

**ORDINANCE #65665**  
**Board Bill No. 242**

An ordinance, authorizing and directing the Treasurer of the City of St. Louis, acting in his capacity as Supervisor of Parking (hereinafter referred to as "Treasurer") to enter into a ninety-nine (99) year Ground Lease with Option to Purchase with Park East L.L.C., a Missouri Limited Liability Corporation, certain real estate belonging to the City of St. Louis and located in City Block 3884, granting authority to take such further actions as are necessary to effectuate the Ground Lease with Option to Purchase, and containing a severability clause and an emergency clause.

**BE IT ORDAINED BY THE CITY OF ST. LOUIS, AS FOLLOWS:**

**SECTION ONE.** The Treasurer is hereby authorized and directed to enter into a ninety-nine (99) year Ground Lease with Option to Purchase to sell to Park East L.L.C., at a price of not less than Six Hundred Thousand and no/100 Dollars (\$600,000.00) certain real estate belonging to the City of St. Louis and more fully described as follows (hereinafter "Property"), to wit:

A tract of land lying in City Block 3884 of the City of St. Louis, Missouri and being all of Lots 17 and 19 of Dameron's Subdivision, filed for record in Plat Book 19, Page 124 in the land Records of said City of St. Louis more particularly described as follows:

Beginning at the intersection of the West right-of-way line of Euclid Avenue, 60 feet wide and the North right-of-way line of Laclede Avenue, 80 feet wide, said intersection also being the Southeast corner of said City Block 3884, the Southeast corner of said Lot 19 and the TRUE POINT OF BEGINNING for the herein described tract; thence along said North right-of-way line of Laclede Avenue and the South line of said Lots 19 and 17, North 82 degrees 00 minutes 00 seconds West, a distance of 200.10 feet to the Southwest corner of said Lot 17, said corner also being on the East right-of-way line of South Court, 44 feet wide; thence along said East right-of-way line of South Court and the West line of said Lot 17, North 08 degrees 00 minutes 00 seconds East, a distance of 99.02 feet to the Northwest corner of said Lot 17, said corner also being the Southwest corner of Lot 18 of said Dameron's Subdivision; thence along the common line between said Lots 17 & 18, South 82 degrees 00 minutes 00 seconds East, a distance of 95.05 feet to the Northwest corner of said Lot 19, said corner also being the Northeast corner of said Lot 17; thence along the common line between said Lots 19 & 20, South 82 degrees 00 minutes 00 seconds East, a distance of 90.81 feet to the Northeast corner of said Lot 19, said corner also being on the West right-of-way line of said Euclid Avenue; thence along said West right-of-way line of Euclid Avenue and the East line of said Lot 19, South 00 degrees 10 minutes 48 seconds East, a distance of 100.04 feet to the Point of Beginning according to a survey by J. R. Grimes Consulting Engineers, Inc.

**SECTION TWO.** Terms and Conditions. The lease of the Property herein authorized is subject to such terms and conditions of the Ground Lease with Option to Purchase in substantially such form as Exhibit A attached hereto and incorporated herein by reference.

**SECTION THREE.** The Treasurer is hereby authorized and directed to execute and deliver a Special Warranty Deed to Park East, L.L.C. upon the exercise of the option to purchase and payment of the Purchase Price as defined in the Ground Lease with Option to Purchase.

**SECTION FOUR.** The net proceeds of this sale shall be placed in the Parking Trust Fund.

**SECTION FIVE.** Further Authority. The Mayor, the Comptroller, the City Treasurer, and other appropriate City officials are hereby authorized and directed to take such further actions and execute and deliver such other documents, certificates and instruments as may be necessary or desirable to carry out and comply with the terms of the Ground Lease with Option to Purchase and the intent of this Ordinance.

**SECTION SIX.** Severability. The sections of this Ordinance shall be severable. In the event that any section of this Ordinance is found by a court of competent jurisdiction to be unconstitutional, the remaining sections of this Ordinance shall remain

valid, unless the Court finds the valid sections of this Ordinance are so essentially and inseparably connected with, and do depend upon, the void section, that it cannot be presumed that the Board of Aldermen would have enacted the valid sections without the void ones; or unless the court finds the valid sections, standing alone, are incomplete and incapable of being executed in accordance with the legislative intent.

**SECTION SEVEN.** Incorporation of Exhibits. The Exhibits to this Ordinance are hereby incorporated herein by this reference as if such exhibits were duly set forth herein.

**SECTION EIGHT.** Emergency. This being an Ordinance for the preservation of the public peace, health and safety, it is hereby declared to be an emergency measure within the meaning of Section 19 and 20 of Article IV of the Charter of the City of St. Louis, and therefore, this Ordinance shall become effective immediately upon its passage and approval by the Mayor.

**EXHIBIT A**

**GROUND LEASE WITH OPTION TO PURCHASE  
EUCLID/LACLEDE SITE  
LEASE COVER PAGE**

<b>Parties</b>	LESSOR:	TREASURER OF THE CITY OF ST. LOUIS, MISSOURI, ACTING IN HIS CAPACITY AS THE SUPERVISOR OF PARKING METERS
	LESSEE:	PARK EAST L.L.C., A MISSOURI LIMITED LIABILITY COMPANY
<b>Date</b>	September __, 2002	
<b>1.1 Premises</b>	LOCATION:	Northwest corner of Euclid and Laclede Avenues, St. Louis, Missouri, comprising approximately 19,250 square feet
<b>2.1 Term</b>	COMMENCEMENT DATE:	Expiration of Due Diligence Period
	TERM:	99 years, 0 months
<b>2.2 Due Diligence</b>	DUE DILIGENCE PERIOD:	90 days from Lease execution
<b>2.3 Lease Termination</b>	LESSOR'S RIGHT TO TERMINATE:	Any time after 33 months if Lessee has not completed required improvements
<b>4.1 Rent</b>	LEASE YEARS	Annual Base Rent
	1-2	\$ 15,000
	3	\$ 15,000 (for months 1-6)
	3	\$ 15,000 (for months 7-9)
	3	\$ 50,000 (for months 10-12)
		\$200,000 (as increased annually by the percentage increase in the Consumer Price Index)
	MAKE CHECK PAYABLE TO:	Treasurer's Office of the City of St. Louis
<b>4.2 Late Charge</b>	LATE CHARGE:	5% of delinquent payment if not paid w/in 10 days of due date

<b>14.1</b>	<u>LESSOR'S ADDRESS</u>	<u>LESSEE'S ADDRESS</u>
<b>Notices</b>	Treasurer's Office City of St. Louis Room 220, City Hall St. Louis, Missouri 63103 Attn: Larry Williams Fax: (314) 622-3782	Park East L.L.C. 1156 West Armitage Avenue Chicago, Illinois 60614 Attn: Stephen C. Anrod Fax: (773) 755-0700
<b>19.1</b>	Lessee shall have the right to purchase the property for \$600,000.00 during Lease Years 1 and 2 and \$615,000 during Lease Year 3 (subject to rent credits described herein) after completion of required improvements	
<b>Purchase Option</b>		
<b>Exhibit A</b>	Legal Description	
<b>Exhibit B</b>	Confirmation of Lease	

**GROUND LEASE  
WITH OPTION TO PURCHASE**

THIS GROUND LEASE WITH OPTION TO PURCHASE ("Lease") is made and entered into as of the \_\_\_ day of \_\_\_\_\_, 2002, by and between the TREASURER OF THE CITY OF ST. LOUIS, MISSOURI, ACTING IN HIS CAPACITY AS SUPERVISOR OF PARKING METERS ("Lessor") and PARK EAST L.L.C., A MISSOURI LIMITED LIABILITY COMPANY ("Lessee").

