking Garage"), on certain real property to be owned by Landlord in the City of Houston, Texas on a two block site located adjacent to the southern boundary of the Arena Site, bounded on the north by Bell, on the south by Leeland, on the east by Jackson and ~~on~~ the west by LaBranch (comprising all of Blocks 328 and 329 S.S.B.B.), all as more fully described on Exhibit A, together with all air rights and air space above such real property, all street rights-of-way within such site and certain rights in and to areas above, below and within the Bell Street right-of-way, including the right to construct the Loading Dock Access Improvements beneath the Bell Street right-of-way and the right to construct the Enclosed Access over the Bell Street right-of-way adjacent to such site (the "Parking Site").

B. The Project Agreement sets forth, among other things, the terms and conditions for acquisition of the Parking Site and for the completion of all on and off-site design, development, construction, equipping and furnishing of the Parking Garage on the Parking Site and all related amenities.

C. Landlord desires to lease and license (as applicable) to Tenant, and Tenant desires to lease and license (as applicable) from Landlord, the Leased Premises (as defined in Section 2.1 hereof) upon the terms and conditions set forth in this Agreement

AGREEMENTS

For and in consideration of the respective covenants and agreements of Landlord and Tenant set forth herein and in the Arena Lease and the Project Agreement, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by Landlord and Tenant, Landlord and Tenant do hereby agree as follows:

ARTICLE 1

DEFINITIONS

Unless the context requires otherwise, capitalized terms used in this Agreement shall have the meanings assigned to them in the Glossary of Defined Terms attached hereto as Appendix A, which also contains rules as to usage applicable to this Agreement.

ARTICLE 2

GRANT OF LEASEHOLD ESTATE

2.1 Grant. In consideration of and pursuant to the covenants, agreements, and conditions set forth herein and in the Arena Lease and the Project Agreement, Landlord does hereby grant, lease, let, demise, rent and license exclusively unto Tenant, and Tenant does hereby rent, lease, and license from Landlord, the following (collectively, the "Leased Premises"):

(a) Entire Garage Use. The exclusive use ("Exclusive Garage Use"), at no charge, of the entire Parking Garage and Parking Site, subject only to the Garage Operator's use of and access to and from the Operator's Spaces as provided below in Section 2.2 and subject to the use of and access to the Parking Garage by vehicles which Landlord is not obligated to remove in accordance with the terms of the last sentence of Section 2.3, during Arena Event Periods relating to the following Arena Events ("Exclusive Garage Use Periods"): (i) Home Games, (ii) All-Star Games or related All-Star Game events, (iii) other Arena Events involving or sponsored by Tenant or any of Tenant's Affiliates (including the NHL Team if an Affiliate of Tenant), and (iv) twenty (20) other Arena Events selected by Tenant during each Lease Year during the Term, which are sporting events related to Tenant, Tenant's Affiliates or any Affiliates of Tenant (including the NHL Team if an Affiliate of Tenant), charity events (including the Clutch City Foundation annual Tux and Tennies banquet) or similar exhibitions customarily sponsored by NBA, WNBA, and (if owned or controlled by Tenant, Tenant's Affiliates or any other Affiliate of Tenant) NHL franchises or any other franchises for professional sports owned or operated by Tenant, Tenant's Affiliates or any Affiliates of Tenant (each an "Exclusive Garage Use Event").

(b) Reserved Spaces. The exclusive use, at no charge, of 200 dedicated parking spaces in the Parking Garage, in locations designated by Tenant prior to the Commencement Date and prior to any designation of the Operator's Spaces, 365/366 days a year, 24 hours a day for Tenant and Tenant's Affiliates, Arena employees, media and other parties authorized by Tenant, including patrons of Arena Events and any manager of the Arena (each a "Reserved Space" and collectively the "Reserved Spaces"). After any such initial designation of the Reserved Spaces by Tenant, Tenant may change the designation of the Reserved Spaces to any other parking spaces in the Parking Garage (other than the Operator's Spaces), provided Tenant notifies the Garage Operator in writing of such change at least thirty (30) days prior to the effective date thereof, and provided further that the Garage Operator approves such change (which approval shall

not be unreasonably withheld and shall be limited to confirming that such change does not adversely affect the operation of the Parking Garage in the manner contemplated herein).

(c) Premium Seat Spaces. The exclusive use, at no charge, in addition to the Reserved Spaces, in locations designated by Tenant prior to the Commencement Date and prior to any designation of the Operator's Spaces, subject to the use of and access to the Parking Garage by vehicles which Landlord is not obligated to remove in accordance with the terms of the last sentence of Section 2.3, during each Arena Event Period (a "Premium Seat Use Period") other than Exclusive Garage Use Periods or Arena Event Periods for NHL Events for an NHL Team that is not an Affiliate of Tenant, or for a City Event (each a "Non-Tenant Arena Event") of such number of parking spaces in the Parking Garage as shall be sufficient to satisfy Tenant's parking obligations pursuant to club seat (or similarly designated premium seating arrangements) or luxury suite leases, licenses or agreements (each a "Premium Seat Space"). After any such initial designation of the Premium Seat Spaces by Tenant, Tenant may change the designation of the Premium Seat Spaces to any other parking spaces in the Parking Garage (other than the Operator's Spaces), provided Tenant notifies the Garage Operator in writing of such change at least thirty (30) days prior to the effective date thereof, and provided further that the Garage Operator approves such change (which approval shall not be unreasonably withheld and shall be limited to confirming that such change does not adversely affect the operation of the Parking Garage in the manner contemplated herein).

(d) Parking Revenues. The exclusive right to charge separately or include as part of the ticket price or price for premium seats, such as club seats or luxury suites, or to cause the Garage Operator to charge, such amounts as Tenant shall determine from time to time in its absolute discretion, for: (1) the use of the Parking Garage during Exclusive Garage Use Periods subject to the use of and access to the Parking Garage by vehicles which Landlord is not obligated to remove in accordance with the terms of the last sentence of Section 2.3, (2) Premium Seat Spaces during each Premium Seat Use Period, and (3) Reserved Spaces, at any time, as more fully described below in Article 6 of this Agreement.

(e) Enclosed Access. The exclusive right to use (or designate who can use), at no charge, the Enclosed Access to access the Arena, 365/366 days a year, 24 hours a day, subject only to (i) the rights to be granted by Tenant to an NHL Team that is not an Affiliate of Tenant pursuant to a Use Agreement and/or to the City (or its designee) pursuant to a City Event Use Agreement, and (ii) the Garage Operator's right to access the Enclosed Access to the extent necessary to perform its security, Maintenance and Capital Repair obligations hereunder.

(f) Loading Dock Access. The exclusive right to use (or designate who can use), at no charge, 365/366 days a year, 24 hours a day, all or any portion of the ramp, underground tunnel and any other access improvements constructed and installed, from time to time, on or within any portion of the Parking Site or the Parking Garage Improvements for purposes of gaining access to the Loading Dock (collectively, the "Loading Dock Access Improvements"), subject, however, to (i) any rights to be granted

by Tenant to an NHL Team that is not an Affiliate of Tenant pursuant to a Use Agreement and/or to the City (or its designee) pursuant to a City Event Use Agreement, and (ii) the Garage Operator's right to access the Loading Dock Access Improvements to the extent necessary to perform its security, Maintenance and Capital Repair obligations hereunder.

(g) Other Access. The non-exclusive right, during periods other than Exclusive Garage Use Periods, to use, at no charge, all Parking Garage facilities and improvements necessary or incidental to vehicular or pedestrian access to and egress from the Reserved Spaces, Premium Seat Spaces, the Loading Dock and the Enclosed Access, the Arena and streets and sidewalks bordering the Parking Garage, and the use and enjoyment of the Reserved Spaces, Premium Seat Spaces, the Loading Dock Access Improvements and the Enclosed Access, including all stairways, driveways, walkways, elevators, escalators, and other passageways within the Parking Garage for vehicular and pedestrian ingress and egress, and key cards or other ticket equipment.

(h) Roof Rights. The exclusive right to use, at no charge, the Parking Garage roof, 365/366 days a year, 24 hours a day, for installation, maintenance, repair and operation of (i) security, satellite, communication and broadcast equipment related to the Arena or other sports and entertainment businesses and activities of Tenant, Tenant's Affiliates and/or Affiliates of Tenant (provided, however, the foregoing shall not permit Tenant to use the roof for any purpose prohibited by Section 7.1.3 hereof), and (ii) the cooling towers serving the Arena (collectively, the "Roof Rights"), subject, however, to the provisions of Section 8.3 hereof.

(i) Banner Rights. The exclusive right to install, use and maintain, at no charge, 365/366 days a year, 24 hours a day, whether on or in the Parking Garage or the Enclosed Access, or connected to and between the Parking Garage and the Arena above the Bell Street right of way, such Signage, banners, streamers and other advertising and similar materials related to the Arena as Tenant may desire (collectively, the "Banner Rights"), subject, however, to the provisions of Sections 8.3 and 8.4 hereof.

(j) Intangible Property Rights. All of the intangible property rights that are described on Exhibit B attached to this Agreement and made a part hereof, which include all naming and advertising rights associated with the Parking Garage, all of which are hereby granted to Tenant in an exclusive, royalty-free, paid-up grant, conveyance and license for Tenant's exclusive use and enjoyment (collectively, the "Intangible Property Rights"), together with the exclusive right to sublicense, use, enjoy and license to other Persons the Intangible Property Rights.

2.2 Operator's Spaces. Landlord shall be entitled to the exclusive use during the Term of twenty (20) parking spaces in the Parking Garage, in locations mutually agreeable to Landlord and Tenant, that shall be available 24 hours a day, 365/366 days a year (the "Operator's Spaces"), together with the non-exclusive right to use all Parking Garage facilities and improvements necessary or incidental to vehicular and pedestrian access to and from the Operator's Spaces and the streets and sidewalks bordering the Parking Garage, including all stairways, driveways, walkways, elevators, escalators, other passageways within the Parking

Garage, and key cards or other ticket equipment (but excluding therefrom the Enclosed Access and the Loading Dock Access Improvements).

2.3 Covenant of Quiet Enjoyment. Landlord covenants that Tenant, upon keeping, observing and performing the terms, covenants and conditions of this Agreement to be kept, observed and performed by Tenant, shall and may quietly and peaceably hold, occupy, use, and enjoy the Leased Premises during the Term without ejection or interference by or from Landlord, the City or any other Person (other than Persons claiming by, through or under Tenant), subject only to (a) Encumbrances arising by, through or under Tenant, and (b) the Permitted Encumbrances. In the event that Tenant gives notice to the Garage Operator that any vehicles or other obstructions are interfering with Tenant's quiet enjoyment of the Leased Premises pursuant to this Agreement, then the Garage Operator shall promptly remove, or cause to be removed, any such vehicles or other obstructions, at no cost, expense or liability to Tenant; provided, however, unless Tenant has provided at least thirty days prior written notice to Landlord that an Arena Event Period will commence prior to 5:00 pm on a weekday which is not a recognized holiday (except that for no more than ten (10) Arena Events in any calendar year, such notice only needs to be given at least seven (7) days prior thereto), the Garage Operator shall not be required to remove any vehicles prior to 5:00 p.m. that have not exited the Parking Garage prior to the commencement of the Arena Event Period.

2.4 Leasehold Priority. Landlord covenants that Tenant's leasehold interest in, and other rights to, the Leased Premises arising under this Agreement shall be senior and prior to any Lien (other than the Permitted Encumbrances on) the Leased Premises or any portion thereof. Landlord shall provide from time to time such evidence as Tenant reasonably requests to confirm that there are no Liens affecting the Leased Premises superior to Tenant's leasehold interest and other rights other than the Permitted Encumbrances. The foregoing does not extend to any Liens arising by, through or under Tenant or its agents acting in such capacity.

ARTICLE 3
CONSTRUCTION OF THE PARKING GARAGE

Landlord shall complete, or cause to be completed, as and when required under the Project Agreement and/or the Arena Lease, the acquisition of the Parking Site, the completion of the Infrastructure Work, the construction of the Parking Garage Improvements and any other work relating to the Parking Garage that may be required under the Project Agreement.

ARTICLE 4
TERM

4.1 Term. The term of this Agreement shall be the same period of time as the "Term" under the Arena Lease, including all extensions thereof (the "Term"). The Term shall commence on the Commencement Date under the Arena Lease. Upon the determination of the Commencement Date, Landlord and Tenant shall execute a supplement to this Agreement, and shall execute and record an amendment to the Memorandum of Agreement setting forth, among other things, the Commencement Date. The Term shall end on the Expiration Date under the Arena Lease.

4.2 Early Occupancy. Subject to Section 8.11 of the Project Agreement, Landlord shall permit Tenant, at Tenant's election, to occupy the Reserved Spaces, the Loading Dock Access Improvements and the Enclosed Access before the Substantial Completion Date as such portions of the Parking Garage Improvements are completed. Tenant's occupancy of any portion of the Parking Garage from time to time pursuant to this Section 4.2 shall neither obligate Tenant to continuously occupy such portion of the Leased Premises nor constitute a waiver by Tenant of any default under the Project Agreement or of its remedies on account thereof.

4.3 Deliverables. On or before the date which is sixty (60) days prior to the Commencement Date, Landlord shall, to the extent not previously provided, deliver to Tenant: (i) keys, access codes and other items required for entering and exiting the Parking Garage and the Parking Garage Improvements to the extent then available (or if not then available, as soon as possible thereafter), and (ii) certificates and policies of insurance as required by Article 10 hereof to the extent then available (or if not then available, as soon as possible thereafter).

ARTICLE 5
RENT

5.1 No Additional Consideration. Except for the single payment described in Section 5.2, no additional consideration is required to be given by Tenant to Landlord under this Agreement, it being understood and agreed that the entry into this Agreement by Landlord is a material inducement to Tenant's entry into the Arena Lease and Tenant's execution and delivery of the Arena Lease is sufficient and valuable consideration for Landlord's agreements and required performance pursuant to this Agreement.

5.2 $50,000 Payment for Intangible Property Rights. At the Commencement Date, Tenant shall pay to Landlord, a one-time payment of Fifty Thousand Dollars ($50,000) for all Intangible Property Rights granted under this Agreement.

ARTICLE 6
REVENUE FROM PARKING GARAGE

6.1 Tenant Parking and Other Revenue. Tenant shall be entitled to, and is hereby granted the exclusive right to, receive and retain all Gross Revenues attributable to: (a) the sale of parking spaces in the Parking Garage during Exclusive Garage Use Periods subject to the use of and access to the Parking Garage by vehicles which Landlord is not obligated to remove in accordance with the terms of the last sentence of Section 2.3, (b) the sale of Premium Seat Spaces during each Premium Seat Use Period, and (c) the sale of Reserved Spaces at any time (collectively, "Tenant Parking Revenue"). In addition, Tenant shall be entitled to, and is hereby granted the exclusive right to, receive and retain all revenue from sale, assignment, subletting or license of all Roof Rights and Intangible Property Rights. The Garage Operator shall be responsible for collection and accounting for all Tenant Parking Revenue, and the Garage Operator shall, on the 20th day of each calendar month (each a "Parking Pay Date"), without deducting any charge, fee, cost or tax (other than sales taxes paid and reported as provided in Section 8.1 and Article 9 hereof), pay to Tenant all Tenant Parking Revenue so collected by the Garage Operator that occurred during prior calendar months and which was not included in any prior payment to Tenant. Such payment shall be via wire transfer to an account or accounts

designated from time to time by Tenant, or by such other method that Tenant may elect from time to time.

6.2 Garage Operator's Rights to all other Parking Revenue. Except for Tenant Parking Revenue, the Garage Operator shall be entitled to receive all other income and revenue on account of the sale of parking spaces in the Parking Garage, provided, however, any other agreements for the use of the Parking Garage shall be subject to and subordinate to Tenant's rights under this Agreement. Notwithstanding the foregoing, nothing contained in this Section 6.2 shall give the Garage Operator any right to receive any fee, income, revenue or other consideration associated with the Roof Rights or the Intangible Property Rights, nor does this Section give the Garage Operator the right to charge or receive any fee, cost, expense or any other amount for the use of any Reserved Space, any Premium Seat Space, the Enclosed Access, the Loading Dock Access Improvements, or any of them, or for the use of any Parking Garage space or facility during any Exclusive Garage Use Period subject to the use of and access to the Parking Garage by vehicles which Landlord is not obligated to remove in accordance with the terms of the last sentence of Section 2.3.

6.3 Monthly Gross Revenue Information, Records and Reports. Within twenty (20) days after the expiration of each month during the Term (the "Revenue Report Date"), the Garage Operator shall submit to Tenant, a verified statement listing all Gross Revenues derived from the operation of the Parking Garage for each day of operation during the calendar month immediately preceding the calendar month in which applicable Revenue Report Date occurs. Such statement shall separately list, for each day's operation during said prior calendar month and for each Exclusive Garage Use Period during said prior calendar month:

(a) Gross Revenue from the operation of the Parking Garage;

(b) Number of entrance tickets issued for each entrance gate within the Parking Garage;

(c) Number of paid tickets collected for each exit gate within the Parking Garage;

(d) Number of issued tickets voided for machinery testing or other valid reasons from each entrance gate with the Parking Garage;

(e) Number of tickets lost and unaccounted for;

(f) Number of vehicles entering the Parking Garage;

(g) Number of vehicles exiting the Parking Garage;

(h) All accident and incident reports involving accidents or incidents on the Parking Site;

(i) Number of vehicles towed from the Parking Garage; and

(j) Evidence of the payment of all Taxes, as and when due.

Each statement shall attach supporting documentation in such form as Tenant may reasonably request. All voided tickets shall be signed by the shift supervisor and shall contain a written notation of the reason for voiding the same. Lost ticket forms shall contain the name of the parking patron reporting the lost ticket, the make and license number of the vehicle, the address and phone number of the patron, the date and the charge made to the parking patron for parking. Said form shall also be signed by the shift supervisor. The Garage Operator shall pay to Tenant, in addition to each payment of Tenant Parking Revenue collected by the Garage Operator, an amount equal to the per ticket maximum charge then in effect that Tenant elected to charge for the majority of spaces for which tickets were issued for the applicable time period, multiplied by each unaccounted ticket issued for an Exclusive Garage Use Event.

6.4 Annual Reporting; Retention of Records. Within one hundred twenty (120) days after the expiration of each calendar year during the Term, the Garage Operator shall deliver to Tenant a statement of Tenant Parking Revenue during the immediately preceding calendar year, which statement shall (i) include the information described in Section 6.3 hereof, and (ii) have been reviewed by a nationally recognized firm of independent certified public accountants (the "CPA") applying generally accepted auditing standards and shall be accompanied by the CPA's opinion pertaining to such statement and any special report prepared by the CPA in connection with its review (the "Annual Revenue Report"). Additionally, within ten (10) days after receipt of Tenant's request therefor, Landlord shall deliver to Tenant true, correct and complete copies of any other reports or records prepared, obtained or maintained by or for, and/or submitted to, Landlord and relating to the operation of the Parking Garage. The Garage Operator shall keep and maintain, in accordance with GAAP, separate ledgers and books of account, including books of original entry recording all revenue received from the operation of the Parking Garage. Said books and records, together with all other statements, forms, issued parking tickets and other records required to be kept, prepared or maintained by the Garage Operator hereunder, shall be kept at the Garage Operator's business office within the City of Houston, Texas during the term and shall be maintained by the Garage Operator for at least three (3) years thereafter.

6.5 Tenant's Right to Audit. Within ninety (90) days after Tenant's receipt of the Annual Revenue Report, Tenant may notify Landlord in writing of Tenant's desire, at Tenant's expense (except as provided below) to inspect, or to cause a CPA to audit, all ledgers, books of accounts and other records of the Garage Operator which are necessary to inspect or audit in order to verify Tenant Parking Revenue, including all parking tickets, all original sales slips, checks, bills, vouchers, bank statements, deposit books, cash register tapes and slips, cashier shift reports, all returns and reports relating to taxes paid by the Garage Operator, if any. All such ledgers, books and records shall be made available for inspection and audit within the City of Houston, Texas. Tenant shall cause any such audit or inspection to be completed within a reasonable period of time and in no event later than sixty (60) days after Landlord and/or the Garage Operator, as applicable, has granted Tenant or the CPA, as applicable, access to the relevant ledgers, books and records. If any such audit reveals that the amount previously determined by the Garage Operator was incorrect, a correction and adjustment shall be made and Tenant shall receive from Landlord, within ten (10) days after Landlord's receipt of a copy of the applicable audit (which shall be addressed to Landlord and Tenant), a lump sum payment for any such underpayment of Tenant Parking Revenue, together with interest thereon at the Applicable Rate from the date Tenant should have received such underpayment until the date Tenant is reimbursed for such amounts due under this Section 6.5. In the event that any audit made by or

on behalf of Tenant discloses a misstatement of Tenant Parking Revenue for any year of more than $50,000.00 (as adjusted every five [5] years by the applicable CPI Fraction), Landlord shall reimburse Tenant for the reasonable cost of such audit. Any CPA engaged by Tenant for the above purposes (i) shall not be considered to be agents, representatives or independent contractors of Landlord and (ii) shall agree, for the benefit of Landlord, the Garage Operator and Tenant, to maintain the confidentiality of all of Landlord's or the Garage Operator's ledgers, books and records, and the results of any such audit, except as required by any applicable Governmental Rule.

6.6 Survival. The terms and conditions contained in this Article 6 shall survive the expiration or earlier termination of this Agreement.

ARTICLE 7
OPERATIONS AND MANAGEMENT

7.1 Operating Covenants.

7.1.1 First Class Operation Standard. Landlord, at its sole cost and expense, shall (and as applicable Landlord shall cause the Garage Operator to) (a) at all times during the Term, operate and manage the Parking Garage as an arena event parking facility in a First-Class Condition and otherwise in compliance with terms and provisions of this Agreement, (b) Maintain, perform all Capital Repairs, and otherwise repair and replace the Parking Garage Improvements in a First-Class Condition, ordinary wear and tear excepted, and otherwise in compliance with the terms and provisions of this Agreement, and (c) during each Arena Event Period, (i) cause the Parking Garage and the Parking Garage Improvements to be, consistent with the operation of Comparable Facilities, open, well lit and available for use by Tenant in accordance with this Agreement, with the Parking Garage fully staffed by properly uniformed, trained, competent, courteous and polite personnel (including appropriate parking booth attendants, ticket takers and security and traffic control personnel), with all of the parking spaces (other than the Reserved Spaces, the Premium Seat Spaces during each Premium Seat Use Period, the Operator's Spaces, and any spaces which Tenant pre-sells to ticket holders) offered and available for sale to the public, (ii) coordinate with local police and other Governmental Authorities for the provision of traffic and pedestrian control consistent with similar services at Comparable Facilities, and (iii) otherwise operate the Parking Garage in a First-Class Condition and in compliance with the other terms and provisions of this Agreement. The standards described in this Section 7.1.1 are herein referred to as the "First Class Operation Standard". All uniforms, logos and other identifying material worn by the Parking Garage personnel shall be consistent with the uniforms, logos and other identifying material worn by garage personnel at Comparable Facilities, and shall not be in conflict with any of Tenant's Intangible Property Rights (provided, however, the foregoing provision shall not prohibit the use of the Garage Operator's name or trade name on such uniforms). From time to time during the Term, Tenant shall have the right, upon reasonable notice under the circumstances, to inspect all or any portion of the Parking Garage and/or the Parking Garage Improvements and the Garage Operator's operations therein and/or with respect thereto, to confirm the same are in compliance with the First Class Operation Standard; provided, however, that any such inspection by Tenant shall be conducted in such a manner as to minimize interference with the operation of the Parking Garage in accordance with this Agreement.

7.1.2 Limitation on Alterations; Hazardous Materials. Neither Landlord nor the Garage Operator shall alter the Parking Garage Improvements, nor construct or install any improvements on or within any portion of the Parking Site other than as provided in the Project Documents, unless any such alterations or construction shall have been approved by Tenant in advance and in writing (which approval shall not be unreasonably withheld, unless such alterations and/or construction relate to the matters described in Section 7.1.3 hereof, in which case such approval may be withheld, conditioned or delayed by Tenant in its sole discretion). Neither Landlord nor the Garage Operator shall cause or permit any Environmental Condition to occur or exist with respect to the Parking Site, the Parking Garage or the Parking Garage Improvements. Landlord shall be responsible for performing or causing to be performed, and for paying the cost of performing, any and all corrective or remedial actions required by applicable Governmental Rules to be performed with respect to any Environmental Event or any Environmental Condition which was not caused by Tenant or any of Tenant's agents, Space Users (other than the City [or any other user of the Parking Garage on the City Dates] or an NHL Team which is not an Affiliate of Tenant), contractors or subcontractors ("Landlord's Remedial Work"). Landlord shall promptly inform Tenant and all applicable Governmental Authorities and, during the Loan Period, the Lender, of any Environmental Condition, any Environmental Event or any Hazardous Materials discovered by Landlord (or by any agent, contractor or subcontractor of Landlord, including the Garage Operator, which so informs Landlord) in, on or under the Parking Site or the Parking Garage Improvements, and promptly shall furnish to Tenant any and all reports and other information available to Landlord concerning the matter. Landlord shall thereafter promptly consult with Tenant as to the steps to be taken to investigate and, if necessary, remedy such matter, and Landlord shall at its expense select an independent environmental consultant to evaluate the condition of the Parking Site and the Parking Garage Improvements and materials thereon and therein. If it is determined pursuant to such evaluation that remediation of any Environmental Condition is required, then Landlord shall perform, or cause to be performed Landlord's Remedial Work with due diligence and in a manner that does not interfere with Tenant's use of the Leased Premises pursuant to this Agreement.

7.1.3 Limitation on Commercial or Retail Use and Certain Signage. Without the prior written consent of Tenant, neither Landlord nor the Garage Operator shall use or permit the Parking Garage to be used for any purpose except for the operation of a parking garage open to the general public consistent with the operation of Comparable Facilities, but subject to the terms of this Agreement. Without limiting the foregoing, neither Landlord, the Garage Operator, Tenant nor any other Person shall be permitted to use the Parking Garage for retail or commercial uses (including any selling of supplies or products of any kind, at retail or wholesale, the installation, maintenance or operation of any pay telephones, vending machines or devices designed to dispense or sell merchandise of any kind, including food, beverages, tobacco products, candy, or newspapers, and/or the granting of licenses or other rights with respect to the Parking Garage roof to third party providers of public telecommunication services) other than parking and Tenant's use and enjoyment of the Intangible Property Rights and the Roof Rights, without the written consent of both Parties; provided, however, the foregoing restriction shall not prohibit Tenant, in the exercise of its Roof Rights, from using, or granting to Tenant's Affiliates and/or Affiliates of Tenant certain licenses or other rights to use, the Parking Garage roof for the installation, operation, repair and maintenance of satellite, telecommunication and other broadcasting antennae, dishes and similar equipment. Neither Landlord nor the Garage Operator shall place or permit to be placed any Signage (other than customary directional, informational

and security Signage installed by the Garage Operator and consistent with similar Signage at Comparable Facilities), advertising material, or lettering in or on any of the Parking Garage Improvements, other than Signage, banners and other materials installed by Tenant in connection with its use and enjoyment of the Banner Rights and/or the Intangible Property Rights, without the prior written consent of Tenant, and, upon request of Tenant, Landlord shall (or Landlord shall cause the Garage Operator to) immediately remove any Signage, advertising material, or lettering which has been placed in, on, or about the Parking Garage Improvements contrary to this provision.

7.1.4 Compliance with Tenant's Security Requests. Landlord shall (and Landlord shall cause the Garage Operator to) maintain access control, consistent with similar access control provided at Comparable Facilities, within, to and from the Enclosed Access and the Loading Dock Access Improvements to prevent entry therein by unauthorized Persons.

7.2 Failure to Operate at a First Class Operation Standard. If Tenant shall determine at any time that Landlord has failed or is failing (or has failed or is failing to cause the Garage Operator) to operate, manage, Maintain, and repair the Parking Garage and/or the Parking Garage Improvements in compliance with the First Class Operation Standard, Tenant shall provide Landlord with written notice describing, in reasonable detail, the manner in which the operation, management, Maintenance and/or repair of the Parking Garage and/or the Parking Garage Improvements is not being conducted in accordance with the First Class Operation Standard. Upon receipt of such notice, Landlord shall have a cure period of ten (10) days, or such longer time as is reasonably necessary if such deficiencies cannot reasonably be corrected within ten (10) days, to correct the deficiencies described in the notice. If Landlord does not commence an arbitration proceeding in accordance with Article 18 hereof to resolve any Dispute arising with respect to the deficiencies described in such notice and such deficiencies are not corrected at the end of such cure period, Tenant may require that Landlord and/or the Garage Operator replace, with persons reasonably acceptable to Tenant, any of the employees, agents or subcontractors who have immediate responsibility for the operation, management, Maintenance and/or repair of the Parking Garage and/or the Parking Garage Improvements, by giving written notice to Landlord setting forth the employees, agents or subcontractors to be replaced. If, within five (5) days after receipt of such notice, Landlord does not commence an arbitration proceeding in accordance with Article 18 hereof to resolve any Dispute relating to whether particular employees, agents or subcontractors should be replaced, Landlord shall replace (or cause the Garage Operator to replace) such employees, agents or subcontractors within such five (5) day period after receipt of such notice from Tenant.

7.3 Alternative Spaces; Untenantability.

7.3.1 Alternative Spaces. In the event (i) any of the Reserved Spaces are unavailable for use at any time, or (ii) subject to the use of and access to the Parking Garage by vehicles which Landlord is not obligated to remove in accordance with the terms of the last sentence of Section 2.3, any of the Premium Seat Spaces are unavailable for use during any Arena Event Period (other than an Exclusive Garage Use Period), or (iii) subject to the use of and access to the Parking Garage by vehicles which Landlord is not obligated to remove in accordance with the terms of the last sentence of Section 2.3, any of the parking spaces (other than the Operator's Spaces) are unavailable during any Exclusive Garage Use Period, in each

case regardless of whether such unavailability is due to a Casualty, a Condemnation Action (or conveyance in lieu thereof), or some other reason, Landlord shall, in accordance with the provisions of this Section 7.3.1, prior to the next Arena Event Period, use its reasonable, good faith, diligent efforts to arrange, contract for and make available to Tenant and its parking space users, at Landlord's sole cost and expense, substitute parking spaces equal in number and, to the extent available, of comparable quality to the unavailable parking spaces (the "Alternative Spaces"); provided, however, that the foregoing provision shall not require Landlord to obtain such Alternative Spaces at an Excessive Fee (as hereinafter defined). The parking fees charged to the users of such Alternative Spaces shall be determined by Tenant in its sole discretion, and any contract or agreement between Landlord and the provider of such spaces shall require such provider to collect such parking fees on behalf of Tenant and to remit all such fees to Tenant promptly following the collection thereof. Landlord covenants and agrees to use its reasonable, good faith, diligent efforts to obtain such Alternative Spaces in as close a proximity to the Arena as is commercially reasonable under the circumstances. If Landlord breaches its obligation to provide the Alternative Spaces in accordance with the provisions of this Section 7.3.1, and if as a result of such breach Tenant incurs any reduction (whether due to refunds, credits or special allowances or rebates to Premium Seat Space users or otherwise) in the Tenant Parking Revenue or concession revenue from the Arena Event that Tenant would have otherwise received had such Alternative Spaces (or Alternative Spaces located in closer proximity to the Arena) been provided as required herein, then Landlord shall reimburse Tenant for the full amount of any such reduction within thirty (30) days after Tenant's written request therefor (which request shall contain reasonable supporting detail and documentation as to the incurrence of such reduction in Tenant Parking Revenue and concession revenue by Tenant). Additionally, in the event any such unavailability of spaces results in an Untenantable Condition, then the provisions of Section 7.3.2 below shall apply; provided, however, the provisions of Section 7.3.2. below shall not apply if Landlord has provided Alternative Spaces as required by this Section 7.3.1. As used herein, "Excessive Fee" means an average per space fee in excess of 125% of the published rate for nonreserved space users at the Parking Garage for Arena Events.

7.3.2 Untenantable Condition. Subject to other applicable provisions of this Agreement, but without in any manner limiting the provisions of Section 7.3.1 hereof, in the event any Untenantable Condition shall exist with respect to the Parking Garage (whether as a result of the events and circumstances described in Articles 13 or 14 hereof or otherwise) then an "Untenantable Condition" also shall be deemed to exist under the Arena Lease, and Tenant shall be entitled (but shall not be obligated) to exercise any and all rights and remedies relative to the existence of an "Untenantable Condition" under Section 5.3 of the Arena Lease (provided, however, Tenant's abatement, reduction and/or setoff rights in connection with any Untenantable Condition with respect to the Parking Garage shall be governed solely by the provisions of the immediately succeeding sentence). In the event any such Untenantable Condition shall occur with respect to the Parking Garage during any Exclusive Garage Use Periods, then Tenant shall have the abatement, reduction and/or setoff rights described in Section 5.3.1 of the Arena Lease; provided, however, (i) the amount of such abatement, reduction and/or setoff shall be in an amount equal to Fifty Thousand Dollars ($50,000) for each Exclusive Garage Use Period scheduled to occur during the continuation of any such Untenantable Condition (without regard to whether the applicable Home Game(s) is actually played or any other Arena Event is held during the applicable period), and (ii) the aggregate amount of any such abatement, reduction and/or setoff shall be subject to the limitation set forth in the last sentence of said Section 5.3.1.

Additionally, in the event any such Untenantable Condition hereunder affects any of the Reserved Spaces or the Premium Seat Spaces, Landlord, to the extent possible, shall (or shall cause the Garage Operator to) relocate such spaces to other areas within the Parking Garage reasonably acceptable to Tenant.

7.4 Third Party Garage Operator; Garage Operating Agreement; Standards. In the event that Landlord desires to cause a third-party Garage Operator to operate, manage, Maintain and repair the Parking Garage and/or the Parking Garage Improvements, each such third-party Garage Operator must satisfy in all respects the Operator Standards, which satisfaction shall be subject to Tenant's approval (which approval will not be unreasonably withheld). Additionally, each agreement between Landlord and any such third-party Garage Operator must (i) require such Garage Operator to comply with certain minimum operating standards and janitorial specifications (which standards and specifications shall be agreed upon by Landlord and Tenant prior to the execution of any such agreement and in all events prior to the Commencement Date; provided, that such standards and specifications must be consistent with those applicable to Comparable Facilities) and with all applicable provisions of this Agreement, (ii) specify that such agreement and any and all rights of such third-party Garage Operator thereunder shall at all times be expressly subject and subordinate to the terms of this Agreement, (iii) expressly provide that Tenant is a third party beneficiary of such agreement, entitled to fully enforce all of the terms, conditions and provisions thereof, and (iv) expressly provide that, except for Tenant, there are no other third party beneficiaries of such agreement. Tenant shall have the right to approve any such agreement (which approval will not be unreasonably withheld and will be limited to confirming that such agreement satisfies requirements (i) through (iv) above). No such third-party operating and management agreements shall relieve Landlord from any of its obligations or liabilities under this Agreement, all of which obligations and liabilities shall remain the primary responsibility of Landlord.

7.5 Parking Fees. The Garage Operator shall be entitled to establish reasonable parking fees for the Parking Garage during Arena Events other than Exclusive Garage Use Events; provided, however, that such parking fees established for Arena Events (other than Exclusive Garage Use Events) shall be commercially reasonable and shall not exceed the highest rates charged by Tenant for comparable parking spaces for Exclusive Garage Use Events so long as such rates charged by Tenant are at least comparable to the rates charged for parking garages serving Comparable Facilities and such rates charged by Tenant do not reflect discounts on parking in connection with charges or premiums for admission to, or booking of, Arena Events.

7.6 Rules and Regulations. The Garage Operator shall establish and uniformly enforce rules and regulations governing ingress to, egress from, maintenance of and security for the Parking Garage, all of which shall be subject to the prior approval of Tenant in its reasonable discretion insofar as the same affect Tenant's rights under this Agreement.

ARTICLE 8
GENERAL COVENANTS

8.1 Landlord's Compliance with Governmental Rules. Landlord shall (and Landlord shall cause the Garage Operator to), throughout the Term, within the time periods permitted by applicable Governmental Rules, comply or cause compliance with all Governmental Rules

applicable to (i) the Parking Garage, the Parking Site and/or the Parking Garage Improvements, including, but not limited to, any Governmental Rule applicable to the ownership, operation, management, maintenance, repair, and/or condition thereof, or (ii) any activities or operations conducted by Landlord, any Affiliates of Landlord, the Garage Operator and/or any Affiliates of the Garage Operator therein or thereon. Additionally, and without in any manner limiting the foregoing, Landlord shall (and Landlord shall cause the Garage Operator to) obtain and maintain at all times during the Term all such licenses, permits and certificates from Governmental Authorities as are necessary or appropriate to operate the Parking Garage in accordance with the First Class Operation Standard and promptly pay all fees and charges in connection therewith (including, without limitation, fees and charges for certificates of occupancy, elevator inspection certificates, life safety inspections and licenses and permits for the Garage Operator's business), and shall cause to be prepared and filed all necessary returns, reports and forms required by any applicable Governmental Rule with respect to the operation of the Parking Garage, including, without limitation, those returns and/or reports relating to sales and other Taxes and/or the compensation, social security taxes and unemployment insurance of the Garage Operator's employees. Any third-party operating and management agreement entered into by Landlord pursuant to Section 7.4 hereof shall specifically require the Garage Operator to comply with all applicable Governmental Rules and with the provisions of this Section 8.1. Landlord (or the Garage Operator) shall, however, have the right to contest the validity or application of any Governmental Rule, and if Landlord (or the Garage Operator) promptly contests a Governmental Rule, then Landlord (or the Garage Operator) may postpone compliance until the final determination of such contest, provided that such contest is prosecuted with due diligence, except that neither Landlord nor the Garage Operator shall so postpone compliance therewith in such a manner as to, or if doing so would, (i) impair the structural integrity of the Parking Garage Improvements, (ii) subject Tenant, Tenant's Affiliates or any Affiliate of Tenant to any prosecution for a criminal act, or (iii) cause the Parking Garage, the Parking Site or the Parking Garage Improvements to be condemned or vacated. If a Lien is imposed on the Parking Garage, the Parking Site and/or the Parking Garage Improvements by reason of such postponement of compliance, Landlord (or the Garage Operator) shall furnish Tenant with Adequate Security against any loss by reason of such Lien and shall institute proceedings to, or otherwise, stay the foreclosure of any such Lien against the Parking Garage, the Parking Site and the Parking Garage Improvements. Landlord and the Garage Operator shall promptly deliver to Tenant copies of all notices from any Governmental Authority relating to alleged non-compliance of Landlord, the Garage Operator, the Parking Garage, the Parking Site and/or the Parking Garage Improvements with any Governmental Rule.

8.2 Tenant's Compliance with Governmental Rules. Tenant shall, throughout the Term, within the time periods permitted by applicable Governmental Rules, comply or cause compliance with all Governmental Rules applicable to Tenant's use and occupancy of the Leased Premises pursuant to this Agreement (except to the extent such compliance is Landlord's obligation pursuant to Section 8.1 hereof). Tenant shall, however, have the right to contest the validity or application of any Governmental Rule, and, and if Tenant promptly contests a Governmental Rule, then Tenant may postpone compliance until the final determination of such contest, provided that such contest is prosecuted with due diligence, except that Tenant shall not so postpone compliance therewith in such a manner as to subject Landlord or any Affiliate of Landlord to any prosecution for a criminal act. If a Lien is imposed on the Leased Premises by reason of such postponement of compliance, Tenant shall furnish Landlord with Adequate

Security against any loss by reason of such Lien and shall institute proceedings to, or otherwise, stay the foreclosure of any such Lien against the Leased Premises. Tenant shall promptly deliver to Landlord copies of all notices from any Governmental Authority relating to alleged non-compliance by Tenant with any Governmental Rule applicable to Tenant's use and occupancy of the Leased Premises. Additionally, Tenant shall comply with any rules and regulations established by the Garage Operator in accordance with the provisions of Section 7.6 hereof.

8.3 Exercise of Tenant's Roof Rights and Banner Rights. Tenant, in the exercise of its Intangible Property Rights, Roof Rights and Banner Rights shall (i) comply with all Governmental Rules applicable thereto in accordance with Section 8.2 hereof, (ii) not install any Signage, equipment or cooling towers on, or make any improvements to, the roof or walls of the Parking Garage which would impair the structural integrity of the Parking Garage or the Parking Garage Improvements or which would impair Landlord's ability to comply with the First Class Operation Standard, (iii) not install any Signage, banners, streamers or other advertising materials over the Bell Street right of way which would interfere with the flow of traffic along Bell Street or otherwise interfere with the City's ordinary use of such right of way as a public thoroughfare (unless such right of way is abandoned by the City), (iv) install, operate, repair and maintain in a First Class Condition, and provide appropriate insurance coverage for, any such equipment, cooling towers and other improvements and any Signage, banners, streamers or other advertising materials at Tenant's sole cost and expense, and (v) pay any costs incurred to provide any electricity or other utilities required for the operation of any such equipment, cooling towers, other improvements or Signage installed by Tenant.

8.4 Additional Rights Included in Leased Premises. Landlord hereby covenants and agrees to obtain from the City such additional air and subsurface rights in and to the areas above, below and within the Bell Street right-of-way between the Arena and the Parking Garage (the "Additional Rights") as may be reasonably required for the installation, maintenance, repair and operation of the Enclosed Access, the Loading Dock Access Improvements, any cooling towers or other HVAC equipment installed in, on or about the Parking Garage Improvements or on the Parking Site for use in connection with the Parking Garage or the Arena, and/or as otherwise may be required to enable the Arena, the Parking Garage Improvements, the Enclosed Access, the Loading Dock and related improvements to be operated as a fully integrated facility. Landlord and Tenant acknowledge that such Additional Rights may take the form of one or more licenses, easements or rights of way granted by the City, or may be accomplished by a full or partial abandonment by the City of the applicable rights in, to, above and/or under the Bell Street right-of-way. Immediately upon Landlord's acquisition of any such Additional Rights the Leased Premises automatically shall be deemed to include, and Landlord hereby grants, leases, lets, demises, rents and licenses unto Tenant, at no additional charge or rent, all such Additional Rights so obtained, with such Additional Rights being subject to any limitations or conditions as may be imposed by the City as a condition to the granting of the same. Notwithstanding anything to the contrary contained herein, Landlord shall not agree to the terms and conditions of the granting of any such Additional Rights nor to the form and content of the documents accomplishing such grant without in each case Tenant's prior written consent, which consent shall not be unreasonably withheld.

ARTICLE 9
TAXES

Throughout the Term, Landlord shall be responsible for, and shall timely pay (or cause the Garage Operator to pay), any Tax (including any sales taxes) levied on or payable with respect to the Parking Garage or the Parking Site in the event such property is not exempt from taxation, including any Tax imposed by Section 334.044 of the Local Government Code of Texas. Landlord shall, however, have the right to contest in good faith any such Tax (other than sales taxes), provided that (i) Landlord promptly notifies Tenant of such contest, (ii) such contest is permitted under applicable Governmental Rules and shall operate effectively to prevent the foreclosure of any Lien arising therefrom, (iii) Landlord, upon Tenant's request, furnishes Tenant with Adequate Security against any loss by reason of any such Lien, and (iv) Landlord promptly, after final determination of such contest, pays the amount of the Tax so determined by such contest, together with all interest and penalties which may be payable in connection therewith. If:

(x) Landlord fails to pay any such Tax (including any interest and/or penalties due in connection therewith) on or before the date on which such Tax is due (unless Landlord is contesting such Tax in accordance with the provisions of this Section), then Tenant may provide written notice to Landlord of Tenant's intention to pay such Tax, and, if Landlord fails within thirty (30) days following such notice to pay such Tax (including any interest and/or penalties due in connection therewith), or

(y) Tenant reasonably believes that any Lien resulting from any Tax being contested hereunder is in imminent danger of being foreclosed as a result of Landlord's non-payment or contest of such Tax,

then Tenant may, but shall not be obligated to, pay such Tax (including any interest and/or penalties due in connection therewith), in which case Tenant shall be deemed to have incurred a Self-Help Expense under the Arena Lease and may recover the same (i) by claim against Landlord as permitted under the Arena Lease, (ii) by withdrawal of funds from the Capital Fund as a Self-Help Expense, or (iii) by application of any of the Adequate Security provided by Landlord in connection with any contest of Taxes hereunder.

ARTICLE 10
INSURANCE AND INDEMNIFICATION

10.1 Property Insurance Policy. Commencing on the Substantial Completion Date, and at all times during the Term, Landlord shall, at its sole cost and expense, obtain, keep and maintain a property insurance policy (the "Landlord Property Insurance Policy") providing for coverage of the Parking Garage Improvements against loss or damage due to Insured Casualty Risks on commercially reasonable terms from time to time available with respect to improvements in Houston, Harris County, Texas, similar to the Parking Garage Improvements and affording coverage for, among other things, demolition and debris removal. The Landlord Property Insurance Policy shall name Landlord as the named insured and Tenant as an additional insured, as their respective interests may appear, for a sum at least equal to one hundred percent (100%) of the insurable replacement cost of the Parking Garage Improvements, and the

deductible thereunder shall not exceed Fifty Thousand Dollars ($50,000) per loss, unless such deductible is lower than that available on commercially reasonable terms, in which circumstance the lowest deductible in excess of Fifty Thousand Dollars ($50,000) available on commercially reasonable terms shall be obtained. Every five (5) Lease Years during the Term the amount of such deductible limitations shall be adjusted by the CPI Fraction as of the end of such fifth (5th) Lease Year by multiplying the dollar limitation by the then CPI Fraction.

10.2 Policies Required for Repair Work - Builder's All Risk Policy. In the event the reasonably anticipated total cost of any item of repair work to be performed by Landlord (calculated so as to include, but not be limited to, all sums payable under any repair work construction contracts related thereto) is equal to or exceeds Two Hundred Thousand Dollars ($200,000) and such repair work is not covered during the course of construction by the Landlord Property Insurance Policy described in Section 10.1, then before the commencement of any repair work, and at all times during the performance of such repair work, Landlord shall obtain, keep and maintain, or cause to be obtained, kept and maintained, builder's "all risk" insurance policies (collectively, the "Builder's All Risk Policies") affording coverage of such repair work, whether permanent or temporary, and all Insured Materials and Equipment related thereto against loss or damage due to Insured Casualty Risks on commercially reasonable terms from time to time available with respect to similar work in Houston, Harris County, Texas. The Builder's All Risk Policies shall be written on an occurrence basis and on a "replacement cost" basis, insuring one hundred percent (100%) of the insurable value of the replacement cost of the repair work, using a completed value form (with permission to occupy upon substantial completion of work or occupancy), naming Landlord as the insured and Tenant as an additional insured, as their respective interests may appear, and the deductible thereunder shall not exceed Fifty Thousand Dollars ($50,000) per loss unless such deductible is lower than that available on commercially reasonable terms, in which circumstance the lowest deductible in excess of $50,000 available on commercially reasonable terms shall be obtained (provided, however, that, in the case of demolition and debris removal coverage, Landlord shall carry (or cause to be carried) coverage in not less than the full amount necessary to demolish the repair work and to remove all debris that may exist after the occurrence of any Insured Casualty Risks). Every five (5) Lease Years during the Term the amount of such deductible limitation should be adjusted by the CPI Fraction as of the end of such fifth (5th) Lease Year by multiplying the dollar limitation by the then CPI Fraction. The Builder's All Risk Policies additionally shall comply with all requirements applicable to them set forth in the Insurance Plan Additional Requirements to the extent not inconsistent with this Article 10. The cost of any such Builder's All Risk Policies shall paid by Landlord.

10.3 Additional Policies Required by Landlord and Tenant During the Term. Additional Policies Required by Landlord. Commencing on the Effective Date, and at all times during the Term and continuing thereafter until Tenant has vacated the Leased Premises in accordance with Article 17 (unless otherwise provided below), Landlord shall, at its sole cost and expense, obtain, keep and maintain, or cause to be obtained, kept and maintained, the following insurance policies:

(a) Commercial General Liability Policy. A commercial general liability insurance policy no more restrictive than the current standard ISO Commercial Liability Occurrence Policy form in use generally in the State of Texas ("Landlord's GL Policy"),

written on an occurrence basis for the Parking Garage Improvements and Parking Site, having a general aggregate limit that shall be site-specific to the Parking Garage Improvements and the Parking Site, naming Landlord as the named insured (with the effect that the Garage Operator and its employees are covered) and Tenant as additional insured, affording protection against liability arising out of personal injury, bodily injury and death and/or property damage occurring, in, upon or about the Parking Garage Improvements and the Parking Site or resulting from, or in connection with, the construction, use, operation, management, maintenance, repair and/or occupancy of the Leased Premises, the Parking Garage Improvements, and the Parking Site and containing provisions for severability of interests. The Landlord's GL Policy shall be in such amount and such policy limits so that (i) the coverage and limits are adequate to maintain the Landlord's Excess/Umbrella Policy without gaps in coverage between the Landlord's GL Policy and the Landlord's Excess/Umbrella Policy and (ii) the minimum policy limits set forth in the Insurance Plan Additional Requirements are satisfied. The Landlord's GL Policy additionally shall comply with all requirements applicable to it set forth in the Insurance Plan Additional Requirements to the extent not inconsistent with this Article 10.

(b) Workers' Compensation Policy. A workers' compensation insurance policy and any and all other statutory forms of insurance, now or hereafter prescribed by applicable law, providing statutory coverage under the laws of the State of Texas for all Persons employed by Landlord or the Garage Operator in connection with the Parking Garage Improvements and the Parking Site and an employers' liability insurance policy (collectively, the "Landlord's Workers' Compensation Policy"). The Landlord's Workers' Compensation Policy additionally shall comply with all requirements applicable to it set forth in the Insurance Plan Additional Requirements to the extent not inconsistent with this Article 10.

(c) Excess/Umbrella Policy. An excess or umbrella liability insurance policy ("Landlord's Excess/Umbrella Policy"), written on an occurrence basis, in an amount not less than Fifteen Million Dollars ($15,000,000) per occurrence and in the aggregate for personal injury, bodily injury and death and/or property damage liability combined, such policy to be written on an excess basis above the coverages required hereinabove (specifically listing such underlying policies) and following the form of such underlying policies. Every five (5) Lease Years during the Term the amount of Landlord's Excess/Umbrella Policy shall be adjusted by the CPI Fraction as of the end of such fifth (5th) Lease Year by multiplying the initial Fifteen Million Dollars ($15,000,000) amount of such policy by such CPI Fraction. The Landlord's Excess/Umbrella Policy required by this Section 10.3.1(c) may be used by Landlord to satisfy its obligations to provide the Landlord's Excess/Umbrella Policy required by Section 10.1.4 of the Arena Lease so long as the Landlord's Excess/Umbrella Policy provided hereunder expressly provides coverage against the losses and liabilities required to be covered by said Section 10.1.4 of the Arena Lease with respect to the Arena and Landlord's activities in connection therewith.

10.3.2 Tenant's Liability Insurance. Tenant agrees, at its sole expense, to obtain and maintain at all times during the Term of this Agreement the Tenant's GL Policy and the

Tenant's Excess/Umbrella Policy (as each is required by the Arena Lease), and to cause such policies to afford protection against liability arising out of personal injury, bodily injury and death and/or property damage occurring, in, upon or about the Parking Garage Improvements and the Parking Site and resulting from, or occurring in connection with, Tenant's use and/or occupancy of the Leased Premises pursuant to this Lease.

10.4 Surety Bonds. Prior to the commencement of any item of major construction work costing in excess of Three Hundred Thousand Dollars ($300,000) and at all times during the performance of such major construction work, Landlord shall cause the contractor for such major construction work to obtain, keep and maintain such performance and payment bonds as are required by applicable Governmental Rule or, if not required by applicable Governmental Rule, as are commercially reasonable in light of the circumstances.

10.5 Blanket or Master Policy. Any one or more of the types of insurance coverages required in Section 10.1, Section 10.2 and Section 10.3 (except for the Landlord's GL Policy, which shall have a general aggregate limit that shall be site-specific to the Parking Garage Improvements and the Parking Site) may be obtained, kept and maintained through a blanket or master policy insuring other entities, provided that (a) such blanket or master policy and the coverage effected thereby comply with all applicable requirements of this Agreement and (b) the protection afforded under such blanket or master policy shall be no less than that which would have been afforded under a separate policy or policies relating only to the Parking Garage Improvements and the Parking Site. If any excess or umbrella liability insurance coverage required pursuant hereto is subject to an aggregate annual limit and is maintained through the blanket or master policy, and if such aggregate annual limit is impaired as a result of claims actually paid by more than fifty percent (50%), Landlord shall immediately give notice thereof to Tenant and, within ninety (90) days after discovery of such impairment, to the fullest extent reasonably possible, shall cause such limit to be restored by purchasing additional coverage.

10.6 Failure to Maintain. If at any time and for any reason Landlord fails to provide, maintain, keep in force and effect, or deliver to Tenant proof of any of the insurance required under Article 10 and such failure continues for ten (10) days after notice thereof from Tenant to Landlord, Tenant may, but shall have no obligation to, procure single interest insurance for such risks covering Landlord (or, if no more expensive, the insurance required by this Agreement), and Landlord shall, within ten (10) days following Tenant's demand and notice, pay and reimburse Tenant therefor, together with interest thereon at the Applicable Rate from the date Tenant incurs such cost until the date Tenant is reimbursed for such costs.

10.7 Additional Policy Requirements.

10.7.1 Insurers: Certificate and Other Requirements.

(a) All insurance policies required to be procured under Section 10.1, Section 10.2 and Section 10.3 shall be effected under valid policies issued by insurers which have an Alfred M. Best Company, Inc. rating of "A-" or better and a financial size category of not less than VIII (or, if Alfred M. Best Company, Inc. no longer uses such rating system, then the equivalent or most similar ratings under the rating system then in effect, or if Alfred M. Best Company, Inc. is no longer the most widely accepted rater of the financial

stability of insurance companies providing coverage such as that required by this Agreement, then the equivalent or most similar rating under the rating system then in effect of the most widely accepted rater of the financial stability of such insurance companies at the time).

(b) Each and every policy required to be carried hereunder shall provide for waivers of subrogation by endorsement or other means, which waivers of subrogation shall be effective as to any Party and any Affiliate of any Party.

(c) Each and every insurance policy required to be carried hereunder shall provide (and any certificate evidencing the existence of each such insurance policy shall certify) that such insurance policy shall not be canceled, non-renewed or coverage thereunder materially reduced unless Tenant and, during the Loan Period, the Lender, shall have received written notice of cancellation, non-renewal or material reduction in coverage, with each such written notice (except for notice of cancellation due to non-payment of premiums) to be sent to Tenant and, during the Loan Period, the Lender, not less than ninety (90) days (or the maximum period of days permitted under applicable law, if less than ninety (90) days) prior to the effective date of such cancellation, non-renewal or material reduction in coverage, as applicable. In the event any insurance policy is to be canceled due to non-payment of premiums, the requirements of the preceding sentence shall apply except that the written notice shall be sent to Tenant and, during the Loan Period, the Lender, on the earliest possible date, but in no event less than ten (10) days, prior to the effective date of such cancellation.

10.8 Delivery of Evidence of Insurance. With respect to each and every one of the insurance policies required to be obtained, kept or maintained under the terms of this Agreement, on or before the date on which each such policy is required to be first obtained and at least thirty (30) days before the expiration of any policy required hereunder previously obtained, Landlord shall deliver to Tenant and, during the Loan Period, the Lender, evidence showing that such insurance is in full force and effect. Such evidence shall include certificates of insurance issued by a Responsible Officer of the issuer of such policies, or in the alternative, a Responsible Officer of an agent authorized to bind the named issuer, setting forth the name of the issuing company, the coverage, limits, deductibles, endorsements, term and termination provisions thereon. By no later than thirty (30) days after the effective date of any insurance policy required under this Agreement, Landlord shall provide Tenant and, during the Loan Period, the Lender, with reasonable evidence that premiums have either been paid or are payable in installments. By no later than one hundred twenty (120) days after the effective date of any insurance policy required under this Agreement, Landlord shall provide Tenant and, during the Loan Period, the Lender, with a copy of such insurance policy.

10.9 Waiver Of Right Of Recovery. ANYTHING TO THE CONTRARY IN THIS AGREEMENT NOTWITHSTANDING, TO THE EXTENT PERMITTED BY LAW, LANDLORD AND TENANT EACH WAIVE ALL RIGHTS OF RECOVERY, CLAIM, ACTION OR CAUSE OF ACTION AGAINST THE OTHER AND THE OTHER'S AFFILIATES AND THEIR RESPECTIVE PARTNERS, AGENTS, OFFICERS, DIRECTORS, SHAREHOLDERS, EMPLOYEES OR REPRESENTATIVES FOR ANY DAMAGE TO THE INFRASTRUCTURE WORK OR THE PARKING GARAGE IMPROVEMENTS TO THE

EXTENT THAT SUCH DAMAGE IS DUE TO AN INSURED CASUALTY RISK, REGARDLESS OF CAUSE OR ORIGIN, INCLUDING NEGLIGENCE OF LANDLORD, TENANT, THEIR AFFILIATES OR THEIR PARTNERS, AGENTS, OFFICERS, DIRECTORS, SHAREHOLDERS, EMPLOYEES OR REPRESENTATIVES.

10.10 Proceeds of Insurance. Without limiting Landlord's obligations under Article 13 with respect to Casualty Repair Work, the Insurance Proceeds paid under any insurance policies required by Section 10.1 and Section 10.2 and Sections 10.3(a) and 10.3(c) shall be payable to:

(a) Landlord directly, in the case of any particular insured Casualty resulting in damage to the Parking Garage Improvements (other than the Enclosed Access) involving a reasonably estimated cost of repair equal to or less than One Hundred Thousand Dollars ($100,000), which Insurance Proceeds shall be received by Landlord in trust for the purpose of paying the cost of restoration as required by Section 13.2;

(b) The Garage Fund Custodian for deposit into the Insurance Fund, in the case of any particular insured Casualty resulting in damage to the Enclosed Access;

(c) The Garage Fund Custodian for deposit into the Insurance Fund in the case of any particular insured Casualty resulting in damage involving a reasonably estimated cost of repair in excess of One Hundred Thousand Dollars ($100,000), which Insurance Proceeds are to be held and disbursed pursuant to, and under the conditions set forth, in Section 13.2; or

(d) With respect to Insurance Proceeds payable after the termination of this Agreement (i) first, to pay demolition costs and costs to remediate any hazards, (ii) second, during the Loan Period, to pay the amount of outstanding principal and accrued interest due under any Arena Rent Supported Debt and (iii) third, to Landlord.

