

June 8, 2010

AMENDMENT AND EXTENSION OF LEASE AGREEMENT BETWEEN THE CITY OF
LANCASTER, A MUNICIPAL CORPORATION AND HAWKS NEST LLC, A DELAWARE
LIMITED LIABILITY COMPANY

1.0 Term of Lease Extension

The existing Lease Agreement between the City of Lancaster and Hawks Nest LLC dated August 14, 1995, and thereafter extended through 2010, is hereby amended for 2010 and extended for a period of five (5) years through 2015, unless earlier terminated as provided. The Tenant and City shall further have the mutual option to renew this Lease for an additional five (5) year period through September 30, 2020 under the same conditions.

2.0 Maintenance

The Tenant will reimburse the City's direct costs for maintenance of the Stadium as defined by the Maintenance Agreement up to \$100,000 per year. This is limited only to normal annual maintenance consistent with the operation of a professional baseball facility and does not include repairs or capital improvements. Damages to the Stadium that are caused by the Tenant and beyond normal wear and tear shall be the responsibility of the Tenant in addition to the \$100,000 per year referenced above.

3.0 Utilities

The Stadium's utility meters will be split by the City at the City's expense. Tenant's utilities shall be put in its name. Tenant will be directly responsible for its utilities. The City projects an annual savings to Tenant of a minimum of 20%.

4.0 Usage Dates

The Tenant shall have unlimited Stadium usage dates for community events that generate no revenue, concessions, tickets or otherwise, subject to the prior approval of the City. The Tenant and City agree to share the costs of hosting community events at the Stadium to be determined on a case-by-case basis. Tenant shall have seven (7) additional Stadium usage dates, or twelve (12) in total, subject to prior approval of the City. The Tenant shall remit to the City the greater of either a) negotiated flat rate for maintenance and administrative costs; or b) 35% of net revenue for such events. The City shall have first priority to book other events at the Stadium subject to the terms of the Lease. In the

event of a conflict, the City and Tenant agree to work together to resolve it. Associated maintenance costs related to up to twelve (12) additional Stadium usage dates shall be the responsibility of the Tenant.

5.0 Rent

The annual lease payment shall be \$55,750.

6.0 Property Insurance

The premium with respect to broad form commercial liability insurance costs for the Stadium pursuant to Section 11.0 of the Lease shall be shared equally between the Tenant and the City.

7.0 Assignment of Interest in Naming Rights Agreement

The Tenant hereby assigns its interest in the Naming Rights Agreement with Clear Channel Radio, Antelope Valley, dated February 8, 2005 to the City. The participants agree that the value of this assigned interest is \$192,500.

8.0 Additional Payments

The Tenant will make additional payments to the City in the amount of \$23,576.43 on June 15 and September 15 of each year over the Term. The additional payments shall be secured by the Personal Guarantee of majority owner Peter A. Carfagna. In the event that Tenant is sold the balance of additional payments due under this provision shall be paid in full at closing. Peter A. Carfagna's Personal Guarantee shall be released by the City at the conclusion of the Term or payment in full, whichever occurs first.

9.0 Liquor License

The City will permit the Tenant to sell liquor, beer, and wine at its discretion at all events. The Tenant will be responsible for obtaining its liquor license. The City will assist the Tenant to obtain a liquor license.,

10.0 Skybox

The City will receive one skybox annually for the term of this agreement. It shall share a second skybox with Clear Channel per the terms of the NRA. When the NRA expires, the City shall have sole rights to the second skybox.

11.0 Taxes

The City and Tenant agree to share equally the sanitation taxes levied against Tenant pursuant to Section 15.0 of the Lease Agreement. City and Tenant agree to cooperate to mitigate taxes, to correct errors made by the taxing authority, and to seek to reduce penalties or fees if imposed. The City's maximum obligation under this clause shall be \$7,000.

12.0 Existing Lease Provisions

All other provisions of the Lease Agreement dated August 14, 1995 remain in full force with the exception of those changes outlined in this Lease Amendment and Extension Agreement.

CITY OF LANCASTER,
a municipal corporation

HAWKS NEST, LLC,
a Delaware Limited Liability Co.

By: _____

By: _____

Date: _____

Date: _____

ATTEST:

ATTEST:
