AMENDED AND RESTATED SPORTS PARK LEASE

between

CITY OF MANTECA

and

BIG LEAGUE DREAMS MANTECA, LLC

THIS AMENDED AND RESTATED SPORTS PARK LEASE (this "<u>Agreement</u>") is entered this _____ day of _____, 2025 (the "<u>Effective Date</u>"), by and between the CITY OF MANTECA, a Municipal Corporation referred to in this Agreement as "<u>Landlord</u>", and BIG LEAGUE DREAMS MANTECA, LLC, a California Limited Liability Company, referred to in this Agreement as "<u>Tenant</u>".

RECITALS

A. Landlord and Tenant entered into that certain (i) Sports Park Structures Lease dated as of February 3, 2003, as amended by that certain Amendment No. 1 to the Sports Park Structures Lease Agreement effective as of October 21, 2006 (as amended, the "<u>Original Sports Park Structures Lease</u>"), and (ii) Sports Park Fields/Courts Lease dated February 3, 2003, as amended by that certain Amendment No. 1 to the Sports Park Fields/Courts Lease Agreement effective as of October 21, 2006 (as amended, the "<u>Original Sports Park Fields/Courts Lease</u>"; together with the Original Sports Park Structures Lease, collectively, the "<u>Original Agreements</u>").

B. Pursuant to the Original Agreements, Landlord developed a multi-purpose recreational sports facility (the "<u>Sports Park</u>") within certain real property owned by Landlord (the "<u>Land</u>"). The Sports Park is shown on <u>Exhibit A</u> attached hereto.

C. Pursuant to the Original Sports Park Structures Lease, in order to enhance the enjoyment of those attending the Sports Park, Landlord also constructed on a portion of the Sports Park (the "<u>Structures Land</u>") two (2) sports-themed, family style food and beverage concession buildings known as "Stadium Clubs", a retail shop and related improvements (together with all buildings, paving, structures, landscaping, infrastructures, utilities, FF&E (as hereinafter defined), and other improvements constructed or installed or to be constructed or installed on the Structures Land by Landlord and leased by Tenant pursuant to this Agreement, collectively the "<u>Structures</u>"). The Structures Land, the Structures and all easements and rights of way necessary or desirable for access to the Structures Land and the Structures are collectively referred to herein as the "<u>Structures Premises</u>".

D. Pursuant to the Original Sports Park Fields/Courts Lease, Landlord constructed on a portion of the Sports Park (the "<u>Fields/Courts Land</u>") the following: (1) six (6) fully lighted baseball/softball fields, three (3) of which were constructed as replicas of famous professional baseball stadiums; (2) a covered arena for indoor soccer, in line hockey, basketball and other uses; (3) two (2) children playground areas; (4) batting cages; (5) administrative offices; (6) parking lots; (7) walkways and other public ingress/egress and access areas; (8) restrooms; and (9) maintenance facilities (together with all buildings, paving, landscaping and grading, infrastructure, utilities, FF&E, and other improvements constructed or installed or to be constructed or installed on the Fields/Courts Land by Landlord and leased by Tenant pursuant to this Agreement, collectively the "<u>Fields/Courts</u>") for the primary benefit of the citizens of Manteca. The Fields/Courts Land, the Fields/Courts and all easements and rights of way necessary or desirable for access to the Fields/Courts Land and the Fields/Courts are collectively referred to herein as the "<u>Fields/Courts Premises</u>".

E. Pursuant to the Original Sports Park Structures Lease, Landlord leases the Structures Premises to Tenant and Tenant leases the same from Landlord. Pursuant to the Original Sports Park Fields/Courts Lease, Landlord leases the Structures Premises to Tenant and Tenant leases the same from Landlord. The Parties acknowledge and agree that Premises leased to Tenant hereunder include APN Nos. 241-310-71 and 241-310-72 (as such numbers exist on the Effective Date) and the Premises is legally described on Exhibit B attached hereto.

F. Landlord and Tenant desire to enter into this Agreement to amend and replace the Original Agreements in their entirety and combine such Original Agreements into one document, and amend certain provisions thereof.

NOW THEREFORE, the Parties agree as follows:

AGREEMENT

1. <u>Definitions</u>. The following terms used in this Agreement shall have the meaning given unless expressly provided to the contrary:

<u>Affiliate</u> means Unrivaled BLD Holdings, LLC, or an entity other than Unrivaled Sports (as hereinafter defined) in which Unrivaled BLD Holdings, LLC or Tenant owns at least a fifty percent (50%) capital or voting interest of the common stock, partnership units or limited liability company interests, as applicable.

Agreement means this Amended and Restated Sports Park Lease.

<u>Annual Gross Revenues Statement</u> is defined in Section 4(c)(ii).

Award, Condemnation, Condemnor and Date of Taking are defined in Section 15.

<u>Capital Improvements</u> means upgraded field turf, modernized clubhouse facilities, replacements to torn field netting, fence/backdrop repairs, and other necessary cosmetic improvements all to be made in Tenant's reasonable discretion, but in consultation with Landlord prior to such improvements being effectuated.

<u>Capital Improvements Deadline</u> means the date that is twenty-four (24) calendar months after the Effective Date.

<u>City</u> means the City of Manteca, an incorporated municipality within the County of San Joaquin, State of California.

<u>City Codes</u> means the duly adopted ordinances, statutes and resolutions of the City of Manteca.

<u>City Manager</u> means the City Manager of the Landlord.

<u>City Use Permit</u> shall mean any use permit with respect to the Sports Park to be approved by the City.

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Community Days are defined in Section 29(a).

<u>Controlling Percentage</u> means the ownership of, or the right to vote, fifty-one percent (51%) or more of the total combined voting shares, units or membership interests of a corporation, partnership or limited liability company, as applicable.

<u>Environmental Mitigation Measures</u> means mitigation measures associated with the environmental review of the Sports Park Project as may be adopted by the City Council.

Extension Options is defined in Section 3(a).

<u>Force Majeure</u> means declared or undeclared war, sabotage, revolution, riot or acts of terrorism or civil disobedience; acts or omissions of governmental agencies, accidents, fires or explosion; floods, earthquakes or other acts of God; strikes or labor disputes; shortages of materials; pandemic, epidemic or other public health emergency; or any other event not within the control of Tenant and not caused by the gross negligence or intentional wrongful conduct of Tenant.

<u>FF&E</u> shall mean all furniture, furnishings, trade fixtures, apparatus and equipment required for the operation and maintenance of the Sports Park located at or upon the Premises, other than operating inventory, as of the Effective Date of this Agreement or thereafter from time to time. A list of the FF&E located at or upon the Premises as of the Effective Date of this Agreement is attached as <u>Exhibit D</u> and incorporated herein by this reference. Tenant shall have the right to review and make additions and revisions to the FF&E list set forth in <u>Exhibit D</u> with the approval of the Landlord, which approval shall not be unreasonably withheld, unreasonably conditioned or unreasonably delayed. The FF&E will be owned and paid for by Landlord and be leased to Tenant as part of this Agreement.

<u>Gross Revenues</u> are defined in Section 4(b)(i).

Hazardous Materials are defined in Section 30(a).

<u>Indemnitees</u> is defined in Section 14(f).

Initial Term is defined in Section 3.

JZJ means JZJ Real Estate LLC, a California limited liability company, and its successors and assigns.

Land is that certain real property consisting of approximately 35 acres and bounded by State Highway 120, Airport Way, Yosemite Avenue and McKinley Avenue.

Landlord means the City of Manteca, a municipal corporation, and its permitted successors and assigns.

Lease Year means the period from January 1 of each calendar year to December 31 of such calendar year (both dates inclusive) during the Term hereof; except that if the Term Commencement Date does not fall on January 1, the first Lease Year shall be that period from the Term Commencement Date to the following December 31, and that if the Term does not end on a December 31, then the last Lease Year shall be the period commencing with the last preceding January 1 and ending at the end of the Term thereof.

Legal Challenge shall mean any action or other legal proceeding (including, without limitation, any California Environmental Quality Act (CEQA) challenge) brought by any third party seeking to contest the validity of this Agreement.

Loma Agreements mean (i) that certain License and Maintenance Agreement dated July 3, 2024, made by and between Landlord and JZJ, recorded with the San Joaquin County Recorder on July 5, 2024 as Document #: 2024-055748, (ii) that certain Disposition and Development Agreement made by and between Landlord and JZJ dated as of February 1, 2024, (iii) the Parking Lease, and (iv) any other ancillary documents, agreements or instruments related to the foregoing.

<u>Memorandum of Agreement</u> means that certain Memorandum of Agreement executed by Landlord and Tenant concurrently with the execution of this Agreement and to be recorded pursuant to Section 31(s).

<u>Parking Lease</u> means that certain Parking Lease by and between Landlord and Kevin Youkilis, an affiliate of JZJ, to be entered into after the date hereof.

<u>Party</u> means either party to this Agreement. The "<u>Parties</u>" shall be all parties to this Agreement.

<u>Percentage Rent</u> is defined in Section 4(a).

<u>Plans and Specifications</u> means all concept drawings, preliminary drawings, landscaping and grading plans, site plans, engineering drawings, reports, final construction drawings, and any other plans or specifications consistent with the Project Description and required for construction of the Project prepared by Landlord at its sole expense and those provided pursuant to the Planning, Design and Construction Consulting Agreement between the City and BLD USA entered effective March 19, 2001.

Premises means, collectively, the Fields/Courts Premises and the Structures Premises.

<u>Project</u> means development of the Premises in accordance with the Project Description, the Plans and Specifications, and this Agreement.

<u>Project Description</u> means the description of the Fields/Courts and the Structures as described in the attached <u>Exhibit C</u>.

Quarterly Revenues Statement is defined in Section 4(c)(i).

<u>Sports Park</u> means, collectively, the Sports Park facility, the Fields/Courts and Structures, designed and constructed by the Landlord on the Land.

<u>Statutes</u> are defined in Section 8(a).

Taxes are defined in Section 6(b).

<u>Tenant</u> means Big League Dreams Manteca, LLC, a California limited liability company, its permitted successors and assigns.

<u>Term</u> is defined in Section 3(a).

Term Commencement Date means October 21, 2006.

<u>Unrivaled Sports</u> means Sandlot Youth Sports Holdings, LLC, a Delaware limited liability company.

2. <u>Lease of Premises</u>. Effective as of the Term Commencement Date, Landlord leases the Premises to Tenant, and Tenant leases the Premises from Landlord, for the Term set forth in Section 3, subject to and on the terms and conditions set forth in this Agreement.

3. <u>Term</u>. The initial lease term of this Agreement (the "<u>Initial Term</u>") commenced on the Term Commencement Date and shall end on December 31, 2049, unless extended by Tenant or sooner terminated by Landlord or Tenant as provided for herein. Upon the request of either party, the other party will co-sign a written confirmation of lease commencement and termination dates.

a. <u>Extension Options</u>. Provided Tenant is not in default of this Agreement at the time Tenant elects to exercise an extension of the Initial Term of this Agreement, Tenant is hereby granted two (2) separate options (each referred to herein as an "<u>Extension Option</u>") to extend the lease term of this Agreement for a period of five (5) years each, the first such extension term to commence immediately upon the expiration of the Initial Term, and the second extension term to commence immediately following the first extension term, all upon the same terms and conditions set forth in this Agreement. The Initial Term and any properly exercised extension term under this Agreement shall hereinafter sometimes collectively be referred to as the "Term" of this Agreement. Tenant may exercise one or more Extension Options by delivery of written notice to Landlord, so long as such notice is delivered no earlier than nine (9) months and not less than six (6) months prior to the scheduled expiration date of the Term of this Agreement, as such Term may have been previously extended.

b. <u>Minimum Percentage Rent</u>. In addition to any other termination rights set forth in this Agreement, Landlord, in its sole discretion, shall have the right to terminate this Agreement and all further rights and obligations of the Parties hereunder by giving written notice of such termination (which shall specify a date not less than ninety (90) days thereafter on which such termination shall become effective) to Tenant at any time during the first ninety (90) days of any Lease Year if rents paid by Tenant in the prior Lease Year did not equal or exceed minimum Percentage Rent of \$160,000.00. If Percentage Rents paid by Tenant do not equal or exceed the foregoing minimum amount for the applicable full Lease Year, Tenant may within ten (10) days from the date of written notice from Landlord, pay any deficiency to Landlord. If Tenant pays the deficiency, Landlord may not terminate this Agreement based on the failure of Tenant to pay the minimum Percentage Rent amounts.

4. <u>Rent</u>.

a. <u>Percentage Rent</u>. Tenant shall pay to Landlord Percentage Rent, without deduction, set-off, prior notice, or demand as follows: for every Lease Year, Tenant shall pay to Landlord, at the times and in the manner specified in this Agreement, Percentage Rent for each Lease Year ("<u>Percentage Rent</u>"). Percentage Rent, for any applicable quarter, shall be calculated as the product of multiplying Tenant's Gross Revenues from the Structures Premises for the applicable quarter by sixteen percent (16%). To that product mentioned above shall be added, as applicable, the product of four percent (4%) multiplied by the difference, if any, between the total Gross Revenues from the Structures Premises for the applicable Lease Year and \$1,400,000. All Rents shall be paid quarterly, in arrears, within thirty (30) days following the end of each Lease Year quarter, except that with respect to the last quarter of each Lease Year Tenant shall have sixty (60) days to finish the calendar quarter and year end accounting and make such Rent payment

b. <u>Gross Revenues</u>.

i. <u>Definition</u>. "<u>Gross Revenues</u>" are defined as all cash and credit (a) food and beverage (including beer, wine and liquor) revenues received by Tenant, (b) retail merchandise revenues received by Tenant, and (c) arcade, ATM, pay phone, vending machine, lottery tickets or other comparable miscellaneous concessionaire commissions received by Tenant, relating to or derived from the Structures Premises, minus the exceptions and authorized deductions described in Section 4(b)(ii).

Gross Revenues shall include, specifically, revenues earned from all of the following Structures Premises revenue categories, which Tenant shall itemize as such on the Quarterly and Annual Gross Revenues Statements it is obligated to furnish to Landlord.