In each of the circumstances described in the preceding subparagraph (b) or (c) of this Section 10.10, (i) the Insurance Account shall be established and maintained for the sole purpose of serving as a segregated fund for the Insurance Proceeds (the "Insurance Fund") and (ii) the Insurance Proceeds deposited into the Insurance Fund under this Agreement shall be held and disbursed, all in accordance with this Article 10 and Article 13. All funds in the Insurance Fund shall be held in escrow by the Garage Fund Custodian for application in accordance with the terms of this Agreement and the Garage Fund Custodian shall account to Landlord and Tenant for the same on a monthly basis. The funds in the Insurance Fund shall be invested only in Permitted Investments and all earnings and interest thereon shall accrue to the Insurance Fund and shall be available as part of the Insurance Fund. Neither Landlord nor Tenant shall create, incur, assume or permit to exist any Lien on the Insurance Fund or any proceeds thereof.

10.11 Indemnification.

10.11.1 Tenant's Agreement to Indemnify. Subject to Section 10.9, Tenant shall, except as provided in Subsection 10.11.2, defend, protect, indemnify and hold harmless Landlord and its officers, directors, employees and agents from and against any and all liabilities, damages, suits, claims and judgments of any nature (including reasonable attorneys' fees and expenses), arising from or in connection with any injury to or death of a Person or any damage to

property (including loss of use) resulting directly from or arising directly out of the use or occupancy of the Parking Garage during Exclusive Garage Use Periods by Tenant, or the negligence or willful act of Tenant or Tenant's Affiliates or their contractors, employees, officers, directors, agents or Space Users (other than the City (or any other user of the Arena or the Parking Garage on the City Dates) or an NHL Team which is not an Affiliate of Tenant).

10.11.2 Tenant's Exclusions. Notwithstanding the provisions (and without expanding the scope) of Subsection 10.11.1, Tenant shall not be liable for any liabilities, damages, suits, claims and judgments of any nature (including reasonable attorneys' fees and expenses) arising from or in connection with:

(a) Any injury to or death of a Person or any damage to property (including loss of use) to the extent caused by the negligence or willful act of Landlord, the Garage Operator, the City or any of their respective Affiliates, employees, officers, directors, contractors, agents or invitees;

(b) Landlord's or the Garage Operator's or any of their respective Affiliates', employees', officers', directors', contractors', agents' or invitees' violation of any provisions of this Agreement or any applicable Governmental Rules or deed restrictions or insurance policies now or hereafter in effect and applicable to Landlord or the Garage Operator;

(c) The existence of any Hazardous Materials in, on or under the Parking Garage or the Parking Site either prior to the Commencement Date or otherwise not due to the actions of Tenant or any of its employees, officers, directors, contractors, agents or Space Users (other than the City (or any other user of the Arena or the Parking Garage on the City Dates) or an NHL Team which is not an Affiliate of Tenant);

(d) Any Environmental Event caused by any Person other than Tenant, any Affiliate of Tenant or any of their respective employees, officers, directors, contractors or agents;

(e) Any use of the Leased Premises in connection with the use of the Arena or Parking Garage pursuant to Section 6.6 or Section 24.19 of the Arena Lease or by the NHL Team (if not an Affiliate of Tenant); or

(f) Any damage to the Parking Garage Improvements to the extent caused by the negligence or willful act of Landlord, Landlord's Affiliates, the Garage Operator, the Garage Operator's Affiliates, and their respective contractors, employees, officers, directors or agents.

10.11.3 Landlord's Agreement to Indemnify. Landlord shall, except as provided in Subsection 10.11.4, defend, protect, indemnify and hold Tenant, Tenant's Affiliates, any other Affiliates of Tenant and their respective officers, directors, employees and agents harmless from and against any and all liabilities, damages, suits, claims and judgments of any nature (including reasonable attorneys' fees and expenses), arising from or in connection with any injury to or death of a Person or any damage to property (including loss of use) resulting directly from or arising directly out of (i) the use or occupancy of the Parking Garage Improvements or the

Parking Site at any time other than Exclusive Garage Use Periods, or (ii) the negligence or willful act of Landlord, Landlord's Affiliates, the Garage Operator, the Garage Operator's Affiliates, or their respective contractors, employees, officers, directors or agents.

10.11.4 Landlord's Exclusions. Notwithstanding the provisions of Subsection 10.11.3, Landlord shall not be liable for any liabilities, damages, suits, claims and judgments of any nature (including reasonable attorneys' fees and expenses) arising from or in connection with:

(a) Any injury to or death of a Person or any damage to property (including loss of use) to the extent caused by the negligence or willful act of Tenant, Tenant's Affiliates or any Affiliate of Tenant, or their respective employees, officers, directors, contractors, agents, or Space Users;

(b) Tenant's Affiliates', any Affiliate of Tenant's or Tenant's violation of any provisions of this Agreement or any applicable Governmental Rules or deed restrictions or insurance policies now or hereafter in effect and applicable to Tenant or its use of the Leased Premises;

(c) Any Hazardous Materials that are introduced to the Leased Premises on or after the Commencement Date by Tenant, Tenant's Affiliates or any Affiliate of Tenant, or any of their agents, Space Users, contractors or subcontractors, but the foregoing shall not apply to any Hazardous Materials that are introduced to the Leased Premises by Landlord or its employees, officers, directors, contractors or agents; or

(d) Any Environmental Event caused by Tenant, Tenant's Affiliates or any Affiliate of Tenant, or any of their respective employees, officers, directors, contractors, agents or Space Users; or

(e) Any damage to the Parking Garage Improvements to the extent caused by the negligence or willful act of Tenant, Tenant's Affiliates or any Affiliate of Tenant or their respective contractors, employees, officers, directors or agents, but not in excess of the deductible required to be carried by Landlord under Section 10.1.

10.11.5 No Third-Party Beneficiary. Notwithstanding any other provision of this Agreement, the provisions of this Section 10.11 are solely for the benefit of Landlord, Tenant, Tenant's Affiliates and any other Affiliates of Tenant and are not intended to create or grant any rights, contractual or otherwise, to any other Person.

10.11.6 Conduct of Claims. The Party entitled to indemnification under this Section 10.11 (the "Indemnified Party") shall, reasonably promptly after the receipt of notice of any legal action or claim against such Indemnified Party in respect of which indemnification may be sought pursuant to this Section 10.11, notify the other Party (the "Indemnifying Party") of such action or claim, but in no event later than ten (10) days after receipt of such notice. The Indemnifying Party shall not be obligated to indemnify the Indemnified Party with respect to any such action or claim if the Indemnified Party fails to notify the Indemnifying Party thereof in accordance with the provisions of this Subsection 10.11.6 within such ten (10)-day period or such shorter period as is necessary to permit the Indemnifying Party to defend against such

matter and to make a timely response thereto, including any responsive motion or answer to a complaint, petition, notice or other legal, equitable or administrative process relating to the action or claim, but only insofar as such failure to notify the Indemnifying Party has actually resulted in prejudice or damage to the Indemnifying Party. In case any such action or claim shall be made or brought against the Indemnified Party, the Indemnifying Party may, or if so requested by the Indemnified Party shall, assume the defense thereof with counsel of its selection reasonably acceptable to the Indemnified Party and which shall be reasonably competent and experienced to defend the Indemnified Party. In such circumstances, the Indemnified Party shall (i) at no cost or expense to the Indemnified Party, cooperate with the Indemnifying Party and provide the Indemnifying Party with such information and assistance as the Indemnifying Party shall reasonably request in connection with such action or claim and (ii) at its own expense, have the right to participate and be represented by counsel of its own choice in any such action or with respect to any such claim. If the Indemnifying Party assumes the defense of the relevant claim or action, (A) the Indemnifying Party shall not be liable for any settlement thereof which is made without its consent and (B) the Indemnifying Party shall control the settlement of such claim or action; provided, however, that the Indemnifying Party shall not conclude any settlement which requires any action or forbearance from action or payment or admission by the Indemnified Party or any of its Affiliates without the prior approval of the Indemnified Party. The obligations of an Indemnifying Party shall not extend to any loss, damage and expense of whatever kind and nature (including all related costs and expenses) to the extent the same results from the taking by the Indemnified Party of any action (unless required by law or applicable legal process) which prejudices the successful defense of the action or claim, without, in any such case, the prior written consent of the Indemnifying Party (such consent not to be required in a case where the Indemnifying Party has not assumed the defense of the action or claim). The Indemnified Party agrees to afford the Indemnifying Party and its counsel the opportunity to be present at, and to participate in, conferences with all Persons, including Governmental Authorities, asserting any claim or action against the Indemnified Party covered by the indemnity contained in this Section 10.11 or conferences with representatives of or counsel for such Person.

10.11.7 Survival. The indemnities contained in this Section 10.11 shall survive the expiration or earlier termination of this Agreement, but only insofar as such indemnities relate to any liabilities, damages, suits, claims or judgments that arose prior to the expiration or earlier termination of this Agreement.

ARTICLE 11
RESERVES

Landlord shall create on the Effective Date, and maintain (or cause the Garage Operator to maintain) throughout the Term of this Agreement in an account with an Acceptable Bank, a reserve with sufficient funds to fulfill its obligations under this Agreement and operate the Parking Garage, in accordance with the First Class Operation Standard and this Agreement, for a period of six (6) months. Upon request, Landlord shall deliver reasonable evidence to Tenant that Landlord is maintaining (or is causing the Garage Operator to maintain) such sufficient reserves. In the event that Tenant and Landlord do not agree on the amount of such reserves to be maintained hereunder, then such dispute shall be resolved in accordance with Article 18 of this Agreement.

ARTICLE 12
EMERGENCY SELF-HELP RIGHTS

Notwithstanding any provisions of this Agreement (including Section 16.3(c) hereof) seemingly to the contrary, in any circumstance where Landlord (or the Garage Operator) fails to comply with its obligations under this Agreement (including under Sections 7.1, 7.2, 7.3, 8.1, 13.1, and 14.2 hereof) and in which Tenant in good faith believes that (A) immediate action is required in order to safeguard lives, property or the environment, and (B) Landlord is not taking reasonable action in order to safeguard lives, property or the environment after being requested to do so by Tenant, Tenant shall have the right, without first complying with the requirements of said Section 16.3(c), to exercise Tenant's Self-Help Right. In these circumstances, (x) Tenant's exercise of Tenant's Self-Help Right shall be limited to taking reasonable action in order to safeguard lives, property or the environment, and (y) within thirty (30) days following Tenant's written request, which request must include reasonable detail and documentation supporting the costs and expenses incurred by Tenant, Landlord shall pay and reimburse Tenant for the reasonable costs and expenses incurred by Tenant as a result of any such reasonable actions taken by Tenant that Landlord otherwise was obligated to take under this Agreement.

ARTICLE 13
CASUALTY DAMAGE

13.1 Damage or Destruction. If, at any time during the Term, there is any Casualty to the Parking Garage Improvements or any part thereof, then Landlord shall (i) use all reasonable efforts to promptly secure the area of damage or destruction to safeguard against injury to Persons or Property and, promptly thereafter, remediate any hazard and restore the Parking Garage Improvements to a safe condition, whether by repair or by demolition, removal of debris and screening from public view and (ii) Landlord shall, to the extent allowed by law, promptly commence and thereafter proceed with reasonable diligence (subject to a reasonable time allowance for the purpose of adjusting the insurance loss and subject to Excusable Landlord Delay) to repair, restore, replace or rebuild as soon as possible (i.e., within the time period that an owner of a similar parking garage who was entitled to all of the revenues therefrom could reasonably be expected to complete similar repair, restoration, replacement or rebuilding activities in connection therewith) the Parking Garage Improvements as nearly as practicable to a condition that is at least substantially equivalent to that existing immediately before the damage or destruction and otherwise in compliance with the First-Class Condition standard. Such repair, restoration, replacement or rebuilding, including obtaining and providing to Tenant any Alternative Spaces in accordance with Section 7.3.1 hereof, any temporary repairs for the protection of other Property pending the substantial completion of any such work, remediation of hazards and restoration of the Parking Garage Improvements to a safe condition or any demolition and debris removal required are sometimes referred to in this Agreement as the "Casualty Repair Work." To the extent any Casualty Repair Work is not performed by Landlord's employees, such Casualty Repair Work must be performed on an arm's-length, bona fide basis by Persons who are not Affiliates of Landlord and on commercially reasonable terms given the totality of the then-existing circumstances.

13.2 Insurance Proceeds.

13.2.1 Requirements for Disbursement. Insurance proceeds paid pursuant to the policies of insurance for loss of or damage to the Parking Garage Improvements (herein sometimes referred to as the "Insurance Proceeds") shall be paid and delivered to the Persons specified in Section 10.10. Except as provided in Subsection 13.2.3 and Subsection 13.2.4, the Insurance Fund shall be applied to the payment of the costs of the Casualty Repair Work and shall be paid out to or for the account of Tenant or Landlord, as applicable, from time to time as the Casualty Repair Work progresses. The Garage Fund Custodian shall make payments or disbursements of Insurance Proceeds out of the Insurance Fund upon the request of Landlord when accompanied by a certificate dated not more than fifteen (15) days prior to such request, signed by a Responsible Officer of Landlord, and, to the extent an architect, engineer or construction manager is reasonably required to be retained with respect to the nature of the Casualty Repair Work being performed, by a qualified architect, engineer or construction manager in charge of the Casualty Repair Work selected by Landlord, setting forth the following:

(a) That the sum then requested either has been paid by Landlord or is due to contractors, subcontractors, materialmen, architects, engineers or other Persons who have rendered services or furnished materials in connection with the Casualty Repair Work, giving a reasonably detailed description of the services and materials and the several amounts so paid or due; and

(b) That except for the amount stated in the certificate to be due (and/or except for statutory or contractual retainage not yet due and payable), there is no outstanding indebtedness for such Casualty Repair Work known to the Persons signing such certificate, after due inquiry, to then be due to Persons being paid.

Insurance Proceeds paid or disbursed to Landlord, whether from the Insurance Fund, the issuers of any insurance policies or otherwise, shall be held by Landlord in trust for the purposes of paying the cost of the Casualty Repair Work and shall be applied by Landlord to such Casualty Repair Work or otherwise in accordance with the terms of this Section 13.2.

13.2.2 Disbursements for Work Performed. Upon compliance with Subsection 13.2.1, the Garage Fund Custodian shall, out of the Insurance Fund, pay or cause to be paid to Landlord, or to the Persons named in the certificate, the respective amounts stated therein to have been paid by Landlord or to be due to such Persons, as the case may be. All sums so paid to Landlord and all insurance proceeds paid or otherwise disbursed directly to Landlord and any other proceeds received or collected by or for the account of Landlord (other than by way of reimbursement to Landlord for sums theretofore paid by Landlord) shall be held by Landlord in trust for the purpose of paying the cost of the Casualty Repair Work.

13.2.3 Disbursements of Excess Proceeds. If the Insurance Proceeds (and other funds, if any) deposited in the Insurance Fund exceed the entire cost of the Casualty Repair Work, Landlord shall exclusively use such excess funds for the operation, repair and maintenance (including future Capital Repairs and replacements) of the Parking Garage Improvements in accordance with this Agreement.

13.2.4 Uninsured Losses/Policy Deductibles. Subject to the indemnification obligations under Section 10.11.1, as Casualty Repair Work progresses during the Term, Landlord shall be obligated to pay for all costs and expenses of any such Casualty Repair Work that are not covered by Insurance Proceeds or for which Insurance Proceeds are inadequate (such amounts being included within the term "Casualty Expenses").

13.3 Survival. The provisions contained in this Article 13 shall survive expiration or earlier termination of this Agreement, but only insofar as such provisions relate to any Casualty that occurred prior to the expiration or earlier termination of this Agreement.

ARTICLE 14
CONDEMNATION

14.1 Restoration of the Leased Premises. If, at any time during the Term, all or any portion of the Parking Garage Improvements, the Parking Site or the Leased Premises is taken (whether permanently or temporarily) in any Condemnation Action (or conveyed in lieu of any such Condemnation Action), and if following any such Condemnation Action (or any such conveyance in lieu thereof) it is possible to restore the Parking Garage Improvements and the Leased Premises in a manner that will allow Tenant to resume its enjoyment of the Leased Premises as provided in this Agreement, Landlord shall, with reasonable diligence (subject to Excusable Landlord Delay), commence and thereafter proceed to repair, alter and restore the remaining part of the Parking Garage Improvements and the Parking Site to substantially its former condition to the extent feasible and necessary so as to cause the same to constitute a complete 2,500 parking space event parking facility (with the Enclosed Access and the Loading Dock Access Improvements) usable for its intended purposes and in compliance with this Agreement to the extent practicable and permitted by applicable Governmental Rules. Such repairs, alterations or restoration, including temporary repairs for the protection of Persons or Property pending the substantial completion of any part thereof, are sometimes referred to in this Article 14 as the "Condemnation Repair Work." The costs of Condemnation Repair Work and any cost to provide Alternative Spaces in accordance with Section 7.3.1 hereof ("Condemnation Expenses") shall be paid by Landlord. All amounts paid to Landlord under Section 14.2 shall be held by Landlord in trust for the purpose of paying Condemnation Expenses and shall be applied by Landlord to any such Condemnation Expenses or otherwise in accordance with the terms of Section 14.2. To the extent any Condemnation Repair Work is not performed by Landlord's employees, such Condemnation Repair Work must be performed on an arm's-length, bona fide basis by persons who are not Affiliates of Landlord and on commercially reasonable terms given the totality of the then-existing circumstances. All Condemnation Expenses in excess of Landlord's Condemnation Award shall be paid by Landlord. Except to the extent that Landlord is prevented from doing so pursuant to the terms of the order of the condemning authority and/or because it is not possible as a result of the Condemnation Action, Landlord shall continue to perform and observe all of the covenants, agreements, terms and provisions of this Agreement as though such Condemnation Action had not occurred.

14.2 Application of Condemnation Award. The Condemnation Award payable to Landlord (including all compensation for the damages, if any, to any parts of the Parking Garage and/or the Parking Garage Improvements not so taken, that is, damages to any remainder, but excluding the value of Tenant's separate Property taken or damaged and any damage to, or

relocation costs, of Tenant's business) ("Landlord's Condemnation Award") shall be paid and applied in the following order of priority: (a) payment of any Condemnation Expenses as provided in Section 14.1 (including any costs and expenses required to obtain and provide to Tenant, at no charge for the remainder of the Term, Alternative Spaces in accordance with Section 7.3.1 hereof), (b) if this Agreement has been terminated, during the Loan Period payment of the outstanding principal and accrued interest due under any Arena Rent Supported Debt, and (c) payment of any remainder to Landlord.

14.3 Condemnation Proceedings. Notwithstanding any provision of this Agreement, (i) Tenant and Landlord each shall have the right, at its own expense, to appear in any Condemnation Action and to participate in any and all hearings, trials and appeals therein and (ii) subject to the other provisions of this Article 14, Tenant shall have the right in any Condemnation Action to assert a claim for, and receive all Condemnation Awards for, the loss in value of the Leasehold Estate as if this Lease had not terminated, the value of any of Tenant's separate Property taken or damaged as result of the Condemnation Action, and any damage to, or relocation costs of, Tenant's business as a result of the Condemnation Action. Upon the commencement of any Condemnation Action (i) Landlord shall undertake all commercially reasonable efforts to defend against, and maximize the Condemnation Award from, any such Condemnation Action, (ii) Landlord shall not accept or agree to any conveyance in lieu of any Condemnation Action without the prior consent of Tenant, which consent shall not be unreasonably withheld, and (iii) Landlord and Tenant shall cooperate with each other in any such Condemnation Action and provide each other with such information and assistance as each shall reasonably request in connection with such Condemnation Action.

14.4 Notice of Condemnation. In the event that Landlord or Tenant receives notice of any proposed or pending Condemnation Action affecting all or any portion of the Parking Garage Improvements, the Parking Site or the Leased Premises, the Party receiving such notice shall promptly notify the other Party thereof.

14.5 Condemnation by the Landlord. The provisions of this Article 14 for the allocation of any Condemnation Awards are not intended to be, and shall not be construed or interpreted as, any limitation on or liquidation of any claims or damages (as to either amount or type of damages) of Tenant against Landlord in the event of a Condemnation Action by Landlord, the City or the County of all or any portion of the Parking Garage Improvements, the Parking Site or the Leasehold Estate or any other right, title or interest of Tenant.

14.6 Survival. The provisions contained in this Article 14 shall survive the expiration or earlier termination of this Agreement, but only insofar as such provisions relate to any Condemnation Actions or Condemnation Awards that arose prior to the expiration or earlier termination of this Agreement.

ARTICLE 15
ASSIGNMENT AND SUBLETTING

15.1 Assignments of Tenant's Interest; Subleasing. Except for any Permitted Transfer, Tenant shall not be permitted to sell, assign, transfer, sublease, pledge, mortgage or encumber this Agreement or the Leasehold Estate created under this Agreement (each, a "Transfer"),

without Landlord's and, during the Loan Period, the Lender's prior consent, which consent shall not be unreasonably withheld.

15.2 Permitted Transfers. Notwithstanding anything to the contrary above, Landlord's and, during the Loan Period, the Lender's, consent to any Permitted Transfer shall be deemed already to have been obtained under this Agreement.

15.3 Release of Tenant. No Transfer shall relieve Tenant from any of its obligations under this Agreement, except that Tenant shall be relieved from any obligations arising under this Agreement after the date of a Permitted Transfer if, and only if, all of the conditions described in Section 15.3 of the Arena Lease shall be satisfied.

15.4 Use Agreements. Nothing contained in this Agreement shall prevent or restrict Tenant from granting the use of (or subletting) portions of the Leased Premises to Space Users under Use Agreements, in accordance with the terms of this Agreement, provided that each Use Agreement shall be subject and subordinate to this Agreement and to the rights of Landlord hereunder and shall expressly so state. Notwithstanding any such Use Agreements, Tenant shall at all times remain liable for the performance of all of its covenants and agreements under this Agreement.

15.5 Transfers by Landlord. In the event that Landlord effects a Landlord Transfer (as defined in the Arena Lease) which Landlord is permitted to effect in accordance with Section 15.6 of the Arena Lease, then Landlord shall also sell, assign or otherwise transfer this Agreement and all of its rights, obligations and duties under this Agreement (a "Landlord Transfer") to the same party. If the conditions of Section 15.6 of the Arena Lease are not satisfied, then Landlord may not affect a Landlord Transfer. If a Landlord Transfer is not permitted hereunder, then Landlord shall not effect such Landlord Transfer without Tenant's and, during the Loan Period, the Lender's, prior consent, which consent may be withheld or delayed in Tenant's and, during the Loan Period, the Lender's, sole discretion.

15.6 Release of Landlord. No Landlord Transfer shall relieve Landlord from any of its obligations under this Agreement, except that Landlord shall be relieved from any obligations arising under this Agreement on and after the date of a Landlord Transfer if, and only if all of the conditions described in Section 15.7 of the Arena Lease shall be satisfied.

15.7 Estoppel Certificate. In connection with any Permitted Transfer, permitted Landlord Transfer or financing by Tenant, Tenant and Landlord agree to execute and deliver to each other an estoppel certificate substantially in the same form as is required under Section 15.8 of the Arena Lease.

15.8 Lender Requirements. During the Loan Period and in addition to Landlord's compliance with the terms of Section 15.5 hereof, Landlord must comply with the terms of Section 15.9 of the Arena Lease as to any sale, assignment or transfer of its right under this Agreement.

ARTICLE 16
DEFAULTS AND REMEDIES

16.1 Events of Default.

16.1.1 Tenant Default. The occurrence of any of the following shall be an "Event of Default" by Tenant or a "Tenant Default":

(a) If any default by Tenant shall have occurred under any of the Principal Project Documents to which it is a party and the same remains uncured after the lapse of the applicable notice and cure period, if any, provided for under the terms of the respective Principal Project Documents.

(b) The failure of Tenant to keep, observe or perform any of the material terms, covenants or agreements contained in this Agreement to be kept, performed or observed by Tenant if (i) such failure is not remedied by Tenant within thirty (30) days after written notice from Landlord of such default or (ii) in the case of any such default which cannot with due diligence and good faith be cured within thirty (30) days, Tenant fails to commence to cure such default within thirty (30) days after written notice from Landlord of such default or Tenant fails to prosecute diligently the cure of such default to completion within such additional period as may be reasonably required to cure such default with diligence and in good faith; it being intended that, in connection with any such default which is not susceptible of being cured with due diligence and in good faith within thirty (30) days, the time within which Tenant is required to cure such default shall be extended for such additional period as may be necessary for the curing thereof with due diligence and in good faith;

(c) The (i) filing by Tenant of a voluntary petition in bankruptcy; (ii) adjudication of Tenant as a bankrupt; (iii) filing of any petition or other pleading in any action seeking reorganization, rearrangement, adjustment, or composition of, or in respect of, Tenant under the United States Bankruptcy Code or any other similar state or federal law dealing with creditors' rights generally, unless within sixty (60) days after such filing such proceeding is stayed or discharged; or (iv) appointment of a receiver, trustee or other similar official of Tenant or its Property.

16.1.2 Landlord Default. The occurrence of the following shall be an "Event of Default" by Landlord or a "Landlord Default":

(a) The failure of Landlord to pay when due any of its monetary obligations under this Agreement, including the failure of Landlord to pay or to cause the Garage Operator to pay, all Tenant Parking Revenue to Tenant in accordance with Article 6 of this Agreement, or Landlord's failure to pay Tenant such amounts that may become due under Sections 6.5, or 7.3 or Article 12 hereof, if such failure continues for ten (10) Business Days after Tenant gives written notice to Landlord that such amount was not paid when due (any amount which remains due to Tenant after the expiration of such ten (10) Business Day period may, at Tenant's election, be deemed a "Self-Help Expense" under the Arena Lease);

(b) If any default by Landlord shall have occurred under any of the Principal Project Documents to which it is a party and the same remains uncured after the lapse of the applicable notice and cure period, if any, provided for under the terms of the respective Principal Project Documents;

(c) The failure of Landlord to comply with its obligations under Section 7.3.1 of this Agreement for more than five (5) days after such spaces are required to be provided hereunder;

(d) The failure of Landlord or the Garage Operator to keep, observe or perform any of the material terms, covenants or agreements contained in this Agreement on Landlord's (or the Garage Operator's) part to be kept, performed or observed (other than those referred to in clauses (a), (b) and (c) above) if (i) such failure is not remedied by Landlord within thirty (30) days after written notice from Tenant of such default or (ii) in the case of any such default which cannot with due diligence and in good faith be cured within thirty (30) days, Landlord fails to commence to cure such default within thirty (30) days after written notice from Tenant of such default or Landlord fails to prosecute diligently the cure of such default to completion within such additional period as may be reasonably required to cure such default with diligence and in good faith; it being intended that, in connection with any such default which is not susceptible of being cured with due diligence and in good faith within thirty (30) days, the time within which Landlord is required to cure such default shall be extended for such additional period as may be necessary for the curing thereof with due diligence and in good faith;

(e) The (i) filing by Landlord of a voluntary petition in bankruptcy; (ii) adjudication of Landlord as a bankrupt; (iii) filing of any petition or other pleading in any action seeking reorganization, rearrangement, adjustment, or composition of, or in respect of, Landlord under the United States Bankruptcy Code or any other similar state or federal law dealing with creditors' rights generally, unless within sixty (60) days after such filing such proceeding is stayed or discharged; or (iv) appointment of a receiver, trustee or other similar official of Landlord or its Property; or

(f) The (i) filing by the Garage Operator of a voluntary petition in bankruptcy; (ii) adjudication of the Garage Operator as a bankrupt; (iii) filing of any petition or other pleading in any action seeking reorganization, rearrangement, adjustment, or composition of, or in respect of, the Garage Operator under the United States Bankruptcy Code or any other similar state or federal law dealing with creditors' rights generally, unless within sixty (60) days after such filing such proceeding is stayed or discharged or unless within such 60-day period a new Garage Operator (which satisfies the requirements set forth in this Agreement) has legally replaced the Garage Operator that is subject to such filing; or (iv) appointment of a receiver, trustee or other similar official of the Garage Operator or its Property unless within sixty (60) days after such appointment a new Garage Operator (which satisfies the requirements set forth in this Agreement) has legally replaced the Garage Operator that is subject to such filing.

16.2 Landlord's Remedies. Upon the occurrence of any Tenant Default, Landlord may, as its sole and exclusive remedies, exercise the following remedies:

(a) Landlord may terminate this Agreement pursuant to, and subject to the limitations set forth in Section 16.4; and

(b) Landlord may maintain a proceeding in accordance with Article 18 for breach of this Agreement, damages, and/or specific performance of this Agreement; and

(c) Landlord may exercise any and all other remedies available to Landlord pursuant to the express terms of this Agreement.