W I T N E S S E T H:

For and in consideration of the rents and covenants hereinafter set forth, Lessor hereby leases to Lessee and Lessee hereby rents from Lessor the following-described Premises upon the following terms and conditions:

**ARTICLE I  
PREMISES**

**1.1 Premises.** The Premises shall consist of that certain real property consisting of approximately 19,250 square feet of land and the existing parking lot located thereon which is located at the northwest corner of Euclid and Laclede Avenues in St. Louis, Missouri and which is legally described on Exhibit A attached hereto and incorporated by this reference (the "Premises"). In the event South Court Street should be vacated during the Term of this Lease, the Premises shall include that portion of South Court Street which is adjacent to the Premises.

**ARTICLE II  
TERM**

**2.1 Term.** The term of this Lease shall be ninety-nine (99) years from the "Lease Commencement Date" ("Term"). The Lease Commencement Date shall be that date upon which Lessee shall send Lessor a written Waiver Notice (as that term is defined below) of Lessee's satisfaction and approval of the reports, inspections and other materials reviewed by Lessee in conjunction with Lessee's due diligence exercises associated with developing the Premises as set forth in paragraph 2.2 below. Upon the actual determination by Lessor and Lessee of the Lease Commencement Date and consequently, the Lease Termination Date, Lessor and Lessee shall confirm in writing, the commencement date and the termination date of the Lease by executing the form attached hereto as Exhibit B.

**2.2 Due Diligence.** Lessee shall have ninety (90) days from the date this Lease is fully executed (the "Due Diligence Period") to perform the following actions:

- (a) **Title.** To obtain a commitment for ALTA (Form B) Owner's policy title insurance (through a title insurance company of Lessee's choice) ("Title Insurance Company") disclosing no matters which would adversely affect (or substantially increase the cost of) "Lessee's Intended Use and Development" (as that term is defined below) of the Premises, and specifically disclosing good and marketable title to the Premises by Lessor without exception (printed or special) other than those approved by Lessee ("Approved Exceptions") and with a Form 3.1 Zoning Endorsement insuring

that the Premises is in compliance with applicable zoning, permitting use as Lessee's Intended Use and Development. Lessee's Intended Use and Development shall be defined as the construction of the Foundation Package and the Proposed Improvements, as those terms are defined in Section 2.3(a). In the event liens or encroachments in addition to the Approved Exceptions are discovered prior to the expiration of the Due Diligence Period, upon receipt of notice of such title defect, Lessor may, at its option, but shall not be obligated to cure such defect. Lessor agrees to fully cooperate with Lessee and to attempt to cure such defect, and in connection therewith Lessor agrees to execute such documents as may be reasonably required by any governmental or other agency or other party in order for satisfaction of any title defect, provided, however, Lessor shall not be obligated to incur any cost, liability or expense in connection therewith. In the event that Lessor opts not to or is unable to cure any title defect to the satisfaction of Lessee within fifteen (15) days following Lessee's notice of such defect, Lessee may: (i) accept the state of title subject to the defect, in which event said conditions and exceptions shall be accepted for all purposes and shall thereby be deemed Approved Exceptions; or (ii) at Lessee's cost, cause the Title Insurance Company to insure over such defect at such time as Lessee exercises its Option to Purchase (as such term is defined below).

(b) Survey. To obtain a survey of the Premises acceptable to Lessee prepared by a licensed Missouri land surveyor showing, among other things (i) no encroachments either way across the Premises lines or across easements or set back lines, (ii) no legal restrictions on access to the Premises from adjacent public streets, and (iii) utility lines to the edge of the Premises. Said survey to remain the property of the Lessee.

(c) Zoning. To verify that the present zoning and deed restrictions of the Premises will permit Lessee's Intended Use and Development of the Premises on terms and conditions acceptable to Lessee and at a cost acceptable to Lessee.

(d) Utilities. To verify that all appropriate utilities are available or can be installed on the Premises (including, without limitation, water, sewer, natural gas, electric, and telephone) in proper size and/or capacity to permit Lessee's Intended Use and Development of the Premises and at a cost and on terms satisfactory to Lessee.

(e) Physical. To obtain such satisfactory inspections and assessments of the Premises as are deemed necessary or appropriate by the Lessee, specifically including, but not limited to environmental hazard assessments, soil tests, and engineering and feasibility studies of the Premises.

(f) Document Review. To investigate and approve all legal and operating documents, inspections and reports of any kind pertaining to the Premises, including those to be delivered by Lessor to Lessee pursuant to the terms of paragraph 16.1 below.

(g) Assistance. Verification by Lessee that Lessee will be entitled to receive assistance on terms and conditions satisfactory to Lessee for the following: (i) tax abatement benefits under Chapter 99 RSMo. and/or Chapter 353 RSMo. following Lessee's acquisition of the Premises, (ii) the establishment of a Planned Unit Development or the obtaining of zoning variances and exceptions for the Premises as Lessee may deem necessary, (iii) the establishment of tax increment financing and/or other available assistance programs for the Premises as it will be improved by Lessee (iv) the vacation of a portion of South Court Street, if Lessee deems necessary, and (v) the vacation of all existing sewer easements running across the Premises, if Lessee deems necessary; provided, however, that such assistance shall not require the incursion of any expense on behalf of Lessor.

In the event that Lessee shall not be satisfied with the results of Lessee's above-described inspections, then, in such event, Lessee may deliver a written notice (the "Termination Notice") to Lessor indicating Lessee's unacceptance of the Premises, which Termination Notice must be delivered to Lessor within the Due Diligence Period in order to be effective, whereupon this Lease shall immediately become null and void and of no further force and effect. If Lessee fails to deliver the Termination Notice to Lessor on or prior to the end of the Due Diligence Period, such failure shall be deemed a notice of Lessee's satisfaction with the results of the above described inspections and this Lease shall remain in full force and effect.