- A. Food and Beverage
 - Ball Park Food Concession the gross receipts, less taxes and other adjustments set forth in Section 4(b)(ii) below, from all food and beverage sold to Sports Park customers from the sports-themed, family style concession buildings on the Structures Premises.
 - 2. Group Business the gross receipts, less taxes, service charges and other adjustments set forth in Section 4(b)(ii) below, from all food and beverage sold to corporate and other business customers by

Tenant (but not by any third party catering company) where payment for the food and beverage is made not by the individual consumer but through a billing to a group business account.

- 3. Special Events the gross receipts, less taxes, third party promoter payments and other adjustments set forth in Section 4(b)(ii) below, from all food and beverage sold to attendees of special events, i.e. those such as a concert or a community event which are separately ticketed or where admission is free, held at the Sports Park.
- B. <u>Retail Merchandise</u> the gross receipts, less taxes and other adjustments set forth in Section 4(b)(ii) below, received by Tenant from merchandise sold on or from the Structures Premises, whether such order is filled at the Structures Premises or elsewhere, including any charges for services, alterations or repairs.
- C. <u>Other Revenues</u> the commissions received by Tenant from revenues generated from sales by third party concessionaires on the Structures Premises of the following:
 - a. Video games.
 - b. ATM machines.
 - c. Pay phones.
 - d. Vending machines.
 - e. Lottery tickets or hunting and fishing licenses.
 - f. Other concessionaires, subtenant or sublicensee commissions or payments from business conducted on the Structures Premises.

Tenant shall include in Gross Revenues (A) all finance charges to customers, in case of sales on credit, whether or not payment is actually made, at, in, or from the Structures Premises; (B) revenues from the sale of gift certificates, when such revenues are received; (c) proceeds of business interruption insurance, if applicable, received by Tenant with respect to the Structures Premises; and (D) lease or rent payments or other compensation from any sublessee or subtenant of all or part of Tenant's interest in this Agreement or the Structures Premises, unless the revenues derived by such sublessee's or subtenant's operations from the Structures Premises have already been included in the calculation of Tenant's Gross Revenues from the Structures Premises.

Exceptions and Deductions from Gross Revenues. ii. All of the following shall be excepted from Tenant's Gross Revenues: (A) the amount of all sales tax receipts required to be accounted for by Tenant and paid to any government or governmental agency, but not the amount of any excise tax (except a consumer excise tax) or other governmental obligation in the nature of a tax on the privilege of doing business; (B) the amount of any actual refunds or credits made by Tenant with the respect to goods, services or fees, provided the goods, services or fees were previously included by Tenant in Tenant's Gross Revenues; (c) the amount of any revenues received by any licensee or concessionaire operating in or from the Structures Premises which are not paid or required to be paid to Tenant, provided that such revenues are not derived from the sale of food, beverages or liquor; (D) the amount of any revenues received by special or corporate or group business events promoters, impresarios, outside catering companies or similar third party independent contractors (including revenues derived from the sale of food, beverage or liquor) involved in the promotion or conduct of special events or group business events, which revenues are not paid or required to be paid to the Tenant; (E) gratuities paid or given by customers to food service employees of Tenant or food and beverage service charges billed to group business clients; (F) proceeds of insurance other than business interruption insurance applicable to the Structures Premises; (G) loan proceeds; (H) credits or refunds received from vendors or other third parties as a result of damage claims made by Tenant with respect to defective goods or services previously purchased; (I) checks or other instruments returned for insufficient funds; (J) late charges or interest assessed and received on delinquent accounts receivables; and (K) non-Structures Premises revenues arising from or with respect to the Sports Park, including, without limitation, league and tournament team and player fees; field and facility rental fees; camp and clinics registration fees; batting cage revenues; group business or special event facility rental fees and gate admission fees; (L) hotel commissions; and (M) sponsorship and advertising revenues.

iii. <u>Sales Recording and Records</u>. Tenant shall record at the time of sale, in the presence of the customer, receipts from sales or other transactions, whether cash or credit, in a cash register or registers, or a point of sale terminal or terminals, having tape that accumulates and consecutively numbers all transactions. A receipt from any transaction showing the correct amount of purchase shall be offered to the customer at the time of any transaction, including any cash sale. Transactions not ordinarily recorded in a cash register or point of sale terminal shall be noted on and kept in a ledger format. Tenant shall keep, and all sublessees, concessionaires, franchisees, contractors, and licensees of Tenant shall keep, or, with five (5) days advance written notice, make available, at the Structures Premises:

(1) full and accurate books of accounts and records, maintained on either a cash or accrual basis as long as the methodology is consistently applied, including, without limitation, a sales journal, general ledger, and all bank account statements showing deposits of Gross Revenues;

(2) all cash register or point of sale terminal receipts with regard to the Gross Revenues, credits, refunds, and other pertinent transactions made from or on the Structures Premises (including the revenues of any sublessee, franchisee, contractor, licensee, or concessionaire); and

(3) detailed original records of any exclusions or deductions from Gross Revenues (including any exclusions or deductions from Gross Revenues of any

sublessee, franchisee, contractors, licensee, or concessionaire). These books, receipts, and records shall be kept at the Premises, or at the headquarters of Unrivaled Sports, for a period of five (5) years after the end of each Lease Year, and shall be made available for inspection and audit by Landlord, and Landlord's representatives, at the Premises on five (5) days' advance written notice. In addition, on request of Landlord or Landlord's representatives, Tenant agrees to furnish copies of Tenant's state and local sales and use tax returns.

c. Quarterly and Annual Revenues Statements.

i. <u>Quarterly Revenues Statement</u>. Each payment of Percentage Rent shall be accompanied by a statement, to be certified as correct by the employee of Tenant authorized so to certify, that sets forth Tenant's Gross Revenues (and any authorized exclusions and deductions thereto) for the quarter just concluded ("<u>Quarterly Gross Revenues Statement</u>"). Quarters shall be calendar year quarters, ending on March 31, June 30, September 30, and December 31, respectively.

ii. <u>Annual Revenues Statement</u>. Within one hundred twenty (120) days following the end of each Lease Year, including the last Lease Year of the Term, Tenant shall furnish Landlord with a statement of Tenant's annual Gross Revenues on account of the previous Lease Year, or any partial Lease Year, including any authorized deductions ("<u>Annual Gross Revenues Statements</u>"). Such Annual Gross Revenues Statement shall be certified as correct by an authorized officer of Tenant.

iii. <u>Content</u>. Each Quarterly Gross Revenues Statement and Annual Gross Revenues Statement shall set forth the total Gross Revenues for the preceding quarter or Lease Year, as applicable, and shall show the method of computing the Percentage Rent due for such quarter or Lease Year, as applicable.

d. Audit Rights.

Audit Procedures. The acceptance by Landlord of any monies paid i. to Landlord by Tenant as Percentage Rent for the Structures Premises as shown by any Annual or Quarterly Gross Revenues Statement furnished by Tenant shall not be an acceptance by Landlord of the accuracy of the statement, or of the sufficiency of the amount of Percentage Rent payments, but Landlord shall be entitled at any time and from time to time during the Term, until the date that is one (1) year after the end of the Lease Year for which any of the Percentage Rent payments have been paid, to question the sufficiency of the amount paid and accuracy of any and all statements furnished by Tenant to justify the amount Tenant shall pay as Percentage Rent, and to confirm and evaluate Tenant's statement of its Gross Revenues from the Structures Premises. At any time during the Term and within one (1) year after the end of the Term, Landlord may cause an audit of Tenant's books and records by an independent accountant of Landlord's own selection for any Lease Year. If any Annual Gross Revenues Statement for such Lease Year delivered by Tenant to Landlord is found to be less than the amount of Tenant's actual Gross Revenues for the period covered by the statement, Tenant shall immediately pay the Landlord any additional Percentage Rent shown to be payable by Tenant. If the audit reveals that the correct amount of Gross Revenues is more than five percent (5%) greater than the amount shown on the Annual Gross Revenues Statement previously delivered by Tenant for the period covered by such

statement, Tenant shall immediately pay to Landlord the cost of the audit and any additional Percentage Rent shown to be payable by Tenant, together with interest on the amount of the underpayment of Percentage Rent from the original date due at the rate of ten percent (10%) per annum, plus additional rent equal to five percent (5%) of the Percentage Rent payable for such Lease Year; otherwise the cost of this audit shall be paid by Landlord. If, ten (10) days after written request therefor specifying Tenant's failure to comply with the reporting obligations hereunder, Tenant fails to provide Landlord any Quarterly Gross Revenues Statement or Annual Gross Revenues Statement in the manner specified in this Agreement, this failure shall constitute a default under this Agreement. In such an event, Landlord shall have the right, in addition to any other rights or remedies it may have under this Agreement, to conduct an audit to determine these revenues. Tenant shall immediately reimburse Landlord for the cost of such on written demand by Landlord. If any such Quarterly Gross Revenues Statement or Annual Gross Revenues Statement reports Gross Revenues found to be more than ten percent (10%) less than the amount of Tenant's actual Gross Revenues shown by this audit, the understatement shall be deemed willful and Landlord may terminate this Agreement upon written notice given at any time within one hundred eighty (180) days after receipt of the audit by Landlord. If at any time Tenant causes an audit of Tenant's business at the Structures Premises to be made by an independent accountant, Tenant shall furnish Landlord with a copy of the report of this audit at no cost to Landlord within ten (10) days after Tenant's receipt of the audit report.

ii. <u>Examination of Books</u>. Tenant shall, for a period of five (5) years following the delivery of each Annual Gross Revenues Statement, including the five (5) year period following the end of the Term, keep and maintain, safe and intact, all of the records, books, and accounts required under Section 4(b)(iii), and shall from time to time, upon request, make these records available to Landlord, Landlord's auditor, representative, or agent for examination at any reasonable time during this period. Landlord shall also have the right to make abstracts from the records, to make copies of any or all of the records, to examine any or all contracts, leases, licenses, and concession agreements, and to make copies of any and all contracts, leases, licenses or concession agreements.

Operation. Tenant shall operate Tenant's business from the Premises as e. provided in Section 7 with due diligence and efficiency. Tenant will operate the business at Tenant's own expense and at hours consistent with other similar businesses operated by Tenant, which do not conflict with the Environmental Mitigation Measures, City Codes or City Use Permit; provided, however, that this provision shall not apply if the Premises are closed due to inclement weather or Tenant's business is temporarily shut down due to Force Majeure. Nothing in this Agreement shall be deemed to restrict or limit the ability of Tenant or Unrivaled Sports to sell "naming rights" to the Sports Park subject to Landlord consent which consent shall not be unreasonably withheld or delayed. Tenant shall at all times carry a commercially reasonable stock of merchandise, food and beverages, offered for sale at competitive prices, and shall maintain an adequate number of properly trained and skilled personnel for the efficient service of Sports Park participants and the operation, maintenance and repair of the Premises. Although Landlord has no ownership interest in Tenant's business, Landlord is concerned about maximizing Gross Revenues (and, consequently, the Percentage Rent), and Tenant hereby acknowledges that fact. Landlord hereby represents and warrants to Tenant that, prior to or concurrently with the approval of this Agreement by the City Council of Landlord, Landlord enacted such amendments to the City Codes as may be necessary to enable Tenant to operate and maintain the Structures and the Fields/Courts

in the manner set forth in this Agreement, including, specifically without limitation, City Code amendments permitting the consumption of beer, wine and alcohol within the Sports Complex and authorizing Structures hours of operation to extend to 2:00 AM and hours of operation of the Fields/Courts to extend to midnight. In adopting Environmental Mitigation Measures, Landlord shall not restrict Tenant in the operation and maintenance of the Premises beyond actions reasonably necessary to comply with environmental protection requirements arising in connection with the environmental review of the Project to be undertaken upon approval of this Agreement by the City Council of Landlord. Tenant shall use commercially reasonable efforts to offer a commercially reasonable schedule of recreational sports programming, including, but not limited to, adult softball, youth baseball, adult and youth indoor soccer, volleyball, basketball, and inline hockey, recognizing that demand for some of the sports varies and it may not be commercially reasonable to offer programs for all of the above listed sports in any or all of the seasons of the year. Nothing in this paragraph shall restrict Tenant from offering recreational programs in sports not here enumerated.

f. <u>Assignees</u>. Wherever Tenant's business or operations, or Tenant's Gross Revenues, or Tenant's records, books, accounts, and other data are referred to in this Agreement, they shall be deemed to include, but only to the extent necessary to calculate or verify Gross Revenues, those of any assignee, sublessee, concessionaire, licensee, vending machine operator, or other person, firm, or corporation selling merchandise or services on or from the Structures Premises; provided that this subsection shall not be deemed to imply consent to the operations of any other person, firm, or corporation except in accordance with the provisions of Section 16.

g. <u>Payment Due in Event of Default</u>. If this Agreement is terminated by Landlord because of Tenant's default, and if Tenant becomes liable for any deficiency in rent by way of damages or otherwise, or if at any time during the Term, Tenant, in violation of Section 7, ceases to conduct in the Structures Premises the business referred to in Section 7, then from and after the time of the breach causing this termination, or from and after the time of the cessation of business, the Percentage Rent shall be deemed to be twenty percent (20%) of that amount which is equal to the average of the Gross Revenues during the twenty-four (24) months preceding the termination or cessation of business, unless the termination or cessation occurs within three (3) years of the Effective Date, in which event the Percentage Rent shall be \$200,000 per year and Tenant shall refund promptly to Landlord all sums paid to Tenant under that certain Amended and Restated License Agreement dated as of the Effective Date, made by and between Tenant and Landlord. No such refund shall be required if the termination or cessation of business occurs on or after the third (3rd) anniversary of the Effective Date.

h. <u>Legal Currency</u>. All rent payable under this Agreement shall be made in legal currency of the United States. If any two or more payments made by a check, draft, or money order are returned to Landlord due to insufficient funds or otherwise, Landlord shall have the right, at any time after the return, upon written notice to Tenant, to require Tenant to make all subsequent payments in cash, or by cashier's or certified check, for a period of three (3) Lease Years. Tenant shall pay all rental amounts due under this Agreement at Landlord's address as set forth below, or at such other address as may be designated by Landlord to Tenant in writing.

i. <u>Fields/Courts Premises</u>. Tenant shall have no obligation to pay rent or make any other payment to Landlord hereunder with respect to the Fields/Courts Premises. Tenant shall, in consideration for the lease of the Fields/Courts Premises, program recreational sports and operate, repair and maintain the Fields/Courts Premises in a first class fashion and at no cost, expense or liability to Landlord except as otherwise expressly herein provided. Further, Tenant shall (a) pay Taxes, (b) comply with Statutes, (c) pay insurance and (d) indemnify Landlord from claims related to or arising from the operation of the Fields/Courts Premises (other than claims solely related to or arising solely from acts or omissions of Landlord or its authorized representatives). To cover its costs in doing so, Tenant shall have the right to create and retain all revenues associated with the operation of the Fields/Courts Premises, including without limitation league and tournament team and player fees; field and facility rental fees; camps and clinics registration fees; batting cage revenues; group business or special event facility rental fees; and gate admission fees. Tenant shall not, however, as lessee hereunder, sell or contract for the sale of food and beverage (including beer, wine, and liquor) or retail merchandise or contract for the provision on the Fields/Courts Premises of video games, ATM machines, payphones, lottery tickets, fishing or hunting licenses or comparable services except by concession to the lessee of the Structures Premises.