16.3 Tenant's Remedies. Upon the occurrence of any Landlord Default, Tenant may, as its sole and exclusive remedies, exercise the following remedies:

(a) Except as to a breach of Section 7.3.1, Tenant may terminate this Agreement or any other Project Document pursuant to, and subject to the limitations set forth in Section 16.4 in which event, Landlord shall immediately disburse to Tenant any amounts that are due to Tenant pursuant to this Agreement; and

(b) Tenant may maintain a proceeding in accordance with Article 18 for breach of this Agreement, damages, and/or specific performance of this Agreement (provided that any damages recoverable by Tenant under this Section 16.3(b) in connection with Landlord's breach of Section 7.3.1 hereof shall be limited to the amounts described in said Section 7.3.1 and, to the extent applicable, the amounts described in Section 7.3.2 hereof); and

(c) Upon the occurrence of a Landlord Default (other than a Landlord Default under Section 16.1.2(a)), Tenant may, upon satisfaction of the requirements and conditions set forth in this Section 16.3(c), take commercially reasonable efforts and measures to remedy and cure such Landlord Default (such right of Tenant, herein called "Tenant's Self-Help Right"). Tenant may exercise the Tenant's Self-Help Right only by complying with the following conditions:

(i) If the Landlord Default relates to the management, operation or maintenance of the Parking Garage, Tenant shall have exercised its rights under Section 7.2 to provide notice to Landlord and after the specified notice and cure periods set forth therein, Landlord shall not have replaced the personnel responsible for such operation, management or maintenance or if such personnel have been replaced, such personnel shall not have promptly commenced the cure and remedy of the Landlord Default and thereafter continuously and diligently pursued such cure and remedy to completion; and

(ii) Tenant has given Landlord ten (10) days notice of Tenant's intention to exercise the Tenant's Self-Help Rights hereunder and within such ten (10)□day period, Landlord has not (A) delivered to Tenant a reasonably detailed plan as to how such Landlord Default will be cured in a reasonable time frame, such plan to include reasonable assurances to Tenant that Landlord will fully remedy and cure such Landlord Default and (B) commenced good faith efforts to fully cure and remedy such Landlord Default in accordance with the plan

delivered to Tenant and thereafter continuously and diligently pursued the cure and remedy of such Landlord Default to completion.

Landlord shall pay and reimburse Tenant for the reasonable costs and expenses incurred by Tenant in exercising the Tenant's Self-Help Rights under this subsection within thirty (30) days after Tenant's written request therefor, which request must contain reasonable supporting detail and documentation as to the incurrence by Tenant of such costs and expenses. Additionally, any amount which is due to Tenant pursuant to the exercise of Tenant's Self-Help Right may, at Tenant's election, be deemed a "Self-Help Expense" under the Arena Lease; and

(d) Tenant may exercise any and all other remedies available to Tenant pursuant to this Agreement.

16.4 Termination. Upon the occurrence of a Tenant Default as described in Subsection 16.1.1 or a Landlord Default as described in Subsection 16.1.2, the non-defaulting Party, in addition to its other remedies pursuant to this Agreement, may give to the defaulting Party a notice (a "Final Notice") of the non-defaulting Party's intention to terminate this Agreement after the expiration of a period of thirty (30) days from the date such Final Notice is delivered unless the Event of Default is cured, and upon expiration of such thirty (30)-day period, if the Event of Default is not cured, this Agreement shall terminate without liability to the non-defaulting Party. If, however, within such thirty (30)-day period the defaulting Party cures such Event of Default, then this Agreement shall not terminate by reason of such Final Notice. Notwithstanding the foregoing, in the event there is an Action or Proceeding pending or commenced between the Parties with respect to the particular Event of Default covered by such Final Notice, the foregoing thirty (30)-day period shall be tolled until a final non-appealable judgment or award, as the case may be, is entered with respect to such Action or Proceeding.

16.5 Cumulative Remedies. Except as otherwise provided in this Agreement, each right or remedy of Landlord and Tenant provided for in this Agreement shall be cumulative of and shall be in addition to every other right or remedy of Landlord or Tenant provided for in this Agreement, and, except as otherwise provided in this Agreement, the exercise or the beginning of the exercise by Landlord or Tenant of any one or more of the rights or remedies provided for in this Agreement shall not preclude the simultaneous or later exercise by Landlord or Tenant of any or all other rights or remedies provided for in this Agreement.

16.6 No Indirect Damages; No Liability for Third Party Criminal Acts. IN NO EVENT SHALL LANDLORD OR TENANT BE LIABLE UNDER ANY PROVISION OF THIS AGREEMENT (OTHER THAN SECTION 7.3 HEREOF TO THE EXTENT OF LANDLORD'S LIABILITY THEREUNDER FOR ANY OF THE AMOUNTS DESCRIBED THEREIN) (1) FOR LOST PROFITS, INCLUDING LOST OR PROSPECTIVE PROFITS, OR FOR ANY OTHER SPECIAL, INDIRECT, INCIDENTAL, CONSEQUENTIAL, EXEMPLARY OR PUNITIVE DAMAGES, IN CONTRACT, TORT OR OTHERWISE, WHETHER OR NOT CAUSED BY OR RESULTING FROM THE SOLE OR CONCURRENT NEGLIGENCE OF LANDLORD OR TENANT OR ANY OF THEIR AFFILIATES OR RELATED PARTIES, OR (2) FOR ANY CRIMINAL ACT OF ANY THIRD PARTY (OTHER THAN TENANT, TENANT'S AFFILIATES AND AFFILIATES OF TENANT AND THEIR

RESPECTIVE EMPLOYEES, OFFICERS AND AGENTS). NOTWITHSTANDING THE FOREGOING, THIS LIMITATION OF LIABILITY SHALL NOT APPLY TO THIRD-PARTY CLAIMS, INCLUDING CLAIMS BY ADVERTISERS, PROMOTERS, SEASON TICKET AND CLUB SEAT HOLDERS, CONCESSIONAIRES AND SPACE USERS, AGAINST LANDLORD OR TENANT FOR ANY OF THE MATTERS DESCRIBED IN CLAUSE (1) ABOVE.

16.7 Declaratory or Injunctive Relief. In addition to the remedies set forth in this Article 16, the Parties shall be entitled to seek injunctive relief prohibiting (rather than mandating) action by the other Party for any Event of Default of the other Party or declaratory relief with respect to any matter under this Agreement for which such remedy is available hereunder, at law or in equity.

16.8 Interest on Overdue Obligations and Post-Judgment Interest. If any sum due hereunder is not paid by the due date thereof, the Party owing such obligation to the other Party shall pay to the other Party interest thereon at the Default Rate concurrently with the payment of the amount, such interest to begin to accrue as of the date such amount was due. Any payment of such interest at the Default Rate pursuant to this Agreement shall not excuse or cure any default hereunder. All payments shall first be applied to the payment of accrued but unpaid interest. The amount of any judgment or arbitration award obtained by one Party against the other Party in any Action or Proceeding arising out of a default by such other Party under this Agreement shall bear interest thereafter at the Default Rate until paid.

16.9 No Waivers.

16.9.1 General. No failure or delay of any Party in any one or more instances (i) in exercising any power, right or remedy under this Agreement or (ii) in insisting upon the strict performance by the other Party of such other Party's covenants, obligations or agreements under this Agreement shall operate as a waiver, discharge or invalidation thereof, nor shall any single or partial exercise of any such right, power or remedy or insistence on strict performance, or any abandonment or discontinuance of steps to enforce such a right, power or remedy or to enforce strict performance, preclude any other or future exercise thereof or insistence thereupon or the exercise of any other right, power or remedy. The covenants, obligations, and agreements of a defaulting Party and the rights and remedies of the other Party upon a default shall continue and remain in full force and effect with respect to any subsequent breach, act or omission.

16.9.2 No Accord and Satisfaction. Without limiting the generality of Subsection 16.9.1, the receipt by Tenant of any amounts due by Landlord to Tenant hereunder with knowledge of a breach by Landlord of any covenant, obligation or agreement under this Agreement shall not be deemed or construed to be a waiver of such breach (other than as to the amount received). The payment by Landlord of any such amount with knowledge of a breach by Tenant of any covenant, obligation or agreement under this Agreement shall not be deemed or construed to be a waiver of such breach. No acceptance by Landlord or Tenant of a lesser sum than then due shall be deemed to be other than on account of the earliest installment of the amounts due under this Agreement, nor shall any endorsement or statement on any check, or any letter accompanying any check, wire transfer or other payment, be deemed an accord and satisfaction. Landlord and Tenant may accept a check, wire transfer or other payment without

prejudice to its right to recover the balance of such installment or pursue any other remedy provided in this Agreement.

16.9.3 No Waiver of Termination Notice. Without limiting the effect of Subsection 16.9.1, the receipt by Tenant of any amounts due by Landlord to Tenant hereunder paid by Landlord after the termination in any manner of the Term, or after the giving by Tenant of any notice hereunder to effect such termination, shall not, except as otherwise expressly set forth in this Agreement, reinstate, continue or extend the Term, or destroy, or in any manner impair the efficacy of, any such notice of termination as may have been given hereunder by Tenant to Landlord prior to the receipt of any such amount or other consideration, unless so agreed to in writing and executed by Tenant.

16.10 Effect of Termination. If Landlord or Tenant elects to terminate this Agreement pursuant to Section 16.4 of this Agreement, this Agreement shall, on the effective date of such termination, terminate with respect to all future rights and obligations of performance hereunder by the Parties (except for the rights and obligations herein that expressly are to survive termination hereof). Termination of this Agreement shall not alter the then-existing claims, if any, of either Party for breaches of this Agreement occurring prior to such termination, and the obligations of the Parties hereto with respect thereto shall survive termination.

16.11 Waiver of Liens. Landlord does hereby waive, release and discharge all Liens and rights (constitutional, statutory, consequential or otherwise) that Landlord may now or hereafter have on any Property of Tenant of any kind, and all additions, accessions and substitutions thereto (except for judgment liens which may hereafter arise in favor of Landlord). This Section 16.11 shall be self-operative, and no further instrument or waiver need be required by any lienholder on such Property. In confirmation of this waiver, however, Landlord shall, at Tenant's request, execute promptly any appropriate certificate or instrument that Tenant may reasonably request. Tenant does hereby waive, release and discharge all Liens that Tenant may have under Section 91.004 of the Texas Property Code, as amended.

16.12 Waiver of Consumer Rights. LANDLORD AND TENANT HAVE ASSESSED THEIR RESPECTIVE RIGHTS, LIABILITIES AND OBLIGATIONS UNDER THE TEXAS DECEPTIVE TRADE PRACTICES - CONSUMER PROTECTION ACT, SECTION 17.41 ET SEQ., BUSINESS & COMMERCE CODE (THE "DTPA"). THE PARTIES AGREE THAT THE DTPA DOES NOT APPLY TO EITHER LANDLORD OR TENANT SINCE NEITHER QUALIFIES AS A "CONSUMER" UNDER SECTION 17.45(4) OF THE DTPA. HOWEVER, IN THE EVENT THE DTPA IS DEEMED TO BE APPLICABLE BY A COURT OF COMPETENT JURISDICTION, LANDLORD AND TENANT HEREBY WAIVE THEIR RIGHTS UNDER THE DTPA, A LAW THAT GIVES CONSUMERS SPECIAL RIGHTS AND PROTECTIONS. AFTER CONSULTATION WITH ATTORNEYS OF THEIR OWN SELECTION, LANDLORD AND TENANT CONSENT TO THIS WAIVER. THE PARTIES AGREE THAT THIS SECTION 16.12 CONSTITUTES A CONSPICUOUS LEGEND.

16.13 Attorneys' Fees. If either Party places the enforcement of this Agreement, or any part thereof, or the exercise of any other remedy herein provided for any default by the other Party, in the hands of an attorney who institutes an Action or Proceeding upon the same (either by direct action or counterclaim), the non-prevailing Party shall pay to the prevailing Party its

reasonable attorneys' fees and costs of court. In addition to the foregoing award of attorneys' fees to the prevailing Party, the prevailing Party shall be entitled to its attorneys' fees incurred in any post-judgment proceeding to collect or enforce the judgment. This provision is separate and several and shall survive the expiration or earlier termination of this Agreement or the merger of this Agreement into any judgment on such instrument.

16.14 Court Proceedings. Subject to Article 18, any suit, action or proceeding, which is permitted to be brought by either Party against the other Party arising out of or relating to this Agreement or any transaction contemplated hereby or any judgment entered by any court in respect thereof may be brought in any federal or state court located in the City of Houston, Texas, and each Party hereby submits to the nonexclusive jurisdiction of such courts for the purpose of any such suit, action or proceeding. To the extent that service of process by mail is permitted by applicable law, each Party irrevocably consent to the service of process in any such suit, action or proceeding in such courts by the mailing of such process by registered or certified mail, postage prepaid, at its address for notice provided for above. Each Party irrevocably agrees not to assert any objection that it may ever have to the laying of venue of any such suit, action or proceeding in any federal or state court located in the City of Houston, Texas or any claim that any such suit, action or proceeding brought in any such court has been brought in an inconvenient forum. Each Party agrees not to bring any action, suit or proceeding against the other Party arising out of or relating to this Agreement or any transaction contemplated hereby except in a federal or state court located in the City of Houston, Texas.

16.15 Lender Remedies. During the continuance of any Landlord Default during the Loan Period, the Lender (or its agents or designees) may, in its sole discretion, enter into the Leased Premises and properly perform Landlord's obligations under the terms of this Agreement, and Tenant agrees to accept such performance by the Lender to the extent such performance actually cures such Landlord Default, and Landlord agrees that the Lender shall not be liable for any damages resulting to Landlord from such action. Except to the extent of the actual cure of the Landlord Default, no action taken by the Lender under this Section 16.15 shall relieve Landlord from any of its obligations under this Agreement or from any consequences or liabilities arising from the failure to perform such obligations or prevent Tenant from exercising any of its remedies under this Agreement for Landlord's or the Lender's failure to perform Landlord's obligations under this Agreement. In addition, in the event that during the Loan Period (i) Tenant delivers its second Final Notice within any two (2) year period that is based upon any Landlord Default caused by the failure of the Landlord to perform its management, operational, repair and/or maintenance obligations under this Agreement or (ii) Tenant has exercised its rights and remedies under Section 7.3.2 hereof due to an Untenantable Condition caused by the failure of the Landlord to perform its management, operational, repair and/or maintenance obligations under this Agreement, the Lender shall have the right, at its option and at the expense of Landlord, to require Landlord to replace the Garage Operator with, or to hire, a Garage Operator who meets the Operator Standards in accordance with and subject to the requirements of Section 7.4 hereof, with the agreement between Landlord and such Garage Operator to be, during the Loan Period, also approved by the Lender, such approval not to be unreasonably withheld (the "Replacement Option"). So long as such Garage Operator is in compliance with its management, operational, repair and/or maintenance obligations under such agreement and the applicable provisions of this Agreement, the Landlord shall not, during the Loan Period, remove or replace such Garage Operator without the prior written consent of the

Lender, which consent shall not be unreasonably withheld. The Lender shall have the right to be reimbursed by Landlord for all costs and expenses incurred by the Lender in connection with the Garage Operator and such amounts shall be paid to the Lender out of gross revenues of the Landlord prior to any payment to the Landlord. Further, Tenant agrees that if during the Loan Period, (i) any Final Notice is delivered to Landlord pursuant to which the Lender has the right to exercise the Replacement Option in accordance with this Section 16.15 and (ii) the Lender has delivered written notice to Tenant within twenty (20) days after the date of such Final Notice that the Lender has elected to exercise the Replacement Option, then the thirty (30) day period during which Landlord has the right to cure the Landlord Default in accordance with Section 16.1.2(d) above shall be automatically extended for an additional thirty (30) days.

ARTICLE 17
SURRENDER OF POSSESSION; HOLDING OVER

17.1 Surrender of Possession. Subject to the provisions of Section 17.2 hereof, Tenant shall, on or before the Expiration Date, peaceably and quietly leave, surrender and yield to Landlord the Leased Premises and all keys cards for the Leased Premises, provided that Landlord has paid to Tenant all outstanding Tenant Parking Revenue which accrued prior to the Expiration Date.

17.2 Right to Hold Over if Hold Over Occurs Under Arena Lease. In the case of any holding over or possession by Tenant in accordance with Section 17.3 of the Arena Lease, then Tenant shall also be permitted to hold over under this Agreement (and to enjoy all of its rights under this Agreement) for a period of time equal to the period of Tenant's permitted holding over under the Arena Lease. Tenant shall have no obligation to pay any holdover rent or other consideration, charge or expense during any such holdover period other than the amounts otherwise due to Landlord under Section 17.3 of the Arena Lease, which amounts shall be deemed sufficient and valuable consideration for any holdover by Tenant with respect to the Leased Premises under this Agreement.

17.3 Survival. The provisions contained in this Article 17 shall survive the expiration or earlier termination of this Agreement.

ARTICLE 18
DISPUTE RESOLUTION

Any Dispute or Controversy related in any way to this Agreement, shall be resolved in accordance with the procedures set forth in Article 18 of, and Appendix B attached to, the Arena Lease, which Article and Appendix are hereby incorporated fully by reference, as if fully rewritten herein (except that the term "Dispute or Controversy" as used in such Article and Appendix shall have the meaning assigned to such term on Appendix A attached to this Agreement rather than the meaning assigned to such term in the Arena Lease). Notwithstanding any provision of this Agreement to the contrary, either Party may seek injunctive relief or another form of ancillary relief at any time from any court of competent jurisdiction in Harris County, Texas. In the event that a Dispute or Controversy requires emergency relief before the matter may be resolved under the Arbitration Procedures, notwithstanding the fact that any court of competent jurisdiction may enter an order providing for injunctive or another form of ancillary

relief, the Parties expressly agree that the Arbitration Procedures still will govern the ultimate resolution of any portion of the Dispute or Controversy.

ARTICLE 19
TIME; DELAY; APPROVALS AND CONSENTS

This Agreement shall also be governed by the same provisions and defined terms contained in Article 19 of the Arena Lease, which Article is hereby incorporated fully by reference, as if fully rewritten herein (except that (i) the term "Agreement" as used in such Article and in the defined terms used therein shall mean this Agreement rather than the Arena Lease, and (ii) the parenthetical phrase contained in the second line of Section 19.2.1 of said Article 19 of the Arena Lease shall, for the purposes of such incorporation by reference only, be deemed deleted therefrom).

ARTICLE 20
[INTENTIONALLY OMITTED]

ARTICLE 21
REPRESENTATIONS AND WARRANTIES

21.1 Tenant's Representations and Warranties. As an inducement to Landlord to enter into this Agreement, Tenant hereby represents and warrants to Landlord, as of the Commencement Date, as follows:

21.1.1 Authority. The individual executing and delivering this Agreement on behalf of Tenant has all requisite power and authority to execute and deliver this Agreement and to bind Tenant hereunder.

21.1.2 Entity. Tenant is a limited partnership duly formed and validly existing under the laws of the State of Texas, with all necessary partnership power and authority to carry on its present business, to enter into this Agreement and to consummate the transactions herein contemplated. LLA Sports, Inc. is a corporation duly formed, validly existing and in good standing under the laws of the State of Delaware with all necessary corporate power and authority to be the general partner of Tenant and to execute this Agreement in its capacity as general partner of Tenant on behalf of Tenant.

21.1.3 No Conflict. Neither the execution and delivery of this Agreement by Tenant nor the performance by Tenant of its obligations hereunder will (i) violate any statute, regulation, rule, judgment, order, decree, stipulation, injunction, charge or other restriction of any Governmental Authority, any court order to which Tenant is subject, or any provision of the charter or bylaws of Tenant or (ii) conflict with, result in a breach of, constitute a default under, result in the acceleration of, create in any party the right to accelerate, terminate, modify or cancel, or require any notice under any contract, lease, sublease, license, sublicense, franchise, permit, indenture, agreement or mortgage for borrowed money, instrument of indebtedness, security interest or other agreement to which Tenant is a party or by which Tenant or its assets are bound, which conflict, breach, default or acceleration would have a material adverse effect on Tenant's financial ability to perform its obligations under this Agreement.

21.1.4 No Further Consents Required. All proceedings to be taken by or on behalf of Tenant to authorize Tenant to execute and deliver this Agreement and to perform the covenants, obligations and agreements of Tenant hereunder have been duly taken. No consent to the execution and delivery of this Agreement by Tenant or the performance by Tenant of its covenants, obligations and agreements hereunder is required from any partner, board of directors, shareholder, creditor, investor, judicial or legislative or administrative body, Governmental Authority or other Person, other than any such consent that already has been given or for which the failure to obtain will not have a material adverse effect on the financial ability of Tenant to perform its obligations under this Agreement.

21.1.5 Validity. This Agreement constitutes the valid and legally binding obligation of Tenant.

21.1.6 No Actions or Proceedings. To the best knowledge of Tenant, there is no action, suit, claim, proceeding or investigation pending or currently threatened against Tenant which questions the validity of this Agreement or the transactions contemplated herein or that could either individually or in the aggregate have a material adverse effect on the assets, conditions, affairs or prospects of Tenant, financially or otherwise.

21.2 Landlord's Representations. As an inducement to Tenant to enter into this Agreement, Landlord hereby represents and warrants to Tenant, as of the Commencement Date, as follows:

21.2.1 Authority. The individual executing and delivering this Agreement on behalf of Landlord has all requisite power and authority to execute and deliver this Agreement and to bind Landlord hereunder.

21.2.2 Entity. Landlord is a sports and community venue district duly formed and validly existing under Chapter 335 of the Texas Local Government Code, with all necessary power and authority to enter into this Agreement and to consummate the transactions herein contemplated. Neither the execution and delivery hereof nor the performance by Landlord of its obligations hereunder will violate or constitute an event of default under any material terms or material provisions of any agreement, document, instrument, judgment, order or decree to which Landlord is a party or by which Landlord or its assets are bound, which conflict, breach, default or acceleration would have a material adverse effect on Landlord's financial ability to perform its obligations under this Agreement.

21.2.3 No Further Consents Required. All governmental proceedings required to be taken by or on behalf of Landlord to authorize Landlord to make and deliver this Agreement and to perform the covenants, obligations and agreements of Landlord hereunder have been duly taken. No consent to the execution or delivery of this Agreement by Landlord or the performance by Landlord of its covenants, obligations and agreements hereunder is required from any board of directors or other governing board, member, creditor, judicial or legislative or administrative body, Governmental Authority or other Person, other than any such consent that already has been given or for which the failure to obtain will not have a material adverse effect on the financial ability of Landlord to perform its obligations under this Agreement.

21.2.4 Validity. This Agreement constitutes the valid and legally binding obligation of the Landlord.

21.2.5 No Actions or Proceedings. To the best knowledge of Landlord, there is no action, suit, claim, proceeding or investigation pending or currently threatened against Landlord which questions the validity of this Agreement or the transactions contemplated herein or that could either individually or in the aggregate have a material adverse effect on the assets, conditions, affairs or prospects of Landlord, financially or otherwise.

ARTICLE 22
PROVISIONS GOVERNING GRANT OF INTANGIBLE PROPERTY RIGHTS

22.1 Title; No Infringement. Landlord represents, warrants and covenants to Tenant that (i) as of the Effective Date, Landlord has not granted or licensed to any Person (other than Tenant) any right, title or interest in and to the Intangible Property Rights; (ii) as of the Effective Date, Landlord's right, title and interest in and to the Intangible Property Rights are free and clear of any and all Liens of any kind or nature whatsoever; (iii) as of the Effective Date, Landlord has full right, power and authority to grant to Tenant all of Landlord's right, title and interest in and to the Intangible Property Rights as granted to Tenant hereunder; (iv) Landlord has not and will not (1) seek federal copyright/trademark registration of any Marks or Copyrights associated in any way with the Parking Garage, unless approved by Tenant, which approval shall not be unreasonably withheld, (2) grant any other Person the same or similar rights or licenses as the Intangible Property Rights herein granted to Tenant, the Intangible Property Rights being exclusive to Tenant, or (3) register, or permit any Person to register, any Intangible Property Rights (other than those specified in clause (1) hereof) with any Governmental Authority; and (v) as of the Effective Date, Landlord's ownership and use of the Intangible Property Rights, and the grant and license to Tenant of Landlord's right, title and interest in and to the Intangible Property Rights pursuant to the terms and conditions stated herein, do not infringe on the rights of any other Person.

22.2 Scope and Limitations on Intangible Property Rights.

22.2.1 Right to Sublicense; Exclusive or Restriction Provisions. Tenant shall have the right to enter into Sublicenses with Sublicensees with respect to any or all of the Intangible Property Rights. The Parties acknowledge that certain exercisers of the Intangible Property Rights, including Sublicensees of Intangible Property Rights in accordance with this Subsection 22.2.1, may confer substantial benefits on Tenant if Tenant agrees to certain exclusive or restrictive provisions. Subject to the other provisions of this Agreement, Tenant shall be permitted to enter into any Sublicenses regarding the Intangible Property Rights that it finds desirable, including Sublicenses imposing restrictions or granting rights of exclusivity. All Sublicenses shall be subject and subordinate to this Agreement, including any expiration or earlier termination hereof.

22.2.2 Other Rights. Anything to the contrary herein notwithstanding, in no event shall any other intangible property rights or licenses not described on Exhibit B that are owned, held or controlled by either Party (collectively, the "Other Rights") be granted and licensed by Landlord to Tenant hereunder or be deemed a part of or subject to this Agreement.

Landlord and Tenant do not intend, and the terms of this Agreement shall not be deemed, to impair or restrict either Party's use or enjoyment of its Other Rights in the Exclusive Area.

22.2.3 Rights of Tenant to Revenues. Tenant shall be entitled to, and is hereby granted the exclusive right to contract for, collect, receive and retain, all gross income and revenues and other consideration of whatever kind or nature realized by, from or in connection with the Intangible Property Rights, including all gross revenues, royalties, license and use fees, concession fees and income and receipts of any nature arising from (i) all Naming Rights, including the naming of, or the sale, lease or license of the right to name, the Parking Garage or any portion thereof, and (ii) all Advertising Rights, including the sale, lease, licensing of, or granting concessions with respect to advertising and other promotional rights of every nature, including those from Signage (interior or exterior) and printed material (including publications, tickets, programs, photographs, scorecards, media guides, yearbooks or flyers).

22.2.4 Rights to Defend Intangible Property Rights.

(a) Tenant's Intangible Property Rights. Except as provided in Subsection 22.2.4.(b) hereof, during the Term or the life of the Intangible Property Rights, whichever is shorter, Tenant is empowered, but shall have no obligation:

(i) to bring suit in its own name or, if required by law, jointly with Landlord, at Tenant's expense, for any infringement of the Intangible Property Rights in the Exclusive Area;

(ii) to enjoin infringement in any such suit and to collect, for Tenant's use, damages, profits and awards of whatever nature recoverable for such infringement; and

(iii) to settle any claim or suit for infringement of the Intangible Property Rights in the Exclusive Area, including by granting the infringing party a Sublicense.

Landlord agrees to cooperate with Tenant so that Tenant may fully exercise, perfect, enjoy, register and maintain the Intangible Property Rights granted hereunder, including at Tenant's request and expense, joining in the actions described in above clauses (i), (ii) and (iii) of this Subsection 22.2.4(a).

(b) Parking Garage Name Intellectual Property Rights. In the event Landlord or Tenant obtains any Intellectual Property Rights with respect to the Parking Garage Name, (i) such Intellectual Property Rights shall be included in the Parking Garage License and (ii) during the Term or the life of such Intellectual Property Rights, whichever is shorter, (x) Tenant shall not abandon such Intellectual Property Rights, except as provided below in subparagraph (B) of this Subsection 22.2.4.(b), (y) Tenant shall be obligated to use commercially reasonable efforts to defend such Intellectual Property Rights as provided below in subparagraph (A) of this Subsection 22.2.4(b) and (z) Landlord shall have the right, but not the obligation, to defend such Intellectual Property Rights as provided below in subparagraph (B) of this Subsection 22.2.4(b).

(A) Except to the extent that Tenant has notified Landlord that Tenant has elected to relinquish to Landlord any Intellectual Property Rights for the Parking Garage Name as provided below in subparagraph (B) of this Subsection 22.2.4(b), Tenant shall use commercially reasonable efforts to defend any Intellectual Property Rights for the Parking Garage Name against any infringement from time to time known to Tenant. In this regard, Tenant shall have the right to:

(1) bring suit in its own name or, if required by law, jointly with Landlord, at Tenant's expense, against any known infringement of such Intellectual Property Rights;

(2) seek an injunction of any known infringement in any such suit and collect, for Tenant's use, damages, profits and awards of whatever nature recoverable for such infringement; and

(3) settle any claim or suit for infringement in the Exclusive Area, including granting the infringing party a Sublicense under the terms and conditions permitted in this Agreement, but no such settlement shall diminish or relinquish any rights of Landlord to recover any damages suffered or incurred as a result of such infringement unless Landlord has consented to the same, which consent shall not be unreasonably withheld.

Landlord agrees to cooperate with Tenant so that Tenant may fully exercise, perfect, enjoy, register and maintain such Intellectual Property Rights, including at Tenant's request and expense, joining in the actions described above in clauses 1, 2, and 3 of this Subsection 22.2.4(b)(A).

(B) In lieu of undertaking to defend any Intellectual Property Rights for the Parking Garage Name against any infringement, as provided for under subparagraph (A) of this Subsection 22.2.4(b), Tenant shall have the right to relinquish to Landlord the license herein granted to use such Intellectual Property Rights with respect to the particular defined area or defined field of use infringed upon by delivering written notice thereof to Landlord within thirty (30) days after the date Tenant receives notice of such infringement. In such circumstances, (i) the license herein granted with respect to such Intellectual Property Rights shall be relinquished to Landlord with respect to the defined area or defined field of use described in any such notice from Tenant, and any such Intellectual Property Rights obtained by Tenant shall be licensed to Landlord with respect to such defined area or defined field of use, (ii) Landlord shall have the right, but not the obligation, to take the actions described above in subparagraph (a) of this Subsection 22.2.4 with respect to such infringement in the defined area or defined field of use described in Tenant's notice, all at Landlord's cost and expense, and (iii) any such relinquishment to Landlord of such Intellectual Property Rights with respect to a particular defined area or defined field of use shall not limit or reduce Tenant's rights with respect to

such Intellectual Property Rights in any other portion of the Exclusive Area or any other field of use that is not described in the foregoing notice from Tenant to Landlord.

