

## LEASE COMMENCEMENT AGREEMENT

**THIS LEASE COMMENCEMENT AGREEMENT** (this "Agreement") is made as of this \_\_\_ day of December, 2018, by and among **HOLY GHOST MET MASTER TENANT LLC**, a Pennsylvania limited liability company ("Landlord") and **LIVE NATION ENTERTAINMENT, INC.**, a Delaware corporation ("Tenant").

### RECITALS

A. Landlord (as assignee of Holy Ghost I, LP, a Pennsylvania limited partnership) and Tenant are parties to a certain Event Center Lease dated April 24, 2017 (as amended from time to time, the "Lease") for certain premises in the building located at 858 N. Broad Street, Philadelphia, Pennsylvania, as further described in the Lease (the "Premises").

B. Landlord and Tenant acknowledge and agree that Landlord's Work is not Substantially Complete and that notwithstanding this fact Tenant desires to take possession of the Premises and have the Commencement Date be December 3, 2018, subject to the terms of this Agreement, including, without limitation, possible Rent relief as specifically described below.

NOW THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties, each intending to be legally bound hereby, agree as follows:

1. Recitals and Capitalized Terms. The foregoing recitals are hereby incorporated to this Agreement for all purposes. Initially capitalized terms not defined herein shall have the same meaning ascribed thereto in the Lease.

2. Commencement Date. The parties hereby acknowledge and agree that the Commencement Date shall be December 3, 2018. Tenant shall observe and perform all obligations of Tenant under the Lease (including, without limitation, the maintenance of all insurance required to be procured by Tenant under Section 17.2 of the Lease and the obligation to pay Fixed Minimum Rent, Percentage Rent and Additional Charges thereunder). In connection with the foregoing, Tenant acknowledges and agrees that, so long as Landlord's architect (i.e. Atkins Olshin Schade) delivers to Landlord and Tenant a plan and calculation showing that the Required Capacity is met by the Premises (through a mixture of seated and standing areas), then Tenant shall have no right to terminate or receive any reduction of Rent pursuant to Section 27.28 of the Lease.

3. Expiration Date. The Expiration Date is December 2, 2047.

4. Completion of Landlord's Work. Notwithstanding anything to the contrary contained in the Lease, as a material consideration of Tenant entering into this Agreement the parties hereby agree that (i) as of the Commencement Date the Landlord's Work is not Substantially Complete, (ii) Tenant will commence to pay Rent as provided in the Lease as if the Landlord's Work was Substantially Complete, (iii) the preliminary punchlist is attached hereto and made a part hereof as Exhibit "A" (the "Punchlist") and after the date of this Agreement John Ahrens jointly with the architect of record may supplement the Punchlist from time to time with additional matters noticed by them after the date of this Agreement, (iii) on or before March 15, 2019 (the "Required Completion Date") Landlord shall fully complete the Punchlist items with such completion being determined jointly by John Ahrens and the architect of record with their joint determination being final and binding, (iv) in the event that Landlord fails to fully complete the Punchlist items as set forth above by the Required Completion Date, then for the period beginning March 16, 2019 and continuing through the end of the month in which it has been so jointly determined by John Ahrens and the architect of record that Landlord has fully completed the Punchlist items, the Fixed Minimum Rent payable by Tenant under the Lease shall be reduced by 50% and the Percentage Rent

payable by Tenant under the Lease shall be reduced by 25%, (v) in effecting the completion of Landlord's Work, Landlord (or anyone claiming by, through or under Landlord, including without limitation, its contractor, subcontractors and service personnel) will use commercially reasonable efforts to avoid interfering with or hindering the operations of Tenant in the production and holding of any events (including the load-in and load-out therefor) at the Premises and if such interference or hinderance occurs, Landlord will indemnify and hold Tenant harmless from and against any and all costs, expenses, damages, liabilities and obligations in any way resulting therefrom, including, without limitation, event cancellation or rescheduling damages (it being understood, however, that Tenant shall provide Landlord with at least seven (7) days' notice of any events and load-in/load-out schedules during Landlord's completion of the Landlord's Work), (vi) the completion of the Landlord's Work shall not be performed during any scheduled live entertainment events at the Premises, and (vii) Tenant covenants and agrees that Tenant's indemnity set forth in Section 17.1 of the Lease shall run in favor of Landlord, its contractor (i.e. Domus, Inc.), and their respective officers, directors, employees, shareholders and agents, and each of their respective heirs and assigns. For purposes of the foregoing, the Required Completion Date shall be extended on a day-for-day basis to the extent that the completion of the Punchlist Items is delayed by reason of force majeure.

5. Miscellaneous. This Agreement shall be binding upon and inure to the benefit of the parties hereto, and their respective successors and permitted assigns. This Agreement will be governed by and construed in accordance with the laws of the Commonwealth of Pennsylvania, without reference to the conflicts of law or choice of laws provisions thereof. The parties agree that if any provision in this Agreement should be deemed invalid or unenforceable by any court of competent jurisdiction, such invalidity or unenforceability will not affect the whole Agreement, but the Agreement will be construed as if not containing the particular provision held to be invalid or unenforceable, and the obligations of the parties will be construed and enforced accordingly. This Agreement may be amended or modified in whole or in part at any time only by an agreement in writing signed by each of the parties. This Agreement may be executed in multiple counterparts, each of which shall constitute an original and all of which shall constitute one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first set forth above.

