

LEASE AGREEMENT
by and between
NEW YORK CITY INDUSTRIAL DEVELOPMENT AGENCY, Landlord
and
YANKEE STADIUM LLC, Tenant

Dated as of August 1, 2006
For Premises to be referred to as the New Yankee Stadium
1 East 161st Street, Bronx, New York 10407

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LEASE AGREEMENT

This Lease Agreement (this "Lease Agreement") dated as of August 1, 2006, is made by and between New York City Industrial Development Agency, having an address at 110 William Street, New York, New York 10038 ("Landlord" or the "Agency"), and Yankee Stadium LLC, having an address at Yankee Stadium, Bronx, New York 10451 ("Tenant").

PREAMBLE

WHEREAS, the New York State Industrial Development Agency Act, being Title 1 of Article 18-A of the General Municipal Law, Chapter 24 of the Consolidated Laws of the State of New York, as amended (hereinafter referred to as the "Enabling Act"), authorizes the creation of industrial development agencies for the benefit of the several counties, cities, villages and towns in the State of New York (the "State") and empowers such agencies, among other things, to acquire, construct, reconstruct, lease, improve, maintain, equip and furnish real and personal property, whether or not now in existence or under construction, which shall be, among others, commercial or industrial facilities, recreation facilities and educational or cultural facilities, in order to advance the job opportunities, health, general prosperity and economic welfare of the people of the State and to improve their recreational opportunities, prosperity and standard of living.

WHEREAS, the Enabling Act further authorizes each such agency to lease and to sell its facilities, to charge and collect rent therefor, to issue its bonds for the purpose of carrying out any of its corporate purposes and, as security for the payment of the principal and redemption price of, and interest on, such bonds, to pledge the revenues and receipts from its facilities to the payment of such bonds.

WHEREAS, pursuant to and in accordance with the provisions of the Enabling Act, Chapter 1082 of the 1974 Laws of the State, as amended (said Chapter and the Enabling Act being hereinafter collectively referred to as the "Act"), created the Agency for the benefit of The City of New York, a municipal corporation (the "City"), and the inhabitants thereof.

WHEREAS, Tenant intends to undertake on behalf of the Agency a project (the "Project"), consisting of the design, development, acquisition, construction and equipping of an approximately 1,300,000 square foot, Major League Baseball stadium having a capacity in excess of 50,000 seats and approximately 2,000 standees for a total capacity of between 52,000 and 53,000 persons, including related concession areas, ancillary structures and improvements (collectively, the "Stadium"), to be located in the Borough and County of The Bronx and the City and State of New York on a parcel of land comprising the northern portion of Macomb's Dam Park and the southern portion of John Mullaly Park between River and Jerome Avenues and extending from East 161st Street to the mid-block between East 162nd and 164th Streets, which is more particularly bounded and described on Exhibit A attached hereto and which will have a street address of One East 161st Street, Bronx, New York (the "Land").

WHEREAS, the City is the fee owner of the Land upon which the Stadium will be constructed.

WHEREAS, the City will lease the Land to the Agency for the purposes of the Project for a term of 99 years pursuant to the terms of a certain Ground Lease Agreement, between the City, as landlord, and the Agency, as tenant, dated as of August 1, 2006 (the "Ground Lease"), which is intended to be recorded in the Office of the City Register, Bronx County (such Bronx County Office of the City Register, the "City Register").

WHEREAS, pursuant to the terms of this Lease Agreement, a memorandum of which will be recorded in the City Register after the recording of the Ground Lease, the Agency will sublease the Land and lease the Stadium to Tenant for an initial term as described in Section 2.01 hereof, and Tenant will agree, as agent of the Agency, to design, construct, equip, operate and maintain the Stadium.

WHEREAS, the City has entered into a recognition and attornment agreement with Tenant of even date herewith (the "Recognition Agreement"), which is intended to be recorded in the City Register after the recording of the Ground Lease.

WHEREAS, the Agency will be the owner of the Stadium.

WHEREAS, New York Yankees Partnership, an Ohio limited partnership (the "Partnership"), is the owner of the franchise for the New York Yankees Major League Baseball Team (the "Team").

WHEREAS, pursuant to the terms of a certain Stadium Sublease Agreement, dated as of August 1, 2006 (the "Stadium Sublease Agreement"), between Tenant, as sublandlord, and the Partnership, as subtenant, a memorandum of which (the "Memo of Sublease") is intended to be recorded in the City Register after the recording of the memorandum of the Lease Agreement, Tenant will sub-sublease the Land and sublease the Stadium to the Partnership for an initial term of one day less than the scheduled initial term of this Lease Agreement, subject to the terms and conditions contained therein.

WHEREAS, under the Stadium Sublease Agreement, the Partnership will be entitled to retain Stadium Revenues.

WHEREAS, in consideration of Tenant entering into the Stadium Sublease Agreement, the Partnership will assign to Tenant all of the Partnership's right, title and interest in and to Ticket Sale and Suite License Proceeds, as defined in and pursuant to a certain Assignment of Ticket Sales and Suite License Proceeds, dated as of August 1, 2006 (the "Assignment of Ticket Sales and Suite License Proceeds").

WHEREAS, the City, ESDC, the Agency and the Partnership will enter into a certain Non-Relocation Agreement, dated as of August 1, 2006 (the "Non-Relocation Agreement"), pursuant to which the Partnership will agree to cause the Team to play substantially all of its home games at the Stadium for the same period as the scheduled initial term of the Stadium Sublease Agreement, subject to the terms and conditions contained therein.

WHEREAS, pursuant to Section 874(1) of the Act, the Agency is exempt from the payment of taxes and assessments imposed upon real property owned or controlled by it,

other than special ad valorem levies, special assessments and service charges which are or may be imposed for special improvements or special district improvements.

WHEREAS, the City, the Agency and Tenant will enter into a certain Payment-in-Lieu-of-Tax Agreement, dated as of August 1, 2006 (the "**PILOT Agreement**"), to make provision for payments by Tenant in lieu of such taxes and assessments (the "**PILOTs**"), as further described in the PILOT Agreement.

WHEREAS, by Resolution No. 0259-2006 of the City Council duly adopted on April 26, 2006, the City Council has authorized, and the City has determined, that, rather than receive and deposit all of the PILOTs into its general fund, it is appropriate to direct the Agency to apply certain of the PILOTs to the construction and operation of the Stadium, as permitted under the New York City Charter and the Enabling Act.

WHEREAS, by a resolution duly adopted by its members on July 11, 2006 (the "**Authorizing Resolution**"), the Agency has authorized the undertaking of the Project, including the issuance by the Agency of (a) a series of federally tax-exempt bonds (the "**PILOT Bonds**") payable solely out of and secured by (i) revenues of the Agency derived and to be derived from the PILOTs to be made by Tenant under the PILOT Agreement, (ii) certain funds and accounts held by the Bank of New York, a New York banking corporation, as the PILOT Bond Trustee under a certain PILOT Assignment and Escrow Agreement, among the Agency, the PILOT Bond Trustee, the City, and the Bank of New York as PILOT Trustee, dated as of August 1, 2006 (the "**PILOT Assignment**"), among the Agency, the PILOT Bond Trustee, the Trustee, as the "Bond Trustee," and the City, and (iii) certain funds and accounts held by the PILOT Bond Trustee under a certain Indenture of Trust, between the Agency and the PILOT Bond Trustee dated as of August 1, 2006 (the "**Master PILOT Indenture**"), and a certain First Supplemental Indenture of Trust, between the Agency and the PILOT Bond Trustee dated as of August 1, 2006 (the "**Supplemental PILOT Indenture**"), (the Master PILOT Indenture and the Supplemental PILOT Indenture and any subsequent supplemental PILOT indenture between the Agency and the PILOT Bond Trustee being hereinafter collectively referred to as the "**PILOT Indenture**"), and (b) a series of federally taxable bonds (the "**Rental Bonds**") payable solely out of and secured by (i) revenues of the Agency derived and to be derived from certain rent payments to be made by Tenant under this Lease Agreement (the "**Rent Payments**") and (ii) certain funds and accounts held by the Bank of New York, as the "Rental Bond Trustee" under a certain Indenture of Trust, between the Agency and the Rental Bond Trustee, dated as of August 1, 2006 (the "**Master Rental Indenture**"), and a certain First Supplemental Indenture of Trust, between the Agency and the Rental Bond Trustee, dated as of August 1, 2006 (the "**Supplemental Rental Indenture**"), (the Master Rental Indenture and the Supplemental Rental Indenture being hereinafter collectively referred to as the "**Rental Indenture**"); the application of the proceeds of the PILOT Bonds as provided in the PILOT Indenture; the application of the proceeds of the Rental Bonds as provided in the Rental Indenture; and the utilization of certain exemptions from sales and use taxes, mortgage recording taxes and real property taxes.

WHEREAS, each annual obligation of Tenant to pay the PILOTs under the PILOT Agreement will be secured by a separate Leasehold PILOT Mortgage, made by the Agency and Tenant, as mortgagors, to the Agency, as mortgagee (the "**PILOT Mortgages**"), each dated as of August, 2006, which are intended to be recorded in the City Register.

WHEREAS, the Agency will assign to the PILOT Trustee all of the Agency's right, title and interest in and to (a) the PILOT Agreement pursuant to the PILOT Assignment and (b) the PILOT Mortgages pursuant to a certain Assignment of PILOT Mortgages, dated as of August 1, 2006 (the "**PILOT Mortgages Assignment**"), which is intended to be recorded in the City Register after the recording of the PILOT Mortgages, and will assign to the PILOT Bonds Trustee all of the Agency's right, title and interest in and to the representations and warranties of Tenant contained in Section 19.05 of this Lease Agreement and the covenants of Tenant contained in Section 19.06 of this Lease Agreement pursuant to a certain Partial Lease Assignment, dated as of August 1, 2006 (the "**Partial Lease Assignment**"), which is intended to be recorded in the City Register after the recording of the PILOT Mortgages Assignment.

WHEREAS, the Stadium Sublease Agreement will be subordinate to the PILOT Mortgages pursuant to the terms of a certain Subordination, Non-Disturbance and Attornment Agreement between the Partnership and the PILOT Trustee, dated as of August 1, 2006 (the "**PILOT SNDA**"), which is intended to be recorded in the City Register after the recording of the Partial Lease Assignment.

WHEREAS, the obligation of Tenant to make the Rent Payments under this Lease Agreement will be secured by a certain Leasehold Rental Mortgage, made by the Agency and Tenant, as mortgagors, to the Agency, as mortgagee, dated as of August 1, 2006 (the "**Rental Mortgage**"), which is intended to be recorded in the City Register after the recording of the PILOT Mortgages Assignment.

WHEREAS, the Rental Mortgage will be subordinate to the PILOT Mortgages pursuant to the terms of a certain Mortgage Subordination, Standstill and Recognition Agreement between the PILOT Trustee and the Rental Bond Trustee, dated as of August 1, 2006 (the "**Subordination of Mortgage**"), which is intended to be recorded in the City Register, after the recording of the Rental Mortgage.

WHEREAS, the Agency will assign to the Rental Bond Trustee all of the Agency's right, title and interest in and to (a) so much of the Rent Payments as are necessary to pay the debt service on the Rental Bonds pursuant to a certain Partial Rent Assignment, dated as of August 1, 2006 (the "**Partial Rent Assignment**"), which is intended to be recorded in the City Register after the recording of the Subordination Mortgage, and (b) the Rental Mortgage pursuant to a certain Assignment of Rental Mortgage, dated as of August 1, 2006 (the "**Rental Mortgage Assignment**"), which is intended to be recorded in the City Register after the recording of the Partial Rent Assignment.

WHEREAS, the Stadium Sublease Agreement will be subordinate to the Rental Mortgage pursuant to the terms of a certain Subordination, Non-Disturbance and Attornment Agreement between the Partnership and the Rental Bond Trustee, dated as of August 1, 2006 (the "**Rental SNDA**"), which will by its terms be subordinate to the PILOT SNDA, and which is intended to be recorded in the City Register after the recording of the Rental Mortgage Assignment.

WHEREAS, the proceeds of the PILOT Bonds and the Rental Bonds will be disbursed to Tenant, as the agent of the Agency, and applied to pay certain costs and items of

expense paid or incurred by or on behalf of the Agency in connection with the design, development, acquisition, construction and equipping of the Stadium.

WHEREAS, the Assignment of Ticket Sales and Suite License Proceeds, the PILOT Agreement, the PILOT Bonds, the PILOT Assignment, the PILOT Indenture, the Rental Bonds, the Rental Indenture, the PILOT Mortgages, the PILOT SNDA, the Partial Lease Assignment, the PILOT Mortgages Assignment, the Rental Mortgage, the Subordination of Mortgage, the Partial Rent Assignment and the Rental Mortgage Assignment and the Rental SNDA are hereinafter collectively referred to as the "Bond Documents."

ARTICLE 1

DEFINITIONS

"AAA" shall have the meaning set forth in Section 35.01(c).

"Act" shall have the meaning set forth in the Preamble.

"Additional Rent" shall mean the Rental payable pursuant to Section 3.02.

"Advertising Signage" means and includes any and all advertising signs and other advertising media, including without limitation names, logos and corporate identifiers, that may be located at the Premises at any time, including, without limitation, any and all such advertising media in or affixed to the Stadium or any part thereof, including static signs, video and/or audio displays, holograms, electronic insertions in any communications or display media, billboards, scoreboards, clocks, concourses, seats, fences, and grandstands.

"Agency" shall have the meaning set forth in the Preamble.

"Agreement" shall have the meaning set forth in Section 22.01(a)(v).

"Approved Change Order" means any Change Order which has been approved by Construction Manager, Construction Monitor, the Architect and Tenant.

"Architect" shall have the meaning set forth in Section 12.02(b).

"Architect's Agreement" means the agreement between the Partnership and the Architect for architectural, engineering and consulting services in connection with the design, construction and equipping of the Stadium, as assigned by Partnership to Tenant together with any and all amendments and modifications thereof approved by Construction Monitor.

"Assignee" shall have the meaning set forth in Section 17.01(c).

"Assignment" shall have the meaning set forth in Section 17.01(c).

"Assignment of Ticket Sales and Suite License Proceeds" shall have the meaning set forth in the Preamble.

“Authorizing Resolution” shall have the meaning set forth in the Preamble.

“Base Rent” shall have the meaning set forth in Section 3.01.

“Baseball Season” means the professional baseball season of Major League Baseball in any year as measured from the commencement of spring training for any Major League Baseball Club through the date of the last post-season game played by any Major League Baseball Club under the League Schedule.

“Board of Managers” shall mean the board of managers (or its functional equivalent) of Tenant.

“Bond” or “Bonds” means PILOT Bonds or Rental Bonds.

“Bond Documents” shall have the meaning set forth in the Preamble.

“Bondholder” means a holder of a Bond or Bonds.

“Bond Trustee” shall have the meaning set forth in the Preamble.

“Bureau” shall have the meaning set forth in Section 22.01.

“Business Day” means any day other than a Saturday or Sunday or a legal holiday on which national banking associations in New York, New York are authorized or delegated, by law, governmental decree or executive order, to be closed.

“Capital Expenditures” shall have the meaning set forth in the Stadium Sublease.

“Capital Improvement” means a change, alteration or addition to or replacement of all or any structural component or building or mechanical systems of the Stadium, or any Construction Work in excess of \$1,000,000 (increasing annually on the anniversary of the Commencement Date by a percentage equal to the increase, if any, in the Consumer Price Index above the prior anniversary thereof or on the first anniversary of Substantial Completion, as applicable, above the Commencement Date) other than the initial construction of the Stadium, decorative changes, non-structural minor alterations or a Restoration.

“Capital Transaction” shall have the meaning set forth in Section 17.01(c)(iii).

“Casualty Restoration” shall have the meaning set forth in Section 15.02(a).

“CCIP” shall have the meaning set forth in Section 14.11.

“CDO” shall have the meaning set forth in the definition of “Institutional Lender.”

“Certificate” shall have the meaning set forth in Section 34.01(c).

"Certificate of Occupancy" means the earlier to be issued of a temporary or permanent certificate of occupancy, or its functional equivalent, issued by the City's Department of Buildings, or other City agency having jurisdiction over the Premises.

"Certificate of Substantial Completion" means the certificate of the Architect on AIA Document G704 (or its equivalent) stating that the Stadium has been completed substantially in accordance with the Drawings and Specifications.

"Change Order" means any change with respect to the construction and/or equipping of the Stadium under a Major Subcontract prepared on AIA Document G701.

"City" means the City of New York, acting, unless expressly stated to the contrary, in its proprietary capacity. No specific provision in this Lease Agreement that the City is acting in its proprietary capacity shall in any way impair or diminish the general applicability of the preceding sentence with respect to any reference to the City which does not contain such a specific provision.

"City Register" shall have the meaning set forth in the Preamble.

"Commence Construction of the Stadium Project" and "Commencement of Construction of the Stadium Project" and similar terms shall have the meaning set forth in Section 8.01(b).

"Commencement Date" means August 22, 2006.

"Common Control" shall have the meaning set forth in Section 17.01(c)(xi).

"Common Ownership" shall have the meaning set forth in Section 17.01(c)(x).

"Comptroller" means the Comptroller of the City of New York.

"Concession Facilities" means any and all facilities and areas at the Premises, including, but not limited to, stands, kiosks, public and private clubs, bars and restaurants and ancillary closets and storage facilities, that are used for the storage, preparation, display, distribution and sale of food, beverages, souvenirs, scorecards, programs, publications, merchandise, apparel, internet service and service relating to other technology now existing or hereafter developed and/or other goods and services.

"Condemnation Restoration" shall have the meaning set forth in Section 16.03(a).

"Consent of Surety to Final Payment" means the consent to the final disbursement of bond proceeds given by the sureties which issued any Payment and Performance Bonds.

"Construction Agreements" means an agreement for any Construction Work, including without limitation Subcontracts, a Construction Management Agreement and any agreement with the Construction Monitor.

"Construction Costs" means any amounts to be paid by Tenant, as the agent of Landlord, under a Construction Management Agreement and the Subcontracts for all Construction Work to be performed and all materials to be supplied in connection with the initial construction and equipping of the Stadium.

"Construction Cost Breakdown" means the breakdown of the Construction Costs by trades.

"Construction Management Agreement" means any agreement to be entered into between Tenant and a Construction Manager with respect to the construction and equipping of the Stadium, together with any and all amendments and modifications thereof approved by Construction Monitor, and any such agreement for Construction Work in connection with a Restoration, Capital Improvement or other Construction Work performed after the initial construction of the Stadium.

"Construction Manager" means Turner Construction Company or another construction manager having experience in major commercial projects retained by Tenant and approved by Landlord, such approval not to be unreasonably withheld, delayed or conditioned.

"Construction Monitor" shall mean Tishman Speyer Development LLC or another firm retained by Tenant and approved by the Lease Administrator (which approval shall not be unreasonably withheld, delayed or conditioned), at Tenant's sole cost and expense, for the purpose of reviewing the Contract Documents, making inspections of the Stadium during the Construction Period and issuing quarterly reports to the Lease Administrator that (a) detail the Construction Work completed to date, (b) review and concur on all requisitions for disbursement of bond proceeds, (c) provide an analysis of the adequacy of the sources of funds to complete the Project and (d) analyze and concur on all proposed Change Orders.

"Construction Period" means the period beginning on the Commencement Date and ending on the Substantial Completion Date.

"Construction Progress Schedule" means the schedule with respect to the construction and equipping of the Stadium prepared by Construction Manager.

"Construction Work" means the following construction performed by or on behalf of Tenant (as agent of Landlord) with respect to the Stadium Project: the initial construction, any Restoration and any Capital Improvement.

"Contract Documents" mean the Architect's Agreement, the Plans and Specifications, the Major Subcontracts and the Construction Management Agreement.

"Contractor" means any Person performing Construction Work under a Construction Agreement.

"Conviction" shall have the meaning set forth in Section 33.07(c)(ii).

"Date of Taking" shall have the meaning set forth in Section 16.01(c).

"Default" means any condition or event, or failure of any condition or event to occur, which constitutes or would, after notice or the lapse of time, or both, constitute an Event of Default.

"Director" means a Director of the Bureau of Labor Services of the City of New York.

"DOF" shall have the meaning set forth in Section 32.01.

"DPR" shall mean the New York City Department of Parks and Recreation, or its successor-in-function.

"EDC" means New York City Economic Development Corporation, a not for-profit local development corporation pursuant to Section 1411 of the New York Not-for-Profit Corporation Law.

"Eligibility Requirements" shall have the meaning set forth in the definition of "Institutional Lender."

"Enabling Act" shall have the meaning set forth in the Preamble.

"Equipment" means all fixtures and equipment incorporated in, or permanently attached to, the Stadium and shall include, but shall not be limited to, all machinery, apparatus, devices, motors, engines, dynamos, compressors, pumps, boilers and burners, heating, lighting, plumbing, ventilating, air cooling and air conditioning equipment; chutes, ducts, pipes, tanks, fittings, conduits and wiring; incinerating equipment; elevators, escalators and hoists; doors, hardware; floor, wall and ceiling coverings; wash room, toilet and lavatory equipment; lockers; signage; scoreboards; windows, window washing hoists and equipment; communication equipment; and all additions or replacements thereof, in each case as incorporated into, or permanently attached to, the Stadium by Tenant, as agent of Landlord, pursuant to the Plans and Specifications or otherwise incorporated in or permanently attached to the Stadium in accordance with the terms of this Lease Agreement, but excluding, however, from the definition of "Equipment" any other personalty or trade fixtures not incorporated into or permanently attached to the Premises.

"Equity Interest" shall have the meaning set forth in Section 17.01(c)(iv).

"ESDC" means the New York State Urban Development Corporation, doing business as Empire State Development Corporation, a public instrumentality of the State of New York.

"Event of Default" shall have the meaning set forth in Section 24.01.

"Evidence of Completion" means (a) the Certificate of Substantial Completion, (b) a Certificate of Occupancy for the completed Stadium, (c) a satisfactory completion survey, (d) a complete set of the "as built" Drawings and Specifications, (e) the policies (or certificates) of insurance required by this Lease Agreement converting the property insurance coverage from

the so-called "builder's risk" form to the standard "all-risk" or "extended coverage" form, and (f) the Consent of Surety to Final Payment.

"Expiration Date" shall have the meaning set forth in Section 2.01(b).

"Extended Term(s)" shall have the meaning set forth in Section 2.02.

"Family Member" shall have the meaning set forth in Section 17.01(c).

"Fee Owner" means the City, or any successor in interest in fee title to the Land.

"Fixed Expiration Date" shall have the meaning set forth in Section 2.01(b).

"Franchise" shall have the meaning set forth in Section 38.23(a).

"Full Replacement Value" shall have the meaning set forth in Section 14.01(b).

"GAAP" shall mean generally accepted accounting principles.

"Governmental Authority" or "Authorities" means the United States of America, the State of New York, the City and any agency, department, legislative body, commission, board, bureau, instrumentality or political subdivision of any of the foregoing, now existing or hereafter created, having jurisdiction over the Premises or any portion thereof or any street, road, avenue, sidewalk or water immediately adjacent to the Premises, or any vault in or under the Premises, or over the design, development, acquisition, construction, equipping, ownership, use, operation, maintenance, repair, rebuilding and/or leasing of the Stadium.

"Ground Lease" shall have the meaning set forth in the Preamble.

"Guidelines" shall have the meaning set forth in Section 38.23(a).

"Hazardous Materials" shall have the meaning set forth in Section 21.01(h).

"Hazardous Materials Claims" shall have the meaning set forth in Section 18.01(c).

"Hazardous Materials Laws" shall have the meaning set forth in Section 18.01(b).

"Hearing" shall have the meaning set forth in Section 33.07(a).

"Hearing Officers" shall have the meaning set forth in Section 33.07(a).

"Home Stand" shall mean a series of successive games played by the Team at the Stadium against a Major League Baseball Club.

"IDA" shall mean the New York City Industrial Development Authority, but not any successor to its interest as the holder of landlord's interest under this Lease Agreement.

“Imposition” and **“Impositions”** shall each have the meaning set forth in **Section 6.01(b)**.

“Improvements” means the Stadium and any and all structures or other improvements and Equipment and appurtenances of every kind and description now existing on the Land or hereafter erected, constructed, or placed upon the Land or any portion thereof, including, but not limited to, landscaping and any and all alterations thereto, replacements thereof, and substitutions therefor but excluding any trade fixtures and personalty not permanently incorporated into or attached to the Premises.

“Indemnitees” shall have the meaning set forth in **Section 21.01**.

“Indicted Party” shall have the meaning set forth in **Section 33.07(a)**.

“Initial Mortgage Termination Date” shall have the meaning set forth in **Section 19.05(g)**.

“Initial Mortgages” shall have the meaning set forth in **Section 19.05(c)**.

“Initial Term” shall have the meaning set forth in **Section 2.01(b)**.

“Institutional Lender” means any (A) savings bank, a savings and loan association, a commercial bank or trust company (whether acting individually or in a fiduciary capacity), investment bank, REIT, an insurance company organized and existing under the laws of the United States or any state thereof, a not-for-profit religious, educational or eleemosynary institution, employee's welfare, benefit, pension or retirement fund, any governmental agency or entity insured by a governmental agency, a credit union, investment bank or company, trust or endowment fund or any combination of Institutional Lenders; (B) an investment company, money management firm or “qualified institutional buyer” within the meaning of Rule 144A under the Securities Act of 1933, as amended, or an institutional “accredited investor” within the meaning of Regulation D under the Securities Act of 1933, as amended, provided that any such Person referred to in this clause (B) satisfies the Eligibility Requirements; (C) an institution substantially similar to any of the foregoing entities, described in clauses (A) or (B) that satisfies the Eligibility Requirements; (D) any entity controlled by any of the entities described in clauses (A), (B) or (C) above; (E) a Qualified Trustee in connection with a securitization of or the creation of collateralized debt obligations (“CDO”) secured by or financing through an “owner trust” of a loan to finance the Stadium Project or a Capital Improvement, (collectively, “Securitization Vehicles”), so long as (A) the special servicer or manager of such Securitization Vehicles has the Required Special Servicer Rating and (B) the entire “controlling class” of such Securitization Vehicle, other than with respect to a CDO Securitization Vehicle, is held by one or more entities that are otherwise Institutional Lenders under clauses (A), (B), (C) or (D) of this definition; provided that the operative documents of the related Securitization Vehicle require that (1) in the case of a CDO Securitization Vehicle, the “equity interest” in such Securitization Vehicle is owned by one or more entities that are Institutional Lenders under clauses (A), (B), (C) or (D) of this definition and (2) if any of the relevant trustee, special servicer, manager fails to meet the requirements of this clause (F), such Person must be replaced by a Person meeting the requirements of this clause (F) within thirty (30) days; or (F) an investment fund, limited

liability company, limited partnership or general partnership where an Institutional Lender under clauses (A), (B), (C) or (D) of this definition acts as the general partner, managing member or fund manager and at least 50% of the equity interests in such investment vehicle are owned, directly or indirectly, by one or more entities that are otherwise Institutional Lenders under clauses (A), (B), (C) or (D) of this definition.

For the purpose of this definition, "Eligibility Requirements" means, with respect to any Person, that such Person (a) is subject to the jurisdiction of the courts of the State of New York in any actions pertaining to or arising in connection with the lease of the Premises or portion thereof and (b) has net assets of not less than One Hundred Million Dollars (\$100,000,000), or such lower amount as is deemed acceptable in Landlord's sole reasonable discretion.

For the purpose of this definition, "Qualified Trustee" means (i) a corporation, national bank, national banking association or a trust company, organized and doing business under the laws of any state or the United States of America, authorized under such laws to exercise corporate trust powers and to accept the trust conferred, and subject to supervision or examination by federal or state regulatory authority, (ii) an institution insured by Federal Deposit Insurance Corporation or (iii) an institution whose long-term senior unsecured debt is rated in either of the then in effect top two rating categories of S&P, Moody's Investors Service, Inc., Fitch, Inc., or any other nationally-recognized statistical rating agency; and, in both of cases (i) and (ii), having a combined capital and surplus of at least Two Hundred Fifty Million Dollars (\$250,000,000).

For the purpose of this definition, "Required Special Servicer Rating" means (i) a rating of "CSSI" in the case of Fitch, (ii) on the S&P list of approved special servicers in the case of S&P and (iii) in the case of Moody's, such special servicer is acting as special servicer in a commercial mortgage loan securitization that was rated by Moody's within the twelve (12) month period prior to the date of determination, and Moody's has not downgraded or withdrawn the then-current rating on any class of commercial mortgage securities or placed any class of commercial mortgage securities on watch citing the continuation of such special servicer as special servicer of such commercial mortgage securities. Institutional Lenders shall also include any other Person approved by Landlord, such approval not to be unreasonably withheld, which Landlord will provide or deny within ten (10) Business Days of a written request for approval that expressly sets forth the ten (10) Business Day turnaround time set forth herein; provided that Landlord may condition its approval upon submission of background investigation forms and there being no information revealed as a result of same that such proposed lender is a Prohibited Person.

In all of the above cases, any Person shall qualify as an Institutional Lender only if it shall (a) be subject (by law or by consent) to service of process within the State of New York, and (b) have (or its manager or trustee shall have) a net worth of not less than Fifty Million Dollars (\$50,000,000) and net assets of not less than Two Hundred Fifty Million Dollars (\$250,000,000) (except that (b) shall not apply in the case of a governmental agency and any entity subject to the Two Hundred Fifty Million Dollars (\$250,000,000) combined capital and surplus test). "Institutional Lender" shall also mean any subsidiary of any of the foregoing, and any other trustee or fiduciary for the holders of bonds, notes, commercial paper or other evidence

of indebtedness approved by Landlord, which approval shall not be unreasonably withheld, provided that Landlord may condition its approval upon submission of background investigation forms and there being no information revealed as a result of same that such proposed lender is a Prohibited Person.

"Insured Persons" shall have the meaning set forth in Section 14.07(c).

"Interest Rate" means the rate of interest paid on City twenty (20) year general obligation bonds plus 100 basis points (one (1%) percent) at the time the amount is due on which the Interest Rate is to be calculated under this Lease Agreement.

"Land" shall have the meaning set forth in the Recitals.

"Landlord" shall have the meaning set forth in the Preamble.

"Landlord's Suite" shall have the meaning set forth in Section 4.04(a).

"Landlord's Tickets" shall have the meaning set forth in Section 4.04(b).

"Late Charge Rate" shall have the meaning set forth in Article 13.

"League Schedule" means the schedule of Major League Baseball games issued by Major League Baseball each year and as modified, including preseason, exhibition, regular-season and post-season games.

"Lease Administrator" means, as more fully described in Section 38.24 hereof, DPR, or its successor-in-function, or such other governmental or quasi-governmental agency or instrumentality designated by Landlord in writing to Tenant and the Partnership.

"Lease Agreement" means this Lease Agreement and all exhibits attached hereto and all amendments, modifications and supplements hereof and thereof.

"Lease Documents" shall mean the Lease Agreement, the Stadium Sublease Agreement, the Assignment of Ticket Sales and Suite License Proceeds, the Rental Mortgage, the Recognition Agreement and the SNDAs.

"Lease Year" means the twelve-month period beginning on each January 1, and ending each December 31 during the Term (as hereinafter defined), except that the first Lease Year shall mean the period from the Commencement Date to December 31, 2006, and the last Lease Year shall be the period between the Expiration Date and the immediately preceding January 1.

"Major League Baseball" means, collectively, the MLB Entities.

"Major League Baseball Club" means any baseball team that is recognized as a major league baseball club by Major League Baseball or any successor entity.

“Major Subcontract” means any Subcontract having a contract price in excess of \$1,000,000.00.

“Major Subcontractor” means any Subcontractor performing work and/or supplying materials under a Major Subcontract.

“Marks” means all names (including, without limitation, “New York Yankees,” “Yankees,” “NY” (interlocking Tiffany design), “Yankee Stadium” and “Bronx Bombers”), symbols, seals, emblems, logos (including, without limitation, Yankees top hat), insignia, trademarks, trademark applications, trade names, service marks and trade styles (including all derivatives, associated designs and registrations thereof) of the Partnership and the Team whether now existing or hereafter created or obtained.

“Memo of Sublease” shall have the meaning set forth in the Preamble.

“MLB Actions” means any actions taken by any of the MLB Entities in furtherance of the MLB Documents and MLB Rules and Regulations.

“MLB Documents” means the constitution, bylaws, rules, regulations and practices of Major League Baseball in effect from time to time, including without limitation, the following documents, including any successor documents, revised versions, replacements or amendments thereof: (a) the Major League Constitution; (b) the MLB Rules and Regulations, including all attachments thereto; (c) the Professional Baseball Agreement (the “Professional Baseball Agreement”) between Office of the Commissioner of Baseball, on behalf of itself and the Major League Baseball Clubs and the National Association of Professional Baseball Leagues; (d) the Basic Agreement (the “Basic Agreement”) effective as of September 30, 2002 by and between the Major League Baseball Clubs and the Major League Baseball Players Association; (e) the Amended and Restated Agency Agreement (“MLBP Agency Agreement”) effective as of November 1, 2003 by and between Major League Baseball Properties, Inc. the various Major League Baseball Clubs, the American and National Leagues of Professional Baseball Clubs and the Office of the Commissioner of Baseball (and related Operating Guidelines); (f) the Interactive Media Rights Agreement; and (g) any amendments and any interpretations to items (a)-(f) above issued from time to time by the Commissioner of Baseball.

“MLB Entities” means Office of the Commissioner of Baseball, American League of Professional Baseball Clubs (to the extent of any continuing applicability), National League of Professional Baseball Clubs (to the extent of any continuing applicability), Major League Baseball Enterprises, Inc., Major League Baseball Properties, Inc., MLB Advanced Media, L.P., MLB Advanced Media, Inc., MLB Media Holdings, Inc., MLB Media Holdings, L.P., MLB Online Services, Inc., and/or any of their respective present or future affiliates, assigns or successors.

“MLB Rules and Regulations” means (i) any present or future agreements or arrangements regarding the telecast, broadcast, cablecast (including pay, basic, expanded basic, pay-per-view and video-on-demand), recording (audio or visual), or other transmission or retransmission (including, but not limited to, transmission via the internet or any other medium of interactive communication, now known or hereafter developed) of Major League Baseball

games, and/or other MLB Entities; (ii) any other present or future agreements or arrangements entered into with third parties by, or on behalf of, any commerce, and/or the exploitation of intellectual property rights in any medium, including the internet or any other medium of interactive communication; (iii) any present or future agreements or arrangements entered into by the Major League Baseball Clubs and/or one or more of the MLB Entities (including, without limitation, the MLB Documents); and (iv) the applicable rules, regulations, policies, bulletins or directives issued or adopted either by the Commissioner of Baseball or otherwise pursuant to the Major League Constitution or any such agency agreement; as the same may be subsequently amended, modified or otherwise supplemented from time to time.

“Monthly Draw Schedule” means the schedule of the estimated monthly disbursements of bond proceeds prepared by the Construction Manager and furnished to Tenant, the Lease Administrator, the Construction Monitor, the PILOT Trustee and the Rental Bond Trustee.

“Mortgage” shall have the meaning set forth in Section 17.02(b).

“Mortgagee” means the holder of a Mortgage.

“Naming Rights” shall have the meaning set forth in Section 7.01(a).

“Nationally Recognized Bond Counsel” means Nixon Peabody LLP, or other law firm having at least three (3) attorneys specializing in public finance and whose public financing attorneys cumulatively have at least 15 years in representing public instrumentalities and municipalities in the issuance of bonds and notes in at least 3 states.

“Non-Relocation Agreement” shall have the meaning set forth in the Preamble.

“OCIP” shall have the meaning set forth in Section 14.11.

“Official Statement” shall mean the Official Statement dated August 1, 2006 with respect to PILOT Revenue Bonds, Series 2006 (Yankee Stadium Project) in the aggregate principal amount of \$942,555,000.

“Operating Agreement” shall mean the Operating Agreement of Tenant dated as of March 17, 2006, as amended or supplemented as may be permitted herein.

“Other Entity” or “Other Entities” has the meaning set forth in Section 19.05(1)(B).

“Owner” shall have the meaning set forth in Section 22.01(a)(vi).

“Partnership” shall have the meaning set forth in the Preamble.

“Payment and Performance Bonds” means the labor and material payment and performance bonds with respect to certain Major Subcontractors to the extent required by Tenant. Landlord shall be named as a co-obligee under said Bonds.

"Permitted Encumbrances" means (i) the Initial Mortgages; (ii) the Stadium Sublease Agreement; (iii) easements, licenses or rights-of-way, over, under or upon the real property on which the Stadium is located, so long as such easements, licenses or rights-of-way do not diminish or destroy the value or usefulness of the Stadium, and any lien, encumbrance or restriction permitted in accordance with the Initial Mortgages; (iv) liens for Impositions not then delinquent; (v) any subleases, concessions, occupancy agreements and licenses consistent with the rights and obligations of Tenant under this Lease Agreement; (vi) such minor defects, irregularities, encumbrances, easements, rights-of-way, covenants running with the land and clouds on title as normally exist with respect to properties similarly used and which do not materially impair the property affected thereby or the use of such property for the purpose for which it is held; and (vii) Title Matters.

"Permitted Person" shall have the meaning set forth in Section 17.01(c)(vi).

"Permitted Transaction" shall have the meaning set forth in Section 17.01(b).

"Person" means an individual, corporation, limited liability company, partnership, joint venture, estate, trust, unincorporated association; any federal, state, county or municipal government or any bureau, department or agency thereof; and any fiduciary acting in such capacity on behalf of any of the foregoing.

"PILOTs" shall have the meaning set forth in the Preamble.

"PILOT Agreement" shall have the meaning set forth in the Preamble. A copy of the executed PILOT Agreement is attached hereto as Exhibit B.

"PILOT Assignment" shall have the meaning set forth in the Preamble.

"PILOT Bonds" shall have the meaning set forth in the Preamble.

"PILOT Bonds Indenture" shall have the meaning set forth in the Preamble.

"PILOT Documents" shall mean the PILOT Agreement, the PILOT Assignment, the PILOT Mortgages and the PILOT Mortgage Assignment.

"PILOT Mortgages" shall have the meaning set forth in the Preamble.

"PILOT Payments" shall have the meaning set forth in the Preamble.

"PILOT SNDA" shall have the meaning set forth in the Preamble.

"PILOT Trustee" means the PILOT Trustee under the PILOT Assignment.

"Plans and Specifications" shall have the meaning set forth in Section 8.01(b).

"Police Substation" means that space within the Stadium structure that is or is to be reserved to the City and excluded from the Premises demised by the City to Landlord (as tenant) under the Ground Lease and from the Premises demised hereunder, which are to be used

and occupied by the New York City Police Department for police operations, as generally described in Exhibit E attached hereto, the exact size and other details relating thereto, and provisions for a One Million Dollar (\$1,000,000) contribution from Tenant to the City for build-out costs relating thereto, to be set forth in an amendment to this Lease Agreement.

"Premises" means the Land and the Improvements, other than the Police Substation.

"Prime Rate" means the rate publicly announced as "prime rate" from time to time by JPMorgan Chase Bank, N.A., or its successors, at its principal office in New York City. Any interest payable under this Lease Agreement with reference to the Prime Rate shall be adjusted on a daily basis, based upon the Prime Rate in effect at the time in question, and shall be calculated on the basis of a 365-day year.

"Prohibited Person" shall have the meaning set forth in Section 17.01(d).

"Project" shall have the meaning set forth in the Preamble.

"Project Budget" shall mean a budget prepared by Tenant which identifies all estimated costs of the Project and includes an estimated capital expenditure and estimated drawdown schedule by cost category.

"Project Documents" shall mean the Construction Agreements, the PILOT Documents and the Lease Documents.

"Purchasing Rep" shall have the meaning set forth in Section 4.04(b).

"Qualified Trustee" shall have the meaning set forth in the definition of "Institutional Lender."

"Recognition Agreement" shall have the meaning set forth in the Preamble.

"Recognized Mortgage" shall have the meaning set forth in Section 17.03(b).

"Recognized Mortgagee" shall mean the holder of a Recognized Mortgage.

"Rental" means all of the amounts payable by Tenant pursuant to this Lease Agreement (including without limitation amounts payable by cross reference to other agreements), including, without limitation, Base Rent, Additional Rent, and any other sums, costs, expenses or deposits which Tenant is obligated, pursuant to any of the provisions of this Lease Agreement, to pay and/or deposit, but excluding PILOT.

"Rental Bonds" shall have the meaning set forth in the Preamble.

"Rental Bonds Indenture" shall have the meaning set forth in the Preamble.

"Rental Bonds Mortgage" shall have the meaning set forth in the Preamble.

"Rental SNDA" shall have the meaning set forth in the Preamble.

"Required Special Services Rating" shall have the meaning set forth in the definition of "Institutional Lender."

"Required Approvals" means all site plan, zoning, land use, subdivision, environmental, building, sewer hook up, curb cut and other permits, approvals, consents or variances which are required by Governmental Authorities in connection with the construction and equipping of the Stadium.

"Requirements" shall have the meaning set forth in Section 18.01(b).

"Restoration" means a Casualty Restoration or a Condemnation Restoration.

"Restoration Funds" shall have the meaning set forth in Section 15.03(a).

"Reviewable Features" shall have the meaning set forth in Section 8.01(b).

"Restoration Funds" shall have the meaning set forth in Section 15.03(a).

"Sales Taxes" means New York State and City sales and compensating use taxes.

"Scheduled Completion Date" shall have the meaning set forth in Section 8.01(a).

"Schematics" shall have the meaning set forth in Section 8.01(b).

"Securitization Vehicles" shall have the meaning set forth in the definition of "Institutional Lender."

"SEQRA" means the Environmental Quality Review Act of the State of New York.

"SNDAs" shall mean, collectively, the PILOT SNDA and the Rental SNDA.

"Stadium" shall have the meaning set forth in the Preamble.

"Stadium Project" shall mean the design and development of a first class, Major League Baseball stadium, having a seating capacity of approximately 50,000 seats and approximately 2,000 standees for a total capacity of between 52,000 and 53,000 persons, principally for use by the Team for its Team Events (but without limiting Tenant's other rights under Section 4.03), but shall not include the Police Substation, except for such work that is or is to be the responsibility of Tenant under the express provisions of this Lease Agreement, as may be amended.

"Stadium Revenues" shall mean any and all revenues derived from any source now or hereafter existing that are generated by and associated with the operation or use of the Stadium, including but not limited to, revenues derived from all events and activities of any kind and manner at the Premises, and consisting of, but not limited to, all cash and receivables relating to ticket sales, luxury suite license fees, food and beverage concessions, Naming Rights, club seats, personal seat licenses, novelties, memorabilia, broadcast rights, internet service and

technology, club memberships, Advertising Signage and other advertising, product rights and lease or licensing fees.

"Stadium Sublease Agreement" shall have the meaning set forth in the Preamble.

"State" shall have the meaning set forth in the Preamble.

"Stay Period" shall have the meaning set forth in Section 38.23(a).

"Subcontract" means any contract, subcontract, purchase order or materials contract between a Construction Manager (or any general contractor) and a Subcontractor for the performance of certain work and/or the supplying of certain materials and any further level of subcontracting in connection with the construction and/or equipping of the Stadium or any Restoration, Capital Improvements or other Construction Work, whether performed before the commencement of the construction of the Stadium, during such construction, or after Substantial Completion.

"Subcontractor" means any Person who has agreed to perform certain work and/or to supply certain materials in connection with the construction, improvement, Restoration and/or equipping of the Stadium under a Subcontract.

"Sublease" shall have the meaning set forth in Section 17.01(c)(vi).

"Substantial Completion", "Substantially Completed" or "Substantially Complete Construction of the Stadium" or similar terms used with respect to the construction of the Stadium and any other Construction Work means the condition of construction of the Stadium Project or any component thereof that is substantially in accordance with Contract Documents, if applicable, and the plans and specifications and in accordance with all Requirements, for which a Certificate of Occupancy has been issued, if required, and which is ready for the Team to play its Team Home Games.

"Substantial Completion Date" means the date on which the Stadium is Substantially Completed.

"Substantial Taking" shall have the meaning set forth in Section 16.01(b).

"Subtenant" means any occupant pursuant to a Sublease of all or any part of the Premises.

"Taking" shall have the meaning set forth in Section 16.01(a).

"Taxes" means the real property taxes assessed and levied against the Premises or any part thereof (or, if the Premises or any part thereof or the owner or occupant thereof is exempt from such real property taxes then the real property taxes assessed and which would be levied if not for such exemption), pursuant to the provisions of Chapter 58 of the Charter of New York City and Title 11, Chapter 2 of the Administrative Code of New York City, as the same may now or hereafter be amended, or any statute or ordinance in lieu thereof in whole or in part.

“Team” means the Major League Baseball Club owned by or under common ownership with Tenant, currently known as the “New York Yankees”, that is using the Stadium as its home stadium pursuant to this Lease Agreement, the Stadium Sublease Agreement and the Non-Relocation Agreement.

“Team Events” means (1) Team Games; (2) the Team's practice and training activities; (3) promotional or community outreach activities involving baseball or baseball related-events, such as youth baseball clinics and autograph sessions; (4) entertainment programs or activities that occur during or immediately prior to or immediately after Team Home Games and (5) any activities relating to any sponsor or potential sponsor, any baseball-related activities, including any “all-star” games, and baseball-related community or promotional events of any kind.

“Team Games” means all games played or to be played at any time of the year by the Team under the League Schedule or otherwise as a member of the League and all games played or to be played at any time of the year between the Team and a minor league affiliate, college team, Olympic team, foreign baseball team or other baseball team.

“Team Home Games” means each Team Game played at the Stadium that is designated as a “home game” in the League Schedule.

“Team Season” means that part of the Baseball Season starting from the Team Home Game opening day to the date of the last Team Home Game in each Lease Year.

“Temporary Taking” shall have the meaning set forth in Section 16.04.

“Tenant”, on the date of this Lease Agreement, means Yankee Stadium LLC.

“Term” means the Initial Term, as extended by any Extended Term.

“Title Matters” shall have the meaning set forth in Section 2.01(a).

“Transfer” shall have the meaning set forth in Section 17.01(c)(viii).

“Transferee” shall have the meaning set forth in Section 17.01(c)(ix).

“Unavoidable Delays” means delays beyond the reasonable control of one party which have the effect of delaying such party's performance of its obligations hereunder and which are due to, as applicable, strikes, slowdowns, walkouts, lockouts, acts of God, catastrophic weather conditions (such as floods, extraordinary high water conditions, unusually high tides, unusual and prolonged heat or cold conditions, hurricanes or other extraordinary wind conditions, or extraordinary rain, snow, sleet or earthquakes or tornadoes), unforeseen environmental contamination conditions, inaccessibility of transportation or access to the Stadium, court orders enjoining commencement or continuation of the Stadium Project, or pendency of litigation seeking such court orders, delays in insurance adjustment or collection, enemy action (including undeclared wars), civil commotion, riot, terrorism, extraordinary public security measures such as martial law or quarantine of an area in which the Premises are located, fire, casualty, unavailability of materials notwithstanding such party's commercially reasonable

efforts to obtain such materials, or other cause not within such party's control that is causing a delay in such party's performance of its obligations hereunder, of which the obligated party shall have notified the other party in writing, stating when such delay commenced, not later than ten (10) Business Days after the obligated party has first received knowledge of the occurrence of any of the foregoing conditions, provided that no notice shall be required if Landlord knew about the events causing such Unavoidable Delay.

"Yankees Party" shall have the meaning set forth in Section 17.01(g)(i)(D).

"Zoning Resolution" shall have the meaning set forth in Section 18.01(b)(i).

ARTICLE 2

DEMISE OF PREMISES AND TERM OF LEASE

Section 2.01. Demise of Premises and Term of Lease.

(a) Landlord does hereby demise and lease to Tenant, and Tenant does hereby hire and take from Landlord, the Premises, on the terms and conditions set forth herein, and in its "as-is" condition, and subject to the terms and conditions hereof and the title exceptions set forth in ~~Schedule A attached hereto and any and all encumbrances, exceptions, reservations, conditions of title and other matters affecting Landlord's interest in the Premises as of the date hereof (collectively, "Title Matters")~~ and less and except the Police Substation. The City has reserved an easement in the Ground Lease to construct, fit up, support, operate, maintain and repair the Police Substation and for ingress and egress to and from the Police Substation.

(b) TO HAVE AND TO HOLD unto Tenant, its permitted successors and assigns, for a term commencing on the Commencement Date and terminating on the sooner to occur of (i) the later of (A) the fortieth (40th) anniversary of the Commencement Date, and (B) if such fortieth (40th) anniversary occurs during the Baseball Season, the ninetieth (90th) day following the end of the Baseball Season during which the fortieth (40th) anniversary of the Commencement Date occurs (the "Fixed Expiration Date"), or (ii) such earlier date upon which this Lease Agreement may be terminated as hereafter provided (the "Expiration Date") (such term, the "Initial Term").

(c) The foregoing paragraph (b) above notwithstanding, if this Lease Agreement is in full force and effect, for each Team Season in which not less than 50% of the regular season Team Home Games in any Baseball Season are canceled through no fault or default of Tenant or the Team (it being understood that player strikes, umpire strikes and owner lockouts are deemed to be no fault of Tenant or the Team), and provided that the Team is not playing elsewhere during such Baseball Season so that at least 50% of such regular season Team Home Games take place at neither the Stadium nor elsewhere, Tenant may by written notice extend the Initial Term through the conclusion of one additional Team Season; provided, that in no event shall the Term, as extended by this paragraph (c), together with any Extended Term(s), extend past the date that is one day prior to the expiration of the Ground Lease. Without limiting Tenant's rights under Section 2.02, any extension of the Initial Term pursuant to this Section 2.01(c) shall be on the same terms and conditions of this Lease Agreement, except there shall be

no right or any further extension of the Initial Term (unless and to the extent another Team Season is cancelled as aforesaid during the Initial Term [as the same may be extended]), and shall not be effective unless accompanied by a written acknowledgment and stipulation executed by the Partnership in form and substance of reasonably acceptable to Landlord, confirming (x) the extension of the Non-Relocation Agreement equal to the extension of the Initial Term of this Lease Agreement (as extended pursuant to this Section 2.01(c), but not taking into account any extension of the Term effectuated pursuant to Section 2.02) less one (1) day, and (y) the extension of the Stadium Sublease Agreement for a period equal to the extension of the Initial Term less one (1) day. Tenant may exercise its option to extend the Initial Term pursuant to this Section 2.01(c) by delivering a written notice to Landlord of the exercise of such option, which notice shall include an explanation of the basis for such extension (i.e., the reason for which the Team Season was canceled and the calculation of the percentage of Team Home Games canceled), such written notice to be delivered on or before ninety (90) days following the termination of the Team Season which has been 'cancelled' (as described above), together with the proposed written instruments to be provided as set forth above. If Tenant fails to timely exercise said option, its rights under this Section 2.01(c) with respect to such cancelled Term Season shall be deemed waived.

Section 2.02. Extension Options. If this Lease Agreement is in full force and effect, Tenant shall have the option to extend this Lease Agreement for up to five (5) consecutive extended terms ("Extended Term(s)"), each having a term of ten (10) years, and thereafter one (1) immediately succeeding extended term of nine (9) years, to commence upon the expiration of the Initial Term or immediately preceding Extended Term, as the case may be, but in no event shall the Term of this Lease Agreement, inclusive of all Extended Terms (and inclusive of any extension of the Initial Term pursuant to Section 2.01(c) above), extend beyond the date that is one (1) day prior to the expiration of the Ground Lease. Any Extended Term shall not be effective unless accompanied by a written acknowledgement and stipulation executed by the Partnership in form and substance reasonably acceptable to Landlord, confirming, the extension of the Stadium Sublease Agreement for a period equal to the Extension Term less one (1) day, executed and delivered by the Partnership. Any exercise of an extension option for an Extended Term shall be on the same terms and conditions of this Lease Agreement, except (i) there shall be no right to any Extended Term other than up to the six (6) consecutive Extended Terms as set forth above in this paragraph. Such Extended Term option may be exercised by Tenant's delivering written notice to Landlord of the exercise of one or more (consecutive) Extended Term options (accompanied by such written acknowledgment and stipulation), such written notice to be delivered on or before the later of (x) one (1) year from the date on which the Term, but for the exercise of such Extended Term option, would otherwise expire and (y) thirty (30) days after Landlord delivers to Tenant a notice that if Tenant does not exercise its Extended Term option, the Term shall expire in thirty (30) days from delivery of such notice, unless, in the event of and during the continuation of an Event of Default, a Recognized Mortgagee elects to extend the Term. Notwithstanding anything set forth to the contrary herein, for so long as the tax-exempt Bonds are outstanding, Tenant's exercise of any option to extend this Lease Agreement for an Extended Term shall be conditioned upon there having been issued an opinion of Nationally Recognized Bond Counsel that the extension of this Lease Agreement for such Extended Term shall not cause the interest on the tax-exempt Bonds to be includable in gross income for Federal income taxes. Tenant shall furnish or cause to be furnished to Landlord such information as Landlord shall request in order for Nationally Recognized Bond Counsel to make

such determination. Landlord shall cause such Nationally Recognized Bond Counsel to issue such opinion or inform Tenant of the reasons for which such opinion cannot be issued within twenty (20) Business Days of such request.

ARTICLE 3

RENT

Section 3.01. Base Rent. Commencing upon Substantial Completion, and thereafter during the Term, Tenant shall pay Landlord annual rent ("Base Rent") of Ten Dollars (\$10.00) per year.

Section 3.02. Additional Rent. During the Term, Tenant shall make payments of Additional Rent in the amounts and in the manner set forth in Exhibit C attached hereto, plus such amounts as may be payable to the Rental Bond Trustee under the Rental Indenture.

Section 3.03. Extension Period Rent.

(a) From and after the commencement date of each Extended Term, and continuing through and including the termination date of each such Extended Term, Tenant shall pay Base Rent equal to the Fair Market Rental Value for the Stadium, which Fair Market Rental Value shall be determined in the manner set forth below in paragraph (b) of this Section 3.03.

(b) Whenever pursuant to this Section 3.03 the Base Rent is to be determined based upon Fair Market Rental Value, Fair Market Rental Value shall be determined in the following manner: not more than one (1) year and at least six (6) months prior to the date on which the Base Rent is to be adjusted based on Fair Market Rental Value, Tenant shall submit to Landlord an appraisal, setting forth the Fair Market Rental Value together with a letter making express reference to this Section 3.03(b) and stating that Landlord has forty-five (45) days in which to accept or dispute Tenant's determination of Fair Market Rental Value. Landlord shall have forty-five (45) days within which to accept or dispute Tenant's determination, and if not disputed within such period, such Fair Market Rental Value shall be deemed accepted by Landlord. If Landlord disputes Tenant's determination of Fair Market Rental Value for the Stadium, then Landlord shall engage an appraiser and shall deliver its appraisal to Tenant within forty-five (45) days of the date Landlord sends notice to Tenant that it disputes Tenant's determination of Fair Market Rental Value. If the determination of Fair Market Rental Value by Landlord does not agree with Tenant's determination of Fair Market Rental Value, then Landlord and Tenant shall attempt to resolve such disagreement, and if such disagreement is not resolved and reduced to a written stipulation within thirty (30) days from the date Tenant received Landlord's determination of Fair Market Rental Value of the Premises, then each of Landlord's and Tenant's appraisers so chosen shall meet within ten (10) days after the expiration of such thirty (30) day period to attempt to agree on the Fair Market Rental Value, and if, within twenty (20) days after such meeting, the said two appraisers shall be unable to agree upon the valuation, they themselves shall appoint a third appraiser who shall be a competent and impartial person. Within a period of forty-five (45) days after the appointment of such third appraiser, the third appraiser shall choose one of the determinations of the two appraisers originally selected by the parties, such choice being final and decisive. In the event the first two appraisers are unable to

agree upon the appointment of a third appraiser within fifteen (15) days after the expiration of such forty-five (45) day period, such third appraiser shall be selected by the parties themselves if they can agree thereon within a further period of fifteen (15) days. If the parties do not so agree, then either party, on behalf of both, may apply to the Supreme Court of Bronx County for the appointment of such third appraiser, and the other party shall not raise any question as to the court's full power and jurisdiction to entertain the application and make the appointment. Any appraiser selected or appointed pursuant to this Section 3.03 shall be a member of the American Institute of Real Estate Appraisers (or a successor organization), shall be an appraiser, and, to the extent such expertise is available, shall be experienced in the appraisal of sports arenas, but in any event shall have been doing business as such in New York City for a period of at least ten (10) years before the date of such appointment. All appraisers chosen or appointed pursuant to this Section 3.01 shall be sworn fairly and impartially to perform their duties as such appraiser. Each party shall pay the fees and expenses of its respective appraiser and both shall share the fees and expenses of the third appraiser, if any. Each party shall be responsible for the fees and expenses of its own attorney and other representatives in connection with such appraisal. The term "Fair Market Rental Value" shall mean the annual fair market rental value of the Stadium as of the date that such valuation is agreed to or made by the appraiser(s) (but not more than one (1) year prior to the date on which Base Rent is to be adjusted based upon such appraisal). The Fair Market Rental Value appraisal shall be made considering, without limitation, all burdens, costs and expenses borne by Tenant in connection with the Stadium and Tenant's use thereof, including, without limitation, the Stadium in its then "as-is" condition, all necessary or desirable improvements and replacements (which consideration shall take account of the quality of and amenities existing at professional major league baseball stadiums at the time) and the cost of financing such improvements and replacements, the Stadium as encumbered by this Lease Agreement in its then-existing state of title, that Tenant is responsible for all maintenance, repair, improvement, replacement, taxes (other than Taxes), Impositions and operating costs of the Stadium as set forth in this Lease Agreement and any other factors relevant to such determination.

(c) In the event that Fair Market Rental Value has not been determined on the date on which Base Rent is to be paid based upon such Fair Market Rental Value, then Base Rent shall be paid in the amount paid immediately prior to such adjusted Base Rent period (except that with respect to the first Extended Term, Base Rent shall be payable in the Fair Market Rental Value amount set forth in Tenant's appraisal pursuant to paragraph (b) above), and upon such determination adjustment for overpayment or underpayment shall be made within sixty (60) days following such determination of Fair Market Rental Value.

Section 3.04. Method and Place of Payment. Except as otherwise specifically provided herein, all Base Rent payable to Landlord shall be paid by wire transfer to Landlord, without setoff or deduction, to such account as Landlord may instruct Tenant in writing. Additional Rent shall be payable in the manner provided under the Rental Indenture.

Section 3.05. Time of Payment. Notwithstanding any provision of this Lease Agreement to the contrary, in no event shall any Base Rent or Additional Rent be payable to Landlord hereunder prior to Substantial Completion.

ARTICLE 4

USE OF PREMISES

Section 4.01. Tenant's Use of Premises. Tenant may use the Premises for the purposes described in this Article 4 and for no other uses or purposes. Tenant hereby warrants and represents that all approvals and consents required pursuant to the MLB Documents to allow and authorize (i) Tenant to enter into this Lease Agreement and the Stadium Sublease Agreement, and (ii) the Team to use the Stadium as its home stadium for Team Home Games, in each case, have been obtained.

Section 4.02. Required Use by Tenant. The Stadium shall be used for the Team to play its Home Games subject to, in accordance with and to the extent required by Section 2.1.1 of the Non-Relocation Agreement (it is understood and agreed that such covenant shall apply for any Extended Term (if Tenant exercises the applicable extension option) notwithstanding that the Non-Relocation Agreement itself may no longer be in force and effect). Tenant agrees to enforce the terms, covenants and conditions of Section 4.01 of the Stadium Sublease Agreement attached hereto and shall not amend or modify the Stadium Sublease Agreement so as to impair, waive or diminish rights, terms, covenants and conditions of said Section 4.01. Tenant covenants not to terminate, for any reason whatsoever, or to accept any surrender of, the Stadium Sublease Agreement, without the prior written consent of Landlord, to be provided in Landlord's sole and absolute discretion, such covenant to be enforceable by Landlord through all equitable remedies, including without limitation injunction and specific performance. The covenant set forth in the prior sentence of this Section 4.02 shall not apply to a Recognized Mortgagee that succeeded to Tenant's interest under this Lease Agreement as a result of its exercise of its remedies under its Mortgage, and its successors or assigns. The City and ESDC shall be third party beneficiaries of this Section 4.02.

Section 4.03. Tenant's Right to Use the Premises.

(a) Subject to the Requirements, and the covenants set forth in Section 4.02 and Section 4.07, Tenant shall have the right to use the Premises, year round, for (i) Team Events, and (ii) any and all other lawful purposes, including but not limited to other entertainment, religious, sporting, cultural, recreational, promotional, community and civic events, such as concerts, convocations, private parties, commercial film and television shoots, meetings, conventions, auctions and tours.

(b) Tenant shall have the right to charge and retain admission, usage and/or license fees for all events and activities at the Premises, and to determine, in its sole and absolute discretion, the prices and terms of such admission usage and license fees.

(c) Tenant shall have the right to use the Premises and all areas therein for coverage of events at the Premises in any and all media.

(d) Tenant shall have the right to use the Premises for all purposes incidental to the uses permitted pursuant to this Section 4.03.

Section 4.04. Landlord's Luxury Suite and Priority Tickets.

(a) Landlord shall be entitled to use one (1) luxury suite, consisting of eight (8) outdoor seats and four (4) bar-rail seats (hereinafter, "Landlord's Suite") for (i) all preseason, regular season and post-season Team Home Games to the extent played at the Stadium, for which not in excess of twelve (12) tickets will be provided to Landlord at no admission or other charge by Tenant or any of its Subtenants (provided that, if such suite can accommodate more than twelve (12) persons Landlord shall have the opportunity to purchase additional tickets for such suite (but not in excess of Tenant's policies, consistently applied, for maximum luxury suite capacity) for the prices that would be charged for such tickets if such tickets were to be sold to the general public on the day of the game); provided, that in the event of a Team Home Game that is an MLB "jewel event" (e.g., an "all star" game, a playoff game or a World Series game), in which MLB takes control of the sale of tickets for such jewel event, Tenant shall obtain not more than twelve (12) tickets for Landlord at no admission or other charge to Landlord for such tickets, unless such tickets are unavailable from MLB without regard to price, and (ii) for all other Stadium events, upon payment of a face value admission charge for any such Stadium events to the vendor of such tickets. Landlord's Suite shall be large enough to accommodate not less than twelve (12) persons and shall be of an interior design and have furnishings and physical accommodations equivalent to other "base model" luxury suites. Landlord's Suite shall be entitled to be provided with the same services and amenities as other luxury suites enjoy (such as food and beverages) for the same extra charges as are made for other "base model" luxury suites, and to the extent separate charges are not made at other luxury suites for such services and amenities at such charges to be determined by Tenant acting in its reasonable discretion. Landlord shall be required to notify Tenant not less than twenty (20) days in advance of the date on which it intends to use the Landlord's Suite, or, with respect to any Stadium events which are scheduled less than twenty (20) days in advance of the Stadium event, such notice shall be provided within five (5) days after the public announcement of the scheduling of such Stadium event and tickets therefore going on sale to the general public. If Landlord fails to give Tenant timely notice of Landlord's intention to use Landlord's Suite for any particular Stadium event, Tenant shall be entitled to use Landlord's Suite for its own purposes for such event, and shall be entitled, among other things, to sell tickets to or rent Landlord's Suite or otherwise permit Landlord's Suite to be used by others; and any fees and charges received by Tenant for any such tickets, rental or other use shall be the property of and may be retained by Tenant. The notice to be provided herein shall be made in the same manner as is set forth in the first sentence of Section 4.04(b)(ii) for the purchase of tickets. Landlord hereby assigns its right to such use of the Landlord's Suite to the City, for its use and the use of its guests and invitees, and Tenant hereby consents thereto, but this right shall otherwise be non-assignable.

(b) Subject at all times to availability, Landlord shall have the option to purchase up to one hundred eighty (180) tickets ("Landlord's Tickets") for each Team Home Game during each Team Season on the following terms and conditions:

(i) Not later than ten (10) days prior to the first Team Home Game of the upcoming Team Season, Landlord shall designate one (1) individual (the "Purchasing Rep") to act as Landlord's representative for all purchases to be made pursuant to this Section 4.04(b), which designation shall be made in writing and delivered by fax to (718) 681-1051 or by e-mail to ltrost@yankees.com (or in the alternative may be provided in accordance with Section 25.01)

or such other contact designated by Tenant (or in the alternative may be provided in accordance with Section 25.01). Landlord may designate an alternate Purchasing Rep at any time which shall be effective upon ten (10) days prior written notice to Tenant and the Partnership (at the address provided in the Sublease) of such change made in the foregoing manner. Tenant may designate one or more individuals to act at Tenant's representative for all notices (which may be a designee of the Partnership).

(ii) Not later than three (3) days prior to each Home Stand of the regular Team Season, the Purchasing Rep shall notify Tenant's representative (which notice may be given telephonically) of Landlord's election to purchase some or all of the Landlord's Tickets, which tickets shall be for the best seats available at the time of Landlord's election to purchase such tickets.

(iii) No later than three (3) days prior to the first Team Home Game for each post-season series (i.e., playoffs and World Series), Tenant shall notify or cause the Partnership to notify the Purchasing Rep of the date upon which tickets for such series shall be offered for purchase by the general public. The Purchasing Rep shall have no more than two (2) days from the date of such notice by Tenant or the Partnership (as the case may be) to elect whether to purchase Landlord's Tickets; provided, however, that without limiting the provisions of clause (iv) below, Tenant and the Partnership in no way guarantee the availability of such tickets at any time during the post-season.

(iv) Tenant and the Partnership shall have no obligation to reserve Landlord's Tickets for any Team Home Game and Landlord acknowledges that ticket sales shall be ongoing by the Partnership during the course of the Team Season. The determination of the "best seats available" shall be made by Tenant or the Partnership in its sole and absolute discretion.

(v) Landlord acknowledges that there shall be no discount applied to the price of Landlord's Tickets, which shall be the price that would be charged for such tickets if they were sold to the general public on the day of the game. Payment for Landlord's Tickets shall be made by credit card.

(c) The value of Landlord's use of the Landlord's Suite and the value of Landlord's right to purchase Landlord's Tickets as provided above shall constitute additional Rental hereunder.

Section 4.05. Tenant's Right to Collect and Retain Revenues from Premises Events. Tenant shall have the sole and exclusive right to collect and retain for its own account all Stadium Revenues. Nothing herein is intended to prohibit Tenant from entering into Subleases, licenses or other agreements, subject to the terms of this Lease Agreement, pursuant to which the other contracting party may retain all or a portion of the Stadium Revenues.

Section 4.06. Public Access. The outside plaza area depicted in Exhibit D shall remain open to the general public at all times as public walkways, and shall remain clear and unobstructed (other than incidental obstructions by seating, planters, kiosks, etc.). The foregoing

notwithstanding, such areas may be closed to the public temporarily for repair and maintenance, and may be subject to crowd control measures during Stadium events.

Section 4.07. No Unlawful Use. Tenant shall not use or occupy the Premises, or knowingly permit or suffer the Premises or any part thereof to be used or occupied, for any unlawful, illegal, or hazardous business, use or purpose (it being agreed that the use of the Premises for baseball games and other sports events shall not constitute a violation of the provisions of this Section 4.07) or in any way in violation of any of the Requirements or in such manner as may make void or voidable any insurance then in force with respect to the Premises of any part thereof, or for any lewd or obscene "adult" entertainment which is characterized by an emphasis on "specified anatomical areas" or "specified sexual activities", as such terms are defined in Section 12-10 of the Zoning Resolution under the definition of "Adult establishment"; provided, however, that, unless Tenant shall authorize same, in no event shall Tenant be in breach of the covenants set forth above in this Section 4.07 on account of the unlawful, illegal or hazardous business, use or purpose or other violation of this Section 4.07 by any Person not affiliated with Tenant, including without limitation, visitors to or patrons of the Premises, conditional upon Tenant's taking, promptly upon the discovery of any such unlawful, illegal or hazardous business, use or purpose, all reasonably necessary steps, legal and equitable, to compel the discontinuance thereof, including without limitation notification to the New York City Police Department (unless the same shall have occurred as a result of any act by Landlord or any Person claiming by, through or under Landlord, in which case Landlord shall take all necessary steps, legal and equitable, to compel the discontinuance thereof). Neither Tenant nor Landlord shall keep, or permit to be kept, anything on the Premises which is prohibited by the Fire Department, Board of Fire Underwriters, Fire Insurance Rating Organization and other authority having jurisdiction.

ARTICLE 5

CONCESSIONS

Section 5.01. Stadium Concessions.

(a) Tenant shall have the exclusive right, but not the obligation, to provide and operate (or cause or permit other Persons to provide and operate) Concession Facilities at the Premises (including without limitation sit-down restaurants).

(b) Without limiting the foregoing, Tenant may sell or authorize the sale of alcoholic beverages at the Premises, provided that Tenant complies with all Requirements and provisions of the MLB Documents, if applicable, concerning the sale of alcoholic beverages at the Premises, including, but not limited to, age restrictions, identification requirements, and restrictions on sales to inebriated persons.

(c) Tenant (and its designees and Subtenants) shall have the right to charge for all items sold at concessions at the Premises, and to determine, in its sole and absolute discretion, and to assign its right to determine, the prices thereof.

(d) Tenant shall have the right to collect and retain all revenues derived from Concession Facilities operated at the Premises during the Term and the right to assign collection of such revenues.

(e) The foregoing notwithstanding, no tobacco products may be sold at the Premises provided, that if the prevailing City policy on prohibiting tobacco sales in City-owned facilities is curtailed or abrogated, then to the same extent the prohibition on tobacco sales at the Stadium shall be similarly curtailed or abrogated. No "Adult establishment", as such term is defined in the Zoning Resolution, shall be permitted at the Stadium.

ARTICLE 6

IMPOSITIONS

Section 6.01. Payment of Impositions.

(a) Obligation to Pay Impositions. Tenant, as agent of Landlord, shall pay, in the manner provided in Section 6.01(c) hereof, all Impositions that, with respect to any period occurring during the Term, are, or would be, if the Premises or any part thereof or the owner thereof were not exempt therefrom (but taking into account any exemptions that Tenant is entitled to on an as of right basis or any discretionary exemption that Tenant may apply and be approved for), assessed, levied, confirmed, imposed upon, or would be charged to the owner of the Premises with respect to (i) the Premises, or (ii) the sidewalks or streets in front of or adjoining the Premises, or (iii) any vault, passageway or space in, over or under such sidewalk or street, or (iv) any other appurtenances of the Premises, or (v) any personal property or other facility used in the operation thereof, or (vi) other Rental (or any portion thereof) or any other amount payable by Tenant hereunder, or (vii) the use and occupancy of the Premises, or (viii) this Lease Agreement or the leasehold estate created thereby.