22.2.5 Duration. The period (i) during which the Parking Garage Name or any name given to the Parking Garage or any portion thereof under the Naming Rights License by Tenant or by another Person pursuant to a Naming Rights Agreement shall apply, and the Naming Rights License shall exist, and (ii) during which any other Sublicense of other Intangible Property Rights shall exist, shall in no event extend beyond or survive the end of the Term.

22.2.6 Compliance with Governmental Rules. Tenant shall, throughout the Term, within the time periods permitted by applicable Governmental Rules, comply or cause compliance with all nondiscriminatory Governmental Rules applicable to the Intangible Property Rights. Tenant shall, however, have the right to contest the validity or application of any Governmental Rule, and, if Tenant promptly contests and if compliance therewith may legally be held in abeyance during such contest without the imposition of any Liens on the Intangible Property Rights, Tenant may postpone compliance until the final determination of such contest, provided that such contest is prosecuted with due diligence, except that Tenant shall not so postpone compliance therewith in such a manner as to subject Landlord to any prosecution for a criminal act. Even though a Lien against the Intangible Property Rights may be imposed by reason of such noncompliance, Tenant may nevertheless delay compliance therewith during contest thereof, provided that Tenant furnishes Landlord with Adequate Security against any loss by reason of such Lien and effectively prevents foreclosure thereof.

22.3 Use of Parking Garage Name by Landlord.

22.3.1 Rights Reserved by Landlord. Notwithstanding anything to the contrary contained in this Agreement, Landlord hereby reserves the following:

(a) the non-exclusive right to use (but not sublicense, except to the Garage Operator solely in connection with its operation of the Parking Garage) the Parking Garage Name and Intellectual Property Rights relating thereto solely for the purpose of operating the Parking Garage in accordance with this Agreement, and for no other purpose other than:

(i) brochures and promotional materials describing the Landlord and/or the facilities developed by the Landlord; and

(ii) Landlord's letterhead, business cards or web page;

(b) the non-exclusive right to use (but not sublicense, except to the Garage Operator solely in connection with its operation of the Parking Garage) any Symbolic Representation of the Parking Garage for the above-listed purposes, so long as such Symbolic Representation is approved by Tenant, such approval to be limited to the style and design of the same and not to be unreasonably withheld.

22.3.2 Adoption of Tenant's Nomenclature. From and after the date Tenant notifies Landlord of (1) Tenant's exercise of any one or more of the Naming Rights or (2) the

existence of a Naming Rights Agreement, Landlord shall (i) adopt the nomenclature designated in such Naming Rights Agreement for the Parking Garage or the portion thereof covered by such Naming Rights Agreement and (ii) refrain from using any other nomenclature for the Parking Garage or such portion thereof in any documents, press releases, Signage and directional signage to the Parking Garage, or promotional materials produced or disseminated in connection with the Parking Garage or events or activities therein.

22.3.3 License for Tenant's Nomenclature. In the event that pursuant to the provisions of Subsection 22.3.2 Landlord is required to adopt the nomenclature designated by Tenant for the Leased Premises, Tenant will grant and license to Landlord for the period that Landlord is required to use such nomenclature the non-exclusive right to use such nomenclature for the purposes and uses set out in Section 22.3.1, but subject to the limitations specified above in Subsection 22.3.1 (a).

22.4 Indemnification.

22.4.1 Tenant's Agreement to Indemnify. Tenant shall, except as provided herein, defend, protect, indemnify and hold Landlord and its officers, directors, employees and agents harmless from and against any and all liabilities, damages, suits, claims and judgments for infringement (including reasonable attorneys' fees and expenses) arising from or in connection with any use of the Intangible Property Rights by Tenant or any of Tenant's agents, employees, subtenants or contractors. Notwithstanding the foregoing, Tenant shall not be liable for any liabilities, damages, suits, claims or judgments for infringement (including reasonable attorneys' fees and expenses) arising from or in connection with Landlord's violation of any provisions of this Agreement or any applicable Governmental Rules, provided such violation is not caused by the nomenclature Landlord is required to adopt pursuant to Subsection 22.3.2.

22.4.2 Conduct of Claims. Any claims for indemnification under this Section 22.4 shall be subject to the same procedures for conduct of such claims as are set forth in Subsection 10.11.6 with respect to claims for indemnification under Section 10.11.

22.4.3 Survival. The indemnities contained in this Section 22.4 shall survive the expiration or earlier termination of this Agreement, but only insofar as such indemnities relate to any liabilities, damages, suits, claims or judgments that arose prior to the expiration or earlier termination of this Agreement.

22.5 Landlord's Approval Rights Over Garage Name. Tenant may permit any name to be given to the Parking Garage, the Parking Garage Improvements, the Leased Premises or any portion thereof without the prior approval of Landlord, unless the proposed name (i) violates any Governmental Rule in existence as of the Effective Date; (ii) contains racial epithets, barbarisms, obscenities or profanity, relates to any sexually oriented business which is defined as an "enterprise" in Section 28-121 of the City of Houston Code of Ordinances or contains any overt political reference or (iii) would reasonably cause embarrassment to the Landlord, the City or the County, in which case, Landlord has the right to approve such name, which approval shall not be unreasonably withheld. Notwithstanding anything to the contrary contained in this Agreement, Landlord and Tenant agree that Landlord's approval will not be required for any name for the Parking Garage, the Parking Garage Improvements, the Leased Premises or any portion thereof

that includes: (x) the corporate or trade name of Tenant or any Affiliate of Tenant; (y) the name of any direct or indirect owner of Tenant or the NBA Team, or (z) unless such name violates subsections (i) or (ii) above, the name of any entity which is listed or whose shares are regularly traded on a public stock exchange. If Landlord has the right to approve the name hereunder, Landlord shall be deemed to have given its approval to any name requested by Tenant unless, within forty-five (45) days following receipt of Tenant's request for such approval, Landlord notifies Tenant in writing of Landlord's disapproval.

ARTICLE 23
MISCELLANEOUS PROVISIONS

23.1 No Broker's Fees or Commissions. Each Party hereto hereby represents to the other Party hereto that such Party has not created any liability for any broker's fee, broker's or agent's commission, finder's fee or other fee or commission in connection with this Agreement.

23.2 Covenants Running with the Estates in Land. The Parties hereto covenant and agree that all of the conditions, covenants, agreements, rights, privileges, obligations, duties, specifications and recitals contained in this Agreement, except as otherwise expressly stated herein, shall be construed as covenants running with title to the Parking Site, the Parking Garage Improvements, the Leased Premises, the Leasehold Estate hereunder, the Arena, the Arena Site and the leasehold estate created by the Arena Lease, respectively, which shall extend to, inure to the benefit of and bind Landlord, Tenant and their respective permitted successors and assigns to the same extent as if such successors and assigns were named as original parties to this Agreement, such that this Agreement shall always bind the owner and holder of any fee or leasehold interest in or to the Parking Site, the Parking Garage Improvements, the Leased Premises, the Leasehold Estate hereunder, the Arena, the Arena Site and the leasehold estate created by the Arena Lease, or any portion thereof, and shall bind predecessors thereof except as otherwise expressly provided herein.

23.3 Relationship of the Parties. The relationship of Tenant and Landlord under this Agreement is that of independent parties, each acting in its own best interests, and notwithstanding anything in this Agreement to the contrary, no partnership, joint venture or other business relationship is established or intended hereby between Tenant and Landlord.

23.4 Waiver of Immunity. Each of the Parties unconditionally and irrevocably:

(a) agrees that the execution, delivery and performance by it of this Agreement constitute private, proprietary and commercial acts rather than public or governmental acts;

(b) agrees that if any Actions or Proceedings are brought against it or its assets in relation to this Agreement or any transaction contemplated hereunder, no immunity (sovereign or otherwise) from such Actions or Proceedings (which shall be deemed to include, without limitation, suit, attachment prior to judgment, other attachment, the obtaining of judgment, execution or other enforcement) shall be claimed by or on behalf of itself or with respect to its assets;

(c) waives any such right of immunity (sovereign or otherwise) that it or its assets now has or may acquire in the future; and

(d) consents to the enforcement of any arbitral award or judgment against it in any such proceedings and to the giving of any relief or the issue of any process in connection with any such proceedings.

23.5 Non-Merger of Estates. The interests of Landlord and Tenant in the Leased Premises shall at all times be separate and apart and shall in no event be merged, notwithstanding the fact that this Agreement or the Leasehold Estate created hereby, or any interest therein, may be held directly or indirectly by or for the account of the same Person who shall own the fee title to the Leased Premises or any portion thereof; and no such merger of estates shall occur by operation of law, or otherwise, unless and until all Persons at the time having any interest in the Leased Premises join in the execution of a written instrument effecting such merger of estates.

23.6 Notices.

(a) All notices, consents, directions, approvals, instructions, requests and other communications and all payments, as applicable, given to a Party under this Agreement shall be given in writing to such Party at the address set forth below or at any other address as such Party designates by written notice to the other Party in accordance with this Section 23.6 and may be (i) sent by registered or certified U.S. Mail with return receipt requested, (ii) delivered personally (including delivery by private courier services) or (iii) sent by telecopy (with electronic confirmation of such notice) to the Party entitled thereto. Any notice shall be deemed to be duly given or made (x) three (3) Business Days after posting if mailed as provided, (y) when delivered by hand unless such day is not a Business Day, in which case such delivery shall be deemed to be made as of the next succeeding Business Day, or (z) in the case of telecopy (with electronic confirmation of such notice), when received, so long as it was received during normal Business Hours of the receiving Party on a Business Day or otherwise such delivery shall be deemed to be made as of the next succeeding Business Day. Each Party hereto shall have the right at any time and from time to time to specify additional parties ("Additional Addressees") to whom notice thereunder must be given, by delivering to the other Party five (5) days notice thereof setting forth a single address for each such Additional Addressee; provided, however, that no Party hereto shall have the right to designate more than two (2) such Additional Addressees. The notice addresses for the Parties shall be as follows:

Notice to Landlord shall be sent to:

Harris County-Houston Sports Authority
1001 Fannin, Suite 750
Houston, Texas 77002
Attention: Chairman
Facsimile Number: (713) 355-2427

with copies of all notices to Landlord being sent to:

Andrews & Kurth L.L.P.
600 Travis, Suite 4200
Houston, Texas 77002
Attention: Gene L. Locke, Esq.
Facsimile Number: (713) 220-4285

Notice to Tenant shall be sent to:

Rocket Ball, Ltd.
Two Greenway Plaza
Suite 400
Houston, Texas 77046
Attention: Chief Operating Officer
Facsimile Number: (713) 963-7315

and

Baker Botts L.L.P.
One Shell Plaza
910 Louisiana Street
Houston, Texas 77002-4995
Attention: Michael S. Goldberg, Esq.
Facsimile Number: (713) 229-1522

(b) During the Loan Period, if any Party delivers any notice required under Article 16 or Article 18 hereof, such Party shall also contemporaneously deliver a copy of such notice to the Lender at the address specified by the Lender in a notice to Landlord and Tenant in accordance with this Section 23.6. The Lender shall have the right at any time and from time to time to change such address for notice by giving all Parties at least five (5) days prior written notice of such change of address.

23.7 Severability. If any term or provision of this Agreement, or the application thereof to any Person or circumstances, shall to any extent be invalid or unenforceable in any jurisdiction, as to such jurisdiction, the remainder of this Agreement, or the application of such term or provision to the Persons or circumstances other than those as to which such term or provision is held invalid or unenforceable in such jurisdiction, shall not be affected thereby, and each term and provision of this Agreement shall be valid and enforceable to the fullest extent permitted by applicable law and any such invalidity or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction. To the extent permitted by applicable law, the Parties to this Agreement hereby waive any provision of law that renders any provision thereof prohibited or unenforceable in any respect.

23.8 Entire Agreement, Amendment and Waiver. This Agreement and the other Project Documents together constitute the entire agreement of the Parties with respect to the subject matter hereof and supersede all prior written and oral agreements and understandings with respect to such subject matter, including the Letter Agreement. Neither this Agreement nor any of the terms hereof, including this Section 23.8, may be amended, supplemented, waived or modified orally, but only (i) by an instrument in writing signed by the Party against which the

enforcement of the amendment, supplement, waiver or modification shall be sought and (ii) with the written consent of Lender, if such amendment, supplement, waiver or modification is made or given during the Loan Period and (w) impairs in any material respect the obligation of Tenant to make the Semi-Annual Installments as specified in the Arena Lease, (x) modifies in any material respect any material rights of either of the Parties to terminate this Agreement beyond what is expressly provided in this Agreement, or (y) modifies in any material respect any material rights of Lender or any material obligations to Lender expressly provided in this Agreement. With respect to any consent required under this Section 23.8, the Lender agrees not to unreasonably withhold its consent.

23.9 Incorporation of Appendices and Exhibits. All Appendices and Exhibits attached to this Agreement are incorporated herein by this reference in their entirety and made a part hereof for all purposes.

23.10 Table of Contents; Headings. The table of contents, if any, and headings, if any, of the various articles, sections and other subdivisions of this Agreement are for convenience of reference only and shall not modify, define or limit any of the terms or provisions hereof.

23.11 Parties in Interest; Limitation on Rights of Others. The terms of this Agreement shall be binding upon, inure to the benefit of and be enforceable by the Parties and their permitted successors and assigns. Except as otherwise provided below, nothing in this Agreement, whether express or implied, shall be construed to give any Person (other than the Parties and their respective permitted successors and assigns, but not including any invitee, patron or guest of a Party) any legal or equitable right, remedy or claim under or in respect of such instrument or any covenants, conditions or provisions contained therein or any standing or authority to enforce the terms and provisions of such instrument. Notwithstanding the foregoing, during the Loan Period, Lender may exercise its rights and enforce its rights and any obligations to Lender expressly provided in this Agreement and shall also be an express third-party beneficiary to exercise its rights and to enforce its rights and obligations to Lender expressly provided for in this Agreement, including Section 23.8. The Lender, during the Loan Period, shall also be an express third party beneficiary with respect to Sections 10.1, 10.2, 10.3, 10.4, 10.5, 10.6, 10.7, 10.8, 10.9 and 10.10 entitled to enforce the provisions thereof as if a party hereto. No Person (other than as set out in this Section 23.11) shall be a third-party beneficiary of this Agreement or have the right to enforce this Agreement or any provision hereof.

23.12 Counterparts. This Agreement may be executed by the Parties in separate counterparts, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute but one and the same agreement. All signatures need not be on the same counterpart.

23.13 Governing Law. THIS AGREEMENT AND THE ACTIONS OF THE PARTIES HEREUNDER SHALL IN ALL RESPECTS BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF TEXAS (EXCLUDING PRINCIPLES OF CONFLICT OF LAWS).

23.14 Interpretation and Reliance. No presumption will apply in favor of any Party in the interpretation of this Agreement, or of any of the Project Documents or in the resolution of any ambiguity of any provisions thereof.

23.15 Recording of Memorandum of Lease. The Parties shall execute a Memorandum of Parking Garage Lease in the form attached hereto as Exhibit C, and Tenant may file the same in the Real Property Records of Harris County, Texas. Upon the Expiration Date, Tenant shall execute such instruments reasonably requested by Landlord in recordable form that are sufficient to release of record any rights or interests of Tenant in and to the Leasehold Estate.

23.16 Bond Insurer Rights and Obligations. During the Loan Period, to the extent the Bond Insurer has any obligation or commitment under any insurance policy covering the Arena Rent Supported Debt or the Landlord has any reimbursement obligation to the Bond Insurer with respect thereto, (a) the rights and benefits of and to, and the obligations of, Lender set out in this Agreement shall (so long as the Bond Insurer is not in default under the terms of any bond insurance policy with regard to the Arena Rent Supported Debt or other applicable agreement or instrument) inure to the benefit of, be enforceable by, and be binding on, the Bond Insurer in lieu of Lender, and (b) so long as the Bond Insurer is not in default under the terms of any bond insurance policy with regard to the Arena Rent Supported Debt or other applicable agreement or instrument, the Bond Insurer, in lieu of Lender, shall have the right and obligation to exercise the consent and approval rights of Lender expressly set out in this Agreement.

IN WITNESS WHEREOF, this Agreement has been executed by the Parties as of the Effective Date.

HARRIS COUNTY-HOUSTON SPORTS AUTHORITY, a sports and community venue district created under Chapter 335 of the Texas Local Government Code

By: _____
William F. "Billy" Burge, Chair

ROCKET BALL, LTD.,
a Texas limited partnership

By: LLA Sports, Inc., its general partner

By: _____
Leslie L. Alexander,
President

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IN WITNESS WHEREOF, this Agreement has been executed by the Parties as of the Effective Date.

HARRIS COUNTY-HOUSTON SPORTS AUTHORITY, a sports and community venue district created under Chapter 335 of the Texas Local Government Code

By: _____
William F. "Billy" Burge, Chair

ROCKET BALL, LTD.,
a Texas limited partnership

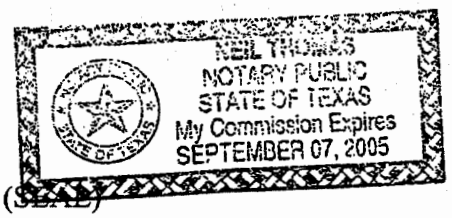
By: LLA Sports, Inc., its general partner

By: _____
Leslie L. Alexander,
President

STATE OF TEXAS §

COUNTY OF HARRIS §

This instrument was acknowledged before me on December 31, 2001, by William F. "Billy" Burge, Chair of the HARRIS COUNTY - HOUSTON SPORTS AUTHORITY, a sports and community venue district created under Chapter 335 of the Texas Local Government Code, on behalf of said sports community and venue district.



(SEAL)

Neil Thomas
Printed Name: _____

Notary Public in and for the State of Texas
My Commission Expires: _____

STATE OF TEXAS §

COUNTY OF HARRIS §

This instrument was acknowledged before me on _____, 2001, by Leslie L. Alexander, President of LLA Sports, Inc., general partner of Rocket Ball, Ltd., a Texas limited partnership, on behalf of the partnership.

_____
Printed Name: _____

Notary Public in and for the State of Texas
My Commission Expires: _____

(SEAL)

STATE OF TEXAS §

COUNTY OF HARRIS §

This instrument was acknowledged before me on _____, 2001, by William F. "Billy" Burge, Chair of the HARRIS COUNTY - HOUSTON SPORTS AUTHORITY, a sports and community venue district created under Chapter 335 of the Texas Local Government Code, on behalf of said sports community and venue district.

_____

Printed Name: _____

Notary Public in and for the State of Texas
My Commission Expires: _____

(SEAL)

STATE OF FLORIDA §

COUNTY OF PALM BEACH §

This instrument was acknowledged before me on December 31, 2001, by Leslie L. Alexander, President of LLA Sports, Inc., general partner of Rocket Ball, Ltd., a Texas limited partnership, on behalf of the partnership.

_____

Printed Name: Elizabeth J. Nieto

ELIZABETH J. NIETO
Notary Public - State of Florida
My Commission Expires Dec 10, 2003
Commission # CC891759

Notary Public in and for the state of Florida
My Commission Expires: 12/10/03

(SEAL)

APPENDIX A

GLOSSARY OF DEFINED TERMS
AND RULES AS TO USAGE

Glossary of Defined Terms

"Acceptable Bank" has the meaning given to it in Appendix A to the Arena Lease.

"Actions or Proceedings" has the meaning given to it in Appendix A to the Arena Lease.

"Additional Addressees" has the meaning given to it in Section 23.6 of the Agreement.

"Adequate Security" means a surety bond or letter of credit in an amount and containing terms reasonably acceptable to the Party intended to be the beneficiary thereof.

"Advertising Rights" has the meaning given to it in Exhibit B to the Agreement.

"Advertising Rights License" has the meaning given to it in Exhibit B to the Agreement.

"Affiliate" has the meaning given to it in Appendix A to the Arena Lease.

"Agreement" means this Parking Garage Lease, dated as of the Effective Date, by and between Landlord and Tenant, as it may be amended, supplemented, modified, renewed or extended from time to time.

"All-Star Games" has the meaning given to it in Appendix A to the Arena Lease.

"Alternative Spaces" has the meaning given to it in Section 7.3.1 of the Agreement.

"Annual Revenue Report" has the meaning given to it in Section 6.4 of the Agreement.

"Arena" means the multipurpose sports and entertainment facility described in Recital B of the Arena Lease and shall include the Arena Site and the Arena Improvements.

"Arena Debt Instruments" the meaning given to it in Appendix A to the Arena Lease.

"Arena Event" has the meaning given to it in Appendix A to the Arena Lease.

"Arena Event Period" means the period commencing two (2) hours before the scheduled commencement of, and ending one and one-half (1½) hours after the end of, an Arena Event; provided, however, that, except for nationally-recognized Arena Events and up to five (5) additional Arena Events per Lease Year designated by Tenant, no Arena Event Period shall be scheduled to commence earlier than 4:30 p.m. Houston, Texas time on any weekday which is not a recognized holiday.

"Arena Fund Custodian" has the meaning given to it in Appendix A to the Arena Lease.

"Arena Improvements" has the meaning given to it in Appendix A to the Arena Lease.

"Arena Lease" means that certain Arena Lease, Sublease, License and Management Agreement, dated as of the Effective Date, by and between Landlord and Tenant, as the same may be amended, supplemented, modified, renewed or extended from time to time.

"Arena Rent Supported Debt" has the meaning given to it in Appendix A to the Arena Lease.

"Arena Site" has the meaning given to it in Recital C of the Arena Lease.

"Banner Rights" has the meaning given to it in Section 2.1(i) of the Agreement.

"Bond Insurer" has the meaning given to it in the Arena Lease.

"Builder's All-Risk Policies" has the meaning given to it in Section 10.2 of the Agreement.

"Business Day" means a day of the year that is not a Saturday, Sunday, Legal Holiday or a day on which commercial banks are not required or authorized to close in Houston, Texas.

"Business Hours" means 9:00 a.m. through 5:00 p.m. on Business Days.

"Capital Fund" has the meaning given to it in Appendix A to the Arena Lease.

"Capital Repairs" means the repair, restoration, refurbishment, replacement, alteration, addition or improvement of any equipment, facility, structure, or other Component of the Parking Garage or the Parking Garage Improvements to the extent (i) required to comply with the First-Class Condition standard, or (ii) necessitated by one or more Capital Repair Events.

"Capital Repair Events" mean:

(a) Any material defects in design, construction or installation of the Parking Garage or the Parking Garage Improvements (or any equipment, facility, structure, or other Component thereof) by or on behalf of Landlord;

(b) Physical Obsolescence of the Parking Garage or the Parking Garage Improvements (or any equipment, facility, structure, or other Component thereof);

(c) Requirements imposed prospectively by, to the extent applicable, NBA Rules and Regulations, WNBA Rules and Regulations, NHL Rules and Regulations (as each such term is defined in Appendix A to the Arena Lease) or the rules and regulations of any other Person that governs a professional

sports franchise playing the majority of its Home Games at the Arena, as applicable to the Leased Premises, provided such requirements, rules and regulations are generally applicable to Comparable Facilities;

(d) Requirements imposed by applicable Governmental Rules;

(e) Requirements or recommendations by the Board of Fire Underwriters or any insurance carrier insuring any portion of the Parking Garage or the Parking Garage Improvements (or any equipment, facility, structure, or other Component thereof); or

(f) Requirements of any manufacturer, supplier or installer of any Component, system or equipment stipulated in the operating manuals therefor.

"Casualty" means damage, destruction or other property casualty resulting from any cause, including an Environmental Event.

"Casualty Expenses" means all costs and expenses required to be borne by Landlord pursuant to Article 13 of the Agreement.

"Casualty Repair Work" has the meaning given to it in Section 13.1 of the Agreement.

"CERCLA" means the Comprehensive Environmental Response Compensation and Liability Act of 1980, as it may be amended from time to time.

"City" means the City of Houston, Texas, a Texas municipal corporation and Home Rule City.

"City Dates" has the meaning given to it in Section 6.6 of the Arena Lease.

"City Event" has the meaning given to it in Section 6.6 of the Arena Lease.

"Commencement Date" has the meaning given to it in Section 4.1 of the Arena Lease.

"Comparable Facilities" means arena event parking facilities connected to and serving arenas which constitute "Comparable Facilities," as defined in Appendix A to the Arena Lease.

"Component" means any item of real or tangible personal property that is incorporated into the Parking Garage Improvements or integral to the operation or maintenance of the Parking Garage Improvements in accordance with the standards contemplated by the Agreement, including all structural members, all mechanical, electrical, plumbing, heating, ventilating, air conditioning, telecommunication, broadcast, video, sound and other equipment (including principal components of each such item of equipment), electronic parts, Signage, computers and computer control equipment.

"Condemnation Action" means a taking by any Governmental Authority (or other Person with power of eminent domain) by exercise of any right of eminent domain or by appropriation and an acquisition by any Governmental Authority (or other Person with power of eminent domain) through a private purchase in lieu thereof.

"Condemnation Award" means all sums, amounts or other compensation for the Parking Site, Parking Garage Improvements, the Leased Premises or the Leasehold Estate payable to Landlord or Tenant as a result of or in connection with any Condemnation Action.

"Condemnation Expenses" has the meaning given to it in Subsection 14.1 of the Agreement.

"Condemnation Repair Work" has the meaning given to it in Subsection 14.1 of the Agreement.

"Construction Agreements" has the meaning given to it in Appendix A to the Project Agreement.

"Copyrights" means all of the copyrights associated with or necessary for the full use and enjoyment of the Intangible Property Rights pursuant to the Agreement, including all copyrights relating to the Parking Garage IP Rights, Naming Rights and Advertising Rights.

"County" means Harris County, Texas, a body corporate and politic under the laws of the State of Texas.

"CPA" has the meaning given to it in Section 6.4 of the Agreement.

"CPI Fraction" has the meaning given to it in Appendix A to the Arena Lease.

"Default Rate" has the meaning given to it in Appendix A to the Arena Lease.

"Demolition" means to raze the improvements that are part of the Parking Garage Improvements (or relevant portion of such improvements), remove any rubble or debris resulting therefrom and cause the Parking Site to be returned to a safe condition (and "Demolish" and "Demolished" shall have correlative meaning).

"Dispute or Controversy" means any dispute, controversy or claim between or among the Parties that arises under the Agreement or that is related in any way to the Agreement or the relationship of the Parties thereunder, including, but not limited to, a Dispute or Controversy relating to the effectiveness, validity, interpretation, implementation, termination, cancellation or enforcement of the Agreement.

"DTPA" has the meaning given to it in Section 16.12 of the Agreement.

"Effective Date" has the meaning given to it in the first paragraph of the Agreement.

"Emergency" has the meaning given to it in Appendix A to the Arena Lease.

"Enclosed Access" means the structures and access ways located on the Parking Site (and the portions of the Arena Site up to the outer wall of the Arena) that provide enclosed access to the Arena, as more fully described in the Garage Plans (as defined in the Project Agreement), and for purposes of the Agreement shall constitute a portion of the Parking Garage.

"Encumbrances" means any defects in, easements, covenants, conditions or restrictions affecting, or liens or other encumbrances on, the title to the Parking Site or the Parking Garage Improvements, whether evidenced by written instrument or otherwise evidenced.

"Environmental Condition" means (i) any Environmental Event that occurs, and any Recognized Environmental Condition that exists, prior to the time Landlord delivers possession of the Leased Premises to Tenant (but excluding any Environmental Event or Recognized Environmental Condition that is caused by Tenant's, or any of its Affiliates', employees', officers', directors', agents' or contractors', use or operation of the Leased Premises prior to the time Landlord delivers possession of the Leased Premises to Tenant), and (ii) any Environmental Event or Recognized Environmental Condition that is caused (regardless of when) by Landlord, any of Landlord's Affiliates, the Garage Operator, any of the Garage Operator's Affiliates, and/or their respective employees, officers, directors, agents or contractors.

"Environmental Event" has the meaning given to it in Appendix A to the Arena Lease.

"Environmental Laws" has the meaning given to it in Appendix A to the Arena Lease.

"Event of Default" has the meaning given to it in Subsection 16.1.1 and Subsection 16.1.2 of the Agreement.

"Excess/Umbrella Policy" means Landlord's Excess/Umbrella Policy.

"Exclusive Area" has the meaning given to it in Appendix A to the Arena Lease.

"Exclusive Garage Use" has the meaning given to it in Section 2.1(a) of the Agreement.

"Exclusive Garage Use Event" has the meaning given to it in Section 2.1(a) of the Agreement.

"Exclusive Garage Use Periods" has the meaning given to it in Section 2.1(a) of the Agreement.

"Excusable Landlord Delay" has the meaning given to it in Appendix A to the Arena Lease.

"Expiration Date" has the meaning given to it in Section 4.1 of the Arena Lease.

"Final Notice" has the meaning given to it in Section 16.4 of the Agreement.

"First-Class Condition" means the condition satisfying each of the following: (a) being in compliance with all applicable Governmental Rules, (b) being in good condition and repair, and (c) meeting or exceeding the standards of Comparable Facilities.

"First Class Operation Standard" has the meaning given to it in Section 7.1.1 of the Agreement.

"Fiscal Year" has the meaning given to it in Appendix A to the Arena Lease.

"Franchises" has the meaning given to it in Appendix A to the Arena Lease.

"GAAP" has the meaning given to it in Appendix A to the Arena Lease.

"Garage Fund Custodian" means the Arena Fund Custodian.