Although the Term of this Lease shall not have commenced during the Due Diligence Period, Lessee and its agents are, subject to the rights of any tenants in possession, granted permission to go upon the Premises for the purpose of conducting activities described in this paragraph 2.2, subject to the following requirements and restrictions:

Lessee shall not conduct or allow any physically intrusive testing of, on or under the Premises without first obtaining Lessor's written consent as to the timing and scope of the work to be performed. Lessor does hereby consent

to Lessee taking core samples of the Premises to determine the subsoil conditions of the Premises and to insure that the Premises are in compliance with all environmental laws and regulations and no further consents will be required for this work.

Lessee agrees that it will cause it and any person accessing the Premises hereunder for the purpose of conducting any physically intrusive testing, such as taking core samples of the Premises to be covered by not less than One Million and no/100 Dollars (\$1,000,000.00) commercial general liability insurance (with, in the case of Lessee's coverage, a contractual liability endorsement, insuring its indemnity obligation under this Lease), insuring all activity and conduct of such person while exercising such right of access and naming Lessor as an insured, issued by a licensed insurance company reasonably acceptable to Lessor.

Lessee agrees that, in the exercise of the right of access granted hereby, it will not unreasonably interfere with or permit unreasonable interference with any person occupying or providing service at the Premises. Lessee shall provide Lessor with three (3) days' prior written notice of those days upon which Lessee intends to take core samples of the Premises, it being acknowledged and understood by Lessor and Lessee that such activities may interfere with Lessor's operation of a parking lot on the Premises for the day or two that Lessee shall be taking said core samples.

Lessee agrees to give Lessor three (3) days prior notice of its intent to conduct any physically intrusive inspections or tests so that Lessor will have the opportunity to have a representative present during any such inspection or test, the right to do which Lessor expressly reserves. Lessee agrees to promptly cooperate with any reasonable request by Lessor in connection with the timing of any such physically intrusive inspection or test. Lessee agrees to provide Lessor upon Lessor's request with a copy of any written inspection or test report or summary prepared by any third party.

Lessee agrees that any inspection, test or other study or analysis of the Premises shall be performed at Lessee's expense and in strict accordance with applicable law.

Lessee agrees at its own expense to promptly repair or restore the Premises, or, at Lessor's option, to reimburse Lessor for any repair or restoration costs, if any inspection or test requires or results in any damage to or alteration of its condition.

Lessee agrees to the extent provided by law to indemnify, defend and hold harmless Lessor, and its affiliates, officers, and agents from any loss, injury, damage, claim, lien, cost or expense, including reasonable attorneys' fees and costs, arising from the exercise by Lessee or its employees, consultants, agents or representatives of the right of access under this Lease or out of any of the foregoing. The indemnity in this Section 2.2 shall survive any termination of this Lease.

### **2.3 Lease Termination.**

(a) In the event Lessee shall fail to have completed the construction of the Foundation Package (as that term is defined below) on the Premises sufficient for Lessee's Proposed Improvements (as that term is defined below) by that date which is thirty-three (33) months following the Lease Commencement Date (the "Lease Termination Date"), then, in such event, Lessor shall have the right to terminate this Lease on five (5) days prior written notice to Lessee, which notice of termination must be given, if at all, by Lessor to Lessee within the ninety (90) day period following the expiration of the Lease Termination Date. In the event Lessor shall terminate this Lease pursuant to this provision, Lessor shall refund any and all rent received from Lessee for the fourth year of the Term of this Lease. Lessee's "Proposed Improvements" shall consist of a residential market rate building of not less than eighteen (18) stories in height. The "Foundation Package" for Lessee's Proposed Improvements shall consist of below grade structural foundation elements, including caissons, spread footing foundations, if any, grade beams and elevator pits. Lessee shall apply for the necessary building permits for completing the foundation package by that date which is twenty-seven (27) months following the Lease commencement date and Lessee shall take those actions as are customary in the industry to process said application in an effort to obtain the necessary building permits as quickly as possible. In the event Lessee's application shall be denied or shall not be acted upon in a timely manner and should Lessee initiate a lawsuit against the applicable governmental authority in conjunction with such rejection or failure to act promptly, then, in such event, the Lease Termination Date shall be extended to that date which is ninety (90) days after the date that said litigation shall be concluded. The tolling of the Lease Termination Date, in accordance with the preceding provisions, shall only take effect if the conditions set forth above are satisfied and Lessee's application for the building permit to allow for the construction of the Foundation Package shall be in conformance with all applicable zoning ordinances and any variances thereto and in compliance with all applicable building

codes.

(b) Lessee shall have the right to terminate this Lease on five (5) days prior written notice to Lessor, at any time during the Term of this Lease and for any reason that Lessee may so determine.

### **ARTICLE III** **BASE RENT**

**3.1 Base Rent.** During the Term of this Lease, Lessee shall pay to Lessor without demand, deduction, or offset as rent for the Premises, annual Base Rent on the first day of each year of the Term in the amounts listed hereafter. Base Rent for the first and second years of the Term shall be \$15,000.00 for each year. Notwithstanding the foregoing, the annual base rent for the third year of the Term shall total the sum of \$80,000.00 and shall be paid in three installments. The first installment of \$15,000.00 shall be paid upon the commencement of the third year of the Term and shall represent the rent due for the first 6 months of the third year of the Term. The second installment of \$15,000.00 shall be due at the commencement of the 7<sup>th</sup> month of the third year of the Term and shall represent rent for the 7<sup>th</sup>, 8<sup>th</sup> and 9<sup>th</sup> months of the third year of the Term. The third and final installment of \$50,000.00 shall be due at the commencement of the 10<sup>th</sup> month of the third year of the Term and shall represent rent for the remainder of the third year of the Term. The annual base rent due for the fourth year of the Term and for all years of the Term thereafter shall be increased on an annual basis so as to be equal to the sum of Two Hundred Thousand and no/100 Dollars (\$200,000.00) as increased by the corresponding percentage increase in the "Consumer Price Index" for the preceding twelve (12) month period. For purposes hereof, the term "Consumer Price Index" shall refer to the index now known as the "Consumer Price Index; All Urban Consumers, U.S. City Average, All Items, 1982-84 = 100". In the event the Consumer Price Index is discontinued or changed, then the successor Consumer Price Index prepared by the U.S. Bureau of Labor Statistics or successor agency which most closely approximates the defined index shall be used. In the event Lessee shall exercise its Option to Purchase pursuant to Article XIX below, Lessee shall no longer be obligated to pay any base rent pursuant to the terms of this Lease.

**3.2 Late Charge.** A late charge equal to five percent (5%) of the delinquent payment may be assessed, at Lessor's option, as additional rent in the event that any rental or other sum due hereunder is not paid within ten (10) days after the same shall be due and payable.