(b) Definition. "Imposition" or "Impositions" means the following governmental exactions of general applicability or of general applicability to Persons or property or to classes of Persons or property within the City similarly situated to Tenant (but excluding Taxes) such that the Imposition, if imposed by the City, is not invidious and discriminatory against Tenant or so narrowly drawn as to apply only to professional sports stadiums of comparable seating capacity (without limiting the foregoing, Shea Stadium and any new stadium built for the New York Mets is hereby deemed to be a professional sports stadium of comparable seating capacity) situated on public property:

- (i) real property special assessments (including, without limitation, any special assessments for or imposed by any business improvement district or by any special assessment district);
- (ii) personal property taxes,
- (iii) water, water meter and sewer rents, rates and charges,

- (iv) excise taxes, license and permit fees, excluding sales and compensating use taxes for which exemption is available pursuant to Section 38.21 hereof,
- (v) except for Taxes, and unless in lieu of Taxes, any other governmental fees, rents, assessments or taxes and charges, general and special, ordinary and extraordinary, foreseen and unforeseen, now or hereafter enacted, of any kind whatsoever, and
- (vi) any fines, penalties and other similar governmental charges applicable to the foregoing, together with any interest or costs with respect to the foregoing, excluding therefrom any such fines, penalties or charges which may be imposed solely as a result of Landlord's acts or omissions in its proprietary capacity only.

Impositions shall not include mortgage recording tax on mortgages authorized by the Agency in connection with the Project.

(c) Payments of Impositions.

- (i) Subject to the provisions of Section 6.04 hereof, Tenant shall pay each Imposition or installment thereof not later than the date the same may be paid without interest or penalty. However, if by law, at Tenant's option, any Imposition may be paid in installments (whether or not interest shall accrue on the unpaid balance of such Imposition), Tenant may exercise the option to pay the Imposition in such installments and shall be responsible for the payment of such installments when due with such interest as may be required by law. Impositions shall be payable in the form and to the location provided by the rules and regulations of the City governing such payments.
- (ii) If Tenant fails to make any payment of an Imposition (or installment thereof) on or before the date due as required in the preceding subsection, Tenant shall, at Landlord's request, and notwithstanding (i) above, pay all Impositions or installments thereof thereafter payable by Tenant not later than ten (10) days before the due date thereof. Nothing in this paragraph shall be construed to limit Landlord's default remedies as set forth elsewhere in this Lease Agreement after failure by Tenant to timely pay any Imposition.

Section 6.02. Evidence of Payment. Upon request of Landlord, Tenant shall furnish Landlord, within thirty (30) days after the date when an Imposition is due and payable, official receipts of the appropriate taxing authority or other proof reasonably satisfactory to Landlord, evidencing the payment thereof.

Section 6.03. Apportionment of Imposition. Any Imposition relating to a fiscal period of the taxing authority, a part of which is included within the Term and a part of which is included in a period of time before the Commencement Date or after the Expiration Date, shall be apportioned pro rata between Landlord and Tenant as of the Commencement Date or the Expiration Date.

Section 6.04. Taxes.

(a) At all times during the Term of this Lease Agreement, no Taxes or general assessments described in Section 6.01(b)(i) shall be levied against the Premises.

(b) During any part of the Term the IDA or any other entity which has statutory exemption from Taxes is the holder of Landlord's interest under this Lease Agreement, Landlord shall avail itself of its statutory exemption from Taxes and general assessments. If notwithstanding Landlord's statutory exemption from Taxes during the Term, Taxes or general assessments are nevertheless levied against the Premises, Landlord shall cause the City to cancel or discharge or otherwise satisfy such Taxes or general assessments.

(c) At any time during the Term that neither the IDA nor any other entity which has a statutory exemption from Taxes is the holder of Landlord's interest under this Lease Agreement, Landlord shall or shall cause the City to discharge or cancel or otherwise satisfy and cause to be discharged of record all Taxes and general assessments on or before the due date thereof (which may be by bookkeeping entry, interdepartmental direction or other manner or procedure selected by Landlord).

(d) If Landlord shall fail to pay, exempt, cancel, discharge or cause to be paid, exempted, canceled or discharged any Taxes and/or such general assessments as required hereunder and (i) shall not have timely commenced a proceeding to contest the same, or (ii) shall have timely commenced such a proceeding but any failure to pay the Taxes and/or such general assessments during the pendency of such proceeding would result in the imminent loss or forfeiture of the Premises and termination of the Lease or Tenant's leasehold estate hereunder or any other material adverse consequence to Tenant's rights under this Lease Agreement, Tenant shall have the right (a) to pay, but shall not be required to pay, such unpaid Taxes and/or such general assessments together with any interest or penalties due in respect thereof and (b) to require Landlord to cause the City to reimburse Tenant for such payment, together with interest at the Interest Rate. Tenant's election to pay or not to pay unpaid Taxes and or such general assessments pursuant to the foregoing shall not preclude Tenant from pursuing (x) any and all remedies it may have against Landlord under this Lease Agreement or otherwise in respect of any Landlord's failure to pay, exempt, discharge, cancel or otherwise satisfy any Taxes and/or such general assessments, or (y) any and all remedies it may have against the City under the Ground Lease.

(e) Nothing contained in this Section 6.04 is intended to alter or limit Tenant's rights under Section 38.11.

ARTICLE 7

NAMING RIGHTS, ADVERTISING AND SIGNAGE

Section 7.01. Naming Rights to Stadium.

(a) Tenant shall have the exclusive right to affiliate itself or partner with one or more third parties and/or grant to itself or one or more third parties (i) the right to include such third party's name, product name and/or logo and/or corporate identifiers in the name of the Stadium, and (ii) the right to have such name and/or logo and/or corporate identifiers prominently displayed on the interior of and, subject to Section 7.02(c), on the exterior of the Stadium, and on the Stadium apron and plaza and the area around the entrances to the Stadium (such rights are hereinafter referred to as the "Naming Rights"), and provided further that such name and/or logo and/or corporate identifiers shall not be obscene nor shall it be unlawful to use the same, nor shall it be antithetical to the character of the Stadium as a prominent symbol of the City. There shall be a rebuttable presumption that a proposed Stadium name or logo or corporate identifier is compliant with the condition that the Stadium name or logo or corporate identifier not be antithetical to the character of the Stadium as a prominent symbol of the City at the time such right is granted; provided, that any name or logo or corporate identifier which the general public clearly associates with tobacco products shall be presumed to be so antithetical. A name or logo or corporate identifier shall not be considered antithetical to the character of the Stadium as a prominent symbol of the City on account of its being associated with alcoholic beverages per se. The name "Yankee Stadium" is hereby approved by Landlord. Tenant may, but shall not be required to, obtain Landlord's prior written consent to any name and/or logo and/or corporate identifier of the Stadium (solely for purposes of determining whether the proposed name or logo or corporate identifier is antithetical to the character of the Stadium as a prominent symbol of the City or clearly associated by the general public with tobacco products), and, provided such request is in writing and contains an express reference to this Section 7.01 and the turnaround time set forth herein, Landlord, acting reasonably (which shall take into consideration the names and logos and corporate identifiers of major college sports stadiums of comparable or greater size and other professional sports stadiums around the United States) shall grant or withhold such consent within ten (10) Business Days of the delivery of such written request, and if not disapproved within such period shall be deemed approved. In the event that there is any disagreement over whether a Stadium name or logo or corporate identifier complies with Section 7.01, either party may seek expedited arbitration of such dispute pursuant to Section 35.03 hereof.

(b) The parties acknowledge that any name given to the Stadium by virtue of the granting of a Naming Rights license shall not eliminate the City's official designation of the real property comprising the Premises as "John Mullaly Park" or "Macomb's Dam Park" or successor name, except that the name or names chosen pursuant to subparagraph (a) above shall be used by the City when referring to the Stadium or any portions thereof, in any extra-agency correspondence, press releases, promotional materials, advertisements, municipal publications, and directional traffic and pedestrian signs; provided, that the City may use appropriate abbreviations, when referring to any such name or names on directional traffic and pedestrian signs. The foregoing notwithstanding, the City shall not be liable for damages (including without limitation consequential damages) lost revenues or other pecuniary loss for any

inadvertent or unintentional failure to comply with the foregoing. The City may continue to distribute any materials published prior to the designation of any such name or names. The City shall consult with and reasonably cooperate with Tenant with respect to any abbreviation of the Stadium name (or names) on directional signage; provided, that the obligation on the part of the City to so cooperate shall be subject to (i) applicable provisions of the Federal Manual for Uniform Traffic Control Devices (or any successor manual that may set such standards from time to time), and (ii) traffic engineering and safety standards and requirements.

Section 7.02. Tenant's Right to Display Advertising Signage at the Premises.

(a) Subject to paragraph (e) below and compliance with Requirements, Tenant shall have the right to display Advertising Signage (including without limitation Naming Rights for parts of the Stadium) anywhere and everywhere within the interior of the Stadium in its sole discretion.

(b) No Advertising Signage shall be permitted on the exterior of the Stadium other than as permitted in Section 7.01(a) and this Section 7.02(b). Subject to Section 7.02(c) and (e) Tenant shall have the right to place Advertising Signage on and around the entrances to the Stadium, and Tenant shall have the right to locate upon the Stadium apron and plaza Advertising Signage of the scale appropriate to booths, concession stands, kiosks, directional finders and otherwise of a scale and dimension to be viewed by pedestrians approaching such area of the Stadium apron and plaza.

(c) Exterior Advertising Signage referred to in 7.01(a) and 7.02(b) shall be subject to the following conditions: (a) Tenant shall provide the design, dimension and locations of such Advertising Signage to Landlord prior to installation and Landlord shall have a reasonable opportunity to provide comments and suggested modifications thereto; (b) such design, dimensions and locations shall generally be consistent with other Major League Baseball stadiums around the United States, and (c) such Advertising Signage shall be subject to and comply with Art Commission approval, and (d) such Advertising Signage shall be subject to and comply with Requirements. In addition, and without limiting the foregoing, LED displays and similar electronic signage displays along River Avenue shall be subject to the prior written approval of Landlord solely with respect to design and dimensions, such approval not to be unreasonably withheld, delayed or conditioned, and Tenant will cooperate with Landlord to attain consistency of such displays with applicable New York City Parks Department policies respecting signage.

(d) Advertising Signage on the back of the main Stadium scoreboard shall be subject to Section 7.02(e) and comply with the Requirements.

(e) Landlord shall have the right to prevent Tenant from displaying any Advertising Signage the content of which depicts "specified anatomical areas" or "specific sexual activities" as those terms are defined in Section 12-10 of the Zoning Resolution under the definition of "Adult establishment." Furthermore, no advertising for tobacco or tobacco related products shall be permitted; provided, that if the prevailing City policy of prohibiting tobacco advertising in City-owned facilities is curtailed or abrogated, then to the same extent the prohibition on tobacco advertising at the Stadium shall be similarly curtailed or abrogated.

(f) Tenant shall give Landlord the same opportunity to make public service announcements free of charge which it provides to any other providers of public services or other benevolent causes, and if any order of priority is established with respect to same, Landlord shall receive top priority, subject to MLB Actions, MLB Documents and MLB Rules and Regulations. Landlord hereby assigns these rights to the City, and Tenant consents hereto, and the City may further assign any of its rights under this paragraph (e) to the State of New York, ESDC or any agency or instrumentality of either.

(g) Without in any way diminishing or impairing DPR's right to act as lease administrator of this Lease Agreement pursuant to this Lease Agreement or otherwise, all approvals and consents that may be required by Landlord under Section 7.01 and 7.02 shall be provided (or withheld) by DPR, and Landlord hereby assigns all such rights to DPR.

Section 7.03. Intellectual Property Rights. During the Term, Landlord, the City, the State, ESDC and any agency or instrumentality of any of the foregoing, shall have the non-exclusive right to use the name and/or logo of the Stadium, and to broadcast, display, publish, or otherwise disseminate photographs or other pictorial images of the Stadium for non-commercial public informational purposes; provided that in no event shall such use, broadcast, display, publication or other dissemination disparage the image of the Stadium or the Team. There shall be a rebuttable presumption that any use, broadcast, display, publication or other dissemination of the name and/or logo and/or image of the Stadium solely for non-commercial public informational purposes does not disparage the image of the Stadium or the Team. The use of the name and/or logo of the Stadium shall be subject to all applicable laws and the established standards of Major League Baseball. Notwithstanding the initial designation of the Stadium as "Yankee Stadium," the non-exclusive right granted pursuant to this Section 7.03 shall not include any right, license or other entitlement to use, distribute, display, reproduce, exploit or create any derivative work of any other Mark. By executing this Lease Agreement, the Recognition Agreement and/or the use of any of the Marks pursuant to this Lease, as applicable, each of Landlord, the City, the State, ESDC and any agency or instrumentality of any of the foregoing hereby acknowledges and confirms that the Marks are owned exclusively by the Partnership. Subject to the first sentence of this Section 7.03, Landlord shall neither infringe upon, harm or contest the rights of the Partnership in the Marks nor otherwise take any action to diminish the value or goodwill associated with the Marks.

ARTICLE 8

TENANT'S CONSTRUCTION OBLIGATIONS

Section 8.01. Initial Construction of Stadium Project by Tenant.

(a) Subject to Unavoidable Delays, Tenant shall, in accordance with the provisions of Section 8.08 below and as agent of and on behalf of Landlord, (i) cause construction of the Stadium Project to commence by June 1, 2008, (ii) diligently prosecute such construction, and (iii) use commercially reasonable efforts to cause the Stadium Project to be Substantially Completed by December 31, 2012 (the "Scheduled Completion Date").

(b) Definitions.

- (i) "Commence Construction of the Stadium Project" or "Commencement of Construction of the Stadium Project" or similar terms means the date on which Tenant shall commence driving of piles or foundation work on the Land.
- (ii) "Plans and Specifications" means all the preliminary and completed final drawings and plans and specifications prepared for the Stadium Project, conforming to the Schematics, and approved by Landlord with respect to the Reviewable Features, and which Plans and Specifications may be modified from time to time in accordance with the provisions of this Article 8.
- (iii) "Reviewable Features" means all Stadium features and facilities located solely on the exterior of the Stadium, including without limitation Stadium configuration, color, materials, exits, entrances, walkways, plazas, landscaping, lighting, landscaping, signage (including Advertising Signage to confirm compliance with Article 7) and finishes, and features relating to security, and all work, whether interior or exterior, relating to the Police Substation.
- (iv) "Schematics" means the schematic drawings and preliminary plans and specifications for the Reviewable Features of the Stadium which are attached as Exhibit F hereto, and which have been approved by Landlord to the extent covering the Reviewable Features.

(c) Submission and Review of Plans and Specifications. As soon as practicable after the Commencement Date, Tenant shall submit progress and subsequent final Plans and Specifications to Landlord for its review and approval with respect to the Reviewable Features. If Landlord reasonably determines that the Plans and Specifications are, as they relate to Reviewable Features, inconsistent or noncompliant with the Schematics, Landlord shall so notify Tenant, specifying the objection, and Tenant shall revise them to so conform and shall resubmit the Plans and Specifications to Landlord for review. Notwithstanding the foregoing and anything herein contained to the contrary, Landlord's review of the Plans and Specifications and right to object thereto shall be limited to the Reviewable Features (without prejudice to Tenant's obligations under Section 8.01(e) or Landlord's rights to enforce same). Each review by Landlord shall be carried out within fifteen (15) Business Days of the date of submission by Tenant of the Plans and Specifications or any revisions thereof, whichever is applicable. If Landlord has not notified Tenant of its determination within the fifteen (15) Business Days period, provided that Tenant's submission contains a letter making express reference to this Section 8.01(c) and the fifteen (15) Business Days turnaround time set forth herein, Landlord shall be deemed to have waived any objection to the Plans and Specifications (without prejudice to Tenant's obligations under Section 8.01(e) or Landlord's rights to enforce same). Landlord's review and approval or disapproval of the Plans and Specifications shall be limited to the Reviewable Features (without prejudice to Tenant's obligations under paragraph (e) of this

Section 8.01 or Landlord's right to enforce same). Landlord shall not raise any objection to any aspect of the Plans and Specifications which (i) is identified in the Schematics or (ii) has already been submitted to Landlord and either approved or objections waived or deemed approved or objections deemed waived by Landlord, unless such aspect is objectionable because of subsequent material changes made by Tenant to the Plans and Specifications, in which case if such submission contains a notice making express reference to this Section 8.01(c) and the ten (10) Business Days turnaround time set forth herein, Landlord shall notify Tenant of such objections within ten (10) Business Days after Landlord shall have been notified of such subsequent change(s), or such subsequent changes shall be deemed approved (without prejudice to Tenant's obligations under Section 8.01(e) or Landlord's rights to enforce same).

(d) Modification of Approved Plans and Specifications. If Tenant desires to materially modify any Reviewable Features set forth in any Plans and Specifications after they have been approved by Landlord, Tenant shall submit the proposed modifications to Landlord. Landlord shall review the proposed changes only to determine if there are any objectionable changes insofar as they relate to the Reviewable Features. If Landlord determines that they are not objectionable, Landlord shall so notify Tenant. If Landlord reasonably determines that there are any reasonably objectionable changes insofar as they relate to the Reviewable Features that materially differ from previously approved or deemed approved Plans and Specifications, Landlord shall so notify Tenant, specifying in what respects they do not so conform. Tenant shall either (i) withdraw the proposed modifications, in which case construction of the Stadium shall proceed on the basis of the Plans and Specifications previously approved or deemed approved by Landlord, or (ii) revise the proposed modifications to so comply and resubmit them to Landlord for review. Each review by Landlord shall be carried out within ten (10) Business Days of the date of submission of the proposed modifications to the Plans and Specifications. If Landlord has not notified Tenant of its determination within the ten (10) Business Day period, provided that Tenant's submission contains a letter making specific reference to this Section 8.01(d) and the ten (10) Business Days turnaround time set forth herein, Landlord shall be deemed to have waived any objection to the Plans and Specifications submitted. Notwithstanding the foregoing, Tenant may, without Landlord's consent, modify the Plans and Specifications to the extent reasonably necessary as a result of field conditions or to comply with the Requirements, provided that Tenant shall with reasonable promptness inform Landlord of such changes, and that such modified Plans and Specifications shall in all cases comply with all Requirements and previously approved or deemed approved Plans and Specifications insofar as they relate to the Reviewable Features. Landlord shall not raise any objection to any aspect of the Plans and Specifications which has already been submitted to Landlord and either approved or objections waived or deemed approved or objections deemed waived by Landlord (without prejudice to Tenant's obligations under paragraph (e) of this Section 8.01 or Landlord's right to enforce same), unless such aspect is objectionable because of subsequent changes made by Tenant to the Plans and Specifications (in which case if such submission contains a notice making express reference to this Section 8.01(d) and the ten (10) Business Days turnaround time set forth herein, Landlord shall notify Tenant of such objections within ten (10) Business Days after Landlord shall have been notified of such subsequent change(s), or such changes shall be deemed approved, without prejudice to Tenant's obligations under Section 8.01(e) or Landlord's rights to enforce same).

(e) Compliance with Requirements. The Plans and Specifications shall comply with the Requirements. It is Tenant's responsibility to assure such compliance on behalf of Landlord. Landlord's approval of the Plans and Specifications shall not be, nor shall be construed as being, or relied upon as, a determination that the Plans and Specifications comply with the Requirements. No limitation on Landlord's right of review of Plans and Specifications to the Reviewable Features shall impair or diminish Tenant's obligations under or Landlord's rights to enforce the provisions of this paragraph (e) with respect to any aspect of the Stadium Project.

(f) Landlord's Right to Use Field Personnel. Landlord, at Landlord's sole cost and expense, reserves the right to maintain its field personnel at the Premises to observe Tenant's construction methods and techniques and Landlord, at Landlord's sole cost and expense, shall be entitled to have its field personnel or other designees attend Tenant's job and/or safety meetings. No such observation or attendance by Landlord's personnel or designees shall impose upon Landlord responsibility for any failure by Tenant to observe any Requirements or safety practices in connection with such construction, or constitute an acceptance of any work which does not comply in all respects with the provisions of this Lease Agreement. Landlord's field personnel may not interfere with or impede Tenant's construction activities.

(g) Commencement and Completion of All Construction Work. All Construction Work, once commenced, shall be completed in accordance with the requirements of the Construction Management Agreement (subject to Unavoidable Delays), in a good and workmanlike manner and, if applicable, substantially in accordance with the approved and/or modified Plans and Specifications therefor (to the extent approval may be required) and all applicable Requirements.

(h) Supervision of Architect. All Construction Work performed by Tenant shall be carried out under the supervision of an Architect.

(i) Stadium Plans and Specifications. Upon request, Tenant shall furnish Landlord with progress plans and specifications for the Stadium Project as they are produced from time to time, for informational purposes only.

(j) NYPD Coordination. Notwithstanding anything to the contrary set forth herein, Tenant shall coordinate and reasonably cooperate with the New York City Police Department with respect to security related design issues, including but not limited to terrorism-related design issues, whether interior or exterior. Such coordination and cooperation shall be made directly between Tenant and the New York City Police Department (and not through Lease Administrator).

Section 8.02. Construction Work.

(a) Permits and Insurance. Tenant shall not commence any Construction Work for the Stadium unless and until (i) Tenant shall have obtained and delivered to Landlord copies of all necessary permits, consents, certificates and approvals of all Governmental Authorities with regard to the particular phase of the work to be performed, certified by an Architect and (ii) Tenant shall have delivered to Landlord certified copies, certificates or

memoranda of the policies of insurance required to be carried pursuant to the provisions of Article 7 hereof.

(b) Cooperation of Landlord in Obtaining Permits. Landlord shall cooperate with Tenant in obtaining the permits, consents, certificates and approvals required by Section 8.02(a) hereof, and shall sign any application made by Tenant required to obtain such permits, consents, certificates and approvals. Tenant shall reimburse Landlord within thirty (30) days after Landlord's demand for any reasonable out-of-pocket cost or expense paid by Landlord in cooperating with Tenant in obtaining the permits, consents, certificates and approvals required by Section 8.02(a) hereof.

(c) Approval of Plans and Specifications. Tenant shall not (i) commence any phase of Construction Work for the Stadium unless and until Landlord shall have determined or shall be deemed to have determined that the Plans and Specifications for such phase of Construction Work conform to the Schematics insofar as they relate to the Reviewable Features, or (ii) if applicable to the phase of Construction Work being performed, commence any other phase of Construction Work unless and until Landlord shall, if required hereunder, have approved or be deemed to have approved the proposed Plans and Specifications for such phase of Construction Work in the manner provided herein, in each case as provided in Section 8.01. Landlord's sole review and approval is limited to the matters provided in Section 8.01(c) and 8.01(d).

(d) Substantial Completion of Construction Work. Upon Substantial Completion of any Construction Work which required Landlord's consent and supervision of the Architect, Tenant shall furnish Landlord with (a) a certification of the Architect (certified to Landlord) that it has examined the applicable plans and specifications (that shall include the Plans and Specifications in the case of Construction Work done in connection with the initial construction of the Stadium) and that, in its best professional judgment, after diligent inquiry, to its best knowledge and belief, the Construction Work has been completed substantially in accordance with the plans and specifications applicable thereto and, as constructed, the Stadium complies with the Building Code of New York City and all other Requirements, and the Schematics insofar as they relate to the Reviewable Features (subject to modifications permitted hereunder), (b) if required by Requirements and available at the stage of completion of construction, a copy or copies of the temporary or permanent certificate(s) of occupancy for the Stadium issued by the New York City Department of Buildings, and (c) with respect to Substantial Completion of the Stadium, a complete set of "as built" plans. Landlord shall have an unrestricted non-exclusive license to use such "as built" plans and survey for any purpose related to the Stadium without paying any additional cost or compensation therefor, which license shall be subject to the rights of the parties preparing such plans and survey under copyright and other applicable laws.

(e) Title to the Stadium and Materials. Without limiting the provisions of Section 8.08(d) or Section 28.03, title to all materials and Equipment shall vest in Landlord immediately upon Tenant's obtaining an interest in or to the materials, Equipment and other items of Property. Tenant shall execute, deliver and record or file all instruments necessary or appropriate to so vest title to Landlord and shall take all action necessary or appropriate to protect such title against claims of any third persons. Materials to be incorporated in the Stadium

(but not including any trade fixtures of Tenant or any Subtenant) shall, effective upon their purchase and all times thereafter but, in all events, subject to this Lease Agreement, constitute the property of Landlord, and upon Substantial Completion of the Stadium or the incorporation of such materials therein, title thereto shall continue in Landlord. However, (a) neither Fee Owner nor Landlord shall be liable in any manner for payment or for damage or risk of loss or otherwise to any contractor, subcontractor, laborer or supplier of materials in connection with the purchase or installation of any such materials and (b) neither Fee Owner nor Landlord shall have any obligation to pay any compensation to Tenant by reason of its acquisition of title to the materials. Title to the Stadium shall be and vest in Landlord. Upon the termination of this Lease Agreement, title to all Improvements shall vest in Fee Owner.

(f) Names of Contractors, Materialmen, Etc. Tenant shall furnish Landlord, within thirty (30) days of Landlord's demand, with a list of all Contractors performing any labor, or supplying any materials, in connection with any Construction Work costing in excess of 10% of the Full Replacement Value. The list shall state the name and address of each Contractor and in what capacity each Contractor is performing work at the Premises. All persons employed by Tenant, and Tenant shall make reasonable efforts to assure that all persons employed by Contractors, with respect to Construction of the Stadium shall be paid, without subsequent deduction or rebate unless expressly authorized by law, not less than the minimum hourly rate required by law.

(g) Construction Agreements Required Clauses. So long as (x) the IDA is Landlord, or (y) the City is the fee owner of the Premises, all Construction Agreements shall include the following provisions:

- (i) “[Contractor]/[Subcontractor]/[Materialman] hereby agrees that immediately upon the incorporation by [contractor]/[subcontractor]/[materialman] of any building materials into the Stadium (as defined in the lease pursuant to which the owner acquired a leasehold interest in the property (the “Lease”)), such materials shall become the sole property of Landlord; provided, however, that neither the City nor Landlord (as defined in the Lease) shall be liable in any manner for payment or otherwise to [contractor]/[subcontractor]/[materialman] in connection with the purchase of any such materials and neither the City nor Landlord shall have any obligation to pay any compensation to [contractor]/[subcontractor]/[materialman] by reason of such materials becoming the sole property of Landlord.
- (ii) “[Contractor]/[Subcontractor]/[Materialman] hereby agrees that notwithstanding that [contractor]/[subcontractor]/[materialman] performed work at the Premises (as such term is defined in the Lease) or any part thereof, neither the City nor Landlord shall be liable in any manner for payment or otherwise to [contractor]/[subcontractor]/[materialman] in connection with the work performed at the Premises.

- (iii) "All covenants, representations, guarantees and warranties of ["contractor"/["subcontractor"/["materialman"] hereunder shall be deemed to be made for the benefit of Landlord (without exclusion of Tenant) under the Lease and the City and shall be enforceable against ["contractor"/["subcontractor"/["materialman"] by said Landlord (without exclusion of Tenant) and the City.
- (iv) Neither the City nor Landlord is a party to this ["agreement"/["contract"] nor will the City or Landlord in any way be responsible to any party for any and or all claims of any nature whatsoever arising or which may arise from such ["contract"/["agreement"].

If exemption for Sales Tax is to be taken by Tenant, the Construction Agreement shall set forth the provisions required under Section 38.21(b).

Section 8.03. Demolition of the Stadium. Except as hereinafter provided, Tenant shall not demolish the Stadium during the Term. If the Stadium is substantially destroyed as a result of a fire or other casualty and it is necessary in connection with a Casualty Restoration to demolish the remainder of the Stadium, Tenant shall have the right, subject to compliance with the terms of Articles 8 and 15, to demolish the remainder of the Stadium. The foregoing notwithstanding, the Stadium may be demolished if (a) a replacement of the Stadium is to be constructed, (b) construction or other financing or insurance proceeds have been obtained for such demolition and construction in amounts sufficient, together with demonstrably available equity, to complete such work, and (c) plans and specifications have been approved or have been deemed approved pursuant to Section 8.01 hereof (plans and specifications for demolition shall be submitted for informational purposes only).

Section 8.04. Development Sign. Within thirty (30) days after request of Landlord, Tenant shall furnish and install a project sign during construction of the Stadium, the design and location of which shall be reasonably satisfactory to Landlord and Tenant. Tenant shall extend to Landlord, the City, ESDC and any of their designee(s) the privilege of being featured participants in ground-breaking and opening ceremonies to be held at such time and in such manner as Tenant shall determine and Landlord, the City, and ESDC shall approve, such approval not to be unreasonably withheld. The City and ESDC are hereby made third party beneficiaries of this Section 8.04.

Section 8.05. Dispute Resolution.

- (a) If a dispute arises between Landlord and Tenant over:
 - (i) whether or not any Plans and Specifications or modifications thereof submitted to Landlord in accordance with this Article 8 substantially conform to the Schematics insofar as they relate to the Reviewable Features; or

- (ii) whether any consent or approval was unreasonably withheld pursuant to this Article 8; or
- (iii) whether any Construction Work is in substantial conformity with the applicable plans and specifications; or
- (iv) the application of Section 12.01;

the matter shall be settled in accordance with the expedited arbitration procedures set forth in Section 35.02 hereof.

(b) This arbitration procedure shall be the exclusive remedy as to items described in Section 8.05(a) and Tenant and Landlord shall have no right to seek any injunctive or other mandatory relief pending completion of the procedures set forth in this Section 8.05.

(c) Landlord and Tenant shall hold harmless the Arbitrator(s) for any damages resulting from the good faith arbitration of the dispute.

(d) Any Recognized Mortgagee(s) shall have the right, at their sole option, to participate in any arbitration as contemplated hereby and, to effect the same, any Dispute Notice shall simultaneously be given to all Recognized Mortgagee(s).

Section 8.06. Furnishing and Build-Out of Stadium Project. The entire furnishing, finishing and build-out of the Stadium Project shall be made by Tenant, as agent of Landlord, except that Tenant shall have no obligation, as agent of Landlord or otherwise, to build-out or equip the Police Substation, except as may be expressly set forth in Exhibit E attached hereto.

Section 8.07. City to Perform Landlord Obligations Hereunder. It is agreed that the City, acting in its proprietary capacity, shall perform and exercise all obligations, reviews, consents, waivers and rights to be performed by Landlord under this Article 8, and Tenant shall look solely to the City and accept the City's exercise and performance of any of same, and the Agency and the City shall accept Tenant's performance of its obligations hereunder to the City, except that Landlord shall remain obligated under the terms of Section 8.02(b) to the extent Landlord is necessary for Tenant to accomplish any of the undertakings contemplated therein. All submissions, notices, requests and demands by Tenant under this Article 8 shall be delivered to Lease Administrator.

Section 8.08. Appointment as Agent.

(a) Landlord hereby affirms its appointment of Tenant as its true and lawful agent, and Tenant hereby affirms its acceptance of such agency (i) to acquire, re-acquire, construct, reconstruct, renovate, equip with fixtures, technology and otherwise, install and re-install, furnish, fit-out, improve, re-improve, decorate, paint, refurbish and provide plantings, furniture and other personalty for the Stadium Project in accordance with the Plans and Specifications, (ii) to make, execute, acknowledge and deliver any contracts, orders, receipts, writings and instructions with any other Persons, and in general to do all things that may be requisite or proper, all for constructing, maintaining and operating the Stadium Project and

acquiring, reacquiring, installing and reinstalling the Equipment with the same powers and with the same validity as Landlord could do if acting on its own behalf, (iii) to pay all fees, costs and expenses incurred in the construction, maintenance and operation of the Stadium Project and the acquisition, re-acquisition, installation, and reinstallation of the Equipment from funds made available therefor in accordance with Section 8.08(c) of this Lease Agreement, and (iv) to ask, demand, sue for, levy, recover and receive all such sums or money, debts, dues and other demands whatsoever which may be due, owing and payable to Landlord under the terms of any contract, order, receipt, or writing in connection with construction and completion of the Improvements and the acquisition re-acquisition, installation and re-installation of the Equipment, and to enforce the provisions of any contract, agreement, obligation, bond or other performance security.

(b) Landlord shall enter into, and accept the assignment of (but not assume any obligations under) such contracts as Tenant may request (with recourse to Tenant) in order to effectuate the purposes of Section 8.08(a) of this Lease Agreement.

(c) Tenant, as agent of Landlord, shall undertake the design, development, acquisition, re-acquisition, construction, reconstruction and equipping of the Stadium Project with funds to be made available for such purpose under the Rental Indenture and the PILOT Indenture pursuant to and in accordance with the terms of such instruments. Subject to the terms, covenants and conditions of the Bond Documents, Landlord shall issue the Bonds and provide the proceeds thereof for the development of the Stadium Project. Landlord shall take no unilateral action pursuant to Section 3.03 of the First Supplemental PILOT Indenture of Trust such that the proceeds of the Bonds shall not be available for this purpose.

(d) Any and all Equipment and other fixtures and furnishings (including without limitation seats, scoreboards, monuments and sports equipment) removed from the Stadium by Tenant, as agent of Landlord, in the course of any Construction Work or repair or maintenance in accordance with this Lease Agreement, may be sold or otherwise disposed of by Tenant and Tenant may retain for its own account, as a mitigation for the cost of such Construction Work or repair or maintenance, all proceeds of such sale or other disposition. Without limiting the foregoing, Tenant shall have the right to remove the seats from the Stadium from time to time, provided that Tenant replaces the same with seats of at least similar quality and utility.

Section 8.09. Construction Monitor.

Tenant shall require the Construction Monitor to review (directly or through qualified, professional consultants employed for the purpose) for Landlord, from time to time, to the extent then available, a copy of the test borings and other soil reports for the Project, the Plans and Specifications, Construction Cost Breakdown, the building permit and all other Required Approvals, the Architect's Agreement, the Construction Management Agreement and the Subcontracts, a list of the names and addresses of all of the Subcontractors, evidence of the availability of utility services, the Construction Progress Schedule and the specimen forms of Subguard Policy and Payment and Performance Bonds (collectively, the "Construction Documentation").

The Construction Monitor shall prepare a report (which may include findings and reports prepared by qualified professional consultants employed for the purpose) addressed to Landlord which must indicate (with customary qualifications reasonably acceptable to Landlord) whether (a) the soil test reports are satisfactory to the Construction Monitor, (b) the Plans and Specifications have been approved by the Construction Monitor, (c) a building permit for construction of the Stadium has been issued, and whether any condition exists which would prevent any Required Approval which is a condition to the construction of the Stadium and which has not then been obtained from being obtained in due course upon application therefor and payment of any prescribed fees, (d) the Construction Management Agreement and the Subcontracts entered into to date satisfactorily provide for the construction of the Stadium, (e) the installation or connection of all utilities necessary for the utilization of the Stadium for its intended purposes have been completed or the presently installed or proposed utilities will be sufficient to enable the Stadium to be utilized for its intended purpose, and (f) in its professional opinion, the amounts budgeted by Tenant (including contingencies) are sufficient to construct and equip the Stadium in accordance with the approved Plans and Specifications on or before the Scheduled Completion Date, except for (i) items not intended to be funded from the proceeds of the Bonds and (ii) installation of trade fixtures, furniture, furnishings and equipment not related to building systems. Landlord does not assume any responsibility or liability for the scope, contents, accuracy or completeness of such report and does not authorize Tenant or any other person to rely thereon. The fees of the Construction Monitor in connection with the review of the Construction Documentation and the preparation of such report shall be paid by Tenant, as agent of Landlord, out of Bond proceeds.

In addition to the rights of Landlord under Section 8.01(f) hereof, Construction Monitor shall make, or cause the Architect or other qualified professional consultants to make, monthly inspections of the Stadium during construction on behalf of Landlord and Construction Monitor shall issue quarterly reports to Landlord that (a) detail the work completed to date, (b) review and concur with or raise objection to all requisitions for disbursement of Bond proceeds, (c) analyze and concur with or raise objection to all "change order" requests and (d) provide an analysis of the adequacy of remaining funds to complete the Stadium. The fees of the Construction Monitor in connection with such inspections shall be paid by Tenant. Should the Construction Monitor identify a significant variation from the approved Plans and Specifications or from sound engineering practice generally, Landlord may direct the Trustee to cease making disbursements of Bond proceeds to Tenant under the Indenture until such variation is addressed to the Construction Monitor's satisfaction.

The final disbursement of Bond proceeds shall not be made until Landlord shall have received a certificate from the Architect to the effect that the Stadium has been completed substantially in accordance with the approved Plans and Specifications.

Section 8.10. Tenant's Option to Terminate Lease Agreement. In the event that, solely as the direct result of Unavoidable Delays, Tenant is unable to Substantially Complete the Stadium by March 1, 2015, Tenant shall have the option to terminate this Lease Agreement on or prior to December 31, 2019 by paying to the Landlord the greater of (i) Three Hundred Fifty Million Dollars (\$350,000,000) or (ii) One Hundred Fifteen Percent (115%) of the total amount of Bond proceeds expended under the PILOT Indenture and the Rental Indenture. Upon such

payment, neither party shall have any rights or obligations hereunder, except those that expressly survive the expiration or termination of this Lease Agreement.

Section 8.11. Limited Applicability. Except as expressly provided in this Lease Agreement to the contrary, the provisions of this Article 8 (other than Section 8.02, 8.03, 8.06, 8.07 and 8.08) shall only apply to the initial construction of the Stadium.

ARTICLE 9

OPERATION OF THE PREMISES

Section 9.01. Tenant's Operation of the Premises.

(a) Generally. Tenant, as agent of Landlord, shall be responsible for operating and maintaining the Premises. During all Team Events and all other Stadium events, Tenant shall operate and maintain the Premises or shall cause the Premises to be operated and maintained as a high quality (subject to ordinary wear and tear and obsolescence) professional sports facility and in a safe, clean and reputable manner and in good repair, and in compliance with this Lease Agreement, with all Requirements and, when applicable, with all MLB Actions, MLB Documents and MLB Rules and Regulations. Tenant, as agent of Landlord, shall be responsible for providing each of the following on a year-round basis throughout the Term for and in connection with the operation of the Premises, and shall be responsible for all costs thereof or associated therewith (including supplies and personnel costs):

- (i) Cleaning and Janitor Services. Tenant shall keep the Premises clean and free from dirt, rubbish and obstructions, and the sidewalks and those public walkways then in use by the general public. Snow and ice shall be promptly removed from the sidewalks and public walkways. Tenant shall obtain all cleaning and janitorial services and supplies for the Premises.
- (ii) Trash Collection and Disposal. Tenant shall collect and dispose of all garbage and other waste from all areas of the Premises in a prompt and sanitary manner and otherwise in compliance with all Requirements, including, without limitation, City recycling regulations. Tenant shall engage a private carter to remove all such waste from the Premises.
- (iii) Utilities. Tenant shall pay and be responsible for all utilities for the Premises, including gas, water, electricity, HVAC, telephone and sanitary and storm services.
- (iv) Insurance. Tenant shall be required to maintain the property and liability insurance described in Article 14 on a year-round basis.
- (v) Graffiti Removal. Tenant shall use commercially reasonable efforts to keep the Premises free of graffiti, and shall undertake to

remove any graffiti that may appear at the Premises as soon as practicable, and repair any other vandalism.

(vi) Winterizing. Tenant shall winterize the irrigation system for the playing field of the Stadium each autumn and take such other seasonal precautions as are reasonable and/or customary to protect the weather-sensitive components of the Stadium from the elements.

(vii) Field Care. Tenant shall be responsible for all Stadium field care.

Section 9.02. Scope of Operation Obligations. Without limitation of Tenant's obligations under Section 9.01, Tenant, as agent of Landlord, shall be responsible for providing and/or performing (or causing to be provided and/or performed) each of the following:

(a) Concession Facilities. The operation of any and all Concession Facilities.

(b) Ticketing Services. The operation of any and all ticket offices and booths at the Premises.

~~(c) Medical Services. The provision of first aid facilities and medical personnel reasonably necessary for each event.~~

(d) Security. The provision of security services and personnel reasonably necessary to ensure the safety and security of the Premises and all participants and spectators at each and every event generally during the Term and, without limitation, during each event. Tenant shall fully cooperate with the New York City Police Department in connection with security, crowd control and traffic measures, but, except to the extent responsibility has been assumed by the New York City Police Department, shall be responsible for all security inside the Stadium. Nothing herein shall be construed as constituting a limitation, modification or waiver of any of the New York City Police Department's police powers.

(e) Event Personnel. All other event personnel (in addition to the personnel identified in Section 9.01 and the other subsections of this Section 9.02) reasonably necessary to conduct the event in a safe, clean and reputable manner.

Section 9.03. The City's Right to Comment on Operations. The City, acting in its proprietary capacity, shall have the right to make comments and suggestions about any operational aspects of the Stadium presenting any reasonably avoidable threat to health or safety or reasonable abatement of any nuisance, and with respect to any such issues which are identified by the City and of which Tenant is notified, Tenant shall in good faith respond to and, if appropriate, attempt to address such conditions.

Section 9.04. Expenses of Operation of the Premises. Except to the extent that Tenant is unable to perform its obligations under this Article 9 because of Landlord's (or the City's) failure to perform Landlord's obligations under this Lease Agreement, Tenant, as agent of Landlord, shall be solely responsible for all costs incurred for, in connection with, or associated with the operation of the Premises. Nothing contained in this Lease is intended to

impose any obligation on Tenant with respect to the Police Substation that is the responsibility of the City under Exhibit E hereto or the Ground Lease (including without limitation the payment for utilities associated therewith) and Tenant shall not be responsible for any costs arising from the failure of the City to perform such obligations.

Section 9.05. Energy Discounts. Landlord shall cooperate with Tenant in Tenant's applying for energy discount programs that may be available to Tenant, from time to time, for the use and operation of the Stadium.

ARTICLE 10

ORDINARY REPAIR AND MAINTENANCE

Section 10.01. Tenant's Maintenance and Repair Obligations.

(a) Tenant, as agent for Landlord, shall be solely responsible for all maintenance and repair of the Premises, including, without limitation, all interior and exterior structures, areas (including the playing field), building systems, utility systems, sewer systems, equipment, and fixtures existing at the Premises as of the execution date of this Lease Agreement or at any other time during the Term. Tenant, as agent of Landlord, shall perform all maintenance and repair that is reasonably necessary to cause the Premises to be in compliance with all Requirements and MLB Documents, to keep and maintain the Premises in clean and good working order, and operating as a high quality professional sports facility, subject to ordinary wear and tear and obsolescence.

(b) Tenant, as agent of Landlord, shall be responsible for all costs and expenses incurred for or in connection with its maintenance and repair obligations hereunder, and for providing all personnel, supplies, materials, parts, labor and equipment therefor.

(c) Removal of all personal property by Tenant that causes structural damage to the Stadium shall be promptly repaired by Tenant to Landlord's reasonable satisfaction.

(d) Tenant shall buy or lease machinery, equipment and tools for the maintenance and repair of the Premises as Landlord's agent, and Landlord hereby leases such machinery, equipment and tools to Tenant without additional consideration for the purposes of this Article 10 and Article 9.

Section 10.02. No Landlord Obligations. Landlord shall not be responsible for any maintenance or repair of the Premises or any structures, areas (including the playing field), utilities, building systems, equipment, or fixtures existing thereat at any time during the Term. Nothing herein shall be deemed to impair or diminish any funding to which Tenant is entitled under any agreement to which the City or EDC is a party with Tenant to fund any Capital Improvement.

Section 10.03. Inspection Relating to Maintenance and Repair and the Condition of the Premises.

(a) Upon learning of the same, Tenant shall give Landlord and the City prompt notice of any fire or other casualty, major accident, material loss, material damage or dangerous or defective condition at the Premises.

(b) Landlord shall have the right to inspect the Premises and any and all maintenance and repair work performed by Tenant at the Premises on reasonable notice and at reasonable times for the purpose of ensuring that Tenant is complying with its obligations under this Lease Agreement, including, without limitation, its maintenance and repair obligations hereunder. However, no such inspection or any failure to do so by Landlord shall relieve Tenant of any of its obligations hereunder, or impose upon Landlord any obligations or responsibilities in respect of Tenant's maintenance and repair obligations. While on the Premises, Landlord shall use commercially reasonable efforts to minimize interference with Tenant's business operations. Any conditions presenting any reasonably avoidable threat to public health or safety, or any nuisance, or which are inconsistent with the good and proper operation of the Stadium as a high quality professional sports facility (subject to ordinary wear and tear and obsolescence) which are identified by Landlord or the City and of which Tenant is notified, shall be promptly remedied by Tenant to the extent commercially practicable.

ARTICLE 11

Intentionally Omitted

ARTICLE 12

CAPITAL IMPROVEMENTS BY TENANT

Section 12.01. Approval of Tenant Improvements.

(a) If, after Substantial Completion of the Stadium, Tenant, as agent of Landlord desires to construct any Capital Improvements at the Premises whether in, as part of, or outside of the Stadium, Tenant shall submit (without duplication of any requirements under any agreement to which the City or EDC is a party with Tenant to fund any Capital Improvements) each of the following to Landlord:

- (i) Plans, specifications and schematic drawings therefor;
- (ii) A schedule for the construction of such Capital Improvements;
- (iii) Assurance of available funding to complete the proposed Improvement, such as available cash or other assurance of completion reasonably satisfactory to Landlord; and
- (iv) Any other information related to such construction (but not, in any event, relating to Tenant's or the Partnership's finances, as long as item (iii) immediately preceding is satisfied) that Landlord may reasonably request.

(b) Each proposed Capital Improvement materially affecting a Reviewable Feature shall be subject to the prior written approval of Landlord, to be given or withheld in

Landlord's reasonable discretion, provided that no such approval shall be required if the Capital Improvement is a replacement, without material change, of any feature incorporated in the initial construction of the Stadium or otherwise previously approved or deemed approved by Landlord.

(c) All Capital Improvements shall comply with Requirements, and the proposed materials, workmanship and/or performance standards, as applicable, of the proposed Capital Improvement shall be of comparable quality to that which is being replaced or renovated, or shall be generally consistent with the quality of the Stadium as a high quality, Major League Baseball stadium, and, in addition, with respect to a Restoration, be consistent with the requirements for a Casualty Restoration as set forth in Section 15.02(a) or a Condemnation Restoration as set forth in Section 16.03(a).

(d) [Intentionally Deleted]

(e) If Landlord's approval is required for a proposed Capital Improvement under this Section 12.01 and Landlord has reasonable objections insofar as they relate to the Reviewable Features that represent a material change from features incorporated in the initial construction of the Stadium or otherwise previously approved or deemed approved by Landlord (a "Material Change"), Landlord shall so notify Tenant, specifying the objection, and Tenant shall revise them to so conform and shall resubmit the plans and specifications with respect thereto to Landlord for review (unless Tenant elects not to proceed with the Capital Improvement). Notwithstanding the foregoing and anything herein contained to the contrary, Landlord's review of such plans and specifications and right to object to Capital Improvement shall be limited to the Reviewable Features that represent a Material Change (without prejudice to Tenant's obligations under Section 12.01(c) or Landlord's rights to enforce same). Each review by Landlord shall be carried out within fifteen (15) Business Days of the date of submission of the plans and specifications by Tenant or any revisions thereof, whichever is applicable. If Landlord has not notified Tenant of its determination within the 15 Business Days period, provided that Tenant's submission contains a letter making express reference to this Section 12.01(e) and 15 Business Days' turnaround time set forth herein, Landlord shall be deemed to have waived any objection to the plans and specifications or such Capital Improvement (without prejudice to Tenant's obligations under Section 12.01(c) or Landlord's rights to enforce same). Landlord's review and approval or disapproval of the plans and specifications shall be limited to the Reviewable Features that represent a Material Change (without prejudice to Tenant's obligations under paragraph (c) of this Section 12.01 or Landlord's right to enforce same). Landlord shall not raise any objection to any aspect of the plans and specifications which has already been submitted to Landlord and either approved or objections waived or deemed approved or objections deemed waived by Landlord, unless such aspect is objectionable because of subsequent material changes made by Tenant to the plans and specifications, in which case if such submission contains a notice making express reference to this Section 12.01(e) and the ten (10) Business Days turnaround time set forth herein, Landlord shall notify Tenant of such objections within ten (10) Business Days after Landlord shall have been notified of such subsequent change(s), or such subsequent changes shall be deemed approved (without prejudice to Tenant's obligations under Section 12.01(c) or Landlord's rights to enforce same).

If Tenant desires to materially modify any Reviewable Features with respect to a Capital Improvement that represent a Material Change, Tenant shall submit the proposed modifications to Landlord. Landlord shall review the proposed changes only to determine if there are any objectionable changes insofar as they relate to the Reviewable Features that represent a material change from features incorporated in the initial construction of the Stadium or otherwise previously approved by Landlord. If Landlord determines that there are any reasonable objectionable, Landlord shall so notify Tenant. If Landlord reasonably determines that there are any reasonable objectionable changes insofar as they relate to the Reviewable Features that represent a material change from features incorporated in the initial construction of the Stadium or otherwise previously approved by Landlord, Landlord shall so notify Tenant, specifying in what respects they do not so conform. Tenant shall either (i) withdraw the proposed modifications, in which case construction of the Capital Improvement shall proceed on the basis of the plans and specifications previously approved by Landlord that represent a Material Change or (ii) revise the proposed modifications to so comply and resubmit them to Landlord for review. Each review by Landlord shall be carried out within 10 Business Days of the date of submission of the proposed modifications to the plans and specifications. If Landlord has not notified Tenant of its determination within the 10 Business Day period, provided that Tenant's submission contains a letter making specific reference to this Section 12.01(e) and the ten (10) Business Days turnaround time set forth herein, Landlord shall be deemed to have waived any objection to the plans and specifications submitted. Notwithstanding the foregoing, Tenant may, without Landlord's consent, modify the plans and specifications to the extent reasonably necessary as a result of field conditions or to comply with the Requirements, provided that Tenant shall with reasonable promptness inform Landlord of such changes, and that such modified plans and specifications shall in all cases comply with all Requirements and previously approved or deemed approved plans and specifications insofar as they relate to the Reviewable Features that represent a Material Change from features incorporated in the initial construction of the Stadium or otherwise previously approved by Landlord or deemed to be approved. Landlord shall not raise any objections to any aspect of the plans and specifications which has already been submitted to Landlord and either approved or objections waived or deemed approved or objections deemed waived by Landlord (without prejudice to Tenant's obligations under paragraph (c) of this Section 12.01 or Landlord's right to enforce same), unless such aspect is objectionable because of subsequent changes made by Tenant to the plans and specifications (in which case if such submission contains a notice making express reference to this Section 12.01(e) and the ten (10) Business Days turnaround time set forth herein, Landlord shall notify Tenant of such objections within ten (10) Business Days after Landlord shall have been notified of such subsequent change(s), or such changes shall be deemed, without prejudice to Tenant's obligations under Section 12.01(c) or Landlord's rights to enforce same).

Tenant agrees not to incur any capital expenditures, whether or not qualifying as a Capital Expenditure, for as long as the tax-exempt Bonds are outstanding, unless, (a) Tenant certifies to Landlord, in a form acceptable to Nationally Recognized Bond Counsel, that (i) the expected useful life of the improvement to which such capital expenditures relate does not extend beyond the Initial Term of this Lease Agreement or (ii) the amount of the improvement to which such capital expenditures relate for a given Lease Year, when added to the amounts of all other improvements made during such Lease Year, does not exceed the amount deposited into the O&M Fund for such Lease Year pursuant to the PILOT Assignment, (b) the capital expenditures are financed with bonds issued by Landlord, the interest on which is not excludable

from gross income for Federal income tax purposes, or (c) there has been issued an opinion of Nationally Recognized Bond Counsel that such capital expenditure shall not cause the interest on the tax-exempt Bonds to be includable in gross income for Federal income taxes. Tenant shall furnish or cause to be furnished to Landlord such information as Landlord shall request in order for Nationally Recognized Bond Counsel to issue such opinion or inform Tenant of the reasons for which such opinion cannot be issued within twenty (20) Business Days of such request.

Section 12.02. Conditions and Requirements Concerning the Performance of Capital Improvements.

(a) The construction of all Capital Improvements shall be performed and completed in a good and workmanlike manner and in accordance with all Requirements.

(b) The construction of each Capital Improvement shall be carried out under the supervision of a duly licensed architect or engineer selected by Tenant (the "Architect").

(c) Tenant shall not commence the construction of any Capital Improvement unless and until (1) Tenant shall have obtained and delivered to Landlord copies of all permits, consents, certificates and approvals of all Governmental Authorities which are necessary for the work to be performed (or such phase thereof as is about to be performed provided Landlord has approved or is deemed to have approved the Capital Improvement), and (2) Tenant shall have delivered to Landlord copies of the policies of insurance required to be carried pursuant to the provisions of Article 14.

(d) Landlord shall have the right to observe the construction means, methods, procedures and techniques of the performance of Capital Improvements, for the purpose of ensuring that the same is being performed substantially in accordance with the plans and specifications, and all Requirements, and Landlord shall be entitled to have its field personnel or other designees receive reasonable prior notice of and attend Tenant's job and/or safety meetings, if any. No such observation or attendance by Landlord's personnel or designees shall impose upon Landlord responsibility for any failure by Tenant to observe any Requirements or safety practices in connection with such construction or constitute an acceptance of any work which does not comply in all respects with Requirements or the provisions of this Lease Agreement. While on the Premises, Landlord shall use commercially reasonable efforts to minimize interference with Tenant's operations.

(e) Tenant shall keep Landlord fully informed of Tenant's progress in the performance of each Capital Improvement. Upon request of Landlord, Tenant shall promptly provide Landlord with copies of all materials normally or actually provided to a construction lender, including, but not limited to, scheduling of payments, projections and certifications of construction costs on a monthly basis, and all construction documents and all plans and specifications reasonably specified by Landlord to assist Landlord in monitoring said progress by Tenant.

(f) Tenant shall comply with the terms and provisions of Section 8.01(e) through (h) and Section 8.02 hereof; provided, that if the proposed Capital Improvement affects something other than the Reviewable Features, Landlord's rights of consent, approval and

inspection shall be limited to compliance with the conditions of this Article 12 and adherence to the standard of a high quality (subject to ordinary wear and tear and obsolescence) professional sports facility (without prejudice to Tenant's obligations under Section 8.01(e) or Landlord's rights to enforce same).

Section 12.03. Title to Each Capital Improvement. Without limiting the provisions of Section 8.08(d), title to each Capital Improvement shall be and vest in Landlord.

Section 12.04. Development Risks. Landlord shall have no development or construction risks associated with any Capital Improvement. Landlord shall not bear the expense of the design or construction of any Capital Improvement.

Section 12.05. City to Perform Landlord Obligations Hereunder. It is agreed that the City, acting in its proprietary capacity, shall perform and exercise all obligations, reviews, consents, waivers and rights to be performed by Landlord, and Tenant shall look solely to the City and accept the City's exercise and performance of any of same. All submissions, notices, requests and demands by Tenant shall be delivered to Lease Administrator.

Section 12.06. No Landlord Obligations. Landlord shall have no obligation whatsoever to make any Capital Improvements, capital repairs, replacements or any other improvements to the Premises. All Capital Improvements shall be undertaken by or on behalf of Tenant as agent for Landlord. Landlord shall have no obligation to pay for any capital repair, replacement or improvement to the Premises (without prejudice to any agreement to which the City, EDC or ESDC may be obligated to fund any Capital Improvements).

ARTICLE 13

LATE CHARGES

Section 13.01. If (a) any payment of Rental, or any other payment due hereunder, is not received by Landlord within thirty (30) days after receipt by Tenant from Landlord of notice that such payment has become due, and is not received by Landlord within thirty (30) days after receipt by Tenant from Landlord of a further notice that such payment is overdue by more than thirty (30) days, or (b) Landlord has made a payment required to be made by Tenant hereunder, then a late charge on the sums so overdue or paid by Landlord, calculated at an annual rate of 200 basis points (2%) above the Prime Rate; provided, however, that such charge shall not exceed the maximum amount permitted by law (the "Late Charge Rate"), compounded daily from the date such Rental or other payment first became due or the date of payment by Landlord, as the case may be, to the date on which actual payment or reimbursement of such sums is received by Landlord, shall become due and payable to Landlord as liquidated damages for the administrative costs and expenses incurred by Landlord by reason of Tenant's failure to make payment on or before the dates such payments are due. Subject to all other provisions of this Lease Agreement, Tenant shall pay Landlord all late charges, on demand, which may be made from time to time. No failure by Landlord to insist upon the strict performance by Tenant of its obligations to pay late charges shall constitute a waiver by Landlord of its right to enforce the provisions of this Article 13 in any instance thereafter occurring. The provisions of this

Article 13 shall not be construed in any way to extend the grace periods or notice periods provided for in this Lease Agreement.

ARTICLE 14

INSURANCE

Section 14.01. Builder's Risk and Property Insurance Requirements.

(a) Generally. At all times commencing on the Commencement Date through the date of Substantial Completion of the Stadium, and during the period of any construction, renovation, improvement and reconstruction activity by Tenant on the Premises, Tenant shall provide builder's risk insurance coverage covering the Stadium Project on a manuscript "all risk" form similar to the ISO Causes of Loss-Special Form subject to reasonable approval by Landlord, on a completed value form with "extended coverage" (including earthquake, flood, riot, windstorm, civil commotion, certified and non-certified terrorism, sabotage, collapse, sinkhole and subsidence) and "soft cost coverage" on an actual loss sustained basis in lieu of any coinsurance clause and providing (i) coverage for the Stadium Project site, including removal of debris, insuring the buildings, structures, machinery, equipment, facilities, fixtures and other properties constituting a part of the Stadium Project in a minimum aggregate amount not less than the "Full Replacement Value" of the Stadium Project, and in any case subject to a construction term aggregate limit of \$100,000,000 for flood coverage and for earthquake coverage, and a construction term aggregate limit of not less than \$100,000,000 for terrorism coverage, but in no event an amount less than the limit necessary to satisfy any requirements of other Project Documents, and subject to commercially reasonable availability; (ii) off-site coverage with a per occurrence limit of not less than \$10,000,000; (iii) transit coverage with a per occurrence limit of not less than \$10,000,000; (iv) delay in opening coverage for interest during construction, debt service and continuing expenses in an amount not less than a 12 month indemnification period limit, on an "all risk" basis, as set forth in (i) through (iii) above. Builder's risk insurance shall not contain an exclusion for freezing, mechanical breakdown, or resultant damage caused by faulty workmanship, design or materials and shall remain in effect until replaced by property insurance coverage and boiler and machinery coverage as specified in Section 14.01(c) and 14.03(b) below. Builder's risk insurance shall be subject to customary exclusions. Builders risk policy shall include first party cleanup, hazardous materials, subject to a sublimit of \$50,000, subject to commercially reasonable availability. Earthquake and flood coverage shall be written on a customary form that is subject to Landlord's reasonable approval.

(b) Full Replacement Value. "Full Replacement Value" shall be deemed to be an amount equal to the full cost of replacing all Improvements at the Premises, including, without limitation, development fees, but exclusive of the cost of foundations and excavation, to the extent that such costs are covered under the builder's risk insurance policy described in Section 14.01(a) above. Within ten (10) days after Substantial Completion of the Stadium, Landlord shall deliver a certificate to Tenant setting forth the amount of such Full Replacement Value for the first Lease Year (a stub period) after Substantial Completion. In no event shall such Full Replacement Value be reduced by depreciation or obsolescence of the Improvements. Any dispute with respect to the amount of the Full Replacement Value set forth in such

certificate, including without limitation a dispute caused by Tenant's insurer, shall be determined by arbitration pursuant to Section 35.02 hereof.

(c) Post Substantial Completion. From and after the date of Substantial Completion for the Stadium Project, property insurance coverage on a manuscript "all risk" form similar to the ISO Special Form - Cause of Loss, subject to reasonable approval by Landlord in the amount not less than the Full Replacement Value of the Stadium Project, covering the Improvements, the trade fixtures equipment and any other personal property owned at or about the Premises, including a full replacement cost endorsement (no co-insurance) with no deduction for depreciation, providing, without limitation, (i) coverages against loss or damage by fire, lightning, windstorm, hail, explosion, riot, civil commotion, aircraft, vehicles, smoke, other risks from time to time included under "all risk" or "extended coverage" policies, earthquake, flood (provided, however, that earthquake and flood coverage may be subject to an annual aggregate limit of not less than \$100,000,000), certified and non-certified terrorism (subject to commercially reasonable availability), sabotage, collapse, sinkhole, subsidence and such other perils as Landlord, may from time to time require to be insured, with a sublimit of not less than \$500,000 for on-site clean-up required as a result of the occurrence of an insured risk; (ii) off site coverage with a per occurrence limit of \$1,500,000 or such higher amount as is sufficient to cover off-site equipment; (iii) transit coverage (including ocean cargo where ocean transit will be required) with a per occurrence limit of not less than \$1,500,000; and (iv) boiler and machinery coverage on a "comprehensive" basis including breakdown and repair with a limit of not less than \$100,000,000. Property insurance coverage shall not contain an exclusion for freezing, mechanical breakdown or resultant damage caused by faulty workmanship, design or materials or for any other reason unless specifically provided for in this Lease Agreement or otherwise approved in each instance by Landlord in its sole discretion. Tenant shall also maintain or cause to be maintained with respect to the Stadium Project, from and after the date of Substantial Completion of the Stadium Project, business interruption insurance on an "all risk" basis as set forth in (i) through (iv) above, in an amount equal to satisfy policy coinsurance conditions, but not less than the sum of Base Rent, Additional Rent and PILOT. Tenant shall also maintain or cause to be maintained, expediting or extra expense coverage in an amount not less than \$25,000,000. Tenant shall also maintain or cause to be maintained with respect to the Stadium Project contingent business interruption insurance, including contingent business interruption from building ordinances, in an amount not greater than \$50,000,000. The policy/policies shall include increased cost of construction coverage, debris removal, and building ordinance and law coverage to pay for loss of "undamaged" property which may be required to be replaced due to enforcement of local, state, or federal ordinances subject to a sublimit of \$25,000,000. All such policies may have deductibles of not greater than \$500,000 per loss with the exception of flood as a result of a named storm, but which may have a deductible equal to not less than five percent (5%) of total insurable value; business interruption coverage shall have a waiting period of not greater than 30 days. In the event the all risk property and the boiler and machinery coverage are not written in the same policy, each policy shall be endorsed to provide a joint loss agreement.

Earthquake and flood coverage shall be written on a manuscript "all risk" form that is subject to Landlord's reasonable approval.

Section 14.02. Liability Insurance.

(a) Commercial General Liability Insurance. From and after the date of Substantial Completion until the Expiration Date, Tenant shall maintain Commercial General Liability Insurance coverage protecting against liability for personal injury, bodily injury and death, and property damage, written on an occurrence basis. The coverage shall be provided through the following policies: a primary coverage policy with combined single limits of not less than \$1,000,000 per occurrence and a \$2,000,000 annual aggregate limit (other than products completed operations), \$2,000,000 Products Completed Operations aggregate, \$1,000,000 Personal and Advertising Injury limit, \$1,000,000 Damage to Premises Rented to Insured, and an umbrella policy containing \$100,000,000 of excess coverage above the primary general liability coverage as more fully described in Section 14.03(c). The commercial general liability policy shall also include a severability of interest clause and a cross liability clause in the event more than one entity is "named insured" under the liability policy. Such liability insurance policies required by this Section shall be written on ISO Coverage Form CG 00 01 10 01 (or successor form) and include the following coverages, provisions and clauses with no exclusions other than those found in such form unless approved by Landlord, such approval not to be unreasonably withheld:

- (i) a broad form property damage liability endorsement with fire legal liability limit of not less than \$50,000;
- (ii) premises operation liability coverage;
- (iii) contractual liability insurance;
- (iv) products/completed operations coverage;
- (v) personal injury liability coverage;
- (vi) a notice of occurrence clause;
- (vii) a knowledge of occurrence clause;
- (viii) an unintentional errors and omissions clause;
- (ix) coverage for suits arising from the use of reasonable force to protect persons and property;
- (x) Time Element for Named Perils endorsement;
- (xi) coverage for explosion, collapse and underground property damage (XCU);
- (xii) liquor legal liability coverage; and

(xiii) coverage for liability arising from operation of fork lifts and other drivable machinery and/or vehicles used in connection with or otherwise relating to the Stadium Project, to the extent not covered by Motor Vehicle Liability Insurance.

(b) Additional Insureds. All liability policies shall name Landlord, the City and EDC as additional insureds on a primary and noncontributory basis. The property insurance policy shall name the City as an additional insured.

(c) Motor Vehicle Liability Insurance. Tenant shall maintain Motor Vehicle Liability Insurance with coverage for all owned, non-owned and hired automobiles, and/or vehicles used in connection with or otherwise relating to the Stadium Project written on an occurrence basis and containing appropriate no-fault insurance provisions and other endorsements in accordance with all Requirements. The coverage shall be provided through the following policies: a primary coverage policy with combined single limits of not less than \$1,000,000 per occurrence and a \$2,000,000 annual aggregate limit and an umbrella policy containing \$10,000,000 excess coverage above the primary Motor Vehicle Liability coverage (which umbrella policy's limits may also include the Commercial General Liability excess coverage). Such coverage shall cover injury or death and property damage arising out of ownership maintenance or use of any private passenger or commercial vehicles required to be licensed for road use.

(d) Liability and Statutory Coverage During Construction. From and after the Commencement Date and up to the date of Substantial Completion (including without limitation construction, renovation, improvement and reconstruction being performed by or for the Construction Manager, the Contractors, Subcontractors and any other persons engaged by or on behalf of Tenant to work on the Premises), Tenant shall carry or cause to be carried (A) Commercial General Liability Insurance, including all applicable coverages enumerated in Section 14.02(a) hereof, written for a combined single limit of not less than One Hundred Million Dollars (\$100,000,000) and endorsed to name Tenant, Landlord, the City and EDC as additional insureds; (B) Commercial General Liability Insurance insuring all contractors, subcontractors and construction managers in amounts comparable with amounts carried by persons undertaking similar work in the New York area, with Tenant as Additional Insured, with respect to the Premises and all operations related thereto, whether conducted on or off the Premises, with an endorsement that such completed operations coverage continue for a period of three (3) years after Substantial Completion of the Stadium. Tenant or any contractor or subcontractor furnishing the insurance required hereunder for the undertaking of foundation, excavation or demolition work shall secure an endorsement on its policy to the effect that such operations are covered and that the "XCU Exclusions" have been deleted; and (C) Statutory Workers' Compensation Insurance in statutory amounts, and Employer's Liability Insurance in the amount of \$1,000,000 per accident or disease and \$1,000,000 aggregate by disease, covering (without duplication of any coverage required under Section 14.03(a) hereof) Tenant with respect to all persons employed by Tenant and all of Tenant's Contractors and Subcontractors in connection with the operations of Tenant conducted at, or in connection with, any portion of the Premises, or by Tenant or others in connection with construction thereon.

Section 14.03. Other Types of Required Insurance.

(a) Workers Compensation and Disability. During the Term from and after the date of Substantial Completion, Tenant shall maintain, or during any period of construction, renovation, improvement and reconstruction being performed by or for the construction manager, the contractors, subcontractors and any other persons engaged by or on behalf of Tenant to work on the Premises, shall cause its Contractors and Subcontractors to maintain Statutory Workers' Compensation Insurance and New York State Disability Benefits Insurance in statutorily required amounts with a waiver of subrogation in favor of Landlord, the City and EDC, and Employer's Liability Insurance and USL&H Act coverage and Jones Act with limits of not less than \$1,000,000 per accident or disease and \$1,000,000 aggregate by disease, covering (without duplication of any coverage required under Section 14.02(d) hereof) Tenant with respect to all persons employed by Tenant and all of Tenant's Contractors and Subcontractors in connection with the operations of Tenant conducted at, or in connection with, any portion of the Premises, or by Tenant or others in connection with construction thereon.

(b) Boiler and Machinery Insurance. Tenant shall maintain comprehensive Boiler and Machinery Insurance, applying to the entire heating, ventilating air-conditioning, mechanical and electrical systems that are or are to be components of the Improvements, in all its applicable forms, including Broad Form, boiler explosion, extra expense and loss of use in an amount not less than \$100,000,000, which shall name Landlord as an additional insured. The Boiler and Machinery Insurance required under this Section 14.03(b) may be carried as part of the Builder's Risk Coverage and Property Coverage described in Section 14.01(a) and (c) above so long as by doing so the coverage required hereunder shall not be reduced or compromised in any fashion.

(c) Umbrella/Excess Liability Insurance. From and after the date of Substantial Completion until the Expiration Date, Tenant shall maintain umbrella/ excess liability insurance of not less than \$100,000,000 per occurrence and in the aggregate as set forth in Section 14.02(a). Such coverage shall be on a per occurrence policy form over and above coverage provided by the primary general liability coverage policy described in Section 14.02(a) hereof. The umbrella and/or excess policies shall not contain endorsements which restrict coverages as set forth in Section 14.02(a), and which are provided in the underlying policy. If the policy or policies provided under this paragraph contain(s) aggregate limits that are diminished below \$100,000,000 by any incident, occurrence, claim, settlement or judgment against such insurance which has caused the carrier to establish a reserve, Tenant shall take or cause immediate steps be taken to restore such aggregate limits or shall provide other equivalent insurance protection for such aggregate limits.

(d) Contractors/Subcontractors Insurance. Tenant shall be responsible to have Contractors and subcontractors carry the insurance coverage required pursuant to this Article 14.

(e) Acts of Terrorism. Subject to commercially reasonable availability, Tenant shall maintain insurance against damage resulting from certified and non-certified acts of terrorism, or an insurance policy without an exclusion for damages resulting from terrorism, on terms consistent with the commercial property and liability insurance policies required hereunder.

(f) Flood Insurance. If any Improvements are located in an area designated as “flood prone” or as a “special flood hazard area” under the regulations for the National Flood Insurance Act of 1968 and the Flood Disaster Protection Act of 1973, 42 U.S.C. § 4001 et seq., Tenant shall maintain at least the maximum coverage for the Premises and the Stadium available under the federal flood insurance plan.