"Garage Operator" means Landlord or Landlord's designee to operate the Parking Garage, selected in accordance with the procedures set forth in Section 7.4 of the Agreement, provided such designee satisfies in all respects the Operator Standards, and provided that Landlord shall not be relieved of any obligation hereunder if a designee operates the Parking Garage.

"GL Policy" means Landlord's GL Policy.

"Governmental Authority" has the meaning given to it in Appendix A to the Arena Lease.

"Governmental Rule" has the meaning given to it in Appendix A to the Arena Lease.

"Gross Revenue" means and includes all amounts and other consideration of whatever kind or nature received, realized by, accrued to, or which should have been received, realized by or accrued to the Garage Operator on account of the parking of vehicles at the Parking Garage, whether for cash, credit or charge.

"Hazardous Materials" has the meaning given to it in Appendix A to the Arena Lease.

"Home Games" has the meaning given to it in Appendix A to the Arena Lease.

"Impositions" means all real estate taxes, all personal property taxes and all possessory interest taxes, all taxes on receipts in lieu of, or in addition to, property taxes, all use and occupancy taxes, all excises, assessments and levies, general and special, ordinary and extraordinary, foreseen and unforeseen (including assessments for public improvements and betterment, and any mass transit, park, child care and art contributions, assessments or fees), that are, with respect to the Agreement or the Leased Premises, assessed, levied, charged, confirmed or imposed upon or with respect to or become payable out of or become a lien on the Leasehold Estate, the Parking Garage Improvements, the Parking Site or the Leased Premises, or the appurtenances thereto, or for any use or occupation of the Parking Site, the Parking Garage Improvements or the Leased Premises, or such franchises, licenses and permits as may be appurtenant or related to the use of the Parking Site, the Parking Garage Improvements or the Leased Premises, this transaction or any documents to which Landlord is a party.

"Indemnified Party" has the meaning given to it in Subsection 10.11.6 of the Agreement.

"Indemnifying Party" has the meaning given to it in Subsection 10.11.6 of the Agreement.

"Infrastructure Work" has the meaning given to it with respect to the Parking Site and the Parking Garage Improvements in the Project Agreement.

"Insurance Account" has the meaning given to it in Appendix A to the Arena Lease.

"Insurance Fund" has the meaning given to in Section 10.10 of the Agreement.

"Insurance Plan Additional Requirements" has the meaning given to it in Appendix A to the Arena Lease, which meaning shall be applicable to the insurance and policies set forth in Article 10 of the Agreement.

"Insurance Proceeds" has the meaning given to it in Subsection 13.2.1 of the Agreement.

"Insured Casualty Risks" has the meaning given to it in Appendix A to the Arena Lease.

"Insured Materials and Equipment" means all materials intended for incorporation into the Parking Garage Improvements whether stored on-site or off-site.

"Intangible Property Rights" has the meaning given to it in Section 2.1(j) and Exhibit B to the Agreement.

"Intellectual Property Rights" has the meaning given to it in Exhibit B to the Agreement.

"Landlord" means the Landlord named in the first paragraph of the Agreement and any successor Landlord in accordance with the provisions of Section 15.5 hereof.

"Landlord Default" has the meaning given to it in Subsection 16.1.2 of the Agreement.

"Landlord Transfer" has the meaning given to in Section 15.5 of the Agreement.

"Landlord Transferee" has the meaning given to it in Section 15.6 of the Arena Lease.

"Landlord's Condemnation Award" has the meaning given to it in Section 14.2 of the Agreement.

"Landlord's Excess/Umbrella Policy" has the meaning given to it in Section 10.3(c) of the Agreement.

"Landlord's GL Policy" has the meaning given to it in Subsection 10.3(a) of the Agreement.

"Landlord's Property Insurance Policy" has the meaning given to it in Section 10.1 of the Agreement.

"Landlord's Workers' Compensation Policy" has the meaning given to it in Subsection 10.3(b) of the Agreement.

"Lease Year" has the meaning given to it in Appendix A to the Arena Lease.

"Leased Premises" has the meaning given to it in Section 2.1 of the Agreement. Any reference to the "Leased Premises" shall include any part or portion thereof unless the context otherwise requires.

"Leasehold Estate" means the leasehold estate in the Leased Premises granted to Tenant under the Agreement and all other rights, titles and interests granted and licensed to Tenant under the Agreement.

"Legal Holiday" has the meaning given to it in Appendix A to the Arena Lease.

"Lender" has the meaning given to it in the Arena Lease.

"Letter Agreement" has the meaning given to it in Appendix A to the Arena Lease.

"Lien" means, with respect to any Property, any mortgage, lien, pledge, charge or security interest, and with respect to the Leased Premises, the term Lien shall also include any lien for taxes or assessments, builder, mechanic, warehouseman, materialman, contractor, workman, repairman or carrier lien or other similar liens, including Mechanic's Liens and claims.

"Loading Dock" has the meaning given to it in Appendix A to the Arena Lease.

"Loading Dock Access Improvements" has the meaning given to it in Section 2.1(f) of the Agreement.

"Loan Period" has the meaning given to it in the Arena Lease

"Maintain" and "Maintenance" means all work (including all labor, supplies, materials and equipment) which is reasonably necessary for the cleaning and care of and preventative maintenance and repair for any property, structures, surfaces, facilities, fixtures (including, but not limited to, media plug-ins and cable and all wiring attendant thereto), equipment, furnishings, improvements and Components that form any part of the Parking Site or the Parking Garage Improvements (including, but not limited to, machinery, pipes, plumbing, wiring, gas and electric fittings, elevators, escalators, doors, windows and other glass surfaces, interior and exterior walls, floors, toilets and restroom facilities (if any), first aid facilities (if any) and parking curbs, gates, booths and other access improvements to the Leased Premises, the Parking Site and/or the Parking Garage Improvements, but specifically excluding any Signage, telecommunications equipment or other improvements installed by Tenant in connection with the exercise of its Intangible Property Rights, Banner Rights or Roof Rights, the maintenance of which is Tenant's responsibility pursuant to the provisions of Section 8.3 of the Agreement) sufficient to Maintain the same in a First-Class Condition. Maintenance shall include, but not be limited to, the following, all of which shall be performed in a manner consistent with the First-Class Condition standard: (i) preventative maintenance that is stipulated in the operating manuals for the Components; (ii) periodic testing of building systems, such as mechanical, electrical, vertical lift (e.g., escalators and elevators), card-key security (if applicable), fire alarm and other life safety systems and lighting systems; (iii) ongoing trash policing, pickup and removal; (iv) regular maintenance procedures for heating, ventilating and air-conditioning, plumbing, electrical, mechanical, roof and structural systems, fire alarm and other life safety systems, lighting systems, and vertical lift systems (e.g., escalators and elevators), such as

periodic cleaning of the Parking Site and the Parking Garage Improvements, lubrication, and changing air filters and lights; (v) painting; (vi) periodic striping and re-striping of the parking stalls, as necessary, (vii) cleaning (including, as necessary, sweeping, vacuuming, dusting, carpet cleaning, steam or power washing, deodorizing and disinfecting), prior to, during and following, and necessary as a result of, all Arena Events, of the Parking Site and the Parking Garage Improvements; and (viii) changing of light bulbs, ballasts, fuses and circuit breakers.

"Marks" means any and all trademarks, service marks, names, symbols, words, logos, designs, slogans, emblems, mottos and brand or team designations (and any combination thereof) in any tangible medium used or developed in connection with or as necessary for the full use and enjoyment of the Intangible Property Rights pursuant to the Agreement.

"Memorandum of Agreement" means the short form memorandum of the Agreement in the form attached hereto as Exhibit C containing (among other information) the names of Landlord and Tenant, a description of the Leased Premises, the Term and the restrictions on the Parties' transfer rights as set forth in Article 15 of the Agreement, and any other pertinent information customarily found in memoranda of leases.

"Municipal Services" has the meaning given to it in Appendix A to the Arena Lease.

"Naming Rights" has the meaning given to it in Exhibit B to the Agreement.

"Naming Rights Agreement" has the meaning given to it in Exhibit B to the Agreement.

"Naming Rights License" has the meaning given to it in Exhibit B to the Agreement.

"NBA Season" has the meaning given to it in Appendix A to the Arena Lease.

"NBA Team" has the meaning given to it in Appendix A to the Arena Lease.

"NHL Event" has the meaning given to it in Appendix A to the Arena Lease.

"NHL Team" has the meaning given to it in Appendix A to the Arena Lease.

"Non-Relocation Agreement" shall have the meaning given to it in Appendix A to the Arena Lease.

"Operator Standards" shall mean and refer to the satisfaction of all of the following requirements with respect to any Person:

(i) that such Person shall have nationally recognized expertise in the management, operation and Maintenance of Comparable Facilities; and

(ii) that such Person shall have sufficient experienced on-site personnel necessary to manage, operate and Maintain the Parking Garage and the Parking Garage Improvements in a First-Class Condition, in accordance with First Class Operating Standards and otherwise in compliance with the Agreement; and

(iii) that such Person has the financial ability to meet all of its obligations; and

(iv) that none of the following events have occurred with respect to such Person (unless the same shall have been subsequently reversed, suspended, vacated, annulled, or otherwise rendered of no effect under any applicable Governmental Rule):

(a) the initiation of any federal or state bankruptcy or insolvency proceeding by or against, or the appointment of a receiver, conservator, physical agent or similar officer for the business or assets of, such Person; or

(b) the conviction of such Person in a federal or state felony criminal proceeding (including a conviction entered on a plea of nolo contendere) or such Person being a defendant in a felony criminal proceeding (excluding traffic violations and other minor offences) that is pending.

For purposes of computing the seven (7) year period referred to in clause (iv), (a) the period applicable to a final conviction, order, judgment or decree shall begin with its date of entry, (b) the period applicable to a preliminary order shall commence when the rights of appeal from such order have lapsed, (c) any conviction, order, judgment or decree that is under appeal shall be included unless it has been reversed, suspended, vacated, annulled or otherwise rendered of no effect, (d) with respect to bankruptcy and insolvency proceedings, the computation date shall be the date of filing for uncontested petitions or the date upon which approval of a contested petition shall become final and nonappealable and (e) in the case of receiverships and conservatorships, the computation date shall be the date the receiver or conservator was appointed.

"Operator's Spaces" has the meaning given to it in Section 2.2 of the Agreement.

"Other Rights" has the meaning given to it in Subsection 22.2.2 of the Agreement.

"Parking Garage" has the meaning given to it in Recital A of the Agreement, but shall expressly not include any improvements installed by Tenant in connection with the exercise of its Intangible Property Rights, Banner Rights or Roof Rights.

"Parking Garage Improvements" means the Parking Garage, including the Parking Site, all of the improvements to be constructed thereon or otherwise located on or under the Parking Site (other than any improvements installed by Tenant in connection with the exercise of its Intangible Property Rights, Banner Rights or Roof Rights), and all other improvements, additions, and alterations, constructed, provided or added thereto from time to time, and all rights, privileges, easements, and appurtenances thereto, including (i) the Enclosed Access, even though all or a portion of the same may be located within the Arena Site or on other real property, and (ii) the Loading Dock Access Improvements.

"Parking Garage IP Rights" has the meaning given to it in Exhibit B to the Agreement.

"Parking Garage Lease" means the Agreement.

"Parking Garage License" has the meaning given to it in Exhibit B to the Agreement.

"Parking Garage Name" means Houston/Harris County Arena Parking Garage until such time as Tenant shall have entered into a Naming Rights Agreement, following which it shall mean the name designated in such Naming Rights Agreement and any replacements thereof from time to time.

"Parking Pay Date" has the meaning given to it in Section 6.1 of the Agreement.

"Parking Site" has the meaning given to it in Recital A of the Agreement.

"Parties" and "Party" have the meanings given to them in the first paragraph of the Agreement.

"Permitted Encumbrances" means (i) the easements and other Encumbrances or restrictions of record that are described on Exhibit D attached hereto, (ii) mechanic's liens and other Encumbrances arising by or through or under Tenant, and (iii) the rights of Landlord under the Agreement.

"Permitted Investments" has the meaning give to in Appendix A of the Arena Lease.

"Permitted Transfers" means any Transfer (as applicable to the Parking Garage or the Agreement) which contemporaneously or simultaneously occurs and relates to a "Permitted Transfer" as defined in Section 15.2 of the Arena Lease.

"Permitted Use" means any lawful purpose which is not otherwise prohibited under the Agreement.

"Physical Obsolescence" means any equipment, fixture, furnishing, facility, surface, structure or any other Component of the Parking Garage or the Parking Garage Improvements that does not comply with applicable Governmental Rules or has become dysfunctional due to defects in design, materials or workmanship, ordinary wear and tear or damage. For purposes of determining Physical Obsolescence, any equipment, fixture, furnishing, facility, surface, structure or any other Component shall be deemed dysfunctional if such equipment, fixture, furnishing, facility, surface, structure or other Component has deteriorated or has been damaged to a degree that cannot be remedied through Maintenance (including replacement necessitated by repeated breakdown or failure of a Component despite Maintenance).

"Premium Seat Space" has the meaning given to it in Section 2.1(c) of the Agreement.

"Premium Seat Use Period" has the meaning given to it in Section 2.1(c) of the Agreement.

"Person" has the meaning given to it in Appendix A to the Arena Lease.

"Principal Project Documents" has the meaning given to it in Appendix A to the Arena Lease.

"Project Agreement" has the meaning given to it in Appendix A to the Arena Lease.

"Project Documents" has the meaning given to it in Appendix A to the Arena Lease.

"Property" has the meaning given to it in Appendix A to the Arena Lease.

"Recognized Environmental Condition" means the presence of any Hazardous Materials at, on, in or under the Parking Site or the improvements located on the Parking Site.

"Rent" has the meaning given to it in Section 5.1 of the Arena Lease.

"Replacement Option" has the meaning given to it in Section 16.15 of the Agreement.

"Reserved Space" and "Reserved Spaces" have the meaning given to them in Section 2.1 (b) of the Agreement.

"Responsible Officer" has the meaning given to it in Appendix A to the Arena Lease.

"Roof Rights" has the meaning given to it in Section 2.1(h) of the Agreement.

"Scheduled Expiration Date" has the meaning given to it in Section 4.1 of the Arena Lease.

"Season" has the meaning given to it in Appendix A to the Arena Lease.

"Self-Help Expense" has the meaning given to it in Appendix A to the Arena Lease.

"Seat Right" has the meaning given it in Appendix A to the Arena Lease.

"Signage" means all signage (permanent or temporary) in or on the Parking Garage Improvements, including scoreboards, Jumbotrons, replay screens, banners, displays, time clocks, message centers, advertisements, signs and marquee signs.

"Space User" means a Person entering into a Use Agreement with Tenant.

"Sports Authority" has the meaning given to it in Appendix A to the Arena Lease.

"Sublicense" means a license, sublicense, concession or other agreement between Tenant or a Sublicensee and any Person for the use of all or any part of any one or more of the Intangible Property Rights or exercise of all or any part of the Intellectual Property Rights, including Naming Rights Agreements.

"Sublicensee" means a sublicensee, user or concessionaire under or pursuant to a Sublicense.

EXHIBIT A

Arena Site

EXHIBIT B

Parking Garage Site

"Substantial Completion" has the meaning given to it with respect to the Parking Garage in the Project Agreement.

"Substantial Completion Date" has the meaning given to it in Appendix A to the Project Agreement.

"Tax" or "Taxes" means any general or special, ordinary or extraordinary, tax, Imposition, assessment, levy, usage fee, excise or similar charge, however measured, regardless of the manner of imposition or beneficiary, that is imposed by any Governmental Authority.

"Tenant" has the meaning given to it in the first paragraph of the Agreement or any successor owner of the Leasehold Estate pursuant to Article 15 of the Agreement.

"Tenant Default" has the meaning given to it in Subsection 16.1.1 of the Agreement.

"Tenant's Affiliates" has the meaning given to it in the definition for "Affiliate" in this Appendix A to the Arena Lease.

"Tenant's Parking Revenue" has the meaning given to it in Section 6.1 of the Agreement.

"Term" has the meaning given to it in Section 4.1 of the Agreement.

"Transfer" has the meaning given to it in Section 15.1 of the Agreement.

"Untenantable Condition" means the existence of any one of the following conditions, including due to any Condemnation Action or any Casualty, but only to the extent that the same (if not due to any Condemnation Action or any Casualty) is not the direct, proximate result of Tenant's failure to perform its obligations under the Agreement:

(a) the use or occupancy of the Parking Garage is not permitted under applicable Governmental Rule or is restricted in any material respect under applicable Governmental Rule, including denial of access;

(b) the use or occupancy of the Parking Garage, or operation of any Component necessary for such use or occupancy, involves a significant risk to the safety or health of patrons, performers, employees or others; or

(c) the use or occupancy of more than thirty-five (35%) of any of the parking spaces included in the Leased Premises within the Parking Garage are restricted or unusable or are subject to a material access restriction, subject to the use of and access to the Parking Garage by vehicles which Landlord is not obligated to remove in accordance with the terms of the last sentence of Section 2.3.

"Use Agreement" means a use, lease, sublease, license, concession, advertising, service, maintenance, occupancy or other agreement for the conduct of any Permitted Use, the use or occupancy of any part of the Leased Premises or any space or facilities in the Parking Garage or the location of any business or commercial operations in or on the Parking Site or any part thereof.

Rules as to Usage

The Rules of Usage under the Arena Lease shall also be applied to the Agreement.

EXHIBIT A

LEGAL DESCRIPTION OF PARKING SITE

Block 328 and Block 329, of SOUTH SIDE BUFFALO BAYOU, an unrecorded subdivision in the City of Houston, Harris County, Texas, together with a portion of the Crawford Street right-of-way containing 20,000 square feet of land, more or less, as more particularly described on **Exhibit A-1** attached hereto and made a part hereof for all purposes, and being the street right-of-way abandoned in City of Houston Ordinance No.2001-692.

Exhibit A-1

Crawford Street: Bell Avenue
to Leeland Avenue
City Parcel No. SY1-091

ALL THAT CERTAIN 0.4591 ACRE (20,000 SQUARE FEET) TRACT OF LAND LOCATED IN SOUTHSIDE BUFFALO BAYOU SUBDIVISION, HOUSTON, TEXAS AND BEING OUT OF AND A PART OF CRAWFORD STREET (BASED ON A WIDTH OF 80.00 FEET) AS RECORDED IN CITY OF HOUSTON ENGINEERING DEPARTMENT DRAWING NO. 51-169A-S, SAID 0.4591 ACRE TRACT OF LAND BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

All bearings and coordinates referenced in this description are grid and are based on the Texas State Plane Coordinate System, South Central Zone (NAD 27). All distances referenced in this description are surface measured. Scale Factor - 0.999887451

COMMENCING at a City of Houston Engineering Department 3/4 inch iron rod found in the centerline of Bell Street (based on a width of 80.00 feet) at it's intersection with the centerline of Chenevert Street (based on a width of 80.00 feet); from which the City of Houston Survey Marker No. 5457/0303 with grid coordinate values of: X = 3,154,162.62, Y = 714,293.44 bears South 12°28'32" East - 452.86 feet;

THENCE North 57° 07' 55" West along said centerline of said Bell Street, a distance of 620.00 feet to a point in the southeasterly right-of-way line of said Crawford Street, from said point, a City of Houston Engineering Department 3/4 inch rod found in the centerline of said Bell Street at it's intersection with the centerline of Caroline Street (based on a width of 80.00 feet) bears North 57° 07' 55" West, 1030.07 feet;

THENCE South 32° 52' 05" West along said southeasterly right-of-way line, a distance of 40.00 feet to a set "X" cut in concrete in the southwesterly right-of-way line of said Bell Street for the north corner of Block 328 of said Southside Buffalo Bayou Subdivision, the POINT OF BEGINNING and the east corner of the herein described tract of land;

THENCE continuing South 32° 52' 05" West along said southeasterly right-of-way line, a distance of 250.00 feet to a point in the northeasterly right-of-way line of Leeland Avenue (based on a width of 80.00 feet) for the south corner of the herein described tract of land, from which a building corner bears North 60° 38' 09" West, 0.43 feet;

THENCE North 57° 07' 55" West along said northeasterly right-of-way line, a distance of 80.00 feet to a 5/8 inch iron rod with cap set in the northwesterly right-of-way line of said Crawford Street, for the south corner of Block 329 of said Southside Buffalo Bayou and the west corner of the herein described tract of land, from which a 3/4 inch iron rod found bears North 83° 19' 16" West, 0.33 feet;

THENCE North 32° 52' 05" East along said northwesterly right-of-way line, a distance of 250.00 feet to a point in said southwesterly right-of-way line of Bell Street;

THENCE South 57° 07' 55" East along said southwesterly right-of-way line, a distance of 80.00 feet to the POINT OF BEGINNING and containing 0.4591 acres (20,000 square feet) of land.

EXHIBIT B

INTANGIBLE PROPERTY RIGHTS

The following are the Intangible Property Rights granted to Tenant:

(b) Parking Garage Name. Subject to the provisions of Section 22.3 of the Agreement, the right to (i) use the Parking Garage Name, (ii) display such name, and any associated trademark, service mark, symbol, logo, design, slogan, emblem, motto or brand, on or from the Parking Garage Improvements, or any part thereof, and on items of personalty within and outside the Parking Garage Improvements, (iii) contract from time to time with any Person or Persons on such terms as Tenant determines with respect to the use and enjoyment of such name, and any associated trademark, service mark, symbol, logo, design, slogan, emblem, motto or brand, (iv) the full use and enjoyment of such name and all associated trademarks, service marks, symbols, logos, designs, slogans, emblems, mottos or brand designation anywhere in the Exclusive Area, (v) all licenses granted to Landlord under or pursuant to the Construction Agreements and (vi) all persona rights associated with the Leased Premises or the occupation of the Leased Premises (collectively, the "Parking Garage IP Rights"), the license of which is herein referred to as the "Parking Garage License";

(c) Naming Rights. Subject to the provisions of Subsection 22.2.6 of the Agreement, the right to (i) name the Parking Garage Improvements, any portion thereof and any products and services associated with the Parking Garage Improvements, whether or not provided within the Leased Premises, (ii) give or designate attribution for the Parking Garage Improvements or any portion thereof, (iii) display such name or attribution, and any associated trademark, service mark, symbol, logo, design, slogan, emblem, motto or brand or team designation, on or from the Parking Garage Improvements and on items of personalty within and outside the Parking Garage Improvements, (iv) from time to time change the name of or attribution for the Parking Garage Improvements or any portion thereof, (iv) contract from time to time with any Person or Persons on such terms as Tenant determines with respect to the naming of or attribution of the Parking Garage Improvements or any portion thereof (a "Naming Rights Agreement"), and (v) the full use and enjoyment thereof (collectively, the "Naming Rights"), the license of which is herein referred to as the "Naming Rights License";

(d) Advertising Rights. The right to the full use and enjoyment of, and to control and contract with respect to, any advertising in, on or of, or other economic exploitation of, the Parking Garage Improvements or any part thereof and all events and activities at the Parking Garage Improvements, including with respect to the Parking Garage (i) Signage, (ii) advertising displayed on items worn or carried by the personnel at any events and activities at the Arena or the Parking Garage Improvements (such as ushers and ticket takers), (iii) ticket advertising, (iv) sponsorship of events and activities, (v) all trademarks, symbols, logos, designs, slogans, emblems, mottos, brand or team designations or other forms of advertising affixed to or included with cups, hats, t-shirts and other concession or promotional items associated with sponsorships of any events

and activities at the Arena and the Parking Garage, (vi) Space User or other sponsor (with respect to the Parking Garage or the Arena) advertising on concession or giveaway merchandise, (vii) blimp advertising, (viii) programs, pocket schedules, year books, so called "glow benches" and "ad sleeves" and all other print and display advertising, (ix) advertising of concessions within the Arena and/or the Parking Garage Improvements or the Parking Site (including menu boards and point of purchase concession advertising), (x) announcements made on or within any Parking Garage's audio or video public address systems (including public service announcements), (xi) advertising, including product tie-ins, in connection with the Parking Garage IP Rights and the Naming Rights (collectively, the "Advertising Rights"), the license of which is herein referred to as the "Advertising Rights License"; and

(e) Intellectual Property Rights. All of the rights of Landlord associated with or necessary for the full use and enjoyment of the foregoing Intangible Property Rights pursuant to the Agreement and which may arise at any time during the Term to develop, and apply for registration and maintain or permit the lapse of registration of, all licenses, permits, franchises, trade secrets, trademarks, patents, copyrights (including all Copyrights) and marks (including all Marks) owned by, or licensed to, Landlord with respect to the usage of any product, process, method, substance, material or technology necessary for the use, operation, maintenance and enjoyment of the Parking Garage (collectively, the "Intellectual Property Rights"), except that the right to register the Intellectual Property Rights for the Parking Garage Name shall be shared with Landlord (and no other Person) to the extent expressly provided for in the Agreement.

EXHIBIT C

FORM OF MEMORANDUM OF PARKING GARAGE LEASE

THE STATE OF TEXAS §
§
COUNTY OF HARRIS §

THIS MEMORANDUM OF PARKING GARAGE LEASE (this "Memorandum") is made and entered into effective as of the 31st day of December, 2001, by and between **HARRIS COUNTY-HOUSTON SPORTS AUTHORITY**, a sports and community venue district created under Chapter 335 of the Texas Local Government Code ("Landlord"), and **ROCKET BALL, LTD.**, a Texas limited partnership ("Tenant").

RECITALS

1. Landlord and Tenant have entered into that certain Parking Garage Lease (the "Lease") dated effective as of December 31, 2001, pursuant to which Landlord leased to Tenant and Tenant leased from Landlord the following (the "Leased Premises"):

(a) Entire Garage Use. The exclusive use ("Exclusive Garage Use"), at no charge, of the entire Parking Garage and Parking Site, subject only to the Garage Operator's use of and access to and from the Operator's Spaces as provided in Section 2.2 of the Lease and subject to the use of and access to the Parking Garage by vehicles which Landlord is not obligated to remove in accordance with the terms of the last sentence of Section 2.3 of the Lease, during Arena Event Periods relating to the following Arena Events ("Exclusive Garage Use Periods"): (i) Home Games, (ii) All-Star Games or related All-Star Game events, (iii) other Arena Events involving or sponsored by Tenant or any of Tenant's Affiliates (including the NHL Team if an Affiliate of Tenant), and (iv) twenty (20) other Arena Events selected by Tenant during each Lease Year during the Term, which are sporting events related to Tenant, Tenant's Affiliates or any Affiliates of Tenant (including the NHL Team if an Affiliate of Tenant), charity events (including the Clutch City Foundation annual Tux and Tennies banquet) or similar exhibitions customarily sponsored by NBA, WNBA, and (if owned or controlled by Tenant, Tenant's Affiliates or any other Affiliate of Tenant) NHL franchises or any other franchises for professional sports owned or operated by Tenant, Tenant's Affiliates or any Affiliates of Tenant (each an "Exclusive Garage Use Event").

(b) Reserved Spaces. The exclusive use, at no charge, of 200 dedicated parking spaces in the Parking Garage, in locations designated by Tenant prior to the Commencement Date and prior to any designation of the Operator's Spaces, 365/366 days a year, 24 hours a day for Tenant and Tenant's Affiliates, Arena employees, media and other parties authorized by Tenant, including patrons of Arena Events and any manager of the Arena (each a "Reserved Space" and collectively the "Reserved Spaces"). After any such initial designation of the Reserved Spaces by Tenant, Tenant may change the

designation of the Reserved Spaces to any other parking spaces in the Parking Garage (other than the Operator's Spaces), provided Tenant notifies the Garage Operator in writing of such change at least thirty (30) days prior to the effective date thereof, and provided further that the Garage Operator approves such change (which approval shall not be unreasonably withheld and shall be limited to confirming that such change does not adversely affect the operation of the Parking Garage in the manner contemplated by the Lease).

(c) Premium Seat Spaces. The exclusive use, at no charge, in addition to the Reserved Spaces, in locations designated by Tenant prior to the Commencement Date and prior to any designation of the Operator's Spaces, subject to the use of and access to the Parking Garage by vehicles which Landlord is not obligated to remove in accordance with the terms of the last sentence of Section 2.3 of the Lease, during each Arena Event Period (a "Premium Seat Use Period") other than Exclusive Garage Use Periods or Arena Event Periods for NHL Events for an NHL Team that is not an Affiliate of Tenant, or for a City Event (each a "Non-Tenant Arena Event") of such number of parking spaces in the Parking Garage as shall be sufficient to satisfy Tenant's parking obligations pursuant to club seat (or similarly designated premium seating arrangements) or luxury suite leases, licenses or agreements (each a "Premium Seat Space"). After any such initial designation of the Premium Seat Spaces by Tenant, Tenant may change the designation of the Premium Seat Spaces to any other parking spaces in the Parking Garage (other than the Operator's Spaces), provided Tenant notifies the Garage Operator in writing of such change at least thirty (30) days prior to the effective date thereof, and provided further that the Garage Operator approves such change (which approval shall not be unreasonably withheld and shall be limited to confirming that such change does not adversely affect the operation of the Parking Garage in the manner contemplated in the Lease).

(d) Parking Revenues. The exclusive right to charge separately or include as part of the ticket price or price for premium seats, such as club seats or luxury suites, or to cause the Garage Operator to charge, such amounts as Tenant shall determine from time to time in its absolute discretion, for: (1) the use of the Parking Garage during Exclusive Garage Use Periods subject to the use of and access to the Parking Garage by vehicles which Landlord is not obligated to remove in accordance with the terms of the last sentence of Section 2.3 of the Lease, (2) Premium Seat Spaces during each Premium Seat Use Period, and (3) Reserved Spaces, at any time, as more fully described in Article 6 of the Lease.