5. <u>Additional Rent</u>. All Taxes and other costs and expenses payable under this Agreement by Tenant and all damages, costs, and expenses that Landlord incurs or might incur by reason of Tenant's default, shall be deemed additional rent. In the event of Tenant's nonpayment of additional rent, Landlord shall have all the same rights and remedies as Landlord has for the nonpayment of Percentage Rent. The term "rental" and "rent" as used in this Agreement shall mean Percentage Rent and such additional rent.

6. <u>Taxes</u>.

a. <u>Covenant to Pay Taxes</u>. As additional rent, Tenant shall, throughout the Term, pay directly to the appropriate taxing authorities all Taxes (as defined in Section 6(b)). All Taxes shall be paid before delinquency and before any fine, interest or penalty shall become due or be imposed by operation of law for their nonpayment. Tenant shall furnish upon request to Landlord prior to the date when any Taxes would become delinquent receipts or other appropriate evidence establishing such payment.

Definition of Taxes. The term "Taxes" shall include all real property taxes, b. possessory interest taxes, personal property taxes, charges and assessments (including but not limited to street improvement liens) which are levied, assessed upon or imposed by any governmental authority or political subdivision thereof during or with respect to any portion of the Term hereof with respect to the Premises or any improvements, fixtures, equipment or other property of Tenant, real or personal, located on the Premises, and any tax which shall be levied or assessed in addition to or in lieu of such real or personal property taxes, and any license fees, taxes measured by or imposed upon rents, or other taxes or charges upon Landlord's leasing of the Premises pursuant to this Agreement or the receipts of rent hereunder. All assessments, taxes, fees, levies and charges imposed by governmental agencies for services such as fire protection, street, sidewalk and road maintenance, refusal removal and other public services generally provided without charge to owners or occupants prior to the adoption of Proposition 13 by the voters of the State of California in the June 1978 election, also shall be deemed included within the definition of "Taxes" for the purpose of this Agreement provided such are levied, assessed or imposed generally within the City.

c. <u>Proration of Tenant's Tax Liability</u>. Tenant's liability to pay Taxes shall be prorated on the basis of a 365-day year to account for any fractional portion of a fiscal tax year included in the Term at its Commencement Date (but before the expiration of the Term) but applicable, in whole or in part, to periods prior to the Term Commencement Date, which Taxes shall be paid by Tenant. Landlord shall, however, pay to Tenant its prorated share of such Taxes liability for periods prior to the Term Commencement Date at least ten (10) days prior to the date such Taxes are due and payable.

d. <u>Landlord Covenant</u>. During the Term, Landlord shall not levy, assess or impose on Tenant, or which burden the Premises, any taxes, license fees, charges or assessments which are not levied, assessed or imposed generally within the City.

e. <u>Revenue and Taxation Code Section 107.6 Statement</u>. This Agreement may create a possessory interest subject to property taxation and Tenant may be subject to the payment of such property tax.

7. <u>Use</u>.

Permitted Uses. Tenant shall (i) use and occupy the Fields/Courts Premises a continuously during the Term for the purpose of programming recreational sports opportunities for the citizens of Manteca and others interested in participating, and (ii) use and occupy the Structures Premises continuously during the Term for the purpose of operating food and beverage, retail and other concessions at the Sports Park as described in this Agreement and Exhibit C of this Agreement, and for no other purpose without exception. Use of part of the Structures Premises for a game room, including video games, pool tables and similar entertainment equipment, shall be permitted; provided, however, that any form of gaming, lawful or otherwise will not be permitted on the Premises without the prior written consent of Landlord. Subject to obtaining and maintaining required or appropriate licenses, permits or other approvals from the Department of Alcoholic Beverage Control or any other governmental jurisdiction having authority. Tenant may engage in the sale of beer, wine and hard liquor on the Structures Premises. Special or event permits shall be required only for events for which tickets are sold to the general public unless the activity otherwise requires a City permit or approval. Tenant may also offer corporations or other groups the opportunity to use the Premises for corporate events, company parties, sports or team building activities or other purposes; may conduct camps or clinics to improve sports or other skills; may stage special events such as concerts, games, matches, religious gatherings, etc.; and may pursue other activities reasonably compatible with the purposes for which the Sports Park was constructed.

b. <u>Business Name</u>. During the entire Term, Tenant shall conduct business in the Premises under the name "Big League Dreams Manteca Sports Park" in the manner provided herein; <u>provided</u>, <u>however</u>, Tenant may elect to change the name of the Sports Park at any time to "Ripken Experience" or "Diamond Nation" or a derivation thereof upon prior written notice to City.

c. <u>Permits</u>. Tenant shall at all times during the Term obtain, keep and maintain all licenses and permits required by state and local governmental authorities necessary to operate the Sports Park, including the Structures, and comply with each and every term of each such permit, including, but not limited to, the City Use Permit and the Environmental Mitigation Measures.

d. <u>Security</u>. Tenant shall at all times provide such security for the operation of the Premises as shall reasonably be determined by Tenant to be prudent to protect the customers, guests, contractors and other invitees of the Premises and the owners and occupants of neighboring properties from the customers, employees, guests, contractors and other invitees of the Premises.

e. <u>Local Youth Programs</u>. During the Term, Tenant shall use commercially reasonable efforts to accommodate on a preferential basis use of the Fields/Courts for local organized youth programs to the extent that Tenant's business at the Premises is not negatively impacted thereby. As used herein, the term "local" shall mean and include organized youth programs as to which a majority of the participants are residents of the City of Manteca. Use of the Fields/Courts by local organized youth programs shall be subject to the normal operating practices and rules of the Sports Park. Available time for league play by these local groups shall be determined by Tenant. Notwithstanding anything to the contrary contained in this Agreement, in no event shall the failure of Tenant to accommodate local organized youth programs at the Sports Park on a preferential basis constitute a default by Tenant hereunder.

8. <u>Compliance</u>.

Tenant shall, at Tenant's expense, comply promptly with all a. Tenant. applicable statutes, ordinances, rules, regulations, orders, covenants, conditions, and restrictions, and requirements of any governmental authority in effect during the Term, regulating the use or operation by Tenant of the Premises (collectively, the "Statutes"), whether those Statutes are now in force or are subsequently enacted. Tenant shall keep and maintain in full force and effect, and in good standing, all permits and licenses required from state and local governmental authorities for the operation and maintenance of the Premises. The suspension or termination of any permit or license for a period of thirty (30) days shall be a material breach hereof, but shall first be subject to the cure as provided in Section 17(a)(v). If any bureau, department or official of the state or county government or any other governmental authority (other than the City) having jurisdiction requires or recommends that any nonstructural changes, modifications, replacements, alterations, or additional equipment be made or supplied in or to any portion of the Premises by reason of Tenant's use or operation thereof, Tenant shall, at Tenant's cost and expense, make and supply such non-structural changes, modifications, replacements, alterations, or additional equipment. Tenant shall not use nor permit the use of the Premises in any manner that will tend to create waste or a nuisance.

The judgement of any court of competent jurisdiction, or the admission by Tenant in a proceeding brought against Tenant by any governmental entity, that Tenant has violated any Statute shall be conclusive as between Landlord and Tenant and shall constitute grounds for termination of this Agreement by Landlord. b. <u>Landlord</u>. Landlord represents and warrants that, as of the Term Commencement Date, the Premises were in compliance with all applicable Statutes of any governmental authority then in effect.

c. <u>Subsequent Modifications</u>. In the event, during the Term, Landlord enacts or issues any new Statutes, or amends any existing Statutes, which would burden or restrict Tenant in the operation of the Premises beyond restrictions contained in this Agreement, Landlord and Tenant shall negotiate in good faith modifications to the Percentage Rent formula or other provisions of this Agreement setting forth the obligations of Tenant to Landlord hereunder (e.g., the payment of Taxes, insurance, etc.), the effect of which modifications would place Tenant in a comparable financial position had such Statutes not been amended, enacted or issued. Any material controversy between the Parties regarding this Agreement that results from an enactment, issuance or change of any Statute shall be submitted to non-binding arbitration upon the written request of one party after the service of that request on the other party. The issue of whether or not there has been an enactment, issuance or change of any Statute, affecting this Agreement shall also first be determined by non-binding arbitration. Said arbitration shall be conducted pursuant to the California Arbitration Act.

d. Landlord's Use of Parking; Loma Parking.

i. Notwithstanding anything to the contrary, the City maintains the reasonable right to utilize the Sports Park parking lot for its own use on a temporary basis, provided that (i) Landlord delivers prior notice of such use to Tenant, (ii) such use does not occur while the Premises are being used by Tenant pursuant to this Agreement, (iii) Landlord remains primarily liable for any such use of the parking lot by Landlord or its employees, volunteers or other representatives, (iv) such use of the parking lot does not negatively impact Tenant's business at the Premises, (v) such use is not deemed to constitute permission for the City or any of its employees, volunteers or other representatives to access or otherwise use the Sports Park, and (vi) such use is only for the temporary parking of motor vehicles and not parking for construction vehicles, or long-term parking of motor vehicles, or storage of motor vehicles or any other items. Notwithstanding the foregoing, for the avoidance of doubt, the rights granted to Landlord in this Section 8.d. do not grant Landlord the right to permit or allow other users or commercial occupants to use any Sports Park parking lot, except pursuant to the Loma Agreements and/or as mutually agreed to in writing by the Parties.

ii. Tenant acknowledges that Landlord intends to enter into the Parking Lease which permits the tenant thereunder to, among other things, (a) use no more than 32 parking spaces within a portion of the Sports Park parking lot on a non-exclusive basis and (b) install a garbage enclosure within a portion the Sports Park parking lot, each as further set forth in the Parking Lease. Tenant acknowledges and agrees that Landlord shall be entitled to collect any rental paid by the tenant under the Parking Lease. Notwithstanding, Landlord agrees (x) that this Lease and the rights granted herein (and under the Original Agreements) have priority over the Parking Lease to the extent permitted by law, and (y) that Landlord will cooperate with and facilitate any requests made by Tenant related to the Parking Lease to the extent permitted by law, including, but not limited to, with respect to (i) repairs that should be performed by the tenant under the Parking Lease, and (iii) the number of parking spaces used by the applicable

tenant if such tenant's use is over the allotted amount. In addition, Landlord agrees to request and use commercially reasonable efforts to ensure that Tenant is listed on the applicable tenant's insurance along with Landlord as required under the Parking Lease. Landlord shall also be obligated to ensure that JZJ will commence paying Taxes for its property and improvements either to the applicable municipality or governing authority or to Tenant (if Taxes for such conveyed land and improvements have not been separately assessed). Landlord acknowledges that Tenant has no obligation to reimburse, credit or otherwise pay Taxes to any party under the Loma Agreement or with respect to the land conveyed to JZJ.

Landlord's Use of Land and Non-Competition. Subject to the terms hereof, e. Landlord expressly reserves unto itself the right to use the rest of the Land outside of the Premises for whatever purpose it may choose, provided that any such use shall not compete with Tenant's business. Accordingly, Landlord will not solicit, organize, or contract with third parties to organize softball or baseball leagues or tournaments either on the Land or elsewhere in the City, provided that (a) local non-profit youth baseball or youth softball organizations may contract with Landlord to play local youth baseball or softball games at other Landlord owned property and (b) Landlord may continue to offer and organize local youth baseball or softball programs at other Landlord owned property during the Term. Landlord shall use reasonable efforts to encourage existing youth baseball and softball programs, over a reasonable transition period, to utilize the Sports Park. All tournament facility requests for City facilities shall be referred to the Sports Park as first priority, however, City may rent other City facilities to third parties to conduct tournaments consistent with this paragraph, and provided City does not contract with direct competitors of Tenant. Landlord shall not permit, organize or schedule league or tournament softball play on the Land.

9. <u>Intentionally Deleted</u>.

10. <u>Utilities and Services</u>. Tenant shall make all arrangements for and pay prior to delinquency all utilities and services furnished to or used by it or its licensees or subtenants, including, without limitation, gas, electricity, water, telephone service, communications, cable television, trash collection, sewer, and storm drainage. As part of its construction obligations, Landlord contracted for and paid all necessary charges to connect the Premises, and all necessary locations within the Premises, to or for access, gas, electricity, water, telephone service, communications, cable television, trash collection; sewer, and storm drainage.