### **ARTICLE IV** **REQUIRED BONDS, LIENS and INSURANCE**

**4.1 Foundation Package Security Deposit Bond.** At such time as Lessee shall commence construction of the Foundation Package for Lessee's Proposed Improvements, Lessee shall provide Lessor with a Bond or a Standby Letter of Credit (the "Foundation Package Security Deposit") in an amount equal to the estimated cost to remove the Foundation Package to a depth of 5 feet below grade and to return the Premises to its existing condition prior to the start of construction. In the event Lessee shall then fail to complete the Foundation Package and Lessor shall exercise its option to terminate the Lease pursuant to the provisions of paragraph 2.3 (a) above or Lessee exercises its option to terminate the Lease pursuant to the provisions of paragraph 2.3 (b) above, then, in either event, Lessor shall be entitled to make a draw upon the Foundation Package Security Deposit for any and all amounts which may be required in order to restore the Premises to their present condition. Upon the completion of the Foundation Package or in the event Lessee shall acquire the Premises pursuant to the Option to Purchase contained herein, the Foundation Package Security Deposit shall be released to Lessee.

**4.2 Construction of Foundation Package and Proposed Improvements.** The design and placement of the Proposed Improvements shall be subject to Lessor's prior written approval, not to be unreasonably withheld if the Proposed Improvements are built during the Term of this Lease. Lessee shall prepare and submit to Lessor a proposed set of plans and specifications (the "Preliminary Plans") for the Proposed Improvements. Within ten (10) business days of receipt of the Preliminary Plans, Lessor shall deliver to Lessee its written comments on the Preliminary Plans. The Preliminary Plans shall be revised by Lessee to incorporate Lessor's comments within ten (10) days of delivery of such comments to Lessee. The revised Preliminary Plans shall again be submitted to Lessor, and Lessor and Lessee shall continue the review and approval process as hereinabove provided; provided, however, the response time by each party shall be shortened to five (5) days until the Preliminary Plans have been finally approved by Lessor, whereupon the Preliminary Plans shall be the "Plans". Once approved by Lessor, the Plans shall not be changed without the prior written approval of Lessee and Lessor.

**4.3 Quality of Work.** Lessee shall, at its expense, complete the Foundation Package and the Proposed Improvements in a good and workmanlike manner. Lessee shall utilize first-quality new materials in compliance with all applicable laws,

ordinances, rules and statutes.

**4.4 Foundation Package Payment Bond.** In order to insure and secure the payment of all laborers, materials suppliers, contractors and subcontractors engaged in the construction of the Foundation Package, Lessee shall furnish to Lessor a payment bond in the full amount of the cost to cover the payment of each laborer, material supplier, contractor and/or subcontractor for their contributed portion of the Foundation Package, from a provider with an A-1 or better A.M. Best rating and authorized to do business in the State of Missouri, in a form reasonably acceptable to Lessor ("Foundation Package Payment Bond"). The Foundation Package Payment Bond will specifically include a "Dual Oblige" Rider naming Lessor as a beneficiary of the Foundation Package Payment Bond, and shall be delivered to Lessor prior to the commencement of any construction activities on the Premises. In lieu of the Foundation Package Payment Bond described above, Lessee may provide Lessor with a Standby Letter of Credit issued by a financial institution which is reasonably acceptable by Lessor in the amount set forth above, which may be drawn upon by Lessor to pay any laborer, material supplier, contractor and/or subcontractor in connection with the construction of the Foundation Package, in the event that any such said laborer, material supplier, contractor and/or subcontractor shall threaten to file a lien against the Premises or shall actually file such a lien against the Premises.

**4.5 Proposed Improvements Payment Bond.** After the Foundation Package is completed and should construction commence on the Proposed Improvements during the Term of this Lease, then in order to insure and secure the payment of all laborers, materials suppliers, contractors and subcontractors engaged in the construction of the Proposed Improvements, Lessee shall furnish to Lessor a payment bond equal to the full amount of the of the cost to cover the payment of each laborer, material supplier, contractor and/or subcontractor for their contributed portion of the Proposed Improvements from a provider with an A-1 or better A.M. Best rating and authorized to do business in the State of Missouri, in form reasonably acceptable to Lessor ("Proposed Improvements Payment Bond"). The Proposed Improvements Payment Bond will specifically include a "Dual Oblige" Rider naming Lessor as a beneficiary of the Proposed Improvements Payment Bond, and shall be delivered to Lessor prior to the commencement of any construction activities on the Premises.

**4.6 Proposed Improvements Completion Bond.** If Lessee shall commence construction of Lessee's Proposed Improvements during the Term of this Lease, then in order to insure and secure the completion of the Proposed Improvements, Lessee shall furnish to Lessor a completion bond equal to the full amount of the cost to complete the entire Proposed Improvements from a provider with an A-1 or better A.M. Best rating and authorized to do business in the State of Missouri, in form reasonably acceptable to Lessor ("Proposed Improvements Completion Bond"). The Proposed Improvements Completion Bond will specifically include a "Dual Oblige" Rider naming Lessor as a beneficiary of the Proposed Improvements Completion Bond, and shall be delivered to Lessor prior to the commencement of any construction activities on the Premises.

**4.7 Liens.** If the Premises or Lessee's leasehold interest therein shall at any time during the Term of the Lease become subject to any mechanic's, laborer's or materialmen's lien based upon the furnishing of material or labor to Lessee on the Premises, Lessee shall cause the same, at Lessee's expense, to be discharged within thirty (30) days after notice thereof, unless the lien is then being litigated in good faith by Lessee, in which event Lessee shall indemnify and hold Lessor harmless from and against any such lien and shall secure Lessor to Lessor's satisfaction. Lessee shall have no authority or power, express or implied, to create or cause any lien, charge or encumbrance of any kind against the Premises or Lessor's ownership interest in the Premises.

**4.8 Insurance.** A. During the Term of this Lease, Lessee, at Lessee's expense, shall maintain comprehensive general liability insurance including contractual liability coverage against claims for injury, wrongful death, or property damage occurring upon, in, or about the Premises, with companies and in form reasonably acceptable to Lessor, with single limit coverage of not less than Two Million and no/100 Dollars (\$2,000,000.00). In such policies, Lessor shall be named as an additional insured, as its interest may appear. Evidence of all insurance required hereunder confirming the payment of all premiums for such policies will be delivered to Lessor prior to Lessee's occupancy of the Premises and from time to time at least thirty (30) days prior to the expiration of the term of each such policy.