(g) Project Documents. Tenant shall at all times maintain or cause to be maintained the insurance coverage required under the terms of each of the Project Documents to which it is a party.

(h) Captive Policies for Liability Insurance Deductibles. Liability insurance policies shall not contain any deductible in excess of \$25,000; provided, that Tenant may obtain liability insurance policies with deductibles of up to \$1,000,000 on the condition that Tenant obtains, through MLB or another pool of insurers, a “captive policy” which provides for coverage of liability insurance deductibles in excess of \$25,000; provided that if the “captive policy” is obtained through an entity other than MLB or an affiliate thereof such captive policy shall be subject to Landlord’s reasonable approval.

(i) Subtenant/Licensee Concessionaire Liability Insurance. All subleases and licenses, concession agreements (excluding licenses for luxury suites and boxes) shall require the subtenant, licensee or concessionaire thereunder to carry a comprehensive general liability policy (consistent with the coverage described in Section 14.02 (a)) naming Tenant, Landlord, the City and EDC as additional insureds with limits reasonably prudent in the context of the subtenant’s, licensee’s or concessionaire’s contemplated use of the Premises (including, without limitation, for all concessionaires serving alcoholic beverages, liquor legal liability coverage). Tenant shall enforce such requirement and shall deliver to Landlord, promptly after Landlord’s demand therefor, evidence of each such subtenant’s, licensee’s or concessionaire’s liability insurance coverage.

(j) Other or Additional Insurances. Tenant shall maintain such other or additional insurance (as to risks covered, policy amounts, policy provisions or otherwise) as are from time to time commonly insured against for property and facilities similar in nature, use and location to the Stadium Project which Landlord may require.

Section 14.04. Adjustment of Limits. All of the limits of insurance required hereunder pursuant to this Article 14 shall be subject to review by Landlord and, in connection therewith, Tenant shall carry or cause to be carried such additional amounts as Landlord may reasonably require from time to time. Any request by Landlord that Tenant carry or cause to be carried additional amounts of insurance shall not be deemed reasonable unless such additional amounts are commonly carried in the case of premises similarly situated to the Premises, or business operations of a size, nature or character similar to the size, nature and character of the business operations being conducted at the Premises; provided, however, that in no event shall the provisions of this Section relieve Tenant of its obligation to carry or to cause to be carried property insurance in an amount not less than the Full Replacement Value; and provided further, however, that in no event shall Tenant be required to carry or to cause to be carried property insurance in an amount which is greater than the Full Replacement Value.

Section 14.05. Equivalent Protection. The parties acknowledge that over the Term of this Lease Agreement, further changes in the forms of insurance policies and in insurance practices are likely to occur. In such event, including, without limitation, the event that any types of coverage or any coverage amounts required hereunder become unavailable or cease to be commonly carried in the case of premises in the Northeast and Mid-Atlantic regions of the United States generally comparable (in general size and function) to the Premises and conducting business and activities of a generally similar nature of those conducted at the Premises, then Landlord shall have the right to require Tenant to furnish, at Tenant's sole expense, such additional coverages, policy terms and conditions, or limits of liability, as may be reasonably necessary or prudent by Tenant prior to the advent or occurrence of any change in insurance practices referred to in this paragraph, provided that the additional coverage requested by Landlord is available at commercially reasonable rates and customarily required by owners of similar properties.

Section 14.06. Treatment of Proceeds.

(a) Payment. All insurance proceeds paid pursuant to any insurance required to be carried pursuant to this Lease Agreement or carried in connection with this Lease Agreement, shall be paid in accordance with Article 15 hereof.

(b) Cooperation in Collection of Proceeds. Tenant and Landlord shall cooperate in connection with the collection of any insurance moneys that may be due in the event of loss, and Tenant and Landlord shall promptly execute and deliver such proofs of loss and other instruments which may be required of Tenant and Landlord, respectively, for the purpose of obtaining the recovery of any such insurance moneys.

(c) Landlord's Right to Collect. In the event that Tenant fails to respond in a timely and appropriate manner (as reasonably determined by Landlord) to take any steps necessary or reasonably requested by Landlord to collect from any insurers for any loss covered by any insurance required to be maintained hereunder, Landlord shall have the right to make all proofs of loss, adjust all claims and/or receive all or any part of the proceeds of the foregoing insurance policies, either in its own name or the name of Tenant; provided, however, that Tenant shall, upon Landlord's request and at Tenant's own cost and expense, make all proofs of loss and take all other steps necessary or reasonably requested by Landlord to collect from insurers for any loss covered by any insurance required to be obtained hereunder.

Section 14.07. General Provisions Applicable to All Policy Requirements.

(a) Insurance Companies. All of the insurance required by any provision of this Lease Agreement shall be in such form and shall be issued by such insurance companies licensed or authorized to do business in the State of New York as are reasonably acceptable to Landlord. Any insurance company rated by Bests Insurance Reports (or any successor publication of comparable standing) as "A-IX" or better (or the then equivalent of such rating) shall be deemed a responsible company and acceptable to Landlord. All policies referred to in this Lease Agreement shall be obtained by Tenant for periods of not less than one (1) year.

(b) Waiver of Subrogation. All policies required hereunder by any provision of this Lease Agreement shall waive subrogation rights against Landlord, the City and EDC and shall waive any rights of the insurers to any setoff or counterclaims or any other deduction, whether by attachment or otherwise in respect of any liability of Landlord, the City and EDC. Tenant hereby waives any claims against Landlord, the City and EDC it may otherwise have under any and all policies required hereunder by any provision of this Lease Agreement.

(c) Certificates and Copies; Payment of Premiums. With respect to any insurance policies required under this Article 14 carried up to the date of Substantial Completion obtained through a "CCIP", the insurance carried thereunder shall contain an endorsement to the effect that Tenant shall be given not less than thirty (30) days notice of cancellation or non-renewal of any such policy. Tenant shall deliver to Landlord properly authorized certificates of insurance evidencing all such coverage and forward to Landlord reasonably promptly upon receipt a copy of any such notice of cancellation or non-renewal. With respect to any other policies required under this Article 14, Tenant shall endeavor to deliver to Landlord proof of payment of the premium in full in advance for a period of one calendar quarter (or more), and a properly authorized certificate giving to Landlord thirty (30) days' advance notice of cancellation, termination or material change. A certified copy of each policy, signed by an authorized representative, broker or agent of the insurer, shall be delivered to all persons required to be insured thereby hereunder (the "Insured Persons"), reasonably promptly (but in all events within ten (10) days) if received by Tenant from the insurance company or companies. Certified copies of new or renewal policies replacing any policies expiring during the Term shall be delivered thirty (30) days prior to the expiration of expired policies, if issued at that time but in all events within ten (10) days if received by Tenant from the insurance company or companies, together with proof that the premiums for at least the first year of the term of each of such new or renewal policies or such premium installments for shorter periods then due and payable for such policies shall have been paid. To the extent any such policies are not received by Tenant, upon Landlord's request Tenant shall deliver to Landlord a certificate of insurance evidencing such policy. Tenant may pay the premiums for any of the insurance required hereunder to the carrier in installments in accordance with the provisions of the applicable policies, provided that Tenant pays all such installments in full not later than ten (10) days prior to the respective due dates for such installments and provides proof of payment of such installments by such dates.

(d) Multiple Property Policies. Tenant shall not carry separate property insurance, concurrent in form, or contributing in the event of loss, with that required by this Lease Agreement unless Landlord is named as an insured party with loss payable as provided in this Lease Agreement or unless the policy is required by any other Project Document or is generally provided by an MLB Entity, provided, however, that in any such event (y) the same shall not result in less insurance coverage than is required hereunder or reduce Tenant's obligations to Landlord in any fashion and (z) Landlord must also be named as an insured party with loss payable as provided herein on such policies. Tenant shall promptly notify Landlord of the carrying of such separate insurance and shall cause certified copies of such policies or certified copies of abstracts of such policies, as the case may be, together with proof of payment of all premiums (or required installment payments on account of such premiums) to be delivered to Landlord in accordance with the provisions of Section 14.07(c).

(e) Compliance with Policies. Tenant shall not violate or permit to be violated any of the conditions, provisions or requirements of any insurance policy required hereunder and Tenant shall perform and satisfy or cause to be performed and satisfied the conditions, provisions and requirements of the policies so that, at all times, companies acceptable to Landlord shall be providing the insurance required by this Article 14. Notwithstanding the foregoing, Tenant shall be entitled at its sole cost and expense to contest the conditions, provisions and requirements of any insurance company providing the insurance carried or caused to be carried by Tenant hereunder, provided that, at all times during the Term, the insurance required by this Article 14 shall be in full force and effect in accordance with the provisions of this Article 14 despite Tenant's contesting of any such conditions, provisions or requirements, and, in such event, Tenant shall not be in default hereunder by reason of its failure to comply with such contested conditions, provisions or requirements.

In the event that at any time the insurance as herein provided shall be reduced or cease to be maintained, except by payment of claims, expenses and losses, then (without limiting the rights of Landlord in respect of the Event of Default which arises as a result of such failure) Landlord may at its option maintain the insurance required hereby and, in such event, Tenant shall reimburse Landlord upon demand for the cost thereof together with interest thereon, but in no event shall the rate of interest exceed the maximum rate permitted by law.

(f) Required Endorsements. Each policy of insurance procured by Tenant or its Construction Manager required to be carried pursuant to the provisions of this Lease Agreement shall contain (i) a provision that no unintentional act or omission of Tenant shall affect or limit the obligation of the insurance company to pay the amount of any loss sustained by Landlord, as its interest may appear, (ii) with respect to policies be carried prior to Substantial Completion, an agreement by the insurer that such policy shall not be canceled or denied renewal without at least thirty (30) days' prior written notice to Tenant or Tenant's agent, and, thereafter, with an agreement for notice to Landlord, (iii) a waiver of subrogation by the insurer of any right to recover the amount of any loss resulting from the negligence of Landlord or its designees, agents or employees, (iv) in the case of a CCIP in which the Landlord, the City and/or EDC is a named insured, a provision that there shall be no recourse against Landlord, the City or EDC for the payment of premiums or commissions or (if such policies or binders provide for the payment thereof) additional premiums or assessments; (v) a provision that such insurance shall be primary insurance without any right of contribution from any other insurance carried by Landlord, [Bondholder] or Trustee to the extent that such other insurance provides Landlord, [Bondholder] or Trustee, as the case may be, with contingent and/or excess liability insurance with respect to its respective interest as such in the Stadium; (vi) coverage for liability to third parties and (vii) such other terms and provisions as any owner or operator of facilities similar to the Stadium would, in the prudent management of its properties, require to be contained in policies, binders or interim insurance contracts with respect to facilities similar to the Stadium owned or operated by it.

(g) No Coinsurance. All insurance coverage shall be on a "no coinsurance/replacement cost" basis and in such form (including the form of the loss payable clauses) as shall be acceptable to Landlord. Tenant shall submit certified copies of all policies received pursuant to the requirements of this Article to Landlord for its review and approval, which shall not be unreasonably withheld.

(h) Claims Made Reporting Period Coverage. In the event that any policy is written on a "claims-made" basis and such policy is not renewed or the retroactive date of such policy is to be changed, Tenant shall obtain or cause to be obtained for each such policy or policies the broadest basic and supplemental extended reporting period coverage or "tail" reasonably available in the commercial insurance market for each such policy or policies and shall provide Landlord with proof that such basic and supplemental extended reporting period coverage or "tail" has been obtained.

(i) Terminology. The words "bodily injury," "injury" and "damages" in all policies shall include mental anguish, shock, mental injury or illness whether or not accompanied by physical injury or illness suffered by any person or persons.

(j) Judgment Interest. All insurance coverage shall cover both pre and post judgment interest.

Section 14.08. Unavailability. If any of the insurance required to be carried under this Lease Agreement shall not, after diligent efforts by Tenant, and through no act or omission on the part of Tenant, be obtainable from domestic carriers licensed to do business in New York and customarily insuring premises similar to the Premises and business operations of a size, nature and character similar to the size, nature and character of the business operations being conducted by Tenant at the Premises then Tenant shall promptly notify Landlord of Tenant's inability to obtain such insurance and Landlord shall have the right, but not the obligation, to arrange for Tenant to obtain such insurance at a reasonable cost. If Landlord shall be able to arrange for Tenant to obtain such insurance at a reasonable cost, Tenant shall obtain the same up to the maximum limits provided for herein. If Landlord shall be unable to arrange for Tenant to obtain such insurance at a reasonable cost, Tenant shall promptly obtain the maximum insurance obtainable at a reasonable cost, and in such case, the failure of Tenant to carry the insurance which is unobtainable at a reasonable cost shall not be a Default for as long as such insurance shall remain unobtainable at a reasonable cost. Types and amounts of insurance shall be deemed unobtainable at a reasonable cost if such types or amounts of insurance are (a) actually unobtainable, or (b) virtually unobtainable as a result of commercially unreasonable premiums.

Section 14.09. Modification By Insurer. Without limiting any of Tenant's obligations or Landlord's rights under this Article 14, upon an insurer's modification, in any material respect, of any insurance policy that is required to be carried by Tenant according to the provisions of this Lease Agreement, Tenant shall give notice to Landlord of such modification within three (3) days after Tenant's receipt of notice of such modification.

Section 14.10. Interpretation. All insurance terms used in this Article 14 shall have the meanings ascribed by the Insurance Services Offices of New York.

Section 14.11. Contractor Controlled Insurance Program/Owner Controlled Insurance Program. Tenant may provide the Worker's Compensation, Disability, Employer's Liability and/or Commercial General Liability insurance coverage required under this Article 14 through a Contractor Controlled Insurance Program ("CCIP") or an Owner Controlled Insurance Program ("OCIP") subject to obtaining Landlord's consent, which consent shall not be unreasonably withheld. If Tenant elects to provide such coverages through a CCIP or an OCIP,

and Landlord consents thereto in writing, said coverages shall in all respects meet the requirements set forth in this Article 14.

Section 14.12. NO LANDLORD REPRESENTATION. LANDLORD DOES NOT IN ANY WAY REPRESENT THAT THE INSURANCE SPECIFIED HEREIN, WHETHER IN SCOPE OR COVERAGE OR LIMITS OF COVERAGE, IS ADEQUATE OR SUFFICIENT TO PROTECT THE BUSINESS OR INTEREST OF TENANT OR THE PARTNERSHIP.

ARTICLE 15

DAMAGE, DESTRUCTION AND RESTORATION

Section 15.01. Notice to Landlord. Tenant shall notify Landlord immediately if the Improvements are damaged or destroyed in whole or in part by fire or other casualty.

Section 15.02. Casualty Restoration.

(a) Obligation to Restore. If all or any portion of the Improvements are damaged or destroyed by fire or other casualty, ordinary or extraordinary, foreseen or unforeseen, Tenant, as the agent of Landlord, shall restore the Premises to the condition in which it existed immediately before such casualty as nearly as possible (a "Casualty Restoration") (but not with respect to personalty or equipment belonging to any Subtenant). Notwithstanding the foregoing, if all or substantially all of the Improvements are damaged or destroyed at any time during the last five (5) Lease Years of the Term, then Tenant may, but shall have no obligation to, perform a Casualty Restoration.

(b) Commencement of Construction Work. If Tenant is obligated (or elects) to perform a Casualty Restoration pursuant to subsection (a) above, Tenant shall commence the Casualty Restoration within sixty (60) days after adjustment of the insurance claim relating to the damages or destruction, subject to Unavoidable Delays, and, thereafter, shall perform the Casualty Restoration as continuously and diligently as possible.

Section 15.03. Application of Restoration Funds.

(a) All insurance proceeds (excluding proceeds from "contents" insurance policies carried by Tenant or any subtenant or licensee for personal property separate and apart from the policies required under this Lease Agreement) with respect to any casualty (the "Restoration Funds") (i) during such time as the Bonds shall be outstanding, shall be paid (A) to the PILOT Bond Trustee, if any of the PILOT Bonds shall be outstanding, or (B) to the Rental Bond Trustee, if none of the PILOT Bonds shall be outstanding, and applied in accordance with the applicable provisions of the Bond Documents and this Article 15, and (ii) from and after the date of repayment in full of the Bonds, shall be paid to a Recognized Mortgagee, or, if none exists, to an Institutional Lender, in each instance to be held in trust in an interest-bearing account for application in accordance with the terms of this Article 15.

(b) If Tenant is required or elects to perform a Casualty Restoration, the Restoration Funds shall be applied toward the cost of the Casualty Restoration, provided that any

Restoration Funds, together with any interest earned thereon, remaining after the completion of a Casualty Restoration shall, subject to the rights of any Recognized Mortgagee, be paid to or retained by Tenant for its own account.

(c) If Tenant terminates this Lease Agreement pursuant to Section 15.05 hereof, (i) during such time as the Bonds shall be outstanding, all of the Restoration Funds shall be paid (A) to the PILOT Bond Trustee, if any of the PILOT Bonds shall be outstanding, or (B) to the Rental Bond Trustee, if none of the PILOT Bonds shall be outstanding, and applied in accordance with the applicable provisions of the Bond Documents in the following order of priority: (I) first, in the event that Landlord elects to require Tenant, as agent of Landlord, to demolish the Stadium pursuant to Section 15.05 hereof, to Tenant for the costs of such demolition and the costs of clearing and leveling of the Stadium site, (II) second, to the redemption of the Bonds, the amount necessary to effect such redemption, (III) third, to any Recognized Mortgagee, an amount equal to all amounts payable under the applicable Mortgages and (IV) fourth, any balance to Landlord; and (ii) from and after the date of repayment in full of the Bonds, all of the Restoration Funds shall be applied in the following order of priority: (A) first, in the event that Landlord elects to require Tenant, as agent of Landlord, to demolish the Stadium pursuant to Section 15.05 hereof, to Tenant for the costs of such demolition, and the costs of clearing and leveling of the Stadium site, (B) second, to any Recognized Mortgagee, an amount equal to all amounts payable under the applicable Mortgages, and (C) third, any balance to Landlord.

Section 15.04. Restoration Fund Deficiency. Subject to the delivery of a legal opinion to the effect described in clause (c) of the last paragraph of Section 12.01(e), if the estimated cost of any Casualty Restoration exceeds the aggregate amount of the Restoration Funds available to pay for such Casualty Restoration, then Tenant shall have the obligation to furnish its own funds for the difference between available Restoration Funds and the cost of the Casualty Restoration. Tenant's funds shall be furnished for a Casualty Restoration prior to insurance proceeds being applied if at any time and to the extent such a deficiency is reasonably anticipated to exist. Any dispute with respect to the foregoing shall be settled by the expedited arbitration procedures set forth in Section 35.02.

Section 15.05. Tenant's Right to Terminate. If all or substantially all of the Improvements are damaged or destroyed by fire or other casualty, ordinary or extraordinary, foreseen or unforeseen, during the last five (5) Lease Years, Tenant, by notice to Landlord, shall have the right to terminate this Lease Agreement within ninety (90) days after such casualty by notice to Landlord, in which case all insurance proceeds shall be applied as provided in Section 15.03(c) hereof, and, at Landlord's election, Tenant, as agent of Landlord, shall demolish the Stadium and clear and level the Stadium site. This Lease Agreement shall terminate on the later of thirty (30) days after the date of such notice or ten (10) days after the completion of demolition of the Stadium.

Section 15.06. Effect of Casualty on this Lease Agreement. Unless Tenant elects to terminate this Lease Agreement pursuant to Section 15.05, this Lease Agreement shall neither terminate, be forfeited nor be affected in any manner, by reason of damage to, or total, substantial or partial destruction of, the Improvements, or by reason of the unlicensability of the Improvements or any part thereof, or for any reason or cause whatsoever. Tenant's obligation

hereunder shall continue as though the Improvements had not been damaged or destroyed and shall continue without abatement, suspension, diminution or reduction unless and until Tenant exercises its right to terminate pursuant to, Section 15.05 above.

Section 15.07. Assignment. To the extent that Restoration Funds are payable to Landlord and not required to be applied to (a) the Restoration of the Premises, (b) the demolition of the Stadium and the clearing and leveling the Stadium site, (c) the redemption of Bonds, or (d) payment to a Recognized Mortgagee, Landlord hereby assigns its right to receive the proceeds thereof to Fee Owner pursuant to Section 14.1 of the Ground Lease. Fee Owner shall be a third party beneficiary of this Section 15.07.

Section 15.08. Waiver of Rights Under Statute. The existence of any present or future law or statute notwithstanding, and except as provided in Section 15.05, Tenant waives all rights to quit or surrender the Premises or any part thereof by reason of any casualty to the Improvements. It is the intention of Landlord and Tenant that the provisions of this Article 15 are an "express agreement to the contrary" as provided in Section 227 of the Real Property Law of the State of New York.

Section 15.09. Police Substation. For purposes of this Article 15, the Improvements shall not include the Police Substation, except that Tenant shall as part of any Casualty Restoration undertaken by Tenant restore the Police Substation to the "core and shell" described in Exhibit E, as may be modified or supplemented by amendment to this Stadium Lease. In addition, notwithstanding anything contained in Article 14 to the contrary, Tenant shall not be obligated to maintain any insurance with respect to the Police Substation.

ARTICLE 16

CONDEMNATION

Section 16.01. Certain Definitions.

(a) "Taking" shall mean a taking of the Premises, or any part thereof for any public or quasi-public purpose by any lawful power or authority, acting in its sovereign capacity by the exercise of the right of condemnation or eminent domain or by agreement among Landlord, Tenant and those authorized to exercise such right irrespective of whether the same affects the whole or substantially all of the Premises, or a lesser portion thereof but shall not include a taking of the fee interest in the Premises, or any portion thereof if, after such taking, Tenant's and any rights under this Lease Agreement are not affected.

(b) "Substantial Taking" shall mean either (i) a Taking of the entire Premises or (ii) a Taking where the portion of the Premises remaining after the Taking in the reasonable determination of Tenant would not readily and appropriately accommodate a modern, first class state-of-the-art major league baseball stadium.

(c) "Date of Taking" shall be deemed to be the date on which title to the whole or any part of the Premises shall have vested in any lawful power or authority pursuant to the provisions of applicable federal, state, or local condemnation law or the date on which the

right to the temporary use of the same has so vested in any lawful power or authority as aforesaid.

Tenant shall promptly notify Landlord of any Taking.

Section 16.02. Substantial Taking.

(a) If during the Term there shall be a Substantial Taking (other than a Temporary Taking), the following consequences shall result:

- (i) this Lease Agreement and the Term shall terminate and expire on the Date of Taking and Rental paid and payable by Tenant hereunder shall be apportioned to the Date of Taking, and all such Rental shall be paid on the Date of Taking to the party in whose favor such apportionments result in a credit;
- (ii) during such time as the Bonds shall be outstanding, all awards shall be paid (A) to the PILOT Bond Trustee, if any of the PILOT Bonds shall be outstanding, or (B) to the Rental Bond Trustee, if none of the PILOT Bonds shall be outstanding, and applied in accordance with the applicable provisions of the Bond Documents in the following order of priority: (I) first, to Landlord for its own account, the value of the Land so taken, (II) second, to the redemption of the Bonds, the amount necessary to effect such redemption, (III) third, to any Recognized Mortgagees, an amount equal to all amounts payable under the applicable Mortgages, (IV) fourth, to Tenant, an amount equal to the value of Tenant's remaining leasehold interest in and to the Premises on the date of the Substantial Taking, and (V) fifth, any balance to Landlord;
- (iii) from and after the date of repayment in full of the Bonds, the award for such Taking shall be applied in the following order of priority: (A) first, to Landlord for its own account, the value of the Land so taken, (B) second, to any Recognized Mortgagees an amount equal to all amounts payable under the applicable Mortgages, (C) third, to Tenant, an amount equal to the value of Tenant's remaining leasehold interest in and to the Premises on the date of the Substantial Taking, and (D) fourth, any balance to Landlord.

(b) Tenant and any Subtenant shall be entitled to make a separate claim in the condemnation proceeding for the amount of (i) the loss of value or utility of their personal property, including without limitation, office furniture and equipment, moveable partitions, communications equipment and other articles of moveable equipment owned or leased by them and located at the Premises; and (ii) for moving expenses. In no event shall Tenant or any Subtenant submit a claim for value for the unexpired Term of this Lease Agreement or the Sublease, except as provided in Section 16.02(a)(ii) and (iii) above.

Section 16.03. Partial Taking.

(a) Restoration. If there shall be a Taking less than a Substantial Taking (other than a Temporary Taking), this Lease Agreement and the Term shall continue without diminution of any of Tenant's obligations hereunder, Tenant shall restore the Premises to the condition in which it existed immediately before the Taking as nearly as possible (a "Condemnation Restoration"), and all condemnation awards shall be paid and applied in the same manner as is set forth in Section 15.03(b) as if such Taking were a Casualty. If less than a Substantial Taking (other than a Temporary Taking) shall occur at any time during the last five (5) Lease Years of the Term, then Tenant shall have no obligation to perform a Condemnation Restoration, and if Tenant makes a determination not to perform a Condemnation Restoration, this Lease shall terminate and the condemnation awards for the Land and Stadium shall be paid as provided in Section 16.02(a). Tenant shall make its election within ninety (90) days of such Taking.

(b) Commencement of Construction Work. If Tenant is obligated to perform a Condemnation Restoration pursuant to subsection (a) above, Tenant shall commence the Condemnation Restoration within sixty (60) days after payment by the authority exercising eminent domain of the condemnation award, subject to Unavoidable Delays and the delivery of any legal opinion required by clause (c) of the last paragraph of Section 12.01(e), and, thereafter, shall perform the Condemnation Restoration as continuously and diligently as possible. Any proceeds remaining after Condemnation Restoration shall be paid to Landlord.

(c) Restoration Fund Deficiency. Subject to the delivery of a legal opinion to the effect described in clause (c) of the last paragraph of Section 12.01(e), if the estimated cost of any Condemnation Restoration exceeds the aggregate amount of the condemnation proceeds available to pay for such Condemnation Restoration, then Tenant shall have the obligation to furnish its own funds for the difference between available condemnation proceeds and the cost of a Condemnation Restoration. Tenant's funds shall be furnished for a Condemnation Restoration prior to condemnation proceeds being applied if at any time and to the extent such a deficiency is reasonably anticipated to exist. Any dispute with respect to the foregoing shall be settled in accordance with the expedited arbitration procedure set forth in Section 35.02.

Section 16.04. Temporary Taking. If during the Term there shall be a Taking of the temporary use of the Premises or a portion thereof, whether a Substantial Taking or less than a Substantial Taking, for a temporary period of less than one (1) year (a "Temporary Taking"), this Lease Agreement and the Term shall continue, and Tenant shall receive the award of payment for such temporary use.

Section 16.05. Collection of Awards. Each of the parties shall execute documents that are reasonably required to facilitate collection of any awards made in connection with any condemnation referred to in this Article 16 and shall cooperate with each other to permit collection of the award.

Section 16.06. Tenant's Appearance at Condemnation Proceedings. Tenant shall have the right to appear in any condemnation proceedings and to participate in any and all hearings, trials, and appeals in connection therewith.

Section 16.07. Assignment. To the extent that condemnation proceeds are payable to Landlord and not required to be applied to (a) the Restoration of the Premises, (b) the redemption of the Bonds, (c) payment to a Recognized Mortgagee, or (d) payment to Tenant, for the value of Tenant's remaining leasehold interest in and to the Premises, Landlord hereby assigns its right to receive the proceeds thereof to Fee Owner pursuant to Section 14.2 of the Ground Lease. Fee Owner shall be a third party beneficiary of this Section 16.07.

Section 16.08. Intention of the Parties. The existence of any present or future law or statute notwithstanding, Tenant waives all rights to quit or surrender the Premises or any part thereof by reason of any Taking that is less than a Substantial Taking. It is the intention of Landlord and Tenant that the provisions of this Article 16 shall constitute an "express agreement to the contrary" as provided in Section 227 of the Real Property Law of the State of New York and shall govern and control in lieu thereof. Tenant shall have no obligation to restore the Police Substation in the event of a Taking.

ARTICLE 17

ASSIGNMENT, TRANSFER AND SUBLEASING; MORTGAGES

Section 17.01. Limitations on Right to Enter Into Sublease or Capital Transaction

(a) Tenant shall not enter into any Capital Transaction or Sublease, except that Tenant may enter into Permitted Transactions without the consent of Landlord, or otherwise only with the prior written consent of Landlord in its sole discretion in each instance.

(b) A Sublease or Capital Transaction shall be a "Permitted Transaction" if:

(1) each of the following conditions are satisfied, as applicable:

- (i) on the effective date of such Sublease or Capital Transaction, there exists no uncured Event of Default and there exists no Default (other than a Default which is being cured simultaneously with or as a consequence of such Sublease or Capital Transaction), notice of which has been given to Tenant;
- (ii) the proposed Assignee, Transferee or Subtenant is a Permitted Person;
- (iii) Tenant shall have complied in all material respects with any and all of the applicable provisions of this Article 17 set forth below;
- (iv) in the case of an Assignment (other than an Assignment by operation of law, *i.e.*, a merger or sale of the business of Tenant), Tenant has obtained a written assumption by Assignee, in form and substance reasonably satisfactory to Landlord and executed by the Assignee, of all of Tenant's

obligations under this Lease Agreement (A) accruing after the date of such Assignment and (B) that accrued prior to the date of such assignment, unless Tenant agrees in form and substance reasonably satisfactory to Landlord to remain liable for all such prior accrued obligations or otherwise provides security for such obligation satisfactory to Landlord;

- (v) the proposed Subtenant, Assignee or Transferee shall have Common Ownership with the Team;
 - (vi) if Tenant has not Substantially Completed Construction of the Stadium as of the effective date of the Sublease, Assignment or Transfer, the Team and Tenant will be under Common Control; and
 - (vii) the written agreement and stipulation of the Partnership that such Capital Transaction shall not in any way impair or diminish the Partnership's obligations and liability or Landlord's rights and remedies under the Non-Relocation Agreement; or
- (2) a Capital Transaction arises out of the exercise of remedies by an unrelated secured party in an arm's length transaction resulting from the default, breach or non-performance under a security agreement by the Partnership or any direct or indirect constituent entity of Tenant.

The foregoing notwithstanding, the Stadium Sublease Agreement is hereby deemed to be a Permitted Transaction.

Any consent by Landlord to any act of Assignment, Transfer or Sublease shall be held to apply only to the specific transaction thereby authorized. Such consent shall not be construed as a waiver of the duty of Tenant, or the successors or assigns of Tenant, to obtain from Landlord consent to any other or subsequent assignment, transfer or sublease, or as modifying or limiting the rights of Landlord under the foregoing covenant by Tenant.

(c) Definitions.

- (i) "Assignment" means the sale, exchange, assignment, or other disposition of all or any portion of Tenant's interest in this Lease Agreement, or a Sublease of substantially all of Tenant's interest in this Lease Agreement, whether by operation of law (*i.e.*, a merger or sale of the business of Tenant), or otherwise.
- (ii) "Assignee" means an assignee under an Assignment.

- (iii) "Capital Transaction" means an Assignment, a Transfer or any other transaction which would constitute the functional equivalent of an Assignment or Transfer. Without limiting anything contained in this Lease Agreement, "Capital Transaction" does not include a collateral assignment or pledge of stock made solely to secure indebtedness.
- (iv) "Equity Interest" means with respect to any entity, (A) the beneficial ownership of (1) outstanding stock, or the right to buy outstanding stock, of such entity if such entity is a corporation, a real estate investment trust or a similar entity, a capital, profits, membership, or partnership interest in such entity, (2) or the right to buy such an interest, if such entity is a limited liability company, partnership or joint venture or (3) interest in a trust, or the right to buy such an interest, if such entity is a trust, or (B) any other beneficial interest that is the functional equivalent of any of the foregoing.
- (v) "Family Member" means a parent, son, daughter, son-in-law, ~~daughter-in-law, grandchild, grandparent, or sibling, or a~~ descendent of any of the foregoing, including any children or grandchildren by adoption, and shall include a trust made exclusively for the benefit of one or more of the foregoing.
- (vi) "Permitted Person" shall mean any Person that (A) is not a Prohibited Person nor is any "Principal" (as defined in Section 19.02 hereof) of such Person a Prohibited Person and (B) has submitted an affidavit to Landlord that such Transferee or Subtenant is not a Prohibited Person, nor is any "Principal" (as defined in Section 19.02) of Transferee or Subtenant a Prohibited Person.
- (vii) "Sublease" means any sublease or license (including a sub-sublease or sublicense or any further level of subleasing or sublicensing) applicable to the Premises or any part thereof, but shall not include any sublease or license for less than substantially all of the Stadium and where the subtenant or licensee or sublicensee thereunder is the user/occupant of space demised or licensed (it is understood and agreed that such excluded subleases, licenses and sublicenses shall include but not be limited to any lease, license, use or occupancy of any luxury box or suite, restaurant or bar). The Stadium Sublease Agreement shall not be considered a "Sublease" for purposes of this Article 17.

- (viii) “Transfer” means any disposition of an Equity Interest in Tenant or in any direct or indirect constituent entity of Tenant, where such disposition directly or indirectly produces any change in control of Tenant. The term “Transfer” also includes any other transaction or series of transactions, including, without limitation, the issuance of additional Equity Interests, which produces any change in control of Tenant, but shall exclude (x) a transfer of any interest of a Family Member(s) to another Family Member(s), and (y) transfers of shares of less than 5% of the outstanding stock of a publicly held corporation or transfers of less than 10% of the Equity Interests in any other entity. “Transfer” shall not include any disposition of an Equity Interest in a Person that is an indirect constituent entity in Tenant that has substantial assets and bona fide business operations other than the Team and Tenant. Assets of One Hundred Million Dollars (\$100,000,000) or more shall be deemed substantial for purposes of the penultimate sentence of this subparagraph (viii).
- (ix) “Transferee” means a Person to whom a Transfer is made.
- (x) A Person or Persons shall be deemed to have “Common Ownership” with the Team if after giving effect to the Capital Transaction or Sublease more than fifty percent (50%) of the Equity Interests in each of Tenant and Team are owned by the same Person(s) directly or indirectly.
- (xi) A Person or Persons shall be deemed to have “Common Control” with the Team if after giving effect to the Capital Transaction or Sublease the Team and Tenant are controlled by the same Person(s), directly or indirectly.
- (xii) Except as may otherwise be expressly provided herein, “control” of a Person shall refer to the power to direct or have the right to direct the management or operations of that other Person.
- (d) Definition of Prohibited Persons. The term “Prohibited Person” as used in this Lease Agreement shall mean, at the time of such Transfer:
- (i) Subject to the provisions relating to Tenant’s contesting an alleged default under a written agreement with the City as set forth in Section 17.01(g)(i)(D), any Person that is in material default or in material breach, beyond any applicable grace period, of its obligations under any written agreement with the City, or that directly or indirectly controls, is controlled by, or is under common control with a Person that is in default or in breach, beyond any applicable grace period, of its obligations, involving an amount of Ten Thousand Dollars (\$10,000) or more, under any written

agreement with the City, unless such default or breach is then being contested in proceedings in a court or other appropriate forum or has been waived in writing by the City, as the case may be.

- (ii) Any Person that has been convicted in a criminal proceeding for a felony or any crime involving moral turpitude or that is an organized crime figure or is reputed to have substantial business or other affiliations with an organized crime figure, or that directly or indirectly controls, is controlled by, or is under common control with a Person that has been convicted in a criminal proceeding for a felony or any crime involving moral turpitude or that is an organized crime figure or is reputed to have substantial business or other affiliations with an organized crime figure.
- (iii) Any government, or any Person that is directly or indirectly controlled (rather than only regulated) by a government, that is finally determined to be in violation of (including, but not limited to, any participation in an international boycott in violation of) the Export Administration Act of 1979, or its successor, or the regulations issued pursuant thereto, or any government that is, or any Person that, directly or indirectly, is controlled (rather than only regulated) by a government that is, subject to the regulations or controls thereof.
- (iv) Any government, or any Person that, directly or indirectly, is controlled (rather than only regulated) by a government, the effects of the activities of which are regulated or controlled pursuant to regulations of the United States Treasury Department or executive orders of the President of the United States of America issued pursuant to the Trading with the Enemy Act of 1917, as amended.
- (v) Any Person that has received written notice of default in the payment to the City of any Taxes, sewer rents or water charges of Ten Thousand Dollars (\$10,000) or more, unless such default has been cured or is then being diligently contested in proceedings in a court or other appropriate forum.
- (vi) Any Person that has owned at any time in the preceding three years any property which, while in the ownership of such Person, was acquired by the City by in rem tax foreclosure, other than a property in which the City has released or is in the process of releasing its interest to such Person pursuant to the Administrative Code of the City, or that, directly or indirectly controls, is controlled by, or is under common control with a Person that has owned at any time in the preceding three years any property which, while in the ownership of such Person, was acquired by the City by

in rem tax foreclosure, other than a property in which the City has released or is in the process of releasing its interest to such Person pursuant to the Administrative Code of the City.

(e) Determination of Organized Crime Figure. The determination as to whether any Person is an organized crime figure or is reputed to have substantial business or other affiliations with an organized crime figure or directly or indirectly controls, is controlled by, or is under common control with a Person that is an organized crime figure or is reputed to have substantial business or other affiliations with an organized crime figure shall be within the reasonable discretion of Landlord exercised in good faith. Landlord shall provide to Tenant the basis for such determination.

In the event Landlord makes such determination, it shall provide to Tenant the basis for such determination.

(f) Notice to Landlord. Tenant shall notify Landlord of its intention to enter into any Capital Transaction not less than forty-five (45) days before the proposed effective date thereof, except in the case of any Capital Transaction resulting from death or incapacity.

(g) Contents of Notice.

(i) The notice required by Section 17.01(f) hereof shall contain the name and address of the proposed Assignee or Transferee and the following information:

- (A) in the case of a proposed corporate Assignee or Transferee, or in the case of a corporate general partner or joint venturer of a partnership or joint venture that is the proposed Assignee or Transferee (other than a corporation whose common stock is traded over the New York Stock Exchange, the American Stock Exchange or any other exchange now or hereafter regulated by the Securities and Exchange Commission or in the over-the-counter market), a certificate of an authorized officer of such corporation giving the names and addresses of all current directors and officers of the corporation and Persons having more than a ten percent (10%) interest in such Assignee or Transferee;
- (B) in the case of a proposed corporate Assignee or Transferee, or in the case of a corporate general partner or joint venturer of a partnership or joint venture that is the proposed Assignee or Transferee whose common stock is traded over the New York Stock Exchange, the American Stock Exchange or any other exchange now or hereafter regulated by the Securities and Exchange Commission or in the over-the-counter market, all of the periodic reports required to be filed with the Securities and Exchange Commission by such corporation pursuant to the Securities

Exchange Act of 1934, any amendments thereto, and the regulations promulgated thereunder, within the last twelve (12) months, including, without limitation, its most recently filed annual report on form 10-K and all reports required to be filed by any person owning stock of such corporation with the Securities and Exchange Commission pursuant to the reporting requirements of Sections 13(d) and (e) of the Securities Exchange Act of 1934, any amendments thereto, and the regulations promulgated thereunder;

- (C) in the case of a proposed limited liability company, partnership or joint venture Assignee or Transferee, a certificate of the managing member, managing general partner or other authorized general partner, manager or managing venturer of the proposed Assignee or Transferee giving the names and addresses of all current members, general and limited partners and joint venturers, any of which have an ownership interest therein equal to or greater than ten percent (10%), of the partnership, joint venture or limited liability company and describing their respective interests in said limited liability company, partnership or joint venture;
- (D) in all cases, a certification by an authorized officer, managing member, managing general partner, or other authorized manager, general partner or managing venturer, whichever shall be applicable, of the proposed Assignee or Transferee to the effect that to his or her knowledge the Capital Transaction will not, as of the date of closing, involve a Prohibited Person (provided, that for purposes of clause (d)(i) above of this Section 17.01, a "Yankees Party" shall not be considered a "Prohibited Person" if such Yankees Party is in good faith contesting the default on the basis that performance is excused because of fault or default or failure to satisfy a condition on the part of the City with respect to such default, and no final and binding judgment, after the exhaustion of all appeals, has been rendered holding such party in default of its obligations under any written agreement with the City). A "Yankees Party" means any Person that directly or indirectly controls, is controlled by, or is under common control with the Team;
- (E) in all cases, a certification by an authorized officer, managing member, managing general partner, or other authorized manager, general partner or manager venturer of the proposed Transferee, Assignee or Subtenant and the

Team, that after such Transfer, Assignment or Sublease, the Team and Tenant shall be in compliance with Section 17.01(b)(v) above, and setting forth in reasonable detail the structure by which such compliance is achieved;

- (F) in the case of an Assignment (other than an Assignment by operation of law, *i.e.*, a merger or sale of the business of Tenant), a proposed form of assumption agreement from the Assignee to Landlord, which assumption agreement shall be reasonably satisfactory to Landlord;
- (G) in the case of a Transfer to a Family Member (other than by operation of law, *i.e.*, through inheritance), a certification by such Family Member to the effect that to his or her knowledge he or she as of the closing date will not be a Prohibited Person; and
- (H) any other information or documents which Landlord may reasonably request.

(ii) If any change in circumstances prior to the closing of the transaction renders the information provided pursuant to Section 17.01(g) above incomplete or incorrect, Tenant shall notify Landlord of the change, which notification, if relating to a change which is material in any respect in Landlord's reasonable judgment, shall recommence the period for Landlord's notification to Tenant under Section 17.01(h).

(h) Objections and Waiver. Provided that Tenant has delivered to Landlord the documents and information required pursuant to this Lease Agreement in connection with any proposed Capital Transaction or Sublease, together with a notice making express reference to this Section 17.01(h) and stating that Landlord is required to approve or disapprove such proposed Capital Transaction or Sublease within thirty (30) days or the proposed Capital Transaction shall be deemed approved, then Landlord shall notify Tenant, within thirty (30) days after receipt of notice from Tenant pursuant to the provisions of Section 17.01(f) and submission of all necessary information, whether the Capital Transaction or Sublease would involve a Prohibited Person, and, if consent by Landlord to such Capital Transaction or Sublease is required under this Article 17, whether such consent is given or denied. Provided such notice sets forth the provisions required under this Section 17.01(h), Landlord shall be deemed to have consented to the proposed Capital Transaction or Sublease if it fails to respond to Tenant's notice within the thirty (30) day time period referred to above.

(i) Capital Transaction Instruments. Tenant shall deliver to Landlord, or shall cause to be delivered to Landlord, within fifteen (15) days after the execution of (X) other than with respect to an Assignment or Transfer by operation of law (*i.e.*, a merger or sale of the business of Tenant), in the case of an Assignment, an executed counterpart of the instrument of assignment and an executed counterpart of the instrument of assumption by the Assignee of all of Tenant's obligations under this Lease Agreement (such assumption to be for the benefit of Landlord), in form and substance reasonably satisfactory to Landlord, and (Y) in the case of a

Transfer, an executed counterpart of the instrument of Transfer or merger or sale of the business, and if the Transfer is effected through admission of a new or substitute member, partner or joint venturer of Tenant all relevant amendments to the operating agreement, partnership agreement or the joint venture agreement and, if applicable, the certificate of limited partnership. Tenant at its option may redact the monetary consideration paid or payable under such instruments.

(j) Invalidity of Transactions. Any Capital Transaction or Sublease entered into without Landlord's consent to the extent required in this Lease Agreement, or which in any other material respect fails to comply with the provisions of this Lease Agreement, shall have no validity and shall be null and void and without any effect.

(k) Confidentiality. Landlord shall keep all information pertaining to an Assignment, a Sublease or a Capital Transaction (as opposed to the assumption of the Lease by a transferee) confidential, and upon request of Tenant and Tenant's providing Landlord with applicable MLB Rules and Regulations, in compliance with such MLB Rules and Regulations, subject in all cases to legally required disclosures, including without limitation the New York Freedom of Information Law.

Section 17.02. Effect of Mortgages.

(a) No Effect on Landlord's Interest in Premises. No Mortgage shall extend to, affect or be a lien or encumbrance upon, the estate and interest of Fee Owner in the Premises or any part thereof.

(b) Definition. "Mortgage" means any mortgage or deed of trust or pledge that constitutes a lien on all or any portion of Landlord's interest in the Ground Lease and the Landlord's and/or Tenant's interest in this Lease Agreement and the leasehold estate or estates created hereby or thereby. For purposes of this Article 17, a collateral assignment or pledge of interests in Tenant solely for purposes of securing indebtedness shall be deemed a Mortgage (provided that the provisions of clause (v) of Section 17.03(b) shall not be applicable thereto). Landlord shall not grant any mortgage (other than the Initial Mortgages) unless each mortgagee shall execute, acknowledge and deliver to Tenant a subordination, nondisturbance and attornment agreement in form and substance reasonably satisfactory to the parties thereto.

Section 17.03. Mortgagee's Rights.

(a) Mortgagee's Rights Not Greater than Tenant's. With the exception of the rights granted to Recognized Mortgagees pursuant to the express provisions of this Lease Agreement, the execution and delivery of a Mortgage or a Recognized Mortgage of Tenant's leasehold estate hereunder shall not give nor shall be deemed to give a Mortgagee or a Recognized Mortgagee any greater rights against Landlord than those granted to Tenant hereunder.

(b) Definition. "Recognized Mortgage" means a Mortgage (or Mortgages) (i) that is (x) held by an Institutional Lender (or a corporation or other entity wholly owned by an Institutional Lender, or the assignee of a Mortgage originated by an Institutional Lender, provided the assignee is not a Prohibited Person) or (y) after Substantial Completion, held by any Person other than a Prohibited Person; (ii) which shall comply with the provisions of this Article

17; (iii) a photostatic copy of which has been delivered to Landlord, together with a certification by Tenant and the Mortgagee confirming that the photostatic copy is a true copy of the Mortgage and giving the name and post office address of the holder thereof; and (iv) which is recorded or being delivered for recording in the City Register, and (v) prior to Substantial Completion only, the proceeds of which are applied exclusively to the improvement, maintenance, operation and repair of the Stadium, or reconstruction of the Stadium or construction of a new Stadium on the Premises after a casualty, or any take-out of a loan the proceeds of which were applied exclusively to such purposes. The PILOT Mortgages and the Rental Bonds Mortgage are hereby stipulated to be Recognized Mortgages.

Section 17.04. Notice and Right to Cure Tenant's Defaults.

(a) Notice to Recognized Mortgagee. Without limiting the provisions of Section 24.04, Landlord shall give to each Recognized Mortgagee, at the address(es) of the Recognized Mortgagee stated in the certification referred to in Section 17.03(b) hereof, or in any subsequent notice given by the Recognized Mortgagee to Landlord, and otherwise in the manner pursuant to the provisions of Article 25 hereof, a copy of each notice of Default at the same time as it gives notice of Default to Tenant, and no such notice of Default shall be deemed effective for any purpose under this Lease Agreement unless and until a copy thereof shall have been so given to each Recognized Mortgagee.

(b) Right and Time to Cure. Subject to the provisions of Section 17.05 hereof, each Recognized Mortgagee shall have a period of (i) fifteen (15) days more, in the case of a Default in the payment of Rental, (ii) eighteen (18) months more, in the case of a Default mentioned in Section 24.01(b), and (iii) thirty (30) days more, in the case of any other Default, than is given Tenant under the provisions of this Lease Agreement to remedy the Default, to cause it to be remedied (or commenced to remedy and diligently pursuing), or cause action to remedy a Default mentioned in Section 24.01(d) hereof to be commenced provided such Recognized Mortgagee delivers to Landlord, within ten (10) Business Days after the expiration of the time given to Tenant pursuant to the provisions of this Lease Agreement to remedy the event or condition which would otherwise constitute a Default hereunder, notice that the Recognized Mortgagee intends to take the action described in clauses (i), (ii) or (iii) herein, as applicable. At any time after the delivery of the aforementioned notice, the holder of such Recognized Mortgagee may notify Landlord, in writing, that it has relinquished possession of the Premises or that it will not institute foreclosure proceedings or, if such proceedings shall have been commenced, that it has discontinued such proceedings, and, in any such event the liability of the holder of such Recognized Mortgagee shall be limited to its interest in the Premises and shall have no further liability from and after the date on which it delivers notice to Landlord; provided, however, that, in no event shall a Recognized Mortgagee have any liability hereunder prior to taking possession of the Premises. Thereupon, Landlord shall have the unrestricted right to take any action it deems appropriate by reason of any Event of Default which occurred prior to Landlord's delivery to Tenant of notice of Default under this Lease Agreement.

Section 17.05. Acceptance of Recognized Mortgagee's Performance. Without limiting the provisions of Section 24.04, but subject to the provisions of Section 17.04 hereof, Landlord shall accept performance by a Recognized Mortgagee of any covenant, condition or

agreement on Tenant's part to be performed hereunder with the same force and effect as though performed by Tenant.

(a) Commencement of Performance by Recognized Mortgagee for Non-Rental Defaults. No Event of Default (other than an Event of Default arising from the nonpayment of Rental, for which the cure period is set forth in Section 17.04(b)(i)), shall be deemed to have occurred if, within the period set forth in Section 17.04(b)(ii) or (iii) hereof, as applicable, a Recognized Mortgagee shall have:

- (i) In the case of a Default that is curable without possession of the Premises by the Recognized Mortgagee, commenced in good faith to cure the Default within the periods provided in subsection (b) above and is prosecuting such cure to completion with reasonable diligence and continuity (subject to Unavoidable Delay); or
- (ii) In the case of a Default where possession of the Premises is required in order to cure the Default, or is a Default that is otherwise not susceptible of being cured by a Recognized Mortgagee, if a Recognized Mortgagee shall proceed expeditiously to institute foreclosure proceedings, and shall continuously prosecute the foreclosure proceedings with reasonable diligence and continuity (subject to Unavoidable Delay) to obtain possession of the Premises and, upon obtaining possession of the Premises, shall promptly commence to cure the Default (other than a Default which is not susceptible of being cured by a Recognized Mortgagee) and prosecute such cure to completion with reasonable diligence and continuity (subject to Unavoidable Delay).

(b) So long as any Recognized Mortgage is in existence, unless all holders of Recognized Mortgages shall otherwise express their consent in writing, the leasehold estate of Landlord created under the Ground Lease and the leasehold estate of Tenant created by this Lease Agreement shall not merge, but shall remain separate and distinct, notwithstanding the acquisition of both leasehold interests. To the extent that by operation of law or otherwise a merger of leasehold interests in this Lease Agreement, notwithstanding the immediately preceding sentence, is nevertheless effectuated, then all the covenants, representations, terms and conditions of this Lease Agreement shall be incorporated into the Ground Lease as if fully set forth therein, and to the extent of any inconsistency between the covenants, representations, terms and conditions of the Ground Lease and the covenants, representations, terms and conditions of this Lease Agreement, the covenants, representations, terms and conditions of the Lease Agreement shall control.

Section 17.06. Execution of New Lease.

(a) Notice of Termination. If this Lease Agreement is terminated by reason of an Event of Default or otherwise, Landlord shall give prompt notice thereof to each Recognized Mortgagee. This obligation shall survive a termination of this Lease Agreement.

(b) Request for and Execution of New Lease. If, within thirty (30) days of the receipt (as shown on proof of service or return receipt) of the notice referred to in Section 17.04(a) hereof, and provided that the time period within which Tenant may cure such defaults have expired, a Recognized Mortgagee shall request a new lease, then subject to the provisions of Sections 17.04(b) and 17.05 hereof, within thirty (30) days after Landlord shall have received such request, Landlord shall execute and deliver a new lease of the Premises for the remainder of the Term to the Recognized Mortgagee, or any designee or nominee of the Recognized Mortgagee which is not a Prohibited Person. The new lease shall contain all of the covenants, conditions, limitations and agreements contained in this Lease Agreement, provided however, that Landlord shall not be deemed to have represented or covenanted that such new lease shall be superior to claims of Tenant, its other creditors or a judicially appointed receiver or trustee for Tenant.

(c) Conditions Precedent to Landlord's Execution of New Lease. The provisions of Section 17.06(b) hereof notwithstanding, Landlord shall not be obligated to enter into a new lease with a Recognized Mortgagee unless the Recognized Mortgagee (i) shall pay to the appropriate party, concurrently with the execution and delivery of the new lease, all Rental due under this Lease Agreement up to and including the date of the commencement of the term of the new lease (excluding penalties and interest thereon) and all expenses, including, without limitation, reasonable attorneys' fees and disbursements and court costs, incurred in connection with the Default or Event of Default, and the termination of this Lease Agreement, if and to the extent such expenses would be collectible under this Lease Agreement from Tenant, and (ii) shall deliver to Landlord a statement, in writing, acknowledging that Landlord, by entering into such new lease with such Recognized Mortgagee or such designee or nominee, shall not have or be deemed to have waived any Defaults or Events of Default then existing under this Lease Agreement other than the Defaults or Events of Default mentioned in Section 24.01(d), (g) through (i), (j), (k) and (l) hereof, which Landlord shall be deemed to have waived (provided that Recognized Mortgagee shall diligently take all reasonable steps available to cure any default under (d), (j) and (k)) notwithstanding that any such Defaults or Event of Default existed prior to the execution of such new lease and that the breached obligations which gave rise to the Defaults or Event of Default are also obligations under such new lease.

(d) No Waiver of Default. The execution of a new lease shall not constitute a waiver of any Default existing immediately before termination of this Lease Agreement and, except for a Default which is not susceptible of being cured by the Recognized Mortgagee, the tenant under the new lease shall cure, within the applicable periods set forth in Section 24.01 hereof as extended by Section 17.04(b) hereof, all Defaults except those described in Section 24.01(d), (g) through (i), (j), (k) and (l) (provided that Recognized Mortgagee shall diligently take all reasonable steps available to cure any default under Section 24.01(d), (j) and (k)) existing under this Lease Agreement immediately before its termination.

(e) Assignment of Rent. Concurrently with the execution and delivery of a new lease pursuant to the provisions of Section 17.04(b) hereof, Landlord shall assign to the tenant named therein all of its right, title in and interest to moneys (including insurance proceeds and condemnation awards), if any, then held by, or payable to, Landlord that Tenant would have been entitled to receive but for the termination of this Lease Agreement.

(f) Assignment of Subleases. Upon the execution and delivery of a new lease pursuant to the provisions of Section 17.06(b) hereof, all Subleases that have been assigned to Landlord shall be assigned and transferred, together with any security or other deposits received by Landlord and not applied under such Subleases, including without limitation the Stadium Sublease Agreement, without recourse, by Landlord to the tenant named in the new lease. Between the date of termination of this Lease Agreement and the date of the execution and delivery of the new lease, if a Recognized Mortgagee has requested a new lease as provided in Section 17.06(b) hereof, Landlord shall not modify or amend, or cancel any Sublease or accept any cancellation, termination or surrender thereof, including without limitation the Stadium Sublease Agreement (unless any such termination is effected as a matter of law upon the termination of this Lease Agreement or terminated by the terms of the Sublease) or enter into any new Sublease without the consent of the Recognized Mortgagee or such designee or nominee.

(g) Notice of Failure to Exercise Extension Option. In the event that Tenant fails to exercise any extension option pursuant to Section 2.02 or notifies Landlord that Tenant has waived such option, Landlord shall give notice thereof to each Recognized Mortgagee. This obligation shall survive a termination of this Lease Agreement.

(h) Request for and Execution of New Lease for Extended Term. If, within twenty (20) days of the receipt (as shown on proof of service or return receipt) of the notice referred to in Section 17.06(g) hereof, a Recognized Mortgagee shall request a new lease for the Extended Term, then subject to the provisions of Sections 17.04(b), 17.05 and 17.06(c) and (f) hereof, within thirty (30) days after Landlord shall have received such request, Landlord shall execute and deliver a new lease of the Premises for the Extended Term (which shall contain options to extend the term thereof for all then remaining but unexercised Extended Terms under this Lease Agreement) to the Recognized Mortgagee, or any designee or nominee of the Recognized Mortgagee which is not a Prohibited Person. The new lease shall contain all of the covenants, conditions, limitations and agreements contained in this Lease Agreement, provided however, that Landlord shall not be deemed to have represented or covenanted that such new lease shall be superior to claims of Tenant, its other creditors or a judicially appointed receiver or trustee for Tenant.

Section 17.07. Recognition by Landlord of Recognized Mortgagee Most Senior in Lien. If more than one Recognized Mortgagee has exercised any of the rights afforded by Sections 17.03, 17.04, 17.05 or 17.06 hereof, only that Recognized Mortgagee, to the exclusion of all other Recognized Mortgagees, whose Recognized Mortgage is most senior in lien shall be recognized by Landlord as having exercised such right, unless such Recognized Mortgagee has designated a Recognized Mortgagee whose Mortgage is junior in lien to exercise such right. If the parties shall not agree on which Recognized Mortgage is prior in lien, such dispute shall be determined by a title insurance company chosen by Landlord, and such determination shall bind the parties.

Section 17.08. Application of Proceeds from Insurance or Condemnation Awards. A Recognized Mortgagee shall have the right to receive the proceeds of insurance or condemnation awards to which Tenant would be entitled in trust and apply same in the same manner that Tenant would be required to apply such proceeds under this Lease Agreement.

Section 17.09. Appearance at Condemnation Proceedings. A Recognized Mortgagee shall have the right to appear in any and all condemnation proceedings and to participate in any and all hearings, trials and appeals in connection therewith.

Section 17.10. Rights of Recognized Mortgagees. The rights granted to a Recognized Mortgagee under the provisions of Sections 17.04, 17.05 and 17.06 hereof shall not apply in the case of any Mortgagee that is not a Recognized Mortgagee.

ARTICLE 18

REQUIREMENTS OF GOVERNMENTAL AUTHORITIES

Section 18.01. Requirements.

(a) Obligation to Comply. Tenant shall comply in all material respects with all Requirements, without regard to the nature of the acts undertaken or the work required to be done, whether extraordinary or ordinary, and whether requiring the removal of any encroachment, or affecting the maintenance, operation, repair, development, improvement, use or occupancy of the Premises, or involving or requiring any structural changes or additions in or to the Premises, and regardless of whether such changes or additions are required by reason of any particular use to which the Premises, or any part thereof, may be put by Tenant. No actual or deemed consent to, approval of or acquiescence in any plans or actions of Tenant by Landlord, in its proprietary capacity as Landlord under this Lease Agreement, or Landlord's designee, shall be relied upon or construed as being a determination that such are in compliance with the Requirements, or, in the case of construction plans, are structurally sufficient.

(b) Definition. "Requirements" means:

- (i) the Zoning Resolution of The City of New York (as the same may be amended and/or replaced) (the "Zoning Resolution"), to the extent applicable, and any and all laws, rules, regulations, orders, ordinances, statutes, codes, executive orders, resolutions, and requirements of all Governmental Authorities (currently in force or hereafter adopted) (including without limitation any required Art Commission approval) applicable to the Premises or any sidewalk comprising a part of or lying adjacent to the Premises (including, without limitation, the federal Americans with Disabilities Act, the Building Code of New York City, and any applicable equivalent, and the laws, rules, regulations, orders, ordinances, statutes, codes and requirements of any applicable fire rating bureau or other body exercising similar functions),
- (ii) any and all provisions and requirements of any property, casualty or other insurance policy required to be carried by Tenant under this Lease Agreement,

- (iii) the Certificate(s) of Occupancy issued for the Premises as then in force,
- (iv) MLB Actions, MLB Rules and Regulations and MLB Documents, to the extent necessary to comply with the terms, covenants and covenants made under this Lease Agreement,
- (v) the Authorizing Resolution,
- (vi) ULURP approvals for the Stadium Project,
- (vii) Federal, State or local laws, regulations, guidelines, codes, permits, rules, administrative and judicial decisions, orders and ordinances and any other Requirements (collectively, "Hazardous Materials Laws") applicable to (i) the use, generation, manufacture, handling, processing, distribution, emission, discharge, release, storage, treatment, transportation, recycling and/or disposal of any Hazardous Materials (as defined in Section 21.01(g) hereof) including without limitation any pollutant, contaminant, toxic, explosive, corrosive, flammable, radioactive, caustic, or otherwise hazardous substance, waste or material or any substance, waste or material having any constituent elements displaying any of the foregoing characteristics, including, without limitation, any substances now or hereafter defined as or included in the definition of "hazardous substance," "hazardous waste," "hazardous material," "hazardous chemical," "pollutant or contaminant," or "toxic substance" under any applicable Federal, State or local laws or regulations, (ii) the clean up or other remediation of Hazardous Materials, or (iii) the effect of the environment or Hazardous Materials on human health or natural resources,
- (viii) all provisions of the Labor Law of the State applicable to the construction and equipping of the Stadium and shall include in all construction contracts all provisions which may be required to be inserted therein by such provisions. The foregoing sentence is not intended to and does not create any obligations or duties not created by applicable law outside of the terms of this Lease Agreement, and
- (ix) the Act.

(c) Tenant shall promptly advise Landlord in writing of (i) any and all enforcement, cleanup, removal or other governmental or regulatory actions instituted, completed or threatened pursuant to any applicable Hazardous Materials Laws, (ii) all claims made or threatened in writing by any third party against Tenant or the Premises relating to damage, contribution, cost recovery compensation, loss or injury resulting from any Hazardous Materials (the matters set forth in clauses (i) and (ii) above are hereinafter referred to as "Hazardous

Materials Claims”), and (iii) Tenant’s discovery of any occurrence or conditions on the Premises or any real property adjoining or in the vicinity of the Premises that could cause the Premises or any part thereof to be subject to any restrictions on the ownership, occupancy, transferability or use of the Premises under any Hazardous Materials Law. Tenant shall remediate any Hazardous Materials conditions on the Premises for which it is responsible under Section 21.01(g) in accordance with all applicable Requirements.

ARTICLE 19

REPRESENTATIONS AND COVENANTS

Section 19.01. Brokers. Landlord and Tenant each represents and warrants to the other that it has neither consulted nor negotiated with any broker or finder nor was any broker or finder involved in this transaction. Tenant agrees to indemnify and save Landlord harmless from and against any claims for fees or commissions (including reasonable legal fees and costs incurred in defending any action or claim) from any broker or finder claiming to have dealt with Tenant. Landlord agrees to indemnify and save Tenant harmless from and against any claims for fees or commissions (including reasonable legal fees and costs incurred in defending any action or claim) from any broker or finder claiming to have dealt with Landlord. This provision shall survive the expiration or sooner termination of this Lease Agreement.

Section 19.02. Tenant’s Representations, Warranties, and Covenants. To the best of its knowledge Tenant represents and warrants that (i) no officer, agent, employee or representative of the City has received from Tenant or any of its members or will receive from Tenant or any of its members any payment or other consideration for the making of this Lease Agreement and (ii) that no officer, no agent, employee or representative of the City has or will have any interest, directly or indirectly, in this Lease Agreement or the proceeds thereof. Tenant represents that it is not and that none of its “Principals” (defined below) are Prohibited Persons.

Solely for the purposes of this Section 19.02, Section 17.01(c)(vi), Section 33.07(a) and Section 24.01(l), the following definitions shall apply:

1. “Control” – A Person controls another Person if the Person (i) has a ten percent (10%) or greater ownership interest in that other Person or (ii) directs or has the right to direct the daily operations of that other Person.
2. “Executive Officer” – (i) Any individual who serves as chief executive officer, chief financial officer, or chief operating officer of Tenant, by whatever titles known, and all other executive officers of Tenant, (ii) in the case of a limited liability company, the managing member of such company; and (iii) in the case of a partnership, the general partners and partners able to bind such partnership.
3. “Person” – has the meaning provided in the “Definitions” section of this Lease Agreement.
4. “Principal” – Means each of the following Persons:

- (i) Executive Officers of Tenant; and
- (ii) Persons that "Control" Tenant.

Section 19.03. Franchise. Tenant represents that at the time of execution of this Lease Agreement the Team is wholly owned by or under common control with Tenant, and that the Team is a member in good standing of Major League Baseball.

Section 19.04. No Warranty of Condition or Suitability. LANDLORD HAS NOT MADE AND MAKES NO REPRESENTATION OR WARRANTY WHATSOEVER, EITHER EXPRESS OR IMPLIED, WITH RESPECT TO THE MERCHANTABILITY, CONDITION, FITNESS, DESIGN, OPERATION OR WORKMANSHIP OF ANY PART OF THE PREMISES, ITS FITNESS FOR ANY PARTICULAR PURPOSE, THE QUALITY OR CAPACITY OF THE PREMISES, OR THE SUITABILITY OF THE PREMISES FOR THE PURPOSES OR NEEDS OF TENANT OR THE TEAM OR THE EXTENT TO WHICH PROCEEDS DERIVED FROM THE SALE OF THE BONDS WILL BE SUFFICIENT TO PAY THE COST OF COMPLETION OF THE STADIUM PROJECT. TENANT ACKNOWLEDGES THAT LANDLORD IS NOT THE MANUFACTURER OF THE STADIUM EQUIPMENT NOR THE MANUFACTURER'S AGENT NOR A DEALER THEREIN. TENANT IS SATISFIED THAT THE PREMISES IS SUITABLE AND FIT FOR ITS PURPOSES. LANDLORD SHALL NOT BE LIABLE IN ANY MANNER WHATSOEVER TO TENANT OR ANY OTHER PERSON FOR ANY LOSS, DAMAGE OR EXPENSE OF ANY KIND OR NATURE CAUSED, DIRECTLY OR INDIRECTLY, BY THE PROPERTY OF THE STADIUM OR THE USE OR MAINTENANCE THEREOF OR THE FAILURE OF OPERATION THEREOF, OR THE REPAIR, SERVICE OR ADJUSTMENT THEREOF, OR BY ANY DELAY OR FAILURE TO PROVIDE ANY SUCH MAINTENANCE, REPAIRS, SERVICE OR ADJUSTMENT, OR BY ANY INTERRUPTION OF SERVICE OR LOSS OF USE THEREOF OR FOR ANY LOSS OF BUSINESS HOWSOEVER CAUSED.

Section 19.05. Additional Representations and Warranties of Tenant. Tenant represents and warrants to Landlord as of the date of this Lease Agreement as follows:

(a) Tenant is a limited liability company duly organized, validly existing and in good standing under the laws of the State of Delaware, has the organizational power and authority to enter into and perform its obligations under this Lease Agreement and the other Project Documents to which it is a party, and by proper organizational action has duly authorized Tenant's execution and delivery of, and its performance under, this Lease Agreement and the other Project Documents and all other agreements and instruments relating thereto to which Tenant is a party.

(b) Except as disclosed in the Official Statement, no material litigation, inquiry or investigation of any kind in or by any judicial or administrative court or agency is pending or, to its knowledge, threatened against Tenant with respect to (1) the organization and existence of Tenant, (2) its authority to execute, deliver and perform its obligations under this Lease Agreement and the other Project Documents to which Tenant is a party, (3) the validity or enforceability of this Lease Agreement and the other Project Documents to which Tenant is a

party, or the transactions contemplated thereby, or (4) the ability of Tenant to design, develop, acquire, construct, equip, operate, maintain and lease the Stadium for the uses provided in Article 4 of this Lease Agreement.

(c) Tenant has not imposed or formally or informally agreed to impose any liens on its interest in the Premises other than the PILOT Mortgages and the Rental Mortgage (collectively, the "Initial Mortgages").

(d) Tenant is not in any material respect in default under or in violation of, and the execution and delivery by Tenant of this Lease Agreement or the other Project Documents to which Tenant is a party, and the performance by Tenant of its obligations hereunder and thereunder and the consummation by Tenant of the transactions contemplated hereby and thereby do not and will not conflict with, or constitute a breach or result in a violation of (1) Tenant's constituent or organizational documents, (2) any material agreement or other instrument to which Tenant is a party or by which it is bound, or (3) (assuming receipt by Tenant of those permits and consents which have not yet been obtained as of the date hereof and which are so identified in the Official Statement as having not yet been obtained) any constitutional or statutory provision or order, law, rule, regulation, decree or ordinance of any court, government or governmental authority having jurisdiction over Tenant or its property, and no event has occurred and is continuing which with the lapse of time or the giving of notice, or both, would constitute or result in such a default or violation.

(e) Tenant has obtained all consents, approvals, permits, authorizations and orders of any governmental or regulatory authority that are required to be obtained by Tenant as a condition precedent to the execution and delivery of this Lease Agreement and the other Project Documents to which Tenant is a party and the performance by Tenant of its obligations hereunder and thereunder, or that are required for Tenant to design, develop, acquire, construct, fit out, operate, maintain and lease the Stadium for the uses provided in Article 4 of this Lease Agreement, other than permits of a ministerial nature that are granted in the ordinary course. To the knowledge of Tenant, there are no appeals pending with respect to any of the foregoing consents, approvals, permits, authorizations and orders, except as set forth in the Official Statement or on Exhibit G hereto; and all such consents, approvals, permits, authorizations and orders are final and non-appealable, except as set forth in the Official Statement. The consummation by Tenant of the transactions set forth in this Lease Agreement and the other Project Documents to which Tenant is a party, in the manner and under the terms and conditions as provided herein and therein, assuming receipt by Tenant of those permits and consents which have not yet been obtained as of the date hereof and which are so identified in the Official Statement as having not yet been obtained, complies in all respects with all Requirements.

(f) Correct and complete copies of this Lease Agreement and each other Project Document to which Tenant is a party have been furnished to Landlord (other than the Construction Management Agreement, which has not yet been executed). This Lease Agreement and each other Project Document to which Tenant is a party (other than the Construction Management Agreement) have been duly authorized, executed and delivered by Tenant, are in full force and effect, and are the valid and binding obligation or agreement of Tenant, except as such enforcement may be limited by bankruptcy, insolvency, reorganization, moratorium or other similar laws presently or hereafter in effect, affecting the enforcement of creditors' rights

generally and by general principles of equity whether applied in a proceeding at law or in equity.

(g) A correct and complete copy of the Project Budget as in effect on the date of this Lease Agreement has been furnished to Landlord.

(h) With respect to each party (other than Tenant) to each Construction Agreement entered into prior to the date hereof, Tenant has obtained and delivered to Landlord such party's consent to the assignment thereof to Landlord, or no such consent is required under the terms of such Construction Agreement.

(i) Tenant has no material assets, liabilities (contingent or otherwise), contracts or business, except as is directly related to the design, development, acquisition, construction, fitting out, use, operation, maintenance, leasing and subleasing of the Stadium and except as set forth in the Official Statement.

(j) No approval or consent (that has not been duly obtained or that is not in full force and effect) on the part of MLB is required in connection with the execution, delivery or performance by Tenant of this Lease Agreement and the other Project Documents to which Tenant is a party.

~~(k) (A) The approval of both the (i) Board or General Manager and (ii) Independent Manager (as those terms are defined in the Operating Agreement of Tenant) is required to approve the filing by Tenant of a voluntary bankruptcy petition under Section 301 of the Bankruptcy Code, or comparable provisions of any successor thereto, or comparable provisions of applicable state insolvency laws.~~

(B) No suit or action is pending or, to the knowledge of Tenant, threatened against any of (i) Tenant or (ii) the Partnership or any of its Affiliates (collectively, the "Other Entities") seeking to consolidate the assets and liabilities of Tenant, on the one hand, and one or more of the Other Entities, on the other hand, or generally to impose the obligations of one or more of the Other Entities on Tenant.

(C) Tenant

- (i) has observed all requisite limited liability company formalities and procedures where relevant and applicable thereto;
- (ii) has maintained (to the extent it has previously engaged in business) its own separate and accurate accounts, books, records and financial statements;
- (iii) has determined that this Lease Agreement and the other Project Documents to which Tenant is a party, as applicable thereto, are fair, reasonable and reflective of arm's-length terms negotiated by unrelated purchasers and third parties;

- (iv) has maintained (to the extent it has had funds) and will maintain its bank accounts, if any, separate from those of any Other Entity;
- (v) has not commingled its money and assets with that of any Other Entity or, where relevant, of any holders of a membership or partnership interest in such Other Entity, as the case may be;
- (vi) has acted (to the extent it has operated) solely in its own name and through its own officials or representatives where relevant, and neither has nor will hold itself out as a "division" or "part" of any Other Entity;
- (vii) has conducted its business and daily operations (to the extent it has operated) independently, including but not limited to maintaining separate stationery and checks and paying its own salaries and liabilities, free from the dictates of any Other Entity (except to the extent that any Other Entity, holding the equity of Tenant, acts solely in that capacity), sensitive to any fiduciary duties to the Other Entity and, where and when relevant, its creditors;
- (viii) has allocated fairly with each Other Entity any overhead, if relevant, for shared office space or business facilities or equipment;
- (ix) has not made any loans, gifts or fraudulent conveyances to any Other Entity;
- (x) (1) except for the Initial Mortgages, has not mortgaged or pledged any of its assets for the benefit of any Other Entity, and (2) except for the Assignment of Ticket Sales and Suite License Proceeds, has not benefited from a mortgage, pledge or assignment of any Other Entity's assets;
- (xi) (1) has not guaranteed or become obligated for the debts of any Other Entity, nor held its credit out as available to satisfy the obligations of any Other Entity, and (2) has not had its debts guaranteed or otherwise secured by the obligation of any Other Entity, nor had the credit of any Other Entity held out as available to satisfy its obligations;
- (xii) has not attempted in the past, nor currently so intends, to cause or seek the dissolution or winding up, in whole or in part, of any Other Entity;

- (xiii) other than the Assignment of Ticket Sales and Suite License Proceeds, has not and will not acquire any interest in any Other Entity or the assets thereof; and
- (xiv) shall correct any known misrepresentation regarding its separate entity status.

(D) The Operating Agreement limits Tenant's activities generally to the following:

- (i) constructing, holding, leasing, subleasing, operating and maintaining the Stadium for the purposes permitted under Article 4 of this Lease Agreement;
- (ii) performing all other obligations contemplated by this Lease Agreement, the PILOT Agreement, the Initial Mortgages and the Stadium Sublease Agreement;
- (iii) entering into tax and/or interest rate swap, option, cap, collar, floor or other similar or related agreements or arrangements; and
- (iv) engaging in such other activities and exercising such powers as are incidental to or connected with the foregoing business or purposes or necessary to accomplish the foregoing to the extent permitted to limited liability companies under the Delaware Limited Liability Company Act, as applied by courts located in Delaware.

(l) The Project Documents make adequate provision in all material respects for all utility services and connections necessary for the operation of the Stadium for its intended purpose.

Section 19.06. Additional Covenants. Notwithstanding anything contained herein to the contrary, during the Term, Tenant covenants and agrees with Landlord as follows:

- (a) Tenant shall pay all Impositions in accordance with the provisions of Article 6 above;
- (b) Prior to the beginning of each fiscal year of Tenant, Tenant shall deliver to Landlord an annual forecast of cash receipts of Tenant with respect to such fiscal year;
- (c) Subject to the City's obligations with respect to the Police Substation, Tenant shall comply in all material respects with the provisions of Section 9.01 above in connection with the operation of the Premises consistent with prevailing industry standards for MLB Stadiums of similar age and design taken as a whole, taking into consideration the age and intended use of the Stadium, and with the provisions of Section 10.01 above in connection with maintenance of the Premises in good repair and condition, normal wear and tear and obsolescence excepted;
- (d) (Intentionally omitted);
- (e) (Intentionally omitted);

(f) Tenant will, on the tenth (10th), fifteenth (15th), twentieth (20th), twenty-fifth (25th), thirtieth (30th) and thirty-fifth (35th) anniversaries of the Commencement Date, cause the Construction Monitor to inspect the Stadium and issue a report on the physical condition thereof, which report shall include recommendations as to any capital repairs, renovations and improvements as are needed to maintain the Stadium in good repair and condition, normal wear and tear and obsolescence excepted;

(g) Until the date (if any) that the Initial Mortgages no longer encumber the Premises (the "Initial Mortgage Termination Date"), Tenant shall not pay to itself a fee for the services it renders in connection with the maintenance and operation of the Stadium; provided that this subsection (g) shall not apply to any Administrative Fee payable pursuant to Section 9.02 of the Stadium Sublease or any other charges and reimbursements contemplated by the Stadium Sublease;

(h) Until the Initial Mortgage Termination Date, Tenant shall keep and maintain the Premises free from all mortgages, liens, security interests and encumbrances created by, through or under Tenant other than the liens created by the Mortgages and the other Permitted Encumbrances;

(i) Until the Initial Mortgage Termination Date, Tenant shall (1) maintain, separate and apart from any other entity, books and records of accounts using accounting practices in conformity with GAAP; and (2) within one hundred eighty (180) days after each fiscal year of Tenant will provide upon request by Landlord an annual unaudited statement of cash receipts. Each such statement of cash receipts will contain information generally describing the transactions contemplated by this Lease Agreement and, in particular, that: (A) Tenant's business consists primarily of performance under its operating lease in respect of the Stadium and (B) Tenant is a separate entity owning all of its own assets, with its own separate creditors, and such statement of cash receipts shall be accompanied by an agreed upon procedures letter covering such statement from a nationally recognized firm of certified public accountants in a form reasonably acceptable to Landlord;

(j) Until the Initial Mortgage Termination Date, Tenant shall establish and maintain internal financial control policies and practices which are in accordance with the usual and customary practices for Major League Baseball stadia;

(k) Until the Initial Mortgage Termination Date:

(1) Tenant shall at all times conduct its business and affairs in accordance in all material respects with the provisions of its Operating Agreement, other than with respect to Section 8(r)(vi) of the Operating Agreement; and

(2) Tenant shall at all times have at least one Independent Manager (as defined in its Operating Agreement); and

(3) Decisions with respect to Tenant's business and daily operations shall be independently made by Tenant and shall not be dictated by any of the Other Entities; and

(4) Tenant shall not (A) guarantee or assume any liabilities or obligations of the Other Entities or (B) permit or direct the Other Entities to assume or guarantee any liabilities of Tenant; and

(5) Any employee, consultant or agent of Tenant shall be compensated from Tenant's funds for services provided to Tenant; and

(6) Tenant's operating expenses shall not be paid by the Other Entities, provided that the foregoing shall not and shall not be deemed to preclude Tenant from collecting Annual Rental (as defined in the Stadium Sublease) and other amounts from and all other amounts payable by the Partnership under the Stadium Sublease Agreement or from collecting the revenues payable pursuant to the Assignment of Ticket Sales and Luxury Suite Proceeds; and

(7) Tenant shall have its own stationery; and

(8) Tenant's books and records shall be maintained separately from those of the Other Entities; and

(9) All financial statements of Tenant, or any Affiliate thereof that are consolidated to include Tenant, shall be accompanied by a certification by Tenant that (i) all of Tenant's assets are owned by Tenant, and (ii) Tenant is a separate entity with creditors, certain of which have received security interests in Tenant's assets; and

(10) Tenant's assets shall be maintained in a manner that facilitates their identification and segregation from those of the Other Entities; and

(11) Tenant shall strictly observe limited liability company formalities and the funds or other assets of Tenant will not be commingled with those of the Other Entities, and Tenant shall not maintain joint bank accounts or other depository accounts to which the Other Entities have independent access; and

(12) Tenant shall maintain arm's-length relationships with the Other Entities; any Other Entity that renders or otherwise furnishes services to Tenant shall be compensated by Tenant at market rates for such services it renders or otherwise furnishes to Tenant; Tenant shall neither be nor hold itself out to be responsible for the debts of or the decisions or actions respecting the daily business and affairs of the Other Entities; and Tenant shall promptly correct any known misrepresentation with respect to the foregoing and shall not operate or purport to operate as an integrated single economic unit with respect to the Other Entities in its dealing with any other entity; and

(13) Tenant shall neither form, nor cause to be formed, any subsidiaries;
and

(14) Tenant shall not amend, alter, change, repeal, supplement or otherwise modify those provisions of its Operating Agreement that require 100% approval of the Members, without obtaining such consent; and

(15) Tenant shall at all times (a) have at least one officer responsible for managing Tenant's day-to-day operations, (b) ensure that all of its corporate actions are duly authorized by its Board or General Manager and, if applicable Independent Manager (as those terms are defined in the Operating Agreement of Tenant), (c) maintain separate corporate records and books of account from those of the Other Entities, (d) clearly identify its office (by sign or otherwise) as being separate and distinct from the offices of, or any space occupied by, the Other Entities even if such office space is leased or subleased from, or is on or near premises occupied by, the Other Entities, (e) have a separate telephone number from that of the Other Entities to the extent that its affairs require extensive use of a telephone, and (f) other than with respect to Section 8(r)(vi) of the Operating Agreement, be in full compliance in all material respects with the terms of its Operating Agreement; and

(16) Tenant shall pay its own operating expenses and liabilities (including, without limitation, the salaries paid to its employees and any fees paid to its directors) from its own separate assets, provided that the foregoing shall not and shall not be deemed to preclude Tenant from collecting Annual Rental (as defined in the Stadium Sublease) and other amounts from the Partnership under the Stadium Sublease Agreement or from collecting the revenues payable pursuant to the Assignment of Ticket Sales and Luxury Suite Proceeds; and Tenant shall not pay any of the operating expenses or other liabilities of any Other Entity; and

(17) Tenant shall not use any assets or funds owned by any of the Other Entities, or vice versa, except pursuant to a written agreement as permitted pursuant to the terms of this Lease Agreement, and Tenant shall continue to maintain an arm's-length relationship in any future dealings it may have with any of the Other Entities; and

(l) Tenant shall take all actions necessary under the Initial Mortgages to maintain and protect the liens of the Initial Mortgages on the Mortgaged Property (as defined in the Initial Mortgages).

The covenants set forth in this Section 19.06 are set forth herein in furtherance of the covenants made by the Agency pursuant to the PILOT Bonds Indenture, and same are not intended to nor shall they in any way whatsoever nullify, void, impair or diminish any similar covenant of Tenant under this Lease Agreement or the rights or remedies of Landlord to enforce any of same.

Section 19.07. Unassigned Covenants. Notwithstanding anything contained herein to the contrary, during the Term, Tenant covenants and agrees with Landlord as follows:

(a) Tenant shall pay (i) all Rental due hereunder in accordance with the terms of Article 3 above (including, without limitation, all Additional Rent, if any, due pursuant to the provisions of Section 3.02 above) and (ii) all PILOTs due under the PILOT Agreement in accordance with the terms thereof;

(b) Until the Initial Mortgage Termination Date, Tenant will not merge or consolidate, or liquidate, wind-up or dissolve (or suffer any liquidation or dissolution), discontinue its business or convey, sell, transfer or otherwise dispose of all or substantially all of

its business or property, whether now owned or hereafter acquired, except as the result of any Permitted Transaction under Section 17.01 above; and

(c) Until the Initial Mortgage Termination Date, Tenant shall not (1) acquire by purchase or otherwise any property or assets of, or equity interest in, any Person, except purchases of inventory, equipment, materials and supplies in the ordinary course of Tenant's business, or as provided in this Lease Agreement, the Stadium Sublease and/or the Assignment of Ticket Sales and Suite License Proceeds, or (2) engage in any business other than designing, developing, acquiring, constructing, fitting out, leasing, subleasing, operating and maintaining the Stadium and hosting athletic, cultural, political and social events and other forms of entertainment and functions at the Stadium in accordance with Article 4 above; provided that for purposes of this subsection (c), "ordinary course of Tenant's business" shall include actions contemplated by this Lease Agreement and the Stadium Sublease, including, but not limited to, construction, operation and maintenance of the Stadium, as applicable.

(d) Tenant shall not agree to any amendment or modification of the Stadium Sublease Agreement or the Assignment of Ticket Sales and Suite License Proceeds that would have a material adverse effect on Tenant's ability to perform Tenant's obligations under this Lease Agreement, and Tenant shall not agree to any termination of the Stadium Sublease or the Assignment of Ticket Sales and Suite License Proceeds without Landlord's consent, which may be granted, conditioned or withheld in Landlord's sole discretion.

(e) Tenant shall pursue appropriate remedies, in its best commercially reasonable judgment, available to it under the Construction Agreements identified in Exhibit H, and will not terminate or suspend the services under such Construction Agreements without the prior written consent of Landlord, which consent shall not be unreasonably withheld, conditioned or delayed, and will endeavor to take such other commercially reasonable efforts as are necessary to cause the Stadium to be built and available for the intended purpose pursuant to Article 4 above on or before the Scheduled Completion Date. The parties recognize that litigation with Contractors may not be conducive to accomplishing Substantial Completion by the Scheduled Completion Date.

(f) No later than December 1, 2006, Tenant shall have delivered to Landlord copies, certified by the New York Secretary of State, of affidavits of publication filed with the New York Secretary of State and meeting the requirements of the New York Limited Liability Company Law in connection with the qualification of Tenant to do business in New York.

ARTICLE 20

LANDLORD AND TENANT NOT LIABLE FOR INJURY OR DAMAGE, ETC.

Section 20.01. Landlord Exculpation. Landlord shall not be liable for any injury or damage to Tenant or to any Person happening on, in or about the Premises or its appurtenances, nor for any injury or damage to the Premises or to any property belonging to Tenant or to any other Person that may be caused by fire, by breakage, or by the use, misuse or abuse of any portion of the Premises (including, but not limited to, any of the common areas within the Improvements, hatches, openings, installations, stairways or hallways or other

common facilities, the streets or sidewalk areas) or that may arise from any other cause whatsoever, unless, and only to the extent by which, any such injury or damage is determined to be caused by the negligence or wrongful conduct or omissions of Landlord or its directors, officials, employees, agents, invitees or contractors, or the City or any instrumentality of the City, or their respective officials, employees, agents, invitees or contractors. In addition, Landlord shall not be liable to Tenant or to any Person for any failure of water supply, gas or electric current, nor for any injury or damage to any property of Tenant or of any Person or to the Premises caused by or resulting from gasoline, oil, steam, gas, electricity, or hurricane, tornado, flood, wind or similar storm or disturbance or by or from water, rain or snow which may leak or flow from the street, sewer, gas mains or subsurface area or from any part of the Premises, or body of water under or adjacent to the Premises, or by or from leakage of gasoline or oil from pipes, appliances, sewer or plumbing works therein or from any other place, nor from interference with light or other incorporeal hereditaments by any Person, or caused by any public or quasi-public work, unless, and only to the extent caused by the negligence or wrongful conduct or omissions of Landlord's or its directors, officials, employees, agents, invitees or contractors, or the City or any instrumentality of the City, or their respective officials, employees, agents, invitees or contractors. The foregoing shall not apply to any loss, injury or damage arising out of the City's use and occupancy, repair, maintenance or build-out of the Police Substation.

Section 20.02. Tenant Exculpation. Tenant shall not be liable for any injury or damage to Landlord, the City or to any Person happening on, in or about the Police Substation or its appurtenances, nor for any injury or damage to the Premises or to any property belonging to Landlord, the City or to any other Person that may be caused by fire, by breakage, or by the use, misuse or abuse of any portion of the Police Substation or that might arise from any other cause, unless, and only to the extent by which, any such injury or damage is determined to be caused by the negligence or wrongful conduct or omissions of Tenant or its members, directors, employees, agents, invitees or contractors. In addition, Tenant shall not be liable to Landlord, the City or to any other Person for any failure of any utility to supply water, gas or electric current to the Police Substation. Tenant shall not be liable for any injury or damage to any property of Landlord, the City or to any other Person at the Police Substation or to the Police Substation caused by or resulting from hurricane, tornado, flood, wind or similar storm or disturbance or by or from water, rain or snow, or from any gas, steam, oil, gasoline or other substance which may leak or flow from premises outside the Stadium such as the streets, sewers, gas mains or subsurface areas outside the Stadium Premises, or from any part of the Police Substation, or by or from leakage of gas, gasoline or oil from pipes, appliances, sewer or plumbing works within the Police Substation (unless, and only to the extent, caused by the negligence or wrongful conduct or omissions of Tenant or its members, directors, employees, agents, or contractors, and except that Tenant, as agent of Landlord, shall install, construct, keep in good repair and maintain the walls, pipes, ducts, conduit, supports, foundation, boilers, tanks, vessels, equipment and other appurtenances above, below and around the Police Substation in good and proper repair and condition and shall not be released from liability for failure to perform same except and only to the extent caused by the negligence acts or wrongful conduct or omissions of Landlord, the City or their officers, members, directors, agents, employees, and contractors), nor from interference with light or other incorporeal hereditaments by any Person, or caused by any public or quasi-public work, unless, and only to the extent caused by the negligence or wrongful conduct or omissions of Tenant or its members, directors, employees, agents or contractors.

ARTICLE 21

INDEMNIFICATION

Section 21.01. Tenant Obligation to Indemnify. Tenant shall not do any act or thing, and shall use diligent efforts to not permit any act or thing to be done upon the Premises, or any portion thereof, during its period of use of the Premises, or in connection with or as its obligations under this Lease Agreement, which subjects Landlord, the City or EDC to any liability or responsibility for injury or damage to Persons or property or to any liability by reason of any violation of Requirements (except to the extent, if any, that any such injury or damage results from risks commonly associated with or inherent in the nature of the activity or event at which such injury or damage is sustained, e.g., an injury sustained by a person struck by a batted baseball at a baseball game or other game projectile from team or individual participant play in the course of a sports event), but shall exercise such reasonable control over the Premises as to the foregoing matters so as to protect the other party against any such liability. To the fullest extent permitted by law, Tenant shall indemnify and save Landlord, the City and EDC, and their respective directors, trustees, officials, members, officers, directors, employees, agents and servants (collectively, the "Indemnitees") harmless from and against any and all liabilities, suits, obligations, fines, damages, penalties, claims, costs, charges and expenses, including, without limitation, reasonable architects' and attorneys' fees and disbursements, that may be imposed upon or incurred by or asserted against any of the Indemnitees by reason of any of the following (including without limitation those arising from risks commonly associated with or inherent in the nature of the activity or event at which the injury or damage is sustained), except that no Indemnitee shall be so indemnified and saved harmless to the extent of which such liabilities, etc., are caused by the negligence or wrongful acts or omissions of Landlord, the City or EDC, or their respective directors, officers, members, trustees, officials, employees, agents, invitees or contractors:

(a) Design, Construction Work. The planning, design, acquisition, site preparation, construction, equipping, furnishing, installation or completion of the Stadium or any part thereof or the effecting of any work done in or about or in connection with the Stadium Project, or any part thereof, or any defects (whether latent or patent) in or in connection with the Stadium or any part thereof, except for City "build-out" work or other work performed by or on behalf of the City with respect to the Police Substation except to the extent caused by the negligence or wrongful acts or omissions of Tenant or its directors, officers, members, trustees, employees, agents, or contractors;

(b) Control. The control or use, non-use, possession, occupation, alteration, condition, operation, maintenance, repair, replacement, improvement, or management of the Premises or any part thereof or of any street, plaza, sidewalk, curb, vault, or space comprising a part thereof including, without limitation, any violations imposed by any Governmental Authorities in respect of any of the foregoing or any sidewalk, plaza, curb or vault adjacent to the Premises; provided, that this provision shall not apply to the Police Substation, which shall be within the sole control and possession of Landlord and/or the City and/or EDC, except to the extent caused by the negligence or wrongful acts or omissions of Tenant or its directors, officers, members, trustees, employees, agents, or contractors.

- (c) Acts or Failure to Act. Any act or failure to act on the part of Tenant.
- (d) Agreement Obligations. Tenant's failure to make any payment or to perform or comply with any other of its obligations, representations or covenants under this Lease Agreement.
- (e) Accidents, Injury to Person or Property. Any accident, injury (including death at any time resulting therefrom) or damage to any Person or property occurring in, on, or about the Premises or any part thereof, or in, on, or about any street, plaza, sidewalk, curb, vault, or space comprising a part thereof or adjacent thereto and arising in connection with the use, occupancy or operation of the Premises; provided, that the foregoing shall not apply to the Police Substation except to the extent of the proportion caused by the negligence or wrongful acts or omissions of Tenant or its directors, officers, members, trustees, employees, agents, or contractors.
- (f) Claim Against Premises. Any claim that may be alleged to have arisen against or on the Premises, or any claim created or permitted to be created by Tenant or any of its subtenants, or their respective, members, partners, joint venturers, officers, shareholders, directors, agents, contractors, servants or employees, or invitees against any assets of, or funds appropriated to, Landlord or any liability that may be asserted against Landlord with respect thereto, except to the extent arising from the negligence, wrongful acts or omissions of Landlord, the City, EDC or any of their respective officials, members, partners, joint venturers, officers, shareholders, directors, agents, contractors, servants, or employees or invitees.
- (g) Hazardous Materials. The presence, storage, transportation, disposal, release or threatened release of any Hazardous Materials over, under, in, on, from or affecting the Premises or any persons, real property, personal property, or natural substances thereon or affected thereby, except that Tenant shall not indemnify and save harmless the Indemnitees to the extent that such Hazardous Materials (i) were present, stored, disposed of, or released at the Premises prior to the date of physical possession by Tenant of the Premises pursuant to this Lease Agreement (but the foregoing shall not release Tenant from its obligation to indemnify the Indemnitees for damages arising from any disposal or release by Tenant occurring after the date of physical possession of the Premises with respect to any Hazardous Materials preexisting such date of Tenant's physical possession), and (ii) migrated to the Premises from property owned or in the possession of Landlord or the City (but the foregoing shall not release Tenant from its obligation to indemnify the Indemnitees for damages arising from any disposal or release by Tenant occurring after the date of physical possession of the Premises with respect to any Hazardous Materials preexisting such date of Tenant's physical possession). "Hazardous Materials" means (i) any "hazardous waste" as defined under the Resource Conservation and Recovery Act, 42 U.S.C. Section 6901 et seq., or (ii) "hazardous substance" as defined under the Comprehensive Environmental Response, Compensation, and Liability Act, 42 U.S.C. Section 9601 et seq., or (iii) "hazardous materials" as defined under the Hazardous Materials Transportation Act, 49 U.S.C. Section 1801 et seq., or (iv) "hazardous waste" as defined under New York Environmental Conservation Law Section 27-0901 et seq., or (v) "hazardous substance" as defined under the Clean Water Act, 33 U.S.C. Section 1321 et seq.

Section 21.02. Contractual Liability. Neither party's obligations under this Article shall be affected in any way by the absence of insurance coverage, or by the failure or refusal of any insurance carrier to perform an obligation on its part under insurance policies affecting the Premises.

Section 21.03. Defense of Claim, Etc. If any claim, action or proceeding is made or brought against any Indemnatee by reason of any event to which reference is made in Section 21.01 hereof, then upon demand by such Indemnatee, Tenant shall either resist, defend or satisfy such claim, action or proceeding in such Indemnatee's name, by the attorneys for, or approved by, Tenant's insurance carrier (if such claim, action or proceeding is covered by insurance) or by such other attorneys as Landlord shall reasonably approve. The foregoing notwithstanding, any Indemnatee may engage its own attorneys to defend itself, or to assist such Indemnatee in the defense of such claim, action or proceeding provided that Tenant shall have no obligation to pay any amounts therefor.

Section 21.04. Notification and Payment. Landlord shall notify Tenant of the incurrence by or assertion against an Indemnatee, or the imposition of any cost or expense as to which Tenant has agreed to indemnify any Indemnatee pursuant to any of the provisions of this Article 21. Provided that Landlord has afforded reasonable notice to Tenant to enable Tenant to appropriately defend a claim, action or proceeding, Tenant shall pay the Indemnatee all amounts due under this Article 21 within ninety (90) days after such payment is determined, upon a final and non-appealable determination, to be Tenant's obligation, and any non-payment thereof by Tenant after such final and non-appealable determination shall constitute a Default.

Section 21.05. Survival Clause. The provisions of this Article 21 shall survive the Expiration Date.

ARTICLE 22

NON-DISCRIMINATION AND AFFIRMATIVE ACTION

Section 22.01. Non-Discrimination and Affirmative Action.

(a) So long as (x) the IDA is Landlord and/or (y) the City is the fee owner of the Premises:

- (i) Tenant will not engage in any unlawful discrimination against any employee or job applicant because of race, creed, color, national origin, sex, age, disability, marital status, or sexual orientation with respect to all employment decisions including, but not limited to, recruitment, advertising, hiring, compensation, fringe benefits, leaves, promotion, upgrading, demotion, downgrading, transfer, training and apprenticeship, lay-off and termination and all other terms and conditions of employment;

- (ii) Tenant will not engage in any unlawful discrimination in the selection of contractors on the basis of the owner's, partner's or shareholder's race, creed, color, national origin, sex, age, disability, marital status, or sexual orientation;
- (iii) Tenant will state in all solicitations or advertisements for employees placed by or on behalf of Tenant (A) that all qualified job applicants will receive consideration for employment without unlawful discrimination based on race, creed, color, national origin, sex, age, disability, marital status, or sexual orientation, or (B) that Tenant is an equal opportunity employer;
- (iv) Tenant will inform its employees in writing that it "treats all employees and job applicants without unlawful discrimination as to race, creed, color, national origin, sex, age, disability, marital status, or sexual orientation in all employment decisions, including but not limited to recruitment, hiring, compensation, training and apprenticeship, transfer, lay-off and termination and all other terms and conditions of employment," and that "[i]f you feel that you have been unlawfully discriminated against, you may call or write the Bureau of Labor Services, General Counsel's Office, 66 Leonard Street, 4th Floor, New York, New York 10013, (212) 431-1772";
- (v) Tenant will send to each labor organization or representative of workers with which it has a collective bargaining agreement or other employment contract, memorandum of agreement of understanding, written notification of its equal employment opportunity commitments hereunder and all employment programs and other agreements between Tenant and the Bureau (collectively, "Agreement");
- (vi) Tenant, as "Owner" (as such term is used in AIA Form 201), will include, or require to be included, the following provisions in every construction agreement for Construction Work of One Million Dollars (\$1,000,000) or more or subcontract of Seven Hundred Fifty Thousand (\$750,000) or more. Landlord reserves the right to inspect all contracts and subcontracts prior to execution to ensure that the required language is included:

"By signing this contract, contractor agrees that it:

- (1) will not engage in any unlawful discrimination against any employee or job applicant because of race, creed, color, national origin, sex, age, disability, marital status or sexual orientation with respect to all employment decisions, including, but not limited to, recruitment, hiring, compensation, fringe benefits,

leaves, promotion, upgrading, demotion, downgrading, transfer, training and apprenticeship, layoff and termination and all other terms and conditions of employment;

(2) will not engage in any unlawful discrimination in the selection of contractors on the basis of the owner's, partner's or shareholder's race, creed, color, national origin, sex, age, disability, marital status or sexual orientation;

(3) will state in all solicitations or advertisements for employees placed by or on behalf of contractor (i) that all qualified job applicants will receive consideration for employment without unlawful discrimination based on race, creed, color, national origin, sex, age, disability, marital status or sexual orientation, or (ii) that contractor is an equal opportunity employer;

(4) will inform its employees in writing that it "treats all employees and job applicants without unlawful discrimination as to race, creed, color, national origin, sex, age, disability, marital status or sexual orientation in all employment decisions, including but not limited to recruitment, hiring, compensation, training and apprenticeship, transfer, lay-off and termination and all other terms and conditions of employment," and that "[i]f you feel that you have been unlawfully discriminated against, you may call or write the Bureau of Labor Services, General Counsel's Office, 66 Leonard Street, 4th Floor, New York, New York 10013, (212) 431-1772";

(5) will send to each labor organization or representative of workers with which it has a collective bargaining agreement or other employment contract, memorandum of agreement or understanding, written notification of its equal employment opportunity commitments under all employment programs and other agreements between the contractor and the Bureau (collectively, "Agreements");

(6) will permit the Bureau to have access to all relevant books, records, accounts and work sites, to investigate compliance with this contract and Agreements.

(7) Contractor's violation of the nondiscrimination clauses (A)(1) through (6) of this Contract, contractor's failure to comply with an employment program or other Agreement and/or contractor's failure to cause compliance on the part of a subcontractor as provided below shall constitute a material breach of this contract. Neither the provisions of any collective bargaining agreement or other contract or understanding with a

union, nor the union's refusal to comply with the terms hereof, shall excuse contractor's obligations to abide by the terms hereof. If the Bureau's staff, as a result either of the Bureau's review of or a complaint by a job applicant, employee or former employee, finds that contractor may not be in compliance, the Bureau's staff and the contractor will meet to negotiate an employment program of corrective actions to achieve contractor's full compliance with this contract. If contractor fails or refuses either to meet, to agree to take necessary corrective measures, or to implement agreed corrective measures, this contract or any portion hereof may be disapproved, canceled, terminated or suspended, or liquidated damages may be assessed by Owner (or the general contractor, construction manager, prime contractor or their subcontractors, as the case may be) or payments thereon may be withheld and such other sanctions may be imposed and remedies invoked in accordance with law. Liquidated damages for contractor's failure to comply with the equal opportunity requirements hereunder will be the amount of wages and fringe benefits that would have been paid to the parties that should have been employed, as determined by the Bureau or Owner. Nothing hereinbefore stated in these requirements shall limit the Owner or the Bureau from pursuing any other remedy available by law to enforce the terms hereof or Agreements as the Director may order.

(8) Contractor agrees to include the provisions of the foregoing paragraphs (A)(1) and (2) in every subcontract of Seven Hundred Fifty Thousand Dollars (\$750,000) or more to which it becomes a party. Contractor agrees, and will state in every subcontract, that contractor will take such action with respect to the subcontract as Owner may direct, including canceling, suspending or terminating the subcontract and/or stopping payments under the subcontract, to enforce the foregoing and Agreements."

(9) The Director (the "Director") of the City of New York's Bureau of Labor Services" (the "Bureau") may examine this contract to ensure these provisions are included.

(b) Default. Tenant's failure (i) to comply with nondiscrimination clauses (i) through (v) of Section 22.01(a) or (ii) to enforce the requirements imposed on contractors or subcontractors by such clause (vi) of Section 22.01(a) at the direction of the Bureau, shall constitute a Default. Neither the provisions of any collective bargaining agreement or other contract or understanding with a union, nor the union's refusal to comply with the terms hereof shall excuse Tenant's obligations to abide by the terms hereof or its obligations under clauses (i) through (v) of Section 22.01(a) or to include and enforce the contractor clause of Section 21.01(a)(vi) hereof. If Landlord, acting through the Bureau, as a result either of the Bureau's review or the complaint by a job applicant, employee or former employee, finds that Tenant or a

contractor or subcontractor may not be in compliance, Landlord, acting through the Bureau, may notify Tenant (and the contractor or subcontractor, as the case may be) describing the extent of non-compliance. If the non-compliance is not remedied within thirty (30) days of Tenant's receipt of notice, the Bureau shall request a meeting with Tenant (and with the contractor or subcontractor, as appropriate) to negotiate an employment program of corrective actions to achieve Tenant's full compliance with these clauses. If Tenant fails or refuses either to meet, to agree to take necessary corrective measures, to implement agreed corrective measures, or to enforce contractors' obligations pursuant to the contract provisions set forth in clause (a)(vi) of this Section 22.01 and to cause contractors to enforce subcontractors' obligations thereunder, Landlord, acting through the Director may (i) require Tenant to take corrective measures pursuant to an employment program, (ii) assess Tenant as liquidated damages an amount equal to the wages and fringe benefits that would have been paid to the parties that should have been employed pursuant to the non-discrimination clauses of this Lease Agreement or (iii) impose such other sanctions as may be imposed and remedies invoked in accordance with law. Nothing hereinbefore stated in these requirements shall limit Landlord from pursuing any other remedy available by law to enforce the terms hereof and Agreements or from seeking additional damages; provided, that Landlord shall not have the right to terminate this Lease Agreement for violation of any of the covenants or provisions of this Article 22.

ARTICLE 23

LANDLORD'S RIGHT TO PERFORM TENANT'S COVENANTS

Section 23.01. Landlord's Right to Perform. If Tenant shall at any time fail to pay for or maintain any of the insurance policies required to be provided by Tenant pursuant to Article 14, or shall fail to perform any other covenant or obligation under this Lease Agreement, then, after thirty (30) days' notice to Tenant (or, in case of any emergency or any other exigent circumstances that are likely to materially adversely affect Landlord's interest, on such lesser notice as may be reasonable under the circumstances, or, if not feasible in the case of emergency only, without notice), and without releasing Tenant from any of its obligations hereunder and without waiving Landlord's right to terminate this Lease Agreement or any other of Landlord's rights or remedies permissible hereunder, Landlord may (but shall not be required to):

- (a) pay for and maintain any of the insurance policies required to be furnished by Tenant pursuant to Article 14, or
- (b) make any other payment or perform any other act on Tenant's part to be made or performed as in this Lease Agreement provided.

Section 23.02. Additional Rental or Offset.

(a) Amount Paid by Landlord as Additional Rental. All reasonable sums so paid by Landlord and all reasonable costs and expenses incurred by Landlord in connection with the performance of any such act, together with interest thereon at the Late Charge Rate from the respective dates of Landlord's making of each such payment or incurring of each such cost and expense and giving Tenant written notice thereof, shall constitute, following notice from Landlord to Tenant (which notice shall be accompanied by reasonably detailed back-up),

additional Rental under this Lease Agreement and shall be paid by Tenant to Landlord within thirty (30) days following the giving of such notice.

Section 23.03. Waiver, Release and Assumption of Obligations. Landlord's payment or performance pursuant to the provisions of this Article 23 shall not be, nor be deemed to be, (a) a waiver or release of a Default or Event of Default with respect thereto (or any past or future Default or Event of Default) or of Landlord's right to terminate this Lease Agreement in accordance with the provisions hereof and/or to take such other action as may be permissible hereunder, or (b) Landlord's assumption of Tenant's obligations to pay or perform any of its past, present or future obligations hereunder.

Section 23.04. Proof of Insurance Damages. Landlord shall not be limited in the proof of any damages that it may claim against Tenant arising out of, or by reason of, Tenant's failure to provide and keep insurance in force in accordance with the provisions of this Lease Agreement to the amount of the insurance premium or premiums not paid. Landlord shall be entitled to seek, and if successful, to recover, as damages for such Default or Event of Default, the uninsured amount of any loss and damage sustained or incurred by it and the reasonable costs and expenses of any suit in connection therewith, including, without limitation, reasonable attorneys' fees and disbursements.

ARTICLE 24

EVENTS OF DEFAULT, CONDITIONAL LIMITATIONS, REMEDIES, ETC.

Section 24.01. Definition. Each of the following events shall be an "Event of Default" hereunder:

(a) if Tenant shall fail to make any payment (or any part thereof) of any Rental as and when due hereunder and such failure shall continue for a period of twenty (20) days after notice thereof to Tenant;

(b) if, subject to Unavoidable Delays, (i) Tenant shall fail to commence construction of the Stadium within the times and in the manner set forth in this Lease Agreement, and (ii) shall fail to diligently prosecute the Substantial Completion of the Stadium and the failures described in clauses (i) and (ii) herein shall continue for a period of thirty (30) days after notice (provided, that after two (2) notices of default based on the failure to diligently prosecute Substantial Completion of the Stadium has been provided no further notice shall be required for any future default for same, but such Default shall be an Event of Default upon the third (3rd) Business Day after delivery of notice of an Event of Default);

(c) if Tenant shall fail in any material respect to maintain the Premises as provided in Article 10 and if such failure shall continue for a period of thirty (30) days after notice (unless such failure requires work to be performed, acts to be done or conditions to be removed which cannot, by their nature, reasonably be performed, done or removed within such thirty (30) day period, in which case no Event of Default shall exist as long as Tenant shall have commenced curing the same within the thirty (30) day period and shall diligently and continuously prosecute the same to completion within a reasonable period);

(d) if Tenant shall enter into (or permit to be entered into) a Sublease or a Capital Transaction, or any other transaction, in violation of the provisions of this Lease Agreement and such Capital Transaction, Sublease or other transaction shall not be made to comply with the provisions of this Lease Agreement or canceled within thirty (30) Business Days after Landlord's notice thereof to Tenant;

(e) if Tenant shall fail to comply with the covenants set forth in Section 4.02 hereof, and such failure shall continue for a period of ten (10) days after Landlord's notice thereof to Tenant specifying such failure, unless Tenant replaces the Team with another sports team capable of generating substantially equivalent revenues or greater revenues than the Team;

(f) if Tenant shall fail to obtain and maintain any insurance policy required to be maintained by Tenant hereunder in accordance with the terms hereof and such failure shall continue for a period of ten (10) days after notice thereof to Tenant;

(g) to the extent permitted by law, if Tenant shall make an assignment for the benefit of creditors;

(h) to the extent permitted by law, if Tenant shall file a voluntary petition under Title 11 of the United States Code or if a petition under Title 11 of the United States Code shall be filed against Tenant and an order for relief shall be entered, or if Tenant shall file a petition or an answer seeking, consenting to or acquiescing in, any reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief under the present or any future Federal bankruptcy code or any other present or future applicable Federal, state or other bankruptcy or insolvency statute or law, or shall seek, or consent to, or acquiesce in, or suffer the appointment of, any trustee, receiver, custodian, assignee, sequestrator, liquidator or other similar official of Tenant, or of all or any substantial part of its properties, or of the Premises or any interest of Tenant therein, or if Tenant shall take any partnership, joint venture or corporate action in furtherance of any action described in Section 24.01(g) or this Section 24.01(h);

(i) to the extent permitted by law, if within ninety (90) days after the commencement of a proceeding against Tenant seeking any reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief under the present or any future Federal bankruptcy code or any other present or future applicable Federal, state or other bankruptcy or insolvency statute or law, such proceeding shall not be dismissed, or if, within one hundred eighty (180) days after the appointment, without the consent or acquiescence of Tenant, of any trustee, receiver, custodian, assignee, sequestrator, liquidator or other similar official of Tenant, or of all or any substantial part of its properties, or of the Premises or any interest of Tenant therein, such appointment shall not be vacated or stayed on appeal or otherwise, or if, within one hundred eighty (180) days after the expiration of any such stay, such appointment shall not be vacated;

(j) if any of the material representations made by Tenant herein or in the PILOT Agreement is or shall become false or incorrect in any material respect when made, provided that, if such misrepresentation was unintentionally made, the underlying condition is susceptible to being corrected, and Landlord has not been materially adversely affected by such misrepresentation or underlying condition, Tenant shall have a period of thirty (30) days after

Landlord's notice of such misrepresentation to correct the underlying condition and thereby cure such Default (unless such cure cannot by its nature reasonably be performed within such thirty (30) day period, in which event Tenant shall have such time as is required so long as Tenant shall have commenced such cure within such thirty (30) day period and shall diligently and continuously prosecute the same to completion);

(k) if a levy under execution or attachment shall be made against the Premises or any part thereof, the income therefrom, this Lease Agreement or the leasehold estate created hereby and such execution or attachment shall not be vacated or removed by court order, bonding or otherwise within a period of one hundred eighty (180) days;

(l) if Tenant, or any of its "Principals" (as defined in Section 19.02), is or becomes a Prohibited Person, and the cure of the condition giving rise to such status is not commenced within sixty (60) days or having been commenced is not or has not been diligently prosecuted by all reasonably available lawful means (it is understood and agreed that a default under this Section 24.01(l) shall be deemed not to exist if Tenant is either pursuing all reasonably available lawful means, or has exhausted all reasonably available lawful means to cure such default, with or without success), or, if any Principal that is a Prohibited Person has managerial control over Tenant, the applicable Principal shall not have been removed from managerial control over Tenant within sixty (60) days of notice of such default;

(m) if there is any default by Tenant under any payment obligation contained in the PILOT Agreement and such default continues for a period of ten (10) days after notice thereof to Tenant; and

(n) if Tenant shall fail in any material respect to observe or perform one or more of the other terms, conditions, covenants or agreements of this Lease Agreement or the PILOT Agreement (not addressed in (a) through (m) above), and such failure shall continue for a period of thirty (30) days after Landlord's notice thereof to Tenant specifying such failure (unless such failure requires work to be performed, acts to be done, or conditions to be removed which cannot, by their nature, reasonably be performed, done or removed within such thirty (30) day period, in which case no Event of Default shall be deemed to exist as long as Tenant shall have commenced curing the same within such thirty (30) day period and shall diligently and continuously prosecute the same to completion).

REQUIREMENTS AND CONTENTS OF NOTICE: Notwithstanding anything herein to the contrary, no notice of default by Landlord under this Section 24.01 shall be valid or effective unless it complies with the following requirements: (a) it shall be given within a reasonable time after the chief executive officer of the City agency or instrumentality administering this Lease Agreement acquires actual knowledge of such default and knowledge that same constitutes a default under this Lease Agreement, but this condition shall not apply unless and only to the extent that Tenant suffers substantial prejudice or inability to cure such default on account of a delay in notice (the foregoing shall not excuse Tenant from the obligation to cure a continuing default), (b) it shall specify in reasonable detail the claimed default and shall specify the Article, Section and subsection, if any, of this Lease Agreement under which a default is claimed to have occurred, and (c) it shall state if the claimed default is not cured or remedied within the applicable period, if any, specified in this Section 24.01, Landlord will have

the right, under Section 24.03, to terminate this Lease Agreement and all rights of Tenant hereunder.

Section 24.02. Enforcement of Performance.

(a) If an Event of Default occurs, Landlord may elect to proceed by appropriate judicial proceedings, either at law or in equity, to enforce performance or observance by Tenant of the applicable provisions of this Lease Agreement and/or to recover damages for breach thereof.

(b) Upon the occurrence and during the continuance of any Event of Default, Landlord shall have the right (but not the obligation), in its sole discretion, upon reasonable notice to enter the Premises to cure Tenant's Defaults and/or to perform portions of the construction, or to complete construction of the Stadium in accordance with the Plans and Specifications, with such reasonable changes therein as Landlord, in its reasonable discretion, may deem appropriate, all at the risk, cost and expense of Tenant. In such circumstances, Landlord shall have the right at any and all times to discontinue any work commenced by it, or to change any course of action undertaken by it and shall promptly notify Tenant of same.

(c) Upon the occurrence and during the continuance of any Event of Default, irrespective of whether Landlord has exercised its right to terminate this Agreement, Landlord shall have the right (but not the obligation), in Landlord's sole discretion, to assume any and all professional design contracts, any Construction Agreements and agreements (such as, without limitation, owner's representative, expeditors and consultants) made by or on behalf of Tenant relating to the Project and to take over and use all or any part or parts of the labor, materials, supplies and equipment contracted for, by, or on behalf of Tenant, whether or not previously incorporated into the Premises. For this purpose, but subject to any rights of Recognized Mortgagees, Tenant hereby collaterally assigns to Landlord all professional design contracts, Construction Agreements and other agreements relating to the Project and the work product of all professional design contracts, whether presently existing or hereafter created, and agrees, irrespective of whether Landlord has exercised its right to terminate this Lease to execute any additional documents that may be reasonably requested by Landlord to evidence or effectuate the foregoing. Landlord shall also have the right, and Tenant hereby grants to Landlord an irrevocable license, to enter, or cause its architect, contractors and subcontractors to enter, the Premises or any part thereof upon reasonable notice and perform any and all work and labor necessary to complete the construction of the Stadium or any portion thereof as reasonably determined by Landlord in accordance with the Plans and Specifications. In connection with any construction undertaken by Landlord pursuant to the provisions of this paragraph, Landlord may:

(i) engage builders, contractors, architects, engineers and others for the purpose of furnishing labor, materials and equipment;

(ii) pay, reasonably settle or reasonably compromise all bills or claims which may become liens against the Premises, or which have been or may be properly incurred, or for the discharge of liens, encumbrances or defects in the title of the Premises; and

(iii) take such other reasonable actions (including the employment of watchmen) to protect the Premises.

Landlord shall not exercise any rights under Section 24.02(b) or (c) so long as any Recognized Mortgagee shall have a cure right hereunder and shall be exercising such cure right within the time and in the manner provided for in this Lease Agreement.

Section 24.03. Expiration and Termination of Lease.

(a) If an Event of Default occurs and Landlord, at any time thereafter, at its option, gives Tenant notice stating that this Lease Agreement and the Term shall terminate on the date specified in such notice, which date shall not be less than ten (10) days after the giving of the notice, then this Lease Agreement and the Term and all rights of Tenant under this Lease Agreement shall expire and terminate as if the date specified in the notice were the Fixed Expiration Date, and Tenant shall quit and surrender the Premises forthwith. If such termination is stayed by order of any court having jurisdiction over any case described in Section 24.01(g), (h), or (i) hereof or by federal or state statute, then following the expiration of any such stay, or if the trustee appointed in any such case, Tenant or Tenant as debtor-in-possession fails to assume Tenant's obligations under this Lease Agreement within the period prescribed therefor by law or within thirty (30) days after entry of the order for relief or as may be allowed by the court, or if the trustee, Tenant or Tenant as debtor-in-possession fails to provide adequate protection of Landlord's right, title and interest in and to the Premises and adequate assurance of the complete and continuous future performance of Tenant's obligations under this Lease Agreement as provided in Section 24.09 hereof, Landlord, to the extent permitted by law or by leave of the court having jurisdiction over such case, shall have the right, at its election, to terminate this Lease Agreement on ten (10) days notice to Tenant, Tenant as debtor-in-possession or the trustee. Upon the expiration of the ten (10) day period this Lease Agreement shall cease and Tenant, Tenant as debtor-in-possession and/or the trustee immediately shall quit and surrender the premises.

(b) If this Lease Agreement is terminated as provided in Section 24.03(a), Landlord may dispossess Tenant by summary proceedings.

(c) If this Lease Agreement shall be terminated as provided in Section 24.03(a) hereof:

(i) Tenant shall pay to Landlord all Rental payable under this Lease Agreement by Tenant to Landlord to the Expiration Date and Tenant shall remain liable for all Rental thereafter falling due on the respective dates when such Rental would have been payable but for the termination of this Lease Agreement; and

(ii) Landlord may complete all repair, maintenance and construction work required by Tenant hereunder and may repair and alter any portion(s) of the Premises in such manner as Landlord may deem necessary or advisable without relieving Tenant of any liability under this Lease Agreement or otherwise affecting any such liability, and/or let or relet the Premises or any portion thereof for the whole or any part of the remainder of the Term or for a longer period, in Landlord's name or as agent of Tenant, and retain any rent and other sums

collected or received as a result of such reletting by Landlord. Landlord shall in no way be responsible or liable for any failure to relet any portion(s) of the Premises or for any failure to collect any rent due on any such reletting, and no such failure to relet or to collect rent shall operate to relieve Tenant of any liability under this Lease Agreement or to otherwise affect any such liability. The amount of any such rent collected by Landlord for periods occurring during the Term after deducting therefrom the expenses, including without limitation all costs incurred by Landlord in completing the repair, maintenance and construction work required by Tenant hereunder and such repairs to and alterations of the Premises as is reasonably necessary or desirable, incurred by Landlord as a result of the Default giving rise to the termination of this Lease Agreement shall be credited against any unpaid Rental and other unsatisfied obligations of Tenant under this Lease Agreement.

Section 24.04. Partnership Right to Cure Tenant Defaults. Landlord shall give to the Partnership a copy of any written notice of default delivered to Tenant at the same time Landlord gives written notice of default to Tenant (provided that no failure to provide such notice to the Partnership shall in any way waive, impair, void, nullify or diminish the effectiveness of the notice of default as against Tenant, but the Partnership's right to cure such default shall be tolled until such copy of the written notice to Tenant has been delivered to the Partnership). Subject to the rights of Recognized Mortgagees, notwithstanding anything to the contrary set forth herein, the Partnership shall have the right to cure any default and perform any obligation of Tenant, in which case Landlord shall accept the Partnership's performance of Tenant's obligations under this Lease Agreement; provided, however, that (i) acceptance of such performance by the Partnership (including without limitation acceptance of any Rental from the Partnership) shall in no way constitute a recognition by Landlord of the Stadium Sublease Agreement or the Partnership's right to use or occupy the Premises under same, and (ii) the Partnership shall not be entitled to any cure periods additional to those provided to Tenant under this Lease Agreement (except that Partnership's time to cure shall be tolled for the duration that any Recognized Mortgagee has opportunity to cure). To the extent a default cannot be cured by the payment of money, but could be cured by Landlord's entering into a new lease with the Partnership, the Partnership may notify Landlord within the applicable cure period provided to Tenant that, if no Recognized Mortgagee exercises its rights under Sections 17.04, 17.05 and 17.06, the Partnership is ready, willing and able to enter into a new Stadium Lease, and within thirty (30) days of Landlord's notifying the Partnership of the expiration of all Recognized Mortgagee cure rights, Landlord shall enter into a lease agreement with the Partnership on the terms substantially identical to those contained in this Lease Agreement (in which case the Partnership shall take the Premises in its "as-is" condition upon repossession of the Premises by Landlord, subject to Tenant's occupancy hereunder and all other occupancies then existing, and to then-existing title objections, and Landlord shall not have any liability to Tenant for failure to give possession of the Premises to Tenant under the new lease due to the possession of Tenant hereunder or any other occupants). The provisions of this Section 24.04 notwithstanding, Landlord shall not be obligated to enter into a new lease with the Partnership unless (1) the Partnership shall pay to the appropriate party, concurrently with the execution and delivery of the new lease, all Base Rent and other Rental due under this Lease Agreement, and all PILOT, up to and including the date of the commencement of the term of the new lease (excluding penalties and interest thereon) and all expenses, including, without limitation, reasonable attorneys' fees and disbursements and court costs, incurred in connection with the Default or Event of Default, and the termination of this Lease Agreement, if and to the extent such expenses would be

collectible under this Lease Agreement from Tenant, (2) the Partnership shall continue to be in compliance with Section 2.1.1 of the Non-Relocation Agreement, and (3) the Partnership shall deliver to Landlord a statement, in writing, acknowledging that Landlord, by entering into such new lease with the Partnership, shall not have or be deemed to have waived any Defaults or Events of Default then existing under this Lease Agreement (other than the Defaults or Events of Default mentioned in Section 24.01(g) through (i) which Landlord shall be deemed to have waived) notwithstanding that any such Defaults or Events of Default existed prior to the execution of such new lease and that the breached obligations which gave rise to the Defaults or Event of Default are also obligations under such new lease. Any new lease shall convey a leasehold interest in the Premises in its then "as-is" condition and subject to all then existing title exceptions. The provisions of this Section 24.04 shall survive the termination of this Lease. The Partnership shall be a third party beneficiary of the terms and provision of this Section 24.04.

Section 24.05. Receipts of Moneys after Notice of Termination. No receipt of moneys by Landlord from Tenant after the termination of this Lease Agreement, or after the giving of any notice of the termination of this Lease Agreement, shall reinstate, continue or extend the Term or affect any notice theretofore given to Tenant, or operate as a waiver of the right of Landlord to enforce the payment of Rental payable by Tenant hereunder or thereafter falling due, or operate as a waiver of the right of Landlord to recover possession of the Premises by proper remedy. After the service of notice to terminate this Lease Agreement or the commencement of any suit or summary proceedings or after a final order or judgment for the possession of the Premises, Landlord may demand, receive and collect any moneys due or thereafter falling due without in any manner affecting the notice, proceeding, order, suit or judgment, all such moneys collected being deemed payments on account of the use and occupation of the Premises or, at the election of Landlord, on account of Tenant's liability hereunder.

Section 24.06. Waiver of Rights. If Tenant is dispossessed by a judgment or by warrant of a court or judge or in case of re-entry or repossession by Landlord or in case of any expiration or termination of this Lease Agreement, Tenant hereby waives and releases any and all rights (a) of redemption provided by any law or statute now in force or hereafter enacted or otherwise, or (b) of re-entry, or (c) of repossession, or (d) to restore the operation of this Lease Agreement. The terms "enter," "re-enter," "entry" or "re-entry," as used in this Lease Agreement, are not restricted to their technical legal meanings. Tenant shall execute, acknowledge, and deliver within ten (10) days after request by Landlord any instrument evidencing such waiver or release that Landlord may request.

Section 24.07. Strict Performance. No failure by either party hereunder to insist upon the other party's strict performance of any covenant, agreement, term or condition of this Lease Agreement or to exercise any right or remedy available to it hereunder, shall constitute a waiver of any Default or Event of Default or of such covenant, agreement, term or condition. No covenant, agreement, term or condition of this Lease Agreement to be performed or complied with by either party, and no Default or Event of Default, shall be waived, altered or modified except by a written instrument executed by the other party. No waiver of any Default or Event of Default shall affect or alter this Lease Agreement, but each and every covenant, agreement, term and condition of this Lease Agreement shall continue in full force and effect with respect to any other then existing or subsequent Default or Event of Default.

Section 24.08. Right to Enjoin Defaults or Threatened Defaults. In the event of a Default or threatened Default by a party hereunder, the other party shall be entitled to enjoin such Default or threatened Default and shall have the right to invoke any rights and remedies allowed at law or in equity or by statute or by this Lease Agreement, other remedies that may be available to such party notwithstanding. Each right and remedy of each party provided for in this Lease Agreement shall be cumulative and shall be in addition to every other right or remedy provided for in this Lease Agreement or now or hereafter existing at law or in equity or by statute, and the exercise or beginning of the exercise by a party of any one or more of the rights or remedies provided for in this Lease Agreement or now or hereafter existing at law or in equity or by statute shall not preclude the simultaneous or later exercise by such party of any or all other rights or remedies provided for in this Lease Agreement or now or hereafter existing at law or in equity or by statute.

Section 24.09. Remedies Under Bankruptcy and Insolvency Codes. If an order for relief is entered or if any stay of proceeding or other act becomes effective against Tenant or Tenant's interest in this Lease Agreement in any proceeding which is commenced by or against Tenant under the present or any future Federal Bankruptcy Code or in a proceeding which is commenced by or against Tenant seeking a reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief under any other present or future applicable federal, state or other bankruptcy or insolvency statute or law, Landlord shall be entitled to invoke any and all rights and remedies available to it under such bankruptcy or insolvency code, statute or law or this Lease Agreement, including, without limitation, such rights and remedies as may be necessary to protect adequately Landlord's right, title and interest in and to the Premises or any part thereof and adequately assure the complete and continuous future performance of Tenant's obligations under this Lease Agreement. Adequate protection of Landlord's right, title and interest in and to the Premises, and adequate assurance of the complete and continuous future performance of Tenant's obligations under the Lease, shall include, without limitation, all of the following requirements:

(a) that Tenant shall comply with all of its obligations under this Lease Agreement;

(b) that Tenant shall continue to use the Premises in the manner required by this Lease Agreement;

(c) that Landlord shall be permitted to supervise the performance of Tenant's obligations under this Lease Agreement;

(d) that Tenant shall hire such security personnel as may be necessary to ensure the adequate protection and security of the Premises;

(e) that Tenant shall provide such undertaking that a court of competent jurisdiction may deem appropriate to protect against waste and future diminution in value of the Premises due to Tenant's neglect, and assurance of the complete and continuous future performance of Tenant's obligations for maintenance, repair, upkeep and good operation of the Premises under this Lease Agreement; and

(f) that Tenant shall have and will continue to have unencumbered income after the payment of all secured obligations and administrative expenses to assure Landlord that sufficient funds will be available to fulfill the obligations of Tenant under this Lease Agreement;

(g) that if Tenant's trustee, Tenant or Tenant as debtor-in-possession shall assume this Lease Agreement and propose to assign it (pursuant to Title 11 U.S.C. §365, as it may be amended) to any Person who shall have made a bona fide offer therefor, the notice of such proposed assignment, giving (i) the name and address of such Person, (ii) all of the terms and conditions of such offer, and (iii) the adequate assurance to be provided Landlord to assure such Person's future performance under the Lease, including, without limitation, the assurances referred to in Title 11 U.S.C. §365(b), as it may be amended, shall be given to Landlord by the trustee, Tenant or Tenant as debtor-in-possession no later than twenty (20) days after receipt by the trustee, Tenant or Tenant as debtor-in-possession of such offer, but in any event no later than ten (10) days before the date the trustee, Tenant or Tenant as debtor-in-possession shall make application to a court of competent jurisdiction for authority and approval to enter into such assignment, and Landlord shall thereupon have the prior right and option, to be exercised by notice to the trustee, Tenant or Tenant as debtor-in-possession, given at any time before the effective date of such proposed assignment to accept an assignment of this Lease Agreement upon the same terms and conditions and for the same consideration, if any, as the bona fide offer made by such Person, less any brokerage commissions which may be payable by Tenant out of the consideration to be paid by such Person for the assignment of this Lease Agreement.

ARTICLE 25

NOTICES

Section 25.01. All Notices, Communications, Etc. in Writing. Whenever it is provided herein that notice, demand, request, consent, approval or other communication shall or may be given to, or served upon, either of the parties by the other, or whenever either of the parties desires to give or serve upon the other any notice, demand, request, consent, approval or other communication with respect hereto or to the Premises, each such notice, demand, request, consent, approval or other communication shall be in writing and, unless otherwise expressly permitted to the contrary, shall be effective for any purpose only if given or served as follows (unless a specific form of delivery is expressly required by the provisions of this Lease Agreement, in which event notice delivered only in such form shall be effective):

(a) If to Tenant, (i) by hand with proof of delivery, (ii) by mailing the same to Tenant by express or certified mail, postage prepaid, return receipt requested, or (iii) by recognized national overnight courier addressed to:

Randy Levine, Esq.
President
Yankee Stadium
1 East 161st Street
Bronx, NY 10451
Facsimile No.: (212) 527-7333

or to an equivalent officer at:

Yankee Stadium
1 East 161st Street
Bronx, NY 10451

And to:

Lonn A. Trost, Esq.
Chief Operating Officer
General Counsel
Yankee Stadium
1 East 161st Street
Bronx, NY 10451

or to an equivalent officer at:

Yankee Stadium
1 East 161st Street
Bronx, NY 10451

and to:

Yankee Stadium LLC
Yankee Stadium
1 East 161st Street
Bronx, NY 10451
Attention: President or Managing Member
And marked "URGENT" on the envelope

with a copy to:

Fried, Frank, Harris, Shriver & Jacobson LLP
One New York Plaza
New York, New York 10004
Attention: Stephen Lefkowitz, Esq.
Facsimile No.: (212) 859-8582

with a copy to:

Herrick, Feinstein LLP
2 Park Avenue
New York, New York 10016
Attn: Carl F. Schwartz, Esq.
Facsimile No.: (212) 592-1500

with a copy to:

Herrick, Feinstein LLP
2 Park Avenue
New York, New York 10016
Attn: Irwin Kishner, Esq.
Facsimile No.: (212) 592-1500

and/or to such other address(es) and attorneys as Tenant may from time to time designate by notice given to Landlord as above provided.

The foregoing notwithstanding, until Tenant occupies the new Stadium to be constructed pursuant to this Lease Agreement, all notices to be delivered to Yankee Stadium LLC or to any officer set forth above shall be sent to such addressee at Yankee Stadium, Bronx, New York 10451.

(b) If to Landlord, in triplicate (i) by hand with proof of delivery, (ii) by mailing the same to Landlord by express or certified mail, postage prepaid, return receipt requested or (iii) by recognized national overnight courier, addressed to:

The City of New York
Department of Parks and Recreation
The Arsenal
Central Park
New York, New York 10021
Attention: General Counsel
Facsimile No.: (212) 360-1373

with a copy to:

The City of New York
c/o New York City Economic Development Corporation
110 William Street
New York, New York 10038
Attention: Senior Vice President, Finance
Facsimile No.: (212) 312-3908

with a copy to:

The New York City Law Department
100 Church Street
New York, New York 10007
Attention: Chief, Economic Development Division
Facsimile No.: (212) 227-5648

and/or to such other address(es) and attorneys as Landlord may from time to time designate by notice given to Tenant as above provided.

(c) If to the Partnership (i) by hand with proof of delivery, (ii) by mailing same to the Partnership by express or certified mail, postage prepaid, return receipt requested, or (iii) by recognized national overnight courier addressed to:

New York Yankees Partnership
Yankee Stadium
The Bronx, New York 10451
Attn: President, Chief Operating Officer or General Counsel

with a copy to:

Fried, Frank, Harris, Shriver & Jacobson LLP
One New York Plaza
New York, New York 10004
Attention: Stephen Lefkowitz, Esq.
Facsimile No.: (212) 859-8582

with a copy to:

Herrick, Feinstein LLP
2 Park Avenue
New York, New York 10016
Attn: Carl F. Schwartz, Esq.
Facsimile no.: (212) 592-1500

and/or to such other address(es) and attorneys as the Partnership may from time to time designate by notice given to Landlord as above provided.

(d) If to Lease Administrator, in duplicate (i) by hand with proof of delivery, (ii) by mailing the same to DPR by express or certified mail, postage prepaid, return receipt requested or (iii) by recognized national overnight courier, addressed to:

New York City Department of Parks and Recreation
The Arsenal
Central Park
New York, New York 10021
Attention: Assistant Commissioner
Facsimile No.: (212) 360-1329

with a copy to:

New York City Law Department
100 Church Street
New York, New York 10007
Attention: Chief, Economic Development Division
Facsimile No.: (212) 227-5648

with a copy to:

The City of New York
c/o New York City Economic Development Corporation
110 William Street
New York, New York 10038
Attention: Senior Vice President, Finance
Facsimile No.: (212) 312-3908

and/or to such other address(es) and attorneys as the Landlord or Lease Administrator may from time to time designate by notice given to Tenant as above provided.

Section 25.02. Service. Every notice, demand, request, consent, approval or other communication hereunder (i) by express or certified mail, return receipt requested, shall be deemed effective on receipt, (ii) by hand shall be effective upon delivery, as evidenced by a signed receipt, and (iii) by nationally recognized overnight courier shall be deemed effective on the next Business Day following receipt.

ARTICLE 26

CERTIFICATES BY LANDLORD AND TENANT

Section 26.01. Certificate of Tenant. Tenant shall, within thirty (30) days after notice by Landlord, execute, acknowledge and deliver to Landlord, or any other Person specified by Landlord, a written statement (which may be relied upon by such Person) (a) certifying (i) that this Lease Agreement is unmodified and in full force and effect (or if there are modifications, that this Lease Agreement, as modified, is in full force and effect and stating such modifications), and (ii) that no Rental is due and owing under this Lease Agreement, or, in the alternative, the amount due and owing, (b) stating (i) whether Tenant has given Landlord notice of any default by Landlord, and (ii) whether, to the best knowledge of Tenant, Landlord is in default in performance of any covenant, agreement, obligation or condition contained in this Lease Agreement, and, if so, specifying in detail each such default; and (c) stating such other information as Landlord may reasonably request.

Section 26.02. Certificate of Landlord. Landlord shall, within thirty (30) days after notice by Tenant, execute, acknowledge and deliver to Tenant, or any other Person specified by Tenant, a written statement (which may be relied upon by such Person) (a) certifying (i) that this Lease Agreement is unmodified and in full force and effect (or if there are modifications, that this Lease Agreement, as modified, is in full force and effect and stating such modifications), and (ii) the date to which any Rental payable by Tenant hereunder has been paid, (b) stating (i) whether an Event of Default has occurred and not been cured or whether Landlord has given Tenant notice of any Default, and (ii) whether, to the best knowledge of Landlord, Tenant is in default in the performance of any covenant, agreement, obligation or condition contained in this Lease Agreement, and, if so, specifying, in detail, each such Default or Event of Default, and (c) stating such other information as Tenant may reasonably request.

ARTICLE 27

CONSENTS AND APPROVALS

Section 27.01. Effect of Granting or Failure to Grant Approvals or Consents. Subject to Section 27.02, all consents and approvals which may be required under this Lease Agreement shall, as a condition of their effectiveness, be in writing. The granting of any consent or approval by a party to perform any act requiring consent or approval under the terms of this Lease Agreement, or the failure on the part of a party to object to any such action taken without the required consent or approval, shall not be deemed a waiver by the party whose consent was required of its right to require such consent or approval for any further similar act.

Section 27.02. Remedy for Failure or Refusal to Grant Consent or Approval. If, pursuant to the terms of this Lease Agreement, any consent or approval by Landlord or Tenant is required, then unless expressly provided otherwise in this Lease Agreement, if and only if the party seeking the other party's consent or approval includes in its request for consent or approval a specific written statement making express reference to this Section 27.02 and stating that failure of the other party to respond by a particular date shall be deemed to result in consent or approval, then, if the party who is to give its consent or approval shall not have notified the other party within twenty (20) Business Days or such other period as is expressly specified in this Lease Agreement after receiving such other party's request for a consent or approval that such consent or approval is granted or denied, and if denied, the reasons therefor in reasonable detail, such consent or approval shall be deemed granted. No such specific written statement shall be required in those instances set forth in this Lease Agreement where consent or approval is deemed granted if not denied with stated time periods. If, pursuant to the terms of this Lease Agreement, any consent or approval by Landlord or Tenant is not to be unreasonably withheld or is subject to a specified standard, then either party shall have the right to submit the issue to expedited arbitration in accordance with the provisions of Section 35.03 below, and, in the event there shall be a final determination that the consent or approval was unreasonably withheld or that such specified standard has been met so that the consent or approval should have been granted, the consent or approval shall be deemed granted and such granting of the consent or approval shall be the only remedy to the party requesting or requiring the consent or approval.

ARTICLE 28

SURRENDER AT END OF TERM

Section 28.01. Surrender of Premises. Upon the expiration of the Term (or under a re-entry by Landlord upon the Premises pursuant to Article 24), Tenant, without any payment or allowance whatsoever by Landlord, shall surrender the Premises to Landlord in then as-is condition (but consistent with Tenant's obligations for maintenance and repair and restoration of the Improvements hereunder), free and clear of all Subleases, liens and encumbrances other than Title Matters existing on the date hereof or caused by the action or inaction of Landlord. Tenant hereby waives any notice now or hereafter required by law with respect to vacating the Premises on the Expiration Date.

Section 28.02. Delivery of Subleases, Etc. Upon the expiration of the Term (or upon a re-entry by Landlord upon the Premises pursuant to Article 24), Tenant shall deliver to Landlord Tenant's executed counterparts of all Subleases, the Stadium Sublease Agreement, and any service and maintenance contracts then affecting the Premises, true and complete maintenance records for the Premises, all original licenses and permits then pertaining to the Premises, Certificate(s) of Occupancy then in effect for the Premises and all warranties and guarantees then in effect which Tenant has received in connection with any work or services performed on any property at the Premises, together with a duly executed assignment thereof, without recourse.

Section 28.03. Trade Fixtures and Personal Property. Without limiting the provisions of Section 8.08, upon the expiration or earlier termination of the Term Tenant may remove trade fixtures and other items supplied by Tenant or its Subtenants at their respective expense (including without limitation monuments), and shall be permitted to remove or obscure any Marks on any fixtures remaining, if any, but upon removal of any such fixtures from the Premises, Tenant shall immediately and at its sole expense repair any damage to the Premises due to such removal. Any trade fixtures or other personal property of Tenant or of any Subtenant (including without limitation those with any Marks) which shall remain on the Premises after the Expiration Date (or upon a re-entry by Landlord upon the Premises pursuant to Article 24) and after the removal of Tenant or such Subtenant from the Premises may, at the option of Landlord, be deemed to have been abandoned by Tenant or such Subtenant, and either may be retained by Landlord as its property or be disposed of at Tenant's expense without accountability, in such manner as Landlord may see fit; provided, that in the event of a termination of this Lease Agreement prior to the expiration of the Term, Tenant and its Subtenants shall be provided with non-exclusive access to the Premises for thirty (30) days after such termination to remove trade fixtures and personalty, it being agreed that the covenants and conditions set forth in Article 14, Article 21 and this Article 28 shall continue in full force and effect, and Landlord may require a reasonable security deposit from Tenant to protect Landlord against damage to the Premises during such trade fixtures and personalty removal. Landlord shall not be responsible for any loss or damage occurring to any such property owned by Tenant or any Subtenant.

Section 28.04. Survival Clause. The provisions of this Article 28 shall survive the Expiration Date.

ARTICLE 29

ENTIRE AGREEMENT

Section 29.01. This Lease Agreement, together with the exhibits attached hereto contains all of the promises, agreements, conditions, inducements and understandings between Landlord and Tenant concerning the Premises, and there are no promises, agreements, conditions, understandings, inducements, warranties or representations, oral or written, expressed or implied, between them other than as expressly set forth herein or as may be expressly contained in any enforceable written agreements or instruments executed simultaneously herewith by the parties hereto.

ARTICLE 30

ADMINISTRATIVE AND JUDICIAL PROCEEDINGS, CONTESTS, ETC.

Section 30.01. Tax Contest Proceedings. Tenant, as agent of Landlord, shall have the exclusive right, at its sole cost and expense, to challenge the valuation of the Premises assessed for tax purposes and to prosecute any action or proceeding in connection therewith by appropriate proceedings diligently conducted in good faith, in accordance with the New York City Charter and Administrative Code of New York City. Nothing contained herein shall be deemed to imply that Tenant has any obligation to pay Taxes.