11. <u>Maintenance and Repairs</u>.

a. <u>Tenant's Obligations</u>. Except as provided in Section 11(b) below, throughout the Term, Tenant shall, at Tenant's sole cost and expense, maintain the entire Premises in a safe and first class condition and in good repair (damage by casualty described in Section 13 or Force Majeure excepted), including, without limitation, turf replacement and repairs and other turf and natural field upgrades, in each event in Tenant's reasonable discretion and in accordance with (i) all applicable Statutes; (ii) the insurance underwriting board or insurance services office having or claiming jurisdiction over the Premises; (iii) all insurance companies insuring all or any part of the Premises; and (iv) standards consistent with other Unrivaled Sports parks. Representatives of Tenant (e.g., Tenant's on-site Maintenance Director) and Landlord (e.g., Landlord's Park Facilities Manager) shall meet four (4) times per calendar year, which meetings

may occur by videoconference, to reaffirm that these standards are achieved. Throughout the Term, except to the extent required of JZJ pursuant to the Loma Agreements, Tenant shall make all repairs and replacements to the structural, mechanical, and electrical portions of the Premises, including without limitation, the exterior and interior walls (including doors, plate glass and windows), roof, floor slab and foundations, ceilings, walks, heating, ventilating and air-conditioning systems, all parking lots surfacing and lighting. If required for safe, useable, operable functioning, Tenant shall replace any utility, mechanical, electrical, plumbing, heating, ventilation, air conditioning, fire, security or other system or equipment serving the Premises. All repairs and replacements shall be of a quality to or better than the original in materials and workmanship. All work shall be performed in a good and workmanlike manner, shall substantially comply with any plans and specifications approved by the Landlord, and shall comply with all applicable governmental permits, laws, ordinances and regulations.

b. <u>Landlord's Obligations</u>. To the fullest extent provided by law, Landlord shall reasonably cooperate with Tenant so that Tenant may meets its obligations under this Section 11, this includes, but is not limited to, responding timely to Tenant requests for information, answering Tenant questions in a timely manner, and/or using reasonable, best efforts to allow Tenant to meet applicable deadlines.

c. <u>Furniture, Fixtures & Equipment</u>. All FF&E shall be maintained, repaired and replaced by Tenant pursuant to Section 11(a), at Tenant's sole cost and expense.

12. <u>Alterations; Capital Improvements</u>.

a. <u>Alterations</u>. Tenant shall not make any alterations or additions to the Premises that will affect the overall structural integrity of the Sports Park without Landlord's prior consent, not to be unreasonably withheld, unreasonably conditioned or unreasonably delayed. Tenant shall be permitted to make any other alterations or additions to the Premises without Landlord's prior consent (subject to compliance with applicable laws, statutes and regulations). Tenant shall be the Party hereunder to complete any such alterations or additions. Tenant's vendors, hired for alterations in which consent is required, shall be approved by Landlord, such approval not to be unreasonably withheld, unreasonably conditioned or unreasonably delayed.

b. Capital Improvements. Landlord hereby approves Capital the Improvements, and Tenant agrees to invest at least Two Million Dollars (\$2,000,000.00) in connection with such Capital Improvements at the Sports Park prior to the Capital Improvements Deadline. If Landlord reasonably believes that Tenant has not satisfied its obligation hereunder to complete the Capital Improvements prior to the Capital Improvements Deadline, then Landlord will provide written notice to Tenant alleging such failure within thirty (30) days after the Capital Improvements Deadline. If Landlord delivers such notice and Tenant disputes Landlord's response, then Tenant may so notify Landlord and demand a meet and confer conference for settlement of the issues in dispute within thirty (30) days of receipt of Tenant's response. If Tenant does not dispute Landlord's response within the specified time, then Tenant will have six (6) months from receipt of Landlord's notice to complete the Capital Improvements. If the Parties meet and confer to discuss Landlord's response, then Tenant will have six (6) months from the date of resolution of the issues to complete the Capital Improvements. If Tenant fails to complete

the Capital Improvements within such extended timeframe, then Landlord may elect to terminate this Agreement by delivering notice to Tenant and such termination shall become effective thirty (30) days thereafter, provided, however, Tenant may vitiate such termination by completing the construction of the Capital Improvements prior to the expiration of such thirty (30)-day period.

13. <u>Destruction</u>.

a. <u>Partial Destruction; Restoration by Tenant</u>. If the Premises are damaged or destroyed during the Term, the cost of repairing the Premises is less than thirty percent (30%) of the replacement cost of the Fields/Courts or the Structures, as applicable, and the Initial Term has at least ten (10) years remaining, then Tenant shall promptly restore the Premises to substantially the same condition as they were in immediately before such damage or destruction (except for changes as may be required by changed building and safety codes, which Tenant shall make at Tenant's sole cost and expense). Such damage or destruction shall not terminate this Agreement. Tenant shall use commercially reasonable efforts to complete such repairs within two-hundred seventy (270) days from the date of the casualty.

Major Damage or Destruction; Tenant's Right to Terminate. If the Premises b. are damaged or destroyed by flood, earthquake or terrorism (or other casualty not covered by the all risk property insurance required to be maintained by Tenant) during the Term and the cost of repairing the Premises is thirty percent (30%) or more of the replacement cost of the Fields/Courts or the Structures, as applicable, then Tenant shall have the option of either repairing and reconstructing the Premises or of terminating this Agreement. Notwithstanding the foregoing, provided that damage or destruction to the Premises is due to a cause covered by the all risk property insurance required by this Agreement or by insurance otherwise maintained by Tenant, then Tenant shall restore the Premises to substantially the same condition they were in immediately before such damage or destruction, in accordance with the original Plans and Specifications (except for any changes that may be required by changed building and safety codes, which Tenant shall make at Tenant's sole cost and expense) to the extent of insurance proceeds received; provided, however, that (1) if the cost of the restoration of the Fields/Courts or the Structures, as applicable, shall exceed the insurance proceeds available to Tenant to perform such restoration by an amount in excess of \$100,000, or (2) there is damage to or destruction of the Premises and the governmental restrictions then in effect with respect to the Premises prohibit construction of economically viable replacement improvements with respect to a use which Tenant has a right to make under this Agreement, or (3) such destruction occurs during the last five (5) years of the Initial Term or during any extension term of this Agreement, then Tenant shall have the right to terminate this Agreement as hereinafter set forth.

To exercise the right of termination described in this subsection (b), Tenant must comply with all of the following conditions:

i. Give Landlord notice of termination within thirty (30) days after the damage or destruction, specifying the date of termination which shall be not less than sixty (60) days nor more than one hundred twenty (120) days after the date such notice of termination is given;

ii. Prior to the termination date, cure any defaults on Tenant's part under this Agreement;

iii. Continue to make all payments when due (including without limitation any prorated portion of any additional rent, including any rent due under Section 4(g), becoming due after Tenant has given notice of termination but prior to the date of termination), if any, as required by the provisions of this Agreement until the date of termination;

iv. Prior to the termination date, pay in full any outstanding indebtedness incurred by Tenant and secured by an encumbrance or encumbrances on the leasehold, or alternatively, deliver to Landlord the written consent of the holders of all such encumbrances to the early termination of this Agreement and extinguishment of their liens;

v. Prior to the termination date, cause to be discharged all liens and encumbrances encumbering the Premises or Tenant's leasehold interest resulting from any act or omission of Tenant;

vi. On or before the termination date, deliver possession of the Premises to Landlord, quitclaim all rights, title and interest in the Premises to Landlord and cease to do business on the Premises, and vacate the Premises; and

vii. Prior to the termination date, effectively relinquish, assign, and deliver to Landlord all insurance proceeds resulting from the casualty.

In the event of any such termination, any additional rent paid in advance shall be prorated through the date the Agreement is terminated.

c. <u>Abatement or Reduction of Rent</u>. In case of any damage or destruction where this Agreement is not terminated, there shall be no abatement or reduction of Percentage Rent or additional rent. The minimum Percentage Rent provisions of Section 3(b) shall not apply during the period of reconstruction. During the period of reconstruction, Tenant may continue to conduct business from the Premises from temporary facilities or temporary structures subject to compliance with local building and safety codes or other applicable municipal codes. Tenant shall use commercially reasonable efforts to complete such reconstruction and re-open the Premises for business within a reasonable time, not to exceed ten (10) months in the aggregate unless extraordinary circumstances arise.

d. <u>Insurance Proceeds</u>. If Tenant is obligated or elects to restore the Premises pursuant to this section, the proceeds of any insurance maintained under this Agreement shall be disbursed pursuant to a customary construction disbursement system or service for payment of costs and expenses of repair. If the insurance proceeds are insufficient to cover the cost of repair, and Tenant is nonetheless obligated to repair under Section 13(b), then Tenant shall deposit the amount of the deficiency with Landlord, and such funds shall be disbursed first, and the balance of the construction costs shall be disbursed from the insurance proceeds by Landlord.

e. <u>Inapplicability of Civil Code Sections</u>. The provisions of California Civil Code §§1932(2) and 1933(4), and any successor statutes, are inapplicable with respect to any

destruction of any part of the Premises; such sections provide that a lease terminates on the destruction of the Premises unless otherwise agreed between the Parties to the contrary.

14. <u>Insurance and Indemnity</u>.

a. <u>Liability Insurance</u>. Effective as of the Term Commencement Date, Tenant shall procure at its sole cost and expense, and thereafter keep in effect at all times until the end of the Term, commercial general liability insurance which shall include coverage for contractual liability Such coverage shall have a minimum limit of liability of at least \$2,000,000 per occurrence and \$4,000,000 general aggregate. Tenant's commercial general liability insurance policy shall include coverage for liquor liability bodily injury, property damage, personal and advertising injury term, and shall be endorsed to provide that such coverage shall be primary and that any insurance maintained by Landlord shall be excess insurance only. Tenant may satisfy the requirements of this subsection by having Unrivaled Sports obtain a master policy of liability insurance applicable to multiple Unrivaled Sports parks which shall, by endorsement, specifically name the Landlord as an additional insured and comply with other requirements of this Section 14 applicable to such insurance. Tenant may also satisfy the requirements of this subsection by using a combination of primary and umbrella/ excess liability insurance policies written on a follow form basis.

b. <u>Worker's Compensation Insurance & Employer's Liability</u>. Tenant and Tenant's sublessees and concessionaires shall maintain worker's compensation insurance in accordance with California law and an employer's liability insurance with limits of liability of at least \$1,000,000 per occurrence for bodily injury, \$1,000,000 per employee for bodily injury by disease and \$1,000,000 aggregate for bodily injury by disease.

c. <u>Property Insurance</u>.

i. <u>All Risk Coverage</u>. Tenant shall at Tenant's sole expense obtain and keep in force during the Term of this Agreement a policy of insurance covering loss or damage to the Premises, all FF&E, and other personal property of Tenant on the Premises, in the amount of the full replacement value thereof, as the same may exist from time to time, against all perils included within the classification of fire, extended coverage, vandalism, malicious mischief, and special extended perils ("all risk", as that term is known in the insurance industry, excluding flood, earthquake and terrorism coverages). If such insurance coverage has a deductible clause, the deductible amount shall not exceed \$20,000 per occurrence. Tenant shall be liable for such deductible amount. Tenant shall obtain such endorsements as are recommended by Landlord's risk manager, including, without limitation, an endorsement for changes in building codes, provided such endorsements may be obtained on commercially reasonable terms. Landlord shall be the loss payee on such policy. Landlord shall receive and retain all insurance proceeds to the extent they are not used to rebuild the Premises following an insured casualty.

ii. <u>Replacement Value</u>. The "full replacement value" of the property to be insured under this section shall be determined by the company issuing the insurance policy at the time the policy is initially obtained. Not more frequently than once every five (5) years, either party shall have the right to notify the other party that it elects to have the replacement value redetermined by an insurance company. The redetermination shall be made promptly and in accordance with the rules and practices of the insurance company, and each party shall be promptly notified of the results by the company. The insurance policy shall be adjusted according to the redetermination.

d. <u>Insurance Policies</u>.

i. <u>Coverage Re-Evaluation</u>. Not more frequently than once every ten (10) years, if in the reasonable opinion of Landlord the amount or type of any insurance at that time is not adequate or not provided for herein, Tenant shall either acquire or increase the insurance coverage as required by Landlord provided such may be obtained by Tenant on commercially reasonable terms and conditions.

ii. <u>Policy and Company Requirements</u>. Tenant shall deliver to Landlord copies of policies of such insurance or certificates with attached original endorsements evidencing the existence and amounts of such insurance with loss payable clauses as required in Section 14. Tenant shall, at least five (5) days prior to the expiration of such policies, furnish Landlord with renewals or binding thereof. Insurance is to be placed with insurers with a current A.M. Best's rating of no less than A- VII and licensed to do business in the State of California. Except for the workers' compensation insurance policy and the employer's liability policy, all policies of insurance must (other than the property insurance, which shall name the Landlord as the loss payee) be endorsed to contain the following:

(1) The Landlord as an additional insured (or loss payee with respects to the property policy) as its interest may appear. The coverage shall contain no special limitations to the scope of protection afforded the Landlord.

(2) No such policy shall be canceled or subject to reduction of coverage except after thirty (30) days prior written notice to Landlord or ten (10) days if due to non-payment of premium.

(3) No policy required herein shall include a "wasting" policy limit (i.e. limit that is eroded by the cost of defense.

(4) As respects workers' compensation insurance, the policy shall be endorsed with a waiver of subrogation clause for Landlord.