(e) Enclosed Access. The exclusive right to use (or designate who can use), at no charge, the Enclosed Access to access the Arena, 365/366 days a year, 24 hours a day, subject only to (i) the rights to be granted by Tenant to an NHL Team that is not an Affiliate of Tenant pursuant to a Use Agreement and/or to the City (or its designee) pursuant to a City Event Use Agreement, and (ii) the Garage Operator's right to access the Enclosed Access to the extent necessary to perform its security, Maintenance and Capital Repair obligations under the Lease.

(f) Loading Dock Access. The exclusive right to use (or designate who can use), at no charge, 365/366 days a year, 24 hours a day, all or any portion of the ramp, underground tunnel and any other access improvements constructed and installed, from time to time, on or within any portion of the Parking Site or the Parking Garage Improvements for purposes of gaining access to the Loading Dock (collectively, the "Loading Dock Access Improvements"), subject, however, to (i) any rights to be granted by Tenant to an NHL Team that is not an Affiliate of Tenant pursuant to a Use Agreement and/or to the City (or its designee) pursuant to a City Event Use Agreement, and (ii) the Garage Operator's right to access the Loading Dock Access Improvements to the extent necessary to perform its security, Maintenance and Capital Repair obligations under the Lease.

(g) Other Access. The non-exclusive right, during periods other than Exclusive Garage Use Periods, to use, at no charge, all Parking Garage facilities and improvements necessary or incidental to vehicular or pedestrian access to and egress from the Reserved Spaces, Premium Seat Spaces, the Loading Dock and the Enclosed Access, the Arena and streets and sidewalks bordering the Parking Garage, and the use and enjoyment of the Reserved Spaces, Premium Seat Spaces, the Loading Dock Access Improvements and the Enclosed Access, including all stairways, driveways, walkways, elevators, escalators, and other passageways within the Parking Garage for vehicular and pedestrian ingress and egress, and key cards or other ticket equipment.

(h) Roof Rights. The exclusive right to use, at no charge, the Parking Garage roof, 365/366 days a year, 24 hours a day, for installation, maintenance, repair and operation of (i) security, satellite, communication and broadcast equipment related to the Arena or other sports and entertainment businesses and activities of Tenant, Tenant's Affiliates and/or Affiliates of Tenant (provided, however, the foregoing shall not permit Tenant to use the roof for any purpose prohibited by Section 7.1.3 of the Lease), and (ii) the cooling towers serving the Arena (collectively, the "Roof Rights"), subject, however, to the provisions of Section 8.3 of the Lease.

(i) Banner Rights. The exclusive right to install, use and maintain, at no charge, 365/366 days a year, 24 hours a day, whether on or in the Parking Garage or the Enclosed Access, or connected to and between the Parking Garage and the Arena above the Bell Street right of way, such Signage, banners, streamers and other advertising and similar materials related to the Arena as Tenant may desire (collectively, the "Banner Rights"), subject, however, to the provisions of Sections 8.3 and 8.4 of the Lease.

(j) Intangible Property Rights. All of the intangible property rights that are described on Exhibit B attached to the Lease and made a part thereof, which include all naming and advertising rights associated with the Parking Garage, all of which have been granted to Tenant in an exclusive, royalty-free, paid-up grant, conveyance and license for Tenant's exclusive use and enjoyment (collectively, the "Intangible Property Rights"), together with the exclusive right to sublicense, use, enjoy and license to other Persons the Intangible Property Rights.

2. Landlord and Tenant desire to execute this Memorandum to provide notice of Tenant's rights, titles and interest under the Lease and in and to the Leased Premises.

For good and valuable consideration, the receipt and adequacy of which are hereby acknowledged and confessed, the Parties, intending to be and hereby being legally bound, do hereby agree as follows:

Section 1. **Definitions and Usage.** Unless the context shall otherwise require, capitalized terms used in this Memorandum shall have the meanings assigned to them in the Lease, which also contains rules as to usage that shall be applicable herein.

Section 2. **Lease.** The Leased Premises has been leased to Tenant pursuant to the terms and conditions of the Lease, which is incorporated by reference in its entirety in this Memorandum. In the event of any conflict or inconsistency between this Memorandum and the Lease, the Lease shall control.

Section 3. **Term.** The Landlord has leased the Leased Premises to Tenant for a term (the "Term") that is the same period of time as the term under that certain Arena Lease, Sublease, License and Management Agreement dated concurrently herewith between Landlord and Tenant, a memorandum of which has been filed in the Official Public Records of Real Property of Harris County, Texas.

Section 4. **Certain Rights.** Pursuant to Section 11.4 of that certain Ground Lease dated as of _____ by and between the City of Houston, Texas, as landlord (the "City") and Landlord, as tenant, Landlord has granted to the City the Parking Garage Purchase Right (as defined in the Ground Lease) and the Cooling Tower Easement Right (as defined in the Ground Lease), which rights encumber the Parking Garage and the Parking Site.

Section 5. **Successors and Assigns.** This Memorandum and the Lease shall bind and inure to the benefit of the Parties and their respective successors and assigns, subject however, to the provisions of the Lease regarding assignment.

IN WITNESS WHEREOF, this Memorandum has been executed by Landlord and Tenant as of the date first above written.

LANDLORD:

HARRIS COUNTY-HOUSTON SPORTS AUTHORITY

By: _____
Name: _____
Title: _____

TENANT:

ROCKET BALL, LTD.,
a Texas limited partnership

By: LLA Sports, Inc., its general partner

By:_____
Name:_____
Title:_____

STATE OF TEXAS §
§
COUNTY OF HARRIS §

This instrument was acknowledged before me on _____ ___, 2001 by _____, _____ of HARRIS COUNTY - HOUSTON SPORTS AUTHORITY, a sports and community venue district created under Chapter 335 of the Texas Local Government Code, on behalf of said sports and community venue district.

{SEAL}

_____
Printed Name:_____
Notary Public in and for the
State of Texas

STATE OF TEXAS §
§
COUNTY OF HARRIS §

This instrument was acknowledged before me on _____ ___, 2001 by _____, _____ of LLA Sports, Inc., a Delaware corporation, general partner of ROCKET BALL, LTD., a Texas limited partnership, on behalf of said corporation and limited partnership

{SEAL}

_____
Printed Name:_____
Notary Public in and for the
State of Texas

EXHIBIT D

PERMITTED ENCUMBRANCES

1. The Property is located within the boundaries of the Houston Downtown Management District by virtue of document filed under Harris County Clerk's File No. R573373.

2. Terms, conditions and stipulations contained in copy of Motion dated May 25, 1925 and June 21, 1926, establishing the boundary lines of Block 329, as referred to in document filed under Harris County Clerk's File No. G772704.

3. All oil, gas and other minerals, the royalties, bonuses, rentals and all other rights in connection with same are accepted herefrom as set forth in instruments filed under Harris County Clerk's File No(s). L575287 and L575288 (as to a portion of Block 329).

EXHIBIT D

PERMITTED ENCUMBRANCES

1. The Property is located within the boundaries of the Houston Downtown Mangement District by virtue of document filed under Harris County Clerk's File No. R573373.

EXHIBIT E

LEGAL DESCRIPTION OF PARKING GARAGE SITE

Block 328 and 329, of SOUTH SIDE BUFFALO BAYOU, an unrecorded subdivision in the City of Houston, Harris County, Texas, together with a portion of the Crawford Street right-of-way containing 20,000 square feet of land, more or less, as more particularly described on **Exhibit E-1** attached hereto and made a part hereof for all purposes, and being the street right-of-way abandoned in City of Houston Ordinance No. 2001-692.

Exhibit E-1

Crawford Street: Bell Avenue
to Leeland Avenue
City Parcel No. SY1-091

ALL THAT CERTAIN 0.4591 ACRE (20,000 SQUARE FEET) TRACT OF LAND LOCATED IN SOUTHSIDE BUFFALO BAYOU SUBDIVISION, HOUSTON, TEXAS AND BEING OUT OF AND A PART OF CRAWFORD STREET (BASED ON A WIDTH OF 80.00 FEET) AS RECORDED IN CITY OF HOUSTON ENGINEERING DEPARTMENT DRAWING NO. 51-169A-S, SAID 0.4591 ACRE TRACT OF LAND BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

All bearings and coordinates referenced in this description are grid and are based on the Texas State Plane Coordinate System, South Central Zone (NAD 27). All distances referenced in this description are surface measured. Scale Factor - 0.999887451

COMMENCING at a City of Houston Engineering Department 3/4 inch iron rod found in the centerline of Bell Street (based on a width of 80.00 feet) at it's intersection with the centerline of Chenevert Street (based on a width of 80.00 feet); from which the City of Houston Survey Marker No. 5457/0303 with grid coordinate values of: X = 3,154,162.62, Y = 714,293.44 bears South 12°28'32" East - 452.86 feet;

THENCE North 57° 07' 55" West along said centerline of said Bell Street, a distance of 620.00 feet to a point in the southeasterly right-of-way line of said Crawford Street, from said point, a City of Houston Engineering Department 3/4 inch rod found in the centerline of said Bell Street at it's intersection with the centerline of Caroline Street (based on a width of 80.00 feet) bears North 57° 07' 55" West, 1030.07 feet;

THENCE South 32° 52' 05" West along said southeasterly right-of-way line, a distance of 40.00 feet to a set "X" cut in concrete in the southwesterly right-of-way line of said Bell Street for the north corner of Block 328 of said Southside Buffalo Bayou Subdivision, the POINT OF BEGINNING and the east corner of the herein described tract of land;

THENCE continuing South 32° 52' 05" West along said southeasterly right-of-way line, a distance of 250.00 feet to a point in the northeasterly right-of-way line of Leeland Avenue (based on a width of 80.00 feet) for the south corner of the herein described tract of land, from which a building corner bears North 60° 38' 09" West, 0.43 feet;

THENCE North 57° 07' 55" West along said northeasterly right-of-way line, a distance of 80.00 feet to a 5/8 inch iron rod with cap set in the northwesterly right-of-way line of said Crawford Street, for the south corner of Block 329 of said Southside Buffalo Bayou and the west corner of the herein described tract of land, from which a 3/4 inch iron rod found bears North 83° 19' 16" West, 0.33 feet;

THENCE North 32° 52' 05" East along said northwesterly right-of-way line, a distance of 250.00 feet to a point in said southwesterly right-of-way line of Bell Street;

THENCE South 57° 07' 55" East along said southwesterly right-of-way line, a distance of 80.00 feet to the POINT OF BEGINNING and containing 0.4591 acres (20,000 square feet) of land.

EXHIBIT F

RIGHT OF ENTRY AGREEMENT

00-1117
2255

INTERLOCAL ARENA DEVELOPMENT AGREEMENT

(Site Acquisition and Infrastructure Work)

THE STATE OF TEXAS §
§
COUNTY OF HARRIS §

THIS INTERLOCAL ARENA DEVELOPMENT AGREEMENT (Site Acquisition and Infrastructure Work) (this "Agreement") is made and entered into as of the 20th day of December , 2000, by and between the **CITY OF HOUSTON, TEXAS** (the "City"), a home-rule city organized under the laws of the State of Texas, and the **HARRIS COUNTY-HOUSTON SPORTS AUTHORITY** (the "Sports Authority"), a sports and community venue district created under Chapter 335 of the Texas Local Government Code.

RECITALS

A. The Sports Authority is a sports and community venue district organized and operating under Chapter 335 of the Texas Local Government Code. Pursuant to Section 335.071(b) of the Texas Local Government Code, the Sports Authority has the power to contract with public or private entities to plan, acquire, establish, develop, construct or renovate approved venue projects.

B. The Sports Authority and Rocket Ball, Ltd. (the "NBA Club") have entered into a Letter Agreement dated August 3, 2000 (the "Letter Agreement"), which provides for the development, construction, financing, use and occupancy of a new multi-purpose arena to provide a new home facility for the Houston Rockets (the "Rockets") and a home facility for a National Hockey League ("NHL") franchise if one is brought to Houston, Texas (the "Arena").

C. The Letter Agreement provides that the Arena will be constructed on the site in Downtown Houston, Texas bounded on the North by Polk, on the South by Bell, on the East by Jackson and on the West by La Branch (as more particularly defined in the Letter Agreement, the "Arena Site").

D. The Letter Agreement further provides that the Sports Authority will be responsible for constructing (or causing to be constructed) a new event parking garage for the Arena (the "Parking Garage"). Under the terms of the Letter Agreement, the Parking Garage will be constructed on (i) the 2-block site adjacent to the Eastern boundary of the Arena Site, bounded by Polk to the North, Bell to the South, Chenevert to the East and Jackson to the West, (ii) the 2-block site adjacent to the Southern boundary of the Arena Site, bounded by Bell to the North, Leeland to the South, Jackson to the East and LaBranch to the West or (iii) such other location approved by the Sports Authority and the NBA Club (as more particularly defined in the Letter Agreement, the "Garage Site"). (The acquisition of the Arena Site, Garage Site and staging area is herein collectively called the "Site Acquisition").

E. The Letter Agreement provides that the City will proceed with expedience after the passage of the Referendum (defined below) to acquire and deliver the Arena Site and that the City and the Sports Authority, as applicable, will proceed to perform (i) all on-site work to prepare the Arena Site and the Garage Site for construction (as more particularly defined in the Letter Agreement, the "Infrastructure Work").

F. On September 13, 2000, the City and the Sports Authority entered into an interlocal arena development agreement that confirms the rights and obligations of such parties with regard to the development of the Arena and the Parking Garage (the "Original Interlocal Agreement").

G. On November 7, 2000, the voters of the City of Houston and Harris County approved a proposition authorizing the Sports Authority to provide for the planning, acquisition, establishment, development, construction and financing of the Arena and the Parking Garage.

H. The Original Interlocal Agreement provides that the City may delegate the performance of its obligations under such agreement to any City department or other City-created entity as the City may determine.

I. In conjunction with its acquisition of the Garage Site and preparation of that site for the construction of the Parking Garage, the Sports Authority is willing to perform on behalf of the City the obligations of the City under the Original Interlocal Agreement with respect to the acquisition of the Arena Site and the performance of the Infrastructure Work, subject to the appropriation by the City of the funding for such matters as contemplated by the Original Interlocal Agreement. The City is willing to delegate its responsibilities to the Sports Authority under such agreement in recognition of the Sports Authority's experience in performing similar responsibilities in connection with the development of other venue projects, including Enron Field.

J. The City and the Sports Authority recognize that it is essential that they work together in mutual cooperation to provide for timely and efficient construction of the Arena and the Parking Garage and are executing and entering into this Agreement to facilitate the development of the project.

NOW, THEREFORE, the City and the Sports Authority, in consideration of and conditioned upon the mutual covenants and agreements herein contained, do mutually agree as follows:

1. Delegation to Sports Authority. The City hereby delegates to the Sports Authority the performance of the obligations of the City with respect to the acquisition of the Arena Site and the performance of the Infrastructure Work (the "Delegated Responsibilities"). The Sports Authority hereby agrees to perform, or cause to be performed, the Delegated Responsibilities, and the Sports Authority agrees to undertake the Delegated Responsibilities through appropriate staff members, legal counsel or consultants reasonably acceptable to the City. The Sports Authority shall remain responsible for paying the fees and expenses of any such staff members, legal counsel and consultants. The following are activities contemplated as Delegated Responsibilities to be undertaken by the Sports Authority pursuant to this Agreement:

(a) Site Acquisition. The Sports Authority is hereby authorized and directed to acquire the Arena Site on behalf of the City by purchase, gift, donation or exercise of the power of eminent domain. The Arena Site shall be acquired in the name of, and title thereto shall vest, in the name of the City. Consistent with these terms, to the extent it becomes necessary to initiate eminent domain proceedings to acquire properties comprising the Arena Site, the Sports Authority shall, subject to prior approval by the City's Legal Department, engage legal counsel to serve as special counsel for the City of Houston and initiate and prosecute such proceedings. Prior to the acquisition of the Arena Site, the Sports Authority shall provide the City's Legal Department the opportunity to review all surveys, geotechnical test results, environmental assessments and any other information or data in the Sports Authority's possession regarding the particular parcels of real property subject to such acquisition. The City's Legal Department shall approve the acquisition of each parcel of real property prior to the acquisition thereof by the Sports Authority. The Sports Authority is hereby authorized and directed to perform any and all necessary acts to acquire the Arena Site, including negotiating with landowners and other third parties and, subject to prior approval by the City's Legal Department, initiating proceedings to acquire properties comprising the Arena Site through exercise of the power of eminent domain, and it shall coordinate all matters relating to the acquisition of the Arena Site with the City's Legal Department.

(b) Infrastructure Work. The Sports Authority is hereby authorized and directed to perform or cause to be performed on behalf of the City on-site Infrastructure Work (with respect to the Arena Site but not the Garage Site) and off-site Infrastructure Work. The Sports Authority is hereby authorized and directed to perform any and all necessary acts to accomplish such Infrastructure Work and shall coordinate all Infrastructure Work performed under this Agreement with the City's Department of Public Works.

2. Appropriation. Consistent with the terms of the Original Interlocal Agreement, the City hereby appropriates $20 million as its contribution to the funding of the cost of the Site Acquisition and the Infrastructure Work, and as provided in the Original Interlocal Agreement, the City's obligation to fund such costs will not exceed $20 million, unless a greater amount is authorized by the City's City Council. The City agrees to provide such funding, by wire transfer or other means, to the Sports Authority in a single installment no later than fifteen (15) business days after the effective date of this Agreement for deposit in such depository as the Sports Authority shall direct in order to permit the Sports Authority to accomplish the Delegated Responsibilities in a timely manner. Such amount shall be held in trust by the Sports Authority for the benefit of the City and shall be used solely to fund the costs of the Site Acquisition and the Infrastructure Work as contemplated in the Original Interlocal Agreement and this Agreement and for no other purposes. The Sports Authority agrees to promptly refund to the City excess amounts, if any, remaining from the $20 million contribution after payment of all costs of the Site Acquisition and Infrastructure Work for which the City is responsible.

3. Default. If either party believes that the other party has defaulted under the terms of this Agreement, the non-defaulting party must send written notice detailing the nature of the default of the alleged defaulting party. The alleged defaulting party shall have a period of thirty (30) days after receipt of such notice to cure such alleged default to the reasonable satisfaction of the non-defaulting party. Upon the failure of the alleged defaulting party to cure the alleged default as set out above, the non-defaulting party will have the right to pursue all remedies available at law or equity as a result of such alleged default, including the right to terminate this Agreement upon thirty (30) days' additional written notice to the alleged defaulting party.

4. Independent Contractor. It is understood and agreed that the relationship of the City to the Sports Authority shall be that of an independent contractor. Nothing contained in this Agreement or inferable herefrom shall be deemed or construed to (i) make the City the agent, servant, or employee of the Sports Authority, or (ii) make the Sports Authority the agent, servant or employee of the City, or (iii) create any partnership, joint venture, or other association between the Sports Authority and the City.

5. Waiver of Performance. The failure of either party to insist, in any one or more instances, on the performance of any of the terms, covenants or conditions of this Agreement, or to exercise any of its rights under this Agreement, shall not be construed as a waiver or relinquishment by such party of such term, covenant, condition or right with respect to further performance.

6. Governing Law. The laws of the State of Texas shall govern the interpretation, validity, performance and enforcement of this Agreement. Any action brought to enforce or interpret this Agreement shall be brought in the court of appropriate jurisdiction in Houston, Harris County, Texas.

7. Attorneys' Fees. If either party places the enforcement of this Agreement, or any part hereof, or the exercise of any remedy herein provided, in the hands of an attorney who institutes an action or proceeding upon the same (either by direct action or counterclaim), the non-prevailing party shall pay to the prevailing party its reasonable attorneys' fees and costs of court. In addition to the foregoing award of attorneys' fees to the prevailing party, the prevailing party shall be entitled to its attorneys' fees incurred in any post-judgment proceeding or action to collect or enforce the judgment. This provision is separate and several and shall survive the expiration or earlier termination of this Agreement or the merger of this Agreement into any judgment on such instrument.

8. Severability. If any provision of this Agreement is held to be illegal, invalid or unenforceable under present or future laws, the legality, validity and enforceability of the remaining provisions of this Agreement shall not be affected thereby, and this Agreement shall be liberally construed so as to carry out the intent of the parties to it.

9. Notices. All notices and communications under this Agreement shall be mailed by certified mail, return receipt requested, or delivered, to the recipient party at the following addresses:

If to the Sports Authority:	Harris County-Houston Sports Authority 1200 Post Oak Blvd., Suite 416 Houston, Texas Attention: Chairman
with a courtesy copy to:	Mayor, Day, Caldwell & Keeton, L.L.P. 700 Louisiana, Suite 1900 Houston, Texas 77002 Attention: Gene L. Locke
If to the City:	City of Houston Convention & Entertainment Facilities Department 901 Bagby Houston, Texas 77002 Attention: Gerard J. Tollett
with a courtesy copy to:	City of Houston City Attorney's Office 900 Bagby, 4th Floor Houston, Texas 77002 Attention: City Attorney

The parties shall each have the right to change their respective addresses for notices by informing the other parties in writing at least fifteen (15) days prior to the effective date of the address change. Any notice given by mail hereunder shall be deemed effective upon deposit of such in the United States Mail. Notice given in any other manner shall be effective upon actual receipt by the party notified.

10. Parties in Interest. The terms of this Agreement shall be binding upon, and inure to the benefit of, the parties hereto and their permitted successors and assigns. Nothing in this Agreement, whether express or implied, shall be constructed to give any person or entity (other than the parties hereto and their permitted successors and assigns) any legal or equitable right, remedy or claim under or in respect of any terms or provisions contained in this Agreement or any standing or authority to enforce the terms and provisions of this Agreement.

11. General. Capitalized terms used herein but not otherwise defined herein shall have the meanings given to such terms in the Letter Agreement or the Original Interlocal Agreement, as applicable. The Recitals set out above are not intended to restate in their entirety the terms of the Letter Agreement or Original Interlocal Agreement, but merely give context to the terms and purposes of this Agreement. The Recitals in and of themselves do not modify the terms of the Letter Agreement or Original Interlocal Agreement. The masculine and neuter genders used in this Agreement each includes the masculine, feminine and neuter genders, and whenever the singular number is used, the same shall include the plural where appropriate, and vice versa. Wherever the term "including" or a similar term is used in this Agreement, it shall be read as if it were written "including by the way of example only and without in any way limiting the generality of the clause or concept referred to." The headings used in this Agreement are included for reference only and shall not be considered in interpreting, applying or enforcing this

Agreement. The words "shall" and "will" as used in this Agreement have the same meaning. This Agreement shall not be modified or amended in any manner except by a writing signed by all the parties hereto. This Agreement represents the entire and integrated agreement between the parties with respect to the subject matter hereof. All prior negotiations, representations or agreements not expressly incorporated into this Agreement are hereby superseded and canceled. The parties acknowledge and represent that this Agreement has been jointly drafted by the parties, that no provision of this Agreement will be interpreted or construed against any party solely because the party or its legal counsel drafted such provision and that each of them has read, understood, and approved the language and terms set forth herein. This Agreement may be executed in multiple counterparts, each of which shall constitute but one agreement. All signatures need not be on the counterpart.

[SIGNATURE PAGES FOLLOW]

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed in quadruplicate, and it shall become effective upon the date that both parties have signed this Agreement.

ATTEST:

By: _____
Anna Russell, City Secretary

APPROVED

By: _____
Gerard J. Tollett, Director of
the Convention & Entertainment
Facilities Department

APPROVED AS TO FORM:

By: _____
Stephen W. Lewis,
Senior Assistant City Attorney

CITY OF HOUSTON

By: _____
Lee P. Brown, Mayor

COUNTERSIGNED:

By: _____
Sylvia Garcia, Controller

Date of Countersignature:

1-24-01

HARRIS COUNTY-HOUSTON SPORTS AUTHORITY

By: _____
William F. "Billy" Burge, III, Chair

EXHIBIT G

FORM OF MEMORANDUM OF GROUND LEASE

THE STATE OF TEXAS §
§
COUNTY OF HARRIS §

THIS MEMORANDUM OF GROUND LEASE (this "Memorandum") is made and entered into effective as of the 31st day of December, 2001, by and between the **CITY OF HOUSTON, TEXAS**, a home-rule city organized under the laws of the State of Texas ("Landlord"), and **HARRIS COUNTY-HOUSTON SPORTS AUTHORITY**, a sports and community venue district created under Chapter 335 of the Texas Local Government Code ("Tenant").

RECITALS

1. Landlord and Tenant have entered into that certain Ground Lease (the "Ground Lease") dated effective as of December 31, 2001, pursuant to which Landlord leased to Tenant and Tenant leased from Landlord the following (the "Leased Premises"):

(a) The tract of real property described on Exhibit A attached hereto together with all subsurface rights, air rights, air space and appurtenances associated therewith (the "Arena Site"), together with (i) any and all other rights, privileges, easements and appurtenances benefiting, belonging to or in any way appertaining thereto, including, but not limited to, any and all (a) rights, privileges, easements and appurtenances of Landlord as the owner of fee simple title to the Arena Site now or hereafter existing, (b) subsurface rights below the surface of the Arena Site, (c) reversions which may hereafter accrue to Landlord as owner of fee simple title to the Arena Site by reason of the closing of any adjacent street, sidewalk or alley or the abandonment of any rights by any Governmental Authority, and (d) strips and gores relating to the Arena Site; and (ii) such other easements, rights of way, licenses and other rights as may hereafter be entered into or granted by Landlord pursuant to Section 2.1 of the Ground Lease (including, without limitation, air and subsurface rights above and below the public streets, roads and rights of way adjacent to the Arena Site) for the installation, operation, repair, maintenance and continued use of the Loading Dock, the Enclosed Access, any related ramps, bridges, tunnels, sidewalks and other means of access and any other Improvements contemplated by the Project Documents, including, without limitation, easements and rights of way for the installation, operation, maintenance, repair and continued use of utilities, communication and other lines between the Arena and the Parking Garage, with such other easements, rights of way, licenses and other rights being subject to the express terms and conditions of the instruments creating or granting same.

2. Landlord and Tenant desire to execute this Memorandum to provide notice of Tenant's rights, titles and interest under the Ground Lease and in and to the Leased Premises.

For good and valuable consideration, the receipt and adequacy of which are hereby acknowledged and confessed, the Parties, intending to be and hereby being legally bound, do hereby agree as follows:

Section 1. **Definitions and Usage**. Unless the context shall otherwise require, capitalized terms used in this Memorandum shall have the meanings assigned to them in the Ground Lease, which also contains rules as to usage that shall be applicable herein.

Section 2. **Lease**. The Leased Premises has been leased to Tenant pursuant to the terms and conditions of the Ground Lease, which is incorporated by reference in its entirety in this Memorandum. In the event of any conflict or inconsistency between this Memorandum and the Ground Lease, the Ground Lease shall control.

Section 3. **Term**. The Landlord has leased the Leased Premises to Tenant for a term (the "Term") commencing at 12:01 a.m. on the date following Substantial Completion of the Arena Project that is the earlier of: (i) the scheduled date of the first official Rockets pre-Season game of the 2003/2004 NBA Season and (ii) the later to occur of (A) sixty (60) days following the Substantial Completion Date and (B) October 1, 2003, subject, however to being deferred to the date determined in accordance with the second sentence of Section 4.1 of the Arena Lease in the event the NBA Team exercises its deferment option thereunder (the date determined pursuant to the provisions of this sentence, the "Commencement Date"). The Term shall end on the last day of the three hundred sixtieth (360^{th}) calendar month after the calendar month in which the Commencement Date occurs, unless sooner terminated in accordance with the provisions of the Ground Lease. The Parties expressly have confirmed, acknowledged and agreed that it is their mutual intent for the Term to commence upon the commencement date of, and to run concurrently and be coterminous with the term of, the Arena Lease (exclusive of any renewals of such term, except as provided to the contrary in Article 18 of the Ground Lease); provided, however, in no event shall the Term exceed thirty (30) years. Notwithstanding the foregoing, Landlord has confirmed, acknowledged and agreed that Tenant shall be entitled to holdover beyond the Expiration Date, without any obligation to pay Rent or any additional consideration to Landlord (but the rights set out in Section 5.2 of the Ground Lease shall remain) in connection therewith, for a period equal to any period of holdover by the NBA Team under Section 17.3 of the Arena Lease.

Section 4. **Covenants Running with Parking Garage Site**. Pursuant to Section 11.4 of the Ground Lease, Tenant has granted Landlord a certain Parking Garage Purchase Right and a certain Cooling Tower Easement Right as more particularly described in the Ground Lease with respect to the Parking Garage Site more particularly described in Exhibit B attached hereto.

Section 5. **Third Party Beneficiary Status**. Pursuant to Sections 17.20 and 18.4 of the Ground Lease, Landlord and Tenant acknowledge that the NBA Team is, and shall at all times, be a third party beneficiary of the Ground Lease.

Section 6. **NBA Team Rights of First Negotiation and Renewal**. Pursuant to Article 18 of the Ground Lease, Landlord has granted the NBA Team (i) a certain Right of First Negotiation prior to the expiration of the Arena Lease; (ii) a certain right limiting Landlord's sale of any portion of the Arena Site, the Leased Premises, the Arena, the Parking

Garage or any Improvements or related facilities or Landlord's interest under the Ground Lease or under any other Project Documents; and (iii) a certain right of renewal in the event the City sells, assigns, conveys or transfers its interest in the Arena Site, the Leased Premises or its reversionary interest under the Ground Lease, all as more particularly described in the Ground Lease.

