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	LEASE AGREEMENT
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	STATE OF DELAWARE,
	Landlord
	-AND-
	JUSTICE CENTER PARKING, LLC,
	Tenant
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PREMISES:	Approximately 1.65 acres King Street near 5 th Street Wilmington, Delaware

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LEASE AGREEMENT

This Lease Agreement ("Lease") is entered into as of the 21 day of January, 2000, by and between the State of Delaware ("Landlord") and Justice Center Parking, LLC, a Delaware limited liability company ("Tenant"). Landlord and Tenant, each intending to be legally bound, hereby mutually covenant and agree as follows:

ARTICLE I - DEMISE, PREMISES, TERM

- 1.01. <u>Demise and Premises</u>. Landlord hereby demises and lets unto Tenant, and Tenant hereby leases and takes from Landlord, for the Term (defined below) and upon the covenants, terms and conditions hereinafter set forth, (a) all that certain tract or parcel of land containing approximately 1.65 acres, situate near King and 5th Streets in the City of Wilmington, New Castle County, Delaware, more particularly described in Exhibit "A" attached hereto and made a part hereof ("Land"), (b) all the appurtenances, rights, privileges and easements unto the Land belonging or in anywise appertaining and (c) all right, title and interest of Landlord in and to any and all roads, streets, alleys and public and private rights-of-way bounding the Land (the Land and rights described in (a), (b) and (c) are sometimes herein collectively called the "Premises").
- 1.02. <u>Bncumbrances</u>. This Lease and Tenant's leasehold estate hereunder are subordinate, under and subject to the matters set forth in Exhibit "B" attached hereto and made a part hereof, and all applicable laws, ordinances and regulations; provided, however, that Landlord represents and warrants to Tenant that none of the matters set forth in Exhibit "B" imposes any financial obligations on Tenant or prohibits or materially interferes with Tenant's intended use of the Premises.
- 1.03. Term. The initial term of this Lease ("Term") shall commence at 12:01 A.M. on the date ("Commencement Date") on which Tenant receives a building permit issued by the City of Wilmington permitting Tenant to commence construction of a parking garage on the Premises (as described in Section 4.02 below) and shall end upon the expiration of the last day ("Expiration Date") of the seventy-fifth (75th) Lease Year following the Commencement Date, unless sooner terminated as herein provided. As used herein, "Lease Year" means each consecutive twelve calendar month period beginning with the Commencement Date, except that if the Commencement Date is not the first day of a calendar month, then the first Lease Year shall also include the days during the Term occurring before the first day of the first calendar month following the Commencement Date. Landlord and Tenant agree, once the Commencement Date is ascertained, to execute a Term Commencement Agreement substantially in the form of Exhibit "C" attached hereto.

ARTICLE II - RENT

2.01. <u>Basic Rent</u>. Tenant shall pay to Landlord beginning on the Commencement Date and on each anniversary thereof throughout the Term, annual basic rent ("Basic Rent") of One Dollar (\$1.00) per Lease Year. Tenant may at any time elect to pay the balance of the Basic Rent in a single payment.

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- 2.02. Percentage Rent. Tenant shall pay to Landlord, on a quarterly basis commencing with the quarter during which the Courthouse (defined below) first becomes occupied and open for business, an amount ("Percentage Rent") equal to fifteen percent (15%%) of (i) the Net Operating Income (defined below) received by Landlord in connection with the operation of the Garage (defined below) less (ii) the amount of any negative Net Operating Income from previous quarters to the extent any of the same has not previously been used to offset Net Operating Income for any quarter. Percentage Rent shall be determined by Tenant and shall be paid to Landlord not later than forty-five (45) days following the close of each calendar quarter (or part thereof) occurring during the Term, accompanied by a statement setting forth the Net Operating Income for the period upon which the Percentage Rent is based. As used herein, Net Operating Income means, with respect to each calendar quarter or other period being reviewed, (i) all monthly, transient, validation and stamp parking revenues and other revenues derived from the Garage actually received by Tenant, plus (ii) any Net Refinancing Proceeds (as hereinafter defined) resulting from any refinancing of any Mortgage, less all Operating Expenses (as set forth in Schedule 2.02 hereof). As used herein, Net Refinancing Proceeds shall mean the proceeds resulting from any new Mortgage on the Property less (a) the outstanding amounts owing on any existing Mortgage that is being paid off, (b) the costs of such borrowing (including commitment, legal and other fees and costs, and (c) any dedicated uses for such financing proceeds such as construction or capital needs or working capital. Upon reasonable prior notice, Tenant shall make available to Landlord, at Tenant's place of business during normal business hours, Tenant's books and records relating to Net Operating Income for the Garage.
- 2.03. Additional Rent. From and after the Commencement Date, and throughout the Term of this Lease, Tenant shall pay as additional rent ("Additional Rent" and, together with the Basic Rent and Percentage Rent, sometimes herein collectively called "Rent") all additional (i.e., in addition to the Basic Rent and Percentage Rent) sums, costs, expenses and other payments which Tenant in any of the provisions of this Lease assumes or agrees to pay or discharge, and, in the event of any non-payment thereof, Landlord shall have all the rights and remedies provided for herein or by law in the case of non-payment of rent.
- 2.04. Net Rent. It is intended that the provisions of this Lease shall require Tenant to pay all costs and expenses attributable to the Premises during the Term as if Tenant owned the Premises during the Term, including, without limitation, all real estate taxes, special and general assessments, insurance premiums, and maintenance and repair costs and expenses, but not including any of Landlord's debt service or loan payments relating to the Premises. It is intended that (a) Landlord shall incur no cost or expense with respect to the Premises during the Term, except as otherwise expressly provided herein, and (b) the Basic Rent and Percentage Rent shall be an absolute net return to Landlord throughout the Term of this Lease.
- 2.05. Interest on Rent. Any Rent not paid when due shall bear interest at the annual rate ("Default Rate") of two percent (2%) in excess of Wilmington Trust Company's National Commercial Rate in effect on the date payment was due (or the "prime rate" of any successor); provided however, in no event shall interest exceed the maximum rate permitted by law.

2.06. Method of Payment. All Rent shall be paid at Landlord's office (which shall be deemed to be located at Landlord's notice address set forth in Section 22.01 below), or to such other person and/or at such other place as shall be designated in writing by Landlord to Tenant.

ARTICLE III - DUE DILIGENCE REVIEW; TENANT'S ACCEPTANCE OF PREMISES

- 3.01. <u>Due Diligence Review</u>. Tenant and its agents shall have the right, at Tenant's risk and expense, for a period of one hundred and twenty (120) days ("Due Diligence Period") after the date of this Lease, to inspect the Premises, perform surveys, make engineering studies, environmental studies, zoning evaluations, utility studies and perform whatever other tests, evaluations and analyses that Tenant elects, and to review title to the Premises and arrange financing for the development of the Premises, in order to confirm that the Premises are suitable for Tenant's intended use, subject to the conditions that, and Tenant hereby agrees: (i) such inspections shall be done in a good and workmanlike manner, (ii) Tenant shall promptly restore to their prior condition those portions of the Premises disturbed or damaged by its activities and (iii) Tenant shall indemnify, defend and hold Landlord harmless from and against all costs, expenses, liabilities, actions and proceedings incurred by or asserted against Landlord arising from or relating to the exercise by Tenant of its rights under this section. If Tenant is not satisfied with the results of such inspections or reviews for any reason, including, without limitation, if Tenant believes that title to the Land or Premises is not good and marketable and insurable at regular rates or if Tenant determines that financing for the development of the Premises is not likely to be available upon terms and conditions acceptable to Tenant, Tenant may terminate this Lease by written notice to Landlord delivered not later than the last day of the Due Diligence Period, in which case neither party shall have any further obligations or liabilities hereunder.
- 3.02. <u>As-Is Condition</u>. Subject to Tenant's right to inspect the Premises, it is understood and agreed that Tenant has agreed to lease the Premises in its "as-is" condition. It is expressly agreed that Landlord has not made and makes no representation or warranties regarding the condition of the Premises. Tenant acknowledges that it has right to inspect the Premises and that its decision to lease the Premises will not be based upon any statements made by Landlord.

3.03. Construction and Operation of Courthouse.

- (A) Landlord covenants to construct and operate on Landlord's property located adjacent to the Premises ("Landlord's Property") a new courthouse building containing approximately 500,000 square ("Courthouse"). The development of Landlord's Property and Landlord's construction and operation of the Courthouse are material inducements for Tenant entering into this Lease.
- development of Landlord's Property and the construction of the Courthouse, including the expected date on which the Courthouse will be occupied and open for business. Landlord shall also provide Tenant with copies of all plans, specifications and other drawings and materials relating to the development of Landlord's Property and the construction of the Courthouse as Tenant may reasonably request in order to assist Tenant with the development of the Premises, including, without limitation, the construction of the Garage.

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ARTICLE IV - USE

4.01. <u>Use</u>. Subject to Section 4.02 below, the Premises may be used for any lawful purpose.

4.02 Parking Garage.

Premises a public parking garage ("Garage") containing approximately 900 parking spaces and an adjacent 100 car surface lot. The Garage shall be constructed in accordance with the requirements of Article VI below and shall be ready for operation approximately sixty (60) days prior to the Courthouse being occupied and open for business, but no sooner than July 1, 2002. Landlord acknowledges that the Garage may be operated by Tenant, by an affiliate of Tenant or by a third party under agreement with Tenant. Tenant shall have full control over all decisions regarding the operation of the Garage, including, without limitation, hours of operation and the amount and collection of parking fees and charges; provided however, that the Garage shall open at least one hour prior to normal courthouse hours and not close until at least one hour after normal courthouse hours. Landlord covenants to grant to Tenant an exclusive easement providing ingress and egress to the Garage from King Street, the location of which shall be mutually determined by Landlord and Tenant during the preparation of the development plans for the Garage.

