

**RIDA Hotel and Convention Center Project
Lease Summary**

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| Tenant: | RIDA Chula Vista, LLC, a Delaware limited liability company |
| Premises: | A portion of Chula Vista Bayfront Master Plan Parcel H-3, consisting of approximately 36 acres of land in the City of Chula Vista, California, excluding that portion of Parcel H-3 to be used for the Parking Improvements ("Parking Land"). |
| Term: | 66 years |
| Project: | <p>Tenant's Phase 1A Improvements: Those public improvements described in Exhibit "B-1" of the Lease.</p> <p>Initial Project Improvements: A single-branded resort hotel with at least 1,570 Rooms but not more than 1,600 Rooms; approximately 275,000 net usable square feet of associated meeting space; and associated ancillary or incidental uses, such as retail.</p> <p>Parking Improvements (if applicable): 1,600 parking spaces within a parking structure located on the Parking Land (the "Parking Improvements")</p> |
| Construction of Project: | <p>(a) "Outside Construction Commencement Date" of Initial Project Improvements: Ten (10) days after the Commencement Date.</p> <p>(b) "Outside Construction Completion Date" of Initial Project Improvements: Forty-Eight (48) months after the Outside Construction Commencement Date (as such date may be extended by one day for each day that a Force Majeure Event delays Completion of the Initial Project Improvements).</p> <p>(c) Construction of Tenant's Phase 1A Improvements: Concurrent with construction of the Initial Project Improvements.</p> <p>(d) Construction of Parking Improvements: Landlord or Tenant to construct diligently based on conditions of Section 4.3 and Exhibit "R", Exhibit "R-3" or Exhibit "R-4", as applicable.</p> |
| Permitted Use: | <p>The Premises and the Improvements shall only be used as follows and for no other purpose (the "Permitted Use"): (i) a single-branded resort hotel with at least 1,570 Rooms but not more than 1,600 Rooms on the Premises, with an Acceptable Brand (the "Resort Hotel"); (ii) approximately 275,000 net usable square feet of associated meeting space (the "Convention Center" and, together with the Resort Hotel, the "Primary Use"); (iii) any use which is ancillary or incidental to the Primary Use; and (iv) any other use of the Premises and the Improvements that is approved by the Landlord in its sole and absolute discretion in writing; provided that any such uses are not restricted or prohibited by the CDP or any Laws.</p> <p>Acceptable Brand means the "Gaylord Hotels" brand or any other hotel brand that has achieved "AAA Four Diamond" rating standards in a reasonable number of its hotels or the equivalent as determined by Landlord in its reasonable discretion; provided that Tenant shall not terminate the Hotel Management Agreement that is in effect as of the Commencement Date before the date that is the 3rd anniversary of the later of (a) the date that the Initial Project Improvements are Complete and (b) the date that Landlord receives a copy of the final certificate of occupancy with respect to the Initial Project Improvements.</p> |

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| | <p>Resort Hotel Use:</p> <p>The Premises and the Improvements shall be used only and exclusively for the Permitted Use, including the following uses that are ancillary or incidental to the Primary Use and that are designed primarily for Resort Hotel and Convention Center guests and visitors:</p> <ul style="list-style-type: none"> (a) Rental of Rooms; (b) Rental of meeting space, conference room, banquet room or event space in the Convention Center, Resort Hotel or anywhere else on the Premises (collectively, the "Meeting Space"); (c) Full-service restaurant and/or limited service restaurant, including cocktail lounge and any standalone bar or cocktail lounge; (d) Snack bar, delicatessen and/or coffee shop(s); (e) Retail shop(s); (f) Barber and beauty shop; (g) Spa services; (h) Health, recreational, and tennis facilities, including recreational lessons; (i) Bicycle rentals; (j) Rental of automobiles; (k) Motorcycle rentals; (l) Boat rentals, beach equipment rentals and beach-related services; (m) Vending machines, including telephones; (n) Office and counter areas for Resort Hotel management and other ancillary services that are consistent with services provided by a convention center hotel comparable with the Resort