Section 7. **Successors and Assigns**. This Memorandum and the Ground Lease shall bind and inure to the benefit of the Parties and their respective successors and assigns, subject however, to the provisions of the Ground Lease regarding assignment.

IN WITNESS WHEREOF, this Memorandum has been executed by Landlord and Tenant as of the date first above written.

LANDLORD:

CITY OF HOUSTON, TEXAS, a home-rule city organized under the laws of the State of Texas

By:_____
Anna Russell, City Secretary

By:_____
Lee P. Brown, Mayor

APPROVED:

COUNTERSIGNED:

By:_____
Gerard J. Tollett, Director of the Convention & Entertainment Facilities Department

By:_____
Sylvia Garcia, Controller

APPROVED AS TO FORM:

DATE OF COUNTERSIGNATURE:

By:_____
Stephen W. Lewis
Senior Assistant City Attorney
L.D. #025-010000-001

_____

TENANT:

HARRIS COUNTY-HOUSTON SPORTS AUTHORITY, a sports and community venue district created under Chapter 335 of the Texas Local Government Code

By:_____
William F. "Billy" Burge, Chairman

STATE OF TEXAS §
§
COUNTY OF HARRIS §

This instrument was acknowledged before me on _____ __, 2001, by Lee P. Brown, Mayor of the CITY OF HOUSTON, TEXAS, a home-rule city organized under the laws of the State of Texas, on behalf of said home-rule city.

{SEAL}

_____
Printed Name: _____

Notary Public in and for the State of Texas
My Commission Expires: _____

STATE OF TEXAS §
§
COUNTY OF HARRIS §

This instrument was acknowledged before me on _____ ___, 2001 by William F. "Billy" Burge, Chairman, of HARRIS COUNTY - HOUSTON SPORTS AUTHORITY, a sports and community venue district created under Chapter 335 of the Texas Local Government Code, on behalf of said sports and community venue district.

{SEAL}

_____
Printed Name: _____

Notary Public in and for the State of Texas
My Commission Expires: _____

V664299

02-0070

53547

Memo
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2

03/15/02 300717120 V664299 $35.00

MEMORANDUM OF GROUND LEASE

THE STATE OF TEXAS §
§
COUNTY OF HARRIS §

THIS MEMORANDUM OF GROUND LEASE (this "Memorandum") is made and entered into effective as of the 31st day of December, 2001, by and between the **CITY OF HOUSTON, TEXAS**, a home-rule city organized under the laws of the State of Texas ("Landlord"), and **HARRIS COUNTY-HOUSTON SPORTS AUTHORITY**, a sports and community venue district created under Chapter 335 of the Texas Local Government Code ("Tenant").

RECITALS

1. Landlord and Tenant have entered into that certain Ground Lease (the "Ground Lease") dated effective as of December, 31, 2001, pursuant to which Landlord leased to Tenant and Tenant leased from Landlord the following (the "Leased Premises"):

(a) The tract of real property described on Exhibit A attached hereto together with all subsurface rights, air rights, air space and appurtenances associated therewith (the "Arena Site"), together with (i) any and all other rights, privileges, easements and appurtenances benefiting, belonging to or in any way appertaining thereto, including, but not limited to, any and all (a) rights, privileges, easements and appurtenances of Landlord as the owner of fee simple title to the Arena Site now or hereafter existing, (b) subsurface rights below the surface of the Arena Site, (c) reversions which may hereafter accrue to Landlord as owner of fee simple title to the Arena Site by reason of the closing of any adjacent street, sidewalk or alley or the abandonment of any rights by any Governmental Authority, and (d) strips and gores relating to the Arena Site; and (ii) such other easements, rights of way, licenses and other rights as may hereafter be entered into or granted by Landlord pursuant to Section 2.1 of the Ground Lease (including, without limitation, air and subsurface rights above and below the public streets, roads and rights of way adjacent to the Arena Site) for the installation, operation, repair, maintenance and continued use of the Loading Dock, the Enclosed Access, any related ramps, bridges, tunnels, sidewalks and other means of access and any other Improvements contemplated by the Project Documents, including, without limitation, easements and rights of way for the installation, operation, maintenance, repair and continued use of utilities, communication and other lines between the Arena and the Parking Garage, with such other easements, rights of way, licenses and other rights being subject to the express terms and conditions of the instruments creating or granting same.

2. Landlord and Tenant desire to execute this Memorandum to provide notice of Tenant's rights, titles and interest under the Ground Lease and in and to the Leased Premises.

For good and valuable consideration, the receipt and adequacy of which are hereby acknowledged and confessed, the Parties, intending to be and hereby being legally bound, do hereby agree as follows:

Section 1. **Definitions and Usage**. Unless the context shall otherwise require, capitalized terms used in this Memorandum shall have the meanings assigned to them in the Ground Lease, which also contains rules as to usage that shall be applicable herein.

Section 2. **Lease**. The Leased Premises has been leased to Tenant pursuant to the terms and conditions of the Ground Lease, which is incorporated by reference in its entirety in this Memorandum. In the event of any conflict or inconsistency between this Memorandum and the Ground Lease, the Ground Lease shall control.

Section 3. **Term**. The Landlord has leased the Leased Premises to Tenant for a term (the "Term") commencing at 12:01 a.m. on the date following Substantial Completion of the Arena Project that is the earlier of: (i) the scheduled date of the first official Rockets pre-Season game of the 2003/2004 NBA Season and (ii) the later to occur of (A) sixty (60) days following the Substantial Completion Date and (B) October 1, 2003, subject, however to being deferred to the date determined in accordance with the second sentence of Section 4.1 of the Arena Lease in the event the NBA Team exercises its deferment option thereunder (the date determined pursuant to the provisions of this sentence, the "Commencement Date"). The Term shall end on the last day of the three hundred sixtieth (360^{th}) calendar month after the calendar month in which the Commencement Date occurs, unless sooner terminated in accordance with the provisions of the Ground Lease. The Parties expressly have confirmed, acknowledged and agreed that it is their mutual intent for the Term to commence upon the commencement date of, and to run concurrently and be coterminous with the term of, the Arena Lease (exclusive of any renewals of such term, except as provided to the contrary in Article 18 of the Ground Lease); provided, however, in no event shall the Term exceed thirty (30) years. Notwithstanding the foregoing, Landlord has confirmed, acknowledged and agreed that Tenant shall be entitled to holdover beyond the Expiration Date, without any obligation to pay Rent or any additional consideration to Landlord (but the rights set out in Section 5.2 of the Ground Lease shall remain) in connection therewith, for a period equal to any period of holdover by the NBA Team under Section 17.3 of the Arena Lease.

Section 4. **Covenants Running with Parking Garage Site**. Pursuant to Section 11.4 of the Ground Lease, Tenant has granted Landlord a certain Parking Garage Purchase Right and a certain Cooling Tower Easement Right as more particularly described in the Ground Lease with respect to the Parking Garage Site more particularly described in Exhibit B attached hereto.

Section 5. **Third Party Beneficiary Status**. Pursuant to Sections 17.20 and 18.4 of the Ground Lease, Landlord and Tenant acknowledge that the NBA Team is, and shall at all times, be a third party beneficiary of the Ground Lease.

Section 6. **NBA Team Rights of First Negotiation and Renewal**. Pursuant to Article 18 of the Ground Lease, Landlord has granted the NBA Team (i) a certain Right of First Negotiation prior to the expiration of the Arena Lease; (ii) a certain right limiting Landlord's sale of any portion of the Arena Site, the Leased Premises, the Arena, the Parking

Garage or any Improvements or related facilities or Landlord's interest under the Ground Lease or under any other Project Documents; and (iii) a certain right of renewal in the event the City sells, assigns, conveys or transfers its interest in the Arena Site, the Leased Premises or its reversionary interest under the Ground Lease, all as more particularly described in the Ground Lease.

Section 7. **Successors and Assigns**. This Memorandum and the Ground Lease shall bind and inure to the benefit of the Parties and their respective successors and assigns, subject however, to the provisions of the Ground Lease regarding assignment.

IN WITNESS WHEREOF, this Memorandum has been executed by Landlord and Tenant as of the date first above written.

LANDLORD:

CITY OF HOUSTON, TEXAS, a home-rule city organized under the laws of the State of Texas

By: _____
Anna Russell, City Secretary

By: _____
Lee P. Brown, Mayor

APPROVED:

By: _____
~~Gerard J. Tollett,~~ Director of the Convention & Entertainment Facilities Department

COUNTERSIGNED:

By: _____
Sylvia Garcia, Controller

APPROVED AS TO FORM:

By: _____
Stephen W. Lewis
Senior Assistant City Attorney
L.D. #025-010000-001

DATE OF COUNTERSIGNATURE:

3/4/02

TENANT:

HARRIS COUNTY-HOUSTON SPORTS AUTHORITY, a sports and community venue district created under Chapter 335 of the Texas Local Government Code

By: _____
William F. "Billy" Burge, Chairman

STATE OF TEXAS §
§
COUNTY OF HARRIS §

This instrument was acknowledged before me on February 27, 2002, by Lee P. Brown, Mayor of the CITY OF HOUSTON, TEXAS, a home-rule city organized under the laws of the State of Texas, on behalf of said home-rule city.

{SEAL}

ANNA RUSSELL
Notary Public, State of Texas
My Commission Exp. 7/7/05

Anna Russell
Printed Name: _____

Notary Public in and for the State of Texas
My Commission Expires: _____

STATE OF TEXAS §
§
COUNTY OF HARRIS §

This instrument was acknowledged before me on December 31, 2001 by William F. "Billy" Burge, Chairman, of HARRIS COUNTY - HOUSTON SPORTS AUTHORITY, a sports and community venue district created under Chapter 335 of the Texas Local Government Code, on behalf of said sports and community venue district.

{SEAL}

NEIL THOMAS
NOTARY PUBLIC
STATE OF TEXAS
My Commission Expires
SEPTEMBER 07, 2005

Neil Thomas
Printed Name: _____

Notary Public in and for the State of Texas
My Commission Expires: _____

AFTER RECORDING RETURN TO:
Kathleen Bethune
Andrews & Kurth Mayor, Day Caldwell & Keeton, L.L.P.
600 Travis, Suite 4200
Houston, TX 77002

Exhibit A-1-A

Crawford Street: Polk Avenue
to Bell Avenue
City Parcel No. 5Y1-0[illegible]
Dwg. No. _____

REAL PROPERTY DESCRIPTION
APRIL 9, 2001

Being a 1.0653 acre (46,405 square feet) tract of land being out of South Side Buffalo Bayou (S.S.B.B.) Subdivision, a recognized unrecorded subdivision as reapportioned, adapted, and resolved by the City of Houston City Council Ordinance as recorded in City Secretary's "Book of Minutes" 1865 – 1869, Pages 402, 403, 404, 405, and 406 filed in the City Secretary's Office in the City of Houston, Harris County, Texas and situated wholly in the J.S. Holman Survey, Abstract No. 323, said tract of land is more particularly described by metes and bounds as follows with all bearings referenced to the observed line between City of Houston Monument No. 5457/0207, (x=3,153,327.39, y=716,789.93), Monument No. 5457/0208, (x=3,153684.02, y=717,348.74) and Monument No. 5457/0303, (x=3,154,517.66, y=714,373.84) and referenced to the Texas State Plane Coordinate System, South Central Zone with all bearings and distances referenced herein being surface and may be converted to grid by multiplying by a combined adjustment factor of 0.999887480.

COMMENCING at City of Houston Engineer's Reference Point No. 311, being a found three quarter inch (¾") brass rod, surface coordinates x=3,154,765.91, y=715,425.89 located at the centerline intersection of Crawford Street, 80 feet wide, and the centerline of Polk Avenue, 80 feet wide, said point bears North 57° 08' 39" West, (called N. 55° W.) a distance of 660.08 feet from City of Houston Engineer's Reference Point No. 44, being a found three quarter inch (¾") brass rod, surface coordinates of x=3,155,320.41, y=715,067.77, marking the centerline intersection of Polk Avenue, 80 feet wide and the centerline of Chenevert Street, 80 feet wide;

Thence South 32° 50' 59" West, (called S. 35° W.) along the centerline of said Crawford Street, a distance of 40.00 feet to a set "PK" nail in the south right of way of said Polk Avenue;

Thence South 57° 08' 39" East, (called S. 55° E.) along the said south right of way of said Polk Avenue, a distance of 40.00 feet to a found 5/8" iron rod locating the northwest corner of Block 289, S.S.B.B., the southeast street right of way intersection corner of said Polk Avenue and Crawford Street and being the **Point of Beginning** of the herein described tract of land, whose surface coordinates are x=3,154,777.81, y=715,370.58, from which City of Houston Monument No. 5457/0303 is located South 14° 37' 41"West, a distance of 1030.13 feet;

Thence South 32° 50' 59" West, (called S. 35° W.) along the easterly right of way line of said Crawford Street, same being the westerly line of Block 289, S.S.B.B., passing the north right of way line of Clay Avenue, 80 feet wide right of way at 250.03 feet, and continuing a total distance of 580.07 feet to a set 5/8-inch iron rod with "Thompson Group" cap for the southeast corner of the herein described tract same being in the north right of way line of Bell Avenue, 80.00 feet wide, same point locates the southwest corner of Block 311, S.S.B.B.;

Thence North 57° 07' 55" West, (called N.55° E.), along the north right of way line of Bell Avenue, 80.00 feet wide, a distance of 80.00 feet to a set 5/8" iron rod with "Thompson Group" cap for the southwest corner of the herein described tract same being in the west right of way line of Crawford Street, 80.00 feet wide and locating the southeast corner of Block 312, S.S.B.B.;

Thence North 32° 50' 59" East (called S. 35° W.) along the westerly right of way line of said Crawford Street, same being the easterly line of said Block 312, S.S.B.B., passing the south right of way line of Clay Avenue, 80 feet wide right of way at 250.03 feet, and continuing along said right of way and the east line of Block 290, S.S.B.B., a total distance of 580.06 feet to a found "PK" nail in brick walk locating the northwest corner of the herein described tract same being the southwest street right of way intersection corner of Polk Avenue and Crawford Street, and also locating the northeast corner of Block 290, S.S.B.B.;

Thence South 57° 08' 39" East, (called S.55° E.), along the south right of way line of Polk Avenue, 80.00 feet wide, a distance of 80.00 feet returning to the **Place of Beginning** of the herein described tract of land and containing 1.0653 acres (46,405 square feet) of land, more or less.

City of Houston engineer's street centerline Reference Rod # 311 located at Polk and Crawford), City # 44 located at Polk and Chenevert, City rod #292 located at Bell and Chenevert, City #56 located at Pease and Chenevert, City Rod # 823 located at Pease and Austin were found on the ground and were used as the controlling monumentation to establish the street centerline and right of way lines mentioned herein.

A street abandonment map was prepared which delineates the property described herein.

This Real Property Description is based upon a Texas Society of Professional Surveyors Category 1A, Condition I, Land Title Survey performed under the direct supervision of Robert A. Lupher, RPLS.

Robert A. Lupher, RPLS
Texas Reg. No. 4951 5/10/01

STATE OF TEXAS
REGISTERED
ROBERT A. LUPHER
4951
PROFESSIONAL
LAND SURVEYOR

Checked: _____
Dated: _____
Approved: _____

Exhibit A-1-B

Clay Avenue: La Branch Street
to Crawford Street
City Parcel No. 54-0[illegible]
Dwg. No. _____

REAL PROPERTY DESCRIPTION
APRIL 9, 2001

Being a 0.4591 acre (19,998 square feet) tract of land being out of South Side Buffalo Bayou (S.S.B.B.) Subdivision, a recognized unrecorded subdivision as reapportioned, adapted, and resolved by the City of Houston City Council Ordinance as recorded in City Secretary's "Book of Minutes" 1865 – 1869, Pages 402, 403, 404, 405, and 406 filed in the City Secretary's Office in the City of Houston, Harris County, Texas and situated wholly in the J.S. Holman Survey, Abstract No. 323, said tract of land is more particularly described by metes and bounds as follows with all bearings referenced to the observed line between City of Houston Monument No. 5457/0207, (x=3,153,327.39, y=716,789.93), Monument No. 5457/0208, (x=3,153684.02, y=717,348.74) and Monument No. 5457/0303, (x=3,154,517.66, y=714,373.84) and referenced to the Texas State Plane Coordinate System, South Central Zone with all bearings and distances referenced herein being surface and may be converted to grid by multiplying by a combined adjustment factor of 0.999887480.

COMMENCING at City of Houston Engineer's Reference Point No. 311, being a found three quarter inch (¾") brass rod, surface coordinates x=3,154,765.91, y=715,425.89 located at the centerline intersection of Crawford Street, 80 feet wide, and the centerline of Polk Avenue, 80 feet wide, said point bears North 57° 08' 39" West, (called N. 55° W.) a distance of 660.08 feet from City of Houston Engineer's Reference Point No. 44, being a found three quarter inch (¾") brass rod, surface coordinates of x=3,155,320.41, y=715,067.77, marking the centerline intersection of Polk Avenue, 80 feet wide and the centerline of Chenevert Street, 80 feet wide;

Thence South 32° 50' 59" West, (called S. 35° W.) along the centerline of said Crawford Street, a distance of 250.03 feet to a set "PK" nail in the north right of way of Clay Avenue;

Thence North 57° 09' 25" West, (called N. 55° W.) along the said north right of way of said Clay Avenue, a distance of 40.00 feet to a set 5/8" iron rod locating the southeast corner of Block 290, S.S.B.B., the northwest street right of way intersection corner of said Clay Avenue and Crawford Street and being the **Point of Beginning** of the herein described tract of land, whose surface coordinates are x=3,154,574.98, y=715,203.93, from which City of Houston Monument No. 5457/0303 is located South 03° 57' 13"West, a distance of 832.09 feet;

Thence South 32° 50' 59" West, (called S. 35° W.) along the westerly right of way line of said Crawford Street, a distance of 80.00 feet to a set 5/8-inch iron rod with "Thompson Group" cap for the southeast corner of the herein described tract, same being the northeast corner of Block 312, S.S.B.B.;

Thence North 57° 09' 25" West, (called N.55° E.), along the south right of way line of Clay Avenue, 80.00 feet wide and the north line of Block 312, S.S.B.B., a distance of 249.97 feet to a set 5/8" iron rod with "Thompson Group" cap for the southwest corner of the herein described tract same being in the east right of way line of La Branch Street, 80.00 feet wide and locating the northwest corner of Block 312, S.S.B.B.;

Thence North 32° 51' 25" East (called S. 35° W.) along the easterly right of way line of said La Branch Street, a distance of 80.00 feet to a set 5/8" iron rod with "Thompson Group" cap locating the northwest corner of the herein described tract same being the northeast street right of way intersection corner of Clay Avenue and La Branch Street, and also locating the southwest corner of Block 290, S.S.B.B.;

Thence South 57° 09' 25" East, (called S.55° E.), along the north right of way line of Clay Avenue, 80.00 feet wide, and the southerly line of Block 290, a distance of 249.96 feet returning to the **Place of Beginning** of the herein described tract of land and containing 0.4591 acres (19,998 square feet) of land, more or less.

City of Houston engineer's street centerline Reference Rod # 311 located at Polk and Crawford), City # 44 located at Polk and Chenevert, City rod #292 located at Bell and Chenevert, City #56 located at Pease and Chenevert, City Rod # 823 located at Pease and Austin were found on the ground and were used as the controlling monumentation to establish the street centerline and right of way lines mentioned herein.

A street abandonment map was prepared which delineates the property described herein.

This Real Property Description is based upon a Texas Society of Professional Surveyors Category 1A, Condition I, Land Title Survey performed under the direct supervision of Robert A. Lupher, RPLS.

Robert A. Lupher, RPLS
Texas Reg. No. 4951 5/10/01

STATE OF TEXAS
REGISTERED
ROBERT A. LUPHER
4951
PROFESSIONAL
LAND SURVEYOR

Checked: _____
Dated: _____
Approved: _____

Exhibit A-1-C

Clay Avenue: Crawford Street
to Jackson Street
City Parcel No. SY1-0[illegible]
Dwg. No. _____

REAL PROPERTY DESCRIPTION
APRIL 9, 2001

Being a 0.4592 acre (20,003 square feet) tract of land being out of South Side Buffalo Bayou (S.S.B.B.) Subdivision, a recognized unrecorded subdivision as reapportioned, adapted, and resolved by the City of Houston City Council Ordinance as recorded in City Secretary's "Book of Minutes" 1865 – 1869, Pages 402, 403, 404, 405, and 406 filed in the City Secretary's Office in the City of Houston, Harris County, Texas and situated wholly in the J.S. Holman Survey, Abstract No. 323, said tract of land is more particularly described by metes and bounds as follows with all bearings referenced to the observed line between City of Houston Monument No. 5457/0207, (x=3,153,327.39, y=716,789.93), Monument No. 5457/0208, (x=3,153684.02, y=717,348.74) and Monument No. 5457/0303, (x=3,154,517.66, y=714,373.84) and referenced to the Texas State Plane Coordinate System, South Central Zone with all bearings and distances referenced herein being surface and may be converted to grid by multiplying by a combined adjustment factor of 0.999887480.

COMMENCING at City of Houston Engineer's Reference Point No. 311, being a found three quarter inch (¾") brass rod, surface coordinates x=3,154,765.91, y=715,425.89 located at the centerline intersection of Crawford Street, 80 feet wide, and the centerline of Polk Avenue, 80 feet wide, said point bears North 57° 08' 39" West, (called N. 55° W.) a distance of 660.08 feet from City of Houston Engineer's Reference Point No. 44, being a found three quarter inch (¾") brass rod, surface coordinates of x=3,155,320.41, y=715,067.77, marking the centerline intersection of Polk Avenue, 80 feet wide and the centerline of Chenevert Street, 80 feet wide;

Thence South 32° 50' 59" West, (called S. 35° W.) along the centerline of said Crawford Street, a distance of 250.03 feet to a set "PK" nail in the north right of way of Clay Avenue;

Thence South 57° 08' 15" East, (called S. 55° E.), along the said north right of way of said Clay Avenue, a distance of 40.00 feet to a set 5/8- inch iron rod with "Thompson Group" cap locating the southwest corner of Block 289, S.S.B.B., the northeast street right of way intersection corner of said Clay Avenue and Crawford Street and being the **Point of Beginning** of the herein described tract of land, whose surface coordinates are x=3,154,642.19, y=715,160.53, from which City of Houston Monument No. 5457/0303 is located South 08° 59' 39" West, a distance of 796.54 feet;

Thence South 57° 08' 15" East, (called S.55° E.), along the north right of way line of Clay Avenue, 80.00 feet wide and the south line of Block 289, S.S.B.B., a distance of 250.03 feet to a set 5/8" iron rod with "Thompson Group" cap for the northeast corner of the herein described tract same being in the west right of way line of Jackson Street, 80.00 feet wide and locating the southeast corner of Block 289, S.S.B.B.;

Thence South 32° 51' 13" West, (called S. 35° W.) along the westerly right of way line of said Jackson Street, a distance of 80.00 feet to a set 5/8-inch iron rod with "Thompson Group" cap for

the southeast corner of the herein described tract, same being the northeast corner of Block 311, S.S.B.B.;

Thence North 57° 08' 15" West, (called N. 55° E.), along the south right of way line of Clay Avenue, 80.00 feet wide and the north line of Block 311, S.S.B.B., a distance of 250.02 feet to a set 5/8" iron rod with "Thompson Group" cap for the southwest corner of the herein described tract same being in the east right of way line of Crawford Street, 80.00 feet wide and locating the northwest corner of Block 311, S.S.B.B.;

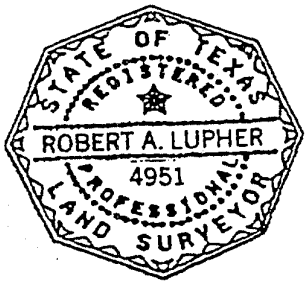
Thence North 32° 50' 59" East (called S. 35° W.) along the easterly right of way line of said Crawford Street, a distance of 80.00 feet returning to the **Place of Beginning** of the herein described tract of land and containing 0.4592 acres (20,003 square feet) of land, more or less.

City of Houston engineer's street centerline Reference Rod # 311 located at Polk and Crawford), City # 44 located at Polk and Chenevert, City rod #292 located at Bell and Chenevert, City #56 located at Pease and Chenevert, City Rod # 823 located at Pease and Austin were found on the ground and were used as the controlling monumentation to establish the street centerline and right of way lines mentioned herein.

A street abandonment map was prepared which delineates the property described herein.

This Real Property Description is based upon a Texas Society of Professional Surveyors Category 1A, Condition I, Land Title Survey performed under the direct supervision of Robert A. Lupher, RPLS.

Robert A. Lupher, RPLS
Texas Reg. No. 4951 5/10/01



Checked: _____
Dated: _____
Approved: _____

EXHIBIT A

Arena Site

Block 289, Block 290, Block 311 and Block 312, of SOUTH SIDE BUFFALO BAYOU, an unrecorded subdivision in the City of Houston, Harris County, Texas, together with a Portion of the Crawford Street right-of-way containing 46,405 square feet of land, more or less, and two portions of the Clay Avenue right-of-way containing an aggregate of 40,001 square feet of land, more or less, as more particularly described on **Exhibits A-1-A, A-1-B and A-1-C** attached hereto and made a part hereof for all purposes, and being the street right-of-way abandoned in City of Houston Ordinance No. 2001-692.

EXHIBIT B

Parking Garage Site

Block 328 and 329, of SOUTH SIDE BUFFALO BAYOU, an unrecorded subdivision in the City of Houston, Harris County, Texas, together with a portion of the Crawford Street right-of-way containing 20,000 square feet of land, more or less, as more particularly described on **Exhibit B-1** attached hereto and made a part hereof for all purposes, and being the street right-of-way abandoned in City of Houston Ordinance No. 2001-692.

Exhibit B-1

Crawford Street: Bell Avenue
to Leeland Avenue
City Parcel No. SY1-091

ALL THAT CERTAIN 0.4591 ACRE (20,000 SQUARE FEET) TRACT OF LAND LOCATED IN SOUTHSIDE BUFFALO BAYOU SUBDIVISION, HOUSTON, TEXAS AND BEING OUT OF AND A PART OF CRAWFORD STREET (BASED ON A WIDTH OF 80.00 FEET) AS RECORDED IN CITY OF HOUSTON ENGINEERING DEPARTMENT DRAWING NO. 51-169A-S, SAID 0.4591 ACRE TRACT OF LAND BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

All bearings and coordinates referenced in this description are grid and are based on the Texas State Plane Coordinate System, South Central Zone (NAD 27). All distances referenced in this description are surface measured. Scale Factor - 0.999887451

COMMENCING at a City of Houston Engineering Department 3/4 inch iron rod found in the centerline of Bell Street (based on a width of 80.00 feet) at it's intersection with the centerline of Chenevert Street (based on a width of 80.00 feet), from which the City of Houston Survey Marker No. 5457/0303 with grid coordinate values of: X = 3,154,162.62, Y = 714,293.44 bears South 12°28'32" East - 452.86 feet;

THENCE North 57° 07' 55" West along said centerline of said Bell Street, a distance of 620.00 feet to a point in the southeasterly right-of-way line of said Crawford Street, from said point, a City of Houston Engineering Department 3/4 inch rod found in the centerline of said Bell Street at it's intersection with the centerline of Caroline Street (based on a width of 80.00 feet) bears North 57° 07' 55" West, 1030.07 feet;

THENCE South 32° 52' 05" West along said southeasterly right-of-way line, a distance of 40.00 feet to a set "X" cut in concrete in the southwesterly right-of-way line of said Bell Street for the north corner of Block 328 of said Southside Buffalo Bayou Subdivision, the **POINT OF BEGINNING** and the east corner of the herein described tract of land;

THENCE continuing South 32° 52' 05" West along said southeasterly right-of-way line, a distance of 250.00 feet to a point in the northeasterly right-of-way line of Leeland Avenue (based on a width of 80.00 feet) for the south corner of the herein described tract of land, from which a building corner bears North 60° 38' 09" West, 0.43 feet;

THENCE North 57° 07' 55" West along said northeasterly right-of-way line, a distance of 80.00 feet to a 5/8 inch iron rod with cap set in the northwesterly right-of-way line of said Crawford Street, for the south corner of Block 329 of said Southside Buffalo Bayou and the west corner of the herein described tract of land, from which a 3/4 inch iron rod found bears North 83° 19' 16" West, 0.33 feet;

THENCE North 32° 52' 05" East along said northwesterly right-of-way line, a distance of 250.00 feet to a point in said southwesterly right-of-way line of Bell Street;

THENCE South 57° 07' 55" East along said southwesterly right-of-way line, a distance of 80.00 feet to the POINT OF BEGINNING and containing 0.4591 acres (20,000 square feet) of land.

ANY PROVISION HEREIN WHICH RESTRICTS THE SALE, RENTAL, OR USE OF THE DESCRIBED REAL PROPERTY BECAUSE OF COLOR OR RACE IS INVALID AND UNENFORCEABLE UNDER FEDERAL LAW.

THE STATE OF TEXAS
COUNTY OF HARRIS

I hereby certify that this instrument was FILED in File Number Sequence on the date and at the time stamped hereon by me; and was duly RECORDED, in the Official Public Records of Real Property of Harris County, Texas on

MAR 15 2002

COUNTY CLERK
HARRIS COUNTY, TEXAS