(5) Coverage and limits shall be (1) the minimum coverage and limits specified in this Agreement; or (2) the broader coverage and maximum limits of the coverage available to the named Insured; whichever is greater.

iii. <u>Policy Compliance</u>. Tenant shall not use the Premises in any manner, even if the use is for the purposes permitted herein, that will result in the cancellation of any insurance required under this Agreement. Tenant further agrees not to keep on the Premises or permit to be kept, used, or sold thereon, anything prohibited by any fire or other insurance policy covering the Premises.

iv. <u>Failure to Obtain Insurance</u>. If after written notice and a fifteen (15) day opportunity to cure, Tenant shall fail to obtain any insurance required under this Agreement, Landlord may, at its election, obtain such insurance and Tenant, as additional rent, reimburse Landlord for the cost thereof plus a five percent (5%) handling charge, within five (5) days following demand therefor. If Tenant fails or refuses to maintain insurance as required hereunder, or fails to provide the proof of insurance, Landlord shall, subject to the notice and cure provisions of Section 17(a)(v), have the right to declare this Agreement in default, and Landlord shall be entitled to exercise all legal remedies for breach of this Agreement.

v. <u>Relationship of Indemnities</u>. All insurance required to be provided hereunder is in addition to, and not in lieu of, the indemnity provisions of Section 14(f) hereof. The procuring of such required policies of insurance shall not be construed to limit Tenant's liability hereunder, or to fulfill the indemnification provisions and requirements of this Agreement.

e. <u>Waiver of Subrogation</u>. Tenant and Landlord each hereby release and relieve each other, and waive their right of recovery against the other, for loss or damages arising out of or incident to the perils insured against under Section 14(c), which perils occur in, on or about the Premises, whether due to the negligence of Landlord, of Tenant or agents, employees, contractors and/or invitees of either, but only to the extent of insurance coverage. Tenant shall, upon obtaining the policies of insurance required hereunder, give notice to the insurance carrier or carriers that the foregoing mutual waiver of subrogation is contained in this Agreement and obtain the insurance carrier's written consent thereto.

f. Indemnity. Tenant shall, commencing with the Term Commencement Date, indemnify, defend, and hold harmless Landlord, and its council members, employees, agents, volunteers, and contractors (collectively the "Indemnitees") from and against any and all claims, losses, proceedings, damages, causes of action, liability, costs and expenses (including reasonable attorneys' fees), arising from or in connection with, or caused by (i) any acts, omissions or negligence of Tenant or any sublessee of Tenant, or their respective contractors, licensees, invitees, agents, servants or employees, wheresoever the same may occur; (ii) any use of the Premises, or any accident, injury, death or damage to any person or property occurring in or about the Premises, or any part thereof, or from the conduct of Tenant's business or from any activity, work or thing done, permitted or suffered by Tenant or its sublessees, contractors, employees, or invitees, in or about the Premises, or elsewhere (other than when arising as a result of (a) defective construction or workmanship by Landlord or its contractors or agents, (b) gross negligence or intentional misconduct of an Indemnitee, (c) any acts or omissions solely of Landlord or its authorized representatives, or (d) uses under the Loma Agreements); and (iii) any breach or default in the performance of any obligations on Tenant's part to be performed under the terms of this Agreement, or arising from any negligence of Tenant, or any such claim or any action or proceeding brought thereon; and in case any action or proceeding be brought against an Indemnitee by reason of any such claim, Tenant upon notice from Landlord shall defend the same at Tenant's expense by counsel reasonably satisfactory to Landlord and subject to Tenant's insurance carrier's approval. Tenant shall have no duty to defend or indemnify Landlord or any other Indemnitee from any Legal Challenge. Tenant, as a material part of the consideration to Landlord, hereby assumes all risk of damage to property or injury to person in, upon or about the Premises arising

from any cause other than defective construction or workmanship by Landlord or its contractors, or agents, gross negligence or intentional misconduct of an Indemnitee, or Hazardous Materials existing on the Land prior to the Term Commencement Date as provided in Section 30 and Tenant hereby waives all claims in respect thereof against Landlord. These provisions are in addition to, and not in lieu of, the insurance required under this Section 14.

15. <u>Condemnation</u>.

a. <u>Definitions</u>.

i. <u>"Condemnation"</u> means (A) the exercise of any governmental power, whether by legal proceedings or otherwise, by a Condemnor and (B) a voluntary sale or transfer by Landlord to any Condemnor, either under threat of condemnation or while legal proceedings for condemnation are pending.

ii. <u>"Date of Taking"</u> means the date the Condemnor has the right to possession of the property being condemned.

iii. <u>"Award"</u> means all compensation, sums, or anything of value awarded, paid, or received on a total or partial condemnation.

iv. <u>"Condemnor"</u> means any public or quasi-public authority (other than the City), or private corporation or individual, having the power of condemnation or eminent domain.

b. <u>Rights and Obligations Governed by Lease</u>. If during the Term there is any taking of all or any part of the Premises or any interest in this Agreement by Condemnation, the rights and obligations of the Parties shall be determined pursuant to this section. Each party waives the provisions of California Code of Civil Procedure Section 1265.130 allowing either party to petition the Superior Court to terminate this Agreement in the event of a partial taking of the Premises.

c. <u>Total Taking</u>. If the Premises are totally taken by Condemnation, this Agreement shall terminate on the Date of Taking.

d. <u>Partial Taking</u>. If any portion less than all of the Premises is taken by Condemnation, this Agreement shall remain in effect, except that Tenant can elect to terminate this Agreement if, in the reasonable judgement of Tenant, the portion of the Premises not so taken cannot be so repaired or reconstructed, taking into consideration the amount available for repair, so as to be suitable for Tenant's continued use of the Premises for the same use as the Premises are being used immediately prior to the taking and the remaining Premises would not be usable by Tenant on an economically feasible basis. If Tenant elects to terminate this Agreement, Tenant must exercise its right to terminate by giving notice to Landlord within thirty (30) days after the Date of Taking. If Tenant elects to terminate this Agreement, Tenant also shall notify Landlord of the effective date of the termination, which effective date shall not be later than ninety (90) days after Tenant has notified Landlord of its election to terminate. If Tenant does not terminate this Agreement within the ninety (90) days, this Agreement shall continue in full force and effect.

e. <u>Restoration of Premises</u>. If there is a partial taking of the Premises and this Agreement remains in full force and effect pursuant to Section 15(d), Tenant shall commence all necessary restoration as promptly as reasonably practicable under the circumstances but in all events within thirty (30) days after receipt of the Award, and shall thereafter diligently pursue such restoration work to completion.

f. <u>Temporary Taking</u>. On any taking of the temporary use of all or any part or parts of the Premises for a period, or of any estate less than a fee, ending on or before the expiration date of the Term, the Term shall not be reduced, extended, or affected in any way, and Tenant shall be entitled to any Award for the use or estate taken. If a result of the temporary taking is to necessitate expenditures for changes, repairs, alterations, modifications, or reconstruction of the Fields/Courts or the Structures, the Award shall be paid to Tenant, and Tenant shall commence all necessary changes, repairs, alterations, modification or reconstruction of the Fields/Courts or the Structures, as applicable, as promptly as reasonably practicable under the circumstances but in all events within thirty (30) days after receipt of the Award, and shall thereafter diligently pursue such restoration work to completion. At the completion of the work and the discharge of the Premises from all liens and claims, Tenant shall be entitled to any surplus and shall be liable for any deficit. If any such taking is for a period extending beyond the expiration date of the Term, the taking shall be treated under the foregoing provisions for total and partial taking, depending upon whether the temporary taking is of all or only part of the Premises.

g. <u>Application of Award</u>. No Award for any partial or entire taking shall be apportioned. Awards for partial or temporary taking, where the Agreement is not terminated, shall be applied by Tenant to restoration of the Premises as provided above. Tenant hereby assigns to Landlord any Award for a total taking which may be made, together with any and all rights of Tenant now or hereafter arising in or to the same or any part thereof; provided, however, that nothing contained herein shall be deemed to give Landlord any interest in or require Tenant to assign to Landlord any Award made to Tenant for the unamortized value of any additions or improvements on the Premises constructed by Tenant in accordance with this Agreement (amortized on a straight line basis over the remainder of the Term of this Agreement from the Date of Taking), the taking of personal property and fixtures belonging to Tenant and removable by Tenant at the expiration of the Term hereof, as provided hereunder, or for the interruption of, damage to, or loss of Tenant's business and goodwill, or for relocation expenses recoverable against the Condemnor, or in the event of a partial taking, the cost of restoring the Premises to a usable condition.

h. <u>Inapplicability of Code Section</u>. The provisions of California Code of Civil Procedure §1265.130, and any successor statute, are hereby waived by the Parties.

16. <u>Assignment, Subletting and Encumbering</u>.

a. <u>Prohibition Against Assignment, Subletting, and Encumbering</u>. Tenant shall have the right, without Landlord's prior consent, to assign this Agreement to an affiliated

entity as to which a Controlling Percentage is owned by Unrivaled Sports or to an entity which shall have purchased all or substantially all of the assets of Unrivaled Sports (an "Affiliate Assignment"). Although Landlord's consent is not required for an Affiliate Assignment, Tenant agrees to provide advance notice to Landlord of such Affiliate Assignment and to introduce Landlord to the proposed assignee so that Landlord may request a meeting with the proposed assignee (which meeting may occur by videoconference). Tenant shall not otherwise assign, transfer, or encumber all or any portion of its interest in this Agreement or in the Premises, or sublease all or any part of the Premises, or allow any other person or entity (except authorized representatives, employees, invitees, concessionaires and licensees of Tenant, Unrivaled Sports, any Affiliate or anyone else permitted in accordance with this Agreement) to occupy or use all or any part of the Premises, without Landlord's written consent, which consent shall not be unreasonably withheld, unreasonably delayed or unreasonably conditioned. If, at any time, the entity which directly owns Tenant sells all or substantially all of its ownership or assets, then such change of ownership shall require Landlord's prior consent, not to be unreasonably withheld, unreasonably conditioned or unreasonably delayed (other than in connection with an Affiliate Assignment). In the event Landlord approves any assignment or subletting of the Premises, Landlord shall cooperate with Tenant in effectuating the reasonable requirements of prospective assignees of sublessor to complete any such transaction. In no event is Tenant or any subtenant authorized to encumber the Premises or the FF&E provided by Landlord without the advance written approval of Landlord, which approval may be granted or withheld by Landlord in its sole discretion. Landlord shall not assign this Agreement to any entity other than a political subdivision of the City without Tenant's prior written consent, which consent shall not be unreasonably withheld, unreasonably delayed or unreasonably conditioned.

Approval Procedure for Assignments and Subleases. To the extent i. that Landlord consent is required. Tenant shall first notify Landlord at least forty-five (45) days prior to the proposed effective date of any assignment or sublease, in writing, of its desire to do so and shall submit in writing to Landlord (1) the name of the proposed subtenant or assignee, (2) the terms and conditions of the proposed sublease or assignment, including a copy of the written agreement for same, (3) financial statements for the two most recent completed fiscal years of the proposed subtenant or assignee, and (4) a bank reference. Thereafter, Tenant shall furnish such supplemental information as Landlord may reasonably request concerning the proposed subtenant or assignee. At any time within thirty (30) days after Landlord's receipt of the information specified above, Landlord may by written notice to Tenant elect to (1) consent to the sublease or assignment, or (2) disapprove of the sublease or assignment in Landlord's reasonable discretion. Such grounds may include, without limitation, a possible material adverse effect upon the reputation of the Project from the nature of the subtenant or assignee; a reputation for financial reliability on the part of the proposed subtenant or assignee which is unsatisfactory in the sole judgement of Landlord; insufficient experience of the subtenant as assignee to operate the Sports Park; likely adverse impact on Gross Revenues; or inexperience in performance of Tenant's other obligations under this Agreement. If Landlord consents to the sublease or assignment (or fails to respond to Tenant's request) within the forty-five (45) day period, Tenant may thereafter enter into such assignment or sublease of the Premises, upon the terms and conditions and as of the effective date set forth in the information furnished by Tenant to Landlord.

ii. <u>Executed Document Copy</u>. Notwithstanding Landlord having granted its consent to any assignment or subleasing, prior to the effective date of any assignment or the commencement date of any sublease, Tenant shall furnish Landlord with a copy of the fully executed sublease or assignment agreement.

iii. <u>Minimum Term</u>. No sublease of the Premises or portion thereof, or assignment of this Agreement, shall be for a period of less than one (1) year, nor shall any sublease extend beyond the expiration date of the Term of this Agreement.

iv. <u>Assumption</u>. Each permitted assignee or transferee shall assume and shall be deemed to have assumed, and each sublessee shall be bound by, this Agreement. In the case of an assignment of this Agreement where Landlord's approval is required and Landlord so consents in writing, Landlord shall not release Tenant from any further obligation arising under this Agreement after the date of the assignment unless such assignment specifically provides for such a release. No assignment shall be binding on Landlord unless such assignee or tenant shall deliver to Landlord a counterpart of such assignment which contains a covenant of assumption by the assignee, but the failure or refusal of the assignee to execute such instrument of assumption shall not release or discharge the assignee from its liability as set forth above.

b. <u>Additional Provisions</u>. No consent by Landlord to any assignment, encumbrance, or sublease shall constitute a waiver of the provisions of this section. Tenant shall not make any modifications to an approved sublease without Landlord's prior written consent. For the purposes hereof, an "encumbrance" shall mean a mortgage, deed of trust, land sale contract, lease or other financing device. Any attempted assignment, encumbrance, or lease, if not approved by Landlord in advance pursuant to this Section 16, shall be voidable by Landlord and, at Landlord's election, shall, subject to the notice and cure provisions of Section 17(a)(v), constitute a default hereunder.

17. <u>Default</u>.

a. <u>Tenant's Default</u>. The occurrence of any of the following shall constitute a default by Tenant:

i. <u>Failure to Pay Rent</u>. Failure to pay rent (whether Percentage Rent, or any other rent due to Landlord) or any other additional payments required to be made by Tenant hereunder as and when due, where such failure continues for ten (10) days after delivery by Landlord to Tenant of written notice of such failure.

ii. <u>Failure to Pay Taxes</u>. Failure to pay any Taxes on a timely basis, or the failure to provide any insurance required hereunder, where such failure continues for fifteen (15) days after delivery by Landlord of written notice of such failure to Tenant.

iii. <u>Surrender</u>. Abandonment or surrender of the Premises or the leasehold estate by Tenant.

iv. <u>Intentionally Deleted</u>.

v. <u>Default Under this Agreement</u>. Failure to perform any other covenant or provisions of this Agreement, if the failure to perform is not cured within thirty (30) days after delivery by Landlord to Tenant of written notice. If the failure to perform cannot reasonably be cured within thirty (30) days, Tenant shall not be in default of this Agreement if Tenant commences to cure the failure to perform within the thirty (30) day period and thereafter diligently and in good faith prosecutes the cure to completion.

vi. <u>Attachment</u>. The subjection of any right or interest of Tenant to attachment, execution, or other levy, or to seizure under legal process, if not released within sixty (60) days after written notice from Landlord to Tenant.

vii. <u>Insolvency</u>. An assignment by Tenant for the benefit of creditors or the filing of a voluntary or involuntary petition by or against the Tenant under any law for the purpose of adjudicating Tenant a bankrupt; or for extending time for payment, adjustment, or satisfaction of Tenant's liabilities; or for reorganization, dissolution, or arrangement on account of or to prevent bankruptcy or insolvency; unless the assignment or proceeding, and all consequent orders, adjudication, custodies, and supervision are dismissed, vacated, or otherwise permanently stayed or terminated within sixty (60) days after the assignment, filing, or other initial event.

viii. <u>Receivership</u>. The appointment of a receiver, unless such receivership is terminated within sixty (60) days after the appointment of the receiver, to take possession of Tenant's interest in the Premises or of Tenant's interest in the leasehold estate or of the Tenant's operations on the Premises for any reason, including but limited to, an assignment for the benefit of creditors or voluntary bankruptcy, but not including receivership (A) pursuant to a permitted first leasehold encumbrance, or (B) instituted by Landlord, the event of default being not the appointment of a receiver at Landlord's instance but the event justifying the receivership.