Lease, Tenant agrees to make available, or to have the operator of the Garage make available, for use by jurors serving at the Courthouse, without payment of any parking charges, one hundred sixty-seven (167) parking spaces in the Garage each day that the Courthouse is open for business. The parking spaces need not constitute reserved spaces or otherwise be designated in any manner or in any particular location. Attached hereto as Exhibit "E" is the ticket validation procedure pursuant to which juror parking tickets are to be validated at the Courthouse; it being understood that Tenant (or the Garage operator, as the case may be) shall not be obligated to waive payment of any parking charge without presentation of a properly validated parking ticket, unless other arrangements are made between Landlord and Tenant. Tenant shall not be obligated to provide, and Landlord shall not be entitled to receive, any such juror parking spaces until such time as the Courthouse is full-completed, occupied and open for business. Landlord shall pay to Tenant the then daily retail transient rate for any juror parking space utilized in excess of 167 in any one day.

4.03. Development of Premises; Landlord Participation.

(A) (i) Until such time (if ever) as improvements are located thereon pursuant to subparagraph (A)(ii) and (B) below, Tenant shall have the right to use those portions of the Land not devoted to the Garage (the "Phase II Land") for surface parking.

- (ii) Subject to the provisions of subparagraph (B) below, at any time during the Term hereof, Tenant, or its designees or assigns, shall have the right to construct, at Tenant's sole cost and expense, on the Phase II Land a multi-level parking garage (with, if so included by Tenant, integrated commercial and retail facilities) (the "Phase II Garage"). At the option of Tenant, the Phase II Garage may either be integrated with the Garage or developed separately with, in either case, such cross-easements and operating agreements as Tenant deems appropriate.
- (B) (i) In the event Tenant shall elect to build the Phase II Garage, it shall provide written notice of such intention to Landlord (the "Notice"). The Notice shall also set forth any plans (which need not be detailed construction plans the "Plans") Tenant (or its assignee or designee) has to develop the air rights above the Phase II Garage (the "Air Rights Development") and an estimate of the additional costs to the Phase II Garage (for structural supports, risers, utilities, etc.) necessary to support the Air Rights Development (the "Additional Support Costs").
- (ii) (a) Upon receipt of the Notice, Landlord shall have ninety (90) days to notify Tenant in writing of its intention to participate in the Air Rights Development, or a modification thereof in accordance with subparagraph (ii)(b) below). The failure to timely provide such a response shall constitute a consent by Landlord of the Air Rights Development, in substantial accordance with the Plans.
- (b) If within the aforesaid ninety (90) day period, Landlord notifies Tenant, in writing, of its intention to participate in the Air Rights Development in accordance with the Plans or in some modified version thereof, as may be proposed by Landlord, Landlord and Tenant shall enter into good faith negotiations concerning their respective obligations to, and benefits to be derived from such development. If the parties are unable to come to an agreement within ninety (90) days thereafter, Landlord shall have the right within thirty (30) days thereafter to request proposals from other parties concerning the Air Rights Development (as amended by any alterations thereto proposed by the Landlord); provided (aa) any such proposal shall include reimbursing Tenant for the Additional Support Costs, (which costs shall be modified to take into account any alterations to the Plans proposed by Landlord); (bb) Tenant shall be provided the opportunity to respond to the proposal; and, (cc) Landlord shall choose a qualified developer within sixty (60) days of requesting such Third Party Proposal. In the event Landlord fails to meet any of the time periods set forth in the Section 4.03(B), time being of the essence hereof, Tenant (or its assignor) shall have the right to construct and operate the Air Rights Development during the Term.
- (C) The Phase II Garage and the Air Rights Development may occur from time to time in phases during the Term of this Lease and may include, among other things, subdividing the Premises into two or more parcels, establishing a condominium regime upon the Premises and assigning portions of this Lease. Subject to the provisions of subparagraph (B) above, Landlord agrees to cooperate with Tenant in connection with the foregoing activities, including obtaining permits and approvals for such development activities, and to execute, acknowledge and deliver all agreements and instruments as may be reasonably requested by Tenant in connection therewith, including, without limitation, zoning and land use applications and record plans. Landlord hereby unconditionally and irrevocably appoints Tenant as Landlord's attorney-in-fact, coupled with an interest and with full powers of substitution, for the purpose of executing, sealing,

acknowledging, delivering and recording any such applications, agreements, instruments, plans and other documents necessary or desirable to accomplish or evidence the foregoing. Landlord shall also grant to Tenant such easement and other rights as may be required by the City of Wilmington and by governmental or quasi-governmental agencies in connection with development plan approvals and the development of the Premises or as may otherwise be reasonably requested by Tenant, so long as such easements and rights do not materially adversely affect the construction and operation of the Courthouse. Landlord shall also assist Tenant in obtaining all curb cuts required for access to and from the Garage and other improvements located on the Premises.

(D) If prior to receiving the Notice, Landlord desires to have the Phase II Land developed, Landlord shall furnish Tenant with its proposed plans for such development and the parties shall enter into good faith negotiations for a ninety (90) day period thereafter as to (i) the feasibility of such proposal, and (ii) the obligation of each of the parties to said development, including fiscal, construction, and management.

ARTICLE V - TAXES; UTILITIES

- 5.01. Taxes Payable by Tenant. Tenant shall pay (except as hereinafter provided in Section 5.05) all taxes, general and special assessments, excises, levies, license and permit fees and other governmental charges, general or special, ordinary or extraordinary, unforeseen or foreseen, of any kind and nature whatsoever (including, without limitation, all penalties and interest thereon) which at any time during the Term may be assessed, levied, imposed upon, or grow or become due and payable out of or in respect of, the Premises or any part thereof, or the use or occupancy thereof, or which at any time during the Term hereof may become a lien on the Premises or any part thereof (all of the foregoing are sometimes herein collectively called "Taxes").
- 5.02. <u>Installment Payments</u>. If, by law, any Tax, at the option of the taxpayer, may be paid in installments, Tenant may exercise the option to pay the same in installments and, in such event, Tenant shall pay only such installments and all interest which shall accrue on the unpaid balance of such Tax as it becomes due during the Term of this Lease.
- 5.03. <u>Proration</u>. Any Tax assessed on the basis of a fiscal or tax period of the relevant taxing authority, a part of which period is included within the Term and a part of which falls before the Term or after the Term, shall be prorated between Landlord and Tenant so that Tenant shall pay such portion of said Tax as applies to Term and Landlord shall pay the remainder thereof.
- expense, the amount or validity, in whole or in part, of any Tax, by appropriate proceedings diligently conducted by Tenant in good faith, but only after payment of such Tax, unless such payment would operate as a bar to such contest or interfere materially with the prosecution thereof, in either of which latter events Tenant may postpone or defer payment of such Tax if the right or privilege so to do is granted or sanctioned by applicable law and if the Premises shall not, by reason of such postponement or deferment, be subject or liable to lien, forfeiture or loss. Upon the termination of such proceedings, Tenant shall pay such amount of any such Tax or part thereof as is finally determined in such proceedings, the payment of which, pursuant to the foregoing provisions of this Section, shall have been deferred during the prosecution of such proceedings,

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together with all costs, fees, interest, penalties and other liabilities in connection therewith. If the Term of this Lease shall be terminated or expire during the course of such proceedings, and if Tenant, pursuant to the foregoing provisions, shall have deferred payment of the contested Tax, then, unless Landlord shall instruct Tenant otherwise, Tenant shall, prior to such termination or expiration, duly terminate such proceedings and pay to the appropriate taxing authorities the full amount of such Tax and all interest and penalties attributable to such deferred payment. Upon request by Tenant, Landlord shall execute and deliver any and all such documents or instruments and take any and all such other action as shall be necessary or proper to permit Tenant to bring such proceedings in Tenant's name or otherwise to facilitate the conduct of such proceedings by Tenant. Any refunds of Taxes paid by Tenant resulting from such contest by Tenant and attributable to any period occurring during the Term shall be payable to Tenant.

- 5.05. Taxes Not Payable by Tenant. Nothing herein contained shall be construed to require Tenant to pay (a) any income, gross receipts or similar tax assessed on or in respect of the general income of Landlord, (b) any capital levy, estate, succession, inheritance or similar tax assessed or payable by reason of any inheritance, devise or transfer of any estate or property of Landlord, or (c) any corporation or other franchise, license, mercantile or similar tax assessed against or payable by Landlord; except that, if, subsequent to the date of this Lease, any tax shall be levied, assessed or imposed upon or be required to be paid by Landlord as a substitute for one or more of the taxes otherwise required hereby to be paid by Tenant, the same shall be deemed to be a Tax payable by Tenant hereunder.
- 5.06. Evidence of Payment. Upon Landlord's request, Tenant shall make available to Landlord for inspection the official receipt of the appropriate taxing authority, or, in lieu thereof, other proof satisfactory to Landlord evidencing payment of such Tax.
- 5.07. Forwarding of Bills. Landlord shall, promptly upon receipt of a bill for any Tax, or notice of assessment, or notice of increase, or other change therein, forward the same to Tenant. Tenant may make arrangements with the taxing authorities for the transmission of bills and notices simultaneously to Landlord and Tenant.
- 5.08. Apportionment of Taxes. In the event during the Term hereof the Premises are not separately assessed but are assessed as part of larger property, then Landlord and Tenant shall apportion any and all Taxes resulting from such assessment. Tenant's proportionate share of any such Tax shall be determined by multiplying the amount of such Tax by a fraction, the numerator of which shall be the acreage content of the Land and the denominator of which shall be the acreage content of all the land covered by the Tax. Prior to the calculation of Tenant's proportionate share, the amount of such Tax shall be reduced by (i) the portion thereof which is attributable to any building or improvement erected on such larger tract outside the Land, for which portion Landlord shall be solely responsible, and (ii) the portion Tenant shall be solely responsible. Landlord shall pay the entire amount of such Tax, and Tenant shall pay to Landlord Tenant's share thereof within 30 days after Landlord shall deliver to Tenant a statement therefor.
- 5.09. <u>Tax Exemption</u>. Landlord and Tenant acknowledge that the economics of this Lease are dependent upon the Garage being exempt from City and County Real Estate taxation and

assessment pursuant to, and as contemplated by, 9 <u>Del.C.</u> § 8109. Landlord and Tenant shall cooperate with each other and shall execute, deliver and file such documents as may be reasonably requested in order to obtain and continue such tax exemption.