Hotel; (o) Installation of telecommunications equipment; (p) Each other use that (i) is ancillary or incidental to the Primary Use, (ii) is customary for a convention center hotel operating in the United States of America and that is comparable with the Resort Hotel and (iii) is not prohibited by the CDP or any Laws. <p>Parking:</p> <p>(i) either (a) subject to an Offsite Parking Land Tidelands Use and Occupancy Permit between Landlord and Tenant, the exclusive right to use a portion of Parcel H-23 for parking motor vehicles and for the development of parking spaces, roadways and other means of pedestrian and vehicular access that are necessary or appropriate for the parking of vehicles for the Initial Improvements in accordance with Plans; or (b) if the Parking Improvements are constructed, Tenant shall have the non-exclusive right to use at least 1,600 parking spaces within the Parking Improvements subject to the terms of an easement or lease between Landlord and Tenant; and (ii) the exclusive right to use any surface parking Tenant may develop on the Premises.</p> |
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| Neighboring Improvements: | <p>Not later than thirty (30) days prior to submitting to the BPC for consideration a preliminary design review or conceptual plan for certain parcels adjacent to the Project ("Neighboring Parcels")(Parcels H-1, H-1A, H8, H9 and H23 located in the Chula Vista Bayfront in the City of Chula Vista, California.), Landlord shall provide Tenant with notice of the proposed agenda item related to such Neighboring Parcels. Within thirty (30) days of receiving such notice from Landlord, Tenant shall have the right to deliver written comments to Landlord on</p> |

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| | the proposed preliminary design review or conceptual plan for such Neighboring Parcels, as applicable, and Landlord shall act in good faith when considering, accepting or rejecting any of Tenant's written comments; provided, however, that Landlord shall have no obligation and shall incur no liability resulting from (i) Landlord's rejection of Tenant's comments or (ii) Landlord's failure to consider Tenant's comments solely because they are not received by Landlord prior to the date of the decision of the BPC. This does not limit the discretion of the Landlord or the BPC in any manner to accept or reject the preliminary design review or conceptual plan for Neighboring Parcels in its sole and absolute discretion. | | | | | | | | |
| Rent Commencement: | <p>The "Rent Commencement Date" shall be the Commencement Date.</p> <p>The "Rental Periods" under the Lease shall be as follows:</p> <table> <tr> <td>First (1st) Lease Period:</td><td>Lease Years 1 – 18</td></tr> <tr> <td>Second (2nd) Lease Period:</td><td>Lease Years 19 – 23</td></tr> <tr> <td>Third (3rd) Lease Period:</td><td>Lease Years 24 – 37</td></tr> <tr> <td>Fourth (4th) Lease Period:</td><td>Lease Years 38 – 66</td></tr> </table> | First (1st) Lease Period: | Lease Years 1 – 18 | Second (2nd) Lease Period: | Lease Years 19 – 23 | Third (3rd) Lease Period: | Lease Years 24 – 37 | Fourth (4th) Lease Period: | Lease Years 38 – 66 |
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| Fourth (4th) Lease Period: | Lease Years 38 – 66 | | | | | | | | |
| Minimum Annual Rent: | <p>The "Minimum Annual Rent" shall be as follows:</p> <p>First (1st) Lease Period: \$0 per Lease Year, Second (2nd) Lease Period: \$3,000,000 per Lease Year, Third (3rd) Lease Period: \$3,500,000 per Lease Year</p> <p>Beginning on the first day of the 4th Lease Period, Minimum Annual Rent equal to 65% of average annual Greater of Rent payable over the immediately preceding 3 Lease Years</p> | | | | | | | | |
| Additional Rent: | During the 1 st , 2 nd and 3 rd Lease Periods, Tenant shall pay additional rent equal to 20% of the amount by which the Net Operating Income for such Lease Year exceeds 11% of the Actual Capital Investment. | | | | | | | | |