B. During construction on the Premises, Lessee, at its expense, shall obtain and maintain builder's risk insurance and general liability insurance and worker's compensation insurance adequate to fully protect Lessee, as well as Lessor, from and against any and all liability for death or injury to person, or damage to property, caused by the construction of the Foundation Package and the Proposed Improvements. Evidence that such insurance required hereinunder confirming the payment of all premiums for such policy will be delivered to Lessor prior to the commencement of the Term of this Lease and, from time to time, at least thirty (30) days prior to the expiration of the term of such policy.

**4.8 Liability.** Lessee and all those claiming by, through or under Lessee shall store their property in and shall occupy

and use the Premises and any improvements therein and appurtenances thereto solely at their own risk and Lessee and all those claiming by, through or under Lessee hereby release Lessor, to the full extent permitted by law, from any and all claims of every kind, including loss of life, personal or bodily injury, damage to merchandise, equipment, fixtures or other property, or damage to business or from business interruption, arising, directly or indirectly, out of or from or on account of such occupancy and use or resulting from any present or future condition or state of repair thereof, except those claims arising out of the negligence of Lessor or its agents, directors, officers, employees or contractors. Lessee shall defend and indemnify Lessor and save it harmless from and against any and all claims against Lessor arising from (a) Lessee's use of the Premises or the conduct of its business or from any activity, work or thing done, permitted or suffered by Lessee in or about the Premises, (b) the nonperformance of any covenant or agreement on Lessee's part to be performed pursuant to the terms of this Lease, (c) any act or negligence of Lessee or of any of its agents, contractors, employees, invitees or licensees, and from and against all costs, fines, judgments, reasonable counsel fees, expenses and liabilities incurred in any such claim or in any action or proceeding brought thereon, or (d) Lessee's failure to comply with any and all governmental laws, ordinances and regulations applicable to the condition or use of the Premises or its occupancy.

#### **ARTICLE IV REAL ESTATE TAXES**

**5.1 Real Estate Taxes.** From and after the Lease Commencement Date, Lessee shall pay the appropriate taxing authorities, as they become due and payable and before they are delinquent, for all general real property taxes, levied or assessed (the "Taxes") against the Premises by any local or state taxing authority. Notwithstanding the foregoing, Lessor shall be responsible for the payment of Taxes assessed against the Premises during the calendar year in which this Lease commences and Lessee shall reimburse Lessor for Lessee's pro rata share of said Taxes for the calendar year in which this Lease commences, which, pro rata share shall be based upon the number of days that this Lease was in effect during said calendar year bears to 365 and which amount shall be due and payable on December 31 of the calendar year in which this Lease commences.

#### **ARTICLE VI PURPOSE**

**6.1 Possession and Use.** The Premises shall be occupied and used by Lessee for the operation of a parking lot, a temporary sales office for Lessee's Proposed Improvements or any other lawful purpose which Lessor may so approve in writing. In no event shall the Premises be used or occupied by Lessee in any manner contrary to law, zoning regulations or recorded restrictions, if any.

#### **ARTICLE VII UTILITIES AND PERSONAL PROPERTY TAXES**

**7.1 Utilities.** Lessee shall pay or cause to be paid when due, all charges for gas, electricity, water, sewage services, telephone service, fire detection services, garbage services and any and all other utilities used in or upon the Premises during the Term of this Lease. Lessor makes no representation or warranty regarding the existence of utilities or the adequacy of the existing utilities and shall not be obligated to incur any cost, liability or expense in connection with the maintenance or installation of any utility.

#### **ARTICLE VIII LESSEE IMPROVEMENTS AND ALTERATIONS**

- 8.1 As-Is Condition.** Lessee does hereby accept the Premises in its current as-is condition.
- 8.2 Occupancy Permits.** Lessee shall be responsible for obtaining any and all permits or other licenses or permits from any and all governmental authorities which may be necessary for Lessee's intended use of the Premises.
- 8.3 Lessee's Alterations.** Lessee shall not make any alteration, addition or improvement of a permanent nature to the Premises without first obtaining the prior written consent of Lessor, with the exception of the Foundation Package for Lessee's Proposed Improvements and the relocation of any underground sewer lines in conjunction with such work. Any such alteration, addition or improvement made by Lessee after such consent shall have been obtained shall be made strictly in accordance with all applicable building codes, governmental regulations. Lessee shall indemnify and hold harmless Lessor from and against any mechanic's liens or materialmen's liens or any other liens against the Premises caused by Lessee's alterations or other improvements.

**ARTICLE IX**  
**REPAIRS AND MAINTENANCE & DAMAGE OR DESTRUCTION**

**9.1 Lessee's Obligation to Repair and Maintain.** During the Term of this Lease, Lessee shall, at its own cost and expense, when and if needed, as Lessee determines, maintain and make all needed repairs, maintenance and replacements to the Premises, including but not limited to, the maintenance and repairs which may be necessary to the parking lot, fencing and other physical improvements presently located on the Premises. Lessee shall be required to maintain and repair the paved and landscaped areas of the Premises and shall be responsible for all grass-cutting and for all trash and snow removal from the parking area and driveways.

**9.2 Lessor's Obligation to Repair.** Lessor shall have no obligation to repair, maintain or replace any portion of the Premises.

**ARTICLE X**  
**ASSIGNMENT**

**10.1 Assignment.** Lessee shall not transfer, assign, sublet, enter into license or concession agreements, change ownership or hypothecate this Lease or Lessee's interest in and to the Premises (collectively, a "Transfer") without first procuring the prior written consent of Lessor. Any attempted Transfer without Lessor's written consent shall be void and confer no rights upon any third party. If this Lease or any interest of Lessee herein shall be assigned, or if the whole or any part of the Premises shall be sublet, after having obtained Lessor's prior written consent thereto, Lessee shall nevertheless remain fully liable for the full performance of all obligations under this Lease to be performed by Lessee, and Lessee shall not thereby be released in any manner.

**ARTICLE XI**  
**DEFAULT**

**11.1 Default.** The following events shall be deemed to be events of default by Lessee under this Lease: (a) if Lessee shall fail to make any payment of rent or additional rent or any other payment required to be made by Lessee hereunder, as the same shall become due and payable and shall not cure such failure within ten (10) days after written notice thereof to Lessee; (b) if Lessee shall fail to comply with any term, provision or covenant of this Lease, other than the payment of rent and additional rent, and shall not cure such failure within thirty (30) days after written notice thereof to Lessee (or if any default is of a nature which requires more than thirty (30) days to cure, if Lessee fails to commence such cure within thirty (30) days after written notice of default and thereafter fails to diligently prosecute such cure to completion within a reasonable time thereafter); (c) if Lessee shall become insolvent or shall make a transfer in fraud of its creditors, or shall make an assignment for the benefit of its creditors of Lessee's assets or Lessee's interest in this Lease; or (d) if a receiver or trustee shall be appointed for all or substantially all of the assets of Lessee.