5.10. <u>Utility Charges</u>. Tenant shall pay all water and sewer rentals and charges and all charges for gas, electricity, telephone and communication services and other utility services used, rendered or consumed upon the Premises during the Term hereof.

ARTICLE VI - IMPROVEMENTS

- 6.01. Construction of Improvements. From and after the Commencement Date, Tenant shall have the right from time to time to reconstruct the Garage and to construct and/or reconstruct one or more buildings and/or other structures and improvements (which may include, for example, signage, walkways, parking areas, driveways, landscaped areas and communications facilities) upon the Premises, and to alter, renovate, add, remodel, modify, change and/or demolish the same as Tenant may deem desirable, provided that Tenant shall not (a) change the grade of the Land, or (b) construct the Garage or any other permanent buildings ("Buildings"), unless and until, in each instance, Tenant shall have submitted to Landlord plans, specifications and other materials as Landlord may reasonably request, and Landlord shall have approved the same, such approval not to be unreasonably withheld, delayed or condition and such approval to be limited to approving the architectural style and design, including building materials and color schemes, of the exterior of the Garage and the Buildings to insure that they are reasonably consistent with the architectural style and design of the Courthouse. Landlord shall be deemed to have approved such plans, specifications and other materials if Tenant has not received written notice of Landlord's disapproval by the thirtieth (30th) day after Landlord's receipt thereof. Trailers, storage sheds or other moveable structures shall not be deemed Buildings.
- 6.02. Manner of Construction. The Garage and Buildings shall be constructed by Tenant, without expense to Landlord, in a good, first class and workmanlike manner, employing good quality materials and in material compliance with the Landlord-approved plans and specifications therefor and all applicable permits, laws, ordinances and regulations and orders, rules and regulations of the Board of Fire Insurance Underwriters or any other body exercising similar functions, and in compliance with the terms and conditions of this Lease.
- 6.03 <u>Development Easements</u>. Landlord hereby grants to Tenant easements on, over, under, upon and through Landlord's Property as may be reasonable necessary for (i) construction activities relating to the development of the Premises, including the construction of the Garage and Buildings, and (ii) water, sewer, gas, electricity, communications and other utility services serving the Garage and the Buildings. Landlord agrees, from time to time, to execute one or more easement agreements with the respect to the foregoing, in form reasonable acceptable to Landlord, Tenant and any utility supplier (as the case may be), which easement agreements may be recorded in the public land records.

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6.04. Title to Improvements.

- (A) Title to the Garage, Buildings and other improvements constructed or installed by Tenant shall remain in Tenant during the Term of this Lease.
- (B) Upon any termination of this Lease, the Garage, Buildings and all other improvements shall be deemed abandoned by Tenant and title thereto shall automatically, without further action by either party, pass to, vest in and belong to Landlord, and Landlord shall be deemed to have accepted the same as Landlord's property in their as-is condition, without liability of any kind of Tenant, except for liability resulting from Tenant's negligent, willful, or wanton acts of commission or omission, and except for any liability resulting from Tenant's failure to comply with applicable laws in accordance with Section 11.01 hereof. Any liability of Tenant pursuant to this Section 6.04(a) or elsewhere in this Lease, shall not survive beyond one(1) year from the termination of the Term.

ARTICLE VII - SURRENDER

- 7.01. Delivery of Possession. Tenant shall, on the Expiration Date of the Term, or upon any earlier termination of this Lease, or upon any termination of Tenant's right to possess the Premises pursuant to the provisions of this Lease, well and truly surrender and deliver up the Premises into the possession and use of Landlord without fraud or delay and in the condition in which Tenant has herein agreed to maintain them, broom clean and free and clear of all liens and encumbrances, other than those existing immediately prior to the commencement of the Term, but subject to then existing lease agreements and licenses for parking spaces and tenant spaces located within the Garage and Buildings upon the Premises. At such time, the Garage, Buildings and other improvements shall be deemed abandoned by Tenant and shall be accepted by Landlord, as Landlord's property, in their as-is condition, without liability of any kind to Tenant. If Tenant holds over in the Premises after the expiration of the Term or any earlier termination of this Lease or of Tenant's right to possess the Premises, then, at Landlord's option, and without limitation to any right or remedy of Landlord with respect to such holding over, such holding over shall create a tenancy from month-to-month only, subject to Tenant's obligation to pay rental equal to 150 percent of the Basic Rent and Percentage Rent due during such holdover period. Landlord's acceptance of any such rental during the period of Tenant's holding over shall not waive or otherwise affect any claim, right or remedy which Landlord may have with respect to such holding over.
- 7.02. Removal of Personal Property. Any and all personal property furnished or installed by or at the expense of Tenant which does not constitute part of the Premises shall be removed by Tenant and all damage to the Premises caused by such removal repaired by Tenant, within thirty (30) days following the expiration or earlier termination of the Term or the termination of Tenant's right to possess the Premises.
- 7.03. Retention of Personal Property. Any personal property which shall remain on the Premises more than thirty (30) days after the expiration of the Term or earlier termination of this Lease or Tenant's right to possess the Premises may, at the option of Landlord, be deemed to have been abandoned by Tenant and may be retained by Landlord as Landlord's property or be disposed of, without liability of Landlord, in such manner as Landlord may see fit, or Landlord, at

its option, may require Tenant to remove the same at Tenant's expense. In case of such removal, all costs of removal and of repairing any damage to the Premises arising from such removal shall be paid by Tenant upon Landlord's demand. Tenant shall pay to Landlord on demand all costs and expenses incurred by Landlord in storing and disposing of any such personal property.

ARTICLE VIII - INSURANCE

- 8.01. <u>Liability Insurance</u>. Tenant, at Tenant's sole cost and expense, shall maintain commercial general liability insurance against any claims for bodily injury, death or property damage, occurring on, in or about the Premises, and on, in or about the adjoining streets, property, parking lots and passageways, and against contractual liability for any such claims, such insurance to afford minimum protection in the amount of \$1,000,000 per occurrence and \$2,000,000 in the aggregate. At the request of Landlord, Landlord, and any mortgagee of the Premises designated by Landlord, shall be named as additional insured parties under all such policies. Tenant shall also maintain, at Tenant's sole cost and expense workers compensation insurance meeting statutory requirements and, during all periods of construction at the Premises, appropriate builder's risk insurance. Tenant may also maintain from time to time such other insurance coverages as may be deemed prudent by Tenant may, including, without limitation, garage and garagekeepers liability insurance, and may purchase comprehensive dishonesty, disappearance and destructive bonds.
- 8.02. <u>Property Insurance</u>. Tenant, at Tenant's sole cost and expense, shall maintain property insurance (for fire and extended coverage) on the Garage, Buildings and other improvements in an amount not less than 80% of replacement cost (exclusive of footings and foundations).
- 8.03. General Requirements. Without limitation to the foregoing, the following provisions shall apply to each and every policy of insurance which Tenant is hereby required to carry: (a) the form and the insurer under each policy shall be subject to Landlord's approval, such approval not to be unreasonably withheld, (b) upon Landlord's request, Tenant shall cause each carrier to deliver its certificate of insurance to Landlord, certifying the applicable insurance provisions herein required, (c) each certificate shall state the period for which the policy is applicable and shall require at least ten (10) days written notice by the carrier to Landlord prior to any cancellation, expiration, material amendment or lapse thereof, (d) prior to the expiration of each policy, Tenant shall provide Landlord with certificates of renewal or replacement policies, (e) each policy shall be issued by a carrier duly licensed in the State of Delaware, (f) Tenant shall not permit any condition to exist on the Premises, and shall not commit any act or omission, which would wholly or partially invalidate any insurance, (g) if any insurance shall expire, be withdrawn, lapse or become void by reason of Tenant's breach of any condition thereof or by reason of the failure or impairment of the capital of any carrier thereof, Tenant shall place new insurance on the Premises which conforms to the insurance requirements herein set forth, and (h) in the event of any default by Tenant with respect to its obligations pertaining to insurance, Landlord, at its option but without being obliged to do so, and in addition to any other rights and remedies Landlord may have on account of such default, shall have the right to cure such default (including, without limitation, the right to purchase single interest coverage protecting only the interest of Landlord, the right to make premium payments and the right to cause changes to be made to policies then carried by Tenant),

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whereupon all costs and expenses incurred by Landlord in curing such default together with interest at the Default Rate from the respective dates of expenditures by Landlord, shall be paid by Tenant on demand.

ARTICLE IX - PERFORMANCE OF TENANT'S AGREEMENTS

observe or perform any of its agreements or obligations under this Lease, and such failure shall continue beyond any cure period specified herein, then Landlord shall have the right, but not the obligation, in addition to all its other rights and remedies, to observe or perform all or part (as Landlord may elect) of such agreements or obligations on behalf of Tenant, in which event Landlord shall have the right to enter the Premises for such purposes. All costs and expenses incurred by Landlord in exercising any of its rights under this Article, together with interest thereon at the Default Rate from the respective dates of Landlord's incurring of such costs or expenses until the date of payment, shall constitute Additional Rent and shall be paid by Tenant to Landlord within thirty (30) days following Landlord's demand.