| Percentage Rental Rates: | <p>Except for any percentages payable by Tenant for parking, during the First (1st) Lease Period, the Second (2nd) Lease Period and the Third (3rd) Lease Period, the amount of the Percentage Rent for each Lease Year shall be equal to Zero Dollars (\$0).</p> <p>Percentage Rents shall be based on the following percentages of the Gross Income whether collected, uncollected, received, payable or accrued, for each Lease Year in the Fourth (4th) Lease Period:</p> <p>Eight Percent (8%) or Nine Percent (9%) of the Gross Income, as applicable, from rental of Rooms, rental of in-Room movies, sale of similar in-Room entertainment services, charges for room service delivery, sale of telephone services, and sale of laundry and dry-cleaning services as follows:</p> <ul style="list-style-type: none"> (i) Lease Years 38 – 47: Eight Percent (8%) (ii) Lease Years 48 – 66: Nine Percent (9%) <p>(b) Six Percent (6%) or Seven Percent (7%) of the Gross Income, as applicable, from rental of Meeting Space and sale of related merchandise and services provided to Meeting Space (including Gross Income from recovery charges for materials, utilities, security, and similarly related accommodations, sales and services) as follows:</p> <ul style="list-style-type: none"> (i) Lease Years 38 – 47: Six Percent (6%) (ii) Lease Years 48 – 66: Seven Percent (7%) <p>(c) Four Percent (4%) or Five Percent (5%) of the Gross Income, as applicable, from sale of food and nonalcoholic beverages (including, without limitation, coffee, tea or milk) sold in conjunction with food, as follows:</p> <ul style="list-style-type: none"> (i) Lease Years 38 – 47: Four Percent (4%) | | | | | | | | |

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| | <p>(ii) Lease Years 48 – 66: Five Percent (5%)</p> <p>(d) Six Percent (6%) or Seven Percent (7%) of the Gross Income, as applicable, from sale of nonalcoholic beverages (including, without limitation, coffee, tea or milk) not served in conjunction with food for consumption on the Premises and the Improvements, as follows:</p> <p>(i) Lease Years 38 – 47: Six Percent (6%)</p> <p>(ii) Lease Years 48 – 66: Seven Percent (7%)</p> <p>(e) Six Percent (6%) or Seven Percent (7%) of the Gross Income, as applicable, from sale of alcoholic beverages for consumption on the Premises and the Improvements, as follows:</p> <p>(i) Lease Years 38-47: Six Percent (6%)</p> <p>(ii) Lease Years 48-66: Seven Percent (7%);</p> <p>(f) Three Percent (3%) of the Gross Income from sale of packaged alcoholic and nonalcoholic beverages for consumption off of the Premises and the Improvements;</p> <p>(g) Five Percent (5%) of the Gross Income from sale of merchandise including, but not limited to, gifts, novelties, souvenirs, clothing, luggage, jewelry, cigars, cigarettes, candy, sundries, and incidentals of any kind;</p> <p>(h) Five Percent (5%) of the Gross Income from any admission, cover, or other entertainment charges;</p> <p>(i) Five Percent (5%) of the Gross Income from rental of automobiles (whether or not the automobiles are stored or delivered at the Premises and the Improvements);</p> <p>(j) Five Percent (5%) of the Gross Income from sale of health club services, hair cutting and salon services, make-up and beauty services and/or sale of spa services, including but not limited to facials, massages, body wraps, and aromatherapy;</p> <p>(k) Fifteen Percent (15%) of the Gross Income from rental of bicycles and other recreational equipment;</p> <p>(l) Ten Percent (10%) of the Gross Income from sale of recreation lessons;</p> <p>(m) One-half Percent (0.5%) of the Gross Income from sale of any and all California State Lottery tickets;</p> <p>(n) Ten Percent (10%) of the Gross Income from the rental of office space to tourism/visitor-serving tenants and maritime related tenants;</p> <p>(o) Three Percent (3%) of the Gross Income from sale of groceries;</p> <p>(p) Percent (6%) of the Gross Income from sale of passenger tickets for crew-operated excursion boats;</p> <p>(q) Six Percent (6%) of the Gross Income from sale of passenger tickets for crew-operated sport fishing and whale-watching boats;</p> <p>(r) Five Percent (5%) of the Gross Income from sale of merchandise and/or services through coin-operated vending or service machines or devices that are owned, rented, or leased by Tenant or Subtenant;</p> |