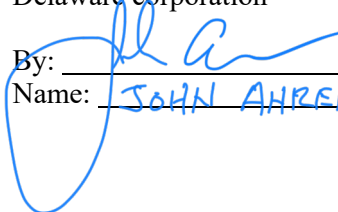
LANDLORD:

TENANT:

**HOLY GHOST MET MASTER  
TENANT LLC**, a Pennsylvania limited  
liability company

**LIVE NATION ENTERTAINMENT, INC.**, a  
Delaware corporation

By: Holy Ghost Met MM, LLC, a  
Pennsylvania limited liability  
Company, its Managing Member

By:   
Name: JOHN AHRENS

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

EXHIBIT "A"  
PRELIMINARY PUNCHLIST ITEMS

**General**

- 1) The Grand Salle, Grand Salle Men's and Women's toilets, Grand Salle catering areas and Grand Salle auxiliary spaces are not complete. Once these spaces are finished, we will complete a punch list for these areas and attach it to this report.
- 2) The exterior signage has not been installed. Once this is finished, we will complete a punch list for this and attach it to this report.
- 3) The entry canopy/ marquee and associated lighting and signage has not been installed. Once this is finished, we will complete a punch list for this and attach it to this report.
- 4) The exterior windows are not complete. Once these are finished, we will complete a punch list for this and attach it to this report.
- 5) The exterior brick repair and painting on Carlisle Street has not been completed. Once this is finished, we will complete a punch list for this and attach it to this report.
- 6) The HVAC systems have not been tested and balanced.
- 7) The elevators have not received their final inspection. Once they are fully operational, we will complete a punch list for these and attach it to this report.
- 8) Roof and Flashing. There are still numerous roof leaks that need to be repaired and the parapet detail needs to be waterproofed.
- 9) The lobby lighting, finishes and bar are not complete. The terrazzo floor surface needs to be repaired, refinished and the threshold ground down to floor level. Once these are finished, we will complete a punch list for this and attach it to this report.
- 10) At all stairs towers, the treads have paint, mortar and other debris on them. This all needs to be removed.
- 11) Remove all temporary lighting and wiring throughout the building.
- 12) Paint all access panels to match the walls.
- 13) Replace LT29 fixtures so they dim with the lighting control system.
- 14) Complete all low voltage terminations.
- 15) Complete the installation of wireless access points.
- 16) Complete the installation of the distributed AV equipment.
- 17) Install cover plates on all devices and open j-boxes.
- 18) Install platform lift near stage.
- 19) Install stair lift to Grand Salle.
- 20) Replace incorrect bar pendant lights with correct fixture.
- 21) Install all missing light fixtures including but not limited to: undercounter lighting at all bars, LT29 fixtures at bars, step lighting at new VIP stairs and stair from lobby to mezzanine boxes, lobby pendant lights, wall sconces at Level 3 under projecting boxes, etc.
- 22) Commission lighting control system and set light levels and scenes once fixtures are completed.
- 23) Patch and repair all holes at drywall partitions.
- 24) Paint all drywall patches.
- 25) Install vinyl graphics at rest room walls.
- 26) Create an interior connection from the Stair 5 to the stage.
- 27) Change locking mechanism on ADA unisex stalls to be lever operated.
- 28) All of the restroom tile base that does not have a tile wainscot in incorrect. It should have a bullnose on the top.
- 29) Remove all nails and metal spikes protruding from brick walls.
- 30) Caulk all countertops in bars and toilet rooms.
- 31) We were not able to complete a walkthrough of the backstage area. On my last walkthrough, there were many patched areas of drywall that needed to be painted, the floors needed to be cleaned and there were a significant number of missing coverplates at electrical devices.

## **Exterior**

- 1) Complete work on Carlisle Street facade.
- 2) Paint brick at area of exterior exit stair on Broad Street side.
- 3) Complete storefront work on Broad Street side of the building.
- 4) Remove temporary power on Poplar Street façade. Repair wall and window in this area.
- 5) Repair and paint or replace gates at exterior exit stairs on both sides of the building.
- 6) Repair existing stage door.
- 7) Caulk all windows.
- 8) Install bird spikes at all exterior piping.