ARTICLE X - REPAIRS AND MAINTENANCE

- 10.01. Repair of Premises. Throughout the Term of this Lease, Tenant, at Tenant's cost, shall take good care of the Premises, keep the same in good order and condition as the same are in on the Commencement Date, and make all necessary repairs thereto required for such order and condition. When used in this Article, the term "repairs" shall include replacements and alterations to the Garage and any Buildings or other improvements located upon the Premises (including, without limitation, roof, walls, foundation, footings, floors, joists, beams, structural members, doors, electrical, plumbing, HVAC and other systems).
- 10.02. No Obligation of Landlord to Make Repairs. Landlord shall not be required to furnish any services or facilities or to make any repairs in or to the Premises. Notwithstanding the foregoing, Landlord shall be responsible, at Landlord's cost, for maintaining and making all repairs to any walkways, footpaths, tunnels, enclosed walkways, skyways, bridges or similar passageways connecting the Garage with the Courthouse.

ARTICLE XI - COMPLIANCE WITH LAWS, ORDINANCES, ETC.

Tenant's sole cost and expense, shall conform to, comply with and take any and all action necessary to avoid or eliminate any violation of all present and future laws, statutes, ordinances, orders, rules, regulations or requirements of any federal, state or municipal government, agency, department, commission, board or officer having jurisdiction over the Premises, the Garage and the Buildings and the use or manner of use thereof by Tenant or by any of the occupants thereof.

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- proceedings diligently conducted in good faith in the name of Tenant or Landlord (or in the names of both of them) the validity or application of any law, ordinance, order, rule, regulation or requirement of the nature referred to in this Article, provided that the delay in conformance to or compliance with the same, attendant upon and pending the prosecution of such proceedings, shall not subject Landlord to any fine, penalty or criminal liability or render the Premises, or any part thereof, liable to lien, forfeiture or loss. Upon request by Tenant, Landlord shall execute and deliver any and all such documents or instruments and shall take any and all such other action as shall be reasonably necessary or proper to permit Tenant to so contest the validity or application of any such law, ordinance, order, rule, regulation or requirement, or to facilitate such contest by Tenant.
 - 11.03. <u>Permits</u>. Throughout the Term of this Lease, Tenant, at Tenant's sole cost and expense, shall procure and maintain all permits, licenses and authorizations required for Tenant's use of the Premises and each part thereof.

ARTICLE XII - MECHANICS' LIENS

filed against the interest of Landlord in the Premises by reason of work, services or materials supplied to Tenant, the Premises or any part thereof. If any such lien shall be filed at any time, Tenant shall promptly, and in any event within thirty (30) days after the filing thereof, cause the same to be discharged of record, provided, that if Tenant shall promptly bond such lien with a responsible surety company, Tenant may contest the amount or validity of any such lien by appropriate proceedings, diligently prosecuted, and such contest shall defer for its duration Tenant's duty hereunder to discharge the same. Upon request by Tenant, Landlord shall execute and deliver any and all such documents or instruments, and shall take any and all such other action as shall be reasonably necessary or proper to permit Tenant to bring such proceedings in Tenant's or Landlord's name (or in the names of both of them), or otherwise to facilitate the conduct of such proceedings by Tenant.

ARTICLE XIII - INSPECTION OF PREMISES BY LANDLORD

Landlord, Tenant shall permit Landlord and the duly authorized representatives of Landlord to enter the Premises, including, without limitation, the interior of the Garage and any Buildings (subject to the rights of tenants and other users and occupants), at reasonable times during usual business hours for the purpose of inspecting the same. Tenant shall have the right to have a representative of Tenant present during all such inspections.

ARTICLE XIV - INDEMNIFICATION

14.01. <u>Indemnification of Landlord</u>. Tenant agrees to defend with counsel reasonably satisfactory to Landlord, indemnify and save harmless Landlord from and against any and all claims,

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damages, losses, costs and expenses, including, without limitation, reasonable counsel fees, suffered or incurred by Landlord with respect to: (a) the conduct, operation or management of, or any work, act or thing whatsoever done in, on or about the Premises, (b) any breach or default on the part of Tenant in the observance or performance of any of its agreements or obligations hereunder, and (c) any accident, injury to or death of any person or damage to any property caused in or on the Premises by reason of the negligence of Tenant or Tenant's employees or agents or by reason of Tenant's default in the performance of any obligation imposed on Tenant by the terms hereof. Landlord shall give prompt written notice to Tenant of any claim asserted against Landlord which, if sustained, may result in liability to Tenant hereunder, but failure on the part of Landlord to give such notice shall not relieve Tenant from Tenant's obligation to defend, indemnify and save harmless Landlord as aforesaid, except to the extent that the failure to give such notice results in actual loss or damage to Tenant. The liability of Tenant hereunder, or elsewhere in this Lease, shall not survive beyond one (1) year from the termination of the Term.

ARTICLE XV - ENVIRONMENTAL MATTERS

- substances" (as defined in the Comprehensive Environmental Response Compensation and Liability Act of 1980, 42 U.S.C. paragraph 9601 et. seq. and the regulations promulgated pursuant thereto, as amended); any other toxic or hazardous or radioactive waste, material or substance as defined in or regulated by any other federal, state or local law, rule, regulation or ordinance, now or hereafter; asbestos or asbestos containing material; or petroleum or petroleum products and any other pollutant or environmental contaminant. "Remediate" or "remediation" means "remediate" or "remediation" as defined in such laws, rules, regulations or ordinances.
- 15.02 <u>Use of Hazardous Substances</u>. During the term of the Lease, Tenant and its subtenants shall not use, deposit, discharge, dispose, release, spill, leak, store, generate or accumulate any Hazardous Substances in, on, over or under the Premises, except that Tenant and its subtenants may use or store Hazardous Substances upon the Premises in such quantities as are reasonable in connection with the conduct of their business operations, provided that such use or storage is conducted in a safe and lawful manner in compliance with all applicable laws, ordinances, rules, regulations and industry practices.
- laws, statutes or regulations pertaining to Hazardous Substances. Tenant shall notify Landlord immediately upon Tenant's learning during the Term of this Lease that: (i) any foregoing duty has been violated; (ii) there has been a release, discharge, spill or leak of any Hazardous Substance on the Premises, or on any property contiguous to the Premises such that contamination of the Premises is likely to occur; or (iii) the Premises are the subject of any third party claim or action, because of any environmental condition on or originating from the Premises. Tenant shall promptly provide Landlord with copies of all correspondence to or from third parties, including, but not limited to, governmental agencies, regarding environmental conditions on or originating from the Premises.
- 15.04. <u>Indemnification by Tenant</u>. If any of the representations, warranties or covenants set forth in Sections 15.02 or 15.03 are incorrect, misleading or breached, as applicable,

or if Hazardous Substances are present by reason of Tenant or its subtenants, all costs incurred by Landlord as a result of such breach shall be borne by Tenant, and Tenant shall defend, indemnify and hold Landlord harmless from and against all liens, claims, charges, liability and damages, including, without limitation, all third-party claims (including sums paid in settlement thereof, with or without legal proceedings) for personal injury or property damages, and all judgments, compensatory and punitive damages, penalties, fines, costs, and expenses, losses, reasonable attorneys' fees (through all levels of proceedings), cost of remediation and removal, consultants' and experts' fees, and all costs incurred in enforcing this indemnity. Without limiting the generality of the foregoing, Tenant is not responsible for remediation of Hazardous Substances or any other damages related to properties contiguous to the Premises, and for which Tenant is not otherwise responsible, solely because of Tenant's failure to notify Landlord pursuant to Section 15.03.

- 15.05. Condition of Land. As a condition precedent to Tenant's obligation to construct the Garage, Landlord shall, on a timely basis, deliver (i) the Land free and clear of all Hazardous Substances and (ii) a Certificate of Completion of Remedy from DNREC for the Land.
- (unless resulting from the actions of Tenant or its subtenants) and removal or other remediation is required by applicable laws, Landlord, promptly and with all reasonable diligence and at no expense to Tenant, shall take all measures reasonably necessary to comply with all applicable laws including, as required, to remove or remediate such Hazardous Substances which removal or remediation shall be of a permanent and nonrecurring nature and in compliance with all environmental laws and regulations, and Landlord shall repair and restore the Premises and all damaged or disturbed improvements thereon at its expense. Anything herein to the contrary notwithstanding, if such Hazardous Substances are discovered, and if the presence of such Hazardous Substances shall materially, adversely affect the conduct of Tenant's business, or present a material health or safety hazard Tenant may terminate this Lease or may suspend Tenant's performance of its obligations and agreements under this Lease until such remediation is complete.
- 15.07 <u>Survival</u>. The obligations of Landlord and Tenant hereunder shall survive the expiration or earlier termination of this Lease and any extensions hereof.