Section 30.02. Imposition Contest Proceedings. Tenant, as agent of Landlord, shall have the right to contest, at its sole cost and expense, the amount or validity, in whole or in part, of any Imposition by appropriate proceedings diligently conducted in good faith, in which event, notwithstanding the provisions of Section 6.01 hereof, payment of such Imposition may be postponed if, and only as long as:

(a) neither the Premises nor any part thereof, could be, by reason of such postponement or deferment, in the judgment of Landlord, in danger of being forfeited and Landlord is not in danger of being subjected to criminal liability or penalty or civil liability or penalty in excess of the amount for which Tenant has furnished security as provided in Section 30.02(b) hereof by reason of nonpayment thereof; and

(b) Tenant has either (i) deposited with Landlord cash, or (alternatively, at Tenant's option) given to Landlord a letter of credit in form and substance reasonably satisfactory to Landlord, in the amount so contested and unpaid together with all interest and penalties in connection therewith and all charges relating to such contested Imposition that may or might, in Landlord's reasonable judgment, be assessed against, or become a charge on, the Premises or any part thereof in or during the pendency of such proceedings, or (ii) provided other equivalent security in form, substance and amount, and on terms, satisfactory to Landlord. Upon the termination of such proceedings, Tenant shall pay the amount of such Imposition or part thereof as finally determined in such proceedings, the payment of which was deferred during the prosecution of such proceedings, together with any costs, fees (including, without limitation, reasonable attorneys' fees and disbursements), interest, penalties or other liabilities in connection therewith, and, upon such payment, Landlord shall return any cash deposited with it with respect to such Imposition, together with the interest, if any, earned thereon and Landlord shall return any form of security being held by it together with interest, if any, earned thereon. If Tenant shall not pay the amounts referred to in the preceding sentence of this paragraph, then Landlord shall, at Landlord's direction, disburse any moneys deposited with it by Tenant pursuant to the first sentence of this paragraph directly to the Person to whom or to which such Imposition is payable, and the Landlord shall likewise be entitled to apply the proceeds of any security deposited with it by Tenant pursuant to said sentence to such Person in payment of said amounts. Tenant shall remain liable for any unpaid balance of said amounts remaining after application by Landlord or Landlord as aforesaid, and Tenant shall pay said balance to Landlord or the Person entitled to receive it within ten (10) days after Landlord's demand. If at any time during the continuance of such proceedings Landlord, in its sole judgment, shall deem insufficient the amount or nature of the security deposited, Tenant, within ten (10) days after Landlord's

demand, shall make an additional deposit with Landlord of such additional sums or deliver to Landlord such other acceptable security as Landlord may request, and upon failure of Tenant to so do, the amount theretofore deposited (or made available by alternative security), together with the interest, if any, earned thereon, may be applied by Landlord to the payment, removal and discharge of such Imposition and the interest and penalties in connection therewith and any costs, fees (including, without limitation, reasonable attorneys' fees and disbursements) or other liability accruing in any such proceedings and the balance, if any, remaining thereafter, together with the interest, if any, earned thereon and remaining after application by Landlord as aforesaid, shall be returned to Tenant or to the Person entitled to receive it. If there is a deficiency, Tenant shall pay the deficiency to Landlord or the Person entitled to receive it, within ten (10) days after Landlord's demand.

Section 30.03. Requirement Contest. Tenant, as agent of Landlord, shall have the right to contest the validity of any Requirement or the application thereof. During such contest, compliance with any such contested Requirement may be deferred by Tenant on the condition that before instituting any such proceeding, Tenant shall furnish a cash deposit to Landlord or, alternatively at Tenant's option, furnish to Landlord a letter of credit or other security, securing compliance with the contested Requirement and payment of all interest, penalties, fines, civil liabilities, fees and expenses in connection therewith, all such forms of security to be satisfactory to Landlord in form, substance, amount, and identity of the issuing party. Any such proceeding instituted by Tenant shall be prosecuted with diligence to final adjudication, settlement, compliance or other mutually acceptable disposition of the Requirement so contested. The furnishing of any bond, deposit, letter of credit or other security notwithstanding, Tenant shall comply with any such Requirement in accordance with the provisions of Section 18.01 hereof if the Premises, or any part thereof, are in danger of being forfeited or if Landlord is in danger of being subjected to criminal liability or penalty, or civil liability in excess of the amount for which Tenant shall have furnished security as hereinabove provided, by reason of noncompliance therewith, or if failure to comply is hazardous to persons or property or would violate any insurance policy provisions.

Section 30.04. Landlord's Participation in Contest Proceedings. Landlord shall not be required to join in any action or proceeding brought by Tenant referred to in this Article 30 or permit the action to be brought by Tenant in Landlord's name unless the provisions of any law, rule or regulation at the time in effect require that such action or proceeding be brought by and/or in the name of Landlord. If so required, Landlord shall join and cooperate in such proceedings or permit them to be brought by Tenant in Landlord's name, in which case Tenant shall pay all costs and expenses (including, without limitation, reasonable attorneys' fees and disbursements) reasonably incurred by Landlord in connection therewith.

ARTICLE 31

INVALIDITY OF CERTAIN PROVISIONS

If any term or provision of this Lease Agreement or the application thereof to any Person or circumstances shall, to any extent, be invalid and unenforceable, the remainder of this Lease Agreement, and the application of such term or provision to Persons or circumstances other than those as to which it is held invalid and unenforceable, shall not be affected thereby

and each term and provision of this Lease Agreement shall be valid and enforceable to the fullest extent permitted by law, provided that such invalidity or unenforceability shall not materially affect the transactions contemplated in this Lease Agreement.

ARTICLE 32

FINANCIAL AND OTHER REPORTS AND RECORDS

Section 32.01. Statement. By October 1st of each year during the Term following Substantial Completion of the Stadium, Tenant shall deliver to Landlord and the City's Department of Finance ("DOF"), a statement, certified by a financial officer of Tenant, which identifies and describes, in reasonable detail, any capital improvements (whether replacements or additions) made to the Stadium since the last statement delivered to Landlord and DOF, or stating that no capital improvements were made to the Stadium since the last statement so delivered, and also stating any destruction or damage constituting a capital loss to the Stadium that occurred since the last statement. The statement will set forth the actual cost of each item of capital improvement and the actual cost (or estimated cost, if actual cost is not available) to replace or rehabilitate any capital loss. For purposes of this Section 32.01, "capital improvement" or "capital loss" means the addition or replacement or loss of any improvement to or component of the Stadium having a useful life of five years or more and which is incorporated into the land constituting the Premises or into the Stadium and having a cost or value in excess of One Million Dollars (\$1,000,000).

Section 32.02. Maintenance of Books and Records. Tenant shall keep and maintain at an office in New York City complete and accurate books and records of accounts of Tenant's operations of the Premises relating to this Agreement and the construction, financing and operation of the Stadium and shall preserve, for a period of at least six (6) years after the end of each applicable period of time, the records of its operations of the Premises. However, if, at the expiration of such six (6) year period, Landlord is seeking to contest or is contesting any matter relating to which such records may be relevant, Tenant shall preserve such records until one (1) year after the final adjudication, settlement or other disposition of any such contest.

Section 32.03. Inspection and Audits of Books and Records.

(a) Landlord, the Comptroller and/or Landlord's agents or representatives shall have the right from time to time during regular business hours, upon five (5) Business Days' prior written notice, to inspect, audit and, at its option, duplicate, at Landlord's expense, all of Tenant's books and records required to be maintained under Section 32.02 if and to the extent that such audit is reasonably related to the parties rights and obligations under the Project Documents. Tenant shall produce such books, records, papers and files upon request of Landlord, the Comptroller and/or Landlord's agents or representatives. Subject to applicable law, Landlord and the Comptroller shall hold in confidence, and shall cause Landlord's agents and representatives to hold in confidence, all information obtained from Tenant's books, records, papers and files, except as may be necessary for the enforcement of Landlord's rights under the Project Documents.

(b) During the period from the Commencement Date to the end of the second (2nd) Lease Year following the Lease Year to which books and records referred to in Section 32.02 pertain, Tenant or its agents or representatives qualified to perform audits shall have the right during regular business hours, upon five (5) Business Days prior written notice, to inspect, audit, and, at its option, duplicate, at Tenant's expense, Landlord's books and records and other papers and files of Landlord that relate solely to any statement of Tenant's described in Section 32.01. Landlord shall produce all such books and records upon request of Tenant or those acting on behalf of Tenant.

Section 32.04. Survival Clause. Each party's obligations under this Article 32 shall survive the Expiration Date.

ARTICLE 33

INVESTIGATIONS, SOLICITATIONS, ETC.

Section 33.01. Cooperation by Tenant. Tenant shall cooperate fully and faithfully with any investigation, audit or inquiry conducted by any Governmental Authority that is empowered directly or by designation to compel the attendance of witnesses and to examine witnesses under oath, or conducted by the Inspector General of a Governmental Authority that is a party in interest to this Lease Agreement, when it is the subject of the investigation, audit or inquiry. If:

(a) any person who has been advised that his or her statement, and any information from such statement, will not be used against him or her in any subsequent criminal proceeding refuses to testify before a grand jury or other Governmental Authority empowered directly or by designation to compel the attendance of witnesses and to examine witnesses under oath concerning the award of, or performance under any transaction, contract, lease, permit or license entered into with the City, the State of New York or any political subdivision or public authority thereof, or the Port Authority of New York and New Jersey, EDC or any local development corporation or public benefit corporation organized under the laws of the State of New York.

(b) any person refuses to testify for a reason other than the assertion of his or her privilege against self-incrimination in an investigation, audit or inquiry conducted by a Governmental Authority empowered directly or by designation to compel the attendance of witnesses and to take testimony under oath, or by the Inspector General of a Governmental Authority that is a party in interest in, and is seeking testimony concerning the award of, or performance under this Lease Agreement;

then the commissioner or agency head whose agency is a party in interest to this Lease Agreement shall convene a hearing, upon not less than five (5) days written notice to the parties involved, to determine if any penalties should attach for the failure of a Person to testify.

Section 33.02. Adjournments of Hearing, Etc. If any non-governmental party to the hearing requests an adjournment, the commissioner or agency head who convened the hearing may, upon granting the adjournment, suspend any such contract, lease, permit or license

pending the final determination pursuant to Section 33.04 without Landlord's incurring any penalty or damages for delay or otherwise.

Section 33.03. Penalties. The penalties which may attach after a final determination by the commissioner or agency head may include but shall not exceed:

(a) The disqualification for a period not to exceed five (5) years from the date of an adverse determination for any person, or any entity of which such person was a member at the time the testimony was sought, from submitting bids for, or transacting business with, or entering into or obtaining any contract, lease, permit or license with or from the City or EDC; and/or

(b) The cancellation or termination of any and all such existing City or EDC contracts, leases, permits or licenses that the refusal to testify concerns and that have not been assigned as permitted under this Lease Agreement, nor the proceeds of which pledged, to an unaffiliated and unrelated institutional lender for fair value prior to the issuance of the notice scheduling the hearing, without the City or EDC incurring any penalty or damages on account of such cancellation or termination.

Section 33.04. Criteria for Determination. The commissioner or agency head shall consider and address in reaching his or her determination and in assessing an appropriate penalty the factors in subsections (a) and (b) below. He or she may also consider, if relevant and appropriate, the criteria established in subsections (c) and (d) below in addition to any other information which may be relevant and appropriate:

(a) The entity's good faith endeavors or lack thereof to cooperate fully and faithfully with any governmental investigation or audit, including, but not limited to, the discipline, discharge or disassociation of any Person failing to testify, the production of accurate and complete books and records, and the forthcoming testimony of all other members, agents, assignees or fiduciaries whose testimony is sought.

(b) The relationship of the person who refused to testify to any entity that is a party to the hearing, including, but not limited to, whether the person whose testimony is sought has an ownership interest in the entity and/or the degree of authority and responsibility the person has within the entity.

(c) The nexus of the testimony sought to the subject entity and its contracts, leases, permits or licenses with the City.

(d) The effect a penalty may have on an unaffiliated and unrelated party or entity that has a significant interest in an entity subject to penalties under Section 33.03 above, provided that the party or entity has given actual notice to the commissioner or agency head upon the acquisition of the interest, or at the hearing called for in Section 33.03 above gives notice and proves that such interest was previously acquired. Under either circumstance the party or entity must present evidence at the hearing demonstrating the potential adverse impact a penalty will have on such person or entity.

Section 33.05. Definitions. As used in this Article 33:

- (a) The term "license" or "permit" shall mean a license, permit, franchise or concession not granted as a matter of right.
- (b) The term "person" as used herein shall be defined as any natural person doing business alone or associated with another person or entity as partner, director, officer, principal, or employee.
- (c) The term "entity" shall mean any firm, partnership, corporation, association or Person that receives monies, benefits, licenses, leases or permits from or through the City or otherwise transacts business with the City.
- (d) The term "member" shall mean any Person associated with another Person or entity as a partner, director, officer, principal or employee.

Section 33.06. Failure to Report Solicitations. In addition to and notwithstanding any other provision of this Lease Agreement, the commissioner or agency head may in his or her sole discretion terminate this Lease Agreement upon not less than three (3) days written notice in the event Tenant fails to promptly report in writing to the Commissioner of Investigation of the City any solicitation of money, goods, requests for future employment or other benefit or thing of value, by or on behalf of any employee of the City or other person, firm, corporation or entity for any purpose which may be related to the procurement or obtaining of this Lease Agreement by Tenant, or affecting the performance of this Lease Agreement.

Section 33.07. Indictment.

(a) Procedures and Requirements. If any grand jury impaneled by any federal or state court files an indictment with such court charging Tenant or any "Principal" (as defined in Section 19.02) of Tenant (such indicted Person referred to hereafter as the "Indicted Party") with having committed an intentional felony in connection with the Premises, construction or operations thereon, or any other matter, then Landlord shall convene a hearing (the "Hearing") before a panel of three persons consisting of (i) the City's Deputy Mayor for Finance and Economic Development (or a successor in function designated by the City's Mayor), (ii) the President of EDC (or a successor in function designated by the City's Mayor), and (iii) the Corporation Counsel of the City, or the respective duly authorized designees of any of them, or such substitute persons as the City's Mayor may designate (the "Hearing Officers"). Such Hearing shall be held upon not less than forty-five (45) days written notice to the Indicted Party and Tenant for the purpose of determining whether it is in the best interest of the City to require the Indicted Party to assign its interest in this Lease Agreement or in Tenant, as the case may be. At the Hearing, Tenant and the Indicted Party shall have the opportunity to be represented by counsel and to make a presentation to the Hearing Officers orally and in writing. The Hearing Officers shall consider and address in reaching their determination (x) the nexus of the conduct charged in the indictment to this Lease Agreement, (y) the deleterious effect which an assignment of the Indicted Party's interest in this Lease Agreement or in Tenant, as the case may be, would have on the economic development interests of the City which this Lease Agreement is intended to promote, and (z) other relevant matters. The Hearing Officers shall render a

decision in writing within thirty (30) days of the last day of the Hearing. If the Hearing Officers decide by a majority vote that it is in the best interest of the City to require an assignment by the Indicted Party, then Landlord shall notify the Indicted Party and Tenant of the Hearing Officers' decision within five (5) days of the date thereof. The Indicted Party shall assign its interest in this Lease Agreement or in Tenant, as the case may be, within six (6) months of the date of the notice of such decision by the Hearing Officers to a Permitted Person who is not an affiliate of the Indicted Party acting either in its own behalf or as an independent trustee in accordance with Section 33.07(c) below for the benefit of the Indicted Party for the purpose of actively managing this Lease Agreement or the Indicted Party's interest in Tenant, as the case may be. The Indicted Party may receive the consideration, if any, for such assignment in installment payments, provided that such consideration shall be for a sum certain and that, except as hereinafter provided, following such assignment the Indicted Party shall have no further interest in the Premises or in any profits arising therefrom. If the Indicted Party has sought review of the Hearing Officers' decision by appropriate lawful means, the time for the assignment of the Indicted Party's interest, if required by the Hearing Officers' decision, shall be stayed until such review has been completed.

(b) Failure to Assign. Any failure of (i) the Indicted Party to assign its interest in this Lease Agreement or in Tenant, as the case may be, or (ii) a Permitted Person who is not affiliated with the Indicted Party, acting as a trustee, to assign the Indicted Party's interest in this Lease Agreement or in Tenant, as the case may be, following a Conviction within the time and in the manner provided hereunder, shall be deemed to be a material Default by Tenant hereunder and shall permit Landlord to obtain injunctive or equitable relief to compel an assignment, or other appropriate remedies, but shall not permit Landlord to terminate this Lease Agreement.

(c) Assignment to Trustee. If the Indicted Party assigns its interest in Tenant or in this Lease Agreement to a trustee as provided in Section 33.07(a) hereof, the trust agreement between the Indicted Party and the trustee shall be reasonably satisfactory to Landlord, and the trust agreement shall provide as follows:

- (i) If (x) the Indicted Party is found not guilty of the felony for which it is indicted by a court of competent jurisdiction or (y) the felony charges against Indicted Party are dismissed, then the trustee shall reassign the Indicted Party's interest in Tenant or in this Lease Agreement, as the case may be, to the Indicted Party;
- (ii) If (x) the Indicted Party is found guilty of the felony for which it is indicted by a court of competent jurisdiction and either the period for appeal of such verdict has expired or such verdict is affirmed by the court having ultimate jurisdiction to hear an appeal for such determination or (y) the Indicted Party pleads guilty to the felony for which it is indicted or another intentional felony or pleads "no contest" to the felony for which it is indicted or another intentional felony (either (x) or (y) above, a "Conviction"), then the trustee shall assign this Lease Agreement or the Indicted Party's interest in Tenant, as the case may be, within six (6) months of the date of the

Conviction to a Permitted Person who is not affiliated with the Indicted Party; and

- (iii) During the pendency of any such trust, the Indicted Party shall exercise no control over the Premises but may make contributions in connection with operations at the Premises and receive distributions therefrom.

(d) Application. This Section 33.07 shall apply only for so long as the City or any agency or instrumentality thereof shall be Landlord hereunder.

ARTICLE 34

EMPLOYMENT REPORTING AND REQUIREMENTS

Section 34.01. Employment Reporting and Requirements. So long as (i) the IDA is Landlord, or (ii) the City is the fee owner of the Premises, Tenant shall be bound by the following requirements:

(a) Prior to execution of this Lease Agreement, Tenant has completed and delivered to Landlord a questionnaire setting forth in substance, how many and what types of jobs Tenant in good faith estimates will be created or retained at the Premises when the Stadium Project is completed and ready for occupancy, and such supplementary documentation as may be required by the form.

(b) Tenant shall cause each Sublease (i) to provide either that such Subtenant under, or assignee of, such Sublease shall furnish employment reports to Landlord or that said Subtenant shall furnish such reports to Tenant, and (ii) to provide that said Subtenant, and any such sub-subtenant or assignee, shall cooperate with City employment opportunity programs, in the manner more particularly set forth below. Tenant shall include (or, in the case of Subtenants who are governmental entities, use reasonable efforts to include) in each Sublease, for itself, its Subtenants and any assignee:

- (x) in good faith to consider such proposals as the City or City-related entities may make with regard to filling employment opportunities created at the Premises;
- (y) to provide the City and such entities with the opportunity (A) to refer candidates who are City residents having the requisite experience or training for positions at the Premises, and (B) to create a program to train City residents for those jobs; and
- (z) for each calendar year included in whole or in part in the period ending on the fifth (5th) anniversary of the commencement of the Sublease, to report to Tenant or Landlord (the Sublease to provide which), by February 1 of the following year, the gross number of jobs at the Premises at the end of the prior calendar year and the number of employees at the Premises at the end of the prior

calendar year who were New York City residents (if the Sublease provides that the reports are to be submitted to Landlord, said reports shall be on a form to be provided by Landlord).

The provisions of this paragraph (b) shall not apply to the Team or the Stadium Sublease Agreement.

(c) By March 1 of each year following Substantial Completion and occupancy of the Stadium, Tenant shall submit, for each prior Lease Year, a certificate (the "Certificate") certified by its managing member or a duly authorized officer, to the best of its knowledge, setting forth as of the end of the prior calendar year (1) the names, addresses and contact persons of all Subtenants, (2) the approximate number of square feet leased by each Subtenant, if applicable, and (3) with regard to Subtenants required at any time during the prior calendar year to submit information to Tenant as provided above, the number of employees of each such Subtenant at the Premises and the number of such employees who were New York City residents, to the extent such information has been supplied to Tenant, and if not supplied to Tenant, then Tenant's own best estimate of such numbers. Each such Certificate must be accompanied by a certificate of the managing member or a duly authorized officer stating that the Certificate is a correct summation of reports received from Subtenants and identifying which Subtenants did not submit reports and the number of square feet sublicensed by such Subtenants, as applicable. Tenant must retain all backup documents relating to any Certificate in its office until at least one year after submitting such Certificate to Landlord. Landlord and its agents and employees shall be permitted upon two (2) Business Days notice to inspect and copy such documents during normal business hours.

(d) Tenant must also notify Landlord or its designee of the name and address of any Subtenant which has executed a Sublease within 30 days after such Subtenant has executed the Sublease.

(e) The above obligations of Tenant are for the benefit of the City.

(f) Tenant acknowledges that accurate and complete information concerning employment opportunities generated at the Premises is of material concern to Landlord and agrees that Tenant's covenants and obligations in this Article 34 are a material inducement for Landlord, as lessor, to deliver this Lease Agreement. Tenant agrees to cooperate fully with Landlord and their designees in enforcing against Subtenants the covenants and requirements referred to in paragraphs (b) and (c), provided, however, that Landlord shall reimburse Tenant for any out-of-pocket litigation costs resulting from such cooperation and that a failure by a Subtenant to meet its obligations under its Sublease as described in paragraphs (b) and (c) above shall not in and of itself constitute a Default under this Lease Agreement, although it shall create a right in Landlord and its designees, to pursue equitable enforcement of such obligations against such Subtenants. Upon demand made by Landlord or its designees, as the case may be, Tenant shall assign without recourse to Landlord or its designees Tenant's cause of action and legal rights to enforce such covenants and requirements or otherwise permit Landlord or its designees to enforce such covenants and requirements.

(g) The Landlord and its designees shall be entitled to seek equitable relief in the event that Tenant or any Subtenant should fail to fulfill any of its obligations contained in this Article 34.

(h) References to Landlord in this Article 34 shall be construed to include its respective designees.

(i) Tenant agrees to submit to Landlord on August 1st of each year after Substantial Completion a completed Employment and Benefits Report in the form of Exhibit I "Employment and Benefits Report" -attached hereto to the extent that Tenant shall have received Financial Assistance (as such term is defined in the Employment and Benefits Report) from Landlord during the twelve-month period ending on the June 30 immediately preceding such August 1.

Section 34.02. Remedies. Notwithstanding anything to the contrary contained in this Article 34, the remedies available to Landlord in the case of a Default or Event of Default resulting from a violation of the provisions of this Article 34 shall not include the right to terminate this Lease Agreement under Article 24.

ARTICLE 35

ARBITRATION

Section 35.01. Arbitration. All disputes or questions that are to be determined by arbitration pursuant to this Lease Agreement shall be resolved by arbitration as follows, except that disputes to be resolved by expedited arbitration shall be resolved pursuant to Section 35.02:

(a) The party desiring arbitration shall appoint a person as arbitrator on its behalf and give notice thereof to the other party who shall, within fifteen (15) days thereafter, appoint a second person as arbitrator on its behalf and give notice thereof to the first party.

(b) The two (2) arbitrators thus appointed shall together appoint a third disinterested person within fifteen (15) days after the appointment of the second arbitrator, and said three (3) arbitrators shall, as promptly as possible, determine the matter which is the subject of the arbitration and the decision of the majority of them shall be conclusive and binding on all parties and judgment upon the determination or award may be entered in any court having jurisdiction.

(c) If a party who shall have the right pursuant to the foregoing to appoint an arbitrator fails or neglects to do so, then and in such event, the other party (or if the two (2) arbitrators appointed by the parties shall fail to appoint a third arbitrator when required hereunder, then either party) may apply to the American Arbitration Association (or any organization successor thereto) ("AAA"), or in its absence, refusal, failure or inability to act, may apply for a court appointment of such arbitrator.

(d) The arbitration shall be conducted in the City and County of New York and, to the extent applicable and consistent with this Section 35.01, shall be in accordance with the Commercial Arbitration Rules then in effect of the AAA. The expenses of arbitration shall

be shared equally by Landlord and Tenant, but each party shall be responsible for the fees and disbursements of its own attorneys and the expenses of its own proof. Landlord and Tenant shall sign all documents and do all other things necessary to submit any such matter to arbitration and further shall, and hereby do, waive any and all rights they or either of them may at any time have to revoke their agreement hereunder to submit to arbitration and to abide by the decision rendered thereunder. The arbitrators' determination or award shall be binding and conclusive on all parties. The arbitrators shall have no power to vary or modify any of the provisions of this Lease Agreement and their jurisdiction is limited accordingly. If the arbitration relates to any Improvement, then all of the arbitrators shall be licensed professional engineers or registered architects having at least ten (10) years experience in the design of sports facilities, and, to the extent applicable and consistent with this Section 35.01, such arbitration shall be conducted in accordance with the Construction Arbitration Rules then in effect of the AAA.

Section 35.02. Construction Related Expedited Arbitration Procedure. For disputes which are to be resolved under this Lease Agreement by express reference to this Section 35.02, the dispute shall be settled by arbitration through the "Fast-Track Procedures" of the Construction Industry Arbitration Rules and Mediation Procedures of the AAA, as may be modified from time to time.

Section 35.03. Other Expedited Arbitration Procedure. For disputes which are to be resolved under this Lease Agreement by express reference to this Section 35.03, the dispute shall be settled by arbitration through the "Expedited Procedures" of the Rules and Procedures for Arbitration Rules for the Real Estate Industry of the AAA, as may be modified from time to time.

Section 35.04. Expenses. Notwithstanding anything to the contrary set forth above, the expenses of arbitration shall be shared equally by Landlord and Tenant, but each party shall be responsible for the fees and disbursements of its own attorneys and the expenses of its own proof. Landlord and Tenant shall sign all documents and do all other things necessary to submit any such matter to arbitration and further shall, and hereby do, waive any and all rights they or either of them may at any time have to revoke their agreement hereunder to submit to arbitration and to abide by the decision rendered thereunder.

ARTICLE 36

DISCHARGE OF LIENS, BONDS

Section 36.01. Creation of Liens.

(a) Tenant shall not create or cause to be created (a) any mortgage, lien, encumbrance or charge upon this Lease Agreement, the leasehold estate created hereby, the income therefrom or the Premises or any part thereof, (b) any mortgage lien, encumbrance or charge upon any assets of, or funds appropriated to, Landlord, other than Landlord's interest in this Lease Agreement and the Ground Lease and the leasehold estate or estates created hereby and thereby, or (c) any other matter or thing whereby the estate, rights or interest of Landlord in and to the Premises or any part thereof might be impaired. Notwithstanding the foregoing, Tenant shall have the right to enter into Subleases (including without limitation the Stadium

Sublease Agreement) and use and occupancy agreements relating to Stadium events as provided by, and in accordance with, the provisions of this Lease Agreement plus Permitted Transactions. Nothing in this Section 36.01 shall prohibit Tenant from executing and delivering a Recognized Mortgage encumbering Tenant's interest in the leasehold estate created under this Lease Agreement (including without limitation any Mortgage made in connection with the issuance of the Bonds).

Section 36.02. Discharge of Liens.

(a) If any mechanic's, laborer's, vendor's, materialman's or similar statutory lien (including tax liens, provided the underlying tax is an obligation of Tenant by law or by a provision of this Lease Agreement) is filed against the Premises or any part thereof due to any act or omission of Tenant or any of its agents or contractors, or if any public improvement lien created, or caused or suffered to be created by Tenant shall be filed against any assets of, or funds appropriated to, Landlord, then, Tenant shall, within one hundred twenty (120) days after receipt of notice of the filing of such mechanic's, laborer's, vendor's, materialman's or similar statutory lien or public improvement lien, cause it to be vacated or discharged of record by payment, deposit, bond, order of a court of competent jurisdiction or otherwise. However, Tenant shall not be required to discharge any such liens if Tenant shall have brought an appropriate proceeding to discharge such lien and is prosecuting such proceeding with diligence and continuity; except that if, despite Tenant's efforts to seek discharge of the lien, Landlord reasonably believes such lien is about to be foreclosed and so notifies Tenant, Tenant shall immediately cause such lien to be discharged of record.

Section 36.03. No Authority to Contract in Name of Landlord. Except as otherwise provided in this Lease Agreement, nothing contained in this Lease Agreement shall be deemed or construed to constitute the consent or request of Landlord, express or implied, by implication or otherwise, to any contractor, subcontractor, laborer or materialman for the performance of any labor or the furnishing of any materials for any specific improvement of, alteration to, or repair of, the Premises or any part thereof, nor as giving Tenant any right, power or authority to contract for, or permit the rendering of, any services or the furnishing of materials that would give rise to the filing of any lien, mortgage or other encumbrance against the Premises or any part thereof or against assets of, or funds appropriated to, Landlord. Notice is hereby given, and Tenant shall cause all construction agreements in respect of Construction Work to provide, that to the extent enforceable under New York law, Landlord shall not be liable for any work performed or to be performed at the Premises or any part thereof for Tenant or any Subtenant or for any materials furnished or to be furnished to the Premises or any part thereof for any of the foregoing, and no mechanic's, laborer's, vendor's, materialman's or other similar statutory lien for such work or materials shall attach to or affect the Premises or any part thereof or any assets of, or funds appropriated to, Landlord.

ARTICLE 37

NO SUBORDINATION

Section 37.01. Fee Owner's Interest. Fee Owner's interest in the Premises shall not be subject or subordinate to (a) any mortgage suffered to exist by Landlord or Tenant now or

hereafter affecting Landlord's interest in the Ground Lease or Landlord's and/or Tenant's interest in this Lease Agreement and the leasehold estate or estates created thereby and hereby, (b) any other liens or encumbrances hereafter affecting Landlord's interest in the Ground Lease or Landlord's and/or Tenant's interest in this Lease Agreement and the leasehold estate or estates created thereby and hereby, or (c) any Sublease or any mortgages, liens or encumbrances now or hereafter placed on any Subtenant's interest in the Premises. Fee Owner shall be a third party beneficiary of the provisions of this Section 37.01.

Section 37.02. Tenant's Interest. Tenant's interest in this Lease Agreement, as the same may be modified, amended or renewed, and the leasehold estate created hereby shall not be subject or subordinate to (a) any mortgage suffered to exist by Fee Owner now or hereafter affecting Fee Owner's interest in the Premises or (b) any other liens or encumbrances hereafter affecting Fee Owner's interest in the Premises.

ARTICLE 38

MISCELLANEOUS

Section 38.01. Captions. The captions of this Lease Agreement are for the purpose of convenience of reference only, and in no way define, limit or describe the scope or intent of this Lease Agreement or in any way affect this Lease Agreement.

Section 38.02. Table of Contents. The table of contents is for the purpose of convenience of reference only, and is not to be deemed or construed in any way as part of this Lease Agreement.

Section 38.03. Reference to Landlord and Tenant. The use herein of the neuter pronoun in any reference to Landlord or Tenant shall be deemed to include any individual Landlord or Tenant. The use herein of the words "successors and assigns" or "successors or assigns" of Landlord or Tenant shall be deemed to include the heirs, legal representatives and assigns of any individual Landlord or Tenant.

Section 38.04. Quiet Enjoyment.

(a) Landlord covenants that Tenant shall and may (subject to the terms and conditions of this Lease) peaceably and quietly have, hold and enjoy the Premises for the Term without molestation or disturbance by or from Landlord or any Person claiming by, through or under Landlord and free of any encumbrances created or permitted by Landlord or any Person claiming by, through or under Landlord (without fault of Tenant); except that Tenant takes this Lease Agreement and the Premises subject to Title Matters.

(b) Landlord agrees not to terminate the Ground Lease or modify the Ground Lease in any manner that will adversely affect Tenant or the Partnership.

Section 38.05. Limitation on Liability.

(a) Landlord Exculpation. The liability of Landlord, the City, or of any other Person who has at any time acted as Landlord hereunder, for damages or otherwise, shall be

limited to Landlord's and the City's interest in the Premises and the Ground Lease, the proceeds, payable to Landlord or the City, of any insurance policies covering or relating to the Premises, and any awards payable to Landlord or the City in connection with any condemnation of part or all of the Premises. In no event, however, shall Landlord's or the City's interest in the Premises include: (i) any rights, claims, or interests of Landlord or the City that at any time may exist pursuant to a loan document to which Landlord or the City is a party or any note or mortgage given to Landlord or the City in connection with the Premises; (ii) any rights, claims, or interests of Landlord or the City that at any time may arise from or be a result of Landlord's or the City's governmental powers or rights or Landlord's or the City's actions in its governmental capacity; or (iii) any rents, issues, or proceeds from or in connection with the Premises, or that would otherwise be within Landlord's or the City's interest in the Premises, from and after such time as such items have been received by Landlord or the City, provided that a claim by Tenant against Landlord has not been made prior to receipt of such items by Landlord. None of the directors, officers, partners, joint venturers, principals, shareholders, employees, agents or servants of Landlord or the City shall have any liability (personal or otherwise) hereunder or be subject to levy, execution or other enforcement procedure for the satisfaction of any remedies of Tenant available hereunder.

(b) Tenant's Members' Exculpation. None of the members, managers, directors, officers, partners, joint venturers, principals, shareholders, employees, agents or servants of Tenant shall have any liability (personal or otherwise) hereunder or be subject to levy, execution or other enforcement procedure for the satisfaction of any remedies of Landlord available hereunder.

(c) Governs Lease. The provisions of this Section 38.05 shall govern every other provision of this Lease Agreement. The absence of explicit reference to this Section 38.05 in any particular provision of this Lease Agreement shall not be construed to diminish the application of this Section 38.05 to such provision. This Section 38.05 shall survive the Expiration Date.

Section 38.06. Remedies Cumulative. Each right and remedy of either party provided for in this Lease Agreement shall be cumulative and shall be in addition to every other right or remedy provided for in this Lease Agreement, or now or hereafter existing at law or in equity or by statute or otherwise, and the exercise or beginning of the exercise by either party of any one or more of the rights or remedies provided for in this Lease Agreement, or now or hereafter existing at law or in equity or by statute or otherwise shall not preclude the simultaneous or later exercise by such party of any or all other rights or remedies provided for in this Lease Agreement or now or hereafter existing at law or in equity or by statute or otherwise.

Section 38.07. Merger. Unless Landlord and Tenant sign and record an agreement to the contrary, there shall be no merger of Landlord's and Tenant's respective interests in this Lease Agreement, or of Tenant's interest in this Lease Agreement with Landlord's interest in the Ground Lease, or any leasehold estate created hereby or thereby, or any part of any of same, by reason of the same Person acquiring or holding, directly or indirectly, this Lease Agreement and/or Landlord's interest in the Ground Lease and the leasehold estate created hereby or thereby. To the extent that by operation of law or otherwise a merger of any interest in Landlord's and Tenants interest in this Lease Agreement, or of Tenant's interest in this

Lease Agreement with Landlord's interest in the Ground Lease notwithstanding the immediately preceding sentence, is nevertheless effectuated, then all the covenants, representations, terms and conditions of this Lease Agreement shall be incorporated into the Ground Lease as if fully set forth therein, and to the extent of any inconsistency between the covenants, representations, terms and conditions of the Ground Lease and the covenants, representations, terms and conditions of this Lease Agreement, the covenants, representations, terms and conditions of the Lease Agreement shall control.

Section 38.08. Sole Cost and Expense of Performance. Except as otherwise specifically provided by the terms of this Lease Agreement, all of Tenant's obligations hereunder shall be performed at Tenant's sole cost and expense. Except as otherwise specifically provided by the terms of this Lease Agreement, all of Landlord's obligations hereunder shall be performed at Landlord's sole cost and expense.

Section 38.09. Relationship of Landlord and Tenant. This Lease Agreement is not to be construed to create a partnership or joint venture between the parties, it being the intention of the parties hereto only to create a landlord and tenant relationship.

Section 38.10. Waiver, Modification, Etc. No covenant, agreement, term or condition of this Lease Agreement shall be changed, modified, altered, waived or terminated except by a written instrument of change, modification, alteration, waiver or termination executed by Landlord and Tenant. No waiver of any default under this Lease Agreement, including without limitation any Default, shall affect or alter this Lease Agreement, but each and every covenant, agreement, term and condition of this Lease Agreement shall continue in full force and effect with respect to any other then existing or subsequent default thereof.

Section 38.11. Transfer of Lease Interests.

(a) Transfer of Landlord's Interest. Subject to the provisions of Section 38.24 of this Lease Agreement, during the Initial Term, Landlord may not sell, assign or transfer all or any portion of Landlord's interest in the Premises and this Lease Agreement, except to a public benefit corporation which is fully exempt from all real estate taxes, sales and use taxes, mortgage recording taxes, and other taxes from which the Stadium Project is exempt by virtue of IDA's leasehold interest in the Premises, subject to the rights of Bondholders, and shall in no event sell, assign or transfer all or any portion of Landlord's interest in the Premises and this Lease Agreement during construction. In the event of any permitted sale or sales, assignment or assignments, or transfer or transfers of Landlord's interest in the Premises and this Lease Agreement, the seller, assignor or transferor, as the case may be, shall be and hereby is entirely freed and relieved of all agreements, covenants and obligations of Landlord hereunder to be performed accruing after the date of such sale, assignment or transfer, and it shall be deemed and construed without further agreement between the parties or their successors in interest or between the parties and the Person who acquires or owns the Premises including, without limitation, the purchaser, assignee or transferee on any such sale, assignment or transfer, that such Person has assumed and agreed to carry out any and all agreements, covenants and obligations of Landlord hereunder accruing after the date of such sale, assignment or transfer. Notwithstanding the preceding, however, a buyer, assignee or transferee of the Landlord's interest in this Lease Agreement shall not be required to assume, or be deemed to have assumed,

obligations of Landlord accruing before the sale, assignment or transfer, provided the seller, assignor or transferor provides Tenant, at the closing of the sale, assignment or transfer, an agreement of Landlord, in form and substance reasonably satisfactory to Tenant, to continue to be liable for all obligations, if any, under this Lease Agreement accruing up to the date of the sale, assignment or transfer.

(b) Transfer of Tenant's Interest. If the named Tenant or any successor to its interest hereunder ceases to have any interest in the leasehold estate hereby created by reason of any authorized and valid sale or sales, assignment or assignments or transfer or transfers of Tenant's interest hereunder in accordance with the terms of this Lease Agreement, the seller, assignor or transferor shall be and hereby is entirely freed and relieved of all agreements, covenants and obligations of Tenant hereunder to be performed accruing after the date of such sale, assignment or transfer, with the exception of obligations arising from fraud, fraud of creditors, conversion or intentional damage to the Premises by the seller, assignor or transferor occurring before the sale, assignment or transfer, and it shall be deemed and construed without further agreement between the parties or their successors in interest or between the parties and the Person who acquires or owns Tenant's interest in the Premises under this Lease Agreement, including, without limitation, the purchaser or transferee in any such sale, disposition or transfer, that such Person has assumed and agreed to carry out any and all agreements, covenants and obligations of Tenant hereunder to be performed accruing after the date of such acquisition, sale or transfer. Notwithstanding the preceding, however, a buyer, assignee or transferee of the tenancy interest in this Lease Agreement shall not be required to assume, or be deemed to have assumed, obligations of Tenant accruing before the sale, assignment or transfer, provided the seller, assignor or transferor provides Landlord, at the closing of the sale, assignment or transfer, an agreement, in form and substance reasonably satisfactory to Landlord, to continue to be liable for all unsatisfied obligations, if any, under this Lease Agreement accruing up to the date of the sale, assignment or transfer.

Section 38.12. Governing Law. This Lease Agreement shall be governed by, and be construed in accordance with, the laws of the State of New York, without reference to any conflict of laws provisions thereof except Sections 5-1401 and 5-1402 of the New York General Obligations Law.

Section 38.13. Claims, Jury Trial Waiver.

(a) Except to the extent arbitration is expressly provided for in this Lease Agreement, each party hereto hereby agrees that all actions or proceedings arising directly or indirectly out of this Lease Agreement shall be litigated in the Supreme Court of the State of New York, New York County, or the United States District Court for the Southern District of New York or in any court located in the City and State of New York in which the City, Landlord or Tenant shall initiate such action, to the extent such court has jurisdiction. Each party hereto hereby expressly submits and consents in advance to such jurisdiction and waives any claim that New York, New York or the Southern District of New York or any such court in the City and State of New York with jurisdiction is an inconvenient forum or an improper forum based on improper venue. Each party hereto agrees to service of process by certified mail, return receipt requested, postage prepaid, or in any other form or manner permitted by law, addressed to it as set forth in Section 25.01. Each party hereto agrees not to institute suit arising out of this Lease

Agreement against any other party in a court in any jurisdiction, except as stated above, without such other party's consent. Each party hereto agrees that a true, correct and complete copy of this Lease Agreement kept in Landlord's, the City's or Tenant's course of business may be admitted into evidence as an original.

(b) WAIVER OF JURY TRIAL. EACH PARTY HERETO, BY EXECUTING THIS AGREEMENT, WAIVES ITS RIGHTS TO A TRIAL BY JURY IN ANY ACTION, WHETHER ARISING IN CONTRACT OR TORT, BY STATUTE OR OTHERWISE, IN ANY WAY RELATED TO THIS LEASE AGREEMENT. THIS PROVISION IS A MATERIAL INDUCEMENT FOR THE PARTIES HERETO TO ENTER INTO THIS LEASE AGREEMENT AND NO WAIVER OR LIMITATION OF ANY OF THEIR RIGHTS UNDER THIS SECTION SHALL BE EFFECTIVE UNLESS IN WRITING AND SIGNED BY THE PARTY TO BE CHARGED. LANDLORD AND TENANT AGREE THAT THE CITY, LANDLORD OR TENANT MAY FILE AN ORIGINAL COUNTERPART OR A COPY OF THIS SECTION WITH ANY COURT AS WRITTEN EVIDENCE OF THIS WAIVER OF RIGHT TO TRIAL BY JURY.

Landlord and Tenant acknowledge that the above paragraph has been expressly bargained for by each of them and that, but for the agreement by the each of them, such parties would not enter into this Lease Agreement.

Section 38.14. Successors and Assigns. The agreements, terms, covenants and conditions herein shall be binding upon, and inure to the benefit of, Landlord and Tenant and, except as otherwise provided herein, their respective successors and permitted assigns.

Section 38.15. Effect of Other Transactions. No Sublease or Capital Transaction, whether executed simultaneously with this Lease Agreement or otherwise, and whether or not consented to by Landlord, shall be deemed to modify this Lease Agreement in any respect.

Section 38.16. Waivers. Landlord and Tenant hereby waive trial by jury in any action, proceeding or counterclaim brought by either of the parties hereto against the other on any matters whatsoever arising out of or in any way connected with this Lease Agreement, the relationship of Landlord and Tenant, Tenant's use or occupancy of the Premises, and/or any claim for injury or damages. In the event Landlord commences any proceeding for nonpayment of Rental or any other sums required to be paid by Tenant under the terms of this Lease Agreement, Tenant will not interpose any counterclaim of whatever nature or description in any such proceedings, except for mandatory counterclaims.

Section 38.17. Reasonable Consent. Wherever in this Lease Agreement Landlord's or Tenant's consent or approval is required and it is stated that such consent or approval shall not be unreasonably withheld, such consent shall not be unreasonably delayed or conditioned.

Section 38.18. Terms Generally; Landlord's Agent/Contractor Limitations. Words of any gender in this Lease Agreement shall be held to include any other gender. The definitions of terms herein shall apply equally to the singular and plural forms of the terms defined. The words "include," "includes" and "including" shall be deemed to be followed by the

phrase "without limitation." Unless the context requires otherwise: (i) any definition of or reference to any agreement, instrument or other document herein shall be construed as referring to such agreement, instrument or other document as from time to time joined in, amended, supplemented or otherwise modified (except where such joinder, amendment, supplement or modification is not permitted hereunder without a party's consent and such consent has not been obtained); (ii) the words "herein," "hereof" and "hereunder," and words of similar import, shall be construed to refer to this Lease Agreement in its entirety and not to any particular provision hereof; and (iii) unless otherwise stated, all references herein to Articles, Sections, Exhibits and Schedules shall be construed to refer to Articles and Sections of, and Exhibits and Schedules annexed to, this Lease Agreement. With respect to any exculpation of Landlord's "agent" or any obligation of Landlord to indemnify for its "agent's" acts or omissions set forth in this Lease, such term shall not include Tenant, its directors, shareholders, members, officers, partners, joint venturers, trustees, invitees, agents, employees or servants. With respect to any exculpation of or obligation of Landlord to indemnify for its "contractors" acts or omissions set forth in this Lease, such term shall not include Tenant, its contractors or its subcontractors.

Section 38.19. Recording of Lease. Landlord and Tenant shall execute a memorandum of this Lease Agreement in the form attached hereto as Exhibit J. Tenant shall cause such memorandum and any amendments thereto to be recorded in the Office of the Register of the City of New York (Bronx County) promptly after the execution and delivery of this Lease Agreement or any such amendments, and Landlord shall pay and discharge all costs, fees and taxes (if any) in connection therewith.

Section 38.20. Police Substation. Tenant shall continue to meet with the New York City Police Department in good faith to agree upon the specific details of the Police Substation, which shall be overall consistent with the requirements contained in Exhibit E. Tenant shall contribute One Million (\$1,000,000) towards the costs incurred by the New York City Police Department to build-out the Police Substation. Landlord and Tenant shall, promptly after the date hereof, endeavor in good faith to negotiate and agree upon and execute an amendment to this Lease to implement such understanding and agreement.

Section 38.21. Sales Taxes Exemption.

(a) Any exemption from Sales Taxes resulting from or occasioned by Landlord involvement with the Stadium shall be limited to purchases or leases of Eligible Materials for or by Tenant as agent of Landlord pursuant to the Sales Tax Letter, it being the intent of the parties that no operating expenses of Tenant and no purchases of equipment which are not incorporated in or attached to and used or usable in the operation of the Stadium or other personal property (other than Eligible Materials) shall be subject to an exemption from Sales Taxes because of Landlord's involvement with the Stadium Project.

(b) Tenant covenants and agrees that it shall include the following language (through an attached rider, or by reference to the Sales Tax Letter or otherwise) in and as part of each contract, agreement, invoice, bill or purchase order for Eligible Materials entered into by Tenant as agent of Landlord in connection with the Stadium Project:

“This [contract, agreement, invoice, bill or purchase order] is being entered into by [Tenant] a limited liability company existing under the laws of the State of _____ (the “Agent”), as agent of and on behalf of the New York City Industrial Development Agency (the “Agency”), in connection with a certain project of the Agency for the Agent consisting of the acquisition, renovation and equipping of a sports and entertainment stadium (the “Stadium”) consisting of the [add description of Stadium Project] (the Stadium and construction thereof and the costs related thereto are herein referred to as the “Project”). The capital improvements, materials, machinery, equipment, trade fixtures, furniture, furnishings and other tangible personal property to be used for the Project which is the subject of this [contract, agreement, invoice, bill or purchase order] shall be exempt from the sales and use tax levied by the State of New York and The City of New York if effected in accordance with the terms and conditions set forth in the attached Letter of Authorization for Sales Tax Exemption of Landlord, and the Agent hereby represents that this [contract, agreement, invoice, bill or purchase order] is in compliance with the terms of the Letter of Authorization for Sales Tax Exemption. The liability of the Agency hereunder is limited as set forth in the Letter of Authorization for Sales Tax Exemption. By execution or acceptance of this [contract, agreement, invoice, bill or purchase order], the [vendor or contractor] hereby acknowledges the terms and conditions set forth in this paragraph.”

If Tenant shall fail to include, incorporate by reference or otherwise cause the contract, agreement, invoice, bill or purchase order to be subject to the above applicable language in substantially the above form, such contract, agreement, invoice, bill or purchase order shall not be an undertaking on behalf of Landlord and shall not be entitled to any of the benefits able to be conferred by Landlord, and Tenant shall not claim any sales or use tax benefits or exemptions with respect to any such contract, agreement, invoice, bill or purchase order and Tenant shall return to Landlord any such benefits or exemptions so taken, together with interest on such amount at the rate of 300 basis points above the Prime Rate (but not in excess of the maximum interest rate permitted by law) per annum, from the date of such taking, less sales taxes and any interest or penalties paid to the State Department of Finance with respect to any such contract, agreement, invoice, bill or purchase order.

(c) Concurrently with the execution of this Lease Agreement, Landlord shall make available to Tenant the Sales Tax Letter. Landlord, at the sole cost and expense of Tenant, shall also execute such other authorizations, letters and documents (and such amendments to the Sales Tax Letter) as may be reasonably necessary to permit Tenant to obtain the intended benefits hereunder. Subject to the terms of this Lease, it is intended that the aggregate scope of the sales and use tax benefits received by Tenant pursuant to this Lease and the Sales Tax Letter shall be limited in both duration and amount as follows:

(i) The Sales Tax Letter shall be dated the date of original issuance of the Bonds and shall be effective for a term commencing on its date and expiring upon the termination of this Lease (if the Sales Tax Letter has a stated expiration date a New Sales Tax Letter shall be issued upon request of Tenant).

(ii) The authorizations set forth in the Sales Tax Letter shall automatically be suspended after notice to Tenant that Tenant shall be in default under this Lease Agreement, but only for as long as Tenant shall be in default.

(iii) The sales and use tax exemption to be provided pursuant to the Sales Tax Letter:

(A) shall not be available for payment of any costs other than for Eligible Materials for incorporation into or use at the Stadium,

(B) shall only be utilized for Eligible Materials which shall be purchased, leased, completed or installed for use only by Tenant or the Team at the Stadium (and not with any intention to sell, transfer or otherwise dispose of any such Eligible Materials to another Person), it being the intention of Landlord and Tenant that the sales and use tax exemption shall not be made available with respect to any item of Eligible Materials unless such item is used by Tenant at the Stadium,

(C) shall not be available for any item of (i) rolling stock or watercraft, (ii) tangible personal property having a useful life of less than one year, or (iii) computer software unless the computer software is of a type that is capable of being capitalized in accordance with generally accepted accounting principles as a capital expenditure for use only at the Stadium by Tenant or the Team or a Subtenant,

(D) shall not be available for any date subsequent to which the Sales Tax Letter shall have been suspended as provided in this Section 38.21(c)(ii) hereof, except with respect to such items as may be purchased by Tenant for the purpose of curing such default; provided, however, that in the event Tenant shall thereafter cure any defaults under this Lease, or Landlord shall thereafter waive such suspension, as applicable, the sales and use tax exemption shall again continue from the date of such cure or such waiver,

(E) shall be available only if purchased by Tenant as agent of Landlord for use by Tenant or the Team or a Subtenant at the Stadium,

(F) shall not be available for any tangible movable personal property (including computer software), or trade fixture, for use by any person other than Tenant or the Team or a Subtenant at the Stadium,

(G) shall not be available for any cost of utilities, cleaning service or supplies,

(H) shall not be available for any item the acquisition or leasing of which would otherwise be exempt from Sales Taxes absent involvement by Landlord,

(I) shall not be available subsequent to the termination of this Lease, and

(J) shall only be available for those costs set forth in Exhibit A to the Sales Tax Letter (attached hereto as Exhibit K).

(d) In the event that Tenant shall utilize the sales or use tax exemption authorization provided pursuant to the Sales Tax Letter in violation of the provisions of this Section 38.21(c)(iii) hereof, Tenant shall promptly deliver notice of same to Landlord, and Tenant shall, upon demand by Landlord, pay to or at the direction of Landlord a return of sales or use tax exemptions in an amount equal to all such unauthorized sales or use tax exemptions together with interest at the rate of 300 basis points above the Prime Rate (but not in excess of the maximum rate permitted by law) per annum from the date and with respect to the dollar amount for which each such unauthorized sales or use tax exemption was availed of by Tenant, less sales taxes and any interest or penalties paid to the State Department of Finance with respect to any such unauthorized sales or use tax exemption.

(e) The sales and use tax exemption authorizations provided to Tenant under the Sales Tax Letter and this Lease shall extend to Eligible Materials and subsequent expenditures without regard to the source of payment.

(f) Upon request by Landlord of, and reasonable notice to, Tenant, Tenant shall make available at reasonable times to Landlord all such books and records of Tenant and require all appropriate officers and employees of Tenant to respond to reasonable inquiries by Landlord as shall be necessary to indicate in detail those costs to which Tenant shall have utilized the Sales Tax Letter and the dates and amounts so utilized.

(g) Tenant shall observe and comply with the terms and conditions of the Sales Tax Letter.

(h) Tenant shall on February 28, 2007 and on each February 28 thereafter until the February 28 following the calendar year in which the Sales Tax Letter shall have been terminated, cancelled, or expired, file a statement (Form ST-340 or any successor or additional mandated form) with the New York State Department of Taxation and Finance, on a form and in

a manner and consistent with such regulations as is or may be prescribed by the Commissioner of the New York State Department of Taxation and Finance, of the value of all sales and use tax exemptions claimed by Tenant or agents of Tenant in connection with the Stadium Project and the Stadium as required by Section 874(8) of the New York State General Municipal Law (as the same may be amended from time to time), including, but not limited to, consultants or subcontractors of such agents, under the authority granted pursuant to this Lease. Tenant shall furnish a copy of such annual statement to Landlord at the time of filing with the Department of Taxation and Finance. Should Tenant fail to comply with the foregoing requirement related to a statement filing with the New York State Department of Taxation and Finance, and such failure is not cured with thirty (30) days after notice thereof to Tenant, Tenant shall immediately cease to be the agent of Landlord in connection with the Stadium Project (such agency relationship being deemed to be immediately revoked) without any further action of the parties, Tenant shall be deemed to have automatically lost its authority as agent of Landlord to purchase Eligible Materials on Landlord's behalf, and shall desist immediately from all such activity, and shall immediately and without demand return to Landlord the Sales Tax Letter issued to Tenant by Landlord which is in Tenant's possession or in the possession of any agent of Tenant, subject to any rights of Tenant to cure such failure permitted to Tenant under applicable law. Nothing herein shall be construed as a representation by Landlord that any property acquired as part of the Stadium Project is or shall be exempt from sales taxes or use taxes under the laws of the State.

Certain Defined Terms used in the above Section 38.21:

"Eligible Materials" shall mean all construction materials, machinery, equipment, and other tangible personal property, in each case incorporated into and becoming a part of the Premises in connection with the Initial Construction of the Stadium Project, and all Capital Improvements constructed and all tangible personal property installed in or affixed to the Premises at any time during the Initial Term, and all machinery, equipment and tools purchased or leased for the maintenance and repair of the Premises at any time during the Term and located and used exclusively at the Premises (but excluding supplies, inventory and other consumable materials) in each case acquired through purchase or lease by Tenant as agent of Landlord, pursuant to the Sales Tax Letter in connection with the Stadium Project or Capital Improvement or machinery or equipment fixture installation or maintenance or repair.

"Sales Taxes" shall mean New York City and New York State sales and/or compensating use taxes imposed pursuant to Sections 1105, 1107, 1109 and 1110 of the New York State Tax Law, as each of the same may be amended from time to time (including any successor provisions to such statutory sections).

"Sales Tax Letter" shall mean the Letter of Authorization for Sales Tax Exemption, which the Agency shall make available to Tenant in accordance with and substantially in the form set forth in the Appendices to this Agreement.

Section 38.22. Express Tenant Remedies. Tenant has performed an environmental investigation for the Premises with respect to the presence or possible presence of Hazardous Materials on the Premises. In the event that, prior to completion of all excavation and grading work for the Project, types or quantities of Hazardous Materials are discovered on the Premises, which types or quantities of Hazardous Materials were not revealed in such

environmental investigation and could not have been revealed under then prevailing environmental conditions investigation practices, as existing or possibly existing on the Premises, and the cost of removal, containment or mitigation of such unknown Hazardous Materials such as is necessary for the development and use of the Stadium for the purposes contemplated in this Lease Agreement is in excess of One Hundred Million Dollars (\$100,000,000), then Tenant shall have the right to terminate this Lease Agreement, provided, that Tenant makes such election by written notice to Landlord within six (6) months after the discovery of such types or quantities of Hazardous Materials, which notice shall contain a detailed report as to the type and quantity of previously unknown Hazardous Materials, the required removal, containment or mitigation required and the reasons why such method is required, and a reasonably detailed explanation of the costs of such work, and shall contain a specific reference to this Section 38.22 and the thirty (30) Business Day turnaround time set forth herein. If Landlord does not dispute Tenant's right to terminate this Lease Agreement under this Section 38.22 within thirty (30) Business Days after such notice is duly given, then upon the expiration of such thirty (30) Business Day period this Lease Agreement shall be deemed terminated and neither party shall have any further rights or obligations hereunder.

Section 38.23. Subordination.

~~(a) Subordination of Lease Agreement to MLB. Notwithstanding any other provision of this Lease Agreement:~~

(i) The manner of conduct of activities on the Premises in conjunction with any Team Home Games or other event conducted under the auspices of or in affiliation with Major League Baseball or the Team and the rights and obligations of the parties with respect to such manner of conduct of activities, shall be subject in all respects to each of the following, as they may be amended from time to time: (i) any present or future agreements entered into by, or on behalf of, any of the Major League Baseball entities or affiliates, or the member clubs acting collectively, including, without limitation, the MLB Documents and MLB Rules and Regulations, and each agreement entered into pursuant thereto, or (ii) the MLB Actions or the present and future mandates, rules, regulations, policies, bulletins or directives issued or adopted by the Commissioner of Baseball or the MLB Entities; provided that the provisions of this Section 38.23(a) shall not restrict the ability of Landlord to enforce its rights under this Lease Agreement or the ability of the holder of an Initial Mortgage to enforce its rights thereunder.

(ii) Each party hereto is aware of the provisions contained in Article V, Section 2(b)(2) of the Major League Constitution among the Major League Baseball Clubs, and recognizes that the Ownership Committee of Baseball as issued "Control Interest Transfers – Guidelines & Procedures", dated November 9, 2005 (such document and any successor guidelines, as may be amended from time to time, the "Guidelines").

(iii) Each party hereto acknowledges that Article V, Section 2(b)(2) of the Major League Constitution and the Guidelines require that the transfer of a control interest in either the Team franchise (the "Franchise") or the Partnership be subject to the approving vote of the Major League Baseball Clubs in their absolute discretion. Each party hereto also acknowledges the "best interests of baseball" powers held by the Commissioner of Baseball under the Major League Constitution. Accordingly, each party hereto acknowledges that such

approvals would be required for any sale or transfer of the Franchise, the Partnership, or an interest in either the Franchise or the Partnership, or any sale, transfer, assignment, license, sublease, or other conveyance of any MLB related collateral, to a third party as well as to any party hereto, and that each such transaction shall be subject to and made in accordance with the Major League Constitution and the Guidelines.

(iv) Each party hereto acknowledges that any temporary or permanent management of the Franchise or the Team shall be subject to the prior approval of the Commissioner of Baseball and the Major League Baseball Clubs. In the event any party hereto desires to operate the Franchise or the Team for its own account on a temporary or permanent basis, such Person shall seek the prior approval of the Commissioner and the Major League Baseball clubs in accordance with the Major League Constitution and the Guidelines.

(v) Each party hereto agrees that upon the occurrence and continuance of an Event of Default, such party shall not exercise any remedy or take any other action which would result in the termination of any of the rights of the Team to use and possess the Premises in accordance with and pursuant to the terms of this Lease Agreement and the Stadium Sublease Agreement prior to the expiration of a period (the "Stay Period") commencing on the date of the occurrence of such Event of Default and ending on the date that is six months after the date of such commencement, provided, that if the Stay Period expires during a Team Season, the Stay Period shall be extended to the day after the last day of such Team Season.

(vi) The foregoing paragraphs (ii) through (iv) are not intended to and shall not waive, impair or diminish any restriction on or condition to Transfers and Subleases under this Lease.

(b) Subordination of Lease Agreement to Recognized Mortgages. Tenant agrees that this Lease Agreement is, shall be and shall remain in all respects unconditionally and irrevocably encumbered by and subject to each Recognized Mortgage, the lien thereof, any and all advances and/or re-advances made and to be made thereunder, any and all sums now or hereafter secured thereby and any and all modifications, amendments, renewals, extensions, increases, consolidations, reductions, severances, supplements, restatements and/or replacements thereof, with the same force and effect as if such Mortgage had been executed and delivered prior to the execution and delivery of this Lease Agreement and without regard to the order of priority of the recording of such Mortgage and this Lease Agreement; provided that Landlord procures and delivers to Tenant a Subordination, Nondisturbance and Attornment Agreement to the extent required by Section 17.02(b). This provision shall be self operative, but, Tenant agrees to execute and deliver any additional documents or other instruments which may be reasonably required by the holder of such Mortgage from time to time to evidence or confirm this subordination agreement. This subordination agreement shall be binding upon Tenant, its successors and assigns and all subsequent tenants under this Lease Agreement and shall inure to the benefit of the holder of such Mortgage, its successors and assigns and all subsequent holders of such Mortgage.

(c) Ground Lease. This Lease Agreement is subordinate to the Ground Lease.

Section 38.24. Performance on Behalf of Landlord. Without limitation of anything set forth in this Lease Agreement, it is understood and agreed that any and all the rights, covenants and obligations of Landlord hereunder may be exercised or performed on Landlord's behalf by the City (acting in its proprietary capacity through DPR or other agency or instrumentality of the City), other than with respect to (i) the planning, design, construction and equipping of the Stadium, which Landlord shall undertake through Tenant as its agent, (ii) issuance of Bonds, (iii) cancellation of Taxes, (iv) exemption from Sales Taxes and mortgage recording tax. Any specific provision in this Lease Agreement that the City or DPR or any other agency or instrumentality of the City may perform and exercise any of the covenants, rights and obligations of Landlord under this Lease Agreement shall in not in any way impair or diminish the general applicability of the preceding sentence with respect to any right, covenant or obligation which does not contain such a specific provision. Landlord and Tenant further understand, acknowledge and agree that, until Tenant is notified to the contrary by Landlord, DPR will administer this Lease on behalf of Landlord, and unless and until such notice is received, DPR will provide all consents and approvals to be provided under this Lease Agreement on behalf of Landlord, and Landlord and Tenant agree that any notices of default, notices of termination, bills, invoices and any other notices and demands executed and/or delivered by DPR (or any entity designated by Landlord or DPR to act on its behalf by notice given by Landlord or DPR to Tenant) as having been fully authorized by Landlord under this Lease Agreement and having the same force, effect and validity as if executed and/or delivered by Landlord under this Lease Agreement.

Section 38.25. Surrender, Termination Agreement. Landlord and Tenant covenant not to modify, amend or terminate or accept the surrender of this Lease Agreement without the prior written consent of the City and the Partnership while any of the Bonds remain outstanding, provided that no such consent shall be required with respect to any termination pursuant to Article 15, Article 16, Article 24 or Section 38.22 hereof. The City and the Partnership shall be third party beneficiaries of this Section 38.25.

Section 38.26. Cooperation. Landlord will cooperate with Tenant in the application for any permits or licenses sought by Tenant and which Landlord's cooperation in its proprietary capacity is required to apply for or obtain the same, provided that Landlord shall not be required to assume any obligation or make any payment in connection with same.

(Remainder of page intentionally left blank; signature pages follow)

State of New York)
) ss.:
County of New York)

On the 17 day of August in the year 2006 before me, the undersigned, a Notary Public/Commissioner of Deeds in and for said State/the City of New York, personally appeared Kei Hayashi, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that she executed the same in her capacity, and that by her signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.


(Notary Public)(Commissioner of Deeds)

KATHLEEN M. JONES
Notary Public, State of New York
No. 01J04854252
Qualified in Monroe County
Certificate Filed in Monroe County
Commission Expires March 3, 2010

State of New York)
) ss.:
County of _____)

On the ____ day of August in the year 2006 before me, the undersigned, a Notary Public/Commissioner of Deeds in and for said State/the City of New York, personally appeared Lonn A. Trost, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.


(Notary Public)(Commissioner of Deeds)

IN WITNESS WHEREOF, Landlord and Tenant have duly executed this Lease Agreement as of the day and year first above written.

NEW YORK CITY INDUSTRIAL
DEVELOPMENT AGENCY, Landlord

By: _____
Name: Kei Hayashi
Title: Deputy Executive Director

YANKEE STADIUM LLC, Tenant

By: 
Name: Lonni A. Trost
Title: Vice President and Secretary

State of New York)
) ss.:
County of New York)

On the ____ day of August in the year 2006 before me, the undersigned, a Notary Public/Commissioner of Deeds in and for said State/the City of New York, personally appeared Kei Hayashi, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that she executed the same in her capacity, and that by her signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

(Notary Public)(Commissioner of Deeds)

State of New York)
) ss.:
County of _____)

On the 21 day of August in the year 2006 before me, the undersigned, a Notary Public/Commissioner of Deeds in and for said State/the City of New York, personally appeared Lonn A. Trost, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.



(Notary Public)(Commissioner of Deeds)

JOSEPH MIGNONE
Notary Public, State of New York
No. 01M0089578
Qualified in Richmond County
Certificate Filed in New York County
Commission Expires Nov. 10, 2007

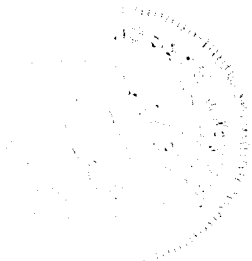


EXHIBIT A

LAND

ALL those certain lots, pieces or parcels of land, situate, lying and being in the Borough and County of the Bronx, City and State of New York, known and designated as Tax Lot 9 in Block 2493, Tax Lot 1 in Block 2492, and demapped portions of East 162nd Street, Macombs Lane and Jerome Avenue:

BEGINNING at a point on the westerly side of River Avenue (75 feet wide), said point being 115.37 Feet distant from the corner formed by the intersection of the southerly side of East 164th Street (60 feet wide), with westerly side of River Avenue (75 feet wide), as said streets are shown on the Borough President of Bronx Final Section Map #8 (Sept 6, 2005);

1. Running thence southerly along the westerly side of River Avenue, South 04 degrees 56 minutes 47 seconds East a distance of 909.38 feet to a point in the bed of East 161st Street (width varies),
2. Running thence westerly and through the bed of East 161st, South 83 degrees 44 minutes 07 seconds West, a distance of 423.62 feet to a point,
3. Running thence westerly and through the bed of East 161st, North 79 degrees 56 minutes 37 seconds West, a distance of 374.51 feet to a point of curvature,
4. Running thence along a curve bearing to the right, having a radius of 30.00 feet and a central angle of 97 degrees 40 minutes 08 seconds, an arc distance of 51.14 feet [Chord bearing and distance North 31 degrees 06 minutes 32 seconds West, 45.17 feet] to a point of reverse curve in the bed of Macombs Lane (80 feet wide);
5. Running thence along a curve bearing to the left, having a radius of 1534.00 feet and a central angle of 11 degrees 29 minutes 10 seconds, an arc distance of 307.52 feet [Chord bearing and distance North 11 degrees 58 minutes 56 seconds East, 307.01 feet] to a point in the bed of Macombs Lane;
6. Running thence northerly through the beds of Macombs Lane and Jerome Avenue, North 07 degrees 07 minutes 38 seconds East a distance of 497.91 feet to a point in the bed of Jerome Avenue (100 feet wide);
7. Running thence easterly along a line through tax Lot 9 in Block 2493, North 84 degrees 57 minutes 23 seconds East a distance of 611.63 feet to the place and point of **BEGINNING**.

Containing 634,335.06 square feet or 14.5623 acres.

Excluding there from the Substation Parcel more particularly described:

SUBSTATION PARCEL

ALL that certain lot, piece or parcel of land, situate, lying and being in the Borough and County of the Bronx, City and State of New York, known and designated part of as Tax Lot 9 in Block 2493:

Commencing at a point on the corner formed by the intersection of the westerly side of River Avenue (75 feet wide) with the southerly side of East 164th Street (60 feet wide), as said streets are shown on the Borough President of Bronx Final Section Map #8, and running the following two (2) courses to the Point of Beginning;

- A. Running along the westerly side of River Avenue, South 04 degrees 56 minutes 47 seconds East, a distance of 145.77 feet to a point;
- B. Running South 84 degrees 47 minutes 54 seconds West, a distance of 37.33 feet to the place and point of BEGINNING.
 - 1. Running thence, South 04 degrees 55 minutes 23 seconds East a distance of 73.89 feet to a point;
 - 2. Running thence, South 85 degrees 04 minutes 37 seconds West a distance of 21.43 feet to a point;
 - 3. Running thence, South 04 degrees 56 minutes 46 seconds East a distance of 6.41 feet to a point;
 - 4. Running thence, South 85 degrees 03 minutes 14 seconds West a distance of 41.84 feet to a point;
 - 5. Running thence, North 04 degrees 56 minutes 46 seconds West a distance of 6.42 feet to a point;
 - 6. Running thence, South 85 degrees 04 minutes 37 seconds West a distance of 37.70 feet to a point;
 - 7. Running thence, North 05 degrees 12 minutes 06 seconds West a distance of 73.40 feet to a point;
 - 8. Running thence, North 84 degrees 47 minutes 54 seconds East a distance of 101.33 feet to the place and point of BEGINNING.

Containing 7,718.04 square feet or 0.1772 acres.

EXHIBIT B
PILOT AGREEMENT

YANKEE STADIUM LLC

and

NEW YORK CITY INDUSTRIAL DEVELOPMENT AGENCY

and

THE CITY OF NEW YORK

PAYMENT-IN-LIEU-OF-TAX AGREEMENT

**New York City Industrial Development Agency
(Yankee Stadium Project)**

Dated as of August 1, 2006

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PAYMENT-IN-LIEU-OF-TAX AGREEMENT

THIS PAYMENT-IN-LIEU-OF-TAX AGREEMENT, dated as of August 1, 2006 (this "PILOT Agreement"), is between YANKEE STADIUM LLC, a Delaware limited liability company, having an office at Yankee Stadium, 1 East 161st Street, Bronx, New York 10451 (the "Company"); NEW YORK CITY INDUSTRIAL DEVELOPMENT AGENCY, a corporate governmental agency constituting a body corporate and politic and a public benefit corporation of the State of New York, duly organized and existing under the laws of the State of New York, having its principal office at 110 William Street, New York, New York 10038 (the "Agency"); and THE CITY OF NEW YORK, a municipal corporation of the State of New York, having an office at City Hall, New York, New York 10007 (the "City").