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| | <p>(s) Twenty-five Percent (25%) of any commissions and other compensation received for the right to install and operate coin-operated vending or service machines or devices, including telephones, that are not owned, rented, or leased by Tenant or Subtenant;</p> <p>(t) Fifty Percent (50%) of the Gross Income from any and all telecommunications uses which shall include, but are not limited to, rooftop wireless antennas, antennas attached to a building façade, microwave antennas, paging antennas and cell phone equipment, excluding telecommunications uses that exclusively serve the uses on the Premises and the Improvements;</p> <p>(u) Ten Percent (10%) of the Gross Income from sale of business services wherever provided on the Premises and the Improvements, including, without limitation, the sale of internet access or other telecommunication services (including, without limitation, sale of internet access or other telecommunication services in connection with the rental of Rooms, Meeting Space, unless such internet access or other telecommunication services are not separately charged and are incorporated within the rental charge of the relevant Room or Meeting Space;</p> <p>(v) Ten Percent (10%) of any "mark-ups," income, fees and commissions that Tenant receives as compensation for handling and/or selling tickets sold for activities or events occurring outside the Premises and the Improvements and in which neither Tenant nor its Affiliate has a direct or indirect ownership interest (for example, admission tickets to the San Diego Zoo Safari Park located in the City of Escondido); provided, however, that, in the case of an Affiliate of Tenant that has a direct or indirect ownership interest in Tenant, such mark-ups income, fees and commissions shall only be excluded if the Tenant does not retain any of the mark-ups, income, fees or commissions. For the avoidance of doubt and by way of example, if Tenant sells tickets to a Person at the Premises for an event at the Gaylord Rockies and Tenant maintains any portion of the mark-up, income, fee or commission of the tickets, then Tenant shall pay Landlord 10% of such mark-up, income, fee and commission;</p> <p>(w) Ten Percent (10%) of the Gross Income from any and all services or uses permitted under the terms of this Lease and not otherwise addressed within the foregoing provisions; and</p> <p>(x) Twenty Percent (20%) of the Gross Income from any and all services or uses not permitted under the terms of this Lease and not otherwise addressed within the foregoing provisions.</p> |
| Parking Rates: | <p>Parking Improvement Rent Rate:</p> <p>Monthly parking improvement rent equal to the product of the applicable percentage set forth below multiplied by all Tenant Parking Improvement Revenue received during the applicable calendar month:</p> <ul style="list-style-type: none"> • Years 1-37: 12.5% • Years 38-66: 15.0% <p>If there is a Change in Ownership, the rate shall increase immediately as follows:</p> <ul style="list-style-type: none"> • Years 1-37: 15.0% • Years 38-66: 20.0% <p>If Tenant funds the Parking Improvements without subsidy or contribution from the Landlord, monthly parking improvement rent equal to the product of 3%</p> |

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| | <p>multiplied by all Tenant Parking Improvement Revenue received during the applicable calendar month.</p> <p>Surface Parking Improvements Rental Rate:</p> <p>Monthly Surface Parking Improvements Rent equal to the product of 3% until the last day of the calendar month in which the Parking Improvements first become operational, and the applicable Parking Improvement Rent Rate thereafter.</p> <p>Premises Surface Parking Rental Rate:</p> <p>Monthly Premises Surface Parking Rent equal to the product of 3% until the last day of the calendar month in which the Parking Improvements first become operational, and the applicable Parking Improvement Rent Rate thereafter.</p> <p>•</p> |
| Initial Public Financing Payments; Construction Late Charges | <p>If Tenant does not Complete the Initial Project Improvements by the Outside Construction Completion Date for any reason other than Landlord's breach of this Lease, then, from and after the Fifth (5th) Lease Year, Tenant shall pay to Landlord each month the Tenant Public Financing Payment (the "TPFP") based on the formula set forth below (collectively, "Construction Late Charges").</p> <p>TPFP =</p> $\frac{\text{Annual Debt Service} - (\text{Existing Revenues} + \text{District Support Payments})}{12}$ |
| Security Deposit: | <p>\$1 Million</p> <p>Landlord shall release to Tenant or order, as applicable, the full then-remaining amount of the security deposit within ninety (90) days following Completion of all of the Initial Project Improvements and receipt by Landlord of a copy of the final certificate of occupancy with respect to the Initial Project Improvements.</p> |