ARTICLE XVI - DEFAULT

- 16.01. Event of Default. Tenant shall not be deemed to be in default hereunder unless an Event of Default, as hereinafter specified, shall have occurred. Subject to Section 16.06 below, each of the following shall constitute an "Event of Default" by Tenant hereunder:
- (A) Failure on the part of Tenant to pay the Rent or any other sum of money called for herein when due and continuance of such failure for twenty (20) days after written notice from Landlord to Tenant;
- (B) Failure on the part of Tenant to comply with or perform any other term, covenant, condition or agreement to be complied with or performed by Tenant and continuance of such failure for sixty (60) days after written notice from Landlord to Tenant, or, if the failure is

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of such a character as cannot reasonably be cured within said sixty (60) days because of causes beyond Tenant's reasonable control, failure to initiate within said sixty (60) day period such action as reasonably can be taken toward curing the same, or failure to prosecute to conclusion such action as promptly as is reasonably possible after said action is initiated;

- (C) If Tenant shall file a voluntary petition in bankruptcy or shall be adjudicated a bankrupt or insolvent, or in any action or proceeding shall file any petition or answer seeking any reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief under any present or future federal or state bankruptcy, reorganization or debt reduction law, or shall seek or consent to or acquiesce in the appointment of any trustee, receiver or liquidator of Tenant or of all or substantially all of Tenant's property or of the Premises; and
- against Tenant seeking any reorganization, arrangement, composition, readjustment, liquidation, debt adjustment, dissolution or similar relief under any present or future federal or state law, such proceeding shall not have been dismissed; or if, within sixty (60) days after the appointment, without consent or acquiescence of Tenant, of any trustee, receiver or liquidator of Tenant or of all or substantially all of Tenant's property or of the Premises, such appointment shall not have been vacated; or if, within sixty (60) days after the expiration of any such stay, such appointment shall not have been vacated.
- 16.02. <u>Landlord's Remedies for Tenant's Default</u>. If any Event of Default shall have occurred, then in addition to all rights and remedies provided by law or equity, or provided for elsewhere in this Lease, Landlord shall have all of the rights and remedies specified in the following paragraphs of this Section.
- (A) At any time following the occurrence of an Event of Default or the expiration or sooner termination of the Term, Landlord immediately shall have the right to bar entry into and possession of the Premises by Tenant and by any and all other persons as Landlord, in its discretion, may elect. In addition to the foregoing, Landlord shall have the right, whether or not Landlord elects to terminate this Lease, to recover possession of the Premises, and to that end, Landlord may enter the Premises and take possession, without the necessity of giving Tenant any notice to quit or any other further notice, and with or without (as Landlord may elect) legal process or proceedings, and in so doing, Landlord may remove all or any part of Tenant's property as well as all or any part of the property of others as may be in the Premises.
- (B) At any time following the occurrence of an Event of Default, Landlord may give Tenant notice of Landlord's intention to terminate this Lease on a date specified in such notice, and upon such date, the Term hereof and the estate hereby granted with respect to the Premises shall terminate, without any right of Tenant to redeem same or to prevent such forfeiture, and Tenant shall surrender possession of the Premises to Landlord. Upon such termination, Landlord shall be entitled to recover from Tenant in addition to all accrued rental and other sums due from Tenant as of such termination date, damages in an amount equal to all costs and expenses incurred by Landlord in doing any and all of the following, to the extent Landlord elects to do so: securing possession of the Premises from Tenant, disposing of any personalty located in the Premises, restoring the Premises to the condition in which Tenant is herein obliged to surrender same to

Landlord, preparing and attempting to relet the Premises, maintaining and safeguarding the Premises, demolishing the Premises, renovating the Premises, and recovering said damages from Tenant. Such costs and expenses shall include, without limitation, reasonable attorneys' fees and expenses, brokerage fees and expenses, watchmen's wages and insurance premiums. No act or proceeding done or undertaken by Landlord with respect to an Event of Default shall constitute a termination of this Lease by Landlord unless and until Landlord shall give to Tenant the termination notice provided for above.

16.03. Force Majeure. Tenant shall not be in default under this Lease if Tenant's performance is delayed or prevented by or due to strike, lockout, inability to obtain labor and materials, war, riot, unusually severe weather conditions, acts of God and other similar causes beyond the reasonable control of Tenant, and the period for the performance of any such act or acts shall be extended for the period necessary to complete performance after the end of the period of such delay. The provisions of this Section shall not apply to an Event of Default of the type described in Section 16.01(A)(i) hereof.

16.04. Miscellaneous Default Provisions.

- (A) Tenant expressly waives the benefits of all laws, now or hereafter in force, exempting any property or goods on the Premises or elsewhere, and the proceeds of the sale thereof, from distraint, levy, sale, execution or other legal proceedings taken by Landlord to enforce any rights under this Lease.
- (B) No right or remedy herein conferred upon or reserved to Landlord is intended to be exclusive of any other right or remedy, and every right and remedy shall be cumulative and in addition to any other right or remedy given hereunder or now or hereafter existing at law or in equity. Landlord shall be entitled to injunctive relief in case of the violation, or attempted or threatened violation, of any covenant, agreement, condition or provision of this Lease and to a decree compelling performance of any covenant, agreement, condition or provision of this Lease, or to any other remedy allowed by law or in equity.
- (C) No failure by Landlord to insist upon the strict performance of any covenant, agreement, term or condition of this Lease on the part of Tenant to be performed, or to exercise any permitted right or remedy consequent upon a default therein, shall constitute a waiver by Landlord of such default or of such covenant, agreement, term or condition, or any right or remedy of Landlord with respect thereto.
- agreements under this Lease and Landlord fails to cure such default within thirty (30) days after receipt of written notice from Tenant stating the nature and extent of the default (or, if such default is curable but cannot reasonably be cured within such thirty (30) day period, then during such additional time as may be reasonably necessary to cure such default so long as Landlord is diligently proceeding to obtain such cure), Tenant shall have the following rights and remedies: (i) Tenant may cure the default and Landlord shall reimburse Tenant, on demand, for all of Tenant's reasonable, verified out-of-pocket costs and expenses, provided that notwithstanding the foregoing cure period, Tenant may cure any default, without notice to Landlord, where the failure to promptly cure such

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default would, in the reasonable opinion of Tenant, create or allow to persist an emergency condition or materially adversely affect the operation of Tenant's business, and (ii) if Landlord fails to reimburse Tenant's costs and expenses within thirty (30) days following Tenant's demand, Tenant shall have the right to set-off any such amounts against any amounts due Landlord from Tenant.

- by the other party that Landlord or Tenant, as the case may be, is in breach or default of its obligations hereunder, such dispute shall be settled by arbitration as provided in this Section in accordance with the Commercial Arbitration Rules (the "Rules") of the American Arbitration Association ("AAA"), as amended and in effect at the time of the dispute (to the extent such Rules are not inconsistent with any provision of this Section).
- (A) The party initiating a demand for arbitration shall provide notice of its demand to the other party and to AAA not later than twenty (20) days following receipt of the notice of breach or default, accompanied by a statement designating an arbitrator to serve on the arbitration tribunal. The other party shall file an answering statement in duplicate with the AAA within ten (10) days after notice from the AAA, simultaneously sending a copy to the other party, and designating an arbitrator to serve on the Arbitration Tribunal. The arbitrators so appointed by the parties shall, within ten (10) days of their appointment, select a third arbitrator who shall serve as chairperson of the arbitration tribunal. In the event that the parties fail to agree on the selection of a third arbitrator, the third arbitrator shall be appointed as provided in Section 15 of the Rules by the AAA within five (5) days of the expiration of the time for the party-appointed arbitrators to agree.
- (B) The hearing shall take place within ten (10) days of the appointment of the third arbitrator. The decision of the arbitration tribunal shall be made within five (5) business days of the close of the hearing.
- (C) The time deadlines provided herein for demand for arbitration, appointment of arbitrator, scheduling of hearing and decision shall govern in all cases. Provisions of the Rules which are inconsistent with provisions of this Section shall not apply.
- (D) Arbitration shall occur in Wilmington, Delaware, and judgment upon the award rendered may be entered in any court having jurisdiction thereof. The fees and expenses relating to the third arbitrator shall be borne equally by the parties and each party shall pay for the fees and expenses of its own arbitrator, experts and legal counsel. The arbitrators' ruling shall be binding and conclusive upon the parties to the fullest extent permitted by law. This agreement to arbitrate and any award resulting from arbitration as provided herein shall be strictly enforceable as provided under Chapter 57 of Title 10 of the Delaware Code, as amended. Until such time as the arbitrators' decision is made, no breach or default shall be deemed to have occurred and no remedies may be exercised with respect to the alleged breach or default that is the subject of the dispute.

ARTICLE XVII - DAMAGE AND DESTRUCTION

destroyed by fire or any other hazard, risk or casualty whatsoever, then Tenant shall give notice thereof to Landlord and shall, as soon as possible, at Tenant's cost and expense, restore, replace and repair the Garage to the extent insurance proceeds are available to pay all or part of the cost thereof. If a material portion of the Garage is so damaged or destroyed, or such damage or destruction shall occur during the last thirty (30) Lease Years of the Term, Tenant may elect to (i) raze the Garage (including the removal of all debris) and place the Premises in a clean and safe condition or (ii) provided all policies of insurance hereby required to be maintained by Tenant are in full force and effect and proper proof of loss shall have been filed thereunder, terminate this Lease by contemporaneously (a) giving written notice of termination to Landlord not later than the one hundred eightieth (180th) day after the occurrence of such damage or destruction, (b) paying all insurance proceeds theretofore received by Tenant on account of such fire or other casualty and (c) assigning to Landlord all insurance policies and unpaid proceeds with respect to the fire or other casualty.

17.02. No Abatement of Rent. No damage to or destruction of the Garage as a result of fire or any other hazard, risk or casualty whatsoever shall permit Tenant to surrender this Lease or shall relieve Tenant from Tenant's liability to pay the full Rent payable under this Lease, or from any of Tenant's other obligations hereunder, except to the extent otherwise provided in this Article, and Tenant waives any right now or hereafter conferred upon Tenant by statute or otherwise to surrender this Lease or the Premises, or any part thereof, or to any suspension, diminution, abatement or reduction of Rent, by reason of such damage or destruction.

ARTICLE XVIII - CONDEMNATION

From and after the date of this Lease, Tenant shall have the following rights in the event of a taking of the Premises or any material part thereof, by reason of any exercise of the power of eminent domain, including any transfer in lieu thereof:

discretion, a substantial portion (including means of ingress and egress) as would render the balance of the Premises not suitable for Tenant's then current use, this Lease shall terminate upon the date that possession or title (whichever occurs first) is surrendered to the condemning authority, at which time all rights and obligations between the parties shall cease and Rent and other charges payable by Tenant under this Lease shall be apportioned. Notwithstanding any law, statute or ordinance or provision of this Lease which provides leasehold improvements may be or shall become the property of Landlord at the termination of this Lease, the loss of the Garage, Buildings and other improvements owned by Tenant, the loss of Tenant's leasehold estate and such additional relief as may be provided by law shall be the basis of Tenant's damages against the condemning authority if a separate claim therefor is allowable under applicable law, or the basis of Tenant's damages to a portion of the total award if only one award is made.