## **Fourth Floor**

- 4.1) The floor paint is damaged throughout this level and needs to be repainted. There are also drips from the ceiling paint that need to be sanded and repainted.
- 4.2) The fourth floor rear bar is missing the countertop and needs to be completed. Once this is finished, we will complete a punch list for this area.
- 4.3) Add quarry tile to fourth floor bar.
- 4.4) The LED drivers, junction boxes and wiring for the step lighting system is loose and needs to be secured to the floor.
- 4.5) The K-13 on the ceiling has overspray from painting the diffuser. This needs to be corrected.
- 4.6) There are pull-strings hanging from the ceiling. The cable should be pulled and terminated and the devices installed.
- 4.7) Remove the temporary lighting at the elevator.
- 4.8) Fill large gaps around the ceiling diffusers and return air grills. Make flush with ceiling.
- 4.9) Finish cleaning all areas. Specifically, clean the end stanchions adjacent to the stair risers.
- 4.10) At single user toilet room at the rear of the auditorium, fix the leak at toilet, replace fire sprinkler pop-down cover, refinish ceiling to be smooth, remove joint compound from top of door, add door stop, repaint door frame, add electrical coverplates.
- 4.11) Clean, caulk at trim out elevator hoistway opening.
- 4.12) House right toilet room. Tile at base molding has uneven grout line.
- 4.13) House right bar area. Paint exterior door frame and create hole for flush bolt at threshold. Add quarry tile behind bar. Replace temp lighting at bar with correct fixture. Clean stair treads. Paint baseboard at bar millwork.
- 4.14) House left toilet room. Repair roof leaks and patch and paint walls and ceiling.
- 4.15) House left bar area. Paint exterior door frame and create hole for flush bolt at threshold. Add quarry tile behind bar. Replace temp lighting at bar with correct fixture. Clean stair treads. Paint baseboard at bar millwork.

## **Third Floor**

- 3.1) The floor paint is damaged throughout this level and needs to be repainted.
- 3.2) Replace broken tiles in house right toilet room.
- 3.3) Repair uneven grout lines in the house right toilet room.
- 3.4) Repair access panels in house right toilet room ceiling.
- 3.5) Remove dangling wire at house right side seating area.
- 3.6) Wall sconces are surface mounted with surface mounted conduit. and do not meet ADA. Install sconces flush with wall with conduit inside wall.
- 3.7) Repair floor patch at house right stair landing.
- 3.8) Paint baseboard trim at bar.
- 3.9) The LED drivers, junction boxes and wiring for the step lighting system is loose and needs to be secured to the floor.

- 3.10) Finish cleaning all areas. Specifically, clean the end stanchions adjacent to the stair risers.
- 3.11) Paint railing at the top of house left stair.
- 3.12) Baseboard heater at house left toilet room is loose and has exposed conduit. Remove stickers from glass.

## **Second Floor**

- 2.1) The floor paint is damaged throughout this level and needs to be repainted.
- 2.2) Replace tiles in house left toilet room where grab bar was relocated.
- 2.3) Recessed can light missing in house left toilet room
- 2.4) Repair broken tile base house right toilet room.
- 2.5) House right toilet room stall door does not close if toilet seat is down.
- 2.6) Install ceiling speaker in house right toilet room ceiling.
- 2.7) Remove dangling wire at house left side area behind seating.
- 2.8) Paint baseboard trim at bar both sides.
- 2.9) Install the stair lift.
- 2.10) The LED drivers, junction boxes and wiring for the step lighting system is loose and needs to be secured to the floor.

## **First Floor**

- 1.1) The floor paint is damaged throughout this level and needs to be repainted in areas.
- 1.2) Install floor boxes with disconnects at all chair end stanchions for aisle lighting.
- 1.3) Make lower aisle center handrails removable.
- 1.4) Remove sharp edge on stair light channel.
- 1.5) Remove tools from under side steps.
- 1.6) Relocate flex conduit at rear aisle lighting.
- 1.7) The front of the lower seating section is very dim. Look at adding a couple lights in this area.
- 1.8) Install the platform lift.
- 1.9) Install the sleeves at the plaster penetrations at the audio rigging holes.
- 1.10) Repair ceiling hole and light at rear toilets in Women's toilet room.
- 1.11) Add light at Women's ADA toilet stall.
- 1.12) Change urinal screens in Men's toilet to create a wider walkway.
- 1.13) Repair loose access panel in the Men's toilet.
- 1.14) Remove window stickers at Men's toilet.
- 1.15) Patch floor and wall gaps at storefront doors on both sides.
- 1.16) Patch floor at house right bar.
- 1.17) Add handrails at exit stair near house right bar.
- 1.18) Paint baseboard trim at bar both sides.
- 1.19) The LED drivers, junction boxes and wiring for the step lighting system is loose and needs to be secured to the floor.

## **Basement Level**

- 0.1) The basement level is mostly incomplete. I will provide a video that shows the condition of the space at 1:00pm Dec. 3<sup>rd</sup>.

## **Audio Visual Work**

Finish column behind mix position so camera can be installed.

Terminate AV cables at equipment rack for Lobby and Bar speakers.

Lobby and Bar TV's not mounted.

Install L5-20 connectors at main and auxiliary mix positions.

Install AV power receptacles next to stage right and stage left AV panels.

## **Kitchen Equipment Work**

Ice machine connections.

Seal between walk-in panels and floor.

Quarry Tile in walk-in cooler.

Equipment connections throughout kitchen.

Main lobby bar equipment connections.

402 Bar equipment connections

407 West VIP Bar equipment connections

408 East VIP Bar equipment connections

**END**