**11.2 Remedies of Lessor.** Upon the occurrence of any such event of default, Lessor may terminate this Lease by delivering a written notice of termination to Lessee, in which event Lessor may immediately repossess the Premises and be entitled to recover sums or damages for which Lessee may be adjudged legally liable to Lessor. Lessee shall thereupon surrender possession and vacate the Premises immediately, and deliver possession thereof to Lessor, and hereby grants to Lessor the full right to enter into and upon the Premises in such event with or without process of law and repossess the Premises and to expel or remove Lessee and any others who may be occupying the Premises and to remove any and all property therefrom, without such entry constituting a trespass, eviction or forcible entry or detainer.

**ARTICLE XII**  
**COMPLIANCE WITH LAWS**

**12.1 Code Compliance.** Lessee shall, at Lessee's sole cost and expense, comply or cause the Premises to comply with all applicable laws, rules, regulations, requirements and ordinances now in force or which may hereafter be in force.

**12.2 Environmental Covenants.** Lessee shall not install, use, generate, store, dispose of or treat in or about the Premises any Hazardous Substance (as that term is defined below) or any substance controlled or regulated by any Environmental Law (as that term is defined below) in a manner which is contrary to applicable Environmental Law. Lessee shall indemnify and hold Lessor harmless from any loss, claim, liability or expense (including, without limitation, attorneys' fees, court costs, consultant fees, expert fees, penalties, fines, removal, clean-up, transportation, disposal and restoration expenses) arising in connection with Lessee's failure to comply with the provisions of this paragraph. Lessee agrees that in the event of any contamination of the Premises



with a copy to: Paster, West & Kraner, P.C.  
100 S. Brentwood Boulevard, Suite 401  
Clayton, Missouri 63105  
Attn: Bryan C. West, Esq.  
Fax: (314) 721-2951

**ARTICLE XV**  
**ESTOPPEL CERTIFICATES**

**15.1 Estoppel Certificates.** Within fifteen (15) days following any written request which Lessee may make from time to time, Lessor shall execute and deliver to Lessee a statement certifying: (a) the date of commencement of this Lease; (b) the fact that this Lease is unmodified and in full force and effect (or if there have been modifications hereto, that this Lease is in full force and effect, as modified, and stating the date and nature of such modifications); (c) the date to which the rental and other sums payable under this Lease have been paid; (d) the fact that there are no current defaults under this Lease by either Lessor or Lessee except as specified in Lessor's statement; and (e) such other matters requested by Lessee. Lessor and Lessee intend that any statement delivered pursuant to this paragraph may be relied upon by any mortgagee.

**ARTICLE XVI**  
**LESSOR'S DELIVERY ITEMS**

**16.1 Delivery Items.** Lessor shall deliver to Lessee within twenty (20) business days of the execution of this Lease all of the following items which Lessor may have in its possession:

- (a) Any studies or other documents in possession of the Lessor relative to the environmental condition of, or to any hazardous or toxic materials on or about, the Premises.
- (b) Any surveys of the Premises.
- (c) Any title commitments or other title information with respect to the Premises with copies of all exception documents.
- (d) Copies of the parking lot lease (if still in effect) and all amendments thereto and all income and expense and other information relative thereto.
- (e) Any documents relating to any special use, nonconforming use, zoning variances granted, easements, encumbrances, special restrictions or deed restrictions in respect to the Premises.
- (f) Copies of current real estate tax bills and special assessments.
- (g) Copies of all plans and specifications for the proposed parking garage immediately north of the Premises, if available.
- (h) Copies of any engineering reports and/or soil compaction studies of the Premises.

**ARTICLE XVII**  
**LESSOR'S REPRESENTATIONS**

**17.1 Lessor's Representations.** Lessor makes the following representations, warranties and covenants. As used in this Section 17.1, the phrase "to the best of Lessor's actual knowledge" shall be limited solely to the actual knowledge of Larry C. Williams, the Treasurer of the City of St. Louis and his staff and consultants, being Chris Bowers, Barry Koenig and Brian Wahby. There shall be no personal liability on the part of said parties.

- (a) **Environmental.** To the best of Lessor's actual knowledge (i) the Premises has not been previously used as site for storage of hazardous waste or other similar use, (ii) there are no pollutants, contaminants or other harmful or hazardous substances (including but not limited to, asbestos-containing materials and/or underground storage tanks) located on the Premises, (iii) there have been no underground releases, discharges or leaks of gasoline, fuel oils or other pollutants or contaminants from any underground storage tanks or otherwise on any property which is adjacent to the Premises, (iv)

the Premises is in compliance with all applicable environmental laws, rules, regulations and ordinances, (v) there have been no notices from any federal, state or local governmental authority having jurisdiction over the Premises to the effect that the Premises is not in compliance with any of such environmental laws, or is the subject of any federal, state or local investigation evaluating whether any remedial action is needed to respond to a release of any hazardous substance onto or from the Premises, and (vi) there are no pending actions with respect to the Premises under any environmental laws.

(b) Legal. To the best of Lessor's actual knowledge, there are no legal or administrative actions or proceedings pending against the Premises or against the Lessor which would affect the Lessor's interest in the Premises.

(c) Access and Title. To the best of Lessor's actual knowledge (i) there is no limitation of ingress or egress to and from the Premises from the adjoining public streets, or plans by any governmental authority to limit such access or expand roadways or easement rights-of-way onto the Premises or (ii) there is no defect in its title to the Premises, whether or not such defect would be disclosed in a commitment for title insurance.

(d) Leases and Agreements. Lessor warrants that (i) there are no leases, tenancies or occupancies in or affecting the Premises and, as a result, Lessee shall be given sole and exclusive possession of the Premises on the Lease commencement date free and clear of any leases or other occupancy agreements, and (ii) there are no other contracts or other agreements of any kind affecting the Premises. Lessor will not, during the pendency of this Lease, enter into any leases, lease amendments, contracts or other agreements of any kind affecting the Premises.

(e) Mechanic's Lien. To the best of Lessor's actual knowledge, there are no construction liens, claims of liens or other claims against the Premises, and bills for any and all work done or materials supplied to the Premises at Lessor's request have been paid in full and will be paid in full through the date of closing.

(f) Transfer Restrictions. The Premises is not currently under contract (or option contract) to another buyer. Lessor shall not transfer, convey, encumber or cause to be sold, transferred, conveyed, encumbered or enter into any agreement to sell, lease, transfer, convey, or encumber its interest in the Premises or any part thereof, in any manner, or otherwise perform or permit any event that shall diminish, encumber or affect Lessor's rights in and to the Premises, or otherwise prevent it from performing fully its obligations hereunder, without the prior written approval of Lessee.