- 18.02. Partial Permanent. In the event of a taking of less than the entire Premises or, in the sole discretion of Tenant, less than a substantial portion as would render the balance of the Premises not suitable for Tenant's then current use, Tenant shall be entitled to a reduction of Rent in such amount as shall be just and equitable, which amount shall be agreed upon by the parties within thirty (30) days of the taking or if no agreement has been reached within such thirty (30) day period, Tenant shall have the right to terminate this Lease. Notwithstanding any law, statute, ordinance or provision of this Lease which provides that leasehold improvements may be or shall become the property of Landlord at the termination of this Lease, the loss of the Garage, Buildings and other improvements owned by Tenant, the loss of Tenant's leasehold estate and such additional relief as may be provided by law shall be the basis of Tenant's damages against the condemning authority if a separate claim therefor is allowable under applicable law, or the basis of Tenant's damages to a portion of the total award if only one award is made.
- 18.03 Temporary. In the event of a taking of the entire Premises or, in the judgment of Tenant, a substantial portion as would render the balance of the Premises not suitable for Tenant's use, for a period of one (1) year or less, this Lease shall toll from the time the Property is surrendered to the condemning authority and recommence when possession is restored to Tenant. Tenant shall be entitled to the entire award granted for the taking. If such taking shall extend beyond one (1) year, the taking shall, at the option of Tenant, be considered permanent and Tenant shall be entitled to all rights, damages and awards pursuant to Section 18.01 of this Lease.

18.04 General.

- (A) Should Landlord and Tenant be unable to agree as to the division of any singular award, such dispute shall be submitted for resolve to the court exercising jurisdiction of the condemnation proceedings, each party bearing its respective costs for such determination. Landlord shall not agree to any settlement in lieu of condemnation with the condemning authority without Tenant's prior written consent, which consent shall not be unreasonably withheld.
- (B) Landlord represents and warrants that as of the date hereof, it has no actual knowledge of any proposed condemnation or road or access changes including, but not limited to, turn restrictions, barriers or medians, overpasses, underpasses or bypasses, that would affect the Premises. If Landlord receives notice of any proposed condemnation of the Premises or any changes to roadways adjacent to the Premises or changes in access to the Premises, Landlord shall promptly notify Tenant of the same.

ARTICLE XIX - LEASEHOLD MORTGAGE

19.01. Leasehold Mortgage. Tenant may, from time to time, mortgage, collaterally assign or otherwise encumber, in whole or in part, any interest that Tenant has in this Lease or in the Garage, the Buildings or other improvements located on the Premises ("Mortgage") as security for any indebtedness ("Debt") of Tenant; provided that the term of any such Mortgage shall not exceed the remaining Term of the Lease.

- Lease, with the exception of those provisions of this Lease concerning the use of the Premises, restrictive covenants, if any, in favor of Landlord, the Rent and other costs and expenses to be paid by Tenant hereunder, notice and cure periods for Tenant defaults, Landlord remedies and the length of the Term, as are reasonably requested by any potential mortgagee to facilitate the mortgaging of Tenant's leasehold estate and fee interest in the Garage, Buildings and other improvements. Landlord shall execute such instruments as may be required by each mortgagee or collateral assignee ("Mortgagee") to confirm Tenant's right to create such Mortgage and Landlord's consent thereto.
- 19.03. <u>Default Notices</u>. Landlord will to give to Mortgagee, simultaneously with service on Tenant, a copy of all notices given by Landlord to Tenant. No notice by Landlord of any kind shall be deemed given to Tenant unless and until a copy thereof shall have been given to each Mortgagee. Each Mortgagee shall also be given notice of any suit, proceeding or arbitration by the parties hereto, and shall have the right to intervene therein and be made a party to any such proceedings, and the parties hereto do hereby consent to such intervention. In the event that a Mortgagee shall not elect to intervene or become a party to such proceedings, such Mortgagee shall receive notice of and a copy of any order, judgment award or decision made in said proceedings.
- 19.04. Performance of Tenant's Obligations. Mortgagee shall have the privilege of performing any of Tenant's covenants when due hereunder, curing any defaults by Tenant within the cure periods provided herein (such cure periods to commence, as to Mortgagee, upon Mortgagee's receipt of Landlord's default notice) and exercising any election, option or privilege conferred upon Tenant by the terms of this Lease with the same force and effect as though timely performed by Tenant. If Mortgagee is reasonably required to be in possession of the Premises in order to cure any default by Tenant, Mortgagee's cure period shall include the period of time required by Mortgagee to obtain possession of the Premises. Mortgagee shall not be obligated to cure any default by Tenant. Any Mortgagee may become the legal owner and holder of this Lease by foreclosure of its Mortgage or as a result of the assignment of this Lease in lieu of foreclosure, whereupon such Mortgagee shall become liable as the "Tenant" under this Lease, provide that such liability shall be limited to the obligations accruing after Mortgagee as succeeded to the interest of Tenant hereunder.
- upon the termination of this Lease prior to the Expiration Date, Landlord will enter into a new lease of the Premises (the "New Lease") with a Mortgagee or, upon the Mortgagee's request, to its nominee or assignee, for the remainder of the term, effective as of the date of such termination, at the Basic Rent, Percentage Rent and Additional Rent and upon the covenants, agreements, terms, provisions and limitations herein contained, and subject to the then existing condition of the Premises; provided: (i) such Mortgagee makes written request upon Landlord for the New Lease within ninety (90) days from the date of such termination and such written request is accompanied by payment to Landlord of all amounts then due to Landlord hereunder; and (ii) such Mortgagee, or its nominee or assignee, pays to Landlord at the time of the execution and delivery of the New Lease any and all sums which would at the time of the execution and delivery thereof be due under this Lease but for such termination. In the event more than one Mortgagee exercises the rights herein, the Mortgagee having the prior lien (in lien effect) shall have the right to perform hereunder and the election of any junior Mortgagee shall be null and void. If any Mortgagee shall acquire title to Tenant's interest in this Lease, whether by foreclosure or under a New Lease, such Mortgagee may assign the Lease or

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New Lease, in whole or in part, and shall thereupon be released from all liability for the further performance or observance of the covenants and conditions in such Lease or New Lease contained on the Tenant's part to be performed and observed from and after the date of such assignment. Any subleases in effect at the time the New Lease is entered into shall automatically be deemed to be subleases under the New Lease. If this Lease is assigned in part, the foregoing shall apply to any portion of this Lease so assigned.

- 19.06. Exercise of Remedies. If Mortgagee shall exercise its remedies against Tenant under the Mortgage, Landlord shall not exercise its right to terminate this Lease or take possession of the Premises during the time that Mortgagee shall require to complete the exercise of its remedies, provided that Mortgagee (A) proceeds, promptly and with due diligence, with its remedies and prosecutes and completes the same with all due diligence; and (B) shall timely pay to Landlord the Rent and all other charges required to be paid by Tenant under this Lease which accrue and which shall become due and payable during such period of time; and (C) shall timely perform and observe all of Tenant's other (i.e., non-monetary) obligations and covenants hereunder to the extent Tenant fails to do so. If Mortgagee shall fail to comply with the foregoing requirements, Landlord may at any time thereafter exercise all rights and remedies available to Landlord. Landlord and Tenant hereby authorize Mortgagee to enter upon the Premises in order to cure any default by Tenant and to exercise Mortgagee's rights under the Mortgage. If Mortgagee is prohibited by any injunction or other court order or by any bankruptcy, insolvency or other similar proceeding from commencing foreclosure or other proceedings, the time allowed herein to prosecute such foreclosure or other proceeding shall be extended for the period of such prohibition.
- 19.07. No Liability. No liability for the payment of Rent or the performance of any of Tenant's covenants and obligations of this Lease shall attach to or be imposed upon Mortgagee while not in possession of the Property, all such liability being hereby expressly waived by Landlord.
- 19.08. No Amendment. So long as the Debt secured by the Mortgage remains unpaid, Mortgagee shall not be bound by any supplement, modification, amendment or alteration to this Lease which is not consented to in writing by Mortgagee and Landlord shall not accept a surrender of the Premises or a cancellation or release of this Lease prior to the expiration or sooner termination hereof, without prior written consent of Mortgagee. No merger shall result from the acquisition by, or devolution upon, any one party of the fee and leasehold estates in the Premises or of the lessor's and lessee's respective interests under this Sublease.
- 19.09. Tenant Debt Default. If Tenant shall be in default of any obligation with respect to the Debt, and, as a result thereof, Mortgagee intends to foreclose the Mortgage securing the Debt, Mortgagee shall provide written notice of its intention to Landlord and Landlord shall thereafter have thirty (30) days to cure such default on behalf of Tenant (or, with respect to a non-monetary default, such additional time as may be reasonably necessary to cure such default proceeding diligently and in good faith), including, without limitation, the payment of any installment of principal or interest required to bring the Debt current. All payments made and costs and expenses incurred by Landlord in curing Tenant's default, together with interest thereon at the Default Rate, shall constitute Additional Rent and shall be paid by Tenant to Landlord within thirty (30) days after Landlord's demand. Failure of Tenant to reimburse Landlord for such amounts shall constitute a default under this Lease.