b. Landlord's Remedies.

i. <u>Cumulative Nature of Remedies</u>. If any default by Tenant shall continue uncured, following notice of default as required by this Agreement, for the period, if any, applicable to such cure opportunity, Landlord shall have the remedies described in this subsection (b) in addition to all other rights and remedies provided by law or equity, to which Landlord may resort cumulatively or in the alternative.

ii. <u>Termination</u>. If any default by Tenant shall continue uncured, following notice of default as required by this Agreement, for the period set out herein, if any, applicable to such cure opportunity, Landlord may at Landlord's election terminate this Agreement by giving Tenant written notice of termination. In the event Landlord terminates this Agreement, Landlord may recover possession of the Premises (which Tenant shall surrender and vacate upon demand) and remove all persons and property therefrom. Landlord shall be entitled to recover as damages all of the following:

(1) The worth at the time of the award of any unpaid rent or other charges which have been earned at the time of termination;

(2) The worth at the time of the award of the amount by which the unpaid rent and other charges which would have been earned after termination until the time of the award exceeds the amount of the loss of such rental or other charges that Tenant proves could have been reasonably avoided;

(3) The worth at the time of the award of the amount by which the unpaid rent and other charges for the balance of the Term after the time of the award exceeds the amount of the loss of such rental and other charges that Tenant proves could have been reasonably avoided; and

(4) Any other amount necessary to compensate Landlord for the detriment proximately caused by Tenant's failure to perform its obligations under this Agreement or which in the ordinary course of things would be likely to result therefrom.

iii. <u>Worth Defined</u>. As used in subsections (1) and (2) above, the "worth at the time of the award" shall be computed by allowing interest at the rate of ten percent (10%) per annum. As used in subsection (3) above, the "worth at the time of the award" shall be computed by discounting such amount at the discount rate of the Federal Reserve Bank of San Francisco at the time of the award.

iv. <u>Continuation of the Lease</u>. Even though Tenant has breached this Agreement and abandoned the Premises, at Landlord's option this Agreement shall continue in effect for so long as Landlord does not terminate Tenant's right to possession. Landlord may enforce all of its rights and remedies hereunder, including the right to recover rent as it comes due under this Agreement. In such event, Landlord will permit Tenant to sublet the Premises or to assign its interest in this Agreement, or both, with the consent of Landlord, which consent will not unreasonably be withheld provided the proposed assignee or sublessee is reasonably satisfactory to Landlord as to credit and reputation and will occupy the Premises for the same purposes specified herein, and provided that Tenant shall cure all defaults to Landlord as a condition precedent to the effectiveness of Landlord's consent. For purposes of this subsection. the following shall not constitute a termination of Tenant's right to possession: (i) acts of maintenance or preservation or efforts to relet the Premises; or (ii) the appointment of a receiver under the initiative of Landlord 's interest under this Agreement.

v. <u>Use of Tenant's Personal Property</u>. Landlord may at Landlord's election use Tenant's personal property and trade fixtures located on, about or appurtenant to the Premises or any of such property and fixtures without compensation and without liability for use or damage, or store them for the account and at the cost of Tenant. The election of one remedy for any one item shall not foreclose an election of any other remedy for another item or for the same item at a later time.

vi. <u>Assignment of Subrents</u>. Tenant assigns to Landlord all subrents and other sums falling due from subtenants, licensees, and concessionaires during any period in which Landlord has the right under this Agreement, whether exercised or not, to reenter the Premises for Tenant's default. Tenant shall not have any right to such sums during that period. This assignment is subject and subordinate to any and all assignments of the same subrents and other sums to the

lender under a permitted first leasehold encumbrance. Landlord may at Landlord's election reenter the Premises with or without process of law, without terminating this Agreement, and either or both collect these sums or bring action for the recovery of the sums directly from such obligors. Landlord shall receive and collect all subrents and proceeds from reletting, applying them: first, to the payment of reasonable expenses (including attorney's fees or brokers' commissions or both) paid or incurred by or on behalf of Landlord in recovering possession, placing the Premises in good condition, and preparing or altering the Premises for reletting; second, to the reasonable expense of securing new subtenants, licensees and concessionaires; third, to the fulfillment of Tenant's covenants to the end of the Term; and forth, to Landlord's uses and purposes. Tenant shall nevertheless pay to Landlord on the due dates specified in this Agreement the equivalent of all sums required of Tenant under this Agreement, plus Landlord's expenses, less the proceeds of the sums assigned and actually collected under this provision.

c. Late Charge. Tenant hereby acknowledges that late payment by Tenant to Landlord of rent and other charges due under this Agreement will cause Landlord to incur costs not contemplated by this Agreement, the exact amount of which will be extremely difficult to ascertain. Such costs include, but are not limited to processing and accounting charges, and late charges which may be imposed on Landlord by the terms of any mortgage or trust deed covering the Premises, or bond issues of Landlord. Accordingly, if any delinquent installment of rent or any other charge due from Tenant is not received by Landlord or Landlord's designee within ten (10) days after written demand for payment shall have been delivered by Landlord to Tenant, then, at Landlord's election and upon Landlord's demand, Tenant shall pay to Landlord a late charge equal to ten percent (10%) of such overdue amount. The Parties hereby agree that such late charge represents a fair and reasonable estimate of the costs Landlord will incur by reason of the late payment by Tenant. No late charge may be imposed more than once for the same late rental payment. Acceptance of such late charge by Landlord shall in no event constitute a waiver of Tenant's default with respect to such overdue amount. If Tenant fails to pay any two installments of Percentage Rent in the time (including applicable notice and cure periods) required by this Agreement, than Landlord also shall have the right, for a period of three (3) Lease Years, to require that future Percentage Rent be payable monthly rather than quarterly. Landlord shall give Tenant written notice of such election at least five (5) days before the next monthly payment shall be due.

d. <u>Landlord's Default</u>. The occurrence of the following shall constitute a default by Landlord: Landlord's failure to perform any covenant or provision of this Agreement, if the failure to perform is not cured within thirty (30) days after delivery by Tenant to Landlord of written notice specifying the specific nature of the alleged default. If the failure to perform cannot reasonably be cured within thirty (30) days, Landlord shall not be in default of this Agreement if Landlord commences to cure the failure to perform within the thirty (30) day period and thereafter diligently and in good faith prosecutes the cure to completion.

e. <u>Tenant's Remedies</u>. If any default by Landlord shall continue uncured, following notice of default as required by this Agreement, for the period specified in subsection (d) above, Tenant may terminate this Agreement and/or pursue any and all other rights and remedies available at law or in equity under the laws of the State of California.

18. <u>Landlord's Entry on Premises</u>. Landlord and its authorized representatives shall have the right to enter the Premises at all reasonable times, upon giving at least twenty-four (24) hours prior notice, for any of the following purposes:

a. <u>Verify Condition</u>. To determine whether the Premises are in the condition required by this Agreement and whether Tenant is complying with the obligations under this Agreement;

b. <u>Post Notices</u>. To serve, post or keep posted any notices required or allowed under the provisions of this Agreement;

c. <u>Show Property</u>. To show the Premises for any reasonable purpose at any time during the Term; and

d. <u>Business Purposes</u>. To carry out any building or property management business purposes in or about the Premises.

Landlord shall not be liable in any manner for any inconvenience, disturbance, loss of business, nuisance, or other damages arising out of Landlord's entry on the Premises as provided in this section, except damages resulting from the acts or omissions of Landlord or its authorized representatives. Tenant shall not be entitled to an abatement or reduction of rents if Landlord exercises any rights reserved in this section. Landlord shall conduct its activities on the Premises as allowed in this section in a manner that reasonably attempts to minimize any inconvenience, annoyance, or disturbance to Tenant's business operations.

19. <u>Notices</u>. Any notice, demand, request, consent, approval or communication that either party desires or is required to give to the other party shall be in writing and shall be given to the address set forth below, and shall be deemed delivered three (3) days after deposit into the United States mail, postage prepaid, by registered or certified mail, return receipt requested, or upon delivery when sent by prepaid overnight express delivery service (e.g., FedEx, UPS), or upon transmission when sent by email with confirmation of transmission. Unless notice of a different address has been given in accordance with this section, all such notices shall be addressed as follows:

If to Landlord, to:	City of Manteca 1001 W. Center Street Manteca, California 95337 Attention: City Manager Email: <u>citymanager@manteca.gov</u>
With a copy to:	Manteca City Attorney's Office 1001 W. Center Street Manteca, California 95337 Attention: City Attorney Email: <u>cityattorney@manteca.gov</u>

With a copy to:	City of Manteca, Recreation & Community Services Department 295 Cherry Lane Manteca, California 95337 Attention: Recreation & Community Services Manager Email: recreation@manteca.gov
If to Tenant, to:	c/o Unrivaled Sports 880 Long Drive Aberdeen, Maryland 21001 Attention: Scott Cotter Email: <u>scotter@unrivaledsports.com</u>

20. Attorney's Fees.

a. If Landlord becomes a party to any litigation (other than a Legal Challenge) brought by any third party concerning this Agreement or the Premises as to which Landlord is entitled to indemnification from Tenant, then Tenant shall be liable for actual attorney's fees and court costs incurred by Landlord in the litigation.

b. If either party commences an action against the other party arising out of or in connection with this Agreement, the prevailing party shall be entitled to have and recover from the losing party its reasonable attorney's fees and costs of suit.

21. Litigation Concerning Validity of this Agreement. In the event any Legal Challenge is undertaken and such Legal Challenge prevails as determined by the applicable governing court or agency, then either Landlord or Tenant shall have the right, exercisable not later than ninety (90) days from the Effective Date, to terminate this Agreement by delivering written notice to the other party, in which event this Agreement shall automatically terminate on the date that is thirty (30) days after such notice, without any further liability to the other party hereto whatsoever. In the event a Legal Challenge is undertaken after ninety (90) days from the Effective Date, Landlord shall vigorously defend such action or proceeding at its cost and expense, unless such a Legal Challenges arises from the conduct, acts, or omissions of Tenant or its agents, contractors, or affiliates, at which time the Parties mutually and equally agree to defend the validity of this Agreement. Regardless, Tenant agrees in such case to cooperate with Landlord to the fullest extent permitted by law in the defense of the validity of this Agreement. Further in such an event, this Agreement shall not be terminable by Landlord unless such is ordered by a court of competent jurisdiction and/or the Parties mutually agree to terminate this Agreement in writing.

22. <u>Estoppel Certificates</u>. At any time and from time to time, within thirty (30) days after notice of request by either party, the other party shall execute, acknowledge, and deliver to the requesting party, or to such other recipient as the notice shall direct, a statement certifying that this Agreement is unmodified and in full force and effect or, if there have been modifications that it is in full force and effect as modified in the manner specified in the statement, and acknowledging that there are no uncured defaults or failures to perform any covenant or provision

of this Agreement on the part of the requesting party or specifying any such defaults or failures which are claimed to exist. The statement shall also state dates to which the rent and other charges have been paid in advance. The statement shall be such that it can be relied on by any auditor, creditor, commercial banker, or investment banker of either party and by any prospective lender with respect to the Premises or all or any part or parts of Tenant's or Landlord's interests under this Agreement. Either party's failure to execute, acknowledge, and deliver, on request, the certified statement described above within the specified time shall constitute a breach of this Agreement. If Tenant fails to deliver the certificate within ten (10) days, Tenant constitutes and appoints Landlord as its special attorney-in-fact to execute and deliver the certificates to a third party, which appointment is irrevocable and is hereby coupled with an interest.

Subordination. This Agreement is subject and subordinate to any ground lease, 23. mortgage and deed of trust which now or hereafter affect the Premises, and to all renewals, modifications, consolidations, replacements, and extensions thereof. The foregoing sentence shall not be deemed to state that this Agreement is subordinate to the Original Agreements, which have been amended and restated by this Agreement. If the holder or holders of any such mortgage or deed of trust shall advise Landlord that they desire or require this Agreement to be prior and superior thereto, upon written request of Landlord to Tenant, Tenant agrees promptly to execute, acknowledge, and deliver any and all documents or instruments which are reasonably necessary or desirable for purposes thereof. Landlord shall have the right to cause this Agreement to be and become and remain subject and subordinate to future and further ground or underlying financial leases, mortgages or deeds of trust which may hereafter be executed covering the Premises, or any renewals, modifications, consolidations, replacements or extensions thereof, for the full amount of all advances made or to be made thereunder and without regard to the time or character of such advances, together with interest thereon and subject to all the terms and provisions thereof. Tenant agrees, within thirty (30) days after Landlord's written requests therefor, to execute, acknowledge, and deliver any and all documents or instruments requested by Landlord, or that are necessary or proper to assure the subordination of this Agreement to any such mortgages, deeds of trust, or leasehold estates; provided, however, that the foregoing provisions with respect to such election of subordination by Landlord shall not be effective unless the owner or holder of any such mortgage, deed of trust, or leasehold estate shall execute with Tenant a nondisturbance agreement under which such owner, holder, or lessor shall agree, in the event of termination of such leasehold estate or upon the foreclosure of any such mortgage or deed of trust, that Tenant's quiet enjoyment of the Premises will not be disturbed so long as Tenant pays rent and observes and performs all of the provisions of this Agreement to be observed and performed by Tenant. Notwithstanding anything to the contrary set forth in this section, Tenant hereby attorns and agrees to attorn to (at the option of) any person, firm, or corporation purchasing or otherwise acquiring the Premises at the sale or other proceeding or pursuant to the exercise of any other rights, powers, or remedies under such mortgage, or deeds of trust, or ground or underlying leases, as if such person, firm, or corporation had been named as Landlord herein.

24. <u>Sale or Transfer by Landlord</u>. In the event of any transfer or transfers of Landlord's interest in the Premises, other than a transfer for security purposes only, the transferor shall automatically be relieved of any and all obligations and liabilities on the part of the Landlord accruing from and after the date of such transfer; provided, however, that any funds in the hands of the Landlord in which Tenant has an interest, at the time of such transfer, shall be turned over

to the transferee and upon such transfer, Landlord shall be discharged from any further liability with reference to such funds. The covenants and obligations of Landlord contained in this Agreement shall be binding upon Landlord, its successors and assigns only during their respective period of ownership.

25. <u>Surrender of Premises</u>. At the expiration or earlier termination of the Term, Tenant shall surrender to Landlord the possession of the Premises. Surrender or removal of improvements, fixtures and trade fixtures shall be as directed in the provisions of this Agreement on ownership of improvements, fixture, and trade fixtures at expiration or termination of this Agreement. Except as provided in Section 13 hereof to the contrary, Tenant shall leave the surrendered property and any other property in good and broom clean condition. All personal property that Tenant is not required to surrender but that Tenant does abandon shall, at Landlord's election, become Landlord's property at expiration or the sooner termination of this Agreement.

26. Form of Nondiscrimination and Nonsegregation Clauses. The Tenant herein covenants by and for itself, its successors and assigns, and all persons claiming under or through it, that this Agreement is made and accepted upon and is subject to the following conditions: That there shall be no discrimination against or segregation of any person or group of persons, on account of race, color, creed, religion, sex, marital status, national origin, or ancestry, in the leasing, subleasing, transferring, use, occupancy, tenure, or enjoyment of the Premises nor shall the Tenant itself, or any person claiming under or through it, establish or permit any such practice or practices of discrimination, or segregation with reference to the selection, location, number, use, or occupancy, of tenants, lessees, sublessees, subtenants, or vendees in the Premises. Recreational or athletic events categorized for male or female participation or by age group, or conducted by or for religious, fraternal or other nonprofit groups for the primary benefit of their members, shall not violate the requirements of this paragraph.

27. <u>Holding Over</u>. If Tenant remains in possession of the Premises or any part thereof after the expiration or termination of the Term of this Agreement, such occupancy shall be a tenancy from month to month upon all the provisions of this Agreement pertaining to the obligations of Tenant, except that the Percentage Rent shall be increased to twenty percent (20%) of the Gross Revenues and the Percentage Rent shall be payable in arrears on a monthly basis, as otherwise set forth in Section 4.

28. <u>Representations, Warranties and Acknowledgments</u>. Tenant hereby represents, warrants and acknowledges to Landlord that, as of the Effective Date:

a. <u>Status</u>. Tenant is a limited liability company, duly formed and validly existing in the State of California and has all power and authority pursuant to its governing documents to perform all obligations contemplated hereby.

b. <u>Authority</u>. To Tenant's knowledge, Tenant has materially complied with all applicable laws and regulations concerning the organization, existence and transaction of its business at the Premises. To Tenant's knowledge, Tenant has the right and power under its governing documents to lease and operate the Premises as contemplated in this Agreement. Tenant has, or at all appropriate times shall have properly obtained, all material permits, licenses and

approvals necessary to occupy and operate the Premises and in so doing has, or shall have (as appropriate), substantially complied with all applicable Statutes.

c. <u>No Litigation</u>. To Tenant's knowledge, there is no action, suit or other proceeding pending or threatened in writing against Tenant which may in any manner whatsoever substantially adversely affect the validity, priority, or enforceability of this Agreement or the use, occupancy or operation of the Premises.

d. <u>Enforceability</u>. Tenant has full right, power, and authority pursuant to its governing documents to execute and deliver this Agreement and the Memorandum of Agreement executed pursuant hereto, and to perform the undertakings of Tenant contained in this Agreement from and after the Effective Date. This Agreement constitutes valid and binding obligations of Tenant which are legally enforceable in accordance with their terms, subject to the laws of bankruptcy, creditor's rights exceptions, and equity.

e. <u>No Breach</u>. To Tenant's knowledge, none of the undertakings of Tenant contained in this Agreement from and after the Effective Date will materially violate any applicable Statutes or any order or ruling of any court, or will conflict with, or constitute a breach or default under, any written agreement by which Tenant is currently bound.

f. <u>Accuracy</u>. To the best of Tenant's knowledge, all documents, reports, instruments, papers, data, information and forms of evidence delivered to Landlord by Tenant with respect to this Agreement are accurate and correct in all material respects, are complete in all material respects insofar as completeness may be necessary to give Landlord a materially true and accurate knowledge of the subject matter thereof, and do not contain any known material misrepresentation or omissions. For avoidance of doubt, the representations of Tenant contained in this paragraph pertain only to this Agreement, and in no event to the Original Agreements.

g. <u>Taxes</u>. To the best of Tenant's knowledge, Tenant has filed all federal, state, county and municipal tax returns required to have been filed by Tenant, and has paid all taxes which have become due pursuant to such returns or to any notice of assessment received by Tenant. Tenant has no knowledge of any basis for additional assessment with respect to such taxes.

29. <u>Special Provisions</u>.

a. <u>Marketing Plan</u>. Tenant agrees to implement a continuous marketing plan for the Sports Park.

b. <u>Competing Business</u>. During the Term of this Agreement or, in the event this Agreement is terminated as a result of a default by Tenant or as a result of Tenant's surrender or abandonment of the Premises, for a period of twenty-four (24) years from the Effective Date, whichever is longer, neither Tenant, nor an Affiliate of Tenant, shall own, lease, or manage, or license the use of the name "Big League Dreams" in connection with a competing sports park facility similar in nature and function to the Sports Park or any other sports park facility located within a radius of fifty (50) miles from the Sports Park (the "<u>Radius Area</u>"), except in the event Tenant requires use of such other sports park facility as overflow space in connection with programming at the Sports Park; provided, however, prior to using such other sports park facilities

in the Radius Area, Tenant agrees to use commercially reasonable efforts to utilize facilities and parks located in the City of Manteca as overflow space for which Tenant determines in its sole discretion to be appropriate for such overflow space. The cross hatched area shown on the attached <u>Exhibit E</u> (which exhibit is incorporated herein by this reference) graphically depicts this Radius Area. The cities Antioch, Concord, Fairfield, San Jose, Union City, Morgan Hill, Martinez, Pittsburg, Pleasant Hill, Fremont, Milpitas and Walnut Creek are excluded from this fifty (50) mile non-compete radius for purposes of this Agreement, meaning that Tenant or an Affiliate may contract with such cities. In the event this Agreement is terminated by Landlord for reasons other than a default by Tenant or Tenant's surrender or abandonment of the Premises, or is terminated by Tenant as a result of a default by Landlord, the restrictions contained in this subsection (c) shall lapse on the effective date of such a termination of this Agreement.

Signage. Tenant shall provide Landlord with not less than fifty (50) square c. feet of advertising space, at a prominent location to be mutually agreed upon by the Parties, at no cost to the Landlord, for use by the Landlord or by non-profit groups designated by Landlord, subject to the prior written approval of Tenant, not to be unreasonably withheld, unreasonably conditioned or unreasonably delayed. All advertisements and promotional literature produced by or on behalf of Tenant with respect to the Fields/Courts or the Structures shall identify the Sports Park as being located in Manteca. Tenant shall promote the City of Manteca in a manner that will enhance the public image of the Landlord in media coverage, and shall reasonably cooperate and participate in joint promotional activities or publications with Landlord. Landlord shall, at its option, fabricate and provide signs to be used on such advertising space to Tenant according to specifications Tenant shall develop for advertising signs generally or reimburse Tenant for Tenant's actual costs in fabricating the signs for Landlord. Tenant shall not accept or display tobacco product or adult entertainment advertising in the Premises. Landlord acknowledges and agrees that the monument located on the corner of Daniels Street and Milo Candini Drive shall not be modified, altered, obstructed or removed in connection with the Loma Agreements or otherwise, unless mutually agreed to by the Parties in writing.

Community Use of Fields/Courts Premises. Tenant agrees to make the d. Fields/Courts Premises available to the Landlord four (4) days each year for community activities. Such days shall be reasonably selected by Tenant and Landlord, which selection shall be based, among other factors, on space availability. The Landlord shall give Tenant at least three (3) months prior written notice of the date or dates it proposes for use of the Fields/Courts Premises. On such dates (hereinafter referred to as "Community Days") the Fields/Courts Premises shall be made available to Landlord free of charge. Food and beverages shall be sold to guests and invitees of Landlord at regular prices by the Sports Park food and beverage concessionaire on Community Days. Entrance to and use of Sports Park by Landlord's guests, invitees and participants shall be free of Big League Dreams admission charges. Local business and community organizations designated by Landlord shall be allowed to set up booths and sell food and merchandise within the Sports Park on Community Days. Neither Landlord or any City invitee or vendor shall have the right to sell beverages. Landlord agrees to indemnify, hold harmless, and defend Tenant and its members, officers, employees and agents from and against any and all claims, losses, damages, liability, costs, expenses, demands, and causes of action by third parties on account of bodily injuries or deaths or on account of property damage arising out of the use of the Fields/Courts Premises on Community Days unless such are the result of the gross negligence or intentional

misconduct of Tenant or its members, officers, employees or agents. Business or Community organizations shall also be required to provide evidence of at least \$1,000,000 per occurrence in commercial general liability insurance and furnish certificates naming the Indemnitees and Tenant and its Affiliates, officers, members, employees and agents as additional insureds as a condition to participate in the Community Days.

30. <u>Hazardous Materials</u>. Tenant shall not store, generate, treat, or dispose of any hazardous substance or hazardous waste, as defined in the California Health and Safety Code, on the Premises; provided, however, that Tenant is permitted to bring onto the Premises Hazardous Materials (defined below) contained in emergency back-up batteries, under the condition that Tenant will treat all such Hazardous Materials brought onto the Premises by it in accordance with all applicable federal, state and local laws and regulations.

a. <u>Definition</u>. Hazardous Materials are defined as follows:

or toxic;

i. Substances which are flammable, explosive, corrosive, radioactive,

ii. Any material or substances defined as hazardous substances, hazardous materials, toxic substances, or hazardous waste in the Comprehensive Environmental Response, Compensation and Liability Act of 1980 (42 U.S.C. Section 9601, et seq.), the Hazardous Materials Transportation Act (49 U.S.C. Section 1801 et. seq.), the Resource Conservation and Recovery Act (42 U.S.C. Sections 6901 et seq.), the Hazardous Waste Control Act (California Health and Safety Code Sections 25100 et seq.), the Hazardous Substance Account Act (California Health and Safety Code Sections 25300 et seq), the California Health and Safety Code Section 25170.1, et. seq.), (California Health and Safety Code Section 25170.1, et. seq.), (California Health and Safety Code Section 25170.1, et. seq.), the Hazardous Waste Management Act (California Health and Safety Code Section 2550, et. seq.), the Hazardous Waste Management Act (California Health and Safety Code Section 2550, et. seq.), the Hazardous Waste Management Act (California Health and Safety Code Section 2550, et. seq.), the Hazardous Waste Management Act (California Health and Safety Code Section 2550, et. seq.), the Hazardous Waste Management Act (California Health and Safety Code Section 2550, et. seq.), the Hazardous Waste Management Act (California Health and Safety Code Section 2550, et. seq.), the Hazardous Waste Management Act (California Health and Safety Code Section 2550, et. seq.), the Hazardous Waste Materials Release Response Plans and Inventory, or the California Porter Cologne Water Quality Control Act (Water Code Section 13000, et. seq.), and all amendments to these laws, and regulations adopted or publications promulgated pursuant to these laws;

iii. Those asbestos-containing materials defined and described in Environmental Protection Agency Report No. 56/5-85-024 (June 1985) whether or not friable, or any related or successor report, or other applicable government regulations defining or describing such materials;

iv. Pesticides as defined by Section 136 (u) FIFRA (7 U.S.C. Section 136) as may be present in soil or groundwater;

v. "Hazardous Wastes" as defined in Section 25117 of the California Health and Safety Code, or as a chemical that is known to the State of California "to cause cancer or reproductive toxicity" under the Safe Drinking Water and Toxic Enforcement Action of 1986, California Health and Safety Code Section 25249.5, et. seq.; and vi. Hazardous material, substances or waste, or toxic materials, substances or waste as those terms or similar terms are defined by any other federal, state, or local law or regulation or orders.

b. <u>Tenant Indemnity</u>. Tenant shall indemnify, hold harmless, and defend the Landlord, its elected officials, officers, employees, agents, and volunteers from and against (a) any and all liability (including reasonable attorneys' fees), directly or indirectly arising from the use, generation, storage, or disposal of Hazardous Materials by Tenant, and (b) the cost of any required or necessary repair, cleanup, or detoxification and the preparation of any closure or other required plans, to the full extent that such liability is attributable, directly or indirectly, to the presence or use, generation, storage, release, threatened release, or disposal of Hazardous Materials by Tenant, its officers, employees, agents, and/or invitees on or with respect to the Premises after the Term Commencement Date.

c. <u>Landlord Indemnity</u>. Landlord shall indemnify, hold harmless, and defend the Tenant and its officers, directors, members, employees and agents from and against (a) any and all liability (including reasonable attorney's fees) directly or indirectly arising from the use, generation, storage, or disposal of Hazardous Materials and (b) the cost of any required or necessary repair, cleanup, or detoxification and the preparation of any closure or other required plans, to the full extent that such liability is attributable, directly or indirectly, to the presence or use, generation, storage, release, threatened release, or disposal of Hazardous Materials on or with respect to the Premises prior to the Term Commencement Date or from the actions of the Landlord or the Landlord's elected officials, officers, employees, agents, and volunteers that result in Hazardous Material being brought to the Premises after the Term Commencement Date.

d. <u>Tenant Release</u>. Other than indemnity claims under subsection (c) above, Tenant releases the Landlord from any and all claims Tenant may have against the Landlord of whatever kind or nature resulting from or in any way connected with the environmental condition of the Premises, including any and all claims Tenant may have against the Landlord under the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended or any other federal, state, or local law, whether statutory or common law, ordinance, or regulation pertaining to the release of Hazardous Materials into the environment from or at the Premises. Tenant expressly waives the benefits of Civil Code Section 1542, which provides as follows:

A general release does not extend to claims which the creditor does not know or expect to exist in his favor at the time of executing the release, which if known by him must have materially affected his settlement with the debtor.

e. <u>Survival of Obligations</u>. Tenant's and Landlord's obligations under this section shall survive termination or expiration of this Agreement.

31. <u>Miscellaneous</u>.

a. <u>Governing Law; Venue</u>. This Agreement shall be construed and interpreted in accordance with the laws of the State of California. In any action or proceeding arising herefrom, the Parties hereby submit to the jurisdiction of the Superior Court of San Joaquin County over any suit, action or proceeding arising out of or relating to this Agreement.

b. <u>Time is of the Essence</u>. Time is of the essence herein.

c. <u>Additional Rent</u>. Any monetary obligations of Tenant to Landlord under the terms of this Agreement shall be deemed to be rent.

d. <u>Quiet Enjoyment</u>. Upon Tenant's paying the Percentage Rent and other sums provided hereunder, and observing and performing all of the covenants, conditions, and provisions on Tenant's part to be observed and performed hereunder, Tenant shall enjoy the quiet possession of the Premises for the entire Term hereof, subject to all of the provisions of this Agreement.

e. <u>Waivers</u>. The waiver by Landlord or Tenant of any breach by the other party of any term, covenant, or condition herein contained shall not be deemed to be a waiver of such term, covenant, or condition or any subsequent breach of the same or any other term, covenant, or condition herein contained. The subsequent acceptance of all or part of the rent due hereunder by Landlord shall not be deemed to be a waiver of any preceding breach by Tenant of any term, covenant, or condition of this Agreement, other than the failure to pay the particular rent so accepted, regardless of Landlord's knowledge of such preceding breach at the time of acceptance of such rent. Acceptance by Landlord of a part payment of the rent or any other sum due shall not be construed as a waiver by Landlord of any rights to collect the balance of the rent due unless Landlord has executed a specific written waiver of the specific amount due on the instrument separate from the check by which the payment is tendered.

f. <u>Brokers</u>. Each party warrants to and for the benefit of the other that is has had no dealings with any real estate broker or other agent (attorneys excepted) in connection with the negotiation or making of this Agreement. Landlord shall indemnify Tenant for breaches by Landlord of this warranty, and Tenant shall indemnify Landlord for any breaches by Tenant of this warranty.

g. <u>Headings</u>. The captions of the various sections of this Agreement are for convenience and ease of reference only and do not define, limit, augment, or describe the scope, contents, or intent of this Agreement or of any part or parts of this Agreement.

h. <u>Inspection of Books and Records</u>. Landlord shall have the right at all reasonable times to inspect the books and records of Tenant relevant to the purposes of this Agreement as provided in Section 4(d)(ii).

i. <u>Merger</u>. The voluntary or other surrender of this Agreement by Tenant, or a mutual cancellation thereof, or a termination by Landlord, shall not work a merger, but instead, at the option of Landlord, shall either terminate all or any existing subtenancies, or at the option of Landlord, operate as an assignment to Landlord of any or all of such subtenancies. j. <u>Gender; Number</u>. The neuter gender includes feminine and masculine, the masculine includes the feminine and neuter, and the feminine includes the masculine and neuter, and each includes corporations, partnerships, and other legal entities whenever the context so requires. The singular number includes the plural whenever the context requires.

k. <u>No Joint Venture</u>. Nothing contained herein shall be construed to render the Landlord in any way or for any purpose a partner, joint venturer, or associate in any relationship with Tenant other than that of Landlord and Tenant, nor shall this Agreement be construed to authorize either party to act as agent for the other, or to make Landlord in any way responsible for the liabilities, debts, or losses of Tenant.

l. <u>Exhibits</u>. All exhibits to which reference is made in this Agreement are hereby incorporated by reference in full. Any reference to "this Agreement" includes matters incorporated by reference.

m. <u>Entire Agreement; Modifications</u>. This Agreement contains the entire agreement between the Parties. No verbal agreement or implied covenant shall be held to vary the provisions hereof, any statements, law or customs to the contrary notwithstanding. No promise, representation, warranty, or covenant not included in this Agreement has been or is relied on by either party. Each party has relied on its own inspection of the Premises and examination of this Agreement, the counsel of its own advisors, and the warranties, representations, and covenants in this Agreement itself. The failure or refusal of either party to inspect the Premises, to read this Agreement or other documents, or to obtain legal or other advise relevant to this transaction constitutes a waiver of any objections, contentions, or claims that might have been based on such reading, inspection, or advise. No provision of this Agreement may be amended or varied except by an agreement in writing signed by the Parties hereto and the lender under a permitted first leasehold encumbrance or their respective permitted successors.

n. <u>Joint and Several Obligations</u>. If more than one person or entity is Tenant herein, the obligations imposed on such parties shall be joint and several.

o. <u>Severability</u>. The invalidity or illegality of any provision shall not affect the remainder of this Agreement and all remaining provisions shall, notwithstanding such invalidity or illegality, continue in full force and effect.

p. <u>Consents of Landlord</u>. Neither Landlord's execution of this Agreement nor any consent or approval given by Landlord hereunder in its capacity as Landlord shall waive, abridge, impair or otherwise affect Landlord's power and duties as a governmental body. Any requirements under this Agreement that Tenant obtain consents or approvals of Landlord are in addition to and not in lieu of any requirements of law that Tenant obtain approvals, licenses, or permits.

q. <u>Execution in Counterparts</u>. This Agreement, or the Memorandum of Agreement, or both, may be executed in two or more counterparts, each of which shall be an original, but all of which shall constitute one and the same instrument.

r. <u>Date of Agreement</u>. The date of this Agreement shall be the date it is signed by the Landlord. Such date shall be inserted in the preamble to this Agreement.

s. <u>Memorandum of Agreement</u>. This Agreement shall not be recorded without Landlord's consent. A memorandum of this Agreement ("<u>Memorandum of Agreement</u>") shall be executed by the Parties and may be recorded in the office of the County Recorder for San Joaquin County by Tenant at any time during the Term after the execution of this Agreement.

t. <u>Force Majeure</u>. If the performance by Tenant of any of its obligations or undertakings under this Agreement is interrupted or delayed by any event of Force Majeure or any occurrence for which the City has declared an emergency not occasioned by the conduct of either party to this Agreement and which directly affects the Premises, then Tenant shall be excused from any further performance for whatever period of time after the occurrence is reasonably necessary to remedy the effects of that event or occurrence. It is specifically agreed and understood that portions of the Premises are part of the City's storm water collection system and as such are used from time to time to retain storm water run-off. It shall not be considered an event of Force Majeure, and Tenant shall not be excused from performance, when the Premises may be inundated by retained storm water runoff.

u. <u>Exterior Signage</u>. Landlord shall use its best efforts to amend its ordinance to allow exterior wall signage for the walls facing Highway 120. Fifty percent (50%) of any revenue derived by Tenant from advertising on said walls shall be included as part of "Gross Revenues" as set forth in Section 4(b) of this Agreement.

v. <u>Loma Agreements</u>. To the fullest extent permitted by law, Landlord agrees to indemnify, hold harmless, and defend Tenant and its members, officers, employees and agents from and against any and all claims, losses, damages, liability, costs, expenses, demands, and causes of action by third parties on account of personal injuries or deaths or on account of property damage arising out of the use of the Land (including the parking areas) by JZJ pursuant to the Loma Agreements, unless such claims, losses, damages, liability, costs, expenses, demands, and causes of action by third parties arise out of the gross negligence, active negligence or willful misconduct of Tenant or its agents or affiliates.

[Signature Page Follows]

IN WITNESS WHEREOF, the undersigned have executed this Agreement as of the Effective Date.

LANDLORD:

CITY OF MANTECA

By:	
Name:	
Title:	Mayor

TENANT:

BIG LEAGUE DREAMS MANTECA, LLC

APPROVED AS TO FORM:

By:	
Name:	
Title:	City Attorney

ATTEST:

By:		
Name:		
Title:	City Clerk	

EXHIBIT A

DEPICTION OF THE SPORTS PARK



EXHIBIT B

TRACT ONE:

Lot 6, as shown on that certain Parcel Map being a portion of Section 1, Township 2 South, Range 6 East, Mount Diablo Base and Meridian, which map was filed in the office of the Recorder of the County of San Joaquin, State of California on May 30, 2018, in Book 26 of Parcel Maps, Page 107.

Excepting therefrom the land as granted to the City of Manteca, a municipal corporation by Correction Grant Deed recorded July 5, 2024, as Instrument No. 2024-055765, San Joaquin County Records.

APN: 241-310-71

TRACT TWO:

A portion of Lot 7, as shown on Sheet 5 of that certain Parcel Map being a portion of Section 1, Township 2 South, Range 6 East, Mount Diablo Base and Meridian, which map was filed in the office of the Recorder of the County of San Joaquin, State of California on May 30, 2018, in Book 26 of Parcel Maps, Page 107.

APN: 241-310-72

EXHIBIT C

PROJECT DESCRIPTION

Sports Park Structures

The food and beverage, retail and other related facilities at the Big League Dreams Manteca Sports Park will be first class and feature unique Big League Dreams design features which will provide local families with a spectacular family entertainment value with good company and good food. This facility will be providing for tourism while enhancing Manteca's reputation as a stable, family-friendly city.

The Structures Premises will contain the following elements, all constructed to a first class standard with high quality building materials:

- 1. Two (2) Stadium Club sports-themed food and beverage (both alcoholic and nonalcoholic) family-style indoor ballpark concessions designed and operated to attract and accommodate league, tournament and corporate users.
- 2. A retail merchandise facility (pro shop).
- 3. Pedestrian circulation areas and walkways.

Sports Park Fields/Courts

The Big League Dreams Manteca Sports Park will be a first class facility featuring unique Big League Dreams design features, and will be a destination park, attracting tournament teams (youth and adult) from ail over the region, state and country. First and foremost, however, it will provide local families with a spectacular family entertainment value. The City of Manteca will be adding tourism while enhancing its reputation as a stable, family-friendly city.

The Manteca Big League Dreams facility will contain the following elements, all constructed to a first class standard with high quality building materials:

- 1. Three lighted youth baseball/softball and adult softball major league stadium replica fields.
- 2. Three additional lighted youth baseball/ softball and adult softball minor league (i.e. non-replica) fields.
- 3. A nine-station batting cage.
- 4. One covered 20,000 square foot multi-sport pavilion, designed to accommodate in-line hockey, basketball, arena soccer, volleyball, and corporate and special events.

- 5. Three sand/beach volleyball courts.
- 6. Two playgrounds (one tot lot and one school age children) and picnic area.
- 7. One Sports Park administrative building including offices, entry gate, and restrooms.
- 8. Parking for Sports Park uses.
- 9. One maintenance building and yard.

EXHIBIT D

FURNISHINGS, FIXTURES AND EQUIPMENT (FF&E)

FURNISHINGS AND EQUIPMENT

A.	Restaurant				
	Desk, Chair, 2 guest chairs	1	3	File Cabinets	
13	Booth Stools		15	30" x 48" Tables	
26	Swivel Bar Stools		12	30" x 30" Tables	
110	Arm Chairs		27	Table Base	
3	60" Television Sets		9	32" Television Sets	
1	Wall Clock			Flags, Art, Graphics	
		Safe, Model #DSF32124			
C.	Corporate/Special Event				
40	Tables, 300 Chairs		30	Baseball Gloves	
2	Portable Bars		2	10' x 10' Party Tents	
1	20' x 20' Party Tent		2	Portable Barbecues	
3 Portable Food Warmers			1	Barbecue Wagon	
	Cons	truction Contract			
		Purchased and ins		and a second second	
				stalled as per the construction d e systems. Items to be included	
Α.	Restaurant				
	Booths		1	Credit Card Machine	vendor
5		and the second second	-	3.4 D 1401	
122	ATM Machine	vendor	3	Menu Board/Signs	
122	ATM Machine Point-of-sale system	vendor	3	Soft drink system	

E.	Retail	
1	Point-of-Sale System	Storage Racks
1	Counter/Fixtures	Display Shelves

OFFICE:

- 2 Copy Machines
- 15 . Computers
- Fax Machines 2
- Desks, Chairs, File Cab

BATTING CAGE:

- 1 Change Machine
- 15 Helmets

SPORTS/ MISCELLAENO

- 1500' Sport Fence
- 1 Portable P.A. System
- 4 Bulletin Boards
- 30 Picnic Tables

MAINTENANCE:

- 1. 5 Gang Mower
- Toro #3100 Vehicle
- John Deere Groomer
- Sweeper
- Acretor
- Fertilizer Spreader 1 Floor Scrubber .
- 2 McClane Edgers
 - 1 Air Compressor
- Drop Spreader 1.
- 2 Pressure Washer
- Reto Tiller 11

Hand Tools

- Landscape Rakes
- Square-Nosed Shovels
- Large Shovels 7
- 4 24" Push Brooms 2
- Regular Brooms 1 · Pde Pruner . .
- Tree Hand Saws 2
- Pisch Fork 1

- Printers
- Safe
- Conference Table, chairs
- Waste Baskets, misc.
- Repair kit, parts Dozen Balls, mats 96

1

- Portable Mounds
- Video Camera, player
- Ash Trays/Urns
- Bike Rack
 - Triplex Mower Utility Vehicle Front-Load Tractor Sodcutter . Topdresser Golf Carts/Utility Beds Toro 22" Mower . Backpack Blowers Rotary Spreader Wheelbarrows Chemical Sprayer
 - Woodcaters

3

Leaf Rakes 4 Pointed Shovels. 4 6" Treaching Shovels Ž 4 50' Hoses 2 Weed Hoes Tree Pruner Power Chain Saw Hand Pump

MAINTENANCE: (continued)

- Irrigation tools
- Wrenches, assorted
- 2 Pipe Saws -
- 5 Quick Coupler Keys

Infield tools

- 2 Nail Drags
- 2 Chalkers
- 2 100' Tapes

Maintenance tools

- 1. Electric Hammer
- 1 Tool Box
- 1 7" Power Saw.
- 1 Electric Multi-Tester
- · 4 Extension Cords .
- 2 Vacuum Cleaners
- 6 Hand-Held Radios
- 1 Spray Rig

- Easy-outs, assorted
- 1 PSI Gauge 4 2.5 Gallen Ges
 - 2.5 Gallon Gas Cans
- 2 Infield Drags
- 2 Batters Box Frames
- 2 400' String Reels
- and the second second
- - 1/4 " Portable Drill
- 4 "Grinder

1

1

- Impact Wrench Set
- Pliers/Tools, assorted
- Electric Pump
- Trash Receptacles, asst.
 - Storage Shelves, asst.
 - Welding Equipment

EXHIBIT E

Depiction of Territorial Restrictions (Non-Competition Zone Map)



DB1/ 153781550.9