| Landlord Participation Fee: | <p>Upon each (a) Assignment of this Lease, (b) a change in the composition of the direct or indirect ownership of Tenant, and (c) Sublease of all or substantially all of the Premises and the Improvements, Tenant shall pay to Landlord a fee (the "Assignment Participation Fee") in an amount equal to one percent (1%) of the Assignment Proceeds of such transaction, except (i) where one or more of the members of Tenant as of the time of Completion of the Initial Project Improvements and Landlord's receipt of a copy of the final certificate of occupancy collectively, directly or indirectly, owns at least a 10% ownership interest in the Initial Project Improvements (including through the direct or indirect ownership in Tenant), (ii) in the case of certain Transfers in connection with certain foreclosures or actions in lieu of foreclosure or the immediately subsequent transfer thereof; or (iii) change in direct or indirect ownership interest of Tenant due to an Equity Collateral Enforcement Action or trade on recognized public exchange.</p> |
| Guarantees: | <p>Tenant's obligation to Complete all of the Initial Project Improvements and obtain the final certificate of occupancy with respect to the Initial Project Improvements shall be guaranteed by a Person or Persons reasonably consented to by Landlord and City and with a net worth of at least \$200,000,000. For the Initial Project Improvements and Major Alterations, Tenant shall provide performance bonds and payment bonds or a corporate guaranty from a contractor.</p> |

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| Submission of Redevelopment Plan: | <p>Provided that there is no Event of Default and Tenant submits an Inspection Report and completes any outstanding work called out in the Inspection Report, Tenant shall have the right to submit a redevelopment plan to the Landlord for the Improvements (other than the Existing Improvements) ("Redevelopment Plan") during or before the fifty-fifth (55th) Lease Year.</p> |
| Title to and Demolition of Improvements: | <p>Title to Improvements:</p> <p>All Initial Project Improvements which may be installed, constructed or placed in, on, over or under the Premises, from time to time by Tenant, (a) shall be so installed, constructed or placed at Tenant's sole cost and expense (except for agreed upon contributions for the Convention Center and Tenant's Phase 1A Improvements), (b) shall remain Tenant's property during the Term (except for Convention Center while public financing is outstanding), and (c) subject to Section 7.2, at the expiration or earlier termination of this Lease, shall either be demolished by Tenant at Tenant's sole cost and expense or remain on the Premises and automatically become the property of Landlord without additional compensation from Landlord; provided that, Tenant's trade fixtures, furnishings, moveable equipment and other personal property of Tenant shall remain the property of Tenant and shall be removed by Tenant.</p> <p>Demolition of Improvements:</p> <p>If the Redevelopment Plan is disapproved by the BPC, and Tenant elects to demolish the Improvements ("Tenant's Demolition Election") by written notice to Landlord at any time before the end of the sixty-third (63rd) Lease Year, then Tenant shall demolish all of the Improvements, except for the Parking Improvements (if Landlord paid to fund them), Existing Improvements and any public and private utilities that Landlord requires that Tenant does not demolish by written notice to Tenant ("Landlord's Non-Demolition Notice"), and shall perform all remediation work that is required by the Expiration Date, but not earlier than twelve (12) months prior to the Expiration Date, and Tenant shall obtain all permits required to perform such work in advance of the Expiration Date.</p> <p>If the Redevelopment Plan is not submitted by Tenant during or before the fifty-fifth (55th) Lease Year, or there is an early termination of the Lease by Tenant or due to an Event of Default, or Tenant fails to implement the Redevelopment Plan approved by the BPC prior to the end of the sixty-third (63rd) Lease Year, then Landlord may notify Tenant in writing of what Improvements and public and private utilities Landlord in its sole discretion requires Tenant to demolish and remove.*</p> |