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- 19.10. <u>Tenant as Mortgagee</u>. Tenant shall be entitled to all rights of a Mortgagee hereunder with respect to any mortgage accepted by Tenant as security for payment of any debt related to a sale or other transfer of Tenant's business and leasehold estate under this Lease.
- shall enter into, execute and deliver to any Mortgagee one or more mortgages of Landlord's reversionary interest and estate in and to the Premises provided that such mortgage from Landlord (i) shall contain provisions which exculpate Landlord from all personal liability and deficiency judgments and which give Mortgagee recourse solely against Landlord's interest and estate in and to the Premises, and (ii) shall be for the purpose of securing a loan to Tenant (or its assignee). Foreclosure of the Mortgage, or any sale or transfer of Tenant's leasehold estate thereunder, shall not require the consent of Landlord or constitute a breach or default under this Lease.
- 19.12. Financing of Tenant's Personalty. From time to time, some or all of Tenant's personal property, including, without limitation, equipment, furniture, inventory, trademarked items, signs, decorative items, booths, vehicle entry and exit systems, parking and traffic control systems, safety and security systems, bollards, fencing, guard rails, wheel stops and other movable trade fixtures installed in or on the Premises by Tenant (collectively, "Tenant's Property") may be financed or owned by someone other than Tenant. To the extent that any of Tenant's Property is financed or owned by someone other than Tenant, Landlord agrees that such Tenant's Property is not Landlord's property no matter how the same is affixed to the Property or used by Tenant and Landlord consents /to and agrees to recognize the rights of the lender, owner, secured creditor or lessor ("Secured Party") of Tenant's Property. Landlord waives any claims, rights of distraint or levy, liens and other rights which Landlord may now have or hereafter acquire with respect to Tenant's Property (whether created by statute or by contract) and agrees if confirmation of said waiver is requested by Tenant or Secured Party, to promptly sign and deliver to Tenant or any Secured Party a landlord's release and waiver, in form reasonably acceptable to the Secured Party, of any lien Landlord may have on Tenant's Property ("Landlord's Waiver"). Landlord agrees to execute and deliver Landlord's Waiver within ten (10) business days from Tenant's or Secured Party's request therefor or Landlord shall be conclusively deemed to have granted confirmation of Landlord's Waiver thereafter, and Landlord agrees that Tenant and any Secured Party may thereafter rely thereon, and Landlord shall be estopped from raising any claim of lien on Tenant's Property. Landlord also agrees that all of Tenant's Property that is not subject to a security interest or leased from another shall be the property and remain the property of Tenant or Tenant's assignee or transferee no matter how the same is affixed to the Property.

ARTICLE XX - NOTICES

20.01 Notices. All notices, demands, requests or other communications hereunder shall be in writing, addressed to such party at its address provided below or to such other address as may have been properly provided hereunder, and shall be delivered by (a) United States Postal Service, certified mail, return receipt requested, postage prepaid, or (b) by reputable overnight courier or reputable local hand delivery service providing for receipted delivery. Any such notice, demand, request or other communication shall be deemed given when received or when receipt is

refused or unclaimed, as indicated by the notations or records of (as applicable) the United States Postal Service or such overnight courier or local delivery service.

If to Tenant:

JUSTICE CENTER PARKING, LLC c/o Colonial Parking, Inc.
1205 Orange Street
Wilmington, DE 19801
Attn: Richard G. Hatfield

with a copy to:

Richards, Layton & Finger One Rodney Square P.O. Box 551 Wilmington, DE 19899 Attn: Daniel L. Klein, Esq.

If to Landlord:

State of Delaware
Department of Administrative Services
410 Federal Street
Dover, DE 19901
Attn: Secretary of Administrative Services

ARTICLE XXI - QUIET ENJOYMENT

21.01 <u>Quiet Enjoyment</u>. Tenant, upon observing and keeping in all material respects the covenants, agreements and conditions of this Lease on Tenant's part to be kept and observed, shall quietly have and enjoy the Premises throughout the Term without hindrance or molestation by Landlord or by anyone claiming by, from, through or under Landlord, subject, however, to the exceptions, reservations and conditions of this Lease. Landlord shall deliver possession of the Premises to Tenant on the Commencement Date free and clear of all tenancies, occupancies, liens, encroachments, liens and encumbrances.

ARTICLE XXII - ESTOPPEL CERTIFICATES

22.01. <u>Tenant's Estoppel</u>. Tenant agrees, at any time and from time to time, upon not less than fifteen (15) days' prior written notice by Landlord, to execute, acknowledge and deliver to Landlord a statement in writing certifying (a) that this Lease is unmodified and in full force and effect (or if there have been modifications, that the same is in full force and effect as modified and stating the modifications), (b) whether there are then existing any offsets or defenses against the



enforcement of any of the terms, covenants or conditions hereof upon the part of Landlord or Tenant to be performed (and if so, specifying the same), and (c) the dates to which the Rent and other charges have been paid in advance, if any, it being intended that any such statement delivered pursuant to this Section may be relied upon by any prospective purchaser or mortgagee of the Premises.

22.02. Landlord's Estoppel. Landlord agrees, at any time and from time to time, upon not less than fifteen (15) days' prior written notice by Tenant, to execute, acknowledge and deliver to Tenant a statement in writing certifying (a) that this Lease is unmodified and in full force and effect (or if there have been modifications, that the same is in full force and effect as modified and stating the modifications), (b) the dates to which the Rent and other charges have been paid in advance, if any, and (c) stating whether, to the best knowledge of Landlord, Tenant is in default in performance of any covenant, agreement or condition contained in this Lease and, if so, specifying each such Event of Default of which Landlord may have knowledge and also stating whether any notice of default has been given under this Lease which default has not been remedied, and if so, stating the nature of said Event of Default and the date of the giving of said notice, it being intended that any such statement delivered pursuant to this Section may be relied upon by any prospective assignee or mortgagee of this Lease, or any portion thereof, or by any assignee or prospective assignee or prospective assignee of any such mortgagee or by any undertenant or prospective sublessee of the whole or any part of the Premises.

ARTICLE XXIII - MISCELLANEOUS PROVISIONS

- 23.01. <u>Integration</u>. This Lease and the documents referred to herein set forth all the promises, agreements, conditions and understandings between Landlord and Tenant relative to the leasing of the Premises, and there are no promises, agreements, conditions or understandings, either oral or written, between them other than as are herein set forth. No subsequent alteration, amendment, supplement, change or addition to this Lease shall be binding upon Landlord or Tenant unless reduced to writing and signed by them.
- 23.02. <u>Memorandum</u>. Landlord and Tenant shall each execute and acknowledge a memorandum of this Lease, in the form attached herein as Exhibit "D," which Tenant shall record in the public land records.
- 23.03. No Partnership. The parties do not intend to create hereby any partnership or joint venture between themselves with respect to the Premises or any other matter.
- 23.04. <u>Delivery of Documents</u>. Landlord shall deliver to Tenant at any time and from time to time promptly following Tenant's request, copies of all agreements, deeds, contracts, leases, abstracts, insurance policies, title insurance policies, muniments of title, surveys and other papers relating to the Premises.
- 23.05. <u>Severability</u>. Any provision of this Lease that shall be prohibited or unenforceable in any jurisdiction or with respect to any person shall, as to such jurisdiction or person, be ineffective only to the extent of such prohibition or unenforceability, without invalidating

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the remaining provisions hereof, and any such prohibition or unenforceability shall not invalidate or render unenforceable such provision in any other jurisdiction or, as the case may be, with respect to any other person. To the extent permitted by applicable law, the parties hereto hereby waive any law that renders any provision hereof prohibited or unenforceable in any respect.

- 23.06. <u>Authority</u>. Each party warrants that it has full power, authority and legal right to execute and deliver this Lease, and to keep and observe all of the terms and provisions of this Lease on such party's part to be kept and observed. Each party warrants that this Lease is its valid and enforceable obligation.
- 23.07. Governing Law. This Lease and all issues arising hereunder shall be governed by the laws of the State of Delaware.
- 23.08. Counterparts. This Lease may be executed by the parties hereto in separate counterparts, all of which, when delivered, shall together constitute one and the same instrument.
- 23.09. <u>Plans</u>. Nothing shown on any recorded plan with respect to the Premises, or on any plan referred to in this Lease, or on any other plan, shall create or constitute an additional covenant, representation or agreement of Tenant or grant to Landlord any easement or right.
- 23.10. <u>Headings: Pronouns</u>. The headings of the sections of this Lease are for convenience only and have no meaning with respect to this Lease or the rights or obligations of the parties hereto. Unless the context clearly indicates a contrary intent or unless otherwise specifically provided herein: "person," as used herein, includes an individual, corporation, partnership, trust, unincorporated association, government, governmental authority, or other entity; "Premises" includes each portion of the Premises and each estate or interest therein; "hereof," "herein", and "hereunder" and other words of similar import refer to this Lease as a whole; "Lease" includes these presents as supplemented or amended from time to time by written instrument(s) entered into by Tenant or Landlord; "Landlord" includes Landlord's successors and assigns; "Tenant" includes Tenant's successors and assigns; and "parties" means Landlord and Tenant. Whenever the context may require, any pronoun used herein shall include the corresponding masculine, feminine or neuter forms, and the singular form of pronouns or nouns shall include the plural and vice versa.
- 23.11. <u>Binding Effect; Successors and Assigns</u>. The respective rights and obligations hereunder of the parties hereto shall be binding upon, and inure to the benefit of, the parties' respective successors and assigns. Tenant shall have the right to sublease the Premises, including, without limitation, the Garage and Buildings, or any portions thereof, and to grant licenses and concessions thereat.
- 23.12. <u>Limitation of Liability</u>. Notwithstanding any other provision herein to the contrary, Tenant's liability to Landlord with respect to all matters arising under this Lease shall be limited to and enforceable only out of Tenant's interest in the Premises, and Landlord shall look only to the Premises, and to no other asset or property of Tenant for satisfaction of any liability in respect to this Lease, and shall not seek recourse against any other property of Tenant, or against the individual members, partners, directors, officers, shareholders, employees or agents of Tenant or any of their respective assets or property for such satisfaction.

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23.13. State Appropriation; Set-off rights.

- (i) Subject to the provisions of subparagraph (ii) below, any expenditures required by Landlord pursuant to this Lease shall be contingent upon the requested appropriation by the Delaware General Assembly pursuant to Article VIII, Section 3 of the Delaware Constitution.
- (ii) If, by virtue of the provisions of subparagraph (i) above, or for any other reason, Landlord fails to timely make any expenditure required of it hereunder, Tenant shall be entitled to make the same and set-off the cost thereof against any Rent coming due hereunder.
- 23.14. Cost Reimbursement Agreement. Attached at this Lease as Exhibit F is a Letter Agreement dated December 27, 1999 by and among Landlord and Tenant. The parties hereto confirm the continuous validity of the undertaking set forth in that Letter Agreement.
- 23.15 Brokerage. Landlord and Tenant each represent that it has not dealt with any real estate broker and, to its knowledge, no broker initiated or participated in the negotiation of this Lease, submitted or showed the Premises to Tenant or is entitled to any commission in connection with this Lease.

IN WITNESS WHEREOF, Landlord and Tenant have caused this Lease Agreement to be duly executed, all as of the day and year first above written.

Witness:

JUSTICE CENTER PARKING, LLC

GUV, L.L.C., Managing Member By:

Original On File

By:

Name: Richard G. Hattield

STATE OF DELAWARE

Title: Managing Member

Original On File

Witness:

Original On File

Name: ENWINH NOTHERIA

Name: VINCENT P. MELONI
Title: 1.26.00 SECRETARY OF SERVICES

STATE OF DELAWARE AND JUSTICE PARKING, L.L.C. LEASE AGREEMENT Schedule 2.02

1. All operating and maintenance costs including, but not limited to:

Salaries & Wages

Employer Payroll Taxes & Employee Bene:

Accounting Computer

Hiring & Training Costs

Licenses & Taxes

Insurance

Management Fee
Postage & Mailing
Professional Fees

Repairs & Maintenance

Service Contracts

Signs

Snow Removal

Supplies

Telephone & Communications

Tickets Uniforms

Uninsured Damages

Utilities

- 2. Real Estate Taxes (if any)
- 3. All Other Taxes except income taxes due from Tenant
- 4. Maintenance Reserve based upon 4% of Gross Revenue
- 5. Debt Service
- 6. Land Rent (excluding Percentage Rent)

Exhibit A LEGAL DESCRIPTION OF THE PROPERTY



EXHIBIT "B"

TITLE MATTERS

None.



EXHIBIT "C"

FORM OF TERM COMMENCEMENT AGREEMENT

CONFIRMATION OF COMMENCEMENT OF LEASE

Lease Agreement dated as of t	by confirm that the commencement date under Section 1.03 of the he day of January, 2000, by and between the State of Delaware Parking, LLC (Tenant) is, 2000.
Witness:	JUSTICE CENTER PARKING, LLC
	By: GUV, L.L.C., Managing Member
	By: Name: Richard G. Hatfield Title: Managing Member
Witness:	STATE OF DELAWARE
Name:	By: Name:
Title.	Title:

EXHIBIT "D"

FORM OF MEMORANDUM OF LEASE

MEMORANDUM OF LEASE

This Memorandum of Lease is entered into as of the 21 day of Salukry, 2000 with respect to a certain Lease Agreement ("Lease") between the State of Delaware ("Lessor") and Justice Center Parking, LLC ("Lessee") pursuant to Section 23.02 of the Lease, for purposes of memorializing and recording certain terms thereof, and to give record notice of the Lease, and the rights created thereby. The summarized terms provided herein are not intended to fully or completely set forth the provisions of the Lease, for an understanding of which reference must be made to the Lease, and nothing in this Memorandum of Lease shall have the effect of in any way modifying, supplementing or abridging the Lease or any of its provisions as the same now or may hereafter be in force and effect.

1.	Date of Lease:	January 21, 2000
2.	Description of Property:	See Exhibit A attached hereto
3.	<u>Term</u> :	Seventy-five (75) years
4.	Expiration Date:	Seventy-five (75) years after Commencement Date, as further set forth in the Lease Agreement.

The purpose of this Memorandum of Lease is to give record notice of the Lease and of the rights created thereby, all of which are hereby confirmed.

[signature page follows]

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IN WITNESS WHEREOF, the parties have executed this Memorandum of Lease as of the dates set forth in their respective acknowledgments.

WITNESS:	TENANT: Justice Center Parking, LLC		
Original On File	By: GUV, L.L.C., Managing Member Original On File By: _ Name:		
STATE OF DELAWARE) SS. COUNTY OF NEW CASTLE This instrument was acknowledged as Managing Member of Parking, LLC, on behalf of said limited liability.	Title: I before me this Ofer day of notice 2000, by f GUV, L.L.C., as Managing Member of Justice Center lity company. Original On File		
[Notary Seal] WITNESS:	Notary Public DONNA AILENE SARVER Name: NOTARY PUBLIC My commissibly compiles april 11, 2001 LANDLORD:		
Original On File	State of Delaware Original On File By: Name: VINCENT PA MERON I Title: 26.00 SECRETARY of Applications Struct		
STATE OF DELAWARE) SS COUNTY OF NEW CASTLE)			
This instrument was acknowledged Uncent f-Mecon , Sevetay of Delaware.	before me this 26 day of 500. 2000 by Admistra of the State of Delaware, on behalf of the State Services Original On File		
[Notary Seal]	Notary Public Name: Olic H. Edwards My commission expires: July 9, 2001		



New Castle County Courthouse Parking Garage System of Control & Validation

Colonial Parking, Inc. will develop a system of control designed to meet the parking needs of the visitors, employees and jurors at the New Castle County Courthouse (NCCC). The controls shall be a PC based system with software to control the activity of both the regular (contract) users and infrequent (transient) users of the garage. Regular (contract) users will gain access to and from the garage through the proximity key card access portion of the system. These cards will be issued and managed by Colonial and provide access to the NCCC parking garage 24 hours per day. Infrequent (transient) users of the garage, visitors and jurors, will be issued a ticket upon entering the NCCC garage. A system for validation will be developed which will allow for the encoding of these tickets to allow jurors to exit the NCCC garage free of charge.

The ticket issued to transient users will have a magnetic stripe, which will be encoded with all necessary information, date and time of entry. Upon exiting the facility the ticket will be surrendered to a cashier who will insert it into a ticket reader/validator. The reader/validator will read the entry date and time, translate that information to the fee computer, which will compare it to the current (exit) time and calculate the proper fee for the ticket which will be displayed to the client on a fee indicator. When the cashier collects the fee and enters it into the fee computer the ticket will be validated by printing the transaction information on the ticket for auditing the following day. Once validated the magnetic stripe on the ticket is reencoded and rendered unreadable to prevent any reuse of the ticket.

In order to provide juror parking free of charge, validation encoder(s) will be provided, which can be designated by different user groups if necessary. These validation encoders will be controlled by the State/courts and may be placed in areas, which are both secure and convenient to jurors. When a ticket is inserted into a validation encoder it will encode a message on the magnetic stripe of the ticket indicating the validation for no charge. When the validated ticket is surrendered to the cashier and inserted into the reader/validator the relevant ticket information will be recognized including the validation. Recognizing the no charge validation the fee computer will calculate the ticket accordingly. All ticket information including the entry and exit times, the ticket number, the retail value and the validation number will be recorded by the system.

The most critical component to the control of the system is the control of the encoder. The encoder(s) should be placed in an area where complete accountability on the part of the courts can be guaranteed in order to eliminate misuse. Colonial will review the activity of validations daily and report to the State monthly on the usage. Any days where more than 167 validations are presented at the NCCC garage the value of the tickets in excess of 167 will be billed back to the State in a manner where the tickets with the lowest incremental cost shall be billed first. In order to ensure adequate space is provided for jurors, a designee of the State shall notify Colonial of the anticipated daily juror count, including arrival times, a minimum of one week in advance.

Any questions or requests for more detailed information may be directed to Jed Hatfield, President, Colonial Parking, Inc. at (302)651-3600.

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Justice Center Parking, LLC. 1205 Orange Street Wilmington, DE 19801 Tel. 302-651-3600 Fax 302-651-3612

December 27, 1999

Mr. Larry Pelkey State of Delaware Carvel State Office Building 2nd Floor – Facilities Management 820 North French Street Wilmington, DE 19801

Dear Larry:

This letter shall serve as our corporate commitment to reimburse the State of Delaware for an allocation of funds that were paid for work that is the responsibility of Justice Center Parking, LLC. (JCP). It is understood that the State is responsible for the removal of regulated material and it is also understood that other work critical to the completion of the removal of regulated material had to be completed by the State. Justice Center Parking, LLC. will reimburse the State of Delaware – New Castle County Courthouse Project funds \$351,050.00 and any additional costs mutually agreed upon, on or about January 2001, or the mobilization date. We have enclosed as attachment "A" to this letter a matrix of responsibility for this project.

Sincerely,

Justice Center Parking, LLC.

Original On File

Original On File

Richard Hatfield

E. Andrew DiSabatino, Jr.

RH/EADjr:nlr

Enclosure

ATTACHMENT "A"

<u>A</u>	pproximate Cost	Responsibility
Supervision	18,000	JCP
Survey & Layout	20,000	JCP
Light Standard Removal	4,500	JCP
Barricades	12,000	JСР
Fencing	9,700	JCP
Excavation of Regulated Materials	413,550	State
Excavation of New Regulated Materials	60,000	JCP
Shoring of Excavation Parallel to King Stre	et 86,000	јСР
Shoring Parallel with the head of 5th Street		JСР
Shoring Lower Havel Road	20,000	JCP
Removal of Existing Hot Mix	10,650	JCP
Type "C" Fill	6,000	ĴСР
Crusher Run Base	16,000	JCP
Separation Fabric	<u>3,200</u>	ĴСР
Total	\$764,600	

Accepted:	Justice Center Parking, LLC
	Original On File
Ву:	Kichard Hattield
	Original On File
	E. Andrew DiSabatino, Jr.