ALL CAPITALIZED TERMS USED IN THIS PILOT AGREEMENT AND NOT OTHERWISE DEFINED HEREIN SHALL HAVE THE MEANINGS ASSIGNED THERETO IN THE MASTER GLOSSARY OF TERMS, DATED AS OF AUGUST 1, 2006 (THE "MASTER GLOSSARY"), AS THE SAME MAY BE AMENDED FROM TIME TO TIME IN ACCORDANCE WITH THE PROVISIONS THEREOF, ATTACHED HERETO AS EXHIBIT A.

WITNESSETH:

WHEREAS, the New York State Industrial Development Agency Act, being Title 1 of Article 18-A of the General Municipal Law, Chapter 24 of the Consolidated Laws of the State of New York, as amended (hereinafter referred to as the "Enabling Act"), authorizes the creation of industrial development agencies for the benefit of the several counties, cities, villages and towns in the State of New York (the "State") and empowers such agencies, among other things, to acquire, construct, reconstruct, lease, improve, maintain, equip and furnish real and personal property, whether or not now in existence or under construction, which shall be, among others, commercial or industrial facilities, recreation facilities and educational or cultural facilities, in order to advance the job opportunities, health, general prosperity and economic welfare of the people of the State and to improve their recreational opportunities, prosperity and standard of living; and

WHEREAS, the Enabling Act further authorizes each such agency to lease and to sell its projects, to charge and collect rent therefor, to issue its bonds for the purpose of carrying out any of its corporate purposes and, as security for the payment of the principal and redemption price of, and interest on, such bonds, to pledge the revenues and receipts from its facilities to the payment of such bonds; and

WHEREAS, pursuant to and in accordance with the provisions of the Enabling Act, Chapter 1082 of the 1974 Laws of the State, as amended (said Chapter and the Enabling Act being hereinafter collectively referred to as the "Act"), created the Agency for the benefit of the City and the inhabitants thereof; and

WHEREAS, the Company intends to undertake on behalf of the Agency a project (the "Project") consisting of the design, development, acquisition, construction and equipping of an approximately 1,300,000 square foot Major League Baseball stadium having a capacity in excess

of 50,000 seats and approximately 2,000 standees for a total capacity of between 52,000 and 53,000 persons, including related concession areas, ancillary structures and improvements (collectively, the "Stadium"), to be located in the Borough and County of The Bronx and the City and State of New York on a parcel of land comprising the northern portion of Macomb's Dam Park and the southern portion of John Mullaly Park between River and Jerome Avenues and extending from East 161st Street to the mid-block between East 162nd and 164th Streets, which will have a street address of One East 161st Street, Bronx, New York, and which is more particularly bounded and described on Exhibit C attached hereto (the "Land"); and

WHEREAS, the City is the fee owner of the Land upon which the Stadium will be constructed; and

WHEREAS, the City will lease the Land (subject to the reservation contained therein) to the Agency for the purposes of the Project for a term of ninety-nine (99) years pursuant to the terms of a certain Ground Lease Agreement between the City, as landlord, and the Agency, as tenant, dated as of August 1, 2006 (the "Ground Lease"), which is intended to be recorded in the Office of the City Register, Bronx County (the "City Register's Office"); and

WHEREAS, the Agency will sublease the Land and lease the Stadium to the Company for an initial term of approximately forty (40) years (subject to extension and/or early termination to the extent provided therein ("Initial Term")), and the Company will agree, as the agent of the Agency, to design, develop, acquire, construct, equip, operate and maintain the Stadium, pursuant to the terms of a certain Stadium Lease Agreement between the Agency, as landlord, and the Company, as tenant, dated as of August 1, 2006 (the "Stadium Lease"), a memorandum of which (the "Memo of Lease") is intended to be recorded in the City Register's Office after the recording of the Ground Lease; and

WHEREAS, the Company will sub-sublease the Land and sublease the Stadium to New York Yankees Partnership, an Ohio limited partnership (the "Partnership") for a term of approximately forty (40) years (subject to extension and/or early termination to the extent provided therein) pursuant to the terms of a certain Stadium Sublease Agreement between the Company, as sublandlord, and the Partnership, as subtenant, dated as of August 1, 2006 (the "Stadium Sublease"), a memorandum of which (the "Memo of Sublease") is intended to be recorded in the City Register's Office after the recording of the Memo of Lease; and

WHEREAS, the Stadium and any other improvements on the Land (together with the Stadium, the "Improvements") and the Land (together with the Improvements, the "Facility") are to be owned or controlled by the Agency; and

WHEREAS, pursuant to Section 874(1) of the Act, the Agency is exempt from the payment of taxes and assessments imposed upon real property owned or controlled by it, other than special ad valorem levies, special assessments and service charges which are or may be imposed for special improvements or special district improvements; and

WHEREAS, the Agency and the Company deem it necessary and proper pursuant to Section 858(15) of the Act to enter into an agreement making provision for payments by the

Company in lieu of such taxes and assessments as further described in this PILOT Agreement;
and

WHEREAS, by resolution duly adopted by its members on July 11, 2006 (the "Authorizing Resolution"), the Agency has authorized the execution and delivery of this PILOT Agreement;

NOW, THEREFORE, in consideration of the foregoing and in consideration of the covenants herein contained, it is mutually agreed as follows:

Section 1. Definitions.

In the event of a conflict between the meanings assigned by the Master Glossary and the meanings assigned by this PILOT Agreement, the meanings assigned by this PILOT Agreement shall control.

Section 2. Representations and Warranties.

(a) The Agency does hereby represent and warrant as follows:

(1) The Agency has been duly established under the provisions of the Act and has the power to enter into the transactions contemplated by this PILOT Agreement and to carry out its obligations hereunder.

(2) The Agency is authorized and has the corporate power under the Act, its by-laws and the laws of the State, including, without limitation, the Act, to enter into this PILOT Agreement and the transactions contemplated hereby and to perform and carry out all the covenants and obligations on its part pursuant to this PILOT Agreement. By proper corporate action on the part of its members, the Agency has duly authorized the execution, delivery and performance of this PILOT Agreement and the consummation of the transactions herein contemplated.

(3) The Agency is not prohibited from entering into this PILOT Agreement and performing all covenants and obligations on its part to be performed under and pursuant to this PILOT Agreement by the terms, conditions or provisions of the Act, any other law, any order of any court or other agency or authority of government, or any agreement or instrument to which the Agency is a party or by which the Agency is bound.

(4) This PILOT Agreement is a legal, valid and binding obligation of the Agency enforceable in accordance with its terms, except as such enforcement may be limited by bankruptcy, insolvency, reorganization, moratorium or other similar laws, presently or hereafter in effect, affecting the enforcement of creditors' rights generally and by general principles of equity whether applied in a proceeding at law or in equity.

(b) The Company does hereby represent and warrant as follows:

(1) The Company is duly organized and validly existing under the laws of the jurisdiction of its organization, and all required actions have been taken and completed to duly authorize, execute, deliver and perform this PILOT Agreement.

(2) It is authorized and has power under the laws of the State to enter into this PILOT Agreement and the transactions contemplated hereby and to perform and carry out all covenants and obligations on its part to be performed under and pursuant to this PILOT Agreement. It has duly authorized the execution, delivery and performance of this PILOT Agreement and the consummation of the transactions herein contemplated, and (a) it is not prohibited from entering into this PILOT Agreement and discharging and performing all covenants and obligations on its part to be performed under and pursuant to this PILOT Agreement by (and the execution, delivery and performance of this PILOT Agreement, the consummation of the transactions contemplated hereby and the fulfillment of and compliance with the provisions of this PILOT Agreement will not conflict with or violate or constitute a breach of or a default under) (i) the terms, conditions or provisions of its organizational documents or agreements, or (ii) any other restriction of any law, rule, regulation or order of any court or other agency or authority of government, or (iii) any contractual limitation or restriction or outstanding indenture, deed of trust, mortgage, loan agreement or other evidence of indebtedness or any other agreement or instrument to which it is a party or by which it or any of its property is bound, and (b) neither its discharging nor performing all covenants and obligations on its part to be performed under and pursuant to this PILOT Agreement will be in conflict with or result in a breach of or constitute (with due notice and/or lapse of time) a default under any of the foregoing, or result in the creation or imposition of any lien of any nature upon any of the property of it under the terms of any of the foregoing, except in the case of the foregoing clauses (a)(ii) and (a)(iii) and clause (b), insofar as clause (b) relates to clauses (a)(ii) and (a)(iii), to the extent any violation, breach, default or lien could not reasonably be expected materially to impair the Company's ability to perform its obligations under this PILOT Agreement, and this PILOT Agreement is a legal, valid and binding obligation of it enforceable in accordance with its terms, except as such enforcement may be limited by bankruptcy, insolvency, reorganization, moratorium or other similar laws, presently or hereafter in effect, affecting the enforcement of creditors' rights generally and by general principles of equity whether applied in a proceeding at law or in equity.

(3) Governmental Consent. No consent, approval or authorization of, or filing, registration or qualification with, any governmental or public authority on the part of it (which has not been obtained or completed) is required as a condition to the execution, delivery or performance of this PILOT Agreement by the Company, except where the failure to obtain any such consent, approval or authorization or to make such filing, registration or qualification could not reasonably be expected materially to impair the Company's ability to perform its obligations under this PILOT Agreement.

(c) The City does hereby represent and warrant that, under applicable law as of the date hereof, for purposes of the determination of the Facility's "applicable assessment" as described in clause (x) of Section 3(b) hereof, such applicable assessment is calculated by the City by multiplying (A) the then-applicable Estimated Market Value, by (B) the Equalization Ratio (each as defined below), and that for purposes of such calculation the following terms are understood to have the meanings set forth below:

(1) "Accrued Depreciation" means the sum of Annual Depreciation deductions taken in each preceding PILOT Year and the current PILOT Year; *provided, however,* that, with respect to the Tenant Improvement Value, such sum shall never exceed ninety percent of the Original Tenant Improvement Value.

(2) "Annual Depreciation" means, (A) with respect to the Tenant Improvement Value, six percent (6%) of the Original Tenant Improvement Value, and (B) with respect to the Improvement Value, one and two-tenths percent (1.2%) of the Original Improvement Value.

(3) "CCP" means the then applicable annual rate of construction cost inflation as measured by the *McGraw-Hill Engineering News-Record* Construction Cost Index for the City.

(4) "CPI" mean the then applicable annual rate of consumer inflation as measured by the annual average seasonally adjusted CPI-U, U.S. City Average for All Items, published by the United States Bureau of Labor Statistics.

(5) "Equalization Ratio" means the equalization ratio then applicable to Class Four Property, or any successor property classification established by the City that would otherwise be applicable to the Facility, for purposes of levying real property taxes on the Facility, if the Facility were subject to real property taxation.

(6) "Estimated Market Value" means an amount equal to the sum of (A) the Land Value, (B) the Improvement Value, and (C) the Tenant Improvement Value.

(7) "Improvement Value" means, with respect to the first PILOT Year, the Original Improvement Value, and with respect to each subsequent PILOT Year, (A) the Improvement Value during the immediately preceding PILOT Year as adjusted by the CCI less (B) Accrued Depreciation.

(8) "Land Adjustment Factor" means the then applicable average annual rate of change in land values in Bronx County, expressed in decimal form, as determined by the City's Department of Finance by reference to land sale data for the two fiscal tax years of the City that immediately precede the taxable status date for the then current fiscal tax year.

(9) "Land Value" means, with respect to the first PILOT Year, the Original Land Value, and with respect to each subsequent PILOT Year, the product of (A) the Land Value during the immediately preceding PILOT Year and (B) one (1) plus the Land Adjustment Factor.

(10) "Original Land Value" means the current full assessed value of the Land.

(11) "Original Improvement Value" means the sum of (A) the actual cost of construction of the Improvements consisting of other than 15-year life real property, (B) the pro rata portion of the capitalized interest thereof and (C) the pro rata portion of the costs of issuance thereof.

(12) "Original Tenant Improvement Value" means the sum of (A) the actual cost of construction of the Improvements consisting of 15-year life real property, (B) the pro rata portion of the capitalized interest thereof and (C) the pro rata portion of the costs of issuance thereof.

(13) "Tenant Improvement Value" means, with respect to the first PILOT Year, the Original Tenant Improvement Value, and with respect to each subsequent PILOT Year, (A) the Tenant Improvement Value during the immediately preceding PILOT Year, as adjusted by the CPI less (B) Accrued Depreciation.

Section 3. PILOTS.

(a) The Company agrees to make, without diminution, deduction or set-off whatsoever, and without prior notice or demand, payments to the Agency in lieu of all real estate taxes and assessments (in addition to paying all applicable special ad valorem levies, special assessments and service charges against real property which are or may be imposed for special improvements or special district improvements) which would be levied upon or with respect to the Facility if the Facility were not exempt by virtue of the Agency's interest therein (the "PILOTS"). The amounts of such PILOTS, frequency of payment and method for calculation thereof shall be as set forth on Schedule A attached hereto and made a part hereof.

(b) The Company hereby agrees to pay, as PILOTS, the amounts set forth on Schedule A attached hereto and made a part hereof, on the dates set forth on such Schedule A; provided, however, that in no event shall the Company be required to make PILOTS in any PILOT Year in an amount greater than the real estate taxes and assessments for such PILOT Year which would have been levied upon or with respect to the Facility if the Facility were not exempt by virtue of the Agency's interest therein (the "Actual Taxes"). The Agency shall compute or cause the Actual Taxes to be computed (without regard to any discretionary reduction thereof or exemption therefrom for which the Facility might otherwise be eligible under any law or regulation other than the Act) no later than December 1 of each year, as follows: the Agency or its designee shall multiply (x) the applicable assessment of the Facility, as most recently determined by the City, by (y) the tax rate then applicable to Class Four Property, or any successor property classification established by the City that would otherwise be applicable to the Facility, for purposes of levying real property taxes on the Facility, if the Facility were subject to real property taxation. Such computation of the Actual Taxes shall be conclusive, absent manifest error, and written notice of the amount of the Actual Taxes shall be provided by the Agency to the Company on or prior to December 15 of each year; provided, however, that any failure by the Agency to provide such notice shall not alter, reduce or diminish the obligation of the Company to pay such PILOT when due.

(c) The obligation of the Company hereunder to make PILOTS to the Agency in any PILOT Year shall be absolute, unconditional and irrevocable, and during the Initial Term shall be secured by a PILOT Mortgage granted by the Company and the Agency to the Agency in the form of Exhibit B attached hereto encumbering the Company's and the Agency's respective interests in and to the Facility with respect to which such PILOTS are to be made. Each such PILOT Mortgage shall be (a) subject and subordinate to any PILOT Mortgage securing the obligation of the Company to make corresponding PILOTS hereunder during any succeeding

PILOT Year, and (b) paramount in lien to any PILOT Mortgage securing the obligation of the Company to make corresponding PILOTs hereunder during any preceding PILOT Year.

(d) Each of the Agency and the Company shall have the right at any time to request the City to undertake an informal review of the assessment of the Facility, provided that no more than one (1) such informal review shall be undertaken at the request of a party hereto in any twelve (12) month period. Each of the Agency and the Company agrees (i) to cooperate fully and faithfully in any informal review of the assessment of the Facility undertaken by the City at the request of either party hereto; and (ii) to notify the other in writing prior to making any request of the City to undertake an informal review pursuant to this Section 3(d).

Section 4. Tax-Exempt Status of the Facility; Other Payments.

(a) *Effective Dates.* Pursuant to Section 874 of the Act and Section 412-a of the Real Property Tax Law (the "RPTL"), the parties hereto understand that for so long as the Agency shall own or have a controlling interest in some or all of the Facility, including without limitation the Land more particularly described in Exhibit C hereto, and shall have filed the necessary application for exemption with the City Assessor, which application the Agency agrees to file promptly after the date of execution and delivery of this PILOT Agreement by the parties hereto, the Facility shall be assessed as exempt upon the assessment rolls of the City in accordance with said Section 412-a of the RPTL. The "Effective Date" of this PILOT Agreement with respect to the Facility shall be the first taxable status date following the filing by the Agency of such application for exemption.

(b) *Special Assessments.* The parties hereto understand that the tax exemption extended to the Agency by Section 874 of the Act and Section 412-a of the RPTL does not entitle the Agency to exemption from special assessments and special ad valorem levies. The Company will be required to pay, and hereby agrees to pay in full and on a timely basis, all special assessments and special ad valorem levies lawfully levied and/or assessed against the Facility.

Section 5. Obligations of the Agency.

The Agency shall submit, or cause to be submitted, to the Company annual statements specifying the amount and due date or dates of any payments due hereunder. Each said annual statement shall be submitted to the Company in the same manner that tax bills are mailed by the City to the owners of privately owned property. The Agency shall provide, or shall cause to be provided, copies of all such statements to the City as well as records of the Company's payments thereunder.

Section 6. Requirement that Mortgagees Subordinate to PILOTs.

The Agency and the Company agree that any mortgages other than PILOT Mortgages (the "Other Mortgages") on any part of the Facility granted by either of them shall provide that the rights of the mortgagees thereunder shall be subordinate to the right of the Agency to receive PILOTs pursuant to this PILOT Agreement and to the exercise by the Agency or its assignee of its rights and remedies under the PILOT Mortgages, to the extent that the rights of the

mortgagees under such Other Mortgages would have been subordinate to the right of the City to receive real estate taxes and assessments.

Section 7. Interest.

During the PILOT Term (defined below), if the Company shall have failed to make any PILOT required by this PILOT Agreement when due, its obligation to make the PILOT so in default shall continue as an obligation of the Company until such payment in default shall have been made in full, and the Company shall pay the same together with interest thereon, to the extent permitted by law, at the rate otherwise applicable to late payments of real estate taxes, as such rate is determined from time to time by resolution of the City Council.

Section 8. Successors.

(a) In connection with any Assignment, Transfer or other Capital Transaction (each as defined in the Stadium Lease), the provisions of Section 17.01 of the Stadium Lease shall be deemed to be incorporated into this PILOT Agreement.

(b) The right, title and interest of the Company under this PILOT Agreement may be assigned in whole or in part to a purchaser of some or all of the Facility in a federal bankruptcy proceeding with respect to the Company, provided that (i) all existing defaults under this PILOT Agreement with respect to the purchased assets are cured, (ii) the Agency is compensated for any damages such defaults may have occasioned, (iii) the assignor and assignee otherwise comply with the applicable provisions of the Bankruptcy Code, or such other federal bankruptcy law as is then in effect, with respect to such assignment, and (iv) such assignee provides the Agency with written confirmation that (x) such assignee assumes and agrees to be bound by the assignor's obligations under this PILOT Agreement, and (y) the portion of the Facility purchased by the assignee will be subject to the applicable PILOT Mortgages.

Section 9. Nature of Obligations.

The obligations of the Agency under this PILOT Agreement and the PILOT Mortgages shall be absolute, unconditional and irrevocable, provided that nothing contained in this Section shall be construed to constitute a waiver by the Agency of any of its rights under this PILOT Agreement arising from the occurrence and continuance of an Event of Default hereunder. The obligations of the Company hereunder, including without limitation the obligations of the Company under Section 3 hereof, shall not be diminished, limited or reduced, or increased, in any way by Section 854(17) of the Act or any other provision thereof.

Section 10. No Recourse; Limited Obligation of the Agency.

(a) *No Recourse.* All covenants, stipulations, promises, agreements and obligations of any party to this PILOT Agreement shall be deemed to be the covenants, stipulations, promises, agreements and obligations of such party and any general partner or other person legally obligated to perform the obligations of such party and not of any member, shareholder, limited partner, officer, agent, servant or employee of such party in his, her or its individual capacity, and no recourse under or upon any obligation, covenant or agreement contained in this PILOT Agreement, or otherwise based on or in respect of this PILOT

Agreement, or for any claim based thereon or otherwise in respect thereof, shall be had against any past, present or future member, shareholder, limited partner, officer, agent, servant or employee, as such, of such party or any successor thereto or any person executing this PILOT Agreement on behalf of such party. Any and all such liability of, and any and all such rights and claims against, any such person or entity under or by reason of the obligations, covenants or agreements contained in this PILOT Agreement or implied therefrom are, to the extent permitted by law, expressly waived and released as a condition of, and as a consideration for, the execution of this PILOT Agreement.

(b) *Limited Obligation.* The obligations and agreements of the Agency contained herein shall not constitute or give rise to an obligation of the State or the City, and neither of the State nor the City shall be liable thereon. Furthermore, such obligations and agreements shall not constitute or give rise to a general obligation of the Agency, but rather shall constitute limited obligations of the Agency payable solely from certain revenues of the Agency relating to the Facility.

(c) *Further Limitation.* Notwithstanding any provision of this PILOT Agreement to the contrary, the Agency shall not be obligated to take any action pursuant to any provision hereof unless (i) the Agency shall have been requested to do so in writing by the Company, and (ii) if compliance with such request is reasonably expected to result in the incurrence by the Agency (or any of its members, officers, agents, servants or employees) of any liability, fees, expenses or other costs, the Agency shall have received from the Company security or indemnity satisfactory to the Agency for protection against all such liability, however remote, and for the reimbursement of all such fees, expenses and other costs.

Section 11. Status of Company.

As long as this PILOT Agreement is in effect, the Agency and the Company agree that the Company shall be deemed to be the owner of the Facility solely for purposes of instituting, and shall have the right to institute, judicial review of an assessment of the real estate with respect to the Facility pursuant to the provisions of Article 7 of the Real Property Tax Law or any other applicable law, as the same may be amended from time to time. Notwithstanding the foregoing, in the event that the assessment of the real estate with respect to the Facility is reduced as a result of any such judicial review, the Company shall not be entitled to receive a refund or refunds of any PILOTs already paid by it under this PILOT Agreement, except as otherwise provided in Section 11 of the PILOT Assignment, or a credit against or a reduction of the PILOTs to be paid by the Company under this PILOT Agreement as shown on Schedule A attached hereto, except as required pursuant to the limitation described in Section 3(b) hereof. Except as provided in Section 11 of the PILOT Assignment, in no event shall the Agency be required to remit to the Company any moneys otherwise due as a result of a reduction in the assessment of the Facility (or any part thereof) due to a certiorari review. The Company hereby agrees that it will notify the Agency if the Company shall have requested a reassessment of the Facility or a reduction in the Actual Taxes on the Facility or shall have instituted any tax certiorari proceedings with respect to the Facility pursuant to this Section 11. The Company shall deliver copies of all notices, correspondence, claims, actions and/or proceedings brought by or against the Company in connection with any reassessment of the Facility, any reduction of taxes with respect to the Facility, or any tax certiorari proceedings with respect to the Facility.

Section 12. All Notices, Communications, Etc. in Writing.

Whenever it is provided herein that notice, demand, request, consent, approval or other communication shall or may be given to, or served upon, either of the parties by the other, or whenever either of the parties desires to give or serve upon the other any notice, demand, request, consent, approval or other communication with respect hereto or to the Facility, each such notice, demand, request, consent, approval or other communication shall be in writing and, unless otherwise expressly permitted to the contrary, shall be effective for any purpose only if given or served as follows (unless a specific form of delivery is expressly required by the provisions of this Agreement, in which event notice delivered only in such form shall be effective):

If to the Company, (i) by hand with proof of delivery, (ii) by mailing the same to the Company by express or certified mail, postage prepaid, return receipt requested, or (iii) by recognized national overnight courier addressed to:

Randy Levine, Esq.
President
Yankee Stadium
1 East 161st Street
Bronx, New York 10451

and to:

Lonn A. Trost, Esq.
Chief Operating Officer
General Counsel
Yankee Stadium
1 East 161st Street
Bronx, New York 10451

or to the equivalent officer at:

Yankee Stadium
1 East 161st Street
The Bronx, New York 10451

and to:

Yankee Stadium LLC
Yankee Stadium
1 East 161st Street
Bronx, New York 10451
Attention: President or Managing Member
And marked "URGENT" on the envelope;

with a copy to:

Fried, Frank, Harris, Shriver & Jacobson LLP
One New York Plaza
New York, New York 10004
Attention: Stephen Lefkowitz, Esq.

with a copy to:

Herrick, Feinstein LLP
2 Park Avenue
New York, New York 10016
Attention: Carl F. Schwartz, Esq.

with a copy to:

Herrick, Feinstein LLP
2 Park Avenue
New York, New York 10016
Attention: Irwin Kishner, Esq.

or to such other address(es) as the Company may from time to time designate by notice given to the Agency as above provided.

If to the Agency, (i) by hand with proof of delivery, (ii) by mailing the same to the Agency by express or certified mail, postage prepaid, return receipt requested, or (iii) by recognized national overnight courier addressed to:

The Agency:

New York City Industrial Development Agency
110 William Street
New York, New York 10038
Telecopier: (212) 312-3912
Attention: General Counsel

with a copy to the Executive Director at the same address or to such other address(es) and attorneys as the Agency may from time to time designate by notice given to the Company as above provided.

Every notice, demand, request, consent, approval or other communication hereunder (i) by express or certified mail, return receipt requested, shall be deemed effective on receipt, (ii) by hand shall be effective upon delivery, as evidenced by a signed receipt, and (iii) by nationally recognized overnight courier shall be deemed effective on the next Business Day following receipt.

Section 13. No Waiver or Amendment.

Failure by the Agency in any instance to insist upon the strict performance of any one or more of the obligations of the Company under this PILOT Agreement, or to exercise any election herein contained, shall in no manner be or be deemed to be a waiver by the Agency of any defaults or breaches by the Company hereunder or of any of the rights and remedies of the Agency by reason of such defaults or breaches, or a waiver or relinquishment of any and all of the obligations of the Company hereunder. No waiver, amendment, release or modification of this PILOT Agreement shall be established by conduct, custom or course of dealing. Further, no payment by the Company of a lesser amount than the correct amount or in a manner of payment different from the manner of payment due hereunder shall be deemed to be other than a payment on account, nor shall any endorsement or statement on any check or any letter accompanying any check or payment be deemed to effect or evidence an accord and satisfaction, and any checks or payments may be accepted as made without prejudice to the right to recover the balance or pursue any other remedy in this PILOT Agreement or otherwise provided at law or equity.

Section 14. Term.

This PILOT Agreement shall become effective with respect to the Facility as of the Effective Date and shall remain in effect for the Initial Term. In the event that the Stadium Lease is renewed for one or more Extended Terms (as defined in the Stadium Lease) pursuant to the exercise by the Company of an extension option thereunder, this PILOT Agreement shall remain in effect for each such Extended Term (the Initial Term, together with one or more Extended Terms, if any, being referred to hereafter as the "PILOT Term"). In the event that the Stadium Lease is terminated prior to the expiration of the PILOT Term, the Company shall be released from its prospective obligations hereunder (other than its obligations under Section 18 hereof with respect to matters arising or events occurring prior to such termination of the Stadium Lease, which obligations shall survive) as of the date of such termination of the Stadium Lease.

Section 15. Failure to Comply.

Whenever the Company fails to comply with any provision of this PILOT Agreement, the Agency may, but shall not be obligated to, take whatever action at law or in equity as may appear necessary or desirable to enforce the performance and observance of the obligations, agreements and covenants of the Company under this PILOT Agreement, including without limitation the exercise by the Agency or its assignee of the Agency's rights and remedies under the PILOT Mortgages.

Section 16. Counterparts.

This PILOT Agreement may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 17. Governing Law.

This PILOT Agreement shall be governed by and construed in accordance with the internal laws of the State.

Section 18. Liability.

In connection with the defense and indemnification of the Agency by the Company, the provisions of Article 21 of the Stadium Lease shall be deemed to be incorporated into this PILOT Agreement and shall survive any termination of the Stadium Lease or this PILOT Agreement.

Section 19. Modification.

This PILOT Agreement may be modified only by written instrument duly executed by the Agency and the Company.

Section 20. Binding Effect.


This PILOT Agreement shall be binding upon and inure to the benefit of the parties, their respective successors, heirs, distributees and permitted assigns.

Section 21. Severability.

If any provision of this PILOT Agreement shall for any reason be held or adjudged to be invalid or illegal or unenforceable by any court of competent jurisdiction, such provision so adjudged invalid, illegal or unenforceable shall be deemed separate, distinct and independent, and the remainder of this PILOT Agreement shall be and remain in full force and effect and shall not be invalidated or rendered illegal or unenforceable or otherwise affected by such holding or adjudication.

IN WITNESS WHEREOF, the parties hereto have executed this PILOT Agreement as of the date first written above.

YANKEE STADIUM LLC

By: 
Name: Randy L. Levine
Title: Vice President

NEW YORK CITY INDUSTRIAL
DEVELOPMENT AGENCY

By: _____
Name: Kei Hayashi
Title: Deputy Executive Director

THE CITY OF NEW YORK
(solely with respect to Section 2(c) hereof)

By: _____
Name: Daniel L. Doctoroff
Title: Deputy Mayor, Economic Development
and Rebuilding

Approved as to form:

Acting Corporation Counsel

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Title: Deputy Mayor, Economic Development
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Approved as to form:

Acting Corporation Counsel

IN WITNESS WHEREOF, the parties hereto have executed this PILOT Agreement as of the date first written above.

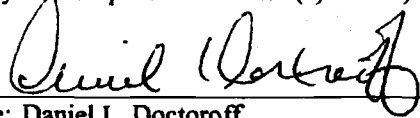
YANKEE STADIUM LLC

By: _____
Name: Randy L. Levine
Title: Vice President

NEW YORK CITY INDUSTRIAL
DEVELOPMENT AGENCY

By: _____
Name: Kei Hayashi
Title: Deputy Executive Director

THE CITY OF NEW YORK
(solely with respect to Section 2(c) hereof)

By: 
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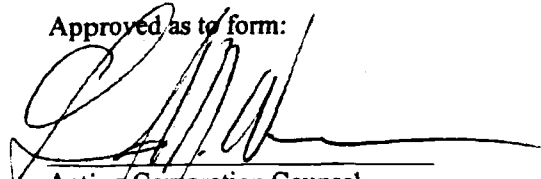
Approved as to form:

Acting Corporation Counsel

EXHIBIT A

MASTER GLOSSARY

(This is Item # 15 in Volume I of the 2006 PILOT Bonds Closing Transcript)

**(For purposes of the 2009 Bonds,
the Amended and Restated Master Glossary is Item # 51
of the 2009 Closing Transcript)**

EXHIBIT B—Form of PILOT Mortgage

LEASEHOLD PILOT MORTGAGE # _____

made by

YANKEE STADIUM LLC,
a Delaware limited liability company,

and

NEW YORK CITY INDUSTRIAL DEVELOPMENT AGENCY,
a New York public benefit corporation,
as Mortgagors,

to

NEW YORK CITY INDUSTRIAL DEVELOPMENT AGENCY,
a New York public benefit corporation,
as Mortgagee

Dated: As of August 1, 2006

New York City Industrial Development Agency
(Yankee Stadium Project)

Affecting certain real property
comprising the northern portion of Macomb's Dam Park and the southern portion of
John Mullaly Park between River and Jerome Avenues and extending from
East 161st Street to the mid-block between East 162nd and 164th Streets
in the Borough and County of The Bronx and the City and State of New York,
and also known as Tax Lot 9 in Block 2493, Tax Lot 1 in Block 2492,
and demapped portions of East 162nd Street, Macombs Lane and Jerome Avenue
on the Official Tax Map of Bronx County, which will
be known as One East 161st Street, Bronx, New York

Please record and return to:

Nixon Peabody LLP
437 Madison Avenue
New York, New York 10022
Attention: Scott R. Singer, Esq.

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Exhibit A – Master Glossary
Schedule A – Legal Description of the Land

LEASEHOLD PILOT MORTGAGE #

THIS LEASEHOLD PILOT MORTGAGE # _____ (this "Mortgage"), dated as of August 1, 2006, is made by YANKEE STADIUM LLC, a Delaware limited liability company, having an office at Yankee Stadium, Bronx, New York 10451 (the "Company"); and NEW YORK CITY INDUSTRIAL DEVELOPMENT AGENCY, a corporate governmental agency constituting a public benefit corporation organized and existing under the laws of the State, in its capacity as a grantor of this Mortgage, having an office at 110 William Street, New York, New York 10038 (the "Agency," and, together with the Company, the "Mortgagor") to NEW YORK CITY INDUSTRIAL DEVELOPMENT AGENCY, a corporate governmental agency constituting a public benefit corporation organized and existing under the laws of the State, in its capacity as the grantee of this Mortgage, having an office at 110 William Street, New York, New York 10038 (the "Mortgagee").

ALL CAPITALIZED TERMS USED IN THIS MORTGAGE AND NOT OTHERWISE DEFINED HEREIN SHALL HAVE THE MEANING ASSIGNED THERETO IN THE MASTER GLOSSARY OF TERMS, DATED AS OF AUGUST 1, 2006 (THE "MASTER GLOSSARY"), AS THE SAME MAY BE AMENDED FROM TIME TO TIME IN ACCORDANCE WITH THE PROVISIONS THEREOF, ATTACHED HERETO AS EXHIBIT A.

RECITALS

The New York State Industrial Development Agency Act, being Title 1 of Article 18-A of the General Municipal Law, Chapter 24 of the Consolidated Laws of the State of New York, as amended (hereinafter referred to as the "Enabling Act"), authorizes the creation of industrial development agencies for the benefit of the several counties, cities, villages and towns in the State of New York (the "State") and empowers such agencies, among other things, to acquire, construct, reconstruct, lease, improve, maintain, equip and furnish real and personal property, whether or not now in existence or under construction, which shall be, among others, commercial or industrial facilities, recreation facilities and educational or cultural facilities, in order to advance the job opportunities, health, general prosperity and economic welfare of the people of the State and to improve their recreational opportunities, prosperity and standard of living.

The Enabling Act further authorizes each such agency to lease and to sell its facilities, to charge and collect rent therefor, to issue its bonds for the purpose of carrying out any of its corporate purposes and, as security for the payment of the principal and redemption price of, and interest on, any such bonds, to mortgage any or all of its facilities and to pledge the revenues and receipts therefrom to the payment of such bonds.

Pursuant to and in accordance with the provisions of the Enabling Act, Chapter 1082 of the 1974 Laws of the State, as amended (said Chapter and the Enabling Act being hereinafter collectively referred to as the "Act"), created the Agency for the benefit of The City of New York, a municipal corporation (the "City"), and the inhabitants thereof.

The Company intends to undertake on behalf of the Agency a project (the "**Project**"), consisting of the design, development, acquisition, construction and equipping of an approximately 1,300,000 square foot Major League Baseball stadium having a capacity in excess of 50,000 seats and approximately 2,000 standees for a total capacity of between 52,000 and 53,000 persons, including related concession areas, ancillary structures and improvements (collectively, the "**Stadium**"), to be located in the Borough and County of The Bronx and the City and State of New York on a parcel of land comprising the northern portion of Macomb's Dam Park and the southern portion of John Mullaly Park between River and Jerome Avenues and extending from East 161st Street to the mid-block between East 162nd and 164th Streets, which will have a street address of One East 161st Street, Bronx, New York, and which is more particularly bounded and described on Schedule A attached hereto (the "**Land**"; and, together with the Stadium, the "**Facility**").

The City is the fee owner of the Land upon which the Stadium will be constructed.

The City will lease the Land (subject to the reservation contained therein) to the Agency for the purposes of the Project for a term of 99 years pursuant to the terms of a certain Ground Lease Agreement between the City, as landlord, and the Agency, as tenant, dated as of August 1, 2006 (the "**Ground Lease**"), which is intended to be recorded in the Office of the City Register, Bronx County (the "**City Register's Office**").

The Agency will be the owner of the Stadium.

The Agency will sublease the Land and lease the Stadium to the Company for an initial term of approximately forty (40) years (subject to extension and/or early termination to the extent provided therein), and the Company will agree, as the agent of the Agency, to design, develop, acquire, construct, equip, operate and maintain the Stadium, pursuant to the terms of a certain Lease Agreement between the Agency, as landlord, and the Company, as tenant, dated as of August 1, 2006 (the "**Stadium Lease**"), a memorandum of which (the "**Memo of Lease**") is intended to be recorded in the City Register's Office after the recording of the Ground Lease.

The City and the Company will enter into a certain Recognition, Non-Disturbance and Attornment Agreement, dated as of August 1, 2006 (the "**Recognition Agreement**"), which is intended to be recorded in the City Register's Office after the recording of the Memo of Lease, pursuant to which the City will agree to recognize the Company as its tenant under the terms of the Stadium Lease, and the Company will agree to attorn to the City as its landlord thereunder, if, by operation of law or otherwise, the Ground Lease is terminated, and no Default (as such term is defined in the Stadium Lease) has occurred and is continuing.

New York Yankees Partnership, an Ohio limited partnership (the "**Partnership**"), is the owner of the New York Yankees Major League Baseball Team franchise (the "**Team**").

The Company will sublease the Stadium to the Partnership for an initial term of one day less than the scheduled initial term of the Stadium Lease (subject to extension and/or early termination to the extent provided therein), pursuant to the terms of a certain Stadium Sublease Agreement, dated as of August 1, 2006 (the "**Stadium Sublease**") between the Company, as sublandlord, and the Partnership, as subtenant, a memorandum of which (the "**Memo of**

Sublease”) is intended to be recorded in the City Register’s Office after the recording of the Recognition Agreement.

Pursuant to Section 874(1) of the Act, the Agency is exempt from the payment of taxes and assessments imposed upon real property owned or controlled by it, other than special ad valorem levies, special assessments and service charges which are or may be imposed for special improvements or special district improvements.

The Agency, the City and the Company will enter into a certain Payment-in-Lieu-of-Tax Agreement, dated as of August 1, 2006 (the “PILOT Agreement”), to make provision for payments by the Company in lieu of such taxes and assessments (the “PILOTS”), as further described in the PILOT Agreement.

The obligation of the Company to pay PILOTS to the Agency under the PILOT Agreement during the ____ PILOT Year (the “PILOT Obligations”) will be secured by this Mortgage, which is intended to be recorded in the City Register’s Office.

This Mortgage is one of ____ Leasehold PILOT Mortgages, each dated as of August 1, 2006, made by the Agency and the Company, as mortgagors, to the Agency, as mortgagee, encumbering the Mortgaged Property (collectively, the “PILOT Mortgages”), each of which secures the obligations of the Company to pay PILOTS to the Agency under the PILOT Agreement during a specified PILOT Year and each of which is intended to be recorded in the City Register’s Office.

The PILOT Mortgages (including this Mortgage) will be assigned by the Mortgagee to the PILOT Trustee.

NOW, THEREFORE, in consideration of the premises and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and in order to secure the following (collectively, the “Obligations”):

(i) the payment by the Company of the PILOT Obligations, as set forth in the PILOT Agreement, with interest and late payment charges thereon as specified in the PILOT Agreement;

(ii) the payment, performance and observance of all obligations of the Company under this Mortgage whether now existing or hereafter arising, direct or indirect, absolute or contingent, joint or several, due or to become due, liquidated or unliquidated, secured or unsecured; and

(iii) the payment by the Company of any damage claim arising out of or resulting from the possible rejection in a bankruptcy proceeding of the PILOT Agreement or the discharge or elimination in any other way of the Company’s obligations under the PILOT Agreement in the context of any bankruptcy or insolvency of the Company;

EACH OF THE AGENCY AND THE COMPANY HEREBY MORTGAGES TO THE MORTGAGEE all of its respective right, title and interest in and to the following described property (collectively, the “Mortgaged Property”), excluding, however, the Agency’s Reserved

Rights, no interest in or portion of which is intended to be mortgaged, pledged or encumbered hereby and the enforceability of which by the Agency shall not be diminished, reduced or otherwise impaired hereby:

GRANTING CLAUSES

I. The Ground Lease, the Stadium Lease and the Stadium Sublease and the leasehold estates and other estates created thereby, together with all the estate and rights of the Agency in and to the Land under and by virtue of the Ground Lease and all the estate and rights of the Company in and to the Land and the Stadium under and by virtue of the Stadium Lease.

II. The Facility, together with the tenements, hereditaments, servitudes, estates, rights, easements, whether temporary or permanent, privileges, liberties, licenses, royalties, mineral, oil and gas rights, reversions, remainders and immunities thereunto belonging or appertaining that may from time to time be owned by the Agency and/or the Company, including, without limitation, all the right, title and interest of the Agency and/or the Company in and to all streets, ways, alleys, roads, parking facilities, water, water courses, water rights, waterways, passages, sewer rights and public places adjoining the Facility and all easements and rights-of-way, public or private, and strips and gores of land, now or hereafter used in connection therewith, together with all land lying in the bed of any street, road or avenue, open or proposed, in front of or adjoining the Land and/or the Stadium to the center line thereof, and now or hereafter used or usable in connection with the Land and/or the Stadium.

III. All fixtures, equipment, machinery, apparatus, appliances, fittings and chattels and articles of personal property of every kind and nature, and all building equipment, materials and supplies of any nature whatsoever, now or hereafter incorporated in, or attached to, the Land and/or the Stadium and owned by the Agency or in which the Agency has or shall have an interest and all renewals and replacements thereof and additions and accessions thereto, including, without limitation, all partitions, elevators, lifts, heating, lighting, incinerating and power equipment, engines, pipes, pumps, tanks, motors, conduits, switchboards, plumbing, lifting, cleaning, fire prevention, fire extinguishing, refrigerating, ventilating and communications apparatus, exhaust and heater fans, air-cooling and air-conditioning apparatus, elevators, escalators, shades, awnings, screens, storm doors and windows, stoves, refrigerators, attached cabinets, partitions, ducts and compressors (which machinery, apparatus, equipment, fittings, fixtures and articles of personal property, all replacements thereof, substitutions therefor and additions and accessions thereto, together with the proceeds thereof, are hereafter collectively referred to as the "Fixtures"), all of which shall be deemed to be, remain and form a part of the Facility and be encumbered by and subject to the lien of this Mortgage, but only to the extent that the Fixtures or such other property constitutes property which could be subject to, or be the subject of, a real property tax in rem foreclosure proceeding in the City (the "Mortgaged Fixtures").

IV. All insurance proceeds, condemnation awards and other compensation, including interest thereon, and the right to receive and apply the same (including the right to receive and apply the proceeds of any judgments or settlements made in lieu of any such insurance for damages to the Land and/or the Stadium), which are heretofore or hereafter made with respect to the Land and/or the Stadium as a result of or in lieu of any taking by eminent domain (including

any transfer made in lieu of the exercise of said right), the alteration of the grade of any street, or any other damage or injury to or decrease in the value of the Land and/or the Stadium.

V. All right, title and interest of the Agency in and to (a) any and all present and future leases (other than the Ground Lease) of space in the Facility; (b) any and all present and future subleases, licenses and other occupancy agreements (other than the Stadium Lease) of space in the Facility; (c) all rents, issues, profits and other revenues payable to the Agency under any such leases, subleases, licenses and occupancy agreements; and (d) any contracts for the sale of all or any portion of the Land and/or the Stadium and any down payments or other proceeds thereof. Nothing in this Paragraph V is intended to constitute the consent of the Mortgagee to any such leases, subleases, licenses, occupancy agreements or sale contracts (except for the Ground Lease, the Stadium Lease and such other leases, subleases, licenses, occupancy agreements or sale contracts as are expressly permitted by the Ground Lease or the Stadium Lease, including, without limitation, the sale of tickets for events at the Stadium or the license of suites therein).

VI. All right, title and interest of the Company in and to (a) any and all present and future leases (other than the Stadium Lease) of space in the Facility; (b) any and all present and future subleases, licenses and other occupancy agreements (other than the Stadium Sublease) of space in the Facility; (c) all rents, issues, profits and other revenues payable to the Company under any such leases, subleases, licenses and occupancy agreements; and (d) any contracts for the sale of all or any portion of the Land and/or the Stadium and any down payments or other proceeds thereof. Nothing in this Paragraph VI is intended to constitute the consent of the Mortgagee to any such leases, subleases, licenses, occupancy agreements or sale contracts (except for the Stadium Lease, the Stadium Sublease and such other leases, subleases, licenses, occupancy agreements or sale contracts as are expressly permitted by the Stadium Lease or the Stadium Sublease, including, without limitation, the sale of tickets for events at the Stadium or the license of suites therein).

VII. All the right, in the name and on behalf of the Agency and/or the Company, to appear in and defend any action or proceeding brought with respect to the lien of this Mortgage, the Land and/or the Stadium and to commence any action, suit or proceeding to protect the lien of this Mortgage and/or the interest of the Mortgagee in and to the Land and/or the Stadium.

VIII. Any and all air rights, development rights, zoning rights or other similar rights or interests that benefit or are appurtenant to the Land and/or the Stadium and any proceeds arising therefrom.

IX. In connection with the Facility, all appurtenances in respect of or otherwise relating to the Ground Lease, the Stadium Lease and the Stadium Sublease, including, without limitation, any renewal options and expansion rights, and (a) all modifications, amendments, renewals and extensions of the Ground Lease, the Stadium Lease and the Stadium Sublease, and all other rights to renew or extend the term thereof, (b) all other options, privileges and rights granted and demised to the Agency and/or the Company under the Ground Lease, the Stadium Lease and the Stadium Sublease, (c) all the right or privilege of the Agency and/or the Company to terminate, cancel, abridge, surrender, merge, modify or amend the Ground Lease, the Stadium Lease or the Stadium Sublease, and (d) any and all possessory rights of the Agency and/or the

Company and other rights and/or privileges of possession, including, without limitation, the right of the Agency and/or the Company to elect to remain in possession of the Land, the Stadium and the leasehold and/or subleasehold estates created by the Ground Lease, the Stadium Lease and the Stadium Sublease pursuant to Section 365(h)(1) of the Federal bankruptcy code (as amended from time to time and including any successor legislation thereto, the "**Bankruptcy Code**").

X. In connection with the Facility, all of the Agency's and/or the Company's claims and rights to damages and any other remedies in connection with or arising from the rejection of the Stadium Lease by the Company or the rejection of the Stadium Sublease by the Partnership, or any trustee, custodian or receiver pursuant to the Bankruptcy Code in the event that there shall be filed by or against the Company or the Partnership any petition, action or proceeding under the Bankruptcy Code or under any other similar Federal or state law now or hereafter in effect.

XI. Any and all further estate, right, title, interest, property, claim and demand whatsoever of the Agency and/or the Company in and to any of the above.

TO HAVE AND TO HOLD all the same with all privileges and appurtenances hereby conveyed and assigned or agreed or intended so to be to the Mortgagee and its successors and assigns forever.

This Mortgage secures the payment, performance and observance of the Obligations and shall continue in full force and effect until the Obligations shall be indefeasibly paid and satisfied in full or otherwise provided for in accordance with their respective terms.

The Agency and the Company hereby represent, warrant, covenant and agree with the Mortgagee as set forth below:

Section 1. Definitions.

In the event of a conflict between the meanings assigned by the Master Glossary and the meanings assigned by this Mortgage, the meanings assigned by this Mortgage shall control.

Section 2. Representations and Warranties.

(a) The Agency does hereby represent and warrant as follows:

(i) The Agency has been duly established under the provisions of the Act and has the power to enter into the transactions contemplated by this Mortgage and to carry out its obligations hereunder.

(ii) The Agency is authorized and has the corporate power under the Act, its by-laws and the laws of the State, including, without limitation, the Act, to enter into this Mortgage and the transactions contemplated hereby and to perform and carry out all the covenants and obligations on its part pursuant to this Mortgage. By proper corporate action on the part of its members, the Agency has duly authorized the execution, delivery and performance of this Mortgage and the consummation of the transactions herein contemplated.

(iii) The Agency is not prohibited from entering into this Mortgage and performing all covenants and obligations on its part to be performed under and pursuant to this Mortgage by the terms, conditions or provisions of the Act, any other law, any order of any court or other agency or authority of government, or any agreement or instrument to which the Agency is a party or by which the Agency is bound.

(b) The Company does hereby represent and warrant as follows:

(i) The Company is duly organized and validly existing under the laws of the jurisdiction of its organization, and all required actions have been taken and completed to duly authorize, execute, deliver and perform this Mortgage.

(ii) It is authorized and has power under the laws of the State to enter into this Mortgage and the transactions contemplated hereby and to perform and carry out all covenants and obligations on its part to be performed under and pursuant to this Mortgage. It has duly authorized the execution, delivery and performance of this Mortgage and the consummation of the transactions herein contemplated. It is not prohibited from entering into this Mortgage and discharging and performing all covenants and obligations on its part to be performed under and pursuant to this Mortgage by (and the execution, delivery and performance of this Mortgage, the consummation of the transactions contemplated hereby and the fulfillment of and compliance with the provisions of this Mortgage will not conflict with or violate or constitute a breach of or a default under) the terms, conditions or provisions of its organizational documents or agreements or any other restriction of any law, rule, regulation or order of any court or other agency or authority of government, or any contractual limitation or restriction or outstanding indenture, deed of trust, mortgage, loan agreement or other evidence of indebtedness or any other agreement or instrument to which it is a party or by which it or any of its property is bound, and neither its discharging nor performing all covenants and obligations on its part to be performed under and pursuant to this Mortgage will be in conflict with or result in a breach of or constitute (with due notice and/or lapse of time) a default under any of the foregoing, or result in the creation or imposition of any lien (other than this Mortgage) of any nature upon any of the property of it under the terms of any of the foregoing, and this Mortgage is a legal, valid and binding obligation of it enforceable in accordance with its terms.

(iii) No consent, approval or authorization of, or filing, registration or qualification with, any governmental or public authority on the part of it (which has not been obtained or completed) is required as a condition to the execution, delivery or performance of this Mortgage by the Company.

Section 3. Payment, Performance, Observance and Compliance.

The Company covenants to timely pay, perform, observe and comply with all of the Obligations to which it shall be subject in accordance with the terms of the PILOT Agreement and this Mortgage.

Section 4. Recording of Mortgage.

(a) The Agency will record or cause this Mortgage to be recorded in the City Register's Office and will furnish the applicable affidavit to cause this Mortgage to be exempt from mortgage recording taxes of the State.

(b) Subsequent to the initial recording of this Mortgage by the Agency, the Company shall, from time to time, cause this Mortgage, and all other security instruments creating a lien or evidencing the lien hereof upon the Mortgaged Property and each instrument of further assurance to be filed, registered or recorded in such manner and in such places as may be required by any present or future law in order to publish notice of and fully to protect, preserve and perfect the lien hereof upon, and the interest of the Mortgagee in, the Mortgaged Property. The Company shall pay, and shall hold harmless and indemnify the Agency and the Mortgagee and their respective successors and assigns and beneficiaries from and against any and all liability incurred by reason of all filing, registration and recording fees (or provide an exemption therefrom acceptable to the City Register's Office) and other charges, all recording taxes, if any, all costs and expenses incident to the preparation, execution and acknowledgement of this Mortgage, any mortgage supplemental hereto, any security instrument with respect to the Mortgaged Property and any instrument of further assurance, and all Federal, State, county and municipal taxes, if any, duties, imposts, assessments and other charges arising out of or in connection with the execution, delivery and/or filing or recording of this Mortgage, any supplement hereto, any security instrument with respect to the Mortgaged Property or any instrument of further assurance; the foregoing shall apply regardless of the identity of the person causing any such instruments to be recorded, registered or otherwise filed.

(c) Further, this Mortgage shall be re-recorded and re-indexed whenever in the reasonable opinion of the Mortgagee such action is necessary to preserve the lien and security interest hereof. Any said re-recordings, re-indexings, filings and re-filings shall be prepared by the Company and accompanied with any requisite fees or charges.

Section 5. Assignment of Mortgage.

Immediately after the execution and delivery of this Mortgage, the Mortgagee shall assign its interest as mortgagee hereunder to the PILOT Trustee.

Section 6. Ownership; Instruments of Further Assurance.

At the written direction of the Mortgagee, each of the Agency and the Company, at its sole cost and expense, shall defend the title to its respective interest in and to the Mortgaged Property and every part thereof for the benefit of the Mortgagee, and each of the Agency and the Company agrees to warrant and defend such title against the claims and demands of all Persons whomsoever. Each of the Agency and the Company covenants that (at its sole cost and expense): (a) it will do, execute, acknowledge and deliver or cause to be done, executed, acknowledged and delivered such supplements hereto and such further acts, instruments and transfers as the Mortgagee may reasonably require for (i) the better assuring, transferring, conveying, pledging, assigning and confirming unto the Mortgagee all and singularly the title to its respective interest in and to the Mortgaged Property, (ii) carrying out the intention of or

facilitating the performance of the provisions of this Mortgage, and (iii) filing, registering, or recording this Mortgage; and (b) on demand, it shall execute and deliver, and hereby authorizes the Mortgagee to execute and deliver, in the name of the Agency or the Company, as the case may be, to the extent the Mortgagee may lawfully do so, one or more financing statements, chattel mortgages or other comparable security instruments to evidence more effectively the lien hereof upon the Mortgaged Property and to file such financing statements, chattel mortgages or other comparable security instruments, with or without the signature of the Mortgagor, in all public offices where such filing may be necessary or desirable in order to preserve, protect and perfect the lien of this Mortgage on the Mortgaged Property. Any and all property hereafter acquired by the Company or the Agency (other than Fixtures which do not constitute Mortgaged Fixtures) that becomes a part of the Facility under the Stadium Lease shall, *ipso facto*, and without any further conveyance, assignment or act on the part of the Agency, the Company or the Mortgagee, become and be subject to the lien and security interest of this Mortgage as fully and completely as though specifically described herein, but nothing contained in this sentence shall be deemed to modify or change the obligations of the Agency or the Company heretofore made by this Section 6. The Agency or the Company, as applicable, shall pay all reasonable expenses incurred by the Mortgagee in connection therewith.

Section 7. Protective Action.

If any action or proceeding be commenced (except an action to foreclose this Mortgage or to collect the Obligations secured hereby), to which action or proceeding the Mortgagee is made a party, or in which it becomes necessary to defend or uphold the lien of this Mortgage, all sums paid by the Mortgagee for the expense of any litigation to prosecute or defend the rights and lien created by this Mortgage (including reasonable attorneys' fees and all costs and disbursements incurred in connection with such litigation) shall be paid by the Company, together with interest thereon at the applicable rate prescribed by Title 1 of Article 18-A of the General Municipal Law of the State, and any such sum and the interest thereon shall be a lien on the Mortgaged Property, prior to any right, title to, interest in or claim upon the Mortgaged Property attaching or accruing subsequent to the lien of this Mortgage, and shall be deemed to be secured by this Mortgage. In any action or proceeding to foreclose this Mortgage, the provisions of law respecting the recovery of costs, disbursements and allowance shall apply unaffected by this covenant.

Section 8. After-Acquired Property.

All right, title and interest of the Agency and/or the Company in and to all improvements, betterments, renewals, substitutions and replacements of, and all additions, accessions and appurtenances to, the Mortgaged Property, or any part thereof, hereafter acquired, constructed, assembled or placed by or at the direction of the Agency or the Company on or in the Mortgaged Property, and all conversions and proceeds of the security constituted thereby, immediately upon such acquisition, construction, assembly, placement or conversion, as the case may be, and in each such case without any further mortgage, conveyance or assignment or other act of the Agency or the Company, shall become subject to the lien of this Mortgage as fully and completely, and with the same force and effect as though now owned by the Agency or the Company and specifically described in the Granting Clauses hereof, but at any and all times the Agency (at the sole cost and expense of the Company), and the Company, on demand, will

execute, acknowledge and deliver to the Mortgagee, and will cause to be recorded or filed as provided in Section 6 hereof, any and all such further assurances and mortgages, conveyances or assignments thereof as the Mortgagee may reasonably require for the purposes of expressly and specifically subjecting the same to the lien of this Mortgage.

Section 9. Benefit of Sections 254 and 271 of Real Property Law.

In connection with this Mortgage, the Mortgagee shall have only those rights set forth herein and waives, to the extent permitted under applicable law, any additional rights set forth in Sections 254 and 271 of the Real Property Law of the State, except for any additional rights set forth in Section 254(3) thereof.

Section 10. Additional Taxes or Charges.

(a) If any law or ordinance is enacted or adopted that imposes a tax (other than an income tax) either directly or indirectly on this Mortgage, the Company will pay on demand such tax with interest and penalties thereon, if any, directly to the Mortgagee. If at any time the United States of America, any state thereof or any governmental subdivision of any such state shall require revenue or other stamps to be affixed to this Mortgage, the Company agrees to pay for the same with interest and penalties thereon, if any. Nothing contained in this Section 10(a) shall obligate the Agency to pay or reimburse the Company for any liability for mortgage recording tax, if applicable.

(b) In the event of the passage after the date of this Mortgage of any law deducting from the value of real property for the purpose of taxation the amount of any lien or other encumbrance thereon or changing in any way the law governing the taxation of mortgages or debts secured by mortgages (including the manner of the collection of any such taxes), and imposing a tax, either directly or indirectly on this Mortgage, the Obligations or any instrument evidencing the Obligations, the Company shall, if permitted by law, pay any tax imposed as a result of any such law within the statutory period or within thirty (30) days after demand by the Mortgagee, whichever is less.

Section 11. [Intentionally deleted].

Section 12. Limitations on Actions of Company.

If at any time the Company believes that the Mortgagee has not acted reasonably in granting or withholding any consent or approval, making any other determination or taking, or failing to take any other action under this Mortgage, or any other instrument now or hereafter executed and delivered pursuant to this Mortgage, as to which consent or approval, determination or other action either the Mortgagee has expressly agreed to act reasonably or absent such agreement, a court of law having jurisdiction over the subject matter would require the Mortgagee to act reasonably, the sole remedy of the Company shall be to seek injunctive relief or specific performance, and no action for monetary damages or punitive damages shall in any event or under any circumstance be maintained by the Company against the Mortgagee, and the Company shall have no claim or charge against the payment or performance of the Obligations.

Section 13. Default.

The failure to pay any of the PILOT Obligations as set forth in the PILOT Agreement, or any interest or late payment charges, as specified in the PILOT Agreement, as and when payment of such PILOT Obligations, interest or late payment charges thereon, are due shall constitute a "**Default.**"

Section 14. Remedies.

(a) Upon the occurrence and during the continuation of any Default hereunder, the Mortgagee's exercise of its rights and remedies specified in Paragraph (b) of this Section 14 shall be expressly subject to the satisfaction of the following conditions precedent:

(i) the failure to pay any of the PILOT Obligations, or any interest or late payment charges thereon, as specified in the PILOT Agreement, as and when payment of such PILOT Obligations, interest or late payment charges thereon were due constituting such Default shall have continued unremedied for a period of one (1) year after the date any such PILOT Obligations, interest or late payment charges thereon were due in accordance with the terms of the PILOT Agreement;

(ii) at least ten (10) weeks before the exercise of any such rights or remedies, the Mortgagee shall have given the Company, the Agency, the Partnership, the Commissioner of Finance of The City of New York and the holder of record of any other mortgage encumbering all or any portion of the Mortgaged Property that is subordinate in lien to the lien of this Mortgage (each, a "**Subordinate Mortgagee**") written notice of (A) the failure to pay any of the PILOT Obligations, interest or late payment charges thereon, as and when such PILOT Obligations, interest or late payment charges thereon, were due, and (B) the intent of the Mortgagee to exercise its rights and remedies hereunder unless such failure is cured within ten (10) weeks after the date of such notice (the "**Foreclosure Notice**"); and

(iii) a copy of the Foreclosure Notice shall have been published at least once a week for six (6) consecutive weeks in (A) the City Record and (B) two newspapers, one of which may be a law journal and other of which is circulated generally in the Borough of The Bronx, the first such publication to occur at least ten (10) weeks before the exercise of any of such rights or remedies.

By its acceptance of this Mortgage, the Mortgagee agrees to accept a cure of any Default by the Partnership or any Subordinate Mortgagee with the same force and effect as if such Default had been cured by the Agency or the Company.

(b) Subject to Paragraph (a) of this Section 14, upon the occurrence and during the continuation of a Default hereunder, the Mortgagee may, in addition to any other rights or remedies available to it hereunder, at law, in equity or elsewhere, take such action, without notice or demand, as it deems advisable to protect and enforce its rights against the Agency (subject to the provisions of Section 28 hereof) and the Company in and to the Mortgaged Property, including, without limitation, the following actions, each of which may be pursued concurrently or otherwise, at such time and in such order as the Mortgagee may determine, in its

sole discretion, without impairing or otherwise affecting the other rights and remedies of the Mortgagee:

(i) without entry, institute proceedings to foreclose the lien of this Mortgage against all or, from time to time, any part of the Mortgaged Property and to have the same sold under the judgment or decree of a court of competent jurisdiction to the highest bidder, at public sale, subject to statutory and other legal requirements, if any, including all right, title and interest, claim and demand therein and thereto and all right of redemption thereof, in each case of the Agency and the Company;

(ii) sell, assign or transfer the Mortgaged Property or any part thereof and all estate, claim, demand, right, title and interest of the Agency and/or the Company therein and right of redemption thereof, pursuant to the power of sale or otherwise, at such time and place, upon such terms and after such notice thereof as may be required or permitted by law (provided that ten (10) days notice of sale of the Mortgaged Property shall be deemed reasonable notice) for such price and form of consideration as the Mortgagee may determine as may be required by law; or

(iii) institute an action, suit or proceeding in equity for the specific performance of any covenant, condition or agreement contained herein.

(c) Anything contained in this Section 14 to the contrary notwithstanding, by its acceptance of this Mortgage, the Mortgagee agrees that upon the occurrence and during the continuation of any Default hereunder, the Mortgagee shall not exercise any remedy or take any other action which would result in the termination of any of the rights of the Partnership to use the Facility in accordance with and pursuant to the terms of the Stadium Sublease prior to the expiration of a period (the "Stay Period") commencing on the date of the occurrence of such Default and ending on the date that is six (6) months after the date of such commencement; provided that if the Stay Period expires during a Team Season (as hereinafter defined), the Stay Period shall be extended to the day after the last day of such Team Season. The term "Team Season" shall mean the period from the date of the first Team Home Game (as defined in the Stadium Lease) to the date of the last Team Home Game in each Lease Year (as defined in the Stadium Lease) or such other period as shall be fixed by Major League Baseball (as defined in the Stadium Lease).

Section 15. Foreclosure.

(a) In the case of a foreclosure sale or pursuant to any order in any judicial proceeding or otherwise, the Mortgaged Property may be sold as an entirety in one parcel (or as one integrated unit) or separate parcels (or one or more of the interests comprising the Mortgaged Property separately from the others) in such manner or order as the Mortgagee, in its sole and absolute discretion, may elect.

(b) The Mortgagee may adjourn from time to time any foreclosure sale to be made under or by virtue of this Mortgage by announcement at the time and place appointed for such sale or for such adjourned sale or sales and, except as otherwise provided by any applicable provision of law, the Mortgagee, without further notice or publication, may prosecute such sale

in court at the time and place to which the same shall be so adjourned as the same may be so ordered.

(c) Upon the completion of any foreclosure sale, an officer of any court empowered to do so shall execute and deliver to the accepted purchaser or purchasers a good and sufficient instrument, or good and sufficient instruments, granting, conveying, assigning and transferring all estate, right, title and interest in and to the property and rights sold.

(d) Upon any sale made under or by virtue of the foreclosure of this Mortgage, the Mortgagee may bid for and acquire the Mortgaged Property or any part thereof and, in lieu of paying cash therefor, may make settlement for the purchase price by crediting upon the Obligations the net sales price after deducting therefrom the expenses of the sale and the costs of the action and any other sums that the Mortgagee is entitled to receive under the Obligations, together with interest and late charges thereon.

(e) No recovery of any judgment by the Mortgagee and no levy of an execution under any judgment upon the Mortgaged Property or upon any other property of the Mortgagor shall affect in any manner or to any extent the lien of this Mortgage upon the Mortgaged Property or any part thereof, or any liens, rights, powers or remedies of the Mortgagee hereunder, but such liens, rights, powers and remedies of the Mortgagee shall continue unimpaired.

(f) The proceeds of any sale made under or by virtue of this Section 15 shall be applied as follows:

First: To payment of the reasonable costs and expenses of any such sale, including reasonable out-of-pocket costs of the Mortgagee, its agents and counsel, and of any judicial proceedings wherein the same may be made;

Second: To the payment of the Obligations, together with interest and late charges thereon;

Third: To the payment of any and all other sums secured by this Mortgage;

Fourth: The surplus, if any, to the Agency or to such other Person or Persons as may be lawfully entitled to receive the same.

Section 16. No Merger.

It is the intention of the parties to this Mortgage that if the Mortgagee shall now or hereafter acquire title to all or any portion of the Mortgaged Property, or any interest therein or lien thereon under any other mortgage or instrument, then, and until the Obligations and all interest and late charges thereon have been paid in full or otherwise discharged or satisfied in accordance with their terms, the interest of the Mortgagee hereunder and the lien created by this Mortgage shall not merge or become merged in or with the estate and interest of the Mortgagee as the holder of title to all or any portion of the Mortgaged Property, or in or with the interest of the Mortgagee under or the lien of such other mortgage or instrument, and that, until such payment, discharge or satisfaction, the estate of the Mortgagee in the Mortgaged Property and

the lien created by this Mortgage and the interest of the Mortgagee hereunder shall continue in full force and effect to the same extent as if the Mortgagee had not acquired title to all or any portion of the Mortgaged Property or any other interest therein or lien thereon. If, however, the Mortgagee shall consent to such merger or if such merger shall nevertheless occur without its consent, then this Mortgage shall attach to, and cover and be a conveyance of, the fee title or any other estate, title or interest in the Mortgaged Property acquired by the Mortgagee, and the same shall be considered as granted, released, assigned, transferred, pledged, conveyed and set over to the Mortgagee, and this Mortgage shall be spread to cover such estate with the same force and effect as though specifically herein granted, released, assigned, transferred, pledged, conveyed, set over and spread; provided, however, that the Company shall pay any and all transfer, recording or other taxes in connection therewith.

Section 17. Non-Impairment.

No provision of this Mortgage (a) is or shall be deemed to be a release or impairment of any of the Obligations or any interest and late charges thereon, (b) shall require the Mortgagee to accept a part of the Mortgaged Property (as distinguished from its entirety) as payment of the Obligations, interest and late charges thereon, secured hereby, or (c) shall compel the Mortgagee to accept or allow any apportionment of the Obligations or any interest and late charges thereon secured hereby to or among any separate parts of the Mortgaged Property.

Section 18. No Remedy Exclusive.

No remedy conferred upon or reserved to the Mortgagee hereunder is or shall be deemed to be exclusive of any other available remedy or remedies hereunder. Each such remedy shall be distinct, separate and cumulative, shall not be deemed to be inconsistent with or in exclusion of any other available remedy hereunder, may, to the fullest extent permitted by applicable law, be exercised in the discretion of the Mortgagee at any time, in any manner, and in any order, and shall be in addition to and separate and distinct from every other remedy given the Mortgagee under this Mortgage. Without limiting the generality of the foregoing, the Mortgagee shall have the right to exercise any available remedy provided hereunder to recover any amount due and payable hereunder without regard to whether any other amount is due and payable, and without prejudice to the Mortgagee to exercise any available remedy provided hereunder for other Defaults existing hereunder at the time the earlier action was commenced.

Section 19. Delay Not To Constitute Waiver.

Any delay, omission or failure by the Mortgagee to insist upon the strict performance by the Agency or the Company of any of the covenants, conditions and agreements herein set forth to be performed by them or to exercise any right or remedy available to it upon the occurrence and during the continuation of any Default hereunder shall not impair any such right or remedy or be considered or taken as a waiver or relinquishment for the future of the right to insist upon and to enforce compliance by the Agency (subject to the provisions of Section 28 hereof) and the Company with all of the covenants, conditions and agreements herein to be performed by them, or of the right to exercise any such rights or remedies if such Default be continued or repeated. Any forbearance to exercise any remedy of the Mortgagee or any withdrawal or abandonment of the Mortgagee of any of its rights in any one circumstance shall not be construed as a waiver of

any power, remedy or right of the Mortgagee hereunder. The rights and remedies of the Mortgagee expressed and contained in this Mortgage are cumulative, and none of them shall be deemed to be exclusive of any other. To the extent permitted by applicable law, the election of one or more remedies shall not be deemed to be an election of remedies under any statute, rule, regulation or case law. The covenants of this Mortgage shall run with the Mortgaged Property and other properties and the estates hereby mortgaged and shall bind the Agency and the Company and their respective successors and permitted assigns and shall inure to the benefit of the Mortgagee, its successors and assigns.

Section 20. Effect of Discontinuance of Proceedings.

In case any proceedings taken by the Mortgagee on account of any Default hereunder shall have been discontinued or abandoned for any reason or shall have been determined adversely to the Mortgagee, then and in every such case the Agency, the Company and the Mortgagee shall be restored, respectively, to their former positions and rights hereunder, and all rights, remedies, powers and duties of the Mortgagee shall continue as in effect prior to the commencement of such proceedings.

Section 21. Marshalling.

The Agency and the Company waive and release any right to have the Mortgaged Property marshalled.

Section 22. Actions and Proceedings.

The Mortgagee shall have the right to appear in and defend any action or proceeding brought with respect to the Mortgaged Property and to bring any action or proceeding that the Mortgagee, in its discretion, reasonably determines to be brought to preserve and protect the lien of this Mortgage.

Section 23. Waivers and Agreements Regarding Remedies.

To the fullest extent permitted by applicable law, the Mortgagor:

(a) agrees that the Mortgagor will not at any time insist upon, plead, claim or take the benefit or advantage of any laws now or hereafter in force providing for any appraisal or appraisement, valuation, stay, extension or redemption, and waives and releases all rights of redemption, valuation, appraisal or appraisement, stay of execution, extension and notice of election to accelerate or declare due the whole of the Obligations;

(b) waives any right to bring or utilize any defense (including, without limitation, any equitable defense), counterclaim or setoff, other than one in good faith, which denies the existence or sufficiency of the facts upon which the foreclosure action is grounded or which is based on the Mortgagee's wrongful actions. If any defense (including, without limitation, any equitable defense), counterclaim or setoff (other than one permitted by the preceding sentence) is raised by the Mortgagor in such foreclosure action, such defense, counterclaim or setoff shall be dismissed. If such defense, counterclaim or setoff is based on a claim which could be tried in an action for money damages, the foregoing waiver shall not bar a separate action for such damage

(unless such claim is required by law or applicable rules of procedure to be pleaded in or consolidated with the action initiated by the Mortgagee), but such separate action shall not thereafter be consolidated with the Mortgagee's foreclosure action. The bringing of such separate action for money damages shall not be deemed to afford any grounds for staying the Mortgagee's foreclosure action;

(c) waives and relinquishes any and all rights and remedies which the Mortgagor may have or be able to assert by reason of the provisions of any laws pertaining to the rights and remedies of sureties; and

(d) waives the defense of laches and any applicable statutes of limitation.