(g) Notices. Lessor has not received any actual notice from any governmental agency, insurance board or underwriting agency or any other source which indicates the possibility of a breach or inaccuracy in any of the covenants, representations and warranties set forth in this Lease or which requires the correction of any condition with respect to the Premises which might be in violation of any law, ordinance, code, regulation or insurance requirements. Lessor covenants that if any such information or notice is received between the date hereof and the Closing (as that term is defined below), it will promptly notify Lessee thereof, it being understood that such notification shall not be deemed to effect a cure of the matters set forth in the notice.

In the event of a breach of any of the above representations, warranties or covenants, Lessor shall hold harmless and defend Lessee from any and all loss, cost or expense (including attorneys' fees) arising therefrom, to the extent provided for by law.

#### **ARTICLE XVIII** **MISCELLANEOUS PROVISIONS**

**18.1 Partial Invalidity**. If any term, covenant, condition or provision of this Lease is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remainder of the provisions hereof shall remain in full force and effect and shall in no way be affected, impaired or invalidated thereby.

**18.2 Attorneys' Fees**. In the event it becomes necessary for either party to employ an attorney to bring suit against the other party for breach of this Lease, then the nonprevailing party shall pay all costs and expenses, including reasonable attorneys' fees of the prevailing party. In addition, should Lessor employ an attorney to recover any sum due under this Lease or because of the breach of any provision of this Lease by Lessee, whether or not suit is filed, Lessee shall pay as additional rent all costs and expenses incurred by Lessor, including reasonable attorneys' fees. Should Lessor be named as a defendant in any suit brought against Lessee in connection with or arising out of Lessee's occupancy hereunder, Lessee shall pay to Lessor its costs and expenses incurred in any suit including reasonable attorneys' fees.

**18.3 Commissions.** Lessor and Lessee do hereby warrant unto each other that neither has had any dealing with any real estate brokers or agents in conjunction with the lease and/or sale of the Premises pursuant to the terms of this Lease, and each does hereby agree to indemnify and hold the other harmless from and against any and all costs, expenses, liabilities, commissions or other compensation or charges which may be claimed by or awarded to any broker or agent claiming under Lessor or Lessee in conjunction with the Lease or sale of the Premises pursuant to the terms of this Lease.

**18.4 Development Fee.** Lessee does hereby agree to pay a Ten Thousand and no/100 Dollars (\$10,000.00) development fee to Lessor in order to assist in defraying the Lessor's administrative, legal and planning costs associated with the Premises. Five Thousand and no/100 Dollars (\$5,000.00) of this fee has already been paid by Lessee to Lessor and the remaining Five Thousand and no/100 Dollars (\$5,000.00) of this fee shall be paid by Lessee to Lessor upon Lessor's execution of this Lease.

**18.5 Sole Agreement.** This Lease contains the entire agreement between the parties hereto and no term or provision hereof may be changed, waived, discharged or terminated unless the same be in writing executed by Lessor and Lessee.

**18.6 Captions.** The paragraph captions are inserted for convenience of reference and are in no way to be construed as a part of this Lease or as a limitation on the scope of the paragraph to which they refer.

**18.7 Benefit.** This Lease shall inure to the benefit of and be binding upon the parties hereto and their respective heirs, executors, administrators, legal representatives, successors, and assigns.

**18.8 Memorandum of Lease.** Lessor and Lessee agree to execute a short form notice of this Lease for recording in the St. Louis City Recorder of Deeds Office and which notice shall contain a reference to the purchase option contained herein.

**18.9 Authority.** Those persons who execute this Lease on behalf of Lessor and Lessee hereby represent and warrant to the other that they are duly authorized to execute this Lease and that the Lease is fully binding upon the respective parties hereto.

**18.10 Condemnation.** In the event that the Premises shall be taken in its entirety by the exercise of the power of eminent domain or pursuant to any agreement in lieu of the exercise of such power (hereinafter called a "Condemnation Proceeding"), then the Lease shall terminate and Lessor and Lessee shall each make their respective claims to the appropriate condemning authority for any compensation in connection with said condemnation. If less than the whole of the Premises shall be taken in a Condemnation Proceeding, Lessee may, at its option, terminate this Lease as of the date of taking of possession by, or the vesting of title in, the condemning authority (said date being hereinafter called the "Taking Date"), if as a result of such taking the remaining portion can no longer be adequately used for the purpose contemplated by this Lease. If a portion of the Premises shall be so taken and Lessee shall not exercise its option to terminate this Lease or if such taking shall not give rise to such option to terminate, as aforesaid, then this Lease shall terminate on the Taking Date only as to the portion(s) of the Premises so taken and there shall be an abatement of rent proportionate to the amount of the portion(s) of the Premises so taken. In the event Lessee then exercises its Option to Purchase (as that term is defined below) on the portion of the Premises not taken, Lessee shall be entitled to a credit, not to exceed the Purchase Price (as that term is defined below), at Closing against the Purchase Price and other sums due and owing from Lessee to Lessor equal to the amount of such condemnation awards and proceeds received by Lessor. Notwithstanding anything to the contrary herein, Lessee shall be entitled to compensation for loss or damage to Lessee's trade fixtures and removable personal property, provided such compensation does not in any way reduce the amount of Lessor's award. It is agreed that Lessor shall oppose any such Condemnation Proceedings and shall cooperate with Lessee in connection with Lessee's attempt to fight any such Condemnation Proceedings.

**18.11 Assistance.** Lessor shall provide Lessee its cooperation in connection with Lessee's efforts to obtain approval from the City of St. Louis relative to the following: (i) the establishment of a Planned Unit Development or the obtaining of zoning variances and exceptions for the Premises as Lessee may deem necessary, (ii) the establishment of tax abatement and/or tax increment financing and/or other available assistance programs for the Premises, (iii) the reduction in the number of parking spaces required for the Premises, as the same shall be improved by Lessee, (iv) the vacation of a portion of South Court Street, if Lessee so elects and (v) the vacation of all existing sewer easements running across the Premises, if Lessee deems necessary; provided, however, that such assistance shall not require the incursion of any expense on behalf of Lessor.

#### **ARTICLE XIX** **OPTION TO PURCHASE**

**19.1 Option to Purchase.** Lessor does hereby grant Lessee the "Option to Purchase" the Premises upon the terms and conditions set forth below, provided that this Lease is in full force and effect and that Lessee shall have completed the

construction of the Foundation Package for Lessee’s Proposed Improvements:

A. Lessee may exercise its Option to Purchase the Premises pursuant to the provisions of this Article XIX by delivering a written notice (the “Option Notice”) to Lessor whereby Lessee notifies Lessor of the exercise of said option, and which Option Notice must be received by Lessor after Lessee shall have completed the construction of the Foundation Package and prior to the expiration of the third year of the Term of this Lease.