Section 24. Attorneys Fees and Other Costs.

The Company agrees to bear all costs, fees and expenses, including court costs and reasonable attorneys' fees and disbursements for legal services of or incidental to the enforcement of any provisions hereof, or enforcement, compromise or settlement of any of the Obligations, or for the curing of any Default hereunder, or defending or asserting the rights and claims of the Mortgagee in respect thereof, by litigation or otherwise, and, upon demand therefor, will pay to the Mortgagee any such expenses incurred, and such expenses shall be deemed part of the Obligations secured by this Mortgage, and from the date due shall be collectible in like manner as the Obligations secured by this Mortgage and, until so paid, shall bear interest at the rate otherwise applicable to late payment of taxes, as such rate is determined from time to time by resolution of the City Council. All rights and remedies of the Mortgagee shall be cumulative and may be exercised singly or concurrently.

Section 25. Consents.

Wherever in this Mortgage the prior consent of the Mortgagee is required, the consent of the Mortgagee given as to one such transaction shall not be deemed to be a waiver of the right to require such consent to future or successive transactions. Any such consents shall be in writing.

Section 26. No Additional Waiver Implied by One Waiver.

In the event any covenant or agreement contained in this Mortgage should be breached by the Agency or the Company and thereafter waived by the Mortgagee, such waiver shall be limited to the particular breach so waived and shall not be deemed to waive any other breach hereunder. No waiver shall be binding unless it is in writing and signed by the Mortgagee. No course of dealing among any of the Mortgagee, the Agency and/or the Company and/or any other Person or any delay or omission on the part of the Mortgagee in exercising any rights hereunder shall operate as a waiver.

Section 27. Waiver of Notice.

The Agency and the Company shall not be entitled to any notices of any nature whatsoever under this Mortgage from the Mortgagee, except with respect to matters for which this Mortgage specifically and expressly provides for the giving of notice by the Mortgagee to the Agency and the Company, and, except as otherwise provided by applicable law, the Agency

and the Company hereby expressly waive the right to receive any notice from the Mortgagee with respect to any matter for which this Mortgage does not specifically and expressly provide for the giving of such notice.

Section 28. No Recourse; Limitation of Liability.

(a) The obligations and agreements of the Agency contained herein and in the other Agency Documents and in any other instrument or document executed in connection herewith or therewith, and any instrument or document supplemental hereto or thereto, shall be deemed the obligations and agreements of the Agency and not of any member, director, officer, agent (other than the Company) or employee of the Agency in his individual capacity; and the members, directors, officers, agents (other than the Company) and employees of the Agency shall not be liable personally hereon or thereon or be subject to any personal liability or accountability based upon or in respect hereof or thereof or of any transaction contemplated hereby or thereby. The obligations and agreements of the Agency contained herein or therein shall not constitute or give rise to an obligation of the State or of the City, and neither the State nor the City shall be liable hereon or thereon. Further, such obligations and agreements shall not constitute or give rise to a general obligation of the Agency, but rather shall constitute limited obligations of the Agency, payable solely from the revenues of the Agency derived from the lease, sale or other disposition of the Mortgaged Property. No order or decree of specific performance with respect to any of the obligations of the Agency hereunder or thereunder shall be sought or enforced against the Agency unless:

(i) The party seeking such order or decree shall first have requested the Agency in writing to take the action sought in such order or decree of specific performance, and ten (10) days shall have elapsed from the date of receipt of such request, and the Agency shall have refused to comply with such request (or if compliance therewith would reasonably be expected to take longer than ten (10) days, shall have failed to institute and diligently pursue action to cause compliance with such request) or failed to respond within such notice period;

(ii) If the Agency refuses to comply with such request and the Agency's refusal to comply is based on its reasonable expectation that it will incur fees and expenses, the party seeking such order or decree shall have placed in an account with the Agency an amount or undertaking sufficient to cover such reasonable fees and expenses; and

(iii) If the Agency refuses to comply with such request and the Agency's refusal to comply is based on its reasonable expectation that it or any of its members, directors, officers, agents (other than the Company) or employees shall be subject to potential liability, the party seeking such order or decree shall (A) agree to protect, defend, indemnify and hold harmless the Agency and its members, directors, officers, agents (other than the Company) and employees against any liability incurred as a result of its compliance with such demand; and (B) if requested by the Agency, furnish to the Agency satisfactory security to protect the Agency and its members, directors, officers, agents (other than the Company) and employees against all liability expected to be incurred as a result of compliance with such request.

(b) In connection with the defense and indemnification of the Agency by the Company, the provisions of Article 21 of the Stadium Lease shall be deemed incorporated into

this Mortgage and shall survive any termination of the Stadium Lease or discharge of this Mortgage.

(c) None of the members, managers, directors, officers, partners, joint venturers, principals, shareholders, employees, agents or servants of the Company shall have any liability (personal or otherwise) hereunder or be subject to levy, execution or other enforcement procedure for the satisfaction of any remedies of the Mortgagee available hereunder.

Section 29. Lien Priority.

(a) This Mortgage and the lien hereof shall be subject and subordinate in all respects to each of those certain PILOT Mortgages granted by the Mortgagor to the Mortgagee encumbering all or any portion of the Mortgaged Property that secure the obligations of the Company to pay PILOTs to the Agency under the PILOT Agreement during any PILOT Year subsequent to the _____ PILOT Year, and the liens thereof, and any and all amendments or modifications thereto.

(b) This Mortgage and the lien hereof shall be paramount and senior in lien priority in all respects to each of those certain PILOT Mortgages granted by the Mortgagor to the Mortgagee encumbering all or any portion of the Mortgaged Property that secure the obligations of the Company to pay PILOTs to the Agency under the PILOT Agreement during any PILOT Year prior to the _____ PILOT Year, and the liens thereof, and any and all amendments or modifications thereto.

Section 30. Ground Lease Covenants.

(a) The Agency represents and warrants to the Mortgagee that (i) the Ground Lease is a valid and subsisting lease of the property therein described and purported to be demised thereby for the term therein set forth and is in full force and effect on the date hereof in accordance with its terms, and (ii) the Agency has received no notice from the landlord thereunder of any default by the Agency under any of the provisions of the Ground Lease and has no knowledge of any default by the landlord thereunder under any of the provisions thereof.

(b) The Agency covenants (i) to pay or cause to be paid, not later than the date when the same become due and payable, all basic rent, additional rent and other charges required to be paid by it under the Ground Lease and to promptly perform and observe all of its other covenants and obligations as tenant thereunder, (ii) to promptly deliver to the Mortgagee copies of all notices given pursuant to the Ground Lease by the landlord thereunder or by the Agency, (iii) to promptly advise the Mortgagee of any default under the Ground Lease on the part of the landlord thereunder or on the part of the Agency, and (iv) to use its best efforts to promptly obtain and deliver to the Mortgagee, upon request, any and all information which the Mortgagee may reasonably request concerning the performance by the landlord thereunder and the Agency of their respective covenants and obligations under the Ground Lease, including, but not limited to, a certificate of estoppel of the landlord thereunder at such intervals as the same may be obtained under the Ground Lease.

(c) The Agency shall exercise any options to extend the term of the Ground Lease not less than four (4) months prior to the date of expiration of the time for such exercise, and not

more than six (6) months nor less than three (3) months prior to each such expiration date shall deliver to the Mortgagee evidence satisfactory to the Mortgagee of the valid exercise of such option. The Agency hereby appoints the Mortgagee its agent and attorney-in-fact (which appointment shall be deemed to be an agency coupled with an interest), with full power of substitution, to exercise all such options, which (subject to the provisions of the Ground Lease) may be exercised by the Mortgagee in the name of the Agency or in the name of the Mortgagee or of a nominee or designee of the Mortgagee.

(d) Without the prior written consent of the Mortgagee in each instance, the Agency shall not have any right to further modify or amend the Ground Lease, terminate the same, consent to the cancellation or surrender thereof, tender any prepayment of the basic rent or additional rent payable thereunder, sell, assign, transfer, convey or otherwise dispose of the Ground Lease or further encumber its interest therein. Any such purported modification, amendment, termination, cancellation, surrender, prepayment, sale, assignment, transfer, conveyance, disposition or further encumbrance made without the prior written consent of the Mortgagee shall be void and of no force and effect, at the Mortgagee's option. Simultaneously with the execution of this Mortgage, the Agency has delivered to the Mortgagee its executed copy of the Ground Lease, together with any and all amendments thereto, which shall be retained by the Mortgagee until the Obligations secured hereby have been paid in full.

(e) [Intentionally deleted.]

(f) Within fifteen (15) days of receipt of written request therefor, the Agency shall give the Mortgagee satisfactory evidence of the payment of all basic rent, additional rent and other charges required to be paid by the Agency under the Ground Lease. If the Agency fails to give the Mortgagee satisfactory evidence of the payment of such basic rent, additional rent and other charges within said fifteen (15) day period, the Mortgagee may require the Agency to pay to the Mortgagee each and every month thereafter a sum equal to the basic rent, additional rent and other charges next due under the Ground Lease (as estimated by the Mortgagee) at least five (5) days prior to the date on which such amounts shall be due and payable, which sums, to the extent received, will be held without interest and applied by the Mortgagee to the payment of such basic rent, additional rent and other charges as and when the same become due and payable.

(g) In the event of a default by the Agency in the performance or observance of any of its covenants or obligations as the tenant under the Ground Lease, the Mortgagee, in addition to its other rights and remedies hereunder, may (but shall not be obligated to) take any action the Mortgagee deems necessary or appropriate to prevent or to cure such default on behalf of the Agency. Upon receipt by the Mortgagee of written notice from the landlord under the Ground Lease of any default by the Agency in the performance or observance of any of its covenants or obligations as the tenant thereunder, the Mortgagee may rely thereon and take any action it deems necessary or appropriate to cure such default even though the existence of such default or the nature thereof be questioned or denied by the Agency. The Agency hereby expressly grants to the Mortgagee the right to take possession of the Land, the Stadium or any part thereof to such extent and as often as the Mortgagee, in its sole discretion, deems necessary or desirable in order to prevent or to cure any such default by the Agency.

(h) The Agency covenants not to cause or permit its leasehold estate in and to the Land to be merged with the fee interest therein while any portion of the Obligations secured hereby remains unpaid, unless all persons having an interest in the Ground Lease, including the Mortgagee, shall have consented thereto in writing, in which event the lien of this Mortgage shall, ipso facto, without the necessity of any further conveyance, simultaneously with such acquisition, be spread to cover said fee interest and, as so spread, shall be prior to the lien of any mortgage placed on said fee interest subsequent to the date of the recording of this Mortgage.

(i) In the event that the Ground Lease is terminated for any reason and the Mortgagee or its nominee or designee acquires a new or direct lease from the landlord under the Ground Lease or any subsequent owner of the fee interest in the Land, the Agency hereby waives and renounces any and all right, title or interest which it might otherwise have acquired in and to such new or direct lease and the leasehold estate created thereby and any and all rights of redemption now or hereafter operable under any law with respect thereto.

(j) Without the prior written consent of the Mortgagee, the Agency shall not elect to treat the Ground Lease or the leasehold estate created thereby as terminated under Subsection 365(h)(1) of the Bankruptcy Code, after rejection or disaffirmance of the Ground Lease by the landlord thereunder or by any trustee of such party, or by any other party entitled to do so, and any such election made without such consent shall be void and ineffective.

(k) The Agency hereby unconditionally assigns, transfers and sets over to the Mortgagee all of the Agency's claims and rights to the payment of damages (but only to the extent of the outstanding Obligations secured by this Mortgage) that may hereafter arise as a result of any rejection or disaffirmance of the Ground Lease by the landlord thereunder by any trustee of such party, or by any other party entitled to do so, pursuant to the provisions of the Bankruptcy Code. The Mortgagee shall have and is hereby granted the right to proceed, in its own name or in the name of the Agency, in respect of any claim, suit, action or proceeding relating to the rejection or disaffirmance of the Ground Lease (including, without limitation, the right to file and prosecute, to the exclusion of the Agency, any proofs of claim, complaints, motions, objections, appeals, applications, notices and other documents) in any case in respect of such landlord under the Bankruptcy Code. This assignment constitutes a present, irrevocable and unconditional assignment of the foregoing claims, rights and remedies and shall continue in effect until all of the Obligations secured by this Mortgage shall have been satisfied and discharged in full. Any amounts received by the Mortgagee as damages arising out of any such rejection or disaffirmance of the Ground Lease shall be applied first to all reasonable costs and expenses of the Mortgagee (including, without limitation, reasonable legal fees) in connection with the exercise of its rights under this paragraph and then, in such manner as the Mortgagee shall determine, to the reduction and payment of the Obligations secured by this Mortgage.

(l) In the event that, pursuant to Subsection 365(h)(1)(B) of the Bankruptcy Code, the Agency seeks to offset against the rent payable under the Ground Lease the amount of any damages caused by the nonperformance by the landlord of its obligations under the Ground Lease after rejection or disaffirmance thereof under the Bankruptcy Code, the Agency shall, prior to effecting such offset, notify the Mortgagee of the Agency's intent to do so, setting forth the amounts proposed to be so offset and the basis therefor. The Mortgagee shall have the right to object to all or any part of such offset, and, in the event of such objection, the Agency shall

not affect any offset of the amounts so objected to by the Mortgagee. If the Mortgagee shall have failed to object as aforesaid within ten (10) days after such notice, the Agency may proceed to affect such offset in the amounts set forth in such notice. Neither the Mortgagee's failure to object as aforesaid nor any objection or other communication between the Agency and the Mortgagee relating to such offset shall constitute an approval by the Mortgagee of any such offset. The Agency shall protect, defend, indemnify and hold the Mortgagee harmless from and against any and all claims, demands, actions, suits, proceedings, damages, losses, costs and expenses of every nature whatsoever (including, without limitation, reasonable legal fees) arising from or relating to any such offset by the Agency.

(m) Promptly after obtaining knowledge of any actual or contemplated filing by or against the landlord under the Ground Lease of a petition under the Bankruptcy Code, the Agency shall give written notice thereof to the Mortgagee. Such written notice shall set forth any information available to the Agency concerning the date or anticipated date of such filing, the court in which such petition was filed or is expected to be filed and the relief sought therein. Promptly after receipt thereof, the Agency shall deliver to the Mortgagee any and all notices, summonses, pleadings, applications and other documents received by the Agency in connection with any such petition and any proceedings relating thereto.

(n) In the event that any action, proceeding, motion or notice shall be commenced or filed in respect of the landlord under the Ground Lease or the Land, the Stadium or any part thereof in connection with any case under the Bankruptcy Code, the Mortgagee shall have and is hereby granted the option, to the exclusion of the Agency, exercisable upon notice from the Mortgagee to the Agency, to conduct and control any such litigation or the representation of the Agency's interests in the bankruptcy case with counsel of the Mortgagee's choice. In connection with such litigation or the representation of the Agency's interests in the bankruptcy case, the Mortgagee may proceed in its own name or in the name of the Agency, and the Agency agrees to execute any and all powers, authorizations, consents and other documents reasonably required by the Mortgagee in connection therewith. The Agency shall, upon demand, reimburse the Mortgagee for all reasonable costs and expenses (including, without limitation, reasonable legal fees) paid or incurred by the Mortgagee in connection with the prosecution or conduct of any such proceedings, and, to the extent permitted by law, such costs and expenses shall be added to the Obligations secured by this Mortgage. Without the prior written consent of the Mortgagee (which consent shall not be unreasonably withheld), the Agency shall not commence any action, suit, proceeding or case, or file any application or make any motion, objection or the like, in respect of the Ground Lease in any such case under the Bankruptcy Code.

(o) In the event that a petition under the Bankruptcy Code shall be filed by or against the Agency, and the Agency, any trustee of the Agency, or any other party entitled to do so, shall decide to reject the Ground Lease pursuant to Section 365(a) or 1123(b)(2) of the Bankruptcy Code, the Agency shall give the Mortgagee at least ten (10) days prior written notice of the date on which the application shall be made to the court for authority to reject the Ground Lease. The Mortgagee shall have the right, but not the obligation, to serve upon the Agency, such trustee or such other party within such ten (10) day period a notice stating that (i) the Mortgagee demands that the Agency, such trustee or such other party assume and assign the Ground Lease to the Mortgagee pursuant to either Section 365(a) or 1123(b) of the Bankruptcy Code, and (ii) the Mortgagee covenants to cure, or provide adequate assurance of prompt cure of, all defaults and

provide adequate assurance of future performance under the Ground Lease. In the event that the Mortgagee serves such notice upon the Agency, the trustee, or such other party, neither the Agency, such trustee or such other party shall seek to reject the Ground Lease, and the Agency, such trustee or such other party shall comply with such demand within fifteen (15) days after such notice shall have been given, subject to the Mortgagee's performance of such covenant.

(p) In the event that a petition under the Bankruptcy Code shall be filed by or against the Agency, and if within thirty (30) days after the date of filing of such petition neither the Agency nor any trustee of the Agency nor any other party entitled to do so shall take any affirmative action to assume or reject the Ground Lease pursuant to Subsection 365(a) of the Bankruptcy Code, the Mortgagee shall have the right, but not the obligation, to serve upon the Agency, such trustee or such other party a notice stating that (i) the Mortgagee demands that the Agency, such trustee or such other party assume and assign the Ground Lease to the Mortgagee pursuant to Section 365 of the Bankruptcy Code, and (ii) the Mortgagee covenants to cure, or provide adequate assurance of prompt cure of, all defaults and provide adequate assurance of future performance under the Ground Lease. In the event that the Mortgagee serves such notice upon the Agency, such trustee or such other party, neither the Agency nor such trustee nor such other party shall seek to reject the Ground Lease, and the Agency, such trustee and such other party shall comply with such demand within fifteen (15) days after such notice shall have been given, subject to the Mortgagee's performance of such covenant.

(q) The Agency hereby assigns, transfers and sets over to the Mortgagee a nonexclusive right to apply to the Bankruptcy Court under Subsection 365(d)(4) of the Bankruptcy Code for an order extending the period during which the Ground Lease may be rejected or assumed after the entry of any order for relief in respect of the Agency under Chapter 7 or Chapter 11 of the Bankruptcy Code.

Section 31. Notices.

Except as otherwise provided herein, any notice, certificate, request or other communication required to be given by or under this Mortgage shall be in writing and, unless otherwise expressly permitted to the contrary, shall be effective for any purpose only if given or served (a) by hand with proof of delivery, (b) by express or certified mail, postage prepaid, return receipt requested, or (c) by recognized national overnight courier addressed to the respective parties hereto at their respective addresses specified below or such other addresses as any party may from time to time designate by notice given to the other parties as provided in this Section 31:

Company:

Randy Levine, Esq.
President
Yankee Stadium
Bronx, New York 10451

or to the equivalent officer at:

Yankee Stadium
The Bronx, New York 10451

and to:

Lonn A. Trost, Esq.
Chief Operating Officer
General Counsel
Yankee Stadium
Bronx, New York 10451

or to the equivalent officer at:

Yankee Stadium
The Bronx, New York 10451

and to:

Yankee Stadium LLC
Yankee Stadium
Bronx, New York 10451
Attention: President or Managing Member
And marked "URGENT" on the envelope

with a copy to:

Fried, Frank, Harris, Shriver & Jacobson LLP
One New York Plaza
New York, New York 10004
Attention: Stephen Lefkowitz, Esq.

with a copy to:

Herrick, Feinstein LLP
2 Park Avenue
New York, New York 10016
Attention: Carl F. Schwartz, Esq.

with a copy to:

Herrick, Feinstein LLP
2 Park Avenue
New York, New York 10016
Attention: Irwin Kishner, Esq.

Agency:

New York City Industrial Development Agency
110 William Street
New York, New York 10038
Attention: General Counsel, with a copy to the Executive Director at the same address

Mortgagee:

New York City Industrial Development Agency
110 William Street
New York, New York 10038
Attention: General Counsel, with a copy to the Executive Director at the same address

Every notice, certificate, request or other communication hereunder (a) by express or certified mail, return receipt requested, shall be deemed effective on receipt, (b) by hand shall be effective upon delivery, as evidenced by a signed receipt, and (c) by nationally recognized overnight courier shall be deemed effective on the next Business Day following receipt.

Section 32. Mortgage for Benefit of Agency and Mortgagee.

The covenants and agreements contained in this Mortgage (including all indemnities set forth herein) shall run with the Mortgaged Property and bind the Agency and the Company, and their respective successors and permitted assigns, and each Person constituting the Agency or the Company, and shall inure solely to the benefit of the Agency and the Mortgagee, their respective successors and assigns, and to no other Persons, and shall survive the foreclosure of this Mortgage.

Section 33. Amendments and Modifications.

This Mortgage shall be amended, modified or supplemented only by a written agreement executed by the Company, the Agency and the Mortgagee.

Section 34. Governing Law.

This Mortgage shall be governed by, and construed in accordance with, the laws of the State, without reference to any conflicts of laws provisions thereof, except Sections 5-1401 and 5-1402 of the General Obligations Law of the State.

Section 35. Entire Agreement; Counterparts.

This Mortgage constitutes the entire agreement and supersedes all prior agreements and understandings, both written and oral, among the parties with respect to the subject matter hereof and may be executed simultaneously in several counterparts, each of which shall be deemed an original and all of which together shall constitute one and the same instrument.

Section 36. Severability.

If any provision of this Mortgage shall be ruled invalid by any court of competent jurisdiction, the invalidity of such provision shall not affect any of the remaining provisions hereof.

Section 37. Consent to Jurisdiction; Waiver of Jury Trial.

(a) Mortgagor and, by its acceptance of this Mortgage, Mortgagee hereby agree that all actions or proceedings arising directly or indirectly out of this Mortgage shall be litigated in the Supreme Court of the State of New York, New York County, or the United States District Court for the Southern District of New York. Mortgagor and, by its acceptance of this Mortgage, Mortgagee hereby expressly submit and consent in advance to such jurisdiction and waive any claim that New York, New York or the Southern District of New York is an inconvenient forum or an improper forum based on improper venue. Mortgagor and, by its acceptance of this Mortgage, Mortgagee hereby agree to service of process by certified mail, return receipt requested, postage prepaid, addressed to it as set forth in Section 31 of this Mortgage. Mortgagor and, by its acceptance of this Mortgage, Mortgagee hereby agree not to institute suit arising out of this Mortgage against the other party hereto in a court in any jurisdiction, except as stated above, without the consent of the other party. Mortgagor and, by its acceptance of this Mortgage, Mortgagee hereby agree that a true, correct and complete copy of this Mortgage kept in Mortgagor's or Mortgagee's course of business may be admitted into evidence as an original.

(b) MORTGAGOR, BY EXECUTING THIS MORTGAGE, AND MORTGAGEE, BY ITS ACCEPTANCE OF THIS MORTGAGE, HEREBY WAIVE THEIR RIGHT TO A TRIAL BY JURY IN ANY ACTION, WHETHER ARISING IN CONTRACT OR TORT, BY STATUTE OR OTHERWISE, IN ANY WAY RELATED TO THIS MORTGAGE. THIS PROVISION IS A MATERIAL INDUCEMENT FOR MORTGAGOR TO EXECUTE AND FOR MORTGAGEE TO ACCEPT THIS MORTGAGE, AND NO WAIVER OR LIMITATION OF ANY OF THEIR RIGHTS UNDER THIS SECTION 37 SHALL BE EFFECTIVE UNLESS IN WRITING AND SIGNED BY THE PARTY TO BE CHARGED. MORTGAGOR AND, BY ITS ACCEPTANCE OF THIS MORTGAGE, MORTGAGEE AGREE THAT THE OTHER PARTY MAY FILE AN ORIGINAL COUNTERPART OR A COPY OF THIS SECTION 37 WITH ANY COURT AS WRITTEN EVIDENCE OF THIS WAIVER OF THE RIGHT TO TRIAL BY JURY. MORTGAGOR AND, BY ITS ACCEPTANCE OF THIS MORTGAGE, MORTGAGEE ACKNOWLEDGE THAT THIS SECTION 37 HAS BEEN EXPRESSLY BARGAINED FOR BY MORTGAGOR AND MORTGAGEE AND THAT, BUT FOR THEIR AGREEMENT, AS SET FORTH IN THIS SECTION 37, MORTGAGOR WOULD NOT HAVE EXECUTED AND MORTGAGEE WOULD NOT HAVE ACCEPTED THIS MORTGAGE.

Section 38. Non-Residential Property.

This Mortgage does not cover real property principally improved by one or more structures containing in the aggregate six (6) or fewer residential units having their own separate cooking facilities, and the Company so represents and warrants.

Section 39. Lien Law Covenant.

This Mortgage is made subject to the trust fund provisions of Section 13 of the New York Lien Law.

Section 40. Relationship; Nature of Documents.

Nothing contained in this Mortgage or any other instrument now or hereafter executed and delivered in connection herewith or otherwise in connection with this transaction shall in any event or under any circumstance be construed as creating a partnership, joint venture, tenancy-in-common, joint tenancy or other similar relationship of any nature whatsoever between the Company and the Agency or between the Mortgagor and the Mortgagee.

Section 41. Condemnation and Insurance Proceeds.

In connection with the condemnation or the damage or destruction of any Mortgaged Property and the payment of any condemnation awards or insurance or other proceeds in connection therewith, the provisions of Articles 15 and 16 of the Stadium Lease shall be deemed to be incorporated into this Mortgage and shall survive any termination of the Stadium Lease.

Section 42. Fixtures.

So long as the Stadium Lease is in effect, the Company shall have the right to use, replace and dispose of Fixtures, to the extent permitted by the terms of the Stadium Lease.

Section 43. Discharge.

Upon the indefeasible payment in full of the Obligations, and all other sums secured by this Mortgage, this Mortgage and the lien created hereby shall be of no further force or effect, and the Agency and the Company shall be released from their respective covenants, agreements and obligations contained in this Mortgage.


Upon the indefeasible payment in full of the Obligations and all other sums secured by this Mortgage, the Mortgagee, at the request and the expense of the Company, shall promptly execute and deliver to the Company in respect of this Mortgage a satisfaction of mortgage or, if requested by the Company, an assignment of mortgage without recourse, in each case in form suitable for recording in the Office of the City Register, Bronx County, together with such other documents as may be reasonably requested by the Company to evidence the satisfaction and discharge of this Mortgage and the release of the Company and the Agency from their respective covenants, agreements and obligations hereunder, or the assignment of this Mortgage, as the case may be.

Section 44. Terms of Stadium Lease.

Nothing in this Mortgage shall limit the rights of the Company (a) to terminate the Stadium Lease prior to the Fixed Expiration Date (as such term is defined therein) or (b) to exercise any right to extend the term of the Stadium Lease in accordance with the express terms of the Stadium Lease.

IN WITNESS WHEREOF, the Company and the Agency have duly executed this Mortgage as of the day and year first written above.

YANKEE STADIUM LLC,
a Delaware limited liability company

By: 
Name: Lon A. Trost
Title: Vice President and Secretary

**NEW YORK CITY INDUSTRIAL
DEVELOPMENT AGENCY,**
a New York public benefit corporation

By: _____
Name: Kei Hayashi
Title: Deputy Executive Director

IN WITNESS WHEREOF, the Company and the Agency have duly executed this Mortgage as of the day and year first written above.

YANKEE STADIUM LLC,
a Delaware limited liability company

By: _____
Name: Lonn A. Trost
Title: Vice President and Secretary

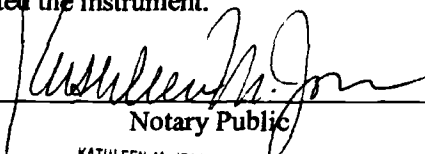
**NEW YORK CITY INDUSTRIAL
DEVELOPMENT AGENCY,**
a New York public benefit corporation

By:  _____
Name: Kei Hayashi
Title: Deputy Executive Director

AGENCY ACKNOWLEDGEMENT

STATE OF NEW YORK)
 SS:
COUNTY OF NEW YORK)

On August 17, 2006, before me, the undersigned, a Notary Public in and for said State, personally appeared **KEI HAYASHI**, personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person on behalf of which the individual(s) acted, executed the instrument.



Notary Public

KATHLEEN M. JONES
Notary Public, State of New York
No. 01104854252
Qualified in Monroe County
Certificate Filed in Monroe County
Commission Expires March 3, 2010

EXHIBIT A

MASTER GLOSSARY

(This is Item # 15 in Volume I of the 2006 PILOT Bonds Closing Transcript)

(For purposes of the 2009 Bonds,
the Amended and Restated Master Glossary is Item # 51
of the 2009 Closing Transcript)

Schedule A

Legal Description of the Land

ALL those certain lots, pieces or parcels of land, situate, lying and being in the Borough and County of the Bronx, City and State of New York, known and designated as Tax Lot 9 in Block 2493, Tax Lot 1 in Block 2492, and demapped portions of East 162nd Street, Macombs Lane and Jerome Avenue:

BEGINNING at a point on the westerly side of River Avenue (75 feet wide), said point being 115.37 Feet distant from the corner formed by the intersection of the southerly side of East 164th Street (60 feet wide), with westerly side of River Avenue (75 feet wide), as said streets are shown on the Borough President of Bronx Final Section Map #8 (Sept 6, 2005);

1. Running thence southerly along the westerly side of River Avenue, South 04 degrees 56 minutes 47 seconds East a distance of 909.38 feet to a point in the bed of East 161st Street (width varies),
2. Running thence westerly and through the bed of East 161st, South 83 degrees 44 minutes 07 seconds West, a distance of 423.62 feet to a point,
3. Running thence westerly and through the bed of East 161st, North 79 degrees 56 minutes 37 seconds West, a distance of 374.51 feet to a point of curvature,
4. Running thence along a curve bearing to the right, having a radius of 30.00 feet and a central angle of 97 degrees 40 minutes 08 seconds, an arc distance of 51.14 feet [Chord bearing and distance North 31 degrees 06 minutes 32 seconds West, 45.17 feet] to a point of reverse curve in the bed of Macombs Lane (80 feet wide);
5. Running thence along a curve bearing to the left, having a radius of 1534.00 feet and a central angle of 11 degrees 29 minutes 10 seconds, an arc distance of 307.52 feet [Chord bearing and distance North 11 degrees 58 minutes 56 seconds East, 307.01 feet] to a point in the bed of Macombs Lane;
6. Running thence northerly through the beds of Macombs Lane and Jerome Avenue, North 07 degrees 07 minutes 38 seconds East a distance of 497.91 feet to a point in the bed of Jerome Avenue (100 feet wide);
7. Running thence easterly along a line through tax Lot 9 in Block 2493, North 84 degrees 57 minutes 23 seconds East a distance of 611.63 feet to the place and point of **BEGINNING**.

Containing 634,335.06 square feet or 14.5623 acres.

Excluding there from the Substation Parcel more particularly described:

SUBSTATION PARCEL

ALL that certain lot, piece or parcel of land, situate, lying and being in the Borough and County of the Bronx, City and State of New York, known and designated part of as Tax Lot 9 in Block 2493:

Commencing at a point on the corner formed by the intersection of the westerly side of River Avenue (75 feet wide) with the southerly side of East 164th Street (60 feet wide), as said streets are shown on the Borough President of Bronx Final Section Map #8, and running the following two (2) courses to the Point of Beginning;

- A. Running along the westerly side of River Avenue, South 04 degrees 56 minutes 47 seconds East, a distance of 145.77 feet to a point;
- B. Running South 84 degrees 47 minutes 54 seconds West, a distance of 37.33 feet to the place and point of **BEGINNING**.
 - 1. Running thence, South 04 degrees 55 minutes 23 seconds East a distance of 73.89 feet to a point;
 - 2. Running thence, South 85 degrees 04 minutes 37 seconds West a distance of 21.43 feet to a point;
 - 3. Running thence, South 04 degrees 56 minutes 46 seconds East a distance of 6.41 feet to a point;
 - 4. Running thence, South 85 degrees 03 minutes 14 seconds West a distance of 41.84 feet to a point;
 - 5. Running thence, North 04 degrees 56 minutes 46 seconds West a distance of 6.42 feet to a point;
 - 6. Running thence, South 85 degrees 04 minutes 37 seconds West a distance of 37.70 feet to a point;
 - 7. Running thence, North 05 degrees 12 minutes 06 seconds West a distance of 73.40 feet to a point;
 - 8. Running thence, North 84 degrees 47 minutes 54 seconds East a distance of 101.33 feet to the place and point of **BEGINNING**;

Containing 7,718.04 square feet or 0.1772 acres.

EXHIBIT C—Description of the Land

Description of the Land

ALL those certain lots, pieces or parcels of land, situate, lying and being in the Borough and County of the Bronx, City and State of New York, known and designated as Tax Lot 9 in Block 2493, Tax Lot 1 in Block 2492, and demapped portions of East 162nd Street, Macombs Lane and Jerome Avenue:

BEGINNING at a point on the westerly side of River Avenue (75 feet wide), said point being 115.37 Feet distant from the corner formed by the intersection of the southerly side of East 164th Street (60 feet wide), with westerly side of River Avenue (75 feet wide), as said streets are shown on the Borough President of Bronx Final Section Map #8 (Sept 6, 2005);

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2. Running thence westerly and through the bed of East 161st, South 83 degrees 44 minutes 07 seconds West, a distance of 423.62 feet to a point,
3. Running thence westerly and through the bed of East 161st, North 79 degrees 56 minutes 37 seconds West, a distance of 374.51 feet to a point of curvature,
4. Running thence along a curve bearing to the right, having a radius of 30.00 feet and a central angle of 97 degrees 40 minutes 08 seconds, an arc distance of 51.14 feet [Chord bearing and distance North 31 degrees 06 minutes 32 seconds West, 45.17 feet] to a point of reverse curve in the bed of Macombs Lane (80 feet wide);
5. Running thence along a curve bearing to the left, having a radius of 1534.00 feet and a central angle of 11 degrees 29 minutes 10 seconds, an arc distance of 307.52 feet [Chord bearing and distance North 11 degrees 58 minutes 56 seconds East, 307.01 feet] to a point in the bed of Macombs Lane;
6. Running thence northerly through the beds of Macombs Lane and Jerome Avenue, North 07 degrees 07 minutes 38 seconds East a distance of 497.91 feet to a point in the bed of Jerome Avenue (100 feet wide);
7. Running thence easterly along a line through tax Lot 9 in Block 2493, North 84 degrees 57 minutes 23 seconds East a distance of 611.63 feet to the place and point of **BEGINNING**.

Containing 634,335.06 square feet or 14.5623 acres.

Excluding there from the Substation Parcel more particularly described:

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ALL that certain lot, piece or parcel of land, situate, lying and being in the Borough and County of the Bronx, City and State of New York, known and designated part of as Tax Lot 9 in Block 2493:

Commencing at a point on the corner formed by the intersection of the westerly side of River Avenue (75 feet wide) with the southerly side of East 164th Street (60 feet wide), as said streets are shown on the Borough President of Bronx Final Section Map #8, and running the following two (2) courses to the Point of Beginning;

- A. Running along the westerly side of River Avenue, South 04 degrees 56 minutes 47 seconds East, a distance of 145.77 feet to a point;
- B. Running South 84 degrees 47 minutes 54 seconds West, a distance of 37.33 feet to the place and point of BEGINNING.
 - 1. Running thence, South 04 degrees 55 minutes 23 seconds East a distance of 73.89 feet to a point;
 - 2. Running thence, South 85 degrees 04 minutes 37 seconds West a distance of 21.43 feet to a point;
 - 3. Running thence, South 04 degrees 56 minutes 46 seconds East a distance of 6.41 feet to a point;
 - 4. Running thence, South 85 degrees 03 minutes 14 seconds West a distance of 41.84 feet to a point;
 - 5. Running thence, North 04 degrees 56 minutes 46 seconds West a distance of 6.42 feet to a point;
 - 6. Running thence, South 85 degrees 04 minutes 37 seconds West a distance of 37.70 feet to a point;
 - 7. Running thence, North 05 degrees 12 minutes 06 seconds West a distance of 73.40 feet to a point;
 - 8. Running thence, North 84 degrees 47 minutes 54 seconds East a distance of 101.33 feet to the place and point of BEGINNING.

Containing 7,718.04 square feet or 0.1772 acres.

SCHEDULE A—Schedule of Payments in Lieu of Taxes

No later than February 1:

PILOT Payment Date	Amount
February 2007	\$0
February 2008	\$0
February 2009	\$11,700,000
February 2010	\$56,700,000
February 2011	\$56,700,000
February 2012	\$56,700,000
February 2013	\$56,700,000
February 2014	\$56,700,000
February 2015	\$56,700,000
February 2016	\$56,700,000
February 2017	\$56,700,000
February 2018	\$56,700,000
February 2019	\$56,700,000
February 2020	\$56,700,000
February 2021	\$56,700,000
February 2022	\$56,700,000
February 2023	\$56,700,000
February 2024	\$56,700,000
February 2025	\$56,700,000
February 2026	\$56,700,000
February 2027	\$56,700,000
February 2028	\$56,700,000

PILOT Payment Date	Amount
February 2029	\$56,700,000
February 2030	\$56,700,000
February 2031	\$56,700,000
February 2032	\$56,700,000
February 2033	\$56,700,000
February 2034	\$56,700,000
February 2035	\$56,700,000
February 2036	\$56,700,000
February 2037	\$56,700,000
February 2038	\$56,700,000
February 2039	\$56,700,000
February 2040	\$56,700,000
February 2041	\$56,700,000
February 2042	\$56,700,000
February 2043	\$56,700,000
February 2044	\$56,700,000
February 2045	\$56,700,000
February 2046	\$56,700,000

No later than February 1 of each year during any Extended Term: An amount equal to Actual Taxes.

EXHIBIT C

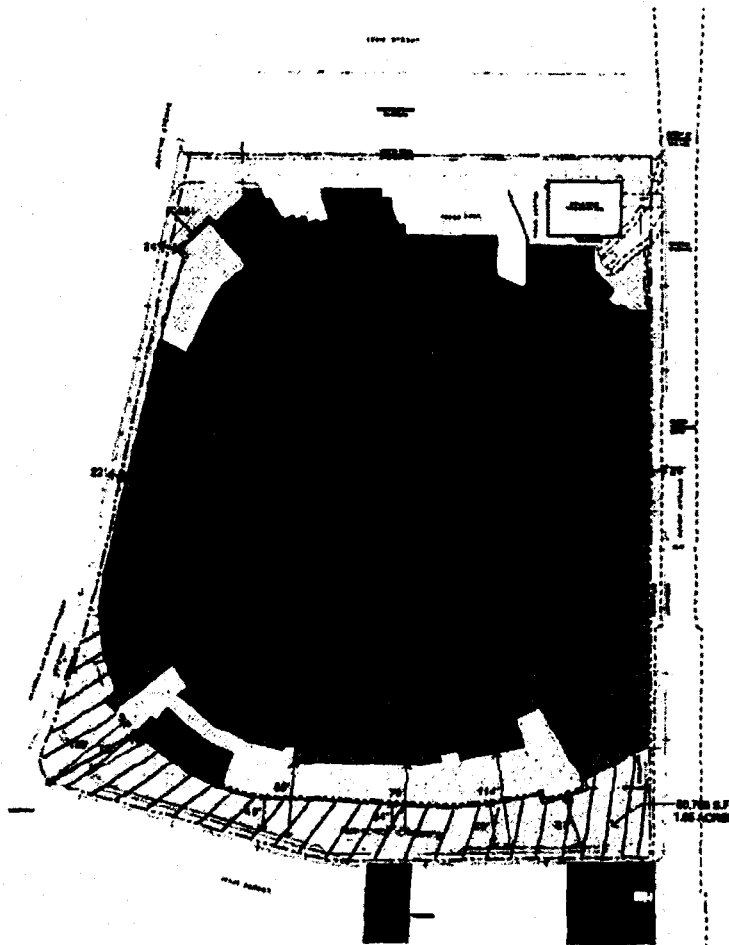
ADDITIONAL RENT PAYMENTS

The Tenant shall (i) make the payments described in the chart below (less any amounts on deposit in the Rental Bonds Revenue Fund on January 15 of each year commencing in 2009 and available to be applied to Debt Service on the Rental Bonds), and (ii) in addition to said payments described in clause (i), make all payments (a) due to the Rental Bonds Trustee under the Master Rental Bonds Indenture of Trust, and (b) due to MBIA in connection with the Rental Bonds (as such capitalized terms "Rental Bonds Revenue Fund", "Debt Service", "Rental Bonds", "Rental Bonds Trustee", "Master Rental Bonds Indenture of Trust" and "MBIA" are defined in the Master Glossary):

Between January 15 and February 1	Payment	Between January 15 and February 1	Payment
2009	\$ 407,917	2028	\$ 1,774,942
2010	1,779,613	2029	1,773,285
2011	1,779,553	2030	1,773,975
2012	1,778,313	2031	1,776,694
2013	1,780,745	2032	1,776,276
2014	1,781,703	2033	1,772,693
2015	1,781,185	2034	1,770,763
2016	1,779,929	2035	1,775,015
2017	1,780,771	2036	1,770,287
2018	1,775,848	2037	1,771,418
2019	1,780,008	2038	1,772,950
2020	1,778,109	2039	1,769,693
2021	1,775,294	2040	1,771,289
2022	1,776,410	2041	1,767,394
2023	1,776,310	2042	1,767,665
2024	1,774,989	2043	1,766,616
2025	1,777,296	2044	1,768,758
2026	1,778,083	2045	1,763,948
2027	1,774,122	2046	1,765,593

EXHIBIT D

PLAZA AREA



YANKEE STADIUM

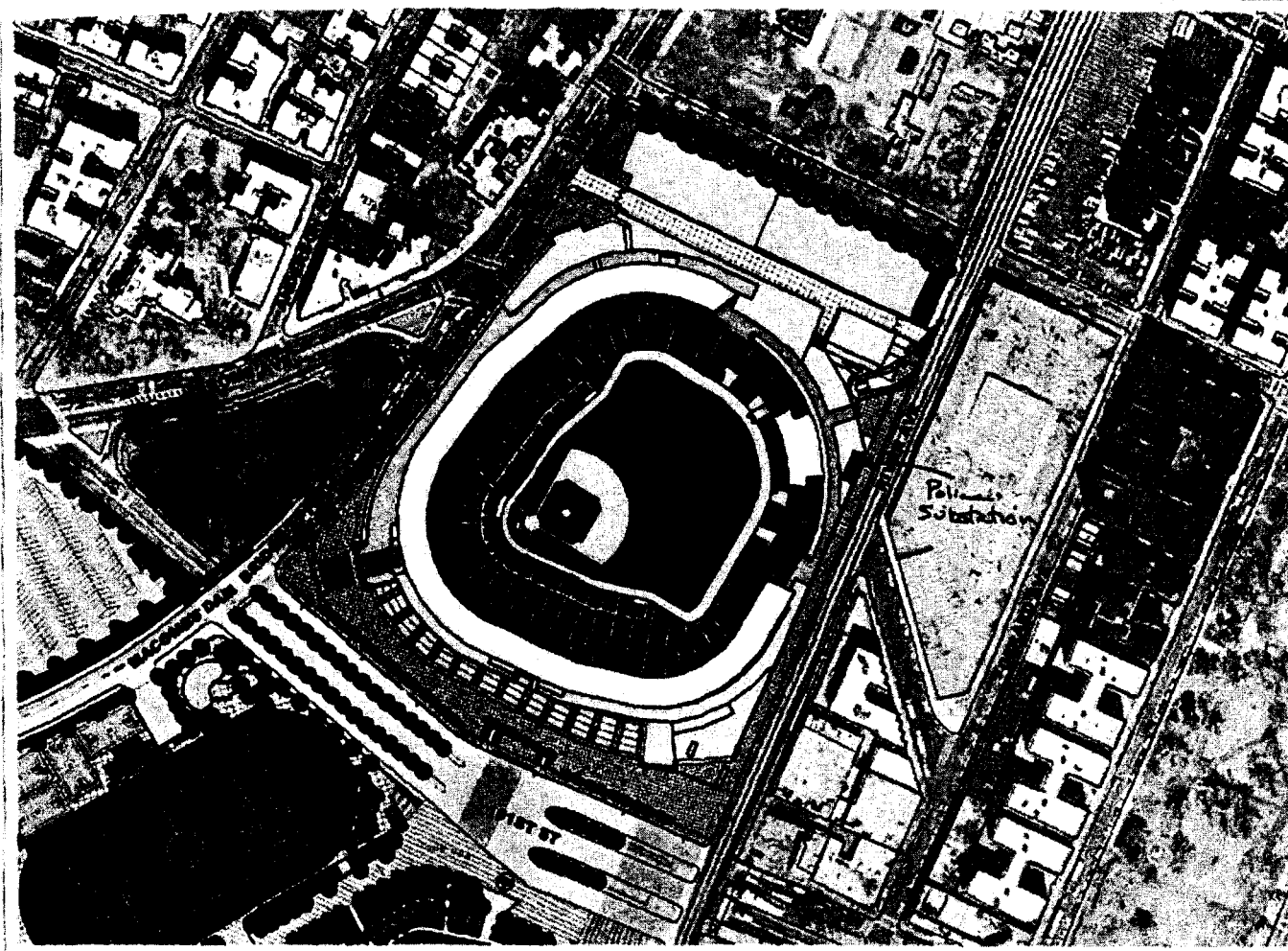
DATE: 1975. 12. 22. 10. 11.



EXHIBIT E

POLICE SUBSTATION

“Core and Shell” of no less than 4000 square feet of space at the New Stadium for a New York City Police Department substation. The core and shell will be delivered as a broom clean “white box” including perimeter demising walls, finished concrete floor, exposed structural system overhead, and utilities (cable, electric, water, sewer, chiller water, outside air, and pathways for telephone), stubbed out into the space through the demising wall. Such services will be provided in quantities reasonably necessary for the purposes of a New York City Police Department substation. The general location is shown on the following page (size not to scale).



YANKEE STADIUM

GENERAL SITE PLAN



4

EXHIBIT F
SCHEMATICS



NO. LIST OF EXHIBITS

- 1 LISTING OF PARTICIPANTS
- 2 BROWNE AND CLOONEY ARCHITECTS
- 3 STE. CHRISTOPHER'S
- 4 THOMAS LOFTUS
- 5 YANKEE JOB ARCHITECTURE ARCHITECTS ASSOCIATES
- 6 YANKEE JOB ARCHITECTURE ARCHITECTS ASSOCIATES
- 7 YANKEE JOB ARCHITECTURE ARCHITECTS ASSOCIATES
- 8 YANKEE JOB ARCHITECTURE ARCHITECTS ASSOCIATES
- 9 YANKEE JOB ARCHITECTURE ARCHITECTS ASSOCIATES
- 10 STE. CHRISTOPHER'S
- 11 STE. CHRISTOPHER'S
- 12 STE. CHRISTOPHER'S
- 13 STE. CHRISTOPHER'S
- 14 STE. CHRISTOPHER'S
- 15 STE. CHRISTOPHER'S
- 16 STE. CHRISTOPHER'S
- 17 STE. CHRISTOPHER'S
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- 23 STE. CHRISTOPHER'S
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- 25 STE. CHRISTOPHER'S
- 26 STE. CHRISTOPHER'S
- 27 STE. CHRISTOPHER'S
- 28 STE. CHRISTOPHER'S
- 29 STE. CHRISTOPHER'S
- 30 STE. CHRISTOPHER'S
- 31 STE. CHRISTOPHER'S
- 32 STE. CHRISTOPHER'S
- 33 STE. CHRISTOPHER'S



YANKEE STADIUM

ARTS COMMISSION PRESENTATION EXHIBITS



1. AERIAL VIEW OF SITE LOOKING SOUTH WEST



2. JEROME AVENUE LOOKING NORTH



3. RIVER AVENUE AND 162ND STREET



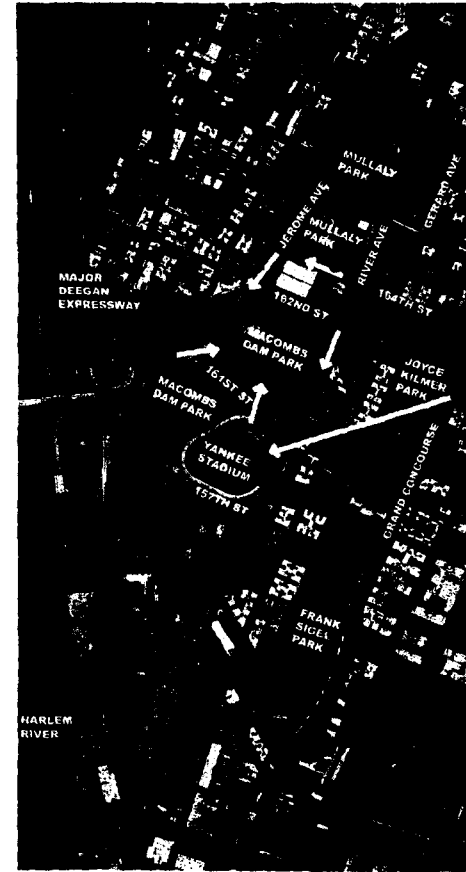
4. MACOMBS DAM APPROACH AND 161ST STREET



5. 164TH STREET



6. INTERSECTION OF RUPPERT PLAZA AND 161ST STREET



AERIAL MAP OF THE BRONX

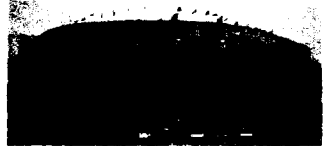


YANKEE STADIUM

EXISTING SITE PHOTOGRAPHS



1923



1928



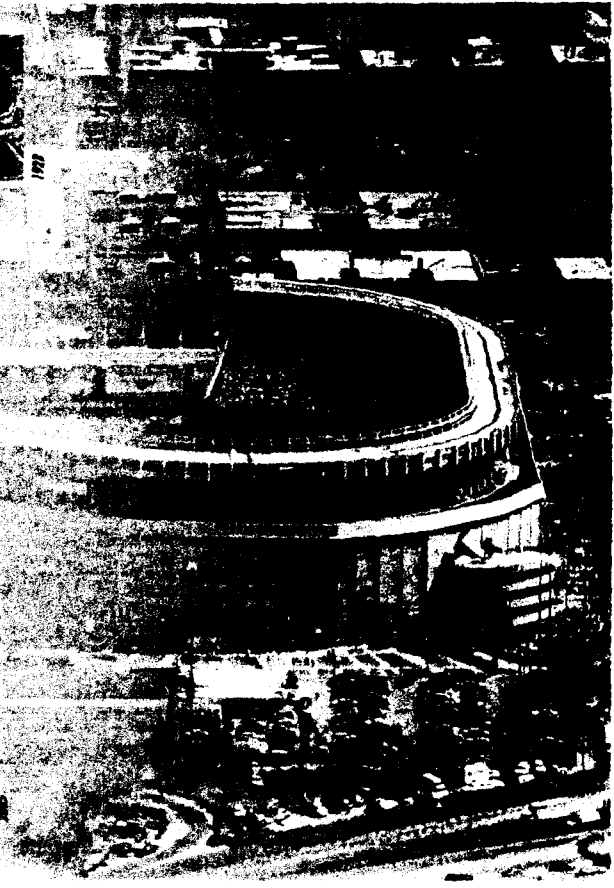
1948



1960s



2005

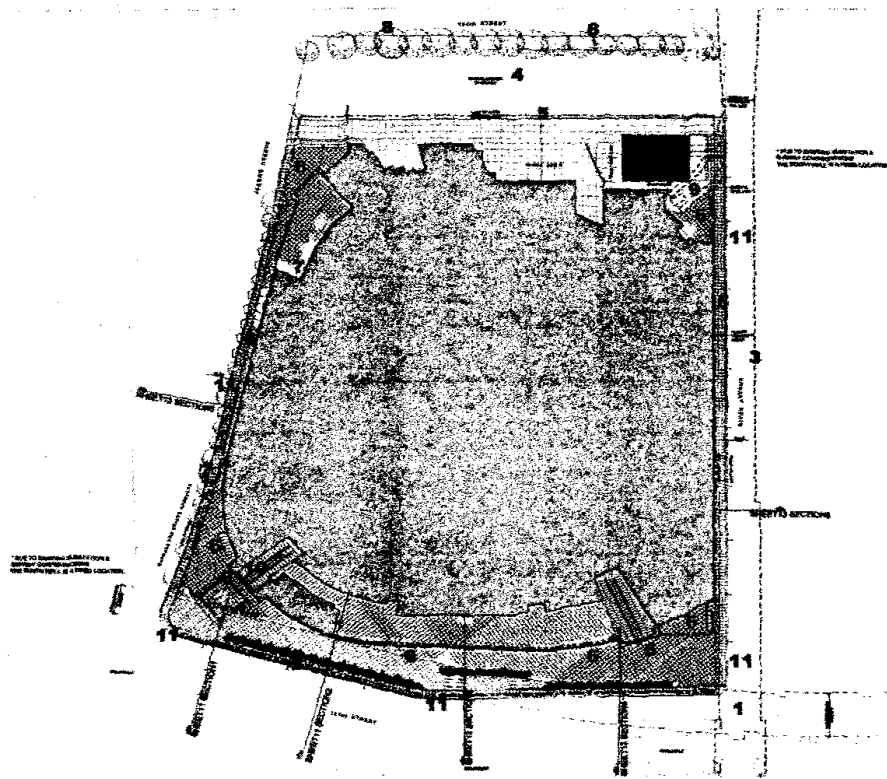


YANKEE STADIUM

HISTORIC YANKEE STADIUM PHOTOGRAPHS



2



LIST OF SITE CONSTRAINTS

1. UNDERGROUND SUBWAY
2. MTA ELECTRIC SUB-STATION
3. ELEVATED TRAIN STRUCTURE
4. GARAGE
5. SITE PROPERTY LINE
6. ENTRANCES
7. TREES ON JEROME AVENUE
8. TREES ON 14TH STREET
9. ELEVATED TRAIN SPUR
10. EXISTING ROCK
11. EXISTING CURB ELEVATION

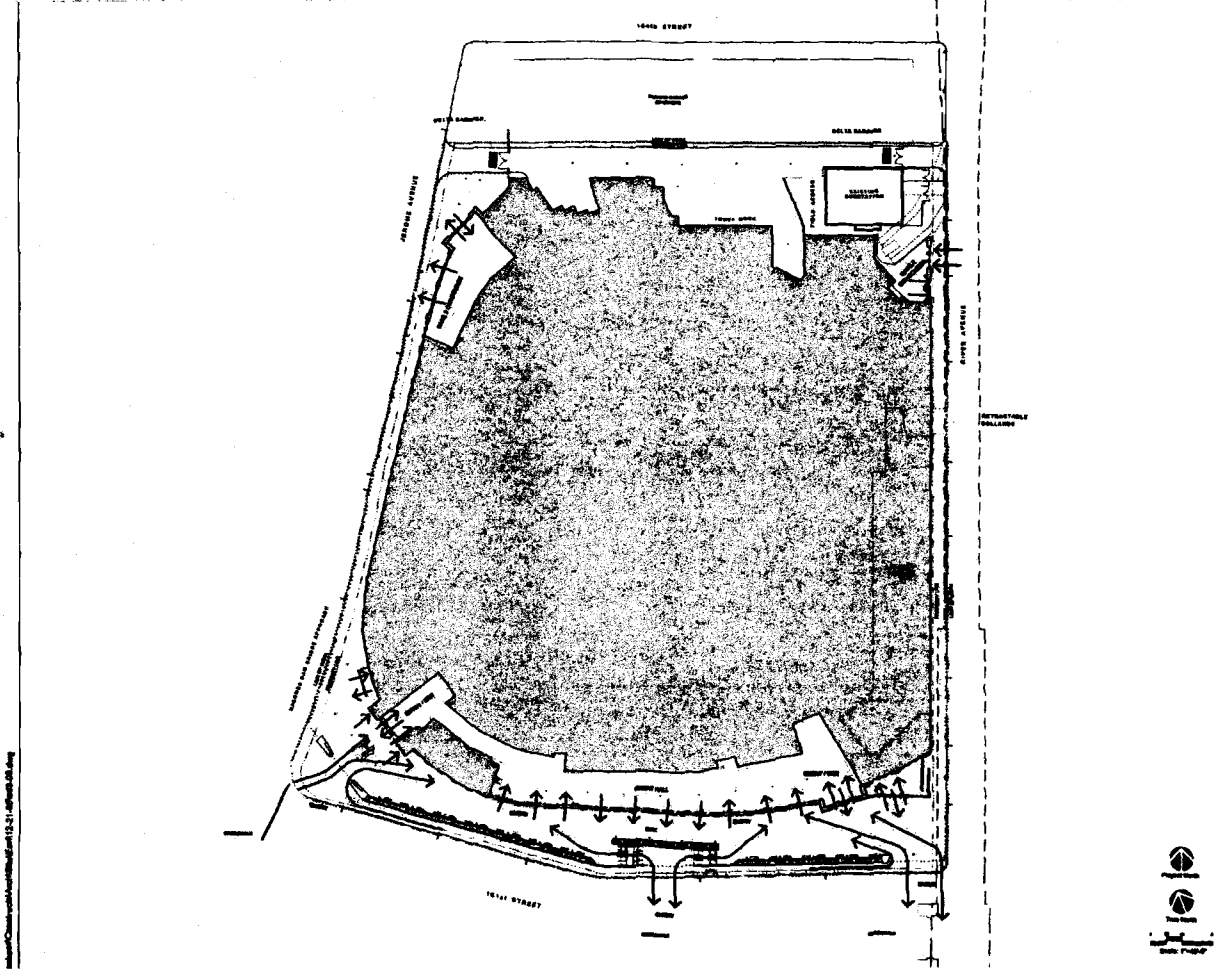
UNDERGROUND TRAIN
 ELEVATED TRAIN



YANKEE STADIUM

OVERALL SITEPLAN



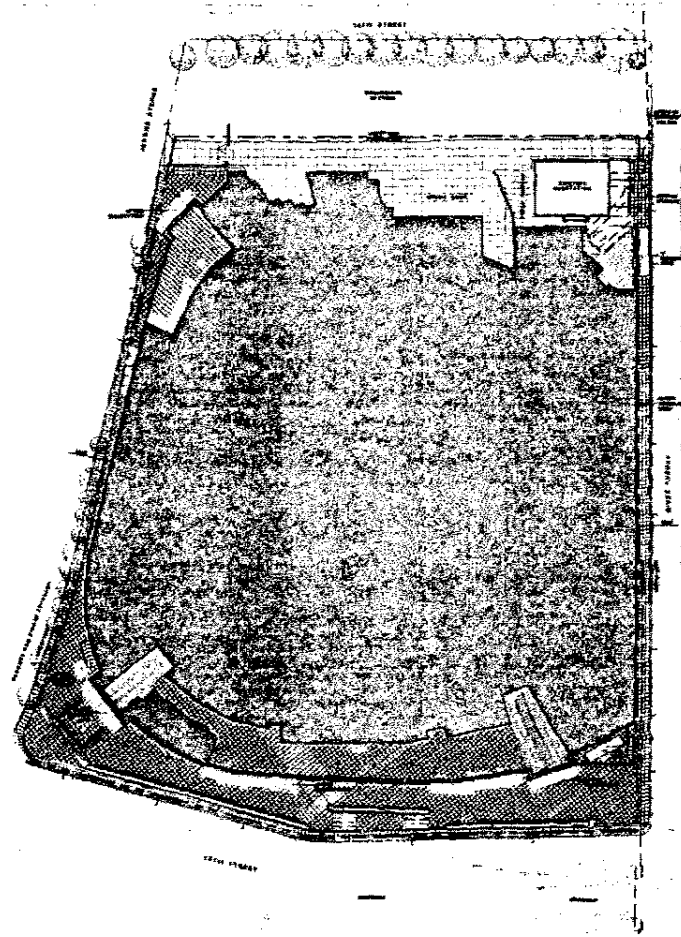


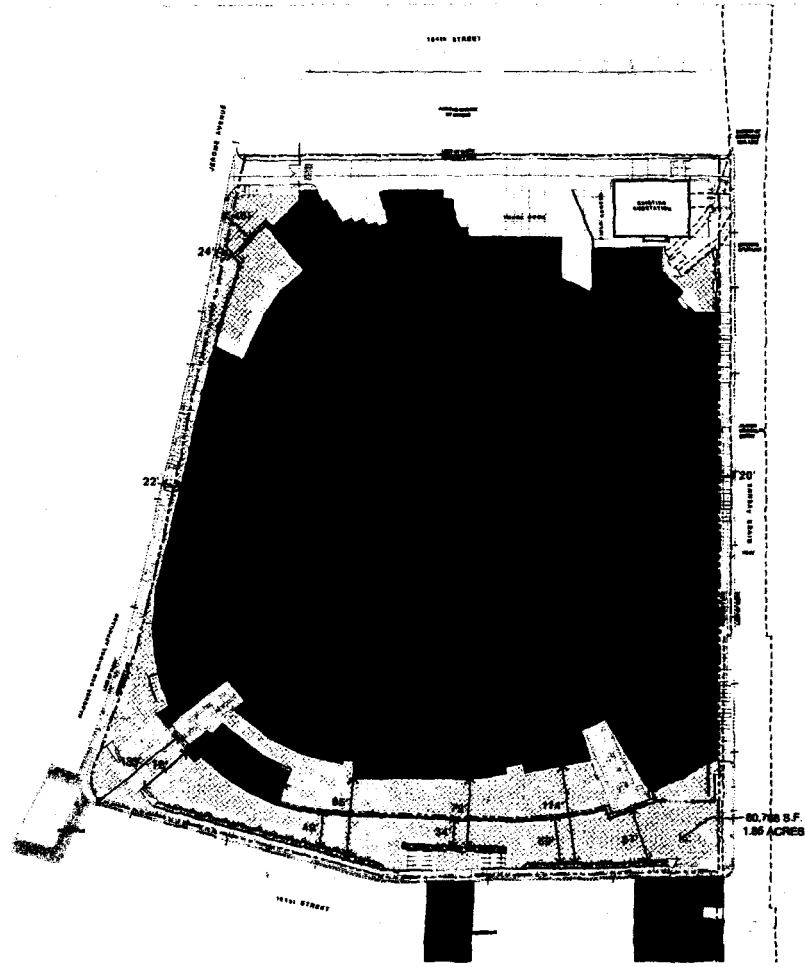
YANKEE STADIUM

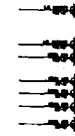
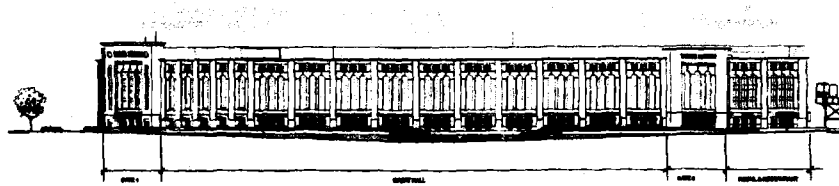
GAME DAY PEDESTRIAN INGRESS EGRESS ANALYSIS



5

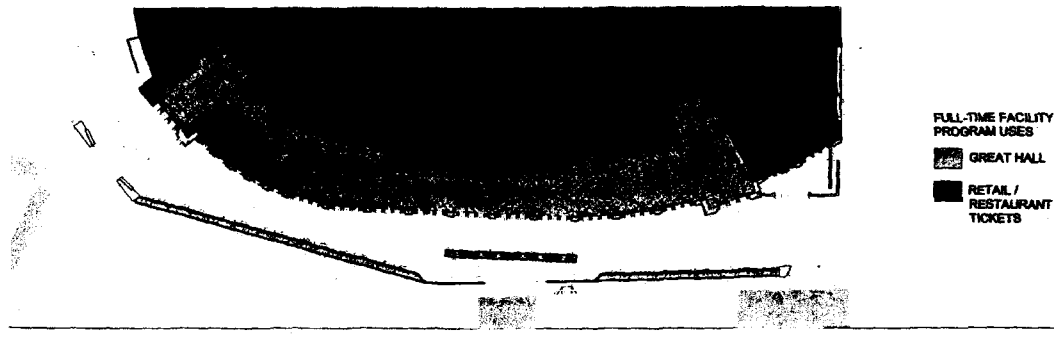






-  TYPE OF WINDOW GLAZING
-  TYPE OF WINDOW
-  TYPE OF WINDOW
-  TYPE OF WINDOW
-  TYPE OF WINDOW
-  TYPE OF WINDOW

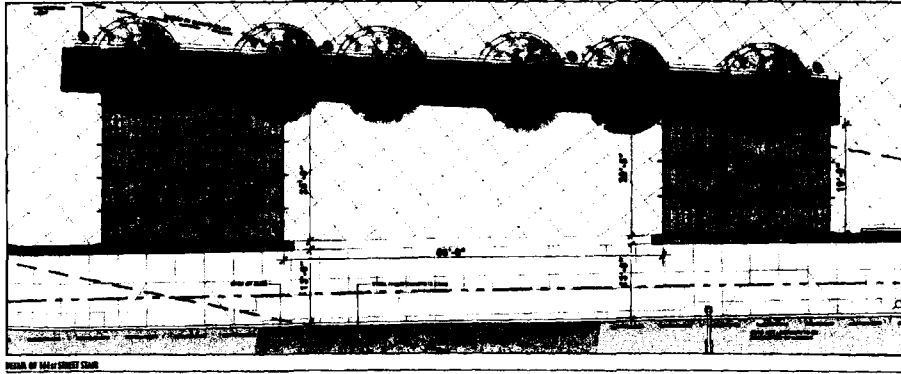
161ST STREET ELEVATION SHOWING TYPES OF OPENINGS



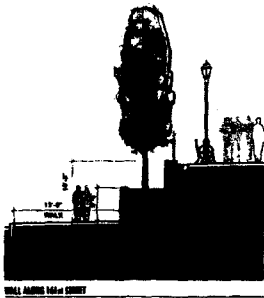
- FULL-TIME FACILITY
PROGRAM USES
-  GREAT HALL
 -  RETAIL /
RESTAURANT /
TICKETS



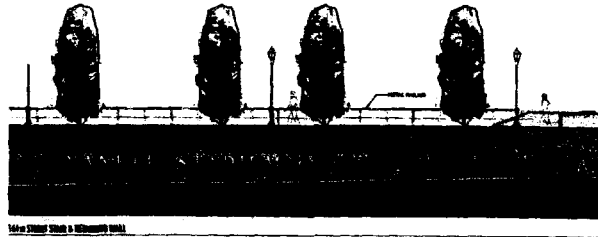
161ST STREET PLAZA AND GREAT HALL



SECTION OF 16th STREET STAIRS



WALL ALONG 16th STREET



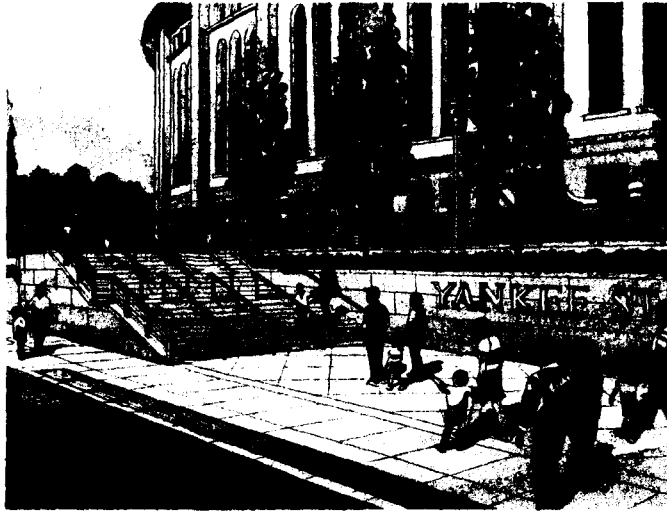
16th STREET STAIRS & RETAINMENT WALL



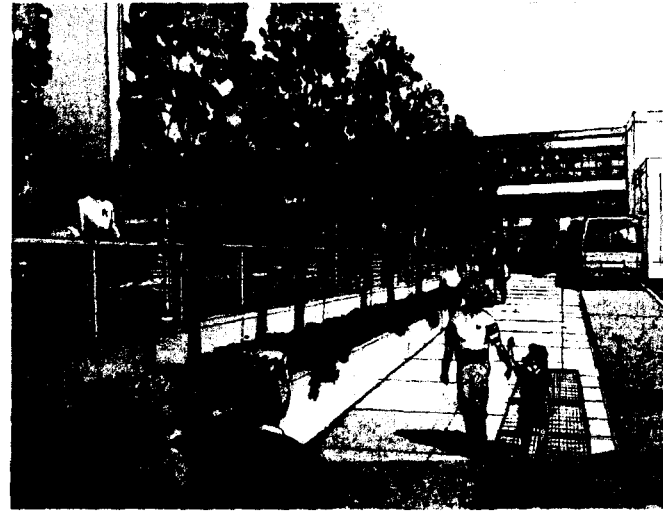
YANKEE STADIUM

16th STREET PLAZA, WALL AND STAIRS





VIEW OF 161ST ST PLAZA STAIRS LOOKING WEST



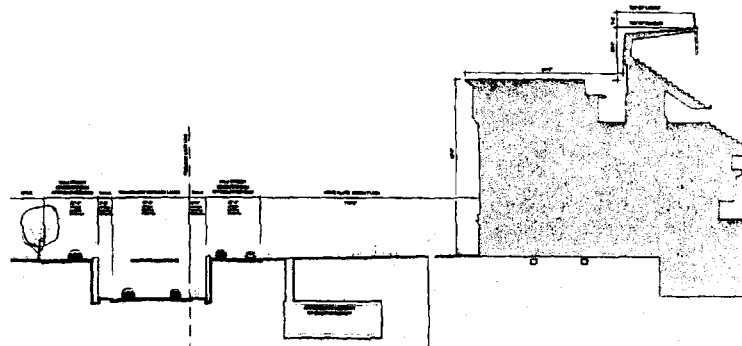
VIEW OF 161ST ST PLAZA LOOKING TOWARDS RIVER AVENUE



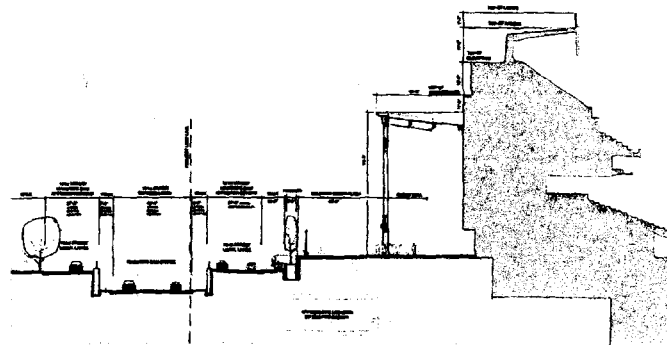
YANKEE STADIUM

VIEW OF 161ST STREET PLAZA WALL AND STAIRS





SECTION 1. SITE SECTION THRU THE HOME PLATE ENTRY AREA OF 161ST STREET PLAZA



SECTION 2. SITE SECTION THRU THE AREA WEST OF ENTRY STAIR AT 161ST STREET PLAZA

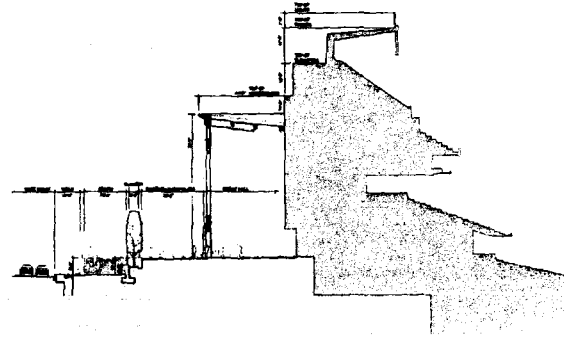


YANKEE STADIUM

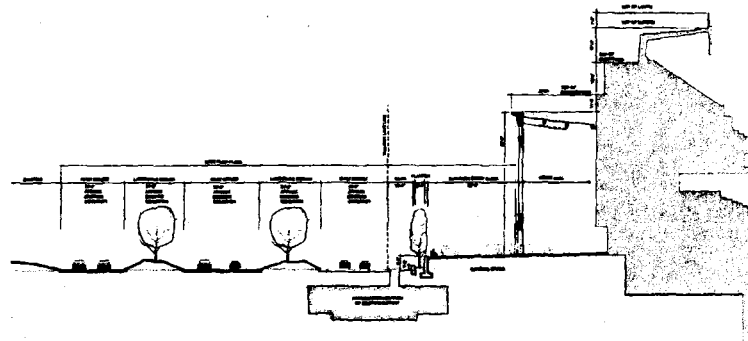
SITE SECTIONS THRU TACKET STREET



11

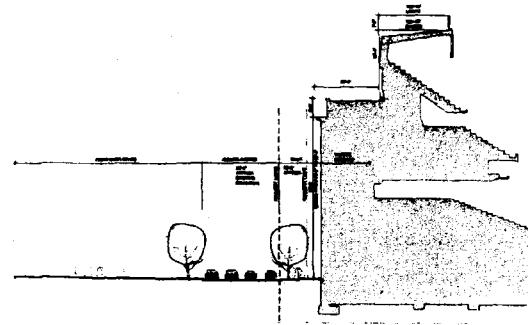


SECTION 3. SITE SECTION THRU THE STAIR ENTRY AREA OF 161ST STREET PLAZA

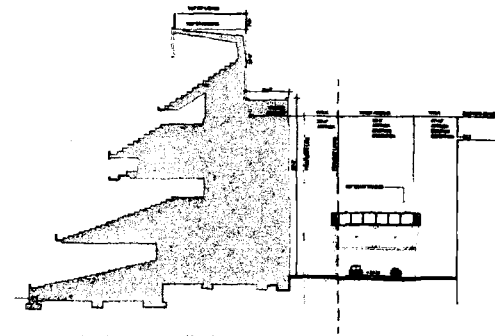


SECTION 4. SITE SECTION THRU THE EAST PART OF 161ST PLAZA



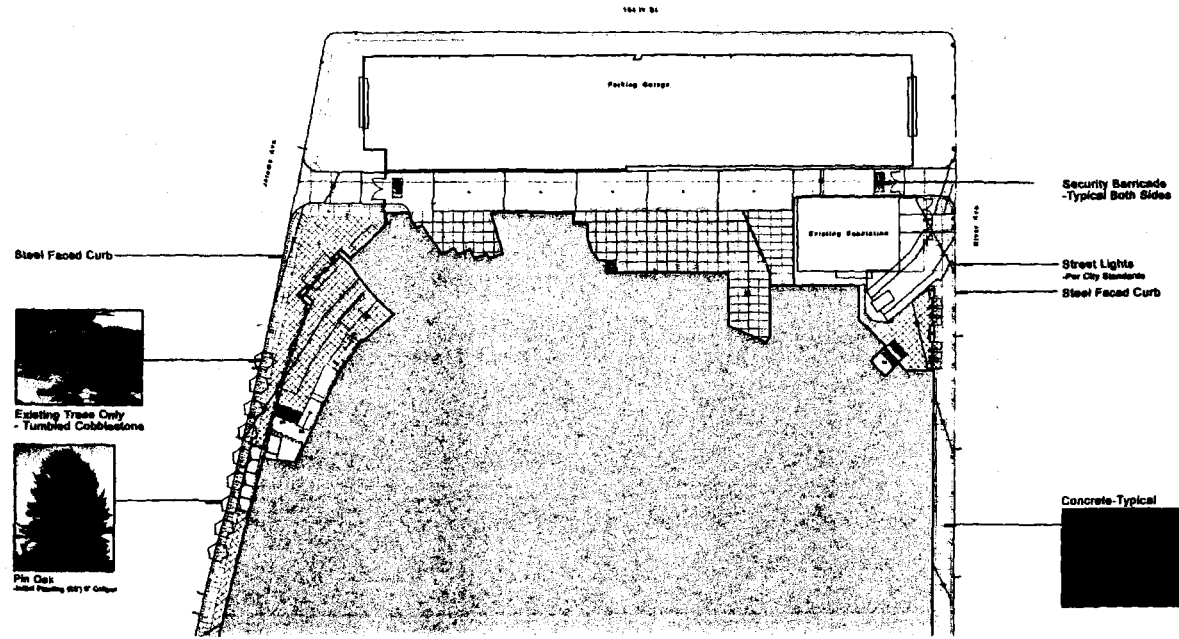


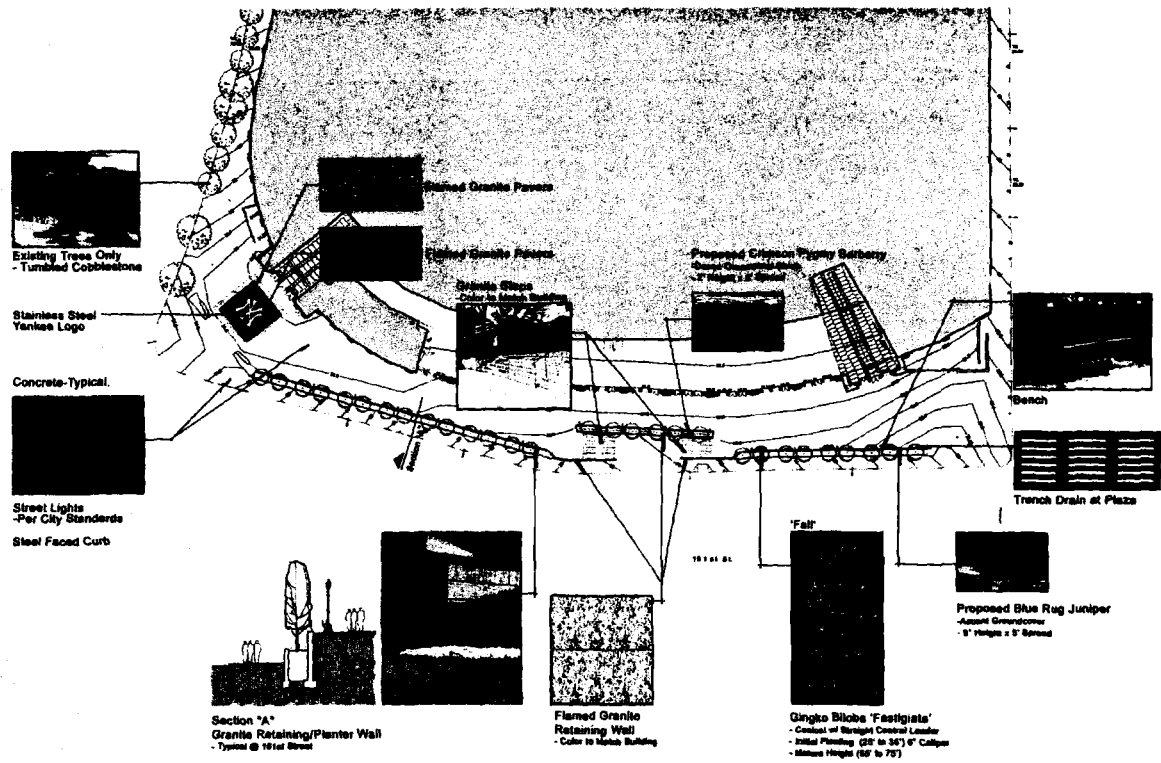
SECTION 5. SITE SECTION THRU NORTH END OF MACOMBS DAM APPROACH SOUTH OF JEROME AVENUE

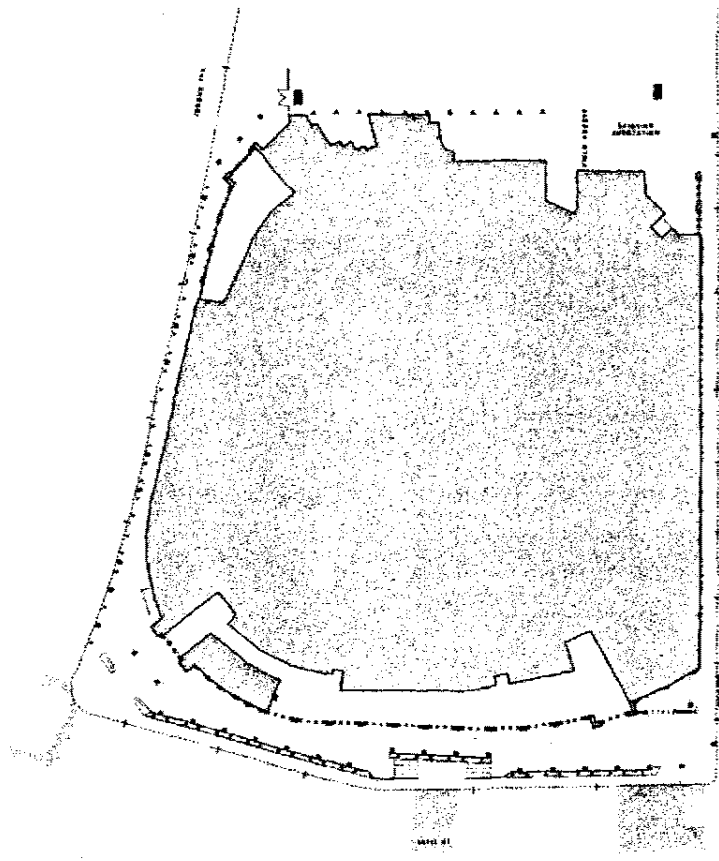


SECTION 6. SITE SECTION THRU RIVER AVENUE (BETWEEN 162ND ST AND 161ST STREET)

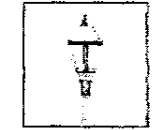








LEGEND



• Pedestrian Light - 14' Height



• Tree Uplight



• Street Light - Per City Standards



• Wall Mounted Accent Light @ Door Entrance



• Wall Mounted Accent Lights

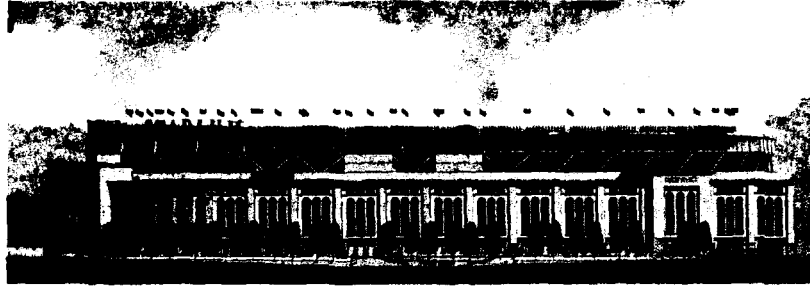


YANKEE STADIUM

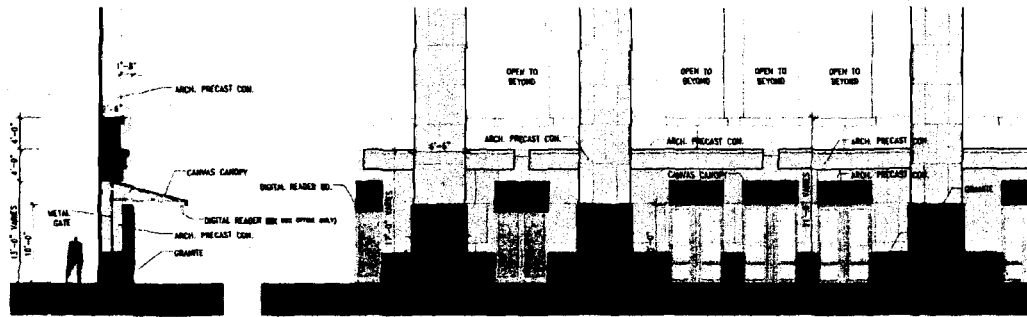
HOMERUN ENTRY AT 161ST STREET



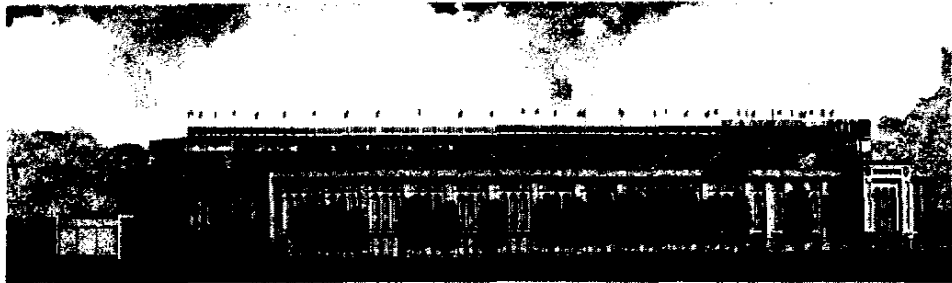
17



WEST STREET ELEVATION 1/2" = 1'-0"



BLANDED SECTION AND ELEVATION 1/4" = 1'-0"



HOME PLATE ENTRANCE VIEW



PLANNING SECTION AND ELEVATION OF - 19



YANKEE STADIUM

HOME PLATE ENTRY - DETAILS OF LEGENDARY ENTRY



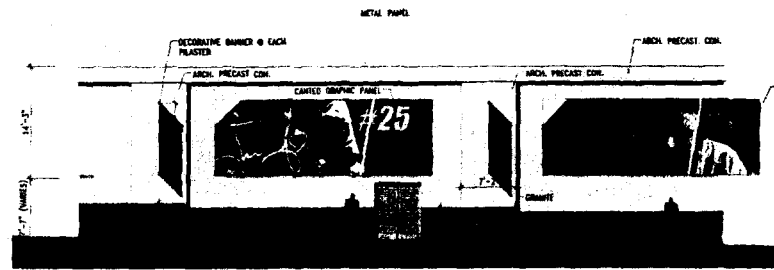
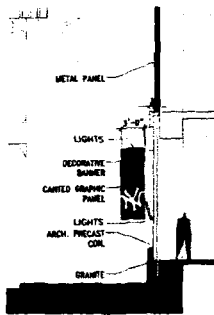


ELEVATION OF GRAPHIC ELEMENT

RIVER AVENUE ELEVATION VIEW # 1-10



Lighting for Projection Panel on River Ave. and Entrance to Stadium from River Ave. and Entrance to Stadium from River Ave. and Entrance to Stadium from River Ave.



BALANCED SECTION AND ELEVATION # 1-11

THE GRAPHIC ELEMENT(S), INCLUDING THE USE OF ARCHITECTURAL LIGHTING AND LANDSCAPING DETAILS ARE INJECTED TO SOFTEN THE FACADE ELEVATION TO YANKEE STADIUM AND ENCOURAGE PUBLIC COMMUNITY PARTICIPATION ALONG RIVER AVENUE. THE APPLICATION OF COLOR AND SCALE AIDS VISIBILITY WHILE INDICATING AND CELEBRATING CURRENT YANKEE PLAYERS.

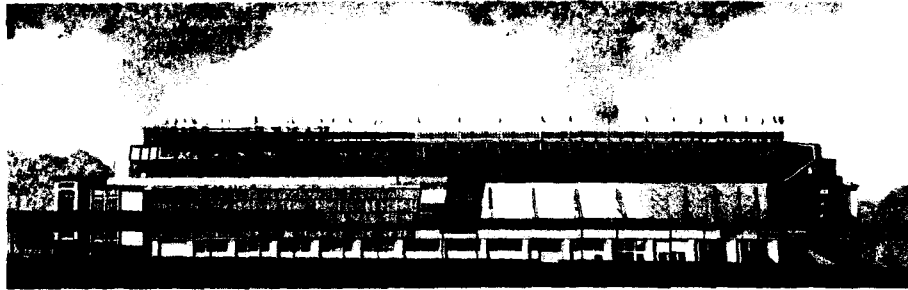


YANKEE STADIUM

RIVER AVE ELEVATION W/ DETAILS OF GRAPHIC PANELS AND BANNERS WITHOUT ELEVATED TRACKS



20

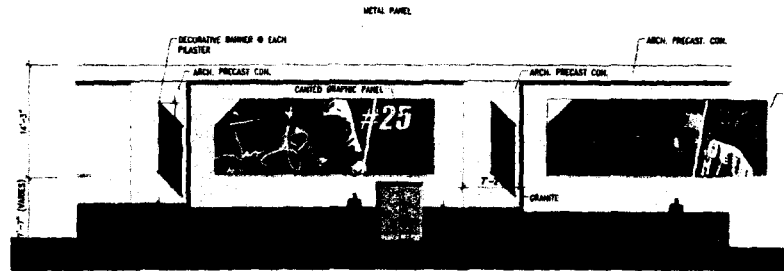
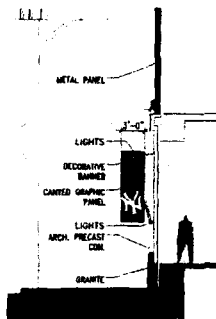


EXTENT OF GRAPHIC ELEMENT

RIVER AVENUE ELEVATION WEST - 1'-0"



Lighting for Pedestrian Level on River Ave. with Graphic Element from Pedestrian Level. Drawing No. 1000-1000-1000-1000



DETAILED SECTION AND ELEVATION WEST - 1'-0"

THE GRAPHIC ELEMENTS, INCLUDING THE USE OF ARCHITECTURAL LIGHTING AND LAMPHOUSE DETAILS ARE INTENDED TO SOFTEN THE EAST WALL ELEVATION TO FURTHER STIMULATE AND ENCOURAGE PUBLIC/COMMUNITY PARTICIPATION ALONG RIVER AVENUE. THE APPLICATION OF COLOR AND SCALE ADDS SPANISH WHILE SHOWCASING AND CELEBRATING CURRENT YANKEE PLAYERS.



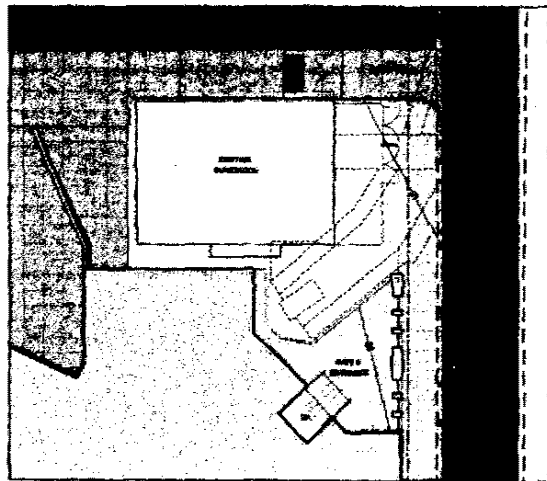
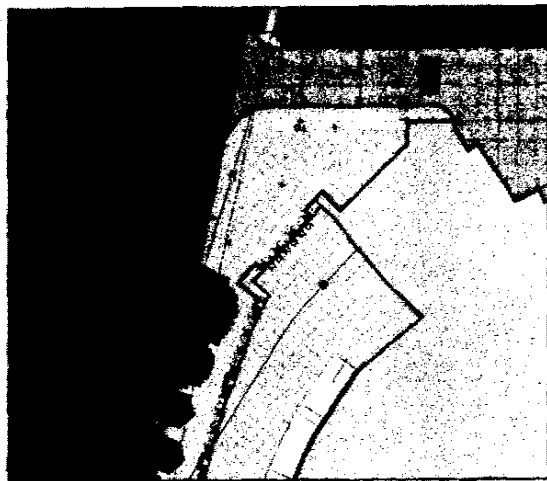


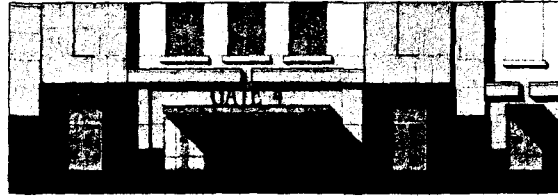
YANKEE STADIUM

1,600 SEAT STATION WITH PARKING GARAGE



22

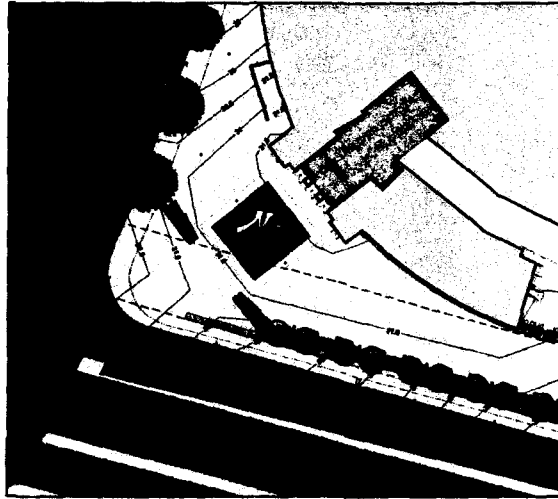




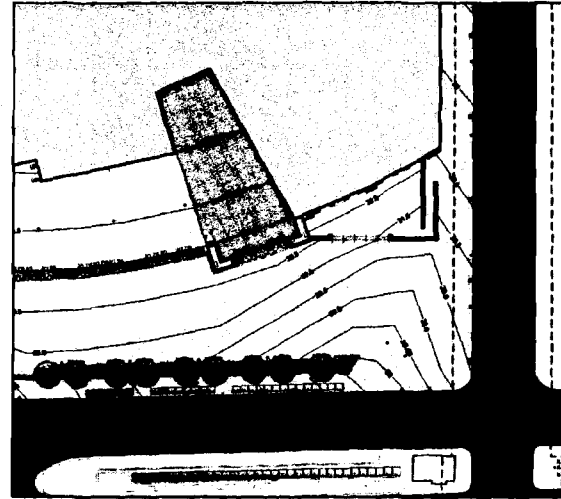
SECTION ELEVATION OF STAIRS AND BUILDING FACADE



SECTION ELEVATION OF STAIRS AND BUILDING FACADE



SECTION ELEVATION OF STAIRS AND BUILDING FACADE



SECTION ELEVATION OF STAIRS AND BUILDING FACADE

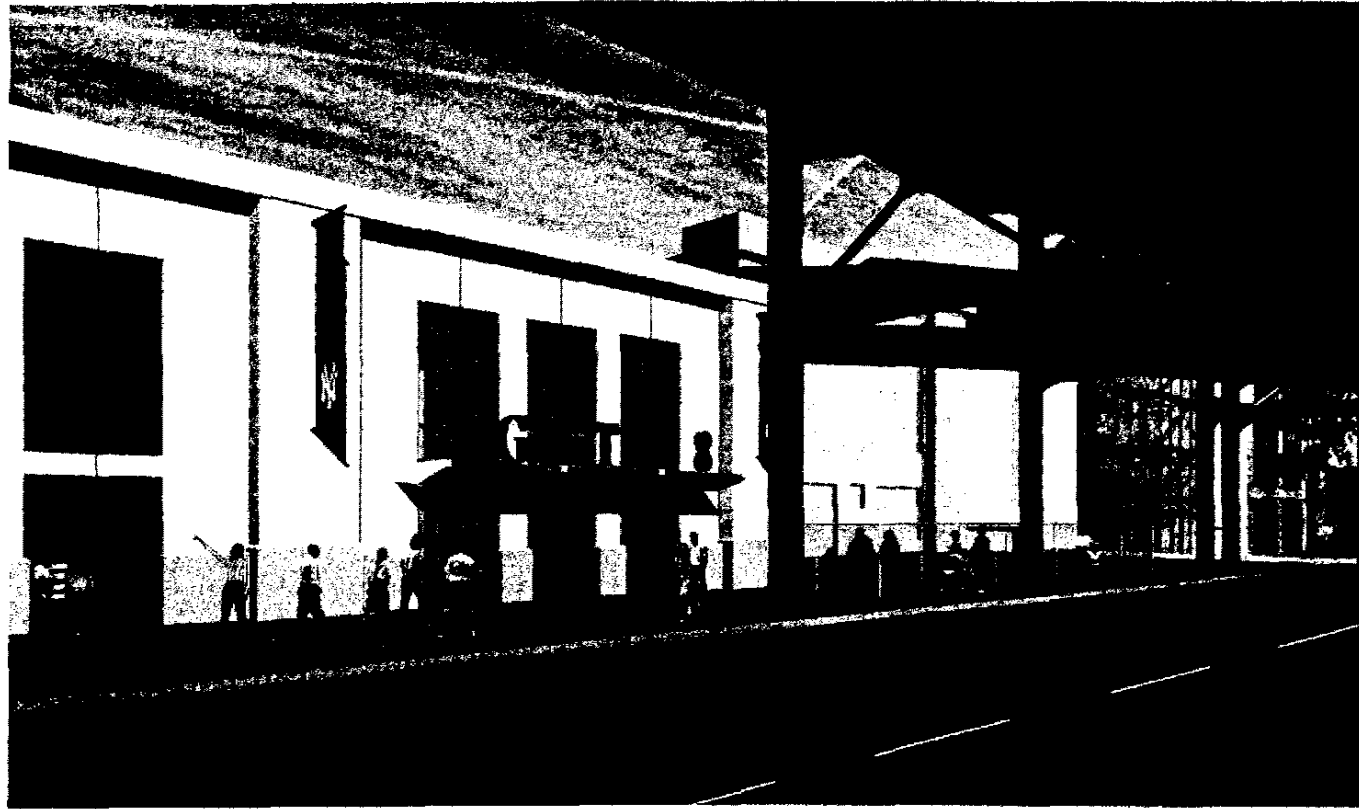


YANKEE STADIUM

ENLARGED GRADING PLANS B



24

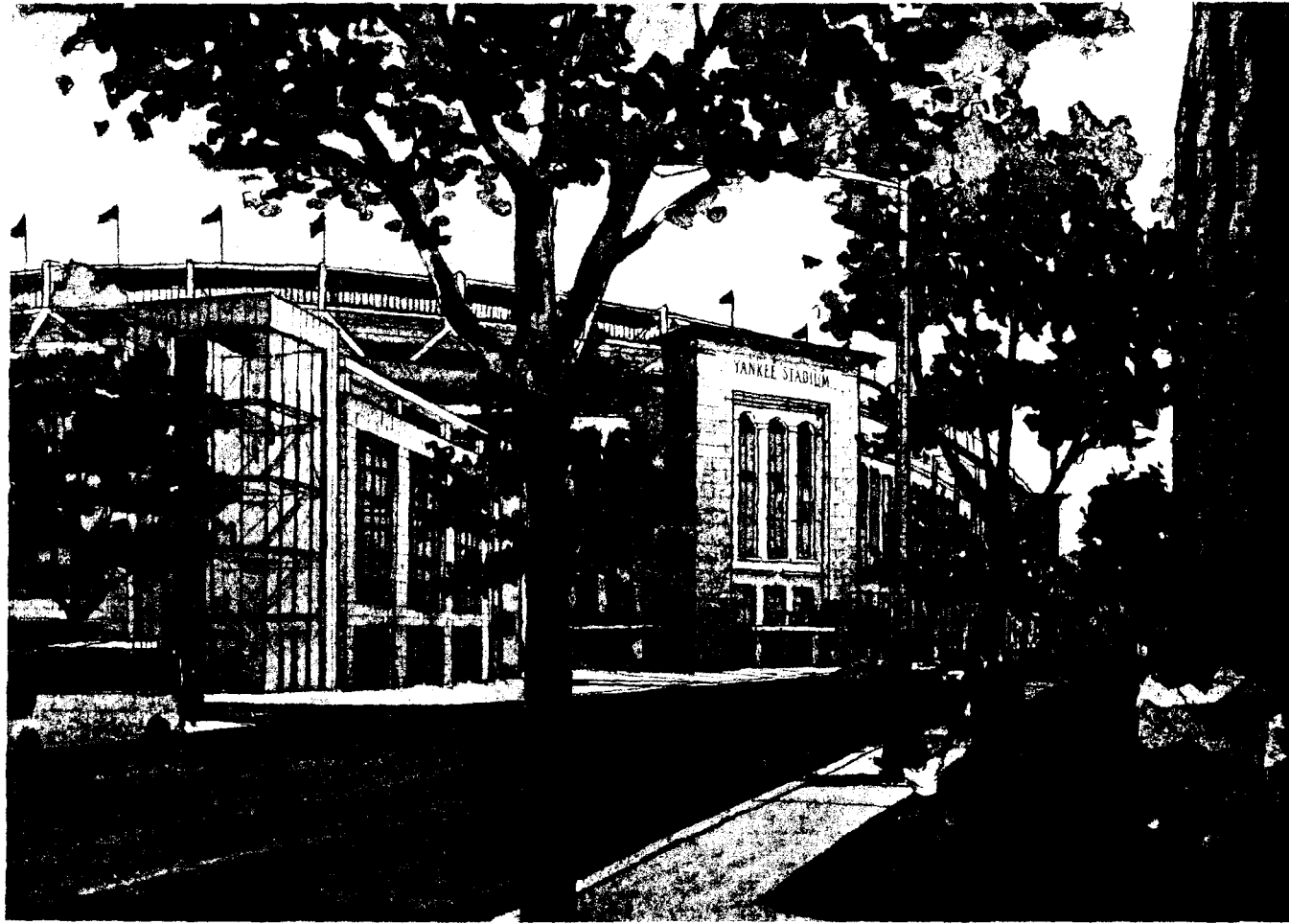


YANKEE STADIUM

VIEW OF GATE B ON RIVER AVENUE



25

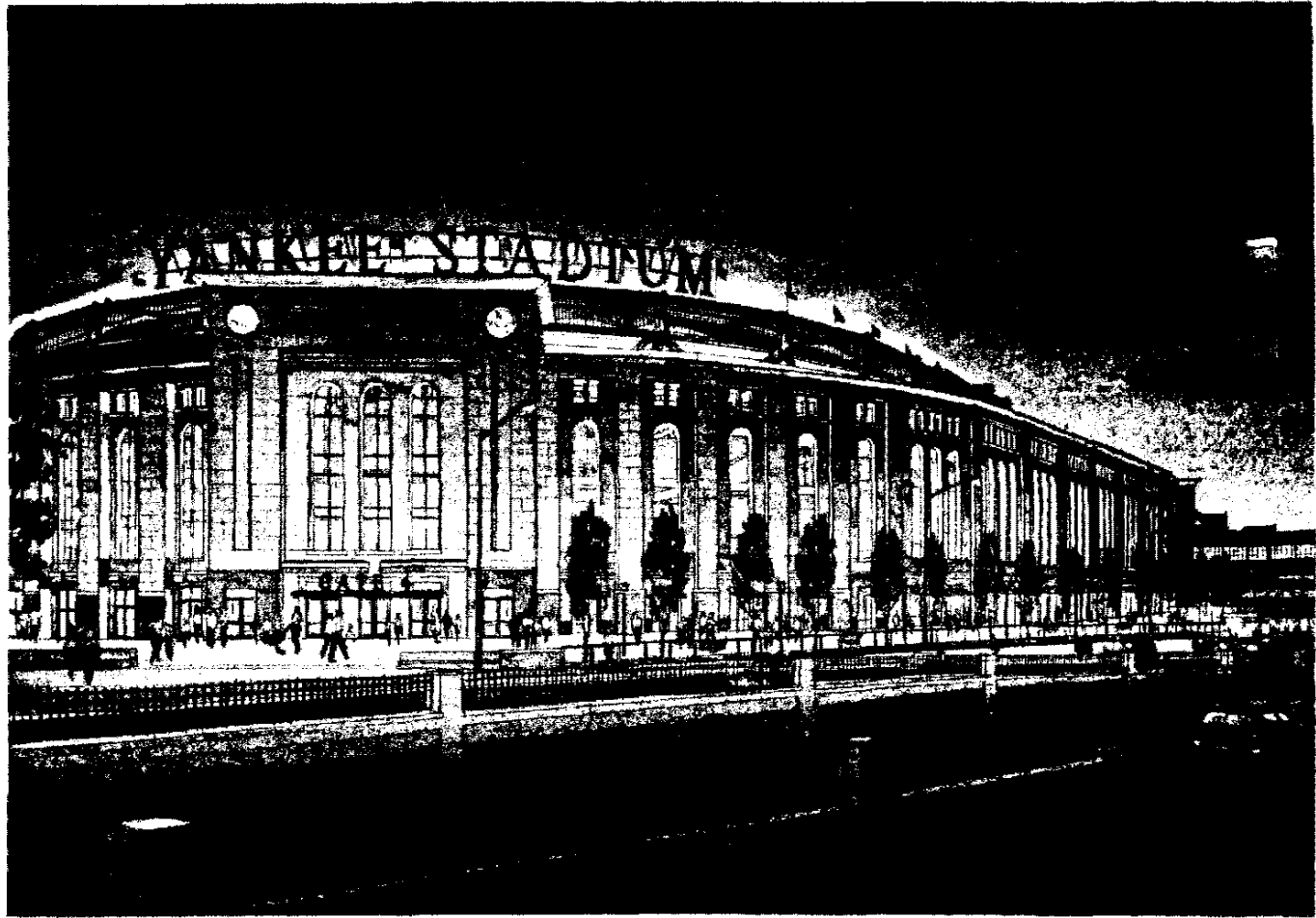


YANKEE STADIUM

VIEW FROM JEROME AVENUE



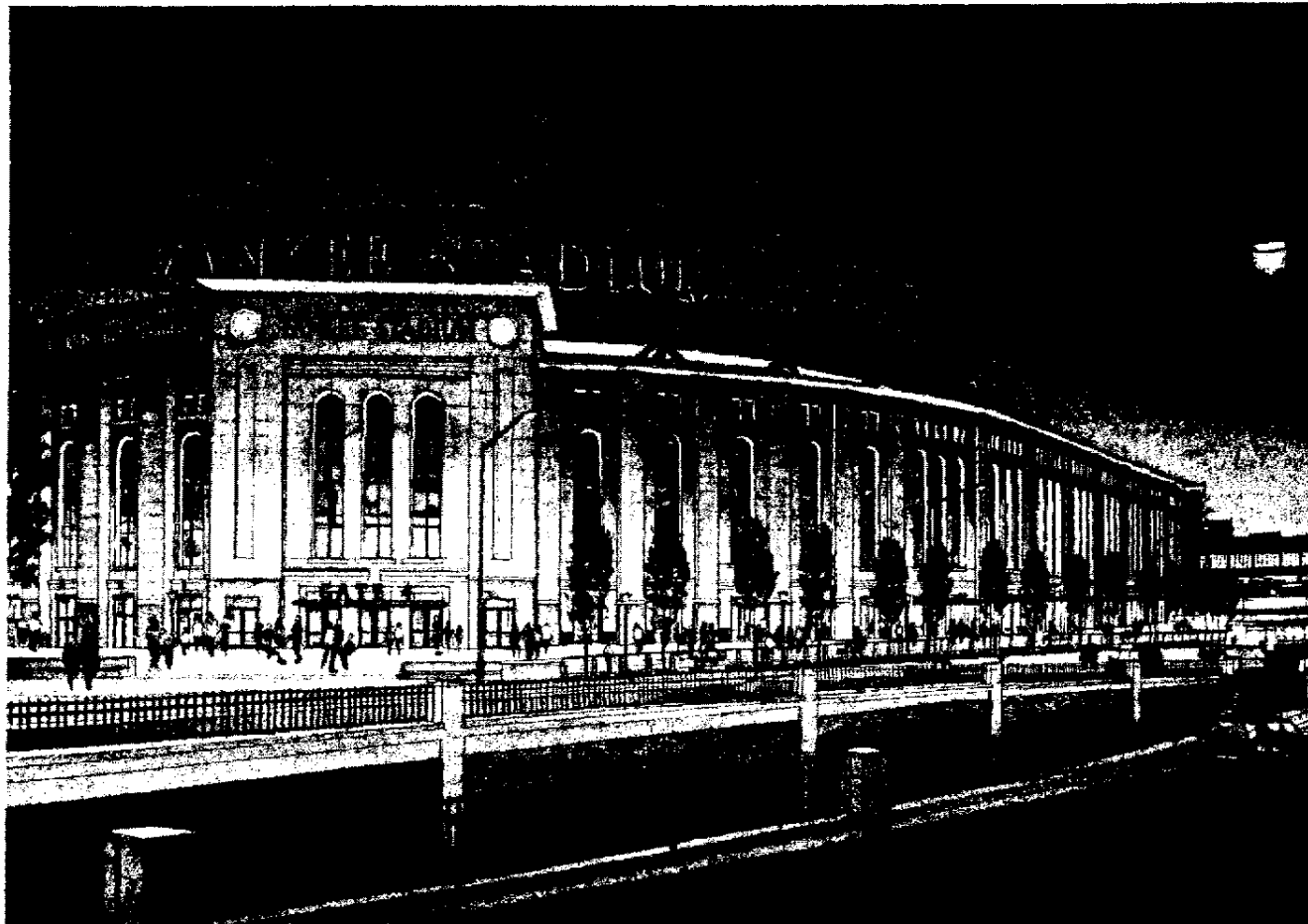
26



YANKEE STADIUM

GAME DAY NIGHT VIEW OF HOME PLATE ENTRY





YANKEE STADIUM

NON-GAME-DAY NIGHT VIEW OF HOME PLATE ENTRY



78



YANKEE STADIUM

NIGHT VIEW OF JEROME AVENUE



29



YANKEE STADIUM

GAME-DAY NIGHT VIEW OF GATE 6



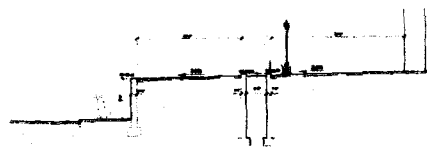
30



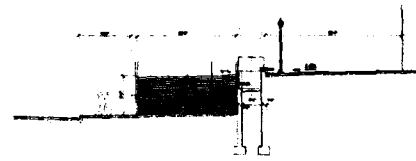
YANKEE STADIUM

NON-GAME-DAY NIGHT VIEW OF GATE 6





SECTION A



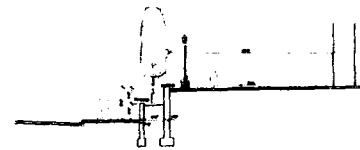
SECTION B



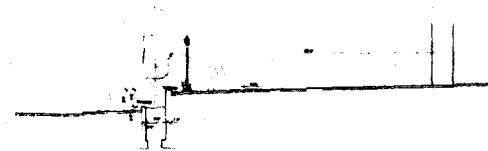
SECTION C



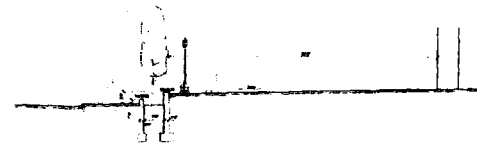
SECTION D



SECTION G



SECTION E



SECTION F



YANKEE STADIUM

61ST STAIR AND PLAZA - SECTIONS



EXHIBIT G

REGULATORY PERMIT APPEALS

(none)

EXHIBIT H

DESIGNATED CONSTRUCTION AGREEMENTS

All Construction Agreements the total amount payable for materials and services to be rendered under which is not less than Twenty Five Million Dollars (\$25,000,000)

EXHIBIT I

EMPLOYMENT and BENEFITS REPORT

For the Fiscal Year July 1, 20 to June 30, 20 (the "Reporting Year")

In order to comply with State and Local Law reporting requirements, the Company is required to complete and return this form to NYCIDA, 110 William Street, Attention: Compliance, New York, NY 10038 no later than the next **August 1 following the Reporting Year**. PLEASE SEE THE ATTACHED INSTRUCTIONS AND DEFINITIONS OF CAPITALIZED TERMS USED ON THIS PAGE.

Please provide your NAICS Code (see <http://www.census.gov.gov/epcd/www/naics.html>): _____

If you cannot determine your NAICS Code, please indicate your industry type: _____

- 1. Number of permanent Full-Time Employees as of June 30 of the Reporting Year..... _____
- 2. Number of non-permanent Full-Time Employees as of June 30 of the Reporting Year..... _____
- 3. Number of permanent Part-Time Employees as of June 30 of the Reporting Year..... _____
- 4. Number of non-permanent Part-Time Employees as of June 30 of the Reporting Year..... _____
- 5. Number of Contract Employees as of June 30 of the Reporting Year..... _____
- 6. Total Number of employees of the Company and its Affiliates included in Items 1, 2, 3 and 4..... _____

Please attach the NYS-45 Quarterly Combined Withholding, Wage Reporting and Unemployment Insurance Return for the period including June 30 of the Reporting Year.

- 7. Number of employees included in item 6 above who reside in the City of New York _____
- 8. Do the Company and its Affiliates offer health benefits to all Full-Time Employees? **Y N** (please circle Y or N)
Do the Company and its Affiliates offer health benefits to all Part-Time Employees? **Y N** (please circle Y or N)

If the answer to item 6 above is 250 or more employees, please complete Item 9 through 13 below:

- 9. Number of employees in Item 6 who are "Exempt" _____
- 10. Number of employees in Item 6 who are "Non-Exempt"..... _____
- 11. Number of employees in item 10 that earn up to \$25,000 annually..... _____

12. Number of employees in item 10 that earn \$25,001 - \$40,000 annually

13. Number of employees in item 10 that earn \$40,001 - \$50,000 annually

ough 16, indicate the value of the benefits realized at Project Locations during the Reporting Year:

14. Value of sales and use tax exemption benefits \$

15. Value of Commercial Expansion Program ("CEP") benefits \$

16. Value of Relocation and Employment Assistance Program ("REAP") benefits \$

17. Were physical improvements made to any Project Location during the Reporting Year at a cost exceeding 10% of the current assessed value of the existing improvements at such Project Location? Y N (please circle Y or N) #

If the Company and/or its Affiliates have applied for Industrial and Commercial Incentive Program ("ICIP") benefits for new physical improvements at Project Location(s), please provide the ICIP application number(s).....

Certification: I, the undersigned, an authorized officer or principal owner of the Company/Affiliate/Tenant, hereby certify to the best of my knowledge and belief, that all information contained in this report is true and complete. This form and information provided pursuant hereto may be disclosed to the New York City Economic Development Corporation ("NYCEDC") and New York City Industrial Development Agency ("NYCIDA") and may be disclosed by NYCEDC and NYCIDA in connection with the administration of the programs of NYCEDC and/or NYCIDA and/or the City of New York; and, without limiting the foregoing, such information may be included in (x) reports prepared by NYCEDC pursuant to New York City Charter Section 1301 et. seq., (y) other reports required of NYCIDA or NYCEDC, and (z) any other reports or disclosure required by law.

Entity Name:

Signature By: Date:

Name (print): Title:

DEFINITIONS:

"Affiliate" is (i) a business entity in which more than fifty percent is owned by, or is subject to a power or right of control of, or is managed by, an entity which is a party to a Project Agreement, or (ii) a business entity that owns more than fifty percent of an entity which is a party to a Project Agreement or that exercises a power or right of control of such entity.

"Company" includes any entity that is a party to a Project Agreement.

"Contract Employee" is a person who is an independent contractor (i.e., a person who is not an "employee"), or is employed by an independent contractor (an entity other than the Company, an Affiliate or a Tenant), who provides services at a Project Location.

"Financial Assistance" is any of the following forms of financial assistance provided by or at the direction of NYCIDA and/or NYCEDC: a loan, grant, tax benefit and/or energy benefit pursuant to the Business Incentive Rate (BIR) program or New York City Public Utility Service (NYCPUS) program.

"Full-Time Employee" is an employee who works at least 35 hours per week at a Project Location.

"Part-Time Employee" is an employee who works less than 35 hours per week at a Project Location.

"Project Agreement" is any agreement or instrument pursuant to which an entity received or receives Financial Assistance.

"Project Location" is any location (a) with regard to which Financial Assistance has been provided to the Company and/or its Affiliates during the fiscal year reporting period covered by the Employment and Benefits Report, or (b) that is occupied by the Company and/or its Affiliates at which such entities have employees who are eligible to be reported per the terms of the Project Agreement with the Company and/or its Affiliates.

"Tenant" is a tenant or subtenant (excluding the Company and its Affiliates) that leases or subleases facilities from the Company or its Affiliates (or from tenants or subtenants of the Company or its Affiliates) at any Project Location.

ITEM INSTRUCTIONS For each Project Agreement, please submit one report that covers (i) the Company and its Affiliates and (ii) Tenants and subtenants of Tenants at all Project Locations covered by the Project Agreement. Each Tenant must complete items 1-5, 15 and 16 on this form with regard to itself and its subtenants and return it to the Company. The Company must include in its report information collected by the Company from its Affiliates and Tenants. The Company must retain for six (6) years all forms completed by its Affiliates and Tenants and at NYCIDA's request must permit NYCIDA upon reasonable notice to inspect such forms and provide NYCIDA with a copy of such forms. The Company must submit to NYCIDA copies of this form completed by each Tenant.

1-4. Items 1, 2, 3 and 4 must be determined as of **June 30 of the Reporting Year** and must include all permanent and non-permanent Full-Time Employees and Part-Time Employees at all Project Locations, including, without limitation, those employed by the Company or its Affiliates and by Tenants and subtenants of Tenants at the Project Locations. **Do not include Contract Employees in Items 1, 2, 3 and 4.**

5. Report all Contract Employees providing services to the Company and its Affiliates and Tenants and subtenants of Tenants at all Project Locations.

6-14. Report information requested only with respect to the Company and its Affiliates at all Project Locations. For item 6, report only the permanent and non-permanent Full-Time Employees and Part-Time Employees of the Company and its Affiliates. **Do not report employees of Tenants and subtenants of Tenants. Do not report Contract Employees.**

9. Indicate the number of employees included in item 6 who are classified as **"Exempt"**, as defined in the federal Fair Labor Standards Act. Generally, an Exempt employee is not eligible for overtime compensation.

10. Indicate the number of employees included in item 6 who are classified as **"Non-Exempt"**, as defined in the federal Fair Labor Standards Act. Generally, a Non-Exempt employee is eligible for overtime compensation.

14. Report all sales and use tax exemption benefits realized at all Project Locations by the Company and its Affiliates and granted by virtue of the exemption authority of NYCIDA or the City of New York. **Do not include any sales and use tax savings realized under the NYS Empire Zone Program.**

15. Report all CEP benefits received by the Company and its Affiliates and any Tenants and subtenants of Tenants at all Project Locations. CEP is a package of tax benefits designed to help qualified businesses to relocate or expand in designated relocation areas in New York City. For more information regarding CEP, please visit <http://www.nyc.gov/dof>.

16. Report all REAP benefits received by the Company and its Affiliates and any Tenants and subtenants of Tenants at all Project Locations. REAP is designed to encourage qualified businesses to relocate employees to targeted areas within New York City. REAP provides business income tax credits based on the number of qualified jobs connected to the relocation of employees. For more information regarding REAP, please visit <http://www.nyc.gov/dof>.

EXHIBIT J

MEMORANDUM OF LEASE

MEMORANDUM OF STADIUM LEASE AGREEMENT

between

**NEW YORK CITY
INDUSTRIAL DEVELOPMENT AGENCY,**
a New York public benefit corporation,
as landlord,

and

YANKEE STADIUM LLC,
a Delaware limited liability company,
as tenant

Dated: As of August 1, 2006

New York City Industrial Development Agency
(Yankee Stadium Project)

Affecting certain real property
comprising the northern portion of Macomb's Dam Park and the southern portion of
John Mullaly Park between River and Jerome Avenues and extending from
East 161st Street to the mid-block between East 162nd and 164th Streets
in the Borough and County of The Bronx and the City and State of New York,
and also known as Tax Lot 9 in Block 2493, Tax Lot 1 in Block 2492,
and demapped portions of East 162nd Street, Macombs Lane and Jerome Avenue
on the Official Tax Map of Bronx County, which will be known as
One East 161st Street, Bronx, New York

Record and Return to:

Fried, Frank, Harris, Shriver & Jacobson
One New York Plaza, 22nd Floor
New York, New York 10004
Attention: Stephen Lefkowitz, Esq.

MEMORANDUM OF STADIUM LEASE AGREEMENT

Pursuant to Section 291-c of the Real Property Law

1. **Name and Address of Landlord:** NEW YORK CITY INDUSTRIAL DEVELOPMENT AGENCY, a corporate governmental agency constituting a public benefit corporation organized and existing under the laws of the State of New York, having an office at 110 William Street, New York, New York 10038 ("**Landlord**").

2. **Name and Address of Tenant:** YANKEE STADIUM LLC, a Delaware limited liability company having an office at Yankee Stadium, Bronx, New York 10451 ("**Tenant**").

3. **Reference to Lease:** Stadium Lease Agreement, dated as of August 1, 2006, between Landlord and Tenant (the "**Lease**").

4. **Description of Leased Premises:** Those certain tracts or parcels of land located in the Borough and County of The Bronx and the City and State of New York comprising the northern portion of Macomb's Dam Park and the southern portion of John Mullaly Park between River and Jerome Avenues and extending from East 161st Street to the mid-block between East 162nd and 164th Streets, which are more particularly bounded and described on **Schedule A** attached hereto (the "**Land**"), together with an approximately 1,300,000 square foot Major League Baseball stadium having a capacity in excess of 50,000 seats and approximately 2,000 standees for a total capacity between 52,000 and 53,000 persons, including related concession areas, ancillary structures and other improvements, to be constructed thereon (collectively, the "**Stadium**").

5. **Background:** The New York State Industrial Development Agency Act, being Title 1 of Article 18-A of the General Municipal Law, Chapter 24 of the Consolidated Laws of the State of New York, as amended (the "**Enabling Act**"), authorizes the creation of industrial development agencies for the benefit of the several counties, cities, villages and towns in the State of New York (the "**State**") and empowers such agencies, among other things, to acquire, construct, reconstruct, lease, improve, maintain, equip and furnish real and personal property, whether or not now in existence or under construction, which shall be, among others, commercial or industrial facilities, recreation facilities and educational or cultural facilities, in order to advance the job opportunities, health, general prosperity and economic welfare of the people of the State and to improve their recreational opportunities, prosperity and standard of living.

The Enabling Act further authorizes each such agency to lease and to sell its facilities, to charge and collect rent therefor, to issue its bonds for the purpose of carrying out any of its corporate purposes and, as security for the payment of the principal and redemption price of, and interest on, such bonds, to pledge the revenues and receipts from its facilities to the payment of such bonds.

Pursuant to and in accordance with the provisions of the Enabling Act, Chapter 1082 of the 1974 Laws of the State, as amended, created Landlord, for the benefit of The City of New York, a municipal corporation (the "**City**"), and the inhabitants thereof.

The City is the fee owner of the Land upon which the Stadium will be constructed.

The City has agreed to lease the Land (subject to the reservation contained therein) to Landlord for the purposes of the Project (as defined therein) for a term of ninety-nine (99) years pursuant to the terms of a certain Ground Lease Agreement between the City, as landlord, and the Agency, as tenant, dated as of August 1, 2006 (the "**Ground Lease**"), which is intended to be recorded in the Office of the City Register, Bronx County prior to the recordation of this Memorandum of Stadium Lease Agreement.

Landlord will be the owner of the Stadium.

In accordance with the Lease, Landlord will sublease the Land and lease the Stadium to Tenant and Tenant, as agent of the Agency, will construct, operate and maintain the Stadium.

6. **Term of Lease, with Date of Commencement and Date of Termination:** The initial term of the Lease is approximately forty (40) years, commencing on August 22, 2006 and expiring and terminating on the sooner occur of (i) the later of (A) the fortieth anniversary of the Commencement Date, and (B) if such fortieth anniversary occurs during the Baseball Season, the ninetieth day following the end of the Baseball Season during which the fortieth anniversary of the Commencement Date occurs, or (ii) such earlier date upon which the Lease may be terminated as provided therein (such term, the "**Initial Term**") (subject to the rights of extension of the initial term contained in Section 2.01 thereof and the rights of earlier termination expressly contained in the Lease).

7. **Right of Extension or Renewal:** Tenant has the option to extend the Lease for up to five (5) consecutive extended terms after the expiration of the Initial Term, subject to the terms and conditions contained in Section 2.02 thereof, each having a term of ten (10) years, and one (1) immediately succeeding extended term of nine (9) years, but in no event shall the term of the Lease, as so extended, extend beyond the day prior to the scheduled expiration date of the Ground Lease.

8. **New Lease.** If the Lease terminates, Landlord has agreed to enter into a "new lease," on the same terms as the Lease, with a Recognized Mortgagee or the Partnership (as each term is defined in the Lease) under the conditions specified in Sections 17.06 and 19.04 of the Lease.

9. **No Effect on Lease.** This Memorandum is prepared, signed, and acknowledged solely for recording purposes under New York law and does not modify or in any way affect the rights, duties, and obligations of the parties under the Lease. Landlord and Tenant each has rights, duties, and obligations under the Lease but not stated in this Memorandum. If the Lease and this Memorandum conflict, the Lease shall govern.

10. **Successors and Assigns.** The Lease and this Memorandum shall bind and benefit the parties and their permitted successors and assigns.

11. **Further Assurances.** Each party shall execute, acknowledge (where necessary), and deliver such further documents, and perform such further acts, as may be reasonably necessary to achieve the intent of the parties as expressed in the Lease and this Memorandum.

12. **Counterparts.** This Memorandum may be executed in counterparts.

[NO FURTHER TEXT ON THIS PAGE; SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties hereto have caused this Memorandum to be duly executed as of August 1, 2006.

LANDLORD:

**NEW YORK CITY INDUSTRIAL
DEVELOPMENT AGENCY,**
a New York public benefit corporation

By: _____

Name: Kei Hayashi

Title: Deputy Executive Director

TENANT:

YANKEE STADIUM LLC,
a Delaware limited liability company

By:  _____

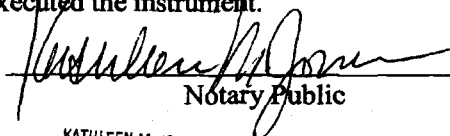
Name: Lonan A. Trost

Title: Vice President and Secretary

LANDLORD ACKNOWLEDGEMENT

STATE OF NEW YORK)
 SS:
COUNTY OF NEW YORK)

On August 17, 2006, before me, the undersigned, a Notary Public in and for said State, personally appeared KEI HAYASHI, personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person on behalf of which the individual(s) acted, executed the instrument.



Notary Public

KATHLEEN M. JONES
Notary Public, State of New York
No. 01104854252
Qualified in Monroe County
Certificate Filed in Monroe County
Commission Expires March 3, 2010

TENANT ACKNOWLEDGEMENT

STATE OF NEW YORK)
 SS:
COUNTY OF NEW YORK)

On August 21, 2006, before me, the undersigned, a Notary Public in and for said State, personally appeared **LONN A. TROST**, personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person on behalf of which the individual(s) acted, executed the instrument.



Notary Public

JOSEPH MIGNONE
Notary Public, State of New York
No. 0114606678
Qualified in Richmond County
Certificate Filed in New York County
Commission Expires Nov. 10, 2017

Schedule A

Legal Description of the Land

ALL those certain lots, pieces or parcels of land, situate, lying and being in the Borough and County of the Bronx, City and State of New York, known and designated as Tax Lot 9 in Block 2493, Tax Lot 1 in Block 2492, and demapped portions of East 162nd Street, Macombs Lane and Jerome Avenue:

BEGINNING at a point on the westerly side of River Avenue (75 feet wide), said point being 115.37 Feet distant from the corner formed by the intersection of the southerly side of East 164th Street (60 feet wide), with westerly side of River Avenue (75 feet wide), as said streets are shown on the Borough President of Bronx Final Section Map #8 (Sept 6, 2005);

1. Running thence southerly along the westerly side of River Avenue, South 04 degrees 56 minutes 47 seconds East a distance of 909.38 feet to a point in the bed of East 161st Street (width varies),
2. Running thence westerly and through the bed of East 161st, South 83 degrees 44 minutes 07 seconds West, a distance of 423.62 feet to a point,
3. Running thence westerly and through the bed of East 161st, North 79 degrees 56 minutes 37 seconds West, a distance of 374.51 feet to a point of curvature,
4. Running thence along a curve bearing to the right, having a radius of 30.00 feet and a central angle of 97 degrees 40 minutes 08 seconds, an arc distance of 51.14 feet [Chord bearing and distance North 31 degrees 06 minutes 32 seconds West, 45.17 feet] to a point of reverse curve in the bed of Macombs Lane (80 feet wide);
5. Running thence along a curve bearing to the left, having a radius of 1534.00 feet and a central angle of 11 degrees 29 minutes 10 seconds, an arc distance of 307.52 feet [Chord bearing and distance North 11 degrees 58 minutes 56 seconds East, 307.01 feet] to a point in the bed of Macombs Lane;
6. Running thence northerly through the beds of Macombs Lane and Jerome Avenue, North 07 degrees 07 minutes 38 seconds East a distance of 497.91 feet to a point in the bed of Jerome Avenue (100 feet wide);
7. Running thence easterly along a line through tax Lot 9 in Block 2493, North 84 degrees 57 minutes 23 seconds East a distance of 611.63 feet to the place and point of **BEGINNING**.

Containing 634,335.06 square feet or 14.5623 acres.

Excluding there from the Substation Parcel more particularly described:

SUBSTATION PARCEL

ALL that certain lot, piece or parcel of land, situate, lying and being in the Borough and County of the Bronx, City and State of New York, known and designated part of as Tax Lot 9 in Block 2493:

Commencing at a point on the corner formed by the intersection of the westerly side of River Avenue (75 feet wide) with the southerly side of East 164th Street (60 feet wide), as said streets are shown on the Borough President of Bronx Final Section Map #8, and running the following two (2) courses to the Point of Beginning;

- A. Running along the westerly side of River Avenue, South 04 degrees 56 minutes 47 seconds East, a distance of 145.77 feet to a point;
- B. Running South 84 degrees 47 minutes 54 seconds West, a distance of 37.33 feet to the place and point of **BEGINNING**.
 - 1. Running thence, South 04 degrees 55 minutes 23 seconds East a distance of 73.89 feet to a point;
 - 2. Running thence, South 85 degrees 04 minutes 37 seconds West a distance of 21.43 feet to a point;
 - 3. Running thence, South 04 degrees 56 minutes 46 seconds East a distance of 6.41 feet to a point;
 - 4. Running thence, South 85 degrees 03 minutes 14 seconds West a distance of 41.84 feet to a point;
 - 5. Running thence, North 04 degrees 56 minutes 46 seconds West a distance of 6.42 feet to a point;
 - 6. Running thence, South 85 degrees 04 minutes 37 seconds West a distance of 37.70 feet to a point;
 - 7. Running thence, North 05 degrees 12 minutes 06 seconds West a distance of 73.40 feet to a point;
 - 8. Running thence, North 84 degrees 47 minutes 54 seconds East a distance of 101.33 feet to the place and point of **BEGINNING**;

Containing 7,718.04 square feet or 0.1772 acres.

EXHIBIT K

SALES TAX LETTER



August 22, 2006

TO WHOM IT MAY CONCERN

Re: New York City Industrial Development Agency
(Bronx Ballpark Project)

Expiration Date: June 30, 2009

Eligible Location for Sales and Use Tax Exemption: The location specifically identified in Section 2 below (the "Approved Project Location")

Ladies and Gentlemen:

The New York City Industrial Development Agency (the "Agency"), by this letter of authorization for sales tax exemption (the "Sales Tax Letter") which expires on the Expiration Date stated above, except as provided in Section 7 below, hereby advises you as follows:

1. The Agency constitutes a corporate governmental agency and a public benefit corporation under the laws of the State of New York, and therefore, in the exercise of its governmental functions, including the acquisition of property, is exempt from the imposition of any New York State or New York City sales and use tax. As an exempt governmental entity, no exempt organization identification number has been issued to the Agency nor is one required.
2. Pursuant to the terms of a certain Stadium Lease Agreement between the Agency, as landlord, and Yankee Stadium LLC, a Delaware limited liability company (the "Company"), as tenant, dated as of August 1, 2006 (the "Stadium Lease"), the Company, as the agent of the Agency, intends to undertake a project (the "Project"), consisting of the design, development, acquisition, construction and equipping of an approximately 1,300,000 square foot Major League Baseball stadium, having a capacity in excess of 50,000 seats and approximately 2,000 standees for a total capacity of between 52,000 and 53,000 persons, including related concession areas, ancillary structures and improvements (collectively, the "Stadium"), to be located in the Borough and County of The Bronx and the City and State of New York on a parcel of land comprising the northern portion of Macomb's Dam Park and the southern portion of John Mullaly Park between River and Jerome Avenues and extending from East 161st Street to the mid-block between East 162nd and 164th Streets (hereinafter referred to as the "Approved Project Location").
3. Pursuant to resolutions adopted by the Agency on March 14, 2006 and July 11, 2006, the Agency has authorized and pursuant to the terms hereof and the terms of the Stadium Lease the Agency does hereby authorize the Company, to act as its agent for and on behalf of the Agency in connection with the acquisition by the Company of Eligible Materials as defined in

Exhibit A hereto. The Agency authorizes the Company to use and the Company shall use this letter only for the payment of costs incurred in connection with the Project.

4. Company covenants and agrees that it shall include the following language (through an attached rider, or by reference to the Sales Tax Letter or otherwise) in and as part of each contract, agreement, invoice, bill or purchase order entered into by Company, as agent for the Agency in connection with the Project:

“This [contract, agreement, invoice, bill or purchase order] is being entered into by Yankee Stadium LLC, a Delaware limited liability company (the “Agent”), as agent for and on behalf of the New York City Industrial Development Agency (the “Agency”), in connection with a certain project of the Agency for the Agent, consisting of the design, development, acquisition, construction and equipping of an approximately 1,300,000 square foot Major League Baseball stadium (the “Stadium”), having a capacity in excess of 50,000 seats and approximately 2,000 standees for a total capacity of between 52,000 and 53,000 persons, including related concession areas, ancillary structures and improvements, to be located in the Borough and County of The Bronx and the City and State of New York on a parcel of land comprising the northern portion of Macomb’s Dam Park and the southern portion of John Mullaly Park between River and Jerome Avenues and extending from East 161st Street to the mid-block between East 162nd and 164th Streets. The Stadium and construction thereof and the costs related thereto are herein referenced to as the “Project.” The Eligible Materials to be used for the Project which is the subject of this [contract, agreement, invoice, bill or purchase order] shall be exempt from the sales and use tax levied by the State of New York and The City of New York if effected in accordance with the terms and conditions set forth in the attached Letter of Authorization for Sales Tax Exemption of Agency, and the Agent hereby represents that this [contract, agreement, invoice, bill or purchase order] is in compliance with the terms of the Letter of Authorization for Sales Tax Exemption. The liability of the Agency hereunder is limited as set forth in the Letter of Authorization for Sales Tax Exemption. By execution or acceptance of this [contract, agreement, invoice, bill or purchase order], the [vendor or contractor] hereby acknowledges the terms and conditions set forth in this paragraph.”

5. The acquisition by Company, acting as Agent of the Agency, from time to time of Eligible Materials constituting a part of the Project shall be exempt from the sales and use tax levied by the State of New York and The City of New York on the condition that the use of such exemption is in accordance with the terms and conditions of this Sales Tax Letter, including the exhibits hereto.

6. The Agency shall not be liable, either directly or indirectly or contingently, in any manner or to any extent whatsoever, and the Company shall be the sole party liable, under any lease, sublease, license, sublicense, contract, agreement, invoice, bill or purchase order entered into by the Company, as agent for the Agency hereunder.

7. Accordingly, until the earlier of (i) the Expiration Date referred to above, (ii) the expiration of the Initial Term of the Stadium Lease and (iii) the termination by the Agency of this Sales Tax Letter, all vendors, lessors, contractors and subcontractors are hereby authorized

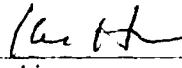
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to rely on this letter (or on a photocopy or fax of this letter) as evidence that purchases and leases of, and improvement, installation and maintenance contracts relating to, the Project property, to the extent effected by the Company (or by a contractor or subcontractor engaged by the Company) as agent for the Agency, are exempt from all New York State and New York City sales and use taxes.

Notwithstanding any contrary provisions in the Stadium Lease, ten (10) days prior to the Expiration Date of this letter, the Company shall surrender this letter to the Agency for annual renewal. The Company may continue to use a facsimile copy of this Sales Tax Letter until its stated Expiration Date. If required pursuant to the Stadium Lease, the Agency shall renew such Sales Tax Letter, within ten (10) days' receipt of this letter, and shall provide an annual renewal of the letter to the Company as provided in the Stadium Lease with a new stated Expiration Date, which shall not be later than the following June 30th or such earlier date on which the Stadium Lease terminates.

The signature of a representative of the Company where indicated below will indicate that the Company has accepted the terms hereof.

**NEW YORK CITY INDUSTRIAL
DEVELOPMENT AGENCY**

By: 
Kei Hayashi
Deputy Executive Director

ACCEPTED AND AGREED TO BY:

YANKEE STADIUM LLC

By: _____
Name: Lonn A. Trost
Title: Vice President and Secretary

The signature of a representative of the Company where indicated below will indicate that the Company has accepted the terms hereof.

**NEW YORK CITY INDUSTRIAL
DEVELOPMENT AGENCY**

By: _____
Kei Hayashi
Deputy Executive Director

ACCEPTED AND AGREED TO BY:

YANKEE STADIUM LLC

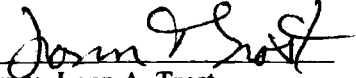
By: 
Name: Lon A. Trost
Title: Vice President and Secretary

EXHIBIT A

The sales and use tax exemption to be provided pursuant to the Sales Tax Letter shall be made available to Company in connection with the acquisition by the Company of Eligible Materials.

"Eligible Materials" shall mean all construction materials, machinery, equipment and other tangible personal property, in each case incorporated into and becoming a part of the Project in connection with the initial construction of the Stadium, and all capital improvements constructed and all tangible personal property installed or affixed to the Stadium at the Approved Project Location at any time during the Initial Term, and all machinery, equipment and tools purchased or leased for the maintenance and repair of the Stadium at the Approved Project Location at any time during the Term and located and used exclusively at the Stadium at the Approved Project Location (but excluding supplies, inventory and other consumable materials), in each case acquired through purchase or lease by Company as agent of Agency, pursuant to this Sales Tax Letter in connection with the Project or capital improvement or machinery or equipment fixture installation or maintenance or repair, all as generally described in and limited as to scope as set forth below.

The Sales Tax Letter:

- (a) shall not be available for payment of any costs other than for Eligible Materials for incorporation into or use at the Stadium;
- (b) shall only be utilized for Eligible Materials which shall be purchased, completed or installed for use only by Company or the Team at the Stadium (and not with any intention to sell, transfer or otherwise dispose of any such Eligible Materials to another Person), it being the intention of Agency and Company that the sales and use tax exemption shall not be made available with respect to any item of Eligible Materials unless such item is used by the Company at the Stadium;
- (c) shall not be available for any item of (i) rolling stock or watercraft, (ii) tangible personal property having a useful life of less than one year, or (iii) computer software unless the computer software is of a type that is capable of being capitalized in accordance with generally accepted accounting principles as a capital expenditure for use only at the Stadium by Company or the Team or a Subtenant;
- (d) shall not be available for any date subsequent to which the Sales Tax Letter shall have been suspended by the Agency in accordance with Stadium Lease except with respect to such items as may be purchased by the Company for the purpose of curing such default (provided, however, that in the event the Company shall thereafter cure any defaults under the Stadium Lease, or the Agency shall thereafter waive such suspension, as applicable, the sales and use tax exemption shall again continue from the date of such cure or waiver);
- (e) shall not be available for any tangible movable personal property (including computer software), or trade fixture, for use by any person other than the Company or the Team or a Subtenant at the Stadium;
- (f) shall not be available for any cost of utilities, cleaning service or supplies;

- (g) shall not be available for any item the acquisition or leasing of which would otherwise be exempt from sales and use taxes absent involvement by Agency; and**
- (h) shall not be available subsequent to the termination of the Stadium Lease; and**
- (i) shall be available only if purchased by the Company as agent for the Agency for use by the Company or the Team or a Subtenant at the Stadium.**

SCHEDULE A

TITLE MATTERS

1. Easements, reservations and rights of reentry as are set forth in the Ground Lease.
2. The right of The City of New York, the Metropolitan Transportation Authority, the New York City Transit Authority and their affiliates, agencies and instrumentalities with respect to the subway rail tunnel and appurtenances beneath a portion of the Premises, and the right to operate, maintain, repair, renew and replace any and all of same, all of which rights are hereby reserved.
3. Any state of facts which an accurate survey of the Premises would show and that exist on the Commencement Date.
4. All utility easements that exist on the Commencement Date.
5. Easement affecting southerly portion of Lot 1 of Block 2492, as shown on the Tax Map for the County of the Bronx.