B. The “Purchase Price” for the Premises shall be determined pursuant to the schedule set forth below and shall be calculated as of the date that the Option Notice is given and not the date of Closing (as that term is defined below):

<u>If Option Notice is given</u>	<u>Purchase Price</u>
During first lease year	\$600,000.00
During second lease year	\$600,000.00
During third lease year	\$615,000.00

C. Following the calculation of the purchase price set forth in Subparagraph 19.1.B above, Lessee shall be entitled to a credit, against the purchase price of the Premises for any and all rent received by Lessor with respect to the second lease year and the first installment of rent (totaling \$15,000.00 for the first six months of the third lease year) of the third lease year of the Term of this Lease.

D. The Closing for the sale and purchase of Lessor’s interest in and to the Premises pursuant to the exercise of Lessee’s Option to Purchase contained herein (the “Closing”) shall occur on that date which is sixty (60) days after Lessor’s receipt of the Option Notice in accordance with the terms and conditions set forth herein. Once Lessee shall exercise its Option to Purchase the Premises pursuant to the terms of this Article XIX by sending Lessor the Option Notice in accordance with the terms and conditions set forth herein, then, Lessee shall no longer be obligated to pay base rent for the Premises from and after that date.

E. Lessor shall convey all of Lessor’s right, title and interest in and to the Premises by a Special Warranty Deed, free and clear of all liens and encumbrances, except those existing as of the date of the execution of this Lease, and free and clear of any deed of trust or mortgage which Lessor may have caused to be levied against Lessor’s interest in the Premises. In addition to a Special Warranty Deed, Lessor shall also execute at closing a Bill of Sale pursuant to which Lessor shall transfer all of Lessor’s right, title and interest in and to any personal property owned by Lessor and located on and used in conjunction with the operation of the Premises, with full warranties respecting ownership and lack of encumbrances and an Assignment of Lease, transferring and conveying to Lessee, all rights of Lessor under any leases affecting the Premises and any affidavits or certificates customarily executed by sellers in the City of St. Louis in connection with the sale of property similar in nature to the Premises.

F. The representations and warranties of Lessor as contained in this Lease shall be deemed material and shall survive the Lessee’s acquisition of the Premises in accordance with the provisions of this Article XIX.

G. The right of Lessee to acquire the Premises pursuant to the terms of this Article XIX may be assigned by Lessee to any person or entity related to or affiliated with Lessee or its members, but only upon the written approval of the Lessor.

H. The Closing of the sale and purchase of the Premises pursuant to this Article XIX shall be conducted by Specialized Title Services, Inc. at 22 South Central Avenue, Suite 305, St. Louis, Missouri 63105, and in accordance with the general sale conditions and closing practices of the Missouri Real Estate Board and in a manner consistent with standard practices in the St. Louis, Missouri region.

IN WITNESS WHEREOF, the parties hereto have executed this Lease as of the day and year first above written.

LESSOR:

TREASURER OF THE CITY OF ST. LOUIS, MISSOURI,  
acting in his capacity as Supervisor of Parking Meters

By: \_\_\_\_\_  
Larry C. Williams, Treasurer

Date: \_\_\_\_\_

LESSEE:

PARK EAST L.L.C., a Missouri limited liability company

By: \_\_\_\_\_

Stephen C. Anrod, Authorized Member

Date: \_\_\_\_\_

**EXHIBIT A**

Legal Description for the South Part of Euclid/Laclede Lot:

A tract of land lying in City Block 3884 of the City of St. Louis, Missouri and being all of Lots 17 and 19 of Dameron's Subdivision, filed for record in Plat Book 19, Page 124 in the land Records of said City of St. Louis more particularly described as follows:

Beginning at the intersection of the West right-of-way line of Euclid Avenue, 60 feet wide and the North right-of-way line of Laclede Avenue, 80 feet wide, said intersection also being the Southeast corner of said City Block 3884, the Southeast corner of said Lot 19 and the TRUE POINT OF BEGINNING for the herein described tract; thence along said North right-of-way line of Laclede Avenue and the South line of said Lots 19 and 17, North 82 degrees 00 minutes 00 seconds West, a distance of 200.10 feet to the Southwest corner of said Lot 17, said corner also being on the East right-of-way line of South Court, 44 feet wide; thence along said East right-of-way line of South Court and the West line of said Lot 17, North 08 degrees 00 minutes 00 seconds East, a distance of 99.02 feet to the Northwest corner of said Lot 17, said corner also being the Southwest corner of Lot 18 of said Dameron's Subdivision; thence along the common line between said Lots 17 & 18, South 82 degrees 00 minutes 00 seconds East, a distance of 95.05 feet to the Northwest corner of said Lot 19, said corner also being the Northeast corner of said Lot 17; thence along the common line between said Lots 19 & 20, South 82 degrees 00 minutes 00 seconds East, a distance of 90.81 feet to the Northeast corner of said Lot 19, said corner also being on the West right-of-way line of said Euclid Avenue; thence along said West right-of-way line of Euclid Avenue and the East line of said Lot 19, South 00 degrees 10 minutes 48 seconds East, a distance of 100.04 feet to the Point of Beginning according to a survey by J. R. Grimes Consulting Engineers, Inc.

**EXHIBIT B**

**CONFIRMATION OF LEASE TERM**

THIS CONFIRMATION OF LEASE TERM is made this \_\_\_\_\_ day of \_\_\_\_\_, 200\_\_, between TREASURER'S OFFICE OF THE CITY OF ST. LOUIS, MISSOURI ("Lessor") and PARK EAST L.L.C. ("Lessee").

Lessor and Lessee have entered into a certain Ground Lease with Option to Purchase (the "Lease") dated \_\_\_\_\_, \_\_\_\_\_, demising certain space consisting of approximately 19,250 square feet of land located at the northwest corner of Euclid and Laclede Avenues in St. Louis, Missouri. All of the capitalized terms herein shall have the same respective definitions as set forth in the Lease.

Pursuant to the provisions of Article 2.1 of the Lease, Lessor and Lessee, intending to be legally bound hereby, acknowledge and agree that the Commencement Date shall be the \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_, and that the Term of the Lease shall end on the \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_, at 11:59 p.m., unless sooner terminated or extended, as provided in the Lease. As supplemented hereby, the Lease shall continue in full force and effect.

IN WITNESS WHEREOF, the parties hereto have duly executed this Confirmation of Lease Term, this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

LESSOR:

TREASURER OF THE CITY OF ST. LOUIS, MISSOURI, acting in his capacity as Supervisor of Parking Meters

LESSEE:

PARK EAST L.L.C., a Missouri Limited Liability Company

By: \_\_\_\_\_  
Larry C. Williams, Treasurer

By: \_\_\_\_\_  
Stephen C. Anrod, Authorized Member

Date: \_\_\_\_\_

Date: \_\_\_\_\_

**Approved: October 22, 2002**